

Ad hoc announcement pursuant to Art. 53 LR

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HOCHDORF Holding receives provisional debt restructuring moratorium

Hochdorf, 27 August 2024 – **HOCHDORF Holding Ltd has entered into an agreement to sell its operating subsidiary HOCHDORF Swiss Nutrition Ltd (HSN) to AS Equity Partners. HSN will thus be separated from the HOCHDORF Group and will continue to operate under the new ownership. Completion of the transaction is subject, among others, to shareholder approval at an Extraordinary General Meeting on 18 September 2024. HOCHDORF Holding has been granted a provisional debt-restructuring moratorium.**

Chairman of the Board of Directors of the HOCHDORF Group, Jürg Oleas, says: “Given the existential threat facing the entire company due to the legacy debt at holding-level, the Board of Directors has decided to accept the offer of AS Equity Partners to acquire HSN, having carefully considered several sale options. The Board of Directors is convinced that it has found a strong investor and competent owner for HSN in AS Equity Partners to continue to run and develop the company based on the current strategy.”

AS Equity Partners is a financial investor based in Switzerland and the UK with a particular investment focus on tech-enabled businesses in special situations. Andreas Schulte, Founder and Managing Partner of AS Equity Partners says: "The technological expertise of HOCHDORF Swiss Nutrition, its relevance in modern nutrition and the encouraging trend in operational recovery are a compelling basis for us to tap into this interesting international potential. We look forward to continuing the company's 129-year tradition with our investment."

Ralph Siegl, CEO and Delegate of the Board of Directors of the HOCHDORF Group says: “During the intensive exploratory talks, AS Equity Partners expressed great interest in HSN's potential and acknowledged the strategic direction of our transformation process in recent years. HSN’s business activities, particularly in the area of infant nutrition with the Swissness quality feature, are to be further expanded and its reliable role in the Swiss dairy industry secured – with the goal of further improving the company’s profitability in a sustainable manner.”

AS Equity Partners' intention is that HSN will continue to be managed by the existing management team led by CEO Ralph Siegl after the transaction has been completed. He will thus resign from the Board of Directors of HOCHDORF Holding upon shareholder approval of the sale at the Extraordinary General Meeting.

Transaction details on the sale of HSN

In the agreement with AS Equity Partners, HSN is valued at a total enterprise value of CHF 83.0 million. The proceeds from the sale to be paid to HOCHDORF Holding as a fixed payment, less the syndicated loan of CHF 67 million taken over by the acquirer, amount to CHF 15.5 million.

According to an independent valuation report commissioned by the Board of Directors, the sale price is to be assessed as fair.

The completion of the transaction requires, among others, the approval of a qualified majority of the shareholders of HOCHDORF Holding at an Extraordinary General Meeting to be held on 18 September 2024. The invitation to the EGM with the complete agenda is available at <https://www.hochdorf.com/gv2024/>.

The banks participating in the syndicated loan of HSN have given their consent to the transaction, subject to conditions customary for such type of transaction. In addition, at the request of AS Equity Partners, the Swiss Takeover Board has formally declared in its decision of 29 July 2024 that AS Equity Partners as the buyer has no obligation to make an offer regarding the shares of the SIX-listed HOCHDORF Holding due to the transaction.

Subject to the necessary approvals and other customary conditions, the transaction is expected to be completed before the end of 2024.

Over-indebtedness and provisional debt restructuring moratorium at holding level

The proceeds from the sale to be paid to HOCHDORF Holding will not be sufficient to cover the considerable legacy debt, in particular the hybrid bond issued in 2017 amounting to CHF 125 million and the associated outstanding interest payments. In addition, with the entering into the sale agreement, HOCHDORF Holding had to fully write off the intercompany loans granted to HSN years ago totalling CHF 182 million in the balance sheet as of 30 June 2024, resulting in over-indebtedness in the standalone financial statements of HOCHDORF Holding in accordance with Art. 725b of the Swiss Code of Obligations.

HOCHDORF Holding has applied for a provisional debt restructuring moratorium and the appointment of an administrator, which has been granted

by the competent court. The court also subsequently granted the authorization to complete the transaction. At the Extraordinary General Meeting, the renaming of HOCHDORF Holding and the delisting of the company's shares will be proposed to the shareholders.

The creditors of HOCHDORF Holding will be informed in due course in coordination with the administrator as part of the upcoming debt restructuring proceedings and do not need to take any action at this point in time.

HSN's operational business will continue without interruption. HSN will not be affected by the debt restructuring proceedings of HOCHDORF Holding.

Legacy debt left no alternative other than sale

In attempting to secure the operational business and to preserve relating jobs, and having carefully considered various alternatives, a sale of the subsidiary HSN proved to be the only viable option. Despite a promising realignment and a cash-positive business result in 2023 for the first time in a long time, there was no realistic possibility of overcoming the increasing financial burdens at HOCHDORF Group level in the foreseeable future, even if the business remains competitive. The Board of Directors and the Executive Board have ensured that the public were continuously informed of the situation. They also provided shareholders in particular with a transparent account of expected developments at this year's Annual General Meeting. In the view of the Board of Directors and the Executive Board, there is no alternative to the agreed sale of HSN to AS Equity Partners in order to maintain the operational business in its current form.

Jürg Oleas says: “When the current Board of Directors took office in 2020, it found an operating business model that was highly loss-making and unsustainable, and the Group was trapped in a complex financing and capital structure. Everyone at HOCHDORF has worked hard to achieve the operational turnaround under difficult circumstances. These efforts were successful and, after all alternatives for the restructuring of the HOCHDORF Group proved to be unachievable, paved the way for the sale of HSN announced today. This step enables jobs to be protected and HOCHDORF's important partnership with the Swiss dairy industry to be maintained. The proceeds from the sale will, however, only partially cover the considerable legacy debt at holding level. This will have painful consequences for shareholders and bond holders, which the Board of Directors very much regrets. Given the steadily increasing indebtedness of the holding, coupled with the volatile environment for the operational business, we are nevertheless convinced that the sale of HSN to AS Equity Partners is the best solution in the available time. With this in mind, we call on our shareholders to support the transaction.”

HOCHDORF Group key results for the first half of 2024

In the first half 2024, continuous further progress was made in the turnaround of the operational business. The HOCHDORF Group generated net sales revenue of CHF 145.7 million and in line with full-year guidance, achieved a positive operating EBIT of CHF 0.3 million.

With the agreed sale of HSN, this subsidiary is recognised at liquidation values in the HOCHDORF Group's half-year financial statements. Due to the legacy financial burdens, this led to an impairment of CHF 141.3 million compared to book values. As a result, HOCHDORF Group reported an accounting net loss of CHF 141.5 million.

The half-year report with the complete results for the first half of 2024 are published simultaneously today in a [separate announcement](#).

Verfügung der Übernahmekommission

Mit Eingabe vom 16. Juli 2024 stellte die AS Equity Partners Switzerland GmbH bei der Übernahmekommission ein Gesuch um Feststellung des Nichtbestehens der Angebotspflicht i.S.v. Art. 135 Abs. 1 FinfraG. Die Übernahmekommission hat in ihrer Verfügung vom 29. Juli 2024 (publiziert auf <http://takeover.ch>) das Folgende verfügt:

- Es wird festgestellt, dass der Kauf von (i) 100% der Aktien von HOCHDORF Swiss Nutrition AG, (ii) Intercompany-Forderungen von HOCHDORF Holding AG gegenüber HOCHDORF Swiss Nutrition AG in der Höhe von rund CHF 172 Mio. und (iii) Forderungen von HOCHDORF Holding AG gegenüber einer Drittpartei in der Höhe von rund CHF 11 Mio. durch AS Equity Partners Switzerland GmbH oder eine von ihr kontrollierte oder sie kontrollierende Gesellschaft die Angebotspflicht nach Art. 135 Abs. 1 Satz 1 FinfraG nicht auslöst.*
- HOCHDORF Holding AG wird verpflichtet, die allfällige Stellungnahme ihres Verwaltungsrats, das Dispositiv der vorliegenden Verfügung und den Hinweis auf die Möglichkeit der qualifizierten Aktionäre, Einsprache gegen diese Verfügung zu erheben, in Anwendung von Art. 61 Abs. 3 und 4 UEV frühestens zeitgleich mit der Veröffentlichung der Ad hoc-Mitteilung von HOCHDORF Holding AG betreffend Ankündigung der in der vorliegenden Verfügung beschriebenen Transaktion zu veröffentlichen.*
- Die vorliegende Verfügung ist frühestens unmittelbar nach der Veröffentlichung des Dispositivs dieser Verfügung durch HOCHDORF Holding AG auf der Website der Übernahmekommission zu veröffentlichen.*

1. Die Gebühr zu Lasten von AS Equity Partners Switzerland GmbH beträgt CHF 30'000.

Einsprache (Art. 58 Übernahmeverordnung)

Ein qualifizierter Aktionär kann gegen den Entscheid der Übernahmekommission Einsprache erheben. Die Einsprache muss innerhalb von fünf (5) Börsentagen nach der Veröffentlichung des Entscheids der Übernahmekommission bei der Übernahmekommission (Stockerstrasse 54, 8002 Zürich, Schweiz) eingereicht werden. Der erste Börsentag nach der Veröffentlichung des Entscheids der Übernahmekommission auf der Website der Übernahmekommission ist der erste Tag der Einsprachefrist. Die Einsprache muss einen Antrag, eine summarische Begründung und den Nachweis der qualifizierten Beteiligung ab Veröffentlichung der Verfügung der Übernahmekommission enthalten.

Décision de la Commission des OPA

Par envoi du 16 juillet 2024, AS Equity Partners Switzerland GmbH a déposé auprès de la Commission des OPA une requête en constatation de l'inexistence de l'obligation de présenter une offre au sens de l'art. 135 al. 1 LIMF. Dans sa décision du 29 juillet 2024 (publiée sur takeover.ch), la Commission des OPA a décidé ce qui suit :

1. *Il est constaté que l'achat de (i) 100% des actions de HOCHDORF Swiss Nutrition AG, (ii) des créances intra-groupe de HOCHDORF Holding AG envers HOCHDORF Swiss Nutrition AG à hauteur d'environ CHF 172 millions et (iii) des créances de HOCHDORF Holding AG envers un tiers à hauteur d'environ CHF 11 millions par AS Equity Partners Switzerland GmbH ou une société contrôlée par elle ou la contrôlant, ne déclenche pas l'obligation de présenter une offre selon l'art. 135, al. 1, première phrase LIMF.*
1. *HOCHDORF Holding AG est tenue de publier la prise de position éventuelle de son conseil d'administration, le dispositif de la présente décision et l'avis sur la possibilité pour les actionnaires qualifiés de faire opposition à cette décision, conformément à l'article 61 al. 3 et 4 OOPA, au plus tôt en même temps que la publication de la communication ad hoc de HOCHDORF Holding AG concernant l'annonce de la transaction décrite dans la présente décision.*
1. *La présente décision doit être publiée au plus tôt immédiatement après la publication du dispositif de cette décision par HOCHDORF Holding AG sur le site internet de la Commission des OPA.*
1. *Les frais à la charge de AS Equity Partners Switzerland GmbH*

Opposition (article 58 de l'Ordonnance sur les OPA)

Un actionnaire qualifié peut faire opposition à la décision de la Commission des OPA. L'opposition doit être déposée auprès de la Commission des OPA (Stockerstrasse 54, 8002 Zurich, Suisse) dans un délai de cinq (5) jours de bourse à compter de la date de publication de la décision de la Commission des OPA. Le premier jour de bourse après la publication de la décision de la Commission des OPA sur le site internet de la Commission des OPA sera le premier jour du délai d'opposition. L'opposition doit contenir une conclusion, une motivation sommaire et la preuve de la participation qualifiée dès la publication de la décision de la Commission des OPA.

Decision of the Swiss Takeover Board

By submission dated 16 July 2024, AS Equity Partners Switzerland GmbH filed an application with the Takeover Board for a declaration of non-existence of the duty to make an offer within the meaning of Art. 135 para. 1 FMIA. In its decision of 29 July 2024 (published on [takeover.ch](https://www.takeover.ch)) the Takeover Board ruled the following:

- 1. It is declared that the purchase of (i) 100% of the shares of HOCHDORF Swiss Nutrition AG, (ii) inter-company receivables of HOCHDORF Holding AG against HOCHDORF Swiss Nutrition AG in the amount of approximately CHF 172 million and (iii) receivables of HOCHDORF Holding AG against a third party in the amount of approximately CHF 11 million by AS Equity Partners Switzerland GmbH or a company controlled by it or controlling it does not trigger the duty to make an offer pursuant to article 135 para. 1 sentence 1 FMIA.*
- 1. HOCHDORF Holding AG shall publish any potential statement of its board of directors, the dispositive of the present decision and the reference to the possibility of qualified shareholders to file an objection against this decision in accordance with Art. 61 para. 3 and 4 TOO no earlier than simultaneously with the publication of the ad hoc announcement of HOCHDORF Holding AG regarding the announcement of the transaction described in the present decision.*
- 1. This present decision shall be published on the website of the Takeover Board at the earliest immediately after the publication of the dispositive of this decision by HOCHDORF Holding AG.*
- 1. The fee charged to AS Equity Partners Switzerland GmbH amounts to CHF 30,000.*

Objections (Article 58 Takeover Ordinance)

A qualified shareholder may file an objection against the Takeover Board's decision. The objection must be filed with the Takeover Board (Stockerstrasse 54, 8002 Zurich, Switzerland) within five (5) trading days from the date of publication of the decision of the Takeover Board. The first trading day after the publication of the decision of the Takeover Board on the Takeover Board's website will be the first day of the filing period. The objection must contain a motion, summary reasons and proof of the qualified participation as from the publication of the Takeover Board's decision.