

Information on the Invitation to the Extraordinary General Meeting of September 18th, 2024

Dear Shareholders

Invitation

As announced during the Annual General Meeting of Mai 15th, 2024, we invite you to an Extraordinary General Meeting on September 18th, 2024. This Meeting could be of existential importance for securing the future of Hochdorf Swiss Nutrition AG's (HSN) operations and jobs.

Successful search for investors

As previously announced, the Board of Directors of HOCHDORF Holding Ltd has conducted an intensive confidential process to find suitable investors for the company's operating business in recent months. This very challenging process was closely supported by proven experts in company restructuring and refinancing as well as legal experts. The Board of Directors and the senior management team can now reveal that the search for investors has been successful.

AS Equity Partners: Sale agreement

After carefully reviewing and considering several offers from investors from Switzerland and abroad, we propose to shareholders at an Extraordinary General Meeting the sale of HOCHDORF Swiss Nutrition (HSN) to the investor AS Equity Partners A share purchase agreement was signed with AS Equity Partners for 100% of the HSN shares. 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 buyer, 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 under the circumstances.

The share purchase agreement is subject to shareholder approval at an Extraordinary General Meeting of HOCHDORF Holding. Subsequently, subject to customary conditions, the completion of the sale and transfer of the company to AS Equity Partners can be expected before the end of 2024. Representatives of AS Equity Partners will introduce themselves to the shareholders in person at the Extraordinary General Meeting.

Solid foundations for the future

With the acquisition of HSN by AS Equity Partners the operational business of the HOCHDORF Group will be placed on new and solid foundations for the future. The operational progress achieved by the management that is in place since 2022 was the prerequisite for the sale. The strategy that was consistently pursued by the Board of Directors and senior management team, focusing on value creation for milk and whey protein in the form of Swiss infant formula, convinced all the investors presenting a final offer of HSN's future potential. AS Equity Partners have shown themselves to be the most suitable and competent future owners in the eyes of the Board of Directors.

Holding company in debt restructuring moratorium

The Board of Directors and senior management team support the proposal to sell HSN to AS Equity Partners without reservation. We ask you, our valued shareholders, to approve this transaction. We are well aware that the decision is not an easy one for you from a financial point of view; the proceeds from the sale will not provide the holding company with sufficient funds to repay the debt from the senior hybrid bond, let alone for shareholder claims. We deeply regret these painful consequences for shareholders and bondholders, which may even result in the total loss of their investments.

The loans from HOCHDORF Holding to HSN must be fully written-off due to the sale agreement, 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 been granted a provisional debt-restructuring moratorium. At the Extraordinary General Meeting, the renaming of HOCHDORF Holding and the delisting of the company's shares will be proposed to shareholders.

As we have detailed extensively, there is unfortunately no alternative to the sale, which is the result of previous business mistakes, in order to maintain the operating business. We call on you to vote in favour of our proposals, in order to secure the future of HSN as a specialist Swiss infant formula company and an important player in the Swiss milk market, and to help protect jobs.

Securing the future for Swiss infant formula and milk business

Dear shareholders, with the sale of HSN to a committed investor who has carefully assessed the opportunities and risks and can support the further recovery and value creation of the HSN company, a sad phase in the long history of the traditional HOCHDORF company will ultimately have a positive outcome for the employees, (milk) suppliers and customers of HSN in Switzerland and abroad. The popular Swiss infant formula brand Bimbosan can continue to play its part in keeping young families happy. There will also be opportunities for many new, high-quality products in the milk and protein powder segment, made from best Swiss milk, to develop on the market. We would like to thank you if you can agree with this perspective.

Thank you to all shareholders

On behalf of the Board of Directors, the senior management team and all employees at HOCHDORF, we would like to thank you for your loyalty and trust. We would also like to take this opportunity to thank the various external partners and experts, who have worked with us to create this perspective for the company with great commitment.



Ralph Siegl (CEO and Delegate of the Board of Directors) and Jürg Oleas (Chairman of the Board of Directors)

Jürg Oleas
Chairman of the Board of
Directors

Ralph P. Siegl
CEO and Delegate of the Board of Directors