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Agenda



- 2020 Milestones
 Peter Pfeilschifter, CEO
- **2020 Financial Results**Nanette Haubensak, CFO
- **Strategy 2025**Peter Pfeilschifter, CEO
- 2021 Outlook
 Peter Pfeilschifter, CEO
- **Questions & Answers**Peter Pfeilschifter, CEO & Nanette Haubensak, CFO





Milestones in the 2020 Business Year

Peter Pfeilschifter, CEO





Our main priority was to protect our employees, production and delivery capabilities, and to drive forward our long-term business development.

- Our priority was
 - Protecting our employees
 - Maintaining production, international supply chain and delivery capabilities
 - Securing our liquidity and balance sheet
- We increasingly felt the impact of Covid-19 on HOCHDORF as the year continued:
 - The halt to shopping tourism led to increased domestic demand for fresh and long-life dairy products; among other things, this meant that we were not able to fully meet our cream contracts in 2020
 - Demand from Swiss premium chocolate manufacturers has fallen sharply, partly due to the lack of tourism and the slump in duty-free business worldwide
 - International projects have been increasingly delayed throughout the year
 - We were able to largely compensate for these massive upheavals through our broad and diversified customer and product portfolio

Restructuring consistently implemented



2020 continued to be dominated by the restructuring of the HOCHDORF Group that began in mid-2019.

Sale



Start of liquidations



Sale



Feb 2020

May 2020

Nov 2020

Dec 2020

Wheat germ production ceased at Hochdorf site







"OPTIMA" — our programme for increasing efficiency has become a key aspect of the HOCHDORF culture. We are also strengthening the long-term competitiveness of the Bimbosan brand by moving to the Hochdorf site.

Start of the OPTIMA programme



Move to Hochdorf and sale of the Welschenrohr site



Jan 2020

Feb 2020

Oct 2020 - Jan 2021

Production on spray towers Niro 2 and 3 at the Hochdorf site ceased

Strategy 2025 developed



In the second half of 2020, the Board and the Group Management focused on creating a stable and future-proof structure

New composition of the Board of Directors











Launch of "Future 2030 – what does HOCHDORF stand for?"



Jun / Jul 2020

New members of Group Management in post





Oct 2020

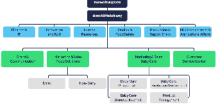
Dec 2020

Jan 2021

Adoption of Strategy 2025



Implementation of new structure







Numerous product innovations were developed to market maturity and launched in national and international markets.

> Introduction of the **EU** and **CODEX** formulations for own brands & B2B



Market launch of Bimbosan in **Vietnam**



Market launch of Babina Plus in



Sales launch for bisoja & goat milk products in **Central America Switzerland**



Jan 2020

Feb 2020

Jun / Aug 2020

Oct 2020

Dec 2020

Marketing of **MCT** products



Lactose-free skimmed milk and whole milk powder







Launch of **whey UK** market competence **centre** in Sulgen



launch of Bimbosan



Pharmalys and China SAMR approval



Success and challenges in the strategy implementation

- Operational cooperation with Pharmalys improved and expanded; including new production innovation and brand and market registrations
- Contractual arrangement agreed over the remaining payment of the sale price from the resale of Pharmalys Laboratories SA with an extended deadline to 30 September 2021, secured by additional extensive collateral from Pharmalys Invest Holding AG, Pharmalys Laboratories SA and Amir Mechria.
- China trademark approval with SAMR (State Authority of Market Regulation) technical dossier submitted to SAMR approval office in October 2020 – approval pending





Achievement of the sales and earnings targets published for 2020 Positive adjusted operating EBIT of core business

- Covid-19 challenges overcome
 - Employees, production and delivery capabilities protected
 - Customer and product portfolio largely compensated for massive Covid-19 distortions
 - Business model secured with liquidity and balance sheet remains strained
- Restructuring consistently implemented focus on core business
- OPTIMA efficiency improvement programme strengthens our cost competitiveness
- Strategy 2025 developed further foundations laid for the future
- Innovations strengthen our market position and value creation nationally and internationally
- Financial targets in line with annual forecast 2020 for sales and EBITDA achieved despite restructuring, special effects and the distortions caused by the Covid-19 pandemic on the national and international raw material and sales markets
- Operational stabilisation of the core business: adjusted operating EBIT positive



Financial Results for the 2020 Business Year

Nanette Haubensak, CFO





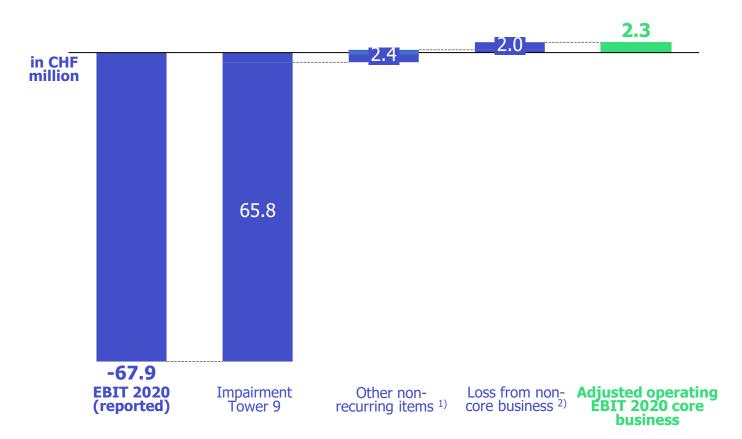
Implementation of restructuring and other efficiency-increasing measures with positive impact

- Consistent implementation of the restructuring agreed in 2019:
 - Sale of Uckermärker Milch GmbH, Marbacher Oelmühle GmbH
 - Liquidation of Zifru Trockenfrüchte, Snapz Food AG / USA
 - Wheat germ production ceased at the Hochdorf site
- Portfolio streamlining shows significantly improved gross margin (with reduced net sales) and cost structure in the 2020 financial year
 - => adjusted operating EBIT of the core business positive
- Additional impairment of spray tower line 9 and canning line 2 at the Sulgen site with negative EBIT effect of CHF 65.8 million.
- Further optimisation projects set up and implemented: establishment of OPTIMA cost efficiency programme with first successes; closure of Welschenrohr site
- Balance sheet and liquidity situation remains strained





After adjustment for special effects, the operating EBIT of the core business is positive in 2020.



Comparison: for 2019, an adjusted operating EBIT for core business of CHF -7 million was reported (see 2020 Annual Results Press Conference)

Operating EBIT improvement of core business of CHF 9.3 million from 2019 to 2020

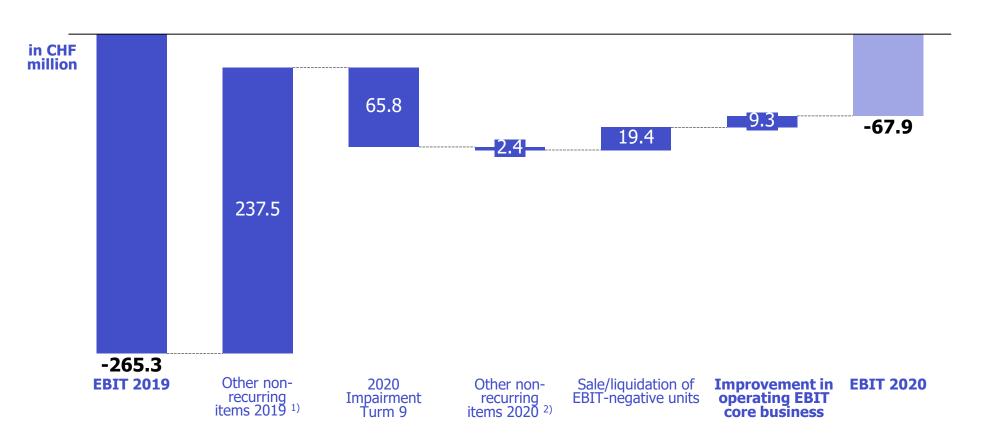
¹⁾ Value adjustments book values closure of sites, loss event, gain on disposal, provisions

²⁾ Uckermärker Milch GmbH (sold Feb. 2020), Marbacher Oelmühle (sold 31.12.2020), Zifru Trockenprodukte GmbH / Snapz Foods (both in liquidation)



EBIT bridge 2019 to 2020

There is a significant EBIT improvement in 2020 due to sales and liquidations of EBIT-negative units.



- 1) Loss of major customer, loss event Sulgen, impairments, investment loss
- 2) Value adjustments book values closure of sites, loss event, gain on disposal, provisions
- Sale of Pharmalys Lab. SA, Uckermärker Milch GmbH, Liquidation Zifru Trockenprodukte GmbH / Snapz Foods AG

Income statement key figuresNet sales revenue and EBITDA within range forecast



in CHF million	2018	2019 (adjusted)	2020
Net sales revenue	561.0	456.8	306.2
Earnings before interest, tax, depreciation and amortisation (EBITDA) as % of production revenue	35.9 6.3	-74.7 -17.0	13.9 4.5
Earnings before interest and taxes (EBIT) as % of production revenue	18.6 3.0	-265.3 -60.3	-67.9 -22.3
Net profit as % of production revenue	8.7 1.5	-271.4 -61.7	-70.3 -23.0

2019 figures adjusted due to the change in the valuation principles for the hybrid bond.

Balance sheet

HOCHDORF Swiss Nutrition Solutions

Equity ratio stabilised at previous year level

in CHF million	31.12.2019 (adjusted)		31.12.2020		
Current assets	182.7	40.1%	144.9	44.7%	
Fixed assets	272.9	59.9%	179.0	55.3%	
Total assets	455.6	100.0%	323.9	100.0%	
			31.12.2020		
Current liabilities	68.6	15.0%	31.5	9.7%	
Non-current liabilities	129.2	28.4%	111.9	34.5%	
Total liabilities	197.8	43.4%	143.4	44.2%	
Equity	257.8	56.6%	180.5	55.8%	
Total liabilities and equity	455.6	100.0%	323.9	100.0%	

2019 figures adjusted due to the change in the valuation principles for the hybrid bond.

Cash flow statement



Positive values for "Earned capital" and "Free cash flow"

in CHF million	31.12.2019 (adjusted)		31.12.2020	
Earned capital	-34.8	-7.6%*	11.1	3.6%*
Change in net current assets	19.4		-22.4	
Operating cash flow	-15.4	-3.4%*	-11.3	-3.7%*
Investment activity	31.7		28.7	
Free cash flow	16.3	3.6%*	17.3	5.7%*
Financing activities	-26.8		-24.9	
Currency effects	-0.1		-0.2	
Total in/out flow	-10.6		-7.8	
Cash and cash equivalents as of 1.1.	30.8		20.2	
Cash and cash equivalents as of 31.12.	20.2		12.4	

^{*} In % net sales revenue

2019 figures adjusted due to the change in the valuation principles for the hybrid bond/separate disclosure of cash and cash equivalents and securities





The Board of Directors is not recommending payment of a dividend.

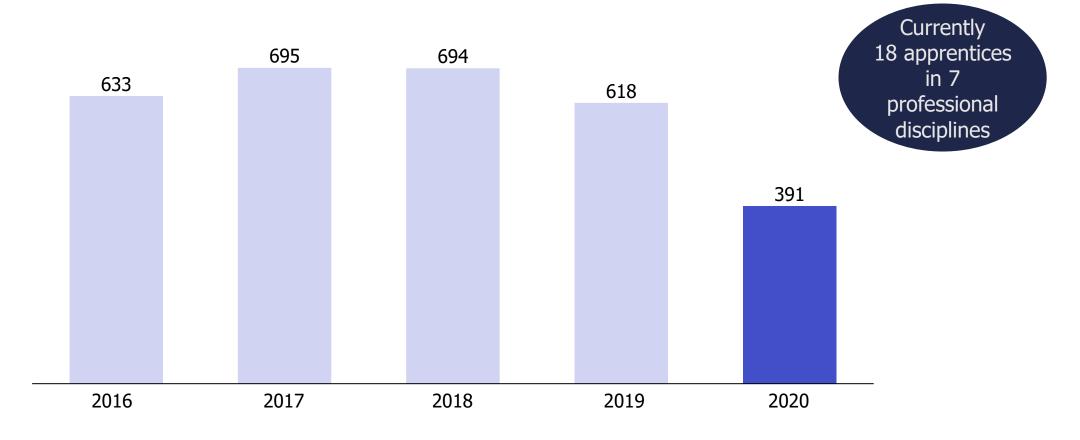
	2016	2017	2018	2019	2020
Earnings per share (in CHF)	14.12	18.43	2.02	-164.56	-34.60
Payout per share (in CHF)	3.80	4.00	0.00	0.00	0.00*
Dividend return	1.23%	1.40%	0.0%	0.0%	0.0%
Price at close of trading 31.12. (in CHF)	309.75	286.25	102.00	83.20	63.2
Market capitalisation as at 31.12. (in CHF million)	444.4	410.7	146.3	146.3	136.0
P/E (price/earnings ratio) as at 31.12.	21.9	15.5	50.4	n.a.	n.a.

^{*} Motion from the Board of Directors to the Annual General Meeting





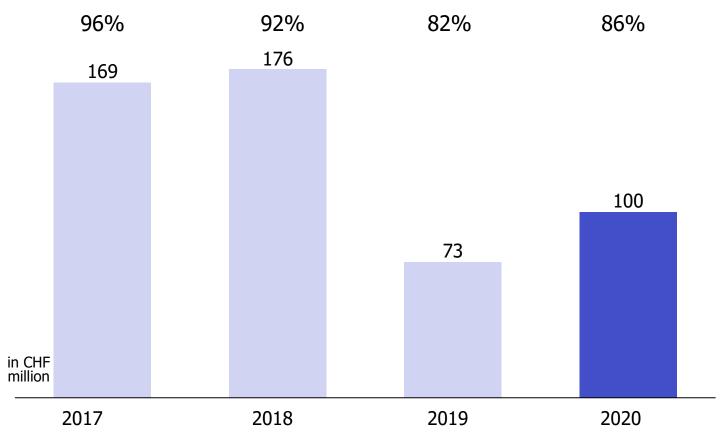
Divestments of various units led to significantly lower staff numbers. The proportion of women is just under 30%; within management this figure is just under 20%.



Baby Care division net sales revenue

HOCHDORF Swiss Nutrition Solutions

Special effects strongly influence the Baby Care net sales revenue



From CHF 73 million to CHF 100 million (CHF +27 Mio.)

- Non-recurring items 2019:
 CHF +47 million
- Loss of a major customer in 2019: CHF -17 million
- Pharmalys net effect: CHF -7 million*
- Baby care net growth 2020: CHF +4 million

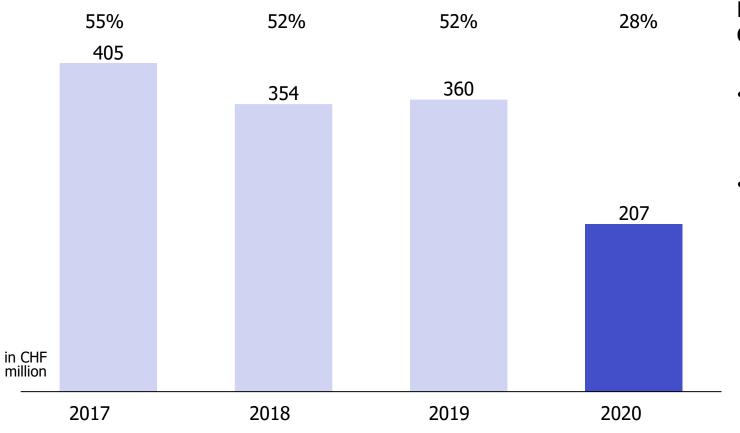
xx%: Foreign business share net sales revenue

^{*} as a subsidiary of the HOCHDORF group from November 2019

Food Solutions division net sales revenue



Net sales revenue in the Food Solutions division strongly impacted by divestments and Covid-19.



From CHF 360 million to CHF 207 million (CHF -153 Mio.)

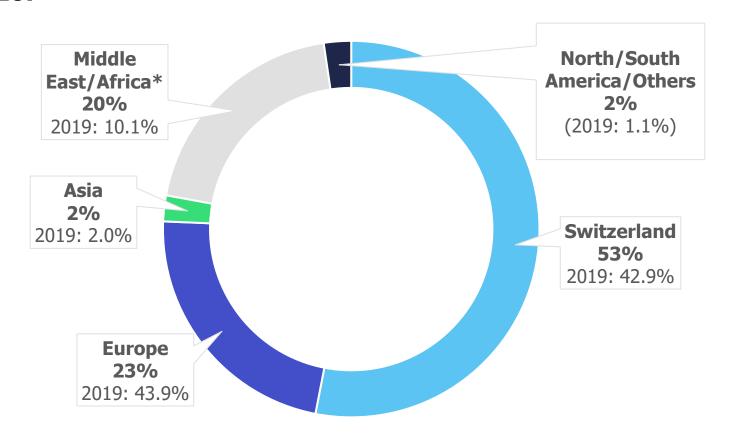
- Divestments incl. shareholding in Uckermärker Milch GmbH: CHF -132 million
- Food Solutions Switzerland:
 CHF -21 million
 (Decrease in demand from Swiss chocolate customers and decrease in cream deliveries as a result of Covid-19)

xx%: Foreign business share net sales revenue

Net sales by region

HOCHDORF Swiss Nutrition Solutions

47% of HOCHDORF sales were achieved outside Switzerland in 2020.



^{*} Net sales revenues with Pharmalys Laboratories SA are also reported in 2020 under Middle East / Africa for better comparability



Strategy 2025: Our Medium-Term Goals

Peter Pfeilschifter, CEO

Vision of guiding principles





"HOCHDORF – Swiss Nutrition Solutions

positioned as a

leading global Swiss brand for special food solutions for all phases of life."



HOCHDORF focuses on Smart Nutrition



"Smart Nutrition

targets functional **specialist foods** to meet the needs of specific target groups.

Manufacturing Smart Nutrition requires

sophisticated understanding of customer and consumer needs as well as

a sophisticated technological competence for carefully processing high-quality

raw materials."



Our identity and positioning



We aspire to be the leading global Swiss brand for special food solutions for all phases of life.

Vision

We combine Swiss values with leading competencies in food technology and raw materials of high quality to develop, produce and market advanced nutritional products for customers who have specific food requirements.

Mission

Leading Swiss functional food technology

Market Positioning

We are focused on providing safe and reliable food solutions.

We are passionate about innovation and nutrition technology.

We are a committed partner to our customers.

Brand Values

NATURE 😜

TECHNOLOGY



PEOPLE



Foundation

Food for Life:

We exist to make life healthier and more enjoyable with smart food solutions.

Purpose



Creating value through strong brands

Umbrella brands and product brands support each other.

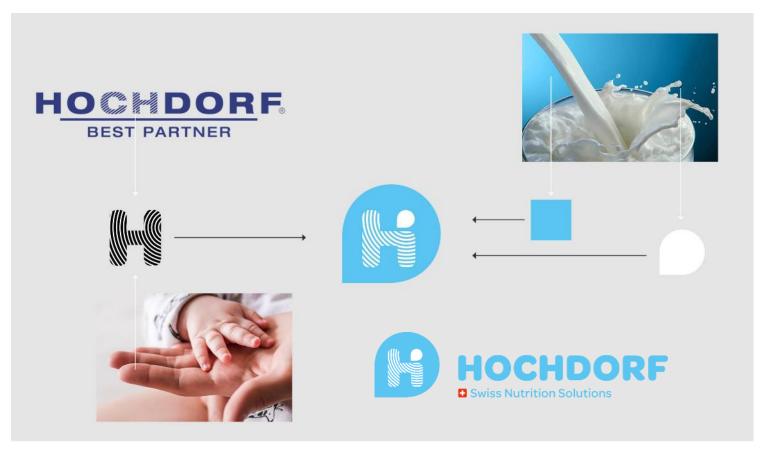




New HOCHDORF Logo

HOCHDORF Swiss Nutrition Solutions

The new HOCHDORF logo combines nature, people and technology in a stand-alone, graphic representation

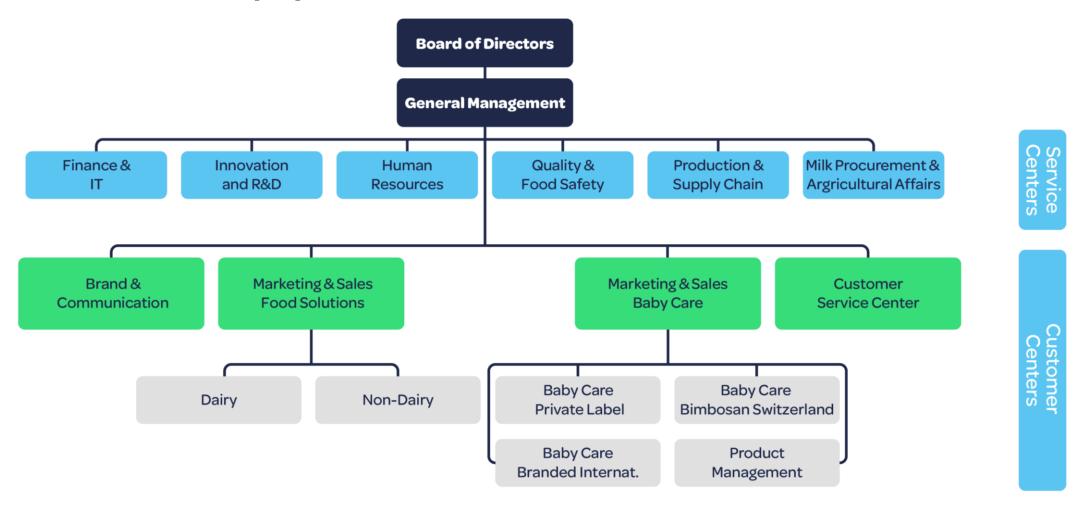


- The lines within the "h" represent the unique fingerprint of every human being.
- The "h" is joined by a white drop, which symbolises "milk" as a representative of healthy and valuable raw material.
- The white drop shapes the small "h" into the large "H", which stands for HOCHDORF.
- The "H" is in turn embedded in a large blue drop, which symbolises not only "nature" but also HOCHDORF's "technological competence".
- "HOCHDORF Swiss Nutrition Solutions": HOCHDORF sees itself as a Swiss food company that understands how to offer customers intelligent solutions ("Smart Nutrition") in its area of expertise.

New "ONE HOCHDORF" organisational structure



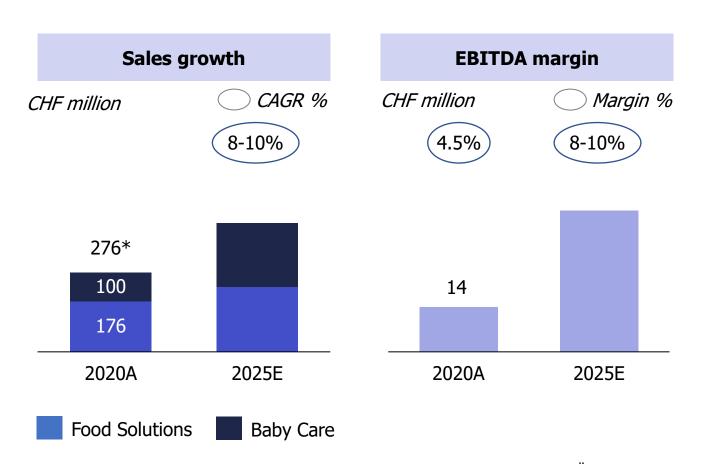
Agile, service-oriented and innovative — how we want to make our customers and employees even more excited about HOCHDORF.



Financial Goals for 2025 – sales and EBITDA



Doubling of Baby Care sales and return to industry profitability levels.



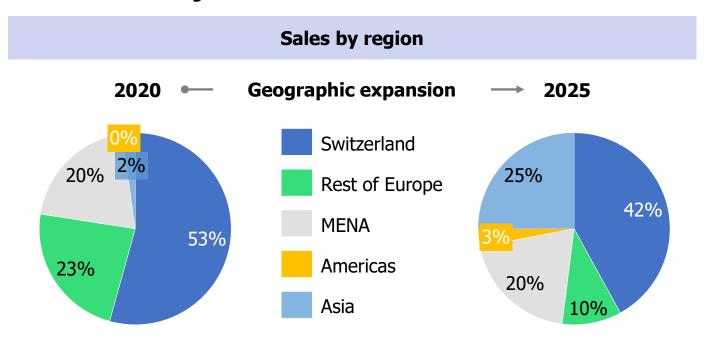


^{*} Adjusted sales core business 2020 (without Uckermärker Milch GmbH, Marbacher Ölmühle GmbH, Snapz Foods Ltd., Zifru Trockenprodukte GmbH)

Financial goals for 2025 – regions



Stronger regional diversification and reduced dependence on individual major customers.



Baby Care: Disproportionate growth in the Asia/China with additional growth in MENA/Latin America with own brands and private labels.

Food Solutions: Growth with semi-finished products especially for own use within Baby Care.



Strategy 2025: 7 "Change the Company" focus areas





Strong Swiss home market

#1 Bimbosan in Swiss specialist market

#1 milk powder for premium chocolate manufacturers

#3 milk processor in Switzerland

Our employee power



International growth

Pharmalys #1 customer – best customer service

Strong global partner in Private Label / B2B

Strong Swiss/global partner for Bimbosan & babina

Regions: MENA, Asia, China, Latin America and Europe



Niche strategies & "Smart Nutrition" innovation

Organic

Goat milk

Plant-based & vegan

Specialities

FSMP

Innovative partner



State-of-the-art technology and high-quality raw materials

Differentiated by nature/technology/people

Economies-of-scale by maximising installed capacities in Sulgen

Swissness – strong USP

Sustainability – future



China champion for Baby Care from Switzerland

Close cooperation with strategic partners

China expert team

Own brands across CBEC

3 brand slots for infant formula at the Sulgen plant

Brand management and digital marketing



Outlook – Our Goals for 2021

Peter Pfeilschifter, CEO

Baby Care



Top line growth, internationalisation of own brands and innovation driving capacity utilisation/economies of scale and value creation.

- 1. Private Label / B2B customers
 - Strengthen sales team for revenue growth expand presence in Europe, MENA & Latin America
 - China brand approval (SAMR) pending/close cooperation with our client
 - Use organic and goat milk products as growth drivers
 - Drive growth with FSMP/specialities and product innovations

2. Bimbosan Switzerland

- Strengthening our sales force and office staff defend our strong market position
- Strengthening our market and brand presence, especially social media/online
- Introduction of further product innovations
- Relaunch of the Bimbosan baby food products

3. International own brands

- Strengthening of sales team for margin growth; expand presence in Asia/China, Latin America, Europe
- Intensify cooperation with our partners in online sales and CBEC
- Develop at least two new export markets for Bimbosan and babina

We are not publishing a sales forecast for the Baby Care division due to the ongoing uncertainties regarding the Covid-19 pandemic and the associated project delays









Dairy Ingredients becomes Food Solutions



A transformation towards functional semi-finished products.

- 1. Covid-19 will continue to keep Swiss domestic demand at a high level in 2021 and limit demand from Swiss chocolate manufacturers to a pre-Covid level
- **LEDOR**



- **NOVITTA**
- **SUCREM**





- 2. Defend #1 market position for Swiss premium chocolate manufacturers
- 3. Complete the technical implementation of the Sulgen Whey Competence Centre and development of high-quality whey semi-finished products for infant milk formula
- 4. Continue product innovations to increase added value
- 5. Further process optimisations for sustainable cost reduction
- 6. Secure milk and whey supplies
- 7. Adherence to contractual cream quantities with key customers

Due to the discontinuation of Uckermärker Milch GmbH and Marbacher Ölmühle GmbH, we expect a lower net sales revenue in 2021 than in 2020

Innovation as a growth and value driver A strong innovation pipeline drives utilisation and value creation.



- New Product Development Innovation (NPDI) process defined
- Innovation pipeline focused on strategic development areas
- First product innovations successfully placed on the market in 2020, etc.



Goat



Bisoja Vegan



babina EU formulations for infant formula and specialities



babina Plus
Junior nutrition in
different
packaging units

babina



 Innovation pipeline is subject to a regular strategic and operational review for potential and implementation status

Sustainability – development of Strategy 2030



By the end of 2021, we will have worked out our sustainability strategy and defined key projects.

HOCHDORF has set the goal of developing a Sustainability Strategy 2030 by the end of 2021, with new ambitious goals and measures along the value chain.

Today, sustainability is central to how we address our customers and consumers, the innovations we drive forward and where and in what we invest in the future.

It includes the following topics:

- Sustainable milk and animal welfare
- Climate and greenhouse gas emissions/environment
- Waste prevention, water consumption and waste water
- Employees and society



Still important to us ...



- Protecting our employees
- Ensuring our production and ability to deliver
- Intensify cooperation with our existing partners at home and abroad
- Continuously improving our customer service and agility
- Focusing on volume growth in Baby Care and strong (distribution) partners worldwide
- Strong own brands and innovation driving profitable growth
- OPTIMA efficiency programme ensuring our cost competitiveness
- Developing our Sustainability Strategy 2030 by the end of 2021

2021 Forecast



Despite the continuing uncertainties around the Covid-19 pandemic, the HOCHDORF Group expects

 net sales revenue in the region of CHF 260 – 300 million

and a

balanced result at EBIT level.

This means organic sales growth of 3 to 4 per cent for the "new" HOCHDORF Group without Uckermärker Milch GmbH, Marbacher Ölmühle GmbH and Zifru Trockenprodukte GmbH.





Development of financial strategy measures



After years of reorganisation and restructuring, HOCHDORF sees the 2021 business year as a year of new beginnings.

At the same time, it is important to continue on the path of financial recovery of the Group.

To this end, the Board of Directors is currently focusing on developing various financial strategy options, which may include capital measures to further stabilise the balance sheet and support sustainable corporate growth.

Dates 2021



Important dates for the HOCHDORF Group.

Wednesday, 9 June 2021
 2021 Annual General Meeting

The 2021 AGM will take place without shareholders in attendance

due to the Covid-19 pandemic.

Monday, 16 August 2021 Interim Report 2021

Thank you for your support



2020 was an intensive year in which we were able to bring many activities to a close while at the same time launching new projects. However, it will take some time before the HOCHDORF Group can post figures that are clearly positive again. We would therefore like to thank you for your loyalty to HOCHDORF.

We are convinced that all employees will continue to work on the future of our company with focus and energy.



Questions & Answers

Peter Pfeilschifter, CEO & Nanette Haubensak, CFO

