



Welcome

HOCHDORF Annual Results 2021

Hochdorf, 14 March 2022

Agenda

Milestones and main developments

Ralph Siegl, CEO and Delegate of the Board of Directors

Financial key figures 2021

Nanette Haubensak, CFO

Outlook 2022

Ralph Siegl, CEO and Delegate of the Board of Directors

Milestones and main developments

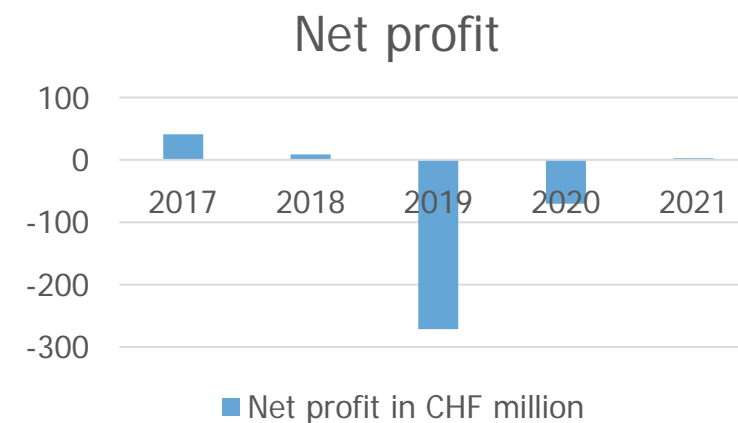
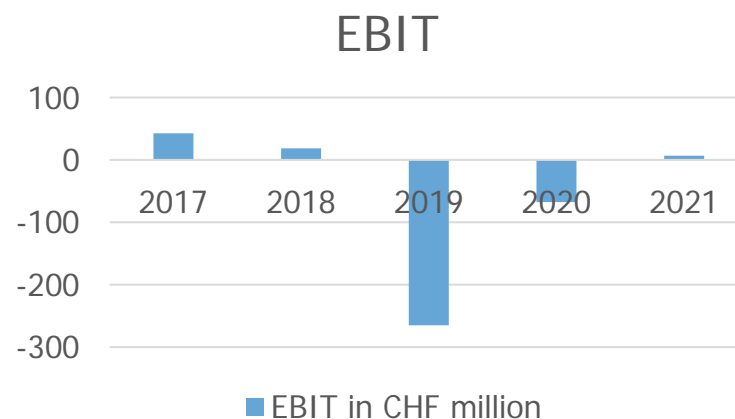
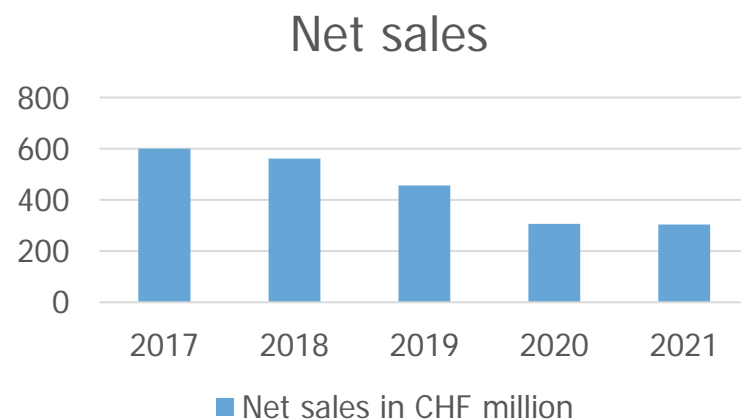
Ralph Siegl, CEO and Delegate of the Board of Directors

HOCHDORF

✚ Swiss Nutrition Solutions

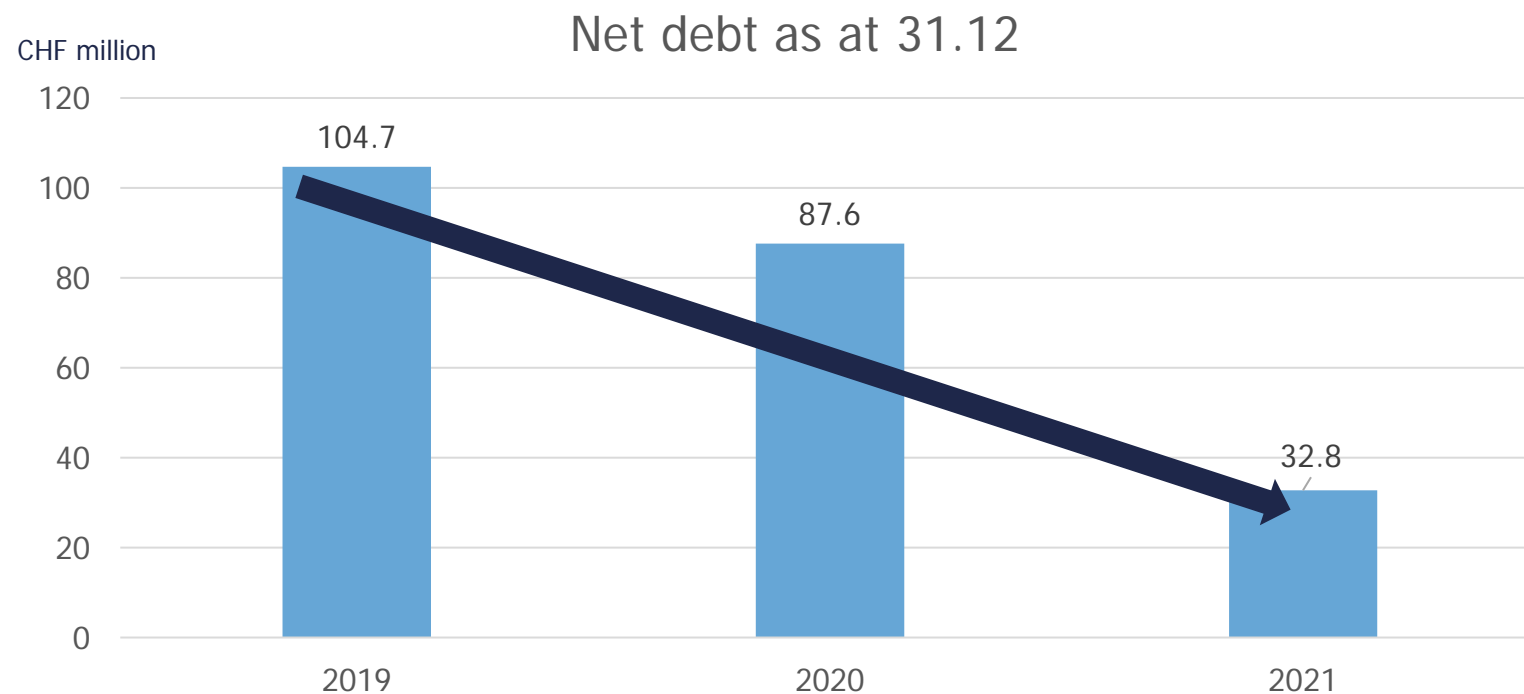
Operating result at EBIT level positive

- Sales target achieved, unfavourable product mix (margins)
- One-off effects improve results
- Milk price significantly affects operating result



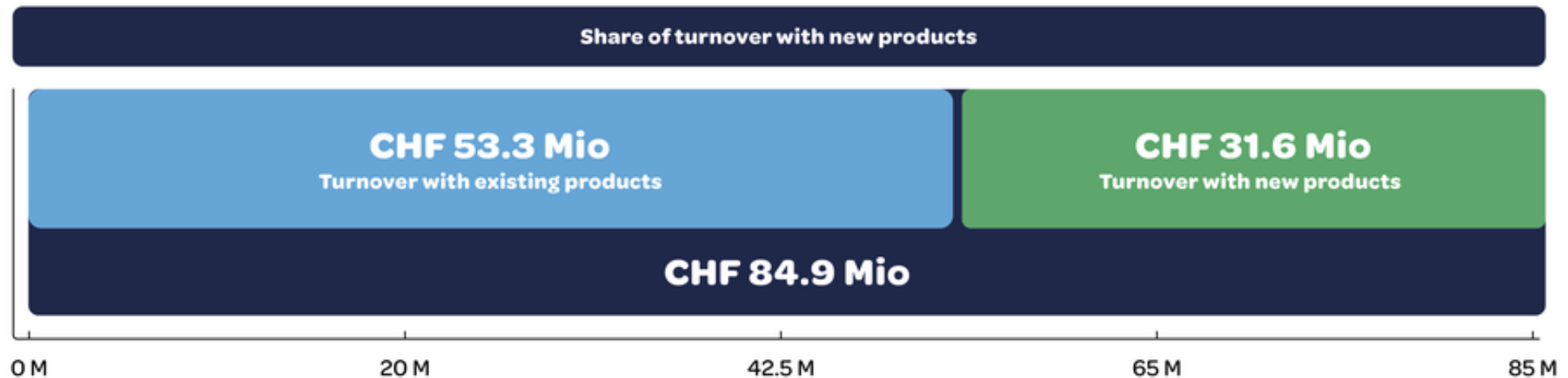
Balance sheet significantly relieved in 2021

The HOCHDORF Group's net debt has been significantly decreased in the last two years – in 2021, in particular, due to the Pharmalys purchase price payment (CHF 30 million) and the sale of the Hochdorf site (CHF 50.2 million)



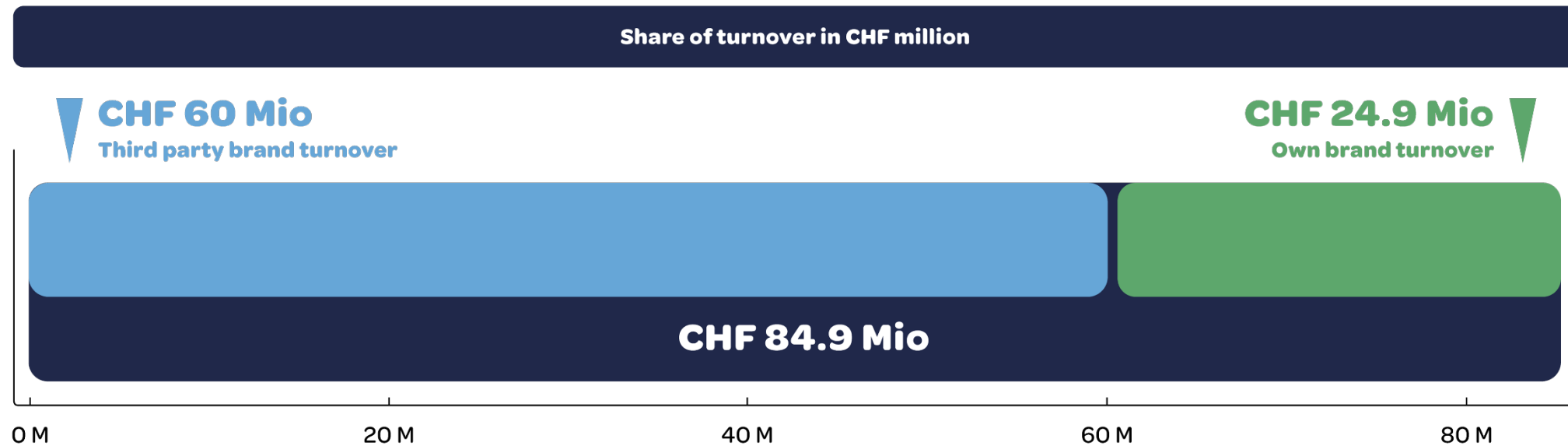
Baby Care – Highs and Lows

- High renovation & innovation rate: 37.2% turnover with products that are less than 3 years old
- Private label sales below expectations (Covid)



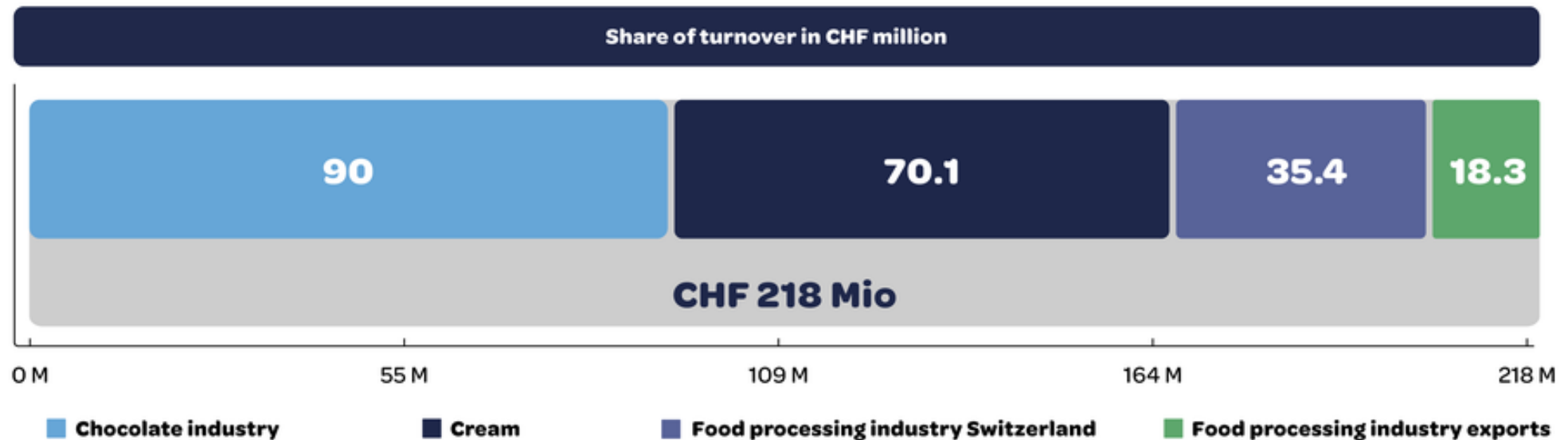
Baby Care – Bimbosan with strong market position

- In Switzerland, Bimbosan maintained its position as market leader in the specialised trade with a market share of over 39%. Overall, HOCHDORF achieved net sales of CHF 24.9 million with its own brands, +2.5% compared to the previous year



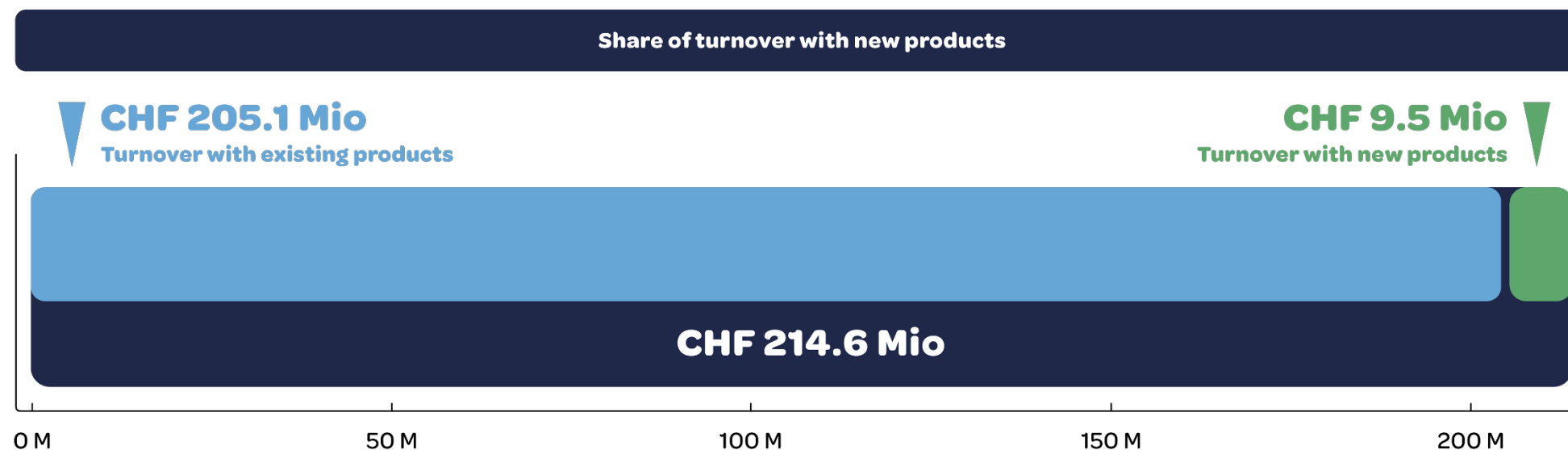
Food Solutions – Recovery in the chocolate industry

- Turnover above previous year's level but with relatively low margins
- Milk volume driven business model not meaningful



Food Solutions – Milk costs impact margins

- Relatively long lead times for innovations



Main factors 2021

- Corona-related postponements of Baby Care projects
- Massive increase in milk prices
- Price increases for important raw materials, other materials and energy
- Volatile delivery planning and stock building to ensure customer supply
- Sale of the Hochdorf site and lease back



We are convinced it will take smart nutrition to feed the world's population.

Smart Nutrition – Special foods for an active life

“Nutrition with a specific functional added value.”



Bimbosan **Innovations** 2022:
Bisaja 1 and 2, Riso PH and
goat milk



Customised and **functional
products** for our industrial
customers



Lactose-free milk powder
with a winning taste.

Smart Nutrition – Special foods for an active life

“Nutrition with a specific functional added value.”



Smart solution for **plant-based** nutrition: a vegan whole-milk powder alternative for “milk chocolate”



Sustainable production: removal of a drying step by re-engineering the manufacturing process



We develop and produce **special dietary foods** for people of all ages with specific nutritional requirements



Climate and animal-friendly milk



CO2/ greenhouse gases and sustainable raw materials



Waste management



Water



Employees and society



We maintain a respectful approach to nature and treat our resources responsibly.

Financial key figures 2021

Nanette Haubensak, CFO



HOCHDORF

✚ Swiss Nutrition Solutions

Income statement 2019 - 2021

Net sales at previous year's level; positive EBIT and net profit

in CHF million	2019 (adjusted)	2020	2021
Net sales	456.8	306.2	303.5
Earnings before interest, tax, depreciation and amortisation (EBITDA) as % of production revenue	-74.7 -17.0	13.9 4.5	24.7 7.1
Earnings before interest and taxes (EBIT) as % of production revenue	-265.3 -60.3	-67.9 -22.3	6.5 1.9
Net profit as % of production revenue	-271.4 -61.7	-70.3 -23.0	2.6 0.7

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

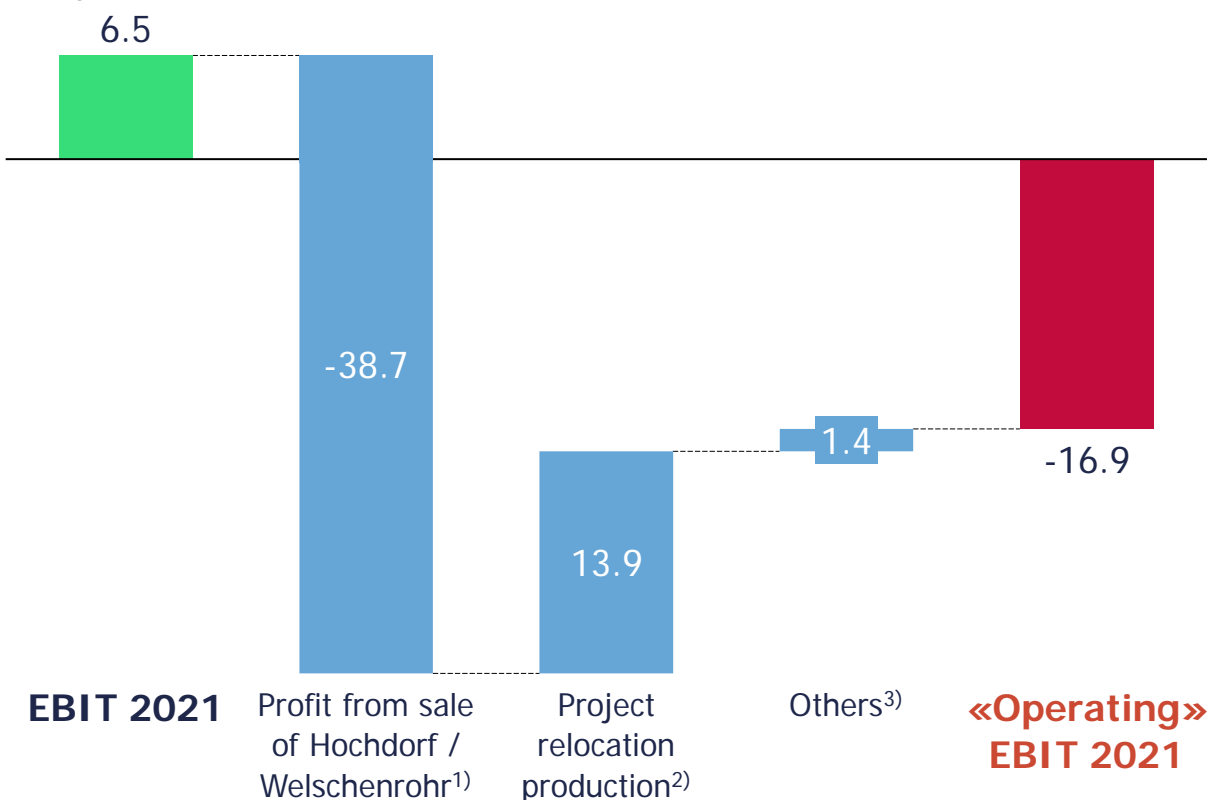
Income statement 31.12.2021

Operating EBIT



The positive EBIT in 2021 is influenced by the special effects from the sale of land and buildings as well as provisions. Operating EBIT is strongly negative

CHF million



Main reason for the decline: increased raw material prices (average milk price 5 cents higher) not completely passed on to customers

1) Net profit from sale Hochdorf/Welschenrohr: after deduction of all costs

2) Provisions, costs accrued and impairment of fixed assets

3) Project costs, adjustment of fixed assets, effects from adjustment of non-core business, provision for legal dispute

Balance sheet as at 31.12.

Equity ratio rose to 62.5%; decreased non-current liabilities and net debt

CHF million	31.12.2020		31.12.2021	
Current assets	144.9	44.7%	134.9	46.0%
Fixed assets	179.0	55.3%	158.4	54.0%
Total assets	323.9	100.0%	293.3	100.0%
	31.12.2020		31.12.2021	
Current liabilities	31.5	9.7%	35.3	12.0%
Non-current liabilities	111.9	34.5%	74.7	25.5%
Total liabilities	143.4	44.2%	110.0	37.5%
Equity	180.5	55.8%	183.3	62.5%
Total liabilities and equity	323.9	100.0%	293.3	100.0%

Net debt:

31.12.2019: CHF 104.7 Mio.

31.12.2020: CHF 87.6 Mio.

31.12.2021: CHF 32.8 Mio.

Cash Flow statement as at 31.12.

Positive net cash inflow due to divestment of buildings/properties and Pharmalys purchase price payment; operating cash flow negative

CHF million	31.12.2020		31.12.2021	
Earned capital	11.1	3.6%*	-3.9	-1.3%*
Change in net current assets	-22.4		-13.9	
Operating cash flow	-11.3	-3.7%*	-17.9	-5.9%*
Investment activity	28.7		79.1	
Free cash flow	17.3	5.7%*	61.3	20.2%*
Financing activities	-24.9		-49.4	
Currency effects	-0.2		-0	
Total in/out flow	-7.8		+11.9	
Cash and cash equivalents as of 1.1.	20.2		12.4	
Cash and cash equivalents as of 31.12.	12.4		24.3	

Investing activities:

Divestments: CHF 53.3 million

Purchase Price Pharmalys:
CHF 30 million

Financing activities:
Decrease in liabilities to banks
CHF -43 million

As % of net sales revenue

Outlook 2022

Ralph Siegl, CEO and Delegate of the Board of Directors



Outlook 2022

- Enhance market perspective
- Focus on margin instead of volume
- Review product lines and customer contribution (forecast 2022)
- Focus on technology utilisation with value-added products
- Communication
- Organisational change
- Corporate culture

Emmi and HOCHDORF have agreed a cooperation in the area of speciality powders, for both milk-based and vegan products. HOCHDORF will produce semi-finished and finished products in powder form for Emmi to meet special requirements. This operational cooperation is contractually structured as contract manufacturing.



Next financial dates

13 April 2022

Annual General Meeting of HOCHDORF Holding Ltd, 10 am
(The AGM will take place without shareholders in attendance due to the Covid-19 pandemic)

08 August 2022

Communication of interim result 2022



HOCHDORF Holding Ltd

Siedereistrasse 9

P.O. Box

6281 Hochdorf

Switzerland

Tel: +41 41 914 65 65

hochdorf@hochdorf.com

www.hochdorf.com

Plant Sulgen

Industriestrasse 26

8583 Sulgen

Switzerland

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Thank you for your attention