

Ad hoc announcement pursuant to Art. 53 LR

## **HOCHDORF: Update on 2023 business performance and strategic options for financial restructuring**

*Hochdorf, 5 March 2024* – **The HOCHDORF Group has made further operational progress in 2023, generating a remarkably positive EBITDA. Cash flow from operating activities in 2023 have reached a clearly positive value, liquidity for ongoing operations is secured. The Board of Directors, however, in view of its most recent review has come to the conclusion that even a competitive capacity for earnings will not be sufficient enough to compensate for the legacy burdens of the past. Options for financial restructuring are currently being examined.**

According to preliminary, unaudited financial figures, net sales revenue of the HOCHDORF Group has increased in 2023 compared to the previous year. Sales in both the Food Solutions and Infant Nutrition divisions have exceeded expectations resulting from forecast. According to business management criteria, HOCHDORF was able to fulfil its role as an important partner to the Swiss dairy market.

In terms of profitability at EBITDA level, HOCHDORF in 2023 achieved a remarkably positive result in the higher single-digit million range (2022: CHF -10.1 million). The targeted positive EBITDA has, thus, been clearer than expected. Evaluations, so far, expect a result of cash flow from operating activities in a positive, low double-digit million range by the end of 2023, after having been in deep negative territory over the previous years. Liquidity for ongoing operations is secured.

### **Increasing legacy burdens resulting from complex financing and capital structure**

Further reviews, however, have let come both the management and the Board of Directors come to the conclusion that even a competitive capacity for earnings in no plausible scenario will be sufficient to, in the foreseeable future, compensate the increasing legacy burdens resulting from complex financing and capital structure. Aside from that, measures aimed at the recapitalization of the Group have so far occurred to be hardly achievable, mostly due to further increasing interest rates from the hybrid bond issued in 2017.

Notwithstanding, both the management as well as the Board of Directors take the positive operating performance of the past two years as substantiated indicator that HOCHDORF has a profound business model. With joint efforts the executive management and the Board of Directors will further on engage for a continuation of the business on a sustainable financial basis as well as for the preservation of jobs. Various options are being examined with a focus set towards sale or partial sale by keeping the operating business together. The approach to potential investors is being expanded accordingly. No decisions have yet been made.

Final and audited financial figures for the 2023 business year of the HOCHDORF Group will be published on 21 March 2024.

#### **Material to download and further information**

- Half Year Report 2023, online version: <https://report.hochdorf.com/2023/hyr/>
- Media releases by e-mail / Investor News Service: <https://www.hochdorf.com/en/newsletter>
- Overview of ad hoc press releases of the HOCHDORF Group: <https://www.hochdorf.com/en/media/ad-hoc-announcements/>
- Picture material: on request / Keystone: <https://visual.keystone-sda.ch/lightbox/-/lightbox/page/2047447/1>

#### **Dates**

- 21 March 2024, 10 – 11am: Full Year Results 2023 (Preregistration: <https://media.choruscall.eu/mediaframe/webcast.html?webcastid=0XD2BAwv>)
- 15 May 2023: Annual General Meeting

#### **Contact and photo material**

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