

HOCHDORF Group Press Release: Decommissioning of the Welschenrohr site

HOCHDORF and BIMBOSAN move together to strengthen the "Bimbosan" brand

Hochdorf, 23 September 2020 – **The discontinuation of wheat germ production at the Hochdorf site will release production and storage space for use by Bimbosan AG from the end of January 2021. HOCHDORF expects the relocation to generate considerable synergies in cooperation and to result in significant cost savings and increased efficiency.**

In mid-2019, the HOCHDORF Group decided to focus on its Baby Care and Dairy Ingredients divisions in the future. In this context, wheat germ production at the Group's headquarters in Hochdorf has been discontinued. From the end of January 2021 onwards, the vacant space will now be used for the filling and dispatch of Bimbosan AG products and for additional storage. Bimbosan AG will also move its headquarters from Welschenrohr to Hochdorf in line with this.

Dr Peter Pfeilschifter, CEO of the HOCHDORF Group, explains the significant change for the Bimbosan AG: "Since we only have to move a few production facilities to Hochdorf and can clear external storage space, we expect annual cost savings of around one million Swiss francs." The move will also enable future Bimbosan products to be filled on the modern filling lines in Hochdorf. Dr Peter Pfeilschifter is confident the change will leverage synergies: "We also expect the consolidation of the sales, marketing and office staff to result in more efficient cooperation, which is necessary in the dynamic market environment." The office space required is already available in Hochdorf and the Welschenrohr property will be sold when the move has been completed.

"This package of measures will strategically strengthen the Bimbosan brand, enabling it to develop further in the Swiss domestic market and position itself successfully for international competition," says Dr Peter Pfeilschifter.

In connection with the move to Hochdorf, almost ten full-time positions in the areas of production and logistics at the Welschenrohr site will be surplus to requirements. HOCHDORF will offer the individuals affected replacement positions within the group where possible.

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The HOCHDORF Group, based in Hochdorf, achieved a consolidated net sales revenue of CHF 158.3 million in the first half of 2020. It is one of the leading foodstuff companies in Switzerland, employing 427 staff as of 30.06.2020. Made from natural ingredients such as milk, whey and oil seeds, HOCHDORF products have been contributing to our health and wellbeing since 1895 – from babies to senior citizens. Its customers include the food industry and the wholesale and retail sectors and its products are sold in over 70 countries. The shares are traded on the SIX Swiss Exchange in Zurich (ISIN CH0024666528).

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