



Media release

Basel, 27 January 2020

Extraordinary General Meeting of MCH Group Ltd. on 29 January 2020:

Board of Directors answers shareholder's questions

With the view to the Extraordinary General Meeting on 29 January 2020, MCH Group Ltd. has published the written answers to the list of questions submitted by a shareholder group. As one of various options for financing the investments required as part of the strategic realignment, the Board of Directors is examining the participation of new investors at group level, which can be combined with a capital increase and structural changes.

On 26 November 2019, AMG Fondsverwaltung AG, representing the AMG Group (comprising Ursula Lee, Erhard Lee and LLB Swiss Investment AG and acting on behalf of AMG Substanzwerte Schweiz), requested the convocation of an Extraordinary General Meeting and submitted motions for the initiation of a special review of the strategy, for the disclosure of business records and for changes to the Statutes. In conjunction with the motion for the initiation of a special review, AMG submitted 39 questions.

On 19 December 2019, in response to this request, the MCH Group sent out invitations to an Extraordinary General Meeting, which is being held on 29 January 2020. The Board of Directors proposes to the General Meeting that the three shareholder motions submitted be rejected and gives detailed reasons for this in the invitation. The Board has additionally decided to publish the answers to the 39 questions prior to the Extraordinary General Meeting. These are now posted on the MCH Group website.

With the publication of its answers, the Board of Directors is enabling shareholders to inform themselves of the relevant facts prior to the Extraordinary General Meeting. The Board is convinced that, with these answers and the oral statements at the Extraordinary General Meeting, it can fully satisfy the information needs of all shareholders.

Law firm Homburger AG, which has not previously worked for the MCH Group, has supported the MCH Group in addressing and objectively assessing the issues raised in the questions relating to the special review.

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In reappraising past events, the Board of Directors admits that, viewed from a current perspective, mistakes were made. The Board does, however, point out that it has initiated the far-reaching corrective measures that are required, and the most important of these have already been implemented. It has appointed experienced new managers to the senior management and reconfigured the management structure. In addition, on the basis of a comprehensive analysis, involving the new senior management and with the support of experienced experts, the Board has drawn up and put into effect the necessary strategic realignment of the company.

This strategic realignment, which was decided in August/September 2019 by the Board of Directors and communicated on 19 September 2019, is focused on developing the classical exhibitions and events into future-oriented platforms and communities. To this end, the MCH Group will be investing in digitalisation, innovations and internationalisation in order to develop existing and new formats. Different strategic options are being examined for financing these investments and developments. One of these options is the participation of new investors at group level, which can be combined with a capital increase and with corresponding changes in the shareholders, the shareholder rights set out in the Statutes and the composition of the Board of Directors. One of the other options is the sale of the "Live Marketing Solutions" segment.

Although the evaluation of these options has not yet been completed, it can be ascertained that the decisions taken and the measures introduced have led to a stabilisation of the MCH Group, which has promising prospects. The Board of Directors is convinced that, with the path embarked upon, it will be possible to provide the company with both a solid basis for trust and a sound capital base again and, in this way, to successively and sustainably increase the value of the company.

Information for the media:

Media conference with Chairman of the Board of Directors, U. Vischer, and CEO B. Stadlwieser
Monday, 27 January 2020, 11:00
Messe Basel, MCH Lounge (City Lounge Süd, ground floor, left)

Contact for the media

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