

HUBER+SUHNER Ltd, Herisau

Buyback of own shares for the purpose of a capital reduction on a second trading line at SIX Swiss Exchange Ltd.

The Board of Directors of HUBER+SUHNER Ltd, Degersheimerstrasse 14, 9100 Herisau, (“HUBER+SUHNER” or the “Company”) has approved on 20 October 2021 to buy back own registered shares with a nominal value of CHF 0.25 (the “registered shares”) to the extent of a maximum of 5% of the share capital until 28 October 2024 at the latest (the “share buyback programme”). Consequently, a maximum of 1,010,000 registered shares with a par value of CHF 0.25 each can be repurchased under the present buyback programme.

The share capital of the Company currently registered in the Commercial Register amounts to CHF 5,050,000.00 and is divided into 20,200,000 registered shares with a nominal value of CHF 0.25 each.

At one or more forthcoming annual general meetings, the Board of Directors will propose a capital reduction by cancelling share capital in the amount of the buyback volume under this share buyback programme.

Trading on the second line of SIX Swiss Exchange Ltd.

A second line will be established for the shares of HUBER+SUHNER on SIX Swiss Exchange Ltd. in accordance with the Swiss Reporting Standard. Only HUBER+SUHNER is permitted to assume the role of buyer on this second line (via the bank mandated to conduct the share buyback) and to purchase own shares for the purpose of a capital reduction at a later date. Fair and orderly trading in the registered shares of HUBER+SUHNER under the current security no. 3 038 073 shall not be affected by this measure and shall continue as usual. Any shareholder of HUBER+SUHNER wishing to sell his/her shares thus has the option of either selling the shares of HUBER+SUHNER through the normal trading line or of tendering them to HUBER+SUHNER on the second line for the purpose of a later capital reduction. The conditions contained in TOB Circular No. 1 concerning buyback programmes are complied with.

In the event of a sale on the second line the federal withholding tax of 35 % will be deducted on the difference between the buyback price of the registered shares of HUBER+SUHNER and their par value of CHF 0.25 (“net price”). Exceptions may apply.

Buyback price

The buyback prices and the prices on the second line shall be determined in relation to the prices of the shares of HUBER+SUHNER traded on the first line.

Payment of the net price and delivery of the shares

Trading on the second line represents normal stock exchange transactions. Payment of the net price (buyback price less federal withholding tax on the difference (lack of availability of any capital reserves (“Kapitaleinlagereserven”)) between the buyback price and the nominal value) and delivery of the repurchased registered shares of HUBER+SUHNER will therefore take place within two trading days following the trading date.

Mandated bank

HUBER+SUHNER has mandated Zürcher Kantonalbank to carry out the share buyback. Zürcher Kantonalbank shall be the sole stock exchange member setting bid prices for registered shares of HUBER+SUHNER on the second line.

Delegation agreement

HUBER+SUHNER and Zürcher Kantonalbank have concluded a delegation agreement pursuant to Art. 124 (2) (a) and (3) FMIO. Under the agreement, Zürcher Kantonalbank may repurchase shares independently, subject to certain criteria. HUBER+SUHNER is, however, entitled to terminate the delegation agreement at any time without stating its reasons, or to modify the parameters in accordance with Art. 124 (3) FMIO.

Duration of the buyback

Trading in the registered shares of HUBER+SUHNER shall take place on the second line from 29 October 2021 and shall continue until 28 October 2024 at the latest. HUBER+SUHNER reserves the right to terminate the share buyback programme at any time and shall be under no obligation to repurchase its own shares on the second line as part of this share buyback programme.

On-market obligation

According to the regulations of SIX Swiss Exchange Ltd., off-exchange transactions on the second line are prohibited during share buyback programmes.

Publication of transaction details

HUBER+SUHNER shall provide constantly updated information on the development of the share buyback programme on its website: <https://www.hubersuhner.com/en/company/investors/share-information>

Maximum daily buyback

In accordance with Article 123 (1) c) of FMIO, the maximum daily buyback amount is published on the company's website at: <https://www.hubersuhner.com/en/company/investors/share-information>

Taxes and charges

The buyback of a company's own shares for the purpose of a reduction in capital is treated, both in terms of federal withholding tax and direct taxes, as a partial liquidation of the repurchasing company. Specifically, this has the following implications for the selling shareholders:

1. Swiss withholding tax

35 % federal withholding tax is payable on the difference (lack of availability of any capital reserves (“Kapitaleinlagereserven”)) between the buyback price of the shares and their nominal value. Exceptions may apply. The tax is deducted from the buyback price on behalf of the Swiss Federal Tax Administration by the company repurchasing the shares or by its mandated bank.

Persons domiciled in Switzerland are generally entitled to have any tax withheld reimbursed as long as they had the usufruct of the shares on the date of the shares’ sale (Art. 21 Withholding Tax Act). No entitlement occurs in situations deemed to be tax evasion by the federal taxation authorities.

Persons domiciled abroad are generally allowed to claim reimbursement of this tax to the extent allowed under any double taxation treaties.

2. Direct taxes

The following explanations relate to the levying of direct federal taxes. As a rule, the same practice applies to cantonal and municipal taxes as to direct federal taxes.

- a) Privately held shares:
If shares are repurchased by the company, the difference between the buyback price and the nominal value of the shares constitutes taxable income (lack of availability of any capital reserves (“Kapitaleinlagereserven”)). Exceptions may apply. Income tax is based on the portion of the buyback price

subject to withholding tax as per the relevant stock exchange transaction statements.

- b) Shares forming part of a company's assets:
In the event of a share buyback by the company, the difference between the buyback price and the book value of the shares represents taxable profits (book value principle).

Shareholders domiciled abroad are taxed in accordance with the applicable law of the country concerned.

These statements do not constitute a comprehensive description of possible tax consequences or tax advice. Shareholders are advised to consult their own tax advisor regarding the tax consequences of participating in the share buyback programme.

3. Duties and charges

The buyback of own shares for the purpose of a reduction in capital is not subject to transfer stamp tax. The fees of the SIX Swiss Exchange Ltd. are nevertheless payable.

Non-public information

The Company confirms that it is not in possession of any non-public information that may have a material influence on any shareholders’ decisions.

Own shares

As of 26 October 2021, HUBER+SUHNER held 751,640 own registered shares. This corresponds to 3.72 % of the voting and capital rights registered in the commercial register.

Shareholders with more than 3 % of voting rights

In accordance with the announcements published up to 26 October 2021, the following beneficial owners held more than 3 % of the capital and voting rights of HUBER+SUHNER:

Ernst Göhner Stiftung, Artherstrasse 19, 6301 Zug (direct holder: EGS Beteiligungen AG, Dufourstrasse 31, 8008 Zurich)¹:
9.23% of the capital and voting rights²

Hoffmann-Suhner Sylvia:
6.18 % of the capital and voting rights²

Ruedi Huber, Balgach, Switzerland, Helene Huber, Heerbrugg (Au SG), Switzerland, Nick Huber, Balgach, Switzerland, Luc Hubeli, Zurich, Switzerland, Tim Hubeli, Heerbrugg (Au SG), Switzerland, Erik Daniel Huber, Balgach, Switzerland, Nicklaus Hans Huber, Balgach, Switzerland, Thibault Huber, Balgach, Switzerland, Gian Huber, Balgach, Switzerland, Erbgemeinschaft Hans Huber (direct holder: Huwa Finanz- und Beteiligungs AG, Au (SG), Switzerland)³:
3.25 % of the capital and voting rights²

HUBER+SUHNER has no knowledge of the intentions of these shareholders regarding the sale of registered shares under this share buyback programme.

¹ For further details see disclosure notification dated 15 November 2017

² According to the annual report 2020 of HUBER+SUHNER

³ For further details see disclosure notification dated 1 September 2018

Applicable law and place of jurisdictionSwiss law.

The exclusive place of jurisdiction is Zurich.

Swiss security no. / ISIN / ticker symbol

Registered shares of HUBER+SUHNER Ltd.
3 038 073 / CH0030380734 / HUBN

Registered shares of HUBER+SUHNER Ltd. (share buyback second line)
114 146 685 / CH1141466859 / HUBNE

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