



DOTTIKON ES – Considerably Lower Net Sales and Net Income

Dottikon, Switzerland, October 22, 2018 – DOTTIKON ES Group, positioned as strategic development and manufacturing partner and specialized in the area of hazardous reactions and the exclusive synthesis of active pharmaceutical ingredients (API) and fine chemicals, closed its first business half-year 2018/19 on September 30, 2018. The corresponding financial results and Half-Year Report will be published as scheduled on November 27, 2018.

Based on the disclosure obligation (Ad hoc publicity) in line with Art. 53 of the Listing Rules of SIX Exchange Regulation Ltd, DOTTIKON ES informs that instead of a weaker first half year than in the first half of the previous business year, it reached considerably lower net sales and net income in the first business half-year 2018/19 compared to the previous-year period. This decline is the result of current market challenges: (i) geopolitical and economic uncertainties, (ii) intermittent scale-up of processes with limited experience due to accelerated market approval processes, and (iii) supply bottlenecks due to rigorous enforcement of environmental regulations and, subsequently, the temporary or permanent closure of Asian chemical producers. In the period under review, this resulted in increased sourcing complexity, the interruption of campaigns, and therefore production and delivery acceptance delays related to existing customer contracts.

Due to the delayed net sales realization in the past first business half-year and despite the forecasted significantly stronger second business half-year, DOTTIKON ES expects lower net sales and net income for the full business year 2018/19 compared to the previous year.

DOTTIKON ES manufactures high-quality performance chemicals, intermediates and exclusive active pharmaceutical ingredients (APIs) for the world's leading chemical and pharmaceutical industry. The company with its production site in Dottikon (Aargau, Switzerland) is specialized in hazardous reactions and is positioning itself as strategic development and manufacturing partner. Its safety culture created over 105 years guides innovative use of hazardous reactions, low-temperature and high-pressure chemistry, as well as continuous processing. This shortens conventional chemical synthesis routes, increases yields, selectivities and purities, and reduces waste. The versatile technology and equipment portfolio is used to design, develop and optimize chemical processes, and scale up from kilograms to multi-tons.

DOTTIKON ES' one-site strategy allows reduced decision and communication pathways. This ensures rapid and efficient project development as well as clear and transparent communication with customers.



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DOTTIKON ES HOLDING AG is listed at the SIX Swiss Exchange.

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