



Ad-hoc announcement

Pratteln, 27 November 2017

**Execution of a capital increase / Conclusion of a framework agreement concerning the takeover offer to the shareholders of Constantin Medien AG**

- Issuance of 2.4 million new shares from authorized capital at a price of EUR 13.043 per share, fully subscribed by Studhalter Investment AG (SIAG)
- SIAG thus acquires 28.7% of Highlight Event und Entertainment AG (HLEE)
- Framework agreement of HLEE with Bernhard and Rosmarie Burgener, Highlight Communications AG (HLC), SIAG and Alexander Studhalter on a voluntary takeover bid to the public shareholders of Constantin Medien AG
- Bernhard Burgener and SIAG have agreed to be represented with two board members each at HLEE if the offer is successful

The Board of Directors of Highlight Event and Entertainment AG (HLEE) today decided to issue 2'468'459 bearer shares with a nominal value of CHF 9.00 per share in an authorized capital increase. All new shares have been subscribed by Studhalter Investment AG (SIAG) based in Lucerne and acquired at a subscription price of EUR 13.043 per share. The transaction will generate proceeds of approximately EUR 32 million for HLEE. The capital increase, together with a loan also taken out, serves, among other things, to refinance the previously announced acquisition of the 25% stake in HLC. It was a prerequisite for the launch of a voluntary takeover offer by HLC and SIAG to the public shareholders of Constantin Medien AG.

After completion of the capital increase, HLEE now has a fully paid-up share capital of CHF 77,400,000, divided into 8,600,000 bearer shares with a nominal value of CHF 9.00 per share. SIX Swiss Exchange has granted a deferment of listing for the newly issued bearer shares of the company; the listing will take place within the next six months.

In addition to the purchase of the new shares, SIAG grants HLEE a loan of approximately EUR 51 million. SIAG may convert up to EUR 1,929,600 as a convertible loan at a price of EUR 16.08 per share into a maximum of 120,000 bearer shares from January 2018.

Today, HLEE entered into a framework agreement with Bernhard and Rosmarie Burgener, HLC, SIAG and Alexander Studhalter according to which HLC and SIAG, with exempting effect for Bernhard and Rosmarie Burgener, HLEE and Alexander Studhalter, are to launch a takeover bid to the shareholders of Constantin Medien AG (CMAG). HLEE currently holds a stake of just below 30% in CMAG.

In particular, the framework agreement governs the financing and coordination of the takeover bid and the structuring of the group of shareholders of CMAG after its successful completion. Among other things, it provides that all shares of CMAG tendered as part of the takeover offer will be acquired and transferred to HLC upon completion of the takeover offer. If the takeover bid is successful, it will exempt HLEE, among other things, from the obligation to make a mandatory offer in case of additional purchases of CMAG shares in the future.

The decision to make the takeover offer as well as further information will be published by the two bidders, SIAG and HLC, in accordance with the provisions of the German Securities Acquisition and Takeover Act. It is expected that the publication of the offer document, which may only take place after approval by the German Federal Financial Supervisory Authority, will occur in the course of December 2017.

In this connection, Bernhard and Rosmarie Burgener, SIAG and Alexander Studhalter have also entered into a shareholders' agreement, which will only become effective if and when the takeover bid is successfully completed in accordance with the contractual conditions. The agreement, inter alia, provides that Bernhard Burgener and SIAG each propose two members to be elected to the board of directors of HLEE and thus together form a majority on the board of directors. Further, the board of directors of HLC and the board of directors of CMAG shall also be composed of a majority of representatives of the core shareholders.

A successful takeover offer will help to put an end to the crippling blockades that arose in connection with the disagreements with the former CMAG management until August 2017 and to focus on the reorganization and further development of the group in order to create sustainable value for all stakeholders. HLEE and the other parties of the framework agreement intend to consistently pursue the growth strategy of HLEE, HLC and CMAG. They are convinced that a realigned shareholding structure would unleash organizational synergies. A strong base of core shareholders that act strategically in concert and which can continue developing the business model with a long-term perspective and contribute the necessary financial resources, is helpful in achieving these objectives.

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**Additional information on the new investor Studhalter Investment AG - Specialist for reorganisations and growth financing**

Studhalter Investment AG, an investment company based in Lucerne, is wholly owned by the 49-year-old Alexander Studhalter and was established by him together with his wife Aline Studhalter. The couple runs the company together. Aline Studhalter has a legal and notarial background and has broad experience in investment management and investment development. Alexander Studhalter is an active private equity and real estate investor with extensive experience in the development, acquisition, reorganization, integration and management of companies and real estate transactions and development on an international level. Alexander Studhalter is a member of several national and international boards of directors and is also involved in charitable projects.

**Disclaimer**

This announcement merely serves information purposes and neither represents an offer to purchase or sell nor a solicitation of an offer to purchase or sell shares of Constantin Medien AG. The definite terms and conditions of the takeover offer, as well as further provisions concerning the takeover offer, will be published in the offer document after the approval of the offer document by the German Federal Financial Supervisory Authority. The bidders reserve

the right to deviate from the basic terms presented herein in the final terms and conditions of the takeover offer.

Investors and shareholders of Constantin Medien AG are strongly advised to read the offer document and any relevant documents in connection with the takeover offer as soon as such documents will be published as they will contain important information. Where appropriate, it is furthermore recommended to seek independent advice in order to receive a competent assessment regarding the contents of the offer document and the takeover offer.