Report to fiscal year

2021

MEYER BURGER

Key Figures

Consolidated income statement

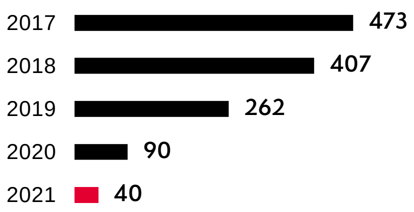
in TCHF	2021	2020
Net sales	39 905	90 457
Operating income after costs of products and services[1]	29 183	37 856
in % of net sales	73.1%	41.8%
EBITDA[2]	–72 469	–44 600
in % of net sales	–181.6%	–49.3%
EBIT[3]	–85 337	–58 083
in % of net sales	–213.9%	–64.2%
Net result for the year	–100 487	–64 478

[1] "Operating income after costs of products and services" corresponds to total income including other operating income, e.g. gain from sale of group companies less changes in inventories or finished and semi-finished products and machines before acceptance, cost of products and work in progress and capitalized goods and services.
[2] "EBITDA" corresponds to the operating result (EBIT) before depreciation on tangible fixed assets and amortization on intangible assets, the financial result, the result from investment in associates, the non-operating result and income taxes.
[3] "EBIT" corresponds to the operating result, before the financial result, the result from investment in associates, the non-operating result and income taxes.

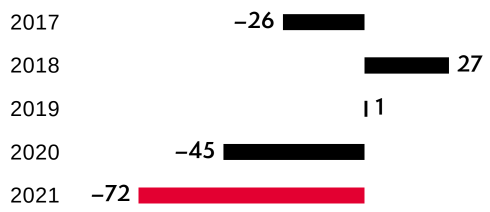
Consolidated balance sheet

in TCHF	31.12.2021	31.12.2020
Total assets	492 722	296 807
Current assets	334 668	222 964
Non-current assets	158 054	73 843
Current liabilities	46 141	34 302
Non-current liabilities	185 151	2 733
Equity	261 430	259 772
Equity ratio	53.1%	87.5%

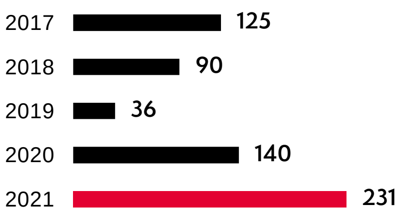
Net sales
in CHF million



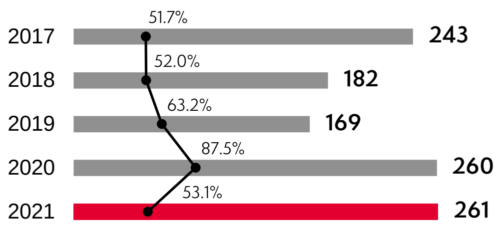
EBITDA
in CHF million



Cash and cash equivalents
in CHF million



Equity and equity ratio
in CHF million and %



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The Annual Report 2021 is available on the company website:
https://www.meyerburger.com/en/investors/financial-reports-publications/

Letter to Shareholders

Dear Shareholders

Meyer Burger achieved its strategic goals for 2021 and has successfully transformed itself from a system and technology provider to an integrated manufacturer of high-performance solar cells and modules. We set ourselves a very ambitious schedule for this transformation, as demonstrated by the list of milestones already achieved: Certification of the modules, launch of solar cell production in Thalheim (Bitterfeld-Wolfen, Saxony-Anhalt) and the SmartWire module factory in Freiberg (Saxony), and alteration of the former Solarworld factory and conversion to SmartWire production lines within just eight months, leading to the establishment of the most modern and environmentally friendly production facility of its kind in Europe. More than 400 new, highly qualified jobs were created at the two locations. Despite the difficult situation on the labor market, we have succeeded in building highly motivated teams in all areas. At the same time, supply chains had to be established and secured, and the new sales organization set up along with completely new customer relationships.

Meyer Burger established as a premium brand

To realign the brand, we launched a broad marketing campaign to establish Meyer Burger as a premium brand. Under the motto “Ready to shine”, we are positioning ourselves as the leading European solar brand-designed in Switzerland and made in Germany. With our modules, we are setting new standards in the solar industry in terms of performance and quality, while also meeting high sustainability requirements. Our products are manufactured with 100-percent renewable energy in accordance with the highest social and environmental standards. For example, we do not use any toxic lead whatsoever throughout the production process. We also prefer to work with local manufacturers and suppliers, which reduces transport distances, delivery times and, above all, emissions.

The reorientation of people´s preferences toward transparent, environmentally friendly, and fairly

Liebe Aktionärinnen, liebe Aktionäre

Meyer Burger hat seine strategischen Ziele für das Jahr 2021 erreicht und sich erfolgreich vom reinen Anlagen- und Technologieanbieter zum integrierten Hersteller von Hochleistungs-Solarzellen und -modulen gewandelt. Den Zeitplan dieser Transformation haben wir sehr sportlich gesetzt, wie die Liste der erreichten Meilensteine dokumentiert: Zertifizierung der Module, Inbetriebnahme der Solarzellenproduktion in Thalheim (Bitterfeld-Wolfen, Sachsen-Anhalt) und der SmartWire-Modulfabrik in Freiberg (Sachsen), Umbau der ehemaligen Solarworld-Fabrik und Umrüstung auf SmartWire-Fertigungslinien innerhalb von nur acht Monaten. Hier entstand die modernste und umweltfreundlichste Fertigungsanlage ihrer Art in Europa. An den beiden Standorten zusammen entstanden mehr als 400 neue, hoch qualifizierte Arbeitsplätze. Es ist uns trotz schwieriger Situation auf dem Arbeitsmarkt gelungen, in allen Bereichen ausgesprochen motivierte Teams aufzubauen. Gleichzeitig mussten die Lieferketten etabliert und abgesichert sowie die neue Vertriebsorganisation samt komplett neuen Kundenbeziehungen aufgebaut werden.

Meyer Burger als Premiummarke etabliert

Zur Neuausrichtung der Marke lancierten wir eine breit angelegte Marketingkampagne, um Meyer Burger als Premiummarke zu etablieren. Unter dem Motto «Ready to shine» positionieren wir uns als die führende europäische Solarmarke, designed in Switzerland, made in Germany. Mit unseren Modulen setzen wir in der Solarindustrie neue Standards in Bezug auf Leistung und Qualität und stellen hohe Anforderungen an die Nachhaltigkeit. Unsere Produkte werden mit 100 Prozent erneuerbarer Energie nach höchsten Sozial- und Umweltstandards produziert. Zum Beispiel verzichten wir in der Produktion konsequent auf giftiges Blei. Wir arbeiten bevorzugt mit lokalen Herstellern und Lieferanten zusammen, was Wege, Lieferzeiten und vor allem Emissionen spart.

Die Reorientierung der Menschen auf transparente, umweltgerecht und fair hergestellte Produkte mit

Left:
Franz Richter
Chairman
Meyer Burger
Technology Ltd

Right:
Gunter Erfurt
Chief Executive Officer
Meyer Burger
Technology Ltd

manufactured products with a reliable short supply chain has become a megatrend that can be seen in all segments. Meyer Burger is ideally positioned to meet customer requirements in this regard.

The demand for the rooftop segment, which was planned from the outset, developed well and the quantities produced were sold out within a short time. Meyer Burger is recognized as a premium brand by retailers and customers and is ideally positioned in its Swiss home market in particular. We are represented regionally in all important European markets and in the U.S. At the end of 2021, we were already supplying around 30 major customers and had over 450 registered installers in Europe alone.

Owing to the benefits of our high-performance modules, we have been able to assert ourselves in the segment for commercial rooftop systems. We are supplying more than 6,000 modules manufactured in German to the Europa Park Stadium for the SC Freiburg soccer club. The solar power system on the stadium roof will produce around 2.3 million kilowatt-hours of electricity per year and thus cover the annual energy requirements of the German Bundesliga club in a climate-neutral manner.

Delays in ramp-up of production

The complete transformation of the company was hampered by numerous operational challenges and was made even more difficult by the effects of the pandemic. Short-term, unexpected supply bottlenecks for system-relevant individual components, which had to be procured externally, delayed the startup of production. The ramp-up of production took almost six months and therefore longer than planned. Module production in particular requires much coordination with respect to technology and production logistics and every unforeseen interruption to operations had a significant impact on production volume. Very high numbers of staff who were out due to illness, as well as a high absence rate due to quarantine rules in Saxony during the pandemic, forced Meyer Burger to reduce production

verlässlicher kurzer Lieferkette ist zu einem Megatrend geworden und in allen Segmenten zu beobachten. Meyer Burger ist bestens positioniert, um diesem Kundenbedürfnis zu entsprechen.

Die Nachfrage nach dem von Beginn weg anvisierten Hausdachsegment hat sich sogleich erfreulich entwickelt. Die produzierten Mengen sind jeweils innert kurzer Zeit ausverkauft. Meyer Burger ist als Premiummarke bei Händlern und Kunden anerkannt und insbesondere in unserem Heimatmarkt Schweiz nahezu ideal positioniert. In allen wichtigen europäischen Märkten und in den USA sind wir regional vertreten. Per Jahresende 2021 lieferten wir bereits an circa 30 Grosskunden und verzeichnen inzwischen über 450 registrierte Installateure allein im europäischen Raum.

Mit den Vorteilen unserer Hochleistungsmodule können wir uns bereits im Segment für Gewerbe-Dachanlagen durchsetzen. Für das Europa Park Stadion des SC Freiburg liefern wir über 6.000 Paneele aus deutscher Produktion. Die Solaranlage auf dem Stadiondach wird rund 2,3 Millionen Kilowattstunden Strom im Jahr produzieren und damit den Jahresstrombedarf des deutschen Fussball-Bundesligisten klimaneutral decken.

Verzögerungen beim Hochlauf der Produktion

Der Totalumbau des Unternehmens wurde operativ von zahlreichen Herausforderungen begleitet und durch die Auswirkungen der Pandemie zusätzlich erschwert. Kurzfristige, unerwartete Lieferengpässe von systemrelevanten Einzelkomponenten, welche extern beschafft werden mussten, verzögerten die Inbetriebnahme der Fertigung. Der Hochlauf der Produktion (Ramp-up) benötigte fast sechs Monate und damit länger als geplant. Insbesondere die Modulherstellung erfordert viel technologische und fertigungslogistische Abstimmung und jede unvorhergesehene Betriebsunterbrechung hatte einen signifikanten Einfluss auf die Produktionsmenge. Ein sehr hoher Krankenstand und eine hohe Abwesenheitsquote aufgrund der Quarantäneregeln in output for new solar modules in the fourth quarter of 2021 and beyond. All these factors combined delayed the production ramp-up and thus affected our ability to achieve our internal operational targets for 2021. Ramp-up costs and the incomplete absorption of production overheads pose a major challenge at the outset of every production ramp-up. However, our cost structures have been improving and continue to improve. In addition, we expect that the scaling of production, which is now foreseeable, will enable us to achieve the planned target figures.

Our realignment and the establishment of new production sites, which characterized the 2021 financial year, led as expected to only modest results in the income statement. With a turnover of around CHF 39.9 million, Meyer Burger achieved an EBITDA of CHF –72.5 million and an annual result of CHF –100.5 million. This reflects in particular the operating costs of the setup phase, as well as the final adjustments made to the old business.

The balance sheet, on the other hand, clearly shows the investments in the two new production sites and the establishment of warehouses and storage capacities that enable efficient order processing. In addition, the balance sheet reflects the financing received this year, which serves as a sustainable foundation for future success.

We have successfully secured financing for the next growth phase. The company has raised CHF 80 million from a private placement of new shares, and a further EUR 145 million from a private placement of a green convertible bond that will mature in 2027. Meyer Burger was also able to secure the expansion of cell and module capacities with a syndicated loan agreement of EUR 125 million and a factoring agreement of EUR 60 million. Both credit facilities, including the usual financial covenants, were concluded at arm's length conditions on the market.

Outlook

The operational challenges of last year appear set to continue in 2022. The disruptions to the global supply chains are not over. Nevertheless, we are confident about the next expansion phase. The energy transition – away from fossil fuels and toward renewable energy sources – is stimulating the photovoltaic market, above all because of the unbeatably low costs involved. Solar energy is one of the cheapest primary sources of electricity in the world today. China in particular has benefited from this thus far. Since the outbreak of the Ukraine conflict at the very latest, the consensus is that Europe must quickly become more independent with regard to energy. The West is therefore increasingly focusing on renewable energies in order to reduce dependence on Russia, the Middle East, and Asia. As the only

Sachsen während der Corona-Pandemie zwangen Meyer Burger, den Ausstoss der neuen Solarmodul-Produktion im vierten Quartal und übers Jahresende 2021 hinaus, zu reduzieren. All diese Faktoren zusammen verzögerten den Fertigungshochlauf und beeinträchtigten damit die Erreichung unserer internen operativen Ziele für 2021. In jedem Fertigungshochlauf sind Hochlaufkosten sowie die unvollständige Absorption von Fertigungsgemeinkosten zu Beginn eine grosse Herausforderung. Die Kostenstrukturen wurden und werden jedoch kontinuierlich verbessert. Wir erwarten, dass mit der nun vorhersehbaren Skalierung der Produktion die geplanten Zielwerte erreicht werden können.

Die Neuausrichtung und der Aufbau der neuen Produktionsstandorte, welche das Geschäftsjahr 2021 prägten, führen erwartungsgemäss noch zu verhaltenen Ergebnissen in der Erfolgsrechnung. Mit einem Umsatz von rund CHF 39,9 Millionen erzielte Meyer Burger einen EBITDA von CHF –72,5 Millionen und ein Jahresergebnis von CHF –100,5 Millionen. Dies spiegelt insbesondere die operativen Kosten der Aufbauphase und die abschliessenden Bereinigungen des Altgeschäfts wider.

In der Bilanz hingegen zeigen sich bereits deutlich die Investitionen in die beiden neuen Produktionsstandorte und der voranschreitende Lageraufbau, der für eine effiziente Auftragsabwicklung benötigt wird. Zudem reflektieren sich darin die in diesem Jahr erhaltenen Finanzierungen als nachhaltiger Grundstein des zukünftigen Erfolgs.

Mit Erfolg haben wir die Finanzierung der nächsten Wachstumsphase gesichert. Aus einer Privatplatzierung von neuen Aktien nahm das Unternehmen CHF 80 Millionen auf und weitere EUR 145 Millionen aus einer Privatplatzierung einer grünen Wandelanleihe mit Fälligkeit 2027. Den Ausbau der Zell- und Modulkapazitäten konnte Meyer Burger ausserdem mit einem Konsortialkreditvertrag über EUR 125 Millionen und einen Factoringvertrag über EUR 60 Millionen sichern. Beide Kreditfazilitäten einschliesslich der üblichen Financial Covenants wurden zu marktüblichen Konditionen abgeschlossen.

Ausblick

Das operativ herausfordernde Jahr setzt sich 2022 fort. Die Verwerfungen der globalen Lieferketten sind nicht ausgestanden. Gleichwohl blicken wir der nächsten Ausbauphase mit Zuversicht entgegen. Die Energiewende – weg von fossilen, hin zu erneuerbaren Energiequellen – beflügelt den Photovoltaik-Markt vor allem auch wegen der unschlagbar günstigen Kosten. Solarenergie ist weltweit eine der günstigsten Primärerzeugungsquellen für Elektroenergie. Davon hat bislang vor allem China profitiert. Spätestens seit Ausbruch des Ukraine-Konflikts herrscht energiepolitischer Konsens company with specific gigawatt expansion projects in the field of crystalline photovoltaics at the moment, Meyer Burger is ideally positioned in this regard.

Our products are of high quality and the prices achieved meet our expectations. We were able to significantly improve processes in the first year of production. Thanks to our expertise in mechanical engineering, the findings from the ramp-up phase are being used to optimize equipment. The capacity expansion to 1.4 gigawatts (GW) at the Thalheim site and 1 GW at the Freiberg site is in full swing, and the first plant expansions have already been carried out in Freiberg. In the U.S., Goodyear, Arizona, was chosen as a production site. Proximity to the customer, the availability of skilled workers, and strong local partnerships were the deciding factors here. Plans call for an annual production capacity of 0.4 GW in the U.S. for the time being; the existing infrastructure will allow for expansion to 1.5 GW, however. Over 500 qualified production jobs will be created in the final expansion stage.

As part of the expansion at the locations, we will also be launching new products for the Rooftop and Commercial & Industrial customer groups. In parallel, we are also working on our solar roof tiles and hope to conduct initial pilot customer projects in 2022.

At the research sites in Switzerland and Germany, as well as in exclusive cooperation with CSEM (Centre Suisse d'Électronique et de Microtechnique) in Neuchâtel, Switzerland, we are pressing ahead with the industrialization of IBC technology based on our heterojunction technology as the next evolutionary technology step, and are bringing it to market maturity. IBC stands for Interdigitated Back Contact. In IBC modules, the wiring is only mounted on the rear of the cell, which enables better use of sunlight without any shading on the front side facing the sun. Especially in combination with our SmartWire technology, this offers significant advantages in terms of efficiency and costs. We expect to be able to use this proprietary technology in all market segments in the future.

Even though Oxford Photovoltaics Limited (Oxford PV) ended a cooperation agreement with us that had been in place since 2019, perovskite tandem technology remains an integral part of Meyer Burger's medium-term technology roadmap. New partnerships with leading research institutes are on the horizon. We ourselves have a comprehensive portfolio of processes, technologies and production techniques for our own potential large-scale production of tandem solar cells and modules.

darüber, dass Europa in Energiefragen schnell unabhängiger werden muss. Der Westen setzt daher verstärkt auf erneuerbare Energien, da damit Abhängigkeiten gegenüber Russland, dem Nahen Osten und Asien beseitigt werden könnten. Angesichts dieser Lage ist Meyer Burger als derzeit einziges Unternehmen mit konkreten Gigawatt-Ausbauprojekten im Bereich der kristallinen Photovoltaik geradezu perfekt aufgestellt.

Die Qualität unserer Produkte stimmt, die erzielten Preise entsprechen unseren Erwartungen. Die Prozesse haben wir im ersten Produktionsjahr signifikant verbessern können. Dank unserer Kompetenz als Maschinenbauer fliessen die Erkenntnisse aus der Hochlaufphase direkt in die Optimierung des Equipments ein. Der Kapazitätsausbau auf 1.4 Gigawatt (GW) am Standort Thalheim und auf 1 GW Kapazität am Standort Freiberg ist im vollen Gange und es wurden in Freiberg bereits erste Anlagenerweiterungen vorgenommen. In den USA ist die Wahl als Fertigungsstandort auf Goodyear, Arizona, gefallen. Kundennähe, verfügbare Fachkräfte und starke Partnerschaften vor Ort gaben den Ausschlag. Die jährliche Produktionskapazität in den USA soll vorerst 0,4 GW betragen, die bestehende Infrastruktur erlaubt jedoch einen Ausbau auf 1,5 GW Kapazität. In der Endausbaustufe entstehen über 500 qualifizierte Produktionsarbeitsplätze.

Wir werden im Rahmen des Ausbaus an den Standorten auch neue Produkte für die Kundengruppen Hausdach und Commercial & Industrial in den Markt bringen. Parallel dazu arbeiten wir an unseren Solardachziegeln und wollen 2022 erste Pilotkundenprojekte bedienen.

An den Forschungsstandorten in der Schweiz und in Deutschland sowie in exklusiver Zusammenarbeit mit dem CSEM (Centre Suisse d'Électronique et de Microtechnique) in Neuenburg, Schweiz, wird die Industrialisierung der IBC-Technologie auf Basis unserer Heterojunction-Technologie als nächster evolutionärer Technologieschritt vorangetrieben und zur Marktreife gebracht. IBC steht für Interdigitated Back Contact. Die Verschaltung ist bei IBC-Modulen nur auf der Rückseite der Zelle angebracht, was eine bessere Ausnutzung des Sonnenlichts ohne jegliche Verschattung der sonnenzugewandten Vorderseite ermöglicht. Vor allem in Kombination mit unserer SmartWire-Technologie ergeben sich daraus wesentliche Vorteile in puncto Effizienz und Kosten. Wir erwarten, dass diese proprietäre Technologie zukünftig in allen Marktsegmenten eingesetzt werden kann.

Auch nach Beendigung des seit 2019 bestehenden Kooperationsvertrags durch Oxford Photovoltaics Limited (Oxford PV) bleibt die Perowskit-Tandemtechnologie fester Bestandteil von Meyer Burgers mittel-

Executive Board expanded – appointment of Chief Sustainability Officer

By appointing Katja Tavernaro as a member of the Executive Board, the Board of Directors has ensured that Meyer Burger, as a green company, will set new standards in the solar industry in terms of sustainability. Katja Tavernaro has taken on the newly created role of Chief Sustainability Officer (CSO). She is responsible within the Group for Environmental, Social and Governance (ESG) and for Human Resources, Legal & Compliance. Meyer Burger plans to embed ESG principles throughout the company. With effect from 1 January 2022, the Board of Directors also appointed two other new members to the Executive Board: Daniel Menzel as Chief Operating Officer (COO) and Moritz Borgmann as Chief Commercial Officer (CCO). This puts the company in a good operational position for further expansion steps and accelerated growth in Europe and the U.S. Our Chief Financial Officer (CFO), Nathalie Benedikt, appointed at the end of 2021, unfortunately left the company after a few weeks at her own request and for personal reasons. The CFO's areas of responsibility are being managed on an interim basis by the CEO and CSO. On 4 May 2021, the General Meeting of Meyer Burger Technology AG elected Swiss attorney Urs Schenker as the successor to Urs Fähndrich on the Board of Directors.

Thanks

2021 was a difficult year full of challenges. The Board of Directors and the Executive Board would like to thank all employees for their tireless efforts. We would also like to thank you, dear shareholders, for putting your trust in us and investing in Meyer Burger's new business model. We have completed the transformation and are now ready to take off. Solar energy is indispensable for electrification in a climate-neutral society. With our products, we can contribute to climate protection, security of supply, and price stability in the field of electrical energy.

fristiger Technologie-Roadmap. Neue Partnerschaften mit führenden Forschungsinstituten zeichnen sich ab. Wir selbst verfügen über ein umfassendes Portfolio an Prozessen, Technologien und Produktionstechniken für eine eigene potenzielle Massenfertigung von Tandemsolarzellen und -modulen.

Erweiterung der Geschäftsleitung – Berufung Chief Sustainability Officer

Mit der Berufung von Katja Tavernaro in die Geschäftsleitung hat der Verwaltungsrat sichergestellt, dass Meyer Burger als grünes Unternehmen in puncto Nachhaltigkeit in der Solarbranche neue Standards setzt. Katja Tavernaro übernahm die neu geschaffene Funktion des Chief Sustainability Officers (CSO). Sie ist innerhalb der Gruppe für die Bereiche Environmental, Social und Governance (ESG) sowie Personal, Legal & Compliance zuständig. Meyer Burger will ESG-Grundsätze im gesamten Unternehmen verankern. Per 1. Januar 2022 ernannte der Verwaltungsrat zudem zwei neue Mitglieder der Geschäftsleitung: Daniel Menzel zum Chief Operating Officer (COO) und Moritz Borgmann zum Chief Commercial Officer (CCO). Damit ist das Unternehmen für weitere Ausbauschritte und einen beschleunigten Wachstumskurs in Europa und den USA operativ gut aufgestellt. Die Ende 2021 ernannte Chief Financial Officer (CFO), Nathalie Benedikt, hat das Unternehmen auf eigenen Wunsch und aus persönlichen Gründen, nach wenigen Wochen leider wieder verlassen. Die Verantwortungsbereiche des CFOs werden interimistisch vom CEO und von der CSO geführt. Die Generalversammlung der Meyer Burger Technology AG wählte am 4. Mai 2021 den Schweizer Rechtsanwalt Urs Schenker als Nachfolger von Urs Fähndrich in den Verwaltungsrat.

Dank

2021 war anspruchsvoll und reich an Herausforderungen. Der Verwaltungsrat und die Geschäftsleitung danken allen Mitarbeitenden für ihren unermüdlichen Einsatz. Nicht zuletzt danken wir Ihnen, sehr geehrte Aktionärinnen und Aktionäre. Sie haben uns Ihr Vertrauen geschenkt und ins neue Geschäftsmodell von Meyer Burger investiert. Wir haben die Transformation bewerkstelligt und sind nun bereit durchzustarten. Die Solarenergie ist bei der Elektrifizierung der Gesellschaft unentbehrlich, um klimaneutral zu werden. Mit unseren Produkten können wir dem Klimaschutz, der Versorgungssicherheit und der Preisstabilität im Bereich Elektroenergie Schub geben.

F. Richter

Franz Richter
Chairman

Gunter Erfurt
Chief Executive Officer

Management Report 2021

Successful transformation to PV call and module manufacturer

Meyer Burger has completed the strategic transformation of its business model within the ambitious timeframe set and has successfully launched the distribution of its high-performance solar modules in 2021.

The grand openings of the cell and module factories were significant milestones. After opening the solar cell production in Thalheim (Bitterfeld-Wolfen, Saxony-Anhalt) in mid of April, Meyer Burger's high tech module factory in Freiberg (Saxony) was opened only a week later. After an only eight months renovation of the former Solarworld factory and the installation of the SmartWire production lines, there is an annual nominal capacity of 0.4 GW or about 3000 modules per day after the completion of the ramp-up. It is the most modern and environmentally friendly manufacturing facility in Europe of its kind. The opening took place digitally against the backdrop of the Corona pandemic. At the opening ceremony President Michael Kretschmer and Wolfram Günther, State Minister for Energy, Climate Protection, Environment and Agriculture, were representing the Saxon state government.

With the opening of both production facilities, the securing of all supply chains and the establishment of the manufacturing and sales organizations, key milestones along Meyer Burger's transformation from a pure equipment and technology provider to an integrated manufacturer of solar cells and solar modules have been achieved according to plan.

Meyer Burger established a powerful sales and marketing organization in Europe and the USA with an experienced and highly motivated team which continues to grow. Meyer Burger's active customer list meanwhile includes around 30 B2B customers, including market-leading distributors such as BayWa r.e., Krannich Solar, IBC Solar, Sonepar, Memodo in Europe and the U.S. distributor CED Greentech. This means that Meyer Burger's products are represented in more than 60 individual distributor country branches. More than 450 installers have registered as Meyer Burger installers.

At the end of 2021, Meyer Burger announced to establish another production site for high-performance solar modules in the United States. The investment in Goodyear, Arizona, is an important step in meeting the company's commitments to produce modules near end-customers, source material from regional suppliers, and improve overall sustainability by reducing transportation emissions and optimizing the carbon footprint of the company's solar modules. The development of a manufacturing facility in Arizona will provide flexibility, ease of access, and resilience for Meyer Burger's customers in the growing North American market.

Sales and marketing

"Ready to shine" is the slogan to re-establish Meyer Burger as a premium solar module brand. The company launched a broad marketing campaign primarily via digital channels to reach its end customers and installers in a targeted manner. Following the launch of Meyer Burger's solar modules for the rooftop segment, order intake developed highly positively. The prices achieved are fully in line with expectations. In addition, earlier than planned, Meyer Burger was able to win its first pilot projects in the segment for utility-scale and large industrial rooftop systems.

Ramp up

The total reorganization of the company was accompanied by many operational challenges and made even more difficult by the effects of the pandemic. Short-term, unexpected supply bottlenecks of system-relevant individual components, which had to be procured externally, delayed the start-up of production. The ramp-up of production took almost six months, which was longer than planned. The Covid pandemic caused above-average absences due to illness and officially ordered quarantine among Meyer Burger's workforce. The company was forced to operate only one of two production lines at its plant in Freiberg (Saxony) during the fourth quarter and beyond year-end 2021 and therefore to adjust the production plans for its solar modules accordingly. All these factors together impacted the achievement of the internal operational targets.

Momentum & market

With the Ukraine crisis, the solar sector is noted as a strategic necessity to reduce dependence on fossil fuels significantly. The sector is experiencing fast growing industrial policy support in the European Union and the USA. The global solar market is growing dynamically also due to the sustainably competitive power generation costs as well as positive climate impact of solar power generation. Demand for solar energy is expected to rise massively, as power systems are transformed from conventional power generation to renewable energy. Therefore, Meyer Burger is experiencing strong tailwinds. Due to Meyer Burger's successful market entry, but also driven by macro market trends such as globally scarce availability of solar modules, Meyer Burger's high-performance modules are in high demand and achieve the targeted prices in the market. The company expects this momentum to continue in the coming years. Manufacturing cells and modules in the center of Europe further strengthens Meyer Burger's market position, as delivery times are short and logistics costs are low compared to Asian producers. The Europe-focused supply chain also improves the carbon footprint. With the completion of the strategic transformation, the stage is now set for Meyer Burger's success in a continuously rapidly growing market.

Financing secured for capacity expansion

Financing for the expansion of production capacity has been secured in July 2021. This will enable Meyer Burger to achieve critical economies of scale more quickly and also to utilize its own production equipment capacity in a more uniform manner and thus to operate more efficiently. With previously existing cash reserves, the syndicated loan of EUR 125 million, the factoring facility of EUR 60 million and additional funds from the capital increase of CHF 80 million and the green convertible bond of EUR 145 million, the company's further growth is secured.

Results reflect the transition phase

The results of the financial year 2021 expectedly reflect the year of transition. Net sales reduced to CHF 39.9 million (2020: CHF 90.5 million) of which CHF 9.0 million stem from the first sales of the modules segment and thus lay the foundation for Meyer Burger’s new business model while the photovoltaics segment will be internalized with the exception of Pasan’s measurement technology business. The regional sales mix has changed with more focus on the European market with 49% (30% in 2020), Asia still accounting for 42% of net sales (64% in 2020) and the Americas for 9% (6% in 2020). The regional sales mix is expected to lean even more strongly towards Europe and the Americas under the new business model.

Margin reflects capitalization of own machinery

The operating income after cost of products and services was CHF 29.2 million (CHF 37.9 million in 2020), reflecting a margin of 73.1 % (2020: 41.8 %) strongly based on the positive effects of machinery manufactured in-house and accordingly capitalized for the two new production facilities fostering the captive business model.

Operating costs based on ramp-up

With the operative ramp-up, personnel costs preceed sales volumes and increased to CHF 60.4 million (2020: CHF 53.9 million). Operating expenses amounted to CHF 41.2 million (2020: 28.5 million) based on additional new infrastructural costs, such as rent and energy, marketing costs as well as additional administrative costs for the financing measures. This led to an EBITDA of CHF –72.5 million (CHF –44.6 million in 2020) respectively an EBITDA margin of –181.6 % (2020: –49.3 %).

Depreciation and amortization remained relatively stable given the start of cell and module production and therefore start of depreciation of machinery in the second semester of 2021 only. Accordingly EBIT stood at CHF –85.3 million (CHF –58.1 million in 2020) with a margin of –213.9 % (2020: –64.2 %).

Financial result reflects successful financing measures

The financial result, net, was CHF –11.2 million (2020: CHF –3.4 million). Financial expense in the fiscal year included interest expense for the syndicated loan and the green convertible bond of CHF –5,5 million (2020: interest expense for the convertible bond: CHF –1.5 million). The valuation of intercompany loans to foreign subsidiaries led to financial losses from unrealized negative foreign currency translation effects of CHF 0.8 million (2020: unrealized gains of CHF 6.1 million). In addition, there were other foreign currency translation effects of CHF –4.8 million (2020: CHF –6.2 million), other interest expense of CHF –0.3 million (2020: CHF –0.7 million) and other financial expense of CHF –1.5 million (2020: CHF –1.2 million) as well as interest income of CHF <0.1 million (2020:

CHF <0.1 million). The proportionate result from investments in associates due to the acquired interest in Oxford PV amounted to CHF –2.9 million (2020: CHF –2.8 million) until its derecognition from the scope of consolidation per end of August 2021.

Net result

Meyer Burger generated a Group result of CHF –100.5 million (2020: CHF –64.5 million) which equals a net result per share of CHF –0.04 (2020: CHF –0.04).

Balance sheet holds investments made

As of 31 December 2021, the balance sheet total increased to CHF 492.7 million (31 December 2020: CHF 296.8 million) , mainly due to the investments made in the high-speed ramp-up of the two new facilities as well as the successful financing measures taken. In the face of further necessary investments, the cash position of the Group stood at CHF 231.4 million (31 December 2020: CHF 139.7 million) while trade working capital remained relatively stable at CHF 33.4 million (31 December 2020: CHF 32.7 million) based on higher inventories with counterbalancing higher trade payables as at year-end. Property, plant and equipment included investments made and capitalizations net of investment subsidies received of CHF 99.2 million (2020: 20.7 million) and at 31 December 2021 amounted to CHF 124.3 million (31 December 2020: CHF 38.1 million) as a basis for the new successful realization of the new business model. Intangible assets of CHF 6.1 million as at year-end 2021 (31 December 2021: CHF 0.3 million) included the investments made in the intellectual property for the expansion of Meyer Burger's product portfolio towards innovative solar roof tiles.

Derecognition of investment in Oxford PV from the scope of consolidation

With the termination of the collaboration agreement and the persistent abstinence of Meyer Burger's delegate from Oxford PV's Board of Directors, Meyer Burger has lost its position of significant influence over its previous associate Oxford PV. Accordingly, the investment in associates was eliminated from the scope of consolidation as per 31 August 2021 while the related goodwill of CHF 4.9 million was fully impaired per that date and the currency translation effect of CHF –0.9 million was recognized through profit and loss. The investment in Oxford PV is now presented as a financial asset.

Liabilities and equity show successful financing measures

The increase in non-current financial liabilities and equity reflects the successful financing measures taken in the financial year 2021, namely the syndicated loan of EUR 125 million of which EUR 60 million were drawn at year-end, the factoring facility of EUR 60 million and additional funds from the capital increase of CHF 80 million and the green convertible bond of EUR 145 million. These measures have secured the company's further growth and expansion and accordingly have laid the basis for Meyer Burger's future success.

Workforce

Employees (FTE)	2021	2020	2019	2018	2017
Total at year-end	**789**	548	805	1191	1276
Operations	444	185	304	481	587
Research, Development	170	162	213	281	232
Sales, Services	87	126	189	281	322
Finance, Administration	88	75	99	148	135

Gratitude for our employees

At the end of 2021, Meyer Burger employed about 858 people who worked tirelessly and with great focus to make the successful change of the business model happen. Meyer Burger is beyond grateful for the service of all employees during these challenging times. The number of full time equivalents increased from 548 in 2020 to 789 in 2021. In addition, the Group employed 31 temporary workers (2020: 10 temporary employees) and 16 apprentices (2020: 21 apprentices). For more information on Human Resources issues see page 26.

Risk management

Meyer Burger uses various risk management instruments to manage its strategic, financial and operational risks. The Board of Directors has primary responsibility for evaluating strategic risks. Financial and operational risks are mainly assessed by the Executive Board. The results are submitted to the Board of Directors at regular intervals and any necessary countermeasures determined. Risk management is integrated within the company's management processes and involves Planning, Finance & Controlling, Internal Audit, Production & Logistics, Research & Development, Product Management, Sales, IT, Corporate Communications, Human Resources, and external Tax and Legal Consulting. Especially with the new business model, the related set-up of new processes and the changing environment, risk management has become more important than ever, among other also standardized risk management in IT processes and the related infrastructure.

- For information about financial risk management see Note 3 on page 97.

Occupational safety is of major importance to Meyer Burger. Risks are minimized and a high degree of process safety is achieved through careful analysis of operating procedures and the provision of employee training.

- For information about employees see the next section and the corresponding part of the Sustainability Report on page 22.

Sustainability

The company

Introduction: Our sustainable business model

As a manufacturer of solar cells and modules, sustainability on the basis of renewable energy is our number one priority (GRI 102-2). Our corporate goal is to become a globally leading PV company and beacon of sustainability. Thus we plan to make a significant contribution to the 1.5 degree target of the Paris Climate Agreement. We are guided by and fully committed to the Sustainable Development Goals (SDGs) of the United Nations.

This report reflects our transition in 2021. We extended our business model from photovoltaic (PV) production equipment manufacturing to the integrated production of PV cells and modules. Within just one year, we executed our plan to start the renaissance of the solar industry in Europe. The progress that we have made is highly visible and is manifested in the set-up of two new manufacturing sites where almost 500 new employees work on the energy independence of the future. They produce a new generation of solar products which are sold to customers worldwide. The execution of the new business model has been very successful in establishing new sources of renewable energy made in Europe. In 2021, we have proven that Meyer Burger is "ready to shine" on its way to 100 percent sustainability.

This report highlights all aspects of sustainability within our company and provides insights into our climate and environmentally friendly, social and customer-oriented activities. The scope of this report was extended (GRI 102-49) and includes a new approach to improving the eco-balance of our sustainable products. Meyer Burger has based its development strategies on a study by Fraunhofer ISE which provides guidance on the measures that must be adopted and extended to improve its eco-balance and sustainability. This will extend Meyer Burger's technological lead in terms of one of the world's lowest CO_2 footprints in the production of solar cells and modules, including the consideration of recycling and the reuse of materials. In pursuit of this goal, we will introduce a new CO_2 control system which helps us towards our goal of reducing our carbon footprint to reach the target of the Paris Climate Agreement.

The data in this report focuses on Meyer Burger's manufacturing operations in Germany, these being at the center of its focus on sustainability, as they represent the main source of emissions and the largest sites within the Group.

Company structure

Meyer Burger Technology Ltd (GRI 102-1) is publicly listed Swiss solar energy company headquartered in Thun, Switzerland with its main manufacturing operations in Germany (Freiberg, Thalheim, Hohenstein-Ernstthal), R&D centers in Switzerland (Thun, Hauterive), and sales and service organizations throughout Asia, the US and Europe (GRI 102-3, GRI 102-4, GRI 102-5, GRI 102-6, GRI 102-7). As announced in December 2021, the company is establishing a production site for high-performance solar modules in Goodyear, Arizona (USA). The investment is an important step in meeting Meyer Burger's commitments to produce modules in close proximity to end-customers, source materials from regional suppliers, and improve its overall sustainability by reducing transportation emissions and optimizing the carbon footprint of the company's solar modules.

In 2021, our organization´s executive leadership was comprised of our CEO Gunter Erfurt, CFO Jürgen Schiffer and CSO Katja Tavernaro, a new member of the Executive Board (GRI 102-18). In June 2021, she took on the newly created role of Chief Sustainability Officer (CSO) and is responsible for Human Resources, Legal & Compliance and ESG (Environmental, Social, Governance) within the Group, setting new standards in the industry in terms of sustainability. The management is also directly responsible for handling economic, environmental, and social strategic topics (GRI 102-20, GRI 102-26, GRI 102-32).

Meyer Burger is responsibly governed by the four members of our Board of Directors (BoD) who have comprehensive experience and expertise, enabling an integrated view on the company's operations: Franz Richter, Mark Kerekes, Andreas Herzog and Urs Schenker.

In December 2021, the BoD appointed two new members to the Executive Board as of 1 January 2022. Daniel Menzel became Chief Operating Officer (COO) and Moritz Borgmann became Chief Commercial Officer (CCO). The company is thus well positioned operationally for further expansion and an accelerated growth path in Europe and the USA.

Sustainable development of our sites

Our road to become a global leader in photovoltaic manufacturing required the strategic planning of our new production sites based on sustainable principles. We acquired plants with a heritage and re-used buildings and machinery wherever possible. Our plants are run by green power and provide safe and secure job conditions. Our choice of locations also takes into account the logistics as we consider that green modules should be transported on green tracks as well.

Thun, Switzerland (Corporate Headquarter)

Being the traditional headquarters for many years, our Thun location provide group services. It is also the home of our Research, Development and Engineering Center. Here, our researchers develop high performance cell connection technologies which form the basis of our next generation solar modules.

Hohenstein-Ernstthal, Germany (Operational Headquarter)

At the Research, Development and Engineering Center site in Hohenstein-Ernstthal near Chemnitz, Meyer Burger manufactures latest-generation solar cell and module technologies and develops mass production systems that are used at Meyer Burger's own manufacturing facilities in a captive business model. In the production area, machines and equipment are built by our engineers and workers and tested on our pilot manufacturing lines. The location further comprises Group functions such as HR, finance and controlling, IT and provides shared services into the organization.

Thalheim (City of Bitterfeld-Wolfen), Germany

Our main hub for solar cell production is located in Thalheim (City of Bitterfeld-Wolfen, State of Saxony-Anhalt). Meyer Burger's production site is in the center of Solar Valley, a traditional manufacturing area for the solar industry in Germany. We are using a plant which was built ten years ago as a solar cell facility. This made the re-use time shorter and conserved resources. Starting with an annual nameplate capacity of 400 megawatts (MW) in 2021, we plan to expand to 1.4 gigawatts (GW) in 2022 and 7 gigawatt (GW) by 2027. From this hub, we deliver high-performance solar cells to our solar module sites in proximity to our focus solar markets.

Freiberg (Saxony), Germany

Meyer Burger's site in Freiberg (State of Saxony) is Europe's largest and most modern production facility for solar modules. Initially, the annual nameplate capacity is 400 MW, but this will be increased to 1 GW in an ongoing expansion in 2022. This facility was also re-used. Built as a plant for solar modules, we were able to re-use equipment, some of which had been developed by Meyer Burger, and this way it was given a second lease of life.

Goodyear, Arizona, US

Close to the prosperous US solar markets, Meyer Burger plans to set up another manufacturing plant for solar modules in Goodyear, Arizona. Initial annual production capacity is expected to be 400 MW by the end of 2022 with the potential to build to 1.5 GW of capacity.

Hauterive, Switzerland

At Meyer Burger Research in Hauterive (Switzerland), a team of experienced researchers with a widely range of different backgrounds, such as microelectronics, physics, chemistry and materials science, is at work. Their focus is on transferring technologies from the laboratory to the mass-production scale in a pilot line for the production of high-performance heterojunction solar cells. The manufactured cells are assembled into modules and tested both in the laboratory and in the field. At the same time, the pilot line is used to develop new technologies that make solar cells even more efficient and production even more cost-effective.

Neuchâtel, Switzerland

Meyer Burger's 100 percent subsidiary Pasan SA located in Neuchâtel is a market leader in solar testing and quality equipment. At the site, leading performance measurement technologies for highly efficient solar cells and modules are developed and produced. Pasan's award winning solar simulators are renowned for their outstanding accuracy and reliability and are used by leading certification institutes, as well as manufacturers of solar cells and modules.

Regional module sales

With experienced and highly motivated new team members mainly from the solar industry, Meyer Burger has established a powerful sales and marketing organization in both Europe and the USA. The team has grown to more than 40 sales representatives. In addition to Germany, Switzerland and the USA, we have established sales offices in Belgium, the Netherlands, Italy, France, Poland, Spain and Portugal. This reflects our strong sales and marketing efforts in 2021.

Worldwide equipment services

Meyer Burger has reduced the number of offices and employees in its equipment service sectors in 2021 and has concentrated the related activities at the Shanghai and Singapore locations. The existing sites in Taiwan, Korea and Malaysia were closed and the Shanghai site was downsized. In total, around 70 employees were affected by the restructuring, with about 20 continuing to be employed at the two remaining sites. The employment of the affected employees was terminated in accordance with the existing local agreements and in a socially responsible manner. The restructuring was completed by the end of 2021 and will be legally closed in 2022.

The product portfolio of high-precision measurement technology products of Meyer Burger's subsidiary Pasan will continue to be marketed to customers worldwide. In Shanghai, Meyer Burger Trading Co. will become the competence center for Pasan’s sales and services in the Asian market. Services for existing Asian customers of Meyer Burger will continue to be provided in Singapore.

With this restructuring, Meyer Burger is further optimizing its global organizational structure in alignment with its transition to a manufacturer of high-performance solar modules. It also strengthens the company's future profitability.

Transition & new brand

In order to successfully and sustainably complete the corporate transition from a mechanical engineering company to a manufacturer and supplier of solar modules, one of the core tasks was to redefine and reposition the heritage-rich brand. For this strategically important challenge, the renowned brand and communications agency Jung von Matt was commissioned. The goal is to establish Meyer Burger as a distinctive, global, sustainable premium brand that inspires B2C and B2B customer groups alike and sets new standards in the solar industry.

The interdisciplinary team acted as a strategic partner for Meyer Burger with its various expert agencies. Working with the agency, the new brand identity was developed and the strategic brand and product repositioning was implemented. Jung von Matt was responsible for the creative content as well as the global communication architecture including media planning and playout of a marketing campaign.

The relaunch of the brand in March 2021 was followed by the product launch in April of three new high-performance solar modules, which was accompanied by a broad-based digital campaign starting in summer. Just as Meyer Burger sets new standards with its products made in Germany, designed in Switzerland and manufactured under the highest standards of sustainability and quality, the campaign was also intended to set new standards and appeal emotionally to end customers. Through the slogan "ready to shine," installers and end customers alike were targeted sustainably, primarily via digital channels. To avoid wastage and in the interests of sustainability, print materials such as brochures, data sheets and merchandise were reduced to a minimum.

Alongside with the campaign, Meyer Burger created a film that breaks with convention and focuses on the power of the sun instead of showcasing the solar module itself. The digital campaign was rolled out in 11 countries on relevant internet platforms and social media channels. The aim was to position the brand not only in the DACH region, but also in Meyer Burger's other core European markets such as in Belgium, France, Italy, the Netherlands, Poland and Spain, as well as in the UK and the Nordic countries. To date, the campaign has reached 290 million people in the core markets.

Meyer Burger: mission & values

Strategy to reach our sustainability goals

We have a clear vision: as a company, Meyer Burger believes in the sustainable development of society and actively participating in the global energy transition. The 1.5 degree target, decent working conditions and the strengthening of regional supply chains are guidelines for this, and they go hand in hand with economic principles and open up personal and social opportunities for people to work towards counteracting climate change.

Read the full interview on our website (https://www.meyerburger.com/en/newsroom/artikel/interview-with-katja-tavernaro-chief-sustainability-officer)

SDG 7 “Affordable and clean energy”

Our innovative range of products, systems and services, including processes for manufacturing solar cells and modules, are essential elements of the PV value chain. Producing cost-effective solar cells and modules and improving their accessibility contributes to the UN goal of "affordable and clean energy" (SDG 7). Using photovoltaics as a primary source of energy ensures access to affordable, reliable, sustainable and modern energy for all and increases the share of renewable energy in the global energy mix.

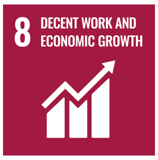
> “We have a clear goal in mind: we want to implement a coherent ESG strategy throughout the company. To achieve this, we not only want to produce the most sustainable solar modules in the world, but also set new standards as a green company - and this includes the entire life cycle of our products. Part of my job as Chief Sustainability Officer is to ensure that we move step by step in the right direction. We have already reached important milestones, for example with regards to our supply chain, recycling and environmental protection.”

Katja Tavernaro, Chief Sustainability Officer, (GRI 102-14)

By transforming our business model from the manufacture of photovoltaic production equipment and expanding it to include the production of solar cells and solar modules in our value chain, we are making sustainability based on renewable energies our number one priority. Our goal is to be one of the world's leading PV companies and a beacon of sustainability in the big market for renewable energies. We want to make a significant contribution to the 1.5 degree target of the Paris Climate Agreement and are guided by the Sustainable Development Goals (SDGs) of the United Nations.

Contribution to UN sustainable development goals

The UN Sustainable Development Goals (SDGs) were created to provide a route, also referred to as a Pathway for Humanity, for any business to harness its power by directing efforts towards global sustainability objectives. By producing cost-effective solar energy cells and modules, and so increasing their accessibility to private and commercial consumers, Meyer Burger directly supports several of these goals.



SDG 8 “Decent work and economic growth”

We directly support SDG 8 “Decent Work and Economic Growth” through the promotion of sustainable, inclusive economic growth and productive employment relationships. Our sites are only located in areas where forced labor issues generally do not persist and employees’ rights are guaranteed by us, as well as by law. In good cooperation with employee representatives, we attach great importance to good, safe and sustainable jobs without regard to gender, race, nationality, age, religion, health restrictions or other discriminatory factors.

SDG 9 “Resilient infrastructure”

By innovating in the PV industry, we actively contribute to building a resilient infrastructure and are working towards a sustainable industrialization (SDG 9). Our goal is to help building a resilient energy infrastructure in regions which are threatened with losing their energy independence. By using photovoltaics, this energy infrastructure can be strengthened and become more resilient against hostile threats and dependencies. In order to reach this goal, sustainable supply chains and increased investments in R&D are essential.

SDG 11 "Make cities sustainable"

A sustainable development of cities and communities is not possible without implementing innovative solar systems which are integrated into modern housing concepts, emissions-free transport and public infrastructure. Meyer Burger suggested many innovative methods of implementation on existing infrastructure in a White Paper, for example using the roofs of big housing blocks, freeways, or making solar energy an integral part of agriculture in new "agri-photovoltaics" approachesv (https://www.meyerburger.com/fileadmin/user_upload/Whitepaper/Solar-Production-in-Germany_WhitePaper_MB-SMA.pdf).

SDG 12 "Sustainable consumption and production"

The foundation of our strategic set-up is a production process which is cost-effective and energy-efficient at the same time. Our new captive technology requires fewer production steps and less energy than traditional solar production technologies. For Meyer Burger, it is a compelling consequence that the products which result from this process are not disposed of, but will be recycled and returned to the material cycle. The material footprint of our products is therefore reduced to a minimum.

SDG 13 "Combat climate change"

Solar is the solution to some of the most pressing issues for our society. The urgent climate crisis requires a change to a very high ratio of renewable energy supply as quickly as possible. Solar power as a primary energy source can supply new forms of energy storage such as hydrogen or innovative small and large scale battery systems for transportation or public infrastructure. Solar will be a determining energy source at all levels. From small residential to commercial buildings, every solar module is necessary to prevent the climate crisis.

SDG 17 "Partnerships for goals" – Partnerships in the solar industry

With regards to SDG 17 "Partnerships for Goals", Meyer Burger engages in trusted and meaningful partnerships. Meyer Burger is a member of the following associations: Solar Power Europe (SPE), Bundesverband Neue Energiewirtschaft (bne), Bundesverband Solarwirtschaft (BSW), Swissolar, PV Austria and Silicon Saxony. These memberships are intended to strengthen our footprint as a local and European PV manufacturer. Furthermore, as a member of the Ultra Low Carbon Solar (ULCS) Alliance, Meyer Burger advocates for low CO_2 PV manufacturing without forced labor (GRI 102-13).

Meyer Burger is pursuing new research projects together with its R&D partners. Our research entities in Switzerland and Germany work in exclusive cooperation with the CSEM (Centre Suisse d'Électronique et de Microtechnique) in Neuchâtel, Switzerland. In several projects, they are driving the industrialization of Interdigitated Back Contact (IBC) technology based on our heterojunction platform. This represents the next evolutionary technology step on Meyer Burger's innovation roadmap. In IBC modules, the interconnection is only located on the back of the cell, which enables better utilization of sunlight without any shading of the sun-facing front. There are significant advantages in terms of efficiency and cost, especially in combination with our SmartWire technology. We expect this proprietary technology to be used in all market segments in the future.

On the industrialization of perovskite tandem technology, we have been intensified discussions and are evaluating partnerships with leading global research institutes. An extensive industrial research project is already underway with leading Fraunhofer ISE institutes in Germany. We have also extended our long-standing partnership with CSEM in Switzerland to include the development of HJT-Perovskite solar cells and modules. We believe that strategic cooperation can support us in sustaining a technical leadership position in the market and contributing to the global energy transition (GRI 102-12).

To reach our goal to set up a coherent Environmental Social Governance (ESG) strategy within our company, we will set new standards within the solar industry, including the whole life-cycle of our products. We have ambitious targets:

- 100 percent of energy consumption from renewable sources for our production sites
- 100 percent recycling of our solar modules
- 0 percent hazardous material contained in our solar modules
- Continuous reduction of CO_2 emissions in our company using a standardized controlling process

These goals can be reached by following certain operational strategies. In particular, we pursue the following ways to reach our sustainability goals:

Our CO_2 footprint

We are continuously working to reduce our carbon footprint along the entire value chain, starting with sustainable sources of raw materials, through to the delivery of our emission-reducing products. At our sites in Thalheim and Freiberg, we have developed particularly efficient resource-saving production processes. Since 2021, we have supplied all our modern production plants with electricity from 100 percent renewable energies. In addition, we are reducing our environmental footprint thanks to short transport routes between our sites and reduced energy requirements in our production processes. All these efforts result in a low CO_2 footprint for our products. A Life Cycle Assessment analysis by Fraunhofer ISE has shown that we already produce significantly less CO_2 in our production than Chinese suppliers of standard PERC modules.

Sustainable supply chain

To ensure transparency and to avoid CO_2 emissions, goods and services are sourced from local manufacturers and suppliers wherever possible. Meyer Burger defines procurement as local if it takes place within the nation state in which the production site is located. These sources are supplemented by European and global suppliers. As a consequence of losing big parts of the solar value chain in Europe, we currently have to reach out to the remaining sources worldwide. In the context of forced labor allegations, we stated in 2021 that we hold guarantees from our wafer suppliers that they use polysilicon from sustainable sources and operate without using raw material from the Xinjiang region in particular.

Sustainable use of raw materials

Where raw materials are concerned, we are continuously looking for innovative solutions to further improve our products and reduce our use of raw materials. We build our solar modules with the lowest silver content in the industry, use less energy in manufacturing, generate less waste water and use significantly fewer solvents in our production processes compared to other manufacturers. We have already completely eliminated the toxic heavy metal lead in module manufacturing. Our modules do not contain any hazardous materials, which contributes to a sustainable recycling process. We are among the very few solar module manufacturers worldwide that comply with the EU RoHS law.

Recycling & Cradle2Cradle concept

We want to convert our business model to the sustainable "Cradle2Cradle" concept (GRI 301). The aim of this concept is not only to limit the company's negative impact on the environment, but to go even further and leave a positive footprint. With this in mind, we are striving for waste-free production. With regards to recycling, we have already taken a big step and recycled a total of 340 tons of waste in 2021. In the future, we want to adopt the principles of the circular economy even more strongly - through reusing, sharing, repairing, refurbishing and recycling - in order to avoid waste, pollution and carbon emissions as far as possible. To this end, we are working with innovative regional suppliers to ensure that the raw materials are fully recovered at the end of a module's life cycle. Even if our products will not reach the end of their life only for about 30 years, we are already working on innovative recycling processes.

Solar energy for everyone

Our goal is to make the benefits of solar energy accessible to everyone, whether commercial customers, homeowners or tenants. That is why, in the spirit of solar law, we advocate, amongst other things, the strengthening of self-consumption, tenant electricity models and sharing models, so that everyone can make a contribution to our environment. Citizens should be enabled to organize their own renewable energy communities, to set up their own PV systems and to be able to obtain electricity from them at reduced prices. In addition, we are committed to enabling citizens to participate directly in PV plants in their vicinity. All this is based on a Code of Conduct which includes the company's core values, guidelines for business ethics and our stakeholder engagement.

Ethics & integrity

Our company values (GRI 102-16) apply to all our employees and form the foundation of our everyday actions. These values constantly shape our company culture and best describe what we want to achieve as a company:

Passion: We combine our thirst for knowledge and success with genuine engineering and design expertise to actively and creatively shape future industrial processes.

Determination: We work in a solution-oriented and efficient way, set standards and secure our technological leadership.

Responsibility: We strive for cost-effective solutions that create sustainable added value for our customers and society with our forward-thinking, partnership-based attitude.

Integration: We offer our customers well-thought out and individual solutions as well as high quality services along the entire value chain.

As a globally active and publicly listed company, Meyer Burger ensures that all employees, products and services fully adhere to applicable international, national and local laws, regulations and standards. Reliability, loyalty and respect are Meyer Burger's key values for all interactions both within the company and externally. Meyer Burger's Code of Conduct outlines the company's core values and provides guidance regarding business ethics, human rights, compliance, corporate governance, stakeholder engagement and fostering an encouraging work environment and is provided to every employee (GRI 410-1).

While making sure that our strategy and values are fully integrated into our value creation, we also foster transparency through adequate financial, sustainability and compliance reporting. In this matter, we thoroughly analyze our actions and the related outcomes to derive suggestions for improvement and to enhance the company's performance and sustainable footprint in the future.

Honesty and high service quality

We continuously educate our employees on important topics, such as our Code of Conduct, anti-corruption measures, cyber-security and the prevention of insider by a relevant training (GRI 205-2). We treat confidential information conscientiously and carefully avoid conflicts of interest (GRI 102-25). Furthermore, we do not grant any advantages nor do we accept such advantages for ourselves. In case of doubt, our employees will consult their supervisor or the Compliance Officer (GRI 102-17). Furthermore, we internally disclose and monitor any personal or financial relationships with suppliers, customers or other business partners that go beyond contacts in the regular course of our professional activities, and we take action as needed.

Political donations

Meyer Burger does not make any political donations. We are not a member of any political party nor do we support one in any other way. However, we recognize and support the right of employees to engage in political activities as private citizens (GRI 415-1).

Respect of industry ethics

We are guided by the highest ethical and professional standards of our industry and we review and measure our internal guidelines regularly. We commit to free and fair competition so we compete fairly for market share and comply with local anti-trust and competition laws.

In 2021, Meyer Burger was not involved in any legal proceedings on the grounds of anti-competitive conduct, nor did any cases of corruption come to light (GRI 206-1). Neither were there any fines or penalties for breaches of laws or regulations in 2021 (GRI 205-3, GRI 419-1).

Management of Intellectual property

Several steps were taken in 2021 to further strengthen our Intellectual Property (IP) management. IP arises from our innovative and creative ideas and enables us to make considerable economic and social progress. Therefore, employees in Research and Development functions receive training on IP law. To avoid cases of patent infringement, employees are included in the assessment of competitors' patents to ensure Meyer Burger's freedom to operate. Internal knowledge is exchanged through regular workshops and meetings under the responsibility of our CEO Gunter Erfurt. Since 2020, an additional IP validation process has been introduced to increase our IP quality.

Procurement practices

We expect our suppliers to comply with applicable laws, directives and contractual conditions as well as generally accepted sustainability standards. This includes, amongst other things, compliance with basic labor and human rights and the prohibition of child and forced labor, as well as regulations on safety and environmental protection, money laundering and corruption. Suppliers must provide documentary evidence of their efforts in these areas. In case of violations, corrective measures are taken immediately but if these measures are not implemented within a reasonable period of time, Meyer Burger reserves the right to terminate the cooperation immediately.

Approach to tax

In respect of its core values, Meyer Burger pays its taxes according to the places in which our company operates, thus supporting local communities and complying with the applicable regulations. Embedded within the control function and reporting to the CFO, the responsibility for taxes also includes a functional transfer pricing strategy to ensure that taxes are paid where value is created, which we have adopted to the new business model in 2021. Tax risks are assessed on a regular basis and Meyer Burger is in contact with the tax authorities to prevent any possible mistakes. (GRI 207-1, GRI 207-2, GRI 207-3).

Stakeholder Engagement & materiality matrix

The company's main stakeholder groups include shareholders, wider society, customers, suppliers, employees and local communities (GRI 102-40).

These groups are identified based on the number and depth of interactions with the company

(GRI 102-42). Meyer Burger engages in a permanent dialogue with all stakeholders to determine current needs and future trends, especially as concerns economic, environmental, and social topics (GRI 102-21, GRI 102-43). In 2021, no concerns were raised on this matter (GRI 102-44).

Meyer Burger's focus on sustainable value creation is based on the analysis of material topics. The materiality matrix ranks the most important topics from high relevance to very high relevance both from a stakeholders' (vertical axis) and from that of the company (horizontal axis). These topics represent the core of this report (GRI 102-46).

When analyzing current trends and looking towards the future, the following topics were identified as being most relevant for Meyer Burger and its stakeholders (GRI 103-1):

Climate and energy: Having important consequences for society and the environment, the improvement of the CO_2 footprint through the production of renewable and sustainable energy is a strong continual focus for the future.

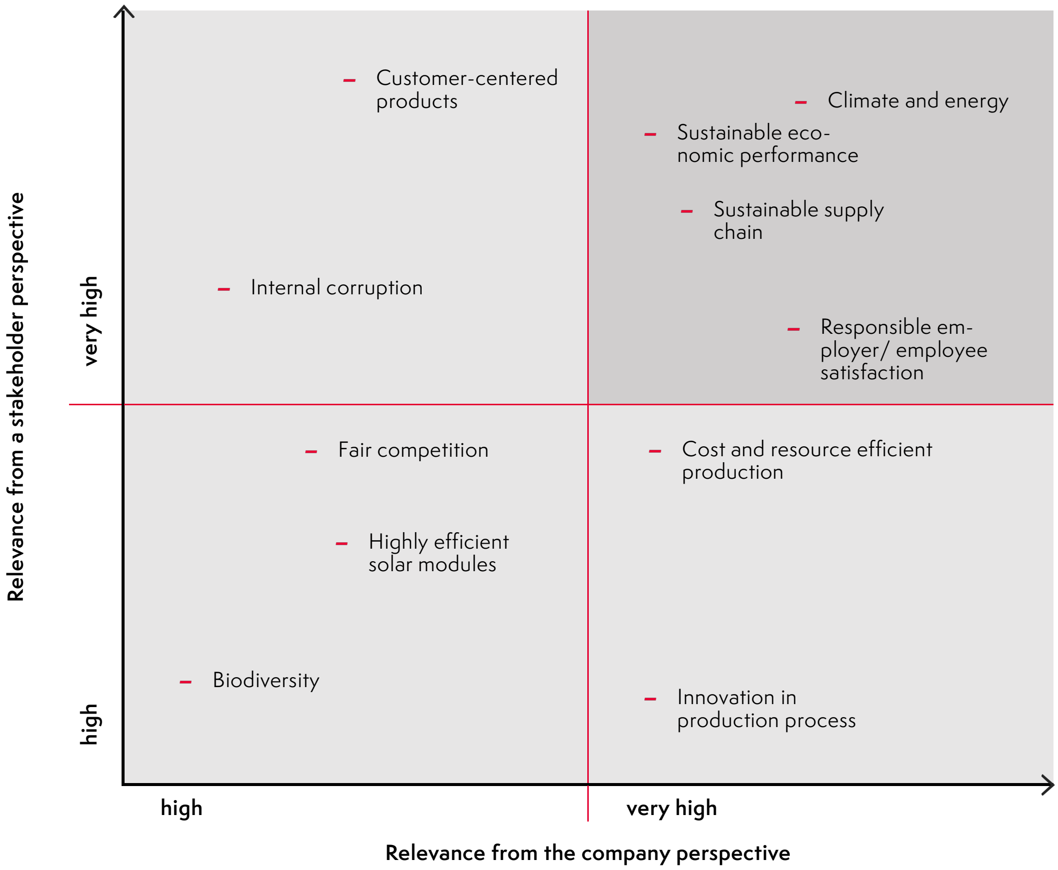
Sustainable economic performance: Being profitable allows Meyer Burger to further invest in future innovations to reach its goal to become the greenest PV company in the world.

Sustainable supply chain: To create a truly sustainable product, the entire supply chain needs to apply these values. To foster transparency and reduce CO_2 emissions, Meyer Burger is aiming to establish a local supply chain and to implement the Cradle to Cradle strategy in its business model.

Employee satisfaction: To guarantee an outstanding product quality, Meyer Burger aims to motivate and increase the loyalty of its employees through various measures.

Throughout the report, the management approach will be described for each material topic and evaluated through stakeholder feedback, internal measurement systems and benchmarking (GRI 103-2, GRI 103-3).

Materiality matrix (GRI 102-47)



Our sustainable business

Risk management

A constantly changing environment continuously leads to new challenges and opportunities. In order to ensure ongoing operations with a high focus on quality and sustainability, Meyer Burger needs to be prepared for all eventualities. Because of this, Meyer Burger treats upcoming risks diligently. Despite the risks listed below, and thanks to a regular risk review by the management, the company is well prepared to face the major risk areas detailed below (GRI 102-15). In general, the company applies the *Precautionary Principle* to avoid negative impacts on the environment (GRI 102-11).

The risks as well as the risk management process are regularly reviewed by the management and the Board with the aim of reviewing current economic, environmental, and social topics (GRI 102-27, GRI 102-29, GRI 102-30, GRI 102-31).

Area of risk	Probability	Impact on business	Trend
Economy, Society, Politics & Regulations	High	Moderate	Constant
Compliance & Corporate Governance	Low	Low	Constant
Human Capital	Possible	High	Constant
Operations	Possible	High	Constant
Strategy	Moderate	Moderate	Decreasing

Economy, Society, Politics and Regulations

The military conflict in Ukraine has a historic dimension and will bring fundamental changes on many levels. Control over raw materials is becoming more important in a multipolar, uncertain world. Supply chains, but also technologies, industries and energy supplies will therefore tend to regionalize in the future. The geographical proximity of manufacturing and operations will become increasingly important in the future.

Uncertainties on the supplier and client sides had already been caused over the last two years by the Covid-19 pandemic. Shorter supply routes promote regional jobs, reduce CO_2 emissions and strengthen process controls. A new, EU strategic industrial policy is aimed at making the European economy more competitive, resilient and climate neutral.

Due to its strong focus on the European market, the impact of those risks on the company's core business is evaluated as being moderate and thus not threatening to Meyer Burger's core operations.

The unintended disclosure of business-relevant information as well as unethical behavior are evaluated as being business-critical risks. Meyer Burger also continuously assesses risks related to corruption (GRI 205-1). To prevent these risks, the group takes relevant measures such as employee training to reduce the likelihood to a minimum. As in the past, the company is not expecting any breaches in the future.

Compliance and corporate governance also refer to environmental and sustainability risks, which could have impact on the company's production environment. Meyer Burger's business model is designed and structured to precisely face and ease such risk on a global scale. Consequently, the company not only promotes, but would strongly benefit from an increase in environmental and sustainability awareness amongst its stakeholders (GRI 201, GRI 201-2).

Human capital

As human capital is vital for the company's future, it would be business-critical if the company were not able to manage its workforce adequately. In particular, the group is dependent on the availability of, and its ability to attract and retain, a significant number of skilled and experienced employees. Fortunately, the business model of Meyer Burger as well as its reputation in the labor market attracts a local workforce.

Due to the current change in the business model and a multitude of operational changes, measuring employee satisfaction is challenging and an increase in fluctuation might be seen in the short-term (GRI 401-1). Naturally, Meyer Burger is determined to provide a stable work environment throughout the intense period of change and to prevent terminations as far as possible. After these necessary changes, the workforce is expected to stabilize.

Operations

The prevention of operational risk is the current focal point for Meyer Burger, particularly the uncertainties of global supply chains, as consequences might be highly business-critical. Meyer Burger´s transition to its new business model has been successfully implemented. This is intended to acquire an additional market share and to increase the group's revenues.

Furthermore, Meyer Burger is aiming at operating at a sustainable cost and margin structure in order to be able to bridge potential temporary shortfalls should they occur.

Additionally, to prevent potential risks within the supply chain, Meyer Burger is focusing on building a more local supply chain and to increase diversification amongst its suppliers.

Strategy

Currently, the PV market is showing strong growth, accelerated by governmental support and certain regional measures, giving momentum to Meyer Burger's repositioning as a producer of high-performance solar cells and modules. The company is confident that it will quickly gain a substantial market share based on its advanced technologies.

An increase in competition could affect market entry and/or lead to lower profit margins and a loss in market share as well as delayed or absent positive cash flow. A regular extensive analysis of the company's environment allows it to foresee such changes in competition and to adapt adequately.

Meyer Burger is well equipped to face competition in its position as a technological leader. According to an expert report from the Fraunhofer ISE Institute in 2020, Meyer Burger currently has a three-year technological lead over mainstream PV module producers. Meyer Burger´s continuous work towards improvements within its technology roadmap are expected to result in the maintenance or even the expansion of this technological leadership position and to bring additional economic upside potential to the Group.

Ecological responsibility

Research & development

Since increasing the energy efficiency of solar cells and modules helps customers to make a positive environmental impact, sustainable development is literally built into Meyer Burger's innovative products and technologies. Our research and development activities form a guideline to our innovation roadmap. The basic principle of this roadmap is to be environmentally responsible by developing long-lasting products that significantly reduce the carbon footprint over their lifetime all over the world. Therefore, it is not only crucial that the technologies enable compelling solar cell and solar module performance, but that they build on sustainable materials and energy-saving processes.

The most damaging material used in common solar modules is lead. With its new business strategy, Meyer Burger decided to implement 100 percent lead-free technology and to stick to this in its future R&D roadmap. With conventional recycling processes, lead-particles can escape from end-of-life modules and infiltrate the ground. To eliminate this risk, Meyer Burger produces lead-free products and, hence, complies with EU RoHS law.

Our sustainable R&D roadmap also helps to reduce other materials and process and operation gases. Resource use in the area of indium tin oxide (ITO) coating was reduced by 25 percent, and the use of silver was continuously minimized as well thanks to technological improvements. The next steps in our innovation roadmap will implement and improve these results. Sustainable HJT-technology will be further developed and will form the basis of our IBC technology as well as our next technological steps.

Sustainable operations

The constantly ongoing development of highly productive HJT-technology equipment reduces the use of energy and cooling water and lowers emissions per solar module (GRI 302-4). Meyer Burger is committed to protecting the environment and contributes to sustainable business operations as far as possible. Our aim is to use the earth´s natural resources to add meaningful value to our society. During this process, we ensure that those resources are either returned to our environment or recycled for use in further production.

To address its own environmental footprint, Meyer Burger continuously improves resource use and energy efficiency at its technology and production sites (GRI 302-4). In 2021, Meyer Burger decided to implement an innovative CO_2 control system to monitor its emissions on a standardized basis. This system will allow operations to identify the adjusting screws of the emissions. This will enable us to reduce our emissions in a focused manner and to monitor the results very closely.

Meyer Burger recognizes the importance of protecting biodiversity (GRI 304-1). Before the start of operations, regional assessments are conducted to ensure the preservation of the local environment (GRI 304). In 2021, no operational sites were owned, leased or managed in, or near to, protected areas and areas of high biodiversity value outside protected areas (GRI 304-1). Meyer Burger emphasizes the importance of following all applicable legal requirements. In 2021, no fines or non-monetary penalties were imposed for non-compliance with environmental laws (GRI 307-1).

In terms of taking care of its environment, Meyer Burger is committed to reducing CO_2 emissions, limiting energy and water consumption and promoting waste recycling. (GRI 303-1, GRI 305). In connection with this, the quality standard for effluent discharge are carried out at all sites in accordance with the legal requirements (GRI 303-2). Due to the extended home office working due to the Covid-19 pandemic, the 2021 reported consumption is lower than in previous years. No water withdrawal or discharge, or any chemical or environmental spills were reported for 2021. Pollutants can upset the environmental balance through incorrect waste disposal (GRI 306-1). Aspiring to waste-free production, Meyer Burger is aiming to apply the Cradle to Cradle concept to its production process. We have already taken an important steps in this direction as regards recycling waste in our production. We are working together with various recycling partners in Germany. In 2021, we recycled 340 tons of material, including our packaging.

(GRI 301-3) In our solar cell production, we introduced reusable carriers to avoid transportation with plastic boxes.

Meyer Burger environmental indicators[1]

	2021	2020	2019
Energy consumption [MWh]	**29 581**	**7 349**	**9 399**
Electricity [MWh]	**18 626**	**4 606**	**6 456**
Heating and cooling [MWh]	**10 955**	**2 119**	**2 186**
Total fuels for vehicles [hectoliter]	**81 234**	**624**	**757**
Diesel [hectoliter]	81 234	566	683
Petrol [hectoliter]		55	61
LPG/propane [hectoliter][2]	–	3	13
Total CO_2 emissions [tonnes of CO_2 equivalents][3]	**849**	**3 958**	**5 152**
Scope [tonnes of CO_2 equivalents]	**818**	**674**	**660**
Fuels for heating and cooling [tonnes of CO_2 equivalents]	818	514	460
Fuels for vehicles [tonnes of CO_2 equivalents]		160	200
Scope 2 (electricity) [tonnes of CO_2 equivalents][4]	**–**	**2 584**	**2 827**
Scope 3 (business travel) [tonnes of CO_2 equivalents][5]	**31**	**700**	**1 665**
Water use [m^3]	**49 831**	**10 287**	**13 958**
Drinking water/fresh water	49 831	10 287	13 958
Ground water	–	–	–
Waste water [m^3]	**45 918**	**7 166**	**10 057**
Municipal sewage treatment plant [m^3][5]	45 918	7 166	10 057
Waste water treatment by third party [m^3]	–	–	–
Waste [tonnes]			
Non-hazardous waste [tonnes]	**137**	**35**	**126**
Residual waste to incineration [tonnes]	74	12	26
Composting [tonnes]	–	–	–
Wood (burning) [tonnes]	63	23	100
Recycling [tonnes]	**340**	**121**	**127**
Paper and cardboard [tonnes]	80	14	36
Glass [tonnes]	18	1	1
Metal (mainly aluminum, copper, iron, steel) [tonnes]	155	107	81
Plastic [tonnes]	34	3	9
Modul and wafer	54	–	–
Special waste [tonnes]	**599**	**249**	**474**
Batteries (recycling) [tonnes]	–	–	–
Waste electrical and electronic equipment (recycling) [tonnes]	5	2	1
Oils, fats, chemicals (mainly aqueous solutions) [tonnes]	140	257	472
Hazardous waste (mainly coolants and slurries) [tonnes]	454	–	–

1 Due to the materiality of operations in Germany, the scope of the environmental data is limited to Meyer Burger (Germany) GmbH and Meyer Burger (Industries) GmbH and 2020 and 2019 for Meyer Burger (Germany) GmbH.
2 The previous report contained an estimated value for 2019. The volume has thus been restated for 2019. No material effects result from this restatement (GRI 102-48).
3 Emission categories according to the Greenhouse Gas Protocol. Scope 1: combustion in own facilities/vehicles; Scope 2: purchased electricity; Scope 3: third-party services.
4 The emissions relating to purchased electricity (Scope 2) were calculated using the "location-based approach" of the Greenhouse Gas Protocol Scope 2 Guidance.
5 The value for 2020 is estimated. The actual value can only be determined after publication of this report.

Meyer Burger´s goal is two-fold: to increase the energy efficiency of solar cells and modules while simultaneously offering its customers the lowest total cost of ownership. As innovation is key to achieving these goals, Meyer Burger invests in new technologies that permanently lower the cost per kilowatt hour of solar energy. We are continuously looking to further utilize currently unusable residual materials from production to limit our waste production (GRI 306-2).

Even if Meyer Burger expects its first products to end its life after more than 30 years lifetime, we are obliged to set up take back systems in different countries as soon as our product is sold on the market according the law. In general, we act according to German and European waste laws, but do not consider these laws to be sustainable enough compared to our own sustainability claims. According to Cradle to Cradle principles, Meyer Burger has started to work on module recycling solutions in collaboration with a partner from Germany to allow the reuse of almost all module ingredients and materials for further manufacturing operations. In 2021, we started the certification process for a module recycling plant together with our partner. The building permit has been issued, and pilot production is expected to start in 2023. It will demonstrate innovative recycling technology by disassembling the PV system components. The goal is to recycle modules up to 100 percent except plastics. Components such as glass, aluminum, silver or silicon can be reused. Our goal for 2022 is to set up a sustainable module recycling system in the US as well. For Meyer Burger, this market is crucial as we plan to start our own module production by the end of the year 2022. In the US, no sustainable take-back system has been established until so far. Here, Meyer Burger intends to set new standards for the solar industry in this important sector.

Energy footprint and payback time

Solar energy is affordable, clean and available in unlimited quantities. Therefore, it can sustainably decrease the effects of global warming over the long term. Meyer Burger focuses on the ongoing improvement of its solar energy technologies to maintain its leading position in the industry and improve the ecological impact of its business activities, products and services.

The energy footprint (the net energy consumption of a particular product/system over its lifetime) and energy payback time (operating time until a power system has generated the same amount of energy that was originally used to produce it) are key drivers for the renewable energy systems market. For solar PV systems, the energy payback time depends on the geographical location. In Northern Europe, PV systems need around 1.5 years to balance their input energy, in Southern Europe it can take less than one year. Consequently, over the course of the product lifecycle, Meyer Burger’s PV cells and modules produce 20 times the energy needed for their own production and quickly become energetically profitable (GRI 302-5).

Meyer Burger currently produces highly performing solar cells and modules with the "Made in Germany" seal, using our proprietary Heterojunction/SmartWire Technology (HJT/SWCT). The sustainability of Meyer Burger's HJT solar cells and modules produced in Europe, plays an important role in competing with products from China, which rely on the globally established PERC (Passivated Emitter Rear Cell) technology. In 2021, Meyer Burger commissioned the Fraunhofer Institute for Solar Energy Systems ISE to conduct a life cycle analysis (LCA) for its solar modules.

As part of this, materials with a significant contribution to the impact categories of the overall system were selected (e.g. yield n-Cz versus p-Cz, diamond wire for wafer sawing, process gases and chemicals, silver paste, front side glass, aluminum frame, cell connectors, encapsulation films, rear side glass or film, wiring) and their environmental impacts were analyzed.

As a result, ISE found that Meyer Burger's HJT modules (Meyer Burger White, Meyer Burger Black, Meyer Burger Glass) have a significantly lower carbon footprint than the PERC reference module. The relative saving compared to the PERC reference module is about 24 percent for the glass-backsheet modules (Meyer Burger White and Meyer Burger Black products) and about 37 percent for the glass-to-glass module (Meyer Burger Glass products). Two important factors that have significantly improved the environmental impact of the Meyer Burger Glass product are its longer life and higher efficiency. Reduced transport distances through manufacturing "in Europe, for Europe" can prevent further direct CO_2 emissions caused by shipping or other forms of transport, for example.

The low CO_2 footprint already helps to market and sell our products. The French market in particular has set high standards. The entry threshold for module manufacturers to participate in the CRE Tender Market is 550 kilograms CO_2 per kilowatt peak. Our normal series products here directly manage a CFP score of up to 450 kg CO_2/kWp without going into special production. This low CO_2 value is a result of the following main drivers: the polysilicon used for our wafers is supplied from sources with a lower, certified CO_2 impact, and our production lines for the solar cells and modules are located in Germany where energy with a low CO_2 footprint can be purchased.

Our sustainable supply chain

For transparency reasons, goods and services are procured from local manufacturers and suppliers wherever possible, which are complemented by European and global sources. Meyer Burger defines local sourcing as taking place within the country of a specific production site. Reliable and efficient sourcing of materials and goods directly from manufacturers is a key precondition in order to react flexibly to customer demand.

Our suppliers are chosen carefully and we strive for a long-term trusting relationship (GRI 414-1). This relationship is characterized by loyalty and openness. With its efficient supplier management, the group can easily identify, assess and develop the right partners to provide quality and flexibility, as well as cost and technology potential. All contracts are awarded based on total cost of ownership and include environmental and corporate responsibility clauses concerning the suppliers' CO_2- footprint or its commitment to Cradle to Cradle (GRI 308-1, GRI 407-1, GRI 408-1, GRI 409-1, GRI 412-1, GRI 414-1).

Energy production through PV systems is Meyer Burger's core business, featuring a unique and comprehensive portfolio of technologies and equipment, including the manufacturing and interconnection of solar cells. This portfolio is optimally complemented by Meyer Burger's service offering, which plays an important role in fulfilling the full spectrum of customer needs. With our customer-centric business model, we directly address SDG 11 "Sustainable cities and communities" and SDG 12 "Responsible consumption and production". (GRI 203-2, GRI 413-1).

The basic building block of a solar PV system is the solar PV module. The vast majority of solar PV modules are silicon-based PV modules, with thin-film technologies serving a market niche. Before being sold to end customers, silicon PV modules are produced in four distinct stages. Ultra-high-purity silicon material is first produced in a chemical process. In the next stage, liquefied silicon is usually cast or pulled into ingots, which are then sawn into thin slices (wafers). These wafers are then processed into a solar PV cell, a basic unit that is capable of converting solar radiation into electricity. In the fourth stage, PV cells are electrically connected, laminated into a transparent encapsulate film and sandwiched between outer protective layers made from either glass or polymer film. Modules are then installed on-site together with inverters, cabling, racks and other mounting structures. The PV modules and these auxiliary components make up the residential, commercial or large scale PV system.

In general, Meyer Burger needs supplies for the manufacture of its own production equipment, as well as for the production of solar cells and modules. For its equipment production, the group mainly purchases mechanical and electrical components from third-party suppliers. Meyer Burger strives to be capable of switching to alternative suppliers for each product and for the supply of production materials. Accordingly, the group generally has more than one supplier for any given component.

For the production of PV cells and modules, Meyer Burger needs suppliers for other materials and components, most of which are expected to come from Europe and Asia. The company employs a multi-sourcing strategy to diversify supply chain risks. This is especially true for solar wafers, which can be only supplied from China. Meyer Burger benefits from a global supply chain, which was very volatile in 2021 due to the challenges caused by the Covid-19 pandemic. As we see severe dependencies on Asian suppliers, Meyer Burger aims to build up a sustainable European supply chain with the intention of increasing transparency and reducing transportation-related CO_2-emissions. As an example, the company is currently considering inter-European train transportation solutions. Therefore, we can ensure we respect human rights, conform to our ethical values and promote equal rights amongst our workforce and society in general. In this respect, no incidents of violations involving rights of indigenous peoples were recorded in 2021 (GRI 411-1, GRI 412).

Social responsibility

Our employees, our responsibility

As an innovative and sustainable company, Meyer Burger benefits from active employee involvement. Our aim is to provide a working environment which motivates our employees to make the best of themselves and to collaboratively bring our company forward. We welcome the active and constructive participation of employees in every decision-making process within the company, including economic, environmental, and social topics (GRI 102-19, GRI 102-29). In this matter, employees are expected to report critical concerns to the highest governance body as soon as they arise (GRI 102-33). In 2021, no critical concerns were reported (GRI 102-34).

Meyer Burger's core values guide us in our actions and our decisions. We treat everyone with decency, openness and respect and are committed to team spirit and responsibility. We respect all legally recognized employee organizations and strive to collaborate openly. We are committed to complying with all legal requirements.

In Europe, we protect our employees from unethical or unfair working conditions, including forced (409-1) and child labor (408-1). Our employees have the right to freedom of opinion, speech and demonstration where these do not interfere with our Code of Conduct.

Benefits

As our workforce is our most important asset, it is key to the company's success that we are an attractive employer. In this respect, the company provides various benefits to maintain employees' well-being and to retain a high quality workforce. Amongst other things, we support our employees to balance their family and work life (GRI 401-3).

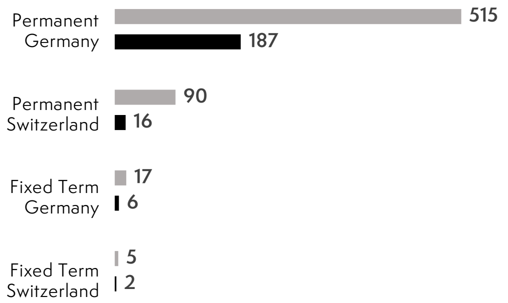
Diversity and equal opportunities

A diverse work-force is one of our main assets. All employees are treated fairly and equally. The principles of equality apply to recruiting, training, continuous education and salary. Without consideration of the employees' gender or other characteristics, their remuneration is set according to the company's remuneration table. Meyer Burger respects the privacy and personal integrity of every employee. The company does not tolerate discrimination against employees or other stakeholder on the basis of gender, origin, age, skin color, culture, religion, marital status, political or other opinion, sexual orientation or disability. In particular, we do not tolerate sexual or other harassment, namely any kind of bullying. Every year, all employees are updated on the most recent Code of Conduct. Meyer Burger has a clear process to deal with alleged breaches of the Code of Conduct. Employees can report any violations to their direct supervisor, the compliance officer, the human resources department or the staff association and employee representation. As in previous years, no cases of discrimination were reported in 2021 (GRI 406-1). In 2021, the first woman was introduced to the Executive

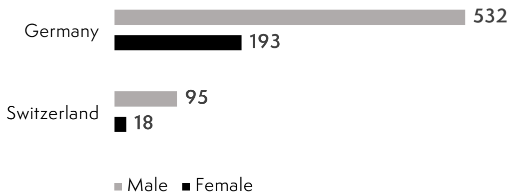
Employee ratios

Employee headcount as at 31 December 2021 Meyer Burger in Germany and Switzerland (GRI 102-8, GRI 405-1)

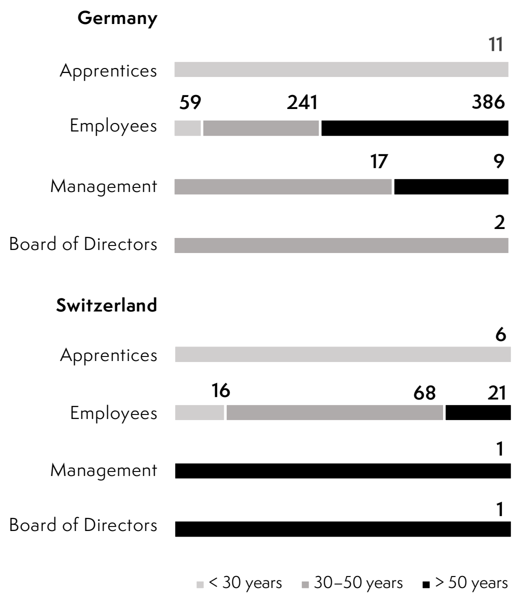
By employment contract



Employees by gender



Employees by age group



Board of Meyer Burger Technology Ltd. Katja Tavernaro was appointed to the newly created role of Chief Sustainability Officer (CSO) and is responsible for human resources, Legal & Compliance and ESG (Environmental, Social, Governance) within the Group. The Board of Directors still only comprises men. We aim for more gender equality.

Employee training and education

We hire new employees with foresight and provide them with professional training and sufficient time to settle-in, especially during the first three months of employment. This ensures that our employees are suitably qualified and adequately prepared to meet their responsibilities. This was also true in 2021, which was a significantly challenging year, especially in terms of training and education of existing and new employees. Two new production sites were opened and ramped-up, new entities and departments, marketing and sales organizations and logistics departments had to be set up. In total, Meyer Burger recruited more than 500 new employees worldwide. At the new production sites, an innovative 5-shift-working-model has been established. While offering attractive salaries, we have reduced regular working hours to shift workers to 35 hours per week. Through this additional rest time, we aim to increase our employees' health and motivation. The new workforce was given qualified training in operations, working procedures and companywide procedures. In 2021, approximately 1'878 hours (2020: 650 hours) were invested in training and education at Meyer Burger. As the expansion continues in 2022, the number of training hours will significantly increase again in the coming year (GRI 404).

In order to secure the next generation of skilled workers, the group is committed to offering internships and apprenticeships to promising talents. In addition to recruiting young talents, Meyer Burger also proactively plans for the succession of experienced, long-standing employees. The company offers training to enable younger employees to build up know-how and keep up with the latest technological developments so they can successfully face future challenges (GRI 404-2).

All employees discuss their further education and personal development during the annual appraisal interviews. Goals and development plans are usually discussed at year-end together with direct supervisors (GRI 404-3). Meyer Burger is convinced of the importance of committed and accountable employees. The group not only invests in its talented employees but also recognizes the importance of continuous succession and talent management planning.

A healthy and safe working environment

Particularly during these challenging times with a business transformation under way during the global Covid-19 pandemic, we recognize our responsibility towards our employees and we strive to create a collaborative and safe working environment both on and off site. Contributing to high occupational health and safety standards (GRI 403) we ensure safe work environments. The health of each employee is of the highest importance to Meyer Burger (GRI 403-1). As we place the highest value on observance of current safety regulations, we comply with local work and safety directives at all of our sites. Applying our Code of Conduct, security practices include the respect of human rights policies and procedures (GRI 410-1).

In 2021, the total fluctuation of Meyer Burger Group was 20.7 percent (GRI 401-1). This was primarily due to our restructuring measures in 2021. The termination rate on the employer side was 15.9 percent, of which 13.7 percent was due to restructuring measures. The termination rate on the employee side was 4.8 percent.

In times of transformation and expansion, an active and collaborative information exchange within the company is essential. Regular company-wide online meetings were implemented in 2021 to keep all employees informed of current developments and changes. In addition to these meetings held by the management, other methods of internal communication were used. In particular the use of the employee app "MBLive" on mobile and desktop devices was increased. By the end of 2021, around 700 users were registered, about 400 of whom were actively engaged in using the app on a regular basis. For employees, who do not use "MBLive", there is still a fallback news flow via e-mail and on traditional white boards in the production areas. (GRI 402-1).

In the onboarding process, in particular, all training was able to be executed. We adhere to our proven operating processes to minimize risks and achieve high levels of process safety (GRI 403-2, GRI 403-3, GRI 403-7). New employees are informed on and trained extensively on corporate security regulations and processes (GRI 403-5). Despite the strict Covid-19-rules requiring remote working, the Meyer Burger Health and Safety department was able to hold all necessary trainings. Furthermore, we immediately report identified and potential sources of exposure to the responsible person. In addition, all employees are obliged to report potential risks they encounter (GRI 403-4). In 2021, additional safety measures were taken to minimize health risks through the spread of Covid-19 according to public health regulations. The thorough implementation of health and safety measures in 2021 contributed to a low number of work accidents. (GRI 403-9, 403-10) In Hohenstein-Ernstthal, we registered only two reportable walking accidents. At our new sites, there were three reportable work accidents in 2021. There were no fatalities.

In December, at our site in Freiberg, we had to announce the closure of one of two production lines due to Covid-19 cases as well as quarantine cases among our employees. The production line was back in operation by the end of January 2022, as planned.

Community engagement

At its sites, Meyer Burger is an important employer and a partner for local suppliers and interest groups. We actively engage with local authorities and politics. Meyer Burger strives for long-term customer relationships. Thus, we maintain an open dialogue with our customers. In 2021, we relaunched our website and set up new digital channels for our customer relations. A call center serves the needs of our customers. This allows us to continuously improve our services and products. Customer feedback is received on a daily basis and is systematically documented so that our teams can follow up effectively. Personal contact with existing and potential customers provides insights into their current and future needs. In 2021, the first company tours were offered. A tour program for customers and certified installers will be implemented in 2022.

Ensuring our customers' health and safety is essential for Meyer Burger's long-term success. All products are manufactured in compliance with applicable international and national laws, guidelines and standards. As part of the regular quality management process, they are thoroughly checked before customer delivery. In addition, data sheets and safety manuals ensure that all internal and external health and safety protection regulations as well as individual customer specifications are fulfilled. Customers receive extensive technical documentation, user instructions and optimal support through the global sales organization (GRI 416-1, GRI 417-1).

All in all, in 2021, direct contact with our customers, both personally and remotely, led to a perceived overall improvement in customer satisfaction. No substantiated complaints concerning breaches of customer privacy or losses of data were reported (GRI 418-1). Human rights were guaranteed. Anti forced labor actions were taken.

We actively engage with our stakeholders and play an active role in our local communities. We are open to dialogue and warmly invite stakeholders to contact us, e.g. using the contact details listed on our website or through public online and offline events. Meyer Burger also seeks contact with local authorities, such as municipalities or tax authorities. In the areas of our production sites in Hohenstein-Ernstthal, Freiberg and Thalheim especially, close cooperation is essential in the ramp-up phase in order to build a strong foundation for long-lasting constructive relationships (GRI 413). Meyer Burger is seen as an attractive employee at the German production sites, which allows the company to deeply interact with the local community.

Final remarks

This report has been prepared in accordance with the GRI Standards: Core option (GRI 102-54). The Sustainability Report is published annually (GRI 102-52). The 2020 sustainability report was published on 11 March 2021 (GRI 102-51). This version reports on the period from 1 January to 31 December 2021 (GRI 102-50), and it covers Meyer Burger Technology Ltd and all its subsidiaries (GRI 102-45). The 2021 Sustainability Report has not been externally assessed (GRI 102-56).

For all questions on this sustainability report, please contact (GRI 102-53):
Anne Schneider
Global Head of Corporate Communications
anne.schneider@meyerburger.com.

GRI Content Index

This report has been prepared in accordance with the GRI Standards: Core Option (GRI 102-54).

		Pages/Reference	Reason for Omission
GRI 101: 2016	**Foundation**		
GRI 102: 2016	**General Disclosures**		
	Organizational Profile		
102-1	Name of the organization	13	
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102-23	Chair of the highest governance body	Corporate Governance Report, "Board of Directors" (p. 42)	
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102-37	Stakeholders' involvement in remuneration	Remuneration Report, "Letter to Shareholders" (p. 57)	
102-38	Annual total compensation ratio	Remuneration Report, "Compensation of the Board of Directors in 2020" (p. 62–63), "Compensation 2020 Realized Compensation" (p. 66)	
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301-3	Reclaimed products and their packaging materials	22	
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GRI 103: 2016 103-1/103-2/103-3	Management approach	20	
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		Pages/Reference	Reason for Omission
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GRI 103: 2016 103-1/103-2/103-3	Management approach	20	
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GRI 405: 2016	**Diversity and Equal Opportunity**		
GRI 103: 2016 103-1/103-2/103-3	Management approach	20	
405-1	Diversity of governance bodies and employees	26	
GRI 406: 2016	**Non-Discrimination**		
GRI 103: 2016 103-1/103-2/103-3	Management approach	20	
406-1	Incidents of discrimination and corrective actions taken	26	
GRI 407: 2016	**Freedom of Association and Collective Bargaining**		
GRI 103: 2016 103-1/103-2/103-3	Management approach	20	
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	25	
GRI 408: 2016	**Child Labor**		
GRI 103: 2016 103-1/103-2/103-3	Management approach	20	
408-1	Operations and suppliers at significant risk for incidents of child labor	25	
GRI 409: 2016	**Forced or Compulsory Labor**		
GRI 103: 2016 103-1/103-2/103-3	Management approach	20	
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	25	
GRI 410: 2016	**Security Practices**		
GRI 103: 2016 103-1/103-2/103-3	Management approach	20	
410-1	Security personnel trained in human rights policies or procedures	19, 27	
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GRI 103: 2016 103-1/103-2/103-3	Management approach	20	
411-1	Incidents of violations involving rights of indigenous peoples	25	
GRI 412: 2016	**Human Rights Assessment**		
GRI 103: 2016 103-1/103-2/103-3	Management approach	20	
412-1	Operations that have been subject to human rights reviews or impact assessments	25	
GRI 413: 2016	**Local Communities**		
GRI 103: 2016 103-1/103-2/103-3	Management approach	20	
413-1	Operations with local community engagement, impact assessments and development programs	25	
GRI 414: 2016	**Supplier Social Assessment**		
GRI 103: 2016 103-1/103-2/103-3	Management approach	20	
414-1	New suppliers that were screened using social criteria	25	
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GRI 103: 2016 103-1/103-2/103-3	Management approach	20	
415-1	Political contributions	19	
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GRI 103: 2016 103-1/103-2/103-3	Management approach	20	
416-1	Assessment of the health and safety impacts of product and service categories	28	
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GRI 103: 2016 103-1/103-2/103-3	Management approach	20	
417-1	Requirements for product and service information and labeling	28	

		Pages/Reference	Reason for Omission
GRI 418: 2016	**Customer Privacy**		
GRI 103: 2016 103-1/103-2/103-3	Management approach	20	
418-1	Substantiated complaints concerning breaches of customer privacy and losses of data	28	
GRI 419: 2016	**Socioeconomic Compliance**		
GRI 103: 2016 103-1/103-2/103-3	Management approach	20	
419-1	Non-compliance with laws and regulations in the social and economic area	19	

Corporate Governance

The Company relies on the recommendations of the economiesuisse Swiss Code of Best Practice for Corporate Governance and adheres to the standards of the directive on information relating to Corporate Governance by SIX Swiss Exchange, if applicable and of significance to Meyer Burger.

All information within this Corporate Governance Report and within the Remuneration Report refers to the Company Organization, Internal Regulations and Articles of Association that were in effect as at 31 December 2021.

- The current Articles of Association are published on the Company website www.meyerburger.com under the section Investor Relations – Articles of Association. Website: https://www.meyerburger.com/de/generalversammlung

1 Group Structure and Shareholders

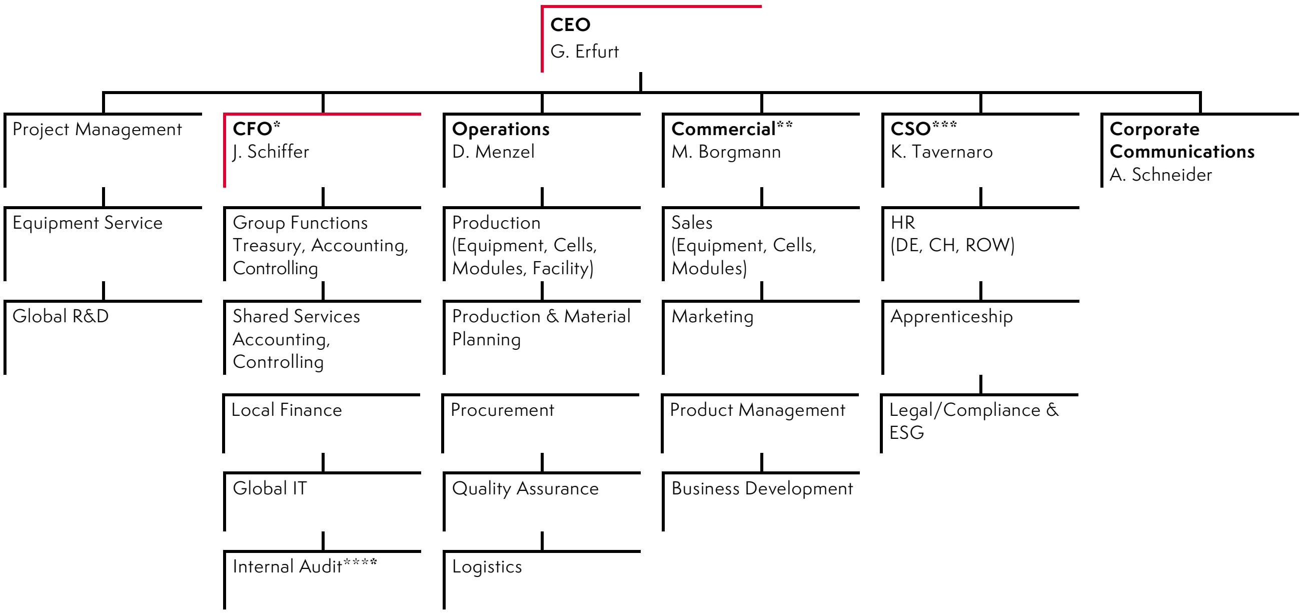
1.1 Group structure

Meyer Burger Technology Ltd (subsequently also referred to as "the Company") is a holding company established in accordance with Swiss law and holding all companies belonging to the Meyer Burger group ("Meyer Burger Group" or "Meyer Burger") either directly or indirectly.

Meyer Burger started production of high-performance solar cells and solar modules in 2021. Its proprietary heterojunction/SmartWire technology enables the company to set new industry standards in terms of energy yield. With solar cells and modules developed in Switzerland and manufactured in Germany according to high sustainability standards, Meyer Burger aims to become a leading European photovoltaic company with research facilities in Switzerland, development and manufacturing sites in Germany and sales offices in Europe, the USA and Asia.

For financial reporting, the business activities in fiscal year 2021 are divided into the business segments "Photovoltaics" and "Modules". The "Modules" segment was newly integrated into the reporting structure as at year-end 2020 as it is currently being ramped up. The "Cells" segment that was initially envisaged for year-end 2020 was abandoned in June 2021, when it became apparent that Meyer Burger had successfully raised sufficient financing to accelerate the expansion and therefore was able to utilize the full cell capacity within its own module production rather than selling excess cells to third parties (please also refer to Note 2.18 on page 94 in the consolidated financial statements of this Annual Report).

Meyer Burger Group is operationally managed by the Executive Board. The responsibilities of the members of the Executive Board are arranged in a functional line organization, as reflected in the overview of the operating corporate structure below:



■ Member of Executive Board
* until 31 December 2021 ** from 1 February 2021 onwards *** from 11 June 2021 onwards **** reported directly to BoD

1.2 Listed companies

The shares (registered shares) of Meyer Burger Technology Ltd, headquartered in Thun, Switzerland, are listed on the SIX Swiss Exchange (Valor number 10850379, ISIN number CH0108503795). The ticker symbol is MBTN. The market capitalization of Meyer Burger Technology Ltd as at 31 December 2021 amounted to CHF 1.1 Mrd.

1.3 Non-listed companies

The scope of consolidation as at 31 December 2021 includes non-listed companies, which are shown in Note 1.3 on page 77 in the financial statements of this Annual Report.

1.4 Significant shareholders

The Company is aware of the following shareholders, who according to Article 120f. FMIA (Financial Market Infrastructure Act) held more than 3% of the voting rights (based on the share capital registered in the commercial register) as at 31 December 2021:

Shareholder[1]	Participation
Sentis Capital PCC (Cell 3)[2]	10.01%
Invesco Ltd., Hamilton, Bermuda	5.41%
BlackRock, Inc.	5.10%
Universal-Investment-Gesellschaft mbH	3.71%
UBS Fund Management (Switzerland) AG	3.01%
Swisscanto Fondsleitung AG	3.00%

1 Voting rights participation according to the latest disclosure notices received from the shareholder.
2 The beneficial owner was Petr Kondrashev, Austria.

In addition, Meyer Burger Technology Ltd held a purchase position of 18,147,882 registered shares (percentage of voting rights 0.68%) as at 31 December 2021. The sale position is in connection with the outstanding EUR 145 million 3.5% convertible bond 2027 underlying 247,102,931 shares, corresponding to 9.25% of the voting rights registered in the commercial register as at 31 December 2021 – see also description of the convertible bond 2027 in section 2.8 on page 40 and with Restricted Share Units, Performance Share Units and Options for the 2019, 2020 and 2021 share participation programs (total for the three years 38,169,544 shares, corresponding to 1.43% of the voting rights).

- Details of individual disclosure notices according to Article 120f. FMIA in relation to the participations of major shareholders of Meyer Burger Technology Ltd published during the 2021 financial year are available on the website of SIX Swiss Exchange: www.six-exchange-regulation.com/en/home/publications/significant-shareholders.html

Shareholders' agreements

As at 31 December 2021, the Company was not aware of any shareholders' agreements.

1.5 Cross-shareholdings

Meyer Burger Technology Ltd did not have any cross-shareholdings with other companies as at 31 December 2021.

2 Capital Structure

2.1 Capital structure as at 31 December 2021

Ordinary share capital
CHF 133,524,550.55
2,670,491,011 fully paid-in registered shares with a nominal value of CHF 0.05 each
(as registered in the commercial register)

Conditional share capital
CHF 31,998.60
639,972 registered shares with a nominal value of CHF 0.05 each for the exercise of option rights granted to employees and members of the Board of Directors of the Company or of group companies (in connection with the share participation program of the Company)
(according to the Articles of Association dated 1 July 2021)

CHF 12,575,756.00
251,515,120 registered shares with a nominal value of CHF 0.05 each for the exercise of conversion and/or option rights in connection with convertible bonds, bonds with option rights or similar financial market instruments of the Company or of group companies
(according to the Articles of Association dated 1 July 2021)

Authorized share capital
CHF 4,808,765.75
96,175,315 registered shares with a nominal value of CHF 0.05 each
Issuance possible until 4 May 2023
(according to the Articles of Association dated 1 July 2021)

2.2 Conditional share capital

In accordance with Article 3b of the Company's Articles of Association, dated 1 July 2021, the share capital may be increased by a maximum amount of CHF 31,998.60 through the issuance of a maximum of 639,972 fully paid-in registered shares with a nominal value of CHF 0.05 each, by the exercise of option rights granted to employees and members of the Board of Directors of the Company or of group companies in accordance with a plan to be prepared and issued by the Board of Directors. The subscription rights of shareholders shall be excluded. Upon acquisition, the new registered shares shall be subject to the limitations for registration in the share register in accordance with Article 4 of the Articles of Association.

In accordance with Article 3c of the Company's Articles of Association, dated 1 July 2021, the share capital may be increased by a maximum amount of CHF 12,575,756.00 through the issuance of a maximum of 251,515,120 fully paid-in registered shares with a nominal value of CHF 0.05 each, by the exercise of conversion and/or option rights which are granted in connection with convertible bonds, bonds with option rights or similar financial market instruments of the Company or of group companies.

The subscription rights of the shareholders shall be excluded in connection with the issuance of convertible bonds, bonds with option rights or other financial market instruments, which carry conversion and/or option rights. The then current owners of conversion and/or option rights shall be entitled to subscribe for the new shares.

The acquisition of shares through the exercise of conversion and/or option rights and each subsequent transfer of the shares shall be subject to the limitations of registration in the share register in accordance with Article 4 of the Articles of Association.

The Board of Directors is entitled to restrict or exclude the advance subscription rights in connection with the issuance of convertible bonds, bonds with option rights or other financial market instruments of existing shareholders, provided that:

1) the financing instruments with conversion or option rights are issued in connection with the financing or refinancing of the acquisition of enterprises, divisions thereof or participations or of newly planned investments; or
2) an issue by firm underwriting through a bank or a banking syndicate followed by a public offer, thereby excluding the advance subscription rights, which seems to be the best way of issue at that point in time, in particular with respect to the terms and conditions of the issue or the timeline of the transaction.

If advance subscription rights are denied by a decision of the Board of Directors, the following shall apply:

1) conversion rights may be exercisable only for up to ten years, option rights only for up to seven years from the date of the respective issuance; and
2) an issue by firm underwriting through a bank or a banking syndicate followed by a public offer, thereby excluding the advance subscription rights, which seems to be the best way of issue at that point in time, in particular with respect to the terms and conditions of the issue or the timeline of the transaction.

If advance subscription rights are denied by decision of the Board of Directors, the following shall apply:

1) conversion rights may be exercisable only for up to ten years, option rights only for up to seven years from the date of the respective issuance; and
2) the respective financial market instruments must be issued at the relevant market conditions.

The total outstanding amount of conditional capital under Article 3b (639,972 registered shares) and 3c (251,515,120 registered shares) of the Articles of Association represents 9.44% of the outstanding ordinary share capital (2,670,491,011 registered shares) as at 31 December 2021.

2.3 Authorized share capital

In accordance with Article 3d of the Articles of Association, dated 1 July 2021, the Board of Directors is entitled to increase the share capital of the Company by a maximum amount of CHF 4,808,765.75, at any time up to 4 May 2023, through the issuance of a maximum of 96,175,315 fully paid-in registered shares with a nominal value of CHF 0.05 each.

The Board of Directors is entitled (including in the case of a public offer for shares of the Company) to restrict or exclude the subscription rights of the shareholders and to allocate them to third parties, if the new shares are to be used:

1) for the acquisition of enterprises, parts of enterprises, participations or for new investment plans, or in the case of a placement of shares for the financing or refinancing of such transactions;
2) for the purpose of the participation of strategic partners; or
3) for the rapid and flexible creation of equity capital through a placement of shares, which would only be possible with difficulty with subscription rights.

The capital increase may occur by means of underwriting and/or partial increases. The Board of Directors is entitled to set the issue price of the shares, the type of contribution and the date of entitlement to dividends. Shares issued under these terms are subject to the limitations for registration in the share register in accordance with Article 4 of the Articles of Association of the Company.

The total outstanding amount of authorized capital under Article 3d (96,175,315 registered shares) of the Articles of Association represents 3.60% of the outstanding ordinary share capital (2,670,491,011 registered shares) as at 31 December 2021.

2.4 Changes in capital over the past three reporting years

2.4.1 Changes in capital during 2021

As at 1 January 2021, the ordinary share capital amounted to CHF 125,757,560.30, divided into 2,515,151,206 fully paid-in registered shares. In addition, the Company had conditional capital of CHF 31,998.60 (639,972 registered shares) for the exercise of option rights in connection with the share participation program of the Company, and CHF 3,450,000.00 (69,000,000 registered shares) for the exercise of conversion and/or option rights in connection with convertible bonds. Furthermore, the Company also had authorized capital of CHF 5,138,803.75 (102,776,075 registered shares) with issuance possible up to 13 May 2022.

The Annual General Meeting on 4 May 2021 approved the increase in authorized capital of CHF 12,575,756.00 (251,515,120 fully paid-in registered shares equal to 10% of ordinary share capital as at the date of approval) with issuance possible until 4 May 2023.

Furthermore, the Annual General Meeting on 4 May 2021 approved the increase in conditional capital in accordance with Article 3c of the Articles of Association to CHF 12,575,756.00 (251,515,120 fully paid-in registered shares equal to 10% of the ordinary share capital as at the date of approval) to be used for the exercise of conversion and/or option rights in connection with convertible bonds, bonds with option rights or similar financial market instruments of the Company or of group companies.

The changes to the Articles of Association were registered in the commercial register on 5 May 2021.

On 1 July 2021, the company issued from the previously authorized capital by way of an accelerated bookbuild, 155,339,805 new registered shares with a nominal value of CHF 0.05 per registered share. The ordinary share capital was thus increased to CHF 133,524,550.55 divided into 2,670,491,011 registered shares. The change to the Articles of Association and the capital increase were registered in the commercial register on 2 July 2021.

Additionally, on 1 July 2021, Meyer Burger's German subsidiary MBT Systems GmbH (the 'Issuer') successfully placed green senior unsecured guaranteed convertible bonds due 2027 in the amount of EUR 145 million. Meyer Burger placed bonds with an aggregate principal amount of EUR 145 million that were issued by the Issuer and guaranteed by Meyer Burger Technology Ltd. The bonds were issued with a denomination of EUR 100,000 per bond at 100% of their principal amount and carry a coupon of 3.5% per annum, payable semi-annually in arrears. Unless previously converted or repurchased and cancelled, the bonds will be redeemed at 100% of their principal amount on 8 July 2027. The bonds are initially convertible into approximately 247 million registered shares in Meyer Burger Technology Ltd, sourced from shares to be newly issued from conditional share capital excluding the existing shareholders' advance subscription rights. The initial conversion price has been set at EUR 0.5868, representing a premium of 25% over the issue price of the New Shares translated into EUR using the EUR:CHF foreign exchange rate at the time of pricing.

As at 31 December 2021 no convertible bond conversions into shares in Meyer Burger Technology Ltd have occurred. Those outstanding are presented in the table in section 2.8 on page 40.

2.4.2 Changes in capital during 2020

As at 1 January 2020, the ordinary share capital amounted to CHF 34,258,691.70, divided into 685,173,834 fully paid-in registered shares. In addition, the Company had conditional capital of CHF 31,998.60 (639,972 registered shares) for the exercise of option rights in connection with the share participation program of the Company, and CHF 1,368,878.15 (27,377,563 registered shares) for the exercise of conversion and/or option rights in connection with convertible bonds. Furthermore, the Company also had authorized capital of CHF 1,535,579.00 (30,711,580 registered shares) with issuance possible up to 2 May 2020.

The Annual General Meeting on 13 May 2020 approved the renewal of authorized capital of CHF 5,138,803.75 (102,776,075 fully paid-in registered shares) with issuance possible until 13 May 2022. This change to the Articles of Association was registered in the commercial register on 14 May 2020.

The Extraordinary General Meeting held on 10 July 2020 followed the proposal of the Board of Directors and approved an ordinary capital increase by issuing up to 1,829,977,372 new registered shares with a nominal value of CHF 0.05 per registered share, and increased the conditional capital in Art. 3c of the Articles of Association to CHF 3,450,000 for the issuance of up to 69,000,000 registered shares by the exercise of conversion and/or option rights. This change to the Articles of Association was registered in the commercial register on 10 July 2020. As approved by the Extraordinary General Meeting, the capital increase took the form of a combination of a rights offering to existing shareholders and a private placement to selected investors. On 28 July 2020, the company issued 1,829,977,372 new registered shares with a nominal value of CHF 0.05 per registered share. The ordinary share capital thus increased to CHF 125,757,560.30, divided into 2,515,151,206 registered shares. The change to the Articles of Association and the capital increase were registered in the commercial register on 28 July 2020.

2.4.3 Changes in capital during 2019

As at 1 January 2019, the ordinary share capital amounted to CHF 31,144,270.70, divided into 622,885,414 fully paid-in registered shares. In addition, the Company had conditional capital of CHF 31,998.60 (639,972 registered shares) for the exercise of option rights in connection with the Company´s share participation program, and CHF 1,464,541.30 (29,290,826 registered shares) for the exercise of conversion and/or option rights in connection with convertible bonds. Furthermore, the Company also had authorized capital of CHF 4,650,000.00 (109,644,432 registered shares) with issuance possible up to 2 May 2020.

On 21 March 2019 the Company issued 62,288,420 registered shares out of its existing authorized capital to acquire 18.4% of Oxford Photovoltaics Ltd. The ordinary share capital thus increased to CHF 34,258,691.70, divided into 685,173,834 registered shares. At the subsequent ordinary General Meeting of Shareholders, the shareholders approved the replacement of article 3a of the Articles of Association with article 3d ("Authorized Capital"). Article 3d details the authorization of the Board of Directors to increase the share capital by a maximum amount of CHF 1,535,579.00, at any time up to 2 May 2020, through the issuance of a maximum of 30,711,580 fully paid-in registered shares with a nominal value of CHF 0.05 each. This change in capital, as well as the corresponding change to the Articles of Association, was registered in the commercial register on 2 May 2019.

2.5 Shares

The outstanding share capital of Meyer Burger Technology Ltd, as at 31 December 2021, was divided into 2,670,491,011 registered shares with a nominal value of CHF 0.05 each as reflected in the commercial register. All shares are fully paid-in. Each share is entitled to one vote. All shares are entitled to dividends. The Company recognizes only one entitled party for each share. A share register is kept on the shares issued, in which the owners, usufructuaries and nominees of the registered shares are entered along with their name, domicile, address and nationality. Entry in the share register depends on identification by means of transfer of the ownership interest or the creation of a usufruct in the correct form and in accordance with the Articles of Association. The Company will only consider as shareholders those who are registered in the share register.

2.6 Participation or bonus certificates

The Company has neither participation nor bonus certificates outstanding.

2.7 Limitations on transferability and nominee registrations

As a matter of principle, the Company´s Articles of Association do not include any restrictions on transferability. However, the Articles do include the following registration limits:

- Acquirers of registered shares are entered into the share register upon request as shareholders with voting rights, provided that they expressly declare that they have acquired these registered shares on their own behalf and for their own account.
- The Board of Directors may enter nominees with up to a maximum of 3% of the registered share capital as recorded in the commercial register with voting rights in the share register. In accordance with this regulation, nominees are persons who do not expressly declare in the share register entry form that they hold the shares for their own account and with whom the Board of Directors has entered into an agreement to this effect.
- Beyond this limit, the Board of Directors can enter registered shares of nominees with voting rights in the share register, if the nominee in question states the name, address and shareholdings of those persons for whose account it holds 0.5% or more of the registered share capital as recorded in the commercial register.
- Legal entities or partnerships or other associations or joint ownership arrangements linked through capital ownership or voting rights, through common management or in like manner, as well as individuals, legal entities or partnerships (especially syndicates) which act jointly with the intention of evading the entry restrictions are considered as one shareholder or nominee.
- The entry restrictions also apply to registered shares that were purchased or acquired through the exercise of subscription rights, options or conversion rights.

Please refer to the section “Voting rights restrictions and representation” on page 54 of this Corporate Governance Report for the procedure and requirements for changes to or the cancellation of the above-listed restrictions.

2.8 Convertible bonds, options, share participation program

Convertible bonds

As at 31 December 2021, MBT Systems GmbH, Germany, a direct wholly-owned subsidiary of Meyer Burger Technology Ltd, had the following convertible bond outstanding, for which Meyer Burger Technology Ltd acted as a guarantor:

Bond issued on	Outstanding amount as at 31.12.2021	Principle amount	Conversion ratio	Conversion price	Fixed foreign exchange rate	Bond maturity
08.07.2021	EUR 145 000 000	EUR 100 000	170 416.81	EUR 0.5868	EUR 0.9115/ CHF 1.00	08.07.2027

As at 31 December 2020, Meyer Burger did not have any convertible bond outstanding.

Options, share participation program

As at 31 December 2021, Meyer Burger had granted 22,740,836 options as part of the share-based payment plans. As at 31 December 2020, Meyer Burger had granted 12,500,000 options as part of the share-based payment plans.

The details of the Company's share-based payment plans are disclosed in the Remuneration Report on page 57 ff.

As at 31 December 2021, the number of shares that were offered under the share participation program (RSU, PSU and option plans) amounts to:

Grant/Purchase	Number of share units	Number of options	Acquisition price	Vesting period
01.04.2019[1]	2 071 930	–	n/a	01.04.2019 – 31.03.2022
01.04.2020	4 205 961	–	n/a	01.04.2020 – 31.03.2023
18.12.2020	–	12 500 000	n/a	18.12.2020 – 17.12.2023
24.05.2021	668 896	7 838 000	n/a	24.05.2021 - 23.05.2024
03.06.2021	–	14 902 836	n/a	03.06.2021 - 02.06.2024
30.12.2021	480 526	–	n/a	30.12.2021 - 29.12.2024

[1] Including RSUs granted to newly elected board members Remo Lütolf and Andreas Herzog with vesting periods 03.05.2019–02.05.2022.

The registered shares shown in the table above correspond in total to 1.43% of the outstanding and listed share capital of the Company as at 31 December 2021. In general, shares granted in the share participation program are expected to be sourced from treasury shares, hence no dilution is expected from the RSU, PSU and option awards. As at 31 December 2021, Meyer Burger held 18,147,882 treasury shares and would need to acquire an additional 20,021,662 treasury shares (0.75% of outstanding and listed share capital) to fully serve the outstanding obligation from share-based payments, whereby the options allocated in 2021 were allocated on condition that the Annual General Meeting approves the increase in conditional capital for the implementation of the employee share program.

3 Board of Directors

Board of Directors as at 31 December 2021

(GRI 102-22, GRI 102-23)

Name	Born	Position	In position since
Dr. Franz Richter	1955	Chair	2020
Mark Kerekes	1976	Vice Chair	2020
Andreas R. Herzog	1957	Member	2019
Prof. Dr. Urs Schenker	1957	Member	2021

Dr. Franz Richter hast been the Chairman of the Board of Directors since 13 May 2020. He has been a member of the Board of Directors since 29 April 2015.

Dr. Franz Richter

Chairman and non-executive member of the Board of Directors, German citizen

Education: BSc Mechanical Engineering at the University of Applied Sciences, Münster, Germany. MSc Physics at the University of Bielefeld and Technical University of Applied Sciences Darmstadt, Germany. PhD Mechanical Engineering at the Rheinisch-Westfälische Technische Hochschule Aachen University, Aachen, Germany.

Experience — 2016–2021 CEO of Süss Micro Tec SE, Garching, Germany **— 2007–2016** CEO and co-founder of Thin Materials, Eichenau, Germany **— 2005–2007** President of the Semiconductor Equipment Segment, Unaxis, at OC Oerlikon, Pfäffikon, Switzerland **— 1990–2004** Various roles at Süss MicroTec, including CEO (1998–2004), Garching, Germany **— 1988–1990** Scientist at Fraunhofer Institute for Laser Technology, Aachen, Germany **— 1985–1988** Scientist at Carl Zeiss, Oberkochen, Germany

Other activities and vested interests

Current mandates: Chairman of the Board of Trustees of Fraunhofer Institute IZM, Berlin, Germany, since 2009.

No other mandate at a publicly listed company.

No business relationship with the Company or any of its group companies.

Mark Kerekes

Non-executive member and Vice-Chair of the Board of Directors, Austrian citizen

Education: Masters in Business Administration, Capital Market Theory and Business Informatics, Vienna University of Economics and Business, Vienna, Austria

Experience — Since 2014 Co-Manager of Elbogross SA, Zug, Switzerland and Co-Manager of Sentis Capital PCC, Cell 1, Cell 2, Cell 4, Balzers, Liechtenstein **— Since 2013** Co-Founder and General Manager of Aerius Advisors, Zug, Switzerland **— 2012–2013** Co-Founder and General Manager of Hidden Pearl Invest, Vienna, Austria **— 2009–2012** Senior Fund Manager at Advisory Invest, Vienna, Austria **— 2000–2009** Various roles at Raiffeisen Group, Vienna, Austria

Other activities and vested interests

Current mandates: Member of the Board of Elbogross SA, Zug, Switzerland, since 2014, Member of the Board of Aerius Holding AG, Zug, Switzerland, since 2016, Member of the Board of Sentis Capital PCC, Balzers, Lichtenstein, since 2018

No other mandate at a publicly listed company, three remunerated mandates and no non-remunerated mandates at non-listed companies. No significant official functions or political offices.

No business relationship with the Company or any of its group companies.

Andreas R. Herzog

Non-executive member of the Board of Directors, Swiss citizen

Education: University of Applied Sciences, Zurich, Switzerland. Marketing Management, Western University, London, Canada. Corporate Financial Strategy in Global Markets, INSEAD, Paris, France. Strategic Management, Harvard University, Boston, USA. International Tax Law, University of Applied Sciences, Basel, Switzerland. Leadership Management, Harvard University, Boston, USA

Experience — Since 2020 Independent Entrepreneur **— 2019–2020** General Partner, RIFF Ventures **— 2002–2019** CFO, Bühler Group, Uzwil, Switzerland **— 2001–2002** CFO, Eichhof Group, Lucerne, Switzerland **— 1996–2001** Vice President, Finance, Swarovski, Feldmeilen, Switzerland **— 1990–1995** Various management positions SMH/SWATCH, Biel, Switzerland, Bad Soden am Taunus, Germany **— 1984–1990** Various finance positions, Ciba-Geigy, Mexico, Switzerland, Colombia and Ivory Coast

Other activities and vested interests

Current mandates: Member of the Board of Directors, Kleiderberg.ch AG, Rüschlikon, Switzerland (since 2021), Member of the Board of Directors, SBB CFF, FFS, Berne, Switzerland (since 2021), Member of the Board of Directors, HOCHDORF Swiss Nutrition AG, Lucerne, Switzerland (since 2020), Chairman of the Board of Directors of Systemcredit, Zurich, Switzerland (since 2019), Member of the Board of Seed Capital Invest, Sempach, Switzerland (since 2018), Vice Chairman of the Board of the Swiss-Chinese Chamber of Commerce; Zurich, Switzerland.

One other mandate at a publicly listed company, three remunerated mandates and three non-remunerated mandates at non-listed companies. No significant official functions or political offices.

No business relationship with the Company or any of its group companies.

Prof. Dr. Urs Schenker

Non-executive member of the Board of Directors, Swiss citizen

Education: Studied law at University of Zurich, Zurich, Switzerland, graduated 1981 lic.iur. and 1985 Dr. iur. LLM from Harvard Law School, Cambridge (Massachusetts), USA, Habilitation thesis: "Swiss Takeover Law", University of St. Gallen, St. Gallen, Switzerland

Experience — Since 2015 Attorney at law Counsel, Walder Wyss Ltd. attorneys at law, Zurich, Switzerland **— Since 2009** Adjunct Professor for commercial and business law, University of St. Gallen, St. Gallen, Switzerland **— 1991–2015** Attorney at Baker McKenzie, Zurich, Switzerland

Other activities and vested interests

Current mandates: Member of the Board of Directors of Bellevue Group AG and its subsidiary Bellevue Asset Management AG, Küsnacht, Switzerland, Member of the Board of Directors of Capital Dynamics Holding AG, Zug, Switzerland, Chairman of the Board of Directors of Geschäftshaus City AG, Dübendorf, Switzerland, Member of the Board of Directors of Ufenau Capital Partners AG, Pfäffikon, Switzerland, Member of the Board of Directors of Ornak AG, Thalwil, Switzerland, Chairman of the Board of SWISA Holding AG, Cham, Switzerland, Member of the Board of Directors of Indicium Technologies AG, Hünenberg, Switzerland, President of the Board of Directors of EBV Immobilien AG, Urdorf, Switzerland, President of the Board of Directors of Invico Asset Management AG, Zürich, Switzerland, President of the Committee of Founding of Pfizer Personalvorsorgestiftung, Zürich, Switzerland, Member of the Foundation Board of Stiftung für Herz- und Kreislaufforschung, Zürich, Switzerland, President of the Committee of Founding of Stiftung Zuversicht für Kinder, Zug, Switzerland.

One other mandate at a publicly listed company, eight remunerated mandates and four non-remunerated mandates at non-listed companies. The Board of Directors separately approved of the mandates exceeding the limit set by the Articles of Association.

No significant official functions or political offices.

No business relationship with the Company or any of its group companies.

Board of Directors

Dr. Franz Richter
Chairman, non-executive

Mark Kerekes
Vice Chairman, non-executive

Andreas Herzog
Member, non-executive

Prof. Dr. Urs Schenker
Member, non-executive

Changes to the Board of Directors in fiscal year 2021 (GRI 102-24)

At the General Meeting of Shareholders on 4 May 2021, Urs Fähndrich did not stand for re-election. At the same meeting, shareholders re-elected Dr. Franz Richter as member and Chairman of the Board of Directors, re-elected Andreas R. Herzog, re-elected Mark Kerekes and newly elected Prof. Dr. Urs Schenker as members of the Board of Directors.

Executive activities for the Company or one of its group companies

As at 31 December 2021, the current members of the Board of Directors have never been members of the Executive Board of the Company or any of the group companies.

In accordance with article 28 of the Articles of Association dated 1 July 2021, members of the Board of Directors and the Executive Board may not hold or exercise more than the following number of additional activities in the highest management or administrative bodies of other legal entities which are obliged to be registered in the Commercial Register or in a comparable foreign register and which are not controlled by the Company or do not control the Company:

- 10 mandates (for members of the Board of Directors) or 3 mandates (for members of the Executive Board) in the highest management or administrative bodies of other legal entities,
- of which 5 mandates (for members of the Board of Directors) and 1 mandate (for members of the Executive Board) for public companies, and
- 10 (for members of the Board of Directors) or 2 (for members of the Executive Board) non-remunerated mandates with non-profit, charitable or other not-for-profit legal entities, whereby reimbursement of expenses does not count as remuneration.

Several mandates with different companies belonging to the same group count as one mandate. The above limitation does not apply to mandates held by a member of the Board of Directors or the Executive Board on behalf of the Company (e.g. joint ventures or pension funds of these legal entities or in companies in which this legal entity holds a significant [non-consolidated] interest). The acceptance of mandates or employment by members of the Executive Board outside the Meyer Burger Group requires the prior approval of the Board of Directors. The Board of Directors may refuse approval at its own discretion.

3.1 Elections and terms of office

In accordance with article 18 of the Articles of Association dated 1 July 2021, the Board of Directors consists of one or more, but a maximum of nine members. The General Meeting of Shareholders elects annually:

- the members of the Board of Directors and the Chairman of the Board
- the members of the Nomination & Compensation Committee, who must be members of the Board of Directors

The members of the Board of Directors are elected individually and for a term of office up to and including the next Annual General Meeting. Re-election is possible. The term of office of a member of the Board of Directors will, however, end irrevocably on the date of the Annual General Meeting following the 70th birthday of the particular member of the Board of Directors.

3.2 Internal organization

The Board of Directors constitutes itself, except for the mandatory competences of the Annual General Meeting (election of the Chairman of the Board of Directors and the members of the Nomination & Compensation Committee). The Board shall choose its Vice Chairman and a Secretary, who does not need to be a member of the Board of Directors. As at 31 December 2021, Dr. Franz Richter acted as Chairman of the Board of Directors and Mark Kerekes as Vice Chairman.

The Board of Directors holds ordinary Board meetings at least four times per year; usually at least one meeting per quarter. Additional meetings are held as often as necessary. In fiscal year 2021, the Board of Directors held 24 Board meetings, of which one was a physical meeting and 23 were held as virtual conferences due to the COVID-19 pandemic. In addition, the Board was constantly informed on, and involved in, the progress of Meyer Burger's business transition. Meetings of the Board of Directors with physical attendance usually lasted a full day. The length of virtual conferences was up to six hours depending on the issues discussed. In general, the Executive Board participated in the meetings of the Board of Directors.

The Board of Directors can introduce permanent or ad-hoc Committees for the preparation of individual resolutions, for the performance of certain control functions, or for other special tasks. The Committees do not have decision-making authority in most cases (with certain exceptions for example, regarding decisions of execution that have been delegated by the Board of Directors in single resolutions).

On 10 March 2021, the Board of Directors constituted a Strategy & Approval Committee. This Committee was active until 4 May 2021 for the purpose of addressing the multitude of decisions pending at that time.

As at 31 December 2021, the Board of Directors had two permanent Committees: the Risk & Audit Committee, and the Nomination & Compensation Committee. The duration of the Committees' meetings depended on the issues discussed.

3.2.1 Strategy & Approval Committee (S&A Committee)

Only implemented for the period from 10 March 2021 to 4 May 2021.

Committee members have been: Dr. Franz Richter (Chairperson), Andreas Herzog, Mark Kerekes.

The Strategy and Approval Committee had all the competences which, pursuant to Art. 761a OP, are not necessarily reserved for the Board of Directors and which, pursuant to the Organizational Regulations, have not been delegated to the Executive Board. In particular, the Committee was responsible for the approval of investment projects, as well as all issues related to the realization of the new business model and the financing of the Company.

In fiscal year 2021, the S&A Committee held five meetings. The meetings usually lasted up to two hours. All members of the S&A Committee, as well as members of the Executive Board participated in the meetings.

3.2.2 Risk & Audit Committee (R&A Committee)

Committee members as at 31 December 2021: Andreas R. Herzog (Chairperson), Mark Kerekes.

The R&A Committee has the following principal responsibilities:

- Reviewing the accounting system
- Reviewing the annual financial statements and other financial information published
- Supervising risk assessment within the Group
- Monitoring the compliance and risk management, and the effectiveness and efficiency of the internal control system ("ICS")
- Supervising business activities concerning compliance with resolutions by the Board of Directors, internal regulations and guidelines, directives and statutory provisions, in particular also, the compliance with stock exchange laws
- Reviewing the services, independence and fees of the external auditors as well as making recommendations to the Board of Directors regarding the proposal to the General Meeting of Shareholders in respect of the auditors
- Detailed consideration of the audit letters, examination of all important conclusions and recommendations of the external auditors with the Executive Board and the auditors themselves
- Monitoring the implementation of the recommendations of the external auditors
- Reviewing the services and fees regarding consulting mandates with related parties
- Periodic examination of the insurances of the Group
- Further special tasks as assigned by the Board of Directors

The Committee meets as often as business requires, which is usually at least three times per year. The meetings usually last up to three hours. The CFO usually participates in these meetings. Other members of the Board of Directors, the CFO or other members of the Executive Board, representatives of the external auditors, representatives of the internal auditors or other specialists may also be invited to these meetings. The decision thereto is with the Chairperson of the R&A Committee. The designation of assignments to third parties requires the approval of the Board of Directors or, in urgent cases, of the Chairman of the Board of Directors. The Committee meets at least twice per year with representatives of the external auditors. None of the members of the Executive Board shall be present for the duration of such a meeting with the auditors.

In fiscal year 2021, the R&A Committee held two meetings. The external auditors participated in both meetings. The internal audit representative was present at one meeting. The Committee did not consult regularly with external advisors.

3.2.3 Nomination & Compensation Committee (N&C Committee)

Committee members as at 31 December 2021: Prof. Dr. Urs Schenker (Chairperson), Andreas R. Herzog.

The N&C Committee has the following principal responsibilities:

- Responsibility for the process of selecting and proposing new members of the Board of Directors
- Responsibility for the process of selecting and proposing the appointment of the CEO
- Examination and approval, and related proposals, of the selection of members of the Executive Board and of management members of important group companies (including occasional interviews at the end of the selection process) as well as examination of the most important conditions of their employment contracts

- Proposing the compensation of the members of the Board of Directors and the Board's Committees
- Review, negotiation and proposal of the remuneration of the CEO
- Review and proposal (together with the CEO) of the remuneration of the members of the Executive Board
- Review of, and decision on, the targets and their achievement by members of the Executive Board
- Review of the targets and total remuneration of important group companies
- Preparation and proposal of the Remuneration Report
- Review, proposal and monitoring of the implementation of participation programs for the Board of Directors, the CEO, the other members of the Executive Board and for other employees
- Examination, proposal (together with the CEO) and monitoring of the implementation of the structure and organization of the highest level of operating management
- Planning of successors at the highest level of management
- Planning and implementation of a self-assessment of the Board of Directors
- Further special tasks as assigned by the Board of Directors in the areas of nomination, organization and remuneration
- Detailed information on the decision-making authority on the remuneration of the Board of Directors and the Executive Board are included in the Remuneration Report on page 60.

The Committee meets as often as business requires, which is usually at least four times per year. The meetings usually last up to four hours. The Chairperson of the Committee can invite members of the Executive Board, members of the management of significant subsidiaries or third parties to the meetings. The designation of assignments to third parties requires the approval of the Board of Directors or of the Chairman of the Board of Directors.

In fiscal year 2021, the N&C Committee held three meetings. The Committee was supported by independent external consultancy service providers for professional search and compensation topics and the remuneration report.

3.2.4 Participation of the members of the Board of Directors at Board of Directors and Committee meetings (incl. telephone conferences) in fiscal year 2021

Members	Board of Directors	R&A Committee	N&C Committee	S&A Committee
Dr. Franz Richter	24	2	1	5
Mark Kerekes	24	2	1	5
Andreas Herzog	22	2	2	5
Prof. Dr. Urs Schenker	14	–	3	–
Members up to AGM on 4 May 2021				
Urs Fähndrich	6	–	–	–
Total meetings	**24**	**2**	**3**	**5**
Average attendance ratio at meetings[1] in %	**94%**	**100%**	**83%**	**100%**

– Not a member of the Committee

[1] The average attendance ratio at the meetings of the Committees refers directly to the members of the relevant Committee (additional participants who participate as guests in the Committee meetings are not included in the table above and in the percentage calculations). For the newly elected Board members, attendance ratios are calculated as at the date of their election at the Annual General Meeting 2021.

3.3 Definition of areas of responsibility

The main tasks of the Board of Directors are the determination and periodic inspection of the corporate strategy and Company policy, as well as the organization (including control systems) of the Group, the control of the operational management and of the risk management. In addition, it is responsible for the periodic assessment of its own performance and that of the Executive Board.

In addition to the non-transferable and irrevocable tasks pursuant to Article 716a of the Swiss Code of Obligations, the Board of Directors has explicitly reserved the approval of various matters (see the following list). In general, the Board of Directors has delegated the operational management of the Group to the CEO and the Executive Board, respectively.

The Board of Directors explicitly reserved approval in the following circumstances to itself:

- Incorporation/financing/closure of subsidiaries; investment in/divestment of participations, changes in participation quotas or of shareownership ratios; purchase of a business or a company or parts thereof through the acquisition of assets or of assets and liabilities (including workforce); opening balance sheet of business sectors that shall be transferred to subsidiaries as well as concept and main details of contracts between group companies

- Contracts/cancellation of contracts for strategic alliances that have an influence on the business scope, geographic scope or the capital structure of Meyer Burger Technology Ltd or any of its group companies
- Decisions on business affairs that are of major importance to Meyer Burger Group
- Individual expenditure, investment, divestment; sale of assets, abandonment of plants or assets, liquidation of investments, waiving of receivables; grant of sales reductions or adjustments to invoices; write-off of receivables: Above CHF 1.5 million, if included in the budget; above CHF 1 million, if not included in the budget
- Bids and contracts with customers above CHF 30 million
- Agreements to and allowance of letters of comfort and guarantees, loans and credits to third parties above CHF 5 million
- Loans and credits to members of the Board of Directors or members of the Executive Board (possible up to a maximum of TCHF 50)
- Financing transactions (bank loans, bonds issues), leasing above CHF 5 million
- Structured financing transactions
- Decisions concerning communication (identity, design, branding, communication policy, marketing communication strategy)
- Personnel and salary policy of the Group
- Wage negotiations and social planning for the Group
- Appointment, dismissal and compensation of members of the Executive Board
- Employment conditions for the highest level management positions
- Share and option programs, including profit sharing programs for associates and employees
- Principles for pension plans and social benefits
- Large restructuring programs

Members of the Board of Directors and the members of the Executive Board of the Company have joint signature authority.

3.4 Information and control instruments vis-à-vis the Executive Board

Every month, the Board of Directors receives from the Executive Board a report on business development and on the key figures for all group companies as part of a structured information system. The information relates in particular to:

- Detailed monthly reports and consolidated monthly financial statements including results since the beginning of the year (year-to-date numbers, comparisons with the budget and the results of the previous year's period) and key figures for the Group
- Detailed treasury reporting with information on liquidity, debt position, currency situation and working capital
- Information on incoming orders, order backlog, inventory situation, production data, development of number of employees
- Share register

The members of the Board of Directors additionally receive the following information prior to Board meetings:

- Interim reports on the course of business
- Information about business and market developments
- Appropriate information with regard to events, which concern the internal control system and risk management

Both the CEO and the CFO participate in Board of Directors' meetings, at which financial results are discussed.

- Detailed information regarding the participation of members of the Executive Board at meetings of the Board of Directors and the Committees are included in the comments to section 3.2 "Internal organization" and the descriptions of the different Committees on page 45 ff.

During Board meetings, each member of the Board of Directors can request information from the other members of the Board, as well as from the members of the Executive Board on all affairs of the Company. Outside of Board meetings, each member of the Board of Directors can request information on the course of business or important business transactions from the CEO, the CFO or from other members of the Executive Board. Members of the Board of Directors can also contact other associates (in agreement with members of the Executive Board).

Risk management

As part of the risk assessment process, the probability of occurrence and the extent of the loss are considered. The Company uses both quantitative and qualitative methods for this process, applying these on a uniform basis across the Group as a whole and thereby enabling risk assessments to be compared across different areas of the Company. Based on the results of probability of occurrence and expected implications, a clear risk assessment matrix is drawn up.

- For further information regarding risk management please refer to the consolidated financial statements Note 3 on page 97 ff.

Internal control system

The Board of Directors approved an optimized internal control system ("ICS"), which has taken effect as of 1 January 2009. The ICS applies a risk-oriented approach (focused on major risks and control). The scope of the ICS depends on the size and risks of each subsidiary within the group. Each subsidiary of Meyer Burger is classified as a "Full Scope" or "Limited Scope" company. This classification is reviewed once per year.

For the Full Scope companies, the key risks are continuously monitored and every three years, all control measures for the major processes that are relevant for the financial reporting will be reviewed with regards to their effectiveness. For the Limited Scope companies, the controls shall be executed in accordance with a plan that will be defined on a yearly basis. At the group level, controls are implemented with regards to the consolidated financial statements of the group.

The following processes were defined as financially relevant: sales, materials management, production, fixed assets, payroll accounting, finance department, and information technology. For each of these processes, a particular ICS person has been defined as the responsible person for the process. For an evaluation of the company-wide controls in accordance with the scope, the Executive Board of each group subsidiary caries out a self-assessment each year, during the first half of the year. Measures that result from the evaluation are implemented until the end of the respective year.

The Board of Directors receives a detailed report on Company risks on a semi-annual basis and a report on the ICS once per year. In fiscal year 2021, the R&A Committee discussed the risk portfolio at one of its meetings and the Board of Directors discussed it at one Board meeting. The external auditors also audit the compliance with ICS regulations as part of their annual audit and report their conclusions directly to the Risk & Audit Committee as well as to the Board of Directors.

Internal audit

After the organizational transformation the company reprised the internal audit function as of November 2021.

The internal audit generally result in reports in writing about the audits carried out, the findings resulting from the audits and, if necessary, gives recommendations to improve systems and processes. The internal audit carries an obligation to immediately report possible irregularities or fundamental shortcomings to the Risk & Audit Committee and to the Chairman of the Board of Directors.

4 Executive Board

Executive Board as at 31 December 2021

Name	Born	Position	Member of Executive Board
Dr. Gunter Erfurt	1973	Chief Executive Officer	since 2017
Jürgen Schiffer	1966	Chief Financial Officer	since 2020, until 31 December 2021
Katja Tavernaro	1977	Chief Sustainability Officer	since 2021

Dr. Gunter Erfurt

Chief Executive Officer, German citizen

Education: Degree in Engineering Physics from the West Saxon University of Applied Science Zwickau, Germany. Degree in Physics and PhD in Physics, Technical University Bergakademie Freiberg, Germany.

Experience — Since 2020 Chief Executive Officer (CEO) of the Company — **2017–2020** Chief Operating Officer (COO), Chief Technology Officer (CTO), Member of the Executive Board of the Company — **2015–2017** Managing Director and Member of the Management Board of Meyer Burger (Germany) AG, Hohenstein-Ernstthal, Germany — **2011–2015** Managing Director, Solarworld Innovations GmbH, Freiberg, Germany. Responsible for global strategic technology development — **2009–2011** Global Head of Planning and Investment/Technology Transfer, Solarworld AG, Bonn, Germany. Staff position to the COO — **2006–2009** Head of Planning and Investment, Solarworld Industries America LLC, Hillsboro, USA — **2003–2006** in various positions at Deutsche Solar AG, Freiberg, Germany.

Other activities and vested interests

Current mandates: Member of the Board of Directors, Supervisory Board and/or of the Executive Board of different subsidiaries of Meyer Burger Technology Ltd including Board membership at the associated company Oxford Photovoltaics Limited, London, United Kingdom, since 2020 (non-remunerated mandate), Member of the Board of Trustees of Fraunhofer Institute for Electron Beam and Plasma Technology, Dresden, Germany, since 2016 (non-remunerated mandate), Member of the Scientific Advisory Board of the Institute for Solar Energy Research (ISFH), Hamelin, Germany, since 2019 (non-remunerated mandate), Member of the Board of Association, Bundesverband Solarwirtschaft e.V., Berlin, Germany, since 2020 (non-remunerated mandate). The Board of Directors separately approved of the mandates exceeding the limit set by the Articles of Association.

No further Board of Directors memberships or consultancy activities for important Swiss or foreign organizations. No significant official functions or political offices.

Jürgen Schiffer

Chief Financial Officer, German citizen

Education: Master of Arts, European-University Viadrina, Conflict management and mediation, Diploma in Business Administration, University of Regensburg, Financing, Business Informatics, Business Statistics

Experience — 2020–2021 CFO and member of the Executive Board, Meyer Burger Technology Ltd — **2019–2020** Consultant, A.Lange & Söhne, Glashütte, Germany — **2016–2019** Interim CFO/CRO (Chief Restructuring Officer), ESCADA SE, Munich, Germany — **2007–2016** Independent Interim Manager (iSoft Health GmbH, Maurer Electronics GmbH, QCells, Scoach Schweiz AG, Conergy AG, STOXX Ltd., congatec AG, Deutsche Börse Group, Clearstream Group) — **2004–2006** Commercial Manager, GRUPPE DREI, Villingen-Schwenningen, Germany — **2001–2004** Independent management and start-up consultant — **2000–2001** Pre IPO consultant, U.C.A. Unternehmensconsult, Frankfurt, Germany — **1999–2000** Investment Manager, TFG Venture Capital, Marl, Germany — **1998–1999** Consortium Liaison Officer, DtA German Equalization Bank, Bonn, Germany.

Other activities and vested interests

Current mandates: Member of the Board of Directors, Supervisory Board and/or of the Executive Board of different subsidiaries of Meyer Burger Technology Ltd. No further mandates for Board memberships or consulting activities for important Swiss or foreign organizations. No significant official functions or political offices.

Katja Tavernaro

Chief Sustainability Officer, German citizen

Education: Studied Law at Technical University of Dresden, Dresden, Germany, Degree in Human Resources Management, German Academy for Management. Part-time studies, business administration and law, distance-learning University Hagen. Masters Studies in Management (planned degree M.Sc. 2022), Hagen Institut for Management Studies (HiMS).

Experience — Since 2021 CSO and member of the Executive Board, Meyer Burger Technology Ltd **— since 2020** Head of Global Human Resources Meyer Burger Technology Ltd **— since 2017** Head of Global Legal & Compliance Meyer Burger Technology Ltd **— since 2016** Managing Director and Member of the Management Board of Meyer Burger (Germany) AG, Hohenstein-Ernstthal, Germany **— 2013–2016** In-house Counsel and HR Manager, Meyer Burger (Germany) GmbH, Hohenstein-Ernstthal, Germany **— 2006–2013** Attorney at law

Other activities and vested interests

Current mandates: Member of the Board of Directors, Supervisory Board and/or of the Executive Board of different subsidiaries of Meyer Burger Technology Ltd. Deputy member of the Board of Directors of AOK Plus, Germany. No further mandates for Board memberships or consulting activities for important Swiss or foreign organizations. No significant official functions or political offices.

Changes to the Executive Board during fiscal year 2021

To achieve the company's aims regarding the transition to a cell and module producer, and especially the sustainability aspects of this transformation, the Executive Board increased from two to three members.

4.1 Management contracts

There are no management contracts between Meyer Burger Technology Ltd or any of the Group companies and third parties.

Mandates held by the Executive Board (outside of Meyer Burger Group) as at 31 December 2021

Mandates	Remunerated mandates at publicly listed companies	Remunerated mandates at other legal entities	Non-remunerated mandates
Limit set by Articles of Association	**1**	**3**	**2**
Dr. Gunter Erfurt	–	–	3
Jürgen Schiffer	–	–	–
Katja Tavernaro	–	–	1

For the exact wording of Article 28 of the Articles of Association regarding the maximum number of mandates allowed outside the Meyer Burger Group please refer to page 45 of the section concerning members of the Board of Directors. The Board of Directors separately approved of the mandates exceeding the limit set by the Articles of Association.

Executive Board

Dr. Gunter Erfurt
Chief Executive Officer

Jürgen Schiffer
Chief Financial Officer

Katja Tavernaro
Chief Sustainability Officer

5 Compensation, Shareholdings and Loans

- Detailed information on compensation, shareholdings and loans to active and former members of the Board of Directors and of the Executive Board is included in the Remuneration Report (pages 57 to 68).
- Statutory rules regarding the principles of compensation, participation plans, loans, credit and pension benefits are set out in Articles 30 to 34 of the Articles of Association. The rules regarding the approval of the remuneration by the General Meeting of Shareholders are set out in Article 17 of the Articles of Association.

6 Shareholders' Participation Rights

6.1 Voting rights restrictions and representation

Each share is entitled to one vote. The shareholder rights can be exercised by anyone who is registered in the share register as a shareholder 10 days prior to the General Meeting of Shareholders and who has not sold their shares up to the end of the General Meeting of Shareholders.

A shareholder may be represented at the General Meeting of Shareholders by a person with written power of attorney, who does not need to be a shareholder. All shares held directly or indirectly by a shareholder can only be represented by one person. For voting rights of nominees please refer to the section "Limitations on transferability and nominee registrations" on page 40 of this Corporate Governance Report. A cancellation, liberalization or intensification of the limitations on nominee registration stipulated in the Articles of Association must be approved by at least two thirds of the votes represented and the absolute majority of the nominal value of shares represented at the Meeting of Shareholders.

Independent proxy holder

The General Meeting of Shareholders elects an independent proxy holder. Natural persons, legal entities and partnerships are eligible for election. The term of office expires with the conclusion of the next Ordinary Shareholders' Meeting. Re-election is permitted.

The Annual General Meeting of Shareholders held on 4 May 2021 elected Mr lic. iur. André Weber as independent proxy holder for a term of office until the conclusion of the 2022 Ordinary Shareholders' Meeting. Mr. Weber is independent and has no further mandates for Meyer Burger Technology Ltd.

The Company enables its shareholders to transfer their votes to the independent proxy holder by electronic means through the eComm platform (https://ip.computershare.ch/meyerburger) for any General Meeting. The description of the procedure to register and vote through the platform is sent to shareholders who are registered in the share register together with the invitation to the Shareholders Meeting.

- For statutory rules regarding the independent proxy holder, please refer to Article 13 of the Articles of Association.

6.2 Statutory quorums

The General Meeting of Shareholders drafts its resolutions and carries out its votes on the basis of the absolute majority of the voting rights represented. At least two thirds of the votes represented and the absolute majority of the nominal value of shares represented is required, among others, for resolutions in accordance with Article 704 paragraph 1 and 2 of the Swiss Code of Obligations (CO).

6.3 Convocation of a General Meeting of Shareholders

General Meetings of Shareholders are convened by the board of directors, or if necessary by the auditors, or at the request of one or more shareholders who together represent at least 10% of the share capital with voting rights. The convocation of a General Meeting of Shareholders will take place by means of the publication of an invitation in the Swiss Official Gazette of Commerce at least 20 days prior to the date of the Meeting. In addition, shareholders who are registered in the share register will receive a written invitation from the Company to participate in the General Meeting of Shareholders. The invitation must include the motions and the proposals by the Board of Directors and of those shareholders who have requested either the convocation of a Meeting or the inclusion of a certain motion on the agenda.

6.4 Agenda

Shareholders representing shares that account for at least 3% of the voting rights or shares with a total par value of CHF 1,000,000 may request the inclusion of an item on the agenda of the General Meeting of Shareholders. Such requests must be submitted to the Board of Directors at least 35 days prior to the General Meeting of Shareholders in writing, specifying the items and proposals to appear on the agenda.

Requests with regard to motions that have not been properly announced may be permitted for discussion if the General Meeting of Shareholders determines to do so. It will not be possible, however, to take a decision on such a request until the next General Meeting of Shareholders. This rule does not apply to requests for an Extraordinary General Meeting or for the performance of a special audit.

No prior notice is required for requests regarding motions that are on the agenda.

6.5 Registration into the share register

No entries will be made in the share register for a period of 10 days prior to a General Meeting of Shareholders, including the day after the General Meeting.

6.6 Quiet periods

Based on Meyer Burger Group's "Insider Trading Regulations" members of the Company's Board of Directors and Executive Board and all other persons participating in the Company's employee share ownership plans are prohibited from trading in the company's share and/or derivatives on the date of publication of the Company's half-year or fiscal year figures or within the 40 days preceding that date.

If Insider information exists, as defined in Art. 2 (j) FMIA (Financial Market Infrastructure Act), insiders are prohibited to acquire or dispose of ownership rights, whether directly or indirectly, outside the lock-up periods, as well.

If special circumstances exist, the Board of Directors reserves the right to restrict or prohibit trading in ownership rights outside the lock-up periods, as well.

7 Change of Control and Defense Measures

7.1 Duty to make an offer

Pursuant to the FMIA (Financial Market Infrastructure Act), any person who acquires equity securities in a company whose shares are listed on a Swiss stock exchange, whether directly or indirectly or acting in concert with third parties, and, as a result, exceeds the threshold of $33\frac{1}{3}\%$ of the voting rights (whether exercisable or not) of such a company, must submit a public tender offer to acquire 100% of the listed equity securities of such a company. Meyer Burger Technology Ltd's articles of association do not provide for opting-out of this rule or opting-up of the threshold for a mandatory offer.

7.2 Clauses on changes of control

In the case that a third party would acquire more than $33\frac{1}{3}\%$ of voting rights of Meyer Burger Technology Ltd, the vesting periods and/or retention periods for employee shares set by the Board of Directors shall be accelerated so that any unvested share shall be immediately vested in full. The vesting would take place on the first day of the grace period in case of a successful public tender offer. There are no further clauses regarding a change of control that would favor the members of the Board of Directors, members of the Executive Board or other members of management or associates.

8 Auditors

8.1 Mandate and fees of the lead auditor

The auditors of the Company have been PricewaterhouseCoopers AG since fiscal year 2003. The lead auditor, Rene Rausenberger, has been responsible for the audit mandate since 2020. The auditors have to be elected each year by the General Meeting of Shareholders.

The auditing fees of PricewaterhouseCoopers AG, for services related to the audit of the annual financial statements of Meyer Burger Technology Ltd and its subsidiaries, the consolidated financial statements of Meyer Burger Group, the review of the Half-Year Report and the audit of the Remuneration Report for fiscal year 2021 are as follows.

In CHF thousands	2021
Audit fees	766.0
Additional fees	22.0
Total	**788.0**

8.2 Supervisory and control instruments vis-à-vis the auditors

Once a year, the Risk & Audit Committee examines the auditing concept, the auditing plan and the fee structure, as well as the auditors' independence from the Company.

At least once a year, the external auditors perform a detailed audit report and brief the Risk & Audit Committee extensively. The important statements and recommendations in the audit reports compiled by the external auditors are then discussed in detail with the entire Board of Directors and the Executive Board.

In fiscal year 2021, the external auditors issued two detailed audit reports (one each for the fiscal year and half year reports). Representatives of the external auditors participated in 2 meetings of the Risk & Audit Committee. Two internal audit quick-check reports were issued in 2021.

Once a year, the Board of Directors verifies the selection of potential auditors, in order to propose the preferred audit firm for election to the shareholders at the General Meeting of Shareholders. The Risk & Audit Committee evaluates the effectiveness of the auditors in accordance with Swiss law. In this evaluation, the Risk & Audit Committee attaches great importance to the following criteria: independence of the external auditors (personal independence of the lead auditor and independence of the audit firm in general), understanding of the Company's business areas, sufficient resources set aside by the auditors, practical recommendations for the implementation of regulations in accordance with Swiss law and Swiss GAAP FER, the global network of the auditors, understanding of the specific business risks of the Company, focus of the audit within the audit program, cooperation with the Risk & Audit Committee, as well as with the internal audit and the Executive Board.

The Board of Directors follows the regulations of the Swiss Code of Obligations with regards to the rotation intervals of the lead auditor, i.e. the lead auditor will be rotated every seven years.

The Risk & Audit Committee also examines the ratio between the auditing fee for the annual financial statements and the additional non-audit services performed by the auditors. The Committee will examine potential consequences regarding the independence of the auditors. The Executive Board is permitted to assign non-audit mandates to the auditors up to an amount of TCHF 50. For any non-audit mandates exceeding this amount, the Risk & Audit Committee or the Board of Directors must be informed. The auditing fee for the annual audit mandate is approved definitively by the entire Board of Directors.

For fiscal year 2021, the Board of Directors concluded that the independence of the auditors was fully ensured at all times.

9 Information Policy

Meyer Burger Technology Ltd communicates openly and transparently and treats shareholders, analysts, business partners, employees and the public equally when it informs them promptly about any development in the Company.

- Company website www.meyerburger.com

Meyer Burger Technology Ltd publishes its financial results in an annual report and an interim report, as well as through press releases. When the annual results are released, the Company organizes a physical conference for the media and the financial community and a conference call to discuss details of the reported earnings. For the interim results, the Company organizes a conference call. The Company's financial reports are available on the Company website in electronic format or can be ordered from the Company in print form and free of charge.

- Financial reports are directly available at https://www.meyerburger.com/en/investor-relations/financial-reports-publications

Official notices are published in the Swiss Official Gazette of Commerce (Schweizerisches Handelsamtsblatt, SOGC). Publications in conjunction with the listing of the registered shares at SIX Swiss Exchange are made in accordance with the listing rules of SIX Swiss Exchange. The rules can be viewed at: www.six-exchange-regulation.com/dam/downloads/regulation/admission-manual/listing-rules/03_01-LR_en.pdf

Detailed information regarding disclosure notices of major shareholders of Meyer Burger Technology Ltd is available at www.six-swiss-exchange.com, Product Search "MBTN", Overview, Major Shareholders.

Price sensitive information is published according to the ad-hoc publicity rules. The methods of distribution of ad-hoc press releases (the so called push and pull systems) have been implemented in accordance with the ad-hoc publicity rules of SIX Swiss Exchange.

- Press releases can be viewed at: https://www.meyerburger.com/en/investor-relations/ad-hoc-announcements
- The contact form to subscribe for direct receipt of the ad hoc press releases is available at: https://www.meyerburger.com/en/newsroom/registration-news-service

Information on Company share transactions by members of the Board of Directors and members of the Executive Board are published at www.six-swiss-exchange.com, Product Search "MBTN", Overview, Management Transactions.

- For details regarding investor relations contacts, address details of the Company, and agenda of important dates for fiscal year 2021 please refer to page 125 of this Annual Report.

Remuneration Report

Letter to shareholders

Dear Shareholders

In the name of the Board of Directors and the Nomination and Compensation Committee (NCC), I am pleased to present to you the 2021 Remuneration Report. In 2021, Meyer Burger successfully completed its strategic transformation and with its first solar modules shipped in July reached an important milestone in its company history. Meyer Burger secured the anticipated financing to continue the accelerated ramp-up of the German production facilities and to implement its plans to open the US production site in 2022. This report outlines how the performance in 2021 impacted the incentive payouts to the members of the Executive Board.

At the annual general meeting (AGM) in 2021, the voting results on the compensation motions were mixed. While the maximum compensation amounts for the Executive Board for the financial years 2021 and 2022 received an approval rate of 91.9% and 91.5% respectively, the maximum compensation amount for the Board of Directors was accepted with an approval rate of 68.6% and the consultative vote on the compensation report passed with an approval rate of 60.1%. During the reporting year, the NCC analyzed the reasons for these results and proposed several changes to the compensation structure that were approved by the Board of Directors.

First of all, the compensation system applicable to the Board of Directors was revised to further promote their independence and to align with shareholder expectations and market practice. Effective as of the 2021 AGM, the annual board retainer is paid 50% in cash and 50% in restricted shares. The decision to replace performance share units (PSU) with restricted shares simplifies the program and reflects the widely held view of shareholders that a fixed compensation for board members fosters a stronger sense of independence as they oversee and govern the company.

With regard to the compensation structure for the Executive Board, performance objectives were reintroduced to the short-term incentive (STI) program in 2021. They include financial objectives that are focused on growth and profitability as well as strategic objectives with a focus on delivering new technologies and implementing new business processes. Furthermore, the vesting period of the options granted under the long-term incentive (LTI) was extended from one year to three years. The NCC believes that the share option plan continues to be the most appropriate instrument to align the Executive Board with the long-term interests of shareholders in a manner that preserves cash.

Further details about these changes are provided in the following pages and you, as a valued Shareholder, will have the opportunity to express your opinion on these compensation decisions in a consultative vote on this Remuneration Report at the upcoming AGM. In addition, you will be asked to vote on the maximum compensation amounts to be awarded to the Board of Directors and the Executive Board for the next compensation periods.

The NCC and the Board of Directors are confident that their compensation decisions are correctly aligned with the interests of our shareholders, the business strategy and the current circumstances faced by the company. Going forward, we will continue to regularly review and assess the compensation system to ensure that it is appropriate and suitable in the evolving operative context. We would like to thank you in advance for your support at the upcoming AGM and your trust over the past year.

Yours sincerely,

Prof. Dr. Urs Schenker
Chair of the NCC

This Remuneration Report describes the compensation principles and programs, as well as the governance framework as related to the compensation of the Board of Directors and of the members of the Executive Board of Meyer Burger Technology Ltd (Meyer Burger). The report also provides information on the compensation programs and the compensation awarded to members of the Board of Directors and of the Executive Board for the 2021 business year.

This Remuneration Report is drawn up in accordance with the Ordinance against Excessive Compensation in Listed Stock Corporations (OaEC), the standard relating to information on Corporate Governance of the SIX Swiss Exchange and the economiesuisse Swiss Code of Best Practice for Corporate Governance.

Compensation at a glance

Compensation policy and principles

Our compensation system supports our business strategy and our values ("passion", "determination", "responsibility" and "holism") and is built around the following principles:

Market competitiveness	Alignment with market practices and trends, external equity
Performance related pay	Connection between compensation and the company's success
Long-term orientation	Alignment with the long-term interests of shareholders and company values
Transparency and fairness	Transparency, fairness and internal equity

Summary of the compensation system for the Board of Directors

(GRI 102-35)

The compensation system for the Board of Directors in effect at the end of the reporting period consists of fixed compensation in the form of an annual retainer paid 50% in cash and 50% in restricted shares. The restricted shares are subject to a three-year blocking period. This model fosters the independence of board members as they carry out their supervisory duties and strengthens the alignment with the long-term interests of shareholders.

in TCHF (gross) – for the term from 2021 AGM to 2022 AGM	Cash	Restricted shares
Board of Directors, Chair	107.5	107.5
Board of Directors, Vice Chair	92.5	92.5
Board of Directors, Member	92.5	92.5

Reconciliation between approved compensation and compensation awarded for 2021

At the 2021 AGM, shareholders approved a change in the approval period for Board of Director compensation from the financial year to the annual term of office between AGMs. As a result, the amount of compensation that is disclosed in this Remuneration Report reflects two compensation periods.

For the first compensation period up to the 2021 AGM, the compensation awarded to the Board of Directors amounts to CHF 233 thousand (including social security contributions) and is within the approved amount of CHF 233 thousand (adjusted for the period up to the 2021 AGM).

For the second compensation period, a maximum compensation amount of CHF 800 thousand was approved for the period from the 2021 AGM to the 2022 AGM. The compensation for the portion of this term of office included in this Remuneration Report (up to 31 December 2021) is within this approved limit. A definitive assessment for the entire period will be provided in the next Remuneration Report.

Summary of the compensation system for the Executive Board

(GRI 102-35)

The compensation for members of the Executive Board consists of fixed and variable elements:

Component	Purpose	Payment delivery
Base Salary	Attract and retain	Cash
Performance bonus (STI)	Performance related pay	Annual bonus in cash
Long-term incentive (LTI)	Align with shareholders	Annual grant in equity
Benefits	Protect against risks, attract and retain	

Reconciliation between approved compensation and compensation awarded for 2021

The compensation awarded to the Executive Board for the fiscal year 2021 in the amount of CHF 1,894 thousand is within the amount of CHF 2,500 thousand approved by the shareholders.

Compensation governance

(GRI 102-37)

The role of the shareholders on compensation matters has become increasingly important in recent years. First, shareholders approve the maximum aggregate compensation amounts of the Board of Directors and the Executive Board annually. In addition, the principles of compensation are governed by the Articles of Association, which are also approved by the shareholders. The provisions of the Articles of Association on compensation are summarized below and details of these rules are available on our website, on the "Meyer Burger – Investors" webpage:
www.meyerburger.com/en/investors/annual-general-meeting/articles-of-association/.

Principles of compensation applicable to the Board of Directors and the Executive Board	Art. 30
Participation plans	Art. 31
Additional amounts for payments to members of the Executive Board appointed after the vote on compensation at the AGM	Art. 32
Binding vote on compensation at the AGM	Art. 17
Loans, credits and pension benefits	Art. 34

Determination of compensation

In accordance with the Articles of Association, the NCC consists of at least two members of the Board of Directors who are elected individually by the shareholders for a term of one year until the next AGM. At the 2021 AGM, Prof. Dr. Urs Schenker (chair) was elected and Andreas R. Herzog (member) was re-elected as members of the NCC.

The NCC supports the Board of Directors in all matters relating to the compensation systems. In particular, it:

- Proposes the compensation of the Board of Directors and its committees
- Reviews, negotiates and proposes the compensation and employment terms of the CEO
- Reviews and proposes (together with the CEO) the compensation and employment terms of the members of the Executive Board
- Reviews and decides on the performance targets, and their achievement, for members of the Executive Board
- Reviews, proposes and monitors the implementation of participation programs
- Reviews and determines the granting of shares and/or other securities under the share participation program approved by the Board of Directors
- Reviews the performance targets and total compensation of important Group companies
- Prepares and proposes the Remuneration Report
- Selects and proposes the selection criteria and candidates for positions on the Board of Directors and the Executive Board
- Examines, reviews and monitors the implementation of the structure and organization of the highest level of operating management, at the proposal of the CEO
- Reviews and monitors succession planning for positions at the highest level of operating management, at the proposal of the CEO
- Conducts an annual self-assessment of the Board of Directors and of the NCC

The NCC usually meets in accordance with the annual schedule below. In the year under review, the NCC held two meetings. The NCC members participated in all NCC meetings as noted in the Corporate Governance Report on page 46. Usually, the activities of the NCC are reported to the Board of Directors following each committee meeting. The NCC minutes are shared with all Board members and form the basis for the approval of NCC proposals by the Board of Directors.

The Chair of the Board of Directors is present at the meeting when decisions are approved by the Board of Directors, including regarding his own compensation, but abstains from voting on his own compensation. The CEO is involved in determining the compensation of members of the Executive Board and is present when this is approved by the Board of Directors, except when his own compensation is discussed.

Annual meeting schedule

November/December	January/February	March/April	August/September
• Review and determination of the target compensation of members of the Board of Directors and the Executive Board for the following year • Preliminary review of the Remuneration Report for the reporting year	• Performance assessment and determination of variable compensation of members of the Executive Board for the previous year • Review and approval of the Remuneration Report for the reporting year • Preparation of the maximum aggregate compensation amounts of the Board of Directors and the Executive Board to be submitted to shareholders' vote at the upcoming AGM	• Preparation of equity grants for the Board of Directors, the Executive Board, and participants in equity programs • Review of external stakeholders' feedback on the Remuneration Report and on the compensation policies • Benchmarking of the compensation of the Board of Directors and the Executive Board	• Nomination matters relating to the Board of Directors, the Executive Board and other key management positions • Succession Planning for positions on the Board of Directors and Executive Board • Review of compensation policies for the Board of Directors and the Executive Board

In compliance with the OaEC, the maximum aggregate compensation amounts of the Board of Directors and the Executive Board are subject to shareholders' approval at the AGM. Within these confines, the internal approval and decision-making processes on compensation-related matters are as follows:

Approval process

Decision on	Prepared by	Proposed by	Approved by
Maximum aggregate compensation amount of the Board of Directors	NCC	BoD	AGM
Compensation of Board of Directors members		NCC	BoD
Grant of equity to members of the Board of Directors		NCC	BoD
Maximum aggregate compensation amount of the Executive Board	NCC	BoD	AGM
Compensation of the CEO, including fixed and variable compensation		NCC	BoD
Compensation of Executive Board members other than the CEO, including fixed and variable compensation	CEO	NCC	BoD
Grant of equity to the Executive Board members		NCC	BoD
Selection and proposal of new members of the Board of Directors		NCC	BoD
Selection and proposal of new members of the Executive Board and other key management positions		NCC	BoD
Succession planning for the Executive Board		NCC	BoD

BoD = Board of Directors

The NCC may decide to consult external advisors for specific compensation matters. In 2021, long-term incentive plan specialists [dialog]unlocked and valuation experts algofin AG provided services relating to executive compensation matters. These companies have no other mandate with Meyer Burger.

Compensation policy and principles

Meyer Burger is a globally renowned technology company that went through a fundamental transformation from a machine supplier to a cell and module manufacturer in order to convert its technological leadership into a sustainable and scalable business. The transformative process was supported by its four core values ("passion", "determination", "responsibility" and "holism") and by a compensation system that is motivating and fair, while driving sustainable performance. The compensation system provides for competitive base salaries and attractive incentive schemes that reward company success and long-term value creation, promote an entrepreneurial attitude and, strengthen the alignment with shareholders' interests.

Board of Directors

(GRI 102-28)

The compensation for the Board of Directors consists of a fixed compensation that is paid 50% in cash and 50% in the form of restricted shares subject to a three-year blocking period. This model strengthens the independence of the Board of Directors in exercising its supervisory duties towards the executive management and the alignment with shareholders' interests. Board fees are paid in two semi-annual instalments.

Executive Board

The compensation programs for the Executive Board of Meyer Burger consists of several components, including fixed and variable compensation elements which are described in detail in this report and are built around the following principles:

Market competitiveness	Alignment with market practices and trends, external equity
Performance related pay	Connection between compensation and the company's success
Long-term orientation	Alignment with the long-term interests of shareholders and company values
Transparency and fairness	Transparency, fairness and internal equity

Board of Directors

Compensation system

(GRI 102-36)
The members of the Board of Directors are compensated for their services from the date of their election and for the duration of their term of office. The structure and the levels of compensation of the Board of Directors are reviewed by the NCC annually and, if necessary, adjusted by the Board of Directors based on a proposal by the NCC. The level of compensation is set by the NCC, taking into account the work required by Board and Committee members, and is approved by the Board of Directors.

In 2021, the NCC evaluated the mix of cash and equity compensation as well as the type of equity instrument used in the compensation system and proposed revisions to the compensation model for the Board of Directors, with effect from the term starting with the 2021 AGM.

Compensation system applicable up to the 2021 AGM

The annual compensation for each member of the Board of Directors consisted of fixed compensation in the form of an annual retainer. The value of the retainer was paid in a minimum amount of cash and performance share units (PSUs), as illustrated in the following table.

Compensation model up to the 2021 AGM

in TCHF	Cash	PSUs
Board of Directors Chair	15	170
Board of Directors Vice Chair	15	170
Board of Directors Member	15	170

At the time of the grant, the monetary amount of the PSU grant was converted to a certain number of PSUs based on the fair value of the PSUs at grant. Each PSU provides for the right to a maximum of one share in the company after a period of three years, conditional on the development of the share price of the company. The number of shares allocated at the end of the performance period ranges from zero to 100% of the initial number of PSUs granted. There is no upward potential, meaning that the conversion into shares is capped at 100% of the initial number of PSUs granted. If the closing share price on the next trading day following the end of the three-year performance period is equal to or below the threshold set by the Board of Directors, no shares are allocated.

The threshold share price for the PSUs granted in 2021 is CHF 0.435. The target share price is CHF 0.485. If the share price is equal to or above the target, 100% of the PSUs are converted into shares. Between the threshold (0%) and the target (100%), the conversion into shares follows a linear interpolation. If the value creation for shareholders does not reach the threshold level, the Board of Directors will not receive any compensation other than the cash amount.

Compensation system applicable as at the 2021 AGM

As detailed above, the Board of Directors decided to amend the compensation system with effect from the term of office starting with the 2021 AGM. The members of the Board of Directors now receive an annual retainer settled 50% in cash and 50% in restricted shares (RS).

This decision was made to strengthen the independence of the Board of Directors in exercising its supervisory duties and the alignment with shareholders' interests.

Furthermore, in response to market practice and shareholder comments, it was decided to reflect – also in terms of overall compensation – the different levels of responsibility between the roles of the Chairman and of the other members of the Board. Therefore, the annual fee for the Chairman has been raised from CHF 185 thousand to CHF 215 thousand, which is within the total amount approved by the shareholders.

The amount of compensation is as follows:

Compensation model as from the 2021 AGM

in TCHF	Cash	RSUs
Board of Directors Chair	107.5	107.5
Board of Directors Vice Chair	92.5	92.5
Board of Directors Member	92.5	92.5

The number of restricted shares to be allocated is determined by dividing the monetary amount by the closing share price on the day prior to the grant date. Shares are blocked for a period of three years. The blocking period lapses in case of death and remains in all other instances.

The shares are subject to claw back conditions. In the event of a financial restatement due to material non-compliance, or an individual's fraud or misconduct, the Board of Directors may determine that all or part of the shares allocated (or an equivalent cash amount) have to be transferred / paid back to the company.

The members of the Board of Directors receive no additional reimbursements of business expenses beyond actual expenses for business travel outside Switzerland. The members of the Board of Directors do not participate in Meyer Burger's employee benefits plan.

Compensation of the Board of Directors in 2021

(GRI 102-38)

Compensation of members of the Board of Directors (audited)

This section is audited according to Article 17 of the OaEC in Listed Stock Corporations.

2021/2020

in TCHF	Year	Board of Directors	Innovation Committee[1]	R & A Committee	N & C Committee	Cash	PSUs[2]	RSUs[3]	**Total compensation 2021/2020**
Dr. Franz Richter	2021	C	–	–	–	76	50	71	**197**
	2020	C[4]	–	–	–	48	120	–	**168**
Mark Kerekes	2021	V	–	M	–	66	50	61	**177**
	2020	V[4]	–	M[4]	–	10	120	–	**130**
Urs Fähndrich	2021	M[7]	–	–	C[7]	5	50	–	**55**
	2020	M[4]	–	–	C[4]	10	120	–	**130**
Andreas Herzog	2021	M	–	C	M	66	50	61	**177**
	2020	M	–	C	M	48	120	–	**168**
Hans-Michael Hauser	2021	–	–	–	–	–	–	–	**–**
	2020	M[6]	M[6]	–	C[6]	30	–	–	**30**
Remo Lütolf	2021	–	–	–	–	–	–	–	
	2020	C[6]	–	–	–	73	–	–	**73**
Prof. Dr. Urs Schenker	2021	M[5]	–	–	C[5]	61	–	61	**122**
	2020	–	–	–	–	–	–	–	**–**
Total before mandatory employer contributions	**2021**					**274**	**200**	**254**	**728**
	2020[8]					219	480	–	699
Mandatory employer contributions	2021								**43**
	2020[8]								14
Total[9]	**2021**								**771**
	2020[8]								713

C: Board Chair, V: Board Vice Chair, M: Member, BoD: Board of Directors; IC: Innovation Committee; RAC: Risk and Audit Committee, NCC: Nomination and Compensation Committee, EC: Executive Committee

1 The Innovation Committee was discontinued as per the 2020 AGM.

2 The PSU program was introduced at the 2020 AGM and discontinued as of the 2021 AGM. The fair value of the PSU at grant date amounts to CHF 0.299 in 2021 and CHF 0.236 in 2020 (Monte Carlo valuation on 24 May 2021 and 23 December 2020 respectively).

3 Restricted shares. First semi-annual instalment granted 30 December 2021, value CHF 0.407 per RS (= closing price on 30 December 2021).

4 From 13 May 2020.

5 From 4 May 2021.

6 Up to 13 May 2020.

7 Up to 4 May 2021.

8 Members of the Board of Directors voluntarily waived 15% of their compensation for the period from April 2020 to May 2020.

9 A temporary "Strategy and Approval Committee" was established in 2021 (see page 46/section 3.2.1 in the corporate governance report), but no additional compensation was paid for participation in that committee.

Explanatory comments to the compensation table

No member of the Board of Directors served in an executive role in 2021. The number of members of the Board of Directors has remained stable at four members. The total compensation amount increased by 8% compared to the previous year, which is due to a slightly reduced PSU allocation for the January-to-AGM period in order to comply with the pre-approved amounts.

At the 2020 AGM, a maximum aggregate amount of compensation of CHF 700 thousand (excluding mandatory employer contributions) was approved for the Board of Directors for the 2021 fiscal year. Adjusted for the period from 1 January 2021 to the 2021 AGM, the approved amount corresponds to CHF 233 thousand. The total value of the compensation awarded to the Board of Directors for this period was CHF 233 thousand (including mandatory employer contributions of CHF 13 thousand) and is therefore exactly within the approved limits.

At the 2021 AGM, a maximum aggregate amount of compensation of CHF 800 thousand (excluding mandatory employer contributions) was approved for the Board of Directors for the compensation period from the 2021 AGM up to the 2022 AGM. The compensation period is not yet completed. The compensation for the portion included in this Remuneration Report (up to 31 December 2021) is within this approved limit. A definitive assessment for the entire period will be provided in the next Remuneration Report.

Members of the Board of Directors did not receive any fees or other compensation for additional services to Meyer Burger or its subsidiaries in the 2021 fiscal year (2020: no additional fees).

Neither Meyer Burger nor its subsidiaries granted any guarantees, loans, advances or credit facilities to members of the Board of Directors or related parties in 2021 or 2020.

No material compensation was paid to any former members of the Board of Directors of Meyer Burger, or a Group company, or related parties in 2021 or 2020.

Executive Board

Compensation system

The compensation system for the Executive Board consists of fixed and variable components. The fixed component entails a base salary commensurate with the role and local market levels and, depending on local market practice, perquisites and benefits.

The variable component entails a performance-related annual cash bonus (short-term incentive, STI) and a three-year performance-related equity program (long-term incentive, LTI).

The compensation structure and level of the Executive Board is reviewed regularly against prevalent market practice for an appropriate peer group. The last review was conducted in 2019 based on a benchmark study provided by HCM International Ltd. The study included 19 industrial and technology companies listed at SIX Swiss Exchange that are of comparable size in terms of revenue and market capitalization, with some further consideration given to the workforce. These companies included AMS Arbonia, Ascom, Belimo, Bossard, Burkhalter, Comet, Feintool, Gurit, Huber+Suhner, Huegli, Interroll, Kardex, Komax, Phoenix Mecano, U Blox, VAT, Vetropack and Zehnder.

The compensation system, its components and the mix between the components was reviewed and adjusted in the context of the fundamental business transformation of Meyer Burger to ensure that the Executive Board stays focused on driving the transformation, which is critical for the company's long-term success, and to mitigate the impact of the compensation systems on the liquidity of the company.

Compensation system of the Executive Board

	Vehicle	Purpose	Drivers
Base salary	Monthly cash salary	Attract and retain	Position, market practice, skills and experience
Performance bonus (STI)	Annual bonus in cash	Performance related pay	Annual performance
Long-term incentive (LTI)	Stock options	Align to shareholders	Share price over three years
Benefits	Pension, insurance and perquisites	Protect against risks Attract and retain	Market practice and position

Base salary

The base salary is determined primarily by the executive's tasks, responsibilities, skills and managerial experience, as well as market conditions. The base salary is paid in cash.

To ensure market competitiveness, base salaries of the Executive Board are reviewed every year, taking into account the company's capacity to pay, benchmark information and internal consistency, economic environment and individual performance. They were last benchmarked in 2019 as mentioned above.

Short-Term Incentive (STI) program

The STI program is an annual cash bonus aimed at motivating executives to focus their efforts on achieving specific financial, strategic and individual objectives. It helps them to align their efforts, promotes initiative and boosts both individual and company performance.

The regular annual target setting process was reinstated in 2021 following an extraordinary set of business circumstances in 2020.

The STI target is expressed as a percentage of base salary. In 2021, it amounts to 55% of base salary for the CEO and 25% of base salary for the other members of the Executive Board.

The STI performance is measured on the basis of specific financial and strategic objectives, which are determined annually by the NCC (at the CEO´s recommendation for the members of the Executive Board) and approved by the Board of Directors. The level of achievement for each objective corresponds to a payout percentage for that objective, which is always between 0% and 150%. The payout is 100% for achieving the target level of performance, 0% for achievement below the lower threshold and 150% for achievement above the upper threshold.

	Achievement level	
EB member	Target (% of base salary)	Maximum (% of target)
Chief executive officer	55%	150%
Other EB members	25%	150%

Financial objectives in 2021 focused on growth, profitability and the generation of cash which was measured using net sales, contribution margin, EBITDA margin and cash flow from operations. These KPIs are key to the business success of Meyer Burger and are regularly communicated to investors. The four KPIs are equally weighted. Financial targets are based on the annual budget and the payout on the actual financial results.

Strategic objectives are clearly measurable and, for fiscal year 2021, focus on delivering new technologies and implementing business processes.

Objectives, performance measures and their weighting

Objectives	Perfomance Measures	Weighting	All
Financial	Net sales	70%	25%
	Contribution margin	70%	25%
	EBITDA margin	70%	25%
	Cash flow from operations	70%	25%
Strategic	Strategic initiatives	30%	n/a

The STI is paid out in cash in the April following the respective business year.

Long-term incentive (LTI) program

The long-term incentive program is a share option plan.

The LTI target amount is expressed as a percentage of base salary. In 2021, it amounts to 55% of the base salary for the CEO and 83% of base salary for the other members of the Executive Board. The number of share options is determined by dividing the target amount by the fair grant value of the share option.

EB member	2021 target amount (% of base salary)
Chief executive officer	55%
Other EB members	83%

The share options are subject to a three-year cliff vesting. Upon vesting, the share options immediately exercise, and the proceeds of the exercise (difference between the relevant share price at vesting and the exercise price) are settled in shares. The relevant share price used at vesting is the volume-weighted average share price (VWAP) measured over the 30 trading days preceding the vesting date. The strike price of the share options was set at CHF 0.518 while the share price at grant amounted to CHF 0.468. The vesting of the share options is subject to continued employment.

Unvested share options forfeit in case of termination by the employer for cause or for individual performance reasons, and in the case of an individual's voluntary resignation. They immediately vest on a pro-rata basis and are automatically exercised at the termination date in the case of other terminations, such as death, disability, retirement or change of control, provided that the share price is above the exercise price of the option (otherwise they forfeit).

The shares acquired through option exercise are subject to claw back provisions. In the event of a financial restatement due to material non-compliance, or an individual's fraud or misconduct, the Board of Directors may determine that all or part of the shares allocated (or an equivalent cash amount) have to be transferred / paid back to the company.

Outstanding performance shares from long-term incentive programs awarded prior to 2021

Under the previous share option model, share options could be exercised at the earliest after 1 year from the grant date (further details in the 2020 compensation report), vesting not being subject to any further specific financial performance conditions. Such share options granted prior to 2021 continue to be exercisable in 2021 and subsequent years. However, that program was discontinued, and no further share options under that previous model were granted to members of the Executive Board for their services in 2021.

In addition, in 2018 and 2019, the long-term incentive was awarded in the form of PSUs subject to a three-year vesting period conditionally upon the relative Total Shareholder Return (TSR). The TSR is a standard indicator used for measuring stock performance. It is defined as the net change in share price plus any dividend distributions over the vesting period of three years. The TSR is measured by comparing a start value of the volume-weighted average share price (VWAP) over the first 60 trading days of the first year,to an end value of the VWAP over the last 60 trading days of the third year.

Relative TSR is measured against the MAC Solar Index (www.macsolarindex.com). A TSR of at least 25 points above the index corresponds to a 150% payout, a TSR at the same level to a 100% payout, a TSR of no more than 50 points below the index to a 50% payout; and a TSR that is more than 50 points below the index yields no payout.

In the case of resignation or dismissal for cause, PSUs are forfeited. In case of death, disability or change of control, they vest at 100% at the termination date. In case of dismissal without cause, PSU granted during the year of termination are subject to a pro-rata vesting at the regular vesting date and PSUs granted in years before the year of termination continue to vest normally.

The shares transferred under the PSU plan are subject to claw-back provisions. In the case of criminal acts, fraud or misconduct, a claw-back provision allows the Board of Directors to reclaim all or part of any shares released to the participant concerned, for a period of five years after their allocation.

The LTI program is financed through treasury shares.

Target, performance and payout estimate as at 31 December 2021 for the outstanding PSU

LTI program	Measure	MBTN Start	MBTN 31.12.2021	MBT Total Shareholder Return 31.12.2021	Index Total Shareholder Return 31.12.2021	Performance 31.12.2021	Estimated payout as at 31.12.2021
LTI 2019–2022	rTSR [1]	0.77	0.43	–44%	284%	–328%	0%
LTI 2020–2023	rTSR [1]	0.24	0.43	79%	163%	-84%	0%

[1] rTSR is measured by comparing the volume-weighted average share prices (VWAPs) of 60-day periods at the beginning of the first year and the end of 2021.

Benefits: pension and insurance

Members of the Executive Board participate in the benefits plans available in their country of employment. The primary purpose of pension and insurance plans is to establish a level of security for employees and their dependents with respect to old age, disability and death. The level and scope of pension and insurance benefits provided are country-specific and are influenced by local market practices and regulations.

Benefits: perquisites

Meyer Burger may provide certain executive perquisites according to competitive market practice in their country, such as a company car or a car allowance and other benefits in kind. The monetary value of these other elements of compensation is evaluated at fair value and is included in the compensation tables below.

Employment contracts

The employment contracts of members of the Executive Board are of unlimited duration. They provide for a notice period of 6 or 12 months. Contracts of members of the Executive Board do not include severance compensation or change of control clauses except the vesting provisions of the LTI awards as described above. The contract may contain a non-competition clause for a duration of 12 months following termination of employment.

Compensation 2021

Realized compensation

The following section shows the total annual pay components realized in 2021, including salary and bonus payments, contributions to pension plans, perquisites as well as the actual value of equity plans that vested in 2021. This perspective reflects the income received by members of the Executive Board in 2021, which amounted to a total annual compensation of CHF 1,118 thousand (2020: CHF 1,687 thousand). The highest compensation received by an individual member of the Executive Board in 2021 was CHF 563 thousand for the CFO in 2021 (2020: CEO with CHF 546 thousand).

Compensation realized by members of the Executive Board (GRI 102-38)

2021 in TCHF	Year	Fixed compensation: Base salary	Fixed compensation: Pension	Fixed compensation: Other[1]	Variable compensation: STI	Variable compensation: LTI effective value at vesting date)[2]	**Total realized compensation**
Total compensation of members of the Executive Board[3]	2 021	776	40	66	134	102	**1 118**
	2 020	992	113	157	386	39	**1 687**
Thereof highest paid: Jürgen Schiffer	2 021	345	1	52	63	102	**563**
Hans Brändle (former CEO)	2 020	309	43	50	116	28	**546**

[1] Other compensation includes perquisites such as a car allowance or value of company car as well as social security costs and holidays payout.
[2] The 2018 LTI program was based on PSUs and vested in 2021 without an actual payout.
[3] During 2021, the Executive Board was increased to three members (previously two).

Granted compensation

The following section shows the pay components granted for 2021, which in total amounted to CHF 1,894 thousand (2020: CHF 2,821 thousand) and reflects the compensation awarded to the members of the Executive Board in the year under review. This amount comprises a base salary amount of CHF 776 thousand (2020: CHF 992 thousand), contributions to pension plans of CHF40 thousand (2020: CHF 113 thousand), other perquisites of CHF 57 thousand (2020: CHF 60 thousand), bonus payments of CHF 134 thousand (2020: CHF 386 thousand), as well as the fair value of the LTI award at grant date of CHF 877 thousand (2020: CHF 1,173 thousand). The highest compensation granted to an individual member of the Executive Board in 2021 was CHF 815 thousand (2020: CHF 1,253 thousand).

Compensation granted to members of the Executive Board (audited)

in TCHF	Year	Fixed compensation: Base salary[1]	Fixed compensation: Pension	Fixed compensation: Other[2]	Variable compensation: STI	Variable compensation: Options (target value at grant date)[3]	Variable compensation: PSUs (target value at grant date)[4]	**Total granted compensation**
Total compensation of members of the Executive Board before mandatory employer contributions[5]	2021	776	40	57	134	877	–	**1 884**
	2020	992	113	60	386	1 080	93	**2 724**
Thereof highest granted to one individual: Dr. Gunter Erfurt (CEO)	2021	278	35	8	56	438	–	**815**
Dr. Gunter Erfurt (CEO)[5]	2020	275	27	27	144	780	–	**1 253**
Estimated mandatory employer contributions[6]	2021							**10**
	2020							**97**
Total compensation of members of the Executive Board	**2021**							**1 894**
	2020							**2 821**

[1] Members of the Executive Board voluntarily waived 15% of their compensation for the period from May 2020 to June 2020.
[2] Other compensation includes perquisites such as a car allowance or a company car.
[3] The fair value of the share option at grant date in 2021 was CHF 0.1775 and in 2020 CHF 0.120 (valuation per Enhanced American Model).
[4] The PSU program was discontinued in 2020. Former members of the Executive Board had received a regular PSU grant, which is fully disclosed above, while new members of the Executive Board received options under the new LTI plan. The fair value of the PSUs at grant date was CHF 0.15 in 2020 (valuation per Monte Carlo). The estimated performance of the LTI program as at 31 December 2021 was 0% for all outstanding grants. The effective performance will be determined at the respective vesting date.
[5] In 2020; 9 months as CEO and 3 months as CTO.
[6] In 2021, the Executive Board was increased to three members (previously two). The compensation for Katja Tavernaro was considered, for the above table, as from the time when she joined the Executive Board as Chief Sustainability Officer in June 2021.

Explanatory comments to the compensation table

(GRI 102-39)

The overall compensation awarded to the Executive Board was lower in 2021 than in 2020. This change can be explained by the following:

- Base salary: the change to the compensation of the Executive Board described above is due to general changes in compensation structure and the fact that the current CEO still held the CTO position in addition to the CEO position for a few months in 2020, which was no longer the case in 2021 and resulted in a decrease of 21.8% of the overall base salary amount.

- STI: For 2020, the STI performance measurement was temporarily suspended, and a fixed target amount was paid. For 2021, the STI was subject to the achievement of performance targets (as set out above). While the net sales objective was partially met, the threshold performance level for the other financial KPIs was not achieved. This modest result is mainly related to operational challenges such as short-term, unexpected supply bottlenecks. However, several projects that were critical to the development of the company were successfully implemented, leading to an overall payout of 41% of target on average.
- LTI grant: the total value of the grant under the LTI plan decreased by 19% compared to the previous year 2020 was a special year with the decision to change the business model and the challenges of the capital increase, and for this process, management should be particularly motivated. In 2021, there were still major challenges, albeit mainly in the operational area, which is why it was possible to return to the level practiced until 2019 in the context of compensation.
- The variable compensation amounted to 177% of the annual base salary for the CEO (2020: 335%) and to 103.8% of the annual base salary for the other members of the Executive Board on average (2020: 142%).
- LTI vesting: the performance assessment of the LTI plan vesting in 2021 resulted in a vesting level of 0% because the TSR threshold was not met. The performance assessment of the LTI plan vesting in 2020 resulted in a vesting level of 50%.

In 2021, the AGM had approved a maximum aggregate amount of compensation for the Executive Board of CHF 2,500 thousand (excluding mandatory employer contributions) for 2021, and therefore the overall compensation granted of CHF 1,894 thousand is within the limits approved by the shareholders.

During 2021, no compensation was paid to former members of the Executive Board or related parties, either by Meyer Burger or by any other company in the Meyer Burger Group.

Current or former members of the Executive Board did not receive any fees or other compensation for additional services to Meyer Burger or its subsidiaries in the 2021 or 2020 fiscal years.

Neither Meyer Burger nor its subsidiaries granted any guarantees, loans, advances or credit facilities to members of the Executive Board or related parties in 2021 or 2020.

During 2021, no compensation was paid to related parties, either by Meyer Burger or by any other company in the Meyer Burger Group.

Share ownership and related instruments Board of Directors

As at 31 December 2021, members of the Board of Directors held a total of 17,328,910 registered shares, 619,929 RSUs and 2,027,097 PSUs. This number comprises privately acquired shares and those allocated under Meyer Burger's compensation system.

Share Ownership as at 31 December 2021

Name	Year	No of shares	No of RSUs	No of PSUs[1]
Members of the Board of Directors				
Dr. Franz Richter	2021	3 031 597	202 056	675 699
	2020	2 994 157	105 323	508 475
Mark Kerekes	2021	5 814 003	115 451	675 699
	2020	5 814 003	–	508 475
Prof. Dr. Urs Schenker (from 2021 AGM)	2021	8 142 859	115 451	–
Urs Fähndrich (up to 2021 AGM)	2020	143 705	–	508 475
Andreas Herzog	2021	340 451	143 445	675 699
	2020	225 000	28 004	508 475
Total	**2021**	**17 328 910**	**619 929**	**2 027 097**
	2020	9 176 865	133 327	2 033 900

1 The fair value of PSUs at grant was CHF 0.299 in 2021 and CHF 0.236 in 2020.

Executive Board

As at 31 December 2021 the members of the Executive Board held a total of 666,981 registered shares, 105,373 performance share units and 13,705,127 employee stock options.

Name	Year	No of shares	No of PSUs[1]	No of RSUs	No of stock options[2]
Members of the Executive Board					
Dr. Gunter Erfurt	2021	374 617	105 373	–	8 970 085
	2020	374 617	203 734	–	6 500 000
Jürgen Schiffer (from October 2020)	2021	292 364	–	–	–
	2020	42 000	–	–	2 500 000
Katja Tavernaro (from June 2021)	2021	–	–	64 380	4 735 042
Total	**2021**	**666 981**	**105 373**	**64 380**	**13 705 127**
	2020	416 617	203 734	–	9 000 000

[1] The fair value of PSUs at grant was CHF 0.15 in 2020.
[2] The fair value of stock options at grant was CHF 0.1775 in 2021 and CHF 0.120 in 2020.

For the disclosure required under Art. 663c Para. 3 of the Swiss Code of Obligations, please see page 36.

Equity overhang and dilution as at 31 December 2021

As at 31 December 2021, the equity overhang, defined as the total number of unvested share units and options divided by the total number of outstanding shares (2,670,491,011 dividend-bearing shares) amounts to 1.5%.

The company's gross "burn rate", defined as the total number of equities (shares, share units and options) granted in 2021 divided by the total number of outstanding shares (2,670,491,011 dividend-bearing shares) amounts to 0.9%.

Report of the statutory auditor

to the General Meeting of Meyer Burger Technology Ltd

Gwatt (Thun)

We have audited the remuneration report of Meyer Burger Technology Ltd for the year ended 31 December 2021. The audit was limited to the information according to articles 14–16 of the Ordinance against Excessive Compensation in Stock Exchange Listed Companies (Ordinance) contained in the tables labeled 'audited' on page 62 and 66 of the remuneration report.

Board of Directors' responsibility

The Board of Directors is responsible for the preparation and overall fair presentation of the remuneration report in accordance with Swiss law and the Ordinance against Excessive Compensation in Stock Exchange Listed Companies (Ordinance). The Board of Directors is also responsible for designing the remuneration system and defining individual remuneration packages.

Auditor's responsibility

Our responsibility is to express an opinion on the remuneration report. We conducted our audit in accordance with Swiss Auditing Standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the remuneration report complies with Swiss law and articles 14–16 of the Ordinance.

An audit involves performing procedures to obtain audit evidence on the disclosures made in the remuneration report with regard to compensation, loans and credits in accordance with articles 14–16 of the Ordinance. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatements in the remuneration report, whether due to fraud or error. This audit also includes evaluating the reasonableness of the methods applied to value components of remuneration, as well as assessing the overall presentation of the remuneration report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the remuneration report of Meyer Burger Technology Ltd for the year ended 31 December 2021 complies with Swiss law and articles 14–16 of the Ordinance.

PricewaterhouseCoopers AG

René Rausenberger	Yvonne Burger
Audit expert Auditor in charge	Audit expert

Bern, 23 March 2022

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Financial Statements

Consolidated Financial Statements

Financial Statements - Meyer Burger Technology

Consolidated Financial Statements

Consolidated Balance Sheet

in TCHF	Notes	31.12.2021		31.12.2020	
Assets					
Current assets					
Cash and cash equivalents		231 391		139 739	
Trade receivables	**2.1**	3 492		5 029	
Other current receivables	**2.2**	45 207		38 207	
Net receivables from production contracts	**2.3**	12 782		14 405	
Inventories	**2.4**	41 190		24 307	
Prepaid expenses and accrued income	**2.5**	606		1 277	
Total current assets		**334 668**	**67.9%**	**222 964**	**75.1%**
Non-current assets					
Financial assets	**2.6**	27 501		7 464	
Investments in associates	**2.7**	–		21 699	
Property, plant and equipment	**2.8**	124 271		38 062	
Intangible assets	**2.9**	6 082		332	
Goodwill	**2.9**	–		6 110	
Deferred tax assets	**2.15**	200		176	
Total non-current assets		**158 054**	**32.1%**	**73 843**	**24.9%**
Total assets		**492 722**	**100.0%**	**296 807**	**100.0%**
Liabilities and equity					
Liabilities					
Current liabilities					
Financial liabilities	**2.10**	34		133	
Trade payables	**2.11**	21 487		9 372	
Net liabilities from production contracts	**2.3**	2 573		1 707	
Customer prepayments	**2.4**	3 813		4 562	
Other liabilities	**2.12**	2 191		3 332	
Provisions	**2.13**	2 554		3 959	
Accrued expenses and prepaid income	**2.14**	13 489		11 237	
Total current liabilities		**46 141**	**9.4%**	**34 302**	**11.6%**
Non-current liabilities					
Financial liabilities	**2.10**	181 155		–	
Other liabilities	**2.12**	567		657	
Provisions	**2.13**	1 159		802	
Deferred tax liabilities	**2.15**	2 270		1 274	
Total non-current liabilities		**185 151**	**37.6%**	**2 733**	**0.9%**
Total liabilities		**231 292**	**47.0%**	**37 035**	**12.5%**
Equity					
Share capital	**2.16**	133 525		125 758	
Capital reserves		1 161 846		1 065 091	
Treasury shares	**2.16**	–5 307		–5 563	
Reserve for share-based payments		3 369		3 470	
Accumulated losses		–1 032 003		–928 984	
Total equity		**261 430**	**53.0%**	**259 772**	**87.5%**
Total liabilities and equity		**492 722**	**100.0%**	**296 807**	**100.0%**

The Notes starting on page 76 are an integral part of the consolidated financial statements.

Consolidated Income Statement

in TCHF	Notes	1.1.–31.12. 2021		1.1.–31.12. 2020	
Net sales	**2.17/2.18/2.19**	**39 905**	**100.0%**	**90 457**	**100.0%**
Other operating income	**2.20**	3 168		16 077	
Currency translation gains and losses on trade receivables and customer prepayments	**4.3**	–630		–555	
Total Income		**42 443**		**105 979**	
Changes in inventories of finished and semi-finished products and machines before acceptance		–7 468		–16 271	
Cost of products and work in process		–36 536		–53 271	
Capitalized goods and services	**2.8/2.9**	30 744		1 419	
Operating income after costs of products and services	**1.1**	**29 183**	**73.1%**	**37 856**	**41.8%**
Personnel expenses	**2.21**	–60 411		–53 939	
Operating expenses	**2.22**	–41 241		–28 517	
Earnings before interests, taxes, depreciation and amortization (EBITDA)	**1.1**	**–72 469**	**–181.6%**	**–44 600**	**–49.3%**
Depreciation and impairment on property, plant and equipment	**2.8**	–6 287		–6 322	
Amortization and impairment on intangible assets and goodwill	**2.9**	–6 581		–7 161	
Earnings before interests and taxes (EBIT)	**1.1**	**–85 337**	**–213.9%**	**–58 083**	**–64.2%**
Financial result	**2.23**	–11 152		–3 422	
Result from investment in associates	**2.7**	–2 906		–2 771	
Ordinary result		**–99 395**	**–249.1%**	**–64 276**	**–71.1%**
Non-operating result		–		62	
Earnings before income taxes		**–99 395**	**–249.1%**	**–64 214**	**–71.0%**
Income taxes	**2.15**	–1 092		–264	
Result		**–100 487**	**–251.8%**	**–64 478**	**–71.3%**
Attributable to					
Shareholders of Meyer Burger Technology Ltd		–100 487	–251.8%	–64 478	–71.3%

in CHF					
Earnings per share					
Basic earnings per share	**4.4**	–0.04		–0.04	
Diluted earnings per share	**4.4**	–0.04		–0.04	

The Notes starting on page 76 are an integral part of the consolidated financial statements.

Consolidated Statement of Changes in Equity

in TCHF	Attributable to shareholders of Meyer Burger Technology Ltd	
	Share capital	**Capital reserves**
Notes	2.16	
Equity at 1.1.2020	**34 259**	**1 001 228**
Result	–	–
Currency translation differences recognized in reporting period	–	–
Capital increase	91 499	73 885
Costs of capital increase	–	–9 916
Sale/use of treasury shares	–	–
Share-based payments	–	–
Transfer of shares for employees to the plan participants after vesting period	–	–
Reclassification	–	–106
Equity at 31.12.2020	**125 758**	**1 065 091**
Result	–	–
Currency translation differences recognized in reporting period	–	–
Capital increase	7 767	72 233
Costs of capital increase	–	–2 890
Equity share of convertible bond	–	26 636
Share-based payments	–	–
Transfer of shares for employees to the plan participants after vesting period	–	–
Reclassification	–	776
Equity at 31.12.2021	**133 525**	**1 161 846**

The Notes starting on page 76 are an integral part of the consolidated financial statements.

					Attributable to shareholders of Meyer Burger Technology Ltd
Treasury shares	**Reserve for share-based payments**	Currency translation differences	Other retained earnings	**Accumulated losses**	**Total equity**
2.16					
–5 610	**4 283**	**–25 542**	**–839 530**	**–865 072**	**169 088**
–	–	–	–64 478	**–64 478**	**–64 478**
–	–	566	–	**566**	**566**
–	–	–	–	**–**	**165 384**
–	–	–	–	**–**	**–9 916**
–2 073	–	–	–	**–**	**–2 073**
–	1 199	–	–	**–**	**1 199**
2 013	–2 013	–	–	**–**	**–**
106	–	–	–	**–**	**–**
–5 563	**3 470**	**–24 976**	**–904 008**	**–928 984**	**259 772**
–	–	–	–100 487	**–100 487**	**–100 487**
–	–	–2 532	–	**–2 532**	**–2 532**
–	–	–	–	**–**	**80 000**
–	–	–	–	**–**	**–2 890**
–	–	–	–	**–**	**26 636**
–	931	–	–	**–**	**931**
1 032	–1 032	–	–	**–**	**–**
–776	–	–	–	**–**	**–**
–5 307	**3 369**	**–27 508**	**–1 004 495**	**–1 032 003**	**261 430**

Consolidated Cash Flow Statement

in TCHF	Notes	1.1.–31.12.2021	1.1.–31.12.2020
Result		**–100 487**	**–64 478**
Result from associates	2.7	2 906	2 771
Depreciation and amortization	**2.8/2.9**	7 981	13 483
Impairment / reversal of impairment on non-current assets	**2.6/2.8/2.9**	3 742	1 651
Gains/losses from sale of fixed assets and business activities	**2.8/2.9**	163	–11 829
Deferred income taxes	**2.15**	1 079	–279
Decrease (+) / increase (–) in other (non-current) assets		–234	–152
Increase (+) / decrease (–) in (non-current) provisions	**2.13**	357	8
Increase (+) / decrease (–) in other (non-current) liabilities		–95	–76
Decrease (+) / increase (–) in trade receivables	**2.1**	1 496	5 748
Decrease (+) / increase (–) in net assets from construction contracts	**2.3**	2 608	15 742
Decrease (+) / increase (–) in inventories	**2.4**	–18 560	13 412
Decrease (+) / increase (–) in other receivables and accruals	**2.2**	–8 527	4 711
Increase (+) / decrease (–) in (current) provisions	**2.13**	–1 377	–6 030
Increase (+) / decrease (–) in trade payables		12 439	–4 242
Increase (+) / decrease (–) in customer prepayments		–735	–452
Increase (+) / decrease (–) in other (current) liabilities and deferrals	**2.12/2.14**	1 497	–5 943
Other non-cash-related changes		11 680	1 027
Cash flow from operating activities		**–84 067**	**–34 928**
Investments in property, plant and equipment	**2.8**	–109 971	–20 725
Investment subsidies received	**2.8**	9 632	–
Sale of property, plant and equipment	**2.8**	798	1 912
Sale of investment property	**2.8**	1 698	–
Investments in intangible assets	**2.9**	–6 502	–318
Sale of intangible assets	**2.9**	–	2
Investments in financial assets		–183	–
Sale of business activities	**1.4**	–	21 451
Decrease in bank deposits with limited availability		6 601	8 982
Increase in bank deposits with limited availability		–4 596	–
Cash flow from investment activities		**–102 523**	**11 304**
Capital increase		80 000	165 384
Cost of increase in share capital		–2 890	–9 916
Purchase of treasury shares		–	–2 073
Issuance of convertible bond		152 762	–
Issuance costs of convertible bond		–3 953	–
Increase of current financial liabilities		–	133
Repayment of current financial liabilities		–138	–
Repayment of convertible bond		–	–26 830
Increase of non-current financial liabilities		61 541	1 284
Borrowing costs		–3 598	–
Repayment of non-current financial liabilities		–	–103
Cash flow from financing activities		**283 724**	**127 879**
Change in cash and cash equivalents		**97 134**	**104 255**
Cash and cash equivalents at beginning of period		**139 739**	**35 548**
Currency translation differences on cash and cash equivalents		–5 482	–64
Cash and cash equivalents at the end of the period		**231 391**	**139 739**

The Notes starting on page 76 an integral part of the consolidated financial statements.
Cash and cash equivalents include all cash and bank account balances as well as time deposits with an original maturity of up to 90 days. Cash and cash equivalents are measured at nominal value.

Notes to the Consolidated Financial Statements

1 General information

1.1 Accounting policies

Meyer Burger Technology Ltd is a limited company established in accordance with Swiss law. The address of the company's registered office is Schorenstrasse 39, 3645 Gwatt/Thun, Switzerland. Meyer Burger Technology Ltd's registered shares (ticker: MBTN) are listed on the SIX Swiss Exchange in Zurich. The fiscal year of Meyer Burger Technology Ltd runs from 1 January to 31 December.

The Board of Directors approved these consolidated financial statements for issue on 23 March 2022. They will be submitted for approval to the Annual General Meeting to be held on 5 May 2022.

The Group currency (reporting currency) is the Swiss Franc (CHF). The consolidated financial statements are presented in thousands of Swiss Francs.

The consolidated annual financial statements have been prepared in accordance with the complete set of current standards of Swiss GAAP FER and give a true and fair view of financial positions, cash flows and results of operations. The provisions of Swiss law have also been complied with.

Meyer Burger uses certain key figures to measure its performance that are not defined by Swiss GAAP FER so there might be limited comparability to similar figures presented by other companies. In order to provide a clear understanding of these key figures, the following definitions are presented:

- "Operating income after costs of products and services" corresponds to total income including other operating income, e.g. gains from sales of group companies or property, plant and equipment, less changes in inventories or finished and semi-finished products and machines before acceptance, cost of products and work in progress and capitalized goods and services.
- "EBITDA" corresponds to the operating result (EBIT) before depreciation on tangible fixed assets and amortization on intangible assets, the financial result, the result from investment in associates, the non-operating result and income taxes.
- "EBIT" corresponds to the operating result, before the financial result, the result from investment in associates, the non-operating result and income taxes.

1.2 Principles of consolidation

Group companies are all companies in which Meyer Burger Technology Ltd either directly or indirectly holds more than half of the voting rights or over which it has control in another form.

New group companies are fully consolidated from the time at which control of the company is transferred to Meyer Burger. The net assets acquired are revalued on the acquisition date at fair value. The difference between the purchase price and the interest in revalued net assets is recognized as goodwill in the balance sheet and amortized on a straight-line basis in the income statement over its useful life which is normally five years, in justified cases, or 20 years at the most. Group companies are deconsolidated at the point in time when control ceases.

Assets and liabilities as well as income and expenditure for these companies are fully consolidated. All intercompany transactions, balances, and unrealized gains and losses resulting from intercompany transactions are eliminated.

Companies in which Meyer Burger Ltd has a non-controlling interest of at least 20% but less than 50%, or over which it otherwise has significant influence, are accounted for using the equity method and are included in the consolidated financial statements as investments in associates.

The preparation of the consolidated financial statements requires that the Board of Directors and management make estimates and assumptions that could affect the reported amounts of income and expenses, assets and liabilities and contingent liabilities at the time of preparation of the accounts. If such estimates and assumptions, which were made to the best of the Board of Directors' and the Executive Board's knowledge at the time of the preparation of the accounts, deviate from actual events, the original estimates and assumptions are updated accordingly in the reporting period in which the altered circumstances arise.

These consolidated financial statements are published in English only and therefore are the legally binding version.

1.3 Scope of consolidation

The scope of consolidation comprises the following companies:

Consolidated companies

				Participation[1]	
Company	Registered office	Currency	Share capital	31.12.2021	31.12.2020
Meyer Burger Technology Ltd	Thun, Switzerland	CHF	133 524 551	Parent company	
Subsidiaries fully consolidated					
Hennecke Systems GmbH	Zülpich, Germany	EUR	25 000	100.00%	100.00%
Meyer Burger (Singapore) Pte. Ltd	Singapore, Singapore	SGD	1	100.00%	100.00%
MB Systems Co. Ltd	Seoul, Korea	KRW	4 421 500 000	100.00%	100.00%
MBT Systems GmbH	Hohenstein-Ernstthal, Germany	EUR	96 000 000	100.00%	100.00%
Meyer Burger (Americas) Ltd (former MBT Systems Ltd)	Delaware, USA	USD	100	100.00%	100.00%
Meyer Burger (Americas) Lease Co., LLC	Goodyear, USA	USD	0	100.00%	0.00%
Meyer Burger (Germany) GmbH	Hohenstein-Ernstthal, Germany	EUR	112 000 000	100.00%	100.00%
Meyer Burger (Industries) GmbH	Freiberg, Germany	EUR	96 000 000	100.00%	100.00%
Meyer Burger (Italy) S.r.l.	Milan, Italy	EUR	10 000	100.00%	100.00%
Meyer Burger (NL) B.V.	Eindhoven, Netherlands	EUR	18 200	100.00%	100.00%
Meyer Burger (Switzerland) Ltd	Thun, Switzerland	CHF	500 000	100.00%	100.00%
Meyer Burger Co. Ltd	Zhubei City, Taiwan	TWD	5 000 000	100.00%	100.00%
Meyer Burger GmbH	Zülpich, Germany	EUR	25 000	100.00%	100.00%
Meyer Burger India Private Ltd	Pune, India	INR	18 552 930	100.00%	100.00%
Meyer Burger Kabushiki Kaisha	Tokyo, Japan	JPY	10 000 000	100.00%	100.00%
Meyer Burger Research AG	Hauterive, Switzerland	CHF	100 000	100.00%	100.00%
Meyer Burger Sdn. Bhd.	Cyberjaya, Malaysia	MYR	1 000 000	100.00%	100.00%
Meyer Burger Trading (Shanghai) Co. Ltd	Shanghai, China	CNY	1 655 400	100.00%	100.00%
Meyer Burger Systems (Shanghai) Co. Ltd	Shanghai, China	CNY	102 172 722	100.00%	100.00%
Pasan SA	Neuchâtel, Switzerland	CHF	102 000	100.00%	100.00%
Subsidiaries consolidated at equity					
Oxford Photovoltaics Limited[2]	London, United Kingdom	GBP	3 733	19.76%	19.76%
Oxford PV Germany GmbH[2]	Brandenburg an der Havel, Germany	EUR	25 000	19.76%	19.76%

1 The share of equity corresponds to the share of voting rights.
2 Significant influence was lost over the investments in Oxford Photovoltaics Limited and its fully owned subsidiary Oxford PV Germany GmbH as of 31 August 2021. While the participation percentage remained unchanged both companies left the scope of consolidation and were classified as financial investments as from this date.

Changes in scope of consolidation

Newly founded companies

Company	Registered office	Currency	Share capital	Participation 31.12.2021	Participation 31.12.2020
Meyer Burger (Americas) Lease Co, LLC	Goodyear, USA	USD	0	100.00%	0.00%

Companies excluded from the scope of consolidation

Company	Registered office	Currency	Share capital	Participation 31.12.2021	Participation 31.12.2020
Oxford Photovoltaics Limited	London, United Kingdom	GBP	3 733	19.76%	19.76%
Oxford PV Germany GmbH	Brandenburg an der Havel, Germany	EUR	25 000	19.76%	19.76%

Foundation of Meyer Burger (Americas) Lease Co., LLC

Meyer Burger (Americas) Lease Co., LLC was founded on 16 December 2021 with zero equity as the first of two planned local companies in the USA, with the aim of strengthening Meyer Burger's operations in the USA. Meyer Burger is building a production site for high-performance solar modules in Goodyear, USA. The investment is an important step in meeting Meyer Burger's commitments to produce modules in closer proximity to US end-customers, to source material from regional suppliers, and to improve overall sustainability by reducing transportation emissions and optimizing the carbon footprint of the company's solar modules.

Exclusion from the scope of consolidation of Oxford Photovoltaics Limited

Meyer Burger Technology was informed on 23 July 2021 via a press release as well as a direct letter from Oxford Photovoltaics Limited, London, United Kingdom, that the company considers the joint collaboration agreement, in place since 2019, terminated for its own strategic reasons. With the termination of the strategic partnership and the persistent recusal of Meyer Burger's representative from the Board of Oxford Photovoltaics Limited, Meyer Burger has lost its significant influence over Oxford Photovoltaics Limited and its 100% subsidiary Oxford PV Germany as from 31 August 2021. Accordingly, both companies were removed from the scope of consolidation as from 31 August 2021 and the investment was classified as a financial investment from this date. The related goodwill of CHF 4.9 million was fully impaired through profit and loss and the accumulated currency translation adjustments on the investments of CHF -0.9 million were recycled through the financial result in profit and loss.

The proportionate loss of Oxford Photovoltaics Limited recognized up to 31 August 2021 amounts to CHF 2.9 million as disclosed separately in the consolidated income statement.

Divestment

TCHF	2020 Muegge GmbH / Gerling Applied Engineering, Inc.	 Meyer Burger (PIXDRO) B.V.	 Total divestments
Cash and cash equivalents	2 674	–	2 674
Trade receivables	2 247	535	2 782
Other current receivables	424	51	475
Prepaid expenses and accrued income	277	–	277
Inventories	8 738	1 325	10 063
Property, plant and equipment	7 120	144	7 264
Intangible assets	412	54	466
Total assets	**21 892**	**2 109**	**24 001**
Current financial liabilities	269	–	269
Trade payables	3 169	330	3 499
Customer prepayments	1 786	255	2 041
Other liabilities	3 246	628	3 874
Current provisions	932	140	1 072
Non-current financial liabilities	2 926	–	2 926
Other non-current liabilities	3	–	3
Non-current provisions	–	–	–
Deferred tax liabilities	8	–	8
Total liabilities	**12 339**	**1 353**	**13 692**
Net Assets	**9 553**	**756**	**10 309**

During 2021, no divestments were made.

Sale of inkjet printing business (PiXDRO)

On 2 April 2020, Meyer Burger announced the closure of the sale of its inkjet printing business (PiXDRO) located within Meyer Burger (Netherlands) B.V., Eindhoven, Netherlands, as of 31 March 2020. The transaction price of EUR 3.9 million (CHF 4.1 million) was settled in cash in April 2020. The business generated CHF 0.6 million net revenues and contributed CHF −0.7 million to the ordinary result for 2020. The Group recorded a gain on the sale of the investment of CHF 2.1 million that was presented in "Other operating income" in the consolidated income statement in 2020.

Sale of Microwave and Plasma Technology business

On 1 October 2020, Meyer Burger announced the closure of the sale of its microwave and plasma technology company Muegge GmbH, Reichelsheim, Germany, including its subsidiary Gerling Applied Engineering, Inc. based in Modesto, USA. The business generated CHF 17.2 million net revenues and contributed CHF −0.4 million to the ordinary result in 2020. The Group recorded a gain on the sale of the investment of CHF 9.7 million that was presented in "Other operating income" in the consolidated income statement in 2020.

1.4 Foreign currency translation of financial statements of subsidiaries in foreign currencies

Individual group companies compile their financial statements in their local currency (functional currency). Assets and liabilities in balance sheets prepared in foreign currencies are translated into Swiss Francs at the closing rate on the reporting date. Equity is translated at historical rates and income, expenses and cash flows at the average rate for the year. Foreign currency translation differences arising from the application of this method are offset against retained earnings or accumulated losses without affecting the income statement.

Other translation differences, including those from foreign currency transactions for operating activity, are recognized in the income statement.

Intercompany loans are considered as liabilities in respect of the treatment of foreign exchange translation differences as long as future positive cash flows are expected and no decision has been taken to convert them into equity or debt waivers. A semi-annual reassessment of the subsidiaries' capital situation is carried out and the share of intercompany loans which are regarded as having an equity status is analyzed. Foreign currency effects attributable to these long-term intercompany loans which are regarded as having an equity status are recognized directly in equity. The currency differences recognized in equity are derecognized only in the event of a disposal or liquidation of the respective subsidiary.

The following translation rates into Swiss Francs were used during the year under review:

Foreign currency exchange rates	Unit	Closing rate 2021	Closing rate 2020	Average rate 2021	Average rate 2020
Euro (EUR)	1	1.0331	1.0802	1.0811	1.0705
US Dollar (USD)	1	0.9121	0.8803	0.9141	0.9372
British Pound (GBP)	1	1.2295	1.2015	1.2577	1.2032
Chinese Yuan Renminbi (CNY)	100	14.3592	13.4646	14.1730	13.5945
Japanese Yen (JPY)	100	0.7924	0.854	0.8324	0.8786
Indian Rupee (INR)	100	1.2265	1.2048	1.2365	1.2648
South-Korean Won (KRW)	100	0.0767	0.0809	0.0799	0.0796
Malaysian Ringgit (MYR)	100	21.8951	21.893	22.0574	22.3215
Singapore Dollar (SGD)	1	0.6762	0.6661	0.6804	0.68
Taiwan Dollar (TWD)	100	3.2956	3.1428	3.2736	3.1864

1.5 Business combinations

Capital consolidation is based on the acquisition method. For the first-time consolidation, the acquired identifiable assets and the assumed liabilities of an acquired company are measured at fair value. At the time of control being assumed, goodwill is calculated as the difference between the acquisition cost (measured at fair value) and the amount of acquired net assets and capitalized as a separate balance sheet position.

2 Notes to the consolidated financial statements

2.1 Trade receivables

in TCHF	31.12.2021	31.12.2020
Trade receivables (gross)	8 576	10 398
Allowances	–5 084	–5 369
Trade receivables	**3 492**	**5 029**

The maximum credit risk for Meyer Burger Group corresponds to the carrying amount of the receivables recognized.

The allowances consist entirely of individual allowances relating to a small number of customers, estimated based on these customers' solvency and payment history.

On 15 June 2021, Meyer Burger concluded a factoring agreement with Deutsche Factoring Bank GmbH & Co. KG, Bremen, Germany, (factorer) with an initial term of three years. The bank's purchase price payments are intended to enable Meyer Burger (Industries) GmbH, Freiberg, Germany, to meet its suppliers´ liabilities on time and accordingly do not constitute a common loan or credit. Under the contract, the bank purchases receivables up to a maximum amount of EUR 60 million per annum. Meyer Burger assigns all trade receivables to which it is or it will be entitled to the bank in advance as securities. Excluded from this security assignment are all claims that are already assigned as securities within the scope of the blanket assignment of the syndicated loan agreement as outlined in note 2.10 Financial liabilities. Trade receivables paid through the factoring arrangement are settled upon receipt of payment from the factorer.

Accounting Policies

Trade receivables are measured at nominal value less any allowances. Individual allowances are generally considered based on the specific debtor risks and other known risks. An allowance can also be made on a portfolio basis where this is deemed appropriate based on historical experience. In such cases, the risk pattern is regularly assessed and adjusted where necessary.

Trade receivables in the scope of the factoring agreement are measured at nominal value. No allowance is considered as the payments are virtually certain. With the receipt of cash from the factorer, the trade receivables are settled and the factoring fee is accounted for through profit and loss. Trade receivables are fully derecognized only upon receipt of payment from the underlying debtor by the factorer as Meyer Burger still holds responsibility for accounts receivable accounting and the dunning process.

Changes to valuation allowances for doubtful receivables and actual losses on receivables are recognized in other operating expenses.

2.2 Other current receivables

in TCHF	31.12.2021	31.12.2020
Prepayments to suppliers	14 274	8 479
Bank balances with restricted use	15 291	17 296
Other receivables	15 642	12 432
Other receivables	**45 207**	**38 207**

As at 31 December 2021, other current receivables include the deposit used as securitization for Meyer Burger's guarantee line as well as for the collateral for the syndicated loan as outlined in note 2.10 shown as bank balances with restricted use totaling CHF 15.3 million (31 December 2020: CHF 17.3 million).

Other receivables include, for example, VAT receivables and receivables from social security or deposits. In addition, as at 31 December 2021, other current receivables include the short-term portion of receivables from the sale of the headquarter building in Thun of CHF 1.3 million (31 December 2020: CHF 2.3 million) as well as expected subsidies of CHF 1.6 million.

Accounting Policies

Other current receivables include receivables such as VAT credits, withholding tax credits and social security receivables. Prepayments made to suppliers are also included in this category.

Other receivables are measured at nominal value less any allowances.

2.3 Net receivables and liabilities from production contracts

in TCHF	31.12.2021	31.12.2020
Work in progress	85 200	89 983
Customer prepayments	–74 991	–77 285
Net production contracts	**10 209**	**12 698**
thereof		
Net receivables from production contracts	12 782	14 405
Net liabilities from production contracts	–2 573	–1 707
Additional information		
Net sales from the PoC method (income statement)	5 453	18 406

Production contracts comprise of long-term contracts entered into under Meyer Burger´s previous business model as a manufacturer of industrial production equipment.

Accounting Policies

Production contracts are contracts for the production of customer-specific assets or groups of assets that normally extend over several months.

Production contracts are measured using the percentage-of-completion (PoC) method where these contracts have a material impact on total sales or income. The stage of completion is calculated individually for each production contract and is equal to the proportion of contract costs incurred for work performed up to the reporting date as against the estimated total production costs. Accrued costs and realized net revenue calculated based on the stage of completion are recognized on an ongoing basis in the income statement.

If the outcome of a production contract can be estimated reliably, a proportion of profit is realized. If the earnings cannot yet be estimated reliably, sales are recognized in the amount of the costs already incurred.

The accrued costs plus the proportion of profit (if this can be estimated reliably) minus customer prepayments are reported in the balance sheet as net assets or net liabilities from production contracts.

An allowance is considered covering the full amount of anticipated losses. If the impairment is higher than the value of the asset, a provision is created in the amount of the difference.

When the project is complete and the final acceptance is issued by the customer on its premises, prepayments are offset and only the final payment due is recognized as a trade receivable. Consequently, trade receivables recognized from production contracts are presented net of prepayments made by the customer.

2.4 Inventories

in TCHF	31.12.2021	31.12.2020
Raw materials, purchased parts, goods for resale	50 209	28 747
Semi-finished goods and work in progress	17 448	24 987
Finished goods	3 110	270
Machines before acceptance	5 747	7 855
Customer prepayments	–8 760	–8 434
Value adjustment inventories	–26 564	–29 134
Inventories	**41 190**	**24 307**

The increase in inventories is almost exclusively due to the inventory build up at the two new production sites in Freiberg, Germany and Bitterfeld-Wolfen, Germany which amounted to raw materials, purchased parts, and goods for resale of CHF 27.3 million, semi-finished goods and work in progress of CHF 1.9 million and finished goods of CHF 3.0 million as at 31 December 2021 against inventory reductions for inventories needed under the old business model.

As of 31 December 2021, Meyer Burger Group has pledged certain inventories in the amount of CHF 32.1 million to third parties (31 December 2020: none) as collateralization of the syndicated loan as outlined in note 2.10.

Accounting Policies

Inventories
Depending on the stage of completion of the individual products and their purpose, inventories are categorized into raw materials, purchased parts and goods for resale, semi-finished goods and work in progress, and finished goods and machinery before acceptance. Inventories are classified as machinery before acceptance from the time of delivery of the machine to the time of final acceptance by the customer.

Raw materials, purchased parts and goods for resale are measured at the lower of weighted-average cost or net realizable value. Semi-finished goods and work in progress, finished goods and machinery before acceptance are measured at the lower of production cost or net realizable value. Cash discounts are treated as reductions in purchase price. Net realizable value is the estimated selling price less estimated cost of completion and direct selling cost.

Allowances are considered for excessively high levels of inventories that most likely cannot be sold, for inventories where there is no or virtually no inventory turnover, and for damaged and unsellable inventories.

Customer prepayments
A prepayment is a non-interest-bearing payment made by a customer under an existing contract for production and/or delivery of products.

Customer prepayments are recognized at the nominal value. Customer prepayments directly attributable to a machine or a long-term production contract are recognized directly as deductions in inventories or in long-term production contracts. The prepayments are only offset against inventories up to the maximum amount of the value of the goods carried in the balance sheet or the long-term production contract.

Prepayments for which no manufacturing costs have yet been incurred for the production of machinery or prepayments that exceed the value of the manufacturing costs already incurred are reported in current liabilities.

2.5 Prepaid expenses and accrued income

in TCHF	31.12.2021	31.12.2020
Prepaid expenses and accrued income	606	1 107
Receivables from current income taxes	–	170
Prepaid expenses and accrued income	**606**	**1 277**

Prepaid expenses and accrued income include positions from the usual course of business, such as prepaid rent, insurance and other costs as well as accrued rental income.

Accounting Policies

Prepaid expenses and accrued income are measured at nominal value less any allowances.

2.6 Financial assets

in TCHF	31.12.2021	31.12.2020
Other non-current receivables	7 737	9 135
Allowances	–244	–1 671
Financial investments	19 689	–
Derivatives	319	–
Financial assets	**27 501**	**7 464**

As at 31 December 2021, other non-current receivables mainly comprise of the long-term portion of receivables from the sale of the headquarter building in Thun with a net amount of CHF 7.3 million (31 December 2020: CHF 7.2 million). Allowances on the non-current receivables were reduced by CHF 1.4 million, thereof CHF 0.3 million utilized, to CHF 0.2 million as of 31 December 2021 based on the most recent outlook and cover potential risks due to contractual terms.

Financial investments refer to the investment in Oxford Photovoltaics Limited, London, United Kingdom and its fully owned subsidiary Oxford PV Germany GmbH, Brandenburg an der Havel, Germany, which were excluded from the scope of consolidation as of 31 August 2021. The initial measurement was at the determined cost value at the date of reclassification to financial investments. The market value indicators available supported the investment value as per 31 December 2021. Accordingly, no impairment was recognized as of 31 December 2021.

On 2 September 2021, Meyer Burger (Industries) GmbH (MBI) has concluded an interest limitation agreement in the form of a maximum rate agreement ("cap") to secure the interest rate of the syndicated loan agreement. The market value of the cap amounts to CHF 0.3 million as at 31 December 2021. The base value of the cap amounts to EUR 115 million and reflects the investment credit line of the syndicated loan facility. The hedging ratio amounts to 50 percent of the nominal value of the loan. Gains and losses from the interest cap are recognized through profit and loss.

Accounting Policies

Financial assets include loan receivables and other long-term receivables from third parties as well as derivatives and financial equity investments where less than 20% of the voting rights are held.

Loan receivables and other long-term receivables are initially measured at nominal value. Subsequent measurement is at nominal value less any necessary impairment. Amounts are discounted if the effect is material.

Derivative financial instruments are initially measured at acquisition costs and subsequently measured at market value, respectively at acquisition costs less impairments where a market value is not available.

Financial investments refer to securities without a directly observable market value and are initially measured at acquisition costs, respectively the fair value at acquisition date and subsequently measured at acquisition costs less impairments.

2.7 Investments in associates

As at 31 December 2020, the position consisted of the investment in the associated company Oxford Photovoltaics Limited, London, United Kingdom and its fully owned subsidiary Oxford PV Germany GmbH, Brandenburg an der Havel, Germany. Meyer Burger Technology was informed on 23 July 2021 via a press release as well as a direct letter from Oxford Photovoltaics Limited, that the company considers the companie's collaboration agreement, in place since 2019, terminated for its own strategic reasons. With the persistent recusal of Meyer Burger's representative from the Board of Oxford Photovoltaics Limited, Meyer Burger has lost its significant influence over Oxford Photovoltaics Limited and Oxford PV Germany GmbH. Accordingly, the companies were removed from the scope of consolidation as from 31 August 2021 and the respective investment is now classified as a financial asset. The related goodwill of CHF 4.9 million was fully impaired though profit and loss and the accumulated currency translation adjustments on the investments of CHF -0.9 million were recycled through the financial result in profit and loss.

The proportionate loss of Oxford Photovoltaics Limited recognized up to 31 August 2021 amounts to CHF 2.9 million and is shown separately in the consolidated income statement as a result of investments in associates.

Accounting Policies

A holding by an entity of between 20% and 50% of the voting rights is normally presumed to be an investment in an associated company. Nonetheless, a holding of less than 20% of the voting rights can also represent an investment in an associated company, if the entity is able to exercise significant influence.

Investments in associated companies are accounted for using the equity method. The acquired investment is recognized at cost upon initial recognition. Any goodwill, if applicable, is capitalized as such and amortized over a period of five years. The investment in the associated company is adjusted thereafter for post-acquisition changes in the investor’s proportionate share of net assets, mainly the proportionate share of the associate´s result. The accounting policies of the associate are adjusted where necessary in order to ensure consistency with the accounting policies of the Group. Material unrealized gains and losses from transactions with associated companies are eliminated to the extent of the Group’s participation in the associated company.

The carrying value of investments in associates and related goodwill is reviewed for triggering events at each reporting date. If an impairment indication exists, the recoverable amount of the investment and related goodwill is determined and if the recoverable amount is lower than the carrying value, an impairment is recorded.

2.8 Property, plant and equipment

in TCHF	Land and buildings	Equipment	Machines	IT	Vehicles	Assets under construction	Total property, plant and equipment
Purchase price							
Balance as at 1.1.2020	**25 340**	**10 897**	**45 919**	**1 071**	**166**	**3 743**	**87 136**
Changes in scope of consolidation	–6 193	–1 016	–2 195	–468	–1	–51	–9 924
Increase	5 666	1 216	1 841	3	–	10 647	19 373
Capitalization	–	–	1 369	–	–	–	1 369
Reclassification	4 088	–	152	–	–	–4 240	–
Disposal	–3 000	–2 131	–3 673	–77	–125	–	–9 006
Currency translation differences	–172	–126	–276	–9	–1	37	–548
Balance as at 31.12.2020	**25 730**	**8 838**	**43 137**	**519**	**38**	**10 138**	**88 400**
Changes in scope of consolidation	–	–	–	–	–	–	–
Increase	190	3 234	51 601	–	–	13 471	68 496
Capitalization	–	–	21 106	–	–	9 629	30 735
Reclassification	–	–	4 184	–	–	–4 184	–
Disposal	–50	–	–1 770	–143	–	–	–1 963
Currency translation differences	–1 055	–554	–5 338	–2	3	–1 272	–8 218
Balance as at 31.12.2021	**24 815**	**11 518**	**112 920**	**374**	**41**	**27 782**	**177 450**
Cumulative depreciation and impairments							
Balance as at 1.1.2020	**–8 890**	**–9 087**	**–34 997**	**–1 035**	**–156**	**–112**	**–54 277**
Changes in scope of consolidation	140	3	2 060	456	1	–	2 660
Ordinary depreciation	–1 004	–917	–3 745	–10	–2	–	–5 678
Impairment	52	–14	–682	–	–	–	–644
Reclassification	–	–	–	–	–	–	–
Disposal	1 833	2 094	3 058	62	117	–	7 164
Currency translation differences	104	108	213	9	1	3	437
Balance as at 31.12.2020	**–7 767**	**–7 814**	**–34 092**	**–519**	**–38**	**–109**	**–50 338**
Changes in scope of consolidation	–	–	–	–	–	–	–
Ordinary depreciation	–927	–800	–4 530	–	–	–	–6 257
Impairment	–30	–	–	–	–	–	–30
Reclassification	–	–	–	–	–	–	–
Disposal	–10	–20	1 315	143	–	–	1 428
Currency translation differences	315	403	1 307	2	–3	–5	2 019
Balance as at 31.12.2021	**–8 419**	**–8 231**	**–36 000**	**–374**	**–41**	**–114**	**–53 179**
Net book value							
01.01.2020	16 449	1 810	10 923	36	9	3 632	32 859
31.12.2020	17 963	1 024	9 045	–	–	10 029	38 062
31.12.2021	16 396	3 287	76 920	–	–	27 668	124 271
Amount thereof pledged:							
31.12.2020	–	–	–	–	–	–	–
31.12.2021	16 396	2 667	71 042	–	–	24 202	114 307

The main increase in property, plant and equipment relates to Meyer Burger´s transition towards becoming a solar cell and module producer. Investments of CHF 99.2 million net of government subsidies were made in property, plant and equipment in the German entities driving this change. Of these investments, CHF 30.7 million originate from capitalized self-manufactured machines.

Further capital commitments related to property, plant and equipment necessary to fully facilitate the transition are outlined in note 4.5.

In 2021, Meyer Burger accrued government subsidies of CHF 11.3 million which were directly deducted from the cost of acquisition or production of its property, plant and equipment (2020: none).

Meyer Burger Group has pledged certain property, plant and equipment in the amount of CHF 114.3 million to third parties as collateral as outlined in note 2.10 Financial liabilities (31 December 2020: none).

Meyer Burger sold its headquarter building in Thun in 2019 for a total transaction price of CHF 42.5 million, of which CHF 1.0 million became due and were paid in 2021. The cash flow from this transaction is split between sale of investment property and property, plant and equipment according to the underlying classification as per the date of the sale.

None of the property, plant and equipment listed above was held under a lease.

Accounting Policies

Property, plant and equipment includes land, property used for operational purposes, facilities, machines, IT and vehicles, as well as assets under construction. Investment property is property held to earn rentals or for capital appreciation.

Property, plant and equipment as well as investment property is measured at cost less any cumulative depreciation and any cumulative impairment losses. Self-manufactured machines are capitalized and also measured at cost less any cumulative depreciation and any cumulative impairment losses. Government subsidies are deducted from the cost of acquisition or production.

Depreciation is generally carried out using the straight-line method over the following expected useful lives:

	Useful life in years
Land	No depreciation
Buildings	10–30
Equipment	5–20
Machines	3–10
IT	3
Vehicles	4–8

Government grants are only recognized when there is reasonable assurance that the entity will comply with the attached conditions and that the grant will be received. Government grants relating to asset investments are presented as a deduction from the carrying amount of the respective asset and accordingly are recognized in profit and loss as a reduction of costs such as depreciation and amortization over the useful lifetime of the asset.

Assets are reviewed for triggering events at every reporting date. This review is carried out to identify individual assets that may be affected by an impairment. If such indications exist, the recoverable amount must be determined. If the recoverable amount is below the carrying amount, an impairment is recognized.

The same method is applied to reversals of impairments as to identifying impairments, i.e. a review is carried out on each reporting date to assess whether there are indications that a reversal has occurred. If this is the case, the amount of the reversal (the difference between the recoverable amount and the maximum carrying amount excluding the original impairment) must be determined and the impairment reversed accordingly.

2.9 Intangible assets

in TCHF	Technology	Trade names	Software	Capitalized services	Goodwill	Other intangible assets	Total
Purchase price							
Balance as at 1.1.2020	**184 105**	**47 140**	**7 371**	**835**	**278 948**	**8 248**	**526 647**
Change in scope of consolidation	–5 878	–975	–243	–	–5 105	–1 881	–14 082
Increase	–	–	264	–	–	5	269
Capitalization	–	–	50	–	–	–	50
Disposal	–	–	–12	–	–	–6	–18
Currency translation differences	–580	–164	–57	–4	754	–26	–77
Balance as at 31.12.2020	**177 646**	**46 001**	**7 373**	**831**	**274 597**	**6 340**	**512 788**
Change in scope of consolidation	–	–	–	–	–9 400	–	–9 400
Increase	5 406	–	1 088	–	–	1	6 495
Capitalization	–	–	9	–	–	–	9
Disposal	–	–	–	–	–	–	–
Currency translation differences	–4 755	–1 363	–201	–36	–8 067	–	–14 422
Balance as at 31.12.2021	**178 297**	**44 638**	**8 269**	**795**	**257 130**	**6 341**	**495 470**
Cumulative depreciation and impairments							
Balance as at 1.1.2020	**–184 105**	**–42 011**	**–7 002**	**–835**	**–270 917**	**–7 946**	**–512 816**
Change in scope of consolidation	5 878	894	15	–	5 105	1 724	13 616
Ordinary amortization	–	–2 913	–121	–	–1 919	–143	–5 096
Impairment	–	–2 065	–	–	–	–	–2 065
Disposal	–	–	10	–	–	6	16
Currency translation differences	580	94	54	4	–756	22	–2
Balance as at 31.12.2020	**–177 646**	**–46 001**	**–7 045**	**–831**	**–268 487**	**–6 337**	**–506 347**
Change in scope of consolidation	–	–	–	–	9 400	–	9 400
Ordinary amortization	–45	–	–423	–	–1 253	–3	–1 724
Impairment	–	–	–	–	–4 857	–	–4 857
Disposal	–	–	–	–	–	–	–
Currency translation differences	4 516	1 363	157	36	8 067	–	14 139
Balance as at 31.12.2021	**–173 175**	**–44 638**	**–7 311**	**–795**	**–257 130**	**–6 340**	**–489 389**
Net book value							
01.01.2020	–	5 129	369	–	8 031	302	13 831
31.12.2020	–	–	329	–	6 110	3	6 442
31.12.2021	5 122	–	959	–	–	1	6 082

Intangible assets mostly originate from company acquisitions and accordingly have been acquired in business combinations or through specific transactions. In 2021, the increase in technology is mainly due to investments made as part of the realization of the new business model of cell and module production and the expansion of the product portfolio with roof-integrated high-performance solar tiles.

The net effects from impairment in 2021 are mainly due to the goodwill derecognized with the exclusion of Oxford Photovoltaics Limited, London, United Kingdom and its fully owned subsidiary Oxford PV Germany GmbH, Brandenburg an der Havel, Germany from the scope of consolidation.

There are no capital commitments for the acquisition of intangible assets as also disclosed in note 4.5.

Accounting Policies

Intangible assets relate in particular to goodwill, development costs, acquired software, patents, licenses and intangible assets from acquisitions. Intangible assets are recognized if they are clearly identifiable and the costs reliably determinable, and if the assets bring measurable benefit to the company over the course of several years.

Intangible assets from acquisitions, e.g. technology or brands, are measured at fair value at the time of acquisition and are then amortized using the straight-line method over their scheduled useful lives.

Development costs are only capitalized if they relate to a project that is technically feasible, a future inflow of benefits is probable and the costs can be reliably determined. Costs for improving, enhancing and reworking existing products as well as research costs are expensed.

Development costs and all other intangible assets are measured at cost less any cumulative amortization and cumulative impairment charges.

Intangible assets from acquisitions are amortized over the following useful lives:

	Useful life in years
Order backlog	1–2
Technologies	6–10
Customer relationships	6–10
Tradenames	6–10
Goodwill	5

Intangible assets and goodwill are amortized on a straight-line basis over their scheduled useful lives, subject to a maximum of ten years.

Intangible assets and goodwill are reviewed for triggering events at every reporting date. This review is carried out to identify individual assets that may be affected by an impairment. If such indications exist, the recoverable amount must be determined and an impairment is recorded if the recoverable amount exceeds the carrying value.

The same method is applied to reversals of impairments as to identifying impairments except for goodwill, i.e., a review is carried out on each reporting date to assess whether there are indications that a reversal has occurred. If this is the case, the amount of the reversal (the difference between the recoverable amount and the maximum carrying amount excluding the original impairment) must be determined and the impairment reversed accordingly.

2.10 Financial liabilities

in TCHF	31.12.2021	31.12.2020
Liabilities towards banks	34	133
Current financial liabilities	**34**	**133**
Convertible bond	122 346	–
Loan facility	58 809	–
Non-current financial liabilities	**181 155**	**–**
Financial liabilities	**181 189**	**133**

As of 15 June 2021 a debt facility was concluded with a bank syndicate for a total of EUR 125.0 million, of which EUR 115.0 million are designated as investment loans and EUR 10.0 million are designated as working capital loans. As of 31 December 2021, EUR 60.0 million of the debt facility were drawn and EUR 10.0 million were granted as documentary credit and guarantee facility (contingent liability). The loan, which matures on 8 March 2027, is to be used to finance investments to expand production capacity at the Bitterfeld-Wolfen (Saxony-Anhalt, Germany) and Freiberg (Saxony, Germany) production sites. The loan is guaranteed through comprehensive transfers of asset collateral from Meyer Burger with current assets of CHF 135.2 million of which CHF 101.4 million refer to pledged bank accounts without restricted use and non-current assets of CHF 114.3 million as well as an internal comfort letter stating a guarantee of EUR 125.0 million by Meyer Burger Technology Ltd. In addition, eighty percent of the loan volume is guaranteed by the Federal Republic of Germany and by the federal states of Saxony and Saxony-Anhalt. The transaction costs of CHF 3.3 million were accrued and are released through profit and loss over the credit period of the loan.

The continuation of the debt facility is subject to compliance with certain covenants in line with standard market practice. A liquidity risk exists should Meyer Burger not be able to fulfill these covenants in the future as outlined in note 3.5.

On 8 July 2021, MBT Systems GmbH, a directly wholly-owned subsidiary of the guarantor Meyer Burger Technology Ltd, issued a green bond with an aggregate principal amount of EUR 145 million. The bond was issued with a denomination of EUR 100,000 per bond at 100% of the principal amount and carries a coupon of 3.5% per annum payable every six months. Unless previously converted or bought back and canceled, the bond will be redeemed on 8 July 2027 at 100% of their principal amount. The bonds are convertible into approximately 247 million registered shares in Meyer Burger sourced from shares to be newly issued from conditional share capital excluding the existing shareholders' advance subscription rights. The initial conversion price has been set at EUR 0.5868, representing a premium of 25% over the issue price of the new shares translated into EUR using the CHF foreign exchange rate at the time of pricing on 1 July 2021, i.e. EUR 0.9115 per CHF 1.00. Meyer Burger is entitled to early redeem the bonds at their principal amount plus accrued interest in accordance with the terms and conditions of the bonds at any time on or after 29 July 2025, if the price of a Meyer Burger share is equal to or exceeds 130% of the then prevailing conversion price over a certain period or if, at any time, less than 15% of the aggregate principal amount of the bonds remain outstanding.

Accounting Policies

Financial liabilities are divided into current and non-current liabilities based on the time to maturity and include in particular liabilities to banks, bonds and convertible bonds, liabilities from finance leases, loans and mortgages.

The convertible bond issued was split into a debt component and an equity component upon first recognition (bifurcation). The debt component was obtained by discounting the future coupon payments and the repayment of the principal amount at the maturity date by a discount rate appropriate to a comparable straight bond. This discount rate is higher than the effective interest rate for the convertible bond since the latter includes a discount for the conversion right received. The equity component, in turn, reflects the conversion right for the bond. Early conversions of the convertible bond will be considered by reclassifying the debt component into equity as of the conversion date. The remaining convertible bond will still be measured at amortized cost using the effective interest rate method.

Other financial liabilities are carried at their fair value including transaction costs recognized in profit and loss over the credit term. Subsequent measurement is at amortized cost using the effective interest rate method, which generally corresponds to the principal amount.

2.11 Trade payables

in TCHF	31.12.2021	31.12.2020
Trade payables	21 487	9 372
Trade payables	**21 487**	**9 372**

As at 31 December 2021, trade payables include goods received for which an invoice has not yet been received of CHF 13.2 million (31 December 2020: CHF 5.6 million).

2.12 Other liabilities

in TCHF	**31.12.2021**	**31.12.2020**
Other liabilities	2 191	3 332
Current other liabilities	**2 191**	**3 332**
Employee benefits	522	610
Other liabilities	45	47
Non-current other liabilities	**567**	**657**

Other liabilities as at 31 December 2021 and 31 December 2020 arose from the ordinary course of business. Employee benefits mainly include accruals for paid annual leave and overtime as well as short-term incentive accruals. Other liabilities mainly include VAT liabilities and liabilities for social security payments.

Accounting Policies

Other liabilities include non-interest-bearing liabilities, in particular VAT liabilities, liabilities for social security payments, current and non-current employee benefits such as accrued paid annual leave and overtime, profit sharing and short-term incentives.

Other liabilities are measured at cost, which is generally the nominal value. Subsequent measurement is at amortized cost, which is generally also the nominal value.

2.13 Provisions

in TCHF	Warranties	Restructuring	Onerous contracts	Litigation	Other provisions	Total
Balance as at 1.1.2020	**4 689**	**4 701**	**2 049**	**–**	**534**	**11 973**
Changes in scope of consolidation	–886	–	–	–155	–31	–1 072
Increase	924	–	798	758	540	3 020
Use	–1 006	–3 333	–1 896	–	–22	–6 257
Release	–852	–1 146	–314	–	–474	–2 786
Reclassification	–	–	–	–	–	–
Currency translation differences	–12	–56	–42	–	–7	–117
Balance as at 31.12.2020	**2 856**	**166**	**596**	**603**	**540**	**4 761**
Changes in scope of consolidation	–	–	–	–	–	–
Increase	665	2 500	652	140	3	3 960
Use	–955	–2 003	–560	–270	–	–3 788
Release	–727	–113	–36	–293	–24	–1 193
Reclassification	–	–	–	–	–	–
Currency translation differences	–27	–	–	–	–	–27
Balance as at 31.12.2021	**1 812**	**550**	**652**	**180**	**519**	**3 713**
Of which current						
01.01.2020	3 895	4 701	2 049	–	534	11 179
31.12.2020	2 054	166	596	603	540	3 959
31.12.2021	1 008	550	297	180	519	2 554

Warranties: Provisions for services to be rendered during the contractual warranty period for Meyer Burger's products. The amount of the provisions is determined from past historical data, industry benchmarks and recognized warranty risks. The outflow of cash is expected within the term of the warranty given, in the majority of cases under the old business model of machine manufacturing within one or two years (maximum). For the sales of Meyer Burger's solar modules under the new business model the full warranty period of up to 30 years is considered.

Restructuring: Restructuring provisions are recognized for probable costs of specific reorganizations within the group. In 2021, Meyer Burger announced the closure of the sites in Taiwan, Korea and Malaysia and the downsizing of its site in China. Provisions for related restructuring costs of CHF 0.5 million were outstanding as at 31 December 2021.

Onerous contracts: Onerous contracts provisions are made for contracts under which the unavoidable costs of meeting the contractual obligations exceed the expected economic benefits, specifically rent obligations for rented office space no longer used.

Litigation: Provisions for legal cases are recognized based on the best estimates of expenses to be incurred in individual ongoing legal proceedings of the group.

Other: Other provisions generally cover various risks arising during the normal course of business based on specific transactions or situations such as possible contractual liabilities.

None of the provisions fulfilled the criteria for discounting as at 31 December 2021 and 31 December 2020.

Accounting Policies

Meyer Burger makes a distinction between the following categories of provisions: warranties, restructuring, onerous contracts, litigation and other provisions.

Provisions are only created if there is a present obligation to third parties based on a past event, a reliable estimate can be made of the amount of the obligation, and an outflow of resources is probable. If an obligation cannot be estimated with sufficient reliability, it is reported as a contingent liability but not recognized in the balance sheet. Provisions are measured using the best estimate concept, i.e., the amount recognized as a liability is the best estimate of the expenditure required to settle the present obligation on the reporting date. The amount of provisions is reviewed for appropriateness at every reporting date. Non-current provisions are discounted if this has a significant impact; generally if their amount exceeds CHF 5 million.

2.14 Accrued expenses and prepaid income

in TCHF	31.12.2021	31.12.2020
Accrued expenses	9 945	6 721
Employee benefits	3 359	2 800
Liabilities from current income taxes	185	1 716
Accrued expenses and prepaid income	**13 489**	**11 237**

As at 31 December 2021 and 31 December 2020, accrued expenses and prepaid income mainly include accrued expenses outstanding for payment, prepaid income e.g. due to outstanding machine acceptance, accrued interest expenses not yet paid, employee benefits earned, but not yet paid, and income tax liabilities.

Accounting Policies

Accrued expenses and prepaid income mainly includes employee benefits payable and interest payable that have been incurred during the financial year but have not been paid yet, as well as payments received for undelivered goods and services such as rent.

Accrued expenses and prepaid income are measured at cost, which is generally the nominal value. Subsequent measurement is at amortized cost, which is generally also the nominal value.

2.15 Taxes

Deferred tax assets and liabilities

	Deferred tax assets		Deferred tax liabilities	
in TCHF	31.12.2021	31.12.2020	31.12.2021	31.12.2020
Trade receivables	13	40	–	–
Inventories	57	56	–	1 270
Financial assets	–	–	43	–
Property, plant and equipment	158	103	13	23
Intangible assets	9	–	–	1
Financial liabilities	–	–	2 153	26
Trade payables	10	130	149	2
Provisions	41	–	–	105
Other liabilities	–	–	–	–
Subtotal	**288**	**329**	**2 358**	**1 427**
Netting	–88	–153	–88	–153
Deferred income taxes	**200**	**176**	**2 270**	**1 274**

Deferred income taxes are shown as a net position for each taxable entity in the balance sheet. As at 31 December 2021 and 31 December 2020, deferred income tax liabilities exceed deferred income tax assets. The deferred income tax liabilities as at 31 December 2021 mainly results from differences in financial liabilities due to the accounting treatment of transaction costs.

Tax loss carry-forwards not recognized

in TCHF	31.12.2021	31.12.2020
Expiry in 1 year	303 498	406 257
Expiry in 2–3 years	127 253	386 165
Expiry in 4–5 years	359 925	204 822
Expiry in more than 5 years	414 978	647 083
Tax loss carry-forwards not recognized	**1 205 655**	**1 644 329**

The total income tax claim on unrecognized tax loss carry-forwards amounts to CHF 160.5 million (31 December 2020: CHF 213.6 million). This takes into account that CHF 577.6 million (31 December 2020: 834.1 million) of total unrecognized tax loss carry-forwards originate from losses of Meyer Burger Technology Ltd, which are taxed at a reduced rate. Also, due to the Swiss tax reform, certain tax loss carry-forwards in Switzerland will not be useable on the level of cantons and communes. The tax claim on unrecognized tax loss carry-forwards of the German entities facilitating the new business model amounts to CHF 71 million.

Income taxes

in TCHF	31.12.2021	31.12.2020
Current income taxes	–12	–627
Deferred income taxes	–1 080	363
Income taxes	**–1 092**	**–264**

Reconciliation from expected to effective income taxes (GRI 207-4)

in TCHF	31.12.2021	31.12.2020
Earnings before taxes (EBT)	–99 395	–64 214
Expected average weighted tax rate (%)	15.85%	21.32%
Expected income taxes	**15 754**	**13 690**
Cause for variance:		
Waive of capitalization of tax losses incurred in reporting period	–20 794	–18 057
Deviation from tax rate to expected tax rate of the Group	3 805	2 375
Deviation tax-deductible expenses	44	–291
Income tax in other accounting periods and corrections of prior years	–140	251
Subsequent use of tax loss carry-forwards from previous years	–	132
Non-taxable income	377	1 616
Change of deferred income tax rate in comparison to previous year	–	75
Other effects	–138	–55
Effective income taxes	**–1 092**	**–264**
Effective income taxes (%)	**1.10%**	**0.41%**

The expected tax rates of 15.85% in 2021 and 21.32% in 2020 have been calculated on the basis of the weighted operating results of the group companies considering positive results only.

Accounting Policies

Deferred income taxes are recognized using the liability method on all temporary valuation differences between the tax basis of assets and liabilities and their carrying amounts in the financial statements under Swiss GAAP FER. Deferred income taxes are measured using tax rates and laws that have been enacted or substantially enacted by the reporting date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred taxes on loss carry-forwards are not capitalized in accordance with the framework.

Deferred income tax assets are offset against deferred income tax liabilities provided they relate to the same entity.

Income taxes comprise current and deferred income taxes. Current income taxes are the expected taxes payable on the taxable income for the year including any adjustment to taxes payable in respect of previous years. Current income taxes are accrued in the year to which they relate and are recognized in accrued or prepaid expenses.

2.16 Equity

Share capital

	Number of shares	in CHF
Balance as at 1.1.2020	**685 173 834**	**34 258 692**
Capital increase	1 829 977 372	91 498 868
Balance as at 31.12.2020	**2 515 151 206**	**125 757 560**
Capital increase	155 339 805	7 766 990
Balance as at 31.12.2021	**2 670 491 011**	**133 524 550**

The share capital of Meyer Burger Technology Ltd as at 31 December 2021 was divided into 2,670,491,011 registered shares with a nominal value of CHF 0.05 each. In 2021, Meyer Burger carried out a capital increase that led to an increase by 155,339,805 registered shares based on the previous 2,515,151,206 registered shares outstanding as at 31 December 2020. The share capital is fully paid up.

No dividend was paid in the reporting period or in the previous year.

As at the end of 2021, non-distributable reserves in Group equity totaled CHF 95.3 million (31 December 2020: CHF 87.5 million). These are largely attributable to the capital reserves of Meyer Burger Technology Ltd arising from the capital increases. In accordance with the provisions of Art. 680 of the Swiss Code of Obligations, these may not be distributed within one calendar year of the respective capital increase as there is a legal prohibition on returning capital contributions.

Conditional share capital

In accordance with Article 3b of the Company's Articles of Association, dated 1 July 2021, the share capital may be increased by a maximum amount of CHF 31,998.60 through the issuance of a maximum of 639,972 fully paid-in registered shares with a nominal value of CHF 0.05 each, by the exercise of option rights granted to employees and members of the Board of Directors of the Company or of group companies in accordance with a plan to be prepared and issued by the Board of Directors. The subscription rights of shareholders shall be excluded. Upon acquisition, the new registered shares shall be subject to the limitations for registration in the share register in accordance with Article 4 of the Articles of Association.

In accordance with Article 3c of the Company's Articles of Association, dated 1 July 2021, the share capital may be increased by a maximum amount of CHF 12,575,756.00 through the issuance of a maximum of 251,515,120 fully paid-in registered shares with a nominal value of CHF 0.05 each, by the exercise of conversion and/or option rights which are granted in connection with convertible bonds, bonds with option rights or similar financial market instruments (including the outstanding convertible bond) of the Company or of group companies.

The subscription rights of the shareholders shall be excluded in connection with the issuance of convertible bonds, bonds with option rights or other financial market instruments, which carry conversion and/or option rights. The then current owners of conversion and/or option rights shall be entitled to subscribe for the new shares.

The acquisition of shares through the exercise of conversion and/or option rights and each subsequent transfer of the shares shall be subject to the limitations for registration in the share register in accordance with Article 4 of the Articles of Association.

The Board of Directors is entitled to restrict or exclude the advance subscription rights in connection with the issuance of convertible bonds, bonds with option rights or other financial market instruments of existing shareholders, provided that:

1) the financing instruments with conversion or option rights are issued in connection with the financing or refinancing of the acquisition of enterprises, divisions thereof or participations or of newly planned investments; or
2) an issue by firm underwriting through a bank or a banking syndicate followed by a public offer, thereby excluding the advance subscription rights, seems to be the best way of issue at that point in time, in particular with respect to the terms and conditions of the issue or the timeline of the transaction.

If advance subscription rights are denied by decision of the Board of Directors, the following shall apply:

1) conversion rights may be exercisable only for up to ten years, option rights only for up to seven years from the date of the respective issuance; and
2) the respective financial market instruments must be issued at the relevant market conditions.

Authorized share capital

In accordance with Article 3d of the Articles of Association, dated 1 July 2021, the Board of Directors is entitled to increase the share capital of the Company by a maximum amount of CHF 4,808,765.75, at any time until 4 May 2023, through the issuance of a maximum of 96,175,315 fully paid-in registered shares with a nominal value of CHF 0.05 each.

The Board of Directors is entitled (including in the case of a public offer for shares of the Company) to restrict or exclude the subscription rights of the shareholders and to allocate them to third parties, if the new shares are to be used:

1) for the acquisition of enterprises, divisions of enterprises, participations or for new investment plans, or in the case of a placement of shares for the financing or refinancing of such transactions;
2) for the purpose of the participation of strategic partners; or
3) for the rapid and flexible creation of equity capital through a placement of shares, which would only be possible with difficulty with subscription rights.

The capital increase may occur by means of underwriting and/or partial increases. The Board of Directors is entitled to set the issue price of the shares, the type of contribution and the date of entitlement to dividends. Shares issued under these terms are subject to the limitations for registration in the share register in accordance with Article 4 of the Articles of Association of the Company.

Treasury shares

Treasury shares held by Meyer Burger Technology Ltd

	Number of shares	Price/share in CHF	Value of treasury shares in TCHF
1.1.2020	**43 181**	**0.79**	**34**
Purchase	8 000 000	0.16	1 303
Exercise of subscription rights	8 563 523	0.09	771
Grant/use	–1 947 506	0.53	–1 033
Retransfer	5 075 760	0.88	4 488
31.12.2020	**19 734 958**	**0.28**	**5 563**
Purchase	–	–	–
Grant/use	–1 587 076	0.16	–256
31.12.2021	**18 147 882**	**0.29**	**5 307**

While in the course of the capital increase on 2 July 2021 the subscription rights of the shareholders were excluded, Meyer Burger Technology Ltd exercised the full amount of subscription rights on treasury shares held by itself and its subsidiaries in the course of the capital increase on 28 July 2020.

Treasury shares held by subsidiaries

	Number of shares	Price/share in CHF	Value of treasury shares in TCHF
1.1.2020	**6 274 722**	**0.89**	**5 575**
Decrease share plan 2017[2]	–1 337 113	0.85	–1 137
Retransfer share plan 2017[4]	–953 696	0.85	–811
Decrease share plan 2018[3]	–202 431	1.16	–232
Retransfer share plan 2018[4]	–1 695 494	1.17	–1 975
Increase share plan 2019 [1]	887 902	0.74	657
Decrease share plan 2019 [3]	–547 320	0.70	–375
Retransfer share plan 2019[4]	–2 426 570	0.70	–1 702
31.12.2020	**–**	**–**	**–**
31.12.2021	**–**	**–**	**–**

1 Share plan 2019: The shares have been allocated at a price of CHF 0.69 (market price at the time of allocation). However, the allocation for the Executive Board and newly elected Board members was made at the fair value of CHF 0.74. All shares are subject to a three-years vesting period during which their sale is forbidden. The shares allocated to the Board of Directors and to the employees of Meyer Burger Technology Ltd (3'616'108 shares at grant date) were held by Meyer Burger (Switzerland) Ltd. Those shares have been transferred back to Meyer Burger Technology Ltd during 2020 at the market price at allocation date (CHF 0.69) or at the fair value respectively (CHF 0.74).

2 In March 2020, the three-years vesting period of the 2017 share plan ended and the shares granted have been transferred to the plan participants.

3 If a plan participant gave notice on their employment contract during the vesting period, the forfeited shares allocated generally were returned to Meyer Burger Technology Ltd. In certain particular cases (i.e. if Meyer Burger terminated an employment contract for economic reasons or if a group company was sold), the leaving participant was entitled to keep the shares, i.e., an early vesting was performed.

4 The transfers refer to forfeited shares returned to Meyer Burger Technology Ltd from its subsidiaries. In addition, in October 2020 all treasury shares held by subsidiaries were transferred back to Meyer Burger Technology Ltd in order to be held in a single account. Accordingly, at the time of vesting, treasury shares are transferred from Meyer Burger Technology Ltd to the employee via the respective subsidiary.

All treasury shares held in conjunction with the employee share plans are held by Meyer Burger Technology Ltd. As at 31 December 2021, these are reserved in full and will be transferred to the respective employees upon expiry of the vesting period.

Meyer Burger Group is not aware of any shares in the Company being held by the pension fund.

Accounting Policies

Equity includes share capital, capital reserves, treasury shares, the reserve for share-based payments, retained earnings or cumulative losses.

Share capital is the nominal value of all outstanding shares.

Capital reserves contain payments by shareholders in excess of the nominal value. This is the premium, reduced by the excess value over the nominal value of cancelled treasury shares. Gains and losses realized on the sale of treasury shares are also recognized directly in capital reserves. In addition, the reserves for share-based payment are reallocated to the capital reserves upon expiry of the vesting period. Any difference between the purchase price and the acquired minority interests is also recognized in capital reserves.

Treasury shares comprise shares in Meyer Burger Technology Ltd held by Meyer Burger Technology Ltd itself. Treasury shares are recognized at cost and are not remeasured as at the reporting date. Any gains or losses realized on the sale of treasury shares are transferred to capital reserves. The reserve for share-based payments includes the fair value of shares issued to the Board of Directors, the Executive Board, and key employees and recognized over the vesting period.

Retained earnings or cumulative losses are undistributed gains and losses of Meyer Burger Group that are freely available for the most part. They include the legal, statutory and free reserves. Goodwill arising from the acquisition of a company is capitalized and amortized over a period of five years. Foreign currency translation differences from the translation of annual financial statements prepared by foreign subsidiaries are also recognized in retained earnings. Foreign currency effects on non-current intercompany loans with an equity character are also recognized directly in equity.

2.17 Net sales

in TCHF	2021	2020
Net sales from sales of goods	28 524	63 161
Net sales from rendering of services	5 928	8 890
Net sales from production contracts	5 453	18 406
Net sales	**39 905**	**90 457**

Accounting Policies

Revenue corresponds to the fair value of the consideration received or receivable from the sale of goods and services. Revenue is recognized net of sales or transaction taxes, deductions of credit notes, returns and discounts.

Appropriate provisions are recognized for expected warranty claims arising from the sale of goods and services.

Revenue is recognized when the amount of revenue can be measured with reliability, when it is probable that the future economic benefits associated with the transaction will flow to the company, and the following specific criteria are fulfilled:

Net revenue from the sale of goods and services generally is recognized after deduction of discounts at the time of the sale to the customer once the risks and rewards of ownership of the product are transferred to the buyer.

Net revenue from the sale of machinery is also recognized after deduction of discounts at the time of the sale to the customer once the risks and rewards of ownership of the product are transferred to the buyer. At Meyer Burger, net revenue from the sale of machinery is generally not realized until a final acceptance test has been signed by the customer at the destination.

Revenue from production contracts is recognized over time in line with the POC method as outlined in note 2.3. Net revenue from service agreements is recognized on the basis of the proportion of services performed by the reporting date.

2.18 Segment reporting

The activities of Meyer Burger Group are divided into the reportable business segments "Modules", "Photovoltaics" and "Specialized Technologies". The segment "Modules" was newly integrated into the internal reporting structure as at year-end 2020 as it is currently being ramped up. The "Cells" segment that was initially envisaged for year-end 2020 was abandoned in June 2021, when it became apparent that Meyer Burger had successfully raised sufficient financing to accelerate the expansion of module production capacity and therefore was able to utilize the full cell capacity within its own module production rather than selling excess cells to third parties. Under the old business model of equipment sales, the activities of Meyer Burger were divided into the reportable segments "Photovoltaics" and "Specialized Technologies". During the ongoing transformation of the Company, the segment "Specialized Technologies" was fully shut down during 2020 with the sale of the respective businesses while the customer projects in the segment "Photovoltaics" are subject to phase out, but still led to a limited amount of revenues in 2021, mainly due to long-term contracts and service provided and will contain the Pasan business only going forward.

Net sales by segments 2021

in TCHF	Modules	Photovoltaics	Specialized Technologies	Total	**Consolidation**	Total after consolidation
Net sales third parties	8 783	31 122	–	39 905	**–**	39 905
Net sales intersegment	–	38 430	–	38 430	**–38 430**	–
Net sales	**8 783**	**69 552**	**–**	**78 335**	**–38 430**	**39 905**

Net sales by segments 2020

in TCHF	Modules	Photovoltaics	Specialized Technologies	Total	**Consolidation**	Total after consolidation
Net sales third parties	–	72 731	17 726	90 457	**–**	90 457
Net sales intersegment	–	1 004	1 814	2 818	**–2 818**	–
Net sales	**–**	**73 735**	**19 540**	**93 275**	**–2 818**	**90 457**

Modules (new business model)

At its modern sites in Freiberg, Germany and Bitterfeld-Wolfen, Germany, and in future at its site in Goodyear, Arizona, USA, Meyer Burger manufactures high-quality solar cells and modules. These are equipped with the proprietary heterojunction/smart-wire technology, which guarantees the highest efficiency at an economic cost level. The product range includes innovative and highly efficient solar modules for roof systems in the private and commercial sector as well as solutions for the solar power plant segment.

Photovoltaics

The Photovoltaics segment largely comprises Meyer Burger's previous core business of photovoltaics and covers the processing of solar cells, solar modules and solar systems with its portfolio of systems, production equipment and services. Meyer Burger's strategic long-term technological approach which considers core technologies of the photovoltaic value chain and optimally harmonizes technologies across the different processes (cells, modules, solar systems), now serves as the foundation of the company's reorientation directly towards cell and module production. With the ongoing business transition, the respective equipment manufacturing facilities will be utilized for the internal development and setup of production equipment only with the exception of the ongoing Pasan business (cell and module measurement equipment and related services) which will be continued.

Specialized Technologies

With Specialized Technologies, Meyer Burger uses technologies that are successfully deployed in photovoltaics, particularly in the field of applying or removing layers on different substrates and materials, in a wide range of other high-tech markets. Muegge's and Gerling's microwave and plasma technologies are used in biotechnology and environmental technology and were included in this segment until the subsidiaries were sold in September 2020. The segment also included the PiXDRO business of Meyer Burger (Netherland) B.V. until March 2020. Accordingly, the segment is subject to fade out and did not include any transactions for the year 2021.

Segment results

Disclosure of the segment results would lead to much higher transparency in terms of Meyer Burger's cost and margin structure than that of the relevant competitors. Most of the relevant competitors are companies without publicly available financial information or are large companies with large reporting segments in which comparable information is diluted accordingly. The disclosure of segment results would therefore lead to a considerable competitive disadvantage for Meyer Burger in comparison with to its competitors. In addition, such information may have negative impacts on the company's negotiating position with customers and suppliers. For these reasons, Meyer Burger Group does not disclose segment results.

2.19 Segmentation of net sales by geographic market

in TCHF	2021	2020
Switzerland	1 380	386
Germany	13 089	21 109
Rest of Europe	5 090	5 514
Asia	16 710	57 723
America	3 626	5 717
Rest of world	10	8
Net sales	**39 905**	**90 457**

2.20 Other operating income

in TCHF	2021	2020
Gain from sale of property, plant and equipment	139	78
Gain on disposal of subsidiaries and associated companies	–	11 751
Other income	3 029	4 248
Other operating income	**3 168**	**16 077**

In 2021 other operating income mainly consists from social subsidies and non-core revenue e.g. from the staff restaurant and kindergarten.

For 2020, other operating income includes the gain from the sale of the inkjet printing business (PiXDRO) within Meyer Burger (Netherlands) B.V., Eindhoven, Netherlands, for CHF 2.1 million, as well as the gain from the sale of the microwave and plasma technology company Muegge GmbH, Reichelsheim, Germany, including its subsidiary Gerling Applied Engineering, Inc. based in Modesto, USA, for CHF 9.7 million.

Accounting Policies

Other operating income results from regularly conducted secondary business that has an indirect connection with the main purpose and business of the company.

Other operating income is recognized when the amount of income can be measured reliably and when it is probable that the future economic benefits associated with the transaction will flow to the company, e.g. when a specific amount of rent is due or a sale transaction of property, plant and equipment or an investment is completed.

2.21 Personnel expenses

in TCHF	2021	2020
Wages and salaries	–45 598	–40 921
Social security	–7 527	–7 284
Pension benefit expenses	–708	–1 063
Share-based payment expenses	–866	–1 336
Temporary personnel	–2 157	–2 828
Other personnel expenses	–3 555	–507
Personnel expenses	**–60 411**	**–53 939**

During 2021, the German and Swiss entities of Meyer Burger received no short-time work compensation (2020: CHF 2.0 million). The subsidies for research and development costs in the financial year included staff grants of CHF 1.4 million which were offset against personnel expenses.

2.22 Operating expenses

in TCHF	2021	2020
Rental costs	–4 152	–3 284
Maintenance and repair	–1 488	–1 511
Vehicles and transportation expenses	–1 059	–1 377
Property insurance, fees and contributions	–1 432	–1 676
Energy and waste disposal expenses	–6 160	–1 678
Administration expenses	–10 032	–9 090
IT expenses	–2 090	–2 559
Marketing expenses	–3 499	–403
Loss on sale of property, plant and equipment	–301	–8
Expenses for research and development	–3 643	–5 073
Other operating expenses	–7 385	–1 858
Operating expenses	**–41 241**	**–28 517**

The general increase in operating expenses is mainly due to the ramp-up and start of production at the two new sites in Freiberg, Germany and Bitterfeld-Wolfen, Germany. This especially impacted energy and waste disposal expenses as well as rental costs. In addition, marketing costs are well above the previous year's level mainly due to the market launch of Meyer Burger's solar modules with the associated campaign and trade fair presence. Other operating expenses mainly result from changes in provisions for bad debt and include CHF 5.8 million of additional provision for bad debt on receivables from production contracts recognized in the financial year 2021.

2.23 Financial result

in TCHF	2021	2020
Interests income		
Cash and cash equivalents	8	16
Gain of financial assets fair value through p&l	150	–
Financial income	**158**	**16**
Interest expenses		
Liabilities towards banks	–342	–652
Interest paid on other financial liabilities	–8	–
Loans	–588	–
Mortgage loans	–	–32
Convertible bond	–4 902	–1 489
Currency translation differences (net)	–3 982	–109
Other financial expenses	–1 488	–1 156
Financial expenses	**–11 310**	**–3 438**
Financial result (net)	**–11 152**	**–3 422**

3 Risk management

In its capacity as an international group, Meyer Burger Group is exposed to various financial and non-financial risks that are inextricably linked to its business activities. In the broadest sense, the risks are defined as the threat that it might not be possible for the Group to achieve its financial, operational or strategic aims as planned. In order to ensure the company's long-term success, it is therefore crucial to effectively identify and analyze risk and to eliminate or limit it by means of appropriate steering mechanisms.

Clearly defined management information and control systems are used to measure, monitor and control the risks to which Meyer Burger is exposed. A suitably detailed risk report is drawn up on a semi-annual basis and submitted to the Board of Directors. In 2021, the Board of Directors discussed the risk portfolio at a Board meeting and completed the revision of the risk management system to match Meyer Burger's new business model.

For the purposes of effective risk management, transparency and the proper aggregation of risks in the risk reporting, Meyer Burger has opted for a uniform and integrated approach to corporate risk management across the Group as a whole. The probability of occurrence and the extent of the possible loss are considered for each risk in the risk assessment process. Meyer Burger uses both quantitative and qualitative methods for this process, applying these on a uniform basis across the Group as a whole, thereby ensuring that risk assessments are comparable across different areas of the company. A clear risk assessment matrix is drawn up based on the respective results.

3.1 Foreign currency risks

Meyer Burger Group is mainly exposed to exchange rate fluctuations in connection with operating expenses and loans denominated in a currency other than the local functional currencies of the group companies concerned. The extent of the risk exposure of revenue denominated in a foreign currency is lower. At a consolidated level, the Group is also exposed to exchange rate fluctuations between the Swiss Franc and the respective local currencies of the group companies. The major foreign currencies relevant to Meyer Burger Group are the Euro and US Dollar.

The Group Treasury is responsible for the management of foreign currency risks based on the Treasury policy issued by the executive bodies. According to this policy, derivative financial instruments such as forward currency contracts or currency options may be used for hedging purposes. Meyer Burger Group may use forward currency contracts to hedge against exchange rate risks. As at 31 December 2021 and 31 December 2020, there were no open currency hedge contracts. Foreign exchange rate risks relating to the carrying amount of the net investment in a foreign entity or to the conversion of results posted by foreign entities are currently not hedged.

3.2 Interest rate risks

Meyer Burger Group's non-current financial liabilities can generally bear both fixed and variable interest rates. The outstanding EUR 145 million convertible bond maturing in 2027 has been issued with a fixed interest rate while the outstanding EUR 125 million (of which EUR 60 million were drawn as of 31 December 2021) syndicated loan facility, also maturing in 2027, is subject to a variable interest rate. Meyer Burger has partially hedged against interest rate fluctuations on the outstanding loan amounts with an interest rate cap derivative. As at 31 December 2020, Meyer Burger Group did not have any outstanding interest-bearing financial liabilities on its balance sheet.

A low interest rate risk due to fluctuations in particular on negative interest rates exists for cash and cash equivalents, which are subject to the risk of interest rate fluctuations on different capital markets with a corresponding potential impact on cash flow.

Overall, the risks arising from interest rate fluctuations are analyzed regularly and with the respective mitigating measures in place, they are deemed to have no material impact on the Group's cash flows and results. Based on the variable interest-bearing assets and liabilities that existed at 31 December 2021 it is expected that a one-percentage-point increase in the general level of interest rates including underlying refinancing base rates (e.g. EURIBOR) would increase the ordinary result of the Group by CHF 2.2 million on an annual basis including consideration of the partial interest rate hedge. A one-percentage-point decrease in the interest rate is expected to reduce the ordinary result of the Group by approximately CHF 2.5 million on an annual basis. The interest rate sensitivity is asymmetric mainly because the variable base interest rate of the syndicated loan facility is floored at zero percent.

3.3 Other financial price risks

Meyer Burger Group holds financial equity investments that are not publicly listed and accordingly are subject to the respective financial price risk. The investment is of strategic nature and the valuation of the respective financial instruments is monitored regularly to mitigate, and particularly to minimize, negative financial effects.

Meyer Burger Group is generally only indirectly exposed to fluctuations in commodity prices through the raw materials and semi-finished products it purchases. A commodity is a physical substance, generally a basic resource such as iron ore, nickel, aluminum, copper, silver or other metals, crude oil, natural gas, coal, silicon, etc. The actual price risk arises from the time difference between cost increases implemented by suppliers due to the rise in commodities prices or derivative products thereof and the opportunity for group companies to increase their sales prices. Each group company is responsible for identifying and quantifying its commodity price risks. Meyer Burger Group did not trade in any commodity derivatives during the financial years 2021 and 2020.

3.4 Credit risks

Meyer Burger Group is exposed to various credit risks through its operating activities. The Group has guidelines in place to ensure that products and services are only sold to customers with reliable credit. Outstanding debts are regularly monitored. Credit risks in relation to trade receivables and prepayments are considered in the financial statements by means of individual valuation allowances. Default risks are minimized wherever possible through customer prepayments, trade finance instruments such as factoring and credit insurance. The Group's counterparties in securities transactions, derivative financial instruments and financial investments are carefully selected financial institutions with a minimum rating of A- (S&P) or A3 (Moody's), which are monitored within defined limits. The present limits in respect of banks are subject to periodic monitoring and duly reallocated where necessary.

With regard to financial assets that were neither impaired nor in arrears as at the reporting date, there are no obvious signs that the debtors concerned will be unable to meet their payment obligations. Based on its debtors' credit ratings as well as the factoring facility with a volume of up to EUR 60 million, Meyer Burger Group does not expect to incur any losses on account of the non-performance of contracts in addition to the already value-adjusted positions.

3.5 Liquidity risks

Liquidity risk is the risk that Meyer Burger Group might be unable to meet its financial obligations as and when they fall due. The availability of sufficient liquidity is monitored permanently and reported on a regular basis to the management and the Board of Directors.

Due to the change in business model and current ramp-up phase, Meyer Burger does not yet generate sufficient operating results to sustain its operations and is dependent on external debt and equity financing. In the financial year 2021, Meyer Burger has raised liquidity through a capital increase of CHF 80 million, the issuance of a green convertible bond of EUR 145 million, a syndicated loan facility of EUR 125 million of which EUR 60 million were drawn and EUR 10 million were granted as documentary credit and guarantee facility as of 31 December 2021, as well as a factoring agreement for up to EUR 60 million.

Among other conditions, the credit agreement contains certain covenants and further conditions apply, as are customary in syndicated loan agreements. The financial covenants will be measured for the first time on 30 June 2022. The convertible bond placed in the market and the syndicated credit facility are subject to cross default clauses customary in the market, according to which the outstanding amounts can be called due if the borrower, the guarantor or certain subsidiaries are required to early repay another financial obligation due to non-compliance with credit terms.

Meyer Burger's liquidity is deemed sufficient to finance its strategic transformation and create the planned production capacities for cells and modules.

4 Other disclosures

4.1 Pension plans

Meyer Burger provides pension benefits for its employees for retirement, invalidity and death. Meyer Burger Group maintains a defined benefit pension plan with a collective insurance foundation for the entities in Switzerland. From a legal point of view, autonomous pension funds carry the risks related to the defined benefits. An obligation beyond the payment of its contributions exists for the employer in the event of recapitalization measures of the pension fund only.

The defined benefit pension plan is a collective pension plan. Due to its nature, the information to be disclosed cannot be determined on the basis of the individual participation agreement. The level of coverage of the collective plan as a whole amounted to 112.9% at the end of 2021 (31 December 2020: 111.0%). Accordingly, the table below shows the changes in pension benefit expenses only.

The employees of group companies outside Switzerland are members of state pension plans in the respective countries in accordance with local legislation. Consequently, neither an economic benefit nor an economic obligation arises therefrom, with the exception of the payments of contributions recognized in expenses.

As at 31 December 2021, contributions of CHF 0.3 million were outstanding to be paid (31 December 2020: CHF 0.2 million).

The economic benefit or obligation and the pension expenses are as follows:

Pension institutions 31.12.2021

Economic benefit/economic obligation and pension benefit expenses in TCHF	Surplus/deficit 31.12.2021	Economic part of the organization 31.12.2021	Economic part of the organization 31.12.2020	Change to prior-year period or recognized in the current result of the period	Contributions relating to the business period	Pension benefit expenses within personnel expenses 2021
Pension schemes without funding surplus/deficit in Switzerland	–	–	–	–	537	537
Pension schemes abroad	–	–	–	–	171	171
Total	**–**	**–**	**–**	**–**	**708**	**708**

Pension institutions 31.12.2020

Economic benefit/economic obligation and pension benefit expenses in TCHF	Surplus/deficit 31.12.2020	Economic part of the organization 31.12.2020	Economic part of the organization 31.12.2019	Change to prior-year period or recognized in the current result of the period	Contributions relating to the business period	Pension benefit expenses within personnel expenses 2020
Pension schemes without funding surplus/deficit in Switzerland	–	–	–	–	691	691
Pension schemes abroad	–	–	–	–	372	372
Total	**–**	**–**	**–**	**–**	**1 063**	**1 063**

4.2 Share-based payment

The Company has a share participation program as a long-term incentive for the members of the Board of Directors and the Executive Board as well as for other selected employees within the Group. The Board of Directors determines the individual participants of the plan based on recommendation of the Executive Board at its reasonable discretion. Shares and options may only be allocated to employees with an indefinite term employment contract and in positions not under notice, and to serving members of the Board of Directors.

Each participant receives an individual offer letter, stipulating the number of share units or options being offered, the acquisition price per share (if any), the payment conditions, the period within which the participant has to declare acceptance of the offer, and the (optional) retention periods.

The entitlements to share and option units, which the Board of Directors has allocated, generally have a vesting period of three years and an optional fiscal retention period (Switzerland only) that can be selected by the participant of either zero, three or five years (following the end of the vesting period). The participants do not receive the title of ownership to the restricted shares or options during the vesting period. During the vesting period and the optional retention period, the participants can therefore not sell (in part or entirely), assign, transfer, pledge or debit the shares in any form or exercise voting rights.

If notice is given, the right to acquire ownership of the shares or options conditionally allocated under the respective plan lapses without payment. The amount of the share-based payment is calculated using the rate on the day on which the recipients of the shares are informed of the allocation and of the applicable terms and conditions.

Share plan

in TCHF	2021	2020
Number of options granted	22 740 836	12 500 000
Date of grant	24.05.2021/03.06.2021	18.12.2020
Options price/fair value at date of grant in CHF	0.20/0.18	0.12
Number of shares granted	1 149 422	5 728 329
Date of grant	24.05.2021/30.12.2021	01.04.2020/23.12.2020
Share price/fair value at date of grant in CHF	0.30/0.41	0.15/0.24
Fair value of shares and options granted in CHF	4 592 751	2 534 904

For the 2021 and 2020 LTI Share Plans, the Executive Board was granted share options. The actual vesting ratio (actual number of shares) that a member of the Executive Board receives after the three-year contractual life will depend on the development of the share price of the Company and the exercise date of the options. The actual number of shares that a member of the Executive Board will receive for the 2019 LTI Share Plan after the expiration of the vesting period can vary between a minimum of 0% and a maximum of 150%.

The actual number of shares that a member of the Board of Directors will receive for the 2021 and 2020 PSU Plans after the expiration of the vesting period can vary between a minimum of 0% and a maximum of 100%.

Accounting Policies

A share-based payment generally is a transaction in which an entity receives or acquires goods or services as consideration for its equity instruments. Meyer Burger only makes share-based payments in connection with its share-based payment programs for the employees, including the Executive Board, and the Board of Directors. The accounting treatment of share-based payments depends on how the transaction is settled, namely whether it is settled by equity instruments or in cash.

The fair value at the time of the granting of conditional rights, shares or options is recognized in personnel expenses at the time of being granted or, where appropriate, over the vesting period.

4.3 Currency translation differences

in TCHF	2021	2020
Currency translation differences on trade receivables and customer prepayments	–630	–555
Currency translation differences on cost of products and services	1 057	491
Currency translation differences on other operating expenses	17	168
Currency translation differences on financial expenses/income	–3 917	–63
Currency translation differences	**–3 473**	**41**

The effect from unrealized currency translation differences at the reporting date is generally recognized in the financial result. The currency loss on Group loans totaled CHF 0.4 million (2020: CHF 7.2 million), of which a loss of CHF 1.2 million (2020: CHF 1.1 million) was recognized in the income statement and a gain of CHF 0.8 million (2020: loss of CHF 6.1 million) directly in equity due to the equity-like nature of the respective loans.

4.4 Earnings per share

in TCHF	2021	2020
Basic		
Net result attributable to shareholders of Meyer Burger Technology Ltd (in TCHF)	–100 487	–64 478
Weighted average number of ordinary shares (in 1 000)	2 567 826	1 523 514
Basic earnings per share	**–0.04**	**–0.04**
Diluted		
Diluted earnings per share	**–0.04**	**–0.04**

Basic earnings per share are calculated by dividing the net result for the reporting period by the average number of outstanding shares.

In 2021, there was no dilution effect from the convertible bond as the share price was below the conversion price of the convertible bond of EUR 0.5868 at all times. Also, as the net result attributable to shareholders of Meyer Burger Technology Ltd is negative in both years, dilutive effects, if any, are disregarded.

4.5 Off-balance sheet liabilities

in TCHF	31.12.2021	31.12.2020
Investment obligations from contracts already signed	114 882	34 525

The investment obligations as at 31 December 2021 and as at 31 December 2020 mainly refer to the acquisition of the necessary equipment in the German entities related to Meyer Burger's business transition and the ramp-up of the cell and module production.

4.6 Future liabilities from operating leases

in TCHF	31.12.2021	31.12.2020
Due date in the next financial year	5 875	3 814
Due date from 2 to 5 years	21 395	12 195
Due date more than 5 years	6 269	7 405
Future liabilities from operating lease	**33 539**	**23 414**

Obligations arising from operating leases mainly relate to rental agreements. Subsequent to the sale of the headquarters building in Thun in the previous year, Meyer Burger rents its offices in this location with a related rent obligation of CHF 5.6 million that will fall due in the years 2022 to 2029. In addition, operating lease obligations include CHF 9.1 million for the rent of the production facilities in Bitterfeld-Wolfen, Germany with a contractual term until 2027.

Meyer Burger (Americas) Lease Co., Goodyear, USA has concluded a leasing contract with a total volume of USD 10.8 million starting on 1 June 2022 and running until 2027 to establish a production site for high-performance solar modules in Goodyear, Arizona.

Accounting Policies

A fundamental distinction is made between finance leases and operating leases. Meyer Burger Group does not have any finance leases, only operating leases. Operating leases are treated in the same way as normal rents, i.e., the resulting payments are recognized as an expense.

4.7 Contingent liabilities

in TCHF	2021	2020
Guarantees (not product-related)	8 875	8 549
Contingent liabilities	**8 875**	**8 549**

During 2020, Meyer Burger entered into a sales contract for the building in Thun. Through the contract, Meyer Burger guarantees a minimum level of annual rent payments to the buyer. The guarantee is limited to CHF 10 million, respectively the outstanding receivables, over its duration until 30 June 2024 and Meyer Burger has the right to take over any defaulted rent contract and sublet the respective space during this time. Meyer Burger also carries the external costs, should any court proceeding against tenants be taken during this time. Such payments are secured by a retention in the amount of CHF 0.2 million.

4.8 Transactions with related parties

Balances and transactions between companies within the scope of consolidation (see Note 1.3) were eliminated on consolidation and are not included in this note. The related parties consist primarily of shareholders, members of the Board of Directors and the Executive Board, and associated companies.

Information on the allocation of shares to the Board of Directors and the Executive Board is disclosed in detail in the remuneration report.

Since the acquisition of the equity share of Oxford Photovoltaics Limited, the company was also an identified related party until the exclusion from the scope of consolidation as at 31 August 2021. In 2019, Meyer Burger received orders in the amount of CHF 38.6 million from Oxford PV Germany GmbH for the delivery and installation of HJT/Perovskite equipment. Based on outstanding order volumes sales transactions in the amount of CHF 4.5 million were conducted in the first eight months of 2021 (2020: CHF 14.3 million).

As at 31 December 2021, no other material transactions were conducted and no receivables or liabilities were outstanding towards other related parties or associated companies. All business relations with related parties are conducted at arm's length. No unusual transactions were effected with either the main shareholders or other related parties.

4.9 Events after the reporting date

Russia began an invasion of Ukraine at the end of February 2022 in an escalation of the Russo-Ukrainian War. This military attack led to a general market destabilization and supply chain interruptions in different sectors with global reach. While the direct effects on the business are expected to be rather modest, Meyer Burger could suffer from supply chain disruptions, transportation hindrances and the like based on the further development of the situation.

No further event occurred between 31 December 2021 and 23 March 2022 that would have a material effect on the recognized carrying amounts of assets and liabilities of the Group or would otherwise have to be disclosed at this point.

Report of the statutory auditor

to the General Meeting of Meyer Burger Technology Ltd

Thun

Report on the audit of the consolidated financial statements

Opinion

We have audited the consolidated financial statements of Meyer Burger Technology Ltd and its subsidiaries (the Group), which comprise the consolidated balance sheet as at 31 December 2021 and the consolidated income statement, consolidated statement of changes in equity and consolidated cash flow statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements (pages 71 to 103) give a true and fair view of the consolidated financial position of the Group as at 31 December 2021 and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Swiss GAAP FER and comply with Swiss law.

Basis for opinion

We conducted our audit in accordance with Swiss law and Swiss Auditing Standards. Our responsibilities under those provisions and standards are further described in the "Auditor's responsibilities for the audit of the consolidated financial statements" section of our report.

We are independent of the Group in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our audit approach

Overview

Overall Group materiality: CHF 1,350,000

We concluded full scope audit work at five Group companies in two countries.

Our audit scope addressed 71.8% of the Group's net sales. In addition, we performed specified procedures on the reporting packages of five companies in four countries, which addressed a further 18.5% of the Group's net sales.

We performed analytical procedures at all other companies.

As key audit matters the following areas of focus have been identified:

Accounting and measurement of the investment in Oxford Photovoltaics Limited

Recognition and existence of property, plant, and equipment

Materiality

The scope of our audit was influenced by our application of materiality. Our audit opinion aims to provide reasonable assurance that the consolidated financial statements are free from material misstatement. Misstatements may arise due

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to fraud or error. They are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall Group materiality for the consolidated financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate, on the consolidated financial statements as a whole.

Overall Group materiality	CHF 1,350,000
Benchmark applied	Total expenses
Rationale for the materiality benchmark applied	We chose total expenses as the benchmark because, in our view, it is a key benchmark in the current situation and the Meyer Burger Group has had volatile results in the past.

We agreed with the Audit Committee that we would report to them misstatements above CHF 135,000 identified during our audit as well as any misstatements below that amount which, in our view, warranted reporting for qualitative reasons.

Audit scope

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the Group operates.

We identified five Group companies that, in our view, required a full scope audit and five Group companies that required specified procedures due to the size and/or risk characteristics. The full scope audits of Group companies addressed 71.8% of the Group's net sales, while the specified procedures at five Group companies addressed 18.5% of net sales.

Where the work was performed by component auditors, we determined, in addition to our instructions, the necessary level of our involvement in the audit work. This consisted of conducting calls on the status of the work, visiting component audit teams virtually, inspecting the work they performed and reviewing their final reporting.

Report on key audit matters based on the circular 1/2015 of the Federal Audit Oversight Authority

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Accounting and measurement of the investment in Oxford Photovoltaics Limited

Key audit matter	How our audit addressed the key audit matter
In 2019, Meyer Burger acquired 69,132 shares in Oxford Photovoltaics Limited, London (GB), for CHF 39.6 million. The shareholding corresponds to 19.76% of the share capital of Oxford Photovoltaics Limited. Based on a comprehensive assessment of the significant influence, the investment was classified as an associated company in 2019 and accounted for applying the equity method. Due to the termination of the strategic partnership and the exclusion of the Group's representative from the Board of Directors of Oxford Photovoltaics Limited, Meyer Burger concluded that they have lost significant influence.	We verified management's approach and assessment of the accounting and measurement of the investment in Oxford Photovoltaics Limited. We performed the following audit procedures: • We analyzed management's assessment of the loss of significant influence and reviewed the related postings • With regard to the measurement assessment, we evaluated the market and technology developments in the solar industry based on studies and discussions with management

Accordingly, the investment was reclassified to financial investments as of 31 August 2021. The remaining goodwill of CHF 4.6 million was impaired and the currency translation reserve of CHF 0.9 Mio. was recycled as a loss through the income statement. The financial investment in Oxford Photovoltaics Limited is accounted at the resulting deemed historical costs of CHF 19.7 million as of 31 December 2021. We consider the accounting and measurement of the investment in Oxford Photovoltaics Limited to be a key audit matter because: • the scope for judgement with regard to the classification as an associate and its reclassification to financial investments • the estimation uncertainty in assessing the future development of the perovskite solar technology and the resulting value for the financial investment; and • the significance of the balance sheet items in the consolidated financial statements (note 2.6 'financial assets').	• We assessed Oxford Photovoltaics Limited' s ability to initiate ongoing financing based on discussions with management of Meyer Burger and Oxford Photovoltaics Limited • We evaluated management's assessment about a possible market value of the shares and compared it with the information provided by Oxford Photovoltaics Limited • We benchmarked the book value with independent sources We consider the approach taken by the Board of Directors and management in relation to the accounting and measurement of the investment in Oxford Photovoltaics Limited to be reasonable.

Recognition and existence of property, plant, and equipment

Key audit matter	How our audit addressed the key audit matter
In the consolidated financial statements property, plant, and equipment (PPE) in the amount of CHF 124.3 million are recognised as per 31 December 2021, whereof 110.5 million were capitalized in financial year 2021. PPE are mainly production facilities, which were acquired in the context of the new business model for the build-up of the production facilities for cell and module manufacturing. Government grants for partial financing (CHF 11.3 million in the financial year) were deducted from the above-mentioned gross investment expenditure. Costs capitalized include own work capitalized in the amount of CHF 30.7 million, mainly including machinery and equipment. In addition, directly attributable costs were allocated to the ramp-up phase, among other things. We consider the recognition and existence of PPE to be a key audit matter because: • the significance of the balance sheet items in the consolidated financial statements (note 2.8 'property, plant, and equipment').	As part of our audit, we assessed the internal processes and controls for the recognition of PPE and the methodological approach used to identify, account for and measure PPE, including own work capitalized, and discussed these with the responsible management personnel. In addition, we performed the following audit procedures: • We performed a physical inspection of significant items of PPE at the two production plants in Bitterfeld-Wolfen and Freiberg in order to verify their existence and operational use. In doing so, we also inspected project documents to satisfy ourselves of the respective project progress. In order to examine the existence of investments made, we also inspected underlying supporting documents (such as purchase orders, invoices, acceptance protocols, etc.) on a sample basis. • We assessed the recoverability of the assets acquired on the basis of internal forecasts and evaluated the reasonableness of the underlying estimates and assumptions. We also reviewed procurement contracts with a volume of more than EUR 0.1 million, which Meyer Burger has entered into in connection with the investments made. • With regards to own work capitalized which was performed by various Group companies, we examined on a sample basis whether this expenditure was directly attributable to the respective asset. In addition, we assessed

in detail the criteria for capitalization on a sample basis for individual items.

• Furthermore, we assessed the estimates made by management (useful life, residual carrying amount, etc.).

On the basis of our audit procedures, we consider management's approach to recognizing PPE reasonable.

Responsibilities of the Board of Directors for the consolidated financial statements

The Board of Directors is responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with Swiss GAAP FER and the provisions of Swiss law, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Directors is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance,but is not a guarantee that an audit conducted in accordance with Swiss law and Swiss Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Swiss law and Swiss Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors or its relevant committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors or its relevant committee with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Board of Directors or its relevant committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

In accordance with article 728a paragraph 1 item 3 CO and Swiss Auditing Standard 890, we confirm that an internal control system exists which has been designed for the preparation of consolidated financial statements according to the instructions of the Board of Directors.

We recommend that the consolidated financial statements submitted to you be approved.

PricewaterhouseCoopers AG

René Rausenberger	Yvonne Burger
Audit expert Auditor in charge	Audit expert

Bern, 23 March 2022

Financial Statements - Meyer Burger Technology

Balance Sheet

in TCHF	Notes	31.12.2021	31.12.2020
Assets			
Current assets			
Cash and cash equivalents		94 798	58 582
Other receivables			
intercompany		2 183	5 968
third parties		14 525	17 095
Accrued income and deferred expenses		110	133
Total current assets		**111 616**	**81 778**
Non-current assets			
Financial assets	**2.1**	68 236	112 276
Investments	**2.2**	268 432	207 053
Total non-current assets		**336 668**	**319 329**
Total assets		**448 284**	**401 107**
Liabilities and equity			
Current liabilities			
Other payables			
intercompany		6 415	7 755
third parties		243	390
Accrued expenses and deferred income		1 444	981
Current provisions		517	790
Total current liabilities		**8 619**	**9 916**
Non-current liabilities			
Provisions		114	130
Total non-current liabilities		**114**	**130**
Equity			
Share capital	**2.3**	133 525	125 758
Legal capital reserves			
Capital contribution reserves	**2.4**	569 788	497 555
Other capital reserves		5 892	6 046
Legal retained earnings			
General legal retained earnings		140	140
Accumulated losses		–264 487	–232 875
Treasury shares	**2.5**	–5 307	–5 563
Total equity		**439 551**	**391 061**
Total liabilities and equity		**448 284**	**401 107**

Income Statement

in TCHF	Notes	1.1.–31.12.2021	1.1.–31.12.2020
Other operating income	**2.6**	3 656	5 251
Other operating expenses	**2.7**	–466	–1 055
Personnel expenses		–1 375	–4 789
Administration expenses		–6 943	–8 040
Impairments on intercompany loans, investments and financial assets	**2.8**	–23 497	–13 530
Earnings before interests and taxes		**–28 625**	**–22 163**
Financial costs			
Interest expenses	**2.9**	–333	–1 705
Other financial expenses	**2.12**	–2 060	–8 482
Loss from currency translations	**2.11**	–3 078	–340
Financial income			
Interest income	**2.1**	2 588	10 914
Earnings before taxes		**–31 508**	**–21 776**
Income taxes		–104	–74
Net result		**–31 612**	**–21 850**

Notes to the Financial Statements

1 Accounting policies

1.1 General
These annual financial statements have been prepared in accordance with the provisions of the Swiss Code of Obligations (32nd Title of the Code of Obligations). Any significant valuation policies employed that are not prescribed by the Code are described below.

1.2 Financial assets
Financial assets consist of non-current loans and financial equity investments where less than 20% of the voting rights are held. Loans granted in foreign currencies are measured at the rate on the actual reporting date, with unrealized foreign currency losses being taken into account, but not unrealized foreign currency gains (prudence principle).

1.3 Investments
Meyer Burger generally applies the principle of individual valuation while aggregating investments in group companies with close business interrelationships.

1.4 Provisions and contingent liabilities
Provisions are only created if there is a present obligation to third parties as a result of a past event, a reliable estimate can be made of the amount of the obligation, and a future outflow of resources is probable. If an obligation cannot be identified with sufficient reliability, it is reported as a contingent liability but not recognized.

Provisions are measured at the best estimate, i.e. the amount recognized as a liability is the best estimate of the expenditure required to settle the present obligation on the reporting date. The amount of provisions is reviewed for its appropriateness at every reporting date.

1.5 Equity
Equity includes share capital, legal capital reserves, legal retained earnings, accumulated losses and treasury shares. Share capital is the nominal value of all outstanding shares.

Capital reserves contain payments by shareholders in excess of the nominal share value reflecting the share premium. The position is reduced by the excess value over the nominal value of any cancelled treasury shares. Gains and losses realized on the sale of treasury shares are also recognized directly in capital reserves. Costs related to capital increases are charged to the income statement.

Treasury shares comprise shares in Meyer Burger Technology Ltd held by Meyer Burger Technology Ltd itself. Treasury shares are recognized at cost and are not remeasured as at the reporting date.

Retained earnings or accumulated losses consist of undistributed gains, and respectively accumulated losses.

1.6 Share-based payments
A share-based payment is a transaction in which an entity receives or acquires goods or services as consideration for its equity instruments or by incurring liabilities to the supplier of those goods or services

for amounts that are based on the price of the entity's shares or other equity instruments of the entity. The accounting treatment of share-based payments depends on how the transaction is settled, namely whether it is settled by equity instruments or in cash. Under the current share participation program, Meyer Burger Technology Ltd makes an individual offer to every plan participant in an offer letter stipulating the number of conditional rights to purchase shares, the acquisition price per share (if any), the payment conditions, the acceptance period and the (optional) retention periods. The fair value at the time of the grant of conditional rights, shares or options is recognized in personnel expenses over the vesting period.

1.7 Cash flow statement and additional disclosures not included in the notes

Since Meyer Burger Technology Ltd prepares consolidated financial statements in accordance with a recognized accounting standard (Swiss GAAP FER), in compliance with the statutory provisions, it has not included disclosures on interest-bearing liabilities and audit fees in these notes, has not presented a cash flow statement and has not prepared a report on the financial year in these annual financial statements.

2 Disclosures relating to items in the balance sheet and income statement

2.1 Financial assets

Financial assets mainly consist of loans to direct and indirect subsidiaries of Meyer Burger Technology Ltd aimed at financing their ordinary business. In addition, as of 31 August 2021, the investments in Oxford Photovoltaics Limited, London, United Kingdom and its fully owned subsidiary Oxford PV Germany GmbH, Brandenburg an der Havel, Germany, were reclassified from investments into financial assets based on the loss of significant influence over the companies' business activities.

2.2 Investments

Meyer Burger Technology Ltd holds the following direct and indirect investments:

Companies

Company	Registered office	Currency		Participation[1]	
			Share capital	31.12.2021	31.12.2020
Hennecke Systems GmbH	Zülpich, Germany	EUR	25 000	100.00%	100.00%
Meyer Burger (Singapore) Pte. Ltd	Singapore, Singapore	SGD	1	100.00%	100.00%
MB Systems Co. Ltd	Seoul, Korea	KRW	4 421 500 000	100.00%	100.00%
MBT Systems GmbH	Hohenstein-Ernstthal, Germany	EUR	96 000 000	100.00%	100.00%
Meyer Burger (Americas) Ltd (former MBT Systems Ltd)	Delaware, USA	USD	100	100.00%	100.00%
Meyer Burger (Americas) Lease Co., LLC	Goodyear, USA	USD	0	100.00%	0.00%
Meyer Burger (Germany) GmbH	Hohenstein-Ernstthal, Germany	EUR	112 000 000	100.00%	100.00%
Meyer Burger (Industries) GmbH	Freiberg, Germany	EUR	96 000 000	100.00%	100.00%
Meyer Burger (Italy) S.r.l.	Milan, Italy	EUR	10 000	100.00%	100.00%
Meyer Burger (NL) B.V.	Eindhoven, Netherlands	EUR	18 200	100.00%	100.00%
Meyer Burger (Switzerland) Ltd	Thun, Switzerland	CHF	500 000	100.00%	100.00%
Meyer Burger Co. Ltd	Zhubei City, Taiwan	TWD	5 000 000	100.00%	100.00%
Meyer Burger GmbH	Zülpich, Germany	EUR	25 000	100.00%	100.00%
Meyer Burger India Private Ltd	Pune, India	INR	18 552 930	100.00%	100.00%
Meyer Burger Kabushiki Kaisha	Tokyo, Japan	JPY	10 000 000	100.00%	100.00%
Meyer Burger Research AG	Hauterive, Switzerland	CHF	100 000	100.00%	100.00%
Meyer Burger Sdn. Bhd.	Cyberjaya, Malaysia	MYR	1 000 000	100.00%	100.00%
Meyer Burger Traiding (Shanghai) Co. Ltd	Shanghai, China	CNY	1 655 400	100.00%	100.00%
Meyer Burger Systems (Shanghai) Co. Ltd	Shanghai, China	CNY	102 172 722	100.00%	100.00%
Oxford Photovoltaics Limited[2]	London, United Kingdom	GPB	3 733	19.76%	19.76%
Oxford PV Germany GmbH[2]	Brandenburg an der Havel, Germany	EUR	25 000	19.76%	19.76%
Pasan SA	Neuchâtel, Switzerland	CHF	102 000	0.00%	100.00%

1 The share of equity corresponds to the share of voting rights.
2 Significant influence was lost over the investments in Oxford Photovoltaics Limited and its fully owned subsidiary Oxford PV Germany GmbH as of August 2021. While the participation percentage remained unaffected, the classification was changed to financial assets.

Foundation of Meyer Burger (Americas) Lease Co., LLC

Meyer Burger (Americas) Lease Co., LLC was founded on 16 December 2021 with zero equity as the first of two planned local companies in the USA, with the aim of strengthening Meyer Burger´s operations in the USA. Meyer Burger is establishing a production site for high-performance solar modules in Goodyear, USA. The investment is an important step in meeting Meyer Burger's commitments to produce modules in closer proximity to US end-customers, to source material from regional suppliers, and to improve overall sustainability by reducing transportation emissions and optimizing the carbon footprint of the company's solar modules.

Loss of control over Oxford Photovoltaics Limited

Meyer Burger Technology was informed on 23 July 2021 via a press release as well as a letter from Oxford Photovoltaics Limited, London, United Kingdom, that the company considers the joint collaboration agreement, in place since 2019, terminated for its own strategic reasons. With the persistent recusal of Meyer Burger's representative from the Board of Oxford Photovoltaics Limited, Meyer Burger has lost its significant influence over Oxford Photovoltaics Limited and its 100% subsidiary Oxford PV Germany GmbH as from 31 August 2021. While the participation percentage remained unaffected, the classification was changed to financial assets. The related revaluation led to an impairment of CHF 17.5 million. .

Sale of inkjet printing business (PiXDRO)

On 2 April 2020, Meyer Burger announced the closing on the sale of its inkjet printing business (PiXDRO) as per 31 March 2020. During this transaction, the initially owned entity, Meyer Burger (Netherlands) B.V., Eindhoven, Netherlands, was split into two new companies as per 1 January 2020. The newly founded PiXDRO company was sold and the newly founded Meyer Burger (NL) B.V., Eindhoven, Netherlands, retained as an investment. As the investment was held indirectly, no gain or loss from sale of investment is recognized in the financial statements of Meyer Burger Technology Ltd.

Sale of Muegge GmbH and Gerling Applied Engineering, Inc.

Muegge GmbH and Gerling Applied Engineering, Inc. were sold as per 30 September 2020. As the investment was held indirectly, no gain or loss from sale of investment is recognized in the financial statements of Meyer Burger Technology Ltd.

2.3 Share capital

The share capital of Meyer Burger Technology Ltd as at 31 December 2021 was divided into 2,670,491,011 registered shares with a nominal value of CHF 0.05 each. On 2 July 2021, Meyer Burger Technology Ltd carried out a capital increase. The capital increase led to an increase of 155,339,805 registered shares based on the 2,515,151,206 registered shares outstanding as per 31 December 2020. The share capital is fully paid up.

No dividend was paid in the reporting period or in the previous year.

Conditional share capital

In accordance with Article 3b of the Company's Articles of Association, dated 1 July 2021, the share capital may be increased by a maximum amount of CHF 31,998.60 through the issuance of a maximum of 639,972 fully paid-in registered shares with a nominal value of CHF 0.05 each, by the exercise of option rights granted to employees and members of the Board of Directors of the Company or of group companies in accordance with a plan to be prepared and issued by the Board of Directors. The subscription rights of shareholders shall be excluded. Upon acquisition, the new registered shares shall be subject to the limitations for registration in the share register in accordance with Article 4 of the Articles of Association.

In accordance with Article 3c of the Company's Articles of Association, dated 1 July 2021, the share capital may be increased by a maximum amount of CHF 12,575,756.00 through the issuance of a maximum of 251,515,120 fully paid-in registered shares with a nominal value of CHF 0.05 each, by the exercise of conversion and/or option rights which are granted in connection with convertible bonds, bonds with option rights or similar financial market instruments of the Company or of group companies.

The subscription rights of the shareholders shall be excluded in connection with the issuance of convertible bonds, bonds with option rights or other financial market instruments, which carry conversion and/or option rights. The then current owners of conversion and/or option rights shall be entitled to subscribe for the new shares.

The acquisition of shares through the exercise of conversion and/or option rights and each subsequent transfer of the shares shall be subject to the limitations for registration in the share register in accordance with Article 4 of the Articles of Association.

The Board of Directors is entitled to restrict or exclude the advance subscription rights in connection with the issuance of convertible bonds, bonds with option rights or other financial market instruments of existing shareholders, provided that:

1) the financing instruments with conversion or option rights are issued in connection with the financing or refinancing of the acquisition of enterprises, divisions thereof or participations or of newly planned investments; or
2) an issue by firm underwriting through a bank or a banking syndicate followed by a public offer, thereby excluding the advance subscription rights, seems to be the best way of issue at that point in time, in particular with respect to the terms and conditions of the issue or the timeline of the transaction.

If advance subscription rights are denied by decision of the Board of Directors, the following shall apply:

1) conversion rights may be exercisable only for up to ten years, option rights only for up to seven years from the date of the respective issuance; and
2) the respective financial market instruments must be issued at the relevant market conditions.

Authorized share capital

In accordance with Article 3d of the Articles of Association, dated 1 July 2021, the Board of Directors is entitled to increase the share capital of the Company by a maximum amount of CHF 4,808,765.75, at any time until 4 May 2023, through the issuance of a maximum of 96,175,315 fully paid-in registered shares with a nominal value of CHF 0.05 each.

The Board of Directors is entitled (including in the case of a public offer for shares of the Company) to restrict or exclude the subscription rights of the shareholders and to allocate them to third parties, if the new shares are to be used:

1) for the acquisition of enterprises, divisions of enterprises, participations or for new investment plans, or in the case of a placement of shares for the financing or refinancing of such transactions;
2) for the purpose of the participation of strategic partners; or
3) for the rapid and flexible creation of equity capital through a placement of shares, which would only be possible with difficulty with subscription rights.

The capital increase may occur by means of underwriting and/or partial increases. The Board of Directors is entitled to set the issue price of the shares, the type of contribution and the date of entitlement to dividends. Shares issued under these terms are subject to the limitations for registration in the share register in accordance with Article 4 of the Articles of Association of the Company.

The total outstanding amount of authorized capital under Article 3d (96,175,315 registered shares) of the Articles of Association represents 3.60% of the outstanding ordinary share capital (2,670,491,011 registered shares) as of 31 December 2021.

Significant shareholders

The Company is aware of the following shareholders, who according to Article 12 of. FMIA (Financial Market Infrastructure Act) held more than 3% of the voting rights (based on the share capital registered in the commercial register) as at 31 December 2021 and respectively 31 December 2020. The disclosure notices are published on the website of the disclosure office.[1]

	Registered shares[3]	
Shareholder[2]	31.12.2021	31.12.2020
Sentis Capital PCC (Cell 3)[4]	10.01%	14.73%
Invesco Ltd, Hamilton, Bermuda	5.41%	5.41%
BlackRock, Inc.	5.10%	–
Universal-Investment-Gesellschaft mbH	3.71%	–
UBS Fund Management (Switzerland) AG	3.01%	–
Swisscanto Fondsleitung AG	3.00%	4.57%
J O Hambro Capital Management Limited[5]	–	3.78%

[1] www.six-exchange-regulation.com/en/home/publications/significant-shareholders.html?companyId=MEYER
[2] Voting rights participation according to the latest disclosure notice received from the shareholder.
[3] Registered shares held in Meyer Burger Technology Ltd according to the disclosure notice.
[4] The beneficial owner was Petr Kondrashev, Austria.
[5] The beneficial owner was J O Hambro Capital Management Limited.

2.4 Capital contribution reserves

Of the total CHF 569.8 million capital contribution reserves as at 31 December 2021, CHF 475.2 million were approved by the Federal Tax Administration as available for distribution free of withholding tax (31 December 2020: CHF 408.1 million).

The increase of CHF 67.1 million is based on the capital increase in the financial year 2020. The premiums of the 2021 capital increase are again reported to the Federal Tax Administration for approval for potential distribution free of withholding tax.

The capital contribution reserves as at 31 December 2021 include capital transaction costs of CHF 29.2 million not approved for potential distribution free of withholding tax by the Federal Tax Administration based on current practice.

2.5 Treasury shares

Treasury shares held by Meyer Burger Technology Ltd

	No. of shares	Price/share in CHF	Value of treasury shares in TCHF
01.01.2020	**43 181**	**0.79**	**34**
Purchase	8 000 000	0.16	1 303
Exercise of subscription rights	8 563 523	0.09	771
Grant/use	–1 947 506	0.53	–1 033
Retransfer	5 075 760	0.88	4 488
31.12.2020	**19 734 958**	**0.28**	**5 563**
Grant/use	–1 587 076	0.16	–256
31.12.2021	**18 147 882**	**0.29**	**5 307**

While in the course of the capital increase on 2 July 2021 the subscription rights of the shareholders were excluded, Meyer Burger Technology Ltd exercised the full amount of subscription rights on treasury shares held by itself and its subsidiaries in the course of the capital increase on 28 July 2020.

Treasury shares held by subsidiaries

	No. of shares	Price/share in CHF	Value of treasury shares in TCHF
01.01.2020	**6 274 722**	**0.89**	**5 575**
Decrease share plan 2017[2]	–1 337 113	0.85	–1 137
Retransfer share plan 2017[4]	–953 696	0.85	–811
Decrease share plan 2018[3]	–202 431	1.16	–232
Retransfer share plan 2018[4]	–1 695 494	1.17	–1 975
Increase share plan 2019[1]	887 902	0.74	657
Decrease share plan 2019[3]	–547 320	0.70	–375
Retransfer share plan 2019[4]	–2 426 570	0.70	–1 702
31.12.2020	**–**	**–**	**–**
31.12.2021	**–**	**–**	**–**

1 Share plan 2019: The shares have been allocated at a price of CHF 0.69 (market price at the time of allocation). However, the allocation for the Executive Board and newly elected Board members was made at the fair value of CHF 0.74. All shares are subject to a three-years vesting period during which their sale is forbidden. The shares allocated to the Board of Directors and to the employees of Meyer Burger Technology Ltd (3,616,108 shares at grant date) were held by Meyer Burger (Switzerland) Ltd. Those shares have been transferred back to Meyer Burger Technology Ltd during 2020 at the market price at allocation date (CHF 0.69) or at the fair value respectively (CHF 0.74).

2 In March 2020, the three-year vesting period of the 2017 share plan ended and the shares granted have been transferred to the plan participants.

3 If a plan participant gave notice on their employment contract during the vesting period, the forfeited shares allocated generally were returned to Meyer Burger Technology Ltd. In certain particular cases (i.e. if Meyer Burger terminated an employment contract for economic reasons or if a group company was sold), the leaving participant was entitled to keep the shares, i.e., an early vesting was performed.

4 The transfers refer to forfeited shares returned to Meyer Burger Technology Ltd from its subsidiaries. In addition, in October 2020 all treasury shares held by subsidiaries were transferred back to Meyer Burger Technology Ltd in order to be held in a single account. Accordingly, at the time of vesting treasury shares are transferred from Meyer Burger Technology Ltd to the employee via the respective subsidiary.

All treasury shares held in conjunction with the employee share plans are held by Meyer Burger Technology Ltd. As at 31 December 2021, these are reserved in full and will be transferred to the respective employees upon expiry of the vesting period.

Meyer Burger Group is not aware of any shares in the Company being held by the pension fund.

2.6 Other operating income

Other operating income mainly includes management fees that invoiced to the group companies and dividends received. In 2021, dividends of CHF 0.9 million were received from subsidiaries (2020: CHF 1.8 million).

2.7 Other operating expenses

Other operating expenses reflect losses on bad debts from group companies.

2.8 Impairments on intercompany loans, investments and financial assets

The valuation of investments and loans to group companies is reviewed at least annually. As at 31 December 2021, additional impairments on investments and loans to group companies and the financial asset of Oxford Photovoltaics Limited were deemed necessary based on expected future cash flows. The impairments to the initial valuation reflect this critical assessment.

2.9 Interest expenses

In the year under review and in the previous year, negative interest and bank fees were recognized as interest expenses. In the current year 2021, a debt waiver on an intercompany loan was recognized through profit and loss. In the previous year, interest expenses also included interest on the convertible bond fully repaid in 2020, as well as the commitment fee relating to provision of the syndicated credit facility agreement, which matured in August 2020.

2.10 Interest income

Interest income includes the interest received on loans granted to group companies.

2.11 Loss from currency translation

The currency translation rate of the US Dollar (USD) increased by 3% while the currency translation rate of the Euro (EUR) decreased by 4% in the reporting year. This resulted in a cumulative loss from currency translation. In 2020, the main foreign currency (USD) decreased by 9%.

2.12 Other financial expenses

Other financial expenses mainly refer to capital increase costs.

3 Other disclosures

3.1 Full-time employees

The average number of full-time employees did not exceed 50 employees for the reporting period as well as the previous period.

3.2 Liabilities to pension funds

As at 31 December 2021, no contributions to pension funds were outstanding to be paid (31 December 2020: CHF <0.1 million).

3.3 Contingent liabilities

As at 31 December 2021, several guarantees were granted by Meyer Burger Technology Ltd for group companies in favor of third parties for a maximum amount of CHF 227.4 million (31 December 2020: CHF 0.3 million). As at 31 December 2021, Meyer Burger Technology Ltd granted a letter of comfort for the syndicated loan towards Meyer Burger (Industries) GmbH, Freiberg, Germany with a loan limit of EUR 125 million of which CHF 72.3 million was utilized. In addition, Meyer Burger Technology Ltd granted a guarantee for the factoring facility towards Meyer Burger (Industries) GmbH, Freiberg, Germany with a limit of EUR 60 million of which CHF 2.4 million was utilized at the balance sheet date. In addition, a guarantee for the convertible bond issued by MBT Systems GmbH, Hohenstein-Ernstthal, Germany was issued on 30 June 2021 in the amount of EUR 145 million of which accrued interest of CHF 2.5 million was outstanding to be paid as at 31 December 2021.

During 2020, Meyer Burger Technology Ltd signed a bilateral framework agreement for credit products with a Swiss financial institution, which is still valid throughout 2021. The bank´s claims are secured with a right of lien of up to a principal amount of CHF 25.0 million and as at 31 December 2021, CHF 11.6 million cash collateral was deposited.

In addition, Meyer Burger Technology Ltd is the borrower and pledger of a credit facility from a German financial institution. The credit line amounted to CHF 2.6 million as at 31 December 2021 (31 December 2020: CHF 2.7 million), of which CHF 2.6 million was cash collateralized (2020: CHF 2.7 million). The credit facility can be drawn by subsidiaries by way of guarantees for advance payments, warranty bonds or other types of guarantees. It cannot be used for the collateralization of loans.

3.4 Letters of comfort and liquidity commitments in favor of group companies

Meyer Burger Technology Ltd has issued liquidity commitments in favor of several group companies. This enables the respective group companies to confidently settle their accounts payable to creditors on time.

3.5 Shares allocated to the Board of Directors, Executive Board and employees

In the years 2021 and 2020, participation rights were allocated to members of the Board of Directors and employees as follows:

Name	No. of shares	No. of options	Price/share in CHF	Price/option in CHF	Value of treasury shares/options in TCHF
2021					
Allocated to the Board of Directors	1 149 422	-	0.299/0.4006	–	392
Allocated to the Executive Board	-	4 940 169	-	0.177	874
Allocated to employees	-	17 800 667	-	0.177/0.198	3 315
Total	**1 149 422**	**22 740 836**	**–**	**–**	**4 581**
2020					
Allocated to the Board of Directors	2 033 900	-	0.236	–	480
Allocated to the Executive Board[1]	618 600	9 000 000	0.15	0.12	1 173
Allocated to employees	3 075 829	3 500 000	0.15	0.12	784
Total	**5 728 329**	**12 500 000**	**–**	**–**	**2 437**

[1] In the form of options from 18.12.2020.

3.6 Share ownership by the Board of Directors and the Executive Board

2021

The members of the Board of Directors and of the Executive Board (including related parties) held the following participations in Meyer Burger Technology Ltd as at 31 December 2021:

Name	Position	Registered shares (number)	RSU/PSU/ restricted shares under share plan[1] (number)	Options under share plan[1] (number)	Total participation[2] (in % of outstanding shares)
Franz Richter	Chairman of the Board of Directors	3 031 597	877 755	–	0.15%
Mark Kerekes	Member of the Board of Directors	5 814 003	791 150	–	0.25%
Urs Schenker	Member of the Board of Directors	8 142 859	115 451	–	0.31%
Andreas R. Herzog	Member of the Board of Directors	340 451	819 144	–	0.04%
Gunter Erfurt	Chief Technology Officer	374 617	105 373	8 970 085	0.35%
Jürgen Schiffer	Chief Financial Officer	292 364	–	–	0.01%
Katja Tavernaro	Chief Sustainability Officer	–	64 380	4 735 042	0.18%
Total as at 31 December 2021		**17 995 891**	**2 773 253**	**13 705 127**	**1.29%**

[1] In the participation table, the number of restricted registered shares under RSU/PSU plans for the Executive Committee and Board of Directors includes the maximum potential amount of shares that could be vested from the 2019/2020/2021 LTI Share Plans. The number of options under share plan includes the maximum amount of shares that could be vested under the 2021 option plans.

Grant/purchase date	Number of shares	Number of options	Vesting period until
30.12.2021	480 526		30.12.2024
03.06.2021	–	3 705 127	02.06.2024
24.05.2021	501 672	–	23.05.2024
23.12.2020	1 525 425	–	22.12.2023
18.12.2020	–	10 000 000	17.12.2023
01.04.2019/03.05.2019	265 640	–	31.03.2022/02.05.2022

[2] Participation as a percentage of the number of outstanding registered shares as at 31 December 2021 (2,670,491,011 shares).

2020

The members of the Board of Directors and of the Executive Board (including related parties) held the following participations in Meyer Burger Technology Ltd as at 31 December 2020:

Name	Position	Registered shares (number)	RSU/PSU/ restricted shares under share plan[1] (number)	Options under share plan[1] (number)
Franz Richter	Chairman of the Board of Directors	2 994 157	613 798	–
Mark Kerekes	Member of the Board of Directors	5 814 003	508 475	–
Urs Fähndrich	Member of the Board of Directors	143 705	508 475	–
Andreas R. Herzog	Member of the Board of Directors	225 000	536 479	–
Gunter Erfurt	Chief Technology Officer	374 617	203 734	6 500 000
Jürgen Schiffer	Chief Financial Officer	42 000	–	2 500 000
Total as at 31 December 2020		**9 593 482**	**2 370 961**	**9 000 000**

1 In the participation table, the number of restricted registered shares under RSU/PSU plans for the Executive Committee and Board of Directors includes the maximum potential amount of shares that could be vested from the 2018/2019/2020 LTI Share Plans.

Grant/purchase date	Number of shares	Number of options	Vesting period until
23.12.2020	2 033 900	–	22.12.2023
18.12.2020	–	9 000 000	17.12.2023
01.04.2019/03.05.2019	201 260	–	31.03.2022/02.05.2022
09.04.2018	135 801	–	08.04.2021

2 Participation as a percentage of the number of outstanding registered shares as at 31 December 2020 (2,515,151,206 shares).

3.7 Significant events after the reporting date

Russia began an invasion of Ukraine at the end of February 2022 in an escalation of the Russo-Ukrainian War. This military attack led to a general market destabilization and supply chain interruptions in different sectors with global reach. While the direct effects on the business are expected to be rather modest, Meyer Burger could suffer from supply chain disruptions, transportation hindrances and the like based on the further development of the situation.

No events occurred between 31 December 2021 and 23 March 2022 that would have a material effect on the recognized carrying amounts of assets and liabilities of Meyer Burger Technology Ltd or would otherwise have to be disclosed at this point.

Report of the statutory auditor

to the General Meeting of Meyer Burger Technology Ltd

Thun

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Meyer Burger Technology Ltd, which comprise the balance sheet as at 31 December 2021, income statement and notes to the financial statements for the year then ended, including a summary of significant accounting policies.

In our opinion, the financial statements (pages 109 to 119) as at 31 December 2021 comply with Swiss law and the company's articles of incorporation.

Basis for opinion

We conducted our audit in accordance with Swiss law and Swiss Auditing Standards. Our responsibilities under those provisions and standards are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report.

We are independent of the entity in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our audit approach

Overview

Overall materiality: CHF 3,800,000

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the financial statements as a whole, taking into account the structure of the entity, the accounting processes and controls, and the industry in which the entity operates.

As key audit matters the following areas of focus have been identified:

Impairment testing of investments in Group companies, of intercompany loans, and receivables

Accounting and measurement of the investment in Oxford Photovoltaics Limited

Materiality

The scope of our audit was influenced by our application of materiality. Our audit opinion aims to provide reasonable assurance that the financial statements are free from material misstatement. Misstatements may arise due to fraud or

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error. They are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall materiality for the financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate, on the financial statements as a whole.

Overall materiality	CHF 3,800,000
Benchmark applied	Total assets
Rationale for the materiality benchmark applied	We chose total assets as the benchmark because the Company primarily holds investments in and grants loans to Group companies.

We agreed with the Audit Committee that we would report to them misstatements above CHF 190,000 identified during our audit as well as any misstatements below that amount which, in our view, warranted reporting for qualitative reasons.

Audit scope

We designed our audit by determining materiality and assessing the risks of material misstatement in the financial statements. In particular, we considered where subjective judgements were made; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

Report on key audit matters based on the circular 1/2015 of the Federal Audit Oversight Authority

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Impairment testing of investments in Group companies, of intercompany loans, and receivables

Key audit matter	How our audit addressed the key audit matter
As at 31 December 2021, Meyer Burger Technology Ltd reported investments in Group companies (CHF 268.4 million), intercompany loans (CHF 48.5 million, noncurrent) and receivables (CHF 2.2 million, current). Investments in Group companies, intercompany loans and receivables are measured at historical cost less impairment in accordance with the requirements of the Code of Obligations. The Board of Directors and management have tested the valuations of these investments, intercompany loans and receivables. Where necessary, impairment charges have been recognised. We considered the assessment of the valuations of the investments in Group companies and current and non-current intercompany loan and receivables (please refer to note 2.8 'Impairments on investments and financial assets' in the notes to the financial statements) to be a key audit matter because of: • the significant scope for judgement involved in performing the impairment tests, • the operating results of certain companies, and	We assessed the need for impairment of the investments in Group companies, intercompany loans and receivables. We performed the following audit procedures: • We compared the market capitalisation with the book value of the shareholders' equity of Meyer Burger Technology Ltd. • We verified the underlying valuation model prepared by management as well as the WACC applied to determine the recoverable amounts • We checked the Business Plan, which is approved by the Board of Directors for plausibility. • We compared the results of management's valuations against the corresponding book value and assessed the completeness and correct booking of the necessary impairment charges.

• the significant amount that these assets represent.	We consider the valuation process applied by the Board of Directors and management to be an appropriate and adequate basis to support the valuation of the investments in Group companies and intercompany loans and receivables.

Accounting and measurement of the investment in Oxford Photovoltaics Limited

Key audit matter	How our audit addressed the key audit matter
In 2019, Meyer Burger acquired 69,132 shares in Oxford Photovoltaics Limited, London (GB), for CHF 39.6 million. The shareholding corresponds to 19.76% of the share capital of Oxford Photovoltaics Limited. Based on a comprehensive assessment of the possibility to exercising significant influence, the investment was classified as an associated company in 2019 and presented as an investment. Due to the termination of the strategic partnership and the exclusion of Meyer Burger's representative from the Board of Directors of Oxford Photovoltaics Limited, Meyer Burger concluded that they have lost the possibility to exercising significant influence. Accordingly, the investment was reclassified to financial assets as of 31 August 2021 and an impairment of CHF 17.5 million was recognized. The value of the financial asset as at 31 December 2021 amounts to CHF 19.7 million. We consider the accounting and measurement of the investment in Oxford Photovoltaics Limited to be a key audit matter because: • the scope for judgement with regard to the classification and its reclassification from investments to financial assets • the estimation uncertainty in assessing the future development of the perovskite solar technology and the resulting value for the financial investment, as well as • the significance of the balance sheet items in the consolidated financial statements (note 2.1 'financial assets').	We verified management's approach and assessment of the accounting and measurement of the investment in Oxford Photovoltaics Limited. We performed the following audit procedures: • We analyzed management's assessment of the loss of significant influence and reviewed the related postings • With regard to the measurement assessment, we evaluated the market and technology developments in the solar industry based on studies and discussions with the management • We assessed Oxford Photovoltaics Limited' s ability to initiate ongoing financing based on discussions with management of Meyer Burger and Oxford Photovoltaics Limited • We evaluated management's assessment about a possible market value of the shares and compared it with the information provided by Oxford Photovoltaics Limited • We benchmarked the book value to independent sources We consider the approach taken by the Board of Directors and management in relation to the accounting and measurement of the investment in Oxford Photovoltaics Limited to be reasonable.

Responsibilities of the Board of Directors for the financial statements

The Board of Directors is responsible for the preparation of the financial statements in accordance with the provisions of Swiss law and the company's articles of incorporation, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and Swiss Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Swiss law and Swiss Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.

We communicate with the Board of Directors or its relevant committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors or its relevant committee with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Board of Directors or its relevant committee, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

In accordance with article 728a paragraph 1 item 3 CO and Swiss Auditing Standard 890, we confirm that an internal control system exists which has been designed for the preparation of financial statements according to the instructions of the Board of Directors.

We recommend that the financial statements submitted to you be approved.

PricewaterhouseCoopers AG

René Rausenberger	Yvonne Burger
Audit expert Auditor in charge	Audit expert

Bern, 23 March 2022

Other Information

Information for investors and the media

Registered shares Meyer Technology Ltd

Swiss valor number 10850379
ISIN CH0108503795
Listing SIX Swiss Exchange
Ticker symbol MBTN
Reuters MBTN.S
Bloomberg MBTN SW
Nominal value per registered share CHF 0.05
Number of outstanding shares 2,670,491,011
as of 31 December 2021
Share price low/high 2021 CHF 0.35/0.57
Closing price as of 31 December 2021 CHF 0.407

Other information

Accounting standard Swiss GAAP FER
Auditors PricewaterhouseCoopers AG
Share register Computershare Switzerland Ltd

Important dates

24 March 2022 Publication Fiscal Year Results 2021, Analyst and Media Conference
5 May 2022 Ordinary Annual General Meeting, Kultur- und Kongresszentrum, Thun

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Interesting and useful product portfolio information and background knowledge about the entire technology company can be found on the corporate homepage www.meyerburger.com.

All companies within the Meyer Burger Group can be reached using the email address mbtinfo@meyerburger.com.

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Imprint

Declaration on forward-looking statements

This Meyer Burger Ltd Annual Report 2021 contains statements that constitute "forward-looking statements", relating to the Company. Because these forward-looking statements are subject to risks and uncertainties, the reader is cautioned that actual future results may differ from those expressed in or implied by the statements, which constitute projections of possible developments.

All forward-looking statements are based only on data available to Meyer Burger at the time of preparing the Annual Report 2021. Meyer Burger does not undertake any obligation to update any forward-looking statements contained in these documents as a result of new information, future events or otherwise.

The Annual Report 2021 is also available in electronic form. The Meyer Burger Annual Report 2021 is published in English only and is therefore the binding version.

The Annual Report 2021 is available on the internet: www.meyerburger.com

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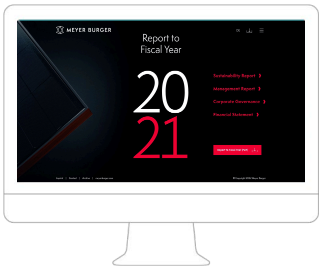
Also available from Meyer Burger:



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MEYER BURGER