

A close-up, low-angle shot of solar panels, showing the grid lines and the texture of the cells. A prominent red stripe runs diagonally across the panels, adding a dynamic element to the composition. The lighting is dramatic, highlighting the geometric patterns of the solar cells.

# Meyer Burger Scaling Solar Manufacturing

Corporate Presentation November 2021

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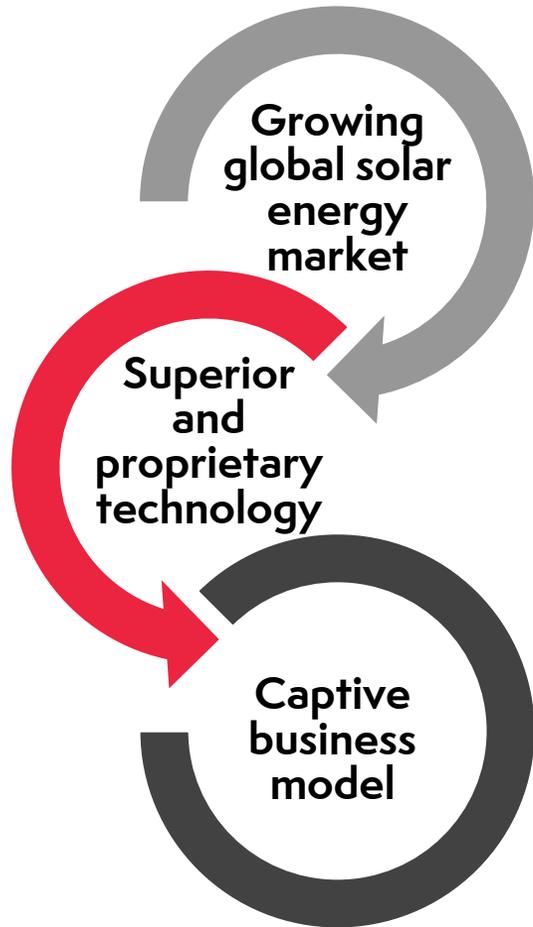
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# Cornerstones of our strategy



- After entering the residential and commercial rooftop segment with our initial 400 MW capacity, Meyer Burger intends to enter the high-volume project segment with tailored products – meeting strongly growing solar market demand, with almost +16% CAGR<sup>1</sup> expected from 2021 to 2025
- Based on Meyer Burger’s 3-year technology advantage over standard technology (confirmed by Fraunhofer Institute) and based on our successful industrialization, we continue to lead with our heterojunction/SmartWire technology and plan to enrich our product portfolio continuously
- The full value of Meyer Burger’s technology advantage can be captured as we exclusively control the patent-protected and more climate-friendly heterojunction/SmartWire technology



**High, sustained profit levels can be achieved on the basis of a superior technology and the captive business model**

1) Source: Apricum – The Cleantech Advisory, Q2 2021, center scenario

# Meyer Burger - Almost 70 years of experience, including 40 years in PV

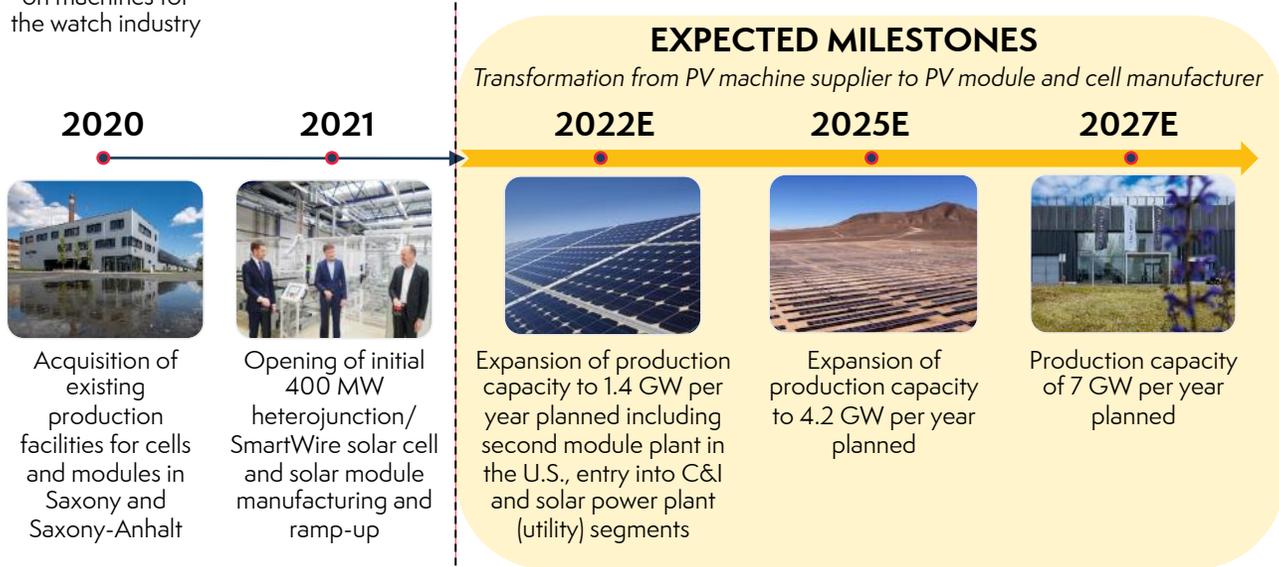
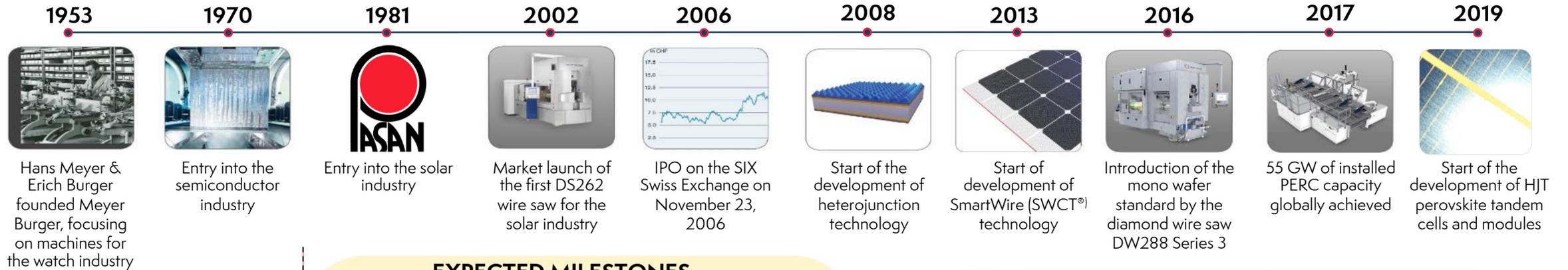
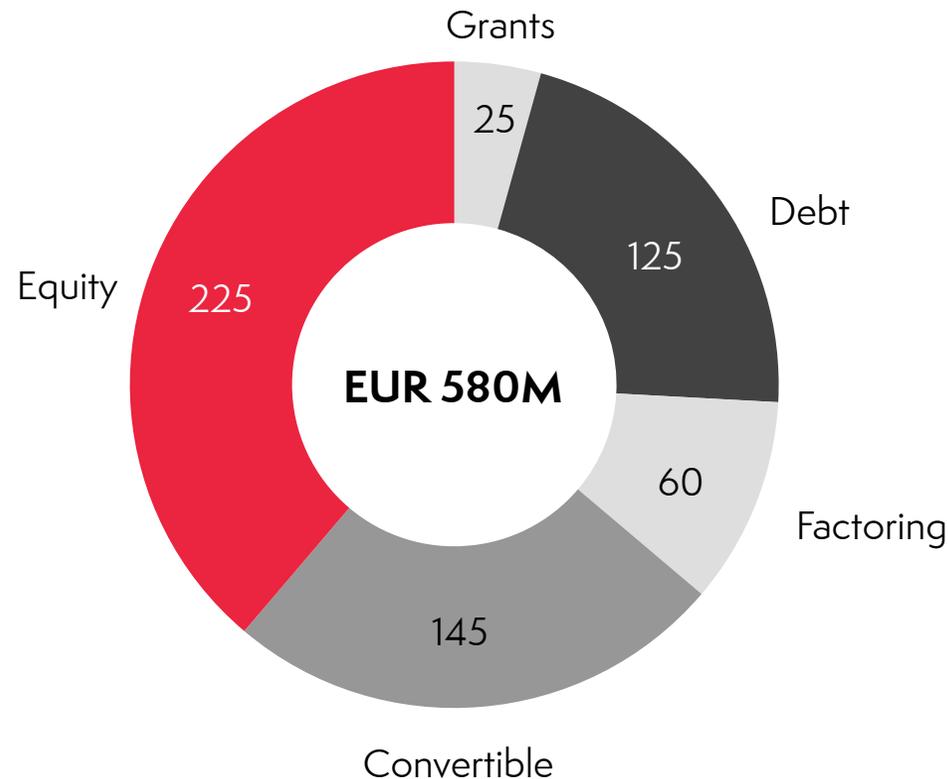


Photo: Grand opening ceremony solar cell factory Thalheim, May 18, 2021 with Saxony-Anhalt Prime Minister Dr. Haseloff (left), MBTN CEO Gunter Erfurt and Saxony-Anhalt Minister Prof. Armin Willingmann

# Meyer Burger implements its gigawatt growth strategy with strong financial basis – at the existing sites and in the U.S.

Meyer Burger raised EUR ~580M financing in 2020/21



## Unprecedented success in financing

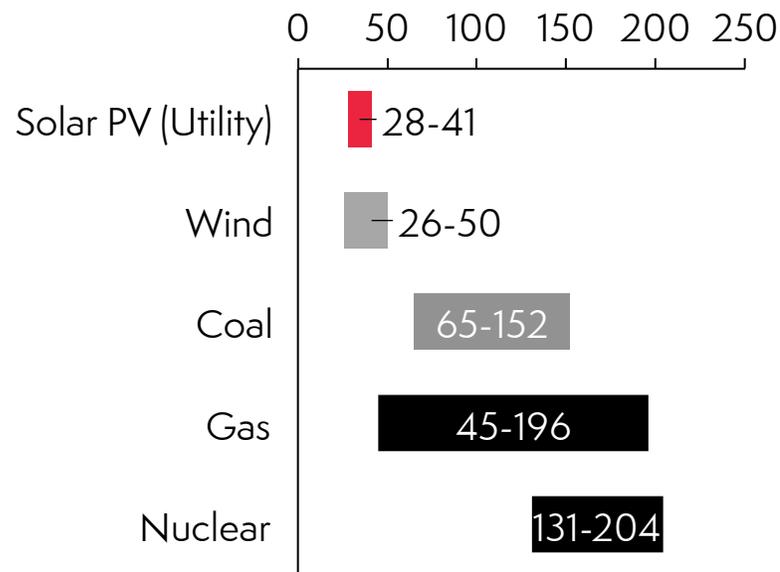
- After strategic repositioning in summer 2020, raised first equity tranche of CHF 165M
- Bankable business case – expansion financed by syndicated loan and factoring facility
- Additional equity and green convertible bond for financial flexibility and expedited growth raised in summer 2021

# Solar markets expected to continue growth worldwide due to the competitive economics – now cheaper than all fossils

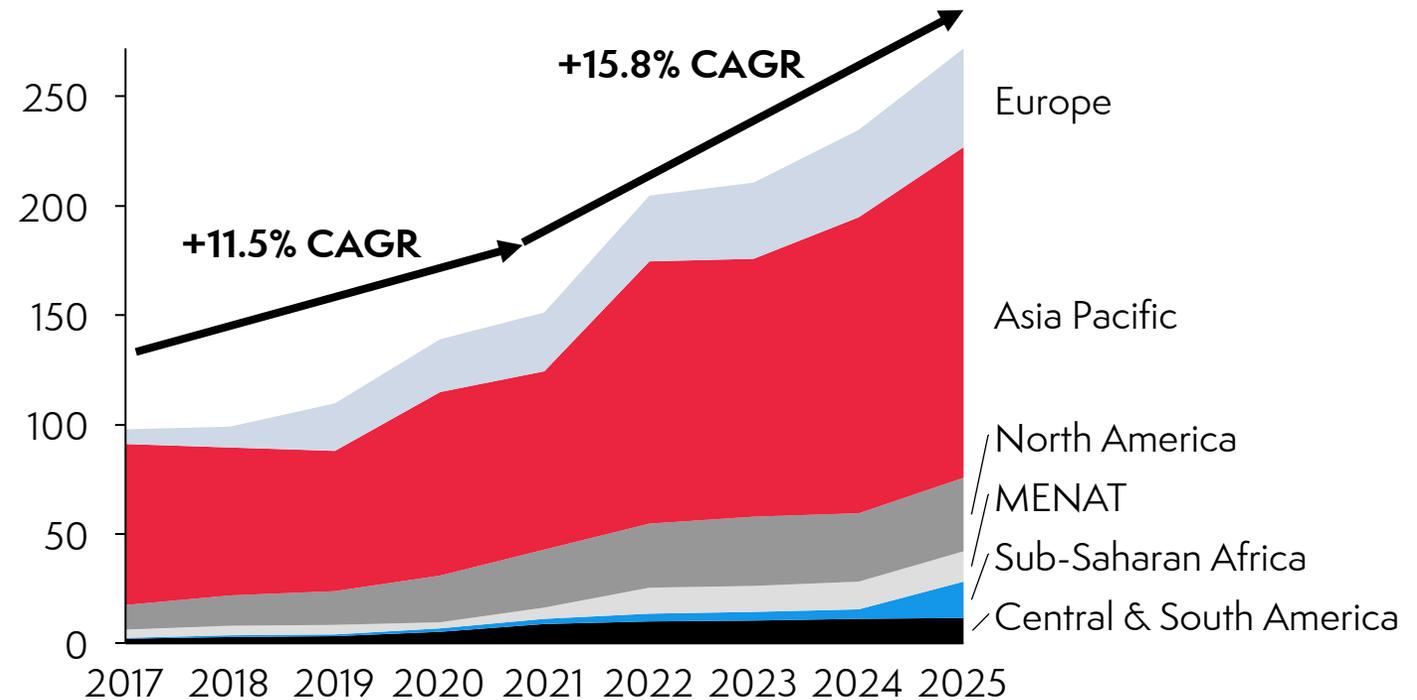
Solar already among the most competitive sources of electricity<sup>1</sup>

Neither the COVID pandemic nor the resulting module price increase has affected the solar market growth prospects

Levelized cost of energy (LCOE) [USD/MWh]



Expected global solar market size [GW]



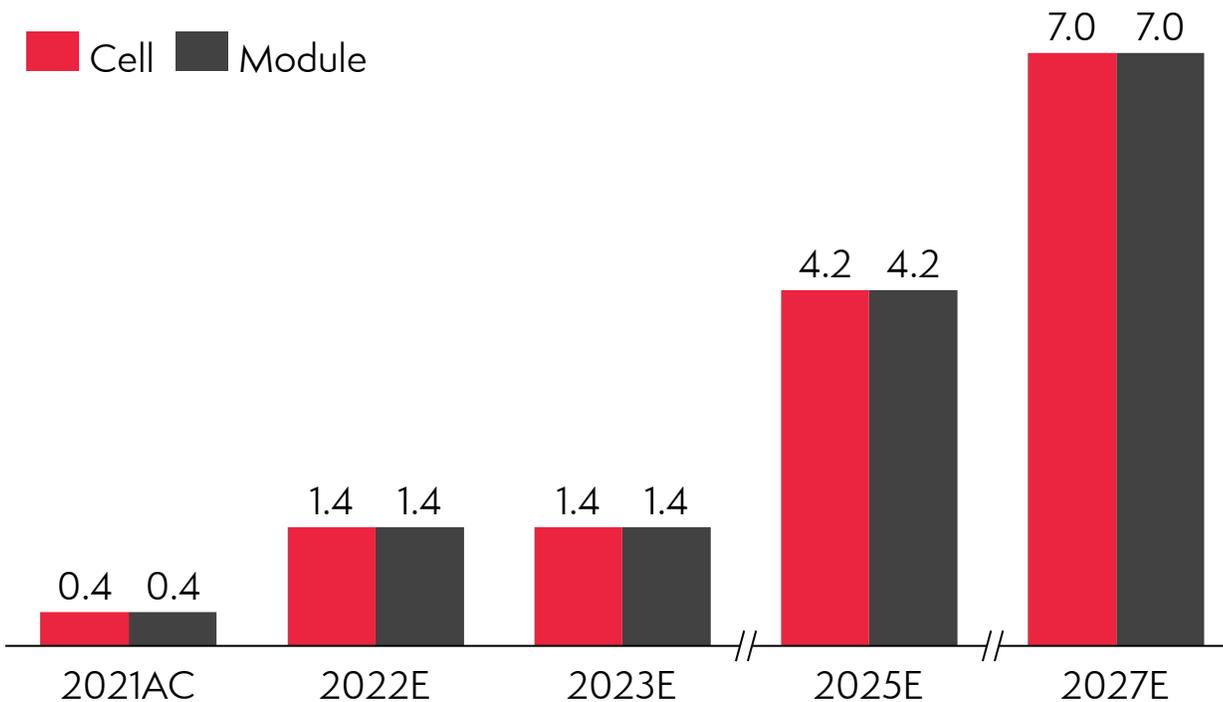
1) Source: Lazard Oct 28, 2021

2) Source: Apricum – The Cleantech Advisory, Q2 2021, center scenario

# Following the successful build-up of our 0.4 GW capacity, we are accelerating our international capacity growth

## Cell and module production

### Meyer Burger planned production capacity, year-end [GW]



Source: Meyer Burger business plan (June 2021)

### Revised roadmap:

- Enabled by the credit facility, we pull in our plan to achieve 1.4 GW nameplate cell and module capacity already at the end of 2022
- We are balancing production volumes for cells and modules in order to focus entirely on higher-margin sales of solar modules
- We plan to set up production of high-efficiency cells and modules with the intent to manufacture 1 GW of solar modules in Freiberg, Germany and initially 0.4 GW at a new site in the U.S. by the end of 2022
- The U.S. site selection process will be concluded by end of 2021

# Meyer Burger has completed its strategic transformation

## All major transformation milestones reached in H1/2021

### Sales and marketing

- Start re-establishing Meyer Burger as a premium solar module brand
- Product launch and sales start
- Product IEC certification

### Production

- Grand opening of both factories (cell and module)
- Securing supply chain for materials for cell and module production
- Ramp-up start

### Organization and finance

- Transformation and rebuilding of the organization
- Securing growth financing



# On the way to 1.4 gigawatts of production capacity



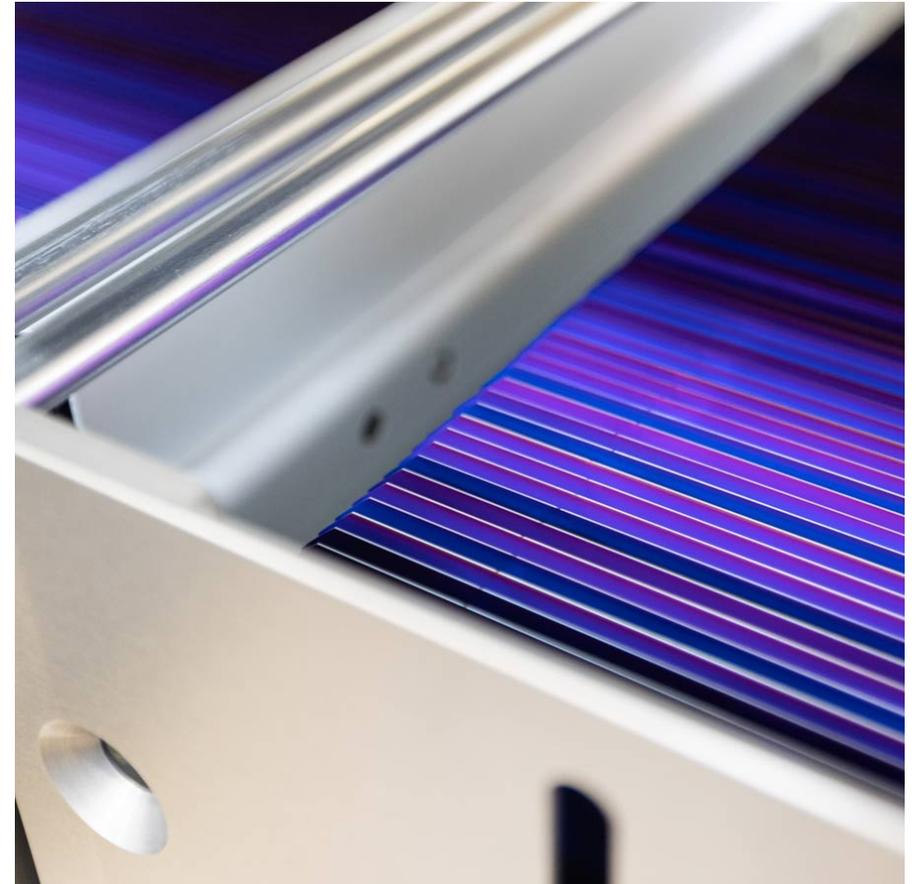
**Meyer Burger has entered an ongoing ramp-up process until the milestone of 1.4 gigawatts production capacity is reached**

- Meyer Burger has started first PV module deliveries in July 2021 as expected. The cell and module production have transitioned to 24/7 operation as planned
- Throughput and yields of the lines have developed positively since then. Equipment has demonstrated nominal performance (cycle time)
- The further production capacities are now added to the already running sites, interrupting ongoing production as little as possible
- At the same time, new products are also being introduced (e.g., modules based on larger M10-size solar cells and the announced new products)
- New employees must be continuously hired and trained for the growing production

# Securing our sustainable supply chains for the growth of the company is the backbone of our operational activities

**Despite global shortages of almost all materials and components, we are currently managing to rule out supply bottlenecks**

- We have secured critical materials affected by current shortages (e.g., silicon, wafer, glass) for the next 12 months and continue to strategically optimize and adjust our supply chain management
- All components with critical delivery times for building own equipment and equipment from third party suppliers for the next expansion milestone have been ordered and the corresponding projects are being executed and closely monitored. The orders for the equipment for the U.S. fab are scheduled to be placed in Q4 2021
- Sustainability criteria are an important basis of our supply chain activities. Meyer Burger's supply chains comply with social and environmental standards and have an optimized carbon footprint. Supply chain management is part of our ESG-related efforts



# Value-oriented segment strategy in selected markets

## Target segments (entered sequentially)

1 Residential rooftop<sup>1</sup>



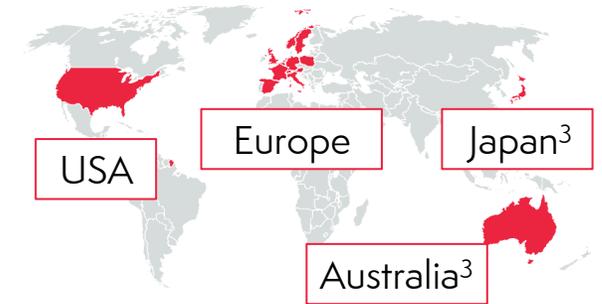
2 C&I rooftop<sup>2</sup>



3 Utility-scale



## Focus markets



### Value drivers

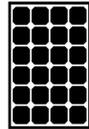
- High performance/energy yield
  - Quality
  - Aesthetics
  - Brand, origin
  - Sustainability
- High performance/energy yield
  - LCOE
  - Quality
  - Brand, origin
  - Sustainability
- LCOE/NPV
  - Quality
  - Sustainability

### Value drivers

- Large market size
- Price premium is achievable and accepted by market participants

1) Includes small commercial systems; 2) Commercial/industrial rooftop; 3) Market entry planned

# Three strong variants: the Meyer Burger 120 half-cell module

Meyer Burger Black	Meyer Burger White	Meyer Burger Glass
"The elegant one"	"The high-performer"	"The special one"
 120 GBb 	 120 GBw 	 120 GGt 
<ul style="list-style-type: none"> <li>• Black backsheet</li> <li>• <b>375–395 W</b></li> <li>• 20.4%–21.5%</li> <li>• 1767 x 1041 mm</li> <li>• 35 mm frame height</li> <li>• 19.7 kg</li> <li>• 1,000 V</li> </ul>	<ul style="list-style-type: none"> <li>• White backsheet</li> <li>• <b>380–400 W</b></li> <li>• 20.7%–21.7%</li> <li>• 1767 x 1041 mm</li> <li>• 35 mm frame height</li> <li>• 19.7 kg</li> <li>• 1,000 V</li> </ul>	<ul style="list-style-type: none"> <li>• Transparent glass backsheet</li> <li>• <b>370–390 W</b></li> <li>• 20.6%–21.8%</li> <li>• Bifaciality factor 90%</li> <li>• 1722 x 1041 mm</li> <li>• 35 mm frame height</li> <li>• 24.4 kg</li> <li>• 1,500 V</li> </ul>

Notes: GB – Glass-Backsheet, GG – Glass-Glass, b – black, t – transparent, w – white;  
 1) Potential-induced degradation; 2) Dynamic mechanical load

**Certifications achieved or pursued:**

Standard	IEC 61215, IEC 61730 UL 61730-1 UL 61730-2
PID <sup>1</sup>	IEC 62804
Energy Rating	IEC 61853
Salt mist	IEC 61701
Ammonium	IEC 62716
DMC2	IEC 62782
Dust & sand	IEC 60068
UK	MCS
Italy	Fire Class 1
France	Carbon ftp

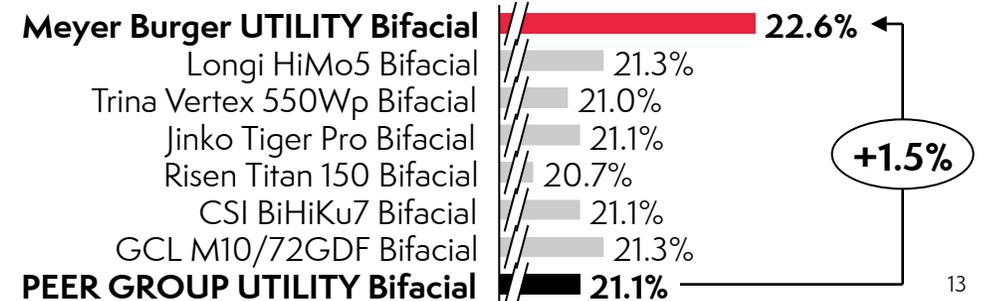
# Meyer Burger is driving the solar module product evolution in utility segment for attractive LCOE expected from 2022

## Planned product features:

- Standard utility sizes based on 72 M10 (182 x 182mm<sup>2</sup>) solar cells
- Specific new features allowing glass-backsheet module efficiencies of up to 22.9% and STC rated power of up to 570 W, glass-glass bifacial module of up to 22.6% and STC rated power of up to 560 W
- Extended warranties; PVEL, VDE and other certifications for bankability

## Production plan:

- The planned new module plant is expected to produce up to 400 MW of utility modules per year, but could also be used to produce rooftop modules in line with market demand



1) Source: Company data sheets, 2) For Meyer Burger expected front side module efficiency according current product planning

# Innovation as a driver – Meyer Burger's solar roof tiles

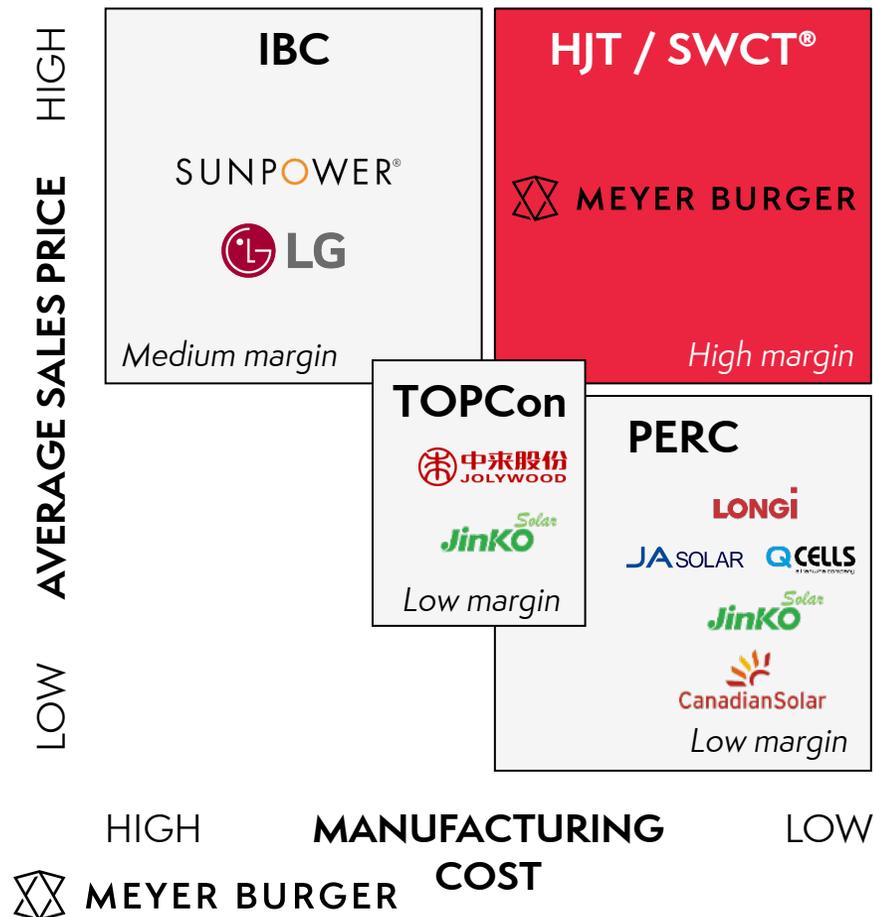


## Meyer Burger sees great growth potential in the market for integrated solar roof tiles

- At the Intersolar trade fair in October 2021, our solar roof tile was a crowd magnet
- Expansion of existing module portfolio with a roof-integrated high-performance solar system that can be installed easily just like traditional roof tiles
- Meyer Burger believes to be able to significantly increase the overall demand for solar roof tiles with this highly innovative product and to strengthen the company's sustainable business development
- Solar roof tiles already been certified according to IEC 61215 and IEC 61730
- **First deliveries of product coming from a pilot manufacturing line are scheduled for second half of 2022**

# Meyer Burger can obtain a favorable market positioning, enabling high margins

## Market positioning and key competitors



## PERC technology expected to continue to dominate mainstream market, but cost and performance potentials are largely exhausted

- Vast majority of new production capacities announced by Tier-1 manufacturers are still based on mainstream PERC technology<sup>1</sup>
- Manufacturers currently focus on introducing larger wafer formats and building larger modules, which is not an inherent technology advantage for PERC
- As of today, TOPCon is not suited to substitute PERC as a mass production technology due to complexity and low yields
- According to public announcements,<sup>1</sup> vast majority of Tier-1 manufacturers' expansion plans are still PERC-based
- Some TOPCon lines have been announced, but not yet implemented at large scale
- Despite many announcements of HJT lines, little has been implemented so far

<sup>1</sup>) Source: AsiaChem Report, September 2021

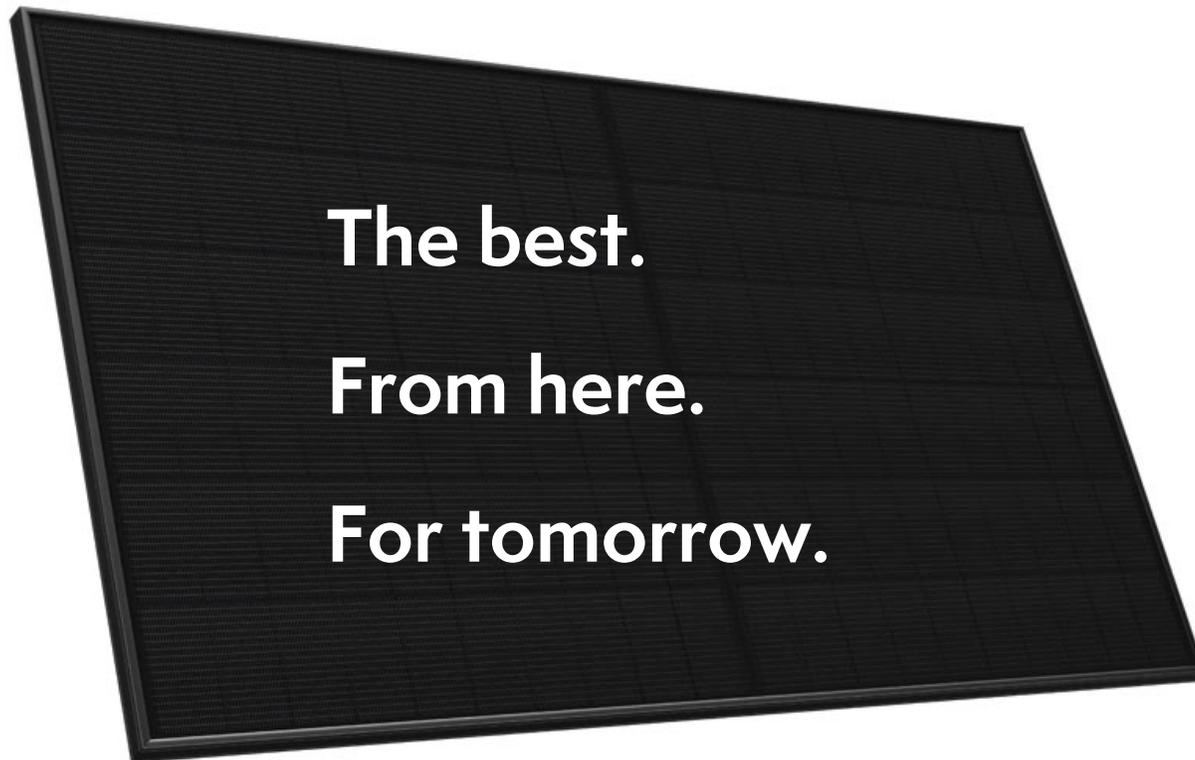
# The next-generation heterojunction technology in the works according to our communicated R&D roadmap



## Development on track:

- Full-size 60 cell module prototypes using next-generation heterojunction cells (interdigitated back contact) built in May 2021 at Meyer Burger Switzerland
- Proof-of-concept (small-aperture SmartWire module) of 24.7% module efficiency (externally confirmed in Feb 2021 by ISFH Hamelin, Germany)
- In-house development of equipment for next-generation cells and modules on track based on HJT technology platform
- Ultra-high efficiency, continued cost-down resulting in competitive production costs
- Bifacial version possible for use in utility projects
- **Commercial module efficiency of  $\geq 24\%$  expected in mass manufacturing**

# Rooftop product with strong unique selling proposition



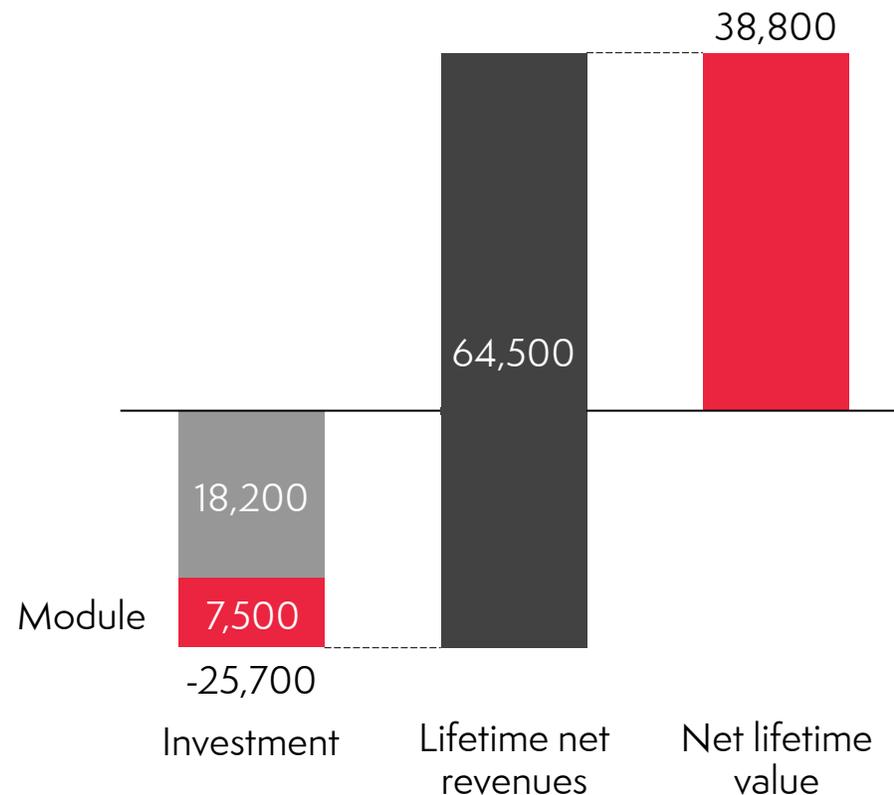
## Strong arguments to sell Meyer Burger module:

-  **High performance:** Higher efficiency<sup>1</sup> (up to 21.8%), more energy per area<sup>1</sup> (up to +20%)
-  **High quality:** Low degradation and long lifetime (>92% warranty after 25 years)
-  **Appealing aesthetics:** Almost uniform black appearance
-  **"Made in Germany":** Cells and modules produced in Germany
-  **Swiss innovation:** Proprietary next-generation PV technology platform
-  **Relatable corporate "story":** Strong media presence and credibility
-  **Sustainability:** High social, environmental standards. Module free of toxic lead

1) Compared to currently offered PERC modules

# Investment case for residential PV is generally highly attractive, with module cost only small part of system cost

## Investment case – residential, Germany [EUR]

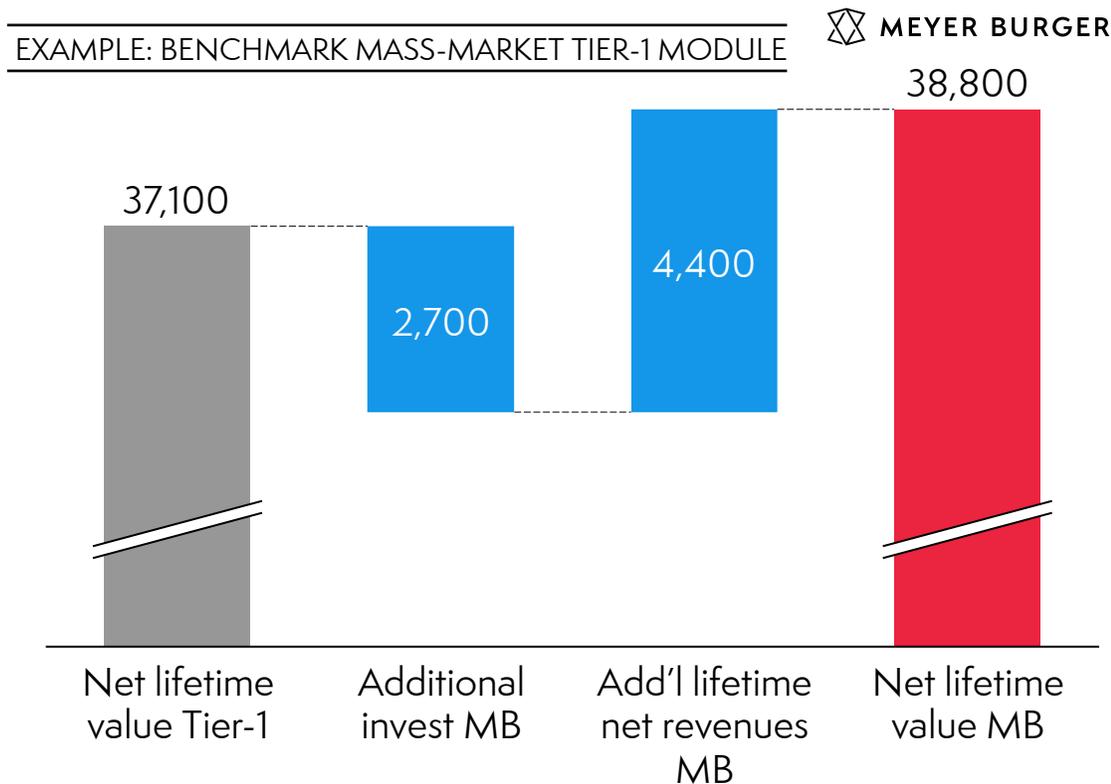


- Solar energy is typically the **most inexpensive way to generate electricity** for households. Investment case is highly attractive
- In Germany, the cost of each kWh produced (LCOE) is on the order of **7–9 EUR cents**, which can substitute a kWh procured from the **utility** for around **30 EUR cents**
- Energy demand is growing, with **electric mobility** and **electrification of heating** adding new demands
- Therefore, **optimization of self-consumption** is key for each solar system: adding a **battery** and maximizing solar system output drives self-consumption
- **Meyer Burger** optimizes system output, with **high energy output per area** among the best in the market

Source: Meyer Burger modeling, market data 11/2021. System parameters: 52 m<sup>2</sup> rooftop area, 30 years system life, 7,000 kWh annual consumption, 8 kWh battery, German site, electricity price 0.30 EUR/kWh, no cost of finance (undiscounted present values), considered module is Meyer Burger Black 380, system size 10.7 kW.

# Meyer Burger makes economically more attractive offering than mass-market competition, despite higher sales price

Net lifetime value [EUR]



**Module price only small part of investment, but performance matters – Meyer Burger offers better net lifetime value**

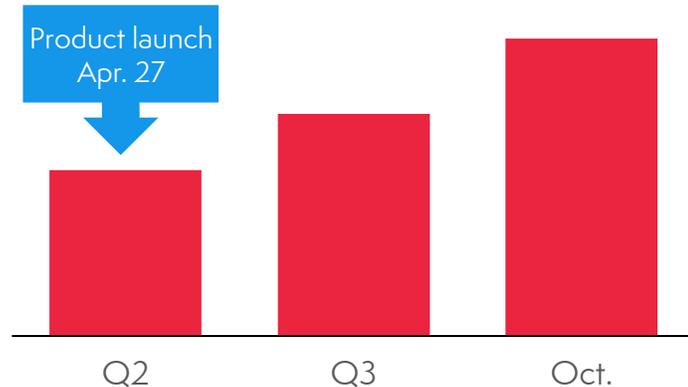
- Due to high efficiency, Meyer Burger **fits more system power into restricted rooftop areas**, maximizing energy harvest and self-consumption potential
- Due to high energy yield and low degradation, Meyer Burger additionally **harvests more kWh** out of each kW installed
- In aggregate, net lifetime value of Meyer Burger system **exceeds standard Tier-1 offerings** significantly, despite slightly higher investment

Source: Meyer Burger modeling, market data 11/2021. System parameters: 52 m<sup>2</sup> rooftop area, 30 years system life, 7,000 kWh annual consumption, 8 kWh battery, German site, electricity price 0.30 EUR/kWh, no cost of finance (undiscounted present values), considered module is Meyer Burger Black 380, system size 10.7 kW (Meyer Burger), benchmark of "mass-market tier-1 module" is derived from a basket of current high-volume tier-1 modules: Q-Cells DUO G9+ black 340, LONGi LR4-60 HIB black 365, JA Solar JAM 60S17 Black 330

# Strong demand for our product fuels robust sales backlog

## Cumulative order intake<sup>1</sup>

MW



- **Steady order intake since product launch**
- **Sold out for 2021, now selling for 2022 delivery – receiving repeat orders from existing customers**
- **Passing on cost increases in 2022 price increase**

## Sales highlights

**~30 direct customers**      **>280 listed installers**

**>17 countries covered**

**>60 country branches**      **>25 sales staff**

- Now continuously supplying our customers with product on a broad basis – order backlog in line with expectations for distribution business
- Strong sales and training activities to strengthen pull from installers
- Pricing policy in line with competitive situation and rising raw materials cost

<sup>1</sup>) Order book plus cumulative shipped volume, per end of period

# Well-executed Meyer Burger market entry coincides with receptive market environment

## Meyer Burger strengths

- **Attractive and unique product properties:** performance, quality, local manufacturing, sustainability meet customer demand
- **Long advance preparation** of customer relations starting already in 2020 paved the way for early sales
- **Trust** as reliable and high-quality European manufacturer transfers to module business
- **New sales and marketing team** brings decades of PV experience and personal network
- **“Human touch”** and closeness to customers

**Sales  
success**

## Market tail winds

- **Continued rapid market growth** in Meyer Burger focus regions
- Generally **poor availability of PV modules** in Europe and U.S., with long delays and unreliable deliveries
- Heightened **awareness of product origin** and associated supply chain issues
- Standard **module prices in EU increased** ~50% since summer 2020
- Key **premium competitors struggling** in the market – losing technical edge, top talent and subsequently market share

Source: Meyer Burger estimates

# Sales strategy is scalable as capacity grows through 2023



Freiberg 0.4 GW, ship resi product

Freiberg 1 GW, ship C&I product

1.4 GW & new fab, ship utility product

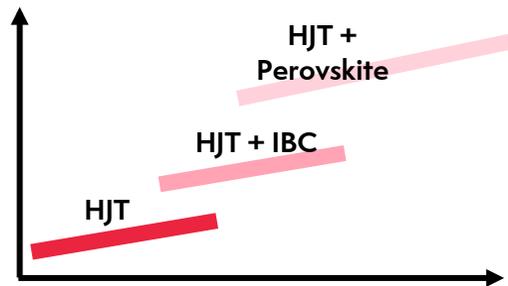


Market entry rooftop	Steady-state sales	Volume expansion	Utility execution
<ul style="list-style-type: none"> <li>Set up sales organization</li> <li>Build distributor network</li> <li>Ensure product availability at all customers</li> <li>Focus on core European markets &amp; U.S., esp. DACH</li> </ul>	<ul style="list-style-type: none"> <li>Achieve sell-through to installers with intensive sales team effort</li> <li>Intensive end-customer marketing campaign</li> <li>Strengthening non-DACH markets</li> <li>Pilot larger projects</li> </ul>	<ul style="list-style-type: none"> <li>Further strengthen covered markets</li> <li>Start geographical expansion into APAC</li> <li>Execute built-up C&amp;I pipeline</li> <li>Further establish bankability</li> </ul>	<ul style="list-style-type: none"> <li>Consolidate and strengthen overall market penetration</li> <li>Execute and grow built-up utility pipeline</li> </ul>

- Strategic sales approach is synchronized with capacity expansion plan
- Phases 1–3 are dominated by distribution business – customers are regularly resupplied as they sell on product. Typical sales backlog on the order of a few months
- In Phase 4, lead times and sales visibility grow, as C&I and utility pipeline (including but not limited to previously communicated LOIs) is executed
- Customary inventory is held due to U.S. shipment lag and to ensure flexibility in serving market

# Meyer Burger stands sustainably on four strong pillars

## Future-proof technology platform



- HJT is “just the beginning”
- Short-, medium- and long-term **product and technology roadmap**
- New products and segments envisaged

## Secured financing



- Sustainably **profitable business model**
- **Expansion plan** for economies of scale
- Solid **financing** - almost CHF 600 million raised in the past 18 months

## Strong solar brand



- Almost **70 years of Swiss tradition**
- Brand stands for premium quality and Meyer Burger’s values

## Scalable sales strategy



- Meyer Burger is backed by professional **people** – direct personal contacts in the sales regions
- **“We listen”**

# Financial outlook

## Targets 2023

- **Expected revenue:**<sup>1</sup> > CHF 550m (EUR 500m)
- **Expected gross profit margin:** > 40%
- **Expected EBITDA margin:** > 25%
- **Expected net debt / EBITDA:** < 1.5x

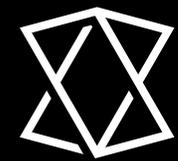
## Long-term goals (2027)

- **Expected revenue:** > CHF 2.0bn (EUR 1.8bn)
- **Expected EBITDA margin:** > 30%
- **Expected net debt / EBITDA:** net cash

## Assumptions

- To realize the stated targets/goals (7 GW capacity by 2027E), in addition to the EUR 185m debt financing and EUR 217m from convertible bond and share placement, another ca. EUR 45m (CHF 50m) in financing is required
- CAPEX (for equal cell and module capacity, in aggregate):
  - Initial phase for completion of 1.4 GW capacity: c. EUR 195m (CHF 214m)/GW
  - Following phases: EUR 160–175m (CHF 176–192m)/GW

Note: Figures relate to Meyer Burger Group consolidated financials. 1) Shipped product mix in 2023 planned to include up to 30% of utility modules



**MEYER BURGER**

*Ready to shine.*