IMPORTANT NOTICE

THIS OFFERING IS AVAILABLE ONLY TO INVESTORS PURCHASING THE SECURITIES OUTSIDE OF THE UNITED STATES IN OFFSHORE TRANSACTIONS IN RELIANCE ON REGULATION S ("**REGULATION S**") UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**") OR ANOTHER EXEMPTION FROM, OR TRANSACTION NOT SUBJECT TO, REGISTRATION UNDER THE SECURITIES ACT, AND TO ONLY EITHER (A) "**QUALIFIED INVESTORS**" (AS DEFINED IN REGULATION EU 2017/1129 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL ON THE PROSPECTUS TO BE PUBLISHED WHEN SECURITIES ARE OFFERED TO THE PUBLIC OR ADMITTED TO TRADING ON A REGULATED MARKET AND REPEALING DIRECTIVE 2003/71/EC (THE "**EU PROSPECTUS REGULATION**"), OR REGULATION (EU) 2017/1129 AS IT FORMS PART OF UNITED KINGDOM DOMESTIC LAW BY VIRTUE OF THE EUROPEAN UNION (WITHDRAWAL) ACT 2018 (THE "**UK PROSPECTUS REGULATION**")) IN THE EUROPEAN ECONOMIC AREA (THE "**EEA**") OR IN THE UNITED KINGDOM, OR (B) OUTSIDE THE EEA AND THE UNITED KINGDOM, AND AS OTHERWISE PERMITTED UNDER APPLICABLE SECURITIES LAWS.

IMPORTANT: **You must read the following disclaimer before continuing.** The following applies to the attached offering and listing prospectus (the "**Prospectus**") relating to the offering of subscription rights and shares in Meyer Burger Technology AG (the "**Company**") accessed via electronic transmission (including e-mail), internet or otherwise received as a result of such access and you are therefore advised to read this disclaimer carefully before reading, accessing or making any other use of the attached Prospectus. Recipients of this electronic transmission who intend to purchase the securities described in the attached Prospectus are reminded that any purchase may only be made on the basis of the information contained in the attached Prospectus and the statement on the results of the offering to be published in connection thereto. In accessing the attached Prospectus, you agree to be bound by the following terms and conditions, including any modifications to them from time to time, each time you receive any information from the Company or Goldman Sachs Bank Europe SE, Jefferies International Limited, Jefferies GmbH and Zürcher Kantonalbank (together, the "**Joint Global Coordinators**") as a result of such access. You acknowledge that this electronic transmission and the delivery of the Prospectus are confidential and intended only for you, and you agree you will not distribute, forward, reproduce (in whole or in part), copy, download or publish this electronic transmission or the Prospectus (electronically or otherwise) to any other person.

IF YOU ARE NOT THE INTENDED RECIPIENT OF THIS ELECTRONIC TRANSMISSION, PLEASE DO NOT DISTRIBUTE OR COPY THE INFORMATION CONTAINED IN THIS ELECTRONIC TRANSMISSION, BUT INSTEAD DELETE AND DESTROY ALL COPIES OF THIS ELECTRONIC TRANSMISSION.

NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER OF SECURITIES FOR SALE IN THE UNITED STATES OR ANY OTHER JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. THE SECURITIES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE SECURITIES ACT, OR THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES, AND THE SECURITIES DESCRIBED IN THE ATTACHED PROSPECTUS MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES EXCEPT PURSUANT TO AN EXEMPTION FROM, OR TRANSACTION NOT SUBJECT TO, REGISTRATION UNDER THE SECURITIES ACT, IN EACH CASE IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES. THERE WILL BE NO PUBLIC OFFERING OF THE SECURITIES IN THE UNITED STATES OR ANY OTHER JURISDICTION OTHER THAN SWITZERLAND.

THE ATTACHED PROSPECTUS IS BEING PROVIDED TO YOU ON A CONFIDENTIAL BASIS FOR INFORMATIONAL USE SOLELY IN CONNECTION WITH YOUR CONSIDERATION OF THE PURCHASE OF THE SECURITIES REFERRED TO THEREIN. ITS USE FOR ANY OTHER PURPOSE IS NOT AUTHORIZED, AND YOU MAY NOT, NOR ARE YOU AUTHORIZED TO, COPY OR REPRODUCE THE PROSPECTUS IN WHOLE OR IN PART IN ANY MANNER WHATSOEVER OR DELIVER, DISTRIBUTE OR FORWARD THE PROSPECTUS, ELECTRONICALLY OR OTHERWISE, OR DISCLOSE ANY OF ITS CONTENTS TO ANY OTHER PERSON. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT, OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OF AMERICA OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS. IF YOU HAVE GAINED ACCESS TO THIS TRANSMISSION CONTRARY TO THE FOREGOING RESTRICTIONS, YOU ARE NOT AUTHORIZED AND WILL BE UNABLE TO PURCHASE ANY OF THE SECURITIES DESCRIBED IN THE ATTACHED PROSPECTUS. IF YOU ARE NOT THE INTENDED RECIPIENT OF THE ATTACHED PROSPECTUS, YOU ARE HEREBY NOTIFIED THAT ANY DISSEMINATION, DISTRIBUTION OR COPYING OF THE ATTACHED PROSPECTUS IS STRICTLY PROHIBITED.

Confirmation of your Representation: You have been sent the attached Prospectus on the basis that you have represented to the Company and each of the Joint Global Coordinators that (i) you and any customers you represent are outside the United States of America, as defined in Regulation S under the Securities Act, not acting on behalf of a person within the United States of America and, to the extent you purchase the securities described in the attached Prospectus, you will be doing so pursuant to Regulation S under the Securities Act; (ii) the electronic mail (or e-mail) address to which the attached Prospectus has been delivered is not located in the United States of America, its territories and possessions, any State of the United States or the District of Columbia (where "possessions" include Puerto Rico, the US Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands); (iii) you consent to delivery of the attached Prospectus and any amendments or supplements thereto by electronic transmission; (iv) if you are in any member state of the EEA, you are a Qualified Investor; (v) if you are in the United Kingdom of Great Britain and Northern Ireland (the "**United Kingdom**"), you are a Qualified Investor who has professional experience in matters relating to investments and (A) who falls within the definition of "investment professionals" in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended) (the "**FSMA Order**"), or (B) who falls within the definition of "high net worth companies" or other persons falling within Article 49(2)(a) to (d) of the FSMA Order, or (C) to whom it may otherwise lawfully be communicated (within the meaning of section 21 of the Financial Services and Markets Act 2000, (vi) the securities acquired in the offer have not been acquired on a non-discretionary basis on behalf of, nor have they been acquired with a view to their offer or resale to, any person in circumstances which may give rise to an offer of any securities to the public in any jurisdiction other than Switzerland and (vii) you are an institutional investor that is eligible to receive this document in accordance with the laws of the jurisdiction in which you are located and with the restrictions set out in the "*Notice to Investors*" section of the attached Prospectus, and you consent to delivery by electronic transmission.

This document does not constitute or contain any offer to sell or invitation to subscribe or make commitments for or in respect of any security in any jurisdiction where such an offer or invitation would be unlawful. There are restrictions on the distribution of the attached Prospectus and/or the offer or sale of securities in certain jurisdictions including Canada, Australia, the member states of the EEA and the United Kingdom and Japan. If a jurisdiction requires that the offering be made by a licensed broker or dealer and the Joint Global Coordinators or any affiliate of the Joint Global Coordinators is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by the Joint Global Coordinators or such affiliate on behalf of the Company (as defined in the Prospectus) in such jurisdiction.

Access has been limited so that it will not constitute a general solicitation.

No action has been or will be taken in any jurisdiction by the Company or any of the Joint Global Coordinators that would, or is intended to, permit a public offering of the securities described in the Prospectus, or possession or distribution of a prospectus (in preliminary, proof or final form) or any other offering or publicity material relating to those securities, in any country or jurisdiction where action for that purpose is required. The Joint Global Coordinators are acting exclusively for the Company and no one else in connection with the offering. They will not regard any other person (whether or not a recipient of this Prospectus) as their client in relation to the offering and will not be responsible to anyone other than the Company for providing the protections afforded to its clients nor for giving advice in relation to the offering or any transaction or arrangement referred to herein.

None of the Joint Global Coordinators or any person who controls any of them nor any personally liable partners (*persönlich haftende Gesellschafter*), director, officer, employee or agent of any of them or any affiliate of any such person any responsibility whatsoever for the contents of the Prospectus or for any statement made or purported to be made by it, or on its behalf, in connection with the Company, the Offered Shares or the Offering (as defined in the Prospectus). The Joint Global Coordinators and their respective affiliates accordingly disclaim all and any liability whether arising in tort, contract, or otherwise which they might otherwise have with respect to the Prospectus or any such statement. No representation or warranty express or implied, is made by any of the Joint Global Coordinators or any of their respective affiliates as to the accuracy, completeness, reasonableness, verification or sufficiency of the information set out in the Prospectus.

The attached Prospectus has been made available to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and, consequently none of the Company, the Joint Global Coordinators or any person who controls any of them nor any personally liable partners (*persönlich haftende Gesellschafter*), director, officer, employee or agent of any of them or any affiliate of any such person accepts any liability or responsibility whatsoever in respect of any difference between the Prospectus distributed to you in electronic format and the hard copy version. By accessing the Prospectus, you consent to receiving it in electronic form (and any amendments or supplements thereto by electronic transmission). A hard copy of the Prospectus will be provided to you at a later date on request, if lawful.

You are reminded that you have accessed the attached Prospectus on the basis that you are a person into whose possession this Prospectus may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not nor are you authorized to deliver this Prospectus, electronically or otherwise, to any other person. If you have gained access to this Prospectus contrary to the foregoing restrictions, you will be unable to purchase any of the securities described therein. If you receive this Prospectus by e-mail, you should not reply by e-mail to this announcement, and you may not purchase any securities by doing so. Any reply e-mail communications, including those you generate by using the "reply" function on your e-mail software, will be ignored or rejected. If you receive this Prospectus by e-mail, your use of this e-mail is at your own risk and it is your responsibility to take precautions to ensure that it is free from viruses and other items of a destructive nature.

MEYER BURGER

Meyer Burger Technology AG
(*a stock corporation organized under Swiss law*)

Offering and listing of up to 934,671,850 registered shares with a nominal value of CHF 0.05 each

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Subscription Ratio: 20 Rights for 7 Offered Shares
Offer Price: CHF 0.267 per Offered Share

This prospectus (the "**Prospectus**") relates to an offering and listing of up to 934,671,850 registered shares of Meyer Burger Technology AG (the "**Company**" and, together with its consolidated subsidiaries, "**Meyer Burger**" or the "**Group**") with a nominal value of CHF 0.05 each (the "**Offered Shares**"; the Offered Shares, together with all issued and outstanding fully paid-up registered shares of the Company with a nominal value of CHF 0.05 each (the "**Existing Shares**"), the "**Shares**"). The offering (the "**Offering**") comprises the Rights Offering (as defined below) and the offering of the Offered Shares (the "**Share Placement**"), each as described herein.

In the rights offering (the "**Rights Offering**"), the Company's holders of Existing Shares will be entitled under Swiss law and the Company's articles of association (the "**Articles of Association**") to subscription rights to subscribe for Offered Shares (the "**Rights**"). Each holder of Existing Shares will be allotted 1 (one) Right per Existing Share held after the close of trading on October 31, 2022 (the "**Cut-off Date**") and should receive such Rights via its depositary bank. Subject to certain restrictions as set forth in this Prospectus, holders of 20 Rights are entitled to purchase 7 Offered Shares (the "**Subscription Ratio**") at a price of CHF 0.267 (the "**Offer Price**") per Offered Share. Subject to certain restrictions as set forth in this Prospectus, the Rights will be transferable and tradable. The Rights may only be exercised in integral multiples of the Subscription Ratio.

As of the date of this Prospectus, the Company has 2,670,491,011 Existing Shares registered in the Commercial Register of the Canton of Berne (Switzerland) with a nominal value of CHF 0.05 each. After completion of the Offering, the Company's registered share capital is expected to amount to CHF 180,258,143.05 and be divided into 3,605,162,861 Shares with a nominal value of CHF 0.05 each. The Offered Shares rank *pari passu* in all respects with each other and with all Existing Shares.

The Company entered into an underwriting agreement (the "**Underwriting Agreement**") with each of Goldman Sachs Bank Europe SE ("**Goldman Sachs**"), Jefferies International Limited ("**JIL**"), Jefferies GmbH ("**JEG**" and, together with JIL, "**Jefferies**") and Zürcher Kantonalbank ("**Zürcher Kantonalbank**" and, together with Goldman Sachs and Jefferies, the "**Joint Global Coordinators**", "**Joint Bookrunners**", "**Underwriters**" or "**Managers**", as the circumstances may require, and each, a "**Joint Global Coordinator**", "**Joint Bookrunner**", "**Underwriter**" or "**Manager**", as the circumstances may require), each acting as joint global coordinator and joint bookrunner regarding the Offering. Pursuant to the terms and subject to the conditions of the Underwriting Agreement, the Joint Global Coordinators (i) have the right to sell Offered Shares in respect of which Rights have not been duly exercised during the Rights Exercise Period (as defined below) (the "**Rump Shares**") in the Share Placement in the manner they determine in their sole discretion (*e.g.* by way of (or a combination of) sales on the open market (*e.g.* via a dribble-out), via a bookbuilding process or otherwise) as further set out in this Prospectus and (ii) for the case and to the extent that not all Offered Shares have been sold in the Rights Offering and in the Share Placement, the Joint Global

Coordinators have undertaken, severally and not jointly, subject to certain conditions, to purchase such Offered Shares (the "**Stick Shares**") at the Offer Price. Further, pursuant to the terms and subject to the conditions of the Underwriting Agreement, Zürcher Kantonalbank (acting for the account and on behalf of the Joint Global Coordinators) has agreed (iii) to subscribe for the Offered Shares and pay up their aggregate nominal value on or about November 10, 2022 and (iv) to deliver on the First Day of Trading (as defined below) on behalf of the Company the Offered Shares to holders of Rights that have duly exercised such Rights and to investors that have acquired Offered Shares in the Share Placement, subject in each case to compliance with applicable securities laws.

The Offering consists of a public offering of Rights and Offered Shares in Switzerland and private placements of Offered Shares to investors outside the United States of America (the "**United States**" or "**U.S.**") made in reliance on Regulation S ("**Regulation S**") under the U.S. Securities Act of 1933, as amended (the "**Securities Act**") or an applicable exemption from the registration requirements of the Securities Act, and in each case in compliance with any applicable securities laws, and on the basis of exemptions provided by the Regulation (EU) 2017/1129 of the European Parliament and of the Council of the European Union (the "**EU**") of June 14, 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, as amended or superseded (the "**Prospectus Regulation**") or, in the case of the United Kingdom, by the Prospectus Regulation, as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018, as amended (the "**UK Prospectus Regulation**").

This Prospectus does not constitute an offer to sell, or a solicitation of an offer to buy, Offered Shares in any jurisdiction where such offer or solicitation is unlawful. Neither the Rights nor the Offered Shares have been or will be registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction in the United States, and may not be offered, sold, resold, delivered, allotted, taken up, transferred or renounced, directly or indirectly, in or into the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. This document may not be sent to any person in the United States or any other jurisdiction in which it would not be permissible to make an offer of the Rights or the Offered Shares ("**Ineligible Jurisdiction**"), nor may this document be forwarded to any such person. Holders of Existing Shares in the United States, Canada, Japan, Australia or with a registered address in any of these jurisdictions, as well as nominees, depositaries or dealers holding Existing Shares for the account or benefit of beneficial owners resident in such jurisdictions, should note that they are not entitled to exercise their Rights under the terms of the Offering as described in this Prospectus. Holders of Existing Shares in other jurisdictions (other than Switzerland) or with a registered address in any of these jurisdictions, as well as nominees, depositaries or dealers holding Existing Shares for the account or benefit of beneficial owners resident in such jurisdictions, should inform themselves at their depository bank if they are permitted to exercise Rights. Depositary banks, custodians and other financial intermediaries holding Existing Shares for investors resident in jurisdictions where holders of Existing Shares are not permitted to exercise their rights should consider to sell the Rights held for the benefit of such persons to the extent permitted under their arrangements with such persons and applicable law and to remit the net proceeds to the account of such persons. Rights that are not exercised will lapse without compensation (see "*Certain Restrictions—Shareholders not eligible to exercise Rights*" beginning on page 6).

For a description of certain restrictions in other jurisdictions regarding the Offering and sale of the Rights or Offered Shares, see "*Certain Restrictions*" and "*Offering Restrictions*" beginning on pages 6 and 232, respectively.

Investing in the Offered Shares involves considerable risks. For a discussion of certain factors that should be considered in connection with an investment in the Rights or Offered Shares, see "*Risk Factors*" beginning on page 29.

Application has been made and approval has been given by SIX Exchange Regulation AG, subject to certain conditions, for the Rights to be admitted to trading on SIX Swiss Exchange AG (together with SIX Exchange Regulation AG, and each individually, "**SIX Swiss Exchange**" or "**SIX**") from November 1, 2022 to close of trading on November 7, 2022 (the "**Rights Trading Period**"). The Rights must be exercised between November 1, 2022 and November 9, 2022, 12:00 noon (CET) (the "**Rights Exercise Period**"). Rights that are not validly exercised during the Rights Exercise Period will expire without the right to any compensation. Holders and acquirers of Rights should

note that their depository banks may set an earlier deadline for exercising Rights.

The Existing Shares are listed according to the Swiss Reporting Standard of SIX Swiss Exchange and traded under the Symbol MBTN. It is expected that the Capital Increase (as defined in "*The Offering—Corporate resolutions*" beginning on page 227) will be registered with the commercial register of the Canton of Berne (Switzerland) on or about November 10, 2022 and that the Offered Shares will be listed, and that trading according to the Swiss Reporting Standard in the Offered Shares will commence on or about November 11, 2022 (the "**First Day of Trading**").

The Offered Shares will be issued as uncertificated (or dematerialized) securities (*einfache Wertrechte*) within the meaning of article 973*c* of the Swiss Code of Obligations (*Schweizerisches Obligationenrecht*, "**CO**") and will be intermediated securities (*Bucheffekten*) within the meaning of the Swiss Federal Act on Intermediated Securities (*Bucheffektengesetz*, "**FISA**"). Because the Offered Shares are issued in the form of uncertificated (or dematerialized) securities (*einfache Wertrechte*), no share certificates will be issued and no share certificates will be available for individual physical delivery. See "*Description of the Share Capital and the Shares—Form and rank of Shares*" beginning on page 213. Application has been made for the Rights and the Offered Shares to be accepted for clearance through SIX SIS AG ("**SIS**"). It is expected that delivery against payment of the Offered Shares (the "**Closing**") will take place on or about November 11, 2022.

This Prospectus dated October 31, 2022 has been approved by SIX Exchange Regulation AG in its capacity as a review body within the meaning of article 52 of the Swiss Financial Services Act (*Finanzdienstleistungsgesetz,* "**FinSA**") (in such capacity, the "**Swiss Review Body**") on October 31, 2022.

Joint Global Coordinators and Joint Bookrunners

Goldman Sachs Bank Europe SE

Jefferies

Zürcher Kantonalbank

The date of this Prospectus is October 31, 2022.

NOTICE TO INVESTORS

This Prospectus has been prepared in accordance with the FinSA and its implementing ordinance for the purposes of offering the Offered Shares and Rights and listing the Offered Shares on SIX Swiss Exchange in accordance with the Swiss Reporting Standard and admitting the Rights to trading on SIX Swiss Exchange.

Meyer Burger Technology AG, Schorenstrasse 39, 3645 Gwatt (Thun), Switzerland, assumes responsibility for the completeness and accuracy of the information in this Prospectus and any supplement. The Company confirms that the information in this Prospectus is true and correct to the best of its knowledge and that there are no material facts or circumstances omitted from this Prospectus the omission of which would make any statement herein misleading, whether of fact or opinion.

The information contained in this Prospectus is accurate only as of the date of this Prospectus, and any delivery of this Prospectus or any sale of Rights or Offered Shares at any time subsequent does not imply that the information in this Prospectus continues to be correct at such subsequent time or that there has been no change in the affairs of the Company since the date of this Prospectus. Any significant new factor or material inaccuracy related to the information included in this Prospectus which is capable of affecting the assessment of the Offered Shares and which arises or is noted since the date of this Prospectus will be announced through electronic media or a supplement (if required). Any notices containing or announcing amendments or changes to the terms of the Offering or to this Prospectus will be announced through electronic media or a supplement (if required). Notices required under the Listing Rules will be published on the website of SIX Swiss Exchange (currently: https://www.ser-ag.com/en/resources/notifications-market-participants/official-notices.html#/).

In making investment decisions, investors must rely upon their own examination of the Company and on the terms of the Offering made hereby, including the risk factors included in this Prospectus, and any amendments or supplements made to this Prospectus by the Company, taking into account that any summary or description set forth in this Prospectus of legal provisions, accounting principles or comparison of such principles, corporate structuring or contractual relationships is for information purposes only and should not be considered to be legal, accounting or tax advice or be otherwise relied on.

Subject to certain exceptions, this Prospectus may not be sent to any Ineligible Jurisdiction in which it would not be permissible to deliver or make an offer of the Rights or the Offered Shares, and the Rights or Offered Shares may not be offered or sold in any such Ineligible Jurisdiction (see "*Certain Restrictions*" and "*Offering Restrictions*" beginning on pages 6 and 232, respectively).

This Prospectus does not constitute or form part of (i) any offer or invitation to purchase, or any solicitation of any offer to purchase, any securities other than the securities to which it relates, or (ii) any offer or invitation to purchase, or any solicitation of any offer to purchase, any securities of the Company (including the Rights and the Offered Shares) in any Ineligible Jurisdiction. No action has been or will be taken in any jurisdiction other than Switzerland by the Company or the Joint Bookrunners that would, or is intended to, permit, (i) a public offering of Rights or Offered Shares or (ii) possession or distribution of this Prospectus in any country or jurisdiction where action for that purpose would be required. The distribution of this Prospectus and the offering and sale of Rights or Offered Shares in certain jurisdictions is restricted by law. Any person into whose possession this Prospectus comes and persons who would like to purchase Rights or Offered Shares pursuant to the Offering should inform themselves about and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of the securities laws or regulations of any such jurisdiction. This Prospectus may not be used for, or in connection with, any offer to, or solicitation by, anyone in any jurisdiction or in any circumstances where such offer or solicitation is not authorized or is unlawful. Neither the Company nor the Joint Bookrunners are making any representation to any offeree or purchaser of Rights or Offered Shares described herein regarding the legality of an investment therein by such offeree or purchaser.

In particular, the Rights and Offered Shares described herein have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States. The Rights and Offered Shares may not be offered, sold or delivered within the United States, except pursuant to an exemption

from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state or local laws or laws of other jurisdictions.

The Rights and Offered Shares have not been approved or disapproved by the U.S. Securities and Exchange Commission or any other securities commission or regulatory authority in the United States, nor have the foregoing authorities approved this Prospectus or confirmed the accuracy or determined the adequacy of the information contained in this Prospectus. Any representation to the contrary is a criminal offense in the United States.

The information contained in this Prospectus has been provided by the Company and by the other sources identified in this Prospectus. No representation or warranty, express or implied, is made by the Joint Bookrunners or any of their affiliates or advisers as to the accuracy or completeness of the information contained in this Prospectus, and nothing contained in this Prospectus is, or shall be relied upon as, a promise or representation by the Joint Bookrunners or any of their affiliates or advisers as to the past or the future. The Joint Bookrunners assume no responsibility for the accuracy, completeness or verification of any information contained in this Prospectus and accordingly disclaim, to the fullest extent permitted by applicable law, any and all liability whether arising in tort, contract or otherwise which they might otherwise be found to have in respect of this Prospectus or any such statement.

None of the Company or the Joint Bookrunners or any of its or their respective affiliates or advisers are making any representation to any offeree, holder of Rights or purchaser of Rights or Offered Shares offered hereby regarding the legality of an investment by such offeree, holder of Rights or purchaser under applicable legal investment or similar laws. Each investor should consult with its own advisers as to the legal, tax, business, financial and related aspects of the exercise of Rights and the purchase of Rights or Offered Shares.

Investors should rely only on the information contained in this Prospectus and any amendments or supplements expressly made to it by the Company. No person is authorized to give any information or make any representation not contained in this Prospectus in connection with the Offering and, if given or made, such information or representation must not be relied on as having been authorized by the Joint Bookrunners or by the Company. This document may only be used where it is legal to sell the Rights or the Offered Shares. The information in this Prospectus is only accurate on the date of this document. The delivery of this Prospectus or any sale of Rights or Offered Shares made hereunder shall not, under any circumstances, create any implication that there has or has not been any change in the facts set out in this Prospectus or in the affairs of the Company since the date hereof.

In connection with the Offering, each of the Joint Bookrunners and any affiliate acting as an investor for its own account may take up the Rights and/or the Offered Shares and, in that capacity, may retain, purchase or sell for its own account such securities and any of the securities of the Company or related investments, and may offer or sell such securities or other investments otherwise than in connection with the Offering, provided that any such take-up, purchase, offer or sale is made in accordance with applicable law and regulations. Accordingly, references in this document to the Rights and the Offered Shares should be read as including any offering or placement of securities to the Joint Bookrunners and any affiliate acting in such capacity. The Joint Bookrunners do not intend to disclose the extent of any such investment or transactions other than in accordance with any legal or regulatory obligation to do so. Information on the Company's or any of its affiliates' website, any website directly or indirectly linked thereto or any other website mentioned in this Prospectus is not incorporated by reference into this Prospectus and prospective investors should not rely on any such website in making their decision to invest in the Rights or the Offered Shares.

The Joint Bookrunners are acting exclusively for the Company and no one else in connection with the Offering. The Joint Bookrunners will not regard any other person (whether or not a recipient of this Prospectus) as their clients in relation to the Offering and will not be responsible to anyone other than the Company for providing the protections afforded to their clients nor for providing advice in relation to the Offering or any transaction or arrangement referred to herein.

Printed copies of this Prospectus and any supplements thereof, if any, are available free of charge in Switzerland, for 12 months following the First Day of Trading of the Offered Shares at Meyer Burger Technology AG, Schorenstrasse 39, 3645 Gwatt (Thun), Switzerland (e-mail: ir@meyerburger.com) or Zürcher Kantonalbank, Zurich, Switzerland (e-mail: prospectus@zkb.ch).

CERTAIN RESTRICTIONS

The distribution of this Prospectus and the Offering are restricted by law in certain jurisdictions. Therefore, persons into whose possession this Prospectus comes and persons who would like to purchase or exercise the Rights or purchase Rights or Offered Shares pursuant to the Offering should inform themselves about and observe such restrictions. Any failure to comply with such restrictions may constitute a violation of the securities laws or regulations of any such jurisdiction. The Rights may not be transferred or sold to, or delivered into any of the Ineligible Jurisdictions.

The offer of the Rights or Offered Shares to persons resident in jurisdictions other than Switzerland may be affected by the laws of such other jurisdictions. No action has been or will be taken in any jurisdiction other than Switzerland that would permit a public offering of the Rights or Offered Shares or the possession, circulation or distribution of this Prospectus or any other material relating to the Company or Rights or Offered Shares in any jurisdiction where action for that purpose is required. Accordingly, the Rights or Offered Shares may not be sold, directly or indirectly, and neither this Prospectus nor any other offering material or advertisement in connection with the Rights or the Offered Shares may be distributed or published, in any form or in any country or jurisdiction except under circumstances that will result in compliance with any applicable laws, rules and regulations of any such country or jurisdiction. Persons resident in countries other than Switzerland should consult their professional advisors as to whether they require any governmental or other consents or need to observe any formalities to enable them to exercise, purchase, subscribe, or otherwise acquire Rights or Offered Shares in the Offering.

Each recipient of Rights and each prospective purchaser of Rights or Offered Shares outside Switzerland ("**Offeree**"), by accepting delivery of this Prospectus, will be deemed to have acknowledged, represented to and agreed with the Company and the Joint Bookrunners as follows:

(i) Such Offeree acknowledges that this Prospectus is personal to such Offeree and does not constitute an offer to any other person or to the public generally, to subscribe for or otherwise acquire Rights or Offered Shares outside Switzerland. Distribution of this Prospectus or disclosure of any of its contents to any person other than such Offeree and those persons, if any, retained to advise such Offeree with respect thereto is unauthorized, and any disclosure of any of its contents, without the prior written consent of the Company, is prohibited.

(ii) Such Offeree agrees not to make any electronic or physical copies of this Prospectus or any documents referred to herein and to not forward or deliver this Prospectus (in any form) electronically or otherwise, to any other person or reproduce this Prospectus in any manner whatsoever and, if such Offeree does not exercise Rights or purchase Offered Shares or if the Offering is terminated, agrees to return this Prospectus and all documents referred to herein to the Joint Bookrunners.

(iii) Such Offeree has not relied on the Managers or any person affiliated with the Managers in connection with any investigation of the accuracy of any information contained in this Prospectus or its investment decision, and it has relied only on the information contained in this Prospectus and any supplements hereto.

(iv) No person has been authorized to give any information or to make any representation concerning the Group, the Rights or the Offered Shares (other than as contained in this Prospectus) and, if given or made, any such other information or representation should not be relied upon as having been authorized by the Company or the Managers.

Shareholders not eligible to exercise Rights

Holders of Existing Shares in the United States, Canada, Japan, Australia or with a registered address in any of these jurisdictions, as well as nominees, depositaries or dealers holding Existing Shares for the account or benefit of beneficial owners resident in such jurisdictions, should note that they are not entitled to exercise their Rights under the terms of the Offering as described in this Prospectus. Holders of Existing Shares in other jurisdictions (other than Switzerland) or with a registered address in any of these jurisdictions, as well as nominees, depositaries or dealers holding Existing Shares for the account or benefit of beneficial owners resident in such jurisdictions, should inform themselves at their depository bank if they are permitted to exercise Rights. Depositary banks, custodians and other financial intermediaries holding Existing Shares for investors resident in jurisdictions where holders of Existing

Shares are not permitted to exercise their rights should consider to sell the Rights held for the benefit of such persons to the extent permitted under their arrangements with such persons and applicable law and to remit the net proceeds to the account of such persons. Rights that are not exercised will lapse without compensation.

United States of America sales restrictions

The Company has represented and agreed that it has not made and will not make any application for listing the Rights or the Shares on an exchange outside Switzerland.

The Rights and Offered Shares have not been approved or disapproved by the U.S. Securities and Exchange Commission or any other securities commission or regulatory authority in the United States, nor have the foregoing authorities approved this Prospectus or confirmed the accuracy or determined the adequacy of the information contained in this Prospectus. Any representation to the contrary is a criminal offense in the United States.

The Rights and Shares have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction in the United States, and may not be offered, sold or delivered within the United States except pursuant to an applicable exemption from the registration requirements of the Securities Act and in compliance with any applicable securities laws. The Rights and the Offered Shares may be offered, sold and delivered outside the United States to investors in "offshore transactions" in reliance on Regulation S.

The Company and the Joint Bookrunners have not offered or sold, and will not offer or sell, any Rights or Offered Shares except in accordance with Rule 903 of Regulation S.

Accordingly, neither the Company, nor the Joint Bookrunners and their affiliates, nor any persons acting on their behalf have engaged or will engage in any "directed selling efforts" with respect to the Rights and the Offered Shares, and the Company, the Joint Bookrunners and their affiliates, and any persons acting on their behalf have complied and will comply with the offering restrictions requirement of Regulation S.

Each purchaser of the Rights and the Offered Shares outside the United States in compliance with Regulation S will be deemed to have represented, acknowledges and agreed that it has received a copy of this Prospectus and such other information as it deems necessary to make an informed investment decision and that:

(i) it is authorized to consummate the subscription for or purchase of the Rights and the Offered Shares in compliance with all applicable laws and regulations;

(ii) it acknowledges that the Rights and the Offered Shares have not been and will not be registered under the U.S. Securities Act, or with any securities regulatory authority of any state of the United States, and, subject to certain exceptions, may not be offered or sold within the United States;

(iii) it and the person, if any, for whose account or benefit the subscribing person or purchaser is acquiring the Rights and the Offered Shares, was located outside the United States at the time the subscription or buy order for the Offered Shares was originated and continues to be located outside the United States and has not subscribed for or purchased the Offered Shares for the account or benefit of any person in the United States or entered into any arrangement for the transfer of the Offered Shares or any economic interest therein to any person in the United States;

(iv) it is not an affiliate of the Company or a person acting on behalf of such affiliate;

(v) the Rights and the Offered Shares have not been offered to it by means of any "directed selling efforts" as defined in Regulation S;

(vi) it is aware of the restrictions on the offer, sale and transfer of the Rights and the Offered Shares pursuant to Regulation S and acknowledges that the Company shall not recognize any offer, sale, pledge or other transfer of the Rights and the Offered Shares made other than in compliance with the above stated restrictions;

(vii) if it is acquiring any of the Rights and the Offered Shares as a fiduciary or agent for one or more accounts, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of each such account; and

(viii) it acknowledges that the Company, the Joint Bookrunners and their respective affiliates will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements.

Terms not otherwise defined herein and used in this paragraph entitled "*United States of America sales restrictions*" have the meanings given to them by Regulation S.

European Economic Area sales restrictions

No offer of, invitation to purchase or solicitation of any offer to purchase any Rights or Offered Shares may be made in any state of the European Economic Area (each, an "**EEA Member State**"), except:

(i) to any person or legal entity which is a "qualified investor" as defined in article 2(e) of the Prospectus Regulation; or

(ii) in any other circumstances falling within article 1(4) of the Prospectus Regulation;

provided, *in each case*, that no such offer of, invitation to purchase or solicitation of any offer to purchase, Rights or Offered Shares shall result in a requirement for the publication by the Company or the Joint Bookrunners of a prospectus pursuant to article 3 of the Prospectus Regulation or of a prospectus supplement pursuant to article 23 of the Prospectus Regulation and each person who initially acquires Rights or Offered Shares or to whom any offer, invitation to purchase or solicitation of any offer to purchase, is made will be deemed to have represented, warranted and agreed to and with the Joint Bookrunners and the Company that it is a "qualified investor" as defined in article 2(e) of the Prospectus Regulation.

The expression "Prospectus Regulation" means Regulation (EU) 2017/1129 of the European Parliament and of the Council of June 14, 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, as amended or superseded.

In the case of any Rights or Offered Shares being offered to a financial intermediary as that term is used in the Prospectus Regulation, such financial intermediary will be deemed to have represented, acknowledged and agreed that the Rights and the Offered Shares acquired by it in the Offering have not been acquired on a non-discretionary basis on behalf of, nor have they been acquired with a view to their offer or resale, invitation to purchase or solicitation of any offer to purchase to, persons in circumstances which may give rise to an offer of any Rights or Offered Shares to the public other than their offer or resale, invitation to purchase or solicitation of any offer to purchase in an EEA Member State to qualified investors as so defined or in circumstances in which the prior consent of the Joint Bookrunners has been obtained to each such proposed offer or resale, invitation to purchase or solicitation to any offer to purchase.

The Company and the Joint Bookrunners and their affiliates and others will rely upon the truth and accuracy of the foregoing representation, acknowledgement and agreement. Notwithstanding the above, a person who is not a qualified investor and who has notified the Joint Bookrunners of such fact in writing may, with the consent of the Joint Bookrunners, be permitted to subscribe for or purchase Rights or Offered Shares in the Offering.

United Kingdom sales restrictions

This Prospectus is only directed at and will only be provided to persons to whom interests may lawfully be promoted pursuant to section 21 of the Financial Services and Markets Act 2000 (the "**FSMA**"). In particular, this Prospectus is only directed at and will only be provided to investment professionals within the meaning of article 19 of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 ("**FPO**") ("**Relevant Persons**"). Any investment or investment activity to which this Prospectus relates is available only to Relevant Persons and will be engaged in only with Relevant Persons. Persons who are not investment professionals within the meaning of article 19 of the FPO should not rely on this Prospectus.

This Prospectus has not been delivered for approval to the Financial Services Authority ("**FSA**") in the United Kingdom or to an authorised person within the meaning of FSMA. No approved prospectus within the meaning of section 85 of FSMA or of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the

prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, as amended or superseded, as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018, as amended (the "**UK Prospectus Regulation**") has been published or is intended to be published in relation to the Offering. This Prospectus does not constitute a prospectus for the purposes of FSMA or the UK Prospectus Regulation.

Canada sales restrictions

This Prospectus is not a prospectus for purposes of Canadian securities laws. Furthermore, this Prospectus is not, and under no circumstances is to be construed as, an advertisement or offering of the Rights and Shares in Canada or any provinces thereof in any way and nothing in this Prospectus should be interpreted as extending the offer to a resident in Canada. Canadian residents are not permitted to purchase the Rights and the Shares directly or indirectly whether pursuant to an exemption from prospectus and registration requirements or otherwise.

Japan sales restrictions

The Rights and Shares have not been and will not be registered under the Financial Instruments and Exchange Law of Japan, as amended (the "**FIEL**") and the Rights and the Shares may not be not, directly or indirectly, offered or sold in Japan or to, or for the account or benefit of, any resident of Japan or to others for re-offering or re-sale, directly or indirectly, in Japan or to, or for the account or benefit of, any resident of Japan, except pursuant to an exemption available from the registration requirements of, and otherwise in compliance with, the FIEL and any other applicable laws, regulations and governmental guidelines in Japan. As used in this paragraph, "resident of Japan" means any person resident in Japan, including any corporation or other entity organized under the laws of Japan.

Australia sales restrictions

Any offer, invitation, transfer or issue of Rights or Offered Shares to any person located in, or a resident of, Australia may not occur unless the person is professional investor or sophisticated investor for the purposes of Chapter 6D of the Corporations Act 2001 (Cth) (the "**Corporations Act**"). This document has not been, and will not be, lodged with the Australian Securities and Investments Commission (ASIC), Australian Securities Exchange (ASX) or any other regulatory body or agency in Australia as a disclosure document for the purposes of the Australian Corporations Act and is not required to, and does not, contain all the information which would be required in a disclosure document under Australian law. If you are in Australia, you represent and warrant that you are a "professional investor" or "sophisticated investor" (within the meaning of section 708(8) and section 708(11), respectively, of the Corporations Act).

General sales restrictions

No action has been or will be taken in any jurisdiction other than Switzerland by the Company or the Joint Bookrunners that would, or is intended to, permit a public offering of the Rights or Offered Shares, or possession or distribution of this Prospectus or any other offering material, in any country or jurisdiction where action for that purpose is required.

EACH PURCHASER WILL BE DEEMED TO HAVE ACKNOWLEDGED, REPRESENTED AND WARRANTED THAT IT UNDERSTANDS AND AGREES TO THE FOREGOING RESTRICTIONS.

INDUSTRY AND MARKET DATA

Market information and other statements presented in this Prospectus regarding the position of the Company relative to its competitors are based on the Executive Board's good faith estimates. These estimates are based upon information obtained from customers, trade and business organizations and associations, and, in some cases, upon published statistical data or information from independent sources, such as:

- Bloomberg New Energy Finance ("**BNEF**")
- Center on Global Energy Policy (Columbia), the Belfer Center at the Harvard Kennedy School and the Norwegian Institute of International Affairs Council of the European Union
- Congressional Research Service
- Ember
- Energy & Carbon
- European Commission
- European Social Survey 2019
- Fraunhofer Institute for Solar Energy Systems ("**Fraunhofer ISE**")
- International Energy Agency ("**IEA**"), International Energy Agency Photovoltaic Power Systems Programme ("**IEA PVPS**")
- Lazard
- International Renewable Energy Agency ("**IRENA**")
- Oxford Net Zero
- Pew Research 2019
- PV Infolink
- PV Tech
- RTS Corporation
- Solar Energy Industries Association ("**SEIA**") / Wood Mackenzie ("**WoodMac**")
- SolarPower Europe (previously called European Photovoltaic Industry Association)Solar Power World
- Solar PV Market Research ("**SPV Market Research**")
- The Mechanical Engineering Industry Association/Verband Deutscher Maschinen- und Anlagenbau ("**VDMA**")
- The White House
- U.S. Customs and Border Protection ("**CBP**")
- U.S. Democrat Senate
- U.S. Department of Commerce
- U.S. Department of Energy
- U.S. National Renewable Energy Laboratory ("**NREL**")

Except as otherwise stated, market share data, as well as the Company's assessment of its comparative competitive position, has been derived by comparing the Group's sales figures to the Group's estimates of its competitors' sales figures for the respective period, as well as by comparing published statistical data and information from independent sources.

Market studies and analyses are inherently predictive and subject to uncertainty and not necessarily reflective of actual market conditions, are frequently based on information and assumptions that may not be accurate or technically correct, and their methodology may be forward-looking and speculative. In particular, market studies and analyses are based on market research, which itself is based on sampling and subjective judgments by both the researchers and the respondents, including judgments about what types of products and transactions should be included in the relevant market. Consequently, although the Company believes these sources are reliable, prospective investors should not rely on the market share data and other market information presented herein, as neither the Company nor the Joint Bookrunners have independently verified the information and cannot guarantee its accuracy and completeness. Furthermore, while the Company believes its internal estimates to be reasonable, such estimates have not been verified by any independent sources and neither the Company nor the Joint Bookrunners can assure potential investors as to their accuracy or that a third party using different methods to assemble, analyze or compute market data would obtain the same result. Neither the Company nor the Joint Bookrunners intend to or assume any obligations to update industry or market data set forth in this Prospectus. Finally, behavior, preferences and trends in the marketplace tend to change. As a result, investors and prospective investors should be aware that data in this Prospectus and estimates based on that data may not be reliable indicators of the Company's financial or other position and future results.

FORWARD-LOOKING STATEMENTS

This Prospectus includes "forward-looking statements", which are all statements other than statements of historical facts or present facts or circumstances included in this Prospectus, including, without limitation, those regarding the Group's financial position, business strategy, plans and objectives of management for future operations (including development plans, objectives relating to existing and future products and plans for production capacity expansion) of the Group. Words like "believe", "anticipate", "expect", "project", "estimate", "predict", "intend", "target", "assume", "may", "might", "could", "should", "will" and similar expressions are intended to identify such forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause the actual results, performance or achievements of the Group, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Further, such forward-looking statements are based on numerous assumptions regarding the Group's present and future business strategies and the environment in which the Group will operate in the future. Important factors that could cause the Group's actual results, performance or achievements to differ materially from those in the forward-looking statements include, among others: the ability of the Group to implement its business strategies, the financial condition and liquidity of the Group, changes in the world and regional market, currency fluctuations and inflation, the continued impact of the COVID-19 Pandemic (as defined below), the impact of the current global supply chain crisis, the conflict between Ukraine and Russia and other factors referred to in this Prospectus. Additional factors that could cause actual performance results or achievements to differ materially include, but are not limited to, those discussed under "*Risk Factors*".

Given these uncertainties, in reliance on article 69(3) FinSA, prospective investors are cautioned not to rely on such forward-looking statements. Although the Company believes that the expectations reflected in these forward-looking statements are reasonable, the Company can give no assurance that they will materialize or prove to be correct. Such statements are inherently uncertain and subject to a variety of circumstances, many of which are beyond the Company's control and could cause actual results to differ materially from what the Company anticipates. Due to the uncertainty of future developments, to the fullest extent permitted by applicable law, neither the Company nor the Managers assume any liability in respect to or in connection with such prospects or other forward-looking statements contained herein.

Any forward-looking statement speaks only as of the date of this Prospectus. Each of the Company and the Managers expressly disclaims any obligation or undertaking to publicly release any updates of or revisions to any forward-looking statement contained herein to reflect any change in the Company's expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

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SUMMARY

This summary should be read as an introduction to this Prospectus and constitutes a summary within the meaning of articles 40(3) and 43 FinSA. This summary is qualified in its entirety by, and should be read in conjunction with, the more detailed information appearing elsewhere in this Prospectus, including the discussion under "Risk Factors", as well as with the Financial Statements included elsewhere in this Prospectus. Investors should base their investment decision on a review of the entire Prospectus, and not only this "Summary" section, because of the significantly more detailed information in other parts of this Prospectus.

Any potential investors in the Rights or Offered Shares should be aware that liability under article 69 FinSA for the summary is limited to cases where the information contained herein is misleading, inaccurate or inconsistent when read together with the other parts of the Prospectus.

Capitalized terms used in this summary but not defined herein have the meanings assigned to them elsewhere in this Prospectus.

Overview

Meyer Burger is a large-scale solar photovoltaic ("**PV**") cell and module manufacturer that leverages its proprietary high-performance heterojunction ("**HJT**") and SmartWire technologies and manufacturing equipment in a "captive" business model, under which Meyer Burger's manufacturing equipment is used for its own cell and module production. The Group is currently operating a cell manufacturing site in Thalheim (city of Bitterfeld-Wolfen, Saxony-Anhalt, Germany) and a module manufacturing site in Freiberg (Saxony, Germany). The nominal annual production capacity as of June 30, 2022, was approximately 400 megawatts ("**MW**") and is currently in the process of being expanded to approximately 1 gigawatt ("**GW**") by the end of 2022 ("nominal annual capacity" is the theoretical output measured in GW of cell or module power, that a manufacturing line could produce over the course of one year if run at full utilization; during the ramp-up period, actual output may be lower). An expansion to approximately 1.4 GW nominal annual production capacity is currently being prepared, expected to become operational in 2023. Meyer Burger produced an aggregate of 30 MW of PV modules in 2021. In the six months ended June 30, 2022, Meyer Burger produced 108 MW, and generated net sales of CHF 56.7 million and an EBITDA of CHF -24.4 million.

Originally, Meyer & Burger Ltd. was founded in 1953 in Switzerland as a manufacturer of production equipment for the Swiss watch industry. Around the turn of the millennium, the company started supplying production machines for the semiconductor and later also the nascent PV industry. Through organic growth and a number of acquisitions, the Group became a major supplier of manufacturing equipment for the PV industry. However, Meyer Burger was not able to fully realize the economic value of its successive developments in PV technologies such as diamond wire wafer sawing or PERC PV cell technology. Rather, Meyer Burger's equipment enabled a gross margin pool for its customers that substantially exceeded Meyer Burger's gross margin ("value leakage"). At the same time, the need for Meyer Burger to sell the equipment as widely as possible facilitated the rapid diffusion of the Group's core technologies to competitors ("technology leakage").

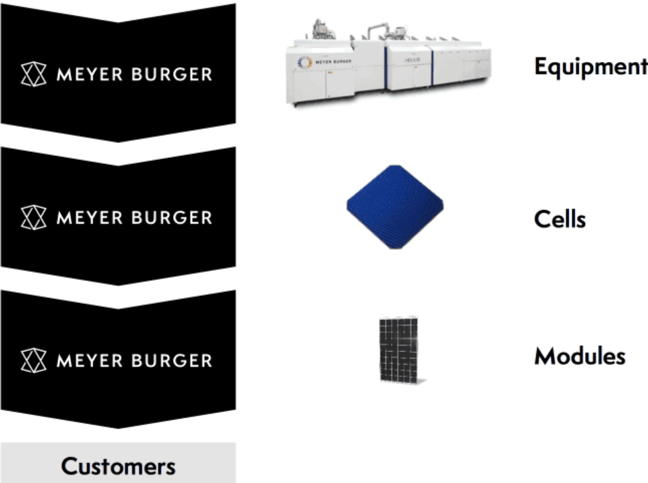
In 2020, realizing the growth potential of the PV market but at the same time the limitations of the former business model, Meyer Burger transformed its business model from equipment manufacturing to the manufacturing of solar PV cells and modules. The so-called Indium Strategy, which is implemented by now, is designed to minimize value leakage by expanding closer to end customers in the value chain and to limit technology leakage via a "captive" business model, wherein Meyer Burger's manufacturing technology is used for its own cell and module production. Additionally, the Indium Strategy also entailed the establishment of the production of cells and modules close to regions with end customer demand such as Europe.

As part of the implementation of the Indium Strategy, Meyer Burger took certain restructuring measures (the "**Operational Restructuring**"). Among other things, as part of the Operational Restructuring, Meyer Burger ceased certain sales activities pertaining to the equipment manufacturing business and closed certain sales and servicing entities, primarily in Asia. The Group also implemented cost saving programs by means of FTE reduction and reduction of operating cost and divested the specialized technologies business activities of, among others, its former subsidiary

Muegge GmbH.

Meyer Burger has established itself as a large-scale manufacturer of PV cells and modules based on its proprietary high-performance HJT and SmartWire technologies. With its next-generation technology, Meyer Burger intends to leapfrog the currently dominant passivated emitter and rear cell ("**PERC**") technology in the PV market, offering customers PV modules with one of the highest energy yield per area currently available on the market via three module products. The Group's management believes that Meyer Burger is uniquely positioned to be a key constituent in the global energy transition and to benefit from secular growth opportunities within the solar market.

MEYER BURGER'S BUSINESS MODEL UNDER THE INDIUM STRATEGY



Source: Meyer Burger

Meyer Burger plans to complement its standard PV module offering with a solar tile solution, which allows customers to integrate PV in their roof in an aesthetically pleasing way. The Group's management expects the first installation of the product still in 2022.

Currently, the sole exception to the Group's "captive" strategy is the Company's subsidiary Pasan, which sells high-precision cell and module measurement systems for PV R&D laboratories as well as for use in manufacturing lines. There are currently no further plans to supply manufacturing equipment to research and development partners.

Meyer Burger is currently, as a first step of its broader strategy, marketing its modules for use in residential and small commercial settings. Meyer Burger has established a premium brand and thereby markets its modules as high-performance, high-quality products of European origin, which are sustainably made with 100-percent renewable energy in accordance with high social and environmental standards. The modules are primarily sold through distribution channels, with a selected number of multinational and regional distribution partners. To this end, Meyer Burger has signed framework agreements with over 30 distributors, a mix of large multinational distributors and regional companies, including solar specialist distributors as well as electrical wholesalers.

From a regional perspective, current key markets for Meyer Burger are certain European countries, primarily in Western, central and Southern Europe such as Germany, Switzerland, Austria, the Benelux countries, France, Italy, Spain, Portugal, Poland and the UK, as well as the United States. Local Meyer Burger sales teams in Northern Europe and in Australia are also in preparation. In the United States, Meyer Burger is currently focusing on a selected number of states in the Southeast and Northwest, with an expansion of target states planned as the available volume of modules produced by the Group increases.

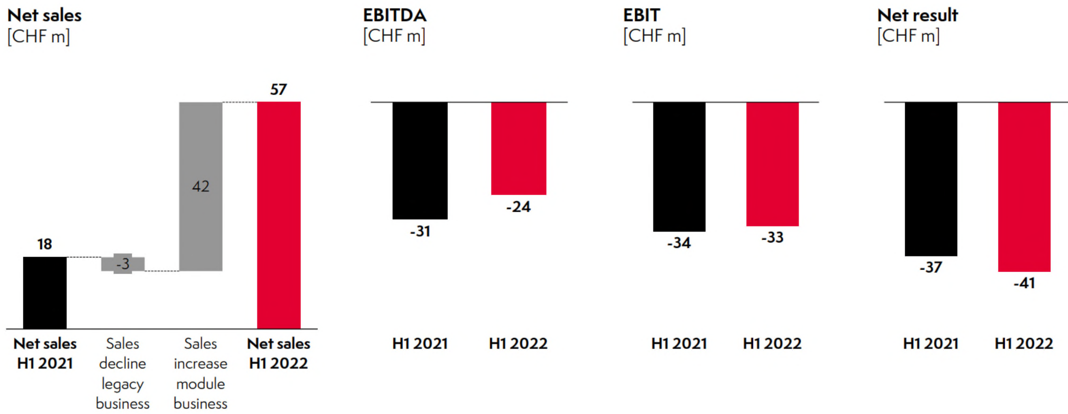
The Group is currently operating a cell manufacturing site in Thalheim (city of Bitterfeld-Wolfen, Saxony-Anhalt, Germany) and a module manufacturing site in Freiberg (Saxony, Germany). The nominal annual production capacity as of June 30, 2022, was approximately 400 MW and is currently in the process of being expanded to approximately 1 GW, which is expected to be reached by the end of 2022. An expansion to approximately 1.4 GW nominal annual production capacity is currently being prepared, expected to become operational in 2023. Meyer Burger produced an

aggregate of 30 MW of PV modules in 2021 and 108 MW in the six months ended June 30, 2022. In the period of January 1 to August 15, 2022, the Group produced 149 MW of PV modules.

In the six months ended June 30, 2022, Meyer Burger achieved net sales of CHF 56.7 million and an EBITDA of CHF -24.4 million. Since the market introduction of its PV module products on April 27, 2021, Meyer Burger has been receiving a steady order intake. As of June 30, 2022, the Group had more than 30 direct customers (including large distributors such as BayWa r.e., Krannich Solar, IBC Solar, Sonepar and Memodo in Europe and the U.S. distributor CED Greentech).

Given the strong demand for PV products in general and Meyer Burger's modules in particular, compared to the Group's still modest production capacity, the Group has to actively manage the current imbalance between demand and supply. Meyer Burger is currently not taking on new major customers in favor of prioritizing serving its existing customer base and has postponed serving large commercial/industrial or even utility-scale projects in favor of the higher-value standard residential and small commercial business. Expected production volumes are proactively allocated to customers independent of individual demand, with the current allocation horizon being the second quarter of 2023.

The figure below shows net sales, EBIDTA, EBIT and net result for the first half of 2022 and, in comparison, the first half of 2021:



Source: Meyer Burger 2022

The Group's management believes that Meyer Burger features the following key competitive strengths:

- Strong secular tailwinds and favorable market environment driving substantial, structural long-term growth in attractive solar market
    - Climate change
    - Energy independence
    - Re-shoring of renewable-energy manufacturing
- Proven technology leader offering premium products, with differentiated technology roadmap
- Geographic footprint and "captive" business model position Meyer Burger as a key building block in both the European and U.S. value chain
- Unique value-oriented, flexible segment strategy targeting highest-value markets
- Strong operational and commercial momentum resulting in attractive financial growth and longer-term margin profile
- Premium brand
- Existing sites and capabilities

- Sustainable manufacturing
- Highly experienced and dedicated management team

Information about the Company

Company..	Meyer Burger Technology AG.
Registered office..................................	The Company's registered and principal office is located at Schorenstrasse 39, 3645 Gwatt, municipality of Thun, Canton of Berne (Switzerland).
Legal form	The Company is a stock corporation organized under the laws of Switzerland according to article 620 *et seqq.* CO.
Shares...	The shares are fully paid-in registered shares with a nominal value of CHF 0.05 each.

Summary of the Offering

The Offering...	The Offering consists of a public offering of Rights and Offered Shares in Switzerland and private placements of Offered Shares to investors outside of the United States made in reliance on Regulation S under the Securities Act or an applicable exemption from the registration requirements of the Securities Act, and in each case in compliance with any applicable securities laws, and on the basis of exemptions provided by the Prospectus Regulation or the UK Prospectus Regulation, as the case may be.
The Rights Offering.............................	Each holder of Existing Shares will be allotted 1 (one) Right per Existing Share held after the close of trading on the Cut-off Date (being October 31, 2022) and should receive such Rights via its depositary bank. Pursuant to the terms and subject to the conditions of the Underwriting Agreement, Zürcher Kantonalbank (acting for the account and on behalf of the Joint Global Coordinators) has agreed to subscribe for the Offered Shares and pay up their aggregate nominal value on or about November 10, 2022 and to deliver on the First Day of Trading on behalf of the Company the Offered Shares to holders of Rights that have duly exercised such Rights and to investors that have acquired Offered Shares in the Share Placement, subject in each case to compliance with applicable securities laws. The Underwriting Agreement allows the Joint Bookrunners to terminate the Offering in certain limited circumstances prior to the settlement date of the Offered Shares. If the right to terminate the Underwriting Agreement is exercised, the Offering will lapse and the allocation of the Rights and any previously purported purchase of the Offered Shares will be deemed not to have been made. In such case the holder of the Rights will not receive any compensation in respect of any Rights, whether exercised or not.
The Share Placement...........................	In the Share Placement, Rump Shares may be sold by the Joint Global Coordinators in the manner they determine in their sole discretion (*e.g.* by way of (or a combination of) sales on the open

market (*e.g.* via a dribble-out), via a bookbuilding process or otherwise) as further set out in this Prospectus. For the case and to the extent that not all Offered Shares have been sold in the Rights Offering and in the Share Placement, the Joint Bookrunners have undertaken, severally and not jointly, subject to certain conditions, to purchase the Stick Shares (if any) at the Offer Price.

See "*The Offering—Share Placement – Treatment of Offered Shares for which Rights have not been exercised*".

Offered Shares...................................... Up to 934,671,850 registered shares (*Namenaktien*) in the Company to be issued and with a nominal value of CHF 0.05 each, which will be fully paid-up and will be fully fungible, and will rank *pari passu*, with all Existing Shares.

Form of Offered Shares........................ In accordance with the Articles of Association and the requirements of the clearing arrangements of SIS, the Offered Shares will be issued in uncertificated (or dematerialized) form (*einfache Wertrechte*) and will be entered in the Company's book of book-entry securities (*Wertrechtebuch*). The Offered Shares will then be registered in the main register (*Hauptregister*) maintained by SIS and credited to the securities account of each holder of Offered Shares and thus will become securities held with an intermediary (*Bucheffekten*). Shareholders may request from the Company a confirmation relating to their shareholdings in the Company.

Subscription ratio .... Subject to certain restrictions as set forth in this Prospectus, Holders of 20 Rights are entitled to purchase 7 Offered Shares at the Offer Price. The Rights may only be exercised in integral multiples of the Subscription Ratio.

Capital Increase .... As of the date of this Prospectus, the Company has 2,670,491,011 Existing Shares registered in the Commercial Register of the Canton of Berne (Switzerland) with a nominal value of CHF 0.05 each. The Existing Shares are traded on SIX Swiss Exchange in accordance with the Swiss Reporting Standard. The Existing Shares are fully paid-up.

On October 28, 2022, the Company's extraordinary shareholders' meeting resolved to increase the Company's registered share capital by up to CHF 46,733,592.50 from CHF 133,524,550.55 to up to CHF 180,258,143.05, by issuing up to 934,671,850 Offered Shares (the "**Capital Increase**") by way of an ordinary capital increase with contribution in cash.

It is expected that the Offered Shares sold will be issued, and the Capital Increase relating to the Offered Shares will be registered with the commercial register of the Canton of Berne (Switzerland) on or about November 10, 2022. After registration of the Offered Shares, the issued and outstanding share capital of the Company is expected to amount to CHF 180,258,143.05, divided into 3,605,162,861 fully paid-up registered shares with a nominal value of CHF 0.05 each.

Offer Price	CHF 0.267 per Offered Share.
Trading and sale of Rights	Application has been made and approval has been given by SIX Exchange Regulation AG, subject to certain conditions, for the Rights to be admitted to trading on SIX Swiss Exchange from November 1, 2022 to close of trading on November 7, 2022. Holders of Rights may sell their Rights in the market at any time prior to the end of the Rights Trading Period. Holders or potential purchasers of Rights should note that they may not be permitted to exercise Rights. In case the Offering will not be completed, the Rights become invalid and worthless. Transactions with regard to Rights will not be unwound and holders of Rights will not receive compensation for the suffered losses.
Rights Exercise Period..........................	Pursuant to the terms and subject to the conditions set out in this Prospectus, holders of Rights may exercise their Rights between November 1, 2022 and November 9, 2022, 12:00 noon (CET). Rights not exercised within such time (including where, in accordance with the terms set out in this Prospectus, the holder of such Rights is not permitted to exercise such rights) will expire and become null and void without the right of any compensation. To validly exercise their Rights, holders of Rights must subscribe for Offered Shares according to the instructions of their depositary banks, custodians or other financial intermediaries. The exercise of Rights is irrevocable and may not be withdrawn, cancelled or modified. Holders of Rights that are subject to certain restrictions of applicable securities laws may not be permitted to exercise their respective Rights.
Treatment of Offered Shares for which Rights have not been validly exercised	Offered Shares for which Rights have not been validly exercised during the Rights Exercise Period may be sold in the Share Placement.
Payment and delivery	Delivery of the Offered Shares against payment is expected to take place on or about November 11, 2022 (the "**Closing Date**"), or on such other date as the Company and the Joint Bookrunners may determine. Delivery against payment will take place through the clearing System of SIS.
Listing	Zürcher Kantonalbank, being recognized as recognized representative by SIX Exchange Regulation AG according to article 58*a* of the Listing Rules, has filed on behalf of the Company the application for the listing and trading of the Offered Shares according to the Swiss Reporting Standard of SIX and for the trading of the Rights on SIX. It is expected that the Offered Shares will be listed and that trading in the Offered Shares will commence on or about November 11, 2022.
Date and Approval by the Swiss Review Body of Prospectus	This Prospectus is dated October 31, 2022, and has been approved as a prospectus within the meaning of article 35 FinSA by SIX Exchange Regulation AG in its capacity as Swiss review body within the meaning of article 52 FinSA on October 31, 2022.

Company lock-up	During the period beginning on October 3, 2022 and ending 180 days after the First Day of Trading, the Company shall not, except for the issuance of the Offered Shares, without the prior written consent of the Joint Global Coordinators, (i) execute or propose any capital increase (ii) issue, offer, lend, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, pledge, grant instruction rights (*Weisungsrechte*) within the meaning of article 25 FISA or otherwise transfer or dispose of (or publicly announce any such issuance, offer, sale or disposal), directly or indirectly, or file a registration statement under any securities regulation relating to, any Shares or any securities convertible into or exchangeable or exercisable for Shares or warrants or other rights to purchase any Shares, except for Shares out of the Company's conditional capital in connection with the Group's existing convertible bond (ISIN CH1118223390), (ii) enter into any swap, hedge or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of the Shares, or (iii) announce its intention to do any of the foregoing whether any such transaction described in clause (i) or (ii) above is to be settled by delivery of Shares or other securities, in cash or otherwise.
Board Member and Executive Board Member Lock-up	Each member of the Company's board of directors (the "**Board of Directors**") and each member of the Company's executive board (the "**Executive Board**") has agreed with the Joint Global Coordinators on a lock-up for the period ending 12 months after the First Day of Trading. Each such lock-up undertaking is subject to certain exceptions and may be waived by the Joint Global Coordinators, as further described under "*The Offering—Board Member and Executive Board Member Lock-up*".
Joint Global Coordinators and Joint Bookrunners	Goldman Sachs Bank Europe SE, Marienturm, Taunusanlage 9-10, 60329 Frankfurt am Main, Germany; Jefferies International Limited, 100 Bishopsgate, London EC2N 4JL, United Kingdom; Jefferies GmbH, Bockenheimer Landstraße 24, 60323 Frankfurt am Main, Germany; and Zürcher Kantonalbank, Bahnhofstrasse 9, 8001 Zurich, Switzerland.
Voting rights	Each Offered Share carries one vote at a shareholders' meeting of the Company.
Dividends	Holders of Offered Shares will be entitled to dividends, if declared, from and for the financial year 2022, and for all subsequent financial years (see "*Dividends and Dividend Policy*").
Taxes	Dividends paid on the Shares (if any) will be subject to Swiss Federal Withholding Tax. The Swiss Federal Issuance Stamp Tax (*Emissionsabgabe*) on the issuance of securities of 1% on the Offered Shares will be borne by the Company. See "*Taxation*".

Security numbers and ticker symbols.

	Rights	Offered Shares
Swiss Security Number (*Valorennummer*)	122 091 289	10 850 379
International securities identification number (ISIN)	CH1220912898	CH0108503795
Ticker Symbol	MBTN1	MBTN

Risk factors.. **Investing in the Offered Shares involves considerable risks. For a discussion of certain considerations that should be taken into account in deciding whether to exercise the Rights or to acquire Rights or Offered Shares in the Offering, see "*Risk Factors*".**

Selling restrictions .... United States of America, Canada, Japan, Australia, the EEA Member States, the United Kingdom and others. For a description of certain restrictions regarding the Offering and sale of the Offered Shares or the exercise of Rights by certain persons, see "*Certain Restrictions*" and "*Offering Restrictions*".

Use of proceeds...................................... The Group expects gross proceeds from the Offering amounting to approximately CHF 250 million. The Group intends to use the net proceeds from the Offering (*i.e.*, the gross proceeds less commissions, fees and expenses in connection with the Offering and the Swiss Federal Issuance Stamp Tax (*Emissionsabgabe*) of 1%), which it expects to amount to approximately CHF 237.5 million, to finance the planned expansion of production capacity for the PV cell and module production and the related production and distribution structures. The Group plans to use any residual amount for incremental growth and expansion investments of the Group, in the implementation of strategic projects, and for other general corporate purposes. See "*Use of Proceeds*".

Own Existing Shares............................. As of June 30, 2022, the Company held 16,876,103 own Existing Shares as treasury shares, which may be used (at the future vesting date) for the benefit of the members of the Board of Directors, members of the Executive Board and for other selected employees within the Group who are participating in the Group's share participation programs (see "*Board of Directors, Executive Board and Auditors—Share participation programs*").

The Company and the other members of the Group do not intend to exercise their Rights in relation to the treasury Shares.

Governing law.. Swiss law.

Place of jurisdiction .... Zurich (Zurich 1), Switzerland.

Publications/Amendments or changes... Any notices containing or announcing amendments or changes to the terms of the Offering or to this Prospectus will be announced through the electronic media and, if required, through publication via official notice on the website of SIX Swiss Ex-

change (currently https://www.six-group.com/en/products-services/the-swiss-stock-exchange/market-data/news-tools/official-notices.html#/).

The results of the Offering are expected to be published via electronic media on or about November 10, 2022 (prior to the commencement of trading).

Expected timetable...............................

Date	Event
October 31, 2022 (after close of trading)	Date for allocation of Rights (Cut-off date)
November 1, 2022	First trading day ex-Rights Commencement of Rights Trading Period Commencement of Rights Exercise Period
November 7, 2022	End of Rights Trading Period
November 9, 2022, 12:00 noon (CET)	End of Rights Exercise Period
November 9, 2022	End of Share Placement, if any
November 10, 2022	Capital Increase
November 11, 2022	Listing and First Day of Trading of Offered Shares
November 11, 2022	Payment of Offer Price against delivery of Offered Shares

PRESENTATION OF FINANCIAL INFORMATION

The financial statements that are included elsewhere in this Prospectus comprise:

- the reviewed condensed consolidated interim financial statements of the Group as of and for the six-month period ended June 30, 2022, with comparative figures for the six-month period ended June 30, 2021, comprising the consolidated balance sheet, consolidated income statement, consolidated statement of changes in equity, condensed consolidated cash flow statement and the condensed notes thereto (the "**2022 Reviewed Interim Consolidated Financial Statements**");

- the audited consolidated financial statements of the Group as of and for the year ended December 31, 2021, with comparative figures as of and for the year ended December 31, 2020, comprising the consolidated balance sheet, consolidated income statement, consolidated statement of changes in equity, consolidated cash flow statement and the notes thereto (the "**2021 Audited Consolidated Financial Statements**");

- the audited consolidated financial statements of the Group as of and for the year ended December 31, 2020, with comparative figures as of and for the year ended December 31, 2019, comprising the consolidated balance sheet, consolidated income statement, consolidated statement of changes in equity, consolidated cash flow statement and the notes thereto (the "**2020 Audited Consolidated Financial Statements**" and, together with the 2021 Audited Consolidated Financial Statements, the "**Audited Consolidated Financial Statements**"; the Audited Consolidated Financial Statements, together with the 2022 Reviewed Interim Consolidated Financial Statements, the "**Consolidated Financial Statements**" or "**Financial Statements**");

The Audited Consolidated Financial Statements have been prepared in accordance with Swiss GAAP FER issued by *Stiftung für Fachempfehlungen zur Rechnungslegung* ("**Swiss GAAP FER**"). The 2022 Reviewed Interim Consolidated Financial Statements have been prepared in accordance with Swiss GAAP FER 31/9-12 (*Ergänzende Fachempfehlungen für kotierte Unternehmen – Zwischenberichterstattung*) issued by *Stiftung für Fachempfehlungen zur Rechnungslegung*.

Certain figures in this Prospectus have been subject to rounding adjustments. Accordingly, amounts shown as totals in tables or elsewhere may not be an arithmetic aggregation of the figures, which precede them.

All references in this Prospectus to "**CHF**" or "**Swiss francs**" are to the lawful currency of Switzerland, to "**USD**" or "**US$**" or "**U.S. dollars**" to the lawful currency of the United States and to "**EUR**", "**European euros**" or "**euros**" to the lawful currency introduced at the start of the third stage of the European economic and monetary union pursuant to the Treaty establishing the European Community as amended by the Treaty on the EU, the Treaty of Amsterdam and the Treaty of Lisbon.

Restatement of consolidated financial statement information for the year ended December 31, 2019 (comparative figures included in the 2020 Audited Consolidated Financial Statements)

As the Group embarked on the process of transforming its business model from manufacturing of production equipment to PV cell and module production in 2020 as part of the Indium Strategy, the activities of the organization were subject to significant changes. Under these circumstances, the Group on the occasion of publishing the 2020 Audited Consolidated Financial Statements reviewed its accounting principles and determined that the two following accounting options were more adequate for the financial statements in the present and future of the organization. Both options chosen are in line with Swiss GAAP FER recommendations:

- *Capitalization of goodwill*: Previously, goodwill was offset directly against equity (retained earnings) at the date of the acquisition and recycled through profit and loss upon the sale or discontinuation of the respective business activities. Making use of the accounting policy choice provided in Swiss GAAP FER 30 "Consolidated financial statements", the Board of Directors decided that goodwill will be capitalized and amortized over the expected useful life of mostly five years to better reflect the economic reality and to integrate the amortization of goodwill in the profit and loss statement more directly.

- *Waiver of capitalization of deferred tax assets from tax loss carry-forwards*: Previously, deferred tax assets on tax loss carry-forwards were capitalized to the extent that it was probable that future taxable profit would be available against which a loss carry-forward could be utilized. Making use of the implicit accounting policy choice in Swiss GAAP FER 11 "Income taxes", the Board of Directors decided that deferred tax assets from tax loss carry-forwards will no longer be capitalized to reduce areas of judgment and discretion and therefore to provide more reliable financial statements.

For further information about the financial statement line items impacted by this restatement and the quantification of the impact, see note 1.6 to the 2020 Audited Consolidated Financial Statements included elsewhere in this Prospectus.

Throughout this Prospectus, the consolidated financial information as of and for the year ended December 31, 2019 is presented in accordance with the revised accounting policy, *i.e.*, considering the restatement with respect to the comparative figures as of and for the year ended December 31, 2019 included as prior period information in the 2020 Audited Consolidated Financial Statements included in this Prospectus. Therefore, the comparative figures as of and for the year ended December 31, 2019 included as prior period information in the 2020 Audited Consolidated Financial Statements included in this Prospectus and the financial information as of and for the year ended December 31, 2019 presented elsewhere in this Prospectus differs in that respect from the information included in the Group's audited consolidated financial statements as of and for the year ended December 31, 2019 that the Company had previously published (but are not included in this Prospectus) and that had been approved by the ordinary shareholders' meeting on May 13, 2020.

Other financial measures

This Prospectus contains certain non-GAAP measures, such as operating income after costs of products and services, earnings before interests, taxes, depreciation and amortization (EBITDA), earnings before interests and taxes (EBIT), incoming orders, order backlog, net cash and equity ratio, each as further defined below, that are not required by, or presented in accordance with, Swiss GAAP FER. Non-GAAP measures are presented because the Executive Board believes that they are measures being widely used by certain investors, securities analysts and other interested parties as supplemental measures of performance and liquidity. Unless otherwise indicated, non-GAAP measures have not been audited or reviewed. Any and all non-GAAP measures may not be comparable to similarly titled measures used by other companies, have limitations as analytical tools and should not be considered in isolation or as a substitute for an analysis of the operating results as reported under Swiss GAAP FER. Non-GAAP measures, such as operating income after costs of products and services, earnings before interests, taxes, depreciation and amortization (EBITDA), earnings before interests and taxes (EBIT), incoming orders, order backlog, net cash or equity ratio are not measurements of the performance or liquidity under Swiss GAAP FER, IFRS, U.S. GAAP or any other generally accepted accounting principles.

Below is a definition of certain non-GAAP measures used in this Prospectus:

- Operating income after costs of products and services is defined as total income including other operation income, *e.g.*, gains from the sale 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;
- Earnings before interests, taxes, depreciation and amortization (EBITDA) is defined as operating result (EBIT) before depreciation on tangible fixed assets and amortization of intangible assets, before the financial result, the result form investment in associates, the non-operation result and income taxes;
- Earnings before interests and taxes (EBIT) is defined as operating result before the financial result, the result from investment in associates, the non-operation result and income taxes;
- Incoming orders include all registered orders of the period which will be recorded or have already been recorded as sales. The reported value of an order corresponds to the undiscounted value of revenues that the Group expects to recognize following delivery of goods or services subject to the order, less any trade discounts and excluding value added or sales tax. Adjustments, corrections and cancellations resulting from

updating the order backlog, are respectively included in the amount of the order intake. Independently from the contractual amount and from the country of the customer, an equipment order is to be considered as firm only at the receipt of the first down-payment;

- Order backlog represents the undiscounted value of revenues the Group expects to generate from orders on hand at the end of the reporting period. An order remains in the order backlog until it is recognized as revenue or cancelled by the customer. The order backlog is revaluated with the updated currency exchange rates on a monthly basis;
- Net cash is defined as cash and cash equivalents less financial liabilities; and
- Equity ratio is defined as total equity divided by total liabilities and equity expressed as a percentage.

With respect to non-GAAP measures used in this Prospectus, see also "*Executive Board's Discussion and Analysis of Financial Condition and Results of Operations—Definition of key line items in the consolidated income statement*".

SELECTED FINANCIAL INFORMATION

The following tables present selected consolidated balance sheet and income statement data as well as selected other consolidated financial measures and other data of the Group for the respective periods and dates, each as indicated, and, unless stated otherwise, each derived from the applicable Consolidated Financial Statements:

Selected consolidated balance sheet data

(in CHF thousand)	As of June 30, 2022 (reviewed)	As of December 31, 2021 (audited)	As of December 31, 2020 (audited)	As of December 31, 2019 (restated, audited)
Current assets	296,888	334,668	222,964	182,666
Non-current assets	213,838	158,054	73,843	84,872
Total assets	510,726	492,722	296,807	267,538
Current liabilities	77,837	46,141	34,302	93,638
Non-current liabilities	212,901	185,151	2,733	4,812
Total liabilities	290,738	231,292	37,035	98,450
Equity	219,988	261,430	259,772	169,088
Total liabilities and equity	510,726	492,722	296,807	267,538
Equity ratio	43.1%	53.1%	87.5%	63.2%

Selected consolidated income statement data

(in CHF thousand)	For the six months ended June 30, 2022 (reviewed)	For the six months ended June 30, 2021 (reviewed)	For the year ended December 31, 2021 (audited)	For the year ended December 31, 2020 (audited)	For the year ended December 31, 2019 (restated, audited)
Net sales	**56,700**	**17,966**	**39,905**	**90,457**	**262,013**
Other operating income	1,506	1,508	3,168	16,077	53,353
Currency translation gains and losses on trade receivables and customer prepayments	-408	383	-630	-555	2,059
Income	**57,798**	**19,857**	**42,443**	**105,979**	**317,425**
Changes in inventories of finished and semi-finished products and machines before acceptance	3,815	-9,390	-7,468	-16,271	-22,761
Cost of products and work in progress	-57,530	-16,770	-36,536	-53,271	-152,286
Capitalized goods and services	21,316	20,534	30,744	1,419	2,119
Operating income after costs of products and services	**25,399**	**14,231**	**29,183**	**37,856**	**144,497**
in % of net sales	*44.8%*	*79.2%*	*73.1%*	*41.8%*	*55.1%*
Personnel expenses	-33,176	-27,686	-60,411	-53,939	-104,364
Operating expenses	-16,657	-17,461	-41,241	-28,517	-39,000
Earnings before interests, taxes, depreciation and amortization (EBITDA)	**-24,434**	**-30,916**	**-72,469**	**-44,600**	**1,133**
in % of net sales	*-43.1%*	*-172.1%*	*-181.6%*	*-49.3%*	*0.4%*
Depreciation and impairment on property, plant, equipment	-7,761	-2,093	-6,287	-6,322	-10,087
Amortization and impairment on intangible assets and goodwill	-479	-1,104	-6,581	-7,161	-6,569
Earnings before interests and taxes (EBIT)	***-32,674***	***-34,113***	**-85,337**	**-58,083**	**-15,523**
in % of net sales	*-57.6%*	*-189.9%*	*-213.9%*	*-64.2%*	*-5.9%*
Financial result	-8,377	1,313	-11,152	-3,422	-7,914
Result from investment in associates	–	-2,192	-2,906	-2,771	-2,971

(in CHF thousand)	For the six months ended June 30, 2022 (reviewed)	For the six months ended June 30, 2021 (reviewed)	For the year ended December 31, 2021 (audited)	For the year ended December 31, 2020 (audited)	For the year ended December 31, 2019 (restated, audited)
Ordinary result	**-41,051**	**-34,992**	**-99,395**	**-64,276**	**-26,408**
in % of net sales	*-72.4%*	*-194.8%*	*-249.1%*	*-71.1%*	*-10.1%*
Non-operating result	37	53	–	62	4,013
Earnings before income taxes	**-41,014**	**-34,939**	**-99,395**	**-64,214**	**-22,395**
in % of net sales	*-72.3%*	*-194.5%*	*-249.1%*	*-71.0%*	*-8.5%*
Income taxes	5	-2,289	-1,092	-264	-546
Result	**-41,009**	**-37,228**	**-100,487**	**-64,478**	**-22,941**
in % of net sales	*-72.3%*	*-207.2%*	*-251.8%*	*-71.3%*	-8.8%

Selected other consolidated financial measures and other data

Incoming orders and order backlog

The following table sets out incoming orders and order backlog for the respective periods, each as indicated. This information has not been audited or reviewed and has been derived from the internal management systems of the Group.

(in CHF thousand)	For the six months ended June 30, 2022	For the six months ended June 30, 2021	For the year ended December 31, 2021	For the year ended December 31, 2020	For the year ended December 31, 2019
	(unaudited, not reviewed)				
Incoming orders	107,062	30,122	71,230	44,318	176,706
Order backlog	107,814	47,605	63,244	36,231	105,253

Summary net cash

The following table sets out the Group's net cash as of the respective dates, each as indicated.

(in CHF thousand)	As of June 30, 2022 (reviewed)	As of December 31, 2021 (audited)	As of December 31, 2020 (audited)	As of December 31, 2019 (restated, audited)
Cash and cash equivalents	**167,073**	**231,391**	**139,739**	**35,548**
Less financial liabilities	23,202	34	133	26,186
Net cash	143,871	**231,357**	**139,606**	**9,362**

Earnings per share[(1)]

The following table sets out the Group's earnings per share for the respective periods, each as indicated.

(in CHF)	For the six months ended June 30, 2022 (reviewed)	For the six months ended June 30, 2021 (reviewed)	For the year ended December 31, 2021 (audited)	For the year ended December 31, 2020 (audited)	For the year ended December 31, 2019 (restated, audited)
Basic earnings per share	-0.02	-0.01	-0.04	-0.04	-0.03
Diluted earnings per share	-0.02	-0.01	-0.04	-0.04	-0.03

[(1)] Earnings per share is calculated by dividing the Group's profit or loss attributable to registered shareholders of the Company by the weighted average number of registered shares outstanding during the period in question. For the purposes of diluted earnings per share, potential diluting effects, *e.g.*, from the exercise of options or conversion rights, are taken into account when counting the number of outstanding shares, and the relevant earnings per share adjusted accordingly (see also note 4.4 of the 2021 Audited

Consolidated Financial Statements).

RISK FACTORS

In addition to the other information contained in this Prospectus, a prospective investor should consider carefully the specific risk factors set forth below before making a decision to invest in the Rights or Offered Shares. Each of these risks could have, if it were to materialize, a material negative impact on the business, financial condition, results of operation and prospects of the Company or the Group and/or the value of the Rights or Shares. The risks described below are not the only ones the Group is facing. Additional risks not presently known to the Group or risks that the Group currently deems not material may also impair its business, financial condition, results of operation and prospects. The trading price of the Rights or Shares could decline due to the manifestation of any of these risks, individually or in the aggregate and, as a consequence, investors could lose part or all of their investment. Prospective investors should consider carefully whether an investment in the Rights or Offered Shares is suitable for them in the light of the information in the Prospectus and their personal circumstances.

This Prospectus contains, inter alia, forward-looking statements that are based on assumptions and estimates, which are subject to risks and uncertainties. The Group's actual performance, results and the timing of certain events (including, without limitation, the timing for the ramp-up of the Group's production capacities) could differ materially from those discussed in the forward-looking statements as a result of certain factors, including those set forth below and elsewhere in this Prospectus. For additional information on forward-looking statements, please see "Forward-Looking Statements".

The order in which the individual risks were chosen to be presented does not provide an indication of the likelihood of their materialization nor of the magnitude, severity or significance of the individual risks. Only investors that can assess the risks in connection with an investment in the Rights or Shares and that are also in a position to carry possible losses should consider investing in the Offered Shares or the Rights.

EACH RISK FACTOR INDIVIDUALLY OR TOGETHER WITH ONE OR MORE OF THE OTHER RISK FACTORS MAY HAVE A MATERIAL IMPACT ON THE GROUP'S BUSINESS, FINANCIAL CONDITION, RESULTS OF OPERATION OR PROSPECTS AND MAY ENDANGER THE CONTINUATION AND/OR EXISTENCE OF THE GROUP. ALTHOUGH THIS APPLIES TO EACH RISK FACTOR, THIS POTENTIAL CONSEQUENCE IS NOT REPEATED IN EACH OF THE FOLLOWING RISK FACTORS.

Risks related to the Group's strategy and business

The Group's current business strategy of manufacturing PV cells and modules and selling PV modules for use in the residential and small commercial, large commercial/industrial as well as utility-scale segments may not be successful, and if the Group is unable to execute its current strategy, this may hamper its business and prospects and may materially adversely affect the Group's business, financial condition, results of operations or prospects and result in the Company being unable to pay its debts, becoming insolvent and/or required to file for bankruptcy.

Meyer Burger develops, manufactures and markets high-performance solar photovoltaic ("**PV**") cells and modules currently with manufacturing sites in Germany and, envisaged, a manufacturing site in Goodyear (Arizona, United States) from 2024 on. In 2020, against the background of the growth potential of the PV market and the limitations of its then-current business model, the Group embarked on a fundamental shift in the Group's business model from equipment manufacturing to the manufacturing of solar PV cells and modules using its proprietary HJT and SmartWire technologies, see "*Description of the Group's Business—Technology, research & development and intellectual property*". Having implemented this shift over the past two years, the Group is now operating under its new business strategy (the "**Indium Strategy**"), substantially in the form as adopted in 2020, and as subsequently amended. In its current form, the Indium Strategy involves manufacturing and supplying the residential and small commercial, large commercial/industrial as well as the utility PV market segments with high-performance solar PV modules, assembled in-house and using exclusively PV cells manufactured in-house, whereby the manufacturing equipment required to produce these solar PV modules (and, as their components, cells) is sourced and produced primarily within the Group based on its HJT and SmartWire technologies, see "*Description of the Group's Business—Overview*". To enter the utility-scale segment, the Group signed a multi-year supply agreement with a subsidiary of the U.S.-based developer

and owner of renewable-energy power plants, D. E. Shaw Renewable Investments, L.L.C. ("**DESRI**"), under which the Group expects to manufacture and supply an aggregate volume of approximately 3.75 gigawatts ("**GW**") of modules or more, depending on certain options exercised by DESRI, see "*Description of the Group's Business—Expansion plans—U.S. capacity expansion and DESRI Agreement*".

Both the continued implementation and the realization of the Indium Strategy may not be successful or effective for a number of reasons, including the reasons set out under the headings "*—Risks related to the Group's strategy and business"* and "*—Risks related to the industry in which the Group operates*" of this section entitled "*—Risk Factors*". Should the Indium Strategy not be commercially successful or fail for any reasons, this would have a material adverse effect on the Group's business, financial condition, results of operations or prospects and potentially result in the Company being required to file for bankruptcy.

The Company's and Group's ability to continue as a going concern in the future depends on the success of the Indium Strategy, in its current form, and the Company's and the Group's ability to obtain further financing. Failure on the part of the Company or the Group to continue as a going concern would likely result in the Company being required to file for bankruptcy.

The Group incurred a net loss of CHF 41.0 million in the six months ended June 30, 2022, a net loss of CHF 100.5 million in the year ended December 31, 2021 and a net loss of CHF 64.5 million in the year ended December 31, 2020. Negative cash flows from operating activities were CHF 46.0 million in the six months ended June 30, 2022, CHF 84.1 million in the year ended December 31, 2021 and CHF 34.9 million in the year ended December 31, 2020. The losses in the years 2020, 2021 and 2022 were primarily a result of the cessation of the activities under the Group's previous business model, the required restructuring and transformation of the business under the Indium Strategy as well as the continuing ramp-up of new manufacturing capacities. For a discussion of financial results, see "*Executive Board's Discussion and Analysis of Financial Condition and Results of Operations*". For a discussion of recent developments with respect to financial results, see "*Executive Board's Discussion and Analysis of Financial Condition and Results of Operations—Material changes since June 30, 2022*".

As set out in "*The Offering*", the Group expects to raise gross proceeds from the Offering in an amount of approximately CHF 250 million. Should the Offering not be completed, and could as a consequence the further capacity expansion to approximately 3 GW nominal annual capacity under the Indium Strategy not be executed and DESRI Procurement terminated the DESRI Agreement (as defined below) pursuant to the termination rights under these circumstances as set out in "*Description of the Group's Business— Expansion plans—U.S. capacity expansion and DESRI Agreement*", then the Group may be forced to maintain production at a lower level of manufacturing capacity and to take cost-cutting and liquidity preservation measures. While the Board of Directors believes that, in such event, such alternative strategy could be successfully implemented, should the measures unexpectedly fail or not lead to sufficient results, there is a risk that the Company's funding may not be sufficient to support its going concern for another twelve months, which would likely result in the Company being required to file for bankruptcy.

The continuing viability of each of the Company and the Group and its respective ability to continue as a going concern depends upon, among other things, new order entries, the Group's capacity to generate profits and positive operative cash flows by selling its products, expected down payments from DESRI or otherwise and the Company's and the Group's ability to maintain and improve its capital basis and liquidity, in particular, in connection with the repayment or refinancing of outstanding debt. See also "*—The Group may fail to repay, renew, or to secure at acceptable economic terms and conditions an agreement replacing, the Syndicated Loan Agreement and Factoring Agreement, due to a failure on the part of the Group to operationally and financially perform its obligations as expected or otherwise, which could materially adversely affect the Group's business, financial condition, results of operations or prospects and result in the Company being unable to pay its debts, becoming insolvent and/or required to file for bankruptcy.* " and "*Executive Board's Discussion and Analysis of Financial Condition and Results of Operations—Quantitative and Qualitative Disclosure of Market Risks—Going concern risk*". While the Board of Directors believes in the Group's ability to continue as a going concern, there can be no guarantee that the favorable scenarios envisaged by the Board of Directors will materialize.

Also, the expansion of the Group's manufacturing capacity (see "*Description of the Group's Business—Outlook and goals*") requires substantial additional funding in addition to the proceeds from the Offering and the cash flow from its business operations. Specifically, the Group currently expects that it will continue to depend significantly on further financing, for the realization of the planned approximately 3 GW of total nominal annual production capacity, as set out in "*Description of the Group's Business—Outlook and goals—Short- to medium-term outlook (3-year horizon)*" and for potential further capacity expansions, as set out in "*Description of the Group's Business—Outlook and goals—Long-term goals (>3-year horizon)*". Such financing may not be available to the Group on acceptable terms, or at all, or at the time needed (see "*—The implementation of the Indium Strategy, in its current form, including in particular the envisaged initial approximate expansion to approximately 3 GW of nominal annual capacity, as well as the contemplated further long-term expansion, is expected to require additional financing. Should the Group be unable to secure such additional financing at all or in time, this could have a material adverse effect on the Group's business, financial condition, results of operations or prospects and result in the Company being unable to pay its debts, becoming insolvent and/or required to file for bankruptcy.*"). Should the Group not be able to continue as a going concern, or should the Group fail to obtain additional funds on acceptable terms as and when needed, it may need to delay, reduce or terminate certain research, project, development or production activity and/or refrain from expanding or seizing certain commercialization activities, including as contemplated in connection with the Indium Strategy, in its current form, and the DESRI Agreement (as defined below), and it may not be able to meet the cash requirements for operating its business, and/or for making payments under its financial obligations, including interest and principal payments on the outstanding debt instruments or otherwise, and it may be unable to pay its other debts as they become due, become insolvent and/or required to file for bankruptcy and/or enter into liquidation or similar proceedings.

In addition, the occurrence of one or several of these events could indicate the existence of a material uncertainty which may cast significant doubt about the ability of the Group to continue as a going concern, which would need to be disclosed in future financial statements of the Group and the Company. Such disclosure, together with the related emphasis of matter paragraph in the audit opinion on such financial statements, may materially adversely affect the Group's trading and the Group's ability to raise new capital that it needs to fund its operations.

Failure on the Group's part to reduce unit production costs to anticipated levels, increases in purchase prices for materials and/or consumables and/or failure on the Group's part to pass on cost increases to customers in the form of price increases could have a material adverse effect on the Group's business, financial condition, results of operations or prospects and could potentially result in the Company being required to file for bankruptcy.

The Group's ability to operate as a going concern and to generate profits depends on the ability to generate a sufficient gross margin from the sale of each produced PV module. The gross margin depends on the sales price as well as the Group's production costs. Production costs, in turn, depend on a number of fixed or quasi-fixed costs such as building rent and direct labor costs as well as variable costs including the costs of materials, most prominent being the cost of wafers, the cost of various consumables and transport costs. The production of PV cells and modules typically entails the production of broken, not functional or otherwise not usable intermediate or final products, commonly called "scrap". The production yield is the ratio of the number of usable (non-scrap) items produced vs. total number of produced units, at a given stage in a sequential production chain. Unit production costs depend on the scrap rate or production yield throughout the sequential cell and module manufacturing process. Fixed production costs lead to higher per-unit production costs as long as manufacturing facilities are not running at full planned capacity, leading to under absorption of fixed costs. In turn, most production costs, whether fixed or variable, are expected to be subject to certain economies of scale if the Group manages to grow its overall or per-site production capacity.

While the Group's management believes that the Group has been working carefully towards the goal of reducing the per-unit production costs and has a roadmap for further reductions of production costs, expected to be facilitated through a number of technical, engineering, product, procurement and other changes, there can be no assurance that the Group will be successful in realizing such cost reductions at all or to the full extent as envisaged or in a timely manner as planned. Rather, the Group may even suffer certain cost increases. Reasons for such failure may include, but are not limited to, overall inflation, price increases (or lack of anticipated price reduction) of wages, energy, utilities, transport costs and other key cost factors or the cost of raw materials procured (see "*—Risks related to the*

industry in which the Group operates—Raw material, energy and transportation prices may have a significant impact on Group's profitability.") or shortages and supply chain disruptions (see "*—The operations of the Group depend on suppliers. The materialization of supply chain risks could have a material adverse effect on the Group's business, financial condition, results of operations or prospects.*"). Further reasons may include, but are not limited to, delayed or slower than anticipated ramp-up of manufacturing facilities or other disruptions or reductions in output, leading to underabsorption of fixed costs and/or higher than anticipated scrap rates (see "*—The Group could experience production difficulties and operational or other disruptions at its production facilities, which, in turn, could cause a reduction of output and/or production yield, which, in turn, could have a material adverse effect on the Group's business, financial condition, results of operations or prospects.*"), failure on the Group's part to implement technical or engineering improvements that increase production efficiency or reduce consumption of materials and consumables at all or in a timely manner and/or failure on the Group's part to reach anticipated overall or per-site production capacities to realize certain anticipated economies of scale in respect to operations or procurement.

For example, wafer prices have increased from approximately USD 0.40 per piece (M6 format, n-type) in mid-2020 to currently more than USD 0.90 per piece. Transport costs from China to Europe have increased from approximately USD 2,500 per standard shipping container in mid-2020 to more than USD 15,000 per standard shipping container recently. Due to the European energy crisis, since 2022, electricity prices have increased materially. While the Group has hedged electricity prices for a part of its consumption in 2023, it remains exposed to rising energy prices for a significant part of its expected consumption in 2023 and beyond. Due to the delayed ramp-up of the Group's manufacturing lines (see "*—Failure on the Group's part to timely ramp up PV cell and module production capacity and/or to produce its products in the desired quantities and quality or to manage its growth effectively could have a material adverse effect on the Group's business, financial condition, results of operations or prospects and could potentially result in the Company being required to file for bankruptcy.*"), per-unit costs have been affected by higher than anticipated underabsorption of fixed costs.

While the Group may try to mitigate the effects of increases in anticipated production costs, by passing them on to its customers, there can be no assurance that the Group will be able to successfully to raise prices, in particular since price increases may not be accepted by customers and, in the competitive environment (also see "*—Risks related to the industry in which the Group operates—Competition and price pressure for the Group's products in general and increase in competition, industry-wide overcapacities, unfair competitive practices such as dumping or other competitive pressure could lead to lower net revenue and profit margins and a loss in market share and delayed or absent positive cash flow.*"), may lead to a reduction of sales volume and consequential increase in inventory levels.

Any failure to reach target unit production cost levels and/or failure to pass cost increases on to customers in the form of price increases, for the reasons described above or otherwise, could have a material adverse effect on the Group's business, financial condition, results of operations or prospects and could potentially result in the Company being required to file for bankruptcy.

Failure on the Group's part to timely ramp up PV cell and module production capacity and/or to produce its products in the desired quantities and quality or to manage its growth effectively could have a material adverse effect on the Group's business, financial condition, results of operations or prospects and could potentially result in the Company being required to file for bankruptcy.

As part of the Indium strategy, the Group will need to ramp up production of own PV cells and modules within certain time frames and certain production output volumes (see "*Description of the Group's Business—Manufacturing activities*" and "*Description of the Group's Business—Expansion plans*"). Specifically, the Group is currently in the process of expanding its production capacity from approximately 400 MW to approximately 1 GW of nominal annual capacity by the end of 2022, with a further expansion to approximately 1.4 GW of nominal annual capacity planned for 2023 ("nominal annual capacity" is the theoretical output, measured in GW of cell or module power, that a manufacturing line could produce over the course of one year if run at full utilization; during the ramp-up period, actual output may be lower). As announced on August 18, 2022, with the aim of meeting the high demand in the market for rooftop solar modules and to serve output requirements under the DESRI Agreement (as defined below), the Group currently plans

to further expand its capacities by adding new equipment to reach an aggregate nominal annual capacity of approximately 3 GW by the end of 2024. Specifically, the Group plans to expand its Goodyear (Arizona, United States) site to approximately 1 GW nominal annual capacity for utility modules in connection with the contract with DESRI (see "*Description of the Group's Business—Expansion plans—U.S. capacity expansion and DESRI Agreement*") as well as an additional approximately 0.6 GW nominal annual capacity for the U.S. rooftop segment. In addition, for purposes of reaching an overall cell and module nominal annual capacity of approximately 3 GW by the end of 2024, the Group plans an expansion of solar cell nominal annual capacity by an additional approximately 1.6 GW at the Group's Thalheim (city of Bitterfeld-Wolfen, Saxony-Anhalt, Germany) site.

The Group may fail to ramp up production of PV cells and modules in the time frames and with production output volumes currently envisaged or at all for factual, legal, regulatory, technical, commercial or other reasons. Factual reasons may include, but are not limited to, failure to successfully and in a timely manner acquire or lease from the current owners adequate production sites and facilities, to successfully overcome ongoing supply chain issues or to hire sufficient personnel (see"*—The Group may fail to hire, employ and retain skilled workforce, or management and/or key personnel may unexpectedly leave the Company or become otherwise unavailable or incapacitated, which could have a material adverse effect on the Group's business, financial condition, results of operations or prospects.*"). Legal and regulatory reasons may include, but are not limited to, failure to successfully obtain requisite approvals, permits (such as building or environmental permits), registrations and certifications. The manufacturing of the Group's solar PV cells, to be assembled to PV modules, includes the use of hazardous materials such as toxic and corrosive chemicals and gases and emits numerous waste streams, which may require special permits. The Group may fail to obtain such permits in time or at all. Technical reasons may include, but are not limited to, delays or difficulties in procuring, receiving and installing the required production equipment and facilities, deficiencies in the acquired production sites and facilities, defects or unplanned deficiencies in the production equipment, insufficient resources of skilled personnel (in particular for research & development), or delays or difficulties in bringing up and ramping up the production equipment. Because the Group expects, pursuant to its "captive" business strategy, to continue manufacturing a significant portion of the required manufacturing equipment in-house, failure to ramp-up production capacities for manufacturing equipment or any other failure to deliver the in-house manufactured equipment according to schedule and specifications may have an adverse impact on the ramp-up of the PV cells and module production capacities, and, ultimately PV cell and module production. Delays or deficiencies in relation to only one or a few pieces of equipment may have an outsize effect on the Group's ability to operate the production facilities, as the equipment in both cell and module lines is installed in a sequential manner. Further technical reasons include the difficulties in procuring the necessary raw materials for production of cells and modules (see "*—The operations of the Group depend on suppliers. The materialization of supply chain risks could have a material adverse effect on the Group's business, financial condition, results of operations or prospects.*"), which may halt or disrupt production in the ramp-up phase and thus delay the overall ramp-up. Financial reasons may include, but are not limited to, the failure to secure sufficient financing for the purchase, lease or development of sites and production equipment. Commercial reasons may include, but are not limited to, the failure to secure enough orders, leading to build-up of inventory and reduction of plant utilization.

In June 2021, the Group decided to abandon the previously envisaged strategy of selling HJT cells to third parties. Rather, the Group now processes its entire cell production into its modules. This requires, in addition to the general capability of executing a capacity ramp-up for both cell and module manufacturing, a matching of the Group's cell and module production capacity. Accordingly, any delay in the ramp-up or other disruption to the cell manufacturing process will lead to an immediate underutilization of the Group's module production capacity and a shortfall of produced sellable modules. Conversely, any delay in the ramp-up or other disruption to the module manufacturing process would require the Group to reduce its cell production or increase inventory of produced cells.

Disruptions are particularly likely during the ramp-up periods relating to new capacity. Ramping up a new manufacturing line is in general a complex process since a number of manufacturing equipment tools need to be integrated into the overall factory, interfaces between manufacturing equipment need to be established and the individual equipment and the overall process need to be brought to full throughput and production yield (per the specified nominal

annual capacity). In the recent past, the Group repeatedly experienced delays of the ramp-up of its production capacities compared to the Group's original plans. In particular, on each of August 13, 2021 and August 2, 2022, the Group announced that the ramp-up of production capacities was delayed due to delays in delivery of required components for the production facilities. On December 2, 2021, the Group announced that a higher than anticipated level of absence among its workers primarily owing to the effects of the COVID-19 Pandemic (as defined below) had led to a temporary reduction of output (see "*—The ongoing COVID-19 Pandemic or the emergence of any contagious diseases, endemics, epidemics or pandemics in the future featuring existing or novel strains of viruses or bacteria causing respiratory, pulmonary, inflammatory, coronary, immunodeficiency or other diseases, and government or private sector action designed to mitigate the medical, sanitary, epidemiological and/or economic consequences of such pathogens could have a material adverse effect on the Group's business, financial condition, results of operations or prospects.*"). This constraint also further delayed the ramp-up of capacities that was ongoing at the time. Primarily as a consequence of global disruptions in industrial activities and global logistics due to the COVID-19 Pandemic, a concurrent shift in global demand patterns and a lack of resilience of global industrial supply chains, starting in 2020 and ongoing, supply chains have been severely disrupted globally, with availability of many industrial components, in particular electronic components and semiconductors, impaired or delayed (the "**Global Supply Chain Crisis**"). As a result of the Global Supply Chain Crisis, the availability of various components required for the expansion of the Group's manufacturing capacities, in particular electronics and semiconductors, has been severely impacted and lead times have generally increased substantially. During the ramp-up of its current production capacity, the Group has repeatedly been forced to work around a lack of availability of components and has had to escalate supply chain issues to senior management of key suppliers. As a result, in the past, the Group was capable of containing the impact of such disruptions to a material whilst not threatening level. While the Group has incorporated expected long lead times for components and equipment into the timing for the ramp-up plans for future capacity as set out above, an intensification of current disruptions or additional disruptions of such or similar or other nature cannot be excluded and may severely impact the ability of the Group to ramp-up production capacity as planned and communicated, in particular if interventions and mitigation measures of the Group may ultimately not prove successful.

Also, the Group has experienced various deficiencies and malfunctions in new and existing equipment. While so far, these have been within the range of ordinary-course and to be expected difficulties when commissioning and ramping up manufacturing lines of similar technical complexity and while so far, the Group has managed to contain, address and remedy such issues, there can be no assurance that the Group will be able to manage such deficiencies and malfunctions in the future. The Group has also experienced unexpected issues with quality and consistency of the products produced during the ramp-up of its current production capacity, including unexpected deviations in specifications of materials delivered from its suppliers, unexpected optical deviations in the appearance of modules produced and difficulties in keeping process parameter variations within a narrow window (see also "*—Product defects or performance impairments may lead to costly replacement or repair of products or damages to be paid to customers or may have an adverse impact on the Group's reputation and profitability, which could, in turn, have a material adverse effect on the Group's business, financial condition, results of operations or prospects and potentially ultimately result in the Company being required to file for bankruptcy.*"). While such difficulties have to date not led to material deficiencies in products produced or a substantial number of warranty claims, they have adversely affected the speed of ramp-up. While the ramp-up of the first line of approximately 400 MW nominal annual capacity is technically complete as of the date of this Prospectus, it cannot be excluded that the ramping-up of further production capacities will be subject to further delays.

Owing to delays in the ramp-up or otherwise, the Group may prove unable to produce, on an ongoing basis, PV cells and modules at the desired and/or contractually agreed quality and specifications (including in particular cell efficiency) and in the requisite output volumes, and at the anticipated levels of production yield, amount of scrap and manufacturing costs.

If the ramp-up of its manufacturing facilities and capabilities is delayed or not successful, this will result in lower than planned revenues and profits. Also, this will result in lower than planned plant utilization and the Group's financial result is expected to be impacted by ongoing fixed costs in relation to the production facilities. Such underabsorption of fixed costs may lead to a reduction of gross margins. Also, certain difficulties in ramping up production lines may

lead to higher than anticipated scrap rates, which would reduce the output of sellable products and increase production costs per sellable unit. Also, in such circumstances, the amount of raw materials in stock may grow unexpectedly due to the inability of the Group to adapt the purchase volumes for new materials in a timely manner, with the adverse consequence of increasing the working capital (see also "*—The Group is exposed to certain financial risks, which, if they were to materialize, could have a material adverse effect on the Group's business, financial condition and results of operations and prospects.*"). Also, in addition to a direct financial impact, reputation and customer satisfaction may be impacted by lower than anticipated or delayed deliveries, potentially leading to long-term deterioration of the Group's prospects. Also, failure to deliver contractually agreed volumes in time or at all may lead to contractual penalties, damages or otherwise. In particular, any delay in the ramp-up of the production capacities designated to serve the DESRI Agreement (as defined below) may lead to a failure to deliver the contractually agreed volumes and may subsequently expose the Group to damages, liquidated or otherwise and the risk of termination of the DESRI Agreement (see "*—Failure on the Group's part to timely deliver PV modules in the required quantities and qualities to DESRI, achieve the milestones or other interim steps required to be completed under the DESRI Agreement, any deterioration or termination of the relationship between the Group and DESRI or any deterioration in the financial condition of DESRI could materially adversely affect the Group's business operations, financial condition, results of operations or prospects and potentially ultimately result in the Company being required to file for bankruptcy.*") in addition to any other potential impacts, as described above or otherwise.

Any failure on the part of the Group to timely ramp up PV cell and module production capacity, or to balance PV cell and module production capacity, or to transpose PV cell and module production capacity into output of units for sale with the requisite specifications (including quality and workmanship, output, production yield and production cost) and in the requisite time frames, for the reasons described above or otherwise, could have a material adverse effect on the Group's business, financial condition, results of operations or prospects and could potentially result in the Company being required to file for bankruptcy.

In addition, even if and to the extent the expansion of the Group's PV cell and module manufacturing business were to be successful, the Group will be required to manage the potential growth of the Group's operations. In particular, the Group will be required to improve its operational and financial systems, procedures and controls, increase manufacturing capacity and output, and expand, train and manage its employee base. Furthermore, the Group's management will be required to maintain and expand relationships with customers, suppliers and other third parties. There can be no guarantee that the Group's current and planned operations, personnel, systems, internal procedures and controls will at all times be adequate to support its future growth. If the Group is unable to manage its growth effectively, the Group may not be able to take advantage of market opportunities, execute its business strategies or respond to competitive pressures, each of which, if it were to materialize, individually or in the aggregate, could have a material adverse effect on the Group's business, financial condition, results of operations or prospects.

The Group could experience production difficulties and operational or other disruptions at its production facilities, which, in turn, could cause a reduction of output and/or production yield, which, in turn, could have a material adverse effect on the Group's business, financial condition, results of operations or prospects.

The Group's operations in general, and particularly its production processes, are vulnerable to damage, technical failures, fires or interruption from natural disasters, power loss, telecommunications failures, the disruption of its IT infrastructure and similar events. Because the Group is concentrating its cell and module production at a small number of sites (currently two), with the Thalheim (city of Bitterfeld-Wolfen, Saxony-Anhalt, Germany) site envisaged to be the Group's sole cell manufacturing site in the foreseeable future, a major disruption at any of these sites, in particular the Thalheim site, may have an outsize impact on the Group's operations. Also, at some sites, the Group has strong labor unions and similar workers' organizations, which may organize strikes and/or similar measures that could lead to a stoppage of production. Any disruption of operations can either result in delivery delays, an interruption of the production or even lead to a full breakdown of production or other operational activities. Some of the Group's manufacturing processes are particularly complex and require advanced and costly equipment. The Group is also highly dependent on its IT infrastructure, which may be compromised through hacking or other security breaches, viruses,

data losses or the interruption of internal and external network connections. See "*—The Group is dependent on information technology and if the Group fails to effectively maintain or protect its information systems or data, including from data breaches, which could have a material adverse effect on the Group's business, financial condition, results of operations or prospects.*" and "*—The Group is dependent on its computer and data processing systems operating without interruption, failure of which could have a material adverse effect on the Group's business, financial condition or results of operations and prospects.*". In addition, the rollout of new elements to its IT infrastructure, such as the implementation of new business software, may lead to operational problems, which could reduce output and productivity for a limited period of time.

In addition, a delay, slowdown or failure in ramp-up of new production facilities could lead to a reduction of output volume compared to the anticipated volumes. See "*—Failure on the Group's part to timely ramp up PV cell and module production capacity and/or to produce its products in the desired quantities and quality or to manage its growth effectively could have a material adverse effect on the Group's business, financial condition, results of operations or prospects and could potentially result in the Company being required to file for bankruptcy.*".

In addition, the Group may fail to achieve planned production yield levels at some or all stages of its manufacturing chain for any technical, engineering, operational reasons or otherwise, which would lead to a reduction of production volume and an increase in per-unit production costs. For example, the Group experienced higher than planned cell breakage at its production facilities, starting in mid-2021. While the Group has by now partially addressed these through a number of countermeasures including the reengineering of certain production tools responsible for cell cracks and the installation of optical cell inspection systems to sort out faulty cells, there can be no assurance that such measures will prove to be or continue to be effective. Also, while the Group is currently continuing to implement further countermeasures to reduce cell breakage, there can be no guarantee that the planned rate of cell breakage will be reached or that future occurrences of elevated scrap rate in the production process can be successfully mitigated.

Interruptions in production or reduction of production volume or increase in scrap rate compared to planned levels could decrease revenue, increase costs, through underabsorption of fixed costs or higher scrap costs or otherwise, and/or delay delivery of products to customers. Such delay may also give rise to claims of customers for damages and/or contractual penalties, in particular from customers in the utility-scale segment such as DESRI (see "*—Failure on the Group's part to timely deliver PV modules in the required quantities and qualities to DESRI, achieve the milestones or other interim steps required to be completed under the DESRI Agreement, any deterioration or termination of the relationship between the Group and DESRI or any deterioration in the financial condition of DESRI could materially adversely affect the Group's business operations, financial condition, results of operations or prospects and potentially ultimately result in the Company being required to file for bankruptcy.*").

For example, the Group has, in the recent past, experienced shortfalls of production volume compared to its prior plans due to delays in ramp-up of its manufacturing facilities (see "*—Failure on the Group's part to timely ramp up PV cell and module production capacity and/or to produce its products in the desired quantities and quality or to manage its growth effectively could have a material adverse effect on the Group's business, financial condition, results of operations or prospects and could potentially result in the Company being required to file for bankruptcy.*"). In addition, the Group has experienced limited production outages due to events such as an electricity outage due to bad weather and a minor fire in the kitchen each at its Freiberg (Saxony, Germany) site, gas leaks at its Thalheim (city of Bitterfeld-Wolfen, Saxony-Anhalt, Germany) site as well as a number of production outages due to unscheduled disruptions caused by human error during the installation of certain parts made by contractors during the installation of new manufacturing equipment at the existing manufacturing sites. The resulting production shortfall has led to, in aggregate, substantially reduced production volumes compared to originally envisaged volumes, which required the Group to postpone, cancel or change certain confirmed customer orders, with some of these changes having been prompted on short notice. While such disruptions in product flow have been and are currently common in the PV industry as a result of the ongoing Global Supply Chain Crisis, certain order changes have led to discontent among customers.

While the Group maintains customary insurance, including but not limited to customary property insurances including

business interruption insurance, there can be no assurance that direct or indirect impacts by major disruptions or associated third-party claims would be adequately covered by its applicable insurance policies or by any applicable contractual indemnity or liability limitations. Any production difficulties and disruptions at the Group's production facilities could have a material adverse effect on the Group's business, financial condition, results of operations or prospects.

Failure on the Group's part to timely deliver PV modules in the required quantities and qualities to DESRI, achieve the milestones or other interim steps required to be completed under the DESRI Agreement, any deterioration or termination of the relationship between the Group and DESRI or any deterioration in the financial condition of DESRI could materially adversely affect the Group's business operations, financial condition, results of operations or prospects and potentially ultimately result in the Company being required to file for bankruptcy.

The Group's U.S. entity Meyer Burger (Americas) Ltd. ("**MBA**") has entered into an agreement with DESRI's subsidiary DESRI Procurement, LLC ("**DESRI Procurement**") that provides for the supply by Meyer Burger of approximately 3.75 GW or more, depending on certain options exercised by DESRI as described below, of solar modules for use in DESRI's large-scale PV projects (the "**DESRI Agreement**"). DESRI is a leading developer, owner, and operator of renewable energy projects in the United States. The Group plans to manufacture the modules to be delivered to DESRI at Meyer Burger's Goodyear (Arizona, United States) site, with delivery of the modules starting in 2024. As their main components, the Group expects to manufacture the requisite PV cells at Meyer Burger's Thalheim (city of Bitterfeld-Wolfen, Saxony-Anhalt, Germany) site. DESRI and Meyer Burger intend to develop their cooperation into a long-term partnership in the field of solar module supply. See "*Description of the Group's Business—Expansion plans—U.S. capacity expansion and DESRI Agreement*" and "*Description of the Group's Business—Strategy—New market segments and further internationalization*".

As set out in "*Description of the Group's Business—Expansion plans—U.S. capacity expansion and DESRI Agreement*", the Group is currently developing a PV module for use in DESRI's utility-scale PV projects. The Group may fail or be late in developing such utility module, in building required test specimens or in achieving the required certifications, which are a prerequisite for selling the modules under the DESRI Agreement for a variety of reasons including but not limited to such as described in "*—The Group's failure or delay in achieving product certifications could delay or impede the introduction of new products to the market and could thus weaken the Group's competitiveness, which could materially adversely affect the Group's business operations, financial condition, results of operations or prospects.*". Further, under the DESRI Agreement, MBA has agreed to certain customary requirements for quality assurance and control ("**DESRI QA/QC Requirements**"), with modules not meeting these requirements not being eligible for selling under the DESRI Agreement. The Group may fail or be delayed in achieving the DESRI QA/QC Requirements for a variety of reasons including but not limited to process stability and quality issues in the production or product defects or variations (see "*—Product defects or performance impairments may lead to costly replacement or repair of products or damages to be paid to customers or may have an adverse impact on the Group's reputation and profitability, which could, in turn, have a material adverse effect on the Group's business, financial condition, results of operations or prospects and potentially ultimately result in the Company being required to file for bankruptcy.*"). Any such failure to have the utility module certified or to pass the DESRI QA/QC Requirements may result in a delay or failure to deliver the contractually agreed volumes under the DESRI Agreement, with potential consequences as described further below.

As further set out in "*Description of the Group's Business—Expansion plans—U.S. capacity expansion and DESRI Agreement*", with the aim of being capable of delivering modules in the quantities and qualities as required under the DESRI Agreement, the Group is currently planning to expand its production capacity of the Goodyear (Arizona, United States) site to include approximately 1 GW nominal annual capacity for utility modules. Should the Group fail to effectively expand its production capacity as required under the DESRI Agreement, or should the Group otherwise not be in a position to produce or sell the modules under the DESRI Agreement in the required quantities and with the agreed specifications and quality features including the required certifications and DESRI QA/QC requirements or in the agreed time, this could expose the Group, including, in particular the Company which has issued a guarantee to DESRI Procurement to liability claims *e.g.* for damages, liquidated or otherwise or could lead to a deterioration of the

relationship between the Group and DESRI Procurement and/or DESRI or ultimately termination of the DESRI Agreement and have a material adverse effect on the Group's business operations, financial condition, results of operations or prospects and potentially ultimately result in the Company being required to file for bankruptcy. For further risks in connection with the ramping-up of the Group's production capacities, see also "*—Failure on the Group's part to timely ramp up PV cell and module production capacity and/or to produce its products in the desired quantities and quality or to manage its growth effectively could have a material adverse effect on the Group's business, financial condition, results of operations or prospects and could potentially result in the Company being required to file for bankruptcy.*"

As further set out in "*Description of the Group's Business—Expansion plans—U.S. capacity expansion and DESRI Agreement*", under the DESRI Agreement, pricing of the PV modules is fixed (on a per-Watt basis) with an adjustment for wafer prices, as measured by the cost of wafers procured by the Group. Should the actual cost of manufacturing for Meyer Burger's utility modules be higher than anticipated, for reasons including, but not limited to, general technical, engineering, operational or commercial reasons (see "*—Failure on the Group's part to reduce unit production costs to anticipated levels, increases in purchase prices for materials and/or consumables and/or failure on the Group's part to pass on cost increases to customers in the form of price increases could have a material adverse effect on the Group's business, financial condition, results of operations or prospects and could potentially result in the Company being required to file for bankruptcy.*" or, in relation to raw materials and energy prices as a specific contributor, "*—Risks related to the industry in which the Group operates—Raw material, energy and transportation prices may have a significant impact on Group's profitability.*") or because of macroeconomic factors such as inflation or foreign exchange rate changes, then the Group may realize a lower gross profit, or even a loss, on the modules to be delivered to DESRI than anticipated. Further, under the DESRI Agreement, DESRI Procurement has undertaken to make a substantial annual down payment. Should DESRI Procurement fail to make such payment in full or in a timely manner, then the Group's liquidity may significantly decrease and, as a consequence, the Group may become unable to purchase raw materials (see also "*—The Group is exposed to certain financial risks, which, if they were to materialize, could have a material adverse effect on the Group's business, financial condition and results of operations and prospects.*"). If any of these risks were to materialize, this could have a material adverse effect on the Group's business operations, financial condition, results of operations or prospects and potentially ultimately result in the Company being required to file for bankruptcy.

Before PV modules under the DESRI Agreement will be actually sold and purchased, certain steps and milestones need to be achieved by one or both of the parties to the DESRI Agreement. These include, but are not limited to an obligation to cooperate in good faith to finalize, no later than November 28, 2022, a final form of order sheet including the form of Meyer Burger's warranty and certain other aspects. Should any such steps or milestones not be completed within the required timeframes, this, like any failure on the part of the Group to perform the obligations under the DESRI Agreement, could ultimately lead to a termination of the DESRI Agreement by DESRI which could have a material adverse effect on the Group's business operations, financial condition, results of operations or prospects and potentially ultimately result in the Company being required to file for bankruptcy.

In addition, any deterioration of the relationship with DESRI Procurement and/or DESRI could potentially lead to a contractual dispute, which could be time-consuming and costly to remediate and deter the Group's management from directing its attention to the conducting of the Group's business. If the Group was unable to reach an amicable settlement of any such potential dispute or conflict, the Group may as a result incur significant costs in connection with lawsuits and/or arbitration proceedings. In addition, it may prove difficult or impossible to replace DESRI with another large-scale developer for the United States within a reasonable time frame, or at all, potentially leaving the Group with excess production capacities or unsold stock of cells and modules. While DESRI Procurement has an obligation to order and accept the contractually agreed volumes under the DESRI Agreement itself or by designated purchasers, if DESRI Procurement or the designated purchasers under the DESRI Agreement were to stop purchasing the Group's products, for legal reasons, commercial reasons, or otherwise, the Group may not be able to replace such lost revenue, which could have a material adverse effect on its operating profit. If any of these risks were to materialize, this could have a material adverse effect on the Group's business operations, financial condition, results of operations or prospects and potentially ultimately result in the Company being required to file for bankruptcy.

In addition, any deterioration in DESRI's or DESRI Procurement's financial condition or any designated purchaser under the DESRI Agreement or the non-payment or delayed payment by such entities (see also "*—The Group faces risks of non-payment or delayed payment of customer accounts. Were these risks to materialize, this could have a material adverse effect on the Group's business, financial condition or results of operations and prospects.*") or any disruption in DESRI's or DESRI Procurement's operations could adversely impact the module quantities purchased and paid by DESRI Procurement or a designated purchaser and therefore have a material adverse effect on the Group's business operations, financial condition, results of operations or prospects and potentially ultimately result in the Company being required to file for bankruptcy.

As a relatively new market entrant, the Group may misjudge price formation mechanisms and customers' propensity to pay a price premium or otherwise fail to realize expected sales prices, each of which could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

Having embarked on the Indium Strategy in 2020 and completed its first PV cell manufacturing line only in 2021, the Group is still a relatively new market entrant to the PV cell and module manufacturing industry. The Group may have targeted, or may in the future elect to expand into, markets that feature a higher price elasticity or a lower propensity to spend than expected, or markets in which purchasers or decision makers are guided by purchase criteria not or not sufficiently considered by the Group. In particular, the Group's assumption that it is in a position to market and sell its modules as premium products for the residential and small commercial market segment, based on certain criteria (see "*Description of the Group's Business—Products and services—Market positioning, end customer benefits and value proposition of Meyer Burger's products*") may not be accurate and/or not continue to be accurate in the future. Similarly, the Group's perception that customers in large commercial/industrial rooftop and utility-scale applications are increasingly looking to diversify their supplier base away from the current almost exclusively Asian suppliers (see "*Industry Overview and Market Trends—Trends in the solar PV market—Supply-side developments*") may be erroneous. Additionally, purchasers or decision makers may not be convinced of the relevance of such factors or may weigh some of these factors, based on rational or emotional criteria, differently than anticipated by the Group. For example, utility-scale segment customers may not be convinced of, or not consider relevant to the same degree as the Group, the slower long-term degradation of the Group's PV modules, or may not be willing to award advantages in relation to a superior bifaciality factor (see "*Description of the Group's Business—Products and services—Market positioning, end customer benefits and value proposition of Meyer Burger's products*"). Also, purchasers or decision makers may attribute more weight than anticipated by the Group to downsides of the Group's offering, such as weaker financial strength than key competitors, lack of track record of the Group in the PV modules market, lack of track record for the specific products offered by the Group in the market or lack of existing personal relationships in their purchasing decisions. Besides the end customers for the Group's products, other actors in the sales channels, including installers, wholesalers, engineering, procurement and construction (EPC) contractors and project developers, may have diverging or differently prioritized purchasing criteria or requirements than expected by the Group. The Group may also target other actors than the ones that actually are or will be most important for the purchasing decision with its marketing and sales efforts. As a consequence of any of the above, collectively or individually, the Group may fail to realize the expected sales prices in individual or all market segments and geographies targeted, which could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

The Group may otherwise fail to sustainably secure the price premia in the market at the levels and by the time currently anticipated and, as a consequence, fail to generate the revenues and margins currently anticipated (see "*Description of the Group's Business—Outlook and goals*"). Failure to sustainably secure such expected price premia may be the result of a variety of reasons, including but not limited to any of the reasons related to price formation mechanisms described in the preceding paragraph, that the Group presently overestimates customers' willingness to spend or to adopt a new technology with so far relatively limited empirical evidence or long-term experience value due to its relative novelty, that the relative performance advantage of the Group's products to relevant competing products is less than expected or even eliminated due to a failure to manufacture products with the expected performance specifications or quality or due to competitors, current or future, offering higher-performing products than anticipated, offering products at lower prices than anticipated or even engaging in a price war or dumping (see also

"*—The Group is exposed to certain risks related to the Group's technological market position including the emergence of strong competitors with greater financial resources, similar or better technologies, the occurrence of which could weaken its competitiveness and viability to sell the anticipated volumes at expected prices, which could have a material adverse effect on the Group's business, financial condition, results of operations or prospects and result in the Company being unable to pay its debts, becoming insolvent and/or required to file for bankruptcy.*" and "*—The Group's failure to further improve its technology per its R&D roadmap and to develop and introduce new innovative PV products could render its products less competitive or obsolete, and reduce the Group's profit margins, sales and market share, each of which, individually or in the aggregate, could have a material adverse effect on the Group's business, financial condition, results of operations or prospects.*"), that ramp-up of production or market entry may take longer than expected – with the Group's technology potentially being outperformed or made obsolete during that time by competitors –, or that sales and marketing efforts may not achieve the desired results, for example result in a less favorable sales mix between market segments and geographies than expected (see "*—The Group's marketing, branding and distribution strategies may be unsuccessful, which could have a material adverse effect on the Group's business, financial condition, results of operations or prospects.*").

The prices of the Group's PV module products are, and are expected to continue to be, in part determined by relevant benchmark prices – in the utility-scale PV module segment the price of the prevailing mainstream technology PV modules, currently PERC technology PV modules (see "*Industry Overview and Market Trends—Trends in the solar PV market—Technology trends*"), and in the residential and small commercial segment the price of comparable premium products such as PV modules offered by relevant competitors, which in turn is also influenced by the price of mainstream PERC technology PV modules. Were these benchmark prices to decline, this could have a material adverse effect on the prices the Group can secure for its modules, which could have a material adverse effect on the Group's business, financial condition or results of operations or prospects. See also *"—Risks related to the industry in which the Group operates—Competition and price pressure for the Group's products in general and increase in competition, industry-wide overcapacities, unfair competitive practices such as dumping or other competitive pressure could lead to lower net revenue and profit margins and a loss in market share and delayed or absent positive cash flow.*".

Within the residential and small commercial segment, the Group targets the premium subsegment, where the Group faces competition from a small number of strong incumbent competitors. The Group may fail to position its products in the premium subsegment, may fail to entice customers to pay a price premium or otherwise fail to realize expected sales prices, may not succeed in taking sufficient market share from the incumbent competitors, or increased competition may lead to price declines, each of which could materially adversely affect the Group's business operations, financial condition or results of operations and prospects.

In the residential and small commercial segment, Meyer Burger targets end customers (households, retail businesses, etc.) in the premium market segment. In this segment, the Group's customers are primarily distributors (also called wholesalers or system integrators), who purchase modules from manufacturers in bulk and then repackage and resell modules to installers. See "*Description of the Group's Business—Customers, channels and sales regions—Module customers in the residential and small commercial segment*".

The premium market segment is characterized by a substantially higher price level compared to the mainstream PV market and is currently served by a number of incumbent competitors (see "*Industry Overview and Market Trends—Competitive landscape*"). While listed conglomerates Panasonic and LG Electronics have exited the solar business since Meyer Burger's market entry other competitors including SunPower, Maxeon and REC Solar remain in the market segment. While Meyer Burger believes that its PV modules have a strong value proposition (see "*Description of the Group's Business—Products and services—Market positioning, end customer benefits and value proposition of Meyer Burger's products*") that enables the Group to win substantial market shares from incumbent vendors, customers and decision makers along the value chain may not perceive the value proposition as attractive enough or may perceive downsides of the Group's offering such as its perceived lower financial strength or lack of track record as a negative factor. Moreover, the incumbent vendors may effect active countermeasures against the Group's market entry such as demanding exclusivity from their sales channel partners, or may attempt to fend off competition by the Group

by lowering prices. As a result, the Group may not succeed in taking sufficient market share from the incumbent competitors, or the increased competition through the Group itself or incumbent vendors' future expansion of supply may lead to price declines, each of which could materially adversely affect the Group's business operations, financial condition or results of operations and prospects.

The implementation of the Indium Strategy, in its current form, including in particular the envisaged initial approximate expansion to approximately 3 GW of nominal annual capacity, as well as the contemplated further long-term expansion, is expected to require additional financing. Should the Group be unable to secure such additional financing at all or in time, this could have a material adverse effect on the Group's business, financial condition, results of operations or prospects and result in the Company being unable to pay its debts, becoming insolvent and/or required to file for bankruptcy.

The implementation of the Indium Strategy, in its current form, including in particular the requisite ramping up of PV cell and module production capacity, is expected to require additional financing. Such financing is generally required to fund the investments in new manufacturing facilities and equipment, to fund the required working capital for operating new capacities and to absorb ramp-up losses of the manufacturing lines.

In particular, so as to be able to build, commission and operate the envisaged initial approximately 3 GW of PV annual nominal cell and module production capacity, the Group expects to require, in addition to the proceeds from the Offering, the results from positive operational cash flows and expected down payments from DESRI, further sources of financing to be effected at acceptable terms potentially including, but not limited to, working capital financing including factoring, senior secured debt, junior debt, (green) bonds, subsidies and grants or other customer down payments. See "*Description of the Group's Business—Outlook and goals—Short- to medium-term outlook (3-year horizon)*". To implement its long-term goals, in addition, the Group expects that it will need additional debt and equity financing to be effected at acceptable terms. See "*Description of the Group's Business—Outlook and goals—Long-term goals (>3-year horizon)*".

The Group may not be able to obtain the required amount of additional financing, or the Group may be able to obtain the required amount of additional financing only on terms that significantly dilute the Company's shareholders and/or restrict the Group's flexibility to operate. In addition, the Group may be unable to secure the required amount of additional financing in a timely manner or at economically acceptable terms and conditions. Factors contributing to such failure, shortcoming or delay may include a failure or delay in demonstrating successful achievement of contractually agreed milestones or other successful implementation of market participants' expectation, whether based on communications made by the Group or third parties, lenders' negative view of the Group's creditworthiness in general, a lack of binding offtake agreements, the inability to provide collaterals acceptable to lenders under debt financing agreements, a lack of public support or guarantees, or other factors. Should the Group be unable to secure such additional funding at acceptable economic terms and conditions and within the requisite time frames, this could result in, among other things, the Group's failure to expand production capacity at all or to the currently anticipated scale, potentially requiring the Group to re-dimension the Indium Strategy in its current form. Also, such failure may render the Group unable to fulfill its obligations under the DESRI Agreement (see *"—Failure on the Group's part to timely deliver PV modules in the required quantities and qualities to DESRI, achieve the milestones or other interim steps required to be completed under the DESRI Agreement, any deterioration or termination of the relationship between the Group and DESRI or any deterioration in the financial condition of DESRI could materially adversely affect the Group's business operations, financial condition, results of operations or prospects and potentially ultimately result in the Company being required to file for bankruptcy.*"). The materialization of any of these risks could have a material adverse effect on the Group's business, financial condition, results of operations or prospects and result in the Company being unable to pay its debts, becoming insolvent and/or required to file for bankruptcy.

In addition, should the Indium Strategy, in its current form, have to be re-dimensioned, the Group may generate a shortfall in positive operational cash flow or a negative operational cash flow which could result in, among other things, the Group being forced to downsize its production equipment business or its research and development activities, each of which could limit the Group's capability to further implement and scale the Indium Strategy or to realize

its envisaged research and development roadmap. This could have a material adverse effect on the Group's business, financial condition, results of operations or prospects and result in the Company being unable to pay its debts, becoming insolvent and/or required to file for bankruptcy.

Non-compliance on the part of the Group with terms, conditions or covenants of, or a default under the Group's existing or future financing agreements could materially adversely affect the Group's business, financial condition, results of operations or prospects and result in the Company being unable to pay its debts, becoming insolvent and/or required to file for bankruptcy.

On June 15, 2021, the Group entered into a syndicated loan agreement relating to credit facilities in the amount of EUR 125 million with a banking syndicate led by Ostsächsische Sparkasse Dresden, Germany, which includes a group of savings, development and cooperative banks (the "**Syndicated Loan Agreement**"). Pursuant to the Syndicated Loan Agreement, the amounts drawn under the Syndicated Loan Agreement, which is due to mature on March 8, 2027, are to be used primarily to finance investments to expand production capacity at the Thalheim (city of Bitterfeld-Wolfen, Saxony-Anhalt, Germany) and Freiberg (Saxony, Germany) production sites. 80% of the loan volume is guaranteed by the Federal Republic of Germany and by the states of Saxony and Saxony-Anhalt. Concurrently with the Syndicated Loan Agreement, the Group entered into a factoring agreement (the "**Factoring Agreement**") in the amount of EUR 60 million with a German specialist bank for working capital finance, which is due to expire on June 30, 2024. Each of these credit facilities was entered into at standard market terms and conditions, including financial covenants. See "*Executive Board's Discussion and Analysis of Financial Condition and Results of Operations—Financing of the Group*".

On July 1, 2021, the Group issued debt in the form of a green senior unsecured guaranteed convertible bond (the "**Convertible Bond**") with an aggregate principal amount of EUR 145 million, which is due to mature in 2027. Unless previously converted or repurchased and cancelled, the Convertible Bond will be required to be redeemed at 100% of its principal amount on July 8, 2027. See "*Executive Board's Discussion and Analysis of Financial Condition and Results of Operations—Financing of the Group*".

The Group's existing or future financing agreements, including, in particular, the Syndicated Loan Agreement, the Factoring Agreement and the Convertible Bond (and any agreement or instrument replacing any of these financing agreements and any other future financing agreements) (see "*Executive Board's Discussion and Analysis of Financial Condition and Results of Operations—Financing of the Group*"), do or may in the future contain restrictions that limit the Group's financial and operating flexibility, as well as certain restrictive financial covenants, some of which may limit the Group's ability to obtain additional financing, including financing needed in connection with implementing and financing or otherwise further developing the Indium Strategy, in its current form, including serving the DESRI Agreement. Any breach of such covenants and any event of default under any such financing agreement may lead to an additional payment obligation that could exceed the Group's financial abilities, or to the termination of such agreements by the creditors, resulting in an obligation to repay the entire outstanding loans immediately.

For example, under the Syndicated Loan Agreement, the Group agreed to certain covenants, including a minimum last four quarters' EBITDA covenant and a maximum net debt / EBITDA ratio covenant. In the first quarter and the third quarter of 2022, the lenders under the Syndicated Loan Agreement agreed to an adjustment of the original covenants to reflect the delays in the Group's ramp-up of manufacturing facilities as communicated on December 2, 2021 and August 2, 2022, respectively. Already in 2019 and 2020, the Group was in breach of certain covenants under a then-current syndicated facilities agreement. Under such agreement, the Group had agreed to certain covenants, including a minimum liquidity covenant, a minimum last four quarters' EBITDA covenant and a minimum net equity covenant. As of December 31, 2019, the Company was in breach of the EBITDA covenant. In turn for retrospectively waiving this covenant, on February 21, 2020, the banking syndicate imposed further restrictions, in particular a 100% cash pledge applying to the vast majority of bank guarantees issued or to be issued. As of March 31, 2020, the value of assets so collateralized amounted to CHF 26.3 million (December 31, 2019: CHF 26.3 million), comprising bank accounts. As of March 31, 2020, the Company was in breach of the net equity and the EBITDA covenants, for which the bank syndicate granted another retrospective waiver for the first quarter of the financial year 2020 as well as a prospective waiver with regard to the second quarter of the financial year 2020. Subsequently, the bank syndicate did

not extend the then-current syndicated facilities agreement beyond its scheduled expiry in August 2020. There can be no assurance that, should a similar situation arise in the future, the Company will be capable of obtaining requisite waivers from the relevant financing institutions or of otherwise curing the breach, failure of which could materially adversely affect the Group's business operations, financial condition, results of operations or prospects and result in the Company being unable to pay its debts, becoming insolvent and/or required to file for bankruptcy.

Compliance on the part of the Group with the terms, conditions and covenants of its financing agreements and the Group's capacity to avoid a default under such agreements in the future depends on a number of factors, some of which are beyond the Group's control. A deterioration of the industry and market in which the Group operates or a deviation from the assumptions underlying the Group's current business plan, including in particular relating to or implementing the Indium Strategy, in its current form, may have a material adverse effect on the Group's earnings, which could affect the Group's ability to comply with the relevant financial ratios. Accordingly, there can be no assurance that the Group will be able to comply with its financial covenants or avoid a default under its existing or future financing agreements, despite the capital expected to be raised as a result of the Offering and any other financial restructuring or other measures undertaken at present or in the future.

The breach of a financial or other covenant, or failure to meet obligations under any of the agreements governing the Group's debt, may result in a default under such agreements, which may require the Group to immediately repay the related debt in whole or in part, the cancellation of the applicable facility (including the right to use the facility under the applicable agreement in the form of bank guarantees or sureties) and/or the enforcement of any security granted to the lenders or other creditors. In addition, cross-default or cross-acceleration clauses contained in several other of the Group's financing instruments (including the Convertible Bond; see "*Executive Board's Discussion and Analysis of Financial Condition and Results of Operations—Financing of the Group*") may be triggered and the Group's liquid funds and short-term cash flow may be insufficient to service all of the amounts due in the circumstances described above. Furthermore, some of the Group's financing arrangements can be terminated by the relevant lenders at any time. Further, the operative business of the Group may be materially adversely affected if customers and suppliers were to request advance payments (or sureties or securities, *e.g.*, to secure advance payments to be made to the Group) from the Group or might refuse to do business with the Group altogether. The occurrence of any of these events individually, or a combination thereof, could materially adversely affect the Group's business operations, financial condition, results of operations or prospects or result in the Company being unable to pay its debts, becoming insolvent, bankrupt and/or entering into liquidation or similar proceedings.

The Group may fail to repay, renew, or to secure at acceptable economic terms and conditions an agreement replacing, the Syndicated Loan Agreement and Factoring Agreement, due to a failure on the part of the Group to operationally and financially perform its obligations as expected or otherwise, which could materially adversely affect the Group's business, financial condition, results of operations or prospects and result in the Company being unable to pay its debts, becoming insolvent and/or required to file for bankruptcy.

On June 15, 2021, the Group entered into the Syndicated Loan Agreement. Concurrently with the Syndicated Loan Agreement, the Group entered into the Factoring Agreement. See "*Executive Board's Discussion and Analysis of Financial Condition and Results of Operations—Financing of the Group*". While it is currently anticipated that the amounts drawn under the Syndicated Loan Agreement will be repaid at their respective redemption dates from then-existing cash funds or funds received from the sale of assets, from operating cash flows or from new sources of financing, there can be no assurance that proceeds from the Offering will not be used to repay the amounts drawn under the Syndicated Loan Agreement. Also, there can be no assurance that the Company will be able to repay or refinance these instruments as currently anticipated. In addition, while it is currently anticipated that the Factoring Agreement will be extended or replaced by an equivalent or larger factoring arrangement, there can be no assurance that proceeds from the Offering will not be used to fund additional future working capital requirements resulting from the failure to reach an extension or replacement.

On July 1, 2021, the Group issued the Convertible Bond. Unless previously converted or repurchased and cancelled, the Convertible Bond will be required to be redeemed at 100% of its principal amount on July 8, 2027. Under the bond documentation, tranches of the Convertible Bond are exchangeable in shares of the Company. The Group will be entitled to redeem the Convertible Bond at its principal amount plus accrued interest in accordance with the terms and conditions of the bond at any time (i) on or after July 29, 2025, if the price of a Share is equal to or exceeds 130% of the then-prevailing conversion price over a certain period or (ii) if less than 15% of the aggregate principal amount of the bond remains outstanding. See "*Executive Board's Discussion and Analysis of Financial Condition and Results of Operations—Financing of the Group*". While it is currently anticipated that the Convertible Bond, unless previously converted, will be repaid at maturity from then-existing cash funds or funds received from the sale of assets, from operating cash flows or from new sources of financing, there can be no assurance that proceeds from the Offering will not be used to repay the Convertible Bond. Also, there can be no assurance that the Company will be able to repay or refinance the Convertible Bond if required.

The Group's ability to repay and refinance its debt or the ability to fund its working capital and capital expenditure is heavily dependent on the Group's future operational and financial performance, its ability to generate sufficient cash flow as well as the successful implementation of the Indium Strategy, in its current form. Depending on its operational and financial performance, the Group faces the risk that it will be unable to achieve any refinancing on a timely basis, on satisfactory terms or at all. The Group may also be limited in its ability to pursue refinancing alternatives on the same or more favorable terms and conditions compared to the existing debt, which could put the Group into a materially adverse competitive and financial situation and could materially negatively impact its operational and financial viability and prospects and result in the Company being unable to pay its debts, becoming insolvent and/or required to file for bankruptcy.

There can also be no guarantee that the financial covenants included in these debt facilities will be met at all requisite times and unless such covenants are being waived by financing creditors, any breach of covenants could cause the creditors to terminate the facility and expose the Company to the risk of refinancing the facility on relatively short notice and less favorable terms if at all (see "*—Non-compliance on the part of the Group with terms, conditions or covenants of, or a default under the Group's existing or future financing agreements could materially adversely affect the Group's business, financial condition, results of operations or prospects and result in the Company being unable to pay its debts, becoming insolvent and/or required to file for bankruptcy.*").

Furthermore, there can be no assurance that the Group will receive the necessary financial resources (equity and debt) in all cases in due time, in the required amount and/or at acceptable conditions. In particular, adverse financial market conditions including but not limited to higher interest rates may prevent the Group from being able to access the necessary financing or make such financing unattractive (also see "*—Risks related to the industry in which the Group operates—The Group is exposed to high rates of inflation and increased interest rates, which could have a material adverse effect on the Group's business, financial condition or results of operations and prospects.*"). For example, the recent material increase in interest rates in Europe and the United States could lead to debt financing becoming economically unattractive. This could result in the Group not being able to make important investments or that the necessary liquidity for the expansion of the sales and production capacity is not available and that, as a result, the corporate strategy has to be adjusted or given up completely, putting the Group at a disadvantage compared to its competitors that may be less indebted or require less debt financing and thus may be subject to less restrictive financial covenants.

Because repayment and refinancing of debt depends on the Group's future operational and financial performance, failure on the part of the Group to operationally and financially perform as expected could have a material adverse effect on the Group's business, financial condition and results of operations and prospects. Should the Group fail to repay, renew, or to secure refinancing for the Syndicated Loan Agreement and/or the Factoring Agreement, the Convertible Bond or any other current or future material financing agreement at acceptable economic terms and conditions or at all, this may materially adversely affect the Group's business operations, financial condition, results of operations or prospects and result in the Company being unable to pay its debts, becoming insolvent and/or required to file for bankruptcy.

In addition to the risk of the Group or the Company breaching covenants or not being capable of repaying debt or securing its refinancing, each of the Convertible Bond, the Syndicated Loan Agreement and the Factoring Agreement is subject to customary cross-default clauses, pursuant to which the respective outstanding amounts can be immediately called due if the Company or one of its material subsidiaries is required to early repay any other financial obligation as a consequence of non-compliance with such other financial obligation's credit terms or for other reasons. See "*—Non-compliance on the part of the Group with terms, conditions or covenants of, or a default under the Group's existing or future financing agreements could materially adversely affect the Group's business, financial condition, results of operations or prospects and result in the Company being unable to pay its debts, becoming insolvent and/or required to file for bankruptcy.*".

Product defects or performance impairments may lead to costly replacement or repair of products or damages to be paid to customers or may have an adverse impact on the Group's reputation and profitability, which could, in turn, have a material adverse effect on the Group's business, financial condition, results of operations or prospects and potentially ultimately result in the Company being required to file for bankruptcy.

The Group's PV products and manufacturing equipment may exhibit functional, aesthetic or safety-related defects at delivery or may develop such defects at a later point in time when deployed on-site, or the products may not perform as specified or guaranteed through the Group's warranties. Such product defects can cause damage to the property or the assets of the customer of the Group or the property or the assets of the end user of such customers or injury to life, body or health of customers, their employees or third persons. The same applies to other breaches of duty when providing services, in particular, incorrect operating instructions or safety notes and to the improper use and handling of the modules or equipment on the part of the Group's customers or the end users. Lower performance than expected, specified or guaranteed of the Group's PV modules can lead to a loss in revenue (or, in the case of self-consumption systems, higher cost for substitute electricity sourced from the grid) for the end customers who operate the PV modules in solar power systems and may lead to significant claims against the Group for warranty or damage, including statutory product liabilities in the applicable jurisdictions where the Group operates, used to operate or plans on operating, as the case may be. Even if product defects are caused by defects in materials or components delivered from suppliers, the Group may be unable to take recourse or claim damages from such suppliers, due to a failure to sufficiently specify technical requirements of the materials, a failure to properly inspect incoming materials, contractual limitations of liability or otherwise.

If Meyer Burger's PV modules, once installed, exhibit product failures or fail to produce the specified or guaranteed power, then Meyer Burger may incur costs through the processing of warranty claims and potentially the need to replace defective PV modules or otherwise remedy the defects, including monetary compensation. Such remedies may be available, and respective disbursements of the Group may be triggered, under statutory product liabilities in the applicable jurisdictions where the Group operates or under the product and performance warranties provided by Meyer Burger to end customers. In line with the offered warranty periods, such warranty claims may occur as long as 20–25 years after manufacturing. Warranty claims may lead to extensive and costly disputes and litigation. Also, because the Group has positioned its PV modules in the premium market subsegment and makes specific claims relating to high level of quality and a high aesthetic standard, the Group may be factually compelled to remedy defect claims that are below the threshold of triggering a warranty claim pursuant to the applicable provisions, but which, if unremedied, would lead to customer dissatisfaction and potentially reputational damage.

Furthermore, the financial provisions created for warranty claims arising from the sale of goods and services may turn out to be insufficient. The Group made provisions for warranties of CHF 2.9 million as of December 31, 2020, of CHF 1.8 million as of December 31, 2021 and of CHF 3.3 million as of June 30, 2022.

In addition, product defects could lead to a limitation in the acceptance on the market and/or reputation of the Group and, thus, in the sales of the products with important customers and could adversely affect profitability.

Specifically, in the PV module business, it is customary for manufacturers to provide long product and performance warranties. With its products, Meyer Burger typically exceeds market standards for the length of such warranties. Currently the Group provides a product and performance warranties of between 20 and 25 years, depending on the

product, with higher performance guarantees (*i.e.*, lower degradation guaranteed) than the typical market standard.

Having embarked on the Indium Strategy in 2020 and installed its first PV cell and module manufacturing lines only in 2021, the Group is still a relatively new market entrant the PV cell and module manufacturing industry. The Group has developed new products including new technologies and new materials combinations. Despite a high level of care, which the Group believes to apply in its developing procedures, and despite regular test results passing the required thresholds and criteria, pursuant to applicable certification standards such as UL/IEC 61215 but also beyond, in its own certified test laboratory as well as through certified third-party test laboratories (see "*Description of the Group's Business—Technology, research & development and intellectual property—Research and development (R&D) process*"), it cannot be excluded that products exhibit unexpected failures after delivery or develop such unexpected failures or performance degradation, once installed, over time, due to unknown defect mechanisms or known defect mechanisms with larger than expected effect size or impact. Also, materials sourced by the Group may exhibit variations in physical or chemical characteristics variations over time, which may go undetected and eventually lead to product defects. The Group has not manufactured or deployed PV modules for use in utility-scale applications yet, which it has agreed to supply under the DESRI Agreement from 2024 on (see "*—Failure on the Group's part to timely deliver PV modules in the required quantities and qualities to DESRI, achieve the milestones or other interim steps required to be completed under the DESRI Agreement, any deterioration or termination of the relationship between the Group and DESRI or any deterioration in the financial condition of DESRI could materially adversely affect the Group's business operations, financial condition, results of operations or prospects and potentially ultimately result in the Company being required to file for bankruptcy.*"). In the utility-scale segment, customers have particularly stringent requirements on long-term product performance and regularly test deployed products and can be expected to make warranty claims if the performance falls below the guaranteed levels.

For example, in 2019, the Group was served with a notice of defects relating to one of its former MegaSlate II roof-integrated PV module products. In the process, Meyer Burger submitted a report to the responsible Swiss regulatory body ESTI. In the meantime, the damage settlement has been completed and the final report of ESTI is available. The case has also been qualified as closed by the involved insurance companies. In the context of its delivery of PV modules under the Indium Strategy, in its current form, to the market, the Group has experienced rates of customer claims for functional defects that the Group believes are within the level to be reasonably expected for a company ramping up its manufacturing operations, which are higher than what could be reasonably expected for long-time manufacturers experienced in the field. For example, the Group has received higher than anticipated complaints related to broken modules shipped to the United State. The Group believes that the higher breakage rate is due to a combination of not robust enough packaging and mishandling during transport. The Group is currently in the process of implementing steps to remediate the issue by considering improvements to its packaging and by creating awareness among the Group's logistics service providers, in addition to replacing broken modules. The Group has also received a higher number of customer complaints in connection with aesthetic deviations than anticipated, primarily due to three defect mechanisms. In the first instance, one of the Group's suppliers of front glass sheets failed to maintain a proper process consistency when applying the anti-reflective coating, which leads to a deviation in color and reflectivity of one front glass sheet to another. While the modules produced with such glass exhibit no functional impairment and meet high aesthetic standards if viewed individually, PV rooftop systems consisting of multiple such modules may appear aesthetically inhomogeneous. The Group has, on one hand, addressed the issue by tightening specifications for the sourced glass coating with its suppliers. On the other hand, the Group has developed a mobile measurement system for glass surface color and reflectivity and has deployed teams to its distribution customers that sorted remaining product stock into homogeneous batches. The Group intends to swap out modules already installed in a number of PV systems with corresponding complaints in the near future as a sign of goodwill, even though the aesthetic deviation does not qualify as a warranty claim, and has made a provision of EUR 100,000 to account for related future expenses. Second, the Group has found that a certain combination of materials in certain PV modules may lead to a minor discoloration around metal interconnectors and wires in such products, which, according to the Group's current technical assessment, are not expected to lead to functional or performance impairments or affect longevity. While as such, the issue is not expected to trigger a warranty claim according to the Group's current assessment, the Group has received a number of customer complaints in relation to this issue. The Group has identified the technical root cause and is implementing measures to avoid the issue in future produced PV modules; in relation to already

deployed modules affected by the issue, the Group has been communicating proactively with its customers and has been explaining the root cause and has been assuring customers that according to the current technical understanding of the issue, current and future performance of the products are not affected. It cannot be excluded that such communication will not fully satisfy certain customers. As the third major source of customer complaints in relation to aesthetics, stains from excess encapsulant during the module lamination process can develop on the front glass of the module. This issue does not result in a functional impairment of the module and is not expected to trigger a warranty claim according to the Group's current assessment. The Group is in the process of implementing steps to remediate the issue by applying more stringent quality control criteria and by implementing a number of process improvements. While the Group has identified the root cause of the current main categories of customer complaints due to aesthetic reasons, and believes it has either completed or is in the course of executing remedial action, there can be no guarantee that that aesthetical deviations will not occur in the future or that potential future occurrences of aesthetical deviations can be successfully mitigated.

Should it be discovered that certain Meyer Burger PV module production batches have systematic defects, then the Group may be forced to initiate potentially wide-reaching callback programs or similar to proactively address the already occurred or potential future defects in the field, whether such measures are actually legally required or performed in order to protect Meyer Burger's brands from reputational damage. Meyer Burger has made in the past and intends to continue to make provisions for warranty claims and other defect mitigation measures in line with industry standards. However, individual events involving manufacturing or technology deficiencies may lead to an outsize financial impact on the Group, beyond provisions previously made, and may materially adversely affect the Group's business operations, financial condition, results of operations or prospects and potentially ultimately result in the Company being required to file for bankruptcy.

The Group is exposed to certain risks related to the Group's technological market position including the emergence of strong competitors with greater financial resources, similar or better technologies, the occurrence of which could weaken its competitiveness and viability to sell the anticipated volumes at expected prices, which could have a material adverse effect on the Group's business, financial condition, results of operations or prospects and result in the Company being unable to pay its debts, becoming insolvent and/or required to file for bankruptcy.

As set out in "*Description of the Group's Business—Competitive strengths*" and "*Description of the Group's Business—Products and services—Market positioning, end customer benefits and value proposition of Meyer Burger's products*", the Group's business, in particular the PV cell and module manufacturing, among other factors crucially depends on the Group's sustained ability to produce and offer to the market PV module products that offer performance benefits compared to the prevailing technical standards of the mainstream PV technology at the relevant time, at competitive prices.

The PV markets in which the Group conducts its business are intensely competitive and rapidly evolving. If the Group fails to attract and retain customers and establish successful distribution networks in its target markets for its PV products, the Group will be unable to increase its sales. The Group's direct competitors include manufacturers of PV products such as REC and SunPower (through its strategic relationship with spin-off Maxeon). In the broader market, the Group competes with large-volume Asian manufacturers including LONGi Solar, Jinko Solar, JA Solar, Canadian Solar, Trina Solar and others (see also "*Industry Overview and Market Trends—Competitive landscape*"). Many of the Group's existing and potential competitors have substantially greater financial, technical, manufacturing and other resources than the Group does. The competitors' greater size in some cases provides them with a competitive advantage with respect to manufacturing costs because of their economies of scale and their ability to purchase raw materials at lower prices. As a result, those competitors may have stronger bargaining power with the supplier and have an advantage over the Group in negotiating favorable pricing, leaving them with more funds available for their research and development efforts than the Group has. Many the Group's competitors also have greater brand name recognition, more established distribution networks and a larger customer base. In addition, many of the Group's competitors have well-established relationships with the Group's current and potential distributors and have extensive knowledge of the Group's target markets. As a result, they may be able to devote greater resources to the research, development, promotion and sale of their products or respond more quickly to evolving industry standards and changes

in market conditions than the Group can. The Group's failure to adapt to changing market conditions and to compete successfully with existing or new competitors could have a material adverse effect on the Group's business, financial condition, results of operations or prospects and result in the Company being unable to pay its debts, becoming insolvent and/or required to file for bankruptcy.

Even if the Group achieves the implementation of its current HJT/SmartWire technology and the targets set forth in its technology roadmap as set out in "*Description of the Group's Business—Technology, research & development and intellectual property—Technology roadmap*", its commercial viability depends on the maintenance of a sustained advantage compared to mainstream competitors' products, in relation to performance and/or production cost or other features. While the Group believes that it currently has such technical and commercial advantage, with the mainstream PERC technology stagnating in terms of performance and alternative high-performance technologies either being too costly to produce or competitors not being successful in commercializing them, it cannot be excluded that competitors, in particular, with greater financial resources, manage to commercialize competing technologies that are similar or even superior in performance and cost to the Group's HJT/SmartWire technologies.

As set out in "*Industry Overview and Market Trends—Trends in the solar PV market—Technology trends*", alternative high-performance PV cell technologies with a potential to supersede the current PERC standard include, next to HJT technology, TOPCon technology and potentially variants of interdigitated back contact cells ("IBC"). While the Group's management believes that these technologies are still lacking technical and commercial maturity, competitors may succeed in commercializing these technologies faster than anticipated, as, for example, suggested by recently executed or announced capacity expansions with TOPCon technology by a number of Asian competitors (see "*Industry Overview and Market Trends—Trends in the solar PV market—Technology trends*").

In addition, especially Asian-based competitors attempting to enter the market with HJT products may pose a threat to the Group's competitiveness. While the Group estimates that currently the ability of such competitors to reliably produce high-performance HJT cells at high production yield and competitive cost is limited, and that the Group has a multi-year head start over such and other competitors, it cannot be ruled out that Asian-based or other competitors will manage to enter the market with a competitive HJT product faster than anticipated, creating additional competition in the premium market segments targeted by the Group and thus threatening the Group's ability to sell the anticipated product quantities at the prices expected (see also "*Industry Overview and Market Trends—Competitive landscape*").

The potential successful introduction of high-performance technologies including TOPCon, IBC or HJT by a competitor in the short-term may reduce the technological advantage of the Group over the prevailing competing technologies in the market if the Group fails to in turn improve its technology and products pursuant to its technology roadmap. If the Group fails to adapt to such reduced technical differentiation, this could have a material adverse effect on the Group's business, financial condition, results of operations or prospects and result in the Company being unable to pay its debts, becoming insolvent and/or required to file for bankruptcy.

Numerous research institutes and companies are performing research and development on future PV technologies, with perovskite technology being a particularly active field. A risk exists that parties other than Meyer Burger manage to develop perovskite or other disruptive future PV technologies that are superior to the technologies currently being developed by Meyer Burger, which may be currently still unknown or not public, and that Meyer Burger does not have strong enough IP protection in place to keep other parties from bringing products based on its technologies to the market. Such developments may lead to the Group's competitive advantage eroding over time and the Group failing to realize its expected revenues and profit margins.

A variety of competing PV technologies that other companies may develop could prove to be more cost-effective and have better performance than the Group's PV products. For this or other reasons, the Group's development efforts may be rendered obsolete by the technological advances of others. The Group's failure to further refine its technology and develop and introduce new PV products could render the Group's products uncompetitive or obsolete, and result in a decline in the Group's market share, which in turn could have a material adverse effect on the Group's business, financial condition and results of operations and prospects.

In addition, substitute technologies may emerge in fields other than solar PV, which may serve to diminish the competitiveness of the Group's current and anticipated future products, potentially leading to an erosion of demand and prices and the Group failing to realize its expected revenues and profit margins (see also "*—Risks related to the industry in which the Group operates—Demand for solar PV products and technologies may decrease or disappear due to macroeconomic developments, unexpected events and/or new technologies.*").

A materialization of any of these risks could have a material adverse effect on the Group's business, financial condition, results of operations or prospects and result in the Company being unable to pay its debts, becoming insolvent and/or required to file for bankruptcy.

The Group's failure to further improve its technology per its R&D roadmap and to develop and introduce new innovative PV products could render its products less competitive or obsolete, and reduce the Group's profit margins, sales and market share, each of which, individually or in the aggregate, could have a material adverse effect on the Group's business, financial condition, results of operations or prospects.

As set out in "*Description of the Group's Business—Competitive strengths*" and "*Description of the Group's Business—Products and services—Market positioning, end customer benefits and value proposition of Meyer Burger's products*", the Group's business, in particular the PV cell and module manufacturing, among other factors crucially depends on the Group's sustained ability to produce and offer to the market PV module products that offer performance benefits compared to the prevailing technical standards of the mainstream PV technology at the relevant time, at competitive prices (see "*Industry Overview and Market Trends—Competitive landscape*").

The Group depends primarily on its HJT/SmartWire technology platform in the near and mid-term future as the technological basis of its products. In this context, the Group may fail to sustainably achieve the targeted performance and cost parameters as well as production yield and quantity in a timely manner, due to so far unknown difficulties or issues in relation to the Group's technology, which could materially adversely affect the Group's business operations, financial condition, results of operations or prospects.

Beyond its HJT/SmartWire technology, the Group pursues a mid- to long-term research and development and product roadmap that serves to further substantially improve the performance of the Group's products and reduce their manufacturing cost.

As further set out in "*Description of the Group's Business—Technology, research & development and intellectual property—Technology roadmap*", the Group has a short-, mid- and long-term technology roadmap for its PV module products consisting of three stages aiming at the development of increasingly higher performing cells and modules.

The Group may be unable to effectively implement its technology roadmap and/or to realize the anticipated advantages or results at all or in the time frame intended due, for example, but not limited to, a lack of skilled employees or unexpected technical difficulties. Since executing the research and development and product roadmap is a highly complex process with uncertain results, there can be no assurance that the roadmap will deliver the desired results. In particular:

- In the short term, the Group may be unable to realize the anticipated incremental technology improvements (see "*Description of the Group's Business—Technology, research & development and intellectual property—Technology roadmap—Stages I and II*") or it may fail to introduce modules based on the larger M10 wafer size in a timely manner. As a result, the relative performance in relation to premium segment and mainstream competitors could deteriorate in the short term.
- In the medium term, Meyer Burger may fail to implement its envisaged IBC technology (see "*Description of the Group's Business—Technology, research & development and intellectual property—Technology roadmap—Stages I and II*") in a timely manner with the anticipated performance or cost characteristics or may fail to industrialize the technology. As a result, the relative performance in relation to premium segment and mainstream competitors could deteriorate in the medium term.
- In relation to the long term evolution of Meyer Burger's technology, while the Group's management currently

believes that the HJT-perovskite tandem cell technology (see "*Description of the Group's Business—Technology, research & development and intellectual property—Technology roadmap—Stage III*") promises a step change in cell efficiency that will be physically impossible to attain with non-tandem technologies, there are substantial risks related to the timely realization and implementation of this technology, including but not limited to the ability of Meyer Burger to actually achieve the targeted cell efficiencies, to the ability to reliably integrate the HJT and perovskites technologies, to the long-term stability of such HJT/perovskite tandem cells, to the production cost of such HJT/perovskite tandem cells, to the ability to integrate such HJT/perovskite tandem cells in PV modules, and to the potential need to use hazardous substances in the perovskite layer.

Also, the Group may fail to fully develop, certify or bring to market its envisaged solar tile solution (see "*Description of the Group's Business—Products and services—Products and services overview*"). Such failure may be due to, including but not limited to, technical challenges that may be encountered in the completion of the product development or a failure to achieve a production cost that is compatible with customers' willingness to pay and the Group's gross margin targets.

Should the Group's technology and product roadmap not materialize or only materialize with a delay, for any reason, including but not limited to any of the aforementioned ones, the competitive situation of the Group may suffer and the Group's future incoming orders and revenues and profit margins may be lower than expected (see also "*—The future development of the Group depends on its ability to engage in research and development activities and such activities being successful. Should the Group's research and development expenses not result in profits, this could have a material adverse effect on the Group's business, financial condition or results of operations and prospects.*").

Even if the Group manages to successfully implement its technology roadmap, to strengthen its IP portfolio and if a sustainable competitive advantage can be maintained, the Group's technologies may fail to be adopted by the market at all or in a timely manner (see "*—Risks related to the industry in which the Group operates—Slow or delayed acceptance of the Group's current or new technologies and/or products by the markets may result in lower incoming orders than expected.*").

The PV industry is rapidly evolving and competitive. In 2021, the Group's research and development expenditures amounted to CHF 23.0 million. The Group will need to continue investing significant financial resources in research and development to keep pace with technological advances in the PV industry and to effectively compete in the future. However, research and development activities are inherently uncertain, and the Group might encounter practical difficulties in commercializing its research results. The Group's significant expenditures on research and development may not reap corresponding benefits.

The occurrence of each of these risks, individually or collectively, could weaken the Group's competitiveness, which could materially adversely affect the Group's business operations, financial condition, results of operations or prospects and result in the Company being unable to pay its debts, becoming insolvent and/or required to file for bankruptcy.

The Group may fail to hire, employ and retain skilled workforce, or management and/or key personnel may unexpectedly leave the Company or become otherwise unavailable or incapacitated, which could have a material adverse effect on the Group's business, financial condition, results of operations or prospects.

In order to implement the Indium Strategy, in its current form, the Group depends on its ability to attract, hire, employ and retain skilled and talented workforce. In particular, the Group is dependent on the availability of, and its ability to retain, a significant number of skilled and experienced employees as well as unskilled workers at or around the Group's Thalheim (city of Bitterfeld-Wolfen, Saxony-Anhalt, Germany) site, where the Group manufactures PV cells, the Group's Freiberg (Saxony, Germany) site, where the Group manufactures PV modules using PV cells manufactured in-house, at or around the Group's Hohenstein-Ernstthal (Saxony, Germany) site, where the Group manufactures PV production equipment for the own cell and module production sites and the Group's Goodyear (Arizona, United States) site, where the Group plans to manufacture PV modules using PV cells manufactured in-house. See "*Description of the Group's Business—Sites—Overview of current sites*" and "*Description of the Group's Business—Sites—*

Current and envisaged sites for PV cell and module manufacturing". The Group may be unable to hire skilled and/or unskilled workforce at the sites chosen or foreseen for the production of PV manufacturing equipment, cells and modules, or any potential future sites. Should this risk materialize, additional human resource costs (*e.g.*, higher salary costs, transportation benefits or salary premia for non-local employees, higher costs for recruiting advisors or executive search firms, higher costs for longer hiring processes, higher costs for training of unskilled employees) may be incurred by the Group.

Additionally, if critical employees are not hired in a timely manner in connection with the anticipated ramping up of manufacturing and distribution capacity or decide to leave, then production ramp-up may be delayed or production may become operationally and/or economically inefficient (see "*—Failure on the Group's part to timely ramp up PV cell and module production capacity and/or to produce its products in the desired quantities and quality or to manage its growth effectively could have a material adverse effect on the Group's business, financial condition, results of operations or prospects and could potentially result in the Company being required to file for bankruptcy.*") or the Group's operations may be adversely affected more generally.

For example, although the Group has implemented additional HR marketing measures, the Group has been experiencing ongoing difficulties in hiring a sufficient number of operators for its module manufacturing site in Freiberg (Saxony, Germany) due to high competition for workers from other employers in the region (see "*Description of the Group's Business—Employees*"). Additionally, the Group is experiencing difficulties in hiring a sufficient number of additional skilled employees in a number of key positions, for example project managers, which has led to a high and unsustainable workload among the existing employees in these positions.

With respect to the members of its Board of Directors, Executive Board and other members of its senior management, as well as other employees with particular skills, including in the field of R&D and PV manufacturing, the Group has proven in the past to be, and continues to be, particularly vulnerable. The Group is exposed on an ongoing basis to the risk of departures of individuals pertaining to this group, as well as health conditions affecting any of those individuals. For example, in 2022, the then-Chief Financial Officer of the Group left the Group for personal reasons after less than two months in this role, prompting immediate search efforts for a replacement, which could be found in the person of Markus Nikles, the Group's current Chief Financial Officer, who joined the Group effective September 1, 2022. Prior to that, between October 2020 and December 2021, the Group's Chief Financial Officer had served on the Executive Board for a mere fifteen months. While in these cases replacement could be found in useful time frames and with highly skilled individuals, there can be no guarantee that the Group will at all times succeed in its efforts to hire, employ and retain skilled workforce. In addition, technical knowledge or specific business know-how may be lost when key employees leave the Group or fail to transfer it to their successors or other employees. Because continuity in these roles is viewed within the Group, the PV industry community and the financing sector alike as an asset on which to capitalize, including with the deepening of personal ties and research/know-how networks and ongoing exchange, disruptions of the aforementioned kind may have potentially disastrous consequences on the Group's ability to obtain financing, to gain access to new technological trends, maintain the Group's operations, to successfully sell the Group's products and/or to implement its strategy more broadly.

Should the Group fail to hire, employ and retain skilled or unskilled workforce, for any of the reasons set out above or otherwise, this could have a material adverse effect on the Group's business, financial condition, results of operations or prospects.

The Group's failure or delay in achieving product certifications could delay or impede the introduction of new products to the market and could thus weaken the Group's competitiveness, which could materially adversely affect the Group's business operations, financial condition, results of operations or prospects.

As set out in "*Description of the Group's Business—Products and services—Products and services overview*" and "*Description of the Group's Business—Technology, research & development and intellectual property—Research and development (R&D) process*", the Group is pursuing mandatory and voluntary certification for products it intends to bring to market and is submitting its products to the prerequisite tests.

The Group may fail to achieve the necessary certifications at all or in a timely manner in order to sell its products in

the target geographies or target market segments, for which there are widely diverging requirements on certifications and other market requirements. For example, in Europe, aside from standard international certificates such as IEC 61215 for impact of environment on degradation and IEC 61730 for safety, additional country-specific certifications are required for modules to be sold or to be used in competitive tender projects. In France, this includes the Certisolis carbon footprint certificate. In the United States, there are specific certificates such as UL 61730 outlining PV module safety qualification requirements for construction. There are also significant regulatory differences from U.S. state to U.S. state. For example, in California, modules must be approved by the California Energy Commission (CEC) before being used in residential and commercial projects. Australia and Japan also have their own certification and safety requirements, such as AS/NZS 5033 for Australia and JPEC for Japan.

The failure or delay in achieving certain certifications (whether mandatory or voluntary), individually or collectively, could delay or impede the introduction of new products to the market or the entry into additional markets and could thus weaken the Group's competitiveness, which could materially adversely affect the Group's business operations, financial condition, results of operations or prospects.

The operations of the Group depend on suppliers. The materialization of supply chain risks could have a material adverse effect on the Group's business, financial condition, results of operations or prospects.

In addition to mechanical and electrical component suppliers for the manufacturing equipment not sourced within the Group and for technical facilities required for the production sites, the Group is dependent on suppliers for PV cell and module materials and components, most of which are based in Europe and Asia. See "*Description of the Group's Business—Suppliers*". While the Group strives to source materials locally (from Europe and, in the case of U.S. manufacturing, from the United States) when available and economically viable and, as a rule, employs a multi-sourcing strategy to diversify supply chain risks wherever possible, there can be no guarantee that the Group will at all times be furnished with the requisite materials and components timely and at economic conditions (in particular, prices and payment conditions) that are acceptable and economically advantageous for the Group and in quantities and at technical specifications and in qualities and under delivery timelines that meet the Group's criteria, in particular with respect to its critical solar PV equipment components as for example electronic parts and control systems, facility requirements including gas sensors and control components, as well as cell and module components including silicon wafers, n-doped silicon wafers, glass, junction boxes, backsheets and encapsulant foils as well as gases and chemicals. In addition, there can be no guarantee that the endeavor of the Group to source materials locally and to pursue a multi-sourcing strategy can be accomplished considering the currently limited number of potential eligible suppliers. Hence, the Group may depend on Asian suppliers. Sourcing from non-European sources may entail higher shipping costs and supply chain uncertainties, as well as longer lead times. See also "*—Risks related to the industry in which the Group operates—Geopolitical tensions and the war in Ukraine expose the Group to increased risk and could have a material adverse effect on the Group's business, financial condition or results of operations and prospects.*" and "*—Risks related to the industry in which the Group operates—The Group is exposed to risks arising from its international operations and political developments, which, were they to materialize, could have a material adverse effect on the Group's business, financial condition or results of operations and prospects.*". In addition, suppliers may in certain cases demand advance payments or other security putting the Group in a disadvantage to competitors with a stronger financial profile or established relationships with these suppliers.

In addition, the COVID-19 Pandemic (as defined below) has fueled global supply chain disruptions, which were further exacerbated by the Russian invasion of Ukraine since February 24, 2022, leading to the current Global Supply Chain Crisis. Global supply chains have not proven to be resilient, with many materials and components not being available or only with exorbitant lead times or significantly higher costs. For example, as a result of these developments, the Group has experienced materially higher costs of materials for its cell and module production (see "*—Failure on the Group's part to reduce unit production costs to anticipated levels, increases in purchase prices for materials and/or consumables and/or failure on the Group's part to pass on cost increases to customers in the form of price increases could have a material adverse effect on the Group's business, financial condition, results of operations or prospects and could potentially result in the Company being required to file for bankruptcy.*"). Also, the time required from equipment orders to factory commissioning has been prolonged substantially as a result of the

Global Supply Chain Crisis. Semiconductors and electronic parts and devices have been hit particularly hard by the Global Supply Chain Crisis, which has and is expected to further affect the availability and lead times for critical equipment of the Group's manufacturing operations. For example, on each of August 13, 2021 and August 2, 2022, the Group announced that the ramp-up of production capacities was delayed due to delays in delivery of required components for the production facilities (see "*—Failure on the Group's part to timely ramp up PV cell and module production capacity and/or to produce its products in the desired quantities and quality or to manage its growth effectively could have a material adverse effect on the Group's business, financial condition, results of operations or prospects and could potentially result in the Company being required to file for bankruptcy.*"). It cannot be excluded that such disruptions, delivery delays and cost increases affecting the Group continue to prevail or even aggravate in the near future for a variety of reasons, including but not limited to, a further escalation of the war in Ukraine. In addition, additional geopolitical crises, including a potential confrontation between China and Taiwan, may further materially adversely affect global supply chains (see "*—Risks related to the industry in which the Group operates—Geopolitical tensions and the war in Ukraine expose the Group to increased risk and could have a material adverse effect on the Group's business, financial condition or results of operations and prospects.*").

Should any supplier of the Group fail to deliver components in a timely manner, or should supply chain disruptions lead to such failure, then the Group may have to switch to other suppliers and it cannot be excluded that a change in the supplier (i) could lead to less favorable supply conditions, could lead to delays in the ramp-up or manufacturing process, which could in individual cases result in the Group having to pay liquidated damages or (ii) may not be possible at all. An increase in the procurement volume, a focus on preferred suppliers and/or a reduction of the manufacturing penetration can increase the dependency on certain suppliers.

In addition to supply shortages in connection with events or developments affecting only certain suppliers, it cannot be excluded that wider supply shortages in the Group's relevant supplier markets may arise and materially adversely affect the Group's ability to conduct its business operations, financial condition, results of operations or prospects, due to adverse geopolitical or other developments (see "*—Risks related to the industry in which the Group operates—Geopolitical tensions and the war in Ukraine expose the Group to increased risk and could have a material adverse effect on the Group's business, financial condition or results of operations and prospects." and "—Risks related to the industry in which the Group operates—The Group is exposed to risks arising from its international operations and political developments, which, were they to materialize, could have a material adverse effect on the Group's business, financial condition or results of operations and prospects.*"). In particular, the Group is primarily dependent on suppliers from China for the key input material for its cells, silicon wafers. While the Group is striving to diversify its geographical wafer supplier footprint (see "*Description of the Group's Business—Suppliers—Management of supply chain risks*"), any major disruption in economic relationships between Europe and China, for example triggered by a confrontation between China and Taiwan, may materially adversely affect the Group's ability to source the required wafer volumes and, thus, maintain its cell and module production at the planned capacity.

Each of these risks individually or in aggregate may have a material adverse effect on the Group's business, financial condition or results of operations and prospects.

The ongoing COVID-19 Pandemic or the emergence of any contagious diseases, endemics, epidemics or pandemics in the future featuring existing or novel strains of viruses or bacteria causing respiratory, pulmonary, inflammatory, coronary, immunodeficiency or other diseases, and government or private sector action designed to mitigate the medical, sanitary, epidemiological and/or economic consequences of such pathogens could have a material adverse effect on the Group's business, financial condition, results of operations or prospects.

As a result of the outbreak of the 2019 novel coronavirus (SARS-CoV-2) that causes the COVID-19 disease, including its variants, which was declared a pandemic in March 2020 and is still ongoing (the "**COVID-19 Pandemic**"), and its subsequent spreading since 2019 into numerous countries across the globe, governmental authorities have imposed and may continue to impose quarantine zones or lockdowns nationally or on certain cities and regions, all of which has significantly impacted and could continue to impact international, national and regional economic development.

The COVID-19 Pandemic and government or private sector action designed to mitigate the medical, sanitary, epidemiological and/or economic consequences of the COVID-19 Pandemic has had since 2020, and continues to have as of the date of this Prospectus, a significant impact on the global economy including on demand for products across jurisdictions, operational predictability, the movement of people and products across borders, global and local supply chains, the labor market, product and service markets, the cost of capital, stock prices and stock markets, including trading volumes and volatility and investor sentiment more generally. The impact of the COVID-19 Pandemic may result in solar PV projects in the market segments the Group has entered and plans to enter being delayed or cancelled, which could have a material adverse effect on the Group's business, financial condition, results of operations or prospects.

As recently as December 2021, the Group experienced above-average sick leave caused by the COVID-19 Pandemic in an environment of sharply rising infection rates. As a consequence, the Group was forced to temporarily operate only one of two production lines at its plant in Freiberg (Saxony, Germany) and to adjust the production plans for its solar modules accordingly, with ripple effects extending well into 2022. In addition, the COVID-19 Pandemic triggered unexpected supply bottlenecks and reduced shipping capacity worldwide, further delaying the ramp-up of the Company's PV cell and module manufacturing compared to plan (also see "*—The operations of the Group depend on suppliers. The materialization of supply chain risks could have a material adverse effect on the Group's business, financial condition, results of operations or prospects.*"). Among other things, this adversely affected the achievement of the Group's operational targets for 2021, with higher-than-expected ramp-up costs and an incomplete absorption of production overhead, negatively impacting the Group's gross margin.

In addition, because uncertainties and general market risks tend to cause customers, suppliers and investors to favor traditional profit-making industries and companies, the Group's business and the price of the Company's shares may be disproportionately adversely affected by the ongoing COVID-19 Pandemic or the outbreak (or even perceived outbreak) of any future infectious disease. Although the duration and spread of the COVID-19 Pandemic remains unclear as of the date of this Prospectus, were it to be prolonged or return in further waves, it could continue to have a material adverse effect on the Group's business, financial condition, results of operations or prospects.

The outbreak (or even perceived outbreak) of an infectious disease or other serious public health concern around the world could have a negative impact on economies, financial markets and business activities worldwide, including the Group's business, and, in turn, affect the Group's operations.

Accordingly, the ongoing COVID-19 Pandemic or the emergence of any contagious diseases, endemics, epidemics or pandemics in the future featuring existing or novel strains of viruses or bacteria causing respiratory, pulmonary, inflammatory, coronary, immunodeficiency or other diseases, and government or private sector action designed to mitigate the medical, sanitary, epidemiological and/or economic consequences of such pathogens could have a material adverse effect on the Group's business, financial condition, results of operations or prospects.

Accidents could occur in connection with the manufacturing or use of the Group's solar PV cells and modules or production machinery produced by the Group, and the Group could be held liable for, and required to pay damages in connection with, such accidents, which could have a material adverse effect on the Group's business operations, financial condition or results of operations and prospects.

The manufacturing of the Group's solar PV cells and modules includes the use of hazardous materials such as toxic and corrosive chemicals and gases as well as numerous waste streams as well as the use of heavy, large and potentially dangerous machinery and tools. Accidents involving personnel or accidents leading to the release of toxic, corrosive or otherwise hazardous substances, above legally permissible levels, into the environment may occur and lead to liabilities of the Group and/or a damage to its reputation.

Use of the solar PV cells and modules produced and marketed by the Group poses risks of accident, as certain safety requirements must be observed with respect to the design, taking into use, and operation of the solar PV cells and modules manufactured by the Group and in the instructions for their use. Such accidents involving the Group's solar PV cells and modules may occur lead to liabilities of the Group and/or a damage to its reputation.

If the production equipment that has been manufactured in the past or will be manufactured by the Group in the future is used incorrectly, accidents involving personnel may occur and lead to liabilities of the Group and/or a damage to its reputation.

It is possible that the Group will be held liable in the future in connection with such accidents. For example, if damages were to occur in connection with the use of products manufactured by the Group, the Group may be charged as being responsible for the damage on its own or in conjunction with other circumstances. Such charges, merely by becoming known to the public at large or within the respective branch of industry, could result in a considerable impairment of market acceptance and, thus, also of sales of Group products and underlying technologies. Furthermore, claims for damages or product liability claims of considerable amounts could be brought against the Group.

Were any of the above to materialize, this could have a material adverse effect on the Group's business operations, financial condition or results of operations and prospects.

Continued execution of the Indium Strategy, in its current form, and the associated capacity expansion and ramping-up of manufacturing capacity in particular, may entail higher capital expenditures than anticipated, which could have a material adverse effect on the Group's business, financial condition or results of operations and prospects.

In execution of the Indium Strategy, in its current form, the Group is marketing its modules for use in residential and small commercial settings, with the large commercial/industrial rooftop market segment to follow at a later stage, and the utility-scale segment having been successfully targeted in August 2022 with the DESRI Agreement. See "*Description of the Group's Business—Overview*". Overall, in execution of the Indium Strategy, in its current form, the Group currently plans to further expand its manufacturing capacities by adding new equipment to reach a nominal annual capacity of approximately 3 GW by end of 2024. Specifically, the company plans to expand the Goodyear (Arizona, United States) site to approximately 1 GW nominal annual capacity for utility modules in connection with the DESRI Agreement (see "*Description of the Group's Business—Expansion plans—U.S. capacity expansion and DESRI Agreement*") as well as an additional approximately 0.6 GW for the U.S. rooftop segment. In addition, for purposes of reaching an overall cell and module nominal annual capacity of approximately 3 GW by end of 2024, an expansion of solar cell production capacity by an additional approximately 1.6 GW is planned at the Group's Thalheim (city of Bitterfeld-Wolfen, Saxony-Anhalt, Germany) site. In addition, the Group is exploring options to further scale production capacity beyond the approximately 3 GW nominal annual capacity currently planned. See "*Description of the Group's Business— Expansion plans—Further capacity expansion*".

The expansion by the Group of its manufacturing and distribution capacity requires significant capital expenditures. Such capital expenditures may prove to be higher than planned due to a number of factors, including but not limited to a failure on the Group's part to properly plan and account for all required expenses, difficulties in finding contractors and suppliers that are able and willing to deliver the required equipment and services in a timely manner and according to budget, in Europe and/or the United States, generally increased prices for components and services due to inflation, shortage of components or otherwise, increased expenditures due to the need to rush completion, increased expenditures due to unexpected difficulties during installation, failure of contractors or suppliers to perform due to lack of resources, bankruptcy or other reasons, or otherwise. Such risks of increased capital expenditures are aggravated by the ongoing Global Supply Chain Crisis and shortage of certain components, in particular electronics and semiconductors, as well as the stark rise in inflation globally in 2022. Increased capital expenditure requirements could also lead to liquidity shortages and/or the Group requiring additional funding, which may not be available at all or not on favorable terms when needed. In addition, the liquidity shortage could lead to a breach of covenants under financing agreements (see "*—Non-compliance on the part of the Group with terms, conditions or covenants of, or a default under the Group's existing or future financing agreements could materially adversely affect the Group's business, financial condition, results of operations or prospects and result in the Company being unable to pay its debts, becoming insolvent and/or required to file for bankruptcy.*") and could lead to a delay in ramping up production capacities (see "*—Failure on the Group's part to timely deliver PV modules in the required quantities and qualities to DESRI, achieve the milestones or other interim steps required to be completed under the DESRI Agreement, any deterioration or termination of the relationship between the Group and DESRI or any deterioration in the financial*

condition of DESRI could materially adversely affect the Group's business operations, financial condition, results of operations or prospects and potentially ultimately result in the Company being required to file for bankruptcy.") and as a consequence, the Group could suffer losses in connection with lower production volumes than anticipated or otherwise.

For these and other reasons, any increase in capital expenditures could have a material adverse effect on the Group's business, financial condition or results of operations and prospects.

Unfavorable currency fluctuations could have a negative impact on the Group's financials and could have a material adverse effect on the Group's business, financial condition and results of operations and prospects.

In the year ended December 31, 2021, the Group generated its net sales revenues in European euros (47.6%), Swiss francs (19.1%), and, to a lesser degree, in U.S. dollars (8.3%) and in other currencies (25.0%). In the six months ended June 30, 2022, the Group generated its net sales revenues in European euros (75.9%), Swiss francs (7.1%) and, to a lesser degree, in U.S. dollars (4.6%) and in other currencies (12.4%). In the foreseeable future, the Group expects that its revenues will be primarily generated in Europe as well as the United States and, to a lesser degree, in Australia and possibly Japan. In the year ended December 31, 2021, the Group's costs arose mainly in European euros (53.0%), U.S. dollars (24.8%), and, to a lesser degree, in Swiss francs (11.1%) and in other currencies (11.1%). In the six months ended June 30, 2022, the Group's cost arose mainly in European euros (43.9%), U.S. dollars (42.9%), and, to a lesser degree, in Swiss francs (10.8%) and in other currencies (2.4%). In the foreseeable future, the Group expects that its costs will mainly arise in European euros and U.S. dollars. The Group currently prepares its consolidated financial statements in Swiss francs. Exchange rate fluctuations may lead to loss on exchange. Although the Group seeks to realize a high portion of its revenues in the currencies in which the individual Group companies provide their products and services – and therefore incur the respective expenses, with the aim of mitigating the exposure to particular currencies (so-called "natural hedging"), and although the Group's treasury policy allows for any remaining currency fluctuation risks to be hedged with the implementation of forward exchange contracts and/or options, substantial currency risks may remain.

The Group may not forecast the amounts and times of revenue and cost cash flows by each currency correctly, leading to an unhedged residual exposure in certain currencies, which may lead to less revenue or higher costs measured in the functional currency of the involved member of the Group. For example, in the event of a significant appreciation of the U.S. dollar against the European euro, total cell costs incurred at the Thalheim (city of Bitterfeld-Wolfen, Saxony-Anhalt, Germany) site will increase due to higher wafer prices, which account for a significant portion of cell costs. If the Group is not able to pass on the rising costs to European customers in the form of price increases, this would have a negative impact on the Group's operating results. By way of further example, in the event of a significant devaluation of the U.S. dollar against the European euro, the cost of cells as incurred at the Goodyear (Arizona, United States) site, which are expected to be sourced from the Thalheim site, would increase, as a significant portion of cell costs are incurred in euros. If the Group were not able to hedge this foreign currency exposure with derivative instruments, this would have a negative impact on the income statement, particularly in the case of long-term supply contracts with fixed price agreements (*e.g.*, the DESRI Agreement).

Should the Group fail to hedge its several partially offsetting foreign currency exposures with derivative instruments or by "natural hedging", or should any such instruments not or not entirely be contractually honored by the respective counterparty of the Group, the remaining exposure could have a negative impact on the income statement in the form of higher costs or lower revenues and have a material adverse effect on the Group's business, financial condition and results of operations and prospects.

Foreign currency risks on the book value of the foreign Group companies or on the conversion of the results of foreign Group companies (so-called "translation risk") are not hedged. For example, a declining European euro or U.S. dollar to the Swiss franc could lead to weaker foreign Group company's results when being converted in the Group's reporting currency Swiss franc. The valuation of intra-Group loans on the reporting day may affect the income statement and the equity of the Group due to currency fluctuations.

See also "*Executive Board's Discussion and Analysis of Financial Condition and Results of Operations—Key factors*

affecting the Results of Operations—Ability to manage foreign exchange risks".

The Group is exposed to certain financial risks, which, if they were to materialize, could have a material adverse effect on the Group's business, financial condition and results of operations and prospects.

The Group is exposed to certain financial risks each of which, if they were to materialize individually or in the aggregate, could have a material adverse effect on the Group's business, financial condition and results of operations, including in particular the following:

(a) Liquidity risks

For a number of reasons, which may or may not be related to the Indium Strategy, in its current form, including in particular lack of orders, the Group may face a substantial risk of liquidity restraints. Should the solar PV market develop adversely, or should, in particular, the Group's products not be sold at all, in lower volumes or at lower prices, each as expected by the Executive Board (see "*Industry Overview and Market Trends—Growing demand for solar PV power*"), or should the Group face cash needs or costs that are significantly higher than those currently anticipated by the Executive Board or should the Group not or not in a timely manner generate sufficient operational cash flows to comply with its debt service obligations, fulfill the financial covenant requirements under the Syndicated Loan Agreement and the Factoring Agreement or other existing or future financing agreements and its cash needs and its operating expenses or should the Executive Board's estimates of future cash requirements change or prove to be inaccurate, or for any other reason (see "*—The Group may fail to repay, renew, or to secure at acceptable economic terms and conditions an agreement replacing, the Syndicated Loan Agreement and Factoring Agreement, due to a failure on the part of the Group to operationally and financially perform its obligations as expected or otherwise, which could materially adversely affect the Group's business, financial condition, results of operations or prospects and result in the Company being unable to pay its debts, becoming insolvent and/or required to file for bankruptcy.*"), the Group may need to raise additional funds. In particular, working capital requirements may increase due to increased inventory of raw materials, increased inventory of finished goods and/or increased accounts receivable. Triggered by the Global Supply Chain Crisis, which has resulted in higher purchase prices, longer transport times and general uncertainty of delivery, the Group has recently substantially increased its inventory of raw materials. The inventory of finished goods has been growing in line with the growing daily output of the production lines and also owing to the shipping time from Europe to the United States. In Europe, due to the availability of the Factoring Agreement, receivables have a limited impact on working capital, while in the United States a corresponding solution is yet to be implemented. In recent months, the Group has substantially increased PV module volumes sold into the United States, which has overall increased working capital requirements due to higher inventory of finished goods as well as outstanding receivables. Depending on a number of internal and external factors, the overall working capital may continue to increase. In addition customers may fail to pay in a timely manner or to pay at all, especially since a number of Meyer Burger's current and potential future customers in the PV industry have a weak financial standing. Also, Meyer Burger's suppliers may perceive the Group's financial standing as weak and thus may not grant the Group as favorable payment terms as expected, increasing the Group's working capital requirements even further. In case the Group faces liquidity restraints, there is no assurance that the Group will be able to raise additional funds when needed on satisfactory terms, or at all, each of which may materially adversely affect the Group's business operations, financial condition, results of operations or prospects and result in the Company being unable to pay its debts, becoming insolvent and/or required to file for bankruptcy (also see "*—The implementation of the Indium Strategy, in its current form, including in particular the envisaged initial approximate expansion to approximately 3 GW of nominal annual capacity, as well as the contemplated further long-term expansion, is expected to require additional financing. Should the Group be unable to secure such additional financing at all or in time, this could have a material adverse effect on the Group's business, financial condition, results of operations or prospects and result in the Company being unable to pay its debts, becoming insolvent and/or required to file for bankruptcy.*", "*—Non-compliance on the part of the Group with terms, conditions or covenants of, or a default*

under the Group's existing or future financing agreements could materially adversely affect the Group's business, financial condition, results of operations or prospects and result in the Company being unable to pay its debts, becoming insolvent and/or required to file for bankruptcy." and "*—The Group may fail to repay, renew, or to secure at acceptable economic terms and conditions an agreement replacing, the Syndicated Loan Agreement and Factoring Agreement, due to a failure on the part of the Group to operationally and financially perform its obligations as expected or otherwise, which could materially adversely affect the Group's business, financial condition, results of operations or prospects and result in the Company being unable to pay its debts, becoming insolvent and/or required to file for bankruptcy.*").

(b) Impairment risks

Should the Group fail to have sufficient incoming orders and, therefore, fail to meet its financial targets, there is a risk that the Group may need to – partially or completely – impair certain of its assets and may need to recognize corresponding write-downs in its balance sheet (including, but not limited to material in stock).

(c) Interest rate risks

Some of the Group's financial liabilities are subject to floating interest rates, in particular the EURIBOR reference rate. While the Group employs policies and procedures to manage the risks regarding the variable part of these interest rates, such measures may not fully hedge the interest rate risk or may not be sufficient, or the Group may not be able to enter into interest rate swaps or similar hedging instruments on commercially reasonable terms or at all. For example, the Group has been hedging interest rates in relation to a certain part of the outstanding amount under the Syndicated Loan Agreement, but remains exposed to the residual interest rate risk. In addition, the Group faces counterparty risks, *i.e.*, the risk that a hedge counterparty fails to comply with its obligations under such financial instruments. Further, should negative interest be claimed on the Group's cash positions, its profitability will be negatively impacted. A materialization of interest rate risk can also exacerbate any liquidity shortfall. Also see "*—Risks related to the industry in which the Group operates—The Group is exposed to high rates of inflation and increased interest rates, which could have a material adverse effect on the Group's business, financial condition or results of operations and prospects.*" below.

Were operational risks to materialize, this could have a material adverse effect on the Group's business, financial condition or results of operations and prospects.

The Group is subject to operational risks, which can result from many different factors, for example insufficient business operations and control mechanisms, disruptions in logistics or the supply chain, inaccurately defined competencies, human failure, safety defects, failure of certain infrastructure elements, onerous contracts as a result of contract negotiations or external factors. Delays in the delivery of cells or delivery or installation of modules, either caused by the Group or a third party, can result in additional costs, which can reduce profit margins. Delays in or disruptions of delivery can specifically be caused by customs delays or seizure of products. For example, in June 2021, U.S. Customs & Border Protection issued a withhold-release order (WRO) against products containing silica from Hoshine Silicon Industry Co., impacting solar module imports to the United States, which are now subject to customs enforcement activity, including import detention. On December 23, 2021, the United States' Uyghur Forced Labor Prevention Act was adopted and corresponding import restrictions took effect on June 21, 2022. The purpose of this statute is to ban imports of solar modules produced through forced-labor practices in the Xinjiang Uyghur Autonomous Region of China (XUAR). Under the statute, anything mined, produced, or manufactured in XUAR, or by certain entities affiliated with XUAR, is presumed the result of forced labor, and may, as a consequence, become subject to customs enforcement. While the Group does not believe that its products meet the criteria for the WRO or is affected by the import restrictions pursuant to the Uyghur Forced Labor Prevention Act, it cannot be excluded that the Group cannot deliver all required documentation upon import of cells or modules into the United States and that as a result such products and goods become subject of customs enforcement, or that the Group's products become subject to similar or other customs enforcement actions in the future, with respect to human rights compliance in the supply chain or otherwise, in the United States or elsewhere. As a result, the Group's goods, including cells manufactured in Germany shipped to the United States, may be delayed in transport or blocked altogether from being imported into the United

States or elsewhere, which may lead to a loss in revenue and profit and expose the Group to potential damages, liquidated or otherwise, under supply agreements with customers.

Furthermore, financial damages can be caused by incomplete, onerous or unenforceable contracts, for example, because it is controversial whether the general terms and conditions are an integral part of the contract or, because it is controversial which general terms and conditions apply or if outside of the written contract further representations or warranties exist.

In the PV module business, specific risks relate to warranties, see "*—Product defects or performance impairments may lead to costly replacement or repair of products or damages to be paid to customers or may have an adverse impact on the Group's reputation and profitability, which could, in turn, have a material adverse effect on the Group's business, financial condition, results of operations or prospects and potentially ultimately result in the Company being required to file for bankruptcy.*".

In the PV module business, failure of clients to accept shipped products may lead to disputes, payment delays and potentially the need to replace product not meeting the agreed specifications.

The Group may need to agree to onerous contract provisions in the future, especially if and when the Group may be forced to enter into longer-term purchasing agreements for materials, consumables, supplies and utilities with fixed offtake volume and/or fixed prices, when the underlying market prices are volatile. For example, there have been times in recent years when silicon wafers were in shortage, and cell manufacturers were forced to enter longer-term wafer purchasing agreements with fixed terms that got obsoleted by volatile markets later. The Group makes provisions for contracts under which the unavoidable costs of meeting the contractual obligations exceed the expected economic benefits. Such provisions are based on estimations that may be incorrect and may lead to the recognition of further losses.

Were operational risks, as described above or otherwise, to materialize, this could have a material adverse effect on the Group's business, financial condition or results of operations and prospects.

The Group is dependent on information technology and if the Group fails to effectively maintain or protect its information systems or data, including from data breaches, which could have a material adverse effect on the Group's business, financial condition, results of operations or prospects.

The Group is dependent on information technology systems to effectively manage its operations. The Group has also outsourced elements of its operations to third parties and entered into strategic partnerships and, as a result, it manages a number of third-party suppliers, vendors, partners or customers who may or could have access to its confidential information. The Group's information, data transmission and communication systems require an ongoing commitment of significant resources to maintain, protect and enhance existing systems and to develop new systems to keep pace with continuing changes in information technology and regulatory standards and the increasing need to protect supplier, partner, customer and/or end-user information.

In addition, given their size and complexity, the Group's information systems could be vulnerable to service interruptions or to security breaches from inadvertent or intentional actions by the Group's employees, or from cyber attacks by malicious third parties attempting to gain unauthorized access to the Group's products, systems or confidential information (including, but not limited to, intellectual property, proprietary business information and personal information). Cyber attacks, such as those involving the deployment of malware, are increasing in their frequency, sophistication and intensity and are difficult to detect. If the Group fails to maintain or protect its information systems and data integrity effectively, the Group could, among other things:

- be exposed to theft, loss or misuse of data (including in particular, intellectual property and proprietary business information);
- lose existing customers;
- have difficulty attracting new customers;

- suffer a damage to its reputation;
- have problems in determining product cost estimates and establishing appropriate pricing;
- have difficulty preventing, detecting and controlling fraud;
- have disputes with its customers, end-users, governmental agencies and supervisory or regulatory authorities, including data protection agencies;
- have regulatory sanctions or penalties imposed on it;
- incur increased operating expenses;
- incur expenses or lose revenues as a result of a data privacy breach; and/or
- suffer other adverse consequences.

While the Group has invested in the protection of its data and information technology, there can be no assurance that the Group's activities related to upgrading and expanding its information systems capabilities, protecting and enhancing its systems and implementing new systems will be successful. Despite the Group's efforts, its auditors have identified certain deficiencies in the Groups IT access rights processes and controls in the past, and there can be no guarantee that cyber-attacks or data breaches will not occur or that systems issues will not arise in the future. Any significant breakdown, intrusion, breach, interruption, corruption or destruction of these systems or data stored on or transmitted through such systems could have a material adverse effect on the Group's business, financial condition, results of operations or prospects.

The Group is dependent on its computer and data processing systems operating without interruption, failure of which could have a material adverse effect on the Group's business, financial condition or results of operations and prospects.

The capability of the Group to maintain its business operation depends in all divisions on the efficient and uninterrupted operation of its computer and data processing systems. Since computer and data processing systems are especially susceptible to disruptions, damage, power failures, computer viruses, fire, and similar events, a disruption or interruption of service by these systems or the loss of or unauthorized access to data cannot be ruled out entirely. Disruptions or interruptions of service by the computer and data processing systems used by the Group could impair the Group's ability to efficiently maintain its business operation. This could have a material adverse effect on the Group's business, financial condition or results of operations and prospects.

The Group's investment in Oxford PV could fail to yield returns or be worth less than currently reflected in the Group's consolidated financial statements, or be worthless, any of which individually or in the aggregate could have a material adverse effect on the Group's financial condition and results of operations and prospects.

In 2019, the Group entered into a strategic partnership and exclusive collaboration agreement with Oxford Photovoltaics Limited ("**Oxford PV**"), a technology leader for high-efficiency silicon-perovskite tandem solar cells, to jointly develop certified HJT/perovskite modules. Following a termination by Oxford PV of this agreement in July 2021, Meyer Burger continues to be a shareholder in Oxford PV, with a share of approximately 19.8%, making the Group the largest single shareholder of Oxford PV as of the date of this Prospectus.

The investment by the Group in Oxford PV may fail to yield returns in the form of dividends in the short- or mid-term future and/or turn out not to have the value as currently reflected in the Group's consolidated financial statements included elsewhere in this Prospectus. In particular, the Group's investment in Oxford PV, a startup company that in the past did not and at present does not generate any significant revenues or profits, could turn out to be entirely worthless.

Any of the aforementioned, were it to materialize, would result in the Group having to record a substantial loss in its income statement and, as a consequence, substantially diminish the Group's consolidated assets, which could have a material adverse effect on the Group's financial condition and results of operations and prospects.

Contrary to current expectations, the Group may fail to be granted a tax credit under the U.S. Inflation Reduction Act, or such grant could be revoked or become otherwise unavailable, each of which could have a material adverse effect on the Group's business, financial condition, results of operations or prospects.

As announced on October 4, 2022, the Board of Directors anticipates that Meyer Burger will be eligible to receive a tax credit under the U.S. Inflation Reduction Act of 2022, which was signed into law by President Biden on August 16, 2022, in connection with the modules to be manufactured in the United States, including in connection with the DESRI Agreement. A portion of the tax credits received, if any, is expected to be passed on to the Group's customers in the form of price reductions for its PV modules manufactured in the United States. See "*Description of the Group's Business—Expansion plans—U.S. capacity expansion and DESRI Agreement*".

While the Board of Directors and management continue to consider it likely that the Group will be eligible to receive, and actually receive, a tax credit under the U.S. Inflation Reduction Act, there can be no guarantee that the Group will be able to avail itself of such tax credit, or that such tax credit, once granted, will not be revoked. In particular:

- the Group may fail to be eligible to receive a tax credit under the U.S. Inflation Reduction Act;
- the Group, although eligible in principle, may fail to be granted a tax credit under the U.S. Inflation Reduction Act;
- the amount of such tax credit may be smaller than expected;
- such tax credit may not be paid in cash and/or otherwise fail to provide liquidity at all, in full or in a timely manner to the Group;
- payment of such tax credit may be delayed;
- the U.S. administration in place at a given time may tie currently unexpected onerous conditions to the granting of such tax credit that the Group may not want or may not be in a position to comply with;
- a tax credit, although formally extended, may subsequently be withdrawn due to changes of law or an interpretation of the law by competent courts of law;
- the U.S. Inflation Reduction Act of 2022 or parts thereof and/or awards of tax credits thereunder may be declared unconstitutional or in violation of international trade agreements (*e.g.*, WTO/GATT), leading to cancellation and/or withdrawal of awarded tax credits; and/or
- tax credits may need to be shared with the Group's customers to a greater extent than anticipated.

The Group's current budgeting relating to its ramp-up activities of its manufacturing, distribution and other operations in the United States take into account the expected award of a tax credit under the U.S. Inflation Reduction Act. Accordingly, failure on the part of the Group to secure a tax credit under the U.S. Inflation Reduction Act, or any event of revocation of such tax credit, for the reasons outlined above or otherwise, could have a material adverse effect on the Group's business, financial condition, results of operations or prospects.

The Group may be affected by leakage of its technology and intellectual property or otherwise fail to protect its technology and intellectual property, and these my become obsolete or superseded, each of which could have a material adverse effect on the Group's business, financial condition or results of operations and prospects.

Protecting the Group's technology and intellectual property from being exploited by third parties is key to its business strategy. With the sole exception of operations of the Group's subsidiary Pasan, the Group pursues a "captive" business strategy, manufacturing key production equipment only for its own use, and equally producing its HJT cells only for assembly into its own modules, which are the Group's primary products sold. The "captive" business model is designed to limit technology leakage to, and product piracy efforts undertaken by, certain former competitors. Management believes that the strategy of vertical integration across three key steps in the PV value chain—proprietary production equipment development and manufacturing, cell manufacturing as well as module manufacturing—allows the Group to leverage the value of its innovation and technology base, while giving the Group control over future

capacity expansion. Deviating from the initial version of the Indium Strategy, under which the Group had envisaged to sell a certain volume of cells to third-party module manufacturers in parallel with assembling the remainder of cells produced into modules in-house, the Group resolved in June 2021 to no longer sell unprocessed cells to third parties in favor of processing in-house the entire cell production into modules for sale. See "*Description of the Group's Business—Overview*". Despite these strategic precautions, the Group may fail to keep its business model "captive" and/or otherwise fail to avoid "technology leakage". Meyer Burger has, to a limited extent, sold production equipment and technologies incorporating substantial elements of its HJT/SmartWire technology, with a status and degree of development as of the time when the sale occurred to purchasers. The Group's former customers, who are now competitors, may be incentivized to reverse engineer or work around the Group's intellectual property. To the extent such activity would infringe on Meyer Burger's intellectual property rights, the Group may fail to enforce its intellectual property rights. For example, the Group has so far not succeeded in enforcing certain infringements of its intellectual property in the domain of diamond wire saws by certain Asian-based competitors. Also, the Group has been providing HJT/SmartWire technology and production equipment to a small number of competitors including REC and the Group's then-strategic partner Oxford PV. While the Group considers the risk of "technology leakage" from these activities manageable, and actively manages these risks, a considerable risk remains that the Group's technology could leak, be reverse-engineered or circumvented. For example, in 2020, a German-based manufacturer of solar PV modules marketed flexible solar PV modules employing a technology commercialized under the name "G-Wire" that infringed the Group's intellectual property, which the Group managed to halt, following which it determined not to take any further legal action. Also, while the Group currently has no intention to provide its HJT/SmartWire technology and production equipment to other parties, it cannot be excluded that the Group could be forced in the future to deviate from this principle in order to generate cash short-term from the sale of such technology and production equipment.

The Group may fail to secure its currently held technological advantage through intellectual property rights and by means of contractual arrangements securing know how, and/or enforcement in court proceedings of such intellectual property rights or contractual agreements may prove unfeasible, the Group may otherwise fail to protect, and/or to continue further developing and improving the technologies employed in its products (see also "*—Limited protection of intellectual property rights may lead to competitors copying the Group's know-how without having to incur expenses, which could have a material adverse effect on the Group's business, financial condition or results of operations and prospects.*"), and/or third parties may contest/claim ownership of the intellectual property rights of the Group (see "*—The Group is exposed to the risk of infringing intellectual property rights of third parties, which could have a material adverse effect on the Group's business, financial condition or results of operations and prospects.*"), other existing technology, including HJT as implemented by existing or emerging HJT PV cell manufacturers, could be enhanced and become more efficient, economical and/or reliable, at the detriment of the Group's HJT/SmartWire technologies' appeal.

Were any of the aforementioned risks to materialize, this could have a material adverse effect on the Group's business, financial condition or results of operations and prospects.

The Group faces risks of non-payment or delayed payment of customer accounts. Were these risks to materialize, this could have a material adverse effect on the Group's business, financial condition or results of operations and prospects.

The Group has a diversified customer portfolio, with the largest customer having a revenue share of less than 15% in the six months ended June 30, 2022. The Group, in its European module business with distribution and installer customers, generally sells under credit insurance cover and manages receivables per customer to be within approved limits, which is aimed at limiting the Group's exposure to customer default. The risk of payment delay is mitigated to a certain extent by the Group's European factoring arrangement pursuant to the Factoring Agreement, by which receivables are typically sold to the factoring provider within a few days. A corresponding credit insurance and factoring arrangement for the Group's non-European, in particular U.S., business is not in place as of the date of this Prospectus, but the Group's management is preparing such arrangements. Where the Group faces counterparty risk, the Group faces the risk of non-payment by customers, and enforcement of claims against the Group's customers may not be

possible at all or only possible with difficulty. This risk is reinforced by the fact that many of the customers of the Group are located abroad. In the foreseeable future, the Group expects that its revenues will be primarily generated in Germany, Switzerland, France, Italy, Spain, the Benelux countries and other European countries as well as the United States and, to a lesser degree, in Australia and possibly Japan. The risk is also reinforced by the fact that the Group generally sells to distributors, which across the market are currently experiencing high levels of growth combined with severe supply chain disruptions, which may affect the Group's customers' liquidity situation and hence ability to pay outstanding receivables in a timely manner.

The Group may fail to arrange credit insurance and/or factoring arrangements for the European and non-European business at acceptable terms in the future, which could increase the Group's exposure to risks related to collecting customer accounts. Furthermore, credit insurance and/or factoring arrangements may not be available for potential future business in the utility-scale business. If no such protections can be achieved, then the Group may be fully exposed to the risk of delayed or non-payment by customers. Specifically, the Group is expected to be exposed to the risk of delayed or non-payment of purchasers under the DESRI Agreement (see "*—Failure on the Group's part to timely deliver PV modules in the required quantities and qualities to DESRI, achieve the milestones or other interim steps required to be completed under the DESRI Agreement, any deterioration or termination of the relationship between the Group and DESRI or any deterioration in the financial condition of DESRI could materially adversely affect the Group's business operations, financial condition, results of operations or prospects and potentially ultimately result in the Company being required to file for bankruptcy.*"), which are expected to constitute a substantial share of the Group's overall revenues in the future.

Non-payment or delayed payment of customer accounts could have a material adverse effect on the Group's business, financial condition or results of operations and prospects.

The future development of the Group depends on its ability to engage in research and development activities and such activities being successful. Should the Group's research and development expenses not result in profits, this could have a material adverse effect on the Group's business, financial condition or results of operations and prospects.

To continuously strengthen its market position, Meyer Burger invests in research and development as part of its core strategy. In the year ended December 31, 2021, the Group invested CHF 23.0 million in research and development. With the anticipated growth of Meyer Burger's business, the Group plans to increase research and development investments in the coming years. As a rule, research and development costs are not capitalized in the balance sheet but instead recognized as expenses in the income statement. Because the development of new or improved products and technologies requires the Group to anticipate possible changes in customer requirements, future market trends and technological and/or regulatory developments, research and development ("**R&D**") is of vital importance to the product portfolio of the Group. Therefore, the Group on an ongoing basis conducts a number of R&D projects – some of which in collaboration with customers, cooperation partners and/or research institutes. While the Company's Board of Directors seeks to assess R&D projects based on how promising they are with a view to the development of new products, the success of R&D projects is uncertain. Also, research collaborations may fail and consequently not deliver the anticipated results, see "*—The Group's current or future cooperations, collaborations, partnerships and joint ventures may not be successful, be costly and/or be terminated, and/or may turn litigious or not yield the desired results, each of which could materially adversely affect the Group's business operations, financial condition, results of operations or prospects.*". In addition, the Group may need to further increase research and development expenses with a view to developing future products that better meet customers' requirements and/or that are more competitive.

Apart from the results of R&D activities being inherently uncertain, the continuation and potential increase of R&D activities also depends on the Group's ability to secure the necessary funding (see "*—The Group may fail to repay, renew, or to secure at acceptable economic terms and conditions an agreement replacing, the Syndicated Loan Agreement and Factoring Agreement, due to a failure on the part of the Group to operationally and financially perform its obligations as expected or otherwise, which could materially adversely affect the Group's business, financial condition, results of operations or prospects and result in the Company being unable to pay its debts, becoming insolvent and/or required to file for bankruptcy.*") and its ability to attract, hire and employ and retain qualified personnel (see

"*—The Group may fail to hire, employ and retain skilled workforce, or management and/or key personnel may unexpectedly leave the Company or become otherwise unavailable or incapacitated, which could have a material adverse effect on the Group's business, financial condition, results of operations or prospects.*").

In its current form, the Indium Strategy involves manufacturing and supplying the residential and small commercial, large commercial/industrial as well as the utility PV market segments with high-performance solar PV modules, assembled in-house and using exclusively PV cells manufactured in-house, whereby the manufacturing equipment required to produce these solar PV modules (and, as their components, cells) is sourced and produced primarily within the Group based on its HJT and SmartWire technologies. See "*Description of the Group's Business—Overview*". Beyond its HJT/SmartWire technology, the Group pursues a research and development and product roadmap that is designed to improve the performance of the Group's products and reduce their manufacturing cost. After certain planned incremental improvements to the HJT/SmartWire technology, a second anticipated major future step on this roadmap is the introduction of the HJT/IBC technology, which the Group anticipates to commercially start in 2024. With a commercial start currently expected toward the end of this decade, the Group aims to boost cell efficiency further through the development of a stacked dual ("tandem") HJT cell with a so-called perovskite top cell. See "*Description of the Group's Business—Technology, research & development and intellectual property—Technology roadmap*". While the Group believes that these technologies have the potential to be among the market-leading technologies at the time of their respective introduction, there is and, at the time of such introduction will be, a number of different conventional and new technologies offered to the market by various companies that compete with the Group's products. Various research projects conducted by the Group's competitors aim at developing new technologies for the manufacturing of solar cells, as for example for thin film solar cells, which if successful can pose a threat to the Group's strategy. For example, a leap in one of the thin film technologies or the development of a new crystalline silicon cell technology could substantially impair the competitiveness of crystalline solar cells. Therefore, it is possible that the products developed and offered by the Group do not meet the requirements of its customers in the future (including in the near future) and, therefore, the demand for the Group's products could be substantially lower than expected. Furthermore, it cannot be excluded that electrical energy is generated with materials or technology not known today, which would make solar PV products less attractive in the market.

There is no guarantee that the Group anticipates technological developments, customer needs and/or market trends on time or that the Group is able to adopt its technologies and systems to new developments. Failing to anticipate technological and market trends may quickly and substantially lower the demand for systems and technologies offered by the Group. A satisfactory demand can fail to materialize when, for example, the price of the solar PV cell or module is too high in relation to the customer requirements or the solar PV cell or module does not fulfill certain or several requirements of the customer. Should the respective products and technologies not be sold due to insufficient market acceptance, the Group will have to bear substantial development costs, but will not be able to generate any profits.

The future success of the Group largely depends on the timely development of new products and technologies and/or improvement of current products and technologies so that the Group can as a result maintain its technological lead over competing PV cell and module manufacturers. The Group's failure to improve its products' performance or to reduce its production cost may make the Group's PV cells and modules obsolete and unsalable, or result in a deterioration of achievable prices.

Should the Group's research and development expenses fail to result in profits, this could have a material adverse effect on the Group's business, financial condition or results of operations and prospects.

The Group may face risks arising from tax liabilities, which, were they to materialize, could have a material adverse effect on the Group's business, financial condition or results of operations and prospects.

The Group companies are regularly subject to tax and social security audits by the relevant authorities, including where the Group has any branches or operations. Such audits may result in additional claims for tax or social security contributions in any of the countries in which the Group does business, including interest on such tax or social security contributions, and penalties for non-compliance with laws. This risk exists, in particular, with regard to transfer pricing rules and VAT statements. Due to its international structure, including its international service and sales network, the

Group is subject to a general tax liability risk in connection with transfer pricing issues. The complexity of international fiscal systems in general and of (cross-border) VAT regulations and transfer pricing rules (including interest rates on intra-Group loans) in particular as well as changes in the current practice of tax authorities and courts may lead to incomplete and inaccurate tax declarations which may result in additional tax and/or social security contribution payments including potential penalties and interest payments by the Group. Due to the Group's numerous acquisitions and reorganizations of acquired and established Group companies complex tax issues may arise in a number of subsidiaries, which have not yet been finally assessed by competent tax authorities. There is no assurance that the provisions made for tax liabilities are sufficient. Moreover, there is no guarantee that tax authorities, in any country in which the Group operates or plans on operating as part of the Indium Strategy, in its current form, or sells or delivers its products and offers its services, will not raise claims against the Group for failure to comply with applicable tax laws, regulations, directives or rulings or due to a change in the practice of the tax authorities, as a result of, inter alia, an insufficient documentation and record keeping, an incorrect qualification and/or booking of certain transactions, or incorrect tax declarations or filings. The Group is regularly subject to tax audits by Swiss and foreign tax authorities, including where the Group has any subsidiaries, branches or operations. At present, several group companies are subject to ongoing tax and social security audits. The Swiss Federal Tax Administration currently undertakes a special audit at Meyer Burger (Switzerland) AG for the period from 2019 to 2020. In Switzerland, value-added tax is reported to the Federal Tax Administration by way of self-assessment. Hence, if assessed differently by the Federal Tax Administration under said special audit, that could result in a significant additional VAT payment. Furthermore, it cannot be excluded that future VAT audits will lead to significant additional VAT payment obligations of the Group.

The Group holds significant tax loss carry forwards in different Group entities. Deferred taxes on these loss carry forwards are not capitalized in the balance sheets. Nevertheless, the Group expects to be subject to substantially lower tax payments in the future by applying the tax loss carry forwards. Based on different factors, such as the level and location of profits, tax laws and other regulations, however, there is a risk that these tax savings cannot fully be realized in the future and/or that delays may arise in the realization of such tax savings.

Swiss Group companies hold several investments, some of which have been fully written off in recent years. If these depreciations are found to be unjustified or no longer justified by the tax administration, this can result in significant additional corporate income tax payments, inter alia by materially reducing said loss carry forwards for tax purposes.

Should risks that the Group faces arising from tax liabilities, as described above or otherwise, materialize, this could have a material adverse effect on the Group's business, financial condition or results of operations and prospects.

The Group's marketing, branding and distribution strategies may be unsuccessful, which could have a material adverse effect on the Group's business, financial condition, results of operations or prospects.

The Group currently employs the same brand for its presence in both the residential and utility-scale markets. In March 2021, the Group executed a rebranding of its former B2B brand to a premium end-consumer brand, including a new corporate design and marketing strategy, with the aim of having the new brand representing high quality and performance, sustainability, and the Swiss/German origin of Meyer Burger. Since embarking on the Indium Strategy in 2020, the Group also built a dedicated marketing department, which is supporting the sales team operationally, and conducted a digital marketing campaign, employing performance marketing approaches to reach target groups including installers and end customers in the respective target countries as efficiently and effectively as possible. The Group is also present at selected industry events and fairs and at customers' events. See "*Description of the Group's Business—Marketing and branding*".

However, the Group's marketing, branding and distribution strategies may be unsuccessful. In particular, while the Group believes its brand and name have traditionally enjoyed and continue to enjoy a high reputation in the utility-scale PV segment, there is a risk that the Group may fail to build a brand and reputation among end customers and installers, which would impede the effectiveness of the Group's business strategy with respect to the residential and small commercial and the large commercial/industrial segments. Having embarked on the Indium Strategy in 2020 and completed its first PV cell manufacturing line only in 2021, the Group continues to have limited experience and

only fairly recently acquired resources and tools for the marketing and selling of PV modules, which requires understanding of varying market dynamics per target market segment and geography (*e.g.*, different market environment and applicable regulations per U.S. state), demands tailored approaches to fully exploit market potentials (*e.g.*, adaptation of sales channels, marketing materials and installer incentivization schemes) and needs extensive ongoing brand-building efforts, especially for a relatively new entrant such as Meyer Burger.

The Group may fail to build up and sustainably secure and strengthen its brand and reputation, or reach this goal at a slower pace than expected or required to penetrating the large commercial/industrial market segment, and/or to continue penetrating the residential and small commercial as well as utility-scale market segments. Brand building may be more difficult to achieve, including because trade fairs may be canceled or the Group may not be in a position to prominently display its products at such fairs, and the Group may not achieve and sustain a reputation in the PV downstream industry for high quality, innovation and high performance. Should the Group's current and planned sales and/or marketing activities not yield the expected results, the Group may need to increase its sales and/or marketing spending, negatively affecting the results of operations and prospects.

To continue building this capability, the Group is required to attract, hire, employ and retain sales professionals with existing local networks and knowledge. In addition, the Group must continue directing appropriate attention and funding to continue developing its core sales and marketing team that can implement the Group's sales and marketing strategy and coordinate its execution across the different geographies in which the Group operates.

Were the Group's marketing, branding and distribution strategies to turn out to be unsuccessful, for the reasons above or otherwise, or were the Group to fail at establishing and strengthening sales channels, key account management and brand recognition, this could have a material adverse effect on the Group's business, financial condition, results of operations or prospects.

Dependence on particular customers may lead to a concentration of customer risk on certain geographies, market segments or counterparties, which, were any such risks to materialize, in the form of a particular counterparty or a set of counterparties in a particular geography or market segment failing to engage in business with the Group and settling the Group's invoices as they become due or in any other form or for any other reason, could have a material adverse effect on the Group's business, financial condition or results of operations and prospects.

While the Group believes to have a diversified customer portfolio, with the largest customer having a consolidated revenue share of less than 15% in the six months ended June 30, 2022, it cannot be excluded that the consolidation pressure in the market for PV modules, in particular, but not limited to, among wholesalers/distributors addressing the residential and small commercial segment, could lead to a reduction of the number of potential prospective customers of the Group and that customer negotiation power may increase. If this were to materialize, this could increase the volatility of sales and results. In certain geographies, a few wholesalers/distributors control a substantial part of the residential and small commercial PV market. A concentration of risk also exists from a geographical perspective.

As is set out in "*Description of the Group's Business—Customers, channels and sales regions*" and "*Description of the Group's Business—Marketing and branding*",

- at present, in the residential and small commercial segment, the Group addresses end customers (households, retail businesses, etc.) in the premium market segment, and the Group's primary customers are distributors (also called wholesalers or system integrators);
- if and when sufficiently large volumes become available, the Group intends to gradually address the large commercial/industrial segment through existing channels from the residential and small commercial segment (primarily targeting large installers and selected project developers), as well as through selected new customers active in the market segment; and
- in the utility-scale segment, Meyer Burger addresses end customers directly, with a focus on developers/operators of PV power plants, *e.g.*, utility companies, project developers and independent power producers ("**IPPs**"). As a further group, Meyer Burger is targeting engineering, procurement and construction ("**EPC**") companies.

The Group targets a number of geographic markets, with a focus currently on selected European countries (including Germany, France, Italy, Spain, Switzerland and the Benelux countries) and then expanding to the United States as part of its geographic expansion initiated with the DESRI Agreement (see "*Description of the Group's Business—Expansion plans—U.S. capacity expansion and DESRI Agreement*").

Despite these sales diversification strategies, targeting various segments and various geographies simultaneously, and despite a majority of sales currently targeted towards the residential and small commercial PV market segment, certain customer projects for which the Group's products are purchased may be very large in size (*e.g.*, multi-hundred-megawatt- to gigawatt-sized utility-scale projects) and can have a meaningful impact on the revenue and profit of the Group in a given year. If the execution of such projects were to be delayed, including, but not limited to as a result of the COVID-19 Pandemic, this can impact the revenue and profit of the Group for a single year considerably. In particular, the Group is facing a concentrated single-customer risk in relation to the DESRI Agreement, as about one third of the Group's total annual production volume is expected to be sold under the DESRI Agreement once the envisaged expansion to approximately 3 GW of nominal annual capacity will have been ramped up (see "*Description of the Group's Business—Expansion plans—U.S. capacity expansion and DESRI Agreement*" and "*—Failure on the Group's part to timely deliver PV modules in the required quantities and qualities to DESRI, achieve the milestones or other interim steps required to be completed under the DESRI Agreement, any deterioration or termination of the relationship between the Group and DESRI or any deterioration in the financial condition of DESRI could materially adversely affect the Group's business operations, financial condition, results of operations or prospects and potentially ultimately result in the Company being required to file for bankruptcy.*"). In addition, adverse macroeconomic developments in the Group's targeted geographic markets could have a material adverse impact on the Group's business, financial condition and results of operations and prospects. See also "*—Risks related to the industry in which the Group operates—The Group is exposed to risks arising from its international operations and political developments, which, were they to materialize, could have a material adverse effect on the Group's business, financial condition or results of operations and prospects.*".

Dependence on particular customers may lead to a concentration of risk on certain geographies, market segments or counterparties, which, were any such risks to materialize, in the form of a particular counterparty or a set of counterparties in a particular geography or market segment failing to engage in business with the Group and settling the Group's invoices as they become due or in any other form or for any other reason, could have a material adverse effect on the Group's business, financial condition or results of operations and prospects.

The Group may fail to secure further governmental funding and support or governmental funding and support which has been granted may be revoked, which could have a material adverse effect on the Group's business, financial condition or results of operations and prospects.

Meyer Burger believes that there is strong support from governments and policymakers for more environmentally friendly and more locally sourced manufacturing. For example, in January 2021, the Group was pledged up to EUR 15 million in environmental protection aid for the establishment of HJT PV cell production in Thalheim (city of Bitterfeld-Wolfen, Saxony-Anhalt, Germany) by the state of Saxony-Anhalt and the Federal Republic of Germany, as well as an investment grant in the amount of EUR 7.5 million (subsequently reduced to EUR 4.186 million) within the framework of public financial assistance for the improvement of the regional economic structure (*Gemeinschaftsaufgabe Verbesserung der regionalen Wirtschaftsstruktur; GRW*) for the assembling of the production facility in Thalheim, which may be drawn through autumn 2024. Furthermore, the state Saxony awarded an investment grant in the amount of EUR 2.685 million within the framework of public financial assistance for the improvement of the regional economic structure (*Gemeinschaftsaufgabe Verbesserung der regionalen Wirtschaftsstruktur; GRW*) for the assembling of the production facility in Freiberg (Saxony, Germany), which may be drawn through October 2023. The Group's management further expects to receive additional public financial assistance in the future in relation to the planned capacity expansions in Thalheim, Freiberg and Goodyear (Arizona, United States). The Group has submitted a corresponding GRW application for the expansion in Freiberg. Preparations for applications for such or similar support are currently underway for the Thalheim and Goodyear sites.

While the Group's management believes the Group's strategic goals and product offerings, including the manufacturing process and raw materials sourcing, are in alignment with the objectives of policymakers in the Group's core markets and current environmental initiatives and the Group believes it may, as a rule, be eligible and reasonably likely to receive support from governments and administrations of all political levels, including municipal, state, federal and European, which may potentially include subsidies, relevant governments or authorities may fail to support (financially or through favorable policymaking, including but not limited to the European "green deal" and its implementation in member states) the solar PV industry as a whole or the Group in particular, as may be needed to implement the Indium Strategy, in its current form. In particular, there is a risk that the Group is not eligible for or does not qualify as, or otherwise does not become, a beneficiary of such governmental or administrative support, while the Group's competitors are or become beneficiaries, which would adversely affect the Group's competitive position. Even if governmental or administrative authorities have indicated that the Group might receive a particular support, such authority may ultimately not grant the respective support.

In addition, governmental or administrative grants and other support may typically be revoked for a variety of reasons and, in particular as a result of non-compliance with conditions for the respective grant, or failure to provide appropriate evidence, accounts or non-recognition of accounts as for example fixed assets are only eligible if they are capitalized in the balance sheet, particularly in connection with equipment manufactured in-house. For example, the German states of Saxony and/or Saxony-Anhalt may revoke their formal awards extended to the Group in 2021, if the subsidized assets do not remain the property of the grantee during the commitment period or if the investment is not qualified as a sufficient investment in environmental protection on the part of the funders. While the Group therefore regularly checks compliance with the funding requirements, there can be no assurance it will be successful in doing so. Since revocation is possible even based on facts which are beyond the Group's control (*e.g.,* the provision of funds is subject to the availability of budgetary resources), circumstances may arise for reasons within or outside the Group under which the Group does not receive the full grant or may be required to repay it. In the past, the Group and its auditors have identified certain weaknesses in the Group's accounting procedures relating, among others, to monitoring compliance with conditions for grants which may increase the likelihood that non-compliance occurs. As a result, the Group may also need to repay grants or other government funding already disbursed. Failure by the Group to secure governmental or administrative funding and support, for the reasons outlined above or otherwise, or a revocation of such funding or support, could have a material adverse effect on the Group's business, financial condition or results of operations and prospects.

The Group's current or future cooperations, collaborations, partnerships and joint ventures may not be successful, be costly and/or be terminated, and/or may turn litigious or not yield the desired results, each of which could materially adversely affect the Group's business operations, financial condition, results of operations or prospects.

In addition to the Group's regular customer relationships including the long-term supply relationship with DESRI (see "*Description of the Group's Business—Expansion plans—U.S. capacity expansion and DESRI Agreement*"), the Group has entered into a number of cooperations and collaborations, some of which ongoing and some of which recently terminated, and some of which are expected to be vital with a view to the Group's ability to implement its business strategy. The current cooperations and collaborations are primarily cooperations with R&D institutes.

These and other current or future cooperations, collaborations, partnerships and joint ventures may not yield the desired results or otherwise not be successful, may fail partly or in their entirety, may take longer than anticipated, may turn out to be costly, including as a consequence of significant sunk costs expensed, may give rise to disputes, in particular, but not limited to, with regard to jointly developed intellectual property rights (if any) or certain exclusivity rights, or may be terminated, or need to be terminated, upon joint determination or unilateral decision of the Company's respective partner or the Company, or may be the source of legal disputes resulting in lawsuits instigated in courts of law and/or arbitration procedures initiated before arbitration panels.

For example, in 2019, the Group entered into a strategic partnership and exclusive collaboration agreement with Oxford PV, a technology leader for high-efficiency silicon-perovskite tandem solar cells, to jointly develop certified HJT/perovskite modules. Oxford PV terminated this agreement in July 2021. As a consequence of the termination of this collaboration agreement, the Group may face delays and difficulties in developing a future HJT-perovskite tandem

cell technology solution. In addition, in connection with the capital increase for purposes of effecting the Oxford PV transaction, certain criminal complaints were filed. A continuation of the criminal investigations could have an adverse effect on the Company, its reputation or its relationship to Oxford PV.

By way of further example, in 2019, the Group entered into a non-binding memorandum of understanding with REC Solar Pte. Ltd (together with its affiliates and the affiliates of REC Solar Holdings AS, "**REC**") providing for a collaboration with a view to combining equipment sales with profit participation, as further set out in non-binding heads of terms of October 2019 providing in addition for, among other things, equipment purchase by REC of multiple-GW equipment; subsequently, each of the memorandum of understanding and the heads of terms lapsed without the collaboration becoming effective. This became a key contributing factor to the effective failure of the Group's old business model, the deterioration of the Group's financial position in 2020 and eventually the implementation of the Indium Strategy. See "*Description of the Group's Business—Material contracts—The REC Solar relationship*".

Similarly, in the future, any failure of cooperations, collaborations, partnerships and joint ventures could jeopardize the Group's realization of its long-term research and development as well as product roadmap, as it pertains to HJT/perovskite tandem cells or otherwise. Any such cooperations, collaborations, partnerships and joint ventures could also become litigious, turn out to be more expensive than expected or not yield the anticipated or desired results. The occurrence of any of these events individually, or a combination thereof, could have a material adverse effect on the Group's business, financial condition, results of operations or prospects.

The Group is exposed to risks in connection with actual or potential legal disputes and court, arbitration, administrative and criminal proceedings. Were such risks to materialize, this could have a material adverse effect on the Group's business, financial condition or results of operations and prospects.

The Group companies are involved in a number of legal disputes and proceedings (see "*Description of the Group's Business—Legal proceedings*") and may, as part of their ordinary business activity, in connection with their mergers & acquisitions activity, their collaboration activities or otherwise, become involved in additional legal disputes resulting in court, arbitration and/or administrative or criminal proceedings in the future. Provisions set aside for current or pending cases are measured based on existing knowledge and on the basis of cash outflows deemed to be realistic. If the respective Group companies neither prevail in such proceedings nor settle them on reasonable terms, the respective Group companies may be required to pay significant amounts of damages, fines and fees and claims may arise against the Group which may not be covered in full or in part by provisions or insurance. In such event, revenues, cash flow and profitability of the Group could be materially adversely affected. Even a settlement of lawsuits on reasonable terms may result in materially adverse consequences.

For example, in 2017 the General assembly of former Roth & Rau AG (later Meyer Burger (Germany) AG) adopted a squeeze-out resolution with a cash compensation of EUR 10.68 per share. 54 legal actions have been filed against this decision in relation to the compensation amount. The oral court hearing in 2019 had no clear outcome. A settlement could not be reached. Since then the court proceedings have been pending without progress. See "*Description of the Group's Business—Legal proceedings*".

Furthermore, in 2019, Meyer Burger (Switzerland) AG entered into a transaction agreement relating to the sale of its then-held wafering division. After completion of the sale transaction, the purchaser sued Meyer Burger (Switzerland) AG, claiming the payment of an amount of CHF 690,000 corresponding to a payment received by Meyer Burger (Switzerland) AG from a former customer of the former wafering division. By way of a counterclaim, Meyer Burger (Switzerland) AG claimed from the purchaser the payment of approximately CHF 1,140,000, corresponding to certain expenses paid by Meyer Burger (Switzerland) AG on behalf of and on the account of the purchaser. As of the date of this Prospectus, the respective court proceedings are still pending before the Commercial Court of Berne (Switzerland). See "*Description of the Group's Business—Legal proceedings*".

Cooperations may be the source of legal disputes resulting in lawsuits instigated in courts of law and/or arbitration procedures initiated before arbitration panels. In particular, while the Group's management has to date not received any formal notices causing it to anticipate any such development, the terminated strategic partnership and exclusive collaboration agreement with Oxford PV (see "*Description of the Group's Business—Material contracts—The Oxford*

PV relationship" and "*—The Group's current or future cooperations, collaborations, partnerships and joint ventures may not be successful, be costly and/or be terminated, and/or may turn litigious or not yield the desired results, each of which could materially adversely affect the Group's business operations, financial condition, results of operations or prospects.*"), the purchase agreement with Oxford PV or the stake held by the Group in Oxford PV may be the source of legal proceedings in the future. In addition, in the context of the Oxford PV transaction, criminal complaints were filed that led to a criminal investigation. While the Group is not accused in these proceedings, an adverse impact on the Group's reputation, business or relationship to third parties, including Oxford PV cannot be excluded if such investigations should be continued.

Furthermore, while the Group's management currently does not anticipate such development, also the relationship with REC Solar (see "*Description of the Group's Business—Material contracts—The REC Solar relationship*" and "*—The Group's current or future cooperations, collaborations, partnerships and joint ventures may not be successful, be costly and/or be terminated, and/or may turn litigious or not yield the desired results, each of which could materially adversely affect the Group's business operations, financial condition, results of operations or prospects.*") may be the source of legal proceedings in the future.

The Group is exposed to risks in connection with actual or potential legal disputes and court, arbitration, administrative and criminal proceedings. Were such risks to materialize, this could have a material adverse effect on the Group's business, financial condition or results of operations and prospects.

It cannot be excluded that the Group will be involved in new lawsuits, administrative or criminal proceedings and similar matters incidental to the ordinary operations of its business or that the provisions set aside for legal disputes may turn out to be insufficient. Legal proceedings to which the Group is a party may also have an adverse impact on the Group's reputation and brand name or trademarks as a consequence of, among other things, negative press coverage.

As part of its current budgeting and liquidity planning, the Group assumes it will be able to (i) collect a material portion of outstanding and future receivables from its legacy and residual equipment and service business as and when they become due and payable in full and (ii) successfully and fully achieve all key milestones under the Group's contracts with the corresponding current customers in a timely manner. Should these assumptions prove inaccurate, this could materially adversely affect the Group's business operations, financial condition or results of operations and prospects.

As of the date of this Prospectus, the Group has materially wound down its legacy equipment business with the exception of the Pasan business, under which the Group continues to serve customer orders for new equipment and services. From the legacy equipment business, few receivables are left outstanding, including certain receivables from REC and from the residual service business. The Group's current budgeting and liquidity planning assumes that the Group will be able to (i) collect a material portion of outstanding receivables as and when they become due and payable in full and (ii) successfully achieve all key milestones under the Group's current contracts with existing customers in a timely manner (see "*—Description of the Group's Business—Expansion plans—U.S. capacity expansion and DESRI Agreement*").

Some customers of the Group experience payment difficulties and some have failed partially or completely to fulfill their obligations towards the Group or have filed for bankruptcy. The Group strives to collect outstanding payments or enforce security rights, if necessary, in court. In this connection the Group has initiated several legal actions and it cannot be excluded that the Group will initiate further action or take other legal remedies. The success of such procedures or their enforcement, respectively, is unknown, in particular, in view of the creditworthiness of the debtor. If customers of the Group are declared bankrupt, the Group may only receive a minimal pro rata amount of its original claim, or may even fail to recover any amount, in the insolvency proceedings. It is also possible that customers of the Group have to file for bankruptcy. It is, therefore, possible that the Group may suffer further non-payments that have not yet been provisioned in the 2022 Reviewed Consolidated Financial Statements.

Should the customers of the Group decline or delay payments under existing commitments for cause or otherwise, or should the Group prove unable to successfully and fully achieve the key milestones under the Group's contracts with

customers so as to be eligible to collect outstanding payments, this could materially adversely affect the Group's business operations, financial condition and results of operations and prospects.

Limited protection of intellectual property rights may lead to competitors copying the Group's know-how without having to incur expenses, which could have a material adverse effect on the Group's business, financial condition or results of operations and prospects.

Some of the technological knowledge (know-how) and innovations of the Group, which form an important basis for the business activities, is not capable of being, or is otherwise not or not fully, protected by patents or other intellectual property rights. With respect to protected know-how and innovations, there is no guarantee that all intellectual property rights applied for or planned by the Group companies will be granted to the extent applied for, if at all, in all of the countries to which the respective applications for intellectual property rights relate. Although the Group had to pay compensation in the past for some of its protected innovations, there is no assurance that such compensations have been sufficient and that no additional payments need to be made. It cannot be excluded that necessary measures for the protection of know-how have been neglected or will be neglected, respectively, or that patents will be considered invalid. Furthermore, it cannot be guaranteed that the Group succeeds in protecting its technology after the expiry of patents. For example, on August 21, 2023 a basic patent family relating to the Group's SmartWire technology with family member patents in various relevant jurisdictions is set to expire. While the Group believes that it holds certain additional patents that still protect important details of the SmartWire technology and that such additional patents can be extended until November 2035 and, in some cases, April 2037 in certain relevant countries, it cannot be excluded that such additional patents will fail to offer the expected protection or that competitors can develop equivalent or similar solutions to the Group's SmartWire technology and may therefore reduce the current technical competitive advantage of the Group in the field of cell interconnection technologies.

Further, it cannot be guaranteed that important know-how of the Group does not reach third persons by means of unauthorized access or unauthorized transmission. This can lead to the copying of the Group's know-how by competitors without them having any expenses, which could weaken the competitive situation of the Group. For example, in the past, the Group's wire saw technologies and the Group's MAiA® cell coating technology, which in the meantime has been abandoned (see "*Description of the Group's Business—Manufacturing activities—Production equipment—Production equipment manufacturing*"), were infringed and essentially copied by certain competitors in certain jurisdictions, which induced the Group to initiate legal proceedings against some of those competitors. Although the Group seeks to mitigate the risk of own technologies being infringed and/or accessed by competitors or customers by switching to a "captive" business model within the framework of the Indium Strategy, in its current form (see "*Description of the Group's Business—Strategy*"), and although the Group as a consequence of the "captive" business model has discontinued relationship with former customers that in the Group's assessment pose a risk with respect to infringement of the Group's intellectual property rights, it cannot be excluded that such risks may materialize again in the future (see "*—The Group may be affected by leakage of its technology and intellectual property or otherwise fail to protect its technology and intellectual property, and these my become obsolete or superseded, each of which could have a material adverse effect on the Group's business, financial condition or results of operations and prospects.*").

For further information regarding the Group's intellectual property rights, please refer to "*Description of the Group's Business—Technology, research & development and intellectual property—Intellectual property rights and know-how*" and "*Executive Board's Discussion and Analysis of Financial Condition and Results of Operations—Key factors affecting the Results of Operations—Ability to protect own intellectual property*".

Failure on the part of the Group to protect its intellectual property rights could have a material adverse effect on the Group's business, financial condition or results of operations and prospects.

The Group is exposed to the risk of infringing intellectual property rights of third parties, which could have a material adverse effect on the Group's business, financial condition or results of operations and prospects.

There is a risk that the Group has infringed or may infringe intellectual property rights, in particular, process patents of third parties (including, but not limited to, customers and parties with whom the Group has or had cooperation,

joint venture or joint development relationships), or that such third parties claim or allege that such infringement has taken place – with or without any factual or legal basis for, or merit of, such claim or allegation. Therefore, it cannot be excluded that competitors enforce their own patents or other industrial property rights against the Group and/or defend themselves against the infringement of intellectual property rights, which may result in injunctions being issued against the Group or damages being awarded to such competitors owed by the Group. In the future it is to be expected that due to, *inter alia*, increased complexity of the technology and the accompanying amount of intellectual property rights, in particular, in the semiconductor industry, there will be an increased risk in connection with infringements or claims of infringements of intellectual property rights. Legal disputes regarding intellectual property rights can, irrespective of their justification, result in a time-consuming and cost-intensive defense and can absorb management capacity and other resources. Should third parties claim the infringement of intellectual property rights against the Group, this could lead, *inter alia*, to the non-delivery of PV modules or machines or to their seizure, or to injunctions ordered against the Group or damages awarded to such third parties payable by the Group. Furthermore, payment obligations may arise for the Group or the Group may have to enter into license agreements, which are not available at economically viable conditions, or the Group may not be able to apply certain procedures to the offered machines, technologies or products and may even not be able to produce the machines, technologies or products at all, if it does not manage to develop alternative technologies, which do not infringe the intellectual property rights of third persons.

Restrictions to the immigration of workers from EU countries to Switzerland or a deterioration in relations between Switzerland and the EU or restrictions to the immigration of skilled workers into the EU or the United States could impair the Group's ability to hire or retain employees in Switzerland, the EU and the United States, respectively, and limit the Group's ability to conduct its business, or restrictions to the temporary relocation of workers from Europe to the United States could impair the Group's ability to ramp up its U.S. operations, which in turn could have a material adverse effect on the Group's business, financial condition or results of operations and prospects.

The Group relies on both high-skilled and low-skilled employees who commute into or have immigrated to Switzerland, Germany and/or the United States. Also, the Group depends on temporarily relocate staff to sites abroad to train local personnel and to assist in the ramp-up of operations, which is expected to become especially relevant in the context of the future ramp-up of the Group's manufacturing activities in the United States.

The immigration into European countries and the United States is affected by certain restrictions and may be further restricted in the future. Also, the work visas or temporary visas for relocation of staff may be delayed or rejected.

As of December 31, 2021, the Group's total non-Swiss workforce in Switzerland comprised 27 employees, representing approximately 25% of the Group's total workforce in Switzerland. In the past, Swiss voters have approved at least one federal ballot measure that sought to restrict immigration, including for work purposes. In December 2016, the Swiss parliament adopted legislative amendments to implement the measure, which entered into force on July 1, 2018. The amendments introduce certain unemployment-related obligations, but do not restrict the free movement of persons with EU and EFTA countries. A further popular initiative was held on September 27, 2020, seeking to terminate the free movement of people. Although Swiss voters rejected the popular initiative, it cannot be excluded that Swiss voters will in the future approve federal ballot measures that seek to restrict immigration. Were such an initiative to be adopted, its impact on the Group and its workforce would be unclear.

To the extent that the free movement of people is restricted as a result of laws, regulations, approved popular initiatives or otherwise, the Group's ability to hire and/or retain high-skilled and/or low-skilled employees and to ramp up operations abroad could be impeded.

Furthermore, a deterioration in Switzerland's relationship with the EU could limit the Group's access to the European single market and, thus, adversely affect its ability to compete within the European Union. For example, further restrictions on trade or the need to acquire additional certifications for the Group's products could limit its ability to conduct its business and/or increase its costs of doing business. Any of the above occurrences, alone or in combination, could have a material adverse effect on the Group's business, financial condition, results of operations or prospects.

Insurance coverage may be insufficient or unavailable. Failure on the part of the Group to have sufficient insurance coverage could have a material adverse effect on the Group's business operations, financial condition or results of operations and prospects.

It is the policy of the Group to maintain a general and a product liability insurance, a property damage insurance and additional insurances covering the main insurable risks of the Group to the extent such insurance coverage is available for reasonable premia. However, there can be no assurance that the existing insurance coverage is sufficient or available to cover potential damages. In addition, there is no guarantee that the Group will be able to enter into new insurance agreements on commercially acceptable terms and conditions in the future. Insurance coverage might also be cancelled or expire should the realization of the insured risk be caused by non-compliance with the applicable law. Failure on the part of the Group to have sufficient insurance coverage could have a material adverse effect on the Group's business operations, financial condition or results of operations and prospects.

Non-compliance with applicable laws and regulations could have a material adverse effect on the Group's business, financial condition or results of operations and prospects.

The Group's operations are subject to various laws, rules and regulations in the different countries in which it operates or sells its products and services. Due to the number and complexity of such legal provisions, the Group cannot ensure that it has always complied, and will in the future at all times comply, with all national, European or international rules and regulations applicable to its operations (including but not limited to labor, health and safety, competition and antitrust, sanctions, criminal and anti-corruption laws) or obtained, and will at all times obtain, all licenses and permits required to operate its business. There is no assurance that the Group has complied and will comply at all times with such permits and licenses. Furthermore, the Group is exposed to adverse changes in applicable laws and changes in the application of certain laws by authorities. Such changes may even have retroactive effects. For example, in 2018, the United States implemented a 30% tariff under Section 201 of the U.S. Trade Act of 1974 on imported crystalline silicon solar cells and modules from certain countries, including China, declining over a four-year period (the "**Section 201 Tariffs**"). Subsequently, there was uncertainty and/or dispute on whether these tariffs applied, and/or should be applicable, as the case may be, to bifacial modules, with the exemption being imposed, lifted, only to be imposed again, creating substantial insecurity about the currently applicable legal provisions at any time. Eventually, on February 4, 2022, the U.S. President announced the extension and modification of the Section 201 Tariffs; the proclamation extends the solar tariffs, originally due to expire on February 6, 2022, for a period of additional four years, at an initial level of 14.75%, decreasing to 14% over four years and upholds the exemption for bifacial modules. The Group may fail to comply with tariffs or import restrictions such as the Section 201 Tariffs or any other similar measures currently in place or potentially imposed in the future, due to uncertainty as to whether such measures apply to Meyer Burger's goods or not, or otherwise. Consequently, the Group may be exposed to unexpected tariff payments, penalties, seizure or temporary blockage of shipments or other adverse effects.

Non-compliance with applicable laws and regulations could have a material adverse effect on the Group's business, financial condition or results of operations and prospects.

The Group is exposed to risks in connection with non-compliance on its part with environmental, health and safety laws and regulations. Any such non-compliance could have a material adverse effect on the Group's business operations, financial condition, results of operations or prospects.

The Group generates wastes in the normal course of its manufacturing operations and, as the production volume has been growing, also the volume of such waste has expanded significantly. As a result, the Group is subject to a wide range of federal, cantonal or state, and local environmental, health and safety laws and regulations in the countries in which it operates. Environmental, health and safety laws and regulations generally provide onerous requirements and sanctions for companies that are found to be responsible for violations, often irrespective of actual fault. As a result, there is a risk that the Group could fail to comply with such laws and regulations. For example, in 2019, within the framework of an assessment of the Group's occupational health and safety management system inquiring into com-

pliance with local health and safety legislation, an external advisor hired by the Group found that all of the ten inspected sites had deficiencies requiring remediation. The sites with the most significant qualitative or quantitative deficiencies were identified as the ones located in the United States, Singapore, China and Malaysia. While the Group was in this instance capable of remediating these deficiencies, there can be no guarantee that any deficiencies detected in the future can be fully remediated within the available time frames and do not cause personal injuries or cause the Company to be liable for damages. For this or other reasons in connection with environmental, health and safety laws and regulations, the Group could be subject to claims, investigations or proceedings that may impose fines or remedial obligations on it in respect of pollution, hazardous wastes or other environmental issues at the sites at which it operates, each of which could have a material adverse effect on the Group's business operations, financial condition, results of operations or prospects. In addition, any of the mentioned events could, irrespective of the outcome of such claim, investigation or proceedings, significantly affect the Group's reputation, having a material adverse effect on the Group's business operations, financial condition, results of operations or prospects.

The Group's risk monitoring and risk management system could be inadequate or may not be updated in line with its planned growth, which could have a material adverse effect on the Group's business, financial condition, results of operations or prospects.

The Group has adapted an internal control system (ICS) that follows a risk-based approach (concentration on key risks and controls). The development of adequate internal organizational, risk monitoring and risk management structures, policies and procedures, which allow for an early identification of undesirable developments and risks is a constant challenge for the Group. See also "*Executive Board's Discussion and Analysis of Financial Condition and Results of Operations—Quantitative and Qualitative Disclosure of Market Risks*" and "*Board of Directors, Executive Board and Auditors—Information and control instruments vis-à-vis the Executive Board—Internal control system*". While the management information and internal control systems that are in place are monitored on an ongoing basis and are adjusted if necessary, there can be no guarantee that such risk monitoring and risk management systems are at all times adequate and capture, and accurately assess, all relevant risks that could endanger its continuation as a going concern. In the past, internal audits revealed significant shortcomings of the internal control system employed by certain subsidiaries of the Group. As part of the Group's transformation process, the internal control system is currently being restructured and in the process of being realigned. The current realignment mainly affects the subsidiaries Meyer Burger (Industries) GmbH and Meyer Burger (Germany) GmbH, which are two of the most significant subsidiaries of the Group. The Group's management intends to roll out the realignment of the internal control system to all relevant group subsidiaries in the future. Should the risk monitoring and risk management systems employed by the Group be inadequate, flawed, and/or have gaps or deficiencies, and should the Group not be able to update and enhance its risk management system, the Group's ability to recognize and control risks, trends and undesirable developments in the requisite time could be restricted and incorrect decisions could be made that could have a material adverse effect on the Group's business, financial condition, results of operations or prospects.

The Group is exposed to risks relating to the holding company structure.

The Company is a holding company with no significant assets other than the shares of its direct and indirect subsidiaries. The ability of the Company's subsidiaries to pay dividends and make other distributions to the Company may also be limited by various regulatory, legal and tax constraints in the countries in which the subsidiaries are incorporated, by contractual constraints including the subsidiaries' existing debt agreements or by necessary corporate approvals. If, as a result of these restrictions, the Company is unable to ensure the regular transfer of dividends and/or other distributions to it from these subsidiaries, this may impair the Company's ability to pay dividends and interest, and to service debt. With respect to the Group's ability to pay dividends to foreign holders of the Group's shares, the Group may be limited by restrictions on the free movement of capital. See "*—Risks related to the industry in which the Group operates—The Group is exposed to risks arising from its international operations and political developments, which, were they to materialize, could have a material adverse effect on the Group's business, financial condition or results of operations and prospects*.". With regards to the latent revaluation risk of the investments which could lead to significant tax effects for the Company, see "*—The Group may face risks arising from tax liabilities, which, were they to materialize, could have a material adverse effect on the Group's business, financial condition or*

results of operations and prospects.".

In the event of an insolvency of one or more subsidiaries of the Group, creditors of such subsidiaries may assert damages directly against the respective parent company or against other Group companies based on the principles of liability within a group (*Konzernhaftung*) established by the Swiss Federal Court, in particular on the alleged basis that the parent company had acted as a de facto corporate body of the subsidiary.

The Company may not be able to maintain intra-Group financing, which may materially adversely affect the Group's business operations, financial conditions, results of operations or prospects and potentially ultimately result in the Company being required to file for bankruptcy.

In order to conduct their business operations, certain Group companies are dependent on intra-Group loans extended to them by the Company. As of December 31, 2021, certain Group companies were over-indebted within the meaning of article 725 CO (*i.e*., the claims of the respective Group company's creditors were not covered by assets at either the going-concern or disposal values) or the applicable foreign-law equivalent of article 725 CO. In certain cases, the filing for bankruptcy of these Group companies could only be avoided by virtue of the Company accepting to subordinate certain claims against the applicable Group company under the applicable intra-Group loan or intra-Group accounts payables, and/or by the Company accepting to increase the amount of such loan or intra-Group accounts payables.

In particular, depending on the future development of the business operations and financial conditions of each of the respective Group companies and the Company, the Company may in the future not be able to grant additional intra-Group loans or to implement other financing measures so as to provide the liquidity the applicable Group company requires to continue its business operations and/or to subordinate such loans as may be required to prevent the applicable Group company from having to file for bankruptcy. Should this risk materialize, this may materially adversely affect the Group's business operations, financial conditions, results of operations or prospects and result in the Company being unable to pay its debts, becoming insolvent and/or required to file for bankruptcy.

Moreover, the impairment of certain or of all of the outstanding intra-Group loans granted by the Company to certain Group companies and/or the impairment of certain or all of the equity stakes held by the Company in Group companies may, each individually or in the aggregate, materially adversely affect the Company's financial position, which in turn may materially adversely affect the Group's business operations, results of operations or prospects and result in the Company being unable to pay its debts, becoming insolvent and/or required to file for bankruptcy.

The Company may not be able to obtain shareholders' approval for additional conditional share capital that may be required to fully service potential Convertible Bond conversions into shares of the Company. Failure on the Company's part to fully service deliveries of shares out of its conditional share capital in connection with the Convertible Bond may materially adversely affect the Group's business, financial condition, results of operations or prospects and result in the Company being required to file for bankruptcy.

On July 1, 2021, the Group issued the Convertible Bond with an aggregate principal amount of EUR 145 million, which is due to mature in 2027. See "*Executive Board's Discussion and Analysis of Financial Condition and Results of Operations—Financing of the Group*". Under certain conditions and assuming the conversion price (and conversion ratio) in effect immediately prior to the Offering, the Convertible Bonds will be convertible into, in total, up to approximately 247.1 million registered shares of the Company, to be sourced from shares to be newly issued from conditional share capital excluding the existing shareholders' advance subscription rights. According to the relevant article 3c of the Company's Articles of Association, in their current version dated May 5, 2022, the Company may issue a maximum of 251,515,120 registered shares out of the relevant conditional share capital. As of the date of this Prospectus, the Company has issued no registered shares out of the relevant conditional share capital, i.e., the current number of shares the Company can issue out of the relevant conditional share capital is the entire 251,515,120 set out in the Company's current Articles of Association.

As a consequence of the Offering, the conversion price (and conversion ratio) of the Convertible Bond will need to be adjusted. This anticipated adjustment of the conversion price depends on the conversion price in effect immediately

prior to the Offering, *i.e.*, CHF 0.643774; EUR 0.5868, the market price of the Company's shares as of the date on which the shares are first traded ex-Rights, currently expected to be November 1, 2022, and the value of one Right, which in turn depends on the theoretical ex-Rights price (so-called TERP) of the Company's shares, to be calculated according to a formula set out in the terms and conditions of the Convertible Bond. Therefore, as of the date of this Prospectus, the adjusted conversion price (and conversion ratio) in effect following the Offering cannot yet be determined. However, the number of shares that will need to be available for sourcing and issuance from the Company's conditional share capital in connection with the Convertible Bond will, following the Offering, as a matter of mathematical certainty exceed the currently required approximately 247.1 million referred to above, and is very likely to also exceed the currently available 251,515,120 likewise referred to above. Therefore, in connection with the anticipated adjustment of the conversion rate of the Convertible Bond as a consequence of the Offering, the Company expects to submit to the forthcoming ordinary shareholders' meeting to be held in 2023 to resolve to increase the conditional share capital of the Company. The Convertible Bond will mature at 100% of its nominal value on July 8, 2027.

Although the Board of Directors expects that the proposal to increase the conditional share capital will be approved by the shareholders, there is a risk that the proposal will be rejected and the conditional share capital cannot be increased as planned. As a result, there is a risk that not all of the shares to be delivered upon conversion of the Convertible Bond can be delivered by the Company out of its conditional share capital, as required by the Convertible Bond documentation. Failure on the Company's part to deliver all of the shares required to be delivered upon conversion of the Convertible Bond out of the Company's conditional share capital may materially adversely affect the Group's business, financial condition, results of operations or prospects and result in the Company being required to file for bankruptcy.

In reaction to potential future financial, operational or strategic challenges or otherwise, the Group may elect to restructure or re-dimension its operations. Any such restructuring or re-dimensioning may not be successfully and timely implemented, effective or sufficient, each of which may materially adversely affect the Group's business operations, financial condition or results of operations and prospects.

In reaction to financial, operational or strategic challenges, the Group may at any point in time elect to restructure or re-dimension its operations.

Were any such restructuring or re-dimensioning to be undertaken, this could involve, among other things, the cessation of certain sales and customer support activities, divestment or winding-down of businesses, cost saving programs by means of workforce reduction and reduction of operating cost and the freeing up of cash through working capital reductions. In addition, the Group may elect to discontinue certain existing businesses and product lines as part or outside of the Indium Strategy, in its current form. The success of any such restructuring or re-dimensioning, were it to be undertaken, would depend on a number of factors, some of which are outside of the Group's control, including but not limited to the accuracy of certain assumptions, assessments and projections regarding the effectiveness and efficiency of the restructuring or re-dimensioning, as the case may be. There can be no assurance that the assumptions and estimates on which these determinations would then have been based turn out to be accurate and complete and therefore that any such restructuring or re-dimensioning will be successful, effective or sufficient. For example, cost savings expected from any such restructuring or re-dimensioning may not materialize, the Group may not be able to reduce its working capital to the extent expected, inventory values may need to be adjusted as a consequence of such restructuring or re-dimensioning, a restructuring or re-dimensioning involving a reduction of the workforce may cause issues with employees or labor unions, including strikes or other work disruptions, the agreements under which any disposals, divestments or winding-down would be implemented may include indemnification agreements or representations or warranties that the purchasers or other counterparties may invoke to claim damages, or the Group may not be in a position to successfully manage and if necessary divest its production facilities, to renegotiate or terminate existing agreements with customers, suppliers, agents, distributors and other third parties and to finance any such restructuring or re-dimensioning activities.

Accordingly, any such restructuring or re-dimensioning may not be successfully and timely implemented, effective or

sufficient, each of which may materially adversely affect the Group's business operations, financial condition or results of operations and prospects.

Risks related to the industry in which the Group operates

Competition and price pressure for the Group's products in general and increase in competition, industry-wide overcapacities, unfair competitive practices such as dumping or other competitive pressure could lead to lower net revenue and profit margins and a loss in market share and delayed or absent positive cash flow.

The markets in which the Group operates or plans on operating are highly competitive with respect to price, functionality, brand recognition and the effectiveness of distribution and marketing (see "*Industry Overview and Market Trends—Competitive landscape*"). Decreasing average sales prices, in particular as a result of competitive pressure, may result in a substantial negative impact on the Group's results of operations. If the Group is unable to offset any reductions in average sales prices by increases of sales volumes and/or by reducing operating expenses, the Group's financial condition, results of operations or prospects will be negatively affected.

Irrespective of the uncertainties of the growth forecast for the solar PV market, increased competition may occur in markets in which the Group operates and markets it may elect to operate in the future. Existing competitors may expand their production capacity or conduct aggressive pricing policies as well as offer their customers more favorable terms than the Group and new competitors may enter the market and introduce disruptive technologies or may win a significant share of the market, *inter alia*, with the aid of such aggressive pricing policy. An increased concentration in the distribution channels for the Group's products could also increase competition and exert pricing pressure on the Group. Generally, the level of competition in the markets in which the Group operates or plans on operating as part of the Indium Strategy, in its current form, could increase as a result of strategic initiatives by its competitors or trading partners. The Group's competitors may enter certain markets with new products or favorable cost structures, or expand through mergers or acquisitions, cooperative relationships or alliances in order to increase the competitiveness of their products. Competitors may have more financial, technical, distribution and/or other resources than the Group and may also profit from state subsidies and/or export promotion measures which the Group is not entitled to or by trade restrictions which affect the Group. Individually or collectively, these factors may lead to an increase in the supply or an oversupply of equipment or products (including cells and modules) and services offered by the Group and could lead to a significant pressure on the price of the products and services of the Group. Should the Group not manage to decrease its costs, such price collapse of the products and services provided by the Group would lead to a considerable decrease of profit margin and profitability and could lead to a decrease in, or the lack of sustainably building up, market share. As a result, the Group's financial condition, results of operations or prospects may be negatively affected.

Raw material, energy and transportation prices may have a significant impact on Group's profitability.

The Group's business depends on a broad range of raw materials and supplies in connection with its PV cell and module manufacturing activities, including but not limited to silicon wafers, n-doped silicon wafers, glass, junction boxes, backsheets and encapsulant foils as well as gases and chemicals. The cost of materials, supplies, energy and transportation represents a significant portion of the Group's total costs.

The prices of raw materials and utilities including in particular energy are cyclical and susceptible to significant and at times sharp fluctuations, including as a result of global or regional supply/demand dynamics in the commodities and end-markets, production capacity and constraints on the part of suppliers, government regulations and tariffs (*e.g.*, the Section 201 Tariffs, see "*—Risks related to the Group's strategy and business—Non-compliance with applicable laws and regulations could have a material adverse effect on the Group's business, financial condition or results of operations and prospects.*"), geopolitical events, and the economic climate, among other factors. For example, wafer prices increased dramatically in 2021 and 2022 as global demand for solar wafers increased but wafer manufacturers' production capacity in the market was limited. Similarly, global transportation costs have significantly increased as a result of the Global Supply Chain Crisis (see "*—Risks related to the Group's strategy and business—The operations of the Group depend on suppliers. The materialization of supply chain risks could have a material adverse effect on*

the Group's business, financial condition, results of operations or prospects.").

The Group is subject to continuous power supply risk with respect to manufacturing operations in Europe. Due to the volatile nature of natural gas and electricity supply in the aftermath of the Russian invasion in Ukraine on February 24, 2022, and the follow-on impact to energy availability across multiple European countries, especially in Germany, the Group could face challenges operating factories if governments see the need to manage or ration energy or introduce rolling blackouts to conserve energy for other domestic purposes. Even if such measures do not become necessary, the rising energy prices have affected and are expected to affect the Group's cost base. This risk is particularly acute for the Group's operations based out of Germany, were the current energy volatility due to reduction in supply of natural gas is most severe (see "*—There is a material risk of an electricity or natural gas shortage in Germany and Switzerland in the coming winter 2022/2023. Measures announced by German and Swiss authorities may adversely impact the Group's capability to produce and sell solar PV cells and modules and/or to ramp up its manufacturing capabilities as currently expected. The Group also faces higher energy costs. Each of these developments, were they to unfold as anticipated or worse, could have a material adverse effect on the Group's business, financial condition or results of operations and prospects.*").

As a result of the foregoing or otherwise, increases in raw materials prices, energy prices and/or transportation costs could have a material adverse effect on the Group's results profitability, which could have a material adverse effect on the Group's business, financial condition or results of operations and prospects.

There is a material risk of an electricity or natural gas shortage in Germany and Switzerland in the coming winter 2022/2023. Measures announced by German and Swiss authorities may adversely impact the Group's capability to produce and sell solar PV cells and modules and/or to ramp up its manufacturing capabilities as currently expected. The Group also faces higher energy costs. Each of these developments, were they to unfold as anticipated or worse, could have a material adverse effect on the Group's business, financial condition or results of operations and prospects.

Each of the German and Swiss federal governments has acknowledged that the gas supply disruptions in Europe and other uncertainties associated with the war in Ukraine have triggered a global energy crisis, most acutely in continental Europe, and that Germany and Switzerland are also affected by this crisis. According to the German and Swiss federal governments, energy supply in each of these countries may become tense in the coming winter of 2022/2023. In particular, Germany relies to a large degree on foreign natural gas while Switzerland needs to import 100% of its natural gas and also relies on electricity imports. German and Swiss authorities have taken various measures in connection with the current energy crisis and have announced that they are preparing further measures to cope with a potential gas and electricity shortage. Among other things, the German federal and state governments are currently debating a number of measures potentially costing up to EUR 200 billion, and the Swiss Federal Council has adopted a voluntary savings target of 15% for natural gas for the period from October 2022 to end of March 2023 and has launched an energy saving campaign. In case of a persistent electricity shortage, the Swiss federal government has announced that it would, among other measures, impose usage limitations or bans of non-essential appliances and installations, rationing of electricity for large consumers and, as last resort, rolling power grid disconnections for a few hours. Similar restrictions are in preparation in case of a persistent gas shortage. On September 23, 2022, the Swiss Federal Council used its statutory powers to temporarily suspend certain statutory rules in the event of an imminent or already existing serious shortage; it did so to enable the construction of a temporary reserve power plant.

With the Group's production sites in Thalheim (city of Bitterfeld-Wolfen, Saxony-Anhalt, Germany), and Freiberg (Saxony, Germany), and the Group's corporate headquarters in Thun (Canton of Berne, Switzerland), the Group is exposed to the risks associated with the energy crisis and potential countermeasures imposed by authorities. For example, the Group may be required, or may choose to, save electricity and/or gas and/or lower room temperatures at its sites during the period from October 2022 to end of March 2023, shorten the opening hours, and switch off non-essential installations. In the event of power grid disconnections or other government measures, the Group may have to cancel, postpone or relocate production and/or management functions, and the Group's business and operations could be materially adversely affected (see "*—Risks related to the Group's strategy and business—The Group could*

experience production difficulties and operational or other disruptions at its production facilities, which, in turn, could cause a reduction of output and/or production yield, which, in turn, could have a material adverse effect on the Group's business, financial condition, results of operations or prospects."). The ongoing ramp-up of production capacities may be adversely affected by such disruptions (see "*—Risks related to the Group's strategy and business—Failure on the Group's part to timely ramp up PV cell and module production capacity and/or to produce its products in the desired quantities and quality or to manage its growth effectively could have a material adverse effect on the Group's business, financial condition, results of operations or prospects and could potentially result in the Company being required to file for bankruptcy.*"). The Group's preparations for and countermeasures to the various energy shortage scenarios may be inadequate and may be associated with significant costs.

Also, electricity and gas prices have increased with rates and to levels not seen for many years. The Group currently expects to incur significantly higher energy costs, with electricity costs currently fully hedged for 2022 and only partially hedged for 2023. These higher energy costs may materially adversely affect the Group's business, financial condition or results of operations and prospects.

Each of these developments, were they to unfold as anticipated or worse, individually or in the aggregate, could have a material adverse effect on the Group's business, financial condition or results of operations and prospects.

The Group is exposed to high rates of inflation and increased interest rates, which could have a material adverse effect on the Group's business, financial condition or results of operations and prospects.

As of the date of this Prospectus, inflation levels in key economies have increased, or are increasing, to levels not seen in decades. For example, in September 2022 the Swiss federal government increased its inflation forecast for 2022 to 3.0% and for 2023 to 2.3%, and the U.S. Bureau of Labor Statistics published a release pursuant to which inflation for the 12-month period ended August 31, 2022 had reached 8.3%. As of the date of this Prospectus, the European Central Bank forecasts inflation in the eurozone to be 8.1% in 2022 and 5.5% in 2023. Central banks in many jurisdictions have raised interest rates and have announced that they may raise interest rates further. For example, the Swiss National Bank has raised its policy rate twice in 2022, by an aggregate of 1.25 percentage points, from negative 0.75% to positive 0.5%, and has not ruled out that it may increase interest rates further.

The Group expects the current and forecast levels of inflation to significantly increase its nominal cost base in the affected jurisdictions. For example, the Group anticipates having to increase salaries and wages to compensate for inflation, and the Group expects prices of raw materials or of other goods, as well as prices of services, to increase. The Group may not be able to offset its higher costs by passing them on in the form of price increases to its customers and the Group expects to be particularly exposed to inflation risks under the DESRI Agreement which, subject to certain agreed wafer price adjustments, provides for a fixed price (see "*Description of the Group's Business—Expansion plans—U.S. capacity expansion and DESRI Agreement*" and "*—Risks related to the Group's strategy and business—Failure on the Group's part to timely deliver PV modules in the required quantities and qualities to DESRI, achieve the milestones or other interim steps required to be completed under the DESRI Agreement, any deterioration or termination of the relationship between the Group and DESRI or any deterioration in the financial condition of DESRI could materially adversely affect the Group's business operations, financial condition, results of operations or prospects and potentially ultimately result in the Company being required to file for bankruptcy.*").

Also, the Group expects the higher interest rates to increase the costs of its current debt service, as well as the costs of its debt service if and when it needs to refinance its debt (see "*—Risks related to the Group's strategy and business—The Group is exposed to certain financial risks, which, if they were to materialize, could have a material adverse effect on the Group's business, financial condition and results of operations* and prospects." and "*—Risks related to the Group's strategy and business—The Group may fail to repay, renew, or to secure at acceptable economic terms and conditions an agreement replacing, the Syndicated Loan Agreement and Factoring Agreement, due to a failure on the part of the Group to operationally and financially perform its obligations as expected or otherwise, which could materially adversely affect the Group's business, financial condition, results of operations or prospects and result in the Company being unable to pay its debts, becoming insolvent and/or required to file for bankruptcy.*"). Such cost increases may exceed the benefits from an elimination of negative interest rates on its cash. As a result of

these factors, the current and forecast levels of inflation and increased interest rates could have a material adverse effect on the Group's business, financial condition or results of operations and prospects.

The Group currently anticipates an economic downturn and potentially an extended recessionary environment in its key markets. The potentially associated lower propensity on the part of the Group's customers to embark on projects involving the installation of solar PV modules could have a material adverse effect on the Group's business, financial condition or results of operations and prospects.

The Group's success depends on decision takers opting to equip their projects with the Group's solar PV modules, which in turn is dependent on the economic conditions of the industries and geographic regions in which those decision takers operate.

Due to many factors, including high inflation, increases in interest rates, high energy prices, the risk of electricity and gas shortages in Switzerland and elsewhere in Europe, the war in Ukraine and geopolitical tensions, the Group currently anticipates an economic downturn and potentially an extended period of low business and consumer confidence and a recessionary environment in its key markets. For example, the Swiss federal government has significantly lowered its forecast gross domestic product growth for Switzerland in 2022 and 2023. A resurgence of the COVID-19 Pandemic and other factors may further aggravate general economic conditions. The Group is significantly impacted by investment propensity and the macroeconomic environment in which it and its customers operate. In particular, because the Group is positioning its current products in the premium market segment of the market for residential PV modules, the Group may be particularly affected by a reduced propensity of consumers to pay a price premium for intangible product attributes such as brand, aesthetics and "made in Germany".

In addressing the impact of the anticipated economic downturn, the Group may need to make strategic and operational changes to reflect the changing demands, risks and opportunities, as well as potentially changed behavior of customers. The Group's success in the longer term will be impacted by changes made and measures implemented by the Group in the short to medium term, and such changes and measures may not be successful.

A continuation or further deterioration of the challenging global geopolitical environment and economic conditions and the volatility of international capital markets could result in a further deterioration of the Group's financial performance and condition as well as that of its customers and suppliers. The currently prevailing political and economic uncertainty may cause customers to defer or cancel orders or to refrain from placing orders. The aforementioned factors present uncertainty to the Executive Board and make it difficult for the Group to forecast results of operations and identify the risks that may affect its business activities, results of operations, financial condition or prospects. Any of the aforesaid could have a material adverse effect on the Group's business operations, financial condition or results of operations and prospects.

Geopolitical tensions and the war in Ukraine expose the Group to increased risk and could have a material adverse effect on the Group's business, financial condition or results of operations and prospects.

The current geopolitical hardening has had, and is likely to continue to have, a direct negative impact on the course of economic and political development in certain countries and regions, which could also have a negative impact on the Group's business in general and on its manufacturing and distribution operations in particular.

For example, after Russia's invasion of Ukraine in February 2022, the United States, the United Kingdom, Canada, the member states of the European Union, Switzerland and other public and private actors have imposed severe sanctions on government officials of Russia and Belarus, as well as individuals and companies that are or are perceived to be close to the governments of these countries or to support Russia in its war against Ukraine. In addition, tensions between the People's Republic of China, Taiwan and the United States have increased over the recent months. The Group is unable to predict the geopolitical and macroeconomic consequences of these events and how they will affect the Group's business in the short term and in the long term. However, the Group has been affected, and expects to continue to be affected, by increasing costs of labor and materials and supply chain disruptions (see *"—Risks related to the Group's strategy and business—The operations of the Group depend on suppliers. The materialization of supply chain risks could have a material adverse effect on the Group's business, financial condition, results of operations or*

prospects."), additional compliance efforts resulting from sanctions (and the associated risk of non-compliance) and the appreciation of the Swiss franc against other main currencies.

The Group is exposed to risks arising from its international operations and political developments, which, were they to materialize, could have a material adverse effect on the Group's business, financial condition or results of operations and prospects.

Under the Indium Strategy, in its current form, the Group targets a number of geographic markets (see, in particular, "*Description of the Group's Business—Customers, channels and sales regions*", "*Description of the Group's Business—Marketing and branding*" and "*Description of the Group's Business—Expansion plans—U.S. capacity expansion and DESRI Agreement*"). Numerous risks arise out of the Group's high export rate, such as the general economic, legal and fiscal framework conditions, the Group's dependency on global logistics and multijurisdictional supply chains, unexpected changes of the regulatory requirements, potential restrictions regarding the free movement of goods or capital or exchangeability of currencies (including free, market-based forming and determination of foreign exchange rates) as well as the Group's requirement to adhere to a wide range of foreign laws and regulations. Restrictions on trade (*e.g.*, by imposing penal duties on foreign products) and changes in the tariffs are further risks that are connected with an international business activity such as the one conducted by the Group. In the PV industry specifically, there is an extensive history of penal duties being applied both in Europe as well as the United States, with some applicable duties still being in place in the latter, including the Section 201 Tariffs (see "*—Risks related to the Group's strategy and business—Non-compliance with applicable laws and regulations could have a material adverse effect on the Group's business, financial condition or results of operations and prospects.*"). Furthermore, if the Group is unable to adapt to the different local conditions in connection with its international activities, this could hinder the successful implementation of its business strategy in the respective country and, if laws or regulations are violated, lead to penalties or the restriction of its business activities.

Further, the Group's operations are vulnerable to political risks, including, without limitation, international political crises, trade embargoes, disruptions due to political actions, terrorism, governmental instability, flawed application of regulations, currency control measures and other disadvantageous actions or restrictions imposed by governments. Significant parts of the Group's business are currently being conducted and envisaged to further grow in markets with particularly challenging political circumstances. In particular, the trade war between the United States and China, growing nationalism tendencies, as well as potential further governmental policies affecting the PV industry relating in particular, but not limited, to China could have a material adverse effect on the Group's business, financial condition, results of operations or prospects.

At the Paris climate conference (COP21) in December 2015, 195 countries adopted the first universal, legally binding global climate convention (the "**Paris Agreement**"). The Paris Agreement's central aim is to strengthen the global response to the threat of climate change by keeping a global temperature rise this century well below 2 degrees Celsius above pre-industrial levels and to pursue efforts to limit the temperature increase even further to 1.5 degrees Celsius. The Paris Agreement entered into force on November 4, 2016. The Group expects that the implementation of the rules and principles set forth in the Paris Agreement will continue to have a positive effect on its long-term business activities. However, there is a risk that such rules and principles will not be implemented as expected or at all, or that certain countries withdraw from the Paris Agreement, such as the United States, which temporarily withdrew from the Paris Agreement with effect as of November 4, 2020, to rejoin on February 19, 2021, which may have a significant negative impact on the business development and success of the Group.

The Group is exposed to risks arising from its international operations and political developments, as described above or otherwise. Were such risks to materialize, this could have a material adverse effect on the Group's business, financial condition or results of operations and prospects.

Risk of trade and/or regulatory restrictions, such as punitive tariffs, for solar PV products may have a negative impact on the solar PV market.

The business activity of the Group and of customers of the Group can be restricted by import tariff duties or other

protective measures, such as punitive tariffs. For example, on February 4, 2022, the U.S. President announced the extension and modification of the Trump Administration's Section 201 Tariffs (see "*—Risks related to the Group's strategy and business—Non-compliance with applicable laws and regulations could have a material adverse effect on the Group's business, financial condition or results of operations and prospects.*") that levied a decreasing scale starting at 30% on imported crystalline silicon PV cells from certain countries, including China. The proclamation extends the solar tariffs, originally due to expire on February 6, 2022, for a period of additional four years, at an initial level of 14.75%, decreasing to 14% over four years. These and other developments created a considerable degree of uncertainty and led to some hesitation and reluctance on the part of the Group's customers to invest in PV manufacturing equipment generally. In addition, whenever one jurisdiction imposes such measures, the countries affected by such measures may, and typically do, take counter-measures.

Furthermore, countries may impose regulatory restrictions with regards to technical specification or materials used in the production process or application of solar PV products. Such regulations could require the manufacturers of solar PV products and systems to quickly adapt their technology and production methods to new regulations.

Trade and/or regulatory restrictions may increase the total cost of ownership as production costs rise, lead to a reduction of the demand for solar PV products, negatively affect the competitiveness of the solar PV industry compared to other energy industries. Given the Group's dependency on a positive development of the solar PV industry any such developments could have a material adverse effect on the Group's business, financial condition, results of operations or prospects.

Governmental support for solar PV, on which the PV market demand depends to some extent, could be reduced considerably or be eliminated.

In many of the markets in which the Group operates or plans on operating as part of the Indium Strategy, in its current form, demand of solar PV systems and products is to some extent dependent on a favorable regulatory regime, state subsidies of solar PV and/or support programs that aim to change the energy mix in the respective countries towards a higher share of renewable energy. Such support or subsidies may be in the form of guaranteed power prices (feed-in tariffs), net-metering schemes, government-run auctions, minimum renewable energy portfolio standards, tax credits, tax incentives or local-content requirements on solar systems to foster demand, allow for higher revenues for solar PV, or reduce the cost of installing solar PV technology through reduced "soft costs" such as permitting expenses, inexpensive land leases or other supporting initiatives. In certain countries, however, governmental energy policy choices also directly or indirectly disincentivize the market penetration of renewable energy or solar PV specifically, or of the technologies offered by the Group in particular. Overall, energy policy choices tend to distort the solar PV markets, the direction and effect of which may not always be in favor of the Group.

State support is granted in many of the markets in which the Group operates or plans on operating where it still forms the basis for the demand of solar PV cells and modules. However, it is not guaranteed that the regulatory and financial support of the solar PV industry and its customers will remain at current levels. Several countries such as for example China, the United Kingdom, Germany, Italy and Spain have scaled back subsidies in the past and the stance of the former federal administration in the United States on renewable energy have not been favorable. For example, on May 31, 2018, the Chinese government suddenly announced substantial subsidy cuts for the solar industry, which led to a material drop in demand for solar PV modules and triggered a phase of uncertainty in the PV industry. Besides an essential deterioration of the support conditions or an elimination of subsidies because of energy or fiscal reasons, it is also possible that governmental regulatory or financial support for solar PV systems will be subject to judicial review and determined to be in violation of applicable constitutional or legal requirements including international trade treaties or be significantly reduced or discontinued for other reasons. The budgetary constraints of different countries and the uncertainty in relation to regulatory changes including reduction of feed-in tariffs could lead to a cooling down of the demand by the private, commercial and industrial end user in the solar PV markets.

Moreover, state support granted in certain countries in which the Group operates or plans on operating as part of the Indium Strategy, in its current form, appears to be targeted at supporting local companies, creating a disadvantage for foreign competitors such as the Group, or could otherwise be discriminatory to the detriment of the Group, each of

which could further impair the Group's competitive position.

Various renewable energy sources (including wind, hydro, bio-mass and other) are being subsidized as well, whereby the solar PV industry receives the largest share of support from policymakers in many countries. There is a risk that the policymakers may cancel altogether, reduce or re-allocate this support in favor of other renewable energy sources and to the detriment of the solar PV industry in the future. Such risk may be exacerbated by budgetary constraints induced by an economic downturn (see "—*The Group currently anticipates an economic downturn and potentially an extended recessionary environment in its key markets. The potentially associated lower propensity on the part of the Group's customers to embark on projects involving the installation of solar PV modules could have a material adverse effect on the Group's business, financial condition or results of operations and prospects.*"). This may have a material adverse effect on the solar PV market and may materially adversely affect the demand for solar PV modules and, as a consequence, for solar PV equipment and systems.

A materialization of any of these risks could have a material adverse effect on the Group's business, financial condition, results of operations or prospects.

Should—contrary to expectations of the Group's management—the PV module technology turn out not to be suitable for widespread adoption, owing to the emergence of disruptive technologies or otherwise, or should sufficient demand for PV products fail to develop or take longer to develop than the Group anticipates, the Group's sales would not continue to increase or may even decline, and the Group may be unable to sustain profitability, which could have a material adverse effect on the Group's business, financial condition or results of operations and prospects.

The PV products and manufacturing market is constantly developing, and the adoption of PV products by masses of consumers and utility-segment customers remains uncertain. If PV technology proves unsuitable for widespread adoption or if demand for PV products fails to develop sufficiently, the Group may not be able to grow its business or generate sufficient revenues to sustain its profitability. In particular, competing (solar PV and/or other renewable or non-renewable) energy generation technologies may emerge and prove more economical than or otherwise preferable to the technologies employed by the Group in its product portfolio at any given time. In addition, demand for PV products in the Group's targeted markets, including in particular the European Economic Area and the United States, may not develop or may develop to a lesser extent than the Group anticipated. Many factors may affect the viability of widespread adoption of PV technology and demand for PV products, including but not limited to:

- cost-effectiveness of PV products compared to conventional and other non-solar energy sources and products;
- performance and reliability of PV products compared to conventional and other non-solar energy sources and products;
- availability of government subsidies and incentives to support the development of PV industry;
- success of alternative energy generation technologies, such as fuel cells, wind power and biomass;
- fluctuations in economic and market conditions that affect the viability of conventional non-solar alternative energy sources, such as increased or decreases in the prices of oil and other fossil fuels;
- capital expenditures by end users of PV products, which tend to decrease when economy slows down; and
- deregulation of the electric power industry and broader energy industry.

Should—contrary to expectations of the Group's management—the PV module technology turn out not to be suitable for widespread adoption or not or no longer be commercially viable or politically desirable, owing to the emergence of disruptive technologies or otherwise, or should sufficient demand for PV products fail to develop or take longer to develop than the Group anticipates, the Group's sales would not continue to increase or may even decline, and the Group may be unable to sustain profitability, which could have a material adverse effect on the Group's business, financial condition or results of operations and prospects.

The Group's business depends on the willingness and ability of the customers to invest in the products offered by the Group and demand for electricity produced on the basis of solar energy.

The business activity of the Group is dependent on the willingness and the ability of the customers to invest in the solar PV modules offered by the Group. The willingness and ability of the Group's customers to invest is affected by a number of factors including, among others, customer demand for the Group's products, economic and political factors and technological factors such as actual or expected development of the Group's technologies and whether such development compares favorably to the development of competing technologies.

In its current form, the Indium Strategy involves manufacturing and supplying the residential and small commercial, large commercial/industrial as well as the utility PV market segments with high-performance solar PV modules, assembled in-house and using exclusively PV cells manufactured in-house, whereby the manufacturing equipment required to produce these solar PV modules (and, as their components, cells) is sourced and produced primarily within the Group based on its HJT and SmartWire technologies. See "*Description of the Group's Business—Overview*". At present, in execution of this strategy, the Group is marketing its modules for use in residential and small commercial settings, with the large commercial/industrial rooftop market segment to follow at a later stage, and the utility-scale segment having been successfully targeted in August 2022 with the DESRI Agreement, under which the Group intends to manufacture and supply an aggregate volume of approximately 3.75 GW of modules designed for the use in large-scale PV power plants. Although the two main markets of the Group Europe and the United States do not share the same features and a weakening in one market does not necessarily lead to a weakening of the other markets, the Group's markets are nonetheless altogether and in the long-term dependent on the global economic developments, the willingness and ability of customers of the Group to invest and demand for alternative energy, in particular electricity produced on the basis of solar energy. Should the demand on the global market for the Group's products develop unsatisfactorily in the future, the Group may not be able to establish and sustain sales at the envisaged levels, which could have a material adverse effect on the Group's business, financial condition or results of operations and prospects and result in the Company being required to file for bankruptcy.

Demand for solar PV products and technologies may decrease or disappear due to macroeconomic developments, unexpected events and/or new technologies.

The long-term forecast for the solar PV market is subject to a number of uncertainties, in particular with regard to the sustainability of the growth. The growth of the solar PV market may turn out to be lower than expected or may fail to materialize completely, due to a number of reasons including, but not limited to, a lower willingness of customers in the solar PV market to invest in PV modules or additional production capacities for various reasons such as the general market environment (*e.g.*, overcapacities), trade and/or regulatory restrictions, negative macroeconomic developments, unexpected events such as the global outbreak of an epidemic or pandemic as was the case in 2020 (see "*Description of the Group's Business—Recent developments*"), and continues to be the case as of the date of this Prospectus, in connection with COVID-19 Pandemic (see "*—Risks related to the Group's strategy and business—The ongoing COVID-19 Pandemic or the emergence of any contagious diseases, endemics, epidemics or pandemics in the future featuring existing or novel strains of viruses or bacteria causing respiratory, pulmonary, inflammatory, coronary, immunodeficiency or other diseases, and government or private sector action designed to mitigate the medical, sanitary, epidemiological and/or economic consequences of such pathogens could have a material adverse effect on the Group's business, financial condition, results of operations or prospects.*"), natural disasters, significant fluctuations in the prices for raw materials, changes or amendments of state programs detrimental to the support of renewable energies, for example in China, Europe, the United States, India, or other geographies, where substantial growth of demand for solar energy and solar PV products is expected, the breakthrough of new, disruptive technologies in the energy sector, such as cost-effective, scalable and safe nuclear fission energy or fusion energy, with the possible consequence that solar PV products and technologies would generally or to a large extent be substituted by other, new products and technologies and the demand for solar PV products and technologies would thus significantly decrease or completely collapse. Even if the solar PV market were to grow as expected, the Group may not be able to participate in market growths for various reasons, including the reasons described in these "Risk Factors", which could have a material adverse effect on the Group's business, financial condition or results of operations and prospects.

Furthermore, the demand for solar energy and solar PV products is dependent on the prices of fossil sources (oil, gas, coal) as well as other energy sources. While the prices of fossil and other energy sources are currently high, should such prices become more attractive and thus result in lower electricity prices, the demand for solar energy and solar PV products may rapidly and substantially decrease, which could have a material adverse effect on the Group's business, financial condition or results of operations and prospects.

Difficult financial situation of customers and/or end users may result in lower incoming orders than expected.

The volume of incoming orders strongly depends on the financial capacity of the customers and/or the end users to make new investments. As some of the customers and/or end users are currently facing financial difficulties, in particular due to high margin pressures, and others may suffer from financial distress in the future, there is a risk that projects will be delayed or cancelled. As a consequence, the incoming orders and the revenues to be accounted for by the Group may be lower than expected, which could have a material adverse effect on the Group's business, financial condition or results of operations and prospects.

Slow or delayed acceptance of the Group's current or new technologies and/or products by the markets may result in lower incoming orders than expected.

The Group's current business model involves manufacturing and supplying the residential and small commercial, large commercial/industrial as well as the utility PV market segments with high-performance solar PV modules, assembled in-house and using exclusively PV cells manufactured in-house, whereby the manufacturing equipment required to produce these solar PV modules (and, as their components, cells) is sourced and produced primarily within the Group based on its HJT and SmartWire technologies. See "*Description of the Group's Business—Overview*". At present, in execution of this strategy, the Group is marketing its modules for use in residential and small commercial settings, with the large commercial/industrial rooftop market segment to follow at a later stage, and the utility-scale segment having been successfully targeted in August 2022 with the DESRI Agreement. Beyond its HJT/SmartWire technology, the Group pursues a research and development and product roadmap that is designed to improve the performance of the Group's products and reduce their manufacturing cost. After certain planned incremental improvements to the HJT/SmartWire technology, a second anticipated major future step on this roadmap is the introduction of the HJT/IBC technology, which the Group anticipates to commercially start in 2024. With a commercial start currently expected toward the end of this decade, the Group aims to boost cell efficiency further through the development of a stacked dual ("tandem") HJT cell with a so-called perovskite top cell. See "*Description of the Group's Business—Technology, research & development and intellectual property—Technology roadmap*".

While the Group believes that these technologies have the potential to be among the market-leading technologies at the time of their respective introduction, there is a risk that the Group's current and future technologies or products, such as HJT, SmartWire, HJT/IBC and the HJT/perovskite tandem technology, or the other future new technologies or new products of the Group will not or only with delayed effect be accepted by the market or that demand for such technologies or products will not develop as expected. Such shortfall or delay in demand may be due to a variety of reasons, including but not limited to, the Groups failure to actually achieve product performance parameters and product features as currently envisaged, a failure of customers and decision makers to value such performance parameters and product features, that technologies and products developed by competitors achieve performance parameters and product features that lessen the comparative advantage of the Group's products (see "*—Risks related to the Group's strategy and business—The Group is exposed to certain risks related to the Group's technological market position including the emergence of strong competitors with greater financial resources, similar or better technologies, the occurrence of which could weaken its competitiveness and viability to sell the anticipated volumes at expected prices, which could have a material adverse effect on the Group's business, financial condition, results of operations or prospects and result in the Company being unable to pay its debts, becoming insolvent and/or required to file for bankruptcy.*"), or that entirely different substitution products appear in the market that make the Group's products less attractive than anticipated (see "*—Risks related to the Group's strategy and business—The future development of the Group depends on its ability to engage in research and development activities and such activities being successful. Should the Group's research and development expenses not result in profits, this could have a material adverse effect*

on the Group's business, financial condition or results of operations and prospects. ", "*—Should—contrary to expectations of the Group's management—the PV module technology turn out not to be suitable for widespread adoption, owing to the emergence of disruptive technologies or otherwise, or should sufficient demand for PV products fail to develop or take longer to develop than the Group anticipates, the Group's sales would not continue to increase or may even decline, and the Group may be unable to sustain profitability, which could have a material adverse effect on the Group's business, financial condition or results of operations and prospects*." and "*—Demand for solar PV products and technologies may decrease or disappear due to macroeconomic developments, unexpected events and/or new technologies.*"). As a consequence, incoming orders and revenues generated by the Group may be lower than expected, which could have a material adverse effect on the Group's business, financial condition or results of operations and prospects and result in the Company being required to file for bankruptcy.

Availability and cost of financing for the investors in solar PV systems and the ability of the Group to keep pace with technological developments may reduce the demand for solar PV cells, modules and systems.

Grid-connected solar PV systems are typically largely debt-financed. Limited availability and increased cost of debt financing, *e.g.*, due to higher interest rates, could substantially reduce the profitability of solar PV systems and, thus, materially reduce the demand for both solar energy and solar PV cells, modules and systems (see also "*—Demand for solar PV products and technologies may decrease or disappear due to macroeconomic developments, unexpected events and/or new technologies.*").

Moreover, technological change is an important characteristic of the solar PV industry. Technological developments are a key factor in the solar PV industry's ability to reduce the total cost of ownership. A change in solar PV technology could result in different demands made by the Group's customers. Should such change occur, there is a risk that the products developed and offered by the Group will no longer satisfy the new demand and, therefore, will no longer be capable of being sold by the Group (see also "*—Slow or delayed acceptance of the Group's current or new technologies and/or products by the markets may result in lower incoming orders than expected*.").

There is no guarantee that the Group will succeed in keeping pace with technological developments by developing new solar PV cells and modules that meet its customers' new demand or gain acceptance on the market (see also "*—Risks related to the Group's strategy and business—The future development of the Group depends on its ability to engage in research and development activities and such activities being successful. Should the Group's research and development expenses not result in profits, this could have a material adverse effect on the Group's business, financial condition or results of operations and prospects.* "). The Group's success is critically dependent on the ability to anticipate new trends, developments and customer requirements in a timely manner. The Group's competitors may succeed in reacting more quickly or in a more responsive fashion to changed customer demands than the Group by developing corresponding new technologies or by virtue of better knowledge or structures or by employing significantly larger financial resources, thereby gaining a competitive advantage over the Group. Also, the Group's competitors may develop advanced technologies/products or substitutes to the technologies and products offered by the Group, actively changing customer demands towards such innovations (see also "*—Risks related to the Group's strategy and business—The future development of the Group depends on its ability to engage in research and development activities and such activities being successful. Should the Group's research and development expenses not result in profits, this could have a material adverse effect on the Group's business, financial condition or results of operations and prospects.* " and "*—Risks related to the Group's strategy and business—The Group is exposed to certain risks related to the Group's technological market position including the emergence of strong competitors with greater financial resources, similar or better technologies, the occurrence of which could weaken its competitiveness and viability to sell the anticipated volumes at expected prices, which could have a material adverse effect on the Group's business, financial condition, results of operations or prospects and result in the Company being unable to pay its debts, becoming insolvent and/or required to file for bankruptcy.*"). In such cases, the demand for the Group's products could be impaired considerably.

Further there is a risk that developments outside the solar PV market will have an impact on the demand for products of the Group. In particular the breakthrough of new disruptive technologies in the energy sector, such as technologies in the field of fusion energy may possibly substitute solar PV products and technologies in general (see also "—

Demand for solar PV products and technologies may decrease or disappear due to macroeconomic developments, unexpected events and/or new technologies."). As a consequence, the demand for products and technologies of the Group would significantly decrease or collapse completely, which could have a material adverse effect on the Group's business, financial condition or results of operations and prospects and result in the Company being required to file for bankruptcy.

Demand for silicon and/or other components for solar PV cells and modules may exceed its supply.

Silicon is an important raw material that is used for the wafer production as well as the semiconductor industry. There is no guarantee that the demand for silicon does not exceed the supply in the future. Such shortage may arise due to, inter alia, a production time lag and long investment cycles for ramping up additional polysilicon production capacities. In addition, the supply of silicon is restricted to a few producers, so that an interruption of the production by one or more silicon producers could lead to a significant reduction in the silicon supply.

Should not enough silicon be available in the market for the production of wafers, the capacity on the part of the Group to produce solar PV cells and modules may be restricted. Furthermore, the insufficient supply of silicon could lead to an insufficient occupancy, or idling, of the Group's available production capacity, causing production delays, higher per-product COGS and/or lower output of solar PV modules and cells. Lack of ability to provide the solar PV market with the Group's solar PV modules would potentially gear the Group's customers away from solar PV energy solutions as a whole and thereby substantially reduce the demand for the Group's solar PV modules and cells.

Substances and components used for the production of the Group's solar PV cells and modules could be added to the ones governed by the RoHS Directives and/or other similar laws and regulations.

Hazardous substances are governed by a number of laws and regulation worldwide. In the European Union, the regulatory framework governing the use of hazardous substances comprises directive 2002/95/EC, which was replaced by directive 2011/65/EU, as amended by, *inter alia*, delegated directive 2015/863/EU, which took effect on July 22, 2019 (collectively, the "**RoHS Directives**"). In Switzerland, the use of hazardous substances is governed by the Chemical Risk Reduction Ordinance of May 18, 2005, as amended.

The RoHS Directives and similar laws and regulations identify certain substances as hazardous substances and restrict their use in the manufacture of various types of electrical and electronic equipment. The list of substances identified in, and therefore the scope of application of, the RoHS Directives and similar laws and regulations is subject to ongoing change.

There is a risk that substances and components used for the production of the Group's solar PV cells and modules could be added to the ones governed by the RoHS Directives and/or other similar laws and regulations. As a consequence, the Group would be required to comply with the RoHS Directives and/or such other laws and regulations, as the case may be, in the production of its solar PV cells and modules, and would be banned from selling any solar PV cell or module inventory that is not or was not produced in compliance with the RoHS Directives within the European Union and/or such other laws and regulations within the geographical areas in which these apply, respectively.

In order to keep production compliant with the RoHS Directives or other similar laws and regulations, the Group may be required to modify some or all of its products and/or production processes, and/or to replace one or more components in its products, which, if such modifications are possible, may be time-consuming, expensive to implement and/or decrease end-user demand, particularly if the Group were to increase prices to offset higher costs. Such delays, unexpected costs in connection with adapting the Group's production to the requirements of the RoHS Directives or any similar laws and regulations, and slowing of demand associated with delays or price increases could, each individually or in the aggregate, materially adversely affect the Group's business operations, financial condition, results of operations or prospects.

Risks related to the Offering

The Offering may be terminated or may not be completed for various reasons.

The Company may terminate the Offering without prior notice, at any time and for any reason. Even if not terminated, the Offering may not be completed if certain conditions as set out in the Underwriting Agreement are not fulfilled or certain representations and undertakings as set out in the Underwriting Agreement are breached, see "*The Offering*". In such event, the Joint Bookrunners may terminate the Offering at any time prior to the closing date whereupon the Offering becomes void and transactions before the closing date will not be fulfilled. In the event of such termination, investors suffering a loss have no right of compensation against the Joint Bookrunners or the Company.

The Underwriting Agreement entitles the Joint Bookrunners to terminate the Underwriting Agreement in certain other circumstances, including, inter alia, the non-fulfillment of the conditions precedent provided for in the Underwriting Agreement, such as non-occurrence of any material adverse effect or approval of SIX Swiss Exchange with regard to the trading of the Rights and the listing and trading of the Offered Shares. In addition, the Company has no obligation to complete the Rights Offering and to increase its share capital.

If the Underwriting Agreement is terminated pursuant to its terms and conditions prior to the Closing Date, the Rights Offering will not be completed and Offered Shares will not be delivered. As a consequence of a non-completion of the Rights Offering, the payment obligations of persons who have exercised their Rights will lapse. In such event, holders of Rights who have acquired such Rights will suffer a loss as the acquired Rights will no longer be exercisable and thus become invalid and worthless. Further, such holders of Rights will not be able to unwind such acquisition of Rights or to otherwise receive compensation for the suffered losses. In case of short sales of Rights or Offered Shares prior to the termination of the Underwriting Agreement the person selling such Rights or Offered Shares will bear the risk of being unable to meet his obligation to deliver.

Rights that are not exercised will expire without any compensation, and shareholders holding such Rights will be diluted accordingly.

If shareholders fail to or are unable to exercise (*e.g.*, as a result of the restrictions provided in this Prospectus) their Rights prior to the end of the Rights Exercise Period, the Rights will expire worthless and become null and void, and holders of Rights will not be compensated. To the extent that holders of Shares do not exercise their Rights, their ownership and voting interest in the Company will be diluted.

No market may develop in the Rights, a liquid trading market for the Shares may cease to exist, and/or the market price of the Shares and the Rights may be volatile.

There can be no assurance that a liquid trading market for the Shares will continue to exist. The market price at which the Shares are being traded depends on various factors, some of which partially or fully are beyond the Group's control, for example interest fluctuations, general economic factors or the Group's business, financial condition, results of operations or prospects. These factors have an impact on the market price of the Shares and its volatility.

No assurance can be given that an active trading market for the Rights will develop during the Rights Trading Period. The market price of the Rights will not only depend on supply and demand for the Rights, which may be affected by factors unrelated to the trading in the Shares, but also on the market price of the Shares. Factors affecting the volatility of the market price of the Shares may magnify the volatility of the market price of the Rights. If many existing shareholders should not take-up their Rights but sell them in the market, the market price of the Rights and the Shares may be negatively affected and, if the then-prevailing market price of the Shares drops below the Offer Price, the Rights will become worthless. In addition, the theoretical valuation of the Rights relies on assumptions regarding the number of Offered Shares that will be effectively issued, which may, subsequently, fail to realize. When deciding to buy or sell Rights, investors must be aware that until the creation of the Offered Shares there will be no certainty as to the actual number of Offered Shares that will effectively be issued. There can be no assurance that the market price for Rights will accurately reflect the actual number of Offered Shares that will be effectively issued.

Investors purchasing Offered Shares in the Offering, including holders of Rights who have exercised Rights, will purchase Offered Shares at the Offer Price, which may be higher than the market price for the Shares on the Closing Date.

Subject to applicable laws, rules and regulations, holders of Rights must exercise their Rights during the Rights Exercise Period. Each exercise of Rights will be effective at the Offer Price and is irrevocable and may not be withdrawn. The Company cannot assure that the market price of the Shares will not decline below the Offer Price. To the extent the market price for the Shares declines below the Offer Price during the period from the date on which a holder of Rights exercises such Rights to the Closing Date, the shareholder will be required to purchase Shares at a price that will be higher than the actual market price for the Shares at that time. Should that situation occur, the shareholder will suffer an immediate unrealized loss as a result. Moreover, the Company cannot assure shareholders that, following the exercise of the Rights, shareholders will be able to sell the Offered Shares at a price equal to or greater than the Offer Price.

The Share price has been and is expected to be volatile, and investors may not be able to resell their Shares at or above the price at which they have acquired their Shares.

The market price of the Shares has historically been subject to substantial fluctuations. The Company expects the market price of the Shares to continue to be volatile after completion of the Offering. Such volatility may depend upon many factors within and beyond the Company's control, including the risk factors listed in this Prospectus, the Company's or the Company's competitors' financial and business performance, general market conditions and the volatility in financial and other markets (i.e., the degree to which prices fluctuate over a particular period in a particular market, regardless of market levels) in general. In some cases, the markets have produced downward pressure on stock prices for certain issuers seemingly without regard to those issuers' underlying financial strength. As a result, the Shares may trade at prices significantly below the price at which any Shares have been or will have been acquired.

Failure to validly exercise Rights by November 9, 2022, 12:00 noon (CET) (or within any shorter deadline communicated by the relevant custodian bank), will result in such Rights becoming null and void without compensation and existing Shareholders holding such Rights will be diluted accordingly.

If holders of Existing Shares do not validly exercise their Rights by November 9, 2022, 12:00 noon (CET) (or within any shorter deadline communicated by the relevant custodian bank), such Rights will become null and void without compensation. To the extent that holders of Existing Shares do not exercise their Rights to subscribe for the Offered Shares, their ownership and voting interest in the Company will be diluted.

Shareholders face the risk of potential dilution of their shareholding as a result of a failure to exercise or sale of Rights.

The proportionate ownership and voting interest in the Company of shareholders who fail to exercise or who sell their Rights will be diluted.

Rights may lapse without compensation.

If holders of Rights fail to exercise or sell their Rights prior to the end of the Rights Exercise Period as well as in case of non-completion of the Offering (see "*—The Offering may be terminated or may not be completed for various reasons.*"), the Rights will expire and become null and void without the right to any compensation for such holders.

The share price could decrease due to a sale of a substantial number of Shares.

The Joint Bookrunners may sell Offered Shares for which Rights have not, or have not validly, been exercised, in the manner they determine in their sole discretion (*e.g.*, by way of (or a combination of) sales on the open market (*e.g.*, via a dribble-out), via a bookbuilding process or otherwise) as further set out in this Prospectus. Such sales by the Joint Bookrunners could lead to a significant decline in the price of the Shares.

Sales, or the possibility or perceived possibility of sales, of substantial numbers of Rights or Shares could have an adverse effect on the market trading prices of Rights or Shares. Any issue or sale of Rights or Shares by the Group or transactions with a similar economic effect could adversely affect the market trading prices of the Rights or Shares, particularly, if major shareholders are concerned. Future sales of substantial numbers of Rights or Shares by major shareholders of the Company or the circulation of rumors to this effect may be interpreted by the market as a negative signal with respect to such shareholders' beliefs in the future prospects of the Company's business, and an adverse effect could result from this on the share price of the Rights Shares and the ability of the Company to raise further capital in the future.

The shareholders' resolution to increase the share capital may be challenged.

As with all shareholders' resolutions, a resolution to increase the share capital is subject to a possible challenge pursuant to articles 706 et seq. CO. In connection with such a challenge, the Commercial Register of the Canton of Berne (Switzerland) may be blocked with the effect of temporarily or permanently preventing the registration of the capital increase, which may prevent or delay the completion of the Offering, including a delay in the settlement of the Offered Shares.

The Offering may be abolished after the Rights have commenced trading on SIX Swiss Exchange.

The Company may – for reasons which are beyond its control – not be able to complete the Offering. In such event, holders of Rights who have acquired such Rights in the open market may not be able to unwind such transactions or otherwise receive compensation for their loss.

The share capital increase may be delayed.

Although the resolution of the shareholders to increase the share capital is scheduled to be registered with the Commercial Register of the Canton of Berne (Switzerland) in a timely manner, such registration may, for reasons beyond the control of the Company, not take place in time to enable the Offered Shares to be traded commencing on or about November 11, 2022 or not take place at all. In particular, the entry in the commercial register of the Canton of Berne may be blocked temporarily or permanently preventing the registration of the capital increase, which may prevent or delay the completion of the Offering, including a delay in the settlement of the Offering. Furthermore, in the event that the commercial register entry is blocked, the Joint Bookrunners may terminate the Underwriting Agreement. Consequently, investors may suffer losses, in particular, if they entered into short selling transactions and are unable to meet their obligations to deliver.

Shareholders outside Switzerland may not be able to exercise Rights to acquire further Shares and their ownership and voting interest will be diluted accordingly.

Under Swiss law, shareholders have certain subscription rights to subscribe on a pro rata basis for issuances of new shares or other securities that entitle holders to acquire new shares. Due to laws and regulations in their respective jurisdictions, however, non-Swiss shareholders of the Company may not be able to exercise their Rights. The Company has not taken and will not take any action to register or otherwise qualify the offering of Rights or Shares under the law of any jurisdiction where the offering of such Rights is or will be restricted. If holders of Shares in such jurisdictions were unable to exercise their Rights, their ownership interest in the Company would be diluted.

Investors face additional investment risk from currency exchange rate fluctuations.

The Shares are and will be quoted only in Swiss francs and any future payments of dividends, if any, will be denominated in Swiss francs. If the Swiss franc depreciates against a foreign currency that is the main currency of a shareholder, the value of the Shares or of any future dividends, expressed in such foreign currency, will decrease accordingly. Prospective investors should be aware that exchange rates between currencies are highly volatile. Foreign exchange fluctuations between a shareholder's main currency and the Swiss franc may adversely affect shareholders who intend to convert the proceeds from the sale of the Shares or future dividends, if any, into their main currency and may potentially cause a partial or total loss of a shareholder's initial investment.

If securities or industry analysts do not publish research at all or publish inaccurate or unfavorable research about the Group's business, the market price and/or the trading volume of the Shares could remain on a low level and even decline further.

The trading market for the Shares depends in part on the research and reports that securities or industry analysts publish about the Group or its business. If no or few securities or industry analysts cover the Company, the market price for the Shares could be adversely affected. If one or more of the analysts who cover the Group downgrades a recommendation with regard to the Shares, publishes inaccurate or unfavorable research about the Group or its business, ceases to cover the Group or fails to publish reports on it regularly, the market price and/or the trading volume of the Shares could decline.

Shareholders are faced with the risk of further dilution of their shareholding as a result of additional equity financing measures going forward.

The Company may choose to raise additional capital depending on market conditions or strategic considerations, including by way of using existing conditional or authorized capital; see "*Description of the Share Capital and the Shares—Share capital*". Subject to certain conditions, the Board of Directors may exclude the subscription rights of shareholders. To the extent that additional capital is raised in future through the issuance of equity or other securities that are convertible into equity, such issuance could further dilute a shareholder's proportional ownership and voting interest in the Company.

The Company's ability to pay dividends or make other distributions to its shareholders is uncertain and may be restricted.

The Company has not paid out any dividends since its inception. Any proposals of the Board of Directors to pay dividends in following years will be made in consideration of the financial situation and income of the Company as well as market conditions, general economic climate, the necessary financial resources, business prospects and regulatory or other legal considerations. In the next few years, the Company intends to retain any profits and to neither pay out any dividends nor make any payments out of its capital contribution reserves. Also to a later stage, the Company may decide not to, or be unable to, pay dividends or make other distributions to its shareholders. The Company's ability to pay dividends to its shareholders depends on the existence or availability to the Company and the Group of sufficient distributable profits (see also "*—Risks related to the Group's strategy and business—The Group is exposed to risks relating to the holding company structure.*"). Even if there are sufficient distributable profits available the Company may not pay a dividend or make other distributions for a variety of reasons (see "*Dividends and Dividend Policy*").

It may be difficult for prospective investors outside of Switzerland to serve process on or enforce foreign judgments against the Company in connection with the Offering.

The Company is incorporated in Switzerland. As a result, it may be difficult for prospective investors outside of Switzerland to serve process on or enforce foreign judgments against the Company in connection with the Offering.

USE OF PROCEEDS

The Group expects gross proceeds from the Offering amounting to approximately CHF 250 million. The Group intends to use the net proceeds from the Offering (*i.e.*, the gross proceeds less commissions, fees and expenses in connection with the Offering and the Swiss Federal Issuance Stamp Tax (*Emissionsabgabe*) of 1%), which it expects to amount to approximately CHF 237.5 million, to finance the planned expansion of production capacity for the PV cell and module production and the related production and distribution structures. The Group plans to use any residual amount for incremental growth and expansion investments of the Group, in the implementation of strategic projects, and for other general corporate purposes.

MARKET INFORMATION

The Existing Shares are listed according to the Swiss Reporting Standard of SIX Swiss Exchange. The table below sets forth, for the periods indicated, the reported closing, average, high and low prices based on the closing quotation for one Existing Share on SIX Swiss Exchange:

	Price per share (in CHF)			
	Period end	Average	High	Low
2019	0.2077	0.3057	0.5213	0.1980
2020	0.3368	0.1933	0.3908	0.0699
2021	0.4070	0.4376	0.5700	0.3500
2022 (through October 19, 2022).................	0.4498	0.4304	0.5825	0.2790

Source: Bloomberg

The Existing Shares are traded under the Symbol MBTN.

CAPITALIZATION AND INDEBTEDNESS

The following table presents the consolidated capitalization and indebtedness of the Group as of June 30, 2022 (i) on an actual basis and (ii) as adjusted to give effect to the Offering (assuming estimated net proceeds of approximately CHF 237.5 million; see "*Use of Proceeds*"). This information should be read in conjunction with "*Executive Board's Discussion and Analysis of Financial Condition and Results of Operations*" and the Consolidated Financial Statements included elsewhere in this Prospectus.

(in CHF thousand)	**As of June 30, 2022**	
	Actual (reviewed, unless other-wise indicated)	**Adjusted to reflect the Offering (unaudited, not reviewed)**
Equity		
Share capital	133,525	180,258
Capital reserves	1,162,435	1,353,259
Treasury shares	-5,127	-5,127
Reserve for share-based payments	3,068	3,068
Accumulated losses	-1,073,913	-1,073,913
Total equity	**219,988**	**457,545**
Current financial liabilities		
Liabilities towards banks[(1), (3)]	23,173	23,173
Lease liabilities	29	29
Total current financial liabilities	**23,202**	**23,202**
Non-current financial liabilities		
Liabilities towards banks[(1), (3)]	88,847	88,847
Convertible Bond[(1), (2)]	120,352	120,352
Total non-current financial liabilities	**209,199**	**209,199**
Total capitalization	**452,389**	**689,946**

(1) guaranteed

(2) unsecured

(3) secured

Other than (i) as a result of ongoing normal operating activities, such as results of operations of the Group, or (ii) as otherwise described in this Prospectus, there have been no material changes to consolidated capitalization or indebtedness of the Group since June 30, 2022.

For further details on the Syndicated Loan Agreement, the Convertible Bond and other sources of financing of the

Group, see "*Executive Board's Discussion and Analysis of Financial Condition and Results of Operations—Financing of the Group*".

Contingent Liabilities

(in CHF thousand)	**June 30, 2022**	**December 31, 2021**
Guarantees (not product-related)	7,550	8,875
Other	–	–
Contingent Liabilities	**7,550**	**8,875**

During 2019, Meyer Burger entered into a sales contract relating to the building in Thun. Within the framework of the contract, Meyer Burger guarantees a minimum level of annual rent payments to the buyer. The guarantee is limited to CHF 10 million over its duration until June 30, 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 of CHF 0.2 million.

Part of the building sold is still used by Meyer Burger based on a lease agreement between Meyer Burger (Switzerland) AG and the purchaser, with fixed duration until June 30, 2029.

DIVIDENDS AND DIVIDEND POLICY

The Board of Directors may propose a dividend payment under Swiss law only under the condition that the Company shows a sufficient annual net profit, or the reserves made for this purpose are high enough. Further, the auditor must confirm that the proposed dividend is in accordance with the law and the Articles of Association. Dividends are paid out only after approval by the shareholders' meeting. All registered Shares of the Company are equally entitled to dividends and other distributions paid by the Company.

The Company has not paid out any dividends since its inception. Any proposals of the Board of Directors to pay dividends in following years will be made in consideration of the financial situation and income of the Company as well as market conditions, general economic climate, the necessary financial resources, business prospects and regulatory or other legal considerations. The Company intends to retain any profits in the next few years and to neither pay out any dividends nor make any payments out of its capital contribution reserves (which amounted to CHF 569.8 million as of December 31, 2021). The ordinary shareholders' meeting held on May 5, 2022 resolved to appropriate the loss for the year ended December 31, 2021 by carrying it forward to the accumulated balance sheet loss resulting in an aggregate amount of CHF 264,486,977. Should the business of the Group develop better than expected, the Company may re-evaluate a possible dividend payment or payments out of capital contribution reserves. Further, dividend payments are restricted pursuant to the Group's current financing arrangements (see "*Executive Board's Discussion and Analysis of Financial Condition and Results of Operations—Financing of the Group*") and may in the future be restricted pursuant to the Group's future financing agreements, in particular if certain financial thresholds (*e.g.*, net equity or liquidity) are not met or exceeded.

For information regarding dividend rights see "*The Offering—Dividends*" and with regards to Swiss Federal Withholding Tax see "*Taxation—Taxes in relation to the holding of Offered Shares—Withholding Tax*".

EXECUTIVE BOARD'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

A prospective purchaser should read the following discussion of the Group's financial condition and results of operations in conjunction with the Consolidated Financial Statements, which are included elsewhere in this Prospectus and comprise the 2022 Reviewed Interim Consolidated Financial Statements, which have been prepared in accordance with Swiss GAAP FER 31/9-12, and the Audited Consolidated Financial Statements, which have been prepared in accordance with Swiss GAAP FER. See "Presentation of Financial Information".

As summarized in "—Overview" below and set out in more detail in "Description of the Group's Business—Overview", in 2020, against the background of the growth potential of the PV market and the limitations of its then-current business model, the Group embarked on a fundamental shift in the Group's business model from equipment manufacturing to the manufacturing of solar PV cells and modules using its proprietary HJT and SmartWire technologies. Having implemented this shift over the past two years, the Group in now operating under the Indium Strategy, substantially in the form as adopted in 2020. In its current form, the Indium Strategy involves manufacturing and supplying the residential and small commercial, large commercial/industrial as well as the utility-scale PV market segments with high-performance solar PV modules, assembled by the Group and using exclusively PV cells manufactured by the Group, whereby the manufacturing equipment required to produce these solar PV modules (and, as their components, cells) is sourced and produced primarily within the Group based on its HJT and SmartWire technologies. At present, in execution of this strategy, the Group is marketing its modules for use in residential and small commercial settings, with the large commercial/industrial rooftop market segment to follow at a later stage, and the utility-scale segment having been successfully targeted in August 2022 with the DESRI Agreement, under which the Group intends to manufacture and supply an aggregate volume of approximately 3.75 GW of modules designed for the use in large-scale PV power plants.

Because the implementation of the Indium Strategy constituted, and continues to constitute, a significant strategic shift for the Group, and certain of the reporting periods discussed in the following discussion relate to periods prior to the implementation of the Indium Strategy, the following discussion of the Group's historical financial statements may not be meaningful with a view to assessing or anticipating the Group's future financial performance and results of operations.

The following discussion contains certain forward-looking statements that involve risks and uncertainties. The Group's actual performance and results, as well as the timing of certain future events described below, are based on assumptions about the business of the Group and may differ materially from those anticipated in the forward-looking statements as a result of certain factors, including those set forth under "Risk Factors" and elsewhere in this Prospectus.

Overview

Meyer Burger is a large-scale solar photovoltaic ("**PV**") cell and module manufacturer that leverages its proprietary high-performance heterojunction ("**HJT**") and SmartWire technologies and manufacturing equipment in a "captive" business model, under which Meyer Burger's manufacturing equipment is used for its own cell and module production. The Group is currently operating a cell manufacturing site in Thalheim (city of Bitterfeld-Wolfen, Saxony-Anhalt, Germany) and a module manufacturing site in Freiberg (Saxony, Germany). The nominal annual production capacity as of June 30, 2022, was approximately 400 megawatts ("**MW**") and is currently in the process of being expanded to approximately 1 gigawatt ("**GW**") by the end of 2022 ("nominal annual capacity" is the theoretical output measured in GW of cell or module power that a manufacturing line could produce over the course of one year if run at full utilization; during the ramp-up period, actual output may be lower). An expansion to approximately 1.4 GW nominal annual production capacity is currently being prepared, expected to become operational in 2023. Meyer Burger produced an aggregate of 30 MW of PV modules in 2021. In the six months ended June 30, 2022, Meyer Burger produced 108 MW, and generated net sales of CHF 56.7 million and an EBITDA of CHF -24.4 million.

Originally, Meyer & Burger Ltd. was founded in 1953 in Switzerland as a manufacturer of production equipment for

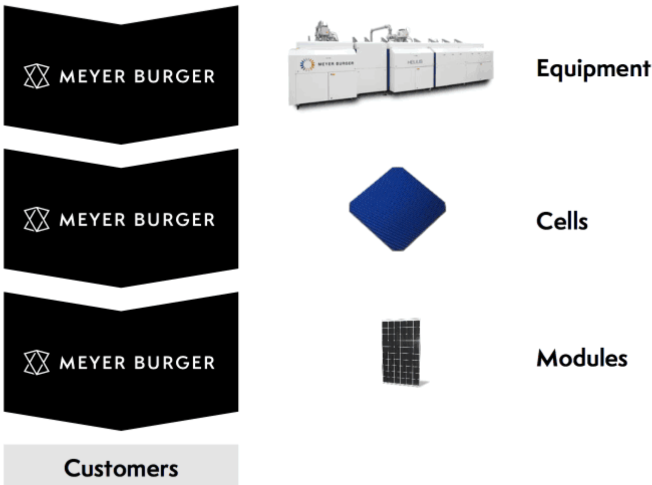
the Swiss watch industry. Around the turn of the millennium, the company started supplying production machines for the semiconductor and later also the nascent PV industry. Through organic growth and a number of acquisitions, the Group became a major supplier of manufacturing equipment for the PV industry. However, Meyer Burger was not able to fully realize the economic value of its successive developments in PV technologies such as diamond wire wafer sawing or PERC PV cell technology. Rather, Meyer Burger's equipment enabled a gross margin pool for its customers that substantially exceeded Meyer Burger's gross margin ("value leakage"). At the same time, the need for Meyer Burger to sell the equipment as widely as possible facilitated the rapid diffusion of the Group's core technologies to competitors ("technology leakage").

In 2020, realizing the growth potential of the PV market but at the same time the limitations of the former business model, Meyer Burger transformed its business model from equipment manufacturing to the manufacturing of solar PV cells and modules. The so-called Indium Strategy, which is implemented by now, is designed to minimize value leakage by expanding closer to end customers in the value chain and to limit technology leakage via a "captive" business model, wherein Meyer Burger's manufacturing technology is used for its own cell and module production. Additionally, the Indium Strategy also entailed the establishment of the production of cells and modules close to regions with end customer demand such as Europe.

As part of the implementation of the Indium Strategy, Meyer Burger took certain restructuring measures (the "**Operational Restructuring**"). Among other things, as part of the Operational Restructuring, Meyer Burger ceased certain sales activities pertaining to the equipment manufacturing business and closed certain sales and servicing entities, primarily in Asia. The Group also implemented cost saving programs by means of FTE reduction and reduction of operating cost and divested the specialized technologies business activities of, among others, its former subsidiary Muegge GmbH, Gerling Applied Engineering, Inc. and the PiXDRO business.

Meyer Burger has established itself as a large-scale manufacturer of PV cells and modules based on its proprietary high-performance HJT and SmartWire technologies. With its next-generation technology, Meyer Burger intends to leapfrog the currently dominant passivated emitter and rear cell ("PERC") technology in the PV market, offering customers PV modules with one of the highest energy yield per area currently available on the market via three module products. The Group's management believes that Meyer Burger is uniquely positioned to be a key constituent in the global energy transition and to benefit from secular growth opportunities within the solar market.

MEYER BURGER'S BUSINESS MODEL UNDER THE INDIUM STRATEGY



Source: Meyer Burger

Meyer Burger plans to complement its standard PV module offering with a solar tile solution, which allows customers to integrate PV in their roof in an aesthetically pleasing way. The Group's management expects the first installation of the product still in 2022.

Currently, the sole exception to the Group's "captive" strategy is the Company's subsidiary Pasan, which sells high-precision cell and module measurement systems for PV R&D laboratories as well as for use in manufacturing lines.

There are currently no further plans to supply manufacturing equipment to research and development partners.

Meyer Burger is currently, as a first step of its broader strategy, marketing its modules for use in residential and small commercial settings. Meyer Burger has established a premium brand and thereby markets its modules as high-performance, high-quality products of European origin, which are sustainably made with 100-percent renewable energy in accordance with high social and environmental standards. The modules are primarily sold through distribution channels, with a selected number of multinational and regional distribution partners. To this end, Meyer Burger has signed framework agreements with over 30 distributors, a mix of large multinational distributors and regional companies, including solar specialist distributors as well as electrical wholesalers.

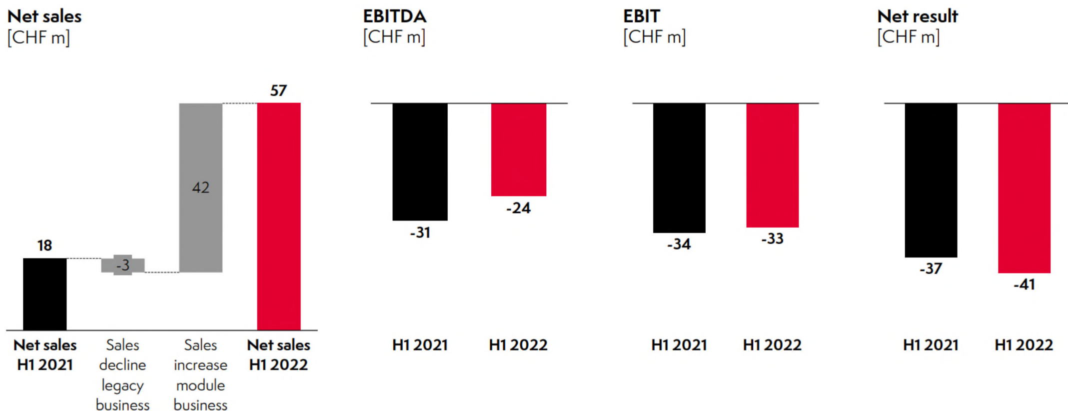
From a regional perspective, current key markets for Meyer Burger are certain European countries, primarily in Western, central and Southern Europe such as Germany, Switzerland, Austria, the Benelux countries, France, Italy, Spain, Portugal, Poland and the UK, as well as the United States. Local Meyer Burger sales teams in Northern Europe and in Australia are also in preparation. In the United States, Meyer Burger is currently focusing on a selected number of states in the Southeast and Northwest, with an expansion of target states planned as the available volume of modules produced by the Group increases.

The Group is currently operating a cell manufacturing site in Thalheim (city of Bitterfeld-Wolfen, Saxony-Anhalt, Germany) and a module manufacturing site in Freiberg (Saxony, Germany). The nominal annual production capacity as of June 30, 2022, was approximately 400 MW and is currently in the process of being expanded to approximately 1 GW, which is expected to be reached by the end of 2022. An expansion to approximately 1.4 GW nominal annual production capacity is currently being prepared, expected to become operational in 2023. Meyer Burger produced an aggregate of 30 MW of PV modules in 2021 and 108 MW in the six months ended June 30, 2022. In the period of January 1 to August 15, 2022, the Group produced 149 MW of PV modules.

In the six months ended June 30, 2022, Meyer Burger achieved net sales of CHF 56.7 million and an EBITDA of CHF -24.4 million. Since the market introduction of its PV module products on April 27, 2021, Meyer Burger has been receiving a steady order intake. As of June 30, 2022, the Group had more than 30 direct customers (including large distributors such as BayWa r.e., Krannich Solar, IBC Solar, Sonepar and Memodo in Europe and the U.S. distributor CED Greentech).

Given the strong demand for PV products in general and Meyer Burger's modules in particular, compared to the Group's still modest production capacity, the Group has to actively manage the current imbalance between demand and supply. Meyer Burger is currently not taking on new major customers in favor of prioritizing serving its existing customer base and has postponed serving large commercial/industrial or even utility-scale projects in favor of the higher-value standard residential and small commercial business. Expected production volumes are proactively allocated to customers independent of individual demand, with the current allocation horizon being the second quarter of 2023.

The figure below shows net sales, EBIDTA, EBIT and net result for the first half of 2022 and, in comparison, the first half of 2021:



Source: Meyer Burger 2022

The Group's management believes that Meyer Burger features the following key competitive strengths:

- Strong secular tailwinds and favorable market environment driving substantial, structural long-term growth in attractive solar market
    - Climate change
    - Energy independence
    - Re-shoring of renewable-energy manufacturing
- Proven technology leader offering premium products, with differentiated technology roadmap
- Geographic footprint and "captive" business model position Meyer Burger as a key building block in both the European and U.S. value chain
- Unique value-oriented, flexible segment strategy targeting highest-value markets
- Strong operational and commercial momentum resulting in attractive financial growth and longer-term margin profile
- Premium brand
- Existing sites and capabilities
- Sustainable manufacturing
- Highly experienced and dedicated management team

Key factors affecting the Results of Operations

The Executive Board believes that the following factors were among the key drivers affecting the results of operations for the periods discussed in this section "*Executive Board's Discussion and Analysis of Financial Condition and Results of Operations*" of this Prospectus, and the Executive Board expects these factors to remain key drivers for the success of the Group's future business, unless stated otherwise.

Ability to cope with challenges in the PV market and PV market environment, with the COVID-19 Pandemic and with supply chain challenges

In 2020, against the background of the growth potential of the PV market and the limitations of its then-current business model, the Group embarked on a fundamental shift in the Group's business model from equipment manufacturing to the manufacturing of solar PV cells and modules using its proprietary HJT and SmartWire technologies. Having implemented this shift over the past two years, the Group is now operating under the Indium Strategy, substantially in the form as adopted in 2020. In its current form, the Indium Strategy involves manufacturing and supplying the residential and small commercial, large commercial/industrial as well as the utility-scale PV market segments with high-performance solar PV modules, assembled in-house and using exclusively PV cells manufactured in-house, whereby the manufacturing equipment required to produce these solar PV modules (and, as their components, cells) is sourced and produced primarily within the Group based on its HJT and SmartWire technologies. At present, in execution of this strategy, the Group is marketing its modules for use in residential and small commercial settings, with the large commercial/industrial rooftop market segment to follow at a later stage, and the utility-scale segment having been successfully targeted in August 2022 as part of a multi-year supply agreement with the U.S.-based developer and owner of renewable-energy power plants D. E. Shaw Renewable Investments (DESRI), under which the Group intends to manufacture and supply an aggregate volume of approximately 3.75 GW of PV modules or more, depending on certain options exercised by DESRI, designed for the use in utility-scale PV power plants. See "*Description of the Group's Business—Overview*".

As recently as December 2021, the Group experienced above-average sick leave caused by the COVID-19 Pandemic in an environment of sharply rising infection rates. As a consequence, the Group was forced to temporarily operate only one of two production lines at its plant in Freiberg (Germany) and to adjust the production plans for its solar

modules accordingly, with ripple effects extending well into 2022. In addition, the COVID-19 Pandemic triggered unexpected supply bottlenecks and reduced shipping capacity worldwide, further delaying the ramp-up of the Company's PV cell and module manufacturing compared to plan (also see "*Risk Factors—Risks related to the Group's strategy and business—The operations of the Group depend on suppliers. The materialization of supply chain risks could have a material adverse effect on the Group's business, financial condition, results of operations or prospects.*" and "*Risk Factors—Risks related to the Group's strategy and business—Failure on the Group's part to timely ramp up PV cell and module production capacity and/or to produce its products in the desired quantities and quality or to manage its growth effectively could have a material adverse effect on the Group's business, financial condition, results of operations or prospects and could potentially result in the Company being required to file for bankruptcy.*" and "*Risk Factors—Risks related to the Group's strategy and business—The Group could experience production difficulties and operational or other disruptions at its production facilities, which, in turn, could cause a reduction of output and/or production yield, which, in turn, could have a material adverse effect on the Group's business, financial condition, results of operations or prospects.*" and "*Risk Factors—Risks related to the industry in which the Group operates—Raw material, energy and transportation prices may have a significant impact on Group's profitability.*"). Among other things, this adversely affected the achievement of the Group's operational targets for 2021, with lower-than-expected production output and revenue, higher-than-expected ramp-up costs and an incomplete absorption of production overhead, negatively impacting the Group's gross margin.

The global supply chain disruptions caused by the COVID-19 Pandemic were further exacerbated by the Russian invasion of Ukraine since February 24, 2022, leading to the current Global Supply Chain Crisis. Global supply chains have not proven to be resilient, with many materials and components not being available or only with exorbitant lead times. Although the Group is pursuing a multi-sourcing strategy for most materials and components, there can be no guarantee that the Group is and will be able to mitigate supply chain risks to the requisite extent. Also, the time required from equipment orders to factory commissioning has been prolonged substantially as a result of the Global Supply Chain Crisis. Semiconductors and electronic parts and devices have been hit particularly hard by the Global Supply Chain Crisis, which has and is expected to further affect the availability and lead times for critical equipment of the Group's manufacturing operations.

In the reporting periods covered herein, the Group chose to cope with challenges in the PV market and the PV market environment by actively managing its supply chains by measures such as increasing inventory levels and advance order periods, escalating issues with senior management of suppliers and establishing alternative suppliers. As a result, the Group was able to reduce delays in installation and commissioning of production equipment and to avoid disruptions due to the unavailability of production materials. The Group chose to increase prices in response to increasing raw materials and energy costs.

Looking forward, the Executive Board expects that the Group's ability to cope with challenges in the PV market and PV market environment, the COVID-19 Pandemic and supply chain challenges will continue to be a key factor affecting the Group's results of operations. The growth forecast for the PV market as a whole, and in particular solar cells, solar modules and specific technologies individually is uncertain and subject to a number of risks and uncertainties; the same applies to supply chain developments across jurisdictions, such as the emergence of new manufacturing lines across the value chain, consolidation, increased competition and price pressure. See "*Risk Factors—Risks related to the industry in which the Group operates*", in particular, "*Risk Factors—Risks related to the industry in which the Group operates—Competition and price pressure for the Group's products in general and increase in competition, industry-wide overcapacities, unfair competitive practices such as dumping or other competitive pressure could lead to lower net revenue and profit margins and a loss in market share and delayed or absent positive cash flow.*" and "*Risk Factors—Risks related to the industry in which the Group operates—Competition and price pressure for the Group's products in general and increase in competition, industry-wide overcapacities, unfair competitive practices such as dumping or other competitive pressure could lead to lower net revenue and profit margins and a loss in market share and delayed or absent positive cash flow.*".

As mitigating the speed and the effects of climate change continues to be a key policy focus, with several major policy initiatives supporting the rapid deployment of renewable energy, including the "European Green Deal", the "Fit for 55" legislative package of the EU, as well as the U.S. Inflation Reduction Act of 2022, following the Russian invasion

of Ukraine, energy security and, in particular, independence from imports of gas, have become an additional driver for the accelerated deployment of renewable energy, also driven by policy initiatives such as the REPower EU plan. See "*Industry Overview and Market Trends—Market drivers—Policy and government drivers*". Accordingly, the Executive Board believes that these policy and industry trends represent strong drivers for the demand for Meyer Burger's products (see "*Description of the Group's Business—Strategy*") and that the Group's strategic goals and product offerings, including the manufacturing process and raw materials sourcing, are in alignment with the objectives of policymakers in the Group's core markets and current environmental initiatives.

The expected electricity (and/or natural gas capable of being turned into electricity) shortage in continental Europe in the coming winter 2022/2023 and beyond is anticipated to further fuel market demand, with PV expected to contribute to securing supply. As one of few companies with specific GW-scale expansion projects in the field of PV in Europe as of the date hereof, Meyer Burger believes it is well-positioned to respond to these heightened and more accelerated market demand.

Ability to timely ramp up PV cell and module manufacturing capacity

The Group currently plans to further expand its capacities by adding new equipment to reach a nominal annual capacity of approximately 3 GW by end of 2024. Specifically, the company plans to expand the Goodyear, Arizona (USA) site to approximately 1 GW nominal annual capacity for utility modules in connection with the contract with DESRI as well as an additional approximately 0.6 GW for the U.S. rooftop segment. In addition, for purposes of reaching an overall cell and module nominal annual capacity of approximately 3 GW by end of 2024, an expansion of the nominal annual solar cell production capacity by an additional approximately 1.6 GW is planned at the Group's Thalheim site (city of Bitterfeld-Wolfen, Germany).

In the recent past, the Group repeatedly experienced difficulties both with raw materials and supply chains resulting in delays of the ramp-up of its production capacities. In particular, on August 2, 2022, the Group announced that it had to reduce its production volume targets for the financial year ending December 31, 2022 by an estimated 26%-36%, from the previously expected 0.5 GW to a range estimated to be between 0.32 and 0.37 GW. While the ramp-up of the first line of approximately 400 MW nominal annual capacity is technically complete as of the date of this Prospectus, persistent global supply chain constraints have in recent months resulted in the delayed arrival of required components needed for the ramp-up of the additional capacities.

The Executive Board believes that the Group's ability to timely ramp up PV cell and module manufacturing capacity has been for the periods discussed in this section, and will likely continue to be, among the key drivers affecting the Group's results of operations.

Ability to successfully launch innovations and to maintain a technological leadership position

Because the development of new or improved products and technologies requires the Group to anticipate possible changes in customer requirements, future market trends and technological and/or regulatory developments, research and development ("**R&D**") is of vital importance to the product portfolio of the Group. Therefore, the Group on an ongoing basis conducts a number of research and development projects – some of which in collaboration with customers, cooperation partners and/or research institutes. For example, the Group continues to entertain research sites in Switzerland (Thun, Hauterive) and Germany as well as an exclusive cooperation with CSEM (Centre Suisse d'Électronique et de Microtechnique) in Neuchâtel, Switzerland.

In 2020, the Group embarked on the Indium Strategy, which, in its current form, involves manufacturing and supplying the residential and small commercial, large commercial/industrial as well as the utility PV market segments with high-performance solar PV modules, assembled in-house and using exclusively PV cells manufactured by the Group, whereby key manufacturing equipment required to produce these solar PV modules (and, as their components, cells) is sourced and produced within the Group based on its HJT and SmartWire technologies. See "*Description of the Group's Business—Overview*". At present, in execution of this strategy, the Group is marketing its modules for use in residential and small commercial settings, with the large commercial/industrial rooftop market segment to follow at a later stage, and the utility-scale segment having been successfully targeted in August 2022 as part of the DESRI

Agreement.

In recent years, the Group's continuous R&D activities led to the successful development of HJT and SmartWire. HJT – one of the Group's key technical engineering and commercially viable advancements – is among the highest-performing solar cell technologies presently available, which the Executive Board believes is likely to gradually substitute the currently standard PERC solutions that are in a saturated stage of the technological development and market penetration cycle and whose technological potential has been mostly exhausted. See also "*Industry Overview and Market Trends—Trends in the solar PV market—Technology trends*". With the development of the HJT/SmartWire technology, the Group was and is in a position to strengthen its systems and process know-how and believes it is in a position to leverage these technologies for its PV cell and module manufacturing pursuant to the Indium Strategy, in its current form.

Beyond its HJT/SmartWire technology, the Group pursues a research and development and product roadmap that is designed to improve the performance of the Group's products and reduce their manufacturing cost. After certain planned incremental improvements to the HJT/SmartWire technology, a second anticipated major future step on this roadmap is the introduction of the HJT/IBC technology, which the Group anticipates to commercially start in 2024. With a commercial start currently expected approximately toward the end of this decade, the Group aims to boost cell efficiency further through the development of a stacked dual ("tandem") HJT cell with a so-called perovskite top cell. See "*Description of the Group's Business—Technology, research & development and intellectual property—Technology roadmap*".

While the cooperation agreement with Oxford PV has been terminated, perovskite tandem technology remains an integral part of Meyer Burger's medium-term technology roadmap.

Looking ahead, the Executive Board believes that the Group's ability to successfully launch innovations and to maintain its currently held technological leadership position will continue to be a key factor affecting its results. In particular, the Executive Board expects that the speed of commercialization (time to market) of the Group's products will likely be pivotal in the future. In the foreseeable future, the Executive Board anticipates that the success of the Group's business will to a large degree depend on the Group's ability to promote and market its solar cells that are based on its proprietary HJT and solar modules that are based on its HJT/SmartWire Technology.

Ability to generate orders and to maintain strong relationships and favorable terms with customers

For the Group, the ability to generate orders and to establish and manage strong customer relationships and favorable terms with customers is an essential income driver. Given the strong demand for PV products in general and Meyer Burger's modules in particular, compared to the Group's still modest production capacity, the Group has to actively manage the current imbalance between demand and supply. Meyer Burger is currently not taking on new major customers in favor of prioritizing serving its existing customer base and has postponed serving large commercial/industrial or even utility-scale projects in favor of the higher-value standard residential and small commercial business. Expected production volumes are proactively allocated to customers independent of individual demand, with the current allocation horizon being the second quarter of 2023.

The Executive Board believes that the reorientation of people's preferences toward transparent, environmentally friendly, and fairly manufactured products with a reliable short supply chain has become a megatrend that can be seen in all segments. The Executive Board considers Meyer Burger to be ideally positioned to meet customer requirements in this regard.

Ability to convert existing and new orders into net sales

As set out in "*—Ability to generate orders and to maintain strong relationships and favorable terms with customers*" above, the Group is currently not taking on new major customers in favor of prioritizing serving its existing customer base and has postponed serving large commercial/industrial or even utility-scale projects in favor of the higher-value standard residential and small commercial business, and the Group's order book for delivery allocations prior to the second quarter of 2023 is full.

However, as set out in "*—Ability to cope with challenges in the PV market and PV market environment, with the COVID-19 Pandemic and with supply chain challenges*", as a result of the COVID-19 Pandemic and supply chain interruptions since 2020, further exacerbated by the war in Ukraine, the Group had to delay some of its PV cell and module manufacturing ramp-up endeavors. Accordingly, the Group's ability to convert existing and new orders into sales has been negatively affected and may continue to remain compromised in the immediately foreseeable future.

The Executive Board believes that the Group's ability to convert existing and new orders into deliveries that will be recognized as sales in the Group's financial statements have been for the periods discussed in this section, and will likely continue to be, among the key drivers affecting the Group's results of operations.

Ability to manage supply chain efficiently and quickly and to generate economies of scale

As seen in the past, the demand for PV modules has grown rapidly and competitors have achieved large economies of scale. Therefore, the ability of the Group to scale its production volumes quickly to achieve at least multi-GW annual production volume represents a key factor of success. It is therefore crucial that the Group is able to quickly ramp up its production volumes (along with ideally an under proportional development of its cost base) so as to meet market demand. To this end, the Group also needs to grow and efficiently manage its supply chains.

Ability to manage operational costs

As set out in "*—Ability to timely ramp up PV cell and module manufacturing capacity*", the Group currently plans to further expand its production capacities.

In connection with these expansions, the Executive Board believes that the Group's ability to manage operational costs, in particular unit production costs, whilst ramping up PV cell and module manufacturing capacity during continuous operation of its production plants has been for the periods discussed in this section, and will likely continue to be, among the key drivers affecting the Group's results of operations.

Ability to respond to increasing competitive pressure

During the consolidation process in the PV industry over the past years, the competitive pressure increased due to aggressive pricing by competitors. Nevertheless, the Group believes that – with the key competitive strengths described in "*—Overview*" above, the technologies in its portfolio, in particular HJT and SmartWire and the leveraging of these technologies with its PV cell and module manufacturing business – it is in the position to sustain its position as technology leader and to potentially win meaningful market shares in the future in the solar module market segment.

With climate change, the conflict in Ukraine and the reorientation of people's preferences toward transparent, environmentally friendly and fairly manufactured products, the Executive Board believes that Meyer Burger is strategically positioned to meet customer requirements in this regard.

Ability to protect own intellectual property

As set out in more detail in "*Description of the Group's Business—Technology, research & development and intellectual property*", the Group has developed a number of proprietary technologies that it commercializes alone. Some but not all of these technologies are protected by intellectual property rights, and even to the extent they are, such intellectual property rights may not be capable of being successfully defended and enforced through courts of law worldwide if and when infringed upon by competitors. Among other reasons with the aim of further managing the risk of technology leakage and theft, the Group decided in 2020 to embark on the Indium Strategy, which, in its current form, involves manufacturing and supplying the residential and small commercial, large commercial/industrial as well as the utility PV market segments with high-performance solar PV modules, assembled in-house and using exclusively PV cells manufactured by the Group, whereby key manufacturing equipment required to produce these solar PV modules (and, as their components, cells) is sourced and produced within the Group based on its HJT and SmartWire technologies.

With the sole exception of operations of the Group's subsidiary Pasan, the Group pursues a "captive" business strategy, manufacturing key production equipment only for its own use, and equally producing its HJT cells only for assembly into its own modules, which are the Group's primary products sold. The captive business model is designed to limit technology leakage to, and product piracy efforts undertaken by, certain former competitors. See "*Description of the Group's Business—Overview*".

Furthermore, several steps were taken in 2021 to further strengthen the Group's intellectual property management. For example, 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 Meyer Burger's CEO. Since 2020, an additional IP validation process has been introduced to increase the Group's IP quality. However, there can be no guarantee that, by virtue of these new measures undertaken under the "captive" business model, no further technology leakage or theft occurs. Accordingly, one of the key factors affecting the Group's results of operations is, and is expected to continue to be, the Group's ability to protect its own intellectual property rights. See "*Risk Factors—Risks related to the Group's strategy and business—The Group may be affected by leakage of its technology and intellectual property or otherwise fail to protect its technology and intellectual property, and these my become obsolete or superseded, each of which could have a material adverse effect on the Group's business, financial condition or results of operations and prospects*.", "*Risk Factors—Risks related to the Group's strategy and business—Limited protection of intellectual property rights may lead to competitors copying the Group's know-how without having to incur expenses, which could have a material adverse effect on the Group's business, financial condition or results of operations and prospects.*" and "*Risk Factors—Risks related to the Group's strategy and business—The Group is exposed to the risk of infringing intellectual property rights of third parties, which could have a material adverse effect on the Group's business, financial condition or results of operations and prospects.*". In the reporting periods covered herein, intellectual property protection remained a challenging undertaking.

Ability to manage foreign exchange risks

In the year ended December 31, 2021, the Group generated its net sales revenues in European euros (47.6%), Swiss francs (19.1%), and, to a lesser degree, in U.S. dollars (8.3%) and in other currencies (25.0%). In the six months ended June 30, 2022, the Group generated its net sales revenues in European euros (75.9%), Swiss francs (7.1%) and, to a lesser degree, in U.S. dollars (4.6%) and in other currencies (12.4%). In the foreseeable future, the Group expects that its revenues will be primarily generated in Europe as well as the United States and, to a lesser degree, in Australia and possibly Japan. In the year ended December 31, 2021, the Group's costs arose mainly in European euros (53.0%), U.S. dollars (24.8%), and, to a lesser degree, in Swiss francs (11.1%) and in other currencies (11.1%). In the six months ended June 30, 2022, the Group's cost arose mainly in European euros (43.9%), U.S. dollars (42.9%), and, to a lesser degree, in Swiss francs (10.8%) and in other currencies (2.4%). In the foreseeable future, the Group expects that its costs will mainly arise in European euros and U.S. dollars. The Group currently prepares its consolidated financial statements in Swiss francs. Exchange rate fluctuations can lead to loss on exchange. Although the Group seeks to realize a high portion of its revenues in the currencies in which the individual Group companies provide their products and services – and therefore incur the respective expenses, with the aim of mitigating the exposure to particular currencies (so-called "natural hedging"), and although the Group's treasury policy allows for any remaining currency fluctuation risks to be hedged with the implementation of forward foreign exchange contracts, substantial currency risks remain. Foreign currency risks on the book value of the foreign Group companies or on the conversion of the results of foreign Group companies are not hedged (so-called "translation risk"). The valuation of intra-Group loans on the reporting day may affect the income statement and the equity of the Group due to currency fluctuations. Furthermore, a lasting unfavorable development of currencies, for example a sustained appreciation of the Swiss franc, which puts the Group at a disadvantage compared to its competitors, may have a material adverse effect on the Group's business, financial condition, results of operations or prospects. A declining European euro or U.S. dollar to the Swiss franc could weaken the competitive position of the Group compared to foreign competitors and, over time, lead to a loss in market share.

The 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 are the euro and the U.S. Dollar. In the year ended December 31, 2021, the currency translation rate of the U.S. Dollar (USD) increased by 3% while the currency translation rate of the euro (EUR) decreased by 4%. This resulted in a cumulative loss from currency translation. In 2020, the main foreign currency (USD) decreased by 9%. See also "*Risk Factors—Risks related to the Group's strategy and business—Unfavorable currency fluctuations could have a negative impact on the Group's financials and could have a material adverse effect on the Group's business, financial condition and results of operations and prospects.*" and "*Risk Factors—Risks related to the industry in which the Group operates—The Group is exposed to risks arising from its international operations and political developments, which, were they to materialize, could have a material adverse effect on the Group's business, financial condition or results of operations and prospects.*".

With the aim of reducing the foreign exchange risk it is exposed to, the Group:

- seeks to realize a high portion of its turnover in the currencies in which the individual Group companies incur their costs, thereby lowering the risk of exchange losses (natural hedging), and
- may elect to use forward currency contracts for remaining foreign currency exposures to partially hedge such transaction risks.

Because a large part of the Group's operations are located in countries where the local functional currency deviates to the Group's reporting currency, the Swiss franc, foreign currency translation impacts the Group's financial condition and results of operations from converting financial statements in local currencies into Swiss francs. Hence, the Group's results are impacted by its ability to manage foreign exchange risks.

Individual Group companies compile their financial statements in their respective 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 character is analyzed. Foreign currency effects attributable to these long-term intercompany loans which are regarded as having an equity character 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.

During the periods under review, the following exchange rates to translate foreign currencies into Swiss francs were applied:

		Closing rate				Average rate			
Currency	# of	June 30,	December 31,	December 31,	December 31,	June 30,	December 31,	December 31,	December 31,
	Units	2022	2021	2020	2019	2022	2021	2020	2019
Euro (EUR)	1	0.996	1.0331	1.0802	1.0854	1.0319	1.0811	1.0705	1.1124
U.S. Dollar (USD)	1	0.9589	0.9121	0.8803	0.9662	0.9437	0.9141	0.9372	0.9937

Currency	# of Units	Closing rate June 30, 2022	December 31, 2021	December 31, 2020	December 31, 2019	Average rate June 30, 2022	December 31, 2021	December 31, 2020	December 31, 2019
British Pound (GBP)	1	1.1606	1.2295	1.2015	1.2757	1. 2249	1.2577	1.2032	1.2674
Chinese Yuan Renminbi (CNY)	100	14.3054	14.3592	13.4646	13.8789	14.5699	14.1730	13.5945	14.3811
Japanese Yen (JPY)	100	0.7037	0.7924	0.854	0.8901	0.7683	0.8324	0.8786	0.9118
Indian Rupee (INR)	100	1.213	1.2265	1.2048	1.3536	1.2385	1.2365	1.2648	1.4111
South-Korean Won (KRW)	100	0.0737	0.0767	0.0809	0.0837	0.0766	0.0799	0.0796	0.0852
Malaysian Ringgit (MYR)	100	21.7558	21.8951	21.893	23.6198	22.0987	22.0574	22.3215	23.9885
Singapore Dollar (SGD)	1	0. 6877	0.6762	0.6661	0.7183	0.6916	0.6804	0.68	0.7284
Taiwan Dollar (TWD)	100	3.2191	3.2956	3.1428	3.2265	3.2881	3.2736	3.1864	3.2155

Definition of key line items in the consolidated income statement

The following includes a list of the key line items in the consolidated income statements discussed in this section "*Executive Board's Discussion and Analysis of Financial Condition and Results of Operations*" of this Prospectus.

Net sales

Net sales, or revenue (used synonymously), 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. Provisions as management deems appropriate are created for expected warranty claims arising from the sale of goods and services. Revenue is recognized when the amount of revenue can be measured reliably, when it is probable that the future economic benefits associated with the transaction will flow to the Group, 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 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, whereby 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 using the percentage-of-completion ("**PoC**") method. Net revenue from service agreements is recognized on the basis of the proportion of services performed by the reporting date.

Operating income after costs of products and services

Operating income after costs of products and services corresponds to total income including other operating income, *e.g.* gain from sale 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.

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.

Costs of products and work in progress comprise primarily direct costs incurred to generate net sales, including costs of the goods, materials and services purchased by the Group from its suppliers, provisions, write-offs and losses on inventories, in relation to manufacturing, direct labor, raw materials, productions costs, value adjustments and inventory provisions.

Capitalized goods and services represent income in connection with the capitalization of self-manufactured machines. Capitalized goods is presented on a gross basis. The line item capitalized goods and services includes externally sourced goods used in the manufacturing of own machines and cost of personnel expenses incurred in the manufacturing process.

Personnel expenses and operating expenses

Personnel expenses include wages and salaries, social security expenses, pension and benefit expenses, share-based payment expenses, expenses for temporary personnel and other personnel expenses.

Operating expenses include rental costs, maintenance and repair expenses, vehicles and transportation expenses, property insurance, fees and contributions, energy and waste disposal expenses, administration expenses, IT expenses, marketing expenses, loss on sale of property, plant and equipment, expenses for research and development and other operating expenses.

EBITDA, EBIT and EBT

Earnings before interests, taxes, depreciation and amortization (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.

Earnings before interest and taxes (EBIT) corresponds to the operating result before the financial result, the result from investment in associates, the non-operating result and income taxes.

Earnings before taxes (EBT) is EBIT plus financial result (net), result from investment in associated companies (net) and non-operating result (net). The financial result comprises mainly interest expenses, interest income and currency translation differences.

Net result

Net result comprises EBT minus or plus income taxes, as applicable. Income taxes are divided into current and deferred income taxes, based on local tax rates expected to apply for each company of the Group.

Results of operations

Overview

The following table sets out selected figures of the Group's consolidated results of operations for the six-month periods ended June 30, 2022 and June 30, 2021, respectively, and for the years ended December 31, 2021, December 31, 2020 and December 31, 2019, respectively:

in CHF thousand	For the six months ended June 30, 2022	For the six months ended June 30, 2021	For the year ended December 31, 2021	For the year ended December 31, 2020	For the year ended December 31, 2019
	(reviewed)	(reviewed)	(audited)	(audited)	(restated, audited)
Net sales	56,700	17,966	39,905	90,457	262,013
Operating income after costs of products and services	25,399	14,231	29,183	37,856	144,497
Personnel expenses	-33,176	-27,686	-60,411	-53,939	-104,364
Operating expenses	-16,657	-17,461	-41,241	-28,517	-39,000
EBITDA	-24,434	-30,916	-72,469	-44,600	1,133
EBIT	-32,674	-34,113	-85,337	-58,083	-15,523
EBT	-41,014	-37,228	-99,395	-64,214	22,395
Result	**-41,009**	**-37,228**	**-100,487**	**-64,478**	**-22,941**

Breakdown of net sales by product segments

The following table sets out the breakdown of the Group's consolidated net sales by product segments for each of the six-month periods ended June 30, 2022 and June 30, 2021, respectively, and each of the years ended on December 31, 2021, December 31, 2020 and December 31, 2019, respectively:

	Six-month period ended June 30,				Year ended December 31,					
in CHF thousand (unless otherwise indicated)	2022	*As % of Net Sales*	2021	*As % of Net Sales*	2021	*As % of Net Sales*	2020	*As % of Net Sales*	2019	*As % of Net Sales*
	(reviewed)		(reviewed)		(audited)		(audited)		(restated, audited)	
Net sales – Photovoltaics	9,695	*17.1%*	17,966	*100.0%*	31,122	*78.0%*	72,731	*80.4%*	210,568	*80.4%*
Net sales – Specialized Technologies	4,807	*8.5%*	–	–	–	–	17,726	*19.6%*	51,445	*19.6%*
Net sales – Modules	42,198	*74.4%*	–	–	8,783	*22.0%*	–	–	–	–
Net sales	56,700	*100.0%*	17,966	*100.0%*	**39,905**	*100.0%*	**90,457**	*100.0%*	**262,013**	*100.0%*

The Photovoltaics segment largely comprises the Group's previous core business of manufacturing equipment for PV and covers manufacturing equipment for the processing of solar cells and solar modules together with associated services.

Until the sale of the wafering business in spring 2019, the main customers of the Group were producers of solar wafers, cells and modules, primarily based in Asia. Following the sale of the wafering business and with the focus on the Indium Strategy, in its current form, the Group's customers are mainly other businesses such as retailers.

As is set out in "*Description of the Group's Business—Customers, channels and sales regions*",

- at present, in the residential and small commercial segment, the Group addresses end customers (households, retail businesses, etc.) in the premium market segment, and the Group's primary customers are distributors (also called wholesalers or system integrators);
- if and when sufficiently large volumes become available, the Group intends to gradually address the large commercial/industrial segment through existing channels from the residential and small commercial segment

(primarily targeting large installers and selected project developers), as well as through selected new customers active in the market segment; and

- in the utility-scale segment, Meyer Burger addresses end customers directly, with a focus on developers/operators of PV power plants, *e.g.,* utility companies, project developers and independent power producers ("**IPPs**"). As a further group, Meyer Burger is targeting engineering, procurement and construction ("**EPC**") companies.

The Group targets a number of geographic markets, with a focus currently on selected European countries (including Germany, France, Italy, Spain, Switzerland and the Benelux countries) and then expanding to the United States as part of its geographic expansion initiated with the DESRI Agreement (see "*Description of the Group's Business—Expansion plans—U.S. capacity expansion and DESRI Agreement*").

In the context of the Group's transition from equipment manufacturing to the manufacturing of solar PV cells and modules under the Indium Strategy, the Group's consolidated net sales declined in 2021 by 55.9% compared to the net sales in the preceding financial year 2020. Photovoltaics continued to be the dominant product segment of the Group, accounting for 78.0% of the total net sales in 2021 (compared to 80.4% of total net sales in 2020).

The Group's consolidated net sales increased by 215.0% in the six-month period ended June 30, 2022 compared to the six-month period ended June 30, 2021. Modules now are the dominant product segment of the Group, accounting for 74.4% of the total net sales in the six-month period ended June 30, 2022 (compared to 0% of total net sales in the six-month period ended June 30, 2021). This is due to Meyer Burger's new business model.

Breakdown of net sales by geographic markets

The following table sets out the breakdown of the Group's consolidated net sales by geographic markets for each of the six-month periods ended June 30, 2022 and June 30, 2021, respectively, and each of the years ended on December 31, 2021, December 31, 2020 and December 31, 2019, respectively:

in CHF thousand (unless otherwise indicated)	**Six months ended June 30,**				**Year ended December 31,**					
	2022	***As % of Net Sales***	**2021**	***As % of Net Sales***	**2021**	***As % of Net Sales***	**2020**	***As % of Net Sales***	**2019**	***As % of Net Sales***
	(unaudited, not reviewed)		(unaudited, not reviewed)		(audited)		(audited)		(restated, audited)	
Switzerland	6,788	*12.0%*	71	*0.4%*	1,380	*3.5%*	386	*0.4%*	6,399	*2.4%*
Germany	34,072	*60.1%*	6,071	*33.6%*	13,089	*32.8%*	21,109	*23.4%*	29,355	*11.2%*
Rest of Europe	7,713	*13.6%*	1,262	*7.0%*	5,090	*12.8%*	5,514	*6.1%*	25,144	*9.6%*
Asia	6,865	*12.1%*	9,472	*52.7%*	16,710	*41.9%*	57,723	*63.8%*	187,189	*71.5%*
United States	1,241	*2.2%*	801	*4.5%*	3,626	*9.0%*	5,717	*6.3%*	13,913	*5.3%*
Rest of World	21	*0.0%*	290	*1.6%*	10	*0.0%*	8	*0%*	13	*0.0%*
Net sales	56,700	*100.0%*	17,966	*100.0%*	**39,905**	*100.0%*	**90,457**	*100.0%*	**262,013**	*100.0%*

In the year ended December 31, 2021, 41.9% of the net sales of the Group were generated in Asia (year ended December 31, 2020: 63.8%), followed by Europe (including Switzerland, Germany and Rest of Europe) which accounted for 49.1% (year ended December 31, 2020: 23.2%) of the net sales. With 9.0% (year ended December 31, 2020: 6.3%) of the net sales, the Americas continued to be an important market for the Group.

In the six-month period ended June 30, 2022, 85.7% of the net sales of the Group were generated in Europe (including Switzerland, Germany and Rest of Europe; six-month period ended June 30, 2021: 41.2%), followed by Asia which accounted for 12.1% (six-month period ended June 30, 2021: 52.7%) of the net sales. With 2.2% (six-month period ended June 30, 2021: 4.5%) of the net sales, the United States ranked third.

Results of the six-month period ended June 30, 2022 compared to the results of the six-month period ended June 30, 2021

Overview

The results for the six months ended June 30, 2022 reflected the ramp up and expansion of the Group's production facilities and the successful distribution of Meyer Burger's solar modules.

In the six months ended June 30, 2022, demand in the residential rooftop segment proved rewarding for the Group. Despite higher average sales prices than originally assumed, demand for the Group's premium solar modules in Europe and the United States increased significantly. Hence, the Group, as of the date of this Prospectus, is currently allocating its production volume for the second quarter of 2023 among its customers. However, the Group was, as of June 30, 2022, not yet in a position to utilize its full approximately 400 MW of nominal annual capacity because the line that was in operation was being adversely affected by the ongoing ramp-up and the need for frequent product changeovers as a result of the strong demand for all three Meyer Burger PV module product versions (Black, White, Glass). The extra capacity that is anticipated to be added in the future is expected to minimize this effect, as each production line is expected to be capable of being dedicated to individual products. However, integrating the next production line in the same production site will necessitate periods of downtime for the foreseeable future.

As a first project in the market segment of large commercial/industrial systems, the Group agreed to supply more than 6,000 modules manufactured in Germany 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 kWh of electricity per year and thus contribute to covering the annual energy requirements of the German Bundesliga club in a climate-neutral manner.

While in the six months ended June 30, 2021, the Group had generated sales of CHF 18.0 million exclusively from the legacy business, the new business model under the Indium Strategy expanded the sales volume to CHF 56.7 million in the six months ended June 30, 2022.

In the six-month period ended June 30, 2022, 85.7% of the net sales of the Group were generated in Europe (including Switzerland, Germany and Rest of Europe; six-month period ended June 30, 2021: 41.2%), followed by Asia which accounted for 12.1% (six-month period ended June 30, 2021: 52.7%) of the net sales. With 2.2% (six-month period ended June 30, 2021: 4.5%) of the net sales, the United States ranked third.

Operating income after costs of products and services in the six-month period ended June 30, 2022 amounted to CHF 25.4 million (six-month period ended June 30, 2021: CHF 14.2 million).

Net sales

Net sales in the six-month period ended June 30, 2022 were CHF 56.7 million, an increase by CHF 38.7 million, or 215.6%, compared to the six-month period ended June 30, 2021 (CHF 18.0 million), resulting from the net sales of modules under the new business model under the Indium Strategy overcompensating the decline of net sales from the legacy business.

Operating income after costs of products and services

Operating income after costs of products and services in the six-month period ended June 30, 2022 was CHF 25.4 million, an increase by CHF 11.2 million, or 78.5%, compared to the six-month period ended June 30, 2021 (CHF 14.2 million).

Cost of products and work in progress in the six-month period ended June 30, 2022 increased to CHF 57.5 million (June 30, 2021: CHF 16. 8 million) as a result of higher sales volumes. These costs are partially offset for externally sourced goods used in the manufacturing of own machines in the line item capitalized goods and services. Capitalized goods and services also include the cost of personnel expenses incurred in the manufacturing process of own machines. The position in the six-month period ended June 30, 2022 increased to CHF 21.3 million (June 30, 2021: CHF 20.5 million) based on the setup and expansion of the production facilities utilizing Meyer Burger's internal knowledge and machine manufacturing capacities.

Personnel and operating expenses

Personnel expenses in the six-month period ended June 30, 2022 were CHF 33.2 million, an increase by CHF 5.5 million, or 19.8%, compared to the six-month period ended June 30, 2021 (CHF 27.7 million), reflecting in particular the increase in workforce associated with the ramp-up of PV cell and module manufacturing capacity.

Operating expenses in the six-month period ended June 30, 2022 were CHF 16.7 million, a decrease by CHF 0.8 million, or 4.6%, compared to the six-month period ended June 30, 2021 (CHF 17.5 million), mainly driven by effective cost management measures more than offsetting the effects of the ramp-up of PV cell and module manufacturing capacity.

EBITDA, EBIT and EBT

EBITDA for the six-month period ended June 30, 2022 was CHF -24.4 million, an improvement by CHF 6.5 million compared to the six-month period ended June 30, 2021 (CHF -30.9 million).

EBIT for the six-month period ended June 30, 2022 was CHF -32.7 million, an improvement by CHF 1.4 million compared to the six-month period ended June 30, 2021 (CHF -34.1 million).

EBT for the six-month period ended June 30, 2022 was CHF -41.0 million, a deterioration by CHF 6.1 million compared to the six-month period ended June 30, 2021 (CHF -35.0 million).

Financial result and result from investments in associates

Financial result and result from investments in associates for the six-month period ended June 30, 2022 was CHF -8.4 million, a deterioration by CHF 7.5 million compared to the six-month period ended June 30, 2021 (CHF -0.9 million), mainly driven by financing costs (including interest payments) and negative foreign exchange effects.

Net result

Net result for the six-month period ended June 30, 2022 was CHF -41.0 million, a deterioration by CHF 3.8 million compared to the six-month period ended June 30, 2021 (CHF -37.2 million).

Results of the year ended December 31, 2021 compared to the results of the year ended December 31, 2020

Overview

In the year ended December 31, 2021, the PV module demand for the residential and small commercial rooftop segment developed well and the quantities produced were sold out within a short time. The Group managed to establish itself as a premium brand, recognized as such by retailers and customers and with a good positioning in its home markets. As of December 31, 2021, the Group had supply agreements in place with approximately 30 major customers and counted more than 450 registered installers in Europe alone.

As a result of the COVID-19 Pandemic and supply chain interruptions, the Group had to delay some of its PV cell and module manufacturing ramp-up endeavors. See also "*Key factors affecting the Results of Operations—Ability to cope with challenges in the PV market and PV market environment, with the COVID-19 Pandemic and with supply chain challenges*".

The continued implementation of the Indium Strategy by the Group and the associated establishment of new production sites, which characterized the year ended December 31, 2021, led—as expected—to only modest results in the income statement. With consolidated net sales of CHF 39.9 million, the Group 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 legacy business.

Some of the operational challenges the Group had faced in 2020 continued in 2021. The disruptions to the global supply chains continued to persist. However, Meyer Burger was able to achieve its strategic goals for 2021 and to a

large degree implement the Indium Strategy. The Group achieved a number of milestones in 2021: Certification of the modules, launch of solar cell production in Thalheim (Bitterfeld-Wolfen, Saxony-Anhalt) and the SmartWire module factory in Freiberg (Saxony), and the reconfiguring of the former Solarworld factory and conversion to SmartWire production lines within just eight months, leading to the establishment of one of the most modern and environmentally friendly production facility of its kind in Europe. The Group created more than 400 new jobs at the two locations. Despite the difficult situation on the labor market, the Group believes it 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 was set up along with new customer relationships.

Net sales

Net sales reached CHF 39.9 million in 2021 (2020: CHF 90.5 million), a decrease by 55.9%. Of the net sales generated in 2021, CHF 8.8 million, or 22.0%, were attributable to module sales.

In the year ended December 31, 2021, 41.9% of the net sales of the Group were generated in Asia (year ended December 31, 2020: 63.8%), followed by Europe (including Switzerland, Germany and Rest of Europe) which accounted for 49.1% (year ended December 31, 2020: 23.2%) of the net sales. With 9.0% (year ended December 31, 2020: 6.3%) of the net sales, the Americas continued to be an important market for the Group.

Operating income after costs of products and services

The operating income after cost of products and services was CHF 29.2 million in 2021 (2020: CHF 37.9 million), a decline by CHF 8.7 million, or 22.9%, which was mainly due to the reduction in net sales.

Personnel and operating expenses

As of December 31, 2021, Meyer Burger employed about 858 employees, corresponding to 789 full time equivalents ("**FTEs**"), with permanent working contracts (December 31, 2020: 548 FTEs). In addition, as of December 31, 2021, the Group employed 31 temporary full-time workers (December 31, 2020: 10) and 16 apprentices (December 31, 2021: 21). The average number of full-time employees in 2021 was 709 FTEs (2020: 599 FTEs).

Personnel expenses rose from CHF 53.9 million in 2020 by 12.0% to CHF 60.4 million in 2021, mainly due to the increase in FTEs during the year ended December 31, 2021 described above.

Operating expenses in the year ended December 31, 2021 amounted to CHF 41.2 million, an increase by 44.6% compared to 2020 (CHF 28.5 million), mainly due to the establishment and expansion of PV cell and module manufacturing capacity, resulting in new infrastructure costs, such as rent and energy, marketing costs as well as administrative costs in connection with financing measures undertaken in the reporting period.

EBITDA, EBIT and EBT

Mainly due to the decline in sales and the rise in personnel and operating expenses, EBITDA was below the level achieved in the previous year and totaled CHF -72.5 million in the year ended December 31, 2021 (2020: CHF -44.6 million). The EBITDA margin was -181.6% in 2021, compared to -49.3% in 2020.

Depreciation and amortization totaled CHF 12.9 million, with a decrease by 4.6% relatively stable compared to the preceding year (2020: CHF 13.5 million), which was attributable to the fact that depreciation for PV cell and module manufacturing equipment started only in the second half of 2021, concurrently with the inception of production.

EBIT in 2021 amounted to CHF -85.3 million, a deterioration by CHF 27.3 million compared to the preceding year (2020: CHF -58.1 million).

EBT for 2021 amounted to CHF -99.4 million, a deterioration by CHF 35.2 million compared to the preceding year (2020: CHF -64.2 million).

Financial result and result from investments in associates

In the year ended December 31, 2021, the financial result, net, was CHF -11.2 million, a deterioration by CHF -7.7 million compared to the preceding year (2020: CHF -3.4 million), driven mostly by interest expenses on the Convertible Bond (as defined below) and currency translation differences.

Result from investment in associates (Oxford PV) was CHF -2.9 million, a slight increase by 4.9% compared to the preceding year (2020: CHF -2.8 million). With effect as of August 31, 2021, Oxford PV has been removed from the Group's consolidation perimeter and has since been treated as a financial asset.

Net result

In the year ended December 31, 2021, the Group generated a net result of CHF -100.5 million, a deterioration by CHF 36.0 million compared to the preceding year (2020: CHF -64.5 million). The net result per share was CHF -0.04, unchanged from the preceding year (2020: CHF -0.04).

Results of the year ended December 31, 2020 compared to the results of the year ended December 31, 2019

Overview

At the extraordinary shareholders' meeting held on July 10, 2020, the Company's shareholders resolved to conduct an ordinary capital increase, in the form of a combination of a rights offering to existing shareholders and a private placement to selected investors (private investment in public equity, so-called PIPE), for purposes of implementing the Indium Strategy. On July 22, 2020, the Company announced that, based on the results of the rights offering, the capital increase would be successfully carried out, resulting in gross proceeds to the Group of approximately CHF 165 million. The transaction closed on July 29, 2020 as planned.

The successful execution of the capital increase paved the way for Meyer Burger's transformation to a manufacturer of solar cells and solar modules, as provided by the Indium Strategy. Production was expected to start in the first half of 2021 with a nominal annual capacity of approximately 400 MW solar cells and 400 MW solar modules, with the then-planned and later executed establishment of own production facilities in Bitterfeld-Wolfen (Saxony-Anhalt) and Freiberg (Saxony), Germany, for the production of PV cells and modules, respectively.

Owing to the strategic realignment in connection with the embarking on the Indium Strategy, sales from the legacy business model declined to CHF 90.5 million in the year ended December 31, 2020. In addition, divestments led to a further income of CHF 11.8 million. However, the operating costs in this year of transition were no longer in line with sales, resulting in an EBITDA of CHF -44.6 million. Regular depreciation, specific value adjustments on assets no longer in use, the financial result and a loss from investments in associated companies contributed to the annual result of CHF -64.5 million.

Net sales

Net sales reached CHF 90.5 million in the year ended December 31, 2020 (2019: CHF 262.0 million), a decrease by CHF 171.6 million, or 65.5%, compared to the preceding year.

The sales breakdown in net sales in 2020 changed as follows compared to the previous year: Asia remained by far the most important market with 63.8% of net sales (2019: 71.5%), Europe accounted for 29.9% (2019: 23.2%) and the Americas accounted for 6.3% (2019: 5.3%) of net sales.

Operating income after costs of products and services

Operating income after costs of products and services reached CHF 37.9 million in the year ended December 31, 2020 (2019, restated: CHF 144.5 million), yielding a margin of 41.8% (2019, restated: 55.1%).

The operating income for the year ended December 31, 2020, included gains of CHF 11.8 million from the divestments of former subsidiaries Muegge GmbH, Gerling Applied Engineering, Inc. and the PiXDRO business. Excluding the gains from these divestments, the operating income after cost of products and services would have been CHF 26.1 million, yielding a margin of 28.8%.

Personnel and operating expenses

As of December 31, 2020, Meyer Burger employed approximately 576 people; the number of full-time equivalents employed with permanent working contracts was 548 FTEs (December 31, 2019: 805 FTEs). In addition, the Group employed 10 temporary full-time workers (December 31, 2019: 48 temporary full-time workers). This decline was influenced by the divestments, but mostly based on the efforts to restructure and prepare the organization in the course of the then-ongoing business transformation involving stringent cost management measures.

The average number of full-time employees in 2020 was 599 FTEs (2019: 998 FTEs).

Personnel expenses declined by CHF 50.4 million or 48.3% compared to the previous year and were CHF 53.9 million (2019: CHF 104.4 million), as the Group executed on its endeavors to significantly reduce its fixed cost base.

Operating expenses amounted to CHF 28.5 million (2019: CHF 39.0 million), a decrease by 26.9%, achieved mainly as a result of restructuring.

EBITDA, EBIT and EBT

EBITDA reached CHF -44.6 million in the year ended December 31, 2020 (2019, restated: CHF 1.1 million), a deterioration by CHF 45.7 million, and resulting in an EBITDA margin of -49.3% (2019, restated: margin of 0.4%).

Depreciation and amortization amounted to CHF 13.5 million (2019, restated: CHF 16.7 million), a decline by CHF 3.2 million, or 19.1%. The decline was attributable to the divestments undertaken in 2020 and prior year as well as the fact that the depreciation and amortization of certain assets had already been completed during 2019. The breakdown was as follows: CHF 6.3 million in connection with depreciation and impairment of property, plant and equipment, and CHF 7.2 million in connection with amortization and impairment on intangible assets and goodwill.

In the year ended December 31, 2020, the Group generated an EBIT of CHF -58.1 million (2019, restated: CHF -15.5 million), a deterioration by CHF 42.6 million.

EBT for 2020 amounted to CHF -64.2 million, a deterioration by CHF 41.8 million compared to the preceding year (2019, restated: CHF -22.4 million).

Financial result and result from investments in associates

In the year ended December 31, 2020, the financial result, net, was CHF -3.4 million, an improvement by CHF -4.5 million compared to the preceding year (2019: CHF -7.9 million).

Result from investment in associates was CHF -2.8 million, a slight decrease by 6.7% compared to the preceding year (2019: CHF -3.0 million).

Net result

In the year ended December 31, 2020, the Group generated a net result of CHF -64.5 million, a deterioration by CHF 41.5 million compared to the preceding year (2019, restated: CHF -22.9 million). The net result per share was CHF -0.04 (2019, restated: CHF -0.03).

Financing of the Group

Principal sources of financing

As a rule, the Group strives to fund its liquidity needs primarily through the issuance of financial debt and mezzanine instruments including but not limited to syndicated loans and (convertible) bonds, as well as equity financings, customer prepayments and public grants. Recent financing activities include the following:

Indium Capital Increase

In July 2020, the Company conducted an ordinary capital increase (the "**Indium Capital Increase**"), in the form of a combination of a rights offering to existing shareholders and a private placement to selected investors (private investment in public equity, so-called PIPE), for purposes of implementing the Indium Strategy. On July 22, 2020, the Company announced that, based on the results of the rights offering, the Indium Capital Increase would be successfully carried out, resulting in gross proceeds to the Group of approximately CHF 165 million. The transaction closed on July 29, 2020 as planned.

Syndicated Loan Agreement

On June 15, 2021, the Group entered into a syndicated loan agreement (the "**Syndicated Loan Agreement**") relating to credit facilities in the aggregate amount of EUR 125 million with a banking syndicate led by Ostsächsische Sparkasse Dresden, Germany, which includes a group of savings, development and cooperative banks. Of the total volume of the credit facilities of EUR 125 million, EUR 115.0 million are designated as investment loans and EUR 10.0 million are designated as working capital loans. Pursuant to the Syndicated Loan Agreement, the loan, which is repayable in quarterly installments starting in the third quarter of 2022 and due to fully mature on March 8, 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 transfers of Group asset collateral with current assets of CHF 135.2 million, of which CHF 101.4 million relate to pledged bank accounts without restricted use and non-current assets of CHF 114.3 million, as well as a Group-internal comfort letter in the amount of EUR 125.0 million issued by the Company. In addition, 80% of the loan volume is guaranteed by the Federal Republic of Germany and by the German federal states of Saxony and Saxony-Anhalt. As of December 31, 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 transaction costs in connection with the Syndicated Loan Agreement of CHF 3.3 million were accrued and are released through profit and loss over the credit period of the loan.

Under the Syndicated Loan Agreement, the Group agreed to certain covenants, including a minimum last four quarters' EBITDA covenant and a maximum net debt / EBITDA ratio covenant. In the first quarter and the third quarter of 2022, the lenders under the Syndicated Loan Agreement agreed to an adjustment of the original covenants to reflect the delays in the Group's ramp-up of manufacturing facilities as communicated on December 2, 2021 and August 2, 2022, respectively.

Factoring Agreement

Concurrently with the Syndicated Loan Agreement, the Group entered into a factoring agreement (the "**Factoring Agreement**") in the amount of EUR 60 million with a German specialist bank for working capital finance, which is due to expire on June 30, 2024. The Factoring Agreement is also subject to certain financial covenants.

Convertible Bond

As announced on July 1, 2021, on July 8, 2021, MBT Systems GmbH, a wholly-owned direct subsidiary of the Company, issued debt in the form of a "green" senior unsecured guaranteed convertible bond (the "**Convertible Bond**") with an aggregate principal amount of EUR 145 million, which is due to mature in 2027. The Convertible Bond carries a coupon of 3.5% (initial range from 2.75%-3.5%) per annum, payable semi-annually in arrears. Unless previously converted or repurchased and cancelled, the Convertible Bond will be redeemable at 100% of its principal amount on July 8, 2027. Under the bond documentation, tranches of the Convertible Bond are exchangeable in shares of the

Company. The issuer will be entitled to redeem the Convertible Bond at its principal amount plus accrued interest in accordance with the terms and conditions of the bond at any time (i) on or after July 29, 2025, if the price of a Share is equal to or exceeds 130% of the then-prevailing conversion price over a certain period or (ii) if less than 15% of the aggregate principal amount of the bond remains outstanding. The outstanding principal amount as of June 30, 2022 was EUR 145,000 thousand (December 31, 2021: EUR 145,000 thousand). As a consequence of the Offering, the conversion price (and conversion ratio) of the Convertible Bond will need to be adjusted. This anticipated adjustment of the conversion price depends on the conversion price in effect immediately prior to the Offering, *i.e.*, CHF 0.643774; EUR 0.5868 (fixed foreign exchange rate: EUR 0.9115/CHF 1.00), the market price of the Shares as of the date on which the shares are first traded ex-Rights, currently expected to be November 1, 2022, and the value of one Right, which in turn depends on the theoretical ex-Rights price (so-called TERP) of the Shares, to be calculated according to a formula set out in the terms and conditions of the Convertible Bond. Therefore, as of the date of this Prospectus, the adjusted conversion price (and conversion ratio) in effect following the Offering cannot yet be determined. In connection with this anticipated adjustment of the conversion rate of the Convertible Bond as a consequence of the Offering, the Company expects to submit to the forthcoming ordinary shareholders' meeting to be held in 2023 to resolve to increase the conditional share capital of the Company.

2021 Private Placement

On July 1, 2021, the Company placed new shares in a private placement (the "**2021 Private Placement**"), achieving gross proceeds to the Company of CHF 80 million, which were used in connection with the expansion of PV cell and module manufacturing capacity. The new shares were issued from authorized share capital, excluding the existing shareholders' subscription rights and listed and admitted to trading according to the Swiss Reporting Standard on SIX Swiss Exchange on July 5, 2021. The 2021 Private Placement was consummated on July 5, 2021 as planned.

Cash and cash equivalents

The following table sets forth the Group's cash and cash equivalents as of June 30, 2022 and as of December 31 of each of 2021, 2020 and 2019:

in CHF thousand	As of June 30, 2022	As of December 31, 2021	As of December 31, 2020	As of December 31, 2019
	(unaudited, not reviewed)	(unaudited, not reviewed)	(unaudited, not reviewed)	(restated, unaudited, not reviewed)
Cash and bank accounts	147,073	211,243	119,942	35,416
Time deposits with maturities up to 90 days	20,000	20,000	19,722	8
Cheques, notes receivables	-	148	75	124
Cash and cash equivalents	**167,073**	**231,391**	**139,739**	**35,548**

Cash flows

The following table sets forth selected information relating to the Group's consolidated cash flow for the six-month periods ended June 30, 2022 and June 30, 2021 and for the years ended on December 31 of each of 2021, 2020 and 2019:

in CHF thousand	For the six months ended June 30, 2022	For the six months ended June 30, 2021	For the year ended December 31, 2021	For the year ended December 31, 2020	For the year ended December 31, 2019
	(reviewed)	(reviewed)	(audited)	(audited)	(audited)
Cash flow from operating activities	-45,954	-25,208	-84,067	-34,928	-83,493
Cash flow from investment activities	-71,607	-45,983	-102,523	11,304	59,576

in CHF thousand	For the six months ended June 30, 2022	For the six months ended June 30, 2021	For the year ended December 31, 2021	For the year ended December 31, 2020	For the year ended December 31, 2019
	(reviewed)	(reviewed)	(audited)	(audited)	(audited)
Cash flow from financing activities	55,583	-3,253	283,724	127,879	-29,523
Change in cash and cash equivalents	-61,978	-74,444	97,134	104,255	-53,440
Cash and cash equivalents at beginning of period	231,391	139,739	139,739	35,548	89,799
Currency translation differences on cash and cash equivalents	-2,340	1,209	-5,482	-64	-811
Cash and cash equivalents at end of period	167,073	66,504	231,391	139,739	35,548

Cash flow from operating activities

Cash flow from operating activities in the six-month period ended June 30, 2022 amounted to CHF -46.0 million (six-month period ended June 30, 2021: CHF -25.2 million), mainly due to the negative half-year result and an increase of net working capital, partially offset by certain other non-cash effective adjustments.

Cash flow from operating activities in the year ended December 31, 2021 amounted to CHF -84.1 million (2020: CHF -34.9 million). The negative cash flow from operating activities in 2021 was mainly attributable to the negative annual result and an increase of net working capital, partially offset by certain other non-cash effective adjustments.

In the year ended December 31, 2020, the Group generated cash flow from operating activities of CHF -34.9 million (2019: CHF -83.5 million). The negative cash flow from operating activities in 2020 was mainly attributable to the negative annual result, partly offset by a decrease of net working capital.

Cash flow from investment activities

Cash flow from investment activities in the six-month period ended June 30, 2022 amounted to CHF -71.6 million (six-month period ended June 30, 2021: CHF -46.0 million), mainly due to increased investments in property, plant and equipment compared to the prior year period.

Cash flow from investment activities in the year ended December 31, 2021 amounted to CHF -102.5 million (2020: CHF 11.3 million). The negative cash flow from investment activities in 2021 was mainly attributable to significantly increased investments in property, plant and equipment compared to 2020.

Cash flow from investment activities in the year ended December 31, 2020 amounted to CHF 11.3 million (2019: CHF 59.6 million). The positive cash flow from investment activities in 2020 was the result mainly of the divestments of the former subsidiaries Muegge GmbH, Gerling Applied Engineering, Inc. and the PiXDRO business, the release of bank deposits with restricted use, partially offset by investments made in the new production facilities in Freiberg, Germany and Bitterfeld-Wolfen, Germany.

Cash flow from financing activities

Cash flow from financing activities in the six-month period ended June 30, 2022 amounted to CHF 55.6 million (six-month period ended June 30, 2021: CHF -3.3 million), with the positive cash flow from financing activities mainly due to increased borrowing of non-current financial liabilities (six-month period ended June 30, 2022: CHF 55.3 million) compared to the prior year period (six-month period ended June 30, 2021: 0).

Cash flow from financing activities in the year ended December 31, 2021 amounted to CHF 283.7 million (2020: CHF 127.9 million). The positive cash flow from financing activities in 2021 was mainly attributable to the issuance of the Convertible Bond, the 2021 Private Placement and the increased borrowing of non-current financial liabilities. As of 31 December 2021, EUR 60.0 million of the syndicated loan facility were drawn and EUR 10.0 million were granted as documentary credit and guarantee facility (contingent liability). The remaining EUR 55.0 million were

drawn in the six months ended June 30, 2022.

Cash flow from financing activities in the year ended December 31, 2020 amounted to CHF 127.9 million (2019, restated: CHF -29.5 million). The positive cash flow from financing activities in 2020 was mainly due to the net proceeds from the Indium Capital Increase in the amount of CHF 165.4 million, partially offset by the repayment of a then-outstanding convertible bond in the amount of CHF 26.8 million.

Equity

Equity as of June 30, 2022 amounted to CHF 220.0 million, reflecting an equity ratio of 43.1%.

Equity as of December 31, 2021 amounted to CHF 261.4 million, reflecting an equity ratio of 53.1%.

Equity as of December 31, 2020 amounted to CHF 259.8 million, reflecting an equity ratio of 87.5%.

Equity as of December 31, 2019, restated, amounted to CHF 169.1 million, reflecting an equity ratio of 63.2%.

Indebtedness

The following table sets forth the Group's short-term and long-term financial liabilities as of June 30, 2022 and December 31 of each of 2021, 2020 and 2019:

in CHF thousand	**As of June 30, 2022**	**As of December 31, 2021**	**As of December 31, 2020**	**As of December 31, 2019**
	(reviewed)	(audited)	(audited)	(restated, audited)
Liabilities from leases	29	34	133	4
Loans	23,173			
Convertible Bond	-	-	-	26,182
Total short-term financial liabilities	**23,202**	**34**	**133**	**26,186**
Convertible Bond	88,847	122,346	-	-
Loans	120,352	58,809	-	-
Mortgage loans	-	-	-	1,889
Total long-term financial liabilities	**209,199**	**181,155**	**-**	**1,889**
Total financial liabilities	**232,401**	**181,189**	**133**	**28,075**
Cash and cash equivalents	**167,073**	**231,391**	**139,739**	**35,548**
Less financial liabilities	-232,401	-181,189	-133	-28,075
Net cash	**-65,328**	**50,202**	**139,606**	**7,473**

For a description of the principal external sources of financing that are available to the Group, see "*—Principal sources of financing*".

Other sources of financing

In general

Besides the principal sources of financing described under "*—Principal sources of financing*", the Group (the Company or any of its subsidiaries) may have access to government grants, standalone credits or other debt capital for special investments to the extent permitted under the Syndicated Loan Agreement and other current or future external financing agreements.

Recently granted government grants

On January 4, 2021, the Group announced that it was pledged up to EUR 15 million in environmental protection aid for the establishment of HJT PV cell production in Thalheim (city of Bitterfeld-Wolfen) by the state of Saxony-Anhalt and the Federal Republic of Germany, in addition to being awarded an investment grant in the amount of EUR 7.5 mil-

lion within the framework of public financial assistance for the improvement of the regional economic structure (Gemeinschaftsaufgabe Verbesserung der regionalen Wirtschaftsstruktur; GRW) for the assembling of the production facility in Thalheim (city of Bitterfeld-Wolfen), which may be drawn through autumn 2024.

The GRW funding was reduced to EUR 4.186 million in an amendment notice dated July 2021.

Furthermore the state Saxony awarded an investment grant in the amount of EUR 2.685 million within the framework of public financial assistance for the improvement of the regional economic structure (Gemeinschaftsaufgabe Verbesserung der regionalen Wirtschaftsstruktur; GRW) for the assembling of the production facility in Freiberg, which may be drawn through October 2023.

The funding commitments were made subject to usual funding conditions and requirements, such as the eligibility of expenses, publicity of the funding, permanent jobs to be created, operation of the subsidized facility.

As of the date of the prospectus, MB has already collected payments in the amount of EUR 10.8 million on these funding commitments.

Mortgages

In connection with the sale of a property in Schoren bei Thun from Meyer Burger (Switzerland) AG to Helvetica Swiss Commercial AG, Meyer Burger (Switzerland) AG fully repaid the corresponding mortgage debt (including interest and redemption costs) to a consortium of Swiss banks in October of 2019. Furthermore, three register mortgage certificates of CHF 11,000,000 each were transferred to the buyer in this context.

In 2019, a mortgage loan in the amount of CHF 1.9 million was taken out in connection with the construction of a new building by one of the subsidiaries, Muegge GmbH, which also provided the corresponding promissory notes as collateral. Due to the fact that Muegge GmbH was sold as per September 30, 2020, the mortgage loan outstanding as December 31, 2019 was transferred in 2020.

Quantitative and Qualitative Disclosure of Market Risks

The following quantitative and qualitative disclosure of market risks relates to the periods covered in this section "*Executive Board's Discussion and Analysis of Financial Condition and Results of Operations*".

In its capacity as an international group, Meyer Burger is exposed to various financial and non-financial risks that are inextricably linked to its business activities. In particular, any development potentially threatening the Group's possibility to achieve its financial, operational or strategic endeavors as planned is considered a risk. In order to secure 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. See also "*Risk Factors*" for additional information relating to the Risks the Group is facing.

Certain management information and control systems are used to measure, monitor and manage the risks to which Meyer Burger is exposed. A duly detailed report is drawn up on a regular basis and submitted to the Board of Directors. In each of the financial years 2021, 2020 and 2019, the Board of Directors discussed the risk portfolio regularly, but no less than once per year at board meetings.

For the purposes of guaranteeing effective risk management, transparency and the aggregation of risks in risk reporting, Meyer Burger opted for a uniform and integrated approach to corporate risk management across the Group as a whole.

The probability of occurrence and the potential magnitude of the loss are considered as part of the risk assessment process. Meyer Burger uses both quantitative and qualitative methods within the framework of 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. A risk assessment matrix is drawn up based on the results in terms of probability of occurrence and the potential magnitude of the expected implications.

Foreign currency risks

Meyer Burger is exposed mainly to exchange rate fluctuations in connection with operating expenses and loans denominated in a currency other than the local currencies (*i.e.*, functional currency) of the relevant Group companies. 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 are the euro and the U.S. dollar.

Group Treasury is responsible for the management of foreign currency risks on the basis of a 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. The Group may use forward currency contracts to hedge against exchange rate risks. As at each of June 30, 2022, December 31, 2021 and December 31, 2020, no open currency hedge contracts existed. 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.

Interest rate risks

The 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 loans outstanding under the Syndicated Loan Agreement, likewise maturing in 2027 (of which EUR 60 million were drawn as of December 31, 2021), are 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.

During the periods discussed in this section, a low interest rate risk due to fluctuations in (in the reporting periods discussed in this section: in particular negative) interest rates existed 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.

The risks arising from interest rate fluctuations are analyzed regularly, and respective measures designed to mitigate and manage these risks are in place. Based on the variable interest-bearing assets and liabilities that existed on December 31, 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. Pursuant to the Group's calculations and estimates based on what the Group's management believes to be reasonable and plausible assumptions, a one-percentage-point decrease in the interest rate is currently 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 facility under the Syndicated Loan Agreement is floored at zero percent. See also "*Risk Factors—Risks related to the industry in which the Group operates—The Group is exposed to high rates of inflation and increased interest rates, which could have a material adverse effect on the Group's business, financial condition or results of operations and prospects.*".

Credit risks

Through its operating activities, Meyer Burger is exposed to various credit risks (see also "*—The Group faces risks of non-payment or delayed payment of customer accounts. Were these risks to materialize, this could have a material adverse effect on the Group's business, financial condition or results of operations and prospects.*"). The Group has guidelines in place to ensure that products and services are only sold to customers with a good credit rating. Outstanding debts are regularly monitored as part of ongoing operations. Credit risks in relation to trade receivables and prepayments are considered in the financial statements by means of individual valuation allowances. Wherever this is possible, the Group seeks to mitigate default risks by requesting customer prepayments or by entering into or taking out 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 respective 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 under the Factoring Agreement with a volume of up to EUR 60 million, the Group does not expect to incur any losses on account of the non-performance of contracts in addition to the already value-adjusted positions. See also "*Risk Factors—Risks related to the Group's strategy and business—The Group faces risks of non-payment or delayed payment of customer accounts. Were these risks to materialize, this could have a material adverse effect on the Group's business, financial condition or results of operations and prospects.*".

Liquidity risks

Liquidity risk is the risk that the 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 increased liquidity through the 2021 Capital Increase, the issuance of the Convertible Bond, the facility under the Syndicated Loan Agreement and the Factoring Agreement.

Under the Syndicated Loan Agreement, the Group agreed to certain covenants, including a minimum last four quarters' EBITDA covenant and a maximum net debt / EBITDA ratio covenant, measured quarterly. In the first quarter and the third quarter of 2022, the lenders under the Syndicated Loan Agreement agreed to an adjustment of the original covenants to reflect the delays in the Group's ramp-up of manufacturing facilities as announced on December 2, 2021 and August 2, 2022, respectively. The financial covenants were measured for the first time on June 30, 2022. The applicable covenant as per June 30, 2022 was met. Pursuant to the adjustment of the covenants agreed with the lenders under the Syndicated Loan Agreement in the third quarter of 2022, no financial covenants were measured as per September 30, 2022.

The Convertible Bond and the Syndicated Loan Agreement are subject to customary cross-default clauses, pursuant to which the respective outstanding amounts can be immediately called due if the Company or one of its material subsidiaries is required to early repay any other financial obligation as a consequence of non-compliance with such other financial obligation's credit terms or for other reasons according to which 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 management expects that the implementation of the Indium Strategy, in its current form, including in particular the requisite ramping up of PV cell and module production capacity, is expected to require additional financing next to the proceeds from the Offering. Such financing is generally required to fund the investments in new manufacturing facilities and equipment, to fund the required working capital for operating new capacities and to absorb ramp-up losses of the manufacturing lines.

Going concern risk

The Group incurred a net loss of CHF 41.0 million in the six months ended June 30, 2022, a net loss of CHF 100.5 million in the year ended December 31, 2021 and a net loss of CHF 64.5 million in the year ended December 31, 2020. Negative cash flows from operating activities were CHF 46.0 million in the six months ended June 30, 2022, CHF 84.1 million in the year ended December 31, 2021 and CHF 34.9 million in the year ended December 31, 2020. The losses in the years 2020, 2021 and 2022 were primarily a result of the cessation of the activities under the Group's previous business model, the required restructuring and transformation of the business under the Indium Strategy as well as the continuing ramp-up of new manufacturing capacities. Additionally, the COVID-19 Pandemic intensified the distress in Meyer Burger's key end markets over the past months. As of June 30, 2022, the Group held cash and cash equivalents of CHF 167.1 million, a decrease by 27.8% compared to the cash and cash equivalents as of December 31, 2021.

As set out in "*The Offering*", the Group expects to raise gross proceeds from the Offering in an amount of approximately CHF 250 million. Should the Offering not be completed, and could as a consequence the further capacity expansion to approximately 3 GW under the Indium Strategy not be executed and DESRI Procurement terminated the DESRI Agreement (as defined below) pursuant to the termination rights under these circumstances as set out in "*Description of the Group's Business— Expansion plans—U.S. capacity expansion and DESRI Agreement*", then the Group may be forced to maintain production at a lower level of manufacturing capacity and to take cost-cutting and liquidity preservation measures. While the Board of Directors believes that, in such event, such alternative strategy could be successfully implemented, should the measures unexpectedly fail or not lead to sufficient results, there is a risk that the Company's funding may not be sufficient to support its going concern for another twelve months, which would likely result in the Company being required to file for bankruptcy.

The continuing viability of each of the Company and the Group and its respective ability to continue as a going concern depends upon, among other things, new order entries, the Group's capacity to generate profits and positive operative cash flows by selling its products or otherwise and the Company's and the Group's ability to maintain and improve its capital basis and liquidity, in particular in connection with the repayment or refinancing of outstanding debt. While the Board of Directors believes in the Group's ability to continue as a going concern, there can be no guarantee that the favorable scenarios envisaged by the Board of Directors will materialize. Also, the expansion of the Group's manufacturing capacity (see "*Description of the Group's Business—Outlook and goals*") requires substantial additional funding in addition to the proceeds from the Offering. Specifically, the Group currently expects that, in addition to cash flows from its business operations, it will continue to depend significantly on further financing, for the realization of the planned approximately 3 GW of total nominal annual production capacity, as set out in "*Description of the Group's Business—Outlook and goals—Short- to medium-term outlook (3-year horizon)*" and for any further capacity expansion, as set out in "*Description of the Group's Business—Outlook and goals—Long-term goals (>3-year horizon)*". Such financing may not be available to the Group on acceptable terms, or at all, or at the time needed, in particular in the short term. Should the Group not be able to continue as a going concern, or should the Group fail to obtain additional funds on acceptable terms as and when needed, it may need to delay, reduce or terminate certain research, project, development or production activity and/or refrain from expanding or seizing certain commercialization activities, including as contemplated in connection with the Indium Strategy, in its current form, and the DESRI Agreement, and it may not be able to meet the cash requirements for operating its business, and/or for making payments under its financial obligations, including interest and principal payments on the outstanding debt instruments or otherwise, and it may be unable to pay its other debts as they become due, become insolvent and/or required to file for bankruptcy and/or enter into liquidation or similar proceedings.

In addition, the occurrence of one or several of these events could indicate the existence of a material uncertainty which may cast significant doubt about the ability of the Group to continue as a going concern, which would need to be disclosed in future financial statements of the Group and the Company. Such disclosure, together with the related emphasis of matter paragraph in the audit opinion on such financial statements, may materially adversely affect the Group's trading and the Group's ability to raise new capital that it needs to fund its operations. See "*Risk Factors—Risks related to the Group's strategy and business—The Company's and Group's ability to continue as a going concern in the future depends on the success of the Indium Strategy, in its current form, and the Company's and the Group's ability to obtain further financing. Failure on the part of the Company or the Group to continue as a going concern would likely result in the Company being required to file for bankruptcy.*". However, the Board of Directors assumes that the Company can be successful in the above matters.

Other financial price risks

Other than the Group's investment in Oxford PV, the Group currently does not hold any financial instruments with equity character and is therefore not exposed to any related price risks. The Group is generally only indirectly exposed to fluctuations in commodity prices through the products it acquires. The actual price risk arises from the time difference between cost increases implemented by suppliers due to the rise in commodities prices and the opportunity for Group companies to increase their prices. Each Group company is responsible for identifying and quantifying its

commodity price risks. The Group did not trade in any commodity derivatives during the 2021, 2020 and 2019 reporting years.

Significant accounting policies

The significant accounting policies employed in the preparation of the Consolidated Financial Statements are described below. The policies described have been applied consistently to the reporting periods presented unless specifically stated to the contrary.

General information and accounting policies

The Audited Consolidated Financial Statements have been prepared in accordance with Swiss GAAP FER issued by the Foundation for Accounting and Reporting Recommendations (*Stiftung für Fachempfehlungen zur Rechnungslegung*) ("**Swiss GAAP FER**") and give a true and fair view of financial position, cash flows and results of operations.

The 2022 Reviewed Interim Consolidated Financial Statements have been prepared in accordance with Swiss GAAP FER 31/9-12 (*Ergänzende Fachempfehlungen für kotierte Unternehmen – Zwischenberichterstattung*) issued by the Foundation for Accounting and Reporting Recommendations (*Stiftung für Fachempfehlungen zur Rechnungslegung*).

The Statutory Financial Statements have been prepared in accordance with the CO.

The fiscal year of the Company runs from January 1 to December 31. The Group currency (reporting currency) is the Swiss franc (CHF). The Audited Consolidated Financial Statements are presented in thousands of Swiss francs.

Meyer Burger uses certain key figures to measure its performance that are not defined by Swiss GAAP FER (See "—*Definition of key line items in the consolidated income statement" and "Presentation of Financial Information—Other financial measures*").

Principles of consolidation

Group companies are all companies in which the Company 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 the Company. 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 the Company 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.

Trade receivables

In most cases, Meyer Burger produces machines in exchange for prepayments made by its customers. At the time of delivery to customers, these prepayments generally account for around 70%–80% of the contract value. When the project is completed and the final acceptance is issued by the customer on its premises, the prepayments are offset and

only the final payment due is recognized as a trade receivable. Consequently, the trade receivables recognized only include the residual receivable not covered by the prepayments made. Generally, no prepayments are received for services supplied; accordingly, receivables relating to services usually cover the full contract value.

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 the Company still holds responsibility for accounts receivable accounting and the dunning process

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

Other current receivables

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

Other receivables are measured at nominal value less any allowances.

The positive replacement values of derivative financial instruments used for hedging purposes are also recognized under this position.

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, finished goods and machinery before acceptance. Machinery before acceptance is recognized from the delivery of a 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 as well as 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 overly 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 amortized cost.

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.

Production contracts

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 that contract costs incurred for work performed up to the reporting date to 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 margins cannot yet be estimated reliably, revenues 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.

Investments in associated companies

An entity's holding 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 of an investment in an associated company. A goodwill, if any, is directly offset against equity. 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 result of the associate. 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.

Property, plant and equipment

Property, plant and equipment include 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 are 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
Properties used for operational purposes	10 - 30
Facilities	5 - 20
Machines	3 - 10
IT	3
Vehicles	4 - 8

The depreciation period for investment property is to be defined on an individual basis in line with the guidance for

properties used for operational purposes.

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 tested for impairment at every reporting date. This test is carried out based on indications that individual assets may be affected by an impairment. If such indications exist, the recoverable amount must be determined.

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.

Intangible assets

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.

Income taxes

Deferred income taxes are recognized using the liability method on all temporary differences (valuation differences) between the tax bases of assets and liabilities and their carrying amounts in the Company’s consolidated financial statements, including the Consolidated 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 income tax assets are recognized to the extent that it is probable that future taxable profit will be available, against which the temporary difference or a loss carry-forward can be utilized. 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 of the Group companies in question 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.

Financial liabilities

Financial liabilities are divided into current and non-current depending 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. The early conversions of a part of the Convertible Bond carried out have been considered by reclassifying the debt component into equity as per conversion date. The remaining Convertible Bond is still measured at amortized cost using the effective interest rate method.

Other financial liabilities are as a general rule carried at their fair value including transaction costs. Subsequent measurement is at amortized cost using the effective interest rate method, which normally corresponds to the principal amount.

Other liabilities

Other liabilities include non-interest-bearing liabilities, in particular VAT liabilities, liabilities for social security payments, current and non-current employee benefits (*e.g.*, accrued paid annual leave and overtime, profit sharing, short-term incentives, etc.). The negative replacement values of derivative financial instruments used for hedging purposes are also recognized under this position.

Other liabilities are normally measured at cost, which is generally the nominal value. Subsequent measurement is at amortized cost, which is generally also the nominal value. Derivative financial instruments are measured at their replacement value.

Provisions and contingent liabilities

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

Provisions are only created if there is a present obligation to third parties because of 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 they exceed CHF 5 million.

Equity

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

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 the Company held by the Company itself or indirectly through a Group company. 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 the 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 offset directly against retained earnings at the time of the acquisition. 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.

The minority interests in equity include the part of Group company equity that is attributable directly or indirectly to third-party shareholders.

Revenue recognition

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 Group, 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 of the Audited Consolidated Financial Statements. Net revenue from service agreements is recognized on the basis of the proportion of services performed by the reporting date.

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. 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.

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.

Leases

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

Pension plans

Meyer Burger provides pension benefits for its employees for retirement, invalidity and death. The 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% as of December 31, 2021 (December 31, 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 the state pension plans of 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 of June 30, 2022, contributions of CHF 0.3 million were outstanding to be paid (June 30, 2021: CHF 0.3 million were outstanding to be paid; December 31, 2021: CHF 0.3 million were outstanding to be paid; December 31, 2020: CHF 0.2 million were outstanding to be paid; December 31, 2019: CHF 0.2 million were outstanding to be paid).

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

Pension institutions as of December 31, 2021

Economical benefit/economical obligation and pension benefit expenses in CHF thousand	Surplus/deficit, as of December 31, 2021	Economical part of the organization, as of December 31, 2021	Economical part of the organization, as of December 31, 2020	Change to year ended December 31, 2020 or recognized in the year ended December 31, 2021	Contributions concerning the year ended December 31, 2021	Pension benefit expenses within personnel expenses in the year ended December 31, 2021
Pension schemes without funding surplus/deficit Switzerland	—	—	—	—	537	537
Pension schemes abroad	—	—	—	—	171	171
Total	—	—	—	—	**708**	**708**

Pension institutions as of December 31, 2020

Economical benefit/economical obligation and pension benefit expenses in CHF thousand	Surplus/deficit, as of December 31, 2020	Economical part of the organization, as of December 31, 2020	Economical part of the organization, as of December 31, 2019	Change to year ended December 31, 2019 or recognized in the year ended December 31, 2020	Contributions concerning the year ended December 31, 2020	Pension benefit expenses within personnel expenses in the year ended December 31, 2020
Pension schemes without funding surplus/deficit Switzerland	—	—	—	—	691	691
Pension schemes abroad	—	—	—	—	372	372
Total	—	—	—	—	**1,063**	**1,063**

Pension institutions as of December 31, 2019

Economical benefit/economical obligation and pension benefit expenses in CHF thousand	Surplus/deficit, as of December 31, 2019	Economical part of the organization, as of December 31, 2019	Economical part of the organization, as of December 31, 2018	Change to year ended December 31, 2018 or recognized in the year ended December 31, 2019	Contributions concerning the year ended December 31, 2019	Pension benefit expenses within personnel expenses in the year ended December 31, 2019
Pension schemes without funding surplus/deficit Switzerland	—	—	—	—	1,250	1,250
Pension schemes abroad	—	—	—	—	854	854
Total	—	—	—	—	**2,104**	**2,104**

Investments and capital expenditures

Past and current investments

First Half 2022

Investment in property, plant and equipment amounted to CHF 70.4 million for the six-month period ended on June 30, 2022, the majority of which was made in connection with the construction and expansion of the new production facilities.

Investments in intangible assets amounted to CHF 0.4 million. All of these investments are international (non-domestic) investments.

2021

Investments in property, plant and equipment amounted to CHF 110.0 million for the year ended December 31, 2021 as a basis for the new successful realization of the new business model. This included investments made and capitalizations net of investment subsidies received of CHF 9.6 million.

Investments in intangible assets amounted to CHF 6.5 million.

2020

Investments in property, plant and equipment amounted to CHF 20.7 million for the year ended December 31, 2020.

Investments in intangible assets amounted to CHF 0.3 million.

2019

Investments in property, plant and equipment amounted to CHF 6.9 million for the year ended December 31, 2019. These investments were nearly entirely offset by the proceeds from the sale of property, plant and equipment of CHF 6.6 million.

Investments in intangible assets amounted to CHF 0.2 million.

Investments planned

As of the date of this Prospectus, there are various investments planned in connection with the implementation of the Indium Strategy, in its current form (see "*Description of the Group's Business*", in particular "*Description of the Group's Business—Expansion plans*", "*Description of the Group's Business—Technology, research & development and intellectual property—Technology roadmap*" and "*Description of the Group's Business—Outlook and goals*"). In addition, investments planned in 2022 and beyond are expected to include investments in non-current assets required in the ordinary course of business.

Non-capitalized expenditures

Meyer Burger seeks to maintain its technology lead and further strengthen its market position with innovative targeted research and development activities. Investment in research and development remains a core strategy, despite a challenging market environment. The Group invested CHF 11.6 million in the six-month period ended June 30, 2022 and CHF 23.0 million in research and development in the year ended December 31, 2021. This corresponds to 20.4% of net sales for the six-month period ended June 30, 2022 (for the year ended December 31, 2021: 57.6% of net sales; for the year ended December 31, 2020: 29.0% of net sales). Research and development costs are not capitalized in the balance sheet but recognized as expenses in the income statement. In total, 162 FTEs were engaged in research and development as of June 30, 2022 (December 31, 2021: 170 FTEs; December 31, 2020: 162 FTEs).

Material changes since June 30, 2022

On August 2, 2022, Meyer Burger announced that the expected production volumes for 2022 and 2023 were adjusted. Based on the operational experiences so far and considering the challenging supply chain environment, Meyer Burger expected reduced production volumes of 320-370 MW in 2022 and 1.0-1.2 GW in 2023. The reduced volume targets were due to the expectation of lower throughput compared to the nominal capacity of the currently operating line as well as a delayed ramp-up of the production capacities currently under construction and commissioning, reflecting ongoing global supply chain constraints, resulting in the delayed arrival of required components needed for the ramp-up of the additional capacities.

On August 17, 2022, Meyer Burger and D. E. Shaw Renewable Investments (DESRI) entered into an agreement pursuant to which the Group agreed to manufacture and supply to DESRI an aggregate volume of approximately 3.75 GW or more, depending on certain options to be exercised by DESRI, of Meyer Burger's solar modules in total in a timeframe of approximately five years starting in 2024. DESRI is a leading renewable energy company that develops, owns, and operates utility-scale solar, wind, and battery storage projects throughout the United States. The agreement also provides substantial recurring annual advance payments to Meyer Burger by DESRI.

No further events have occurred since June 30, 2022 that would have a material effect on the recognized carrying amounts of assets and liabilities of the Group or would have to be disclosed as of the date of this Prospectus.

INDUSTRY OVERVIEW AND MARKET TRENDS

Overview of the solar photovoltaic (PV) market

Meyer Burger had traditionally focused on manufacturing equipment and related services for the solar photovoltaic ("**PV**") market, a technology that is expected to have the largest installed electric power generation capacity by 2050, followed by wind (Source: IEA 2021, World Energy Outlook 2021). However, since embarking on a strategic transformation in 2020, Meyer Burger has been forward integrating in the value chain, including the manufacturing of high-performance solar PV cells and modules at own sites in Thalheim (city of Bitterfeld-Wolfen, Saxony-Anhalt, Germany), Freiberg (Saxony, Germany) and, planned in the future, Goodyear (Arizona, United States). See "*Description of the Group's Business—The Group's history, business model and markets—The Indium Strategy – strategic transformation to a PV cell and module manufacturer*".

Solar PV value chain

The basic building block of a solar PV system is a solar PV module. Most solar PV modules are silicon-based PV modules, with thin-film technologies only serving a market niche (Source: VDMA 2022, ITRPV 2022). Before being sold to end customers (*e.g.*, project developers building large-scale PV parks or households installing PV rooftop systems), silicon PV modules are produced in four distinct steps. First, ultra-high-purity silicon material (typically >99.9999% pure) is produced in a chemical process and converted. In the second step, liquefied silicon is usually cast or grown ("pulled") into ingots. Casting yields multicrystalline material, whereas pulling yields monocrystalline material. Monocrystalline silicon has become the preferred material over its casted multicrystalline variant (sometimes also called polycrystalline), as it has fewer defects than multicrystalline material and thus supports higher cell efficiencies (Source: SolarPower Europe 2022, Global Market Outlook for Solar Power 2022–2026). In 2017, multicrystalline material prevailed in the segment, while the monocrystalline share of the market was only about 40%. However, by the end of 2021 monocrystalline silicon had captured close to 90% of the market, and is expected to only grow stronger Practically all new capacity expansions of silicon ingot crystallization fabs are of the monocrystalline variant today. (Source: SolarPower Europe 2022, Global Market Outlook for Solar Power 2022–2026).

The ingots are then sawn into thin slices called wafers, with the current industry standard wafer sizes being 166x166 mm (M6), 182x182 mm (M10) and 210x210 mm (G12). According to ITRPV 2022, M10 wafers are expected to become the dominant species in 2022 with a share of greater than 30%. G12 is supposed to reach a 20% share in 2022, taking over the lead by 2032, by which time smaller formats than M10 are expected to be of little relevance. Third, these wafers are then processed into a solar PV cell (short, solar cell), a basic unit that is capable of converting solar radiation into electricity. This is achieved by creating a photoactive layer (so called pn-junction) in or on the wafer through a variety of physical and chemical processes (see "*Description of the Group's Business—Technology, research & development and intellectual property—Current technologies—HJT cell technology*"). In the fourth and final step, the solar PV cells (usually 60 or 72 pieces but with the advent of larger wafers, the variety in module configurations with different cell counts has increased) are then electrically connected, laminated into a transparent encapsulant film and sandwiched by outer protective layers (either glass or polymer films) to make a solar PV module. Aluminum frames are added in most cases for mechanical stability.

Modules are subsequently installed on-site together with inverters (which convert the electricity produced by the modules from DC to AC voltage), cabling, racks and other mounting structures. The PV modules and these auxiliary components make up the PV system.

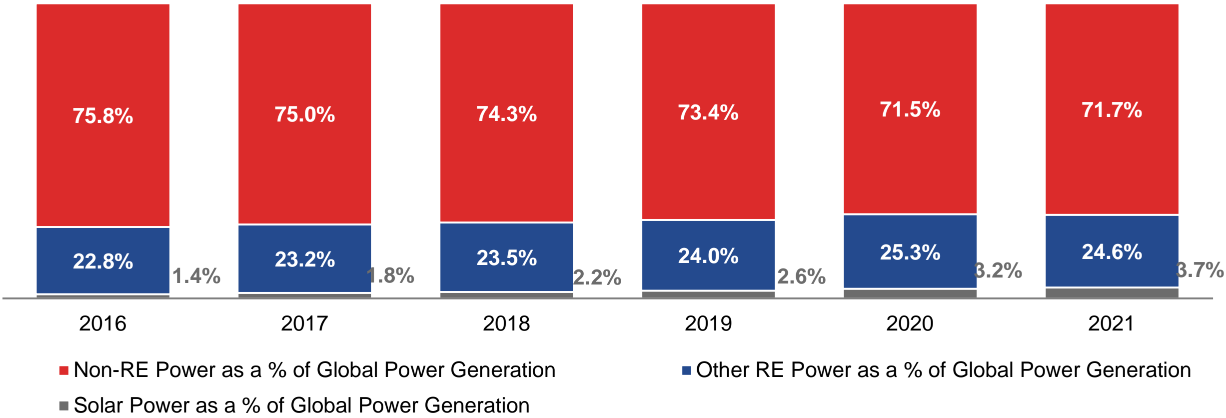
SILICON SOLAR PV MANUFACTURING VALUE CHAIN

Source: Meyer Burger

Solar PV market size today

While the current share of solar PV power in global electricity demand is still small (approximately 3.7% in 2021), it has shown remarkable growth in the past years. For example, in 2021, 168 GW of solar PV was installed globally, corresponding to 56% of the total net renewable power generating capacity installed (Source: SolarPower Europe 2022, Global Market Outlook for Solar Power 2022–2026). Meyer Burger believes that the share of solar PV both in global electricity generation and in global annual generating capacity additions will continue to increase in the future.

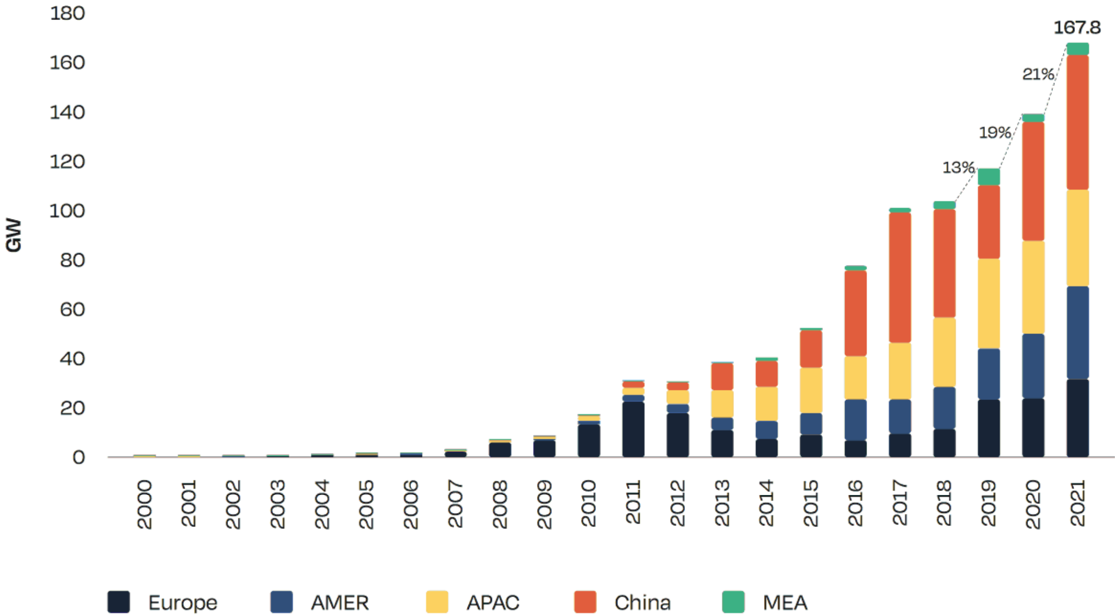
SOLAR AND RENEWABLE POWER AS A SHARE OF GLOBAL POWER 2016–2021



Source: Ember 2022, SolarPower Europe 2022, Global Market Outlook for Solar Power 2022–2026

In 2021, China, the world's largest PV market, continued its upwards trajectory in installed capacity by adding 54.9 GW, a 14% year-on-year growth rate and twice as much solar power capacity additions compared to the second-largest market, the United States. Positive solar market dynamics were observed in many other countries as well, with overall a 21% growth in new additions in 2021 globally compared to the prior year (Source: SolarPower Europe 2022, Global Market Outlook for Solar Power 2022–2026).

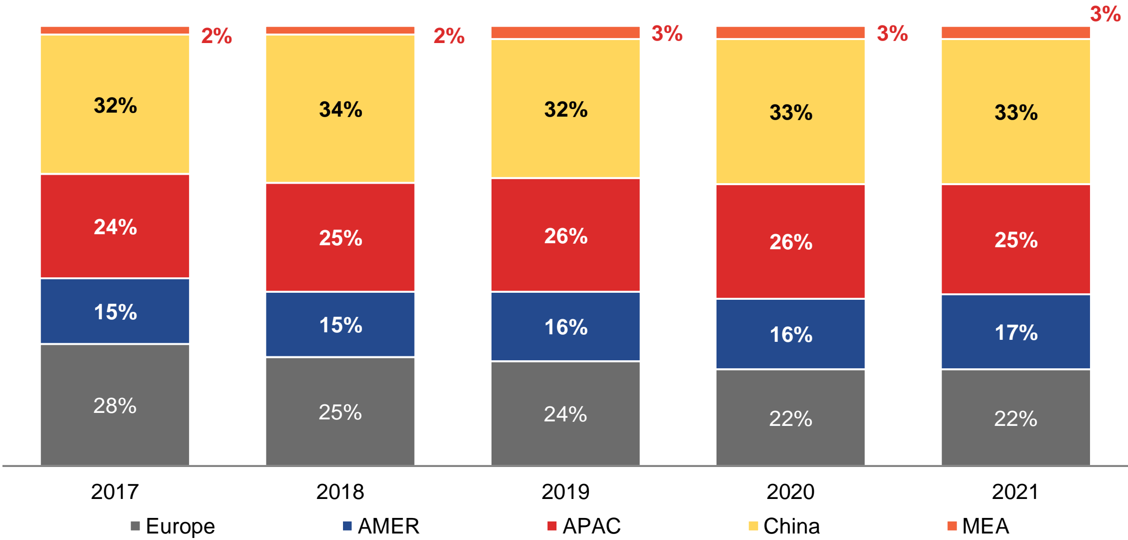
ANNUAL SOLAR PV NEW INSTALLED CAPACITY 2000–2021



Source: SolarPower Europe 2022, Global Market Outlook for Solar Power 2022–2026

In total, China contributed 33% of global annual PV installation volume in 2021, followed by 25% in APAC, 22% in Europe, 17% in the Americas and 3% in MEA (SolarPower Europe 2022, Global Market Outlook for Solar Power 2022–2026).

CHINA VS. REST OF THE WORLD SHARE OF GLOBAL ANNUAL PV INSTALLATION (%)

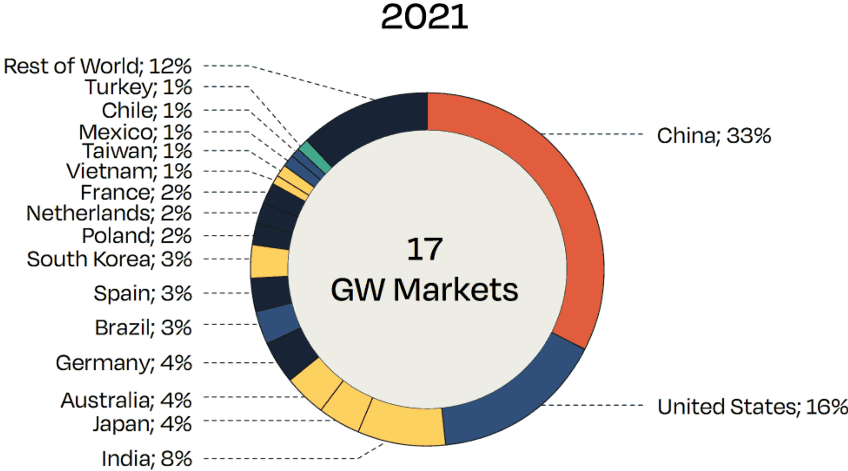


Source: SolarPower Europe 2022, Global Market Outlook for Solar Power 2022–2026

The number of markets with annual PV installations of at least 1 GW has increased from just 7 markets in 2016 to 11 markets in 2018 (Source: SolarPower Europe 2019, Global Market Outlook for Solar Power 2019–2023) and 17 markets in 2021. SolarPower Europe had been optimistic to anticipate 20 GW-scale markets for 2021, but the achieved lower number of 17 can be attributed to various causes, the most apparent being high solar prices throughout the year (caused by supply chain challenges and price inflation, among others), which delayed installations across the globe.

Despite this, the strengths of solar PV remain, among other reasons because more countries are turning to renewable sources to shield their economies from high electricity prices caused by natural gas supply dynamics following the invasion of Ukraine. Based on this outlook, SolarPower Europe expects growth to continue, reaching 21 GW-scale markets in 2022, 29 GW-scale markets in 2023 and at least 34 GW-scale markets in 2024 (Source: SolarPower Europe 2022, Global Market Outlook for Solar Power 2022–2026).

GW-SCALE SOLAR PV MARKETS IN 2021



Source: SolarPower Europe 2022, Global Market Outlook for Solar Power 2022–2026

Market drivers

Policy and government drivers

Climate change: The historic climate agreement (the "**Paris Agreement**") reached by 195 nations at the UN Climate Change Conference in Paris in December 2015 ("**COP21**") is considered a landmark agreement in the fight against climate change. COP21 and the Paris Agreement clearly recognized the crucial role of renewable energies in the transformation of the world's energy system and in the goal of keeping the increase in global average temperature below 2° C (and if possible, even below 1.5° C) above pre-industrial levels (reference period 1850–1900). With the cost of solar PV power generation becoming increasingly competitive, the technology has begun to take an important role in many policymakers' strategies towards achieving "Net Zero" targets, which aim to cut greenhouse emissions to as close to zero as possible, ratified by the Paris Agreement. A new report from the think tank ECIU shows that 49 percent of global GDP is already covered by cities, states, provinces, and countries that either have net zero targets or are working toward them (Source: Oxford Net Zero 2022).

- **European Green Deal:** On December 2019, the European Commission launched the European Green Deal ("**Green Deal**"), a package of policy initiatives setting the European Union's strategy in reaching its 2050 climate neutrality target. As part of the Green Deal, in March 2020, the European Commissioned adopted a proposal for a European Climate Law, which was later amended to revise the EU's intermediate emission reduction target to at least 55% by 2030, compared to 1990 levels. The European Climate Law then came into force in July 2021 and made the EU's 2030 and 2050 climate targets legally binding (Source: Council of the European Union 2022).
- **Fit for 55:** As part of the initiatives included in the Green Deal, the European Commission has launched its "Fit for 55" legislative package, which mandates a comprehensive decarbonization of the economy. The package includes a set of new legislations and revamped existing legislation issued in two parts over the year 2021 for which negotiations are expected to be concluded by the end of 2022. The Fit for 55 package is on the cusp of delivering the necessary level of ambition that will create the unprecedented opportunity to ac-

celerate renewables-based electrification for all end-use sectors (Council of the European Union 2022, European Green Deal and Solar Power Europe 2021, EU Market Outlook for Solar Power 2021–2025).

Energy security: The political agenda of an increasing number of governments includes a reduction in their dependence on oil and gas from politically unstable regions and an expansion of their renewable energy capacities to generate energy domestically (Source: Columbia 2017, The Geopolitics of Renewable Energy). Moreover, the Russian invasion of Ukraine has pushed European countries to realize the advantages of low-cost and versatile solar power, while gaining independence from Russian gas supply, which has been dominating the policy agenda of the EU in recent months (Source: SolarPower Europe 2022, Global Market Outlook for Solar Power 2022–2026).

REPowerEU: On May 18, 2022, the European Commission published "REPowerEU", a plan to rapidly reduce dependence on Russian fossil fuels. The plan aims to decrease fossil gas usage by at least 155 billion cubic meters (bcm) by 2030 – this is equivalent to the volume of gas imported from Russia in 2021. Two thirds of the reduction is claimed to be achievable within a year. A key pillar of REPowerEU is the acceleration of renewables generation capacity build-up. According to REPowerEU, by 2030, the EU is targeting to reach a renewable energy installed base of 1,236 GW, with solar PV to account for about half (600 GW). This implies: (i) a circa 15% increase vs. the Fit for 55 plan (1,067 GW), (ii) a >3x increase in the renewables installed base vs. 2021 and (iii) circa 100 GW annual renewable capacity additions from now until the end of the decade. Additional support schemes for solar PV include a faster turnaround, by which the length of permitting for rooftop solar installations (including large ones) is limited to a maximum of 3 months, mandating rooftop solar on all commercial/public buildings by 2027 and on new residential buildings as of 2029, and an effort to re-localize the solar supply chain in Europe (Source: European Commission 2022, REPowerEU Plan).

Localization of solar PV manufacturing industry: China has become the dominant force in nearly all aspects of solar PV use and manufacturing. Meyer Burger estimates that backed by considerable state support, currently, at least 8 of the top 10 companies active in each of the key parts of the silicon-based solar PV value chain (silicon, wafers, cells, modules) are Chinese manufacturers. However, industry associations in various growing solar PV markets, including in the EU and the United States, have been lobbying for local industrial solar manufacturing strategies. The presence of local production industries for a technology that is estimated to provide the largest share of new generation capacity worldwide is an incentive for governments to support faster and more widespread penetration of solar PV (Source: SolarPower Europe 2020). The growth of the solar PV market also presents an opportunity for significant local job creation across the globe.

- **EU Solar PV Industry Alliance:** As part of the REPowerEU plan, the Commission adopted an EU solar energy strategy in May 2022, which identifies remaining barriers and challenges in the solar energy sector and outlines initiatives to overcome them and accelerate the deployment of solar technologies. A key instrument is the founding of a "EU Solar PV Industry Alliance", which aims to support the objective of securing a diversification of supplies through more diverse imports and scaled up solar PV manufacturing in the EU of innovative and sustainable solar PV components, thereby contributing to mitigate supply risks for the necessary massive deployment of solar energy in the EU. The alliance shall bring together stakeholders in the sector and work to identify and coordinate investment opportunities, project pipelines and technology portfolios and establish pathways for the solar industrial ecosystem in Europe. (Source: European Commission 2022, EU Solar Energy Strategy, Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions, May 18, 2022).
- **Inflation Reduction Act of 2022 and the advanced manufacturing tax credit:** The Inflation Reduction Act of 2022, signed into law by President Joe Biden on August 16, 2022, provides the United States with ambitious climate polices to encourage increased investment into clean energy production. It aims to fight inflation, invest in domestic energy production and manufacturing, and reduce carbon emissions by roughly 40 percent by 2030 (Source: Senate Democrats, joint statement from leader Schumer and senator Manchin, July 27, 2022). In practice, for U.S.-based manufacturing, it provides for continuous OPEX support through a federal tax credit for the production of various clean energy components ("advanced manufacturing production credit"). For the production of solar modules in the United States, as envisaged by Meyer Burger,

the tax credit amounts to 7 cents multiplied by the aggregate nominal power of the modules manufactured. The credits are expected to be available under a direct pay mechanism (*i.e.,* redeemable via cash refund from the IRS) for the first five years under broad conditions, and are transferable. They will then be phased out starting in 2029 and are scheduled to end in 2032 (Source: U.S. Democrat Senate 2022, Summary: The Inflation Reduction Act Of 2022).

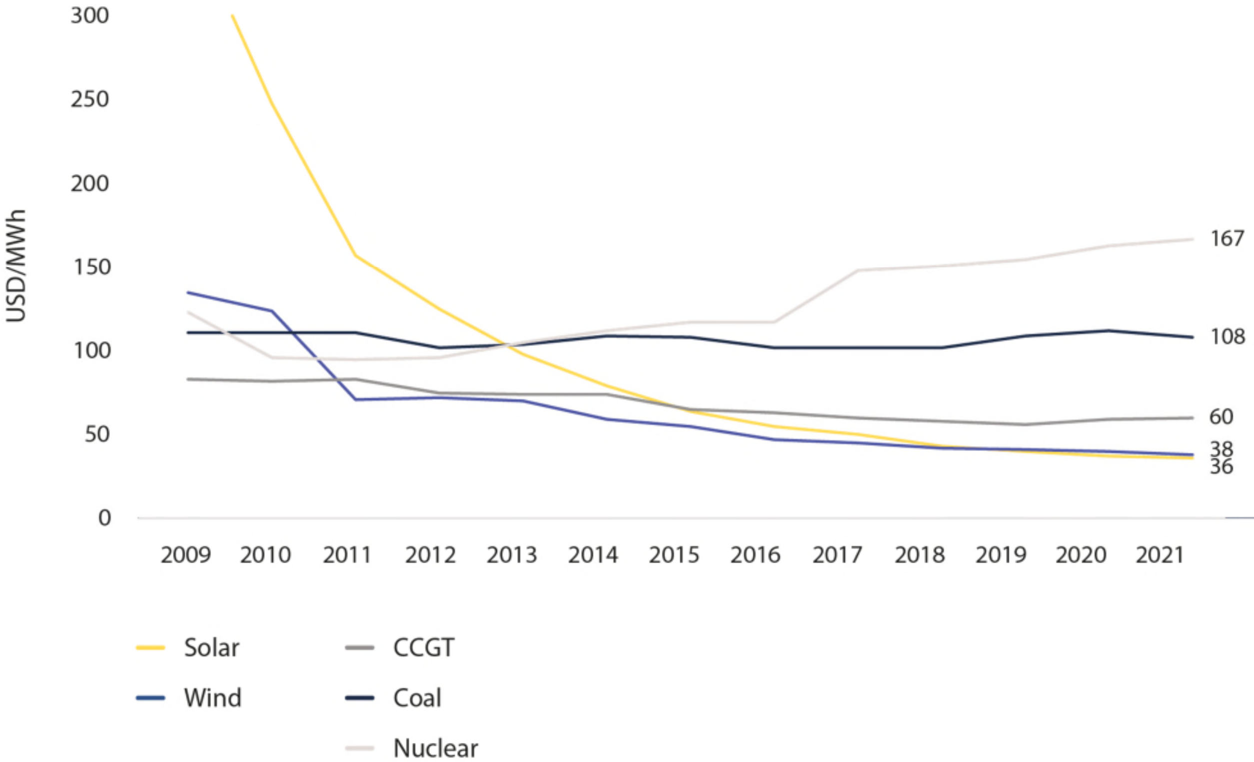
Cost advantage of solar PV power

One of the main reasons for the attractiveness of solar PV power in recent years has been the steep reduction of PV electricity generation cost (Source: SolarPower Europe 2022, Global Market Outlook for Solar Power 2022–2026). Decreasing generation costs have made the technology competitive with fossil fuel generation sources. The downward trend for solar PV power's electricity generation costs is expected to continue over the coming decades as installation costs continue to decline in the mid- to long-term, while equipment performance continues to improve (Source: IRENA 2019, Future of Solar PV).

Today, prices for silicon, wafer, cell and modules are considerably higher than at the beginning of 2021. In June 2022, PV Tech reported that solar installation costs have increased due to sustained high demand and supply chain issues in the value chain, among others resulting in rising polysilicon prices, which feed upwards into silicon wafer prices. Polysilicon prices are expected to remain high until at least the end of this year, when a slate of new polysilicon production capacity is expected to come online, bolstering supply (Source: PV Tech 2022, Solar value chain jitters continue as polysilicon price reaches new high, wafer prices climb further). Despite solar component and freight cost increases, SolarPower Europe expects another record year for 2022, with additional global solar installation capacities to increase by 36% to 228.5 GW (Source: SolarPower Europe 2022, Global Market Outlook for Solar Power 2022–2026).

However, the strong growth on the demand side is expected to be countered by new production capacity expansions across the solar value chain coming online, including polysilicon. PV manufacturers are very focused on investing in additional capacity. Aside from Chinese leaders getting even larger, global trade frictions (which are increasingly ESG-related) are highlighting the need for local production hubs. At the same time, policymakers increasingly understand the key role of solar in gaining higher energy independence. (Source: SolarPower Europe 2022, Global Market Outlook for Solar Power 2022–2026).

SOLAR PV ELECTRICITY GENERATION COST IN COMPARISON WITH OTHER POWER SOURCES 2009–2021



Source: Lazard (2021). Historical mean unsubsidized LCOE values (nominal terms, post-tax). SolarPower Europe 2022, Global Market Outlook for Solar Power 2022–2026 Note: CCGT stands for combined cycle gas turbines

In many regions, solar PV power from large utility-scale power plants, *i.e.,* plants with a generation capacity in the range of 50+ MW, has reached a cost level that enables it to generate electricity below industrial and wholesale electricity prices. This is true not only in locations with abundant sunshine such as southern Spain, but also northern Nordic countries like Finland (Source: SolarPower Europe 2021, EU Solar Market Outlook 2021–2025). As shown in the graph below, the cost advantage of solar PV power in selected locations is expected to be valid in the current higher-interest rate environment as well as with higher weighed average cost of capital ("**WACC**"). While the cost benefits decrease with higher WACC, even at a WACC level of 7%, the low levelized cost of electricity ("**LCOE**") is expected to enable utility-scale solar PV power plants to more than outcompete electricity spot prices prevailing in the six-month period ended June 30, 2022 in these locations.

Versatility of solar PV power

Another advantage of solar PV power is the versatility of its application. Generally, PV technology can be applied both through central, large utility-scale electricity generation plants, typically marketed through wholesale power markets, as well as through small to mid-size distributed rooftop systems for commercial and household applications. Depending on the prevailing industrial retail prices and residential and small commercial retail prices, distributed solar PV power is already competitive in many countries today. (Source: SolarPower Europe 2022, Global Market Outlook for Solar Power 2022–2026). Starkly rising electricity prices at the wholesale and retail levels, especially in Europe, have made PV significantly more competitive recently, while anticipated PV cost reductions are expected to make it even more competitive in the future. In the Group's view, this broad and diversified field of application is an advantage compared to other energy forms, which often must be operated on a large scale to produce electricity at commercially viable cost.

System and individual drivers

- **Grid-intelligent solar PV power and battery storage**: With intelligent solar PV power plant controls and solution-oriented plant sizes and designs, solar PV systems can provide cost-effective flexible grid services that support supply and demand balancing to keep power grids stable. In combination with stationary battery storage, which is also becoming increasingly competitive in terms of pricing, solar PV can even provide dispatchable energy, which means power on demand, when the sun is not shining.
- **Electrification of heat and transport:** The electrification of heat supply for buildings (*e.g.*, heat pumps) and the transport sectors (*e.g.*, electric vehicles, renewable synthetic fuels for, among others, marine and aviation, including hydrogen) is, according to IRENA's REmap scenario, expected to result in an increase of global electricity consumption by a factor of over 2 to 47,056 TWh by the year 2050. This increase in electricity demand is expected to further drive demand for solar PV, as it is one of the most versatile sources of renewable electricity (Source: IRENA 2019, Global Energy Transformation – A Roadmap to 2050).
- **Self-consumption:** Solar PV power allows companies and households to satisfy their electricity needs on-site ("self-consumption"), generating clean and often cheaper power than power purchased from the grid. In the EU, this is fostered by the recent European Commission proposal "REPowerEU", outlining three goals; diversifying energy sources, creating energy savings and accelerating the clean energy transition accompanied by smart investments (Source: European Commission 2022, REPowerEU Plan).

Technology drivers

- **Longstanding experience and durability of systems:** Solar PV systems are considered reliable and durable power generation assets. Once installed, PV systems can have a lifespan of up to 40 years (Source: U.S. National Renewable Energy Laboratory ("**NREL**"). Hence, long-lasting warranties for PV modules are standard in the industry, but the reference values vary. For example, the Chinese PV module manufacturer JA Solar offers a warranted minimum nameplate power rating for its JAM54S30 module of 84.8% after 25 years based on an annual degradation rate of up to 0.55% from years 2 to 25 (Source: JA Solar 2022).
- **Attractive energy payback:** The energy footprint (*i.e.,* the net energy consumption of a particular product/system over its lifetime (similar to carbon footprint)) and energy payback time (*i.e.,* the operation time until a power system has generated the same amount of energy that was originally used to produce it) are other key drivers for the market of renewable energy systems. For solar PV systems, the energy payback time depends on the geographical location. PV systems in northern Europe need around 1.2 years to balance their input energy, while systems in southern Europe have an energy payback time of around 1 year or less (Source: Fraunhofer Institute for Solar Energy Systems 2022). Against the backdrop of an up to 40-year lifetime for solar PV systems, solar PV offers an attractive energy payback.
- **Short installation time:** Due to its relatively fast assembly, solar PV power systems only require a relatively limited amount of time between the start of installation to the first power generation when compared to other power generating systems (Source: Energy & Carbon 2015).
- **Operations & maintenance:** Unlike other power generation technologies, solar PV systems have no or non-critical moving parts, which is one of the key reasons why operations and maintenance costs are lower than for many other competing technologies, such as, for instance, both on- and offshore wind power (Source: Lazard Capital 2019).

Macro trends

- **Global access:** Sunlight is the most abundant natural energy source – 173,000 Terawatts (1 TW = 10^{12} Watt or 1,000 GW) strike the earth continuously, which is over 10,000 times the world's total energy use (Source: U.S. Department of Energy 2016). While historically, solar PV was considered a technology to produce power mainly in very sunny regions, the low cost of PV has increased its competitiveness also in northern countries such as Sweden, further supported by tax incentives (Source: SolarPower Europe 2021, EU Market

Outlook for Solar Power 2021–2025).

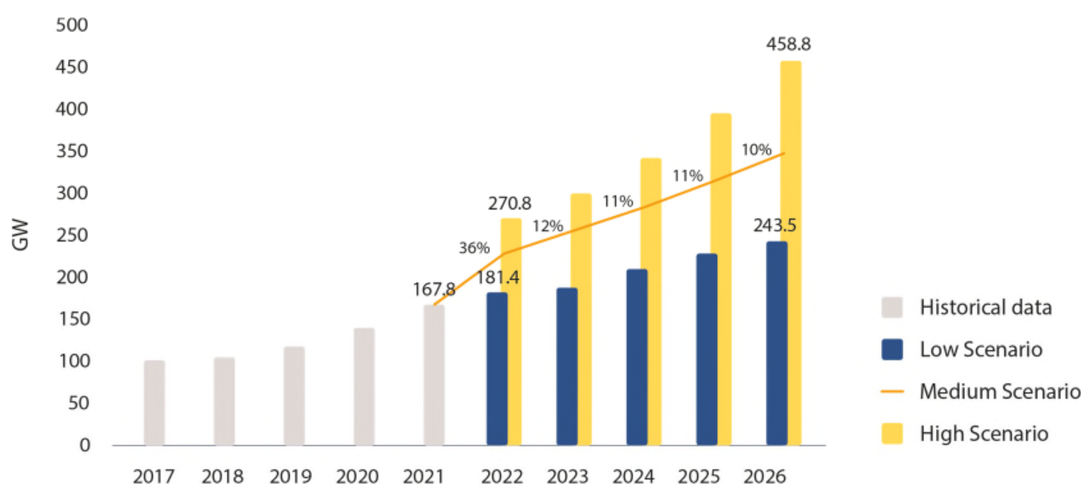
- **Acceptance:** Various polls show that solar PV power is considered the most popular power generation source in Europe and the United States. Unlike onshore wind power, which experiences strong opposition from local residents in a number of countries, solar PV systems have generally no moving parts (or only very slow-moving parts as in the case of PV modules mounted on single-axis trackers, which follow the path of the sun throughout the day). Hence, solar PV power generation is quiet and the systems can be installed and integrated onsite (Source: European Social Survey 2019; Pew Research 2019).

Growing demand for solar PV power

Medium-term demand growth

Solar PV power has seen robust demand growth since the start of the millennium. Since then, the global solar PV power market, measured by total cumulative installed solar PV generation capacity, grew from 200 MW to 940 GW at the end of 2021 and crossed the 1 TW barrier in 2022. In 2022, SolarPower Europe predicts another record-breaking performance for solar power installation despite the increase in solar and freight prices that affected the sector from 2021 onwards, with their medium scenario anticipating annual global solar generation capacity additions to increase by 36% to 228.5 GW in 2022 vs. the 167.8 GW installed in 2021. They further predict that the world will see very strong demand for solar in the next four years, growing from 255.8 GW additional capacity in 2023 to 347 GW in 2026 in the same medium scenario (Source: SolarPower Europe 2022, Global Market Outlook for Solar Power 2022–2026).

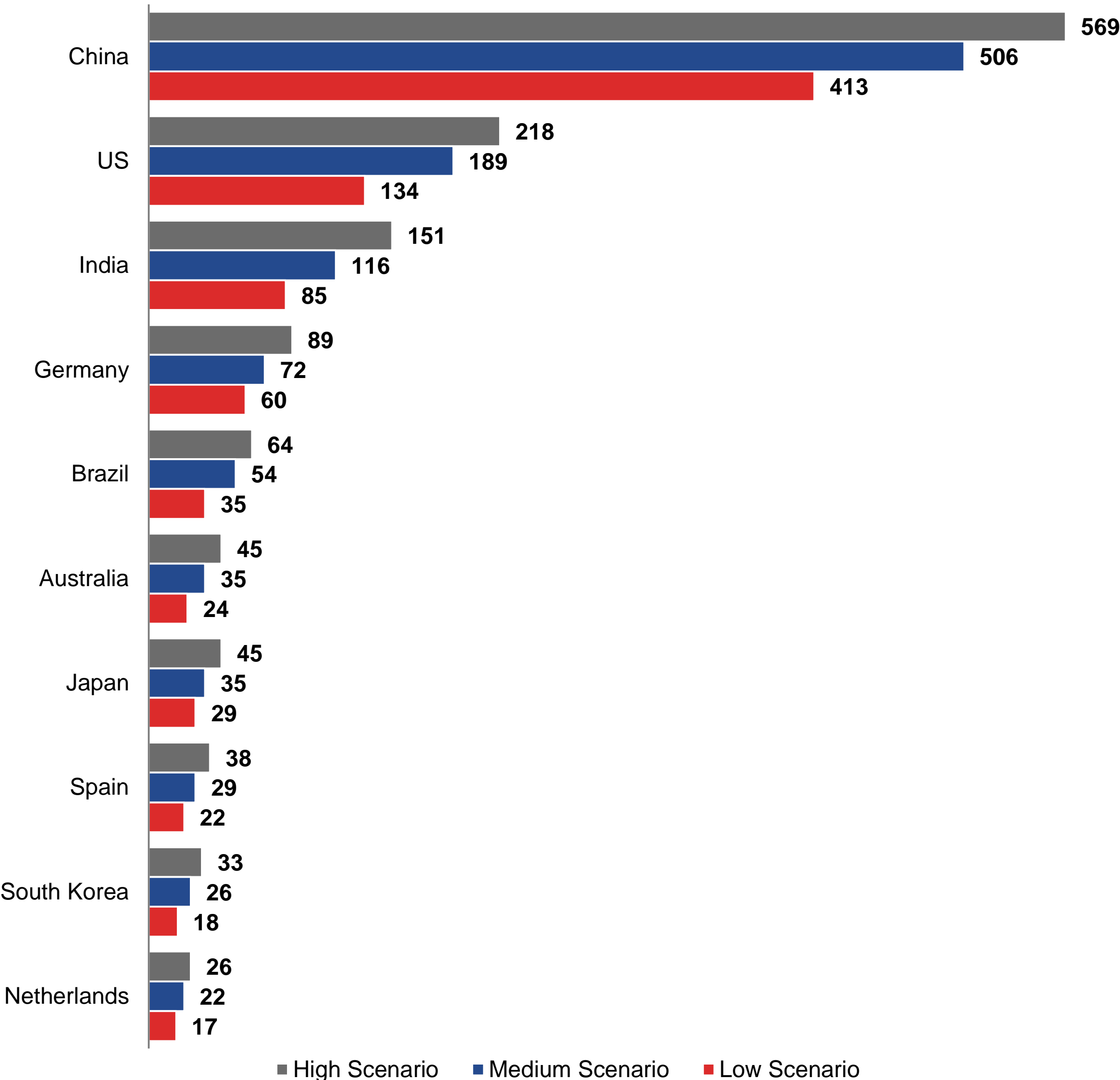
GLOBAL ANNUAL SOLAR PV ADDITIONS 2022–2026



Source: SolarPower Europe 2022, Global Market Outlook for Solar Power 2022–2026

The 10 markets with the highest 5-year cumulative installation potential 2022–2026 (based on the medium scenario) are shown below. The top four markets are China, the United States, India, and Germany. Three countries are expected to install over 100 GW in the period: China (506 GW), the United States (189 GW) and India (116 GW). The overall pattern of the markets remains, with a few countries installing the bulk of all solar system capacity, although the number of mid-size markets is growing.

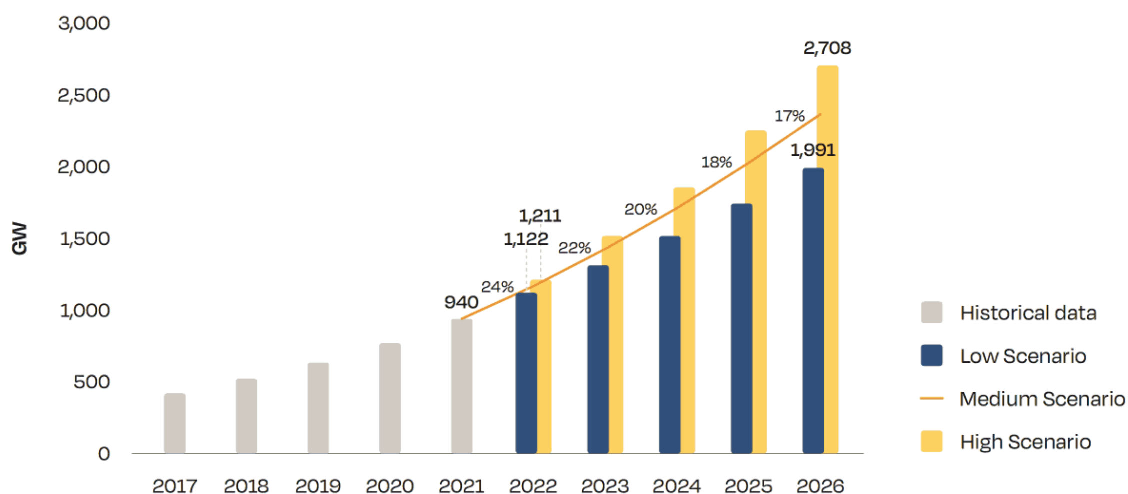
TOP 10 MARKETS SOLAR PV ADDITIONS 2022–2026



Source: SolarPower Europe 2022, Global Market Outlook for Solar Power 2022–2026

Based on the above, SolarPower Europe anticipates the cumulative solar PV installed capacity to grow by a total of 152% (or ~20% CAGR) from 940 GW in 2021 to 2,368 GW (2.3 TW) in 2026 in the medium scenario, while the low scenario – assuming adverse policy frameworks, strong interest rate hikes and severe financial crisis situations – anticipates a 112% market growth or ~16% CAGR to 1,991 GW from 2021 to 2026. In contrast, a strong policy push to fully address climate change concerns could result in a high scenario, representing a 188% growth (or ~24% CAGR) to 2,708 GW from 2021 to 2026.

GLOBAL TOTAL SOLAR PV INSTALLED CAPACITY 2022–2026



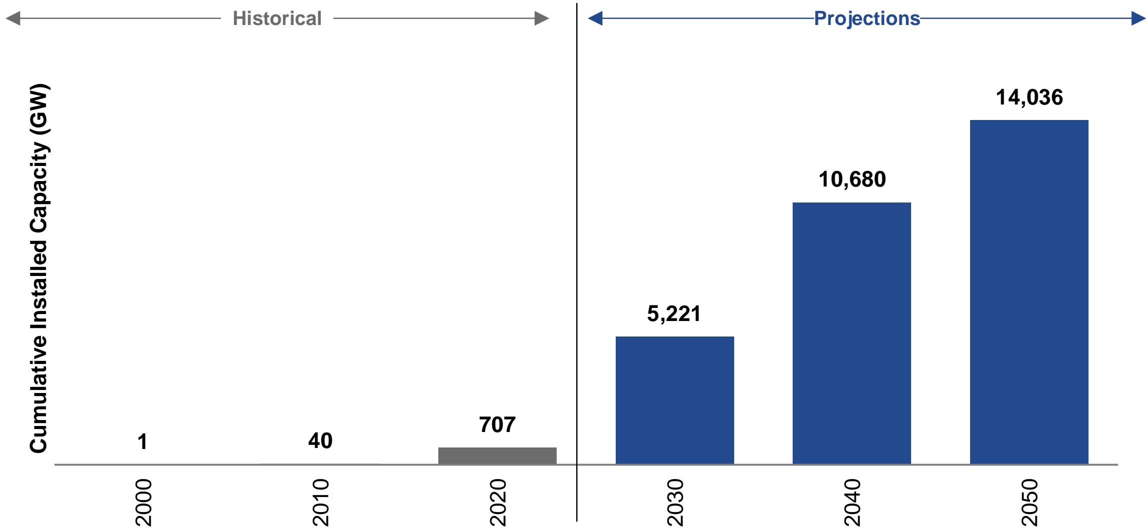
Source: SolarPower Europe 2022, Global Market Outlook for Solar Power 2022–2026

Long-term demand growth

In the long term, solar PV plants are expected to contribute a substantial part to the future global energy mix. According to IRENA, solar PV has the potential to generate over 25 per cent of all necessary electricity in 2050 and to reduce CO2 emissions by 4.9 Gt per year in 2050, equivalent to 21 per cent of the total emission mitigation potential in the energy sector (IRENA 2020d; IRENA 2021, Trading towards a bright future). According to IRENA projections, the installed capacity of solar PV will continue to increase to more than 5,200 GW in 2030 and to 14,000 GW in 2050 *(see graph below),* which would account for 43 per cent of the global installed energy production capacity (Source: IRENA, 2021).

In its earlier REmap scenario published in 2019, IRENA has modeled a technical and economical pathway to achieve 86% renewables share in the global power generation mix by 2050 in order to contribute to reaching the Paris Agreement's targets of less than 2°C temperature rise against pre-industrial level by that year. Pursuant to this scenario, solar PV power would show the largest capacity expansion by 2050, reaching 8,519 GW (8.5 TW), representing a nine-fold increase in the global power generation mix by 2050 compared to 2021 (Source: IRENA 2019, Future of Solar PV). A similar view on the development of solar PV power was presented in a SolarPower Europe & Lappeenranta University of Technology report, modeling 4.7–8.8 TW of installed solar PV capacity just in Europe by 2050 under its 100% renewables scenarios. The PV power generation share was as large as 63% in these scenarios, compared to only up to 33% for wind power (Source: SolarPower Europe 2020, 100% Renewable Europe).

CUMULATIVE SOLAR PV CAPACITY: HISTORICAL AND PROJECTED DATA



Source: IRENA 2021, Trading into a bright future

Trends in the solar PV market

Supply-side developments

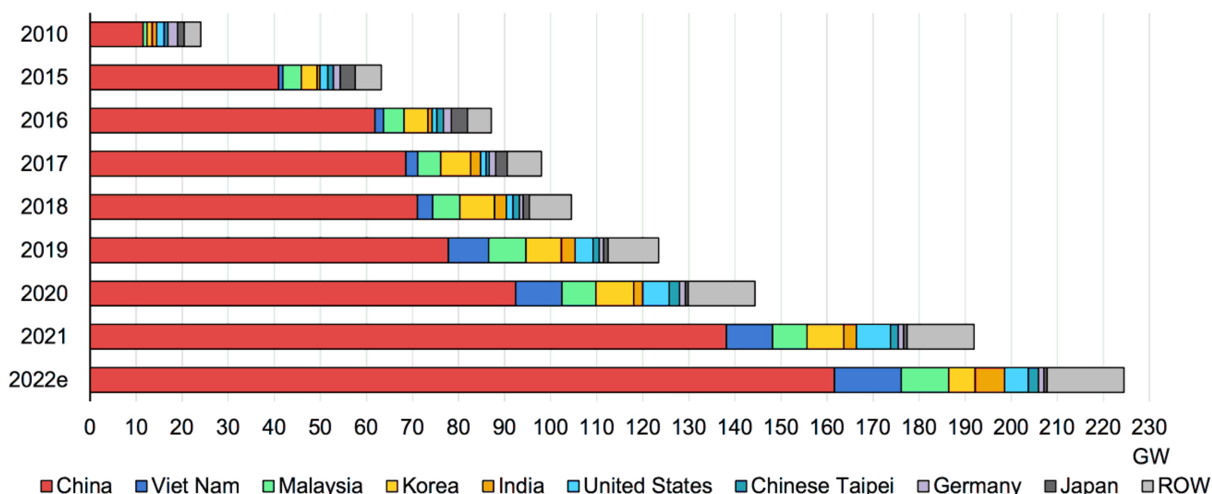
Global

In the last decade, PV manufacturing moved increasingly to China from Europe, U.S. and Japan. Today, China's share across all the stages of solar panel manufacturing (such as polysilicon, ingots, wafers, cells and modules) exceeds 80% of global market share, out of which only approximately half of this supply addresses China's total PV demand (Source: IEA 2022, Special Report on Solar PV Global Supply Chains). Such high level of geographic concentration in the global solar PV value chain poses significant supply-side challenges and has been driving the industry's need to diversify manufacturing and import sources. The COVID-19 Pandemic, record commodity prices and the impact of Russia's invasion of Ukraine have all focused attention on the high reliance of many countries on imports of energy, raw materials and manufacturing goods that are key to their supply security.

The Chinese strategic focus on rapid growth of the PV industry has also contributed to supply–demand imbalances across the global solar PV value chain throughout the last decade. For example, global capacity for manufacturing wafers and cells exceeded demand by at least 100% at the end of 2021. By contrast, the production of polysilicon, the key material for solar PV, remains a bottleneck in an otherwise oversupplied supply chain. This has resulted in increasingly tight supplies of polysilicon and a quadrupling of prices over the last year (from mid-2021 to mid-2022) (Source: IEA 2022, Special Report on Solar PV Global Supply Chains).

According to the IEA, global production capacity for polysilicon, ingots, wafers, cells and modules will need to more than double by 2030 from 2022 levels, which should drive increased investments in the solar PV value chain globally (Source: IEA 2022, Special Report on Solar PV Global Supply Chain).

GLOBAL SOLAR PV MODULE PRODUCTION (2010–2022)



IEA. All rights reserved.

Notes: ROW = rest of world. Values for 2022 are estimates.

Source: IEA analysis based on BNEF (2022a), IEA PVPS, SPV Market Research, RTS Corporation and PV Infolink.

Europe

Europe has a small market share in in PV manufacturing globally. However, in light of rapidly growing demand, both existing and new companies are actively looking at opportunities to invest in the solar sector, which is central to the EU's security of supply and carbon neutrality goals (Source: SolarPower Europe, EU Market Outlook for Solar Power 2021–2025).

The largest manufacturer in the European solar module value chain is active upstream in the polysilicon segment. Germany-headquartered chemical player Wacker Chemie, the EU's only company to operate polysilicon production facilities, has an annual capacity of around 60 metric kilotons in Germany, translating into more than 20 GW of cell/module products, in addition to capacities in the United States (Source: SolarPower Europe, EU Market Outlook for Solar Power 2021–2025).

The next step in the solar value chain after polysilicon production, silicon ingots and wafer manufacturing, barely exists in Europe, with the majority of Europe's 1.7 GW ingot and wafer capacity based in Norway, where low-cost hydro power allows for production at competitive cost and low carbon footprint. (Source: SolarPower Europe, EU Market Outlook for Solar Power 2021–2025).

Yield-adjusted solar cell production capacity in the EU is currently below 1 GW, however several companies plan to expand in or enter this segment. The most prominent, Meyer Burger, Enel and REC Solar, have announced GW-sized expansion plans. Further, Oxford PV has announced building a 100 MW cell factory with next-generation technology, based on silicon-perovskite tandem cells in Germany (Source: SolarPower Europe, EU Market Outlook for Solar Power 2021–2025; Solar Power World, October 12, 2021).

The currently active European solar cell manufacturers produce for internal use as they also assemble solar modules. In contrast however, most European module manufacturers import their cells from Asia. Pure solar module manufacturing requires the lowest investment cost in the solar module chain, and this segment has seen the largest activity, primarily from small companies with limited geographic reach and capacities in the sub-GW range (Source: SolarPower Europe, EU Market Outlook for Solar Power 2021–2025).

There are substantial European activities in the manufacturing of balance-of-system components for solar systems. European inverter manufacturers have the highest global market share across all segments, with at least 9 stakeholders employing nearly half of all manufacturing jobs and a total production capacity of 60 GW. This includes several international leaders, such as SMA from Germany and Fronius from Austria. In addition, substantial volumes of

mounting systems are manufactured in Europe (Source: SolarPower Europe, EU Market Outlook for Solar Power 2021–2025).

The solar manufacturing sector in the EU is still small compared to China and the current expansion of solar PV power production capacity is largely dependent on imports. With the recent new phase of growth seen in the European solar market, there is a new opportunity for a domestic solar manufacturing sector. SolarPower Europe, in partnership with EIT InnoEnergy and with the support of the partners of the Solar Manufacturing Accelerator, has launched the European Solar Initiative (ESI). ESI aims to support industrial consortia that have proposed new projects, through a combined industrial and investment platform aiming to de-risk and accelerate new manufacturing projects. The ESI is targeting to re-establish 20 GW PV silicon-to-module manufacturing capacity in Europe by 2025, allowing local PV manufacturers to capture a significant portion of the EU market, which is expected to deploy around 50 GW by that year. (Sources: SolarPower Europe 2022, Global Market Outlook for Solar Power 2022–2026; SolarPower Europe 2021, EU Market Outlook for Solar Power 2021–2025).

United States

Demand for solar energy in the United States has shown strong resilience in the face of the COVID-19 Pandemic, with record installations of 27.3 GW in 2021, a 42% year-on-year growth from 2020. Solar power accounted for 46% of all new power installations in the country, making it the third year in a row that solar holds the first spot (Source: SolarPower Europe 2022, Global Market Outlook for Solar Power 2022–2026).

As with most countries, aside from China, demand for solar PV in the United States far exceeds national manufacturing capacities (Source: IEA 2022, Special Report on Solar PV Global Supply Chain). According to the IEA, typical Chinese costs to manufacture all components of the solar PV supply chain are approximately 20% lower than in the United States, with cost differences mainly driven by large variations in energy, labor, investment, and overhead costs (Source: IEA 2022, Special Report on Solar PV Global Supply Chain). Across the solar PV supply chain segment spanning polysilicon, wafers, cells and modules, the United States mainly participates in the manufacturing of modules, polysilicon and to a lesser extent cells, as they lack the manufacturing capacity for PV cells and wafers (Source: IEA 2022, Special Report on Solar PV Global Supply Chain).

The United States has historically played a significant role in the production of polysilicon but has lost significant market share to China over the last decade. Despite rapid demand growth in the decade through 2020, global polysilicon overcapacity persisted on the backdrop of continued Chinese investment in production facilities and, additionally, Chinese import tariffs limited U.S. exports to China, causing numerous producers in the United States to downsize or close their polysilicon plants since 2015 (Source: IEA 2022, Special Report on Solar PV Global Supply Chain). With the recent increase in polysilicon prices, however, the two largest manufacturers active in the U.S. polysilicon segment, Hemlock Semiconductor and REC Silicon, are ramping up production again. In the summer of 2022, Hemlock announced it would turn on idle capacity for solar-grade polysilicon at its Michigan plant and REC Silicon plans to reopen a polysilicon facility in Washington (Source: Chemical & Engineering News 2022, "*The U.S. solar industry has a supply problem*").

The United States is responsible for around 4% of global module production (Source: IEA 2022, Special Report on Solar PV Global Supply Chain). However, despite this significant module manufacturing capability, the United States depends almost entirely on China and Southeast Asia for solar cells as input, except for the capacity linked to thin-film technology. The United States has approximately 2–3 GW of thin-film module manufacturing capacity (Source: IEA 2022, Special Report on Solar PV Global Supply Chain).

The supply of PV modules into the United States, primarily imported from Asia, has recently been materially affected by a number of tariffs and other import constraints. For example, in 2018, the United States implemented a 30% tariff under Section 201 of the U.S. Trade Act of 1974 on imported crystalline silicon solar cells and modules from certain countries, including China, declining over a four-year period. Subsequently, there was an uncertainty and/or dispute on whether these tariffs applied, and/or should be applicable, as the case may be, to bifacial modules, with the exemption being imposed, lifted, only to be imposed again, creating substantial insecurity about the currently applicable

legal provisions at any time. Eventually, on February 4, 2022, the U.S. President announced the extension and modification of the Section 201 Tariff for another 4 years. Furthermore, in March 2022, the U.S. Department of Commerce opened inquiries into whether to impose anti-circumvention tariffs on the import of modules from certain Southeast Asian countries. The threat of tariffs had a substantial chilling effect on module imports until the Biden administration imposed a moratorium on the proceedings in June 2022. In June 2021, U.S. Customs & Border Protection issued a withhold-release order (WRO) against products containing silica from Hoshine Silicon Industry Co., impacting solar module imports to the United States, which are now subject to customs enforcement activity, including import detention. On December 23, 2021, the U.S. Uyghur Forced Labor Prevention Act was adopted and corresponding import restrictions took effect on June 21, 2022. The purpose of the law is to ban imports of solar modules produced through forced-labor practices in the Xinjiang Uyghur Autonomous Region of China (XUAR). Under the Act, anything mined, produced, or manufactured in XUAR, or by certain entities affiliated with XUAR, is presumed the result of forced labor, and may, as a consequence, become subject to customs enforcement. (Source: SEIA/Wood Mackenzie 2022, U.S. Solar Market Insight). Wood Mackenzie expects the solar industry to remain supply-constrained through year-end 2023 (Source: Wood Mackenzie 2022, U.S. Solar Market Insight).

The recent historic passage of the Inflation Reduction Act (IRA) in August 2022 is expected to be a substantial growth catalyst for the U.S. solar industry. Next to supporting the installation of PV systems through an extension of the federal investment tax credit (ITC), the legislation also provides substantial support for the manufacturing of clean energy technology including PV in the United States through a manufacturing tax credit (see "*—Market drivers—Policy and government drivers*"). These incentives support companies to commit towards building new domestic facilities in the U.S., which is expected to diversify and bolster the U.S. solar supply chain over the long-term. (Source: SEIA/Wood Mackenzie 2022, U.S. Solar Market Insight).

Technology trends

The PV industry is currently approaching the end of a technology cycle, where the currently dominating PERC cell technology is close to reaching its economically practical conversion efficiency limit while its technology development is plateauing. "**Cell or module conversion efficiency**" is defined as the portion of energy from sunlight that a solar PV cell or module can convert into electricity. The mainstream commercial efficiency of several leading PERC cell manufacturers is around 23.2% today, and PERC is reaching its commercial efficiency limits; there is no clear pathway to improve the efficiency beyond current levels in the industrial production environment (Solar Power Europe, Global Market Outlook for Solar Power 2022–2026).

Additional PERC module performance is only achieved through improvements of the module design (with limited options available) given the plateauing technology development of PERC solar cells. Also, such module improvements tend to proliferate rapidly through the industry. Hence, Meyer Burger expects only a limited potential for PERC module manufacturers to achieve differentiation and value-based price premia given the limited technical potential. Meyer Burger further anticipates that the ability to further structurally reduce the cost of goods sold ("**COGS**") of PERC will decrease primarily due to the limited process efficiency improvement potential but also a shrinking manufacturing cost reduction potential and exhausted scale effects. Furthermore, Meyer Burger expects any reductions in the currently elevated wafer and bill-of-material costs to be not exclusive to PERC – and therefore accessible and to be tapped by other cell technologies as well.

Among technologies currently applicable for mass manufacturing, Meyer Burger expects substantial improvements in conversion efficiency only from the three next-generation advanced cell technologies heterojunction ("**HJT**") (see "*Description of the Group's Business—Technology, research & development and intellectual property—Current technologies—HJT cell technology*"), passivated contact (TOPCon) cells or interdigitated back contact (IBC) cells.

HJT has demonstrated the highest commercial-size crystalline silicon cell efficiency so far and it also continues to hold the overall cell record for silicon solar cells at 26.63%, based on a combination of HJT and IBC. The highest efficiency for commercial-sizes HJT cells (without IBC) was 26.5% reported in June 2022 (Solar Power Europe, Global Market Outlook for Solar Power 2022–2026, LONGi Solar 2022).

Several industry players have expressed interest in taking the HJT path and have made announcements on large-scale

production capacity build-out. The actual production capacities to date, though, have remained much lower, estimated by Meyer Burger to be in the single digit GW range as entry barriers, in Meyer Burger's view, remain high.

The TOPCon technology was first introduced as a solar cell concept by Fraunhofer ISE in 2013. TOPCon applies a so-called passivated contact at the rear side of the solar cell, which improves the solar cell performance. HJT, in contrast, applies passivated contact structures to both the front and the rear side and, hence, enables a higher cell performance with a much leaner process sequence. Since its first introduction, the established PERC industry has perceived TOPCon as an evolutionary next enhancement upgrade for existing PERC solar cell manufacturing lines. However, in Meyer Burger's view, TOPCon still faces difficulties in implementation so far due to the complex process sequence, significant challenges for transitioning from laboratory-scale production to mass manufacturing and the limited compatibility of existing PERC lines. First Tier-1 players such as Jinko Solar are now moving into this technology with brand-new green field expansions. It can be expected that TOPCon will be further developed and will become a rivaling advanced solar cell technology with approximately +1% absolute solar cell efficiency improvement compared to PERC. However, Chinese Tier-1 manufacturer LONGi Solar recently described TOPCon as a "transitory" technology, as the cell efficiency potential is limited according to their assessment (PV Tech 2022).

Meyer Burger believes that many of the high-performance cell technologies – such as Maxeon's, IBC technology, LG Electronic's former IBC technology or Panasonic's former HJT technology – suffer from extraordinarily high manufacturing cost. LG Electronic as well as Panasonic, as a result, have announced recently to end their solar business or solar module manufacturing, respectively.

According to the thirteenth edition of the International Technology Roadmap for Photovoltaic ("**ITRPV**") report released by The Mechanical Engineering Industry Association (Verband Deutscher Maschinen- und Anlagenbau e.V.; "**VDMA**"), the 2021 market share of PERC (incl. its variants) and TOPCon combined was found to be ~85%, with the vast majority of this share still being PERC. PERC is expected to continue to dominate the market with an increasing TOPCon portion over the next years, while HJT is expected to gain market share of about 10% after 2024 and close to 20% by 2032.

Relevant markets, demand drivers and market potential for Meyer Burger

Economic metrics for module sales

The commonly used pricing metric for PV modules is the price of the module on a per "Watt peak" (W_p) nominal module power. For comparing standard commodity PV modules, this is the most relevant economic metric for end customers. However, differentiated high-performance PV technologies such as Meyer Burger's HJT and SmartWire technologies (see "*Description of the Group's Business—Technology, research & development and intellectual property—Current technologies—HJT cell technology*" and "*Description of the Group's Business—Technology, research & development and intellectual property—Current technologies—SmartWire module technology*") introduce many parameters that drive value for the end customer that is not directly captured in the nominal power of a given module. Such modules are typically sold at a price premium on a per W_p basis.

A systematic way to derive the additional value for the end customer and, hence, the potential for a module price premium is to perform a lifetime cost/benefit analysis of the entire installed solar PV *system*, which consists of the PV module as well as the so-called balance of plant components. The generally accepted metric for such an analysis is the so-called levelized cost of energy ("**LCOE**"), which captures the lifetime cost of every unit of energy produced by the solar PV system, including the cost of initial investment, the capital cost and the running operating costs, in one single performance metric. The LCOE is typically expressed in EUR/kWh (EUR or other currency unit per unit of energy, measured in kilowatt hours) and computed for an assumed system lifetime between typically 20–35 years. In scenarios where the value of energy depends on the time of generation, for example in hybrid self-consumption/feed-in scenarios or with time-of-use tariffs, the system net present value (NPV) is the most meaningful economic metric.

Advanced PV technologies such as Meyer Burger's HJT and SmartWire technologies typically provide higher lifetime energy production and reduce the cost of the "balance of system" (the non-module part of the PV system), when

compared to a mainstream technology system of the same nominal power, measured in W_p (see "*Description of the Group's Business—Products and services—Market positioning, end customer benefits and value proposition of Meyer Burger's products*"*).* As a result, the LCOE of a PV system employing these Meyer Burger technologies would be substantially lower compared to a standard system if both modules were priced the same on a per W_p basis. Accordingly, a constant LCOE from an end-customer perspective would allow for a premium, *i.e.,* a higher sales price, of the Meyer Burger technology module on a per W_p basis vis-à-vis conventional technology.

Further value drivers not directly linked to technical performance

Not only the technical performance of solar modules can drive a price premium. According to Meyer Burger's experience, additional factors that drive perceived value for customers and that can therefore justify an additional price premium include:

- **Quality and warranties:** Since solar modules are typically installed in the field for at least 20 years, the long-term durability is a key consideration for customers. As the detection of faults and the replacement of modules can be burdensome, customers expect a low failure rate. Also, while a low rate of degradation of the output power of solar modules is standard, the specific level of such degradation affects lifetime energy production and hence economics of the system. Overall, the quality of workmanship and (lack of) degradation is a key customer consideration across all market segments. Manufacturers back their expected long-term durability with product and performance warranties, typically in the range of 10 to 30 years. Meyer Burger's products are backed by 25 to 30 years product and performance warranties.
- **Aesthetics:** For applications in the residential rooftop sector, aesthetics of the modules can play a key role, depending on the appearance of the roof and the customer's preferences. In many cases, a fully uniformly black appearance is aspired. Such uniform black appearance is best provided by advanced cell and interconnection technologies such as IBC or Meyer Burger's HJT/SmartWire technology.
- **Sustainability:** Across all market segments, sustainability criteria play a key role for many customers. In terms of environmental impact, the emissions caused by the production process and, correlated with emissions, the energy payback time, are important considerations. Also, most solar modules contain toxic substances such as lead (most silicon-based modules) or cadmium (certain thin-film solar modules). In addition to environmental impact, social factors and human rights are a key issue for the solar industry, as a significant share of the metallurgical silicon and polysilicon used in the solar industry is produced in regions where forced labor practices are suspected to be prevailing. Certain customers and, increasingly, governments, require proof that no forced labor practices have been employed in making the product. As evidenced by a study by Fraunhofer ISE, Meyer Burger offers a product with substantially lower carbon footprint compared to standard modules of Asian origin, free of toxic lead and other harmful substances. Also, Meyer Burger requires its suppliers to use silicon or polysilicon material not produced using forced labor.
- **"Made in Europe" or "Made in USA":** The origin of the modules and upstream materials and components is also an important criterion for many customers. Often, this preference is subjective. High quality is often associated with products "Made in Europe" or "Made in USA". Also, the sustainability is linked to the origin of PV modules and the materials used therein: from an emissions perspective, as the European and U.S. electricity grid carbon intensity is lower than in many Asian countries, emissions of a European-made module are lower compared to Asian-made ones. Also, the direct short-distance transport of the finished product to the customers saves emissions in logistics. Furthermore, European and U.S. solar module manufacturers can often demonstrate compliance with the requirement not to use forced labor practices. Meyer Burger currently manufactures cells and modules exclusively in Europe and expects to add U.S. module manufacturing in 2024.
- **Availability and security of supply:** As demand for solar modules has been outstripping supply, the availability and security of supply are typically key considerations and value drivers for customers across all segments. Locally made solar modules have an advantage in this regard, as the risks associated with long-

distance shipping are eliminated. Many customers are deliberately pursuing a multi-sourcing strategy including European and/or U.S. manufacturers and are accepting an associated price premium in order to increase the resilience of their supplier portfolio. Also, supply security can be threatened by the regulatory environment. Historically, Asian modules have been particularly affected, for example through anti-dumping duties in the United States, the threat of anticircumvention duties on modules delivered into the United States from certain Southeast Asian countries, or by restrictions on sales triggered by certain alleged IP violations in Europe. In some such cases, U.S. and European authorities have already blocked or penalized the import of affected modules and hence disrupted supplies. Meyer Burger is currently delivering its modules to European customers directly from the German factory, without lengthy overseas logistics processes, improving flexibility in scheduling deliveries. Meyer Burger expects that it will not or only minimally be affected by restrictions due to trade disputes or IP litigation and thus offer customers a diversification of supply that reduces supply chain disruptions.

Relevant market segments and typical purchasing criteria

Based on application scenarios and end customers, the PV market can be categorized into the residential, commercial/industrial rooftop (C&I) and utility-scale segments. The relevant end customers for Meyer Burger are:

- **Residential and small commercial:** In this segment, the installer, next to the end customer itself, often takes the decision on which PV system components shall be purchased. Meyer Burger believes that both groups are usually not receptive to highly technical and complex sales approaches. Rather, a substantial part of the market segment is currently driven by price and is thus served with commodity PV modules, which are mostly sold based on lowest price per W_p. However, there is a substantial "**premium market segment**", in which end customers are willing to pay more for higher performance as well as factors not directly linked to technical performance. Such factors include subjectively perceived performance, quality of modules, aesthetics and, increasingly, European-made components (see "*—Relevant markets, demand drivers and market potential for Meyer Burger—Further value drivers not directly linked to technical performance*"). The perceived brand value plays a role and can be improved by marketing activities. In addition, the sustainability characteristics of the products increasingly play a role, albeit varying from country to country. The willingness to pay is typically not established through a rational economic argument, but has been historically established by the market, and is typically increasing as a function of module efficiency (or power). Premium products typically employ new technologies such as those Meyer Burger currently employs and aims to further pursue in the future (*e.g.,* HJT, back-contact cells).

  In many application scenarios, the available rooftop area is sufficient to not be a limiting factor in the sizing of the PV system, as there are diminishing returns when increasing system size. However, certain systems for residential and small commercial end customers are area-constrained, meaning their rooftop area is limited such that the output of installed PV panels may not be enough to cover their electricity demand. This subsegment is growing as consumers are electrifying their energy consumption, in particular through the use of heat pumps and electric vehicles. For this subsegment, the high energy yield per area offered by premium products may prove critical, and the willingness of end customers in this segment to pay premia is therefore potentially higher.

  Meyer Burger addresses both application scenarios of the residential and small commercial market segment. In general, as the gap between high retail electricity prices and the low cost of solar energy is growing rapidly with substantially increasing electricity prices across Europe, many customers strive to maximize their degree of autarky and thus have an interest in high-performance solar solutions as the one offered by Meyer Burger.

  In some markets, for example in the United States and more recently in Europe, solar leasing companies are active, which directly enter into long-term agreements with residential and commercial/industrial end customers. The solar leasing companies typically take the component decisions on behalf of their customers and are, thus, the relevant decision maker for Meyer Burger. They typically consider, in Meyer Burger's view, low LCOE as the key purchasing criterion, but also deem quality, sustainability, origin and supply security

as important.

- **Commercial & Industrial:** Falling between the residential and utility-scale solar industry sectors, the commercial and industrial (C&I) solar segment encompasses a wide variety of end customer types (from large corporations to local small businesses, governments, schools and universities), solar designs (from ground-mount through to ingenious use of rooftop space) and project sizes (from ~50 kW to megawatts).

  While the C&I segment has specific commercial hurdles (two barriers being that (i) commercial electricity prices are generally lower than residential prices, and (ii) in many commercial buildings the occupant (*i.e.,* the payer of the electricity bill) is not the building owner (*i.e.,* the operator of the solar system), creating a split incentive), Meyer Burger expects this segment to play a crucial role in the demand for its products in the future.

- **Utility-scale:** These end customers are usually highly sophisticated and operate in competitive market environments. They are therefore highly cost-driven and, in Meyer Burger's view, consider low LCOE or high NPV as the key purchasing criterion and give less weight to not directly performance-linked criteria.

  Meyer Burger has established that the high performance of its modules justifies charging substantially higher selling prices to utility-scale customers compared to standard technologies, despite the high price sensitivity of utility-scale customers. This premium is, on one hand, based on the LCOE argument: the overall value created by higher-performing PV technologies (compared to standard technologies) translates into a possible PV module price premium. On the other hand, utility customers increasingly also value other factors and are willing to pay a premium, for example for sustainability factors and for the added resilience and better security of supply through the diversification of supply toward European or U.S. manufacturers (see "*—Relevant markets, demand drivers and market potential for Meyer Burger—Further value drivers not directly linked to technical performance*").

Competitive landscape

In the residential and small commercial market segment in both Europe and the United States, Meyer Burger's competitors are primarily premium PV cell and module manufacturers, including REC Solar and SunPower (through its strategic relationship with spin-off Maxeon), each of which offers high-efficiency PV modules. Former competitors in this group also include Panasonic and LG Electronic, which have both abandoned the PV market. Also, niche European assemblers of (usually PERC cell-based) PV modules, such as Solarwatt, aleo and Heckert Solar, target some of the same customer groups as Meyer Burger in the European residential and small commercial market segment. The premium PV cell and module manufacturers have, in Meyer Burger's view, successfully created a high-price market segment and erected barriers to entry by establishing highly active sales channels and trusted relationships among wholesalers and installers, as well as an excellent brand reputation. In addition, European modules have an attractive value proposition thanks to a "Made in Europe" brand even when selling standard PERC products. Meyer Burger offers modules with efficiencies that are competitive with or exceed those of the incumbent premium PV cell and module manufacturers (see "*Description of the Group's Business—Technology, research & development and intellectual property—Technology roadmap*").

In the utility-scale segment, Meyer Burger competes with a wide range of standard PERC and in the future potentially also TOPCon PV cell and module manufacturers (see "*—Trends in the solar PV market—Technology trends*"), most of which are China-based or Chinese-owned. These manufacturers also supply large volumes into the residential and small commercial market segment, but not, in Meyer Burger's view, into the premium subsegment targeted by Meyer Burger. These manufacturers operate at a much larger scale than Meyer Burger expects to in the near- to mid-term, with some of the largest manufacturers having up to 50 GW annual module production capacity. However, the modules offered by a set of representative large standard PERC manufacturers typically provide significantly lower energy yield per area given their lower efficiency, bifaciality and higher degradation over time.

Among competitors offering HJT-based modules, Meyer Burger considered the Japanese manufacturer Panasonic to be the most significant major long-term established player, with a track record of more than 20 years in the technology

and 900 MW of production capacity in Japan. However, Panasonic decided to end their solar module manufacturing in 2021, in Meyer Burger's view likely because of their cost base being inferior to their premium module competitors. Another competitor offering HJT-based modules is REC Solar, which addresses the premium subsegment of the residential and small commercial segment. With respect to Chinese HJT modules, Meyer Burger's view is that there is currently no significant competition active in European and U.S. solar module markets.

In recent years, several Chinese manufacturers have announced their intention of entering, or made first steps to enter the HJT technology space (*e.g.,* GS Solar, Jinergy and Risen). Although several of these companies have a strong track record in non-HJT PV manufacturing and considerable financial resources, Meyer Burger believes that their technology is substantially less mature and their process substantially less robust. As a result, according to Meyer Burger' assessment, none of the Chinese top-5 producers is pursuing HJT at significant commercial scale for the time being, apart from R&D and pilot-stage activities. Nevertheless, new entrants including Huasun and Akcome try to position themselves aggressively as leading HJT players. Meyer Burger believes that none of these manufacturers has access to a holistic integrated manufacturing technology solution, with key production equipment currently used by these companies typically mixed from multiple vendors such as Maxwell, Ideal Energy and China SC. Overall, Meyer Burger believes that the production lines of these manufacturers particularly lag behind Meyer Burger in terms of achievable product quality, performance, throughput and manufacturing cost. As of the date of this Prospectus, Meyer Burger has no indication that any of these Chinese manufacturers produces HJT cells and modules at a competitive yield, performance and manufacturing or has entered Meyer Burger's key markets Europe and the United States with such products with significant quantities. Because of the inherent complexity of the HJT process as well as Meyer Burger's strive for continuous performance improvement of the Group's product portfolio, Meyer Burger believes that it has a considerable lead over the Chinese competitors in terms of technology but also in terms of market acceptance. In addition, none of the Chinese competitors has access to a cell connection technology offering the same benefits as the SmartWire technology (see "*Description of the Group's Business—Technology, research & development and intellectual property—Current technologies— SmartWire module technology*").

DESCRIPTION OF THE GROUP'S BUSINESS

Overview

Meyer Burger is a large-scale solar photovoltaic ("**PV**") cell and module manufacturer that leverages its proprietary high-performance heterojunction ("**HJT**") and SmartWire technologies and manufacturing equipment in a "captive" business model, under which Meyer Burger's manufacturing equipment is used for its own cell and module production. The Group is currently operating a cell manufacturing site in Thalheim (city of Bitterfeld-Wolfen, Saxony-Anhalt, Germany) and a module manufacturing site in Freiberg (Saxony, Germany). The nominal annual production capacity as of June 30, 2022, was approximately 400 megawatts ("**MW**") and is currently in the process of being expanded to approximately 1 gigawatt ("**GW**") by the end of 2022 ("nominal annual capacity" is the theoretical output measured in GW of cell or module power that a manufacturing line could produce over the course of one year if run at full utilization; during the ramp-up period, actual output may be lower). An expansion to approximately 1.4 GW nominal annual production capacity is currently being prepared, expected to become operational in 2023. Meyer Burger produced an aggregate of 30 MW of PV modules in 2021. In the six months ended June 30, 2022, Meyer Burger produced 108 MW, and generated net sales of CHF 56.7 million and an EBITDA of CHF -24.4 million.

The Group's history, business model and markets

The Group's origins

Originally, Meyer & Burger Ltd. was founded in 1953 in Switzerland as a manufacturer of production equipment for the Swiss watch industry. Around the turn of the millennium, the company started supplying production machines for the semiconductor and later also the nascent PV industry. Through organic growth and a number of acquisitions, the Group became a major supplier of manufacturing equipment for the PV industry. However, Meyer Burger was not able to fully realize the economic value of its successive developments in PV technologies such as diamond wire wafer sawing or PERC PV cell technology. Rather, Meyer Burger's equipment enabled a gross margin pool for its customers that substantially exceeded Meyer Burger's gross margin ("value leakage"). At the same time, the need for Meyer Burger to sell the equipment as widely as possible facilitated the rapid diffusion of the Group's core technologies to competitors ("technology leakage").

The Indium Strategy – strategic transformation to a PV cell and module manufacturer

In 2020, realizing the growth potential of the PV market but at the same time the limitations of the former business model, Meyer Burger transformed its business model from equipment manufacturing to the manufacturing of solar PV cells and modules (see "*—History—The Indium Strategy and the cell and module manufacturing business model*"). The so-called Indium Strategy, which is implemented by now, is designed to minimize value leakage by expanding closer to end customers in the value chain and to limit technology leakage via a "captive" business model, wherein Meyer Burger's manufacturing technology is used for its own cell and module production. Additionally, the Indium Strategy also entailed the establishment of the production of cells and modules close to regions with end customer demand such as Europe (see "*—Competitive strengths*").

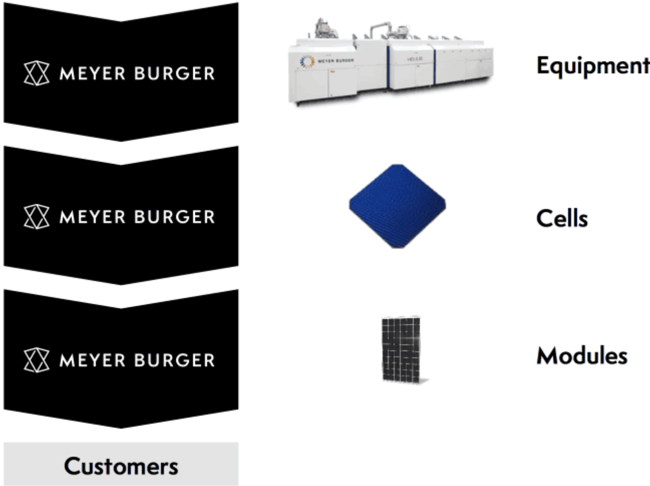
As part of the implementation of the Indium Strategy, Meyer Burger took certain restructuring measures (the "**Operational Restructuring**"). Among other things, as part of the Operational Restructuring, Meyer Burger ceased certain sales activities pertaining to the equipment manufacturing business and closed certain sales and servicing entities, primarily in Asia. The Group also implemented cost saving programs by means of FTE reduction and reduction of operating cost and divested the specialized technologies business activities of, among others, its former subsidiary Muegge GmbH, Gerling Applied Engineering, Inc. and the PiXDRO business.

Current business

Meyer Burger has established itself as a large-scale manufacturer of PV cells and modules based on its proprietary high-performance HJT and SmartWire technologies. With its next-generation technology, Meyer Burger intends to leapfrog the currently dominant passivated emitter and rear cell ("PERC") technology in the PV market (see "*Industry*

Overview and Market Trends—Trends in the solar PV market—Technology trends"), offering customers PV modules with one of the highest energy yield per area currently available on the market via three module products (see "—*Products and services—Products and services overview*"). The Group's management believes that Meyer Burger is uniquely positioned to be a key constituent in the global energy transition and to benefit from secular growth opportunities within the solar market.

MEYER BURGER'S BUSINESS MODEL UNDER THE INDIUM STRATEGY



Source: Meyer Burger

Meyer Burger plans to complement its standard PV module offering with a solar tile solution, which allows customers to integrate PV in their roof in an aesthetically pleasing way. The Group's management expects the first installation of the product still in 2022.

Currently, the sole exception to the Group's "captive" strategy is the Company's subsidiary Pasan, which sells high-precision cell and module measurement systems for PV R&D laboratories as well as for use in manufacturing lines. There are currently no further plans to supply manufacturing equipment to research and development partners.

Current key markets

Meyer Burger is currently, as a first step of its broader strategy, marketing its modules for use in residential and small commercial settings. Meyer Burger has established a premium brand and thereby markets its modules as high-performance, high-quality products of European origin, which are sustainably made with 100-percent renewable energy in accordance with high social and environmental standards. The modules are primarily sold through distribution channels, with a selected number of multinational and regional distribution partners. To this end, Meyer Burger has signed framework agreements with over 30 distributors, a mix of large multinational distributors and regional companies, including solar specialist distributors as well as electrical wholesalers.

From a regional perspective, current key markets for Meyer Burger are certain European countries, primarily in Western, central and Southern Europe such as Germany, Switzerland, Austria, the Benelux countries, France, Italy, Spain, Portugal, Poland and the UK, as well as the United States. Local Meyer Burger sales teams in Northern Europe and in Australia are also in preparation. In the United States, Meyer Burger is currently focusing on a selected number of states in the Southeast and Northwest, with an expansion of target states planned as the available volume of modules produced by the Group increases.

Current manufacturing activities and short-term expansion

The Group is currently operating a cell manufacturing site in Thalheim (city of Bitterfeld-Wolfen, Saxony-Anhalt, Germany) and a module manufacturing site in Freiberg (Saxony, Germany). The nominal annual production capacity as of June 30, 2022, was approximately 400 MW and is currently in the process of being expanded to approximately 1 GW, which is expected to be reached by the end of 2022. An expansion to approximately 1.4 GW nominal annual

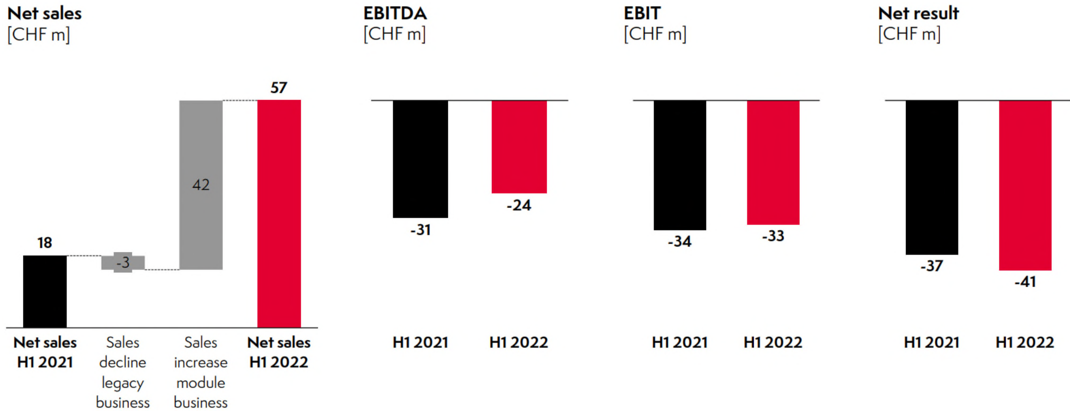
production capacity is currently being prepared, expected to become operational in 2023. Meyer Burger produced an aggregate of 30 MW of PV modules in 2021 and 108 MW in the six months ended June 30, 2022. In the period of January 1 to August 15, 2022, the Group produced 149 MW of PV modules.

Current performance

In the six months ended June 30, 2022, Meyer Burger achieved net sales of CHF 56.7 million and an EBITDA of CHF -24.4 million. Since the market introduction of its PV module products on April 27, 2021, Meyer Burger has been receiving a steady order intake. As of June 30, 2022, the Group had more than 30 direct customers (including large distributors such as BayWa r.e., Krannich Solar, IBC Solar, Sonepar and Memodo in Europe and the U.S. distributor CED Greentech).

Given the strong demand for PV products in general and Meyer Burger's modules in particular, compared to the Group's still modest production capacity, the Group has to actively manage the current imbalance between demand and supply. Meyer Burger is currently not taking on new major customers in favor of prioritizing serving its existing customer base and has postponed serving large commercial/industrial or even utility-scale projects in favor of the higher-value standard residential and small commercial business. Expected production volumes are proactively allocated to customers independent of individual demand, with the current allocation horizon being the second quarter of 2023.

The figure below shows net sales, EBIDTA, EBIT and net result for the first half of 2022 and, in comparison, the first half of 2021:



Source: Meyer Burger 2022

Competitive strengths

The Group's management believes that Meyer Burger features the following key competitive strengths:

- **Strong secular tailwinds and favorable market environment driving substantial, structural long-term growth in attractive solar market**: Meyer Burger expects the global markets for PV modules to continue to grow significantly in the foreseeable future, likely with a resurgence of demand in Europe and the United States. The Group's management considers Meyer Burger to be strategically aligned with this trend and believes that the following policy and industry trends represent strong drivers for the demand for Meyer Burger's products (see "*Industry Overview and Market Trends—Market drivers—Policy and government drivers*"):
    - **Climate change**: Mitigating climate change remains a key policy focus, with several major policy initiatives supporting the rapid deployment of renewable energy, including the "European Green Deal", the "Fit for 55" legislative package of the EU, as well as the U.S. Inflation Reduction Act of 2022.
    - **Energy independence**: After the Russian invasion of Ukraine, energy security and, in particular, independence from fossil fuel imports, has become an additional driver for the accelerated deployment of

renewable energy, also driven by policy initiatives such as the REPowerEU plan.

  - **Re-shoring of renewable-energy manufacturing**: The PV industry is a particularly eminent example of a supply chain primarily dependent on Asian, specifically Chinese manufacturers (see "*Industry Overview and Market Trends—Trends in the solar PV market—Supply-side developments*"). Meyer Burger believes that its approach to offer a locally made product ("made in Germany" and, in the foreseeable future, "made in the USA", which stands in contrast to the current overwhelming dominance of Asian players in the PV cell and module manufacturing segment) leverages on two key market and industry dynamics. First, the origin of the modules and upstream materials and components is an important purchasing criterion for many customers (see "*Industry Overview and Market Trends—Relevant markets, demand drivers and market potential for Meyer Burger—Further value drivers not directly linked to technical performance*"). Second, the current disruptions in global supply chains, together with the ambition of both EU and U.S. policymakers to reduce dependencies on foreign resources, are driving governments and the renewable energy industry alike to drive the re-shoring of renewable-energy manufacturing in the EU and United States.

- **Proven technology leader offering premium products, with differentiated technology roadmap**: Meyer Burger has entered the market for PV cell and module production with high-performance cells and modules produced by applying its proprietary HJT and SmartWire technologies; the proof of technology and the Group's initial 400 MW of nominal annual production capacity have been established and Meyer Burger further believes it has a technological lead not only over mainstream mono-PERC technology, but also over competing commercial HJT technology. This is evidenced by best-in-class module efficiencies (up to 21.8%[1]), low degradation and long lifetime corroborated by a corresponding warranty (>92% performance warranty after 25 years) using Meyer Burger technology. At the same time, Meyer Burger has found solutions for some of the key industrial and economic challenges of the HJT technology with the use of its proprietary SmartWire cell connection technology and other process innovations. With its R&D roadmap (as set out in detail in "*—Technology, research & development and intellectual property—Technology roadmap*" below), Meyer Burger aims to secure technological leadership and to maintain the competitiveness of its current and future technologies. Meyer Burger believes that higher module performance of its current technology and potentially even higher module performance of future technology generations as well as other differentiating features warrant substantially higher sales prices for Meyer Burger's products compared to the mainstream PERC technology competitors. At the same time, Meyer Burger believes that its current and future technologies will contribute to a reduction in production cost, on a per Watt basis.

- **Geographic footprint and "captive" business model position Meyer Burger as a key building block in both the European and U.S. value chain**: Meyer Burger's current and envisaged future approach to operate PV module factories close to regions with end customer demand (see "*—Sites—Current and envisaged sites for PV cell and module manufacturing*") is designed to allow the fast and flexible shipping of PV modules to customers, to save emissions for long sea and road transport and to reduce overall working capital requirements by enabling shorter duration of modules in transit. Meyer Burger believes that many customers across all segments appreciate the value of a locally made product ("made in Germany" and, in the foreseeable future, "made in the USA", which stands in contrast to the current overwhelming dominance of Asian players in the PV cell and module manufacturing segment (see "*Industry Overview and Market Trends—Relevant markets, demand drivers and market potential for Meyer Burger—Further value drivers not directly linked to technical performance*"). For example, in a February 2022 survey conducted by distributor IBC Solar among its specialist partner installer network in Germany (>100 participants, *e.g.*, PV installers), 27% of the participants answered that local product manufacturing (*e.g.*, "made in Europe/Germany") was important for end customers (Source: IBC Solar 2022). The Group's local sales team and direct engagement of installers shall also allow building of a strong customer relationship and brand loyalty.

[1] Maximum figures per data sheet, actually produced and delivered efficiency may be lower; actual performance depends on application scenario, mode of installation, environmental conditions and other factors

- **Unique value-oriented, flexible segment strategy targeting highest-value markets**: Meyer Burger has already entered and continuously plans to enter only selected segments and markets where it believes that price premia are achievable and accepted by market participants (see "*—Customers, channels and sales regions*"). In particular, the Group has entered the market through the high-price premium residential and small commercial market segment.
- **Strong operational and commercial momentum resulting in attractive financial growth and longer-term margin profile**: Meyer Burger has successfully ramped up its first approximately 400 MW of nominal annual capacity, operating seven days per week and around the clock, and has successfully entered the market, with current demand exceeding supply. Since the market introduction of its PV module products, the Group has been able to largely pass on cost increases to its customers. Meyer Burger expects to continue leveraging a "captive" business model to significantly reduce the risk of PV cell and module technology and know-how as well as future improvements being leaked to third parties and being copied by competitors. This aims at protecting Meyer Burger's technological advantage and pricing power over its competitors, supporting the sustainability of its margins over time.
- **Premium brand**: Despite its short presence in the market as a PV module manufacturer, Meyer Burger has built a premium brand that has, per the Group's assessment, gained substantial recognition, with a particular strength in the German-speaking countries and the Benelux region (see "*—Marketing and branding*"). The brand, among other factors, allows the Group to maintain a substantially higher price level than the mainstream PERC technology competitors.
- **Existing sites and capabilities**: Meyer Burger has acquired existing solar PV manufacturing infrastructure and capabilities in Germany, enabling a fast go-to-market approach (see "*—Sites—Current and envisaged sites for PV cell and module manufacturing*" below). As these regions had previously hosted PV factories and companies, Meyer Burger managed to hire skilled workers, engineers and sales talent available around these sites.
- **Sustainable manufacturing**: Meyer Burger pursues a strategy of sustainable manufacturing. For example, the Group produces its modules with lower resource and energy intensity than the current market standard and delivers products free of toxic materials and without using raw material from regions where forced labor practices are suspected to be prevailing (see "*Industry Overview and Market Trends—Relevant markets, demand drivers and market potential for Meyer Burger—Further value drivers not directly linked to technical performance*" and "*—Products and services—Sustainability*").
- **Highly experienced and dedicated management team**: The Group's management team has decades of joint experience in the PV industry and, in addition, relevant adjacent industries such as semiconductors and industrial equipment. The Group's Board of Directors adds complementary competences with its members' backgrounds in finance, technology, business and law. Overall, the Group's leadership team has effectively managed the strategic transformation to implement the Indium Strategy, as demonstrated by the short amount of time from first plan to launch of production sales.

Strategy

"Captive" business model

With the exception of the Company's subsidiary Pasan, the Group pursues a fully "captive" business strategy, manufacturing key production equipment only for its own use, and equally producing its HJT cells only for assembly into its own modules, which are the Group's primary product sold. The Group's management believes that this strategy of vertical integration across three key steps in the PV value chain allows the Group to control and safeguard its technology, leverage the value of its innovation and technology base, while enabling control over future capacity expansion.

When embarking on the Indium Strategy, the Group had envisaged to sell a certain volume of cells to third-party

module manufacturers, in parallel with assembling the remainder of cells produced into modules in-house. As announced in June 2021, Meyer Burger has since decided to no longer sell unprocessed cells to third parties in favor of processing in-house the entire cell production into modules for sale. This strategic shift requires a matching of cell and module production capacity.

New market segments and further internationalization

To facilitate a further acceleration of its planned capacity scaling, the Group also intends to enter the utility-scale PV market. Toward this goal, Meyer Burger has entered into a multi-year supply agreement with the large U.S. developer and owner of renewable-energy power plants D. E. Shaw Renewable Investments (DESRI), under which the Group agreed to manufacture and supply an aggregate volume of approximately 3.75–5 GW of PV modules designed for the use in large-scale PV power plants. Negotiations with further strategic offtake partners in the United States and Europe are also ongoing, on the back of the DESRI offtake agreement (see "*—Expansion plans—U.S. capacity expansion and DESRI Agreement*"). The Group intends to serve the utility-scale market primarily through such strategic offtake arrangements instead of opportunistic one-off sales. As Meyer Burger's base technology can be adapted and scaled to be applied in all segments of the PV market, the Group intends to maximize the generated overall economic value by optimizing volumes and prices per market segment (value-oriented segment strategy). As it plans to grow its production capacity in the future, the Group intends to also enter the large (around 500 kW to 1 MW system size) commercial/industrial rooftop market segment, which offers higher volume albeit lower sales prices compared to the currently targeted residential and small commercial segment.

Europe and the United States are the Group's main markets, with essentially all of the Group's PV module revenue in the six months ended June 30, 2022 attributable to these two regions. The Group also intends to enter the Australian market in 2023 because its large PV market size, as evidenced by new PV installations of approximately 6.0 GW in 2021 (Source: SolarPower Europe 2022), makes it an attractive target region. Meanwhile, the timing of the market entry to Japan is currently still under review.

Manufacturing expansion plans

In addition to the installed approximately 400 MW nominal annual production capacity as per June 30, 2022 and the current expansion to approximately 1 GW nominal annual production capacity, which is expected to be reached by the end of 2022, a further expansion step of the Thalheim (city of Bitterfeld-Wolfen, Saxony-Anhalt, Germany) and Freiberg (Saxony, Germany) sites to approximately 1.4 GW nominal annual production capacity by the end of 2023 is being prepared. The Group's management believes that the additional production lines will help eliminate process bottlenecks (*e.g.*, due to sequential production of the three module products) and improve operational performance of the facilities.

Meyer Burger has also secured existing buildings for cell manufacturing in Thalheim (city of Bitterfeld-Wolfen, Saxony-Anhalt, Germany) and for module manufacturing in Goodyear (Arizona, United States), in which it plans to build the respective manufacturing capacities to serve DESRI and to supply the U.S. market with modules for residential and small commercial applications.

The Group's management expects approximately 3 GW of nominal annual cell and module production capacity to be installed by the end of 2024 across Meyer Burger's three sites, with the produced PV modules to be split between the utility segment (approximately one-third) and the residential and small commercial segment (approximately two-thirds) (see "*—Expansion plans*").

Technology development

The Group is developing even more high-efficiency technologies, following a three-stage technology roadmap (see "*—Technology, research & development and intellectual property—Technology roadmap*"). The Group has already invested in the development of such technologies (*e.g.*, IBC cells as well as HJT-perovskite tandem cells). For example, Meyer Burger's research entities in Switzerland and Germany work in exclusive cooperation with the CSEM

(Swiss Center for Electronics and Microtechnology) in Neuchâtel, Switzerland. In several projects, CSEM is collaborating on the industrialization of Interdigitated Back Contact (IBC) technology based on Meyer Burger's heterojunction platform. In 2021, Meyer Burger spent CHF 23.0 million for research and development. Finally, through its in-house cell and module manufacturing business model, Meyer Burger also expects to be in a better position to monetize its expected future high-efficiency PV technology developments.

History

Legacy business model – equipment manufacturing

The Company's business goes back to the year 1953, when Meyer & Burger Ltd. was established with a focus on slicing machines for the watch jewel industry. In 2006, the shares of the Company were listed on the SIX Swiss Exchange. The following is a brief overview of some of the most significant milestones in the corporate history prior to the launch of the Indium Strategy (not including events relevant for the HJT/Smart Wire technology, which are key to the Indium Strategy and to Meyer Burger's current business model):

1953	Foundation Meyer & Burger Ltd. focusing on slicing machines for watch jewel industry
1954	Development of several types of slicing machines for brittle materials
1970	Entry into the semiconductor industry
1981	Entry into the solar industry
1995	Development of band saw for wafer mass production
1998	Launch of multi wire saw for semiconductor industry
2002	Launch of wafer cutting slurry multiwire saw for solar PV industry
2003	Market development: subsidiaries in China and Japan
2006	IPO on November 23, 2006 at SWX Swiss Exchange
2007	Acquisition of Hennecke Systems GmbH and AMB Apparatebau + Maschinenbau GmbH
2009	Acquisition of Diamond Wire Technology LLC
2010	Merger with 3S Industries Ltd, including acquisition of 3S Swiss Solar Systems Ltd (lamination), Somont GmbH (cell connection and cell soldering process) and Pasan SA (testing and measuring of PV cells and modules)
2011	Public tender and acquisition of a majority interest in Roth & Rau AG (today: Meyer Burger (Germany) GmbH), including acquisition of Muegge GmbH, OTB Netherlands (today: Meyer Burger (Netherlands) BV), AIS Automation Dresden GmbH, Ortner GmbH and Microsystems GmbH
	Launch of diamond multiwire saw for solar PV industry
2014	Breakthrough of MAiA/SiNA PERC cell technology
2015	Renaming of Meyer Burger's technology and product center in Hohenstein-Ernstthal (Saxony, Germany), Roth & Rau AG, in Meyer Burger (Germany) AG
	Muegge GmbH acquires microwave technology specialist Gerling Applied Engineering, Inc., United States
	Integration of Microsystems GmbH into Meyer Burger (Germany) AG
2016	Recapitalization program to strengthen the capital structure
	Integration of Somont GmbH's business into the technology center in Thun
2017	Start of Streamlining Program and related restructuring

	Sale of Diamond Wire Technology LLC to the Thermocompact Group, France
	Launch of the new MAiA PERC cell equipment: three process steps in a single machine
2018	Sale of the 3S energy systems business division back to the original owner
	Squeeze-out of minority shareholders of Meyer Burger (Germany) AG and conversion of legal form from Meyer Burger (Germany) AG to Meyer Burger (Germany) GmbH
2019	Sale of the wafering business division to Precision Surfacing Solutions (PSS)
	Sale of AIS Automation Dresden GmbH to S&T AG, Austria
	Sale of the Meyer Burger's real estate and building in Thun to Helvetica Swiss Commercial Fund
2020	Technology transfer of Hennecke GmbH's testing equipment to Meyer Burger (Germany) GmbH
	Sale of Meyer Burger (Netherlands) B.V. to Süss MicroTec SE
	Sale of microwave and plasma technology company Muegge GmbH and its subsidiary Gerling Applied Engineering to HQ Equita
	Establishment of Meyer Burger (Industries) GmbH
	Start of implementation of change in business model (see "*—History—The Indium Strategy and the cell and module manufacturing business model*")

HJT/SmartWire development and proof of concept

The following sets out Meyer Burger's most significant milestones in developing and proving its HJT and SmartWire technologies – which are most relevant to the Indium Strategy and Meyer Burger's current business model:

2008	Start of HJT development at Roth & Rau AG
2012	Acquisition of a portfolio of patents from Day4Energy Inc. relating to the SmartWire base technology
	Start of SmartWire Development at Meyer Burger, development of stringing tool
2013	Start of development of HJT bifacial technology and start of SmartWire module development for bifacial HJT cells
2014	Delivery of first SmartWire production line in the United States
2018	Sale of fully integrated HJT and SmartWire production line for mass production to a customer
2019	Launch of Meyer Burger's to date most powerful HJT-SmartWire PV module via customer production line
	Exclusive collaboration with Oxford PV to develop next generation HJT-perovskite tandem solar cells (see "*—Material contracts—The Oxford PV relationship*")

The Indium Strategy and the cell and module manufacturing business model

In 2020, as part of the Indium Strategy, the Group changed its business model from a technology and manufacturing equipment provider to a cell and module manufacturer with "captive" manufacturing equipment production:

June 2020	Announcement of the Indium Strategy and the CHF 165 million capital increase
July 2020	Successful conclusion of rights issue in conjunction with a PIPE tranche (Private Investment in Public Equity), totaling gross proceeds of CHF 165 million
	Start of the implementation of the Indium Strategy
	Acquisition and closing of rental agreement for the module and cell manufacturing facilities in

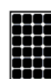
	Freiberg (Saxony, Germany), and Thalheim (city of Bitterfeld-Wolfen, Saxony-Anhalt, Germany), respectively
Aug. 2020	Sale of microwave and plasma technology company Muegge GmbH and its subsidiary Gerling Applied Engineering to HQ Equita, Germany
March 2021	Launch of Meyer Burger's rebranding as a premium consumer brand
April 2021	Public launch of Meyer Burger's initial high-performance HJT/SmartWire PV modules
May 2021	Opening of the Thalheim (city of Bitterfeld-Wolfen, Saxony-Anhalt, Germany) and Freiberg (Saxony, Germany) factories
June 2021	Entering into EUR 125 million syndicated loan agreement to finance further expansion of cell and module production capacity and a factoring facility for EUR 60 million
July 2021	Private placement of new shares, raising CHF 80 million, and placement of a EUR 145 million green convertible bond
	Completion of the Operational Restructuring program, resulting in the resizing and concentration of Meyer Burger's Asian service and sales organization
	Termination of collaboration agreement by Oxford PV
	Acquisition of technical solution for high-performance solar roof tiles from a German engineering service provider
	Achievement of mandatory IEC 61215 and IEC 61730 certifications for the initial PV module products
	Shipment of first modules to customers
December 2021	Announcement of approximately 400 MW nominal annual module production capacity expansion at the new Goodyear (Arizona, United States) site, expected to take aggregate nominal annual module manufacturing production capacity to approximately 1.4 GW
April 2022	Decision to site the full first approximately 1.4 GW nominal annual module production capacity in Freiberg (Saxony, Germany) due to global supply chain risks
August 2022	Announcement of signing of agreement with D. E. Shaw Renewable Investments (DESRI) for the long-term supply of 3.75 GW of modules or more, depending on certain options to be exercised by DESRI, to be manufactured at the Goodyear (Arizona, United States) site, with the Group's total nominal annual module production capacity to be expanded to approximately 3 GW

Products and services

Products and services overview

As part of the Indium Strategy, Meyer Burger has introduced high-performance PV modules using its proprietary HJT and SmartWire technologies (see "*—Technology, research & development and intellectual property—Current technologies*"). The Group is currently manufacturing three variants of a base product primarily intended for the use in residential and small commercial rooftop applications. The "Meyer Burger Black" module features a highly aesthetic all-black appearance, while the "Meyer Burger White" module provides slightly more nominal power. The "Meyer Burger Glass" is bifacial, meaning that light is also captured on the backside of the module. Due to the protective double glass layers, it is especially robust and is designed for high longevity even under harsh environmental conditions.

CURRENT MEYER BURGER PRODUCT PORTFOLIO

	Meyer Burger Black	Meyer Burger White	Meyer Burger Glass
			
Backsheet	Black (foil)	White (foil)	Transparent (glass)
Nominal power	375–395 W[1]	380–400 W[1]	370–390 W[1]
Efficiency	20.4%–21.5%[1]	20.7%–21.7%[1]	20.6%–21.8%[1]
Bifaciality factor	monofacial	monofacial	90%
Length x width	1767 x 1041 mm	1767 x 1041 mm	1722 x 1041 mm
Frame height	35 mm	35 mm	35 mm
Half cells	120	120	120
Weight	19.7 kg	19.7 kg	24.4 kg
Maximum voltage	1,000 V	1,000 V	1,500 V

Source: Meyer Burger.

[1] Envisaged maximum nominal power and maximum efficiency, respectively, per data sheet; actual modules currently being delivered may not reach the stated maximum power and efficiency.

The current generation of PV modules was introduced to the market in April 2021, with first customer shipments being made in July 2021. The modules use so-called M6 wafers with an edge length of 166 mm. This cell format allows for a relatively small module width and overall area, which is considered easier to handle by many residential installers compared to larger module formats. The modules are certified according to the mandatory IEC and UL (for the United States) standards IEC 61215:2016, IEC 61730:2016, UL 61730-1 and UL 61730-2. Certain additional customary certifications have been obtained or are in preparation.

At the Intersolar Europe trade show in May 2022, Meyer Burger announced its intention to introduce updated versions of the initial products with uniform physical dimensions across all three variants and improved conversion efficiency. The Group currently anticipates to perform this product update in the course of 2023.

Meyer Burger is currently finalizing the development of a utility-scale product, which is expected to be substantially larger than the current module generation. The utility-scale module is envisaged to be a bifacial glass–glass module optimized for the deployment in large-scale PV power plants, with STC-rated power of initially approximately 560 W. Initial delivery of the utility-scale module is envisaged in 2024 to supply volumes under the DESRI Agreement.

As reported in July 2021, Meyer Burger plans to complement its standard PV module offering with a solar tile solution, which allows customers to integrate PV in their roof in an aesthetically pleasing way, and has acquired related intellectual property. The acquired solar roof tile design has already been certified according to IEC 61215 and IEC 61730. Also, the tiles have already passed further roofing standard testing (*e.g.*, wind/rain test). The Group's management expects the first installation of the product in pilot projects still in 2022.

Meyer Burger provides industry-standard after-sales services to its PV module customers, including long-term product and performance warranties.

In addition to the PV module business, Meyer Burger still maintains a small presence in the PV equipment market for third parties with its Pasan subsidiary (see "*—Technology, research & development and intellectual property—Current technologies—Other technologies*" below). Also, the Group provides services to former and current PV production equipment customers (see "*—Manufacturing activities—Production equipment—Customer services in relation to production equipment*" below). In the first half of 2022, Meyer Burger's net sales in the PV modules segment amounted to CHF 42.2 million. In this period, the PV equipment and services segment contributed an additional CHF 14.5 million, which contained revenues for old orders being closed out and is therefore expected to decline in the future.

Market positioning, end customer benefits and value proposition of Meyer Burger's products

Compared to a standard silicon cell technology module based on PERC cells (see "*Industry Overview and Market Trends—Trends in the solar PV market—Technology trends*"), Meyer Burger believes that its HJT and SmartWire technologies increase lifetime energy production and/or lower system cost through a number of factors:

- The high efficiency of the modules leads to less overall module area and a lower need for racks and cables for the mounting of the modules, reducing cost.
- A lower performance drop at high operating temperatures substantially increases energy production under high insolation.
- A lower rate of annual performance degradation leads to higher energy production as the system ages.
- For standard bifacial PV modules, the backside of the module typically exhibits a substantially worse light conversion efficiency than the front side. With Meyer Burger's technology, this difference is much less pronounced, leading to overall more energy capture on the back side and thus higher energy production.

Meyer Burger is currently marketing its modules as premium products for the residential and small commercial market segment and has established a corresponding premium brand (see "*—Marketing and branding*"). In addition to the high performance and expected higher lifetime energy production of Meyer Burger modules compared to today's market standard, the Group's management believes that the products offer the following elements of a value proposition for end customers (also see "*Industry Overview and Market Trends—Relevant markets, demand drivers and market potential for Meyer Burger—Further value drivers not directly linked to technical performance*"):

- High product and workmanship quality, underlined by long-term product and performance warranties (guaranteeing lower annual degradation compared to typical PERC-based modules, *e.g.*, 92% of the initial performance warrantied after 25 years for the Group's glass–backsheet modules).
- Appealing aesthetics, as the cell metallization and SmartWire connecting wires appear unobtrusive, leading to an almost uniform black appearance of the module when viewed from a distance (in particular applicable to the Meyer Burger Black product).
- Highly innovative product, backed by Meyer Burger's strong R&D activities and IP portfolio (see "*—Technology, research & development and intellectual property—Intellectual property rights and know-how*").
- Modules and cells made in Germany (and, envisaged in the foreseeable future, modules made in the United States), which is a purchase criterion for many end customers both in Europe and the United States (see "*—Competitive strengths*").
- Sustainable product and production process (see "*—Products and services—Sustainability*").
- Premium brand with local field sales presence in the target markets and responsiveness in case of support requests (see "*—Marketing and branding*").

As a result of this differentiated value proposition, Meyer Burger is charging a substantial price premium for its products (also see "*Industry Overview and Market Trends—Relevant markets, demand drivers and market potential for Meyer Burger—Relevant market segments and typical purchasing criteria*").

The Group's management expects that many of the elements of the value proposition will also be valid for future products for application in large commercial/industrial rooftop and utility-scale applications currently under development. In addition, customers in the large commercial/industrial rooftop and utility-scale sectors are increasingly looking to diversify their supplier base away from the current almost exclusively Asian suppliers (see "*Industry Overview and Market Trends—Trends in the solar PV market—Supply-side developments*"), which management expects can be translated into a price premium for Meyer Burger's products. Overall, Meyer Burger expects the price premium over standard products in the sectors of large commercial/industrial rooftop as well as utility-scale systems to be lower compared to the residential sector, as customer purchasing decisions are driven more by economic factors (see "*Industry Overview and Market Trends—Relevant markets, demand drivers and market potential for Meyer Burger—*

Relevant market segments and typical purchasing criteria").

Sustainability

Meyer Burger generally strives to substantially surpass current industry practices in terms of sustainability to deliver a sustainably made product to its customers. The Group's production processes are particularly energy- and resource-efficient compared to current standard PERC cell and module production. This is evidenced by, inter alia, a study by Fraunhofer ISE that attests Meyer Burger PV modules to cause 24% lower (for glass-backsheet products Meyer Burger White and Black) or 36% lower (for the glass-glass product Meyer Burger Glass) carbon dioxide emissions per kWh produced compared to conventional standard modules produced in China (based on a lifecycle assessment). In particular, the Group sources silicon wafers made from low-carbon polysilicon such as polysilicon made by Wacker Chemie AG in Germany, which translates into an up to 42% lower part of the carbon dioxide footprint attributable to polysilicon production per kWh produced compared to a conventional standard module produced in China. Also, local production and short shipping routes save emissions compared to standard modules, which are typically shipped by sea from Asia, amounting to up to 88% carbon dioxide savings in transportation compared to modules sourced from Asia. Also, Meyer Burger has received an environmental protection grant from the German state of Saxony-Anhalt based on environmentally friendly production characteristics, in particular a lower use of solvents compared to conventional cell production processes. Specifically, Meyer Burger's HJT cell production process requiring significantly lower amounts of toxic chemical solvents compared to the production process of standard PERC cells. The Group is sourcing the electricity used at its current production sites from 100% renewable energy.

Compared to other HJT cell processes, Meyer Burger's SmartWire technology also has the potential to save up to 50% of silver paste (see "*—Technology, research & development and intellectual property—Current technologies—SmartWire module technology*"). The Group's modules do not contain any toxic lead and Meyer Burger offers some of the few PV modules in the market that would comply with the EU Restriction of Hazardous Substances in Electrical and Electronic Equipment (RoHS) law without requiring the currently applicable exemption for lead in PV modules. As such, the Group's management considers Meyer Burger's modules to be recyclable in the sense of a circular economy approach.

Furthermore, the polysilicon used in manufacturing the silicon wafers used by Meyer Burger are coming from traceable sources that adhere to certain ecological and social standards. In particular, Meyer Burger obtains guarantees from its wafer suppliers that they use polysilicon from sustainable sources and operate without using raw material from regions where forced labor practices are suspected to be prevailing (see "*Industry Overview and Market Trends—Relevant markets, demand drivers and market potential for Meyer Burger—Further value drivers not directly linked to technical performance*" and "*—Products and services—Market positioning, end customer benefits and value proposition of Meyer Burger's products*").

Customers, channels and sales regions

For an overview of the relevant market segments for Meyer Burger, see "*Industry Overview and Market Trends—Relevant markets, demand drivers and market potential for Meyer Burger—Relevant market segments and typical purchasing criteria*".

Module customers in the residential and small commercial segment

In the residential and small commercial segment, Meyer Burger mainly addresses end customers (households, retail businesses, etc.) in the premium market segment, in which end customers are willing to pay more for subjectively perceived performance, quality of modules, aesthetics and, increasingly, European-made components (see "*Industry Overview and Market Trends—Relevant markets, demand drivers and market potential for Meyer Burger—Relevant market segments and typical purchasing criteria*") indirectly via a three-tier sales approach, as further described below.

Meyer Burger's primary customers are distributors (tier 1; also called wholesalers or system integrators), who purchase modules from manufacturers in bulk and store them in regional warehouses. They repackage and resell modules

and other system components to installers (tier 2). The distributors assemble complete systems consisting of all components required to install a full system, including the modules, inverters, mounting system and small electrical parts, as well as in many cases batteries and wall boxes for the charging of electric vehicles. Depending on the installer's warehousing capabilities, the distributors deliver components in bulk to the installer or, in many cases, directly to the respective end customer (tier 3) construction site. Next to these demanding logistical services, distributors typically provide pre- and after-sales services and financial support for installers through terms of credit.

Installers are typically solar specialists, electricians or, less frequently, roofers or plumbing/heating specialists. They provide advice to end customers, design the system configuration, provide the end customer with an offer and eventually perform the mechanical and electrical installation of the PV system on the end customer's rooftop. As installers are typically the key party in influencing the end customer's purchasing decision and the choice of specific component brands, Meyer Burger seeks to engage installers directly through a regional field sales team, despite the contractual customer relationship being through a distributor. Distributors and installers are supported by Meyer Burger's inside sales team.

Only in selected cases, Meyer Burger is selling directly to very large installers and expects to also sell to solar leasing companies in the future, especially in the United States, where solar leasing companies are more common than in other regions.

Meyer Burger is selling its modules in selected European countries as well as the United States. European focus countries include Germany, Switzerland, Austria, the Benelux countries, France, Italy, Spain, Portugal, Poland and the UK, with a sales team in Northern Europe in preparation. Within the EU, Meyer Burger is taking advantage of the region's free movement of goods and services regime, while adapting to local customer structures and market dynamics, which vary from country to country. In the United States, which the Group started supplying in the second quarter of 2022, Meyer Burger is currently focusing on a selected number of states in the Southeast and Northwest, with an expansion of target states planned as the available volume increases. The Group currently has a sales, service marketing, business development and product management team related to the PV module business with a headcount of approximately 50 employees, achieving a broad international coverage. Meyer Burger has signed framework agreements with over 30 distributors, a mix of large multinational distributors and regional companies, including solar specialist distributors as well as electrical wholesalers (also see "*—Overview—Current performance*").

The Group intends to enter the Australian market in 2023, its large PV market size making it an attractive target region. Meanwhile, the timing of the market entry to Japan is currently still under review.

Module customers in the large commercial/industrial segment

Meyer Burger intends to grow its production capacity in the future. If and when sufficiently large volumes become available, the Group is planning to also sell certain volumes into the large commercial/industrial segment, which allows for higher scalability compared to the residential and small commercial segment, yet typically at higher sales prices compared to the utility-scale segment. Starting in the second quarter of 2022, the Group has been selectively pursuing projects of strategic relevance or marketing value in this segment, such as the 2.4 MW rooftop installation on the Europa Park Stadium for the German Bundesliga SC Freiburg soccer club (Freiburg, Baden-Wurttemberg, Germany), Meyer Burger intends to gradually address the large commercial/industrial segment through existing channels from the residential and small commercial segment (primarily targeting large installers and selected project developers), as well as through selected new customers active in the market segment.

Module customers in the utility segment

In the utility-scale segment, Meyer Burger aims to address end customers directly, with a focus on developers/operators of PV power plants, *e.g.*, utility companies, project developers and independent power producers ("**IPPs**"). As a further group, Meyer Burger aims to target engineering, procurement and construction ("**EPC**") companies, but with lower priority, since the Group's management believes that the technical and other competitive advantages of Meyer Burger's products are typically valued higher by the long-term owners of PV power plants. Customers in each of these

groups are typically procuring large quantities of modules for individual projects or a pipeline of projects (see "*Industry Overview and Market Trends—Relevant markets, demand drivers and market potential for Meyer Burger—Relevant market segments and typical purchasing criteria*").

Meyer Burger strives to establish a small number of long-term strategic offtake relationships with utility-scale customers in the United States and Europe and sell the majority of its volume earmarked for the utility-scale sector through such relationships. The agreement with DESRI (see "*—Expansion plans—U.S. capacity expansion and DESRI Agreement*") shall serve as a precedent case for potential future offtake relationships.

Due to the global scarcity of module supply and the desire of many utility-scale customers to diversify their supplier base and in particular to reduce the typically near-complete dependency on Chinese suppliers, Meyer Burger currently experiences a strong demand for the supply of utility-scale modules. In addition, the Group's management believes that strong policy incentives such as the advanced manufacturing tax credit pursuant to the Inflation Reduction Act in the United States will support the competitiveness of Meyer Burger's domestically manufactured modules in the future (see "*Industry Overview and Market Trends—Market drivers—Policy and government drivers*").

Because utility-scale projects are often predominantly debt-financed, module bankability is typically a prerequisite for customers in this segment. Through the relationship with strategic offtakers (*e.g.*, DESRI), Meyer Burger further expects to strengthen the bankability of its products. Additionally, the Group aims to achieve bankability rankings from independent institutions such as Bloomberg NEF by providing proof of reference projects with bank financing.

Marketing and branding

In March 2021, Meyer Burger executed a rebranding of its former B2B brand to a premium end-consumer brand. The new corporate design and marketing strategy was devised by the leading German marketing agency Jung von Matt as the Group's lead agency. The new brand represents high quality and performance, sustainability, and the Swiss/German origin of Meyer Burger. Meyer Burger is using the same brand for its presence across all market segments.

The Group has built a dedicated marketing department of currently seven team members, which is supporting the sales team operationally and at the same time working toward building the brand. To this end, the Group has developed a digital marketing campaign and is employing performance marketing approaches to reach target groups including installers and end customers in the respective target countries as efficiently and effectively as possible. The campaign has been rolled out through display ads, search engine ads as well as social media.

In addition to its digital marketing campaign, Meyer Burger is present at selected industry events and fairs and at customers' events.

Meyer Burger is currently planning to launch a partner program to increase brand loyalty among top installer customers.

Technology, research & development and intellectual property

Current technologies

HJT cell technology

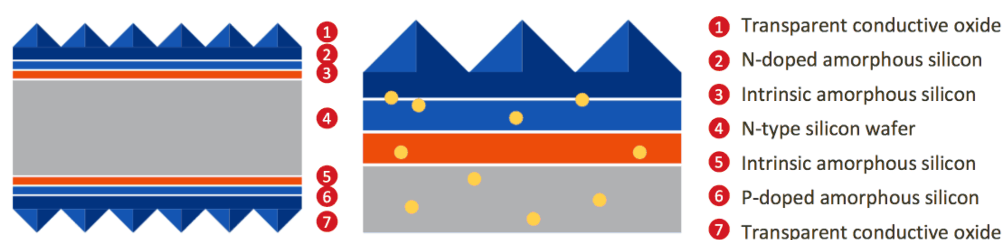
A HJT solar PV cell combines the advantages of two different cell technologies (crystalline silicon ("**c-Si**") and amorphous silicon ("**a-Si**")/thin film). As a result, HJT solar cells achieve higher efficiencies compared to mainstream cell technologies such as PERC. HJT cell production also follows a simplified process with only six steps, compared to PERC, which requires ten production steps – thus saving energy and requiring a smaller number of production tools. HJT manufacturing steps are further explained below:

- **1) Texturing**: Silicon wafers sourced from specialized suppliers undergo a cleaning process where surface stains and damage from cutting the wafers are completely removed. Furthermore, a special texture is created to increase the likelihood of reflected light bouncing back onto the cell's surface, rather than being lost to the surrounding environment.

- **2) Plasma-enhanced chemical vapor deposition ("PECVD") coating**: A key factor for producing high-efficiency HJT cells is the deposition of amorphous silicon ("a-Si") layers within the cell structure. These a-Si layers, together with the bulk silicon substrate, form the pn-junction that separates charge carriers under the influence of light. At the same time, the a-Si layers have high passivation characteristics, i.e., they prevent energy losses within the cell.
- **3) Physical vapor deposition ("PVD") coating**: A process called "sputtering" is used to apply a TCO (transparent conductive oxide) layer to the front and back of the wafer, which collects charge carriers and serves as an antireflection layer, increasing the light captured by the cell.
- **4) Printing**: Screen printing is used to print the contacts/fingers (thin metal grid on the cell surface that collects the current generated by the cell) on the front and back sides of wafers with silver paste.
- **5) Curing**: Curing printed HJT cells is a simple thermal process at temperatures of <250ºC to outgas the solvents within the low-temperature silver paste.
- **6) Testing/sorting**: The finished solar cell is inspected from a quality control and cell performance perspective. Cell performance is classified according to specific electrical parameters.

Meyer Burger is a pioneer and technology leader among equipment makers for HJT cells and modules and has sold and installed a total of more than 1 GW of production equipment at external customers' sites globally in the past. With the strategic change of its business model, the Group expects to install and commission, in total, another approximately 1 GW of production equipment capacity at its own manufacturing sites by the end of 2022, of which a first line with nominal annual production capacity of approximately 400 MW is currently operational and producing seven days per week and around the clock.[2] The Group has been working on the technology for more than a decade and operates, for R&D purposes, a 15 MW demonstration line at its German location in Hohenstein-Ernstthal (Saxony, Germany) as well as an R&D line for advanced process and product development at its Swiss location in Hauterive (Canton of Neuchâtel). The demonstration line in Hohenstein-Ernstthal shall help improving key process indicators for production lines such as tool throughput, efficiency and process yield. It can also be used to manufacture high-efficiency cells to feed module manufacturing lines while the corresponding cell line is still being ramped up and for certification purposes. The pilot line in Hauterive is being used, among other purposes, to develop next-generation solar cell concepts.

CROSS-SECTION OF A HJT SOLAR CELL



Source: Meyer Burger

Meyer Burger's technology is embodied in its key production equipment. The Group currently uses the High Efficiency Low-impurity Apparatus ("**HELiA®**") product line for PECVD and PVD deposition, which are at the heart of HJT cell manufacturing. Meyer Burger's PECVD tool is called "**HELiA$_{PECVD}$®**", while its PVD solution for TCO deposition is called "**HELiA$_{PVD}$®**".

HELiA$_{PECVD}$® uses a patented plasma reactor, called the "S-Cube", for the deposition of the a-Si layers. The technology enables homogenous deposition of the a-Si layers and high quality of passivation. Compared to other competitors, HELiA$_{PECVD}$® performs all deposition steps within a "closed cluster system", which means that different a-Si layers

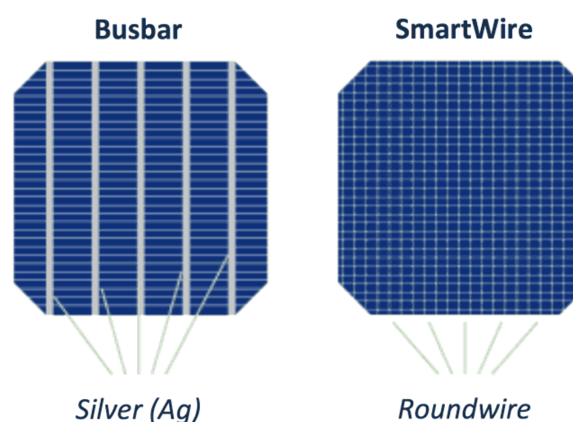
[2] As is customary in the PV industry, production equipment able to produce an annual output of x GW of PV cells or modules is referred to as "x GW of production equipment".

(with different electrical properties and roles within the cell) are handled separately. This prevents the unwanted mixing of the different a-Si layers and causes the different layers to be deposited onto the cell as designed, optimizing cell efficiency. Meanwhile, the sputtering system in the HELiA$_{PVD}$ tool allows the successive deposition of different TCO layers on the front and rear of the wafers without the need to turn the wafers between coating processes. Additionally, the use of cylindrical sputtering magnetrons improves the cost-effectiveness of the coating process.

SmartWire module technology

A key element of module manufacturing is interconnecting the solar cells in series and packing and laminating the cells within a number of polymer and glass layers to protect the module from the environment throughout its warranty life span of 25 years or more. For production equipment, interconnection, lamination and testing are key steps of module manufacturing, while the rest of the module line relates to handling and automation. With SmartWire, Meyer Burger is applying an innovative interconnection technology that accomplishes the interconnection in a way that is fundamentally different from conventional technologies, with a so-called wire foil assembly, which consists of thin wires coated with low melting point alloy embedded into a polymer foil. In traditional stringers, ribbons are mechanically soldered to the cells to interconnect them. In contrast, SmartWire initially makes the circuitry with a wire foil assembly while the final soldered contact is established in a lamination process.

SMARTWIRE TECHNOLOGY



Source: Meyer Burger

SmartWire features several advantages compared to common stringing equipment:

- Meyer Burger estimates that SmartWire has the potential to save up to 50% of silver paste in cell processing compared to other HJT cell processes. This is especially beneficial for HJT cell technology, which traditionally requires metallization on both sides of the cell and, without SmartWire, has a substantial cost disadvantage compared to non-HJT cells because of the need for large amounts of expensive low-temperature silver paste.
- The low-temperature processing employed by SmartWire makes it more compatible with temperature-sensitive PV technologies such as HJT, compared to traditional soldering techniques, which require higher processing temperatures.
- SmartWire completely eliminates the traditional busbar (metal strips running across the cells, collecting electric current from the fingers) and offers reliable contact formation as every finger is contacted with the wire foil without the need for precise alignment. This, besides the silver savings, is a unique benefit of SmartWire, resulting in lower resistive energy losses and lower degradation of the PV module's power over the lifespan of the product. Also, the wires cover a lower fraction of the cell compared to busbars, increasing overall light capture and hence module efficiency. Because the wires are round, they better reflect light at non-perpendicular incidence angles back onto the cell, improving energy yield of the module. These factors contribute to a SmartWire module outperforming other module technologies with regards to LCOE of the system and can

thus translate into a price premium for Meyer Burger (see "*—Products and services—Market positioning, end customer benefits and value proposition of Meyer Burger's products*").

- Thermal and mechanical stress on the cells is substantially reduced when compared to traditional soldering techniques. The Group's management believes that the longer performance guarantee offered for the Group's products, guaranteeing lower degradation than the current market standard, is justified by the intrinsically lower cell damage in production caused by the SmartWire cell connection technology, next to the careful choice of module materials including backsheets and sealants, which insulate the cells from environmental impacts.

Other technologies

Before being incorporated into a PV module, the performance of PV cells needs to be tested and even minimal deviations and damage must be detected. Meyer Burger offers advanced measurement technologies designed for the precision testing of the latest generation of solar cells. Meyer Burger's offering minimizes cell shading while catering for both an accurate and reproducible current-voltage measurement. It enables cells with a thickness of less than 120 µm (=0.12 millimeters) to be contacted.

Pasan SA, a wholly owned subsidiary of the Company, offers solar simulators for the optical and electrical characterization of the PV modules. These devices expose PV modules to controlled lighting conditions to mimic and test the effect of sunlight on the modules.

Technology roadmap

Meyer Burger plans to continuously improve the efficiency and energy yield of its PV cells and to reduce the output efficiency losses incurred from assembling cells into modules (so-called "cell-to-module losses"). The purpose of these ongoing improvement efforts is to enable the efficiency of future Meyer Burger modules to continue to exceed efficiencies of commercial HJT and mainstream PERC modules. According to a commissioned study prepared by Fraunhofer research institute as part of the preparation of the Indium Strategy in 2020, Meyer Burger had a three-year technological lead over mainstream PV module producers (Source: Fraunhofer Institute for Solar Energy Systems 2020). Meyer Burger expects that any further improvements from the technology roadmap would allow the Group to defend the technological leadership position and to potentially gain additional economic upside potential for the Group.

Meyer Burger's technology roadmap for its PV cell and module products consists of three stages, each developing increasingly more efficient cells and modules (see "*Risk Factors—Risks related to the Group's strategy and business—The Group is exposed to certain risks related to the Group's technological market position including the emergence of strong competitors with greater financial resources, similar or better technologies, the occurrence of which could weaken its competitiveness and viability to sell the anticipated volumes at expected prices, which could have a material adverse effect on the Group's business, financial condition, results of operations or prospects and result in the Company being unable to pay its debts, becoming insolvent and/or required to file for bankruptcy.*" for related risks).

Stages I and II

In the ongoing stage I of the envisioned technology roadmap, Meyer Burger expects to implement incremental improvements to its current production processes and products to enable higher module efficiency and power. Through a number of process improvements, the Group expects to further increase cell efficiency. Also, Meyer Burger intends to start employing larger wafer formats (the so-called M10 format of 182 mm x 182 mm) than currently used so-called M6 format of 166 mm x166 mm. Such larger cells are a prerequisite for the planned introduction of Meyer Burger's modules for use in utility-scale installations. The Group has already introduced the use of so-called cell "shingling" technology, which further reduces the module efficiency losses compared to non-"shingling" cell interconnection approaches and is considering its use for further products.

For a subsequent stage II, which the Group anticipates to commercially start in 2024, the Group is exploring combining its HJT cell technology with interdigitated back contact (IBC) cell technology, which promises to further increase cell efficiency. On the module technology side, this may potentially be complemented by the use of specifically adapted SmartWire technology as well as half-cell IBC module design to further increase module efficiency. An IBC technology proof-of-concept has already been established using lab-size SmartWire module, resulting in a 24.7% aperture efficiency, as externally confirmed in February 2021 by the Institute for Solar Energy Research in Hamelin (ISFH) in Germany. A prototype of a full-size 60 cell module using this technology was built in May 2021. The Group's management currently expects to eventually reach a commercial full-size module efficiency of larger than 23% in mass manufacturing resulting from its R&D efforts on IBC.

Stage III

In a contemplated stage III, which is expected to commercially begin toward the end of this decade, Meyer Burger aims to boost cell efficiency further through the development of a stacked dual ("tandem") HJT cell with a so-called perovskite top cell. The resulting cell is thus called an **HJT-perovskite tandem** cell.

Perovskites are a novel semiconductor material for making solar cells that has shown to be promising in research cells. Such tandem devices use the higher-energy blue part of the solar spectrum more effectively than a single silicon solar cell could alone, allowing to break through the physical efficiency boundary of traditional single-junction silicon-based solar cells. Perovskite tandem solar cells are viewed by leading solar research institutes as the next generation in solar cell technology, as this solution is expected to enable a further performance increase of solar PV technologies (Source: NREL 2022).

In March 2019, Meyer Burger entered into a strategic partnership and exclusive collaboration agreement with Oxford Photovoltaics Limited ("**Oxford PV**"), a technology leader for high-efficiency silicon-perovskite tandem solar cells, to jointly develop certified HJT/perovskite modules based on industrialized processes and the respective equipment for large-volume manufacturing (see also "*—Material contracts—The Oxford PV relationship*"). With the aim of accelerating the industrialization of the HJT-perovskite tandem cell technology, Meyer Burger and Oxford PV had agreed to combine Meyer Burger's leading HJT and SmartWire cell connection technology with Oxford PV's perovskite solar cell technology. The Company took a stake in Oxford PV's share capital and became its largest shareholder in March 2019. However, Oxford PV terminated the existing joint collaboration agreement with Meyer Burger in July 2021. As a consequence, Meyer Burger no longer envisages potentially adopting Oxford PV's base technology or using its intellectual property in the future. Because the development of perovskite tandem cells/modules remains an important part of Meyer Burger's roadmap, the company has already established research collaboration relationships with other globally leading PV research institutes (see "*—Technology, research & development and intellectual property—Research and development (R&D) process*").

In this stage III of the technology roadmap, perovskite tandem cells may be complemented by yet another generation of SmartWire technology, which aims to address longevity challenges of perovskite solar cells and modules still to be resolved. The Group currently estimates that it could bring commercial PV modules with HJT-perovskite tandem technology to the market at the earliest toward the end of this decade.

Research and development (R&D) process

To continuously strengthen its market position, Meyer Burger invests in research and development as part of its core strategy. The Group invested CHF 23.0 million in research and development in 2021 and has a research and development team of 163 as of August 31, 2022. With the anticipated growth of Meyer Burger's business, the Group plans to increase R&D investments in the coming years. Research and development costs are not capitalized in the balance sheet but instead recognized as expenses in the income statement.

Meyer Burger regularly works with external R&D organizations, including leading institutes and universities including CSEM Switzerland (regarding HJT and perovskite tandem cells), Fraunhofer Germany (regarding SmartWire modules), HZB Berlin, Germany (perovskite tandem cells) and others.

For the purposes of certifying future products, the Group works with reputable service providers including VDE Renewables and Fraunhofer ISE. In addition, the Group has established its own module test laboratory in Freiberg (Saxony, Germany) certified by VDE Renewables, which allows the Group to accelerate testing and development cycles and to save costs for external tests. See also "*Risk Factors—Risks related to the Group's strategy and business—The Group's failure to further improve its technology per its R&D roadmap and to develop and introduce new innovative PV products could render its products less competitive or obsolete, and reduce the Group's profit margins, sales and market share, each of which, individually or in the aggregate, could have a material adverse effect on the Group's business, financial condition, results of operations or prospects.*".

Intellectual property rights and know-how

Meyer Burger depends on its intellectual property rights and vast technological knowledge for its business activities.

As of the date of this Prospectus, the Group has 326 granted patents, 148 pending patents and 18 utility models. The Group's patents relate in particular to the area of solar cell coating and solar cell and PV module technologies. The Group's strategy is to protect its own IP rights, while striving to avoid violating any third-party rights. Meyer Burger plans to achieve this through filing relevant patent applications and regular patent monitoring. The Group aims to employ this strategy for all subsidiaries now and in the future and to focus on relevant technologies that are essential to maintaining technology leadership and the ability to quickly respond to new market demands in the future. However, some of the Group's know-how cannot be patented and for confidentiality and other reasons, the Group elects not to file for patent protection for all of its technological know-how. The Group plans to secure technology know-how that cannot be patented, or that it elects not to patent, by means of non-disclosure agreements and other agreements pertaining to the protection of intellectual property rights. These agreements are made with its employees (within the framework of employment contracts), research and project partners, as well as customers.

Several company and product names, including Meyer Burger, Pasan, SWCT® (SmartWire) as well as other brands used by the Group are also registered as trademarks.

The SmartWire technology, which is one of the key enablers of the new business model, is not only proprietary but also currently protected to a large degree, by intellectual property rights, with the relevant base patent due to expire in August 2023. While the Group believes that it holds certain additional patents that still protect important details of the SmartWire technology and that such additional patents can be extended until November 2035 and, in some cases, April 2037 in certain relevant countries, it cannot be excluded that such additional patents will fail to offer the expected protection or that competitors can develop equivalent or similar solutions to the Group's SmartWire technology and may therefore reduce the current technical competitive advantage of the Group in the field of cell interconnection technologies. Additionally, Meyer Burger's "captive" Indium Strategy business model introduces an additional layer of protection by reducing the risk of technology leakage to competitors and technology theft. See "*Risk Factors—Risks related to the Group's strategy and business—Limited protection of intellectual property rights may lead to competitors copying the Group's know-how without having to incur expenses, which could have a material adverse effect on the Group's business, financial condition or results of operations and prospects.*"

Although the Group has adopted and implemented customary measures to protect its intellectually property rights as set out above, there is no guarantee that intellectual property rights can be protected to the degree required or useful in each relevant jurisdiction, or that material know-how can effectively be prevented from being disclosed to or accessed by unauthorized parties. The Group has suffered infringements of its IP rights in the past and may face further infringements in the future. See "*Risk Factors—Risks related to the Group's strategy and business—The Group may be affected by leakage of its technology and intellectual property or otherwise fail to protect its technology and intellectual property, and these my become obsolete or superseded, each of which could have a material adverse effect on the Group's business, financial condition or results of operations and prospects.*".

Manufacturing activities

Production equipment

Production equipment manufacturing

As part of the "captive" business model under the Indium Strategy, Meyer Burger is developing and manufacturing production equipment systems solely for the use in its own cell and module factories, with the exception of cell and module testing solutions supplied by subsidiary Pasan for use by Meyer Burger as well as outside customers.

As part of the implementation of the Indium Strategy, Meyer Burger ceased to manufacture and market its previous main product, the MAiA® equipment family for PERC solar cells, as well as the CAiA® equipment family, a solution for an add-on upgrade to its PERC solutions for TOPCon solar cells.

The manufacturing equipment currently developed and manufactured by the Group include:

- two types of key deposition tools for HJT processing: HELiAPECVD® for core layer deposition, and HELiAPVD® for TCO deposition (see "*—Technology, research & development and intellectual property—Current technologies—HJT cell technology*");
- equipment and solutions for its SmartWire product (see "*—Technology, research & development and intellectual property—Current technologies—SmartWire module technology*");
- a metallization curing oven called CALiPSO®. The tool employs a ceramic roller transport system, which is metal-free and enables precise temperature control, and is specially tuned for HJT processing;
- wafering inspection systems; and
- cell and module testing solutions (also marketed to outside customers under the Pasan brand).

Historically, the Group has also marketed key processing tools for HJT solar cells as well as the SmartWire cell interconnection technology for module making to third parties. As part of the Indium Strategy, the Group is supplying such equipment exclusively to its own cell and module manufacturing lines.

Customer services in relation to production equipment

Meyer Burger's equipment offering and technology portfolio is complemented with Meyer Burger's service offering. Services provided include maintenance, upgrades and spare and wear parts sales, primarily offered to legacy customers, as well as to customers of Pasan test equipment. Meyer Burger has continued serving its existing legacy customers with after-sales support even after the implementation of the Indium Strategy, but has restructured and resized the corresponding departments and sites under the Operational Restructuring (see *"—The Group's history, business model and markets—The Indium Strategy – strategic transformation to a PV cell and module manufacturer*").

Meyer Burger's service team provides support in the ramp-up of the Group's own cell and module factories.

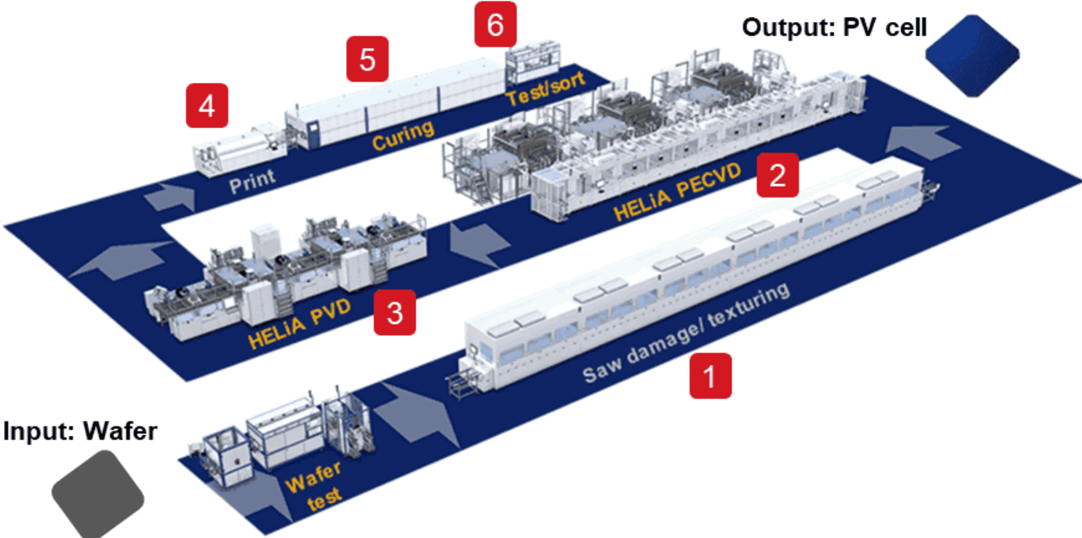
As announced on July 26, 2021, as part of the Operational Restructuring, the Group concentrated the Asian sales and service activities of its subsidiary Pasan in Shanghai, China and the residual service activities for Asian legacy manufacturing equipment customers in Singapore. Services for legacy customers in Europe and the United States continue to be provided from Meyer Burger's European and U.S. locations.

Cell manufacturing

Cell and module manufacturing forms the core of Meyer Burger's activities since the completion of the Indium Strategy business model transformation in 2021. In July 2021, the first approximately 400 MW nominal annual cell production capacity was brought online at the Group's production facility in Thalheim (city of Bitterfeld-Wolfen, Saxony-Anhalt, Germany) (see "*—Sites—Current and envisaged sites for PV cell and module manufacturing*"). Through the currently ongoing expansion at the Thalheim site, the Group expects to reach a total approximately 1 GW of nominal annual cell manufacturing capacity by year end 2022 and, in a further expansion step, approximately 1.4 GW of

nominal annual capacity by the end of 2023. The Group plans to further expand its capacities by adding additional equipment at the Thalheim site to reach a nominal annual cell manufacturing capacity of approximately 3 GW by the end of 2024, with the additional cell volume intended to supply the envisaged Goodyear (Arizona, United States) module manufacturing site.

LAYOUT OF MEYER BURGER'S HJT CELL PRODUCTION LINE



Source: Meyer Burger

Meyer Burger's HJT cell production process comprises six key steps (see "*—Technology, research & development and intellectual property—Current technologies—HJT cell technology*"): 1) Wet chemical process for cleaning/texturing of wafers to remove surface stains and damage from wafer cutting and to apply a special texture to reduce reflection; 2) PECVD coating including the deposition of amorphous silicon ("a-Si") layers; 3) PVD coating to apply a transparent conductive oxide (TCO) layer to the front and back of the wafer; 4) printing electrical contacts onto cells; 5) curing printed cells at temperatures of <250ºC; and 6) testing and binning cells by certain electrical parameters.

The cell manufacturing technology is a key driver for the Group's competitiveness and is largely based on proprietary production equipment including the wafer inspection module, the PECVD coater, the PVD coater, curing ovens, post-treatment modules, inline quality measurement equipment and the cell tester. Certain standard tools and equipment such as the wet bench tool for wafer cleaning and texturing as well as transport and handling systems are sourced from outside suppliers.

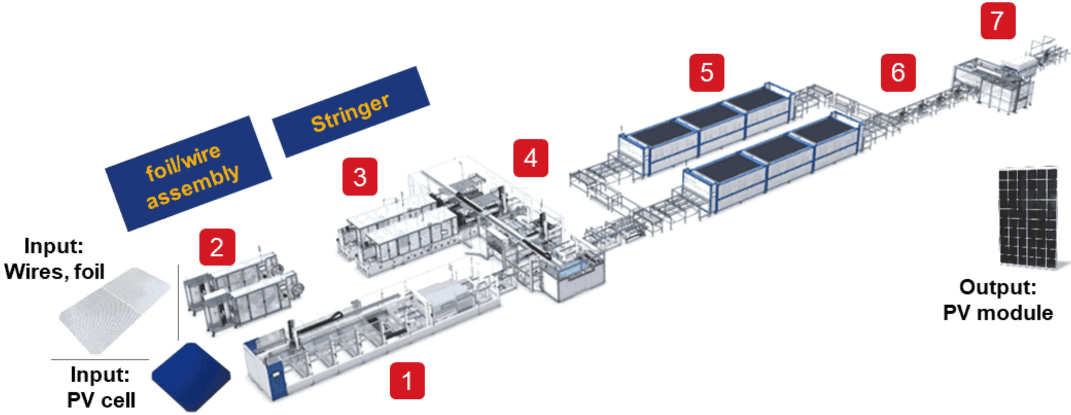
Module manufacturing

Manufacturing of PV modules is the second core part of Meyer Burger's manufacturing activities. In July 2021, Meyer Burger brought online approximately 400 MW nominal annual module production capacity at its Freiberg (Saxony, Germany) site (see "*—Sites—Current and envisaged sites for PV cell and module manufacturing*"). The line produces all three of Meyer Burger's module product variants (black, white, glass) for the residential and small commercial market segment. Through the currently ongoing expansion at the Freiberg site, the Group expects to reach a total of approximately 1 GW of nominal annual module manufacturing capacity by year end 2022 and, in a further expansion step, approximately 1.4 GW of nominal annual capacity by the end of 2023.

Meyer Burger pursues a general strategy to locate module manufacturing sites in regional proximity to customer demand. Therefore, in order to serve the U.S. market, the Group intends to set up an additional nominal annual production capacity of approximately 1.6 GW at its Goodyear (Arizona, United States) site (see "*—Sites—Current and envisaged sites for PV cell and module manufacturing*) This factory is intended to serve demand from the DESRI Agreement (see "*—Expansion plans—U.S. capacity expansion and DESRI Agreement*"), by producing approximately

1 GW of PV modules annually specifically designed for use in utility-scale applications, as well as another approximately 0.6 GW annually of modules for residential and small commercial applications. See timeline on expansion plan in "—*Expansion plans*".

LAYOUT OF MEYER BURGER'S SMARTWIRE PV MODULE PRODUCTION LINE



Source: Meyer Burger

Meyer Burger's SmartWire module production process comprises seven key steps (see "—*Technology, research & development and intellectual property—Current technologies—SmartWire module technology*"): 1) the glass is washed and automatically loaded onto the production line; 2) foils and wires are connected to form the foil–wire electrode; 3) cells are linked with the foil–wire electrode to form a string; 4) strings are positioned on the glass and encapsulant to form a matrix; 5) cell, front glass, encapsulant layers and backsheet are laminated under the application of heat, pressure and a vacuum; 6) sockets ("junction boxes") are attached to the module; and 7) the performance of each module is tested, modules are sorted by power and packed for shipping. The process chain contains two proprietary Meyer Burger production tools that are key to produce SWCT modules, the roll-to-roll unit and the stringer. Other tools are sourced from outside vendors.

Expansion plans

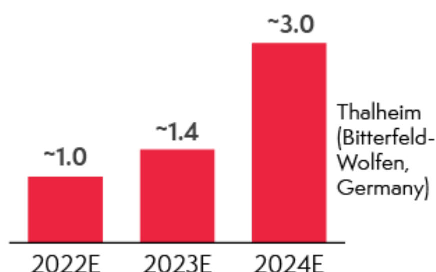
Overview

In addition to the currently operating approximately 400 MW of nominal annual cell and module production capacity in Germany and the currently ongoing expansion to approximately 1 GW nominal annual production capacity in Germany, the group plans to expand its total nominal cell and module production capacity to approximately 3 GW nominal annual production capacity by end of 2024. This is planned to be achieved by increasing nominal annual module production capacity in the Freiberg (Saxony, Germany) site to approximately 1.4 GW by the end 2023 and by ramping up the module production in the Goodyear (Arizona, United States) site to approximately 1.6 GW nominal annual production within 2024. The Group plans to expand the cell manufacturing capacity in Thalheim (city of Bitterfeld-Wolfen, Saxony-Anhalt, Germany) accordingly to match the envisaged module production capacity of the two sites in Freiberg (Saxony, Germany) and Goodyear (Arizona, United States). To this end, the Group has signed a long-term lease agreement for an additional facility in Thalheim (see"—*Sites—Current and envisaged sites for PV cell and module manufacturing*").

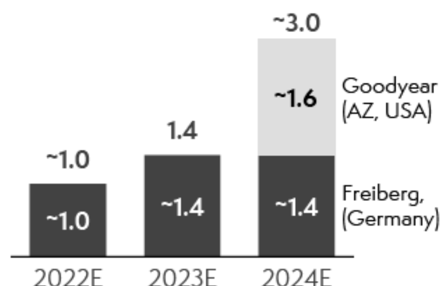
Cell and module production

Planned installed nominal annual capacity, end of year [GW, approximately][1]

Cell production



Module production



Source: Meyer Burger 2022

[1] "Nominal annual capacity" is theoretical output (measured in GW of cell/module power) that a manufacturing line could produce over the course of one year if run at full utilization. During the ramp-up period, actual output may be lower.

U.S. capacity expansion and DESRI Agreement

In September 2021, Meyer Burger announced that it would develop a 400 MW nominal annual module production capacity module manufacturing facility in the United States, with the stated aim for the new factory to be operational by the end of 2022. This decision was taken due to favorable market conditions, growth opportunities and significant policy support in the United States. Also, this strategy is in line with the Group's commitments to produce solar modules near end customers, source materials from regional suppliers and improve overall sustainability by reducing transportation emissions and optimizing the carbon footprint of Meyer Burger's solar modules.

In December 2021, the Group announced that it had signed a lease agreement for the Goodyear (Arizona, United States) facility (see "*—Sites—Current and envisaged sites for PV cell and module manufacturing*"). In April 2022, Meyer Burger announced that due to ongoing difficulties with global supply chains introducing additional risks for the timely delivery of the equipment at the Goodyear (Arizona, United States) site, it would initially develop the 400 MW nominal annual module production capacity expansion at the Freiberg (Saxony, Germany), location instead. The Group envisages to ship the modules produced with this capacity expansion to residential and small commercial customers in the United States, at least until a corresponding production capacity is established in the United States.

In August 2022, the Group's U.S. entity Meyer Burger (Americas) Ltd. ("**MBA**") entered into an agreement with DESRI's subsidiary DESRI Procurement, LLC ("**DESRI Procurement**"), the terms and conditions of which were subsequently further detailed, that provides for the supply by Meyer Burger of approximately 3.75 GW or more, depending on certain options exercised by DESRI as described below, of solar modules for use in DESRI's large-scale PV projects (the "**DESRI Agreement**").

The DESRI Agreement covers a minimum aggregate volume of supply of 3.75 GW of PV modules for use in utility-scale PV projects to be manufactured at the Group's Goodyear (Arizona, United States) site over an approximately 5-year span starting in 2024. The DESRI Agreement allows for a certain ramp-up period for the Group's manufacturing facilities starting in 2024 and foresees annual minimum and target volumes. DESRI Procurement has the unilateral option to extend the aggregate volume to 5 GW and has a right of first refusal for further volumes after the envisaged supply period. DESRI Procurement may designate other buyers, including special purpose vehicles (SPV) launched by DESRI to purchase portions or all of the agreed volumes. DESRI Procurement has the right to terminate the DESRI Agreement if the Offering fails, subject to certain curing provisions in case the Group arranges alternative financing within a certain time frame. Further, the DESRI Agreement includes customary provisions in case MBA fails to deliver the agreed volumes of PV modules in a timely manner or at all, including certain liquidated damages to be paid by

MBA, damages for the procurement of substitution volumes by DESRI Procurement and ultimately the right of termination for DESRI Procurement. Conversely, the DESRI Agreement also stipulates certain consequences in case of DESRI Procurement's failure to order, take off or pay agreed volumes, including interest payments, damages in relation to MBA's efforts to sell the affected modules to other customers and ultimately the right of termination for MBA. The DESRI Agreement is governed by the laws of New York, United States. The Company has issued and is required to issue for each order a parent guarantee for the fulfilment of the contractual obligations of MBA under the DESRI Agreement and the relevant order sheet.

Before PV modules under the DESRI Agreement will be actually sold and purchased, certain steps and milestones need to be achieved by one or both of the parties to the DESRI Agreement. These include, but are not limited to an obligation to cooperate in good faith to finalize, no later than November 28, 2022, a final form order sheet including the form of Meyer Burger's warranty and certain other aspects, as well as the development by Meyer Burger of a milestone schedule and master plan. Should any such steps or milestones not be completed within the required timeframes, this, like any other failure on the part of the Group to perform the obligations under the DESRI Agreement, could ultimately lead to a termination of the DESRI Agreement by DESRI (see also "*Risk Factors—Risks related to the Group's strategy and business—Failure on the Group's part to timely deliver PV modules in the required quantities and qualities to DESRI, achieve the milestones or other interim steps required to be completed under the DESRI Agreement, any deterioration or termination of the relationship between the Group and DESRI or any deterioration in the financial condition of DESRI could materially adversely affect the Group's business operations, financial condition, results of operations or prospects and potentially ultimately result in the Company being required to file for bankruptcy.*")

Under the DESRI Agreement, pricing of the PV modules is fixed (on a per-Watt basis) with an adjustment for wafer prices, as measured by the cost of wafers procured by the Group. By virtue of this pricing mechanism, the Group does not need to pass on productivity or technological gains to DESRI through price decreases, but faces the potential risk of inflation of non-wafer costs (see "*Risk Factors—Risks related to the Group's strategy and business—Failure on the Group's part to timely deliver PV modules in the required quantities and qualities to DESRI, achieve the milestones or other interim steps required to be completed under the DESRI Agreement, any deterioration or termination of the relationship between the Group and DESRI or any deterioration in the financial condition of DESRI could materially adversely affect the Group's business operations, financial condition, results of operations or prospects and potentially ultimately result in the Company being required to file for bankruptcy.*"). Further, DESRI Procurement has, subject to certain conditions undertaken to make, or cause the relevant buyer to make, substantial recurring annual down payments following DESRI's confirmation of the annual order.

To produce the volumes to be delivered to DESRI and to further satisfy U.S. demand, the Group plans to further expand its capacities by adding new equipment to reach a nominal annual cell and module production capacity of approximately 3 GW by end of 2024. Specifically, the Group is planning to ramp up the production capacity at the site in Goodyear (Arizona, United States) to approximately 1 GW nominal annual capacity for production of utility modules in connection with the contract with DESRI as well as an additional approximately 0.6 GW nominal annual module production capacity for the U.S. rooftop and small commercial segment. Thus, the envisaged maximum capacity of the Goodyear facility of approximately 1.6 GW nominal annual production of modules is expected to be fully utilized after the conclusion of the planned expansion. The Goodyear facility is planned to source its cells from the Thalheim (city of Bitterfeld-Wolfen, Saxony-Anhalt, Germany) site, whose solar cell production is planned to be expanded to accommodate the additional demand from the Goodyear module production facility with approximately 1.6 GW nominal annual capacity, thereby reaching an expected approximately 3 GW overall cell production capacity.

The expansion of the Goodyear (Arizona, United States) and Thalheim (city of Bitterfeld-Wolfen, Saxony-Anhalt, Germany) sites and the subsequent delivery of modules under the DESRI Agreement is subject to various risks (see "*Risk Factors—Risks related to the Group's strategy and business—Failure on the Group's part to timely deliver PV modules in the required quantities and qualities to DESRI, achieve the milestones or other interim steps required to be completed under the DESRI Agreement, any deterioration or termination of the relationship between the Group and DESRI or any deterioration in the financial condition of DESRI could materially adversely affect the Group's business operations, financial condition, results of operations or prospects and potentially ultimately result in the*

Company being required to file for bankruptcy.").

With the U.S. market entry, Meyer Burger is also planning to enter the utility segment with the commercialization of a new utility PV module product, for use in DESRI's utility-scale PV projects (see "*—Products and services—Products and services overview*"). This product with similar in-principle design features to currently produced modules for the residential rooftop sector, is envisaged to have certain new features including larger cells (using M10 format wafers of 182 mm x182 mm) than currently being used (based on M6 format wafers of 166 mm x166 mm) and a larger module format. As part of the overall development and product introduction cycle, the Group plans to build test and sample modules including the larger M10 cells produced at its Hohenstein-Ernstthal (Saxony, Germany) pilot manufacturing line. The Group then further intends to have such modules undergo various tests including required tests for required product certifications, including UL/IEC 61215 and UL/IEC 61730 and others in order for the modules to achieve certification by certain dates to be agreed with DESRI. Further, under the DESRI Agreement, MBA has agreed to certain customary requirements for quality assurance and control, including in respect of the relevant facilities, with modules not meeting these requirements not being eligible for selling under the DESRI Agreement.

The measures signed into law by President Joe Biden via the Inflation Reduction Act on August 16, 2022 (see "*Industry Overview and Market Trends—Market drivers—Policy and government drivers*") provide significant financial support in form of a tax credit for the manufacturing of components along the solar value chain in the United States. Meyer Burger currently expects to benefit from such tax credit with its envisaged module production in the United States. A portion of the tax credits received, if any, is expected to be passed on to the Group's customers in the form of price reductions for its PV modules manufactured in the United States, or other mechanisms.

Further capacity expansion

The PV market in Meyer Burger's core markets Europe and United States is rapidly growing (see "*Industry Overview and Market Trends—Growing demand for solar PV power*"), there is strong support from customers and policy makers for local manufacturing in the United States and Europe (see "*Industry Overview and Market Trends—Market drivers—Policy and government drivers*"), and the demand for Meyer Burger's high-performance products has been robust following the market introduction. Against this positive backdrop, Meyer Burger is exploring options to further scale production capacity beyond the approximately 3 GW nominal annual production capacity currently planned in the short-term. The realization and timing of such further capacity expansion may depend, inter alia, on the interest of strategic customers in an offtake of Meyer Burger's products, the state of the relevant supply chains, the extent of policy support in target jurisdictions and the availability of financing.

Suppliers

Supply chain for PV cell and module manufacturing

The Group has a broad set of suppliers. In addition to mechanical and electrical component suppliers for the manufacturing equipment not sourced in-house, Meyer Burger has suppliers for PV cell and module materials and components, most of which are based in Europe and Asia. The Group strives to source materials locally (from Europe and, in the case of U.S. manufacturing, from the United States) when available and economically viable. The Group generally employs a multi-sourcing strategy to diversify supply chain risks (also see "*Risk Factors—Risks related to the Group's strategy and business—The operations of the Group depend on suppliers. The materialization of supply chain risks could have a material adverse effect on the Group's business, financial condition, results of operations or prospects.*").

PV cell / module component	Procurement strategy
Wafer	Critical component; diversify among Chinese suppliers; small volumes can also be procured from few remaining European suppliers; seek further diversification through strategic initiatives with non-Chinese suppliers

Glass	Critical component; diversify among European and Asian suppliers
Frame	A range of suitable European and Asian suppliers are available
Back sheet	A range of suitable European and Asian suppliers are available
Encapsulant	A range of suitable European and Asian suppliers are available

Suppliers for production equipment manufacturing

For its own in-house production equipment manufacturing, the Group mainly purchases mechanical and electrical components from third-party suppliers. The Group strives to be capable of switching to alternative suppliers for each component. Accordingly, as a rule, the Group has more than one supplier for most materials and components. Additional production equipment not manufactured by Meyer Burger itself is procured from outside equipment vendors, primarily from Europe.

Management of supply chain risks

The COVID-19 Pandemic triggered a Global Supply Chain Crisis, which has been further exacerbated by the Russian invasion of Ukraine and the ensuing ripple effects through supply chains. Global supply chains have not proven to be resilient, with many materials and components not being available or only with exorbitant lead times and/or significantly higher costs (also see "*Risk Factors—Risks related to the Group's strategy and business—The operations of the Group depend on suppliers. The materialization of supply chain risks could have a material adverse effect on the Group's business, financial condition, results of operations or prospects.*"). The Group is generally pursuing a multi-sourcing strategy for most materials and components, which shall allow Meyer Burger to mitigate risks to a certain extent (also see "*Risk Factors—Risks related to the Group's strategy and business—The operations of the Group depend on suppliers. The materialization of supply chain risks could have a material adverse effect on the Group's business, financial condition, results of operations or prospects.*"). Further mitigation measures include the increase of inventory of raw materials, at the cost of higher working capital. Also, the time required from equipment orders to factory commissioning has been prolonged substantially as a result of the Global Supply Chain Crisis. Semiconductors and electronic parts and devices have been particularly hard-hit by the Global Supply Chain Crisis, which has and is expected to further affect the availability and lead times for critical equipment of the Group's factories.

To broaden the Group's European and U.S. supplier base, Meyer Burger is working strategically with selected suppliers to enable them to design appropriate products and materials and to establish or re-establish local production, which Meyer Burger expects to further diversify its supply chains (see "*Industry Overview and Market Trends—Relevant markets, demand drivers and market potential for Meyer Burger—Further value drivers not directly linked to technical performance*"). For example, Meyer Burger has recently signed its first European wafer supply contract with the Norwegian manufacturer Norwegian Crystals.

Employees

General HR strategy

Faced with challenging situations over the recent years and major transformations and reorganizations affecting its employees, Meyer Burger remains convinced of the importance of investing in committed and accountable employees. The Group not only invests in its employees but also recognizes the importance of a continuous succession and talent management planning. In order to secure the next generation of skilled workers, the Group is also committed to offer internships and apprenticeships to promising young talent. As unemployment rates in the areas where the Group's sites are located continue to be low, the recruitment of additional qualified personnel for certain positions is challenging (also see "*Risk Factors—Risks related to the Group's strategy and business—The Group may fail to hire, employ and retain skilled workforce, or management and/or key personnel may unexpectedly leave the Company or become otherwise unavailable or incapacitated, which could have a material adverse effect on the Group's business, financial condition, results of operations or prospects.*"). Meyer Burger seeks to partially mitigate this challenge by training

existing employees to enable them to take higher-skilled positions.

As part of mitigation measures against the spread of the COVID-19 disease taken in 2020, the Group put in place a working-from-home ("**WFH**") policy, which was mandatory and applied to the extent WFH is possible. While the mandatory policy has been lifted in the meantime, Meyer Burger continues to allow flexible WFH arrangements depending on the requirements of the respective positions (*e.g.*, some positions in manufacturing require onsite presence).

Headcount

As part of the Organizational Restructuring and earlier streamlining activities, the Group's number of employees decreased significantly in the course of 2020 and continuing into 2021.

Beginning in 2021, Meyer Burger hired the new operations teams to run the new cell and module factories. The factories are running in a 24/7 mode. The shift model is adapted to local standards and typical employee preferences. At the German cell and module manufacturing sites, the Group is operating under a five-shift model. The operations headcounts are expected to continue growing in the short-term as the company is currently commissioning new manufacturing capacities.

Prior to the ramp-up of module manufacturing, beginning in early 2021, Meyer Burger started building its new commercial functions related to the sales of PV modules (sales, marketing, product management and business development). The sales function is organized into a field sales team, whose members are located in the Group's respective target markets, and two inside sales teams for Europe and the United States, respectively.

Due to the build-up of the new operations and commercial teams, the number of employees has almost doubled since the completion of the Organizational Restructuring in 2021. The following table sets out the number of full-time equivalents ("FTEs") employed by Meyer Burger as of the dates indicated:

	August 31, 2022	**December 31, 2021**	**December 31, 2020**	**December 31, 2019**
Total FTEs	943	789	548	805
Operations	584	444	185	304
Research & development	163	170	162	213
Sales & services	77	87	126	189
Finance & administration	119	88	75	99

Hiring strategy

The hiring of new employees has been one of the key challenges for Meyer Burger in the past two years and continues to be a major area of focus as the Group continues growing and expanding its manufacturing capacity. Owing to low unemployment rates and the scarcity of available qualified personnel, Meyer Burger has been investing significant resources into recruiting. However, the location of the Group's two new manufacturing sites proved to be advantageous for recruiting new talent. Both locations formerly had significant solar manufacturing, sales and R&D activities. Meyer Burger managed to win back many former solar industry professionals in the regions of the cell and manufacturing sites but also beyond. Due to the perceived attractiveness of Meyer Burger's mission to bring back the solar manufacturing industry to Europe and the United States, the Group was also successful in hiring a significant number of solar industry specialists from competitors, as well as highly qualified lateral hires from other industries. The flexible WFH policy also allowed Meyer Burger to attract highly qualified employees not residing in the near vicinity of the Group's sites.

Meyer Burger expects that it will have to continue investing heavily in recruiting, including the use of dedicated in-

house recruiters, the use of digital HR marketing campaigns as well as the use of recruitment services.

Sites

Overview of current sites

The following table provides an overview of Meyer Burger's material properties and their main activities.

		Approx. size in square meters (m^2)			
Location	Owned / Leased	Offices	Manufacturing	Warehouse	Total
Thun (Switzerland)	Leased	2,158	2,248	857	5,263
Neuchâtel (Switzerland)	Leased	843	118	336	1,297
Hauterive (Canton of Neuchâtel, Switzerland)	Leased	123	736	224	1,083
Hohenstein-Ernstthal (Saxony, Germany)	Owned	10,200	11,900	1,800	23,900
Hoehenstein-Ernstthal (Saxony, Germany)	Leased	100	–	1,400	1,500
Freiberg (Saxony, Germany)	Owned	4,576	10,018	17,682	32,276
Thalheim (city of Bitterfeld-Wolfen, Saxony-Anhalt, Germany)[1]	Leased	4,129	21,640	2,918	28,687
Zülpich (Nordrhein-Westfalen, Germany)	Leased	195	240	80	515
Eindhoven (Netherlands)[2]	Leased	2,251	1,706	250	4,207
Hillsboro (Oregon, United States)	Leased	235	–	375	610
Goodyear (Arizona, United States)	Leased	1,200	22,800	1,650	25,650
Shanghai (China)	Leased	144	–	100	244

[1] Not including the further parts of the Sovello factory and the former Solibro factory under the new 2022 rent agreement (see "*—Sites—Current and envisaged sites for PV cell and module manufacturing*")

[2] Mostly sublet to third parties

The Company and most of the Subsidiaries rent office, manufacturing and warehouse space at the locations of their registered seat and/or where they offer their services. In Hohenstein-Ernstthal (Saxony, Germany), where Meyer Burger (Germany) GmbH has its registered seat, Meyer Burger produces its cell coating and other cell processing

systems and module tools and thereby concentrates most of its equipment manufacturing business activities.

Current and envisaged sites for PV cell and module manufacturing

Meyer Burger generally strives to make use of pre-existing facilities ("brownfield sites") for its production of PV cells and modules. As of the date of this Prospectus, the Group has acquired a site for module manufacturing in Freiberg (Saxony, Germany) and has signed lease agreements for additional manufacturing sites in Germany and the United States. In particular:

- in 2020, the Group signed a long-term rental agreement for a part of the former Sovello cell and module factory with an area of 27,000 m^2 in Thalheim (city of Bitterfeld-Wolfen, Saxony-Anhalt, Germany). In 2022, the Group signed a long-term rental agreement for further parts of the Sovello factory as well as the former Solibro cell and module factory with an area of 41,172 m^2, adjacent to the former Sovello factory. The effectiveness of the lease agreement for the former Solibro factory is subject to the condition precedent that the change of benefit and burden from the original owner in favor of the lessor occurs. In case of a delay in the occurrence of this event, the parties have agreed to reach a mutual understanding. Meyer Burger plans to supply the Freiberg (Saxony, Germany) and Goodyear (Arizona, United States) module manufacturing sites (see below) with cells made in Thalheim (city of Bitterfeld-Wolfen, Saxony-Anhalt, Germany). The Group estimates that, with expansion to further facilities, the Thalheim complex can eventually accommodate approximately 10 GW of nominal annual cell production capacity assuming that such new facilities can be rented or acquired on commercially acceptable terms and conditions in the future;
- in 2020, the Group acquired certain assets from the insolvency administrator of SolarWorld Industries GmbH (in liquidation), including a module factory spanning an area of 19,000 m^2, and a nearby logistics center with an area of 14,000 m^2, each in Freiberg (Saxony, Germany). The former module factory is expected to accommodate a total of approximately 1 GW of nominal annual PV module production capacity. The Group plans to use parts of the logistics center for another module production line in the near future, taking overall nominal annual production capacity to approximately 1.4 GW; and
- in 2021, the Group signed a long-term rental agreement for a newly built factory building with an area of 25,600 m^2 in Goodyear (Arizona, United States). The Group is planning to expand the site to approximately 1 GW annual capacity for utility modules in connection with the contract with DESRI as well as an additional approximately 0.6 GW for the U.S. rooftop segment, taking the expected nominal annual module production capacity in Goodyear to approximately 1.6 GW nominal annual production.

Material contracts

The REC Solar relationship

One of the existing customers under the previous business model of Meyer Burger is REC Solar Pte. Ltd (together with its affiliates and the affiliates of REC Solar Holdings AS, "REC"). In December 2018, REC and Meyer Burger entered into an agreement for the purchase of equipment for a 600 MW HJT cell and SmartWire module production line for a purchase price of CHF 74 million. As of the date of this Prospectus, the deliveries under the agreement are finalized. Due to the COVID-19 Pandemic, the parties had difficulties to conduct on-site support and to satisfy certain acceptance criteria. However, the equipment is in commercial use and the Parties are currently discussing a settlement agreement concerning final payments and ongoing support by Meyer Burger under a service level agreement.

The Oxford PV relationship

In 2019, Meyer Burger announced a strategic partnership with Oxford PV after having entered into an exclusive collaboration agreement with the aim of jointly accelerating the development of mass production technology for perovskite on silicon HJT tandem cells. Later that year, the Group announced that it had received a first order from Oxford PV for an HJT production line and subsequently, still in 2019, that it had received a second order for the necessary modifications for the upgrade to the HJT-perovskite tandem technology. However, in July 2021, Oxford

PV terminated the joint collaboration agreement with Meyer Burger. Following a discussion between the parties relating to a potential reversal of the purchase agreement for the HJT production line, it is currently envisaged that this production line is delivered and installed at one of Oxford PV's production sites.

Other material contracts

The Group has entered into certain rental agreements for factory sites (see "*—Sites—Current and envisaged sites for PV cell and module manufacturing*").

The Group has entered into the Factoring Agreement, the Syndicated Loan Agreement, the Convertible Bond and other sources of financing of the Group, see "*Executive Board's Discussion and Analysis of Financial Condition and Results of Operations—Financing of the Group*".

The Group has entered into a number of framework supply agreements for the key input material of solar cells, silicon wafers. The suppliers are based in Asia and, as announced on August 16, 2022, in Norway (see "*—Suppliers—Supply chain for PV cell and module manufacturing*").

On August 18, 2022, Meyer Burger announced an offtake agreement signed with D. E. Shaw Renewable Investments (DESRI) for the long-term supply of approximately 3.75 GW of PV modules or more, depending on certain options exercised by DESRI (see "*—Expansion plans—U.S. capacity expansion and DESRI Agreement*").

Insurance

The Group maintains insurance in such amounts and with such coverages and deductibles as the Group's Executive Board believes to be commercially reasonable and adequate. It is the policy of the Group to maintain a general liability insurance, property damage insurance and additional insurances covering the main insurable risks of the Group if and to the extent that the insurance coverage is available on reasonable market terms and conditions. Therefore, selected risks are not covered by insurances or insurance coverage in significantly limited in terms of covered risks and/or covered amounts.

Legal proceedings

As of the date of this Prospectus, Meyer Burger is involved in a number of legal proceedings or disputes in the ordinary course of business as well as in relation to certain M&A transactions or regulatory matters, including those mentioned below. See also "*Risk Factors—Risks related to the Group's strategy and business—The Group is exposed to risks in connection with actual or potential legal disputes and court, arbitration, administrative and criminal proceedings. Were such risks to materialize, this could have a material adverse effect on the Group's business, financial condition or results of operations and prospects.*", "*Risk Factors—Risks related to the Group's strategy and business—Non-compliance on the part of the Group with terms, conditions or covenants of, or a default under the Group's existing or future financing agreements could materially adversely affect the Group's business, financial condition, results of operations or prospects and result in the Company being unable to pay its debts, becoming insolvent and/or required to file for bankruptcy.*" and "*Risk Factors—Risks related to the Group's strategy and business—The Group's current or future cooperations, collaborations, partnerships and joint ventures may not be successful, be costly and/or be terminated, and/or may turn litigious or not yield the desired results, each of which could materially adversely affect the Group's business operations, financial condition, results of operations or prospects.*".

- In 2018, Meyer Burger (Switzerland) AG entered into a certain sale and purchase agreement relating to the sale of its then-held division "Energy Systems", pursuant to which Meyer Burger (Switzerland) AG undertook, among other things, to indemnify the purchaser of the division "Energy Systems" against (potential) third-party claims relating to certain (potential) defects of modules that had been sold prior to the divestment of the division. In the past, Meyer Burger (Switzerland) AG and the purchaser agreed on a case-by-case basis, and without legal prejudice, whether, to what extent and in what form Meyer Burger (Switzerland) AG would provide warranty services. In the most recent few months, there have been certain instances where Meyer Burger (Switzerland) AG refused the purchaser's requests for indemnification because it considers these requests to be unfounded. As of the date of this Prospectus, no court proceedings have been initiated. However,

it cannot be ruled out that court proceedings related to certain warranty claims could be initiated in the foreseeable future.

- In 2019, Meyer Burger (Switzerland) AG entered into a certain transaction agreement relating to the sale of its then-held wafering division. After completion of the sale transaction, the purchaser sued Meyer Burger (Switzerland) AG, claiming the payment of an amount of CHF 690,000 corresponding to a payment received by Meyer Burger (Switzerland) AG from a former customer of the former wafering division. By way of a counterclaim, Meyer Burger (Switzerland) AG claimed from the purchaser the payment of approx. CHF 1,140,000, corresponding to certain expenses paid by Meyer Burger (Switzerland) AG on behalf of and on the account of the purchaser. As of the date of this Prospectus, the respective court proceedings are still pending before the Commercial Court of Berne, Switzerland.
- In connection with the squeeze-out of the minority shareholders of Meyer Burger (Germany) AG (formerly Roth & Rau AG, now Meyer Burger (Germany) GmbH) by MBT Systems GmbH in 2017, a number of former shareholders filed, in a special proceeding (S*pruchverfahren*), claims against MBT Systems GmbH with the aim of obtaining an increase of the cash compensation paid to the former shareholders in the squeeze-out. The applicants allege that the enterprise valuation of Meyer Burger (Germany) AG was inaccurate. As of the date of this Prospectus, this special proceeding is still pending.
- In May 2022, SIX Exchange Regulation AG initiated preliminary proceedings against the Company regarding the potential infringement of accounting provisions. Upon SIX Exchange Regulation AG's enquiry, the Company has provided further information in September 2022, based on which the Company expects SIX Exchange Regulation AG to decide whether or not to pursue the proceedings.

Recent developments

In August 2022, the Group announced an offtake agreement signed with D. E. Shaw Renewable Investments (DESRI) for the long-term supply of approximately 3.75 GW of PV modules or more, depending on certain options to be exercised by DESRI, and the planned expansion of its production to approximately 3 GW nominal annual capacity (see "*—Expansion plans—U.S. capacity expansion and DESRI Agreement*").

In October 2022, the Group signed a long-term rental agreement for further parts of the Sovello factory as well as the former Solibro cell and module factory in Thalheim (city of Bitterfeld-Wolfen, Saxony-Anhalt, Germany) (see "—*Sites—Current and envisaged sites for PV cell and module manufacturing* ").

See also "*Executive Board's Discussion and Analysis of Financial Condition and Results of Operations—Material changes since June 30, 2022*".

Outlook and goals

Certain statements in this section, including in particular the financial targets and goals set out immediately below, constitute forward-looking statements. These forward-looking statements are not guarantees of future financial performance and the Group's actual results could differ materially from those expressed or implied by these forward-looking statements as a result of many factors, including but not limited to those described under "Forward-Looking Statements" and "Risk Factors". For additional information regarding factors that the Group believes could have a substantial effect on its results of operations, see also "Executive Board's Discussion and Analysis of Financial Condition and Results of Operations—Key factors affecting the Results of Operations".

Investors are strongly urged not to place undue reliance on any of the statements set forth below. The financial targets have been prepared on the basis of a large number of assumptions and estimates, all of which are subject to numerous and significant uncertainties, which could cause the Group's actual results to differ materially from its financial targets set out herein or could cause the Group's production capacity ramp-up or production goals to differ materially from its goals set out herein. While these assumptions are reasonably held by the Group's management, certain of the assumptions, estimates, uncertainties and contingencies relating to the financial targets and production or ramp-up goals are outside of the Group's control. The Group can give no assurance that the

financial targets and goals described below will materialize or prove to be correct. Because these statements are based on assumptions or estimates and are subject to risks and uncertainties, the actual results or outcome could differ materially from those described below.

The following prospective financial information and other goals has been prepared by, and is the responsibility of, the Group's management and not any of the Managers. In the view of the Group's management, the following prospective financial information and other goals was prepared on a reasonable basis, reflects the best currently available estimates and judgments, and presents, to the best of the Group's management's knowledge and belief, the expected course of action and the expected future financial performance of the Group and its ability to reach its production capacity ramp-up or production goals.

PricewaterhouseCoopers AG has not audited, reviewed, compiled, examined, nor applied agreed-upon procedures with respect to the following prospective financial information, and, accordingly, PricewaterhouseCoopers AG does not express an opinion or any other form of assurance with respect thereto. The audit reports and review reports, as applicable, issued by PricewaterhouseCoopers AG and included elsewhere in this Prospectus relate to each of the Financial Statements included elsewhere in this Prospectus and do not extend to the following prospective financial information and should not be read to do so.

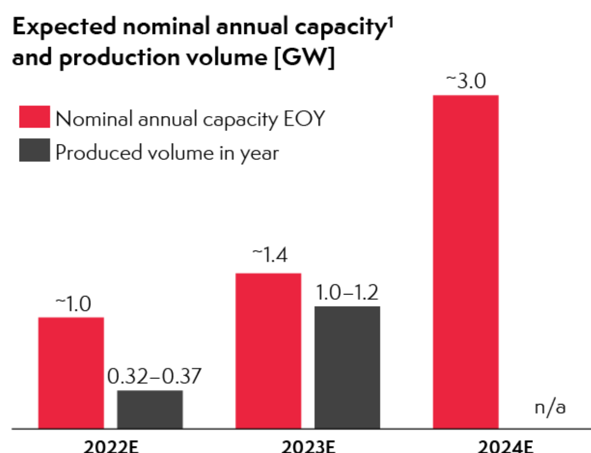
* * *

Short- to medium-term outlook (3-year horizon)

The Group's nominal annual production capacity as of June 30, 2022 was approximately 400 MW and is currently in the process of being expanded to approximately 1 GW, which is expected to be reached by the end of 2022. An expansion to approximately 1.4 GW nominal annual production capacity is currently being prepared, expected to become operational by the end of 2023. The modules produced with this initial capacity are expected to be sold primarily in the residential and small commercial rooftop market, with a certain share being shipped into U.S. markets and the remainder being sold mostly in Europe. "Nominal annual capacity" is the theoretical output measured in GW of cell or module power that a manufacturing line could produce over the course of one year if run at full utilization; during the ramp-up period, actual output may be lower.

Meyer Burger expects a production volume of 320–370 MW in 2022. Around year-end 2022, the company expects an EBITDA breakeven result on a run-rate basis. In 2023, the Group expects a production volume of 1.0–1.2 GW.

After the commissioning of the first approximately 1.4 GW of nominal annual production capacity at the cell manufacturing site in Thalheim (city of Bitterfeld-Wolfen, Saxony-Anhalt, Germany) and the module manufacturing site in Freiberg (Saxony, Germany), Meyer Burger plans to further expand its capacities by adding new equipment to reach a nominal capacity of approximately 3 GW by end of 2024. Specifically, the company is planning to expand the Goodyear (Arizona, United States) site to approximately 1 GW nominal annual production capacity for utility modules in connection with the contract with DESRI as well as an additional approximately 0.6 GW for the U.S. rooftop segment.



Source: Meyer Burger 2022

As set out in "*The Offering*", the Offering targets gross proceeds in the magnitude of approximately CHF 250 million. Following consummation of the Offering, in addition to the net proceeds from the Offering, the Group envisages to procure further sources of financing potentially including, but not limited to, working capital financing including factoring, senior secured debt, junior debt (green) bonds, subsidies and grants or customer down payments to finance future investments in facilities and equipment as well as working capital in relation to the capacity expansion to the envisaged approximately 3 GW nominal annual capacity.

Long-term goals (>3-year horizon)

Meyer Burger is exploring options to further scale production capacity beyond the approximately 3 GW nominal annual capacity currently planned in the short- to medium-term. The realization and timing of such further capacity expansion may depend, inter alia, on the interest of strategic customers in an offtake of Meyer Burger's products, on the extent of policy support in target jurisdictions and the availability of financing.

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The key principal assumptions and estimates made in preparing the financial targets and goals are presented below; however, the list is not exhaustive and it is possible that one or more of the assumptions or estimates will fail to materialize or prove to be incorrect. The Group's actual results of operations could also deviate materially from the financial targets as a result of other factors, including, but not limited to, those described under "Forward-Looking Statements" and "Risk Factors".

In preparing the financial targets and goals, the Group's management has generally assumed that there will be no changes in existing political, legal, fiscal, market or economic conditions or in applicable legislation, regulations or rules (including, but not limited to, tax laws, accounting policies and accounting treatments), which, individually or in the aggregate, would be material to the results of operations, and that the Group will not become party to any litigation or administrative proceeding that might have a material impact or of which Meyer Burger are currently unaware. Additional assumptions on which Meyer Burger has based the financial targets and production capacity ramp-up and production goals include, but are not limited to, the following:

- The Offering will be conducted.
- Meyer Burger will be able to successfully procure sufficient additional financing to be able to build, commission and operate the envisaged initial approximately 3 GW of nominal annual production capacity.
- Meyer Burger will be able to (i) collect all outstanding receivables as and when they become due and payable, in full and (ii) successfully and fully achieve all key milestones under the Group's contracts with customers existing as of the date of this Prospectus, to the extent not already fully consummated, in a timely manner. This includes, in particular, the milestones and steps to be completed under the DESRI Agreement.

- For any potential long-term expansion, in addition, Meyer Burger will be able to raise additional funds including financing at acceptable terms at the appropriate time.
- Meyer Burger will be able to successfully procure all equipment and components to build, start and ramp up production capacities and receive all necessary approvals, permits and registrations as foreseen.
- Meyer Burger will be able to successfully ramp up new production capacities within the assumed time spans.
- Meyer Burger will be able to continually produce at the assumed high levels of production yield and product quality.
- Meyer Burger will be able to successfully effect market entry for new products, market segments or geographies, establish sales channels and sell the products produced.
- Meyer Burger will be able to successfully command the premium pricing in the market as envisaged, and will be able to achieve a product, market segment and geography mix that enables achieving on a sustainable basis the average sales prices and margins as envisaged.
- Meyer Burger's technology lead is not successfully challenged by competitors.
- Meyer Burger will be able to continue further developing and improving the product offerings through the in-house R&D organization, including the utility module for serving the DESRI Agreement.

In preparing its financial targets and production capacity ramp-up and production goals, Meyer Burger has also made certain assumptions regarding external factors that are beyond its control, including, but not limited to, the following:

- The overall markets Meyer Burger serves will continue to develop as described in "*Industry Overview and Market Trends*", including the continuation of competitive, technical and structural trends.
- The economic environments in the markets and industries Meyer Burger expects to serve will not unexpectedly develop in a negative manner that could have a material impact on its results of operations, including but not limited to adverse cost or pricing developments or changes in tariffs.
- Tax laws will not change dramatically to the Group's disadvantage.
- Foreign exchange rates will not change dramatically to the Group's disadvantage.
- Litigation and administrative proceedings will not result in outcomes that have a material adverse impact on the Group.

Investors are strongly urged not to place undue reliance on any of the statements set forth above. Investors are also urged to review the sections "Forward-Looking Statements" and "Risk Factors" when considering the statements made above.

Material changes

Other than disclosed in this Prospectus, in particular but not limited to the information provided under the caption "*Executive Board's Discussion and Analysis of Financial Condition and Results of Operations—Material changes since June 30, 2022*", there has been no material change in the assets and liabilities, financial position and profits and losses of the Group since June 30, 2022.

BOARD OF DIRECTORS, EXECUTIVE BOARD AND AUDITORS

Board of Directors

The duties of the Board of Directors are governed by the CO, the Articles of Association and the Organizational Regulations. Attendance and decision-making quorums as well as checks and balances between the Board of Directors, the R&A Committee (as defined below), the N&C Committee (as defined below) and the Executive Board are set out in the Organizational Regulations dated May 27, 2020 (the "**Organizational Regulations**").

The Board of Directors constitutes the Company's ultimate instance of management. Its tasks include supervising and issuing instructions to the Executive Board and issuing guidelines on the business policy. The Board of Directors is also tasked with establishing the principles of strategy, accounting, organization and financing to be implemented by the Company. In accordance with the Organizational Regulations, the Board of Directors has entrusted the conducting of the day-to-day business to the Executive Board under the chairmanship of the CEO. The Board of Directors appoints the CEO and the members of the Executive Board.

Members of the Board of Directors

According to the Articles of Association, the Board of Directors shall consist of one or more, but no more than nine, members.

The Board of Directors of the Company as of the date of this Prospectus consists of:

Name	Year of Birth	Member Since	Term Expires	Position
Dr. Franz Richter (German citizen, residing in Eichenau (Germany))	1955	2015	2023	Chairman of the Board of Directors (since 2020)
Mark Kerekes (Austrian citizen, residing in Zug (Switzerland))	1976	2020	2023	Vice Chairman of the Board of Directors and member of the R&A Committee
Andreas Herzog (Swiss citizen, residing in Laax GR (Laax) (Switzerland))	1957	2019	2023	Member of the Board of Directors, member of the R&A (Chairperson) and the N&C Committee
Prof. Dr. Urs Schenker (Swiss citizen, residing in Erlenbach ZH (Switzerland))	1957	2021	2023	Member of the Board of Directors and member of the N&C Committee (Chairperson)
Katrin Wehr-Seiter (German citizen, residing in Luxembourg (Luxembourg))	1970	2022	2023	Member of the Board of Directors and member of the R&A Committee

The business address of each of the members of the Board of Directors is at the Company's registered domicile in Gwatt (Thun), Switzerland.

All members of the Board of Directors are non-executive.

Dr. Franz Richter, Chairman, non-executive member of the Board of Directors

Curriculum Vitae

Education BSc Mechanical Engineering, Münster University of Applied Sciences, Münster, Germany; MSc Physics, University of Bielefeld, Bielefeld, Germany and Technical University of Darmstadt, Darmstadt,

Germany; PhD Mechanical Engineering, Technical University of Aachen, Aachen, Germany

1985-1988 Scientist at Carl Zeiss AG, Oberkochen, Germany

1988-1990 Scientist at Fraunhofer Institute for Laser Technology, Aachen, Germany

1990-2004 Various roles at SÜSS MicroTec SE, Garching, Germany, including CEO (1998-2004), COO of Süss Holding AG, Garching, Germany and CEO of Karl Süss Verwaltung GmbH, Garching, Germany (1997-1998)

2005-2007 President of Semiconductor Equipment Segment, Unaxis, (now OC Oerlikon), Pfäffikon, Freienbach, Switzerland

2007-2016 CEO and co-founder of Thin Materials GmbH, Eichenau, Germany

2016-2021 CEO of SÜSS MicroTec SE, Garching, Germany

Other mandates and functions

Former mandates: Member of the board of directors of Albis Optoelectronics AG, Rüschlikon, Switzerland, from 2006 to 2007; Member of the board of directors of EpiSpeed AG, Zurich, Switzerland, from 2007 to 2010; Member of the board of directors of SEMI, the global industry association for the semiconductor industry, from 2000 to 2011; Member of the advisory committee of Mück Management Partners AG, Schindellegi, Switzerland, from 2009 to 2016; Member of the advisory board of ASMPT Amicra Technologies GmbH, Regensburg, Germany, from 2014 to 2016; Member of the board of directors of Siltronic AG, Munich, Germany from 2008 to 2018; Member of the board of directors of Comet Holding AG, Wünnewil-Flamatt, Switzerland, from 2016 to 2020.

Current mandates: Chairman of the board of trustees of Fraunhofer Institute IZM, Berlin, Germany, since 2009; Chairman of the board of directors of Scint-X Technologies AB, Kista, Sweden, since 2014 (Member of the board of directors since November 2014; Chairman of the board of directors since February 2015), Scint-X sold all assets and has no operational business anymore.

No other mandate at a publicly listed company; two non-remunerated mandates at a non-listed company (not in operation anymore) and a research organization; no significant official functions or political offices.

In December 2019, the Company announced to sell the inkjet printer business (PiXDRO) by Meyer Burger (Netherlands) B.V. to SÜSS MicroTec SE. Dr. Franz Richter, CEO of SÜSS MicroTec SE at that time, was not involved on the side of Meyer Burger in this transaction; no other significant business relationship with the Company or any of its Group companies. For further details, see "*Related Party Transactions*".

Mark Kerekes, Vice Chairman, non-executive member of the Board of Directors

Curriculum Vitae

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

2000-2009 Various positions at Raiffeisen Group, including analyst at Raiffeisen Zentralbank, Senior Fund Manager and team leader Austrian Equities at Raiffeisen Capital Management and team leader of Raiffeisen Centrobank AG asset management, Vienna, Austria

2009-2012 Senior Fund Manager, product developer and team leader at Advisory Invest GmbH, Vienna, Austria

2012-2013 Co-founder and General Manager of Hidden Pearl Invest GmbH, Vienna, Austria

Since 2013 Co-founder and General Manager of Aerius Advisors GmbH, Zug, Switzerland

Since 2014 Co-manager of Elbogross SA, Zug, Switzerland

Since 2014 Co-manager of Sentis Capital PCC (Cell 1, Cell 2, Cell 4), Balzers, Liechtenstein

Since 2016 Member of the board of Sentis Capital PCC (Cell 1, Cell 2, Cell 4), Balzers, Lichtenstein

Other mandates and functions

Former Mandates: Member of the board of directors of Brustorm SA, Zug, Switzerland, from 2014 to 2018.

Current Mandates: Member of the board of directors of Elbogross SA, Zug, Switzerland, since 2014; Member of the board of directors of Aerius Holding AG, Zug, Switzerland, since 2016; Member of the board of Sentis Capital PCC (Cell 1, Cell 2, Cell 4), Balzers, Liechtenstein, since 2016.

No other mandate at a publicly listed company; three remunerated mandates and no non-remunerated mandate at non-listed companies; no significant official functions or political offices; and no significant business relationship with the Company or one of its Group companies.

Andreas Herzog, non-executive member of the Board of Directors

Curriculum Vitae

Education Training as a banker at Business Training College, Winterthur, Switzerland; Bachelor in Economics at University of Applied Sciences, Zurich, Switzerland; Postgraduate studies in the following fields: 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 and Leadership Management, Harvard University, Boston, USA

1984-1990 Various positions in finance, controlling, logistics, Ciba-Geigy AG, Mexico, Switzerland, Colombia and Ivory Coast

1990-1995 Various management positions as Senior Controller & Operational Auditor and as Co-CEO Germany SMH/SWATCH, Biel, Switzerland, and Bad Soden am Taunus, Germany

1996-2001 Vice President Finance, Swarovski AG, Feldmeilen, Switzerland

2001-2002 CFO, Eichhof Group, Lucerne, Switzerland

2002-2019 CFO, Bühler Group, Uzwil, Switzerland

Other mandates and functions

Former Mandates: Member of the board of directors of Leicom AG, Winterthur, Switzerland, from 1996 to 2015; Member of the board of directors of CCS AG, Lachen, Switzerland, from 2011 to 2018; Member of the board of directors of Bertrams AG, Muttenz, Switzerland, from 2016 to 2018; Member of Advisory CEIBS Council of Commerzbank, Frankfurt a.M., Germany, from 2007 to 2019; Member of the Advisory Council of Chinese Europe International Business School, Horgen, Switzerland.

Current Mandates: Member of the board of directors of SBB Swiss Federal Railways, Switzerland, since 2021; Member of the board of directors of HOCHDORF Swiss Nutrition AG, Hochdorf, Switzerland, since 2020; Chairman of the board of directors of Systemcredit AG, Schlieren, Switzerland, since 2019; Member of the board of directors of Seed Capital Invest AG, Luzern, Switzerland, since 2018; Vice chairman of the board of directors of Swiss-Chinese Chamber of Commerce, Switzerland since 2015; Member of the board of directors of Kleiderberg AG, Rüschlikon, Switzerland, since 2021; Member of the advisory board of Planetary SA, Cologny, Switzerland, since 2021.

No other mandate at a publicly listed company; two remunerated mandates and four non-remunerated mandates at non-listed companies and organizations; no significant official functions or political offices; and no significant business relationship with the Company or one of its Group

companies.

Prof. Dr. Urs Schenker, non-executive member of the Board of Directors

Curriculum Vitae

Education Studied law at the University of Zurich, Switzerland (graduated 1981 lic. iur. and 1985 Dr. iur.); LL.M. from Harvard Law School, Harvard University, Boston, USA. Habilitation thesis "*Swiss Takeover Law*", University of St. Gallen, Switzerland

1991-2015 Attorney at Baker McKenzie, Zurich, Switzerland

Since 2009 Adjunct professor for commercial and business law, University of St. Gallen, Switzerland

Since 2015 Attorney at Walder Wyss Ltd. attorneys at law, Zurich, Switzerland

Other mandates and functions

Current Mandates: Member of the board of directors of Bellevue Group AG, and its subsidiary Bellevue Asset Management AG, Zurich, Switzerland; Member of the board of directors of Capital Dynamics Holding AG, Zurich, Switzerland; Chairman of the board of directors of Geschäftshaus City AG, Zurich, Switzerland; Chairman of the board of directors of Swisa Holding AG, Baar, Switzerland, Chairman of the board of directors of Invico Asset Management AG, Zurich, Switzerland; Member of the board of directors of Ufenau Capital Partners AG, Zurich, Switzerland; Member of the board of directors of Ornak AG, Zurich, Switzerland, Member of the board of directors of Indicium Technologies AG, Hünenberg, Switzerland; Chairman of the board of directors of EBV Immobilien AG, Urdorf, Switzerland; Chairman of the foundation board of Personalvorsorgestiftung der Pfizer AG; Member of the foundation board of Stiftung für Herz- und Kreislaufforschung; Chairman of the foundation board of Stiftung Zuversicht für Kinder.

One other mandate at a publicly listed company (Bellevue Group – mandate in subsidiary not counted); three remunerated mandates and four non-remunerated mandates at non-listed companies; no significant official functions or political offices; and no significant business relationship with the Company or one of its Group companies.

Katrin Wehr-Seiter, non-executive member of the Board of Directors

Curriculum Vitae

Education Diploma (MSc) in Mechanical Engineering, Technical University of Chemnitz, Germany; Master of Business Administration (MBA), INSEAD, Fontainebleau, France; High Performance Boards Program, IMD, Switzerland

1991-1994 Various internships, incl. Siemens Power Corporation, USA, Rolls-Royce Industrial Power Group, United Kingdom, Siemens AG, Germany

1995-1996 Proposal Manager and Project Engineer, Siemens AG, Germany and USA

1996-2000 Consultant, Siemens AG (Siemens Management Consulting), Munich, Germany

2000-2009 Principal, Permira Beteiligungsberatung GmbH, Frankfurt am Main, Germany

2010-2012 Independent M&A, strategy and investment advisory, Senior Advisor, Bridgepoint GmbH, Frankfurt am Main, Germany

Since 2012 Managing Director, Partner, BIP Investment Partners S.A. / BIP Capital Partners, Luxembourg

Other mandates and functions

Former Mandates: Member of the board of directors of Sky Plc, London, United Kingdom, from 2016 to 2018; Member of the board of directors of Sky Deutschland AG, Unterföhring, Germany, from 2010

to 2015; Member of the board of directors of Nanogate AG, Quierschied, Germany, from 2013 to 2016; Member of the board of directors of Hugo Boss AG, Metzingen, Germany, from 2007 to 2008; Member of the board of directors of ProSiebenSat.1 Media AG, Unterföhring, Germany, from 2007 to 2008; Member of the advisory board of Utimaco Verwaltungs GmbH, Aachen, Germany, from 2017 to 2022; Member of the board of directors of Rapid Data AG Unternehmensberatung, Berlin, Germany from 2020 to 2021.

Current Mandates: Member of the board of directors of SES S.A. Betzdorf, Luxembourg, since 2015; Member of the board of directors of Bellevue Group AG, and its subsidiary Bellevue Private Markets AG, Küsnacht, Switzerland, since 2019; Member of the board of directors of Unite Holding SE, and its subsidiaries Unite Network SE and Mercateo Deutschland AG, Leipzig/Munich, Germany, since 2017; Member of the board of directors of The Simpleshow Company S.A., Luxembourg, since 2017; Member of the board of managers of BIP (GP) S.à r.l., since 2017, and BIP Interim (GP) S.à r.l., since 2021, Luxembourg.

Two other mandates at a publicly listed company (SES S.A.; Bellevue Group AG – mandate in non-listed subsidiary not counted); four remunerated mandates and three non-remunerated mandates at non-listed companies; no significant official functions or political offices; no significant business relationship with the Company or one of its Group companies.

Other activities and functions

The above profiles of the members of the Board of Directors provide information on their activities and commitments in addition to their functions at the Company. Unless otherwise stated under "*Related Party Transactions*", the non-executive members of the Board of Directors have no significant business relationships with Group companies.

Executive activities for the Company or one of its Group companies

All members of the Board of Directors are non-executive and have never been members of the Executive Board of the Company or one of the Group companies.

Articles of Association in connection with the number of permitted mandates outside the Group

In accordance with article 28 of the Articles of Association, the members of the Board of Directors and of the Executive Board may not hold or carry out more than the following additional activities in senior management and administrative bodies of other legal entities, which are obliged to register themselves with the commercial register or a comparable foreign register and which are not controlled by the Company or do not control the Company:

- 10 mandates (members of the board of directors) and 3 mandates (members of the management) in senior management and administrative bodies of other legal entities, of which
    - 5 mandates (for members of the board of directors) and 1 mandate (for members of the management) with public companies; and
- 10 (members of the board of directors) and 2 (members of the management) non-remunerated mandates in non-profit, charitable or other not-for-profit legal entities, whereby the imbursement of expenses is not considered as compensation.

Several mandates with different companies that belong to the same group count as one mandate. Mandates which a member of the Board of Directors or the Executive Board performs on behalf of the Company (*e.g.*, joint ventures or pension schemes of such legal entities or in companies in which this legal entity has a substantial (non-consolidated) participation) are not subject to the above limitation.

The acceptance of mandates/appointments outside the Group by members of the Executive Board requires the pre-approval of the Board of Directors. The Board of Directors may deny approval at its own discretion.

Election and term of office

In accordance with the Articles of Association, the Board of Directors consists of one or more, but a maximum of nine members. The shareholders' meeting elects annually:

- the members of the Board of Directors and the Chairman of the Board; and
- the members of the N&C 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 ordinary shareholders' 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 ordinary shareholders' meeting following the 70th birthday of the particular member of the Board of Directors.

At the ordinary shareholders' meeting held on May 5, 2022, Dr. Franz Richter, Andreas Herzog, Mark Kerekes, and Prof. Dr. Urs Schenker were re-elected as members of the Board of Directors according to the proposals by the Board of Directors. Katrin Wehr-Seiter was elected as member of the Board of Directors according to the proposal by the Board of Directors.

Andreas Herzog and Prof. Dr. Urs Schenker were re-elected according to the proposals by the Board of Directors as members of the N&C Committee.

The Board of Directors constitutes itself, except for the mandatory competences of the shareholders' meeting (election of the Chairman of the Board of Directors and the members of the N&C Committee). The Board elects its Vice Chairman and a Secretary, who does not need to be a member of the Board of Directors. The Chairman shall not be, nor be affiliated with or otherwise closely associated with, a larger shareholder or a member of the Executive Board of the Company. As of the date of this Prospectus, Dr. Franz Richter is Chairman of the Board of Directors, and Mark Kerekes is Vice Chairman of the Board of Directors.

The Board of Directors holds regular board meetings at least four times per year (usually at least one meeting per quarter). Additional meetings are held as often as necessary. Board meetings may be held in person, by telephone or video conference or a combination thereof. In 2022 (through August 31, 2022), the Board of Directors held 14 board meetings (in fiscal year 2021: 24), of which none (in fiscal year 2021: 1) was a physical meeting and 14 (in fiscal year 2021: 23) were held as telephone conferences. The meetings of the Board of Directors with physical attendance of the Board members usually last a full day. The telephone conferences depend on the issues discussed and last up to three hours. In 2022 (through August 31, 2022), in particular, the following members of the Executive Board participated at meetings of the Board of Directors: Chief Executive Officer (**"CEO"**) 14 (in fiscal year 2021: 20) and Chief Financial Officer (**"CFO"**) 4 (in fiscal year 2021: 19) meetings. 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. As a rule, the committees do not have decision authority, except by means of special decisions by the Board of Directors in particular cases.

As of the date of this Prospectus, the Board of Directors has two permanent Committees: the R&A Committee and the N&C Committee. The duration of the Committees' meetings depends on the issues discussed.

Risk & Audit Committee

Members: Andreas R. Herzog (Chairperson) and Mark Kerekes.

The Risk & Audit Committee ("**R&A Committee**") mainly has the following responsibilities:

- Review of the accounting system
- Review of the annual financial statements and other financial information published
- Monitoring the assessment of corporate risks and review of the compliance and risk management practices or of the effectiveness and efficiency of the internal control system ("ICS")

- Supervision of business activities regarding 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
- Review of the performance, independence and fees of the external auditors as well as recommendation to the Board of Directors regarding the proposal to the shareholders' meeting in respect of the auditors
- Detailed discussions of the audit reports, examination of all important findings and recommendations of the external auditors with the Executive Board and the auditors themselves
- Monitoring of the implementation of the recommendations by the external auditors
- Review of the performance 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 R&A Committee meets as often as business requires, but at least twice per year. The meetings usually last up to 3 hours. The CFO usually participates in these meetings. Other members of the Board of Directors, the CEO 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 appointment 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 once per year with representatives of the external auditors. During the length of such a meeting with the auditors none of the members of the Executive Board shall be present.

In 2022 (through August 31, 2022), the R&A Committee held 2 meetings (in fiscal year 2021: 2). In 2022 (through August 31, 2022), members of the Executive Board participated at meetings of the R&A Committee as follows: the CEO at 2 meetings (in fiscal year 2021: 1) and the CFO at 1 meeting (in fiscal year 2021: 2). The external auditors participated at 1 meeting (in fiscal year 2021: 2). The Committee did not consult regularly with external advisors.

Nomination & Compensation Committee

Members: Prof. Dr. Urs Schenker (Chairperson) and Andreas R. Herzog.

The Nomination & Compensation Committee ("**N&C Committee**") mainly has the following responsibilities:

- Conducting the selection procedure and proposal of new members of the Board of Directors
- Conducting the selection procedure and proposal regarding the appointment of the CEO
- Examination and approval, respectively of proposals of the selection of members of the Executive Board and for 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
- Proposal of the compensation for 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 and decision on the targets and their achievement for 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
- Review and decision-making regarding the allocation of stock options, shares as additional rights under the

stock option and participation plans approved by the Board of Directors

- 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 most senior 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

The N&C Committee meets as often as business requires (usually at least four times per year). The meetings usually last up to 4 hours. The CEO and head of Human Resources generally attend the meetings of the N&C Committee and to the extent necessary the other members of the Executive Board. The Chairperson of the N&C Committee can invite members of the Executive Board, members of the managing boards of significant subsidiaries or third parties to the meetings. The appointment of assignments to third parties requires the approval of the Board of Directors or of the Chairman of the Board of Directors.

In 2022 (through August 31, 2022), the N&C Committee held 2 meetings (in fiscal year 2021: 3). In 2021, the N&C Committee interviewed candidates for new membership to the Board of Directors, and interviewed and evaluated application documents for management levels at the Company. The Members of the Executive Board participated at meetings of the N&C Committee as follows: CEO 2 (in fiscal year 2021: 0), CFO 0 (in fiscal year 2021: 0) meeting(s). The Committee was supported by independent external consulting service providers for professional search and compensation topics and the remuneration report.

Participation of the members of the Board of Directors at Board of Directors and Committee meetings (including telephone conferences) in fiscal year 2022 (through August 31, 2022) and fiscal year 2021

Members	**Board of Directors**		**R&A Committee**		**N&C Committee**	
	2022	**2021**	**2022**	**2021**	**2022**	**2021**
Dr. Franz Richter	12	24	●	2	●	1
Mark Kerekes	14	24	2	2	●	1
Andreas Herzog	13	22	2	2	2	2
Urs Schenker	13	14	●	●	2	3
Katrin Wehr-Seiter[(1)]	7	**z**	●	**z**	●	**z**
Members until ordinary shareholders' meeting of May 4, 2021						
Urs Fähndrich[(2)]	**x**	6	**x**	●	**x**	●
Total meetings	14	24	2	2	2	3
Average attendance ratio at meetings[(3)] in %	93%	88%	100%	100%	100%	59%

For purposes of calculating the presence percentages in the respective meetings, the presence or absence of the members of the Board of Directors and/or committees, as the case may be, who were members of the respective corporate body at the applicable time have been considered. Members of the Board of Directors who participated as guests in the respective committee meetings are not included in the participation figures in the table above.

(1) Katrin Wehr-Seiter has been member of the Board of Directors only since the ordinary shareholders' meeting of May 5, 2022.

(2) Urs Fähndrich did not stand for re-election as member of the Board of Directors at the ordinary shareholders' meeting of May 4, 2021.

(3) The average attendance ratio at the meetings of the committees refers directly to the members of the respective 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 member of the Board of Directors, attendance ratios are calculated as of the date of her election at the ordinary shareholders' meeting of May 5, 2022.

● Not a member of the committee.

x Not a member of the Board of Directors in 2022 (through August 31, 2022).

z Not a member of the Board of Directors in 2021; elected at the ordinary shareholders' meeting held on May 5, 2022.

Definition of areas of responsibility

The Board of Directors is responsible for the ultimate direction, supervision and control of the Group and its management as well as for supervising compliance with applicable laws, rules and regulations. The Board of Directors exercises oversight over the Company and its subsidiaries and is responsible for ensuring the establishment of a Group governance framework to ensure effective steering and supervision of the Group and which takes into account the material risks to which the Group and its subsidiaries are exposed.

The main tasks of the Board of Directors are the determination and periodic inspection of the corporate strategy, Company policy, as well as the organization (including controlling systems) of the Group, the control of the operative 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 716*a* CO, the Board of Directors has explicitly reserved the approval of various matters (see the following list). For other matters, 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 the approval of, *inter alia*, the following matters to itself:

- Medium term planning (business plan) as well as goal and principles of corporate policy of the Company
- Incorporation/financing/closing of subsidiaries; investments into/divestments of participations, changes in participation quotas or of share-ownership 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 parts that shall be transferred to subsidiaries as well as concept and main details of contracts between Group companies
- Contracts/cancellation of contracts regarding strategic alliances that have an influence on the business scope, geographic scope or the capital structure of the Company or any of its Group companies
- Decisions on business affairs that are of major importance to the Group
- Individual expenditures, investments, divestments; sale of assets, abandonment of plants, 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
- Offers and contracts with customers above CHF 30 million
- Agreements to and allowance of letter of comforts 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 CHF 50 thousand)
- Financing transactions (bank loans, bonds issues), leasing above CHF 5 million
- Structured financing transactions, including securitization, sale and lease back, asset backed & equity linked transactions
- Control of compliance with the budget and the strategic goals of the Company
- Decisions concerning communication (identity, design, branding, communication policy, marketing communication strategy)
- Personnel and salary policy of the Group
- Wage negotiations and social plans for the Group
- Appointment, dismissal and, to the extent not in the competence of the shareholders' meeting, compensation of members of the Executive Board

- Employment conditions for highest level of management positions
- Share and option programs, including programs of profit sharing for associates and employees
- Principles for pension plans and social benefits
- Significant restructuring programs, including in particular such restructuring programs that may involve a mass dismissal within the meaning of article 335*d* CO
- Adoption of early warning systems for the management of Group companies featuring balanced scorecards or similar instruments
- Maintenance of the share register of the Company and decision on applications for registration of shareholders in accordance with Article 4 of the Articles of Association (restrictions on registration)
- Resolution on the increase resp. allocation in connection with an authorized or a conditional capital increase
- Definition of the organization of senior management of the Company
- Approval of the mid-term financing plan
- Approval of the annual targets of the Group companies
- Approval of the financial statements, the annual budget and the investment and divestment statement of the Group companies

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

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

The Board of Directors receives on a monthly basis 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, situation of inventory, 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 the risk management, respectively

As a rule, the CEO and the CFO participate at the board meetings.

Each member of the Board of Directors is entitled to request information on the affairs of the Group and, upon approval by the Chairman, be granted access to the Group's books and records for inspection as may be necessary for the member to fulfil the duties as a member of the Board of Directors. At board meetings, the members of the Board of Directors or the Executive Board present are required to provide such information to the best of their knowledge.

Outside of board meetings, each member of the Board of Directors can request information from the Executive Board on the general course of business of the Group and, upon approval by the Chairman, also on specific transactions. In case the Chairman does not approve a request for information or inspection, the matter may be brought to the Board of Directors for decision.

Risk Management

As part of the risk assessment process, the probability of occurrence and the extent of the loss or other undesirable consequences 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 for probability of occurrence and magnitude of expected or potential implications, the Group has adopted, and revises from time to time, a risk assessment matrix.

Internal control system

The current internal control system ("**ICS**") approved by the Board of Directors has been in effect since January 1, 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 the Company 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 of 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 are executed in accordance with a plan that is defined on a yearly basis. On 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, 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 companywide controls in accordance with the scope, the management board of each Group subsidiary executes a self-assessment each year during the first half of the year. Measures that result out of the evaluation are implemented by the end of the respective year.

The Board of Directors receives a detailed reporting mainly prepared by the Executive Board about the risks of the Company on a regular basis and a report about the ICS once per year. The external auditors also audit the compliance of ICS regulations as part of their annual audit and report their conclusions directly to the R&A Committee as well as to the Board of Directors.

Internal audit

The Company had mandated Ernst & Young, Zurich ("**E&Y**"), as internal auditors up until November 2021. Following an organizational transformation, the Company reprised the internal audit function as of November 2021.

The internal audit function reports in writing regarding the audits it carries out, the findings resulting from such audits and, if necessary, issues recommendations to improve systems and processes. The internal audit is obliged to immediately report possible irregularities or fundamental shortcomings to the R&A Committee and to the Chairman of the Board of Directors. The Company executed 1 internal audit during 2022 (through August 31, 2022) (in 2021: 2) and issued detailed reports on each of the audits. No material irregularities or shortcomings were reported by the internal audit in 2022. The R&A Committee held nil meetings with E&Y in 2022 (through August 31, 2022) (in 2021: 1 meeting was held with E&Y).

Convictions/proceedings

None of the members of the Board of Directors is or was during the past five years subject to any convictions for major or minor finance or business-related crimes or subject to legal proceedings by statutory or regulatory authorities (including designated professional associations) that are on-going or have been concluded with a sanction.

Executive Board

Members of the Executive Board

Overview

The Executive Board as of the date of this Prospectus consists of:

Name	Year of Birth	Joined the Group as member of the Executive Board	Position
Dr. Gunter Erfurt (German citizen, residing in Freiberg (Germany))	1973	2017	CEO
Markus Nikles (Swiss citizen, residing in Frauenfeld (Switzerland))	1972	2022	CFO
Katja Tavernaro (German citizen, residing in Colditz (Germany))	1977	2021	CSO
Dr. Moritz Borgmann (German citizen, residing in Berlin (Germany))	1977	2022	CCO
Daniel Menzel (German citizen, residing in Freital (Germany))	1979	2022	COO

The business address of each of the members of the Executive Board is at the Company's registered domicile in Gwatt (Thun), Switzerland.

Recent changes to the Executive Board

Daniel Menzel (COO) and Moritz Borgmann (CCO) were both appointed by the Board of Directors as new members of the Executive Board as of January 1, 2022. Following the resignation of Nathalie Benedikt as CFO in early 2022 for private reasons, Markus Nikles joined the Company as CFO as of September 1, 2022. As of the date of this Prospectus, the Executive Board consists of five members.

Expected changes to the Executive Board

There are currently no changes planned for the Executive Board.

Dr. Gunter Erfurt, Chief Executive Officer (CEO)

Curriculum Vitae

Education	Degree in Engineering Physics from the Westsächsische Hochschule Zwickau, Zwickau, Germany; Degree in Physics, Technische Universität Bergakademie Freiberg, Freiberg, Germany, and PhD in Physics from Technische Universität Bergakademie Freiberg, Germany
1998–2003	Research Associate, Sächsische Akademie der Wissenschaften zu Leipzig, Leipzig, Germany
2003–2005	Development engineer/laboratory manager, Deutsche Solar AG, Freiberg, Germany; Establishment and management of material- and module test laboratory
2005–2006	Project manager planning and investments, Deutsche Solar AG, Freiberg, Germany; Project manager for building a factory for solar cell production
2006–2009	Head of Planning and Investment, Solarworld Industries America LLC, Hillsboro, USA
2009–2011	Global Head Planning and Investment/Technology Transfer, Solarworld AG, Bonn, Germany; Staff position to the COO

2011–2015 Managing Director, Solarworld Innovations GmbH, Freiberg, Germany; responsible for global strategic technology development

2015–2017 Managing Director and member of the management board of Meyer Burger (Germany) AG, Hohenstein-Ernstthal, Germany

2017-2020 Chief Operating Officer (COO) and member of the Executive Board of the Company (February to August 2017). Chief Technology Officer (CTO) and member of the Executive Board of the Company since September 2017

Since 2020 Chief Executive Officer and member of the Executive Board of the Company

Other mandates and functions

Former mandates: Member of the board of trustees of Fraunhofer Institute for Electron Beam and Plasma Technology, Dresden, Germany, 2016-2022 (non-remunerated mandate).

Current mandates: Member of the board of directors, supervisory board and/or of the executive board of various subsidiaries of the Company; Member of the board of directors of Oxford Photovoltaics Limited, London, United Kingdom, since 2020 (non-remunerated mandate); Member of the board of trustees of Fraunhofer Institute for Solar Energy Systems, Freiburg, Germany, since 2022 (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 the federal association Solarwirtschaft e.V., Berlin, Germany, since 2020 (non-remunerated mandate); Member of the board of the European solar industry association SolarPower Europe, since 2022 (non-remunerated mandate).

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

Markus Nikles, Chief Financial Officer (CFO)

Curriculum Vitae

Education Executive Master of Corporate Finance (EMCF), IFZ Institute for Financial Services, Zug, Switzerland; Bachelor's in Business Administration, University of Applied Sciences of the Grisons, Chur, Switzerland; Commercial apprenticeship, Swiss Bank Corporation (today UBS), Interlaken, Switzerland

1992-1996 Various functions (last position: customer relationship manager) with Swiss Bank Corporation Interlaken, Münchenbuchsee and Bern, Switzerland

2000-2004 Export finance specialist & corporate controller, Bühler AG, Uzwil, Switzerland

2005-2014 Controller and afterwards CFO, vice president, Bühler Inc (USA), Minneapolis, USA

2015-2019 CFO Bühler GmbH (Germany), Braunschweig, Germany

2019-2022 CFO Bühler (Asia), Wuxi, China, responsible for the sub-regions China, Southeast Asia, Japan and Korea

Since 2022 CFO and member of the Executive Board of the Company (as of September 1, 2022)

Other mandates and functions

Former mandates: No additional mandates during the past five years.

Current mandates: 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 (CSO)

Curriculum Vitae

Education	Law studies, Technical University of Dresden, Dresden, Germany; Degree in Human Resources Management, German Academy for Management, Berlin, Germany; Part-time studies, business administration and law, State Distance-Learning University Hagen, Hagen, Germany; Master Studies Management (planned degree M.Sc. 2022), Hagen Institute for Management Studies (HiMS), Hagen, Germany
2006–2013	Attorney, Madaus Law Firm, focus on corporate and tax law, insolvency and contract law, Colditz, Germany
Since 2013	Corporate Counsel of the Company
Since 2014	Authorized signatory and HR manager at the Hohenstein-Ernstthal site, Germany
Since 2016	Member of the executive board of Meyer Burger (Germany) AG, Germany; Managing director of Meyer Burger (Germany) GmbH, Hohenstein-Ernstthal, Germany; Head of the central functions human resources, legal & compliance, staff units (data protection, customs, environmental protection, occupational safety, health protection), site management for the Hohenstein-Ernstthal site, Germany
Since 2017	Head of Global Legal & Compliance of the Company
Since 2020	Head of Global HR of the Company
Since 2021	CSO and member of the Executive Board of the Company (as of June 11, 2021)

Other mandates and functions

Former mandates: No additional mandates during the past five years.

Current mandates: Deputy member of the board of directors of AOK Plus, Member of the Saxony Bar Association, both Dresden, Germany.

No further mandates for board memberships or consulting activities for important Swiss or foreign organizations. No significant official functions or political offices.

Dr. Moritz Borgmann, Chief Commercial Officer (CCO)

Curriculum Vitae

Education	Doctorate degree (Dr. sc. techn.), ETH Zurich, Switzerland; M.S., Electrical Engineering, Stanford University, California, USA; Electrical Engineering, Technische Universität, München, Germany
2001	Visiting Research Scholar, University of Illinois at Urbana-Champaign, Illinois, USA
2002-2007	Research assistant, Communication Technology Laboratory, ETH Zurich, Switzerland
2007-2008	Co-founder and director algorithms development, Celestrius AG, Zurich, Switzerland (dissolved)
2009-2010	Consultant, Apricum GmbH, Berlin, Germany
2010-2013	Project Manager, Apricum GmbH, Berlin, Germany
2013-2014	Principal, Apricum GmbH, Berlin, Germany
2014-2021	Partner, Apricum GmbH, Berlin, Germany
Since 2021	Managing Director, Meyer Burger (Industries) GmbH, Freiberg, Germany
Since 2022	CCO and member of the Executive Board of the Company as of January 1, 2022

Other mandates and functions

Former mandates: No additional mandates during the past five years.

Current mandates: No further mandates for board memberships or consulting activities for important Swiss or foreign organizations. No significant official functions or political offices.

Daniel Menzel, Chief Operating Officer (COO)

Curriculum Vitae

Education	Bachelor of Law (LL.B.), economic law, University of Wismar, Wismar, Germany; Diploma Business Economics (BWA), Distance Study at "European Business School" for economy and management, Education and Business Academy St. Gallen, St. Gallen, Switzerland; Graduation as Industrial Manager, Apprenticeship at M + W Zander GmbH, Dresden, Germany; Mechanical Engineering / Technical Building Equipment, University of Applied Sciences in Dresden, Dresden, Germany
2003–2005	Employment abroad in the USA and Canada; Team leader of a humanitarian organization
2005–2008	Purchaser, Linde AG / Linde KCA GmbH, Dresden, Germany
2008–2011	Team leader purchase department, SolarWorld AG, Bonn, Germany
2011–2013	Division manager purchase department (Germany), SolarWorld AG, Bonn, Germany
2013–2015	Director global procurement and supply chain management, SolarWorld AG, Bonn, Germany
2015–2017	Vice president global procurement and global sales, member of the executive board, SolarWorld AG, Bonn, Germany
2017–2018	Director sales and marketing, member of the executive board, SolarWorld Industries GmbH, Bonn, Germany / Qatar Solar Technologies, Doha, Qatar
2018–2021	Chief Executive Officer, G.S. Stolpen GmbH & Co. KG, Stolpen, Germany
Since 2021	Managing Director Operations, Meyer Burger (Industries) GmbH, Freiberg, Germany
Since 2022	COO and member of the Executive Board of the Company (as of January 1, 2022)

Other mandates and functions

Former mandates: No additional mandates during the past five years.

Current mandates: No further mandates for board memberships or consulting activities for important Swiss or foreign organizations. No significant official functions or political offices.

Convictions/proceedings

None of the members of the Executive Board is or was during the past five years subject to any convictions for major or minor finance or business-related crimes or subject to legal proceedings by statutory or regulatory authorities (including designated professional associations) that are ongoing or have been concluded with a sanction.

Compensation, shareholdings and loans

The following section describes the compensation of the members of the Board of Directors and the Executive Board and discloses shares and option rights held by, as well as loans granted to, the members of the Board of Directors and the Executive Board, in each case as of the date of this Prospectus (unless otherwise indicated).

In July 2020, the Board of Directors resolved to review the former compensation of the members of the Board of Directors and the Executive Board, with the aim of revising it such that total compensation of the members of the Board of Directors and the Executive Board and, potentially, the Company's employees in general would be linked more closely to the development of the share price of the Company's shares, in each case within the framework set

by the resolutions of the Company's shareholders' meeting relating to compensation. Pursuant to the resolution of the Board of Directors adopted in July 2020, the Board of Directors had tasked the N&C Committee with developing, and submitting to the Board of Directors for formal adoption, compensation models that achieve this goal whilst meeting the aforementioned requirement. In 2021, the N&C Committee 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 at the Company's 2021 ordinary shareholders' meeting.

Compensation of the members of the Board of Directors (for Board of Directors functions)

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 N&C Committee annually and, if necessary, adjusted by the Board of Directors based on a proposal by the N&C Committee.

The compensation of the members of the Board of Directors is based on the exposure and responsibilities of each individual member (Board of Directors: Chairman, Vice Chairman, Member; Committees: Chairman, Member). The total compensation includes the following elements:

- Fixed Board of Directors fee (in cash)
- Grant of restricted shares as long-term incentive (share participation program)
- Social security costs

The compensation system applicable to members of the Board of Directors consists of a fixed cash component (50%) and a fixed value (50%) of restricted shares (**"Restricted Shares"**) (see "—*Share participation program*"). The cash component depends on the responsibility, complexity and requirements of the tasks assumed. Each task is remunerated differently, and compensation is accumulated according to the number of tasks assumed by each member. The level of compensation for each of the tasks is set by the N&C Committee, taking into account the work required from board and committee members, and approved by the Board of Directors. Payments are made on a half-yearly basis.

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 any other share participation programs.

For fiscal year 2021, the Board of Directors had set the fixed fee and the amounts payable in Restricted Shares as follows (CHF thousand):

	Cash	RSU
Chairman of the Board of Directors	107.5	107.5
Vice Chairman of the Board of Directors	92.5	92.5
Member of the Board of Directors	92.5	92.5

Compensation is reviewed by the N&C Committee annually and, if necessary, adjusted by the Board of Directors based on a proposal by the N&C Committee. In 2022, the number of Directors was increased from four to five with the number of meetings and conference calls still very high compared to previous years due to additional business and organizational requirements. Because of the higher number of members, the N&C Committee proposed to increase the cash compensation for the Board of Directors at the ordinary shareholders' meeting held on May 5, 2022.

Members of the Board of Directors – Compensation for executive and advisory functions

During fiscal year 2021 no current member of the Board of Directors served in an executive role. Members of the Board of Directors did not receive any fees or other remuneration for additional services to the Company or its subsidiaries in the 2021 business year.

Compensation of the members of the Executive Board

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 level and, depending on local market practice, includes allowances and fringe 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**"; see "*—Share participation program*"). The mix of these components is defined by the profile, strategic impact and pay level of the role, as described below. The STI is an annual cash bonus aimed at motivating executives to focus their efforts on achieving specific financial, strategic and individual objectives. It shall help them to align their efforts, promotes initiative and aims to boost both individual and company performance. The STI performance is normally measured on the basis of specific financial, strategic and individual objectives, which are reviewed annually by the N&C Committee 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 STI is paid out in cash in April following the respective business year.

The compensation structure and level of the Executive Board is reviewed regularly against prevalent market practice for an appropriate peer group. The compensation of the Executive Board is currently reviewed by the N&C Committee. The N&C Committee uses studies including industrial and technology companies listed at SIX Swiss Exchange and/or DAX that are of comparable size in terms of revenue and market capitalization, with some further consideration given to the workforce and also compensation reports of PwC Germany and certain Swiss compensation experts.

The compensation system, its components and the mix between the components was reviewed and adjusted in the context of the embarking by the Company on the Indium Strategy in 2020; see "*Description of the Group's Business—Overview*" 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.

No members of the Executive Board were present at the meetings of the Board of Directors when decisions on their respective compensation were made.

Compensation system of the Executive Board

	Vehicle	**Purpose**	**Drivers**	**Performance measures**
Base salary	Monthly cash salary	Attract and retain	Position, market practice, skills and experience	—
Performance bonus (STI)	Annual bonus in cash	Pay for performance	Annual performance	Financial, strategic and individual objectives (depending on the position)
Long-term incentive (LTI)	Options with 3-year performance vesting	Reward long-term performance Align to shareholders' interests	Share and business performance over 3 years	Relative total shareholder return
Benefits	Pension and insurance plans	Protect against risks Attract and retain	Market practice and position	—

Option rights owned by governing body members

Option rights of members of the Board of Directors

As of the date of this Prospectus, none of the members of the Board of Directors owns any option rights with regard

to the shares.

Option rights of members of the Executive Board

The option rights to members of the executive board are set out in the table under the heading "*—Shares and Options owned by members of the Executive Board*".

Loans granted to governing bodies members

Loans granted to members of the Board of Directors

As of the date of this Prospectus, no loans, advances or credits have been granted to members of the Board of Directors.

Loans granted to members of the Executive Board

As of the date of this Prospectus, no loans, advances or credits have been granted to members of the Executive Board.

Management contracts

As of the date of this Prospectus, there are no management contracts with third parties entered into by the Company or a company of the Group.

Share participation programs

At the time of this Prospectus, the Company has different participation programs as a long-term incentive in place. In 2020, the N&C Committee and the Board of Directors decided to fundamentally reorganize employee participation as well as Board of Directors and Executive Board compensation.

Board Plan

Until the ordinary shareholders' meeting in 2020, members of the Board of Directors were eligible to participate in the "BoD Policy Share Plan" (the "**Board Plan**"). Pursuant to this plan, Restricted Share Units ("**RSU**") of up to 5% of the fully diluted share capital of the Company were eligible for grants as of the date of effect of the Board Plan. Members of the Board of Directors may participate in the Board Plan for the duration of their term, which begins on the day a person is elected or re-elected and ends on the day of Meyer Burger's shareholders' meeting following the election. RSUs are conditional awards to receive one share per RSU free of charge upon vesting (after the 3-year vesting period), subject to ongoing contractual relationship with the Company. Any granting of RSUs is always at the sole discretion of the Board of Directors. The number of RSU granted to a participant is determined by dividing the target amount by the volume-weighted average share price ("**VWAP**") over 10 (ten) trading days following the publications of the previous year's financial results. If an RSU that is granted under the Board Plan expires or terminates for any reason, the share subject to such RSU shall be available for further RSU grants to the same or other participants pursuant to the rules set out in the Board Plan. Participants working in countries in which the Board Plan may not be implemented due to legal, administrative or strategic reasons are not eligible to receive shares under the Board Plan. In such cases, the Board of Directors shall have discretion to make alternative arrangements. There are no shareholder rights attached to RSU, including but not limited to voting rights and dividend payments. From the date when shares are actually transferred to a participant under the Board Plan (upon vesting of RSUs after the 3-year vesting period), such participant has all shareholder rights attached to such shares. The right to participate in the Board Plan is personal to eligible persons and not transferable. RSU that have not yet been converted into shares and transferred to the participants before the termination date shall lapse on the termination date without any compensation, unless such participant are good leavers (as further specified and defined in the Board Plan, respectively), or in case of retirement, disability or death.

From the ordinary shareholders' meeting in 2020 to the ordinary shareholders' meeting in 2021, RSUs were discontinued, and instead the members of the Board of Directors were eligible to receive grants of Performance Share Units ("**PSUs**"). Each PSU provides for the right to a maximum of one share of the Company after a period of three years,

conditional on the share price development 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. 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 members of the Board of Directors will not receive any other compensation than the cash amount of their Board fees.

As of the ordinary shareholders' meeting in 2021, the Board of Directors decided to discontinue the granting of PSUs to Board members and, instead, to provide for a restricted share plan as compensation for members of the Board of Directors (the "**Restricted Share Plan**").

Under the Restricted Share Plan, Restricted Shares may only be allocated to members of the Board of Directors. Participation in the Restricted Share Plan is mandatory for members of the Board of Directors, and it is personal and not transferable. Under the Restricted Share Plan, 50% of all Board fees are not paid in cash but in the form of Restricted Shares. In the financial year 2021, the number of Restricted Shares was determined by dividing the relevant Board fee amount by the share price at grant date. Beginning with the Restricted Share allocation in the financial year 2022 the number of Restricted Shares granted is determined by dividing the relevant Board fee amount by the closing share price on the last trading day immediately prior to the grant date. Restricted Shares are blocked for three years from the grant date. During the blocking period, Restricted Shares convey shareholder rights; however, the Restricted Shares may not be sold, pledged, donated or disposed of in any other way with similar legal or economic effects.

The Restricted Shares are subject to claw-back conditions. In the event of a financial restatement due to material non-compliance of the Company (or any of its Subsidiaries, as the case may be) with any financial reporting requirement (excluding, for the avoidance of doubt, a restatement caused by a change in applicable accounting rules or interpretations) or an individual's fraudulent behavior, gross willful misconduct or material violation of the Group's regulations, the Board of Directors may determine that all or part of the Restricted Shares allocated (or an equivalent cash amount) have to be transferred / paid back to the Company.

If a participant ceases to be a member of the Board of Directors because of the participant's demise, any remaining Restriction Periods shall be lifted. If a Participant ceases to be a member of the Board of Directors for any other reason, any remaining Restriction Periods shall continue to apply unchanged.

Executive management and selected employees

In 2018 and 2019, the long-term incentive was awarded in the form of PSUs. PSUs are conditional awards to receive a certain number of shares, subject to ongoing employment and to the achievement of predetermined performance objectives on a group level. In 2020, the N&C Committee and Board of Directors decided for a long-term incentive (PSU) Plan (the "**LTI (PSU) Plan**") to attract, motivate and retain key executives. Pursuant to this plan, PSUs of up to 5% of the fully diluted share capital of the Company were eligible for grants as from the date of effect of the LTI (PSU) Plan. Any granting of PSU is always at the sole discretion of the Board of Directors. The number of PSUs granted to a participant is determined by dividing the target amount by the fair value of a PSU at grant date. Under the LTI (PSU) Plan each participant receives an individual award agreement, stipulating the number of PSUs allocated to the participant and any other details deemed necessary. There are no shareholder rights attached to the allocated PSUs and they are not transferable. From the date when shares are actually transferred to a participant, such participant has all shareholder rights attached to the shares. The entitlements to share units that the Board of Directors has allocated to participants under the LTI (PSU) Plan have a vesting period of three years. PSUs allocated to participants under the LTI (PSU) Plan that have not yet converted into shares and transferred to the participant before a termination date (*i.e.*, as a rule, the day on which notice is received by the employer in case of resignation by the participant, the last day of employment in case of dismissal by the employer, or the day prior to the commencement of a garden leave) shall lapse on the termination date without any compensation, unless individuals are good leavers (as further specified and defined in the Executive Plan, respectively), or in case of retirement, disability or death. Performance objectives

were set in the form of relative total shareholder return ("**TSR**") performance over the 3-year vesting period. Meyer Burger's TSR is then compared against the MAC Solar Index (www.macsolarindex.com). A TSR of at least 25 points above the index corresponds to 150% payout, a TSR at the same level to 100% payout, a TSR of no more than 50 points below the index to 50% payout; a TSR that is more than 50 points below the index yields no payout.

As of 2020, the PSU Plan for executives was discontinued, and instead, long-term incentive awards were made in the form of non-tradable employee stock options ("**Options**"). An Option is a personal, contractual, conditional right to purchase one Meyer Burger share per Option at a predetermined strike price (exercise price), subject to ongoing employment through the vesting period. During the vesting period, Options may not be exercised yet. The Option Plan applies to members of the Executive Board, as well as additional selected employees that the Board of Directors, in its sole discretion from time to time, and considering the proposals made by the N&C Committee, selects and nominates. For the Executive Management, the LTI target amount is expressed as a fixed LTI target amount in the employment contract. The number of Options awarded under the Option Plan is determined by dividing the individual grant amount by the fair grant value of an Option on the grant date.

Options granted in 2020 were subject to a one-year vesting period. If exercised before 3 years from the grant date, the exercise gain is allocated in the form of RSUs, constituting conditional awards to receive one share per RSU on the third anniversary of the grant date, subject to ongoing employment. On the third anniversary of the grant date, all unexercised Options are exercised immediately and automatically (provided the share price at that time is higher than the strike price per Option). The exercise gain is settled in the form of shares.

Options granted in 2021 and 2022 are subject to a three-year vesting period. On the third anniversary of the grant date, all Options are exercised immediately and automatically (provided that the share price at that time is higher than the strike price per Option). The exercise gain is settled in the form of shares. The relevant share price used at vesting / exercise is the VWAP measured over the 30 trading days preceding the vesting / exercise date.

The shares acquired through option exercise are subject to claw-back provisions. In the event of a financial restatement due to material non-compliance of the Company (or any of its Subsidiaries, as the case may be) with any financial reporting requirement (excluding, for the avoidance of doubt, a restatement caused by a change in applicable accounting rules or interpretations), or an individual's fraud or misconduct, the Board of Directors may determine that (i) all or parts of the unexercised Options with a vesting period that contains the year(s) for which a restatement has to be prepared shall be forfeited and/or (ii) all or part of the shares previously acquired through the exercise of Options with a vesting period that contained the year(s) for which a restatement has to be prepared have to be transferred back, or an equivalent cash amount has to be paid to the Company.

As of June 8, 2022, the vesting of Options for the Executive Management is subject to the achievement of predetermined performance conditions. The Board in its sole discretion has the power and authority to re-define the performance conditions, the measurement mechanism and/or the parameters from time to time.

Shares, Restricted Shares, RSUs and PSUs owned by members of the Board of Directors

As of August 31, 2022, the following members of the Board of Directors owned shares, Restricted Shares and PSUs in the Company:

Name	Function	Registered non-restricted shares (number)	PSUs (number)	Registered restricted shares (number)	Total participation (without PSUs) (in % of outstanding shares)
Dr. Franz Richter (*incl. related person's share holdings*)	Chairman	3,062,040	675,699	292,780	0.1256
Mark Kerekes	Vice Chairman	5,814,003	675,699	219,711	0.2259
Andreas Herzog (*incl. related person's share holdings*)	Member	253,004	675,699	219,711	0.0177
Urs Schenker	Member	8,142,859	–	219,711	0.3131
Katrin Wehr-Seiter	Member	–	–	–	–
Total Board of Directors		17,271,906	2,027,097	951,913	0.6824

Shares and Options owned by members of the Executive Board

As of August 31, 2022, the following members of the Executive Board owned shares and Options in the Company:

Name	Function	Registered non-restricted shares (number)	Options (number)	Total participation (without Options) (in % of outstanding shares)
Gunter Erfurt	CEO	374,617	11,006,202	0.0140
Markus Nikles	CFO	–	–	–
Katja Tavernaro	CSO	64,380	5,753,100	0.0024
Moritz Borgmann	CCO	–	5,556,058	–
Daniel Menzel	COO	–	4,318,058	–
Total Executive Board		438,997	26,633,418	0.0164

Independent auditors

The auditors of the Company have been PricewaterhouseCoopers AG since fiscal year 2003. PricewaterhouseCoopers AG is an audit firm under state oversight (*staatlich beaufsichtigtes Revisionsunternehmen*) by the Swiss Federal Audit

Oversight Authority pursuant to the Swiss Federal Act on the Admission and Oversight of Auditors (*Revisionsaufsichtsgesetz*). The lead auditor, Rene Rausenberger, has been responsible for the audit mandate since the financial year 2020. The auditors have to be elected each year by the shareholders' meeting. The auditors have been re-elected for the financial year 2022 at the ordinary shareholders' meeting held on May 5, 2022.

The business address of PricewaterhouseCoopers AG is Bahnhofplatz 10, 3011 Bern, Switzerland.

Total fees of PricewaterhouseCoopers AG, for services rendered in the fiscal year 2021 amount to CHF 842.6 thousand, as further set out below:

Auditing fees

The auditing fees of PricewaterhouseCoopers AG for services rendered in the fiscal year 2021 related to the audit of the annual financial statements of the Company and its subsidiaries, the annual consolidated financial statements of the Group, in each case as of and for the year ended December 31 2021, the review of the consolidated interim financial statements of the Group as of and for the six-month period ended June 30, 2021 and the 2021 remuneration report amount to a total of CHF 820.2 thousand.

Additional fees

Additional fees of PricewaterhouseCoopers AG for further services rendered in the fiscal year 2021 amounted to CHF 22.4 thousand. The additional fees charged by PricewaterhouseCoopers AG represented 2.7% of the auditing fees of PricewaterhouseCoopers AG for services rendered in the fiscal year 2021 (see "—*Auditing fees*" above).

Supervisory and control instruments vis-à-vis the auditors

The R&A Committee once per year examines the auditing concept, the auditing plan and the fee structure, as well as the auditors' independence from the Company.

The external auditors at least once per year prepare a detailed (long form) audit report and brief the R&A 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.

During the fiscal year 2022 (through August 31, 2022), the external auditors issued detailed audit reports in connection with (for the definitions, please see "*Presentation of Financial Information*"):

- the audit of the 2021 Audited Consolidated Financial Statements;
- the audit of the audited statutory financial statements of the Company as of and for the year ended December 31, 2021; and
- the review of the 2022 Reviewed Interim Consolidated Financial Statements as included elsewhere in this Prospectus.

During the fiscal year 2022 (through August 31, 2022), representatives of the external auditors participated in 1 meeting of the R&A Committee (in 2021: 0).

During the fiscal year 2022 (through August 31, 2022), the internal auditors of the Company issued 1 internal audit report (in 2021: 2). Representatives of the internal auditors of the Company participated at 2 R&A Committee meetings (in 2021: 2).

The Board of Directors once per year verifies the selection of potential auditors, in order to propose the preferred audit firm for election to the shareholders at the shareholders' meeting. The R&A Committee evaluates the effectiveness of the auditors appointed in accordance with Swiss law. In this evaluation, the R&A 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, 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 R&A Committee, as well as with the internal audit and the Executive Board.

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

The R&A Committee also examines the proportion between the auditing fee for the annual financial statements and the additional non-audit services performed by the auditors. The R&A Committee will examine potential consequences regarding the independence of the auditors. The auditing fee for the annual audit mandate is finally approved by the entire Board of Directors.

For the year 2022 (up to the date of this Prospectus) and for the fiscal year 2021, the Board of Directors concluded that the independence of the auditors was fully ensured at all times.

DESCRIPTION OF THE SHARE CAPITAL AND THE SHARES

Set out below is certain information concerning the Shares and a brief summary of certain provisions of the Company's Articles of Association, in their current version dated as of May 5, 2022, and the CO (*Schweizerisches Obligationenrecht*). This description does not purport to be complete and is qualified in its entirety by reference to the Articles of Association, the CO and other Swiss statutory law.

Swiss Corporate Law Reform

On June 19, 2020, the Swiss Parliament approved legislation that will modernize certain aspects of Swiss corporate law. Most relevantly, the legislative reform addresses, among other topics, (i) the modernization and increased flexibility for a stock corporation's capital base, (ii) the strengthening of shareholder rights and the protection of minorities, (iii) certain changes to financial distress/restructuring measures, (iv) corporate governance and executive compensation matters (amongst others, the incorporation of the Compensation Ordinance into the CO), and (v) certain socio-political topics (*e.g.*, gender representation and disclosure requirements for companies active in the raw materials sector). Other than with respect to the new rules on gender representation and disclosure requirements for companies active in the raw materials sector, which, subject to transitional periods, came into effect on January 1, 2021, the new legislation will come into effect on January 1, 2023, with certain transitional periods as provided for therein. In light of these reforms, certain sub-sections discussed in more detail below will be subject to the changes and modifications pursuant to this new legislation

Share capital

Issued share capital

The extraordinary shareholders' meeting held on July 10, 2020 resolved to increase the share capital of the Company by a maximum amount of CHF 91,498,868.60 by issuing up to 1,829,977,372 fully paid-in registered shares with a nominal value of CHF 0.05 each. The ordinary capital increase was subject to the condition that the capital increase would result in gross proceeds for the Company between CHF 150,000,000 and CHF 165,000,000. The subscription rights of existing shareholders were excluded with regard to 557,511,684 registered shares (corresponding to 1/3 of the maximum amount of registered shares to be issued) and allocated to certain investors at the time. An ordinary capital increase in the amount of CHF 91,498,868.60 by issuing 1,829,977,372 fully paid-in registered shares with a nominal value of CHF 0.05 each was registered with the commercial register on July 28, 2020.

As a result, as of the date of this Prospectus and prior to completion of the Offering, the Company has a share capital of CHF 133,524,550.55, comprising 2,670,491,011 fully paid-in registered Existing Shares with a nominal value of CHF 0.05 each. All of the Existing Shares are registered shares and are entitled to dividends paid, if any. There are no preference rights or similar rights attached to the Existing Shares.

Sourcing of the Offered Shares

The Offered Shares will be newly issued Shares of the Company. On October 28, 2022, the Company held an extraordinary shareholders' meeting that resolved to increase the share capital of the Company by a maximum amount of CHF 46,733,592.50 by issuing up to 934,671,850 fully paid-in registered shares with a nominal value of CHF 0.05 each, such capital increase to be implemented by the Board of Directors upon completion of the Offering.

Authorized share capital

The ordinary shareholders' meeting held on May 4, 2021 approved to renew and increase the authorized share capital of the Company up to the amount of an aggregate nominal value of CHF 12,575,756, corresponding to 251,515,120 registered shares to be fully paid up with a nominal value of CHF 0.05 each until May 4, 2023. On July 2, 2021, the Company issued 155,339,805 ordinary shares with a nominal value of CHF 0.05 each from authorized share capital. The subscription rights of the existing shareholders were excluded.

As a result, the authorized share capital of the Company pursuant to article 3*d* of the Articles of Association in effect as of the date of this Prospectus amounts to an aggregate nominal value of CHF 4,808,765.75, corresponding to 96,175,315 registered shares to be fully paid up with a nominal value of CHF 0.05 each, corresponding to 3.6% of the share capital of the Company as of the date of this Prospectus.

Accordingly, pursuant to article 3d of the Articles of Association, the Board of Directors is authorized to increase the share capital by a maximum amount of CHF 4,808,765.75 at any time until May 4, 2023, by issuing up to 96,175,315 registered shares to be fully paid up with a nominal value of CHF 0.05 per share.

The Board of Directors is entitled to restrict or exclude the subscription rights (*Bezugsrechte*) of the shareholders and allocate them to third parties if the new shares are to be used:

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

Upon the effective date of the Swiss corporate law reform (see "—*Swiss Corporate Law Reform*"), all new authorized share capitals resolved by a shareholders' meeting will take the form of a capital band (*Kapitalband*). The capital band, if resolved by a shareholders' meeting, will authorize the board of directors at any time within five years to increase or decrease the share capital by the maximum amount approved by a shareholders' meeting which may not exceed 50% of the current share capital.

Conditional share capital

On May 5, 2022, the Company's ordinary shareholders' meeting resolved to increase the conditional share capital of the Company for employee participation programs to a maximum of CHF 6,287,870. Based on the revised article 3b of the Company's Articles of Association, the share capital may be increased by a maximum amount of CHF 6,287,870 through the issuance of a maximum of 125,757,400 fully paid-in registered shares with a nominal value of CHF 0.05 each. As a result, in accordance with article 3*b* of the Company's Articles of Association, the share capital may, under the exclusion of the subscription rights of shareholders, be increased by a maximum amount of CHF 6,287,870 through the issuance of a maximum of 125,757,400 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. 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.

On May 4, 2021, the Company's ordinary shareholders' meeting resolved to increase the conditional share capital of the Company in connection with certain financing measures to a maximum amount of CHF 12,575,756. Based on the revised article 3c of the Company's Articles of Association, the share capital may be increased by a maximum amount of CHF 12,575,756 through the issuance of a maximum of 251,515,120 fully paid-in registered shares with a nominal value of CHF 0.05 each. As a result, in accordance with article 3*c* of the Company's Articles of Association, the share capital may be increased by a maximum amount of CHF 12,575,756 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 (*Vorwegzeichnungsrechte*) of existing shareholders in connection with the issuance of convertible bonds, bonds with option rights or other similar financial market instruments, provided that:

- the financing instruments with conversion or option rights are issued in connection with the financing or refinancing of the acquisition of enterprises, parts of enterprises, participations or new investment plans; or
- 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:

- conversion rights may be exercisable only for up to 10 years, option rights only for up to 7 years from the date of the respective issuance; and
- the respective financial market instruments must be issued at market conditions.

Participation certificates and profit sharing certificates

The Company has not issued any non-voting equity securities such as participation certificates (*Partizipationsscheine*) or profit sharing certificates (*Genussscheine*).

Own shares

As of June 30, 2022, the Company held together 16,876,103 Existing Shares as treasury shares, which may be used (at the future vesting date) for the benefit of the members of the Board of Directors, members of the Executive Board and for other selected employees within the Group who are participating in the Group's share participation programs (see "*Board of Directors, Executive Board and Auditors—Share participation program*").

Convertible Bond, share participation program, options

As announced on July 1, 2021, on July 8, 2021, MBT Systems GmbH, a wholly-owned direct subsidiary of the Company, issued the Convertible Bond, as a "green" senior unsecured guaranteed convertible bond with an aggregate principal amount of EUR 145 million, which is due to mature in 2027. The Convertible Bond carries a coupon of 3.5% (initial range from 2.75%-3.5%) per annum, payable semi-annually in arrears. Unless previously converted or repurchased and cancelled, the Convertible Bond will be redeemable at 100% of its principal amount on July 8, 2027. Under the bond documentation, tranches of the Convertible Bond are exchangeable in shares of the Company. The issuer will be entitled to redeem the Convertible Bond at its principal amount plus accrued interest in accordance with the terms and conditions of the bond at any time (i) on or after July 29, 2025, if the price of a Share is equal to or exceeds 130% of the then-prevailing conversion price over a certain period or (ii) if less than 15% of the aggregate principal amount of the bond remains outstanding. The outstanding principal amount as of June 30, 2022 was EUR 145,000 thousand (December 31, 2021: EUR 145,000 thousand). As a consequence of the Offering, the conversion price (and conversion ratio) of the Convertible Bond will need to be adjusted. This anticipated adjustment of the conversion price depends on the conversion price in effect immediately prior to the Offering, *i.e.*, CHF 0.643774; EUR 0.5868, the market price of the Company's shares as of the date on which the shares are first traded ex-purchase rights, currently expected to be November 1, 2022, and the value of one Right, which in turn depends on the theoretical ex-Rights price (so-called TERP) of the Company's shares, to be calculated according to a formula set out in the terms and conditions of the Convertible Bond. Therefore, as of the date of this Prospectus, the adjusted conversion price (and conversion ratio) in effect following the Offering cannot yet be determined. In connection with this anticipated adjustment of the conversion rate of the Convertible Bond as a consequence of the Offering, the Company expects to submit to the forthcoming ordinary shareholders' meeting to be held in 2023 to resolve to increase the conditional share capital of the Company. The Convertible Bond will mature at 100% of its nominal value on July 8, 2027. See "*Executive Board's*

Discussion and Analysis of Financial Condition and Results of Operations—Financing of the Group" and "*Risk Factors—Risks related to the Group's strategy and business—The Group may fail to repay, renew, or to secure at acceptable economic terms and conditions an agreement replacing, the Syndicated Loan Agreement and Factoring Agreement, due to a failure on the part of the Group to operationally and financially perform its obligations as expected or otherwise, which could materially adversely affect the Group's business, financial condition, results of operations or prospects and result in the Company being unable to pay its debts, becoming insolvent and/or required to file for bankruptcy.*")

The Company has a share participation program as a long-term incentive for the members of the Board of Directors and members of the Executive Board as well as for other selected employees within the Group (see "*Board of Directors, Executive Board and Auditors—Share participation programs*").

As of the date of this Prospectus, the Company has no other convertible bonds and share participation programs outstanding as described above. Further, the Company has no options outstanding.

Form and rank of Shares

The Shares are registered shares with a nominal value of CHF 0.05 each. They are fully paid up and are not subject to further payment obligations.

The Shares are registered shares and are issued as uncertificated securities (*einfache Wertrechte*), and registered as intermediated securities (*Bucheffekten*) in the main register (*Hauptregister*) with SIS. The Shares are held in collective custody with SIS in accordance with the FISA. The shareholders do not have the right to request the printing and delivery of share certificates. However, the shareholders may ask for an attestation of their shareholding free of charge from the Company. By contrast, the Company may at any time convert uncertificated securities into certificated securities (individual or global certificates held in collective custody) and to withdraw shares registered as intermediated securities from the corresponding custody system.

In accordance with the Articles of Association and in accordance with the requirements of the clearing arrangements of SIS, the Offered Shares will be issued in uncertificated form (*einfache Wertrechte*) and will be entered in the Company's book of book-entry securities (*Wertrechtebuch*). The Offered Shares will then be registered in the main register (*Hauptregister*) maintained by SIS and credited to the securities account of each holder of Offered Shares and thus will become securities held with an intermediary (*Bucheffekten*).

The Shares rank *pari passu* in all respects with each other, including with respect to entitlements to dividends, to a share of the liquidations proceeds in the case of the liquidation of the Company, and to subscription rights.

Voting rights

Each Share carries one vote at shareholders' meetings. Membership rights can be exercised by anyone who is registered in the Company's share register as a shareholder 10 calendar days prior to the shareholders' meeting and who has not sold his/her Shares until the closing of the shareholders' meeting.

Limitation on transferability and nominee registrations

As a matter of principle, the Articles of Association of the Company do not include any restrictions on transferability.

Acquirers of Shares are entered into the Company's share register upon request as shareholders with voting rights, provided that they expressly declare that they have acquired these 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 share capital recorded in the commercial register of the Canton of Berne with voting rights in the Company's share register. Nominees within the meaning of this provision are persons who do not explicitly declare in the request for registration to hold the Shares for their own account and with whom the Board of Directors has entered into a corresponding agreement.

Beyond this limit, the Board of Directors can enter Shares of nominees with voting rights in the Company's 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 of the Canton of Berne.

Legal entities or partnerships or other associations or joint ownership arrangements which are linked through capital ownership or voting rights, through common management or in another manner, as well as natural persons, legal entities or partnerships who act in concert in order to circumvent the shareholding thresholds or the restrictions on nominee registration (especially as a syndicate) are considered as one shareholder or one nominee.

These entry restrictions set forth in more detail in article 4 of the Articles of Association also apply to Shares that were subscribed or acquired through the exercising of subscription rights, options or conversion rights.

Shareholders’ meeting

Under Swiss law, an ordinary shareholders’ meeting must be held within six months after the end of a company’s preceding financial year. In the case of the Company, this means on or before June 30 of each year following the respective financial year.

In shareholders’ meetings, except as noted below, each shareholder has equal rights, including equal voting rights. According to the Articles of Association, each Share is entitled to one vote.

Shareholders’ meetings may be convened by the Board of Directors or, if necessary, at the request of the Company’s independent auditors. The Board of Directors is further required to convene a shareholders' meeting of the Company if so resolved by a shareholders’ meeting or if so requested by holders of Shares holding in aggregate at least 10% of the share capital with voting rights of the Company. A shareholders’ meeting is convened by publishing a notice in the Swiss Official Gazette of Commerce (*Schweizerisches Handelsamtsblatt*) at least 20 days prior to such meeting. Shareholders representing at least 3% of the voting share capital or Shares with an aggregate nominal value of CHF 1,000,000 have the right to request that a specific proposal be discussed and voted upon at the next shareholders’ meeting. Such request is to be made in writing to the Board of Directors and at least 35 days prior to the shareholders’ meeting.

Upon entry into force of the Swiss corporate law reform, the Board of Directors will be required to convene an extraordinary shareholders’ meeting if resolved at a shareholders’ meeting or within two months if requested by one or more shareholder(s) representing in aggregate at least 5% of the Company’s nominal share capital registered in the commercial register. Registered shareholders with voting rights individually or jointly representing at least 0.5% of the share capital of the Company may demand that items be put on the agenda.

There is no provision in the Articles of Association requiring a presence quorum for shareholders’ meetings of the Company.

Shareholders’ meetings take their resolutions and undertake their elections with an absolute majority of the Shares represented, insofar as the law or the Articles of Association do not contain provisions to the contrary. A resolution passed with a qualified majority of at least two-thirds of the Shares represented at a shareholders’ meeting and an absolute majority of the nominal value of the Shares represented is required for (i) changes in the Company’s purpose, (ii) the creation of shares with privileged voting rights (*Stimmrechtsaktien*), (iii) the introduction of restrictions on the transferability of Shares, (iv) an authorized or conditional increase in the Company’s share capital, (v) a capital increase funded by equity capital, against contributions in kind (*Sacheinlage*), for the acquisition of assets (*Sachübernahme*) or involving the granting of special advantages, (vi) the restriction or cancellation of subscription rights, (vii) a re-location of the seat of the Company, and (viii) the dissolution of the Company. Special quorum rules apply by law to a merger (*Fusion*), demerger (*Spaltung*) or conversion (*Umwandlung*) of a company pursuant to the Swiss Federal Merger Act (the “**Merger Act**”).

The introduction or abolition of provisions in the Articles of Association providing for a greater majority voting requirement than is prescribed by law must be adopted by such greater majority voting requirements.

A shareholders’ meeting also has, in particular, the power to decide by absolute majority on amendments to the Arti-

cles of Association, to elect each member of the Board of Directors and the chairman individually, to elect the independent auditors, to approve the annual report and the annual group accounts, to decide on the annual dividend and to discharge the directors from liability for matters disclosed to the shareholders' meeting. A shareholders' meeting, by an absolute majority, also has the power to have specific matters investigated by a special audit (*Sonderprüfung*), provided that such audit is necessary for the proper exercise of shareholders' rights and that the shareholders' inspection rights (see below) have previously been exercised.

A shareholder may, by written proxy, be represented at the shareholders' meeting by a person who does not need to be a shareholder. All Shares held directly or indirectly by a shareholder can only be represented by one person. Shareholders may also be represented at a shareholders' meeting by the independent proxy (see "*Ordinance against Excessive Compensation in Listed Companies—Independent proxy*"). Upon the effective date of the Swiss corporate law reform (see "*—Swiss Corporate Law Reform*"), a shareholders' meeting may, under certain circumstances, be held as virtual or hybrid general meeting of shareholders whereby shareholders may exercise their rights electronically.

Voting and elections shall take place openly unless the chairman orders otherwise or one or more shareholders, together representing at least 5% of the represented Shares, request a secret vote.

Upon the effective date of the Swiss corporate law reform (see "*—Swiss Corporate Law Reform*"), the shareholders' meeting will have certain new additional non-transferable powers, and for certain additional matters, a qualified majority will be required (amongst others, (i) a consolidation of shares of a listed company; (ii) a capital increase through contribution by set-off; (iii) an introduction of a capital band (*Kapitalband*); (iv) a change of currency of the share capital; or (v) a delisting of the equity securities of a listed company).

Shareholders' inspection rights

The minutes of the shareholders' meetings are available on the Company's website under https://www.meyerburger.com/en/investors/annual-general-meeting/. In accordance with Swiss law and the Articles of Association, the Company makes its annual report and the auditors' report available for inspection by shareholders at the Company's registered office at least 45 days prior to each ordinary shareholders' meeting. Any shareholder may request a copy of these reports in advance of or after the shareholders' meeting. In addition, at a shareholders' meeting, a shareholder may request information from the Board of Directors concerning the business and operations of the Company and may request information from the auditors concerning the performance and results of their examination of the financial statements. The Company may refuse to provide that information to a shareholder if, in the Company's opinion, the disclosure of the requested information would reveal confidential secrets or infringe other protected interests of the Company.

Upon the effective date of the Swiss corporate law reform (see "*—Swiss Corporate Law Reform*"), shareholders holding at least 5% of the nominal share capital or of the votes, will have the right to request the inspection of Company records and files at any time. The Board of Directors must grant the inspection request within four months after receipt of such request; denial of the request will require written justification. In case an inspection or information request is denied by the Board of Directors, shareholders may request the order of an inspection or information right by the court within thirty days.

Shareholders' rights to bring derivative actions

Under the CO, an individual shareholder may bring an action in its own name, for the benefit of the Company, against the Company's directors, officers or liquidators, thereby seeking to allow the Company to recover any damages it has incurred due to the intentional or negligent breach by such directors, officers or liquidators of their duties.

Allocation of annual net profits

Dividends may be paid only if the Company has sufficient distributable profits or sufficient free reserves to allow the distribution of a dividend. Swiss law generally requires that at least 5% of the annual net profits of a holding company must be retained by a company as general reserves for so long as such reserves amount to less than 20% of the company's paid-up nominal share capital. Any remaining net profits are at the disposal of the shareholders' meeting. In

addition, the distribution of dividends is dependent upon the Company's dividend policy, earnings, its financial condition, the condition of the markets, the general economic climate and other factors, including cash requirements, business prospects and tax, regulatory and other legal considerations. The allocation of the net profits of a company is approved at the shareholders' meeting. Under Swiss law, the proposal of the Board of Directors to distribute dividends requires the approval of the shareholders' meeting and must be based upon audited financial statements. Further, the auditor must confirm that the proposed dividend is in accordance with the law and the Articles of Association. See "*Dividends and Dividend Policy*".

Dividends are usually due and payable not earlier than one day after the shareholders' resolution relating to the allocation of profits has been passed. The statute of limitations in respect of dividend payments is five years. For information about deduction of withholding taxes, see "*Taxation*".

Subscription rights

Under Swiss law, any share issue, whether for cash or for non-cash consideration, is subject to the prior approval or authorisation of the shareholders. Shareholders of the Company have certain subscription rights (*Bezugsrechte*) to subscribe for new issues of Shares and advance subscription rights (*Vorwegzeichnungsrechte*) to subscribe for warrants, convertible bonds, or similar debt instruments with option rights in proportion to the nominal amount of shares held. These subscription rights are granted in proportion to the nominal amount of Shares held. A resolution adopted at a shareholders' meeting with a qualified majority of at least two-thirds of the Shares represented at a shareholders' meeting and an absolute majority of the nominal value of the Shares represented may, however, limit or exclude subscription rights for certain valid reasons.

Borrowing power

Neither Swiss law nor the Articles of Association restrict in any way the Company's power to borrow and raise funds. The decision to borrow funds is passed by or under direction of the Board of Directors, no shareholders' resolution is required. Under the existing financing agreements with the lenders, the Company's and its subsidiaries' borrowing power is significantly limited by restrictive financial covenants (see "*Executive Board's Discussion and Analysis of Financial Condition and Results of Operations—Financing of the Group*").

Repurchase of Shares

Swiss law limits the right of the Company to purchase and hold its own Shares. The Company and Group companies in which the Company holds a majority participation may purchase Shares only if and to the extent that (i) the Company or the respective Group company has freely distributable reserves in the amount of the purchase price; and (ii) the aggregate nominal value of all Shares held by the Company and the respective Group companies does not exceed 10% of the Company's share capital. Furthermore, under Swiss law, upon the purchase of Shares, the Company must reflect the amount of the purchase price of the acquired Shares in its balance sheet as a negative reserve within the equity. Shares held by the Company or Group companies in which the Company holds a majority participation are not entitled to vote at shareholders' meetings, but are entitled to the economic benefits, including dividends, subscription rights (*Bezugsrechte*) in the case of share capital increases and advance subscription rights (*Vorwegzeichnungsrechte*) in the case of issuance of debt instruments with option rights, applicable to the Shares generally.

In addition, selective share repurchases are only permitted under certain circumstances; in particular, publicly announced repurchases of listed shares are subject to certain restrictions promulgated by the Swiss Takeover Board (*Übernahmekommission*), the regulatory body for takeover bids in Switzerland, under FMIA and its implementing ordinances. Within these limitations, as is customary for Swiss companies, the Company may purchase and sell its own Shares from time to time in order to meet imbalances of supply and demand, to provide liquidity, and to even out variances in the market price of the Shares.

Conflicts of interests

Swiss company law does not provide for a general provision on conflicts of interest. However, the CO contains

a provision which requires directors and other officers to safeguard the interests of a company and, in this connection, imposes a duty of loyalty and duty of care on its directors and officers. The directors and officers are personally liable to the Company for breach of these provisions. In addition, Swiss law contains a provision under which payments made to a shareholder or a director or any person associated with them other than at arm's length must be repaid to the company if such shareholder or director was acting in bad faith. Also, the CO requires that the conclusion of an agreement between a company and its director or an officer must be in writing unless the value of the agreement is lower than CHF 1,000 and concerns ordinary business of the company. In addition, Swiss law contains provisions under which the members of the board of directors and all the persons engaged in the company's management are liable to the company, its shareholders and its creditors for damages caused by the intentional or negligent violation of their duties.

Pursuant to the SIX Swiss Exchange Directive on the Disclosure of Management Transactions of March 20, 2018, members of the board of directors and of the management of a company listed on SIX Swiss Exchange are required to report to the company, inter alia, transactions they carried out directly or indirectly in shares of the company, call and put options and conversion and similar rights with respect to shares of the company.

Upon the effective date of the Swiss corporate law reform (see "*—Swiss Corporate Law Reform*"), certain provisions regarding conflict of interests will be incorporated in the CO. Specifically, the members of the Board of Directors and the Executive Board will be required to immediately and fully inform the Board of Directors about any potential conflict of interests concerning them, and the Board of Directors will be required to take measures in order to protect the interests of the Company.

Disclosure of principal shareholders

Under the Financial Market Infrastructure Act ("**FMIA**"), persons who directly, indirectly or acting in concert with third parties, acquire or sell for their own account shares or derivative instruments and thereby reach, exceed or fall below the respective thresholds of 3%, 5%, 10%, 15%, 20%, 25%, 33⅓%, 50% or 66⅔% of the voting rights of a company with registered seat in Switzerland and whose shares are listed on SIX Swiss Exchange must notify the company and SIX Swiss Exchange of such transactions within four trading days, whether or not the voting rights attributable to those shares can be exercised. Following receipt of such notification, the company must inform the public within two trading days. For information as to the notifications received by the Company regarding the current shareholdings in the Company, see "*Significant Shareholders*".

Furthermore, under Swiss company law, a listed company must disclose in the notes to the annual report the identity of shareholders and shareholder groups acting in concert who hold more than 5% of the company's voting rights.

Mandatory bid rules

Pursuant to the applicable provisions of the FMIA, if a person acquires shares of a Swiss listed company, whether directly or indirectly or acting in concert with third parties, which, when added to the shares already held by such person, exceed the threshold of 33⅓% of the voting rights (whether exercisable or not) of such company, that person must make a bid to acquire all of the listed shares of the company. A company's articles of association may either eliminate this provision of the FMIA or may raise the relevant threshold to 49% ("opting-out" or "opting-up", respectively). The Articles of Association do not contain an opting-out or an opting-up provision.

The Swiss Takeover Board or the Swiss Financial Market Supervisory Authority FINMA may grant exemptions from the mandatory offer rules in certain circumstances. If no waiver is granted, the mandatory takeover bid must be made pursuant to the procedural rules set forth in FMIA and the implementing ordinances thereunder.

There is no obligation to make a public tender offer under the FMIA and its implementing ordinances if the voting rights in question are acquired as a result of a gift, succession or partition of an estate, a transfer based upon matrimonial property law or execution proceedings. However, any such acquisitions have to be notified to the Swiss Takeover Board. There is also no obligation to make a bid under the foregoing rules if the shareholder has acquired the voting rights in question prior to the Offering.

Cancellation of remaining equity securities and squeeze out merger

Under the FMIA, any offeror who has made a tender offer for the shares of a listed Swiss target company and who, as a result of such offer, holds more than 98% of the voting rights of the target company, may petition the court to cancel the remaining equity securities. The petition must be filed against the target company within three months after the expiration of the offer period. The remaining shareholders may join the proceedings. If the court orders cancellation of the remaining equity securities, the target company will reissue the equity securities and deliver such securities to the offeror against payment of the offer price for the benefit of the holders of the cancelled equity securities.

Under the Merger Act, shareholders of the transferring company may be compensated in cash or other consideration instead of shares in the surviving company if at least 90% of the shareholders of the transferring company who are entitled to vote give their consent. However, it is unclear and disputed whether the 90% approval relates to the total number of votes represented by all shares of the target company outstanding, or the total number of shareholders of the target company entitled to vote.

Foreign investment and exchange control regulations in Switzerland

Other than in connection with government sanctions imposed on certain persons from the Republic of Iraq, the Islamic Republic of Iran, Lebanon, Yemen, Libya, Sudan, the Republic of South Sudan, Nicaragua, Burundi, the Democratic Republic of Congo, Somalia, Guinea-Bissau, Syria, Myanmar (Burma), Zimbabwe, Belarus, Guinea, the Democratic People's Republic of Korea (North Korea), the Central African Republic, the Republic of Mali, Venezuela, persons and organizations with connections to Osama bin Laden, the "Al-Qaeda" group or the Taliban, certain persons in connection with the assassination of Rafik Hariri, and certain measures in connection with the prevention of circumvention of international sanctions in connection with the situation in Ukraine, there are currently no government laws, decrees or regulations in Switzerland that restrict the export or import of capital, including, but not limited to, Swiss foreign exchange controls on the payment of dividends, interest or liquidation proceeds, if any, to non-resident holders of the Shares.

Duration and liquidation

The Articles of Association state that the duration of the Company is infinite. The Company may be dissolved by way of liquidation at any time by a shareholders' resolution passed by a qualified majority of at least two thirds of the Shares represented at a shareholders' meeting and an absolute majority of the nominal value of the Shares represented at such meeting. Dissolution by court order is possible if the Company becomes bankrupt, or if shareholders holding at least 10% of the share capital can establish cause for dissolution. In the event of liquidation of the Company, each Share is equally entitled to the liquidation proceeds.

Notices and information policy

The shareholders are informed via the annual report and the half-year report, via press releases, via internet and at the shareholders' meetings. Press releases are published in accordance with the ad-hoc publicity rules of SIX Swiss Exchange and are also available on the Company website (for ad-hoc announcements: https://www.meyer-burger.com/en/investor-relations/ad-hoc-announcements; for financial reports and publications: https://www.meyer-burger.com/en/investor-relations/financial-reports-publications).

Statutory notices by the Company to its shareholders or otherwise are, in general, published in the Swiss Official Gazette of Commerce. Notices required under the Listing Rules will be published on the website of SIX Swiss Exchange (currently: https://www.ser-ag.com/en/resources/notifications-market-participants/official-notices.html#/).

Cross-shareholdings

As of the date of this Prospectus, there are no cross-shareholdings that exceed 5% of the holdings of capital or voting rights on both sides.

Ownership of Shares by non-Swiss persons

Persons who are neither nationals of, nor resident in, Switzerland may freely hold, vote and transfer their Shares in the same manner as Swiss residents or nationals under Swiss law and under the Articles of Association.

Ordinance against Excessive Compensation in Listed Companies

The Ordinance against Excessive Compensation in Public Companies (the "**Compensation Ordinance**") came into effect on January 1, 2014, and implements a constitutional amendment based on a popular initiative approved by the Swiss electorate in 2013 regarding excessive compensation of top level governing bodies in listed stock corporations. On June 19, 2020, the Swiss Parliament voted in favor of the revision of the CO implementing the Compensation Ordinance as a formal statute. The revised CO partially entered into force in 2021 with the relevant statutes entering into force in 2023, see "*—Swiss Corporate Law Reform*". The summary below is based on the Compensation Ordinance, which will subject to certain adjustments as of 2023 form part of the revised CO (as referenced above). Set out below is a summary of some of the Compensation Ordinance's key provisions.

Severance pay, advance payments and transaction bonuses

The Compensation Ordinance prohibits certain types of compensation arrangements with members of a Swiss listed company's board of directors, executive management and advisory board, including severance payments, forms of advance compensation, transaction bonuses and certain other types of compensation and benefits not expressly provided for by a company's articles of association.

Whilst the Compensation Ordinance broadly prohibits severance payments in any form, compensation which is due and paid up to the expiry of the contractual relationship does not count as severance payment. However, excessive termination notice periods in employment contracts (*i.e.*, longer than one year) and long-term employment contracts for a fixed duration of more than one year are prohibited. Post-employment non-compete covenants and consultancy agreements are not subject to the Compensation Ordinance's severance pay prohibition, unless, as a result of their terms, they are deemed disguised severance payments.

The Compensation Ordinance also restricts certain forms of advance compensation. Whilst advance payments compensating benefits and other entitlements that executives forfeit from their previous employers continue to be permissible, genuine prepayments of salary for the performance of contractual work obligations are not permitted.

Shareholder approval of compensation for board of directors, executive management and advisory board

The Compensation Ordinance requires the shareholders' meeting of Swiss listed companies to vote on the compensation of the board of directors, the executive management and the advisory board. Swiss listed companies are required to specify in their articles of association the mechanism for say-on-pay votes, subject to certain minimum requirements. These minimum requirements provide, in particular, that the say-on-pay vote must be binding, held annually and separately regarding the aggregate compensation of the members of the board of directors, of the members of the executive management and of the members of the advisory board, if any.

The Compensation Ordinance requires a company's board of directors to prepare an annual written compensation report disclosing remuneration (including loans and other benefits) directly or indirectly awarded by the company. The disclosure relates to any remuneration paid, and loans made, during the most recently ended fiscal year to members of the board of directors, executive management and advisory board and, to the extent not in line with market standards, to former members of the board of directors, executive management and advisory board as well as to related parties of such current and former members of the board of directors, executive management and advisory board. The remuneration paid, and loans granted, to any member of the board of directors must be disclosed individually (including the name and function of the member) and as a total amount. In case of the executive management, only the highest contribution awarded must be disclosed (including the recipient and his or her function within the company) as well as the total awarded amount.

Articles of association

The Compensation Ordinance requires that the articles of association of a Swiss public company include provisions regarding (i) the maximum number of permissible activities that the members of the board of directors, executive management and advisory board may carry out in the supreme governing bodies of other companies that are neither controlled by the company nor control the company, (ii) the maximum duration of and/or the notice period under the contracts on which the compensation of the members of the board of directors, executive management and advisory board are based (which may not, in either case, exceed one year), (iii) the duties and responsibilities of a company's compensation committee and (iv) the particulars of the say-on-pay vote of the annual shareholders' meeting.

The Articles of Association of the Company are in compliance with the above.

Election of the members of the board of directors, the chairperson of the board of directors, the members of the compensation committee and the independent proxy

The Compensation Ordinance requires that the members of the board of directors, its chairperson, the members of the compensation committee (who may only be selected among the members of the board of directors) and one or several independent proxies be elected by the shareholders' meeting on an individual basis for a term ending at the next annual shareholders' meeting. Re-election is permitted.

Independent proxy

The Compensation Ordinance prohibits the representation of shareholders by corporate proxies (i.e., officers or other company representatives) as well as by proxies of deposited shares. The provisions of the Compensation Ordinance further provide that the board of directors must make sure that the shareholders are able to electronically grant proxies and instruct the independent proxy on both, (i) agenda items included in the invitation to the shareholders' meeting and (ii) new motions and certain agenda items which were not disclosed in the invitation to the shareholders' meeting. The independent proxy is required to exercise the voting rights granted by shareholders only in accordance with the shareholders' instructions. Further, absent express voting instructions, the independent proxy is required to abstain from voting.

Upon the effective date of the Swiss corporate law reform (see "—Swiss Corporate Law Reform"), the independent proxy must treat the shareholder instructions confidentially and may, not earlier than three days before the shareholders' meeting, provide general information to the company concerning the instructions received by shareholders. However, the independent proxy will be required to disclose the information provided to the company at the shareholders' meeting.

The ordinary shareholders' meeting of the Company held on May 5, 2022, elected Mr. André Weber, attorney-at-law, as independent proxy of the Company until the end of the ordinary shareholders' meeting 2023.

Criminal provisions

The criminal provisions of the Compensation Ordinance punish intentional non-compliance by members of the board of directors, executive management and advisory board acting against "better knowledge" (*wider besseres Wissen*) in paying out or receiving prohibited forms of compensation. The Compensation Ordinance also stipulates criminal liability for certain prohibited actions by members of a Swiss listed company's board of directors. Intentional violations of the Compensation Ordinance can result in imprisonment of up to three years and a fine of up to six times the individual offender's annual salary.

SIGNIFICANT SHAREHOLDERS

The following table and the footnotes thereto disclose significant shareholders of the Company according to articles 120 et seq. FMIA and its implementing ordinance, to the extent that the required notifications have been made by the respective shareholders or group of shareholders of the Company. The information contained in the table and the footnotes thereto is provided based on the notifications by the Company's shareholders and/or groups of shareholders pursuant to article 120 et seq. FMIA published on the official website of SIX Exchange Regulation AG (https://www.ser-ag.com/en/resources/notifications-market-participants/significant-shareholders.html#/) and marked as current at 0:01 a.m. (CET) on the date of this Prospectus. The respective shareholdings (including purchase and sale positions) of such shareholders and/or groups of shareholders may have changed since the date of their respective notification.

Beneficial owner / person that can exercise the voting rights at their own discretion / licensee in the case of collective investment schemes	**Direct shareholder / collective investment scheme in the case of collective investment schemes**	**Purchase position / sale position**		**Remarks**
		(in number of voting rights as of the date of the respective notification)	**(in % of total voting rights as of the date of the respective notification)**	
Petr Kondrashev, 2840 Thomasberg, Austria	Sentis Capital PCC (Cell 3), St. Helier, Jersey JE2 4QB, Jersey	267,315,396 / –	10.01% / –	(1)
BlackRock, Inc., New York, NY, United States of America		136,497,478 / 1,034,244	5.1% / 0.04%	(2)
Invesco Ltd., Hamilton, Bermuda, HQ at Two Peachtree Pointe, 1555 Peachtree St NE, Suite 1800, Atlanta, Georgia 30309, USA		131,176,743 / –	4.912% / –	(3)
Universal-Investment-Gesellschaft mbH, Theodor-Heuss-Allee 70, 60486 Frankfurt am Main, Germany		90,683,550 / –	3.4% / –	(4)
Norges Bank (the Central Bank of Norway), Oslo, Norway		97,817,487 / –	3.14% / –	(5)
Israel Englander, New York, USA	Millenium Partners LP, George Town, Cayman Islands	81,393,642 / –	3.05% / –	(6)

(1) For further details, please see the shareholder notification dated October 15, 2021, available at https://www.ser-ag.com/en/resources/notifications-market-participants/significant-shareholders.html#/shareholder-details/TALAE00012.

(2) For further details, please see the shareholder notification dated October 21, 2021, available at https://www.ser-ag.com/en/resources/notifications-market-participants/significant-shareholders.html#/shareholder-details/TALAK00050.

(3) For further details, please see the shareholder notification dated March 25, 2022, available at https://www.ser-ag.com/en/resources/notifications-market-participants/significant-shareholders.html#/shareholder-details/TAM3M00056.

(4) For further details, please see the shareholder notification dated June 24, 2022, available at https://www.ser-ag.com/en/resources/notifications-market-participants/significant-shareholders.html#/shareholder-details/TCM6M00024.

(5) For further details, please see the notification dated October 1, 2022, available at https://www.ser-ag.com/en/resources/notifications-market-participants/significant-shareholders.html#/shareholder-details/TAM9T00033.

(6) For further details, please see the notification dated July 15, 2022, available at https://www.ser-ag.com/en/resources/notifications-market-participants/significant-shareholders.html#/shareholder-details/TAM7D00031.

All Shares held by the shareholders are entitled to the same voting rights (see "*The Offering—Voting rights*").

Details on the individual disclosure notices according to articles 120 seq. FMIA in relation to the participations of major shareholders of the Company are available on the website of SIX Swiss Exchange: https://www.ser-ag.com/en/resources/notifications-market-participants/significant-shareholders.html#/.

Pursuant to a recommendation (*Empfehlung*) of the Disclosure Office (*Offenlegungsstelle*), the Joint Global Coordinators have been granted an exemption from the notification duty pursuant to article 120 paragraph 1 FMIA to the effect that the reporting obligations arising in the context of their underwriting may be fulfilled in the Prospectus (with respect to the underwriting commitments of the Joint Global Coordinators see "*The Offering—Underwriting Agreement*"). Further, the Company has been granted an exemption from the duty to publish the information pursuant to article 24 paragraph 3 FMIO-FINMA to the effect that the information disclosed in the Prospectus in connection with the underwriting need not be published on the electronic publishing platform.

With respect to shares subject to lock-up arrangements in connection with the Offering, see "*The Offering—Lock-up Arrangements*".

RELATED PARTY TRANSACTIONS

Balances and transactions between companies within the scope of consolidation were eliminated on consolidation and are not discussed hereunder. Details of transactions between a Group company and other related parties are provided below.

For shareholdings of the Board of Directors and the Executive Board, see "*Board of Directors, Executive Board and Auditors—Compensation, shareholdings and loans*".

The Company procures advisory services from the law firm Walder Wyss AG. Among others, Prof. Dr. iur. Urs Schenker, who currently serves as member of the Board of Directors, is a counsel of this law firm. The amount of services received came to CHF 0.0136 million between January 1, 2022 and September 30, 2022.

The Company sold its Dutch subsidiary PiXDRO to Süss MicroTec SE. The respective signing occurred on December 19, 2019 and the transaction closed on March 31, 2020. Dr. Franz Richter, at that time member and currently member and Chairman of the Board of Directors, is the CEO of Süss MicroTec SE. Mr. Richter was not involved in this transaction on the side of Meyer Burger.

Of the transactions with related parties described above, CHF 0.0 had not been paid as of June 30, 2022 (as of December 31, 2021: CHF 0.0). As of each of June 30, 2022, December 31, 2021 and December 31, 2020, there were no receivables due from related parties.

As of June 30, 2022, no other transactions were conducted or receivables or liabilities 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.

Dr. Richter Vermögens- und Beteiligungsverwaltung GmbH, a company wholly owned by Dr. Franz Richter, who is the Chairman of the Company's Board of Directors, committed to purchase Offered Shares and exercise Rights in the Offering (see "*The Offering—Purchase Commitment*", respectively).

Zürcher Kantonalbank provides other banking services to the Group (see "*The Offering—Other legal relationships between the Joint Bookrunners and Meyer Burger*").

SIX SWISS EXCHANGE

Swiss Reporting Standard of SIX Swiss Exchange

SIX Swiss Exchange was founded in 1995 as the successor to the local stock exchanges of Zurich, Basel and Geneva. In 1996, SIX Swiss Exchange introduced full electronic trading in equities, derivatives and bonds. In 2021, the aggregate trading turnover of SIX Swiss Exchange for Swiss and foreign equity instruments was CHF 1,282.4 billion. A listing in accordance with the Swiss Reporting Standard of SIX Swiss Exchange requires, *inter alia*, that (i) the articles of association of the issuer comply with applicable law, (ii) the operating and financial track record of the issuer extends over a period of at least three years, (iii) the issuer appoints auditors fulfilling the requirements pursuant articles 7 and 8 of the Federal Act on the Admission and Oversight of Auditors, (iv) the issuer's capital resources amount to at least CHF 2.5 million, (v) the capitalization of securities in public ownership amounts to a minimum of CHF 25 million, (vi) the securities have been validly issued at the time of listing, and (vii) 20% of the issuer's outstanding share capital be placed in public hands. As of October 28, 2022, 90 issuers (of shares) were listed according to the Swiss Reporting Standard of SIX Swiss Exchange.

General rules on securities trading

Trading on SIX Swiss Exchange occurs through a fully integrated trading system covering the entire process from trade order through settlement. Trading in equity securities begins each business day at 9:00 a.m. Central European Time ("**CET**") or Central European Summer Time ("**CEST**"), as applicable, and continues until 5:20 p.m. CET or CEST (as applicable), at which time the closing auction starts, and continues until trading closes at 5:30 p.m. CET or CEST (as applicable), with a random close of trading within two minutes. Following the closing auction, "Trading-At-Last" ("**TAL**") provides investors with on book trading at the official closing price until 5:40 p.m. CET or CEST (as applicable). After the close of exchange trading, new orders can be entered or deleted until 10:00 p.m. CET or CEST (as applicable). From 6:00 a.m. CET or CEST (as applicable), new entries and enquiries can be made until 9:00 a.m. CET or CEST (as applicable). The system is not available between 10:00 p.m. and 6:00 a.m. CET or CEST (as applicable). For the opening phase (starting at 9:00 a.m. CET or CEST (as applicable)), the system closes the order book and starts opening procedures, it establishes the opening prices and determines orders to be executed according to the matching rules. Closing auctions are held to determine the daily closing price for all equity securities traded on SIX Swiss Exchange. At the start of the closing auction, the status of all equity order books changes from permanent trading to auction. The auction itself consists of a pre-opening period and the actual auction according to rules that are similar to the opening procedure.

Transactions take place through the automatic matching of orders. Each valid order of at least a round lot is entered and listed according to the price limit. A round lot of the shares is expected to consist of one share. In general, market orders (orders placed at best price) are executed first, followed by limit orders (orders placed at a price limit), provided that if several orders are listed at the same price, they are executed according to the time of entry. SIX Swiss Exchange may provide for a duty to trade on SIX Swiss Exchange in individual market segments. There is no duty to trade on the order book with SIX Swiss Exchange for equity securities traded in the Blue Chip Shares segment or the Mid-/Small-Cap Shares segment. Members of SIX Swiss Exchange must observe the principle of best execution for any off-exchange transaction during the trading period. Transactions in shares effected by or through members of SIX Swiss Exchange are subject to a stock exchange levy. This levy includes the reporting fee and is payable per trade and participant. The fee is defined individually for each trading segment.

Banks and broker-dealers doing business in Switzerland are required to report all transactions in listed securities traded on SIX Swiss Exchange. For transactions effected via the exchange system, reporting occurs automatically. Off-order book transactions during trading hours need to be reported to SIX Swiss Exchange within one minute. Transaction information is collected, processed and immediately distributed by SIX Swiss Exchange. Transactions outside trading hours must be reported no later than the next opening. SIX Swiss Exchange distributes a comprehensive range of information through various publications, including in particular the Swiss Market Feed. The Swiss Market Feed supplies SIX Swiss Exchange data in real time to all subscribers as well as to other information providers such as SIX Financial Information Ltd and Reuters.

A quotation may be suspended by SIX Swiss Exchange if large price fluctuations are observed, or if important, price-sensitive information is about to be disclosed, or in other situations that might endanger fair and orderly trading. Surveillance and monitoring is the responsibility of SIX Swiss Exchange as the organizer of the market. The aim of such self-regulation is to ensure transparency, fair trading and an orderly market.

Clearing, payment and settlement

Clearing and settlement of securities listed on SIX Swiss Exchange is made through SIS. Delivery against payment of exchange transactions usually occurs two trading days after the trade date.

Corporate Governance Directive and the Swiss Code of Best Practice for Corporate Governance

In Switzerland, two sets of rules are relevant with respect to corporate governance, specifically the SIX Directive on Information Relating to Corporate Governance of June 18, 2021, as amended (the "**DCG**"), and the Swiss Code of Best Practice for Corporate Governance of 2014, as amended (the "**Swiss Code**").

The DCG is binding on all Swiss companies whose equity securities have their primary or main listing on SIX Swiss Exchange. The DCG requires issuers to disclose important information on the management and control mechanisms at the highest corporate level or to give specific reasons why this information is not disclosed.

The Swiss Code is issued by economiesuisse, the largest umbrella organization representing Swiss businesses. The Swiss Code is non-binding; it provides recommendations for good corporate standards in line with international business practices on a comply-or-explain basis.

In addition to the requirements set out by the DCG and the Swiss Code, the Company is required to comply with certain requirements relating to corporate governance that are set out in the Compensation Ordinance. These requirements include the existence of a compensation committee, the members of which need to be elected by a resolution of the shareholders' meeting. See "*Board of Directors, Executive Board and Auditors—Nomination & Compensation Committee*".

Directive on the Disclosure of Management Transactions

The Directive on Disclosure of Management Transactions of March 20, 2018 issued by SIX Swiss Exchange (the "**DMT**") requires issuers whose equity securities have their primary listing on SIX Swiss Exchange to ensure that members of their board of directors and executive management disclose transactions they have made in the securities of such issuer. Under the DMT, the relevant individuals must disclose any such transaction to the issuer, and the issuer must forward such information to SIX Swiss Exchange. Such transactions are subsequently published on a "no names basis" on SIX Swiss Exchange's website.

Ad-hoc Publicity

Under the Listing Rules, the Company is required to publish facts that are, with respect to the price of the Shares or other securities issued by the Company, price-sensitive and that have arisen in the sphere of the Company's business activities. Facts that are not known publicly and that, from an ex-ante perspective, are capable of leading to a significant price change are classified as price-sensitive. Annual and interim reports are always classified as price-sensitive. Price-sensitive facts may further include, but are not limited to, financial figures and reports, changes in key employee positions including changes affecting the composition of the Board or the Executive Committee, mergers, takeovers, spin-offs, restructuring operations, changes in capital, takeover bids, changes in business operations (*e.g.*, new sales partners, new and significant products, withdrawal or recall of a significant product, etc.), information on trading results (*e.g.*, significant changes in earnings such as profit decrease/increase or profit warning, cessation of dividends, etc.), changes to the shareholder structure and financial restructuring. As a rule, the Company is required to disclose any price-sensitive fact immediately as soon as it has become aware of its material elements. Disclosure needs to be made to SIX (90 minutes ahead of time if published during trading hours), to no less than two electronic stock market information systems (such as Bloomberg, Reuters or SIX Financial Information), to no less than two Swiss media (printed or electronic) of nationwide distribution and, upon request, to all interested parties.

THE OFFERING

The following description of the Offering should be read in conjunction with the other sections of this Prospectus, including the "Forward-Looking Statements" and "Risk Factors" sections and the Company's Financial Statements included elsewhere herein.

General

The Offering consists of a public offering of Rights and Offered Shares in Switzerland and private placements of Offered Shares to investors outside of the United States made in reliance on Regulation S under the Securities Act or an applicable exemption from the registration requirements of the Securities Act, and in each case in compliance with any applicable securities laws, and on the basis of exemptions provided by the Prospectus Regulation or the UK Prospectus Regulation, as the case may be. In the Rights Offering, each holder of Existing Shares will be allotted 1 (one) Right per Existing Share held after the close of trading on the Cut-off Date (being October 31, 2022) and should receive such Rights via its depositary bank. Subject to certain restrictions as set forth in this Prospectus. Holders of 20 Rights are entitled to purchase 7 Offered Shares at the Offer Price. Subject to certain restrictions as set forth in this Prospectus, the Rights will be transferable and tradable. In the Share Placement, Offered Shares in respect of which Rights have not been duly exercised during the Rights Exercise Period (the "**Rump Shares**") may be sold by the Joint Global Coordinators in the manner they determine in their sole discretion (*e.g.* by way of (or a combination of) sales on the open market (*e.g.* via a dribble-out), via a bookbuilding process or otherwise) as further set out below under "*—Share Placement – Treatment of Offered Shares for which Rights have not been* exercised". For the case and to the extent that not all Offered Shares have been sold in the Rights Offering and in the Share Placement, the Joint Global Coordinators have undertaken, severally and not jointly, subject to certain conditions, to purchase such Offered Shares ("**Stick Shares**") at the Offer Price.

Offered Shares

Up to 934,671,850 registered shares (*Namenaktien*) in the Company to be issued and with a nominal value of CHF 0.05 each, which will be fully paid-up and will be fully fungible, and will rank *pari passu*, with all Existing Shares.

The Offered Shares will represent up to 35.0% per cent of the registered issued share capital of the Company immediately prior to completion of the Offering and up to 25.9% of the registered issued share capital of the Company immediately after completion of the Offering.

Offer Price

The Offer Price will be CHF 0.267 per Offered Share.

Allocation of Rights

Each holder of Existing Shares will be allotted 1 (one) Right per Existing Share held after the close of trading on the Cut-off Date (being October 31, 2022) and should receive such Rights via its depositary bank. Subject to certain restrictions as set forth in this Prospectus, Holders of 20 Rights are entitled to purchase 7 Offered Shares at the Offer Price.

Trading and sale of Rights

Application has been made and approval has been given by SIX Exchange Regulation AG, subject to certain conditions, for the Rights to be admitted to trading on SIX Swiss Exchange from November 1, 2022 to close of trading on November 7, 2022. Holders of Rights may sell their Rights in the market at any time prior to the end of the Rights Trading Period. Holders or potential purchasers of Rights should note that they may not be permitted to exercise Rights. In case the Offering will not be completed, the Rights become invalid and worthless. Transactions with regard to Rights will not be unwound and holders of Rights will not receive compensation for the suffered losses.

Rights Exercise Period

Pursuant to the terms and subject to the conditions set out in this Prospectus, holders of Rights may exercise their Rights between November 1, 2022 and November 9, 2022, 12:00 noon (CET). Rights not exercised within such time (including where, in accordance with the terms set out in this Prospectus, the holder of such Rights is not permitted to exercise such rights) will expire and become null and void without the right of any compensation. To validly exercise their Rights, holders of Rights must subscribe for Offered Shares according to the instructions of their depositary banks, custodians or other financial intermediaries.

Exercise of Rights

To validly exercise their Rights, holders of Rights must subscribe for Offered Shares according to the instructions of their depositary banks, custodians or other financial intermediaries. The exercise of Rights is irrevocable and may not be withdrawn, cancelled or modified. Holders of Rights that are subject to certain restrictions of applicable securities laws may not be permitted to exercise their respective Rights.

The Company reserves the right to treat as invalid any acceptance or purported exercise of Rights or acceptance of the offer of Offered Shares which appears to the Company or its agents to have been executed, effected, or dispatched in a manner which may involve a breach of the securities laws or regulations of any jurisdiction or if the Company or its agents believe that the same may violate applicable legal or regulatory requirements. In order to validly exercise their Rights, holders of Rights are required to exercise their respective Rights prior to the expiry of the Rights Exercise Period or any shorter deadline set by their depositary bank. The exercise of Rights by investors is irrevocable and may not be cancelled, modified, rescinded or withdrawn.

Pursuant to the terms and subject to the conditions of the Underwriting Agreement, Zürcher Kantonalbank (acting for the account and on behalf of the Joint Global Coordinators) has agreed to subscribe for the Offered Shares and pay up their aggregate nominal value on or about November 10, 2022 and to deliver on the First Day of Trading on behalf of the Company the Offered Shares to holders of Rights that have duly exercised such Rights and to investors that have acquired Offered Shares in the Share Placement, subject in each case to compliance with applicable securities laws.

Share Placement – Treatment of Offered Shares for which Rights have not been exercised

Rump Shares may be sold by the Joint Global Coordinators in the manner they determine in their sole discretion (*e.g.*, by way of (or a combination of) sales on the open market (*e.g.*, via a dribble-out), via a bookbuilding process or otherwise) provided that until Closing, the Joint Global Coordinators may not sell Rump Shares at a price below the Offer Price. The Joint Global Coordinators may sell any Stick Shares after the Closing Date in their sole discretion.

Payment and delivery

Delivery of the Offered Shares against payment of the Offer Price is expected to take place on or about November 11, 2022 (the "**Closing Date**"), or on such other date as the Company and the Joint Bookrunners may determine. Delivery against payment will take place through the clearing System of SIS.

Corporate resolutions

On October 28, 2022, the Company's extraordinary shareholders' meeting resolved to increase the Company's registered share capital by up to CHF 46,733,592.50 from CHF 133,524,550.55 to up to CHF 180,258,143.05, by issuing up to 934,671,850 Offered Shares (the "**Capital Increase**") by way of an ordinary capital increase with contribution in cash.

Underwriting Agreement

Pursuant to the terms and subject to the conditions set out in the Underwriting Agreement dated October 3, 2022 (as supplemented on October 27, 2022) and entered into between the Company and the Underwriters, the Underwriters

have agreed to underwrite the Offered Shares as shown in the following table and as further described below:

	Underwriter Percentage		**Underwriter Percentage of Company's Share Capital/Voting Rights**	
Underwriters	**Percentage of Offered Shares (registered shares)**	**Number of Offered Shares (registered shares)**	**Underwriter Percentage of Share Capital/ Voting Rights prior to the Offering**(1)	**Underwriter Percentage of Share Capital/ Voting Rights after the Offering**(2)
Goldman Sachs Bank Europe SE Marienturm Taunusanlage 9-10 60329 Frankfurt am Main Germany	40.0%	373,868,740	14.0%	10.4%
Jefferies International Limited 100 Bishopsgate London EC2N 4JL United Kingdom	40.0%	373,868,740	14.0%	10.4%
Jefferies GmbH Bockenheimer Landstraße 24 60323 Frankfurt am Main Germany	0.0%	0	0.0%	0.0%
Zürcher Kantonalbank Bahnhofstrasse 9 8001 Zurich Switzerland	20.0%	186,934,370	7.0%	5.2%

(1) Based on 2,670,491,011 Existing Shares recorded in the commercial register as of the date of this Prospectus.
(2) Based on 3,605,162,861 Shares, assuming the issuance of the maximum number of Offered Shares.

The below is a summary of the underwriting obligation of the Underwriters:

- Zürcher Kantonalbank, acting for the account and on behalf of the Underwriters, has agreed to subscribe for the Offered Shares and pay up their aggregate nominal value on or about November 10, 2022.

- On the Closing Date, the Underwriters agreed to deliver the Offered Shares (a) to holders of Rights which have validly exercised their Rights during the Rights Exercise Period and (b) to investors which have purchased Offered Shares in the Share Placement. Consequently, and assuming all Offered Shares are either taken-up in the Rights Offering or sold in the Share Placement, all Offered Shares are expected to be held by or on behalf of the Underwriters from the time of the capital increase (expected to take place on or about November 10, 2022) until the Closing Date (which is expected to take place on or about November 11, 2022).

- The Underwriters have agreed to purchase any remaining Offered Shares at the Offer Price. Any such remaining Offered Shares are expected to be sold and transferred to investors in due course thereafter with the timing of such sales and transfers being dependent, inter alia, on market conditions and the aggregate number of such shares.

The Underwriting Agreement provides that the obligations of each Underwriter are subject to certain conditions precedent, including the absence of any material adverse change in the Group's business. The Underwriters also have the right to terminate the Underwriting Agreement in certain circumstances prior to the Closing Date and the Underwriting Agreement will terminate automatically if the Offering has not been consummated by March 31, 2023. If the right to terminate the Underwriting Agreement is exercised or the Underwriting Agreement terminates automatically, the Offering will lapse and the allocation of the Rights and any previously purported purchase of the Offered Shares will be deemed not to have been made. In such case the holder of the Rights will not receive any compensation in respect of any Rights, whether exercised or nor.

In addition, according to the Underwriting Agreement, the Company has made certain representations and warranties and has agreed to indemnify the Underwriters against certain liabilities in connection with the Offering, including

liabilities under applicable securities laws.

For additional information on other legal relationships between the Joint Bookrunners and the Group, see "*—Other legal relationships between the Joint Bookrunners and Meyer Burger*".

Purchase Commitment

Dr. Richter Vermögens- und Beteiligungsverwaltung GmbH, a company wholly owned by Dr. Franz Richter, who is the Chairman of the Company's Board of Directors (see "*Related Party Transactions*") is currently holding 0.104% of the voting rights in the Company (i.e., 2,777,777 registered shares) and committed to purchase Offered Shares via exercising all of its Rights, amounting to 972,221 Offered Shares in the Company, pursuant to a commitment letter dated October 27, 2022.

Share capital of the Company after completion of the Offering

After registration of the Offered Shares in the commercial register of the Canton of Berne (Switzerland), which is expected to take place on or about November 10, 2022, the issued and outstanding share capital of the Company is expected to amount to CHF 180,258,143.05, divided into 3,605,162,861 registered shares with a nominal value of CHF 0.05 each. All of the issued shares will be registered shares and will be entitled to dividends paid, if any. There are no preference rights or similar rights attached to these Shares. The Company also has an authorized share capital and conditional share capital, see "*Description of the Share Capital and the Shares—Share capital*".

Lock-up Arrangements

Company Lock-up

During the period beginning on October 3, 2022 and ending 180 days after the First Day of Trading, the Company shall not, except for the issuance of the Offered Shares, without the prior written consent of the Joint Global Coordinators, (i) execute or propose any capital increase (ii) issue, offer, lend, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, pledge, grant instruction rights (*Weisungsrechte*) within the meaning of article 25 FISA or otherwise transfer or dispose of (or publicly announce any such issuance, offer, sale or disposal), directly or indirectly, or file a registration statement under any securities regulation relating to, any Shares or any securities convertible into or exchangeable or exercisable for Shares or warrants or other rights to purchase any Shares, except for Shares out of the Company's conditional capital in connection with the Group's existing convertible bond (ISIN CH1118223390), (iii) enter into any swap, hedge or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of the Shares, or (iv) announce its intention to do any of the foregoing whether any such transaction described in clause (i) or (ii) above is to be settled by delivery of Shares or other securities, in cash or otherwise.

Board Member and Executive Board Member Lock-up

In connection with the Offering, each member of the Board of Directors and each member of the Executive Board has executed and delivered to the Joint Global Coordinators a lock-up undertaking, pursuant to which he or she agrees that in respect of all Shares held by him or her, directly or indirectly (and including any Shares for which he or she has granted an usufruct or similar right of use), as of the date of the respective lock-up undertaking or as of the First Day of Trading (including all Shares acquired by him or her as a result of the exercise of Rights and including all Shares allotted to him or her in the Offering), he or she will not during the period commencing on the date of the respective lock-up undertaking and ending 12 months after the First Day of Trading (a) offer, lend, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, pledge, grant instruction rights (*Weisungsrechte*) pursuant to Article 25 of the FISA or otherwise transfer or dispose of (including renouncing of any usufruct or similar right of use) or publicly announce any such offer, sale or disposal, directly or indirectly, or file a registration statement relating to, any Shares or any securities convertible into or exchangeable or exercisable for Shares or warrants or other rights to purchase any Shares, (b) enter into any swap, hedge or other arrangement that transfers to another, in whole or in part, any of the economic consequences of

ownership of the Shares, or (c) announce its intention to do any of the foregoing irrespective of whether any such transaction as described in letter (a) and letter (b) above is to be settled by delivery of Shares or other securities, in cash or otherwise, in each case without the prior written consent of the Joint Global Coordinators (such consent shall not be unreasonably withheld) and subject to certain customary exceptions as set out in the respective lock-up undertaking. Further, each member of the Board of Directors and each member of the Executive Board agreed that in respect of all Rights allotted to or acquired by him or her, directly or indirectly (and including any Rights for which such member has granted an usufruct or similar right of use), he or she will not take any transaction or decision which will trigger an obligation to disclose a direct or indirect disposal or transfer pursuant to the DMT.

Own Existing Shares and rights associated with such Existing Shares

As of June 30, 2022, the Company held together 16,876,103 Existing Shares as treasury shares, which may be used (at the future vesting date) for the benefit of the members of the Board of Directors, members of the Executive Board and for other selected employees within the Group who are participating in the Group's share participation programs (see "*Board of Directors, Executive Board and Auditors—Share participation programs*").

The Company and the other members of the Group do not intend to exercise the Rights in relation to the treasury Shares.

Listing and trading of the Offered Shares

Application has been made for the Offered Shares to be listed and admitted to trading according to the Swiss Reporting Standard of SIX Swiss Exchange. It is expected that the Offered Shares will be listed and that trading in the Offered Shares will commence on or about November 11, 2022.

Form of the Offered Shares

The Offered Shares are registered shares and will be issued as uncertificated securities (*einfache Wertrechte*), and registered as intermediated securities (*Bucheffekten*) in the main register (*Hauptregister*) of SIS. See "*Description of the Share Capital and the Shares—Form and rank of Shares*".

Voting rights

Each Offered Share carries one vote at a shareholders' meeting of the Company. Voting rights may only be exercised after a shareholder has been registered in the Company's share register (*Aktienbuch*) as a shareholder with voting rights. See "*Description of the Share Capital and the Shares—Voting rights*".

Dividends

Holders of Offered Shares will be entitled to dividends, if declared and paid, from and for the financial year 2022, and for all subsequent financial years (see "*Dividends and Dividend Policy*"). Any dividends will be subject to Swiss Federal Withholding Tax. See "*Taxation*".

Security numbers and ticker symbols

	Rights	**Offered Shares**
Ticker Symbol	MBTN1	MBTN
Swiss Security Number (*Valorennummer*)	122 091 289	10 850 379
International Securities Identification Number (ISIN)	CH1220912898	CH0108503795

Transfer and offering restrictions

Prospective investors in the Rights and the Offered Shares must familiarize themselves and comply with all applicable laws and regulations relating to the exercise, sale and transfer of the Rights and the offer, sale and transfer of the Rights and the Offered Shares. See "*Certain Restrictions*" and "*Offering Restrictions*".

Publications/Amendments and changes

Any notices containing or announcing amendments or changes to the terms of the Offering or to this Prospectus will be announced through the electronic media and, if required, through publication via official notice on the website of SIX Swiss Exchange (currently https://www.six-group.com/en/products-services/the-swiss-stock-exchange/market-data/news-tools/official-notices.html#/).

The results of the Offering are expected to be published via electronic media on or about November 10, 2022 (prior to the commencement of trading).

Other legal relationships between the Joint Bookrunners and Meyer Burger

Zürcher Kantonalbank provides the Group with various commercial banking accounts.

Furthermore, the Joint Bookrunners or companies affiliated with them may from time to time enter into additional business relationships with the Group or perform other financial services on its behalf as part of the normal course of business. In addition, in the ordinary course of their business activities, the Joint Bookrunners and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers and may enter into financing arrangements (including swaps) with investors in connection with which such Joint Bookrunners (or their affiliates) may from time to time acquire, hold or dispose of shares of the Company. Such investments and securities activities may involve securities and/or instruments of the Company and its affiliates and other companies where the Company holds equity interests.

OFFERING RESTRICTIONS

General offering restrictions

No action has been or will be taken in any jurisdiction other than Switzerland where action for that purpose is required that would permit a public offering of the Rights or the Offered Shares or the possession, circulation or distribution of this Prospectus or any material relating to the Rights or Offered Shares offered hereby. Accordingly, the Rights, or the Offered Shares may not be offered or sold, directly or indirectly, and neither this Prospectus nor any other offering material or advertisements in connection with the Rights or the Offered Shares may be distributed or published, in, into or from any country or jurisdiction (including the Ineligible Jurisdictions), except under circumstances that will result in compliance with any applicable rules and regulations of any such country or jurisdiction.

Subject to certain exceptions:

- the Rights and the Offered Shares may not be offered, sold, resold, transferred or delivered, directly or indirectly, in or into any Ineligible Jurisdiction in which it would not be permissible to offer the Rights or Offered Shares, which include the United States, Canada, Japan and Australia, among others; and
- this Prospectus may not be sent to any person in the Ineligible Jurisdictions.

United States of America

The Rights and Offered Shares have not been approved or disapproved by the U.S. Securities and Exchange Commission or any other securities commission or regulatory authority in the United States, nor have the foregoing authorities approved this Prospectus or confirmed the accuracy or determined the adequacy of the information contained in this Prospectus. Any representation to the contrary is a criminal offense in the United States.

The Rights and Shares have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**") or with any securities regulatory authority of any state or other jurisdiction in the United States of America (the "**United States**"), and may not be offered, sold or delivered within the United States except pursuant to an applicable exemption from the registration requirements of the Securities Act and in compliance with any applicable securities laws. The Rights and the Offered Shares may be offered, sold and delivered outside the United States to investors in offshore transactions in reliance on Regulation S under the Securities Act ("**Regulation S**").

The Company and the Joint Bookrunners have not offered or sold, and will not offer or sell, any Rights or Offered Shares except in accordance with Rule 903 of Regulation S.

Accordingly, neither the Company, nor the Joint Bookrunners and their affiliates, nor any persons acting on their behalf have engaged or will engage in any "directed selling efforts" with respect to the Rights and the Offered Shares, and the Company, the Joint Bookrunners and their affiliates, and any persons acting on their behalf have complied and will comply with the offering restrictions requirement of Regulation S.

Each purchaser of the Rights and the Offered Shares outside the United States in compliance with Regulation S will be deemed to have represented, acknowledges and agreed that it has received a copy of this Prospectus and such other information as it deems necessary to make an informed investment decision and that:

(i) it is authorized to consummate the subscription for or purchase of the Rights and the Offered Shares in compliance with all applicable laws and regulations;

(ii) it acknowledges that the Rights and the Offered Shares have not been and will not be registered under the U.S. Securities Act, or with any securities regulatory authority of any state of the United States, and, subject to certain exceptions, may not be offered or sold within the United States;

(iii) it and the person, if any, for whose account or benefit the subscribing person or purchaser is acquiring the Rights and the Offered Shares, was located outside the United States at the time the subscription or buy order

for the Offered Shares was originated and continues to be located outside the United States and has not subscribed for or purchased the Offered Shares for the account or benefit of any person in the United States or entered into any arrangement for the transfer of the Offered Shares or any economic interest therein to any person in the United States;

(iv) it is not an affiliate of the Company or a person acting on behalf of such affiliate;

(v) the Rights and the Offered Shares have not been offered to it by means of any "directed selling efforts" as defined in Regulation S;

(vi) it is aware of the restrictions on the offer, sale and transfer of the Rights and the Offered Shares pursuant to Regulation S and acknowledges that the Company shall not recognize any offer, sale, pledge or other transfer of the Rights and the Offered Shares made other than in compliance with the above stated restrictions;

(vii) if it is acquiring any of the Rights and the Offered Shares as a fiduciary or agent for one or more accounts, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of each such account; and

(viii) it acknowledges that the Company, the Joint Bookrunners and their respective affiliates will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements.

Terms not otherwise defined herein and used in this paragraph entitled "*United States of America*" have the meanings given to them by Regulation S.

European Economic Area

No offer of, invitation to purchase or solicitation of any offer to purchase, any Rights or Offered Shares may be made in any state of the European Economic Area (each, an "**EEA Member State**"), except:

(i) to any person or legal entity which is a "qualified investor" as defined in article 2(e) of the Prospectus Regulation; or

(ii) in any other circumstances falling within article 1(4) of the Prospectus Regulation;

provided, *in each case*, that no such offer, invitation to purchase or solicitation of any offer to purchase, Rights or Offered Shares shall result in a requirement for the publication by the Company or the Joint Bookrunners of a prospectus pursuant to article 3 of the Prospectus Regulation or of a prospectus supplement pursuant to article 23 of the Prospectus Regulation and each person who initially acquires Rights or Offered Shares or to whom any offer, invitation to purchase or solicitation of any offer to purchase, is made will be deemed to have represented, warranted and agreed to and with the Joint Bookrunners and the Company that it is a "qualified investor" as defined in article 2(e) of the Prospectus Regulation.

The expression "Prospectus Regulation" means Regulation (EU) 2017/1129 of the European Parliament and of the Council of June 14, 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, as amended or superseded.

In the case of any Rights or Offered Shares being offered to a financial intermediary as that term is used in the Prospectus Regulation, such financial intermediary will be deemed to have represented, acknowledged and agreed that the Rights and Offered Shares acquired by it in the Offering have not been acquired on a non-discretionary basis on behalf of, nor have they been acquired with a view to their offer or resale, invitation to purchase or solicitation of any offer to purchase to, persons in circumstances which may give rise to an offer of any Rights or Offered Shares to the public other than their offer or resale, invitation to purchase or solicitation of any offer to purchase in an EEA Member State to qualified investors as so defined or in circumstances in which the prior consent of the Joint Bookrunners has been obtained to each such proposed offer or resale, invitation to purchase or solicitation of any offer to purchase.

The Company and the Joint Bookrunners and their affiliates and others will rely upon the truth and accuracy of the foregoing representation, acknowledgement and agreement. Notwithstanding the above, a person who is not a qualified investor and who has notified the Joint Bookrunners of such fact in writing may, with the consent of the Joint

Bookrunners, be permitted to subscribe for or purchase Rights or Offered Shares in the Offering.

United Kingdom

This Prospectus is only directed at and will only be provided to persons to whom interests may lawfully be promoted pursuant to section 21 of the Financial Services and Markets Act 2000 (the "**FSMA**"). In particular, this Prospectus is only directed at and will only be provided to investment professionals within the meaning of article 19 of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 ("**FPO**") ("**Relevant Persons**"). Any investment or investment activity to which this Prospectus relates is available only to Relevant Persons and will be engaged in only with Relevant Persons. Persons who are not investment professionals within the meaning of article 19 of the FPO should not rely on this Prospectus.

This Prospectus has not been delivered for approval to the Financial Services Authority ("**FSA**") in the United Kingdom or to an authorised person within the meaning of FSMA. No approved prospectus within the meaning of section 85 of FSMA or of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, as amended or superseded, as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018, as amended (the "**UK Prospectus Regulation**") has been published or is intended to be published in relation to the Offering. This Prospectus does not constitute a prospectus for the purposes of FSMA or the UK Prospectus Regulation.

Canada

This Prospectus is not a prospectus for purposes of Canadian securities laws. Furthermore, this Prospectus is not, and under no circumstances is to be construed as, an advertisement or offering of the Rights and Shares in Canada or any provinces thereof in any way and nothing in this Prospectus should be interpreted as extending the offer to a resident in Canada. Canadian residents are not permitted to purchase the Rights and Shares directly or indirectly whether pursuant to an exemption from prospectus and registration requirements or otherwise.

Japan

The Rights and Shares have not been and will not be registered under the Financial Instruments and Exchange Law of Japan, as amended (the "**FIEL**") and the Rights and Shares may not be not, directly or indirectly, offered or sold in Japan or to, or for the account or benefit of, any resident of Japan or to others for re-offering or re-sale, directly or indirectly, in Japan or to, or for the account or benefit of, any resident of Japan, except pursuant to an exemption available from the registration requirements of, and otherwise in compliance with, the FIEL and any other applicable laws, regulations and governmental guidelines in Japan. As used in this paragraph, "resident of Japan" means any person resident in Japan, including any corporation or other entity organized under the laws of Japan.

Australia

Any offer, invitation, transfer or issue of Rights and/or Offered Shares to any person located in, or a resident of, Australia may not occur unless the person is professional investor or sophisticated investor for the purposes of Chapter 6D of the *Corporations Act* 2001 (Cth) (the "**Corporations Act**"). This document has not been, and will not be, lodged with the Australian Securities and Investments Commission (ASIC), Australian Securities Exchange (ASX) or any other regulatory body or agency in Australia as a disclosure document for the purposes of the Australian Corporations Act and is not required to, and does not, contain all the information which would be required in a disclosure document under Australian law. If you are in Australia, you represent and warrant that you are a "professional investor" or "sophisticated investor" (within the meaning of section 708(8) and section 708(11), respectively, of the Corporations Act).

TAXATION

The taxation discussion set forth below is intended only as a descriptive summary and does not purport to be a complete analysis or listing of all potential tax effects relevant to the acquisition, ownership, exercise or disposition of Rights or Offered Shares. The statements of Swiss taxation set forth below are based on the laws and regulations in force as of the date of this Prospectus and may be subject to changes, possibly with retroactive effect. Such changes could be due to modifications in Swiss law, or from any international convention to which Switzerland is a party. The taxation discussion set forth below is of a general nature, and does not relate to persons in the business of buying and selling shares or other securities.

THE STATEMENT AND DISCUSSION OF CERTAIN SWISS TAXES SET OUT HEREIN ARE OF A GENERAL NATURE ONLY AND ARE NEITHER EXHAUSTIVE OF ALL TAX CONSIDERATIONS THAT MAY BE RELEVANT TO A PARTICULAR HOLDER OF SHARES IN LIGHT OF THE HOLDER'S PARTICULAR CIRCUMSTANCES, NOR DO THEY ADDRESS THE TAX CONSIDERATIONS RELEVANT TO CERTAIN TYPES OF HOLDERS WHO MAY BE SUBJECT TO SPECIAL TREATMENT UNDER THE APPLICABLE TAX LAWS. IN ADDITION, EXCEPT WHERE NOTED, THIS DISCUSSION DOES NOT SEEK TO ADDRESS THE APPLICABILITY OF ANY TAX TREATY RELIEF. THE FOLLOWING STATEMENTS ARE NOT INTENDED TO BE, AND MAY NOT BE INTERPRETED AS, LEGAL OR TAX ADVICE TO ANY PARTICULAR HOLDER OF SHARES, AND NO REPRESENTATION WITH RESPECT TO THE TAX CONSEQUENCES TO ANY PARTICULAR HOLDER IS MADE.

Investors are urged to consult their own tax advisors as to Swiss or other tax consequences of the acquisition, ownership and disposition of Rights or Offered Shares. Tax consequences may differ according to the provisions of different Tax Treaties (as defined below) and the investor's particular circumstances.

Attribution, disposal and exercise of Rights

Withholding Tax and Swiss Stamp Taxes

The attribution, disposal and exercise of Rights will not be subject to Swiss Federal Withholding Tax ("**Withholding Tax**", *Verrechnungssteuer*) and should not be subject to Swiss Federal Issuance Stamp Tax (*Emissionsabgabe*) or Swiss Federal Securities Transfer Stamp Tax (*Umsatzabgabe*).

Swiss Income Taxes

Swiss resident individuals who sell or otherwise dispose of Rights realize a tax-free capital gain, provided that they hold the Rights as part of their private assets and that they are not deemed professional securities dealers for individual income tax purposes.

Swiss resident corporate entities, Swiss resident individuals, foreign resident individuals and foreign resident corporate entities holding Rights as part of Swiss business assets are required to recognize capital gains or losses on the sale of Rights in their income statement and are subject to Swiss income taxation on any net taxable income for such taxation period. This also applies to Swiss resident individuals who, for individual income tax purposes, are deemed professional securities dealers. Swiss resident individuals who hold Rights as part of Swiss business assets as well as Swiss resident individuals who are deemed professional securities dealers may also suffer social security contributions on such capital gain upon sale.

Individuals and corporate entities not resident in Switzerland for tax purposes and not holding Rights as part of a Swiss permanent establishment or a Swiss fixed place of business are not subject to Swiss income taxes on the gains they realize upon the sale of Rights, but might be subject to foreign income taxes in their country of residence.

Taxes in relation to the holding of Offered Shares

Withholding Tax

Any dividends and similar distributions of profit and reserves made by the Company in respect of the Offered Shares, including stock dividends and the distribution of any liquidation proceeds in excess of the nominal value of the Offered Shares are subject to Withholding Tax, imposed on the gross amount at the current rate of 35%. The repayment of qualifying capital contribution reserves (*Kapitaleinlagereserven*) recognized by the Swiss Federal Tax Administration (including, but not limited to, share premium) in the amount permitted under Swiss tax law is not subject to Withholding Tax.

Swiss resident beneficiaries of taxable dividends and similar distributions in respect of the Offered Shares are entitled to full subsequent relief of the Withholding Tax, either through a tax refund or through a credit against their income tax liability, if such recipients are the beneficial owners of the Offered Shares at the time such distribution is made and they duly report the gross income in their tax returns or financial statements used for tax purposes, as the case may be, and if there is no tax avoidance. The same applies to non-Swiss resident investors who hold Offered Shares through a permanent establishment or a fixed place of business situated in Switzerland to which such dividends or distributions are allocated, as defined for tax purposes.

Non-Swiss resident investors who, during the respective taxation year, have not engaged in a trade or business carried on through a permanent establishment or with a fixed place of business situated in Switzerland for tax purposes, and who are not subject to corporate or individual income taxation in Switzerland for any other reason (collectively, "Non-Resident Shareholders") receiving a taxable distribution may be entitled to a full or partial refund of the Withholding Tax, if the jurisdiction in which the non-Swiss resident resides for tax purposes has entered into a tax treaty with Switzerland ("**Tax Treaty**") and the further conditions of such Tax Treaty and its application are met. Non-Resident Shareholders should be aware that the procedures for claiming Tax Treaty benefits (and the time frame required for obtaining a refund) might differ from country to country.

Swiss federal, cantonal and communal individual and corporate income taxes

Income tax for individuals holding the shares as private assets

An individual who is resident in Switzerland for tax purposes and holds Offered Shares as part of his or her private assets (*Privatvermögen*) and who receives dividends and similar distributions from the Company must include these distributions in his or her personal tax return and will be subject to federal, cantonal and communal income tax on any net taxable income for the relevant tax period. However, the permitted distribution of dividends and similar distributions out of qualifying capital contribution reserves and repayments of the nominal share capital will not be subject to federal, cantonal and communal income tax.

Income tax for individuals holding the shares as business assets

Swiss resident individuals holding Offered Shares as business assets (*Geschäftsvermögen*) or are deemed professional securities dealers, as well as non-Swiss resident individuals holding Offered Shares as part of a permanent establishment or a fixed place of business in Switzerland are required to include all taxable distributions received on the Offered Shares in their income statements and will be subject to federal, cantonal and communal income tax on any net taxable income for the relevant tax period.

Corporate income tax for legal entities

Non-Swiss resident legal entities holding Offered Shares as part of a Swiss permanent establishment or legal entities resident in Switzerland are required to include all taxable distributions received on the Offered Shares in their profit and loss statement relevant for corporate income tax purposes and will be subject to federal, cantonal and communal corporate income tax on any net taxable earnings for such period. A Swiss corporation or co-operative, or a non-Swiss corporation or co-operative holding Offered Shares as part of a Swiss permanent establishment, may, under certain

circumstances, benefit from participation relief with respect to distributions (*Beteiligungsabzug*), provided such Offered Shares represent at the time of the distribution a fair market value of at least 1 million Swiss francs.

Non-resident individuals and legal entities

Non-Swiss resident investors will not be liable for any Swiss income taxes on dividends and similar distributions with respect to the Offered Shares, unless the Offered Shares are attributable to a permanent establishment or a fixed place of business maintained in Switzerland by such non-Swiss resident (as described above). For withholding tax consequences, see above.

Net wealth and capital taxes

An individual who is a Swiss resident for tax purposes, or who is a non-Swiss resident holding Offered Shares as part of a Swiss permanent establishment or fixed place of business situated in Switzerland is required to include his or her Offered Shares in his or her assets which are subject to cantonal and communal net wealth taxes. No net wealth tax is levied at the federal level.

Legal entities resident in Switzerland or non-Swiss resident legal entities with a Swiss permanent establishment or fixed place of business maintained in Switzerland are subject to cantonal and communal capital tax. The cantonal and communal capital tax is levied on the basis of the taxable equity of the legal entities. Usually, the acquisition of Offered Shares should not influence the equity of a legal entity and should therefore have no or only limited influence on its capital tax charge. However, the acquisition of Offered Shares may change the basis for any international or intercantonal allocation of the taxable equity of the legal entity. No capital tax is levied at the federal level.

A holder of Offered Shares who is not a resident of Switzerland for tax purposes and does not hold the Offered Shares as part of Swiss permanent establishment or Swiss fixed place of business is not subject to cantonal and communal net wealth or annual capital tax because of the mere holding of Offered Shares.

Taxes on capital gains upon disposal of Offered Shares

Shares held as private assets

Individuals who are resident in Switzerland for tax purposes and hold Offered Shares as private assets (*Privatvermögen*) generally are exempt from Swiss federal, cantonal and communal income taxes with respect to capital gains realized upon the sale or other disposal of Offered Shares (correspondingly, a realized capital loss is not tax deductible).

Shares held as business assets

Capital gains realized by an individual on Offered Shares that are held as part of its Swiss business assets are subject to Swiss individual income taxes and social security contributions. Capital gains realized by individuals who, for income tax purposes, are classified as professional securities dealers (*Wertschriftenhändler*) are subject to Swiss federal, cantonal and communal income taxation. Certain reductions or partial taxation similar to those mentioned above for dividends (*Teilbesteuerung)* may be available for capital gains realized upon the sale of Offered Shares if certain conditions are met. The entitlement of shareholders to such reductions must be assessed on an individual basis and shareholders should consult their own legal, financial or tax advisers.

Capital gains realized by legal entities resident in Switzerland for tax purposes or foreign legal entities holding Offered Shares as part of a Swiss permanent establishment or a Swiss fixed place of business are generally subject to ordinary corporate income taxation. Corporations and cooperatives may be entitled to participation relief (*Beteiligungsabzug*), if Offered Shares sold during a tax period (i) reflect an interest in the capital of the Company of at least 10% or if the Offered Shares sold allow for at least 10% of the profit and reserves and (ii) were held for at least one year. For cantonal and communal income tax purposes the regulations on participation relief may vary, depending on the canton of residency of the corporations and cooperatives. The tax relief applies to the difference between the sale proceeds and the tax costs of the participation (*Gestehungskosten*).

Foreign resident individuals and foreign resident legal entities

Non-Swiss resident investors, who do not hold Offered Shares as part of a Swiss permanent establishment or a Swiss fixed place of business are generally not subject to Swiss income tax on gains realized upon the disposal of the Offered Shares, but might be subject to foreign income taxes in their country of residence.

Swiss Federal Stamp Duties

The Company is liable for the Swiss Federal Issuance Stamp Tax (*Emissionsabgabe*) upon issuance of the Offered Shares at a rate of 1% on the (cash) consideration received for the issuance of the Offered Shares less certain costs incurred in connection with the issuance. The Swiss Federal Issuance Stamp Tax (*Emissionsabgabe*) will be borne by the Company.

The delivery of the Offered Shares to the initial investors at the Offer Price should not be subject to Swiss Federal Securities Transfer Stamp Duty (*Umsatzabgabe*). The subsequent purchase or sale of Offered Shares, whether by Swiss resident or non-resident holders, may be subject to a Swiss Federal Securities Transfer Stamp Duty (*Umsatzabgabe*) at a current rate of 0.15%, as well as the SIX fee (including the Swiss Financial Market Supervisory Authority FINMA surcharge), both calculated on the purchase price or the sale proceeds, respectively, (i) if such transfer occurs through or with a Swiss or Liechtenstein bank or another Swiss securities dealer as defined in the Swiss Federal Stamp Duty Act and (ii) to the extent no exemption applies.

Automatic Exchange of Information in Tax Matters

Switzerland has concluded a multilateral agreement with the EU on the international automatic exchange of information ("**AEOI**") in tax matters, which applies to all 28 EU member states and some other jurisdictions. In addition, Switzerland has signed the multilateral competent authority agreement on the automatic exchange of financial account information ("**MCAA**"), and based on the MCAA, a number of bilateral AEOI agreements with other countries. Based on such agreements and the implementing laws of Switzerland, depending on the date of effectiveness of the applicable agreement, Switzerland began in 2017, or will begin at a later date, to collect data in respect of financial assets including bonds and shares held in, and income derived thereon and credited to, accounts or deposits with a paying agent in Switzerland for the benefit of individuals resident in an EU member state or in a treaty state, and began in 2018, or will at a later date begin, as the case may be, to exchange it with the authorities in the relevant jurisdiction. In addition, Switzerland has signed and will sign further AEOI agreements with further countries. An up-to-date list of the AEOI agreements to which Switzerland is a party can be found on the website of the State Secretariat for International Financial Matters SIF.

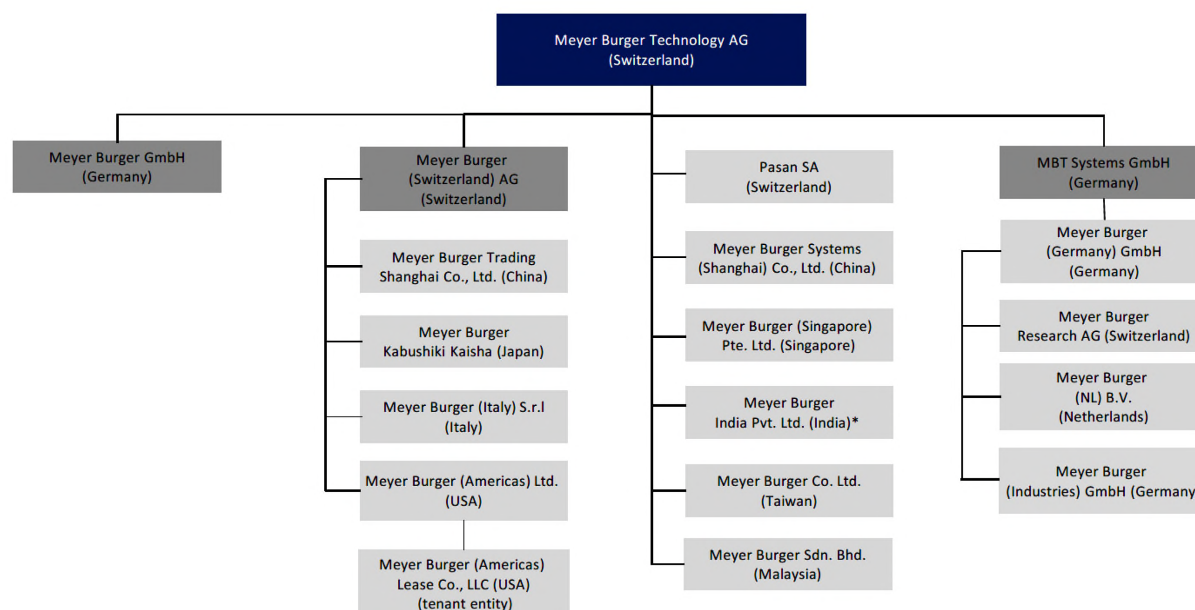
Swiss Facilitation of the Implementation of the U.S. Foreign Account Tax Compliance Act

Switzerland has concluded an intergovernmental agreement with the U.S. to facilitate the implementation of FATCA. The agreement ensures that the accounts held by U.S. persons with Swiss financial institutions are disclosed to the U.S. tax authorities either with the consent of the account holder or by means of group requests within the scope of administrative assistance. Information will not be transferred automatically in the absence of consent, and instead will be exchanged only within the scope of administrative assistance on the basis of the double taxation agreement between the U.S. and Switzerland. On September 20, 2019, the protocol of amendment to the double taxation treaty between Switzerland and the U.S. entered into force allowing U.S. competent authority in accordance with the information reported in aggregated form to request all the information on U.S. accounts without a declaration of consent and on non-consenting non-participating financial institutions. On October 8, 2014, the Swiss Federal Council approved a mandate for negotiations with the U.S. on changing the current direct-notification-based regime to a regime where the relevant information is sent to the Swiss Federal Tax Administration, which in turn provides the information to the U.S. tax authorities.

GENERAL INFORMATION ON MEYER BURGER TECHNOLOGY AG

The Company and its participations

The following exhibit sets out the structure of the Group as of August 31, 2022:



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* One share held by Meyer Burger (Switzerland) AG.

Note: The lines in the chart above indicate 100% ownership in the respective Group company, unless otherwise indicated.

In addition to the equity holdings of the Company set out in the chart above, the Company holds a 19.76% direct equity stake in Oxford Photovoltaics Limited, UK. Accordingly, the Company also holds a 19.76% indirect equity stake in Oxford Photovoltaics Limited's subsidiary Oxford PV Germany GmbH.

Legal form and registry

The Company is a stock corporation organized under the laws of Switzerland according to article 620 *et seqq.* CO. It was first registered under the name Meyer & Burger Holding AG on December 7, 1999 in the commercial register of the Canton of Zug, Switzerland under the company number CHE-101.172.383. Its seat was originally in Zug and was then moved to Baar effective October 3, 2006. At the same time, the Company name was changed to Meyer Burger Technology AG (Meyer Burger Technology Ltd; Meyer Burger Technology SA). Effective April 27, 2012, the Company changed its registered seat from Baar to Thun. Since this date, Meyer Burger Technology AG has been registered in the commercial register of the Canton of Berne (Switzerland) under company number CHE-101.172.383.

Duration and domicile

The Company has been established for an unlimited duration. The registered and principal office of the Company is located at Schorenstrasse 39, 3645 Gwatt, municipality of Thun, Canton of Berne (Switzerland).

Purpose

The purpose of the Company is, according to article 2 of its Articles of Association, the purchase, sale and holding of participations in other companies, their administration and financing. The Company can grant guarantees in favor of

affiliated companies.

The Company may hold participations in other companies and acquire, exploit, administer and dispose of real estate, establish subsidiaries and branch offices in Switzerland and abroad and carry out all legal transactions required by its business purpose.

Financial Year

The financial year is determined according to the Articles of Association by the Board of Directors. At present, the financial year commences on January 1 and ends on December 31 of each calendar year.

Notices of the Company

The shareholders are informed by the annual report, the half-year report, by press releases, via internet and at the shareholders' meetings. Press releases are published in accordance with the ad-hoc publicity rules of SIX Swiss Exchange and are also available on the Company website (http://www.meyerburger.com).

Statutory notices by the Company to its shareholders or otherwise are, in general, published in the Swiss Official Gazette of Commerce. Notices required under the Listing Rules will be published on the website of SIX Swiss Exchange (currently: https://www.ser-ag.com/en/resources/notifications-market-participants/offical-notices.html#/).

Paying agent

Zürcher Kantonalbank serves as principal paying agent (*Hauptzahlstelle*) for the Shares of the Company.

Listing Agent

Zürcher Kantonalbank, being recognized as a recognized representative by SIX according to article 58*a* of the Listing Rules, has filed on behalf of the Company the application for the listing and trading of the Shares according to the Swiss Reporting Standard of SIX and for the trading of the Rights on SIX Swiss Exchange.

GLOSSARY

a-Si	Amorphous silicon
AEOI	Automatic Exchange of Information
APAC	Asia-Pacific region
ASIC	Australian Securities and Investments Commission
ASX	Australian Securities Exchange
BoD	Board of Directors
c-Si	Crystalline silicon
CAGR	Compound annual growth rate
CAPEX	Capital expenditures
CCGT	Combined cycle gas turbine
CEC	California Energy Commis- sion
CHF	Swiss franc
CNY	Chinese Yuan
COGS	Cost of goods sold
COP21	21st Conference of the Parties
COVID	Coronavirus disease 2019
CSEM	Swiss Center for Electronics and Microtechnology
DESRI	D. E. Shaw Renewable Investments
EBIT	Earnings before interest and tax
EBT	Earnings before tax
EEA	European Economic Area
EFTA	European Free Trade Association
EPC	Engineering, procurement, construction
ESG	Environmental, social, and corporate governance
ESTI	Eidgenössisches Starkstrominspektorat (Switzerland)
EU	European Union
EUR	European euro
FATCA	U.S. Foreign Account Tax Compliance Act
FINMA	Swiss Financial Market Supervisory Authority
FISA	Swiss Federal Act on Intermediated Securities
FMIA	Financial Market Infrastructure Act (UK)
FMIO	Financial Market Infrastructure Ordinance (UK)
FPO	UK Financial Services and Markets Act 2000 (Financial Promotion) Order 2005
FSA	UK Financial Services Authority

FSMA	UK Financial Services and Markets Act 2000
FTE	Full-time equivalent
GAAP	Generally accepted accounting principles
GATT	General Agreement on Tariffs and Trade
GBP	British pound
GDP	Gross domestic product
GRW	German “Gemeinschaftsaufgabe Verbesserung der regionalen Wirtschaftsstruktur”
GW	Gigawatt
GWp	Gigawatt-peak
HJT	Heterojunction
HZB	Helmholtz-Zentrum Berlin
IBC	Interdigitated back contact
ICS	Internal control system
IEA	International Energy Agency
IEC	International Electrotechnical Commission
IFRS	International Financial Reporting Standards
INR	Indian rupee
IP	Intellectual property
IPO	Initial public offering
IPP	Independent power producer
IRA	Inflation Reduction Act
IRENA	International Renewable Energy Agency
ISFH	Institut für Solarenergieforschung Hameln
ISIN	International Securities Identification Number
ITC	Investment tax credit
ITRPV	International Technology Roadmap for Photovoltaic
JPY	Japanese yen
KRW	South Korean won
kWh	Kilowatt-hour
LCOE	Levelized cost of electricity
LTI	Long-term incentive
MBA	Meyer Burger (Americas) Ltd.
MBT	Meyer Burger Technologies AG
MCAA	Multilateral Competent Authority Agreement
MEA	Middle East and Africa

MW	Megawatt
MYR	Malaysian ringgit
NPV	Net present value
NREL	U.S. National Renewable Energy Laboratory
OPEX	Operational expenses
PECVD	Plasma-enhanced chemical vapor deposition
PERC	Passivated emitter and rear cell
PIPE	Private investment in public equity
PoC	Percentage of completion
PSS	Precision Surfacing Solutions
PSU	Performance share unit
PV	Photovoltaic
PVD	Physical vapor deposition
R&D	Research and development
RoHS	EU Restriction of Hazardous Substances Directive
RSU	Restricted share unit
SARS	Severe acute respiratory syndrome
SEIA	U.S. Solar Energy Industries Association
SGD	Singapore dollar
SIX	SIX Swiss Exchange
SmartWire	SmartWire cell connection technology
SPV	Special purpose vehicle
STC	Standard testing conditions
STI	Short-term incentive
SWCT	SmartWire cell connection technology
TCO	Transparent conductive oxides
TERP	Theoretical ex-rights price
TOPCon	Tunnel oxide passivated contact
TW	Terawatt
TWD	Taiwan dollar
TWh	Terawatt-hours
UFLPA	U.S. Uyghur Forced Labor Prevention Act
UN	United Nations
USD	U.S. dollar
VAT	Value-added tax

VWAP	Volume-weighted average share price
WACC	Weighted average cost of capital
WFH	Work-from-home
WRO	U.S. Withhold release order
WTO	World Trade Organization
XUAR	Xinjiang Uyghur Autonomous Region of China

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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	Notes	1.1.–31.12. 2021		1.1.–31.12. 2020	
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

Company	Registered office	Currency	Share capital	Participation[1] 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

PricewaterhouseCoopers AG, Bahnhofplatz 10, Postfach, CH-3001 Bern, Switzerland
Telefon: +41 58 792 75 00, Telefax: +41 58 792 75 10, www.pwc.ch

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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

Consolidated Financial Statements

Consolidated Balance Sheet

in TCHF	Notes	31.12.2020		31.12.2019	
				restated	
Assets					
Current assets					
Cash and cash equivalents		139 739		35 548	
Trade receivables	2.1	5 029		14 431	
Other current receivables	2.2	38 207		46 898	
Net receivables from production contracts	2.3	14 405		35 137	
Inventories	2.4	24 307		46 795	
Prepaid expenses and accrued income	2.5	1 277		3 857	
Total current assets		**222 964**	**75.1%**	**182 666**	**68.3%**
Non-current assets					
Financial assets	2.6	7 464		10 915	
Investments in associates	2.7	21 699		27 158	
Property, plant and equipment	2.8	38 062		32 859	
Intangible assets	2.9	332		5 800	
Goodwill	2.9	6 110		8 031	
Deferred tax assets	2.14	176		109	
Total non-current assets		**73 843**	**24.9%**	**84 872**	**31.7%**
Total assets		**296 807**	**100.0%**	**267 538**	**100.0%**
Liabilities and equity					
Liabilities					
Current liabilities					
Financial liabilities	2.10	133		26 186	
Trade payables		9 372		17 274	
Net liabilities from production contracts	2.3	1 707		6 774	
Customer prepayments	2.4	4 562		7 182	
Other liabilities	2.11	3 332		3 084	
Provisions	2.12	3 959		11 179	
Accrued expenses and prepaid income	2.13	11 237		21 959	
Total current liabilities		**34 302**	**11.6%**	**93 638**	**35.0%**
Non-current liabilities					
Financial liabilities	2.10	–		1 889	
Other liabilities	2.11	657		748	
Provisions	2.12	802		794	
Deferred tax liabilities	2.14	1 274		1 381	
Total non-current liabilities		**2 733**	**0.9%**	**4 812**	**1.8%**
Total liabilities		**37 035**	**12.5%**	**98 450**	**36.8%**
Equity					
Share capital	2.15	125 758		34 259	
Capital reserves		1065 091		1001 228	
Treasury shares	2.15	–5 563		–5 610	
Reserve for share-based payments		3 470		4 283	
Accumulated losses		–928 984		–865 072	
Total equity		**259 772**	**87.5%**	**169 088**	**63.2%**
Total liabilities and equity		**296 807**	**100.0%**	**267 538**	**100.0%**

The consolidated balance sheet as of 31 December 2019 was restated as outlined in note 1.6.
The Notes starting on page 70 are an integral part of the consolidated financial statements.

Consolidated Income Statement

in TCHF	Notes	1.1.–31.12. 2020		1.1.–31.12. 2019 restated	
Net sales	2.16/2.17/2.18	**90 457**	**100.0%**	**262 013**	**100.0%**
Other operating income	2.19	16 077		53 353	
Currency translation gains and losses on trade receivables and customer prepayments	4.3	–555		2 059	
Total Income		**105 979**		**317 425**	
Changes in inventories of finished and semi-finished products and machines before acceptance		–16 271		–22 761	
Cost of products and work in process		–53 271		–152 286	
Capitalized goods and services	2.8/2.9	1 419		2 119	
Operating income after costs of products and services	1.1	**37 856**	**41.8%**	**144 497**	**55.1%**
Personnel expenses	2.20	–53 939		–104 364	
Operating expenses	2.21	–28 517		–39 000	
Earnings before interests, taxes, depreciation and amortization (EBITDA)	1.1	**–44 600**	**–49.3%**	**1 133**	**0.4%**
Depreciation and impairment on property, plant and equipment	2.8	–6 322		–10 087	
Amortization and impairment on intangible assets and goodwill	2.9	–7 161		–6 569	
Earnings before interests and taxes (EBIT)	1.1	**–58 083**	**–64.2%**	**–15 523**	**–5.9%**
Financial result	2.22	–3 422		–7 914	
Result from investment in associates	2.7	–2 771		–2 971	
Ordinary result		**–64 276**	**–71.1%**	**–26 408**	**–10.1%**
Non-operating result	2.23	62		4 013	
Earnings before income taxes		**–64 214**	**–71.0%**	**–22 395**	**–8.5%**
Income taxes	2.14	–264		–546	
Result		**–64 478**	**–71.3%**	**–22 941**	**–8.8%**
Attributable to					
Shareholders of Meyer Burger Technology Ltd		–64 478	–71.3%	–22 941	–8.8%
in CHF					
Earnings per share					
Basic earnings per share	4.4	–0.04		–0.03	
Diluted earnings per share	4.4	–0.04		–0.03	

The consolidated income statement for the period from 1.1.–31.12.2019 was restated as outlined in detail in note 1.6.
The Notes starting on page 70 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	
restated (Note 1.6)	**Share capital**	**Capital reserves**
Notes	2.15	
Equity at 1.1.2019	**31 144**	**968 324**
Result	–	–
Currency translation differences recognized in reporting period	–	–
Capital increase	3 114	34 259
Costs of capital increase	–	–1 457
Sale/use of treasury shares	–	–18
Share-based payments	–	–
Transfer of shares for employees to the plan participants after vesting period	–	–
Reclassification	–	120
Equity at 31.12.2019	**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
Purchase 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**

The consolidated statement of changes in equity for the period from 1.1.–31.12.2019 was restated as outlined in detail in note 1.6.
The Notes starting on page 70 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**
2.15		**restated 1.6**	**restated 1.6**	**restated 1.6**	**restated 1.6**
–8 741	**4 307**	**–24 593**	**–816 589**	**–841 182**	**153 852**
–	–	–	–22 941	**–22 941**	**–22 941**
–	–	–949	–	**–949**	**–949**
–	–	–	–	**–**	**37 373**
–	–	–	–	**–**	**–1 457**
48	–	–	–	**–**	**30**
–	3 180	–	–	**–**	**3 180**
2 145	–2 145	–	–	**–**	**–**
939	–1 059	–	–	**–**	**–**
–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**

Consolidated Cash Flow Statement

in TCHF	Notes	1.1.–31.12.2020	1.1.–31.12.2019 restated
Result		**–64 478**	**–22 941**
Result from associates	2.7	2 771	2 971
Depreciation and amortization	2.8/2.9	13 483	15 262
Impairment / reversal of impairment on non-current assets	2.8/2.9	1 651	2 195
Gains/losses from sale of fixed assets and business activities	2.8/2.9	–11 829	–49 384
Deferred income taxes	2.14	–279	366
Decrease (+) / increase (–) in other (non-current) assets		–152	–346
Increase (+) / decrease (–) in (non-current) provisions	2.12	8	524
Increase (+) / decrease (–) in other (non-current) liabilities		–76	–765
Decrease (+) / increase (–) in trade receivables	2.1	5 748	6 356
Decrease (+) / increase (–) in net assets from construction contracts	2.3	15 742	–28 176
Decrease (+) / increase (–) in inventories	2.4	13 412	7 494
Decrease (+) / increase (–) in other receivables and accruals	2.2	4 711	1 985
Increase (+) / decrease (–) in (current) provisions	2.12	–6 030	–1 331
Increase (+) / decrease (–) in (current) financial liabilities	2.10	–	–104
Increase (+) / decrease (–) in trade payables		–4 242	579
Increase (+) / decrease (–) in customer prepayments		–452	–16 212
Increase (+) / decrease (–) in other (current) liabilities and deferrals	2.11/2.13	–5 943	–8 448
Other non-cash-related changes		1 027	6 482
Cash flow from operating activities		**–34 928**	**–83 493**
Investments in property, plant and equipment	2.8	–20 725	–6 894
Sale of property, plant and equipment	2.8	1 912	6 606
Investments in investment property	2.8	–	–439
Sale of investment property	2.8	–	26 292
Investments in intangible assets	2.9	–318	–236
Sale of intangible assets	2.9	2	–
Investments in associates	2.7	–	–2 157
Sale of business activities	1.4	21 451	62 682
Bank deposits with limited availability		8 982	–26 278
Cash flow from investment activities		**11 304**	**59 576**
Capital increase		165 384	–
Cost of increase in share capital		–9 916	–1 457
Purchase of treasury shares		–2 073	–
Repayment of current financial liabilities		–	–1
Increase of current financial liabilities		133	–
Repayment of convertible bond		–26 830	–
Increase of non-current financial liabilities		1 284	2 001
Repayment of non-current financial liabilities		–103	–30 066
Cash flow from financing activities		**127 879**	**–29 523**
Change in cash and cash equivalents		**104 255**	**–53 440**
Cash and cash equivalents at beginning of period		**35 548**	**89 799**
Currency translation differences on cash and cash equivalents		–64	–811
Cash and cash equivalents at the end of the period		**139 739**	**35 548**

The consolidated cash flow statement for the period from 1.1.–31.12.2019 was restated as outlined in detail in note 1.6.
The Notes starting on page 70 an integral part of the consolidated financial statements.
Cash and cash equivalents include all cash, postal and bank account balances, cheques and notes receivable 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 public limited company constituted 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 10 March 2021. They will be submitted for approval to the Annual General Meeting to be held on 4 May 2021.

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 existing 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. As these key figures are not defined by Swiss GAAP FER, there might be limited comparability to similar figures presented by other companies. In order to better explain 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. 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.
- "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.

With the implementation of the new business model and the transformation from a manufacturer of production equipment to producing solar cells and modules, Meyer Burger has reviewed its existing accounting policies. According to Swiss GAAP FER, a change in previously chosen accounting principles is only allowed in justified cases, such as significant changes in the company's field of activity. In this context, Meyer Burger has decided to change two accounting principles (goodwill accounting and recognition of deferred tax assets) in order to better and more comprehensibly reflect the economic reality. In accordance with the framework, the changes were made retrospectively and the previous year's financial statements are restated (restatement as of 1 January 2019). The nature of the change and its financial impact are detailed in note 1.6.

From January 2020 onwards, the outbreak of the coronavirus in China and circulation in other countries led to major impacts on the global economy. Meyer Burger continuously monitored the situation throughout the year 2020 and took action as required, e.g. through short-term work.

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 of normally five years, in justified cases, 20 years at the most. Group companies are deconsolidated at the point in time at which control ceases.

Assets and liabilities as well as income and expenses of these companies are fully consolidated. All inter-company 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.

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 the 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 of the following companies:

Consolidated companies

Company	Registered office	Currency	Share capital	Participation[1] 31.12.2020	31.12.2019
Gerling Applied Engineering, Inc.[3]	Modesto, USA	USD	10 000	0.00%	100.00%
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	4 371 500 000	100.00%	100.00%
MBT Systems GmbH	Hohenstein-Ernstthal, Germany	EUR	50 025 000	100.00%	100.00%
MBT Systems Ltd[2]	Delaware, USA	USD	1	0.00%	100.00%
MBT Systems Ltd (former Diamond Materials Tech, Inc.)[2]	Delaware, USA	USD	100	100.00%	100.00%
Meyer Burger (Germany) GmbH	Hohenstein-Ernstthal, Germany	EUR	66 207 045	100.00%	100.00%
Meyer Burger (Industries) GmbH[5]	Hohenstein-Ernstthal, Germany	EUR	50 025 000	100.00%	0.00%
Meyer Burger (Italy) S.r.l.	Milan, Italy	EUR	10 000	100.00%	100.00%
Meyer Burger (Netherlands) B.V.[4]	Eindhoven, Netherlands	EUR	18 200	0.00%	100.00%
Meyer Burger (NL) B.V.[4]	Eindhoven, Netherlands	EUR	18 200	100.00%	0.00%
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 Systems (Shanghai) Co. Ltd	Shanghai, China	CNY	50 578 022	100.00%	100.00%
Meyer Burger Technology Ltd	Thun, Switzerland	CHF	125 757 560	Parent company	
Meyer Burger Trading (Shanghai) Co. Ltd	Shanghai, China	CNY	1 655 400	100.00%	100.00%
Muegge GmbH[3]	Reichelsheim, Germany	EUR	400 000	0.00%	100.00%
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%
Pasan SA	Neuchâtel, Switzerland	CHF	102 000	100.00%	100.00%

[1] The share of equity corresponds to the share of voting rights.

Changes in scope of consolidation

During the year under review, the scope of consolidation has changed as follows:

Merged companies

Company	Registered office	Currency	Share capital	Participation	
				31.12.2020	31.12.2019
MBT Systems Ltd[2]	Delaware, USA	USD	1	0.00%	100.00%

[2] MBT Systems Ltd was retrospectively merged into Diamond Materials Tech, Inc., which then was renamed to MBT Systems Ltd, as at 1 January 2020.

Sold companies

Company	Registered office	Currency	Share capital	Participation	
				31.12.2020	31.12.2019
Meyer Burger (Netherlands) B.V.[4]	Eindhoven, Netherlands	EUR	18 200	0.00%	100.00%
Gerling Applied Engineering, Inc.[3]	Modesto, USA	USD	10 000	0.00%	100.00%
Muegge GmbH[3]	Reichelsheim, Germany	EUR	400 000	0.00%	100.00%

[3] Muegge GmbH and its subsidiary Gerling Applied Engineering, Inc. were divested on 30 September 2020.
[4] Meyer Burger (Netherlands) B.V. was split into two new companies in turn of the sale of the inkjet printing business (PiXDRO) as per 31 March 2020. Meyer Burger (NL) B.V. contains the remaining business of Meyer Burger in the Netherlands.

Newly founded companies

Company	Registered office	Currency	Share capital	Participation	
				31.12.2020	31.12.2019
Meyer Burger (NL) B.V.[4]	Eindhoven, Netherlands	EUR	18 200	100.00%	0.00%
Meyer Burger (Industries) GmbH[5]	Hohenstein-Ernstthal, Germany	EUR	50 025 000	100.00%	0.00%

[5] Meyer Burger (Industries) GmbH was founded on 6 August 2020.

Absorption of MBT Systems Ltd

MBT Systems Ltd, Delaware, USA, was merged into Diamond Materials Tech, Inc., Colorado Springs, USA, and renamed to MBT Systems Ltd, incorporated in Delaware, USA, as per 1 January 2020. The transaction did not lead to any changes in control over the underlying assets respectively business.

Sale of inkjet printing business (PiXDRO)

On 2 April 2020, Meyer Burger announced the closing on the sale of its inkjet printing business (PiXDRO) located within Meyer Burger (Netherlands) B.V., Eindhoven, Netherlands, as per 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 is presented in “Other operating income” in the consolidated income statement.

Sale of Microwave and Plasma Technology business

On 1 October 2020, Meyer Burger announced the closing on 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 of the period under review. Considering the changes in accounting methods outlined in note 1.6, the Group recorded a gain on the sale of the investment of CHF 9.7 million that is presented in “Other operating income” in the consolidated income statement.

Divestments

TCHF	2020 Muegge GmbH / Gerling Applied Engineering, Inc.	2020 Meyer Burger (PIXDRO) B.V.	2020 Total divestments	2019 AIS Automation Dresden GmbH	2019 Meyer Burger Wafering Technologies GmbH	2019 Total divestments
Cash and cash equivalents	2 674	0	2 674	2 396	0	2 396
Trade receivables	2 247	535	2 782	1 991	1 849	3 840
Other current receivables	424	51	475	624	5	629
Prepaid expenses and accrued income	277	0	277	206	57	263
Inventories	8 738	1 325	10 063	585	21 722	22 307
Property, plant and equipment	7 120	144	7 264	3 255	166	3 421
Intangible assets	412	54	466	989	0	989
Total assets	**21 892**	**2 109**	**24 001**	**10 046**	**23 799**	**33 845**
Current financial liabilities	269	0	269	0	0	0
Trade payables	3 169	330	3 499	119	1 606	1 725
Customer prepayments	1 786	255	2 041	415	10 418	10 833
Other liabilities	3 246	628	3 874	2 233	667	2 900
Current provisions	932	140	1 072	404	613	1 017
Non-current financial liabilities	2 926	0	2 926	0	0	0
Other non-current liabilities	3	0	3	464	240	704
Non-current provisions	0	0	0	0	39	39
Deferred tax liabilities	8	0	8	425	0	425
Total liabilities	**12 339**	**1 353**	**13 692**	**4 060**	**13 583**	**17 643**
Net Assets	**9 553**	**756**	**10 309**	**5 986**	**10 216**	**16 202**

Foundation of Meyer Burger (Industries) GmbH

Meyer Burger is working to implement the new business model as a provider of technologically leading solar cells and modules made in Europe. Meyer Burger (Industries) GmbH, Hohenstein-Ernstthal was founded on 6 August 2020 with the purpose to set up production facilities to manufacture highly efficient solar cells and modules with the proprietary heterojunction technology and to run the respective operation in Germany.

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

Individual group companies compile their financial statements in 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 of operating activity, are recognized in the income statement.

Intercompany loans are considered as liabilities in respect to 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 to have an equity status is analyzed. Foreign currency effects attributable to these long-term intercompany loans which are regarded to have 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:

		Closing rate		Average rate	
Foreign currency exchange rates	Unit	2020	2019	2020	2019
Euro (EUR)	1	1.0802	1.0854	1.0705	1.1124
US Dollar (USD)	1	0.8803	0.9662	0.9372	0.9937
British Pound (GBP)	1	1.2015	1.2757	1.2032	1.2674
Chinese Yuan Renminbi (CNY)	100	13.4646	13.8789	13.5945	14.3811
Japanese Yen (JPY)	100	0.854	0.8901	0.8786	0.9118
Indian Rupee (INR)	100	1.2048	1.3536	1.2648	1.4111
South-Korean Won (KRW)	100	0.0809	0.0837	0.0796	0.0852
Malaysian Ringgit (MYR)	100	21.893	23.6198	22.3215	23.9885
Singapore Dollar (SGD)	1	0.6661	0.7183	6800	0.7284
Taiwan Dollar (TWD)	100	3.1428	3.2265	3.1864	3.2155

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.

1.6 Changes in accounting principles

Meyer Burger is currently transforming its business model from manufacturing of production equipment to solar cell and module production. Accordingly, the activities of the organization are subject to significant changes. Under these circumstances, Meyer Burger has reviewed its accounting principles and has found the two following accounting options to be more adequate for the financial statements in the present and future of the organization. Both options are in line with Swiss GAAP FER recommendations.

Capitalization of goodwill: Goodwill previously was offset directly against equity (retained earnings) at the date of the acquisition and recycled through profit and loss upon the sale or discontinuation of the respective business activities. Making use of the accounting policy choice provided in Swiss GAAP FER 30 “Consolidated financial statements”, the Board of Directors has decided that goodwill will be capitalized and amortized over the expected useful life of mostly five years to better reflect the economic reality and to integrate the amortization of goodwill in the profit and loss statement more directly. Since this is a change to the accounting principles, the prior period has been restated accordingly and the previous disclosure of the effect of a theoretical capitalization of goodwill has been omitted. The revised consolidation and valuation principles are described in section 2.9.

Waiver of capitalization of deferred tax assets from tax loss carry-forwards: Previously, deferred tax assets on tax loss carry-forwards were capitalized to the extent that it was probable that future taxable profit would be available against which a loss carry-forward could be utilized. Making use of the implicit accounting policy choice in Swiss GAAP FER 11 “Income taxes”, the Board of Directors has decided that deferred tax assets from tax loss carry-forwards will no longer be capitalized to reduce areas of judgment and discretion and therefore to provide more reliable financial statements. Since this is a change to the accounting principles, the prior period has been restated accordingly. Deferred tax assets from temporary differences are not affected by this change and Meyer Burger will continue to capitalize deferred tax assets on temporary differences to the extent that it is probable that future taxable profit will be available. The revised valuation principles are described in section 2.14.

The restatement is outlined below.

in TCHF	Reported	Restatement goodwill	Restatement DTA	Restated
Balance sheet 1.1.2019				
Goodwill		**123**		**123**
Deferred tax assets	27 689		–27 689	
Deferred tax liabilities	857		293	1 150
Equity	**181 711**	**123**	**–27 982**	**153 852**
thereof CTA		*5*	*1 519*	*1 524*
Balance sheet 31.12.2019				
Goodwill		8 031		8 031
Deferred tax assets	**15 212**		**–15 103**	**109**
Deferred tax liabilities	1 381			1 381
Equity	176 160	8 031	–15 103	169 088
thereof CTA		*1*	*1 909*	*1 910*
Income statement 2019				
Other operating income	38 749	5 724	8 880	53 353
Income	**302 821**	**5 724**	**8 880**	**317 425**
Depreciation and impairment on intangible assets and goodwill	–5 077	–1 492		–6 569
Earnings before interests and taxes (EBIT)	**–28 635**	**4 232**	**8 880**	**–15 523**
Income taxes	–4 143		3 597	–546
Result	–39 650	4 232	12 477	–22 941
Earnings per share (basic/diluted) in CHF	**–0.06**	**0.01**	**0.02**	**–0.03**

As deferred tax assets and liabilities were netted for an individual entity, the respective restatement is shown on both positions.

The gain on disposal of investments and associated companies, presented as part of other operating income, is affected as the divestments in 2019 included goodwill previously offset with equity and recycled upon disposal as well as previously capitalized deferred tax assets which transferred with the respective divestment. The change in accounting principles accordingly obviates the goodwill recycling at the time of disposal and reduces the value of assets transferred in the course of transactions of 2019.

In addition and in line with above-mentioned balance sheet entries, the position “offset goodwill” in the Consolidated statement of changes in equity was distributed into “other retained earnings” and “currency translation differences” as well as changes in currency translation differences on deferred tax assets were recognized in the respective positions. The cash flow statement as well as information in notes 1.3 “Scope of consolidation”, 2.9 “Intangible assets” and 2.14 “Taxes” have been prepared and restated where necessary to include above outlined changes in accounting principles.

2 Notes to the consolidated financial statements

2.1 Trade receivables

in TCHF	31.12.2020	31.12.2019
Trade receivables (gross)	10 398	21 268
Allowances	–5 369	–6 837
Trade receivables	**5 029**	**14 431**

Meyer Burger Group has not pledged any receivables to third parties as collateral. 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.

Receivables from related parties are disclosed separately in note 4.8.

Accounting Policies

In most cases, Meyer Burger produces machines in exchange for prepayments made by its customers. At the time of delivery to customers, these prepayments generally account for around 70%–80% of the contract value. When the project is completed and the final acceptance is issued by the customer on its premises, the prepayments are offset and only the final payment due is recognized as a trade receivable. Consequently, the trade receivables recognized only include the residual receivable not covered by the prepayments made. Generally, no prepayments are received for services supplied; accordingly, receivables relating to services usually cover the full contract value.

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.

Changes to valuation allowances for doubtful receivables and real losses on receivables are recognized under "other operating expenses".

2.2 Other current receivables

in TCHF	31.12.2020	31.12.2019
Prepayments to suppliers	8 479	7 877
Bank balances with restricted use	17 296	26 278
Other receivables	12 432	12 743
Other receivables	**38 207**	**46 898**

As per 31 December 2020, the balance sheet position "other current receivables" mainly consists of the deposit used as securitization for Meyer Burger's guarantee line shown as bank balances with restricted use of CHF17.3 million (31.12.2019: 26.3 million).

Other receivables, as per 31 December 2020 and 31 December 2019, include receivables, such as VAT receivables, receivables from social security or deposits. In addition, as per 31 December 2020, other current receivables include the short-term portion of receivables from the sale of the headquarter building in Thun of CHF 2.3 million (31.12.2019: 1.0 million).

Accounting Policies

Other current receivables include receivables such as e.g. VAT credits, withholding tax credits, social security receivables, etc. 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	31.12.2020	31.12.2019
Work in process	89 983	86 837
Customer prepayments	–77 285	–58 474
Net production contracts	**12 698**	**28 363**
thereof		
Net receivables from production contracts	14 405	35 137
Net liabilities from production contracts	–1 707	–6 774
Additional information		
Net sales from the PoC method (income statement)	18 406	65 856

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 that contract costs incurred for work performed up to the reporting date to 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.

2.4 Inventories

in TCHF	31.12.2020	31.12.2019
Raw materials, purchased parts, goods for resale	28 747	43 213
Semi-finished goods and work in progress	24 987	21 013
Finished goods	270	1 860
Machines before acceptance	7 855	33 017
Customer prepayments	–8 434	–25 290
Value adjustment inventories	–29 134	–27 018
Inventories	**24 307**	**46 795**

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, finished goods and machinery before acceptance. Inventories are classified as machinery before acceptance between the point 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 as well as 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 overly 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	31.12.2020	31.12.2019
Prepaid expenses and accrued income	1 107	3 836
Receivables from current income taxes	170	21
Prepaid expenses and accrued income	**1 277**	**3 857**

Prepaid expenses and accrued income include positions from the due course of business, such as prepaid rent, insurance and other cost 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	31.12.2020	31.12.2019
Other non-current receivables	9 135	10 915
Allowances	–1 671	–
Financial assets	**7 464**	**10 915**

As per 31 December 2020, 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 7.2 million (2019: CHF 10.2 million). The allowances cover potential risks due to contractual terms.

Accounting Policies

Financial assets include loan receivables and other long-term receivables from third parties.

Financial assets are initially measured at nominal value. Subsequent measurement is at nominal values less any necessary impairment. Amounts are discounted if the effect is material.

2.7 Investments in associates

The position consists of the investment in the associated company Oxford Photovoltaics Limited and its fully owned subsidiary Oxford PV Germany GmbH. In 2019, Meyer Burger acquired 69,132 shares at an investment value of CHF 39.6 million equaling 19.76% of ordinary shares of Oxford Photovoltaics Limited. Due to the strategic partnership in the industrialization of Oxford Photovoltaics Limited's technologies and Board membership of a Meyer Burger representative, significant influence of Meyer Burger over Oxford Photovoltaics Limited was identified and thus the investment is classified as an associated company and included in the scope of consolidation at equity since its acquisition on 28 March 2019.

Oxford PV was established in 2010, as a spin-out from the University of Oxford, and is a pioneer and technology leader in the field of perovskite solar cells working to build the world's first volume manufacturing line for perovskite-on-silicone tandem solar cells. The fully integrated line still needs to commence production. During the current critical ramp-up phase towards the first sales and subsequent operating profitability, Oxford PV's going concern is uncertain and depends upon the successful completion of the ongoing financing measures and receipt of respective cash inflows in the short-term.

As per the acquisition date in 2019, the investment value of CHF 39.6 million was allocated to the net asset value as reflected in the company's financial statements and to additionally identified assets, specifically technologies, of CHF 30.2 million and included a goodwill of CHF 9.4 million. The proportionate loss of Oxford Photovoltaics Limited recognized in 2020 amounts to CHF 2.8 million (2019: CHF 3.0 million) and is separately shown in the consolidated income statement as result from investments in associates. The investment value is additionally affected by FX effects of CHF –1.7 million (2019: –0.7 million) and intercompany profit eliminations of CHF –0.9 million (2019: none).

Transactions with the associate are disclosed in note 4.8. There are no further investments in associates.

Accounting Policies

An entity's holding 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 of an investment in an associated company. A goodwill, if any, 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 result of the associate. 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	Investment property – land and buildings	Total investment property
Purchase price									
Balance as of 1.1.2019	**72 496**	**27 197**	**59 498**	**3 200**	**428**	**1 914**	**164 733**	**–**	**–**
Changes in scope of consolidation	–4 379	–869	–4 315	–1 203	–246	–	–11 012	–	–
Increase	351	519	525	508	–	2 754	4 657	439	439
Capitalization	–	–	1 995	–	–	93	2 088	–	–
Reclassification	–35 047	–11 662	538	–822	–	–912	–47 905	47 905	47 905
Disposal	–6 971	–3 724	–10 747	–579	–14	–	–22 035	–48 344	–48 344
Currency translation differences	–1 110	–564	–1 575	–33	–2	–106	–3 390	–	–
Balance as of 31.12.2019	**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 of 31.12.2020	**25 730**	**8 838**	**43 137**	**519**	**38**	**10 138**	**88 400**	**–**	**–**
Cumulative depreciation and impairments									
Balance as of 1.1.2019	**–21 059**	**–16 728**	**–41 465**	**–2 681**	**–410**	**–116**	**–82 459**	**–**	**–**
Changes in scope of consolidation	1 767	869	4 149	560	246	–	7 591	–	–
Ordinary depreciation	–1 642	–959	–5 561	–272	–8	–	–8 442	–801	–801
Impairment	–919	–345	–311	–70	–	–	–1 645	–	–
Reclassification	10 436	4 796	–	822	–	–	16 054	–16 054	16 054
Disposal	2 105	2 792	7 052	579	14	–	12 542	16 855	16 855
Currency translation differences	422	488	1 139	27	2	4	2 082	–	–
Balance as of 31.12.2019	**–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 of 31.12.2020	**–7 767**	**–7 814**	**–34 092**	**–519**	**–38**	**–109**	**–50 338**	**–**	**–**
Net book value									
01.01.2019	51 438	10 469	18 034	518	17	1 798	82 274	–	–
31.12.2019	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	–	–

During the financial year 2020, Meyer Burger sold its prior subsidiaries Muegge GmbH, Reichelsheim, Germany, and Gerling Applied Engineering, Inc., Modesto, USA. The sold companies held property, plant and equipment with a net value of CHF 7.2 million. Meyer Burger also sold its PiXDRO business in the Netherlands including plant and equipment in the net amount of CHF 0.1 million.

The main increase in property, plant and equipment relates to the transformation of Meyer Burger towards becoming a solar cell and module producer. Investments of CHF 17.9 million in property, plant and equipment were made in the German entities driving this change. Related capital commitments are outlined in note 4.5.

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

Accounting Policies

Property, plant and equipment include 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 are 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

The depreciation period for investment property is to be defined on an individual basis in line with the guidance for properties used for operational purposes.

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	Customer relationships	Capitalized services	Goodwill	Other intangible assets	Total
					restated		restated
Purchase price							
Balance as of 1.1.2019	**203 064**	**50 054**	**5 654**	**867**	**282 832**	**15 433**	**557 904**
Change in scope of consolidation	–5 415	–1 654	–3 627	–	3 676	–1 736	–8 756
Increase	–	–	–	–	–	205	205
Capitalization	–	–	–	–	–	31	31
Disposal	–7 576	–	–	–	–	–	–7 576
Currency translation differences	–5 968	–1 260	–120	–32	–7 560	–221	–15 161
Balance as of 31.12.2019	**184 105**	**47 140**	**1 907**	**835**	**278 948**	**13 712**	**526 647**
Change in scope of consolidation	–5 878	–975	–1 881	–	–5 105	–243	–14 082
Increase	–	–	–	–	–	269	269
Capitalization	–	–	–	–	–	50	50
Disposal	–	–	–	–	–	–19	–19
Currency translation differences	–580	–164	–26	–4	754	–57	–77
Balance as of 31.12.2020	**177 646**	**46 001**	**–**	**831**	**274 597**	**13 713**	**512 788**
Cumulative depreciation and impairments							
Balance as of 1.1.2019	**–203 064**	**–40 790**	**–4 193**	**–867**	**–282 709**	**–14 228**	**–545 851**
Change in scope of consolidation	5 415	1 353	2 965	–	5 724	1 698	17 155
Ordinary amortization	–	–3 588	–471	–	–1 492	–467	–6 018
Impairment	–	–	–	–	–	–551	–551
Disposal	7 576	–	–	–	–	–	7 576
Currency translation differences	5 968	1 015	94	32	7 560	204	14 873
Balance as of 31.12.2019	**–184 105**	**–42 011**	**–1 605**	**–835**	**–270 917**	**–13 344**	**–512 817**
Change in scope of consolidation	5 878	894	1 724	–	5 105	15	13 616
Ordinary amortization	–	–2 913	–141	–	–1 919	–123	–5 096
Impairment	–	–2 065	–	–	–	–	–2 065
Disposal	–	–	–	–	–	17	17
Currency translation differences	580	94	22	4	–756	54	–2
Balance as of 31.12.2020	**–177 646**	**–46 001**	**–**	**–831**	**–268 487**	**–13 382**	**–506 347**
Net book value							
01.01.2019	–	9 264	1 460	–	123	1 205	12 052
31.12.2019	–	5 129	302	–	8 031	369	13 831
31.12.2020	–	–	–	–	6 110	332	6 442

Intangible assets mostly originate from company acquisitions and accordingly have been acquired in business combinations.

Goodwill was restated due to a change in accounting policy as outlined in note 1.6 and is now capitalized and amortized over a period of five years instead of the previous offset against equity.

The goodwill related to the investment in associates of CHF 9.4 million was capitalized at the acquisition date in 2019. The related balance at 31 December 2020 was CHF 6.1 million (31.12.2019: CHF 8.0 million) based on the ordinary amortization of CHF 1.9 million in 2020 (2019: 1.4 million).

The net effects from the change in scope of consolidation on intangible assets in 2020 of CHF 0.6 million are mainly due to the sale of the subsidiaries Muegge GmbH, Reichelsheim, Germany, and Gerling Applied Engineering, Inc., Modesto, USA. Goodwill derecognized in 2019 and 2020 was fully amortized at the time of the respective divestment.

In addition, trade names no longer in use, were fully impaired during 2020.

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 they bring a measurable benefit to the company over the course of several years.

Intangible assets from acquisitions (e.g. technology, brands) are measured at fair value at the time of acquisition and 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. 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	31.12.2020	31.12.2019
Convertible bond	–	26 182
Liabilities towards banks	133	4
Current financial liabilities	**133**	**26 186**
Mortgage loans	–	1 889
Non-current financial liabilities	**–**	**1 889**
Financial liabilities	**133**	**28 075**

On 17 September 2014, Meyer Burger Technology Ltd issued an unsecured convertible bond in the amount of CHF 100 million. This convertible bond was restructured in 2016 by deleting the initial investor put option and raising the coupon from 4.0% to 5.5%. Following the bond's restructuring, the conversion price was CHF 0.98 (previously: CHF 11.39). In November 2017, Meyer Burger Technology Ltd launched a voluntary incentive offer inviting bondholders to convert the bond. 71.2% of the bondholders accepted the incentive offer. Together with other bondholders that have converted their bond in 2017 and early in 2018, CHF 73.2 million of the total nominal value was converted. The convertible bond with an outstanding nominal value of CHF 26.8 million as per 31 December 2019 matured on 24 September 2020 and was repaid in full.

The mortgage loan outstanding as per 31 December 2019 was transferred in 2020 in the course of changes in the scope of consolidation.

Accounting Policies

Financial liabilities are divided into current and non-current depending 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 com-ponent, in turn, reflects the conversion right for the bond. The early conversions of a part of the convertible bond carried out have been considered by reclassifying the debt component into equity as per conversion date. The remaining convertible bond is still measured at amortized cost using the effective interest rate method.

Other financial liabilities are as a general rule carried at their fair value including transaction costs. Subsequent measurement is at amortized cost using the effective interest rate method, which normally corresponds to the principal amount.

2.11 Other liabilities

in TCHF	31.12.2020	31.12.2019
Other liabilities	3 332	3 084
Current other liabilities	**3 332**	**3 084**
Employee benefits	610	734
Other liabilities	47	14
Non-current other liabilities	**657**	**748**

Other liabilities as per 31 December 2020 and 31 December 2019 as well as the respective movement in the accounts 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 (e.g. accrued paid annual leave and overtime, profit sharing, short-term incentives, etc.). The negative replacement values of derivative financial instruments used for hedging purposes are also recognized under this position.

Other liabilities are normally measured at cost, which is generally the nominal value. Subsequent measurement is at amortized cost, which is generally also the nominal value. Derivative financial instruments are measured at their replacement value.

2.12 Provisions

in TCHF	Warranties	Restructuring	Onerous contracts	Litigation	Other provisions	Total
Balance as of 1.1.2019	**6 730**	**5 059**	**754**	**–**	**1 528**	**14 071**
Changes in scope of consolidation	–906	–	–154	–	–	–1 060
Increase	2 829	4 315	2 017	–	17	9 178
Use	–2 616	–1 602	–372	–	–45	–4 635
Release	–1 334	–2 971	–109	–	–939	–5 353
Reclassification	104	–	–	–	–	104
Currency translation differences	–118	–100	–88	–	–26	–332
Balance as of 31.12.2019	**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 of 31.12.2020	**2 856**	**166**	**596**	**603**	**540**	**4 761**
Thereof current						
01.01.2019	6 421	5 059	754	–	1 528	13 762
31.12.2019	3 895	4 701	2 049	–	534	11 179
31.12.2020	2 054	166	596	603	540	3 959

Warranties: Provisions for services to be rendered during the contractual warranty period. The amount of the provisions is determined from past historical data and the currently known warranty risks. The outflow of cash is expected within the term of the warranty given, which is generally one year, or a maximum of two years.

Restructuring: Restructuring provisions are recognized for probable costs of specific reorganizations within the group. In 2019, Meyer Burger announced the closing of the production site in Zülpich, Germany, and the relocation of the respective production activities to Meyer Burger's largest site in Hohenstein-Ernstthal, Germany. Related restructuring costs of CHF 4.0 million were provided for in the previous year and either used or released in 2020.

Onerous contracts: Onerous contracts provisions are made for contracts under which the unavoidable costs of meeting the contractual obligations exceed the expected economic benefits. Provisions for onerous contracts increased in 2020 mainly for onerous rent payments due to certain changes in spatial requirements.

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

Other: Other provisions cover various risks arising during the normal course of business based on specific transactions or situations.

None of the provisions fulfilled the criteria for discounting as of 31 December 2020 and 2019.

Accounting Policies

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

Provisions are only created if there is a present obligation to third parties because of 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 they exceed CHF 5 million.

2.13 Accrued expenses and prepaid income

in TCHF	31.12.2020	31.12.2019
Accrued expenses	6 721	13 080
Employee benefits	2 800	6 768
Liabilities from current income taxes	1 716	2 111
Accrued expenses and prepaid income	**11 237**	**21 959**

As per 31 December 2020 and 31 December 2019, accrued expenses and prepaid income mainly include accrued expenses outstanding for payment, prepaid income (e.g. in the situation of outstanding machine acceptance), accrued interest expenses not yet paid, employee benefits earned, but not yet paid, as well as income tax liabilities.

Accounting Policies

Accrued expenses and prepaid income mainly include 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. Derivative financial instruments are measured at their replacement value.

2.14 Taxes

Deferred tax assets and liabilities

	Deferred tax assets		Deferred tax liabilities	
in TCHF	31.12.2020	31.12.2019 restated	31.12.2020	31.12.2019 restated
Trade receivables	40	387	–	–
Inventories	56	1 397	1 270	1 593
Financial assets	–	–	–	–
Property, plant and equipment	103	229	23	68
Intangible assets	–	1	1	1 538
Other assets	–	25	–	–
Financial liabilities	–	90	26	1
Trade payables	130	93	2	718
Provisions	–	938	105	795
Other liabilities	–	281	–	–
Subtotal	**329**	**3 441**	**1 427**	**4 713**
Netting	–153	–3 332	–153	–3 332
Deferred income taxes	**176**	**109**	**1 274**	**1 381**

Deferred tax assets and liabilities were restated as outlined in note 1.6.

Deferred income taxes are shown net for each taxable entity in the balance sheet. As per 31 December 2020 and 2019, deferred income tax liabilities exceed deferred income tax assets. The deferred income tax liabilities in 2020 mainly results from differences in inventories.

Tax loss carry-forwards not recognized

in TCHF	31.12.2020	31.12.2019
		restated
Expiry in 1 year	406 257	61 700
Expiry in 2–3 years	386 165	711 083
Expiry in 4–5 years	204 822	120 649
Expiry in more than 5 years	647 083	807 914
Tax loss carry-forwards not recognized	**1 644 329**	**1 701 347**

The total income tax claim on the unrecognized tax loss carry-forwards amounts to CHF 213.6 million. This takes into account the fact that CHF 834.1 million of the 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 total unrecognized tax loss carry-forwards originate from losses of Meyer Burger (Germany) with the amount of CHF 165.5 million.

Income taxes

in TCHF	31.12.2020	31.12.2019
		restated
Current income taxes	–627	147
Deferred income taxes	363	–693
Income taxes	**–264**	**–546**

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

in TCHF	31.12.2020	31.12.2019
		restated
Earnings before taxes (EBT)	–64 214	–22 395
Expected average weighted tax rate (%)	21.32%	21.18%
Expected income taxes	**13 690**	**4 743**
Cause for variance:		
Waive of capitalization of tax losses incurred in reporting period	–18 057	–20 627
Deviation from tax rate to expected tax rate of the Group	2 375	4 742
Deviation tax-deductible expenses	–291	141
Income tax in other accounting periods and corrections of prior years	251	–207
Subsequent use of tax loss carry-forwards from previous years	132	10 846
Non-taxable income	1 616	–
Change of deferred income tax rate in comparison to previous year	75	–39
Other effects	–55	–145
Effective income taxes	**–264**	**–546**
Effective income taxes (%)	**0.41%**	**2.44%**

The expected tax rates of 21.32% in 2020 and 21.18% in 2019 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 differences (valuation differences) between the tax bases 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 of the group companies in question 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.

2.15 Equity

Share capital

	Number of shares	in CHF
Balance as of 1.1.2019	**622 885 414**	**31 144 271**
Capital increase	62 288 420	3 114 421
Balance as of 31.12.2019	**685 173 834**	**34 258 692**
Capital increase	1 829 977 372	91 498 868
Balance as of 31.12.2020	**2 515 151 206**	**125 757 560**

The share capital of Meyer Burger Technology Ltd as at 31 December 2020 was divided into 2,515,151,206 registered shares with a nominal value of CHF 0.05 each. In 2020, Meyer Burger carried out a capital increase related to the change in business model. The capital increase in 2020 led to an increase by 1,829,977,372 registered shares based on the 685,173,834 registered shares outstanding as per 31 December 2019. 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 2020, non-distributable reserves in Group equity totaled CHF 87.5 million (2019: CHF 39.7 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 Swiss Code of Obligations, these may not be distributed within one calendar year 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 28 July 2020, 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 28 July 2020, the share capital may be increased by a maximum amount of CHF 3,450,000.00 through the issuance of a maximum of 69,000,000 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 28 July 2020, the Board of Directors is entitled to increase the share capital of the Company by a maximum amount of CHF 5,138,803.75, at any time until 13 May 2022, through the issuance of a maximum of 102,776,075 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 difficulties 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 treasury shares in TCHF
1.1.2019	**2 281 481**	**1.06**	**2 425**
Purchase/additions	529 754	0.90	477
Grant/use	–2 768 054	1.04	–2 867
31.12.2019	**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**

In course of the capital increase on 28 July 2020, Meyer Burger Technology Ltd. exercised the full amount of subscription rights on treasury shares held by itself and its subsidiaries.

Treasury shares held by subsidiaries

	Number of shares	Price/share in CHF	Value treasury shares in TCHF
1.1.2019	**7 329 380**	**0.86**	**6 316**
Increase share plan 2019 [1]	2 728 206	0.69	1 884
Decrease share plan 2016 [3]	–1 844 221	0.50	–926
Decrease share plan 2017 [3]	–671 464	0.85	–571
Decrease share plan 2018 [3]	–624 961	1.10	–685
Decrease share plan 2019 [3]	–642 218	0.69	–443
31.12.2019	**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	**–**	**–**	**–**

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 the 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 share plan 2017 ended and the shares granted have been transferred to the plan participants.

3 If a plan participant gave notice to the employment contract during the vesting period, the forfeited shares allocated generally were returned to Meyer Burger Technology Ltd. In some 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 that are held in conjunction with the employee share plans are held by Meyer Burger Technology Ltd. As per 31 December 2020, these are reserved in full and will be transferred to the subsidiaries upon expiry of the vesting period to hand them over to the employees. In previous years, treasury shares reserved for share-based payments were directly held by the subsidiaries.

Meyer Burger Group is not aware of any shares of 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.

2.16 Net sales

in TCHF	2020	2019
Net sales from sales of goods	63 161	182 568
Net sales from rendering of services	8 890	13 589
Net sales from production contracts	18 406	65 856
Net sales	**90 457**	**262 013**

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 machinery 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. 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.

2.17 Segment reporting

The activities of Meyer Burger Group are divided into the reportable business segments “Photovoltaics” and “Specialized Technologies”. During 2020, Meyer Burger started its business transformation to become a cell and module producer. Accordingly, the segments “Cells” and “Modules” were newly integrated into the internal reporting structure, but do not show any sales for the year 2020. Segment reporting for 2019 remained unaffected.

Net sales by segments 2020

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

Net sales by segments 2019

in TCHF	Photovoltaics	Specialized Technologies	**Total**	Consolidation	**Total after consolidation**
Net sales third parties	210 568	51 445	**262 013**	–	**262 013**
Net sales intercompany	408	8 972	**9 380**	–9 380	**–**
Net sales	**210 976**	**60 417**	**271 393**	**–9 380**	**262 013**

Photovoltaics

The Photovoltaics segment largely comprises the core business of photovoltaics and covers the manufacturing of equipment for the production of high-performance solar PV cells and modules as well as related services. The wafering business was sold as of 30 April 2019 and thus is included in the above figures up

until this date. Meyer Burger pursues a strategic long-term technology approach considering core technologies of the photovoltaic value chain and optimally harmonizing technologies along the different processes (cells, modules, solar systems). With the ongoing business transformation, the Photovoltaics segment will be internalized to a large extent and accordingly will mainly generate intercompany sales starting from 2021.

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 sold in September 2020. The segment also included the PiXDRO business from Meyer Burger (Netherland) B.V. until March 2020 and software development business of AIS Automation Dresden GmbH, until it was sold in 2019. Accordingly, the segment is subject to fade out.

Cells and Modules

Meyer Burger is currently undergoing a business transformation. At its modern sites in Freiberg, Germany and Bitterfeld-Wolfen, Germany, the company will manufacture high-quality solar cells and modules "Made in Europe" from 2021 onwards. 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. No sales were recorded in the newly created segments in 2020.

As outlined above, Meyer Burger currently manages its operations in different operating business units, which are grouped into the reporting business segments "Photovoltaics", "Specialized Technologies", "Cells" and "Modules". Disclosure of the segment results would lead to much higher transparency in terms of our cost and margin structure than that of our relevant competitors, and we would be the only company to present detailed information on segment profitability. Most of our 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 compared to its competitors. In addition, such information may have negative impacts on the company's negotiating position with customers and suppliers. For this reason, Meyer Burger Group does not disclose segment results.

2.18 Segmentation of net sales by geographic market

in TCHF	2020	2019
Switzerland	386	6 399
Germany	21 109	29 355
Rest of Europe	5 514	25 144
Asia	57 723	187 189
USA	5 717	13 913
Rest of world	8	13
Net sales	**90 457**	**262 013**

2.19 Other operating income

in TCHF	2020	2019
		restated
Gain from sale of property, plant and equipment	78	882
Gain on disposal of subsidiaries and associated companies	11 751	44 300
Other income	4 248	8 171
Other operating income	**16 077**	**53 353**

For 2020, other operating income includes the gain from the sale of inkjet printing business (PiXDRO) located within Meyer Burger (Netherlands) B.V., Eindhoven, Netherlands, of 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, of CHF 9.7 million.

For 2019, other operating income includes the gain from the sale of the wafering business of CHF 36.0 million (restated), as well as the gain from the sale of AIS Automation Dresden GmbH of CHF 8.3 million (restated).

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 with reliability 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.

2.20 Personnel expenses

in TCHF	2020	2019
Wages and salaries	–40 921	–67 324
Social security	–7 284	–10 853
Pension benefit expenses	–1 063	–2 104
Share-based payment expenses	–1 336	–2 717
Temporary personnel	–2 828	–7 822
Other personnel expenses	–507	–13 544
Personnel expenses	**–53 939**	**–104 364**

During 2020, the German and Swiss entities of Meyer Burger received short-time work compensation of CHF 2.0 million (2019: none).

Personnel expenses of the subsidiaries sold amounted to CHF 5.2 million for nine months for Muegge GmbH, CHF 1.0 million for nine months for Gerling Applied Engineering, Inc. and CHF 0.7 million for three months for Meyer Burger (Netherlands) B.V. in 2020. In 2019 personnel expenses of the subsidiaries sold amounted to CHF 2.9 million for four months for the wafering business and with CHF 9.2 million for 10.5 months for AIS Automation Dresden GmbH.

2.21 Operating expenses

in TCHF	2020	2019
Rental costs	–3 284	–3 966
Maintenance and repair	–1 511	–1 842
Vehicles and transportation expenses	–1 377	–2 696
Property insurance, fees and contributions	–1 676	–1 632
Energy and waste disposal expenses	–1 678	–2 611
Administration expenses	–9 090	–9 674
IT expenses	–2 559	–3 527
Marketing expenses	–403	–2 215
Loss on sale of property, plant and equipment	–8	–10
Expenses for research and development	–5 073	–5 368
Other operating expenses	–1 858	–5 459
Operating expenses	**–28 517**	**–39 000**

Operating expenses of the subsidiaries sold amounted to CHF 3.1 million for nine months for Muegge GmbH, CHF 0.5 million for nine months for Gerling Applied Engineering, Inc. and CHF 0.1 million for three months for Meyer Burger (Netherlands) B.V. in 2020. In 2019, operating expenses of the subsidiaries sold amounted to CHF 1.6 million for four months for the wafering business and CHF 1.8 million for 10.5 months for AIS Automation Dresden GmbH. The result of these transactions is included in other operating income.

2.22 Financial result

in TCHF	2020	2019
Interests received		
Cash and cash equivalents	16	101
Financial income	**16**	**101**
Interest paid		
Liabilities towards banks	–652	–581
Loans	–	–11
Mortgage loans	–32	–434
Convertible bond/straight bond	–1 489	–2 031
Currency translation differences (net)	–109	–3 290
Other financial expenses	–1 156	–1 668
Financial expenses	**–3 438**	**–8 015**
Financial result (net)	**–3 422**	**–7 914**

2.23 Non-operating result

in TCHF	2020	2019
Income from investment property	–	4 013
Other non-operating result	62	–
Non-operating result	**62**	**4 013**

In 2019, the non-operating result included the result of the sale of and the rent income from the headquarter building in Thun classified as investment property for the period from the reclassification to investment property up to the date of the sale.

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 secure 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 duly detailed report is drawn up on a semi-annual basis and submitted to the Board of Directors. In 2020, the Board of Directors discussed the risk portfolio at two Board meetings and initiated the revision of the risk management system to match up to Meyer Burger's new business model.

For the purposes of guaranteeing effective risk management, transparency and the aggregation of risks in 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 loss are considered as part of 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 and thereby enabling risk assessments to be compared across different areas of the company. A clear risk assessment matrix is drawn up based on the results in terms of probability of occurrence and the expected implications.

3.1 Foreign currency risks

Meyer Burger Group is exposed mainly to exchange rate fluctuations in connection with operating expenses and loans denominated in a currency other than the local currencies (functional currency) 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.

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 of 31 December 2020, there were no open 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. In the beginning of the year, the outstanding portion of the convertible bond had a fixed interest rate until it was duly repaid in September 2020. As of 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 interest rates on the capital market also exists for cash and cash equivalents, which are subject to the risk of interest rate fluctuations with a corresponding potential impact on cash flow.

Overall, the risks arising from interest rate fluctuations have no material direct impact on the Group's cash flows and results. This risk is therefore not currently measured specifically.

3.3 Other financial price risks

Meyer Burger Group does not currently hold any financial instruments with equity character and is therefore not exposed to any related price risks. A commodity is a physical substance, generally a basic resource such as iron ore, nickel, aluminum, copper or other metals, crude oil, natural gas, coal, etc. Meyer Burger Group is generally only indirectly exposed to fluctuations in commodity prices through the products it purchases. The actual price risk arises from the time difference between cost increases implemented by suppliers due to the rise in commodities prices and the opportunity for group companies to increase their prices. Each group company is responsible for identifying and quantifying its commodity price risks. Meyer Burger Group did not trade in any such derivatives during the 2020 and 2019.

3.4 Credit risks

Meyer Burger Group is exposed through its operating activities to various credit risks. The Group has guidelines in place to ensure that products and services are only sold to customers with a good credit rating. Outstanding debts are also permanently monitored as part of ongoing operations. Due account is taken of credit risks in relation to trade receivables and prepayments by means of individual valuation allowances and general valuation allowances. Default risks are minimized wherever possible by customer prepayments and credit commitments from banks. 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. For significant current third-party financial investments maturing in less than six months, the companies ensure that the counterparty has a minimum rating of A-3 (S&P) or an equivalent rating by Fitch or Moody's. This guideline ensures that the credit risk from financial institutions is properly monitored. 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 arrear 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, 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.

In August 2020, the framework credit agreement with a Swiss banking syndicate for a guarantee line of CHF 60.0 million expired and the outstanding guarantees were transferred into bilateral credit agreements. As per 31 December 2020, the Group had bilateral credit facilities for guarantee lines in the total amount of CHF 33.6 million, of which CHF 14.6 million were used.

Meyer Burger's liquidity is deemed sufficient to finance the first phase of its strategic transformation and respective production capacities for cells and modules. For a further expansion of the cell and module production capacities as envisaged, the group is in ongoing negotiations to secure additional financing.

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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 restructuring measures.

The defined benefit pension plan is a collective pension plan. Due to its joint and several 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 111.0% at the end of 2020 (31.12.2019: 112.9%). Accordingly, the table below shows the changes in pension benefit expenses only.

The employees of group companies outside Switzerland are members of the state pension plans of 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 2020, contributions of CHF 0.2 million were outstanding to be paid (31 December 2019: CHF 0.2 million).

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

Pension institutions 31.12.2020

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

Pension institutions 31.12.2019

Economical benefit/economical obligation and pension benefit expenses in TCHF	Surplus/deficit 31.12.2019	Economical part of the organization 31.12.2019	Economical part of the organization 31.12.2018	Change to prior-year period or recognized in the current result of the period	Contributions concerning the business period	Pension benefit expenses within personnel expenses 2019
Pension schemes without funding surplus/deficit Switzerland	–	–	–	–	1 250	1 250
Pension schemes abroad	–	–	–	–	854	854
Total	**–**	**–**	**–**	**–**	**2 104**	**2 104**

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 members of 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 employment contract of indefinite term 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, as well as 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 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	2020	2019
Number of options granted	12 500 000	–
Date of grant	18.12.2020	–
Options price/fair value at date of grant in CHF	0.12	–
Number of shares granted	5 728 329	3 616 108
Date of grant	01.04.2020/23.12.2020	01.04.2019
Share price/fair value at date of grant in CHF	0.15/0.24	0.69/0.74
Fair value of shares and options granted in CHF	2 534 904	2 524 093

For the 2020 LTI Share Plan, 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 vesting ratio that a member of the Board of Directors receives after the three-year vesting period of the granted shares will depend on the development of the share price of the Company and is capped at a maximum of 100%.

For the 2019 LTI Share Plan, the actual vesting ratio that a member of the Executive Board receives after expiration of the three-year vesting period will depend on the development of the share price of the Company. 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%.

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 to 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	2020	2019
Currency translation differences on trade receivables and customer prepayments	–555	2 059
Currency translation differences in cost of products and services	491	709
Currency translation differences on other operating expenses	168	49
Currency translation differences on financial expenses/income	–63	–3 290
Currency translation differences	**41**	**–473**

The effect from the unrealized currency translation differences arising from the translation of Group loans in foreign currencies at the reporting date is recognized in the financial result. The currency loss on Group loans totaled CHF 7.2 million, of which CHF 1.1 million were recognized in the income statement and CHF 6.1 million in equity due to their equity character. In 2019, unrealized foreign exchange losses totaled CHF 8.5 million, of which CHF 4.2 million were recognized in the income statement and CHF 4.3 million in equity.

4.4 Earnings per share

in TCHF	2020	2019
		restated
Basic		
Net result attributable to shareholders of Meyer Burger Technology Ltd (in TCHF)	–64 478	–22 941
Weighted average number of ordinary shares (in 1 000)	1523 514	669 444
Basic earnings per share	**–0.04**	**–0.03**
Diluted		
Diluted earnings per share	**–0.04**	**–0.03**

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

In 2020 and 2019, there was no dilution effect from the convertible bond as the average share price was below the conversion price of the convertible bond of CHF 0.98 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	31.12.2020	31.12.2019
Investment obligations from contracts already signed	34 525	–

The investment obligations as per 31 December 2020 mainly refer to the acquisition of the necessary equipment in the German entities related to Meyer Burger's business transformation and the ramp up of the cell and module production. As of 31 December 2019, there were no off-balance sheet liabilities.

4.6 Future liabilities from operating leases

in TCHF	31.12.2020	31.12.2019
Due date in the following financial year	3 814	3 124
Due date from 2 to 5 years	12 195	6 351
Due date more than 5 years	7 405	5 174
Future liabilities from operating lease	**23 414**	**14 649**

Obligations arising from operating leases mainly relate to rental agreements. Subsequent to the sale of the headquarter 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 2021 to 2029. In 2020, operating lease obligations have increased by CHF 11.1 million due to the rent of the production facilities in Bitterfeld-Wolfen, Germany with a contractual term until 2027.

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 resultant payments are recognized as an expense.

4.7 Contingent liabilities

in TCHF	2020	2019
Guarantees (not product-related)	8 549	10 200
Other	–	782
Contingent liabilities	**8 549**	**10 982**

During 2019, Meyer Burger entered into the sales contract for the building in Thun. With 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.

In 2019, Meyer Burger procures advisory services from attorneys Meyerlustenberger Lachenal Ltd., among others. Alexander Vogel, who was the appointed Chairman of the Board of Directors until the general assembly on 2 May 2019, is a partner in this law firm. The amount of services received came to CHF 0.6 million in 2019 until 2 May 2019. Of the transactions with related parties described above, the full amounts had been paid as at 31 December 2019. As per 31 December 2019 there were no receivables due from related parties.

Since the acquisition of the equity share of Oxford Photovoltaics Limited, the company is also an identified related party. Meyer Burger has entered into a formal collaboration agreement with Oxford Photovoltaics Limited which forms the basis of the collaboration and future transactions. 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 conducted sales transactions with the associated company in the amount of CHF 14.3 million during 2020 (2019: 8.4 million). Prepayments received per 31 December 2020 amounted to CHF 26.8 million.

As of 31 December 2020, no other transactions were conducted or receivables or liabilities 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

From January 2020 onwards, the outbreak of the coronavirus in China and its global circulation led to major economic effects. This continued in the beginning of 2021. As new mutations of the coronavirus occurred in the beginning of 2021, further developments remain difficult to predict. Meyer Burger continuously monitors the situation and potential impacts on its business and takes actions as required.

No other event occurred between 31 December 2020 and 10 March 2021 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 2020 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 65 to 97) give a true and fair view of the consolidated financial position of the Group as at 31 December 2020 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

Materiality

Audit scope

Key audit matters

Overall Group materiality: CHF 1,600,000

We concluded full scope audit work at five Group companies in two countries. Our audit scope addressed 75.5% of the Group's net sales. In addition, we performed specified procedures on the reporting packages of four companies in four countries, which addressed a further 17.1% of the Group's net sales.

We performed analytical procedures at all other companies.

As key audit matters the following area of focus has been identified:

- Valuation 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 consolidated financial statements are free from material misstatement. Misstatements may arise due

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 1,600,000
How we determined it	1 % of 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 160,000 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 four Group companies that required specified procedures due to the size and or risk characteristics. The full scope audits of Group companies addressed over 75.5% of the Group’s net sales, while the specified procedures at four Group companies addressed 17.1% overall.

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.

Valuation 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. As of 31 December 2020, the shareholding corresponds to 19.76% of the share capital of Oxford Photovoltaics Limited. Based on a comprehensive assessment of the possibility of exercising significant influence, the investment is classified as an associated company. The investment in associate has a corresponding equity value of CHF 21.7 million (including additionally identified technology component in the purchase price allocation) and a separately accounted goodwill of CHF 6.1 million. in the Group’s financial statements.	We verified Management's approach and assessment of the valuation of the investment in Oxford Photovoltaics Limited. We performed the following audit procedures: • We analyzed the business plan as well as the underlying assumptions and discussed the assumptions with management and board members of Meyer Burger • We assessed Oxford Photovoltaics Limited’ s ability to initiate ongoing financing based on discussions with Meyer Burger management • We verified the impairment test, the mathematical accuracy as well as the WACC applied to determine the

We consider the valuation of the investment in Oxford Photovoltaics Limited to be a key audit matter because:	recoverable amount in order to verify the carrying value
• the complexity of the impairment test and the underlying assumptions	• We benchmarked the internal valuation with independent sources
• the estimation uncertainty in assessing the future cash flows from the underlying perovskite solar technology and the resulting value, as well as	• We discussed the results of our audit procedures with Management representatives and with the Risk & Audit Committee of the Board of Directors.
• the significance of the balance sheet items in the consolidated financial statements (note 2.7 'Investments in associates' and note 2.9 'Intangible assets').	We consider the approach taken and the resulting conclusion on the value by the Board of Directors and Management in relation to the valuation of the investment in Oxford Photovoltaics Limited to be appropriate.

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

Rene Rausenberger

Audit expert
Auditor in charge

Yvonne Burger

Audit expert

Bern, 10 March 2021

Condensed Consolidated Interim Financial Statements

Consolidated Balance Sheet

in TCHF	30.6.2022		31.12.2021	
Assets				
Current assets				
Cash and cash equivalents	167 073		231 391	
Trade receivables	6 036		3 492	
Other current receivables	47 747		45 207	
Net receivables from production contracts	14 248		12 782	
Inventories	60 966		41 190	
Prepaid expenses and accrued income	818		606	
Total current assets	**296 888**	**58.1%**	**334 668**	**67.9%**
Non-current assets				
Financial assets	26 244		27 501	
Property, plant and equipment	181 560		124 271	
Intangible assets	5 770		6 082	
Deferred tax assets	264		200	
Total non-current assets	**213 838**	**41.9%**	**158 054**	**32.1%**
Total assets	**510 726**	**100.0%**	**492 722**	**100.0%**
Liabilities and equity				
Liabilities				
Current liabilities				
Financial liabilities	23 202		34	
Trade payables	29 172		21 487	
Net liabilities from production contracts	1 050		2 573	
Customer prepayments	3 356		3 813	
Other liabilities	1 956		2 191	
Provisions	3 552		2 554	
Accrued expenses and prepaid income	15 549		13 489	
Total current liabilities	**77 837**	**15.2%**	**46 141**	**9.4%**
Non-current liabilities				
Financial liabilities	209 199		181 155	
Other liabilities	411		567	
Provisions	1 110		1 159	
Deferred tax liabilities	2 181		2 270	
Total non-current liabilities	**212 901**	**41.7%**	**185 151**	**37.6%**
Total liabilities	**290 738**	**56.9%**	**231 292**	**47.0%**
Equity				
Share capital	133 525		133 525	
Capital reserves	1162 435		1161 846	
Treasury shares	–5 127		–5 307	
Reserve for share-based payments	3 068		3 369	
Accumulated losses	–1073 913		–1032 003	
Total equity	**219 988**	**43.1%**	**261 430**	**53.0%**
Total liabilities and equity	**510 726**	**100.0%**	**492 722**	**100.0%**

The Notes starting on page 17 are an integral part of the condensed consolidated interim financial statements.

Consolidated Income Statement

in TCHF	1.1.–30.6.2022		1.1.–30.6.2021	
Net sales	**56 700**	**100.0%**	**17 966**	**100.0%**
Other operating income	1 506		1 508	
Currency translation gains and losses on trade receivables and customer prepayments	–408		383	
Total income	**57 798**		**19 857**	
Changes in inventories of finished and semi-finished products and machines before acceptance	3 815		–9 390	
Cost of products and work in process	–57 530		–16 770	
Capitalized goods and services	21 316		20 534	
Operating income after costs of products and services	**25 399**		**14 231**	
Personnel expenses	–33 176		–27 686	
Operating expenses	–16 657		–17 461	
Earnings before interests, taxes, depreciation and amortization (EBITDA)	**–24 434**	**–43.1%**	**–30 916**	**–172.1%**
Depreciation and impairment on property, plant and equipment	–7 761		–2 093	
Amortization and impairment on intangible assets and goodwill	–479		–1 104	
Earnings before interests and taxes (EBIT)	**–32 674**	**–57.6%**	**–34 113**	**–189.9%**
Financial result	–8 377		1 313	
Result from investment in associates	–		–2 192	
Ordinary result	**–41 051**	**–72.4%**	**–34 992**	**–194.8%**
Non-operating result	37		53	
Earnings before income taxes	**–41 014**	**–72.3%**	**–34 939**	**–194.5%**
Income taxes	5		–2 289	
Result	**–41 009**	**–72.3%**	**–37 228**	**–207.2%**
Attributable to				
Shareholders of Meyer Burger Technology AG	–41 009	–72.3%	–37 228	–207.2%
in CHF				
Earnings per share				
Basic earnings per share	–0.02		–0.01	
Diluted earnings per share	–0.02		–0.01	

The Notes starting on page 17 are an integral part of the condensed consolidated interim financial statements.

Consolidated Statement of Changes in Equity

in TCHF	Attributable to shareholders of Meyer Burger Technology AG	
	Share capital	**Capital reserves**
Equity at 1.1.2021	**125 758**	**1 065 091**
Result	–	–
Currency translation differences recognized in reporting period	–	–
Sale/use of treasury shares	–	–
Share-based payments	–	–
Transfer of shares for employees to the plan participants after vesting period	–	–
Reclassification	–	586
Equity at 30.6.2021	**125 758**	**1 065 677**
Equity at 1.1.2022	133 525	1 161 846
Result	–	–
Currency translation differences recognized in reporting period	–	–
Sale/use of treasury shares	–	–
Share-based payments	–	–
Transfer of shares for employees to the plan participants after vesting period	–	–
Reclassification	–	589
Equity at 30.6.2022	**133 525**	**1 162 435**

The Notes starting on page 17 are an integral part of the condensed consolidated interim financial statements.

					Attributable to shareholders of Meyer Burger Technology AG
Treasury shares	**Reserve for share-based payments**	Currency translation differences	Other retained earnings	**Accumulated losses**	**Total equity**
–5 563	**3 470**	**–24 976**	**–904 008**	**–928 984**	**259 772**
–	–	–	–37 228	**–37 228**	**–37 228**
–	–	2 677	–	**2 677**	**2 677**
–	–	–	–	**–**	**–**
–	–287	–	–	**–**	**–287**
733	–733	–	–	**–**	**–**
–586	–	–	–	**–**	**–**
–5 417	**2 450**	**–22 299**	**–941 236**	**–963 535**	**224 933**
–5 307	3 369	–27 508	–1 004 495	–1 032 003	261 430
–	–	–	–41 009	**–41 009**	**–41 009**
–	–	–901	–	**–901**	**–901**
–	–	–	–	**–**	**–**
–	468	–	–	**–**	**468**
769	–769	–	–	**–**	**–**
–589	–	–	–	**–**	**–**
–5 127	**3 068**	**–28 409**	**–1 045 504**	**–1 073 913**	**219 988**

Condensed Consolidated Cash Flow Statement

in TCHF	1.1.–30.6.2022	1.1.–30.6.2021
Result	**–41 009**	**–37 228**
Non-cash effective adjustments	14 291	7 779
Decrease/(increase) of net working capital	–19 236	4 241
Cash flow from operating activities	**–45 954**	**–25 208**
Investments in property, plant and equipment	–70 417	–52 484
Investment subsidies received	1 490	–
Sale of property, plant and equipment	470	555
Sale of investment property	1 174	1 698
Investments in intangible assets	–382	–1 164
Decrease of bank deposits with limited availability	864	8 603
Increase of bank deposits with limited availability	–4 806	–3 191
Cash flow from investment activities	**–71 607**	**–45 983**
Borrowing of (current) financial liabilities	265	–
Repayment of (current) financial liabilities	–	–123
Borrowing of (non-current) financial liabilities	55 318	–
Borrowing cost of (non-current) financial liabilities	–	–3 117
Costs of increase in share capital	–	–13
Cash flow from financing activities	**55 583**	**–3 253**
Change in cash and cash equivalents	**–61 978**	**–74 444**
Cash and cash equivalents at beginning of period	**231 391**	**139 739**
Currency translation differences on cash and cash equivalents	–2 340	1 209
Cash and cash equivalents at the end of the period	**167 073**	**66 504**

Cash and cash equivalents include all cash, postal and bank account balances, cheques and notes receivable as well as time deposits with an original maturity of up to 90 days. Cash and cash equivalents are measured at nominal value.
The Notes starting on page 17 an integral part of the condensed consolidated interim financial statements.

Notes to the Condensed Consolidated Interim Financial Statements

1 General Information

Meyer Burger Technology Ltd is a public limited company constituted in accordance with Swiss law. The address of the company's registered office is Schorenstrasse 39, 3645 Gwatt/Thun, Switzerland. Meyer Burger Technology Ltd registered shares (ticker: MBTN) are listed on the SIX Swiss Exchange in Zurich. The fiscal year of Meyer Burger Technology AG runs from 1 January to 31 December. The Group currency (reporting currency) is the Swiss Franc (CHF). The condensed consolidated interim financial statements are presented in thousands of Swiss Francs.

The Board of Directors approved these condensed consolidated interim financial statements of Meyer Burger Group for publication on 17 August 2022. The auditors have conducted a review of the statements. The review report of the auditors is presented on page 22.

Meyer Burger manufactures high-performance solar cells and modules. 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 global leader in photovoltaics. The company currently employs around 1,000 people at research facilities in Switzerland, development and manufacturing sites in Germany and United States, and sales offices in Europe, the United States and Asia.

2 Significant Accounting Policies

The significant accounting and valuation policies are described in detail in the Annual Report for the year ended 31 December 2021. The policies described have been applied consistently to the reporting periods presented.

2.1 Basis of accounting

The condensed consolidated interim financial statements have been prepared in accordance with the standards of Swiss GAAP FER 31 "Additional recommendations for listed companies", which allows some simplification of the reporting and disclosures compared to the preparation of annual financial statements. These standards give a true and fair view of the net assets, financial position and results of operations.

No amendments to the Swiss GAAP FER Standards have come into force during the first half-year 2022 that are relevant to Meyer Burger.

2.2 Changes in scope of consolidation

Merger of Hennecke Systems GmbH

Hennecke Systems GmbH, Zülpich, Germany, was retrospectively merged into Meyer Burger GmbH, Hohenstein-Ernstthal, Germany as per 1 January 2022. The transaction did not lead to any changes in control over the underlying assets respectively business and did not have any financial effects. On 5 August 2022, the merger was entered in the commercial register of the acquiring company Meyer Burger GmbH, Hohenstein-Ernstthal, Germany, on the basis of the merger agreement of 14 July 2022 and the resolutions of the shareholders' meetings.

Liquidation of MB Systems Co. Ltd

On 26 July 2021, Meyer Burger announced that the service activities in Asia will be concentrated leading to the closure of the sites in Taiwan, Korea and Malaysia. As a result, MB Systems Co. Ltd, Seoul, Korea, was liquidated as per 14 April 2022 as the first of the three local companies. The accumulated currency translation adjustments of CHF -0.1 million were recycled through the financial result in profit and loss.

2.3 Foreign currency translation

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

		Closing rate			Average rate		
Foreign currency exchange rates	Unit	30.6.2022	31.12.2021	30.6.2021	1.1.-30.6.2022	2021	1.1.-30.6.2021
Euro (EUR)	1	0.996	1.0331	1.098	1.0319	1.0811	1.0946
US Dollar (USD)	1	0.9589	0.9121	0.9239	0.9437	0.9141	0.9081
British Pound (GBP)	1	1.1606	1.2295	1.2796	1.2249	1.2577	1.261
Chinese Yuan Renminbi (CNY)	100	14.3054	14.3592	14.3077	14.5699	14.173	14.0401
Japanese Yen (JPY)	100	0.7037	0.7924	0.8354	0.7683	0.8324	0.8428
Indian Rupee (INR)	100	1.213	1.2265	1.2432	1.2385	1.2365	1.238
South-Korean Won (KRW)	100	0.0737	0.0767	0.0819	0.0766	0.0799	0.0812
Malaysian Ringgit (MYR)	100	21.7558	21.8951	22.2556	22.0987	22.0574	22.1632
Singapore Dollar (SGD)	1	0.6877	0.6762	0.6873	0.6916	0.6804	0.6816
Taiwan Dollar (TWD)	100	3.2191	3.2956	3.3105	3.2881	3.2736	3.2415

Assets and liabilities in balance sheets of foreign Group companies are translated into Swiss Francs at the closing rate, income statements at the average rate. Equity is translated at historical exchange rates. Any resulting foreign currency translation differences are offset against equity.

3 Notes to the Balance Sheet

Meyer Burger's balance sheet developed as expected throughout the implementation of the new business model with an ongoing strong focus on investments in the two production plants in Bitterfeld-Wolfen, Germany, and Freiberg, Germany.

Total assets increased to CHF 510.7 million as at 30 June 2022, which equals a 3.7 % increase compared to CHF 492.7 million as at 31 December 2021. **Cash and cash equivalents** decreased from CHF 231.4 million to CHF 167.1 million as detailed in the cash flow statement, mainly based on the operating result as well as due to the extensive investments made for the ongoing ramp-up of Meyer Burger's cell and module factories. CHF 18.8 million of bank balances with restricted use was included in **other current receivables** as per 30 June 2022 (31.12.2021: CHF 15.4 million).

With the ramp-up of Meyer Burger's cell and module production, **inventories** were stocked with the necessary materials and increased by CHF 19.8 million. With the increase in sales, **trade receivables** also increased by CHF 2.5 million.

Property, plant and equipment increased by a net amount of CHF 57.3 million which mainly relates to the production ramp-up and includes CHF 21.3 million of capitalized goods and services. **Intangible assets** decreased by CHF 0.3 million mainly due to ordinary amortization. **Financial assets** include the investment in Oxford PV of CHF 19.7 million as well as the outstanding receivables of the sale of the building in Thun in 2019 of CHF 4.9 million.

Total liabilities increased by 25.7 % to CHF 290.7 million as per 30 June 2022 compared to year-end 2021. With the investments made in property, plant and equipment, the increased orders of inventory and heightened operating costs to ramp up the production sites in such a short time frame, **trade payables** increased by CHF 7.7 million to CHF 29.2 million as well as **accrued expenses and prepaid income** increased by CHF 2.1 million to CHF 15.5 million compared to year-end 2021. Current and non-current **provisions** increased from CHF 3.7 million to CHF 4.7 million, mainly due to provisions for expected warranties.

Non-current financial liabilities increased by an additional tranche of the credit facility of CHF 55.3 million (equivalent to EUR 55.0 million). With this additional grant, the credit facility line of EUR 115.0 million has been exhausted as per 30 June 2022. The credit facility is guaranteed through comprehensive transfers of asset collateral from Meyer Burger with current assets of CHF 104.5 million of which CHF 53.4 million refer to pledged bank accounts without restricted use and non-current assets of CHF 156.7 million as well as an internal comfort letter stating a guarantee of EUR 125.0 million by Meyer Burger Technology AG. In addition, 80% of the loan volume is guaranteed by the Federal Republic of Germany and by the federal states of Saxony and Saxony-Anhalt. **Current financial liabilities** mainly include the portion of the credit facility that has to be repaid within the next 12 months amounting to EUR 23.0 million.

Mainly based on the result of CHF –41.0 million of the first half-year 2022, **equity** decreased by CHF 41.4 million from 31 December 2021 to 30 June 2022.

4 Notes to the Income Statement

The income statement for the first half-year 2022 reflects the ongoing transformation of Meyer Burger with the expansion of its high-performance solar cell and module production and the related phaseout of the previous business model.

In the first half-year 2022, Meyer Burger's **net sales** amounted CHF 56.7 million (H1 2021: CHF 18.0 million). The increased sales volume reflects the ramp-up of production of module sales.

The **operating income after cost of products and services** was CHF 25.4 million (H1 2021: CHF 14.2 million). **Cost of products and work in progress** increased to CHF 57.5 million (H1 2021: CHF 16.8 million) as a result of higher sales volumes. These costs are partially offset for externally sourced goods used in the manufacturing of own machines in the line item **capitalized goods and services**. Capitalized goods and services also include the cost of personnel expenses incurred in the manufacturing process. The position increased to CHF 21.3 million (HY 2021: CHF 20.5 million) based on the setup and expansion of the production facilities utilizing Meyer Burger's internal knowledge and machine manufacturing capacities.

Personnel expenses increase by 19.8 % to CHF 33.2 million compared to the first half-year 2021 based on the increase in workforce due to the operation ramp-up**. Operating expenses** in the first half-year 2022 amounted to CHF 16.7 million, a decrease of 4.6 % compared to the first half-year 2021. This reflects the additional costs for the ramp-up, as well as a strict cost management and the successful restructuring measures of the previous years.

Due to the increase in sales **EBITDA** was above the level achieved in the comparative period despite higher operating costs and totaled CHF –24.4 million in the frst half-year 2022 (H1 2021: CHF –30.9 million). The **EBITDA margin** was –43.1 % (H1 2021: –172.1 %).

Depreciation and amortization mainly on property, plant and equipment in use totaled CHF 8.2 million (H1 2021: CHF 3.2 million) based on the increase in property, plant and equipment due to the expansion of the production facilities.

Accordingly, the result at the **EBIT** level amounted to CHF –32.7 million (H1 2021: CHF –34.1 million).

The net **financial result** was CHF –8.4 million and mainly consists of interest on the convertible bond of CHF 4.9 million (H1 2021: none), interest on the credit facility of CHF 1.0 million (H1 2021: none), negative foreign exchange effects of CHF 1.8 million (H1 2021: CHF 1.3 million positive effect), the positive result on derivative financial assets of CHF 1.2 million (H1 2021: none) and other financial expenses of CHF 1.8 million (H1 2021: CHF 0.4 million) which mainly included costs for the federal and federal state guarantee for the syndicated loan facility.

Accordingly, the **result** for the first half-year 2022 amounted to CHF –41.0 million (H1 2021: CHF –37.2 million) and reflects the ongoing phase of transformation.

5 Other Information

5.1 Segment reporting

The activities of Meyer Burger are divided into the reportable business segments "Modules", "Photovoltaics" and "Specialized Technologies". The activities under the old business model of equipment sales were reported to the segment "Photovoltaics". During the ongoing transformation of the company, customer projects in the segment "Photovoltaics" are phased out, but still led to a limited amount of revenues in 2022, mainly due to long-term contracts and service provided. Due to the comprehensive change of Meyer Burger's business model, the segment "Specialized Technologies" is also subject to be fade out.

Net sales by segments 1 January 2022 to 30 June 2022

in TCHF	Modules	Photovoltaics	Specialized Technologies	Total	Consolidation	Total after consolidation
Net sales third parties	42 198	9 695	4 807	**56 700**	–	**56 700**
Net sales intersegment	–	3 345	–	3 345	–3 345	–
Net sales	**42 198**	**9 695**	**4 807**	**60 045**	**–3 345**	**56 700**

Net sales by segments 1 January 2021 to 30 June 2021

in TCHF	Modules	Photovoltaics	Specialized Technologies	Total	Consolidation	Total after consolidation
Net sales third parties	–	17 966	–	**17 966**	–	**17 966**
Net sales intersegment	–	–	–	**–**	–	**–**
Net sales	**–**	**17 966**	**–**	**17 966**	**–**	**17 966**

Modules

This segment comprises Meyer Burger's new business model. At its modern sites in Freiberg, Germany, and Thalheim (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 processes of solar cells, solar modules and solar systems with its portfolio of systems, production equipment and services. Meyer Burger's strategic long-term technology approach considering core technologies of the photovoltaic value chain and optimally harmonizing technologies along 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 transformation, the respective equipment manufacturing will be utilized for the internal development and setup of production equipment only with the exception of our ongoing Pasan business (cell and module measurement equipment and related services) which will be continued.

Specialized Technologies

With Specialized Technologies, Meyer Burger provided technologies that are successfully deployed in photovoltaics, particularly in the field of applying or removing layers on different substrates in a wide range of other high-tech markets. As part of a settlement agreement, an order of Meyer Burger (NL) B.V. business could be concluded and reported under segment Specialized Technologies. With the completion of this project, the segment is subject to fade out.

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 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.

5.2 Related-party transactions

Related parties consist primarily of shareholders, members of the Board of Directors and of the Executive Board, and associated companies.

Oxford Photovoltaics Limited, Oxford, UK, and its subsidiary Oxford PV Germany GmbH, Brandenburg an der Havel, Germany, were identified as related parties until the exclusion from the scope of consolidation as of 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, sale transactions in the amount of CHF 4.5 million were conducted in the first eight months of 2021 and classified as related party transaction.

As of 30 June 2022, no other transactions were conducted or receivables or liabilities outstanding towards other related parties or associated companies. All business relations with related parties are conducted at arm's length. No unusual transactions were either effected with the main shareholders or other related parties.

5.3 Contingent liabilities

in TCHF	30.6.2022	31.12.2021
Guarantees (not product-related)	7 550	8 875
Other	–	–
Contingent liabilities	**7 550**	**8 875**

During 2019, Meyer Burger entered into the sales contract for the building in Thun. With the contract, Meyer Burger guarantees a minimum level of annual rent payments to the buyer. The guarantee is limited to CHF 10 million 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 of CHF 0.2 million.

5.4 Events after the reporting date

On 2 August 2022, Meyer Burger announced in an ad hoc statement that the expected production volumes for 2022 and 2023 were adjusted. Based on the operational experiences so far and considering the challenging supply chain environment, Meyer Burger expects reduced production volumes of 320–370 MW in 2022 and 1.0–1.2 GW in 2023. The reduced volume targets are due to the expectation of lower throughput compared to the nominal capacity of the currently operating line as well as a delayed ramp-up of the production capacities currently under construction and commissioning. This reflects ongoing global supply chain constraints, resulting in the delayed arrival of required components needed for the ramp-up of the additional capacities.

On 17 August 2022, Meyer Burger and D. E. Shaw Renewable Investments (DESRI) signed an agreement by which DESRI will purchase 3.75 GW of Meyer Burger´s solar modules in total in a timeframe of approximately five years starting in 2024. DESRI is a leading renewable energy company that develops, owns, and operates utility-scale solar, wind, and battery storage projects throughout the United States. The agreement also provides substantial advance payments to Meyer Burger by DESRI.

With regard to the agreement reached with DESRI and its related investments in production capacity, but also due to the financial impacts of the aforementioned adjusted production volumes in 2022 and 2023, Meyer Burger has started discussions with the agent representing the bank consortium to renegotiate certain terms and conditions of the existing syndicated loan agreement. These discussions are ongoing, however Meyer Burger assumes that the negotiations with the bank consortium and guarantors be successfully completed within a reasonable time.

No further events have occurred between 30 June and 17 August 2022 which would have a material effect on the recognized carrying amounts of assets and liabilities of the Meyer Burger Group or would have to be disclosed at this point.

Report on the Review

of condensed consolidated interim financial statements to the Board of Directors of Meyer Burger Technology Ltd

Thun

According to your request, we have reviewed the condensed consolidated interim financial statements (consolidated balance sheet, consolidated income statement, consolidated statement of changes in equity, condensed consolidated cash flow statement and notes to the condensed consolidated interim financial statements / pages 12 to 21) of Meyer Burger Technology Ltd for the period from 1 January 2022 to 30 June 2022.

These condensed consolidated interim financial statements are the responsibility of the Board of Directors. Our responsibility is to issue a report on these condensed consolidated interim financial statements based on our review.

Our review was conducted in accordance with the Swiss Auditing Standard 910, which requires that a review be planned and performed to obtain limited assurance about whether the condensed consolidated interim financial statements are free from material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial statements have not been prepared, in all material respects, in accordance with the requirements of Swiss GAAP FER 31 relating to interim reporting.

PricewaterhouseCoopers AG

René Rausenberger

Yvonne Burger

Bern, 17 August 2022

PricewaterhouseCoopers AG, Bahnhofplatz 10, Postfach, CH-3001 Bern, Switzerland
Telefon: +41 58 792 75 00, Telefax: +41 58 792 75 10, www.pwc.ch

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