Report to fiscal year

2022

MEYER BURGER

Key Figures

Consolidated income statement

in TCHF	2022	2021
Net sales	147 214	39 905
Operating income after costs of products and services[1]	73 011	29 183
EBITDA[2]	–34 630	–72 469
in % of net sales	–23.5%	–181.6%
EBIT[3]	–53 594	–85 337
in % of net sales	–36.4%	–213.9%
Net result for the year	–69 850	–100 487

[1] "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.

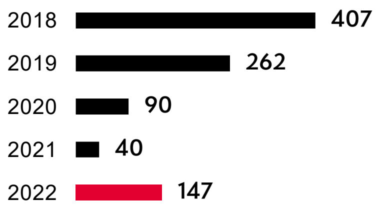
[2] "EBITDA" corresponds to the operating result (EBIT) before depreciation on tangible fixed assets and amortization on intangible assets.

[3] "EBIT" corresponds to the result before the financial result, the result from investment in associates, the non-operating result and income taxes.

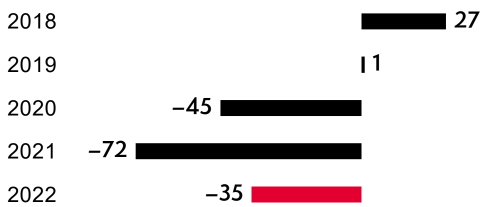
Consolidated balance sheet

in TCHF	31.12.2022	31.12.2021
Total assets	720 442	492 722
Current assets	473 798	334 668
Non-current assets	246 644	158 054
Current liabilities	89 452	46 141
Non-current liabilities	202 109	185 151
Equity	428 881	261 430
Equity ratio	59.5%	53.0%

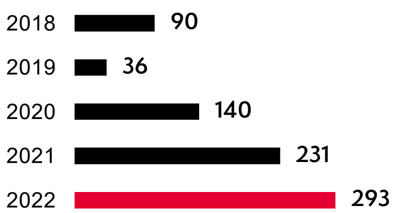
Net sales
in CHF million



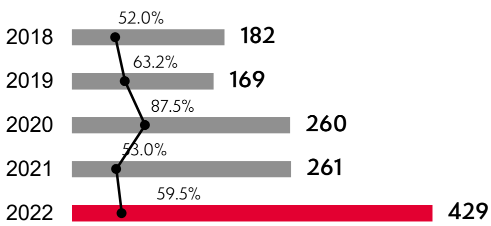
EBITDA
in CHF million



Cash and cash equivalents
in CHF million



Equity and equity ratio
in CHF million and %



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The Annual Report 2022 is available on the company website:
https://www.meyerburger.com/en/investors/financial-reports-publications/

Patrick Hatt has been a Meyer Burger shareholder since the end of 2021. Sustainability is very important to him. As the owner and managing director of a painting business in Winterthur (Switzerland), he focuses on quality and regional networks. Premium modules and European orientation convince him not only as a shareholder, but also as a customer: "I prefer to spend a little more and get something good for it." When he renovates his flat roof, he plans to install solar modules.

1

Letter to Shareholders

Dear Shareholders

It was exactly three years ago that we first talked about realigning the business model at Meyer Burger. We wanted to use the heterojunction/SmartWire technology, which our engineers had spent twelve years developing to industrial maturity, exclusively and to become a manufacturer of solar cells and solar modules ourselves.

Today, we are very pleased to be able to thank you, our valued shareholders, for supporting us so faithfully on this exciting journey, for placing your trust in us during this crucial phase, for believing in the future of Meyer Burger and for joining us in driving the energy transition forward. We are proud to say that the new Meyer Burger Technology AG has found its position in the market. Our premium solar modules are in high demand among our customers and can be sold at premium prices. Our further growth will be built on this foundation.

With a production volume of 321.1 megawatts (MW), we achieved our target for 2022 in times of great challenges. Global supply chains were again disrupted last year by the pandemic and the war in Ukraine. Nevertheless, we increased our solar module output more than tenfold compared to the previous year. There is growing certainty that the production lines at our German sites will be able to achieve the defined nominal capacities in full operation. 830,000 solar modules left the Freiberg factory in 2022 and around 700,000 solar cells are produced daily in Bitterfeld-Wolfen. This figure is expected to be well over one million once the ramp-up is complete.

The ramp-up of the second production line started in September 2022, and individual process steps are currently being finalized. Our experienced team has succeeded in optimizing the processes and significantly shortening the ramp-up time compared to the first line. However, we are still dependent on external suppliers. The situation remains tense for the industry as a whole, especially with delivery times for electronic components running to

Sehr geehrte Aktionärinnen, sehr geehrte Aktionäre

Es ist genau drei Jahre her, dass wir bei Meyer Burger zum ersten Mal von einer Neuausrichtung des Geschäftsmodells gesprochen haben. Die Heterojunction-/SmartWire-Technologie, die unsere Ingenieure zwölf Jahre lang bis zur Industriereife entwickelt hatten, wollten wir nur noch exklusiv nutzen und selbst zum Hersteller von Solarzellen und Solarmodulen werden.

Heute freuen wir uns sehr, dass wir Ihnen, unseren geschätzten Aktionärinnen und Aktionären, danken können. Dafür, dass Sie uns auf dieser spannenden Reise so treu unterstützen und uns in der entscheidenden Phase Ihr Vertrauen geschenkt haben. Dafür, dass Sie an die Zukunft von Meyer Burger glauben und mit uns gemeinsam die Energiewende vorantreiben. Mit Stolz dürfen wir feststellen, dass die neue Meyer Burger Technology AG ihre Position auf dem Markt gefunden hat. Unsere Premium-Solarmodule sind bei unseren Kundinnen und Kunden stark gefragt und können zu Premiumpreisen verkauft werden. Auf dieses Fundament baut unser weiteres Wachstum auf.

Mit einer Produktionsmenge von 321,1 Megawatt (MW) haben wir unser Ziel für das Jahr 2022 in Zeiten grosser Herausforderungen erreicht. Die globalen Lieferketten waren auch im vergangenen Jahr durch die Pandemie und den Krieg in der Ukraine gestört. Dennoch haben wir die Produktion von Solarmodulen gegenüber dem Vorjahr mehr als verzehnfacht. Es wächst die Gewissheit, dass die Produktionslinien an unseren deutschen Standorten in der Lage sein werden, im Vollbetrieb die definierten Nominalkapazitäten zu erreichen. 830.000 Solarmodule verliessen 2022 die Fabrik in Freiberg, in Bitterfeld-Wolfen werden täglich rund 700.000 Solarzellen hergestellt - nach Abschluss des Hochlaufs sollen es weit über eine Million sein.

Der Hochlauf der zweiten Produktionslinie ist im September 2022 angelaufen; derzeit werden noch einzelne Prozessschritte finalisiert. Dabei schaffte

Left:
Franz Richter
Chairman
Meyer Burger
Technology AG

Right:
Gunter Erfurt
Chief Executive
Officer
Meyer Burger
Technology AG

several months instead of a few weeks. Management is working hard to minimize such risks as far as possible in the future.

For this reason, and in order to meet the steadily increasing demand for faster growth in our manufacturing capacities, we have decided to introduce a uniform product platform for our solar modules. This will enable us to build up manufacturing capacities faster and with less risk in the future. The planned products combine the best of glass-glass and glass-foil modules, namely durability, bifaciality, low weight, sustainable high performance and appealing aesthetics in Black, White and Glass variants. We are thus laying the foundations which will enable us to achieve premium prices for our high-performance modules in the long term.

The new platform allows for scalability in our new manufacturing capacities and accelerates mass production; for example, it eliminates downtime due to product changes and costly procurement and logistics processes caused by product diversity. Therefore, we are unlocking further potential for reducing manufacturing costs. The combination of supply chain issues and the preparation of production lines for the new platform will result in lower production volumes than previously stated. As we announced on 2 March 2023, we now aim to produce solar modules with a total output of around 800 megawatts in 2023.

One of our main advantages is our machine production which is integrated into the company at the Hohenstein-Ernstthal site. This enables us to optimize new lines quickly. Since 2022, machines used in our module production have been remanufactured at our headquarters in Thun.

For the further expansion in phase 2, the Extraordinary General Meeting on 28 October 2022 approved a capital increase. The gross proceeds of

es unser erfahrenes Team, die Prozesse zu optimieren und die Hochlaufgeschwindigkeit im Vergleich zur ersten Linie deutlich zu verkürzen. Allerdings sind wir weiterhin auf externe Zulieferer angewiesen. Für die ganze Industrie bleibt die Situation angespannt, insbesondere bei Lieferzeiten für elektronische Komponenten, die mehrere Monate statt wenige Wochen betragen. Das Management kümmert sich intensiv darum, solche Risiken auch in Zukunft möglichst zu minimieren.

Deshalb und um der stetig steigenden Forderung nach schnellerem Wachstum unserer Fertigungskapazitäten gerecht zu werden, haben wir die Einführung einer einheitlichen Produktplattform für unsere Solarmodule beschlossen. So können wir Fertigungskapazitäten zukünftig schneller und risikoärmer aufbauen. Die geplanten Produkte kombinieren das Beste aus Glas-Glas- und Glas-Folie-Modulen, nämlich Langlebigkeit, Bifazialität, geringes Gewicht, nachhaltig hohe Leistung und ansprechende Ästhetik in den Varianten Black, White und Glass. Damit legen wir die Basis dafür, langfristig Premiumpreise für unsere Hochleistungs-Module erzielen zu können.

Die neue Plattform ermöglicht die Skalierbarkeit neuer Fertigungskapazitäten und beschleunigt die Massenproduktion: Beispielsweise entfallen Stillstandzeiten durch Produktwechsel und aufwändige Beschaffungs- und Logistikprozesse aufgrund der Produktvielfalt. So erschliessen wir weitere Potenziale bei der Senkung der Herstellungskosten. Die Kombination von Lieferkettenproblemen und der Vorbereitung der Produktionslinien für die neue Plattform resultiert in einer geringeren Produktionsmenge als bisher angekündigt. Wie wir am 2. März 2023 bereits informiert haben, wollen wir im Jahr 2023 nunmehr Solarmodule mit einer Gesamtleistung von etwa 800 Megawatt herstellen.

Wir haben den Vorteil, am Standort Hohenstein-Ernstthal über eine ins Unternehmen integrierte Maschinenfertigung zu verfügen. Das ermöglicht

CHF 250 million will enable the company to accelerate its expansion to around 3 gigawatts of production capacity per year by 2024. The expansion of solar cell production is to take place at the Bitterfeld-Wolfen site in Germany and the expansion of solar module production will be in Goodyear, USA. We signed a long-term supply agreement with the US developer of renewable energy projects D. E. Shaw Renewable Investments (DESRI). Under this agreement, we will supply solar modules with an output of between 3.75 and 5 gigawatts (GW) for solar power plants over a period of around five years from 2024. This should enable us to establish the power plant segment as a second mainstay alongside the rooftop segment by 2024.

A completely new topic has been occupying us since last year. Since the Intersolar trade show in Munich in mid-May, the solar roof tile has been one of the hottest topics of conversation around Meyer Burger. Under the name "Meyer Burger Tile", we have further developed the product for which we had acquired the rights from a German engineering firm. Our product managers in Thun took a close look at the solar roof tile and improved it in many respects until the optimum product was created. Our development won the prestigious pv magazine highlight topinnovation 2022 award. The first pilot plant with Meyer Burger Tiles was completed at the end of 2022. Further pilot plants are currently being installed in Switzerland and Germany, and a first distribution partner from the roofing sector has included the product in its portfolio. From the summer of 2023, Meyer Burger Tiles will then be manufactured on our behalf by a company in Europe and will be available in larger quantities. The interest is enormous. The official market launch of the new product is planned for this fall.

Long-term goal on perovskite and industrialization of modules without front contacts

In order to develop the next generation of high-performance solar cells and modules, we brought renowned partners on board at the end of 2022 and concluded multi-year cooperation agreements. Together with CSEM from Switzerland, the Helmholtz-Zentrum Berlin (HZB), the Fraunhofer Institute for Solar Energy Systems (ISE) in Freiburg and the Institute for Photovoltaics at the University of Stuttgart, we are working on the industrialization of perovskite tandem technology. The development of the new production technologies is to be used exclusively for our own production within the scope of Meyer Burger's proprietary business model. In the next few years, perovskite tandem technology should enable efficiencies of over 30 percent in the industrial production of solar cells.

Until then, our R&D teams in Switzerland and Germany are already focusing on the industrialization

es uns, neue Linien rasch zu optimieren. Seit 2022 werden auch an unserem Hauptsitz in Thun wieder Maschinen gefertigt, die in unserer Modulproduktion eingesetzt werden.

Für den weiteren Ausbau in Phase 2 stimmte die ausserordentliche Generalversammlung am 28. Oktober 2022 einer Kapitalerhöhung zu. Der Bruttoerlös von CHF 250 Millionen ermöglicht der Firma den beschleunigten Ausbau auf rund 3 Gigawatt Produktionskapazität pro Jahr bis 2024. Der Ausbau der Solarzellenproduktion soll am Standort Bitterfeld-Wolfen in Deutschland und der Ausbau der Solarmodulproduktion in Goodyear, USA, erfolgen. Mit dem US-amerikanischen Entwickler von erneuerbaren Energieprojekten D. E. Shaw Renewable Investments (DESRI) konnten wir einen langfristigen Liefervertrag unterzeichnen. Demnach werden wir ab 2024 über einen Zeitraum von rund fünf Jahren Solarmodule mit einer Leistung von 3,75 bis 5 GW (Gigawatt) für Solarkraftwerke liefern. Damit sollte es uns gelingen, bis 2024 neben dem Aufdach-Segment das Kraftwerk-Segment als zweites Standbein zu etablieren.

Ein ganz neues Thema beschäftigt uns seit dem vorigen Jahr. Seit der Fachmesse Intersolar in München Mitte Mai ist der Solardachziegel eines der wichtigsten Gesprächsthemen bei Meyer Burger. Unter dem Namen „Meyer Burger Tile" haben wir das Produkt, für das wir von einem deutschen Ingenieurbüro die Rechte erworben hatten, weiterentwickelt. Unsere Produktmanager in Thun haben den Solardachziegel genau unter die Lupe genommen und in vielen Punkten so lange verbessert, bis das optimale Produkt entstanden ist. Unsere Entwicklung wurde von der renommierten Fachzeitschrift *pv magazine* als highlight topinnovation 2022 ausgezeichnet. Ende 2022 konnte die erste Pilotanlage mit Meyer Burger Tiles ans Netz gehen. Weitere Pilotanlagen werden derzeit in der Schweiz und in Deutschland installiert, ein erster Vertriebspartner aus dem Dachdecker-Grosshandel hat das Produkt in sein Sortiment aufgenommen. Ab Sommer 2023 werden die Meyer Burger Tiles von einem Unternehmen in Europa in unserem Auftrag industriell gefertigt und in grösseren Stückzahlen zur Verfügung stehen. Das Interesse ist gewaltig. Im Herbst dieses Jahres ist die offizielle Markteinführung des neuen Produkts geplant.

Fernziel Perowskit und Industrialisierung von Modulen ohne Frontkontakte

Für die Entwicklung der nächsten Generation von Hochleistungs-Solarzellen und -modulen haben wir Ende 2022 renommierte Partner ins Boot geholt und mehrjährige Kooperationsvereinbarungen abgeschlossen. Gemeinsam mit dem CSEM aus der Schweiz, dem Helmholtz-Zentrum Berlin (HZB), dem Fraunhofer-Institut für Solare Energiesysteme ISE in Freiburg und dem Institut für Photovoltaik der of so-called IBC modules. IBC stands for Interdigitated Back Contact. These are also based on heterojunction technology. In these modules, the wiring is located on the back of the cell, which allows better utilization of sunlight. In combination with our SmartWire technology, there are significant advantages in terms of efficiency and energy yield. In extensive tests at CSEM, we have been able to analyze the degradation of the future solar modules and are excited to report that it is barely measurable in the trials to date. With a recently constructed pilot plant at the Neuchâtel site, industrialization is entering the next phase.

As the implementation of the new business model progresses, the financial statements show encouraging developments. Sales increased to CHF 147.2 million in 2022, which corresponds to an increase of 269 % on the previous year. Meyer Burger has thus successfully achieved its market entry and laid the foundations for future growth.

The ramp-up of production was still in full swing at the end of the year, which is reflected in the high operating costs relative to sales. Overall, these resulted in an EBITDA 2022 of CHF –34.6 million and a net result of CHF –69.9 million.

The investments in the two new production sites and the ongoing build-up of inventories required for efficient order processing are now very clearly reflected in the balance sheet. Total assets increased accordingly by a significant 46 % year-on-year to CHF 720.4 million as at 31 December 2022.

On the liabilities side of the balance sheet, the successful capital increase of CHF 250 million in November 2022 resulted in a significant increase in equity. The equity ratio is now 59.5 %. With this further capital measure, Meyer Burger is now in a position to make the next important investments in growth and product developments.

First female member of the Board of Directors and new CFO

The Annual General Meeting on 5 May 2022 elected Katrin Wehr-Seiter as an independent member of the Board of Directors. She is active as Managing Director/Partner at BIP Capital Partners, Luxembourg. Previously, she served as Principal at the international private equity firm Permira. After completing her technical studies, Katrin Wehr-Seiter started her career at Siemens AG, where she worked in the field of power generation in Germany and the USA. In addition to her technical background, she has extensive experience in M&A, asset management and investment projects as well as corporate development.

Universität Stuttgart arbeiten wir an der Industrialisierung der Perowskit-Tandemtechnologie. Die Entwicklung der neuen Produktionstechnologien sollen im geschützten Geschäftsmodell von Meyer Burger ausschliesslich für die eigene Fertigung eingesetzt werden. In den nächsten Jahren soll die Perowskit-Tandemtechnologie in der industriellen Fertigung von Solarzellen Wirkungsgrade von über 30 Prozent ermöglichen.

Bis es so weit ist, fokussieren sich unsere F&E-Teams in der Schweiz und in Deutschland bereits auf die Industrialisierung der sogenannten IBC-Module. Diese basieren ebenfalls auf der Heterojunction-Technologie - IBC steht für Interdigitated Back Contact. Die Verdrahtung ist bei diesen Modulen auf der Rückseite der Zelle angebracht, was eine bessere Ausnutzung des Sonnenlichts ermöglicht. In Kombination mit unserer SmartWire-Technologie ergeben sich wesentliche Vorteile in puncto Effizienz und Energieertrag. In umfangreichen Tests am CSEM konnten wir die Degradation der zukünftigen Solarmodule analysieren und sind begeistert davon, dass diese in den bisherigen Versuchen kaum mehr messbar ist. Mit einer kürzlich errichteten Pilotanlage am Standort Neuenburg tritt die Industrialisierung in die nächste Phase.

Mit dem Fortschreiten der Umsetzung des neuen Geschäftsmodells zeigen sich erfreuliche Entwicklungen in der Jahresrechnung. Der Umsatz konnte im Jahr 2022 auf CHF 147.2 Millionen gesteigert werden, was gegenüber dem Vorjahr einem Plus von 269 % entspricht. Hiermit hat Meyer Burger den Markteintritt erfolgreich gemeistert und den Grundstein für das zukünftige Wachstum gelegt.

Der Hochlauf der Produktion war zum Jahresende noch in vollem Gange, was sich in den hohen operativen Kosten im Verhältnis zum Umsatz widerspiegelt. Gesamthaft führten diese zu einem EBITDA 2022 von CHF –34.6 Millionen und einem Jahresergebnis von CHF –69.9 Millionen.

In der Bilanz zeigen sich die Investitionen in die beiden neuen Produktionsstandorte und der voranschreitende Lageraufbau, der für eine effiziente Auftragsabwicklung benötigt wird, mittlerweile sehr deutlich. Die Bilanzsumme stieg gegenüber dem Vorjahr entsprechend markant um 46 % auf CHF 720.4 Millionen per 31. Dezember 2022.

Auf der Passivseite der Bilanz führt die erfolgreiche Kapitalerhöhung um CHF 250 Millionen vom November 2022 zu einem deutlich gesteigerten Eigenkapital. Die Eigenkapitalquote beträgt nun 59.5 %. Meyer Burger ist mit dieser weiteren Kapitalmassnahme in der Lage, die nächsten wichtigen Investitionen in das Wachstum und die Produktentwicklung zu tätigen.

Markus Nikles has been the new Chief Financial Officer (CFO) and a member of the Executive Board since 1 September 2022. Markus Nikles spent more than 20 years in leading positions in finance with a globally-operating Swiss group. He is very familiar with the financial management of international industrial companies, with group and project controlling, liquidity planning and working capital management.

Outlook
Photovoltaics plays a central role in managing the global energy transition. Huge investments are needed to make the economy climate-neutral within the time frame set and to achieve the necessary regional security of supply.

The US was quick to respond. The US Climate Inflation Reduction Act (IRA), enacted in 2022, will provide some USD 370 billion worth of clean energy subsidies, making it attractive for European clean tech companies to cross the Atlantic.

This signal has now been heard in the EU; Ursula von der Leyen, President of the EU Commission announced the Green Deal Industrial Plan at the beginning of February 2023, with which the EU and the EU member states want to devote hundreds of billions of euros to the development of key industries for climate protection – the solar industry is among these six sectors. The instruments include a relaxed state aid framework, which is intended to give EU member states greater freedom to support relevant companies. This essentially reallocates existing funds from previous programs. The EU Commission President called this a "bridge" and announced that further funds will be made available for an EU Sovereignty Fund in the medium term. Negotiations on the scope and design of the Green Deal Industrial Plan will take place in March 2023, at which time it will be possible to say whether it will indeed be a response on a par with the IRAs that can revitalize the solar industry and return it to a critical size in Europe. If the framework conditions are set accordingly, there will be further growth potential for Meyer Burger.

Either way, Meyer Burger is confident because at the individual level, too, demand for rooftop solar systems is rising steadily among homeowners and businesses, because they make them largely independent of expensive electricity from the grid.

Thanks
The political and social environment strongly favored Meyer Burger's new initiative three years ago, but the company's impressive development was only possible because everyone involved gave their best and was not discouraged by the coronavirus, late deliveries of components or other diffi-

Erste Verwaltungsrätin und neuer CFO
Die ordentliche Generalversammlung vom 5. Mai 2022 wählte Katrin Wehr-Seiter als unabhängiges Mitglied in den Verwaltungsrat. Sie ist als Managing Director/Partner bei BIP Capital Partners, Luxemburg, aktiv. Zuvor wirkte sie als Principal bei der internationalen Private-Equity-Gesellschaft Permira. Katrin Wehr-Seiter hat nach ihrem technischen Studium ihre berufliche Laufbahn bei der Siemens AG gestartet und war hier unter anderem im Bereich Energieerzeugung in Deutschland und den USA tätig. Neben ihrem technischen Background verfügt sie über grosse Erfahrung in den Bereichen M&A, Asset Management und Investitionsprojekte sowie Unternehmensentwicklung. Seit dem 1. September 2022 ist Markus Nikles neuer Chief Financial Officer (CFO) und Mitglied der Geschäftsleitung. Markus Nikles war mehr als 20 Jahre in führenden Positionen im Finanzbereich bei einem weltweit operierenden Schweizer Konzern tätig. Er ist bestens vertraut mit der finanziellen Führung von internationalen Industriegesellschaften, mit Konzern- und Projekt-Controlling, Liquiditätsplanung und sowie dem Working Capital Management.

Ausblick
Die Photovoltaik spielt eine zentrale Rolle bei der Bewältigung der globalen Energiewende. Es braucht riesige Investitionen, um die Wirtschaft im gesetzten Zeitrahmen klimaneutral zu gestalten und um die notwendige regionale Versorgungssicherheit zu erreichen.

Die USA reagierten schnell. Das 2022 in Kraft gesetzte US-Klima-Gesetz Inflation Reduction Act (IRA) wird Subventionen im Wert von rund USD 370 Milliarden für saubere Energie bereitstellen, was es für europäische Clean-Tech-Unternehmen attraktiv macht, über den Atlantik zu gehen.

Dieses Signal ist inzwischen in der EU gehört worden: Ursula von der Leyen, Präsidentin der EU-Kommission, hat Anfang Februar 2023 den Green Deal Industrial Plan angekündigt, mit dem die EU und die EU-Mitgliedstaaten hunderte von Milliarden Euro für den Aufbau von Schlüsselindustrien für den Klimaschutz fördern wollen – auch die Solarindustrie findet sich unter den sechs betroffenen Sektoren. Zu den Instrumenten zählt ein insgesamt gelockerter Beihilferahmen, der den EU-Mitgliedstaaten eine grössere Freiheit zur Förderung von relevanten Unternehmen geben soll. Hierbei werden im Wesentlichen bereits vorhandene Mittel aus früheren Programmen umgewidmet. Die EU-Kommissionspräsidentin bezeichnet das als „Brücke" und kündigte an, mittelfristig weitere Mittel für einen EU-Souveränität-Fonds bereitzustellen. Im März 2023 finden die Verhandlungen über Umfang und Ausgestaltung des Green Deal Industrial Plans statt, dann wird sich sagen lassen, ob dieser tatsächlich eine Antwort auf Augenhöhe mit dem IRA sein wird, culties. Meyer Burger now has around 1,100 employees, and this number is growing every day. This pleases us and gives us confidence that we can continue to grow at a fast pace. Expectations grow with every goal we achieve. We will do everything we can to meet them.

welche die Solarindustrie beleben und wieder auf eine kritische Grösse in Europa führen kann. Sollten die Rahmenbedingungen entsprechend gesetzt werden, ergibt sich für Meyer Burger weiteres Wachstumspotenzial.

So oder so ist Meyer Burger zuversichtlich. Denn auch auf individueller Ebene, bei Eigenheimbesitzerinnen und -besitzern sowie beim Gewerbe, steigt die Nachfrage nach Solaranlagen fürs Dach beständig, machen diese doch weitgehend unabhängig vom teuren Strom aus der Leitung.

Dank

Das politische und gesellschaftliche Umfeld hat den Neustart von Meyer Burger vor drei Jahren stark begünstigt. Doch die beeindruckende Entwicklung des Unternehmens war nur möglich, weil alle Beteiligten ihr Bestes gegeben haben und sich weder von Corona noch von verspäteten Komponenten-Lieferungen oder sonstigen Schwierigkeiten entmutigen liessen. Meyer Burger zählt heute rund 1.100 Mitarbeitende und es werden täglich mehr. Das freut uns und stimmt uns zuversichtlich, dass wir weiterhin mit hohem Tempo werden wachsen können. Mit jedem Ziel, das wir erreichen, wachsen auch die Erwartungen. Wir tun alles, um diese zu erfüllen.

Franz Richter
Chairman

Gunter Erfurt
Chief Executive Officer

The first pilot system with Meyer Burger Tiles was installed in Switzerland at the end of 2022. The solar roof tiles are scheduled for market launch in the second half of 2023.

In addition to the existing solar cell manufacturing facility, Meyer Burger has secured another building to grow to 3 gigawatts here at the Thalheim site. Preparatory work for the installation of production machinery inside the building is already underway.

The construction of the second line in Freiberg is almost complete. Thousands of solar modules now come off the production line here every day, which are delivered to solar construction sites all over the world.

Since 2022, machines have again been built in Thun, which are delivered to the Freiberg or Goodyear sites. On these machines, solar modules with Smartwire connection technology are made.

Heinz Streit is the head of his own solar installation company in the canton of Bern. He has been recommending Meyer Burger solar modules to his customers ever since they came on the market. His motto: "It's better to invest more once for higher quality and longevity than to buy cheap goods several times." He is one of the many installers who have registered on Meyer Burger's website.

2

Management Report 2022

Successful transition to PV cell and module manufacturer

Meyer Burger has successfully increased its solar cell and module production capacities; a total of 321 megawatts (MW) of modules was produced in 2022. As we announced on 2 March 2023, we now aim to produce solar modules with a total output of around 800 MW in 2023.

Meyer Burger has also successfully positioned its high-performance products in the European and US markets. Meyer Burger's products have higher technical performance compared to the current market standard and to a number of other differentiating factors including high quality, reliability, yield and sustainability, all made in Europe.

A milestone is the completion of a long-term supply agreement with the US renewable energy developer D. E. Shaw Renewable Investments (DESRI). Under the agreement, Meyer Burger expects to deliver between 3.75 and 5 GW of solar modules into utility-scale solar projects over a time span of approximately five years, starting in 2024.

The relationship with DESRI allows Meyer Burger to accelerate its entry into the utility-scale segment and to fast-track the recognition of Meyer Burger modules for use in large-scale utility installations. Furthermore, the Company has established its ability to command a material price premium over current standard pricing not only in the residential sector, but also in the utility-scale segment (e.g. DESRI).

Meyer Burger and wafer manufacturers Norwegian Crystals and NorSun recently entered into a supply agreement for silicon wafers, thus strengthening the independence of European solar supply chains. The agreement allows Meyer Burger to increase its share of European-sourced wafers and to lower the carbon footprint of its high-performance solar modules.

Sales and marketing

Only 1.5 years after launching its product portfolio, Meyer Burger is perceived as a premium solar module brand focusing on the valuable residential rooftop segment, where it has established its position well. Additionally, the Company has sold its modules to lighthouse projects in the commercial and utility segments, e.g. supplying 6,200 Meyer Burger solar modules for the rooftop installation of the Europa-Park Stadium, home of Bundesliga football club SC Freiburg, making it the second largest PV installation on a stadium roof worldwide.

Selling to approximately 50 distributors and, via them, to more than 1,000 installers in Europe and the USA, Meyer Burger is no longer proactively pursuing orders, but instead allocating volumes to existing customers. Thanks to the continuous marketing and sales activities focusing on distributors, installers and private customers, the Company has managed to consistently achieve premium prices, being able to pass on any increase in material costs.

In 2022, Meyer Burger has continued building a powerful marketing and sales organization, hiring experts in their fields. Alongside the European markets, Meyer Burger started supplying the US market in Q2, 2022. With close to 40 employees in field and inside sales and with representatives in all the major markets in Europe and the USA, the company currently sells to 15 markets worldwide and is ready to scale the announced annual output via the established distribution channels.

Its positioning as a premium PV brand, sustainably manufacturing high-performance solar modules, designed in Switzerland and made in Germany, was mainly conveyed to the target groups via the extension of the digital marketing campaign, content marketing on social media channels, the newly developed sales support tools and five international trade fairs. In addition, Meyer Burger focused on fostering relationships with installers, kicking off partnership programs in Europe and the USA with the goal of increasing customer retention and building a strong network of Meyer Burger brand ambassadors in all relevant markets.

The demand for premium PV products made in Europe remains very high, boosted in particular by the war in Ukraine and the energy crisis. Meyer Burger is one of the few manufacturers being able to meet this demand and therefore offers the right product portfolio at the right time.

Further ramp-up & expansion

An expansion of solar cell production is planned to take place at the Bitterfeld-Wolfen (Germany) site, and an expansion of solar module production at the Freiberg (Germany) site, and in Goodyear, in the US.

For the required new cell production capacity, the company has entered into a long-term lease agreement for an additional building with more than 40,000 square meters of space adjacent to the current cell factory in Bitterfeld-Wolfen (the former Solibro plant). With this building, further synergies shall be generated and space has been secured for the realization of future expansion plans.

The preparation for the ramp-up by an additional 400 MW at the Freiberg site have been made. The building was remodeled and made ready for the move-in of equipment. Since the beginning of 2023, tools have been brought into the new facility which will accommodate the third module line. The ramp-up will start in Q2, 2023 and production is expected to start in summer 2023.

The leased building in Goodyear is being prepared for production. Facilities and supplies planning is on track. The first product deliveries from the Goodyear facility are expected around mid 2024.

The key equipment for all expansions is mostly built at the Hohenstein-Ernstthal site, Germany, with a small part origination from Thun, Switzerland. This ensures that all proprietary steps in Meyer Burger's production lines remain confidential, and that the ambitious schedules are met.

Supply bottlenecks of system-relevant individual components, which have had to be procured externally, remain a challenge to the further ramp-up in production. So far, all components have been able to be procured, although occasionally there have been time delays.

Momentum & market

The imperative to decarbonize the global energy supply has recently been augmented by a global energy crisis, most acutely in Europe. Solar and wind energy are expected to form the backbone of the global transition toward renewable energy sources, providing electrical power generated at the lowest levelized cost of electricity (LCOE) compared to fossil fuels and nuclear energy.

In the context of the rapidly growing global demand for solar energy, there is also an increasing focus from customers and policy makers on diversifying the production of solar cells and modules.

European and US policies including the European "Fit for 55" strategy and the REPowerEU program as well as the US Inflation Reduction Act further support both solar deployment and industrial activities.

Meyer Burger finds itself well positioned to benefit from these trends as one of the few currently-established photovoltaic (PV) cell and module manufacturers outside of Asia. The company expects to capitalize on its proprietary technology and its roadmap of innovative products.

Successful equity raise of CHF 250M

The successful capital increase of CHF 250 million enables Meyer Burger to seize the opportunity to accelerate its expansion to approximately 3 gigawatts of production capacity per year by 2024 and to build up the related production and distribution structures.

Encouraging sales performance

The results of the financial year 2022 reflect the successful market entry of Meyer Burger's solar modules. Net sales developed favorably to CHF 147.2 million (2021: CHF 39.9 million) of which CHF 125.0 million stems from sales in the modules segment (2021: CHF 8.8 million) and thus builds the foundation for the success of Meyer Burger's new business model. The photovoltaics segment was internalized with the exception of the completion of outstanding projects and Pasan's measurement technology business. The regional sales mix has developed in line with the clear focus on the European market for the market entry with 79% (49% in 2021). Sales to the American market amounted to 15% (9% in 2021) while sales to the Asian market reduced to 6% mainly based on the completion of long-term projects (42% in 2021). The regional sales mix is expected to tend even more strongly towards Europe and America with the production capacity expansions at the related sites.

Operating costs still reflect ramp-up

With the strong operational ramp-up, personnel costs still precede sales volumes and further increased to CHF 68.0 million (2021: CHF 60.4 million). Operating expenses slightly decreased to CHF 39.6 million (2021: CHF 41.2 million) even against additional new infrastructural costs, such as rent and energy, marketing costs and additional administrative costs for the financing measures. This led to an EBITDA of CHF –34.6 million (2021: CHF –72.5 million) and a respective EBITDA margin of –23.5% (2021: –181.6%).

Depreciation and amortization increased based on the new fully-equipped production sites. Accordingly EBIT stood at CHF –53.6 million (2021: CHF –85.3 million) with a margin of –36.4% (2021: –213.9%).

Financial result reflects successful financing measures

The net financial result was CHF –16.4 million (2021: CHF –11.2 million). Financial expense in the fiscal year included interest expenses for the syndicated loan and the green convertible bond of CHF –12.0 million (2021: CHF –5.5 million). The valuation of intercompany loans to foreign subsidiaries led foreign currency translation effects of CHF 0.6 million (2021: CHF –0.8 million). In addition, there were other foreign currency translation effects of CHF –4.2 million (2021: CHF –4.0 million), other interest expenses of CHF –0.3 million (2021: CHF –0.3 million) and other financial expenses of CHF –3.2 million (2021: CHF –1.5 million) as well as interest income of CHF 0.7 million (2021: CHF <0.1 million) and a gain on fair value on derivatives of CHF 2.6 million (2021: CHF 0.2 million). In the previous year, the proportionate result from investments in associates due to the interest in Oxford PV amounted to CHF –2.9 million up to its derecognition from the scope of consolidation as of the end of August 2021.

Net result

Meyer Burger generated a group result of CHF –69.9 million (2021: CHF –100.5 million) which equates to a net result per share of CHF –0.02 (2021: CHF –0.04).

Balance sheet reflects investments in growth

As at 31 December 2022, the balance sheet total increased to CHF 720.4 million (31 December 2021: CHF 492.7 million), mainly due to the investments made in the high-speed ramp-up of the two new facilities as well as the successful capital increase. In the face of further necessary investments, the cash position of the Group stood at CHF 293.2 million (31 December 2021: CHF 231.4 million) while trade working capital remained relatively stable at CHF 94.2 million (31 December 2021: CHF 33.4 million) mainly based on higher inventories at year-end. Property, plant and equipment included investments made and capitalizations net of investment subsidies received of CHF 112.9 million (2021: CHF 99.2 million) and at 31 December 2022 amounted to CHF 210.7 million (31 December 2021: CHF 124.3 million) reflecting the successful realization of the further ramp-up. Intangible assets of CHF 5.3 million as at year-end 2022 (31 December 2021: CHF 6.1 million) included the investments made in the intellectual property for the expansion of Meyer Burger's product portfolio into innovative solar roof tiles.

Equity reflects successful capital increase

The increase in equity reflects the successful CHF 250 million capital increase carried out in November 2022. The successful capital increase enables Meyer Burger to seize the opportunity to accelerate its expansion to approximately 3 GW of production capacity per year.

Workforce

Employees (FTE)	2022	2021	2020	2019	2018
Total at year-end	**1 034**	789	548	805	1 191
Operations	663	444	185	304	481
Research, Development	168	170	162	213	281
Sales, Services	91	87	126	189	281
Finance, Administration	112	88	75	99	148

From an HR perspective, 2022 was all about recruiting – about 400 new colleagues came on board. At the end of 2022, Meyer Burger employed about 1100 people from 19 nations who worked tirelessly and with great focus to make the successful change in the business model happen. In addition, there were around 20 trainees and interns. The search for new employees remains a challenge in the new year. The aim is to recruit around another 400 new colleagues. In the production area, the five-shift system is proving to be a benefit when choosing Meyer Burger as an employer, as applicants rate it as family- and health-friendly.

For more information on Human Resources issues see page 41.

Risk management

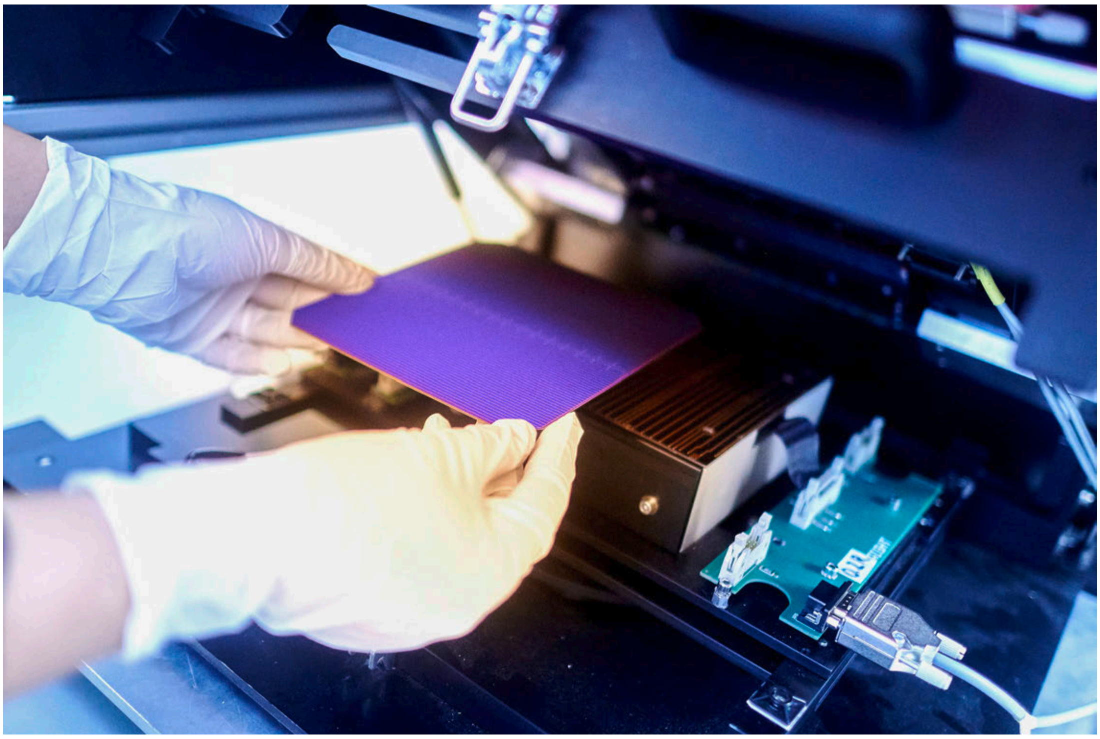
Meyer Burger uses various risk management instruments to manage its strategic, financial and operational risks. The Executive Board assesses and evaluates the identified risks. The results of the risk assessment, including any countermeasures determined as necessary, are submitted to the Board of Directors at regular intervals. Risk management is integrated into the company's management processes and is carried out in close coordination with those responsible for the internal control system and internal audit.

Risks are classified into six different groups for which the relevant managing directors are responsible. These risk groups are Financial, Legal/Governance & Compliance, Communication, Management, Operations and External. Different risk categories are assigned to the respective risk groups.

With the new business model, the related set-up of new processes and the changing environment, risk management has become more important than ever, amongst other standardized risk management within IT processes and the related infrastructure. For more detailed information about financial risk management, see Note 3 on page 119.

Occupational safety is of major importance to Meyer Burger. Risks are minimized and a high degree of process safety is achieved through careful analysis of operating procedures and the provision of employee training. For information about employees see the section before and the corresponding part of the Sustainability Report on page 31.

The Meyer Burger world of tomorrow is being created in western Switzerland. Researchers are using pilot plants to manufacture new products that will further increase the efficiency and yield of the solar modules. As always at Meyer Burger, the equipment comes from the company's own machine development department in Saxony. Here, the delivery of a new machine in March 2023.



To ensure high product quality, high-quality measurements are required at many points throughout production – from wafer inspection to final inspection of the finished solar module. Pasan in Neuchâtel develops these measurement systems for Meyer Burger.

Part of the former logistics center has been converted and now offers space for another 400 megawatts in Freiberg. Many machines are already standing and waiting to be awakened by the Meyer Burger engineers.

Full house: In the solar cell production facility in Thalheim, all machines are in place and produce hundreds of thousands of heterojunction solar cells every day.

Here in Thun, the Meyer Burger team is working on the next generation of modules – like Tanja Erb-Schwab, who switched from health care to the solar industry eight years ago. She was looking for a job with and for the future. Like all Meyer Burger products, the new solar modules are sustainable: guaranteed lead-free and they reduce the carbon footprint wherever they find a place in the sun.

3

Sustainability Report

Environmental, Social, and Corporate Governance (ESG)

Summary of Meyer Burger's ESG Report

Meyer Burger is a global leader in sustainable solar energy production, offering a complete range of development and production of PV equipment as well as solar cell and module manufacturing. The company demonstrates its commitment to the 1.5 degree target of the Paris Climate Agreement by providing the technology to produce renewable energy. Further, the company is dedicated to facilitating the right measures for enlarging the amount of sustainable energy by reinforcing the use of solar PV.

This sustainability report 2022 provides an overview of Meyer Burger's products, services, and business models. It then outlines the company's general approach to sustainable management, which is overseen by its highest governance body. The largest section of the report consists of a comprehensive overview of Meyer Burger's impact on Environmental, Social, and Governance (ESG) topics. Utilizing the Global Reporting Initiative (GRI) as the standard, this report accurately references GRI topics and provides a clear, transparent view.

Meyer Burger is committed to sustainable practices and has implemented a Code of Conduct to outline how it does business and to maintain a policy of honesty and quality of services. The company's economic impact encompasses procurement practices, employment practices, and working conditions. Meyer Burger also engages in public policy at regional, national, and European levels, and does not make any political donations or contributions. Meyer Burger has taken measures to support its employees' rights to exercise freedom of association and collective bargaining.

The positive environmental impacts of Meyer Burger are significant. For instance, emissions have been reduced through local production in Germany, and using cutting-edge technologies to decrease energy consumption. Negative effects arise from CO_2e emissions from the production of PV modules and components, yet the CO_2e pay-back time for the PV production in Germany is 1.2 years. After this time, PV modules effectively contribute to climate protection. Furthermore, Meyer Burger is aiming to create a CO_2e accounting system to assemble data about CO_2e production. As regards biodiversity, positive impacts included prioritizing brownfield investment, repurposing existing production sites and producing bifacial PV modules to be used in agricultural settings. Ground sealing has had negative effects, however, and Meyer Burger is aware of the need to ensure sustainable interactions with water as a shared resource and has implemented a range of measures.

The chapter on social impacts covers topics such as employer practices, equal opportunities, non-discrimination, asset integrity, critical incident management, occupational health and safety, and supply chain traceability. Positive outcomes of Meyer Burger's commitment to social responsibility include the renaissance of the solar industry in Europe, the creation of new jobs, increased diversity and intercultural acceptance in the workplace, and partnerships with local universities and institutions. Meyer Burger has also established a culture of inclusion in the workplace, with a commitment to diversity and fairness for its employees. Moreover, due to increased uncertainty in the global supply chain, the company has sought to reduce its carbon footprint by shortening supply routes, creating more local job opportunities, and enhancing process controls.

The company has established ambitious targets for sustainability and pursued them throughout 2022. With the goal of becoming a leading PV company worldwide, Meyer Burger is a key player in global efforts towards sustainability.

Meyer Burger's ESG Report in a Nutshell

ESG Report 2022 Abstract

Meyer Burger is a global leader in sustainable solar energy production and is committed to achieving the 1.5 degree goal of the Paris Climate Agreement. This sustainability report 2022 provides an outline of the company's products, services, and business models, and its drive to promote sustainable management and ESG topics. Through its Code of Conduct, Meyer Burger has implemented a policy of integrity and quality of services, as well as economic benefits through procurement practices, employment practices, and working conditions. Meyer Burger has had significant positive environmental impacts, such as lowering emissions through local production and using advanced technologies to decrease energy consumption. It has also taken measures to ensure sustainable interactions with water as a shared resource. On the social side, Meyer Burger has revived the solar industry in Europe, generated new jobs in rather disadvantaged regions, and increased diversity and intercultural acceptance in the workplace. The company has also attempted to lower its carbon footprint by shortening supply routes and enhancing process controls.

Meyer Burger's Sustainability Focus

Meyer Burger is committed to helping decarbonize society by providing clean energy. Its positive environmental impact is significant, with reduced emissions due to local production in Germany and advanced technologies to minimize energy usage. Although there may be some negative effects from CO_2e emissions from PV module and equipment production, the CO_2e pay-back time for PV production in Germany is only 1.2 years. After this time, the PV modules start to make a meaningful contribution to climate protection. Every 15 minutes, Meyer Burger produces enough solar modules to power a family home, and once installed, they can give households or families energy self-sufficiency or at least some degree of energy independence. Meyer Burger is committed to providing clean, renewable energy to reduce emissions, fight climate change and lay the groundwork for a sustainable energy sector.

Structure and Purpose of this Report

The purpose of this report is to provide a transparent overview of the impacts Meyer Burger has on a variety of Environmental, Social, and Governance (ESG) topics. To this end, this report builds on the standard of the Global Reporting Initiative (GRI), referencing the respective GRI standard topic whenever possible.

This report is divided into three sections. The first section gives a brief overview of Meyer Burger's services, products, and business models. The second section outlines the company's general approach to sustainable management, including the highest governance body concerning sustainability topics. The third section reveals the impact of Meyer Burger's operations on the environment, people, and economy, including the materiality assessment process that identified the topics covered in the report.

This report covers the period from January 1st, 2022, to December 31st, 2022. For any additional inquiries, please contact the ESG Coordinator, Jörg Liebschner or Corporate Communications, Dana Ritzmann, via email at communications@meyer-burger.com. This report will be published on 23 March 2023.

Introduction to Meyer Burger

The Company

Meyer Burger Technology AG, headquartered in Gwatt (Thun, Switzerland), is a publicly listed manufacturer of solar cells and modules with the ambition to become a leading global PV company. Meyer Burger is committed to helping meet the 1.5 degree target of the Paris Climate Agreement, providing the technology to produce renewable energy. With locations in Europe, the USA, China, and Singapore, all entities are included in this report, except if mentioned otherwise. The main manufacturing operations are in Germany (Freiberg, Bitterfeld-Wolfen, Hohenstein-Ernstthal), with R&D centers in Switzerland (Thun, Hauterive). Sales and service organizations are located throughout Asia, the US, and Europe. For details of Meyer Burger's different locations, please refer to the following table.

Thun, Switzerland	• Corporate headquarters • Provides group services • Home of Research, Development (R&D) and Engineering
Hohenstein-Ernstthal, Germany	• Operational headquarters • Research, Development and Engineering • Development of mass production systems used in own manufacturing facilities • Production of latest-generation solar cell and module technologies
Bitterfeld-Wolfen, Germany	• Main solar cell production site • Located in a 10-year-old solar cell production facility in a former manufacturing area for the solar industry in Germany (to save resources and shorten renovation time) • Delivers solar cells to Meyer Burger's solar module manufacturing site in Freiberg • In 2021: annual nameplate capacity of 400 megawatts (MW) • In 2022: annual nameplate capacity of 1 gigawatt (GW) • Plan for 2023: expansion to approx. 800 MW as announced on 2 March 2023 • Plan for 2024: expansion to approx. 3 GW
Freiberg, Germany	• Main solar module production site • Europe's largest and most advanced solar module production facility • Acquired an existing facility previously used for a solar module factory, undergoing renovation • In 2021: annual nameplate capacity of 400 MW • In 2022: annual nameplate capacity of 1 GW • In 2023: expansion to approx. 800 MW as announced on 2 March 2023
Goodyear, USA	• Manufacturing plant in development (leased facility) • Initial annual production capacity of approximately 1.5 GW is forecast to be achieved by the end of 2024 • A long-term collaboration has been established with D.E. Shaw Renewable Investments (DESRI), a leading player in the US renewable energy market.
Hauterive, Switzerland	• Research and Development • An interdisciplinary research team is transferring technologies from the laboratory to mass production • A pilot production line is being used to develop new technologies and improve performance and cost-efficiency of heterojunction solar cells
Neuchâtel, Switzerland	• Pasan SA as a wholly owned subsidiary of Meyer Burger • Market leader in solar testing • Development and production of performance measurement technologies for solar cells and modules
Regional module sales	• Sales and Marketing teams in Europe, the USA, South Africa, Australia • Focus on DACH region • Sales offices in Austria, Belgium, the Netherlands, Italy, France, Poland, Czech Republic, Spain, Portugal, UK, Ireland, Scandinavia
Worldwide equipment services	• Restructuring process ended 2021 • Shanghai is the center for Pasan's sales and services in the Asian market • Services for existing Asian customers of Meyer Burger are still provided from Singapore

Table 1 Meyer Burger's locations

At the end of 2022, Meyer Burger had a workforce of 1,128 people, mostly in Germany and Switzerland. During the reporting period, the number of employees grew substantially due to the growth in PV production capacities; the workforce had grown by 31,5% by the end of the year compared to the end of 2021. To achieve this, Meyer Burger carried out widespread recruitment activities throughout Germany, as well as in other parts of Europe and the United States. The following figure illustrates the ratio of employees per country.

Employees per Country

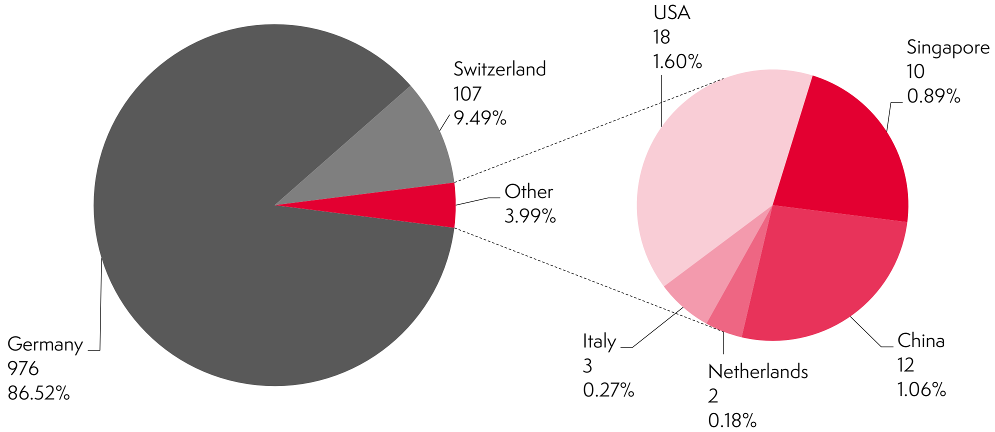


Figure 1: Employees per country

This report focuses on Meyer Burger's production sites in Germany and its headquarters in Thun. These sites are the focus of Meyer Burger's dedication to sustainability; over 95% of all employees are located there and have a significant impact on the environment, society, and economy, both directly and indirectly.

The Value Chain

Meyer Burger is a comprehensive manufacturer of solar cells and modules, with three main business models: the development and production of solar cells, solar modules, and the equipment necessary for their fabrication.

The production of machinery and equipment for photovoltaic production is an integral part of solar cell and module manufacturing. Meyer Burger utilizes the equipment for its own production of solar cells and solar modules to improve the performance of the cells and modules, as well as to enhance production efficiency. The solar cells generated serve as the precursor to the formation of Meyer Burger's solar modules, which are then distributed to PV installation companies throughout Europe and the USA to be utilized in residential dwellings, hotels, commercial properties, and even a soccer stadium, all with the aim of augmenting the amount of renewable energy in the energy mix. In 2022, 321 MW of solar modules were manufactured at the Freiberg site, producing 321,000 MWh of electric energy – enough to meet the energy needs of a small city for a year while reducing emissions from fossil fuel energy sources. This energy will benefit communities and people living in homes with PV installations on their roofs.

The following graphic illustrates the value chain entities of the Meyer Burger business model and how they are build one upon the other.

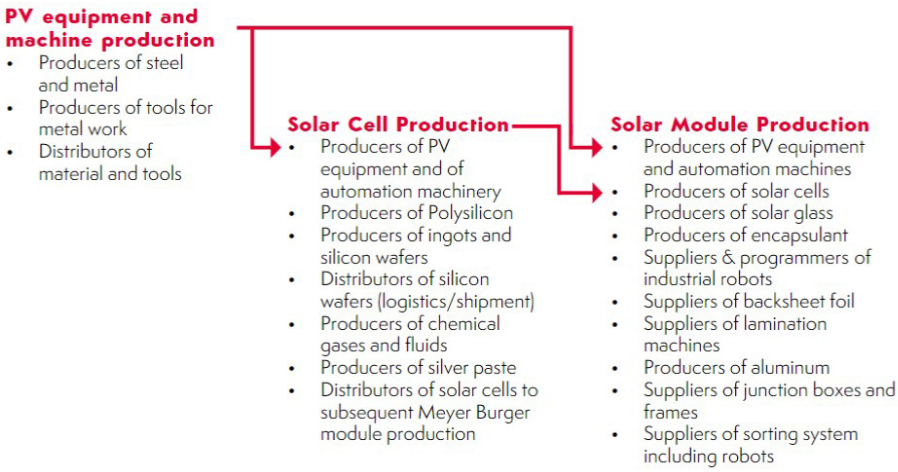


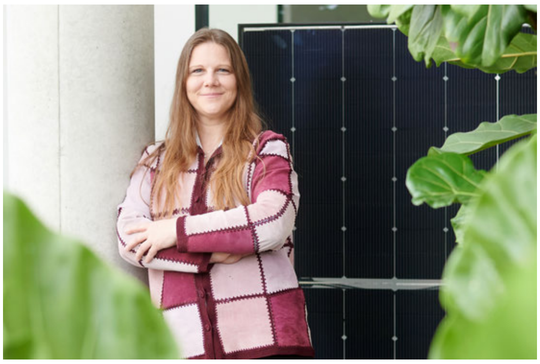
Figure 2: Meyer Burger's value chains

Example Project

In late 2022, Meyer Burger revealed Dachdecker-Einkauf Süd eG (DE Süd), a renowned specialist roofing provider in Germany, as its initial distribution partner for its solar roof tile pilot phase. DE Süd will oversee the initial pilot projects and collaborate with their roofing sector customers to execute them. The solar roof tiles come from Meyer Burger's pilot production and are equipped with high-performance solar cells from the Bitterfeld-Wolfen plant.

Gunter Erfurt,
Chief Executive Officer
Meyer Burger

"Our goal is not only to produce the best and most sustainable solar modules on the planet, but also to be a truly green company and to influence the industry with pioneering sustainability standards and benchmarks."



Katja Tavernaro,
Chief Sustainability Officer
Meyer Burger

"We want to turn climate change into a climate opportunity by enabling the generation of clean energy and speeding up the energy transition… We want everybody to internalize that Meyer Burger is about sustainability and that we are pursuing a common goal, which means we want to do something good for this Earth and limit climate change."

Key ESG Objectives

Meyer Burger has set itself ambitious objectives as regards sustainability. The company's primary aim is to establish a new source of energy produced in Europe, significantly contributing to the 1.5 degree climate goal of the Paris Climate Agreement by providing technology that makes energy production more renewable.

Meyer Burger is working to substantially increase the proportion of renewable energy sources in the global energy mix and to make electricity more accessible around the world with the help of cutting-edge PV technologies. In doing so, Meyer Burger is striving to create a brighter and more peaceful future, while handling natural resources responsibly, by reusing, upcycling, and recycling. The company is committed to the concept of a circular economy and is doing its utmost to reduce pollutants and carbon emissions.

Furthermore, Meyer Burger is committed to going beyond just producing PV equipment and solar cells and modules. To ensure meeting this mission is achieved, the company is guided by the United Nations' Sustainable Development Goals (SDGs) and is currently focusing on seven specific sustainability goals. These goals are connected to energy and the environment, including SDG 7 (Affordable and Clean Energy), 8 (Decent Work and Economic Growth), 9 (Industry, Innovation & Infrastructure), 11 (Sustainable Cities and Communities), 12 (Responsible Consumption & Production), 13 (Climate Action), and 17 (Partnerships for the Goals).

Governance Structure

The governing bodies of Meyer Burger are the shareholders' meeting, the Board of Directors (BoD) and the auditors. The BoD is responsible for overseeing sustainability matters. It is comprised of Franz Richter, Mark Kerekes, Andreas Herzog, Urs Schenker, and Katrin Wehr-Seiter, who joined in May 2022. All members of the BoD are non-executive and have no conflicts of interest, working independently.

Franz Richter

- member of BoD since 2015
- non-executive
- experienced business professional
- mandates include Chairman of the Foundation Board of the Fraunhofer Institute IZM, Berlin, Germany, since 2009, Chairman of the Board of Directors of Scint-X Technologies AB, Kista, Sweden, since 2014.
- CV

Andreas Herzog

- member of BoD since 2019
- non-executive
- experienced business professional
- mandates include Member of the Board of Directors of SBB, Berne, Switzerland, since 2021, Member of the Board of Directors of HOCHDORF Swiss Nutrition AG, Lucerne, Switzerland, since 2020, Chairman of the Board of Directors of Systemcredit, Zurich, Switzerland, since 2019.
- CV

Mark Kerekes

- member of BoD since 2020
- non-executive
- experienced business professional
- mandates include 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 at Sentis Capital PCC (Cell1, Cell 2, Cell 4), Balzers, Lichtenstein, since 2018.
- CV

Urs Schenker

- member of BoD since 2021
- non-executive
- experienced legal professional
- mandates include member of the Board of Directors of Bellevue Group AG, and its subsidiary Bellevue Asset Management AG, member of the Board of Directors of Capital Dynamics Holding AG, Chairman of the Board of Directors of Geschäftshaus City AG.
- CV

Katrin Wehr-Seiter

- member of BoD since 2022
- non-executive
- experienced business professional
- mandates include Member of the Board of Directors of SES S.A., Betzdorf, Luxembourg, Member of the Board of Directors of Bellevue Group AG, Küsnacht, Switzerland, Member of the Board of Directors of Unite Holding SE, Leipzig, Germany.
- CV

The BoD is responsible for overseeing sustainability issues within the company. The BoD is aware of the environmental, social and governance impacts of the company and the importance of sustainability.

The BoD sets the strategy for developing the business activities and delegates the resulting specification and realization of measures to the C-level management. To ensure that sustainability remains a priority, the company has appointed a Chief Sustainability Officer as part of the company's C-level management.

This department, directed by an ESG coordinator/officer, is responsible for evaluating and developing processes related to environmental, social, and governance matters.

The BoD is committed to ensuring that the company is taking the necessary steps to address its ESG impacts. With the help of the CSO and ESG coordinator/officer, Meyer Burger is taking the necessary steps to ensure that it is meeting its sustainability goals. In 2023, they plan to update Meyer Burger's purpose, values, mission statements, and policies to define and communicate their sustainability targets.

At the executive level of the Meyer Burger Group, the C-level management, which consists of five members, is in charge of economic, environmental, and social strategic matters within the organization. In 2022, Gunter Erfurt was the Chief Executive Officer (CEO) heading the Group executive. Katja Tavernaro was Meyer Burger's Chief Sustainability Officer (CSO) and oversaw Human Resources, Legal & Compliance and ESG within the Group, setting new standards in the industry for sustainability. Daniel Menzel and Moritz Borgmann joined the Executive Board in January 2022 as the Chief Operating Officer (COO) and Chief Commercial Officer (CCO) respectively. In May 2022, Markus Nikles, a Swiss national and highly experienced finance professional, was appointed to the Executive Board as the new Chief Financial Officer (CFO) and took up his position on 1 September 2022.

Gunter Erfurt

- Chief Executive Officer
- member of C-level management since 2017
- PhD in Physics
- CV

Katja Tavernaro

- Chief Sustainability Officer
- member of C-level management since 2021
- experience in legal and business topics as well as from an academic point of view
- CV

Markus Nikles

- Chief Financial Officer
- member of C-level management since 2022
- experience in leading positions in the field of finance with the Swiss Bühler Group
- international track record
- CV

Moritz Borgmann

- Chief Commercial Officer
- member of C-level management since 2022
- Doctorate degree (Dr. sc. techn.), proofed record in the energy sector
- CV

Daniel Menzel

- Chief Operating Officer
- member of C-level management since 2022
- significant experience in the PV sector
- CV

Given that their main operations are in Eastern Germany, it is essential to Meyer Burger that the executive team and BoD include a fair representation of East Germans, an under-represented group at upper-level management. Three members of the executive team and one member of the BoD are of East German descent.

Nomination, Selection and Remuneration of the Governance Bodies

Meyer Burger's Articles of Association, which are available on the website, detail the nomination and selection processes for the Chairman and members of the BoD, the members of the Nomination and Remuneration Committee, and the auditors. These persons are elected individually for a term of office that lasts until and including the next ordinary shareholders' meeting, with re-election being permitted.

The members of the BoD are chosen based on their professional experience and competence in relevant fields, such as finance and legal, and their knowledge in the areas of investment activity and corporate development. The Chairperson of the BoD is not an executive in the organization.

According to the Articles of Association, the BoD can validly pass resolutions if a majority of its members are present at the meeting, with no minimum presence requirement applying to resolutions in connection with capital increases.

The members of the BoD has a deep understanding of sustainability due to their experience in the renewable energy and photovoltaic technology industries. Also they aspire to even broaden their knowledge of sustainable development. At the annual shareholder's meeting, the BoD engages with stakeholders and communicates the management report and, if legally required, the consolidated financial statements that need to be approved. Information on other matters related to sustainability is made available on the website or in printed materials to keep consumers, the press, and political stakeholders informed of the BoD engagement with sustainability. The BoD evaluates its performance in managing sustainability by means of a self-assessment, though this process is not made public. The results or measures to be taken may be shared with management.

The remuneration of the BoD and C-level members is voted on at the annual shareholders' meeting and published in the minutes of the Annual General Meeting on Meyer Burger's website. The remuneration policies in 2022 did not include objectives or performance targets in relation to the management of impacts on the economy, the environment, and people. In 2023, the company will set targets with regard to ESG and Sustainability.

Stakeholder Engagement

Meyer Burger is committed to engaging with stakeholders in an open and transparent manner to ensure that its sustainability strategy is successful. Meyer Burger believes in stakeholder engagement as a key component of its sustainability strategy. The company maintains regular contact with its key stakeholders, including shareholders, wider society, customers, suppliers, employees, and local communities.

The company is committed to treating all stakeholders with civility, openness, and respect and adheres to the principles of good and transparent corporate governance. Meyer Burger's corporate culture is based on team spirit and responsibility and the company ensures that its reporting and accounting is accurate, complete, and not misleading.

Meyer Burger also maintains an open and consistent approach to media communication. The company does not comment on rumors or disclose information on current transactions and ensures that employees are informed at the same time as the media and other stakeholders.

Material Impacts on ESG

Meyer Burger's commitment to sustainability has led it to implement a comprehensive ESG reporting system in order to assess and manage its impacts on the environment, people, and the economy. This report focuses on the performance of Meyer Burger as regards sustainability in 2022 and reflects the strategic direction in its commitment to sustainable development.

Due to the vastness of the Environmental, Social, and Governance (ESG) field, it was essential to complete a materiality assessment. Through this, the topics that are most impacted by Meyer Burger´s business, supply chain and partnerships were determined. The process was based on the GRI 2021 Standard and involved surveying stakeholders to narrow down a long list of relevant, potential material topics. For all 20 relevant topics, a workshop followed to evaluate the direct, indirect, positive, and negative impacts in terms of their severity and likelihood of occurrence. This was combined with the organization's sector, current social grand challenges (e.g. the climate crisis, human rights, biodiversity crisis), organizational practices and measures taken. The final materiality matrix displayed below included 14 topics which were disclosed in detail using GRI topic indicators.

The following chapters outline the material topics in detail:

Governance Impacts
Environmental Impacts
Social Impacts

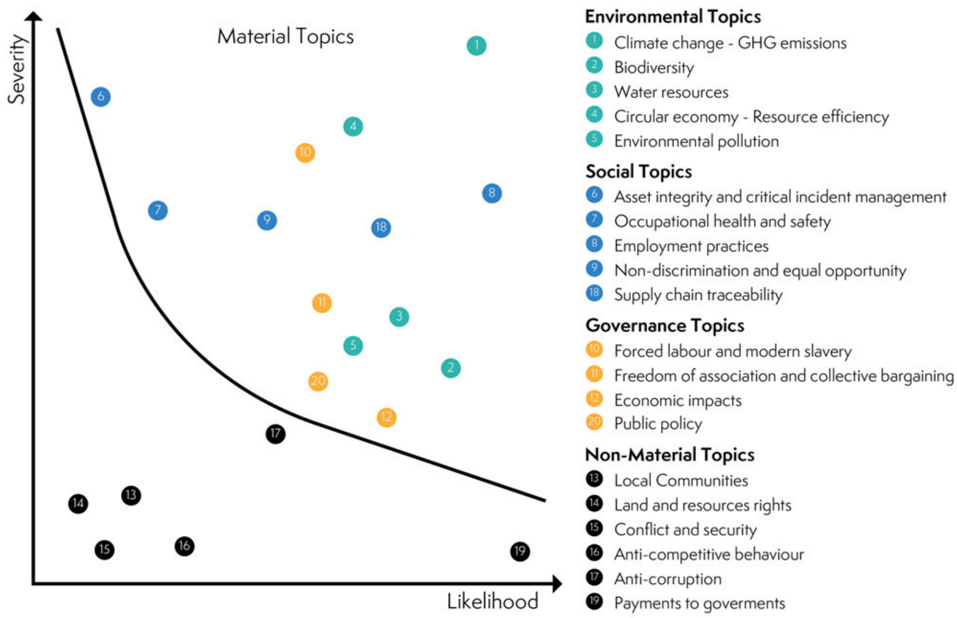


Figure 3: Materiality Matrix

Governance Impacts

Business Ethics

Meyer Burger takes a comprehensive view of the responsibilities, opportunities, and risks associated with the goal of providing renewable energy. The company's guidelines for how it does business are outlined in its Code of Conduct, which was approved by the BoD on December 5, 2017. This Code of Conduct is implemented by all subsidiaries and is binding on all business divisions and their employees.

The Code of Conduct and its principles are an integral part of the onboarding process for all new employees. This Code of Conduct is also made available to the public, shareholders, and customers via the website. All employees are provided with a copy of this Code of Conduct and the management is responsible for communicating the values and standards to the employees and monitoring their compliance on a regular basis. Any breach of this Code of Conduct may lead to disciplinary measures, including possible termination of employment and legal action.

Sustainability is stated in Meyer Burger's Code of Conduct: "We act in harmony with the environment and respect basic social values. We adhere to the principle of sustainability in all our activities and decisions and strive to utilize natural resources sparingly. Wherever possible, we obtain our resources from sustainable sources. The main focus of our work is on reducing the environmental impact at our locations and along the supply chain, all the way through to the transport and sale of our products. Sustainability is an integral component of our business success. Increasing the energy efficiency of solar cells and modules with innovative products and technologies is our contribution to society. By continuously improving the social, ecological, and economic processes at our technology and production sites, while focusing clearly on stakeholders' needs, we are significantly adding to the growth of renewable energies."

Policy commitments are stated in the Code of Conduct which is published on the website.

Meyer Burger makes health and safety a number one priority. Avoiding dangers to employees, customers, and the environment is an essential element of its goal to provide employees with a safe and healthy workplace which they strive towards.

Long-term customer relationships based on mutual respect are also high priorities. The aim is to maintain friendly and professional business relationships with customers, suppliers, and other business partners. An efficient and objective procurement process has been sought, and extensive training programs have been provided to customers.

Suppliers are expected to comply with applicable laws, guidelines, and standards set forth, such as those concerning fundamental employee and human rights, safety and environmental protection, and money laundering and corruption. In the event of any infringements, corrective measures are taken immediately. Meyer Burger's Supplier Code of Conduct is also publicly available.

Financial results and other important matters are communicated in a timely and factual manner, in accordance with strict rules. A comprehensive program of training courses and customer service centers is offered in order to ensure customers benefit from the advanced and innovative products.

Business is carried out based on honesty and quality of services, and corruption in any form is not tolerated. Personal data is treated with the utmost confidentiality and electronically stored information is protected with state-of-the-art technical facilities. Intellectual property is used exclusively for the purposes of Meyer Burger and is not given away carelessly.

All shareholders are treated and respected equally in accordance with statutory provisions. Meyer Burger always adheres to the principles of good and transparent corporate governance and a clear division of tasks and responsibilities is established and reviewed periodically. Meyer Burger takes a broad perspective looking at responsibilities, opportunities and risks related to the goal of providing renewable energy.

Processes to Remediate Negative Impacts

Meyer Burger is committed to providing for and cooperating in the remediation of any negative impacts that it identifies it has caused or contributed to. The company attaches the utmost importance to compliance with current safety regulations and to competing fairly with competitors for market share. Concerns about Meyer Burger's business conduct can be addressed to one of the following contact persons: Direct Superior, Compliance Officer, Human Resources Department, Works Council / Employee Representatives.

Meyer Burger requires its suppliers to uphold all laws concerning fundamental human rights and the prohibition of child labor and forced labor, as well as safety and environmental regulations, money laundering, and corruption prevention. If these measures are not implemented within a reasonable timeframe, the company reserves the right to immediately terminate the cooperation. The management is responsible for communicating the values and standards to the employees and monitoring their compliance. Meyer Burger encourages its employees to contribute to the company's decision-making processes actively and constructively. The company also tracks the effectiveness of its grievance mechanisms and other remediation processes by engaging in dialogue with stakeholders such as customers, suppliers, shareholders, and employees. To ensure transparency, accurate figures must be implemented in these measures.

Economic Impact

In the following table, Meyer Burger's actual and potential economic impacts are displayed:

Impacts	Positive	Negative
Actual	• Reestablished solar PV industry in Germany and Europe • Increased renewable energy share for improved energy security • Sourced locally to strengthen regional supply chains • Created jobs in structurally weak regions (e.g. Eastern Germany) • Accelerated energy transition towards solar and other renewable energy sources	• Job cuts in Asia • Taking workers from other businesses
Potential	• Support PV and energy transition • Reduce global warming and climate change by distributing solar modules	• Build factories that damage the environment by sealing soil and reducing biodiversity • Require even more energy to run said factories

Table 2 Economic Impacts

Meyer Burger's Economic Impact encompasses not only the local, national, and global economic levels, but also their procurement practices which focus on sustainability and regionality, as well as their employment practices and working conditions. Furthermore, the production and use of their PV modules helps to ensure the security of regional and national energy infrastructures, having a positive effect on the economy and supply system.

To further assess their progress, Meyer Burger has set goals and targets, as well as indicators, such as positive financial results, an increase in share price and meeting GRI standards, which are tracked in their annual fiscal reports and sustainability report.

In addition, Meyer Burger is also committed to improving infrastructure in structurally weak areas, for instance, by supporting the municipality in establishing a new bus route which passes their production site, to facilitate their workers' commute.

Financial assistance received from governments

Meyer Burger received a total of CHF 14,080,071.76 in financial grants in 2022. The table below shows a breakdown of grants received by country.

Country	Funding amount (CHF)
Switzerland	1,147,299.82
Germany	12,922,771.94
Total	**14,080,071.76**

Table 3 Financial assistance received by Meyer Burger by country

The grants received are divided into investments grants and research and development grants. Meyer Burger was awarded CHF 8,428,337.34 for investments in their plants in 2022, which was received by Meyer Burger Industries. Additionally, CHF 5,915,292.14 was granted for research and development projects. The figure below shows the breakdown of these grants by entities.

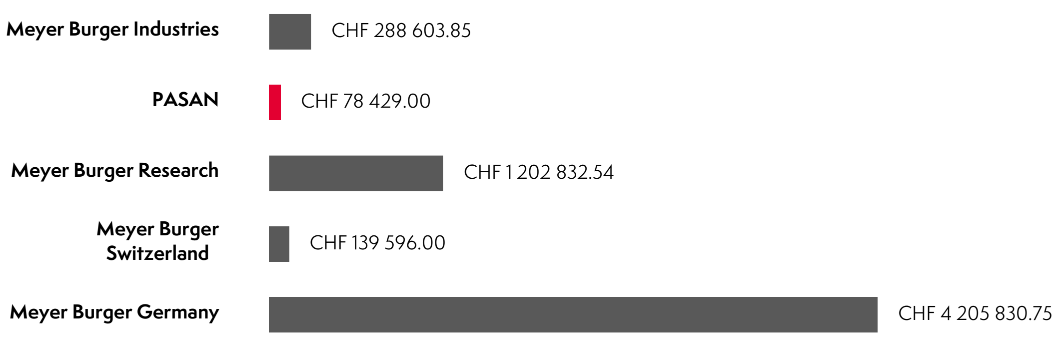


Figure 4 Grants received for research and development by entity

Freedom of Association and Collective Bargaining

At Meyer Burger, employees are currently covered by collective bargaining agreements. However, ongoing discussions between the reference trade union (IG Metall) and the management have been taking place, with the aim of establishing a collective bargaining agreement.

In 2022, a new works council was established in Bitterfeld-Wolfen, one of the production sites in Germany. A Group works council was also created for the whole company. Conversations between the management and IG Metall continued with the aim of concluding a collective bargaining agreement for the company, and improving employer branding with these measures.

Meyer Burger fostered close, long-term relationships with suppliers, to ensure that they know and follow the Supplier Code of Conduct, and that good working conditions, including freedom of association and collective bargaining, are provided for their employees. Meyer Burger supports the existing works councils and works to maintain good relationships and dialogs.

Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk

Meyer Burger's labor-intensive PV production plants are located almost exclusively in Germany, with manufacturing plants in Freiberg and Bitterfeld-Wolfen, and machinery in Hohenstein-Ernstthal. In order to ensure that workers' rights are not violated or put at significant risk, the company adheres to the Works Constitution Act, as well as the ILO regulations in Germany and Switzerland.

For other countries and geographical areas, the company keeps a close eye on the situation and has a Supplier Code of Conduct in place to transparently state their values and expectations.

In 2022, Meyer Burger has taken measures to support rights to exercise freedom of association and collective bargaining, such as establishing a new works council at the cell production site in Bitterfeld-Wolfen and a group works council that coordinates the work of the existing work councils. The Suppliers' Code of Conduct also explicitly states that suppliers' employees shall have the right to form and join trade unions of their own choice and not be penalized for it.

To ensure workers' rights also on the supplier side, Meyer Burger has a Suppliers Code of Conduct in place that states the following:

"Suppliers' employees shall have the right to form and join trade unions of their own choice, to bargain collectively and to engage in peaceful assembly or refrain from such activities in conformity with the local laws. Employees shall not be penalized or threatened in any way for this engagement by the Supplier. The supplier shall respect – within the framework of laws, regulations, and prevailing labor relations and employment practices – the right of its employees to be represented by labour unions and other employee organizations."

Public Policy

Customers, shareholders, local politicians, and employees are all requesting more green and environmentally friendly energy. For this reason, Meyer Burger is striving to increase the production of solar cells and modules in Europe, in order to provide a safe and peaceful source of energy for the continent and its people.

In the following table, Meyer Burger's actual and potential impacts on public policy are displayed:

Impacts	Positive	Negative
Actual	• Revived the European solar industry • Encouraged public policy to speed up energy transition • Involved stakeholders to restart PV production • Engaged politicians to support industry revival • Part of driving energy transition from fossil to renewable • Highlighted issues with Chinese PV imports	• Subsidies distorted competition in the German and European PV market
Potential	• Strengthen political backing for renewable energy in Europe • Enhance resilience of renewable energy sources in Europe • Boost sustainability of renewable energies in Europe	• European business practices anger China and could influence international relations

Table 4 Impacts on Public Policy

Meyer Burger has engaged in public policy at regional, national, and European levels through lobbying, memberships of industry and trade associations, and meetings with relevant stakeholders, such as politicians.

Regardless of these activities, Meyer Burger has not made any financial or in-kind contributions to political parties, politicians, or causes. Furthermore, Meyer Burger adheres to its own Code of Conduct which states that it does not make political donations and is not a member of a political party. Employees are, however, allowed to engage in political activities as private individuals.

Actions taken by Meyer Burger include participating in relevant industry associations to support policies that denounce supply chain issues, issuing media releases, interviews, and public statements, using narratives that focus on Europe as a leading technology provider for renewable energy, thus setting standards for high-tech PV production that is highly efficient, resource-saving and climate friendly.

Additionally, Meyer Burger has memberships and board positions on various national and European solar associations in order to engage in multiple areas and maintain contact with the major players in the industry, both in the national industry and abroad.

Meyer Burger is independent as stated in the Code of Conduct:

"Meyer Burger does not make any donations for political purposes. Meyer Burger does not make any political donations, whether financial or material (e.g. donations of property or services, or the purchase of tickets for fundraising campaigns). We are not a member of a political party, nor do we support one in any way. We do, however, recognize the right of employees to engage in political activities as private individuals."

Membership associations

Meyer Burger has a significant role in several membership associations and national or international advocacy organizations, including the following:

- Solar Power Europe (SPE)
- Federal Solar Industry Association (Bundesverband Solarwirtschaft, BSW)
- Federal New Energy Industry Association (Bundesverband Neue Energiewirtschaft, BNE)
- Federal Association of Medium-Sized Economy (Bundesverband der Mittelständischen Wirtschaft, BVMW)
- Innovations Network Machine Building Saxony (Innovationsverbund Maschinenbau Sachsen, VEMASinnovativ)
- Swissolar
- PV Austria
- PV-Vlaanderen
- Ultra Low-Carbon Solar Alliance, USA (ULCSA)

In 2022, the CEO of Meyer Burger, Gunter Erfurt, was elected to the BoD of Solar Power Europe and re-elected to the BoD of the Federal Solar Industry Association (BSW).

Environmental Impacts

Climate Change

In the following table, Meyer Burger's actual and potential impacts on climate change are displayed:

Impacts	Positive	Negative
Actual	• Increased PV module production & renewable energy to reduce climate change • 100% renewable energy for production of solar cells and modules • Reduced emissions through local production in Germany • HJT & Smart Wire Technology for low energy consumption	• CO_2e emissions by production of PV modules and components • 97.5% of emissions from suppliers' production sites • Transport of materials from Asia to Germany due to limited availability in Europe
Potential	• CO_2e accounting accomplished in 2023 • Emissions reduction due to reduction of silver consumption and of wafer thickness in 2023	• None

Table 5 Impacts on climate change

Meyer Burger's commitment to the avoidance of climate change is evident in its production of PV Modules, which provide renewable energy and reduce overall emissions.

Their Smart Wire Technology and HJT Cell Technology provide a low energy consumption, as evidenced by a study from the Fraunhofer Institute for Solar Energy Systems (ISE) which found that Meyer Burger's HJT modules have a significantly lower carbon footprint than the Passivated Emitter and Rear

Cells (PERC) reference module. This is because the HJT Cell Technology has fewer production steps and uses Smart Wire Technology Modules with low temperatures. This has allowed Meyer Burger to reduce their energy consumption and make their production more sustainable.

To further reduce emissions, Meyer Burger has promoted local manufacturing and partially created a local supply chain. This has resulted in a successful reduction of emissions from PV module production.

Meyer Burger also looks to extend its emissions-reducing efforts by seeking out and evaluating suppliers from Europe and Germany, thus reducing emissions caused by transportation and localizing its supply chain. Additionally, Meyer Burger is in the process of developing a CO_2 accounting system to focus on components and materials with a high potential for CO_2 savings. Together with its suppliers, it is also assessing activities to further reduce emissions.

At its production sites for cells and modules, Meyer Burger has switched to 100% renewable energy. Only the liquid gas purchased for the production site in Hohenstein-Ernstthal is non-renewable. Furthermore, it has focused on manufacturing its PV modules "in Europe, for Europe" in order to reduce transport emissions. This has resulted in most of the modules having a longer life, higher efficiency, and a decreased transport distance. Moreover, the German energy mix has a higher renewable energy rate compared to China and other Asian countries that were suppliers in the past.

Meyer Burger is planning to develop a CO_2 accounting system to provide a data base for CO_2 drivers, which will be the base for future activities. The major CO_2 drivers identified were silver consumption and the usage of polysilicon wafers. In order to reduce their dependency on these materials. Meyer Burger is committed to minimize the amount of silver used by reducing the thickness of the wafers and finde new, regional sources of polysilicon wafers, e.g. in Europe. In order to use only renewable energy for production, the company has verified existing suppliers, compared prices, and ensured quantity and sources of energy. This has allowed Meyer Burger to make sure that the energy used to power its production is as renewable as possible.

To set up and increase the production of PV modules, Meyer Burger prepared all the required technical, commercial, and financial data, obtained the legal approvals, and concluded agreements with employees, suppliers, customers, and partners. Meyer Burger then ramped up production and increased the efficiency of its solar modules and production volume.

Achievements
The above-described measures have enabled several achievements in the past year. The module efficiency increased in 2022 by several Watt peak (Wp), which was generated by Meyer Burgers R&D activities. The production volume also increased to 321 MWp, and the yield at cell and module production dramatically increased in 2022. Additionally, there were more tools available to analyze downtime and developing corrective measures.

Stakeholder engagement
The management at Meyer Burger is cognizant of the need to engage with stakeholders on the important issue of climate change. It was decided to take several measures for both their internal and external stakeholders.

For internal stakeholders, Meyer Burger implemented measures such as permanent reporting of major KPIs from production sites, and common evaluations between different departments. This was done to enable the verification of production conditions, training of operators, quality of input materials, parameters of processes and tools, as well as the definitions of parameters or processes that could be adopted.

For external stakeholders, Meyer Burger implemented measures such as monitoring of down time onsite by suppliers and its own employees, with permanent data reporting to the supplier. Recurring meetings between suppliers and Meyer Burger serve to discuss activities to increase the availability of tools and to schedule corrective actions. Finally, the results of these measures were verified. Meyer Burger was thus taking active steps to ensure that it was engaging with its stakeholders on the issue of climate change.

Energy consumption

Note: Energy consumption values relate to the main consumers for production in Germany and Switzerland. The USA and China have very small numbers of employees and were not included in the following figures.

Energy Consumption per Energy Source

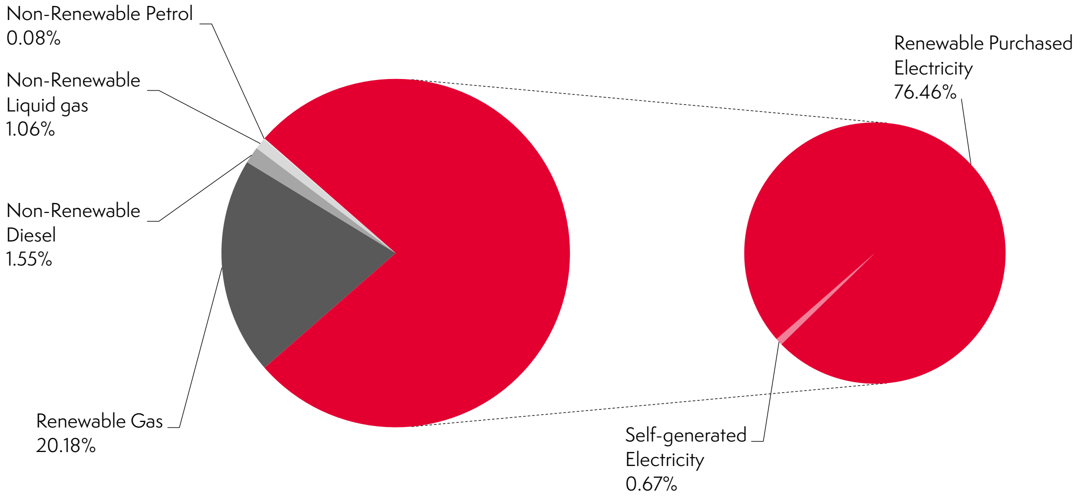


Figure 5: Energy consumption per energy source

The total consumption does not include the achieved surplus of energy that was sold. Following the GRI calculation logic, the total energy consumption is 47,359,260 kWh.

The energy intensity of Meyer Burger was 148 MWh/MWp in 2022, this being the company's ratio of megawatt-hours consumed per megawatt-peak of produced capacity. This was calculated by dividing the total energy consumed (47,359.260 MWh) in Scope 1 and 2 by the total production volume (321 MWp) in the same scope.

Measures to reduce energy consumption

Meyer Burger took several steps to reduce energy consumption at its sites.

In Freiberg, the circuit external lighting and roof lighting were separated, resulting in a saving of approximately 3,600 kWh/a. In addition, new high-efficiency laminators were used, reducing the energy used per module produced. Lastly, a new high-efficiency chiller was installed with a coefficient of performance (COP) of 4.0, compared to the old chiller's COP of 2.8.

The site in Bitterfeld-Wolfen also took steps to reduce energy consumption. Lighting in production area 1 was replaced, resulting in savings of 86,724 kWh/a. Lighting in production areas 2 and 3 was also replaced, resulting in savings of 168,790 kWh/a.

At Hohenstein-Ernstthal, cooling circuits were optimized due to reduced heat load, resulting in savings of 18,000 kWh/a. In addition, the fresh air supply in hall 1 was optimized, with a control change for the frequence converters resulting in savings of 124,622 kWh/a.

Overall, these actions taken by Meyer Burger have helped to reduce the company's energy consumption significantly.

Greenhouse Gas Emissions

Meyer Burger's carbon footprint totals 305,859 tons (t) of carbon dioxide equivalent (CO_2e). For this calculation, all Greenhouse Gases (GHG) have been considered. The base year is 2021, with 818 t of CO_2 Scope 1 emissions and 0 t of Scope 2 (market-based calculation). Within Scope 3 emissions, only business travel was included in 2021. Emission factors were sourced from the Ecoinvent database, and energy consumption data was provided by the energy department. All values were calculated using the GHG Protocol and the ecospeed software.

In 2022, Meyer Burger generated 327 tons of carbon dioxide equivalent (CO_2e) in Scope 1, 6 t of CO_2e in Scope 2 calculated using market-based logic, and 305,526t of CO_2e in Scope 3. Using the location-based logic and factoring in the German and Swiss electricity mixes, the total Scope 2 emissions were 13,770 t of CO_2e.

Greenhouse Gas Emissions in Tonnes (t)

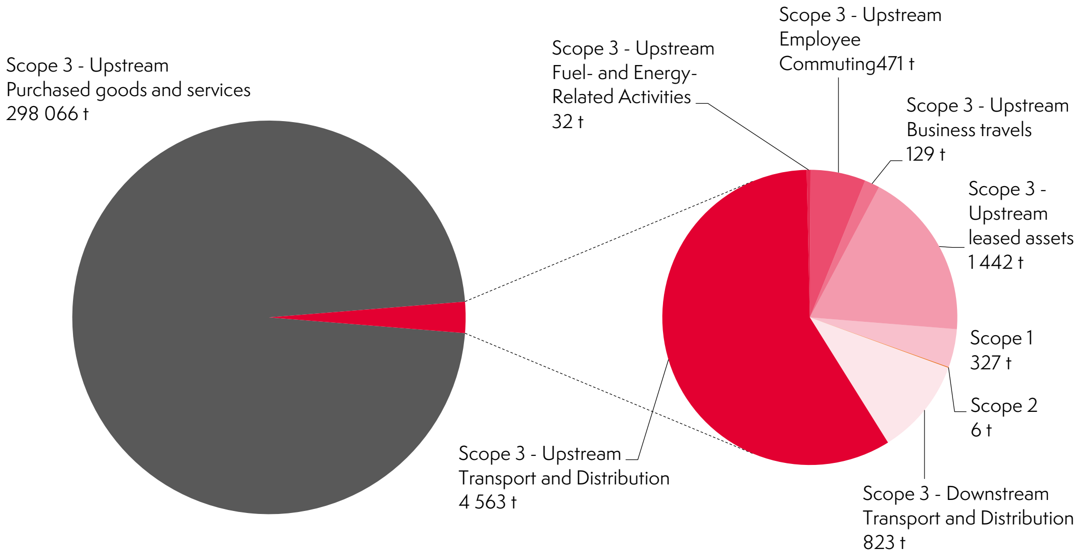


Figure 6: Greenhouse gas emissions in tons (t)

The GHG emissions intensity of Meyer Burger was 953t/MWp in 2022, this being the company's ratio of tons of CO_2e emitted per megawatt-peak of produced capacity. It was calculated by dividing the total emissions of Scopes 1, 2 and 3 (305,859) in Scopes 1 and 2 by the total production volume (321 MWp) in the same scope.

Circular Economy

One key aspect of sustainability is circular economy. For Meyer Burger, this means seeking to extend the lifetime of products and the use of more efficient modules, reducing the materials requirement for the same power output. Additionally, Meyer Burger seeks to reduce the thickness of wafers, allowing more efficient manufacturing and use of resources.

In the following table, Meyer Burger´s actual and potential impacts on the circular economy are displayed:

Impacts	Positive	Negative
Actual	• Achieved extremely low landfill rate for waste compared to total material used • Reduced hazardous waste • Achieved waste reduction as outlined in text below	• Only packaging materials are currently being recycled; all other used materials are newly produced. This is explained by having achieved renewable energy production efficiency and the longevity of PV modules.
Potential	• Begin collaborating with a recycling partner to recycle complete modules from production waste and end-of-life products	• Consumption of materials will be increased by ramp-up of production company

Table 6 Impacts on Circular Economy

Most of the PV module components (85%) are recycled as glass, aluminum frame, connectors, and cables after end of live – according to the regulations in Germany.

Waste

At Meyer Burger, most of the waste is defined by the design of the product and production process, resulting mainly in plastic foil, glass, and cell breakage.

The engineering and process department hence focused on reducing the amount of materials and waste generated by their designs and processes. Going forward, the process and R&D departments are exploring new ways to reduce material and waste consumption.

The 2022 targets included:

- Reducing cell breakage by 50%
- Managing module waste once production has stabilized
- Reducing silver consumption by 30% (to be implemented in production)
- Reducing wafer height (to be implemented in production)
- Reducing foil waste by improving alignment and buying the foil at its final dimensions

Meyer Burger is also working with recycling partners to recycle entire modules in the future. This process can be used for complete modules that are the result of production waste. Going forward, once the modules reach the end of their life, the company plans to use this process to recycle them.

Key numbers of materials used:

- 29.317 t input of non-renewable material
- Close to 0% recycled input materials used
- 8,846 modules were returned
- 849,500 modules produced, resulting in a 1% return rate

Recycled input materials

Currently, Meyer Burger has been in discussions with its the suppliers of aluminum frames, exploring the possibility of using recycled aluminum in the production process.

The introduction of the use of reusable carriers to avoid the need to transport solar cells in plastic boxes is one significant achievement so far. Meyer Burger has also taken a responsible approach to waste generation and disposal, acting in accordance with German and European waste laws. Furthermore, Meyer Burger has been exploring other options to reduce waste, such as reuse and recycling.

Meyer Burger is aware of the potential effects of waste on climate change and has taken steps to reduce its waste-related impacts.

Upstream: Meyer Burger has implemented measures to reduce waste caused by suppliers. This includes reducing the amount of packaging materials used in incoming materials, as well as ensuring that suppliers adhere to environmental and sustainability standards.

At Meyer Burger itself: waste directly caused by production is minimized. This includes products and components that do not meet the quality requirements. The Company has also implemented a system to recycle and reuse materials wherever possible.

Downstream: Meyer Burger has implemented measures to reduce the number of modules reclaimed by customers. This includes offering extended warranties and providing clear information about product lifespan. Furthermore, it ensures that returned modules are recycled or reused whenever possible.

In 2022, roughly 1% of modules were reclaimed, and their packaging materials were recycled or reused wherever possible. This is an important step in reducing Meyer Burger's contribution to climate change.

Waste generated

In 2022, a total of 4,052 tons of waste was produced, with 2,844.39 tons of that being non-hazardous. Of the amount of non-hazardous waste, only 0.62 tons were stored in a landfill. That means that 4,051.38 tons of waste, which is almost all of the generated waste, was recycled.

Biodiversity

In the following table, Meyer Burger's actual and potential impacts on biodiversity are detailed:

Impacts	Positive	Negative
Actual	• Prioritizing brownfield investment and re-use of existing production sites in industrial areas • Research into a state funded project (SMEKUL) on flowering meadows • "company bees" program started • Bifacial production of PV modules that can also be used as agri-photovoltaic modules in agricultural settings producing fruit or vegetables and energy simultaneously	• New chemical farm built in 2022 next to the cell production site for gases and fluids to be stored, sealing ground on a 7,500 m^2 area • Biodiversity affected on sealed ground as there are now buildings and gas tanks where there used to be grass and wildflowers
Potential	• When the company grows, there might potentially be enough space to have flowering meadows and more beehives	• As PV production capacity is increased to 7 GW by 2027, Meyer Burger might need to build new production sites, harming flora and fauna in the area

Table 7 Impacts on biodiversity

In 2022, a third site in addition to the ones in Freiberg and Bitterfeld-Wolfen was set up; a former logistics hub being turned into a PV module production site. To further its sustainability efforts, Meyer Burger joined a research project on flowering meadows funded by the Saxon State Ministry for Energy, Climate Protection, Environment and Agriculture, Dresden, Germany (SMEKUL). The result, however, revealed that the green space around the production sites and administration buildings in Freiberg and Hohenstein-Ernstthal was too small to fit the program's criteria, which requiered a minimum area of 1,000 m^2.

Separately, as a measure for more biodiversity in the region, Meyer Burger started a "company bees" program, which encourages interested employees to engage in beekeeping and provides them with support.

Meyer Burger's sustainability efforts are also helped by the fact that one of the three PV products it produces is bifacial Glass-Glass modules that are perfect for use in agri-photovoltaics in agricultural settings, thus allowing the soil to be used in two ways at once – to produce fruit or vegetables and to produce energy on top.

Meyer Burger also set a target to work on a biodiversity policy, which would help to enhance sustainability goals and thus have a positive impact on the environment.

Significant impacts of activities, products, and services on biodiversity

In 2022, the construction of a new chemical farm was completed near the cell production site in Bitterfeld-Wolfen, Germany. Spanning over 7,500 m^2, the construction of the farm sealed off a considerable amount of ground, negatively impacting the local biodiversity. The chemical farm is composed of several buildings and gas tanks that replaced the lush grass and wildflowers of the area.

To ensure that the chemical farm had minimal environmental impact, numerous measures were put in place by Meyer Burger. These included the use of energy-saving construction methods, as well as the installation of various filters to make sure that no chemical substances were allowed to pollute the surrounding environment.

Water Resources

Meyer Burger had a water consumption of less than 6%, and the discharged water is suitable for biological treatment. In order to protect production and local wastewater treatment, Meyer Burger has implemented a continuous monitoring system to ensure that water quality is maintained.

Interactions with water as a shared resource

The following information is based on sites in Germany and Switzerland.

Meyer Burger has been aware of the need to ensure sustainable interactions with water as a shared resource. To aid in meeting this goal, a range of measures have been implemented.

For instance, consumption of potable water is based on requirements for processes. Where necessary, water treatment is carried out. Meyer Burger also has its own water treatment facility which goes beyond drinking water standards to ensure that the water is of high enough quality for the production process. Meyer Burger has also taken steps to ensure that the discharged water is treated so that it is safe to be inserted into the public sewage treatment plants. This is accomplished through detailed monitoring of all required parameters regarding quality and quantity, as well as collaboration with suppliers. Finally, Meyer Burger has worked closely with local authorities to ensure that its water complies with all regulations.

Management of water discharge-related impacts

The management of water discharge-related impacts is of utmost importance to Meyer Burger, and stringent standards have been set for the quality of effluent discharge. These standards were determined by taking into consideration the production ramp-up, the continuous supply of water and the avoidance of interruption to production.

The quality of potable water is defined by the requirements of external stakeholders such as the supplier company, while the quality of discharged water is defined by the local authority.

To fulfill the needs of the production process, the quality of water must meet certain standards as defined by the specifications of the suppliers of production tools. Furthermore, the quality of water is also defined by the specifications of Meyer Burger's production tools, as determined by the process and R&D department. The profile of the receiving waterbody was also considered when designing the sewage treatment plant, in order to ensure that the effluent, when discharged, does not pose a threat to the environment.

Water withdrawal, discharge, and consumption

Within the reporting year, Meyer Burger had a freshwater withdrawal of 195,478 m^3 from the local supplier. All the company's production sites exclusively consumed potable water, with most of it being used in a circular chain in cell production.

Meyer Burger discharged 183,811 m^3 of other water, which was suitable for sewage treatment due to the internal water treatment. The major focus of the water treatment was to eliminate fluoride caused by the wet chemical process.

The total water consumption in the current year was 11,667 m³, indicating that 6% of the water withdrawn was consumed. All the water used was sourced from water-stressed areas.

Environmental Pollution

Meyer Burger is committed to meeting all legal requirements regarding environmental pollution, in accordance with the Technical Guidelines for Air Pollution Control (TA Air). In order to ensure compliance with current standards, the concentration of emissions is closely monitored throughout the engineering and production processes. The total volume or mass of relevant gases is not recorded, however, Meyer Burger adheres to the concentration of relevant gases required by TA Air. To ensure compliance, Meyer Burger engineers install additional equipment, such as filters and washers, when required.

Meyer Burger is proud to report zero incidents of non-compliance concerning health and safety regulations. This demonstrates Meyer Burger's commitment to providing a healthy and safe environment for its employees, customers, and the surrounding community.

Social Impacts

Employer Practice, Equal Opportunity, and Non-Discrimination

In the following table, Meyer Burger´s actual and potential impacts on working conditions , equal opportunities, and non-discrimination are displayed:

Impacts	Positive	Negative
Actual	• Reestablished solar industry in Europe and created jobs in structurally weak regions • Increased diversity and intercultural acceptance in work environments • Improved infrastructure in weak regions • Partnered with local universities and institutions • High number of members of management from local communities • Relatively young C-level management	• Withdrawal of workforce from other sectors in weak regions • Lack of skilled workers, resulting in recruitment and training efforts • Not enough female leaders
Potential	• Establish new solar module production sites to create jobs in Germany and Europe • Increase cultural and professional diversity • Improve infrastructure in structurally weak areas	• Skilled worker shortage in main operation sites • Intense recruitment efforts from distant locations and training for PV production employment

Table 8 Impacts on working conditions, equal opportunities, and non-discrimination

Meyer Burger's goal is to bring the solar industry back to Europe. In an effort to create jobs in structurally weak regions, Meyer Burger has established a presence in Solar Valley, located in Eastern Germany. In addition to creating jobs, Meyer Burger has also placed a priority on improving the diversity and intercultural competence of its workforce, hiring employees from all over the world to fill the necessary positions. This has allowed it to create a culture of acceptance and inclusion, while simultaneously boosting job opportunities in the region.

Meyer Burger has also partnered with various professional institutions and universities in the area to further its commitment for the development of a sustainable solar industry.

Another initiative has been to network and be an active player in the region, specifically in supporting local communities. Meyer Burger has begun recruiting through a European platform, enabling the company to find the best talent in the business. This was important to ensure its offer of good work with good conditions and benefits in a sustainable working environment, which was necessary to ensure that employees would stay in the solar industry for a long time and not look for opportunities elsewhere. Furthermore, Meyer Burger has developed several initiatives to help train its employees and enable them to learn and develop in their professional career, including offering relevant training and opportunities for development.

New employees hired & turnover rate:

- 394 new employees in 2022
- new employee rate of 34.9%
- turnover rate of 7.6%

The fact, that there are benefits provided to full-time employees and not to part-time employees has to do with different legislation in Switzerland and Germany.

Non-employee workers

In total, there were 88 workers, most of whom were contract workers and apprentices. These individuals worked in PV production or were trained as apprentices in PV production.

The headcount revealed that there was a noticeable increase of 87.2% of non-employee workers, due to capacity expansion in PV production. This was further driven by the fact that in 2022, the company had apprentices for the first time at the new PV production sites in Freiberg and Bitterfeld-Wolfen, who were counted as workers who are not employees. This led to an appreciable increase in non-employee workers.

Parental leave

In the reporting period, 28 employees took parental leave; 19 male and 9 female. Of those who took parental leave, 17 returned to work in the same reporting period; 15 male and 2 female. 12 months after their return to work, 15 of the employees were still employed; 13 male and 2 female.

Thus, male employees had a return to work and retention rate of 87%, while female employees had a rate of 100%. The overall return to work and retention rate was 88.2%.

Parental Leave by Gender

Figure 7: Parental leave by gender

Minimum notice periods regarding operational changes

When it comes to changes to Meyer Burger´s operations, the minimum notice period is regulated by the terms of an employment contract. Announcements of changes were always made with a minimum notice period specified. In certain situations, such as short-time work or mass layoffs, the minimum number of weeks' notice provided to employees is regulated by law in Germany and Switzerland.

Average hours of training per year per employee

Across Germany and Switzerland, employees spent different amounts of time in training during the reporting year. In Germany, female employees spent an average of 4.1 hours in training, while male employees spent an average of 3.8 hours. In Switzerland, the average training hours are lower at 3.9 hours for female employees and 2.9 hours for male employees.

Programs to upgrade employee skills

15 employees at the Meyer Burger site in Freiberg, Germany, participated in a multi-level, modular training program to upgrade their skills and become maintenance technicians at the solar module production site. Additionally, a concept for retraining non-technical employees for assignment in PV production at the Freiberg and Bitterfeld-Wolfen sites is currently in the planning stage.

Non-discrimination

In addition to its non-discrimination policy, Meyer Burger also has a long-standing commitment to diversity and inclusion in the workplace. This is evidenced by its culture of inclusion, its promotion of diversity in the workplace, and its ongoing commitment to creating an environment where all employees are treated with fairness and respect as stated in the above Employer Practice chapter. There were no instances of discrimination reported during 2022.

Proportion of senior management hired from the local community

At Meyer Burger, 80% of senior management at the most important operational locations are recruited from the local community. This includes the CFO of the company's Swiss headquarters and the CEO, CSO, and COO of its Eastern German PV production sites in Freiberg, Bitterfeld-Wolfen, and Hohenstein-Ernstthal.

Diversity of governance bodies and employees

Meyer Burger is also striving to achieve gender diversity within its leadership. While the Chief Sustainability Officer position was filled by a female leader in 2021, additionally in 2022 the BoD was extended by one female leader. Meyer Burger continues to look for qualified female leaders to join the executive team and the BoD and seeks to enhance awareness within the company.

So far the BoD consists of one female and four male members. The C-level team is also composed of one female and four male members. Of the four members of the BoD, four are over 50 years old, and one is between the ages of 30 and 50, resulting in 80% being over 50 years old. All five of the C-level members are between 30 and 50 years old, making up 100%.

Diversity of employees

There is a nearly 30% female gender representation among the employees. Of all employees, 10.5% are under 30, 58.7% are between 30 and 50, and 30.8% are 50 or older. 1.7% are people with disabilities, referring only to Germany, as information on this is not collected at other operating sites.

Employees by gender

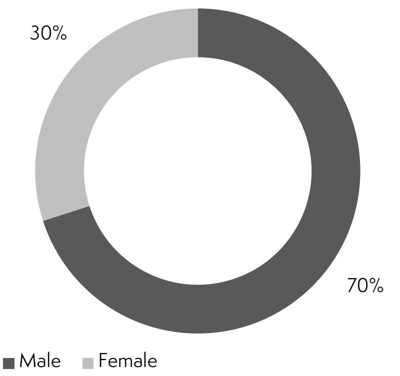


Figure 8: Employees by gender

Employees by age group

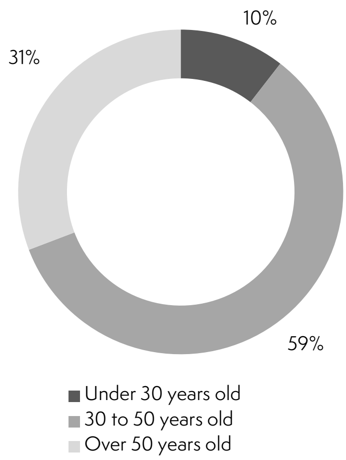


Figure 9: Employees by age group

Meyer Burger is focused on providing permanent jobs to its employees, which gives them a high degree of job security. Out of 1128 employees, only 11 (less than 1%) are employed on a temporary basis. The high proportion of part-time employees is due to the shift system in place at itsPV production sites in Freiberg and Bitterfeld-Wolfen. Meyer Burger has created an employee-friendly shift system to balance work and life, as well as providing good working conditions and a sustainable working environment. It has introduced a new 6/4 shift system, which allows employees to have 4 days off after 6 days of work in shifts with the pattern of 2 morning shifts, 2 day shifts and then 2 night shifts, providing a good work-life balance in a potentially stressful job. As a result, employees do not usually work full-time, but still have the flexibility to do so if they wish.

The following figure displays the total number of employees by type of employment:

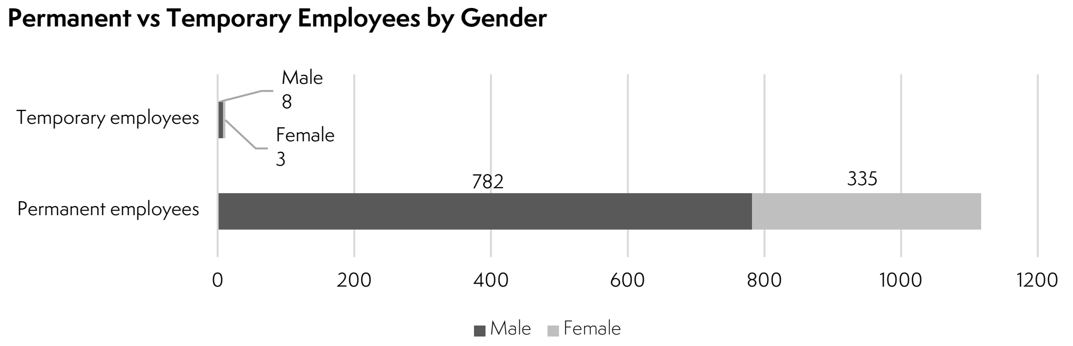


Figure 10: Permanent vs temporary employees by gender

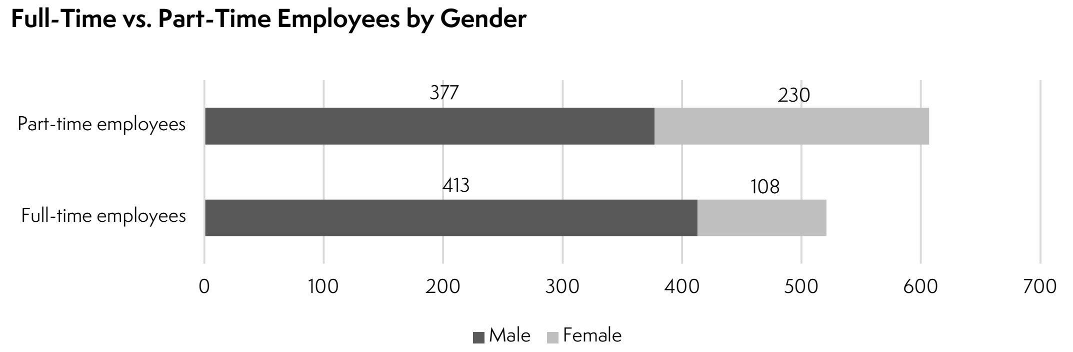


Figure 11: Full-time vs. part-time employees by gender

Ratio of basic salary and remuneration

Meyer Burger strives to ensure equity and fairness in its compensation practices by maintaining a consistent ratio of basic salary to remuneration. The company has established a remuneration table based on a company agreement that applies to all employees regardless of gender, disability, or other factors.

This table is reflective of the company's significant locations of operation, which include the Swiss headquarters, the administrative headquarters in Hohenstein-Ernstthal, and the PV production sites in Freiberg and Bitterfeld-Wolfen. Meyer Burger strives to ensure that all employees are compensated fairly for their efforts and contributions

Occupational Health and Safety, Asset Integrity, Critical Incident Management

Meyer Burger has implemented safety measures to ensure employees adhere to safety requirements. This includes providing safety instructions in multiple languages, work instructions and safety data sheets.

To ensure that these instructions are followed, the employer, health and safety instructors and the works council promote their observance on a regular basis. Additionally, initial instructions, workplace instructions and risk assessments are in place, as well as a health concept in cooperation with a health insurance company and regular examinations by the company doctor. Furthermore, there are health days available on a voluntary basis.

Impacts	Positive	Negative
Actual	• Safety risk assessments in Safety Data Sheets • Deployment of safety specialists and company doctor • Review of occupational health and safety measures and their effectiveness • Provision of training	• None
Potential	• Organize back training • Set up massage appointments • Create own fitness center • Lead running group • Arrange health insurance prevention appointments for ergonomics at the workplace	• Management System not implemented

Table 9 Impacts on occupational health and safety, asset integrity, critical incident management

The most important factor for Meyer Burger in the area of ESG is ensuring that all employees adhere to health and safety regulations. Proactive steps are taken to minimize potential risks ahead of time. The low number of injuries that have occurred over the past year demonstrates the effectiveness of these measures. The goal is to reduce the number of injuries to zero, so it is necessary to monitor the various kinds of injuries that are reported as well as the number of sick-days.

Hazard identification, risk assessment, incident investigation and occupational health services

Meyer Burger has implemented a comprehensive program to ensure the safety of its employees. Its occupational safety specialists carry out risk assessments and adjust them if there are any changes to the work processes. Based on the risk assessment, corrective measures are then implemented. Workers can report potential risks and hazardous conditions to their supervisors, occupational safety specialists, the works council, or to the relevant authorities in cases of serious violations. To ensure that all personnel are able to meet their job requirements, the medical service performs various types of examinations. Also, examinations are carried out by approved occupational health services.

Workers have the right to remove themselves from hazardous situations. Additionally, Meyer Burger provides equipment that is safe to operate, as outlined in the Ordinance on Safety and Health Protection (BetrSichV). Furthermore, processes for worker safety must be based on the Occupational Safety and Health Act and Rules of the Employer's Liability Insurance Association (Arbeitschutzgesetz und Regeln der Berufsgenossenschaft).

Worker participation consultation and communication on occupational health and safety

The occupational safety committee, comprised of the medical company doctor, management, occupational safety specialist, works council, and department head, meets three times a year to discuss worker participation and communication concerning occupational health and safety. Additionally, regular updates on accident statistics are posted on the company's intranet.

Promotion of worker health, prevention and mitigation of occupational health and safety impacts

Meyer Burger has made it easy for employees to access non-work related medical and healthcare services, in consultation with the occupational health service. Sports training for back health, massage appointments, running groups and ergonomics prevention appointments were also provided through health insurance.

In order to prevent and mitigate potential occupational health and safety impacts, Meyer Burger sites must take several precautions. These include using safety data sheets to comply with regulations for hazardous substances, verifying that components carry the CE mark, and appointing a coordinator to provide guidance for external companies.

Work-related injuries and ill health

The main risks associated with mechanical and electrical work, as well as with work involving chemicals and gases, are injuries such as cuts and potential illnesses related to such work.

In 2022, there have been only seven instances of injury, mainly cuts, in the workplace during 2022. Fortunately, there were no incidents associated with working with toxic chemicals and gases reported thus far.

Supply Chain Traceability

Due to the increased uncertainty of the supply chain caused by events such as climate effects and pandemics, it has become increasingly important to have control over raw materials. In addition shortening the supply routes creates more regional job opportunities and reduces CO_2 emissions, while also strengthening the process controls.

Meyer Burger's suppliers are carefully chosen, and it strives to build a long-lasting trusting relationship with them, based on loyalty and openness.

In the following table, Meyer Burger's actual and potential impacts on supply chain traceability are displayed:

Impacts	Positive	Negative
Actual	• Supplier Code of Conduct must be signed, urging suppliers to comply with environmental and social standards • Introduce thinner wafer to reduce costs and demand on energy intensive material at the same time • Identify material groups with the highest impact on CO_2 footprint • Implement requirements for more sustainable packaging in the material specifications	• A few suppliers have been audited by the end of 2022 • Requirements on packaging material have not been adapted yet by all suppliers
Potential	• Completion of supplier on-site audits • Suppliers motivated to improve based on results (e.g. improve packaging) • Close PPA to use electricity from wind power directly	• None

Table 10 Impacts on supply chain traceability

Suppliers for major components must sign a Supplier Code of Conduct to ensure compliance and prevent any negative impacts on business relationships. Preparations have started to improve future audit plans.

Spending on local suppliers and new suppliers screened using social and environmental criteria

Due to non-disclosure agreements with suppliers and competitive factors, the percentage of spending on local suppliers is confidential. Meyer Burger defines 'local' suppliers as those operating in Europe, and 'significant locations of operation' as those in Germany.

All suppliers were screened using social criteria and approximately 30% of new suppliers were screened based on environmental criteria.

Negative social and environmental impacts in the supply chain and actions taken

Twelve suppliers were evaluated to determine the number of those that had significant actual and potential negative environmental impacts. Three suppliers were identified as having a high energy consumption for resource extraction, which could potentially lead to environmental damage. No improvements were made with these suppliers as a result of the assessment, and no relationships were terminated.

Although there were no actual substantial negative social impacts discovered in the supply chain, there is a potential risk that subcontractors of suppliers may violate human rights. No suppliers were identified with significant actual or potential negative social impacts who had improvements agreed upon because of the assessment, hence no relationships were terminated.

GRI Content Index

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

Disclosure No.	Disclosure Name	Chapter in Report	Comment
2-1	Organizational details	3.1 The Company	
2-2	Entities included in the organization's sustainability reporting	3.1 The Company	https://www.meyerburger.com/en/company/locations Meyer Burger Technology AG Meyer Burger (Switzerland) AG Meyer Burger Research AG Meyer Burger (Germany) GmbH Meyer Burger (Industries) GmbH Meyer Burger (Americas) Ltd. Meyer Burger Trading (Shanghai) Co. Ltd. Meyer Burger (Singapore) Pte. Ltd. Pasan SA
2-3	Reporting period frequency and contact point	3.1 The Company	1 January 2022 – 31 December 2022
2-4	Restatements of information		No restatement in the reporting period
2-5	External assurance		No external assurance
2-6	Activities, value chain and other business relationships	3.2 The Value Chain	
2-7	Employees	3.1 The Company & Employer Practice	Methodology used Head Count on the reference date 31/12/2022
2-8	Workers who are not employees	5.3.1 Employer Practice, Equal Opportunity, and Non-Discrimination	
2-9	Governance structure and composition	4.3 Governance Structure	
2-10	Nomination and selection of the governance body	4.4 Nomination , Selection and Remuneration of the Governance Bodies	https://www.meyerburger.com/fileadmin/user_upload/Investors/Generalversammlung/Statuten/Meyer-Burger-Articles-of-Association-10112022.pdff
2-11	Chair of the highest governance body	4.3 Governance Structure	
2-12	Role of the highest governance body in overseeing the management of impacts	4.3 Governance Structure	
2-13	Delegation of responsibility for managing impacts	4.3 Governance Structure	
2-14	Role of the highest governance body in sustainability reporting	4.3 Governance Structure	
2-15	Conflicts of Interest		Each member of the BoD and C-level management is required to check and report conflicts of interest; Internal Audit and Compliance is required to check on this; there is an insider regulation regarding shares, which is checked; in addition, it is published which mandates are still available
2-16	Communication of critical concerns		There is always the highest transparency towards the BoD. Zero incidents of critical concerns were communicated to the BoD.
2-17	Collective knowledge of the highest governance body	4.4 Nomination , Selection and Remuneration of the Governance Bodies	
2-18	Evaluation of the performance of the highest governance body	4.4 Nomination , Selection and Remuneration of the Governance Bodies	
2-19	Remuneration policies	4.4 Nomination , Selection and Remuneration of the Governance Bodies	
2-20	Process to determine remuneration	4.4 Nomination , Selection and Remuneration of the Governance Bodies	Results of votes of shareholders: Agenda items: 1, 2 & 7 ff. https://www.meyerburger.com/fileadmin/user_upload/Investors/Generalversammlung/2022/Protokoll-oGV-2022-de.pdf
2-22	Statement on sustainable development strategy	4.1 Sustainability Statement, 5.1.1 Business Ethics	
2-23	Policy commitment	5.1.1 Business Ethics	
2-24	Embedding policy commitment	5.1.1 Business Ethics	
2-25	Processes to remediate negative impacts	5.1.2 Processes to Remediate Negative Impacts	

Disclosure No.	Disclosure Name	Chapter in Report	Comment
2-26	Mechanisms for seeking advice and raising concerns	5.1.2 Processes to Remediate Negative Impacts	
2-28	Membership associations	5.1.5 Public Policy	
2-29	Approach to stakeholder engagement	4.5 Stakeholder Engagement	
2-30	Collective bargaining agreements	5.1.4 Freedom of Association and Collective Bargaining	
3-1	Process to determine material topics	5. Material Impacts on ESG	
3-2	List of material topics	5. Material Impacts on ESG	See Materiality Matrix
201-1	Direct economic value generated and distributed	5.1.3 Economic Impacts	See Fiscal report
201-4	Financial assistance received from government	5.1.3 Economic Impacts	
202-2	Proportion of senior management hired from the local community	5.3.1 Employer Practice, Equal Opportunity, and Non-Discrimination	
203-1	Infrastructure investments and services supported		Not applicable
203-2	Significant indirect economic impacts	5.1.3 Economic Impacts	
204-1	Proportion of spending on local suppliers		Confidential information not to be published
204-1	Spending on local suppliers	5.3.3 Supply Chain Traceability	
301-1	Material used by weight or volume	5.2.2 Circular Economy	
301-2	Recycled input materials used	5.2.2 Circular Economy	
301-3	Reclaimed products and their packaging materials	5.2.2 Circular Economy	
302-1	Energy consumption	5.2.1 Climate Change	
302-3	Energy ratio	5.2.1 Climate Change	
302-4	Reduction of energy consumption:	5.2.1 Climate Change	
303-1	Interactions with water as a shared resource (for GER & CH)	5.2.4 Water Resources	
303-2	Management of water discharge related impacts	5.2.4 Water Resources	
303-3	Water withdrawal	5.2.4 Water Resources	
303-4	Water discharge	5.2.4 Water Resources	
303-5	Water consumption	5.2.4 Water Resources	
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas		Not applicable
304-2	Significant impacts of activities		Impact is reversible, constructions can be torn down but will not be for a long time
304-2	Significant impacts of activities, products and services on biodiversity	5.2.3 Biodiversity	
304-3	Habitats protected or restored		Not applicable
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations		Not applicable
305-1	Scope 1	5.2.1 Climate Change	
305-2	Scope 2	5.2.1 Climate Change	
305-3	Other indirect (Scope 3 GHG Emissions)	5.2.1 Climate Change	
305-4	GHG emissions intensity	5.2.1 Climate Change	
305-5	Reduction of GHG emissions	5.2.1 Climate Change	
305-7	Nitrogen oxides (NOx) sulfur oxides (SOx), and other significant air emissions	5.2.5 Environmental Pollution	
306-1	Waste generation and significant waste-related impacts	5.2.2 Circular Economy	
306-2	Management of significant waste-related impacts	5.2.2 Circular Economy	

Disclosure No.	Disclosure Name	Chapter in Report	Comment
306-3	Waste generated	5.2.2 Circular Economy	
306-3 (Effluents and Waste 2016)	Significant spills		None
306-4	Waste diverted from disposal	5.2.2 Circular Economy	
306-4	Waste diverted from disposal	5.2.2 Circular Economy	
306-5	Waste directed to disposal	5.2.2 Circular Economy	
306-5	Waste directed to disposal	5.2.2 Circular Economy	
308-1	New suppliers screened using environmental criteria	5.3.3 Supply Chain Traceability	
308-2	Negative environmental impacts in the supply chain and actions taken	5.3.3 Supply Chain Traceability	
401-1	New employees hired & turnover	5.3.1 Employer Practice, Equal Opportunity, and Non-Discrimination	
401-2	Benefits provided to full-time employees not provided for part-time employees	5.3.1 Employer Practice, Equal Opportunity, and Non-Discrimination	
401-3	Parental leave	5.3.1 Employer Practice, Equal Opportunity, and Non-Discrimination	
402-1	Minimum notice periods regarding operational changes	5.3.1 Employer Practice, Equal Opportunity, and Non-Discrimination	
403-1	Occupational health and safety management system	5.3.2 Occupational Health and Safety, Asset Integrity and Critical Incident Management	Not implemented
403-10	Work-related ill health	5.3.2 Occupational Health and Safety, Asset Integrity and Critical Incident Management	
403-2	Hazard identification, risk assessment, incident investigation	5.3.2 Occupational Health and Safety, Asset Integrity and Critical Incident Management	
403-3	Occupational health services	5.3.2 Occupational Health and Safety, Asset Integrity and Critical Incident Management	
403-4	Worker participation consultation and communication on occupational health and safety	5.3.2 Occupational Health and Safety, Asset Integrity and Critical Incident Management	
403-5	Worker training on occupational health and safety	5.3.2 Occupational Health and Safety, Asset Integrity and Critical Incident Management	
403-6	Promotion of worker health	5.3.2 Occupational Health and Safety, Asset Integrity and Critical Incident Management	
403-7	Prevention and mitigation of occupational health and safety impacts – linked to business relationships	5.3.2 Occupational Health and Safety, Asset Integrity and Critical Incident Management	
403-9	Work related injuries	5.3.2 Occupational Health and Safety, Asset Integrity and Critical Incident Management	
404-1	Average hours of training per year per employee	5.3.1 Employer Practice, Equal Opportunity, and Non-Discrimination	
404-2	Programs for upgrading employee skills and transition assistance programs	5.3.1 Employer Practice, Equal Opportunity, and Non-Discrimination	
405-1	Diversity of governance bodies and employees	5.3.1 Employer Practice, Equal Opportunity, and Non-Discrimination	
405-2	Ratio of basic salary and remuneration	5.3.1 Employer Practice, Equal Opportunity, and Non-Discrimination	
406-1	No reported incidents of discrimination during the reporting period	5.3.1 Employer Practice, Equal Opportunity, and Non-Discrimination	
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	5.1.4 Freedom of Association and Collective Bargaining & 5.3.3 Supply Chain Traceability	
408-1	Operations and suppliers at significant risk for incidents of child labor	5.1.2 Processes to Remediate Negative Impacts	
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	5.3.3 Supply Chain Traceability	

Disclosure No.	Disclosure Name	Chapter in Report	Comment
414-1	New suppliers that were screened using social criteria	5.3.3 Supply Chain Traceability	
414-2	Negative social impacts in the supply chain and actions taken	5.3.3 Supply Chain Traceability	
415-1	Political contribution	5.1.5 Public Policy	
416-1	Assessment of the health and safety impacts of products and service categories	5.2.5 Environmental Pollution	
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	5.2.5 Environmental Pollution	

Table 11 GRI-Index Table

André Rolle plans Meyer Burger's new manufacturing facilities together with his fab engineering team. "Building a factory from nothing – that's what I enjoy. " Freiberg is currently bustling with activity, where the engineer is coordinating the construction of the third module line with about 20 external companies and suppliers. It is scheduled to be ramped up in summer 2023 and start production later in the year.

4

Corporate Governance

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

All information within this Corporate Governance Report and within the Remuneration Report refers to the Company Organization, Internal Regulations and Articles of Association that were in effect as at 31 December 2022.

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

Group Structure and Shareholders

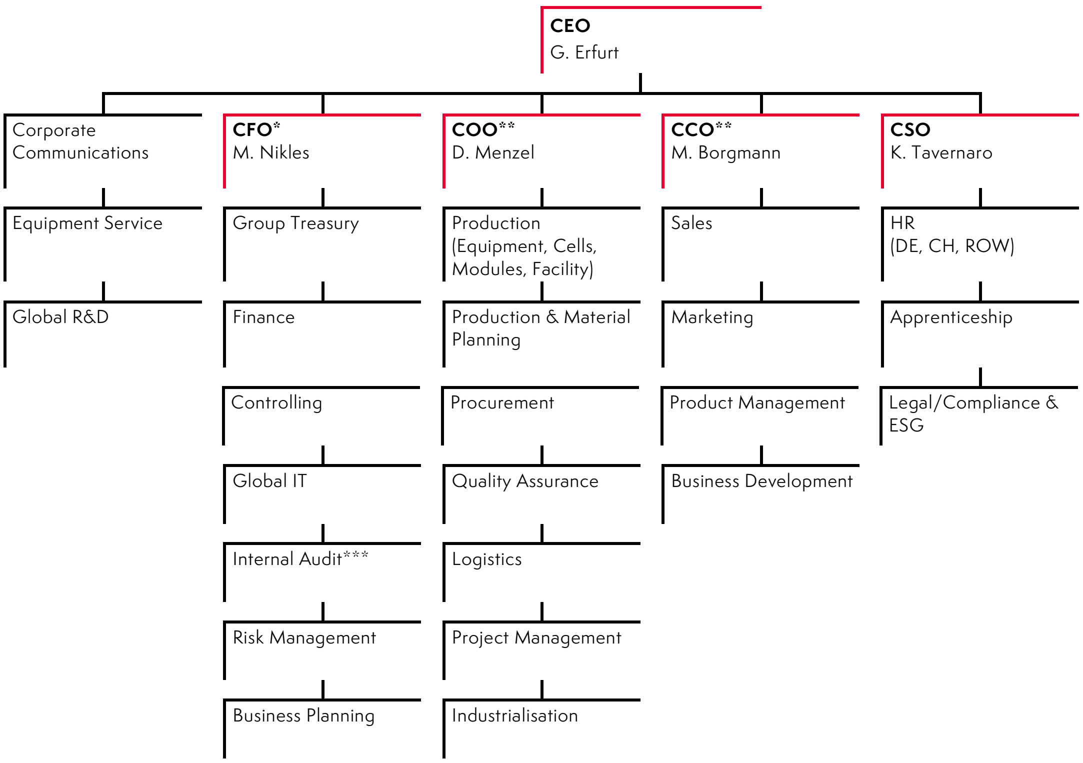
Group structure

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

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

For financial reporting, the business activities in fiscal year 2022 are divided into the business segments "Modules", "Photovoltaics" and "Specialized Technologies". Activities under the old business model of equipment sales were reported in the "Photovoltaics" segment. As part of the ongoing transformation of the Company, customer projects in the "Photovoltaics" segment are being phased out, but still led to a limited amount of revenue 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 due to be phased out. Please also refer to Note 2.17 on page 117 in the consolidated financial statements of this Annual Report.

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



■ Member of Executive Board
* from 1 September 2022 onwards **from 1 January 2022 onwards *** reports directly to the Board of Directors (BoD)

Listed companies

The shares (registered shares) of Meyer Burger Technology AG, headquartered in Thun, Switzerland, are listed on the SIX Swiss Exchange (Valor number 10850379, ISIN number CH0108503795). The ticker symbol is MBTN. The market capitalization of Meyer Burger Technology AG as at 31 December 2022 amounted to CHF 1.9 billion.

Non-listed companies

The scope of consolidation as at 31 December 2022 includes non-listed companies, which are shown in Note 1.3 on page 101 in the financial statements of this Annual Report.

Significant shareholders

The Company is aware of the following shareholders, who according to Article 120 et seqq. FMIA (Financial Market Infrastructure Act) held more than 3% of the voting rights (based on the share capital registered in the commercial register) as at 31 December 2022:

Shareholder[1]	Participation
Sentis Capital PCC (Cell 3)[2]	10.01%
BlackRock, Inc.	5.10%
Norges Bank (the Central Bank of Norway)	4.03%
Universal-Investment-Gesellschaft mbH	3.40%
Millenium Partners LP[3]	3.05%
Swisscanto Fondsleitung AG	3.02%

1 Voting rights participation according to the latest disclosure notices received from the shareholder.
2 The beneficial owner is Petr Kondrashev, Austria.
3 The beneficial owner is Israel Englander, USA.

In addition, Meyer Burger Technology AG held a purchase position of 16,000,847 registered shares (percentage of voting rights 0.44%) as at 31 December 2022. The sale position is in connection with the outstanding 3.5% convertible bond 2027 of EUR 145 million, based on 278,846,154 shares, corresponding to 7.75% of the voting rights registered in the commercial register as at 31 December 2022 – see also description of the convertible bond 2027 on page 59 and with Restricted Share Units, Performance Share Units and Options for the 2020, 2021 and 2022 share participation programs (total for the three years 52,712,023 shares, corresponding to 1.47% of the voting rights).

- Details of individual disclosure notices according to Article 120 et seq. FMIA in relation to the participations of major shareholders of Meyer Burger Technology AG published during the 2022 financial year are available on the website of SIX Swiss Exchange: www.six-exchange-regulation.com/en/home/publications/significant-shareholders.html

Shareholders' agreements

As at 31 December 2022, the Company was not aware of any shareholders' agreements.

Cross-shareholdings

Meyer Burger Technology AG did not have any cross-shareholdings with other companies as at 31 December 2022.

Capital Structure

Capital structure as at 31 December 2022

Ordinary share capital
CHF 179,860,927.55
3,597,218,551 fully paid-in registered shares with a nominal value of CHF 0.05 each
(as registered in the commercial register)

Conditional share capital
CHF 6,287,870.00
125,757,400 registered shares with a nominal value of CHF 0.05 each for the exercise of option rights granted to employees and members of the Board of Directors of the Company or of Group companies (in connection with the share participation program of the Company)
(according to the Articles of Association dated 10 November 2022)

CHF 12,575,756.00
251,515,120 registered shares with a nominal value of CHF 0.05 each for the exercise of conversion and/or option rights in connection with convertible bonds, bonds with option rights or similar financial market instruments of the Company or of Group companies
(according to the Articles of Association dated 10 November 2022)

Authorized share capital
CHF 4,808,765.75
96,175,315 registered shares with a nominal value of CHF 0.05 each
Issuance possible until 4 May 2023
(according to the Articles of Association dated 10 November 2022)

Conditional share capital

In accordance with Article 3b of the Company's Articles of Association, dated 10 November 2022, the share capital may be increased by a maximum amount of CHF 6,287,870.00 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. 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 10 November 2022, the share capital may be increased by a maximum amount of CHF 12,575,756.00 through the issuance of a maximum of 251,515,120 fully paid-in registered shares with a nominal value of CHF 0.05 each, by the exercise of conversion and/or option rights which are granted in connection with convertible bonds, bonds with option rights or similar financial market instruments of the Company or of Group companies.

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

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

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

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

the terms and conditions of the issue or the timeline of the transaction.

If advance subscription rights are denied by a decision of the Board of Directors, the following shall apply:
1) conversion rights may be exercisable only for up to ten years, option rights only for up to seven years from the date of the respective issuance; and
2) the respective financial market instruments must be issued at the relevant market conditions.

The total outstanding amount of conditional capital under Article 3b (125,757,400 registered shares) and 3c (251,515,120 registered shares) of the Articles of Association represents 10.49% of the outstanding ordinary share capital (3,597,218,551 registered shares) as at 31 December 2022.

Authorized share capital

In accordance with Article 3d of the Articles of Association, dated 10 November 2022, the Board of Directors is entitled to increase the share capital of the Company by a maximum amount of CHF 4,808,765.75, at any time up to 4 May 2023, through the issuance of a maximum of 96,175,315 fully paid-in registered shares with a nominal value of CHF 0.05 each.

The Board of Directors is entitled (including in the case of a public offer for shares of the Company) to restrict or exclude the subscription rights of the shareholders and to allocate them to third parties, if the new shares are to be used:
1) for the acquisition of enterprises, parts of enterprises, participations or for new investment plans, or in the case of a placement of shares for the financing or refinancing of such transactions;
2) for the purpose of the participation of strategic partners; or
3) for the rapid and flexible creation of equity capital through a placement of shares, which would only be possible with difficulty with subscription rights.

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

The total outstanding amount of authorized capital under Article 3d (96,175,315 registered shares) of the Articles of Association represents 2.67% of the outstanding ordinary share capital (3,597,218,551 registered shares) as at 31 December 2022.

Changes in capital over the past three reporting years

Changes in capital during 2022

As at 1 January 2022, the ordinary share capital amounted to CHF 133,524,500.55, divided into 2,670,491,011 fully paid-in registered shares. In addition, the Company had conditional capital of CHF 31,998.60 (639,972 registered shares) for the exercise of option rights in connection with the share participation program of the Company, and CHF 12,575,756.00 (251,515,1200 registered shares) for the exercise of conversion and/or option rights in connection with convertible bonds. Furthermore, the Company also had authorized capital of CHF 4,808,765.75 (96,175,315 registered shares) with issuance possible up to 4 May 2023.

The Annual General Meeting on 5 May 2022 approved the increase in conditional capital in accordance with Article 3b of the Articles of Association to CHF 6,287,870.00 (125,757,400 fully paid-in registered shares equal to 4.71% of ordinary share capital as at the date of approval) to be used for the exercise of option rights granted to employees and members of the Board of Directors of the Company or of Group companies (in connection with the share participation program of the Company).

The changes to the Articles of Association were registered in the commercial register on 11 May 2022.

On 1 July 2021, Meyer Burger's German subsidiary MBT Systems GmbH had successfully placed green senior unsecured guaranteed convertible bonds due 2027 in the amount of EUR 145 million. As at 31 December 2022, no convertible bond conversions into shares in Meyer Burger Technology AG have occurred. Those outstanding are presented in the table on page 59. On 28 October 2022, the extraordinary general meeting of Meyer Burger Technology AG approved an ordinary capital increase in the amount of up to CHF 46,733,592.50 by issuing up to 934,671,850 new registered shares with a nominal value of CHF 0.05 per share. On 10 November 2022, the company issued 926,727,540 new registered shares with a nominal value of CHF 0.05 per registered share. The ordinary share capital was thus increased to CHF 179,860,927.55 divided into 3,597,218,551 registered shares.

The change to the Articles of Association and the capital increase were registered in the commercial register on 14 November 2022.

Subsequently and according to clause 6 (Adjustments to the Conversion Price) of the Terms of the Bonds, the conversion conditions of the convertible bond provide for an adjustment of the initial conversion price in case of a capital increase (issue of shares or other securities by way of conferring subscription or purchase rights). The conversion price was therefore reduced from EUR 0.5868 and CHF 0.643774 per registered share to EUR 0.52 and CHF 0.57 respectively. All other conditions remain unchanged. Therefore, the number of shares that is needed to be available for sourcing and issuance from the conditional share capital in connection with the Convertible Bond, following the capital increase and conversion price adjustment, amounts to approximately 279 million shares and therefore exceeds the currently available 251,515,120 shares available from conditional capital (in accordance with Article 3c of the Company's Articles of Association, dated 10 November 2022). As a result, the company expects to submit to the forthcoming ordinary shareholders' meeting to be held in May 2023 to resolve to increase the conditional share capital of the company. The convertible bond will mature at 100% of its nominal value on 8 July 2027.

Changes in capital during 2021

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

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

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

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

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

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

As at 31 December 2021 no convertible bond conversions into shares in Meyer Burger Technology AG had occurred.

Changes in capital during 2020

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

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

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

Shares

The outstanding share capital of Meyer Burger Technology AG, as at 31 December 2022, was divided into 3,597,218,551 registered shares with a nominal value of CHF 0.05 each as reflected in the commercial register. All shares are fully paid-in. Each share is entitled to one vote. All shares are entitled to dividends. The Company recognizes only one entitled party for each share. A share register is kept on the shares issued, in which the owners, usufructuaries and nominees of the registered shares are entered along with their name, domicile, address and nationality. Entry in the share register depends on identification by means of transfer of the ownership interest or the creation of a usufruct in the correct form and in accordance with the Articles of Association. The Company will only consider as shareholders those who are registered in the share register.

Participation or dividend-right certificates

The Company has neither participation certificates nor dividend-right certificates outstanding.

Limitations on transferability and nominee registrations

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

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

Please refer to the section "Voting rights restrictions and representation" on page 74 of this Corporate Governance Report for the procedure and requirements for changes to or the cancellation of the above-listed restrictions.

Convertible bonds, options, share participation program

Convertible bonds

As at 31 December 2022 and as at 31 December 2021, MBT Systems GmbH, Hohenstein-Ernstthal, Germany, a direct wholly-owned subsidiary of Meyer Burger Technology AG, had the following convertible bond outstanding, for which Meyer Burger Technology AG acted as a guarantor:

Bond issued on	Outstanding amount as at 31.12.2022[1]	Principal amount	Conversion ratio *	Conversion price*	Fixed foreign exchange rate	Bond maturity
08.07.2021	EUR 145 000 000	EUR 100 000	192307.69	EUR 0.52 or CHF 0.57 (adjusted)	EUR 0.9115/CHF 1.00	08/07/2027

1 As at 31.12.2021 the outstanding amount was the same as at 31.12.2022
* from July 2021 until capital increase in November 2022: conversion ratio 170416.81 and conversion price EUR 0.5868

Options, share participation program

During the financial year 2022, Meyer Burger granted 17,234,885 options and 875,256 share units as part of the share-based payment plans. During the financial year 2021, Meyer Burger granted 22,740,836 options and 1,149,422 share units as part of the share-based payment plans.

The details of the Company's share-based payment plans are disclosed in the Remuneration Report on page 77 ff.

As at 31 December 2022, the number of shares and options that were offered under the share participation program (RSU, PSU and options) amounts to:

Grant/Purchase	Number of share units originally granted	Number of share units outstanding as of Dec 31, 2022 [1]	Number of options originally granted	Number of options outstanding as of Dec 31, 2022 [1]	Acquisition price	Vesting period
01.04.2020	4 205 961	3 825 669	–	–	n/a	01.04.2020 – 31.03.2023
18.12.2020	–	–	12 500 000	10 000 000	n/a	18.12.2020 – 17.12.2023
24.05.2021	668 896	668 896	7 838 000	7 838 000	n/a	24.05.2021 – 23.05.2024
03.06.2021	–	–	14 902 836	13 297 282	n/a	03.06.2021 – 02.06.2024
30.12.2021	480 526	–	–	–	n/a	no vesting period[2]
08.06.2022	–	–	17 234 885	17 082 176	n/a	08.06.2022 – 07.06.2025
24.06.2022	433 947	–	–	–	n/a	no vesting period[2]
15.12.2022	441 309	–	–	–	n/a	no vesting period[2]

1 The number of outstanding shares and options can be lower than the shares and options originally granted, mainly due to employees leaving the group before the end of the vesting period.
2 The shares were granted as part of the compensation for the Board of Directors. There is no vesting period attached to these shares.

The outstanding shares and options shown in the table above correspond in total to 1.47% of the outstanding and listed share capital of the Company as at 31 December 2022. In general, shares and options granted in the share participation program are expected to be sourced from the conditional capital and/or treasury shares. As at 31 December 2022, Meyer Burger had a conditional capital of 125,757,400 shares for the implementation of the employee share program.

Board of Directors

Board of Directors as at 31 December 2022

Name	Born	Position	In position since
Dr. Franz Richter	1955	Chair	2020
Mark Kerekes	1976	Vice Chair	2020
Andreas R. Herzog	1957	Member	2019
Prof. Dr. Urs Schenker	1957	Member	2021
Katrin Wehr-Seiter	1970	Member	2022

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

Dr. Franz Richter

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

Education: BSc Mechanical Engineering, 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.

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

Other activities and vested interests

Current mandates: Chairman of the Board of Trustees of Fraunhofer Institute IZM, Berlin, Germany, since 2009. Chairman of the Board of Directors of Scint-X Technologies AB, Kista, Sweden, since 2014.

No other mandate at a publicly listed company, two non-remunerated mandates at a non-listed company and a research organization. No significant official functions or political offices.

No business relationship with the Company or any of its Group companies. No member of the management of the Company or any of its Group companies in the three financial years preceding the current financial year.

Mark Kerekes

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

Education: Master's in Business Administration, Capital Market Theory and Business Informatics, Vienna University of Economics and Business, Vienna, Austria.

Experience — Since 2016 Member of the Board and Co-Manager of Sentis Capital PCC, Cell 1, Cell 2, Cell 4, Balzers, Liechtenstein **— Since 2014** Member of the Board and Co-Manager of Elbogross SA, Zug, Switzerland **— Since 2013** Co-Founder and General Manager of Aerius Advisors GmbH, Zug, Switzerland **— 2012–2013** Co-Founder and General Manager of Hidden Pearl Invest GmbH, Vienna, Austria **— 2009–2012** Senior Fund Manager, Product Developer and Team Leader at Advisory Invest GmbH, Vienna, Austria **— 2000–2009** Various roles at Raiffeisen Group, Vienna, Austria.

Other activities and vested interests

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 Directors 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 mandates at non-listed companies. No significant official functions or political offices.

No business relationship with the Company or any of its Group companies. No member of the management of the Company or any of its Group companies in the three financial years preceding the current financial year.

Andreas R. Herzog

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

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. Leadership Management, Harvard University, Boston, USA.

Experience — 2002–2019 CFO, Bühler Group, Uzwil, Switzerland — **2001–2002** CFO, Eichhof Group, Lucerne, Switzerland — **1996–2001** Vice President, Finance, Swarovski, Feldmeilen, Switzerland — **1990–1995** Various management positions as Senior Controller & Operational Auditor and as Co-CEO Germany SMH/SWATCH, Biel, Switzerland, and Bad Soden am Taunus, Germany — **1984–1990** Various positions in finance, controlling, logistics, Ciba-Geigy AG, Mexico, Switzerland, Colombia and Ivory Coast.

Other activities and vested interests

Current mandates: 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). Member of the Board of Directors, SBB Swiss Federal Railways, Berne, Switzerland (since 2021). Member of the Board of Directors, 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 Seed Capital Invest AG, Luzern, Switzerland (since 2018). Vice Chairman of the Board of the Swiss-Chinese Chamber of Commerce, Zurich, Switzerland (since 2015).

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

No business relationship with the Company or any of its Group companies. No member of the management of the Company or any of its Group companies in the three financial years preceding the current financial year.

Prof. Dr. Urs Schenker

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

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

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

Other activities and vested interests

Current mandates: Member of the Board of Directors of Bellevue Group AG and its subsidiary Bellevue Asset Management AG, 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. Member of the Board of Directors of Ufenau Capital Partners AG, Zurich, Switzerland. Member of the Board of Directors of Ornak AG, Zurich, Switzerland. Chairman of the Board of SWISA Holding AG, Baar, 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 Board of Directors of Invico Asset Management AG, Zurich, Switzerland. Chairman of the Foundation Board of Personalvorsorgestiftung der Pfizer AG, Zurich, Switzerland. Member of the Foundation Board of Stiftung für Herz- und Kreislaufforschung, Zurich, Switzerland. Chairman of Foundation Board of Stiftung Zuversicht für Kinder, Zug, Switzerland.

One other mandate at a publicly listed company, four remunerated mandates and four non-remunerated mandates at non-listed companies.

No significant official functions or political offices.

No business relationship with the Company or any of its Group companies. No member of the management of the Company or any of its Group companies in the three financial years preceding the current financial year.

Katrin Wehr-Seiter

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

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.

Experience — Since 2012 Managing Director, Partner, BIP Investment Partners S.A. / BIP Capital Partners, Luxembourg — **2010–2012** Independent M&A, strategy and investment advisory; Senior Advisor Bridgepoint GmbH, Frankfurt am Main, Germany — **2000–2009** Principal, Permira Beteiligungsberatung GmbH, Frankfurt am Main, Germany — **1996–2000** Consultant, Siemens AG (Siemens Management Consulting), Munich, Germany — **1995–1996** Proposal Manager, Project Engineer, Siemens AG, Germany and USA — **1991–1994** Various internships, incl. Siemens Power Corporation, USA; Rolls-Royce Industrial Power Group, United Kingdom; Siemens AG, Germany.

Other activities and vested interests

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., Luxembourg (since 2021). Member of the Advisory Board of Wellcosan Beteiligungs GmbH, Schlüchtern, Germany (since 2022).

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

No business relationship with the Company or any of its Group companies. No member of the management of the Company or any of its Group companies in the three financial years preceding the current financial year.

Board of Directors

Dr. Franz Richter
Chairman, non-executive

Mark Kerekes
Vice Chairman, non-executive

Andreas Herzog
Member, non-executive

Prof. Dr. Urs Schenker
Member, non-executive

Katrin Wehr-Seiter
Member, non-executive

Changes to the Board of Directors in fiscal year 2022

At the General Meeting of Shareholders on 5 May 2022, Katrin Wehr-Seiter was elected as Member of the Board of Directors. At the same meeting, shareholders re-elected Dr. Franz Richter as member and Chairman of the Board of Directors and re-elected Andreas R. Herzog, Mark Kerekes and Prof. Dr. Urs Schenker as members of the Board of Directors.

Executive activities for the Company or one of its Group companies

As at 31 December 2022, the current members of the Board of Directors have never been members of the Executive Board of the Company or any of the Group companies.

In accordance with Article 28 of the Articles of Association dated 10 November 2022, members of the Board of Directors and the Executive Board may not hold or exercise more than the following number of additional activities in the highest management or administrative bodies of other legal entities which are obliged to be registered in the Commercial Register or in a comparable foreign register and which are not controlled by the Company or do not control the Company:

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

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

Elections and terms of office

In accordance with Article 18 of the Articles of Association dated 10 November 2022, the Board of Directors consists of one or more, but a maximum of nine members. The General Meeting of Shareholders elects annually:

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

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

Internal organization

The Board of Directors constitutes itself, except for the mandatory competences of the Annual General Meeting (election of the Chairman of the Board of Directors and the members of the Nomination & Compensation Committee). The Board shall choose its Vice Chairman and a Secretary, who does not need to be a member of the Board of Directors. As at 31 December 2022, Dr. Franz Richter acted as Chairman of the Board of Directors and Mark Kerekes as Vice Chairman.

The Board of Directors holds ordinary Board meetings at least four times per year; usually at least one meeting per quarter. Additional meetings are held as often as necessary. In fiscal year 2022, the Board of Directors held 17 Board meetings, of which two were physical meetings and 15 were held as virtual conferences. In addition, the Board was constantly updated on, and involved in, the progress of Meyer Burger's business transition. In this regard, 14 circular resolutions were also passed. Meetings of the Board of Directors with physical attendance usually lasted a full day. The length of virtual conferences was up to four hours depending on the issues discussed. In general, the Executive Board participated in the meetings of the Board of Directors.

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

As at 31 December 2022, the Board of Directors had two permanent Committees: the Risk & Audit Committee, and the Nomination & Compensation Committee. The duration of the Committees' meetings depended on the issues discussed.

Risk & Audit Committee (R&A Committee)
Committee members as at 31 December 2022: Andreas R. Herzog (Chairperson), Mark Kerekes, Katrin Wehr-Seiter.

The R&A Committee has the following principal responsibilities:
- Reviewing the accounting system
- Reviewing the annual financial statements and other financial information published
- Supervising risk assessment within the Group
- Monitoring compliance and risk management, and the effectiveness and efficiency of the internal control system ("ICS")
- Reviewing the scope and effectiveness of the internal audit system and ensuring that the internal audit function is adequately resourced
- Planning the risk-based annual internal audit plan with the Head of Internal Audit and reviewing the findings and recommendations of the internal audit reports
- Supervising business activities concerning compliance with resolutions by the Board of Directors, internal regulations and guidelines, directives and statutory provisions, in particular also the compliance with stock exchange laws
- Reviewing the services, independence and fees of the external auditors as well as making recommendations to the Board of Directors regarding the proposal to the General Meeting of Shareholders in respect of the auditors
- Detailed consideration of the audit letters, examination of all important conclusions and recommendations of the external auditors with the Executive Board and the auditors themselves
- Monitoring the implementation of the recommendations of the external auditors
- Reviewing the services and fees regarding consulting mandates with related parties
- Periodic examination of the insurances of the Group
- Further special tasks as assigned by the Board of Directors

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

In fiscal year 2022, the R&A Committee held six meetings. The external auditors participated in four meetings. The Head of Internal Audit was present at all meetings. The Committee did not consult regularly with external advisors.

Nomination & Compensation Committee (N&C Committee)
Committee members as at 31 December 2022: Prof. Dr. Urs Schenker (Chairperson), Andreas R. Herzog.

The N&C Committee has the following principal responsibilities:
- Responsibility for the process of selecting and proposing new members of the Board of Directors
- Responsibility for the process of selecting and proposing the appointment of the CEO
- Examination and approval, and related proposals, of the selection of members of the Executive Board and of management members of important Group companies (including occasional interviews at the end of the selection process) as well as examination of the most important conditions of their employment contracts
- Proposing the compensation of the members of the Board of Directors and the Board's Committees

- Review, negotiation and proposal of the remuneration of the CEO
- Review and proposal (together with the CEO) of the remuneration of the members of the Executive Board
- Review of, and decision on, the targets and their achievement by members of the Executive Board
- Review of the targets and total remuneration of important Group companies
- Preparation and proposal of the Remuneration Report
- Review, proposal and monitoring of the implementation of participation programs for the Board of Directors, the CEO, the other members of the Executive Board and for other employees
- Examination, proposal (together with the CEO) and monitoring of the implementation of the structure and organization of the highest level of operating management
- Planning of successors at the highest level of management
- Planning and implementation of a self-assessment of the Board of Directors
- Further special tasks as assigned by the Board of Directors in the areas of nomination, organization and remuneration
- Detailed information on the decision-making authority on the remuneration of the Board of Directors and the Executive Board are included in the Remuneration Report on page 81.

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

In fiscal year 2022, the N&C Committee held three meetings and passed two circular resolutions. The Committee was supported by independent external consultancy 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 (incl. telephone conferences) in fiscal year 2022

Members	Board of Directors	R&A Committee	N&C Committee
Dr. Franz Richter	15	–	–
Mark Kerekes	17	6	–
Andreas Herzog	16	6	3
Prof. Dr. Urs Schenker	15	–	3
Members since AGM on 5 May 2022			
Katrin Wehr-Seiter	11	4	–
Total meetings	**17**	**6**	**3**
Average attendance ratio at meetings[1] in %	**94%**	**100%**	**100%**

– Not a member of the Committee

1 The average attendance ratio at the meetings of the Committees refers directly to the members of the relevant Committee (additional participants who participate as guests in the Committee meetings are not included in the table above and in the percentage calculations). For the newly elected Board members, attendance ratios are calculated as at the date of their election at the Annual General Meeting 2022.

Definition of areas of responsibility

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

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

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

- Incorporation/financing/closure of subsidiaries; investment in/divestment of participations, changes in participation quotas or of shareownership ratios; purchase of a business or a company or parts thereof through the acquisition of assets or of assets and liabilities (including workforce); opening balance sheet of business sectors that shall be transferred to subsidiaries as well as concept and main details of contracts between Group companies
- Contracts/cancellation of contracts for strategic alliances that have an influence on the business scope, geographic scope or the capital structure of Meyer Burger Technology AG or any of its Group companies

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

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

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

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

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

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

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

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

- Detailed information regarding the participation of members of the Executive Board at meetings of the Board of Directors and the Committees are included in the comments to section "Internal organization" and the descriptions of the different Committees on page 64 ff.

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

Risk management

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

- For further information regarding risk management please refer to the consolidated financial statements Note 3 on page 119 ff.

Internal control system

The Board of Directors approved an optimized internal control system ("ICS"). The ICS applies a risk-oriented approach (focused on major risks and controls). Meyer Burger's ICS consists of systematically designed organizational and technical measures and controls to ensure compliance with guidelines and to avert damage that maybe caused by the company's own personnel or third parties. The controls can be either independent of, or dependent on the underlying process. The scope of the ICS depends on the size and risks of each subsidiary within the Group. This classification is reviewed once per year.

The key risks identified are continuously monitored and at regular intervals, all control measures for the major processes that are relevant for the financial reporting will reviewed with regards to their appropriateness. In the future, in addition to the appropriateness, their effectiveness and efficiency will be also tested on a regular basis. At the group level, controls are implemented with regards to the consolidated financial statements of the Group.

The following processes were defined as financially relevant: sales, procurement, financial reporting, inventory, fixed assets, human resources, treasury and information technology. A process owner has been defined for each of these processes. The process owners are responsible for ensuring that the controls identified for the respective processes are complied with and implemented.

The Board of Directors receives a detailed report on the ICS once per year. In fiscal year 2022, the R&A Committee discussed the ICS at one of its meetings and the Board of Directors discussed it at one Board meeting. The external auditors also audit compliance with 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.

Where control weaknesses exist, actions to eliminate these weaknesses must be defined and monitored.

Internal audit

After its organizational transformation, the Company reprised the internal audit function as of November 2021. The first half of 2022 was characterized by the implementation of an internal audit system based on the Institute of Internal Auditors' International Professional Practices Framework (IPPF). In order to preserve the independence of the internal audit function, the Head of Internal Audit reports functionally to the R&A Committee. The internal audit has unrestricted access to information that allows it to review all aspects of the Group's risk management, control and governance processes. The Executive Board including the affected subsidiary are notified of the deficiencies found so that they an be rectified and the Head of Internal Audit follows up with the implementation of audit recommendations.

The second half of 2022 saw the beginning of independent, objective assurance and consulting activities designed to add value and improve the organization's operations. Two assurance and five consulting activities of the internal audit were issued in 2022.

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

Executive Board

Executive Board as at 31 December 2022

Name	Born	Position	Member of Executive Board
Dr. Gunter Erfurt	1973	Chief Executive Officer	since 2017
Markus Nikles	1972	Chief Financial Officer	since 1 September 2022
Katja Tavernaro	1977	Chief Sustainability Officer	since 2021
Dr. Moritz Borgmann	1977	Chief Commercial Officer	since 1 January 2022
Daniel Menzel	1979	Chief Operating Officer	since 1 January 2022

Dr. Gunter Erfurt

Chief Executive Officer (CEO), German citizen

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

Experience – Since 2020 CEO and Member of the Executive Board, Meyer Burger Technology AG – **2017–2020** COO, CTO and Member of the Executive Board, Meyer Burger Technology AG – **2015–2017** Managing Director and Member of the Management Board of Meyer Burger (Germany) AG, Hohenstein-Ernstthal, Germany – **2011–2015** Managing Director, Solarworld Innovations GmbH, Freiberg, Germany. Responsible for global strategic technology development – **2009–2011** Global Head of Planning and Investment/Technology Transfer, Solarworld AG, Bonn, Germany. Staff position to the COO – **2006–2009** Head of Planning and Investment, Solarworld Industries America LLC, Hillsboro, USA – **2005–2006** Project Manager planning and investments, Deutsche Solar AG, Freiberg, Germany. Project Manager for building a factory for solar cell production – **2003–2005** Development Engineer/Laboratory Manager, Deutsche Solar AG, Freiberg, Germany. Establishment and management of material and module test laboratory – **1998–2003** Research Associate, Sächsische Akademie der Wissenschaften zu Leipzig, Leipzig, Germany.

Other activities and vested interests

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 (ISE), 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 Directors of 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), Swiss citizen

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.

Experience – Since 2022 CFO and Member of the Executive Board, Meyer Burger Technology AG (as of September 1, 2022) – **2019–2022** CFO Bühler Asia, Wuxi, China, responsible for the subregions of China, Southeast Asia, Japan and Korea – **2015–2019** CFO Bühler Germany, Braunschweig, Germany – **2005–2014** Controller and afterwards CFO, Vice President, Bühler USA, Minneapolis, USA – **2000–2004** Export Finance Specialist & Corporate Controller, Bühler Uzwil, Switzerland – **1992–1996** Various functions (last position: Customer Relationship Manager) with Swiss Bank Corporation Interlaken, Münchenbuchsee and Bern, Switzerland.

Other activities and vested interests

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

Katja Tavernaro

Chief Sustainability Officer (CSO), German citizen

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, distance-learning University of Hagen. Masters Studies in Management (planned degree M.Sc. 2023), Hagen Institut for Management Studies (HiMS), Hagen, Germany.

Experience — Since 2021 CSO and Member of the Executive Board, Meyer Burger Technology AG **— Since 2020** Head of Global Human Resources Meyer Burger Technology AG **— Since 2017** Head of Global Legal & Compliance Meyer Burger Technology AG **— Since 2016** Member of the Executive Board of Meyer Burger (Germany) AG, 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 2013** Corporate Counsel of the Company, Hohenstein-Ernstthal, Germany **— 2006–2013** Attorney at law, Madaus Law Firm, focus on corporate and tax law, insolvency and contract law, Colditz, Germany.

Other activities and vested interests

Current mandates: Member of the Saxony Bar Association, Dresden, Germany. Deputy Member of the Board of Directors of AOK Plus, 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), German citizen

Education: Doctorate degree (Dr. sc. techn.), ETH Zurich, Switzerland. M.S.. Electrical Engineering, Stanford University, California, USA. Electrical Engineering, Technische Universität München, Germany.

Experience — Since 2022 CCO and Member of the Executive Board, Meyer Burger Technology AG **— Since 2021** Managing Director, Meyer Burger (Industries) GmbH, Freiberg, Germany **— 2014–2021** Partner, Apricum GmbH, Berlin, Germany **— 2013–2014** Principal, Apricum GmbH, Berlin, Germany **— 2010–2013** Project Manager, Apricum GmbH, Berlin, Germany **— 2009–2010** Consultant, Apricum GmbH, Berlin, Germany **— 2007–2008** Co-Founder and Director Algorithms Development, Celestrius AG, Zurich, Switzerland **— 2002–2007** Research Assistant, Communication Technology Laboratory, ETH Zurich, Switzerland **— 2001** Visiting Research Scholar, University of Illinois at Urbana-Champaign, USA.

Other activities and vested interests

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

Daniel Menzel

Chief Operating Officer (COO), German citizen

Education: Bachelor of Law (LL.B.), economic law, University of Wismar, Germany. Diploma Business Economics (BWA), Distance study at "European Business School" for economics and management, Education and Business Academy 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.

Experience — Since 2022 COO and Member of the Executive Board, Meyer Burger Technology AG **— Since 2021** Managing Director Operations, Meyer Burger (Industries) GmbH, Freiberg, Germany **— 2018–2021** Chief Executive Officer, G.S. Stolpen GmbH & Co. KG, Stolpen, Germany **— 2017–2018** Director Sales and Marketing, Member of the Executive Board, SolarWorld Industries GmbH, Bonn, Germany / Qatar Solar Technologies, Doha, Qatar **— 2015–2017** Vice President Global Procurement and Global Sales, Member of the Executive Board, SolarWorld AG, Bonn, Germany **— 2013–2015** Director Global Procurement and Supply Chain Management, SolarWorld AG, Bonn, Germany **— 2011–2013** Division Manager Purchase Department / Germany, SolarWorld AG, Bonn, Germany **— 2008–2011** Team Leader Purchase Department, SolarWorld AG, Bonn, Germany **— 2005–2008** Purchaser, Linde AG / Linde KCA GmbH, Dresden, Germany **— 2003–2005** Employment abroad in the US and Canada, Team Leader of a humanitarian organization.

Other activities and vested interests

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

Changes to the Executive Board during fiscal year 2022

To achieve the Company's aims regarding the transition to a cell and module producer, and especially the production and sales aspects of this transformation, the Executive Board increased from three to five members. Dr. Moritz Borgmann (CCO) and Daniel Menzel (COO) were appointed to the Executive Board as of 1 January 2022. As of 1 September 2022 Markus Nikles was appointed as the new CFO.

Management contracts

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

Mandates held by the Executive Board (outside of Meyer Burger) as at 31 December 2022

Mandates	Remunerated mandates at publicly listed companies	Remunerated mandates at other legal entities	Non-remunerated mandates
Limit set by Articles of Association	**1**	**3**	**2**
Dr. Gunter Erfurt	–	–	3
Markus Nikles	–	–	–
Katja Tavernaro	–	–	1
Dr. Moritz Borgmann	–	–	–
Daniel Menzel	–	–	–

For the exact wording of Article 28 of the Articles of Association regarding the maximum number of mandates allowed outside Meyer Burger please refer to page 64 of the section concerning members of the Board of Directors. The Board of Directors separately approved of the mandates exceeding the limit set by the Articles of Association.

Executive Board

Dr. Gunter Erfurt
Chief Executive Officer

Markus Nikles
Chief Financial Officer

Katja Tavernaro
Chief Sustainability Officer

Dr. Moritz Borgmann
Chief Commercial Officer

Daniel Menzel
Chief Operating Officer

Compensation, Shareholdings and Loans

- Detailed information on compensation, shareholdings and loans to active and former members of the Board of Directors and of the Executive Board is included in the Remuneration Report (pages 77 to 90).
- Statutory rules regarding the principles of compensation, participation plans, loans, credit and pension benefits are set out in Articles 30 to 34 of the Articles of Association. The rules regarding the approval of the remuneration by the General Meeting of Shareholders are set out in Article 17 of the Articles of Association.

Shareholders' Participation Rights

Voting rights restrictions and representation

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

A shareholder may be represented at the General Meeting of Shareholders by a person with written power of attorney, who does not need to be a shareholder. All shares held directly or indirectly by a shareholder can only be represented by one person. For voting rights of nominees please refer to the section "Limitations on transferability and nominee registrations" on page 58 of this Corporate Governance Report. A cancellation, liberalization or intensification of the limitations on nominee registration stipulated in the Articles of Association must be approved by at least two thirds of the votes represented and the absolute majority of the nominal value of shares represented at the Meeting of Shareholders.

Independent proxy holder

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

The Annual General Meeting of Shareholders held on 5 May 2022 elected Mr. lic. iur. André Weber as independent proxy holder for a term of office until the conclusion of the 2022 Ordinary Shareholders' Meeting. Mr. Weber is independent and has no further mandates for Meyer Burger Technology AG.

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

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

Statutory quorums

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

Convocation of a General Meeting of Shareholders

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

Agenda

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

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

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

Registration into the share register

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

Change of Control and Defense Measures

Duty to make an offer

Pursuant to the FMIA (Financial Market Infrastructure Act), any person who acquires equity securities in a company whose shares are listed on a Swiss stock exchange, whether directly or indirectly or acting in concert with third parties, and, as a result, exceeds the threshold of $33^1/_3$% of the voting rights (whether exercisable or not) of such a company, must submit a public tender offer to acquire 100% of the listed equity securities of such a company. Meyer Burger Technology AG's Articles of Association do not provide for opting-out of this rule or opting-up of the threshold for a mandatory offer.

Clauses on changes of control

In the case that a third party would acquire more than $33^1/_3$% of voting rights of Meyer Burger Technology AG, the vesting periods and/or retention periods for employee shares set by the Board of Directors shall be accelerated so that any unvested share shall be immediately vested in full. The vesting would take place on the first day of the grace period in case of a successful public tender offer. There are no further clauses regarding a change of control that would favor the members of the Board of Directors, members of the Executive Board or other members of management or associates.

Auditors

Mandate and fees of the lead auditor

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

The auditing fees of PricewaterhouseCoopers AG, for services related to the audit of the annual financial statements of Meyer Burger Technology AG and its subsidiaries, the consolidated financial statements of Meyer Burger, the review of the Half-Year Report and the audit of the Remuneration Report for fiscal year 2022 are as follows.

In CHF thousands	2022
Audit fees	632
Additional fees	152
Total	**784**

Supervisory and control instruments vis-à-vis the auditors

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

At least once a year, the external auditors provide a detailed 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.

In fiscal year 2022, the external auditors issued two detailed audit reports (one each for the fiscal year and half-year report). Representatives of the external auditors participated in four meetings of the R&A Committee.

Once a year, the Board of Directors verifies the selection of potential auditors, in order to propose the preferred audit firm for election to the shareholders at the General Meeting of Shareholders. The R&A Committee evaluates the effectiveness of the auditors 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, the global network of the auditors, understanding of the specific business risks of the Company, focus of the audit within the audit program, cooperation with the R&A Committee, as well as with the internal audit and the Executive Board.

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

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

For fiscal year 2022, the Board of Directors concluded that the independence of the auditors was fully ensured at all times.

Information Policy

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

- Company website www.meyerburger.com

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

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

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

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

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

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

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

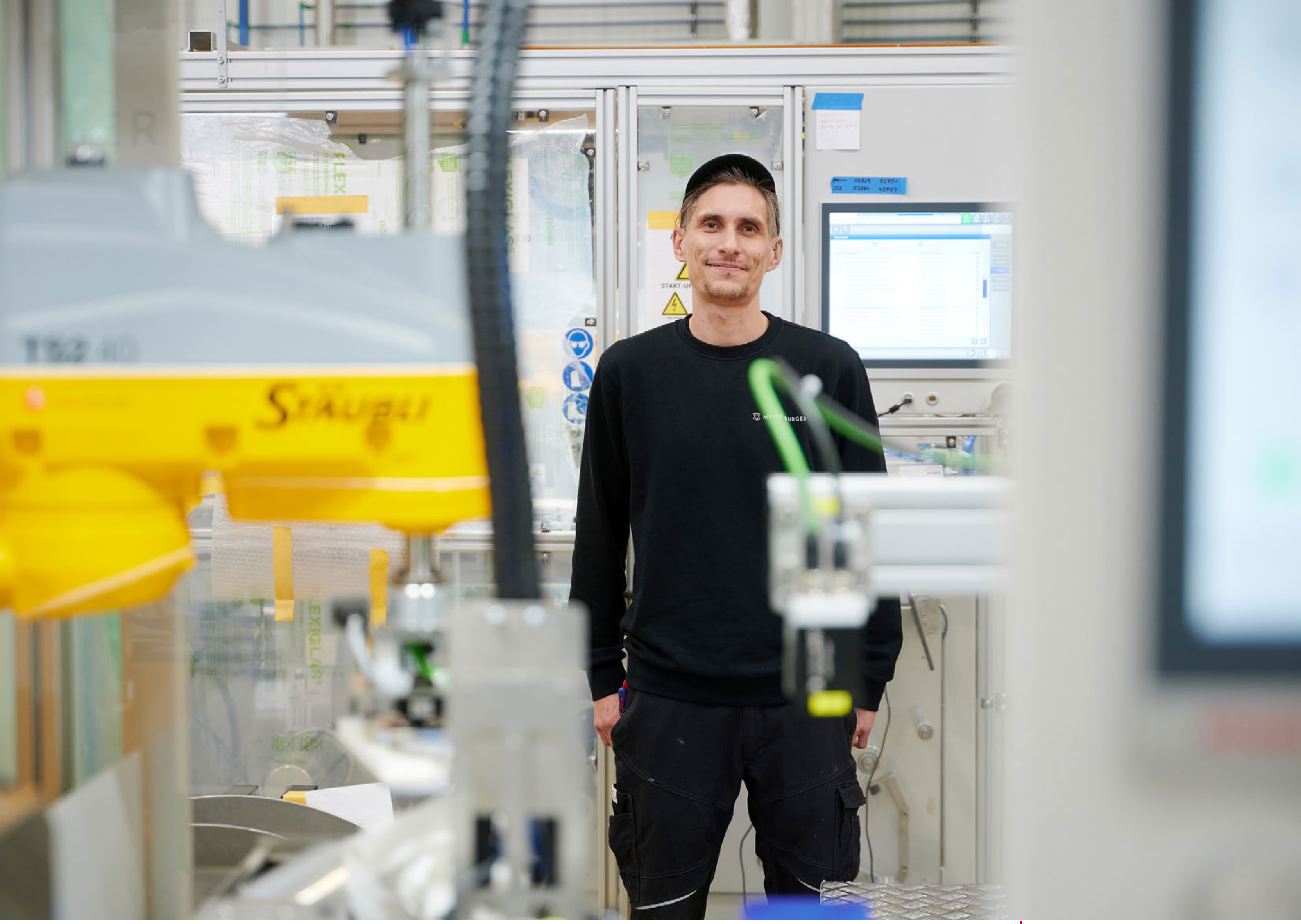
- For details regarding investor relations contacts, address details of the Company, and agenda of important dates for fiscal year 2022 please refer to page 146 of this Annual Report.

Quiet Periods

Based on Meyer Burger's "Insider Trading Regulations", members of the Company's Board of Directors and Executive Board and all other persons participating in the Company's employee share ownership plans are prohibited from trading in the Company's shares and/or derivatives on the date of publication of the Company's half-year or fiscal year figures or within the 40 days preceding that date, unless the Board of Directors has given express written consent to an acquisition of disposal during the quiet period.

If insider information exists, as defined in Art. 2 (j) FMIA (Financial Market Infrastructure Act), insiders are also prohibited from acquiring or disposing of ownership rights, whether directly or indirectly, outside the lock-up periods.

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



In Hohenstein-Ernstthal all the machines – some of which weigh several tons – are built, and will later produce solar cells or modules in Meyer Burger's new production facilities. It's all teamwork here: Timon Vallmark from the Thun site is on a working visit with his colleagues in Saxony. They are all responsible for the perfect interaction of electronics, mechanics, compressed air and control software in the plants. Timon says, "I'm at Meyer Burger, because of the people I work with."

5

Remuneration Report

Letter to shareholders

Dear Shareholders

In the name of the Board of Directors and the Nomination and Compensation Committee (NCC), I am pleased to present to you the 2022 Remuneration Report. In 2022, Meyer Burger successfully expanded its production capacities. Meyer Burger secured the anticipated financing to continue the accelerated ramp-up of the German production facilities and to implement its plans to open the US production site. This report outlines how the performance in 2022 impacted the incentive payouts to the members of the Board of Directors and Executive Board.

At the Annual General Meeting (AGM) in 2022, the voting results on the compensation motions were significantly better than in the previous year. The maximum compensation amount for the Executive Board for the financial year 2023 received an approval rate of 91.1% (previous year: 91.5%); the maximum compensation amount for the Board of Directors was accepted with an approval rate of 93.0% (previous year: 68.6%); and the consultative vote on the compensation report 2021 passed with an approval rate of 87.5% (previous year: 60.1%). This demonstrates that Meyer Burger successfully addressed shareholder concerns and further developed compensation models in a sensible and appropriate way, taking into account shareholder interests, market expectations and company needs and possibilities. During the reporting year, compensation models broadly remained unchanged, with only a few minor adjustments.

Firstly, stock options granted to Executive Board members under the long-term incentive plan now also feature an additional performance condition that needs to be met for the options to vest and become exercisable. This amendment will further strengthen the alignment of interests between shareholders and the Executive Board with respect to the strategic priorities of the Company. It is planned that this additional feature will apply by default to further grants of stock options to Executive Board members in the future.

Secondly, Meyer Burger held an extraordinary general assembly of shareholders on 28 October 2022, where a capital increase was approved by shareholders. While existing shareholders had a chance to neutralize the dilutive effects by exercising their legal purchasing rights, holders of long-term incentive instruments such as stock options, PSUs and RSUs did not have the same possibility. The Board of Directors, therefore, decided to amend all outstanding instruments in order to protect the holders against the dilutive effects of the capital increase. This was a specific amendment in connection with the capital increase and does not otherwise change the existing remuneration models.

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

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

Yours sincerely,

Prof. Dr. Urs Schenker
Chair of the NCC

This Remuneration Report describes the compensation principles and programs, as well as the governance framework as related to the compensation of the Board of Directors and of the members of the Executive Board of Meyer Burger Technology AG (Meyer Burger). The report also provides information on the compensation programs and the compensation awarded to members of the Board of Directors and of the Executive Board for the 2022 business year.

The Remuneration Report is based on sections 3.5 and 5 of the annex to the Corporate Governance Directive issued by the SIX Swiss Exchange and Articles 13 to 16 of the Ordinance against Excessive Compensation in Listed Stock Companies (OaEC), which have been carried over to the Federal Act on the Amendment of the Swiss Civil Code (Swiss Code of Obligations; Art. 734-734f) as of 1 January 2023.

Compensation at a glance

Compensation policy and principles

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

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

Summary of the compensation system for the Board of Directors

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

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

Reconciliation between approved compensation and compensation awarded for 2022

At the 2021 AGM, compensation amounts for the Board of Director are approved for the annual term of office between AGMs. As a result, the amount of compensation that is disclosed in this Remuneration Report reflects two compensation periods.

For the first compensation period, from 1 January 2022 to the 2022 AGM, the compensation awarded to the Board of Directors amounts to CHF 264 thousand (including social security contributions). The pro-rated approved amount for the same periods is CHF 272 thousand (total amount of CHF 800 thousand approved at the 2021 AGM for the total 21/22 term). Thus, the compensation awarded is within the pre-approved amounts.

For the second compensation period, from the 2022 AGM to the 2023 AGM, a maximum compensation amount of CHF 955 thousand was approved (in consideration of an additional member joining the Board of Directors). Adjusted for the period from AGM 2022 to 31 December 2022, this amounts to CHF 628 thousand. The compensation for the portion of this term of office included in this Remuneration Report (up to 31 December 2022) is within this approved limit. A definitive assessment for the remainder of the entire compensation period will be provided in the next Remuneration Report.

Summary of the compensation system for the Executive Board

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

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

Reconciliation between approved compensation and compensation awarded for 2022

The compensation awarded to the Executive Board for the fiscal year 2022 in the amount of CHF 2,648 thousand is within the amount of CHF 2,900 thousand approved by the shareholders.

Compensation governance

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

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

Determination of compensation

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

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

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

The NCC usually meets in accordance with the annual schedule below. In the year under review, the NCC held three meetings and passed 2 circular resolutions. The NCC members participated in all NCC meetings as noted in the Corporate Governance Report on page 65. Usually, the activities of the NCC are reported to the Board of Directors following each committee meeting. The NCC minutes are shared with all Board members and form the basis for the approval of NCC proposals by the Board of Directors.

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

Annual meeting schedule

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

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

Approval process

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

BoD = Board of Directors

The NCC may decide to consult external advisors for specific compensation matters. In 2022, long-term incentive plan specialists [dialog]unlocked and valuation experts of algofin AG provided services relating to executive compensation matters. These companies have no other mandate with Meyer Burger.

Compensation policy and principles

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

Board of Directors

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

Executive Board

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

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

Board of Directors

Compensation system

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

In 2022, the mix of cash and equity compensation as well as the type of equity instrument used in the compensation system remained unchanged.

The members of the Board of Directors continue to receive an annual retainer settled 50% in cash and 50% in the form of restricted shares (RS), subject to a three-year blocking period.

This compensation structure will strengthen both the independence of the Board of Directors in exercising its supervisory duties, and the alignment with shareholders´ interests.

The amount of compensation per member of the Board of Directors remains unchanged from the previous term, consisting of the following amounts:

in TCHF	Cash	RS
Board of Directors, Chair	107.5	107.5
Board of Directors, Vice Chair	92.5	92.5
Board of Directors, Member	92.5	92.5

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

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

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

Compensation of the Board of Directors in 2022

Compensation of members of the Board of Directors (audited)

This section is audited according to Article 728a of the CO.

2022/2021

in TCHF	Year	Board of Directors	R&A Committee	N&C Committee	Cash	PSUs/RSUs[1]	RS[2]	Total compensation 2022/2021
Dr. Franz Richter	2022	C	–	–	107	–	108	**215**
	2021	C	–	–	76	50	71	**197**
Mark Kerekes	2022	V	M		92	–	93	**185**
	2021	V	M	–	66	50	61	**177**
Urs Fähndrich	2022	–	–	–	–	–	–	
	2021	M[3]	–	C[3]	5	50	–	**55**
Andreas Herzog	2022	M	C	M	92	–	93	**185**
	2021	M	C	M	66	50	61	**177**
Prof. Dr. Urs Schenker	2022	M	–	C	92	–	93	**185**
	2021	M[4]	–	C[4]	61	–	61	**122**
Katrin Wehr-Seiter[5]	2022	M[5]	M	–	61	–	61	**122**
	2021	–	–	–	–	–	–	**–**
Total before mandatory employer contributions	**2022**				**444**		**448**	**892**
	2021				274	200	254	728
Mandatory employer contributions	2022							**53**
	2021							43
Total[6]	**2022**							**945**
	2021							771

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

1 The PSU program was introduced at the 2020 AGM and discontinued as of the 2021 AGM. The fair value of the PSUs at grant date amounts to CHF 0.299 in 2021 (Monte Carlo valuation on 24 May 2021). In addition, this column of the compensation table also includes the incremental value increase in outstanding PSUs and RSUs from previous years due to the adjustments in 2022 for anti-dilution purposes (see details in explanatory comments below).

2 Restricted shares, semi-annual instalments. 30 December 2021 grant: value of CHF 0.407 per RS. 24 June 2022 grant: value of CHF 0.4436 per RS. 15 December 2022 grant: value of CHF 0.5410 per RS.

3 Up to 4 May 2021.

4 From 4 May 2021.

5 From 5 May 2022.

6 A temporary "Strategy and Approval Committee" was established in 2021, but no additional compensation was paid for participation in that committee.

Explanatory comments to the compensation table

No member of the Board of Directors served in an executive role in 2021 or 2022. The number of members of the Board of Directors increased from four to five as at the 2022 AGM on 5 May 2022. Therefore, the total compensation amount in the reported year increased by 22.6%.

At the 2021 AGM, a maximum aggregate amount of compensation of CHF 800 thousand (excluding mandatory employer contributions) was approved for the Board of Directors for the compensation period from the 2021 AGM to the 2022 AGM. Adjusted for the period from 1 January 2022 to the 2022 AGM, the approved amount corresponds to CHF 272 thousand. The total value of the compensation awarded to the Board of Directors for this period was CHF 264 thousand (including mandatory employer contributions of CHF 53 thousand) and is therefore exactly within the approved limits.

At the 2022 AGM, a maximum aggregate amount of compensation of CHF 955 thousand (excluding mandatory employer contributions) was approved for the Board of Directors for the compensation period from the 2022 AGM up to the 2023 AGM. Adjusted for the period from the AGM 2022 to 31 December 2022, this amounts to CHF 628 thousand. The compensation for the portion included in this Remuneration Report (up to 31 December 2022) is within this approved limit. A definitive assessment for the entire period will be provided in the next Remuneration Report.

Other remuneration (audited)

Members of the Board of Directors did not receive any fees or other compensation for additional services to Meyer Burger or its subsidiaries in the 2022 fiscal year (2021: no additional fees).

Neither Meyer Burger nor its subsidiaries granted any guarantees, loans, advances or credit facilities to members of the Board of Directors or related parties in 2022 or 2021.

No material compensation was paid to any former members of the Board of Directors of Meyer Burger, or a Group company, or related parties in 2022 or 2021.

Adjustments to outstanding PSUs/RSUs in October 2022

Meyer Burger held an extraordinary general assembly of shareholders on 28 October 2022, where a capital increase was approved by shareholders. While existing shareholders had a chance to neutralize the dilutive effects by means of exercising their legal share purchasing rights, holders of long-term incentive instruments such as PSUs and RSUs, did not have the same possibility. The Board of Directors therefore decided to amend all outstanding instruments granted as of July 2020, in order to protect the holders against the dilutive effects of the capital increase (see also corresponding details and comments in the below section on compensation to the Executive Board). This was a specific amendment in connection with the capital increase and does not otherwise change the existing remuneration models. The dilution protection was only applied to the programs that were launched after the initiation of the transformation. The dilutional effect of the capital increase was calculated by an external independent valuation expert to be 11.5%. The following adjustments were, on that basis, approved by the Board, leading to the incremental values per instruments (again as per valuations performed by an external independent valuation expert) shown below:

(i) Outstanding PSUs: Increase number of PSUs by 11.5% (effectively by up-scaling the future payout factor by x1.15) and adjust relevant floor and target point for TSR (total shareholder return; one of the performance metrics for PSU's to vest) measurement accordingly (all other factors remaining unchanged).

Original grant date	23 December 2020	24 May 2021
Incremental value increase per outstanding PSU [CHF]	0.0637	0.0594

(ii) Outstanding RSUs: Number of outstanding RSUs increased by 11.5%.

Executive Board

Compensation system

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

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

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

The compensation system, its components and the mix between the components was reviewed and adjusted in the context of the fundamental business transformation of Meyer Burger to ensure that the Executive Board stays focused on driving the transformation, which is critical for the Company's long-term success, and to mitigate the impact of the compensation systems on the liquidity of the Company. In 2022, the compensation system, the components and the pay mix remained unchanged, except for specific adjustments to the stock options as set out further below.

Compensation system of the Executive Board

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

Base salary

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

To ensure market competitiveness, base salaries of the Executive Board are reviewed every year, taking into account the Company's capacity to pay, benchmark information and internal consistency, economic environment and individual performance. They were last benchmarked in 2019 as mentioned above. No adjustments were made to base salaries of the Executive Board in 2022.

Short-Term Incentive (STI) program

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

The STI target is expressed as a percentage of base salary. In 2022, it amounts to 55% (previous year: 55%) of base salary for the CEO and 25% (previous year: 25%) of base salary for the other members of the Executive Board.

The STI performance is measured on the basis of specific financial and strategic objectives, which are proposed annually by the NCC (at the CEO´s recommendation for the members of the Executive Board) and approved by the Board of Directors. The level of achievement for each objective corresponds to a payout percentage for that objective, which is always between 0% and 150%. The payout is 100% for achieving the target level of performance, 0% for achievement below the lower threshold and 150% for achievement above the upper threshold. These mechanisms and payout levels remained unchanged in 2022.

	Achievement level	
	Target (% of base salary)	Maximum (% of target)
Chief Executive Officer	55%	150%
Other Executive Board members	25%	150%

Financial objectives in 2022 focused on growth, profitability and the generation of cash which was measured using production volume, gross margin, functionals costs and CAPEX. These KPIs are key to the business success of Meyer Burger. The four KPIs are weighted as follows: production volume and functional costs 20% each and gross margin and CAPEX 30% each. Financial targets are based on the annual budget and the payout on the actual financial results.

Strategic objectives are clearly measurable and, for fiscal year 2022, focus on delivering new technologies and implementing business processes.

Objectives, performance measures and their weighting

Objectives	Performance Measures	Weighting
Financial (70%)	Production volume	14%
	Gross margin	21%
	Functional cost	14%
	CAPEX	21%
Strategic (30%)	Strategic initiatives	30%

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

Long-term incentive (LTI) program

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

The LTI target amount is expressed as a percentage of base salary. In 2022, it amounts to 55% (previous year: 55%) of the base salary for the CEO and 83% (previous year: 83%) of base salary for the other members of the Executive Board. The number of share options is determined by dividing the target amount by the fair grant value of the share option.

EB member	2022 target amount (% of base salary)
Chief Executive Officer	55%
Other Executive Board members	83%

The share options are subject to a three-year cliff vesting. Upon vesting, the share options are immediately and automatically exercised, and the proceeds of the exercise (difference between the relevant share price at vesting and the exercise price) are settled in shares. The relevant share price used at vesting is the volume-weighted average share price (VWAP) measured over the 30 trading days preceding the vesting date.

The strike price of the share options granted in 2022 was set at CHF 0.503 (before later adjustment in October 2022 because of the anti-dilution measures determined by the board, see detailed explanations on page 89), while the share price at grant amounted to CHF 0.45. The vesting of the share options is subject to continued employment.

In addition, and in response to shareholder feedback in this respect, the Board of Directors decided to make the vesting of share options for members of the Executive Board subject to the achievement of a business-crucial financial KPI: if the 12-month trailing free cash flow at group level immediately prior to the vesting date is negative, the share options lapse without any compensation on the vesting date.

This additional performance condition applies to share options granted to members of the Executive

Board in 2022, and it is planned that a similar performance condition (to be determined by the Board of Directors for each grant) shall also apply to all future grants of share options to Executive Board members.

Unvested share options forfeit in case of termination by the employer for cause or for individual performance reasons, and in the case of an individual's voluntary resignation. If the employment relationship ends for any other reason (such as death, disability, retirement, or termination by the employer without cause and not for performance reasons):
– unvested share options granted to members of the Executive Board in 2022 are prorated (in proportion to the part of the total vesting period expired up to the termination date), but the vesting date of such prorated number of share options remains unchanged, and the free cash flow condition continues to apply on the vesting date.
– unvested share options granted to members of the Executive Board before 2022 are automatically exercised at the termination date, provided that the share price is above the exercise price of the option (otherwise they forfeit).

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

Outstanding long-term incentives awarded prior to 2021

Under the previous share option model, share options could be exercised at the earliest after 1 year from the grant date (further details in the 2020 compensation report), vesting not being subject to any further specific financial performance conditions. Such share options granted prior to 2021 continue to be exercisable in 2021 and subsequent years. However, that program was discontinued, and no further share options under that previous model were granted to members of the Executive Board for their services in 2021 and 2022.

In addition, in 2019 and 2020, the long-term incentive was awarded in the form of PSUs subject to a three-year vesting period conditionally upon the relative Total Shareholder Return (TSR). The TSR is a standard indicator used for measuring stock performance. It is defined as the net change in share price plus any dividend distributions over the vesting period of three years. The TSR is measured by comparing a start value of the volume-weighted average share price (VWAP) over the first 60 trading days of the first year, to an end value of the VWAP over the last 60 trading days of the third year.

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

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

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

Target, performance and payout estimate as at 31 December 2022 for the outstanding PSUs

LTI program	Measure	MBTN Start	MBTN 31.12.2022	MBT Total Shareholder Return 31.12.2022	Index Total Shareholder Return 31.12.2022	Performance 31.12.2022	Estimated payout as at 31.12.2022
LTI 2020–2023	rTSR [1]	0.24	0.46	92%	125%	-33%	0%

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

Benefits: pension and insurance

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

Benefits: perquisites

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

Employment contracts

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

Compensation 2022
Realized compensation

The following section shows the total annual pay components realized in 2022, including salary and bonus payments, contributions to pension plans, perquisites as well as the actual value of equity plans that vested in 2022. This perspective reflects the income received by members of the Executive Board in 2022, which amounted to a total annual compensation of CHF 1,349 thousand (2021: CHF 1,118 thousand). The highest compensation received by an individual member of the Executive Board in 2022 was CHF 350 thousand for the CEO (2021: CFO with CHF 563 thousand).

Compensation realized by members of the Executive Board

		Fixed compensation			Variable compensation		
2022 in TCHF	Year	Base salary	Pension	Other[1]	STI[4]	LTI effective value at vesting date)[2]	**Total realized compensation**
Total compensation of members of the Executive Board[3]	2022	1 112	40	106	65	26	**1 349**
	2021	776	40	66	134	102	**1 118**
Thereof highest paid: Dr. Gunter Erfurt CEO	2022	256	25	17	52	–	**350**
Jürgen Schiffer (former CFO)	2021	345	1	52	63	102	**563**

[1] Other compensation includes perquisites such as a car allowance or value of company car as well as social security costs.
[2] The 2019 LTI program was based on PSUs and vested in 2022 without an actual payout.
[3] During 2022, the Executive Board was increased to five members (previously three).
[4] The realised value for the STI is lower than the value granted in 2021, since a higher target achievement was expected as a precaution. The decision on the final achievement for 2021 was made on 8 June 2022.

Granted compensation

This section is audited according to Article 728a of the CO. It shows the pay components granted for 2022, which in total amounted to CHF 2,648 thousand (2021: CHF 1,894 thousand) and reflects the compensation awarded to the members of the Executive Board in the year under review. This amount comprises a base salary amount of CHF 1,112 thousand (2021: CHF 776 thousand), contributions to pension plans of CHF 40 thousand (2021: CHF 40 thousand), other perquisites of CHF 37 thousand (2021: CHF 57 thousand), bonus payments of CHF 265 thousand (2021: CHF 134 thousand), as well as the fair value of the LTI award at grant date of CHF 1,125 thousand (2021: CHF 877 thousand). The highest compensation granted to an individual member of the Executive Board in 2022 was CHF 833 thousand (2021: CHF 815 thousand).

Compensation granted to members of the Executive Board (audited)

in TCHF	Year	Fixed compensation: Base salary	Fixed compensation: Pension	Fixed compensation: Other[1]	Variable compensation: STI	Variable compensation: LTI[2]	Variable compensation: PSUs (target value at grant date)	**Total granted compensation**
Total compensation of members of the Executive Board before mandatory employer contributions[3]	2022	1 112	40	37	265	1 125	–	**2 579**
	2021	776	40	57	134	877	–	**1 884**
Thereof highest granted to one individual: Dr. Gunter Erfurt (CEO)	2022	256	24	4	99	450	–	**833**
Dr. Gunter Erfurt (CEO)	2021	278	35	8	56	438	–	**815**
Estimated mandatory employer contributions	2022							**69**
	2021							**10**
Total compensation of members of the Executive Board[4]	**2022**							**2 648**
	2021							**1 894**

1 Other compensation includes perquisites such as a car allowance or a company car.
2 LTI compensation includes the following:
- The fair value of the share option at grant date: In 2021 CHF 0.1775 and in 2022 CHF 0.206 per option (valuation per Enhanced American Model). The grant date in 2022 was 8 June 2022.
- In addition, for 2022: incremental value increase of outstanding LTI instruments due to the adjustments for anti-dilution in October 2022 (see details in explanatory comments below).

3 2022 includes compensation awarded to Nathalie Benedikt in her capacity as a CFO in office from 1 January to 31 March 2022, and to Markus Nikles as new CFO from 1 September 2022. Between 1 April and 1 September 2022, the CFO tasks were shared between the other EB members, thus no additional CFO compensation was awarded for that period.
4 In 2022, the Executive Board was increased to five members (previously three, thereof for Katja Tavernaro as Chief Sustainability Officer as of her start in that capacity in June 2021).

Explanatory comments to the compensation table

The overall compensation awarded to the Executive Board was higher in 2022 than in 2021. This change can be explained by the following:

- Number of individuals: the number of Executive Board members was increased from three to five as of 1 January 2022.
- STI: in 2021, while the net sales objective was partially met, the threshold performance level for the other financial KPIs was not achieved, leading to an overall payout of 41% of target on average (see details in 2021 report). In 2022, while functional cost reduction goals were strongly achieved, production volume was below expectation, thus leading to an overall payout of 76% of target on average.
- LTI: the total value of share options granted in 2022 increased by 28.28% compared to the previous year. The 2021 allocation reflected the business plan transformation that occurred in 2020 and therefore had a higher bonus. In 2022, the regular allocation level was applied again. In addition, the Board of Directors decided to adjust all outstanding LTI instruments in order to protect them against the dilutive effects of the capital increase approved in the extraordinary general assembly of shareholders on 28 October 2022. This led to an incremental value increase as at the date of the adjustment (30 October 2022 pursuant to the relevant Board resolution), which is included in the LTI compensation amount for 2022. Details on how the incremental value increase was determined can be found in the separate section hereunder.
- The variable compensation amounted to 214.45% of the annual base salary for the CEO (2021: 177%) and to 98.25% of the annual base salary for the other members of the Executive Board on average (2021: 103.8%).
- LTI vesting: the performance assessment of the LTI plan vesting in 2022 resulted in a vesting level of 0% because the TSR threshold was not met. The performance assessment of the LTI plan vesting in 2021 resulted in a vesting level of 0%.

In 2022, the ordinary AGM approved an increased maximum aggregate amount of compensation for the Executive Board of CHF 3,500 thousand (excluding mandatory employer contributions) for 2022, and therefore the overall compensation granted of CHF 2,648 thousand is within the limits approved by the shareholders.

During 2022, no compensation was paid to former members of the Executive Board or related parties, either by Meyer Burger or by any other company in the Meyer Burger Group.

Current or former members of the Executive Board did not receive any fees or other compensation for additional services to Meyer Burger or its subsidiaries in the 2022 or 2021 fiscal years.

Neither Meyer Burger nor its subsidiaries granted any guarantees, loans, advances or credit facilities to members of the Executive Board or related parties in 2022 or 2021.

During 2022, no compensation was paid to related parties, either by Meyer Burger or by any other company in the Meyer Burger Group.

Adjustments to outstanding LTI instruments in October 2022

Meyer Burger held an extraordinary general assembly of shareholders on 28 October 2022, where a capital increase was approved by shareholders. While existing shareholders had a chance to neutralize the dilutive effects by means of exercising their legal share purchasing rights, holders of long-term incentive instruments such as stock options, PSUs and RSUs, did not have the same possibility. The Board of Directors therefore decided to amend all outstanding instruments in order to protect the holders against the dilutive effects of the capital increase. This was a specific amendment in connection with the capital increase and does not otherwise change the existing remuneration models. The dilutional effect of the capital increase was calculated by an external independent valuation expert to be 11.5%. The following adjustments were, on that basis, approved by the Board, leading to the incremental values per instruments (again as per valuations performed by an external independent valuation expert) as shown below:

(i) Outstanding share options: Reduce strike price by 11.5%.

Original grant date	18 Dec 2020	24 May 2021	3 June 2021	8 June 2022
Incremental value increase per option [CHF]	0.0260	0.0253	0.0175	0.0151

Share ownership and related instruments Board of Directors

As at 31 December 2022, members of the Board of Directors held a total of 23,647,785 registered shares, 1,495,702 RSUs and 2,027,097 PSUs. This number comprises privately acquired shares and those allocated under Meyer Burger's compensation system.

Share Ownership as at 31 December 2022

Name	Year	No of shares	No of RSUs	No of PSUs[1]
Members of the Board of Directors				
Dr. Franz Richter	2022	4 133 754	494 613	675 699
	2021	3 031 597	202 056	675 699
Mark Kerekes	2022	7 925 812	305 200	675 699
	2021	5 814 003	115 451	675 699
Prof. Dr. Urs Schenker	2022	11 069 763	305 200	–
	2021	8 142 859	115 451	-
Andreas Herzog	2022	518 456	305 200	675 699
	2021	340 451	143 445	675 699
Katrin Wehr-Seiter (from 2022 AGM)	2022	-	85 489	-
	2021	-	-	-
Total	**2022**	**23 647 785**	**1 495 702**	**2 027 097**
	2021	17 328 910	576 403	2 027 097

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

Executive Board

As at 31 December 2022 the members of the Executive Board held a total of 842,647 registered shares, no performance share units and 26,633,418 employee stock options.

Name	Year	No of shares	No of PSUs[1]	No of RSUs	No of stock options[2]
Members of the Executive Board					
Dr. Gunter Erfurt	2022	505 734	–	–	11 006 202
	2021	374 617	105 373	–	8 970 085
Katja Tavernaro (from June 2021)	2022	86 913	–	–	5 753 100
	2021	–	–	64 380	4 735 042
Markus Nikles (from September 2022)	2022	250 000	–	–	–
	2021	–	–	–	-
Dr. Moritz Borgmann (from 1 January 2022)	2022	–	–	–	5 556 058
	2021	–	–	–	-
Daniel Menzel (from 1 January 2022)	2022	–	–	–	4 318 058
	2021	–	–	–	-
Total	**2022**	**842 647**	**–**	**–**	**26 633 418**
	2021	374 617	105 373	64 380	13 705 127

1 The fair value of PSUs at grant was CHF 0.299 in 2021.
2 The fair value of stock options at grant was CHF 0.206 in 2022 and CHF 0.1775 in 2021.

For the disclosure required under Art. 663c Para. 3 of the Swiss Code of Obligations, please see page 53.

Equity overhang and dilution as at 31 December 2022

As at 31 December 2022, the equity overhang, defined as the total number of unvested share units and options divided by the total number of outstanding shares (3,597,218,551 dividend-bearing shares) amounts to 1.5%.

The Company's gross "burn rate", defined as the total number of equities (shares, share units and options) granted in 2022 divided by the total number of outstanding shares (3,597,218,551 dividend-bearing shares) amounts to 0.5%.

External mandates of Board and EB members

This section is prepared according to Article 728a of the CO. Pursuant to Article 28 of Meyer Burger Technology's Articles of Association, "the members of the Board of Directors and the Executive Board may not hold or exercise more than the following number of additional activities in the highest management or administrative bodies of other legal entities which are obliged to be registered in the Commercial Register or in a comparable foreign register and which are not controlled by the Company or do not control the Company:

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

Several mandates with different companies belonging to the same group count as one mandate. The above limitation does not apply to mandates held by a member of the Board of Directors or the Executive Board on behalf of the Company (e.g. joint ventures or pension funds of these legal entities or in companies in which this legal entity holds a significant (non-consolidated) interest)."

As at 31 December 2022, members of the Board of Directors and of the Executive Board held the following external mandates outside the Meyer Burger Group, all mandates being compliant with the above stated rule of the Company's Articles of Association:

Name	External mandates
Members of the Board of Directors	
Dr. Franz Richter	Fraunhofer Institute IZM, Berlin: Chairman of the Board of Trustees. Scint-X Technologies AB, Kista: Chairman of the Board of Directors.
Mark Kerekes	Elbogross SA, Zug: Member of the Board of Directors. Aerius Holding AG, Zug: Member of the Board of Directors. Sentis Capital PCC, Cell 1, Cell 2, Cell 4, Balzers: Member of the Board of Directors.
Prof. Dr. Urs Schenker	Bellevue Goup AG, Zurich: Member of the Board of Directors. Capital Dynamics Holding AG, Zurich: Member of the Board of Directors. Geschäftshaus City AG, Zurich: Chairman of the Board of Directors. Ufenau Capital Partners AG, Zurich: Member of the Board of Directors. Ornak AG, Zurich: Member of the Board of Directors. SWISA Holding AG, Baar: Chairman of the Board of Directors. Indicium Technologies AG, Hünenberg: Member of the Board of Directors. EBV Immobilien AG, Urdorf: Chairman of the Board of Directors. Invicio Asset Management AG, Zurich: Chairman of the Board of Directors. Personalvorsorgestiftung der Pfizer AG, Zurich: Chairman of the Foundation Board. Stiftung für Herz- und Kreislaufforschung, Zurich: Member of the Foundation Board. Stiftung Zuversicht für Kinder, Zug: Chairman of the Foundation Board.
Andreas Herzog	Kleiderberg AG, Rüschlikon: Member of the Board of Directors. Planetary SA, Cologny: Member of the Advisory Board. SBB CFF, FFS, Bern: Member of the Board of Directors. HOCHDORF Swiss Nutrition AG, Hochdorf: Member of the Board of Directors. Systemcredit AG, Schlieren: Chairman of the Board of Directors. Seed Capital Invest AG, Luzern: Member of the Board of Directors. Swiss-Chinese Chamber of Commerce, Zurich: Vice Chairman of the Board of Directors.
Katrin Wehr-Seiter	SES S.A., Betzdorf: Member of the Board of Directors. Unite Holding SE, Leipzig, and its subsidiaries Unite Network SE, Leipzig and Mercateo Deutschland AG, Munich: Member of the Board of Directors. The Simpleshow Company S.A., Luxembourg: Member of the Board of Directors. Bellevue Group AG, Küsnacht, and its subsidiary Bellevue Private Markets AG, Küsnacht: Member of the Board of Directors. BIP (GP) S.à r.l., Luxembourg: Member of the Board of Directors. BIP Interim (GP) S.à.r.l., Luxembourg: Member of the Board of Managers.
Members of the Executive Board	
Dr. Gunter Erfurt	Oxford Photovoltaics Limited, London: Member of the Board of Directors. Fraunhofer Institute for Solar Energy Systems, Freiburg: Member of the Board of Trustees. SolarPower Europe: Member of the Board of Directors. Federal Association Solarwirtschaft e.V., Berlin: Member of the Board of Directors. Institute for Solar Energy Research (ISFH) Hamelin: Member of the Scientific Advisory Board.
Markus Nikles	None.
Katja Tavernaro	Saxony Bar Association, Dresden: Member. AOK Plus, Dresden: Deputy member of the Board of Directors.
Dr. Moritz Borgmann	None.
Daniel Menzel	None.

Report of the statutory auditor

to the General Meeting of Meyer Burger Technology AG

Thun

Report on the audit of the remuneration report

Opinion

We have audited the remuneration report of Meyer Burger Technology AG (the Company) for the year ended 31 December 2022. The audit was limited to the information on remuneration, loans and advances pursuant to Art. 14 to 16 of the Ordinance against Excessive Remuneration in Listed Companies Limited by Shares (Ordinance) in the tables marked 'audited' on pages 82,83,87 and 88 of the remuneration report.

In our opinion, the information on remuneration, loans and advances in the remuneration report (pages 77 to 91) complies with Swiss law and article 14 to 16 of the Ordinance.

Basis for opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the 'Auditor's responsibilities for the audit of the remuneration report' section of our report. We are independent of the Company 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.

Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the tables marked 'audited' in the remuneration report, the financial statements and our auditor's reports thereon.

Our opinion on the remuneration report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the remuneration report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the audited financial information in the remuneration report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Board of Directors' responsibilities for the remuneration report

The Board of Directors is responsible for the preparation of a remuneration report in accordance with the provisions of Swiss law and the company's articles of incorporation, and for such internal control as the Board of Directors determines is necessary to enable the preparation of a remuneration report that is free from material misstatement, whether due to fraud or error. The Board of Directors is also responsible for designing the remuneration system and defining individual remuneration packages.

Auditor's responsibilities for the audit of the remuneration report

Our objectives are to obtain reasonable assurance about whether the information on remuneration, loans and advances pursuant to article 14 to 16 of the Ordinance is 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 SA-CH 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 this remuneration report.

As part of an audit in accordance with Swiss law and SA-CH, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement in the remuneration report, 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.

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.

PricewaterhouseCoopers AG

René Rausenberger

Licensed audit expert
Auditor in charge

Rahel Sopi

Licensed audit expert

Bern, 22 March 2023

Even if the production of solar modules is highly automated, it needs people like Kristin Gietzelt. She works as an operator and monitors machines in line A in Freiberg. Since summer 2022 she has been working at Meyer Burger, making her one of the many new employees at the site. "I like the family-friendly shift system," she says. "I worked in a restaurant, where it was different."

6

Financial Statements

Consolidated Financial Statements – Meyer Burger Group

Statutory Financial Statements – Meyer Burger Technology AG

Consolidated Financial Statements – Meyer Burger Group

Consolidated Balance Sheet

in TCHF	Notes	31.12.2022		31.12.2021	
Assets					
Current assets					
Cash and cash equivalents		293 163		231 391	
Trade receivables	**2.1**	11 540		3 492	
Other current receivables	**2.2**	48 907		45 207	
Net receivables from production contracts	**2.3**	–		12 782	
Inventories	**2.4**	118 542		41 190	
Prepaid expenses and accrued income	**2.5**	1 646		606	
Total current assets		**473 798**	**65.8%**	**334 668**	**67.9%**
Non-current assets					
Financial assets	**2.6**	29 951		27 501	
Property, plant and equipment	**2.7**	210 712		124 271	
Intangible assets	**2.8**	5 286		6 082	
Deferred tax assets	**2.14**	695		200	
Total non-current assets		**246 644**	**34.2%**	**158 054**	**32.1%**
Total assets		**720 442**	**100.0%**	**492 722**	**100.0%**
Liabilities and equity					
Liabilities					
Current liabilities					
Financial liabilities	**2.9**	22 673		34	
Trade payables	**2.10**	33 250		21 487	
Net liabilities from production contracts	**2.3**	2 662		2 573	
Customer prepayments	**2.4**	872		3 813	
Other liabilities	**2.11**	2 259		2 191	
Provisions	**2.12**	4 078		2 554	
Accrued expenses and prepaid income	**2.13**	23 658		13 489	
Total current liabilities		**89 452**	**12.4%**	**46 141**	**9.4%**
Non-current liabilities					
Financial liabilities	**2.9**	198 148		181 155	
Other liabilities	**2.11**	377		567	
Provisions	**2.12**	1 132		1 159	
Deferred tax liabilities	**2.14**	2 452		2 270	
Total non-current liabilities		**202 109**	**28.1%**	**185 151**	**37.6%**
Total liabilities		**291 561**	**40.5%**	**231 292**	**47.0%**
Equity					
Share capital	**2.15**	179 861		133 525	
Capital reserves		1 354 438		1 161 846	
Treasury shares	**2.15**	–4 984		–5 307	
Reserve for share-based payments		4 632		3 369	
Accumulated losses		–1 105 066		–1 032 003	
Total equity		**428 881**	**59.5%**	**261 430**	**53.0%**
Total liabilities and equity		**720 442**	**100.0%**	**492 722**	**100.0%**

The Notes starting on page 100 are an integral part of the consolidated financial statements.

Consolidated Income Statement

in TCHF	Notes	1.1.–31.12.2022		1.1.–31.12.2021	
Net sales	**2.16/2.17/2.18**	**147 214**	**100.0%**	**39 905**	**100.0%**
Other operating income	**2.19**	9 084		3 168	
Currency translation gains and losses on trade receivables and customer prepayments	**4.3**	–1 099		–630	
Total Income		**155 199**		**42 443**	
Changes in inventories of finished and semi-finished products and machines before acceptance		26 692		–7 468	
Cost of products and work in progress		–150 725		–36 536	
Capitalized goods and services	**2.7**	41 845		30 744	
Operating income after costs of products and services	**1.1**	**73 011**		**29 183**	
Personnel expenses	**2.20**	–68 047		–60 411	
Operating expenses	**2.21**	–39 594		–41 241	
Earnings before interests, taxes, depreciation and amortization (EBITDA)	**1.1**	**–34 630**	**–23.5%**	**–72 469**	**–181.6%**
Depreciation and impairment on property, plant and equipment	**2.7**	–17 994		–6 287	
Amortization and impairment on intangible assets	**2.8**	–970		–6 581	
Earnings before interests and taxes (EBIT)	**1.1**	**–53 594**	**–36.4%**	**–85 337**	**–213.9%**
Financial result	**2.22**	–16 441		–11 152	
Result from investment in associates		–		–2 906	
Earnings before income taxes		**–70 035**	**–47.6%**	**–99 395**	**–249.1%**
Income taxes	**2.14**	185		–1 092	
Result		**–69 850**	**–47.4%**	**–100 487**	**–251.8%**
Attributable to					
Shareholders of Meyer Burger Technology AG		–69 850	–47.4%	–100 487	–251.8%

in CHF					
Earnings per share					
Basic earnings per share	**4.4**	–0.02		–0.04	
Diluted earnings per share	**4.4**	–0.02		–0.04	

The Notes starting on page 100 are an integral part of the consolidated financial statements.

Consolidated Statement of Changes in Equity

in TCHF — Attributable to shareholders of Meyer Burger Technology AG

	Share capital	Capital reserves
Notes	2.15	
Equity at 1.1.2021	**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**
Result	–	–
Currency translation differences recognized in reporting period	–	–
Capital increase	46 336	203 664
Costs of capital increase	–	–11 950
Sale/use of treasury shares	–	–
Share-based payments	–	–
Transfer of shares for employees to the plan participants after vesting period	–	–
Reclassification	–	878
Equity at 31.12.2022	**179 861**	**1 354 438**

The Notes starting on page 100 are an integral part of the consolidated 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**
2.15					
−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**
–	–	–	−69 850	**−69 850**	**−69 850**
–	–	−3 213	–	**−3 213**	**−3 213**
–	–	–	–	**–**	**250 000**
–	–	–	–	**–**	**−11 950**
431	–	–	–	**–**	**431**
–	2 032	–	–	**–**	**2 032**
769	−769	–	–	**–**	**–**
−878	–	–	–	**–**	**–**
−4 984	**4 632**	**−30 721**	**−1 074 345**	**−1 105 066**	**428 881**

Consolidated Cash Flow Statement

in TCHF	Notes	1.1.–31.12.2022	1.1.–31.12.2021
Result		**–69 850**	**–100 487**
Result from associates		–	2 906
Depreciation and amortization	**2.7/2.8**	18 854	7 981
Impairment / reversal of impairment on non-current assets	**2.6/2.7/2.8**	110	3 742
Gains/losses from sale of fixed assets and business activities	**2.7/2.8**	–192	163
Deferred income taxes	**2.14**	–217	1 079
Decrease (+) / increase (–) in other (non-current) assets		–2 278	–234
Increase (+) / decrease (–) in (non-current) provisions	**2.12**	–20	357
Increase (+) / decrease (–) in other (non-current) liabilities		5 213	–95
Decrease (+) / increase (–) in trade receivables	**2.1**	–1 700	1 496
Decrease (+) / increase (–) in net assets from construction contracts	**2.3**	6 264	2 608
Decrease (+) / increase (–) in inventories	**2.4**	–81 016	–18 560
Decrease (+) / increase (–) in other receivables and accruals	**2.2/2.5**	–207	–8 527
Increase (+) / decrease (–) in (current) provisions	**2.12**	1 597	–1 377
Increase (+) / decrease (–) in trade payables		11 865	12 439
Increase (+) / decrease (–) in customer prepayments		–2 911	–735
Increase (+) / decrease (–) in other (current) liabilities and deferrals	**2.11/2.13**	11 076	1 497
Exchange differences [1]		4 039	11 757
Other non-cash-related changes [1]		–654	–77
Cash flow from operating activities		**–100 027**	**–84 067**
Investments in property, plant and equipment	**2.7**	–122 000	–109 971
Investment subsidies received	**2.7**	8 428	9 632
Sale of property, plant and equipment	**2.7**	550	798
Sale of investment property	**2.7**	1 188	1 698
Investments in intangible assets	**2.8**	–448	–6 502
Investments in financial assets		–	–183
Increase in rent deposits		–1 059	–
Decrease in bank deposits with limited availability		6 024	6 601
Increase in bank deposits with limited availability		–10 786	–4 596
Cash flow from investing activities		**–118 103**	**–102 523**
Capital increase		250 000	80 000
Cost of capital increase		–9 447	–2 890
Issuance of convertible bond		–	152 762
Issuance costs of convertible bond		–	–3 953
Repayment of current financial liabilities		–11 156	–138
Increase of non-current financial liabilities		55 750	61 541
Borrowing costs		–	–3 598
Cash flow from financing activities		**285 147**	**283 724**
Change in cash and cash equivalents		**67 017**	**97 134**
Cash and cash equivalents at beginning of period		**231 391**	**139 739**
Currency translation differences on cash and cash equivalents		–5 245	–5 482
Cash and cash equivalents at the end of the period		**293 163**	**231 391**

The Notes starting on page 100 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.
[1] "Exchange differences" are shown separately for the first time in the Annual Report 2022 and the comparable period has been adjusted accordingly. In the Annual Report 2021 this item was included in "Other non-cash-related changes".

Notes to the Consolidated Financial Statements

1 General information

1.1 Accounting policies

Meyer Burger Technology AG 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 AG's 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 Board of Directors approved these consolidated financial statements on 23 March 2023. They will be submitted for approval to the Annual General Meeting to be held on 4 May 2023.

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 of tangible fixed assets and amortization on intangible assets.
- "EBIT" corresponds to the 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 AG 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 up to a maximum of 20 years. 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.

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

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

1.3 Scope of consolidation

The scope of consolidation comprises the following companies:

Consolidated companies			Participation[1]		
Company	Registered office	Currency	Share capital	31.12.2022	31.12.2021
Meyer Burger Technology AG	Thun, Switzerland	CHF	179 860 928		Parent company
Subsidiaries fully consolidated					
Hennecke Systems GmbH	Zülpich, Germany	EUR	n/a	0.00%	100.00%
Meyer Burger (Singapore) Pte. Ltd	Singapore, Singapore	SGD	1	100.00%	100.00%
MB Systems Co. Ltd	Seoul, South Korea	KRW	n/a	0.00%	100.00%
MBT Systems GmbH	Hohenstein-Ernstthal, Germany	EUR	96 000 000	100.00%	100.00%
Meyer Burger (Americas) Ltd	Goodyear, USA	USD	100	100.00%	100.00%
Meyer Burger (Americas) Lease Co., LLC	Goodyear, USA	USD	0	100.00%	100.00%
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 (Solar Valley) GmbH	Bitterfeld-Wolfen, 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 (NL) B.V.	Eindhoven, Netherlands	EUR	18 200	100.00%	100.00%
Meyer Burger (Switzerland) AG	Thun, Switzerland	CHF	500 000	100.00%	100.00%
Meyer Burger Co. Ltd	Zhubei City, Taiwan	TWD	102 317 000	100.00%	100.00%
Meyer Burger GmbH	Hohenstein-Ernstthal, 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%

[1] The share of equity corresponds to the share of voting rights.

Changes in scope of consolidation

Newly founded companies

Company	Registered office	Currency	Share capital	Participation 31.12.2022	Participation 31.12.2021
Meyer Burger (Solar Valley) GmbH	Bitterfeld-Wolfen, Germany	EUR	50 025 000	100.00%	0.00%

Companies excluded from the scope of consolidation

Company	Registered office	Currency	Share capital	Participation 31.12.2022	Participation 31.12.2021
Hennecke Systems GmbH	Zülpich, Germany	EUR	25 000	0.00%	100.00%
MB Systems Co. Ltd	Seoul, South Korea	KRW	4 421 500 000	0.00%	100.00%

Foundation of Meyer Burger (Solar Valley) GmbH

Meyer Burger (Solar Valley) GmbH, Bitterfeld-Wolfen, Germany, was founded on 8 November 2022, with the aim of strengthening Meyer Burger's operations of production of solar cells for the company's own solar module production in Goodyear, USA.

Merger of Hennecke Systems GmbH

Hennecke Systems GmbH, Zülpich, Germany, was retrospectively merged into Meyer Burger GmbH, Hohenstein-Ernstthal, Germany, as of 1 January 2022. The transaction did not lead to any changes in control over the underlying assets of the 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 its service activities in Asia would be concentrated, leading to the closure of the sites in Taiwan, Korea and Malaysia. As a result, MB Systems Co. Ltd, Seoul, South Korea, was liquidated as of 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.

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 2022	Closing rate 2021	Average rate 2022	Average rate 2021
Euro (EUR)	1	0.9847	1.0331	1.0047	1.0811
US Dollar (USD)	1	0.9232	0.9121	0.9541	0.9141
British Pound (GBP)	1	1.1102	1.2295	1.1782	1.2577
Chinese Yuan Renminbi (CNY)	100	13.3823	14.3592	14.1932	14.173
Japanese Yen (JPY)	100	0.7001	0.7924	0.7279	0.8324
Indian Rupee (INR)	100	1.1168	1.2265	1.2151	1.2365
South-Korean Won (KRW)	100	0.0733	0.0767	0.0740	0.0799
Malaysian Ringgit (MYR)	100	20.9582	21.8951	21.7100	22.0574
Singapore Dollar (SGD)	1	0.6886	0.6762	0.6923	0.6804
Taiwan Dollar (TWD)	100	3.0034	3.2956	3.2077	3.2736

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	31.12.2022	31.12.2021
Trade receivables (gross)	13 406	8 576
Allowances	–1 866	–5 084
Trade receivables	**11 540**	**3 492**

The maximum credit risk for Meyer Burger 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 2.9 Financial liabilities. Trade receivables paid through the factoring arrangement are settled upon receipt of payment from the factorer. Amounts retained by the factorer for bonus payments are paid directly to the customer by the factorer.

The increase in trade receivables is due to the settlement of the order from the previous business model; otherwise, the trade receivables from the module business are settled by using factoring (see above).

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. The factorer retains a certain percentage of the receivables until the receivable has been collected. This amount is reported in other current receivables. Amounts retained by the factorer for bonus payments are paid directly to the customer by the factorer.

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	31.12.2022	31.12.2021
Prepayments to suppliers	5 160	14 274
Bank deposits with limited availability	17 877	15 291
VAT receivables	12 103	6 195
Other receivables	13 767	9 447
Other current receivables	**48 907**	**45 207**

Bank deposits with limited availability contain various bank balances which are not readily available for use by Meyer Burger. Such accounts include bank deposits used as securitization for Meyer Burger's guarantee line, rent deposits as well as amounts relating to guarantees issued by third parties in connection with the syndicated loan agreement.

Other receivables as at 31 December 2022 include the short-term portion of receivables from the sale of the headquarter building in Thun in 2019 of CHF 2.4 million (31 December 2021: CHF 1.3 million) as well as receivable subsidies of CHF 3.2 million (31 December 2021: CHF 1.6 million). Furthermore, an amount of CHF 4.3 million (31 December 2021: CHF 0.1 million) relates to guarantees for factored receivables where a certain percentage of the receivables is withheld by the factorer until the receivable has been collected. The remaining part refers to multiple smaller categories, such as receivables from social security, other deposits or debtor balances in payables.

Accounting Policies

Other current receivables include receivables such as VAT credits, withholding tax credits and social security receivables. Bank balances with restricted use as well as 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	31.12.2022	31.12.2021
Work in progress	22 103	85 200
Customer prepayments	–24 765	–74 991
Net production contracts	**–2 662**	**10 209**
thereof		
Net receivables from production contracts	–	12 782
Net liabilities from production contracts	–2 662	–2 573
Additional information		
Net sales from the PoC method (income statement)	905	5 453

Production contracts comprise 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.

2.4 Inventories

in TCHF	31.12.2022	31.12.2021
Raw materials, purchased parts, goods for resale	89 297	50 209
Semi-finished goods and work in progress	6 980	17 448
Finished goods	36 934	3 110
Machines before acceptance	2 583	5 747
Customer prepayments	– 689	–8 760
Value adjustment inventories	–16 563	–26 564
Inventories	**118 542**	**41 190**

The increase in inventories is due to the ongoing ramp-up of production at Freiberg, Germany and Bitterfeld-Wolfen, Germany as well as due to the increased sales business activity in the USA. 87.3% of the value adjustment (31 December 2021: 97.7%) mainly results from Meyer Burger's previous business model as a manufacturer of industrial production equipment. The inventories include spare parts for the Company's own machines for module and cell prodution in the amount of CHF 6.8 million (31 December 2021: none).

As of 31 December 2022, Meyer Burger has pledged inventories in the amount of CHF 93.2 million (31 December 2021: CHF 32.1 million) to third parties as collateralization of the syndicated loan as outlined in Note 2.9

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. Spare part are included in the respected categories.

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	31.12.2022	31.12.2021
Prepaid expenses and accrued income	1 646	606
Prepaid expenses and accrued income	**1 646**	**606**

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	31.12.2022	31.12.2021
Other non-current receivables	5 286	7 641
Allowances	–333	– 244
Financial investments	19 689	19 689
Deposits (Rent and other)	2 537	96
Derivatives	2 772	319
Financial assets	**29 951**	**27 501**

As at 31 December 2022, other non-current receivables mainly comprise the long-term portion of receivables from the sale of the headquarter building in Thun in 2019 with a net amount of CHF 4.9 million (31 December 2021: CHF 7.3 million).

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. 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 at 31 December 2022. Accordingly, no impairment was recognized as at 31 December 2022.

The deposits include bank balances with restricted use of CHF 0.7 million (31 December 2021: CHF 0.0 million). In 2022, existing rent deposits were reassessed and two rent deposits in the total amount of CHF 0.7 million were reclassified from short term to long term.

On 2 September 2021, Meyer Burger (Industries) GmbH, Freiberg, Germany, concluded an interest limitation agreement in the form of a maximum rate agreement ("cap") until 28 February 2027 to secure the interest rate of the syndicated loan agreement. The market value of the cap amounts to CHF 2.8 million as at 31 December 2022 (31 December 2021: CHF 0.3 million). The base value of the cap amounts to EUR 103.5 million and reflects the outstanding amount 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 and no significant influence exists through other means.

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 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 1.1.2021	**25 730**	**8 838**	**43 137**	**519**	**38**	**10 138**	**88 400**
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**
Increase	10	1 169	40 277	–	–	29 591	71 047
Capitalization	–	–	22 044	–	–	19 797	41 841
Reclassification	–152	249	5 335	–	–	–5 432	–
Disposal	–573	–151	–977	137	–40	–97	–1 701
Currency translation differences	–1 139	–604	–6 981	2	–1	–2 166	–10 889
Balance as at 31.12.2022	**22 961**	**12 181**	**172 618**	**513**	**–**	**69 475**	**277 748**
Cumulative depreciation and impairments							
Balance as at 1.1.2021	**–7 767**	**–7 814**	**–34 092**	**–519**	**–38**	**–109**	**–50 338**
Ordinary depreciation	–927	–800	–4 530	–	–	–	–6 257
Impairment	–30	–	–	–	–	–	–30
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**
Ordinary depreciation	–815	–1 040	–16 029	–	–	–	–17 884
Impairment	–	–15	–95	–	–	–	–110
Disposal	544	115	909	–137	40	97	1 568
Currency translation differences	390	444	1 733	–2	1	2	2 568
Balance as at 31.12.2022	**–8 300**	**–8 727**	**–49 482**	**–513**	**–**	**–15**	**–67 036**
Net book value							
01.01.2021	17 963	1 024	9 045	–	–	10 029	38 062
31.12.2021	16 396	3 287	76 920	–	–	27 668	124 271
31.12.2022	14 661	3 454	123 137	–	–	69 460	210 712
Amount thereof pledged:							
31.12.2021	16 396	2 667	71 042	–	–	24 202	114 307
31.12.2022	14 691	2 694	117 969	–	–	50 676	186 030

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 112.9 million net of government subsidies were made in property, plant and equipment predominantly in the German entities.

Based on the previous business model Meyer Burger has the knowledge to produce own machinery, accordingly self-manufactured machines amonting to CHF 41.8 million were capitalized.

Further commitments to purchase property, plant and equipment are outlined in Note 4.5 Off-balance sheet liabilities.

In 2022, Meyer Burger accrued government subsidies of CHF 10.1 million which were directly deducted from the cost of acquisition or production of its property, plant and equipment (2021: CHF 11.3 million). Meyer Burger has received subsidies from the states of Saxony-Anhalt and Saxony for the development of an environmentally friendly solar cell production from environmental protection subsidies (Umweltschutzbeihilfe) and as part of the improvement of the regional economic structure. The investments financed by the subsidies are earmarked for a period of five years after the investment period. The subsidies serve to support material expenditure for the investment and creation of new permanent jobs linked to the investment after the end of the project and their occupation for at least five years, as well as to secure the existing permanent jobs.

Meyer Burger has pledged certain property, plant and equipment in the amount of CHF 186.0 million to third parties as collateral as outlined in Note 2.9 Financial liabilities (31 December 2021: CHF 114.3 million).

Meyer Burger sold its headquarter building in Thun in 2019 for a total transaction price of CHF 42.5 million, of which CHF 1.4 million became due and was paid in 2022. The cash flow from this transaction is split between the 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. The part of the headquarter building rented out to third parties was classified as investment property until it's sale in 2019 based on its investment nature.

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. Production costs for self-manufactured machines include directly attributable material costs, directly attributable wages, manufacturing overheads and other directly attributable costs.

Depreciation is generally calculated 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.

2.8 Intangible assets

in TCHF	Technology	Trade names	Software	Capitalized services	Goodwill	Other intangible assets	Total
Purchase price							
Balance as at 1.1.2021	**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
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**
Increase	–	–	448	–	–	–	448
Capitalization	–	–	–	–	–	–	–
Disposal	–	–	–404	–	–	–	–404
Currency translation differences	–4 882	–1 401	–289	–38	–8 289	–	–14 899
Balance as at 31.12.2022	**173 415**	**43 237**	**8 024**	**757**	**248 841**	**6 341**	**480 615**
Cumulative depreciation and impairments							
Balance as at 1.1.2021	**–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
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**
Ordinary amortization	–502	–	–468	–	–	–	–970
Disposal	–	–	404	–	–	–	404
Currency translation differences	4 652	1 401	246	38	8 289	–	14 626
Balance as at 31.12.2022	**–169 025**	**–43 237**	**–7 129**	**–757**	**–248 841**	**–6 340**	**–475 329**
Net book value							
01.01.2021	–	–	329	–	6 110	3	6 442
31.12.2021	5 122	–	959	–	–	1	6 082
31.12.2022	4 390	–	895	–	–	1	5 286

Intangible assets mostly originate from past company acquisitions and accordingly have been acquired in business combinations or through specific transactions. In 2022, no major investments in intangible assets were made. 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.

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 are documented and 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 carrying value exceeds the recoverable amount.

The same method is applied to reversals of 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.

2.9 Financial liabilities

in TCHF	31.12.2022	31.12.2021
Liabilities towards banks	22 673	34
Current financial liabilities	**22 673**	**34**
Convertible bond	121 358	122 346
Loan facility	76 790	58 809
Non-current financial liabilities	**198 148**	**181 155**
Financial liabilities	**220 821**	**181 189**

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 2022, the entire debt facility of EUR 115.0 million (31 December 2021: EUR 60.0 million) was drawn and EUR 10.0 million (31 December, 2021: EUR 10.0 million) was granted as documentary credit and guarantee facility (contingent liability). Since 30 September 2022, quarterly repayments of EUR 5.75 million are mandatory. Hence, an amount of EUR 11.5 million has been repaid as of 31 December 2022. The loan, which matures on 8 March 2027, is to be used to finance investments in expanding production capacity at the Bitterfeld-Wolfen, Germany, and Freiberg, Germany, production sites. The loan is guaranteed through comprehensive transfers of asset collateral from Meyer Burger with current assets of CHF 120.4 million (31 December 2021: CHF 135.2 million) of which CHF 22.2 million (31 December 2021: CHF 101.4 million) refer to pledged bank accounts without restricted use and non-current assets of CHF 186.0 million (31 December 2021: CHF 114.3 million) as well as an internal comfort letter declaring a guarantee of EUR 125.0 million (31 December 2021: EUR 125.0 million) by Meyer Burger Technology AG. 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 AG, 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 cancelled, the bond will be redeemed on 8 July 2027 at 100% of the 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 redeem the bonds early 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 amortization over the term, which generally corresponds to the principal amount.

2.10 Trade payables

in TCHF	31.12.2022	31.12.2021
Trade payables	33 250	21 487
Trade payables	**33 250**	**21 487**

The increase in trade payables is due to the increased business activities under Meyer Burger's new business model at its sites in Germany and USA.

2.11 Other liabilities

in TCHF	31.12.2022	31.12.2021
Other liabilities	2 259	2 191
Other current liabilities	**2 259**	**2 191**
Employee benefits	332	522
Other liabilities	45	45
Other non-current liabilities	**377**	**567**

Other liabilities include various items, such as liabilities for social security payments, customers with credit balances and VAT liabilities. Long-term employee benefits mainly include accruals for social costs related to stock-based compensation.

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, short-term incentives and social costs related to stock-based compensation.

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.

2.12 Provisions

in TCHF	Warranties	Restructuring	Onerous contracts	Litigation	Other provisions	Total
Balance as at 1.1.2021	**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	–	–1 169
Reclassification	–	–	–	–	–	–
Currency translation differences	–27	–	–	–	–24	–51
Balance as at 31.12.2021	**1 812**	**550**	**652**	**180**	**519**	**3 713**
Increase	2 110	55	482	202	3	2 852
Use	–148	–244	–	–104	–	–496
Release	–40	–	–652	–66	–	–758
Currency translation differences	–66	–	–10	–2	–24	–102
Balance as at 31.12.2022	**3 668**	**361**	**472**	**210**	**498**	**5 209**
Of which current						
01.01.2021	2 054	166	596	603	540	3 959
31.12.2021	1 008	550	297	180	519	2 554
31.12.2022	2 538	361	472	210	497	4 078

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. If insufficient empirical data is available, a reasonable estimate is made on the basis of the available knowledge. 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). The portion of the warranty provision relating to the old business model amounts to CHF 3.1 million (31 December 2021: CHF 1.5 million). For the sales of Meyer Burger's solar modules under the new business model, Meyer Burger grants its customers a product and performance guarantee limited to 25 or 30 years. The portion of the warranty provision relating to the new business model amounts to CHF 0.6 million (31 December 2021: CHF 0.3 million).

The warranty provision is split into a current and a non-current portion. The non-current portion is discounted as at 31 December 2022.

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.

Onerous contracts: Onerous contracts provisions are made for contracts under which the unavoidable costs of meeting the contractual obligations exceed the expected economic benefits. This mainly relates to binding sales contracts which are not profitable for Meyer Burger.

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.

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.

2.13 Accrued expenses and prepaid income

in TCHF	31.12.2022	31.12.2021
Accrued customer bonuses	4 333	240
Accrued employee benefits	4 010	3 359
Accrued interest convertible bond	2 415	2 546
Current income taxes	204	185
Other accrued expenses and prepaid income	12 696	7 159
Accrued expenses and prepaid income	**23 658**	**13 489**

As at 31 December 2022 and 31 December 2021, other accrued expenses and prepaid income predominantly include accrued expenses relating to various goods and services, for which invoices have not yet received and prepayments from subsidies related to a research and development project in 2022.

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. Furthermore, expenses relating to goods and service for which an invoice has not yet been received as well as accrued customer bonuses and prepayments from subsidies related to research and development project from which the income generated in the following year are reported here.

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.

2.14 Taxes

Deferred tax assets and liabilities

in TCHF	Deferred tax assets 31.12.2022	Deferred tax assets 31.12.2021	Deferred tax liabilities 31.12.2022	Deferred tax liabilities 31.12.2021
Trade receivables	12	13	–	–
Inventories	347	57	–	–
Financial assets	–	–	797	43
Property, plant and equipment	205	158	23	13
Intangible assets	6	9	–	–
Financial liabilities	–	–	1 695	2 153
Net liabilities from construction contracts	804	10	786	149
Provisions	183	41	13	–
Subtotal	**1 557**	**288**	**3 314**	**2 358**
Netting	–862	–88	–862	–88
Deferred income taxes	**695**	**200**	**2 452**	**2 270**

Deferred income taxes are reported as a net position for each taxable entity. As at 31 December 2022 and 31 December 2021, deferred income tax liabilities exceed deferred income tax assets. The deferred income tax liabilities as at 31 December 2022 mainly result from differences in financial liabilities due to the accounting treatment of transaction costs.

Tax loss carry-forwards not recognized

in TCHF	31.12.2022	31.12.2021
Expiry in 1 year	97 345	303 498
Expiry in 2–3 years	205 825	127 253
Expiry in 4–5 years	200 272	359 925
Expiry in more than 5 years	81 656	129 668
Non-forfeitable	358 349	283 037
Tax loss carry-forwards not recognized	**943 447**	**1 205 655**

The tax loss carry-forwards that expire on December 31, 2022 are not included in the table below.

The total income tax claim on unrecognized tax loss carry-forwards amounts to CHF 141.4 million (31 December 2021: CHF 160.5 million). This takes into account that CHF 411.3 million (31 December 2021: 577.6 million) of total unrecognized tax loss carry-forwards originate from losses of Meyer Burger Technology AG, 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 at 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 83.7 million (31 December 2021: CHF 71.0 million).

Income taxes

in TCHF	31.12.2022	31.12.2021
Current income taxes	–32	–12
Deferred income taxes	217	–1 080
Income taxes	**185**	**–1 092**

Reconciliation from expected to effective income taxes

in TCHF	31.12.2022	31.12.2021
Earnings before taxes (EBT)	–70 035	–99 395
Expected average weighted tax rate (%)	21.62%	15.85%
Expected income taxes	**15 142**	**15 754**
Cause for variance:		
Waive of capitalization of tax losses incurred in reporting period	–17 133	–20 794
Deviation from tax rate to expected tax rate of the Group	10 262	3 805
Deviation in tax-deductible expenses	–8 991	44
Income tax in other accounting periods and corrections for prior years	–60	–140
Non-taxable income	777	377
Other effects	188	–138
Effective income taxes	**185**	**–1 092**
Effective income taxes (%)	**-0.26%**	**1.10%**

The expected average weighted tax rates of 21.62% in 2022 and 15.85% in 2021 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 Swiss GAAP FER.

Deferred income tax assets are offset against deferred income tax liabilities provided they relate to the same entity and are expected to be settled net or in the same accounting period.

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.

2.15 Equity

Share capital

	Number of shares	in CHF
Balance as at 1.1.2021	**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**
Capital increase	926 727 540	46 336 377
Balance as at 31.12.2022	**3 597 218 551**	**179 860 927**

The share capital of Meyer Burger Technology AG as at 31 December 2022 was divided into 3,597,218,551 registered shares with a nominal value of CHF 0.05 each. On 11 November 2022, Meyer Burger carried out a capital increase that led to an increase by 926,727,540 registered shares based on the previous 2,670,491,011 registered shares outstanding as at 31 December 2021. The share capital is fully paid up.

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

As at 31 December 2022, non-distributable reserves in Group equity totaled CHF 225.3 million (31 December 2021: CHF 95.3 million). These are largely attributable to the capital reserves of Meyer Burger Technology AG 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 10 November 2022, the share capital may be increased by a maximum amount of CHF 6,287,870.00 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. 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 10 November 2022, the share capital may be increased by a maximum amount of CHF 12,575,756.00 through the issuance of a maximum of 251,515,120 fully paid-in registered shares with a nominal value of CHF 0.05 each, by the exercise of conversion and/or option rights which are granted in connection with convertible bonds, bonds with option rights or similar financial market instruments of the Company or of Group companies.

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

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

The Board of Directors is entitled to restrict or exclude the advance subscription rights in connection with the issuance of convertible bonds, bonds with option rights or other financial market instruments of existing shareholders, provided that:
1) the financing instruments with conversion or option rights are issued in connection with the financing or refinancing of the acquisition of enterprises, divisions thereof or participations or of newly planned investments; or
2) an issue by firm underwriting through a bank or a banking syndicate followed by a public offer, thereby excluding the advance subscription rights, seems to be the best way of issue at that point in time, in particular with respect to the terms and conditions of the issue or the timeline of the transaction.

If advance subscription rights are denied by decision of the Board of Directors, the following shall apply:
1) conversion rights may be exercisable only for up to ten years, option rights only for up to seven years from the date of the respective issuance; and
2) the respective financial market instruments must be issued at the relevant market conditions.

Authorized share capital
In accordance with Article 3d of the Articles of Association, dated 10 November 2022, the Board of Directors is entitled to increase the share capital of the Company by a maximum amount of CHF 4,808,765.75, at any time until 4 May 2023, through the issuance of a maximum of 96,175,315 fully paid-in registered shares with a nominal value of CHF 0.05 each.

The Board of Directors is entitled (including in the case of a public offer for shares of the Company) to restrict or exclude the subscription rights of the shareholders and to allocate them to third parties, if the new shares are to be used:
1) for the acquisition of enterprises, divisions of enterprises, participations or for new investment plans, or in the case of a placement of shares for the financing or refinancing of such transactions;
2) for the purpose of the participation of strategic partners; or
3) for the rapid and flexible creation of equity capital through a placement of shares, which would only be possible with difficulty with subscription rights.

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

The total outstanding amount of authorized capital under Article 3d (96,175,315 registered shares) of the Articles of Association represents 2.67% of the outstanding ordinary share capital (3,597,218,551 registered shares) as at 31 December 2022.

Treasury shares

Treasury shares held by Meyer Burger Technology AG

	Number of shares	Price/share in CHF	Value of treasury shares in TCHF
1.1.2021	**19 734 958**	**0.28**	**5 563**
Grant/use	–1 587 076	0.16	–256
31.12.2021	**18 147 882**	**0.29**	**5 307**
Grant/use	–2 147 035	0.15	–323
31.12.2022	**16 000 847**	**0.31**	**4 984**

In the course of the capital increase on 11 November 2022, Meyer Burger Technology AG did not exercise the subscription rights to treasury shares. For the capital increase on 2 July 2021, the subscription rights of the shareholders were excluded.

All treasury shares held in conjunction with the employee share plans are held by Meyer Burger Technology AG. As at 31 December 2022, these are reserved in full and will be transferred to the respective employees upon expiry of the vesting period.

Meyer Burger 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 AG held by Meyer Burger Technology AG 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 that are freely available for the most part. They include the legal, statutory and free reserves. 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	2022	2021
Net sales from sales of goods	144 766	28 524
Net sales from rendering of services	1 543	5 928
Net sales from production contracts	905	5 453
Net sales	**147 214**	**39 905**

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.

2.17 Segment reporting

The activities of Meyer Burger are divided into the following reportable business segments: "Modules", "Photovoltaics" and "Specialized Technologies". Activities under the old business model of equipment sales were reported in the "Photovoltaics" segment. As part of the ongoing transformation of the Company, customer projects in the "Photovoltaics" segment are being phased out, but still led to a limited amount of revenue in 2022, mainly due to long-term contracts and service provided. Due to the comprehensive change in Meyer Burger's business model, the "Specialized Technologies" segment is also being phased out.

Net sales by segments 2022

in TCHF	Modules	Photovoltaics	Specialized Technologies	**Total**	Consolidation	**Total after consolidation**
Net sales third parties	124 981	17 553	4 680	**147 214**	–	**147 214**
Net sales intersegment	–	24 168	–	**24 168**	–24 168	**–**
Net sales	**124 981**	**41 721**	**4 680**	**171 382**	**–24 168**	**147 214**

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**

Modules

This segment comprises Meyer Burger's 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 or will manufacture high-quality solar cells and modules. These are equipped with the proprietary heterojunction/SmartWire 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 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, by order of Meyer Burger (NL) B.V., Eindhoven, Netherlands, business could be concluded and reported under the Specialized Technologies segment. With the completion of this project, the segment being phased 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 with 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 does not disclose segment results.

2.18 Segmentation of net sales by geographic market

in TCHF	2022	2021
Switzerland	20 926	1 380
Germany	74 088	13 089
Rest of Europe	21 428	5 090
Asia	8 940	16 710
America	22 205	3 626
Rest of world	2	10
Net sales	**147 214**	**39 905**

2.19 Other operating income

in TCHF	2022	2021
Gain from sale of property, plant and equipment	229	139
Other income	8 855	3 029
Other operating income	**9 084**	**3 168**

Other operating income increased by CHF 5.9 million compared to the prior year. This is predominantly due to an income from the release of the provision for bad debts of CHF 5.8 million due to actual payments received in the financial year 2022. Furthermore, other income mainly consists of social subsidies and non-core revenue e.g. from the employee restaurant and kindergarten.

Accounting Policies

Other operating income results from regularly conducted secondary business that has an indirect connection to 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.

2.20 Personnel expenses

in TCHF	2022	2021
Wages and salaries	–50 489	–45 598
Social security	–8 856	–7 527
Pension benefit expenses	–786	–708
Share-based payment expenses	–1 969	–866
Temporary personnel	–2 401	–2 157
Other personnel expenses	–3 546	–3 555
Personnel expenses	**–68 047**	**–60 411**

The subsidies for research and development costs in the financial year included employee-related grants of CHF 2.4 million (2021: CHF 1.4 million) which were offset against personnel expenses.

2.21 Operating expenses

in TCHF	2022	2021
Rental costs	–4 135	–4 152
Maintenance and repair	–1 877	–1 488
Vehicles and transportation expenses	–3 479	–1 059
Property insurance, fees and contributions	–2 147	–1 432
Energy and waste disposal expenses	–10 718	–6 160
Administration expenses	–8 001	–10 032
IT expenses	–2 535	–2 090
Marketing expenses	–1 752	–3 499
Loss on sale of property, plant and equipment	–9	–301
Expenses for research and development	–3 673	–3 643
Other operating expenses	–1 268	–7 385
Operating expenses	**–39 594**	**–41 241**

Operating expenses were reduced by CHF 1.6 million compared to the prior year. This is predominantly due to a reduction in other operating expenses, showing a decrease in expenses related to bad debt provisions from CHF 6.4 million in 2021 to CHF 0.2 million in 2022. This decrease was partly offset by a general increase in operating expenses mainly due to the ongoing ramp-up of production at the two sites in Freiberg, Germany, and Bitterfeld-Wolfen, Germany. This impacted energy and waste disposal expenses in particular, as well as vehicle and transportation expenses.

2.22 Financial result

in TCHF	2022	2021
Interests income		
Cash and cash equivalents	719	8
Gain of financial assets fair value through profit and loss	2 581	150
Financial income	**3 300**	**158**
Interest expenses		
Liabilities towards banks	–222	–342
Interest paid on other financial liabilities	–99	–8
Loans	–2 585	–588
Convertible bond	–9 454	–4 902
Currency translation differences (net)	–4 174	–3 982
Other financial expenses	–3 207	–1 488
Financial expenses	**–19 741**	**–11 310**
Financial result (net)	**–16 441**	**–11 152**

3 Risk management

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 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, analyze and evaluate risks and to eliminate, reduce or transfer them 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 regular basis and submitted to the Board of Directors. In 2022, the Board of Directors discussed the risk reporting at a Board meeting. In another meeting, a risk update was presented to the Board of Directors.

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.

The main financial risks are described below.

3.1 Foreign currency risks

Meyer Burger is mainly exposed to exchange rate fluctuations in connection with operating expenses (e.g. raw material sourced in US dollars) 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.

The Group seeks to realize a high portion of its revenues in the same currencies in which the individual Group companies source their operating material and services – and therefore incur the respective expenses - with the aim of mitigating the exposure to particular currencies (so-called "natural hedging"). Also, the Group aims to pass on higher raw material prices due to currency fluctuations (e.g. an appreciation of the US dollar against the euro) to European customers in the form of price increases.

As at 31 December 2022, the net proceeds from the CHF 250 million capital increase in late 2022 were largely converted into euros and US dollars according to the forecasts for the planned expansion of production capacity for the PV cell and module production and the related production and distribution structures in Europe and the United States.

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 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 may use forward currency contracts to hedge against exchange rate risks. As at 31 December 2022 and 31 December 2021, 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'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 EUR 125 million (of which EUR 103.5 million was outstanding as at 31 December 2022) 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.

A low interest rate risk exists due to fluctuations in interest paid by financial institutions on 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 2022, 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 improve the result of the Group by CHF 1.0 million on an annual basis including consideration of the partial interest rate hedge. Similarly, a one-percentage-point decrease in the interest rate is expected to reduce the result of the Group by approximately CHF 1.0 million on an annual basis.

3.3 Other financial price risks

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

Meyer Burger is 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, silicon, aluminum, copper, silver or other metals, crude oil, natural gas, coal 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 did not trade in any commodity derivatives during the financial years 2022 and 2021.

3.4 Credit risks

Meyer Burger 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 and 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- or A3 (or equivalent) from a recognized rating agency, 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 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 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 years 2021 and 2022, Meyer Burger has raised liquidity through a capital increase of CHF 80 million in 2021 and CHF 250 million in 2022, the issuance of a green convertible bond of EUR 145 million, a syndicated loan facility of EUR 125 million of which EUR 103.5 million was outstanding and EUR 10 million was granted as documentary credit and guarantee facility as of 31 December 2022, as well as a factoring agreement for up to EUR 60 million. Additionally, in 2022 a EUR 10 million cash-collateralized documentary credit and guarantee facility was arranged.

Among other conditions, the credit agreement contains certain covenants and further applicable conditions, as is customary in syndicated loan agreements. As at 31 December 2022 and as of the date of the preparation of the financial statements, the applicable financial covenants were met. Management continuously monitors th covenants. Should there be any indications in the future that the financial covenants cannot be met, measures will be taken to ensure continued financing. 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 repay another financial obligation early due to non-compliance with credit terms.

The implementation of the new business model, in its current form, including in particular the planned initial expansion to approximately 3 GW of nominal annual production capacity of solar panels, as well as the envisaged further long-term growth require additional financing including renegotiation of existing loan facilities. Therefore, management is evaluating various financing instruments and concepts in a proactive dialog with financing partners. There are no indications that the discussions to obtain sufficient financing of the business plan will not be successful.

4 Other disclosures

4.1 Pension plans

Meyer Burger provides pension benefits for its employees for retirement, invalidity and death. Meyer Burger 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 100.6% at the end of 2022 (31 December 2021: 112.9%). Accordingly, the table below shows the changes in pension benefit expenses only.

The employees of Group companies outside Switzerland are members of defined contribution state pension plans in the respective countries in accordance with local legislation.

As at 31 December 2022, contributions of CHF <0.1 million were outstanding to be paid (31 December 2021: CHF 0.3 million).

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

Pension institutions 31.12.2022

Economic benefit/economic obligation and pension benefit expenses in TCHF	Surplus/deficit 31.12.2022	Economic part of the organization 31.12.2022	Economic part of the organization 31.12.2021	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 2022
Pension schemes without funding surplus/deficit in Switzerland	–	–	–	–	646	646
Pension schemes abroad	–	–	–	–	140	140
Total	**–**	**–**	**–**	**–**	**786**	**786**

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**

4.2 Share-based payment

The Company has a share-based payment 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 share-based payment program consists of periodic share or option plans. The Board of Directors determines the individual participants of each plan based on a recommendation of the Executive Board at its reasonable discretion. Shares or 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), respective exercise price per option, 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 or options 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 fair value of the shares and options granted is expensed and accumulated in the share-based payment reserve in equity over the corresponding vesting period. The share-based payment reserve is then released at the vesting date. The fair value of shares refers to the share price of the grant while the fair value of options is calculated taking into account the exercise price, the share price at grant date, the expected volatility, the risk-free interest rate and the expected dividend yield. Plan adjustments, especially to neutralize dilutive effects from the capital increase, are reflected in the fair value of the shares and options granted at the time of the adjustment and accordingly affect expenses and the accumulation of the share-based payment reserve over the remaining duration of the plan.

Share plan

in TCHF	2022	2021
Number of options granted	17 234 885	22 740 836
Date of grant	08.06.2022	24.05.2021/03.06.2021
Options price/fair value at date of grant in CHF	0.21	0.20/0.18
Number of shares granted	-	668 896
Date of grant	-	24.05.2021
Share price/fair value at date of grant in CHF	-	0.30
Fair value of shares and options granted in CHF	3 550 386	4 395 735

For the 2022, 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 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%.

Share payment

In 2022 and 2021 the Board of Directors received shares as part of their remuneration.

in TCHF	2022	2021
Number of shares transferred	875 256	480 526
Date of transfer	24.06.2022/15.12.2022	30.12.2021
Share price/fair value at date of transfer in CHF	0.44/0.54	0.41
Fair value of shares transferred in CHF	431 247	197 016

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 employees, including the Executive Board, and the Board of Directors.

When shares are issued, the value of the shares to be issued corresponds to the current market price of the Meyer Burger Technology Ltd share at the time of allocation. A comprehensive external appraisal is obtained in each case for the share and option valuation, which takes into account any defined performance criteria, expectations of market developments/volatilities and other relevant parameters in the valuation. This forms the basis for the accounting of the share-based payments.

The share-based payments are recognized evenly over the vesting period in the income statement under personnel expenses (account for share-based payments). The vesting period corresponds to the period between the allocation of the shares and the date on which the shares can be freely disposed of. Over the vesting period, the reserve for share-based payments is thus accumulated in equity. After the vesting period, the entire reserve for share-based payments for the relevant share plan is transferred to the capital reserves of Meyer Burger Technology Ltd if the shares were newly created. Otherwise, the reserve for share-based payments and the treasury shares reserved for the plan distribution are derecognized. Any social security contributions payable on the share-based payments after the end of the vesting period must be accrued accordingly and recorded on an accrual basis.

4.3 Currency translation differences

in TCHF	2022	2021
Currency translation differences on trade receivables and customer prepayments	–1 099	–630
Currency translation differences on cost of products and services	2 108	1 057
Currency translation differences on other operating expenses	37	17
Currency translation differences on financial expenses/income	–4 181	–3 917
Currency translation differences	**–3 135**	**–3 473**

The effect from unrealized currency translation differences is gerenally recognized in the financial result. The currency loss on Group loans totaled CHF 2.3 million (2021: CHF 0.4 million), of which a loss of CHF 1.7 million (2021: CHF 1.2 million) was recognized in the financial results and a loss of CHF 0.6 million (2021: gain of CHF 0.8 million) directly in equity due to the equity-like nature of the respective loans.

4.4 Earnings per share

in TCHF	2022	2021
Basic		
Net result attributable to shareholders of Meyer Burger Technology AG (in TCHF)	–69 850	–100 487
Weighted average number of ordinary shares (in 1 000)	2 796 080	2 567 826
Basic earnings per share (in CHF)	**–0.02**	**–0.04**
Diluted		
Diluted earnings per share (in CHF)	**–0.02**	**–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 2022 as well as 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 AG is negative in both years, dilutive effects, if any, are disregarded.

4.5 Off-balance sheet liabilities

in TCHF	31.12.2022	31.12.2021
Investment obligations from contracts already signed	172 930	114 882

The investment obligations as at 31 December 2022 and as at 31 December 2021 mainly refer to the acquisition of the necessary equipment in the German and US 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	31.12.2022	31.12.2021
Due date in the next financial year	14 764	5 875
Due date from 2 to 5 years	30 532	21 395
Due date more than 5 years	28 139	6 269
Future liabilities from operating lease	**73 435**	**33 539**

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 5.0 million that will fall due in the years 2022 to 2029. In addition, operating lease obligations include CHF 7.4 million for the rent of the production facilities in Bitterfeld-Wolfen, Germany with a contractual term until 2027 and CHF 35.9 million with a contractual term until 2037. Meyer Burger (Americas) Lease Co., Goodyear, USA has concluded a leasing contract with a remaining volume of USD 9.6 million 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 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	2022	2021
Guarantees (not product-related)	7 369	8 875
Contingent liabilities	**7 369**	**8 875**

During 2019, 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, in respective of 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.

As at 31 December 2022, no 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

In February 2023, Meyer Burger (Industries) GmbH, Freiberg, Germany, signed a supply agreement for silicon wafers with the manufacturer NorSun AS, Oslo, Norway. The agreement is an important step in strengthening the independence of European supply chains.

Meyer Burger Sdn. Bhd., Cyberjaya, Malaysia, was liquidated as of 14 February 2023. On 22 February 2023, the sale of Burger Systems (Shanghai) Co. Ltd, Shanghai, China, by equity transfer was official completed.

On 2 March 2023, Meyer Burger communicated that in order to meet the steadily increasing demand for faster growth of its manufacturing capacities, the Board of Directors of Meyer Burger Technology AG has decided to introduce a unified product platform for its solar modules. This allows to build-up manufacturing capacities faster and with less risk in the future.

No further events occurred between 31 December 2022 and 22 March 2023 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 AG

Thun

Report on the audit of the consolidated financial statements

Opinion

We have audited the consolidated financial statements of Meyer Burger Technology AG and its subsidiaries (the Group), which comprise the consolidated balance sheet as at 31 December 2022, and the consolidated income statement, the consolidated statement of changes in equity, the consolidated cash flow statement for the year then ended, and notes to the consolidated financial statements, including a summary of accounting policies.

In our opinion, the consolidated financial statements (pages 94 to 125) give a true and fair view of the consolidated financial position of the Group as at 31 December 2022 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.

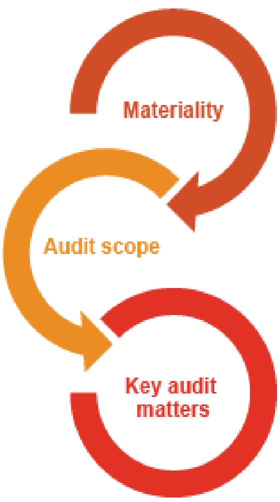
Basis for opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). 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 2,000,000

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

Our audit scope addressed 78 % of the Group's net sales. In addition, we performed specified procedures on the reporting packages of three companies in three countries, which addressed a further 17 % of the Group's net sales and two further companies, which we addressed other risk characteristics.

As key audit matter the following area of focus has been identified:

Recognition and existence of property, plant, and equipment

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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 2,000,000
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 200,000 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 three 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 78% of the Group's net sales, while the specified procedures at three Group companies addressed 17% of net sales and two companies with other risks.

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.

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 210.7 million are recognized as per 31 December 2022, whereof CHF 112.9 million were capitalized in financial year 2022. 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 10.1 million in the financial year 2022) were deducted from the investment expenditure. Costs capitalized include own work capitalized in the amount of CHF 41.8 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 of: • the significance and complexity of the balance sheet items in the consolidated financial statements (note 2.7 'property, plant, and equipment').	As part of our audit, we assessed the existence of internal processes and controls for the recognition of PPE and the methodological approach used to identify, account for and measure PPE, including government grants and own work capitalized. In addition, we performed the following audit procedures: • We inspected project documents to satisfy ourselves of the respective project progress of the cell und module lines in Bitterfeld-Wolfen und Freiberg. 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 based on internal forecasts and evaluated the reasonableness of the underlying estimates and assumptions. We also reviewed procurement contracts which Meyer Burger has entered in connection with the investments made on a sample basis. • 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. • We assessed the government grants regarding recognition based on the conditions and provisions in the grant notifications and further underlying documents. • Furthermore, we assessed the estimates made by management. Based on our audit procedures, we consider management's approach to recognizing PPE reasonable.

Board of Directors' responsibilities for the consolidated financial statements

The Board of Directors is responsible for the preparation of the consolidated financial statements, which 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 SA-CH 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 SA-CH, 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.

Report on other legal and regulatory requirements

In accordance with article 728a paragraph 1 item 3 CO and PS-CH 890, we confirm that an internal control system exists which has been designed for the preparation of the 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

Licensed audit expert
Auditor in charge

Rahel Sopi

Licensed audit expert

Bern, 22 March 2023

Statutory Financial Statements – Meyer Burger Technology AG

Balance Sheet

in TCHF	Notes	31.12.2022	31.12.2021
Assets			
Current assets			
Cash and cash equivalents		196 732	94 798
Other receivables			
intercompany		5 336	2 183
third parties		8 202	14 525
Accrued income and deferred expenses		152	110
Total current assets		**210 422**	**111 616**
Non-current assets			
Financial assets	2.1	182 729	68 236
Investments	2.2	357 943	268 432
Total non-current assets		**540 672**	**336 668**
Total assets		**751 094**	**448 284**
Liabilities and equity			
Current liabilities			
Other payables			
intercompany		5 674	6 415
third parties		372	243
Accrued expenses and deferred income		6 397	1 444
Current provisions		492	517
Total current liabilities		**12 935**	**8 619**
Non-current liabilities			
Provisions		143	114
Total non-current liabilities		**143**	**114**
Equity			
Share capital	2.3	179 861	133 525
Legal capital reserves			
Capital contribution reserves	2.4	773 452	569 788
Other capital reserves		6 191	5 892
Legal retained earnings			
General legal retained earnings		140	140
Accumulated losses		–216 644	–264 487
Treasury shares	2.5	–4 984	–5 307
Total equity		**738 016**	**439 551**
Total liabilities and equity		**751 094**	**448 284**

Income Statement

in TCHF	Notes	1.1.–31.12.2022	1.1.–31.12.2021
Other operating income	**2.6**	8 131	3 656
Other operating expenses	**2.7**	–	–466
Personnel expenses	**2.8**	–1 603	–1 375
Administration expenses	**2.9**	–13 454	–6 943
Impairments on intercompany loans, investments and financial assets	**2.10**	63 525	–23 497
Earnings before interests and taxes		**56 599**	**–28 625**
Financial costs			
Interest expenses	**2.11**	–216	–333
Other financial expenses	**2.12**	–7 706	–2 060
Loss from currency translations	**2.13**	–2 992	–3 078
Financial income			
Interest income	**2.14**	2 317	2 588
Earnings before taxes		**48 002**	**–31 508**
Income taxes		–159	–104
Net result		**47 843**	**–31 612**

Notes to the Financial Statements

1 Accounting policies

1.1 General

These annual financial statements have been prepared in accordance with the provisions of the Swiss Code of Obligations (32nd Title of the Code of Obligations). Any significant valuation policies employed that are not prescribed by the Code are described below.

1.2 Financial assets

Financial assets consist of non-current loans and financial equity investments where less than 20% of the voting rights are held. Loans granted in foreign currencies are measured at the rate on the actual reporting date, with unrealized foreign currency losses being taken into account, but not unrealized foreign currency gains (prudence principle).

1.3 Investments

Meyer Burger generally applies the principle of individual valuation while aggregating investments in Group companies with close business interrelationships.

1.4 Provisions and contingent liabilities

Provisions are only created if there is a present obligation to third parties as a result of a past event, a reliable estimate can be made of the amount of the obligation, and a future outflow of resources is probable. If an obligation cannot be identified with sufficient reliability, it is reported as a contingent liability but not recognized.

Provisions are measured at the best estimate, i.e. the amount recognized as a liability is the best estimate of the expenditure required to settle the present obligation on the reporting date. The amount of provisions is reviewed for its appropriateness at every reporting date.

1.5 Equity

Equity includes share capital, legal capital reserves, legal retained earnings, accumulated losses and treasury shares. Share capital is the nominal value of all outstanding shares.

Capital reserves contain payments by shareholders in excess of the nominal share value reflecting the share premium. The position is reduced by the excess value over the nominal value of any cancelled treasury shares. Gains and losses realized on the sale of treasury shares are also recognized directly in capital reserves. Costs related to capital increases are charged to the income statement.

Treasury shares comprise shares in Meyer Burger Technology AG held by Meyer Burger Technology AG itself. Treasury shares are recognized at cost and are not remeasured as at the reporting date.

Retained earnings or accumulated losses consist of undistributed gains, and respectively accumulated losses.

1.6 Share-based payments

A share-based payment is a transaction in which an entity receives or acquires goods or services as consideration for its equity instruments or by incurring liabilities to the supplier of those goods or services for amounts that are based on the price of the entity's shares or other equity instruments of the entity. The accounting treatment of share-based payments depends on how the transaction is settled, namely whether it is settled by equity instruments or in cash. Under the current share participation program, Meyer Burger Technology AG makes an individual offer to every plan participant in an offer letter stipulating the number of conditional rights to purchase shares, the acquisition price per share (if any), the payment conditions, the acceptance period and the (optional) retention periods. The fair value at the time of the grant of conditional rights, shares or options is recognized in personnel expenses over the vesting period.

1.7 Cash flow statement and additional disclosures not included in the notes

Since Meyer Burger Technology AG prepares consolidated financial statements in accordance with a recognized accounting standard (Swiss GAAP FER), in compliance with the statutory provisions, it has not included disclosures on interest-bearing liabilities and audit fees in these notes, has not presented a cash flow statement and has not prepared a report on the financial year in these annual financial statements.

2 Disclosures relating to items in the balance sheet and income statement

2.1 Financial assets

Financial assets mainly consist of loans to direct and indirect subsidiaries of Meyer Burger Technology AG aimed at financing their ordinary business. As of 31 December 2022, Meyer Burger Technology AG made significant reversals of impairments on loans to Meyer Burger (Americas) Ltd., Goodyear, USA, amounting to CHF 63.8 million. Based on a business valuation, it is expected that the future cash flows of Meyer Burger (Americas) Ltd. after the successful ramp-up of the production in the USA are sufficient to serve and to repay the loans in the medium to long term.

In addition, as of 31 August 2021, the investments in Oxford Photovoltaics Limited, London, United Kingdom, and its fully owned subsidiary Oxford PV Germany GmbH, Brandenburg an der Havel, Germany, were reclassified from investments into financial assets based on the loss of significant influence over the companies' business activities. The market value indicators available supported the investment value as at 31 December 2022. Accordingly, no impairment was recognized as at 31 December 2022.

2.2 Investments

Meyer Burger Technology AG holds the following direct and indirect investments in subsidiaries:

Companies

				Participation[1]	
Company	Registered office	Currency	Share capital	31.12.2022	31.12.2021
Hennecke Systems GmbH	Zülpich, Germany	EUR	n/a	0.00%	100.00%
Meyer Burger (Singapore) Pte. Ltd	Singapore, Singapore	SGD	1	100.00%	100.00%
MB Systems Co. Ltd	Seoul, South Korea	KRW	n/a	0.00%	100.00%
MBT Systems GmbH	Hohenstein-Ernstthal, Germany	EUR	96 000 000	100.00%	100.00%
Meyer Burger (Americas) Ltd	Goodyear, USA	USD	100	100.00%	100.00%
Meyer Burger (Americas) Lease Co., LLC	Goodyear, USA	USD	0	100.00%	100.00%
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 (Solar Valley) GmbH	Bitterfeld-Wolfen, 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 (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	102 317 000	100.00%	100.00%
Meyer Burger GmbH	Hohenstein-Ernstthal, 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%

[1] The share of equity corresponds to the share of voting rights.

Foundation of Meyer Burger (Solar Valley) GmbH

Meyer Burger (Solar Valley) GmbH, Bitterfeld-Wolfen, Germany, was founded on 8 November 2022, with the aim of strengthening Meyer Burger's operations of production of solar cells for the company's own solar module production in Goodyear, USA.

Merger of Hennecke Systems GmbH

Hennecke Systems GmbH, Zülpich, Germany, was retrospectively merged into Meyer Burger GmbH, Hohenstein-Ernstthal, Germany, as of 1 January 2022. The transaction did not lead to any changes in control over the underlying assets of the 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 its service activities in Asia would concentrated, leading to the closure of the sites in Taiwan, Korea and Malaysia. As a result, MB Systems Co. Ltd, Seoul, South Korea, was liquidated as of 14 April 2022 as the first of the three local companies.

2.3 Share capital

The share capital of Meyer Burger Technology AG as at 31 December 2022 was divided into 3,597,218,551 registered shares with a nominal value of CHF 0.05 each. On 10 November 2022, Meyer Burger Technology AG carried out a capital increase. The capital increase led to an increase of 926,727,540 registered shares based on the 2,670,491,011 registered shares outstanding as at 31 December 2021. The share capital is fully paid up.

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

Conditional share capital

In accordance with Article 3b of the Company's Articles of Association, dated 10 November 2022, the share capital may be increased by a maximum amount of CHF 6,287,870.00 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. 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 10 November 2022, the share capital may be increased by a maximum amount of CHF 12,575,756.00 through the issuance of a maximum of 251,515,120 fully paid-in registered shares with a nominal value of CHF 0.05 each, by the exercise of conversion and/or option rights which are granted in connection with convertible bonds, bonds with option rights or similar financial market instruments of the Company or of Group companies.

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

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

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

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

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

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

Authorized share capital

In accordance with Article 3d of the Articles of Association, dated 10 November 2022, the Board of Directors is entitled to increase the share capital of the Company by a maximum amount of CHF 4,808,765.75, at any time up to 4 May 2023, through the issuance of a maximum of 96,175,315 fully paid-in registered shares with a nominal value of CHF 0.05 each.

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

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

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

The total outstanding amount of authorized capital under Article 3d (96,175,315 registered shares) of the Articles of Association represents 2.67% of the outstanding ordinary share capital (3,597,218,551 registered shares) as at 31 December 2022.

Significant shareholders

The Company is aware of the following shareholders, who according to Article 12 of FMIA (Financial Market Infrastructure Act) held more than 3% of the voting rights (based on the share capital registered in the commercial register) as at 31 December 2022 and 31 December 2021 respectively. The disclosure notices are published on the website of the disclosure office.[1]

	Registered shares[3]	
Shareholder[2]	31.12.2022	31.12.2021
Sentis Capital PCC (Cell 3)[4]	10.01%	10.01%
BlackRock, Inc.	5.10%	5.10%
Norges Bank (the Central Bank of Norway)	4.03%	–
Universal-Investment-Gesellschaft mbH	3.40%	3.71%
Millenium Partners LP[5]	3.05%	–
Swisscanto Fondsleitung AG	3.02%	3.00%
Invesco Ltd, Hamilton, Bermuda	–	5.41%
UBS Fund Management (Switzerland) AG	–	3.01%

1 www.six-exchange-regulation.com/en/home/publications/significant-shareholders.html?companyId=MEYER
2 Voting rights participation according to the latest disclosure notice received from the shareholder.
3 Registered shares held in Meyer Burger Technology AG according to the disclosure notice.
4 The beneficial owner was Petr Kondrashev, Austria.
5 The beneficial owner was Israel Englander.

2.4 Capital contribution reserves

Of the total CHF 773.5 million capital contribution reserves as at 31 December 2022, CHF 544.5 million were approved by the Federal Tax Administration as available for distribution free of withholding tax (31 December 2021: CHF 475.2 million).

The increase of CHF 69.3 million is based on the capital increase in the financial year 2021. The premiums of the 2022 capital increase are again reported to the Federal Tax Administration for approval for potential distribution free of withholding tax.

The capital contribution reserves as at 31 December 2022 include capital transaction costs of CHF 25.2 million not approved for potential distribution free of withholding tax by the Federal Tax Administration based on current practice.

2.5 Treasury shares

Treasury shares held by Meyer Burger Technology AG

	No. of shares	Price/share in CHF	Value of treasury shares in TCHF
01.01.2021	**19 734 958**	**0.28**	**5 563**
Grant/use	–1 587 076	0.16	–256
31.12.2021	**18 147 882**	**0.29**	**5 307**
Grant/use	–2 147 035	0.15	–323
31.12.2022	**16 000 847**	**0.31**	**4 984**

In the course of the capital increase on 11 November 2022, Meyer Burger Technology AG did not exercise the subscription rights to treasury shares. With the capital increase on 2 July 2021 the subscription rights of the shareholders were excluded.

Treasury shares held by subsidiaries

All treasury shares held in conjunction with the employee share plans are held by Meyer Burger Technology AG. As at 31 December 2022, these are reserved in full and will be transferred to the respective employees upon expiry of the vesting period.

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

2.6 Other operating income

Other operating income mainly includes management fees that were invoiced to subsidiaries. In 2022, no dividends were received from subsidiaries (2021: CHF 0.9 million)

2.7 Other operating expenses

In 2021, other operating expenses reflect losses on bad debts from Group companies with CHF 0.5 million. In 2022, no other operating epenses were incurred.

2.8 Personnel expenses

Personnel expenses in 2022 mainly consists of payments to the Board of Directors of CHF 0.9 million, accruals for reserves for sharebased-payments of CHF 0.4 million, employee remuneration of CHF 0.2 million and external staff remuneration of CHF 0.7 million.

2.9 Administration expenses

In 2022, administration expenses mainly include consulting costs of CHF 3.2 million and management costs of CHF 4.6 million which were largely passed on to subsidiaries. Additionally, administration expenses included issuance stamp duty of CHF 2.9 million related to the capital increase.

2.10 Impairments on intercompany loans, investments and financial assets

The valuation of investments and loans to subsidiaries as well as financial assets is reviewed at least annually. As at 31 December 2022, additional impairments on investments and loans to Group companies were deemed necessary based on expected future cash flows. In addition, the line item includes significant reversals of impairments on loans to Meyer Burger (Americas) Ltd. amounting to CHF 63.8 million.

2.11 Interest expenses

In the current and previous financial year, negative interest and bank fees were recognized as interest expenses. In the previous year, a debt waiver on an intercompany loan was also recognized through profit and loss.

2.12 Other financial expenses

Other financial expenses mainly refer to capital increase costs of CHF 7.5 million in 2022 (2021: CHF 1.9 million).

2.13 Loss from currency translation

The currency translation rate of the US dollar (USD) increased by 1% (2021: 3%) while the currency translation rate of the euro (EUR) decreased by 5% (2021: 4%) in the reporting year. This resulted in a cumulative loss from currency translation.

2.14 Interest income

Interest income includes the interest received on loans granted to Group companies and bank balances.

3 Other disclosures

3.1 Full-time employees

The average number of full-time employees did not exceed 50 employees for the reporting period as well as the previous period.

3.2 Liabilities to pension funds

As at 31 December 2022, no contributions to pension funds were outstanding to be paid (31 December 2021: none).

3.3 Contingent liabilities

As at 31 December 2022, several guarantees were granted by Meyer Burger Technology AG for Group companies in favor of third parties for a maximum amount of CHF 274.9 million (31 December 2021: CHF 227.4 million). This amount consists of a letter of comfort for the syndicated loan towards Meyer Burger (Industries) GmbH, Freiberg, Germany. As at 31 December 2022, the entire debt facility of EUR 115.0 million (31 December 2021: EUR 60.0 million) was drawn and EUR 10.0 million (31 December 2021: EUR 10.0 million) was granted as documentary credit and guarantee facility. In addition, as at 31 December 2022 EUR 17.9 million (31 December 2021: EUR 2.3 million) of the guarantee for the factoring facility towards Meyer Burger (Industries) GmbH, Freiberg, Germany, was utilized. This guarantee is limited to the amount of EUR 60 million. In addition, a guarantee for the convertible bond issued by MBT Systems GmbH, Hohenstein-Ernstthal, Germany, was issued on 30 June 2021 with the amount of EUR 145 million of which accrued interest of EUR 2.4 million was outstanding to be paid as at 31 December 2022 (31 December 2021: EUR 2.4 million).

Meyer Burger (Americas) Ltd and DESRI PROCUREMENT LLC (DESRI), Delaware, USA, have signed a binding agreement to supply at least 3.75 GW of solar modules for DESRI's large-scale projects. It is planned that the modules will be manufactured at Meyer Burger's Goodyear, Arizona site, USA, with delivery of the modules between 2024 and 2029. As of 6 October 2022, Meyer Burger Technology AG has a seller parent guarantee for DESRI.

During 2020, Meyer Burger Technology AG signed a bilateral framework agreement for credit products with a Swiss financial institution, which is still valid throughout 2022. The bank's claims are secured with a right of lien of up to a principal amount of CHF 25.0 million and as at 31 December 2022, CHF 4.2 million cash collateral was deposited (31 December 2021: CHF 11.6 million).

In addition, Meyer Burger Technology AG is the borrower and pledger of a credit facility from a German financial institution. The credit line amounted to CHF 2.5 million as at 31 December 2022 (31 December 2021: CHF 2.6 million), of which CHF 1.7 million was cash collateralized (31 December 2021: CHF 2.6 million). The credit facility can be drawn by subsidiaries by way of guarantees for advance payments, warranty bonds or other types of guarantees. It cannot be used for the collateralization of loans.

3.4 Letters of comfort and liquidity commitments in favor of Group companies

Meyer Burger Technology AG has issued liquidity commitments in favor of several Group companies. This enables the respective Group companies to confidently settle their accounts payable to creditors on time.

3.5 Shares allocated to the Board of Directors, Executive Board and employees

In the years 2022 and 2021, participation rights were allocated to members of the Board of Directors and employees as follows:

Name	No. of shares	No. of options	Price/share in CHF	Price/option in CHF	Value of treasury shares/options in TCHF
2022					
Allocated to the Board of Directors	875 256	-	0.4436/0.5410		431
Allocated to the Executive Board		5 090 291	-	0.206	1 049
Allocated to employees		12 144 594	-	0.206	2 502
Total	**875 256**	**17 234 885**	**–**	**–**	**3 982**
2021					
Allocated to the Board of Directors	1 149 422	-	0.299/0.4006	–	392
Allocated to the Executive Board	-	4 940 169	-	0.177	874
Allocated to employees	-	17 800 667	-	0.177/0.198	3 315
Total	**1 149 422**	**22 740 836**	**–**	**–**	**4 581**

3.6 Share ownership by the Board of Directors and the Executive Board

2022

The members of the Board of Directors and of the Executive Board (including related parties) held the following participations in Meyer Burger Technology AG as at 31 December 2022:

Name	Position	Registered shares (number)	RSU/PSU/ restricted shares under share plan[1] (number)	Options under share plan[1] (number)	Total participation[2] (in % of outstanding shares)
Dr. Franz Richter	Chairman of the Board of Directors	4 133 754	1 170 312	–	0.15%
Mark Kerekes	Member of the Board of Directors	7 925 812	980 899	–	0.25%
Prof. Dr. Urs Schenker	Member of the Board of Directors	11 069 763	305 200	–	0.32%
Andreas R. Herzog	Member of the Board of Directors	518 456	980 899	–	0.04%
Katrin Wehr-Seiter	Member of the Board of Directors	–	85 489	–	0.00%
Dr. Gunter Erfurt	Chief Executive Officer	505 734	–	11 006 202	0.32%
Markus Nikles	Chief Financial Officer	250 000	–	–	0.01%
Katja Tavernaro	Chief Sustainability Officer	86 913	–	5 753 100	0.16%
Dr. Moritz Borgmann	Chief Commercial Officer	–	–	5 556 058	0.15%
Daniel Menzel	Chief Operating Officer	–	–	4 318 058	0.12%
Total as at 31 December 2022		**24 490 432**	**3 522 799**	**26 633 418**	**1.52%**

1 In the participation table, the number of restricted registered shares under RSU/PSU plans for the Executive Committee and Board of Directors includes the maximum potential amount of shares that could be vested from the 2020/2021/2022 LTI Share Plans. The number of options under share plan includes the maximum amount of shares that could be vested under the 2022 option plans.

Grant/purchase date	Number of shares	Number of options	Vesting period until
15.12.2022	441 309		14.12.2025
24.06.2022	433 947		23.06.2025
08.06.2022		5 090 291	07.06.2025
30.12.2021	480 526		30.12.2024
03.06.2021	–	11 543 127	02.06.2024
24.05.2021	501 672	–	23.05.2024
23.12.2020	1 525 425	–	22.12.2023
18.12.2020	–	10 000 000	17.12.2023

2 Participation as a percentage of the number of outstanding registered shares as at 31 December 2022 (3,597,218,551 shares).

2021

The members of the Board of Directors and of the Executive Board (including related parties) held the following participations in Meyer Burger Technology AG as at 31 December 2021:

Name	Position	Registered shares (number)	RSU/PSU/ restricted shares under share plan[1] (number)	Options under share plan[1] (number)	Total participation[2] (in % of outstanding shares)
Dr. Franz Richter	Chairman of the Board of Directors	3 031 597	877 755	–	0.15%
Mark Kerekes	Member of the Board of Directors	5 814 003	791 150	–	0.25%
Prof. Dr. Urs Schenker	Member of the Board of Directors	8 142 859	115 451	–	0.31%
Andreas R. Herzog	Member of the Board of Directors	340 451	819 144	–	0.04%
Dr. Gunter Erfurt	Chief Executive Officer	374 617	105 373	8 970 085	0.35%
Jürgen Schiffer	Chief Financial Officer	292 364	–	–	0.01%
Katja Tavernaro	Chief Sustainability Officer	–	64 380	4 735 042	0.18%
Total as at 31 December 2021		**17 995 891**	**2 773 253**	**13 705 127**	**1.29%**

1 In the participation table, the number of restricted registered shares under RSU/PSU plans for the Executive Committee and Board of Directors includes the maximum potential amount of shares that could be vested from the 2019/2020/2021 LTI Share Plans.

Grant/purchase date	Number of shares	Number of options	Vesting period until
30.12.2021	480 526		30.12.2024
03.06.2021	–	3 705 127	02.06.2024
24.05.2021	501 672	–	23.05.2024
23.12.2020	1 525 425	–	22.12.2023
18.12.2020	–	10 000 000	17.12.2023
01.04.2019/03.05.2019	265 640	–	31.03.2022/02.05.2022

2 Participation as a percentage of the number of outstanding registered shares as at 31 December 2021 (2,670,491,011 shares).

3.7 Significant events after the reporting date

Meyer Burger Sdn. Bhd., Cyberjaya, Malaysia, was liquidated as of 14 February 2023. On 22 February 2023, the sale of Burger Systems (Shanghai) Co. Ltd, Shanghai, China, by equity transfer was official completed.

On 2 March 2023, Meyer Burger communicated that in order to meet the steadily increasing demand for faster growth of its manufacturing capacities, the Board of Directors of Meyer Burger Technology AG has decided to introduce a unified product platform for its solar modules. This allows to build-up manufacturing capacities faster and with less risk in the future.

No further events occurred between 31 December 2022 and 22 March 2023 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 AG

Thun

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Meyer Burger Technology AG (the Company), which comprise the balance sheet as at 31 December 2022, and the income statement for the year then ended, and notes to the financial statements, including a summary of accounting policies.

In our opinion, the financial statements (pages 131 to 140) comply with Swiss law and the company's articles of incorporation.

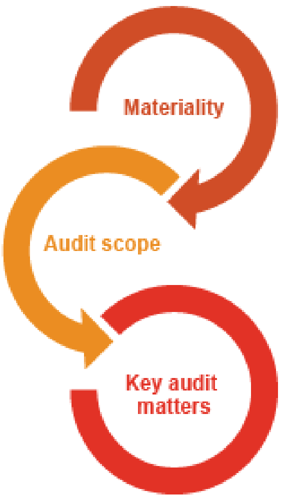
Basis for opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the Company in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

Our Audit Approach

Overview



Overall materiality: CHF 5,800,000

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

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

Impairment testing of investments in Group companies, of intercompany loans, and receivables

Materiality

The scope of our audit was influenced by our application of materiality. Our audit opinion aims to provide reasonable assurance that the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

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

Overall materiality	CHF 5,800,000
Benchmark applied	Total assets
Rationale for the materiality benchmark applied	We chose total assets as the benchmark because the Company primarily holds investments in and grants loans to Group companies.

We agreed with the Audit Committee that we would report to them misstatements above CHF 200,000 identified during our audit as well as any misstatements below that amount which, in our view, warranted reporting for qualitative reasons.

Audit scope

We designed our audit by determining materiality and assessing the risks of material misstatement in the financial statements. In particular, we considered where subjective judgements were made; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

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

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

Impairment testing of investments in Group companies, of intercompany loans, and receivables

Key audit matter	How our audit addressed the key audit matter
As at 31 December 2022, Meyer Burger Technology AG reported investments in Group companies (CHF 358 million), intercompany loans (CHF 163 million) and receivables (CHF 5.3 million, current). Investments in Group companies, intercompany loans and receivables are measured at historical cost less impairment in accordance with the requirements of the Code of Obligations. The Board of Directors and management have tested the valuations of these investments, intercompany loans and receivables. Where necessary, impairment charges have been recognized. We considered the assessment of the valuations of the investments in Group companies and current and non-current intercompany loan and receivables (please refer to note 2.10' Impairments on intercompany loans, investments and financial assets' in the notes to the financial statements) to be a key audit matter because of: • the significant judgement involved in performing the impairment tests, • the operating results of certain companies, and • the significant amount that these assets represent.	We assessed the need for impairment of the investments in Group companies, intercompany loans and receivables. We performed the following audit procedures: • We compared the market capitalization with the book value of the shareholders' equity of Meyer Burger Technology AG • We verified the underlying valuation model prepared by management as well as the WACC applied to determine the recoverable amounts with the support of valuation experts • We analyzed the Business Plan, which is approved by the Board of Directors for plausibility • We compared the results of management's valuations against the corresponding book value and assessed the completeness and correct booking of the necessary impairment charges We consider the valuation process applied by the Board of Directors and management to be an appropriate and adequate basis to support the valuation of the investments in Group companies and intercompany loans and receivables.

Board of Directors' responsibilities for the financial statements

The Board of Directors is responsible for the preparation of the financial statements in accordance with the provisions of Swiss law and the company's articles of incorporation, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company'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 Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

As part of an audit in accordance with Swiss law and SA-CH, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company'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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

We communicate with the Board of Directors or its relevant committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other legal and regulatory requirements

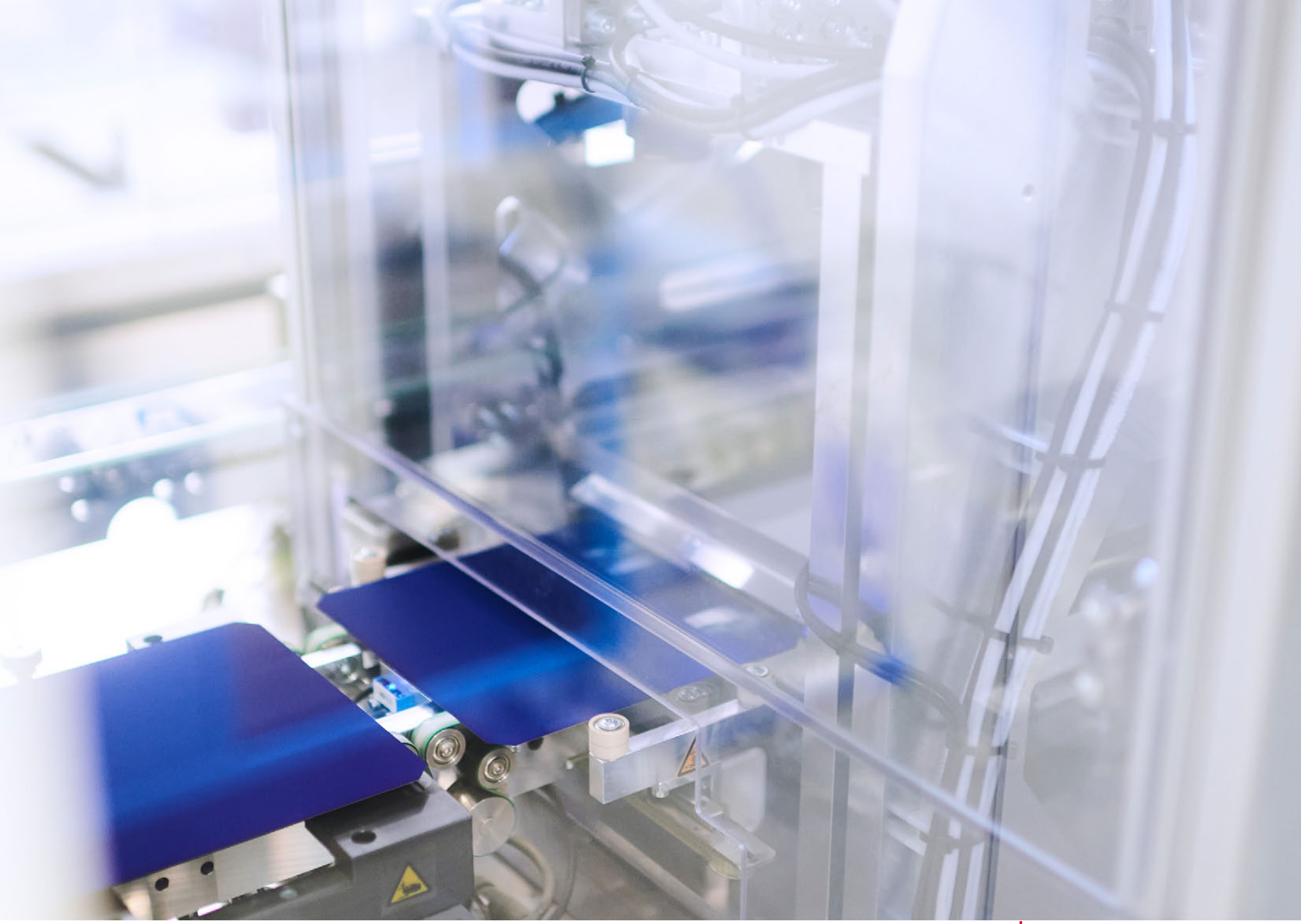
In accordance with article 728a paragraph 1 item 3 CO and PS-CH 890, we confirm that an internal control system exists which has been designed for the preparation of the financial statements according to the instructions of the Board of Directors.

We recommend that the financial statements submitted to you be approved.

PricewaterhouseCoopers AG

René Rausenberger	Rahel Sopi
Licensed audit expert Auditor in charge	Licensed audit expert

Bern, 22 March 2023



Heterojunction solar cells are manufactured in various clusters in mass production in Bitterfeld-Wolfen. The processes take place within large enclosed machines, which is why no clean room conditions are necessary in the halls. This saves energy and allows new capacities to be built during ongoing 24/7 production.

7

Other Information

Information for investors and the media

Registered shares
Meyer Technology AG
Swiss valor number 10850379
ISIN CH0108503795
Listing SIX Swiss Exchange
Ticker symbol MBTN
Reuters MBTN.S
Bloomberg MBTN SW
Nominal value per registered share CHF 0.05
Number of outstanding shares 3,597,218,551
as at 31 December 2022
Share price low/high 2022 CHF 0.22/0.56
Closing price as at 31 December 2022 CHF 0.536

Other information
Accounting standard Swiss GAAP FER
Auditors PricewaterhouseCoopers AG
Share register Computershare Switzerland Ltd

Important dates
23 March 2023 Publication of Fiscal Year Results 2022, Analyst and Media Conference
4 May 2023 Ordinary Annual General Meeting, Kultur- und Kongresszentrum, Thun

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Interesting and useful product portfolio information and background knowledge about the entire technology company can be found on the corporate homepage www.meyerburger.com.

All companies within the Meyer Burger Group can be contracted using the email address mbtinfo@meyerburger.com.

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Imprint

Declaration on forward-looking statements

This Meyer Burger Technology AG Annual Report 2022 contains statements that constitute "forward-looking statements", relating to the company. Because these forward-looking statements are subject to risks and uncertainties, the reader is cautioned that actual future results may differ from those expressed in or implied by the statements, which constitute projections of possible developments.

All forward-looking statements are based only on data available to Meyer Burger at the time of preparing the Annual Report 2022. Meyer Burger does not undertake any obligation to update any forward-looking statements contained in these documents as a result of new information, future events or otherwise.

The Annual Report 2022 is also available in electronic format. The Meyer Burger Annual Report 2022 is published in English only and is therefore the binding version.

The Annual Report 2022 is available on the internet:
www.meyerburger.com

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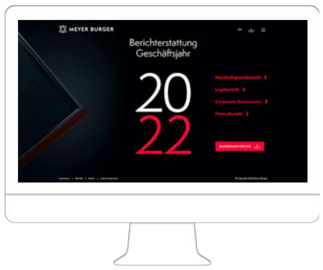

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