

Ad hoc announcement pursuant to Art. 53 LR
Thun, March 14, 2024

Meyer Burger publishes Annual Report 2023 after a strategic shift in a year of market distortions; largest customer DESRI intends to participate alongside Sentis in the upcoming capital increase

Meyer Burger Technology AG strengthens its position as a leading manufacturer of premium solar modules and cells in a challenging environment. Severe price undercutting in the European solar market has prevented Meyer Burger from achieving the targeted customer sales volumes. Consequently, and as published on January 17, 2024, the results for fiscal year 2023 were significantly impacted. The strategic decision to make substantial investments to shift the business focus to the United States further impacted the results. Furthermore, Meyer Burger's largest shareholder Sentis Capital Cell 3 PC (Sentis Capital) and its largest customer D.E. Shaw Renewable Investment (DESRI) intend to invest in the upcoming capital increase.

Running on its nameplate capacity of 1.4 gigawatts by the end of 2023, the volume of solar modules produced rose to 650 megawatts. The market distortions in the European market did not allow for production at full capacity that would have unlocked economies of scale. Further, module inventories increased significantly to approximately 365 megawatts. Sales in fiscal year 2023 amounted to CHF 135.0 million (2022: CHF 147.2 million).

Due to unfair market conditions and consequently the announcement on the preparation of the closure of the Freiberg site, the Company had to recognize impairments on fixed assets of the solar cell and module production in Germany as well as inventories. The impairments on inventory are based on market prices as of the end of last year and together with the impairments on fixed assets have no cash implications. The company therefore reported a total loss of CHF -291.9 million in the reporting period (2022: CHF -69.9 million). Nearly half of the loss is the consequence of one-off effects.

The company achieved a financial result of CHF -42.6 million (2022: CHF -16.4 million). The inventories increased to CHF 130.8 million (2022: CHF 118.5 million) over the course of 2023 mainly due to modules that could not be sold in the accounting period. At the end of the accounting period, inventories had to be written down due to accounting requirements as a result of the massive drop of market prices from the second half of 2023 onwards. This has led to value adjustments of CHF 51.7 million (2022: reversal of value adjustments, CHF 10.0 million). Altogether, this led to a negative EBITDA of CHF -163.6 million (2022: CHF -34.6 million). Without these value adjustments, EBITDA would have been negative CHF -111.9 million. EBIT amounted to CHF -250.2 million (2022: CHF -53.6 million) and was negatively impacted

by impairment losses on property, plant and equipment and intangible assets in the amount of CHF 56.8 million (2022: CHF 0.0 million) as a result of an impairment test and due to other one-off effects, in particular ramp-up and frontloaded costs as well as contractually agreed credit notes to customers from stock protection clauses. If the overall market situation in Europe would change, e.g. through appropriate resilience measures, a reversal of respective impairments would be possible.

Meyer Burger's cash and cash equivalents (including restricted cash) amounted to CHF 150.2 million as of December 31, 2023, and CHF 82.0 million as of February 29, 2024. As of December 31, 2023, total assets decreased to a total of CHF 681.2 million (December 31, 2022: CHF 720.4 million). Current assets amounted to CHF 386.1 million (2022: CHF 473.8 million).

Focus on U.S. production

With the business climate in Europe continuing to deteriorate, Meyer Burger decided in January 2024 to take further steps to focus on production and profitable growth in the U.S. The module production at our Freiberg (Saxony) site in Germany was discontinued in mid-March 2024, which shall lead to significant cost savings from April. The solar cell production in Thalheim (Bitterfeld-Wolfen, Saxony-Anhalt), Germany, will continue to support production ramp-up of U.S. solar module manufacturing in Goodyear, Arizona for the time being.

Sentis Capital and DESRI intend to invest in capital increase

On February 23, Meyer Burger published an invitation to an Extraordinary General Meeting (EGM), to vote on a capital increase with a targeted gross proceeds of CHF 200 to 250 million. Sentis Capital, the Group's largest shareholder, intends to invest up to CHF 50 million in equity financing. In addition, the company is delighted to announce that its largest customer in the U.S., DESRI, has indicated that it plans to support the upcoming capital increase by investing up to USD 20 million, subject to a cap of 10% of the capital raise by taking up non-subscribed shares. DESRI and Meyer Burger have been working closely together in the U.S. since 2022 under their multi-year offtake agreement. Meyer Burger believes that DESRI's planned investment will provide substantial support to Meyer Burger's positioning in the U.S. market.

EBITDA potential of nearly CHF 250 million per year

Board of Directors and management believe that the long-term upside potential for Meyer Burger remains highly attractive as a leading provider of high performance heterojunction technology. The potential in the U.S. alone is substantial with existing offtake agreements. Following the successful ramp-up and the achievement of full production capacity of cell and module production at the U.S. sites in the medium term, Meyer Burger expects to generate EBITDA of nearly CHF 250 million per year from the US

business. Thus, Meyer Burger would be well positioned to have the potential to grow a profitable business with the sites in the United States.

Outlook

Meyer Burger welcomes the recent decision on resilience measures in Italy. With regards to its inventory, the company expects to financially benefit from this and further potential resilience regulation in Europe during the implementation-phase of the Net Zero Industry Act.

Meyer Burger expects that the proceeds from the potential debt financing sources, together with the proceeds from the capital increase, will enable it to start up the module production in Goodyear by the end of the second quarter of 2024. The cell production in Colorado Springs, Colorado is expected to ramp-up around year end 2024, subject to sufficient financing.

In parallel, Meyer Burger will continue to seek potential strategic partnerships with companies that could provide capital, support industrialization and increase sales through customer access, possible development of new geographic areas and/or technology licensing. These potential partnership business models could contribute to greater long-term growth and reduce capital intensity.

Changes to the Board of Directors

Katrin Wehr-Seiter, Member of the Board of Directors, has resigned from her post for personal reasons. Franz Richter, Chairman of the Board of Directors, stated: "The Board of Directors would like to thank Katrin Wehr-Seiter for her valuable input and contributions during her time at Meyer Burger."

The Annual Report 2023 can be found at the following link:

<https://www.meyerburger.com/en/investor-relations/financial-reports-publications>

A **video webcast incl. conference call** in English will take place today (March 14, 2024) at 14.00 CET. You can follow the webcast at the following link:

<https://www.webcast-eqs.com/meyerburger-2023-ar> (audio and presentation in web browser)

Please use the following link to register to **ask questions via telephone conference**:

<https://webcast.meetyoo.de/reg/Ql0XasM8JwRz>

After registration, participants will receive a confirmation e-mail with individual dial-in details.

Media contact

Meyer Burger Technology AG
Anne Schneider
Head Corporate Communications

M. +49 174 349 17 90
anne.schneider@meyerburger.com

Investor Relations

Alexandre Müller
T. +41 43 268 32 21
alexandre.mueller@meyerburger.com

This publication may contain specific forward-looking statements, e.g. statements including terms like "believe", "assume", "expect", "forecast", "project", "may", "could", "might", "will" or similar expressions. Such forward-looking statements are subject to known and unknown risks, uncertainties and other factors which may result in a substantial divergence between the actual results, financial situation, development or performance of Meyer Burger Technology AG and those explicitly or implicitly presumed in these statements. Against the background of these uncertainties, readers should not rely on forward-looking statements. Meyer Burger Technology AG assumes no responsibility to update forward-looking statements or to adapt them to future events or developments. Except as required by applicable law, Meyer Burger Technology AG has no intention or obligation to update, keep updated or revise this publication or any parts thereof following the date hereof.