IMPORTANT NOTICE

NOT FOR DISTRIBUTION TO ANY U.S. PERSON OR TO ANY PERSON OR ADDRESS IN THE UNITED STATES

IMPORTANT: You must read the following before continuing. The following applies to the attached prospectus (the "**Prospectus**"), and you are therefore advised to read this carefully before reading, accessing or making any other use of the Prospectus. In accessing the Prospectus, you agree to be bound by the following terms and conditions, including any modifications to them any time you receive any information from us as a result of such access. The Prospectus has been prepared solely in connection with the offering of the securities described therein (the "**Securities**").

NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER OF SECURITIES FOR SALE IN THE UNITED STATES OR ANY JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. THE SECURITIES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "**U.S. SECURITIES ACT**"), OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES AND THE SECURITIES MAY NOT BE OFFERED OR SOLD IN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS AS DEFINED IN REGULATION S UNDER THE U.S. SECURITIES ACT ("**U.S. PERSONS**"), ABSENT REGISTRATION UNDER THE U.S. SECURITIES ACT OR PURSUANT TO AN AVAILABLE EXEMPTION FROM SUCH REGISTRATION AND APPLICABLE STATE OR LOCAL SECURITIES LAWS. THERE WILL BE NO PUBLIC OFFERING OF THE SECURITIES IN THE UNITED STATES. THE PROSPECTUS MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THE PROSPECTUS IN WHOLE OR IN PART IS UNAUTHORIZED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE U.S. SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS. IF YOU HAVE GAINED ACCESS TO THIS ELECTRONIC TRANSMISSION CONTRARY TO ANY OF THE FOREGOING RESTRICTIONS, YOU ARE NOT AUTHORIZED AND WILL NOT BE ABLE TO PURCHASE ANY OF THE SECURITIES DESCRIBED THEREIN.

Confirmation of your representation: The information contained in the Prospectus is directed solely at persons who are eligible to access the Prospectus under applicable law. By accessing the Prospectus you shall be deemed to have represented to us that: (1) you and any person that you represent are not U.S. Persons and the e-mail address that you gave us and to which this electronic transmission has been delivered or the location from which you are otherwise accessing this electronic transmission is not located in the United States; (2) if you are in a member state of the European Economic Area (the "**EEA**"), you are a "qualified investor" within the meaning of Article 2(e) of Regulation (EU) 2017/1129 (including any relevant implementing measure in each relevant member state of the EEA); (3) if you are in the United Kingdom, you are a "qualified investor" within the meaning of Article 2(e) of Regulation (EU) 2017/1129 as it forms a part of United Kingdom domestic law by virtue of the European Union (Withdrawal) Act 2018, who (a) has professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "**Order**"), or (b) is a high net worth entity falling within Article 49(2)(a) to (d) of the Order; (4) you are an investor that is otherwise eligible to receive the Prospectus; and (5) the Prospectus is not being, and will not be, forwarded or distributed to any other person or reproduced in any manner whatsoever, and in particular, to any U.S. address or distributed in any other manner in the United States or to U.S. Persons or to any other recipient who is not permitted to receive the Prospectus and that you consent to delivery or making available of the Prospectus by electronic transmission.

You are reminded that the Prospectus has been delivered or made available to you on the basis that you are a person into whose possession the Prospectus may be lawfully delivered or made available in accordance with the laws of the jurisdiction in which you are located and you may not, nor are you authorized to, deliver the Prospectus to any other person.

The Prospectus has been sent to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and consequently neither the Acting Agent nor the Issuer, each as named in the Prospectus, nor any person who controls any of them nor any of their respective directors, officers, employees or agents nor any affiliate of any such person accepts any liability or responsibility whatsoever in respect of any difference between the Prospectus distributed or made available to you in electronic format and the hard copy version available to you upon request as described in the Prospectus.

This Prospectus has been approved by SIX Exchange Regulation AG in its capacity as review body pursuant to article 52 of the Swiss Financial Services Act of 15 June 2018, as amended (the "**FinSA**"), on 31 January 2022.

PROSPECTUS DATED 20 JANUARY 2022

CHF 20,000,000 Unsecured Mandatory Convertible Notes due 2027

mandatorily convertible into registered shares with a par value of CHF 10.00 each of

Cicor Technologies Ltd.
(*incorporated with limited liability in Switzerland*)

This prospectus (the "**Prospectus**") relates to the offering (the "**Offering**") of up to CHF 60,188,000 in aggregate principal amount of unsecured mandatory convertible notes due 2027 (the "**MCNs**"), to be issued by Cicor Technologies Ltd. (the "**Issuer**" and together with its consolidated subsidiaries, the "**Group**", "**Cicor**", "**we**" or "**us**") and the listing of the MCNs on SIX Swiss Exchange Ltd ("**SIX Swiss Exchange**" or "**SIX**"). The Offering resulted in the issuance and sale of MCNs in the aggregate principal amount of CHF 20,000,000. The MCNs are mandatorily convertible into registered shares with a par value of CHF 10.00 each of the Issuer ("**Shares**"). Capitalized terms used but not defined below shall have the meanings assigned to such terms in the applicable Terms of the MCNs (as defined below).

For purposes of the offering of the MCNs, and the application for admission to trading of the MCNs on SIX Swiss Exchange, the Issuer relies on article 51(2) of the FinSA. Accordingly, this Prospectus was not reviewed or approved by a competent Swiss review body pursuant to article 52 of the FinSA as of its date, and will be submitted to SIX Exchange Regulation Ltd in its capacity as Swiss review body pursuant to article 52 of the FinSA (in such capacity, the "Swiss Review Body") only after completion of the offering of the MCNs and after application was made for provisional admission to trading of the MCNs on SIX Swiss Exchange. This Prospectus is the prospectus pursuant to article 35 of the FinSA and article 43(1)(a) of the Swiss Financial Services Ordinance of 6 November 2019 (the "FinSO") only in its final version and if so approved by the Swiss Review Body. This Prospectus will not be updated for any developments that occur after its date. In particular, this Prospectus is not required to be updated as of the date of the approval by the Swiss Review Body.

Offering:	The Offering consisted of up to CHF 60,188,000 in aggregate principal amount of MCNs (a) offered by way of a public offering (the "**Public Offering**") in which the holders of Shares as of 5.30 p.m. (CET) on 31 December 2021 received preferential subscription rights (*Vorwegzeichnungsrechte*) ("**Rights**") to, subject to certain limitations based on residency, purchase MCNs at the Issue Price (as defined below) and (b) sold to OEP 80 B.V., Amsterdam, Netherlands (the "**Backstop Investor**") which has committed to purchase MCNs in an aggregate principal amount (i) of CHF 16,701,000 (the "**OEP Amount**") and (ii), to the extent Rights have not been validly exercised, in a maximum aggregate principal amount of CHF 43,487,000 (the "**Backstopped Amount**" and collectively with the OEP

	Amount, the "**Committed Amount**") in accordance with its respective commitment as set out in the subscription agreement (the "**Subscription Agreement**"). The Offering resulted in the issuance and sale of MCNs in the aggregate principal amount of CHF 20,000,000. The Rights, the MCNs and the Shares issuable upon conversion of the MCNs have been and will be offered only to persons that are not, and are not acting for the account or benefit of, U.S. persons as defined in Regulation S ("**Regulation S**") under the U.S. Securities Act of 1933, as amended (the "**U.S. Securities Act**") ("**U.S. Persons**") in offshore transactions in accordance with Regulation S. See "*Subscription and Sale*".
Public Offering and Rights exercised:	One Right per Share held as of 5.30 p.m. (CET) on 31 December 2021 has been granted to eligible holders of Shares, with an aggregate amount of 3,069,542 Rights being so granted. 51 Rights entitled the holder thereof to subscribe for and purchase one MCN at the Issue Price. Rights could be exercised from (and including) 3 January 2022 to 12.00 noon Central European Time ("**CET**") on 13 January 2022 (the "**Rights Exercise Period**"). Rights not duly exercised during the Rights Exercise Period expired and became null and void without the right to any compensation. The exercise of Rights is irrevocable. The Rights were listed and traded on SIX from (and including) 3 January 2022 to 5.00 p.m. (CET) on 11 January 2022 (the "**Rights Trading Period**"). 608,073 Rights have been duly exercised and the holders of such Rights subscribed for and will purchase MCNs in an aggregate principal amount of CHF 11,923,000.
Terms of the MCNs:	The terms and conditions of the MCNs are set forth under "*Terms and Conditions of the Mandatory Convertible Notes*" (the "**Terms of the MCNs**") beginning on page 36 of this Prospectus.
Issue Size:	CHF 20,000,000 in aggregate principal amount.
Reopening	The Issuer reserves the right to reopen this issue and increase the aggregate principal amount of the MCNs at any time during the period starting on the day following the Payment Date and ending on (but excluding) the day falling 12 months after the Payment Date (the "**Reopening Period**") and without the prior consent of or permission of the holders of MCNs through the issue of further mandatory convertible notes which will be fungible with the MCNs (i.e., identical especially in respect of the Terms of the MCNs, security number, final maturity and interest rate; each such issue a "**Reopening**"), provided that the total issue, i.e. including existing MCNs, does not exceed CHF 60,188,000.
Denomination/Trading Lot:	CHF 1,000 and integral multiples thereof.
Issue Price:	100% of the aggregate principal amount of the MCNs.
Issue Date:	20 January 2022.
Payment Date:	21 January 2022.
Maturity Date:	21 January 2027.
Interest:	The MCNs are non-interest bearing.

Form of the MCNs:	The MCNs are issued in uncertificated form in accordance with article 973c of the Swiss Code of Obligations of 30 March 1911, as amended (*Obligationenrecht*, the "**CO**") as uncertificated securities (*einfache Wertrechte*) that will be created by the Issuer by means of a registration in its register of uncertificated securities (*Wertrechtebuch*). Such uncertificated securities (*einfache Wertrechte*) will then be entered into the main register (*Hauptregister*) of SIX SIS Ltd ("**SIS**") or any other intermediary in Switzerland recognized for such purposes by the Relevant Exchange (SIS or any such other intermediary, the "**Intermediary**"). Once the uncertificated securities (*einfache Wertrechte*) are registered in the main register (*Hauptregister*) of the Intermediary and entered into the accounts of one or more participants of the Intermediary, the MCNs will constitute intermediated securities (*Bucheffekten*) (the "**Intermediated Securities**") in accordance with the provisions of the Swiss Intermediated Securities Act of 3 October 2008, as amended (*Bucheffektengesetz,* the "**FISA**"). The conversion of the uncertificated securities (*einfache Wertrechte*) into a permanent global certificate (*Globalurkunde auf Dauer*) or individually certificated securities (*Wertpapiere*) is excluded.
Status of the MCNs:	The MCNs will constitute direct, unconditional, unsecured and unsubordinated obligations of the Issuer and rank *pari passu* with all other present or future unsecured and unsubordinated obligations of the Issuer and without any preference among themselves, except for such preference as is provided by any mandatory applicable provision of law.
Conversion Price:	CHF 47.50, subject to adjustment in accordance with the Terms of the MCNs.
Conversion Ratio:	CHF 1,000 (i.e., the principal amount of one MCN), divided by the Conversion Price, the resulting number of Shares to be calculated to five decimal places. In connection with the conversion of any MCN, no Fractions will be delivered, and no cash payment for Fractions will be made, to the Holder thereof.
Source of Shares:	Conditional capital of the Issuer.
Mandatory Conversion:	Unless previously converted due to an Accelerated Conversion Event or early at the option of the Holder or purchased and cancelled by the Issuer, each outstanding MCN will be mandatorily converted on the Maturity Date into such number of Shares as is equal to the Conversion Ratio in accordance with the applicable Terms of the MCNs. The MCNs will not be redeemed or be redeemable for cash in any circumstances.
Early Conversion at the Option of the Holder:	Each Holder has the right to convert all or some of its MCNs early at any time during the period from (and including) the date falling 730 days after the Payment Date and ending on (but excluding) the tenth Trading Day prior to the Maturity Date, or if and when a Take-over Bid is formally announced, during the period starting on the first day of the additional offer period during the period starting on the first day of the additional offer period and ending on the last day of the additional offer period pursuant to the FMIA and its implementing ordinances, subject to the limitations set out in the Terms of the MCNs.
Accelerated Conversion:	Upon the occurrence of an Accelerated Conversion Event, each outstanding MCN will be converted into such number of Shares as is equal to the Conversion Ratio in accordance with the Terms of the MCNs.
Events of Default:	None.

Governing Law/Jurisdiction:	The MCNs will be governed by the laws of Switzerland. The courts of Zurich, Switzerland, will have exclusive jurisdiction to settle any disputes in connection with the MCNs.
Risks:	See "*Risk Factors*" beginning on page 7 of this Prospectus.
Clearing and Settlement:	SIX SIS AG ("**SIX SIS**").
Admission to Trading and Listing of the Rights, the MCNs and Shares:	The Rights were listed and admitted to trading on SIX from 3 January 2021 until 11 January 2021. The MCNs are expected to be provisionally admitted to trading on SIX Swiss Exchange on or around 20 January 2022. Application will be made for the MCNs to be definitively admitted to trading and listed on SIX Swiss Exchange as soon as practicable thereafter and (if granted) will only be granted after the Payment Date. The last day of trading for the MCNs on SIX Swiss Exchange is expected to be the second trading day prior to the Maturity (or, if earlier, prior to the date on which the MCNs are fully converted in accordance with the applicable Terms of the MCNs). The Shares are listed and traded on SIX Swiss Exchange.
Sales Restrictions:	U.S. Persons and USA, EEA, UK, others (see "*Subscription and Sale*").

Security Numbers:

	Swiss Security Number	ISIN	Ticker Symbol
Rights	115416153	CH1154161538	CICN1
MCNs	115513583	CH1155135838	CIC21
Shares	870219	CH0008702190	CICN

Zürcher Kantonalbank (the "**Acting Agent**") and the Issuer have entered into a notes purchase agreement dated as of 21 December 2021, relating to the first purchase of the MCNs, as well as a paying and conversion agency agreement dated as of 21 December 2021, relating to the servicing of the MCNs.

Zürcher Kantonalbank

IMPORTANT INFORMATION

For purposes of the offering of the MCNs, and the application for admission to trading of the MCNs on SIX Swiss Exchange, the Issuer relies on article 51(2) of the FinSA. Accordingly, this Prospectus was not reviewed or approved by the Swiss Review Body as of its date, and will be submitted to the Swiss Review Body only after completion of the offering of the MCNs and after application was made for provisional admission to trading of the MCNs on SIX Swiss Exchange. This Prospectus will not be updated for any developments that occur after its date. In particular, this Prospectus is not required to be updated as of the date of the approval by the Swiss Review Body. Consequently, neither the delivery of this Prospectus nor the offering, sale or delivery of any MCNs nor the admission to trading of the MCNs on SIX Swiss Exchange shall in any circumstances imply that the information contained herein concerning the Issuer is correct at any time subsequent to the date hereof or that any other information supplied in connection with the issue of the MCNs is correct as of any time subsequent the date indicated in the document containing the same.

This Prospectus has been prepared by the Issuer solely for use in connection with the offering of the MCNs and for the admission to trading and listing of the MCNs on SIX Swiss Exchange. The Issuer has not authorized the use of this Prospectus for any other purpose.

The Issuer accepts responsibility for the content of this Prospectus and declares that the information in this Prospectus is, to the best of its knowledge, correct and no material facts or circumstances have been omitted herefrom.

This Prospectus is to be read in conjunction with all documents that are incorporated herein by reference (see "*About this Prospectus—Documents Incorporated by Reference*"). This Prospectus shall be read and construed on the basis that such documents are incorporated and form part of this Prospectus.

The Acting Agent has not independently verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Acting Agent as to the accuracy or completeness of the information contained or incorporated in this Prospectus or any other information provided by the Issuer in connection with the MCNs.

No person is or has been authorized by the Issuer to give any information or to make any representation not contained in or not consistent with this Prospectus or any other information supplied in connection with the MCNs and, if given or made, such information or representation must not be relied upon as having been authorized by the Issuer or the Acting Agent.

To the fullest extent permitted by law, the Acting Agent accepts no responsibility whatsoever for the contents of this Prospectus or for any other statement, made or purported to be made by the Acting Agent or on its behalf in connection with the Issuer or the issue and offering of the MCNs. The Acting Agent accordingly disclaims all and any liability whether arising in tort or contract or otherwise (save as referred to above) which it might otherwise have in respect of this Prospectus or any such statement.

Neither this Prospectus nor any other information supplied in connection with the MCNs (i) is intended to provide the basis of any credit or other evaluation, or (ii) should be considered as a recommendation by the Issuer or the Acting Agent that any recipient of this Prospectus or any other information supplied in connection with the MCNs should purchase any MCNs. Each investor contemplating purchasing any MCNs should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer. Neither this Prospectus nor any other information supplied in connection with the issue of the MCNs constitutes an offer or invitation by or on behalf of the Issuer or the Acting Agent to any person to subscribe for or to purchase any MCNs or Shares.

The Rights, the MCNs and the Shares issuable upon conversion of the MCNs have not been and will not be registered under the U.S. Securities Act, and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. Persons except in accordance with Regulation S or pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. The Rights, the MCNs and the Shares issuable upon conversion of the MCNs have been and will be offered only to persons that are not, and are not acting for the account or benefit of, U.S. Persons in offshore transactions in accordance with Regulation S. See "*Subscription and Sale*".

EACH PURCHASER OF THE MCNS MUST COMPLY WITH ALL APPLICABLE LAWS AND REGULATIONS IN FORCE IN ANY JURISDICTION IN WHICH IT PURCHASES, OFFERS OR SELLS THE MCNS OR POSSESSES OR DISTRIBUTES THIS PROSPECTUS AND MUST OBTAIN ANY CONSENT, APPROVAL, OR PERMISSION REQUIRED BY IT FOR THE PURCHASE, OFFER OR SALE BY IT OF THE MCNS UNDER THE LAWS AND REGULATIONS IN FORCE IN ANY JURISDICTION TO WHICH IT IS SUBJECT OR IN WHICH IT MAKES SUCH PURCHASES, OFFERS OR SALES, AND NEITHER THE ISSUER NOR THE ACTING AGENT SHALL HAVE ANY RESPONSIBILITY THEREFOR.

IMPORTANT – EEA RETAIL INVESTORS

The MCNs are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (the "**EEA**"). For these purposes, a "retail investor" means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**EU MiFID II**"); or (ii) a customer within the meaning of Directive (EU) 2016/97, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of EU MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (the "**EU Prospectus Regulation**"). Consequently, no key information document required by Regulation (EU) No 1286/2014 (the "**PRIIPs Regulation**") for offering or selling the MCNs or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the MCNs or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

IMPORTANT – UK RETAIL INVESTORS

The MCNs are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom (the "**UK**"). For these purposes, a "retail investor" means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the "**EUWA**"); or (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (the "**FSMA**") and any rules or regulations made under the FSMA which were relied on immediately before exit day to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 as it forms part of UK domestic law by virtue of the EUWA (the "**UK Prospectus Regulation**"). Consequently, no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the "**UK PRIIPs Regulation**") for offering or selling the MCNs or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the MCNs or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

WARNING

This Prospectus does not constitute an offer to sell or the solicitation of an offer to buy any MCNs in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The distribution of this Prospectus and the offer or sale of the MCNs may be restricted by law in certain jurisdictions. Neither the Issuer nor the Acting Agent represent that this Prospectus may be lawfully distributed, or that any MCNs may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer or the Acting Agent that is intended to permit a public offering of any MCNs or distribution of this Prospectus in any jurisdiction where action for that purpose is required other than in Switzerland. Accordingly, no MCNs may be offered or sold, directly or indirectly, and neither this Prospectus nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Prospectus or any MCNs may come must inform themselves about, and observe, any such restrictions on the distribution of this Prospectus and the offering and sale of MCNs. In particular, there are restrictions on the distribution of this Prospectus and the offer or sale of MCNs in the United States, Australia, Canada, the EEA, France, Italy, Japan and the UK, see "*Subscription and Sale*". All references in this document to "**CHF**" refer to Swiss francs, to "**USD**" refer to United States dollars and to "**GBP**" to British pound sterling.

TABLE OF CONTENTS

Page

1. SUMMARY

This summary should be read as an introduction to this Prospectus and, for purposes of the FinSA, constitutes a summary within the meaning of articles 40(3) and 43 thereof. Any decision to invest in the MCNs should be based on a consideration of this Prospectus as a whole, including the documents incorporated by reference herein. This summary is therefore qualified in its entirety by the remainder of this Prospectus.

Potential investors in the MCNs should be aware that liability under article 69 of the FinSA for any false or misleading information contained in this summary is limited to any such information that is false or misleading when read together with, or that is inconsistent with, the other parts of this Prospectus.

Capitalized terms used in this summary but not defined herein have the meanings assigned to them in the applicable Terms of the MCNs or elsewhere in this Prospectus.

Issuer	Cicor Technologies Ltd. (the "**Issuer**") is a Swiss law governed stock corporation (*Aktiengesellschaft*) and is registered with the Commercial Register of the Canton of Neuchâtel under the number CHE-103.362.109. The Issuer was incorporated on 15 February 1995. The Issuer's registered and principal executive office is located at Route de l'Europe 8, 2017 Boudry, Switzerland. The Issuer's Legal Entity Identifier (LEI) Code is 529900PIIUEUGLYD8P70.
Securities Offered	Unsecured Mandatory Convertible Notes due 2027 (the "**MCNs**"), which are mandatorily convertible into Shares, which Shares to be sourced from the conditional capital of the Issuer.
Offering	The MCNs were (a) offered by way of a public offering (the "**Public Offering**") in which the holders of Shares as of 5.30 p.m. (CET) on 31 December 2021 received preferential subscription rights (*Vorwegzeichnungsrechte*) ("**Rights**") to, subject to certain limitations based on residency, purchase MCNs at the Issue Price (as defined below), and (b) sold to OEP 80 B.V., Amsterdam, Netherlands (the "**Backstop Investor**") which has committed to purchase MCNs in an aggregate principal amount (i) of CHF 16,701,000 (the "**OEP Amount**") and (ii), to the extent Rights have not been validly exercised, in a maximum aggregate principal amount of CHF 43,487,000 (the "**Backstopped Amount**" and collectively with the OEP Amount, the "**Committed Amount**") in accordance with its respective commitment as set out in the subscription agreement (the "**Subscription Agreement**"). The Offering resulted in the issuance and sale of MCNs in the aggregate principal amount of CHF 20,000,000.
Issue Size:	CHF 20,000,000 in aggregate principal amount.
Reopening	The Issuer reserves the right to reopen this issue and increase the aggregate principal amount of the MCNs at any time during the period starting on the day following the Payment Date and ending on (but excluding) the day falling 12 months after the Payment Date (the "**Reopening Period**") and without the prior consent of or permission of the holders of MCNs through the issue of further mandatory convertible notes which will be fungible with the MCNs (i.e., identical especially in respect of the Terms of the

	MCNs, security number, final maturity and interest rate; each such issue a "**Reopening**"), provided that the total issue, i.e. including existing MCNs, does not exceed CHF 60,188,000.
Use of Proceeds	Assuming that the Issuer fully exercises its right to reopen the issue and to increase the aggregate principal amount of the MCNs to the maximum of CHF 60,188,000, the net proceeds from the issuance of the MCNs (i.e., less commissions and fees paid) will be approximately CHF 58.1 million. The net proceeds from the Offering will be used by the Issuer to finance or refinance, or to pay for, the acquisition of companies, parts of companies, participations, products, intellectual property or licenses, or investment projects. See "*Cicor Technologies Ltd.—Structure and Business*" for further information.
Status	The MCNs will constitute direct, unconditional, unsecured and unsubordinated obligations of the Issuer and rank *pari passu* with all other present or future unsecured and unsubordinated obligations of the Issuer and without any preference among themselves, except for such preference as is provided by any mandatory applicable provision of law.
Form	The MCNs and all rights in connection therewith are issued in uncertificated form in accordance with article 973c of the Swiss Code of Obligations of 30 March 1911, as amended (*Obligationenrecht*, the "**CO**") as uncertificated securities (*einfache Wertrechte*) that will be created by the Issuer by means of a registration in its register of uncertificated securities (*Wertrechtebuch*). Such uncertificated securities (*einfache Wertrechte*) will then be entered into the main register (*Hauptregister*) of SIX SIS Ltd ("**SIS**") or any other intermediary in Switzerland recognized for such purposes by the Relevant Exchange (SIS or any such other intermediary, the "**Intermediary**"). Once the uncertificated securities (*einfache Wertrechte*) are registered in the main register (*Hauptregister*) of the Intermediary and entered into the accounts of one or more participants of the Intermediary, the MCNs will constitute intermediated securities (*Bucheffekten*) (the "**Intermediated Securities**") in accordance with the provisions of the Swiss Intermediated Securities Act of 3 October 2008, as amended (*Bucheffektengesetz,* the "**FISA**"). The conversion of the uncertificated securities (*einfache Wertrechte*) into a permanent global certificate (*Globalurkunde auf Dauer*) or individually certificated securities (*Wertpapiere*) is excluded. Neither the Issuer nor the Holders nor the Principal Paying and Conversion Agent nor any third party shall at any time have the right to effect or demand the conversion of the uncertificated securities (*einfache Wertrechte*) into, or the delivery of a permanent global certificate (*Globalurkunde auf Dauer*) or individually certificated securities (*Wertpapiere*). The conversion of the uncertificated securities (*einfache Wertrechte*) into a permanent global certificate (*Globalurkunde auf Dauer*) or individually certificated securities (*Wertpapiere*) is excluded.
Backstop Investor	OEP 80 B.V., Amsterdam, Netherlands.

Acting Agent, Principal Paying and Conversion Agent and Listing Agent	Zürcher Kantonalbank, Bahnhofstrasse 9, 8001 Zurich, Switzerland.
Denomination/Trading Lot	CHF 1,000 and integral multiples thereof.
Issue Price	100% of the aggregate principal amount of the MCNs.
Issue Date:	20 January 2022.
Payment Date:	21 January 2022.
Maturity Date	21 January 2027
Conversion Price	CHF 47.50, subject to adjustment in accordance with the Terms of the MCNs.
Conversion Ratio	CHF 1,000 (i.e., the principal amount of one MCN), divided by the Conversion Price, the resulting number of Shares to be calculated to five decimal places. In connection with the conversion of any MCN, no Fractions will be delivered, and no cash payment for Fractions will be made, to the Holder thereof.
Mandatory Conversion	Unless previously converted due an Accelerated Conversion Event or early at the option of the Holder or purchased and cancelled by the Issuer, each outstanding MCN will be mandatorily converted on the Maturity Date into such number of Shares as is equal to the Conversion Ratio in accordance with the applicable Terms of the MCNs. The MCNs will not be redeemed or be redeemable for cash in any circumstances.
Early Conversion at the Option of the Holder	Each Holder has the right to convert all or some of its MCNs early at any time during the period from (and including) the date falling 730 days after the Payment Date and ending on (but excluding) the tenth Trading Day prior to the Maturity Date, or if and when a Take-over Bid is formally announced, during the period starting on the first day of the additional offer period during the period starting on the first day of the additional offer period and ending on the last day of the additional offer period pursuant to the FMIA and its implementing ordinances, subject to the limitations set out in the Terms of the MCNs, as more particularly described in Condition 3(c) and subject to the terms and conditions set forth in Condition 3(e)(i).
Accelerated Conversion Events	The following events will constitute "**Accelerated Conversion Events**": (i) non-payment of any amount under the applicable Terms of the MCNs or to deliver Shares, if any, upon conversion of any MCN, in each case, when and as due, such failure continuing for a period of ten Business Days; or (ii) breach of other obligations of the Issuer under the applicable Terms of the MCNs, respectively, which breach is not remedied within 30 Business Days of receipt of notice from the Principal Paying and Conversion Agent; or (iii) certain insolvency events with respect to the Issuer; or

	(iv) subject to certain exceptions, failure of the Issuer to pay amounts due in respect of other financial indebtedness exceeding CHF 10 million (or equivalent in other currency); or (v) certain merger, consolidation, asset sale and takeover events; in each case, as more particularly described in Condition 9(a) of the Terms of the MCNs. If the Principal Paying and Conversion Agent determines after consultation with Holders who hold MCNs representing in the aggregate at least 25 per cent. of the aggregate outstanding Principal Amount that an Accelerated Conversion Event has occurred with respect to the MCNs, the Principal Paying and Conversion Agent shall notify the Issuer and the Holders, and each outstanding MCNs shall be converted on the first Trading Day immediately following the date on which the relevant Accelerated Conversion Notice is published into such number of Shares as is equal to the Conversion Ratio in effect on such Trading Day (or, in the case of Accelerated Conversion Event caused by an event described in clause (iii) above, on the date on which such event occurred); *provided*, *however*, that, in the case of an Accelerated Conversion Event caused by an event described in clause (iii) above, no such notice to the Issuer or the Holders will be required.
Anti-dilution Provisions	The Conversion Price will be subject to adjustments for, *inter alia*: (i) increase of share capital by means of capitalization of reserves, profits, or premiums by distribution of Shares or division or consolidation of Shares; (ii) issues of Shares or other securities by way of conferring subscription or purchase rights; (iii) non-Cash Distributions, including Scrip Dividends; (iv) Cash Distributions; and (v) certain other events, subject, in each case, to certain exceptions, as more particularly described in Condition 6.
Governing Law and Jurisdiction	The MCNs will be governed by, and construed in accordance with, the substantive laws of Switzerland. The courts of Zurich, Switzerland, will have exclusive jurisdiction to settle any disputes in connection with the MCNs.
Taxes	Any Swiss capital, stamp, issue, registration and transfer taxes and duties arising on the allotment, issue, transfer or delivery of Shares (including all fees payable to SIX Swiss Exchange) upon the delivery in Switzerland of Shares upon the conversion of the MCNs will be payable by the Issuer. All payments in respect of the MCNs by or on behalf of the Issuer will be made without withholding or deduction of taxes of any kind, imposed in Switzerland. In the event that any such deduction or withholding is required, the Issuer shall pay additional amounts in respect thereof, subject

	to customary exceptions, as more particularly described in Condition 7 of the applicable Terms of the MCNs.
Admission to Trading and Listing of the Rights, the MCNs and Shares	The Rights were listed and admitted to trading on SIX from 3 January 2021 until 11 January 2021. The MCNs are expected to be provisionally admitted to trading on SIX Swiss Exchange on or around 20 January 2022. Application will be made for the MCNs to be definitively admitted to trading and listed on SIX Swiss Exchange as soon as practicable thereafter and (if granted) will only be granted after the Payment Date. The last day of trading for the MCNs on SIX Swiss Exchange is expected to be the second trading day prior to the Maturity (or, if earlier, prior to the date on which the MCNs are fully converted in accordance with the Terms of the MCNs). The Shares are listed and traded on SIX Swiss Exchange.
Selling Restrictions	There are restrictions on the offer, sale and transfer of the MCNs in the United States, Australia, Canada, the EEA, France, Italy, Japan and the UK and such other restrictions as may be required in connection with the offering and sale of the MCNs (see "*Subscription and Sale*").
Settlement	SIX SIS.
Public Offering and Rights exercised	One Right per Share held as of 5.30 p.m. (CET) on 31 December 2021 has been granted to eligible holders of Shares, with an aggregate amount of 3,069,542 Rights being so granted. 51 Rights entitled the holder thereof to subscribe for and purchase one MCN at the Issue Price. Rights could be exercised from (and including) 3 January 2022 to 12.00 noon Central European Time ("**CET**") on 13 January 2022 (the "**Rights Exercise Period**"). Rights not duly exercised in the Rights Exercise Period expired and became null and void without the right to any compensation. The exercise of Rights is irrevocable. The Rights were listed and traded on SIX from (and including) 3 January 2022 to 5.00 p.m. (CET) on 11 January 2022 (the "**Rights Trading Period**"). 608,073 Rights have been duly exercised and the holders of such Rights subscribed for and will purchase MCNs in an aggregate principal amount of CHF 11,923,000.
Backstop Underwriting	MCNs not purchased by holders of Rights will be sold to the Backstop Investor in accordance with its commitment as set out in the Subscription Agreement (see "*Subscription and Sale—Backstop*").
Swiss Review Body	SIX Exchange Regulation AG, Hardturmstrasse 201, 8005 Zurich, Switzerland (in such capacity, the "**Swiss Review Body**").
Date and Approval by Swiss Review Body of Prospectus	This Prospectus is dated 20 January 2022, and has been approved by the Swiss Review Body on 31 January 2022. For purposes of the offering of the MCNs, and the application for admission to trading of the MCNs on SIX Swiss Exchange, the Issuer relies on article 51(2) of the FinSA. Accordingly, this Prospectus was not reviewed or approved by the Swiss Review Body as of its date, and will be submitted to the Swiss Review Body only after completion of the offering of the MCNs and after application was made for provisional admission to trading of the MCNs on SIX Swiss Exchange. This

	Prospectus is the prospectus pursuant to article 35 of the FinSA and article 43(1)(a) of the FinSO only in its final version and if so approved by the Swiss Review Body. This Prospectus will not be updated for any developments that occur after its date. In particular, this Prospectus is not required to be updated as of the date of the approval by the Swiss Review Body.
Security Codes	**MCNs:** Swiss Security Number: 115513583 ISIN: CH1155135838 Ticker Symbol: CIC21 **Shares:** Swiss Security Number: 870219 ISIN: CH0008702190 Ticker Symbol: CICN **Rights:** Swiss Security Number: 115416153 ISIN: CH1154161538 Ticker Symbol: CICN1

2. RISK FACTORS

The Issuer believes that the following factors may affect its ability to fulfill its obligations under the MCNs, respectively, and the value of the Shares deliverable upon conversion of the MCNs. Most of these factors are contingencies that may or may not occur and the Issuer is in a position to express a view on the likelihood of any such contingency occurring.

In addition, factors that are material for assessing the market risks associated with the MCNs and the Shares deliverable upon conversion are described below.

The Issuer believes that the factors described below represent the principal risks inherent in investing in MCNs and the Shares deliverable upon conversion, but the inability of the Issuer to pay interest or other amounts on or in connection with the MCNs and/or declines in the value of the Shares deliverable upon conversion may occur for other reasons that may not be considered significant risks by the Issuer based on information currently available to it or that it may not currently be able to anticipate. Prospective investors should give careful consideration to the following risk factors in evaluating the merits and suitability of an investment in the MCNs. Prospective investors should also read the detailed information set out elsewhere in this Prospectus and reach their own conclusions prior to making any investment decision.

Capitalized terms used but not defined in this section "Risk Factors" will have the meanings assigned to such terms in the Terms of the MCNs or elsewhere in this Prospectus.

2.1 Factors related to the Issuer's business

2.1.1 The majority of the Group's net sales come from a relatively small number of customers and a limited number of market sectors; if the Group loses a major customer or program or if there are challenges in those market sectors, then the Group's net sales and operating results could decline significantly

Net sales to the Group's 10 largest customers have represented a majority of the Group's net sales in recent periods. The Group's 10 largest customers accounted for approximately 40% of its net sales for the fiscal year ended 31 December 2020. The largest individual customer of the Group accounted for slightly less than 6% of the Group's net sales in the same period.

The Group's major customers may vary from one period to another, and its major customers may not continue to purchase services from it at current levels, or at all, particularly given the volatile or temporary nature of certain programs. In any given period, a higher portion of the Group's sales may be concentrated with customers or projects with relatively lower margins, which could adversely affect its results. The Group has experienced from time to time, and may experience in the future, significant disengagements with customers or of programs, adverse changes in customer supply chain strategies and the end of life of significant programs. Especially given the Group's discrete number of customers, the loss of, or significant reductions in, net sales to any of its major customers or its failure to make appropriate choices as to the customers it serves, could seriously harm its business and results of operations.

In addition, the Group focuses its sales efforts on customers in only a few market sectors. Each of these sectors is subject to macroeconomic conditions, and trends and conditions that are sector specific. Any weakness in the end markets of the Group's customers could affect its business and results of operations. Economic, business or regulatory conditions that affect the sector, or the Group's failure to choose to do business in appropriate sectors, can particularly affect the Group. For instance, sales in the healthcare/life sciences sector are substantially affected by trends in the healthcare industry, such as government reimbursement rates and uncertainties relating to the U.S. healthcare sector, generally. In addition, the healthcare/life sciences sector is affected by global health pandemics, such as COVID-19, which has created challenges for the Group. For example, the pandemic caused weakening sales related to elective procedures or other noncritical care products. Similarly, commercial aerospace was affected by the COVID-19 pandemic due to restrictions on airline travel, resulting in decreased demand from the Group's commercial aerospace customers. Additionally, the semiconductor industry has historically been subject to significant cyclicality and volatility. Further, potential reductions in U.S.

government agency spending, including those due to budget cuts or other political developments or issues, could affect opportunities in all of the Group's market sectors.

The Group relies on timely and regular payments from its customers, and the inability or failure of its major customers to meet their obligations to it, or their bankruptcy, insolvency or liquidation may adversely affect the Group's business, financial condition and results of operations.

From time to time, the Group's customers have been affected by merger, acquisition, divestiture and spin-off activity. While these transactions may present the Group with opportunities to capture new business, they also create the risk that these customers will partially reduce their purchases or completely disengage from them due to transitioning such business to their competitors or their internal operations.

2.1.2 Increased competition may result in reduced demand or reduced prices for the Group's services

The Group's industry is highly competitive. The Group competes against a number of providers. In addition, current and prospective customers continually evaluate the merits of designing, manufacturing and servicing products internally and may choose to design, manufacture or service products (including products or product types that the Group currently designs, manufactures or services for them) themselves rather than outsource such activities. Consolidations and other changes in the Group's industry may result in a changing competitive landscape.

The Group's competitors may:

- respond more quickly than the Group to new or emerging technologies;
- have greater name recognition, critical mass and geographic and market presence;
- be better able to take advantage of acquisition opportunities;
- adapt more quickly to changes in customer requirements;
- have lower internal cost structures;
- have greater direct buying power with component suppliers, distributors and raw material suppliers; and
- devote greater resources to the development, promotion and sale of their services and execution of their strategy.

The Group's manufacturing processes are generally not subject to significant proprietary protection, and companies with greater resources or a greater market presence may enter its market or otherwise become increasingly competitive. Increased competition could result in significant price reductions, reduced sales and margins, or loss of market share.

The availability of excess manufacturing capacity at many of the Group's competitors creates intense pricing and competitive pressure on the electronics manufacturing services ("**EMS**") industry as a whole. To compete effectively, the Group must continue to provide technologically advanced manufacturing services, maintain strict quality standards, respond flexibly and rapidly to customers' design and schedule changes, deliver products globally on a reliable basis at competitive prices and seek to create enhanced relationships with the Group's customers with its advanced technology and engineering solutions. The Group's inability to do so could have an adverse effect on it.

2.1.3 A change in the mix of customers and/or the types of products or services the Group provides could have a material adverse effect on its financial condition and operating results

The mix of the Group's customers and the type of products or services it provides may have an impact on its financial condition and operating results from one period to another. For example, a higher concentration of lower-margin programs will have an adverse impact on its operating results in the relevant period.

2.1.4 The Group's strategic markets and the electronics industry are cyclical in nature

The Group's strategic markets as well as the electronics industry in general are cyclical and periodically experience significant economic downturns, often in connection with, or in anticipation of, maturing product cycles or a decline in general economic conditions. The Group's operating results were adversely affected by recent downturns in certain of the Group's strategic markets and the electronics industry. These downturns are characterized by diminished product demand and lower volumes, resulting in revenue declines, production overcapacity and excess inventory. The Group operates in multiple strategic markets, each of which behaves according to its own cycles. The timing, length, volatility and connection of these cycles in the Group's different strategic markets are difficult to predict. The quick onset of demand changes and high level of fixed costs at several of the Group's operating sites associated with this business exacerbate the adverse impact of these downturns on the Group's operating results. Actions taken to reduce the Group's costs may be insufficient to align its structure with prevailing business conditions, and it may be unable to invest in research and development (R&D) and engineering at the levels its believes are necessary to maintain its competitive position. On the other hand, in the event of a significant upturn, the Group may not be able to expand its workforce and operations in a sufficiently timely manner, procure adequate resources and raw materials, or locate suitable third-party suppliers to respond effectively to changes in demand for its existing products or to the demand for new products requested by its customers. Any of the foregoing may adversely affect the Group's margins, cash flow and its ability to grow its revenue, and may increase the variability of its operating results from one period to another.

2.1.5 The Group experiences raw material and component shortages and supply chain disruptions

The Group generally does not have long-term supply agreements. The Group experiences, and in the future will likely continue to experience, raw material and component shortages due to supplier capacity constraints or their failure to deliver as well as global supply chain disruptions and concerns. It also experiences increased lead times to procure certain types of components from time to time, including during the financial years 2020 and 2021 as a result of the global COVID-19 pandemic and other factors. Such constraints can also be caused by world events, such as government policies, tariffs, trade wars, trade disputes and trade protection measures, terrorism, armed conflict, natural disasters, economic recession, increased demand due to economic growth, preferential allocations and other localized events. Global disruptions of the air and sea freight operations caused by, amongst other things, the global COVID-19 pandemic and other factors have disrupted the Group's supply chain in 2020 and 2021. Such impairments in the air and sea freight capacities have since recovered for the most part but may still return in the further development of the COVID-19 pandemic, which remains highly uncertain. The Group currently relies on a limited number of suppliers for many of the raw materials and components used in the assembly process and, in some cases, may be required to use suppliers that are the sole provider of a particular raw material or component. Such suppliers may encounter quality problems, labor disputes, financial difficulties or business continuity issues that could preclude them from delivering raw materials or components timely or at all. Supply chain concerns and constraints in deliveries of raw materials or components have, in some cases, resulted in delayed production of assemblies, which have increased the Group's inventory levels and adversely affected its operating results in certain periods. Additionally, a delay in obtaining a particular component may result in other components for the related project being held for longer periods, increasing working capital and risking inventory obsolescence. An inability to obtain sufficient inventory on a timely basis or successfully execute the Group's business continuity processes, could also harm relationships with its customers.

In addition, raw materials and components that are delivered to the Group may not meet its specifications or other quality criteria. Certain materials provided to the Group may be counterfeit or violate the intellectual property rights of others. The need to obtain replacement materials and parts may negatively affect its manufacturing operations. The inadvertent use of any such parts or products may also give rise to liability claims. Further, the commitments made to the Group by its suppliers, and the terms applicable to such relationships, may not match all the commitments it makes to, and the terms of its arrangements with, its customers, and such variations may lead the Group incurring additional expense or liability and/or cause other disruptions to its business.

Raw material and component supply shortages and delays in deliveries, along with other factors such as tariffs and trade disputes, can also result in increased pricing. The Group may not be able to fully transfer any or all such pricing increases to its customers in the short term and it may bear the risk of price increases that occur between any such repricing or, if such repricing is not permitted, during the balance of the term of the particular customer contract.

2.1.6 Inherent challenges in managing changes in customer demand may impact the Group's planning, supply chain execution and manufacturing, and may adversely affect its operating performance and results

The Group's customers typically do not commit to production schedules for more than 90 to 180 days in advance, and the Group often experiences volatility in customer orders and inventory levels. Customers may terminate their agreements with the Group prior to scheduled expiration, fail to renew such agreements upon expiration, or significantly change, reduce or delay the volume of manufacturing or other services they order from the Group, any of which would adversely affect its operating results. Customers may also shift business to the Group's competitors, in-source programs or adjust the concentration of their supplier base. The global economic environment, adverse market conditions, political and geopolitical pressures, negative sentiment from the customers of the Group's customers or changes made by local governments (such as tax benefits or tariffs) may also impact its customers' business decisions. These and other factors could adversely affect the rate of outsourcing to EMS providers generally or to the Group in particular. Additionally, in 2020, the Group experienced significant demand reductions in both of its segments (particularly in its commercial aerospace and industrial businesses and markets), as a result of COVID-19. Because the Group cannot predict customer behavior, or if or when adverse market conditions will reverse, its forecasts of customer orders may be inaccurate, and may make it difficult to order appropriate levels of materials, schedule production and maximize utilization of its manufacturing capacity and resources.

The Group's customers may change their forecasts, production quantities or product type requirements, or may accelerate, delay or cancel production quantities. When customers change production volumes or request different products to be manufactured from those in their original forecast, the unavailability of components and materials for such changes could also adversely affect its revenue and working capital performance. See "*The Group is dependent on its customers' ability to compete and succeed in the marketplace using its products and services*".

Further, to guarantee continuity of supply for many of the Group's customers, it is required to manufacture and warehouse specified quantities of finished goods. The uncertainty of demand in the end markets of the Group's customers, intense competition in the industries of the Group's customers and general order volume volatility may result in customers delaying or canceling the delivery of products the Group manufacture for them or placing purchase orders for lower volumes of products than previously anticipated. This may result in higher than expected levels of inventory, which could, in turn, have a material adverse impact on its operating results and working capital performance. Although the levels of inventory the Group carries in any period reflect inventory required to support new program ramps, inventory levels are also impacted by demand volatility and significant product mix changes, including late changes from customers and materials constraints from suppliers (which in 2020, was exacerbated by COVID-19). The Group may not be able to return or resell excess inventory resulting from these factors, or it may be required to hold such inventory for a period of time, any of which may result in the Group having to record additional reserves for the inventory if it becomes excess or obsolete. Order cancellations and delays could also lower the Group's asset utilization, resulting in higher levels of unproductive assets, lower inventory turns and lower margins.

2.1.7 The Group may encounter difficulties expanding or consolidating its operations or introducing new competencies or new offerings, which could adversely affect its operating results

As the Group expands its business, opens new sites, enters into new markets, products and technologies, invests in research, design and development, acquires new businesses or capabilities, transfers business within its network, consolidates certain operations, and/or introduces new business models or programs, it may encounter difficulties that result in higher than expected costs associated with such activities. Potential difficulties related to such activities include its ability:

- to manage growth effectively;
- to maintain existing business relationships during periods of transition;
- to anticipate disruptions in its operations that may impact on its ability to deliver to customers on time, produce quality products and ensure overall customer satisfaction; and
- to respond rapidly to changes in customer demand or volumes.

The Group's profitability was adversely impacted during 2020 because significantly reduced demand in its business, due in part to COVID-19, requiring cost reduction actions to adjust its cost base to the reduced levels of demand.

The Group may also encounter difficulties in ramping and executing new programs. Ramping new programs can range from several months to over a year before production starts, and often requires significant up-front investments and increased working capital. These programs may generate lower margins or losses during and/or following the ramp period, or may not achieve the expected financial performance, due to production ramp inefficiencies, lower than expected volume or delays in ramping to volume. In addition, the Group's customers may significantly change these programs, or even cancel them altogether, due to decreases in their end-market demand or in the actual or anticipated success of their products in the marketplace.

There can be no assurance that the Group's investments will benefit it or result in business growth. As the Group pursues opportunities in new markets or technologies, it may encounter challenges due to its limited knowledge or experience in these areas. In addition, the success of new business models or programs depends on a number of factors including:

- understanding the new business or markets;
- timely and successful product development;
- market acceptance;
- the effective management of purchase commitments and inventory levels in line with anticipated demand;
- the development or acquisition of appropriate intellectual property and capital investments, to the extent required;
- the availability of materials in adequate quantities and at appropriate costs to meet anticipated demand; and
- the risk that new offerings may have quality or other defects in the early stages of introduction.

Any of these factors could prevent the Group from realizing the anticipated benefits of growth in new markets or technologies, which could materially adversely affect its business and operating results.

The Group may encounter start-up costs and inefficiencies when it transfers programs between locations and geographies. It conducts these transfers on a regular basis to meet customer needs, seek long-term efficiencies or respond to market conditions, and due to facility openings and closures. The Group may also be required to transfer projects between facilities due to tariffs and other trade measures affecting particular countries such as China. Although the Group tries to recover costs from its customers and minimize the potential losses arising from transitioning customer programs between its facilities and geographies, it may not be successful and there are inherent risks that such transitions can result in operational inefficiencies and the disruption of programs and customer relationships.

While these factors tend to affect new, recent or transferred programs, they can also affect more mature or maturing programs and customer relationships, especially programs where end-market demand can be somewhat volatile.

There can be no assurance that the Group's expansion into new markets or new businesses will be successful, or that it will achieve the anticipated benefits.

In addition, there is no assurance that the Group will find suitable new acquisition targets, that it will be able to consummate any such transactions on terms and conditions acceptable to it, or that it will be able to fund any such acquisitions with existing cash resources or through financing provided by external lenders. The Group may be unable to obtain additional capital if and when required on terms acceptable to it or at all. If the Group is unable to consummate an acquisition it had deemed desirable, it may not be able to implement its intended business plan, which could adversely affect its business, results of operations and financial condition. In addition, the Group may incur costs to support its pursuit of acquisitions and/or other strategic opportunities, which may adversely affect its operating results, and may not result in the consummation of any such transactions.

2.1.8 The Group may be exposed to risks associated with product liability, warranty claims and product recalls

The Group operates in certain strategic markets which are regulated and are subject to increased governmental and reputational scrutiny, such as aerospace & defense as well as the medical industry. The Group does not directly distribute its products to and is not directly visible to end customers. The Group's products and the sale and use of such products may be subject to potential product liability and warranty claims, which may be directly or indirectly addressed to the Group, and the Group may not be able to transfer its risk and associated costs. The Group is exposed to product liability and warranty claims in the normal course of business in the event that its products, or the components and semi-finished goods incorporated in products that it has manufactured or assembled and sold, or the components that its suppliers have manufactured or assembled, have failed or have allegedly failed to perform as expected or the use of the Group's products results, or is alleged to result, in bodily injury or property damage. Such claims may arise from risks associated with the use or misuse of electronic equipment. Furthermore, the Group may become subject to other proceedings alleging violations of due care, safety provisions and claims arising from breaches of contract or fines imposed by government or regulatory authorities in relation to its customized and semi-customized products and services.

In addition, under certain circumstances, any such issues could give rise to an investigation by regulatory authorities, which could result in the need for remedial action such as a recall of the Group's products or its suppliers' components, requiring the repair or replacement of the products or even a prohibition of future sales. If any of the Group's products is proven to have quality issues, fails to meet local legal, regulatory or industry standards, or has potential risks to the safety of humans and properties, the Group may have to recall such products, be subject to penalties, including liquidated damages under the terms of its contracts with customers, suspend production and sale of the Group's products, or be ordered to take corrective measures.

Failure in the production process may lead to product recalls. While the Group's production processes are mostly automated, there still remains a possibility of failure, especially resulting from the manual parts of production. Additionally, there is a possibility of defective parts or materials being delivered by the Group's suppliers.

Any product recall could have a material and adverse impact on the Group's results of operations, financial condition and growth prospects, and in particular on revenue, and could be particularly significant in relation to the Group's products utilized in regulated industries. Product recalls could involve significant expenses and time of the Group's management, which could materially and adversely affect its business prospects, results of operations and financial condition. In addition, product recalls may have a highly adverse effect on clients' confidence in the quality and safety of the affected products and the Group's reputation and image, which could in turn reduce demand for its products.

In any given quarter, the Group may experience quality and process variances related to materials, testing or other manufacturing or supply chain activities. Although the Group is successful in resolving the majority of such issues, the existence of these variances could cause the Group to incur significant costs in relation to corrective actions, have a material adverse impact on the demand for its services in future periods from any affected customers, damage its reputation and/or have a material adverse effect on its business and operating results.

2.1.9 The Group is and may become subject to risks from liability claims, and other litigation and arbitration proceedings

The Group's business activities are aimed at many different geographic markets with different legal systems, from which a number of risks arise. These include, above all, the requirements of the general economic, legal, tax and regulatory conditions prevailing in the individual countries. As a result of a breach, the Group could be subject to administrative measures imposed by the competent authorities in these countries, e.g., in the form of fines.

In addition, the Group is exposed to risks if the products offered by the Group were to be defective or fail to meet customers' quality requirements for other reasons, including disputes related to intellectual property. In this case, subsequent claims (in particular under warranty or guarantee) as well as customer losses, and thus revenue shortfalls, may occur.

In particular, the Group could be subject to a variety of claims arising in the ordinary course of its business, including contract claims and claims alleging violations of intellectual property rights, or applicable laws regarding workplace and employment matters. The Group could become subject to other lawsuits related to these or different matters in the future. Regardless of whether any claims against the Group are valid, or whether it is ultimately held liable, claims may be expensive to defend and may divert time and money away from the Group's operations and hurt its performance. A judgment in excess of the Group's insurance coverage for any claims could materially and adversely affect its financial condition and results of operations. Any adverse publicity resulting from these allegations may also materially and adversely affect its reputation or prospects, which in turn could adversely affect its business, financial condition and results of operations.

2.1.10 The Group may fail to successfully complete future acquisitions or strategic arrangements, and may not successfully integrate acquired operations or recognize the anticipated benefits, which could adversely affect its operating results

The Group is pursuing an acquisition strategy. This involves significant risks that could have a material adverse effect on it. These include operating risks such as the inability to successfully integrate businesses, systems and personnel, impact on customer programs and relationships; and an inability to realize anticipated synergies or economies of scale. They also include financial risks such as the use of cash or incurrence of additional debt and interest expense, the potential volatility or weakness in the Group's stock price as a result of the announcement of such transactions, the incurrence of large write-offs or write-downs, and other potential financial impacts.

Potential challenges related to acquisitions and transactions include:

- integrating acquired operations, systems and businesses (which may include transferring production from acquired operations to our existing network, or downsizing or closing acquired locations, in each case to obtain anticipated operational synergies);
- meeting customers' expectations as to volume, product quality and timeliness;
- supporting legacy contractual obligations; retaining customer, supplier, employee or other business relationships of acquired operations;
- addressing unforeseen liabilities of acquired businesses;
- limited experience with new technologies and markets;
- failure to realize anticipated benefits, such as cost savings and revenue enhancements;
- failure to achieve anticipated business volumes or operating margins;
- valuation methodologies not accurately capturing the value of the acquired business;

- the effects of diverting management's attention from day-to-day operations to matters involving the integration of acquired businesses;
- incurring potentially substantial transaction costs associated with these transactions;
- increased burdens on the Group's staff and on its administrative, internal control and operating systems, which may hinder its legal and regulatory compliance activities;
- overpayment for an acquisition; and
- potential impairments resulting from post-acquisition deterioration in, or reduced benefit from, an acquired business.

While the Group often obtains indemnification rights from the sellers of acquired businesses, such rights may be difficult to enforce, the losses may exceed any dedicated escrow funds, and the indemnitors may not have the ability to financially support the indemnity.

Any of these factors may prevent the Group from realizing the anticipated benefits of an acquisition, including additional revenue, operational synergies and/or economies of scale. Any delay or failure to realize the anticipated benefits of acquisitions may adversely affect the Group's business and operating results and may require it to write down the carrying value of any related goodwill and intangible assets in periods subsequent to the acquisitions. Acquisitions may also involve businesses the Group is not familiar with, and expose it to additional business risks that are different from those it has traditionally experienced or anticipated at the time of acquisition.

Furthermore, the Group may use available cash and legally distributable profits, if any, to fund further acquisition and may therefore not pay any dividends to the shareholders of the Company while pursuing an acquisition strategy. In addition, the Group's ability to pay dividends to the shareholders of the Company depends, among other things, on the availability of sufficient legally distributable profit, which in turn depends, among other things, on the performance of the Group. The Group cannot guarantee or offer any assurance that legally distributable funds will be available in any given financial year. Even if there are sufficient legally distributable funds available, the Group may not pay out funds to the shareholders of the Company for a variety of reasons. Payments of future dividends or other distributions will depend on the Group's earnings, strategy, prospects, financial condition, and other factors, including regulatory and liquidity requirements as well as legal and tax considerations.

2.1.11 Individual acquired companies may experience negative economic development

If one or more of the companies the Group acquires do not develop as planned or negatively, this could have a significant adverse effect on the assets, financial and earnings position of the Group. In the event of a negative development of one or more acquired companies, the Company may decide or be forced to undertake unplanned additional financing of the acquired company to limit the loss in value. This increases the risk to which the Group is exposed in the relevant acquired company and can have a significantly adverse effect on the return on the capital it employed in the acquisition; this risk can be heightened in acquisitions of assets of distressed sellers.

If a negative economic environment led to a decline in earnings for the acquired companies, this would also impair the ability of these companies to distribute profits to the Group or to reduce existing debt as planned. The reduction of existing, in part acquisition-related, debt is often an essential part of the increase in value of the acquired company. If the company defaulted on reducing its debt, this could also lead to a breach of obligations arising from loan agreements concluded with lenders. In such a case, the lenders may be entitled to terminate the loan agreements and to seize collateral.

A reduction in value or the complete loss of investments, the inability or limited ability to reduce existing debts, or the violation of obligations from loan agreements by an acquired company could have an adverse effect on the assets, financial and earnings position of the Group and, in particular, on revenue. This could also cause the price of the Issuers' shares to fall, in which case investors could lose some or all of their investment.

2.1.12 The Group may use cash on hand, issue debt or equity securities and/or incur additional third-party debt (or any combination thereof) to complete future acquisitions or otherwise fund its operations, which may adversely affect its liquidity, financial condition, flexibility and/or results of operations

Any significant use of cash for future acquisitions or otherwise would adversely affect the Group's cash position and liquidity. In addition, the Group may choose to issue debt securities or otherwise incur additional debt to fund future acquisitions or otherwise fund its operations. Any additional incurrence of debt, either through the issuance of debt securities or through a new or refinanced credit facility, would increase the Group's debt leverage and debt service requirements may reduce its debt agency ratings, may further adversely impact its ability to fund future acquisitions and/or respond to unexpected capital requirements, may impose additional restrictions on its operations, and may have a variety of additional adverse effects. The Group may acquire additional debt financing which would increase its debt leverage level, which may reduce the Group's flexibility with regard to its financing and planning for future acquisition and operations and increase the risk of the Group's insolvency. To the extent the Group sells equity or convertible debt securities, the issuance of these securities, the pricing of which would be subject to market conditions at the time of issuance, could result in material dilution to the Group's stockholders.

2.1.13 Failure to comply with customer-driven policies and standards, and third-party certification requirements or standards, including those related to social responsibility, could adversely affect the Group's business and reputation

In addition to government regulations and industry standards, the Group's customers may require it to comply with their own or third-party quality standards, commercial terms, social responsibility standards, or other business policies or standards that may be more restrictive than current laws and regulations and the Group's preexisting policies and/or terms with its suppliers, before they commence, or continue, doing business with the Group. Such policies or standards may be customer-driven, established by the industry sectors in which the Group operates or imposed by third-party organizations.

The Group's compliance with these heightened and/or additional policies, standards and third-party certification requirements, and managing a supply chain in accordance therewith, could be costly, and its failure to comply could adversely affect its operations, customer relationships, reputation and profitability. In addition, the Group's adoption of these standards could adversely affect its cost competiveness, ability to provide customers with required service levels and ability to attract and retain employees in jurisdictions where these standards vary from prevailing local customs and practices. In certain circumstances, to meet the requirements or standards of its customers, the Group may be obligated to select certain suppliers or make other sourcing choices, and it may bear responsibility for adverse outcomes even if these matters are as a result of third-party actions or outside the Group's control.

2.1.14 The Group is dependent on its customers' ability to compete and succeed in the marketplace using its products and services

The Group's operating results are dependent upon its customers' ability to compete and succeed in the marketplace using its products and services and on the Group's ability to keep customer loyalty high with limited customer churn. Factors that may adversely affect its customers include:

- ongoing changes in technology;
- evolving industry standards;
- seasonal demand;
- failure to successfully market;
- a lack of widespread commercial acceptance of its products;

- supply chain issues;
- dramatic shifts in demand that may cause them to lose market share or exit businesses (for example, the severe adverse impact of COVID-19 on the commercial aviation industry in 2020); and/or
- recessionary periods in the markets of the Group's customers.

In addition, certain of the Group's customers have experienced, and may in the future experience, severe revenue erosion, pricing, margin and cash flow pressures, and excess inventories that, in turn, have adversely affected (and in the future may adversely affect) their operating results. If technologies or standards supported by the products and services of the Group's customers or their business models become obsolete, fail to gain widespread acceptance or are canceled, the Group's business would be adversely affected. For example, declines in end-market demand for customer-specific proprietary systems in favor of open systems with standardized technologies have had an adverse impact on certain of its customers, and consequently, their business.

See "*The Group's revenue and operating results may vary from one period to the next*" below.

2.1.15 The Group's revenue and operating results may vary from one period to the next and from one of the Group's strategic markets to the next

The Group's semiannual and annual results may vary depending on various factors, some of which are described below, and many of which are beyond the Group's control:

- the volume and timing of customer demand relative to the Group's capacity;
- success in the marketplace, of the products of the Group's customers;
- the cyclical nature of customer demand in the Group's various strategic markets;
- customers' financial condition;
- changes to the Group's mix of customers, programs and/or end market demand;
- how well the Group executes its operational strategies, and the impact of changes to its business model;
- varying revenues and gross margins among geographies and programs for the products or services the Group provides;
- pricing pressures, the competitive environment and contract terms and conditions;
- provisions or charges resulting from unexpected changes in market conditions impacting the Group's industry or the end markets it serves;
- the timing of expenditures in anticipation of future orders;
- the Group's effectiveness in planning production and managing inventory, fixed assets and manufacturing processes;
- operational inefficiencies and disruptions in production at individual sites;
- unanticipated disruptions to the Group's cash flows;
- changes in cost and availability of commodities, materials, components, services and labor;
- future litigation;
- seasonality in quarterly revenue patterns across some of the Group's businesses;
- governmental actions or changes in legislation;

- currency fluctuations; and
- changes in global economic and political conditions and world events, including the impact of external events.

2.2 Factors related to the Issuer's economic, financial and social environment

2.2.1 The Group's business, financial condition and results of operations have been and are expected to continue to be adversely affected by the recent COVID-19 pandemic, the extent of which is uncertain and difficult to predict. The widespread outbreak of any other health epidemics could also adversely affect the Group's business, financial condition and results of operations

Any outbreaks of contagious diseases and other adverse public health developments, particularly in countries where the Group operates, could have a material and adverse effect on its business, financial condition and results of operations. In late 2019, there was an outbreak of a new strain of the coronavirus (COVID-19) first identified in Wuhan, Hubei Province, China, which has since spread globally. On March 11, 2020, the World Health Organization declared COVID-19 a pandemic. Further, the COVID-19 outbreak has resulted in government authorities around the world implementing numerous measures to try to reduce the spread of COVID-19, such as travel bans and restrictions, quarantines, "shelter-in-place", "stay-at-home", total lockdown orders, business limitations or shutdowns and similar orders. As a result, the COVID-19 pandemic has negatively impacted the global economy, disrupted global supply chains and workforce participation, and created significant volatility and disruption of financial markets.

As a result of the COVID-19 pandemic, including the related responses from government authorities, the Group's operations were impacted worldwide starting in the first quarter of 2020. For example, several of the Group's facilities worldwide, including in Thuan An City (Vietnam) and Suzhou (China) were affected in 2020 by government enacted plant shutdowns, stay-at-home or shelter-in-place or similar restrictions, which resulted in reduced productivity levels throughout the Group's facilities. Additionally, the Group experienced a challenging supply chain environment and labor constraints, as well as increased direct costs and under absorption of fixed costs, due to the COVID-19 pandemic.

Additionally, the Group's business, financial condition and results of operations have been and may be further impacted in several ways, including, but not limited to, the following:

- further disruptions to the Group's operations, including due to additional facility closures, restrictions on its operations and sales, marketing and distribution efforts and/or interruptions to its engineering and design processes and other important business activities;
- reduced demand for the Group's products and services, particularly due to disruptions to the businesses and operations of its customers;
- interruptions, availability or delays in global shipping to transport the Group's products;
- further slowdown or stoppage in the supply chain for the Group's products, in addition to higher costs;
- limitations on employee resources and availability, including due to sickness, government restrictions, the desire of employees to avoid contact with large groups of people or mass transit disruptions, or a shortage of available vaccinations;
- greater difficulty in collecting customer receivables;
- a fluctuation in foreign currency exchange rates or interest rates could result from market uncertainties;
- an increase in the cost or the difficulty to obtain debt or equity financing could affect the Group's financial condition or its ability to fund operations or future investment opportunities;
- any breach of financial covenants contained in the debt financing agreements;

- current or near future trends may cause certain inventory to be slow-moving and trigger the need to review for excess and obsolete inventory or the valuation of inventory;
- changes to the carrying value of the Group's goodwill and intangible assets; and
- an increase in regulatory restrictions or continued market volatility could hinder our ability to execute strategic business activities, as well as negatively impact the Group's stock price.

The spread of COVID-19 has caused the Group to modify its business practices (including employee travel, employee work locations and cancellation of physical participation in meetings, events and conferences), and the Group may take further actions as may be required by government authorities or that it determines are in the best interests of its employees, customers, partners and suppliers. There is no certainty that such measures will be enough to mitigate the risks posed by the virus, and the Group's ability to perform critical functions could be harmed.

Any of the foregoing could adversely affect the Group's business, financial condition and results of operations. The potential effects of COVID-19 may also affect many of the Group's other risk factors discussed in this Prospectus. The exact extent of the impact of the COVID-19 pandemic on the Group's business, financial condition and results of operations will depend on future developments, which are highly uncertain, continuously evolving and cannot be predicted, including, but not limited to, the duration and spread of the COVID-19 outbreak, its severity, the actions to contain the virus or treat its impact, including the availability of vaccinations and the rate of inoculations, and how quickly and to what extent normal economic and operating conditions can resume that may not return fully to pre-pandemic levels.

2.2.2 The Group continues to operate in an uncertain global economic and political environment

Concerns over global economic conditions, financial markets, geopolitical issues, energy costs, inflation and the availability and cost of credit, have contributed to increased global economic and political uncertainty. Brexit, the U.S. political environment and tensions between the U.S. and other countries have contributed to such uncertainty. These geopolitical events, which are outside the Group's control, have adversely affected, and are expected to continue to adversely affect, the Group's China operations. Uncertain global economies have adversely affected, and may continue to unpredictably affect, currency exchange rates. Financial market instability may result in lower returns on the Group's financial investments, and lower values on some of its assets. Alternately, inflation may lead to higher costs for labor and materials and/or increase the Group's costs of borrowing and raising capital. Uncertainty surrounding the global economic environment and geopolitical outlook may affect current and future demand for some of the products the Group manufactures or services it provides, the financial condition of its customers and/or suppliers, as well as the number and pace of customer consolidations. If any of the foregoing affects the financial condition of the Group's customers, they may delay payments to the Group or request extended payment terms, which could have an adverse effect on the Group's financial condition and working capital. If any of the foregoing affects the financial condition of the Group's suppliers, this may have an adverse effect on its operations, financial condition and/or customer relationships. The Group cannot predict the precise nature, extent or duration of these economic or political conditions or if they will have any impact on its financial results. A deterioration in the economic environment may accelerate the effect of the various risk factors described in this Prospectus and could result in other unforeseen events that may adversely impact the Group's business and financial condition.

2.2.3 The Group may be affected by consolidation in the electronics industry, which could create increased pricing and competitive pressures on the Group's business

Consolidation in the electronics industry could result in a decrease in manufacturing capacity as companies seek to close plants or take other steps to increase efficiencies and realize synergies of mergers, creating increased pricing and competitive pressures for the EMS industry as a whole and the Group's business in particular. In addition, consolidation could also result in an increasing number of very large electronics companies offering products in multiple sectors of the electronics industry. The growth of these large companies, with significant purchasing and marketing power, could also result in increased pricing and competitive pressures for the Group.

Accordingly, industry consolidation could harm the Group's business. The Group may need to increase its efficiencies to compete and may incur additional restructuring charges.

2.2.4 The Group's international operations are subject to certain risks

During 2020, 2019 and 2018, 58%, 64% and 62%, respectively, of the Group's sales were from its international operations. These international operations are subject to a number of risks, including:

- public health crises, such as the COVID-19 pandemic, which can result in varying impacts on the Group's business, employees, customers, suppliers, vendors and partners internationally as discussed elsewhere in this "Risk Factors" section;
- difficulties in staffing and managing foreign operations;
- coordinating communications and logistics across geographic distances and multiple time zones;
- less flexible employee relationships, which complicate meeting demand fluctuations and can be difficult and expensive to terminate;
- political and economic instability (including acts of terrorism and outbreaks of war), which could affect the Group's ability to ship and/or receive product;
- changes in foreign or domestic government policies, regulatory requirements and laws, which could affect the Group's business;
- longer customer payment cycles and difficulty collecting accounts receivable;
- export duties, import controls, tariffs and trade barriers (including quotas and border taxes);
- governmental restrictions on the transfer of funds;
- risk of governmental expropriation of the Group's property;
- burdens of complying with a wide variety of foreign laws and labor practices, including various and changing minimum wage regulations;
- fluctuations in currency exchange rates, which could affect foreign taxes due, component costs, local payroll, utility and other expenses; and
- inability to utilize net operating losses incurred by the Group's foreign operations, which would increase our overall effective tax rate.

Changes made that affect the way the Group operates internally could have a negative impact on the Group and reduce the demand for its foreign manufacturing facilities. Moreover, any retaliatory actions by other countries where the Group operates could also negatively affect its financial performance. In addition, changes in policies by the U.S. or other governments could negatively affect the Group's operating results due to trade wars, changes in duties, tariffs or taxes, currency exchange rate fluctuations, or limitations on currency or fund transfers, as well as government-imposed restrictions on producing certain products in, or shipping them to, specific countries.

In addition, several of the countries where the Group operates have emerging or developing economies, which may be subject to greater currency volatility, negative growth, high inflation, limited availability of foreign exchange and other risks. Certain events, including natural disasters, can affect the infrastructure of a developing country more severely than they would affect the infrastructure of a developed country. A developing country can also take longer to recover from such events, which could lead to delays in the Group's ability to resume full operations. These factors may harm the Group's results of operations, and any measures that the Group may implement to reduce the effect of volatile currencies and other risks of the Group's international operations may not be effective. In the Group's experience, entry into new international markets requires considerable management time as well as start-up expenses for market development, hiring and establishing office facilities before any significant revenues are generated. As a result, initial operations in a new market may operate at low margins or may be unprofitable.

2.2.5 The Group has a complex business model, and its failure to properly manage or execute on that model could adversely affect its operations, financial results and reputation

The Group's business model focuses on products and services that are highly complex and subject to demanding regulatory requirements. The products of the Group's customers typically require significant production and supply-chain flexibility necessitating optimized manufacturing and supply chain solutions across an integrated global platform. The products the Group designs, manufactures and services are also typically complex, heavily regulated and require complicated configuration management and direct order fulfillment capabilities to global end customers. In addition, the Group offers aftermarket services to its customers, which add to the complexity of the Group's business model.

The Group's business model requires a great degree of attention, flexibility and resources. These resources include working capital, management and technical personnel, and the development and maintenance of systems and procedures to manage diverse manufacturing, regulatory and service requirements for multiple programs of varying sizes simultaneously, including in multiple locations and geographies. The Group also depends on securing and ramping new customers and programs and on transitioning production for new customers and programs, which creates added complexities related to managing the start-up risks of such projects, especially for companies that did not previously outsource such activities.

The complexity of the Group's service model, which encompasses a broad range of services in the product realization process including design and development, supply chain solutions, new product introduction, manufacturing and aftermarket services, often results in complex and challenging contractual obligations and unique customer requirements. In addition, program complexity and associated customer expectations have increased in recent years with respect to certain capabilities, commitments, allocation of risk and compliance with third-party standards, requiring extraordinary measures to ensure operational execution and compliance within unique, nonstandard engagements. If the Group fails to meet those obligations, or is otherwise unable to execute on its commitments or unsuccessfully mitigate such risks, then it could result in claims against the Group, regulatory violations or may adversely affect the Group's reputation and its ability to obtain future business, as well as impair the Group's ability to enforce its rights (including those related to payment) under those contracts. A failure to adequately understand unique customer requirements may also impact the Group's ability to estimate and ultimately recover associated costs, adversely affecting its financial results.

Many of the markets for the Group's manufacturing, engineering, aftermarket and other services are characterized by rapidly changing technology and evolving process developments. Our internal processes are also subject to these factors. The continued success of the Group's business will depend upon its continued ability to:

- retain the Group's qualified engineering and technical personnel, and attract additional qualified personnel, especially in times of tight labor markets;
- choose, maintain and enhance appropriate technological and service capabilities;
- successfully manage the implementation and execution of information systems;
- develop and market services that meet changing customer needs;
- effectively execute the Group's services and perform to its customers' expectations; and
- successfully anticipate, or respond to, technological changes on a cost-effective and timely basis.

Although the Group believes that its operations utilize the technologies, equipment and processes that are currently required by its customers, the Group cannot be certain that it will maintain or develop the capabilities required by its customers in the future. The emergence of new technologies, industry standards or customer requirements may render its technical personnel, equipment, inventory or processes obsolete or noncompetitive. In addition, the Group may have to acquire new skills, technologies and equipment to remain competitive, as well as offer new or additional services, all of which may require significant expense or capital investment that could reduce its liquidity and negatively affect its operating results. The Group's failure to anticipate and adapt to its customers' changing technological needs and requirements, or to perform to their expectations or standards, as well as the Group's need to maintain its personnel and other resources during times of fluctuating demand, could have an adverse effect on its business.

There may be problems with the products the Group designs, manufactures or services that could result in liability claims against the Group, reduced demand for its services and damage to its reputation.

The Group designs, manufactures and services products to its customers' specifications, many of which are highly complex, for industries, such as healthcare, aerospace and defense, that have higher risk profiles. Despite the Group's quality control and quality assurance efforts, problems may occur, or may be alleged, in the design, manufacturing or servicing of these products, including as a result of business continuity issues. Whether or not the Group is responsible, problems in the products it manufactures, whether real or alleged, whether caused by faulty customer specifications, the design or manufacturing processes, servicing, or a component defect, may result in delayed shipments to customers or reduced or canceled customer orders. If these problems were to occur in large quantities or too frequently, the Group's business reputation may also be tarnished. In addition, such problems may result in liability claims against the Group, whether or not it is responsible. These potential claims may include damages for the recall of a product or injury to person or property.

Even if customers or third parties, such as component suppliers, are responsible for defects, they may not, or may not be able to, assume responsibility for any such costs or required payments to the Group. While the Group seeks to secure contractual protection and/or to insure against many of these risks, it may not have practical recourse against certain suppliers, and contractual protections, insurance coverage or supplier warranties, as well as our other risk mitigation efforts, may be inadequate, not cost effective or unavailable, either in general or for particular types of products or issues. The group occasionally incurs costs defending claims, and any such disputes could adversely affect its business relationships.

2.2.6 The Group may experience increased financial and reputational risk due to nonperformance by counterparties

A failure by counterparties – including customers, suppliers, financial institutions (including the issuers of the Group's purchased annuities) or other third parties with whom the Group conducts business – to fulfill their contractual obligations may result in financial loss to the Group and may have adverse effects on its business.

If a key supplier, or any company within such supplier's supply chain, experiences financial or other difficulties, such difficulties may affect their ability to supply the Group with materials, components or services, which could halt or delay the production of a customer's products and/or have a material adverse impact on the Group's operations, financial results and customer relationships. In addition, the Group's ability to collect outstanding accounts receivable depends, in part, on the financial strength of its customers. If a customer bankruptcy occurs, the Group's profitability may be adversely impacted if affected accounts receivable are in excess of the Group's allowance for doubtful accounts. Additionally, the Group's future revenues could be adversely impacted by a customer bankruptcy. Inability to collect accounts receivable and/or the loss of one or more major customers could adversely impact the Group's operating results, financial position and cash flows. The Group cannot reasonably determine the extent to which a customer or supplier may have financial difficulties, or whether the Group will be required to adjust customer pricing, payment terms and/or the amounts it pays to suppliers for materials and components.

2.2.7 The Group is exposed to translation and transaction risks associated with foreign currency exchange rate fluctuations; hedging instruments may not be effective in mitigating such risks

Global currency markets can be volatile. The Group conducts only a minority of its business in Swiss francs (its functional currency), its global operations subject it to translation and transaction risks associated with fluctuations in currency exchange rates that could have a material adverse impact on its operating results and/or financial condition. A significant portion of the Group's operational costs (including payroll, pensions, site costs, costs of locally sourced supplies and inventory, and income taxes) are denominated in various currencies other than Swiss francs. Fluctuations in currency exchange rates may significantly increase the amount of translated Swiss francs required for costs incurred in other currencies or significantly decrease the Swiss francs received from non-Swiss francs revenues.

The Group's financial results have been adversely impacted by negative foreign currency translation effects, and such adverse effects, some of which may be substantial, are likely to recur in the future.

2.2.8 Customer relationships with emerging companies may present more risks than with established companies

Customer relationships with emerging companies present special risks because the Group does not have an extensive product or customer relationship history. There is less demonstrable market acceptance of their products making it harder for the Group to anticipate requirements than with established customers. The Group's credit risk on these customers, especially in accounts receivable and inventories, and the risk that these customers will be unable to fulfill indemnification obligations to the group are potentially increased.

2.2.9 The Group's success could be disrupted as a result of labor shortages worldwide and the Group may be unable to hire, develop and retain sufficient personnel

The Group's success depends in part on the Group's ability to attract, develop and retain qualified employees, particularly to fill key leadership positions and highly skilled technical personnel involved in the development of new products and processes and the manufacture of products. There have been global labor shortages and the availability of qualified employees has become more difficult in recent years. Furthermore, the attrition rate of qualified personnel has been increasing. As a consequence, the competition for these individuals is significant, especially in tight labor markets, and the loss of key employees may become a risk to the Group's business which cannot be fully planned for and could harm the Group's business.

From time to time, there are changes and developments, such as retirements, promotions, transitions, disability, death and other terminations of service that affect the Group's executive officers and other key employees, including those that are unexpected. Transitions or other changes in responsibilities occurring among officers and key employees without having identified any ready successors for these critical roles, particularly when such changes are unanticipated, unplanned or not executed effectively, can inherently cause disruptions to the Group's business and operations, as well as harm its reputation, which could have an effect on its results. Further, as the Group grows in size and complexity, a failure to continuously focus on the development of personnel and plan for the succession of critical roles may result in shortfalls in the talent required to execute the Group's work effectively and affect its operations and financial results.

The Group also depends on good relationships with its workforce generally. Any disruption in its relationships with its personnel, including as a result of union organizing activities, work actions, tightening labor markets or other labor issues, could substantially affect the Group's operations and results. In addition, when the Group expands operations in either existing areas or new locations, including internationally, it needs to attract and retain the services of sufficient qualified personnel to conduct those operations. If the Group fails to attract and retain sufficient qualified personnel, the operations at those locations — and consequently the Group's financial results — could be adversely affected. In new or existing facilities, the Group may be subject to local labor practices or union activities, wage pressure and changing wage requirements, increasing healthcare costs, differing employment laws and regulations in various countries, local competition for employees, restrictions on immigration, labor mobility and high turnover, as well as other issues affecting its workforce, all of which could affect operations at particular locations, which could also have adverse effects on the Group's operational results. The Group's adoption of certain third-party health, safety and other employment-related regulatory standards could adversely affect its ability to attract and retain employees in jurisdictions where these standards vary from prevailing local customs and practices.

In addition, the Group operates in certain countries where labor is highly organized and high salary increases may be the result of such organized labor. The Group may not be able to compensate such salary increases of its workforce with respective increases in productivity and may be unable to transfer such salary increases to its customers on short notice. Any such high salary increases could harm the Group's business.

2.2.10 The Group's profitability could suffer if it is not able to maintain adequate utilization of its assets

The cost of providing the Group's products and services, including the extent to which it utilizes its assets, affects its profitability. The Group may not be able to fully utilize its assets, including its workforce, in the event of a significant short-term downturn in its strategic markets and may not be able to fully cover its fixed costs resulting from its operations and assets in such an event. A number of factors affect the Group's utilization of its assets, including:

- the Group's inherent fixed costs resulting from the upkeep of its manufacturing sites;
- the Group's ability to transition employees from completed projects to new programs and to hire and assimilate new employees; and
- the Group's ability to forecast demand for its services and thereby maintain an appropriate headcount in each of its geographies and operating sites.

If the Group overutilizes its assets and its workforce, its employees may become disengaged, which could affect employee attrition. If the Group underutilizes its workforce, its margins and profitability could suffer. Manufacturing shutdowns and restrictions due to COVID-19 resulted in the incurrence of certain idled labor costs, which adversely affected the Group's financial results in 2020.

2.2.11 The end markets the Group serves require technologically advanced products and such markets may be impacted by a number of factors that could adversely impact the Group's customers' demand

Factors affecting the technology-dependent end markets that the Group serves could adversely affect its customers and, as a result, the Group. These factors include the following:

- customers' ability or inability to adapt to rapidly changing technologies and evolving industry standards that can result in short product lifecycles or product obsolescence;
- customers' ability or inability to develop and market their products, some of which are new and untested; and
- the potential failure of the customers' products to gain widespread commercial acceptance.

Even if the Group's customers successfully respond to these market challenges, their responses, including any consequential changes the Group must make in its business relationships or services offered, or to its operations, can affect its production cycles, inventory management and results of operations.

2.2.12 The Group's products are subject to continuing technological advances which require a continuing investment of resources to keep up to date with such technologies. The Group may be unable to keep such continuing investments in its technological advances up to date which may adversely affect the Group's business

Many of the markets for the Group's manufacturing and engineering services are characterized by continuing change in technology and evolving process development.

Although such technological advances are not expected to be disruptive in nature, these continuing technological advances require a continuing investment of the Group's resources in order to keep up to date with the required technological capabilities. Should the Group be unable to utilize enough of its resources to keep up with the continuing developments in technology regarding the Group's products, the Group may lose its technological advantage and its access to its strategic markets. Such development may adversely affect the Group's business.

The Group believes that its operations use the assembly and testing technologies, equipment and processes that are currently required by its customers, it cannot be certain that it will maintain or develop the capabilities required by its customers in the future. If the Group is unable to keep investing resources into the continuing evolution of new technologies, industry standards or customer requirements, such developments may render its equipment, designs, inventory or processes obsolete or noncompetitive. In addition, the Group may have to invest in new processes, capabilities or equipment to support new technologies used in its customers' current or future products, and to support their supply chain processes. Additionally, as the Group expands its service offerings or pursues business in new markets where its experience may be limited, it may be less effective in adapting to technological change. The Group's manufacturing, engineering, supply chain processes, and test development efforts and design capabilities may not be successful due to rapid technological shifts in any of these areas. The acquisition and implementation of new technologies and equipment and the offering of new or additional services to the Group's customers may require significant expense or capital investment, which could reduce its operating margins and operating results. The Group's failure to anticipate and adapt to its customers' changing technological needs and requirements or to allocate enough resources to continually evolve its technologies and to hire and retain a sufficient number of engineers and maintain its engineering, technological and manufacturing expertise could have a material adverse effect on its operations.

2.2.13 The Group may fail to adequately protect its trade secrets or violate the intellectual property of others

The Group believes that some of its trade secrets provide it with a competitive advantage. Accordingly, it takes steps to protect this proprietary information, including entering into non-disclosure agreements with customers, suppliers, employees and other parties. However, these measures may not be sufficient to prevent or detect the misappropriation or unauthorized use or disclosure of its information. The Group may also be required to compromise protections or yield rights to technology, data or intellectual property in order to conduct business in or access markets in certain jurisdictions, either through formal written agreements or due to legal or administrative requirements in the host nation. If the Group is not able to protect its trade secrets, its business, financial condition and results of operations may be adversely affected.

There is also a risk that claims of intellectual property infringement could be brought against the Group, its customers and/or suppliers. If such claims are successful, the Group may be required to spend significant time and financial resources on developing non-infringing processes, technology or information or obtaining appropriate licenses from the owner. The Group may not be successful in such development, or any such licenses may not be available on commercially acceptable terms, if at all. In addition, any litigation could be lengthy and costly and could adversely affect the Group even if it is successful. As the Group expands its service offerings, it may be less effective in anticipating or mitigating the intellectual property risks related to new manufacturing, design and other services, which could be significant.

2.2.14 Unanticipated changes in the Group's tax position, the adoption of new tax legislation, exposure to additional tax liabilities or governmental authorities becoming more aggressive in its enforcement could adversely affect its financial results

The Group bases its tax position upon the anticipated nature and conduct of its business and upon its understanding of the tax laws of the various countries in which it has assets or conducts activities. Its tax position, however, is subject to review and possible challenge by taxing authorities and to possible changes in law. The Group cannot determine in advance the extent to which some jurisdictions may assess additional tax or interest and penalties on such additional taxes.

Several countries in which the Group operates allow for tax holidays or provide other tax incentives to attract and retain business. The Group has obtained holidays or other incentives where available. The Group's taxes could increase if certain tax holidays or incentives were retracted, or if they were not renewed upon expiration, or if tax rates applicable to the Group in such jurisdictions were otherwise increased. In addition, further acquisitions may cause the Group's effective tax rate to increase. The Group may also be affected by governmental authorities of certain jurisdictions where the Group operates becoming more aggressive in their enforcement and approach towards taxes. Given the scope of the Group's international operations and its international tax arrangements, changes to the manner in which multinational companies are taxed could have a material impact on its financial results and competitiveness.

2.2.15 The Group's operations and its customer relationships may be adversely affected by disruptions to its information technology (IT) systems, including disruptions from cybersecurity breaches of its IT infrastructure

The Group relies on IT networks and systems, including those of third-party service providers, to process, transmit and store electronic information. In particular, it depends on its IT infrastructure for a variety of functions, including worldwide financial reporting, inventory and other data management, procurement, invoicing and email communications. Any of these systems may be susceptible to outages due to fire, floods, power loss, telecommunications failures, terrorist attacks, sabotage and similar events. Global cybersecurity threats and incidents can range from uncoordinated individual attempts to gain unauthorized access to the Group's IT systems to sophisticated and targeted measures known as "advanced persistent threats". The ever-increasing use and evolution of technology, including cloud-based computing and the rise of the Internet of Things, create opportunities for the unintentional dissemination or intentional destruction of confidential information stored in the Group's systems or in non-encrypted portable media or storage devices. The Group could also experience a business interruption, information theft of confidential data or reputational damage from industrial espionage attacks, malware or other cyberattacks, which may compromise its system infrastructure or lead to data leakage, either internally or at its third-party providers. Despite the implementation of advanced threat protection, information and network security measures and disaster recovery plans, the Group's systems and those of the third parties on which it relies may also be vulnerable to computer viruses, break-ins and similar disruptions. This risk is enhanced as a result of the number of employees currently working remotely due to COVID-19, through the increased use of home networks that may lack encryption or secure password protection, virtual meeting/conference security concerns and an increase in phishing/cyber-attacks around COVID-19 digital resources. If the Group or its vendors are unable (or are perceived to be unable) to prevent or promptly identify and remedy such outages and breaches, the Group's operations may be disrupted, its business reputation could be adversely affected, and there could be a negative impact on its financial condition and results of operations. The Group expects that risks and exposures related to cybersecurity attacks will remain high for the foreseeable future due to the rapidly evolving nature and sophistication of these threats.

2.2.16 The Group may not be able to prevent or detect all errors or fraud

Due to the inherent limitations of internal control systems, misstatements due to error or fraud may occur and may not be detected in a timely manner or at all. Accordingly, the Group cannot provide absolute assurance that all control issues, errors or instances of fraud, if any, impacting it have been or will be prevented or detected. In addition, over time, certain aspects of a control system may become inadequate because of changes in conditions, or the degree of compliance with the policies or procedures may deteriorate, which the Group may not be able to address quickly enough to prevent all instances of error or fraud. In connection with the Group's ongoing assessment of the effectiveness of its internal control over financial reporting, it may discover "material weaknesses" in its internal controls. A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements would not be prevented or detected in a timely manner. The existence of any material weakness may require management to devote significant time and incur significant expense to remediate any such material weaknesses. The existence of any material weakness in the Group's internal control over financial reporting may result in errors in its financial statements that could require it to make corrective adjustments or restate its financial statements, cause it to fail to meet its reporting obligations, and cause shareholders to lose confidence in its reported financial information, all of which could materially and adversely affect the market price of its securities. If the Group is unable to successfully identify and remediate any material weaknesses that may arise in a timely manner, the accuracy and timing of its financial reporting may be adversely affected, and it may be unable to maintain compliance with securities law requirements regarding the timely filing of periodic reports and applicable stock exchange listing requirements.

2.2.17 The Group's business may be adversely impacted by natural disasters

Some of the Group's facilities are located in areas that may be impacted by hurricanes, earthquakes, water shortages, tsunamis, floods, typhoons, fires, extreme weather conditions and other natural or man-made disasters. The Group's insurance coverage for natural disasters is limited and is subject to deductibles and coverage limits. This coverage may not be adequate or may not continue to be available at commercially reasonable rates and terms.

In addition, the Group may not be able to easily shift production of its printed circuit boards ("**PCB**") from one production site to another. If work is disrupted at its PCB manufacturing facility, it may be impractical, or the Group may be unable, to transfer such work to another facility without significant costs and delays. Thus, any disruption in operations at its facility manufacturing PCBs could adversely affect the Group's ability to provide products and services to its customers, and thus negatively affect its relationships and financial results.

2.2.18 Compliance or the failure to comply with environmental regulations could cause the Group significant expense

The Group is subject to a variety of federal, state, local and foreign environmental laws and regulations relating to environmental, waste management, and health and safety concerns, including the handling, storage, discharge and disposal of hazardous materials used in or derived from its manufacturing processes. The Group is in particular subject to environmental and water protection regulations in connection with its PCB and hybrid substrate manufacturing. If the Group or companies it acquires have failed or fail in the future to comply with such laws and regulations, then the Group could incur liabilities and fines and its operations could be suspended. Such laws and regulations could also restrict the Group's ability to modify or expand its facilities, could require the Group to acquire costly equipment or could impose other significant expenditures. In addition, the Group's operations may give rise to claims of property contamination or human exposure to hazardous chemicals or conditions.

The Group's worldwide operations are subject to local laws and regulations. Some of the Group's operations are subject to various environmental laws and related regulations, including: EU Directive 2011/65/EC on Restriction of certain Hazardous Substances (RoHS); EC Regulation No 1907/2006 on Registration, Evaluation and Authorization of Chemicals (REACH); EU Member States' implementation of the foregoing; "Conflict Minerals" as defined in the U.S. Dodd-Frank Wall Street Reform and Consumer Protection Act § 1502(b), implementing legislation and rules; the People's Republic of China (PRC) Management Methods for the Restriction of the Use of Hazardous Substances in Electrical and Electronic Products; and other environmental laws and regulations. These laws and regulations impose administrative burdens on and restrict the sourcing and distribution of products containing certain substances, including lead, within applicable geographies and require a manufacturer or importer to recycle products containing those substances.

These directives affect the worldwide electronics and electronics components industries as a whole. If the Group or its customers fail to comply with such laws and regulations, it could incur liabilities and fines and its operations could be suspended.

In addition, as climate change concerns become more prevalent, the U.S. and foreign governments have sought to limit the effects of any such changes. This increasing governmental focus on climate change may result in new environmental regulations that may negatively affect the Group, its suppliers and its customers. This could cause the Group to incur additional direct costs or obligations in complying with any new environmental regulations and reporting requirements, as well as increased indirect costs resulting from its customers, suppliers or both incurring additional compliance costs that get passed on to the Group. These costs may adversely impact its operations and financial condition.

2.2.19 The Group's future level of indebtedness and debt leverage may limit its flexibility in operating its business and reacting to changes in its business or industry, or prevent it from making payments

In June 2021, the Group signed a new syndicated bank loan agreement on a total line of CHF 80 million plus allowance of an external basket of CHF 20 million valid for four years. The new credit agreement also contains an optional acquisition credit line in the amount of CHF 75 million. The Group used part of its credit line as well as to a substantial part the optional acquisition credit line to fund its acquisition of 100% of the shares of the United Kingdom based Axis Electronics Ltd. in November 2021.

The Group's future level of indebtedness as well as its future level of debt leverage could have important consequences. For example, it could:

- increase the Group's vulnerability to general adverse economic and industry conditions;
- require the Group to dedicate a material portion of its cash flows from operations to the payment of principal and interest on its indebtedness, thereby reducing the availability of its cash flows to fund working capital needs, capital expenditures, acquisitions and other purposes;
- limit the Group's flexibility in planning for, or reacting to, changes in its business or industry;
- place the Group at a disadvantage compared to its competitors that have less debt; and
- make it more difficult for the Group to satisfy its debt obligations.

Any of these risks could materially impact the Group's ability to fund its operations or limit its ability to expand its business, which could have a material adverse effect on its business, financial condition and results of operations.

2.2.20 The Group may be exposed to interest rate fluctuations

The Group is exposed to interest rate risk on its outstanding borrowings under its variable rate credit agreement. These borrowings' interest rates are based on the spread, at the Group's option, over the Swiss Average Rate Overnight (SARON), the replacement rate for the London interbank offered rate (LIBOR). The Group is also exposed to interest rate risk on its invested cash balances. The elimination of LIBOR could adversely affect the Group's business, results of operations or financial condition.

2.2.21 The Group may fail to secure or maintain necessary additional financing or capital

Although the Group has credit arrangements, it cannot be certain that its existing credit arrangements will provide all of the financing capacity that it will need in the future or that it will be able to change the credit facilities or revise covenants, if necessary, to accommodate changes or developments in its business and operations and/or increased working capital needs. In addition, if the Group does not comply with the covenants under its credit agreements, its ability to borrow under that facility would be adversely affected. In addition, it is possible that counterparties to the Group's financial agreements, including its credit agreements may not be willing or able to meet their obligations, either due to instability in the global financial markets or otherwise, which could, among other impacts, increase the duration of the Group's cash collection cycle. While the Group currently believes it has ample liquidity to manage the financial impact of COVID-19, it can give no assurance that this will continue to be the case if the impact of COVID-19 is prolonged or if there is an extended impact on the Group or the economy in general.

The Group's future success may depend on its ability to obtain additional financing and capital to support possible future growth and future initiatives.

The Group may seek to raise capital by issuing additional common stock, other equity securities or debt securities, modifying its existing credit facilities or obtaining new facilities, or through a combination of these methods. The Group may not be able to obtain capital when it wants or needs it, and capital may not be available on satisfactory terms. If the Group issues additional equity securities or convertible securities to raise capital, it may have a dilutive effect on shareholders' ownership interests; the Group may not be able to offer its securities on attractive or acceptable terms in the event of volatility or weakness in its stock price. Furthermore, any additional financing may have terms and conditions that adversely affect the Group's business, such as restrictive financial or operating covenants, and its ability to meet any current or future financing covenants will largely depend on its financial performance, which in turn will be subject to general economic conditions and financial, business and other factors.

The Group's ability to borrow on a secured or unsecured basis and the cost of doing so can be affected by increases in interest rates or credit spreads, the availability of credit, regulatory requirements relating to liquidity or the market perceptions of risk relating to the Group, some of its counterparties or the banking sector as a whole, including the Group's perceived or actual creditworthiness. An inability to obtain financing in the unsecured long-term or short-term debt capital markets, or to access the secured lending markets, could have a substantial adverse effect on the Group's liquidity. In challenging credit markets, the Group's funding costs may increase or it may be unable to raise funds to support or expand its businesses, adversely affecting its results of operations.

If the Group is unable to raise needed funds in the capital markets (including through offerings of equity, regulatory capital securities and other debt), it may need to liquidate unencumbered assets to meet its liabilities. In a time of reduced liquidity, the Group may be unable to sell some of its assets, or it may need to sell assets at depressed prices, which in either case could adversely affect its results of operations and financial condition.

2.2.22 The interests of the Issuer's controlling shareholder, which has a voting interest of approximately 28%, may conflict with the interests of other shareholders

The controlling shareholder beneficially owns approximately 28% of the shares in the Issuer. Accordingly, the controlling shareholder has the ability to exercise significant influence over the Group's business and affairs and generally has significant power to determine matters submitted to a vote of its shareholders. The controlling shareholder may make decisions regarding the Issuer and its business that conflict with other shareholders' interests or with which other shareholders may disagree. The controlling shareholder's voting power could have the effect of deterring or preventing a change in control of the Issuer that might otherwise be beneficial to its other shareholders. Through its shareholdings, the controlling shareholder has significant power to elect the Issuer's directors and its approval may be required for significant corporate transactions such as certain amendments to the Issuer's articles of association or the sale of all or substantially all of its assets.

2.2.23 The Group may become subject to litigation, which may result in substantial litigation expenses, settlement costs or judgments, require the time and attention of key management resources, and result in adverse publicity, any of which may negatively impact its financial performance

The Group may occasionally be party to copyright, patent and trademark infringement, unfair competition, breach of contract, customs, employment and other legal actions incidental to its business, as plaintiff or defendant, as well as various other claims, suits, investigations and legal proceedings. Legal claims or regulatory matters may arise in the future and could involve matters relating to commercial disputes, government regulation and compliance, intellectual property, antitrust, tax, employment or shareholder issues, product liability claims and other issues on a global basis. Regardless of the merits of the claims, litigation may be both time-consuming and disruptive to the Group's business. The defense and ultimate outcome of any lawsuits or other legal proceedings may result in higher expenses, which could have a material adverse effect on the Group's business, financial condition, or results of operations. The Group cannot predict the final outcome of such lawsuits or the likelihood that other proceedings will be initiated against it. Accordingly, the cost of defending against such lawsuits or any future lawsuits or proceedings may be high and, in any event, these legal proceedings may result in the diversion of the Group's management's time and attention away from its business. In the event that there is an adverse ruling in any legal proceeding, the Group may be required to make payments to third parties that could have a material adverse effect on its reputation, financial condition and results of operations.

2.2.24 Negative publicity could adversely affect the Group's reputation as well as its business, financial results and share price

The Group's customers are commercial clients and other businesses, which in turn use the Group's products in their products sold to consumers. The Group's customers may become subject to unfavorable media in particular related to the Group's industry, operations, products or performance. The Group cannot assure you that it will not be adversely affected in its reputation by negative publicity regarding the Group's industry, company, marketing, personnel, operations, business performance or prospects, regardless of its accuracy or inaccuracy in the future. The speed at which negative publicity can be disseminated has increased dramatically with the capabilities of electronic communication, including social media outlets, websites, blogs and newsletters. The Group may be unable to maintain its reputation and/or combat potential negative publicity and it may be unable to adapt to the rapidly changing media environment. Adverse publicity or negative commentary from any media outlet could damage the Group's reputation and reduce the demand for its products with the Group's customers, which would adversely affect its business.

2.2.25 The Group and its customers are subject to increasingly extensive government regulations, industry standards and other stakeholder expectations; a failure to comply with current and future regulations, standards and expectations could have an adverse effect on its business, customer relationships, reputation and profitability

The Group is subject to extensive government regulation, industry standards (as well as customer-specific standards) and other stakeholder expectations relating to the products it designs, manufactures and services, as well as to how it conducts its business, including regulations and standards relating to labor and employment practices, workplace health and safety, the environment, sourcing and import/export practices, the market sectors it supports and many other facets of its operations. The regulatory climate in Europe and elsewhere has become increasingly complex and fragmented, and regulatory enforcement activity has increased in recent periods. A failure to comply with such laws, regulations or standards can result in, among other consequences, fines, injunctions, civil penalties, criminal prosecution, recall or seizure of devices, or total or partial suspension of production, including debarment, and could have an adverse effect on the Group's reputation, customer relationships, profitability and results of operations. Further, customer, investor and employee expectations in areas such as environmental, social and corporate governance (ESG) matters have been rapidly evolving and increasing. The enhanced stakeholder focus on ESG issues related to the Group requires the continuous monitoring of various evolving standards and expectations and the associated reporting requirements. A failure to adequately meet stakeholder expectations may result in the loss of business, diluted market valuation, an inability to attract customers and an inability to attract and retain top talent.

2.3 Risks relating to the MCNs and the Shares to be delivered upon conversion of the MCNs

2.3.1 Holders may receive Shares at a time when the Conversion Price is substantially higher than the prevailing Share price

Compared with a traditional convertible bond issue, the MCNs bear a higher risk. Each Holder will receive the Shares at the Conversion Price, which may be substantially higher than the prevailing Share price in the market at the time of conversion.

In such a case, the loss to Holders for each Share received will be equal to the difference between the Conversion Price and the Share price in the market at the time of conversion, and such potential loss cannot be predicted. Therefore, an investor in the MCNs faces almost the same risk of loss as an investor in the Shares, since a Holder of MCNs will receive Shares on the Maturity Date or — in the case of an early conversion as a result of an Accelerated Conversion Event or exercise of the relevant Holder's right to convert its MCNs early — on the Conversion Date. The value of the Shares ultimately received by a Holder could be substantially lower than the price such Holder paid for its MCNs.

Furthermore, although Holders may sell their MCNs at any point prior to conversion, prospective investors should be aware that the market price of the MCNs will depend primarily on the price development of the Shares. In the event of a fall or anticipated fall in the Share price, the market price of the MCNs is likely to fall and liquidity may be reduced. The lower the Share price falls below the Conversion Price and the shorter the time remaining until the Maturity Date, the greater the risk of a corresponding decline in the market price of the MCNs.

2.3.2 A liquid market for the MCNs may fail to develop

The MCNs will be a new issue of securities for which there is no established trading market. The liquidity of any market will depend upon the number of Holders, the market for similar securities, the interest of securities dealers in making a market in the MCNs and other factors. Although the MCNs are expected to be admitted to trading and listed on SIX Swiss Exchange, no assurance can be given that a liquid trading market will develop or be maintained for such MCNs. Under certain circumstances, Holders may not be able to sell their MCNs at the Issue Price, a higher price or at all.

2.3.3 The Holders will have no shareholder rights prior to conversion

Prior to conversion, an investor in the MCNs will not be a holder of Shares. No Holder (in its capacity as such) will have any right to participate in the meeting of the Issuer's shareholders, any voting rights, rights to receive dividends or other distributions or any other rights with respect to the Shares until such time, if any, when such Holder receives Shares upon conversion of such Holder's MCNs and becomes a shareholder. In addition, the exercise of voting rights and rights related thereto with respect to any Shares is only possible after the registration of the person entitled to the Shares in the Issuer's share register as a shareholder with voting rights in accordance with the provisions of, and subject to the limitations provided in, the Issuer's Articles of Association. Any pecuniary rights, in particular the entitlement to dividends and the ability to sell the Shares in the open market, exist without any such registration in the share register.

2.3.4 Holders have only limited anti-dilution protection

The Conversion Price at which the MCNs may be converted into Shares is fixed at the time of the issuance of the MCNs and will be adjusted only in the situations and to the extent provided in the Terms of the MCNs. There is no requirement that there should be an adjustment for every corporate or other event that may affect the value of the Shares or that, if a Holder were to have held the Shares at the time of such adjustment, such Holder would not have benefited to a greater extent.

Accordingly, events in respect of which no adjustment to the Conversion Price is made may adversely affect the value of the MCNs.

2.3.5 Upon insolvency and certain other Accelerated Conversion Events, Holders' sole remedy will be the receipt of Shares upon the mandatory conversion of all MCNs and, upon insolvency of the Issuer, the Holders' monetary claim in lieu of the delivery of Shares will be subordinated to all subordinated or unsubordinated claims of creditors of the Issuer and will rank pari passu with the Shares

Certain events (i.e., (i) non-payment of any amounts when due under the Terms of the MCNs, (ii) breach of other obligations under the Terms of the MCNs, (iii) insolvency of the Issuer, and (iv) certain merger, consolidation and take-over events) constitute Accelerated Conversion Events with respect to the MCNs under the Terms of the MCNs. The sole effect of the occurrence of any such Accelerated Conversion Event is that the outstanding MCNs will be converted on the Conversion Date into such number of Shares per MCN as is equal to the Conversion Ratio in effect on such Conversion Date. Prospective investors should be aware that the Conversion Price was fixed at the time of the issuance of the MCNs (and is subject to adjustment pursuant to certain anti-dilution provisions set forth in the Terms of the MCNs), and is not measured by, and does not fluctuate with, recent price movements in the Shares (as would be the case were conversion based on volume weighted average price (VWAP) or a similar measure).

2.3.6 The Issuer has limited authority to issue any additional Shares it may be required to deliver upon conversion of the MCNs as a result of an adjustment to the Conversion Price

The Shares to be delivered by the Issuer upon conversion of the MCNs will consist of Shares issued from conditional capital of the Issuer. As of the date of this Prospectus, the Board has reserved and allocated a total of (i) 1,267,115 Shares that may be issued out of the Issuer's conditional capital, for the purposes of delivering registered shares upon conversion of the MCNs, pursuant to the Terms of the MCNs. Assuming that the Issuer fully exercises its right to reopen the issue and to increase the aggregate principal amount of the MCNs to the maximum of CHF 60,188,000 and if the MCNs were to be converted at the Conversion Price in effect on the Payment Date, the Issuer would be required to deliver 1,267,115 Shares. However, Condition 6 of the Terms of the MCNs provides for the adjustment of the Conversion Price upon the occurrence of various events, including an adjustment if the Issuer issues Shares or, subject to certain exceptions, the Issuer or any of its subsidiaries issues any right that by its terms of issue carries a right to acquire, or is mandatorily convertible into, Shares on or prior to the Conversion Date for the MCNs for a consideration per Share that is less than the Conversion Price in effect immediately prior to such issuance. Accordingly, if any adjustment to the Conversion Price were to occur that would result in a significantly higher number of Shares being required to be delivered upon conversion of the MCNs than would be required if the Conversion Price were not adjusted, the ability of the Issuer to deliver such excess Shares may be subject to further approval by the shareholders of the Issuer.

2.3.7 There is no restriction on the amount or type of further securities or indebtedness that the Issuer may issue

There is no restriction on the amount or type of further securities or indebtedness that the Issuer may issue, incur or guarantee that rank senior to, or *pari passu* with, the MCNs. The issue or guaranteeing of any such further securities or indebtedness may reduce the amount recoverable by Holders under the Terms of the MCNs on a winding-up of the Issuer and may limit the ability of the Issuer to meet its obligations under the Prospectus.

2.3.8 The MCNs are not covered by any government compensation or insurance scheme and do not have the benefit of any government guarantee

An investment in the MCNs will not be covered by any compensation or insurance scheme of any government agency of Switzerland or any other jurisdiction, and the MCNs do not have the benefit of any government guarantee. The MCNs are the obligations of the Issuer only, and Holders must solely look to the Issuer for the performance of the Issuer's obligations under the MCNs. In the event of the insolvency of the Issuer, a Holder may lose all or some of its investment in the MCNs.

2.3.9 The market value of the MCNs may be influenced by unpredictable factors

Many factors, most of which are beyond the Issuer's control, will influence the value of the MCNs and the price, if any, at which securities dealers may be willing to purchase or sell the MCNs in the secondary market, including the following:

- the trading price of the Shares;
- the creditworthiness of the Issuer;
- supply and demand for the MCNs;
- all of the factors noted above that can affect the Issuer's stock price and the value of the Shares deliverable upon conversion; and
- economic, financial, political or regulatory events or judicial decisions that affect the Issuer or the financial markets generally.

Accordingly, if a Holder sells its MCNs in the secondary market, it may not be able to obtain a price equal to the principal amount of the MCNs or a price equal to the price that it paid for the MCNs. See also "*The Share price has been and may remain volatile*" below.

2.3.10 The MCNs are a complex form of security and may not be a suitable investment for all investors

The MCNs are a complex form of security. As a result, an investment in the MCNs and the Shares issuable upon conversion of the MCNs will involve certain increased risks. Each potential investor in the MCNs must determine the suitability (either alone or with the help of a financial adviser) of such investment in light of their own circumstances. In particular, each potential investor should:

- have sufficient knowledge and experience to make a meaningful evaluation of the MCNs, the merits and risks of investing in the MCNs and the information contained or incorporated by reference in this Prospectus;
- have access to appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the MCNs and the impact the MCNs will have on its overall investment portfolio;
- have sufficient financial resources and liquidity to bear all of the risks of an investment in the MCNs, including where the currency for principal or interest payments is different from the potential investor's currency;
- understand thoroughly the Terms of the MCNs; and
- be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect their investment, the conversion of the MCNs into Shares, and their ability to bear the applicable risks.

Prior to making an investment decision, potential investors should consider carefully, in light of their own financial circumstances and investment objectives, all the information contained in this Prospectus or incorporated by reference herein.

2.3.11 The Share price has been and may remain volatile

In the past, the Share price has been volatile in part due to the high volatility in the securities markets. Factors that may affect the market price of the Shares include but are not limited to the following:

- actual or projected fluctuations in the Group's financial or operating results;
- investors' opinions regarding the prospects for the success and impact of the strategic direction, structure and organization of the Group;
- changes in assessments of the Group or its industry in research reports published and securities analysts;
- potential future legal disputes;
- changes in the legal system or regulatory measures affecting the Group or its strategic markets;
- failure to meet estimates by analysts;
- investors' estimates and the actual further development of the Group's strategic markets in general;
- general fluctuations in the price of stocks, particularly those of competitors;
- the volatility of the market in general; and
- the other risks described in the risk factors noted above.

2.3.12 Future issuances of equity or debt securities that are convertible into equity may result in a dilution of shareholding

The Issuer may choose to raise additional capital depending on market conditions or strategic considerations. To the extent that additional capital is raised by the Issuer through the issuance of equity or other securities that are convertible into equity, such issuance could dilute a shareholder's proportional ownership and voting interest in the Issuer if the new equity or other securities are issued without granting subscription rights to existing shareholders.

3. FORWARD-LOOKING STATEMENTS

This Prospectus contains or incorporates by reference statements that constitute forward-looking statements. In addition, in the future the Issuer, and others on its behalf, may make statements that constitute forward-looking statements. Such forward-looking statements may include, without limitation, statements relating to the Group's plans, targets or goals, the Group's future economic performance or prospects, the potential effect on the Group's future performance of certain contingencies, and assumptions underlying any such statements.

Words such as "believes", "anticipates", "expects", "intends" and "plans" and similar expressions are intended to identify forward-looking statements but are not the exclusive means of identifying such statements. The Issuer does not intend to update these forward-looking statements.

By their very nature, forward-looking statements involve inherent risks and uncertainties, both general and specific, and risks exist that predictions, forecasts, projections and other outcomes described or implied in forward-looking statements will not be achieved. The Issuer cautions potential investors that a number of important factors could cause results to differ materially from the plans, targets, goals, expectations, estimates and intentions expressed in such forward-looking statements and that the COVID-19 pandemic creates significantly greater uncertainty about forward-looking statements in addition to the factors that generally affect the Group's business. These factors include:

- the ability to maintain sufficient liquidity and access capital markets;
- market volatility and interest rate fluctuations and developments affecting interest rate levels, including the persistence of a low or negative interest rate environment;
- the strength of the global economy in general and the strength of the economies of the countries in which the Group conducts its operations, in particular the risk of negative impacts of COVID-19 on the global economy and financial markets and the risk of continued slow economic recovery or downturn in the EU, the U.S. or other developed countries or in emerging markets in 2021 and beyond;
- the emergence of widespread health emergencies, infectious diseases or pandemics, such as COVID-19, and the actions that may be taken by governmental authorities to contain the outbreak or to counter its impact;
- potential risks and uncertainties relating to the severity of impacts from COVID-19 and the duration of the pandemic, including potential material adverse effects on the Group's business, financial condition and results of operations;
- the direct and indirect impacts of deterioration or slow recovery in residential and commercial real estate markets;
- adverse rating actions by credit rating agencies in respect of the Group, sovereign issuers, structured credit products or other credit-related exposures;
- the ability to achieve the Group's strategic goals, including those related to its targets, ambitions and financial goals;
- the ability of counterparties to meet their obligations to the Group and the adequacy of the Group's allowance for credit losses;
- the effects of, and changes in, fiscal, monetary, exchange rate, trade and tax policies;
- the effects of currency fluctuations, including the related impact on the Group's business, financial condition and results of operations due to moves in foreign exchange rates;
- political, social and environmental developments, including war, civil unrest or terrorist activity and climate change;

- the ability to appropriately address social, environmental and sustainability concerns that may arise from the Group's business activities;
- the effects of, and the uncertainty arising from, the UK's withdrawal from the EU;
- the possibility of foreign exchange controls, expropriation, nationalization or confiscation of assets in countries in which the Group conducts its operations;
- operational factors such as systems failure, human error, or the failure to implement procedures properly;
- the risk of cyber-attacks, information or security breaches or technology failures on the Group's reputation, business or operations, the risk of which is increased while large portions of the Group's employees work remotely;
- the adverse resolution of litigation, regulatory proceedings and other contingencies;
- actions taken by regulators with respect to the Group's business and practices and possible resulting changes to its business organization, practices and policies in countries in which it conducts its operations;
- the effects of changes in laws, regulations or accounting or tax standards, policies or practices in countries in which the Group conducts its operations;
- the expected discontinuation of LIBOR and other interbank offered rates and the transition to alternative reference rates;
- the potential effects of changes in the Group's legal entity structure;
- competition or changes in the Group's competitive position in geographic and business areas in which it conducts its operations;
- the ability to retain and recruit qualified personnel;
- the ability to maintain the Group's reputation and promote the Group's brand;
- the ability to increase market share and control expenses;
- technological changes instituted by the Group, its counterparties or its competitors;
- the timely development and acceptance of the Group's new products and services and the perceived overall value of these products and services by users;
- acquisitions, including the ability to integrate acquired businesses successfully, and divestitures, including the ability to sell non-core assets; and
- other unforeseen or unexpected events and the Group's success at managing these and the risks involved in the foregoing.

The foregoing list of important factors is not exclusive. When evaluating forward-looking statements, investors should carefully consider the foregoing factors and other uncertainties and events, as well as the risks factors and other information set forth in the documents incorporated into or in this Prospectus.

4. ABOUT THIS PROSPECTUS

4.1 Documents Incorporated by Reference

The following documents, which have previously been published or are published simultaneously with this Prospectus, shall be incorporated in, and form part of, this Prospectus:

(1) Interim report 2021 of the Issuer (the "**Interim Report 2021**");

(2) Annual report 2020 of the Issuer (the "**Annual Report 2020**")

(3) Compensation report 2020 of the Issuer (the "**Compensation Report 2020**"); and

(4) Articles of association of the Issuer dated 16 December 2021 (the "**Articles of Association**").

Any statement contained in a document incorporated by reference in this Prospectus will be deemed to be modified or superseded to the extent that a statement contained herein (or contained in any document incorporated by reference herein prepared and filed by the Issuer after the date the incorporated information was filed) modifies or supersedes such statement. Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Prospectus.

4.2 Availability of Documents

Copies of this Prospectus (including the documents incorporated by reference herein) can be obtained in electronic or printed form, free of charge, during normal business hours from (i) the registered office of the Issuer or by e-mail to: investor@cicor.com. Copies of documents incorporated by reference in this Prospectus can also be obtained, free of charge, on the website of the Issuer (www.cicor.com/investors/).

Information (other than the above-referenced documents incorporated by reference) contained on the website or any apps of the Issuer is not incorporated by reference in this Prospectus.

5. TERMS AND CONDITIONS OF THE MANDATORY CONVERTIBLE NOTES

*The following (excluding this paragraph) is the text of the terms and conditions that shall be applicable to the MCNs (the "**Terms of the MCNs**").*

The CHF 20,000,000 Mandatory Convertible Notes due 2027 (the "**MCNs**", each a "**MCN**") issued by Cicor Technologies Ltd., Route de l'Europe 8, 2017 Boudry, Switzerland (the "**Issuer**"), and mandatorily convertible into Shares (as defined below), are subject to these terms and conditions (each a "**Condition**", and together the "**Terms of the MCNs**"). The Issuer's register of uncertificated securities (*Wertrechtebuch*) showing the MCNs being registered as uncertificated securities (as set out below) is as set out in the paying and conversion agency agreement dated as of 21 December 2021 (as amended, supplemented, restated or otherwise modified from time to time, the "**Agency Agreement**"), among the Issuer and Zürcher Kantonalbank as Principal Paying and Conversion Agent.

1. Principal Amount, Denomination and Form and Transfer of the MCNs; Reopening

(a) The initial aggregate principal amount of the MCNs will be CHF 20,000,000 divided into 20,000 MCNs with a principal amount of CHF 1,000 each (the "**Principal Amount**"). The MCNs may be held and transferred only in minimum denominations of CHF 1,000 and integral multiples thereof.

(b) The Issuer reserves the right to reopen this issue and increase the aggregate Principal Amount of the MCNs at any time during the period starting on the day following the Payment Date and ending on (but excluding) the day falling 12 months after the Payment Date (the "**Reopening Period**") and without the prior consent of or permission of the Holders through the issue of further mandatory convertible notes which will be fungible with the MCNs (i.e., identical especially in respect of the Terms of the MCNs, security number, final maturity and interest rate; each such issue a "**Reopening**"), provided that the total issue, i.e. including existing MCNs, does not exceed CHF 60,188,000.

(c) The MCNs and all rights in connection therewith are issued in uncertificated form in accordance with article 973c of the Swiss Code of Obligations of 30 March 1911, as amended (*Obligationenrecht*, the "**CO**") as uncertificated securities (*einfache Wertrechte*) that will be created by the Issuer by means of a registration in its register of uncertificated securities (*Wertrechtebuch*). Such uncertificated securities (*einfache Wertrechte*) will then be entered into the main register (*Hauptregister*) of SIX SIS Ltd ("**SIS**") or any other intermediary in Switzerland recognized for such purposes by the Relevant Exchange (SIS or any such other intermediary, the "**Intermediary**"). Once the uncertificated securities (*einfache Wertrechte*) are registered in the main register (*Hauptregister*) of the Intermediary and entered into the accounts of one or more participants of the Intermediary, the MCNs will constitute intermediated securities (*Bucheffekten*) (the "**Intermediated Securities**") in accordance with the provisions of the Swiss Intermediated Securities Act of 3 October 2008, as amended (*Bucheffektengesetz,* the "**FISA**").

(d) So long as the MCNs are in the form of Intermediated Securities, the MCNs may only be transferred or otherwise disposed of in accordance with the provisions of the FISA and the applicable rules of the relevant Intermediary, and neither the MCNs nor any rights pertaining thereto may be transferred by way of assignment pursuant to articles 164 et seq. CO.

(e) The records of the Intermediary will determine the number of MCNs held through each participant of the Intermediary. In respect of MCNs held in the form of Intermediated Securities, the holders of the MCNs (the "**Holders**" and each a "**Holder**") will be the persons holding the MCNs in a securities account (*Effektenkonto*) which is in their own name or, in the case of intermediaries (*Verwahrungsstellen*), the intermediaries holding the MCNs for their own account in a securities account which is in their name.

(f) The conversion of the uncertificated securities (*einfache Wertrechte*) into a permanent global certificate (*Globalurkunde auf Dauer*) or individually certificated securities (*Wertpapiere*) is excluded. Neither the Issuer nor the Holders nor the Principal Paying and Conversion Agent nor any third party shall at any time have the right to effect or demand the conversion of the uncertificated securities (*einfache Wertrechte*) into, or the delivery of a permanent global certificate (*Globalurkunde auf Dauer*) or individually certificated securities (*Wertpapiere*).

2. Interest

There is no interest paid on the MCNs.

3. Conversion, Purchase and Cancellation

The MCNs shall neither be redeemed nor be redeemable for cash, except as provided in these Terms of the MCNs.

(a) *Conversion Ratio*

The Conversion Ratio on any Conversion Date (being the number of Shares to be delivered per MCN) shall be determined by dividing CHF 1,000 (i.e., the Principal Amount) by the Conversion Price in effect on such Conversion Date, and calculated to five decimal places; *provided*, *however*, that if more than one MCN is converted at any one time by the same Holder, the number of Shares to be delivered upon conversion to such Holder shall be determined by dividing the aggregate Principal Amount of the MCNs converted by the same Holder at any one time by the Conversion Price in effect on the Conversion Date, and calculated to five decimal places.

(b) *Mandatory Conversion on Maturity Date*

Unless previously converted pursuant to Condition 3(c) or Condition 9 or purchased and cancelled pursuant to Condition 3(f), on the Maturity Date each MCN shall be mandatorily converted, and, if applicable, each Holder shall be deemed to have exercised its right to convert each MCN held by such Holder, into such number of Shares as is equal to the Conversion Ratio in effect on the Maturity Date in accordance with Condition 3(a).

(c) *Early Conversion at the Option of the Holder*

Subject to Condition 3(e)(i), each Holder may elect, in its sole discretion, to early convert all or some of its MCNs

(i) during the Optional Conversion Period; or

(ii) if and when a Take-over Bid is formally announced, during the period starting on the first day of the additional offer period and ending on the last day of the additional offer period pursuant to the FMIA and its implementing ordinances, provided that more than 50% of the Shares for which the Take-over Bid is made have been validly tendered by the end of the first offer period (five trading days starting from the end of the first offer period, the "**TOB Conversion Period**") and any conditions to be satisfied on or by the end of the first offer period have been satisfied or waived,

into such number of Shares per MCN as is equal to the Conversion Ratio in effect on the applicable Conversion Date in accordance with Condition 3(a) (the "**Conversion Right**").

A Conversion Right may not be exercised following the giving of an Accelerated Conversion Notice pursuant to Condition 9.

(d) *Fractions*

In connection with conversion of any MCN pursuant to Condition 3(b), Condition 3(c) or Condition 9, no Fractions will be delivered to, and no cash payment for Fractions will be made to, the Holder thereof.

(e) *Conversion Procedures*

(i) Optional Conversion Notice

To exercise its right to convert all or any of its MCNs pursuant to Condition 3(c), a Holder must at its own expense deliver to the Principal Paying and Conversion Agent at the Specified Office either during the Optional Conversion Period (in the case of a conversion in accordance with Condition 3(c)(i)), or the TOB Conversion Period (in the case of a conversion in accordance with Condition 3(c)(ii)) a duly completed optional conversion notice in a form satisfactory and together with clearing instructions in a form satisfactory to the Principal Paying and Conversion Agent allowing for the transfer of the relevant MCN(s) through the Intermediary to the Principal Paying and Conversion Agent (an "**Optional Conversion Notice**") with respect to the relevant MCN(s).

Upon delivery of an Optional Conversion Notice to the Principal Paying and Conversion Agent with respect to any MCN, the relevant Holder authorises the Paying and Conversion Agent to make, in such Holder's name and on its behalf, any such declarations to the Issuer as may be required or advisable under applicable law for the purpose of the determination of the number and creation and delivery of the Shares, if any, to be delivered to the Holder upon conversion of such MCN pursuant to Condition 3(c). Upon delivery of an Optional Conversion Notice with respect to any MCN, the relevant Holder will be deemed to represent and warrant that (x) it understands that the Shares, if any, to be delivered to such Holder upon conversion of such MCN pursuant to Condition 3(c) have not been and will not be registered under the U.S. Securities Act, (y) it is not a U.S. person (as defined in Regulation S), is located outside the United States within the meaning of Regulation S, and is acquiring such Shares in an offshore transaction (as defined in Regulation S) in accordance with Rule 903 or 904 of Regulation S, and (z) understands that such Shares may not be delivered within the United States upon conversion of such MCN and may not be resold in the United States except pursuant to an exemption from the registration requirements of the Securities Act.

An Optional Conversion Notice shall be deemed to be delivered in accordance with this Condition 3(e)(i) on the Business Day such Optional Conversion Notice is received by the Principal Paying and Conversion Agent at the Specified Office; *provided*, *however*, that, if such Optional Conversion Notice is received by the Principal Paying and Conversion Agent at the Specified Office on or after 4.00 p.m. CE(S)T on such Business Day, such Optional Conversion will be deemed to have been delivered in accordance with this Condition 3(e)(i) on the next following Business Day. Once delivered in accordance with this Condition 3(e)(i), the Optional Conversion Notice shall be irrevocable.

A Conversion Right shall be exercised only in respect of the whole of the Principal Amount of a MCN.

(ii) Delivery of Shares

The Shares to be delivered upon conversion of a MCN in accordance with Condition 3(b), Condition 3(c) or Condition 9, if any, will be new Shares to be issued from the conditional capital of the Issuer with the same entitlements as the other outstanding Shares. The conditional capital of the Issuer is reserved for that purpose to the extent necessary to cover the delivery of Shares hereunder.

As soon as practicable, and in any event not later than the Business Day that is the tenth Business Day immediately after the applicable Conversion Date, the Issuer shall effect delivery of the relevant Shares through SIX SIS. At the time of such delivery of the Shares, the then-valid share registration rules of the Issuer shall apply and the relevant Holder shall be deemed to have applied to be registered as a shareholder in the shareholders' register of the Issuer. The Issuer does not offer any assurance or guarantee that the Holder to whom such Shares are delivered will be accepted as a shareholder with voting rights in the share register pursuant to such rules.

(iii) Inability of the Issuer to Deliver Shares

Notwithstanding clause (ii) of this Condition 3(e), should the Issuer become legally barred from creating and delivering, or otherwise be unable to create and deliver, Shares upon conversion of the MCNs pursuant to Condition 3(b), Condition 3(c) or Condition 9, the right of the Holders to receive Shares, and accordingly any claims of the Holders against the Issuer for the delivery of Shares, shall be suspended for the entire period during which the Issuer is unable to create and/or deliver Shares.

(iv) Taxes and other Costs

Any Swiss capital, stamp, issue, registration and transfer taxes and duties arising on the allotment, issue, transfer or delivery of Shares (including, any fees payable to the Relevant Exchange) upon the delivery in Switzerland of Shares upon the conversion of the MCNs shall be paid by the Issuer; *provided*, *however*, that the Issuer shall not pay (A) any tax payable in connection with any subsequent sale or transfer of Shares by the holder thereof, or (B) any tax or other cost payable in connection with the sale, transfer or delivery of Share(s) in or to a country other than Switzerland.

(f) *Purchase and Cancellation*

The Issuer and its subsidiaries may at any time and at any price purchase MCNs in the open market or otherwise. Any such purchase shall be made in accordance with applicable laws or regulations, including, without limitation, applicable stock exchange regulations. While any MCN so purchased are held by or on behalf of the Issuer or any of its subsidiaries, (i) the Holder of such MCN shall not be entitled to vote at any meetings of the Holders, and (ii) such MCN shall be deemed not to be outstanding for the purposes of calculating quorums at meetings of the Holders pursuant to Condition 13. Any MCN purchased by the Issuer or any of its respective subsidiaries may be held, resold (subject to compliance with applicable laws) or surrendered to the Principal Paying and Conversion Agent for cancellation.

All MCNs that are converted pursuant to Condition 3(b), Condition 3(c) or Condition 9 or purchased and surrendered to the Principal Paying and Conversion Agent for cancellation as described in the paragraph immediately above shall immediately be cancelled.

4. Payments

(a) Any payments in cash to be made under these Terms of the MCNs shall be made available in good time in freely disposable CHF, which shall be placed at the free disposal of the Principal Paying and Conversion Agent in Switzerland on behalf of the Holders. If any date for payment in respect of any MCN is not a Business Day, the Holder thereof shall not be entitled to payment until the next following Business Day or to any interest or other sum in respect of such postponed payment.

(b) The receipt by the Principal Paying and Conversion Agent of the payment of funds in CHF in Switzerland will release the Issuer from its obligations under the MCNs to the extent of such payment.

(c) Notwithstanding the foregoing, if by making a payment under the Terms of the MCNs the Issuer would violate any law or mandatory regulation, the Issuer shall notify the Principal Paying and Conversion Agent at least 15 Business Days prior to the date on which such payment is scheduled to be made, and

(i) at the option of the Principal Paying and Conversion Agent, and as the Principal Paying and Conversion Agent shall specify to the Issuer not less than ten Business Days prior to the relevant payment date, make payment either (A) in CHF at such place as the Principal Paying and Conversion Agent shall have specified, or (B) in such Other Currency at such place as the Principal Paying and Conversion Agent shall have specified, in either case in such manner as shall not violate any law or mandatory regulation; or

(ii) if the Principal Paying and Conversion Agent shall fail to exercise its option under clause (i) of this Condition 4(c) or if none of the alternatives under clause (i) of this Condition 4(c) are available without violating any law or mandatory regulation, make payment in any Other Currency to the Principal Paying and Conversion Agent or any of its affiliates for the benefit of the Holders.

(iii) The amount of any payment in the relevant Other Currency pursuant to Condition 4(c), if applicable, shall be determined by converting the amount of the payment due in CHF into such Other Currency at the rate of exchange for wholesale purchases of such Other Currency with CHF in effect at the close of business in Zurich, Switzerland, on the Business Day immediately prior to the relevant payment date, as determined by the Principal Paying and Conversion Agent. The receipt by the Principal Paying and Conversion Agent of the payment of funds in such Other Currency will release the Issuer from its obligations under the MCNs to the extent of such payment.

5. Statute of Limitations

Claims for the delivery of the Shares will cease to be enforceable by legal action in accordance with the applicable Swiss statute of limitations, which is ten years from the relevant due date for delivery.

6. Adjustments to the Conversion Price

For the avoidance of doubt, any adjustment to the Conversion Price in accordance with this Condition 6 shall result in a simultaneous adjustment of the Conversion Ratio.

(a) *Events leading to adjustments to the Conversion Price*

(i) Increase of share capital by means of capitalisation of reserves, profits or premiums by distribution or division or consolidation of Shares

Subject to Condition 6(d), in the event of a change in the Issuer's share capital by capitalisation of reserves, profits or premiums, in each case, by means of the distribution of Shares, or as a result of the division or consolidation of Shares, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to such change by the result of the following formula:

N_{Old} / N_{New}

where:

N_{Old} is the number of Shares existing immediately prior to the relevant change in the Issuer's share capital; and

N_{New} is the number of Shares existing immediately after giving effect to the relevant change in the Issuer 's share capital;

provided, *however*, that this Condition 6(a)(i) shall not apply to any Scrip Dividend or other Non-Cash Distribution, the issuance or distribution of which shall result in an adjustment to the Conversion Price pursuant to Condition 6(a)(iii).

Any such adjustment shall become effective on the date on which the Shares are first traded ex-entitlement on the Relevant Exchange.

(ii) Issues of Shares or Other Securities by way of conferring subscription or purchase rights

Subject to Condition 6(d), if (a) the Issuer grants to holders of Shares any rights or options, warrants or other rights to subscribe for or acquire Shares, Other Securities or securities convertible or exchangeable into Shares or Other Securities, or (b) any third party with the agreement of the Issuer issues to holders of Shares any rights, options or warrants to purchase any Shares, Other Securities or securities convertible or exchangeable into Shares or Other Securities (any right, option or warrant described in clause (a) or (b), a "**Purchase Right**"), the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to such grant or issuance by the result of the following formula:

$(P_{cum} - R) / P_{cum}$

where:

P_{cum} is the Volume Weighted Average Price of one Share on the later of (x) the Trading Day immediately preceding the date on which the Shares are first traded ex-Purchase Rights on the Relevant Exchange following the grant or issuance, as applicable, of the relevant Purchase Right, and (y) the Trading Day on which the subscription or purchase price for the relevant Purchase Right is announced, or, if the day on which such subscription or purchase price is announced is not a Trading Day, the next following Trading Day; and

R is the value of the relevant Purchase Right relating to one Share or Other Security, as applicable, such value to be calculated as follows:

(A) if the relevant Purchase Right relates to Shares:

$R = P_{cum} - TERP$

where:

$TERP = ((N_{old} \text{ x } P_{cum}) + (N_{new} \text{ x } (P_{rights} + Div))) / (N_{old} + N_{new})$

and:

TERP is the theoretical ex-rights price; and

N_{old} is the number of Shares existing before the change in share capital; and

N_{new} is the number of Shares being newly issued; and

P_{rights} is the price at which one new Share can be subscribed, exercised or purchased; and

Div is the amount (in CHF) by which the dividend entitlement per existing Share exceeds the dividend entitlement per new Share, (x) if dividends have already been proposed to the general meeting of shareholders of the Issuer but not yet paid, based on the proposed dividend amount, or (y) if dividends have not yet been so proposed, based on the last dividend paid;

provided, *however*, that no such adjustment shall be made with respect to any Purchase Right relating to Shares if the subscription or purchase price for one new Share is at least 95 per cent. of P_{cum};

(B) if the relevant Purchase Right relates to Other Securities or to securities convertible or exchangeable into Shares or Other Securities and such Purchase Right or Other Securities are traded on a regulated stock exchange in Switzerland, the European Union, the United Kingdom, the United States of America, Canada or Japan:

$R = N_{rights} \text{ x } P_{rights}$

where:

N_{rights} is the number of Purchase Rights granted or issued per Share; and

P_{rights} is the average of the last paid prices (in CHF) (or, if no dealing is recorded, the arithmetic mean of the bid and offered prices) on a spot basis of one Purchase Right on each Trading Day on which such Purchase Rights are traded or, if the subscription or purchase period in respect thereof is longer than ten Trading Days, the average of the last paid prices (or, if no dealing is recorded, the arithmetic mean of the bid and offered prices) on a spot basis on the first ten Trading Days of such period; and

(C) if neither clause (A) or (B) of this Condition 6(a)(ii) is applicable:

R shall be determined by a Common Expert.

Any such adjustment pursuant to this Condition 6(a)(ii) shall become effective on

(1) in the case of clause (A) of this Condition 6(a)(ii), the date on which the Shares are first traded ex-Purchase Rights on the Relevant Exchange or, if the subscription or purchase price is announced only at a later time, the date that is one Trading Day after the announcement of the subscription or purchase price for the Purchase Right;

(2) in the case of clause (B) of this Condition 6(a)(ii), the date that is five Trading Days after the earlier of (x) the end of the subscription or purchase period, and (y) the tenth day of the subscription or purchase period; and

(3) in the case of clause (C) of this Condition 6(a)(ii), the date determined by the Common Expert.

(iii) Non-Cash Distributions, including Scrip Dividends

Subject to Condition 6(d), in the event of a Non-Cash Distribution, the Conversion Price shall be adjusted as follows:

(A) in the case of a Scrip Dividend, by multiplying the Conversion Price in force immediately prior to such Scrip Dividend by the result of the following formula:

$N / (N + 1)$

where:

N is the aggregate number of Shares entitling a holder of Shares to receive one Share pursuant to the terms of such Scrip Dividend;

(B) in the case of a Non-Cash Distribution (other than a Scrip Dividend) that (x) consists of securities that are traded on a regulated stock exchange in Switzerland, the European Union, the United Kingdom, the United States of America, Canada or Japan, or (y) has a value that is otherwise determinable by reference to a stock exchange quotation, by multiplying the Conversion Price in force immediately prior to such Non-Cash Distribution by the result of the following formula:

$(P_{cum} - D) / P_{cum}$

where

P_{cum} is the Volume Weighted Average Price of one Share on the later of (x) the Trading Day immediately preceding the date on which the Shares are first traded ex-Non-Cash Distribution on the Relevant Exchange following the relevant Non-Cash Distribution, and (y) the Trading Day on which the amount of the Non-Cash Distribution is announced, or, if the day on which the amount of the Non-Cash Distribution is announced is not a Trading Day, the next following Trading Day; and

D is the value of the Non-Cash Distribution (in CHF) on the Trading Day immediately following the date in respect of which P_{cum} is determined, as determined by the Principal Paying and Conversion Agent;

(C) in all other cases, by multiplying the Conversion Price in force immediately prior to such Non-Cash Distribution by the result of the following formula:

P_{after} / P_{before}

where:

P_{after} is the current market price per Share immediately after the date of such Non-Cash Distribution (for purposes of this Condition 6(a)(iii)(C), the "**Issue Date**"); and

P_{before} is the current market price per Share immediately prior to the Issue Date;

where for purposes of this provision the current market price per Share shall be deemed to be the average of the Volume Weighted Average Price of a Share (x) in the case of P_{before}, on each of the five consecutive Trading Days immediately preceding the Issue Date, and (y) in the case of P_{after}, on each of the five consecutive Trading Days immediately after the Issue Date, in each case, as determined by the Principal Paying and Conversion Agent.

Any such adjustment pursuant to this Condition 6(a)(iii) shall become effective (1) in the case of clauses (A) and (B) of this Condition 6(a)(iii), on the date on which the Non-Cash Distribution is made, and (2) in the case of clause (C) of this Condition 6(a)(iii), on the date that is the fifth Trading Day immediately after the Issue Date.

(iv) Cash Distribution

If the Issuer makes any Cash Distribution, the Conversion Price shall be adjusted by multiplying the Conversion Price by the following fraction:

$(P_{cum} – D)/P_{cum}$

where:

P_{cum} is the Current Market Price on the date the Shares are traded ex-dividend on the Relevant Exchange;

D is the portion of the Cash Distribution attributable to one Share.

(v) Other Events

If (A) the Issuer determines, after consultation with the Principal Paying and Conversion Agent, or (B) the Principal Paying and Conversion Agent determines, after consultation with the Issuer, or (C) Holders who hold MCNs representing in the aggregate at least 25 per cent. of the aggregate outstanding Principal Amount then outstanding notify the Principal Paying and Conversion Agent in writing that they believe, that, notwithstanding clauses (i) to (iii) of this Condition 6(a), an adjustment should be made to the Conversion Price as a result of one or more events or circumstances not described in this Condition 6(a) or circumstances have arisen that might have an adverse effect on the Holders' right to receive Shares upon conversion of the MCNs and no adjustment to the Conversion Price under this Condition 6(a) would otherwise arise, the Principal Paying and Conversion Agent shall engage the services or obtain the advice of a Common Expert to determine as soon as practicable what adjustment, if any, to the Conversion Price or amendment, if any, to the terms of this Condition 6 would be fair and reasonable to take in order to take such events or circumstances into account and the date on which such adjustment or amendment should take effect; *provided*, *however*, that no such adjustment or amendment shall require the Issuer to deliver any securities, cash or other assets to the Holders, other than any additional Shares that would be deliverable or payable upon conversion of the MCNs as a result of any such adjusted Conversion Price. The Principal Paying and Conversion Agent shall have no responsibility to make any enquiries as to whether or not any event has occurred that might require an adjustment to the Conversion Price or amendment, if any, to the terms of this Condition 6.

(b) *Retroactive Adjustments*

If the date of delivery of any Shares upon conversion of any Holder's MCNs is after the relevant record date for any issue, sale, grant or offer leading to an adjustment pursuant to Condition 6(a), but the Conversion Date is before the relevant adjustment to the Conversion Price becomes effective thereunder, the Issuer shall (conditional upon the relevant adjustment becoming effective) ensure that there shall be issued to such Holder such additional number of Shares (if any) (the "**Additional Shares**") as, together with the Shares delivered or to be delivered upon conversion of such MCNs, is equal to the Shares that would have been required to be delivered upon conversion of such MCNs if the relevant adjustment to the Conversion Price had in fact been made and become effective immediately prior to the Conversion Date (the "**Retroactive Adjustment**"). Without prejudice to the provisions of Condition 3, upon a Retroactive

Adjustment becoming effective in accordance with this Condition 6(b), the relevant Additional Shares shall be delivered as soon as possible after calculation of the number of the Additional Shares. Without prejudice to the foregoing and to mandatory provisions of applicable law, in the event that an issue, sale, grant or offer leading to an adjustment pursuant to Condition 6(a) is effected between the Conversion Date and the date of delivery of the relevant Additional Shares or any other record date for such issue, sale, grant or offer, the Issuer shall request a Common Expert to determine the amount of the further consideration to be made available to such Holder, so that such Holder may be substantially treated as if it Holder had actually received the relevant Additional Shares on the date of delivery of the Shares due upon the conversion of such MCNs.

(c) *Calculation and Notice of Adjustments*

(i) Each adjustment to be made pursuant to Condition 6(a) shall be calculated by the Principal Paying and Conversion Agent and (in the absence of wilful misconduct, bad faith and manifest error) be binding on the Issuer, the Holders and the Principal Paying and Conversion Agent, and (in the absence of wilful misconduct, bad faith and gross negligence) no liability to the Issuer or the Holders will attach to the Principal Paying and Conversion Agent in connection with the exercise or non-exercise by it of its powers and duties under this Condition 6.

(ii) In the case of any adjustment pursuant to this Condition 6, the resulting Conversion Price, if not an integral multiple of CHF 0.01 (one hundredth of a Swiss franc), shall be rounded to the nearest whole or multiple of CHF 0.01, with CHF 0.005 (five thousandths of a Swiss franc) being rounded upwards.

(iii) Upon any adjustment to the Conversion Price pursuant to this Condition 6, the Issuer shall notify the Holders thereof in accordance with Condition 10 as soon as practicable after the date on which such adjustment becomes effective.

(d) *Events not Giving Rise to Adjustments*

Notwithstanding the foregoing, no adjustment to the Conversion Price shall be made:

(i) as a result of any issue or distribution of Shares or Other Securities if the pre-emptive right (*Bezugsrecht*) in respect thereof under the Swiss Code of Obligations has been validly excluded by resolution of the general meeting of shareholders or the Board of Directors of the Issuer unless a pre-emptive right in respect thereof is granted indirectly to the shareholders by a third party with the agreement of the Issuer; or

(ii) as a result of any public issue of bonds convertible into Shares or bonds with options to subscribe for Shares, such Shares being sourced from conditional capital (*bedingtes Kapital*) or authorised capital (*genehmigtes Kapital*) of the Issuer, irrespective of whether in respect of such issue the preferential subscription rights to acquire such bonds (*Vorwegzeichnungsrecht*) have been excluded or not, unless preferential subscription rights have been granted and are traded on the Relevant Exchange; or

(iii) if, as a result of any spin-off or capital distribution by the Issuer, the Issuer sells any share, right, warrant or other security representing the same (an "**Interest**") in any of its subsidiaries to holders of Shares at fair value, and for this purpose:

(A) where such Interest is listed on, traded on, or dealt in any stock exchange, the fair value of such Interest shall be at least 95 per cent. of the average of the last paid prices therefor on such stock exchange (or, if more than one, the principal stock exchange) on each of the ten Trading Days commencing on the 20th Trading Day before the day on which the Issuer officially announces the terms and conditions for such sale, as determined by the Principal Paying and Conversion Agent;

(B) where such Interest is not so listed, traded or dealt in, the fair value of such Interest shall be at least 95 per cent. of the intrinsic value thereof, and the Issuer shall instruct a Common Expert to determine as soon as practicable the intrinsic value of such Interest; or

(iv) if Shares or Other Securities (including rights or options in relation to Shares and Other Securities) are issued, offered or granted to, or for the benefit of, directors or employees, or former directors or employees, of the Issuer or any of its subsidiaries or any associated company or to trustees to be held for the benefit of any such person in any such case pursuant to any employee share or option scheme; or

(v) if an increase in the Conversion Price would result from such adjustment, except in case of an exchange of the Shares for Other Securities or a consolidation of Shares; or

(vi) if such adjustment would result in the Conversion Price falling below the nominal value of a Share; *provided*, *however*, that, in such a case, (A) the Conversion Price shall be adjusted down to the nominal value of a Share (such adjustment becoming effective in accordance with the relevant clause of Condition 6(a)), and (B) the remaining reduction in the Conversion Price that would have otherwise been made as a result of such adjustment, as well as any subsequent adjustments that would otherwise be made pursuant to this Condition 6 but for this clause (vi), shall be carried forward and only applied if and to the extent the nominal value of a Share is subsequently reduced.

(e) *Common Expert*

(i) Any determination made by a Common Expert that has been obtained from such Common Expert in accordance with and for purposes of these Terms of the MCNs shall (in the absence of wilful misconduct, bad faith and manifest error) be final and binding on the Issuer, the Holders and the Principal Paying and Conversion Agent, and (in the absence of wilful misconduct, bad faith and gross negligence) no liability to the Issuer or the Holders will attach to the Principal Paying and Conversion Agent in respect of any action taken, or suffered to be taken, by it in accordance with any such determination made by a Common Expert.

(ii) The Principal Paying and Conversion Agent may engage the services or obtain the advice of a Common Expert whose services or advice the Principal Paying and Conversion Agent deems necessary to exercise its powers and perform its duties under this Condition 6, and rely upon any services and advice so obtained, and (in the absence of wilful misconduct, bad faith and gross negligence) no liability to the Issuer or the Holders will attach to the Principal Paying and Conversion Agent in connection with any taken or not taken in accordance with such services or advice.

(iii) The fees and costs of any Common Expert shall be borne by the Issuer.

7. Taxation

All payments or deliveries in respect of the MCNs by or on behalf of the Issuer to the Principal Paying and Conversion Agent pursuant to these Terms of the MCNs shall be made free and clear of, and without withholding or deduction for, any present or future taxes, duties, assessments or governmental charges of any nature ("**Taxes**") imposed, levied, collected, withheld or assessed by or within Switzerland, as the case may be, or any political sub-division thereof or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law. In the event that any payment by or on behalf of the Issuer pursuant to these Terms of the MCNs is subject to withholding or deduction for, or on account of, any Taxes by requirement of law in Switzerland, as the case may be, or any political subdivision thereof or any authority therein or thereof having power to tax, such additional amounts ("**Additional Amounts**") shall be payable by the Issuer as shall result in the Holders receiving the amounts that they would have received pursuant to these Terms of the MCNs if no such withholding or deduction had been required. However, no such Additional Amounts shall be payable on account of any Taxes that are payable by reason of the Holder of the relevant MCN having, or having had, some personal or business connection with Switzerland and not merely by reason of the holding of such MCN.

8. Status

The MCNs constitute direct, unconditional, unsecured and unsubordinated obligations of the Issuer and rank *pari passu* with all other present or future unsecured and unsubordinated obligations of the Issuer and without any preference among themselves, except for such preference as is provided by any mandatory applicable provision of law.

9. Accelerated Conversion

(a) *Accelerated Conversion Event*

Each of the following events shall constitute an "**Accelerated Conversion Event**":

(i) the Issuer fails (i) to make payment under these Terms of the MCNs, or (ii) to deliver Shares, if any, upon conversion of any MCN, in each case, when and as the same become due and deliverable or payable, and such failure continues for a period of more than ten Business Days; or

(ii) the Issuer fails to perform or comply with any of its material obligations under these Terms of the MCNs (other than those described in clause (i) of this Condition 9(a)), and such failure is not remedied within 30 Business Days after written notice of such failure stating that such notice is a "Notice of Default" shall have been given to the Issuer by the Principal Paying and Conversion Agent; or

(iii) the Issuer is (or is deemed by law or a court to be) bankrupt or unable to pay its debts, stops or suspends payment of all or a material part of its debts, initiates or becomes subject to proceedings relating to itself under any applicable bankruptcy, liquidation, or insolvency law, proposes or makes a stay of execution, a general assignment or an arrangement or composition (*Nachlassvertrag*) with or for the benefit of the relevant creditors in respect of any of such debts or a moratorium is agreed or declared in respect of or affecting any debts of the Issuer; or

(iv) the Issuer fails to pay any amount due (other than, where permitted under the terms of the relevant agreement) in respect of any of its present or future loans or indebtedness for or in respect of borrowed money or any indemnity in respect of any borrowed money, in each case after any applicable grace period, *provided* that the aggregate amount of the amounts so due and unpaid is greater than or equal to CHF 10,000,000 or its equivalent in another currency (on the basis of the middle spot rate for the relevant currency against the CHF as quoted by any leading bank at the place of payment of such debt on the day on which this clause (iv) operates, as determined by the Principal Paying and Conversion Agent); *provided*, *further*, that this clause (iv) shall not apply to any amount that a competent court has ordered not to be paid ; or

(v) the (A) consolidation or merger of the Issuer with any other entity (other than a consolidation or merger pursuant to which the Issuer will be the resulting or surviving entity), or (B) sale or transfer of all or substantially all of the assets of the Issuer is approved by resolution of the general meeting of shareholders or, if no such approval is required under applicable law, is formally announced by the Issuer.

(b) *Accelerated Conversion*

(i) Upon the occurrence of any Accelerated Conversion Event, the Issuer shall (x) notify the Principal Paying and Conversion Agent of such occurrence without delay, which notice shall specify the relevant Accelerated Conversion Event, and (y) provide the Principal Paying and Conversion Agent with any documentation in connection with such Accelerated Conversion Event that it reasonably requests.

(ii) If the Principal Paying and Conversion Agent determines after consultation with Holders who hold MCNs representing in the aggregate at least 25 per cent. of the aggregate outstanding Principal Amount that an Accelerated Conversion Event has occurred (whether or not the Issuer has complied with its notice obligations set forth in clause (i) of this Condition 9(b)),

(A) the Principal Paying and Conversion Agent shall (x) notify the Issuer of such determination in writing, and (y) notify the Holders of such determination in accordance with Condition 10 (such notice to the Holders, an "**Accelerated Conversion Notice**"), in each case, as soon as practicable after such determination and which notice shall specify the event that caused such Accelerated Conversion Event; and

(B) each outstanding MCN shall be converted, and, if applicable, each Holder shall be deemed to have exercised its right to convert the MCNs held by such Holder, on the applicable Conversion Date into such number of Shares as is equal to the Conversion Ratio in effect on such Conversion Date (subject as set out in Condition 3(a) in respect of a Holder holding more than one MCN) (such conversion, an "**Accelerated Conversion**"), and such Shares shall be delivered in accordance with Condition 3(e);

provided, *however*, that, in the case of an Accelerated Conversion Event described under clause (iii) of Condition 9(a), the Principal Paying and Conversion Agent is not required to notify the Issuer or the Holders thereof as described in clause (A) above.

10. Notices

All notices to Holders shall be given by the Issuer (a) for so long as the MCNs are listed on the SIX Swiss Exchange, either (i) by means of electronic publication on the internet website of the SIX Swiss Exchange (https://www.six-group.com/en/products-services/the-swiss-stock-exchange.html), where notices are currently published under the address https://www.six-group.com/en/products-services/the-swiss-stock-exchange/market-data/news-tools/official-notices.html#/, or (ii) otherwise in accordance with the regulations of the SIX Swiss Exchange, which notice will be deemed to be validly given on the date of such publication or, if published more than once, on the date of the first such publication, and (b) otherwise, notices to Holders shall be given by communication through the Principal Paying and Conversion Agent to SIX SIS (or such other Intermediary) for forwarding to the Holders, which notice will be deemed to be validly given on the date of communication to SIX SIS (or such other Intermediary).

11. Listing

Application for the admission to trading and listing of the MCNs at SIX Swiss Exchange may be made at any time.

12. Governing Law and Jurisdiction

These Terms of the MCNs, and the MCNs are governed by and construed in accordance with the substantive laws of Switzerland.

Any dispute arising from or in connection with these Terms of the MCNs or the MCNs shall be settled in accordance with Swiss law and fall within the exclusive jurisdiction of the courts of the City of Zurich, Switzerland, and, if permitted, the Commercial Court of the Canton of Zurich, the place of jurisdiction being Zurich 1.

13. Holders' Meetings

The provisions on bondholder meetings contained in article 1157 et seq. (other than article 1157 paragraph (1) and articles 1176 – 1179) of the Swiss Code of Obligations shall apply in relation to meetings of Holders.

14. Amendment

Notwithstanding Condition 13, the Issuer may, subject to mandatory provisions of Swiss law, without the consent or approval of the Holders, make such amendments to these Terms of the MCNs as it considers necessary or desirable to give effect to such changes that in its opinion are of a formal, minor or technical nature or made to correct a manifest or proven error or that in its opinion are not materially prejudicial to the interests of the Holders.

The Issuer shall notify the Holders of any amendment made pursuant to this Condition 14 in accordance with Condition 10, which notice shall state the date on which such amendment will be effective. Any amendment made pursuant to this Condition 14 will be binding on the Holders in accordance with its terms.

15. Definitions

In these Terms of the MCNs:

(1) "**Accelerated Conversion**" has the meaning assigned to such term in Condition 9(b);

(2) "**Accelerated Conversion Event**" has the meaning assigned to such term in Condition 9(a);

(3) "**Accelerated Conversion Notice**" has the meaning assigned to such term in Condition 9(b);

(4) "**Additional Amounts**" has the meaning assigned to such term in Condition 7;

(5) "**Additional Shares**" has the meaning assigned to such term in Condition 6(b);

(6) "**Agency Agreement**" has the meaning assigned to such term in the preamble to these Terms of the MCNs;

(7) "**Auditor**" means the accounting firm appointed by the shareholders of the Issuer to provide, *inter alia*, audit and review opinions on the Issuer's financial statements;

(8) "**Business Day**" means any day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in Zurich;

(9) "**Cash Distribution**" means any dividend or other distribution paid or made in cash by the Issuer to holders of Shares and charged or provided for in the accounts of the Issuer (including, without limitation, any dividend payment on, or repayment in part on the nominal amount of, the Shares);

(10) "**CHF**" means Swiss francs, the lawful currency of Switzerland;

(11) "**Common Expert**" means an independent investment bank of international repute or an independent law firm or accounting firm of international repute (any such bank or firm, an "Expert") selected by the Issuer and the Principal Paying and Conversion Agent by mutual

agreement and appointed as Common Expert for purposes of these Terms of the MCNs; *provided*, *however*, that

(a) if the Issuer and the Principal Paying and Conversion Agent do not mutually agree on an Expert within seven days after the date on which the appointment process has commenced, each of the Issuer and the Principal Paying and Conversion Agent shall appoint an Expert, which two Experts so appointed shall together by mutual agreement select a third Expert to be appointed;

(b) if the two Experts described in clause (a) of this definition do not mutually agree on a third Expert within seven days after the date on which they have being appointed (or, if appointed on different days, the later of two dates on which each Expert was appointed), (i) each Expert shall select another Expert, and (ii) a Swiss notary public appointed by the Principal Paying and Conversion Agent shall select one of these two Experts to be appointed the third Expert by drawing lots; and

(c) in the case of the appointment of three Experts pursuant to clause (a) or (b) of this definition, references in these Terms of the MCNs to the "Common Expert" shall be deemed to refer to these three Experts, which Experts shall make decisions by majority decision;

(12) "**Condition**" has the meaning assigned to such term in the preamble to these Terms of the MCNs;

(13) "**Conversion Date**" means (a) in the case of an Accelerated Conversion caused by an event described in Condition 9(a)(iii), the date on which such event occurred, (b) in the case of an Accelerated Conversion not caused by an event described in Condition 9(a)(iii), the first Trading Day immediately following the date on which the relevant Accelerated Conversion Notice is published, (c) in the case of a conversion pursuant to Condition 3(c), the date on which the applicable Optional Conversion Notice is deemed to have been delivered by the relevant Holder in accordance with Condition 3(e)(i) or (d) in the case of a conversion pursuant to Condition 3(b), the Maturity Date;

(14) "**Conversion Price**" means, initially, CHF 47.50 or, at any time thereafter, if the Conversion Price has been adjusted pursuant to Condition 6, the adjusted Conversion Price at such time;

(15) "**Conversion Ratio**" means the number of Shares to be delivered upon conversion of one MCN as determined pursuant to Condition 3(a);

(16) "**Conversion Right**" has the meaning assigned to such term in Condition 3(c);

(17) "**Current Market Price**" means, in respect of a Share on any day, the average of the daily Volume Weighted Average Price of a Share on each of the five consecutive Trading Days ending on the Trading Day immediately preceding such day, *provided that*, if at any time during the said five-Trading-Day period the Volume Weighted Average Price shall have been based on a price ex-dividend (or ex- any other entitlement) and during some other part of that period the Volume Weighted Average Price shall have been based on a price cum-dividend (or cum- any other entitlement), then:

(a) if the Shares to be issued or delivered do not rank for the dividend (or entitlement) in question, the Volume Weighted Average Price on the dates on which the Shares shall have been based on a price cum-dividend (or cum- any other entitlement) shall, for the purposes of this definition, be deemed to be the amount thereof reduced by an amount equal to the Fair Market Value of any such dividend or entitlement per Share as at the date of first public announcement relating to such dividend or entitlement; or

(b) if the Shares to be issued or delivered do rank for the dividend (or entitlement) in question, the Volume Weighted Average Price on the dates on which the Shares shall have been based on a price ex-dividend (or ex- any other entitlement) shall, for the purposes of this definition, be deemed to be the amount thereof increased by an amount equal to the Fair Market Value of any such dividend or entitlement per Share as at the date of first public announcement relating to such dividend or entitlement,

and *provided, further*, that, if on each of the said five Trading Days the Volume Weighted Average Price shall have been based on a price cum-dividend (or cum- any other entitlement) in respect of a dividend (or other entitlement) that has been declared or announced but the Shares to be issued or delivered do not rank for that dividend (or other entitlement), the Volume Weighted Average Price on each of such dates shall, for the purposes of this definition, be deemed to be the amount thereof reduced by an amount equal to the Fair Market Value of any such dividend or entitlement per Share as at the date of first public announcement relating to such dividend or entitlement,

and *provided, further*, that, if the Volume Weighted Average Price of a Share is not available on one or more of the said five Trading Days (disregarding for this purpose the proviso to the definition of Volume Weighted Average Price), then the average of such Volume Weighted Average Prices that are available in that five-Trading-Day period shall be used (subject to a minimum of two such prices) and if only one, or no, such Volume Weighted Average Price is available in the relevant period, the Current Market Price shall be determined in good faith by a Common Expert;

(18) "**Expert**" has the meaning assigned to such term in the definition of the term "Common Expert";

(19) "**Fair Market Value**" means with respect to any property (other than cash) at any time, the fair market value of such property at such time, as determined by a Common Expert on the basis of a commonly accepted valuation method; *provided*, *however*, that any amount or value in a currency other than CHF shall be translated into CHF at the Screen Rate at the relevant time;

(20) "**FMIA**" means the Swiss Federal Act on Financial Market Infrastructures and Market Conduct in Securities and Derivatives Trading (Financial Market Infrastructure Act, FinMIA) of 19 June 2015, as amended;

(21) "**Fractions**" means fractions of Shares;

(22) "**Holder**" has the meaning assigned to such term in Condition 1(e);

(23) "**Interest**" has the meaning assigned to such term in Condition 6(d);

(24) "**Intermediary**" has the meaning assigned to such term in Condition 1(c);

(25) "**Intermediated Securities**" has the meaning given to it in Condition 1(c);

(26) "**Issue Date**" has the meaning assigned to such term in Condition 6(a)(iii);

(27) "**Issuer**" has the meaning assigned to such term in the preamble to these Terms of the MCNs;

(28) "**Maturity Date**" means 21 January 2027;

(29) "**MCN**" has the meaning assigned to such term in the preamble to these Terms of the MCNs;

(30) "**Non-Cash Distribution**" means the issuance or distribution by the Issuer of any assets, evidence of indebtedness of the Issuer, put options or other rights to holders of Shares in respect of a spin-off or a capital distribution other than a Cash Distribution;

(31) "**Number of Shares**" means, with respect to any issue of Shares or Rights or any amendment of the terms of any Rights (other than in accordance with their terms of issue), the following:

(a) in the case of an issue of Shares, the aggregate number of Shares so issued; and

(b) in the case of an issue of Rights or the amendment of the terms of any Rights (other than in accordance with the terms thereof), the number of Shares to be issued upon (and assuming) the exercise in full of the rights to subscribe for, purchase or otherwise acquire Shares pursuant to the terms of such Rights at the initial price or rate or (in the case of an amendment to the terms of such Rights) the amended price or rate;

(32) "**Optional Conversion Period**" means the period from (and including) the date falling 730 days after the Payment Date and ending on (but excluding) the tenth Trading Day prior to the Maturity Date;

(33) "**Optional Conversion Notice**" has the meaning assigned to such term in Condition 3(e)(i);

(34) "**Other Currency**" means the euro or U.S. Dollar;

(35) "**Other Securities**" means equity securities of the Issuer other than the Shares;

(36) "**Payment Date**" means 21 January 2022;

(37) "**Principal Amount**" has the meaning assigned to such term in Condition 1(a);

(38) "**Principal Paying and Conversion Agent**" means Zürcher Kantonalbank, in its capacity as principal paying and conversion agent for the MCNs, and includes any successor to Zürcher Kantonalbank, in its capacity as Principal Paying and Conversion Agent, appointed as such by the Issuer in accordance with the terms of the Agency Agreement;

(39) "**Regulation S**" means Regulation S under the U.S. Securities Act;

(40) "**Relevant Exchange**" means (a) in the case of Shares, the SIX Swiss Exchange (Main Standard) or any successor thereof or, if the Shares are no longer admitted to trading on SIX Swiss Exchange, the principal stock exchange or securities market on which the Shares are traded, and (b) in the case of other securities, the principal stock exchange or securities market on which the other securities are traded;

(41) "**Reopening**" has the meaning assigned to such term in Condition 1(b);

(42) "**Reopening Period**" has the meaning assigned to such term in Condition 1(b);

(43) "**Retroactive Adjustment**" has the meaning assigned to such term in Condition 6(b);

(44) "**Right**" means any option, warrant or other right that by its terms of issue carries a right to subscribe for, purchase or otherwise acquire, or is mandatorily convertible into, Shares;

(45) "**Screen Rate**" means, on any day and, in respect of the translation or conversion of CHF into another currency, the rate of exchange between CHF and such other currency appearing on Reuters page ECB 37 on such day, or, if such page is not available or such rate of exchange does not appear on such page on such day, the rate of exchange between CHF and such other currency appearing on such other screen or information service, or determined in such other manner, as the Principal Paying and Conversion Agent shall reasonably determine;

(46) "**Scrip Dividend**" means a Non-Cash Distribution pursuant to which holders of Shares receive Shares in lieu of cash; *provided*, *however*, that a Non-Cash Distribution pursuant to which holders of Shares may elect to receive either cash or Shares in lieu of cash or a combination thereof shall not be considered to be a Scrip Dividend;

(47) "**Shares**" means the fully paid registered shares of the Issuer, which as of the Payment Date have a nominal value of CHF 10.00 each;

(48) "**SIX SIS**" means the SIX SIS Ltd or any successor to SIX SIS Ltd;

(49) "**Specified Office**" means in the case of Zürcher Kantonalbank, as Principal Paying and Conversion Agent, Zürcher Kantonalbank, Bahnhofstrasse 9, 8001 Zurich, Switzerland, or such other office as the Principal Paying and Conversion Agent may designate from time to time by providing notice to the Issuer and the Holders in writing in accordance with Condition 10;

(50) "**Subsidiary**" means, with respect to any entity, a company the financial statements of which are, in accordance with applicable law or generally accepted accounting principles, consolidated with those of that entity;

(51) "**Take-over Bid**" means any take-over bid addressed to the shareholders of the Issuer being made for all Shares, whether in accordance with Chapter 4 (Public Takeover Offers) of Title 3 of the FMIA and its implementing ordinances or any other applicable take-over regulations;

(52) "**Taxes**" has the meaning assigned to such term in Condition 7;

(53) "**TOB Conversion Period**" has the meaning assigned to such term in Condition 3(c)(ii);

(54) "**Trading Day**" means any day (other than a Saturday or Sunday) on which the Relevant Exchange is open for business and Shares may be dealt in;

(55) "**U.S. Securities Act**" means the U.S. Securities Act of 1933, as amended; and

(56) "**Volume Weighted Average Price**" means, in respect of a Share on any Trading Day, the volume-weighted average price of a Share on such Trading Day on the Relevant Exchange as published by or derived from Bloomberg Page HP (setting Weighted Average Line) or such other source as shall be determined in good faith to be appropriate by a Common Expert on such Trading Day; *provided*, *however*, that if on any such Trading Day such price is not available or cannot otherwise be determined as provided above, the Volume Weighted Average Price of a Share in respect of such Trading Day shall be (a) the Volume Weighted Average Price on the immediately preceding Trading Day on which the same can be so determined as provided above or (b) determined as a Common Expert might otherwise determine in good faith to be appropriate.

6. USE OF PROCEEDS

Assuming that the Issuer fully exercises its right to reopen the issue and to increase the aggregate principal amount of the MCNs to the maximum of CHF 60,188,000, the net proceeds from the issuance of the MCNs (i.e., less commissions and fees paid) will be approximately CHF 58.1 million.

The net proceeds from the Offering will be used by the Issuer to finance or refinance, or to pay for, the acquisition of companies, parts of companies, participations, products, intellectual property or licenses, or investment projects.

See "*Cicor Technologies Ltd.—Structure and Business*" for more information.

7. CICOR TECHNOLOGIES LTD.

7.1 Structure and Business

7.1.1 Overview

The Group is a globally active development and manufacturing partner with innovative technology solutions for the electronics industry. The Group employs approximately 2,200 employees at eleven operating sites in Europe and Asia, a sales office in the United States as well as a network of independent sales representatives in its target markets. It offers highly advanced printed circuit boards ("**PCB**") and hybrid circuits as well as comprehensive electronic manufacturing services ("**EMS**") including microelectronic assembly and plastic injection molding. The Group supplies customized products and services from development and engineering to large-scale manufacture, after-sales service and product lifecycle management from one source. The Group's main strategic markets are in Europe, the USA and Asia. The Group's customers comprise of the strategic segments medical, industrial and aerospace & defense, representing approximately 80% of the Group’s revenues with the remaining 20% of sales realized in the segments of automotive & transport, communications and watches & consumer industry.

For further information on the Group's business and structure, please see "*Management Report—The Cicor Group*" and "*Financial report—Cicor Group—Consolidated financial statements—Note 3—Scope of consolidation* " in the Annual Report 2020.

7.1.2 Strategy

Growth and M&A strategy: The Group intends to further develop into one of Europe's leading electronics manufacturers and to pursue acquisition opportunities, including companies and assets, in the consolidating market of electronic manufacturing services, microelectronics and substrates. The Group also plans to further increase its growth and profitability by leveraging synergies within the Group. To achieve this, the Group expects to use its market position, which has been significantly strengthened in recent years, and its technological strength and its efficient global production network as a platform. It intends to use previously unexploited additional up- and cross-selling opportunities between its divisions by focusing on increasing consolidation opportunities in the fragmented electronics industry. The intention of the Group is to focus on highly profitable niche manufacturers in Europe to consider in its current M&A strategy. The acquisition of Axis Electronics in the U.K. has marked the first step of implementing the Group’s M&A strategy (for further information see "*—Axis Acquisition*" below).

Further strengthening of strategic markets: The Group intends to focus on the strategic applications of medical technology, industrial electronics and aerospace & defense based on the beneficial developments in these sectors in the year 2021. The Group currently generates approximately 80% of its revenues in these sectors and the recent Axis Acquisition (as defined below), which is exclusively active in these sectors, further strengthens the Group's foothold in these highly profitable sectors. With the consolidation of Axis (as defined below), approximately 85% of the Group's revenues will be generated from these sectors and they are intended to remain the focus of the Groups strategic markets.

The one-stop shop with increasing synergies: The Group intends to further intensify the cooperation between Group companies as well as between the Group's divisions. With such intensified cooperation and available synergies, the Group expects to strengthen its ability to provide unique service offerings to its customers and greater customer focus. This cooperation coupled with the Groups technology focus allows for the provision of highly complex and customer specific solutions.

The Group's offering is differentiated: The Group intends to further focus on creating know-how and competence along the complete value chain, from hardware, software and test engineering, PCB assembly, box-building as well as providing supply chain integration services such as precision plastic molding and tool manufacturing. Swiss qualities, such as precision, reliability and innovation, are on the basis on the Group's goal of achieving highest technological capabilities that lead to industry-leading profitability.

7.1.3 Business segments and products

The Group operates through two divisions: Advanced microelectronics and substrates (the "**AMS Division**") and electronic solutions (the "**ES Division**"). The AMS Division encompasses the supply of PCBs and thin-and thick-film hybrid substrates as well as a wide range of microelectronic manufacturing capabilities to different industries. The ES Division provides electronic manufacturing services, from product development to volume production and after-sales service.

AMS Division

The Group's sites in Radeberg, (Germany), Ulm (Germany) and Wangs (Switzerland) manufacture high-quality thin and thick-film substrates and hybrid circuits. The Group's site in Bronschhofen (Switzerland) offers printed electronics with a printing technology which enables a wide range of conductive, non-conductive and biocompatible materials to be printed on a large number of substrate materials and shapes. The Group is in the process to, in addition to the existing microelectronics assembly site in Radeberg (Germany), technically upgrade the production site in Thuan An City (Vietnam) in order to enable the Group to offer high-performance microelectronics production for larger series. The Group develops and produces sophisticated flexible, rigid-flexible and rigid PCBs, from the idea, through prototypes, to large-series production. It possesses comprehensive expertise in multilayer boards, multi-chip modules and high-density interconnects and develops solutions for demanding applications in medical, aerospace & defense, automotive, communication, industrial, watches and consumer markets. The main products of the Group in this division encompass:

- Flexible printed circuit boards;
- Rigid-flex PCBs;
- Rigid PCBs;
- 3D-MID technology;
- Thin-film substrates; and
- Thick-film substrates;

For further information on these products, see: www.cicor.com/products-services/.

ES Division

The Group's sites in Bronschhofen (Switzerland), Arad (Romania), Radeberg (Germany), Singapore (Singapore), Suzhou (China), Batam (Indonesia) and Thuan An City (Vietnam), as well as the newly acquired Axis Electronics' site in Bedford (U.K., for further information "—*Axis Acquisition*" below) are service providers in hardware and software development, as well as manufacturers of electronic components, devices and systems. The Group has implemented certain measures in the ES Division in Asia, namely the relocation of the production from Singapore to Batam (Indonesia), the replacement of less profitable customers with higher margin ones, and the streamlining of the management structure, that all have contributed to structurally improving competitiveness and profitability of the division. In the ES Division, the Group's target markets are the medical, industrial and aerospace & defense sector. The main products of the Group in this division encompass:

- Hardware and software engineering;
- Test engineering;
- Printed circuit board assembly;
- Boxbuilding / device assembly;
- Tool design;

- Plastic injection molding; and
- Technology center for printed electronics.

For further information on these products, see: www.cicor.com/products-services/.

7.1.4 Intellectual property

The Group is not reliant on brands, patents, designs or similar intellectual property rights. The Group produces exclusively on customer demand. Any intellectual property associated with the end products of the Group's customers is normally the property of such customers. Nevertheless, the Group possesses significant knowhow with regard to electronics engineering, PCB and hybrid substrate design, all its products and manufacturing processes. Such knowledge is established as trade secrets of the Group, is difficult to copy and creates barriers to entry for competitors. In the financial year 2020, the Group did not report any costs for research activities, but employs 150 engineers worldwide and on average spends approximately 7 to 8% of its sales as development costs.

7.1.5 Material contracts

The Group's customer relationships are generally governed by customary framework contracts or the Group's standard terms of business, where applicable.

In June 2021, the Group replaced its existing syndicated loan facility of CHF 75 million due on June 30, 2022 early and increased it to CHF 80 million. The new syndicated loan has a term of four years with two one-year extension options. The banking syndicate comprises a core banking group consisting of Commerzbank AG as mandated arranger and agent, HSBC Trinkaus & Burkhardt AG, Landesbank Baden-Württemberg, Migros Bank AG and Zürcher Kantonalbank. The new credit line also contains an optional acquisition credit line in the amount of CHF 75 million. The Group used a substantial part of its optional acquisition credit line to fund the Axis Acquisition (as defined below).

7.1.6 Business outlook

Based on a current significant increase in customer demand, as reflected in the very high order intake in the first half of 2021, the Group expects sales growth to continue year-on-year, despite the current global shortage of materials and challenges related to the COVID-19 pandemic, guiding towards 2021 net sales in the range of CHF 230 million to 240 million. The operating profit margin at EBIT level is expected to be in the range of 5 to 6% in 2021, which should bring the Group back close to the mid-term target of a 6 to 8% profit margin. The outlook is based on a stable currency situation compared to the first half of 2021 and a stable COVID-19 pandemic situation.

The Axis Acquisition (as defined below) is expected to increase the Group's sales by approximately 15% on an annualized basis and is expected to result in a sustainable increase in EBITDA margin for the Group starting in the financial year 2022. For further information, see "—*Axis Acquisition*" below.

The effect of the COVID-19 pandemic on the Group's business and on the economy in general is highly uncertain. While the Group believes that it has been able to cope well with the COVID-19 pandemic and the associated governmental measures, the further course of the COVID-19 pandemic remains uncertain.

Expectations and targets regarding the Groups future performance are based on assumptions and factors that may or may not occur in the future and are subject to known and unknown risks and uncertainties. See "*Forward-Looking Statements*" and "*Risk Factors*".

7.2 Axis Acquisition

On 30 November 2021, the Group completed the acquisition of 100% of the shares of the United Kingdom based Axis Electronics Ltd. ("**Axis**", the "**Axis Acquisition**"). This acquisition was the first within the Group's recently announced growth strategy (for further information see "—*Structure and Business—Strategy*") and is intended to strengthen the Group's position in its strategic target markets and to expand its European footprint by acquiring a site in the United Kingdom. Axis' existing management team will individually become shareholders of the Issuer and continue in their present roles, guaranteeing the sustainable strategic integration of the company into the Group.

The Group regards its acquisition of Axis as a first step towards the strengthening of its position in the European strategic target markets. Axis is a United Kingdom based contract electronic manufacturing services provider. Axis serves a wide range of markets, such as the defense and national security market, the space market, the performance automotive market, the commercial avionics market, the 5G & LTE communications market and the oil & gas market. The Group plans to integrate Axis into the global engineering and manufacturing network of its ES Division and thereby intends further strengthen Axis' advantages to increase its market share in the United Kingdom and across Europe. The Issuer is not aware of any current material legal proceedings against our Group entities in connection with the Axis Acquisition. With the acquisition of this specialized company, the Group expects to strengthen one of its strategic target markets and becomes a top five EMS provider in the aerospace and defense sector in Europe. The Group believes that that continuation of Axis' Bedford site as well as the inclusion of all 180 Axis employees in the Group's structure will ensure continuity for the long-standing blue-chip customer base of Axis.

The Group paid a total upfront consideration in the amount of GBP 51.5 million for the Axis Acquisition, funded by a combination of Shares issued and cash from its optional acquisition credit line. An additional cash payment of up to GBP 9.1 million may be due, if certain profit targets will be achieved in Axis' financial year 2022 ending 31 March 2022. Final cash settlement pending closing accounts.

In the last full financial years ending for the Company on 31 December 2020 the Company had consolidated revenues of CHF 215 million. In its last full statutory financial year ending 31 March 2021, Axis had revenues of GBP 26.6 million and net profits of GBP of 3.7 million (based on UK GAAP as published by the Financial Reporting Council ("**UK GAAP**")). In addition, derived from its UK GAAP financial reporting, Axis achieved an EBITDA margin of 22.6%. It is expected that the overall EBITDA margins of the Group for the financial year 2022 may be strengthened by the addition of Axis by approximately 1-2%. Furthermore, the Axis Acquisition is expected to increase the Group's sales by approximately 15% on an annualized basis. As of 31 December 2020, as of 30 June 2021, as of 20 December 2021 and as of 18 January 2022, the GBP / CHF exchange rate was 1.2011, 1.277, 1.2181 and 1.2464, respectively (source: SNB).The exchange rate is provided for information purposes only.

The Company's consolidated financial statements have been prepared in accordance with Swiss GAAP FER. Axis' consolidated financial statements have been prepared in accordance with UK GAAP. Financial statements prepared in accordance with Swiss Gaap FER and financial statements prepared in accordance with UK GAAP are not comparable. Furthermore, certain financial measures, including EBIT and EBITDA, used are not a defined financial indicator under Swiss GAAP FER and UK GAAP and may not be comparable to similarly titled measures as presented by Axis due to differences in the way such measures are calculated. Accordingly, you should not place undue reliance on our non-Swiss GAAP FER measures, nor should you regard them as comparable with the non- Swiss GAAP FER measures published by other companies such as Axis.

7.3 Management

7.3.1 Board of Directors of the Issuer

The members of the board of directors of the Issuer (the "**Board**") as of the date of this Prospectus are listed below:

Name	Business address	Position held
Daniel Frutig	Route de l'Europe 8, 2017 Boudry, Switzerland	**Chairman of the Board and member of the Remuneration Committee**

Name	Business address	Position held
		Daniel Frutig, studied building technologies/energy at the Lucerne University of Applied Sciences and Arts and graduated from the University of St.Gallen (HSG) with an Executive Master in Business Administration (EMBA). After starting his career with the industrial group Sulzer AG he spent many years abroad with Accenture and Compass Group PLC developing businesses. In 2011, Daniel Frutig was appointed as CEO of Arbonia AG and 2015 of Medela Holding AG before founding EvolutionF AG in 2018. As entrepreneur and independent board member he is an expert for international business transformation in listed and privately owned technologically driven companies, with a clear focus on value creation through growth strategies.
Andreas Dill	Route de l'Europe 8, 2017 Boudry, Switzerland	**Vice-Chairman of the Board and member of the Remuneration Committee** Andreas Dill graduated as an electrical engineer (MEng) from the ETH Zürich. He started his professional career in the semiconductor industry at Zevatech AG where he took on various responsibilities from R+D engineer to General Manager. From 1998 to 2015, Andreas Dill has worked in various management positions at the Oerlikon Corporation, last as CEO of the Advanced Technologies Segment and a member of the Oerlikon Executive Committee. Andreas Dill is the owner of the Consulting Company Andreas Dill Strategic Business Consulting.
Erich Haefeli	Route de l'Europe 8, 2017 Boudry, Switzerland	**Member of the Board** Erich Haefeli studied law at the University of Zurich. For many years, he headed the legal and patent department of OC Oerlikon Balzers AG and was also a member of the company's Executive Management. In addition, he served on the Board of Directors of many firms in the Oerlikon-Bührle Group, which is today the industrial group Oerlikon. Erich Haefeli is owner and President of Mariposa Immobiien AG, Buchs SG and owner and CEO of EC Executive Consulting AG, Vaduz.
Norma Corio	Route de l'Europe 8, 2017 Boudry, Switzerland	**Member of the Board** Norma Corio received her MBA in Banking & Finance from Pace University (NY, US) and her BA in Economics from LeMoyne College (NY, US). She joined One Equity Partners (OEP), a U.S. private equity firm, in March 2018 as a Senior Managing Director and is a member of its Investment Committee. Additionally, Ms. Corio is a member of the Board of Directors of OEP portfolio companies Omni Environmental Solutions and Bibliotheca. She was also a member of the board of

Name	Business address	Position held
		directors of Intren until its recent sale by OEP. In addition, she serves on the boards of Finance of America and GO Acquisition Corporation, both publicly traded companies. Prior to joining One Equity Partners, Ms. Corio was Chief Financial Officer of American Express Global Business Travel from June 2014 to June 2017 and Co-President of Miller Buckfire from April 2013 to May 2014. Previously, Norma Corio spent 30 years with JPMorgan Chase, where she held various positions including Treasurer and, separately, Head of Restructuring within the Investment Banking Division, where she led the Corporate Finance practice for over 12 years. Ms. Corio has also held positions in credit and risk management and investor relations.
Konstantin Ryzhkov	Route de l'Europe 8, 2017 Boudry, Switzerland	**Member of the Board and member of the Remuneration Committee** Konstantin Ryzhkov received his BA in Economics from Davidson College (NC, US). He joined One Equity Partners (OEP), a U.S. private equity firm, in 2017 as a Managing Director based out of the Amsterdam office. Mr. Ryzhkov was responsible for investments in Spartronics, Crayon and Orion Innovation›s acquisition of MERA, among others. Prior to joining OEP, Mr. Ryzhkov was Deputy CEO and a member of the investment committee of a sovereign wealth fund focused on global co-investment opportunities. Prior to that, Mr. Ryzhkov worked at VTB Group, where he was responsible for structured debt and equity products and at Bank of America in the corporate finance and project finance departments.

The Board consists solely of non-executive directors within the Group, of which at least the majority must be determined to be independent. As of the date of this Prospectus, Daniel Frutig, Andreas Dill and Erich Haefeli are independent members. Norma Corio and Konstantin Ryzhkov were elected to the Board as representatives of OEP 80 B.V., Amsterdam, Netherlands.

7.3.2 Management of the Issuer (the "Group Management")

The Group Management is responsible for the day-to-day operational management of the Group under the leadership of the CEO. Its main duties and responsibilities include:

- establishment of the strategic business plans for the Group and for the principal businesses, which are subject to approval by the Board, and the implementation of such strategy;
- regular review and coordination of significant initiatives, projects and business developments in the divisions and the corporate functions, including important risk management matters;
- regular review of the consolidated and divisional financial performance, including progress on key performance indicators, as well as the Group's capital and liquidity positions and those of its major subsidiaries;

- appointment and dismissal of senior managers, with the exception of managers from internal audit, and the periodic review of senior management talent across the Group and talent development programs;
- review and approval of business transactions, including mergers, acquisitions, establishment of joint ventures and establishment of subsidiary companies; and
- approval of key policies for the Group.

The members of the Group Management as of the date of this Prospectus are listed below:

Name	Business address	Position held
Alexander Hagemann	Route de l'Europe 8, 2017 Boudry, Switzerland	**Chief Executive Officer ("CEO")** Alexander Hagemann holds a degree in Mechanical Engineering from the RWTH Aachen University, Germany. Before he joined the Issuer as Chief Executive Officer in September 2016, he held the position as Chief Executive Officer of the Schaffner Group from 2007 to 2016. Prior to that, Alexander Hagemann held a number of management roles at Schott Group, including the position of Executive Vice President Optics for Devices. In the beginning of his professional career he held various management positions in the area of production and logistics at BMW. Alexander Hagemann is also Chairman of the Board of Directors of Weidmann Holding AG.
Peter Neumann	Route de l'Europe 8, 2017 Boudry, Switzerland	**Chief Financial Officer ("CFO")** Peter Neumann has extensive business experience in finance, M&A and corporate integration. Most recently, he was Global Finance Director at Swiss based Markem-Imaje, a global provider of product identification and traceability solutions with more than 3,000 employees. He was responsible for all commercial finance divisions, led M&A strategy development & execution as well as an overall Finance transformation program. Peter Neumann is a German national, he holds a Master of Business Administration and a Master of Computer Science, both from University of Passau, Germany. Additionally he is a Chartered Financial Analyst (CFA) and has served as President and member of the Board of Directors of the CFA Society of Switzerland.

Peter Neumann was appointed as the new CFO as of 1 January 2022. Patric Schoch, the Issuer's previous CFO, is stepping down from his role on the Group Management and leaving the Issuer, effective 31 June 2022. Patric Schoch will ensure smooth transition until his departure from the Issuer.

There are no conflicts of interest between the private interests or other duties of the members of the Group Management listed above and their respective duties to the Issuer.

7.3.3 Audit Committee

The Issuer's audit committee (the "**Audit Committee**") consists of three Board members selected by the Board.

As of the date of this Prospectus, the members of the Audit Committee are:

- Andreas Dill (Chairman)
- Erich Haefeli
- Norma Corio

The Audit Committee assists the Board in supervising the management of the Issuer, particularly with respect to financial and legal matters as well as in relation to compliance with internal business policies and codes of practice.

7.3.4 Remuneration Committee

The Issuer's remuneration committee (the "**Remuneration Committee**") consists of three Board members, who are elected individually by the annual shareholders' meeting.

As of the date of this Prospectus, the members of the Remuneration Committee are:

- Daniel Frutig (Chairman)
- Andreas Dill
- Konstantin Ryzhkov

The roles and responsibilities of the Remuneration Committee are defined in detail by the Board. For further information refer to the Compensation Report 2020.

7.3.5 Corporate Governance

In connection with the Issuer's primary listing on SIX Swiss Exchange, it is subject to the SIX Directive on Information Relating to Corporate Governance, dated 20 March 2018. For more information, refer to "*IV—Corporate Governance—Additional information*" in the Annual Report 2020.

7.4 Incorporation, Legislation, Legal Form, Duration, Name, Registered Office, Headquarters, LEI Code

The Issuer's legal name is Cicor Technologies Ltd. The Issuer was incorporated under Swiss law as a corporation (*Aktiengesellschaft*) with unlimited duration on 15 February 1995 and is registered with the Commercial Register of the Canton of Neuchâtel under the number CHE-103.362.109.

The Issuer's registered and principal executive office is located at Route de l'Europe 8, 2017 Boudry, Switzerland. the Issuer's Legal Entity Identifier (LEI) Code is 529900PIIUEUGLYD8P70.

The Issuer's current articles of association (the "**Articles of Association**") as at the date of this Prospectus are dated as of 16 December 2021.

7.5 Business Purpose

The purpose of the Issuer is stated in Article 3 of the Issuer's Articles of Association (dated 16 December 2021):

> "*La société a pour but la prise de participation, sous quelque forme que ce soit, dans d'autres sociétés suisses ou étrangères, ainsi que la gestion, le contrôle et la mise en valeur de ces participations.*
>
> *Elle peut notamment acquérir par voie d'apport, de souscription, d'option, d'achat et de toute autre manière des valeurs mobilières de toutes espèces et les réaliser par voie de vente, cession, échange ou autrement.*
>
> *La société peut également acquérir et mettre en valeur tous brevets et autres droits se rattachant à ces brevets ou pouvant les compléter.*

La société peut emprunter et accorder aux sociétés dans lesquelles elle possède un intérêt direct et substantiel tous concours, prêts, avances ou garanties.

La société n'aura pas d'activité industrielle propre et ne tiendra aucun établissement commercial ouvert au public."

Unofficial Translation:

"*The purpose of the Company is the acquisition of shareholdings, in any form whatsoever, in other Swiss or foreign companies, as well as the management, control and development of these shareholdings.*

In particular, it may acquire by way of contribution, subscription, option, purchase or in any other way securities of any kind and realize them by way of sale, transfer, exchange or otherwise.

The Company may also acquire and develop patents and any other rights relating to or supplementing such patents.

The Company may borrow and grant to companies in which it has a direct and substantial interest any assistance, loans, advances or guarantees.

The Company shall have no industrial activity of its own and shall not maintain any commercial establishment open to the public."

7.6 Auditors

Since 2007, the Issuer's independent statutory auditor recognized by the Federal Council under the Federal Audit Oversight Act is KPMG AG ("**KPMG**"), Zürich, Switzerland. KPMG or a subsidiary of the KPMG group audits the consolidated and statutory financial statements of the Issuer. The auditor in charge since 2020 of the current mandate is Kurt Stocker.

7.7 Share Capital

As of 31 December 2020, the ordinary share capital of the Issuer was CHF 29,020,920, divided into 2,902,092 fully paid-in registered shares with a par value of CHF 10 each.

As of 31 December 2020, the Issuer had additional authorized share capital in the amount of CHF 6,000,000, authorizing the Board to issue at any time until 16 April 2022, up to 600,000 registered shares, to be fully paid in, with a par value of CHF 10 each.

As of 31 December 2020, the Issuer had conditional share capital in the amount of CHF 1,206,700, for the issuance of a maximum of 120,670 registered shares with a par value of CHF 10 each, reserved for exercise of stock option rights granted to officers and other key employees under an employee stock option plan established by the Board. The Issuer had further conditional capital in the amount of CHF 5,000,000, for the issuance of a maximum of 500,000 registered shares with a par value of CHF 10 each, reserved for the exercise of conversion rights granted to holders of convertible debt securities to be issued by the Issuer. Such conversion rights would have to be exercised within five years of the issuance of such convertible debt securities. Shares issued as a result of the conversion of conditional share capital and the corresponding increase in share capital are generally recorded only once a year.

As of 31 December 2020, the Issuer held 116 (2019: 5,500) of its own shares as treasury shares.

On 30 November 2021, the Board has resolved to increase the share capital of the Issuer in the amount of CHF 1,674,500, by issuing 167,450 new registered shares from authorized capital. The capital increase has been entered into the Commercial Register of the Canton of Neuchâtel on 2 December 2021. As of 2 December 2021, the Issuer had a fully paid and issued share capital of CHF 30,695,420, comprised of 3,069,542 registered shares with a par value of CHF 10.00 each.

As of the date of this Prospectus, the Issuer held 116 (2020: 116) of its own shares as treasury shares.

As of the date of this Prospectus, the Issuer has not issued any profit-sharing certificates.

On 16 December 2021, the extraordinary shareholders' meeting of the Issuer resolved to create additional conditional capital in the amount of up to CHF 13,303,750, for the issuance of a maximum of 1,330,375 registered shares with a par value of CHF 10 each, reserved for the exercise or a mandatory exercise of conversion, exchange option, warrant or similar rights for the subscription of shares granted to shareholders or third parties alone or in connection with bonds, notes, options, warrants or other securities or contractual obligations of the Issuer or any of its subsidiaries. On 21 December 2021, the Board reserved and allocated 1,267,115 Shares available under the conditional share capital for purposes of delivering Shares upon conversion of the MCNs, pursuant to the applicable Terms of the MCNs.

7.8 Outstanding bonds

As of the date of this Prospectus, the Issuer has not issued any convertible bonds or similar equity-linked debt instruments. There are currently no stock option plans for members of the management in place.

7.9 Legal Proceedings

At the date of this Prospectus, there are no pending or threatened court, arbitral or administrative proceedings that are of material importance to the Issuer's or the Group's assets and liabilities or profits and losses.

7.10 Material Changes and Developments

On 17 January 2022, the Issuer announced that discussions are held with the owners of SMT ELEKTRONIK GmbH, based in Dresden, Germany ("**SMT**"), with the target of acquiring the EMS activities of SMT (the "**SMT Transaction**"). In the event of a successful conclusion of the SMT Transaction, SMT would collaborate closely with the Cicor site RHe Microsystems GmbH from nearby Radeberg, (Germany). The Issuer thereby intends to expand its competencies in the areas of EMS and microelectronic assembly and to significantly increase its position in the German market for sophisticated electronics. Furthermore, the Group considers additional investments at its location in Saxony to further strengthen its presence in one of the most important microelectronics and IT clusters in Europe. As of 17 January 2022, SMT employed a total of 145 people in Dresden and generated sales of EUR 22.4 million with a net profit of EUR 1.2 million in financial year 2020. SMT's EMS activities, which the Issuer intends to acquire, are a major contributor to these key figures. The closing of the SMT Transaction is subject to usual conditions and regulatory approval procedures.

Except as otherwise disclosed in this Prospectus (including the documents incorporated by reference herein), no material changes or material recent developments have occurred in the Issuer's assets and liabilities, financial position or profits and losses since its Interim Report 2021.

7.11 Authorization

The issue of MCNs has been duly authorized by the Board on 21 December 2021.

7.12 Additional Information about the Issuer and the Shares

7.12.1 The Shares

The Issuer is a publicly held corporation. The Shares have been listed and are traded on SIX Swiss Exchange. Information on the past performance of the Shares can be obtained under www.cicor.com/investors/financial-information/share-information/.

7.12.2 Securities Identification Numbers of the Shares

The security identification numbers of the Shares are as follows: Swiss Security Number 870219; ISIN CH 000 870 219 0; Ticker Symbol CICN.

7.12.3 Rights attaching to the Shares

Each shareholder is entitled to a proportionate share of the profit shown in the balance sheet of the Issuer to the extent it is to be distributed to the shareholders in accordance with the law and the Issuer's Articles of Association. Upon a dissolution of the Issuer, each shareholder is entitled to a proportionate share of the liquidation proceeds to the extent the Issuer's Articles of Association do not provide for another use of the net assets of the dissolved company. Preferential rights provided for by the Issuer's Articles of Association for individual classes of shares remain reserved. Unless otherwise provided by the Issuer's Articles of Association, the shares of profits and proceeds of liquidation shall be calculated in proportion to the amounts paid in on the share capital.

7.12.4 Voting Rights and Transfer of Shares

Each Share represents one vote at the general meeting of shareholders of the Issuer. Shares held by the Issuer have no voting rights. In order to execute voting rights, Shares must be registered in the Issuer's share register directly or in the name of a nominee. The share register is kept by the Computershare Schweiz AG. In order to be registered in the share register, a purchaser of Shares must file a share registration form. The registration of Shares in the share register may be requested at any time. Failing such registration, such purchaser may not vote or participate in shareholders' meetings. All Shares are registered shares and freely transferable without any limitation.

7.12.5 Dividend entitlement

The Issuer pursues a dividend policy that allows shareholders to participate in the Issuer's success and at the same time strengthens the equity base for further growth. The Board proposes dividend payments in line with the business's long-term and sustainable development, taking into account investments to be made into growth and the further development of the Group. Any dividend distribution must be proposed by the Board and approved by the AGM (as defined below).

7.12.6 Annual General Meeting ("AGM")

Shares only qualify for voting at an AGM if entered in the Issuer's share register with voting rights no later than three days prior to an AGM.

The AGM is convened by the Board or, if necessary, by the Issuer's statutory auditors, with 20 days' prior notice. The Board is further required to convene an extraordinary shareholders' meeting if so resolved at a shareholders' meeting or if so requested by shareholders holding in aggregate at least 10 per cent. of the nominal share capital of the Issuer. Shareholders holding Shares with an aggregate nominal value of at least CHF 1 million have the right to request that a specific item be put on the agenda and voted upon at the next AGM. The request to include a particular item on the agenda of the meeting, together with the relevant proposals, must be submitted in writing to the Board.

Shareholders' resolutions generally require the approval of the absolute majority of the votes attributed to the represented Shares. If a second ballot is necessary, a relative majority is sufficient. In the event of a tie, the chairman of the AGM has the casting vote.

A quorum of at least half of the share capital of the Issuer and approval by at least two thirds of the votes represented is required for resolutions on (i) change of the purpose of the company, (ii) creation of shares with preferential voting powers, (iii) implementation of transfer restrictions on shares, (iv) authorized or conditional increase in the share capital, (v) increase of capital by way of conversion of capital surplus or by contribution in kind, (vi) restriction or suspension of preferential rights (pre-emptive subscription), (vii) change of location of the principal office, and (viii) dissolution of the company without liquidation.

Any Share issue by the Issuer, whether for cash or non-cash consideration, is subject to the prior approval of the shareholders. Shareholders of the Issuer have certain pre-emptive subscription rights to subscribe for new issues of Shares in proportion to the nominal amount of Shares held. A resolution adopted at a shareholders' meeting with a supermajority may, however, limit or suspend pre-emptive subscription rights in certain limited circumstances.

7.12.7 Subsidiaries of the Issuer

For information on the Issuer's subsidiaries, see "*Note 3—Scope of consolidation*" in "*Financial report—Cicor Group—Consolidated financial statements*" in the Annual Report 2020.

7.12.8 Financial Statements

The Issuer prepares its consolidated financial statements in accordance with Swiss GAAP FER and the requirements of the CO. The Issuer does not prepare its accounts in accordance with International Financial Reporting Standards (IFRS). For the Issuer's current financial statements including the latest report of the statutory auditor, see "*Financial report—Consolidated financial statements*" and "*Financial report—Report of the statutory auditor*" in the Annual Report 2020 as well as the Interim Report 2021.

So long as any MCNs are outstanding, the Issuer's current annual reports may be obtained free of charge from the website of the Issuer under www.cicor.com/investors/reports-news/.

7.12.9 Publication

Pursuant to the Issuer's Articles of Association, the Swiss Commercial Gazette (*Schweizerisches Handelsamtsblatt*) is the official medium for publication of the Issuer's notices and announcements, and the Issuer's notices and announcements to its shareholders will be made in the Swiss Commercial Gazette, insofar as the law does not prescribe some other manner of publication.

8. TAXATION

8.1 General

The discussion of taxation is only an indication of certain tax implications currently in force under the laws of those jurisdictions as they may affect investors. It applies only to persons who are beneficial owners of the MCNs and may not apply to certain classes of person. The summary contains general information only; it is not exhaustive and does not constitute legal or tax advice and is based on taxation law and practice at the date of this Prospectus. Potential investors should be aware that tax law and interpretation, as well as the level and bases of taxation, may change from those described and that changes may alter the benefits of investment in, holding or disposing of, MCNs. The Issuer makes no representations as to the completeness of the information nor undertake any liability of whatsoever nature for the tax implications for investors. Potential investors are strongly advised to consult their own professional advisers on the implications of making an investment in, holding or disposing of, MCNs under the laws of the countries in which they are liable to taxation and in light of their particular circumstances.

8.2 MCNs

8.2.1 General

The Swiss Federal Tax Administration has confirmed that the MCNs qualify as "classical convertible bonds" (*Klassische Wandelanleihe*) in accordance with the Circular No. 15 issued by the Swiss Federal Tax Administration (*Kreisschreiben Nr. 15*). The Swiss cantonal tax authorities who assess the Swiss federal income tax (*Direkte Bundessteuer*) as well as the Swiss cantonal and communal income and wealth taxes (*Kantons- und Gemeindesteuer*) normally follow the qualification of the Bonds as "classical convertible bonds" made by the Swiss Federal Tax Administration, are however not legally bound to it.

8.2.2 Swiss Withholding Tax

The conversion of the MCNs into Shares, will not be subject to Swiss withholding tax.

8.2.3 Swiss Stamp duties

Neither the issue, sale and delivery of the MCNs on the Payment Date to the initial holders of the MCNs are subject to Swiss securities turnover tax.

Any transaction in the secondary markets are subject to Swiss securities turnover tax at a rate of 0.15 per cent. of the purchase price of the MCNs if a Swiss or Liechtenstein domestic bank or securities dealer (as defined in the Swiss Stamp Tax Act) is a party or an intermediary to the transaction and none of the exemptions provided for in the Swiss Stamp Tax Act applies. Generally, half of the tax is charged to the one party to the transaction and the other half to the other party, subject to applicable statutory exemptions in respect of the one or the other party to the transaction and their respective halves of the tax. Secondary market dealings in MCNs where no domestic bank or securities dealer is a party or an intermediary to the transaction are not subject to Swiss securities turnover tax.

The issuance of new Shares upon conversion of the MCNs is subject to Swiss issuance stamp tax of 1 per cent., which shall be borne by the Issuer. The delivery of newly issued Shares upon conversion of the MCNs to the Holders will not be subject to Swiss securities turnover tax.

For information on the stamp tax treatment of the disposition of the Shares following conversion of the MCNs, see "*—Shares—Swiss Securities Turnover Tax*" below.

8.2.4 Swiss Income Taxation

MCNs held by Non-Swiss Holders

The conversion of an MCN into Shares where such MCN is held by, and gain realized on the disposition or redemption of an MCN by, a holder of an MCN who (i) is a non-resident of Switzerland, and (ii) during the taxation year in which such payment is made, such conversion occurs or such gain is realized, as applicable, has not engaged in trade or business through a permanent establishment within Switzerland to which such MCN is attributable, will not be subject to any Swiss federal, cantonal or communal income tax.

For a discussion of the automatic exchange of information in tax matters, see below under "— *International Automatic Exchange of Information in Tax Matters*".

MCNs held by Swiss Resident Holders as Private Assets

A person who (i) is an individual resident in Switzerland holding an MCN as a private asset will be generally exempt from Swiss income tax (A) in respect of capital gains realized upon sale of MCNs prior to maturity and (B) in respect of the capital gains resulting from an increase in value of the Shares upon conversion.

See "*—MCNs held as Assets of a Trade or Business in Switzerland*" below for a summary on the tax treatment of individuals classified as "professional securities dealers".

MCNs held as Assets of a Trade or Business in Switzerland

A holder of an MCN who is (i) a Swiss-resident individual taxpayer that holds such MCN as part of Swiss business assets, or (ii) a Swiss-resident corporate taxpayer or corporate or individual taxpayer resident outside of Switzerland that holds such MCN as part of a trade or business carried on through a permanent establishment within Switzerland, is required to recognize any capital gain or loss realized by such holder on the sale or other disposition of such MCN, in its income statement for the respective tax period in which the relevant payment or disposition is made, and such holder will be taxed on any net taxable earnings for such period (which tax will, if such holder is a corporate or individual taxpayer resident outside of Switzerland as described in clause (ii) above, be limited to the extent such net earnings are allocable to Switzerland).

Swiss-resident individuals who hold MCNs and who, for income tax purposes, are classified as "professional securities dealers" for reasons of, among other things, frequent dealings and leveraged transactions in securities will be treated as though they hold MCNs as part of Swiss business assets and be taxed as described in the paragraph immediately above.

8.3 Shares

8.3.1 Swiss Withholding Tax

Upon acquisition of Shares, following conversion of MCNs, any dividends paid and similar cash or in-kind distributions made on such Shares will be subject to Swiss withholding tax at a rate of 35 per cent. The Issuer will be required to withhold tax at such rate from any distribution made to a shareholder. Any repayment of the nominal value of such Shares and, if certain conditions are met, any distribution out of legal reserves from capital contributions is not subject to Swiss withholding tax. Please note that following the Federal Act on Tax Reform and AHV Financing (*Bundesgesetz über die Steuerreform und die AHV-Finanzierung (STAF)*) the Issuer may only repay tax-free capital contribution reserves if it concurrently distributes taxable dividends of at least the same amount, to the extent the Issuer has freely distributable taxable reserves in the corresponding amount (certain exceptions may apply).

Furthermore, in case of a repurchase of own Shares by the Issuer in order to cancel such Shares (or in case of a deemed cancellation), the portion of the repurchase price that exceeds the nominal value of such Shares and, as the case may be, the legal reserves from capital contributions is a taxable liquidation which is subject to 35 per cent. Swiss withholding tax. When the Issuer repurchases Shares in order to cancel such Shares, at least fifty per cent. of the purchase price less the nominal value of the Shares must be charged to legal reserves from capital contributions.

The Swiss Federal Tax Administration or the relevant cantonal tax authority, as applicable, will refund or credit Swiss withholding tax on distributions, if any, on Shares made or paid by the Issuer, or the purchase price paid by the Issuer for Shares bought back, if any, for a capital reduction, out of or against profit or reserves other than tax-exempt reserves from capital contributions in full to holders who are individuals resident in Switzerland

and to holders, who hold the Shares on which the distributions have been paid, as part of a trade or business in Switzerland, and, who, in each case, *inter alia*, are the beneficial owners of the Shares and duly report the distributions or the purchase price paid by the Issuer for Shares bought back for a capital reduction in the income tax return or the financial statements, respectively, for the relevant tax period.

The recipient of a taxable distribution from the Issuer out of Shares (including upon a repurchase for cancellation) who is an individual or a legal entity not resident in Switzerland for tax purposes may be entitled to a full or partial refund of Swiss withholding tax if the country in which such recipient resides for tax purposes has entered into a bilateral treaty for the avoidance of double taxation with Switzerland and if the further prerequisites of such treaty are met. Shareholders not resident in Switzerland should be aware that the procedures for claiming treaty benefits (and the time required for obtaining a refund) may differ from country to country. Shareholders not resident in Switzerland should consult their own legal, financial or tax advisors regarding receipt, ownership, purchases, sale or other dispositions of such Shares and the procedures for claiming a refund of Swiss withholding tax.

8.3.2 Swiss Stamp Duties

Any transaction in Shares following conversion in the secondary markets are subject to Swiss securities turnover tax at a rate of 0.15 per cent. of the purchase price of the Shares if a Swiss or Liechtenstein domestic bank or securities dealer (as defined in the Swiss Stamp Tax Act) is a party or an intermediary to the transaction and none of the exemptions provided for in the Swiss Stamp Tax Act applies. Generally, half of the tax is charged to the one party to the transaction and the other half to the other party, subject to applicable statutory exemptions in respect of the one or the other party to the transaction and their respective halves of the tax. Secondary market dealings in Shares where no domestic bank or securities dealer is a party or an intermediary to the transaction are not subject to Swiss securities turnover tax. As concerns the stamp tax treatment of the delivery of the Shares upon conversion of the MCNs, see "*—MCNs—Swiss Stamp duties*" above.

8.3.3 Swiss Income Taxes

Shares held by Holders' Resident outside of Switzerland and with no Trade or Business in Switzerland

Holders of Shares who are not residents of Switzerland for tax purposes, and who during the taxable year have not held Shares through a permanent establishment within Switzerland for tax purposes, are not subject to any Swiss federal, cantonal or communal income tax in respect of the receipt of dividends, or other distributions, if any, on Shares, or gain realized on the sale or other disposition of Shares.

For a discussion of the Swiss withholding tax treatment of dividends and distributions or capital gains on Shares, see above "*—Swiss Withholding Tax*". For a discussion of the automatic exchange of information in tax matters, see below "*—International Automatic Exchange of Information in Tax Matters*"..

Shares held by Swiss Resident Individuals as Private Investments

Dividends and other cash or in-kind distributions (including scrip or stock dividends), if any, on Shares, to the extent made or paid by the Issuer out of reserves from capital contributions and distributions, if any, to the extent made or paid by the Issuer on Shares based upon a capital reduction, and the purchase price of Shares bought back for a capital reduction charged to reserves from capital contributions are exempt from Swiss federal, cantonal and communal income tax for holders of Shares who are individuals resident in Switzerland for tax purposes and who hold the Shares as private investments. Please note that following the Federal Act on Tax Reform and AHV Financing (*Bundesgesetz über die Steuerreform und die AHV-Finanzierung (STAF)*) the Issuer may only repay tax-free capital contribution reserves if it concurrently distributes taxable dividends of at least the same amount, to the extent the Issuer has freely distributable taxable reserves in the corresponding amount (certain exceptions may apply).

Conversely, any dividends and other cash or in-kind distributions (including scrip or stock dividends), if any, on Shares to the extent made or paid by the Issuer out of profit and reserves other than reserves from capital contributions, and the purchase price for Shares bought back, if any, by the Issuer for a capital reduction to the extent booked against reserves other than reserves from capital contributions, will be subject to Swiss federal, cantonal and communal taxable income for such holders.

A capital gain realized by a holder on the sale of Shares (other than a sale to the Issuer in a share buy-back for capital reduction) held as private investments classifies as tax-exempt private capital gain and, *vice versa*, a capital loss as non-tax deductible private capital loss for purposes of Swiss federal, cantonal and communal income tax.

See below "—*Shares held as Assets of a Swiss Business*" for a summary of the taxation treatment of Swiss resident individuals who, for income tax purposes, are classified as "professional securities dealers".

Shares held as Assets of a Swiss Business (including Shares held by Individuals classified as "Professional Securities Dealers")

For a corporate or an individual who holds the Shares as part of a trade or business carried on in Switzerland, any dividends and any other distributions, if any, made or paid by the Issuer on Shares, and any capital gain or loss realized on the sale of Shares, are includible in, or deductible from, respectively, the taxable income in the relevant taxation period for purposes of Swiss federal, cantonal and communal individual or corporate income tax. This taxation treatment also applies to Swiss resident private individuals who, for income tax purposes, are classified as "professional securities dealers".

Corporate taxpayers will be eligible for dividend relief (*Beteiligungsabzug*) in respect of dividends and distributions, if any, on Shares if either the fair value of the Shares held by them equals or exceeds CHF 1 million, or the Shares represent 10 per cent. or more of the share capital of the Issuer.

8.4 International Automatic Exchange of Information in Tax Matters

Switzerland has concluded a multilateral agreement with the EU on the international automatic exchange of information ("**AEOI**") in tax matters, which applies to all EU member states. In addition, Switzerland signed the multilateral competent authority agreement on the automatic exchange of financial account information ("**MCAA**"), and a number of bilateral AEOI agreements with other countries, most of them on the basis of the MCAA. Based on these agreements and the implementing laws of Switzerland, Switzerland collects and exchanges data in respect of financial assets, held in, and income derived thereon and credited to, accounts or deposits (including MCNs and Shares held in such accounts or deposits) with a paying agent in Switzerland for the benefit of individuals resident in a EU member state or in another treaty state. An up-to-date list of the AEOI agreements to which Switzerland is a party that are in effect, or signed but not yet in effect, can be found on the website of the State Secretariat for International Financial Matters SIF.

9. SUBSCRIPTION AND SALE

9.1 Offering

The MCNs were (a) offered by way of a public offering (the "**Public Offering**") in which the holders of Shares as of 5.30 p.m. (CET) on 31 December 2021 received preferential subscription rights (*Vorwegzeichnungsrechte*) ("**Rights**") to, subject to certain limitations based on residency, purchase MCNs at the Issue Price, and (b) sold to OEP 80 B.V., Amsterdam, Netherlands (the "**Backstop Investor**") which has committed to purchase MCNs in an aggregate principal amount (i) of CHF 16,701,000 (the "**OEP Amount**") and (ii), to the extent Rights have not been validly exercised, in a maximum aggregate principal amount of CHF 43,487,000 (the "**Backstopped Amount**" and collectively with the OEP Amount, the "**Committed Amount**") in accordance with its respective commitment as set out in the subscription agreement (the "**Subscription Agreement**").

The Offering resulted in the issuance and sale of MCNs in the aggregate principal amount of CHF 20,000,000.

The Issuer reserves the right to reopen this issue and increase the aggregate principal amount of the MCNs at any time during the period starting on the day following the Payment Date and ending on (but excluding) the day falling 12 months after the Payment Date (the "**Reopening Period**") and without the prior consent of or permission of the holders of MCNs through the issue of further mandatory convertible notes which will be fungible with the MCNs (i.e., identical especially in respect of the Terms of the MCNs, security number, final maturity and interest rate; each such issue a "**Reopening**"), provided that the total issue, i.e. including existing MCNs, does not exceed CHF 60,188,000.

9.2 Rights Offering

Subject to applicable law and the terms and conditions of this Prospectus, as of 5.30 p.m. (CET) on 31 December 2021, one Right per Share held has been granted to eligible holders of Shares, with an aggregate amount of 3,069,542 Rights being so granted. 51 Rights entitled the holder thereof to subscribe for and purchase one MCN at the Issue Price (the "**Rights Offering**"). Rights had to be exercised from (and including) 3 January 2022 to 12.00 noon (CET) on 13 January 2022 (the "**Rights Exercise Period**"). Rights not duly exercised prior to 12.00 noon (CET) on 13 January 2022 expired and became null and void without the right to any compensation. The exercise of Rights may not be cancelled, modified, rescinded or withdrawn. The Rights were listed and tradable on SIX from (and including) 3 January 2021 to 5.00 p.m. (CET) on 11 January 2022 (the "**Rights Trading Period**").

608,073 Rights have been duly exercised and the holders of such Rights subscribed for and will purchase MCNs in an aggregate principal amount of CHF 11,923,000.

9.3 Issue and sale of the MCNs

The Acting Agent and the Issuer have entered into a paying and conversion agency agreement dated as of 21 December 2021 (the "**Paying and Conversion Agency Agreement**"), relating to the servicing of the MCNs (as further specified in the Paying and Conversion Agency Agreement).

The Acting Agent has further entered into an notes purchase agreement dated as of 21 December 2021 (the "**Notes Purchase Agreement**") with the Issuer pursuant to which the Acting Agent has agreed, subject to the satisfaction of certain conditions, to purchase and the Issuer has agreed to issue and sell all MCNs purchased by the exercise of Rights, and to settle delivery of the MCNs purchased by, and deliverable to the Backstop Investor, as further specified in the Notes Purchase Agreement.

9.4 Backstop

The Issuer has entered into a subscription agreement, dated as of 21 December 2021 (the "**Subscription Agreement**"), with OEP 80 B.V. (the "**Backstop Investor**"), pursuant to which (i) the Backstop Investor has committed to purchase MCNs in an aggregate principal amount (i) of CHF 16,701,000 (the "**OEP Amount**") and (ii), to the extent Rights have not been validly exercised, in a maximum aggregate principal amount of CHF 43,487,000 (the "**Backstopped Amount**" and collectively with the OEP Amount, the "**Committed Amount**"), specified therein, and (ii) the Issuer has agreed to sell MCNs in the principal amount corresponding to the Committed Amount the Backstop Investor in accordance with its commitments set forth in the Subscription Agreement.

Pursuant to the Subscription Agreement, the Backstop Investor waived any Rights and neither exercised nor sold or purchased any Rights other than pursuant to the terms of the Subscription Agreement to the extent it received any Rights. The Backstop Investor will purchase MCNs only in accordance with the provisions of the Subscription Agreement. The Issuer did not offer any such Rights waived by the Backstop Investor to any other party. Pursuant to the Subscription Agreement, the Issuer shall only issue (i) MCNs in respect of which Rights have been validly exercised by holders of such Rights to such former holders and (ii) such further MCNs in order for the Backstop Investor to own MCNs in the OEP Amount issued in connection with the Offering to be issued to the Backstop Investor plus such number of MCNs as may be required to comply with the minimum size of the MCN according to the listing rules of SIX Swiss Exchange (the number of MCN under (ii) together the "**OEP Top Up Amount**"). The Issuer notified the Backstop Investor of the Rights exercised immediately upon the end of the Rights Exercise Period. The Backstop Investor will acquire MCNs corresponding to a total aggregate principal amount of CHF 8,077,000.

In the event of a Reopening, the Backstop Investor has committed to subscribe for and purchase MCNs up to the outstanding Committed Amount and the Issuer has agreed to sell such MCNs to the Backstop Investor.

In any case, the shareholdings of the Backstop Investor in the Issuer are not intended to result in an ultimate shareholding in the Issuer exceeding 33.3% of the voting rights in the Issuer registered at the time of the conversion of the MCNs in the Commercial Register of the Canton of Neuchâtel on an after-conversion basis.

9.5 Listing agent

In accordance with article 58(a) of the listing rules of the SIX Swiss Exchange, Zürcher Kantonalbank was appointed by the Issuer as representative to file the listing application (including the application for provision admission to trading) with regard to the Rights and the MCNs with the SIX Swiss Exchange.

9.6 General

Neither the Issuer nor the Acting Agent has made any representation that any action will be taken in any jurisdiction (other than in Switzerland) by the Acting Agent or the Issuer that would permit a public offering of the Rights, the MCNs or the Shares issuable upon conversion of the MCNs ("**Exchange Shares**"), or possession or distribution of this Prospectus (in preliminary, proof or final form) or any other offering or publicity material relating to the MCNs (including roadshow materials and investor presentations), in any country or jurisdiction where action for that purpose is required. The Acting Agent has agreed that it will comply to the best of its knowledge and belief in all material respects with all applicable laws and regulations in each jurisdiction in which it acquires, offers, sells or delivers MCNs or has in its possession or distributes this Prospectus (in preliminary, proof or final form) or any such other material, in all cases at its own expense. It will also ensure that no obligations are imposed on the Issuer in any such jurisdiction as a result of any of the foregoing actions.

The Rights will initially be credited to a depositary bank (*Depotbank*) for the accounts of all shareholders that hold their existing Shares in custody through such depositary bank. Subject to certain exceptions, a depositary bank (including brokers, custodians and nominees) may not exercise Rights on behalf of any person in jurisdictions in which it would not be permissible to make an offer of the Rights, the MCNs or the Exchange Shares and will be deemed in connection with its receipt, exercise or acquisition of any Rights or MCNs to certify that such exercise is not on behalf of such a person.

The crediting of Rights to the account of shareholders or other persons in any jurisdiction in which it would not be permissible to make an offer of the Rights, the MCNs or the Exchange Shares does not constitute an offer of the Rights, the MCNs or the Exchange Shares to such persons.

Depositary banks (including brokers, custodians and nominees), are advised not to send, transmit or otherwise distribute this Prospectus or any other information about the Offering into any jurisdictions in which it may not be permissible to make an offer of the Rights, the MCNs or the Exchange Shares, unless such depositary bank obtains representations and/or certifications from the relevant holders of Rights located in such jurisdictions sufficient to satisfy itself that this Prospectus and such other documents may be legally sent, transmitted or otherwise distributed into such jurisdictions.

Furthermore, unless a depositary bank (including brokers, custodians and nominees) has a reasonable basis to believe that distribution of this Prospectus or other documentation will not contravene relevant laws and regulations in a particular jurisdiction, the depositary bank should refrain from contacting any holder of Rights in such jurisdiction. Depositary banks (including brokers, custodians and nominees) and account holders who wish to take up any part of their entitlements must ensure that no Rights are being exercised by, or for the account or benefit of, persons located in jurisdictions in which it would not be permissible to make an offer of the Rights, the MCNs or the Exchange Shares. Depositary banks (including brokers, custodians and nominees) and account holders should contact the Issuer and/or the Acting Agent for further information.

Subject to certain exceptions, a depositary bank (including brokers, custodians and nominees) may also not allow the Rights to be transferred or otherwise distributed in or into any jurisdiction in which it would not be permissible to make an offer of the Rights, the MCNs or the Exchange Shares.

Any Rights that are unable to be exercised within the Rights Exercise Period will expire and become null and void and no compensation will be paid to the holders of such Rights.

Subject to certain exceptions, exercise instructions and certifications from the United States, EEA or UK or any other jurisdictions where it may not be permissible to make an offer of the Rights, the MCNs or the Exchange Shares will not be accepted. Subject to certain exceptions, no documentation sent to the Issuer, the Acting Agent, or the depositary banks (including brokers, custodians and nominees) should be postmarked, sent, transmitted or otherwise dispatched from the United States, EEA or UK or any other jurisdiction where it may not be permissible to make an offer of the Rights, the MCNs or the Exchange Shares (including, without limitation, via fax, e-mail or the internet). Documentation that appears to have been, or that the Issuer, the Acting Agent or a depositary bank believes to have, originated in such jurisdictions may not be accepted and may be deemed to be invalid. The Issuer, the Acting Agent and the depositary banks reserve the right to refuse to authorize the exercise of any Rights or the delivery of any MCNs in, from or to such jurisdictions or to any person who fails to make the representation, warranties, agreements and/or acknowledgements noted below. Each person that receives, exercises or acquires any Rights or MCNs in the Offering or accepts delivery of or accesses this Prospectus, will be deemed to have represented, agreed and acknowledged to the Issuer and the Acting Agent and to its applicable depositary bank(s) (including brokers, custodians and nominees), unless the Issuer waives such requirement that: (i) it, or the person, if any, for whose account it is acting, is and will be receiving, exercising or acquiring the Rights or the MCNs for its own account and not with a view to distribute and resell any such Rights or MCNs; (ii) it and the person, if any, for whose account it is or will be receiving, exercising or acquiring the Rights or the MCNs is not, and at the time of any receipt or exercise by it of Rights or any acquisition by it of MCNs, will not be, a U.S. Person and it is or will be receiving, exercising or acquiring the Rights or the MCNs in an offshore transaction meeting the requirements of Regulation S; (iii) it, and the person, if any, for whose account it is acting, may lawfully receive, exercise and/or acquire any Rights or MCNs they have received, exercised and/or acquired or propose to receive, exercise and/or acquire in the jurisdiction in which they reside or are located.

9.7 United States

The Rights, the MCNs and the Exchange Shares have not been and will not be registered under the U.S. Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. Persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act. The Rights, the MCNs and the Exchange Shares are being offered only to persons that are not, and are not acting for the account or benefit of, U.S. Persons in offshore transactions in accordance with Regulation S. Terms used in this paragraph have the meanings given to them by Regulation S. The Acting Agent has represented, warranted and agreed that it, its affiliates and any persons acting on its or their behalf, have offered and sold the MCNs and the Shares issuable upon conversion of the MCNs, and will offer and sell the MCNs and the Shares issuable upon conversion of the MCNs (i) as part of the distribution of the MCNs at any time, and (ii) otherwise until 40 days after the later of the commencement of the offering of the MCNs and the date of original issuance of the MCNs, only to non-U.S. Persons in offshore transactions each as defined in and in reliance on Regulation S. The Acting Agent has also agreed to send each dealer to which it sells MCNs during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the MCNs within the United States or to, or for the account or benefit of, U.S. Persons.

In addition, until 40 days after the commencement of the offering, an offer or sale of the Rights or the MCNs within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the U.S. Securities Act.

9.7.1 Prohibition of Sales to EEA Retail Investors

The MCNs may not be offered, sold or otherwise make available any MCNs to any retail investor in the EEA. For the purposes of this provision:

(a) the expression "retail investor" means a person who is one (or more) of the following:

  (i) a retail client as defined in point (11) of EU MiFID II; or

  (ii) a customer within the meaning of Directive (EU) 2016/97, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of EU MiFID II; or

  (iii) not a qualified investor as defined in the EU Prospectus Regulation; and

(b) the expression "offer" includes the communication in any form and by any means of sufficient information on the terms of the Offering and the MCNs to be offered so as to enable an investor to decide to purchase or subscribe for the MCNs.

9.7.2 Prohibition of Sales to Retail Investors in France

The MCNs may not been and will not be offered or sold or caused to be offered or sold, directly or indirectly, to the public in France other than to qualified investors. Any offer or sale of the MCNs and distribution of any offering material relating to the MCNs have been and will be made in France only to qualified investors (*investisseurs qualifiés*), as defined in article 2 point (e) of the EU Prospectus Regulation, and in accordance with Articles L.411-1 and L.411-2 of the French monetary and financial code (*Code monétaire et financier*).

9.7.3 Prohibition of Sales to Retail Investors in Italy

The MCNs have not been registered with the Commissione Nazionale per le Società e la Borsa ("**CONSOB**") pursuant to Italian securities legislation and, accordingly, no MCNs may be offered, sold or delivered, and nor may copies of this Prospectus and any other document relating to any MCNs be distributed in the Republic of Italy, except:

(a) to qualified investors (investitori qualificati), as defined in Article 2, letter e) of the EU Prospectus Regulation; pursuant to Article 1, fourth paragraph, letter a), of the EU Prospectus Regulation;

(b) in other circumstances that are exempted from the rules on public offerings pursuant to Article 1 of the EU Prospectus Regulation.

(c) Any offer, sale or delivery of the MCNs or distribution of copies of this Prospectus and any other document relating to any MCNs in the Republic of Italy must be in compliance with the selling restrictions under paragraphs (a) or (b) above and must be made:

  (i) by an investment firm, bank or financial intermediary permitted to conduct such activities in the Republic of Italy in accordance with Legislative Decree No. 58 of 24 February 1998, CONSOB Regulation No. 20307 of 15 February 2018 and Legislative Decree No. 385 of 1

September 1993 (the "**Italian Banking Act**") (in each case, as amended from time to time); and

(ii) in compliance with any applicable laws and regulations including any limitation or requirement that may be imposed from time to time by CONSOB and/or the Bank of Italy (including, the reporting requirements, where applicable, pursuant to Article 129 of the Italian Banking Act and the implementing guidelines of the Bank of Italy, as amended from time to time) and/or any other Italian competent authority.

Any investor purchasing the MCNs is solely responsible for ensuring that any offer, sale, delivery or resale of the MCNs it purchased in the Offering occurs in compliance with applicable Italian laws and regulations.

9.7.4 Prohibition of Sales to UK Retail Investors

The MCNs may not be offered, sold or otherwise make available any MCNs to any retail investor in the UK. For the purposes of this provision:

(a) the expression "retail investor" means a person who is one (or more) of the following:

(i) a retail client as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the EUWA; or

(ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or

(iii) not a qualified investor as defined in the UK Prospectus Regulation.

(b) the expression "offer" includes the communication in any form and by any means of sufficient information on the terms of the Offering and the MCNs to be offered so as to enable an investor to decide to purchase or subscribe for the MCNs.

9.7.5 Selling Restrictions addressing Additional UK Securities Laws

The Acting Agent has represented and agreed that:

(a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated, any invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of the MCNs in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and

(b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the MCNs in, from or otherwise involving the UK.

9.8 Japan

The Rights and the MCNs have not been and will not be registered under the Financial Instruments and Exchange Act of Japan, as amended ("**FIEA**"). This Prospectus is not an offer of securities for sale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan or to others for reoffer or resale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan, except pursuant to an exemption from the registration requirements under the FIEA and otherwise in compliance with such law and any other applicable laws, regulations and ministerial guidelines of Japan. Accordingly, no resident of Japan may participate in the Offering or exercise any Rights and none of the Issuer and the Acting Agent or other person is allowed to, directly or indirectly, offer or sell any Rights or MCNs in Japan or to a resident of Japan, except pursuant to an exemption from the registration requirements under the FIEA and otherwise in compliance with such law and any other applicable laws, regulations and ministerial guidelines of Japan. As used in this paragraph, "resident of Japan" means any person resident in Japan, including any corporation or other entity organized under the laws of Japan.

9.9 Australia

The MCNs are not offered and will not be issued under a prospectus or product disclosure statement compliant with Australian securities laws or the disclosure requirement under those laws. Accordingly, a person in Australia may not participate in the Offering or re-sell the MCNs or any rights to those MCNs unless an applicable exemption applies under the Australian Corporations Act 2001 (Cth).

9.10 Canada

No prospectus has been filed with any securities commission or similar regulatory authority in Canada in connection with the offer and sale of the Rights or the MCNs. No securities commission or similar regulatory authority in Canada has reviewed or in any way passed upon this Prospectus or on the merits of the Rights or the MCNs and any representation to the contrary is an offence. The offer and sale of the Rights or the MCNs in Canada is being made on a private placement basis and is exempt from the requirement that the issuer prepares and files a prospectus under applicable Canadian securities laws. Any resale of Rights or MCNs acquired by a Canadian investor in the Offering must be made in accordance with applicable Canadian securities laws, which resale restrictions may under certain circumstances apply to resales of the Rights or the MCNs outside of Canada.

As applicable, each Canadian investor who purchases the Rights or the MCNs will be deemed to have represented to the Issuer, the Acting Agent and to each dealer from whom a purchase confirmation is received, as applicable, that the investor: (i) is purchasing as principal, or is deemed to be purchasing as principal in accordance with applicable Canadian securities laws, for investment only and not with a view to resale or redistribution; (ii) is an "accredited investor" as such term is defined in section 1.1 of National Instrument 45-106 Prospectus Exemptions (NI 45-106) or, in Ontario, as such term is defined in section 73.3(1) of the Securities Act (Ontario); and (iii) is a "permitted client" as such term is defined in section 1.1 of National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this Prospectus (including any amendment thereto) contains a misrepresentation, *provided* that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal advisor.

Pursuant to section 3A.3 of National Instrument 33-105 Underwriting Conflicts ("**NI 33-105**") (or section 3A.4 in the case of securities issued or guaranteed by the government of a non-Canadian jurisdiction), the Offering is conducted pursuant to any exemption from the requirement that Canadian investors be provided with certain underwriter conflicts of interest disclosure that would otherwise be required pursuant to subsection 2.1(1) of NI 33-105.

10. RESPONSIBILITY STATEMENT

The Issuer accepts responsibility for the information contained in this Prospectus. To the best of the knowledge of the Issuer, which has taken all reasonable care to ensure that such is the case, the information contained in this Prospectus is in accordance with the facts and contains no omission likely to affect its import.

Boudry, Switzerland, as of 20 January 2022 **Cicor Technologies Ltd.**

ISSUER
Cicor Technologies Ltd.
Route de l'Europe 8
CH-2017 Boudry
Switzerland

ACTING AGENT
Zürcher Kantonalbank
Bahnhofstrasse 9
CH-8001 Zurich
Switzerland.

LEGAL ADVISERS
To the Issuer

Baker McKenzie Zurich
Holbeinstrasse 30
CH-8034 Zürich
Switzerland

CURRENT AUDITOR

KPMG AG
Badenerstrasse 172
CH-8036 Zürich
Switzerland