

Media Release

30 January 2020

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Fine imposed on Meyer Burger Technology Ltd

On 20 January 2020, the Court of Arbitration of SIX Swiss Exchange partially confirmed the Sanctions Commission's decision of 8 October 2018 regarding Meyer Burger Technology Ltd.

A fine has been imposed due to a moderately severe breach of the accounting standard Swiss GAAP FER. The sanction concerns errors in recording expenses in the company's extraordinary result.

In connection with the decision to close the subsidiary Diamond Materials Tech Inc., Colorado Springs, USA, on 27 February 2017, Meyer Burger Technology Ltd recorded valuation adjustments of CHF 11.9 million in the extraordinary result of the 2016 annual Swiss GAAP FER financial statements.

The Court of Arbitration agreed with the consideration of the Sanctions Commission that Meyer Burger Technology Ltd was unable to provide sufficient evidence and justification that the expenses recorded as extraordinary were neither predictable nor extremely rare. In particular, according to the Court of Arbitration, there was insufficient cause for these expenses to be deemed unpredictable in an objective sense due to several years of recurring high losses. Therefore, the valuation adjustments mentioned above should have been recorded in the ordinary result.

The Court of Arbitration did not concur with the consideration of the Sanctions Commission that these valuation adjustments should have been partially recorded in 2017 only, following the decision to close Diamond Materials Tech, Inc. Contrary to the Sanctions Commission, the Court of Arbitration decided that the assumption of a going concern for the subsidiary was already practically impossible before the reporting date of 31 December 2016.

Ultimately, the Court of Arbitration confirmed a moderately severe breach of the accounting standard Swiss GAAP FER due to negligence and set the fine to be imposed on Meyer Burger Technology Ltd at CHF 10'000.

Should you have any questions, please contact Jürg Schneider, Head Media Relations.

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Sanctions Commission

The Sanctions Commission can impose sanctions in cases of violations of the Rule Book, the Listing Rules and the Additional Rules of SIX Exchange Regulation AG. It is composed of between five and eleven members. The Chairman of the Sanctions Commission and half of its members are elected by the Regulatory Board; the remaining members are appointed by the Board of Directors of SIX.

SIX operates and develops infrastructure services in the Securities & Exchanges, Banking Services and Financial Information business units with the aim of raising efficiency, quality and innovative capacity across the entire value chain of the Swiss financial centre. The company is owned by its users (127 banks). With a workforce of some 2,600 employees and a presence in 20 countries, it generated operating income in excess of CHF 1.9 billion and Group net profit of CHF 221.3 million in 2018. www.six-group.com