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Prospectus dated 11 June 2021

This prospectus is dated 11 June 2021 and will not be updated for any developments that occur thereafter. In particular, this prospectus is not required to be updated as per the date of any approval by the SIX Prospectus Office in its capacity as competent Swiss review body pursuant to article 52 of the FinSA.



Siegfried Holding AG

CHF 200,000,000 0.20% Bonds 2021 – 2026 (the "Bonds")

This prospectus (the "**Prospectus**") relates to (i) the offering of Bonds in Switzerland with a total nominal value of CHF 200,000,000 due 15 June 2026 being issued by Siegfried Holding AG (the "**Issuer**") and (ii) the admission to trading and listing of the Bonds on the SIX Swiss Exchange Ltd (the "**SIX Swiss Exchange**").

An investment in the Bonds will involve certain risks, including the risk that Bondholders will lose parts of or their entire investment in the Bonds. For a discussion of certain risks that potential investors should carefully consider before deciding to invest in any Bonds, see "Risk Factors" beginning on page 11 of this Prospectus.

The Bonds have been provisionally admitted to trading on the SIX Swiss Exchange as of 11 June 2021. Application will be made for definitive admission to trading and listing of the Bonds on the SIX Swiss Exchange as soon as practicable thereafter and (if granted) will only be granted after the Issue Date. The last trading date will be the second business day prior to the respective Maturity Date.

For the purpose of this Prospectus and unless the context otherwise requires, capitalized terms and expressions which are being used herein, but are not defined, shall have the meaning as given to them in the section "Terms of the Bonds" ("**Terms of the Bonds**") starting on page 26 of this Prospectus or elsewhere in this Prospectus.

UBS Investment Bank

Swiss Security Number: 111.542.467

ISIN: CH1115424678

Common Code: 234749447

This Prospectus has been approved by SIX Exchange Regulation Ltd in its capacity as review body pursuant to article 52 of the Swiss Financial Services Act ("**FinSA**") on 22 July 2021.

SUMMARY

The following summary (the "Summary") is to be understood as an introduction to the Prospectus and is qualified in its entirety by, and should be read in conjunction with, the more detailed information appearing elsewhere in this Prospectus, including the discussion under "Risk Factors" and the financial information, which are included elsewhere in this Prospectus.

Investors are required to base their investment decision on the information in the prospectus in its entirety and not on the Summary.

Potential investors in the Bonds should be aware that liability under article 69 of the FinSA for the Summary is limited to cases where the information contained therein is misleading, inaccurate or inconsistent when read together with the other parts of the prospectus.

Information on the Issuer

Issuer's Name, registered office and legal form	Siegfried Holding AG, Untere Brühlstrasse 4, 4800 Zofingen, Switzerland, is a Swiss stock corporation (<i>Aktiengesellschaft</i>) of unlimited duration under the laws of Switzerland.
Legal Entity Identifier ("LEI")	506700J9QD6IF3937W06.
Auditor / Auditor Supervision	The auditor of the Issuer is PricewaterhouseCoopers AG, St. Jakobs-Strasse 25, 4052 Basel (the " Auditor "). The Auditor is supervised by and registered with the Swiss Federal Audit Oversight Authority (FAOA), and its register number currently is 500003.

Information on the Bonds

Type of Bond	Senior unsecured CHF 200,000,000 0.20% Bonds 2021 – 2026.
Swiss Security Number	111.542.467
ISIN	CH1115424678
Common Code	234749447
Clearing and Settlement:	SIX SIS. Further clearing and settlement through both Euroclear Bank SA/NV and Clearstream Banking, S.A.
Interest Rate	0.20% p.a., payable annually in arrears on 15 June, for the first time on 15 June 2022.
Issue Price	100.149 percent (before commissions and expenses) of the aggregate principal amount of the Bonds.
Duration	5 years, fix.
Issue Date	15 June 2021.
Maturity Date	15 June 2026, redemption at par.
Early Redemption	If 80% or more of the aggregate principal amount has been redeemed or purchased and cancelled, at par in accordance with the Terms of the Bonds or, if exercised by a holder, upon occurrence of a Change of Control Event, in accordance with Condition 5.3 of the Terms of the Bonds.

General Information on the Bonds

Currency and Denominations	CHF 5,000 nominal and multiples thereof.
Form of the Bonds	The Bonds will be issued as uncertificated securities (<i>Wertrechte</i>) in accordance with art. 973c of the Swiss Code of Obligations and, upon registration in the main register (<i>Hauptregister</i>) of SIX SIS Ltd., will constitute intermediated securities (<i>Bucheffekten</i>). Bondholders do not have the right to request the printing and delivery of a global certificate (<i>Globalurkunde</i>) or individually certificated securities (<i>Wertpapiere</i>).
Status	Senior unsecured. The Bonds constitute direct, unconditional,

	unsubordinated and unsecured obligations of the Issuer ranking <i>pari passu</i> and without any preference among themselves and with all other present and future unsecured and unsubordinated obligations of the Issuer, except for such preference as is provided by any mandatory applicable provision of law.
Covenants	Pari Passu, Negative Pledge, Change of Control, Cross Default each as further described in the Terms of the Bonds.
Swiss Withholding Tax	Interest payments on the Bonds are subject to Withholding Tax of currently 35%.
Governing Law and Jurisdiction	The Bonds are governed by, and construed in accordance with Swiss law. Place of jurisdiction for the Bonds and all related contractual documentation shall be Zurich, Switzerland.
Rating	Unrated by S&P / Moody's / Fitch. The Bonds are rated Baa-, outlook stable, by fedafin.
Swiss Principal Paying Agent	UBS AG.
Information on the Offering and the Listing	
Public Offer	The Bonds will be offered to prospective investors by way of (i) a public offering in Switzerland, and (ii) private placements in certain jurisdictions outside of Switzerland, other than the United States or other jurisdictions where an offering would be prohibited by applicable law.
Lead Manager	UBS AG.
Placement Price	The Placement Price of the Bonds will be fixed in accordance with supply and demand.
Reopening of the Issue	The Issuer reserves the right to reopen this issue according to the terms and conditions of the Bonds.
Use of Proceeds	The net proceeds of the Bonds, being the amount of CHF 199,684,000 (the " Net Proceeds ") will be used by the Issuer for general corporate purposes including the pre-financing of the outstanding CHF160mn public hybrid bond. The Lead Manager does not have any responsibility for, or be obliged to concern itself with, the application of the Net Proceeds of the Bonds.
Selling Restrictions	In particular U.S.A., U.S. persons, European Economic Area and United Kingdom.
Admission to Trading	The Bonds have been provisionally admitted to trading on the SIX Swiss Exchange as of 11 June 2021. Application will be made for definitive admission to trading and listing of the Bonds on the SIX Swiss Exchange as soon as practicable thereafter and (if granted) will only be granted after the Issue Date.
Listing and Trading	Listing will be applied for in accordance with the standard for Bonds of the SIX Swiss Exchange. The last trading day of the Bonds will be the second business day prior to the Maturity Date.
Listing Agent	UBS AG.
Information on Prospectus Approval	
Swiss Review Body	SIX Exchange Regulation Ltd (the " Swiss Review Body ").
Approval of Prospectus	The Issuer relied on an exemption pursuant to article 51(2) of the FinSA. This Prospectus has been approved by the Swiss Review Body on the date of the stamp appearing on the cover page of this Prospectus. 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 per the date of the approval by the Swiss Review Body.

IMPORTANT INFORMATION

The Issuer relied on an exemption pursuant to article 51(2) FinSA.

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 per 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 Bonds 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 Bonds is correct as of any time subsequent the date indicated in the document containing the same.

This Prospectus is being issued by Siegfried Holding AG (the "**Issuer**") solely in connection with the offering and listing of the Bonds. The information contained in this Prospectus has been provided by the Issuer and by the other sources identified in this Prospectus. No representation or warranty, express or implied, is made by the Issuer or any of their respective affiliates or advisors as to the accuracy or completeness of this information, and nothing contained in this Prospectus is, or shall be relied upon as, a promise or representation by the Issuer. This Prospectus is to be read in conjunction with all documents incorporated by reference herein. This Prospectus shall be read and construed on the basis that such documents are incorporated into and form part of this Prospectus. See "Incorporation by Reference" on page 19 of this Prospectus.

This Prospectus does not otherwise constitute an offer to sell, or a solicitation of an offer to buy Bonds and may not be used in any jurisdiction or in any circumstances in which such offer or solicitation or the distribution of the Bonds or this Prospectus is restricted or unlawful. Persons in possession of this Prospectus are required by the Issuer and the Lead Manager to inform themselves of and observe such restrictions. The Issuer and the Lead Manager do not accept any responsibility for any violation by any person of any such restrictions. Except as otherwise indicated, this Prospectus speaks as of the date hereof. The delivery of this Prospectus shall, under no circumstances, imply that there has been no change in the affairs of the Issuer or its affiliates or that the information herein is correct as of any date subsequent to the earlier of the date of this Prospectus and any specified date with respect to such information. The business, financial condition, results of operations and prospects of the Issuer may have changed since such dates.

In making an investment decision, prospective investors must rely on their own examination of the Issuer and the terms and conditions of the offering, including the merits and risks involved. Prospective investors should not construe anything in this Prospectus as legal, business or tax advice. Each prospective investor should consult its own advisors as needed to make its investment decision and to determine whether it is legally permitted to purchase the Bonds under applicable laws and regulations.

Further, the investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisors to determine whether and to what extent (i) the Bonds are legal investments for it, (ii) the Bonds can be used as collateral for various types of borrowing, and (iii) other restrictions apply to its purchase or pledge of the Bonds. Financial institutions should consult their legal advisors or the appropriate regulators to determine the appropriate treatment of the Bonds under any applicable risk-based capital or similar rules.

No dealer, salesman or any other person has been authorized to give any information or to make any representation not contained in this Prospectus and, if given or made, such information or representation must not be relied upon as having been authorized by or on behalf of the Issuer or the Lead Manager. No representation or warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Lead Manager or any of its respective affiliates or advisors or selling agents as to the accuracy or completeness of any information contained in this Prospectus and nothing contained in this Prospectus is, or shall be relied upon as, a promise or representation by the Lead Manager or any of its respective affiliates or advisors or selling agents as to the past or the future.

The Bonds have not been and will not be registered under the U.S. Securities Act. The Bonds may not be offered, sold or delivered within the United States or to U.S. persons. For a description of certain further restrictions on offers and sales of Bonds and distribution of this Prospectus, see the section headed "Selling Restrictions", beginning on page 7 of this Prospectus.

All references in this document to "Swiss francs" and "CHF" are to the lawful currency of Switzerland.

The financial institution involved in the issuance and offering of the Bonds is a bank, which directly or indirectly has participated, or may participate, in financing transactions and/or other banking business with the Issuer, which are not disclosed herein.

All references in this Prospectus to Regulations or Directives include, in relation to the UK, those Regulations or

Directives as they form part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 or have been implemented in UK domestic law, as appropriate.

SELLING RESTRICTIONS

General

Save for having listed the Bonds at the SIX Swiss Exchange, no action has been or will be taken in any jurisdiction by the Issuer or the Lead Manager that would permit a public offering of the Bonds, or possession or distribution of any offering material in relation thereto, in or from any country or jurisdiction where action for that purpose is required. In addition to the specific selling restrictions set out below, the Lead Manager undertakes to comply with all applicable laws and regulations in each country or jurisdiction in which it purchases or in or from which it offers, sells or delivers the Bonds or has in its possession or distributes any offering material in respect of the Bonds.

United States of America

(A) The Bonds have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**") and may not be offered or sold within the United States of America (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 Securities Act.

The Issuer and the Lead Manager have offered or sold the Bonds, and will offer or sell the Bonds (i) as part of their distribution at any time and (ii) acquired otherwise until 25 July 2021 (40 days after the Payment Date) (the "Restricted Period"), only in accordance with Rule 903 of Regulation S under the Securities Act. Terms used in this paragraph (A) have the meanings given to them by Regulation S under the Securities Act.

Accordingly, neither the Issuer, the Lead Manager and their affiliates nor any persons acting on their behalf have engaged or will engage in any directed selling efforts with respect to the Bonds, and they have complied and will comply with the offering restrictions requirement of Regulation S. The Lead Manager has agreed that, at or prior to confirmation of sale of the Bonds, they will have sent to each distributor, dealer or person receiving a selling concession, fee or other remuneration that purchases Bonds from them during the Restricted Period, a notice to substantially the following effect:

"The Bonds covered hereby have not been registered under the U.S. Securities Act of 1933, as amended (the "Securities Act") and may neither be offered nor sold within the United States of America or to, nor for the account or benefit of U.S. persons (i) as part of their distribution at any time nor (ii) otherwise until 25 July 2021, except in either case in accordance with Regulation S under the Securities Act. Terms used above have the meanings given to them by Regulation S."

(B) The Lead Manager has not entered and will not enter into any contractual arrangement (other than this Agreement) with respect to the distribution or delivery of the Bonds, except with their affiliates or with the prior written consent of the Issuer.

European Economic Area

In relation to each Member State of the European Economic Area (the "**EEA**") (each, a "**Member State**"), the Lead Manager has represented and agreed, that it has not made and will not make an offer of Bonds which are the subject of the offering contemplated by this Prospectus to the public in that Member State except that it may make an offer of such Bonds to the public in that Member State:

- a) at any time to any legal entity which is a qualified investor as defined in the Regulation (EU) 2017/1129 (the "Prospectus Regulation");
- b) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation), subject to obtaining the prior consent of the relevant Lead Manager(s) nominated by the Issuer for any such offer; or
- c) at any time in any other circumstances falling within Article 1 (4) of the Prospectus Regulation,

provided that no such offer of Bonds referred to in (a) to (c) above shall require the Issuer or any Lead Manager to publish a prospectus pursuant to Article 3 of the Prospectus Regulation, or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this provision, the expression an "offer of Bonds to the public" in relation to any Bonds in any Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Bonds to be offered so as to enable an investor to decide to purchase or subscribe for the Bonds.

United Kingdom

In relation to the United Kingdom (the "**UK**"), the Lead Manager has represented and agreed that it has not made and will not make an offer of Bonds that are subject to this Prospectus to the public in the UK except that it may make an offer of such Bonds to the public in the UK:

(a) At any time to any legal entity that is a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the "**EUWA**");

(b) At any time to fewer than 150 natural or legal persons (other than qualified investors as defined in Article 2 of Regulation 2017/1129 (EU) as it forms part of domestic law by virtue of the EUWA) in the UK subject to obtaining the prior consent of the relevant Lead Manager(s) nominated by the Issuer for any such offer; or

(c) At any time in any other circumstances falling within section 86 of the Financial Services and Markets Act 2000 (the "**FSMA**"),

provided that no such "offer of Bonds to the public" referred to in (a) to (c) above shall require the Issuer or any Lead Manager to publish a prospectus pursuant to section 85 of the FSMA or supplement a prospectus pursuant to Article 23 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA.

Each of the Issuer and the Lead Manager has represented and agreed that:

- (i) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Bonds in, from or otherwise involving the UK; and
- (ii) it has only communicated or caused to be communicated and it 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 any Bonds in circumstances in which section 21(1) of the FSMA would not, if the Issuer was not an authorized person, apply to the Issuer.

FORWARD LOOKING STATEMENTS

This Prospectus contains or incorporates by reference statements that constitute forward-looking statements. Such forward-looking statements may include, without limitation, statements relating to the current prospects, expectations, estimates, plans, strategic aims, vision statements, and projections of the Issuer and are based on information currently available to it. These forward-looking statements involve known and unknown risks, uncertainties, and other factors that may cause the actual results of operations, financial condition, performance or achievements of the Issuer to be materially different from any future results, financial condition, performance or achievements expressed or implied by such forward-looking statements. Terms and phrases such as "will", "believe", "expect", "anticipate", "intend", "plan", "predict", "estimate", "project", "target", "assume", "may" and "could", and variations of these words and similar expressions, are intended to identify prospects and/or other forward-looking statements but are not the exclusive means of identifying such prospects and other statements.

The Issuer, in reliance on article 69(3) FinSA, hereby cautions you that any such prospects, expectations, estimates, plans, strategic aims, vision statements, and projections contained or incorporated by reference in this Prospectus are not historical in nature but are forward-looking based on information and assumptions the Issuer considers to be reasonable. Such statements are inherently uncertain and subject to a variety of circumstances, many of which are beyond the Issuer's control and could cause actual results to differ materially from what the Issuer anticipates. Due to the uncertainty of future developments, to the fullest extent permitted by applicable law, neither the Issuer nor the Lead Manager assume any liability in respect to or in connection with such prospects or other forward-looking statements contained or incorporated by reference herein.

Except as required by the FinSA or other applicable securities laws, neither the Issuer nor the Lead Manager undertake an obligation to update any prospects or forward-looking statements after the date hereof, even if new information, future events or other circumstances have made them incorrect or misleading.

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RISK FACTORS

The specific risks of investing in the Bonds can only be assessed on the basis of a thorough and detailed analysis of the Terms of the Bonds and the individual situation of the prospective holder of Bonds. To understand the risks associated with an investment in the Bonds, each prospective holder of Bonds has to thoroughly and in detail assess and analyse the Terms of the Bonds and the implications of the various features of the Bonds for the prospective holder of Bonds in its individual situation.

The Issuer believes that the factors described below represent material risks inherent in investing in the Bonds, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with the Bonds or otherwise fulfil its obligations in connection with the Bonds may occur for other reasons that may not be considered material risks by the Issuer based on information currently available to it or that it may not currently anticipate. In addition, certain factors that are material for the purpose of assessing the market risks associated with the Bonds are described below. Prospective investors should give careful consideration to the following risks in evaluating the merits and suitability of an investment of the Bonds. The information is not intended to be an exhaustive list of all potential risks associated with an investment in the Bonds. Prospectus investors should also read the detailed information set out elsewhere in this Prospectus and reach their own views prior to making an investment decision.

The sequence in which the risk factors are presented below is not indicative of their likelihood of occurrence or the potential magnitude of their financial consequences.

Risk Factors relating to the Issuer

Siegfried is a holding company and relies on its subsidiaries for all funds necessary to meet its financial obligations

Siegfried is a holding company and its subsidiaries conduct all of its operations and own all of its assets. Siegfried has no significant assets other than the partnership interests, stock and other equity interests in its subsidiaries. Siegfried's subsidiaries are separate and distinct legal entities and, under certain circumstances, legal and contractual restrictions may limit the ability of these subsidiaries to provide Siegfried with funds for Siegfried's payment obligations, whether by dividends, distributions, loans or other payments. Any distribution of earnings to Siegfried from its subsidiaries, or advances or other distributions of funds by these subsidiaries to Siegfried, all of which are subject to statutory or contractual restrictions, are contingent upon the subsidiaries' earnings and are subject to various business considerations.

If the legal and contractual restrictions materialize in a way that Siegfried does not get sufficient funds for it to meet all of its payment obligations, the likelihood of a deferral of interest or even a default under the Bonds substantially increases and holders of Bonds might face a loss.

Siegfried's operating results may fluctuate due to factors outside of management's control

Siegfried's operating results may significantly fluctuate, and prospective investors should not rely on them as an indication of Siegfried's future results. Siegfried's future results of operations may significantly fluctuate due to a combination of factors, many of which are outside of management's control. The most important of these factors include, but are not limited to:

- changes in customer demands;
- reliability of suppliers;
- product liability;
- fluctuations in commodity prices;
- the impact of general economic trends on its business;
- diminished protection of intellectual property; and
- political and economic risks relevant to foreign countries.

As a manufacturing company, Siegfried depends but has little influence on the success of the development and commercialization of the drug substances and drug products supplied by its customers

Siegfried's business depends significantly on the successful development and commercialization of its customer's drug substances and drug products, which it manufactures and supplies. Developing new drug substances and drug products is a costly, lengthy and uncertain process. A new product candidate can fail at any stage of the process, and late-stage product candidates could fail to receive regulatory approval. New product candidates may appear promising in development, but, after significant investments, fail to reach the market or have only limited commercial success for a variety of reasons, including, among others, efficacy or safety concerns, inability to obtain necessary regulatory approvals, difficulty or excessive cost to manufacture, infringement of patents or other

intellectual property rights of others or inability to differentiate the product adequately from competing products. If a drug substance or drug product that Siegfried has been contracted to manufacture fails at any stage of the development process, fails to reach market in a timely manner or at all, does not receive regulatory approval in a timely manner or at all, or has only limited commercial success, such event may result in a delay, suspension, termination or reduction in the volume of its production, which could have a material adverse effect on Siegfried's business, financial condition, results of operations and prospects and, consequently, on Siegfried's ability to meet its obligations under the Bonds.

Siegfried relies on third-party suppliers

Siegfried uses a variety of raw materials in its business, and its operations depend upon obtaining adequate supplies of such raw materials on a timely basis and at adequate prices. There can be no assurance that Siegfried's supply of such raw materials will not become limited, interrupted, more costly or restricted in certain geographic regions or will be of satisfactory quality. Siegfried can provide no assurance that it will be able to obtain alternative materials from other suppliers of acceptable quality, or on terms or in quantities acceptable to it, or that it will not require additional materials to carry out its manufacturing activities.

In the event that one of its key suppliers fails to perform its obligations in terms of quality, timing, quantity or otherwise or if its supply of raw material becomes limited or interrupted for other reasons or becomes more costly, Siegfried would not be able to carry out its manufacturing activities on a timely or cost-competitive basis or at all, which would have a material adverse effect on its business, financial condition, results of operations and prospects. Such a material adverse effect could lead to a deferral of interest under the Bonds or even impact Siegfried's ability to meet its obligations under the Bonds.

Siegfried may become exposed to costly and damaging product liability claims

Developing and manufacturing chemical and pharmaceutical products entails significant product liability risk. Liability claims may arise from Siegfried's customers' use of drug substances or drug products in clinical trials or the commercial use of products that are manufactured and supplied by Siegfried.

It cannot be assured that sufficient insurance coverage will be available to Siegfried on acceptable terms or at all. If any of the drug substances or drug products manufactured and supplied by Siegfried were to have defects or are subject to seizures or recalls from the market, substantial uninsured losses could result, which could have a material adverse effect on Siegfried's business, financial condition, results of operations and prospects. Even where such product defects are not so serious as to warrant withdrawing the pharmaceutical products from the market, they may adversely affect Siegfried's reputation, which could have a material adverse effect on Siegfried's business, financial condition, results of operations and prospects and, consequently, on Siegfried's ability to meet its obligations under the Bonds.

Siegfried's main manufacturing activities are located at eleven key sites and any events affecting these facilities may have material adverse consequences

Siegfried's main manufacturing activities are located at 11 key sites in Switzerland, Germany, France, Spain, Malta, the United States and China. Any events at these sites that prevent or delay Siegfried from performing its commercial activities or obligations to its customers may have material adverse consequences on Siegfried's business, financial condition, results of operations and prospects and, consequently, on Siegfried's ability to meet its obligations under the Bonds.

As a provider of manufacturing services for pharmaceutical companies, Siegfried's facilities are of key strategic importance for its business and any event that causes its performances to be delayed or prevented, including without limitation, an act of God, fire, flood, earthquake, explosion, weather, disease, war, insurrection, terrorism, civil strike, riots, government action, power failure, energy shortages, or other events beyond its control or an accident that results in Siegfried being unable to fully utilize the facilities, may result in Siegfried's business being materially affected with significant detrimental consequences for its financial condition, results of operations and prospects. Furthermore, significant disruptions of information technology systems for internal communication as well as communication with its customers and suppliers, could adversely affect Siegfried's business. Loss of access to the facilities or other significant interruption of the business operations may result in increased costs, significant delays in the development and manufacture of Siegfried's drug substances and drug products, which would impact it adversely.

Siegfried relies on the proper functioning of its IT systems

Siegfried's ability to keep its businesses operating depends on the functional and efficient operation of its IT systems. Computer and data processing systems are susceptible to malfunctions and interruptions (including due to equipment damage, power outages, fire, natural disasters, breakdowns, malicious attacks, computer viruses, and a range of other hardware, software and network problems), and Siegfried may be unable to prevent malfunctions or interruptions. A significant or large scale malfunction or interruption of its computer or data processing systems could disrupt Siegfried's operations, for example by causing delays or the cancellation of customer orders, impeding the manufacture or shipment of products, the processing of transactions and the reporting of financial results, or could damage Siegfried's reputation.

In addition, Siegfried is exposed to the risk of potential unauthorised access to, and the loss of, critical and sensitive information, for example as a result of industrial espionage activities or hacking attacks. A leak of confidential

information or the loss of critical and sensitive, including business-sensitive, information could reveal trade secrets or know-how of Siegfried or its customers to competitors and harm Siegfried's business, competitive position and reputation. Siegfried's insurance may not adequately compensate it for all losses or failures that may occur. Any of the foregoing could have a material adverse effect on Siegfried's business, results of operations, financial condition and prospects and, consequently, on Siegfried's ability to meet its obligations under the Bonds.

As a result of increasing pricing pressures, Siegfried may not be able to realize the expected benefits from its services and products

The growing debt of, and the increasing public pressure on reducing healthcare costs in, industrial nations are the main factors that currently fuel the pricing pressure on pharmaceutical companies, especially from government health authorities. In the markets in which Siegfried's customers are active, drug products are subject to price controls or other price restrictions. Some governments intervene directly in setting prices and in some markets large players, such as private healthcare providers and care institutions, have the economic power to exert substantial pressure on prices or the terms of access to drug products. As a consequence, pricing pressures on Siegfried's customers may reach the point where Siegfried can no longer produce on a cost-competitive basis, which could have a material adverse impact on Siegfried's sales and profit margin.

Contract manufacturing is a volatile business, often dependent on factors outside Siegfried's control

As a provider of products and services to the pharmaceutical industry, Siegfried is greatly affected by the overall economic condition of the pharmaceutical industry, the strength of the global economy in general and the strength of the economies in which Siegfried conducts its operations. The general market conditions as well as the outsourcing behavior of pharmaceutical companies are dependent on factors outside Siegfried's immediate and direct control. Due to the nature of the service business, contract manufacturing features a strong volatility in mandates, sales volumes, and profit margins, each of which could materially and adversely affect Siegfried's financial results.

Siegfried's business could be negatively affected by increased merger and acquisition activity in the pharmaceutical industry, which may reduce the number of customers that purchase Siegfried's products and services, or reduce the outsourcing activities resulting from an in-house development and production capabilities overcapacity, or may result in pressure on the prices that Siegfried is able to charge for such products and services and therefore may negatively affect its profit margins. If consolidation in the pharmaceutical industry continues, Siegfried's sales volumes and profit margins could be adversely affected, which in turn could materially and adversely affect its financial results.

Siegfried's business would be materially and adversely affected if it lost any of its key customers

Siegfried's business would be materially and adversely affected if it lost any of its key customers. Failure to retain and renew existing contracts with or to obtain subsequent or additional mandates from these customers or to maintain the sales volumes under such existing or future contracts may damage Siegfried's reputation and could have an adverse effect on its business, financial condition, results of operations and prospects.

Any of Siegfried's key customers may turn to its competitors, cease operations, terminate contracts with Siegfried or increase pricing pressure on Siegfried as a result of a change in strategy or product offerings, financial or operational constraints, or for strategic reasons cease to outsource drug substance or drug product manufacturing activities and related services. The loss of, or significant decline in sales volumes to, any of its key customers may also cause other existing customers to re-evaluate their contracts with Siegfried, which could have a material adverse effect on its business and reputation.

Siegfried faces intense competition from other manufacturing companies that offer substantially the same or similar products and services

The competition in the business areas and the geographic markets in which Siegfried operates is intense, mainly because the primary and secondary development and manufacturing markets are highly fragmented. Other manufacturing organizations, some of which have significantly greater financial, development, manufacturing, or marketing resources than Siegfried, have offered, are offering, or will offer, substantially the same or similar services and products that compete with Siegfried's services and products.

Siegfried faces competition from both the forward-integration of drug substance producers, as well as the backward integration of drug product manufacturers. With respect to its drug substance offerings, Siegfried's competition arises from manufacturers of starting materials and intermediates, some of whom historically operated with lower profit margins, which expand their activities to quality drug substance production and thereby intensify price competition. With respect to its drug product offerings, Siegfried encounters competition from several international pharmaceutical manufacturers due to mergers of marketers with manufacturers and because of backward integration of its potential customers.

Siegfried's competitors have developed, are developing, or will develop, manufacturing processes, formulations for drug products and drug delivery devices that will compete with its products and services. Competitors may enjoy a significant competitive advantage, if they are able to secure patent rights, or commercialize their products or offer their services before Siegfried does, or below the price level at which appropriate profit margin or return of Siegfried's investment is possible. As a result of these factors, Siegfried may be unable to commercialize its products and services and may not be able to successfully compete, which would have a material adverse effect on

Siegfried's business, financial condition, results of operations and prospects.

If Siegfried fails to comply with legal and regulatory requirements governing the healthcare industry, it may face substantial fines and restrictions on its business activities

Siegfried operates internationally in complex legal and regulatory environments that often vary significantly among jurisdictions. The failure to comply with applicable laws, rules and regulations in these jurisdictions may result in civil or administrative legal proceedings. Criminal proceedings may also be initiated against Siegfried or its employees.

The manufacture of drug substances and drug products necessitates compliance with regulatory requirements, such as current Good Manufacturing Practices ("cGMP"). Failure to comply with regulatory requirements could result in warning letters, supervision by regulators, product recalls or seizures, monetary sanctions, injunctions to halt manufacture and distribution, restrictions on Siegfried's operations, or withdrawal of existing or denial of pending approvals, including those relating to products or facilities. In addition, such a failure could expose Siegfried to significant contractual or product liability claims and related reputational damage.

As part of the manufacturing process, undesirable incidents may arise that result in an obligation to remedy pollutant effects on the environment. Siegfried reviews the environmental provisions regularly based on regulatory changes, changes in applicable laws or in planned investments. However, the risk of environmental liability is inherent in Siegfried's business and there can be no assurance that material costs in the ordinary course of business will not arise. Current healthcare laws and regulations and future legislative or regulatory changes to the healthcare system may affect Siegfried's ability to provide quality manufacturing services to its clients. Siegfried cannot predict whether existing controls will increase or new controls will be introduced that will reduce Siegfried's margins on its products or adversely affect its ability to render its services profitably.

Siegfried may from time to time be subject to litigation

Siegfried faces the risk of litigation and other proceedings in relation to its business. Siegfried's involvement in any litigation may involve significant effort, be costly and time-consuming and divert the attention of its management and resources from its business. Furthermore, Siegfried may be unsuccessful in defending itself against any such claims. Substantial legal liabilities arising out of any litigation or other proceedings may have a material adverse effect on Siegfried's business, reputation and results of operations and/or financial condition. Even if a claim is not resolved against it, Siegfried may incur significant legal costs to defend against it.

The loss of key employees may adversely affect Siegfried

As a manufacturing company of drug substances and drug products, Siegfried's success depends, to a significant extent, on the performance, efforts and expertise of members of its top management, employees with specific expertise, and other key personnel of Siegfried's management, in particular in the areas of management, development, manufacture and marketing. The loss of key personnel could adversely affect Siegfried and may significantly delay the supply of its products or the performance of its services.

Siegfried has endeavored to ensure that key employees receive suitable incentives by establishing, inter alia, an employee share plan and other bonus systems. However, there is an intense competition for skilled personnel in the fields in which Siegfried operates and the retention of such personnel, or the recruiting of new highly qualified employees, cannot be guaranteed. The failure to retain qualified personnel of senior management, or any of its key personnel, or the failure to recruit new highly qualified personnel, could have an adverse effect on Siegfried's business, financial condition, results of operations, prospects and reputation.

Siegfried is exposed to fluctuations in currency exchange rates and other financial risks

Siegfried prepares its consolidated financial statements in Swiss francs and operates internationally. In particular, most of Siegfried revenues, such as milestones and royalty payments or revenues from product sales, derive from abroad, especially within the European Union and the United States, and it also sources raw materials, chemical compounds and other products and services in various countries, primarily within the European Union. Consequently, Siegfried's business is affected by fluctuations in foreign exchange rates between Swiss francs and other currencies, in particular the U.S. Dollar and the Euro. Hence, the effects of, and changes in, fiscal, monetary, trade and tax policies, and currency fluctuations could have an adverse effect on Siegfried's business, financial condition, results of operations and prospects.

Siegfried's success is dependent on its ability to generate proprietary technology, to protect intellectual property rights, and to exploit them

Even though Siegfried's success primarily depends on the ability of its customers to develop and maintain intellectual property rights, Siegfried's ability to generate own proprietary technology or to obtain and maintain intellectual property rights, including patents for its manufacturing processes, and to exploit such rights, in particular by granting licenses or by enforcement, is nonetheless important. If Siegfried is not able to do so, its success and reputation as a custom manufacturer may suffer and/or its services and products may not provide it with the expected competitive advantage.

As Siegfried provides manufacturing services and relies on the efforts and expertise of its employees, consultants, and other contractual partners, it seeks to retain, obtain or transfer, as the case may be, the right and title to any and all inventions, intellectual property rights or other results of the work developed by its employees, consultants,

and other contractual partners. Even if Siegfried obtains the envisaged contractual agreements and/or assignments, these contracts may not prevent ownership disputes or ensure that others will not claim rights in the intellectual property assets owned by Siegfried.

Prosecution of intellectual property rights in various jurisdictions involves complex legal and factual issues. In particular, the material and geographical scope of pending patent rights claiming inventions in chemical and pharmaceutical industry as well as their legal status involve uncertainties. No assurance can be given that any patents rights based on any filed or future patent applications of Siegfried will be granted in the relevant markets. Siegfried cannot exclude that prior art may be found that could render an invention not novel or obvious.

No assurance can be given that the material and geographical scope of any granted patent rights will provide competitive advantages to Siegfried, or will be exploitable, or will exclude competitors. Any of the patents that have been or may be issued to Siegfried may be held invalid or unenforceable, if subsequently challenged by competitors or other third parties. Furthermore, there can be no assurance that others have not generated or will not generate similar inventions, duplicate any of Siegfried's proprietary technologies, or design around any patent rights that have been or may be issued to Siegfried.

Siegfried can therefore not be certain to successfully obtain, secure and exploit intellectual property rights for the proprietary technologies related to its products and services and failure in this respect could have a material adverse effect on its business, financial condition, results of operations and prospects.

Siegfried may be materially adversely affected by failing to protect its or its customers' trade secrets and other confidential information

Siegfried relies on trade secrets, non-patentable know-how and other confidential information, which it seeks to protect or secure, in part, by contractual secrecy obligations, such as confidentiality agreements or confidentiality clauses, with its employees, consultants, and other partners. In addition, as Siegfried is providing contract manufacturing services, its success depends in part on its ability to keep the trade secrets and other proprietary information disclosed to Siegfried by its customers confidential. Confidential information is difficult to protect, especially if key employees should leave Siegfried.

There can be no assurance that contractual or other measures, such as access restrictions, represent effective protection of Siegfried's or its customers' trade secrets, non-patentable know-how and other confidential information, or that they will not be breached, or that Siegfried or its clients would have adequate remedies for any breach, or that such confidential information will not otherwise become known or be independently developed by third parties. Failure in this respect could have a material adverse effect on Siegfried's business, reputation, financial condition, results of operations and prospects.

Siegfried may fail to have complete freedom to operate and may be dependent in its activities on third party's intellectual property rights

Siegfried's commercial success depends also on its ability to have complete freedom to operate, in particular to offer its products and services without infringing any intellectual property rights of third parties or other legal barriers. If it is not able to do so, Siegfried may be subject to infringement actions and not be able to offer its products or render its services or perform certain contractual obligations owed to its customers on time.

Siegfried may not be aware of all intellectual property rights, especially pending and issued patent rights or any extensions thereof, which may impact its ability to sell its products or to render its services, in particular in the countries in which Siegfried is manufacturing custom products. Other parties may have filed, or may file in the future, patent applications or divisionals, which are relevant for Siegfried's manufacturing processes or dosage forms, or its customer's drug substances and drug products. There may be unpublished patent applications currently unknown to Siegfried, which may later result in granted patent rights that cover certain features of Siegfried's products or services or otherwise limit its or its customers' freedom to operate.

Any conflicts arising from intellectual property rights of third parties could significantly impact Siegfried's business and limit its ability to perform its services on time. Siegfried may be required to develop or obtain alternative technologies or obtain licenses from the rights holder, whereas it may not be able to obtain any such licenses on acceptable terms, or at all. Any failure to solve such dependency issues could delay or prevent Siegfried from performing its services or commercializing its products or could have an adverse effect on its reputation.

Siegfried may be subject to infringement actions that could have a material adverse effect on it

Due to Siegfried's activities as a manufacturer of drug substances and drug products, Siegfried may from time to time be subject to infringement actions, especially in the jurisdictions in which it is operating its production sites. In addition, Siegfried has little influence over how drug substances and products produced at its facilities are used and commercialized by its customers, which actions may also subject it to infringement actions.

As a result of Siegfried's direct or indirect involvement in an alleged infringement of a third party's intellectual property rights, in particular if Siegfried's use of its proprietary drug substances or manufacturing processes or its customers' drug products is subject to existing patent rights, Siegfried may be subject to infringement actions.

If Siegfried is required to defend itself against claims of infringing a third party's proprietary rights, substantial costs could be incurred and significant management resources could be consumed, regardless of whether Siegfried is successful in defending such claims. Such proceedings are typically protracted with no certainty of success. An

adverse outcome could subject Siegfried to significant liabilities to third parties or customers and force it to cease its manufacturing services or may force Siegfried to get licenses from the owner of the respective intellectual property rights, which Siegfried may not be able to obtain at a reasonable cost, if at all. Even if a favorable outcome is achieved, such proceedings are often very expensive and may also entail significant distraction for Siegfried's senior management and other key employees. Any such event could have a material adverse effect on Siegfried's business, financial condition, results of operations and prospects.

Siegfried may experience difficulties in integrating companies and businesses acquired

Siegfried's growth strategy includes the acquisition of companies and businesses. With effect as per January 1, 2021, Siegfried completed the acquisition of two drug products manufacturing sites in the vicinity of Barcelona, Spain, from Novartis (the "**Acquisitions**").

As a result of the Acquisitions, Siegfried will face risks typically associated with such acquisitions, including those related to the integration of additional entities, organisations, employees and facilities, as well as maintaining the existing and/or having to establish new relationships with customers. Siegfried may discover issues during the course of the integration into the Group of the companies or businesses acquired, including legal, regulatory, control, compliance and operational problems that may have a material adverse effect on Siegfried's reputation as well as on the business, results of operations or financial condition of Siegfried or the Group.

The anticipated benefits from the Acquisitions may not materialize. The benefits that are expected to result from the Acquisitions will depend, in part, on Siegfried's ability to realize the anticipated growth opportunities and cost synergies as a result of the Acquisitions. Siegfried may encounter difficulties in the transformation of the former captive Novartis sites to full-fledged contract development and manufacturing organization (CDMO) sites and may not be able to secure sufficient new business volumes from third party customers to deploy the significant manufacturing capacities. Siegfried's success in realizing the anticipated growth opportunities and synergies, and the timing of this realization, depends on the successful integration of companies and businesses acquired. Even if Siegfried is able to integrate the companies and businesses acquired smoothly and successfully, this integration may not result in the realization of the full benefits of the growth opportunities and cost synergies that Siegfried expects, nor can Siegfried give assurances that these benefits will be achieved within anticipated time frames or at all.

All of the above could result in a material adverse effect on Siegfried's business, financial condition, results of operations and prospects generally and affect Siegfried's ability to meet its obligations under the Bonds.

The ongoing global COVID-19 pandemic may adversely affect Siegfried

Since December 2019, the COVID-19 pandemic has spread rapidly and globally, with a high concentration of cases in certain countries in which Siegfried conducts business. The ongoing global COVID-19 pandemic may adversely affect, the Siegfried's business, operations and financial performance.

The spread of COVID-19 and resulting tight government controls and containment measures implemented around the world have caused severe disruption to global supply chains and economic activity, and the market has entered a period of significantly increased volatility. The spread of COVID-19 is continuing to have an adverse impact on the global economy, the severity and duration of which is difficult to predict. Should current economic conditions persist or deteriorate, the macroeconomic environment could have a continued adverse effect on these outlined and other aspects of Siegfried's business, operations and financial performance. Additionally, legislative and regulatory changes in response to the COVID-19 pandemic could further affect Siegfried's business. As such measures are often rapidly introduced and varying in their nature, Siegfried is also exposed to heightened risks as it may be required to implement large-scale changes quickly. Furthermore, once such measures expire, are withdrawn or are no longer supported by governments, economic growth may be negatively impacted, which in turn may adversely affect Siegfried's business, operations and financial performance.

The extent of the adverse impact of the pandemic on the global economy and markets will depend, in part, on the duration and severity of the measures taken to limit the spread of the virus and counter its impact, including further emergence of new strains of COVID-19 and the safety, efficacy and availability of vaccines and treatments, and, in part, on the size and effectiveness of the compensating measures taken by governments, including additional stimulus legislation, and how quickly and to what extent normal economic and operating conditions can resume. To the extent the COVID-19 pandemic continues to adversely affect the global economy, and/or Siegfried's business, operations or financial performance, it may also have the effect of increasing the likelihood and/or magnitude of other risks described herein, or may give rise to other risks not presently known to Siegfried or not currently expected to be significant to Siegfried's business, operations or financial performance.

Risk Factors relating to the Bonds

The Issuer can incur additional debt

The Terms of the Bonds do not limit the amount of additional indebtedness or securities that the Issuer can issue, create, incur or assume and, accordingly, there is no guarantee that the Issuer do not issue, create, incur, assume or guarantee additional indebtedness or securities. The issue, creation, incurrence or assumption of any such further indebtedness or securities may limit the ability of the Issuer to meet its respective obligations under the Bonds.

There is no prior market for the Bonds

Prior to this offering, there has been no public market for the Bonds. Application will be made for the listing and trading of the Bonds according to the Standard for Bonds on the SIX Swiss Exchange. The Issuer cannot be certain that an active and liquid trading market for the Bonds will develop or be sustained or that the market price of the Bonds will not decline.

If a market does develop, it may not be liquid. The liquidity of any market will depend upon the number of Bondholders, the market for similar securities, the interest of securities dealers in making a market in the Bonds and other factors. Therefore, investors may not be able to sell their Bonds easily. Illiquidity may have a material adverse effect on the market value of Bonds.

The market for and price of the Bonds may be volatile

The market price at which the Bonds will trade will depend upon a number of factors, some of which are beyond the Issuer's control. These factors include, but are not limited to:

- the trading liquidity of the Bonds;
- the historical and/or anticipated operating results and financial condition of the Issuer or those of other companies in its industry;
- fluctuations in the Issuer's financial position or operating results;
- fluctuations of interest rates and spreads for corporate issuers in general;
- general market and economic conditions;
- changes in analysts' recommendations and/or a downgrade or potential downgrade of the Issuer's credit ratings, if any;
- announcements by the Issuer and developments affecting the Issuer, its business and customers and suppliers and the markets in which the Issuer competes; and/or
- the factors listed herein under "Risk Factors—Risks Relation to the Issuer".

In addition, bond markets have from time to time experienced substantial price and volume fluctuations. Such market fluctuations may lead to a drop in the market price of the Bonds. Accordingly, if a Bondholder sells its Bonds in the secondary market, it may not be able to obtain a price equal to the principal amount of the Bonds or a price equal to the price that it paid for the Bonds.

Investors in the Bonds may be subject to exchange rate risks and exchange controls

The Issuer will pay principal and interest on the Bonds in Swiss francs (CHF). This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "**Investor's Currency**") other than CHF. These include the risk that exchange rates may significantly change (including changes due to devaluation of the CHF or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to CHF would decrease (i) the Investor's Currency-equivalent yield on the Bonds; (ii) the Investor's Currency equivalent value of the principal payable on the Bonds; and (iii) the Investor's Currency equivalent market value of the Bonds.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal.

Investors in the Bonds may be subject to interest rate risks

Investment in the Bonds involves the risk that subsequent changes in market interest rates may adversely affect the value of the Bonds.

The credit rating of the Bonds may not reflect all risks

The Bonds are rated Baa- (outlook stable) by fedafin. A rating, if any, assigned to the Bonds may not reflect the potential impact of all risks related to structure, market, additional factors discussed above and other factors that may affect the value of the Bonds. A credit rating is not a recommendation to buy, sell or hold securities and may be revised, suspended or withdrawn by the bank or the rating agency at any time.

In certain instances Bondholders may be bound by certain amendments to the Bonds to which they did not consent

The Bonds are subject to statutory provisions of Swiss law allowing for the calling of meetings of Bondholders to consider matters affecting their interests. These provisions permit defined majorities to bind all Bondholders, including Bondholders who did not attend and vote at the relevant meeting and Bondholders who voted in a manner contrary to the majority.

The Bonds may not be a suitable investment for all potential investors

Each potential investor in the Bonds must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

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

Legal investment considerations may restrict certain investments

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisors to determine whether and to what extent (i) Bonds are legal investments for it; (ii) Bonds can be used as collateral for various types of borrowing; and (iii) other restrictions apply to its purchase or pledge of any Bonds. Financial institutions should consult their legal advisors or the appropriate regulators to determine the appropriate treatment of Bonds under any applicable risk-based capital or similar rules.

GENERAL INFORMATION

Notice to Investors

This Prospectus shall be read and construed on the basis of all the information contained herein, which forms an important part of, this Prospectus.

The financial institution involved in the issuance and offering of the Bonds is a bank, which directly or indirectly has participated, or may participate, in financing transactions and/or other banking business with the Issuer, which are not disclosed herein.

Investors are advised to familiarise themselves with the entire content of this Prospectus.

Documents Available

Copies of this Prospectus are available in electronic or printed form, free of charge, upon request at UBS AG, Investment Bank, Swiss Prospectus Switzerland, P.O. Box, 8098 Zurich, Switzerland, or can be ordered by telephone +41-44-239 47 03 (voicemail), fax +41-44-239 69 14 or by e-mail swiss-prospectus@ubs.com.

Documents incorporated by reference

The following documents shall be deemed to be incorporated in, and form part of this Prospectus (copies of the documents incorporated by reference are available upon request at the address indicated in the preceding paragraph):

- Corporate Governance 2020 report
- Financial Report 2020
- Progress and Strategy Report 2020
- Press Releases dated 23 May 2021, 31 May 2021 and 7 June 2021 regarding an attack on the IT systems

Prospectus

This Prospectus is available in English language only and provides information about the Issuer and the Bonds. This Prospectus does not constitute an offer of, or an invitation to subscribe for or purchase, any Bonds.

No person has been authorized to give any information or make any representation in connection with the offering of the Bonds other than as stated herein and any other information or representation if given or made should not be relied upon as having been authorised by the Issuer or the Lead Manager. Neither the delivery of this Prospectus, nor the issue of the Bonds nor any sale thereof shall, in any circumstances, create any implication that there has been no material adverse change in the affairs of the Issuer since the date hereof.

This Prospectus does not, and is not intended to, constitute or contain an offer or invitation to sell, and it is not soliciting offers to buy, Bonds in any jurisdiction where such offer or sale is not permitted.

INFORMATION ON THE BONDS

Authorisation

Pursuant to a resolution of the Board of Directors of the Issuer dated 22 April 2021, the Issuer has decided to issue the Bonds.

Subscription and Sale

Pursuant to the Bond Purchase and Paying Agency Agreement dated 11 June 2021 between the Issuer on one side and UBS AG, acting through its business division UBS Investment Bank ("**UBS AG**" or the "**Lead Manager**") on the other side, the Issuer agreed to issue and sell and the Lead Manager agrees to purchase and undertakes to offer the Bonds in a public offering in Switzerland, and private placements outside of Switzerland and the United States in reliance on Regulation S under the U.S. Securities Act of 1933, as amended, in each case in compliance with applicable laws and regulations for subscription by prospective investors in accordance with the Terms of the Bonds. The Lead Manager reserves the right to keep any of the Bonds purchased for its own account.

Issue Price and Placement Price

The issue price of the Bonds has been set at 100.149% of the principal amount, before commissions and expenses. The placement price of the Bonds will be set according to demand.

Clearing System and Security Numbers

The uncertificated securities representing the Bonds will be registered with SIX SIS. The International Securities Identification Number ("**ISIN**") and Swiss Security Number the Bonds are as follows:

<u>Swiss Security Number</u>	<u>ISIN</u>	<u>Common Code</u>
111.542.467	CH1115424678	234749447

Transferability / Tradability

No restrictions. For certain selling restrictions with respect to the Bonds, see "Selling Restrictions".

Net Proceeds and Use of Net Proceeds

The net proceeds of the Bonds, being the amount of CHF 199,684,000 (the "**Net Proceeds**") will be used by the Issuer for its general corporate purposes including the pre-financing of the outstanding CHF160mn public hybrid bond. The Lead Manager does not have any responsibility for, or be obliged to concern itself with, the application of the Net Proceeds of the Bonds.

Representative / Admission to Trading

In accordance with article 58a of the Listing Rules of the SIX Swiss Exchange, the Issuer has requested that UBS AG file the application with SIX Exchange Regulation Ltd in its capacity as competent authority for the admission to trading (including the provisional admission to trading) and listing of the Bonds on the SIX Swiss Exchange in accordance with the standard for Bonds.

The Bonds have been provisionally admitted to trading on the SIX Swiss Exchange as of 11 June 2021. The last trading date will be the second business day prior to the Maturity Date.

Notices

All notices in relation to the Bonds will be published in electronic form on the internet site of the SIX Swiss Exchange under the section headed Official Notices (currently: <https://www.six-group.com/en/products-services/the-swiss-stock-exchange/market-data/news-tools/official-notices.html#/>).

The publication organ for notifications of the Issuer is the Swiss Official Gazette of Commerce (*Schweizerisches Handelsamtsblatt*). Written communications of the Issuer to shareholders shall be made either by postal mail to the shareholder's address as last listed in the share register, to the person authorized to take receipt thereof, or electronically by e-mail to the last provided e-mail address.

Paying Agent

UBS AG will be acting as principal paying agent (the "**Principal Paying Agent**") for the Bonds.

Issuing Fee and Taxation

The Issuer will bear the issuing fee which is calculated on the nominal value of underwritten Bonds and payable to SIX Swiss Exchange.

All payments with respect to the Bonds are subject to applicable taxes and deductions. Payments of interest under the Bonds are subject to Swiss federal withholding tax at the rate of currently 35%. The Issuer will deduct the Swiss federal withholding tax from the interest payments under the Bonds and remit the tax to the Swiss Federal Tax Administration.

INFORMATION ON THE ISSUER

Name, registered office, location, incorporation, duration, register

Siegfried Holding AG is a Swiss stock corporation (*Aktiengesellschaft*) of unlimited duration under the laws of Switzerland. The Issuer was founded in 1873 and registered under the name Siegfried AG in the Canton of Aargau on 27 December 1904, under the register number CH-400.3.912.115-9. Effective 16 May 2001, the Issuer changed its name from Siegfried AG to Siegfried Holding AG and the register number changed to the current CHE-102.443.567.

The registered offices are located at Untere Brühlstrasse 4, 4800 Zofingen, Switzerland. Its telephone number at that address is +41 62 746 11 11.

Purpose

According to article 2 of the Articles of Association of the Issuer dated 22 April 2021, the purpose of the Issuer is the following:

The Issuer's purpose is to acquire, manage, and sell interests in domestic and foreign business enterprises, in particular in the chemical and pharmaceutical sectors, as well as to provide services for these business enterprises and the financing for them.

The Issuer may acquire, encumber, exploit, and sell real estate and intellectual property rights in Switzerland and abroad.

The Issuer may engage in any and all transactions and take all measures that appear appropriate to promote, or are related to, its purpose.

Group

Please refer to page 4 of the Corporate Governance 2020 report incorporated by reference hereto.

Change of Issuer

The Issuer may be replaced by another issuer in accordance with condition 14 of the Terms of the Bonds.

Board of Directors / Management

For information on the Board of Directors please refer to page 10 *et seq.* and for the Executive Management to page 17 *et seq.* of the Corporate Governance 2020 report incorporated by reference hereto.

The members of the Board of Directors and the Executive Management can be reached at the registered office of the Issuer.

Auditor / Auditor Supervision

The auditor of the Issuer is PricewaterhouseCoopers AG, St. Jakobs-Strasse 25, 4052 Basel, Switzerland (the "**Auditor**").

The Auditor is supervised by and registered with the Swiss Federal Audit Oversight Authority (FAOA), and its register number currently is 500003.

For further information please refer to pages 24 and 25 of the Corporate Governance 2020 report incorporated by reference hereto.

Business activities on group-wide, consolidated basis

Overview

As a "Custom Development and Manufacturing Organisation" ("**CDMO**") Siegfried develops and produces active pharmaceutical ingredients (APIs), intermediates as well as finished drug products for the pharma- and biotech industries.

Once a fully integrated pharmaceutical company, Siegfried is today one of the few CDMOs that provide development and production capabilities both in the field of drug substance and the field of finished drug products. Siegfried offers its partners of the pharmaceutical industry a comprehensive range of technologies and services covering the whole life-cycle of a pharmaceutical product, from the clinical phase through the commercial and ultimately generic phase. In the field of drug substances, the services offered by Siegfried include the exclusive synthesis of customer-owned APIs and intermediates, the manufacture and sale of a broad portfolio of multi-client

(i.e., generic) APIs as well as the provision of development services such as process improvement and scale-up from lab to commercial volumes. In the field of finished drug products, Siegfried develops registration dossiers for generic multi-client products, and provides contract development and manufacturing services for oral solid products such as tablets and capsules, inhalation capsules, semi-solid products such as ophthalmic ointments as well as liquid sterile and non-sterile products such as ampoules, vials, cartridges pre-filled syringes, dropper bottles or nasal sprays.

In all of its business activities, Siegfried adheres to rigorous requirements and quality guidelines in development, production and distribution of its products. Siegfried's reputation in this area is confirmed by a seamless performance record for audits – carried out by regulatory authorities and by customers.

Siegfried counts on a global network of eleven sites in seven countries on three continents with around 3'500 employees. The manufacturing sites for drug substance business are located in Switzerland, USA, Germany, France and China, while the manufacturing sites for drug products are located in Barcelona, Spain (oral solids, inhalation, ophthalmic, dropper bottles, nasal sprays), Hameln, Germany (liquids), Irvine, USA (liquids) and Malta (oral solids).



In fiscal year 2020 and prior to the acquisition of the two drug product manufacturing sites in the vicinity of Barcelona, Siegfried achieved net sales of CHF 845.1 million, representing a net sales growth of 1.4% (4.5% in local currencies) over the previous year. Siegfried's drug substance business generated net sales of CHF 647.8m CHF, which equals approx. 77% of net sales, while the drug product business generated net sales of CHF 197.2m CHF, approx. for 23% of the net sales. The acquisition of the two drug product manufacturing sites in Spain is expected to increase the drug products share of group turnover in 2021.

Patents and licenses

Siegfried's success primarily depends on the ability of its customers to develop and maintain intellectual property rights, Siegfried's ability to generate own proprietary technology or to obtain and maintain intellectual property rights, including patents for its manufacturing processes, and to exploit such rights, in particular by granting licenses or by enforcement, is nonetheless important.

Court, arbitral and administrative proceedings

Save as disclosed in this Prospectus, the Issuer is not or has not been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) which may have, or have had in the recent past, significant effects on the financial position or profitability of the Issuer.

Capital structure

As per the balance sheet date of 31 December 2020, the ordinary share capital of the Issuer amounted to CHF 105,294,200, divided into 4,351,000 fully paid-up registered shares with a par value of CHF 24.20 per share. In

addition, the Issuer's authorized share capital amounted to CHF 5,203,000, divided into 215,000 registered shares, and the conditional share capital amounted to CHF 3,968,800, divided into 164,000 registered shares, each with a par value of CHF 24.20 per share.

For further information on the share capital of the Issuer as per the balance sheet date, please refer to page 6 et seq. of the Corporate Governance 2020 report incorporated by reference hereto.

On March 5, 2021 the Issuer issued 45,000 new shares from the conditional capital which results in an ordinary share capital of CHF 106,383,200.00 divided into 4,396,000 fully paid-up and registered shares with value of CHF 24.20 per share and a remaining conditional share capital of CHF 2,879,800.00, divided into 119,000 registered shares.

On April 22, 2021, the annual general meeting of the shareholders of the Issuer approved the renewal and increase of the authorized share capital to CHF 10,648,000, divided into 440,000 registered shares with a nominal value of CHF 24.20 each.

As per the resolution the annual general meeting of the shareholders of the Issuer of April 22, 2021, the Issuer is reducing its ordinary share capital by reducing the nominal value of CHF 24.20 per share by CHF 3.00 to CHF 21.20 per share. The reduction amount of CHF 3.00 per share will be distributed to the shareholders with expected payment date July 9, 2021. Upon completion of the share capital reduction procedure in accordance with the Code of Obligations, this will result in an ordinary share capital of CHF 93,195,200, conditional capital of CHF 2,522,800 and authorized share capital of CHF 9,328,000.

Outstanding conversion and option rights and bonds

	Issue Date	Nominal Value	Interest Rate	Call Date
Public Hybrid Bond 2016, 2.125%	26 October 2016	160,000,000	2.125%	26 October 2021
Private Convertible Hybrid Bond 2020, 0.65%	28 December 2020	40,000,000	0.650%	28 December 2025
Private Convertible Hybrid Bond 2020, 1.15%	28 December 2020	40,000,000	1.150%	28 December 2025

The Issuer has no outstanding straight bonds.

Own equity securities

As of 31 December 2020, the Issuer held 169,389 of its own shares.

Recent developments

See information on Business activities on group-wide, consolidated basis above.

Main Business Prospects

For information on the Issuer's main business prospects, see the Progress & Strategy Report 2020 incorporated by reference hereto. Such information includes statements that constitute "forward-looking statements". By their very nature, forward-looking statements involve inherent risks and uncertainties, both general and specific, and risks exist that prospects, predictions, forecasts, projections and other outcomes described or implied in forward-looking statements will not be achieved. See the section "*Forward-Looking Statements*" of this Prospectus.

No material changes since the most recent annual financial statements

Except as disclosed in this Prospectus, there has been no material adverse change in the financial condition or operations of the Issuer since 31 December 2020, which would materially affect its ability to carry out its obligations under the Bonds.

RESPONSIBILITY STATEMENT

The Issuer accepts responsibility for all information contained in this Prospectus and has taken all reasonable care to ensure that the facts stated herein are true and accurate in all material respects and that there are no other material facts, the omission of which would make any statement herein misleading, whether of fact or opinion.

TERMS OF THE BONDS

These are the terms and conditions (each a "**Condition**", and together the "**Terms of the Bonds**") of the senior unsecured Bonds (the "**Bonds**") in the aggregate principal amount of Swiss Francs ("**CHF**") 200,000,000 (two hundred million Swiss Francs), issued pursuant to a Bond Purchase and Paying Agency Agreement dated 11 June 2021 (the "**Agreement**") among Siegfried Holding AG, Untere Brühlstrasse 4, 4800 Zofingen, Switzerland (the "**Issuer**") on the first part, and UBS AG, Bahnhofstrasse 45, 8001 Zurich, Switzerland ("**UBS**" or the "**Lead Manager**") on the second part. The Terms of the Bonds govern the rights and obligations of the Issuer and of each Holder in relation to the Bonds and are as follows (defined terms used herein have the meaning ascribed to them in Condition 20):

1. Denomination, Form, No Printing and Delivery of the Bonds

- (a) The aggregate principal amount of the issue of CHF 200,000,000 (two hundred million Swiss Francs) is divided into Bonds (each, a "**Bond**") with denominations (the "**Principal Amounts**") of CHF 5,000 (five thousand Swiss Francs) per Bond.
- (b) The Bonds will be issued in a non-certificated form as uncertificated securities (*Wertrechte*, the "**Uncertificated Securities**") in accordance with Article 973c of the Swiss Code of Obligations ("CO").
- (c) The Uncertificated Securities shall come into existence upon entry in a uncertificated securities register (*Wertrechtbuch*, the "**Uncertificated Securities Register**") kept by the Issuer. Then, the Uncertificated Securities will be entered in the main register (the "**Main Register**") of the SIX SIS AG or any other intermediary (*Verwahrungsstelle*) recognised by the SIX Swiss Exchange for the settlement of transactions in notes listed on such exchange (the "**Intermediary**"). With the entry in the Main Register of the Intermediary and the entry in the securities account (*Effektenkonto*) of one or more participants of the Intermediary, the Bonds will constitute intermediated securities (*Bucheffekten*, the "**Intermediated Securities**") in accordance with the provisions of the Swiss Federal Act on Intermediated Securities (*Bucheffektengesetz*).
- (d) As long as the Bonds constitute Intermediated Securities, their disposal will be via an entry of the Bonds to be transferred in an account of the recipient.
- (e) The records of the Intermediary will determine the number of Bonds held through each participant of that Intermediary. In respect of Bonds held in the form of Intermediated Securities, the holders of such Bonds (together the **Holders** and each a **Holder**) will be the persons holding the Bonds in a securities account (*Effektenkonto*).
- (f) The conversion of uncertificated securities (*Wertrechte*) into a permanent global certificate (*Globalurkunde auf Dauer*) or individually certificated notes (*Wertpapiere*) is excluded. No physical delivery of the Bonds shall be made and neither the Issuer nor the Holders, nor the Principal Paying Agent shall at any time have the right to effect or demand the conversion of the uncertificated securities (*Wertrechte*) into, or the delivery of, a permanent global certificate (*Globalurkunde*) or individual certificates (*Wertpapiere*).

2. Status and Negative Pledge

2.1. Unsubordinated debt securities

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

2.2. Negative Pledge

So long as any Bond remains outstanding, the Issuer will not, and will procure that no Material Subsidiary will create any guarantee, mortgage, lien, pledge, charge or other form of encumbrance or security interest upon the whole or any part of its present or future assets or revenues, to secure any Relevant Indebtedness (as defined below), unless, at the same time or prior thereto, the Issuer's obligations under the Bonds (i) are secured equally and ratably therewith by such encumbrance or security interest or benefit from a guarantee or indemnity in substantially identical terms thereto, as the case may be, or (ii) have the benefit of such other security, guarantee, indemnity or other arrangement as shall be approved by the Holders' Representative.

In these Conditions, "**Relevant Indebtedness**" means any present or future indebtedness of the Issuer or a Material Subsidiary represented or evidenced by notes, bonds, debentures, loan stock or other securities which for the time being are or are capable of being, quoted, listed or ordinarily dealt with on any stock exchange or other trading venue.

3. Interest

3.1. Interest Rate

The Bonds bear interest from 15 June 2021 (the "**Issue Date**") at the rate of 0.20 per cent per annum of the principal amount thereof payable annually in arrear on 15 June (the "**Interest Payment Date**") commencing on 15 June 2022 and unless redeemed earlier, ending on 15 June 2026 (the "**Maturity Date**").

The period beginning on the Issue Date and ending on the day preceding the first Interest Payment Date and each successive period beginning on an Interest Payment Date and ending on the day preceding the next Interest Payment Date is called an "**Interest Period**".

Interest is computed on the basis of twelve 30-day months of a 360-day year.

Interest payments are subject to the Swiss withholding tax of currently 35%.

If an Interest Payment Date (other than the Maturity Date (as defined in Condition 3.1.1 above) falls on a day that is not a Business Day, such Interest Payment Date will be the next succeeding day that is a Business Day (modified business day convention). If the Maturity Date falls on a day that is not a Business Day, the payment of principal and interest will be made on the next Business Day, and no interest shall accrue for the period from and after the Maturity Date until such next Business Day.

"**Business Day**" means a day on which commercial banks are open for domestic business and foreign exchange (including dealings in Swiss Francs) in Zurich.

3.2. Accrual of Interest

Each Bond will cease to bear interest where such Bond is to be redeemed or repaid pursuant to Conditions 4.1, 4.2, 4.3 or 4.4 or Condition 8 (Undertakings), from and including the due date for redemption or repayment unless, upon due presentation, payment of principal is improperly withheld or refused; in such event such Bond shall continue to bear interest at the aforesaid rate (both before and after judgment) until but excluding the day on which all sums due in respect of such Bond up to that day are received by the Principal Paying Agent on behalf of the Holders.

4. Redemption

4.1. Redemption at Maturity

Unless previously purchased and cancelled or redeemed as herein provided, the Bonds will be redeemed by the Issuer at their principal amount (together with unpaid accrued interest to that date) on the Maturity Date.

4.2. Redemption at the Option of the Issuer

Subject to a period of not less than thirty (30) nor more than sixty (60) days' prior notice to the Principal Paying Agent, the Issuer may redeem the Bonds at any time after the Issue Date and prior to the Maturity Date, in whole, but not in part only, at par of their aggregate principal amount plus accrued interest, if any, on the date determined by the Issuer for early redemption, if eighty (80) per cent. or more of the aggregate principal amount of the Bonds have been redeemed or purchased and cancelled at the time of such notice.

4.3. Purchases

The Issuer may at any time purchase Bonds in the open market or otherwise and at any price as well as for any purposes (including for cancellation purposes). Any purchases shall be made in accordance with applicable laws or regulations, including applicable stock exchange regulations. Such Bonds may be held, resold or, at the option of the Issuer, surrendered to the Principal Paying Agent for cancellation as set out below.

If purchases are made by public tender, such tender must, subject to applicable securities laws, be available to all Holders alike.

4.4. Cancellation

All Bonds which are redeemed or surrendered to the Principal Paying Agent shall immediately be cancelled. All Bonds so surrendered and cancelled cannot be reissued or resold.

5. Change of Control

5.1. "Change of Control" occurs when

- i. an offer to acquire shares of the Issuer (the Shares), whether expressed as a public takeover offer, a merger or similar scheme with regard to such acquisition, or in any other way, is made in circumstances where (A) such offer is available to (aa) all holders of Shares, (bb) all holders of Shares other than the offeror and any persons acting in concert with such offeror, or (cc) all holders of Shares other than persons who are excluded from the offer by reason of being connected with one or more specific jurisdictions, and (B) such offer having become or been declared unconditional with respect to acceptances, the Issuer becomes aware that the right to cast more than fifty (50) per cent of all the voting rights (whether exercisable or not) of the

Issuer has become or will become unconditionally vested in the offeror and any persons acting in concert with the offeror; or

- ii. the Issuer consolidates with or merges into any other company, save where, following such consolidation or merger, shareholders of the Issuer immediately prior to such consolidation or merger, have the right to cast fifty (50) per cent or more of the voting rights (where exercisable or not) of such other company; or
- iii. the Issuer becomes aware that the right to cast more than fifty (50) per cent of all voting rights (where exercisable or not) of the Issuer has become unconditionally vested directly or indirectly in any person (or in persons acting in concert with each other); or
- iv. the legal or beneficial ownership of all or substantially all of the assets owned by the Issuer or a Subsidiary, either directly or indirectly, are acquired by one or more other persons.

5.2. Upon a Change of Control:

The Issuer shall forthwith give notice of that fact that a Change of Control occurred to the Holders (the "**Change of Control Notice**") in accordance with Condition 11 (Notices).

The Change of Control Notice shall:

- (a) inform the Holders that a Change of Control has occurred and that each Holder has the right to require redemption of the Bonds pursuant to Condition 5.3;
- (b) specify the date (the "**Change of Control Redemption Date**"), being not more than sixty (60) and not less than thirty (30) days after giving such notice, on which the Bonds may be redeemed pursuant to Condition 5.3 and
- (c) provide details concerning the Change of Control.

5.3. Early Redemption at the Option of Holders upon Change of Control

Upon the occurrence of a Change of Control, the Issuer will at the option of a Holder, redeem such Bond at par, together with interest accrued up to, the Change of Control Redemption Date unless,

- (a) in the event of a merger or consolidation of the Issuer, (i) the surviving entity has or receives a rating of at least BBB by Standard & Poor's or the equivalent by Moody's for its senior unsecured long-term debt on a consolidated basis, and (ii) assumes or keeps, as the case may be, the Issuer's obligations under the Bonds pari passu with its own senior obligations, or
- (b) in the event of an offer to acquire Shares, or in the event of a transfer of the legal or beneficial ownership of all or substantially all of the assets owned by the Issuer, the acquirer (i) has a rating of at least BBB by Standard & Poor's or the equivalent by Moody's for its senior unsecured long-term debt or (ii) receives such a rating on a consolidated basis after giving effect to the acquisition and assumes or guarantees the Issuer's obligations under the Bonds pari passu with its own senior obligations.

"**Shares**" shall mean the issued and fully paid registered shares of the Issuer (and all other (if any) shares or stock resulting from any subdivision, consolidation or reclassification of such shares).

It is understood that where no rating exists for the senior unsecured long term debt of the surviving entity, the acquiring entity or the Issuer, as the case may be, or a rating is not received within a period of two months since the occurrence of a Change of Control, respectively, then the Holders shall have a redemption right as described in the first sentence of this Condition 5.3.

To exercise such option, a Holder must present a duly completed redemption notice to the Principal Paying Agent (a "**Change of Control Redemption Notice**"), together with clearing instructions in a form and with a content satisfactory to the Principal Paying Agent allowing for the transfer of the relevant Bonds to the Principal Paying Agent by not later than fourteen (14) days prior to the Change of Control Redemption Date. No Bond or Change of Control Redemption Notice so deposited may be withdrawn without the consent of the Issuer.

6. Payments

The amounts required for the payments under these Terms of the Bonds will be made available in good time in freely disposable CHF, which will be placed at the free disposal of the Principal Paying Agent. If the due date for any payment by the Issuer does not fall on a Business Day, the Issuer undertakes to effect payment for value the Business Day immediately following such due date and the Holders will not be entitled to any additional sum in relation thereto.

The receipt by the Principal Paying Agent of funds in CHF in Switzerland from the Issuer shall release the Issuer from its obligations under the Bonds to the extent of amounts received by the Principal Paying Agent.

Upon receipt of the funds in Switzerland and under the same conditions as received, the Principal Paying Agent will arrange for payment to the Holders.

The payments shall be made in freely disposable CHF without collection cost to the Holders, and, unless otherwise provided for by applicable law, without any restrictions and whatever the circumstances may be, irrespective of nationality, residence or domicile of the Holders and without requiring any affidavit or the fulfilment of any other

formality.

7. Taxation

All payments of interest on the Bonds are subject to all applicable taxes, including the deduction of the Swiss Federal Withholding Tax (*Verrechnungssteuer*), currently levied at a rate of 35 per cent.

8. Undertakings

For as long as any Bond remains outstanding, the Issuer will inform the Principal Paying Agent of any event, circumstance or other matter that may be relevant for the Principal Paying Agent in connection with its functions set forth in these Conditions, and in particular of any event that constitutes an Event of Default.

9. No Set-Off

No Holder may set-off any claims arising under the Bonds against any claims that the Issuer may have against it. The Issuer may not set-off any claims it may have against the Holders against any of its obligations under the Bonds.

10. Events of Default

The Principal Paying Agent may, and if so directly requested by a resolution of a meeting of Holders shall, subject in each case to it being indemnified to its satisfaction, give notice to the Issuer that the outstanding Bonds are immediately due and payable at their principal amount, together with accrued interest and costs, in any of the following events (each an "**Event of Default**") unless, prior to the time when the Issuer receives such notice, the relevant Event of Default shall have been cured, to the satisfaction of the Bonds Agent or otherwise made good:

- (a) if default is made in the payment of any principal of or interest due on the Bonds or any of them and such default continues for a period of ten (10) days next; or
- (b) if the Issuer fails to perform or observe any of its obligations under or to procure the performance of any other provisions of the Bonds and such default continues for a period of thirty (30) days following the service by the Principal Paying Agent on the Issuer of notice requiring such default to be remedied; or
if the Issuer is in default in the fulfilment of a payment obligation in respect of any publicly traded debt instrument (unless the Notes Agent determines otherwise in good faith as advised by its legal counsels) provided that the aggregate outstanding nominal amount in respect of which one or more such defaults occurs is in excess of CHF 20,000,000 or its equivalent in other currencies and such default is not remedied within a period of 10 days next following such default; or
- (c) the Issuer or a Material Subsidiary is (or is deemed by law or a court to be) insolvent or bankrupt or unable to pay its debts, stops or suspends payment of all or a material part of its debts, proposes or makes a stay of execution, a postponement of payments (*Stillhaltevereinbarung*), a general assignment or an arrangement or composition with or for the benefit of the relevant creditors in respect of any such debts or a moratorium or postponement of payments (*Stillhaltevereinbarung*) is agreed or declared in respect of or affecting all or a substantial part of (or a particular type of) the debts of the Issuer or a Material Subsidiary or a liquidator is appointed with respect to the Issuer or a Material Subsidiary; or
- (d) the Issuer or a Material Subsidiary alters its legal or commercial structure through bankruptcy, liquidation, disposal of a substantial part of its assets, change in the objects of the legal entity and/or commercial activities or merger, insofar as the relevant action, in the Holders' Representative's opinion, has a material adverse effect on the capacity of the Issuer to meet its obligations under the Terms of the Bonds, unless the Holders' Representative considers the situation of the Holders as adequately protected based on securities created or other steps taken by the Issuer; or
- (e) a dissolution, winding-up, liquidation or merger involving the Issuer as result of which the Issuer is not the surviving legal entity, unless the successor legal entity assumes all the Issuer's liabilities of the Notes.

"**Material Subsidiary**" means any Subsidiary included in the Issuer's consolidated financial statements the assets of which constitute more than 10 % of the Issuer's consolidated assets, or the revenues, of which constitute more than 10 % of the Issuer's consolidated revenues, as the case may be.

"**Subsidiary**" means any legal entity of the Issuer the financial statements of which are in accordance with applicable law or generally accepted accounting principles consolidated with those of the Issuer.

The Issuer undertakes to inform the Principal Paying Agent in its capacity as Holders' representative (the "**Holders' Representative**") without delay if any event mentioned under para. (b) through (g) has occurred and to provide the Holders' Representative with all necessary documents and information in connection therewith.

If an Event of Default occurs, the Holders' Representative has the right but not the obligation to serve a written notice of default ("**Default Notice**"), such notice having the effect that the Bonds shall become immediately due and payable at par plus accrued interest, if any, on the day the Default Notice is given. The Holders' Representative

is entitled to appoint one or more experts at the expenses of the Issuer for the assistance in making its assessments whether an Event of Default occurred or not.

11. Prescription

Claims for payment of principal and interest cease to be enforceable by legal action in accordance with the applicable statute of limitations under Swiss law (presently after 10 years, in case of principal, and after 5 years, in case of interest, from their relevant due dates).

12. Enforcement of Rights

The Holders shall not be entitled to exercise any right or option, if these Conditions provide that such right or option shall be exercised by the Principal Paying Agent on behalf of the Holders.

13. Meetings of Holders; Modifications; Waivers

The Principal Paying Agent may consult with the Holders of the Bonds by way of calling a meeting of the holders (a "**Holders' Meeting**") prior to taking a decision pursuant to section 10 of these Terms of the Bonds. The meetings of Holders shall be governed by Articles 1157 et seq. CO. The legally valid resolution of the Holders' meeting to serve a Default Notice, shall replace the right reserved by the Principal Paying Agent according to these Terms of the Bonds to serve a Default Notice on behalf of the Holders. If the Holders' meeting votes against the serving of a Default Notice, the right to serve such Default Notice shall revert to the Principal Paying Agent whereby the Principal Paying Agent shall not be bound by the resolution of the Holders' meeting if and to the extent that new circumstances arise or become known which require a revised assessment of the facts.

14. Replacement of Issuer

The Issuer may be replaced by another Issuer (the "**New Issuer**") at a later date as the direct debtor of the Bonds, provided that the Issuer shall request prior approval from the Principal Paying Agent on behalf of the Holders. Such approval shall not be unreasonably withheld if, in the sole opinion of the Principal Paying Agent:

- (a) the interests of the Holders are satisfactorily protected, in particular with regard to their status under applicable tax law;
- (b) the New Issuer is able to fulfil all payment obligations arising from or in connection with the Bonds in Swiss Francs and with the right to transfer without restriction all amounts required to be paid under the Bonds; and
- (c) the New Issuer has obtained any necessary governmental authorizations of the country of its domicile or its deemed residence.
- (d) the Issuer has issued an irrevocable and unconditional guarantee as per art. 111 of the Swiss Code of Obligations in respect to the obligations of the New Issuer under the Bonds in form and content satisfactory to the Holders' Representative.

The Principal Paying Agent is entitled to appoint one or more experts at the expenses of the Issuer for the assistance of the Principal Paying Agent in making its assessments.

Any substitution shall be published in accordance with Condition 15. In the event of such substitution, any reference to the Issuer in these Conditions shall be deemed to refer to the New Issuer.

By subscribing to or otherwise acquiring, any of the Bonds, the Holders expressly consent to the Issuer substituting for itself as principal debtor under the Bonds the New Issuer subject to the provisions of this Condition 14.

15. Notices

All notices to Bondholders regarding the Bonds shall be published by the Principal Paying Agent in accordance with the applicable regulations of the SIX Swiss Exchange and the directions by or after consultation with and at the expense of the Issuer in due time and shall be valid as soon as published electronically on the internet website of SIX Swiss Exchange under the section headed "Official Notices" (<https://www.six-group.com>, 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#/> in accordance with applicable regulations or otherwise in compliance with the listing rules of the SIX Swiss Exchange.

16. Listing

The Issuer will use its reasonable efforts to have the Bonds listed on the SIX Swiss Exchange and to maintain such listing during the whole life of the Bonds. The last trading day will be the second Business Day prior to the date on which the Bonds will be fully redeemed.

17. Reopening

The Issuer reserves the right to reopen this issue and increase the aggregate principal amount at any time and without the consent of or permission of the Holders through the issue of additional Bonds which will be fungible with the Bonds (i.e., identical especially in respect of the Terms of the Bonds, security number, final maturity and interest rate) (the "**Reopening**"). The term "Bonds" shall, in the case of such issue, also comprise such additionally issued Bonds.

18. Amendments to the Conditions

The Principal Paying Agent may, without the consent of the Holders, agree to any amendment of the Terms of the Bonds which, in the opinion of Principal Paying Agent, is of a formal, minor or technical nature or is made to correct a manifest error.

19. Severability

If at any time any one or more of the provisions of the Terms of the Bonds is or becomes unlawful, invalid, illegal or unenforceable in any respect under any law, the validity, legality and enforceability of the remaining provisions shall not be in any way affected or impaired thereby.

20. Governing Law and Jurisdiction

These Conditions and/or the Bonds shall be subject to, governed by and construed in accordance with the substantive laws of Switzerland (i.e., without regard to the principles of conflict of laws).

Any dispute arising under or in connection with the Bonds shall fall within the exclusive jurisdiction of the courts of the City of Zurich, venue being Zurich 1, Switzerland, with the right of appeal to the Swiss Federal Court of Justice in Lausanne, when the law permits, the decision of which will be final.

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