

Phoenix Mecano Ltd., Stein am Rhein

Buyback of own registered shares at a fixed price

The Board of Directors of Phoenix Mecano Ltd., Hofwisenstrasse 6, 8260 Stein am Rhein (the "company"), has decided on 25 October 2023 to buy back own registered shares with a nominal value of CHF 1.00 each (the "registered shares") up to a maximum volume of CHF 15 million (the "buyback offer").

Based on the fixed price of CHF 367.00, this corresponds to a maximum of 40,871 registered shares or a maximum of 4.26 % of the share capital of the company, which currently amounts to CHF 960,500 and is divided into 960,500 registered shares with a par value of CHF 1.00 each.

The Board of Directors intends to propose to the next annual general meeting on 24 May 2024 that the registered shares of the company repurchased under the buyback offer be reduced in capital by means of cancellation.

The conditions contained in the TOB Circular No. 1 regarding buyback programs will be complied with.

Buyback price

The offer price for the registered shares tendered at the fixed price under the buyback offer amounts to CHF 367.00, after deduction of the Swiss federal withholding tax of 35 % on the difference between the buyback price of the registered share and its nominal value, i.e. CHF 238.90 net per registered share (net buyback price).

Duration of the buyback

The buyback offer at a fixed price will be valid from 27 October 2023 until 12.00 noon CET on 10 November 2023.

Tendering and blocking

Shareholders wishing to participate in the buyback offer are requested to proceed in accordance with the instructions of the custodian bank. Tendered registered shares will be blocked by the respective custodian bank and can no longer be traded.

Publication of the result

The company will publish the result of the buyback offer at a fixed price on 13 November 2023 by means of a media release, on its website (<https://www.phoenix-mecano.com/de/medien>) and by means of delivery in electronic form to the most important information service providers and the Takeover Board.

Payment of the net buyback price and delivery of shares

The payment of the net buyback price and the delivery of the registered shares will take place with value date 14 November 2023.

Taxes and duties

The buyback of a company's own shares for the purpose of a capital reduction is treated, both in terms of federal withholding tax and direct taxes, as a partial liquidation of the repurchasing company. Specifically, this has the following implications for the selling shareholders:

1. Federal withholding tax

The federal withholding tax amounts to 35 % on the difference between the buyback price of the registered shares and their nominal value. The tax is deducted from the buyback price by the repurchasing company or by its authorized bank for the attention of the Swiss Federal Tax Administration.

Persons domiciled in Switzerland are entitled to a refund of the federal withholding tax if they had the right to use the registered shares at the time of the redemption and there is no tax evasion (art. 21 Withholding Tax Act). Persons domiciled abroad may reclaim the federal withholding tax in accordance with any double taxation treaties.

2. Direct taxes

The following explanations relate to the levying of direct federal taxes. As a rule, the same practice applies to cantonal and municipal taxes as to direct federal taxes.

a. Privately held shares

If the registered shares are returned to the company, the difference between the buyback price of the registered shares and their nominal value constitutes taxable income (nominal value principle).

b. Shares forming part of a company's assets

In the event of a share buyback by the company, the difference between the buyback price and the book value of the shares represents taxable profits (book value principle).

Shareholders domiciled abroad are taxed in accordance with the applicable law of the country concerned.

These statements do not constitute a comprehensive description of possible tax consequences or tax advice. Shareholders are advised to consult their own tax advisor regarding the tax consequences of participating in the share buyback offer.

3. Duties and charges

The buyback of own shares for the purpose of a capital reduction is not subject to transfer stamp tax.

Own registered shares

As of 24 October 2023, the company held 1,900 own registered shares in treasury (corresponding to approximately 0.2 % of the voting and capital rights).

Shareholders with more than 3 % of voting rights

The following beneficial owners hold more than 3 % of the capital and voting rights in the company:

Planalto Ltd., Luxembourg, Luxembourg^{1,2}
34.6 % of the voting and capital rights

J. Safra Sarasin Investmentfonds Ltd., Basel, Switzerland³ (direct shareholder: Sara Select)
8.83 % of the voting and capital rights

Tweedy, Browne Company LLC, Stamford, USA^{1,4}; Tweedy, Browne Global Value Fund⁵ (from which 7.2 % the beneficial owner Tweedy, Browne Fund Inc., Stamford, USA)
8.5 % of the voting and capital rights

FundPartner Solutions (Suisse) Ltd., Geneva, Switzerland^{1,6} (from which 3.3 % RP Fonds Institutionnel, Geneva, Switzerland)
4.3 % of the voting and capital rights

UBS Fund Management (Switzerland) Ltd., Basel, Switzerland¹
3.8 % of the voting and capital rights

Retraites Populaires, Lausanne, Switzerland¹
3.3 % of the voting and capital rights

¹ According to the annual report 2022.

² Beneficial and entitled to exercise voting rights is Gisela Goldkamp. Benedikt A. Goldkamp is the owner of the voting rights.

³ As of 24 October 2023 according to disclosure notice published on <https://www.ser-ag.com/de/resources/notifications-market-participants/significant-shareholders.html#/>.

⁴ Tweedy, Browne Company LLC (TBC) is not a beneficial owner of the shares. Voting rights were transferred to TBC pursuant to separate investment advisory agreements. It should be noted that the shares reported with this announcement include 68,640 shares held by Tweedy, Browne Global Value Fund, a direct purchaser and beneficial owner.

⁵ Pursuant to an investment advisory agreement between Tweedy, Browne Global Value Fund (TBGVF) and TBC, TBGVF has transferred voting rights in respect of 68,640 bearer shares of Phoenix Mecano AG to TBC. TBC is not a beneficial owner of the shares. TBGVF is the sole beneficial owner of the shares.

⁶ It should be noted that the shares reported with this notification include 3.3 % shares held by RP Fonds Institutionnel, a direct acquirer and beneficial owner.

The company has no knowledge of the intentions of the above-mentioned shareholders with regard to the sale of registered shares under the buyback offer.

Non-public information

The company confirms that it has no non-public information that could significantly influence a decision of the shareholders.

Applicable law and place of jurisdiction

Swiss law. The exclusive place of jurisdiction is Zurich 1.

Mandated bank

The company has mandated Zürcher Kantonalbank to carry out the buyback offer.

Valor / ISIN / Ticker

Phoenix Mecano AG registered share with a par value of CHF 1 each
126 133 810 / CH1261338102 / PMN

This notice does not constitute a prospectus within the meaning of Art. 35 et seq. FinSA.

This offer is not being and will not be made, directly or indirectly, in the United States of America and/or to US persons and may be accepted only by Non-US persons and outside the United States of America. Accordingly, copies of this document and any related materials are not being, and may not be, sent or otherwise distributed in or into or from the United States of America, and persons receiving any such documents (including custodians, nominees and trustees) may not distribute or send them in, into or from the United States of America.