UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 6-K

REPORT OF FOREIGN PRIVATE ISSUER PURSUANT TO RULE 13a-16 OR 15d-16 UNDER THE SECURITIES EXCHANGE ACT OF 1934

For the month of November 2024

Commission File Number: 001-40795

On Holding AG
(Exact name of registrant as specified in its charter)
Förrlibuckstrasse 190
8005 Zurich, Switzerland
Tel:+4144 225 1555
Fax: +4144 225 1556
(Address of principal executive office)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F:

Form 20-F ☒ Form 40-F

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

On Holding AG

By: /s/ Martin Hoffmann
Name: Martin Hoffmann
Title: Chief Financial Officer and Co-Chief Executive Officer

Date: November 12, 2024

INCORPORATION BY REFERENCE

This Report on Form 6-K (other than Exhibit 99.1 hereto) shall be deemed to be incorporated by reference into the registration statements on Form F-3 (Registration No. 333-268852) and Form S-8 (Registration Nos. 333-259533 and 333-268853) of On Holding AG and to be a part thereof from the date on which this report is filed, to the extent not superseded by documents or reports subsequently filed or furnished.

EXHIBIT INDEX

Exhibit Number	Description
99.1	Press Release dated November 12, 2024
99.2	Management's Discussion and Analysis of Financial Condition and Results of Operations for the Third Quarter Ended September 30, 2024
99.3	Articles of Association of On Holding AG

Exhibit 99.1

On Reports Results for the Third Quarter and Nine-Month Period Ended September 30, 2024

- On reports an all-time record quarter for both net sales and profitability. Net sales increased by 32.3%, and by 33.2% on a constant currency basis, reaching CHF 635.8 million in Q3 2024. The strong growth is fueled by significant acceleration in On's direct-to-consumer ("DTC") channel, which grew 49.8% year-over-year, and by 50.7% on a constant currency basis.
- The significant growth in On's DTC channel results in a 38.8% DTC share for the third quarter, an increase of 450 basis points compared to the prior year period. This strong growth reflects continued exceptional momentum for the On brand, driven by significant increases in global brand awareness and supported by On's recent operational improvements.
- On achieves its highest gross profit margin since its IPO in September 2021, reaching 60.6% in Q3 2024, up from 59.9% in the prior year period. This significant increase is driven by growth in the DTC channel and a continued disciplined approach to full-price sales. The strong net sales performance, combined with disciplined cost management, further results in an adjusted EBITDA margin of 18.9%.
- Driven by the strong performance in the first nine months of 2024 and significant brand momentum heading into the holiday season, On is raising its full year 2024 net sales growth outlook to at least 32% on a constant currency basis. This corresponds to reported net sales of at least CHF 2.29 billion at current spot rates. On further anticipates an increased gross profit margin of around 60.5% for the full year 2024 and now expects an adjusted EBITDA margin at the upper end of the previous expectation of 16.0 - 16.5% for the full year 2024.
- On's global brand awareness has surged in recent months, fueled by a strong presence at the Paris Olympics, the incredible success of On athletes, extensive coverage of its innovative LightSpray™ technology, and high-profile and long-term partnerships with influential personalities like Zendaya. This momentum is further amplified by exceptional growth in the APAC region, strategic store openings in key cities around the world, and the continued success of On's core running franchises. These achievements underscore On's long-term vision of being the most premium global sportswear brand.

ZURICH, Switzerland, November 12, 2024 - On Holding AG (NYSE: ONON) ("On," "On Holding AG," the "Company," "we," "our," "ours," or "us"), has announced its financial results for the third quarter and nine-month period ended September 30, 2024.

Caspar Coppetti, Co-Founder and Executive Co-Chairman of On, said: "Just over a year ago, we shared our *Dream On* vision with the world. This quarter's record results are a testament to the incredible momentum we have built. From increasing our brand awareness amongst our core communities worldwide, to pushing the boundaries of performance credibility and deepening our sustainability impact, to expanding our premium footprint across all channels, we are turning our dream into a reality. With our continued relentless focus on performance, innovation and authentic partnerships, we are excited to inspire the world to move with even greater purpose."

Martin Hoffmann, Co-CEO and CFO of On, said: "This quarter's exceptional results are a demonstration of the incredible work of our team, the growing global demand for the On brand, and the power of On's premium position. Our commitment to innovation and excellence has allowed us to capture this demand and deliver outstanding performance, particularly in our DTC channel. The resulting net sales and profitability ahead of our expectations puts us in a position to significantly increase our outlook for the full year 2024, and fuels our confidence as we head into the holiday season and continue to shape the future of sportswear."

Key Financial Highlights

Key highlights for the three-month period ended September 30, 2024 compared to the three-month period ended September 30, 2023 include:

- net sales increased by 32.3% to CHF 635.8 million, or by 33.2% on a constant currency basis;
- net sales through the direct-to-consumer (“DTC”) sales channel increased by 49.8% to CHF 246.7 million, or by 50.7% on a constant currency basis;
- net sales through the wholesale sales channel increased by 23.2% to CHF 389.1 million, or by 24.0% on a constant currency basis;
- net sales in Europe, Middle East and Africa (“EMEA”), Americas and Asia-Pacific increased by 15.1% to CHF 165.8 million, 34.1% to CHF 395.5 million and 79.3% to CHF 74.6 million, respectively;
- net sales in EMEA, Americas and Asia-Pacific increased by 15.2%, 34.5% and 85.7% on a constant currency basis, respectively;
- net sales from shoes, apparel and accessories increased by 32.1% to CHF 603.7 million, 33.4% to CHF 26.8 million and 53.9% to CHF 5.3 million, respectively;
- net sales from shoes, apparel and accessories increased by 32.9%, 34.7% and 56.2% on a constant currency basis, respectively;
- gross profit increased by 34.0% to CHF 385.3 million from CHF 287.7 million;
- gross profit margin increased to 60.6% from 59.9%;
- net income decreased by (48.0)% to CHF 30.5 million from CHF 58.7 million;
- net income margin decreased to 4.8% from 12.2%;
- basic earnings per share (“EPS”) Class A (CHF) decreased to CHF 0.09 from CHF 0.18;
- diluted EPS Class A (CHF) decreased to CHF 0.09 from CHF 0.18;
- adjusted earnings before interest, taxes, depreciation and amortization ("Adjusted EBITDA") increased by 47.7% to CHF 120.1 million from CHF 81.3 million;
- adjusted EBITDA margin increased to 18.9% from 16.9%;
- adjusted net income decreased to CHF 50.2 million from CHF 65.5 million;
- adjusted basic EPS Class A (CHF) decreased to CHF 0.16 from CHF 0.21; and
- adjusted diluted EPS Class A (CHF) decreased to CHF 0.15 from CHF 0.20.

Key highlights for the nine-month period ended September 30, 2024 compared to the nine-month period ended September 30, 2023 include:

- net sales increased by 27.3% to CHF 1,711.7 million, or by 30.7% on a constant currency basis;
- net sales through the DTC sales channel increased by 39.0% to CHF 646.6 million, or by 43.0% on a constant currency basis;
- net sales through the wholesale sales channel increased by 21.1% to CHF 1,065.1 million, or by 24.2% on a constant currency basis;
- net sales in EMEA, Americas and Asia-Pacific increased by 14.4% to CHF 430.4 million, 27.1% to CHF 1,095.1 million and 73.9% to CHF 186.2 million, respectively;
- net sales in EMEA, Americas and Asia-Pacific increased by 15.9%, 30.2% and 86.3% on a constant currency basis, respectively;
- net sales from shoes, apparel and accessories increased by 26.9% to CHF 1,630.8 million, 35.7% to CHF 68.4 million and 39.5% to CHF 12.4 million, respectively;
- net sales from shoes, apparel and accessories increased by 30.3%, 39.8% and 44.1% on a constant currency basis, respectively;
- gross profit increased by 29.1% to CHF 1,028.9 million from CHF 797.1 million;
- gross profit margin increased to 60.1% from 59.3%;
- net income increased by 43.6% to CHF 152.7 million from CHF 106.3 million;
- net income margin increased to 8.9% from 7.9%;
- basic EPS Class A (CHF) increased to CHF 0.47 from CHF 0.33;
- diluted EPS Class A (CHF) increased to CHF 0.47 from CHF 0.33;
- adjusted EBITDA increased by 40.6% to CHF 288.3 million from CHF 205.0 million;

- adjusted EBITDA margin increased to 16.8% from 15.2%;
- adjusted net income increased by 61.5% to CHF 203.6 million from CHF 126.1 million;
- adjusted basic EPS Class A (CHF) increased to CHF 0.63 from CHF 0.40; and
- adjusted diluted EPS Class A (CHF) increased to CHF 0.62 from CHF 0.39.

Key highlights as of September 30, 2024 compared to December 31, 2023 include:

- cash and cash equivalents increased by 51.4% to CHF 749.0 million from CHF 494.6 million; and
- net working capital increased by 8.9% to CHF 540.1 million from CHF 496.2 million.

Adjusted EBITDA, adjusted EBITDA margin, adjusted net income, adjusted basic EPS, adjusted diluted EPS, net working capital and net sales on a constant currency basis are non-IFRS measures used by us to evaluate our performance. Furthermore, we believe these non-IFRS measures enhance investors' understanding of our financial and operating performance from period to period because they enhance the comparability of results between each period, help identify trends in operating results and provide additional insight and transparency on how management evaluates the business. Adjusted EBITDA, adjusted EBITDA margin, adjusted net income, adjusted basic EPS, adjusted diluted EPS, net working capital and net sales on a constant currency basis should not be considered in isolation or as a substitute for other financial measures calculated and presented in accordance with IFRS. For a detailed description and a reconciliation to the nearest IFRS measure, see section titled “Non-IFRS Measures.”

Outlook

Driven by increasing global brand awareness, On has achieved a very strong year-to-date net sales growth rate of 27.3%, including over CHF 1 billion net sales contribution from the Americas region in the first nine months of the year. Supported by a relentless focus on operational excellence over recent months, On heads into the holiday season with a lot of confidence to fulfill the strong consumer demand for the brand in the fourth quarter.

Due to the strong third quarter results ahead of expectations and continued global brand momentum, On is raising its full year 2024 net sales growth outlook to at least 32% on a constant currency basis, implying reported net sales of at least CHF 2.29 billion for the full year. This embeds the expectation for an acceleration in the constant currency net sales growth rate in Q4, as well as an anticipated sizable foreign exchange headwind when converted to Swiss Francs in the fourth quarter.

Based on strong year-to-date profitability and the continued strength of On's DTC channel, On expects to exceed its previously stated profitability targets for the full year 2024. On now anticipates achieving a gross profit margin of approximately 60.5% and an adjusted EBITDA margin at the upper end of its previous expected range of 16.0 - 16.5%.

Other than with respect to IFRS net sales and gross profit margin, On only provides guidance on a non-IFRS basis. The Company does not provide a reconciliation of forward-looking adjusted EBITDA to IFRS net income due to the inherent difficulty in forecasting and quantifying certain amounts that are necessary for such reconciliation. As a result, we are not able to forecast with reasonable certainty all deductions needed in order to provide a reconciliation to net income. The above outlook is based on current market conditions and reflects the Company’s current and preliminary estimates of market and operating conditions and customer demand, which are all subject to change. Actual results and the timing of events could differ materially from those anticipated in these forward-looking statements as a result of risks and uncertainties, including those stated below and in our filings with the U.S. Securities and Exchange Commission (the "SEC").

Conference Call Information

A conference call to discuss third quarter results is scheduled for November 12, 2024 at 8 a.m. U.S. Eastern time (2 p.m. Central European Time). Those interested in participating in the call are invited to dial the following numbers:

United States: +1 646 307 19 63
United Kingdom: +44 203 481 42 47
Switzerland: +41 43 210 51 63

Conference ID: 4064831

Additionally, a live webcast of the conference call will be available on the Company's investor relations website and under the following link: https://events.q4inc.com/attendee/520409906. Following the conclusion of the call, a replay of the conference call will be available on the Company's website.

About On

On was born in the Swiss Alps in 2010 with the mission to ignite the human spirit through movement – a mission that still guides the brand today. Fourteen years after market launch, On delivers industry-disrupting innovation in premium footwear, apparel and accessories for high-performance running, outdoor, training, all-day activities and tennis. On's award-winning CloudTec innovation, purposeful design and groundbreaking strides within the circular economy have attracted a fast-growing global fan base – inspiring humans to explore, discover and Dream On.

On is present in more than 60 countries globally and engages with a digital community on www.on.com.

Non-IFRS Measures

Adjusted EBITDA, adjusted EBITDA margin, adjusted net income, adjusted basic EPS, adjusted diluted EPS, net working capital, and net sales on a constant currency basis are financial measures that are not defined under IFRS. We use these non-IFRS measures when evaluating our performance, including when making financial and operating decisions, and as a key component in the determination of variable incentive compensation for employees. We believe that, in addition to conventional measures prepared in accordance with IFRS, these non-IFRS measures enhance investor understanding of our financial and operating performance from period to period, because they exclude share-based compensation which is not viewed by management as part of our ongoing operations and performance, enhance the comparability of results between each period, help identify trends in operating results and provide additional insight and transparency on how management evaluates the business. In particular, we believe adjusted EBITDA, adjusted EBITDA margin, adjusted net income and net working capital are measures commonly used by investors to evaluate companies in the sportswear industry.

However, adjusted EBITDA, adjusted EBITDA margin, adjusted net income, adjusted basic EPS, adjusted diluted EPS, net working capital, and net sales on a constant currency basis should not be considered in isolation or as a substitute for other financial measures calculated and presented in accordance with IFRS and may not be comparable to similarly titled non-IFRS measures used by other companies. The tables below reconcile each non-IFRS measure to its most directly comparable IFRS measure.

As noted above, we do not provide a reconciliation of forward-looking adjusted EBITDA to IFRS net income due to the inherent difficulty in forecasting and quantifying certain amounts that are necessary for such reconciliation. The amount of these deductions may be material and, therefore, could result in projected net income being materially less than projected adjusted EBITDA. These statements represent forward-looking information and may represent a financial outlook, and actual results may vary. Please see the risks and assumptions referred to in the Forward-Looking Statements section of this press release.

Net sales on a constant currency basis is a non-IFRS financial measure and should be viewed as a supplement to our results under IFRS. Net sales on a constant currency basis represents current period results that have been retranslated using exchange rates used in the prior year comparative period. We provide constant currency percent change in net sales within our results, to enhance the visibility of the underlying growth rate of net sales, excluding the impact of foreign currency exchange rate fluctuations.

Forward-Looking Statements

This press release contains statements that may constitute “forward-looking” statements pursuant to the “safe harbor” provisions of the U.S. Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Many of the forward-looking statements contained in this press release can be identified by the use of forward-looking words such as “anticipate,” “believe,” “continue,” “could,” “expect,” “estimate,” “forecast,” “intend,” “may,” “plan,” “potential,” “predict,” “project,” “target,” “will,” “would,” and “should,” among others.

Among other things, On’s quotations from management in this press releases and other written materials, as well as On’s strategic and operational plans, contain forward-looking statements. On may also make written or oral forward-looking statements in its periodic reports to the SEC, in its annual report to shareholders, in press releases and other written materials and in oral statements made by its officers, directors or employees to third parties. Forward-looking statements appear in a number of places in this press release and include, but are not limited to, statements regarding our intent, belief or current expectations. Forward-looking statements are based on our management’s beliefs and assumptions and on information currently available to our management.

Such statements are subject to risks and uncertainties, and actual results may differ materially from those expressed or implied in the forward-looking statements due to various factors, including, but not limited to, those identified under the section titled “Risk Factors” in our Annual Report. These risks and uncertainties include factors relating to: the strength of our brand and our ability to maintain our reputation and brand image; our ability and the ability of our independent manufacturers and other suppliers to follow responsible business practices; our ability to implement our growth strategy; the concentration of our business in a single, discretionary product category, namely footwear, apparel and accessories; our ability to continue to innovate and meet consumer expectations; changes in consumer tastes and preferences including in products and sustainability, and our ability to connect with our consumer base; our generation of net losses in the past and potentially in the future; our limited operating experience in new markets; our ability to open new stores at locations that will attract customers to our premium products; our ability to compete and conduct our business in the future; health epidemics, pandemics and similar outbreaks, including the COVID-19 pandemic; general economic, political, demographic and business conditions worldwide, including geopolitical uncertainty and instability, such as the Russia-Ukraine or Israel-Hamas conflicts and shipping disruptions in the Red Sea and surrounding waterways; the success of operating initiatives, including advertising and promotional efforts and new product and concept development by us and our competitors; our ability to strengthen and grow our DTC channel; our ability to address climate related risks; our ability to execute and manage our sustainability strategy and achieve our sustainability-related goals and targets, including sustainable product offerings, including investor and customer scrutiny; our third-party suppliers, manufacturers and other partners, including their financial stability and our ability to find suitable partners to implement our growth strategy; supply chain disruptions, inflation and increased costs in supplies, goods and transportation; the availability of qualified personnel and the ability to retain such personnel, including our extended founder team; our ability to accurately forecast demand for our products and manage product manufacturing decisions; our ability to distribute products through our wholesale channel; changes in commodity, material, labor, distribution and other operating costs; our international operations; our ability to protect our intellectual property and defend against allegations of violations of third-party intellectual property by us; cybersecurity incidents and other disruptions to our information technology ("IT") systems; increased hacking activity against the critical infrastructure of any nation or organization that retaliates against Russia for its invasion of Ukraine; our reliance on complex IT systems; our ability to adopt generative artificial intelligence ("AI") technologies in our operations; financial accounting and tax matters; our ability to maintain effective internal control over financial reporting; the potential impact of, and our compliance with, new and existing laws and regulations; other factors that may affect our financial condition, liquidity and results of operations; and other risks and uncertainties set out in filings made from time to time with the SEC and available at www.sec.gov, including, without limitation, our most recent reports on Form 20-F and Form 6-K. You are urged to consider these factors carefully in evaluating the forward-looking statements contained herein and are cautioned not to place undue reliance on such forward-looking statements, which are qualified in their entirety by these cautionary statements. Forward-looking statements speak only as of the date they are made, and we do not undertake any obligation to update them in light of new information or future developments or to release publicly any revisions to these statements in order to reflect later events or circumstances or to reflect the occurrence of unanticipated events.

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Source: On

Category: Earnings

Consolidated Financial Information

Consolidated interim statements of income

(unaudited)

	Three-month period ended September 30,		Nine-month period ended September 30,	
(CHF in millions)	**2024**	**2023**	**2024**	**2023**
Net sales	635.8	480.5	1,711.7	1,345.0
Cost of sales	(250.5)	(192.8)	(682.8)	(547.9)
Gross profit	**385.3**	**287.7**	**1,028.9**	**797.1**
Selling, general and administrative expenses	(312.7)	(229.9)	(870.4)	(657.6)
Operating result	**72.6**	**57.8**	**158.5**	**139.5**
Financial income	6.0	1.0	17.1	7.3
Financial expenses	(6.5)	(3.2)	(17.2)	(6.8)
Foreign exchange gain / (loss)	(42.6)	13.8	29.7	(25.9)
Income before taxes	**29.6**	**69.3**	**188.1**	**114.1**
Income tax benefit / (expense)	0.9	(10.6)	(35.4)	(7.7)
Net income	**30.5**	**58.7**	**152.7**	**106.3**
Earnings per share				
Basic EPS Class A (CHF)	0.09	0.18	0.47	0.33
Basic EPS Class B (CHF)	0.01	0.02	0.05	0.03
Diluted EPS Class A (CHF)	0.09	0.18	0.47	0.33
Diluted EPS Class B (CHF)	0.01	0.02	0.05	0.03

Consolidated interim balance sheets

(unaudited)

(CHF in millions)	**9/30/2024**	**12/31/2023**
Cash and cash equivalents	749.0	494.6
Trade receivables	320.5	204.8
Inventories	348.9	356.5
Other current financial assets	37.3	34.2
Other current operating assets	98.9	61.2
Current assets	**1,554.7**	**1,151.3**
Property, plant and equipment	117.2	93.6
Right-of-use assets	313.7	214.0
Intangible assets	60.3	64.6
Deferred tax assets	59.2	69.5
Non-current assets	**550.4**	**441.7**
Assets	**2,105.1**	**1,593.0**
Trade payables	129.3	65.1
Other current financial liabilities	85.8	53.4
Other current operating liabilities	292.7	156.4
Current provisions	17.0	7.1
Income tax liabilities	10.2	23.5
Current liabilities	**535.0**	**305.6**
Employee benefit obligations	2.1	2.2
Non-current provisions	11.9	10.0
Other non-current financial liabilities	281.8	190.3
Deferred tax liabilities	9.0	10.5
Non-current liabilities	**304.8**	**212.9**
Share capital	33.7	33.5
Treasury shares	(26.8)	(26.7)
Capital reserves	1,192.6	1,140.8
Other reserves	(23.6)	(9.8)
Retained earnings / (losses)	89.4	(63.3)
Equity	**1,265.4**	**1,074.5**
Equity and liabilities	**2,105.1**	**1,593.0**

Consolidated interim statements of cash flows

(unaudited)

(CHF in millions)	Nine-month period ended September 30, 2024	2023
Net income	**152.7**	**106.3**
Adjustments for:		
Share-based compensation	42.4	14.8
Employee benefit expenses	1.3	(2.5)
Depreciation and amortization	75.9	44.5
Loss on disposal of assets	0.2	0.4
Interest income and expenses	(5.2)	(3.1)
Net exchange differences	(27.7)	18.8
Income taxes	35.4	7.7
Change in working capital	(35.0)	(135.2)
Trade receivables	(118.5)	(85.1)
Inventories	15.6	(38.7)
Trade payables	67.9	(11.3)
Change in other current assets / liabilities	110.7	72.8
Change in provisions	11.5	5.6
Interests received	16.5	7.0
Income taxes paid	(37.0)	(26.5)
Cash inflow / (outflow) from operating activities	**341.8**	**110.7**
Purchase of tangible assets	(41.5)	(26.5)
Purchase of intangible assets	(3.7)	(2.6)
Cash (outflow) from investing activities	**(45.2)**	**(29.1)**
Payments of lease liabilities	(37.4)	(16.2)
Proceeds from issuance of shares	0.2	—
Proceeds on sale of treasury shares related to share-based compensation	8.6	6.4
Interests paid	(11.3)	(3.8)
Cash (outflow) from financing activities	**(39.8)**	**(13.6)**
Change in net cash and cash equivalents	**256.8**	**68.0**
Net cash and cash equivalents at January 1	494.6	371.0
Net impact of foreign exchange rate differences	(2.4)	(7.0)
Net cash and cash equivalents at September 30	749.0	432.0

Reconciliation of Non-IFRS measures

Adjusted EBITDA and Adjusted EBITDA Margin

The table below reconciles net income to adjusted EBITDA for the periods presented. Adjusted EBITDA margin is equal to adjusted EBITDA for the period presented as a percentage of net sales for the same period.

	Three-month period ended September 30,			Nine-month period ended September 30,		
(CHF in millions)	**2024**	**2023**	**% Change**	**2024**	**2023**	**% Change**
Net income	**30.5**	**58.7**	**(48.0)%**	**152.7**	**106.3**	**43.6 %**
Exclude the impact of:						
Income taxes	(0.9)	10.6	(108.5)%	35.4	7.7	357.1 %
Financial income	(6.0)	(1.0)	515.4 %	(17.1)	(7.3)	134.0 %
Financial expenses	6.5	3.2	100.2 %	17.2	6.8	153.1 %
Foreign exchange result	42.6	(13.8)	408.4 %	(29.7)	25.9	(214.8)%
Depreciation and amortization	27.5	16.6	65.8 %	75.9	44.5	70.5 %
Share-based compensation[1]	19.9	7.0	185.5 %	53.9	21.0	156.4 %
Adjusted EBITDA	**120.1**	**81.3**	**47.7 %**	**288.3**	**205.0**	**40.6 %**
Adjusted EBITDA Margin	18.9 %	16.9 %	11.6 %	16.8 %	15.2 %	10.5 %

[1] Management excludes share-based compensation expenses as we do not consider these expenses reflective of our ongoing operations and performance.

Adjusted Net Income, Adjusted Basic EPS and Adjusted Diluted EPS

We use adjusted net income, adjusted basic EPS and adjusted diluted EPS as measures of operating performance in conjunction with related IFRS measures.

Adjusted basic EPS is used in conjunction with other non-IFRS measures and excludes certain items (as listed below) in order to increase comparability of the metric from period to period, which we believe makes it useful for management, our audit committee and investors to assess our financial performance over time.

Diluted EPS is calculated by dividing net income by the weighted average number of ordinary shares outstanding during the period on a fully diluted basis. For the purpose of operational performance measurement, we calculate adjusted net income, adjusted basic EPS and adjusted diluted EPS in a manner that fully excludes the impact of any costs related to share-based compensation and includes the tax effect on the tax deductible portion of the non-IFRS adjustments.

The tables below provide a reconciliation between net income and adjusted net income, adjusted basic EPS and adjusted diluted EPS for the periods presented:

(CHF in millions, except per share data)	Three-month period ended September 30, 2024 Class A	2024 Class B	2023 Class A	2023 Class B
Net income	**27.2**	**3.3**	**52.3**	**6.4**
Exclude the impact of:				
Share-based compensation[1]	17.8	2.1	6.2	0.8
Tax effect of adjustments[2]	(0.2)	—	(0.1)	—
Adjusted net income	**44.8**	**5.4**	**58.4**	**7.1**
Weighted number of outstanding shares	**288,654,081**	**345,437,500**	**284,492,782**	**345,437,500**
Weighted number of shares with dilutive effects	3,724,345	12,963,353	3,538,697	11,950,456
Weighted number of outstanding shares (diluted and undiluted)[3]	**292,378,426**	**358,400,853**	**288,031,479**	**357,387,956**
Adjusted basic EPS (CHF)	**0.16**	**0.02**	**0.21**	**0.02**
Adjusted diluted EPS (CHF)	**0.15**	**0.01**	**0.20**	**0.02**

(CHF in millions, except per share data)	Nine-month period ended September 30, 2024 Class A	2024 Class B	2023 Class A	2023 Class B
Net income	**136.4**	**16.3**	**94.8**	**11.5**
Exclude the impact of:				
Share-based compensation[1]	48.1	5.8	18.7	2.3
Tax effect of adjustments[2]	(2.7)	(0.3)	(1.1)	(0.1)
Adjusted net income	**181.8**	**21.8**	**112.4**	**13.7**
Weighted number of outstanding shares	**288,232,639**	**345,437,500**	**284,083,292**	**345,437,500**
Weighted number of shares with dilutive effects	3,515,460	12,487,714	3,370,615	11,485,662
Weighted number of outstanding shares (diluted and undiluted)[3]	**291,748,099**	**357,925,214**	**287,453,907**	**356,923,162**
Adjusted basic EPS (CHF)	**0.63**	**0.06**	**0.40**	**0.04**
Adjusted diluted EPS (CHF)	**0.62**	**0.06**	**0.39**	**0.04**

[1] Management excludes share-based compensation expenses as we do not consider these expenses reflective of our ongoing operations and performance.

[2] The tax effect has been calculated by applying the local tax rate on the tax deductible portion of the respective adjustments.

[3] Weighted number of outstanding shares (diluted and undiluted) are presented herein in order to calculate Adjusted EPS as Adjusted net income for such periods.

Net Sales on a Constant Currency Basis

Net sales on a constant currency basis is a non-IFRS measure which represents current period results that have been retranslated using exchange rates used in the prior year comparative period. We provide constant currency percent change in net sales in our results to enhance the visibility of the underlying growth rate of net sales, excluding the impact of foreign currency exchange rate fluctuations. Below, we show reported net sales split out by sales channel, geography, and product, and include the reported percent change and the constant currency percent change.

Net sales by sales channel

The following tables present net sales by sales channel:

	Three-month period ended September 30,			
(CHF in millions)	2024	2023	% Change	Constant Currency % Change (1)
Wholesale	389.1	315.7	23.2 %	24.0 %
Direct-to-consumer	246.7	164.7	49.8 %	50.7 %
Net sales	**635.8**	**480.5**	**32.3 %**	**33.2 %**

	Nine-month period ended September 30,			
(CHF in millions)	2024	2023	% Change	Constant Currency % Change (1)
Wholesale	1,065.1	879.8	21.1 %	24.2 %
Direct-to-consumer	646.6	465.2	39.0 %	43.0 %
Net sales	**1,711.7**	**1,345.0**	**27.3 %**	**30.7 %**

Net sales by geography

The following tables present net sales by geographic region (based on the location of the counterparty):

	Three-month period ended September 30,			
(CHF in millions)	2024	2023	% Change	Constant Currency % Change (1)
Europe, Middle East and Africa	165.8	144.0	15.1 %	15.2 %
Americas	395.5	294.9	34.1 %	34.5 %
Asia-Pacific	74.6	41.6	79.3 %	85.7 %
Net sales	**635.8**	**480.5**	**32.3%**	**33.2%**

(1) The constant currency percent change represents changes to net sales on a constant currency basis, which is a non-IFRS financial measure. See section titled "Non-IFRS Measures" for a description of this measure. Reconciliation to the nearest IFRS measure is shown in the tables above.

	Nine-month period ended September 30,			
(CHF in millions)	2024	2023	% Change	Constant Currency % Change (1)
Europe, Middle East and Africa	430.4	376.3	14.4 %	15.9 %
Americas	1,095.1	861.7	27.1 %	30.2 %
Asia-Pacific	186.2	107.0	73.9 %	86.3 %
Net Sales	**1,711.7**	**1,345.0**	**27.3%**	**30.7%**

Net sales by product

The following tables present net sales by product group:

	Three-month period ended September 30,			
(CHF in millions)	2024	2023	% Change	Constant Currency % Change (1)
Shoes	603.7	456.9	32.1 %	32.9 %
Apparel	26.8	20.1	33.4 %	34.7 %
Accessories	5.3	3.5	53.9 %	56.2 %
Net sales	**635.8**	**480.5**	**32.3 %**	**33.2 %**

	Nine-month period ended September 30,			
(CHF in millions)	2024	2023	% Change	Constant Currency % Change (1)
Shoes	1,630.8	1,285.6	26.9 %	30.3 %
Apparel	68.4	50.4	35.7 %	39.8 %
Accessories	12.4	8.9	39.5 %	44.1 %
Net sales	**1,711.7**	**1,345.0**	**27.3 %**	**30.7 %**

(1) The constant currency percent change represents changes to net sales on a constant currency basis, which is a non-IFRS financial measure. See section titled "Non-IFRS Measures" for a description of this measure. Reconciliation to the nearest IFRS measure is shown in the tables above.

Net Working Capital

Net working capital is a financial measure that is not defined under IFRS. We use, and believe that certain investors and analysts, use this information to assess liquidity and management use of net working capital resources. We define net working capital as trade receivables, plus inventories, minus trade payables. This measure should not be considered in isolation or as a substitute for any standardized measure under IFRS. Other companies in our industry may calculate this measure differently than we do, limiting its usefulness as a comparative measure.

	As of September 30,	As of December 31,	
(CHF in millions)	**2024**	**2023**	**% Change**
Trade receivables	320.5	204.8	56.5 %
Inventories	348.9	356.5	(2.1) %
Trade payables	(129.3)	(65.1)	98.7 %
Net working capital	**540.1**	**496.2**	**8.9 %**

Exhibit 99.2

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Unless otherwise indicated or the context otherwise requires, all references in this document to "On," "On Holding AG," the "Company," "we," "our," "ours," "us," or similar terms refer to On Holding AG and its consolidated subsidiaries.

The following discussion of our financial condition and results of operations should be read in conjunction with the unaudited consolidated financial information included as an appendix to this management's discussion and analysis of financial condition and results of operations, as well as our audited financial statements and the notes thereto, and the section titled "Risk Factors", each of which appear in our annual report on Form 20-F for the year ended December 31, 2023 filed with the Securities and Exchange Commission (the "SEC") on March 12, 2024 ("Annual Report"). As discussed in the section titled "Special Note Regarding Forward-Looking Statements," the following management's discussion and analysis contains forward-looking statements that involve risks and uncertainties, as well as assumptions that, if they never materialize or prove incorrect, could cause our results to differ materially from those expressed or implied by such forward-looking statements. Factors that could cause or contribute to these differences include, but are not limited to, those identified below in such section. The unaudited consolidated financial information as of September 30, 2024, and for the three-month and nine-month periods ended September 30, 2024 and 2023 were prepared in accordance with IFRS Accounting Standards ("IFRS"), as issued by the International Accounting Standards Board, and presented in Swiss Francs (CHF), the legal currency of Switzerland.

Certain amounts included in this document may not add or recalculate due to rounding. With respect to financial information set out in this document, a dash ("—") signifies that the relevant figure is available but is or has been rounded to zero.

Overview

On is a premium performance sportswear brand rooted in innovation, design and sustainability that has built a passionate global community of fans across more than 60 countries. We focus on providing a premium product experience to customers wherever they are, and our brand resonates with our loyal customers around the world.

We believe our Swiss heritage and our focus on innovating at the cutting edge of performance, design and sustainability differentiates us from other sports brands. We are committed to creating premium products that deliver strong performance. Our relentless culture of innovation has driven us to repeatedly introduce numerous groundbreaking technologies that are designed to change the experience of running and create continuous excitement for our fans as we bring new products to market. Building off our heritage of supporting the runner, we have applied our expertise to creating performance products for a broader set of global consumers who use them in everyday life, expanding our product range beyond Performance Running to Performance Outdoor, Performance All Day, Performance Tennis and Performance Training.

On operates as a single-brand consumer products business and therefore has a single reportable segment.

Key Financial and Operating Metrics

Key highlights for the three-month period ended September 30, 2024 compared to the three-month period ended September 30, 2023 include:

- net sales increased by 32.3% to CHF 635.8 million, or by 33.2% on a constant currency basis;
- net sales through the direct-to-consumer ("DTC") sales channel increased by 49.8% to CHF 246.7 million, or by 50.7% on a constant currency basis;
- net sales through the wholesale sales channel increased by 23.2% to CHF 389.1 million, or by 24.0% on a constant currency basis;
- net sales in Europe, Middle East and Africa ("EMEA"), Americas and Asia-Pacific increased by 15.1% to CHF 165.8 million, 34.1% to CHF 395.5 million and 79.3% to CHF 74.6 million, respectively;
- net sales in EMEA, Americas and Asia-Pacific increased by 15.2%, 34.5% and 85.7% on a constant currency basis, respectively;
- net sales from shoes, apparel and accessories increased by 32.1% to CHF 603.7 million, 33.4% to CHF 26.8 million and 53.9% to CHF 5.3 million, respectively;
- net sales from shoes, apparel and accessories increased by 32.9%, 34.7% and 56.2% on a constant currency basis, respectively;
- gross profit increased by 34.0% to CHF 385.3 million from CHF 287.7 million;

- gross profit margin increased to 60.6% from 59.9%;
- net income decreased by (48.0)% to CHF 30.5 million from CHF 58.7 million;
- net income margin decreased to 4.8% from 12.2%;
- basic earnings per share (“EPS”) Class A (CHF) decreased to CHF 0.09 from CHF 0.18;
- diluted EPS Class A (CHF) decreased to CHF 0.09 from CHF 0.18;
- adjusted earnings before interest, taxes, depreciation and amortization ("Adjusted EBITDA") increased by 47.7% to CHF 120.1 million from CHF 81.3 million;
- adjusted EBITDA margin increased to 18.9% from 16.9%;
- adjusted net income decreased to CHF 50.2 million from CHF 65.5 million;
- adjusted basic EPS Class A (CHF) decreased to CHF 0.16 from CHF 0.21; and
- adjusted diluted EPS Class A (CHF) decreased to CHF 0.15 from CHF 0.20.

Key highlights for the nine-month period ended September 30, 2024 compared to the nine-month period ended September 30, 2023 include:

- net sales increased by 27.3% to CHF 1,711.7 million, or by 30.7% on a constant currency basis;
- net sales through the DTC sales channel increased by 39.0% to CHF 646.6 million, or by 43.0% on a constant currency basis;
- net sales through the wholesale sales channel increased by 21.1% to CHF 1,065.1 million, or by 24.2% on a constant currency basis;
- net sales in EMEA, Americas and Asia-Pacific increased by 14.4% to CHF 430.4 million, 27.1% to CHF 1,095.1 million and 73.9% to CHF 186.2 million, respectively;
- net sales in EMEA, Americas and Asia-Pacific increased by 15.9%, 30.2% and 86.3% on a constant currency basis, respectively;
- net sales from shoes, apparel and accessories increased by 26.9% to CHF 1,630.8 million, 35.7% to CHF 68.4 million and 39.5% to CHF 12.4 million, respectively;
- net sales from shoes, apparel and accessories increased by 30.3%, 39.8% and 44.1% on a constant currency basis, respectively;
- gross profit increased by 29.1% to CHF 1,028.9 million from CHF 797.1 million;
- gross profit margin increased to 60.1% from 59.3%;
- net income increased by 43.6% to CHF 152.7 million from CHF 106.3 million;
- net income margin increased to 8.9% from 7.9%;
- basic EPS Class A (CHF) increased to CHF 0.47 from CHF 0.33;
- diluted EPS Class A (CHF) increased to CHF 0.47 from CHF 0.33;
- adjusted EBITDA increased by 40.6% to CHF 288.3 million from CHF 205.0 million;
- adjusted EBITDA margin increased to 16.8% from 15.2%;
- adjusted net income increased by 61.5% to CHF 203.6 million from CHF 126.1 million;
- adjusted basic EPS Class A (CHF) increased to CHF 0.63 from CHF 0.40; and
- adjusted diluted EPS Class A (CHF) increased to CHF 0.62 from CHF 0.39.

Key highlights as of September 30, 2024 compared to December 31, 2023 include:

- cash and cash equivalents increased by 51.4% to CHF 749.0 million from CHF 494.6 million; and
- net working capital increased by 8.9% to CHF 540.1 million from CHF 496.2 million.

Adjusted EBITDA, adjusted EBITDA margin, adjusted net income, adjusted basic EPS, adjusted diluted EPS, net working capital and net sales on a constant currency basis are non-IFRS measures used by us to evaluate our performance. Furthermore, we believe these non-IFRS measures enhance investors' understanding of our financial and operating performance from period to period because they enhance the comparability of results between each period, help identify trends in operating results and provide additional insight and transparency on how management evaluates the business. Adjusted EBITDA, adjusted EBITDA margin, adjusted net income, adjusted basic EPS, adjusted diluted EPS, net working capital and net sales on a constant currency basis should not be considered in isolation or as a substitute for other financial measures calculated and presented in accordance with IFRS. For a detailed description and a reconciliation to the nearest IFRS measure, see section titled “Non-IFRS Measures.”

Operating Results

The following table summarizes certain key operating measures for the three-month and nine-month periods ended September 30, 2024 and 2023.

	Three-month period ended September 30,			Nine-month period ended September 30,		
(CHF in millions)	**2024**	**2023**	**% Change**	**2024**	**2023**	**% Change**
Net sales	635.8	480.5	32.3 %	1,711.7	1,345.0	27.3 %
Cost of sales	(250.5)	(192.8)	29.9 %	(682.8)	(547.9)	24.6 %
Gross profit	**385.3**	**287.7**	**34.0 %**	**1,028.9**	**797.1**	**29.1 %**
Gross profit margin	60.6 %	59.9 %		60.1 %	59.3 %	
Selling, general and administrative expenses	(312.7)	(229.9)	36.0 %	(870.4)	(657.6)	32.4 %
Operating result	**72.6**	**57.8**	**25.8 %**	**158.5**	**139.5**	**13.6 %**
Net financial result	(43.0)	11.5	(472.9)%	29.6	(25.4)	216.7 %
Income before taxes	**29.6**	**69.3**	**(57.3)%**	**188.1**	**114.1**	**64.9 %**
Income tax benefit / (expense)	0.9	(10.6)	108.5 %	(35.4)	(7.7)	357.1 %
Net income	**30.5**	**58.7**	**(48.0)%**	**152.7**	**106.3**	**43.6 %**
Basic EPS Class A (CHF)	0.09	0.18	(48.7)%	0.47	0.33	41.8 %
Diluted EPS Class A (CHF)	0.09	0.18	(48.7)%	0.47	0.33	41.8 %
Other data[(1)]						
Adjusted EBITDA	120.1	81.3	47.7 %	288.3	205.0	40.6 %
Adjusted EBITDA margin	18.9 %	16.9 %		16.8 %	15.2 %	
Adjusted net income	50.2	65.5	(23.4)%	203.6	126.1	61.5 %
Adjusted basic EPS Class A (CHF)	0.16	0.21	(24.4)%	0.63	0.40	59.4 %
Adjusted diluted EPS Class A (CHF)	0.15	0.20	(24.4)%	0.62	0.39	59.4 %

(1) Adjusted EBITDA, adjusted EBITDA margin, adjusted net income, adjusted basic EPS, and adjusted diluted EPS are non-IFRS measures. See section titled “Non-IFRS Measures” for a description of these measures and a reconciliation to the nearest IFRS measure.

Net Sales

Net sales by sales channel

The following tables present net sales by sales channel:

	Three-month period ended September 30,			
(CHF in millions)	2024	2023	% Change	Constant Currency % Change (1)
Wholesale	389.1	315.7	23.2 %	24.0 %
Direct-to-consumer	246.7	164.7	49.8 %	50.7 %
Net sales	**635.8**	**480.5**	**32.3 %**	**33.2 %**
Wholesale % of Net sales	61.2 %	65.7 %		
Direct-to-consumer % of Net sales	38.8 %	34.3 %		
Net sales %	**100.0 %**	**100.0 %**		

	Nine-month period ended September 30,			
(CHF in millions)	2024	2023	% Change	Constant Currency % Change (1)
Wholesale	1,065.1	879.8	21.1 %	24.2 %
Direct-to-consumer	646.6	465.2	39.0 %	43.0 %
Net sales	**1,711.7**	**1,345.0**	**27.3 %**	**30.7 %**
Wholesale % of Net sales	62.2 %	65.4 %		
Direct-to-consumer % of Net sales	37.8 %	34.6 %		
Net sales %	**100.0 %**	**100.0 %**		

(1) The constant currency percent change represents changes to net sales on a constant currency basis, which is a non-IFRS financial measure. See section titled "Non-IFRS Measures" for a description of this measure. Reconciliation to the nearest IFRS measure is shown in table above.

Three-month period ended September 30, 2024 compared to the three-month period ended September 30, 2023

Net sales for the three-month period ended September 30, 2024 increased by CHF 155.4 million, or 32.3%, compared to the three-month period ended September 30, 2023.

Net sales generated by the wholesale sales channel for the three-month period ended September 30, 2024 increased by CHF 73.4 million, or 23.2%, to CHF 389.1 million, compared to CHF 315.7 million for the three-month period ended September 30, 2023. The increase was attributable to sustained strong demand from our wholesale partners and our continued selective door expansion, particularly with global key accounts. The wholesale growth rate was slightly more modest as a result of anticipated year-over-year dynamics. This includes the closure of a number of non-strategic wholesale partner doors in EMEA as of the beginning of 2024, as well as a slightly elevated prior year period as a result of earlier holiday shipments during the three-month period ended September 30, 2023.

Net sales generated by the DTC sales channel for the three-month period ended September 30, 2024 increased by CHF 82.0 million, or 49.8%, to CHF 246.7 million, compared to CHF 164.7 million for the three-month period ended September 30, 2023. The increase was primarily driven by the continued increase in popularity and awareness of the On brand, resulting in increased traffic and transactions, both on our e-commerce platform and in our existing retail stores. Additionally, the expansion of our own retail store network in all regions further contributed to the growth.

As a result of the strength of our DTC channel and in line with the strategic ambition for our DTC sales channel to outgrow our wholesale sales channel, net sales generated from the DTC sales channel as a percentage of net sales increased to 38.8% for the three-month period ended September 30, 2024, from 34.3% for the three-month period ended September 30, 2023.

Nine-month period ended September 30, 2024 compared to the nine-month period ended September 30, 2023

Net sales for the nine-month period ended September 30, 2024 increased by CHF 366.7 million or 27.3%, compared to the nine-month period ended September 30, 2023.

Net sales generated by the wholesale sales channel for the nine-month period ended September 30, 2024 increased by CHF 185.3 million, or 21.1%, to CHF 1,065.1 million, compared to CHF 879.8 million for the nine-month period ended September 30, 2023. The increase was attributable to sustained strong demand from our wholesale partners and our continued selective door expansion, particularly with global key accounts. The wholesale growth rate was slightly more modest as a result of anticipated year-over-year dynamics. This mainly includes the closure of a number of non-strategic wholesale partner doors in EMEA as of the beginning of 2024.

Net sales generated by the DTC sales channel for the nine-month period ended September 30, 2024 increased by CHF 181.4 million, or 39.0%%, to CHF 646.6 million, compared to CHF 465.2 million for the nine-month period ended September 30, 2023. The increase was primarily driven by the continued increase in popularity and awareness of the On brand, resulting in increased traffic and transactions, both on our e-commerce platform and in our existing retail stores. Additionally, the expansion of our own retail store network in all regions further contributed to growth.

As a result of the strength of our DTC channel and in line with the strategic ambition for our DTC sales channel to outgrow our wholesale sales channel, net sales generated from the DTC sales channel as a percentage of net sales increased to 37.8% for the nine-month period ended September 30, 2024, compared to 34.6% for the nine-month period ended September 30, 2023.

<u>*Net sales by geography*</u>

The following tables present net sales by geographic region (based on the location of the counterparty):

	Three-month period ended September 30,			
(CHF in millions)	**2024**	**2023**	**% Change**	**Constant Currency % Change (1)**
Europe, Middle East and Africa	165.8	144.0	15.1 %	15.2 %
Americas	395.5	294.9	34.1 %	34.5 %
Asia-Pacific	74.6	41.6	79.3 %	85.7 %
Net sales	**635.8**	**480.5**	**32.3%**	**33.2%**
Europe, Middle East and Africa % of Net sales	26.1 %	30.0 %		
Americas % of Net sales	62.2 %	61.4 %		
Asia-Pacific % of Net sales	11.7 %	8.7 %		
Net sales %	**100.0 %**	**100.0 %**		

(CHF in millions)	Nine-month period ended September 30, 2024	2023	% Change	Constant Currency % Change (1)
Europe, Middle East and Africa	430.4	376.3	14.4 %	15.9 %
Americas	1,095.1	861.7	27.1 %	30.2 %
Asia-Pacific	186.2	107.0	73.9 %	86.3 %
Net sales	**1,711.7**	**1,345.0**	**27.3%**	**30.7%**
Europe, Middle East and Africa % of Net sales	25.1 %	28.0 %		
Americas % of Net sales	64.0 %	64.1 %		
Asia-Pacific % of Net sales	10.9 %	8.0 %		
Net sales %	**100.0 %**	**100.0 %**		

(1) The constant currency percent change represents changes to net sales on a constant currency basis, which is a non-IFRS financial measure. See section titled "Non-IFRS Measures" for a description of this measure. Reconciliation to the nearest IFRS measure is shown in table above.

Three-month period ended September 30, 2024 compared to the three-month period ended September 30, 2023

Net sales increased across all geographic regions for the three-month period ended September 30, 2024, with Asia-Pacific and Americas showing particularly strong growth. The 34.1% increase in net sales in Americas was driven by the ongoing rise in popularity and awareness of the On brand in the region and continued strength in both channels, including the strength of our e-commerce platform as well as the successful expansion of our retail stores and collaborations with key account partners. The 15.1% increase in net sales in EMEA was driven by the continued strength in the United Kingdom across both sales channels, along with notable acceleration in France driven by momentum from the Paris Olympic Games. The 79.3% increase in net sales in Asia-Pacific was primarily driven by strong sales growth in Japan and China across both channels.

Nine-month period ended September 30, 2024 compared to the nine-month period ended September 30, 2023

Net sales increased across all geographic regions for the nine-month period ended September 30, 2024 with Asia-Pacific and Americas showing particularly strong growth. The 27.1% increase in net sales in Americas was driven by the ongoing rise in popularity and awareness of the On brand in the region and continued strength in both channels, including the strength of our e-commerce platform as well as the successful expansion of our retail stores and collaborations with key account partners. The ability to convert the increased brand awareness and momentum in the Americas to net sales was somewhat limited in the second quarter of 2024, primarily due to operational inefficiencies resulting from the ongoing transition of our new highly-automated warehouse in the United States (the "Atlanta warehouse"). The 14.4% increase in net sales in EMEA was driven by the continued strength in the United Kingdom across both sales channels, along with notable growth in France, particularly in the third quarter of 2024, driven by momentum from the Paris Olympic Games. The overall growth rate in EMEA was slightly more modest as a result of the discontinuation of certain non-strategic wholesale partnerships in the region which were still served in the comparable period in 2023. The 73.9% increase in net sales in Asia-Pacific was primarily driven by strong sales growth in Japan and China across both channels.

Net sales by product

The following tables present net sales by product group:

(CHF in millions)	2024	2023	% Change	Constant Currency % Change [1]
				Three-month period ended September 30,
Shoes	603.7	456.9	32.1 %	32.9 %
Apparel	26.8	20.1	33.4 %	34.7 %
Accessories	5.3	3.5	53.9 %	56.2 %
Net sales	**635.8**	**480.5**	**32.3 %**	**33.2 %**
Shoes % of Net sales	94.9 %	95.1 %		
Apparel % of Net sales	4.2 %	4.2 %		
Accessories % of Net sales	0.8 %	0.7 %		
Net sales %	**100.0 %**	**100.0 %**		

(CHF in millions)	2024	2023	% Change	Constant Currency % Change [1]
				Nine-month period ended September 30,
Shoes	1,630.8	1,285.6	26.9 %	30.3 %
Apparel	68.4	50.4	35.7 %	39.8 %
Accessories	12.4	8.9	39.5 %	44.1 %
Net sales	**1,711.7**	**1,345.0**	**27.3 %**	**30.7 %**
Shoes % of Net sales	95.3 %	95.6 %		
Apparel % of Net sales	4.0 %	3.7 %		
Accessories % of Net sales	0.7 %	0.7 %		
Net sales %	**100.0 %**	**100.0 %**		

[1] The constant currency percent change represents changes to net sales on a constant currency basis, which is a non-IFRS financial measure. See section titled "Non-IFRS Measures" for a description of this measure. Reconciliation to the nearest IFRS measure is shown in table above.

Three-month period ended September 30, 2024 compared to the three-month period ended September 30, 2023

Net sales increased across all product groups during the three-month period ended September 30, 2024 compared to the three-month period ended September 30, 2023. The 32.1% increase in net sales for shoes was driven by new product launches, updates to existing models and the continuity of successful products carrying over from previous seasons. Growth was primarily driven by our Performance Running vertical, in part due to the strong performance of the newly launched Cloudsurfer Next, with additional contribution from our Performance All Day vertical. The 33.4% increase in net sales for apparel for the three-month period ended September 30, 2024 was driven primarily by our Performance Running and Performance Training verticals. Net sales in accessories increased by 53.9% compared to the three month period ended September 30, 2023.

Nine-month period ended September 30, 2024 compared to the nine-month period ended September 30, 2023

Net sales increased across all product groups during the nine-month period ended September 30, 2024 compared to the nine-month period ended September 30, 2023. The 26.9% increase in net sales for shoes was driven by new product launches, updates to existing models and the continuity of successful products carrying over from previous seasons. Growth was primarily driven by our Performance Running vertical, with additional contribution from our Performance All Day vertical, partly due to the successful introduction of the Cloudtilt. The 35.7% increase in net sales for apparel for the nine-month period ended September 30, 2024 was driven primarily by our Performance Running and Performance Training verticals. Net sales in accessories increased by 39.5% compared to the first nine month period ended September 30, 2023.

Gross Profit

(CHF in millions)	Three-month period ended September 30, 2024	2023	% Change	Nine-month period ended September 30, 2024	2023	% Change
Gross profit	385.3	287.7	34.0 %	1,028.9	797.1	29.1 %
Gross profit margin	60.6 %	59.9 %		60.1 %	59.3 %	

Three-month period ended September 30, 2024 compared to the three-month period ended September 30, 2023

Cost of sales during the three-month period ended September 30, 2024 increased by CHF 57.7 million, or 29.9%, to CHF 250.5 million, compared to CHF 192.8 million during the three-month period ended September 30, 2023. Gross profit was CHF 385.3 million for the three-month period ended September 30, 2024, representing a gross profit margin of 60.6%, compared to CHF 287.7 million for the three-month period ended September 30, 2023, representing a gross profit margin of 59.9%. The gross profit margin increase was mainly driven by higher DTC sales as a percentage of net sales during the three-month period ended September 30, 2024, compared to the three-month period ended September 30, 2023.

Nine-month period ended September 30, 2024 compared to the nine-month period ended September 30, 2023

Cost of sales during the nine-month period ended September 30, 2024 increased by CHF 134.9 million, or 24.6%, to CHF 682.8 million, compared to CHF 547.9 million during the nine-month period ended September 30, 2023. Gross profit was CHF 1,028.9 million for the nine-month period ended September 30, 2024, representing a gross profit margin of 60.1%, compared to CHF 797.1 million for the nine-month period ended September 30, 2023, representing a gross profit margin of 59.3%. The gross profit margin increase was mainly driven by higher DTC sales as a percentage of net sales and reduced freight rates during the nine-month period ended September 30, 2024, particularly in the first half of the year, compared to the nine-month period ended September 30, 2023. This was partially offset by the change in freight composition between sea and air freight, as compared to the prior year comparative period.

Selling, General and Administrative ("SG&A") Expenses

(CHF in millions)	Three-month period ended September 30,			Nine-month period ended September 30,		
	2024	2023	% Change	2024	2023	% Change
Net sales	635.8	480.5	32.3 %	1,711.7	1,345.0	27.3 %
Distribution expenses	(75.8)	(64.3)	17.9 %	(217.8)	(185.0)	17.7 %
Selling expenses	(44.7)	(35.8)	25.0 %	(120.3)	(95.3)	26.3 %
Marketing expenses	(65.7)	(51.8)	26.7 %	(197.5)	(147.8)	33.6 %
Share-based compensation	(19.9)	(7.0)	185.5 %	(53.9)	(21.0)	156.4 %
General and administrative expenses	(106.5)	(71.0)	50.0 %	(281.0)	(208.5)	34.7 %
SG&A expenses	**(312.7)**	**(229.9)**	**36.0 %**	**(870.4)**	**(657.6)**	**32.4 %**
Less share-based compensation	(19.9)	(7.0)	185.5 %	(53.9)	(21.0)	156.4 %
SG&A expenses (excluding share-based compensation)	**(292.8)**	**(222.9)**	**31.3 %**	**(816.6)**	**(636.6)**	**28.3 %**
Distribution expenses % of Net sales	11.9 %	13.4 %		12.7 %	13.8 %	
Selling expenses % of Net sales	7.0 %	7.4 %		7.0 %	7.1 %	
Marketing expenses % of Net sales	10.3 %	10.8 %		11.5 %	11.0 %	
Share-based compensation % of Net sales	3.1 %	1.5 %		3.1 %	1.6 %	
General and administrative expenses % of Net sales	16.8 %	14.8 %		16.4 %	15.5 %	
SG&A expenses % of Net sales	**49.2 %**	**47.9 %**		**50.9 %**	**48.9 %**	
SG&A expenses (excluding share-based compensation) % of Net sales	**46.0 %**	**46.4 %**		**47.7 %**	**47.3 %**	

Three-month period ended September 30, 2024 compared to the three-month period ended September 30, 2023

SG&A expenses for the three-month period ended September 30, 2024 increased by CHF 82.8 million, or 36.0%, to CHF 312.7 million, compared to CHF 229.9 million for the three-month period ended September 30, 2023. Excluding share-based compensation, SG&A expenses as a percentage of net sales decreased to 46.0% in the three-month period ended September 30, 2024, compared to 46.4% for the three-month period ended September 30, 2023.

The drivers for the fluctuations in SG&A expenses, mostly denominated as a percentage of net sales, can be summarized as follows:

- Distribution expenses as a percentage of net sales decreased to 11.9% during the three-month period ended September 30, 2024 compared to 13.4% during the three-month period ended September 30, 2023. The decrease was due to lower warehousing and delivery costs resulting from operational efficiency gains, as well as a strategic shift of volume from our Atlanta warehouse to our Los Angeles warehouse.
- Selling expenses as a percentage of net sales decreased to 7.0% during the three-month period ended September 30, 2024 compared to 7.4% during the three-month period ended September 30, 2023. The decrease was largely a reflection of the elevated prior year period as a result of a one-off bad debt provision incurred during the three-month period ended September 30, 2023, partially offset by additional expenses incurred as a result of our expanding retail footprint.
- Marketing expenses as a percentage of net sales decreased to 10.3% during the three-month period ended September 30, 2024 compared to 10.8% during the three-month period ended September 30, 2023. The decrease is due to strong net sales growth, as well as a slight shift in the timing of our marketing campaigns, with our large brand campaigns for the second half of 2024 starting towards the end of the three-month period ended September 30, 2024.

- Share-based compensation expense as a percentage of net sales increased to 3.1% during the three-month period ended September 30, 2024 compared to 1.5% during the three-month period ended September 30, 2023. The increase was driven by grants issued during the year ended December 31, 2023, as well as the nine-month period ended September 30, 2024, with ongoing vesting periods as well as increased provisions for equity related social charges.
- General and administrative expenses as a percentage of net sales increased to 16.8% during the three-month period ended September 30, 2024 compared to 14.8% during the three-month period ended September 30, 2023. The increase is primarily due to higher personnel related expenses, including investments into strategic growth areas as well as a one-off charge in relation to employee benefit contributions.

Nine-month period ended September 30, 2024 compared to the nine-month period ended September 30, 2023

SG&A expenses for the nine-month period ended September 30, 2024 increased by CHF 212.8 million, or 32.4%, to CHF 870.4 million, compared to CHF 657.6 million for the nine-month period ended September 30, 2023. Excluding share-based compensation, SG&A expenses as a percentage of net sales increased to 47.7% in the nine-month period ended September 30, 2024 compared to 47.3% for the nine-month period ended September 30, 2023.

The drivers for the fluctuations in SG&A expenses, mostly denominated as a percentage of net sales, can be summarized as follows:

- Distribution expenses as a percentage of net sales decreased to 12.7% during the nine-month period ended September 30, 2024 compared to 13.8% during the nine-month period ended September 30, 2023. This was primarily due to lower warehousing costs resulting from the non-recurrence of expenses for temporary additional warehouse capacity incurred during the nine-month period ended September 30, 2023, along with lower warehousing and delivery costs resulting from operational efficiency gains, and a strategic shift of volume from our Atlanta warehouse to our Los Angeles warehouse.
- Selling expenses as a percentage of net sales slightly decreased to 7.0% during the nine-month period ended September 30, 2024 compared to 7.1% during the nine-month period ended September 30, 2023. The decrease was largely a reflection of the elevated prior year period as a result of a one-off bad debt provision incurred during the nine-month period ended September 30, 2023, partially offset by additional expenses incurred as a result of our expanding retail footprint.
- Marketing expenses as a percentage of net sales slightly increased to 11.5% during the nine-month period ended September 30, 2024 compared to 11.0% during the nine-month period ended September 30, 2023. The increase was primarily driven by higher marketing spend on upper funnel brand building initiatives and brand partnerships.
- Share-based compensation expenses as a percentage of net sales increased to 3.1% during the nine-month period ended September 30, 2024 from 1.6% during the nine-month period ended September 30, 2023. The increase was driven by grants issued during the year ended December 31, 2023, as well as the nine-month period ended September 30, 2024, with ongoing vesting periods, as well as increased provisions for equity related social charges.
- General and administrative expenses as a percentage of net sales increased to 16.4% during the nine-month period ended September 30, 2024 compared to 15.5% during the nine-month period ended September 30, 2023. The increase is primarily due to higher expenses for software development projects and higher personnel related expenses.

Depreciation and Amortization

(CHF in millions)	Three-month period ended September 30, 2024	2023	% Change	Nine-month period ended September 30, 2024	2023	% Change
Depreciation and amortization	(27.5)	(16.6)	65.8 %	(75.9)	(44.5)	70.5 %
Depreciation and amortization % of Net sales	4.3 %	3.4 %		4.4 %	3.3 %	

Three-month period ended September 30, 2024 compared to the three-month period ended September 30, 2023

Depreciation and amortization expenses during the three-month period ended September 30, 2024 increased by CHF 10.9 million, or 65.8%, to CHF 27.5 million, compared to CHF 16.6 million during the three-month period ended September 30, 2023. Thereof, depreciation and amortization expenses attributable to right of use assets increased by CHF 7.6 million primarily as a result of enhanced warehouse and distribution facilities, as well as the expansion of our retail stores and offices. In addition, depreciation and amortization expenses attributable to owned assets increased by CHF 3.3 million as a result of office and retail expansion, mainly related to furniture and fixtures, production equipment and leasehold improvements.

Nine-month period ended September 30, 2024 compared to the nine-month period ended September 30, 2023

Depreciation and amortization expenses during the nine-month period ended September 30, 2024 increased by CHF 31.4 million, or 70.5%, to CHF 75.9 million, compared to CHF 44.5 million during the nine-month period ended September 30, 2023. Thereof, depreciation and amortization expenses attributable to right of use assets increased by CHF 23.5 million primarily as a result of enhanced warehouse and distribution facilities, as well as the expansion of our retail stores and offices. In addition, depreciation and amortization expenses attributable to owned assets increased by CHF 7.9 million as a result of office and retail expansion, mainly related to furniture and fixtures, production equipment and leasehold improvements.

Net Financial Result

(CHF in millions)	Three-month period ended September 30, 2024	2023	% Change	Nine-month period ended September 30, 2024	2023	% Change
Financial income	6.0	1.0	515.4 %	17.1	7.3	134.0 %
Financial expenses	(6.5)	(3.2)	100.2 %	(17.2)	(6.8)	153.1 %
Foreign exchange gain / (loss)	(42.6)	13.8	-408.4 %	29.7	(25.9)	214.8 %
Net financial result	**(43.0)**	**11.5**	**-472.9 %**	**29.6**	**(25.4)**	**216.7 %**

Three-month and nine-month periods ended September 30, 2024 compared to the three-month and nine-month periods ended September 30, 2023

Financial income for the three-month period ended September 30, 2024 increased by CHF 5.0 million to CHF 6.0 million when compared to the three-month period ended September 30, 2023. Financial income for the nine-month period ended September 30, 2024 increased by CHF 9.8 million to CHF 17.1 million when compared to the nine-month period ended September 30, 2023. The increase in the three and nine-month periods ended September 30, 2024 was primarily driven by our short-term investments and increased interest rates.

Financial expenses for the three-month period ended September 30, 2024 increased by CHF 3.2 million or 100.2% to CHF 6.5 million, compared to CHF 3.2 million for the three-month period ended September 30, 2023. Financial expenses for the nine-month period ended September 30, 2024 increased by CHF 10.4 million or 153.1% to CHF 17.2 million, compared to CHF 6.8 million for the nine-month period ended September 30, 2023. The increase in the three and nine-month periods ended September 30, 2024 was primarily driven by an increase in interest expenses for lease liabilities mainly due to new leases becoming operational during the nine-month period ended September 30, 2024 (see section titled "Contractual Obligations" for additional information).

Foreign exchange gain / (loss) for the three-month period ended September 30, 2024 resulted in a foreign exchange loss of CHF (42.6) million, compared to a foreign exchange gain of CHF 13.8 million for the three-month period ended September 30, 2023. Foreign exchange gain / (loss) for the nine-month period ended September 30, 2024 resulted in a foreign exchange gain of CHF 29.7 million, compared to a foreign exchange loss of CHF (25.9) million for the nine-month period ended September 30, 2023. The foreign exchange gain / (loss) increases and decreases for the three and nine-month comparative periods were primarily due to foreign exchange rate revaluation effects (i.e., unrealized foreign exchange impacts), in particular the CHF/USD exchange rate.

Income Taxes

	Three-month period ended September 30,			Nine-month period ended September 30,		
(CHF in millions)	2024	2023	% Change	2024	2023	% Change
Income tax benefit / (expense)	0.9	(10.6)	108.5 %	(35.4)	(7.7)	357.1 %
Effective income tax rate	(3.0)%	15.3 %	(119.8)%	18.8 %	6.8 %	177.2 %

Income tax benefit / (expense) during the three-month period ended September 30, 2024 decreased by CHF 11.5 million to an income tax benefit of CHF 0.9 million, compared to an income tax expense of CHF 10.6 million during the three-month period ended September 30, 2023. Our effective income tax rate was (3.0)% for the three-month period ended September 30, 2024 compared to 15.3% for the three-month period ended September 30, 2023. The decrease is due to deferred income tax benefits related to tax loss carryforwards recognized in the three-month period ended September 30, 2024, as well as changes to the weighted tax rate related to the elimination of intercompany profits in inventory.

Income tax expense during the nine-month period ended September 30, 2024 increased by CHF 27.6 million to CHF 35.4 million, compared to CHF 7.7 million during the nine-month period ended September 30, 2023. Our effective income tax rate was 18.8% for the nine-month period ended September 30, 2024 compared to 6.8% for the nine-month period ended September 30, 2023. The increase is due to a lower effective income tax rate for the nine-month period ended September 30, 2023, which was driven by a disproportional increase of pre-tax earnings in jurisdictions with low tax rates and tax incentives in Switzerland.

Liquidity and Capital Resources

Our primary need for liquidity is to fund working capital requirements, capital expenditures, lease obligations and for general corporate purposes. We finance our liquidity needs using a combination of cash and cash equivalents balances and cash provided from operating activities.

Cash Flows

	Nine-month period ended September 30,		
(CHF in millions)	2024	2023	Change
Cash inflow from operating activities	341.8	110.7	231.1
Cash (outflow) from investing activities	(45.2)	(29.1)	(16.0)
Cash (outflow) from financing activities	(39.8)	(13.6)	(26.3)
Change in net cash and cash equivalents	**256.8**	**68.0**	**188.8**
Net cash and cash equivalents at the beginning of the period	494.6	371.0	123.6
Net impact of foreign exchange rate differences	(2.4)	(7.0)	4.6
Net cash and cash equivalents at the end of the period	**749.0**	**432.0**	**317.0**

Operating activities

Cash inflow from operating activities for the nine-month period ended September 30, 2024 increased by CHF 231.1 million to CHF 341.8 million compared to CHF 110.7 million for the nine-month period ended September 30, 2023. This increase is mainly driven by an increase in cash flows from changes in working capital of CHF 100.2 million, primarily due to changes in trade payables and inventories, as well as by higher net income after adjustments of CHF 88.2 million and various other offsetting decreases and increases. The favorable changes in working capital related to the more efficient inventory management and the commitment to decouple inventory growth from overall net sales growth.

Investing activities

Cash outflow from investing activities for the nine-month period ended September 30, 2024 increased by CHF 16.0 million to CHF 45.2 million, compared to CHF 29.1 million for the nine-month period ended September 30, 2023. The increase is primarily driven by higher purchases of tangible assets of CHF 15.0 resulting from leasehold improvements for our warehouses in Belgium and Luxembourg and various other additions across retail stores, production equipment, and offices.

Financing activities

Cash outflow from financing activities for the nine-month period ended September 30, 2024 increased by CHF 26.3 million to CHF 39.8 million, compared to CHF 13.6 million for the nine-month period ended September 30, 2023. The increase is primarily driven by higher repayments of lease liabilities of CHF 21.2 million resulting from new warehouse, office and retail store leases.

Net Working Capital

Net working capital is a financial measure that is not defined under IFRS. We use and believe that certain investors and analysts use this information to assess liquidity and management use of net working capital resources. We define net working capital as trade receivables, plus inventories, minus trade payables. This measure should not be considered in isolation or as a substitute for any standardized measure under IFRS.

Other companies in our industry may calculate this measure differently than we do, limiting its usefulness as a comparative measure.

(CHF in millions)	As of September 30, 2024	As of December 31, 2023	% Change
Trade receivables	320.5	204.8	56.5 %
Inventories	348.9	356.5	(2.1) %
Trade payables	(129.3)	(65.1)	98.7 %
Net working capital	**540.1**	**496.2**	**8.9 %**

Capital Management

(CHF in millions)	As of September 30, 2024	As of December 31, 2023	% Change
As of September 30, 2024: CHF 0.10 nominal value, 302,455,664 Class A Ordinary Shares issued of which 288,759,656 were outstanding **As of December 31, 2023:** CHF 0.10 nominal value, 299,998,125 Class A Ordinary Shares issued of which 284,215,277 were outstanding	30.2	30.0	0.8 %
As of September 30, 2024 and December 31, 2023: CHF 0.01 nominal value, 345,437,500 Class B voting rights shares issued and outstanding	3.5	3.5	— %
Share capital	**33.7**	**33.5**	**0.7 %**
Treasury shares	**(26.8)**	**(26.7)**	**0.2 %**
Share premium	756.9	756.9	— %
Statutory reserves	51.6	42.3	22.1 %
Equity transaction costs	(8.7)	(8.7)	— %
Tax impact on equity transaction costs	1.3	1.3	— %
Share-based compensation	391.6	349.1	12.2 %
Capital reserves	**1,192.6**	**1,140.8**	**4.5 %**
Other reserves	**(23.6)**	**(9.8)**	**141.2 %**
Retained earnings / (losses)	**89.4**	**(63.3)**	**241.2 %**
Equity	**1,265.4**	**1,074.5**	**17.8 %**

	Class A Shares	Class B Shares
Shares issued and outstanding as of January 1, 2024	**284,215,277**	**345,437,500**
Sale of treasury shares related to share-based compensation and capital increase from conditional capital	4,551,690	—
Purchase of treasury shares	(7,311)	—
Shares issued and outstanding as of September 30, 2024 [1]	**288,759,656**	**345,437,500**
Awards granted under various incentive plans not yet exercised or distributed as of September 30, 2024 [2]	**133,751**	**—**
Awards granted under various incentive plans with dilutive effects as of September 30, 2024	**3,617,610**	**12,963,353**

[1] As of September 30, 2024 there were 13,696,008 treasury shares held by On (December 31, 2023: 15,782,848).

[2] These awards require little or no further consideration to be exercised, and as such, have been included in the weighted average number of ordinary shares outstanding used to calculate Basic EPS at September 30, 2024.

Share-based compensation

As of September 30, 2024, On has recognized an increase in shareholders' equity in the balance sheet of CHF 42.4 million for share-based compensation incurred during the nine-month period ending September 30, 2024.

For the nine-month period ending September 30, 2024, we have recognized a share-based compensation expense of CHF 53.9 million pursuant to the following share-based compensation plans and programs for select employees including our group executive team and senior management team, which account for a part of the increase:

- Compensation of non-executive members of our board of directors
- Long Term Incentive Plan 2021

Share-based payments are valued based on the grant date fair value of these awards and recorded over the corresponding vesting period.

Indebtedness

On July 7, 2023, On entered into a CHF 700 million multicurrency credit facility agreement ("credit facility") which replaced our bank overdraft facilities previously reported. On has an option to increase the total availability of borrowings under the credit facility in an aggregate amount of up to CHF 200 million, subject to the satisfaction of certain customary conditions. We entered into the credit facility as part of our prudent financial planning strategy to create future financial flexibility to better align with the size and maturity of the Company. The proceeds of any borrowings under the credit facility may be used towards the financing of working capital requirements and for general corporate purposes, including the roll-in of certain existing bank guarantees and the issuance of new bank guarantees. The credit facility had an initial term of three years, which has been extended for a period of one year and may be extended again for a period of one year.

As of September 30, 2024 and December 31, 2023, we have not drawn cash from the credit facility, and we do not currently expect to do so in the near term. As of September 30, 2024, we are using the credit facility to provide guarantees and letters of credit, as further discussed in the section titled "Off-Balance Sheet Arrangements."

The credit facility also contains financial covenants that depend on our consolidated equity as well as our net debt to adjusted EBITDA ratio. As of and during the nine-month period ended September 30, 2024, we were in compliance with all covenants under the credit facility.

Further, as of September 30, 2024, trade receivables and inventories with a carrying value of CHF 263.2 million and CHF 206.2 million, respectively, were pledged in relation to the credit facility.

Contractual Obligations and Commitments

There were no material changes outside of the ordinary course of business as of September 30, 2024 to the contractual obligations and commitments reported in our Annual Report, with the exception of the items discussed below.

Lease commitments: As of September 30, 2024, total lease commitments are CHF 301.8 million, with CHF 9.9 million, CHF 117.7 million, and CHF 174.2 million, due in less than one year, between one to five years, and more than five years, respectively. The total decrease as of September 30, 2024 compared to December 31, 2023 relates primarily to the Atlanta warehouse, which became partially operational during the nine-months ended September 30, 2024.

Lease liabilities: As of September 30, 2024, total lease liabilities are CHF 363.2 million, with CHF 41.3 million, CHF 199.6 million, and CHF 122.3 million due in less than one year, between one to five years, and more than five years, respectively. The total increase as of September 30, 2024 compared to December 31, 2023, relates primarily to the Atlanta warehouse and other additional warehouses, retail store leases, and office leases.

Off-Balance Sheet Arrangements

As of September 30, 2024 and December 31, 2023, we provided guarantees and letters of credit in the amount of CHF 159.4 million and CHF 155.6 million in favor of third parties, respectively. Of the total guarantees and letters of credit outstanding as of September 30, 2024 and December 31, 2023, CHF 159.4 million and CHF 155.3 million, respectively, relate to our credit facility, as discussed in the section titled "Indebtedness." Other than those items disclosed here and elsewhere in this document, we do not have any material off-balance sheet arrangements or commitments as of September 30, 2024.

Factors Affecting Performance and Trend Information

We expect our growth, our financial condition and results to continue to be affected by a number of factors, which have not changed since our Annual Report. Refer to "Item 5. Operating and Financial Review and Prospects" within our Annual Report for further information on these factors. Below we have included recent updates to the factor related to "Ability to Manage Inventory."

Ability to Manage Inventory

Our ability to grow has been, and will continue to be dependent on the availability of the right inventory at the right time and place. The ongoing transition of our Atlanta warehouse has led to some product availability constraints and to delayed or missed deliveries during the nine-month period ended September 30, 2024, in particular during the first half of 2024. While we have seen significantly improved operational execution during the three-month period ended September 30, 2024, we may continue to experience operational constraints during the course of On's warehouse automation project in the United States. We remain focused on successfully advancing the project, with an aim towards scaling On's distribution capabilities in North America over the mid-term.

Refer to "Item 5. Operating and Financial Review and Prospects" within our Annual Report for further information on this factor.

Non-IFRS Measures

Adjusted EBITDA, adjusted EBITDA margin, adjusted net income, adjusted basic EPS, adjusted diluted EPS, net working capital, and net sales on a constant currency basis are financial measures that are not defined under IFRS.

We use these non-IFRS measures when evaluating our performance, including when making financial and operating decisions, and as a key component in the determination of variable incentive compensation for employees. We believe that, in addition to conventional measures prepared in accordance with IFRS, these non-IFRS measures enhance investor understanding of our financial and operating performance from period to period, because they enhance the comparability of results between each period, help identify trends in operating results and provide additional insight and transparency on how management evaluates the business. In particular, we believe adjusted EBITDA, adjusted EBITDA margin, adjusted net income and net working capital are measures commonly used by investors to evaluate companies in the sportswear industry.

However, adjusted EBITDA, adjusted EBITDA margin, adjusted net income, adjusted basic EPS, adjusted diluted EPS, net working capital, and net sales on a constant currency basis should not be considered in isolation or as a substitute for other financial measures calculated and presented in accordance with IFRS and may not be comparable to similarly titled non-IFRS measures used by other companies. The tables below reconcile adjusted EBITDA, adjusted EBITDA margin, adjusted net income, adjusted basic EPS, and adjusted diluted EPS to their most directly comparable IFRS measure. See sections titled "Liquidity and Capital Resource" and "Operating Results" for reconciliations of net working capital and net sales on a constant currency basis, respectively, to their most directly comparable IFRS measure.

Adjusted EBITDA and Adjusted EBITDA Margin

The table below provides a reconciliation between net income and adjusted EBITDA for the periods presented. Adjusted EBITDA margin is equal to adjusted EBITDA for the period presented as a percentage of net sales for the same period.

	Three-month period ended September 30,			Nine-month period ended September 30,		
(CHF in millions)	2024	2023	% Change	2024	2023	% Change
Net income	**30.5**	**58.7**	**(48.0)%**	**152.7**	**106.3**	**43.6 %**
Exclude the impact of:						
Income taxes	(0.9)	10.6	(108.5)%	35.4	7.7	357.1 %
Financial income	(6.0)	(1.0)	515.4 %	(17.1)	(7.3)	134.0 %
Financial expenses	6.5	3.2	100.2 %	17.2	6.8	153.1 %
Foreign exchange result	42.6	(13.8)	408.4 %	(29.7)	25.9	(214.8)%
Depreciation and amortization	27.5	16.6	65.8 %	75.9	44.5	70.5 %
Share-based compensation[1]	19.9	7.0	185.5 %	53.9	21.0	156.4 %
Adjusted EBITDA	**120.1**	**81.3**	**47.7 %**	**288.3**	**205.0**	**40.6 %**
Adjusted EBITDA Margin	18.9 %	16.9 %	11.6 %	16.8 %	15.2 %	10.5 %

[1] Management excludes share-based compensation expenses as we do not consider these expenses reflective of our ongoing operations and performance.

Adjusted Net Income, Adjusted Basic EPS and Adjusted Diluted EPS

We use adjusted net income, adjusted basic EPS and adjusted diluted EPS as measures of operating performance in conjunction with related IFRS measures.

Adjusted basic EPS excludes certain items (as listed below) in order to increase comparability of the metric from period to period, which we believe makes it useful for management, our audit committee and investors to assess our financial performance over time.

Adjusted diluted EPS is calculated by dividing adjusted net income by the weighted average number of ordinary shares outstanding during the period on a fully diluted basis. For the purpose of operational performance measurement, we calculate adjusted net income, adjusted basic EPS and adjusted diluted EPS in a manner that fully excludes the impact of any costs related to share-based compensation and includes the tax effect on the tax deductible portion of the non-IFRS adjustments.

The tables below provide a reconciliation between net income and adjusted net income, adjusted basic EPS and adjusted diluted EPS for the periods presented:

	Three-month period ended September 30,			
(CHF in millions, except per share data)	2024	2024	2023	2023
	Class A	Class B	Class A	Class B
Net income	**27.2**	**3.3**	**52.3**	**6.4**
Exclude the impact of:				
Share-based compensation[(1)]	17.8	2.1	6.2	0.8
Tax effect of adjustments[(2)]	(0.2)	—	(0.1)	—
Adjusted net income	**44.8**	**5.4**	**58.4**	**7.1**
Weighted number of outstanding shares	**288,654,081**	**345,437,500**	**284,492,782**	**345,437,500**
Weighted number of shares with dilutive effects	3,724,345	12,963,353	3,538,697	11,950,456
Weighted number of outstanding shares (diluted and undiluted)[(3)]	**292,378,426**	**358,400,853**	**288,031,479**	**357,387,956**
Adjusted basic EPS (CHF)	**0.16**	**0.02**	**0.21**	**0.02**
Adjusted diluted EPS (CHF)	**0.15**	**0.01**	**0.20**	**0.02**

	Nine-month period ended September 30,			
(CHF in millions, except per share data)	2024	2024	2023	2023
	Class A	Class B	Class A	Class B
Net income	**136.4**	**16.3**	**94.8**	**11.5**
Exclude the impact of:				
Share-based compensation[(1)]	48.1	5.8	18.7	2.3
Tax effect of adjustments[(2)]	(2.7)	(0.3)	(1.1)	(0.1)
Adjusted net income	**181.8**	**21.8**	**112.4**	**13.7**
Weighted number of outstanding shares	**288,232,639**	**345,437,500**	**284,083,292**	**345,437,500**
Weighted number of shares with dilutive effects	3,515,460	12,487,714	3,370,615	11,485,662
Weighted number of outstanding shares (diluted and undiluted)[(3)]	**291,748,099**	**357,925,214**	**287,453,907**	**356,923,162**
Adjusted basic EPS (CHF)	**0.63**	**0.06**	**0.40**	**0.04**
Adjusted diluted EPS (CHF)	**0.62**	**0.06**	**0.39**	**0.04**

[(1)] Management excludes share-based compensation expenses as we do not consider these expenses reflective of our ongoing operations and performance.
[(2)] The tax effect has been calculated by applying the local tax rate on the tax deductible portion of the respective adjustments.
[(3)] Weighted number of outstanding shares (diluted and undiluted) are presented herein in order to calculate Adjusted EPS as Adjusted net income for such periods.

Net Sales on a Constant Currency Basis

Net sales on a constant currency basis is a non-IFRS measure which represents current period results that have been retranslated using exchange rates used in the prior year comparative period. We provide constant currency percent change in net sales within our "Key Financial and Operating Metrics" and "Operating Results" sections, to enhance the visibility of the underlying growth rate of net sales, excluding the impact of foreign currency exchange rate fluctuations.

New Accounting Pronouncements

On April 9, 2024, the International Accounting Standards Board ("IASB") has issued IFRS 18 – Presentation and Disclosures in Financial Statements that will replace International Accounting Standards ("IAS") 1 – Presentation of Financial Statements from its effective date. IFRS 18 introduces new requirements for information presented in the primary financial statements and disclosed in the notes. The accounting standard introduces three new defined categories for income and expenses - operating, investing and financing, and requires all companies to provide certain new defined subtotals. IFRS 18 also requires companies to disclose explanations of company-specific measures that are related to the income statement, referred to as management-defined performance measures. Moreover, the accounting standard sets out enhanced guidance on how to organize information and whether to provide it in the primary financial statements or in the notes and requires companies to provide more transparency about operating expenses. IFRS 18 is effective for annual reporting periods beginning on or after January 1, 2027, but early adoption is permitted. On is evaluating the impact of this standard.

With the exception of IFRS 18, there have been no material changes related to recently issued or adopted accounting standards from those disclosed in our consolidated financial statements for the year ended December 31, 2023, included in our Annual Report, available at www.sec.gov.

Critical Accounting Policies

There have been no material changes to the key estimates, assumptions and judgments from those disclosed in our consolidated financial statements for the year ended December 31, 2023, included in our Annual Report, available at www.sec.gov.

Risk Factors

There have been no material changes to the risk factors as set out in our Annual Report, available at www.sec.gov.

Special Note Regarding Forward-Looking Statements

This management's discussion and analysis contains statements that may constitute “forward-looking” statements pursuant to the “safe harbor” provisions of the U.S. Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933 and Section 21E of the Securities Act of 1934. Many of the forward-looking statements contained in this management’s discussion and analysis can be identified by the use of forward-looking words such as “anticipate,” “believe,” “continue,” “could,” “expect,” “estimate,” “forecast,” “intend,” “may,” “plan,” “potential,” “predict,” “project,” “target,” “will,” “would,” and “should,” among others.

Among other things, On’s quotations from management in the press releases and other written materials, as well as On’s strategic and operational plans, contain forward-looking statements. On may also make written or oral forward-looking statements in its periodic reports to the SEC, in its annual report to shareholders, in press releases and other written materials and in oral statements made by its officers, directors or employees to third parties. Forward-looking statements appear in a number of places in this management’s discussion and analysis and include, but are not limited to, statements regarding our intent, belief or current expectations. Forward-looking statements are based on our management’s beliefs and assumptions and on information currently available to our management.

Such statements are subject to risks and uncertainties, and actual results may differ materially from those expressed or implied in the forward-looking statements due to various factors, including, but not limited to, those identified under the section titled “Risk Factors” in our Annual Report. These risks and uncertainties include factors relating to: the strength of our brand and our ability to maintain our reputation and brand image; our ability and the ability of our independent manufacturers and other suppliers to follow responsible business practices; our ability to implement our growth strategy; the concentration of our business in a single, discretionary product category, namely footwear, apparel and accessories; our ability to continue to innovate and meet consumer expectations; changes in consumer tastes and preferences including in products and sustainability, and our ability to connect with our consumer base; our generation of net losses in the past and potentially in the future; our limited operating experience in new markets; our ability to open new stores at locations that will attract customers to our premium products; our ability to compete and conduct our business in the future; health epidemics, pandemics and similar outbreaks, including the COVID-19 pandemic; general economic, political, demographic and business conditions worldwide, including geopolitical uncertainty and instability, such as the Russia-Ukraine or Israel-Hamas conflicts and shipping disruptions in the Red Sea and surrounding waterways; the success of operating initiatives, including advertising and promotional efforts and new product and concept development by us and our competitors; our ability to strengthen and grow our DTC channel; our ability to address climate related risks; our ability to execute and manage our sustainability strategy and achieve our sustainability-related goals and targets, including sustainable product offerings, including investor and customer scrutiny; our third-party suppliers, manufacturers and other partners, including their financial stability and our ability to find suitable partners to implement our growth strategy; supply chain disruptions, inflation and increased costs in supplies, goods and transportation; the availability of qualified personnel and the ability to retain such personnel, including our extended founder team; our ability to accurately forecast demand for our products and manage product manufacturing decisions; our ability to distribute products through our wholesale channel; changes in commodity, material, labor, distribution and other operating costs; our international operations; our ability to protect our intellectual property and defend against allegations of violations of third-party intellectual property by us; cybersecurity incidents and other disruptions to our information technology ("IT") systems; increased hacking activity against the critical infrastructure of any nation or organization that retaliates against Russia for its invasion of Ukraine; our reliance on complex IT systems; our ability to adopt generative artificial intelligence ("AI") technologies in our operations; financial accounting and tax matters; our ability to maintain effective internal control over financial reporting; the potential impact of, and our compliance with, new and existing laws and regulations; other factors that may affect our financial condition, liquidity and results of operations; and other risks and uncertainties set out in filings made from time to time with the SEC and available at www.sec.gov, including, without limitation, our most recent reports on Form 20-F and Form 6-K. You are urged to consider these factors carefully in evaluating the forward-looking statements contained herein and are cautioned not to place undue reliance on such forward-looking statements, which are qualified in their entirety by these cautionary statements.

Forward-looking statements speak only as of the date they are made, and we do not undertake any obligation to update them in light of new information or future developments or to release publicly any revisions to these statements in order to reflect later events or circumstances or to reflect the occurrence of unanticipated events.

Appendix: Consolidated Financial Information

Consolidated interim statements of income (unaudited)

	Three-month period ended September 30,		Nine-month period ended September 30,	
(CHF in millions)	2024	2023	2024	2023
Net sales	635.8	480.5	1,711.7	1,345.0
Cost of sales	(250.5)	(192.8)	(682.8)	(547.9)
Gross profit	**385.3**	**287.7**	**1,028.9**	**797.1**
Selling, general and administrative expenses	(312.7)	(229.9)	(870.4)	(657.6)
Operating result	**72.6**	**57.8**	**158.5**	**139.5**
Financial income	6.0	1.0	17.1	7.3
Financial expenses	(6.5)	(3.2)	(17.2)	(6.8)
Foreign exchange gain / (loss)	(42.6)	13.8	29.7	(25.9)
Income before taxes	**29.6**	**69.3**	**188.1**	**114.1**
Income tax benefit / (expense)	0.9	(10.6)	(35.4)	(7.7)
Net income	**30.5**	**58.7**	**152.7**	**106.3**
Earnings per share				
Basic EPS Class A (CHF)	0.09	0.18	0.47	0.33
Basic EPS Class B (CHF)	0.01	0.02	0.05	0.03
Diluted EPS Class A (CHF)	0.09	0.18	0.47	0.33
Diluted EPS Class B (CHF)	0.01	0.02	0.05	0.03

Consolidated interim statements of comprehensive income (unaudited)

	Three-month period ended September 30,		Nine-month period ended September 30,	
(CHF in millions)	**2024**	**2023**	**2024**	**2023**
Net income	30.5	58.7	152.7	106.3
Net actuarial result from defined benefit plans	—	—	1.4	(1.1)
Taxes on net actuarial result from defined benefit plans	—	—	(0.3)	0.2
Items that will not be reclassified to income statement	**—**	**—**	**1.1**	**(0.9)**
Foreign currency translation effect	(22.6)	1.3	(18.3)	(1.4)
Taxes on foreign currency translation effect	3.4	—	3.4	—
Items that will be reclassified to income statement when specific conditions are met	**(19.2)**	**1.3**	**(14.9)**	**(1.4)**
Other comprehensive income / (loss), net of tax	**(19.2)**	**1.3**	**(13.8)**	**(2.3)**
Total comprehensive income	**11.4**	**60.0**	**138.9**	**104.0**

Consolidated interim balance sheets (unaudited)

(CHF in millions)	9/30/2024	12/31/2023
Cash and cash equivalents	749.0	494.6
Trade receivables	320.5	204.8
Inventories	348.9	356.5
Other current financial assets	37.3	34.2
Other current operating assets	98.9	61.2
Current assets	**1,554.7**	**1,151.3**
Property, plant and equipment	117.2	93.6
Right-of-use assets	313.7	214.0
Intangible assets	60.3	64.6
Deferred tax assets	59.2	69.5
Non-current assets	**550.4**	**441.7**
Assets	**2,105.1**	**1,593.0**
Trade payables	129.3	65.1
Other current financial liabilities	85.8	53.4
Other current operating liabilities	292.7	156.4
Current provisions	17.0	7.1
Income tax liabilities	10.2	23.5
Current liabilities	**535.0**	**305.6**
Employee benefit obligations	2.1	2.2
Non-current provisions	11.9	10.0
Other non-current financial liabilities	281.8	190.3
Deferred tax liabilities	9.0	10.5
Non-current liabilities	**304.8**	**212.9**
Share capital	33.7	33.5
Treasury shares	(26.8)	(26.7)
Capital reserves	1,192.6	1,140.8
Other reserves	(23.6)	(9.8)
Retained earnings / (losses)	89.4	(63.3)
Equity	**1,265.4**	**1,074.5**
Equity and liabilities	**2,105.1**	**1,593.0**

Consolidated interim statements of cash flows (unaudited)

(CHF in millions)	Nine-month period ended September 30, 2024	2023
Net income	**152.7**	**106.3**
Adjustments for:		
Share-based compensation	42.4	14.8
Employee benefit expenses	1.3	(2.5)
Depreciation and amortization	75.9	44.5
Loss on disposal of assets	0.2	0.4
Interest income and expenses	(5.2)	(3.1)
Net exchange differences	(27.7)	18.8
Income taxes	35.4	7.7
Change in working capital	(35.0)	(135.2)
Trade receivables	(118.5)	(85.1)
Inventories	15.6	(38.7)
Trade payables	67.9	(11.3)
Change in other current assets / liabilities	110.7	72.8
Change in provisions	11.5	5.6
Interests received	16.5	7.0
Income taxes paid	(37.0)	(26.5)
Cash inflow / (outflow) from operating activities	**341.8**	**110.7**
Purchase of tangible assets	(41.5)	(26.5)
Purchase of intangible assets	(3.7)	(2.6)
Cash (outflow) from investing activities	**(45.2)**	**(29.1)**
Payments of lease liabilities	(37.4)	(16.2)
Proceeds from issuance of shares	0.2	—
Proceeds on sale of treasury shares related to share-based compensation	8.6	6.4
Interests paid	(11.3)	(3.8)
Cash (outflow) from financing activities	**(39.8)**	**(13.6)**
Change in net cash and cash equivalents	**256.8**	**68.0**
Net cash and cash equivalents at January 1	494.6	371.0
Net impact of foreign exchange rate differences	(2.4)	(7.0)
Net cash and cash equivalents at September 30	749.0	432.0

Consolidated interim statements of changes in equity (unaudited)

	Three-month period ended September 30, 2024 and 2023					
(CHF in millions)	Share capital	Treasury shares	Capital reserves	Other reserves	Retained earnings / (losses)	Total equity
Balance at July 1, 2023	**33.5**	**(26.4)**	**1,118.6**	**(3.7)**	**(95.2)**	**1,026.7**
Net income	—	—	—	—	58.7	58.7
Other comprehensive income	—	—	—	1.3	—	1.3
Comprehensive income	**—**	**—**	**—**	**1.3**	**58.7**	**60.0**
Share-based compensation	—	—	6.4	—	—	6.4
Sale of treasury shares	—	—	0.6	—	—	0.6
Tax impact on transactions with treasury shares	—	—	(0.1)	—	—	(0.1)
Balance at September 30, 2023	**33.5**	**(26.4)**	**1,125.4**	**(2.3)**	**(36.6)**	**1,093.5**
Balance at July 1, 2024	**33.5**	**(26.7)**	**1,169.7**	**(4.4)**	**58.9**	**1,231.0**
Net income	—	—	—	—	30.5	30.5
Other comprehensive loss	—	—	—	(19.2)	—	(19.2)
Comprehensive income / (loss)	**—**	**—**	**—**	**(19.2)**	**30.5**	**11.4**
Capital increase	0.2	—	—	—	—	0.2
Share-based compensation	—	—	19.6	—	—	19.6
Sale of treasury shares	—	0.1	3.3	—	—	3.4
Purchase of treasury shares	—	(0.2)	—	—	—	(0.2)
Balance at September 30, 2024	**33.7**	**(26.8)**	**1,192.6**	**(23.6)**	**89.4**	**1,265.4**

(CHF in millions)	Share capital	Treasury shares	Capital reserves	Other reserves	Retained earnings / (losses)	Total equity
						Nine-month period ended September 30, 2024 and 2023
Balance as of January 1, 2023	**33.5**	**(26.1)**	**1,105.1**	**—**	**(142.9)**	**969.5**
Net income	—	—	—	—	106.3	106.3
Other comprehensive loss	—	—	—	(2.3)	—	(2.3)
Comprehensive income / (loss)	**—**	**—**	**—**	**(2.3)**	**106.3**	**104.0**
Share-based compensation	—	—	14.8	—	—	14.8
Sale of treasury shares	—	0.2	6.7	—	—	6.9
Tax impact on transactions with treasury shares	—	—	(1.2)	—	—	(1.2)
Purchase of treasury shares	—	(0.5)	—	—	—	(0.5)
Balance at September 30, 2023	**33.5**	**(26.4)**	**1,125.4**	**(2.3)**	**(36.6)**	**1,093.5**
Balance at January 1, 2024	**33.5**	**(26.7)**	**1,140.8**	**(9.8)**	**(63.3)**	**1,074.5**
Net income	—	—	—	—	152.7	152.7
Other comprehensive loss	—	—	—	(13.8)	—	(13.8)
Comprehensive income / (loss)	**—**	**—**	**—**	**(13.8)**	**152.7**	**138.9**
Capital increase	0.2	—	—	—	—	0.2
Share-based compensation	—	—	42.4	—	—	42.4
Sale of treasury shares	—	0.2	9.3	—	—	9.5
Purchase of treasury shares	—	(0.3)	—	—	—	(0.3)
Balance at September 30, 2024	**33.7**	**(26.8)**	**1,192.6**	**(23.6)**	**89.4**	**1,265.4**

STATUTEN

der

On Holding AG

mit Sitz in Zürich

I. GRUNDLAGE

Artikel 1 – Firma und Sitz

Unter der Firma

On Holding AG
(On Holding SA)
(On Holding Ltd)

besteht mit Sitz in Zürich auf unbestimmte Dauer eine Aktiengesellschaft gemäss Art. 620 ff. des schweizerischen Obligationenrechts (OR) (die "**Gesellschaft**").

Artikel 2 – Zweck

Die Gesellschaft bezweckt den Erwerb, das Halten, die Verwaltung und die Veräusserung von Beteiligungen an Gesellschaften aller Art in der Schweiz und im Ausland.

Die Gesellschaft kann ausserdem alle Geschäfte abschliessen und Vereinbarungen eingehen, die dem Gesellschaftszweck dienen oder in direktem Zusammenhang damit stehen.

Die Gesellschaft kann ihren direkten oder indirekten Muttergesellschaften sowie deren oder ihren direkten oder indirekten Tochtergesell-

ARTICLES OF ASSOCIATION

of

On Holding AG

with registered office in Zurich

I. INTRODUCTION

Article 1 – Company Name and Registered Office

Under the company name of

On Holding AG
(On Holding SA)
(On Holding Ltd)

a stock corporation according to art. 620 et seqq. of the Swiss Code of Obligations (CO) with registered office in Zurich exists for an unlimited period of time (the "**Company**").

Article 2 – Purpose

The purpose of the Company is the acquisition, holding, management and sale of participations in companies of all kinds in Switzerland and abroad.

The Company may also carry out any and all transactions and enter into any and all agreements which directly or indirectly serve its corporate purpose or are directly related thereto.

The Company may grant loans or provide other kind of financing to its direct or indirect parent company and its or the parent company's direct or indirect subsidiaries and may grant security of

schaften Darlehen oder andere Finanzierungen gewähren und für Verbindlichkeiten von solchen anderen Gesellschaften Sicherheiten aller Art stellen, einschliesslich mittels Pfandrechten an oder fiduziarischen Übereignungen von Aktiven der Gesellschaft oder Garantien jedwelcher Art, ob gegen Entgelt oder nicht.

all kind for obligations of those companies, including by means of pledges over or fiduciary transfers of assets of the Company or by means of guarantees of any kind, with or without compensation.

Die Gesellschaft kann Zweigniederlassungen und Tochtergesellschaften in der Schweiz und im Ausland errichten und Grundstücke erwerben, halten, verwalten und veräussern.

The Company may set up branch offices and subsidiaries in Switzerland and abroad and acquire, manage, hold and sell real estate.

Die Gesellschaft kann Patente, Lizenzen, Marken und technische und industrielle Kenntnisse erwerben, verwalten, übertragen, veräussern und lizenzieren.

The Company may acquire, manage, transfer, sell and license patents, licenses, trademarks and technical and industrial knowledge.

II. KAPITAL

II. SHARE CAPITAL

Artikel 3 – Aktienkapital und Aktien

Article 3 – Share Capital and Shares

Das Aktienkapital beträgt CHF 33'699'941.40 und ist eingeteilt in 302'455'664 Namenaktien mit einem Nennwert von je CHF 0.10 (die "**Klasse A Aktien**") und in 345'437'500 Namenaktien mit einem Nennwert von je CHF 0.01 (Stimmrechtsaktien) (die "**Klasse B Aktien**").

The share capital amounts to CHF 33,699,941.40 and is divided into 302,455,664 registered shares with a nominal value of CHF 0.10 each (the "**Class A Shares**") and in 345,437,500 registered shares with a nominal value of CHF 0.01 each (voting right shares) (the "**Class B Shares**").

Das Aktienkapital ist zu 100 % liberiert.

The share capital is paid in at 100 %.

Artikel 3a – Bedingtes Aktienkapital

Article 3a – Conditional Share Capital

Das Aktienkapital der Gesellschaft wird im Maximalbetrag von CHF 1'004'246.10 erhöht durch Ausgabe von höchstens 10'042'461 vollständig zu liberierenden Namenaktien mit einem Nennwert von je CHF 0.10 (Klasse A Aktien), durch Ausübung von Rechten, die den Verwaltungsräten und externen Beratern, Dienstleistern und Vertriebspartnern der Gesellschaft oder der Konzerngesellschaften gewährt werden.

The share capital of the Company may be increased by the maximum amount of CHF 1,004,246.10 by issuing up to 10,042,461 fully paid-up registered shares with a nominal value of CHF 0.10 each (Class A Shares), upon exercise of rights that are given to members of the board of directors or independent consultants, service partners or sales agents of the Company or of affiliated companies.

Das Bezugsrecht der Aktionäre ist ausgeschlossen. Der Erwerb der Klasse A Aktien durch die Ausübung von Rechten und die weitere Übertragung der Klasse A Aktien unterliegen den Übertragungs-beschränkungen gemäss Art. 5 der Statuten.

The shareholders' statutory subscription rights are excluded. The acquisition of Class A Shares through the exercise of rights and the further transfer of the Class A Shares are subject to the transfer restrictions pursuant to Art. 5 of the articles of association.

Artikel 3b – Kapitalband für Klasse A Aktien

Die Gesellschaft verfügt über ein Kapitalband für Klasse A Aktien zwischen CHF 27'745'566.40 (untere Grenze) und CHF 32'745'566.40 (obere Grenze). Der Verwaltungsrat ist im Rahmen des Kapitalbands für Klasse A Aktien ermächtigt, bis zum 25. Mai 2028 oder bis zu einem früheren Dahinfallen des Kapitalbands für Klasse A Aktien das Aktienkapital einmal oder mehrmals und in beliebigen Beträgen zu erhöhen oder herabzusetzen. Die Kapitalerhöhung oder -herabsetzung kann durch Ausgabe von bis zu 25'000'000 voll zu liberierenden Namenaktien mit einem Nennwert von je CHF 0.10 (Klasse A Aktien) bzw. Vernichtung von bis zu 25'000'000 Namenaktien mit einem Nennwert von je CHF 0.10 (Klasse A Aktien) oder durch eine Erhöhung bzw. Herabsetzung der Nennwerte der bestehenden Namenaktien im Rahmen des Kapitalbands oder durch gleichzeitige Herabsetzung und Wiedererhöhung erfolgen.

Im Falle einer Kapitalerhöhung legt der Verwaltungsrat die Anzahl Aktien, den Ausgabebetrag, die Art der Einlagen, den Zeitpunkt der Ausgabe, die Bedingungen der Bezugsrechtsausübung und den Beginn der Dividendenberechtigung fest. Dabei kann der Verwaltungsrat neue Aktien mittels Festübernahme durch eine Bank oder einen anderen Dritten und anschliessendem Angebot an die bisherigen Aktionäre ausgeben. Der Verwaltungsrat ist ermächtigt, den Handel mit Bezugsrechten zu beschränken oder auszuschliessen. Nicht ausgeübte Bezugsrechte kann der Verwaltungsrat verfallen lassen oder diese bzw. die Aktien, für welche Bezugsrechte eingeräumt, aber nicht ausgeübt werden, zu Marktkonditionen platzieren oder anderweitig im Interesse der Gesellschaft verwenden.

Der Verwaltungsrat ist ermächtigt, die Bezugsrechte der Aktionäre in Bezug auf die unter diesem Art. 3b auszugebenden Aktien zu entziehen oder zu beschränken und einzelnen Aktionären, Dritten, der Gesellschaft oder Konzerngesellschaften zuzuweisen:

Article 3b – Capital Band for Class A Shares

The Company has a capital band for Class A Shares between CHF 27,745,566.40 (lower limit) and CHF 32,745,566.40 (upper limit). Within the capital band for Class A Shares, the board of directors is authorized to increase or reduce the share capital once or several times and in any amounts until May 25, 2028 or until an earlier expiry of the capital band for Class A Shares. The capital increase or reduction may be effected by issuing up to 25,000,000 fully paid registered shares with a par value of CHF 0.10 each (Class A Shares) or by cancelling up to 25,000,000 registered shares with a par value of CHF 0.10 each (Class A Shares) or by increasing or reducing the par value of the existing registered shares within the capital band or by a combined capital reduction and capital increase.

In the event of a capital increase, the board of directors shall determine the number of shares, the issue price, the type of contributions, the time of issue, the conditions for exercising subscription rights and the start of dividend entitlement. The board of directors may issue new shares by means of a firm underwriting by a bank or another third party and a subsequent offer to the existing shareholders. The board of directors is authorized to restrict or exclude trading in subscription rights. The board of directors may allow subscription rights which have not been exercised to lapse or place them or the shares for which subscription rights have been granted but not exercised at market conditions or use them otherwise in the interest of the Company.

The board of directors is authorized to withdraw or restrict subscription rights of existing shareholders with regard to shares to be issued according to this Art. 3b and to allocate such rights to single shareholders, third parties, the Company or any of its group companies:

(a) wenn der Ausgabebetrag der neuen Aktien unter Berücksichtigung des Marktpreises festgesetzt wird; oder

(b) für die Übernahme von Unternehmen, Unternehmensteilen oder Beteiligungen oder für die Finanzierung oder Refinanzierung solcher Transaktionen oder die Finanzierung von neuen Investitionsvorhaben der Gesellschaft oder ihrer Konzerngesellschaften, einschliesslich dem Erwerb von Produkten, Immaterialgüterrechten, oder Lizenzen; oder

(c) zum Zwecke der Erweiterung des Aktionärskreises in bestimmten geographischen, Finanz- oder Investoren-Märkten, zur Beteiligung von strategischen Partnern, oder im Zusammenhang mit der Kotierung von neuen Aktien an inländischen oder ausländischen Börsen; oder

(d) für die Einräumung einer Mehrzuteilungsoption (*Greenshoe*) oder einer Option zur Zeichnung von zusätzlichen Aktien an die betreffenden Erstkäufer oder Festübernehmer im Rahmen einer Aktienplatzierung oder eines Aktienverkaufs; oder

(e) für die Beteiligung von Mitgliedern des Verwaltungsrates, Mitgliedern der Geschäftsleitung, Mitarbeitern, Beauftragten, Beratern oder anderen Personen, die für die Gesellschaft oder eine ihrer Konzerngesellschaften Leistungen erbringen; oder

(f) für eine rasche und flexible Kapitalbeschaffung, welche ohne den Ausschluss der Bezugsrechte der bisherigen Aktionäre nicht, oder nur mit grossen Umständen oder Verspätung oder zu wesentlich schlechteren Bedingungen möglich wäre.

Die Zeichnung und der Erwerb der Klasse A Aktien und die weitere Übertragung der Klasse A Aktien unterliegen den Übertragungs-beschränkungen gemäss Art. 5 der Statuten.

(a) if the issue price of the new shares is determined by reference to the market price; or

(b) for the acquisition of companies, part(s) of companies or participations, or for the financing or refinancing of any of such transactions or the financing of new investment projects of the Company or any of its group companies, including the acquisition of products, intellectual properties or licenses; or

(c) for purposes of broadening the shareholder constituency of the Company in certain geographic, financial or investor markets, for purposes of the participation of strategic partners, or in connection with the listing of new shares on domestic or foreign stock exchanges; or

(d) for purposes of granting an over-allotment option (Greenshoe) or an option to subscribe for additional shares in a placement or sale of shares to the respective initial purchaser(s) or underwriter(s); or

(e) for the participation of members of the board of directors, members of the executive committee, employees, contractors, consultants, or other persons performing services for the benefit of the Company or any of its group companies; or

(f) for raising capital in a fast and flexible manner, which would not be possible, or might only be possible with great difficulty or delays or at significantly less favorable conditions, without the exclusion of the pre-emptive rights of existing shareholders.

The subscription and acquisition of Class A Shares and the further transfer of the Class A Shares are subject to the transfer restrictions pursuant to Art. 5 of the articles of association.

Erhöht sich das Aktienkapital aufgrund einer bedingten Kapitalerhöhung aus dem bedingten Kapital für Klasse A Aktien, so erhöhen sich die obere und die untere Grenze des Kapitalbands für Klasse A Aktien entsprechend dem Umfang der Erhöhung des aus Klasse A Aktien bestehenden Aktienkapitals.

If the share capital is increased out of the conditional capital for Class A Shares, the upper and lower limits of the capital band for Class A Shares shall increase in an extent corresponding to the increase of the share capital consisting of Class A Shares.

Bei einer Herabsetzung des Aktienkapitals im Rahmen des Kapitalbands für Klasse A Aktien legt der Verwaltungsrat, soweit erforderlich, die Verwendung des Herabsetzungsbetrages fest. Der Verwaltungsrat kann den Herabsetzungsbetrag auch zur teilweisen oder vollständigen Beseitigung einer Unterbilanz im Sinne von Art. 653p OR verwenden oder das Aktienkapital im Sinne von Art. 653q OR gleichzeitig herabsetzen und mindestens auf den bisherigen Betrag erhöhen.

In the event of a reduction of the share capital within the capital band for Class A Shares, the board of directors shall, if necessary, determine the use of the reduction amount. The board of directors may also use the reduction amount for the partial or complete elimination of a negative net worth within the meaning of art. 653p CO or reduce the share capital within the meaning of art. 653q CO and increase it simultaneously at least to the previous amount.

Artikel 3c – Kapitalband für Klasse B Aktien

Article 3c – Capital Band for Class B Shares

Die Gesellschaft verfügt über ein Kapitalband für Klasse B Aktien zwischen CHF 3'454'375 (untere Grenze) und CHF 3'612'500 (obere Grenze). Der Verwaltungsrat ist im Rahmen des Kapitalbands für Klasse B Aktien ermächtigt, bis zum 25. Mai 2028 oder bis zu einem früheren Dahinfallen des Kapitalbands für Klasse B Aktien das Aktienkapital einmal oder mehrmals und in beliebigen Beträgen zu erhöhen. Die Kapitalerhöhung kann durch Ausgabe von bis zu 15'812'500 voll zu liberierenden Namenaktien mit einem Nennwert von je CHF 0.01 (Stimmrechtsaktien) (Klasse B Aktien) oder durch eine Erhöhung der Nennwerte der bestehenden Namenaktien im Rahmen des Kapitalbands erfolgen.

The Company has a capital band for Class B Shares between CHF 3,454,375 (lower limit) and CHF 3,612,500 (upper limit). Within the capital band for Class B Shares, the board of directors is authorized to increase the share capital once or several times and in any amounts until May 25, 2028 or until an earlier expiry of the capital band for Class B Shares. The capital increase may be effected by issuing up to 15,812,500 fully paid registered shares with a par value of CHF 0.01 each (voting right shares) (Class B Shares) or by increasing the par value of the existing registered shares within the capital band.

Der Verwaltungsrat legt die Anzahl Aktien, den Ausgabebetrag, die Art der Einlagen, den Zeitpunkt der Ausgabe, und den Beginn der Dividendenberechtigung fest. Dabei kann der Verwaltungsrat neue Aktien mittels Festübernahme durch eine Bank oder einen anderen Dritten und anschliessenden Angebots an die bisherigen Aktionäre ausgeben.

The board of directors shall determine the number of shares, the issue price, the type of contributions, the time of issue, the conditions for exercising subscription rights and the start of dividend entitlement. The board of directors may issue new shares by means of a firm underwriting by a bank or another third party and a subsequent offer to the existing shareholders.

Der Verwaltungsrat ist ermächtigt, die Bezugsrechte der Aktionäre in Bezug auf die unter

The board of directors is authorized to withdraw or restrict subscription rights of existing

diesem Art. 3c auszugebenden Aktien zu entziehen oder zu beschränken und einzelnen Aktionären, Dritten, der Gesellschaft oder Konzerngesellschaften zuzuweisen für die Beteiligung von Mitgliedern des Verwaltungsrates und Mitgliedern der Geschäftsleitung der Gesellschaft oder einer ihrer Konzerngesellschaften.

Die Zeichnung und der Erwerb der Klasse B Aktien und die weitere Übertragung der Klasse B Aktien unterliegen den Übertragungsbeschränkungen gemäss Art. 6 der Statuten.

Erhöht sich das Aktienkapital aufgrund einer bedingten Kapitalerhöhung aus bedingtem Kapital für Klasse B Aktien, so erhöht sich die Obergrenze des Kapitalbands für Klasse B Aktien entsprechend dem Umfang der Erhöhung des aus Klasse B Aktien bestehenden Aktienkapitals.

Artikel 4 - Form der Aktien

Die Gesellschaft kann ihre Namenaktien als Einzelurkunden, Globalurkunden, einfache Wertrechte im Sinne des OR (in der jeweils geltenden Fassung), oder als Bucheffekten ausgestalten.

Bucheffekten und Sicherheiten an Bucheffekten können nicht mittels Abtretung übertragen oder begründet werden. Werden nicht verurkundete Aktien durch Abtretung übertragen, bedarf diese zur Gültigkeit der Anzeige an die Gesellschaft.

Nachdem er im Aktienbuch eingetragen worden ist, kann der Aktionär von der Gesellschaft jederzeit die Ausstellung einer Bescheinigung über die in seinem Eigentum stehenden Aktien verlangen. Der Aktionär hat jedoch keinen Anspruch auf Druck und Auslieferung von Aktienurkunden oder Aktienzertifikate oder auf die Umwandlung der Namenaktien von einer Form in eine andere. Die Gesellschaft kann demgegenüber jederzeit Urkunden für Namenaktien (Einzelurkunden oder Zertifikate über eine Mehrzahl von Aktien) ausstellen und ausliefern und mit der Zustimmung des Aktionärs ausgegebene Urkunden, die bei ihr eingeliefert werden, ersatzlos annullieren.

shareholders with regard to shares to be issued according to this Art. 3c and to allocate such rights to single shareholders, third parties, the Company or any of its group companies for the participation of members of the board of directors or members of the executive committee of the Company or any of its group companies.

The subscription and acquisition of Class B Shares and the further transfer of the Class B Shares are subject to the transfer restrictions pursuant to Art. 6 of the articles of association.

If the share capital is increased out of any conditional capital for Class B Shares, the upper limit of the capital band for Class B Shares shall increase in an extent corresponding to the increase of the share capital consisting of Class B Shares.

Article 4 - Form of the Shares

The Company may issue its registered shares in the form of single certificates, global certificates, simple uncertificated securities within the meaning of the CO (as amended from time to time), or intermediated securities.

Intermediated securities and security interest in any such intermediated securities, cannot be transferred or granted by way of assignment. If uncertificated securities are transferred by way of assignment, such assignment must be notified to the Company to be valid.

Upon its registration with the share register, a shareholder may at any time request from the Company to issue a written confirmation of the registered shares held by such shareholder. However, the shareholder has no right to request the issue and delivery of share certificates nor the conversion of the registered shares issued in one form into another form. The Company may, however, at any time issue and deliver certificates for registered (single certificates or global certificates) and, with the consent of the shareholder, delete without replacement issued share certificates, which have been returned to it.

Vorbehältlich des anwendbaren Rechts, kann die Gesellschaft jederzeit ohne Zustimmung der Aktionäre ihre Namenaktien von einer Form in eine andere Form umwandeln. Die Gesellschaft trägt alle mit einer solchen Umwandlung verbundenen Kosten.

Subject to applicable law, the Company may convert its registered shares from one form into another form at any time and without the approval of the shareholders. The Company shall bear the cost associated with any such conversion.

Artikel 5 – Aktienbuch und Beschränkung der Eintragung, Nominees

Article 5 – Share Register and Restrictions on Registration, Nominees

Die Gesellschaft führt ein Aktienbuch, in welches die Eigentümer, Nutzniesser und Nominees der Namenaktien mit Namen, Adresse und Staatsangehörigkeit (bei juristischen Personen der Sitz) eingetragen werden.

The Company shall maintain a share register that lists the shareholders, usufructuaries and nominees of the registered shares with name, address and citizenship (registered office in case of a legal entity).

Im Verhältnis zur Gesellschaft wird als Aktionär, Nutzniesser oder Nominee nur anerkannt, wer im Aktienbuch eingetragen ist. Die Gesellschaft anerkennt nur einen Vertreter pro Namenaktie.

In relation to the Company, only those shareholders, usufructuaries or nominees registered in the share register shall be recognized as shareholders, usufructuaries or nominiees. The Company recognizes only one representative per registered share.

Erwerber von Aktien werden auf Gesuch hin gegen Nachweis des Erwerbes oder der Begründung einer Nutzniessung als Aktionär mit Stimmrecht im Aktienbuch eingetragen, falls sie ausdrücklich erklären, dass sie die Aktien in eigenem Namen und für eigene Rechnung halten, dass keine Vereinbarung über die Rücknahme oder die Rückgabe entsprechender Aktien besteht und dass sie das mit den Aktien verbundene wirtschaftliche Risiko tragen. Das Gesuch um Eintragung im Aktienbuch kann auf elektronischem Weg gestellt werden.

Acquirers of shares shall be registered in the share register as shareholders with voting rights upon their request if they expressly declare to have ac-quired these shares in their own name and for their own account, that there is no agreement on the redemption or the return of corresponding shares and that they bear the economic risk associated with the shares. The application for entry in the share register can be submitted electronically.

Personen, die im Eintragungsgesuch nicht ausdrücklich erklären, die Aktien für eigene Rechnung zu halten (*Nominees*) werden ohne Weiteres bis maximal 3 % des im Handelsregister eingetragenen Aktienkapitals als Aktionär mit Stimmrecht im Aktienbuch eingetragen. Über diese Eintragungsgrenze hinaus werden Nominees als Aktionäre mit Stimmrecht im Aktienbuch eingetragen, wenn der betroffene Nominee die Namen, Adressen, Nationalitäten und Aktienbestände derjenigen wirtschaftlichen Berechtigten bekannt gibt, für deren Rechnung er 0.5 % oder mehr des ausstehenden Aktienkapitals hält.

Persons, who do not expressly declare in the registration application, to hold the shares on their own account (Nominees) shall be registered as shareholders with voting rights in the share register up to a maximum of 3 % of the share capital set forth in the commercial register. For any shares in excess this registration threshold, Nominees shall be registered as shareholders with voting rights in the share register, if the concerned Nominee declares the names, addresses, nationalities and shareholdings of such beneficial owners for whose account it holds 0.5 % or more of the share capital set forth in the commercial register.

Der Verwaltungsrat ist ermächtigt, mit Nominees Vereinbarungen über deren Meldepflichten abzuschliessen und im Einzelfall Ausnahmen von der Regelung im vorstehenden Abs. 4 dieses Artikels zu gewähren.

The board of directors is authorized to enter into agreement with the Nominees regarding their notifications obligations and to grant exceptions from the provision of paragraph 4 of this article in singular cases.

Der Verwaltungsrat kann Eintragungen im Aktienbuch mit Rückwirkung auf das Datum der Eintragung streichen, wenn diese durch falsche oder irreführende Angaben zustande gekommen sind. Er kann den betroffenen Aktionär oder Nominee vorgängig anhören. Der betroffene Aktionär oder Nominee ist über die Streichung umgehend zu informieren.

The board of directors may cancel registrations in the share register with retroactive effect as of the date of registration if such registration was made based on false or misleading information. The board of directors may hear the concerned shareholder or Nominee. The relevant shareholder or Nominee shall be promptly informed of the cancellation.

Der Verwaltungsrat trifft die zur Führung des Aktienbuches notwendigen Anordnungen und kann entsprechende Reglemente oder Richtlinien erlassen. Er kann seine Aufgaben delegieren.

The board of directors shall regulate all issue the instructions necessary for the maintenance of the share register and may issue corresponding regulations or guidelines. The board of directors may delegate its duties.

Der Verwaltungsrat gibt in der Einladung zur Generalversammlung das für die Teilnahme- und Stimmberechtigung massgebende Stichdatum der Eintragung im Aktienbuch bekannt.

The board of directors states in the invitation to the general meeting the cut-off date of the registration with the share register relevant for the participation and voting rights.

Artikel 6 – Übertragung der Aktien

Article 6 – Transfer of Shares

Die Übertragung der Namenaktien mit einem Nennwert von je CHF 0.01 (Stimmrechtsaktien) (Klasse B Aktien) oder die Begründung einer Nutzniessung daran bedarf der Genehmigung durch den Verwaltungsrat.

The transfer of ownership in, or the establishment of a usufruct in, registered shares with a nominal value of CHF 0.01 (voting right shares) (Class B Shares) is subject to the approval by the board of directors.

Der Verwaltungsrat kann die Zustimmung aus wichtigen Gründen ablehnen. Als wichtiger Grund gilt das Fernhalten von Erwerbern, die ein Unternehmen betreiben, das mit der Gesellschaft in Konkurrenz steht, oder die an einem solchen Unternehmen beteiligt sind, von einem solchen angestellt oder sonst wie dafür tätig sind.

The board of directors may refuse consent for good cause. Good cause shall be deemed to be the refraining of acquirers who operate a competing business with the Company or who have an interest in, are employed by or otherwise work for such a business.

Der Verwaltungsrat kann die Zustimmung ohne Angabe von Gründen verweigern, wenn er im Namen der Gesellschaft dem Veräusserer der Aktien anbietet, die Aktien für deren Rechnung, für Rechnung anderer Aktionäre oder für Rechnung Dritter zum wirklichen Wert im Zeitpunkt des Gesuches zu übernehmen.

The board of directors may refuse its approval without indication of reasons if the board of directors resolves in the name of the Company to acquire the shares for the account of the Company, certain shareholders or third parties at their real value at the time of the request for approval.

Die Zustimmung kann überdies verweigert werden, wenn der Erwerber nicht ausdrücklich erklärt, dass er die Aktien im eigenen Namen und auf eigene Rechnung erworben hat, dass keine Vereinbarung über die Rücknahme oder Rückgabe der entsprechenden Aktien besteht, und dass er das mit den Aktien verbundene wirtschaftliche Risiko trägt.

Moreover, consent may be refused if the acquirer does not expressly declare that it has acquired the shares in his own name and for his own account, that there is no agreement on the redemption or the return of corresponding shares and that he bears the economic risk associated with the shares.

Sind die Klasse B Aktien durch Erbgang, Erbteilung, eheliches Güterrecht oder Zwangsvollstreckung erworben worden, so kann der Verwaltungsrat das Gesuch um Zustimmung nur ablehnen, wenn er im Namen der Gesellschaft dem Erwerber die Übernahme der Klasse B Aktien zum wirklichen Wert anbietet. Der wirkliche Wert ist im Verhältnis zum Marktpreis der Klasse A Aktien zu bestimmen.

If the Class B Shares have been acquired by inheritance, division of an estate, matrimonial property law or execution, the board of directors may only refuse the request for approval if it offers to take over the Class B Shares at their real value on behalf of the Company. The real value shall be determined in relation to the market value of the Class A Shares.

III. ORGANISATION DER GESELLSCHAFT

III. ORGANIZATION OF THE COMPANY

A. Generalversammlung

A. General Meeting

Artikel 7 - Befugnisse

Article 7 - Powers

Oberstes Organ der Gesellschaft ist die Generalversammlung der Aktionäre. Ihr stehen folgende unübertragbare Befugnisse zu:

1. die Festsetzung und Änderung der Statuten;
2. die Wahl und Abberufung des Präsidenten bzw. der Co-Präsidenten und der übrigen Mitglieder des Verwaltungsrates sowie der Mitglieder des Nominierungs- und Vergütungsausschusses;
3. die Wahl und Abberufung des unabhängigen Stimmrechtsvertreters;
4. die Wahl und Abberufung der Revisionsstelle;
5. die Genehmigung des Geschäfts- bzw. Lageberichtes und der Konzernrechnung;

The supreme body of the Company is the general meeting. It has the following non-transferable powers:

1. the adoption and amendment of the articles of association;
2. the election and de-selection of the Chairman or the Co-Chairmen, respectively, and the other members of the board of directors and the members of the nomination and compensation committee;
3. the election and de-selection of the independent voting rights representative;
4. the election and de-selection of the statutory auditors;
5. the approval of the annual and management report and the consolidated accounts;

6. die Genehmigung der Jahresrechnung sowie die Beschlussfassung über die Verwendung des Bilanzgewinnes, insbesondere die Festsetzung der Dividende;

7. die Festsetzung der Zwischendividende und die Genehmigung des dafür erforderlichen Zwischenabschlusses;

8. die Beschlussfassung über die Rückzahlung der gesetzlichen Kapitalreserve;

9. die Dekotierung der Beteiligungspapiere der Gesellschaft;

10. die Entlastung der Mitglieder des Verwaltungsrates sowie der Geschäftsleitung;

11. die Genehmigung der Vergütungen an den Verwaltungsrat und die Geschäftsleitung und gemäss Art. 21 der Statuten;

12. die Beschlussfassung über die Gegenstände, die der Generalversammlung durch das Gesetz oder die Statuten vorbehalten sind.

6. the approval of the annual accounts and the resolution on the allocation of the retained earnings, and in particular the determination of the dividend;

7. the determination of the interim dividend and the approval of the interim financial statements required therefor;

8. the passing of resolutions on the repayment of the statutory capital reserve;

9. the delisting of the Company's equity securities;

10. the discharge of the members of the board of directors and the executive committee;

11. the approval of the compensation of the board of directors and of the executive committee according to Art. 21 of the articles of association; and

12. the adaption of resolutions on matters reserved to the general meeting by law or the articles of association.

Artikel 8 - Einberufung und Traktandierung

Die ordentliche Versammlung findet alljährlich innerhalb sechs Monaten nach Schluss des Geschäftsjahres statt, ausserordentliche Versammlungen werden je nach Bedürfnis einberufen.

Die Einberufung zu einer Generalversammlung erfolgt spätestens 20 Tage vor dem Versammlungstag durch Brief oder elektronische Datenübertragung (inkl. E-Mail) an die im Aktienbuch eingetragenen Aktionäre, Nutzniesser und Nominees oder durch Publikation im Schweizerischen Handelsamtsblatt. Die Einberufung erfolgt durch den Verwaltungsrat, nötigenfalls durch die Revisionsstelle. Das Einberufungsrecht steht auch den Liquidatoren und den Vertretern der Anleihensgläubiger zu.

Die Einberufung einer ausserordentlichen Generalversammlung kann auch von einem oder mehreren Aktionären, die zusammen mindestens 5 % des Aktienkapitals oder der Stimmen

Article 8 - Convocation and Agenda

The annual general meeting takes place every year within six months of the end of the financial year, and extraordinary general meetings are convened as and when required.

The convocation to the general meeting shall be made by letter or electronic data transmission (incl. email) to the shareholders, usufructuaries and nominees or by way of announcement in the Swiss Commercial Gazette at least 20 days prior to the date of the meeting. The general meeting is convened by the board of directors or, where necessary, by the statutory auditors. The liquidators and the representatives of bond creditors also have the right to convene general meetings.

The convocation of an extraordinary general meeting may also be requested in writing, indicating the agenda items and the proposals and, in case of elections, the names of the

vertreten, schriftlich unter Angabe des Verhandlungsgegenstandes und des Antrages, bei Wahlen der Namen der vorgeschlagenen Kandidaten, verlangt werden.

Aktionäre, die zusammen mindestens über 0.5 % des Aktienkapitals oder der Stimmen vertreten, können die Traktandierung eines Verhandlungsgegenstandes verlangen. Dies hat mindestens 60 Tage vor der Versammlung schriftlich unter Angabe der Verhandlungsgegenstände und Anträge zu erfolgen.

In der Einberufung sind bekanntzugeben:

1. das Datum, der Beginn, die Art und der Ort der Generalversammlung;
2. die Verhandlungsgegenstände;
3. die Anträge des Verwaltungsrates mit kurzer Begründung;
4. gegebenenfalls die Anträge der Aktionäre samt kurzer Begründung; und
5. der Name und die Adresse des unabhängigen Stimmrechtsvertreters.

Spätestens 20 Tage vor der ordentlichen Generalversammlung sind der Geschäftsbericht, der Vergütungsbericht und ein allfälliger Revisionsbericht den Aktionären elektronisch zugänglich zu machen. Sofern die Unterlagen nicht elektronisch zugänglich sind, kann jeder Aktionär verlangen, dass ihm rechtzeitig eine Ausfertigung dieser Unterlagen zugestellt wird.

Über Anträge zu nicht gehörig angekündigten Verhandlungsgegenständen können keine Beschlüsse gefasst werden; ausgenommen sind Anträge auf Einberufung einer ausserordentlichen Generalversammlung, auf Durchführung einer Sonderuntersuchung und auf Wahl einer Revisionsstelle infolge Begehrens eines Aktionärs.

nominated candidates, by one or more shareholders together representing at least 5 % of the share capital or the voting rights.

Shareholders, together representing more than 0.5 % of the share capital or the voting rights, may demand that an item be placed on the agenda. Such request must be made in writing at least 60 days prior to the meeting by indicating the agenda items and the proposals.

The notice convening the meeting shall state:

1. the date, the beginning, the type and the place of the general meeting;
2. the agenda items;
3. the motions of the board of directors and a brief statement of the reasons for these motions;
4. if applicable, the motions of the shareholders together with a brief statement of the reasons therefor; and
5. the name and address of the independent proxy.

The annual report, the compensation report and any auditors' report shall be made available electronically for inspection by the shareholders no later than 20 days before the ordinary general meeting. If such documents are not available electronically, any shareholder may request that a copy of these documents be sent to him in due time.

No resolutions may be made on motions relating to agenda items that were not duly notified; exceptions to this are motions to convene an extraordinary general meeting or to carry out a special audit and to appoint an auditor at the request of a shareholder.

Zur Stellung von Anträgen im Rahmen der Verhandlungsgegenstände und zu Verhandlungen ohne Beschlussfassung bedarf es keiner vorgängigen Ankündigung.

No advance notice is required to propose motions on duly notified agenda items and to debate items without passing resolutions.

Artikel 9 – Universalversammlung

Article 9 – Universal Meeting

Die Eigentümer oder Vertreter sämtlicher Aktien können, falls kein Widerspruch erhoben wird, eine Generalversammlung ohne Einhaltung der für die Einberufung vorgeschriebenen Formvorschriften abhalten.

The owners or representatives of all shares may hold a general meeting without observing the formalities applicable to the convocation of a general meeting, provided that no objection is raised.

In dieser Versammlung kann über alle in den Geschäftskreis der Generalversammlung fallenden Gegenstände gültig verhandelt und Beschluss gefasst werden, solange die Eigentümer oder Vertreter sämtlicher Aktien anwesend sind.

As long as the owners or representatives of all shares are present or represented at such meeting, all items which fall within the competence of the general meeting may validly be discussed and resolved upon.

Artikel 10 – Vorsitz und Protokoll

Article 10 – Chair and Minutes

Den Vorsitz in der Generalversammlung führt der Präsident oder der zuständige Co-Präsident des Verwaltungsrates, in dessen Verhinderungsfalle der Vize-Präsident bzw. der andere Co-Präsident. Ist auch dieser verhindert, so übernimmt ein anderes vom Verwaltungsrat bestimmtes Mitglied desselben den Vorsitz. Ist kein Mitglied des Verwaltungsrates anwesend, wählt die Generalversammlung einen Tagesvorsitzenden.

The Chairman or the responsible Co-Chairman of the board of directors takes the chair of the general meeting, if he is hindered the vice-Chairman or the other Co-Chairman, respectively. If also the latter is hindered, another member of the board of director appointed by the board of directors takes the chair. If no member of the board is present, the general meeting appoints the Chairman of the meeting.

Der Vorsitzende bezeichnet den Protokollführer und die Stimmenzähler, die nicht Aktionäre zu sein brauchen. Das Protokoll ist vom Vorsitzenden und dem Protokollführer zu unterzeichnen.

The Chairman appoints the secretary and the scrutineers, who do not need to be shareholders. The minutes are to be signed by the Chairman and the secretary.

Jeder Aktionär kann verlangen, dass ihm das Protokoll innerhalb von 30 Tagen nach der Generalversammlung zugänglich gemacht wird.

The minutes must be made available at the request of a shareholder within 30 days of the general meeting.

Der Vorsitzende hat sämtliche Leitungsbefugnisse, die für die ordnungsgemässe Durchführung der Generalversammlung nötig sind.

The Chairman shall have all powers and authority necessary to ensure the orderly conduct of the general meeting.

Artikel 11 – Stimmrecht und Vertretung; Unabhängiger Stimmrechtsvertreter

Article 11 – Voting Rights and Representation; Independent Voting Rights Representative

Jede im Aktienbuch der Gesellschaft mit Stimmrecht eingetragene Aktie berechtigt zu

Each share registered in the share register of the Company with voting rights entitles the

einer Stimme. Vorbehalten bleibt Art. 693 Abs. 3 OR.

holder to one vote. Art. 693 para. 3 CO remains reserved.

Jeder Aktionär kann seine Aktien in der Generalversammlung selbst vertreten oder vertreten lassen durch *(i)* einen Dritten, der nicht Aktionär zu sein braucht, mittels schriftlicher Vollmacht, *(ii)* den gesetzlichen Vertreter, oder *(iii)* den unabhängigen Stimmrechtsvertreter.

Each shareholder may represent his shares at the general meeting himself or have them represented by *(i)* a third party who do not need to be a shareholder, based on a written power of attorney, *(ii)* its legal representative, or *(iii)* the independent voting rights representative.

Die Generalversammlung kann physisch, an einem oder an mehreren Tagungsorten gleichzeitig, virtuell, oder in einer Kombination davon stattfinden. Ausserdem kann die Generalversammlung auch an einem ausländischen Tagungsort stattfinden.

The general meeting may be held physically, at one or several locations at the same time, virtually, or as a combination thereof. Additionally, the general meeting may also be held abroad.

Der Verwaltungsrat bestimmt die Anforderungen an Vollmachten und Weisungen und kann Vorschriften darüber erlassen.

The board of directors determines the requirements as to power of attorney and instructions and may issue the respective rules.

Die Generalversammlung wählt jedes Jahr einen unabhängigen Stimmrechtsvertreter. Die Amtsdauer endet mit dem Abschluss der nächsten ordentlichen Generalversammlung. Wiederwahl ist möglich. Hat die Gesellschaft keinen von der Generalversammlung gewählten unabhängigen Stimmrechtsvertreter so ernennt der Verwaltungsrat einen solchen für die nächste Generalversammlung.

The general meeting shall elect each year an independent voting rights representative. The term of office shall end at the completion of the next ordinary general meeting. Re-election is possible. If the Company does not have an independent voting rights representative, the board of directors shall appoint the independent voting rights representative for the next general meeting.

Artikel 12 – Beschlussfassung

Article 12 – Resolutions

Die Generalversammlung fasst ihre Beschlüsse und vollzieht ihre Wahlen, soweit das Gesetz oder die Statuten es nicht anders bestimmen, mit der Mehrheit der vertretenen Aktienstimmen, unter Ausschluss der Stimmenthaltungen sowie der leeren und ungültigen Stimmen. Bei Stimmengleichheit hat der Vorsitzende einen Stichentscheid.

Except where the law or the articles of association provide otherwise, the general meeting passes its resolutions and executes elections with the majority of the share votes represented, excluding the abstentions and the empty and void votes. In the event of a tie, the Chairman has a casting vote.

Der Vorsitzende der Generalversammlung bestimmt das Verfahren der Stimmabgabe (inkl. offene oder geheime Stimmabgabe, schriftliche Stimmabgabe, elektronische Stimmabgabe). Er kann eine Abstimmung oder Wahl jederzeit wiederholen lassen, sofern nach seiner Meinung Zweifel am Abstimmungsergebnis bestehen. In diesem Fall gilt die vorausgegangene Abstimmung oder Wahl als nicht geschehen.

The Chairman of the general meeting determines the voting procedure (incl. open ballot, secret ballot, in writing, by electronic means). The Chairman may at any time order that a resolution or election be repeated, if he/she considers the vote to be in doubt. The resolution or election previously held shall then be deemed not to have taken place.

Ein Beschluss der Generalversammlung, der mindestens zwei Drittel der vertretenen Stimmen und die Mehrheit der vertretenen Aktiennennwerte auf sich vereinigt, ist erforderlich für:

1. die Änderung des Gesellschaftszweckes;
2. die Einführung oder Aufhebung von Stimmrechtsaktien;
3. die Zusammenlegung von Aktien;
4. die Beschränkung der Übertragbarkeit von Namenaktien und jede Änderung und Aufhebung einer solchen Beschränkung;
5. die bedingte Kapitalerhöhung oder die Einführung eines Kapitalbands;
6. die Kapitalerhöhung aus Eigenkapital, gegen Sacheinlage oder durch Verrechnung mit einer Forderung und die Gewährung von besonderen Vorteilen;
7. den Wechsel der Währung des Aktienkapitals;
8. die Umwandlung von Partizipationsscheinen in Aktien;
9. die Einführung einer Statutenbestimmung zur Durchführung der Generalversammlung im Ausland;
10. die Einführung des Stichentscheids des Vorsitzenden in der Generalversammlung;
11. die Einschränkung oder Aufhebung des Bezugsrechtes;
12. die Verlegung des Sitzes der Gesellschaft;
13. die Auflösung der Gesellschaft;
14. die Dekotierung der Beteiligungspapiere; und

A resolution of the general meeting passed with a majority of at least two thirds of the votes represented and the majority of the nominal values of shares represented shall be required for:

1. any amendment of the Company's corporate purpose;
2. any creation or deletion of voting right shares;
3. the consolidation of shares;
4. any restrictions of the transferability of registered shares and each amendment or the cancelation of such restrictions;
5. the introduction of conditional share capital or of a capital band;
6. any increase of capital against the Company's equity, against a contribution in kind, or by way of set-off with a debt of the Company as well as the granting of special benefits;
7. the change of the currency of the share capital;
8. the conversion of participation certificates into shares;
9. the introduction of a provision in the articles of association regarding the holding of the general meeting abroad;
10. the introduction of the casting vote of the chairperson of the general meeting;
11. any limitation or withdrawal of subscription rights;
12. any change of the registered office of the Company;
13. the dissolution of the Company;
14. the delisting of the shares; and

15. die Einführung einer statutarischen Schiedsklausel.

Die Beschlussfassung über die Fusion, Spaltung und Umwandlung richtet sich nach den Bestimmungen des Fusionsgesetzes.

Statutenbestimmungen, die für die Fassung bestimmter Beschlüsse grössere Mehrheiten als die vom Gesetz vorgeschriebenen festlegen, können nur mit dem erhöhten Mehr eingeführt und aufgehoben werden.

B. Verwaltungsrat

Artikel 13 – Wahl und Zusammensetzung

Der Verwaltungsrat der Gesellschaft besteht aus mindestens drei Mitgliedern.

Die Mitglieder des Verwaltungsrates, der Präsident bzw. die Co-Präsidenten des Verwaltungsrates und die Mitglieder des Nominierungs- und Vergütungsausschusses werden je einzeln von der Generalversammlung für die Amtsdauer von einem Jahr gewählt, endend nach Abschluss der nächsten ordentlichen Generalversammlung. Wiederwahl ist möglich.

Wird das Amt des Präsidenten vakant, ernennt der Verwaltungsrat für die verbleibende Amtsdauer aus seiner Mitte einen neuen Präsidenten des Verwaltungsrates. Wird das Amt eines Co-Präsidenten des Verwaltungsrates vakant, handelt der andere Co-Präsident als alleiniger Präsident für die verbleibende Amtszeit.

Mit Ausnahme der Wahl des Präsidenten bzw. der Co-Präsidenten und der Wahl der Mitglieder des Nominierungs- und Vergütungsausschusses durch die Generalversammlung, konstituiert sich der Verwaltungsrat selbst.

Der Verwaltungsrat wählt nach Bedarf einen oder mehrere Vizepräsidenten, Delegierte sowie den Sekretär, der nicht Mitglied des Verwaltungsrates sein muss.

Jeder Co-Präsident kann nach aussen einzeln alle Kompetenzen eines Präsidenten ausüben und die Gesellschaft wie ein Präsident unter der Bezeichnung Co-Präsident vertreten.

15. the introduction of a statutory arbitration clause.

The adaption of resolutions on mergers, demergers, and conversions is governed by the provisions of the Swiss Merger Act.

Provisions of the articles of association, which require larger majorities for passing certain resolutions than those provided for by the law, may only be adopted with the proposed majority.

B. Board of Directors

Article 13 – Appointment and Constitution

The board of directors is composed by at least three members.

The members of the board of directors, the Chairman or the Co-Chairmen, respectively, and the members of the nomination and compensation committee are appointed by the general meeting individually and for a term of office of one year, ending at the completion of the next ordinary general meeting. Re-election is possible.

If the office of the Chairman becomes vacant, the board of directors shall appoint a new Chairman, from among its members for the remaining term of office. If the office of a Co-Chairman becomes vacant, the other Co-Chairman shall act as sole Chairman for the remaining term of office.

Except for the election of the Chairman or the Co-Chairmen, respectively, and the members of the nomination and compensation committee by the general meeting, the board of directors constitutes itself on its own.

The board of directors may elect one or several vice-chairmen, directors and a secretary, who need not be a member of the board of directors.

Each Co-Chairman can exercise all competences of a Chairman against the outside and represent the Company like a Chairman under the title Co-Chairman.

Die Aufgaben des Präsidenten bzw. der Co-Präsidenten sind im Organisationsreglement der Gesellschaft zu regeln. Im Übrigen verständigen sich die Co-Präsidenten über die Erfüllung ihrer Aufgaben.

Bestehen in Bezug auf das Stimmrecht oder die vermögensrechtlichen Ansprüche verschiedene Aktienkategorien, so haben die Aktionäre jeder Aktienkategorie Anspruch auf Vertretung im Verwaltungstrat durch ein Mitglied. Der Verwaltungsrat trifft die notwendigen Anordnungen.

Artikel 14 - Erstattung von Spesen und Schadloshaltung

Die Mitglieder des Verwaltungsrates haben Anspruch auf Erstattung aller im Interesse der Gesellschaft entstandenen Spesen.

Soweit nicht durch Versicherungen gedeckt oder von Dritten bezahlt, hält die Gesellschaft soweit gesetzlich zulässig, die gegenwärtigen und bisherigen Mitglieder des Verwaltungsrates und der Geschäftsleitung sowie deren Erben, Testamentsvollstrecker und Verwalter aus dem Vermögen der Gesellschaft von allen angedrohten, hängigen, und abgeschlossenen Klagen, Prozessen oder Verfahren – ob zivil-, straf-, verwaltungs- oder untersuchungsrechtlich – schadlos, sowie von allen Kosten, Gebühren, Verlusten, Schäden und Ausgaben, die ihnen oder einem/einer von ihnen, ihren Erben, Testamentsvollstreckern oder Verwaltern durch oder aufgrund von tatsächlichen oder vermeintlichen Handlungen, Zustimmungen oder Unterlassungen im Zusammenhang mit der Ausübung ihrer Pflicht oder vermeintlichen Pflicht oder aufgrund der Tatsache, dass er/sie ein Mitglied des Verwaltungsrates oder der Geschäftsleitung der Gesellschaft oder des Verwaltungsrates (oder eines gleichwertigen Gesellschaftsorgans) oder der Geschäftsleitung einer ihrer Konzerngesellschaften ist oder war, oder dass er/sie während seiner/ihrer Tätigkeit als Mitglied des Verwaltungsrates oder der Geschäftsleitung der Gesellschaft, auf Ersuchen der Gesellschaft, als Mitglied des Verwaltungsrates oder der Geschäftsleitung, An-

The duties of the Chairman or of the Co-Chairmen are to be regulated in the organizational regulations of the Company. Otherwise, the Co-Chairmen agree on the execution of their duties.

If different share categories exist with regard to voting rights or pecuniary rights, then the shareholders of each share category have the right to be represented on the board of directors by one member. The board of directors issues the instructions.

Article 14 - Reimbursement of Expenses, Indemnification

The members of the board of directors shall be entitled to the reimbursement of all expenses incurred in the interest of the Company.

To the extent not included in insurance coverage or paid by third parties, the Company shall indemnify and hold harmless, to the extent permitted by law, the existing and former members of the board of directors, the executive committee, and their heirs, executors and administrators, out of the assets of the Company from and against all threatened, pending or completed actions, suits or proceedings – whether civil, criminal, administrative or investigative – and all costs, charges, losses, damages, and expenses which they or any of them, their heirs, executors or administrators, shall or may incur or sustain by or by reason of any actual or alleged actions, consents or omissions in or about the execution of their duty, or alleged duty, or by reason of the fact that he/she is or was a member of the board of directors or executive committee of the Company or the board of directors (or equivalent corporate body) or the management of one of its subsidiaries, or, while serving as a member of the board of directors or executive committee of the Company, is or was serving at the request of the Company as a director, member of the executive committee, employee or agent of another corporation, partnership, joint venture, trust or other enterprise; provided, however, that this indemnity shall not extend to any matter in which any of said persons is found, in

gestellter oder Beauftragter einer anderen Kapitalgesellschaft, Personengesellschaft, eines Joint Ventures, eines Trusts oder eines anderen Unternehmens tätig ist oder war, entstanden sind, entstehen oder entstehen könnten, jedoch unter der Voraussetzung, dass sich diese Schadloshaltung nicht auf eine Angelegenheit erstreckt, in der eine der genannten Personen gemäss einem rechtskräftigen Urteil oder Beschluss eines Gerichts oder einer zuständigen Regierungs- oder Verwaltungsbehörde, gegen den kein Rechtsmittel eingelegt werden kann, eine vorsätzliche oder grobfahrlässige Verletzung ihrer gesetzlichen Pflichten als Mitglied des Verwaltungsrates oder der Geschäftsleitung begangen hat.

a final judgment or decree of a court or governmental or administrative authority of competent jurisdiction not subject to appeal, to have committed an intentional or grossly negligent breach of his statutory duties as a member of the board of directors or executive committee.

Ohne den vorstehenden Absatz 2 dieses Art 14 einzuschränken, hat die Gesellschaft den gegenwärtigen und ehemaligen Mitgliedern des Verwaltungsrates und der Geschäftsleitung die Kosten und Auslagen zu erstatten, die nach diesem Artikel erstattungsfähig sind, soweit sie nicht durch Versicherungen gedeckt sind oder von Dritten vorab erstattet werden. Die Gesellschaft kann jedoch diese vorausbezahlten Kosten zurückfordern, wenn eine der genannten Personen in einem rechtskräftigen Urteil oder Beschluss eines Gerichts oder einer zuständigen Regierungs- oder Verwaltungsbehörde, gegen das kein Rechtsmittel eingelegt werden kann, wegen vorsätzlicher oder grobfahrlässiger Verletzung ihrer gesetzlichen Pflichten als Mitglied des Verwaltungsrates oder der Geschäftsleitung verurteilt wird.

Without limiting the foregoing paragraph 2 of this Art. 14, the Company shall advance costs and expenses indemnifiable thereunder to the existing and former members of the board of directors and executive committee to the extent not included in insurance coverage or advanced by third parties. The Company may however recover such advanced costs if any of said persons is found, in a final judgment or decree of a court or governmental or administrative authority of competent jurisdiction not subject to appeal, to have committed an intentional or grossly negligent breach of his statutory duties as a member of the board of directors or executive committee.

Artikel 15 – Sitzungen und Beschlussfassung

Sofern das Organisationsreglement nichts Anderes vorsieht, ist der Verwaltungsrat nur beschlussfähig, sofern die Mehrheit seiner Mitglieder anwesend ist oder sich an einer per Telefon, Videokonferenz oder mittels anderer Mittel der elektronischen Datenübertragung durchgeführten Diskussion und Beschlussfassung mit oder ohne Sitzungsort beteiligt. Dieses Quorum ist nicht notwendig für die Feststellung der Kapitalerhöhung und die zugehörige Statutenänderung sowie für diejenigen Beschlüsse des Verwaltungsrats, die der öffentlichen Beurkundung bedürfen.

Article 15 – Meetings and Resolutions

Unless the organizational regulations provide otherwise, the board of directors may only pass resolutions if the majority of its members are present or attending the discussion and resolution with or without a meeting place by phone, videoconference or other means of electronic data transmission. Such quorum is not necessary for the implementation of a capital increase and the related amendment to the articles of association or for resolutions of the board of directors that have to be officially authenticated.

Verwaltungsratssitzungen werden vom Präsidenten bzw. vom zuständigen Co-Präsidenten einberufen und bei dessen Verhinderung durch den Vize-Präsidenten bzw. den anderen Co-Präsidenten. Jedes Mitglied des Verwaltungsrates kann unter Angabe der Gründe vom Präsidenten bzw. vom zuständigen Co-Präsidenten die unverzügliche Einberufung einer Sitzung verlangen.

The meetings of the board of directors are convened by the Chairman or by the responsible Co-Chairman, respectively, and, if he/she is hindered, by the vice-Chairman or the other Co-Chairman. Each member of the board of directors may by indicating the reasons request that the Chairman or the responsible Co-Chairman immediately convenes a meeting without delay.

Sofern das Organisationsreglement nichts Anderes vorsieht, fasst der Verwaltungsrat seine Beschlüsse mit der Mehrheit der abgegebenen Stimmen. Der Präsident bzw. der zuständige Co-Präsident hat einen Stichentscheid.

Unless the organizational regulations provide otherwise, the board of directors passes its resolutions with the majority of the votes casted. The Chairman or the responsible Co-Chairman, respectively, has a casting vote.

Beschlüsse können auch schriftlich oder mittels elektronischer Datenübertragung (inkl. E-Mail) zu einem gestellten Antrag gefasst werden, sofern nicht ein Mitglied die mündliche Beratung verlangt. Im Falle der Beschlussfassung auf elektronischem Weg ist keine Unterschrift erforderlich.

Resolutions may also be passed in writing or by means of electronic data transmission (incl. email), if no member requests an oral discussion. In the event of resolutions being passed electronically, no signature shall be required.

Über die Verhandlungen und Beschlüsse ist ein Protokoll zu führen, das vom Präsidenten bzw. vom zuständigen Co-Präsidenten und einem Protokollführer unterzeichnet wird.

The meetings and resolutions shall be recorded in minutes, which are to be signed by the Chairman or the responsible Co-Chairman, respectively, and the minute taker.

Der Verwaltungsrat regelt im Organisationsreglement die Einzelheiten zur Beschlussfähigkeit, Beschlussfassung und Geschäftsführung

The board of directors shall regulate the details of the attendance quorum, the adaption of resolutions and the management in the organizational regulations.

Artikel 16 – Recht auf Auskunft und Einsicht

Article 16 – Information and Inspection Rights

Jedes Mitglied des Verwaltungsrates kann Auskunft über alle Angelegenheiten der Gesellschaft verlangen.

Each member of the board of directors may request information on all matters of the Company.

In den Sitzungen sind alle Mitglieder des Verwaltungsrates und der Geschäftsleitung zur Auskunft verpflichtet.

At the meetings, all members of the board of directors and executive committee are obliged to provide information.

Ausserhalb der Sitzungen kann jedes Mitglied von den mit der Geschäftsführung betrauten Personen Auskunft über den Geschäftsgang und, mit Ermächtigung des Präsidenten bzw. des zuständigen Co-Präsidenten, auch über einzelne Geschäfte verlangen.

Outside of the meetings, each member may request from the persons entrusted with the management information on the business, and, with the authorization of the Chairman or the responsible Co-Chairman, respectively, also on individual transactions.

Soweit es für die Erfüllung einer Aufgabe erforderlich ist, kann jedes Mitglied beim Präsidenten bzw. beim zuständigen Co-Präsidenten beantragen, dass ihm Bücher und Akten vorgelegt werden.

As far as necessary for the fulfilment of a duty, each member may request from the Chairman or the responsible Co-Chairman, respectively, that he/she is granted access to the books and records.

Weist der Präsident bzw. der zuständige Co-Präsident ein Gesuch auf Auskunft, Anhörung oder Einsicht ab, so entscheidet der Verwaltungsrat.

If the Chairman or the responsible Co-Chairman, respectively, rejects an information, hearing or inspection request, then the entire board of directors resolves on it.

Regelungen oder Beschlüsse des Verwaltungsrates, die das Recht auf Auskunft und Einsichtnahme der Verwaltungsräte erweitern, bleiben vorbehalten.

Regulations and resolutions of the board of directors, which broaden the information and inspection rights of the members of the board of directors, remain reserved.

Artikel 17 – Aufgaben

Article 17 - Tasks

Der Verwaltungsrat kann in allen Angelegenheiten Beschluss fassen, die nicht nach Gesetz, Statuten oder Organisations-reglement der Generalversammlung oder einem anderen Gesellschaftsorgan übertragen oder vorbehalten sind.

The board of directors may pass resolutions on all matters, which are not delegated or reserved to the general meeting or other corporate bodies of the Company by law, by the articles of association or the organizational regulations.

Der Verwaltungsrat hat folgende unübertragbare und unentziehbare Aufgaben:

1. die Oberleitung der Gesellschaft und die Erteilung der nötigen Weisungen;
2. die Festlegung der Organisation;
3. Ausgestaltung des Rechnungswesens, der Finanzkontrolle sowie der Finanzplanung;
4. die Ernennung und Abberufung der mit der Geschäftsführung und der Vertretung betrauten Personen;
5. die Oberaufsicht über die mit der Geschäftsführung betrauten Personen, namentlich im Hinblick auf die Befolgung der Gesetze, Statuten, Reglemente und Weisungen;
6. die Erstellung des Geschäfts- bzw. Lageberichtes, des Vergütungsberichts sowie die Vorbereitung der Generalversammlung und die Ausführung ihrer Beschlüsse;

The board of directors has the following non-transferable and inalienable duties:

1. the overall management of the Company and the issuing of all necessary directives;
2. determination of the Company's organisation;
3. the organization of the Company's accounting, financial control and financial planning systems;
4. the appointment and dismissal of persons entrusted with managing and representing the Company;
5. overall supervision of the persons entrusted with managing, in particular with regard to compliance with the law, the articles of association, operational regulations and directives;
6. compilation of the annual and management report, compensation report and preparation for the general meeting and implementation of its resolutions;

7. die Einreichung eines Gesuches um Nachlassstundung und Benachrichtigung des Gerichts im Falle der Überschuldung.

7. filing of a moratorium request and notification of the court in the event of the Company's over-indebtedness.

Der Verwaltungsrat kann die Vorbereitung und die Ausführung seiner Beschlüsse oder die Überwachung von Geschäften Ausschüssen oder einzelnen Mitgliedern zuweisen. Er hat für eine angemessene Berichterstattung an seine Mitglieder zu sorgen.

The board of directors may assign the preparation and execution of its resolutions or the supervision of transactions to committees or individual members. It shall ensure appropriate reporting to its members.

Artikel 18 – Übertragung der Geschäftsführung und der Vertretung

Article 18 – Delegation of Management and Representation

Der Verwaltungsrat kann die Geschäftsführung nach Massgabe eines Organisationsreglements ganz oder zum Teil an einzelne Mitglieder oder an Dritte übertragen.

The board of directors may delegate the management of the Company entirely or in part to individual members or to third parties in accordance with organizational regulations.

Das Organisationsreglement ordnet die Geschäftsführung, bestimmt die hierfür erforderlichen Stellen, umschreibt deren Aufgaben und regelt insbesondere die Berichterstattung.

The organizational regulations shall regulate the management of the Company, determine the offices required for this purpose, define their duties and, in particular, regulate the reporting.

Soweit die Geschäftsführung nicht übertragen worden ist, steht sie allen Mitgliedern des Verwaltungsrates gesamthaft zu.

Where the management of the Company's business has not been delegated, it is the responsibility of all the members of the board of directors.

Artikel 19 – Nominierungs- und Vergütungsausschuss

Article 19 – Nomination and Compensation Committee

Der Nominierungs- und Vergütungsausschuss besteht aus mindestens drei Mitgliedern des Verwaltungsrates.

The nomination and compensation committee shall consist of at least three members of the board of directors.

Die Mitglieder des Nominierungs- und Vergütungsausschusses werden je einzeln jährlich durch die Generalversammlung gewählt. Die Amtsdauer endet nach Abschluss der nächsten ordentlichen Generalversammlung. Wiederwahl ist möglich.

The members of the nomination and compensation committee shall be elected individually and annually by the general meeting. The term of office ends at completion of the next ordinary general meeting. Re-election is possible.

Bei Vakanzen kann der Verwaltungsrat aus seiner Mitte Ersatzmitglieder für eine Amtsdauer bis zum Abschluss der nächsten ordentlichen Generalversammlung ernennen.

If there are vacancies, the board of directors may appoint substitute members from among its members for a term of office extending until completion of the next ordinary General Meeting.

Der Vorsitzende des Nominierungs- und Vergütungsausschusses wird vom Verwaltungsrat bestimmt.

Der Nominierungs- und Vergütungsausschuss hat folgende Aufgaben und Zuständigkeiten:

1. Vorbereitung und periodische Überarbeitung des Vergütungssystems und der Leistungskriterien im Bereich Vergütung;

2. Periodische Überprüfung der Umsetzung derselben sowie diesbezügliche Antragsstellung und Abgabe von Empfehlungen an den Verwaltungsrat; und

3. Vorbereitung aller relevanten Entscheide des Verwaltungsrates betreffend die Vergütung der Mitglieder des Verwaltungsrates und der Geschäftsleitung sowie diesbezügliche Antragsstellung und Abgabe von Empfehlungen an den Verwaltungsrat.

Die Organisation, Arbeitsweise und Berichterstattung des Nominierungs- und Vergütungsausschusses werden vom Verwaltungsrat in einem Reglement, welches Teil des Organisationsreglements sein kann, geregelt.

Der Verwaltungsrat kann dem Nominierungs- und Vergütungsausschuss weitere Aufgaben zuweisen.

Artikel 20 - Allgemeine Grundsätze der Vergütung des Verwaltungsrates und der Geschäftsleitung

Die Vergütung der Mitglieder des Verwaltungsrates kann aus fixen und variablen Vergütungselementen bestehen. Bei der Gesamtvergütung wird die Position und die Verantwortung des Empfängers beachtet.

Die Vergütung der Mitglieder der Geschäftsleitung kann aus fixen und variablen Vergütungselementen bestehen. Die fixe Vergütung besteht aus einem Basissalär und weiteren Vergütungselementen. Die variable Vergütung kann von der Erreichung von spezifischen Leistungszielen abhängig gemacht werden. Bei der Gesamtvergütung wird die Position

The Chairman of the nomination and compensation committee shall be appointed by the board of directors.

The nomination and compensation committee has the following duties and powers:

1. Preparation and periodical review of the compensation system and performance criteria relating to compensation;

2. Periodic review of their implementation as well as submitting related motions and recommendations to the board of directors; and

3. Preparation of all relevant resolutions of the board of directors on the compensation of the members of the board of directors and of the executive committee as well as submitting related motions and recommendations to the board of directors.

The organisation, functioning and reporting of the nomination and compensation committee shall be regulated by the board of directors in regulations, which may be part of the organizational regulations.

The board of directors may delegate further tasks to the nomination and compensation committee.

Article 20 - General Principles of the Compensation of the Board of Directors and the Executive Committee

The compensation of the members of the board of directors may consist of fixed and variable compensation elements. Total compensation shall take into account the position and level of responsibility of the recipient.

The compensation of the members of the executive committee may consist of fixed and variable compensation elements. Fixed compensation comprises the base salary and may consist of other compensation elements. Variable compensation may take into account the achievement of specific performance targets. Total compensation shall take into account the

und die Verantwortung des Empfängers beachtet.

Bei den Leistungszielen kann es sich um individuelle Ziele, um Ziele der Gesellschaft, des Konzerns oder von Teilen davon oder um Ziele in Bezug auf den Markt, andere Unternehmen oder vergleichbare Vergleichswerte handeln, wobei die Position und die Verantwortungsstufe des Empfängers berücksichtigt werden. Der Verwaltungsrat oder, soweit an ihn delegiert, der Nominierungs- und Vergütungsausschuss legt das relative Gewicht der Leistungsziele und die jeweiligen Zielwerte fest.

Die Vergütung kann in Form von Bargeld, Aktien, Optionen oder anderen aktienbasierten Instrumenten oder Einheiten oder in Form von anderen Arten von Leistungen ausgerichtet werden. Der Verwaltungsrat oder, soweit an diesen delegiert, der Nominierungs- und Vergütungsausschuss legt die Zuteilung-, Vesting-, Ausübungs-, Beschränkungs- und Verfallsbedingungen und -fristen fest. Diese können vorsehen, dass aufgrund im Voraus bestimmter Ereignisse, wie eines Kontrollwechsels oder der Beendigung eines Arbeits- oder Mandatsvertrages, Vesting- und/oder Ausübungsbedingungen und -fristen weitergelten, verkürzt oder aufgehoben werden, sowie Vergütungen unter Annahme der Erreichung der Zielwerte ausgerichtet werden oder Vergütungen verfallen. Die Gesellschaft kann die erforderlichen Aktien am Markt erwerben oder aus dem Bestand eigener Aktien oder unter Verwendung von bedingtem Kapital oder des Kapitalbands bereitstellen.

Die Entschädigung kann von der Gesellschaft oder von ihr kontrollierten Unternehmen geleistet werden.

Artikel 21 – Genehmigung der maximalen Gesamtbeträge der Vergütungen des Verwaltungsrates und der Geschäftsleitung

Die Generalversammlung stimmt jährlich wie folgt gesondert über die Genehmigung der Anträge des Verwaltungsrates zum Gesamtbetrag der Vergütungen ab:

position and level of responsibility of the recipient.

The performance targets may include individual targets, targets of the Company, group or parts thereof or targets in relation to the market, other companies or comparable benchmarks, taking into account the position and level of responsibility of the recipient. The board of directors or, to the extent delegated to it, the nomination and compensation committee shall determine the relative weight of the performance targets and the respective target values.

Compensation may be paid in the form of cash, shares, options or other share-based instruments or units, or in the form of other types of benefits. The board of directors or, to the extent delegated to it, the nomination and compensation committee shall determine grant, vesting, exercise, restriction and forfeiture conditions and periods. They may provide for continuation, acceleration or removal of vesting and/or exercise conditions and periods, for payment or grant of compensation based upon assumed target achievement, or for forfeiture, in each case in the event of pre-determined events such as a change of control or termination of an employment or mandate agreement. The Company may procure the required shares through purchases in the market, from treasury shares or by using conditional share capital or the capital band.

Compensation may be paid by the Company or companies controlled by it.

Article 21 – Approval of the maximum Compensation of the Board of Directors and the Executive Committee

The general meeting shall resolve annually and separately on the approval of the proposals of the board of directors in relation to the aggregate compensation amounts as follows:

1. des Verwaltungsrates für die Dauer bis zum Abschluss der nächsten ordentlichen Generalversammlung; und

2. der Geschäftsleitung für das kommende Geschäftsjahr.

Der Verwaltungsrat kann den jeweiligen maximalen Gesamtbetrag in einen maximalen Gesamtbetrag für fixe und für variable Vergütungen unterteilen und die entsprechenden Anträge der Generalversammlung separat zur Genehmigung vorlegen.

Verweigert die Generalversammlung die Genehmigung, kann der Verwaltungsrat einen neuen Antrag an derselben oder an einer nachfolgenden Generalversammlung stellen und die Gesellschaft oder ihre Konzerngesellschaften darf Vergütungen unter dem Vorbehalt der nachträglichen Genehmigung durch die Generalversammlung ausrichten.

Artikel 22 - Zusatzbetrag für die Geschäftsleitung

Reicht der von der Generalversammlung bereits genehmigte maximale Gesamtbetrag der Vergütungen nicht aus, um auch die Vergütungen einer oder mehrerer Personen abzudecken, die nach der Genehmigung der Vergütungen der Geschäftsleitung durch die Generalversammlung für die betreffende Periode Mitglied der Geschäftsleitung werden, so ist die Gesellschaft oder von ihr kontrollierte Gesellschaften ermächtigt, diesen Mitgliedern während der bereits genehmigten Vergütungsperiode(n) einen Zusatzbetrag zu bezahlen.

Die Vergütung eines Mitglieds der Geschäftsleitung, welches nach dem Zeitpunkt der Generalversammlung innerhalb der Geschäftsleitung befördert wird, wird an der nächsten Generalversammlung genehmigt, sofern und soweit der bereits genehmigte maximale Gesamtbetrag nicht ausreicht.

Der Zusatzbetrag darf je Vergütungsperiode 40 % des Gesamtbetrages des zuletzt von der

1. of the board of directors for the period until the completion of the next annual general meeting; and

2. of the executive committee for the coming business year.

The board of directors may divide the respective maximum aggregate amount into a maximum aggregate amount for fixed and for variable compensation and submit the respective proposals to the general meeting separately for approval.

If the general meeting refuses the approval, the board of directors may submit a new proposal at the same or a subsequent general meeting and the Company or its group companies may pay out compensations subject to the subsequent approval by the general meeting.

Article 22 - Supplementary Amount for the Executive Committee

If the maximum aggregate amount of compensation already approved by the general meeting is not sufficient to also cover the compensation of one or more persons who become members of the executive committee after the general meeting has approved the compensation of the executive committee for the relevant period, then the Company or companies controlled by it shall be authorized to pay such member(s) a supplementary amount during the compensation period(s) already approved.

If and to the extent that the approved maximum total amount is not sufficient for the remuneration of a member of the executive committee who is promoted within the executive committee after the date of the general meeting, the amount shall be approved at the next general meeting.

The supplementary amount per compensation period shall not exceed 40 % of the maximum aggregate amount of compensation of the executive committee last approved.

Generalversammlung genehmigten maximalen Gesamtbetrages der Vergütung der Geschäftsleitung nicht übersteigen.

Artikel 23 - Mandate ausserhalb der Gruppe

Die Anzahl der Mandate von Mitgliedern des Verwaltungsrates oder der Geschäftsleitung in vergleichbaren Funktionen bei anderen Unternehmen mit wirtschaftlichem Zweck ausserhalb des Konzerns, ist beschränkt:

1. auf 15 Mandate, davon nicht mehr als 5 in börsenkotierten Unternehmen für Mitglieder des Verwaltungsrates; und

2. auf 10 Mandate, davon nicht mehr als 2 in einer börsenkotierten Gesellschaft für Mitglieder der Geschäftsleitung.

Mandate in verschiedenen juristischen Personen, die demselben Konzern angehören oder für denselben Konzern tätig sind, gelten als ein Mandat.

Mandate, die ein Mitglied des Verwaltungsrates oder der Geschäftsleitung in Ausübung dieser Funktion auf Anordnung der Gesellschaft oder einer ihrer Konzerngesellschaften in vergleichbarer Funktion bei Unternehmen ausserhalb der On Gruppe wahrnimmt, unterliegen nicht der oben genannten Beschränkung. Kein Mitglied des Verwaltungsrates oder der Geschäftsleitung darf mehr als 15 solche Mandate wahrnehmen.

Mandate, die ein Mitglied des Verwaltungsrates oder der Geschäftsleitung in vergleichbarer Funktion bei Vereinen, gemeinnützigen Organisationen, Familienstiftungen und Stiftungen, Trusts, sowie Personalfürsorgestiftungen ohne wirtschaftlichen Zweck ausübt, unterliegen nicht den oben genannten Beschränkungen. Kein Mitglied des Verwaltungsrates oder der Geschäftsleitung darf mehr als 15 solche Mandate wahrnehmen.
Die Annahme durch Mitglieder des Verwaltungsrates oder der Geschäftsleitung von Mandaten in vergleichbarer Funktion in Unternehmen mit wirtschaftlichem Zweck ausserhalb des Konzerns erfordert die vorgängige

Article 23 - Mandates outside of the Group

The number of mandates for members of the board of directors or of the executive committee in comparable functions at other companies with an economic purpose outside the group is limited:

1. for members of the board of directors, to 15 mandates, of which no more than 5 in listed companies; and

2. for members of the executive committee, to 10 mandates, of which no more than 2 in a listed company.

Mandates in different legal entities being part of the same group or for the same group are deemed to be one mandate.

Mandates by members of the board of directors or of the executive committee in comparable functions at other companies with an economic purpose outside the On Group held by instruction of the Company or one of its group companies are not subject to the above restriction. No member of the board of directors or the executive committee shall hold more than 15 such mandates.

Mandates by members of the board of directors or of the executive committee in comparable functions of associations, charitable organizations, family trusts and foundations, trust and employees' benefit foundations without an economic purpose are not subject to the above limitations. No member of the board of directors or the executive committee shall hold more than 15 such mandates.

The acceptance of mandates by members of the board of directors or of the executive committee in comparable functions at other companies with an economic purpose outside the On Group requires the prior approval of the

Genehmigung des Verwaltungsrates oder, sofern an diesen delegiert, des Nominierungs- und Vergütungsausschusses.

board of directors or, if delegated to it, of the nomination and compensation committee.

Mitglieder des Verwaltungsrates oder der Geschäftsleitung, welche im Zeitpunkt ihrer Wahl bei der Gesellschaft oder welche durch die Annahme eines Mandates bei einer Rechtseinheit ausserhalb der On Gruppe, die Anforderung dieses Artikels nicht oder nicht mehr erfüllen, haben bis zum ordentlichen Rücktrittsdatum eines überzähligen Mandates, längstes aber innert zwölf Monaten seit dieser Wahl oder Annahme, ihre Anzahl Mandate auf das erlaubte Mass zu reduzieren. Während dieser Zeit sind sie Mitglied des Verwaltungsrates oder der Geschäftsleitung mit allen Rechten und Pflichten.

Members of the board of directors or of the executive committee who, at the time of their election by the Company or who, by accepting a mandate with a legal entity outside the On Group, do not or no longer fulfill the requirements of this article, shall reduce their number of mandates to the permitted level until the ordinary resignation date of a surplus mandate, but at the latest within twelve months of such election or acceptance, during which time they shall remain a member of the board of directors or of the executive committee with all rights and duties.

Artikel 24 – Verträge über die Vergütung

Die Gesellschaft oder von ihr kontrollierte Gesellschaften können mit Mitgliedern des Verwaltungsrates Verträge über deren Vergütung abschliessen. Die Dauer und Beendigung richtet sich nach der Amtsdauer und dem Gesetz.

Die Gesellschaft oder von ihr kontrollierte Unternehmen können mit Mitgliedern der Geschäftsleitung befristete oder unbefristete Arbeitsverträge abschliessen. Befristete Verträge haben eine Höchstdauer von einem Jahr. Eine Erneuerung ist möglich. Unbefristete Verträge haben eine Kündigungsfrist von maximal zwölf Monaten.

Vereinbaren die Gesellschaft oder von ihr kontrollierte Gesellschaften ein nachvertragliches Konkurrenzverbot mit Mitgliedern des Verwaltungsrates oder der Geschäftsleitung für die Zeit nach Beendigung des Arbeitsverhältnisses, so darf die Entschädigung für ein solches Konkurrenzverbot den Durchschnitt der Vergütungen der letzten drei Geschäftsjahre nicht übersteigen.

Article 24 – Agreement on the Compensation

The Company or companies controlled by it may enter into agreements with members of the board of directors relating to their compensation. The duration and termination are subject to the term of office and the law.

The Company or companies controlled by it may enter into employment agreements with members of the executive committee for a fixed term or for an indefinite term. Fixed term agreements may have a maximum duration of one year. Renewal is possible. Agreements for an indefinite term shall have a notice period of maximum twelve months.

If the Company or companies controlled by it enter into non-compete agreements with members of the board of directors or the executive committee for the time after termination of employment, the consideration paid for such non-compete agreements shall pro rata not exceed the average of the remunerations of the last three business years.

Artikel 25 – Darlehen und Kredite

Den Mitgliedern des Verwaltungsrates und der Geschäftsleitung können Darlehen und Kredite in der maximalen Höhe von CHF 1'000'000 und nur zur marktüblichen Bedingungen gewährleistet werden.

Article 25 – Loans and Credits

The members of the board of directors and the executive committee may be granted loans and credits up to a maximum amount of CHF 1,000,000 and only at arm's length conditions.

Artikel 26 – Vorsorgeleistungen

Die Gesellschaft oder von ihr kontrollierte Gesellschaften können den Mitgliedern des Verwaltungsrates und der Geschäftsleitung über die berufliche Vorsorge hinausgehende Vorsorgeleistungen gewähren, welche die zuletzt ausbezahlte jährliche Vergütung des jeweiligen Mitglieds des Verwaltungsrates oder der Geschäftsleitung nicht übersteigen.

Article 26 – Post-Retirement Benefits

The Company or companies controlled by it may grant to members of the board of directors and the executive committee post-retirement benefits beyond the occupational benefit schemes, which do not exceed the annual compensation of the respective member of the board of directors or the executive committee last paid.

C. Revisionsstelle

C. Statutory Auditors

Artikel 27 – Revision

Die Generalversammlung wählt jährlich ein staatlich beaufsichtigtes Revisionsunternehmen im Sinne des Revisionsaufsichtsgesetzes (in der jeweils gültigen Fassung) als Revisionsstelle für eine Amtsdauer von einem Jahr bis zum Abschluss der nächsten ordentlichen Generalversammlung. Wiederwahl ist möglich.

Die Revisionsstelle hat die ihr gesetzlich zugewiesenen Befugnisse und Pflichten.

Article 27 – Audit

The general meeting shall annually elect a state-supervised auditing company within the meaning of the Audit Supervision Act (as amended from time to time) as statutory auditors for a term of office of one year until the completion of the next ordinary general meeting. Re-election is possible.

The statutory auditors have the powers and duties assigned to them by law.

IV. RECHNUNGSABSCHLUSS UND GEWINNVERTEILUNG

IV. FINANCIAL REPORTING AND PROFITS DISTRIBUTION

Artikel 28 – Geschäftsjahr und Buchführung

Das Geschäftsjahr wird vom Verwaltungsrat festgelegt.

Die Rechnungslegung erfolgt nach Massgabe der anwendbaren gesetzlichen Vorschriften sowie des anwendbaren Standards zur Rechnungslegung.

Article 28 – Business Year and Financial Statements

The fiscal year is determined by the board of directors.

The financial statements are prepared in accordance with the applicable legal requirements and the applicable accounting standards.

Artikel 29 – Reserven und Gewinnverwendung

Die Generalversammlung beschliesst im Rahmen der zwingenden gesetzlichen Bestimmungen über die Verwendung des Bilanzgewinns.

Neben den gesetzlichen Reserven kann die Generalversammlung weitere Reserven bilden.

Dividenden, die nicht innerhalb von fünf Jahren nach ihrer Fälligkeit bezogen worden sind, verfallen zugunsten der Gesellschaft.

Article 29 – Reserves and Appropriation of Profit

The general meeting shall resolve on the allocation of the profit as shown on the balance sheet in accordance with applicable law.

In addition to the reserves required by law, the general meeting may create other reserves.

Dividends that have not been collected within five years after their payment date shall inure to the Company.

Artikel 30 – Auflösung und Liquidation

Die Auflösung der Gesellschaft kann durch einen Beschluss der Generalversammlung, über den eine öffentliche Urkunde zu errichten ist, erfolgen.

Die Liquidation wird durch den Verwaltungsrat besorgt, falls sie nicht durch einen Beschluss der Generalversammlung anderen Personen übertragen wird. Die Liquidation erfolgt gemäss Art. 742 ff. OR.

Das Vermögen der aufgelösten Gesellschaft wird nach Tilgung ihrer Schulden nach Massgabe der einbezahlten Beträge unter die Aktionäre verteilt.

Article 30 – Dissolution and Liquidation

The dissolution of the Company may be effected by a resolution of the general meeting, on which a public deed shall be drawn up.

Liquidation shall be carried out by the board of directors, unless it is assigned to other persons by a resolution of the general meeting. The liquidation shall be carried out in accordance with Art. 742 et seqq. CO.

The assets of the dissolved Company shall be distributed among the shareholders after repayment of its debts in proportion to the amounts paid in.

V. BENACHRICHTIGUNG

Artikel 31 – Mitteilungen und Bekannt-machungen

Mitteilungen an die Aktionäre erfolgen per Brief oder E-Mail an die im Aktienbuch eingetragene Adresse bzw. an die letzte der Gesellschaft bekanntgegebene E-Mail-Adresse oder mittels Publikation im Schweizerischen Handelsamtsblatt.

Publikationsorgan der Gesellschaft ist das Schweizerische Handelsamtsblatt.

V. NOTIFICATION

Article 31 – Notices and Announcements

Notices to shareholders shall be made by letter or email to the addresses recorded in the share register or to the last address communicated to the Company or by publication in the Swiss Official Gazette of Commerce (SOGC).

The official means of publication of the Company shall be the Swiss Official Gazette of Commerce.

Artikel 32 – Sacheinlage und Sachübernahme

Die Gesellschaft übernimmt bei der Kapitalerhöhung vom 20. Januar 2020 gemäss Sacheinlage- und Sachübernahmevertrag vom 20. Januar 2020 von Thilo Brunner, von Hemberg, in Zürich, und Jörg Mettler, von Hemberg, in Niederlenz, sämtliche Stammanteile mit einem Nennwert von je CHF 1'000 der Brunner Mettler GmbH, Zürich, im Wert von mindestens und zum Preis von CHF 929'660, wofür die Einleger insgesamt 366 neue Namenaktien der Gesellschaft mit einem Nennwert von je CHF 10 erhalten sowie CHF 926'000 in bar.

Article 32 – Contribution in Kind and Acquisition in Kind

In the course of the capital increase on January 20, 2020 and pursuant to agreement related to the contribution in kind and acquisition in kind dated January 20, 2020, the Company acquires from Thilo Brunner, from Hemberg, in Zurich, and Jörg Mettler, from Hemberg, in Niederlenz, all quotas with a nominal value of CHF 1,000.-- each in Brunner Mettler GmbH, Zurich, with a value of at least and at a price of CHF 929,660.--, for which the contributors receive a total of 366 new registered shares in the Company with a nominal value of CHF 10.-- each, as well as CHF 926,000.-- in cash.

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Die englische Fassung der Statuten ist eine Übersetzung des deutschen Originaltextes und ist rechtlich nicht verbindlich.

The English version of the articles of association is a translation of the German original and shall not have legal binding effect.