

GORDON DAVID C
Form 4
November 09, 2005

FORM 4

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

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STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
GORDON DAVID C

2. Issuer Name and Ticker or Trading Symbol
REGIONS FINANCIAL CORP [RF]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
P.O. BOX 511

3. Date of Earliest Transaction (Month/Day/Year)
11/07/2005

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)

EVP Operations Grp

(Street)

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
____ Form filed by More than One Reporting Person

MONTGOMERY, AL 36101

(City) (State) (Zip)

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)
			Code	V Amount (A) or (D) Price			
Common Stock	11/04/2005		J ⁽¹⁾	V 86,523 A \$ 0	57,425.523	D	
Common Stock	11/07/2005		X	925 A \$ 22.603	58,350.523	D	
Common Stock	11/07/2005		X	6,173 A \$ 22.603	64,523.523	D	
Common Stock	11/07/2005		X	6,173 A \$ 22.603	70,696.523	D	
Common Stock	11/07/2005		F	9,038 D \$ 33.19	61,658.523	D	

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Common Stock 11/07/2005 J⁽²⁾ 45 D \$ 0 61,613.523 D

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

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(9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Underlying Securities (Instr. 3 and 4)	
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Phantom Stock Units (401k)	<u>(3)</u>	11/04/2005		J ⁽³⁾	V 1,050	<u>(3)</u>	<u>(3)</u>	Common Stock	1,050
Stock Option	\$ 22.6	11/07/2005		X	925	01/16/2002	01/16/2011	Common Stock	925
Stock Option	\$ 22.6	11/07/2005		X	6,173	01/16/2003	01/16/2011	Common Stock	6,173
Stock Option	\$ 22.6	11/07/2005		X	6,173	01/16/2004	01/16/2011	Common Stock	6,173
Stock Option	\$ 31.39					10/09/1998	10/09/2007	Common Stock	4,875
Stock Option	\$ 33.48					04/09/1999	04/09/2008	Common Stock	13,888
Stock Option	\$ 28.88					08/30/2000	08/30/2009	Common Stock	13,888
Stock Option	\$ 25.66					02/19/2004	02/19/2010	Common Stock	24,690
Stock Option	\$ 25.66					02/19/2005	02/19/2010	Common Stock	12,345
Stock Option	\$ 25.66					02/19/2006	02/19/2010	Common Stock	12,345
Stock Option	\$ 28.17					<u>(4)</u>	04/21/2011		61,730

Operating (loss) income

(19.0) (19.0) 127.5 (512.3)

(16.9)

(16.9)

(4.8)

Non-operating expenses (income):

Interest expense

0.8 16.2 1.0 5.9

0.2

4.0

0.2

Interest income

(0.5) (0.5) (0.7) (1.0) (0.1) (0.1) (0.1)

Interest (income) expense, net-affiliates

(4.1) (2.2) 1.8 (0.1) (0.5)

Other, net

(3.9) (3.9) 3.1 (0.8) (5.3) (5.3) (3.8)

Total non-operating expenses (income)

(7.7) 11.8 1.2 5.9 (5.3) (1.4) (4.2)

(Loss) income before income tax expense

(11.3) (30.8) 126.3 (518.2) (11.6) (15.5) (0.6)

Income tax expense (benefit)

44.0 43.3 3.6 37.4

3.6

3.6

9.1

(Loss) income before equity in (loss) earnings of joint ventures

(55.3) (74.1) 122.7 (555.6) (15.2) (19.1) (9.7)

Equity in (loss) earnings of joint ventures, net of tax

(0.9)

(0.2

)

Explanation of Responses:

10

Net (loss) income

(55.3) (75.0) 122.7 (555.6) (15.2) (19.3) (9.7)

Net (income) loss attributable to noncontrolling interests(1)

(2.4) (1.4) (2.3)

0.6

(0.8)

)

Net (loss) income attributable to SSL

\$(57.7) \$(75.0) \$121.3 \$(557.9) \$(14.6) \$(19.3) \$(10.5)

Explanation of Responses:

Basic (loss) income per share(2)

N/A \$(1.86) N/A N/A N/A \$(0.48) N/A

Diluted (loss) income per share(2)

N/A \$(1.86) N/A N/A

Explanation of Responses:

N/A

\$

(0.48

)

N/A

Other Financial Data:

Adjusted EBITDA(3) (unaudited)

\$74.6 \$76.1 \$74.9 \$170.2 \$ 15.0 \$14.2 \$26.6

Table of Contents

	As of December 31,		As of March 31, 2014	
	2013	2012	Actual (unaudited)	Pro Forma As Adjusted (unaudited)
	(in millions, except share data)			
Balance Sheet Data:				
Cash and cash equivalents	\$ 40.8	\$ 103.2	\$ 37.7	\$ 110.0
Working capital(4)	(35.9)	38.1	(51.4)	107.9
Property, plant and equipment, net	724.9	789.9	714.1	704.2
Total assets	1,151.8	1,513.2	1,130.2	1,303.9
Total liabilities	440.6	699.2	457.0	543.9
Total equity	711.2	814.0	673.2	760.0

- (1) Represents the 20% interest held by our partner in MKC that we will acquire in connection with the Samsung Private Placements.
- (2) The weighted-average number of shares used to compute pro forma basic and diluted earnings per share is 40,426,175, which represents the number of our ordinary shares outstanding immediately following the completion of the Transactions. We calculated this number of shares as follows:

Shares issued to SunEdison	23,560,251
Shares offered hereby	7,200,000
Shares issued to Samsung Purchasers	9,625,578
Shares issued to Mr. Chatila	40,346
Total	40,426,175

- (3) Adjusted EBITDA is a non-GAAP financial measure. This measurement should not be viewed as an alternative to GAAP measures of performance. The presentation of Adjusted EBITDA should not be construed as an inference that our future results will be unaffected by unusual or non-recurring items.

We define Adjusted EBITDA as earnings before net interest expense, income tax expense, depreciation and amortization, restructuring (reversals) charges, gain on receipt of property, plant and equipment, long-lived asset impairment charges and stock compensation expense. All of the omitted items are either (i) non-cash items or (ii) items that we do not consider in assessing our on-going operating performance. Because it omits non-cash items, we feel that Adjusted EBITDA is less susceptible to variances in actual performance resulting from depreciation, amortization and other non-cash charges and more reflective of other factors that affect our operating performance. Because it omits the other items, we believe Adjusted EBITDA is also more reflective of our on-going operating performance. We believe Adjusted EBITDA is useful to investors in evaluating our operating performance because:

securities analysts and other interested parties use such calculations as a measure of financial performance and debt service capabilities; and

it is used by our management for internal planning purposes, including aspects of our combined operating budget and capital expenditures.

Adjusted EBITDA has limitations as an analytical tool, and you should not consider it in isolation or as a substitute for analysis of our results as reported under GAAP. Some of these limitations include:

it does not reflect our cash expenditures, future requirements for capital expenditures or contractual commitments;

it does not reflect changes in, or cash requirements for, working capital;

it does not reflect interest expense or the cash requirements necessary to service interest or principal payments on our outstanding debt;

it does not reflect payments made or future requirements for income taxes;

Table of Contents

it adjusts for restructuring (reversals) charges, gains on receipt of property, plant equipment, asset impairment charges and stock compensation expense factors that we do not consider indicative of future performance;

although it reflects adjustments for factors that we do not consider indicative of future performance, we may, in the future, incur expenses similar to the adjustments reflected in our calculation of Adjusted EBITDA in this prospectus; and

although depreciation and amortization are non-cash charges, the assets being depreciated and amortized will often have to be replaced in the future and Adjusted EBITDA does not reflect cash requirements for such replacements.

Investors are encouraged to evaluate each adjustment and the reasons we consider it appropriate for supplemental analysis. The following table presents a reconciliation from net (loss) income attributable to SSL to Adjusted EBITDA:

	Fiscal Year Ended December 31,				Three Months Ended March 31,		
	2013	Pro Forma 2013	2012	2011	2014	Pro Forma 2014	2013
	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)
	(in millions)						
Net (loss) income attributable to SSL	\$ (57.7)	\$ (75.0)	\$ 121.3	\$ (557.9)	\$ (14.6)	\$ (19.3)	\$ (10.5)
Add:							
Interest expense, net	(3.8)	15.7	(1.9)	6.7		3.9	(0.4)
Income tax expense	44.0	43.3	3.6	37.4	3.6	3.6	9.1
Depreciation and amortization	119.6	119.6	118.7	144.3	28.3	28.3	29.3
Restructuring (reversals) charges	(75.0)	(75.0)	(149.6)	284.5	(4.6)	(4.6)	(4.3)
Gain on receipt of property, plant and equipment			(31.7)				
Long-lived asset impairment charges	33.6	33.6	1.5	234.7			
Stock compensation expense	13.9	13.9	13.0	20.5	2.3	2.3	3.4
Adjusted EBITDA	\$ 74.6	\$ 76.1	\$ 74.9	\$ 170.2	\$ 15.0	\$ 14.2	\$ 26.6

(4)

Working capital is defined as our current assets minus current liabilities. As of March 31, 2014, our current assets included accounts receivable due from SunEdison of \$26.3 million and our current liabilities included accounts payable to SunEdison of \$110.4 million. All of these intercompany balances and certain trade accounts will be net settled in connection with the Transactions. Excluding these amounts, our working capital would have been \$32.7 million as of March 31, 2014.

Table of Contents

RISK FACTORS

This offering and an investment in our ordinary shares involve a high degree of risk. You should carefully consider the risks described below, together with the financial and other information contained in this prospectus, before you decide to purchase ordinary shares. If any of the following risks actually occurs, our business, financial condition, results of operations and prospects could be materially and adversely affected. As a result, the trading price of our ordinary shares could decline and you could lose all or part of your investment in our ordinary shares.

Risks Related to Our Business

Our business depends on the semiconductor device industry, and when that industry experiences one of its cyclical downturns, our sales are likely to decrease and we could be forced to reduce our prices without being able to reduce costs, including fixed costs, all of which could materially adversely affect our business, financial condition and results of operations.

Our business depends in large part upon the market demand for our customers' semiconductor devices that are utilized in electronics applications. The semiconductor device industry is subject to cyclical and volatile fluctuations in supply and demand and in the past has periodically experienced significant downturns. These downturns often occur in connection with declines in general economic conditions. For example, in the second half of 2011, demand for wafers for semiconductor applications began to slow and dropped by approximately 15% in the fourth quarter of 2011 as compared to the third quarter of 2011, according to SEMI Silicon Manufacturers Group. Similarly, although demand stabilized during the first half of 2012, it dropped again during the second half of 2012. If the current market softness continues or the semiconductor device industry continues to experience frequent downturns, we will face pressure to reduce our prices, and we may need to further rationalize capacity and attempt to reduce our fixed costs. If we are unable to reduce our costs sufficiently to offset reductions in prices and sales volumes, our business, financial condition and results of operations will be materially adversely affected.

If we fail to meet changing customer demands or achieve market acceptance for new products, we may lose customers and our sales could suffer.

The industry in which we operate changes rapidly. Changes in our customers' requirements means that we must adapt to new and more demanding technologies, product specifications and sizes, as well as manufacturing processes. Our ability to remain competitive depends upon our ability to continue to differentiate our products based on size, flatness, reduced defects, crystal properties and electrical characteristics and develop technologically advanced products and processes. Although we expect to continue to make significant investments in R&D, we cannot assure you that we will be able to successfully introduce, market and cost-effectively manufacture new products, or that we will be able to develop new or enhanced products and processes that satisfy our customers' needs. If we are unable to adapt to changing customer demands, or if new products that we develop do not achieve market acceptance, our business, financial condition and results of operations will be materially adversely affected.

A significant reduction in, or loss of, purchases by any of our top customers could materially adversely affect our business, financial condition and results of operations.

Three customers accounted for approximately 21%, 16% and 11%, respectively, of our net sales to non-affiliates in 2013 and our top 10 customers accounted for approximately 70% of our net sales to non-affiliates in 2013. Sales to our customers are generally governed by purchase orders or, in certain cases, short-term agreements that include pricing terms and estimated quantity requirements. We do not generally have long-term agreements with our customers, nor are our customers obligated to purchase a minimum quantity of wafers from us. We are exposed to the

risk of reduced sales if our customers reduce their demand for our products,

Table of Contents

including as a result of cyclical fluctuations or competitive factors. Our business, financial condition and results of operations could materially suffer if we experience a significant reduction in, or loss of, purchases by any of our top customers.

Semiconductor wafer average selling prices have been volatile in recent years. If we are unable to reduce our manufacturing costs and operating expenses in response to declining prices, we may not be able to compete effectively.

Semiconductor wafer average selling prices have been volatile in recent years. Our semiconductor wafer average selling prices increased by 5.3% in 2011 as compared to our average selling prices in 2010 primarily due to the effects of the earthquake and tsunami in Japan, while our average selling prices decreased by approximately 10.1% in 2012 as compared to prices in 2011. In addition, consolidation within the semiconductor industry has also increased the pricing power of our customers over time, resulting in downward pressure on wafer average selling prices. When average selling prices decline, our net sales and gross profit also decline unless we are able to reduce the cost to manufacture our products or sell more products. As a result, the success of our business depends, in part, on our continuous reduction of manufacturing costs and leveraging of operating expenses to maintain or improve profitability, particularly during times of declining prices. If we are not able to reduce our manufacturing costs and leverage our operating expenses sufficiently to offset any future price erosion, or if we are unable to offset price erosion by increasing our sales and expanding our market share, our business, financial condition and results of operations could be materially adversely affected.

We face intense competition in the industry in which we operate, including from competitors that have a greater market share than we do, which could materially adversely affect our business, financial condition and results of operations.

We face intense competition in the semiconductor wafer industry from established manufacturers throughout the world, including Shin-Etsu Handotai, SUMCO Corporation, Siltronic AG and LG Siltron. Some of our competitors have greater financial, technical, engineering and manufacturing resources than we do, enabling them to develop products that currently, and may in the future, compete favorably against our products in terms of design, quality and performance. Our larger competitors may also be able to produce wafers at a lower per unit cost due to economies of scale and have greater influence than we do on market prices. In addition, certain of our competitors may have a perceived advantage in the market with respect to the quality of their products. We expect that all of our competitors will continue to improve the design and performance of their products and introduce new products with competitive price and performance characteristics. Our failure to compete effectively would have a material adverse effect on our business, financial condition and results of operations.

Our manufacturing processes are highly complex and potentially vulnerable to impurities, disruptions or inefficient implementation of production changes that can significantly increase our costs and delay product shipments to our customers.

Our manufacturing processes are highly complex, require advanced and increasingly costly equipment and are continuously being modified or maintained in an effort to improve yields and product performance. Impurities or other difficulties in the manufacturing process can lower yields, interrupt production, result in losses of products in process and harm our reputation. In addition, as system complexity and production changes have increased, manufacturing tolerances have been reduced and requirements for precision have become even more demanding. We have from time to time experienced bottlenecks and production difficulties that have caused delivery delays and quality control problems. We cannot assure you that we will not experience bottlenecks or production or transition difficulties in the future. Such incidents, if they occur, could have a material adverse effect on our business, financial condition and

results of operations.

Table of Contents

If we are not able to match our manufacturing capacity and output to demand for our products, our business, financial condition and results of operations could be materially adversely affected.

As a result of the cyclical and volatility of the semiconductor industry, it is difficult to predict future developments in the markets we serve, making it difficult to estimate future requirements for manufacturing capacity. During periods of high demand for our products, we may experience a shortage of capacity and an increase in lead times for delivery of our products to our customers, or an inability to deliver the required number of products. When our manufacturing facilities are operating at high capacity, we may also experience disruptions, problems or inefficiencies in our manufacturing processes due to over utilization, potentially resulting in loss of sales and damage to relationships with customers. In addition, increases in our manufacturing capacity based on anticipated growth in demand for our products may exceed demand requirements, leading to overcapacity and excessive fixed costs. Lower than expected demand for our products may also lead to excessive inventory, which could result in write-offs of inventory and losses on products. In the past, overcapacity for certain products or technologies and cost optimization have led us to close or shutter manufacturing facilities and, as a result, to incur impairment and restructuring charges and other related closure costs. For example, we implemented a restructuring and cost reduction plan in 2011, which included shuttering our Merano, Italy polysilicon facility in December 2011, and incurred restructuring charges of \$284.5 million and long-lived asset impairment charges of \$234.7 million in 2011 primarily related thereto. Any of these outcomes could have a material adverse effect on our business, financial condition or results of operations.

Because our customers generally require that they qualify a facility before we can begin manufacturing products for them at that facility, we may not be able to quickly transfer production of specific products from one of our manufacturing facilities to another in the event of an interruption or lack of capacity at any of our facilities, which could result in lost sales and damage to customer relationships.

It typically takes three to six months for our customers to qualify one of our manufacturing facilities to produce a specific product, but it can take up to one year depending upon a customer's requirements. While in many cases multiple sites are qualified for a particular product to allow flexibility, an interruption of operations or lack of available capacity at any of our manufacturing facilities could result in delays in or cancellations of shipments of products in the event only one facility is qualified to manufacture such products. A number of factors could cause interruptions or lack of capacity at a facility, including extreme weather conditions, such as hurricanes or earthquakes, equipment and power failures, shortages of raw materials or supplies or transportation logistic complications. We have had interruptions of our manufacturing operations for some of these reasons in the past and could have such interruptions again in the future. For example, production at our Japanese facility was disrupted as a result of the March 2011 earthquake and tsunami. If we experience an interruption or lack of capacity at any of our manufacturing facilities for any reason, it could result in lost sales and damage to customer relationships, which could materially and adversely affect our business, financial condition and results of operations.

Our business may be harmed if we fail to properly protect our intellectual property or infringe on the intellectual property rights of third parties.

We believe that the success of our business depends in part on our proprietary technology, information, processes and know-how and on our ability to operate without infringing on the proprietary rights of third parties. We seek to protect our intellectual property rights based on trade secrets and patents as part of our ongoing R&D and manufacturing activities. We cannot be certain, however, that we have adequately protected or will be able to adequately protect our technology, that our competitors will not be able to utilize our existing technology or develop similar technology independently, that the claims allowed with respect to any patents held by us will be broad enough to protect our technology or that foreign intellectual property laws will adequately protect our intellectual property rights.

Table of Contents

Any future litigation to enforce patents issued to us, to protect trade secrets or know-how possessed by us or to defend ourselves or to indemnify others against claimed infringement of the rights of others could have a material adverse effect on our business, financial condition and results of operations. From time to time, we receive notices from other companies that allege we may be infringing certain of their patents or other rights. If we are unable to resolve these matters satisfactorily, or to obtain licenses on acceptable terms, we may face litigation. We are presently involved in one case involving allegations of patent infringement by us. See Business Legal Proceedings. Regardless of the validity or successful outcome of that intellectual property claim or any future claims, we may need to expend significant time and expense to protect our intellectual property rights or to defend against claims of infringement by third parties. If we lose any such litigation where we are alleged to infringe the rights of others, we may be required to pay substantial damages, seek licenses from others, or change or stop manufacturing or selling some of our products. Any of these outcomes could have a material adverse effect on our business, financial condition and results of operations.

From time to time, we may become involved in other litigation and regulatory proceedings, which could require significant attention from our management and result in significant expense to us and disruptions in our business.

In addition to litigation related to our intellectual property rights, we have in the past and may in the future be named as a defendant from time to time in other lawsuits and regulatory actions relating to our business, such as commercial contract claims, employment claims and tax examinations, some of which may claim significant damages or cause us reputational harm. Due to the inherent uncertainties of litigation and regulatory proceedings, we cannot accurately predict the ultimate outcome of any such proceeding. An unfavorable outcome could have a material adverse impact on our business, financial condition and results of operations or limit our ability to engage in certain of our business activities. In addition, regardless of the outcome of any litigation or regulatory proceeding, such proceedings are often expensive, time-consuming, disruptive to normal business operations and require significant attention from our management.

SSL is incorporated outside of the United States and a substantial portion of our operations and sales are outside of the United States. As a result, we are subject to the risks of doing business internationally, including periodic foreign economic downturns and political instability, which may adversely affect our sales and cost of doing business in those regions of the world.

Foreign economic downturns have affected our results of operations in the past and could affect our results of operations in the future. In addition, other factors relating to the operation of our business outside of the United States may have a material adverse effect on our business, financial condition and results of operations in the future, including:

fluctuations in exchange rates;

the imposition of governmental controls or changes in government regulations, including tax regulations;

difficulties in enforcing our intellectual property rights;

export license requirements;

restrictions on the export of technology;

compliance with U.S. and Singapore laws, as well as applicable laws governing our international operations, including the Foreign Corrupt Practices Act and export control laws;

difficulties in achieving headcount reductions due to unionized labor and works councils;

Table of Contents

restrictions on transfers of funds and assets between jurisdictions;

geo-political instability; and

trade restrictions, import/export duties and changes in tariffs.

In the future we may seek to expand our presence in certain foreign markets or enter emerging markets. Evaluating or entering into an emerging market may require considerable management time, as well as start-up expenses for market development before any significant sales and earnings are generated. Operations in new foreign markets may achieve low margins or may be unprofitable, and expansion in existing markets may be affected by local political, economic and market conditions. As we continue to operate our business globally, our success will depend, in part, on our ability to anticipate and effectively manage these and the other risks noted above. The impact of any one or more of these factors could materially adversely affect our business, financial condition and results of operations.

In addition, we currently operate under tax holidays and/or favorable tax incentives and rates in Taiwan and Malaysia. These tax holidays and incentives require us to meet certain minimum employment and investment criteria or thresholds in these jurisdictions. We cannot assure you that we will be able to continue to meet these criteria or thresholds or realize any net tax benefits from these tax holidays or incentives. If any of our tax holidays or incentives are terminated, our business, financial condition and results of operations could be materially adversely effected.

We are subject to periodic fluctuations in foreign currency exchange rates which could cause operating results and reported financial results to vary significantly from period to period.

Net sales to non-affiliates generated from outside of the United States, which represented approximately 87% and 86% of our net sales to non-affiliates for the three months ended March 31, 2014 and 2013, respectively, and approximately 86%, 84% and 83% of our net sales to non-affiliates for the years ended December 31, 2013, 2012 and 2011, respectively, expose us to currency exchange rate fluctuations. Our risk exposure from these sales is primarily related to the Japanese yen, New Taiwan dollar, Euro, South Korean won and Malaysian ringgit. Because the majority of our sales are denominated in the U.S. dollar, if one or more competitors sells to our customers in a different currency than the U.S. dollar, we are subject to the risk that the competitors' products will be relatively less expensive than our products due to exchange rate effects. In addition, a substantial portion of manufacturing and operating costs at our non-U.S. facilities are incurred in foreign currencies, principally the Japanese yen, New Taiwan dollar, Euro, South Korean won and Malaysian ringgit. Unfavorable exchange rate fluctuations in any or all of these currencies may adversely affect the cost of our products and/or related operating expenditures.

Our results of operations are also impacted by currency exchange rate fluctuations to the extent that we are unable to match net sales received in foreign currencies with expenses incurred in the same currency. For example, where we have significantly more expenses than net sales generated in a foreign currency, our profit from operations in that location would be adversely affected in the event that the U.S. dollar depreciates against that foreign currency. To protect against reductions in value and volatility of future cash flows caused by changes in foreign currency exchange rates, we have established transaction-based hedging programs. Our hedging programs reduce, but do not always eliminate, the impact of foreign currency exchange rate movements. We recognized net currency income (losses) totaling approximately \$5.5 million and \$3.1 million for the three months ended March 31, 2014 and 2013, respectively, and approximately \$3.7 million, (\$4.2) million and \$0.2 million for the years ended December 31, 2013, 2012 and 2011, respectively. Foreign currency exchange risks inherent in doing business in foreign countries could have a material adverse effect on our business, financial condition and results of operations.

In addition, we present our financial statements in U.S. dollars. As a result, we must translate the assets, liabilities, net sales and expenses of a substantial portion of our foreign operations into U.S. dollars at applicable exchange rates. Consequently, increases or decreases in the value of the U.S. dollar may affect the

Table of Contents

value of these items with respect to our non-U.S. dollar businesses in our financial statements, even if their value has not changed in their local currency. These translations could significantly affect the comparability of our results between financial periods or result in significant changes to the carrying value of our assets, liabilities and equity.

Our ability to operate our business effectively could be impaired if we fail to attract and retain key personnel.

Our ability to operate our business and implement our strategies effectively depends, in part, on the efforts of our executive officers and other key employees. Our management team has significant industry experience and would be difficult to replace. These individuals possess sales, marketing, engineering, manufacturing, financial and administrative skills that are critical to the operation of our business. In addition, the market for engineers and other individuals with the required technical expertise to succeed in our business is highly competitive, and we may be unable to attract and retain qualified personnel to replace or succeed key employees should the need arise. The loss of the services of any of our key employees or the failure to attract or retain other qualified personnel could have a material adverse effect on our business, financial condition and results of operations.

We have in the past and may in the future implement initiatives designed to rationalize our use of resources, optimize those resources for the most attractive market opportunities and manage our production capacity to meet demand efficiently. We may fail to realize the full benefits of, and could incur significant costs relating to, any such initiatives, which could materially adversely affect our business, financial condition and results of operations.

We have implemented several initiatives since 2009 designed to rationalize our use of resources, optimize those resources for the most attractive market opportunities and manage our production capacity to meet demand efficiently. Similar to the workforce reductions and facility realignment in 2009, during the fourth quarter of 2011, SunEdison committed to a series of actions to reduce its global workforce, right size its production capacity and accelerate operating cost reductions. In connection with that plan, we reduced our workforce by approximately 11% and shuttered our Merano, Italy polysilicon facility. Primarily as a result of these actions, we incurred restructuring charges of \$284.5 million and long-lived asset impairment charges of \$234.7 million in 2011. In addition, in 2012, we completed the transfer of certain of our manufacturing operations from our St. Peters, Missouri facility to our facility in Ipoh, Malaysia.

In the fourth quarter of 2013, management concluded an analysis as to whether to restart the Merano, Italy polysilicon facility and determined that, based on recent developments and current market conditions, restarting the facility was not aligned with our business strategy. Accordingly, we have decided to indefinitely close the previously shuttered Merano, Italy polysilicon facility and the related chlorosilanes facility. As a result, during the three months ended December 31, 2013, we recorded \$33.6 million of non-cash impairment charges to write-down these assets to their current estimated salvage value. In connection with our decision to indefinitely close these facilities, we also made insignificant revisions to other estimated liabilities that were previously accrued as part of our 2011 Global Plan. In addition, on February 7, 2014, we determined to commence a plan to consolidate our crystal operations. The consolidation will include transitioning small diameter crystal activities from our St. Peters, Missouri facility to other crystal facilities in Korea, Taiwan and Italy. The consolidation of crystal activities will affect approximately 120 employees in St. Peters and will be implemented over the 12 months following commencement of the plan. We estimate that we will incur approximately \$4.0 million to \$6.0 million of expense as a result of this action, primarily related to termination costs of the affected employees, of which we incurred approximately \$4.0 million in the three months ended March 31, 2014 and the balance over the next 12 to 18 months.

We cannot assure you that we will realize the cost savings and productivity improvements we expect as a result of these or any future restructuring and cost improvement initiatives. Future initiatives to transfer or consolidate manufacturing operations could also involve significant start-up or qualification costs for new or

Table of Contents

repurposed facilities. The failure to realize the full benefits of, or the incurrence of significant costs relating to, restructuring initiatives could materially adversely affect our business, financial condition and results of operations.

Our dependence on single or a limited number of suppliers for polysilicon and other raw materials, equipment and supplies could harm our production output and increase our costs, which could have a material adverse effect on our business, financial condition and results of operations.

Our ability to meet our customers' demand for our products depends upon obtaining adequate supplies of quality raw materials on a timely basis. We obtain several raw materials, equipment and supplies from sole suppliers. In addition, we have historically obtained our requirements for polysilicon primarily from SunEdison's Pasadena, Texas facility. Following the completion of this offering, we expect SunEdison to continue to commit to supplying us with our polysilicon requirements. However, following the Transactions, we will also own a 35% interest in SMP, which owns a polysilicon manufacturing facility in South Korea that is currently under construction. The SMP facility is expected to be completed in the second half of 2014. We expect to purchase polysilicon from SunEdison on a purchase order basis at competitive market prices until SMP achieves commercial capabilities to produce electronic grade polysilicon. After SMP achieves such commercial capabilities, we expect to purchase a portion of our polysilicon from SMP on a purchase order basis at prices lower than our historical cost for polysilicon. If for any reason SunEdison or SMP is unwilling or unable to meet our demand for polysilicon, we will be required to seek other suppliers, which could result in manufacturing delays, an increase in our costs relating to obtaining polysilicon or a decrease in our manufacturing throughput or yields. Such an occurrence could have a material adverse effect on our business, financial condition and results of operations.

From time to time we have experienced limited supplies of certain other raw materials, equipment and supplies and may experience shortages in the future. A prolonged inability to manufacture or obtain raw materials, equipment or supplies, or increases in prices resulting from shortages of these materials, could have a material adverse effect on our business, financial condition and results of operations.

We may never realize the expected benefits from SMP, and the SMP facility may require additional capital investments, which could obligate us to sell ordinary shares to Samsung Fine Chemicals and dilute the ownership interests of our shareholders.

SMP was established to construct and operate a polysilicon manufacturing facility for the benefit of the joint venture partners of SMP. The SMP facility is not currently operational and is not expected to be completed until the second half of 2014. Commencement of operations at the facility could be delayed for a variety of reasons, including weather, natural disasters, labor shortages or strikes or other factors beyond our control. Once the facility commences operations, we expect to purchase a portion of our polysilicon requirements from SMP.

However, we may not realize all of the expected benefits of the SMP manufacturing facility due to, among other things:

the facility may never achieve the commercial capabilities to produce electronic grade polysilicon;

the facility may operate less efficiently than we expect or may not become commercially viable at all, including for reasons beyond our control;

we may become involved in disputes with our joint venture partners regarding additional capital investments or operations, such as how to best deploy assets, and such disagreements could disrupt or halt the operations of the facility or negatively impact the facility's efficiency;

the facility may not receive appropriate regulatory approvals to manufacture polysilicon or such approvals may be delayed;

Table of Contents

general political and economic uncertainty could impact completion of construction of the facility or, following completion, operations at the facility, including multiple regulatory requirements that are subject to change, any future implementation of trade protection measures and import or export licensing requirements between the United States and South Korea, labor regulations or work stoppages, fluctuations in foreign currency exchange rates, and complying with U.S. regulations that apply to international operations, including trade laws and the U.S. Foreign Corrupt Practices Act;

we may be required to make unexpected and substantial additional capital investments in SMP; and

operations at the facility may be disrupted, including by natural disasters, equipment failures or environmental factors.

Any of these or other actions or factors could adversely affect the supply of polysilicon to us or our ability to otherwise realize any return on our investment in the joint venture, which could have a material adverse effect on our business, financial condition and results of operations.

In addition, pursuant to an agreement we expect to enter into with Samsung Fine Chemicals and SunEdison in connection with the closing of the Samsung Private Placements, we will be obligated to sell additional ordinary shares having an aggregate value (based on the initial public offering price) of up to 3.5 billion South Korean won, or \$3.4 million at currency exchange rates as of May 8, 2014, to Samsung Fine Chemicals following the closing of the Samsung Private Placements in the event construction costs associated with the SMP facility exceed a specified amount. The number of additional ordinary shares that we will be obligated to sell to Samsung Fine Chemicals will depend upon the extent to which the actual construction costs exceed 410 billion South Korean won but are less than 430 billion South Korean won, or approximately \$400.8 million to \$420.4 million at currency exchange rates as of May 8, 2014. Assuming currency exchange rates as of May 8, 2014, the maximum number of additional ordinary shares that we will be obligated to sell to Samsung Fine Chemicals is 263,216 ordinary shares. Any such issuance would dilute the ownership interest of holders of our ordinary shares.

Payments required from us under leases and pursuant to minimum purchase obligations could have a material adverse effect on our business, financial condition and results of operations.

We have long-term annual lease obligations for certain facilities and minimum purchase requirements with certain suppliers of precursor raw materials, such as chemicals used in our production processes. In 2013, we made payments of approximately \$43.4 million in the aggregate to fulfill minimum purchase and lease obligations. Our failure to satisfy required purchase and lease obligations, or our need to terminate any such contracts as a result of declining market demand or otherwise, could have a material adverse effect on our business, financial condition and results of operations.

Restrictive covenants under our credit facilities may limit our current and future operations, and if we fail to comply with those covenants, the lenders could cause outstanding amounts to become immediately due and payable, and we might not have sufficient funds and assets to pay such loans.

In connection with the Transactions, we will enter into a \$210.0 million senior secured term loan facility, issued at a 1% discount, and an up to \$50.0 million senior secured revolving credit facility. These facilities will contain certain restrictive covenants and conditions, including limitations on our ability to, among other things:

incur additional indebtedness and guarantee indebtedness;

Table of Contents

pay dividends on or make distributions in respect of capital stock or make certain other restricted payments or investments;

enter into certain agreements that restrict distributions from restricted subsidiaries;

sell or otherwise dispose of assets, including capital stock of restricted subsidiaries;

enter into transactions with affiliates;

create or incur liens;

merge, consolidate or sell substantially all of our assets;

make acquisitions or other investments; and

make certain payments on indebtedness.

As a result of these covenants, we may be restricted in our ability to pursue new business opportunities or strategies or to respond quickly to changes in the semiconductor industry. A violation of any of these covenants would be deemed an event of default under our credit facilities. In such event, upon the election of the lenders, the loan commitments under our credit facilities would terminate and the loans and accrued interest then outstanding would be due and payable immediately. A default may also result in the acceleration of any other debt to which a cross-acceleration or cross-default provision applies. In the event our lenders accelerate the repayment of our borrowings, we cannot assure you that we and our subsidiaries would have sufficient funds to repay such indebtedness or be able to obtain replacement financing on a timely basis or at all. These events could have a material adverse effect on our business, financial condition and results of operations. We also may need to negotiate changes to the covenants in our credit agreements in the future if there are material changes in our business, operations or financial condition, but we cannot assure you that we will be able to do so on terms favorable to us or at all.

We may not be able to generate sufficient cash to service all of our indebtedness and may be forced to take other actions to satisfy our obligations under our indebtedness, which may not be successful.

Our ability to make scheduled payments on or to refinance our indebtedness, including the credit facilities we will enter into in connection with the Transactions, depends on our financial condition and operating performance, which are subject to economic and competitive conditions and other factors beyond our control. We may be unable to maintain a level of cash flows from operating activities sufficient to permit us to fund our day-to-day operations or to pay the principal, premium, if any, and interest on our indebtedness. If our cash flows and capital resources are insufficient to fund our debt service obligations, we could face substantial liquidity problems and could be forced to reduce or delay investments and capital expenditures or to sell assets or operations, seek additional capital or restructure or refinance our indebtedness. If we cannot make scheduled payments on our debt, we will be in default and, as a result, the lenders under our credit facilities or other indebtedness could terminate their commitments to loan money, or foreclose against the assets securing such borrowings, and we could be forced into bankruptcy or

liquidation, in each case, which would have a material adverse effect on our business, financial condition and results of operations.

We are subject to numerous environmental laws and regulations, which could require us to incur environmental liabilities, increase our manufacturing and related compliance costs or otherwise adversely affect our business.

We are subject to a variety of federal, state, local and foreign laws and regulations governing the protection of the environment. These environmental laws and regulations include those relating to the use,

Table of Contents

storage, handling, discharge, emission, disposal and reporting of toxic, volatile or otherwise hazardous materials used in our manufacturing processes. These materials may have been or could be released into the environment at properties currently or previously owned or operated by us, at other locations during the transport of the materials or at properties to which we send substances for treatment or disposal. If we were to violate or become liable under environmental laws and regulations or become non-compliant with permits required at some of our facilities, we could be held financially responsible and incur substantial costs, including cleanup costs, fines and civil or criminal sanctions, third-party property damage or personal injury claims.

Groundwater and/or soil contamination has been detected at our facilities in St. Peters, Missouri and Merano, Italy, and we previously had contamination at two other facilities which has now been remediated. We believe we are taking all necessary remedial steps at the two facilities where contamination still exists and continue to monitor the other two facilities. We do not expect the costs of the ongoing monitoring at these sites to be material. In connection with our decision to indefinitely close the Merano, Italy polysilicon and chlorosilanes facilities, during the three months ended December 31, 2013, we recorded an additional \$3.4 million of environmental expense to reflect revised estimated liabilities relating to remediation activities that would be required to be undertaken at our Merano, Italy facilities. As of March 31, 2014, we believe we have adequately accrued all estimated required expenses with respect to our current decision to indefinitely close the Merano, Italy facilities. However, actual future expenses could differ from our estimates. In addition, if we decide to close other facilities in the future, we could be subject to additional costs related to cleanup and/or remediation. These additional costs could be material. Environmental issues relating to presently known or unknown matters could require additional investigation, assessment or expenditures. In addition, new laws and regulations or stricter enforcement of existing laws and regulations could give rise to additional compliance costs and liabilities.

Labor disruptions could materially and adversely affect our business, financial condition and results of operations.

As of March 31, 2014, we had approximately 4,100 employees, approximately 1,400 of whom were unionized at our manufacturing facilities in St. Peters, Missouri; Merano, Italy; Novara, Italy; Utsunomiya, Japan; and Chonan, South Korea. In various countries, local law also requires our participation in works councils. While we have not experienced any material work stoppages at any of our facilities due to labor union activities in recent years, any stoppage or slowdown at any of these facilities could cause material interruptions in manufacturing, and we cannot be certain that alternate qualified capacity would be available on a timely basis or at all. As a result, labor disruptions at any of our facilities could materially and adversely affect our business, financial condition and results of operations.

We may incur unexpected product performance claims that could materially and adversely affect our business, financial condition and results of operations.

Product performance claims against us relating to defective products could cause us to incur significant repair or replacement expense. In addition, quality issues can have various other ramifications, including delays in the recognition of net sales, loss of net sales, loss of future sales opportunities, increased costs associated with repairing or replacing products, and a negative impact on our reputation, all of which could materially and adversely affect our business, financial condition and results of operations.

Future acquisitions may present integration challenges, and if the goodwill, indefinite-lived intangible assets and other long-term assets recorded in connection with such acquisitions become impaired, we would be required to record impairment charges, which may be significant.

If we find appropriate opportunities in the future, we may acquire businesses, products or technologies that we believe are strategic. If we acquire a business, product or technology, the process of integration may produce unforeseen

operating difficulties and expenditures, fail to result in expected synergies or other benefits

Table of Contents

and absorb significant attention of our management that would otherwise be available for the ongoing development of our business.

In the event of any future acquisitions, we may record a portion of the assets we acquire as goodwill, other indefinite-lived intangible assets or finite-lived intangible assets. We do not amortize goodwill and indefinite-lived intangible assets, but rather review them for impairment on an annual basis or whenever events or changes in circumstances indicate that their carrying value may not be recoverable. The recoverability of these assets is dependent on our ability to generate sufficient future earnings and cash flows. Changes in estimates, circumstances or conditions, resulting from both internal and external factors, could have a significant impact on our fair valuation determination, which could then result in a material impairment charge negatively affecting our results of operations.

Risks Related to Our Separation from and Our Relationship with SunEdison

We are controlled by SunEdison, whose interests may conflict with yours, and this concentrated ownership of our ordinary shares will prevent you and other investors in our shares from influencing significant decisions involving our company.

Immediately following the completion of this offering and the Samsung Private Placements, SunEdison will own 23,560,251 shares, or 58.3%, of our outstanding ordinary shares (or 56.8% if the underwriters exercise in full their option to purchase additional ordinary shares). Accordingly, SunEdison will continue to exercise significant influence over our business policies and affairs, including the composition of our board of directors and any action requiring the approval of our shareholders, including the adoption of amendments to our memorandum and articles of association, the issuance of additional shares or other equity securities, the declaration and payment of dividends and the approval of mergers, reorganizations and disposals of a substantial part of our assets or business undertakings. The concentration of ownership may also make some transactions, including mergers or other changes in control, more difficult or impossible without the support of SunEdison. SunEdison's interests may conflict with your interests as an investor in our shares. For additional information about our relationships with SunEdison, you should read the information in Certain Relationships and Related Party Transactions.

Conflicts of interest between SunEdison and us could be resolved in a manner unfavorable to us.

Various conflicts of interest between SunEdison and us could arise. Many of our officers currently own stock in SunEdison, which in some cases are in excess of their ownership interests in our shares. In addition, upon the completion of this offering, two of our directors will be an officer or director of SunEdison. Ownership interests of officers or directors of SunEdison in our ordinary shares, or a person's service as either an officer or director of both companies, could create actual or potential conflicts of interest when those officers or directors are faced with decisions that could have different implications for SunEdison and us. These decisions could, for example, relate to:

our financing and dividend policy;

compensation and benefit programs and other human resources policy decisions;

termination of, changes to or determinations under our agreements with SunEdison entered into in connection with the Transactions; and

determinations with respect to our tax returns.

Actual or potential conflicts of interest could also arise if we enter into any new commercial arrangements with SunEdison in the future. Our directors who are also directors or officers of SunEdison may also face conflicts of interest with regard to the allocation of their time between SunEdison and us.

Table of Contents

The corporate opportunity provisions in our memorandum and articles of association could enable SunEdison to benefit from corporate opportunities that might otherwise be available to us, and SunEdison and its representatives will have the right to engage or invest in the same or similar businesses as us.

Our memorandum and articles of association provide that we renounce any interest or expectancy in, or in being offered an opportunity to participate in, any business opportunity in the solar energy field, including the manufacture of solar wafers, that may from time to time be presented to SunEdison or any of its officers, directors, agents, stockholders, members, partners, affiliates and subsidiaries (other than us and our subsidiaries) and that may be a business opportunity for SunEdison, even if the opportunity is one that we might reasonably have pursued or had the ability or desire to pursue if granted the opportunity to do so. Further, our memorandum and articles of association provide that no such person will be liable to us for breach of any fiduciary or other duty, as a director or officer or otherwise, by reason of the fact that such person, acting in good faith, pursues or acquires any such business opportunity, directs any such business opportunity to another person or fails to present any such business opportunity, or information regarding any such business opportunity, to us unless, in the case of any such person who is our director or officer, such business opportunity is expressly offered to such director or officer solely in his or her capacity as our director or officer.

SunEdison has other investments and business activities in addition to their ownership of us, including in industries similar to the industry in which we operate. Neither SunEdison nor any of its representatives has any duty to refrain from engaging directly or indirectly in business activities or lines of business other than the growth, processing and manufacture of semiconductor crystals for use as a substrate for semiconductor wafer production, the processing and manufacture of semiconductor wafers for the semiconductor industry, and similar uses solely within the semiconductor industry.

We have no recent operating history as an independent company upon which you can evaluate our performance and, accordingly, our prospects must be considered in light of the risks that any newly independent company encounters.

Following the acquisition of SunEdison LLC in November 2009, we have operated as a business segment of SunEdison. Accordingly, we have no recent experience operating as an independent company and performing various corporate functions which were previously undertaken on a centralized basis by SunEdison, including human resources, tax administration, legal, treasury administration, investor relations, business development, internal audit, insurance, information technology and telecommunications services, as well as the accounting for many items such as equity compensation, income taxes, derivatives and pensions. Our prospects must be considered in light of the risks, expenses and difficulties encountered by companies in the early stages of independent business operations, particularly companies such as ours in highly competitive markets.

Our historical combined financial statements may not be necessarily representative of the results we would have achieved as a stand-alone company and may not be a reliable indicator of our future results.

Our historical combined financial statements and unaudited pro forma consolidated financial data included elsewhere in this prospectus have been created from SunEdison's financial statements using our historical results of operations and bases of assets and liabilities as a business segment of SunEdison. In connection with the preparation of the historical combined financial statements and unaudited pro forma consolidated financial data, we made certain estimates, assumptions and allocations based on current facts, historical experience and various other factors. While we believe that these estimates, assumptions and allocations are reasonable under the circumstances, they are subject to significant uncertainties. This is primarily the result of the following factors:

our historical combined financial statements reflect expense allocations for certain support functions that are provided on a centralized basis within SunEdison, such as expenses for business technology, facilities, legal, finance, human resources, investor relations, business development,

Table of Contents

public affairs and procurement, as well as certain manufacturing and supply costs incurred by manufacturing sites that are shared with other SunEdison business units that may be higher or lower than the comparable expenses we would have actually incurred, or will incur in the future, as a stand-alone company;

our cost of debt and our capital structure will be different from that reflected in our historical combined financial statements;

increases will occur in our cost structure as a result of being a stand-alone public company, including costs related to public company reporting, investor relations and compliance with the Sarbanes-Oxley Act of 2002, or the Sarbanes-Oxley Act; and

our effective income tax rate as reflected in our historical financial information may not be indicative of our future effective income tax rate.

Accordingly, the historical and pro forma financial information included elsewhere in this prospectus may not necessarily reflect the financial condition, results of operations or cash flows we would have achieved as a stand-alone company during the periods presented or that we will achieve in the future.

Our failure to achieve and maintain effective internal control over financial reporting in accordance with Section 404 of the Sarbanes-Oxley Act as a stand-alone company could have a material adverse effect on our business and share price.

Prior to the acquisition of SunEdison LLC in 2009, we were required to maintain internal control over financial reporting in a manner that met the standards of publicly traded companies as required by Section 404(a) of the Sarbanes-Oxley Act. However, since that time, we have not operated as a stand-alone public company and have not had to independently comply with Section 404(a) of the Sarbanes-Oxley Act. We anticipate being required to meet these standards in the course of preparing our financial statements as of and for the year ended December 31, 2014, and our management will be required to report on the effectiveness of our internal control over financial reporting for such year. Additionally, once we are no longer an emerging growth company, as defined by the Jumpstart Our Business Startups Act, or the JOBS Act, our independent registered public accounting firm will be required pursuant to Section 404(b) of the Sarbanes-Oxley Act to attest to the effectiveness of our internal control over financial reporting on an annual basis. The rules governing the standards that must be met for our management to assess our internal control over financial reporting are complex and require significant documentation, testing and possible remediation.

Internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements in accordance with generally accepted accounting principles. We are currently in the process of reviewing, documenting and testing our internal control over financial reporting, but we are not currently in compliance with, and we cannot be certain when we will be able to implement the requirements of Section 404(a). We may encounter problems or delays in implementing any changes necessary to make a favorable assessment of our internal control over financial reporting. In addition, we may encounter problems or delays in completing the implementation of any requested improvements and receiving a favorable attestation in connection with the attestation to be provided by our independent registered public accounting firm after we cease to be an emerging growth company. If we cannot favorably assess the effectiveness of our internal control over financial reporting, or if our independent registered public accounting firm is unable to provide an unqualified attestation report

on our internal controls after we cease to be an emerging growth company, investors could lose confidence in our financial information and the price of our ordinary shares could decline.

Additionally, the existence of any material weakness or significant deficiency would require management to devote significant time and incur significant expense to remediate any such material weaknesses or significant deficiencies and management may not be able to remediate any such material weaknesses or significant deficiencies in a timely manner. The existence of any material weakness in our internal control over

Table of Contents

financial reporting could also result in errors in our financial statements that could require us to restate our financial statements, cause us to fail to meet our reporting obligations and cause shareholders to lose confidence in our reported financial information, all of which could materially and adversely affect our business and share price.

We may not achieve some or all of the expected benefits of the Transactions.

We may not be able to achieve the full strategic and financial benefits expected to result from the Transactions, or such benefits may be delayed. These expected benefits include, but are not limited to, the following:

improving strategic and operational flexibility and increasing management focus on our business;

allowing us to adopt the capital structure and investment policy best suited to our financial profile and business needs; and

improving the alignment of management and employee incentives with performance and growth objectives of our business.

If we are unable to achieve the strategic and financial benefits expected to result from the Transactions, our business, financial condition and results of operations could be materially adversely affected.

Future sales or distributions of our shares by SunEdison or the Samsung Purchasers could depress the price of our ordinary shares.

After this offering, and subject to the lock-up period described below, SunEdison and the Samsung Purchasers may sell all or a portion of our ordinary shares that they own or SunEdison may distribute those shares to its shareholders. Sales by SunEdison or the Samsung Purchasers in the public market or distributions by SunEdison to its shareholders of substantial amounts of our ordinary shares, or the filing by SunEdison or the Samsung Purchasers of a registration statement relating to a substantial amount of our ordinary shares, could depress the price of our ordinary shares. SunEdison and the Samsung Purchasers have informed us that, at some time in the future, but no earlier than the expiration of the lock-up period, they may sell all or a portion of their ownership interest in us. Neither SunEdison nor the Samsung Purchasers are subject to any contractual obligation to maintain their ownership position in our shares, except that they have agreed not to sell or otherwise dispose of any of our ordinary shares for a period ending 180 days after the date of the final prospectus without the prior written consent of Deutsche Bank Securities Inc. and Goldman, Sachs & Co., on behalf of the underwriters, subject to specified limited exceptions described in

Underwriting. Consequently, SunEdison or the Samsung Purchasers may decide not to maintain their ownership of our ordinary shares once the lock-up period expires.

In addition, SunEdison and the Samsung Purchasers will have the right, subject to some conditions, to require us to file registration statements covering their shares or to include their shares in other registration statements that we may file. See Certain Relationships and Related Party Transactions Registration Rights Agreement with SunEdison and

Registration Rights Agreements with Samsung Purchasers. By exercising their registration rights or selling a large number of shares, SunEdison or the Samsung Purchasers could cause the price of our ordinary shares to decline.

SunEdison has pledged our ordinary shares that it owns to its lenders under its credit facility. If the lenders foreclose on these shares, the market price of our ordinary shares could be materially adversely affected.

SunEdison has pledged all of our ordinary shares that it owns to its lenders as security under its credit facility with Wells Fargo Bank, National Association, as administrative agent, Goldman Sachs Bank USA and Deutsche Bank Securities Inc., as joint lead arrangers and joint syndication agents, Goldman Sachs Bank USA, Deutsche Bank Securities Inc., Wells Fargo Securities, LLC and Macquarie Capital (USA) Inc., as joint bookrunners, and the lenders identified in the credit agreement. If SunEdison breaches certain covenants and

Table of Contents

obligations in its credit facility, an event of default could result and the lenders could exercise their right to accelerate all the debt under the credit facility and foreclose on the pledged shares. While the pledged shares are subject to the 180-day lock-up restrictions described in Shares Eligible for Future Sale Lock-Up Agreements, any future sale of pledged shares after foreclosure could cause the market price of our ordinary shares to decline. In addition, because SunEdison owns a majority of our ordinary shares, the occurrence of an event of default, foreclosure, and a subsequent sale of all, or substantially all, of the pledged shares could result in a change of control, even when such change may not be in the best interest of our shareholders.

If SunEdison sells a controlling interest in our company to a third party in a private transaction, you may not realize any change-of-control premium on shares of our ordinary shares and we may become subject to the control of a presently unknown third party.

Following this offering, SunEdison will have the ability, should it choose to do so, to sell some or all of our ordinary shares that it owns in a privately negotiated transaction, which, if sufficient in size, could result in a change of control of our company. In addition, the Samsung Purchasers will have certain rights to participate in any such sale by SunEdison pursuant to tag-along agreements to be entered into between SunEdison and the Samsung Purchasers in connection with the Samsung Private Placements. The Singapore Code on Takeovers and Mergers, or the Singapore Takeover Code, requires a general offer to be made to all shareholders of our company in certain specific circumstances; however, there can be no assurance that any divestment by SunEdison of its ordinary shares in us would trigger the requirement to make a concurrent general offer, or that the new controlling shareholder would not be able to obtain a waiver from compliance with the provisions of the Singapore Takeover Code from the applicable Singapore regulatory authorities, which may prevent you from realizing any change-of-control premium on your investment in our shares. Additionally, if SunEdison privately sells a significant equity interest in our company, we may become subject to the control of a presently unknown third party. Such third party may have actual or potential conflicts of interest with those of other shareholders. If SunEdison sells a controlling interest in us to a third party, our indebtedness may be subject to acceleration and our commercial agreements (or terms thereof) and relationships may be adversely impacted, any of which may materially and adversely affect our ability to run our business as described herein and may have a material adverse effect on our business, financial condition and results of operations.

The agreements we have entered or will enter into with SunEdison in connection with the Transactions were not negotiated on an arm's length basis and may include terms and provisions that are less favorable than terms and provisions we could have obtained in arm's length negotiations with unaffiliated third parties.

In connection with the Formation Transactions, we have entered into a series of agreements with SunEdison (including certain of its subsidiaries) relating to the contribution of all of the outstanding capital stock of SunEdison's subsidiaries that own and operate its semiconductor materials business and all of the assets primarily related to its semiconductor materials business held by SunEdison or its subsidiaries in exchange for aggregate consideration of 23.6 million ordinary shares, intercompany notes in an aggregate principal amount of \$290.0 million and the assumption by us of \$336.0 million of liabilities reflected on our balance sheet as of March 31, 2014 (to the extent not subsequently discharged) plus all other liabilities related to the semiconductor materials business. Additionally, prior to the consummation of this offering, we will enter into agreements that will provide a framework for our ongoing relationship with SunEdison, including intellectual property licensing agreements, a transition services agreement and a tax matters agreement. See Certain Relationships and Related Party Transactions. The terms of these agreements, including the prices paid for services provided by SunEdison to us or by us to SunEdison following this offering, the number of ordinary shares to be issued to SunEdison and the consideration paid by us to SunEdison in connection with the Formation Transactions, were not determined by arm's length negotiations. No independent third-party appraisal of the semiconductor materials business of SunEdison was obtained on our behalf, nor has any independent third party determined that the pricing terms under the agreements with SunEdison that will be in effect following this

offering are equivalent to fair market value. Accordingly, there can be no assurance that the terms and provisions of any of these agreements are or will be as favorable to us as those that we could have obtained in arm's length negotiations with unaffiliated third parties which were not controlling shareholders of our company.

Table of Contents

SunEdison will provide a number of services to us pursuant to a transition services agreement. When such agreement terminates, we will be required to replace the services, and the economic terms of the new arrangements may be less favorable to us.

Under the terms of a transition services agreement that we will enter into with SunEdison in connection with the Transactions, SunEdison will provide us, for a fee, specified support services related to corporate functions such as risk management, communications, corporate administration, finance, accounting, audit, legal, information technology, human resources, compliance, employee benefits and stock compensation administration for an initial term of one to two years following the Transactions, unless earlier terminated or extended according to the terms of the agreement. When the transition services agreement terminates, we will be required to either enter into a new agreement with SunEdison or another services provider or assume the responsibility for these functions ourselves. We cannot assure you that the economic terms of the new arrangements will be similar to those under our current arrangements with SunEdison. If we are unable to renew or replace such arrangements on a comparable basis, our business, financial condition and results of operations may be materially and adversely affected.

For a summary of the material terms of the transition services agreement, see [Certain Relationships and Related Party Transactions](#) [Transition Services Agreement](#).

SunEdison's rights as licensor under the intellectual property license agreements we will enter into in connection with the Transactions could limit our ability to develop and commercialize certain products if we fail to comply with our obligations under such agreements.

Under the intellectual property licensing agreements we will enter into in connection with the Transactions, SunEdison will license to us certain of its retained intellectual property rights applicable to manufacturing semiconductor wafers, including certain rights related to continuous Czochralski, or CCZ, diamond wire cutting. If we fail to comply with our obligations under this license agreement and SunEdison exercises its right to terminate it, our ability to continue to research, develop and commercialize products incorporating that intellectual property will be limited. These termination rights may make it more difficult, time consuming or expensive for us to develop and commercialize certain new products, or may result in our products being later to market than those of our competitors.

For a summary of the material terms of the intellectual property license agreements, see [Certain Relationships and Related Party Transactions](#) [Intellectual Property Licensing Agreements](#).

We are dependent on SunEdison to prosecute, maintain and enforce certain intellectual property.

Under the intellectual property license agreements, we expect that SunEdison will be responsible for filing, prosecuting and maintaining patents that SunEdison licenses to us. SunEdison also has the first right, and in some cases the sole right, to enforce such patents. In addition, with respect to the patents that we license to SunEdison, SunEdison will have the sole right to enforce the licensed patents if the enforcement relates to SunEdison's solar energy business, subject to certain exceptions. If SunEdison fails to fulfill its obligations or chooses to not enforce the licensed patents under these agreements, we may not be able to prevent competitors from making, using and selling competitive products.

Risks Relating to Investments in Singapore Companies

We are incorporated in Singapore and our shareholders may have more difficulty in protecting their interests than they would as shareholders of a corporation incorporated in the United States.

Our corporate affairs are governed by our memorandum and articles of association and by the laws governing companies incorporated in Singapore. The rights of our shareholders and the responsibilities of the

Table of Contents

members of our board of directors under Singapore law are different from those applicable to a corporation incorporated in the United States. Therefore, our public shareholders may have more difficulty in protecting their interest in connection with actions taken by us, our management, members of our board of directors or our controlling shareholder than they would as shareholders of a corporation incorporated in the United States. For example, controlling shareholders, such as SunEdison immediately following this offering, in corporations incorporated in Delaware are subject to fiduciary duties while controlling shareholders in Singapore companies are not subject to such duties.

In addition, only persons who are registered as shareholders in our shareholder register are recognized under Singapore law as shareholders of our company. Only registered shareholders have legal standing to institute shareholder actions against us or otherwise seek to enforce their rights as shareholders. Investors in our shares who are not specifically registered as shareholders in our shareholder register (for example, where such shareholders hold shares indirectly through The Depository Trust Company) are required to become registered as shareholders in our shareholder register in order to institute or enforce any legal proceedings or claims against us, our directors or our executive officers relating to shareholder rights. Holders of book-entry interests in our shares may become registered shareholders by exchanging their book-entry interests in our shares for certificated shares and being registered in our shareholder register. Please see [Comparison of Shareholder Rights](#) for a discussion of certain differences between Singapore and Delaware corporation law.

You may have difficulty enforcing judgments against us or certain of our directors and officers.

We are a Singapore-incorporated company, and a majority of our assets are located outside of the United States. Although we are incorporated outside the United States, we have agreed to accept service of process in the United States through our agent designated for that purpose. Nevertheless, since a majority of the consolidated assets owned by us are located outside the United States, any judgment obtained in the United States against us may not be collectible within the United States. In addition, certain of our officers and directors are or will be resident outside the United States.

As a result, it may be difficult for you to effect service of process within the United States upon these persons. It may also be difficult for you to enforce judgments obtained in the United States in the Singapore, Malaysia, Taiwan, Japan or South Korean courts based upon the civil liability provisions of the U.S. federal securities laws against us and our non-U.S. resident officers and directors. In addition, there is uncertainty as to whether these courts would recognize or enforce judgments of U.S. courts against us or such persons predicated upon the civil liability provisions of the securities laws of the United States. It is also uncertain whether such courts would be competent to hear original actions brought against us or other persons predicated on the securities laws of the United State or any other state.

With respect to Singapore, there is no treaty between the United States and Singapore providing for the reciprocal recognition and enforcement of judgments in civil and commercial matters and a final judgment for the payment of money rendered by any federal or state court in the United States based on civil liability, whether or not predicated solely upon the federal securities laws, would, therefore, not be automatically enforceable in Singapore. It is not clear whether a Singapore court may impose civil liability on us or our directors and officers who reside in Singapore in a suit brought in the Singapore courts against us or such persons with respect to a violation solely of the federal securities laws of the United States. In addition, holders of book-entry interests in our shares will be required to be registered shareholders as reflected in our shareholder register in order to have standing to bring a shareholder suit and, if successful, to enforce a foreign judgment against us, our directors or our executive officers in the Singapore courts. The administrative process of becoming a registered shareholder could result in delays prejudicial to any legal proceeding or enforcement action. In making a determination as to enforceability of a foreign judgment, the Singapore courts would have regard to whether the judgment was final and conclusive, given by a court of competent

jurisdiction, and was expressed to be for a fixed sum of money. In general, a foreign judgment would be enforceable in Singapore unless it was procured by fraud, or the proceedings in which such judgment was obtained were not conducted in accordance with principles of natural

Table of Contents

justice, or the enforcement thereof would be contrary to public policy. Accordingly, there can be no assurance that the Singapore courts would enforce against us, our directors or our officers resident in Singapore judgments obtained in the United States which are predicated upon the civil liability provisions of the federal securities laws of the United States.

We are subject to the laws of Singapore, which differ in certain material respects from the laws of the United States.

As a Singapore-incorporated public company, we are required to comply with the laws of Singapore, certain of which are capable of extra-territorial application, as well as our memorandum and articles of association. In particular, we are required to comply with certain provisions of the Securities and Futures Act of Singapore, or the SFA, which prohibit certain forms of market conduct and information disclosures, and impose criminal and civil penalties on corporations, directors and officers in respect of any breach of such provisions. We are also required to comply with the Singapore Takeover Code, which specifies, among other things, certain circumstances in which a general offer is to be made upon a change in control, and further specifies the manner and price at which voluntary and mandatory general offers are to be made.

The laws of Singapore and of the United States differ in certain significant respects. The rights of our shareholders and the obligations of our directors and officers under Singapore law are different from those applicable to a U.S.-incorporated company in material respects, and our shareholders may have more difficulty and less clarity in protecting their interests in connection with actions taken by our management, members of our board of directors or our controlling shareholders than would otherwise apply to a U.S.-incorporated company. See [Comparison of Shareholder Rights](#) for a discussion of certain differences between Singapore and Delaware corporation law.

In addition, the application of Singapore law, in particular, the Singapore Takeover Code, may in certain circumstances impose more restrictions on us, our shareholders, directors and officers than would otherwise be applicable to a U.S.-incorporated company. For example, the Singapore Companies Act requires directors to act with a reasonable degree of diligence and, in certain circumstances, imposes criminal liability for specified contraventions of particular statutory requirements or prohibitions. In addition, pursuant to the provisions of the Singapore Companies Act, minority shareholders holding 10% or more of our issued and outstanding voting rights may require the convening of an extraordinary general meeting of shareholders by our directors. If our directors fail to comply with such request within 21 days of the receipt thereof, minority shareholders holding 50% of the voting rights represented by the original requisitioning shareholders may proceed to convene such meeting, and we will be liable for the reasonable costs incurred by such requisitioning shareholders. We are also required by the Singapore Companies Act to deduct corresponding amounts from fees or other remuneration payable by us to such non-complying directors.

For a limited period of time, our directors have general authority to allot and issue new shares on terms and conditions and with any preferences, rights or restrictions as may be determined by our board of directors in its sole discretion.

Under Singapore law, we may only allot and issue new shares with the prior approval of our shareholders in a general meeting. We expect that prior to the completion of this offering, SunEdison, as our sole shareholder, will provide our directors with a general authority to allot and issue any number of new shares (whether as ordinary shares or preference shares) until the earlier of (i) the conclusion of our 2015 annual general meeting of shareholders, (ii) the expiration of the period within which the next annual general meeting is required to be held (i.e., within 18 months from our incorporation) or (iii) the subsequent revocation or modification of such general authority by our shareholders acting at an extraordinary general meeting duly convened for such purpose. Subject to the general

requirements of the Singapore Companies Act and our memorandum and articles of association, the general authority given to our directors by SunEdison to allot and issues shares may be exercised by our directors to allot and issue shares on terms and subject to conditions as they deem fit to impose.

Table of Contents

Any additional issuances of new shares by our directors may adversely impact the market price of our ordinary shares.

Risks Related to this Offering and Ownership of Our Ordinary Shares

An active trading market for our ordinary shares may not develop, and you may not be able to sell your ordinary shares at or above the initial public offering price.

Prior to the completion of this offering, there has been no public market for our ordinary shares. An active trading market for our ordinary shares may never develop or be sustained following this offering. If an active trading market does not develop, you may have difficulty selling your ordinary shares at an attractive price, or at all. The price for our ordinary shares in this offering will be determined by negotiations among SunEdison, us and representatives of the underwriters, and it may not be indicative of prices that will prevail in the open market following this offering. Consequently, you may not be able to sell your ordinary shares at or above the initial public offering price or at any other price or at the time that you would like to sell. An inactive market may also impair our ability to raise capital by selling our ordinary shares, and it may impair our ability to attract and motivate our employees through equity incentive awards.

The price of our ordinary shares may fluctuate substantially.

You should consider an investment in our ordinary shares to be risky, and you should invest in our ordinary shares only if you can withstand a significant loss and wide fluctuations in the market value of your investment. Some factors that may cause the market price of our ordinary shares to fluctuate, in addition to the other risks mentioned in this section of the prospectus, are:

our announcements or our competitors' announcements regarding new products or services, enhancements, significant contracts, acquisitions or strategic investments;

changes in earnings estimates or recommendations by securities analysts, if any, who cover our ordinary shares;

failures to meet external expectations or management guidance;

fluctuations in our quarterly financial results or the quarterly financial results of companies perceived to be similar to us;

changes in our capital structure or dividend policy, future issuances of securities, sales of large blocks of ordinary shares by our shareholders, including SunEdison, our incurrence of additional debt or our failure to comply with the agreements governing our credit facilities;

reputational issues;

changes in general economic and market conditions in or any of the regions in which we conduct our business;

changes in industry conditions or perceptions;

changes in applicable laws, rules or regulations; and

announcements or actions taken by SunEdison as our principal shareholder.

Table of Contents

In addition, if the market for stocks in our industry or industries related to our industry, or the stock market in general, experiences a loss of investor confidence, the trading price of our ordinary shares could decline for reasons unrelated to our business, financial condition and results of operations. If any of the foregoing occurs, it could cause our share price to fall and may expose us to lawsuits that, even if unsuccessful, could be costly to defend and a distraction to management.

Future sales of our ordinary shares, or the perception in the public markets that these sales may occur, may depress our share price.

Sales of substantial amounts of our ordinary shares in the public market after this offering, or the perception that these sales could occur, could adversely affect the price of our ordinary shares and could impair our ability to raise capital through the sale of additional shares. Upon completion of this offering and the Samsung Private Placements, we will have 40,426,175 ordinary shares outstanding. The ordinary shares offered in this offering will be freely tradable without restriction under the Securities Act, except that any ordinary shares that may be acquired by our directors, executive officers and other affiliates, as that term is defined in the Securities Act, may be sold only in compliance with the limitations described in Shares Eligible for Future Sale.

The remaining ordinary shares, representing 82.2% of our total outstanding ordinary shares following this offering, will be restricted securities within the meaning of Rule 144 and subject to certain restrictions on resale following the consummation of this offering. Restricted securities may be sold in the public market only if they are registered under the Securities Act or are sold pursuant to an exemption from registration such as Rule 144 or Rule 701, as described in Shares Eligible for Future Sale.

We, each of our executive officers and directors, SunEdison and the Samsung Purchasers have agreed, subject to certain exceptions, with the underwriters not to dispose of or hedge any of our ordinary shares or securities convertible into or exchangeable for our ordinary shares during the period from the date of this prospectus continuing through the date that is 180 days after the date of this prospectus. Deutsche Bank Securities Inc. and Goldman, Sachs & Co. may, in their sole discretion, release any of these shares from these restrictions at any time without notice. See Underwriting.

After this offering, SunEdison and the Samsung Purchasers will have the right to require us to register the sales of their shares under the Securities Act, under the terms of agreements between us and SunEdison and us and the Samsung Purchasers. See Certain Relationships and Related Party Transactions Registration Rights Agreement with SunEdison and Registration Rights Agreements with the Samsung Purchasers for a more detailed description of these rights.

In the future, we may also issue our securities in connection with investments or acquisitions. The number of ordinary shares issued in connection with an investment or acquisition could constitute a material portion of our then-outstanding ordinary shares.

We are an emerging growth company and may elect to comply with reduced public company reporting requirements, which could make our ordinary shares less attractive to investors.

We are an emerging growth company, as defined in the JOBS Act. For as long as we continue to be an emerging growth company, we may choose to take advantage of exemptions from various public company reporting requirements. These exemptions include, but are not limited to, (i) not being required to comply with the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act, (ii) reduced disclosure obligations regarding executive compensation in our periodic reports, proxy statements and registration statements, and (iii) exemptions

from the requirements of holding a nonbinding advisory vote on executive compensation and shareholder approval of any golden parachute payments not previously approved. We could be an emerging growth company for up to five years after the first sale of our equity securities pursuant to an effective registration statement under the Securities Act, which fifth anniversary will occur in 2018. However, if certain

Table of Contents

events occur prior to the end of such five-year period, including if we become a large accelerated filer, our annual gross revenues exceed \$1.0 billion or we issue more than \$1.0 billion of non-convertible debt in any three-year period, we would cease to be an emerging growth company prior to the end of such five-year period. We have taken advantage of certain of the reduced disclosure obligations in this prospectus regarding executive compensation and the number of years included in our historical financial statements and may elect to take advantage of other reduced burdens in future filings. As a result, the information that we provide to holders of our ordinary shares may be different than you might receive from other public reporting companies in which you hold equity interests. We cannot predict if investors will find our ordinary shares less attractive as a result of our reliance on these exemptions. If some investors find our ordinary shares less attractive as a result of any choice we make to reduce disclosure, there may be a less active trading market for our ordinary shares and the price for our ordinary shares may be more volatile.

Under the JOBS Act, emerging growth companies can delay adopting new or revised accounting standards until such time as those standards apply to private companies. We have elected to avail ourselves of this extended transition period for complying with new or revised accounting standards and, therefore, we will not be subject to the same new or revised accounting standards as other public companies that are not emerging growth companies.

We are a controlled company and, as a result, we are exempt from obligations to comply with certain corporate governance requirements.

Since SunEdison will own 58.3% of our outstanding ordinary shares (or 56.8% if the underwriters exercise in full their option to purchase additional shares), we are a controlled company under the rules of the NASDAQ Global Select Market. As a result, we are exempt from the obligation to comply with certain corporate governance requirements, including the requirements that a majority of our board of directors consists of independent directors, as defined under the rules of the NASDAQ Global Select Market, and that we have nominating and compensation committees that are each composed entirely of independent directors. These exemptions do not modify the requirement for a fully independent audit committee, which is permitted to be phased-in as follows: (1) one independent committee member at the time of our initial public offering; (2) a majority of independent committee members within 90 days of our initial public offering; and (3) all independent committee members within one year of our initial public offering. Similarly, once we are no longer a controlled company, we must comply with the independent board committee requirements as they relate to the nominating and compensation committees, on the same phase-in schedule as set forth above, with the trigger date being the date we are no longer a controlled company as opposed to our initial public offering date. Additionally, we will have 12 months from the date we cease to be a controlled company to have a majority of independent directors on our board of directors. It is possible that the interests of SunEdison may in some circumstances conflict with our interests and the interests of holders of our ordinary shares. See *Risks Related to Our Separation from and Our Relationship with SunEdison*. We are controlled by SunEdison, whose interests may conflict with yours. The concentrated ownership of our ordinary shares will prevent you and other investors in our shares from influencing significant decisions involving our company.

We do not currently expect to pay any cash dividends for the foreseeable future.

We do not currently anticipate that we will pay any cash dividends on our ordinary shares for the foreseeable future. Any determination to pay dividends in the future will be at the discretion of our board of directors and will depend upon our financial condition, results of operations, contractual restrictions (including those under the our credit facilities and any potential indebtedness we may incur in the future), restrictions imposed by applicable law, tax considerations and other factors our board of directors deems relevant. In addition, pursuant to Singapore law and our articles of association, no dividends may be paid except out of our profits. There can be no assurance that we will pay a dividend in the future or continue to pay any dividend if we do commence paying dividends. Accordingly, if you purchase ordinary shares in this offering, realization of a gain on your investment will depend on the appreciation of

the price of our ordinary shares, which may never occur. Investors seeking cash dividends in the foreseeable future should not purchase our ordinary shares.

Table of Contents

Certain provisions of the agreements we have entered or will enter into with SunEdison in connection with the Transactions may discourage a takeover of our company by a third party or reduce the consideration our shareholders would receive in a sale of our company, each of which could adversely affect the price at which our ordinary shares will trade in the market following completion of this offering.

Prior to the consummation of this offering, we will enter into agreements that will provide a framework for our ongoing relationship with SunEdison, including intellectual property licensing agreements, a transition services agreement and a tax matters agreement. See Certain Relationships and Related Party Transactions. Each of these agreements provides that the agreement will automatically terminate upon a change in control of us. Under these agreements, a change of control is generally defined as (i) a person becoming the beneficial owner, directly or indirectly, of equity representing 50% or more of the total voting power of our outstanding equity, (ii) us merging or consolidating with another person whereby less than 50% of the total voting power of the surviving entity is represented by equity held, directly or indirectly, by our former equity holders, or (iii) us selling, transferring or exchanging all or substantially all of our assets to another person, unless more than 50% of the total voting power of the transferee receiving such assets is, directly, or indirectly, owned by our equity holders. Because these agreements are material to our business and operations, these provisions may discourage a takeover of our company by a third party. In addition, a potential acquiror which needed these agreements to continue in effect following its purchase could be required to negotiate new terms for these agreements with SunEdison. In either event, the result may reduce the consideration our shareholders would receive in a sale of us, which in turn could adversely affect the price at which our ordinary shares will trade in the market following completion of the offering.

The Singapore Takeover Code may impede a takeover of our company by a third party, which could adversely affect the value of our ordinary shares.

The Singapore Takeover Code contains provisions that may delay, deter or prevent a future takeover or change in control of our company for so long as we remain a public company with more than 50 shareholders and net tangible assets of S\$5 million or more. Under the Singapore Takeover Code, any person acquiring, whether by a series of transactions over a period of time or not, either on his own or together with parties acting in concert with such person, 30% or more of our voting shares, or, if such person holds, either on his own or together with parties acting in concert with such person, between 30% and 50% (both inclusive) of our voting shares, and such person (or parties acting in concert with such person) acquires additional voting shares representing more than 1% of our voting shares in any six-month period, must, except with the consent of the Securities Industry Council in Singapore, extend a mandatory takeover offer for the remaining voting shares in accordance with the provisions of the Singapore Takeover Code. While the Singapore Takeover Code seeks to ensure fair and equal treatment of all shareholders in a takeover or merger situation, its provisions may discourage or prevent certain types of transactions involving an actual or threatened change of control of our company. These legal requirements may impede or delay a takeover of our company by a third-party, which could adversely affect the value of our ordinary shares. While public companies that are not listed on a Singapore exchange may apply to the Securities Industry Council in Singapore for a waiver with respect to compliance with the Singapore Takeover Code, we currently do not intend to seek such a waiver.

Table of Contents

CAUTIONARY STATEMENT CONCERNING FORWARD LOOKING STATEMENTS

This prospectus contains forward-looking statements within the meaning of the federal securities laws. All statements other than statements of historical fact included in this prospectus are forward-looking statements. These statements relate to analyses and other information, which are based on forecasts of future results and estimates of amounts not yet determinable. These statements also relate to our future prospects, developments and business strategies. These forward-looking statements are identified by the use of terms and phrases such as anticipate, believe, could, estimate, expect, intend, may, plan, predict, project, will and similar terms and phrases, including references to assumptions. However, these words are not the exclusive means of identifying such statements. These statements are contained in many sections of this prospectus, including those entitled Prospectus Summary, Business and Management's Discussion and Analysis of Financial Condition and Results of Operations. Although we believe that our plans, intentions and expectations reflected in or suggested by such forward-looking statements are reasonable, we cannot assure you that we will achieve those plans, intentions or expectations. All forward-looking statements are subject to risks and uncertainties that may cause actual results to differ materially from those that we expected.

Important factors that could cause actual results to differ materially from our expectations, or cautionary statements, are disclosed under the sections entitled Risk Factors and Management's Discussion and Analysis of Financial Condition and Results of Operations in this prospectus. All written and oral forward-looking statements attributable to us, or persons acting on our behalf, are expressly qualified in their entirety by the cautionary statements contained in this prospectus under the heading Risk Factors, as well as other cautionary statements that are made from time to time in our other SEC filings and public communications. You should evaluate all forward-looking statements made in this prospectus in the context of these risks and uncertainties.

We caution you that the important factors referenced above may not contain all of the factors that are important to you. In addition, we cannot assure you that we will realize the results or developments we expect or anticipate or, even if substantially realized, that they will result in the consequences or affect us or our operations in the way we expect. The forward-looking statements included in this prospectus are made only as of the date hereof. We undertake no obligation to publicly update or revise any forward-looking statement as a result of new information, future events or otherwise, except as otherwise required by law.

ENFORCEMENT OF CIVIL LIABILITIES UNDER UNITED STATES FEDERAL SECURITIES LAWS

We are incorporated under the laws of the Republic of Singapore, and certain of our officers and directors are or will be residents outside the United States. Moreover, a majority of our consolidated assets are located outside the United States. Although we are incorporated outside the United States, we have agreed to accept service of process in the United States through our agent designated for that purpose. Nevertheless, since a majority of the consolidated assets owned by us are located outside the United States, any judgment obtained in the United States against us may not be collectible within the United States. There is no treaty between the United States and Singapore providing for the reciprocal recognition and enforcement of judgments in civil and commercial matters and a final judgment for the payment of money rendered by any federal or state court in the United States based on civil liability, whether or not predicated solely upon the federal securities laws, would, therefore, not be automatically enforceable in Singapore. It is not clear whether a Singapore court may impose civil liability on us or our directors and officers who reside in Singapore in a suit brought in the Singapore courts against us or such persons with respect to a violation solely of the federal securities laws of the United States. In making a determination as to enforceability of a foreign judgment, the Singapore courts would have regard to whether the judgment was final and conclusive, given by a court of competent jurisdiction, and was expressed to be for a fixed sum of money. In general, such foreign judgments would be enforceable in Singapore unless it was procured by fraud, or the proceedings in which such judgment was obtained were not conducted in accordance with principles of natural justice, or the enforcement thereof would be contrary to

public policy. Accordingly, there can be no assurance that the Singapore courts would enforce against us, our directors or our officers resident in Singapore judgments obtained in the United States which are predicated upon the civil liability

Table of Contents

provisions of the federal securities laws of the United States. In addition, holders of book-entry interests in our shares will be required to exchange such interests for certificated shares and to be registered as shareholders in our shareholder register in order to have standing to bring a shareholder suit and, if successful, to enforce a foreign judgment against us, our directors or our executive officers in the Singapore courts. A holder of book-entry interests in our shares may become a registered shareholder of our company by exchanging its interest in our shares for certificated shares and being registered in our shareholder register. The administrative process of becoming a registered shareholder could result in delays prejudicial to any legal proceeding or enforcement action.

Table of Contents**INDUSTRY AND MARKET DATA**

We obtained the market and industry data and other statistical information used throughout this prospectus from our own research, surveys or studies conducted by third parties, independent industry or general publications and other published independent sources. In particular, we have based much of our discussion concerning the industry and market in which we operate on independent data, research opinions and viewpoints published by Gartner. We have based certain statements with respect to the SOI market on information from the SOI Industry Consortium, an organization comprised of leading companies from the electronics industry. We have also based certain statements with respect to demand for semiconductors and semiconductor applications on information from SEMI Silicon Manufacturers Group, a trade association serving the manufacturing supply chains for the microelectronics and photovoltaic industries, as well as Semiconductor Industry Association and World Semiconductor Trade Statistics, a trade association serving the U.S. semiconductor industry. Industry publications and surveys generally state that they have obtained information from sources believed to be reliable, but do not guarantee the accuracy and completeness of such information.

The following table identifies those statements included in this prospectus that are based on data published by Gartner together with the specific source of such data:

Statement

According to Gartner, Inc., or Gartner, the merchant semiconductor silicon wafer market in 2012 was approximately \$9 billion and in 2013 was approximately \$8 billion worldwide and is expected to grow at a 4.5% compound annual growth rate, or CAGR, from 2013 to 2017, reaching approximately \$9.5 billion by 2017.

The semiconductor wafer industry has undergone significant consolidation over the past 20 years, from more than 20 suppliers in the 1990s to only five major suppliers today, including Shin-Etsu Handotai, SUMCO Phoenix Corporation, Siltronic AG, LG Siltron, and us, which suppliers accounted for approximately 90% of all semiconductor wafer sales in 2012, according to Gartner.

We have expanded our market share by revenue from 8% in 2008 to 10% in 2012, according to Gartner.

According to Gartner, the total semiconductor market worldwide was \$315 billion in 2013.

According to Gartner, the epitaxial semiconductor silicon wafer market is expected to grow from \$3.0 billion worldwide in 2013 to \$3.8 billion in 2017, representing a 6.1% CAGR.

For example, according to Gartner, overall unit sales volumes for semiconductor silicon wafers worldwide declined in 2011 and 2012.

Source

Gartner, Forecast: Semiconductor Silicon Wafers, Worldwide, 4Q13 Update, December 2013 (for 2013 data); Gartner, Forecast: Semiconductor Silicon Wafers, Worldwide, 2Q13 Update, June 2013 (for 2012 data).

Gartner, Market Share: Silicon Wafers, Worldwide, 2012, June 2013.

Gartner, Market Share: Silicon Wafers, Worldwide, 2012, June 2013.

Gartner, Market Share Analysis: Semiconductor Revenue, Worldwide, 2013, March 27, 2014.

Gartner, Forecast: Semiconductor Silicon Wafers, Worldwide, 4Q13 Update, December 2013.

Gartner, Forecast: Semiconductor Silicon Wafers, Worldwide, 2Q13 Update, June 2013.

For example, in 2011, merchant semiconductor silicon wafer average selling prices worldwide increased by 12.8% as compared to prices in 2010, while average prices decreased by approximately 8.8% in 2012 as compared to prices in 2011, according to Gartner.

Gartner, Forecast: Semiconductor Silicon Wafers, Worldwide, 2Q13 Update, June 2013.

At the same time, the worldwide polished wafer market is expected to grow by only a 3.9% CAGR from 2013 to 2017, according to Gartner.

Gartner, Forecast: Semiconductor Silicon Wafers, Worldwide, 1Q14 Update.

Table of Contents

Statement

For example, the average selling price for wafers across the semiconductor wafer industry declined by 13.4% from 2012 to 2013, according to Gartner.

The Gartner reports described above, or the Gartner Reports, represent data, research opinion or viewpoints published, as part of a syndicated subscription service, by Gartner, and are not representations of fact. Each Gartner Report speaks as of its original publication date (and not as of the date of this prospectus) and the opinions expressed in the Gartner Reports are subject to change without notice. At the request of Gartner, we have in certain circumstances used the term epitaxial instead of our defined term EPI in Gartner market data statements.

Source

Gartner, Forecast: Semiconductor Silicon Wafers, Worldwide, 4Q13 Update.

Table of Contents**USE OF PROCEEDS**

We estimate that the net proceeds from this offering and sale by us of 7,200,000 ordinary shares in this offering will be approximately \$83.5 million, after deducting underwriting discounts and commissions and estimated offering expenses payable by us. We will also receive net proceeds of \$87.3 million from the sale of 7,200,000 ordinary shares to Samsung Fine Chemicals in connection with the Samsung Private Placements, after deducting commissions.

We expect to use the net proceeds from this offering for the following purposes and in the following amounts:

approximately \$0.1 million will be used to provide a portion of the cash necessary to repay in full the intercompany notes issued to SunEdison in connection with the asset transfers contemplated as part of the Formation Transactions;

approximately \$11.1 million will be used to repay existing third party indebtedness relating to the semiconductor materials business owed to a bank by our Japanese subsidiary; and

approximately \$72.3 million will be retained as cash on our balance sheet, which will provide us with additional liquidity and flexibility in our capital structure.

The remaining portion of the cash payment to SunEdison of \$289.4 million to repay in full the intercompany notes issued in connection with the Formation Transactions will be funded from the \$202.1 million of net proceeds after deducting issuance costs from borrowings under our new senior secured term loan and \$87.3 million of net proceeds after deducting private placement commissions from the cash investment by Samsung Fine Chemicals in connection with the Samsung Private Placements.

The following table illustrates the estimated sources and uses of the funds necessary to complete the Transactions, assuming they were completed as of March 31, 2014. Actual amounts may vary from estimated amounts.

Sources of Funds	Uses of Funds	
	(in millions)	
New senior secured credit facilities: (1)		Cash payment to SunEdison to repay in full
Revolving credit facility	\$	intercompany notes (3) \$ 290.0
Term Loan	210.0	Repayment of subsidiary bank
Cash investment by Samsung Fine		indebtedness (4) 10.6
Chemicals (2)	93.6	Cash to balance sheet (5) 72.3
Ordinary shares offered hereby	93.6	Estimated fees and expenses (6) 24.3
Total sources	\$ 397.2	Total uses \$ 397.2

- (1) In connection with the Financing Transactions, we will enter into new senior secured credit facilities that will include a senior secured revolving credit facility for borrowings of up to \$50.0 million. We do not expect to have any outstanding borrowings under this senior secured revolving credit facility upon completion of this offering. We currently do not have commitments from any prospective lenders with respect to the new senior secured credit facilities but will obtain such commitments prior to the completion of this offering. See Description of Certain Indebtedness New Senior Secured Credit Facilities.

- (2) Represents the cash investment by Samsung Fine Chemicals in connection with the Samsung Private Placements.

Table of Contents

- (3) We will use approximately \$0.6 million of the net proceeds from this offering, together with \$202.1 million of net proceeds after deducting issuance costs from borrowings under our new senior secured term loan and \$87.3 million of net proceeds after deducting private placement commissions from the cash investment by Samsung Fine Chemicals in connection with the Samsung Private Placements, to fund the cash payment to SunEdison to repay in full the intercompany notes. The cash repayment of the notes and the 23.6 million ordinary shares to be issued to SunEdison, together with the assumption by SSL of \$336.0 million of liabilities reflected on our balance sheet as of March 31, 2014 (to the extent not subsequently discharged) plus all other liabilities related to the semiconductor materials business, represent the consideration paid to SunEdison in exchange for the assets of its semiconductor materials business contributed to SSL.
- (4) Consists of long-term notes bearing a fixed interest rate of 2.2% owed to the Development Bank of Japan Inc. by our Japanese subsidiary, MEMC Japan Ltd. The notes mature at various times between 2014 and 2017, and the aggregate outstanding principal amount of the notes was \$10.6 million as of March 31, 2014. We expect this amount as of the anticipated closing date of this offering will be approximately \$11.1 million due to accrued interest, prepayments and changes in foreign currency exchange rates.
- (5) We may use such net proceeds for working capital and other general corporate purposes. The actual amount of cash that will be retained by us will vary from what is set forth in the table above based on changes in the actual amount of the intercompany notes as of the closing date of this offering.
- (6) The estimated fees and expenses include underwriting discounts and commissions, the unamortized original issuance discount on our new senior secured term loan and our estimated legal, accounting and other expenses associated with the Transactions.

Table of Contents

DIVIDEND POLICY

We currently anticipate that we will retain any future earnings for the operation and expansion of our business. Accordingly, we do not currently anticipate declaring or paying any cash dividends on our ordinary shares for the foreseeable future. Any future determination relating to our dividend policy will be made at the discretion of our board of directors and will depend on then existing conditions, including our financial condition, results of operations, contractual restrictions (including in the agreements governing our credit facilities), capital requirements, business prospects and other factors our board of directors may deem relevant. We may, by ordinary resolution, declare dividends at a general meeting of shareholders, but we are restricted from paying dividends in excess of the amount recommended by our board of directors. In addition, pursuant to Singapore law and our articles of association, no dividends may be paid except out of our profits.

Because we are a holding company, our ability to pay cash dividends on our ordinary shares may be limited by restrictions on our ability to obtain sufficient funds through dividends from subsidiaries. In particular, the agreements governing our senior secured credit facilities that we will enter into in connection with the Transactions contain restrictions on the ability of our subsidiaries to make cash dividends to us.

Table of Contents

CAPITALIZATION

The following table sets forth our consolidated capitalization as of March 31, 2014 on (i) a historical basis and (ii) a pro forma as adjusted basis to give effect to the Transactions, including our issuance and sale of 7,200,000 ordinary shares in this offering at the initial public offering price of \$13.00 per share, after deducting underwriting discounts and commissions and estimated offering expenses payable by us, and our issuance and sale of 9,625,578 ordinary shares to the Samsung Purchasers in connection with the Samsung Private Placements and 40,346 ordinary shares to Mr. Ahmad Chatila at the initial public offering price.

You should read the following table in conjunction with the sections entitled "Use of Proceeds," "Unaudited Pro Forma Consolidated Financial Statements," "Selected Historical Combined Financial Data," "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our historical combined financial statements and related notes included elsewhere in this prospectus.

	March 31, 2014	
	Pro Forma	
	As	
	Adjusted	
	(in millions, except	
	share data)	
	(unaudited)	
Long-term debt (including current portion):		