

Ad hoc announcement pursuant to Art. 53 LR

Flamatt, Switzerland – August 12, 2021

Comet Group: Record results achieved in the first half of 2021

First half of 2021¹

- Net sales growth of 36.2% to CHF 248.3 million (H1 2020: CHF 182.3 million)
- EBITDA margin expanded to 17.8% (H1 2020: 10.3%)
- Free Cash Flow of CHF 15.3 million (H1 2020: CHF 4.5 million)

Outlook for second half of 2021

- Continued post-pandemic economic recovery
- Unprecedented growth cycle in the semiconductor sector
- Steady recovery in automotive, aerospace and security sectors
- Supply chain management and inventory investment offsets potential risk
- Guidance for FY2021: net sales in the range of CHF 480 million to CHF 500 million, EBITDA margin between 18.0% and 20.0%

In the first six months of 2021, the Comet Group achieved record first-half net sales and EBITDA performance. The Group's primary end market, the semiconductor industry, continues its unprecedented growth cycle that began in early 2020 and accelerated in the first half of 2021 due to the continued digitalization. Further, the industrial end markets automotive, aerospace and security are on a steady recovery path, albeit at a pace that has varied from segment to segment. In addition to favorable macroeconomic trends, the Group exhibited market share gains via design and spec wins as well as thanks to the uptake of new products launched in 2020. The Group's achievements reflect a relentless focus on execution of the company's core strategies. The realignment of the X-Ray Systems (IXS) business and expansion of the geographic footprint contributed to the strong first-half results. The increasing strain on global supply chains in the current global economic recovery has had no impact on Comet's ability to meet customer demands.

As already stated in the company's announcement of July 23, 2021, the Group increased net sales by 36.2% to CHF 248.3 million (H1 2020: CHF 182.3 million). The growth in sales, an improved sales mix and operating leverage led to 136.0% higher EBITDA of CHF 44.3 million (H1 2020: CHF 18.8 million). The EBITDA margin grew to 17.8% (H1 2020: 10.3%). Net income rose more than fourfold to CHF 27.8 million from CHF 6.5 million in the prior-year period.

Comet ended the first half with a strong balance sheet with an equity ratio of 52.6% (year-end 2020: 50.1%) and cash and cash equivalents of CHF 76.4 million, providing the company with a degree of flexibility to execute its focus strategy.

¹ See page 4 for a definition of alternative performance measures.

PCT: Accelerated momentum in the semiconductor equipment market – beta tests with RF generator on track

Comet's Plasma Control Technologies (PCT) division achieved significant growth in all geographic markets and with all major customers. This resulted in net sales growth of 50.1% year-over-year to CHF 145.4 million (H1 2020: CHF 96.9 million). Due to the strong net sales growth and advances in productivity, PCT achieved 86.8% higher EBITDA of CHF 34.7 million compared to the same period last year (H1 2020: CHF 18.6 million). The EBITDA margin increased from 19.2% to 23.9%.

To meet the booming demand for wafer fabrication equipment, PCT continues to ramp production capacity for impedance matching networks (matchboxes) at its new plant in Penang, Malaysia. The new plant in Penang has been fully qualified by the key customers for high-volume manufacturing of matchboxes. The production ramp announced last year is both on schedule and delivering the cost benefits expected in making the decision to invest in Penang.

Beta testing of the new, innovative RF generator progressed as planned. Test programs with Tier 1 and Tier 2 customers are ongoing, with good performance demonstrated to date.

IXS: Realignment proving beneficial in H1 – general uptick in end markets and focus on electronics fueling growth

As predicted going into 2021, the X-Ray Systems (IXS) end markets began to rebound after a cyclical and pandemic-driven slump in 2019 and 2020. The electronics sector featured rising demand, in China, Europe and North America. In IXS's other core end markets, the automotive industry continues a slow, steady recovery, while the aerospace sector has begun to recover in certain regions, notably China and North America.

Compared to the first half of 2020, the division reported 30.8% higher net sales of CHF 70.2 million (H1 2020: CHF 53.7 million). Newly introduced x-ray systems contributed significantly to sales growth. The division made promising inroads with new products and applications in the semiconductor market, particularly in Taiwan. As a result of the major divisional realignment program undertaken in 2020 and the improving market conditions noted above, IXS achieved positive EBITDA of CHF 4.5 million, compared to a loss of CHF 2.1 million in the previous year, and returned a favorable EBITDA margin of 6.4% (H1 2020: -3.9%).

IXM: Strongly improved first six months – new products key to growth

In the X-Ray Modules (IXM) division, the core markets of non-destructive testing and security inspection continued to gain momentum in all regions. The market recovery combined with a successful fast market entry for new products launched in 2020 resulted in net sales growth of 23.4% to CHF 37.3 million (H1 2020: CHF 30.2 million). EBITDA rose by 39.2% to CHF 5.9 million (H1 2020: CHF 4.2 million). The EBITDA margin increased from 14.0% to 15.8%.

The Group strategy to continue to invest in new product development and market penetration during the pandemic-driven downturn has paid off. Examples include the successful launch of the Microfocus product family for applications in the semiconductor/electronics and battery markets.

Outlook

The worldwide megatrends of digitalization, high-performance computing, and tele-mobility (e.g., 4G adoption and 5G roll out) continue to drive demand for semiconductor chips. Thus SEMI (the industry association for semiconductor equipment and materials), market analysts, and bellwether companies in the capital equipment and chip manufacturing space have repeatedly revised upward their forecasts for 2021 and beyond.

In the automotive, aerospace and security industries, the expected return to growth has materialized, albeit to varying degrees. Because of the roll out of vaccination programs and fewer pandemic-related restrictions worldwide, most of Comet's end markets gradually shifted to growth. This has significantly improved the market outlook for the x-ray-related businesses.

While there are well-documented bottlenecks in the global electronics supply chain that will continue through the second half of 2021, the Group has undertaken various risk mitigation strategies to ensure its ability to meet all forecasted customer demand through the year and into 2022.

In this dynamic environment, the company expects continued strength in the overall business throughout 2021 and beyond. The Comet Group anticipates that the strong performance demonstrated in the first half of 2021 will continue through the balance of the year and well into 2022. As a result, the Comet Group expects full-year sales of CHF 480 million to CHF 500 million and an EBITDA margin between 18.0% and 20.0% as stated in the company's announcement of July 23, 2021.

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Publication of half-year results

The detailed half-year results will be presented by Kevin Crofton, CEO, and Lisa Pataki, CFO, in a conference call on August 12. The conference call will be held at 10:00 a.m. CEST in English.

Dial-in numbers:

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+1 (1) 631 570 5613 (USA)

Other countries: https://media.choruscall.ch/documents/Attended_DI_numbers.pdf

Webcast (link):

English, 10:00 a.m. CEST:

<https://services.choruscall.com/mediaframe/webcast.html?webcastid=6NYOH6yo>

Investor Day

The Comet Group will hold its Investor Day on November 16, 2021. Depending on the pandemic situation, the event will be hosted in a virtual and/or physical format. A separate invitation will follow in due course.

Definition of alternative performance measures (APM)

EBITDA: Operating income as per consolidated statement of income before depreciation, amortization and impairment losses on property, plant and equipment, right-of-use assets and intangible assets.

EBITDA margin: EBITDA as a percentage of net sales

Equity ratio: Total equity attributable to the shareholders of Comet Holding AG divided by total assets

Free cash flow: Net cash flows from operating and investing activities

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Key dates

November 16, 2021

March 3, 2022

Capital Markets Day

Full-year results 2021

The Comet Group

The Comet Group is a globally leading, innovative technology company based in Switzerland with a focus on plasma control and x-ray technology. With premium high-tech components and systems, we enable our customers to both enhance the quality of their products and make their manufacturing more efficient and eco-friendly. Our innovative solutions are in demand in the semiconductor and electronics market, the aerospace and automobile industry and in security inspection. Headquartered in Flamatt, Switzerland, the Comet Group has a presence in all world markets. We employ more than 1,400 people worldwide, including about 500 in Switzerland. Besides production facilities in China, Denmark, Germany, Malaysia, Switzerland and the USA, we maintain various other subsidiaries in Canada, China, Japan, Korea, Taiwan and the USA. Comet (COTN) is listed on the SIX Swiss Exchange.