

Ad hoc announcement pursuant to Art. 53 LR

Flamatt, Switzerland – November 15, 2021

Comet holds Capital Markets Day and confirms growth drivers and guidance

At today's Capital Markets Day, Comet will provide insight into the progress made in implementing its focus strategy. The alignment of all divisions to the high-growth semiconductor and electronics market is paying off. The demand for vacuum capacitors and impedance matching networks ("matchboxes") in the PCT division is booming as the strong demand for wafer fabrication equipment continues. The x-ray divisions, IXM and IXS, are benefiting from stable demand in their primary end markets: semi/electronics, automotive, aerospace and security.

The continuing upbeat demand situation is reflected in the company's order book with a book-to-bill ratio comfortably above 1 and a significantly higher order intake than in the same period of the previous year. Comet continues to actively manage the tense situation in the supply chain and, to-date, has not experienced any significant impact on the company's ability to deliver to customers. Of course, it cannot be excluded that Covid-19 and other disruptions in the supply chain will have an impact on the business in the future.

Comet confirms its full-year 2021 guidance of sales between CHF 480 and 500 million and an EBITDA margin in the range of 18% to 20%.

PCT: bright growth prospects along digitalization

As the digitization of society continues to gain momentum the demand for semiconductor chips of all forms is growing at a voracious rate. Artificial intelligence, machine learning, high performance computing, and data storage applications drive investment in manufacturing capacity for the entire spectrum of chips, leading edge and trailing edge device chips. An increasing number of microchip fabrication factories are being built around the world to meet this insatiable demand. As these fabs come online, the investment in capital equipment particularly for emerging chip designs using advanced geometries and architectures create a disproportionate use of plasma control processes, providing opportunities for Comet's PCT division.

In this environment, PCT continues to strengthen its leading market position in vacuum capacitors and matchboxes. Repeating the performance in 2020, the division continues to capture design wins with our Tier 1 and Tier 2 customers. The new innovative radio-frequency generator creates the opportunity for the division to tap into an additional addressable market estimated at CHF 1.2 billion. Beta tests with the first generators at a number of potential customers have so far produced encouraging results. First orders are expected before the end of this year.

IXS: repositioning progressed, opportunities in advanced packaging

The redesign of the IXS division remains on track. While this journey isn't complete, the division has accomplished many key milestones: launched two new products in the structural downturn of the automotive industry from 2019/2020, reduced the overall product portfolio to focus on standardized, high margin business opportunities, shifted R&D investment to align with the semiconductor and electronics sectors, and reduced the cost structure of the unit, all while maintaining a high degree of customer satisfaction in the process. These actions have resulted in a return to profitability in the second half of 2020 and carries through to a profitable position for the entire 2021.

Looking ahead, a new application in the semiconductor industry is emerging for IXS. The use of advanced 3D packaging architectures to "stack" chips in close proximity to each other to reduce power consumption or reduce data latency effects (for example to allow real-time decision making in an autonomous drive vehicle) is a significant opportunity for IXS. This market is expected to grow by approximately 8% per year on average in the next five years. Currently x-ray inspection techniques are the only feasible technology for manufacturing process proofing and potential quality inspection of the packaged chips because only x-ray can detect failures within these chip packages. IXS has received first orders for the FF 35 semi system for this application from a renowned Asian customer producing the most advanced packaged chips. Beyond that, together with ORS acquired in 2020, a leader in advanced 3D visualization and analysis software for today's most demanding 2D/3D imaging studies, IXS has developed a workflow that enables customers to identify defects in advanced packages more quickly and with greater reliability. This combination of system capability and analytics on one platform makes the division attractive as a production partner for customers in the advanced packaging market.

IXM: gaining foothold with new products in the semiconductor, electronics and battery industry

In IXM, the trend towards miniaturization, but also the demand for ever higher image resolution, continues to drive the development of new products at the limits of what is technically feasible. Since the beginning of the year, IXM has launched several new products such as the FXE series of x-ray modules, which have already contributed substantially to the division's growth in the first nine months. Besides offering higher-performing x-ray tubes to the customer, those products will help to strengthen IXM's presence in semiconductor, electronics and battery applications.

Ambitions 2025

Despite the uncertainties and geopolitical tensions, the prospects for further profitable growth are promising. Therefore, Comet confirms all its medium-term ambitions for 2025. Sales of above CHF 830 million are forecast for the 2025 financial year. The targets for the EBITDA margin of 25% and the return on capital employed (ROCE) of around 30% are also confirmed.

Virtual Capital Markets Day

The Capital Markets Day will be held virtually, today, November 15, 2021, from 9:30 am to 12:00 noon CET, in English. The dial-in information for the Capital Market Day is as follows.

Webcast (link):

Link to Meeting Registration (Zoom)

Dial-in: For higher quality, dial a number based on your current location.
Switzerland: +41 44 529 92 72 or +41 22 591 00 05 or +41 22 591 01 56 or
+41 31 528 09 88 or +41 43 210 70 42 or +41 43 210 71 08

Meeting ID: 882 2896 6879

Passcode: 631865

International numbers available: ***Link to International numbers***

Contacts

Media

Ines Najorka
VP Group Communications
T +41 79 573 45 94
ines.najorka@comet.ch

Investors / Analysts

Ulrich Steiner
VP Investor Relations & Communication
T +41 31 744 99 95
ulrich.steiner@comet.ch

Financial calendar

March 3, 2022

Publication of full-year 2021 results

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 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 over 500 in Switzerland. Besides production facilities in China, Denmark, Germany, Malaysia, Switzerland and the USA, we maintain various other subsidiaries in the USA, Canada, China, Japan, Korea and Taiwan. Comet (COTN) is listed on the SIX Swiss Exchange.