

H1 2023 Financial Results

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H1 results reflect correction in the semi cycle

Semiconductor cycle bottomed out in Q2

Stronger correction than expected earlier in the year

Incoming orders and backlog halved compared to H1/22; H1 book-to-bill 0.8

Driven by PCT, bottom has been reached

Net sales substantially lower

Different growth dynamics in the divisions

Targeted restructuring measures and one-off costs impacted profitability

Cost reduction measures implemented while ensuring readiness for upturn

Invest in future opportunities beyond the ongoing correction

207.0

Net sales in CHF millions
(-22.6% vs. H1 2022)

6.9%

EBITDA margin
(H1 2022: 14.1%)

-15.3

Free cash flow in CHF millions
(H1 2022: CHF 3.0 million)

2.8%

Return on Capital Employed
(ROCE) (H1 2022: 16.9%)

Pronounced weakness in semiconductor market contrasts with resilience in other industries



Semiconductors

Sales of DRAM and NAND equipment hit harder than average

Consumer-exposed markets weak; strength in auto, industrial and some data center areas



Automotive

High resilience of the automotive market in an inflationary environment

Transition to EV continues, creating opportunities



Aerospace

Aerospace industry continues to be on the rise

Post-pandemic catch-up demand drives up passenger numbers

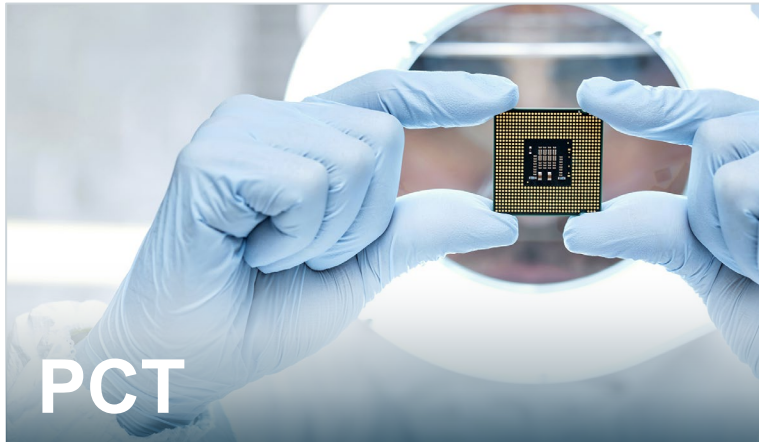


Security

Increased mobility and higher trade activity

Good correlation with increased airline traffic numbers

Divisions on different trajectories

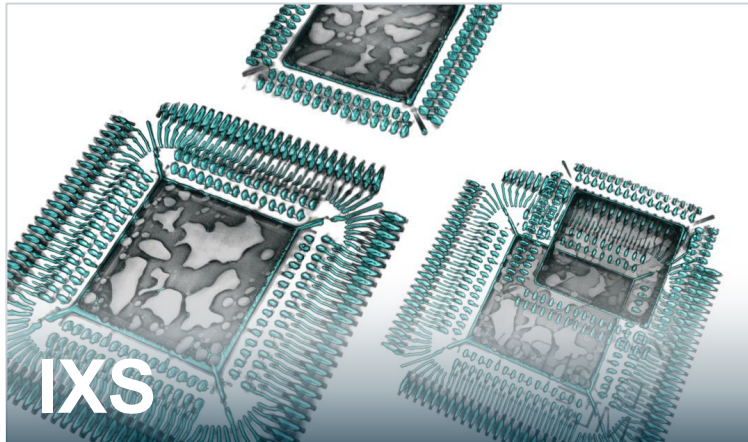


Production capacity load dropped

Capacity adaptations: operations headcount reduction of nearly 40%

Acceleration of Synertia® market introduction

Mid-term expansion plans confirmed

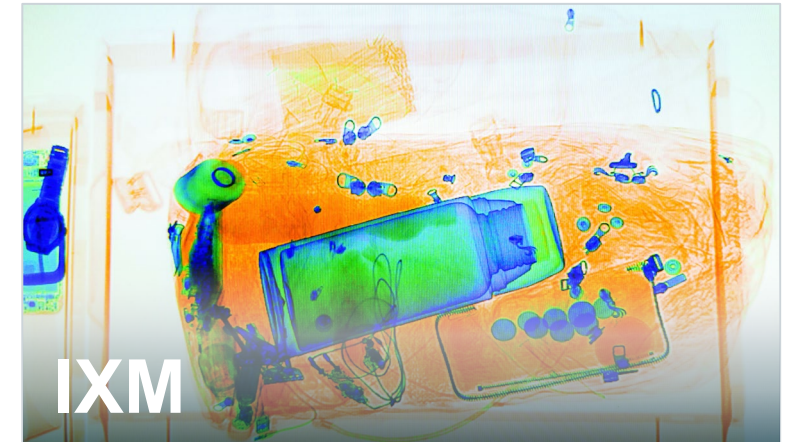


Focus on semi market despite correction

New contracts with semiconductor and battery customers

Strengthen presence in upcoming regions: sales organization in Asia

ORS integration completed



Sales of new products driving growth

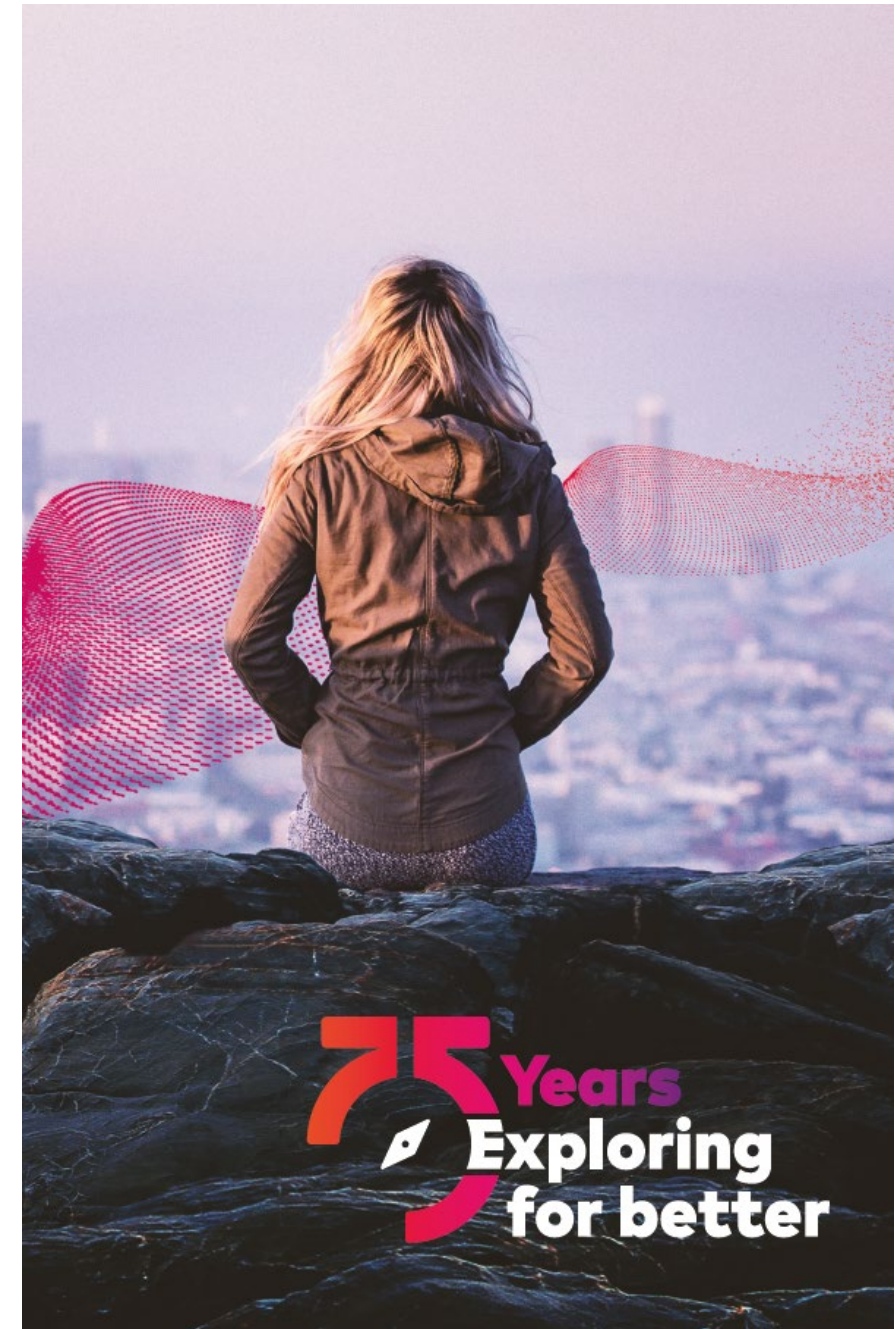
Supply chain issues further eased

Investments in leading-edge x-ray tubes

Growing applications in battery testing, additive manufacturing, metrology

Summary

- Semiconductor market correction stronger than expected a few months ago
- X-ray divisions decoupled from correction in PCT
- Targeted cutbacks, impacted EBITDA in H1
- Synertia® market introduction program intensified
- Preparing for turnaround in semi cycle, long-term growth opportunities



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01 Business & Industry Review

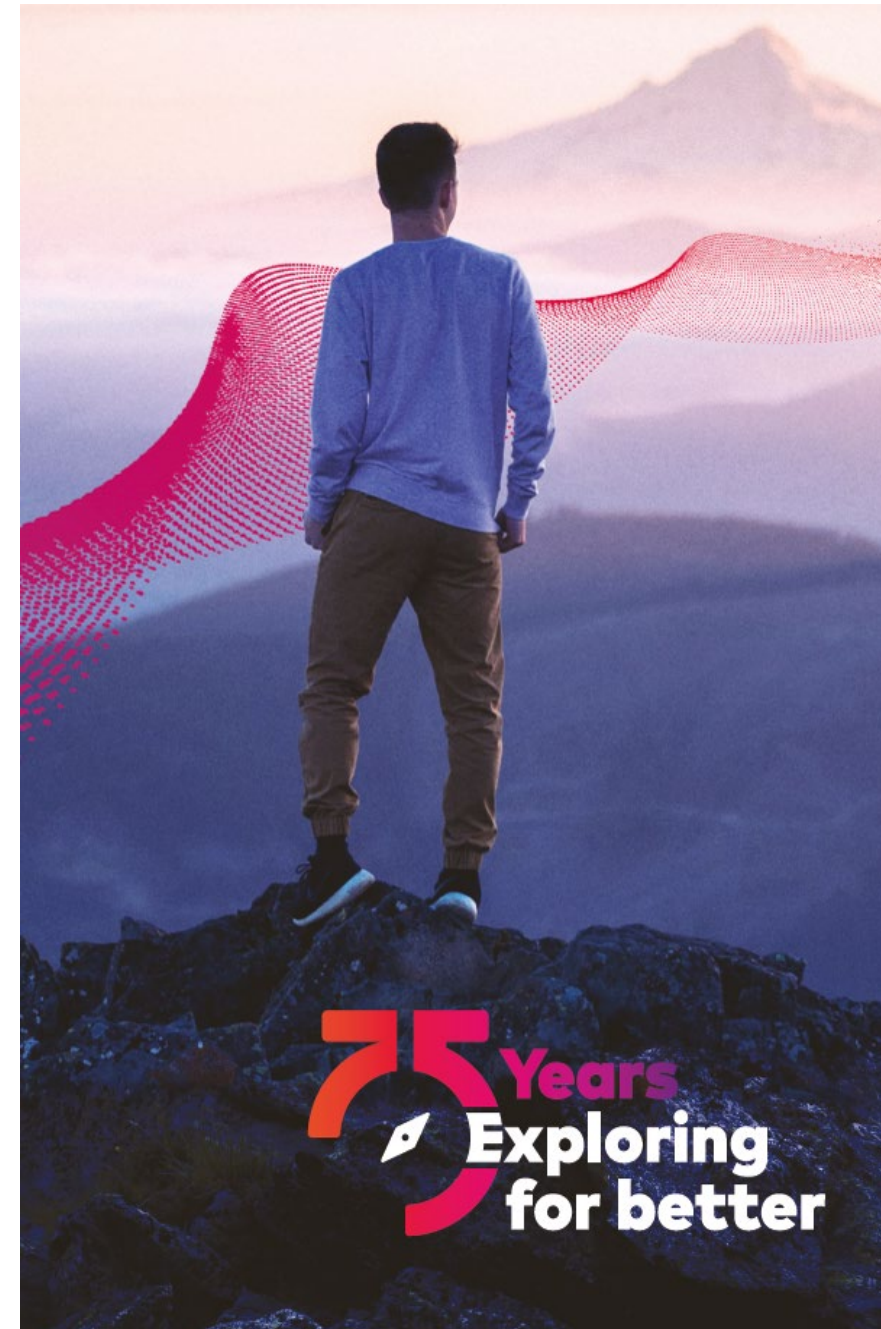
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Financial highlights

- Semi driven decline in Net Order Intake and Sales
- Lower volumes pressuring margin performance
- Corrective actions depress margins in H1/23
- Strong balance sheet enables priority Capex projects to proceed
- Positive operating cash flow despite downturn
- Strategy remains the same: ensure future readiness, prioritize investments, remain financially flexible



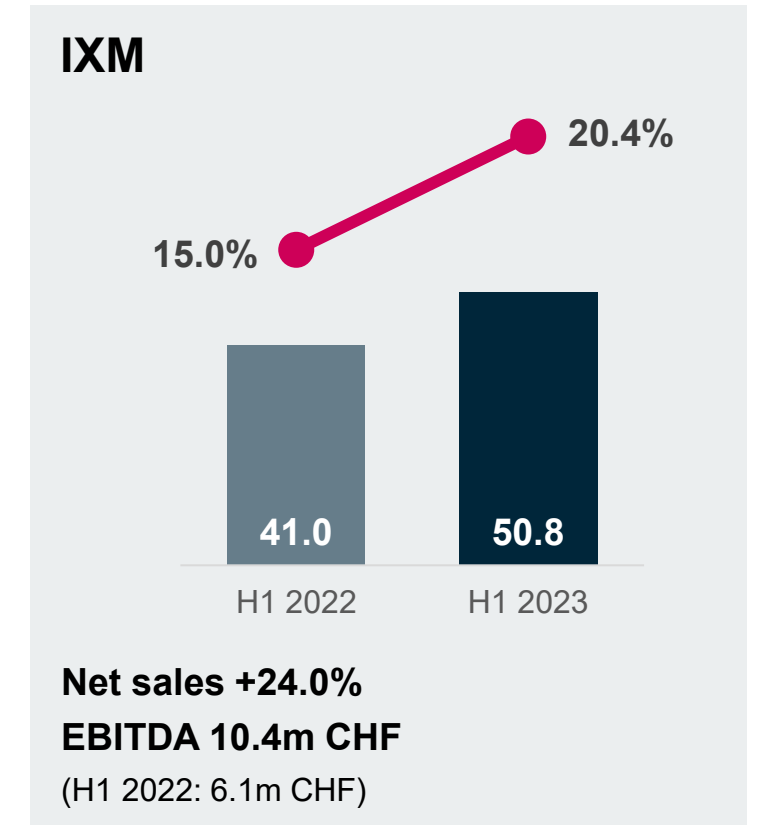
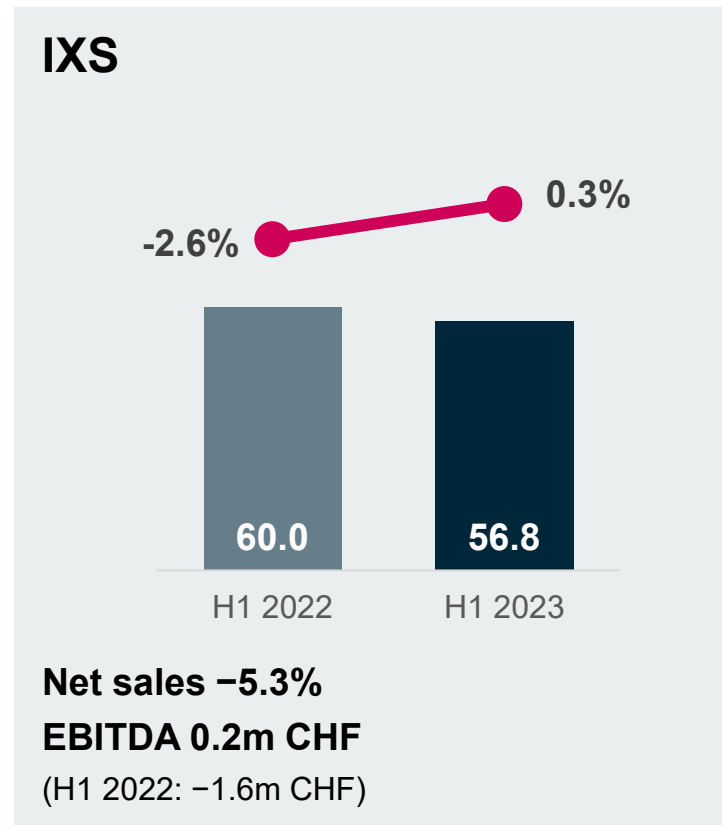
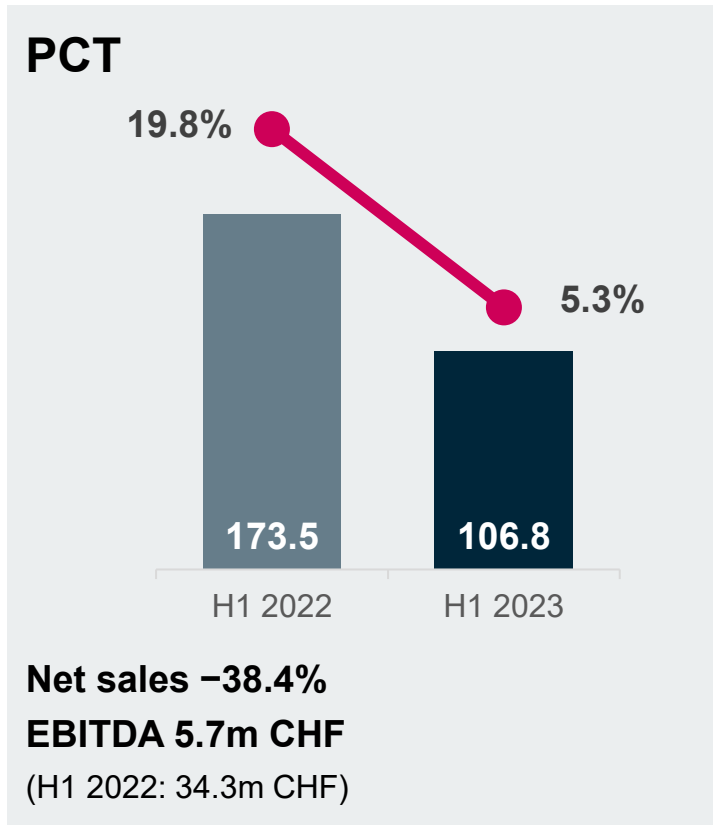
Pronounced weakness in semi driving decline in results

in CHF millions, otherwise indicated	H1 2023	H1 2022	Y-O-Y ⁽¹⁾
Net sales	207.0	267.5	-22.6%
Gross profit margin	39.2%	41.4%	-220 bps
EBITDA	14.3	37.7	-62.1%
EBITDA margin	6.9%	14.1%	-720 bps
Net income	1.9	23.1	-91.6%
Return on capital employed (ROCE)	2.8%	16.9%	-1410 bps

⁽¹⁾ rounding differences may occur

Steadily improving X-Ray margins a bright spot amidst disappointing PCT performance

■ Net sales [in CHF millions] ● EBITDA margin



Strong balance sheet ensures resilience and flexibility

in CHF millions, otherwise indicated	H1 2023	H1 2022	Y-O-Y ⁽¹⁾
Free cash flow	-15.3	3.0	n/m
Net working capital	131.0	112.4	+16.5%
CapEx	19.4	6.9	+180.4%
CapEx as % of sales	9.4%	2.6%	+680 bps
	Jun 2023	Dec 2022	Change ⁽¹⁾
Cash and cash equivalents	78.8	125.9	-37.4%
Net debt or (net cash)	18.2	(28.1)	n/m
Equity	296.2	331.5	-10.7%
Equity ratio	61.0%	59.5%	+150 bps

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Stable market environment for x-ray divisions, WFE spend expected to rebound in 2024



WFE market gradually recovering
in H2/23

Rebound in 2024 expected*:
FY23: USD 76.4 bn (−18.8%)
FY24: USD 87.8 bn (+14.8%)

* SEMI, forecast July 11, 2023



Improved vehicle production;
low impact of supply shortages

EV transition: importance of
China brands increasing



Resilient demand for air travel
despite higher prices

Air travel close to pre-pandemic
levels in summer 2023

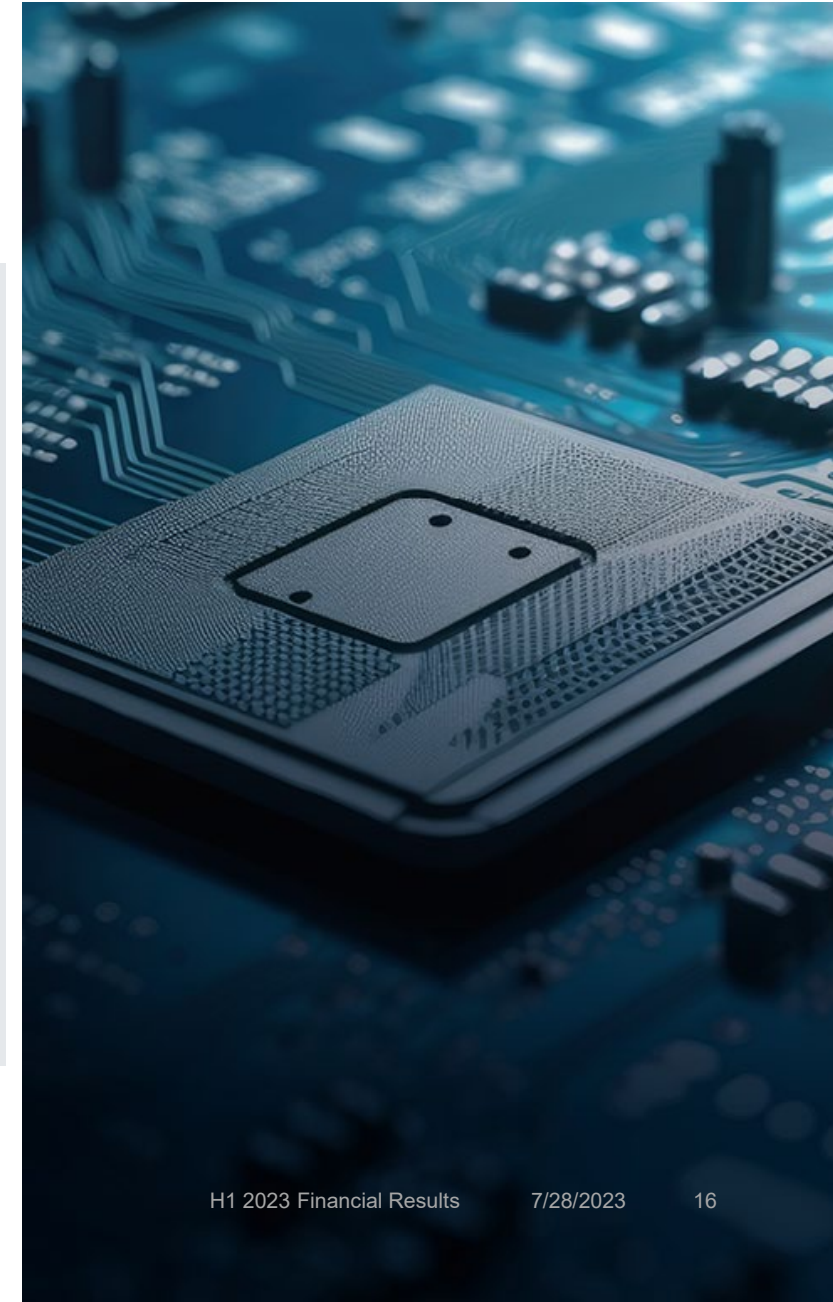


Security market volume remains
on a high level across the globe

Positive signs for future
infrastructure investments

Consistent implementation of strategy remains key

PCT	<ul style="list-style-type: none">• ensure organizational readiness for the upturn in 2024, balance with correction• accelerate new Synertia® RF Generator market penetration• expand market share in RF matchbox, maintain vacuum capacitors share• expansion of volume production in Penang, synchronized with semi recovery
IXS	<ul style="list-style-type: none">• improve profitability: portfolio, sales processes, productivity, cost base• grow sales with high quality businesses• invest in systems for semi, electronics and advanced packaging applications• grow share in semi and electronics, protect share in aerospace and automotive
IXM	<ul style="list-style-type: none">• grow share in traditional markets• continue to harvest on product launches and operational efficiency• invest into cutting-edge products for semi, electronics, batteries• strengthen presence in the Asian markets



Outlook: gradual recovery in H2, semi cycle to turn in 2024

Cyclical correction in the semiconductor industry has passed its low point in Q2; gradual recovery expected in H2/23

numerous macroeconomic and geopolitical uncertainties persist

Decline in wafer fabrication equipment spending in FY23

- proactively address cost structure, mainly in PCT
- PCT: short time work planned in Flamatt starting August 14
- take measures to achieve efficiency gains

Preparing for the next upswing in the semiconductor cycle

- selectively invest in mission-critical R&D
- ensure production readiness beyond 2025: further invest in Malaysia

Stringent execution of the Boost program

Growth, efficiency, culture

Guidance FY23

Net sales (in CHF millions)

**lower end of range of
440 to 480**

EBITDA margin (in % of sales)

**lower end of range of
13.0 to 15.0**

Q & A

Appendix

Definition of financial key figures (pages 11 to 13)

Book-to-bill ratio: Ratio of orders received to the amount billed for a specific period

Capex: Purchases of property, plant and equipment and intangible assets shown under investing activities in the consolidated cash flow statement

EBITDA: Operating income (as per consolidated statement of income) before depreciation on PPE and RoU asset, amortization of intangible assets and impairment losses

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: Sum of net cash flows from operating and investing activities

Gross profit margin: Net sales less cost of goods and materials sold as a percentage of net sales

Net debt: Interest bearing debts (such as current and non-current debt and lease liabilities) minus cash and cash equivalents

Net Working Capital: net working capital is the aggregated amount of trade receivables, inventories, trade payables, sales commissions and contract liabilities).

Return on capital employed: ROCE is the ratio of operating income less income tax (NOPAT) to total capital employed. Capital employed is defined as net working capital (aggregated amount of net trade receivables, inventories, trade payables, sales commissions and contract liabilities) plus noncurrent assets employed (aggregated amount of property, plant and equipment, right-of-use assets and intangible assets).

Consolidated statement of income

in CHF millions (rounding differences may occur)

	H1 2023	H1 2022	Change
Net sales	207.0	267.5	-22.6%
Gross profit	81.1	110.7	-26.7%
• Other operating income	3.3	2.4	38.9%
• Development expenses	-32.7	-31.2	4.7%
• Marketing and selling expenses	-24.3	-26.7	-9.2%
• General and administrative expenses	-22.8	-27.5	-17.1%
Operating income	4.7	27.7	-83.0%
• Financial result	-2.7	-1.2	-121.6%
Income before tax	2.0	26.5	-92.3%
• Income tax	-0.1	-3.4	n/m
Net income	1.9	23.1	-91.6%
• Earnings per share (in CHF)	0.25	2.98	-91.6%
Operating income	4.7	27.7	-83.0%
• Depreciation and Amortization	9.6	10.0	-4.1%
EBITDA	14.3	37.7	-62.1%

Consolidated statement of cash flows

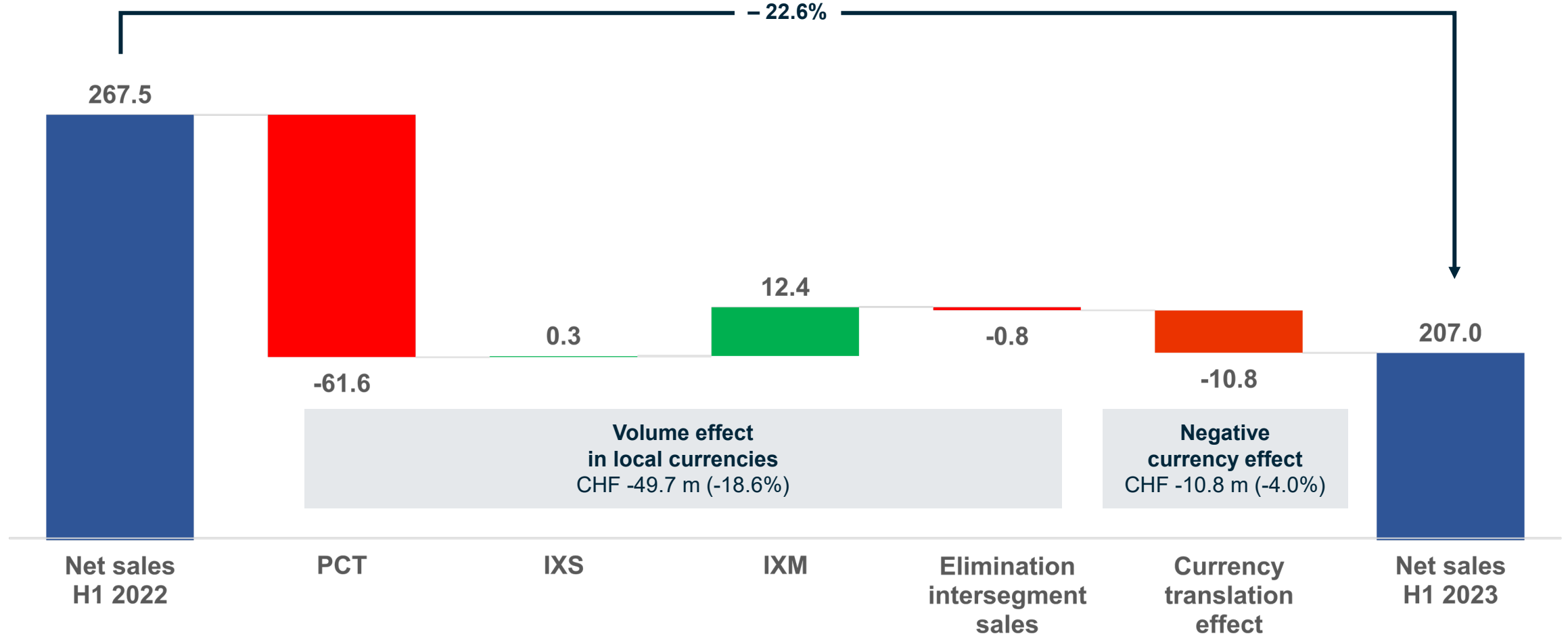
in CHF millions <small>(rounding differences may occur)</small>	H1 2023	H1 2022	Change
Net cash provided by operating activities	2.3	9.2	-75.1%
in % of net sales	1.1%	3.4%	-230 bps
Net cash (used in) investing activities	-17.6	-6.2	183.0%
Free cash flow	-15.3	3.0	n/m
in % of net sales	-7.4%	1.1%	-850 bps
Net cash (used in) financing activities	-30.0	-30.7	-2.2%
Net increase or (decrease) in cash and cash equivalents	-45.3	-27.7	-63.6%
FX translation differences on cash and cash equivalents	-1.9	-0.1	n/m
Net cash and cash equivalents at Jan 1	125.9	115.5	9.0%
Net cash and cash equivalents at Jun 30	78.8	87.8	-10.3%

Consolidated balance sheet

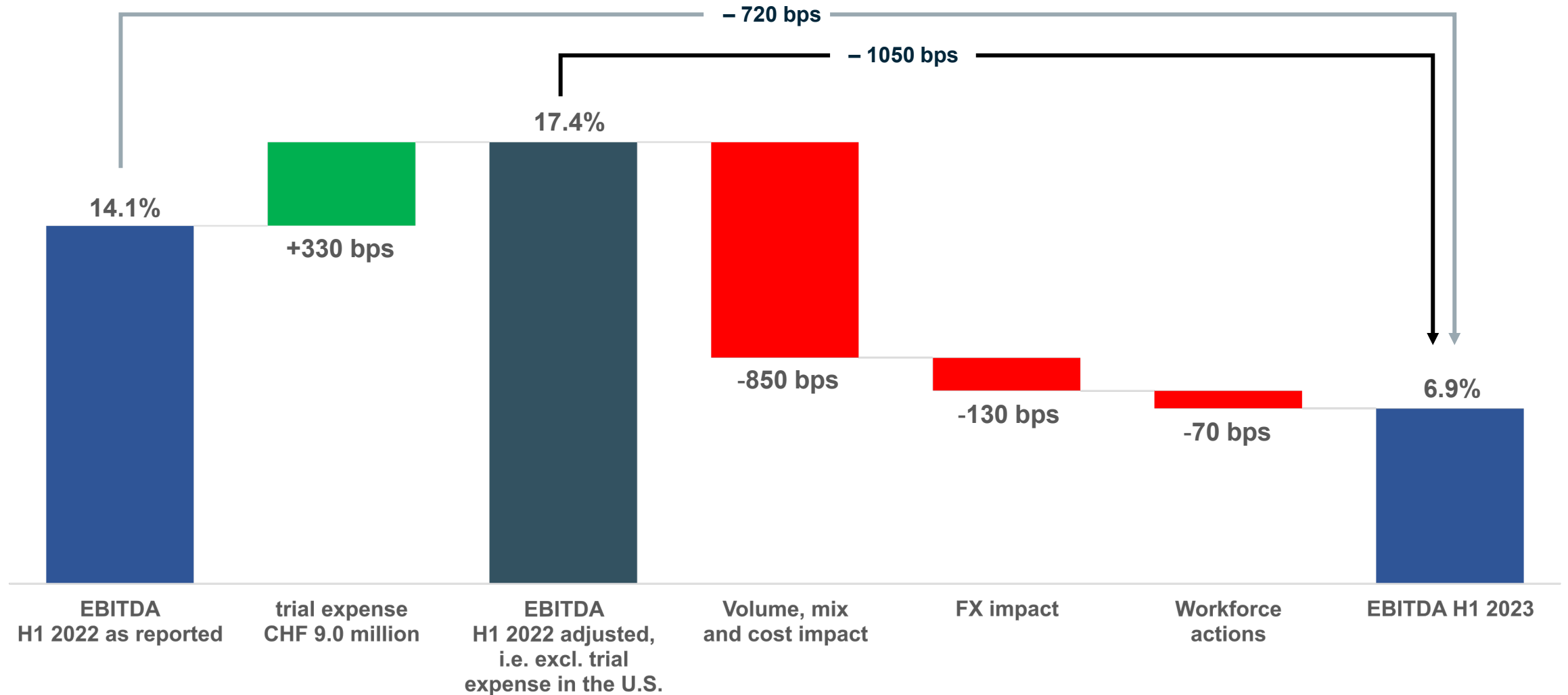
in CHF millions <small>(rounding differences may occur)</small>	H1 2023	in %	YE 2022	in %
Current assets	266.9	54.9%	344.8	61.9%
Non-current assets	219.0	45.1%	212.0	38.1%
Total assets	485.9	100.0%	556.8	100.0%
Current liabilities	92.5	19.0%	128.0	23.0%
Non-current liabilities	97.2	20.0%	97.3	17.5%
Total liabilities	189.7	39.0%	225.3	40.5%
Total equity attributable to shareholders of Comet Holding AG	296.2	61.0%	331.5	59.5%
Total liabilities and shareholders' equity	485.9	100.0%	556.8	100.0%

Net sales walk H1 2022 to H1 2023

in CHF millions



EBITDA margin walk H1 2022 to H1 2023



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