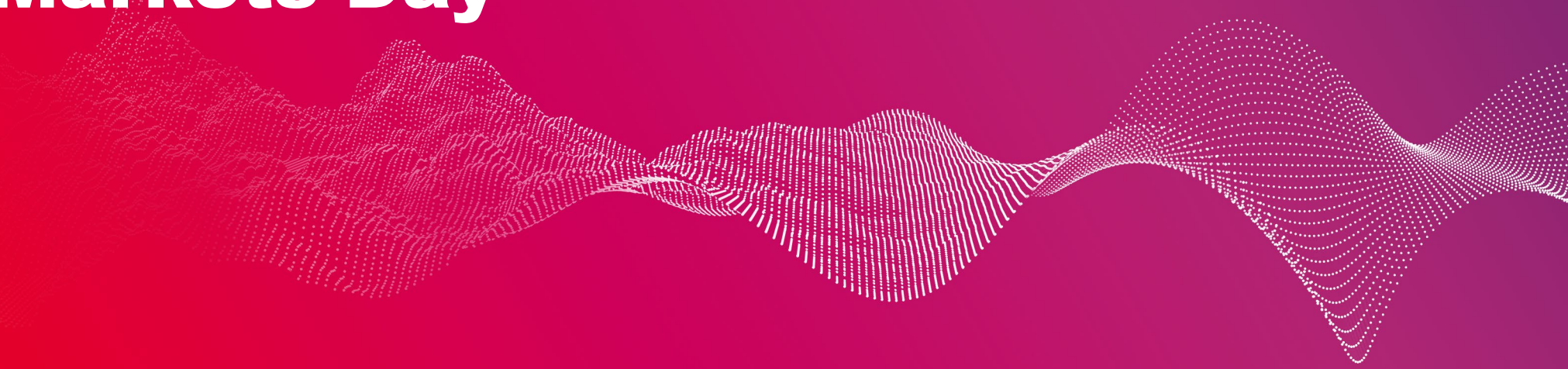




Welcome to Comet's Capital Markets Day

November 9, 2023

Zurich, Switzerland



Agenda

Time	Topic	Speaker
09:30	Welcome	Ulrich Steiner, VP Investor Relations & Sustainability
09:35 – 10:10	A long and wide runway ahead	Stephan Haferl, CEO
10:10 – 10:30	Financials	Nicola Rotondo, Interim CFO
10:30 – 10:45	Coffee break	
10:45 – 11:05	Technology leadership through innovation	Michael Berger, Division President IXM
11:05 – 11:25	Shaping the inevitable future	Dionys van de Ven, Division President IXS
11:25 – 11:45	Empowering innovative semiconductor process technologies	Joeri Durinckx, Division President PCT
11:45 – 12:15	Q&A	Comet Management
12:15 – 13:30	Apéro riche	Guests and Comet Management

Cautionary statement regarding forward looking statements

This document contains forward-looking statements about the Comet Group that may be subject to uncertainty and risk. Readers should therefore be aware that such statements may deviate from actual future outcomes or events. Forward-looking statements in this document are projections of possible future developments. All forward-looking statements are made on the basis of data available to Comet at the time of preparation of this document. The Comet Group assumes no obligation whatsoever to update or revise forward-looking statements in this document, whether as a result of new information, future events or otherwise.

Capital Markets Day 2023

A long and wide runway ahead

Stephan Haferl, CEO



Agenda

- 01** Comet at a glance
- 02** Market trends and developments
- 03** Strategy
- 04** Outlook and targets

Committed to enabling the semiconductor industry



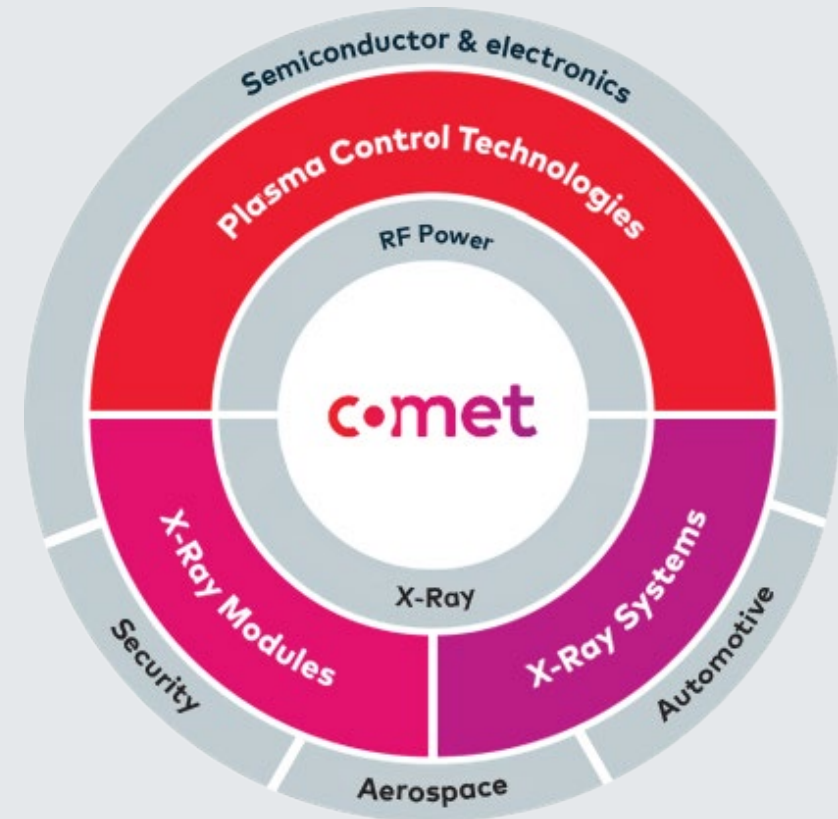
High-End RF Power delivery systems
for plasma applications



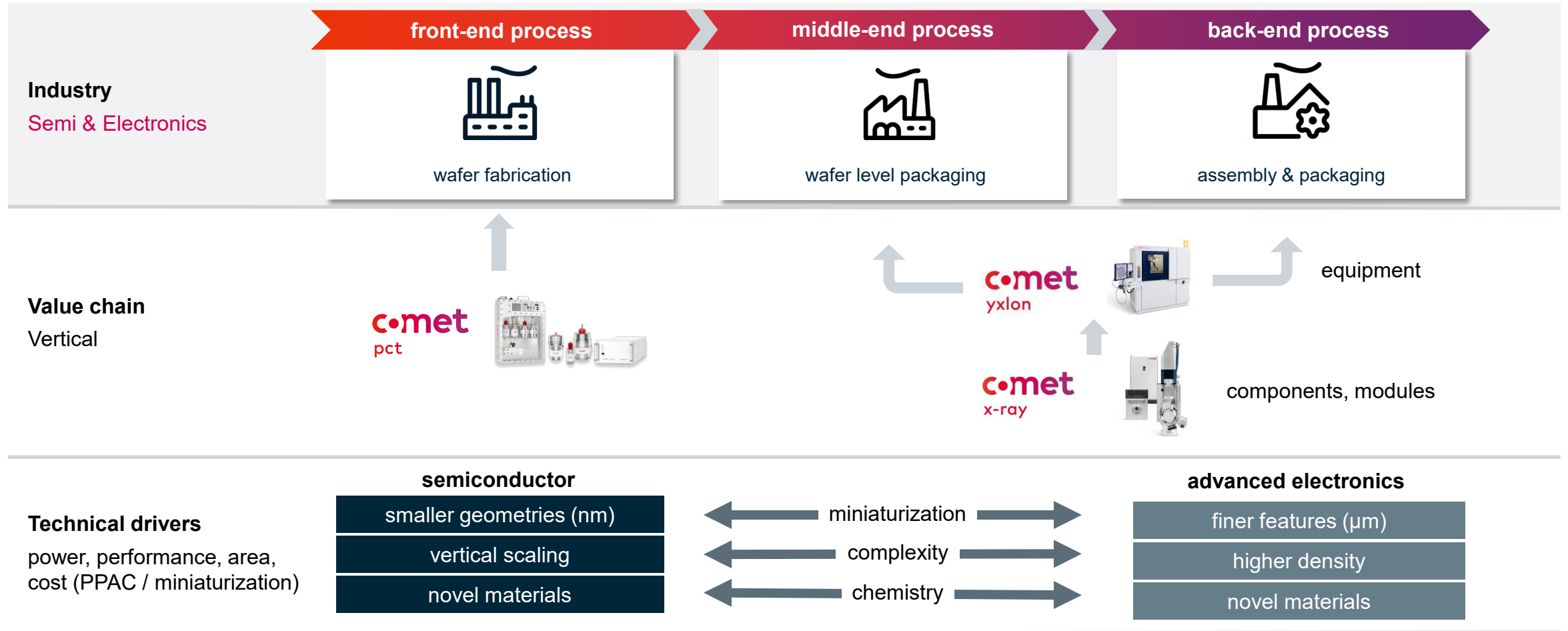
High-End X-Ray systems for industrial
environment from R&D to production



High-End X-Ray components and
modules for industrial applications

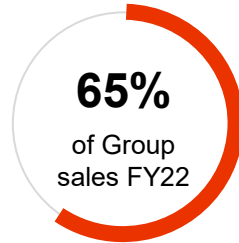


Positioned for growth: covering the complete semiconductor value chain



Leading market positions in radio frequency (RF) power and x-ray: cutting-edge technology for our customers

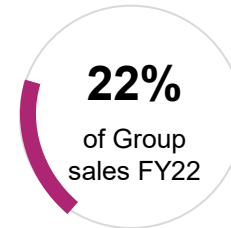
Plasma Control Technologies



#1

in vacuum capacitors and matchboxes

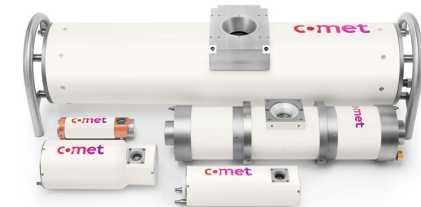
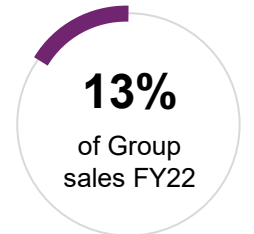
Industrial X-Ray Systems



Top 3

in served markets

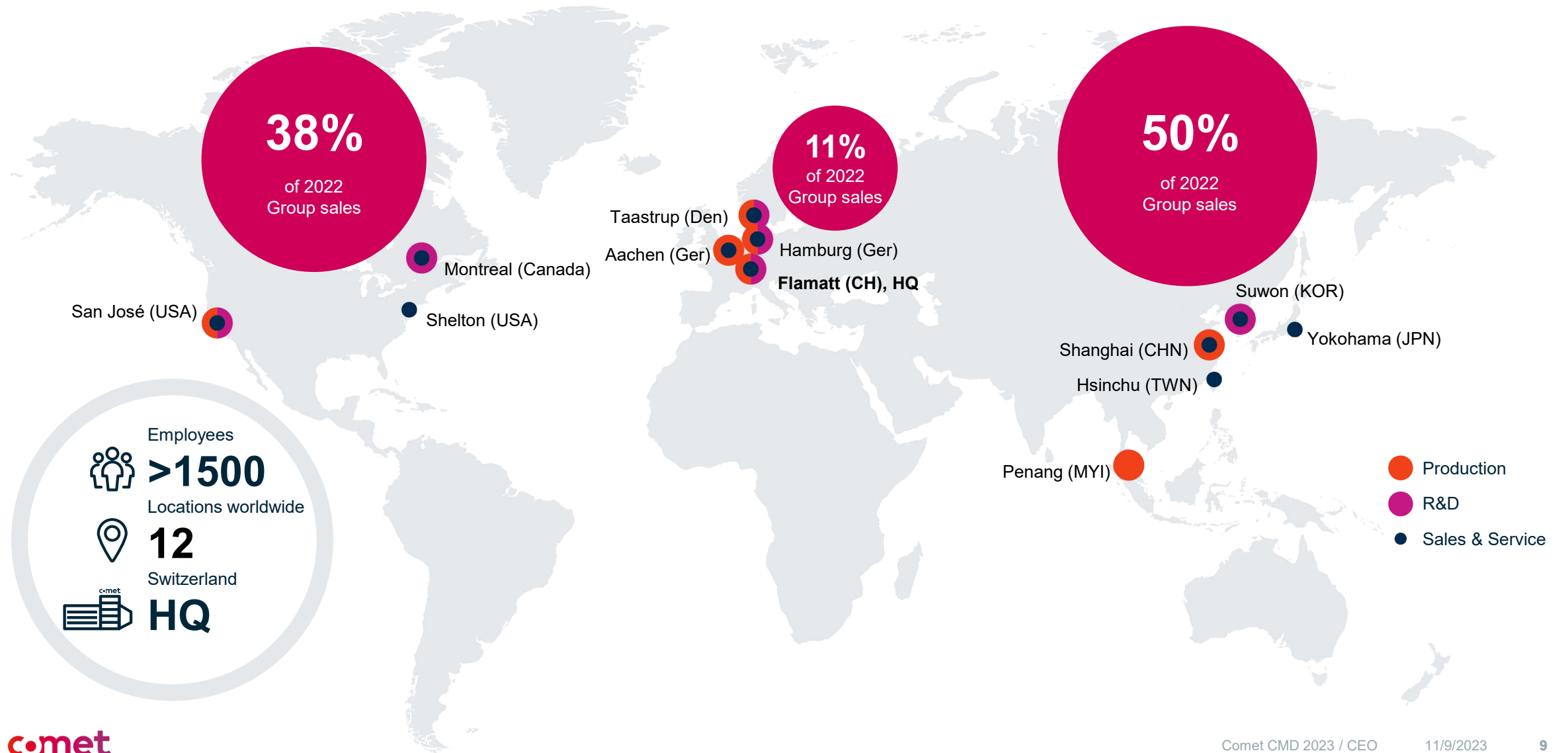
Industrial X-Ray Modules



#1

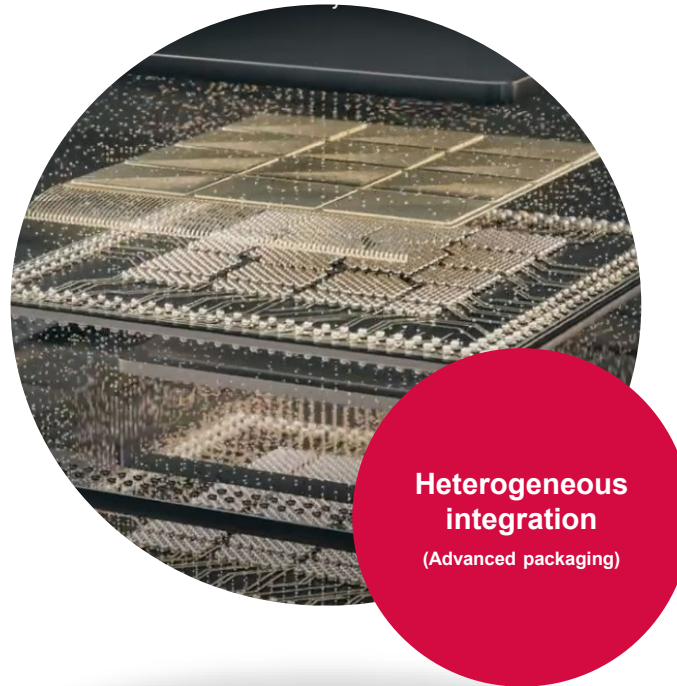
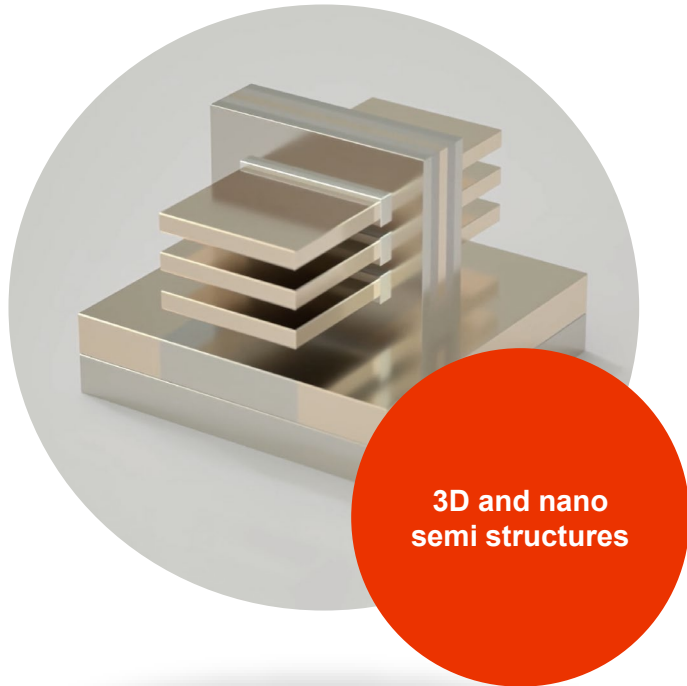
in metal ceramic x-ray modules

Global presence close to our customers



Market trends and developments

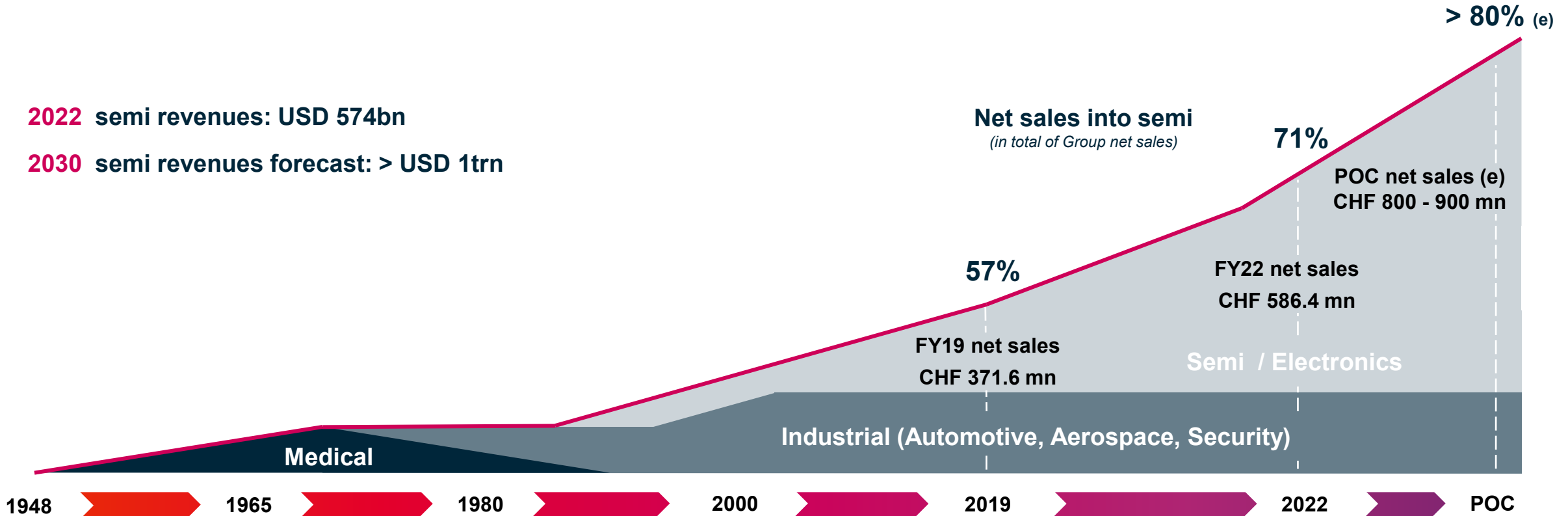
The technology inflections driving our growth: more plasma processing and x-ray inspection



Grow stronger and more streamlined with our customers

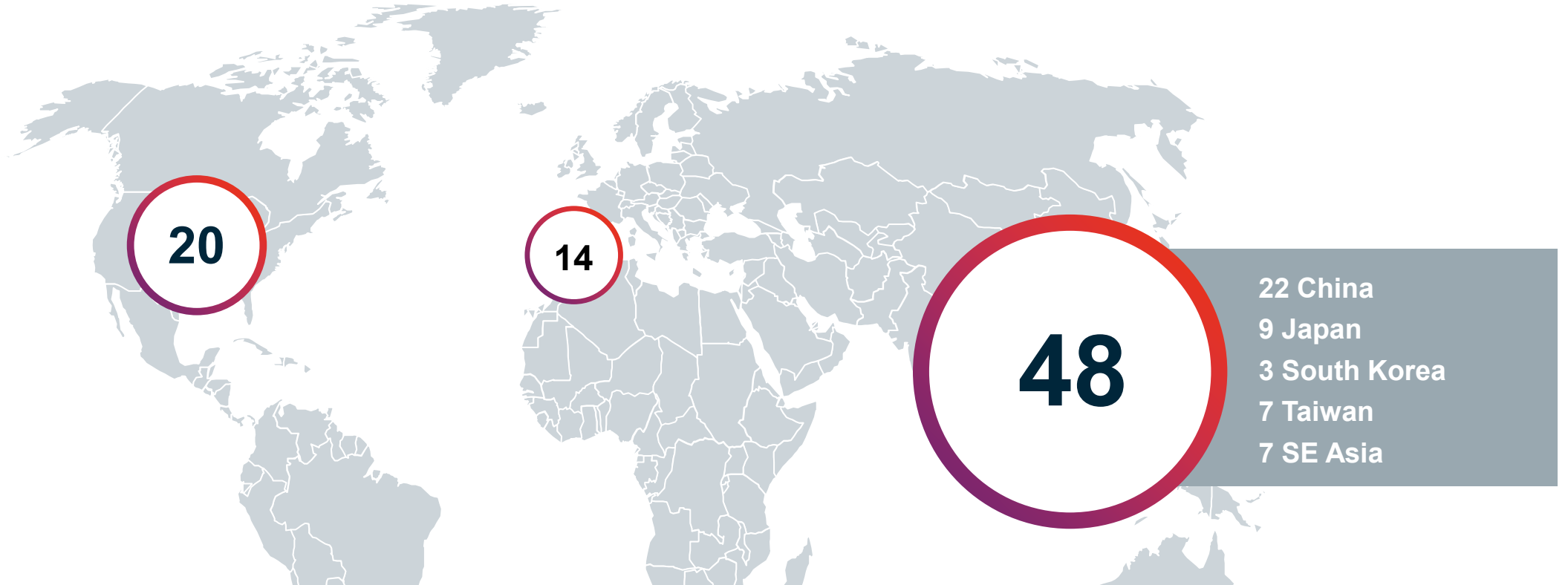
2022 semi revenues: USD 574bn

2030 semi revenues forecast: > USD 1trn



POC: peak of next semiconductor cycle

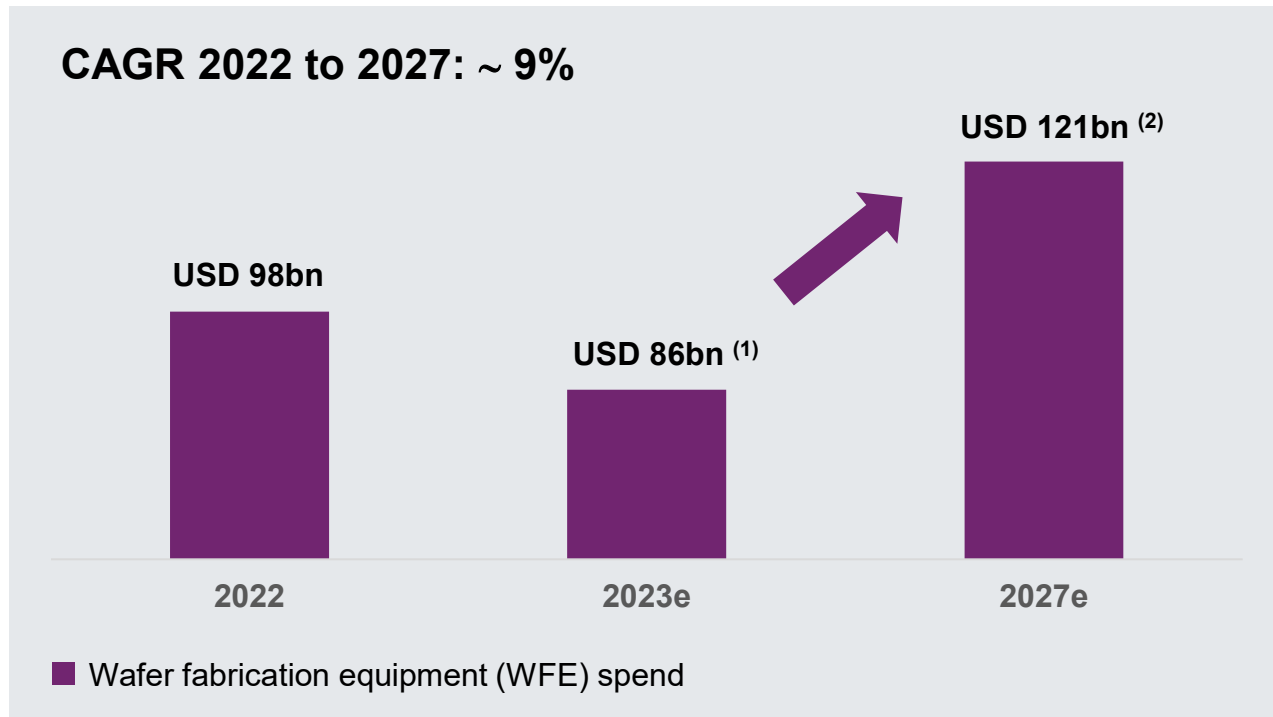
Fab construction from 2022 to 2024 opens huge potential



82 fabs need to be equipped

Source: SEMI, World Fab Forecast Q3 2023

Microchip demand drives long-term growth for wafer fabrication equipment



⁽¹⁾ Mean of 5 estimates TechInsights, Gartner, semi, Lam Research, KLA Tencor

⁽²⁾ Mean of 2 estimates TechInsights, Gartner

WFE spend projections

Bottom reached in FY23:

-12%⁽¹⁾ year-on-year

(range of estimates -3% to -16%,

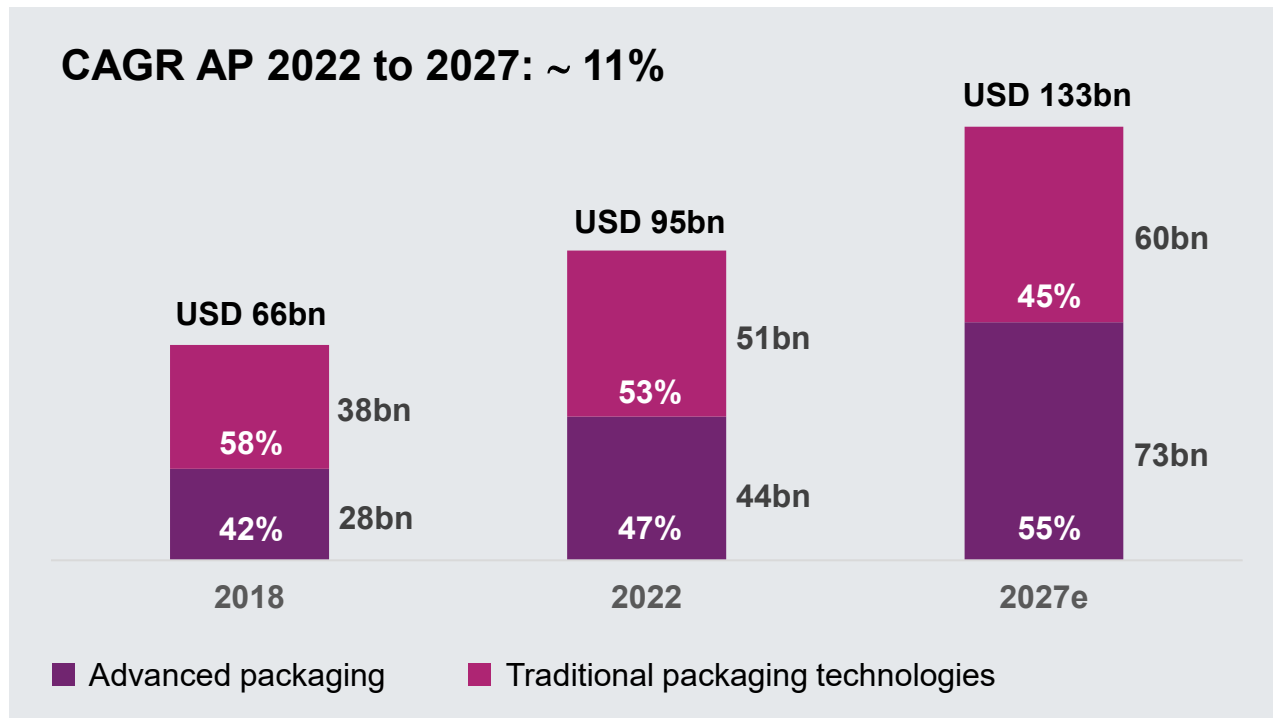
-10% to -17% excl. lithography)

Wide range of forecasts for FY24:

-4% to +15% year-on-year

CAGR 2022 to 2027e: ~ +9%

Advanced packaging: a compelling business opportunity driven by new applications



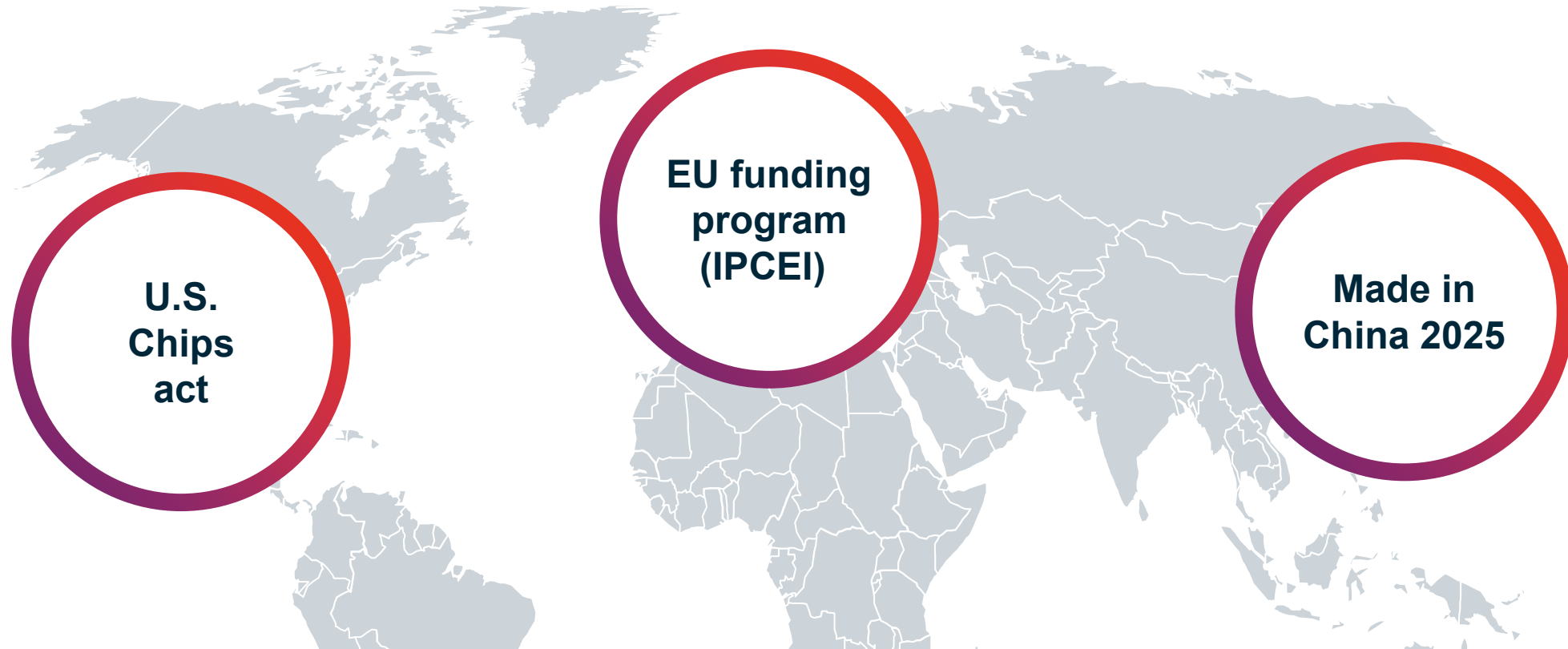
Source: Yole Intelligence, Status of the Advanced Packaging 2023 Market and Technology Report, Q2 2023

Advanced packaging (AP)

AP as major driver for further performance gains for HP computing, AI/ML, augmented/virtual reality (AR/VR), 5G, smart automotive

AP revenue growing at a fast pace: catching up with traditional packaging

Semiconductors considered as a strategic asset

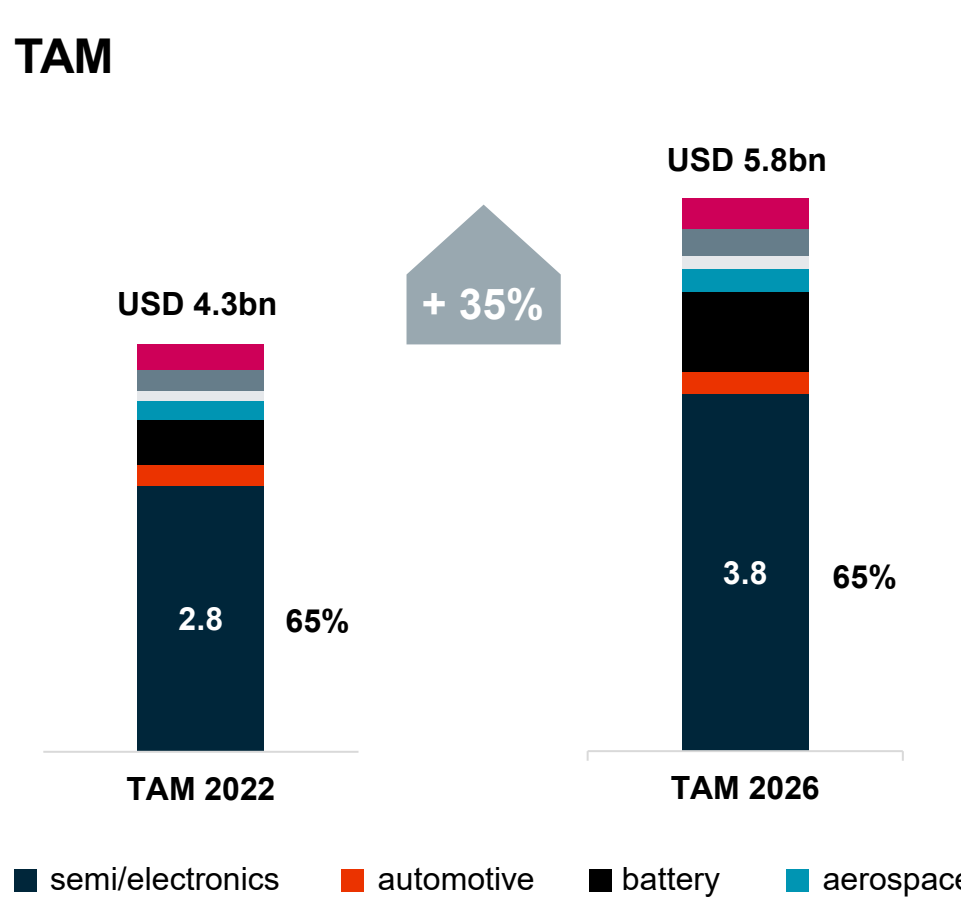


- major geopolitical tensions: strengthening of continental value chains
- government interventions: risk of overcapacities, misallocation
- restrictions: focus on advanced technologies

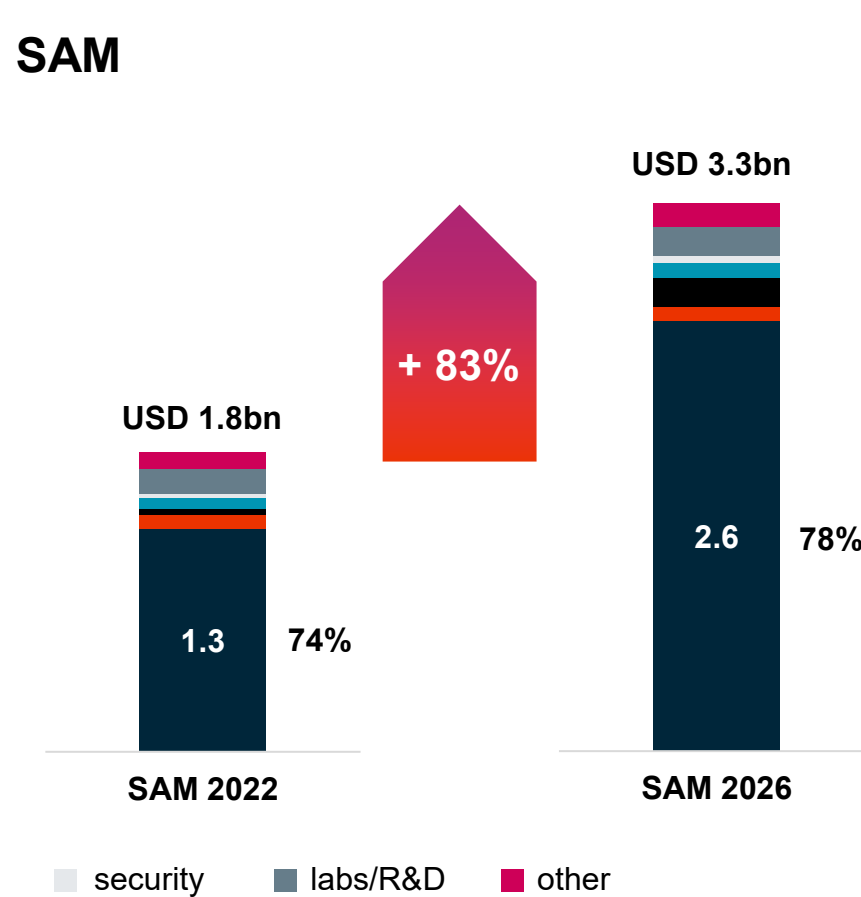
- high degree of uncertainty: future of global semi ecosystem
- prepare and develop scenarios

Growth: SAM exceeds TAM by far

TAM



SAM

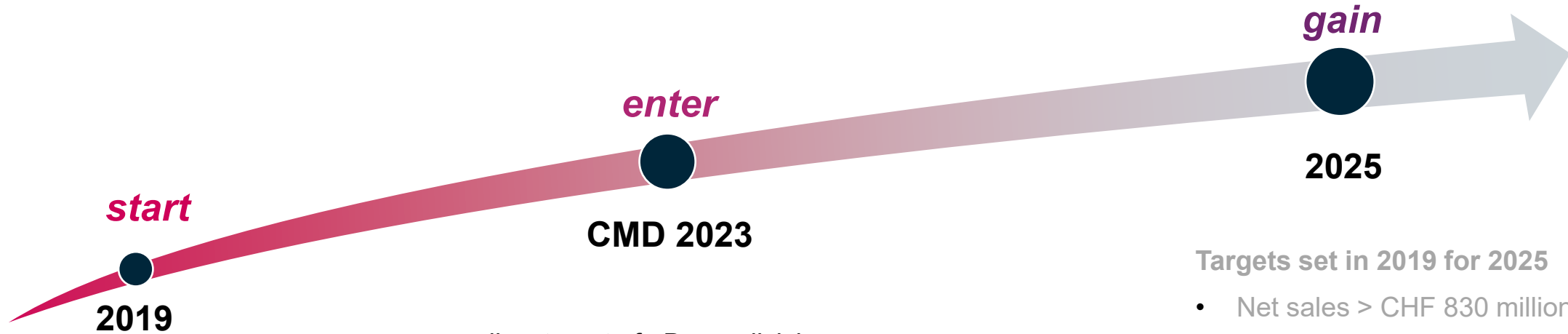


Comet operates in markets with highly attractive growth profiles

Forward integration at PCT (Synertia) and at IXS/IXM in semiconductor: new revenue streams

Strategy

Pivot into semi in 2019: better growth rates and profitability potential than legacy markets

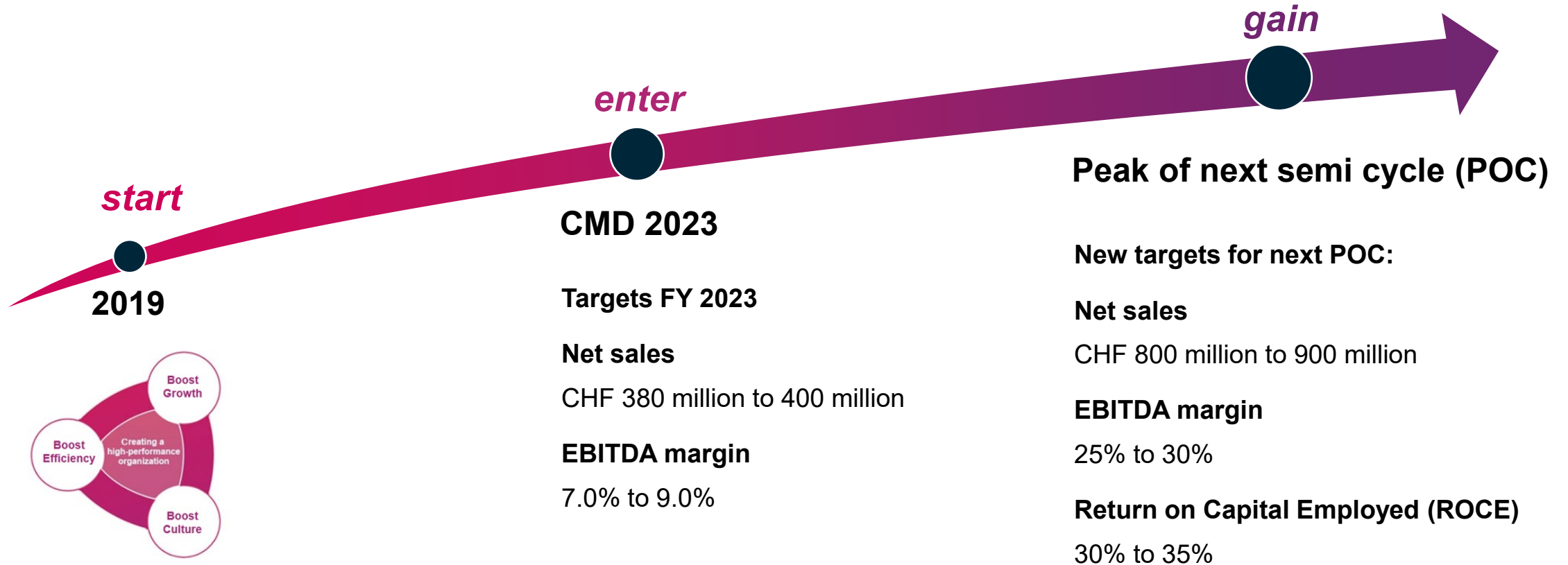


- divestment of eBeam division
- market share gains in all 3 divisions
- Synertia® RF power platform launched
- IXS and IXM: successful entry into semi, batteries ✓
- IXS repositioned
- presence in Asia strengthened
- matchbox high-volume production relocated

Targets set in 2019 for 2025

- Net sales > CHF 830 million
- ~ 25% EBITDA
- ~ 30% ROCE

Medium-term targets: adjusted slightly upwards and postponed



Playbook: win semi, execute **Boost**, focus on core



Focused growth strategy

Build product portfolio with product leadership

Efficient organization

Focus on customer centricity

Value-based culture

Aspiring to excellence from within

Growth through expansion of product portfolio and extension of our product leadership



Group







Divisions

PCT	<ul style="list-style-type: none">• forward integration: Synertia® power delivery platform• market penetration: tier 1 WFE, regional champions• portfolio balancing: increase logic and other semi exposure
IXS	<ul style="list-style-type: none">• focus on more profitable sales
IXS & IXM	<ul style="list-style-type: none">• expand semi product portfolio• penetrate and grow in semi market• serve legacy opportunistically
IXM	<ul style="list-style-type: none">• forward integration X-Ray Modules

Covering the full plasma excitation chain with our own products



	Vacuum Capacitors	Matchboxes	RF Generator
			
Advanced Energy		X	X
MKS Instruments		X	X
Trumpf			X
Meiden	X		
Daihen		X	X



Step-wise expansion in Penang: secure future growth



Comet 2025

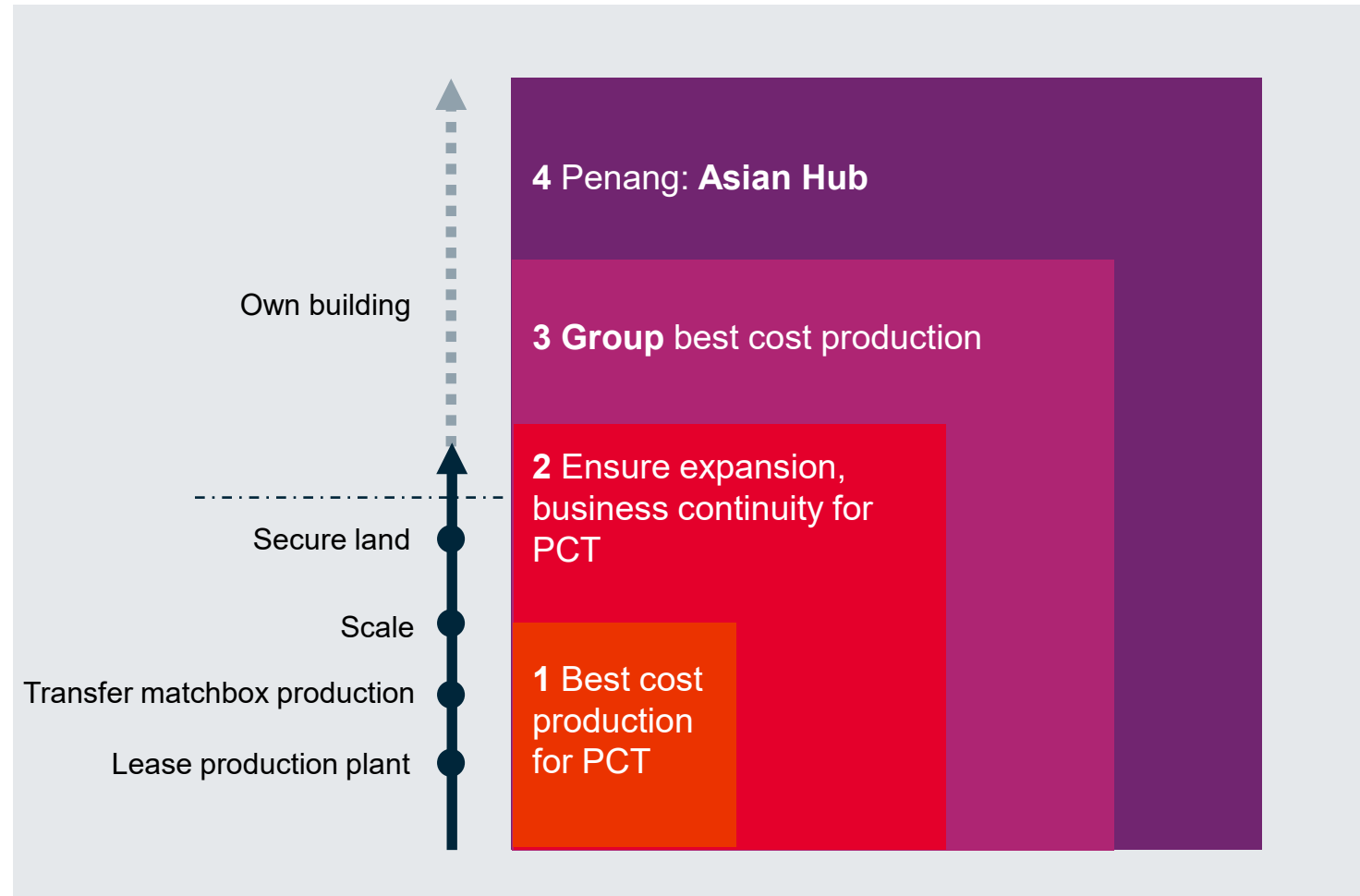
Expansion in current location:

- production start in 2020
- doubling of capacity, execution synchronized with the semi cycle

Planning for Comet 2030

Capacity expansion:

- land secured
- planning of a Comet-owned building



Develop a more resilient, high-performing and scalable organization

Efficiency / profitability measures

- Penang expansion
- site closure / site consolidation USA
- workforce adaptation
- operational efficiency: lean production

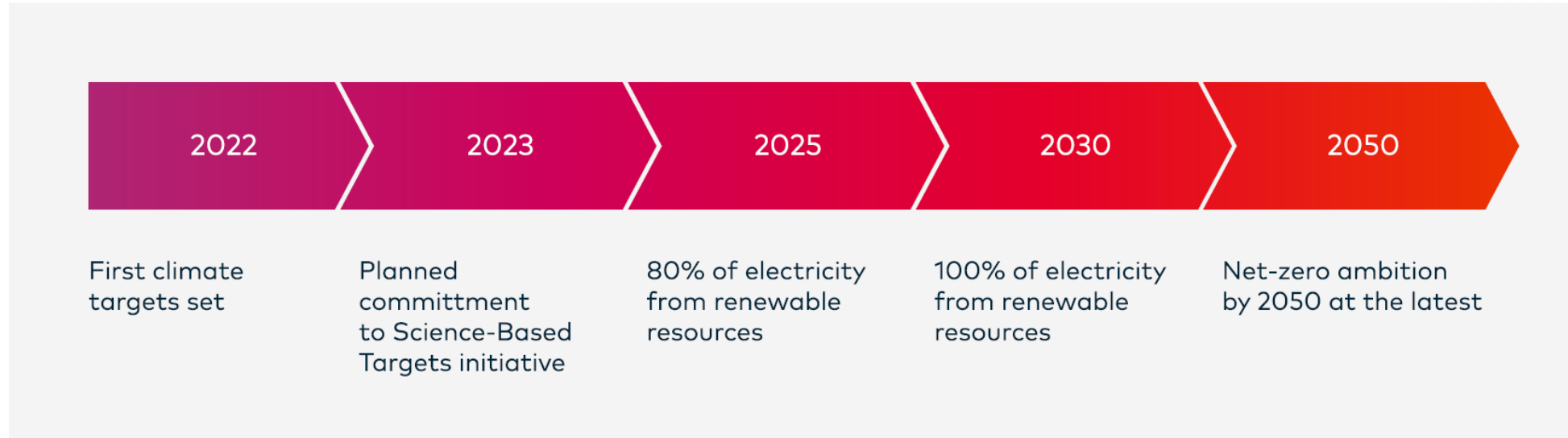
Continue to enhance resilience

- balance regions, customers, products, suppliers
- evolve target operating model, push digital transformation

Talent attraction, retention, and promotion



Sustainability program: targets defined, focus on climate protection



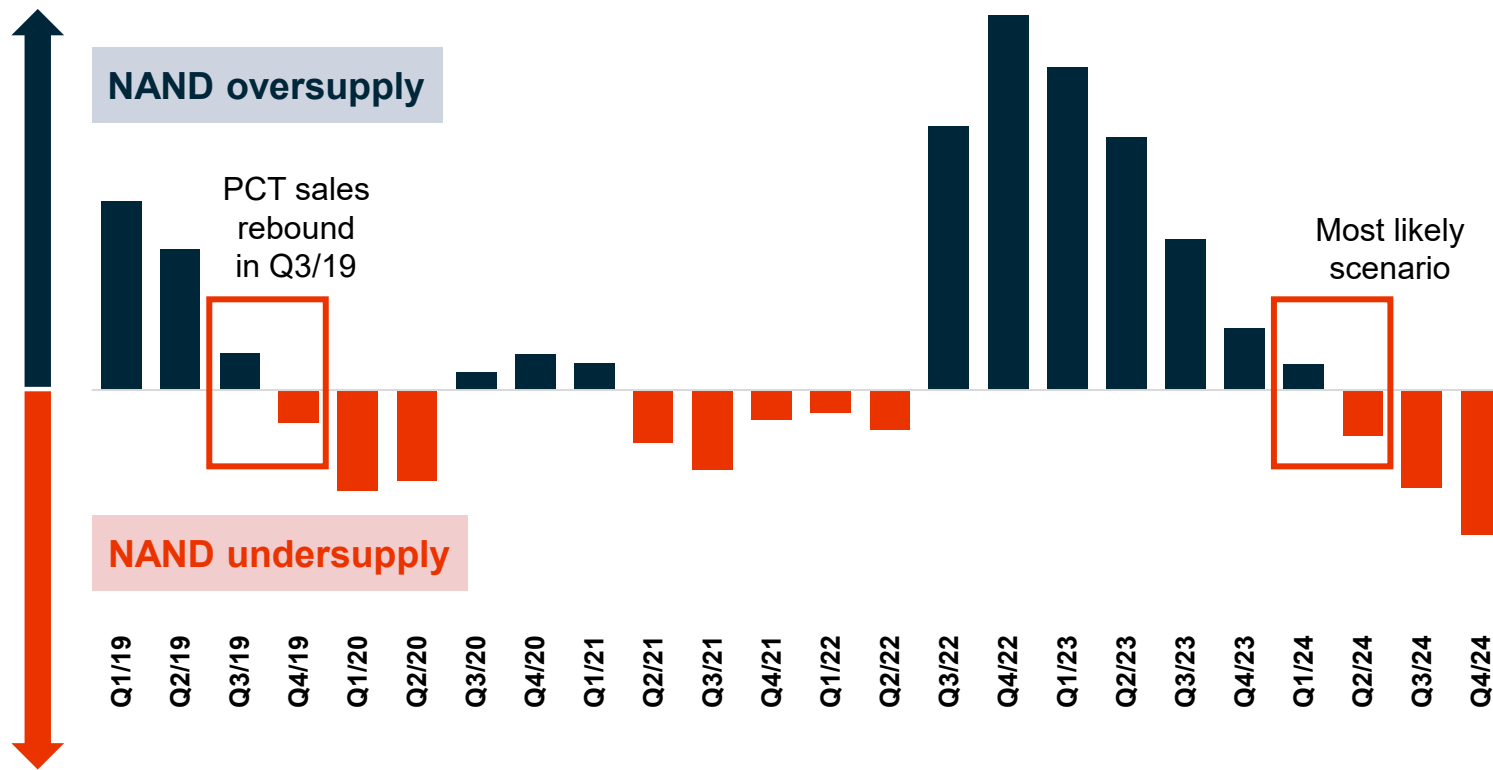
Priorities

Eco-design: eco-intelligent products / Science-based target initiative / Reporting readiness / KPIs

➡ **Stepwise ESG roadmap implementation: Progression towards an integrated sustainability strategy**

Outlook and targets

WFE capex spend expected to recover in 2024



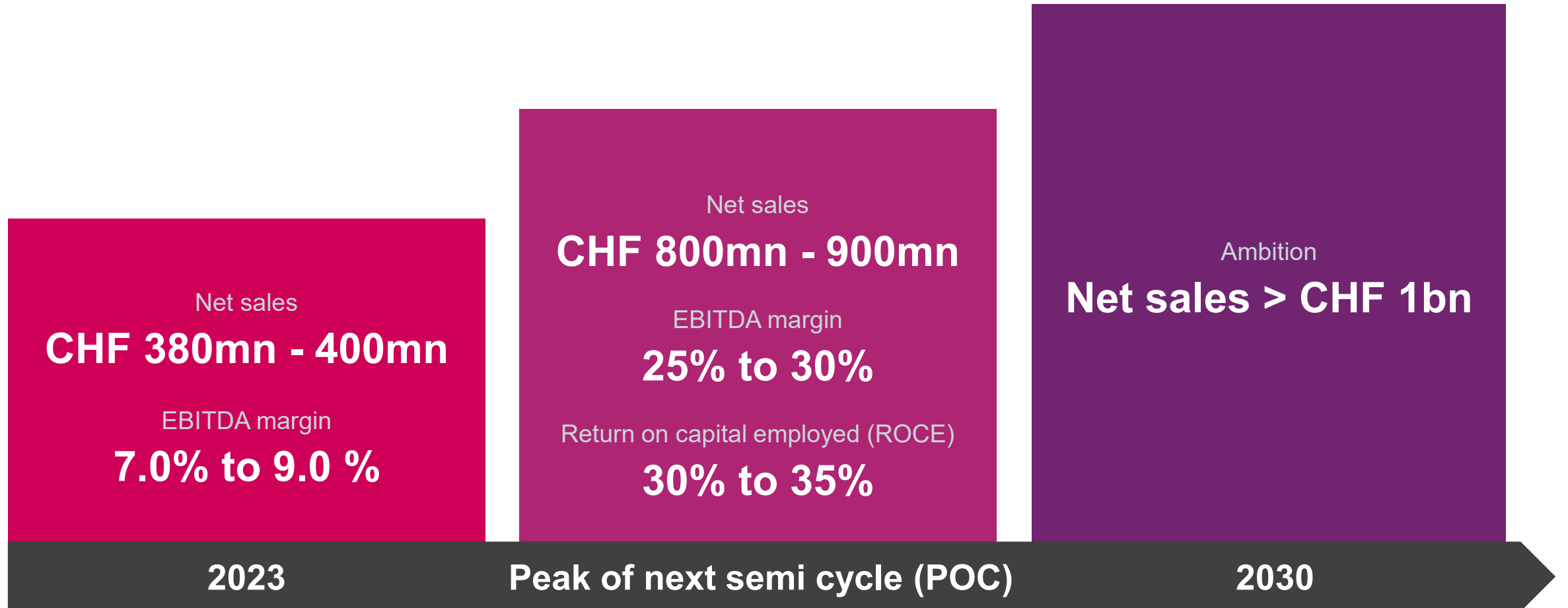
NAND undersupply in Q2/24e, DRAM in Q4/23e

Memory industry supply significantly reduced in 2023: reduction of inventories

Source: Gartner Q3 2023

Sources: TechInsights, Gartner, Semi, Lam Research, KLA Tencor Oct/Nov 2023

Growth story intact: transition year 2023 as turning point for the next upswing



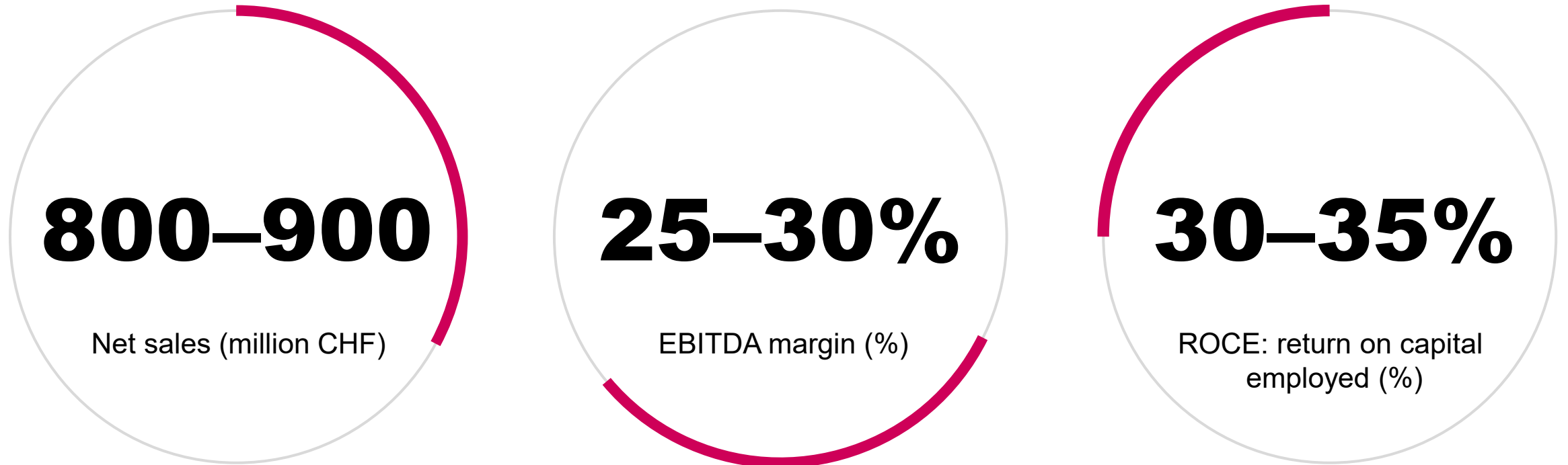
**All ingredients are in place.
Poised to emerge stronger from
the semi correction.**

Financials

Nicola Rotondo / Interim CFO



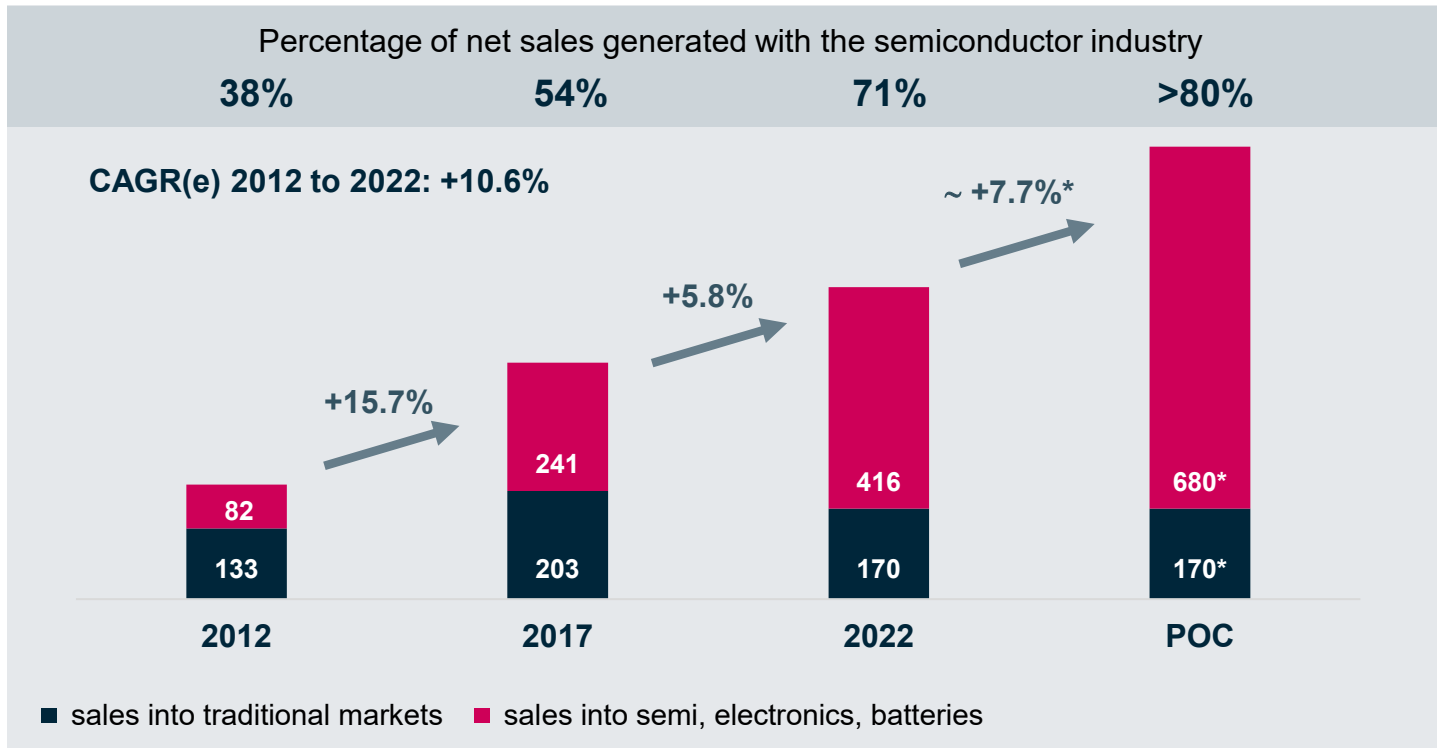
Targets for the next peak of the semiconductor cycle (POC) were adjusted slightly upwards



Assumptions for POC targets: Core RF subsystems market: CAGR of 7.5% 2022 to POC / Peak of the semiconductor cycle currently seen in 2027 (Sources: Gartner, TI)

Previous targets 2025 issued in 2019: Net sales > CHF 830 million / EBITDA margin of ~25% / ROCE of ~30%

Consistent sales growth to continue



Long-term growth story continues

Accelerated growth from 2012 to 2017:
matchboxes market gains

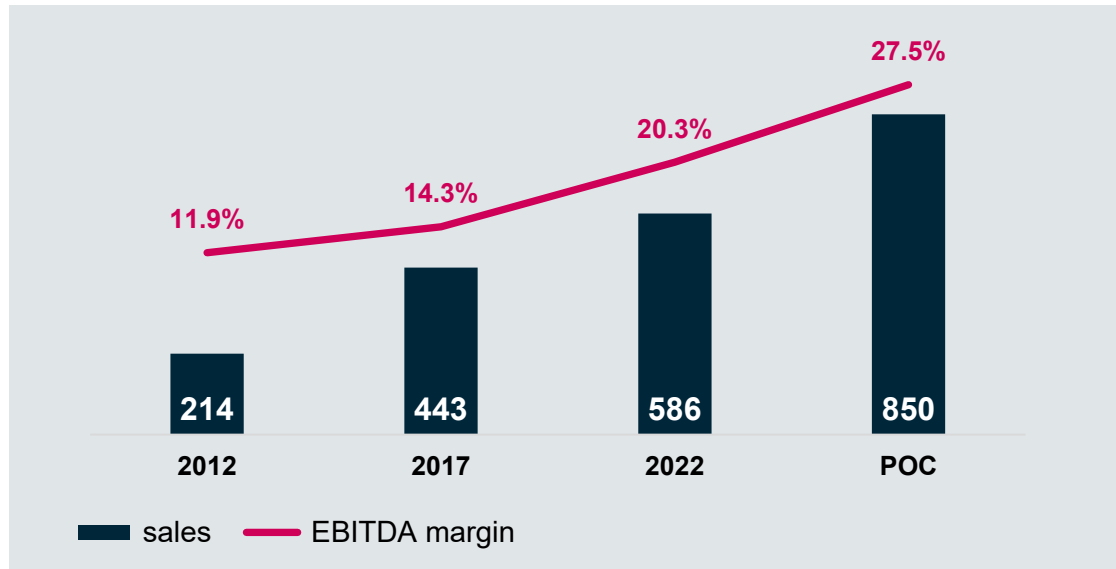
2017 to 2022 impacted by Covid-19

Beyond 2022: further increase of
sales in our focus markets

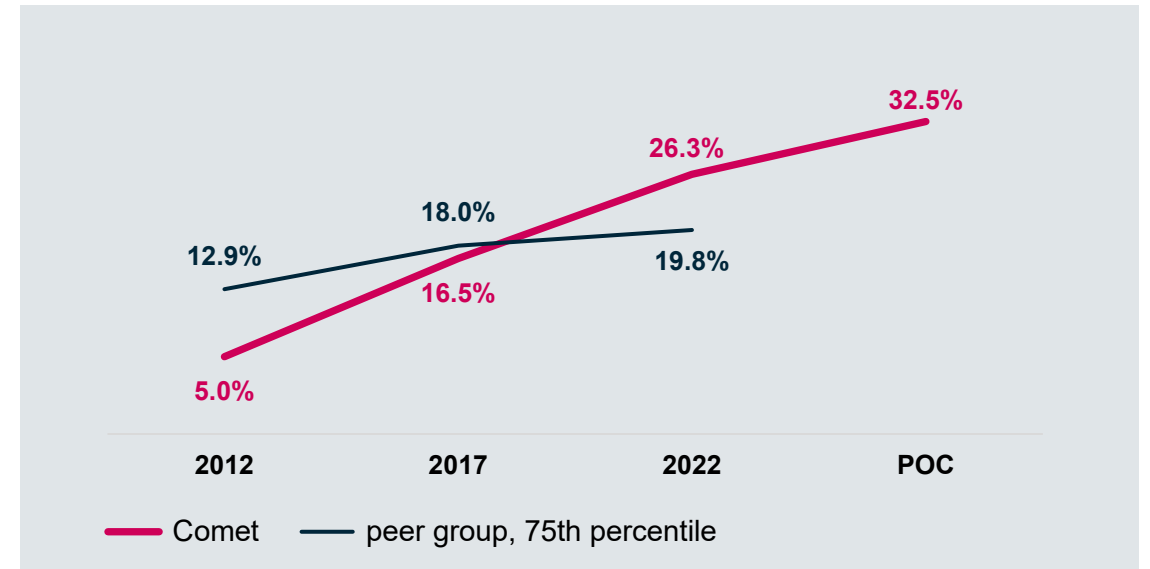
POC: Percentage of net sales generated
with the semiconductor industry: >80%

* Based on assumption of mid-point of net sales guidance (CHF 850 mn)

Profitability and returns did and will increase in line with revenue growth



Steepening of profitability curve, driven by the increased share of our focus markets



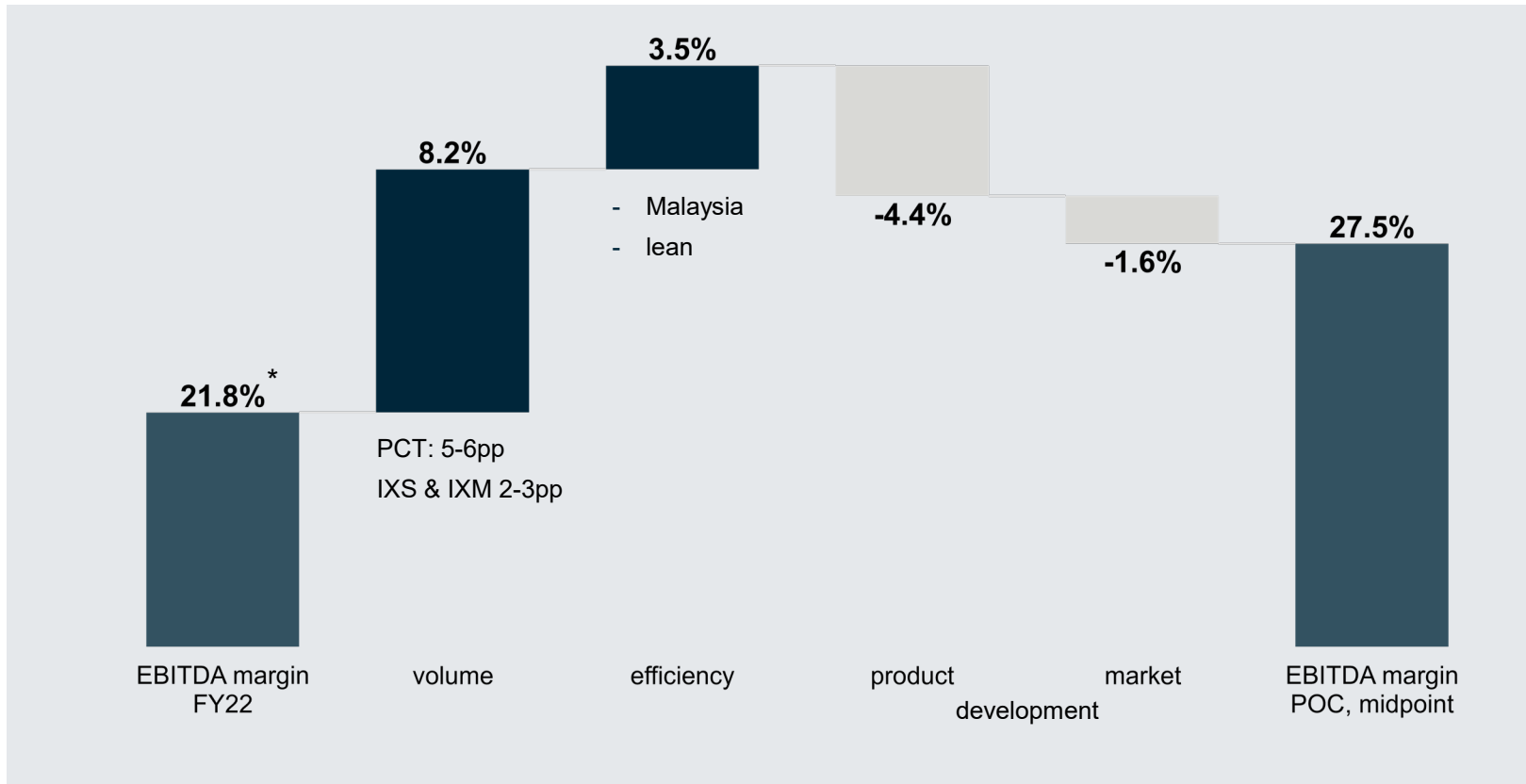
ROCE: strong value creation, above top quartile of the peer group*

* Comet Group, Annual Report 2022, p165

Divisional contribution to POC targets

Net sales Comet at POC: CHF 800 million to 900 million	EBITDA margin contribution		ROCE margin contribution	
PCT: 60%–70%	Above group average	PCT	Above group average	PCT
IXS: 20%–25%	Group: 25%–30%	IXM	Group: 30%–35%	
IXM: 10%–15%	Below group average	IXS	Below group average	IXS IXM

Multiple drivers for profitability increase



Volume driven by the ongoing growth of PCT

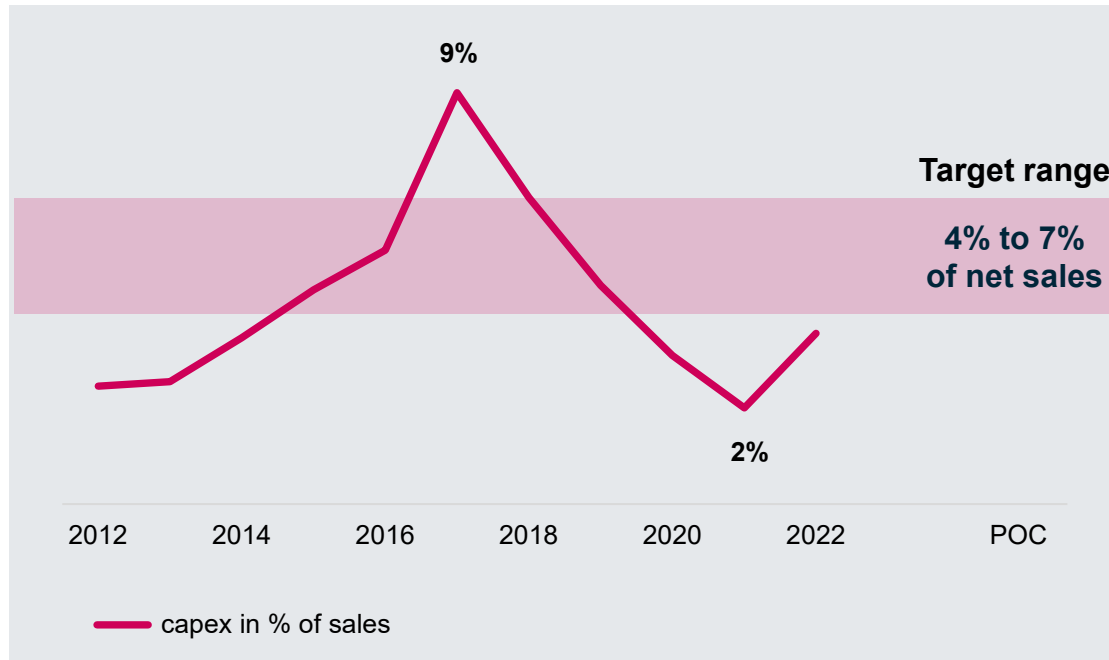
Matchboxes served primarily from Malaysia during the next cycle

Ongoing commitment to fund product development

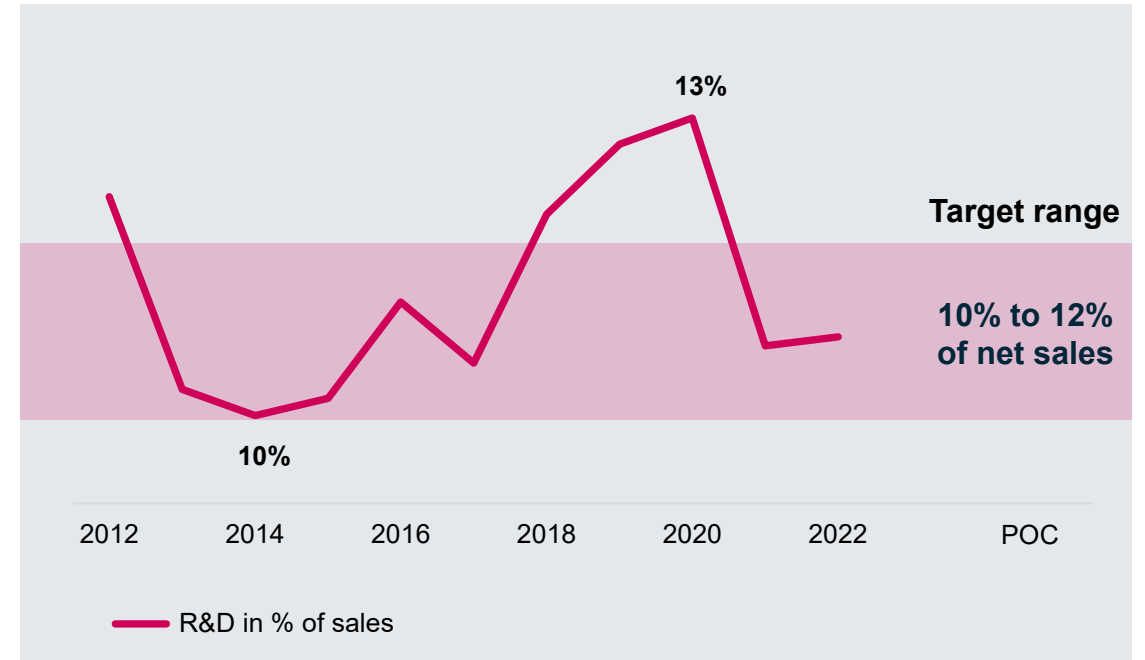
Increase our presence in Asia and strengthen customer intimacy

* adjusted for CHF 9.0 million in litigation costs (including costs: 20.3%)

Continued investments into capex and R&D to strengthen market leading positions

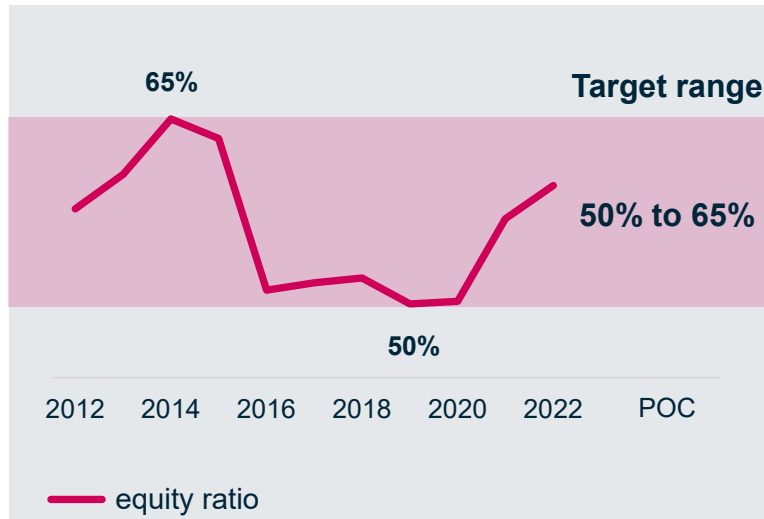


Main investment in Penang
ERP upgrade

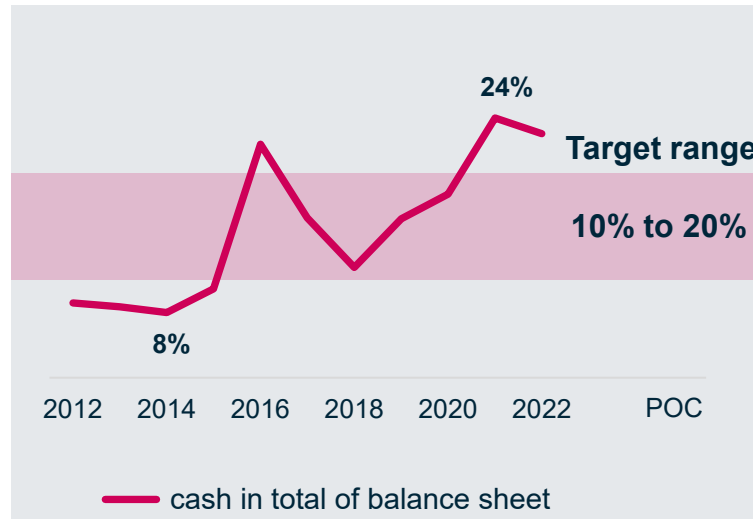


New product sales: 50% of total Group sales
All divisions will keep their R&D spending as is

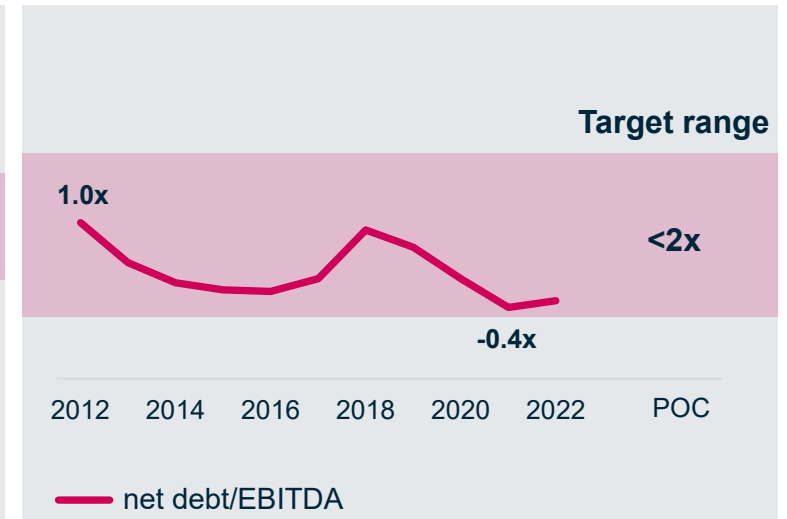
Sound balance sheet: solid financial footing for implementation of growth plans



Equity ratio at very strong levels

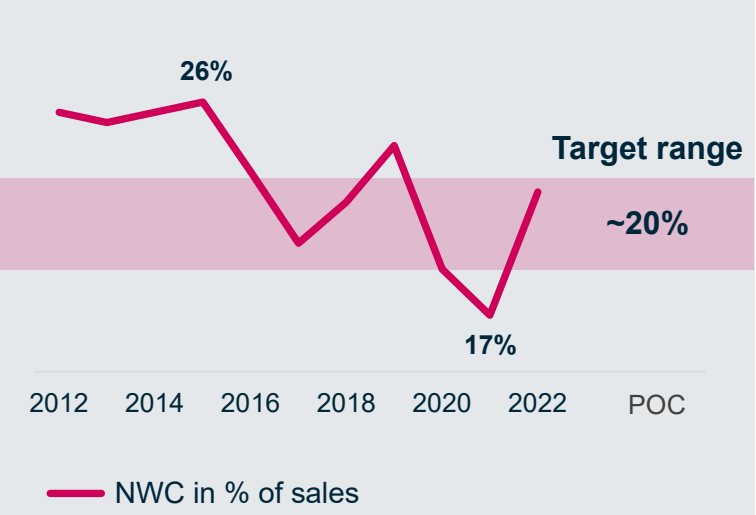


Cash: buffer for unexpected events (e.g., COVID-19)

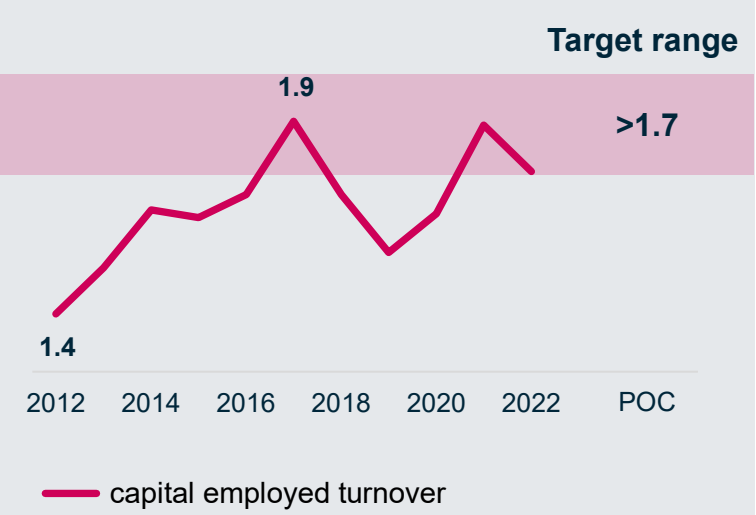


Net debt to EBITDA at very low level: ample additional financing capabilities

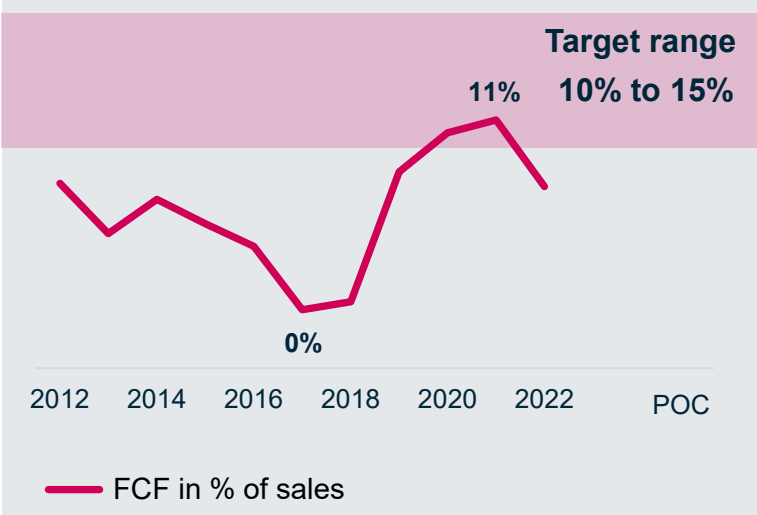
Capital efficiency: from good levels expected to further improve



NWC ratio to remain rather high into 2024

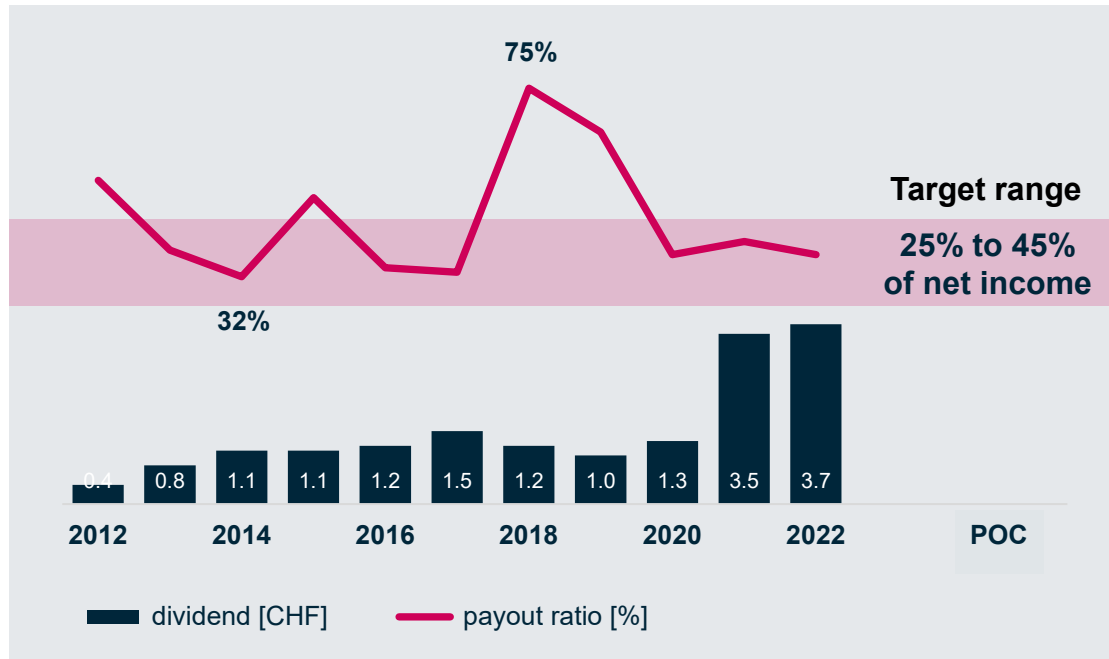


Capital employed turnover targeted beyond 2024 with >1.7 despite rather high capex

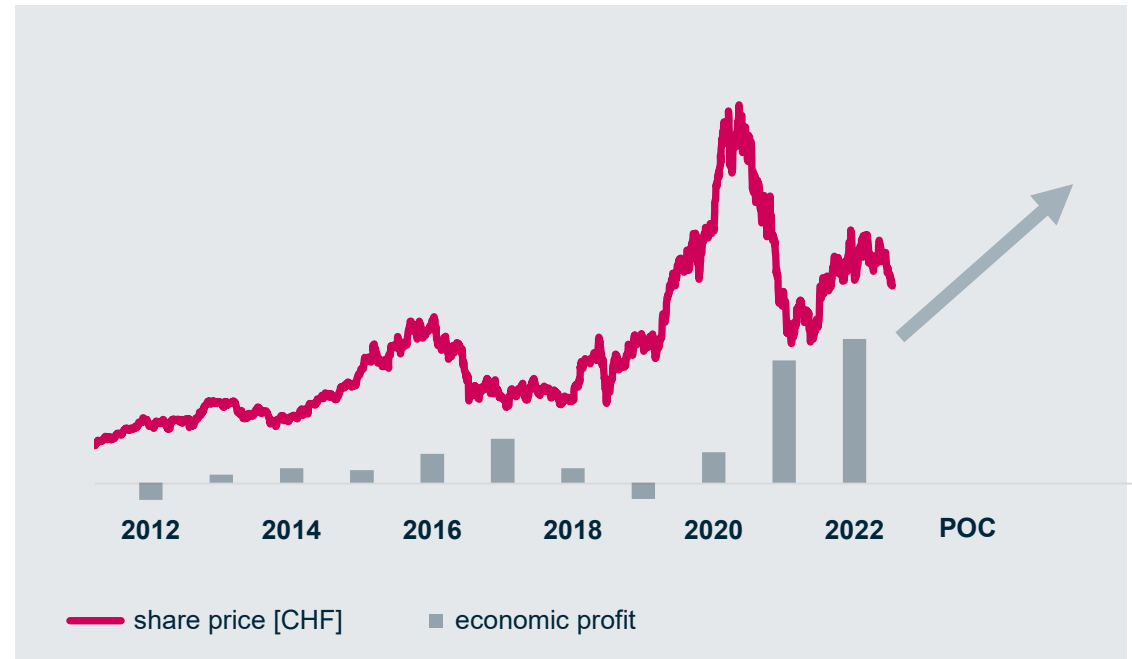


Free cash flow expected to be at targeted range beyond 2024

Dividend and share price appreciation linked to economic profit generates value for shareholders



Payout ratio target: 25% to 45% of net income



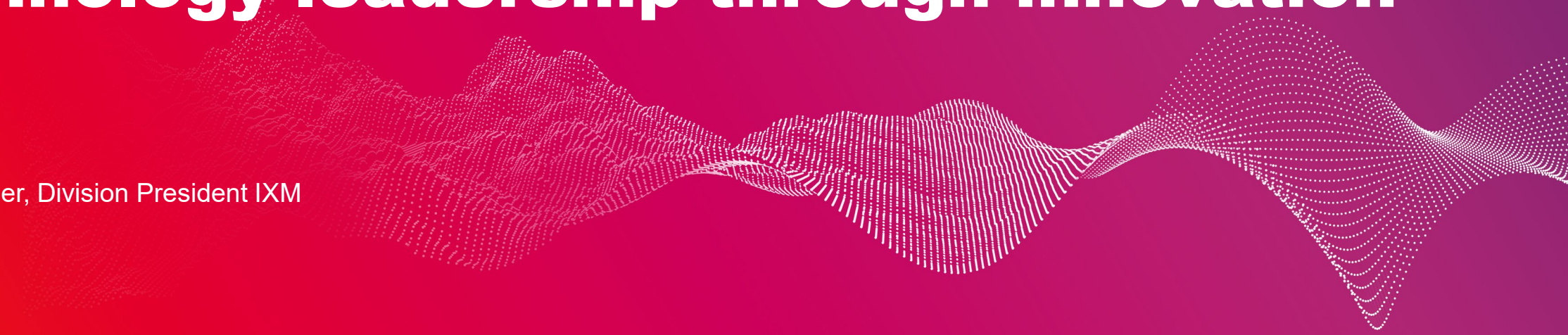
Constant increase of EP correlated with share price
Strategy implies further strong increase of EP

**A rock-solid balance sheet as
the basis for implementing our
focus strategy in any market
situation**

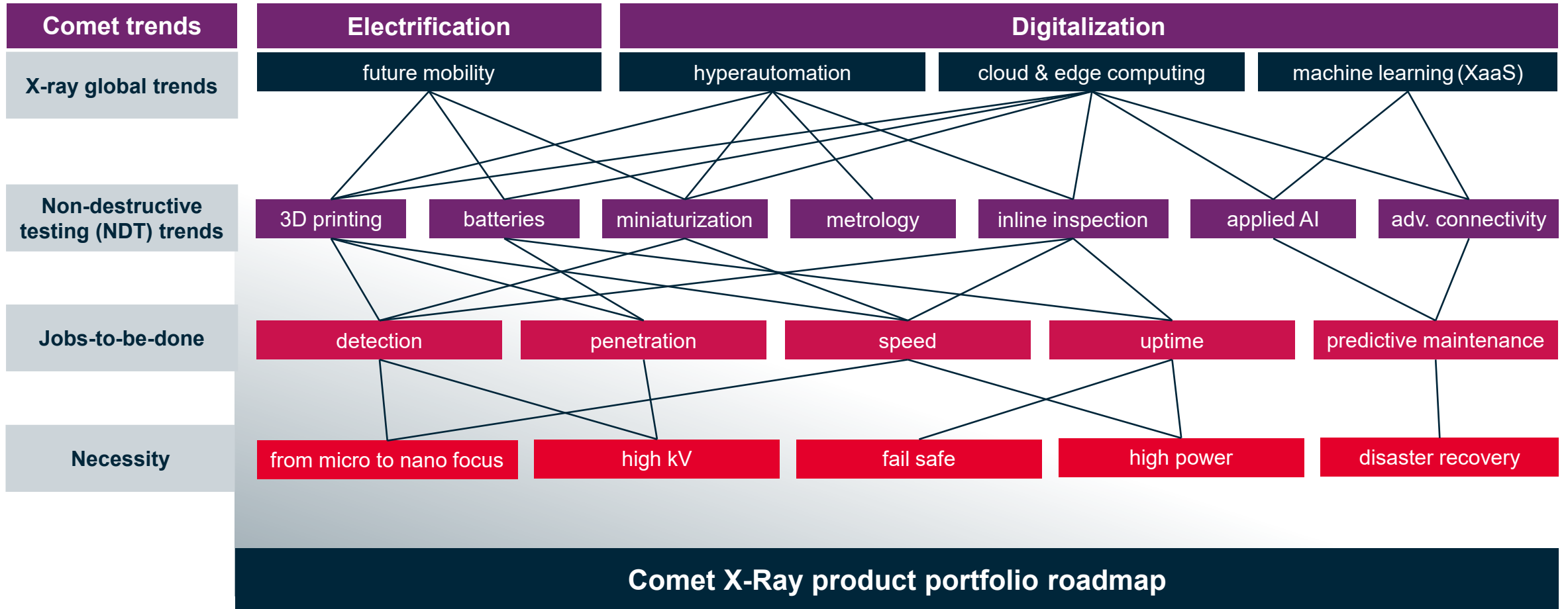


Division IXM: Technology leadership through innovation

Michael Berger, Division President IXM



Turning industry trends into IXM's solution portfolio









Sources: Gartner, OECD, Deloitte, McKinsey







Transforming IXM's solution portfolio into new markets

Market Segments	2019
<p data-bbox="135 615 410 654">New markets</p>   	
<p data-bbox="135 1005 479 1043">Existing markets</p>   	<p data-bbox="792 891 1200 1048">Product Series: Stationary Modules Portables</p> <p data-bbox="766 1119 1217 1162">Customized products</p>

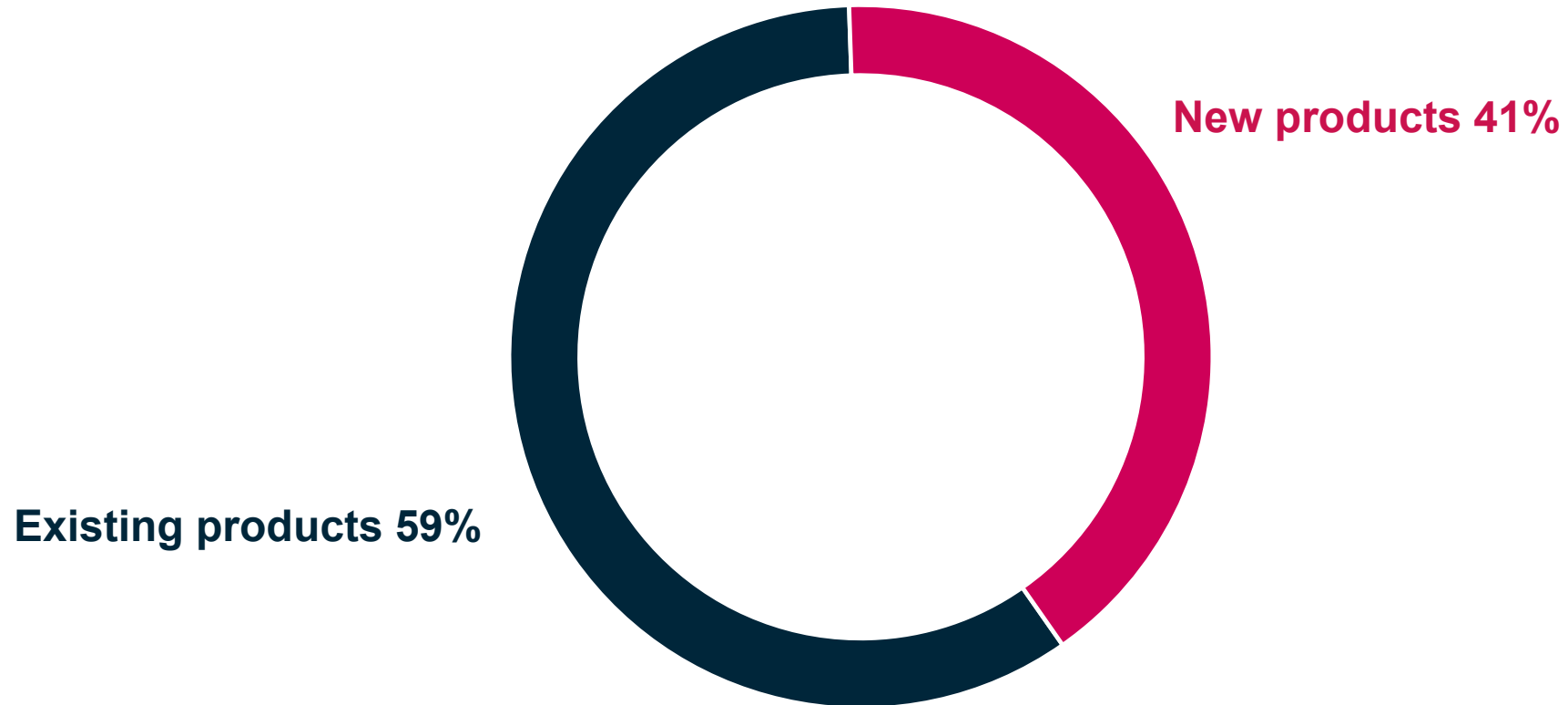
Transforming IXM's solution portfolio into new markets

Market Segments	2019	2023
New markets   		FXE Micro Focus MF MesoFocus
Existing markets   	Product Series: Stationary Modules Portables Customized products	XP UP ECO

Transforming IXM's solution portfolio into new markets

Market Segments	2019	2023	2025+
New markets   		FXE Micro Focus MF MesoFocus	FYNE Nano Focus EXPLORER
Existing markets   	Product Series: Stationary Modules Portables Customized products	XP UP ECO	Next generation: XP UP ECO

IXM's new products introduced since 2021 contribute with 41% to revenue in 2023^(e)



Where we play: market and product segments – strategic focus

Strategic core elements:

- 1 Push to semi
- 2 Expand into batteries & electronics markets
- 3 Expand portfolio and profitability in NDT
- 4 Increase customer centricity Asia

Where we play: market and product segments – market positions

Industrial X-ray market



in metal ceramic
x-ray tubes

	Main market segments	Product segment	Comet positioning
3		Stationary & Integrated Tubes	#1
		Stationary Modules	#3
2		Sealed Micro Focus Modules	new entry
2		Open Micro Focus Modules	#4
1		Open Nano Focus	#3

Dedicated commercial teams established in market segment hubs over the past 2 years



Taiwan

Shared commercial support

South Korea

Sales & Customer Support team

China

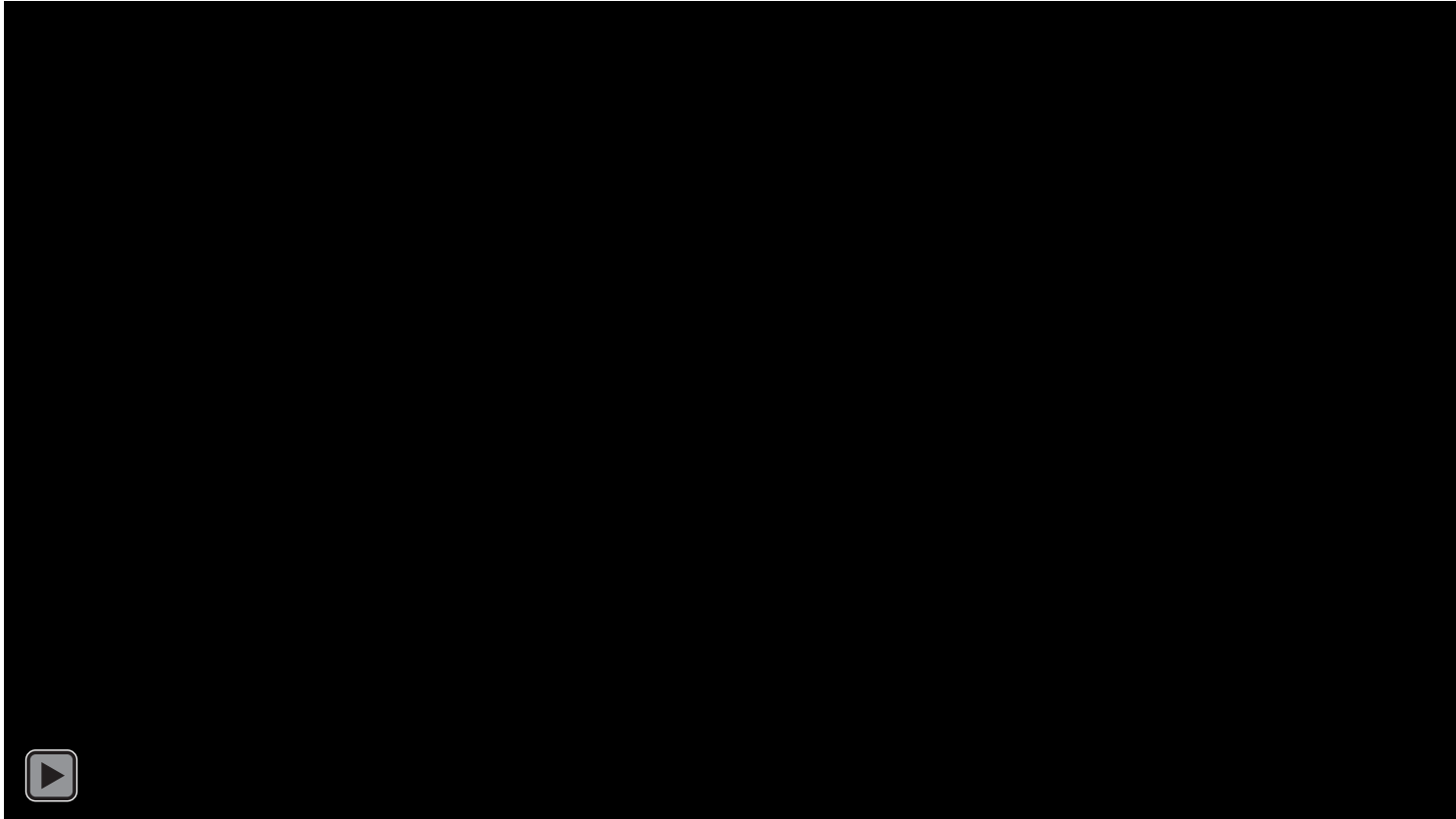
Market Segment Management for the battery market

Japan and China

Sales teams

New products for growing markets

MesoFocus: making EV batteries safer and more reliable



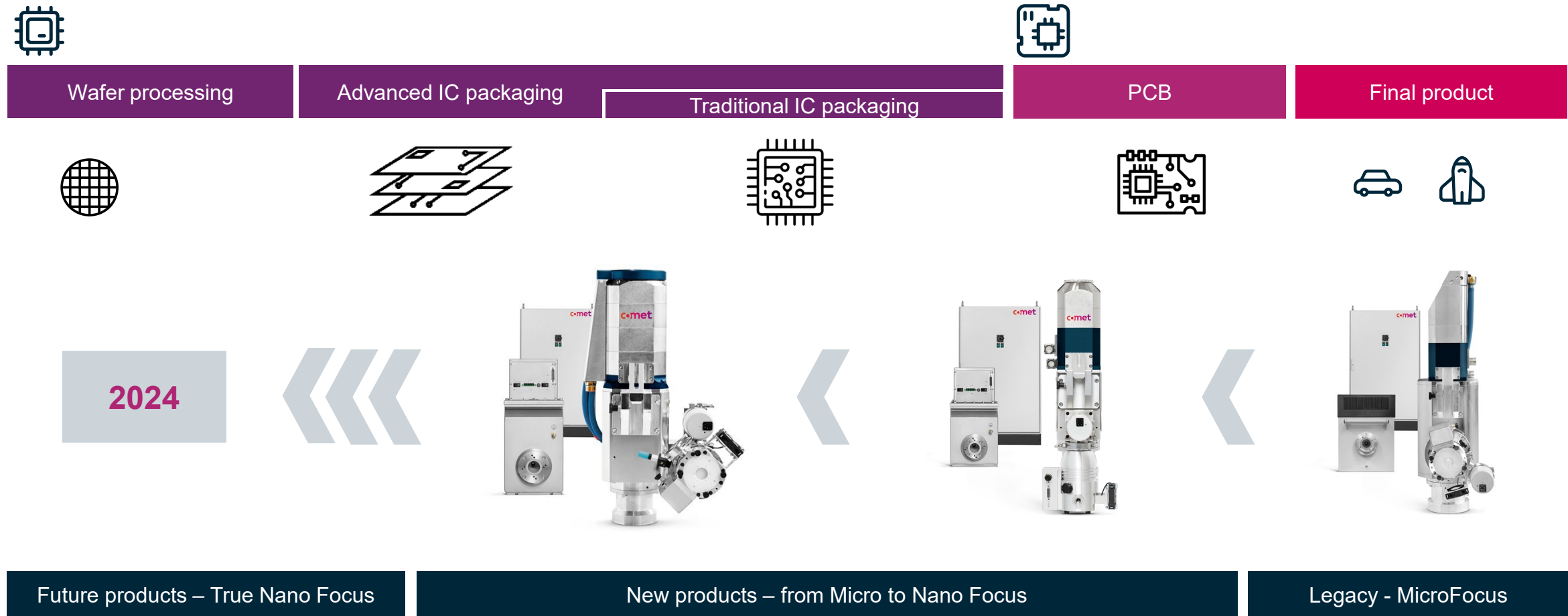
125%
Expected growth
year-on-year 22/23

Expected doubling
in 2024

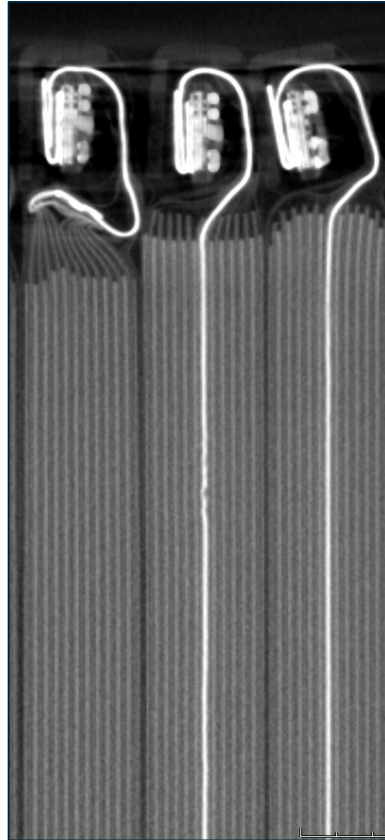
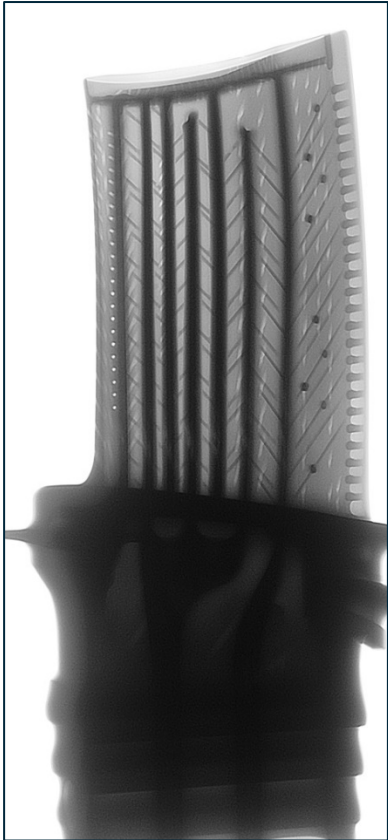


Key contributors to sales growth

Meeting micro- and nano-resolution needs along the semiconductor and electronics value chain



Enabling faster in-line CT inspection in Industrial NDT



Up to 33% higher power ratings compared to traditional X-ray tubes

Enabling up to 25% shorter exposure times

With the XP and UP product series Comet X-Ray expands and maintains its #1 market position in stationary metal ceramic X-ray tubes / modules



Comet x-ray

The Powerhouse of Industrial X-ray

Division IXS: Shaping the inevitable future

Dionys van de Ven, Division President IXS





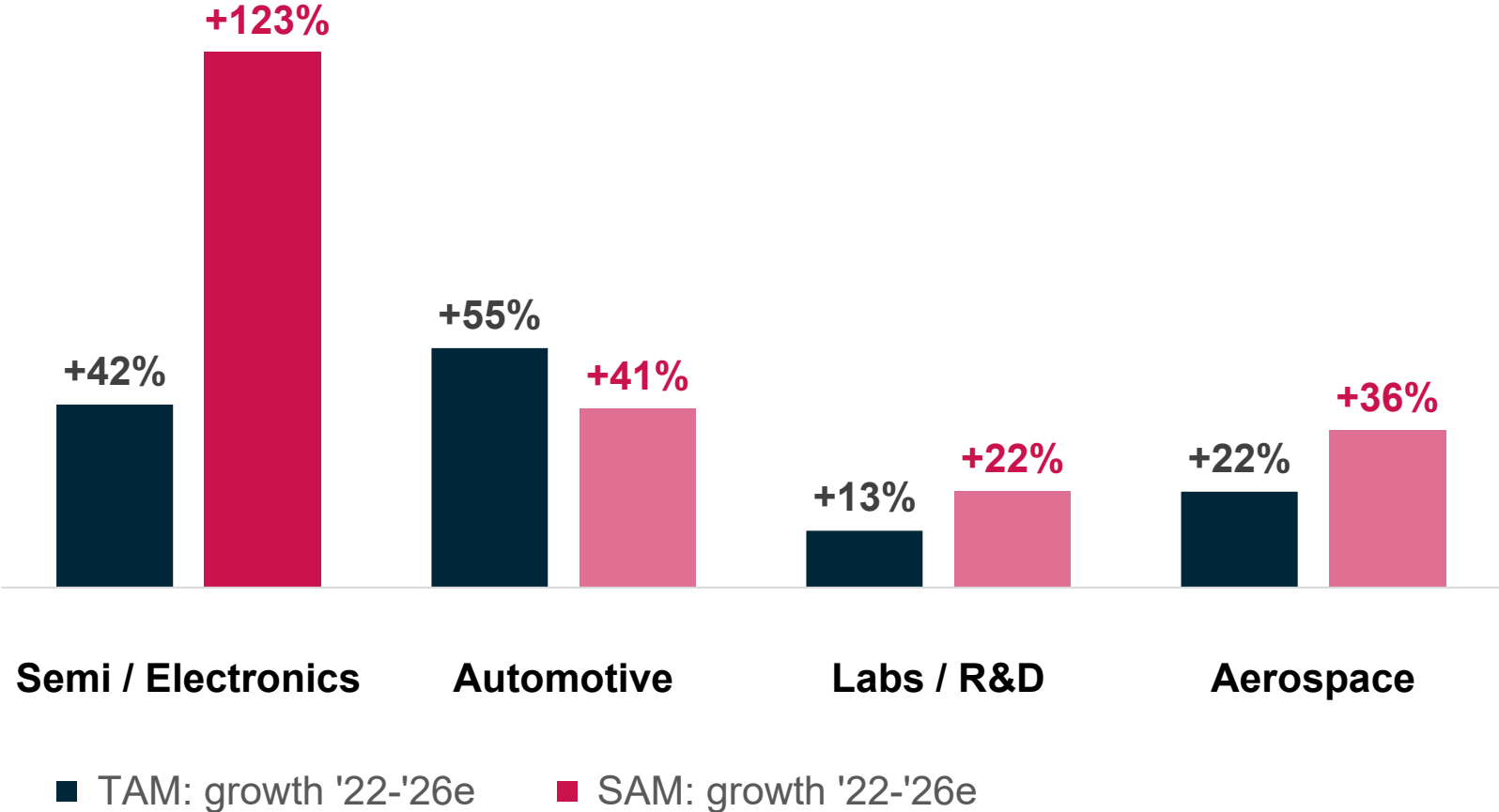
WIN SEMI

SEE BETTER. FASTER. MORE.

Priorities to support the mid-term Group targets

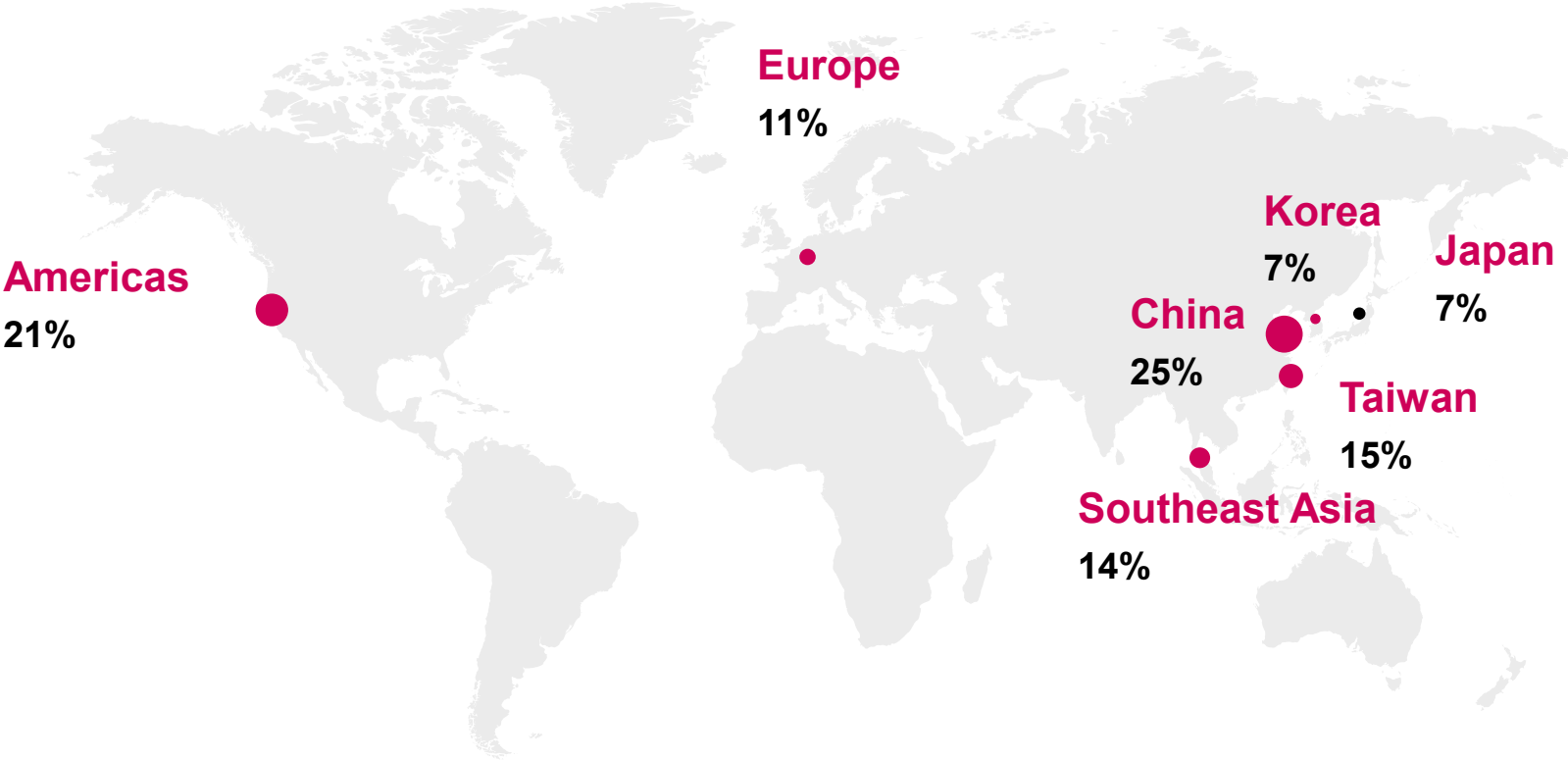


Focus on the most attractive growth market ...



Semi & electronics
 SAM more
 than doubles
 by 2026e, to
 ~ USD 450mn

... as well as on the geographies with the highest growth potential



Strengthened teams in focus regions Taiwan, Korea, Japan and USA

Next step: expand in Southeast Asia

% = percentage x-ray inspection market distribution for semiconductor

IXS in transition: repositioning and growth initiatives gaining traction

- Product portfolio transition: **Focus**
- Regional Sales, Service and Application teams to deliver **best in class customer experience**
- Full integration of **Dragonfly** Team (ORS-Montreal)

Successful entry into semi: co-creation with strategic partner opens-up new insights

- **Increased installed base** at semiconductor market leader: our co-creation partner
- **Customer testimonial:** "I have **never seen** bumps like that", "We just found a **new failure type**", "We finally get the **insights** we need **in minutes**".
- **Launch of full semi inspection solution**

X-ray: solving future needs in the semi industry

- Semiconductor industry is driven by **miniaturization & efficiency**
- Next generation x-ray as **valuable inspection method** for Advanced packaging for Chip on Substrate
- X-Ray as booster for **faster time-to-market & increased yield**

**ZERO
DEFECTS**



INSIGHTS

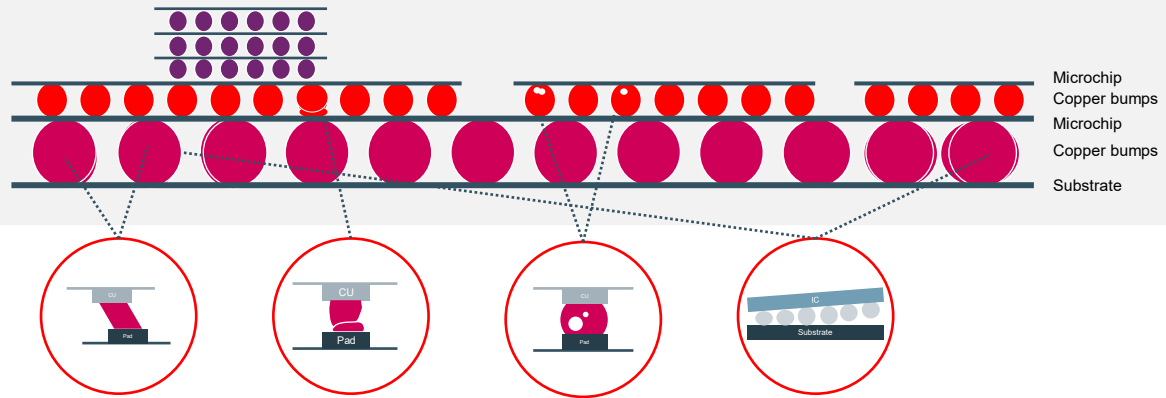
FORESIGHT

Next generation 3D x-ray inspection provides fast & easy insights to killer defects

Specimen: Advanced Packages		Tools for inspection / failure analysis			
		Optical	x-ray		FIB-SEM
			2D	Next Gen 3D	
Tilt		✓	✓	✓	✓
Missing bump		✓	✓	✓	✓
Bridge		✓	✓	✓	✓
Bulge/big-bump		✓	✓	✓	✓
Small bump / non-wet			✓	✓	✓
Shift			✓	✓	✓
Void			✓	✓	✓
Missing/ Small via connect				✓	✓
Head in pillow				✓	✓
Substrate cracks				✓	✓
Copper bonding issues					✓

Speed
Detail recognition

New Test Strategies



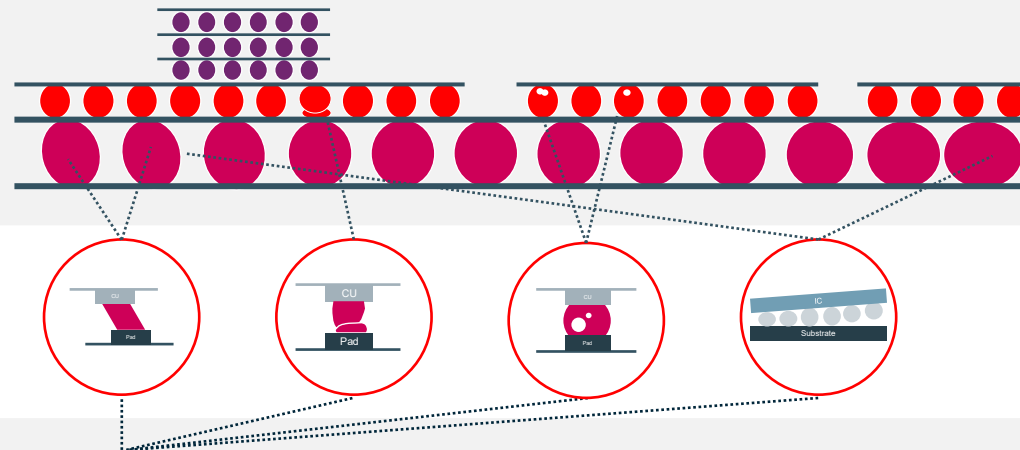
**ZERO
DEFECTS**

INSIGHTS

FORESIGHT

ZERO DEFECTS

New Test Strategies

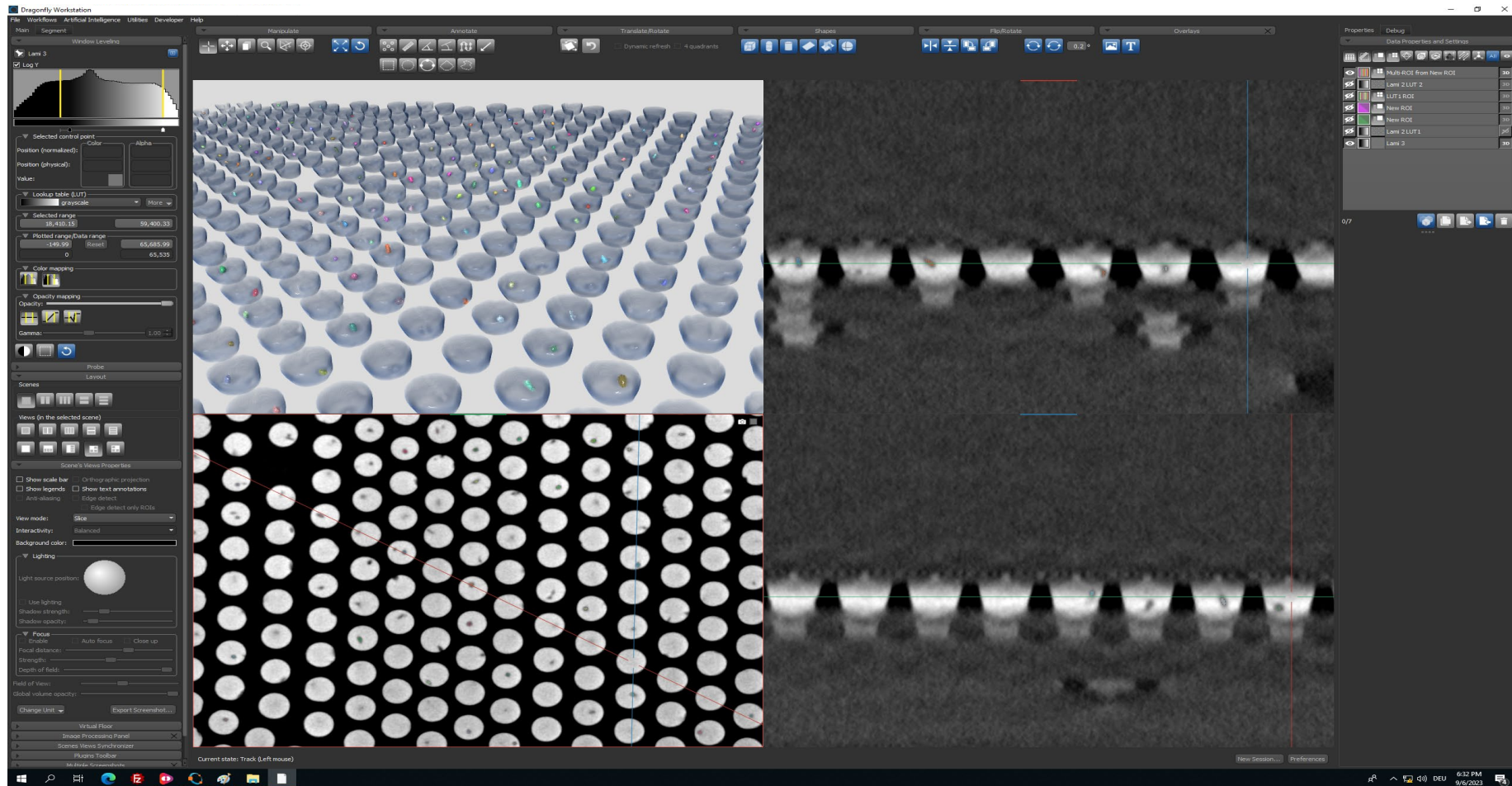
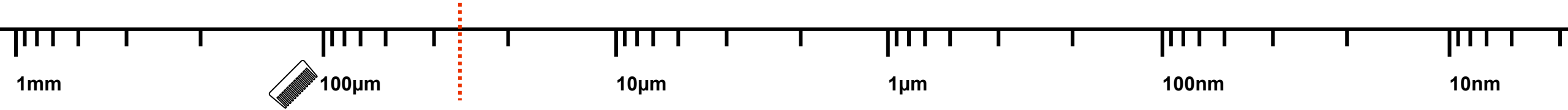


End-to-End Analytics



INSIGHTS

FORESIGHT



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PROFITABLE GROWTH



We are fully dedicated to deliver the superior inspection solution for the Advanced 3D Packaging challenge



INSIGHTS

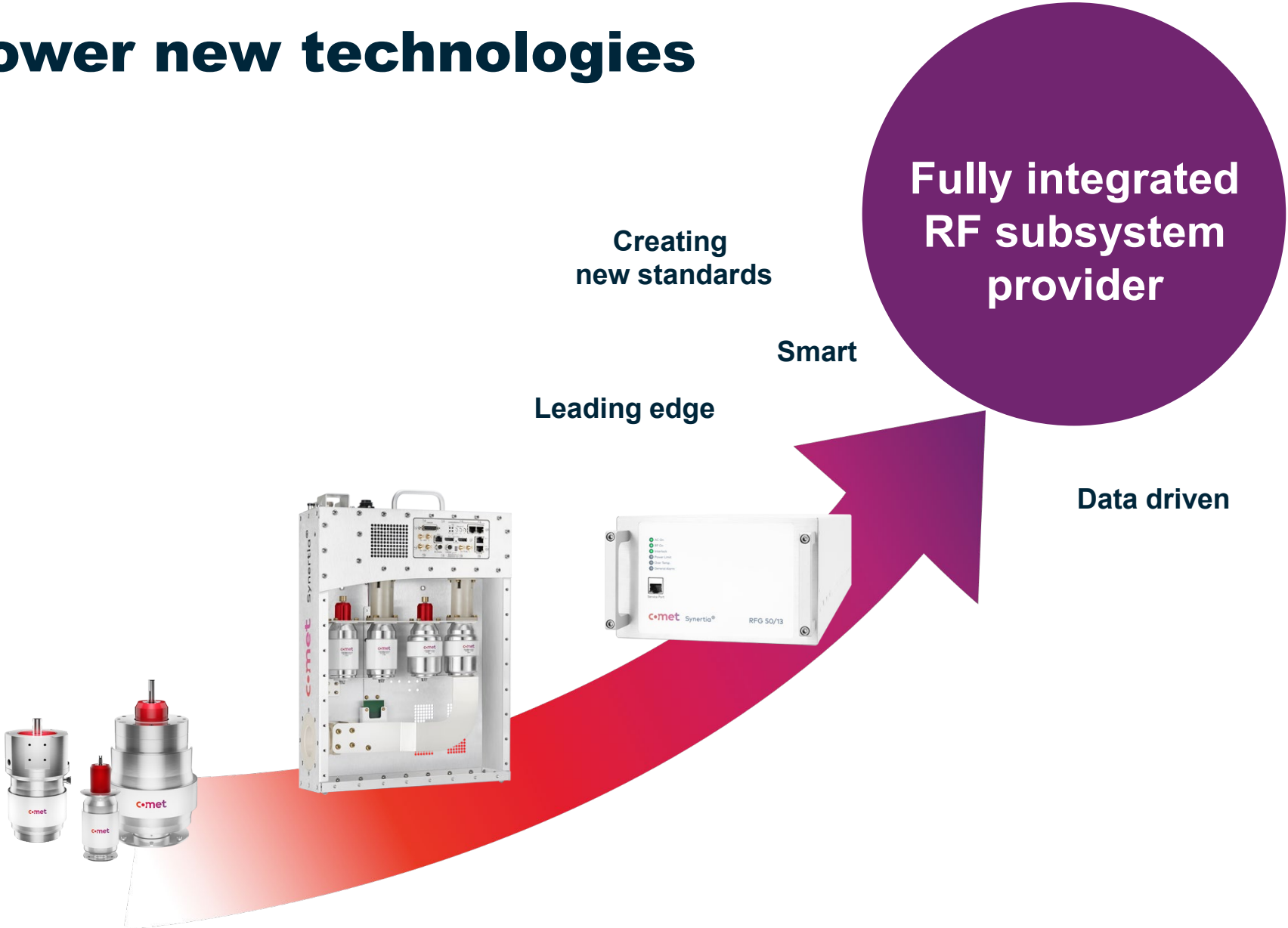
FORESIGHT

Division PCT: Empowering innovative semiconductor process technologies

Joeri Durinckx, Division President PCT






We empower new technologies



Comet PCT at a glance

Product range

Components	<p>Vacuum Capacitors</p> 
RF Power Subsystems	<p>RF Matchboxes</p> 
RF Power Subsystems	<p>RF Generators</p> 

Developing smart RF subsystems

#1
~40% / ~70% market share
Matchboxes / Vacuum Capacitors

43
Design Wins 2023
total product portfolio

~120
Active patents

~175
R&D and application
engineers around the world

Consistent execution of the strategy defined in 2019



Strong customer intimacy
Co-creation
Expand customer base



Forward integration
Modularization
Data driven insights
Innovation & strong IP



Asia Design Center
China 2nd sales office
Taiwan sales & service
Penang manufacturing
Asia supply chain

How do we make PCT more resilient to a correction in the semiconductor industry?



Adjust global organization for further growth

- improve TOM (Target Operating Model) for global effectiveness and scalability
- leaner end-to-end processes with global owners

Focus on customer intimacy

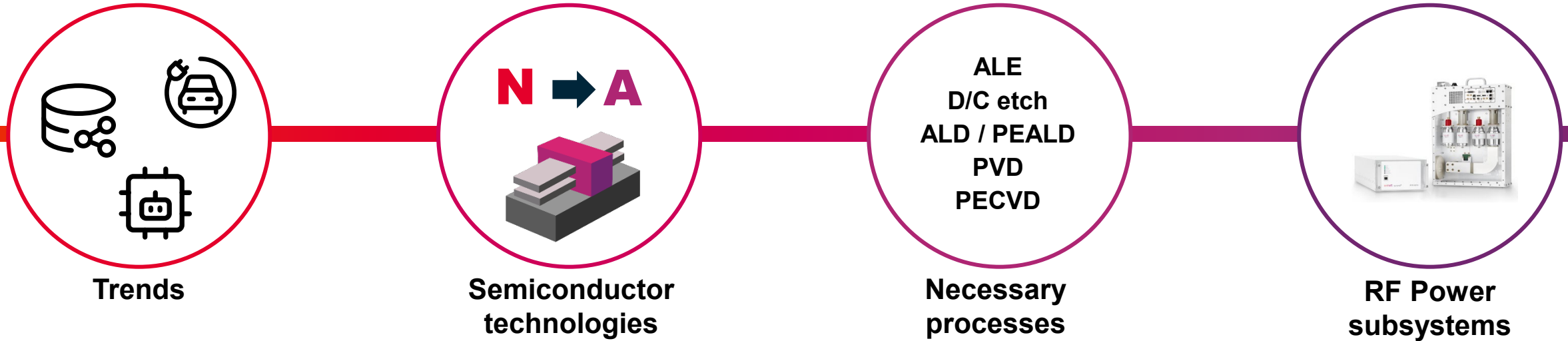
- influence customer mix, less dependent on Memory
- reduce impact from semiconductor cycles

Increase operational efficiency

- roll-out best practices from our industry 4.0 site
- improve overall automation across the value chain

More plasma processes: improved need for RF power subsystems

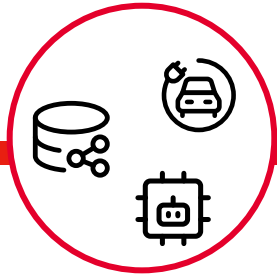
Market share & share of wallet



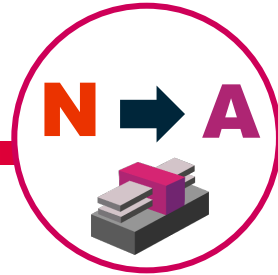
Players

<p>Electronic manufacturers</p> <p>DELL Panasonic</p> <p>LG Apple TESLA</p> <p>SAMSUNG NVIDIA</p>	<p>Microchip manufacturers</p> <p>intel. SAMSUNG</p> <p>tsmc SK hynix</p>	<p>OEM</p> <p>Lam RESEARCH APPLIED MATERIALS</p> <p>NAURA TEL</p> <p>ASML SPTS</p>	<p>RF power subsystems</p> <p>comet</p> <p>mks DAIHEN</p> <p>TRUMPF Advanced Energy</p>
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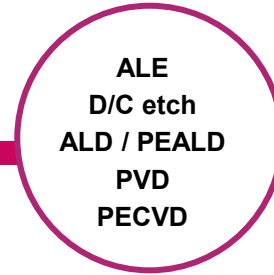
Need for more plasma processes – RF market outgrowing original market expectations



Trends



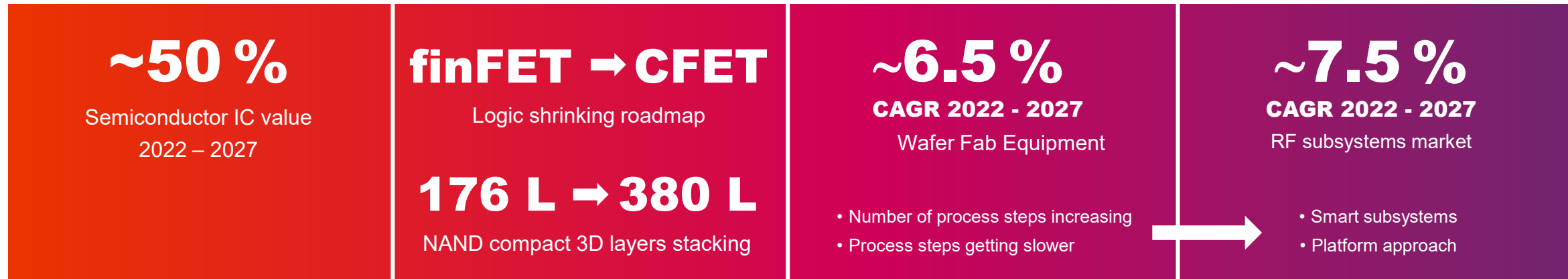
Semiconductor technologies



Necessary processes



RF Power subsystems



Sources: Gartner, TechInsights

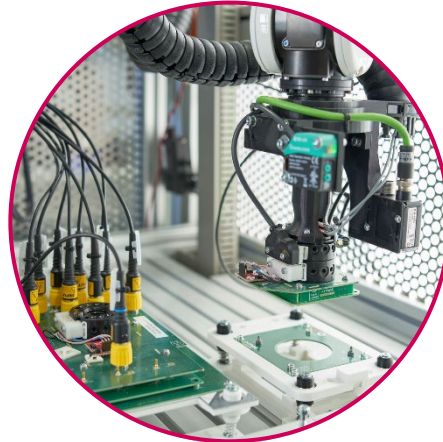
Expansion product portfolio



Development platform concept
Generator / Match



Concept smartLABS



Industry 4.0 site Aachen
First prototype line, SMD line



Product launch
Semicon West 2022



Product presentations
at shows / customers



Synertia® market introduction progressing well



Company size	Demonstration		Initial PO		Qualification	Design win	High volume PO
Tier 1	1	3	1	1	2	1	
Tier 2	6	2	1	4	2	2	
Tier 3	1	1			1	1	
Other	> 50 active engagements						

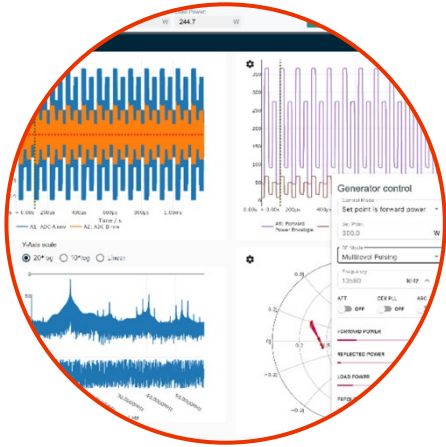
First design wins with tier 1/2/3 recently

Pipeline filling up at all stages

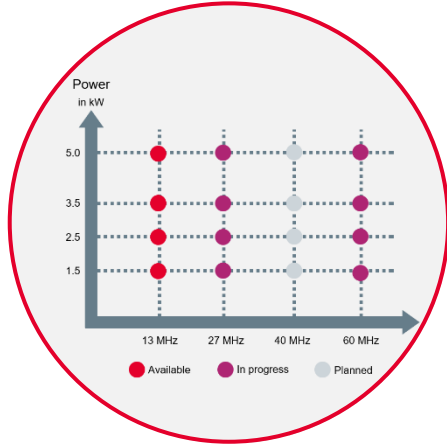
More design wins and first high volume POs expected for 2024



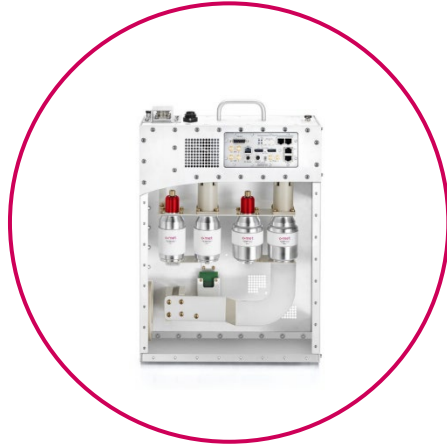
The best is yet to come



Development **features, applications** according customers needs



Expand Synertia® RFG portfolio



Modules ready for customized Synertia® RFM designs



Introduction of service organization



Adjacent markets

Vacuum Capacitors: increase market share by differentiated development

Balanced Portfolio

RF Matches: focus on global tier 1 and tier 2 accounts beyond Key Accounts

RF Generators: expand product portfolio to market needs beyond semi

2024 – 2027

Successful expansion of Asia business



Proximity

Locations in major Asian semiconductor markets.



Design Center

Solutions for Asian markets out of Korea.



Manufacturing

HVM and repairs in Malaysia.

New site Penang, MY

Start engagement in 2020



- Investment light
- Fast execution/quickly established
- Proof of concept
- Customer proximity
- Develop regional supply chain

Expansion



- Scalability
- Resilience
- Being in control
- Increase productivity (green field)
- Business Continuity Plan

c•met
group

Q&A session

Stephan Haferl, CEO

Nicola Rotondo, Interim CFO

Joeri Durinckx, Division President PCT

Dionys van de Ven, Division President IXS

Michael Berger, Division President IXM

Moderator: Ulrich Steiner, VP Investor Relations & Sustainability

**Thank you for attending Comet's
Capital Markets Day 2023**