

Boost.

Our improvement program based on three levers.



Boost growth.

We are reinforcing our competencies in artificial intelligence, machine learning and data analytics.

We are increasing our growth and our market shares by expanding our innovative product portfolio and our digital services.

We are enlarging our presence in Asia.

Boost efficiency.

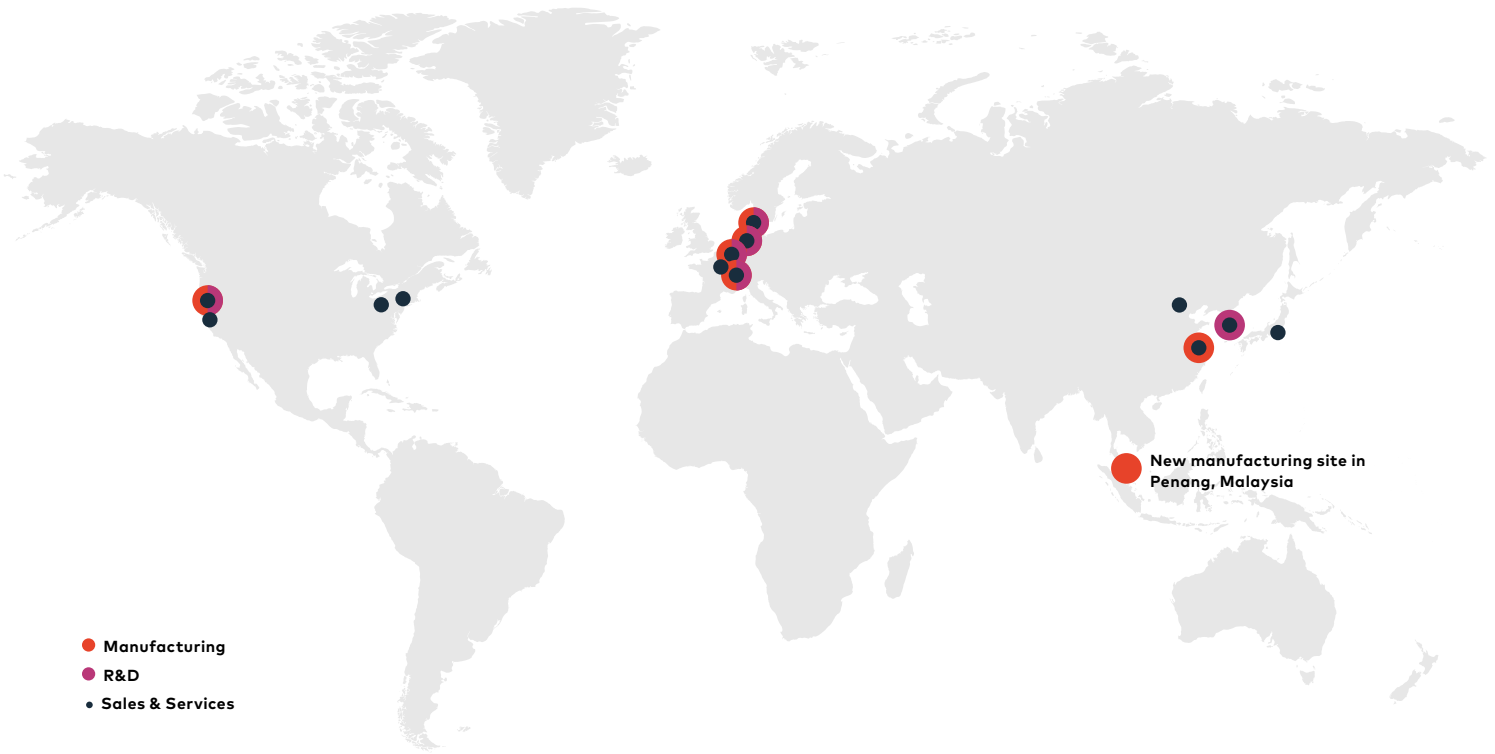
We are reducing costs and improving our results through a revised, optimized organizational model, best-cost initiatives and standardization.

Boost culture.

We are broadening our capabilities and becoming a high-performance company.

We are committed to collaboration, customer focus, speed, digitalization and sustainability.

We foster talent and nurture junior staff.



Comet strengthens presence in Asia

Comet has global reach with 14 sites worldwide. While production and/or R&D are carried out in Flamatt, Hamburg, Aachen, Copenhagen and San José, the Group provides customer services at all its locations and has a further manufacturing facility in Shanghai. Comet also operates a technology center in Korea to tap and serve the important semiconductor and electronics market in Asia. With the establishment of manufacturing capacity in Malaysia, the Comet Group is expanding its footprint in Asia; the asset-light approach taken will make Comet significantly more flexible in this regard.

"Boost" growth and efficiency program as springboard to success

In order to achieve its ambitious goals and enhance its effectiveness as an organization, Comet has launched Boost, the Group-wide growth and efficiency program. It is built around the three pillars "Boost growth", "Boost efficiency" and "Boost culture". The implementation of the 20 initiatives identified under this umbrella is well underway.

Boost growth.

To drive accelerated future growth, Comet is strengthening the product portfolio for the focal markets and emphasizing digital solutions and services based on data analytics, artificial intelligence and machine learning. Using digital solutions allows new products and processes to be more rapidly simulated, tested and developed. Process modules and production systems capable of machine learning can prevent interruptions of the manufacturing process and anticipate process fluctuations in time. In this domain, Comet will expand its competencies, augment its existing teams and create new structures for collaboration.

Another important thrust to support the planned growth is the expansion of the company's presence in Asia, a region where, already, more than 70% of the world's RF power and x-ray products for the semiconductor industry are deployed and where the market is growing at an unparalleled rate. To better and more quickly fulfil customer needs and facilitate growth through new orders, as well as to increase manufacturing flexibility and efficiency, the Comet Group has opened

a subsidiary in Penang, Malaysia. The supply chain is being set up together with a local partner. Soon, in summer 2020, the new site is to start operations for the production of radio frequency (RF) impedance matching networks.

Boost efficiency.

In line with the company's focusing drive, Comet is also working to reduce costs and strengthen its organization. An enterprise-wide organizational health check identified the potential for improvement, which the Group is now addressing. The goal is to improve the interplay of the business areas and regions through a revised organizational model and align interfaces, responsibilities and processes to fit the new focus. Given the high participation rate of 81% of employees in the business health check, and in view of the staff's strong commitment, Comet is confident it can make substantial progress in this area.

Extensive potential also lies in automating further manufacturing facilities, digitalizing processes, standardizing products and adapting the supply chain to the projected growth. The first tangible effects of the adjustment, which will take time to fully implement, are already expected in the second half of 2020.

Boost corporate culture.

Key to the success of the focus strategy and the growth and efficiency initiatives is a customer-centric corporate culture based on collaboration, speed and digitalization. Through the corporate health check conducted worldwide in 2019, Comet pinpointed key areas for improvement. Besides the honing of the organizational model, important priorities are to intensify the fostering of talent, create new opportunities for employees' further development and more firmly entrench sustainability. The Group is carrying out various initiatives to accomplish this, including dedicated training of senior managers and young talent. The training program was set up in collaboration with IMD, the business school in Lausanne, and is tailored to the specific requirements of the strategy and the Group.

"The divisions have tackled the improvement measures with determination and vigor."

Heinz Kundert,
Chairman of the Board and interim CEO