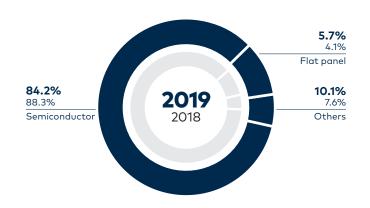
Plasma Control Technologies

2019 was a demanding year for the Plasma Control Technologies division. The excess capacity that had built up in 2018 in the market for memory chips persisted in the first three quarters of 2019 and hurt demand for new equipment. The first signs of an improvement were seen midway through the second half of the year. The expected introduction of 5G-enabled mobile phones and an increase in demand from the electric car industry and from data centers led to a renewed rise in demand for logic and memory chips at the end of the year.

Key financials of Plasma Control Technologies at a glance

CHFm	2019	2018
Net sales	151.7	212.2
EBITDA	15.4	43.5
EBITDA margin	10.1%	20.5%
Number of employees worldwide	544	535

Sales by market in percent



Tracking with these developments, Plasma Control Technologies in the first half of 2019 saw a revenue decline of 40.9% compared to the still strong year-earlier period and of 17.6% relative to the weak second half of 2018. Thanks to good preparations, the division was able to match the demand increase in the fourth quarter by ramping up its manufacturing to full capacity utilization and closing the second half slightly ahead of the first six months. Sales for the full year were CHF 151.7 million (prior year: CHF 212.2 million).

During the market correction, the division maintained the investment in its forward-looking projects: the product portfolio expansion, and the structures, processes and facilities that make Comet more efficient, faster and more flexible. Coupled with the sharp slump in sales, this led to EBITDA earnings of CHF 15.4 million (prior year: CHF 43.5 million) and an EBITDA margin of 10.1% (prior year: 20.5%).

Intensified efforts in the areas of key account management, R&D and operations were already crowned with success in 2019: Plasma Control Technologies won a very significant order from a major customer. As well, the division completed the development of the first prototype phase for its modular, flexible and highprecision RF generator. Preparing for the manufacturing of this new product, it paved the way for serial production by moving the German generator operations to the new, leased site in Aachen at the end of 2019. The first sales of the new generator are expected in 2021. In Flamatt, investment in equipment will markedly improve the efficiency and speed of capacitor production in order to be able to react even more nimbly to swings in demand. To create additional capacity for the production of new RF impedance matching networks in Asia, the division

Comet Holding AG Fiscal year 2019

selected Penang, Malaysia, as the location, evaluated a partner, determined the production facility design and, in early 2020, established the subsidiary as a legal entity.

announced the introduction of two new product families: "ION" for the security segment, and "Meso-Focus" for the non-destructive testing market.

29

X-Ray Modules

The Industrial X-Ray Modules division once more proved its robustness in fiscal year 2019. Thanks to a taut cost regime, it raised its profitability at EBITDA level for the fourth consecutive year, despite a slowdown in the core market of non-destructive testing.

As was the case for the sister division X-Ray Systems, the market environment in the module business was defined by the decelerated global economic growth and weaker demand for investment goods. This was particularly noticeable in the automotive and aerospace markets. Sales in the security segment closed the full year in positive territory after a difficult first six months. For the Industrial X-Ray Modules division overall (also referred to in this report simply as "X-Ray Modules"), sales were CHF 78.1 million (prior year: CHF 81.2 million), representing a year-over-year decrease of 3.8%.

By lowering production costs and through rigorous cost management across all functions, the division was able to counteract the effects of the reduced sales. EBITDA operating earnings improved to CHF 21.7 million (prior year: CHF 20.7 million) and the EBITDA margin was high at 27.8% (prior year: 25.5%).

With the development of its sealed, high-precision and high-resolution Xplorer microfocus tube, the division reached an important milestone for the entry into the semiconductor and electronics market. As well, at the end of 2019, X-Ray Modules

X-Ray Systems

The X-Ray Systems division in 2019 fully met the expectations placed in it, rapidly putting remedial measures into action and strongly improving its profitability from the weak previous year. The division also strategically realigned its business and thus laid the foundation for a suc-

Key financials of X-Ray Modules at a glance

CHFm	2019	2018
Net sales	78.1	81.2
EBITDA	21.7	20.7
EBITDA margin	27.8%	25.5%
Number of employees worldwide	279	314

Sales by market in percent

