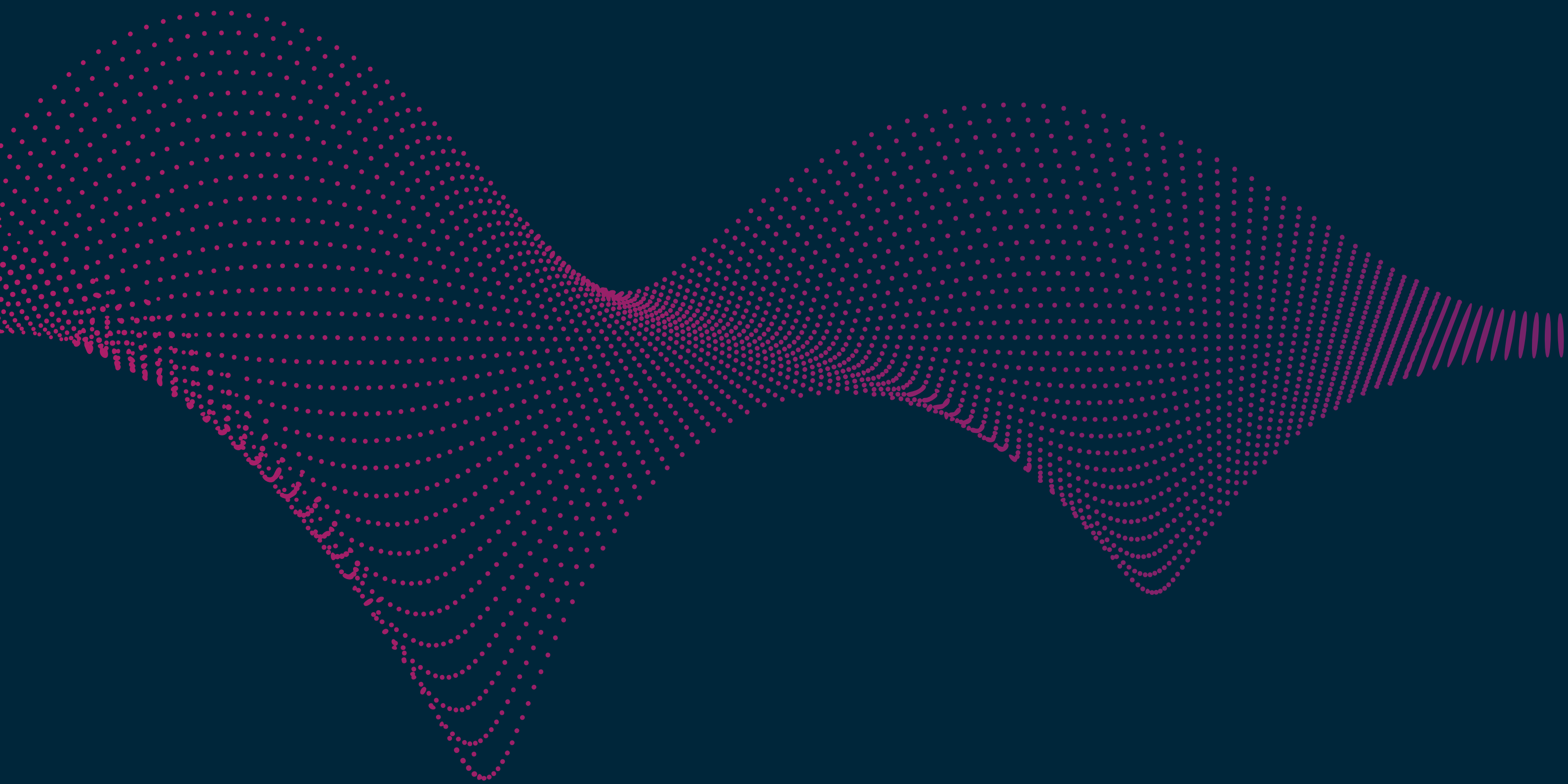
Led by experience. Driven by curiosity.

Mastering complexity.

Comet Holding AG
Annual Report
2024



comet

As a leading technology company in the plasma control and x-ray space, we are part of the digital transformation. In all our markets, this megatrend is powering sustained growth. Focused and flexibly positioned, we want to take advantage of this driving force and grow more quickly than the market in a sustainable way. Our strong underpinnings for this are our experience and our highly skilled employees, the confidence of our customers and our sound capital base.

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Statement of the Chairman and the CEO

Comet is well-positioned for growth.

In 2024, Comet continued to face a challenging business environment, even as conditions showed a positive shift compared to the previous year. The gradual recovery from the downturn in the semiconductor cycle gained momentum, although at a slower pace than anticipated at the start of 2024. This recovery was primarily driven by rising demand in the area of artificial intelligence (AI) and related segments, such as logic chips and high-bandwidth memory (HBM). While these specialized applications currently represent only a small proportion of the total volume of chip demand, they are expected to contribute significantly to the industry's growth.

Traditional microchip applications in consumer-focused markets like automotive, personal computers, and smartphones were not able to keep pace with this positive trend last year. These sectors dealt with continued challenges due to subdued consumer sentiment, influenced by inflation and general uncertainty stemming from geopolitical tensions. In particular, the European automotive industry struggled with declining demand, including for electric vehicles, which further impacted the overall dynamics in the industrial markets.

We have continued to invest, despite the headwinds mentioned above, in our three major strategic thrusts – accelerating growth, enhancing efficiency and strengthening culture – and are therefore well-positioned and prepared for the expected acceleration of the upturn in an increasingly complex and challenging business environment. This will enable the company to deliver sustainable and profitable long-term growth.

"Technology leadership remains at the core of Comet's strategic focus to deliver value to our customers in the semiconductor market."

Paul Boudre
Chairman of the Board of Directors

Financial results reflect macroeconomic developments

The economic environment of improved, but still cautious, sentiment is reflected in our financial results for fiscal year 2024. While there has been a clear improvement compared to the previous year, Comet's full potential is far from being realized. The Plasma Control Technologies (PCT) division benefited the most from the recovery following the significant downturn in the previous year, although still at a modest level. To be prepared for the further upswing, PCT has taken appropriate measures, including the careful expansion of production staff. The X-Ray Systems (IXS) division, on the other hand, felt the impact of weakness in its traditional markets, which has not yet been fully offset by sales in new markets. Nonetheless, the strategic focus on the semiconductor and electronics industry has been pursued with unwavering commitment. The X-Ray Modules (IXM) division experienced the expected consolidation after the record-setting prior year, partly due to the same challenges faced by IXS. In this area as well, the focus on the semiconductor industry has advanced significantly, with new, innovative products added to the portfolio. The benefits of these investments will become evident in the coming years and contribute to strengthening Comet's market position.

Several important product milestones reached

In 2024, Comet achieved significant milestones in strategic growth projects across all business units. Building on the successful market launch of the radio frequency (RF) generator from the Synertia® family in 2022, PCT now introduced the first platform projects for the combined Synertia® generator and matchbox, including the latest Synertia® match technology. Featuring an integrated RF power delivery platform, Comet now offers an advanced solution for real-time data analysis that enhances plasma process stability, reduces downtime, increases yield, and boosts overall productivity. IXS also made substantial progress, by launching an enhanced, fully automated version of its groundbreaking inspection system for the semiconductor industry, the CA20 – now built for inspecting components directly within fabs, following the version for labs that was launched the previous year. These machines are equipped with Comet IXM's advanced x-ray tubes, underscoring IXM's leading technological position and strategic focus on the high-growth semiconductor industry. To support the success of these products, Comet has strategically invested in the commercial side of the business, particularly in Asia, the gravitational center of the semiconductor industry.

"We have continued to invest in strategic initiatives and have prepared the organization for growth."

Stephan Haferl
Chief Executive Officer

Pushing ahead in Asia

To meet the long-term, dynamically growing demand for semiconductor equipment and to further diversify our global presence, we are investing in our expansion in Asia, notably by establishing Penang, Malaysia, as a dedicated regional hub. The groundbreaking for the new Comet facility there in October 2024 marked a significant milestone in this strategic project. Manufacturing in Malaysia presents numerous advantages, making it an attractive choice for Comet to expand its production capabilities. One of the key benefits is Malaysia's strategic location at the heart of Southeast Asia, providing seamless access to major regional markets such as China and other rapidly growing Asian economies. This advantageous geographic positioning helps reduce logistics costs and shortens delivery times, enhancing Comet's overall operational efficiency.

Driving innovation through people skills

Innovation and technology leadership remain at the core of Comet's strategic focus. Even under the challenging economic conditions of the past two years, we have continued to invest heavily in research and development, as well as in strategically important employee skills that are crucial to our ongoing success. This ensures that we stay ahead of industry trends and consistently deliver value to our customers. These investments were made possible by Comet's sound financial position.

Important steps toward a sustainable future

Comet's commitment to sustainability is backed by what we do about it. We firmly believe that sustainable practices are key to our future success, and we strive to make a meaningful impact through our actions. One of our cornerstone programs is our eco-design initiative, launched in 2023 with the goal of embedding eco-efficient principles into all our product development processes. We are also making steady progress in transitioning to renewable and clean energy sources. In addition, we have committed to setting science-based targets with the Science Based Targets initiative (SBTi) by the end of 2024.

Looking ahead

Comet's technologies are at the heart of the ongoing trends of digitalization and electrification – two crucial transformations that will shape the global economy and society in the long term and drive further demand for semiconductors. Key applications such as artificial intelligence – specifically, the data centers where most AI computing is done – and electric vehicles increasingly require more powerful and energy-efficient semiconductor solutions. Our strategic priorities are centered on maintaining technology leadership in products for the semiconductor industry, especially through our core technologies of RF power and x-ray. To meet the ever-evolving demands of the future, we rely on close, collaborative partnerships with our customers.

Thank you

Comet is ready to seize the opportunities of the coming acceleration of the upswing, and this has been made possible by the dedication of many. First and foremost, we express our heartfelt thanks to all our employees for their outstanding efforts during 2024. We also wish to extend our sincere appreciation to our customers and suppliers for their trust and solid partnership. Finally, we are deeply grateful to our shareholders, whose confidence drives Comet forward on its promising journey and many of whom have shown steadfast loyalty over the years.

Review of 2024

Comet back on growth trajectory.

In fiscal year 2024, the anticipated upswing in the semiconductor cycle materialized, giving Comet positive momentum. At the same time, traditional industries, particularly the automotive sector, faced a challenging environment characterized by stagnation or even decline, creating headwinds for Comet's x-ray business. Despite these mixed market conditions, Comet successfully navigated the year and delivered a significantly improved performance compared to the year before.

"We have strategically invested in the unfolding upswing to be ready to seize its opportunities."

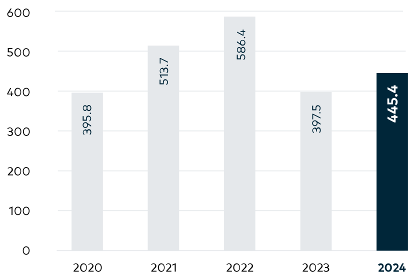
Nicola Rotondo
Interim Chief Financial Officer

The semiconductor industry experienced a highly dynamic and uneven growth curve across its various segments in the past year. While artificial intelligence (AI) and high-performance computing (HPC) applications saw strong expansion driven by rising demand for advanced processing power and data infrastructure, consumer-oriented segments – including smartphones, PCs, and automotive – remained subdued.

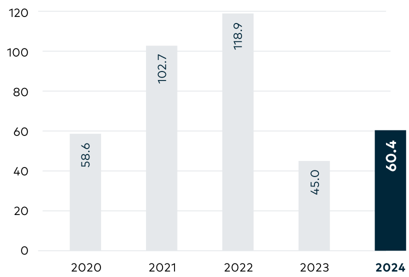
In this business environment, Comet achieved net sales growth of 12.1% year-over-year in 2024 to CHF 445.4 million. Operating earnings at EBITDA level grew by 34.2% to CHF 60.4 million, reflecting improved profitability. Net income increased by 128.2% to CHF 35.1 million, translating to earnings of CHF 4.52 per share.

Stronger operating performance led to a significant improvement in free cash flow, which rose to CHF 41.4 million, recovering from a slight deficit of CHF 0.6 million in the previous year. The company's equity ratio of 61.3% and a debt factor of minus 0.27 underscore Comet's robust financial position and continued balance sheet strength.

Net sales in CHF million



EBITDA in CHF million



Strong growth prospects driven by rising semiconductor demand

Comet's long-term growth outlook remains bright, driven by the ever-expanding adoption of semiconductors across a wide range of industries. This positive market trend is expected to fuel further improvements in the company's business performance. Strategically well-positioned to leverage the increasing demand for semiconductor manufacturing equipment, the company maintains a disciplined approach to targeted investments in growth and efficiency.

Divisions: robust semiconductor-driven performance amid softer demand in traditional end markets

The Plasma Control Technologies (PCT) division remained the largest contributor to Group sales, achieving net sales growth of 28.1% to CHF 247.4 million (previous year: CHF 193.2 million). In contrast, the two x-ray divisions, X-Ray Systems (IXS) and X-Ray Modules (IXM), saw lower net sales compared to the prior-year period. IXS's net sales were only slightly below the previous year's level, with a small decline of 0.9% to CHF 115.9 million from CHF 117.0 million in the year before. Meanwhile, net sales at IXM consolidated to CHF 94.6 million, a decrease of 5.7% following the previous year's record result.

Comet Group key consolidated financial results

In thousands of CHF	**2024**	2023	2022	2021	2020
Net sales	445,362	397,453	586,395	513,721	395,816
Operating income	38,229	24,978	98,975	84,085	39,329
In % of net sales	8.6%	6.3%	16.9%	16.4%	9.9%
EBITDA	60,380	44,996	118,913	102,749	58,616
In % of net sales	13.6%	11.3%	20.3%	20.0%	14.8%
Net income	35,119	15,388	78,109	67,437	27,661
In % of net sales	7.9%	3.9%	13.3%	13.1%	7.0%
Free cash flow [1]	41,414	(584)	42,173	57,767	41,649
In % of net sales	9.3%	– 0.1%	7.2%	11.2%	10.5%
Total assets	531,169	473,578	556,801	482,341	429,271
Shareholders' equity	325,438	296,092	331,532	274,981	214,956
In % of total assets	61.3%	62.5%	59.5%	57.0%	50.1%
Number of employees (year-end)					
Switzerland	690	586	647	565	474
International	1,120	991	1,116	1,006	929
Total	1,810	1,577	1,763	1,571	1,403

[1] Sum of net cash provided by operating activities and net cash (used in) investing activities, as per consolidated statement of cash flows.

Improved profitability on higher net sales

The increase in net sales was entirely driven by the high-margin PCT business, positively impacting EBITDA. In 2024, EBITDA reached CHF 60.4 million, up from CHF 45.0 million in the prior year, with the EBITDA margin improving to 13.6% from 11.3% in the year before. This increase was primarily attributable to higher sales volumes, reflecting strong demand and operational scalability.

The Group’s net income of CHF 35.1 million was 128.2% above the year-earlier figure of CHF 15.4 million. Return on capital employed (ROCE) increased to 10.4% (prior year: 6.6%), exceeding Comet’s cost of capital again after a weak previous year.

Plasma Control Technologies (PCT), the Group’s largest division and the most exposed to the semiconductor cycle recovery, was the primary driver of EBITDA growth. EBITDA for the division increased by 181.7% year-over-year to CHF 52.7 million, with the EBITDA margin expanding by 11.6 percentage points to 21.3%.

In the Industrial X-Ray Systems (IXS) division, the strategic shift toward the semiconductor industry gained momentum, marked by the introduction of a new inspection system exclusively for this market. However, this was not yet sufficient to fully offset the reduction in net sales that was due to cautious investment sentiment encountered across various other traditional industries. EBITDA for IXS was a deficit of

CHF 4.3 million, compared to a CHF 4.9 million profit in 2023, with the EBITDA margin declining to a negative 3.7% from a positive 4.2% one year earlier.

Meanwhile, the Industrial X-Ray Modules (IXM) division was also impacted by subdued demand in traditional markets, its net sales consolidating at a high absolute level following a record year. With EBITDA of CHF 14.6 million, the division fell short of the previous year's figure of CHF 23.8 million. The EBITDA margin declined by 8.4 percentage points to 15.4%, reflecting ongoing investments in the strategic repositioning toward the semiconductor and battery markets.

The improved demand environment and resulting higher net income drove stronger operating cash flow. With reduced capital expenditures, free cash flow thus increased to CHF 41.4 million, compared to a small deficit of CHF 0.6 million in the prior year.

Change of Chairman of the Board and appointment of new CFO

At the 2024 Annual Shareholder Meeting, Paul Boudre, an existing member of the Board of Directors, was elected to serve as the new Chairman of the Board, succeeding Heinz Kundert. Heinz Kundert was re-elected as a member of the Board for another year to ensure a smooth transition. In addition, Benjamin Loh was newly appointed to the Board as successor to Tosja Zywietz, who did not stand for re-election. With extensive international experience and over 30 years of capital equipment experience in high-tech industries, Benjamin Loh brings a wealth of valuable expertise to Comet's Board.

Christian Witt was appointed Chief Financial Officer (CFO) and member of the Executive Committee, effective January 1, 2025. The seasoned finance professional with 28 years of experience in the industrial and technology sector and a strong international background will be executing Comet's financial strategy and leading the global finance organization. He takes over from interim CFO Nicola Rotondo, who is focusing on his role as Vice President of Group Accounting & Controlling again.

Dividend

At the Annual Shareholder Meeting on April 10, 2025, the Board of Directors will propose a dividend of CHF 1.50 per share (prior year: CHF 1.00). This represents a distribution of 33.2% of the Group's net income (prior year: 50.5%).

Plasma Control Technologies

"We have streamlined our organization and positioned ourselves for the semiconductor industry's recovery."

Joeri Durinckx
President, Plasma Control Technologies

In 2024, the semiconductor industry faced a dynamic landscape shaped by shifting demand patterns, supply chain adjustments, and ongoing technological advancements. Following the cyclical downturn in 2023, market conditions continued to gradually recover; however, the pace of improvement varied across different segments of the industry.

Demand for semiconductor components was largely fueled by the continued expansion of artificial intelligence (AI), cloud computing, and high-performance computing (HPC) applications. These technological catalysts drove significant market momentum, while other sectors experienced more restrained development. The persistent weakness in consumer electronics, particularly in smartphones and PCs, resulted in slower-than-expected growth for the semiconductor industry compared to initial projections at the beginning of last year.

In preparation for an anticipated increase in demand in 2025, PCT has taken key steps to enhance efficiency and optimize its manufacturing footprint. Lean management initiatives were being implemented, and high-volume manufacturing capabilities further developed, particularly for the Synertia® product range. A major capacity expansion will be achieved through the construction of a new facility in Penang, Malaysia, which is expected to be inaugurated in late 2026.

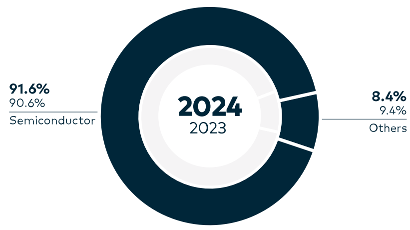
PCT also made significant progress in expanding its Synertia® RF Generator (RFG) product portfolio. Several RFGs have been successfully qualified for use in semiconductor equipment at key end customers. Additionally, the division has launched first platform projects integrating bundled Synertia® generators and matchboxes, incorporating the latest generation of PCT's match technology. These developments mark a key milestone in enhancing the division's RF power solutions. Furthermore, the expansion in Japan remains a strategic focus, particularly in growing the presence in RF power subsystems. This move aligns with the goal of driving long-term growth in key global regions.

Sales of the PCT division rose by 28.1% to CHF 247.4 million, from CHF 193.2 million in the prior year. Operating earnings at EBITDA level were 181.7% higher year-over-year at CHF 52.7 million (prior year: CHF 18.7 million). The EBITDA margin was thus 21.3% (prior year: 9.7%).

Key financials of Plasma Control Technologies at a glance

In CHF million	**2024**	2023
Net sales	247.4	193.2
EBITDA	52.7	18.7
EBITDA margin	21.3%	9.7%
Number of employees worldwide	942	787

Sales of Plasma Control Technologies division by market



X-Ray Systems

"With the market launch of the CA20 fab system, we are creating new insights for our customers."

Dionys van de Ven
President, X-Ray Systems

The strategic realignment of IXS, with a stronger focus on the semiconductor and electronics sectors, is progressing at a considerable pace. While this transition is well underway, traditional industrial markets still account for a significant portion of our net sales.

In 2024, IXS made substantial investments in future growth opportunities, reinforcing the division's commitment to innovation and market expansion. Despite the weakness in traditional end markets, net sales have only declined marginally, demonstrating the resilience of IXS' business model. However, these forward-looking investments as well as the still significant contribution from lower margin contracts have impacted profitability in the short term. The division remains confident that the strategic shift will enhance long-term value creation and position the company for sustainable growth in high-margin sectors.

In 2024, IXS successfully advanced the market presence of CA20, further building on its initial launch. The CA20 fab version was introduced to the market, expanding the portfolio and enhancing the ability to serve customers in high-tech industries. A significant milestone was achieved with the first purchase order for the CA20. To support the growing adoption of IXS' solutions, the division established a global service ecosystem for its fab solutions, ensuring seamless integration and customer support across regions. This initiative strengthens the competitive edge by enhancing service reliability and improving overall customer experience.

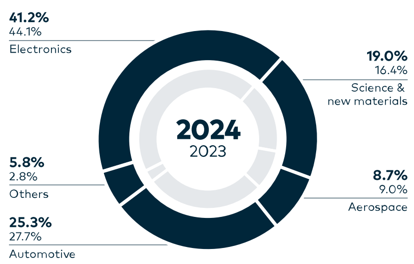
Recognizing the increasing importance of the semiconductor and electronics markets, IXS has strategically expanded its footprint to secure long-term growth. This includes investing in talent acquisition, upskilling initiatives, and knowledge development to ensure that the teams are well-equipped to drive innovation and meet evolving industry demands.

Net sales in the year under review eased by 0.9% to CHF 115.9 million (prior year: CHF 117.0 million) and EBITDA turned to a loss of CHF 4.3 million from a profit of CHF 4.9 million in the previous year. The EBITDA margin was a negative 3.7% compared to a profitable 4.2% one year ago.

Key financials of X-Ray Systems at a glance

In CHF million	**2024**	2023
Net sales	115.9	117.0
EBITDA	(4.3)	4.9
EBITDA margin	(3.7%)	4.2%
Number of employees worldwide	506	463

Sales of X-Ray Systems division by market



X-Ray Modules

The softening market conditions in IXM's core markets observed toward the end of last year continued into 2024, leading to a persistently challenging business environment. Soft demand across key industrial sectors, such as in the automotive industry, along with the absence of positive backlog effects that had supported the previous year's performance, made it difficult for IXM to surpass last year's record results as anticipated. The ongoing sluggishness in traditional industrial markets weighed on sales, underscoring the importance of the division's strategic initiatives: By prioritizing diversification, innovation, and investment in new applications, IXM is strengthening its position for sustained long-term growth and resilience, even amid current market challenges.

"Expanding into new markets strengthens our confidence in growth for the future."

Michael Berger
President, X-Ray Modules

One of the key highlights was the expansion of the FYNE tubes program, reinforcing IXM's push from micro to nano focus. A major milestone was the development of a new high-resolution x-ray module for semiconductor and advanced packaging inspection, featuring focal spot sizes as small as 600 nanometers and exceptional long-term thermal stability. This innovation strengthens the division's position in high-precision inspection applications, addressing evolving industry demands. Moreover, IXM has achieved successful progress in the commercialization of MesoFocus tubes, resulting in an increased market presence in battery testing. Furthermore, our MesoFocus technology has been effectively positioned for the inspection of intricate aircraft components and other advanced imaging applications. The FXE open micro focus modules saw a successful increase in sales across targeted growth markets, demonstrating strong customer adoption and market potential.

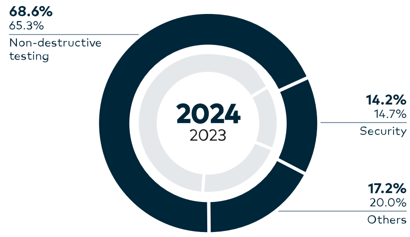
As a result of the above, IXM's net sales declined by 5.7% to CHF 94.6 million from the previous year's CHF 100.3 million. The division's EBITDA decreased by 38.8% to CHF 14.6 million versus the prior year's

CHF 23.8 million, resulting in a margin of 15.4% compared to 23.8% one year earlier.

Key financials of X-Ray Modules at a glance

In CHF million	**2024**	2023
Net sales	94.6	100.3
EBITDA	14.6	23.8
EBITDA margin	15.4%	23.8%
Number of employees worldwide	362	327

Sales of X-Ray Modules division by market

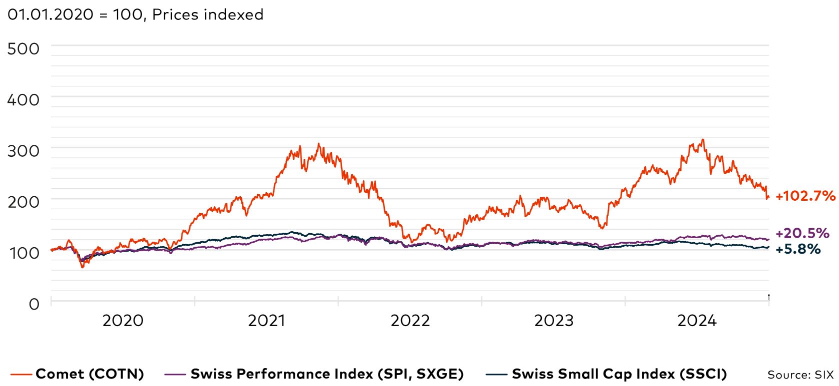


Information for investors

		2024	2023	2022	2021	2020
Capital stock	CHF	7,773,966	7,773,966	7,773,966	7,769,534	7,767,887
Number of shares (Dec. 31)		7,773,966	7,773,966	7,773,966	7,769,534	7,767,887
Weighted average number of shares outstanding		7,766,521	7,773,436	7,772,023	7,768,812	7,766,108
Stock price						
High for the year (Jul. 16, 2024)	CHF	389.00	272.60	351.50	378.00	198.20
Low for the year (Dec. 20, 2024)	CHF	239.00	170.50	136.40	195.00	71.30
Year-end (Dec. 31)	CHF	248.50	265.20	195.80	336.50	198.20
Earnings per share	CHF	4.52	1.98	10.05	8.68	3.56
Distribution per share [1]	CHF	1.50	1.00	3.70	3.50	1.30
P/E ratio (at year-end price) [2]		55	134	19	39	56
Distribution yield (at year-end price)	%	0.6%	0.4%	1.9%	1.0%	0.7%
Equity per share [3]	CHF	41.9	38.1	42.7	35.4	27.7
Market capitalization (Dec. 31)	CHFm	1,932	2,062	1,522	2,614	1,540

[1] 2024: Proposal by the Board of Directors.
[2] Year-end share price divided by earnings per share.
[3] Shareholders' equity divided by the weighted average number of shares outstanding.

Comet stock price



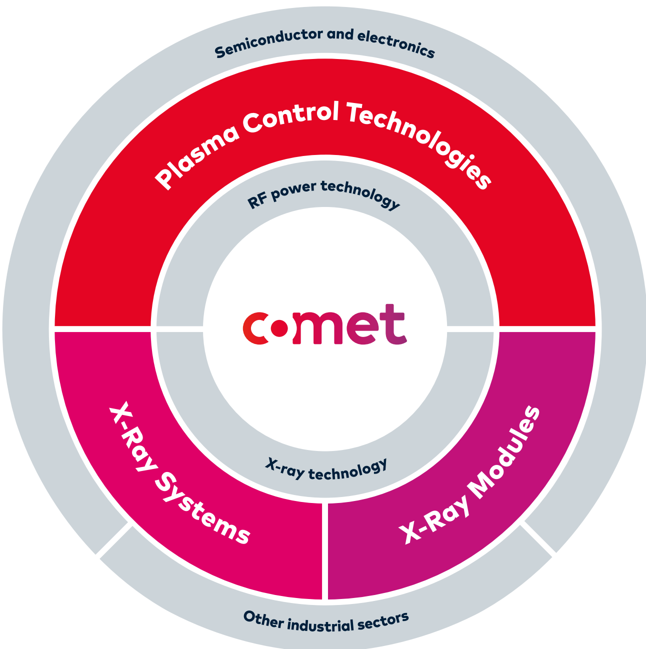
Strategy execution on track

Continuing to focus on long-term growth.

Comet remains committed to its long-term strategy of positioning itself at the forefront of the digitalization and electrification trends. We continue to further sharpen our focus on the high-growth semiconductor and electronics market, leveraging our core technologies of radio frequency power and x-ray.

Focus of the Comet strategy

We are **one** company, developing **two** technologies – RF power and x-ray – in **three** divisions, with a primary focus on the semiconductor and electronics market



comet pct

High-end, radio frequency components and system solutions for plasma applications

comet x-ray

High-end x-ray components and modules for industrial applications

comet yxlon

High-end x-ray system solutions for use in industrial environments, from R&D to production

Unprecedented demand for semiconductors

It is anticipated that demand for semiconductors will increase substantially in the coming years, with forecasts indicating that global semiconductor revenue will surpass USD 1 trillion by 2030. This surge in demand is driven by the pervasive digitalization and electrification trends and the growing adoption of emerging technologies such as artificial intelligence (AI), the Internet of Things (IoT), and Industry 4.0.

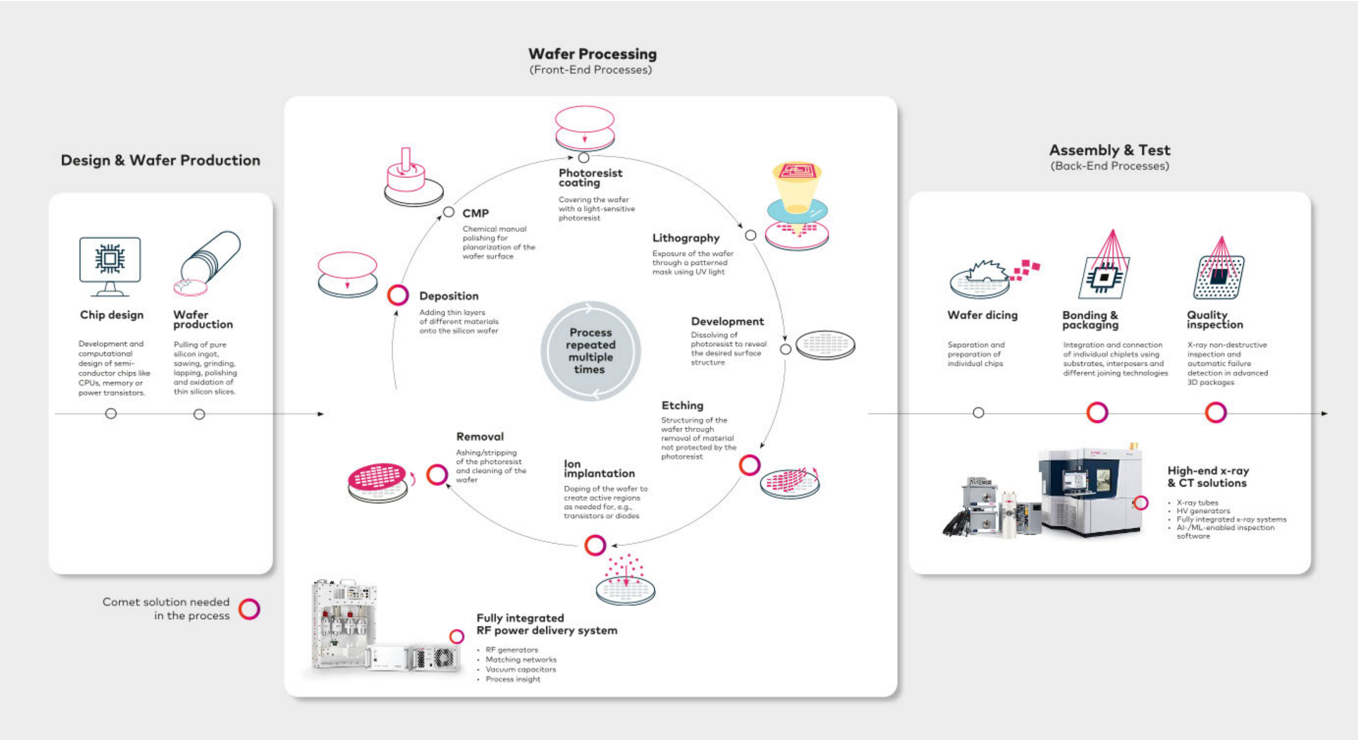
High-performance computing (HPC) systems, needed for AI and machine learning, require specialized microchips designed to deliver exceptional processing power and efficiency and large memory bandwidth, ensuring access to ever increasing amounts of data.

In the automotive industry, the transition to electric vehicles is driving the need for more advanced semiconductors in battery management and power control systems. Advanced driver-assistance systems (ADAS) and autonomous vehicles rely heavily on sophisticated semiconductors.

As these technologies continue to evolve and intersect, the semiconductor industry is responding with innovations such as 3D advanced packaging and the development of more powerful and efficient chip designs.

Comet supplies critical technologies to the semiconductor industry

Comet technologies enable critical semiconductor manufacturing processes along the whole value chain of the semiconductor industry. In the front-end processes, during wafer fabrication, Comet's radio frequency technologies facilitate the highly precise control of plasma processes. At the back-end, during semiconductor packaging and inspection, Comet's x-ray modules and systems ensure maximum quality and process stability.



Powering the next generation of high-performance computing, AI and Industry 4.0, the semiconductor industry continues to push the boundaries of innovation. At the cutting edge of semiconductor manufacturing technology, so-called advanced nodes, which are characterized by smaller transistor feature sizes (now down to 5nm and below), allow the integration of even more transistors on a chip, resulting in unparalleled performance and efficiency gains of new logic devices, but also in increased complexity.

At the front-end of semiconductor manufacturing, the ever smaller and complex structures require more high-performance plasma processes, for which Comet's plasma control technologies are essential.

At the back-end, Comet provides advanced non-destructive inspection solutions based on its x-ray technologies and AI-powered data analysis, helping semiconductor manufacturers improve their product quality and optimize processes, particularly in the evolving field of advanced packaging that is enabling the next wave of AI and high-performance computing chip innovation.

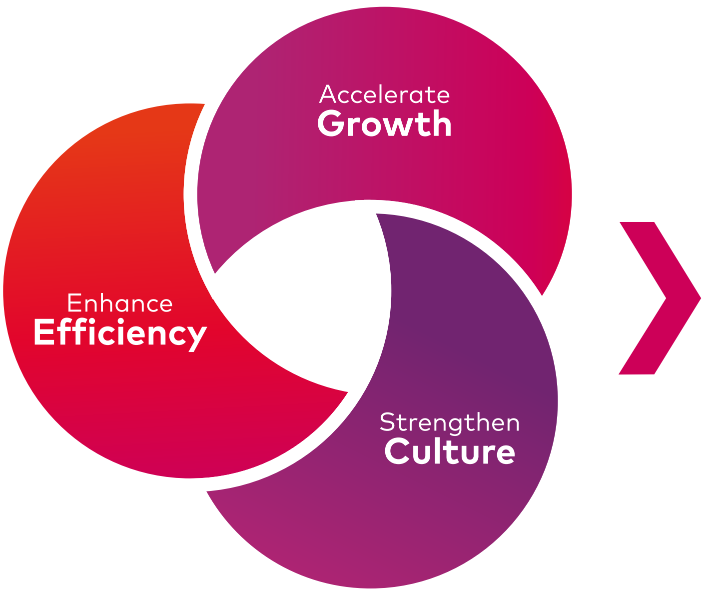
In the automotive industry, which is undergoing significant transformation due to the integration of electrification and digitalization, Comet x-ray technologies offer reliable inspection solutions, such as in the manufacturing of advanced driver-assistance systems (ADAS) and in battery production.

Higher-performing organization

An efficient and scalable organization

To fully leverage its growth potential, Comet is continuously striving to become a more high-performing and scalable organization, allowing the company not only to increase its profitability, but also to adapt quickly to changing market conditions and respond more flexibly to future cycles in the semiconductor industry.

We are committed to executing our strategy, focusing on three major thrusts: accelerating growth, enhancing efficiency, and strengthening culture, with the aim of creating lasting value for customers, employees, investors and other stakeholders in the rapidly evolving digital world.



Create value for customers and all our stakeholders

As a high-performing and scalable organization and market and technology leader in plasma-control and x-ray technologies for the semiconductor and electronics market

Accelerating growth

Customer proximity: We are continuing to strengthen our presence close to our customers in the key growth regions of North America and Asia.

In Penang, Malaysia, we are establishing a dedicated regional hub for Comet. The strategic location in the heart of Southeast Asia provides significant advantages, including access to major regional markets, such as China and other rapidly growing Asian economies. The groundbreaking for the new Comet facility in October 2024 marked a significant milestone in this strategic project.

Comet has had a presence in Japan for more than 25 years and we have established a strong foothold in the country's market for advanced industrial x-ray systems. More recently we have also strengthened our sales and services organization for x-ray modules. As a particularly significant market development, the recent upturn in the Japanese semiconductor industry is unlocking new growth prospects for Comet. In 2024, the Plasma Control Technologies division has therefore been actively establishing its presence in Japan to better serve its customers in this major global economy.

In Hamburg, Germany, X-Ray Systems opened a new application and training center to set new standards in customer experience.

Innovative technologies: We are continuing to expand our product and service portfolio with a focus on the semiconductor and electronics market, innovating with the Synertia® RF power delivery platform, micro- and nanofocus x-ray sources, standardized high-end x-ray systems for the semiconductor industry, and inspection workflow and visualization software based on artificial intelligence.

Expanding Comets' portfolio for the semiconductor and electronics market, one of the major milestones reached in 2024 by the X-Ray Systems (IXS) division was the market launch of the fab version of the CA20. While the CA20 is an x-ray inspection solution designed specifically for advanced packaging in the semiconductor industry, the CA20 fab version is the fully automated solution for seamless integration into production lines. The X-Ray Modules (IXM) division, meanwhile, is taking major steps to build its portfolio for the semiconductor industry with its FYNE product family of NanoFocus modules. The Comet Plasma Control (PCT) division, operating within its traditional market, has augmented its offering for the semiconductor industry by further expanding its Synertia® portfolio.

Enhancing efficiency

Processes and organization: We are committed to continuously improving our operational performance. This includes the optimization of supply chains, the standardization of products, the automation of production processes, and the implementation of lean measures.

As a global company, we recognize the importance of strengthening collaboration and execution across our worldwide operations. We are committed to the continuous improvement and harmonization of our policies, processes, and tools. In addition, we are working to consistently further develop and implement our target operating model and management systems.

Digitalization and automation: At Comet, we understand the crucial role that continuous digital transformation plays in our business. Our digitalization and automation initiatives encompass a wide range of areas, including a smart production environment, product life cycle management, contract management workflow, customer relationship management, and cybersecurity.

In line with our strategic priorities, we invested in our IT organization in 2024, enhancing our technological capabilities. Additionally, we upgraded Comet's cybersecurity maturity level, demonstrating our commitment to safeguarding our digital assets and upholding the highest standards of data protection.

Strengthening culture

Learning and development: Any initiative is only as good as the people who drive it forward. Continuous learning, development, and employee empowerment are central to Comet, especially in enhancing collaboration, customer focus, and efficiency. With dedicated training courses, Comet supports employees' development at different organizational levels and creates shared foundations for excellent collaboration.

In late 2024 Comet launched it's first global management development program, ASCENT, in order to equip managers with essential competencies to drive performance and support Comet's ambitious growth. It offers the opportunity to deepen expertise in key areas such as directing teams, managing conflict, driving results, and developing talent.

Earlier in 2024, the "Semiconductor Academy" was made available for employees worldwide on Comet's online training platform. This training material explains the industry and Comet's role in it and was developed through collaboration between the divisions and global functions.

Within the divisions, a significant focus was placed on developing sales. In 2024, all three Comet divisions conducted global sales trainings.

Employer attractiveness: Given the shortage of skilled personnel in the labor market, especially R&D specialists and engineers, Comet has intensified its activities to better position itself as an attractive employer.

Contributing to the talent shortage is the fact that potential hires – whether quite young, or more experienced – are overlooking the semiconductor industry as a job market. To address this challenge together with other industry leaders and educational institutions and to promote more diversity in the industry, Comet joined the European Chips Diversity Alliance.

Establishing connections with talented young professionals while they are still students and recruiting them for the company is a top priority. As in previous years, Comet engaged in numerous education and job fairs in 2024. For example, we participated in the SEMI Talent Forum at Swansea University in the UK and the Penang Tech, Engineering & Semicon Career Fair in Penang, Malaysia, in order to attract and recruit young talent interested in the semiconductor industry. Comet also took part in semiconductor trade shows worldwide and presented itself as an employer. At Semicon Europa, two of our own promising talents received the Semicon Europa 20 under 30 Award.

To meet the growing challenges in this area, in 2024 a global talent acquisition team was established at Comet.

Comet is committed to providing an attractive work environment with a value proposition that fosters employee retention. In 2024, Comet implemented a new internal job architecture to ensure global job comparability within the company and in the market. This initiative establishes clear career paths and is intended to enhance Comet's competitiveness in local labor markets. An employee engagement survey was also conducted last year.

Sustainability mindset: While Comet had previously demonstrated its commitment to contributing to a more sustainable future, the company has taken systematic steps since 2021 to further develop and promote sustainable thinking and work practices through the establishment of a global ESG program (read more in our sustainability report 2024).

One of Comet's key ways to promote more sustainability in the organization is our eco-design initiative, which we launched in October 2023. In 2024 we worked on the first concrete eco-design projects with dedicated project teams from the divisions and additionally invited a larger number of Comet employees to an eco-design online training course. The goal is to integrate ecological design thinking into all of Comet's product development processes.

Outlook for 2025

Harvesting the rewards in 2025.

After a challenging year in 2023, Comet has returned to a growth trajectory in 2024. The company's strong financial footing has enabled it to invest beyond the cycle in growth, efficiency, and cultural development. These investments have laid the groundwork for a positive 2025 and for Comet's long-term sustainable success.

Semiconductor market recovery unfolding in 2025

The semiconductor industry will continue to be shaped by strong structural growth drivers that extend well beyond short-term market fluctuations. Artificial intelligence (AI), high-performance computing (HPC), edge computing, and the increasing digitalization of industries will set the pace for advanced semiconductor solutions. These technologies are not only transforming computing power but are also enabling innovations in fields such as autonomous systems and next-generation communication networks.

"We have laid the foundation in 2024 to capitalize on the unfolding semiconductor cycle."

Stephan Haferl
Chief Executive Officer

At the same time, electrification and automation trends in the automotive and industrial sectors are accelerating the need for more sophisticated semiconductor components. As vehicles become more software-defined and industrial processes increasingly rely on smart automation and IoT-driven solutions, the demand for high-performance chips continues to expand.

Despite cyclical fluctuations, the long-term outlook for the semiconductor industry remains positive, with global market projections indicating sustained growth in the coming years. Emerging technologies, such as advanced packaging, AI accelerators, and energy-efficient chip architectures, will drive further innovation and new market opportunities.

Better performance expected in 2025 despite market volatility

In 2025, the global economy is expected to navigate a complex environment marked by both opportunities and challenges. While some regions anticipate moderate expansion, others continue to grapple with high debt levels, inflationary pressures, and geopolitical uncertainties. Growth projections remain uneven, reflecting the dynamic and evolving nature of global markets. Geopolitical tensions, particularly those affecting international trade, contribute to an increasingly volatile business climate.

In this unpredictable environment, Comet must remain agile, continuously assessing developments in economic trends and other areas with the potential to impact the company. By staying proactive and adaptable, Comet aims to navigate these challenges effectively while seizing opportunities for sustainable growth and long-term value creation for all its stakeholders.

Comet geared for growth

The digital transformation of industry and society is progressing at a rapid pace, driven by the sweeping introduction of digital technologies and data-driven processes. It is revolutionizing the way businesses operate, changing how people interact with technology, and influencing the way governments and organizations deliver services.

Increasingly powerful microchips are essential building blocks of this transformation. A striking example is high-bandwidth memory (HBM), where multiple dynamic random-access memory (DRAM) modules are stacked vertically. Such technologies are expected to accelerate the sales growth of semiconductors, expanding the market at an estimated annual rate of 8%, from USD 628 billion in 2024 to an expected USD 1 trillion in 2030.

For Comet, this means that net sales within the semiconductor sector are projected to grow further and account for more than 80% of the Group's overall sales in the next three to five years. A significant proportion of these net sales is anticipated to come from the products of the Plasma Control Technologies (PCT) division. Additionally, the two x-ray divisions are also expected to record significant sales increases in the semiconductor and electronics markets.

With the Synertia® platform, the PCT division is superbly positioned in the RF subsystems market to benefit from developments in microchip production. As a fully modular, data-driven platform that enables fast response times and provides real-time insights into the plasma process, Synertia's® capabilities allow the PCT division to actively support and shape the technological transformation of tomorrow. The key to success, and the clear focus in the coming years, will be to commercialize Synertia®, complete the product portfolio by adding further variations of the generator, and broaden revenue streams both in terms of applications and geographical footprint. The first steps have been taken, and the priority now is to consolidate these efforts while effectively showcasing the compelling advantages of Synertia® to customers.

"Our investments of the last few years will pay off in the next few years."

Nicola Rotondo
Interim Chief Financial Officer

As semiconductor technology advances, IXS is driving next-generation x-ray-based inspection in the advanced packaging (AP) segment. With AP market growth projected at approximately 10% annually between 2024 and 2030, demand for precision inspection solutions is rising. IXS partners with leading microchip manufacturers to develop customized solutions that reduce defect rates and optimize yields. A key innovation, the CA20 system, integrates high-resolution 3D x-ray with AI-driven automated defect recognition (ADR) for solder bumps. Looking ahead, IXS will focus on commercializing the fully automated CA20 inspection solution, seamlessly integrating the system into fabrication workflows. To scale adoption, IXS is leveraging its sales and service network, especially in Asia. The division is well-positioned to lead the future of advanced packaging inspection.

As IXM moves forward, the division remains committed to expanding its portfolio with new and enhanced products designed for emerging high-growth markets, including semiconductors, electronics, and batteries. With its strong expertise in non-destructive testing (NDT), IXM is in a prime position to seize opportunities in these swiftly evolving industries. Recognizing the complexity of today's highly differentiated market landscape, IXM is focusing on select high-potential industries and targeted product development to drive long-term value creation. By leveraging its technological expertise and market insights, IXM aims to deliver sustainable growth and innovation, reinforcing its industry leadership.

Corporate Governance 2024

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Corporate governance in 2024

Corporate governance is defined by Comet as the entirety of the principles and practices aimed at safeguarding shareholder interests. While maintaining management's decision-making capability and efficiency, the aim of good corporate governance is to ensure an appropriate balance of leadership and control, together with transparent reporting.

This corporate governance report describes the management structure and control principles in place at the top organizational levels of the Group. The key elements are defined in Comet's Articles of Association (also known as its Bylaws) and in its Organizational Regulations (specifying the Company's governance structure and governance policies). The corporate governance report is based on the requirements of the SIX Swiss Exchange's Directive on Information Relating to Corporate Governance (DCG). The disclosure requirements of the Swiss Code of Obligations regarding excessive compensation at listed companies are fully met. Comet also takes into account the recommendations of the Swiss Code of Best Practice for Corporate Governance issued by economiesuisse.

Communication policy

Comet informs its shareholders, the media, financial analysts and other stakeholders with the greatest possible transparency and based on the principle of equal treatment. The Group publishes media releases to update investors on its business and financial results on a quarterly basis. Comet also publishes annual reports and half-year reports, which are prepared in compliance with Swiss stock corporation law and IFRS Accounting Standards (IFRS). As well, information is provided to additional audience segments via the following events:

- To shareholders, in connection with the Shareholder Meeting
- To media representatives and financial analysts, through press conferences
- To institutional investors, through road shows

Important price-sensitive events are communicated in a timely manner via electronic media and in accordance with the directive on ad-hoc publicity (i.e., the ad-hoc disclosure requirements) of SIX Exchange Regulation, a division of the SIX Swiss Exchange.

Key dates

The dates of the most important publications and events are given below:

End of fiscal year	December 31, 2024
Annual results press conference	March 6, 2025
Publication of annual report	March 6, 2025
Annual Shareholder Meeting	April 10, 2025
End of first half of fiscal year	June 30, 2025
Half-year results webcast	July 31, 2025
Publication of half-year report	July 31, 2025

Publication media

Comet's annual report and half-year report, its Articles of Association and its compensation report are published on the Group's website at www.comet-group.com/en/investors/downloads.

For disclosure announcements for stock exchange purposes, Comet Holding AG uses the electronic publication platform operated by the SIX Swiss Exchange: https://www.six-group.com/en/products-services/the-swiss-stock-exchange/market-data/news-tools/official-notices.html. The Group's website at www.comet-group.com offers a wealth of information, including details of the Group's business activities and access to the media releases and presentations for press conferences. As well, anyone may register on the website to automatically receive all press releases in electronic form.

Group structure and shareholders

Structure of the operating activities of the Comet Group

Comet Holding AG is a stock corporation with limited liability under Swiss corporate law. It is registered with the commercial register of the Canton of Fribourg, Switzerland under company registration number CHE–101.348.386. The registered office of Comet Holding AG is located at Herrengasse 10, 3175 Flamatt, Switzerland. Comet Holding AG has no publicly traded subsidiaries. Business operations are conducted through the group of companies listed in note 2 of the separate financial statements of Comet Holding AG. All companies are wholly owned by Comet Holding AG.

The Group's commercial activities are divided into three divisions: Plasma Control Technologies (PCT), X-Ray Systems (IXS) and Industrial X-Ray Modules (IXM). Financial reporting is segmented along these divisional lines. The financial data for the individual divisions is found in the segment reporting within the notes to the consolidated financial statements (note 4, "Segment reporting").

Listed Group company: Comet Holding AG

Comet Holding AG is the Group's only company listed on a stock exchange. The registered shares have been listed in the main market segment of the SIX Swiss Exchange in Zurich, Switzerland, since December 17, 2002 (ISIN no. CH0360826991). The closing share price on December 31, 2024 was CHF 248.50 (prior year: CHF 265.20), which resulted in a market capitalization of CHF 1,932 million (prior year: CHF 2,062 million).

Registered shareholders

At December 31, 2024, Comet Holding AG had 8,969 voting shareholders of record (i.e., voting shareholders registered in the share register; prior year: 8,134). Of the total issued registered stock, 100% (prior year: 100%) represented free float. Comet Holding AG held 4,588 shares of treasury stock at December 31, 2024 (prior year: 2,000). The structure of share ownership size classes among the shareholders of record at December 31, 2024, was as follows:

Number of shares	Number of shareholders
1 to 1,000	8,552
1,001 to 10,000	361
10,001 to 50,000	48
50,001 to 100,000	3
More than 100,000	5

This analysis includes only the stock of shareholders who were registered in the share register. At December 31, 2024, the shares of unregistered owners amounted to 43% of the total (prior year: 43%).

Ownership interests in companies domiciled in Switzerland whose shares are listed at least partly in Switzerland must be notified both to the issuer company and to the SIX Swiss Exchange when the holder's voting rights reach, increase above or fall below certain thresholds. These notification thresholds are 3%, 5%, 10%, 15%, 20%, 25%, 33 ⅓%, 50% and 66 ⅔% of voting rights. The relevant details are set out in the Financial Market Infrastructure Act (FinMIA) and in the Ordinance of the Swiss Financial Market Supervisory Authority on Stock Exchanges and Securities Trading (the FINMA Stock Exchange Ordinance).

At December 31, 2024, the Company, according to disclosure notifications, had the following significant shareholders (defined for this purpose as shareholders with voting rights of 3% or more of the Comet capital stock recorded in the Swiss commercial register of companies):

Beneficial owner	Direct shareholder	Share of voting rights as disclosed by shareholders
UBS Fund Management (Switzerland) AG		10.08%
Pictet Asset Management SA (Direction de Fonds)		5.27%
Blackrock Inc.		3.07%
Swisscanto Fondsleitung AG		3.04%
EGS Beteiligungen AG		3.00%

The Company has not been notified of any other shareholders that held 3% or more of its shares. To the best of the Company's knowledge, there were no voting pool agreements.

In the fiscal year, seven reportable announcements were published. Disclosure notifications of significant shareholdings in Comet Holding AG that were filed with Comet Holding AG and SIX Swiss Exchange are available from the online publication platform of the SIX Swiss Exchange through the following database search page: https://www.ser-ag.com/en/resources/notifications-market-participants/significant-shareholders.html.

At December 31, 2024, Comet Holding AG had no cross-shareholdings with other publicly traded companies (prior year: nil).

Capital structure

Capital stock

As of December 31, 2024, the capital stock of Comet Holding AG amounted to CHF 7,773,966, divided into 7,773,966 fully paid-in, registered shares with a par value (nominal value) of CHF 1.00 per share. With the exception of any treasury stock held by the Company, every share carries dividend rights. Each share represents one vote at the Shareholder Meeting, provided that the shareholder is recorded in the share register. The Company no longer has any authorized capital.

Capital band (i.e., capital range)

At any time until April 14, 2026, the Board of Directors is authorized i) to increase the capital stock by issuing a maximum of 1,554,793 fully paid registered shares with a par value of CHF 1.00 per share in one or more steps, by not more than a cumulative CHF 1,554,793, to a new total of CHF 9,328,759 (the upper limit of the so-called capital band), and ii) to reduce the capital stock in one or more steps to not less than CHF 7,385,268 (the lower limit of the capital band), either by cancelling not more than a total of 388,698 registered shares with a par value of

CHF 1.00 per share or by reducing the par value of the registered shares accordingly. A capital reduction and a reincrease may be performed simultaneously. If the capital stock is increased by means of the capital band, the limit on the number of shares by which the capital can subsequently be reduced is raised so that the lower end of the capital band can be reached. If the capital stock is reduced by means of the capital band, the limit on the number of shares by which the capital can subsequently be increased is raised so that the upper end of the capital band can be reached. If a change in capital is performed by changing the par value, the upper and lower limits of the capital band remain constant, but the limits on the number of shares by which the capital can be changed are adjusted accordingly. In the case of an increase of the capital stock, the new shares must be fully paid in. In the case of a capital reduction, the amount of the reduction may, in the discretion of the Board of Directors, be distributed to the shareholders in whole or in part and/or added to reserves.

Conditional capital for equity compensation

Under article 3b of the Articles of Association, Comet has conditional capital (referred to in German as "bedingtes Aktienkapital") that is designated for use only as equity-based compensation for members of the Executive Committee and of the Board of Directors of Comet Holding AG. At December 31, 2024, this conditional capital consisted of 189,154 shares with a nominal value of CHF 1.00 per share. It corresponded to approximately 2.4% of the existing capital stock. The issuance of stock or stock subscription rights is based on a compensation plan adopted by the Board of Directors. Further information about equity-based compensation can be found in the compensation report.

In 2024 and 2023, due to the decision by the Board of Directors to use treasury stock for the equity-based compensation, no capital increase was performed from conditional capital designated for equity-based compensation.

Conditional capital for financing, acquisitions and other purposes

Under article 3c of its Articles of Association, the Company's capital stock can be increased by a maximum of CHF 1,554,793 through the issuance of up to 1,554,793 fully paid registered shares with a par value of CHF 1.00 per share through the exercise (incl. mandatory exercise) of conversion, exchange, option, subscription, or similar rights to purchase shares granted to shareholders or third parties, alone or in connection with bonds, loans, options, warrants, or other financial market instruments or contractual obligations of the Company or its subsidiaries (collectively "Financial Instruments").

Further details on the structure and changes in shareholders' equity of Comet Holding AG are disclosed in the separate financial statements of Comet Holding AG under the statement of changes in equity, as well as in note 4, "Equity capital structure", note 5, "Options and conversion rights", and in the Corporate Governance report in the section "Listing and shareholders". As of December 31, 2024, Comet Holding AG had no participation certificates or dividend-right certificates outstanding (prior year: nil).

Limitations on transferability and nominee registrations

The Company keeps a share register in which the shares' owners and beneficial owners and the number of their shares are recorded. The share register is operated on behalf of Comet by Devigus Engineering AG. For the purposes of the legal relationship with the Company, shareholders or beneficial owners of shares are recognized as such only if they are registered in the share register. Purchasers of registered stock or of beneficial rights with respect to registered stock are upon their request recorded as voting shareholders in the share register by the Board of Directors if the purchasers state explicitly that they have acquired, and will hold, the stock or beneficial interest for their own account. Registration in the share register requires evidence of the acquisition of full legal title to the shares or evidence of the establishment of beneficial ownership. For the purpose of this condition, nominee shareholders (nominees) are deemed to be those persons who do not explicitly state in their registration application that they hold the shares for their own account. The Board of Directors registers nominees as holding voting shares only up to a maximum of 5% of the capital stock recorded in the Swiss commercial register of companies. Where legal entities or groups with joint legal status are connected by capital, voting rights, management or in some other manner, they are deemed to constitute a single nominee, as are all natural persons, legal entities or groups with joint legal status that by agreement, as a syndicate or in any other way act in a coordinated manner in circumventing the nominee rules. The Company may, after hearing the affected party, void registrations in the share register with retroactive effect from the date of registration if they were based on false information given by the purchaser. The purchaser must be informed of the deletion immediately. The Board of Directors determines the details of the application of these provisions and makes the arrangements necessary to ensure compliance with the rules outlined in the Company's Articles of Association.

In fiscal year 2024, the Board of Directors did not recognize any acquirers of shares holding more than 5% of all registered shares as a shareholder or beneficial holder with voting rights under the nominee transfer limitation, did not reject any requests for registration, and did not remove any shareholders with voting rights from the share register on the grounds of provision of false information.

Convertible bonds and options

As of December 31, 2024, Comet Holding AG had no conversion rights or stock options outstanding (prior year: nil).

Management transactions and measures to prevent insider-trading offenses

The Listing Rules of the SIX Swiss Exchange require the disclosure of management transactions in stock of the Company and related financial instruments. The Board of Directors has issued a corresponding regulation in order to comply with these requirements. The parties whose transactions of this nature are reportable to the Company are the members of the Board of Directors and of the Executive Committee (the Executive Committee is the most senior level of operational management). In fiscal year 2024, no disclosure was filed. Published disclosures can be found on the website of the SIX Swiss Exchange: www.ser-ag.com/en/resources/notifications-market-participants/management-transactions.html.

For Comet, regular closed periods (also referred to as blackout periods) for trading in securities of Comet Holding AG are defined as the periods from December 16 and June 16 up to and including the trading day following the publication of the annual or half-year report, respectively, or the publication of the relevant key figures. These closed periods apply to the members of the Board of Directors and the Executive Committee, as well as members of group functions in finance, investor relations and communication. No exceptions were granted in fiscal year 2024.

Board of Directors

The Board of Directors has ultimate responsibility for supervising the Group's top-level operational management personnel. The Board sets the Group's strategic goals and the guidelines for organizational structure and financial planning.

As prescribed by the Articles of Association, the Board of Directors of Comet Holding AG consists of a minimum of five members. The composition of the Board of Directors is designed to ensure effectiveness. Key qualities sought in the recruitment of Board members are independent thinking and willingness to work in a team focusing exclusively on the interests of the Company and its principal stakeholders. The Board of Directors nominates non-executive and independent members within the meaning of the Swiss Code of Best Practice for Corporate Governance to be elected by the Annual Shareholder Meeting as members of the Nomination & Compensation Committee.

Composition of the Board of Directors of Comet Holding AG

On December 31, 2024, the Board of Directors of Comet Holding AG had the following seven members:

	Nationality	Position on the Board	Member since	Elected until
Paul Boudre	French	Chair and non-executive member	2023	2025
Mariel Hoch	Swiss / German	Vice Chair and non-executive member	2016	2025
Heinz Kundert	Swiss	Non-executive member	2019	2025
Patrick Jany	Swiss / German	Non-executive member	2019	2025
Edeltraud Leibrock	German	Non-executive member	2022	2025
Irene Lee	Singaporean	Non-executive member	2023	2025
Benjamin Loh	Singaporean	Non-executive member	2024	2025

Secretary of the Board (since 2023) and non-member of the Board:
Marc Splisgardt, Group General Counsel

Additional information on the members of the Board of Directors

The information below outlines the education, significant professional experience and current position of each Board member. Where a place name is not followed by a country or state, the country is Switzerland.

Paul Boudre
(b. 1958, French citizen)

Education
Degree in chemistry from the Ecole Nationale Supérieure de Chimie de Toulouse, France

Professional experience
1988 to 1994: General Manager, "Discrete Devices" at Motorola Semiconductor, Toulouse, France; 1995 to 1997: General Manager in charge of green field operation at Atmel Corporation, Rousset, France; 1997 to 2007: various positions including VP/General Manager of Yield Management for worldwide strategic accounts at KLA, San Francisco, CA, USA; from 2007 to 2022: diverse positions, including CEO for seven years, at Soitec, Bernin, France, which focuses on engineered wafers supporting connectivity, car electrification and IOT/AI applications; since 2023: Co-Founder and CEO of Silian Partners SA, Luxembourg, an advisory firm dedicated to the global semiconductor industry

Mariel Hoch
(b. 1973, Swiss and German citizen)

Education
Admitted to the Zurich bar in 2005; Dr. iur doctorate in law from University of Zurich and Lic. iur degree in law from University of Zurich

Professional experience
Partner at the law firm Bär & Karrer AG, Zurich

Heinz Kundert
(b. 1952, Swiss citizen)

Education
Degree in mechanical engineering and industry management from ITA and business management from FAH at the University of St. Gallen (HSG)

Professional experience
1981 to 1991: Regional Director Asia, Balzers AG, Balzers, Liechtenstein; 1991 to 1999: Division Manager, Semiconductor and Data Storage, Balzers AG, Balzers, Liechtenstein; 1999 to 2002: COO of Oerlikon-Bührle, Zurich-Oerlikon; 2002 to 2004: CEO of Unaxis AG, Pfäffikon; 2005 to 2015: VP of SEMI Intl. USA and President of SEMI Europe; 2015 to 2018/2022: CEO/Board member of VAT Group, Sennwald; 2019 to 2020: CEO of the Comet Group, Flamatt

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Patrick Jany
(b. 1968, Swiss and German citizen)

Education
Degree in business administration from École Supérieure de Commerce de Paris (ESCP), France

Professional experience
1990 to 2006: Various positions at Sandoz, later Clariant, including CFO for ASEAN region, Head of country organization of Clariant Mexico, and Head of corporate development; 2006 to 2020: CFO and member of the Executive Committee of Clariant AG, Muttenz;
since May 2020: EVP and CFO at A.P. Moller-Maersk A/S, Copenhagen, Denmark

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Edeltraud Leibrock
(b. 1965, German citizen)

Education
Dr. rer. nat. doctorate in natural sciences from Hamburg University of Technology, Germany, and degree in physics and biology from the University of Regensburg, Germany

Professional experience
2000 to 2009: Consultant at Boston Consulting Group in Munich, Germany, where she supported strategy, IT, and digitalization projects; 2009 to 2011: Group CIO and Executive Vice President at Bayerische Landesbank in Munich, Germany; 2011 to 2015: COO and Member of the Executive Board at KfW Bankengruppe in Frankfurt am Main, Germany; since 2016: founder and Managing Partner of Connected Innovations GmbH in Hamburg, Germany, a specialist consultancy focused on artificial intelligence and automation; since 2024, Global Managing Director, Innovation, and Senior Partner Digital at Roland Berger, a consultancy headquartered in Munich, Germany

Irene Lee
(b. 1960, Singaporean citizen)

Education
Master of Business Administration (MBA) from University of Leeds, UK; Executive MBA from Harvard Business School, USA; Diploma in Mechanical Engineering from Singapore Polytechnic, Singapore

Professional experience
1987 to 2011: various positions including VP of Quality at Seagate Technology in Singapore; 2012 to 2019: different positions including SVP Global Operations & CQO at Kulicke & Soffa in Singapore; since 2019: Board member of JEP Holdings Ltd, focused on the aerospace industry, Singapore; since 2020: Investment Officer at Little Rain Pte Ltd, a wealth management company, Singapore

Benjamin Loh
(b. 1963, Singaporean citizen)

Education
Degree in Electronics Engineering from Tokoku University, Japan

Professional experience
1996 to 2005: various positions including Senior VP of Asia Pacific at Unaxis Corporation AG (now known as OC Oerlikon Corporation AG) in Pfäffikon; 2005 to 2007: Executive VP of Global Sales and Service at Veeco Instruments Inc. in New York, USA; 2007 to 2015: various positions including COO at FEI Inc. (now known as Thermo Fisher Scientific MSD division) in Oregon, USA; 2015 to 2017: Executive VP of Sales and Service at VAT Vakuumventile AG in Haag; 2018 to 2020: supervisory board member of Kriya Materials BV in Geleen, Netherlands, and supervisory board member of Schneeberger AG in Roggwil; 2020 to 2024: President and CEO of ASM International in Almere, Netherlands

Operational management functions

No Board member is or was a member of the operational management of Comet Holding AG or any of its subsidiaries over the last three fiscal years.

Disclosure of potential conflicts of interest

No member of the Board of Directors has any material business relationship with Comet Holding AG or any of its subsidiaries. In the event of a potential or impending conflict of interest, the Board member concerned is required to inform the Chair of the Board of Directors immediately.

Activities and interests outside the Group

Article 23 of the Articles of Association, which are compliant with article 734e of the Swiss Code of Obligations, specifies the allowable number of other, external positions that members of the Board of Directors may hold on top management or supervisory bodies, as follows:

- Members of the Board of Directors may each not hold more than five external positions on top management or supervisory bodies of listed companies and not more than seven such external positions in non-listed companies.
- Members of the Board of Directors may each not hold more than ten such positions in associations, non-profit foundations, family foundations and employee pension funds.
- Positions in companies controlled by Comet Holding AG, or positions controlled by it, are not subject to restriction.

In fiscal year 2024, no member of the Board of Directors exceeded any limits for additional positions held. At December 31, 2024, the members of the Board of Directors had the following additional positions on top management or supervisory bodies of significant Swiss and foreign private sector and public sector companies, institutions and foundations:

Mariel Hoch
Board member, Chair of the Nomination and Governance Committee and member of the Audit Committee, SIG Combibloc Group AG, Neuhausen am Rheinfall; Board member and member of the Audit Committee, Komax Holding AG, Dierikon; Board member, MEXAB AG, Lucerne; Board member, The Schörling Foundation, Lucerne; Board member, Law & Economics Foundation, St. Gallen; Board member, Irene M. Staehelin Foundation, Zurich; Board member, Orpheum, Stiftung zur Förderung junger Solisten (a foundation), Zurich

Heinz Kundert
Chairman of R&S Group Holding AG, Sissach; Board member, Variosystems AG, Steinach; owner, Kundert Consulting Establishment, Schaan, Liechtenstein

Edeltraud Leibrock
Supervisory Board member, ALH Group, Oberursel, Germany; Advisory Board member, Artificial Intelligence Center Hamburg (ARIC), Hamburg, Germany; Executive Board member, Fraunhofer Alumni e.V., Germany

Irene Lee
Board member, JEP Holdings Ltd, Singapore; Board member, Key Point (Singapore) Pte Ltd, Singapore; Board member, Amethyst Micrometric (Singapore) Pte Ltd, Singapore; Board member, Ying World Investments (Singapore) Pte Ltd

Benjamin Loh
International Board of Directors, SEMI Inc., Milpitas, CA, USA

Board elections and terms

The Board members are elected by the Annual Shareholder Meeting for a term of one year. They are individually elected when standing for election or re-election. The Annual Shareholder Meeting also elects one member of the Board of Directors as the Board Chair and elects the members of the Nomination & Compensation Committee.

The term of office ends at the conclusion of the next Annual Shareholder Meeting. Re-election for consecutive terms is permitted. If elections are held during a term to replace or add Board members, the newly elected members serve for the remainder of the current term.

The Articles of Association are in accordance with the legal requirements of the Swiss Code of Obligations (Federal Act on the Amendment of the Swiss Civil Code).

Internal organization

Except for the election of the Board Chair and the members of the Nomination & Compensation Committee by the Annual Shareholder Meeting, the Board of Directors constitutes itself at its first meeting after its election or re-election by the Annual Shareholder Meeting. The Board appoints its Vice Chair, the members of the other Board committees and the Board Secretary. The Secretary need not be a member of the Board.

The Chair of the Board of Directors has the following duties and powers:

- Act as chair of the Shareholder Meetings
- Call meetings of the Board of Directors and set the agenda
- Supervise, comply with and implement the resolutions of the Board of Directors
- Immediately inform all members of the Board of Directors of extraordinary events
- Ensure that urgent business matters are transacted within the required timeframe
- Interact with the senior management of the Comet Group
- Monitor the implementation of measures decided by the Board of Directors
- Take all measures required to safeguard the interests of the Comet Group
- Represent the Board of Directors internally and externally

The Vice Chair of the Board assumes the powers and duties of the Chair in his or her absence. The chairs of the Board committees lead their respective committees and report to the Board of Directors.

The Board meets at the invitation of the meeting's chair as often as business requires, or when requested by a Board member in writing for a stated purpose. The Board has a quorum when the majority of members are present. The Board passes its resolutions and performs its elections by an absolute majority of votes cast. In the event of an equality of votes, the chair of the meeting has the casting vote.

Resolutions on a motion may alternatively be reached in writing if no Board member objects to this method. Minutes must be kept of the deliberations and resolutions and be signed by the meeting's chair and the Board Secretary. The minutes are submitted to the Board for approval at its next meeting.

Functioning of the full Board of Directors

A total of nine regular meetings of the full Board were held in the year, as well as several teleconferences. In addition, several meetings of the Board committees were held. An overview of the meetings of the Board of Directors and the members in attendance is shown below.

Name	January	February		March	April	July				October		December	
	BoD	BoD	AC	BoD	BoD	BoD	BoD	AC	AC	BoD	BoD	BoD	AC
Paul Boudre	x	x	--	x	x	x	x	x	x	x	x	x	x
Mariel Hoch	x	x	--	x	x	x	x	--	--	x	x	x	--
Heinz Kundert	x	x	x	x	x	x	x	--	--	x	x	x	--
Patrick Jany	x	x	x	x	x	x	x	x	x	x	x	x	x
Edeltraud Leibrock	x	x	x	x	x	x	x	x	x	x	x	x	x
Irene Lee	x	x	--	x	x	x	x	x	x	x	x	x	x
Benjamin Loh	--	--	--	--	(x)	x	x	--	--	x	x	x	--
Tosja Zywietz	--	x	x	x	x	--	--	--	--	--	--	--	--

BoD: Regular meeting of the Board
AC: Audit Committee
x: Attended
(x): Attended as a guest
– -: Not attended or not a member of the Board or Committee at that time

The Board of Directors is regularly kept informed of the course of business by the CEO and CFO at its meetings, and also on an ad hoc basis as needed. Other members of the Executive Committee, other management staff and specialists of the Group regularly attend Board meetings to report on particular projects in their area of responsibility. In addition, external advisors are consulted as required to deal with specific matters. The Board receives monthly written financial reports on the current business performance.

Board committees

In fiscal year 2024 the Board committees had the following members:

Committee	Members
Nomination & Compensation Committee (NCC)	Mariel Hoch (Committee chair)
	Paul Boudre (until April 2024)
	Tosja Zywietz (until April 2024)
	Heinz Kundert (from April 2024)
	Benjamin Loh (from April 2024)
Audit Committee (AC)	Patrick Jany (Committee chair)
	Edeltraud Leibrock
	Tosja Zywietz (until April 2024)
	Irene Lee (from April 2024)
Technology Committee (TC)	Paul Boudre (Committee chair until April 2024)
	Benjamin Loh (Committee chair from April 2024)
	Edeltraud Leibrock
	Irene Lee (until April 2024)
	Heinz Kundert (from April 2024)

The Annual Shareholder Meeting elects the members of the Nomination & Compensation Committee. The members of the other committees are elected by the Board from among the Board members for a term of one year. Every committee normally consists of at least two members of the Board and meets at least twice per year, or as often as business requires.

The committees' principal function is to prepare decision support for the full Board in special subject areas. At the regular meetings or as required, the full Board is kept informed of the activities of the individual committees. Reports to the full Board are made orally or in writing as required. The overall responsibility for the tasks assigned to the committees remains with the full Board, which decides as a body on all proposals.

Nomination & Compensation Committee

The Nomination & Compensation Committee (NCC) is made up of three members of the Board, who are elected to the Committee yearly by the Annual Shareholder Meeting. The term of office is one year. Re-election for consecutive terms is permitted. The NCC prepares all agenda items related to the nomination and compensation of Board members and Executive Committee members. The NCC itself does not make decisions, but prepares proposals for the approval of the full Board of Directors. The Committee has the following responsibilities in particular (additional responsibilities may be assigned to it as required):

- Address both the compensation policy for the remuneration of the Board of Directors and Executive Committee, and the Comet Group's compensation structure
- Prepare the compensation report and support the Board of Directors in preparing resolutions for the Annual Shareholder Meeting for the approval of compensation
- Develop proposals for guidelines for the compensation of the Board of Directors and Executive Committee
- Review stock ownership plans and recommend adjustments as appropriate
- Propose new Board members and Executive Committee members for appointment
- Provide support to the CEO in evaluating candidates for the Executive Committee

In fiscal year 2024, the NCC handled the following compensation- and nomination-related tasks on behalf of the Board of Directors:

- Identification and assessment of potential candidates for positions on the Board based on predefined criteria, and recommendation to the full Board regarding their nomination for election or re-election at the Shareholder Meeting.
- Identification and assessment of potential candidates for positions on the Executive Committee based on predefined criteria, and recommendations to the full Board.

- Review of the succession planning and of the list of possible substitutes in case of absences on the Executive Committee, and preparation of corresponding proposals to the full Board.
- Recommendation to the full Board for approval of the annual compensation report.

In the year under review, the Committee held two meetings, all of which were attended by all NCC members, as well as by the Global Head of HR. In an advisory role, the Chair of the Board and the CEO also attended. The Committee may invite other Board members, Executive Committee members and specialists to its meetings as required. However, the members of the Executive Committee do not attend the compensation-related Board meetings and do not have a say in their compensation. The NCC chair briefs the Board of Directors on the activities at the next Board meeting and submits the necessary proposals and recommendations. Minutes of the NCC meetings are taken and signed by the chair of the NCC and its secretary.

Audit Committee

The Audit Committee supports the full Board in exercising oversight of accounting and financial reporting and in monitoring compliance with legal requirements. The Committee has the following responsibilities in particular:

- Evaluate the structure and form of the Group's accounting system
- Gauge the effectiveness of the independent auditors and the internal controls; evaluate the coordination of external and internal auditing, and review the performance and compensation of the external independent auditors
- Evaluate the effectiveness of risk management
- Review the financial reporting to shareholders and the public
- Issue directions to the internal audit function and, as may be required on a case-by-case basis by the resulting findings, issue directions to the Executive Committee

During the fiscal year, four meetings were held by the Audit Committee. They were attended by the external auditors, internal auditors, the CEO and the CFO. In an advisory role, the Chair of the Board also attended. The Committee may invite other Board members, Executive Committee members and specialists to its meetings as required. At each Board meeting, the Audit Committee reports on its activities to the Board of Directors and submits the necessary proposals and recommendations to the Board.

Technology Committee

The Technology Committee provides support to the full Board in matters of technology. The Committee has the following responsibilities in particular:

- Monitor international developments in technology and evaluate the emerging trends for their relevance to the Comet Group

- Assess the Group's internal research and development activities
- Ensure the Group holds at least one technology day or equivalent event per year

The Committee meets as often as business requires. In fiscal year 2024, it held two meetings. During the year the appraisal of technology sector developments, as well as the development measures taken by the Group, were regularly discussed with the division presidents in the course of the Committee meetings and the Board's scheduled meetings.

Division of authority

The Board of Directors is responsible for the overall direction and management of the Group and for the supervision of its most senior operational management. The non-delegable and inalienable duties of the Board of Directors are established by article 716a of the Swiss Code of Obligations. The Board's specific responsibilities and scope of authority are set out in the Company's Organizational Regulations and include the following areas among others:

- Determine the Group's strategic direction and financial targets and allocate the resources required to achieve them
- Establish the Group's objectives, business policy and strategy, and organizational structure
- Approve the rolling short- and medium-term financial plans
- Approve the acquisition and disposal of subsidiaries and of equity interests in other companies, and approve collaborations with other firms
- Approve the purchase and sale of real estate
- Appoint and withdraw members of the Group's Executive Committee and the presidents of its subsidiaries and exercise oversight and control of their activities

The Board of Directors has delegated all operational management of the Group to the CEO and the Executive Committee, except as otherwise required by law, the Company's Articles of Association and the Organizational Regulations. The CEO and Executive Committee have the necessary powers to execute the business strategy within the parameters set by the Board of Directors. In particular, the CEO has the authority to:

- Manage the Comet Group, implement the Board's strategic directions and decisions, and ensure timely and appropriate reporting to the Board
- Develop business targets within the general objectives established by the Board and present proposals for the rolling forecasts and for the strategic multi-year planning
- Request items of business to be placed on the agenda of Board meetings, prepare such business for transaction by the Board, and ensure the implementation of the Board's decisions
- Implement an internal control and management information system based on the specifications of the Board
- Regularly review the business risks, and establish a Board-approved risk management system for this purpose

- Regularly review the degree of achievement of the financial targets and strategic goals, as well as the Group's liquidity
- The members of the Executive Committee report to the CEO

Monitoring and control with respect to the Executive Committee

The Chair of the Board may attend the meetings of the Executive Committee and receives the minutes of all its meetings. The Board of Directors also receives regular reports on the course of business from the Executive Committee at Board meetings. In the case of extraordinary events, the Executive Committee informs the Board immediately. The CEO and CFO attend all regular meetings of the Board. At least one to two times per year, in the context of Board meetings, the other members of the Executive Committee also report to the Board on their business area.

Management information system

The monthly financial reporting by the Executive Committee on the current course of business and important transactions gives the full Board of Directors the information needed to properly discharge its responsibilities. The standardized internal reporting of the Group consists of the IFRS-based consolidated balance sheet, statement of income and cash flow statement, as well as detailed management reporting. Complementing the monthly consolidated financial statements and a comprehensive range of financial ratios, the management reporting presents and comments upon additional information such as new orders and order backlog, staffing levels and accounts past due, provided in table and chart form. This data is presented both by division and on a consolidated basis for the Group and is compared to the prior year and the rolling forecast. The resulting insights and actions are discussed monthly by the Executive Committee. All monthly financial statements are submitted to the Board of Directors, which discusses them at its meetings. As a longer-term control tool, a rolling multi-year plan is prepared annually for the subsequent three years. In addition, every quarter, management generates a rolling forecast for the following five quarters. These forward-looking control tools, which are accompanied by detailed commentary and documented with charts, enable the Board to continually evaluate the financial effectiveness of the adopted business strategy and then to take action if and as required.

Internal audit

The Comet Group operates an Internal Audit function. The function provides objective and independent assurance to the Board of Directors and the Executive Committee regarding the key risks of the organization, the design and effectiveness of processes and controls as well as the overall corporate governance of the company.

The Internal Audit Charter defines the purpose, authority, responsibilities, and scope of the Internal Audit function. It has been formally approved by the Board's Audit Committee. The Charter also specifies the reporting structure, with the Internal Audit function reporting functionally to the Audit Committee and administratively to the Group CEO.

Each year, the Internal Audit function submits a proposed audit plan to the Audit Committee. This plan is based on a thorough assessment of the organization's key risks, changes to the strategy, key processes or set-up of the organization, as well as the findings from previous audit reports. The Audit Committee reviews and approves the plan, which is then carried out by the Internal Audit function. Any changes to the plan during the year require prior approval from the Audit Committee. On behalf of the Board, the Audit Committee may direct the Internal Audit function to review or assess specific topics as needed and report the results to the Audit Committee and/or the Board.

The Internal Audit function follows a regular reporting schedule, attends all sessions of the Board's Audit Committee, and participates in the regular Executive Committee meetings. It maintains a clear and coordinated alignment with the external auditors.

For each completed audit mission, the Internal Audit function issues a report containing observations and recommendations. The content of the report is discussed and agreed with the auditees and then shared with key personnel at the divisional or functional level. Finally, it is presented to the Executive Committee before being formally submitted to the Audit Committee.

Comet previously outsourced its Internal Audit function to an external service provider. In February 2024, the Audit Committee appointed an in-house Group Head of Audit, Risk, and Compliance. This role is responsible for overseeing the Internal Audit function, managing the enterprise risk management (ERM) process across the Comet Group, developing and maintaining a Group-level compliance management system (CMS), and operating Comet's global integrity hotline.

In 2024, Comet's Internal Audit function conducted eight audits, focusing on corporate governance, compliance with internal and external regulations, risk management, and the design and effectiveness of internal control frameworks.

Risk management system

The Comet Group has a risk management framework that involves an annual review of the company's corporate strategy by the Board of Directors, as well as an evaluation of insurance coverage, general business risks, and key balance sheet items by the Executive Committee.

The methodology and approach to Comet's risk management framework, along with the organization's general risk appetite, are outlined in a policy approved by the Board's Audit Committee. Significant risks in individual business areas and departments are identified and assessed in quarterly working group sessions. These risks are described, categorized in a risk matrix, and formally assigned to a risk owner.

Risk assessments are conducted from both a gross and net perspective, i.e., before and after accounting for countermeasures. This process uses as metrics the probability of occurrence and potential severity of loss, either qualitatively, quantitatively, or in terms of potential absolute financial risk.

For the risks classified as important, action plans are formulated to minimize the probability and/or potential severity of loss. The Group's Executive Committee regularly reviews the effectiveness of the actions taken and decides on a potential updating of the risk portfolio. Newly identified risks are added to the portfolio and action plans are formulated to manage them. Through separate reports, the Audit Committee is kept advised of the current assessment of the Group's risks at least twice a year.

Internal control system

Comet operates a system of internal control (the "internal control system") to provide reliable internal and external financial reporting and to prevent false information and errors in business transactions. The internal control system provides the necessary processes and controls to ensure that risks relating to the quality of the company's financial reporting can be detected and managed in a timely manner. A review of the existence of the processes and controls of the implemented internal control systems is carried out annually by the external auditors.

In the fiscal year, where required, Comet further expanded, trained or documented the existing internal control system. The internal control system is in use at all levels of the enterprise and in all significant locations. The significant risks and controls are in accordance with the objectives and quality requirements established by the Board of Directors. The controls are integrated in the respective processes and are periodically tested for effectiveness, logical sense and efficiency. The introduction of a uniform, systematic process for risk detection and assessment has enhanced the reliability and completeness of bookkeeping and the timeliness and dependability of financial reporting.

Executive Committee

The Executive Committee – the Group's most senior management below the Board level – is responsible for the operational management of the Group within the powers delegated to it.

No changes occurred in the membership of the Executive Committee in 2024.

No member of the Executive Committee performed any consulting or third-party services for Comet Holding AG or any of its subsidiaries before their appointment to the Executive Committee.

As of December 31, 2024, the Group's Executive Committee had the following eight members. The information below outlines the education, significant professional experience and current position of each Executive Committee member. Where a place name is not followed by a country or state, the country is Switzerland.

Stephan Haferl
(b. 1972, Swiss and Norwegian citizen)
Chief Executive Officer since Sep. 1, 2022

Education
Dr. sc. tech. doctorate in mechanical and process engineering from ETH Zurich; Advanced Management Program, The Wharton School of the University of Pennsylvania, USA

Professional experience
2002 to 2007: various management positions at the Bartec Group, Sainte-Croix; from 2007: various management positions in Comet's X-Ray Technology business (VP of Supply Chain, VP of R&D, General Manager of Industrial X-Ray Technologies (IXT), President of X-Ray Modules division, Flamatt

Nicola Rotondo
(b. 1970, Swiss and Italian citizen)
Interim Chief Financial Officer since Sep. 1, 2023

Education
Executive Master of Controlling and Consulting, University of Applied Sciences in Bern (BFH); Executive Master of Marketing Management, University of Bern; Swiss Certified Expert for Accounting and Controlling

Professional experience
2001 to 2004: Specialist in Group Reporting at Ascom, Bern; 2004 to 2009: various senior Group controlling and accounting positions at Berna Biotech, Bern; 2010 to 2021: VP Group Controlling at Comet; from 2022: VP of Group Controlling and Accounting at Comet, Flamatt

André Grede
(b. 1979, German citizen)
Chief Technology Officer since Mar. 1, 2023

Education
Dipl. Ing. degree in electrical engineering with a specialization in radio frequency technology, from Berlin Institute of Technology (TU Berlin), Germany

Professional experience
2006 to 2011: Research Associate at the Chair of Electrodynamics at the Berlin Institute of Technology (TU Berlin), Germany; 2011 to 2015: Head of RF new development at Trumpf Hüttinger; 2015 to 2023: VP of Global R&D at Comet Plasma Control Technologies, Flamatt

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Robert Leindl
(b. 1966, German citizen)
Chief Information Officer since Aug. 1, 2023

Education
Degree in electrical engineering and information technology from Technical University of Munich (TUM), Germany

Professional experience
2001 to 2023: various top management positions at Infineon Technologies, Munich, Germany, including, for the last 11 years, the position of Executive VP & CIO

Meike Boekelmann
(b. 1976, German citizen)
Chief Human Resources Officer since Oct. 17, 2023

Education
Master's degree in economics and social science, Leuphana University Lüneburg, Germany

Professional experience
2003 to 2015: various local, regional and global HR leadership positions (HR Manager; HR Manager, Geomarket Continental Europe; HR Director, Integrated Operations) at Baker Hughes based in Germany, the Netherlands, Italy and U.A.E.; 2015 to 2023: variety of global and regional HR leadership positions at Sulzer, including Global HR leader, Chemtech division based in Winterthur

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Michael Berger
(b. 1973, Swiss citizen)
President of X-Ray Modules division since Sep. 1, 2022

Education
Executive Master of Marketing Management, Bern University of Applied Sciences (BFH)

Professional experience
2003 to 2005: manager of the production department at Band Cooperative, Bern; 2005 to 2013: various executive management positions at Teltronic, Biberist; 2013 to 2018: Production Manager, X-Ray Technology, Comet; 2018 to 2022: VP of Operations of Industrial X-Ray Modules, Engineering and Supply Chain, Comet, Flamatt

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Dionys van de Ven
(b. 1968, Dutch citizen)
President of X-Ray Systems division since Jul. 1, 2022

Education
Master's degree in mechanical engineering, Eindhoven University of Technology, Eindhoven, Netherlands

Professional experience
2007 to 2017: Senior Director of Customer Programs, Service and R&D at Philips Healthcare, Hamburg, Germany; 2017 to 2021: Managing Director of Baker Hughes Digital Solutions GmbH, Cologne area, Germany; 2017 to 2020: Chief Technology Officer of Waygate Technologies, Cologne area, Germany; 2018 to 2020 member of the Board of Directors of GE Inspection Robotics, Zurich, Switzerland; 2020 to 2022: Executive Business Leader of x-ray business unit at Waygate Technologies, Germany

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Joeri Durinckx
(b. 1979, Belgian citizen)
President of Plasma Control Technologies division since Mar. 1, 2023

Education
Master's degree in Mechatronics from Group T International School, Leuven, Belgium

Professional experience
2001 to 2019: various positions including Director of Business Development, Semiconductor Services, North America & Europe at Applied Materials, Belgium; 2019 to 2023: at Kulicke & Soffa as VP of the EA/APMR and Lithography business units, Eindhoven, Netherlands

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Activities and interests outside the Group

Article 23 of the Articles of Association, which is compliant with article 734e of the Swiss Code of Obligations, specifies the allowable number of other external positions that members of the Executive Committee may hold on top management or supervisory bodies, as follows:

- Members of the Executive Committee may each not hold more than one external position on the top management or supervisory body of an exchange-traded (i.e., listed) company and not more than four such external positions in non-listed companies.
- Not more than ten such positions may be held in associations, non-profit foundations, family foundations and employee pension funds.
- Positions in companies controlled by Comet Holding AG, or positions controlled by it, are not subject to restriction.

Some members of the Executive Committee hold board positions at subsidiaries of the Group. In addition, Stephan Haferl was a board member of Belimed AG, Zug, until April 30, 2024, Michael Berger was a board member of Band Cooperative, Bern, until May 22, 2024, and Meike Boekelmann was a board member of the Pact for Skills. The other members of the Executive Committee did not hold positions outside Comet on management or supervisory bodies of significant Swiss or foreign private sector or public sector companies, institutions or foundations at the balance sheet date. Therefore, no member of the Executive Committee of Comet Holding AG exceeded any limits for additional positions.

Management contracts

As of December 31, 2024, Comet had not entered into any management contracts with companies or natural persons not belonging to the Group (prior year: nil).

Disclosure of potential conflicts of interest

No member of the Executive Committee had any material business relationships with Comet Holding AG or any of its subsidiaries in fiscal year 2024. In the event of a potential or impending conflict of interest, the Executive Committee member concerned is required to inform the Chair of the Board of Directors immediately.

Compensation, shareholdings and loans

Information regarding compensation and loans relating to members of the Board of Directors and the Executive Committee are set out in the compensation report. Information on their shareholdings of Comet stock is disclosed in the Compensation Report in note 5, "Disclosure of shareholdings of the Board of Directors and Executive Committee".

The Articles of Association can be found on the Company's website at www.comet-group.com/en/investors/downloads, where further information regarding say-on-pay is also provided.

Shareholders' participation rights

Shareholders' participation rights (such as rights with respect to voting and required quorums), are set down in the Swiss Code of Obligations, and this legal framework is supplemented by provisions in the Articles of Association of the Company. The Articles of Association can be found on the Company's website at https://www.comet-group.com/en/investors/downloads.

Voting rights restrictions and representation

Each share that is registered carries one vote, subject to the provisions on nominee shareholders in article 5 of the Articles of Association. The Board of Directors registers nominees as holding voting shares only up to a maximum of 5% of the capital stock recorded in the Swiss commercial register of companies.

Proxy voting

At the Annual Shareholder Meeting, the shareholders elect an independent proxy. The term of office of the independent proxy is one year, ending at the conclusion of the next Annual Shareholder Meeting. Re-election for consecutive terms is permitted.

A shareholder may be represented at the Annual Shareholder Meeting by the independent proxy, by the shareholder's legal representative or – under a written power of attorney – by another shareholder entitled to vote. Powers of attorney and instructions may be given in writing or, to the independent proxy, may also be given electronically. The Board of Directors ensures that the shareholders have the opportunity to use electronic means to authorize and instruct the independent proxy.

Calling of the Annual Shareholder Meeting

The Annual Shareholder Meeting is called by the Board of Directors or, if necessary, by the independent auditors. Notice of the Annual Shareholder Meeting is sent to the shareholders of record by mail at least 20 days before the meeting date.

The notice of the Annual Shareholder Meeting states the day, time and place of the meeting, the agenda items as well as the proposals by the Board of Directors and, if applicable, names the shareholders who requested the Shareholder Meeting or the inclusion of a business item on the agenda, and states the nature of the shareholder proposal(s).

Inclusion of items on the agenda

Under the Articles of Association, shareholders representing at least 3% of the total capital stock outstanding at the time may request items of business to be included in the agenda. Shareholders' requests under article 699 para. 3 of the Swiss Code of Obligations to place business on the Meeting agenda, and the actual shareholder proposal involved, must be submitted to the Board of Directors in writing no later than 35 days before the Shareholder Meeting in question.

Entries in the share register

In accordance with article 11 of the Articles of Association, in the notice of the Shareholder Meeting the Board of Directors announces the record date (at which registration in the share register is required for participation in and voting at the meeting) and the details of the written and electronic proxies and instructions.

The share register is closed to new entries from the record date until and including the day of the Shareholder Meeting. No exception to this rule was made in the year under review nor at any previous Shareholder Meeting. Shareholders who sell their stock before the Shareholder Meeting are not entitled to vote the shares sold.

Changes of control and defense measures

Requirement to make a public tender offer

Under article 135 of the Financial Market Infrastructure Act (FinMIA), any party whose shareholding reaches 33 ⅓% or more of all voting rights must make a public tender offer. The Articles of Association of Comet Holding AG contain neither an opting-up clause nor an opting-out clause; this means that they neither raise this percentage threshold, nor waive the requirement of a tender offer.

Provisions on changes of control

With respect to members of the Board of Directors and the Executive Committee, there are no contractual obligations of unusually long duration, nor provisions for termination benefits, that would result from a change of control. Under the share-based compensation plan, the Board of Directors may, in its discretion, decide to early-terminate the holding period for the stock awarded as performance-based compensation. Except as otherwise required by law, in the event of an attempted change of control of Comet Holding AG, the holding period on stock ends when a public tender offer is validly made.

Auditors

Duration of the mandate and term of office of the lead auditor

The independent audit firm is appointed annually by the Annual Shareholder Meeting following a proposal submitted by the Board of Directors. Re-election is permitted.

Ernst & Young AG (EY), Switzerland, are the independent auditors of Comet Holding AG. The lead audit partner, Martin Mattes, has been responsible for the engagement since fiscal year 2021. The rotation cycle for the lead audit partner at EY is seven years.

In fiscal year 2022 Comet completed an audit tender with three of the big-four accounting firms participating. Ernst & Young AG (EY) was re-elected for fiscal year 2024 by the Annual Shareholder Meeting. The Board of Directors will propose to the Annual Shareholder Meeting to re-elect Ernst & Young AG (EY) as Comet's independent auditor for the annual term starting January 1, 2025.

Audit fees

The compensation of EY for services in connection with auditing the consolidated financial statements and as the independent audit firm for all Group companies amounted to CHF 621 thousand (prior year: CHF 589 thousand).

The audit fees are set annually upon discussion with the Audit Committee and are based on the audit scope at the individual Group companies, any special in-depth audits and the auditing of protection against specifically identified risks.

Additional fees

In the fiscal year, EY received the following compensation for consulting services in connection with accounting and tax matters:

In thousands of CHF	**2024**	2023
Audit-related consulting services	20	11
Tax consulting services	10	14
Total consulting services	**30**	**25**

Information instruments pertaining to the external audit

The Audit Committee of the Board of Directors annually reviews the performance, compensation and independence of the audit firm. The Committee also examines the scope of the independent audit, reviews action plans developed to resolve any issues identified in the audit and recommends candidate independent auditors to the Board to propose for election by the Annual Shareholder Meeting. The Board has not specified a fixed rotation cycle. In selecting the external auditors, particular importance is attached to independence and documented experience.

After the first six months of the year, the Audit Committee at its meeting discusses the unaudited half-year results with the independent auditors. In addition, the annual financial statements are planned and the auditing costs for the fiscal year are approved. Additional meetings are held as needed.

After the audit of the annual financial statements, the Audit Committee convenes for a meeting at which it discusses the audited annual report for the fiscal year with the independent auditors. The audit firm reports its findings on the basis of a comprehensive report to the Board of Directors and through the reports of the independent auditors to the Annual Shareholder Meeting.

Contacts

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Compensation Report 2024

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01 Introduction

This compensation report has been prepared in accordance with the Swiss Code of Obligations, the principles of the Swiss Code of Best Practice for Corporate Governance of economiesuisse, as well as the corporate governance reporting directive of the SIX Swiss Exchange (its Directive on Information Relating to Corporate Governance).

The compensation report discloses the compensation and shareholdings of the members of the Board of Directors and Executive Committee for fiscal years 2024 and 2023. The expense for their compensation (disclosed in accordance with International Financial Reporting Standards) is presented in the consolidated financial statements of Comet Holding AG within note 30, "Compensation of the Board of Directors and Executive Committee".

02 Statutory provisions and compensation governance

02.1 Provisions that govern compensation

Compensation-related provisions are specified in the Articles of Association (which are published on the Group's website at https://comet.tech/en/investors/downloads) and implemented in corresponding Group regulations. Articles 20 to 24 of the Articles of Association govern compensation approval, the compensation of the Board of Directors and Executive Committee, the composition of performance-based compensation, and the terms of shares awards.

02.2 Shareholders' say on pay

Under the Swiss Code of Obligations and the Articles of Association of Comet Holding AG, the amounts of the respective aggregate compensation of the Board of Directors and Executive Committee require shareholder approval in a binding vote at the Shareholder Meeting. Under article 20 of the Articles of Association of Comet Holding AG, shareholders vote on the following:

- The maximum fixed compensation of the Board of Directors for the coming term of office (prospective vote);
- The maximum fixed compensation of the Executive Committee for the next fiscal year after the year of the Annual Shareholder Meeting (prospective vote);
- The maximum variable compensation of the Executive Committee for the next fiscal year after the year of the Annual Shareholder Meeting (prospective vote), if such compensation relates to multi-year compensation plans and the maximum value can be determined;
- The variable compensation of the Executive Committee for the last fiscal year before the year of the Annual Shareholder Meeting (retrospective vote).

The requirement of this binding vote provides shareholders an extensive say on pay.

03 Determination of compensation and compensation principles

03.1 Determination of compensation and compensation principles

The design, regular review and evaluation of the compensation system are the responsibility of the Nomination and Compensation Committee (NCC). The composition and responsibilities of the NCC are outlined in the corporate governance report.

Subject to the limits of the maximum aggregate amounts approved by the Annual Shareholder Meeting, the Board of Directors annually prepares the compensation proposals, as follows:

Decision on	CEO	NCC	Board of Directors	Shareholder Meeting
Compensation policy and guidelines under the Articles of Association		Proposes	Approves	Binding vote
Maximum aggregate compensation of the Board of Directors		Proposes	Reviews	Binding vote
Individual compensation of Board members		Proposes	Approves	
Fixed compensation of the CEO		Proposes	Approves	Binding vote as part of the prospective vote on the maximum aggregate fixed compensation of the Executive Committee
Fixed compensation of the other members of the Executive Committee	Proposes	Reviews	Approves	Binding vote as part of the prospective vote on the maximum aggregate fixed compensation of the Executive Committee
Long-term incentive plan of the CEO		Proposes	Approves	Binding vote as part of the prospective vote on the maximum aggregate variable compensation of the Executive Committee
Long-term incentive plan of the other members of the Executive Committee	Proposes	Reviews	Approves	Binding vote as part of the prospective vote on the maximum aggregate variable compensation of the Executive Committee
Profit-sharing plan of the CEO		Proposes	Approves	Binding vote as part of the retrospective vote on variable compensation (other than the long-term incentive plan) for the last fiscal year before the year of the Annual Shareholder Meeting
Profit-sharing plan of the other members of the Executive Committee		Proposes	Approves	Binding vote as part of the retrospective vote on variable compensation (other than the long-term incentive plan) for the last fiscal year before the year of the Annual Shareholder Meeting

03.2 Compensation of the Board of Directors

Compensation principles

Every year, the Board of Directors submits its proposal for the maximum aggregate amount of Board compensation to the Annual Shareholder Meeting for approval. The amounts of Board members' compensation are set to reflect the Comet Group's industry environment and are regularly reviewed against benchmarks representing small and mid-sized publicly traded companies with the support from external experts. The latest such review was performed in fiscal year 2021.

The compensation details are specified in a Board-approved compensation plan in the form of a set of regulations. The compensation consists of a combination of a base retainer and fees for committee work. This structure is consistent with standard market practice for companies listed on the SIX Swiss Exchange.

Structure of the compensation system

Overview of Board of Directors' compensation structure:

In CHF (gross)

Function	Base retainer	Fees for committee work		Flat expense allowance (additional)
		Chair of AC, NCC or TC	Member of AC, NCC or TC	
Chair of the Board	250,000	–	–	12,000
Vice Chair of the Board	120,000	25,000	15,000	6,000
Member of the Board	100,000	25,000	15,000	5,000

The sum of the base retainer and fees for committee work is split into a cash portion of 60% and a shares portion of 40%. The reported compensation in section 4.1 includes the cash portion of the retainer, the value of the shares portion and, additionally, the actual employer contributions to social security plans. In addition, a flat expense allowance is provided, which is paid in cash. This allowance qualifies as reimbursement of expenses and is therefore not considered part of the compensation itself.

The Board members' normal term of office begins on the date following the day of the Annual Shareholder Meeting that elects them and ends on the date of the next Annual Shareholder Meeting. When a new member joins the Board of Directors, the compensation is paid on a pro-rated basis from the day of election. If a member leaves the Board before the end of a term, the retainer is calculated on a pro-rated basis to the date of departure. In the case of pro-rated retainers as well, 60% is paid in cash and 40% is paid in shares.

03.3 Compensation of the Executive Committee

Compensation principles

The compensation system is designed to attract and retain excellent management and specialist staff. Comet seeks to set compensation levels that reflect the individual levels of skills and responsibility in the Group and that bear comparison with other employers competing with Comet for talent. This aim is supported by a fair system of remuneration designed to match levels of pay offered by listed peer companies.

The compensation elements thus take into account short-term and long-term aspects of sustainable company performance and development. Comet believes that its remuneration architecture creates an effective link between compensation and performance that generates lasting value for shareholders.

The compensation of the Executive Committee is specified in Board-approved regulations. The CEO recommends the amounts of fixed compensation for the other Executive Committee members to the NCC. The NCC then prepares a specific proposal for the amounts of the individual fixed compensation of the CEO and each of the other Executive Committee members, for approval by the full Board of Directors. The NCC also bases its proposals on general experience and on levels of compensation at peer companies; the underlying benchmarking data is purchased from third party market data providers. The full Board of Directors periodically reviews, sets and approves the compensation levels, based on the proposal of the NCC.

Every year, the Board of Directors submits its proposals for the aggregate amounts of Executive Committee compensation to the Annual Shareholder Meeting for approval, specifically:

- The maximum fixed compensation of the Executive Committee for the next fiscal year after the year of the Annual Shareholder Meeting (prospective vote);
- The maximum long-term variable compensation of the Executive Committee for the fiscal year after the year of the Annual Shareholder Meeting (prospective vote), if such compensation relates to multi-year compensation plans and the maximum value can be determined;
- The variable compensation of the Executive Committee for the last fiscal year before the year of the Annual Shareholder Meeting (retrospective vote)

In accordance with article 735a of the Swiss Code of Obligations and the Articles of Association, the Comet Group is authorized to pay an additional amount to new external members joining the Executive Committee during a period for which the Shareholder Meeting has already approved the compensation, if the already approved maximum aggregate amount is not sufficient to cover the compensation. The aggregate additional amount per compensation period must not exceed 40% of the approved maximum aggregate amount of compensation of the Executive Committee.

Structure of the compensation system

The remuneration of the members of the Executive Committee consists of fixed component ("fixed compensation") and a performance-related component ("variable compensation"). The total compensation takes into account the recipient's position and level of responsibility. The variable compensation of the Executive Committee members is structured as a short-term incentive plan (STIP) and a long-term incentive plan (LTIP). It is designed to heighten the commitment of the CEO and the other Executive Committee members to the Comet Group. The variable compensation is based on the regulations approved by the Board of Directors.

The STIP is a profit-sharing arrangement based on the Group's performance in terms of the combination of (i) its rate of sales growth year-over-year and (ii) its net income. The STIP is paid in cash (with some exceptions, which are explained in the table below).

The LTIP, which is in effect since January 1, 2023, is designed as a three-year performance share unit (PSU) plan based on three key performance indicators (ROCE; sales growth measured against the NASDAQ Global Semiconductor Index; and ESG scorecard). PSUs convert into Comet shares at the end of the three-year vesting period, which commences on the grant date in May. The number of Comet shares delivered at vesting ranges from 0% to 200% of the initial number of PSUs granted, depending on the achievement levels of the above-mentioned KPIs over the three-calendar-year performance cycle. The shares delivered under the LTIP do not have a holding period. The first payout will be in May 2026.

Since 2023, the relative level of entitlement of newly appointed Executive Committee members in the ongoing annual short-term incentive plan (STIP) was reduced in favor of a greater proportional entitlement to the long-term incentive plan (LTIP). For those four members of the Executive Committee who participated in the former LTIP, the reduction of the STIP entitlement will commence in 2025.

The compensation system for the members of the Executive Committee is structured as follows:

Type of compensation	Form of delivery	Purpose	Drivers
Fixed compensation	Monthly payment in cash	Pay for position	Nature and level of position, individual qualifications, market conditions
Short-term profit-sharing plan (STIP)	• Generally: Annual payment in cash • Members of the Executive Committee who participated in the former LTIP: Until 2025 annual payment in cash (two-thirds) and in shares (one-third) with a three-year holding period	• Generally: Profit-sharing based on corporate financial results • Members of the Executive Committee who participated in the former LTIP: Until 2025 profit-sharing based on corporate financial results and shareholder alignment	Corporate financial results in terms of profitable growth
Long-term incentive plan (LTIP)	Performance share units, which are converted into Comet shares after three years (without holding period)	• Alignment with long-term corporate targets • Retention of executive staff • Shareholder alignment	Over a three-year performance period: • Sales growth measured against the NASDAQ Global Semiconductor Index • Return on capital employed • ESG scorecard
Social benefits	Company pension, social security contributions, short-term disability and accident insurance	Risk protection	Local legislation and voluntary benefits in line with market
Flat expense allowance	Monthly payment in cash	Defraying of minor expenses	Local legislation, tax authorities
Other benefits, incl. benefits in kind	Costs paid directly by company or reimbursed in cash	Pay for position	Local market practice

Caps

There are individual upper limits on the total variable compensation of the CEO and the other members of the Executive Committee. The upper limit caps the individual's combined compensation under the STIP (profit-sharing) and LTIP. For the CEO this maximum (the upper limit for the combined total of STIP actual compensation and the LTIP grant value in the form of PSUs) is 200% of the fixed compensation. For each of the other members of the Executive Committee, this maximum (the upper limit for the combined total of STIP actual compensation and the LTIP grant value in the form of PSUs) is 150% of the fixed compensation.

The members of the Executive Committee have employment agreements with a notice period of not more than six months. There is no entitlement to hiring bonuses or termination benefits of any kind.

Fixed compensation

All members of the Executive Committee receive fixed compensation that is paid monthly, as well as a flat expense allowance. The fixed compensation is determined by the individual's amount of responsibility, role, performance, experience, skills, and by local market conditions. These elements of compensation are paid in cash.

Short-term profit-sharing compensation (STIP)

In addition to the fixed compensation, the Executive Committee members are eligible for annual profit-sharing compensation (this represents the STIP). The total pool of profit-sharing compensation for all eligible employees is calculated as a percentage of the Group's consolidated net income. This percentage rate is dependent upon the Group's rate of sales growth compared with the prior year. For fiscal year 2024, the percentage of Group net income was determined according to the following model, unchanged from fiscal year 2023:

Sales growth	Percentage of net income
Less than 5%	15%
5%–15%	Linear increase between 15% and 25%
More than 15%	25%

In fiscal year 2024, 22.1% of the Group's total consolidated net income (after profit-sharing) was accrued for distribution as short-term profit-sharing compensation (prior year: 15.0%).

The members of the Executive Committee and all employees eligible for profit-sharing are assigned to one of seven compensation groups. These seven groups consist of the CEO, the other members of the Executive Committee, and, subdivided into five groups, the other eligible employees. Each compensation group is assigned a different multiplier. The multipliers are set by the Board of Directors of Comet Holding AG. The product of this multiplier and the gross annual base salary determines the respective share assigned to the individual member of the Executive Committee or individual other employee in the allocation of the total profit-sharing pool. The individual share of the total profit-sharing pool is calculated using the following model:

a) Calculation of individual share in the total profit-sharing pool

$$\textbf{Individual share of an employee in the total profit-sharing pool} = \frac{\textbf{Annual gross salary} \times \textbf{Multiplier}}{\textbf{Sum of weighted gross salaries}^{1}}$$

[1] The sum of the weighted gross salaries is equal to the sum of the gross salaries of all STIP-eligible employees weighted by the corresponding multipliers

b) Calculation of individual profit-sharing amount

Individual profit-sharing amount = Individual share x Total amount of profit-sharing pool

The entire profit-sharing pool is allocated among the members of the Executive Committee and all other eligible employees, using the allocation formula presented above.

A precondition for paying any profit-sharing compensation is that, after the accrual of this distribution, the Group must still be able to report positive consolidated net income. Executive Committee members, or other employees, who join Comet intra-year participate in profit-sharing on a pro-rated basis. In the event of intra-year termination of the employment relationship, payment is made on a pro-rated basis, subject to prevailing termination conditions as applicable in the respective country. Any payment to the CEO and to the other members of the Executive Committee must be approved by the Board and is only made after ratification by the shareholders at the Annual Shareholder Meeting as part of the binding retrospective vote on the short-term variable compensation of the Executive Committee, and after shareholders' approval of the consolidated financial statements.

Long-term profit-sharing compensation (LTIP)

Since January 1, 2023, the revised long-term incentive plan (LTIP) aims to foster long-term profitable growth, sustainability, shareholder return, and executive retention. It offers equity-based performance-driven rewards to the CEO, other members of the Executive Committee, and selected key employees across the Comet Group, thus reinforcing their focus on executing our strategy and aligning their interests with our objective of enhancing shareholder value.

The LTIP uses performance share units (PSUs), which are granted to eligible employees with specific performance conditions that result in a potential vesting into Comet shares after three years.

PSUs are granted once a year after the AGM. The number of PSUs to be granted is calculated by dividing the participant's individual grant value by the 20-day average closing Comet share price preceding the grant. In 2024, the LTIP grant value corresponded to 64% (2023: 64%) of the base salary for the CEO and was between 38% and 39% (2023: 38%-39%) of the base salary for other members of the Executive Committee.

At the conclusion of the three-year vesting period, granted PSUs are converted into Comet's shares, contingent upon the satisfaction of predefined service and performance criteria. Failure to meet the service condition due to termination of employment during the three-year vesting period results in partial or full forfeiture of the granted PSUs.

The achievement of three specific performance objectives over a prospective performance period of three years determine the number of shares to be delivered per PSU at the vesting date:

- Sales growth vs. NASDAQ GSOX Semiconductor Index weighted at 33%,
- ROCE weighted at 34%, and
- ESG performance (scorecard) weighted at 33%.

The performance targets for each performance measure are defined so as to encourage high performance while providing a realistic performance-related opportunity for vesting. The particular performance levels for threshold (0% vesting multiple), target (100% vesting multiple), and cap (200% vesting multiple) for each measure are recommended by the NCC and approved by the Board of Directors in line with the strategic goals of the Comet Group.

Achievement is assessed independently for each performance measure. However, the combined total of Comet shares delivered after vesting can never exceed twice the number of PSUs initially granted. Further, if performance of all three measures remains below the respective thresholds, the resulting combined conversion multiple is zero and consequently no PSUs will vest.

For the 2024 LTIP, the performance period started on January 1, 2024 and ends on December 31, 2026. The vesting curves for financial performance measures were set as follows:

Performance measure

Performance measure	Threshold	Target	Cap
Annual sales growth measured against the NASDAQ Global Semiconductor Index (GSOX) over the three-year period	25th percentile	50th percentile	75th percentile
	Linear interpolation between these levels		
Average annual ROCE over the three-year period	21%	34%	47%
	Linear interpolation between these levels		

The ESG performance is encapsulated within the ESG scorecard, which comprises objectives that are equally weighted across environmental and social criteria. The environmental criterion is tied to Comet's commitment to sourcing 80% of its total electricity consumption from clean electricity by 2025 and 100% by 2030. The definition of clean electricity and the calculation methodology of the share of clean electricity are presented within the Sustainability Report in the section "Basis of calculations and definitions". On the social side, the objectives are centered on enhancing employee well-being, as measured by the rate of voluntary turnover, and promoting diversity within leadership, specifically through achieving a balanced gender representation in management positions. Similar to financial metrics, specific threshold, target, and cap performance levels that are aligned with the company's strategic goals were set for each ESG objective by the Board of Directors, following the NCC recommendations.

Vesting conditions are based on the following parameters (schedule: cliff vesting):

Reason for termination	Consequence
Termination by employer for cause (article 337 CO)	Forfeiture of any unvested PSUs
Voluntary termination	• Generally, forfeiture of any unvested PSUs • Exception handling: In cases of justified exceptions for good reason[1], the NCC may, in order to reflect the effective service period, recommend to the BoD a pro-rata reduction of the number of PSUs granted (regular vesting date and performance measurement apply)
Retirement	The number of PSUs is reduced proportionally based on the number of whole months that have elapsed since the last working day until the end of the vesting period in relation to the length of the entire vesting period (regular vesting date and performance measurement apply)
Death, permanent disability or permanent incapacity to work due to illness	Early vesting as of the contractual termination date, with the performance factor set at 100% (no performance measurement)
Change of control (CoC)	The number of PSUs is reduced pro rata based on the change-of-control date, to reflect the effective service period (100% vesting, no performance measurement)
Termination by employer for other reasons	The number of PSUs is reduced proportionally based on the number of whole months that have elapsed since the last working day until the end of the vesting period in relation to the length of the entire vesting period (regular vesting date and performance measurement apply)

[1] Examples of good reason: Voluntary resignation upon early retirement; disability; or incapacity to work due to illness

03.4 Compensation system for employees below the Executive Committee level

Compensation principles

The compensation systems for the Board of Directors and the Executive Committee are covered in separate sections above.

The compensation system for Comet's other employees has two main elements: All employees receive fixed compensation, and employees eligible for profit-sharing under the STIP may earn a performance-based pay component.

Structure of the compensation system

Fixed compensation

All employees receive fixed compensation that is paid periodically in cash. The fixed compensation is determined by the individual's amount of responsibility, role, performance, experience, skills, and by local market conditions.

STIP

The calculation of an eligible individual's effective profit-sharing compensation is based on the allocation formula shown in the preceding section (03.3). The STIP is settled in cash.

04 Disclosure of compensation and external positions of the Board of Directors and Executive Committee

The following disclosures represent all compensation of the members of the Board of Directors and Executive Committee and their related parties[1] for fiscal years 2024 and 2023, disclosed in accordance with articles 732 et seq. of the Swiss Code of Obligations for companies whose shares are listed on a stock exchange. Further details on the included individuals and their positions in the Group are provided in the corporate governance report within this annual report.

[1] Related parties are persons outside Comet who are related to members of the Board of Directors or Executive Committee within the meaning of article 678 of the Swiss Code of Obligations by virtue of close personal or economic ties in law or in fact.

04.1 Members of the Board of Directors

The compensation of the Board of Directors is set at the Annual Shareholder Meeting for a period of one year. The Board's term of office, and therefore its annual compensation period, does not match the fiscal year.

The Annual Shareholder Meeting prospectively approves the Board's compensation for a period of one year ending at the subsequent Annual Shareholder Meeting. The following tables show the actual compensation for the Board of Directors for fiscal years 2024 and 2023. As can be seen from the tables, the Board compensation for the term of office ending at the 2024 Annual Shareholder Meeting will be within the maximum aggregate amount approved by the Annual Shareholder Meeting in 2023. The aggregate amount of the Board's compensation in fiscal year 2024 is slightly higher than in fiscal year 2023 due to the fact that the number of Board members increased from six to seven at the 2023 Annual Shareholder Meeting.

Fiscal years 2024 and 2023 (audited table)

In CHF (gross)	Total cash compensation [1]	Shares compensation [2]	**Total before social security contributions**	Social security contributions [3]	**Total compensation in fiscal year 2024**	**Total compensation in fiscal year 2023**
Gian-Luca Bona Member of the Board (until April 14, 2023)	—	—	**—**	—	**—**	**43,667**
Tosja Zywietz Member of the Board (until April 19, 2024)	25,813	17,209	**43,022**	—	**43,022**	**134,775**
Paul Boudre Chair of the Board	132,495	88,330	**220,824**	20,908	**241,732**	**107,816**
Mariel Hoch Vice Chair of the Board	88,205	58,803	**147,008**	13,193	**160,201**	**156,185**
Heinz Kundert Member of the Board	100,443	66,962	**167,404**	—	**167,404**	**247,109**
Patrick Jany Member of the Board	76,038	50,692	**126,731**	—	**126,731**	**123,554**
Edeltraud Leibrock Member of the Board	79,080	52,720	**131,800**	—	**131,800**	**124,223**
Irene Lee Member of the Board	67,285	44,857	**112,142**	10,618	**122,759**	**77,011**
Benjamin Loh Member of the Board (since April 20, 2024)	60,240	40,160	**100,400**	9,506	**109,906**	**—**
Total	**629,598**	**419,732**	**1,049,331**	**54,224**	**1,103,555**	**1,014,341**

Total Board compensation prospectively approved at the Annual Shareholder Meeting on April 19, 2024 and April 14, 2023, respectively	**1,150,000**	**1,150,000**
The total compensation paid to members of the Board of Directors (for the period from the Annual Shareholder Meeting to the year-end) plus estimated amounts yet to be paid in the following fiscal year (for the period from January to the next Annual Shareholder Meeting) are within the maximum aggregate amount approved by the Annual Shareholder Meeting indicated above	**YES**	**YES**

1 The compensation consists of a fixed retainer; 60% of it is paid in cash and disclosed in this item. Amounts represent exact proportional compensation, based on approved compensation in the Board terms begun in 2023 and 2024.

2 This item represents the 40% of the fixed retainer which is paid in shares. The actual transfer of the shares occurs in the subsequent year. The shares are subject to a holding period of three years from the date of the award, during which they cannot be sold. Amounts represent exact proportional compensation, based on approved compensation in the Board terms begun in 2023 and 2024.

3 This item represents employer contributions to social security plans. No pension fund contributions, short-term disability insurance premiums or accident insurance premiums are paid.

In 2024, no payments were made to former members of the Board of Directors except as listed in the table above.

Activities and interests outside the Group

Article 23 of the Articles of Association, which are compliant with article 734e of the Swiss Code of Obligations, specifies the allowable number of other, external positions that members of the Board of Directors may hold on top management or supervisory bodies, as follows:

- Members of the Board of Directors may each not hold more than five external positions on top management or supervisory bodies of listed companies and not more than seven such external positions in non-listed companies.
- Members of the Board of Directors may each not hold more than ten such positions in associations, non-profit foundations, family foundations and employee pension funds.

- Positions in companies controlled by Comet Holding AG, or positions controlled by it, are not subject to restriction.

In fiscal year 2024, no member of the Board of Directors exceeded any limits for additional positions held. At December 31, 2024, the members of the Board of Directors had the following additional positions on top management or supervisory bodies of significant Swiss and foreign private sector and public sector companies, institutions and foundations:

Paul Boudre

Stepped down from his Board member position at Alphawave IP, London, United Kingdom and Chairman of the Board position at Unity Semiconductor, Montbonnot-Saint-Martin, France in 2024.

Mariel Hoch

Board member, Chair of the Nomination and Governance Committee and member of the Audit Committee, SIG Combibloc Group AG, Neuhausen am Rheinfall; Board member and member of the Audit Committee, Komax Holding AG, Dierikon; Board member, MEXAB AG, Lucerne; Board member, The Schörling Foundation, Lucerne; Board member, Law & Economics Foundation, St. Gallen; Board member, Irene M. Staehelin Foundation, Zurich; Board member, Orpheum, Stiftung zur Förderung junger Solisten (a foundation), Zurich

Heinz Kundert

Chairman of R&S Group Holding AG, Sissach; Board member, Variosystems AG, Steinach; owner, Kundert Consulting Establishment, Schaan, Liechtenstein

Edeltraud Leibrock

Supervisory Board member, ALH Group, Oberursel, Germany; Advisory Board member, Artificial Intelligence Center Hamburg (ARIC), Hamburg, Germany; Executive Board member, Fraunhofer Alumni e.V., Germany. Stepped down from the following positions in 2024: Supervisory Board member – Deputy Chair, Baufi24 Baufinanzierung AG, Hamburg, Germany; Advisory Board member, Bilthouse GmbH, Hamburg, Germany; Advisory Board member, Loanboox GmbH, Zurich; Advisory Board member, Suntrace GmbH, Hamburg, Germany; Advisory Board member, Neoshare AG, Munich, Germany.

Irene Lee

Board member, JEP Holdings Ltd, Singapore; Board member, Key Point (Singapore) Pte Ltd, Singapore; Board member, Amethyst Micrometric (Singapore) Pte Ltd, Singapore. Joined Ying World Investments (Singapore) Pte Ltd as a Board member in 2024.

Benjamin Loh

International Board of Directors, SEMI Inc., Milpitas, CA, USA

04.2 Current and former members of the Executive Committee (including related parties)

A total of eight persons served as Executive Committee members during fiscal year 2024 (including one interim member). On average for the fiscal year, this represented 8.0 full-time equivalents (prior year: 7.0). The total compensation of the current and former members of the Executive Committee, as well as the highest individual compensation, are presented in the table below. Former members of the Executive Committee are those members who were partly active during 2024, but no longer active as of the year-end, and received compensation in the respective fiscal year.

Fiscal year 2024 (audited table)

In CHF (gross)	Current Executive Committee members [1]	Former Executive Committee members	**Total, Executive Committee**	**Of which Stephan Haferl (CEO)**
Fixed compensation (cash) [2]	2,671,798	–	**2,671,798**	**500,000**
Short-term incentive compensation (STIP, cash) [3]	803,067	–	**803,067**	**230,459**
Short-term incentive compensation (STIP, shares) [4]	249,487	–	**249,487**	**115,229**
Long-term incentive compensation (LTIP, PSUs) [5]	1,127,976	–	**1,127,976**	**345,279**
Subtotal	**4,852,328**	**–**	**4,852,328**	**1,190,967**
Other benefits, incl. benefits in kind [6]	19,391	–	**19,391**	**–**
Employer contributions to social security plans [7]	337,121	–	**337,121**	**75,745**
Retirement benefits [8]	374,462	–	**374,462**	**98,934**
Total compensation to members of the Executive Committee	**5,583,302**	**–**	**5,583,302**	**1,365,646**

[1] The composition of and changes in the Executive Committee membership are presented in the corporate governance report. The above items also include remuneration of interim members of the Executive Committee.

[2] For their work, the members of the Executive Committee receive a fixed compensation component, which is paid in cash. This item also includes any other, one-time cash compensation, such as length-of-service awards.

[3] This item represents the portion of the STIP compensation paid in cash for 2024, which is calculated based on the criteria of the compensation system. The actual payment occurs in the respective subsequent year.

[4] This item represents the portion of the STIP compensation for 2024 paid out in shares. The shares are effectively drawn in the following year, with the number of shares calculated based on the average value of the shares in the period between the publication of the annual results and the Annual Shareholder Meeting. The shares are subject to a lock-up period of three years from the grant date.

[5] This item represents the fair value at grant of performance share units (PSUs) awarded for the LTIP 2024-2026 in 2024. The PSUs will vest in the form of Comet shares after three years from the grant date (i.e., in May 2027). The number of Comet shares delivered in 2027 can vary between 0% and 200% of the initially awarded PSUs depending on the achievement of the underlying key performance indicators. The amount that was presented for 2023 was the year-end accounting expense for the LTIP 2023-2025. This change in the methodology used to disclose the LTIP amount has been made to align with general market practice. The fair value at grant of performance share units (PSUs) awarded for the LTIP 2023-2025 in 2023 was CHF 829,629.

[6] This item represents the annual cost of a company car for one Executive Committee member and the contribution toward temporary housing for two other Executive Committee members.

[7] This item represents employer contributions to the old age and survivors (AHV) and unemployment insurance plans (ALV), to the family allowance fund (FAK) and to the short-term disability insurance and accident insurance plans.

[8] This item represents employer contributions to the employee pension plans.

Fiscal year 2023 (audited table)

In CHF (gross)	Current Executive Committee members[1]	Former Executive Committee members	**Total, Executive Committee**	**Of which Stephan Haferl (CEO)**
Fixed compensation (cash)[2]	1,924,553	413,981	**2,338,534**	**500,000**
Short-term incentive compensation (STIP, cash)[3]	204,373	37,572	**241,945**	**77,689**
Short-term incentive compensation (STIP, shares)[4]	62,261	14,895	**77,156**	**38,845**
Long-term incentive compensation (LTIP, PSUs)[5]	84,149	—	**84,149**	**31,709**
Subtotal	**2,275,336**	**466,448**	**2,741,784**	**648,243**
Other benefits, incl. benefits in kind[6]	34,374	—	**34,374**	**—**
Employer contributions to social security plans[7]	266,404	46,075	**312,479**	**84,067**
Retirement benefits[8]	282,061	56,724	**338,785**	**101,263**
Total compensation to members of the Executive Committee	**2,858,175**	**569,247**	**3,427,422**	**833,573**

[1] The composition of and changes in the Executive Committee membership are presented in the corporate governance report. The above items also include remuneration of interim members of the Executive Committee.

[2] For their work, the members of the Executive Committee receive a fixed compensation component, which is paid in cash. This item also includes any other, one-time cash compensation, such as length-of-service awards.

[3] This item represents the portion of the STIP compensation paid in cash for 2023, which is calculated based on the criteria of the compensation system. The actual payment occurs in the respective subsequent year.

[4] This item represents the portion of the STIP compensation for 2023 paid out in shares. The shares are effectively drawn in the following year, with the number of shares calculated based on the average value of the shares in the period between the publication of the annual results and the Annual Shareholder Meeting. The shares are subject to a lock-up period of three years from the grant date.

[5] This item represents the accounting expense of performance share units (PSUs) awarded for the LTIP 2023-2025 in 2023. The PSUs will vest in the form of Comet shares after three years from the grant date (i.e., in May 2026). The number of Comet shares delivered in 2026 can vary between 0% and 200% of the initially awarded PSUs depending on the achievement of the underlying key performance indicators.

[6] This item represents the annual cost of a company car for one Executive Committee member and the contribution towards temporary housing for another Executive Committee member.

[7] This item represents employer contributions to the old age and survivors (AHV) and unemployment insurance plans (ALV), to the family allowance fund (FAK) and to the short-term disability insurance and accident insurance plans.

[8] This item represents employer contributions to the employee pension plans.

Activities and interests outside the Group

Article 23 of the Articles of Association, which is compliant with article 734e of the Swiss Code of Obligations, specifies the allowable number of other external positions that members of the Executive Committee may hold on top management or supervisory bodies, as follows:

- Members of the Executive Committee may each not hold more than one external position on the top management or supervisory body of an exchange-traded (i.e., listed) company and not more than four such external positions in non-listed companies.
- Not more than ten such positions may be held in associations, non-profit foundations, family foundations and employee pension funds.
- Positions in companies controlled by Comet Holding AG, or positions controlled by it, are not subject to restriction.

Some members of the Executive Committee hold board positions at subsidiaries of the Group. In addition, Stephan Haferl was a board member of Belimed AG, Zug, until April 30, 2024, Michael Berger was a board member of Band Cooperative, Bern, until May 22, 2024 and Meike Boekelmann was a board member of the Pact for Skills. The other members of the Executive Committee did not hold positions outside Comet on management or supervisory bodies of significant Swiss or foreign private sector or public sector companies, institutions or foundations at the balance sheet date. Therefore, no member of the Executive Committee of Comet Holding AG exceeded any limits for additional positions.

04.3 Shareholders' say on pay regarding Executive Committee compensation and compensation mix

The next two tables present a breakdown of the prospectively approved fixed compensation and the approved variable compensation of the Executive Committee members; approval is by the Annual Shareholder Meeting. For fiscal years 2024 and 2023, the fixed compensation was within the maximum aggregate amount approved by the Annual Shareholder Meeting. In addition, the third table below provides an overview of the compensation mix for fiscal years 2024 and 2023.

In CHF (gross)	**Total, Executive Committee**	
	2024	2023
Fixed compensation		
Fixed compensation – cash portion	2,671,798	2,338,534
Employer contribution to social security and retirement plans that is based on fixed compensation and other benefits, incl. benefits in kind	650,924	630,144
Total fixed compensation	**3,322,722**	**2,968,678**
Total maximum fixed compensation prospectively approved by the preceding Annual Shareholder Meeting	3,700,000	3,500,000
Within the pre-approved limit	**YES**	**YES**

In CHF (gross)	**Total, Executive Committee**	
	2024	2023
Variable compensation		
Short-term incentive compensation (STIP) – cash portion	803,067	241,945
Short-term incentive compensation (STIP) – shares portion	249,487	77,156
Long-term incentive compensation (LTIP) – shares [1]	1,127,976	84,149
Employer contribution to social security and retirement plans that is based on variable compensation	80,050	55,494
Total variable compensation	**2,260,580**	**458,744**
Total variable compensation approved by the Annual Shareholder Meetings [2]		3,028,787

1 The amount for 2023 represents the year-end accounting expense for the LTIP 2023-2025. The amount for 2024 represents the fair value at grant of performance share units (PSUs) awarded for the LTIP 2024-2026 in 2024. This change in the methodology used to disclose the LTIP amount has been made to align with general market practice. The fair value at grant of performance share units (PSUs) awarded for the LTIP 2023-2025 in 2023 was CHF 829,629.

2 This amount is the sum of the variable compensation prospectively approved by the preceding Annual Shareholder Meeting for the LTIP and the variable compensation retrospectively approved by the subsequent Annual Shareholder Meeting for the STIP.

In CHF (gross)	**Total, Executive Committee**	**Highest-paid member of the Executive Committee**	Total, Executive Committee [1]	Highest-paid member of the Executive Committee
	2024	**2024**	2023	2023
Total compensation to members of the Executive Committee	**5,583,302**	**1,365,646**	**3,427,422**	**833,574**
Total fixed compensation in % of total compensation	60%	47%	87%	80%
Total variable compensation in % of total compensation	40%	53%	13%	20%
Variable compensation paid in cash in % of total STIP/LTIP variable compensation (excl. social security/retirement benefits)	37%	33%	60%	52%
Variable compensation paid in shares in % of total STIP/LTIP variable compensation (excl. social security/retirement benefits)	63%	67%	40%	48%

[1] The percentages presented for 2023 were calculated based on the year-end accounting expense for the LTIP 2023-2025. The percentages presented for 2024 were calculated based on the fair value at grant of performance share units (PSUs) awarded for the LTIP 2024-2026 in 2024. This change in the methodology used for the valuation of the LTIP amount has been made to align with general market practice. Using the fair value at grant of performance share units (PSUs) awarded for the LTIP 2023-2025 in 2023, the percentages for 2023 would have been 71%, 29%, 21%, 79% instead of 87%, 13%, 60%, 40% respectively for the total Executive Committee.

04.4 Supplementary information on compensation

In fiscal year 2024, no signing bonuses were paid to present or former members of the Board of Directors or of the Executive Committee (prior year: nil). No termination benefits were granted or paid (prior year: nil).

In fiscal year 2024, no transactions with related parties were recorded and no interim management contracts were in place (prior year: nil).

No loans or other credits were granted to members of the Board of Directors or Executive Committee in the year under review (prior year: nil). No loans or other credits were outstanding at the balance sheet date (prior year: nil). As well, Comet did not provide any guarantees or other security in the year under review (prior year: nil).

No material changes related to compensation have occurred after the balance sheet date of December 31, 2024.

05 Disclosure of shareholdings of the Board of Directors and Executive Committee

As of December 31, 2024, the members of the Board of Directors and Executive Committee held a combined total of 0.2% of the outstanding shares of Comet Holding AG (prior year: 0.3%).

The ownership interests in Comet Holding AG held by members of the Board of Directors and Executive Committee are disclosed below. This disclosure includes all persons who held positions on the Board of Directors or Executive Committee as of December 31, 2024. The shareholdings shown include those of respective related parties.

	Total number of shares		Of which: number of shares subject to holding periods ending on			Freely disposable	**Share of voting rights**	
	2024	2023	4/14/2025	4/20/2026	4/22/2027		**2024**	2023
Paul Boudre Chair of the Board	**180**	–	–	–	180	–	**0.0%**	0.0%
Mariel Hoch Vice Chair of the Board	**1,908**	1,722	125	253	186	1,344	**0.0%**	0.0%
Heinz Kundert Member of the Board	**5,512**	5,191	250	436	321	4,505	**0.1%**	0.1%
Patrick Jany Member of the Board	**3,358**	3,198	125	218	160	2,855	**0.0%**	0.0%
Edeltraud Leibrock Member of the Board	**367**	200	–	200	167	–	**0.0%**	0.0%
Irene Lee Member of the Board	**128**	–	–	–	128	–	**0.0%**	0.0%
Benjamin Loh Member of the Board (since April 20, 2024)	**–**	–	–	–	–	–	**0.0%**	0.0%
Stephan Haferl Chief Executive Officer	**2,232**	2,108	359	976	124	773	**0.0%**	0.0%
Nicola Rotondo Interim CFO	**–**	–	–	–	–	–	**0.0%**	0.0%
Meike Boekelmann CHRO	**–**	–	–	–	–	–	**0.0%**	0.0%
Dionys Van de Ven President of X-Ray Systems division	**274**	237	–	208	37	29	**0.0%**	0.0%
Michael Berger President of X-Ray Modules division	**316**	278	–	244	38	34	**0.0%**	0.0%
Joeri Durinckx President of Plasma Control Technologies division	**–**	–	–	–	–	–	**0.0%**	0.0%
André Grede Chief Technology Officer	**178**	120	–	–	58	120	**0.0%**	0.0%
Robert Leindl Chief Information Officer	**–**	–	–	–	–	–	**0.0%**	0.0%

Each 10,000 registered shares of Comet Holding AG, of a par value of CHF 1.00 per share, represented 0.1286% of all voting power (prior year: 0.1286%). The members of the Board of Directors and Executive Committee held an aggregate total of 0.2% of voting rights (prior year: 0.3%). No material changes in ownership interests arose after the balance sheet date of December 31, 2024.

06 Proposals to the 2025 Annual Shareholder Meeting for compensation of the Board of Directors and Executive Committee

At the 2025 Annual Shareholder Meeting, the Board of Directors will propose the resolutions for the compensation of the Board and the Executive Committee.

The detailed proposals and the supporting reasoning will be delivered to shareholders with the notice of the 2025 Annual Shareholder Meeting.

07 Compensation outlook for 2025

The implementation of a company-wide revised job grading in 2024 allowed the creation of a Group compensation framework that takes effect in 2025. This framework has been designed to support fair pay, market competitiveness and cost management.

Shape the future
with confidence

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To the General Meeting of
Comet Holding AG, Flamatt

Berne, 4 March 2025

Report of the statutory auditor on the audit of the compensation report

Opinion
We have audited the compensation report of Comet Holding AG (the Company) for the year ended 31 December 2024. The audit was limited to the information pursuant to Art. 734a-734f of the Swiss Code of Obligations (CO) in the tables marked “audited table” on pages 70 to 73 of the compensation report.

In our opinion, the information pursuant to Art. 734a-734f CO in the accompanying compensation report complies with Swiss law and the Company’s articles of incorporation.

Basis for opinion
We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the “Auditor’s responsibilities for the audit of the compensation report” section of our report. We are independent of the Company in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information
The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the tables marked ”audited table” in the compensation report, the consolidated financial statements, the stand-alone financial statements and our auditor’s reports thereon.

Our opinion on the compensation report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the compensation report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the audited financial information in the compensation report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Board of Directors’ responsibilities for the compensation report
The Board of Directors is responsible for the preparation of a compensation report in accordance with the provisions of Swiss law and the Company's articles of incorporation, and for such internal control as the Board of Directors determines is necessary to enable the

preparation of a compensation report that is free from material misstatement, whether due to fraud or error. It is also responsible for designing the compensation system and defining individual compensation packages.

Auditor's responsibilities for the audit of the compensation report
Our objectives are to obtain reasonable assurance about whether the information pursuant to Art. 734a-734f CO is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this compensation report.

As part of an audit in accordance with Swiss law and SA-CH, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement in the compensation report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.

We communicate with the Board of Directors or its relevant committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors or its relevant committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

Ernst & Young Ltd

Martin Mattes (Qualified Signature)	Cristina Zimmermann (Qualified Signature)
Licensed audit expert (Auditor in charge)	Licensed audit expert

Comet Group Consolidated Financial Statements

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The complete 2024 consolidated financial statements (including the notes) are also available online at www.comet-group.com/en/investors

Consolidated statement of income

In thousands of CHF	Note	2024	%	2023	%
Net sales	3	445,362		397,453	
Cost of sales		(252,262)		(234,527)	
Gross profit		**193,100**	**43.4%**	**162,926**	**41.0%**
Other operating income	5	6,708	1.5%	7,843	2.0%
Development expenses	7	(67,258)	– 15.1%	(60,712)	– 15.3%
Marketing and selling expenses		(51,917)	– 11.7%	(45,725)	– 11.5%
General and administrative expenses		(42,403)	– 9.5%	(39,354)	– 9.9%
Operating income		**38,229**	**8.6%**	**24,978**	**6.3%**
Interest income	9	2,587	0.6%	1,632	0.4%
Interest expenses	9	(2,084)	– 0.5%	(2,214)	– 0.6%
Other financial expenses	9	(258)	– 0.1%	(178)	– 0.0%
Net gains or (losses) on derivative fair value	9	(1,412)	– 0.3%	1,791	0.5%
Net gains or (losses) on foreign exchange	9	3,173	0.7%	(7,014)	– 1.8%
Income before tax		**40,235**	**9.0%**	**18,994**	**4.8%**
Income tax	10	(5,116)	– 1.1%	(3,606)	– 0.9%
Net income		**35,119**	**7.9%**	**15,388**	**3.9%**
Earnings per share in CHF, diluted and basic	11	4.52		1.98	
Operating income		**38,229**	**8.6%**	**24,978**	**6.3%**
Depreciation, amortization and impairment	8	22,150	5.0%	20,018	5.0%
EBITDA		**60,380**	**13.6%**	**44,996**	**11.3%**

Consolidated statement of comprehensive income

In thousands of CHF	Note	2024	2023
Net income		35,119	15,388
Other comprehensive income			
Foreign currency translation differences		7,537	(14,981)
Total items that will be reclassified to the income statement on realization		**7,537**	**(14,981)**
Actuarial losses on defined benefit plans	24	(6,122)	(6,448)
Income tax	10	892	827
Total items that will not subsequently be reclassified to the income statement		**(5,230)**	**(5,622)**
Total other comprehensive income or (loss)		**2,308**	**(20,603)**
Total comprehensive income		**37,427**	**(5,215)**

Consolidated balance sheet

In thousands of CHF	Note	Dec. 31, 2024	%	Dec. 31, 2023	%
Assets					
Cash and cash equivalents		113,744		86,707	
Trade and other receivables	12	87,537		64,812	
Other assets	13	329		677	
Tax receivables		1,776		3,645	
Inventories	14	106,798		103,430	
Prepaid expenses	15	6,488		5,763	
Total current assets		**316,673**	**59.6%**	**265,035**	**56.0%**
Property, plant and equipment	16	125,715		128,398	
Right-of-use assets	17	30,337		26,400	
Intangible assets	18	35,159		36,555	
Other assets – non-current financial assets	13	1,769		2,239	
Deferred tax assets	10	21,517		14,951	
Total non-current assets		**214,496**	**40.4%**	**208,543**	**44.0%**
Total assets		**531,169**	**100.0%**	**473,578**	**100.0%**
Liabilities and shareholders' equity					
Current lease liabilities	17	5,405		3,528	
Trade and other payables	21	40,967		29,275	
Contract liabilities	3	16,228		17,345	
Other financial liabilities	13	1,001		—	
Tax payables		6,823		4,661	
Accrued expenses	22	23,764		17,100	
Current provisions	23	5,761		6,009	
Total current liabilities		**99,949**	**18.8%**	**77,919**	**16.5%**
Non-current debt	20	59,868		59,767	
Non-current lease liabilities	17	32,339		32,219	
Non-current provisions	23	275		255	
Employee benefit liabilities	24	12,547		6,794	
Deferred tax liabilities	10	754		533	
Total non-current liabilities		**105,782**	**19.9%**	**99,568**	**21.0%**
Total liabilities		**205,731**	**38.7%**	**177,486**	**37.5%**
Capital stock	25	7,774		7,774	
Capital reserve		2,986		2,986	
Treasury stock		(1,347)		(491)	
Retained earnings		357,606		334,941	
Foreign currency translation differences		(41,580)		(49,118)	
Total equity attributable to shareholders of Comet Holding AG		**325,438**	**61.3%**	**296,092**	**62.5%**
Total liabilities and shareholders' equity		**531,169**	**100.0%**	**473,578**	**100.0%**

Consolidated statement of cash flows

In thousands of CHF	Note	**2024**	2023
Net income		35,119	15,388
Income tax	10	5,116	3,606
Depreciation, amortization and impairment	8	22,150	20,018
Net interest (income) or expense and other financial expenses	9	(245)	760
Share-based payments		1,034	629
Losses on disposal of property, plant and equipment		173	34
Losses on disposal of intangible assets		242	12
Other non-cash (income) or expense		(867)	2,394
Change in provisions	23	(447)	(1,164)
Change in other working capital		(6,535)	(2,629)
Taxes paid		(5,777)	(16,791)
Net cash provided by operating activities		**49,963**	**22,257**
Purchases of property, plant and equipment	16	(10,327)	(24,450)
Purchases of intangible assets	18	(2,452)	(1,963)
Disposals of property, plant and equipment	16	1,104	956
Purchases of other assets		—	(544)
Disposals of other assets		106	1,175
Lease payments received	13	352	352
Interest received	9	2,668	1,632
Net cash (used in) investing activities		**(8,549)**	**(22,841)**
Repayment of lease liabilities	17	(7,124)	(3,949)
Lease incentive	17	1,604	3,105
Interest paid		(2,237)	(2,293)
Repurchase of treasury stock		(1,257)	(1,949)
Dividend payment to shareholders of Comet Holding AG	33	(7,772)	(28,764)
Net cash (used in) financing activities		**(16,786)**	**(33,851)**
Net increase or (decrease) in cash and cash equivalents		24,628	(34,435)
Foreign currency translation differences on cash and cash equivalents		2,409	(4,803)
Cash and cash equivalents at January 1		86,707	125,945
Cash and cash equivalents at December 31		**113,744**	**86,707**

Consolidated statement of changes in equity

In thousands of CHF	Note	Equity attributable to shareholders of Comet Holding AG Capital stock	Capital reserve	Retained earnings	Treasury stock	Foreign currency translation differences	Total shareholders' equity
January 1, 2023		**7,774**	**3,005**	**354,890**	**—**	**(34,137)**	**331,532**
Net income		—	—	15,388	—	—	15,388
Other comprehensive income		—	—	(5,622)	—	(14,981)	(20,603)
Total comprehensive income		**—**	**—**	**9,766**	**—**	**(14,981)**	**(5,215)**
Dividend payment to shareholders of Comet Holding AG	33	—	—	(28,764)	—	—	(28,764)
Alignment of capital reserve [1]		—	(19)	19	—	—	—
Purchase of treasury stock		—	—	—	(1,949)	—	(1,949)
Award of treasury stock under share-based compensation plans		—	—	59	1,458	—	1,517
Share-based payments – reversal of prior-period accrued expenses	29/30	—	—	(1,453)	—	—	(1,453)
Share-based payments – accrued expenses for current period	29/30	—	—	551	—	—	551
Adjustment of withholding tax in relation to dividend payment to Comet Holding AG		—	—	(127)	—	—	(127)
December 31, 2023		**7,774**	**2,986**	**334,941**	**(491)**	**(49,118)**	**296,092**
Net income		—	—	35,119	—	—	35,119
Other comprehensive income		—	—	(5,230)	—	7,537	2,308
Total comprehensive income		**—**	**—**	**29,889**	**—**	**7,537**	**37,427**
Dividend payment to shareholders of Comet Holding AG	33	—	—	(7,772)	—	—	(7,772)
Purchase of treasury stock		—	—	—	(1,257)	—	(1,257)
Award of treasury stock under share-based compensation plans		—	—	78	401	—	479
Share-based payments – reversal of prior-period accrued expenses	29/30	—	—	(486)	—	—	(486)
Share-based payments – accrued expenses for current period	29/30	—	—	955	—	—	955
December 31, 2024		**7,774**	**2,986**	**357,606**	**(1,347)**	**(41,580)**	**325,438**

[1] In the prior year, the amount of the capital reserve reported in the consolidated financial statements was aligned to that of the capital reserve reported in the separate financial statements of Comet Holding AG.

Notes to the consolidated financial statements

01 Nature of the business activities

The Comet Group (“Comet”, the “Group”) is one of the world’s leading vendors of x-ray and radio frequency (RF) power technology. With high-quality components, systems and services, marketed under the “Comet” and “Comet Yxlon” brands, the Group helps its customers optimize the quality, reliability and efficiency of their products and processes. Comet Yxlon x-ray systems for non-destructive inspection are supplied to end customers in the electronics, automotive and aerospace sectors. Under the Comet brand, the Group builds components and modules such as x-ray sources, vacuum capacitors, RF generators and impedance matching networks, marketed to manufacturers in the semiconductor, automotive and aerospace industries as well as the security sector.

02 Accounting policies

The consolidated financial statements (except with respect to certain financial instruments) have been drawn up under the historical cost convention. The fiscal year-end for the financial statements of all Group companies is December 31. These consolidated financial statements have been prepared in compliance with Swiss stock corporation law and IFRS Accounting Standards. All IFRS Accounting Standards in force at the balance sheet date and all interpretations (IFRIC) of the International Accounting Standards Board (IASB) were applied. Comet did not early-adopt new standards and interpretations unless specifically stated. The significant accounting policies applied are unchanged from the prior year except as set out below.

As a result of rounding and the presentation in thousands of Swiss francs, individual numbers in the consolidated financial statements may not sum precisely to the totals indicated.

02.1 Changes in accounting policies

Revised and new accounting rules

With effect from January 1, 2024, Comet has applied the following new or adjusted IFRS Accounting Standards/IFRIC for the first time:

- IAS 1 – Presentation of Financial Statements: Classification of Liabilities as Current or Non-current, and Non-current Liabilities with Covenants (Amendments to IAS 1)
- IFRS 16 – Lease Liability in a Sale and Leaseback (Amendments to IFRS 16)
- IAS 7 and IFRS 7 – Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7)

The new or amended standards and interpretations had no material effect on the Group's financial position, results of operations and cash flows.

02.2 New accounting rules becoming effective in subsequent periods

Standard	Expected impact	Effective date	Planned adoption by Comet
IAS 21 – Lack of Exchangeability (Amendments to IAS 21)	*	Jan. 1, 2025	Fiscal year 2025
IFRS 9 and IFRS 7 – Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7)	*	Jan. 1, 2026	Fiscal year 2026
IFRS 9 and IFRS 7 – Amendments to Power Purchase Agreements (Amendments to IFRS 9 and IFRS 7)	*	Jan. 1, 2026	Fiscal year 2026
IFRS 18 – Presentation and Disclosure of Financial Statements	*	Jan. 1, 2027	Fiscal year 2027
IFRS 19 – Subsidiaries without Public Accountability: Disclosures	*	Jan. 1, 2027	Fiscal year 2027

* Expected to have no, or no significant, impact on the financial position, results of operations and cash flows.

02.3 Estimates

Comet's consolidated financial statements contain assumptions and estimates that affect the reported financial position, results of operations and cash flows. These assumptions and estimates were made on the basis of management's best knowledge at the time of preparation of the accounts. Actual results may differ from the values presented. The following estimates have the greatest effects on the consolidated financial statements:

- Intangible assets (see notes 18 and 19): For acquisitions, the fair value of the acquired net assets (including acquired intangible assets) is estimated. Any amount paid in excess of this estimate represents goodwill. Intangible assets with a finite life are written off over the expected period of use; those with an indefinite life (primarily goodwill and rights to trademarks and names) are not amortized but are tested annually for impairment. Especially in the determination of the value in use of goodwill and rights to trademarks and names, differences between assumed and actual outcomes could lead to changes in the results of impairment testing. The assumptions concerning the achievable margins and the growth rates have a significant impact on impairment test outcomes. The valuation of goodwill and other intangibles, as well as the estimation

of useful life, have an effect on the consolidated financial statements.
- Provisions (see note 23) are, by definition, liabilities of uncertain amount. Future events can thus lead to adjustments that affect income.
- Deferred tax assets (see note 10) are recognized only if it is likely that taxable profits will be earned in the future. The tax planning is based on estimates and assumptions as to the future profit trajectories of the Group companies that may later prove incorrect. This can lead to changes with an effect on income.
- Employee benefit plans (see note 24): The Group operates employee benefit plans for its staff that are classified as defined benefit plans under IFRS Accounting Standards. These defined benefit plans are valued annually, which requires the use of various assumptions. Differences between the actual outcomes and the assumptions, particularly as to the discount rate for future obligations and as to life expectancy, may have effects on the valuation of plan assets and thus on the financial position of the Group. The impact of the most important parameters on the net present value of the obligation is presented in note 24.

Business environment

After a pronounced correction in 2023, the semiconductor market began to recover in 2024, primarily driven by the increasing demand for AI-related applications. However, the pace of recovery has varied across segments. Memory and NAND markets have remained under pressure, largely due to weak demand in consumer-oriented sectors such as automotive, smartphones, and PCs, where replacement cycles have not yet started. Industrial segments also faced headwinds, which were mainly felt in the two x-ray divisions IXS and IXM. On the other hand, PCT was able to benefit from the gradual recovery of the semiconductor industry. Although short-term challenges persist, the long-term outlook for the semiconductor industry and its suppliers remains promising. The accelerating digitalization and electrification of the economy and society is expected to fuel strong demand for semiconductors in the years to come.

With respect to ongoing sources of uncertainty such as trade restrictions and geopolitical tensions, Comet critically reviewed the assumptions and estimates that affect the financial position, results of operations and cash flows. In this review, no relevant changes were identified that would have a material impact on these financial statements.

02.4 Consolidation

02.4.1 Basis of consolidation

In 2024, there were no changes in the basis of consolidation from the prior year.

The consolidated financial statements thus comprise the accounts of the companies listed below:

		Equity interest and voting rights in %	
Company	Registered office	**2024**	2023
Comet Holding AG	Flamatt, Switzerland	100%	100%
Comet AG	Flamatt, Switzerland	100%	100%
Comet Electronics (Shanghai) Co. Ltd.	Shanghai, China	100%	100%
Comet Mechanical Equipment (Shanghai) Co. Ltd.	Shanghai, China	100%	100%
Comet Solutions Taiwan Ltd.	Hsinchu County, Taiwan	100%	100%
Comet Technologies Canada Inc.	Montreal, Canada	100%	100%
Comet Technologies Denmark A/S	Taastrup, Denmark	100%	100%
Comet Technologies Japan KK	Yokohama, Japan	100%	100%
Comet Technologies Korea Co. Ltd.	Suwon, Korea	100%	100%
Comet Technologies Malaysia Sdn. Bhd.	Penang, Malaysia	100%	100%
Comet Technologies USA, Inc.	Shelton, CT, USA	100%	100%
Comet Yxlon GmbH	Hamburg, Germany	100%	100%
Yxlon (Beijing) X-Ray Equipment Trading Co. Ltd. in liquidation [1]	Beijing, China	100%	100%

[1] In December 2024, the company announced the liquidation procedures to the Beijing authorities. Official registration of liquidation will follow in due course.

02.4.2 Method of consolidation

The consolidated financial statements represent the aggregation of the annual accounts of the individual Group companies, which are prepared using uniform accounting principles. Those companies controlled by Comet Holding AG are fully consolidated. This means that these companies' assets, liabilities, equity, expenses and income are entirely included in the consolidated financial statements. All intragroup balances and transactions, unrealized gains and losses resulting from intragroup transactions, and dividends are eliminated in full.

Acquisitions and goodwill

Companies are consolidated from the date on which effective control passes to the Group. Consolidation ends only when effective control ceases. On acquisition, the identifiable assets, liabilities and contingent liabilities are measured at fair value and included in the accounts using the acquisition method. For acquisitions, intangible assets that arise from a contractual or legal right or are separable from the business entity, and whose fair value can be measured reliably, are reported separately. Goodwill, being the excess of the aggregate consideration transferred over the fair value of the net assets of the acquired subsidiary, is initially measured at cost. If the aggregate consideration transferred is lower than the fair value of the acquired net assets, the difference is recognized as negative goodwill in other operating income at the acquisition date. Goodwill and other intangible assets are allocated on acquisition to those cash-generating units expected to benefit from the acquisition or to generate future cash flows as a result of it. When Group companies are sold, the difference between their sale price and their net assets, plus accumulated currency translation differences, is recognized as operating income in the consolidated statement of income.

Foreign currency translation

The functional currency of the Group companies is usually the respective national currency. In fiscal year 2024, Comet reevaluated the functional currency for Comet Technologies Malaysia Sdn. Bhd. As financing and operations cash flows are mainly denominated in USD, the functional currency was changed to USD for Comet Technologies Malaysia Sdn. Bhd. Transactions in a currency other than the functional currency are translated at the exchange rate prevailing at the transaction date. Financial assets and liabilities are translated at the balance sheet date at the exchange rate as of that date; the resulting currency translation differences are reported in the income statement. The consolidated financial statements are presented in Swiss francs. The financial statements of the Group companies are translated at the average exchange rates for the year (the “average rate” in the table below) for the income statement and at year-end rates (the “closing rate”) for the balance sheet. The resulting currency translation differences are recognized in other comprehensive income. Currency translation differences from intragroup loans for the long-term financing of Group companies are partly recognized in other comprehensive income, to the extent that repayment is neither planned nor is likely to occur in the foreseeable future.

The exchange rates used to translate the most important currencies are listed below:

			Closing rate		Average rate	
Country or region			**Dec. 31, 2024**	Dec. 31, 2023	**2024**	2023
USA	USD	1	0.903	0.841	0.881	0.899
Eurozone	EUR	1	0.940	0.929	0.953	0.972
China	CNY	1	0.123	0.118	0.122	0.127
Japan	JPY	100	0.578	0.597	0.582	0.641
Denmark	DKK	1	0.126	0.125	0.128	0.130
Republic of Korea	KRW	1,000	0.613	0.650	0.647	0.689
Malaysia	MYR	1	0.202	0.183	0.193	0.198
Canada	CAD	1	0.630	0.635	0.643	0.666
Taiwan	TWD	100	2.754	2.751	2.744	2.886

02.5 Measurement and recognition policies

Revenue recognition (sales and other income)

The Group's revenue is derived from the sale of goods (including spare parts) by the PCT and IXM divisions and the sale of systems (including services such as installation) by the IXS division. Revenue from the sale of goods, including spare parts, systems and system-related services, is as a rule recognized on the basis of a single performance obligation, which is satisfied at a specific point in time. The performance obligation is satisfied, and the revenue recognized, when the customer acquires control of the product or service. In the sale of goods that are not systems, the transfer of control generally occurs at the time of delivery. Generally, performance obligations for system sales (including for installation) are fulfilled at the time of acceptance by the customer. In limited circumstances, the delivery of the system and the system installation can form two separate performance obligations. In connection with both non-system goods and with systems, Comet also offers services. Warranty obligations for providing an additional service to the customer (service-type warranties), such as an extension of the warranty period, are separate performance obligations and the revenue associated with them is recognized over time. For general maintenance services and defect correction intended to ensure that the delivered good is, or performs, as specified in the contract (assurance-type warranties), the estimated cost of the liability is recognized as a provision in accordance with IAS 37.

Customer contributions to development projects and payments for the delivery of the respective first prototype are recorded in other operating income; subsequent deliveries of prototypes are reported as sales.

Variable price elements (variable consideration) exist both in retroactive rebates when the quantity of products purchased exceeds a certain threshold in the calendar year, and in individual discounts on products. The amount of the rebate is estimated using the most-likely-amount method and as a rule is allocated proportionately to all performance obligations under the contract.

Sales commissions owed for agent activities are capitalized at contract inception as incremental costs attributable to obtaining a contract and a liability of equal amount is recognized for sales commissions. Their recognition as an expense occurs as soon as Comet has transferred control of the products to the customer. In principle, no interest effect is recognized for contract liabilities and prepayments by customers, as the period between the time of transfer of a promised good or service to the customer and the time of payment is not more than one year.

Cash and cash equivalents

In addition to cash on hand and balances in checking accounts at banks, cash and cash equivalents include short-term highly liquid cash investments and time deposits with original maturities of up to three months. Time deposits and similar instruments with original maturities of more than three months, but less than twelve months, are classified as other current financial assets.

Trade and other receivables and contract assets

Comet provides for impairment using the simplified approach by recognizing an allowance in the amount of the losses expected over the remaining life of the instruments (known as the expected credit loss model). For specific doubtful arrears with objective indications of impairment, impairment charges are applied individually.

Whether a receivable or a contract asset is recognized is governed by whether the right to consideration is unconditional (leading to recognition of a receivable) or conditional (leading to recognition of a contract asset).

Financial assets and liabilities

Financial assets and liabilities are initially measured at fair value (market value), including transaction costs, except in the case of financial assets categorized as at fair value through profit or loss, for which transaction costs are recorded directly in financing expenses. All purchases and sales of financial assets are recognized at the transaction date.

- Financial items at fair value through profit or loss: These include all derivatives, trading positions, and certain financial assets and liabilities designated as falling into this category. These assets and liabilities are recognized at fair value in the balance sheet. Changes in fair value are reported as financing income or expense in the reporting period in which they occur.
- Financial items at amortized cost: These are measured at cost using the effective interest method.

In the fiscal year as in the prior year, no hedge accounting under IFRS 9 was applied to any hedging transactions.

Inventories

Inventories are recorded at the lower of cost and net realizable value. Net realizable value represents the estimated normal sale price less the costs of completion, marketing, selling and distribution. Raw materials and purchased products are measured using the weighted-average method; internally produced goods are measured at standard costs. Inventories include proportionate shares of production overheads.

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment. Borrowing costs related to qualifying assets form part of the historical cost. Depreciation is provided on a straight-line basis over the estimated useful life of the assets. The expense for depreciation of property, plant and equipment is recognized in the income statement under that expense category which corresponds to the function of the particular asset in the Group. Land values are not depreciated. Impairment charges are recognized as a separate line item under accumulated depreciation and impairment. Maintenance costs are recognized as assets only if the maintenance extends the expected life of the asset, expands production capacity or otherwise increases asset values. The costs of maintenance and repair that do not increase asset values are charged directly to income. The following estimated useful lives are applied in determining depreciation:

Real estate	20-40 years
Plant and equipment	6-10 years
Other tangible assets	3-10 years

Right-of-use assets and lease liabilities

At the inception of every contract, Comet assesses whether it includes a lease, separating lease components from non-lease components. No assets and liabilities are recognized for leases with a term of one year or less and for leases of low-value assets (with a value when new of less than CHF 5,000); the expenses for these are recognized directly in the income statement. The initial measurement of the right of use for a leased asset is made by calculating the present value of the lease payments, plus initial direct costs, plus estimated costs for dismantling, removal and restoration, less lease incentives received. The lease liabilities correspond to the present value of the discounted payment obligations. For discounting the lease payments, Comet uses the interest rate implicit in the lease. In doing so, the currency area in which the leased asset is located and the Comet-specific credit risk are taken into account. Comet primarily has leases with fixed payments, which includes leases with rent-free periods and ones with rising payments. Leases with variable payments are immaterial.

Comet's leases may include renewal options. These are included in the calculations only if, taking into account all significant determining factors, they are considered highly likely to be exercised. For indefinite leases, the following principles apply (the extension periods cited are from the lease inception or from the expiry of the minimum lease term):

	Maximum extension
Buildings	3 years
Equipment	2 years
Other assets	1 year

Intangible assets

The intangible assets recognized are goodwill, rights to trademarks and names, customer lists, technology, licenses, patents, and software. Intangible assets are recognized at cost and generally amortized on a straight-line basis over their expected useful life. Goodwill and acquired rights to trademarks and names are not amortized but are tested annually for impairment (see note 2, section "Impairment of non-current assets"). The expense for amortization of intangible assets with finite useful lives is recognized in the income statement under that expense category which corresponds to the function of the particular asset in the Group. The following estimated useful lives are generally applied in determining amortization:

Customer lists	10-15 years
Technology	5-10 years
Software	3-5 years
Other intangible assets	5-7 years

Provisions

Provisions are recognized only where Comet has a present obligation to a third party arising from a past event and the amount of the obligation can be estimated reliably. No provisions are recognized for possible losses that may result from future events.

Provisions are classified as current to the extent that the related cash outflows are expected to occur within one year from the balance sheet date. Conversely, the cash outflows in respect of non-current provisions are expected to occur more than twelve months after the balance sheet date. If the interest effect is material, the cash outflows are discounted.

Post-employment benefits

Comet maintains post-employment benefit plans for its employees which differ according to the local circumstances of the individual Group companies. The benefit plans are financed by contributions to benefit arrangements that are separate legal entities (foundations or insurance companies) or by the accumulation of reserves in the balance sheet of the respective Group company. In the case of defined contribution plans or economically equivalent arrangements, the expenses accrued in the reporting period represent the agreed contributions of the Group company.

For defined benefit plans, the service costs and the present value of the defined benefit obligation are calculated in actuarial valuations by independent experts, using the projected unit credit method. The calculations are updated annually. The surplus or deficit recognized in the balance sheet is equal to the present value of the defined benefit obligation as determined by the actuary, less the fair value of plan assets. Any resulting net surplus is recognized as an asset only to the extent of the potential economic benefit that may be realized from this asset in the future, taking into consideration IFRIC 14. The expense charged to income is the actuarially determined service cost plus the net interest cost. Actuarial gains and losses are recognized in other comprehensive income. They comprise experience adjustments (the effects of differences between the previous actuarial assumptions and the observed outcomes) and the effects of changes in actuarial assumptions (particularly regarding the discount rate and life expectancy).

Length-of-service awards

Comet grants length-of-service awards to its employees after a certain number of years of service, in the form of lump-sum payments that increase in amount with the number of years of employment. Comet calculates the resulting obligation using the projected unit credit method. The calculation is updated annually. Any actuarial gains or losses from the remeasurement are immediately taken to income.

Share-based payments

Part of the variable compensation of the members of the Executive Committee under the short-term incentive plan (STIP), and part of the fixed compensation of the Board of Directors, is paid in stock. In addition, the Executive Committee is granted stock under a long-term incentive plan (LTIP). The expense is recognized at the value of the stock earned, measured at the quoted market price (fair value) at the grant date. The amount accrued for those components of compensation which must be equity-settled (i.e., for which there is no option of cash payment) is recognized directly in equity. For components which the beneficiary can choose to receive in equity or in cash, the value of the option which this choice represents is determined and recognized as an increase in equity, while the rest of the obligation is recorded as a liability.

Treasury stock

Comet purchases treasury stock for share-based compensation of the Executive Committee and Board of Directors. Treasury stock is recognized at acquisition cost and deducted from shareholders' equity at the time of acquisition. Comet applies the first-in-first-out (FIFO) principle when using treasury stock for share-based compensation programs. In general, treasury stock is not held for more than six years at maximum.

Income tax

The income tax expense for the reporting period is composed of current taxes and deferred taxes.

Current taxes

Current tax liabilities and assets for the current period and prior reporting periods are recognized based on the amount expected to be payable to or refunded by the tax authorities. They are calculated based on the tax regulations and tax rates in effect at the balance sheet date.

Deferred taxes

Deferred taxes are accounted for by the liability method. Under this approach, the income tax effects of temporary differences between the tax bases and the values used in the consolidated financial statements are recorded as non-current liabilities or non-current assets. Deferred taxes are calculated at actual or expected local tax rates. Changes in deferred taxes are included in income tax expense in the income statement, except for deferred taxes in respect of items that are recognized outside profit or loss. These latter deferred taxes are likewise recognized outside profit or loss; according to the underlying accountable event, they are recognized either in other comprehensive income or directly in equity. Deferred tax liabilities are recognized on all taxable temporary differences except for goodwill. Deferred tax assets are recognized for all deductible temporary differences, the carryforward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carryforward of unused tax credits and unused tax losses can be utilized, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit for the period nor taxable profit or loss.
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future.

Impairment of non-current assets

The value of property, plant and equipment and other non-current assets, including intangibles, is reviewed whenever it appears possible, as a result of changed circumstances or events, that the assets' carrying amount represents an overvaluation. In addition, Comet evaluates at year-end whether there are any indications of impairment of non-financial assets. Intangible assets that are in the process of being generated are tested for impairment annually. If the carrying amount exceeds the amount recoverable through use or sale of the asset, the carrying amount is reduced to this recoverable amount and the difference is recorded as an impairment charge in the income statement. The recoverable amount is the higher of realizable value or value in use.

Value in use is determined on the basis of discounted expected future cash flows. Any acquired goodwill and any rights to trademarks or names with an indefinite useful life are not amortized but are reviewed annually at the same date for impairment. This impairment test is based on the results for the fiscal year, the rolling multi-quarter forecast and the rolling multi-year plan.

03 Net sales

In the following tables, sales revenue by division is analyzed first by region and then by market sector.

Sales split by geographic region

In thousands of CHF	Plasma Control Technologies (PCT)		X-Ray Systems (IXS)		Industrial X-Ray Modules (IXM)		Consolidated	
	2024	2023	**2024**	2023	**2024**	2023	**2024**	2023
Geographic region								
Europe	10,547	10,390	30,027	26,887	30,837	35,248	71,411	72,525
North America	52,621	55,614	13,399	13,957	22,300	23,165	88,319	92,736
Asia	183,904	126,976	66,351	68,961	27,665	28,027	277,920	223,965
Rest of world	319	176	6,059	7,021	1,333	1,031	7,711	8,228
Total net sales	**247,391**	**193,155**	**115,836**	**116,826**	**82,135**	**87,472**	**445,362**	**397,453**

Sales split by market sector

In thousands of CHF	**2024**	2023
PCT		
Semiconductor	226,719	175,077
Others	20,672	18,078
Total PCT	**247,391**	**193,155**
IXS		
Electronics	47,702	51,472
Automotive	29,231	32,402
Science & new materials	22,035	19,124
Aerospace	10,096	10,476
Others	6,772	3,352
Total IXS	**115,836**	**116,826**
IXM		
Non-destructive testing	56,308	57,126
Security	11,673	12,890
Others	14,154	17,455
Total IXM	**82,135**	**87,471**
Total net sales	**445,362**	**397,453**

Unsatisfied performance obligations

The unsatisfied or partly unsatisfied performance obligations (so-called order backlog) as of December 31, 2024, amounted to CHF 141 million (prior year: CHF 131 million). Comet will realize this revenue as soon as the performance obligations have been fulfilled and the customers have acquired control of the products or services. This is expected generally to be the case within the next 12 months.

Contract balances

Opening and closing balances of receivables and contract assets are reported in note 12. Contract liabilities from contracts with customers are presented on the face of the balance sheet. The contract assets consisted mainly of the rights to consideration for product deliveries and services of the X-Ray Systems division that were completed but not yet billed at the balance sheet date. The contract liabilities consisted of prepayments received from customers. The revenue recognized in 2024 from contract liabilities existing at the beginning of the reporting period amounted to CHF 12.8 million (prior year: CHF 10.5 million). Material changes in contract balances result from the receipt of customer payments and the invoicing of satisfied performance obligations.

04 Segment reporting

The Group is managed on the basis of the following three operating divisions, which are delineated based on their products and services. For financial reporting purposes the divisions are also referred to here as "operating segments" or "segments".

- The **Plasma Control Technologies (PCT)** division develops, manufactures and markets vacuum capacitors, radio frequency (RF) generators and RF impedance matching networks for the high-precision control of plasma processes required, for instance, in the production of memory chips and flat panel displays.
- The **X-Ray Systems (IXS)** division develops, manufactures and markets x-ray systems, and provides related services, for non-destructive examination using x-ray and microfocus technology and computed tomography.
- The **Industrial X-Ray Modules (IXM)** division develops, manufactures and markets highly compact x-ray sources and portable x-ray modules for non-destructive examination, steel metrology, and security inspection.

Segment operating income represents all revenues and expenses attributable to a particular division. The only revenues and expenses not allocated to the segments are those of Comet Holding AG, as well as financing income, financing expenses and income taxes. These unallocated expenses and revenues are reported in the "Corporate" column. Transactions between the segments are invoiced at prices also charged to third parties.

The segment assets and liabilities represent all operating items. The following assets and liabilities are not allocated to operating segments: the assets and liabilities of Comet Holding AG, all cash and cash equivalents, all debt and all income tax assets and liabilities. These unallocated assets and liabilities are reported in the "Corporate" column.

04.1 Operating segments

Fiscal year 2024

In thousands of CHF	Plasma Control Technologies (PCT)	X-Ray Systems (IXS)	Industrial X-Ray Modules (IXM)	Elimination of intersegment activity	Corporate	Consolidated
Net sales						
External net sales	247,391	115,836	82,135	—	—	445,362
Intersegment sales	—	52	12,436	(12,488)	—	—
Total net sales	**247,391**	**115,888**	**94,571**	**(12,488)**	**—**	**445,362**
Segment operating income	**40,225**	**(8,854)**	**9,474**	**(138)**	**—**	**40,708**
Unallocated costs	—	—	—	—	(2,478)	(2,478)
Operating income	**40,225**	**(8,854)**	**9,474**	**(138)**	**(2,478)**	**38,229**
Interest income						2,587
Interest (expenses)						(2,084)
Other financial expenses						(258)
Net losses on derivative fair value						(1,412)
Net gains on foreign exchange						3,173
Income before tax						**40,235**
Income tax						(5,116)
Net income						**35,119**
EBITDA	**52,734**	**(4,306)**	**14,567**	**(138)**	**(2,478)**	**60,380**
EBITDA in % of net sales	21.3%	(3.7%)	15.4%			13.6%
Assets and liabilities at Dec. 31, 2024						
Segment assets	200,481	98,958	92,220	—	139,510	531,169
Segment liabilities	(65,956)	(48,355)	(21,830)	—	(69,591)	(205,731)
Net assets	**134,525**	**50,603**	**70,390**	**—**	**69,919**	**325,438**
Other segment information						
Additions to right-of-use asset	4,630	2,311	1,544	—	—	8,484
Additions to property, plant and equipment & intangible assets	6,502	2,475	3,803	—	—	12,779
Depreciation, amortization and impairment	12,510	4,548	5,093	—	—	22,150
Change in provisions	(450)	45	(42)	—	—	(447)
Other non-cash expense or (income)	(1,724)	(26)	400	(28)	511	(867)
Number of employees at year-end	942	506	362	—	—	1,810

Fiscal year 2023

In thousands of CHF	Plasma Control Technologies (PCT)	X-Ray Systems (IXS)	Industrial X-Ray Modules (IXM)	Elimination of intersegment activity	Corporate	Consolidated
Net sales						
External net sales	193,155	116,826	87,472	—	—	397,453
Intersegment sales	—	134	12,787	(12,921)	—	—
Total net sales	**193,155**	**116,961**	**100,258**	**(12,921)**	**—**	**397,453**
Segment operating income	**7,192**	**671**	**19,580**	**761**	**—**	**28,204**
Unallocated costs	—	—	—	—	(3,226)	(3,226)
Operating income	**7,192**	**671**	**19,580**	**761**	**(3,226)**	**24,978**
Interest income						1,632
Interest (expenses)						(2,214)
Other financial expenses						(178)
Net gains on derivative fair value						1,791
Net losses on foreign exchange						(7,014)
Income before tax						**18,994**
Income tax						(3,606)
Net income						**15,388**
EBITDA	**18,719**	**4,923**	**23,819**	**761**	**(3,226)**	**44,996**
EBITDA in % of net sales	9.7%	4.2%	23.8%			11.3%
Assets and liabilities at Dec. 31, 2023						
Segment assets	181,421	95,340	88,105	—	108,713	473,578
Segment liabilities	(52,386)	(44,018)	(14,854)	—	(66,228)	(177,486)
Net assets	**129,035**	**51,321**	**73,252**	**—**	**42,484**	**296,092**
Other segment information						
Additions to right-of-use asset	4,044	1,010	164	—	—	5,217
Additions to property, plant and equipment & intangible assets	19,224	3,282	3,907	—	—	26,413
Depreciation, amortization and impairment	11,527	4,252	4,239	—	—	20,018
Change in provisions	(443)	(894)	172	—	—	(1,165)
Other non-cash expense or (income)	(74)	463	(44)	104	1,945	2,394
Number of employees at year-end	787	463	327	—	—	1,577

Reconciliation of aggregate segment assets and liabilities to consolidated results

In thousands of CHF	**2024**	2023
Operating segments' assets	391,657	364,866
Cash and cash equivalents	113,744	86,707
Other assets	2,098	2,883
Tax receivables	1,776	3,645
Deferred tax assets	21,517	14,951
Comet Holding AG's receivables from third parties	379	528
Total assets	**531,169**	**473,578**
Operating segments' liabilities	(136,141)	(111,258)
Non-current debt	(59,868)	(59,767)
Derivatives used for foreign exchange hedging	(1,001)	—
Tax payables	(6,823)	(4,661)
Deferred tax liabilities	(754)	(533)
Comet Holding AG's payables to third parties	(1,143)	(1,267)
Total liabilities	**(205,731)**	**(177,486)**

04.2 Geographic information

Comet markets its products and services throughout the world and has its own companies in Switzerland, Germany, Denmark, the USA, China, Japan, South Korea, Malaysia, Canada and Taiwan. Net sales are allocated to countries on the basis of customer location.

Net sales by region

In thousands of CHF	**2024**	2023
Switzerland	4,497	5,007
Germany	32,147	34,324
Rest of Europe	34,768	33,194
Total, Europe	**71,411**	**72,525**
Total, North America	**88,319**	**92,736**
China	120,152	108,040
Japan	18,228	20,626
Malaysia	56,319	28,002
Rest of Asia	83,222	67,297
Total, Asia	**277,920**	**223,965**
Rest of world	7,711	8,228
Total	**445,362**	**397,453**

Property, plant and equipment, right-of-use assets and intangible assets are allocated to the regions based on the country entities' location.

Property, plant and equipment, right-of-use assets and intangible assets by region

In thousands of CHF	**2024**	2023
Switzerland	107,613	108,935
Germany	35,765	37,388
North America	36,893	37,562
Rest of world	10,941	7,469
Total	**191,211**	**191,353**

04.3 Sales with key accounts

In the year under review, the Plasma Control Technologies division recorded sales of CHF 106 million with its largest customer, which represented 23.8% of Group sales (prior year: CHF 71 million and 17.7%, respectively).

05 Other operating income

In thousands of CHF	2024	2023
Income from the development of prototypes	4,121	4,610
Customers' contributions to development projects	268	28
Government grants	1,329	923
Miscellaneous income	990	2,282
Total other operating income	**6,708**	**7,843**

06 Staff costs and staff count

06.1 Staff costs

In thousands of CHF	2024	2023
Wages and salaries	145,569	132,831
Employee benefits	25,035	22,728
Total staff costs	**170,604**	**155,559**

06.2 Staff count

	2024	2023
Number of employees at year-end	1,810	1,577
Average full-time equivalents during the year	1,610	1,548

07 Development expenses

Development expenses comprise the costs of new-product development, improvement of existing products, and process engineering. Comet’s development activities focus on the fields of vacuum technology, high voltage engineering and material science, and on the further development of the divisions’ core products. In view of the uncertainty of future economic benefits that may flow from development projects, Comet as a rule does not capitalize development costs but charges them directly to the income statement.

08 Amortization, depreciation and impairment

In thousands of CHF	2024	2023
Amortization of intangible assets	3,724	2,392
Depreciation of right-of-use assets	4,902	5,159
Depreciation of property, plant and equipment	13,478	12,467
Total amortization and depreciation	**22,104**	**20,018**
Impairment of property, plant and equipment	46	—
Total impairment	**46**	**—**
Total amortization, depreciation and impairment	**22,150**	**20,018**

09 Financing income and expenses

In thousands of CHF	2024	2023
Interest income from leases	47	54
Other interest income	2,540	1,578
Total interest income	**2,587**	**1,632**
Interest expense for bond	(880)	(879)
Interest expense for leases	(1,177)	(1,302)
Other interest expense	(27)	(33)
Total interest expenses	**(2,084)**	**(2,214)**
Net interest income or (expense)	**503**	**(582)**
Other financial expenses	**(258)**	**(178)**
Gains on derivative fair value	617	1,952
Losses on derivative fair value	(2,029)	(161)
Net (losses) or gains on derivative fair value	**(1,412)**	**1,791**
Gains on foreign currency translation	5,572	3,264
Losses on foreign currency translation	(2,399)	(10,279)
Net gains or (losses) on foreign currency translation	**3,173**	**(7,014)**
Total net financing income or (expense)	**2,006**	**(5,983)**

Foreign currency translation gains and losses resulted largely from items denominated in US dollars and euros.

10 Income tax

10.1 Current and deferred income tax expense

In thousands of CHF	**2024**	2023
Current income tax expense in respect of the current year	11,205	3,106
Current income tax (credit) in respect of prior years	(1,479)	(1,568)
Deferred income tax (credit)/expense	(4,610)	2,069
Total income tax expense	**5,116**	**3,606**

10.2 Reconciliation of tax expense

In thousands of CHF	**2024**	2023
Income before tax	40,235	18,994
Expected income tax at base tax rate of 20.2% (prior year: 24.6%)	8,127	4,676
Effect of tax relief from Comet Technologies Malaysia Sdn. Bhd.	(1,508)	(594)
Effect of non-tax-deductible expenses	243	362
Effect of change in tax rate on deferred income tax	228	551
Recognition and offset of tax loss carry-forwards not recognized in prior years	(94)	35
Effect of non-recognition of tax loss carryforwards	—	(8)
Effect of credits for R&D and domestic manufacturing	(754)	(829)
Effect from tax-exempt income	(272)	—
Effect of income tax from other periods	(1,480)	(1,568)
Effect of non-refundable withholding tax	650	713
Other effects	(24)	268
Income tax reported in the income statement	**5,116**	**3,606**
Effective income tax rate in % of income before tax	12.7%	19.0%

The expected income tax rate represents the Group's weighted average tax rate and takes into account the local income tax rates of the individual Group companies. The decrease of 4.4% in the base tax rate compared to the prior year resulted mainly from a changed profit-and-loss mix between low-tax and high-tax countries.

10.3 Deferred tax assets and liabilities

Deferred tax assets and liabilities can be analyzed as follows:

In thousands of CHF	Assets		Liabilities	
	2024	2023	**2024**	2023
Financial instruments	82	45	(41)	(110)
Receivables	1,007	647	(899)	(351)
Inventories	5,904	4,443	(327)	(361)
Property, plant and equipment	1,220	522	(29)	(268)
Right-of-use assets	—	—	(7,031)	(7,300)
Intangible assets	50	132	(1,239)	(1,427)
Employee benefit plan assets	—	59	—	—
Trade payables and other liabilities	796	560	(621)	(29)
Lease liabilities	9,439	9,482	—	—
Accrued expenses	7,039	5,967	(5)	—
Provisions	738	778	—	—
Employee benefit plan liabilities	1,533	718	(110)	(98)
Tax loss carryforwards, and tax credits for R&D and domestic manufacturing	3,257	1,009	—	—
Total gross deferred tax of Group companies	**31,065**	**24,362**	**(10,302)**	**(9,944)**
Netting of deferred tax by Group companies	(9,548)	(9,411)	9,548	9,411
Amounts in the consolidated balance sheet	**21,517**	**14,951**	**(754)**	**(533)**

The deferred tax assets and liabilities were measured at local tax rates, ranging from 13.1% to 36.6%. No deferred tax liabilities were established for temporary differences of CHF 215.1 million (prior year: CHF 187.6 million) in respect of the outside basis differences on subsidiaries. Distributions of retained earnings by subsidiaries are not expected to have an effect on income taxes, except for future distributions from China, Korea, Taiwan and Canada. There were no tax provisions for non-refundable withholding taxes on future distributions of foreign subsidiaries to Comet Holding AG. Distributions by Comet Holding AG to its shareholders have no effect on the reported or future income taxes.

10.4 Movement in deferred tax assets and liabilities

In thousands of CHF	**2024**	2023
Net asset at January 1	**14,418**	**17,264**
Origination and reversal of temporary differences recognized in the income statement	2,249	(2,245)
Recognition of deferred tax assets on loss carryforwards and R&D credits	2,243	354
Use of tax loss carryforwards	—	(178)
Deferred tax credit in the income statement	**4,610**	**(2,069)**
Origination and reversal of temporary differences recognized in other comprehensive income	892	827
Foreign currency translation differences	843	(1,604)
Net asset at December 31	**20,763**	**14,418**
Reported as assets	21,517	14,951
Reported as liabilities	(754)	(533)

10.5 Tax loss carryforwards

Deferred tax assets, including tax loss carryforwards and expected tax credits, are recognized only if it is likely that future taxable profits will be available to which these deferred tax assets can be applied. Temporary differences for which no tax assets were recognized were nil (prior year: nil).

At the balance sheet date of December 31, 2024, tax loss carryforwards stood at CHF 10.9 million (prior year: CHF 3.8 million). Including tax credits for R&D and domestic manufacturing, the resulting deferred tax assets were CHF 3.2 million (prior year: CHF 1.0 million).

In the fiscal year, there were unrecognized deferred tax assets on tax loss carryforwards of CHF 0.1 million (prior year: 0.0 million). These loss-carryforwards can be carried forward five years.

11 Earnings per share

11.1 Basic earnings per share

Basic earnings per share are calculated by dividing net income attributable to ordinary shareholders of Comet Holding AG by the weighted average number of ordinary shares outstanding during the year, excluding ordinary shares purchased by the Group and held as treasury stock.

	2024	2023
Weighted average number of shares outstanding	7,771,109	7,773,436
Treasury stock held as of year-end	(4,588)	(2,000)
Weighted average number of shares outstanding used to determine basic earnings per share	7,766,521	7,771,436
Net income used to determine basic earnings per share in thousands of CHF	35,119	15,388
Net income per share in CHF, basic	4.52	1.98

11.2 Diluted earnings per share

Diluted earnings per share are calculated by dividing net income attributable to ordinary shareholders of Comet Holding AG by the weighted average number of ordinary shares outstanding during the year, excluding ordinary shares purchased by the Group and held as treasury shares, plus any weighted average number of ordinary shares that would be issued on the conversion of all dilutive outstanding equity instruments into ordinary shares.

	2024	2023
Weighted average number of shares outstanding	7,771,109	7,773,436
Treasury stock held as of year-end	(4,588)	(2,000)
Weighted average number of shares outstanding used to determine diluted earnings per share	7,766,521	7,771,436
Net income used to determine diluted earnings per share in thousands of CHF	35,119	15,388
Net income per share in CHF, diluted	4.52	1.98

There have been no other transactions involving ordinary shares or potential ordinary shares between the reporting date and the date of completion of these financial statements.

12 Trade and other receivables

In thousands of CHF	**2024**	2023
Trade receivables, gross	78,182	54,321
Impairment of trade receivables	(835)	(762)
Trade receivables, net	**77,347**	**53,559**
Refundable sales taxes and value-added taxes	2,714	1,867
Prepayments to suppliers	3,341	3,944
Contract assets	1,505	1,899
Sundry receivables	2,630	3,543
Total other receivables	**10,190**	**11,253**
Total trade and other receivables	**87,537**	**64,812**

The allowance account for impairment of trade receivables showed the following movement:

In thousands of CHF	**2024**	2023
January 1	**762**	**920**
Used	(70)	(180)
Added	673	381
Released	(560)	(293)
Foreign currency translation differences	30	(66)
December 31	**835**	**762**

The impairment test of trade receivables performed identified no material change in the risk of default in the year under review.

At the balance sheet date, full impairment was recognized on CHF 0.5 million (prior year: CHF 0.5 million) of trade receivables. Within the item "total other receivables", there were no amounts past due or written down. The Group does not hold security against trade and other receivables.

The aging schedule for past-due trade receivables on which impairment has been recognized is summarized in the table below:

Fiscal year 2024

In thousands of CHF	Expected loss rate	Gross carrying amount	Expected credit loss	Net carrying amount
Trade receivables		**78,182**	**835**	**77,347**
Not past due	0.3%	74,654	261	74,392
Over 30 days past due, impairment recognized	0.5%	1,445	7	1,439
Over 60 days past due, impairment recognized	0.8%	593	4	589
Over 90 days past due, impairment recognized	1.3%	394	5	389
Over 120 days past due, impairment recognized	1.8%	148	3	145
Over 150 days past due, impairment recognized [1]	59.0%	948	555	393

[1] Individual impairment allowances included.

Fiscal year 2023

In thousands of CHF	Expected loss rate	Gross carrying amount	Expected credit loss	Net carrying amount
Trade receivables		**54,321**	**762**	**53,559**
Not past due	0.5%	48,994	244	48,750
Over 30 days past due, impairment recognized	0.5%	3,311	15	3,296
Over 60 days past due, impairment recognized	0.8%	1,201	9	1,192
Over 90 days past due, impairment recognized	1.3%	290	3	287
Over 120 days past due, impairment recognized	2.5%	19	1	18
Over 150 days past due, impairment recognized [1]	96.7%	507	490	17

[1] Individual impairment allowances included.

13 Other assets (including financial assets) and financial liabilities

13.1 Other assets, including financial assets

In thousands of CHF	2024	2023
Other assets at fair value through profit or loss		
Derivatives used for foreign exchange hedging	18	373
Total other assets at fair value through profit or loss	**18**	**373**
Other assets at amortized cost		
Lease receivable	1,946	2,251
Other non-current financial assets	134	293
Total other assets at amortized cost	**2,080**	**2,543**
Total other assets	**2,098**	**2,916**
Total current	329	677
Total non-current	1,769	2,239

13.2 Other financial liabilities

In thousands of CHF	2024	2023
Other financial liabilities at fair value through profit or loss		
Derivatives used for foreign exchange hedging	1,001	—
Total other financial liabilities at fair value through profit or loss	**1,001**	**—**
Total other financial liabilities	**1,001**	**—**
Total current	1,001	—

13.3 Derivative financial instruments

At the balance sheet date, open positions in forward exchange contracts were as follows:

In thousands of CHF	2024	2023
USD foreign exchange forward contracts		
Contract amounts	21,242	7,425
Positive fair values	—	260
Negative fair values	(938)	—
JPY foreign exchange forward contracts		
Contract amounts	2,240	—
Positive fair values	18	—
Negative fair values	(17)	—
CNY foreign exchange forward contracts		
Contract amounts	4,106	5,135
Positive fair values	—	113
Negative fair values	(46)	—

The gains and losses from foreign exchange forward contracts are recognized as financing income or expense (see note 9). The contract amounts shown represent the notional principal amounts of the foreign exchange forward contracts. Consistent with the nature of the Group's activities, the foreign exchange forward contracts have maturities of less than one year; most are due within six months.

13.4 Other assets at amortized cost

Lease receivables

Lease receivables showed the following movement in 2024:

Lease receivable movement

Lease receivable movement in thousands of CHF	**2024** Lease receivable	**2023** Lease receivable
January 1	**2,251**	**2,548**
Accretion of interest	47	54
Lease payments received	(352)	(352)
December 31	**1,946**	**2,251**

The maturity analysis of the lease receivable is as follows:

Lease receivable maturity analysis

Lease receivable maturity analysis In thousands of CHF	2025	2026 - 2029	After 2029	Total lease receivable
Maturity analysis as of December 31, 2024				
Undiscounted lease payments	352	1,407	323	2,083
Interest portion	(41)	(92)	(4)	(137)
Lease receivable	**311**	**1,316**	**319**	**1,946**
In thousands of CHF	2024	2025 - 2028	After 2028	Total lease receivable
Maturity analysis as of December 31, 2023				
Undiscounted lease payments	352	1,407	676	2,435
Interest portion	(47)	(120)	(16)	(184)
Lease receivable	**304**	**1,287**	**660**	**2,251**

14 Inventories

In thousands of CHF	**2024**	2023
Raw materials and semi-finished products	65,459	66,028
Work in process	13,469	9,929
Finished goods	27,870	27,473
Total inventories	**106,798**	**103,430**

The inventory amounts reflect any necessary individual write-downs for items with a market value below manufacturing cost. The expense recognized for inventory write-downs was CHF 6.4 million (prior year: CHF 1.8 million).

15 Prepaid expenses

In thousands of CHF	**2024**	2023
Contract costs	554	377
Other prepaid expenses	5,934	5,386
Total prepaid expenses	**6,488**	**5,763**

The contract costs represent capitalized sales commissions for agent activities (incremental costs directly attributable to obtaining a contract). In the fiscal year, sales commissions of CHF 1.5 million were recognized in the income statement (prior year: CHF 1.2 million).

The other prepaid expenses consisted largely of prepayments made for the subsequent fiscal year.

16 Property, plant and equipment

Fiscal year 2024

In thousands of CHF	Real estate	Plant and equipment	Other tangible assets	Assets under construction	Total property, plant and equipment
Cost					
January 1, 2024	**98,759**	**128,933**	**20,161**	**8,406**	**256,260**
Additions	5	3,352	2,243	4,727	10,327
Commissioning of assets under construction	1,682	4,032	246	(5,960)	—
Disposals	—	(1,998)	(1,081)	(39)	(3,118)
Foreign currency translation differences	—	2,428	865	29	3,322
December 31, 2024	**100,446**	**136,747**	**22,434**	**7,164**	**266,791**
Accumulated depreciation and impairment					
January 1, 2024	**38,309**	**74,625**	**14,928**	**—**	**127,862**
Additions	2,675	8,385	2,418	—	13,478
Impairment	—	46	—	—	46
Disposals	—	(1,364)	(649)	—	(2,014)
Foreign currency translation differences	—	963	742	—	1,705
December 31, 2024	**40,983**	**82,655**	**17,438**	**—**	**141,077**
Carrying amount					
January 1, 2024	60,450	54,308	5,233	8,406	128,398
December 31, 2024	**59,463**	**54,092**	**4,996**	**7,164**	**125,715**

Fiscal year 2023

In thousands of CHF	Real estate	Plant and equipment	Other tangible assets	Assets under construction	Total property, plant and equipment
Cost					
January 1, 2023	**98,162**	**105,704**	**19,403**	**16,423**	**239,693**
Additions	327	15,059	1,843	7,221	24,450
Commissioning of assets under construction	270	13,726	903	(14,899)	—
Disposals	—	(2,171)	(706)	—	(2,877)
Foreign currency translation differences	—	(3,385)	(1,282)	(339)	(5,006)
December 31, 2023	**98,759**	**128,933**	**20,161**	**8,406**	**256,260**
Accumulated depreciation and impairment					
January 1, 2023	**35,735**	**70,027**	**13,963**	**—**	**119,725**
Additions	2,574	7,419	2,474	—	12,467
Disposals	—	(1,332)	(589)	—	(1,921)
Foreign currency translation differences	—	(1,489)	(920)	—	(2,409)
December 31, 2023	**38,309**	**74,625**	**14,928**	**—**	**127,862**
Carrying amount					
January 1, 2023	62,427	35,677	5,440	16,423	119,968
December 31, 2023	**60,450**	**54,308**	**5,233**	**8,406**	**128,398**

Assets pledged or assigned as collateral for Group obligations

At December 31, 2024, and December 31, 2023, all real estate liens (mortgage notes in the amount of CHF 30.0 million) were held within the Group.

17 Right-of-use assets and lease liabilities

The rights of use and liabilities arising from leases showed the following movement:

Fiscal year 2024

Fiscal year 2024

In thousands of CHF	Right-of-use assets Buildings	Equipment	Other assets	Total	Lease liabilities
January 1, 2024	**26,043**	**357**	**(0)**	**26,400**	**35,747**
Additions	7,933	538	14	8,484	8,484
Disposals	(925)	(25)	(3)	(952)	(2,753)
Depreciation, amortization and impairment	(4,602)	(294)	(6)	(4,902)	–
Accretion of interest	–	–	–	–	1,177
Repayment of lease liabilities	–	–	–	–	(7,124)
Lease incentive [1]	–	–	–	–	1,604
Payment of interest on lease liabilities	–	–	–	–	(1,177)
Foreign currency translation differences	1,314	(7)	–	1,307	1,785
December 31, 2024	**29,764**	**569**	**5**	**30,337**	**37,744**
Reported on the face of the balance sheet as:					
Current lease liability					5,405
Non-current lease liability					32,339

[1] The landlord agreed to contribute a total of CHF 7.6 million toward the cost of performing the tenant improvements in preparation for Comet's occupancy of the premises. In the year under review, the amount of the "tenant improvement allowance" was CHF 1.6 million.

The non-current lease liabilities largely have remaining maturities of two to ten years. The expected future lease payments are presented in note 28.2.3.

The additions to right-of-use assets and lease liabilities were non-cash items and are thus not included in cash flow from investing activities.

Fiscal year 2023

Fiscal year 2023

In thousands of CHF	Right-of-use assets				Lease liabilities
	Buildings	Equipment	Other assets	Total	
January 1, 2023	**31,912**	**490**	**(0)**	**32,401**	**38,197**
Additions	4,995	212	10	5,217	5,217
Disposals	(3,640)	(12)	(1)	(3,653)	(3,922)
Depreciation, amortization and impairment	(4,841)	(308)	(9)	(5,159)	–
Accretion of interest	–	–	–	–	1,302
Repayment of lease liabilities	–	–	–	–	(3,949)
Lease incentive [1]	–	–	–	–	3,105
Payment of interest on lease liabilities	–	–	–	–	(1,302)
Foreign currency translation differences	(2,382)	(25)	–	(2,407)	(2,901)
December 31, 2023	**26,043**	**357**	**(0)**	**26,400**	**35,747**
Reported on the face of the balance sheet as:					
Current lease liability					3,528
Non-current lease liability					32,219

[1] The landlord agreed to contribute a total of CHF 7.7 million toward the cost of performing the tenant improvements in preparation for Comet's occupancy of the premises. In fiscal year 2023, the amount of the "tenant improvement allowance" was CHF 3.1 million.

The composition of the lease expenses in fiscal 2024 and 2023 is shown below:

In thousands of CHF	**2024**	2023
Depreciation, amortization and impairment	4,902	5,159
Interest expenses	1,177	1,302
Expenses for short-term leases and other items	311	1,207
Expense for low-value leases	27	21
Expense for variable lease payments not included in the measurement of lease liabilities	5	1
Total lease expenses	**6,422**	**7,690**

Comet has lease agreements containing extension and termination options (see note 2.5). At December 31, 2024, all options either deemed highly likely to be exercised or not to be exercised were taken into account in the valuation of the lease liabilities.

The undiscounted payments of options that were not exercised as at December 31, 2024, amounted to CHF 19.2 million due within the subsequent five years (prior year: CHF 20.3 million) and to CHF 18.5 million for option periods of more than five years (prior year: CHF 15.4 million).

18 Intangible assets

Fiscal year 2024

In thousands of CHF	Goodwill and trademarks	Customer lists	Technology	Software	Other intangible assets	Total intangible assets
Cost						
January 1, 2024	**28,960**	**18,996**	**4,522**	**28,637**	**161**	**81,275**
Additions	—	—	—	2,452	—	2,452
Disposals	—	(12,066)	—	(1,326)	—	(13,392)
Foreign currency translation differences	172	450	(1)	167	—	789
December 31, 2024	**29,132**	**7,380**	**4,521**	**29,931**	**161**	**71,124**
Accumulated amortization						
January 1, 2024	**2**	**17,875**	**2,818**	**23,888**	**137**	**44,720**
Additions	—	176	250	3,278	20	3,724
Disposals	—	(12,066)	—	(1,084)	—	(13,150)
Foreign currency translation differences	—	456	8	207	—	671
December 31, 2024	**2**	**6,441**	**3,076**	**26,289**	**157**	**35,965**
Carrying amount						
January 1, 2024	28,957	1,121	1,704	4,749	24	36,555
December 31, 2024	**29,130**	**939**	**1,445**	**3,642**	**4**	**35,159**

The categories "goodwill and trademarks", "customer lists" and "technology" were capitalized in connection with business combinations.

In 2024, Comet reviewed all existing customer lists and concluded that fully amortized customer list of Comet Yxlon GmbH (CHF 10.4 million) and of Comet Technologies Japan KK (CHF 1.6 million) should be netted off.

Fiscal year 2023

In thousands of CHF	Goodwill and trademarks	Customer lists	Technology	Software	Other intangible assets	Total intangible assets
Cost						
January 1, 2023	**30,450**	**20,421**	**4,817**	**27,669**	**285**	**83,641**
Additions	—	—	—	1,963	—	1,963
Reclassifications	—	—	—	14	(14)	—
Disposals	—	—	—	(413)	(107)	(520)
Foreign currency translation differences	(1,490)	(1,425)	(295)	(596)	(3)	(3,809)
December 31, 2023	**28,960**	**18,996**	**4,522**	**28,637**	**161**	**81,275**
Accumulated amortization						
January 1, 2023	**2**	**19,024**	**2,664**	**22,954**	**93**	**44,737**
Additions	—	186	313	1,848	45	2,392
Disposals	—	—	—	(401)	—	(401)
Foreign currency translation differences	—	(1,335)	(159)	(513)	(1)	(2,008)
December 31, 2023	**2**	**17,875**	**2,818**	**23,888**	**137**	**44,720**
Carrying amount						
January 1, 2023	30,447	1,397	2,153	4,715	192	38,904
December 31, 2023	**28,957**	**1,121**	**1,704**	**4,749**	**24**	**36,555**

19 Impairment test of goodwill and intangible assets with indefinite useful lives

The impairment test for goodwill and other intangible assets with indefinite useful lives was performed as at September 30, 2024. For the purpose of the impairment test, the assets to be tested were allocated to and measured as the following two cash-generating units, at the level of the IXS division and (within the IXM division) at the level of the IXT business unit:

- X-Ray Systems (IXS), as the relevant cash-generating unit for all activities of the historically acquired Yxlon group and for the FeinFocus product group, with the exception of the generator business;
- Industrial X-Ray Technology (IXT), for the generator business acquired as part of the acquisition of Yxlon.

The impairment test is based on the value in use method. The recoverable amount is determined from the present value of the future cash flows (DCF valuation). The calculations are based on the Board-approved rolling forecast current at the time of the impairment test, and on the Board-approved rolling medium-term plan for 2025 to 2027. Using experience-based estimates, the amounts in the forecast and in the medium-term plan are based on growth projections for net sales, operating income and other parameters, taking into consideration the estimated market trends in the various regions. Cash flows beyond the forecast period are extrapolated using an assumed growth rate of 1.5%, which is within the expected range of market growth. The assumptions applied in determining value in use correspond to the expected long-term average growth rate of the X-Ray Systems division's operating business and of the generator business of Industrial X-Ray Modules. Input variables with a critical impact on the outcome of the impairment test are the assumed rates of sales growth and the projected trend in operating income.

Carrying amount of the assets tested

In thousands of CHF	X-Ray Systems (IXS) CGU		Industrial X-Ray Technology (IXT) CGU		Total	
	2024	2023	**2024**	2023	**2024**	2023
Goodwill	20,377	20,226	6,873	6,873	27,250	27,099
Trademarks (Yxlon)	1,880	1,858	—	—	1,880	1,858
Total carrying amount	**22,256**	**22,084**	**6,873**	**6,873**	**29,130**	**28,957**

Assumptions applied in the valuation model

	X-Ray Systems (IXS) CGU		Industrial X-Ray Technology (IXT) CGU	
	2024	2023	**2024**	2023
Discount rate (WACC) before tax	8.8%	8.7%	9.0%	9.9%
Growth rate of terminal value	1.5%	1.5%	1.5%	1.5%

Sensitivities to the assumptions applied in the valuation model

The measurement of the values in use of the X-Ray Systems CGU (IXS) and the Industrial X-Ray Technology CGU (IXT) is sensitive to the following assumptions in the planning period (2025 to 2027):

- Growth assumptions: Sales revenue is projected by product group and market segment. Based on the fiscal year 2024 as the starting point, the average annual rate of sales growth for planning period 2025 to 2027 is assumed to be 17.4% for IXS (prior year: 13.3%) and 13.6% for IXT (prior year: 12.9%).
- Gross margins: Gross margins in the medium term are expected to average approximately 43.8% for IXS (prior year: 39.9%) and 50.7% for IXT (prior year: 51.2%). Target achievement also depends in part on the trend in the purchasing prices of materials.
- Foreign exchange rates: The movement in exchange rates between the Swiss franc and the euro and US dollar has an effect on company value. The forecasts are based on September 2024 exchange rates.
- Discount rate (WACC): The capital costs were determined based on borrowing costs (before tax) and on the long-term risk-free rate, a small-cap premium, and a market risk premium weighted by a Comet-specific beta factor.

No impairment was recognized in the year under review and Comet believes that, with a realistic change in the material assumptions, the recoverable amount would not fall below the carrying amount.

20 Debt

Bond

Comet Holding AG issued a bond on April 20, 2021, in the amount of CHF 60 million. The bond was issued at par. Its term is five years and it matures on April 20, 2026. The fixed coupon rate over the term is 1.30%, payable annually on April 20. The bond is listed on the SIX Swiss Exchange (Swiss security number 110 109 656, ticker symbol COT21).

Credit facilities

In April 2023, Comet arranged a CHF 60 million committed, unsecured, multi-currency, syndicated revolving credit facility. This credit facility has a maturity of five years with an option to increase the amount by CHF 40 million.

The credit facility is tied to customary covenants and is subject to a financial covenant that requires the Comet Group not to exceed a maximum leverage ratio of 3:1. During fiscal year 2024, the Company was in compliance with these covenants. As of December 31, 2024, there were no outstanding borrowings under the facility.

The Comet Group also has access to a total of CHF 35.0 million (prior year: CHF 34.8 million) in uncommitted credit facilities to cover working capital requirements and the issuance of guarantees, of which CHF 5.5 million was utilized as of December 31, 2024 (prior year: CHF 5.4 million).

20.1 Movement in debt

Fiscal year 2024

In thousands of CHF	Jan. 1, 2024	Cash flows	Reclassif. from non-current to current	Unwinding of discount, and remeasurement	Foreign currency translation differences	Dec. 31, 2024
Non-current debt	59,767	–	–	101	–	59,868
Total debt	**59,767**	**–**	**–**	**101**	**–**	**59,868**

Fiscal year 2023

In thousands of CHF	Jan. 1, 2023	Cash flows	Reclassif. from non-current to current	Unwinding of discount, and remeasurement	Foreign currency translation differences	Dec. 31, 2023
Non-current debt	59,669	–	–	98	–	59,767
Total debt	**59,669**	**–**	**–**	**98**	**–**	**59,767**

21 Trade and other payables

In thousands of CHF	**2024**	2023
Trade payables	30,790	20,331
Sundry payables	6,253	5,610
Sales commissions	2,379	2,405
Total financial liabilities	**39,422**	**28,346**
Sales tax and value-added tax	1,545	929
Total other payables	**1,545**	**929**
Total trade and other payables	**40,967**	**29,275**

22 Accrued expenses

In thousands of CHF	**2024**	2023
Accrued staff costs	11,369	5,727
Deferred revenue	3,335	4,619
Other accrued expenses	9,060	6,754
Total accrued expenses	**23,764**	**17,100**

Accrued staff costs consist mainly of the amount accrued for performance-based compensation, and employees' vacation and overtime credits.
Significant components of other accrued expenses included consulting, audit services, lease costs, utilities and commissions.

23 Provisions

Fiscal year 2024

In thousands of CHF	Warranties	Other provisions	Total provisions
January 1, 2024	**5,999**	**265**	**6,264**
Added	5,757	34	5,791
Used	(5,123)	—	(5,123)
Released	(1,114)	(1)	(1,115)
Foreign currency translation differences	221	(2)	219
December 31, 2024	**5,740**	**296**	**6,036**
Of which:			
January 1, 2024			
Current provisions	5,999	10	6,009
Non-current provisions	—	255	255
December 31, 2024			
Current provisions	5,740	21	5,761
Non-current provisions	—	275	275

Fiscal year 2023

In thousands of CHF	Warranties	Other provisions	Total provisions
January 1, 2023	**6,480**	**1,448**	**7,929**
Added	6,741	23	6,764
Used	(5,159)	(737)	(5,896)
Released	(1,618)	(414)	(2,032)
Foreign currency translation differences	(445)	(55)	(500)
December 31, 2023	**5,999**	**265**	**6,264**
Of which:			
January 1, 2023			
Current provisions	6,480	475	6,955
Non-current provisions	—	973	973
December 31, 2023			
Current provisions	5,999	10	6,009
Non-current provisions	—	255	255

The provision for warranties covers the risk of expenses for defects that have not occurred to date, but could potentially occur until the end of the warranty periods. Warranty provisions are measured based on historical experience.

24 Employee benefits

24.1 Employee benefit liabilities

The employee benefit liabilities of the Group are summarized in the following table.

In thousands of CHF	2024	2023
Defined benefit liability in Switzerland	10,325	5,141
Defined benefit liability in other countries	673	267
Total defined benefit liability	**10,998**	**5,408**
Provision for length-of-service awards	1,549	1,385
Total employee benefit liabilities	**12,547**	**6,794**

24.2 Defined benefit plans

Comet maintains defined benefit pension plans in Switzerland, Germany and Japan. These plans differ according to their particular purpose and are based on the legal requirements in the respective countries.

Switzerland

The defined benefit plan is managed within a collective foundation. This is a separate legal entity falling under the Swiss Federal Act on Occupational Retirement, Survivors' and Disability Pensions (the BVG). The pension fund maintains a main ("base") plan for employees that provides the legally required benefits, and a supplemental plan that provides benefits in respect of pay components above the statutory range. The defined benefit plan is managed under a fully insured pension model and thus all investment risk is carried by the pension fund, or ultimately by the insurer. The plan is administered by the collective foundation, which is in the form of a foundation organized by an insurance company. The pension fund is managed by the foundation's board of directors, which is composed of equal numbers of employee and employer representatives and is required to act in the interests of the plan participants.

Plan participants are insured against the financial consequences of old age, disability and death. The benefits are specified in a set of regulations. Minimum levels of benefits are prescribed by law. Contribution levels are set as a percentage of the insured portion of employees' pay. The pension is calculated as the retirement pension asset existing at the time of retirement, multiplied by the conversion rate specified in the regulations. Plan participants can opt to receive their principal as a lump sum instead of drawing a pension. The supplemental plan as a rule pays out a lump sum. The amounts of the disability and survivor pensions are defined as a percentage of insured pay.

Rest of the world

In Germany there is a closed plan with pension commitments which no longer has active participants. The obligations in respect of current pension payments and deferred pensions are recognized in the balance sheet.

In Japan, Comet grants pension benefits to its employees which are partly covered by Mutual Aid (Chutaikyo). If the benefits granted to retired employees exceed the actual payment from Mutual Aid (Chutaikyo), additional payments are made by Comet under the defined benefit pension plan.

Actuarial assumptions for major defined benefit plan

	Switzerland	
	2024	2023
Discount rate at January 1	1.60%	2.20%
Discount rate at December 31	0.90%	1.60%
Expected rate of salary increases	1.60%	1.60%
Life tables used as basis for life expectancies	BVG 2020 LT	BVG 2020 LT

Movement in present value of defined benefit obligation, in plan assets and in net carrying amount for defined benefit plans

Fiscal year 2024

Fiscal year 2024 In thousands of CHF	Present value of defined benefit obligation	Fair value of plan assets	**Net carrying amount recognized in balance sheet**
January 1	**(80,192)**	**74,782**	**(5,408)**
Current service cost	(3,044)	—	(3,044)
Administration cost, excl. cost of managing plan assets	(40)	—	(40)
Current service cost	**(3,083)**	**—**	**(3,083)**
Interest (expense) or income	(1,364)	1,273	(91)
Defined benefit cost recognized in the income statement	**(4,447)**	**1,273**	**(3,174)**
Return on plan assets, excluding interest income	—	(628)	(628)
Actuarial loss arising from changes in financial assumptions	(5,544)	—	(5,544)
Actuarial gain arising from changes in demographic assumptions	5	—	5
Actuarial gain arising from experience adjustments	45	—	45
Defined benefit cost recognized in other comprehensive income	**(5,494)**	**(628)**	**(6,122)**
Benefits paid-in/deposited	(526)	581	56
Employee contributions	(3,075)	3,075	—
Employer contributions	—	3,641	3,641
Foreign currency translation differences	(2)	11	9
December 31	**(93,736)**	**82,736**	**(10,998)**
Reported on the face of the balance sheet as:			
An asset			—
A liability			(10,998)

The actuarial loss arising from changes in financial assumptions was mainly attributable to the decrease in the discount rate.

The actuarial loss arising from experience adjustments represents the change that is not attributable to changes in assumptions. This relates in particular to the difference between the actuarial assumptions in the prior year and the actual outcomes with regard to the entry and exit of insured employees, effective salary adjustments, death and disability of insured persons, and retirements.

The board of directors of the pension fund decided in April 2023 to further reduce the pension conversion rates with effect from the year 2026. Under IAS 19, these plan amendments led to a negative past service cost (i.e., they resulted in income) and a corresponding reduction in the defined benefit obligation with a positive pre-tax effect of CHF 0.2 million in fiscal year 2023.

The average duration of the defined benefit obligation was 9.4 years (prior year: 8.5 years).

Fiscal year 2023

Fiscal year 2023 In thousands of CHF	Present value of defined benefit obligation	Fair value of plan assets	**Net carrying amount recognized in balance sheet**
January 1	**(75,341)**	**75,032**	**(308)**
Current service cost	(2,365)	—	(2,365)
Past service cost	211	—	211
Administration cost, excl. cost of managing plan assets	(37)	—	(37)
Current service cost	**(2,191)**	**—**	**(2,191)**
Interest (expense) or income	(1,653)	1,656	4
Defined benefit cost recognized in the income statement	**(3,843)**	**1,656**	**(2,187)**
Return on plan assets, excluding interest income	—	(1,071)	(1,071)
Actuarial loss arising from changes in financial assumptions	(5,974)	—	(5,974)
Actuarial gain arising from changes in demographic assumptions	1,159	—	1,159
Actuarial loss arising from experience adjustments	(563)	—	(563)
Defined benefit cost recognized in other comprehensive income	**(5,378)**	**(1,071)**	**(6,448)**
Benefits paid-in/deposited	7,179	(7,160)	19
Employee contributions	(2,884)	2,884	—
Employer contributions	—	3,499	3,499
Foreign currency translation differences	76	(59)	17
December 31	**(80,192)**	**74,782**	**(5,408)**
Reported on the face of the balance sheet as:			
An asset			—
A liability			(5,408)

Key metrics by country

	Switzerland		Other countries	
In thousands of CHF	**2024**	2023	**2024**	2023
Present value of defined benefit obligation	(92,193)	(79,046)	(1,541)	(1,144)
Fair value of plan assets	81,868	73,905	868	877
Net carrying amount recognized in the balance sheet	**(10,325)**	**(5,141)**	**(673)**	**(267)**
Defined benefit cost recognized in the income statement	(3,122)	(2,178)	(53)	(11)
Defined benefit cost recognized in other comprehensive income	(5,703)	(6,462)	(419)	14

The employer contributions to the plans in Switzerland for fiscal year 2025 are expected to amount to CHF 3.8 million.

Major categories of plan assets

In thousands of CHF	**2024**	2023
Assets from insurance contract	82,736	74,782
Total plan assets without a quoted market price	**82,736**	**74,782**

As the base plan and the supplemental plan are managed under a fully insured model, all investment risk is carried by the pension fund, or ultimately by the insurer. The plan assets are therefore reported as the item “assets from insurance contract”.

Companies of the Group do not make loans to the pension plans and do not utilize any real estate held by the plans.

Sensitivities

The following table presents an analysis of how the reported present value of the defined benefit obligation would change in response to hypothetical changes in the actuarial assumptions.

Sensitivity of present value of defined benefit obligation to different scenarios

In thousands of CHF	**2024**	2023
Discount rate: 0.25% decrease	95,982	81,929
Discount rate: 0.25% increase	91,677	78,552
Expected rate of salary growth: 0.25% decrease	93,509	80,039
Expected rate of salary growth: 0.25% increase	93,960	80,325
Life expectancy: 1-year increase	94,402	80,660
Life expectancy: 1-year decrease	93,074	79,724

24.3 Defined contribution plans

The contributions paid to defined contribution plans in the fiscal year amounted to CHF 6.4 million (prior year: CHF 7.3 million).

24.4 Length-of-service awards

Comet grants length-of-service awards to its employees after a certain number of years of service, in the form of lump-sum payments that increase in amount with the number of years of employment. The provision for this item changed as follows in the year under review:

In thousands of CHF	2024	2023
Provision at January 1	**1,385**	**1,399**
Current service cost	116	183
Interest cost	30	33
Benefits paid	(153)	(169)
Actuarial losses or (gains)	129	(33)
Changes in scope of consolidation [1]	32	23
Foreign currency translation differences	10	(51)
Provision at December 31	**1,549**	**1,385**

[1] In the year under review, length-of-service award policies were rolled out in two subsidiaries.

25 Equity capital structure and shareholders

25.1 Capital stock

The capital stock at January 1, 2024, was CHF 7,773,966, divided into 7,773,966 registered shares with a par value of CHF 1.00 per share. In fiscal year 2024 and 2023 the capital stock remained unchanged, as the Board of Directors decided to use treasury stock for the share-based compensation. The capital stock is fully paid in.

	Number of shares		Par value in CHF	
	2024	2023	2024	2023
January 1	7,773,966	7,773,966	7,773,966	7,773,966
Increase in capital from conditional capital designated for equity compensation	–	–	–	–
December 31	7,773,966	7,773,966	7,773,966	7,773,966

The Board of Directors decided to pay the share-based compensation from treasury stock, instead of using capital increases from conditional capital designated for equity compensation. At the balance sheet date, Comet Holding AG held 4,588 shares of treasury stock (prior year: 2,000).

25.2 Capital band (i.e., capital range)

Under article 3a of its Articles of Association, at any time until April 14, 2026, the Board of Directors is authorized i) to increase the capital stock by issuing a maximum of 1,554,793 fully paid registered shares with a par value of CHF 1.00 per share in one or more steps, by not more than a cumulative CHF 1,554,793, to a new total of CHF 9,328,759 (the upper limit of the so-called capital band), and ii) to reduce the capital stock in one or more steps to not less than CHF 7,385,268 (the lower limit of the capital band), either by cancelling not more than a cumulative 388,698 registered shares with a par value of CHF 1.00 per share or by reducing the par value of the registered shares accordingly. A capital reduction and a reincrease may be performed simultaneously. If the capital stock is increased by means of the capital band, the limit on the number of shares by which the capital can subsequently be reduced is raised so that the lower end of the capital band can be reached. If the capital stock is reduced by means of the capital band, the limit on the number of shares by which the capital can subsequently be increased is raised so that the upper end of the capital band can be reached. If a change in capital is performed by changing the par value, the upper and lower limits of the capital band remain constant, but the limits on the number of shares by which the capital can subsequently be changed are adjusted accordingly. In the case of an increase of the capital stock, the new shares must be fully paid in. In the case of a capital reduction, the amount of the reduction may, in the discretion of the Board of Directors, be distributed to the shareholders in whole or in part and/or added to reserves.

The Board of Directors may exclude shareholders' subscription rights in whole or in part and grant such subscription rights to certain shareholders or third parties, including subsidiaries, for the purpose of, among other things:

- Enabling a strategic partner to acquire an equity interest
- Acquiring or investing in companies, strategic equity interests, products and product development programs, intellectual property rights, etc.
- Facilitating transactions by means of an exchange of shares

25.3 Conditional capital for equity compensation

Under article 3b of its Articles of Association, the Company has conditional capital (in German: "bedingtes Kapital") that is designated for use only as equity-based compensation. In a capital increase from this conditional capital, stock is issued to Executive Committee members and/or Board members of Comet Holding AG. With respect to this conditional capital, the other shareholders' pre-emptive rights are excluded. The issuance of stock or stock subscription rights is based on a compensation plan (in the form of a written regulation) adopted by the Board of Directors.

In fiscal year 2024 and 2023, due to the decision by the Board of Directors to use treasury stock for the equity-based compensation, no capital increase from conditional capital for equity compensation was performed.

As a result, the Company's unissued conditional capital for equity-based compensation showed no movement in fiscal year 2024 (movement in prior year: nil):

	Number of shares		Par value in CHF	
	2024	2023	**2024**	2023
January 1	189,154	189,154	189,154	189,154
Increase in capital (awards to Board of Directors for prior term's retainer and to Executive Committee for prior year's profit-sharing compensation)	–	–	–	–
December 31	189,154	189,154	189,154	189,154

At the end of the year, the remaining conditional capital for equity-based compensation was CHF 189,154, or 2.4% of the existing capital stock (prior year: CHF 189,154, or 2.4%).

25.4 Conditional capital for financing, acquisitions and other purposes

Under article 3c of its Articles of Association, the Company's capital stock can be increased by a maximum of CHF 1,554,793 through the issuance of up to 1,554,793 fully paid registered shares with a par value of CHF 1.00 per share through the exercise (including mandatory exercise) of conversion, exchange, option, subscription, or similar rights to purchase shares granted to shareholders or third parties alone or in connection with bonds, loans, options, warrants, or other financial market instruments or contractual obligations of the Company or its subsidiaries (collectively "Financial Instruments").

The Board of Directors is authorized to restrict or cancel the preferential subscription rights of existing shareholders in connection with the issue of Financial Instruments by the Company or one of its subsidiaries if the issue is made (a) for the purpose of financing or refinancing or compensation for the acquisition of companies, parts of companies, equity interests, products, intellectual property rights or licenses or of investment projects or (b) on domestic or foreign trading venues or as part of a private placement, or (c) for other important reasons. Such exclusion or restriction of preferential subscription rights in connection with the issuance of Financial Instruments may, based on the shares underlying the Financial Instruments in question, not involve more than 10% of the number of shares already in issue immediately prior to the issuance in question. This percentage shall be reduced to the extent that subscription rights are excluded pursuant to article 3a of the Articles of Association.

If the preferential subscription rights are not granted directly or indirectly by the Board of Directors in connection with the issue of Financial Instruments by the Company or one of its subsidiaries, the following shall apply:

- The Financial Instruments shall be issued, or the associated transactions entered into, at market terms; and
- the conversion, exchange or other exercise price of the Financial Instruments shall be determined with reference to the market price prevailing at the time the Financial Instruments are issued; and
- the Financial Instruments are convertible, exchangeable or exercisable for a maximum period of ten years from the relevant issue date or transaction date.

26 Off-balance sheet transactions

26.1 Contingent asset

Comet Technologies USA Inc., Comet AG and Comet Yxlon GmbH (collectively, "Comet") filed a lawsuit in the U.S. District Court for the Northern District of California asserting that XP Power LLC ("XP") improperly acquired and used Comet trade secrets relating to its radio frequency matching network and generator technologies. A jury trial began on March 14, 2022, and on March 23, 2022, the jury found in favor of Comet, awarding it USD 20 million in compensatory damages and USD 20 million in punitive damages for a total of USD 40 million in monetary damages. On September 30, 2022, Comet was awarded an injunction preventing XP from developing, marketing or selling any product derived from the misappropriated Comet trade secrets. Comet is also eligible to recover from XP certain legal expenses related to the lawsuit.

On or about December 9, 2022, XP secured a USD 48.4 million bond to stay enforcement of the current judgment through the outcome of an appeal to the U.S. Court of Appeals for the Ninth Circuit. XP filed its notice of appeal on April 20, 2023. On January 29, 2025, the court awarded Comet legal fees and pre-judgement interest totaling approximately USD 19 million. The appeals process is ongoing. Based on the current status of the lawsuit, the amount of Comet's award was still classified as a contingent asset as of December 31, 2024.

26.2 Contingent liabilities

With respect to the XP Power lawsuit, Comet has agreed to a contingent success fee with its legal advisors in the form of a percentage of monetary and non-monetary recovery. The success fee is payable if and when Comet actually receives the recovery, which will occur upon a successful (i) full and final resolution of all outstanding post-trial motions and the current, active appeal or (ii) resolution of the lawsuit via executed settlement agreement. Based on the current status of the lawsuit, the final outcome and award amount remained uncertain as of December 31, 2024, and the success fee was therefore considered to be a contingent liability. Accordingly, Comet would recognize the liability for the success fee only if it prevails in the lawsuit against XP Power.

As a global company, Comet is exposed to numerous legal risks. These can include, especially, risks relating to product liability, trade secret misappropriation, patent law, export regulations, tax law and competition law. The outcomes of currently pending and future legal proceedings cannot be predicted with certainty and may thus have adverse or positive effects on the business trajectory and on future financial results.

Provisions are established inasmuch as the financial consequences of a past event can be estimated reliably and the estimate can be confirmed by independent expert opinion. Contingent liabilities that are likely to result in an obligation are included under provisions.

26.3 Other off-balance sheet obligations

As part of its operating activities, Comet had purchase obligations at the balance sheet date totaling CHF 43.3 million (prior year: CHF 42.8 million), of which CHF 23.9 million were current in nature (prior year: CHF 21.2 million) and CHF 19.4 million mature during the five-year period beginning in 2025 (prior year: CHF 21.6 million). The payment obligations arise from off-balance sheet offtake agreements with suppliers, most of which are set out in master agreements.

There were no investment or capital commitments at December 31, 2024 (prior year: nil).

27 Financial instruments

27.1 Classes of financial instruments

Fiscal year 2024

In thousands of CHF		Financial assets		Financial liabilities		
	Note	FVTPL[1]	At amortized cost	FVTPL[1]	At amortized cost	Fair value
Cash and cash equivalents		—	113,744	—	—	*
Trade and other receivables, net	12	—	79,977	—	—	*
Derivatives	13	18	—	1,001	—	(983)
Other assets – financial assets, excluding derivatives	13	—	2,080	—	—	*
Trade and other payables	21	—	—	—	39,422	*
Lease liabilities	17	—	—	—	37,744	*
Non-current debt, fixed rate	20	—	—	—	59,868	59,730
Total		**18**	**195,801**	**1,001**	**137,035**	
Interest income or (expense)	9	—	2,587	—	(2,084)	
Gain or (loss) on derivatives	9	617	—	(2,029)	—	
Change in impairment and losses on trade receivables	12	—	(73)	—	—	
Total net gain or (loss) recognized in the income statement		**617**	**2,514**	**(2,029)**	**(2,084)**	

[1] At fair value through profit or loss.
* The carrying amount approximates fair value.

Fiscal year 2023

In thousands of CHF		Financial assets		Financial liabilities		
	Note	FVTPL[1]	At amortized cost	FVTPL[1]	At amortized cost	Fair value
Cash and cash equivalents		—	86,707	—	—	*
Trade and other receivables, net	12	—	57,102	—	—	*
Derivatives	13	373	—	—	—	373
Other assets – financial assets, excluding derivatives	13	—	2,543	—	—	*
Trade and other payables	21	—	—	—	28,346	*
Lease liabilities	17	—	—	—	35,747	*
Non-current debt, fixed rate	20	—	—	—	59,767	59,430
Total		**373**	**146,352**	**—**	**123,860**	
Interest income or (expense)	9	—	1,632	—	(2,214)	
Gain or (loss) on derivatives	9	1,952	—	(161)	—	
Change in impairment and losses on trade receivables	12	—	(158)	—	—	
Total net gain or (loss) recognized in the income statement		**1,952**	**1,474**	**(161)**	**(2,214)**	

[1] At fair value through profit or loss.
* The carrying amount approximates fair value.

IFRS Accounting Standards require all financial instruments which are held at fair value, and all reported fair values, to be categorized into three classes (or "levels") according to whether the fair values are based on quoted prices in active markets (Level 1), on models using other observable market data (Level 2), or on models using unobservable inputs (Level 3).

The only financial instruments that Comet recognized at fair value are derivatives held for currency hedging. The measurement of the derivatives falls into Level 2 of the fair value measurement hierarchy under IFRS 13.

27.2 Fair values of financial instruments

The only differences between fair values and carrying amounts occurred for the CHF 60 million bond, where the quoted market price is used as the fair value (Level 1). As of December 31, 2024, the bond is presented under non-current debt, fixed rate (prior year: presented under non-current debt, fixed rate).

28 Financial risk management

Comet operates internationally through its own subsidiaries, as well as exports to other countries. As such, the Group is subject to various financial risks that arise in relation to underlying business activities.

The Group's financial risk management is centralized through its Treasury function, with Comet's Board of Directors having overall responsibility for the establishment and oversight of the Treasury risk management framework. The key elements of risk management form an integral part of the Group strategy. Clearly defined management information and control systems are used to measure, monitor and control risks.

Comet seeks to avoid unreasonable financial risks and to mitigate risks through natural hedges and/or derivatives such as forward exchange contracts, and does not enter into derivative financial instruments for speculative purposes.

28.1 Capital management

The primary goal of capital management is to optimize the equity and debt balances in order to sustain the future development of the business and maximize shareholder value.

Comet manages the Group's capital structure to meet liquidity requirements and pursue growth opportunities and profitability targets, taking into account the economic environment and the financial results achieved and planned. Comet may balance its capital structure in several ways, including through the payment of dividends, capital repayment, new share issues, share buybacks and the issuance or redemption of debt.

Comet monitors and evaluates its capital structure by reference to net debt and the equity ratio, with the aim of ensuring that the capital structure covers the business risks and assures the Group's lasting financial flexibility.

In thousands of CHF	**2024**	2023
Current debt and lease liabilities	5,405	3,528
+ Non-current debt and lease liabilities	92,207	91,986
./. Cash and cash equivalents	(113,744)	(86,707)
Net debt	**(16,132)**	**8,807**
EBITDA	60,380	44,996
Debt factor	**(0.3)**	**0.2**
Shareholders' equity	325,438	296,092
Equity ratio (equity in % of total assets)	**61.3%**	**62.5%**

28.2 Risks in connection with financial instruments

Comet is exposed to a variety of financial risks. These can be divided into market risks, credit risks and liquidity risks.

28.2.1 Market risk

Market risk comprises risks resulting from volatility in foreign currency exchange rates, interest rates and the price of exchange-traded commodities. As a manufacturer, Comet is inherently exposed to commodity price risks (for example, for inputs such as energy, copper and ceramics), but these are not considered financial risks for the purposes of IFRS 7, as Comet procures commodities only for use in manufacturing, not for trading of commodity contracts. Consequently, these risks are not explicitly determined and are not separately disclosed in the consolidated financial statements.

Foreign exchange risk

With its worldwide activities and strong focus on exports, Comet is exposed to foreign exchange risk arising from currency exposures, as revenues and costs often do not arise in the same currency. The currency risk from operations is reduced by purchasing and selling in local currency where possible, an approach known as natural hedging. Comet seeks to avoid unreasonable financial risks. In order to partly mitigate these risks, Comet may apply natural and/or financial hedging techniques (typically forward exchange contracts) without applying hedge accounting as well as Comet does not enter into derivative financial instruments for speculative purposes.

As Comet hedges only cash flows, there are no hedges of net investments in foreign operations and no hedges related to translation of its foreign subsidiaries' income, assets and liabilities into Swiss francs for inclusion in its consolidated financial statements.

The table below shows the sensitivity of income before tax and of shareholders' equity to a hypothetical 10% movement in those exchange rates that are material for Comet, with all other variables held constant. The most important monetary foreign currency positions in the balance sheets of the Group companies are in euros and US dollars. A reduction in exchange rates by the same percentage would produce an opposite effect of equal size.

Fiscal year 2024

	Increase in exchange rate in %	Effect on income before tax in thousands of CHF	Effect on equity in thousands of CHF
EUR / CHF	+10	+1,111	+2,537
USD / CHF	+10	+2,631	+948

Fiscal year 2023

	Increase in exchange rate in %	Effect on income before tax in thousands of CHF	Effect on equity in thousands of CHF
EUR / CHF	+10	+1,707	+1,849
USD / CHF	+10	+1,898	+1,052

Interest rate risk

Comet's only market debt instrument is a CHF 60 million bond with a fixed coupon measured at amortized cost. Consequently, volatility in market interest rates did not have an effect on the carrying amounts of the debt, nor therefore on income before tax or on equity. However, Comet's debt financing exposes it to interest rate risk during refinancing in fiscal year 2026.

Comet's cash and cash equivalents, including deposits, are subject to market risk associated with interest rate fluctuations. The market value of fixed rate securities may be adversely affected by a rise in interest rates.

The total interest income recognized in fiscal year 2024 amounted to CHF 2.6 million (prior year: CHF 1.6 million), primarily related to cash investments and deposits. The Group estimates that, given a possible increase or decrease of 25 basis points in Swiss franc, euro and US dollar market interest rates, with all other variables (including foreign exchange rates) held constant, interest income on cash invested would have been CHF 0.1 million higher or CHF 0.1 million lower, respectively (prior year: CHF 0.1 million higher or lower).

The above sensitivity analyses are for illustration purposes only, as in practice, market rates rarely change in isolation from other factors that also affect Comet's financial position and results.

28.2.2 Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a loss.

Banking transactions
The Group has policies that limit the amount of counterparty credit exposure to any single financial institution and Comet actively monitors these exposures. The financial transactions are predominantly entered into with investment grade financial institutions, and in principle, Comet requires a minimum long-term rating of A3/A- (from Moody's/S&P) for its deposit and cash investments. The Group may deviate from this requirement from time to time for operational reasons. The highest exposure to a single financial counterparty on December 31, 2024, amounted to CHF 42.5 million (prior year: CHF 27.0 million).

Trade receivables
Comet operates worldwide, selling its products in various countries and to a large number of customers. Payment terms vary according to market and customer. The payments received from customers are monitored by the individual Group companies; the resulting information is made available to Group management in the form of monthly special reports. Appropriate allowance for expected risk of default is made through the recognition of impairment on doubtful accounts. Receivables and contract assets are written off only when payment is highly unlikely to be forthcoming. Detailed information on impairment of receivables and contract assets and its movement in the year can be found in note 12.

The amount of exposure to credit risk equals the carrying amount of the respective financial instruments in the balance sheet.

28.2.3 Liquidity risk

Comet defines liquidity risk as the risk that, at any time, the Group will not be able to meet its financial obligations as they come due. The Group views available cash balances and funds from operating activities as its primary sources of liquidity, complemented with access to external sources of funds when deemed to be required. As of December 31, 2024, the Group's liquidity position primarily consisted of CHF 113.7 million of cash and cash equivalents and the fully undrawn CHF 60 million revolving credit facility. Based on the current operating performance and liquidity position, the Group believes that its liquidity position will be sufficient to cover working capital, capital expenditures, interest payments, dividends and scheduled debt repayments for the next twelve months.

As a key principle of its financial management, Comet monitors and maintains sufficient liquid assets and access to credit lines to assure access to liquidity at all times. Liquidity planning and funding are managed centrally for the whole Group. Comet manages short-term liquidity based on projected cash flows. A rolling three-month cash flow forecast is prepared monthly, based on a decentralized bottom-up approach. The financing of subsidiaries is normally arranged through intercompany loans issued by Comet Holding AG. Furthermore, the Group's credit quality is safeguarded by monitoring the net leverage (debt factor) and equity ratios.

Following is an overview of all contractual payment obligations as at the balance sheet date, on an undiscounted basis. Amounts in foreign currency have been translated using the reporting date closing rate.

Fiscal year 2024

In thousands of CHF	Note	Carrying amount	Payments due by period			
			Total	2025	2026- 2029	After 2029
Debt	20	59,868	61,018	780	60,238	—
Lease liabilities	17	37,744	42,980	6,651	16,553	19,776
Financial liabilities	21	39,422	39,422	39,422	—	—
Other financial liabilities	13	1,001	1,001	1,001	—	—
Total		**138,035**	**144,421**	**47,854**	**76,791**	**19,776**

Fiscal year 2023

In thousands of CHF	Note	Carrying amount	Payments due by period			
			Total	2024	2025- 2027	After 2028
Debt	20	59,767	61,798	780	61,018	—
Lease liabilities	17	35,747	43,946	8,010	21,690	14,246
Financial liabilities	21	28,346	28,346	28,346	—	—
Total		**123,860**	**134,091**	**37,136**	**82,708**	**14,246**

The item "debt" represents the principal amounts of current and non-current debt, including underlying contractual interest payments.

The contract amounts of open derivative positions are presented in note 13.

29 Share-based payments

Compensation of the members of the Board of Directors
To ensure the independence of the Board of Directors in its supervision of the Executive Committee, the Board members receive only a fixed retainer, of which 60% is paid in cash and 40% is paid in stock. The stock awarded to Board members is subject to a holding period of three years during which it cannot be sold.

Compensation of the members of the Executive Committee
The remuneration of the members of the Executive Committee consists of a fixed component ("fixed compensation") and a performance-related component. The members of the Executive Committee are eligible for participation in an annual short-term incentive plan (STIP) and a three-year long-term incentive plan (LTIP). The total performance-based compensation (combined total of STIP actual compensation and the LTIP grant value in the form of PSUs) is capped by an upper limit. For the CEO, this upper limit is 200% of the fixed compensation; for each other member of the Executive Committee, it is 150% of the fixed compensation.

The STIP is a profit-sharing arrangement based on the Group's performance in terms of a combination of (i) its rate of sales growth year-over-year and (ii) its net income. The STIP is paid in cash (with some exceptions, which are explained in the compensation report, section "Compensation of the Executive Committee).

The LTIP, which has been in effect since January 1, 2023, is designed as a three-year performance share unit (PSU) plan based on three key performance indicators (sales growth measured against the NASDAQ Global Semiconductor Index; ROCE; ESG scorecard). PSUs convert to Comet shares at the end of the three-year vesting period, which commences on the grant date in May. The number of shares that will actually vest ranges from 0% to 200% of the initial number of PSUs granted, depending on the evolution of the above-mentioned KPIs over the three-calendar-year performance cycle. The stock delivered under the LTIP does not have a holding period. The first payout will be in May 2026.

A detailed description of the STIP and LTIP is provided in the compensation report, section "Compensation of the Executive Committee".

Stock compensation plan	Share price
Stock granted to the members of the Board of Directors (as part of their compensation for the one-year term of office) and members of the Executive Committee (as part of their STIP payout for the performance year 2022, and under the LTIP 2022)	Arithmetic average of the closing share price of Comet stock on the SIX Swiss Exchange in the period between (and excluding) the date of the annual results press conference and the date of the subsequent Annual Shareholder Meeting
PSUs awarded to eligible LTIP participants under LTIP 2023 – 2025	Arithmetic average of the closing share price of Comet stock on the SIX Swiss Exchange on the 20 consecutive trading days from (and including) the ex-dividend date.
PSUs awarded to eligible LTIP participants under LTIP 2024 – 2026	Arithmetic average of the closing share price of Comet stock on the SIX Swiss Exchange on the 20 consecutive trading days from (and including) the ex-dividend date.

Expenses recorded

The expense recognized for share-based payments to the Executive Committee and Board of Directors in the year under review was CHF 1.0 million (prior year: CHF 0.6 million). Of this total, the portion for the Board of Directors was CHF 0.4 million.

30 Compensation of the Board of Directors and Executive Committee

The expense for compensation of the members of the Executive Committee and Board of Directors can be analyzed as follows:

in thousands of CHF	**2024**	2023
Cash compensation, including short-term employee benefits	4,515	3,549
Contributions to post-employment benefit arrangements	374	339
Expense for share-based payments	1,034	554
Total compensation	**5,924**	**4,442**

31 Related party transactions

All related party transactions are listed in the table below:

In thousands of CHF	Sales to related parties		Purchases from related parties		Amounts owed by related parties		Amounts owed to related parties	
	2024	2023	2024	2023	2024	2023	2024	2023
Entity with significant influence over the Group								
Variosystems Holding AG, Steinach	1	2	1,762	2,253	—	—	—	2
Band Cooperative, Bern	3	0	1,363	1,619	—	—	—	—
Fraunhofer Alumni eV, Germany	325	179	5	6	—	—	—	—
Semiconductor Equipment and Materials International Inc., USA			104					
Others	—	—	0	3	—	—	—	—
Total	**329**	**181**	**3,235**	**3,881**	**—**	**—**	**—**	**2**

32 Events after the balance sheet date

With the exception of the matters disclosed in Note 26, "Off-balance sheet transactions", there have been no events after the balance sheet date with a material effect on the amounts in the consolidated financial statements.

33 Proposed distribution to shareholders

The Board of Directors will propose at the 2025 Annual Shareholder Meeting to pay a dividend of CHF 1.50 per share in relation to fiscal year 2024, from retained earnings. In relation to the prior year, Comet paid a dividend of CHF 1.00 per share from retained earnings. The total amount of the proposed dividend in relation to fiscal year 2024 is CHF 11.7 million (prior year: CHF 7.8 million).

34 Release of the consolidated financial statements for publication

On March 4, 2025, the Board of Directors released these financial statements for publication. The Board will present the financial statements to the Annual Shareholder Meeting on April 10, 2025, for approval.

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To the General Meeting of
Comet Holding AG, Flamatt

Berne, 4 March 2025

Report of the statutory auditor

Report on the audit of the consolidated financial statements

Opinion
We have audited the consolidated financial statements of Comet Holding AG and its subsidiaries (the Group), which comprise the consolidated balance sheet as at 31 December 2024, the consolidated statement of income, the consolidated statement of comprehensive income, the consolidated statement of cash flows and the consolidated statement of changes in equity for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements (pages 81 to 137) give a true and fair view of the consolidated financial position of the Group as at 31 December 2024 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards and comply with Swiss law.

Basis for opinion
We conducted our audit in accordance with Swiss law, International Standards on Auditing (ISA) and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the “Auditor's responsibilities for the audit of the consolidated financial statements” section of our report. We are independent of the Group in accordance with the provisions of Swiss law, together with the requirements of the Swiss audit profession, as well as those of the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters
Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For the matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the “Auditor's responsibilities for the audit of the consolidated financial statements” section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matter below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Valuation of goodwill and other intangible assets with indefinite useful lives

Risk	Management reviews the carrying amount of its cash generating units annually or more frequently if any impairment indicators are present with respect to goodwill and other intangible assets with indefinite useful lives. The impairment assessment involves performing a comparison of the estimated recoverable amount (value in use) with its carrying amount. These annual impairment tests were significant to our audit because the balances for goodwill and trademarks amounted to CHF 29.1 million as of 31 December 2024. Furthermore, the underlying estimations to the impairment assessment are complex and any impairment of goodwill and trademarks can have a material impact on consolidated net income. The valuation also depends on assumptions regarding the future development of the business and on judgments made by management. Refer to Note 19. The recoverable amount calculated using the discounted cash flow analysis is based on various assumptions such as terminal value growth rates, inflation rate and discount rate (WACC) of each cash-generating unit. These assumptions are determined by management and are therefore considered to be material judgments.
Our audit response	We assessed the assumptions made in the impairment tests and discussed them with management. We involved our own valuation specialists. We compared the terminal value growth rate as well as the inflation rate with externally available data and checked the clerical accuracy of the model. In addition, we evaluated the estimates made by management in previous years in terms of the actual income generated, as well as assessed management's process for identifying possible impairments. Moreover, we evaluated the disclosures regarding impairment testing on goodwill and other intangible assets with indefinite useful lives with regard to the assumptions made. Our audit procedures did not lead to any reservations concerning the valuation of goodwill and other intangible assets with indefinite useful lives.

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Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements, the stand-alone financial statements, the compensation report and our auditor's reports thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Board of Directors' responsibilities for the consolidated financial statements

The Board of Directors is responsible for the preparation of the consolidated financial statements, which give a true and fair view in accordance with IFRS Accounting Standards and the provisions of Swiss law, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Directors is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law, ISA and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

A further description of our responsibilities for the audit of the consolidated financial statements is located on EXPERTsuisse's website at: https://www.expertsuisse.ch/en/audit-report. This description forms an integral part of our report.

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Report on other legal and regulatory requirements

In accordance with Art. 728a para. 1 item 3 CO and PS-CH 890, we confirm that an internal control system exists, which has been designed for the preparation of the consolidated financial statements according to the instructions of the Board of Directors.

We recommend that the consolidated financial statements submitted to you be approved.

Ernst & Young Ltd

Martin Mattes (Qualified Signature)	Cristina Zimmermann (Qualified Signature)
Licensed audit expert (Auditor in charge)	Licensed audit expert

Separate Financial Statements of Comet Holding AG

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Statement of income

In thousands of CHF	2024	%	2023	%
Dividend income	17,177		32,473	
Other financing income	2,665		2,457	
Other operating income	—		3	
Total income	**19,842**	**100.0%**	**34,932**	**100.0%**
Financing expenses	(1,144)		(3,511)	
Other operating expenses	(3,084)		(3,803)	
Total expenses	**(4,228)**	**– 21.3%**	**(7,314)**	**– 20.9%**
Net income for the year	**15,614**	**78.7%**	**27,618**	**79.1%**

Balance sheet

In thousands of CHF	Note	Dec. 31, 2024	%	Dec. 31, 2023	%
Assets					
Cash and cash equivalents		1,631		441	
Other receivables from subsidiaries		3		—	
Prepaid expenses		379		528	
Total current assets		**2,014**	**0.9%**	**969**	**0.5%**
Financial assets – loans	3	126,384		120,486	
Investments in subsidiaries	2	86,632		86,632	
Total non-current assets		**213,016**	**99.1%**	**207,118**	**99.5%**
Total assets		**215,030**	**100.0%**	**208,087**	**100.0%**
Liabilities and shareholders' equity					
Other liabilities to non-Group entities		93		300	
Other liabilities to shareholders and governing bodies		276		276	
Accrued expenses		1,051		965	
Total current liabilities		**1,419**		**1,542**	
Interest-bearing liabilities	6	60,000		60,000	
Total non-current liabilities		**60,000**		**60,000**	
Total liabilities		**61,419**	**28.6%**	**61,541**	**29.6%**
Capital stock	4	7,774		7,774	
Statutory capital reserve		2,986		2,986	
Statutory earnings reserve		4,967		4,967	
Treasury stock		(1,347)		(491)	
Retained earnings brought forward		123,617		103,692	
Net income for the year		15,614		27,618	
Total shareholders' equity		**153,611**	**71.4%**	**146,546**	**70.4%**
Total liabilities and shareholders' equity		**215,030**	**100.0%**	**208,087**	**100.0%**

Statement of changes in equity

In thousands of CHF	Capital stock	Capital reserve	General legal reserve	Treasury stock	Retained earnings	Total shareholders' equity
December 31, 2021	**7,770**	**1,918**	**4,967**	**–**	**129,417**	**144,072**
Net income	–	–	–	–	30,147	30,147
Dividend payment to shareholders of Comet Holding AG	–	–	–	–	(27,193)	(27,193)
Increase in capital stock	4	1,095	–	–	–	1,099
Alignment of capital reserve [1]	–	(8)	–	–	8	–
December 31, 2022	**7,774**	**3,005**	**4,967**	**–**	**132,379**	**148,124**
Net income	–	–	–	–	27,618	27,618
Dividend payment to shareholders of Comet Holding AG	–	–	–	–	(28,764)	(28,764)
Purchase of treasury stock	–	–	–	(1,949)	–	(1,949)
Award of treasury stock under share-based compensation plans	–	–	–	1,458	59	1,517
Alignment of capital reserve [1]	–	(19)	–	–	19	–
December 31, 2023	**7,774**	**2,986**	**4,967**	**(491)**	**131,311**	**146,546**
Net income	–	–	–	–	15,614	15,614
Dividend payment to shareholders of Comet Holding AG	–	–	–	–	(7,772)	(7,772)
Purchase of treasury stock [2]	–	–	–	(1,257)	–	(1,257)
Award of treasury stock under share-based compensation plans	–	–	–	401	78	479
December 31, 2024	**7,774**	**2,986**	**4,967**	**(1,347)**	**139,231**	**153,611**

[1] In the prior year and fiscal year 2022, the amount of the capital reserve reported in these financial statements was aligned to the amount of the capital reserve reported to the tax authorities.

[2] In fiscal year 2024, two purchases of treasury share transactions were made on May 28, 2024 and August 5, 2024. The highest price paid per share was CHF 299.71 and the lowest price was CHF 297.44. The average share price paid was CHF 297.83.

Notes to the separate financial statements of Comet Holding AG

General information

Comet Holding AG has its registered office in Flamatt, Switzerland and is the Comet Group's parent holding company listed on the Swiss stock exchange. The separate financial statements of Comet Holding AG at and for the year ended December 31, 2024, comply with the provisions of the Swiss Code of Obligations. The manner of the inclusion of Comet Holding AG in the consolidated accounts is governed by the measurement principles set out in the notes to the consolidated financial statements.

01 Accounting principles

These separate financial statements were prepared in accordance with the principles of the applicable Swiss Accounting Law (title 32 of the Swiss Code of Obligations).

Receivables and loans

Receivables and loans are stated at nominal amounts less any necessary write-downs.

Investments in subsidiaries

Investments in subsidiaries are recognized at historical cost less necessary impairment charges, and are individually tested annually for impairment.

Treasury stock

Comet purchases treasury stock for share-based compensation of the Executive Committee and Board of Directors. Treasury shares are recognized at acquisition cost and deducted from shareholders' equity at the time of acquisition. Comet applies the first-in-first-out (FIFO) principle when using treasury stock for share-based compensation programs. In general, treasury stock is not held for more than six years at maximum. In the event of a resale, the gain or loss is recognized through retained earnings.

02 Investments in subsidiaries

Comet Holding AG directly held the following companies at December 31, 2024:

				Equity interest in % [1]	
Company	Registered office	Currency	Capital stock	2024	2023
Comet AG	Flamatt, Switzerland	CHF	2,000,000	100%	100%
Comet Electronics (Shanghai) Co. Ltd.	Shanghai, China	CNY	5,466,148	100%	100%
Comet Mechanical Equipment (Shanghai) Co. Ltd. [2]	Shanghai, China	CNY	5,209,270	100%	100%
Comet Solutions Taiwan Ltd.	Hsinchu County, Taiwan	TWD	5,000,000	100%	100%
Comet Technologies Canada Inc.	Montreal, Canada	CAD	15,001,000	100%	100%
Comet Technologies Denmark A/S	Taastrup, Denmark	DKK	601,000	100%	100%
Comet Technologies Japan KK	Yokohama, Japan	JPY	10,000,000	100%	100%
Comet Technologies Korea Co. Ltd.	Suwon, Korea	KRW	500,000,000	100%	100%
Comet Technologies Malaysia Sdn. Bhd.	Penang, Malaysia	MYR	3,000,000	100%	100%
Comet Technologies USA, Inc.	Shelton, CT, USA	USD	1,000	100%	100%
Comet Yxlon GmbH	Hamburg, Germany	EUR	110,000	100%	100%
Yxlon (Beijing) X-Ray Equipment Trading Co. Ltd. in liquidation [3]	Beijing, China	CNY	1,077,000	100%	100%

1 Comet Holding AG also holds 100% of the voting rights in all companies.

2 The company increased its registered stock from USD 200,000 to USD 700,000. The paid-in stock amounted to USD 700,000 as of December 31, 2024.

3 In December 2024, the company announced the liquidation procedures to the Beijing authorities. Official registration of liquidation will follow in due course.

03 Non-current financial assets – loans

Loans to subsidiaries were as follows:

In thousands of CHF	**2024**	2023
Comet AG	79,534	74,943
Comet Yxlon GmbH	29,398	25,545
Comet Technologies Malaysia Sdn. Bhd.	12,588	13,462
Comet Technologies Denmark A/S	2,829	3,251
Comet Technologies Japan KK	—	1,770
Comet Technologies Canada Inc.	637	1,515
Comet Solutions Taiwan Ltd.	1,397	—
Total loans to subsidiaries	**126,384**	**120,486**

04 Equity capital structure

Capital stock

The capital stock at January 1, 2024, was CHF 7,773,966, divided into 7,773,966 registered shares with a par value (nominal value) of CHF 1.00 per share. In fiscal year 2024 the capital stock remained unchanged, as the Board of Directors decided to use treasury stock for the share-based compensation. The capital stock is fully paid in.

Treasury stock

The Board of Directors decided to pay the share-based compensation from treasury stock, instead of using capital increases from conditional capital designated for equity compensation. At the balance sheet date, Comet Holding AG held 4,588 shares of treasury stock (prior year: 2,000).

In thousands of CHF	Number of shares		Average price per share (in CHF)	
	2024	2023	**2024**	2023
Opening balance of treasury stock	2,000	–		
Purchase of treasury stock	4,220	8,687	297.83	224.40
Award of treasury stock under share-based compensation plans	(1,632)	(6,687)	245.61	218.04
Closing balance of treasury stock	**4,588**	**2,000**		

Long-term incentive plan (LTIP) 2024-2026
In fiscal year 2024, Comet Holding AG awarded 3,440 performance share units (PSUs) for the 2024 long-term incentive plan with a grant date of May 24, 2024 and a vesting date of May 23, 2027. As of December 31, 2024, 20% of the vesting period was completed and a total amount of 3,440 unvested PSUs was outstanding for this plan.

Long-term incentive plan 2023-2025
In fiscal year 2023, Comet Holding AG awarded 3,848 performance share units for the 2023 long-term incentive plan with a grant date of May 17, 2023 and a vesting date of May 16, 2026. As of December 31, 2024, 54% of the vesting period was completed and a total amount of 3,848 unvested PSUs was outstanding for this plan.

Capital band (i.e., capital range)

At any time until April 14, 2026, the Board of Directors is authorized i) to increase the capital stock by issuing a maximum of 1,554,793 fully paid registered shares with a par value of CHF 1.00 per share in one or more steps, by not more than a cumulative CHF 1,554,793, to a new total of CHF 9,328,759 (the upper limit of the so-called capital band), and ii) to reduce the capital stock in one or more steps to not less than CHF 7,385,268 (the lower limit of the capital band), either by cancelling not more than a total of 388,698 registered shares with a par value of CHF 1.00 per share or by reducing the par value of the registered shares accordingly. A capital reduction and a reincrease may be performed simultaneously. If the capital stock is increased by means of the capital band, the limit on the number of shares by which the capital can subsequently be reduced is raised so that the lower end of the capital band can be reached. If the capital stock is reduced by means of the capital band, the limit on the number of shares by which the capital can subsequently be increased is raised so that the upper end of the capital band can be reached. If a change in capital is performed by changing the par value, the upper and lower limits of the capital band remain constant, but the limits on the number of shares by which the capital can be changed are adjusted accordingly. In the case of an increase of the capital stock, the new shares must be fully paid in. In the case of a capital reduction, the amount of the reduction may, in the discretion of the Board of Directors, be distributed to the shareholders in whole or in part and/or added to reserves.

The Board of Directors may exclude shareholders' subscription rights in whole or in part and allocate such subscription rights to certain shareholders or third parties, including subsidiaries, for the purpose of, among other things:

- enabling a strategic partner to acquire an equity interest
- acquiring or investing in companies, strategic equity interests, products and product development programs, intellectual property rights, etc.
- facilitating transactions by means of an exchange of shares

Conditional capital for equity compensation

Under article 3b of its Articles of Association, the Company has conditional capital ("bedingtes Aktienkapital") that is designated for use only as equity-based compensation. In a capital increase from this conditional capital, stock is issued to Executive Committee members and/or Board members of Comet Holding AG. With respect to this conditional capital, the other shareholders' pre-emptive rights are excluded. The issuance of stock or stock subscription rights is based on a compensation plan (in the form of a written regulation) adopted by the Board of Directors.

In 2024 and 2023, due to the decision by the Board of Directors to use treasury stock for the equity-based compensation, no capital increase was performed from conditional capital designated for equity-based compensation.

As a result, the Company's conditional capital for equity-based compensation showed no movement in fiscal year 2024 (movement in prior year: nil):

	Number of shares		Par value in CHF	
	2024	2023	**2024**	2023
January 1	189,154	189,154	189,154	189,154
Increase in capital (awards to Board of Directors for prior term's retainer and to Executive Committee for prior year's profit-sharing compensation)	–	–	–	–
December 31	189,154	189,154	189,154	189,154

At the end of the year, the remaining conditional capital for equity-based compensation was CHF 189,154, or 2.4% of the existing capital stock.

Conditional capital for financing, acquisitions and other purposes

Under article 3c of its Articles of Association, the Company's capital stock can be increased by a maximum of CHF 1,554,793 through the issuance of up to 1,554,793 fully paid registered shares with a par value of CHF 1.00 per share through the exercise (incl. mandatory exercise) of conversion, exchange, option, subscription, or similar rights to purchase shares granted to shareholders or third parties, alone or in connection with bonds, loans, options, warrants, or other financial market instruments or contractual obligations of the Company or its subsidiaries (collectively "Financial Instruments").

The Board of Directors is authorized to restrict or cancel the preferential subscription rights of existing shareholders in connection with the issue of Financial Instruments by the Company or one of its subsidiaries if the issue is made (a) for the purpose of financing or refinancing or compensation for the acquisition of companies, parts of companies, equity interests, products, intellectual property rights or licenses or of investment projects or (b) on domestic or foreign trading venues or as part of a private placement or (c) for other important reasons. Such exclusion or restriction of preferential subscription rights in connection with the issuance of Financial Instruments may, based on the shares underlying the Financial Instruments in question, not involve more than 10% of the number of shares already in issue immediately prior to the issuance in question. This percentage shall be reduced to the extent that subscription rights are excluded pursuant to article 3a of the Articles of Association.

If the preferential subscription rights are not granted directly or indirectly by the Board of Directors in connection with the issue of Financial Instruments by the Company or one of its subsidiaries, the following shall apply:

- The Financial Instruments shall be issued, or the associated transactions entered into, at market terms; and
- the conversion, exchange or other exercise price of the Financial Instruments shall be determined with reference to the market price prevailing at the time the Financial Instruments are issued; and
- the Financial Instruments are convertible, exchangeable or exercisable for a maximum period of ten years from the relevant issue date or transaction date.

05 Options and conversion rights

Comet Holding AG has not issued any conversion rights or stock options.

06 Bond

Comet Holding AG issued a bond on April 20, 2021, in the amount of CHF 60 million. The bond was issued at par. The term of the bond is five years and it matures on April 20, 2026. The fixed coupon rate over the term is 1.30%, payable annually on April 20. The bond is listed on the SIX Swiss Exchange (Swiss security number 110 109 656, ticker symbol COT21).

07 Guarantees and pledged assets

The Group is taxed as a single entity for purposes of value-added taxation in Switzerland, and Comet Holding AG therefore has joint and several liability for the value-added tax obligations of its Swiss subsidiary.

08 Number of full-time equivalents

The number of employees of Comet Holding AG in 2024 and 2023 in terms of the annual average number of full-time equivalents was less than ten.

09 Events after the balance sheet date

There have been no events after the balance sheet date with a material effect on the amounts in the financial statements.

10 Release of the separate financial statements for publication

The Board of Directors released these annual financial statements on March 4, 2025 for publication and will present them to shareholders for approval at the Annual Shareholder Meeting on April 10, 2025.

Board of Directors' proposal for the appropriation of retained earnings

01 Retained earnings in 2024

In thousands of CHF	2024
Earnings brought forward	123,617
Net income for the year	15,614
Retained earnings available for distribution	**139,231**

02 Proposal for the appropriation of retained earnings

At the Annual Shareholder Meeting the Board of Directors will propose to pay a dividend of CHF 1.50 per share from retained earnings.

Provided this dividend is approved, it will result in the following movement in retained earnings:

In thousands of CHF	2024
Retained earnings at December 31, 2024	**139,231**
Dividend payment of CHF 1.50 per share	(11,654)
Retained earnings carried forward	**127,577**

Provided the proposal is approved, the dividend of CHF 1.50 per entitled share, less 35% withholding tax, will be paid on April 16, 2025.

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To the General Meeting of
Comet Holding AG, Flamatt

Berne, 4 March 2025

Report of the statutory auditor

Report on the audit of the financial statements

Opinion
We have audited the financial statements of Comet Holding AG (the Company), which comprise the balance sheet as at 31 December 2024, the statement of income and the statement of changes in equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements (pages 143 to 151) comply with Swiss law and the Company's articles of incorporation.

Basis for opinion
We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We are independent of the Company in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters
Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For the matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the "Auditor's responsibilities for the audit of the financial statements" section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matter below, provide the basis for our audit opinion on accompanying the financial statements.

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with confidence

Valuation of investments and loans

Risk	The Company holds as parent of the group investments in various subsidiaries. Furthermore, the parent company uses intragroup loans to fund a number of subsidiaries. Investments amounted to CHF 126.3 million and loans amounted to CHF 86.6 million, the sum of which represents 99 % of total assets and are therefore material. By definition, these amounts recognized on the balance sheet are subject to an impairment risk. When there are indications of a possible impairment, management prepares the required calculations and, if applicable, records an allowance. The calculations are based in part on simplified models, especially when management considers the risk of an impairment to be low.
Our audit response	We assessed the valuation methodology, analyzed the underlying key assumptions and tested the mathematical accuracy of the valuation model. With the assistance of our valuation specialists, we independently derived the weighted average cost of capital (WACC) and compared it to the Company's calculation.

Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements, the stand-alone financial statements, the compensation report and our auditor's reports thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Board of Directors' responsibilities for the financial statements

The Board of Directors is responsible for the preparation of the financial statements in accordance with the provisions of Swiss law and the Company's articles of incorporation, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on EXPERTsuisse’s website at: https://www.expertsuisse.ch/en/audit-report. This description forms an integral part of our report.

Report on other legal and regulatory requirements

In accordance with Art. 728a para. 1 item 3 CO and PS-CH 890, we confirm that an internal control system exists, which has been designed for the preparation of the financial statements according to the instructions of the Board of Directors.

Based on our audit in accordance with Art. 728a para. 1 item 2 CO, we confirm that the proposal of the Board of Directors complies with Swiss law and the Company’s articles of incorporation. We recommend that the financial statements submitted to you be approved.

Ernst & Young Ltd

Martin Mattes (Qualified Signature)	Cristina Zimmermann (Qualified Signature)
Licensed audit expert (Auditor in charge)	Licensed audit expert

Financial metrics

Alternative performance measures

Comet uses key indicators defined in the IFRS Accounting Standards (IFRS) in its entire financial reporting, as well as selected alternative performance measures (APMs). These APMs provide useful information on the Group's financial situation and are used for financial management and controllership purposes. As these measures are not defined under IFRS, their definition and calculation may differ from those used by other companies. It should be noted that comparability across companies may therefore be limited.

The key alternative performance measures used in the reporting on fiscal year 2024 are defined as follows:

Key performance measures	Comet definitions
Gross profit, gross profit margin	Gross profit is calculated as net sales less cost of sales. Gross profit margin represents gross profit as a percentage of net sales.
Earnings before interest, taxes, depreciation and amortization (EBITDA)	Operating income as per consolidated statement of income before depreciation on property, plant and equipment & right-of-use assets, amortization of intangible assets and impairment losses.
EBITDA margin	EBITDA as a percentage of net sales.
Net debt	Interest-bearing debt (such as current and non-current debt and lease liabilities) less cash and cash equivalents.
Debt factor	Net debt divided by EBITDA.
Equity ratio	Total equity attributable to the shareholders of Comet Holding AG divided by total assets.
Free cash flow (FCF)	Sum of net cash flows from operating and investing activities.
Return on capital employed (ROCE)	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 non-current assets employed (aggregated amount of property, plant and equipment, right-of-use assets and intangible assets).

Calculation of net debt and of debt factor

In thousands of CHF	**December 31, 2024**	December 31, 2023
Current debt and lease liabilities	5,405	3,528
+ Non-current debt and lease liabilities	92,207	91,986
./. Cash and cash equivalents	(113,744)	(86,707)
Net debt	**(16,132)**	**8,807**
EBITDA	60,380	44,996
Debt factor	**(0.3)**	**0.2**

Calculation of free cash flow

In thousands of CHF	**December 31, 2024**	December 31, 2023
Net cash provided by operating activities	49,963	22,257
Net cash (used in) investing activities	(8,549)	(22,841)
Free cash flow	**41,414**	**(584)**

Calculation of return on capital employed

In thousands of CHF	**December 31, 2024**	December 31, 2023
Trade receivables, net	77,347	53,321
Inventories	106,798	103,430
Trade payables	(30,790)	(20,331)
Sales commissions	(2,379)	(2,405)
Contract liabilities	(16,228)	(17,345)
Net working capital (NWC)	**134,748**	**116,670**
Property, plant and equipment	125,715	128,398
Right-of-use assets	30,337	26,400
Intangible assets	35,159	36,555
Non-current assets employed	**191,211**	**191,353**
Total capital employed	**325,959**	**308,023**
Average capital employed [1]	**316,991**	**324,726**
Operating income	38,229	24,978
./. Income tax	(5,116)	(3,606)
Net operating profit after tax (NOPAT)	**33,113**	**21,372**
NOPAT	33,113	21,372
Capital employed	316,991	324,726
Return on capital employed (ROCE)	**10.4%**	**6.6%**

[1] Return on capital employed (ROCE) is calculated using the average capital employed, based on the beginning and ending balance of capital employed in the period.

Sustainability 2024

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About the report

Since 2021, Comet has annually published a sustainability report in accordance with the GRI Standards, a practice that continues with the current report. The report presented here for the year 2024 also fulfills the requirements for the non-financial report as mandated by Article 964a et seq. of the Swiss Code of Obligations (CO) for the 2024 fiscal year and incorporates the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), which are part of Swiss national legislation to improve corporate transparency in climate-related disclosures.

Sections relevant to Article 964a et seq. of the Swiss Code of Obligations (CO) are referenced in an index at the end of this report. Reporting on climate, social and employee matters, human rights, and anti-corruption has been seamlessly integrated into the GRI-based report and supplemented with comprehensive details on risks, strategies, and performance metrics. Additionally, a summary of Comet's business model and value chain is provided in a separate section.

Statement of the CEO

"At Comet, we are committed to building a sustainable future for generations to come."

Stephan Haferl
Chief Executive Officer

Comet is dedicated to a strategy rooted in responsible and sustainable practices. This commitment is central to our value promise to customers, investors, and employees as we continuously work to build a stronger and more efficient organization. For many years, we have prioritized actions such as utilizing clean energy, conserving natural resources, supporting those in need, investing in educational initiatives, and promoting equality and diversity. We will continue to build on this legacy and embrace our role as a responsible corporate citizen. With this in mind, we are approaching these priorities in a structured, global manner to systematically enhance our performance and contribute to a future that benefits generations to come.

In 2024, we continued our dedicated efforts to reduce our environmental footprint by implementing additional measures. The eco-design initiative, launched as part of pilot projects, revealed meaningful potential within our divisions to guide the development of our product portfolio toward a more circular economy. However, these projects have also highlighted that we are on a long path of gradual improvements. Our high-tech products, known for their long lifecycles and the highly conservative approaches prevalent in our main market sector of semiconductors, provide limited flexibility for product development and adaptation in the short term. Nevertheless, we are committed to making progress in this area, such as optimizing transportation routes for raw materials and deliveries to our customers to reduce emissions. Additionally, we aim to engage throughout the value chain by collaborating with our suppliers and customers to identify approaches that enhance efficiency and environmental sustainability.

Generating and implementing these ideas requires the best available talent in research and development. This is why we place great importance on creating a work environment where our employees can thrive and contribute meaningfully to shaping the future. We have taken steps in this regard by introducing a global job grading system, which ensures that our employees benefit from comparable working conditions worldwide.

Lastly, we have strengthened our governance practices to establish clear rules and justify the trust that our customers and employees place in us.

We are convinced that our technologies have the potential to support a sustainable world. With this goal in mind, we remain committed to creating solutions that deliver value to our customers, safeguard the environment, and respect societal needs. We take pride in seeing sustainability increasingly embedded within our corporate culture.

Highlights of the year

In 2024, we achieved significant milestones in advancing our sustainability agenda:

Dimension	Achievements in 2024	Ambition
	• Designed the new Comet Penang building to meet LEED Gold certification standards • Eco-design: completed employee online training and successfully executed pilot projects • Transitioned the Comet sites in Aachen and Copenhagen to clean energy • Installed photovoltaic system in Flamatt • Signatory to the UN Global Compact (UNGC) • Commitment made to the Science Based Targets initiative (SBTi) • Prepared manufacturing sites for ISO 14001 certification	We strive to minimize our environmental impact through responsible resource management and the integration of environmentally sound practices across our operations.
	• Implemented a global Comet job grading system • Completed the global Comet employee voice survey • Launched a global manager development program • Joined the European Chips Diversity Alliance	We aim to become the employer of choice by building a supportive and inspiring environment that attracts top talent and delivers long-term value for our employees, business partners, and society.
	• Revised various governance documents, including updating of ESG topics and addition of references to standards: - Code of Conduct - Supplier Code of Conduct - General Terms and Conditions • Improved due diligence processes for - Conflict minerals and - Child labor • Zero compliance violations	We want to achieve excellence in corporate governance by fostering ethical leadership, accountability, transparency, and sustainable value creation.

Purpose and business model

How we generate value and contribute to a world that is good to live in

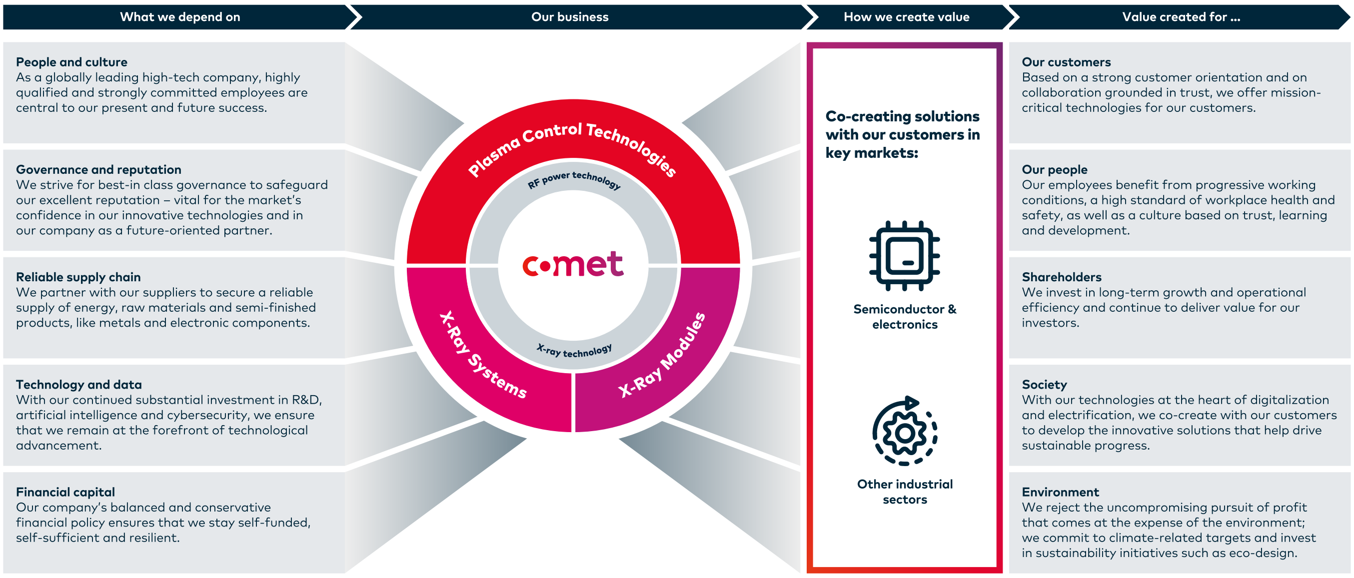
As a trailblazing, leading tech company in radio frequency power and x-ray technology, we want to make a growing contribution to a safer, more efficient, and sustainable world of manufacturing, communication, and mobility – **innovating for sustainable progress.**

Our high-tech products and services create value for countless people. Part of this value comes from setting goals that go beyond shareholder returns. In everything we do, we aim to balance economic, environmental, and social aspects to thus support a sustainable future and profitable long-term growth.

Our ESG program serves as a compass for managing our environmental footprint, taking responsibility for our employees, and satisfying the highest standards of compliance and governance. Our focus is on the long term.

Along our value chain, we rely on numerous resources to manufacture our products and provide our services. This is always done with the aim of using these resources as efficiently as possible and of minimizing the risks associated with their procurement.

Our business model



Business description – Comet's positioning in the value chain with innovative products and services

Focus on two technologies

Since our strategic refocusing in 2019, we concentrate on our traditional technology areas of plasma control and x-ray, as well as on expanding our service business, which is based on the growing use of artificial intelligence and machine learning in all areas of life. By focusing on these two technologies, we want to exploit the considerable potential of the digital world.

Significant investments in long-term and sustainable growth

We invest a high proportion of our profit in targeted long-term and sustainable growth. Access to sufficient equity and debt capital is ensured by our company's balanced and conservative financial policy. Operating from this position of financial strength, we have consistently delivered value for our stakeholders over the past decades. Our success story is reflected in high awareness of the Comet brand among customers and competitors. Thanks to our strong positioning, solid financial footing, secure access to capital, and the successful implementation of our focus strategy, we are growing our business.

Core markets with long-term structural growth
We target the core markets of semiconductors and electronics, both demonstrating long-term structural growth. These two markets are and will remain central for us – despite their cyclical nature. Forecasts predict high single-digit growth for the semiconductor market until 2030. Demand for sensors and microchips is also rising steadily in traditional industries. We therefore expect to generate over 80% of our sales with high-tech x-ray and plasma control solutions for the semiconductor and electronics market in the coming years.

Diversified positioning to leverage current and future trends
The Plasma Control Technology (PCT) division is fully exposed to the semiconductor market, while the X-Ray Systems (IXS) and X-Ray Modules (IXM) divisions also serve a range of other industrial end markets – including automotive, aerospace, and security – by providing non-destructive testing solutions for materials and components. The semiconductor and electronics market holds significant potential for all three divisions, while the traditional industries present attractive opportunities, especially in innovative areas like battery testing for electric vehicles. Our diversified market focus positions us well to leverage current and future trends. By anticipating customer needs and investing proactively, we help customers succeed with our cutting-edge technologies.

Shared resources and operational synergies link three divisions
We conduct our business through three distinct divisions, all operating under a unified corporate structure. This strategic approach allows each division to remain flexible and agile while leveraging the benefits of a cohesive strategic framework, shared resources, and operational synergies. Our targeted product portfolio is delivered through these divisions.

The Plasma Control Technology (PCT) division specializes in radio-frequency technology across three product lines:

- Impedance matching networks (“matchboxes”): Solutions for precise control of plasma applications
- RF (radio frequency) generators: Providing the required energy for plasma processes
- Vacuum capacitors: Core components for RF power management

The two x-ray divisions X-Ray Systems (IXS) and X-Ray Modules (IXM) offer:

- X-ray systems: Non-destructive inspection, analysis, and quality control
- Stationary and portable x-ray modules: Non-destructive inspection of materials
- X-ray tubes: Essential components for x-ray systems
- High-voltage generators: Supplying power for x-ray equipment
- Software solutions: For visualization and analysis of x-ray data

Sensible location choice for global customer proximity
As a globally active company with Swiss roots, we generate more than 99% of our sales in the key regions of Asia, North America, and Europe. As an important supplier to the dynamic semiconductor industry, we ensure proximity to our customers through strategic site selection. The choice of location also significantly influences the selection of our suppliers and the design of efficient supply chains. In view of the trend toward regionalization in semiconductor manufacturing, we must be able to adapt our production network quickly and flexibly.

Smart solutions to support customers' environmental engagement
The semiconductor industry and its suppliers, including Comet, face various challenges in connection with climate change. The production of semiconductors consumes significant amounts of electricity, water, and process gases, contributing to a substantial CO_2 footprint. Traditional industries such as automotive, aerospace, or security also require solutions to reduce climate-damaging emissions. Through sustainable investments and strategic innovation, we aim to help these industries meet environmental challenges while continuing to create value for stakeholders.

Strategic sustainability framework

At Comet, we prioritize sustainability across all operations, recognizing our continuous corporate responsibility toward employees, the environment, the economy, and society. This commitment drives us to uphold the highest standards in all areas of our work.

Sustainability priorities

- Reduce greenhouse gas emissions to combat climate change and promote clean energy access.
- Integrate sustainability throughout the value chain, from procurement to production, processing, sales, and distribution.
- Balance economic, environmental, and social considerations in decision-making.
- Create positive environmental and social impacts.

As a close and trusted partner to our customers, we want to:

- Develop innovative, sustainable products to support customers' strategies.
- Minimize environmental impact throughout the value chain.
- Build fair, transparent relationships with suppliers and partners that reflect our values.
- Lead in sustainable development within our industry.

A more detailed description of our approach to addressing environmental, social, and governance topics can be found in the sections on the individual material topics in this report.

Governance and organization

Sustainability is an integral part of strategic management and corporate planning at Comet. Only by embedding sustainability in our management practices can we take a comprehensive approach to our operations. Through forward-thinking governance, as outlined in our corporate governance report, we positively influence environmental, social, and economic development. We aim to weave sustainability into all business processes, ensuring that its measurement and management are embedded within our corporate strategy and governance. Effective sustainability management requires this comprehensive integration throughout the corporate structure. For more on our commitment and approach, please refer to our Sustainability Policy.

The Board of Directors oversees and approves the sustainability strategy, including climate-related issues. As part of the reporting process, the Board is also responsible for the review and approval of the annual sustainability report, including the climate transition plan and the climate reporting. It is informed quarterly about the status of strategy implementation and thus monitors the achievement of sustainability targets. The Board of Directors' committees deal with the topics that fall within their area of responsibility, such as eco-design for the Technology Committee and non-financial elements of executive compensation for the Nomination & Compensation Committee (NCC). The Board of Directors has delegated the implementation of the sustainability strategy to the Executive Committee. Climate and other ESG issues will be discussed quarterly by the Board of Directors as part of the Group's business transformation agenda. In addition, climate risks have been integrated into the discussion of business risks since the second half of 2023. Their discussion and review is on the agenda of the Board of Directors at least twice a year.

The Executive Committee is responsible for implementing the sustainability strategy and for preparing the annual sustainability reporting. The Chief Executive Officer (CEO) acts as sponsor of the sustainability program and is therefore accountable for sustainability at Comet. In executing the strategy, the Executive Committee is supported by a Sustainability Board, chaired by the Vice President of Investor Relations & Sustainability (VP of IR & Sustainability). The VP plans, organizes and monitors operational execution, coordinates cross-functional activities, and updates the Executive Committee in regular quarterly meetings on the progress in the strategy's implementation.

Comet utilizes monetary incentives through its long-term incentive plan (LTIP), as detailed in the compensation report. These incentives are designed to drive long-term profitable growth, support sustainability initiatives, increase shareholder value, and retain key executives.

The Sustainability Board, comprising senior management representatives, meets quarterly to discuss ongoing initiatives, launch new projects, and propose targets for approval by the Executive Committee, ensuring alignment across the Comet Group. The detailed development and operational implementation of climate and other sustainability initiatives takes place in project teams made up of representatives who are responsible for the respective topic in their divisions or in the Group functions.

Sustainability strategy: the Comet way

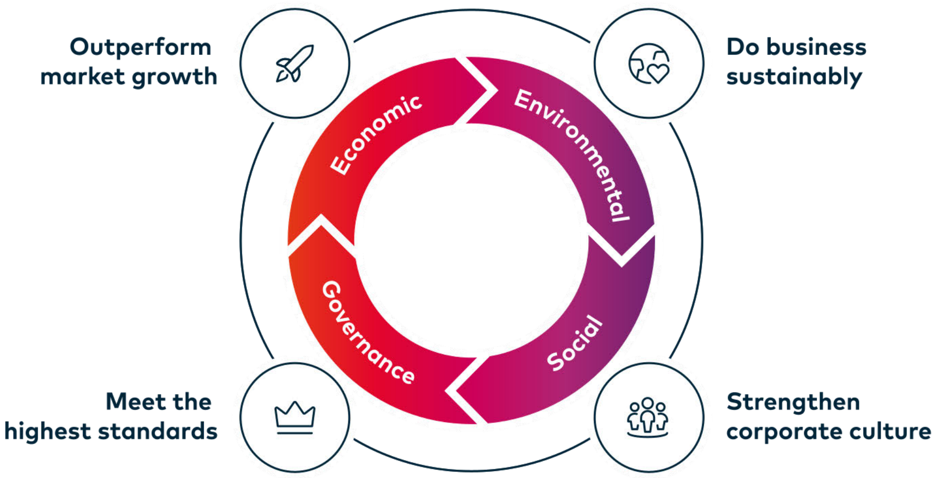
For over 75 years, Comet has been at the forefront of developing and producing high-tech components and systems based on x-ray and radio frequency technology. Our ability to align with global trends has been key to our sustained success.

In the past years, sustainability has become another core pillar of our strategy, complementing our commitment to technological leadership. We integrate environmental, social, and governance principles into all aspects of our operations to drive long-term success and create meaningful impact.

To strengthen efforts such as reducing energy consumption, transitioning to sustainable electricity sources, promoting diversity within the organization, and implementing best governance practices, we are adopting a structured global approach. This approach aligns initiatives across regions and divisions, ensuring consistency and amplifying impact. By setting long-term goals and achieving them through incremental short-term actions, we foster continuous progress and improvement.

Our vision

Through furthering social responsibility, inclusivity, and transparent governance, we aspire to create lasting value for stakeholders while making a positive impact on the environment, employees, and communities.



Our commitment to measurable progress

Our sustainability program aims to create value beyond financial returns, using clear and measurable criteria. In 2023, we strengthened this commitment by integrating non-financial key performance indicators (KPIs) into the Executive Committee's long-term incentive plan (LTIP).

This integration highlights our dedication to advancing environmental, social, and governance outcomes. By combining a long-term vision with a phased and systematic implementation strategy, we ensure continuous improvement and sustainable growth across all dimensions of our business.

With sustainability deeply embedded in our mission, we are poised to deliver innovative solutions while meeting the evolving needs of society and contributing to a sustainable future.

Our ESG roadmap

A structured pathway to achieve our sustainability targets while creating value for all stakeholders

Environmental roadmap

2022

- Clean electricity / energy
- ISO 14001 certifications
- Scope 3 emissions along supply chain
- Climate transition plan
- Eco-design integration

2030

- Shift all operations to 100% clean energy
- Circular economy integration
- Strengthen supply chain collaboration to reduce scope 3 emissions

2040

- Achieve net-zero carbon emissions through combination of reductions and verified offsets
- Use advanced technologies, e.g., AI, to optimize environmental performance.

< 2050

Social priorities

Diversity, Equity, and Inclusion (DEI)
Define and implement diversity targets, promote employee training

Employee Health & Safety
Promote well-being by preventing risks, and ensure a safe and supportive workplace environment for employees

Community Engagement
Partner with educational institutions to promote STEM education, offer internships

Employee Development
Implement career progression programs, skills development opportunities

Social Impact in Supply Chains
Work with suppliers to eliminate risks of child labor, forced labor, and unsafe working conditions

Governance priorities

ESG Governance
Best practices for ESG governance

Transparency and Reporting
Establish clear ESG targets and KPIs aligned with leading global reporting frameworks

Compliance and Risk Management
Implement and enforce policies, integrate ESG-related risks into enterprise risk management framework

ESG in Decision-Making
Link ESG performance metrics to executive compensation to drive accountability

Stakeholder Engagement
Maintain transparent communication channels for stakeholders, align initiatives with stakeholder expectations and business priorities

Global Governance Leadership
Commit to meeting global ESG standards

In our sustainability report, we highlight our structured yet practical approach to embedding sustainability into our business strategy. While sustainability is a priority for both the Board of Directors and the Executive Committee, fostering a company-wide culture is equally crucial to engaging every employee. Achieving our sustainability goals requires all employees to embody our values and actively participate in our efforts.

We emphasize that sustainability goes beyond business advantages – it is fundamental to ensuring a livable future. To support this vision, we promote a bottom-up approach, empowering employees to share ideas and take initiative. Our commitment stems from the belief that Comet's long-term success is built on sustainable practices, not merely on meeting regulatory requirements or external benchmarks.

Climate transition plan

Sustainability at Comet covers a broad range of priorities. While social and governance aspects are equally important to us, we are deeply committed to contributing our share to reducing emissions and, in doing so, playing an active role in the fight against climate change. We have developed a climate transition plan in line with Swiss law, including targets for greenhouse gas (GHG) emissions, specifying activities to reduce emissions within our own operations and across the entire value chain, as well as considering alternative approaches for transitioning to a low-carbon economy. The climate transition plan additionally addresses the mitigation of transition risks, which for many companies represent the primary climate risks, and considers seizing opportunities arising from a global climate transition. All aspects of the climate transition plan are detailed in this report. The TCFD index provides an overview of the content.

Climate roadmap and targets

The goal of reducing Switzerland's GHG emissions to net-zero by 2050 is established by the revised CO_2 Act. Achieving net-zero by 2050 means that within the country, no more greenhouse gases (GHGs) are emitted than can be removed from the atmosphere within Switzerland or offset in other parts of the world. This target is a cornerstone of Swiss climate policy, aiming to limit global warming to well below 2 °C, and ideally 1.5 °C, compared to pre-industrial levels, in line with the Paris Agreement. The Swiss CO_2 Act obliges companies to support Switzerland's climate ambition by implementing the respective transition measures toward net-zero GHG emissions by 2050.

We are fully committed to aligning our global activities with Swiss climate policy as a minimum standard and contributing to mitigating climate change in accordance with the Paris Agreement. This not only entails our own long-term objective to reach net-zero emissions by 2050 but a commitment to setting SBTi near-term targets submitted at the end of 2024. This means we will set ambitious targets with a time horizon of the next 10 years. The objectives for Scope 1 and Scope 2 emissions are to align with a global warming trajectory of 1.5°C. Additionally, at least two-thirds of Scope 3 emissions are to be reduced in line with the Below–2°C target of the Paris Agreement.

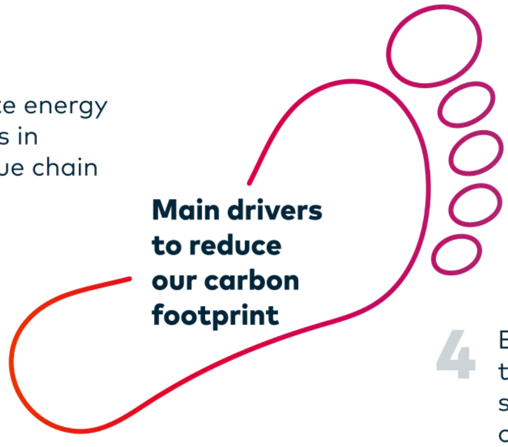
The commitment to SBTi is intended to frame our existing short- and medium-term goals set out in our climate roadmap, including:

- Scope 1 emissions: Achieving Group-wide ISO 14001 certification for structured environmental target-setting at production sites
- Scope 2 emissions: Increasing clean electricity use to 80% by 2025 and 100% by 2030 (market-based method)
- Scope 3 emissions: Reducing environmental impact through eco-design initiatives embedded in R&D processes across all divisions,

while collaborating with suppliers and customers to achieve a sustainable supply chain and align with net-zero commitments

Key impact mitigation concepts

To address the climate challenge, we have identified six key drivers to reduce our carbon footprint across the entire value chain and incorporated them into our structured sustainability program, focusing on:



1 Switch facilities to the use of clean electricity

2 Identify and execute energy efficiency measures in operations and value chain

3 Incorporate eco-design thinking in product development

4 Encourage suppliers to participate and drive sustainability in their operations

5 Develop processes and frameworks to enhance data quality and accurately measure progress

6 Set measurable targets, monitor achievements, and report on progress

1 We seek to achieve an effective reduction of our indirect GHG emissions from the purchase of electricity by procuring from providers using low-emission technologies. We emphasize the term "clean electricity" – our most preferred form of energy – as distinct from "renewable electricity". This focus on clean electricity ensures that our efforts are outcome-oriented and directly aligned with achieving net-zero emissions. While renewable sources such as solar, wind, and hydropower are preferred options, we recognize that relying solely on renewables is not always feasible in every context. In such cases, we also consider other clean electricity sources, including nuclear power, as viable low-carbon options that support reductions in greenhouse gas emissions.

2 Improving energy efficiency requires identifying meaningful opportunities across operations and the value chain. At Comet, we regularly assess our inventory of equipment, devices, and infrastructure to evaluate potential enhancements. These evaluations consider both environmental and economic factors, enabling us to implement viable replacements, upgrades, and renovations. By extending these efforts throughout our value chain, we aim to maximize energy efficiency, drive innovation, and create sustainable value for our stakeholders.

3 Comet's eco-design initiative, launched in 2023, focuses on enhancing the environmental performance of our products. As part of this effort, we conducted pilot projects and gathered ideas to improve energy effi-

ciency and reduce the environmental impact of our offerings. Insights from these efforts reveal that our products offer meaningful potential for emission reductions, particularly through the sourcing and selection of raw materials for production and during the use phase at our customers, such as by optimizing standby modes. Building on these findings, we are systematically integrating eco-design principles and learnings into our R&D processes to ensure that sustainability remains an important element in future product development.

4 A key element of reducing Comet's climate impacts is the fostering of strong relationships with our suppliers. Although the carbon footprint of our products remains manageable due to their limited material intensity and relatively low transport volumes, we aim to take proactive steps to drive improvements. In 2025, we will launch a phased approach of first identifying areas where collaboration with our suppliers can achieve meaningful reductions in greenhouse gas emissions. Additionally, we are exploring ways to regionalize our supply chains, which would shorten transport routes and further reduce emissions. We have already achieved initial success by regionalizing the supply chain for our growing Asia hub in Penang, Malaysia. The significant reduction in shipping distances highlights how focused efforts can yield both environmental and operational advantages, serving as a blueprint for future initiatives across our global operations.

5 Accurate and consistent data collection, analysis, and interpretation are fundamental to understanding our environmental impacts and are the prerequisite for successfully identifying potential improvements. Through rigorous data analysis, we can identify trends, evaluate the effectiveness of current initiatives, and ensure alignment with our long-term sustainability goals. Reliable data also supports transparency and accountability, enabling us to communicate our progress to stakeholders with confidence. By embedding a systematic approach to data management in our sustainability strategy, we ensure that our efforts are not only measurable but also scalable, paving the way for continuous improvement and lasting impact.

6 Effective progress toward achieving net-zero GHG emissions requires ambitious objectives. We strive to update and expand our existing set of targets and to develop reliable and efficient monitoring processes. Transparent reporting of our progress is our recipe for a strong and trusted Comet brand.

Consideration of risks and opportunities

To estimate our financial exposure and vulnerability to global climate-related developments, the Sustainability Board periodically assesses, refines and validates climate-related risks and opportunities according to the principles recommended by the Task Force on Climate-Related Financial Disclosures (TCFD). Detailed information on our current assessment is provided in the section "Risk management: climate-related risks and opportunities". The section further outlines how we strategically approach our risks and elaborates on Comet's resilience to climate change and transition.

Risk management: climate-related risks and opportunities

We maintain a comprehensive risk management system with clear definitions and processes, covering a broad range of aspects. This includes a regular review of the risks and opportunities for each division and for the central functions, in accordance with the Enterprise Risk Management (ERM) Policy of the Group. The policy's intent is to establish the governance, methodology and process to proactively identify, assess, and mitigate the key risks to Comet and thus to ensure the resilience and success of our operations. In 2025, we will extend this exercise to all subsidiaries.

Risks are identified for all time horizons in a top-down approach that covers the entire value chain from suppliers to customers. This identification is validated in collaboration with the divisional management and the Extended Executive Committee. The main risks are to be extracted, categorized in a matrix, and assessed in terms of their probability of occurrence and the potential for harm.

For risks that are classified as significant, we develop action plans to reduce both the probability of occurrence and the severity of potential damage. The Executive Committee regularly reviews both the effectiveness of these action plans and the entire risk portfolio and decides on any necessary adjustments. The Executive Committee informs the Audit Committee and Board of Directors of its findings. The necessary risk management measures are discussed and decided at the top management level, after which implementation is delegated to the respective departments and/or locations. In addition, the results of the risk management process are incorporated into the annual review and approval of the business strategy by the Board of Directors and are integrated into the documented risk management process implemented by the Executive Committee.

In particular, we systematically consider climate-related aspects, implementing the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) as required by Swiss law. Climate-related risks and opportunities and their impacts on our business model are re-evaluated on an annual basis and validated by the Sustainability Board.

The TCFD recommendations differentiate between climate-related physical and transition risks as well as associated opportunities. Chronic physical risks arise from climate-related weather patterns, such as rising temperatures or water scarcity, while acute physical risks are event-driven, including floods and storms. Physical risks can have direct financial consequences for us, such as damage to our assets. While they typically do not provide opportunities, they necessitate protective measures and corresponding financial investments. Further, the transition to a low-carbon economy may involve shifts in policy, legislation, technology, or market dynamics. Depending on the nature, pace, and scope of these changes, transition risks can pose varying levels of financial challenges for us. Conversely, proactive climate protection measures and strategic adaptation can create climate-related opportunities, unlocking competitive advantages for businesses.

Climate-related risks

In 2024, our Sustainability Board analyzed and reassessed the existing climate risks and opportunities identified in 2023 (see Annual Report 2023) in terms of their completeness, continuing validity, and relevance to identify the significant financial aspects related to climate change. While some minor adjustments regarding the assessment of impact and probability of occurrence were made, it was confirmed that climate-related risks do not currently rank among the top risks for the company. Furthermore, any relevant opportunities are long-term in nature, and their potential financial benefits are subject to significant uncertainty. As a result, a detailed financial assessment of such risks has not been conducted, as the low probability of such events and the adequate financial coverage of potential damages from climate-related physical occurrences mitigate the immediate need for further analysis.

	Risk type	Value chain	Time horizon	Likelihood	Expected impact
Increasing disruption of the supply chain due to natural disasters As part of the manufacturing industry, Comet is dependent on a supply of raw materials and intermediate goods for its products. Climate change is expected to lead to an increased likelihood of storms and natural disasters, which could cause temporary disruptions to supply chains globally. Our main approach to achieving more secure supply is dual sourcing, meaning that a critical good is to be simultaneously procured from two mutually independent sources.	Transition risk	Upstream	Medium-term to Long-term	Very likely	Low to Medium
Impact of storms and other extreme weather events on Comet sites Some of the company's sites are located in the Northwest Pacific region, a hot spot for tropical storms. Climate change could lead to an increase in typhoons and other extreme weather events, which would expose these locations to increased risk of damage.	Acute physical risk	Own operations	Short-term	Very likely	Low to Medium
Rising costs of raw materials and intermediate goods Comet uses highly specific materials to manufacture its products. Due to changing ESG or climate-related regulations, including additional carbon taxes impacting global supply chains, the cost of raw materials could increase. In addition, the availability of certain raw materials could be limited due to geopolitical circumstances. However, rising costs would affect the whole market and would be reflected in pricing.	Transition risk	Upstream	Short-term to Medium-term	Very likely	Low
Regulation of existing products and services Stricter climate-related regulations could pose a risk to the sale of Comet's existing products and services. For example, the European Ecodesign Directive sets environmental performance requirements for the design of energy-using products. However, Comet is accustomed to working within strict product regulations and has already implemented an eco-design initiative for its product portfolio.	Transition risk	Downstream	Medium-term	Likely	Low
Customer demands for a reduction in CO_2 emissions from products and the transition to energy from renewable sources The semiconductor industry, which accounts for over 70% of Comet's net sales, is resource-intensive and generates significant carbon emissions. Comet's customers are therefore striving to reduce carbon emissions in their upstream value chain. Should Comet not participate in these efforts, it could lead to a loss of business opportunities. Comet addresses this with its commitment to the Science Based Targets initiative (SBTi) and its eco-design initiative.	Transition risk	Downstream	Short-term to Medium-term	Very likely	Medium
Reputation risk: Public demand for continuous review of climate risks and publication of the results of the analyses Reputational risk becomes relevant if interest groups, including investors, react inappropriately to the company's response to climate risk or to its disclosure of information. Such reactions can have a financial impact; for instance, by making it more difficult to raise capital or by leading to the loss of business opportunities. Comet addresses this risk with its climate transition plan.	Transition risk		Medium-term to Long-term	Likely	Medium

We recognize the importance of energy management and are pursuing a strategy to strengthen our resilience in the energy procurement market. This strategy includes transitioning to the exclusive use of local and, wherever possible, renewable energy sources. If renewable sources are unavailable, we use clean-energy alternatives or compensate for greenhouse gas emissions through certificates of origin. We have already begun the changeover to renewable or clean electricity in recent years and plan to intensify these efforts soon. This strategic orientation is also reflected in the selection of new plants to be leased and in the collaboration with current lessors to drive forward the transition to renewable electricity. As a result of these efforts, the sites in Flamatt, Switzerland; Hamburg, Germany; and San Jose, USA, have switched completely to renewable or clean electricity. In 2024, we implemented guidelines for electricity procurement into the Group Purchasing Policy for Indirect Materials, Services and Equipment to harmonize and standardize the procurement of renewable or clean electricity at all sites.

In 2023, we launched an eco-design initiative, which includes an action plan, training, and life cycle assessments to better understand the CO_2 footprint of our products. The aim is to continuously optimize the product portfolio while taking sustainability aspects into account, including investment in research and development. The details on the progress achieved in 2024 are presented in the section "Energy management and carbon emissions".

Climate-related opportunities

The successful adaptation to climate change and implementation of mitigation measures can also open up opportunities for Comet and positively impact our competitive ability. In addition to the risks, Comet's Sustainability Board has also revalidated two climate-related opportunities that could potentially have a significant financial or strategic impact on the company:

	Value chain			Time horizon			Likelihood			Expected impact		
	Upstream	Own operations	Downstream	Short-term	Medium-term	Long-term	Unlikely	Likely	Very likely	Low	Medium	High
Increased demand for products and services The digitalization and electrification of the economy and society present significant opportunities for Comet in the areas of non-destructive testing (NDT) and quality assurance (QA). As those two secular trends drive advancements in semiconductors, batteries, and innovative materials, the need to ensure the reliability, safety, and performance of these critical components is ever-growing.	○	○	●	○	○ ●	○	○	●	○	○	●	○
Electrification The electrification of the automotive industry and other industrial sectors means a significant growth opportunity for wafer fabrication equipment manufacturers. As industries shift toward electrification, the demand for advanced semiconductors and microelectronics is surging, driven by their critical role in enabling the technologies that power electric vehicles (EVs), renewable energy systems, smart grids, and industrial automation.	○	○	●	○	○ ●	○	○	●	○	○	●	○

The global trends of electrification and digitalization are revolutionizing industries, driving the demand for ever more advanced, efficient, and reliable semiconductor chips. Applications like autonomous driving or smart grids demand exceptional reliability, as even a single chip defect can lead to severe consequences in safety-critical and mission-critical scenarios. The increasing complexity and miniaturization of chips elevate the risk of manufacturing defects, making comprehensive quality assurance essential to meet stringent reliability standards.

Outsourced Semiconductor Assembly and Test (OSAT) providers play a vital role in addressing these challenges. Their expertise in advanced packaging and rigorous testing ensures chips perform optimally while improving energy efficiency and reducing size. Projections indicate the OSAT market is poised to grow at a robust rate of around 8% over the next two to five years. In response to this growth, we are collaborating with a leading OSAT provider to develop innovative solutions that integrate energy-efficient monitoring into microchip packaging processes. While this project involves no financial risks, it offers significant opportunities to establish us as a product and technology leader in this rapidly expanding market.

Beyond semiconductors, opportunities are emerging in our traditional markets, such as automotive, aerospace, and security industries. By employing 100% x-ray inspection, the quality of manufactured parts can reach levels that enable a reduction in standard safety allowances during design. This optimization decreases material usage and energy consumption, contributing to more sustainable manufacturing practices while maintaining the highest safety standards.

Through these efforts, we continue to advance sustainability while driving innovation and strengthening our position across key industries.

Business resilience

To better understand the future consequences of evaluated risks and opportunities for our business model, we qualitatively considered climate scenarios to project our resilience to climate change-related developments. Climate scenarios offer hypothetical views of future conditions including variables such as greenhouse gas emissions, socio-economic development, technological advances, and policies. When implementing TCFD recommendations, we consider two scenarios:

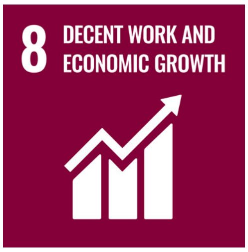
- A "sustainability" scenario forecasts rapid and collaborative global climate transition in alignment with the goals of the Paris Agreement and is thus deemed to represent the most challenging conditions for a successful climate transition by Comet.
- In a "hot-house" scenario, socio-economic developments such as regional rivalry jeopardize a timely transition to a climate-friendly economy, resulting in global warming of up to 4°C toward the end of the century. In such a scenario, physical risks are expected to be most significant, as environmental conditions would likely be changed the most.

Based on our climate risk assessment, we believe that we are neither strongly exposed and vulnerable to transition risks in a sustainability scenario, nor to physical risks in a hot-house scenario. We thus believe that we have considerable resilience to developments in regulation, markets, and technology, as well as to intensifying environmental hazards.

Our commitment: aligning sustainability with global priorities

At Comet, we understand the importance of aligning our sustainability strategy with global priorities. The 17 United Nations Sustainable Development Goals (UN SDGs) provide a comprehensive framework for addressing key global challenges, including climate change, inequality, and resource management. Integrating these goals into our business practices ensures that our initiatives contribute meaningfully to global sustainable development and support long-term value creation for our stakeholders. Our most significant contributions align with SDGs 8 (Decent Work and Economic Growth), 9 (Industry, Innovation, and Infrastructure), 12 (Responsible Consumption and Production), and 13 (Climate Action).

Embedding the SDGs within our strategic objectives not only strengthens our commitment to fostering a more equitable and sustainable world but also builds a robust foundation for future growth. This approach embodies our belief that sustainable business practices are essential for long-term financial success, creating value for both investors and society.



We provide stable and fair work for staff at all Comet locations worldwide.

Decent work and economic growth: Our technologies drive the core of digitalization. With a strong tradition in training and mentorship, we support numerous apprentices, trainees, and young professionals, helping them build successful careers. In doing so, we contribute to economic growth, as these emerging talents are essential for developing our innovative products that play a key role in advancing society's digitalization.

Through innovation we contribute to a sustainable infrastructure.

Industry, innovation and infrastructure: As a key supplier and partner to the semiconductor and electronics industry, as well as various industrial markets, we collaborate closely with our customers to develop innovative solutions. These solutions drive sustainable progress and enhance safety, security, and quality of life worldwide.

We satisfy customer standards through binding supplier standards.

Responsible consumption and production: We are committed to avoiding profit-driven practices that compromise the environment and society. Our goal is to achieve a balance between economic, environmental, and social objectives. To support this, we train and raise awareness among our global workforce about ecological and social issues and engage with customers, suppliers, and other stakeholders in this effort.

We contribute to emission reduction and the efficient use of energy.

Climate action: We are committed to addressing climate change and supporting the 2030 Agenda for Sustainable Development. We have developed and are implementing a climate action roadmap focused on reducing our carbon footprint, enhancing energy efficiency, and embedding sustainable practices across our operations to create positive, lasting impacts on the environment and our stakeholders.

In 2024, we further strengthened our commitment by joining the UN Global Compact and by committing to set near-term science-based targets with the Science Based Targets initiative (SBTi).

UN Global Compact

By joining the UN Global Compact, we commit to align our operations and strategies with ten universally accepted principles in the areas of human rights, labor, environment and anti-corruption, and to take action in support of Sustainable Development Goals (SDGs). This enhances our ESG profile, builds stakeholder trust, and positions us as being proactive in sustainable business practices, driving long-term value for all our stakeholders.

Science Based Targets initiative

In addition, we committed in 2024 to setting near-term science-based targets with the Science Based Targets initiative (SBTi) to reinforce our dedication to reducing greenhouse gas emissions and combating climate change. This aligns with our sustainability strategy and supports our role as a responsible leader. By setting near-term targets, we ensure our efforts follow proven pathways to limit global warming. The SBTi framework enables us to implement measurable, impactful actions, supporting sustainable growth and fostering trust with stakeholders, customers, and communities.

Annual CDP disclosure

Submitting the annual questionnaire to CDP reinforces Comet's commitment to transparency in environmental sustainability. This disclosure aligns us with global best practices, showcases our proactive climate efforts, and positions us as a responsible, forward-thinking organization dedicated to sustainable growth.

Material topics

The materiality analysis presented below is built upon the foundational work done in the year 2021. In 2023, as part of a context analysis, the existing material topics developed in that earlier work were first examined as to whether they remained relevant considering the present business model, and were found to remain appropriate. The topics were then analyzed according to the principle of double materiality:

- Relevant stakeholder groups assessed the impact of these topics on the economy, the environment and society in a survey ("impact materiality"). Feedback from a total of 67 stakeholders was incorporated, including investors and analysts (with a weighting of 25%), suppliers and business partners (weighting of 25%), customers (weighting of 25%) and Comet employees (weighting of 25%).
- In a second survey, a total of 32 managers from Comet's various divisions and from Group headquarters assessed the materiality of the topics for the company's long-term business success ("financial materiality").

The resulting materiality matrix was validated by the Executive Committee and approved by the Board of Directors. The identified material topics serve as the foundation for our sustainability strategy, targets, and reporting.

To ensure that the material topics are up to date, we regularly review which topics are central to the long-term, sustainable development of the company. Consequently, we integrated the topics "Materials Compliance" and "Product Quality and Compliance" into a unified "Technical Compliance" framework in 2024, embedded within our management system. This consolidation reflects the shared focus of those two topics on adhering to technical, regulatory, and industry standards throughout the product lifecycle. This combination, which reduced the number of material topics from 15 to 14, is further detailed in the section "Technical Compliance". The placement of the new "Technical Compliance" data point in the materiality matrix is based on 2023 evaluation data.

Stakeholder engagement

At Comet, proactive stakeholder engagement is vital for innovation, resilience, and long-term growth. As a leading Swiss high-tech company, we value our diverse stakeholder network – employees, customers, investors, partners, regulatory bodies, and communities – as crucial to our strategic vision and operational success. We promote and encourage dialogue with our employees at all levels by fostering communication through a social intranet, conducting quarterly all-hands sessions, holding regular local town hall meetings in person led by top management, and carrying out employee satisfaction surveys. Through the online channel "Ask the CEO," employees can pose questions to senior leadership at any time. Additionally, employee satisfaction surveys are regularly conducted and serve as a valuable resource.

To meet evolving customer needs, we maintain continuous dialogue through advisory boards and pilot projects, tailoring solutions that address client challenges and uphold high performance and reliability standards. This customer-centric focus reinforces trust and deepens global partnerships. Transparency and trust underpin our investor relations. In 2024, we held regular briefings, attended multiple investor conferences, and facilitated one-on-one meetings, providing comprehensive updates on our financials, strategy, and sustainability efforts, aligning investors with our growth plans. Our supply chain engagement emphasized shared values and sustainability. Through collaborative R&D and joint initiatives, we strengthened partnerships that align with responsible business practices.

Compliance is critical in high-tech industries. In 2024, we actively participated in industry groups and engaged with regulatory bodies in Switzerland and globally, ensuring adherence to standards and contributing insights for advancing technology regulations. Making a contribution to communities is also part of our responsibility. We maintain established educational programs and engage in local community initiatives. This strengthens our role as a responsible corporate citizen and inspires young people to contribute to a livable future through innovation.

Our commitment to refining engagement strategies includes leveraging new digital tools to capture more stakeholder voices and foster deeper relationships, positioning us for sustainable growth in an evolving landscape.

In 2024, ongoing dialogue with our stakeholders led to impactful measures across economic, environmental, social, and governance areas. These included launching new products for semiconductor customers, integrating the highest environmental standards into our new building that is set for completion in Penang, Malaysia, by late 2026, partnering with the European Chips Diversity Alliance (ECDA) project, and extending our Integrity Line whistleblowing system to external stakeholders.

Environmental topics

At Comet, we recognize that environmental stewardship is essential to the long-term success of our business, the well-being of our communities, and the health of our planet. Guided by a commitment to sustainability, we strive to minimize our environmental impact through responsible resource management, innovative solutions, and the integration of environmentally sound practices across our operations.

Our approach is rooted in aligning our activities with global environmental goals, including reducing greenhouse gas emissions, enhancing energy efficiency, and promoting circularity in our materials and processes. We actively engage with stakeholders to foster collaboration and innovation in addressing pressing environmental challenges.

As we continue our journey toward a more sustainable future, we remain focused on embedding environmental responsibility into every aspect of our business. This section highlights the progress we have made, the challenges we face, and the actions we are taking to ensure that Comet contributes meaningfully to a world that is good to live in.

Environmental management system and compliance

Sustainability is a core element of our corporate culture. We aim to deliver high-quality products and services while minimizing environmental risks and conserving resources. Our corporate standards are detailed in the Comet Group's Quality, Environmental, and Safety Policy, supported by the Code of Conduct. As part of our commitment to responsible business practices, we systematically assess and manage risks related to regulatory compliance, operational efficiency, and sustainability. By identifying and addressing these risks, we ensure alignment with legal requirements, stakeholder expectations, and long-term business resilience.

A key aspect of our approach is compliance with both Swiss regulations and the evolving European Union regulatory landscape. Potential risks include fines and penalties for non-compliance, which we mitigate through proactive monitoring, internal controls, and continuous employee training.

Beyond legal consequences, we recognize that non-compliance and insufficient sustainability measures can impact our brand reputation. As consumer expectations and regulatory frameworks evolve, we actively engage with stakeholders and industry initiatives to maintain trust and transparency.

Further regulatory developments could affect our products and services, particularly concerning energy efficiency, producer responsibility, electronic waste, and trade regulations. To stay ahead, we incorporate regulatory foresight into our product design and supply chain decisions, ensuring compliance and competitive advantage.

Additionally, increasing operational costs due to regulatory carbon pricing present a financial risk. We address this by investing in energy efficiency, transitioning to clean energy sources, and continuously optimizing our processes to reduce carbon emissions.

Aligning ISO 14001 certification project with ESG strategy

The ISO 14001 implementation is a global initiative encompassing Comet's seven major manufacturing sites. By the end of the second quarter of 2025, selected manufacturing sites will be fully prepared to begin measuring and improving environmental performance. The first four sites are scheduled for ISO 14001 audits in 2026, with the remaining three sites to follow in the 2027 and 2028 audit cycles. We specifically aim to establish site-level bottom-up targets that will be consolidated at the Group level, serving as operational goals focused on reducing Scope 1 emissions and targeted Scope 3 emissions, particularly those related to manufacturing processes and logistics, as well as targets for water consumption and waste reduction.

In light of the upcoming implementation and certification of our environmental management system in accordance with ISO 14001, we are strengthening our commitment to resource conservation, waste reduction, and sustainable product life cycles. The implementation of ISO 14001 is closely aligned with our ESG program. Together and in a coordinated manner, these two initiatives will reduce our environmental footprint and the use of finite resources.

When implementing ISO 14001, processes must be designed to ensure more efficient use of raw materials and to minimize production waste. Key measures include recovery mechanisms for valuable materials. The reintegration of products will be a central component of our ISO 14001 program. We are evaluating take-back, reuse, and recycling programs to recover valuable materials from end-of-life products and reduce resource depletion caused by disposal.

Disclosures in accordance with GRI 303-5 and 306-3

Resource efficiency metrics[1]

		2024	2023
Waste (total)	**t**	**1,751**	**2,120**
Non-hazardous waste (total)	t	1,664	2,006
– Incineration	t	148	148
– Landfill	t	1,078	998
– Recycling	t	439	859
Hazardous waste (total)	t	87	114
– Incineration	t	0	2
– Landfill	t	3	0
– Recycling	t	84	112
Water consumption	**m^3**	**31,248**	**24,411**

[1] Scope covers all of Comet's companies and locations

The decrease in waste figures for 2024 reflects our ongoing efforts to reduce waste. Specific measures include reducing packaging materials for transportation, which not only cuts waste but also improves efficiency.

In contrast, water consumption increased compared to the previous year. This can be attributed to several factors: higher production volumes led to an overall rise in water usage, and an increased number of employees also contributed to the higher consumption. Additionally, there were one-time events that impacted water usage, such as the centralization of water treatment systems and a disruption in the reverse osmosis system in Flamatt, Switzerland, that required increased water use to restore its functionality.

Energy management and carbon emissions

Energy use and greenhouse gas emissions across the value chain

We are actively working to use energy more efficiently and reduce greenhouse gas emissions in our own processes and throughout the value chain. By increasing the use of renewable, clean and low-emission technologies, as well as optimizing operational processes, we strive to minimize our environmental impact and contribute to combating climate change.

Our operations involve energy consumption, primarily in the form of electricity. A stable and reliable power supply is therefore a necessity. To safeguard against potential disruptions, we have implemented comprehensive measures to ensure that our electricity procurement remains secure, even in emergency situations.

Our procurement teams engage in proactive and forward-looking planning to mitigate risks related to energy supply. This includes establishing diversified energy sourcing strategies, securing backup power solutions, and developing contingency plans in close collaboration with trusted energy providers. These precautionary steps enable us to maintain operational continuity and protect our production capabilities under unforeseen circumstances.

Monitoring and reducing Scope 1 and Scope 2 emissions are key elements of our strategy for achieving short- and medium-term emissions targets set. For us, these emissions mainly consist of indirect greenhouse gas emissions that arise from the consumption of purchased electricity. In the reporting year, we consumed roughly 21,000 megawatt hours (MWh) of energy. We sourced 85% of this energy in the form of electricity. The remaining 15% was obtained from fuels such as natural gas and diesel. Accordingly, we are initially focusing on transitioning our electricity supply to clean sources to reduce emissions. As a limiting factor to those efforts, we lease the premises at all our locations except for the Flamatt site, which is owned by the company. This complicates emission management to the extent that the availability of renewable or clean electricity at some sites is nil or limited.

Disclosures in accordance with GRI 302-1, GRI 305-1, 305-2

Environmental metrics[1]

		2024[2]	2023[3]
Energy consumption (total)[4]	**MWh**	**21,084**	**19,995**
Electricity (total)	**MWh**	**17,922**	**16,997**
of which clean electricity	MWh	11,959	11,502
Heating (total)	**MWh**	**2,098**	**1,984**
Heating oil	MWh	81	141
Natural gas	MWh	1,761	1,587
District heating	MWh	256	256
Fuels (diesel, petrol, LPG) (total)	**MWh**	**1,064**	**1,014**
Greenhouse gas emissions (total)[3]	**tCO_2e**	**5,630**	**5,092**
Greenhouse gas emissions (total)			
Scope 1 (total)[5]	**tCO_2e**	**662**	**631**
Heating	tCO_2e	382	363
Fuels (diesel, petrol, LPG)	tCO_2e	280	268
Scope 2 (total)	**tCO_2e**	**4,968**	**4,461**
Electricity[6]	tCO_2e	4,924	4,417
District heating	tCO_2e	44	44

1 Scope covers all of Comet's companies and locations

2 Figures for 2024 were externally audited by Ernst & Young AG to obtain limited assurance regarding the compliance of the reported information with the GRI Standards

3 For an explanation of significant deviations from the figures published in the 2023 Annual Report and of the restatements performed, see the section "Basis of calculations and definitions" (Restatements)

4 Steam and district cooling is not procured by Comet and is therefore not included in the data presented

5 Calculated in accordance with the WRI/WBCSD Greenhouse Gas Protocol guidelines. Scope 1: GHG emissions from own sources, e.g., boilers and fuels. Scope 2: GHG emissions from the production of electricity and district heating. Sources for emission factors: BEIS

6 Greenhouse gas emissions were calculated in accordance with the market-based approach of the Greenhouse Gas Protocol. Locations with a certificate of origin were calculated using the relative emission factors; other locations were calculated using the residual country mix. Considering only the location-based approach resulted in 5,056 tonnes of CO_2e emissions for Scope 2 in 2024.

According to the GHG Protocol, only CO_2 is relevant for Comet, as emissions of the other six greenhouse gases are negligible in this context. In addition, any residual emissions from these gases are already accounted for in the emission factors of the respective energy sources, as these factors are reported in CO_2 equivalents.

During the reporting year, a comprehensive environmental data collection system was implemented through a cloud-based software solution, allowing ESG managers worldwide to input data on a monthly basis. Additionally, as part of the system's rollout, the methodology for calculating the proportion of clean electricity sourced was refined, leading to a share of clean electricity of 67% compared to 68% in the previous year. The reason for this slight decrease was the production growth in 2024, as described in the next section. For a comprehensive explanation of definitions and methodologies used, refer to the section titled “Basis of calculations and definitions”.

In the fiscal year under review, Comet experienced an increase in energy consumption, primarily in electricity usage. This rise was entirely driven by higher production volumes resulting from a recovery in the semiconductor cycle, which led to a 12.1% increase in revenue. Consequently, Scope 2 emissions also increased, as a significant portion of this growth occurred at our Penang, Malaysia plant, which relies on only a low fraction of clean electric power sources. In 2024, the impact of higher production volumes was partially offset by transitioning our operations in Aachen, Germany, and Copenhagen, Denmark, to renewable electricity contracts. Additionally, to compensate for emissions at the Penang site, Comet is in the process of acquiring Renewable Energy Certificates (RECs). In contrast to the increase in Scope 2 emissions, Scope 1 emissions remained stable compared to the previous year.

Although absolute energy consumption increased, energy intensity – measured as total energy consumption per million CHF in revenue – decreased from 50.3 MWh to 47.3 MWh. This reduction was partly due to the transition of additional facilities to renewable electricity as described above during the reporting year, as well as a series of smaller measures, such as switching to energy-saving lighting and installing motion sensors at various sites. These efforts are being continuously implemented.

While Scope 1 emissions (direct emissions from company-owned or -controlled sources) and Scope 2 emissions (indirect emissions from the generation of purchased electricity) are important levers for reducing greenhouse gas (GHG) emissions in the near term, the majority of our total emissions are Scope 3 emissions, which encompass all other indirect emissions along the value chain. Having initially focused on understanding and managing our Scope 1 and Scope 2 emissions as a foundational step in reducing our overall carbon footprint, we are now shifting our attention toward addressing Scope 3 emissions. This allows us to tackle the most significant portion of our emissions and work collaboratively with suppliers, customers, and partners to drive meaningful, long-term impact throughout the entire value chain.

In the reporting year, we continued to refine our approach for screening Scope 3 emissions. Upstream and downstream activities – including raw material production, transportation, and product use by customers – constitute the majority of our carbon footprint, with Scope 3 emissions accounting for roughly 93% of total CO_2 emissions in 2024. Our improved process revealed Scope 3 emissions at approximately 113,000 metric tons reported to CDP in 2024. The Scope 3 emissions screening conducted in 2024 showed that approximately 80% of the Scope 3 emissions are attributable to Category 1 (Purchased goods and services) and Category 11 (Use of sold products). Based on the Scope 3 screening, Category 2 (Capital goods), Category 4 (Upstream transportation and distribution), Category 6 (Business travel), Category 7 (Employee commuting), and Category 9 (Downstream transportation and distribution) were also identified as relevant emission sources, accounting for the rest of the emissions. All other Scope 3 categories were assessed as not material during the screening process.

Systematic implementation and risk management

The findings of the Scope 3 emission screening have determined our priorities for 2025 and beyond. Through the frameworks of TCFD and SBTi, we will analyze climate-related risks such as physical damage, production disruptions, and regulatory changes.

As part of our commitment to climate responsibility, we are developing a structured emission reduction pathway aimed at systematically lowering greenhouse gas (GHG) emissions across our operations and value chain. This pathway prioritizes reductions in Scope 1 and Scope 2 emissions through increased energy efficiency and the transition to clean energy, while also addressing key Scope 3 emission sources in collaboration with suppliers and partners.

Product impact

Our products have a significant impact on both society and the environment. At a societal level, our technologies are critical in the production of semiconductor chips and sensors – core components that power the digital world. From an environmental perspective, our impact spans the entire product life cycle, beginning with the sourcing of raw materials, continuing through product use, and extending to end-of-life disposal.

Our products have environmental impacts due to resource extraction, energy consumption, and waste generation at the end of their life cycle. They rely on rare and heavy metals like tungsten, neodymium, and lead, which can contribute to habitat pollution. Their operation consumes electricity, thus increasing carbon emissions, particularly in fossil fuel-dependent regions. Manufacturing requires water and generates waste, while disposal remains challenging due to complex material recovery and limited recycling programs. To address these impacts, in addition to our ISO 14001 initiative and the use of clean electricity, we are actively exploring ways to minimize our environmental footprint through our eco-design initiative. This includes developing energy-efficient designs, promoting sustainable manufacturing, and implementing take-back programs for rare material recycling. Exploring alternative materials and extending product life cycles further support waste reduction.

Evaluating and reducing our environmental footprint is increasingly important for us. This focus is driven by growing customer demand for environmentally responsible products and our own commitment to prioritizing sustainability when selecting suppliers. By integrating sustainability more deeply into our supply chain, we aim to further reduce our overall environmental impact.

Eco-design trainings and implementation progress

In the reporting year, we conducted a series of eco-design training sessions (8 modules) with approximately 300 selected employees from R&D, sales, marketing, and other relevant internal stakeholders across the entire group. Pilot projects have been completed in two of the three divisions, with further progress underway in the remaining division. These initiatives, conducted using the full life-cycle approach and established life cycle assessment (LCA practices (ISO 14040/44), focused on identifying ideas for every stage of the product lifecycle to reduce the product's environmental footprint. As is typical in our industry, the primary focus has been on emissions related to material sourcing and product usage by customers, which are the most emission-intensive categories (Scope 3 categories 1 and 11). Improvement proposals have been developed for these two areas. The next step involves implementing the insights gained, which range from optimizing standby modes and reusing components to sourcing alternative materials. Additionally, eco-design principles are being integrated into the development processes within the R&D departments, involving both Comet's Chief Technology Officer and the Global R&D Heads of the three divisions.

While the eco-design process has not yet been fully implemented, it was discovered during the pilot projects that in the development of a new generator within the X-Ray Modules division (IXM), the product's carbon footprint was reduced by nearly 50% from one generation to the next solely through the use of alternative materials. With the launch of several new products in the past fiscal year, it can therefore be assumed that simply by virtue of technological progress, the introduction of these products featuring state-of-the-art and more energy-efficient components has led to significant improvements in the carbon footprint of new systems and components.

Failing to properly assess the environmental and safety impacts of our products could expose us to significant risks. Products that cause harm or fail to meet legal safety standards could lead to product liability claims, resulting in costly legal disputes that divert valuable resources and time. Additionally, financial penalties, damages, and product recalls could impose severe financial burdens on the company. To mitigate these risks, it is essential to conduct thorough assessments and ongoing monitoring of our products' impacts. This approach helps protect our customers' trust and safeguard Comet's long-term integrity.

Social topics

Our employees are united by a passion for technology, a strong corporate culture, and a commitment to our shared values. This is the basis for our success.

As employees of Comet, we are aware of our responsibility in a world with more and more people and limited resources. Qualified and committed employees are a key prerequisite for our past and future success. That is why we invest in a corporate culture based on customer orientation, challenge and empower, and trustful collaboration in everything we do.

Through our continuous efforts, we create value for our employees, our customers, and our stakeholders worldwide. Our employees benefit from progressive working conditions, a well-managed health and safety program and a culture based on trust. This creates the basis for above-average performance and thus a high level of customer satisfaction and loyalty, in many cases for years to come. Finally, we take our social responsibility seriously by supporting community projects and private-sector initiatives.

Employer attractiveness

We recognize the critical importance of being an attractive employer in a rapidly evolving labor market environment. By creating a flexible, inclusive, and appealing workplace culture, we aim to attract and retain talented employees who contribute to innovation and productivity. Employer branding, talent development, and a strong corporate culture are central to the company's strategy. Ensuring employee well-being and loyalty remains a top priority, reflected in initiatives that support engagement, career development, and transitions beyond working life.

Responsibilities for fostering an attractive and supportive workplace at Comet are clearly defined across different levels of the organization. The Human Resources team under the lead of the Chief Human Resources Officer (CHRO) plays a central role by implementing policies to support recruitment, employee engagement, and smooth transitions, such as retirement. Management ensures that the corporate culture aligns with Comet's values and strategic objectives, creating a cohesive framework for success. Leadership teams oversee key initiatives, including training programs, employee engagement efforts, and monitoring satisfaction to drive continuous improvement. At the team level, supervisors facilitate participation in these initiatives and implement measures to secure workplace satisfaction, ensuring alignment with overall company goals.

Enhancing employer attractiveness in 2024

Introduction of new job grading
At Comet, we prioritize fairness and equal opportunity through our structured job grading system. By evaluating roles based on complexity, responsibility, and required skills across all job profiles and countries, we ensure equitable compensation and clear career growth paths. This approach supports employee development and strengthens our position as an attractive, inclusive employer.

Employee voice survey
Late in 2024, eighty-two percent of our global workforce participated in the employee voice survey, with three countries achieving 100% participation. The results were analyzed, and key findings will be shared with employees in early 2025. This helps us to identify top areas of focus for improving business performance and reinforces our commitment to be an employer of choice.

Internships
At Comet, internships are more than early career steps – they are a dynamic exchange where everyone benefits. Last year, we proudly hosted internships at various levels, providing interns with hands-on experience while mentors expanded their skills and gained fresh perspectives. This continuous mutual learning and curiosity drives our ongoing growth and success.

Collaboration with academia
We maintain several partnerships with globally leading academic institutions, providing direct collaboration with researchers and access to the latest research. These partnerships also connect us to a strong pool of emerging talent.

Training and development
At Comet, we recognize that continuous learning is essential for employee growth and organizational success. We offer regular training in quality, health and safety, compliance, and leadership to empower our teams. Our online training platform provides a wide range of courses, ensuring employees have the tools to grow and succeed. This includes, for example, training sessions in our Semiconductor Academy, as well as those related to the use of AI and data protection.

Education
We are deeply committed to supporting education and career development through diverse initiatives. Among many other engagements, this includes, for example, sponsoring and participating in a six-hour race with hydrogen-powered model cars built by apprentices, engaging in BAM 2024, Switzerland's largest vocational education fair. Additionally, participation in the SEMI Career Fair at the University of Swansea

and the Penang Tech, Engineering & Semicon Career Fair 2024 in Malaysia further expanded Comet’s global talent outreach.

We support employees beyond their tenure. The Human Resources team assists with transitions, including retirement and other departures, ensuring employees feel valued and supported throughout their journey with the company.

We continuously monitor employee satisfaction and engagement through regular employee surveys and market benchmarking, providing us a clear understanding of workforce sentiment. Policies and regulations are evaluated on an ongoing basis to ensure they align with employee needs and support organizational objectives. Additionally, the company tracks participation in mandatory training courses and periodic refreshers to maintain high standards in areas such as safety, compliance, and professional development.

Our comprehensive approach to attracting, retaining, and developing talent ensures a resilient, motivated workforce capable of driving our long-term success.

Disclosures in accordance with GRI 2-7

Composition of the workforce [1]

	Male			Female		
	2024 [3]	2023	±	**2024** [3]	2023	±
Workforce by employment contract	1,228	1,146	7.2%	407	373	9.1%
Permanent	1,182	1,104	7.1%	385	356	8.1%
Temporary	46	42	9.5%	22	17	29.4%
Workforce by employment type [2]	1,182	1,104	7.1%	385	356	8.1%
Full-time	1,062	1,006	5.6%	312	288	8.3%
Part-time	120	98	22.4%	73	68	7.4%
Workforce by age group [2]	1,182	1,104	7.1%	385	356	8.1%
<30	148	117	26.5%	52	33	57.6%
30-50	643	603	6.6%	234	215	8.8%
>50	391	384	1.8%	99	108	– 8.3%

1 For definitions of the categories see the section "Basis of calculations and definitions"

2 Permanent staff only

3 Figures for 2024 were externally audited by Ernst & Young AG to obtain limited assurance regarding the compliance of the reported information with the GRI Standards

Workforce by region

	Europe		Asia		North America	
	2024	2023	**2024**	2023	**2024**	2023
Total	1,039	968	343	314	253	237
Permanent	978	920	337	311	252	229
Temporary	61	48	6	3	1	8

Workforce by employment type[1]

	Europe		Asia		North America	
	2024	2023	**2024**	2023	**2024**	2023
Total	978	920	337	311	252	229
Full-time	785	754	337	311	252	229
Part-time	193	166	0	0	0	0

Workforce by category[1]

	Male			Female		
	2024	2023	±	**2024**	2023	±
Total	1,182	1,104	7.1%	385	356	8.1%
Production-related	603	587	2.7%	151	146	3.4%
Marketing and sales	168	155	8.4%	76	76	0.0%
General and administration	116	95	22.1%	121	100	21.0%
Research and development	295	267	10.5%	37	34	8.8%

1 Permanent staff only

In the reporting year, we expanded our workforce at all levels to successfully navigate the semiconductor industry's upswing and implement our growth strategy. This expansion took place across all regions, including both permanent and temporary employees, while also strengthening our R&D capabilities.

Disclosures in accordance with GRI 401-1

Rate of employee turnover[1]

		2024[2]	Rate	2023[3]	Rate
Age group	<30	31	16.4%	62	29.5%
	30-50	93	11.0%	128	15.4%
	>50	43	9.2%	103	21.7%
Gender	Male	114	10.1%	216	18.7%
	Female	53	14.5%	77	21.2%
Region	Europe	104	10.9%	106	11.5%
	Asia	38	12.1%	95	28.1%
	North America	25	10.8%	92	35.4%
Turnover		167	11.1%	293	19.3%

1 Permanent staff only

2 Figures for 2024 were externally audited by Ernst & Young AG to obtain limited assurance regarding the compliance of the reported information with the GRI Standards

3 Figures for 2023 were adjusted to reflect the fact that calculations only relate to permanent staff

New employee hires[1]

		2024	Rate	2023	Rate
Age group	<30	66	35.0%	27	13.0%
	30-50	143	9.6%	112	8.5%
	>50	45	16.9%	40	13.5%
Gender	Male	171	15.1%	52	14.4%
	Female	83	22.6%	127	11.1%
Region	Europe	148	15.6%	119	10.9%
	Asia	64	20.1%	36	12.9%
	North America	42	18.0%	24	9.5%
New entries		254	16.9%	179	11.9%

[1] Permanent staff only

Additionally, employee turnover rates declined, while the number of new hires increased, reflecting a more stable business environment and the positive momentum within our end markets, mainly in the semiconductor industry.

Employee health and safety

At Comet, protecting the health and safety of our employees is fundamental to both their well-being and the company's success. Operating in the high-tech semiconductor value chain, we depend on highly skilled specialists in production, sales, product management, and R&D. We do our utmost to prevent occupational and other accidents. The use of lasers and chemicals as well as the emission of ionizing radiation in our manufacturing processes require appropriate measures to protect our employees from exposure to these potential hazards. In addition to these legal requirements, we also have an ethical and moral obligation. As well, illness and accidents pose significant operational challenges, as replacing these experts on short notice is difficult. Therefore, reducing downtime and promoting knowledge-sharing are key aspects of our strategy to safeguard the company's success.

Ensuring the health and safety of employees and service providers is a top priority in our operations. Our Quality, Environmental, and Health & Safety Policy provides the foundation for occupational safety, applying globally to all employees, including external and temporary workers. Our management system enforces compliance with health and safety standards across all sites, ensuring that workplace safety is actively practiced, documented, and continuously improved.

Health and safety measures are tailored to the size of each unit and its specific risks. Compliance with local laws and regulations is mandatory, such as Germany's Occupational Health and Safety Act ("Arbeitsschutzgesetz"), the German Social Accident Insurance system ("Deutsche Gesetzliche Unfallversicherung"), and, in Switzerland, the ten points of the Federal Coordination Commission for Occupational Safety ("Eidgenössische Koordinationskommission für Arbeitssicherheit", or EKAS). Country general managers ensure adherence to regulations, while division country managers oversee implementation.

Leadership at all levels plays a crucial role in enforcing preventive measures and fostering a strong safety culture. We monitor health and safety objectives through continuous process tracking, regular effectiveness reviews, and annual audits based on location and risk exposure. Policies and guidelines are regularly reviewed and updated to align with current regulations and evolving industry standards, ensuring an effective and proactive health and safety management system.

The well-being of employees and customers is important to our management. The company's organizational units and all employees are responsible for safety and health at work. We are committed to complying with the appropriate laws and safety standards and conduct annual audits, depending on location and exposure. In addition, we report deficiencies or violations immediately so that they can be remedied as quickly as possible or avoided in the future, and we strive for improvements in safety at work. Preventive measures are essential for us. Occupational health and safety are regularly addressed in training or development. Each employee should feel physically and mentally fit at work and in the work environment.

As further measures to prevent accidents inside and outside the company, information and health tips are regularly posted on the social intranet, on subjects like sports, tripping, falls and – as the underappreciated number-one setting for accidents – doing housework. The achievement of and improvement in occupational health and safety objectives is ensured by continuous process monitoring and review of the effectiveness of these processes. Policies and guidelines are reviewed at regular intervals to ensure that the management system is up to date and effective. If necessary, they are amended. Such reviews are also, and especially, triggered by changes in customer requirements.

By embedding proactive health and safety management into our operations, we not only fulfill our ethical obligations but also ensure operational resilience, enabling long-term economic success in a dynamic and demanding industry.

Key elements of Comet's comprehensive health & safety culture

- Preventive measures: Regular training and development address health and safety topics; examples in 2024 were ergonomics in the home office, responsibility in occupational safety (workshop for individuals in leadership roles), and stress management for greater calmness in everyday work.
- Workplace safety initiatives: Preventive measures for specific hazards, such as laser use, chemicals, and ionizing radiation, are enforced to protect employees.
- Information sharing: Health tips and safety reminders on topics like sports injuries and household accidents are regularly shared via the social intranet.

- Incident reporting: Any deficiencies or violations are reported and addressed immediately to prevent recurrence and drive continuous improvement.

Reflecting the deeply entrenched awareness of occupational health and safety in our Group, we had no fatalities in our factories in the reporting year.

Disclosures in accordance with GRI 403-9 and GRI 403-10

Occupational health and safety metrics

	2024	2023	±
Injuries [1]	23	24	– 4.2%
Lost workdays due to work-related injuries	19	9	111.1%
Lost workdays due to illness	11,072	12,703	– 12.8%

[1] Injury occurring as a result of or during the course of work. The definition of injury follows local labor law where applicable; otherwise, it is determined by internal organizational provisions. Only recordable injuries are included.

In 2024, workplace injuries saw a slight decrease, reflecting our continued commitment to safety and risk prevention. While lost working days increased, they did so from a very low baseline, underscoring the effectiveness of our measures in mitigating incidents. Notably, the number of working days lost due to illness declined, with significant improvements observed in Switzerland and China.

Responsible supplier standards

We are dedicated to maintaining a supply chain that aligns with product performance standards and adheres to ethical and sustainable practices. A cornerstone of this commitment is our Supplier Code of Conduct (Supplier CoC) based on the Responsible Business Alliance (RBA) Code of Conduct. The Supplier CoC includes, among other topics, compliance with the law, the prohibition of corruption and bribery, respect for workers' fundamental human rights, and the prohibition of child labor. The Supplier CoC was revised and implemented in the reporting year.

Suppliers agree to uphold the principles of the Supplier CoC by signing the document, which is periodically updated to reflect changes in compliance policies. Suppliers are also obligated to notify us of any known or suspected violations.

The purchasing department is responsible for the evaluation of new suppliers and assesses the performance of existing suppliers to ensure alignment with our ethical and sustainability standards, as described in the Comet Quality Management System (CQMS). Supplier compliance is verified through audits, on-site inspections, and document reviews, conducted by Comet, its subsidiaries, or designated agents. Monitoring efforts focus on minimizing risks, safeguarding our reputation, and upholding social and environmental principles.

If violations are identified, Comet follows the corrective action procedures defined under the ISO 9001 standard. This includes working collaboratively with suppliers to resolve issues. Persistent noncompliance, however, may result in the termination of the business relationship or legal action, subject to applicable laws.

Comet prioritizes long-term partnerships with reliable suppliers who share our commitment to equal opportunity, prevention of worker mistreatment, and stringent environmental standards. Through regular evaluations and proactive initiatives, we strive to uphold these values throughout our supply chain.

To reinforce accountability, suppliers agree to allow compliance verification through audits, facility inspections, or the review of books and records. This ensures confidence in adherence to the Supplier CoC and supports our goal of fostering an ethical, sustainable, and transparent supply chain.

Report on child labor

In accordance with the “Ordinance on Due Diligence and Transparency with regard to Minerals and Metals from Conflict-Affected Areas and Child Labor (DDTrO) of 3 December 2021 (status as of 1 January 2024)”

Comet assesses the risk of child labor and human rights violations as low, given its industry focus and the nature of its product and service portfolio. While the electrical and electronic equipment (EEE) industry does face moderate risks of child labor – primarily in upstream supply chains such as raw material extraction and manufacturing in regions with weaker regulatory oversight – Comet minimizes these risks through its robust supply chain management practices. Furthermore, operating in highly regulated regions like Switzerland and the EU ensures stringent compliance with labor standards, further reducing the likelihood of such violations.

Child labor risk in Comet’s operations

Comet assesses the risk of child labor in its own operations as negligible due to several key factors:

1. Country risks:
   In its “Children’s Rights and Business Atlas” (as at June 2023), UNICEF assesses the risk of child labor for 195 countries and classifies them as “Basic”, “Enhanced” and “Heightened”. UNICEF classifies six of the nine countries where Comet operates as having a “Basic” risk rating for child labor, indicating a very low likelihood of such violations. These countries are Switzerland, Germany, Denmark, Japan, South Korea, and Taiwan. Among these, the subsidiaries in Japan, Korea and Taiwan are distribution-only entities with minimal reliance on local services and are therefore out of scope for further child labor due diligence. In contrast, China, Malaysia, and the United States have an “Enhanced” risk rating. However, all three in-scope countries have ratified International Labor Organization (ILO) Conventions 138 (minimum working age) and 182 (worst forms of child labor), committing to global standards prohibiting employment under the age of 15. Comet does not have operations in countries with a “Heightened” risk rating.
2. Internal policies and frameworks:
   Comet ensures ethical labor practices across all operations. The company adheres to local labor laws, monitored by Global Human Resources to maintain alignment with international standards. Furthermore, Comet’s Code of Conduct (CoC) explicitly prohibits child labor underscoring the company’s commitment to human rights and responsible business practices.
3. Verification by Global HR:
   The Global Human Resources function annually confirms the alignment with ILO Convention 138 using birthdate data in its systems.
4. Customer Audits:
   Many of Comet’s customers, who operate under stringent regulations regarding child labor, regularly conduct selected on-site audits at our premises. These audits also include an evaluation of Comet’s operations to assess working conditions, verify the ages of workers, and ensure compliance with respective local labor laws. These audits provide an additional layer of oversight. In the reporting year, no concerns regarding child labor in Comet’s operations were raised by customers, either directly, through the publicly accessible whistleblower system (Integrity Line) or through the internal audit reviews conducted by the Internal Audit function of Comet.

This comprehensive framework ensures that Comet operates responsibly, reinforcing its commitment to ethical labor practices and human rights.

Child labor risk in Comet’s upstream supply chain

The due diligence process regarding child labor is supported by specific steps that are either preliminary to the child labor due diligence process or integrated into the standard Conflict Minerals due diligence process. These steps are documented within the Comet Quality Management System (CQMS) and include the following measures:

- Screening: Comet’s goal is to select the best global suppliers based on cooperation quality, performance, and strategic importance. The

Procurement function evaluates suppliers through self-disclosures and strategic assessments, and conducts supplier evaluations, classification, and development.
- Supplier Code of Conduct: Comet introduced its Supplier Code of Conduct in 2019, with updates in 2021 and 2024. This Code explicitly prohibits child labor and requires suppliers to sign the agreement or provide an equivalent document that confirms compliance with International Labor Organization standards. Comet has recently engaged Assent as an external service provider to oversee the onboarding process and confirm that new suppliers and third parties adhere to these standards.
- Responsible Minerals Initiative (RMI): Comet works with the RMI using the Conflict Minerals Reporting Template (CMRT) to monitor and assess child labor risks in raw material sourcing, reinforcing its commitment to ethical and responsible supply chain practices.

To further enhance the effectiveness of the avoidance of child labor, Comet takes a systematic approach to assessing the risk of child labor within the upstream supply chain. This assessment categorizes countries into two groups: "out-of-scope" and "in-scope," based on UNICEF ratings and operational characteristics.

Assessment of reasonable suspicion of child labor – due diligence process

1. Supplier confirmation: For all of Comet's suppliers, procurement managers confirm supplier adherence to the Comet Supplier Code of Conduct or equivalent standards.
2. Broader assessments: In addition to supplier confirmation as just described, country general managers and supply chain directors are regularly consulted for insights on potential risks within their regions or supplier networks. These insights may be informed by online or newspaper reports, eyewitness accounts, NGO publications, on-site inspections, or supplier audits. External research is conducted on supplier practices using credible sources such as NGO reports, media coverage, and audit findings. Comet also operates a publicly accessible Integrity Line, encouraging stakeholders to report concerns about child labor anonymously. To date, no complaints have been reported through this channel.

As a result of the implementation of the processes described above, no reasonable suspicion of child labor, as defined in ILO Convention No. 138 of June 26, 1973, or DDTrO, Article 2, Paragraph 1, Letter f., emerged in 2024, either in our own operations or in our upstream value chain.

Diversity, equity, and inclusion

We recognize that respecting diversity, equity, and inclusion (DEI) is not only a social responsibility but also vital for business success. Our Code of Conduct and equal opportunity employer policy explicitly prohibit discrimination based on nationality, ethnicity, religion, gender, age, sexual orientation, or any other protected characteristic. These policies mandate fair treatment and equal opportunity in all aspects of employment, creating a workplace where all employees feel valued and supported. An updated version of the Code of Conduct was rolled out in 2024, accompanied by mandatory training for all employees.

The commitment to DEI is upheld by all employees, with leadership playing a crucial role in fostering an inclusive culture. Managers are responsible for ensuring fair hiring practices and compliance with DEI policies. The HR department oversees training, reporting, and audits to continuously enhance DEI initiatives.

Core pillars of Comet's DEI culture

Inclusive recruitment practices
Our hiring process is based on objective criteria, including skills, qualifications, and experience, thus ensuring fairness and transparency. We strive to build diverse teams that bring together a variety of backgrounds and perspectives, recognizing that diversity drives creativity and growth.

Gender pay equity
Demonstrating our commitment to equity, we achieved the "Fair-ON-Pay+" certification for gender pay equity at our Flamatt site in 2021, with certification valid for four years. In 2023, we successfully passed the maintenance audit, reaffirming our adherence to gender pay equity principles. Maintaining this certification requires a follow-up analysis every two years, with recertification due in 2025.

Proactive DEI initiatives
To enhance workplace inclusivity and employee satisfaction, we actively promote open communication and encourage feedback across all levels of the organization. Initiatives to strengthen diversity, equity, and inclusion are integrated into our workplace culture, ensuring that every employee feels valued and supported.

Comet Yxlon: A partner of European Chips Diversity Alliance

The EU chip sector is undermined by a lack of skilled labor. This shortage is currently being addressed by initiatives such as the Pact for Skills for microelectronics launched by the European Commission, jointly with SEMI Europe. Nonetheless, a shortcoming lies in the fact that the EU chip sector is still considerably male-dominated. Enhanced diversity, equity and inclusion across education, training and industry will empower the "missing talent" to actively participate in the forthcoming acceleration of the EU chips sector. As part of the European Chips

Diversity Alliance (ECDA) project, Comet is committed to closing this talent gap with impactful actions.

To ensure accountability, we conduct regular internal audits, employee surveys, and external reviews. These efforts track compliance with DEI standards and identify areas for improvement. No incidents of discrimination were reported in the year under review.

Our focus on DEI has led to measurable benefits, including enhanced employee satisfaction, higher retention rates, and strengthened innovation. Our efforts contribute to business growth, improved customer and employee satisfaction, and greater competitiveness. While the maintenance audit affirmed the progress made, we remain committed to further advancing DEI to unlock our full potential as a global organization.

Disclosures in accordance with GRI 405-1

Diversity in management (gender)

	Male		Female	
	2024[1]	2023	**2024**[1]	2023
Headcount	152	163	31	35
Percentage	83.1%	82.3%	16.9%	17.7%

Diversity of governance bodies (gender) [%]

	Male		Female	
	2024[1]	2023	**2024**[1]	2023
Board of Directors[2]	57	57	43	43
Executive Committee[3]	86	86	14	14

Diversity of governance bodies (age) [%]

	<30		30–50		>50	
	2024[1]	2023	**2024**[1]	2023	**2024**[1]	2023
Board of Directors[2]	0	0	0	14	100	86
Executive Committee[3]	0	0	43	57	57	43

[1] Figures for 2024 were externally audited by Ernst & Young AG to obtain limited assurance regarding the compliance of the reported information with the GRI Standards

[2] For the definition of “Board of Directors", see the section “Basis of calculations and definitions”

[3] For the definition of “Executive Committee”, see the section “Basis of calculations and definitions”

Community engagement

We recognize that stakeholders expect the company to go beyond economic interests and make positive societal contributions. Social engagement, whether through community projects, environmental initiatives, or local partnerships, is an essential part of our responsibility and integrity. While the double materiality analysis indicates that social commitment is important but not central to management and stakeholders, it remains a critical factor for maintaining our social license to operate, long-term success, and legitimacy.

Our policy emphasizes fostering enthusiasm for technology among the next generation, driven by our conviction that technology enhances education and that fair access to education improves technological progress for sustainable development, safety, and quality of life.

Our approach to direct engagement in society

- At the Group level, we prioritize initiatives in education and technology development. This includes providing training opportunities for young talent and supporting institutions aligned with these goals, fostering a culture of innovation and learning.
- Local management teams play a critical role by driving regional social engagement. They actively participate in community causes and provide support and resources for employee-led initiatives, ensuring that local activities align with our broader values and mission. Our employees are the backbone of our social efforts. Their commitment often sparks local initiatives, with management providing encouragement and the necessary resources to bring these ideas to life. This collaborative approach strengthens our impact on the communities where we operate.

We demonstrate our dedication to social responsibility through initiatives that promote education, community engagement, and technology-focused activities. These efforts reflect our mission to inspire the next generation and support community well-being. At the Group level, we invest in fostering young talent and enthusiasm for science and technology by providing comprehensive training programs for trainees, interns, and young professionals. These programs equip next-generation experts and leaders with essential skills, preparing them to become future skilled workers.

Our support for institutions like the Technorama science center in Winterthur, Switzerland, further emphasizes our commitment to education. By sponsoring Technorama, we help young minds explore the world of science, igniting curiosity and creativity. Additionally, interactive learning events such as Future Day at the Flamatt site offer young people a hands-on opportunity to experiment with technology, giving them a deeper understanding of its possibilities.

Our regional teams and employees actively contribute to community-focused initiatives, reflecting the company's values and commitment to societal impact. Key activities include participation in charity events like the Annual Joy Drive of the Boys & Girls Clubs of Silicon Valley; the Lam Research Heart & Soles Run in the USA, where proceeds support educational and charitable programs; and a partnership with the Family Giving Tree, a charitable organization committed to serving children and individuals most in need throughout California's Bay Area. In the aftermath of the January 1 earthquake on Japan's Noto Peninsula, our team in Japan provided school supplies, educational resources, and safe spaces for children affected by these challenging circumstances.

Additionally, we hosted youth technology events in 2024 in Hamburg, Penang, and Shanghai, offering hands-on experiences with innovative technologies. These activities aim to inspire the next generation of technologists and foster enthusiasm for science and engineering.

Through these efforts, we underscore our dedication to education and community development, strengthening our reputation as a socially responsible organization that creates lasting positive impacts.

Governance topics

We are committed to ethical and legally compliant behavior in everything we do. Every single point of our Code of Conduct is non-negotiable. The individual behavior of each of us – how we interact with colleagues, customers, suppliers, and all other stakeholders – determines our success as a company. The values and principles of the Code of Conduct developed in 2020 and updated in 2024 form the foundation of our corporate culture and the basis for all our actions and decisions.

Strict and full compliance with laws, guidelines and regulatory standards at the local, national, and international level is not only the right thing to do, but also an important asset on which our reputation is based. Equally important is the ethical conduct of all individuals and partner organizations we collaborate with, which reinforces our commitment to integrity and trust. All internal and external stakeholders can rely on us to always treat them fairly and ethically. Practicing and upholding proper business ethics is an integral part of our relationships with each other, with our customers, with our suppliers, with our investors and even with our competitors. Ethical behavior is a crucial basis for building trust and ensuring the success of our company. We require all Comet employees to adhere to our Code of Conduct. To ensure that every employee understands the content of our Code of Conduct, we introduced mandatory compliance training some time ago, which every Comet employee must complete on a regular basis.

Ethics and compliance

Ethics and compliance are foundational to our success and integrity. Ethical standards guide moral behavior, while compliance ensures adherence to legal regulations. These principles are critical for maintaining stakeholder trust and loyalty. Our Code of Conduct mandates compliance with laws and ethical standards for all employees. A key component of this policy is the Integrity Line, a reporting system that enables employees to report concerns about actual or suspected misconduct confidentially and securely.

Our risk and compliance management is structured to ensure accountability and alignment across all levels of the organization, from local sites to the Group level. The Board of Directors plays an overarching role, overseeing the risk management process and ensuring that the organization proactively addresses key challenges. The Audit Committee, a specialized body within the Board, conducts biannual risk assessments and reports significant findings, ensuring transparency and strategic oversight.

In February 2024, the Audit Committee appointed an in-house Group Head of Audit, Risk, and Compliance. This role is responsible for overseeing the Internal Audit function, managing the enterprise risk management (ERM) process across the Comet Group, developing and maintaining a Group-level compliance management system (CMS), and operating our global integrity hotline. In 2024, Comet's Internal Audit function conducted eight audits, focusing on corporate governance, compliance with internal and external regulations, risk management, and the design and effectiveness of internal control frameworks.

At the operational level, country general managers are responsible for implementing compliance requirements and issuing policies on critical areas such as health protection and occupational safety. They ensure alignment with local regulations, safeguarding the welfare of employees and adherence to legal standards. Compliance officers, reporting to the country general managers, provide on-the-ground support to divisions and sites. Their role includes monitoring compliance obligations, assisting in policy implementation, and ensuring that local practices meet both regulatory and corporate standards.

We have implemented policies, processes, training, and monitoring measures at the Group level to promote ethics and compliance awareness among employees. The Integrity Line reporting system allows employees to report concerns about actual or suspected misconduct easily and anonymously. Adjustments to compliance measures are made as needed to meet evolving legal requirements.

As part of our risk management process, material risks are systematically identified and recorded in a risk matrix. Key risks are discussed by the Board of Directors in the context of general business risks. The

Group also continuously enhances compliance through policies, training, and improvement measures.

In the year under review, we were not involved in any legal proceedings, nor were fines imposed due to violations of laws or regulations or due to corruption. These outcomes reflect the company's strong commitment to maintaining high ethical and compliance standards.

Technical compliance

Technical compliance refers to the adherence to regulations, standards, and requirements related to both materials and products throughout their lifecycle. It ensures that a company's operations and products meet legal and industry-specific guidelines.

Materials compliance means compliance with certain standards and specifications in the selection and use of materials in products and processes. These standards can relate to various aspects, such as quality, safety, environmental sustainability, and health risks. For Comet as a manufacturer of industrial products, an indispensable requirement for doing business worldwide is compliance with regulations relevant to the environment and to market access – such as Registration, Evaluation, Authorization and Restriction of Chemicals (REACH), Restriction of Hazardous Substances (RoHS), and the Toxic Substances Control Act (TSCA) – as well as with legislation driven by international law and ethics, including conflict minerals legislation, the Dodd-Frank Act and Regulation (EU) 2017/821.

Product compliance pertains to the final product meeting all legal and industry requirements for safety, functionality, and environmental performance. This includes certifications, labeling, and documentation proving that the product aligns with relevant standards, such as CE marking, FDA approval, or ISO standards. Product compliance guarantees that products are safe for use and meet the quality expectations of markets and regulatory bodies.

Together, materials and product compliance ensure that the entire process from sourcing to final delivery adheres to rigorous legal and quality standards, supporting a company's commitment to sustainable and responsible business practices.

Report on conflict minerals

In accordance with the "Ordinance on Due Diligence and Transparency with regard to Minerals and Metals from Conflict-Affected Areas and Child Labor (DDTrO) of 3 December 2021 (status as of 1 January 2024)"

Comet is dedicated to maintaining a high-quality, compliant supply chain that meets product standards and ethical expectations. As described in detail in Comets Quality Management System, our purchasing department evaluates new and existing suppliers, emphasizing sustainable practices and adherence to our Supplier Code of Conduct. As part of our due diligence process, we partner with Assent Compliance Inc. to collect data for REACH, RoHS, Conflict Minerals, and TSCA compliance. Non-compliant suppliers are contacted for corrective action and may face termination if necessary.

Comet imports raw materials and semi-finished products into Switzerland for use in various industrial processes in the semiconductor and non-destructive testing industries. In 2024, we imported 908 kg of tungsten classified under customs tariff number 8101 99 00, exceeding the exemption limit of 350 kg, and thus subject to due diligence requirements per Swiss DDTrO, annex 1, part B. Tungsten and its alloys are mainly used by the Industrial X-ray Modules division as anodes and cathodes in x-ray tubes, added in small amounts to create alloys for electronic components and machining tools.

Comet complies with due diligence under:

- Regulation (EU) 2017/821 and Delegated Regulation (EU) 2019/429
- Dodd-Frank Act Section 1502 on Conflict Minerals

Although Comet is therefore exempt from due diligence obligations under DDTrO, article 9, the company implements a structured five-step workflow to monitor suppliers for conflict minerals. This process commences with an annual supply chain campaign conducted by Assent. Comet subsequently reviews the Conflict Minerals Smelters Report, identifies high-risk smelters, and documents follow-up actions within its management system. The purchasing team engages suppliers to request corrective measures and verify conflict-free sourcing. Updated Conflict Minerals Reporting Templates are uploaded, and ongoing compliance is maintained through regular follow-ups, including annual reviews prior to reporting deadlines. Persistent non-compliance is escalated, and suppliers are reassessed as needed.

During the reporting period, all three current tungsten suppliers signed the Comet Supplier Code of Conduct. At the time of writing of this report, one of the suppliers that was added to Comet's supplier list during the reporting year had not yet submitted the Conflict Minerals Reporting Template. However, this was being monitored by the quality manager responsible. We confirm that, in 2024, the due diligence process was conducted as described, and no complaints were reported through our publicly available whistleblower system.

Our commitment to technical compliance reduces risks such as health hazards, environmental damage, and potential legal or financial consequences due to non-compliance. Regular training is provided to employees involved in technical compliance to ensure understanding of regulations and the impact of non-compliance.

Compliance responsibilities are outlined in the Comet Group's management system. The Vice President of Global Operational Excellence (VP GOE), who reports directly to the CEO, sets compliance regulations with input from Group legal experts. The divisions are responsible for implementation, with oversight by the country general managers. Global coordination of materials compliance activities is managed by the Quality & Excellence Board.

This comprehensive structure ensures consistent practices and adherence to regulatory requirements, thus supporting product quality and minimizing risk.

Trade compliance

Trade compliance ensures adherence to laws and regulations governing international trade, including customs regulations, export controls, sanctions, and anti-corruption laws. Comet's Trade Compliance Policy, integrated into the Comet quality management system (CQMS), outlines essential requirements and defines roles and responsibilities. This policy ensures that Comet's operations meet global standards for business, ethics, quality, and supplier and consumer protection. Non-compliance can lead to shipment delays, financial losses, regulatory penalties, and damage to Comet's reputation.

At Comet, trade compliance is managed through a structured approach that ensures clear accountability and authority across all regions. Country general managers are responsible for implementing the Trade Compliance Policy and ensuring adherence to trade regulations within their regions. They are supported by trade compliance officers, appointed for each country, who oversee compliance activities and collaborate closely with trade specialists. Trade specialists are empowered to halt transactions that do not meet regulatory standards. This organizational framework ensures effective oversight and alignment with global trade compliance requirements.

We ensure robust oversight of trade compliance through a structured monitoring system. Country general managers oversee compliance within their regions, supported by trade compliance officers and specialists, who actively monitor transactions and are empowered to halt any non-compliant activities. This proactive approach mitigates risks and ensures adherence to international trade regulations.

In 2024, Comet reported no legal proceedings or fines related to non-compliance with trade laws. This outcome highlights the effectiveness of the Trade Compliance Policy and reaffirms our commitment to meeting global trade standards.

GRI content index

Comet has reported in accordance with the GRI Standards for the period from 01/01/2024 to 12/31/2024. For the Content Index - Essentials Service, GRI Services reviewed that the GRI content index has been presented in a way consistent with the requirements for reporting in accordance with the GRI Standards, and that the information in the index is clearly presented and accessible to the stakeholders. This service was performed for the English version of the report.

GRI 1 used: GRI 1: Foundation 2021
Applicable GRI Sector Standard: none
General Disclosures

GRI Standard	Disclosure	Location / information	Omission (Requirements omitted (RO), Reason (R), Explanation (E))
The organization and its reporting practices			
GRI 2: General Disclosures 2021	2-1 Organizational details	Comet Holding AG	
		Corporate Governance Report, Group structure and shareholders	
		Comet Holding AG, Herrengasse 10, 3175 Wünnewil-Flamatt, Switzerland	
		Annual Report, Review of 2024	
	2-2 Entities included in the organization's sustainability reporting	Consolidated financial statements, 02.4 Consolidation	
		All entities in the financial reporting are also included in sustainability reporting	
	2-3 Reporting period, frequency and contact point	Annually, fiscal year from Jan 1, 2024, to Dec 31, 2024	
		Corporate Governance, Contacts	
	2-4 Restatements of information	Restatements of environmental metrics	
	2-5 External assurance	Limited assurance on selected KPIs	
Activities and workers			
GRI 2: General Disclosures 2021	2-6 Activities, value chain and other business relationships	Strategy, The Comet Group	
		Purpose and business model	
		Notes to the consolidated financial statements, 01 Nature of the business activities	
		Consolidated financial statements, 02.4 Consolidation	
		Report in Accordance with GRI Standards, Responsible Supplier Standards	
	2-7 Employees	Consolidated financial statements, 04.1 Operating segments	
		Report in Accordance with GRI Standards, Employer Attractiveness	
		Separate Financial Statements of Comet Holding AG, Number of full-time equivalents	
	2-8 Workers who are not employees	Report in Accordance with GRI Standards, Employer Attractiveness	
Governance			
GRI 2: General Disclosures 2021	2-9 Governance structure and composition	Corporate Governance, Board Committees	
		Corporate Governance, Board of Directors	
		Sustainability Report, Sustainability governance and organization	
	2-10 Nomination and selection of the highest governance body	Corporate Governance, Board election and terms, internal organization	
	2-11 Chair of the highest governance body	The Chair of the Board of Directors is not a senior executive in the organization	
	2-12 Role of the highest governance body in overseeing the management of impacts	Corporate Governance, Board of Directors	

		Sustainability Report, Sustainability governance and organization
	2-13 Delegation of responsibility for managing impacts	Sustainability Report, Sustainability governance and organization
	2-14 Role of the highest governance body in sustainability reporting	Sustainability Report, Sustainability governance and organization
	2-15 Conflicts of interest	Board of Directors: Corporate Governance, Disclosure of potential conflicts of interest
		Executive Committee: Corporate Governance, Disclosure of potential conflicts of interest
	2-16 Communication of critical concerns	Through AGM or other functions (e.g., IR) via CEO. Regular conversations between CEO, CFO and multiple stakeholders.
	2-17 Collective knowledge of the highest governance body	The majority of the members of the Board of Directors are members of the board or management of other listed companies that are advanced in sustainability. Quarterly report on sustainability developments to the Board.
		Corporate Governance, Board of Directors
	2-18 Evaluation of the performance of the highest governance body	Board of Directors conducted a self-assessment with an external Board Advisor in 2024
	2-19 Remuneration policies	Compensation report, 03 Determination of compensation and compensation principles
		Corporate Governance, Nomination & Compensation Committee
	2-20 Process to determine remuneration	Compensation report, 03.1 Determination of compensation
		Compensation outlook for 2025
	2-21 Annual total compensation ratio	Comparable ratio of 12; CEO annual total compensation compared to median annual total compensation of permanent employees at headquarters in Flamatt, Switzerland
Strategy, policies and practices		
GRI 2: General Disclosures 2021	2-22 Statement on sustainable development strategy	Sustainability Report, Statement of the CEO
	2-23 Policy commitments	Report in Accordance with GRI Standards, Supplier Code of Conduct
		Report in Accordance with GRI Standards, Trade Compliance
		Report in Accordance with GRI Standards, Ethics and Compliance
	2-24 Embedding policy commitments	Report in Accordance with GRI Standards, Supplier Code of Conduct
		Report in Accordance with GRI Standards, Trade Compliance
		Report in Accordance with GRI Standards, Ethics and Compliance
		Sustainability Report, Report on child labor
	2-25 Processes to remediate negative impacts	Report in Accordance with GRI Standards, Supplier Code of Conduct
		Report in Accordance with GRI Standards, Trade Compliance
		Report in Accordance with GRI Standards, Ethics and Compliance
	2-26 Mechanisms for seeking advice and raising concerns	Corporate Governance, Integrity line

	2-27 Compliance with laws and regulations	Report in Accordance with GRI Standards, Ethics and Compliance
		Report in Accordance with GRI Standards, Environmental Management System and Compliance
		Report in Accordance with GRI Standards, Trade Compliance
		Report in Accordance with GRI Standards, Employee Health & Safety
	2-28 Membership associations	SEMI (global industry association that encompasses the entire electronics manufacturing and supply chain), Swissmem, EUROBAT, JIMA (Japan Inspection Instruments Manufacturers' Association), Swiss Malaysian Chamber of Commerce, Swissvacuum
Stakeholder engagement		
GRI 2: General Disclosures 2021	2-29 Approach to stakeholder engagement	Sustainability Report, Material Topics
	2-30 Collective bargaining agreements	Less than 5% of employees are covered by bargaining agreements. For employees not covered by collective bargaining agreements, we regularly benchmark the working conditions and terms of employment against organizations with collective bargaining agreements. Overall, our working conditions and terms of employment are superior compared to organizations with collective bargaining agreements.
		Report according to GRI Standards, Employer Attractiveness
Material Topics		
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Sustainability Report, Material topics
	3-2 List of material topics	Sustainability Report, Material topics
Environmental		
Environmental Management System and Compliance		
GRI 3: Material Topics 2021	3-3 Management of material topics	Report in Accordance with GRI Standards, Environmental Management System and Compliance
Energy Management and Carbon Emissions		
GRI 3: Material Topics 2021	3-3 Management of material topics	Report in Accordance with GRI Standards, Energy Management and Carbon Emissions
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Report in Accordance with GRI Standards, Energy Management and Carbon Emissions
	302-4 Reduction of energy consumption	Report in Accordance with GRI Standards, Energy Management and Carbon Emissions
		Sustainability Report, Strategic sustainability framework
		Sustainability Report, Sustainability strategy: the Comet way
		Sustainability Report, Climate transition plan
	302-5 Reduction in energy requirements of products and services	Sustainability Report, Climate transition plan
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Report in Accordance with GRI Standards, Energy Management and Carbon Emissions (table)
	305-2 Energy indirect (Scope 2) GHG emissions	Report in Accordance with GRI Standards, Energy Management and Carbon Emissions (table)
	305-5 Reduction of GHG emissions	Sustainability Report, Climate transition plan
Product Impact		
GRI 3: Material Topics 2021	3-3 Management of material topics	Report in Accordance with GRI Standards, Product Impact

Social		
Employer Attractiveness		
GRI 3: Material Topics 2021	3-3 Management of material topics	Report in Accordance with GRI Standards, Employer Attractiveness
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Report in Accordance with GRI Standards, Employer Attractiveness
GRI 404: Training and Education 2016	404-2 Programs for upgrading employee skills and transition assistance programs	Report in Accordance with GRI Standards, Employer Attractiveness
Employee Health and Safety		
GRI 3: Material Topics 2021	3-3 Management of material topics	Report in Accordance with GRI Standards, Employee Health and Safety
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Report in Accordance with GRI Standards, Employee Health and Safety
	403-2 Hazard identification, risk assessment, and incident investigation	Report in Accordance with GRI Standards, Employee Health and Safety
	403-4 Worker participation, consultation, and communication on occupational health and safety	Report in Accordance with GRI Standards, Employee Health and Safety
	403-5 Worker training on occupational health and safety	Report in Accordance with GRI Standards, Employee Health and Safety
	403-6 Promotion of worker health	Report in Accordance with GRI Standards, Employee Health and Safety
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Report in Accordance with GRI Standards, Employee Health and Safety
	403-8 Workers covered by an occupational health and safety management system	Report in Accordance with GRI Standards, Employee Health and Safety
	403-9 Work-related injuries	Report in Accordance with GRI Standards, Employee Health and Safety (table)
Responsible Supplier Standards		
GRI 3: Material Topics 2021	3-3 Management of material topics	Report in Accordance with GRI Standards, Responsible Supplier Standards
GRI 308: Supplier Environmental Assessment 2016	308-1 New Supplier Screening Using Environmental Criteria	Report in Accordance with GRI Standards, Responsible Supplier Standards
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	Sustainability Report, Report on child labor
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk of incidents of forced or compulsory labor	Sustainability Report, Report on child labor
		Report in Accordance with GRI Standards, Supplier Code of Conduct
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Report in Accordance with GRI Standards, Responsible Supplier Standards
Diversity, Equity and Inclusion		
GRI 3: Material Topics 2021	3-3 Management of material topics	Report in Accordance with GRI Standards, Diversity, Equity and Inclusion

GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Report in Accordance with GRI Standards, Diversity, Equity and Inclusion (tables)
Community Engagement		
GRI 3: Material Topics 2021	3-3 Management of material topics	Report in Accordance with GRI Standards, Community Engagement
GRI 413: Local Communities 2016	413-1 Local Community Engagement, Impact Assessments, and Development Programs	Report in Accordance with GRI Standards, Community Engagement
Governance		
Ethics and Compliance		
GRI 3: Material Topics 2021	3-3 Management of material topics	Report in Accordance with GRI Standards, Ethics and Compliance
GRI 205: Anti-Corruption 2016	205-3 Confirmed incidents of corruption and actions taken	Report in Accordance with GRI Standards, Ethics and Compliance
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior	Report in Accordance with GRI Standards, Ethics and Compliance
Technical Compliance		
GRI 3: Material Topics 2021	3-3 Management of material topics	Report in Accordance with GRI Standards, Materials compliance
Trade Compliance		
GRI 3: Material Topics 2021	3-3 Management of material topics	Report in Accordance with GRI Standards, Trade Compliance
Economic		
Customer Loyalty and Satisfaction		
GRI 3: Material Topics 2021	3-3 Management of material topics	Purpose and business model
		Strategic sustainability framework
Product and Technology Leadership		
GRI 3: Material Topics 2021	3-3 Management of material topics	Annual Report, Strategy
Operational Excellence		
GRI 3: Material Topics 2021	3-3 Management of material topics	Annual Report, Enhancing efficiency
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Annual Report, Performance
		Annual Report, Comet Group key consolidated financial results

Content index for reporting under Swiss Code of Obligations

The sections of the non-financial report referenced in this content index contain the reporting on non-financial matters in accordance with Article 964a et seq. of the Swiss Code of Obligations, including climate-related disclosures in alignment with the recommendations of the Task Force on Climate-related Disclosures (TCFD).

Content index for reporting under Swiss Code of Obligations, including TCFD

Art. 964a ff. CO requirement	**Referenced section in the reporting on non-financial matters**
General information	
	About the report
	Purpose and business model
	Sustainability strategy: the Comet way
	Governance and organization
	Material topics
Non-financial matters	
Environmental matters	
Climate-related disclosures (aligned with TCFD recommendations)	
Governance	Governance and organization
Strategy (incl. transition plan)	Sustainability strategy: the Comet way Climate transition plan
Risk management	Risk management: climate-related risks and opportunities
Metrics and targets	Energy management and carbon emissions Sustainability strategy: the Comet way
Other environmental matters	Technical compliance Product impact
	Environmental management system and compliance
	Energy management and carbon emissions
Social issues	Responsible supplier standards
	Community engagement
Employee-related issues	Employer attractiveness
	Employee health and safety
	Diversity, equity and inclusion
Respect for human rights	Responsible supplier standards
Combating corruption	Responsible supplier standards
	Ethics and compliance
	Trade compliance

The Board of Directors of Comet Holding AG has approved the report on non-financial matters under the Swiss Code of Obligations for the year 2024 at its meeting on March 4, 2025.

Basis of calculations and definitions

Reporting period

The reporting period covers the period from January 1 to December 31, 2024.

Reporting boundary

The environmental metrics include all locations and companies in Comet's scope of consolidation as listed in the Annual Report. Compared to the 2023 reporting year, the companies within the scope of consolidation have remained unchanged.

Comet has not made any changes to its locations for the calculation of environmental indicators in fiscal year 2024.

Restatements for environmental metrics

Environmental metrics that had been reported in the 2023 Annual Report for the year 2023 are restated in this 2024 report if the deviations from the actual values were significant, meaning if they exceeded ±10% of the total reported figures.

- The energy consumption reported for "heating (total)" was overestimated in the 2023 Annual Report, as shown by the use of actual measurements for recalculations instead of estimated data. The reported total heating figure represented an overstatement of 15.6%, with actual consumption being 1,984 MWh rather than the estimated 2,352 MWh.
- The "fuels (total)" consumption in 2023 projected at the end of 2023 was an underestimate. Actual data revealed additional consumption for emergency generator testing and vehicles owned by the company. Actual consumption in 2023 amounted to 1,014 MWh, instead of the 916 MWh reported in the 2023 Annual Report.
- The two previously mentioned restatements for heating (total) and fuels (total) have reduced Scope 1 emissions in 2023 by 4%. Instead of the 655 tCO_2e reported in the 2023 Annual Report, only 631 tCO_2e were emitted in 2023.
- The methodologies and assumptions used for collecting values for 2024 have been applied retrospectively to actual data from 2023. The consideration of quantities and frequencies of waste removal by waste management companies led to a shift in relative volumes of the reported waste categories. The total reported waste volume for the reporting year did not change significantly compared to the 2023 Annual Report.
- The difference between the water consumption reported for fiscal year 2023 (30,718 m^3) in the 2023 Annual Report and the restatement to 24,411 m^3 for fiscal year 2023 in the 2024 Annual Report was largely due to overly conservative assumptions made for the Flamatt, Switzerland, site at the end of 2023: Lower production volumes and a smaller workforce, resulting from adjustments in the semiconductor cycle, accounted for 4,732 m^3 of the overestimation of water usage.

Data sources and data collection
With the exception of the Flamatt site in Switzerland, which is owned by Comet, all of the company's other sites are leased. As a result of these leases, not all the necessary data on energy consumption for the financial year is available in time for the end of the reporting period.

To obtain a comprehensive overview of energy consumption at these locations, the data collection for Scope 1 and Scope 2 emissions calculations is based on various sources, including invoices received throughout the year, extrapolations based on the latest available data, or estimates derived from the previous year's figures. The figures reported are based on a data collection and extrapolation processes for 2024 with a closing date in mid-January 2025.

Scope 1 and Scope 2 data is collected continuously, with monthly data as the lowest level of granularity. Data is reviewed twice a year. The first review is for the Annual Report. Data collection ends in the middle of December before the year-end. Missing data is completed with estimates. The second review is for the CDP; here, actual data replaces estimates wherever available.

The share of clean electricity is calculated based on certificates or specific product contracts for locations that purchase 100% of their electricity from low-carbon sources under these contracts. This applies to Flamatt (Switzerland), San Jose (USA), and Hamburg (Germany). For other locations, the share of clean electricity is determined using statistical information from the IEA.

Internal data logs, external invoices and information from service providers as well as data provided by the landlord are used to record water consumption, waste volumes and energy consumption for heating and vehicles. If such sources are not available, figures are estimated.

Data control and data plausibility
According to the GHG Protocol, only CO_2 is relevant for Comet, as emissions of the other six greenhouse gases are negligible in this context. In addition, any residual emissions from these gases are already accounted for in the emission factors of the respective energy sources, as these factors are reported in CO_2 equivalents.

Plausibility checks of the reported data are systematically ensured through year-over-year comparisons. For each data collection, as described in the "Data sources and data collection" section, those responsible for the locations check the data against the figures for the reporting year and the previous year. Any discrepancies identified are reported to the ESG team. In the event of values outside a tolerance of ± 20%, a detailed review is carried out. The ESG team then works with the respective site managers to check and correct such data points. If the deviation is outside the tolerance and is confirmed, a correction is made in the Annual Report for the following reporting year.

Methodology of data evaluation and emission calculations

Collected data is converted to energy quantities. Energy values are then converted into carbon dioxide equivalents (CO_2e) by multiplying them by the corresponding emission factors. Both calculation steps are performed within specialized software. This process complies with the guidelines of "The GHG Protocol Corporate Accounting and Reporting Standard".

Scope 1

For the calculation of Scope 1 emissions, i.e., direct emissions occurring from sources owned or controlled by the company, the specific consumption data is summarized and calculated using the emission factors published by the British Government, Department for Business, Energy & Industrial Strategy (BEIS), UK Government GHG Conversion Factors for Company Reporting issued in 2021. These emission factors are updated regularly to ensure accuracy.

Scope 2 location-based

For the location-based Scope 2 emissions, which represent the indirect emissions from the electricity consumption of the locations, the calculation is carried out by multiplying the specific consumption data with the country-specific energy mixes, based on data from Our World in Data (OWID) 2023 databases.

Scope 2 market-based

For the market-based Scope 2 emissions, which are emissions calculated based on the contracted energy mixes available on the market, the emission factors are updated annually based on available electricity contracts and certificates of origin. For locations which do not have a certificate of origin or an electricity contract with a specific product, the residual electricity mix applies, which is more carbon-intensive than the country location-based mix. The emission factors for the residual mix of these countries are sourced directly from the Association of Issuing Bodies (AIB).

In the market-based approach, the emissions are calculated by taking into account the mix of electricity that is actually purchased and the emission factors of the respective technology. The technology-specific emission factors are taken from "Intep Treibhausgas-Emissionsfaktoren für den Gebäudesektor, Bestimmung von Emissionsfaktoren nach den Bilanzierungsregeln der KBOB und des GHG-Protocols, Version 1.2 vom 23.08.2022".

External audit

The contents of the 2024 Sustainability Report marked in the relevant places were subject to an external audit by Ernst & Young AG to obtain limited assurance regarding the compliance of the reported information with the GRI Standards.

Definitions

Clean electricity/energy refers to electricity/energy sources that are characterized by low emissions of greenhouse gases and of other harmful substances during their generation or use, such as wind, hydro, solar, or nuclear.

Renewable electricity/energy is derived from sources that are naturally replenished on a human time scale. The classification as renewable focuses on the effectively inexhaustible nature of these electricity sources rather than their environmental impact alone.

Employees: Individuals who are in an employment relationship and on the company's payroll according to national law or practice. This excludes individuals performaning work on another basis, such as consultants, contractors, agency workers, self-employed, etc.

Permanent employees: Employees with a contract that is not limited by time and/or performance of duties and whose expiry requires certain measures on the part of the employee/employer in accordance with national law or practice.

Temporary employees: Employees with a contract for a limited period of time (fixed-term contract) that ends when the specific time period expires or when a specific task or event is completed.

Full-time employees: Employees whose working hours are defined per period in accordance with national laws or practices standards.

Management levels: Management levels are based on our global grading structure. The following levels are defined: Employees, Middle Management, Senior Management, and Executive Committee.

Board of Directors: Comprises all members of the Board of Directors of Comet Holding AG.

Executive Committee (EC): Comprises all members of the Executive Committee of the Comet Group.

Regions: Europe – Denmark, Germany, Switzerland / Asia – China, Japan, Malaysia, South Korea, Taiwan / North America – Canada, USA.

Turnover rate: Rate of departures of permanent employees (voluntary and involuntary departures combined).

Calculation of turnover rate: Total number of departures of permanent employees as a percentage of average headcount of permanent employees during the year.

New entries rate: Rate of arrival of newly hired permanent employees.

Calculation of new entries rate: Total number of newly hired permanent employees as a percentage of average headcount of permanent employees during the year.

Calculation of the ratio of females in management: Number of females in Middle Management, Senior Management, and Executive Committee as a percentage of the total number of individuals employed in the respective levels.

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To the Board of Directors of

Comet Holding AG, Flamatt

Berne, 4 March 2025

Independent Assurance Report on selected KPIs in the Sustainability Report 2024

We have been engaged to perform assurance procedures to provide limited assurance on selected indicators (including GHG emissions) included in Comet Holding AG's and its consolidated subsidiaries' (the Group's) Sustainability Report 2024 for the year ended 31 December 2024 (the Report).

Our limited assurance engagement focused on selected indicators (including GHG emissions) marked with footnotes in the corresponding tables in the Sustainability Report 2024 (the Indicators).

We did not perform assurance procedures on other information included in the Report, other than as described in the preceding paragraph, and accordingly, we do not express a conclusion on that information.

Applicable criteria
The Group defined as applicable criteria (the Applicable Criteria):
- Global Reporting Initiative Sustainability Reporting Standards (GRI Standards)

A summary of the standards is presented on the GRI homepage.

Inherent limitations
The accuracy and completeness of selected indicators (including GHG emissions) are subject to inherent limitations given their nature and methods for determining, calculating and estimating such data. In addition, the quantification of the non-financial matters indicators is subject to inherent uncertainty because of incomplete scientific knowledge used to determine factors related to the emissions factors and the values needed to combine e.g. emissions of different gases. Our assurance report should therefore be read in connection with the Group's "Basis of calculations" chapter including its definitions and procedures on non-financial matters reporting therein.

Responsibility of the Board of Directors
The Board of Directors is responsible for the selection of the Applicable Criteria and for the preparation and presentation, in all material respects, of the selected indicators (including GHG emissions) in accordance with the Applicable Criteria. This responsibility includes the design, implementation, and maintenance of internal control relevant to the preparation of the Report that are free from material misstatement, whether due to fraud or error.

Independence and quality control
We have complied with the independence and other ethical requirements of the *International Code of Ethics for Professional Accountants (including International Independence Standards)* of the International Ethics Standards Board for Accountants (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Our firm applies *International Standard on Quality Management 1*, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our responsibility
Our responsibility is to express a conclusion on the selected indicators (including GHG emissions) based on the evidence we have obtained.

We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*. This standard requires that we plan and perform this engagement to obtain limited assurance about whether the selected indicators (including GHG emissions) are free from material misstatement, whether due to fraud or error.

Summary of work performed
Procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

Although we considered management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

The Greenhouse Gas (GHG) quantification process is subject to scientific uncertainty, which arises because of incomplete scientific knowledge about the measurement of GHGs. Additionally, GHG procedures are subject to estimation (or measurement) uncertainty resulting from the measurement and calculation processes used to quantify emissions within the bounds of existing scientific knowledge.

Our limited assurance procedures included, amongst others, the following work:
- Assessment of the suitability of the Applicable Criteria and their consistent application
- Interviews with relevant personnel to understand the business and reporting process, including the sustainability strategy, principles and management
- Interviews with the Group's key personnel to understand the sustainability or non-financial reporting system during the reporting period, including the process for collecting, collating and reporting the indicators and non-financial information

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- Checking that the calculation criteria have been correctly applied in accordance with the methodologies outlined in the Applicable Criteria
- Analytical review procedures to support the reasonableness of the data
- Identifying and testing assumptions supporting calculations

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our assurance conclusions.

Conclusion
Based on the procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the selected indicators (including GHG emissions) in the Report of the Group have not been prepared, in all material respects, in accordance with the Applicable Criteria.

Ernst & Young Ltd

Mathias Zeller (Qualified Signature) Executive in charge	Martin Mattes (Qualified Signature) Partner

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