

## Media Release

25 August 2021, Sensirion Holding AG, 8712 Stäfa, Switzerland  
Ad hoc announcement pursuant to Art. 53 LR

# Strong post-pandemic demand and customer ramp-ups with environmental sensors lead to exceptionally high sales growth and profitability in H1 2021

For Sensirion, the first half of 2021 was characterized by three developments. Further customer ramp-ups with environmental sensors and a very dynamic post-pandemic demand in the existing business resulted in strong revenue growth. At the same time, pandemic-related demand for sensors for ventilators slowed down as expected. In addition, Sensirion strengthened its technology portfolio with further acquisitions as part of its longer-term growth strategy. Consolidated revenue amounted to CHF 144.4 million, and the gross and EBITDA margins reached exceptionally high values of 61.9% and 31.8% respectively.

## Key figures

Consolidated, in millions of CHF	1 January – 30 June 2021	1 January – 30 June 2020
Revenue	144.4	113.7
Gross profit	89.4	62.2
- as % of revenue	61.9%	54.7%
Operating profit (EBIT)	38.5	14.9
- as % of revenue	26.7%	13.1%
Profit (loss) for the period	34.8	11.8
- as % of revenue	24.1%	10.4%
Earnings per share (in CHF)	2.24	0.76
EBITDA	45.9	21.8
- as % of revenue	31.8%	19.1%
Cash flow from operating activities	39.1	16.0
Capital expenditures	(6.1)	(6.6)
Free cash flow	33.0	9.4
	As of 30 June 2021	As of 31 December 2020
Net cash (Net debt)	111.7	91.9
Number of employees (FTE)	857	788

Once again, Sensirion Holding AG, a pure-play sensor company offering environmental and flow sensor solutions, can look back on an intense and very successful half year. In summary, the first half of 2021 was primarily characterized by three developments. First, further customer ramp-ups with the new environmental product lines significantly contributed to strong sales growth. Second, very dynamic post-pandemic demand materialized in the existing humidity and gas flow sensor business. This reflects the rapidly recovering global economy, but is also partly driven by inventory build-up at Sensirion's customers due to the global shortage of electronic components. Third, pandemic-related demand for ventilator sensors slowed down as expected. As a result of the strong first half, Sensirion raised its outlook for the full year 2021 in early July. As part of the implementation of its longer-term growth strategy, Sensirion strengthened its technology portfolio with further acquisitions.

## Strong revenue growth thanks to new product lines and post-pandemic market recovery

The half year closes with sales of CHF 144.4 million (+27.0% compared to the same period last year, +29.2% organic, +1.3% inorganic, -3.5% due to foreign currency effects). Of this, CHF 17.0 million (prior-year period CHF 21.4 million) came from the COVID-19-driven business with gas flow sensors for ventilators. Adjusted for this one-time special effect, strong year-on-year growth of 37.7% resulted. Due to high capacity utilization and operating leverage effects, the gross margin improved to an exceptionally high 61.9%. The EBITDA margin reached an exceptionally high 31.8% because of one-time effects as well as the delayed build-up of personnel for further growth projects. At operating level, operating profit of CHF 38.5 million was reported, resulting in a net profit of CHF 34.8 million. Operating cash flow amounted to CHF 39.1 million and free cash flow to CHF 33.0 million. As announced in March, the financial reports are now prepared in accordance with Swiss GAAP FER.

## Strong growth in three out of four end markets

The automotive market showed strong year-on-year growth of 32.9% to CHF 33.8 million. In contrast to the previous year, this growth was mainly driven by the Tier-II sensor component business as the previous year's low demand recovered strongly. As

for the module-based Tier-I business, it showed a temporary consolidation after a strong increase in the previous year. As soon as the allocation situation in the international markets eases, Sensirion expects the strong demand in the automotive market to calm down.

Sales in the medical market were dominated for the last time by the special business with ventilator sensors because of the COVID-19 pandemic. Total sales in the medical market decreased by -15.1% to CHF 36.4 million. Adjusted for the COVID-19 one-time sales of CHF 17.0 million (prior-year period CHF 21.4 million), revenue was stable compared to the previous period. Sensirion expects a normalization of this special business and no further material sales contributions in the second half of the year.

Sensirion is seeing very strong momentum in the broadly diversified industrial market: sales increased by 68.0% to CHF 61.9 million (prior-year period CHF 36.8 million). The main drivers were important customer ramp-ups with solutions in the environmental sector. In the appliance market, Sensirion observes a strong demand for combo modules that allow the measurement of numerous environmental parameters such as temperature, humidity, particulate matter and air quality in one housing. In addition, the recently launched formaldehyde sensor has already generated significant revenue. The company is also seeing strong demand for CO<sub>2</sub> sensors in both the appliance and HVAC sectors. Thanks to its innovative and compact second-generation CO<sub>2</sub> sensor, Sensirion is very well positioned in this dynamic market. The gas meter segment stagnated during the period under review, and in the hard disk segment the demand for humidity sensors continued to decline as expected because of the ongoing technology shift towards flash storage.

In the very fragmented consumer market, revenue grew strongly to CHF 12.3 million (+43.5% compared to the same period last year). This positive result was achieved primarily thanks to high demand in the broad-based distribution market and initial sales of the CO<sub>2</sub> sensor.

#### **Strengthened strategic position in environmental sensor business**

As presented at its capital markets day at the end of March, Sensirion's growth strategy is based on four strategic focuses.

First, Sensirion wants to drive market and cost leadership in its core markets of humidity and gas flow sensors. Second, the company aims to become the market leader in the overall environmental sensor market. Sensirion made important progress in these two strategic focus areas in the first half of the year. Among other things, the fourth generation of humidity sensors was launched, supporting the expansion of Sensirion's already high market share in this important market. Sensirion also recently celebrated the milestone of one billion sensors shipped. The new environmental sensor business is now contributing strongly to sales growth thanks to the numerous product launches over the past three years, and has already generated more than 25% of total revenue in the first half of the year. Sensirion sees great potential for further growth in the environmental sensor area in the coming years.

#### **Technology acquisitions to strengthen long-term growth potential**

As the third strategic focus, Sensirion intends to develop or acquire technologies for further long-term growth. Looking back, successful technology acquisitions in recent years have often been the starting and acceleration point for successful internal product developments. These are responsible for some of today's growth areas, such as technologies for particulate matter and formaldehyde sensing or the Tier-1 business in the automotive market.

As part of this strategic goal, Sensirion acquired the Dutch company Qmicro B.V. in February 2021. The founder-managed company develops and produces compact and highly efficient micro gas analyzers for the ongoing analysis of the composition of gas mixtures and for applications in environmental monitoring and the natural gas market. Furthermore, in May 2021, Sensirion completed the full acquisition of the Swiss company IRsweep AG, an innovative provider of optical sensing solutions. IRsweep develops, manufactures and supplies mid-infrared optical spectroscopy solutions.

#### **Corporate culture as a crucial foundation for success in challenging times**

The fourth and most essential focus of the growth strategy remains Sensirion's distinctive culture of innovation and "togetherness". Employees were challenged in two ways during the last few months: on the one hand, because of the very high dynamics of the business with a tight allocation situation, the numerous ramp-ups of new products and the special business with ventilator sensors. On the other hand, all employees were confronted with numerous pandemic-related hardships and uncertainties. Once again, Sensirion's corporate culture was recognized by the internationally renowned "Great place to work" organization as the second-best employer in Switzerland in the "large companies" category, as well as by a special award for the handling of the pandemic.

#### **Anja König elected as new member of the Board of Directors**

At the 2021 Annual General Meeting, which unfortunately had to take place again without the presence of shareholders due to the pandemic, all proposals of the Board of Directors were approved. Anja König was elected as a new member of the Board of Directors.

**Outlook until the end of the year**

As a result of the positive first half-year, Sensirion increased its revenue expectations for the full year 2021 at the beginning of July. Sensirion confirms this outlook and now expects consolidated sales of CHF 260-280 million (+3-10% year-on-year) for the full year 2021. Adjusted for the COVID-19 special business, this results in growth of 32-43%. However, uncertainties remain high in the second half of 2021, as it is currently unclear how long the challenging situation in the supply chain and the associated inventory effects will persist. In terms of profitability, due to the economic situation, Sensirion expects the gross margin to remain above average in the high fifties with an above average EBITDA margin in the high twenties.

**Conference call on the half-year 2021 results**

Today, Wednesday, 25 August 2022, at 10:00 CEST/09:00 BST/04:00 EDT, a conference call on the half-year 2021 results will take place. The presentation will be held in English. You will have the opportunity to ask questions during the telephone conference following the presentation.

Please register for the conference call with the following link

<https://attendee.gotowebinar.com/register/8088430162443078414>

**Documentation**

All documents will be available at [www.sensirion.com/financial-reports](http://www.sensirion.com/financial-reports) on 25 August 2021 from around 06:30 CEST/05:30 BST/00:30 EDT.

**Financial calendar**

25 August 2021	2021 half-year results and interim report
15 March 2022	2021 full-year results and annual report
16 May 2022	Annual general meeting 2022

**Contact****Investor relations**

Andrea Wüest  
Director Investor Relations and M&A  
Tel: +41 44 927 11 40  
Email: [andrea.wueest@sensirion.com](mailto:andrea.wueest@sensirion.com)

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**About Sensirion Holding AG**

Sensirion Holding AG (SIX Swiss Exchange: SENS), headquartered in Stäfa, Switzerland, is a leading manufacturer of digital microsensors and systems. The product range includes gas and liquid flow sensors, differential pressure sensors and environmental sensors for the measurement of humidity and temperature, volatile organic compounds (VOC), carbon dioxide (CO<sub>2</sub>) and particulate matter (PM<sub>2.5</sub>). An international network with sales offices in China, Europe, Japan, South Korea, Taiwan and the US supplies international customers with standard and custom sensor system solutions for a vast range of applications. Sensirion sensors can commonly be found in the automotive, medical, industrial and consumer end markets. For further information, visit [www.sensirion.com](http://www.sensirion.com).

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