Press Release

Staefa, Switzerland, 22 August 2018

Sensirion: Strong revenue growth in first half-year 2018

Highlights of first half-year 2018

- Revenue CHF 90.2 million
- 30% growth compared to previous year's period, of which 18% organic, 11% inorganic, 1% foreign currency effects
- Double-digit organic growth in all end markets
- Adjusted EBITDA CHF 15.0 million (17% of revenue), adjusted by IPO-related one-off costs of CHF 8.8 million

Outlook 2018

- For the full year 2018, Sensirion expects revenue of CHF 175–180 million (18–22% growth YoY), a gross margin of 52–54%, and an adjusted EBITDA margin of 15–16%.

Key Figures

Consolidated, in millions of CHF	**1 January – 30 June 2018**	**1 January – 30 June 2017**
Revenue	90.2	69.6
Gross profit	47.3	39.9
- as % of revenue	52.4%	57.4%
Adjusted EBITDA[1]	15.0	11.3
- as % of revenue	16.6%	16.3%
One-off adjustments[1]	8.8	1.2
Cash flow from operating activities	14.8	2.5
Capital expenditures[2]	(5.8)	(6.7)
Free cash flow[3]	12.6	(4.2)
	As of 30 June 2018	**As of 31 December 2017**
Net cash (Net debt)	32.9	(69.3)
Number of employees (FTE)	774	735

Sensirion Holding AG (SIX Swiss Exchange: SENS) has experienced a good first half-year 2018: Consolidated revenue reached CHF 90.2 million, +30% compared to the previous year's period, of which 18% was organic, 11% inorganic growth, and 1% due to movements of foreign currencies. Organic growth was above expectations thanks to the robust global macroeconomic conditions and increased demand from some main customers. The gross margin of 52% lies within the expected range. After adjustment for IPO-related one-off costs, adjusted EBITDA and adjusted EBITDA margin results were CHF 15.0 million and 17%, respectively. These results lie slightly above expectations due to higher revenues. The influence of the one-off effects of IPO-related costs and the IPO loyalty share program for employees, in total CHF 8.8 million, resulted in an operating loss of CHF 0.8 million and a net loss of CHF 2.0 million. Generated free cash flow amounted to CHF 12.6 million. IPO proceeds resulted in net cash of CHF 32.9 million.

1. EBITDA defined as profit (loss) for the period excluding net interest expenses, income taxes, depreciation and amortization. Adjusted EBITDA defined as EBITDA adjusted for costs related to IPO loyalty share program including social security expenses, expenses on social security relating to the gain in excess of formula value, and external costs related to IPO in H1 2018; net finance costs excluding net interest expenses, share of profit or loss of equity-accounted investees, net of tax, and acquisition-related costs in H1 2017.
2. Defined as the sum of acquisition of property, plant, and equipment, proceeds from sale of property, plant, and equipment, acquisition of intangible assets, and development expenditure.
3. Defined as the sum of cash flows from operating activities and cash flows from investing activities.

Diversified growth in all end markets

In the automotive market, revenue increased by 69% to CHF 29.0 million. Increased demand for humidity sensors, applied in anti-fogging and climate-control modules, was a major factor behind the 25% organic growth in this market. The new generation of mass flow sensors employed in combustion-engine control achieved its first significant revenues. The acquisition of the sensor module business of Automotive Industrial Company (AIC) contributed inorganic growth of 44%.

Revenue in the medical market increased from CHF 16.2 million to CHF 17.9 million (+11%). This growth was mainly contributable to increased volumes from ongoing customer projects both for differential pressures sensors used in continuous positive airway pressure (CPAP) devices and mass flow meters used in ventilators.

The industrial market, composed of the appliances, smart gas meters, industrial automation, and heating, ventilation, and air conditioning (HVAC) markets, showed strong revenue growth of 21% to CHF 36.5 million. Sales of humidity sensors through distributors developed strongly. We experienced further growth for our gas meter solutions. In the appliances market, a first substantial project employing our air quality sensor in air purifiers also contributed to growth.

Revenue in the consumer market accounted to CHF 6.8 million (+15%). In particular, sales of humidity sensors for smart home applications through distributors increased. The gas sensor (air quality sensor), launched in summer 2017, also contributed its first significant revenues in this market.

New product lines develop solidly

Sensirion introduced its first carbon dioxide sensor in the first half of 2018. This complements the environmental sensor node by an additional parameter and generated a positive response from the market. The market launch of the particulate matter sensor (PM2.5 sensor) is still targeted for the second half of 2018.

Integration of AIC on track

In September 2017 we acquired the sensor module business of AIC. This business is now called Sensirion Automotive Solutions, and its integration is proceeding according to plan. Revenues from the acquired product lines are developing as expected.

Initial Public Offering

On 22 March 2018, Sensirion shares were successfully listed on the SIX Swiss Exchange, a major milestone in Sensirion's history. With the Initial Public Offering (IPO), Sensirion aimed to broaden its shareholder base by including committed anchor shareholders in order to secure sustainable business development based on targeted long-term investments and a distinct entrepreneurial spirit. The Founders and Co-Chairmen, Felix Mayer and Moritz Lechner, remain fully invested in and committed in the long term to Sensirion and will participate in the future development of Sensirion.

Outlook for Financial Year 2018

Under the assumption that macroeconomic and foreign currency conditions will remain stable, we expect full-year 2018 revenue of CHF 175–180 million (18–22% growth YoY) and an adjusted EBITDA margin of 15–16%, after excluding IPO-related costs. Gross margin is expected to remain stable at 52–54%.

Condensed Consolidated Interim Financial Statements

Condensed Consolidated Income Statement In millions of CHF, for the six months ended 30 June	2018	2017
Revenue	**90.2**	**69.6**
Cost of sales	(42.9)	(29.7)
Gross profit	**47.3**	**39.9**
Other income	0.6	–
Research and development expenses	(18.0)	(17.0)
Selling, distribution, and administrative expenses	(30.7)	(18.2)
Operating profit (loss)	**(0.8)**	**4.7**
Net finance costs	(0.8)	(1.1)
Profit (loss) before tax	**(1.6)**	**3.6**
Income taxes	(0.4)	(2.2)
Profit (loss) for the period	**(2.0)**	**1.4**
Earnings per share (in CHF)	**(0.14)**	**0.12**
Diluted earnings per share (in CHF)	**(0.14)**	**0.12**
EBITDA	**6.1**	**10.1**
Adjusted EBITDA	**15.0**	**11.3**

Revenue by End Markets In millions of CHF, for the six months ended 30 June	2018	2017
Automotive	29.0	17.2
Medical	17.9	16.2
Industrial	36.5	30.3
Consumer	6.8	5.9
Total	**90.2**	**69.6**

Condensed Consolidated Statement of Financial Position In millions of CHF	as of 30 June 2018	as of 31 December 2017
Current assets	107.1	71.3
Non-current assets	103.6	104.8
Total assets	**210.7**	**176.1**
Current liabilities	21.7	79.5
Non-current liabilities	36.5	35.6
Total liabilities	**58.2**	**115.1**
Total equity	**152.5**	**61.0**
Total liabilities and equity	**210.7**	**176.1**

Condensed Consolidated Statement of Cash Flows In millions of CHF, for the six months ended 30 June	2018	2017
Cash flows from operating activities	14.8	2.5
Cash flows from investing activities	(2.2)	(6.7)
Cash flows from financing activities	23.0	(0.6)
Net change in cash and cash equivalents	**35.6**	**(4.8)**
Cash and cash equivalents at 1 January	9.4	14.0
Cash and cash equivalents at 30 June	45.0	9.2
Capital expenditures	(5.8)	(6.7)
Free cash flow	12.6	(4.2)

Conference call on the results of the first half of 2018
Today, Wednesday, 22 August 2018, at 10:00 CEST / 09:00 BST / 04:00 EDT, a conference call on the results of the first half of 2018 will be held. The presentation will be held in English. You will have the opportunity to ask questions during the telephone conference following the presentation.

Please dial the following numbers to access the conference call:
Switzerland: +41 58 262 07 22 / Access code 892124
United Kingdom: +44 203 370 57 19 / Access code 892124
United States: +1 646 381 08 89 / Access code 892124
Germany: +49 698 991 47 25 / Access code 892124
For other countries, please use one of the following links: Local Access, Freecall.

Documentation
All documents can be accessed at www.sensirion.com/financial-reports.

Financial Calendar

07 March 2019	Full-year results 2018
14 May 2019	Annual General Meeting

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About Sensirion Holding AG

Sensirion Holding AG, headquartered in Staefa, 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_2) and particulate matter (PM2.5). An international network with sales offices in the US, Europe, China, Taiwan, Japan and South Korea 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.

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