



Earnings Release – Analyst/Media Conference Q3 2024

October 24, 2024

Agenda & Speakers



Oliver Wyrsh, President & CEO

- Key Messages & Figures Q3 2024
- Target Market Business Review
- Expectations 2024



Matthias Tröndle, Vice President & CFO

- Financials Q3 2024
- Guidance
- Corporate Calendar

Q3 2024 Results

Steady profitable growth after strong 2023. Record sales in Semi & General Vacuum and Security & Energy. Orders slow

SALES

- Sales growth to 172 MUSD or +3% vs. previous quarter and slightly up YoY (+1% YoY), after strong 2023
- Slower momentum and a normalized backlog in the General Vacuum related business (-29% YoY) in Q3, coming mainly from Asia and in RAC (-11% YoY) coming mainly from the US and Europe
- New quarterly sales records in Semi & Vacuum Coating (+27% YoY, +7% QoQ) and in Security & Energy (+32% YoY, +2% QoQ)
- Order intake decreased and book-to-bill below 1 in Q3

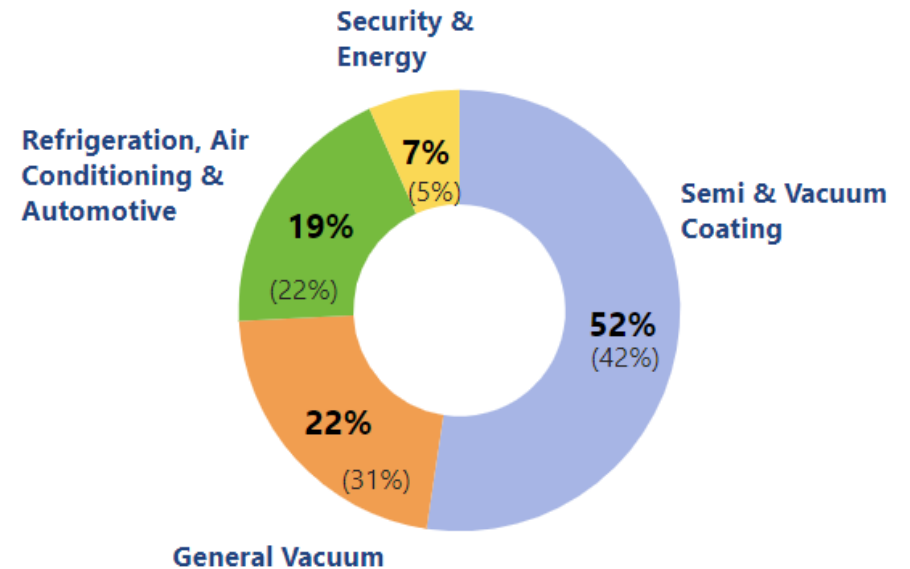
OPERATING RESULT

- Improved operating income of 35 MUSD or 20.3%, compared with 19.9% in Q3 2023, increase of 0.4%pts
- Gross margin strengthened by +1.0%pts. and improved supply chain quality and availability. Systematic cost management while preparing for ramp
- Operating cash flow of strong and record high 46 MUSD

ORGANIZATION / OTHER

- Continued investments into R&D at 8% of sales and into production capacity with 22 MUSD. Full year Capex expected around 30 MUSD

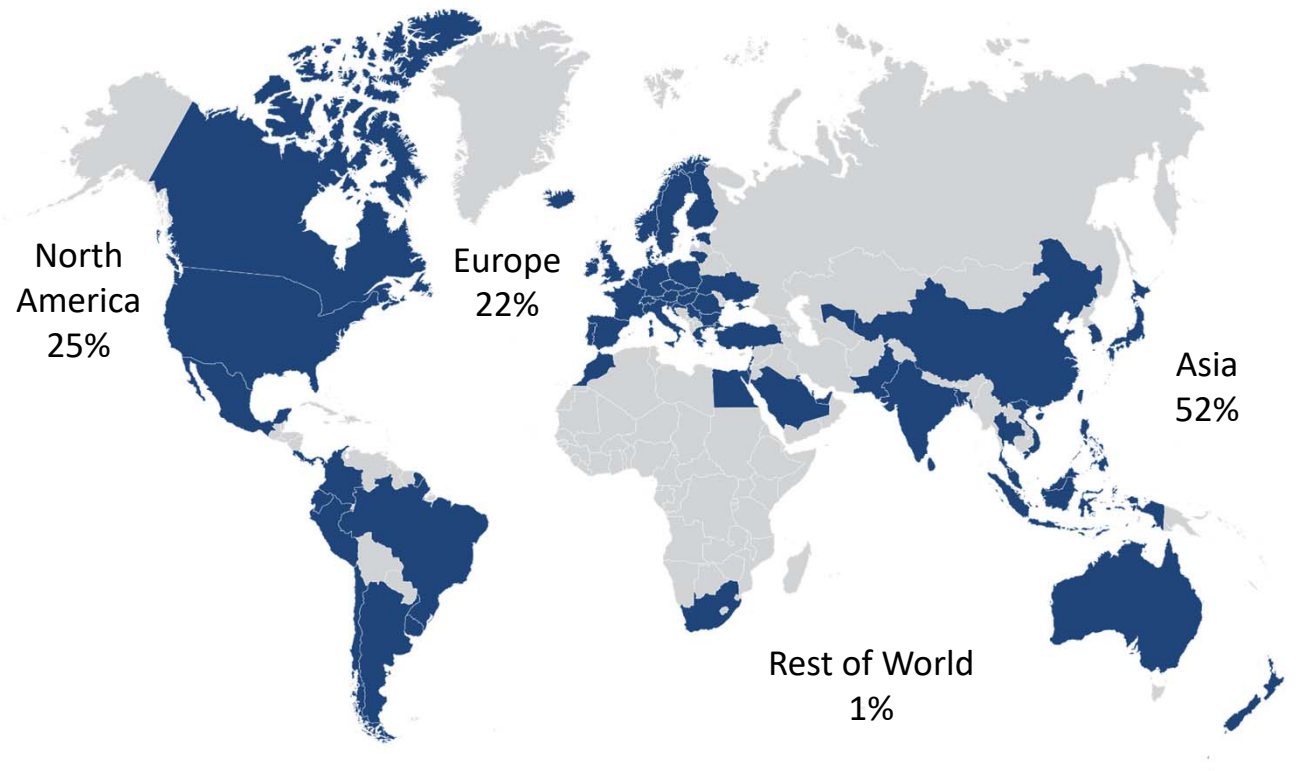
Sales Q3 2024
(Q3 2023)



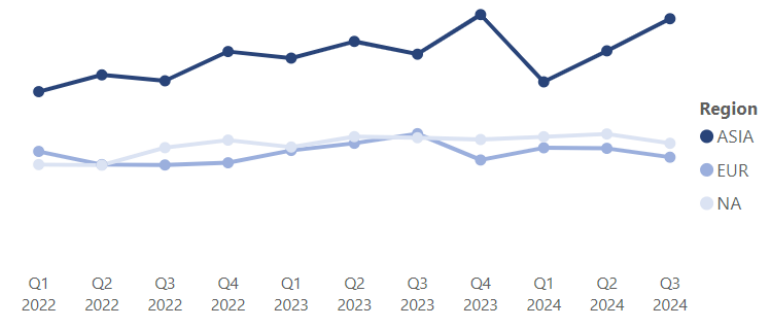
Worldwide Markets & Sales

Good growth year-on-year in Asia. EMEA and Americas slow

Worldwide Sales in Q3 2024 by Region



Quarterly Sales Trend by Region



Q3 2024 Sales and Growth by Region

Asia:	~ 90 MUSD	+ 15.6 %
Europe:	~ 38 MUSD	- 8.3 %
Americas:	~ 43 MUSD	- 7.7 %
Total: (including ROW)	~ 172 MUSD	+ 3.1 % (vs. Q2 2024)

Semiconductor & Vacuum Coating – Performance & Outlook

Strong position. Record sales in Q3, increase both YoY and QoQ. Slower recovery in 2024 than expected, growth anticipated to pick up in 2025

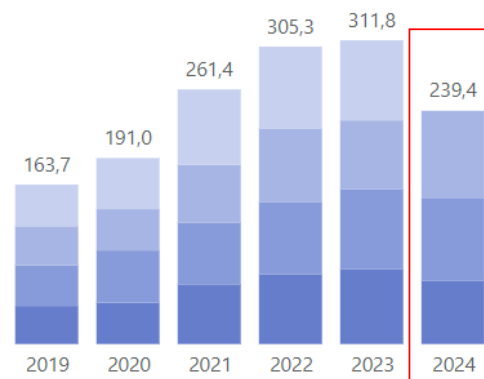
PERFORMANCE

- Q3 sales increased with +27% vs. Q3 2023
- #1 position in process control, leak detection, smart manufacturing software and thin film monitoring
- #2 for pressure measurement. Closing up to #1

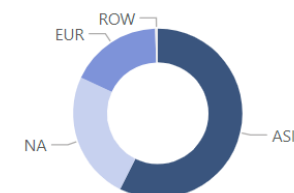
OUTLOOK

- Market expectations for 2024: **Flat/Growth**
Starting soft with improvement, but proper ramp expected in 2025. Mid- and long-term very strong growth drivers for Semi
- Most submarkets moderately positive for 2024, with mixed picture at start and improvements after. Proper ramp expected in 2025. The strong mature edge business of 2023, now shows slight slowdown for 2024 due automotive
- Ongoing investments in leading edge nodes and advanced chip design. Increasing sensor and process monitoring usage in general. Semi initiatives globally ongoing
- Strong R&D pipeline at INFICON with new products, applications and solutions. Reason for additional business and wins in 2024 in demanding environment e.g. APX, UL product lines

Sales to Semi & Vacuum Coating
+11.0% CAGR (2018 – 2023), (in MUSD)



Sales Q3 '24 by Region
(in MUSD)



Automotive & Refrigeration, Air Conditioning – Performance & Outlook

Strong position. Solid development in Asia while Europe and Americas with slower momentum

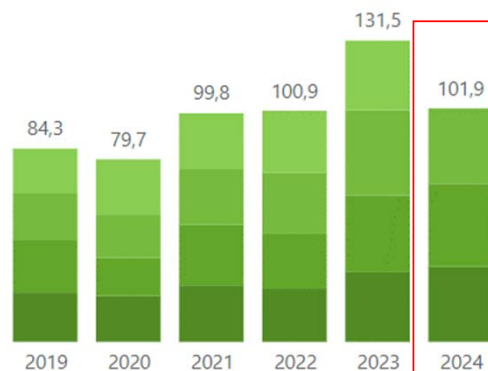
PERFORMANCE

- 2024 Q3 sales decrease of 11% after record high Q3 2023 mainly due to normalized backlog and weakness in Europe and US
- #1 position in RAC and Battery market

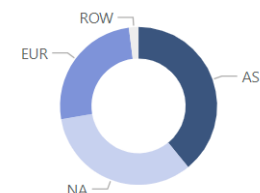
OUTLOOK

- Market Expectations 2024: **Flat**
After nearly 30% growth 2023, slowed growth especially due to EV transition and slow macro environment
- Battery/EV temporarily slow due to overall slow automotive market. Consumer battery more resilient. Mid term good growth opportunities in driven by energy transition (Li-ion batteries, plus other types and fuel cells)
- Good growth with new distribution and product initiatives for hand-held after-sales service products
- RAC resilient with growth in demanding macro environment. Change of regulations and new refrigerants support growth as well as upgrading to advanced, fully automated smart manufacturing solutions, incl. new intelligent software
- Strong R&D pipeline at INFICON with new products, applications and solutions. Market gains e.g. ELT, Stratus product lines

Sales to Automotive & Refrigeration, Air Con.
+10.1% CAGR (2018 – 2023) (in MUSD)



Sales Q3 '24 by Region
(in MUSD)



General Vacuum – Performance & Outlook

Slow year, especially in Asia. The broad industrial market is addressed through a multi-brand strategy and long-term channel partners. We have strong position as full liner for vacuum instrumentation

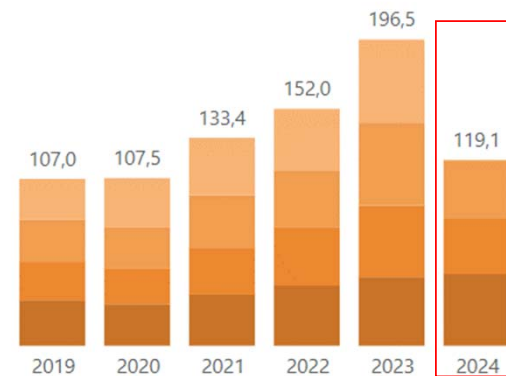
PERFORMANCE

- Sales decrease of 29% vs. record quarter Q3 2023 due to normalized backlog and weakness in Asia and Europe
- Sales increase QoQ of 6% across all regions
- Most competitive “full liner” in vacuum instrumentation
- Remain #1 position

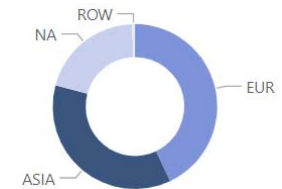
OUTLOOK

- Overall market expectations 2024: **Decrease**
- After large growth 2023 of nearly 30% and normalization of backlog
- 2024 slow in demanding macro environment in all regions and impact of temporarily slow PV
- Expand market reach into industrial and analytical OEM markets
- Multi-brand strategy and multi-channel strategy

Sales to General Vacuum
+11.2% CAGR (2018 – 2023) (in MUSD)



Sales Q3 '24 by Region
(in MUSD)



Security & Energy – Performance & Outlook

Strong position. Good growth. Cycles largely depending on government programs and policies with their own dynamic. Good diversification factor versus other end markets

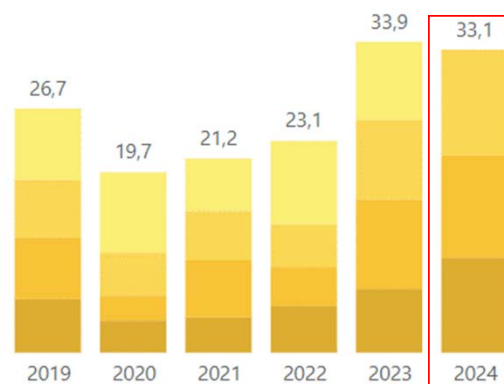
PERFORMANCE

- 2024 Q3 sales increase of +33% vs. 2023, growth in Asia and NA. Continued good order pipeline
- New quarterly sales record
- Typically, significant fluctuations over time due to large programs
- Unchained #1 position
- Supply chain at times still instable and limiting sales

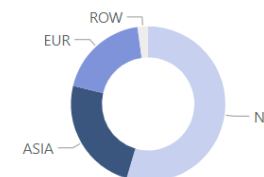
OUTLOOK

- Market expectations 2024: **Growth**
- New HAPSITE generation with new features and expanded capabilities addressing new additional applications
- US DoD programs awarded. Strong opportunity pipeline across NATO. Early days still on new applications of CDT in Explosives, Narcotics, Environmental
- Cyclical: Still highly dependent on government spending
- Some Chinese competition for environmental applications, but also new opportunities.

Sales to End Market Security & Energy
+3.2% CAGR (2018 – 2023) (in MUSD)



Sales Q3 '24 by Region
(in MUSD)



Expectations 2024 and beyond

Optimistic outlook for the upcoming quarters with growth in selected markets, despite the global uncertainties on the timing of the Semi ramp and risks in a demanding macro environment



- There are mixed signals as to the extent and timing of the next cycle in the Semiconductor business. We expect the acceleration to start in the course of 2025
- We see positive momentum in certain markets despite the weaknesses and risks across the markets. However, based on current assumptions, we believe there is potential for 1-2 quarters of more or less sideways movement overall.

**Guidance for
2024**

→ Sales 660 - 670 MUSD

→ Operating Income approx. 20%

Recent Product Innovations

INFICON continues to launch a series of new products and technologies, including various first-of-a-kind innovations as well as agile variations to existing products.



Transpector APX
Advanced RGA Designed for Harsh Applications



ELT Vmax
Leading Edge Battery Testing



Augent® OPG550
Optical Gas Analyzer with EtherCAT and PROFINET



IMC300
Modelock™ Technology for Accuracy, Uptime & Extended Crystal Life in Optical Coaters



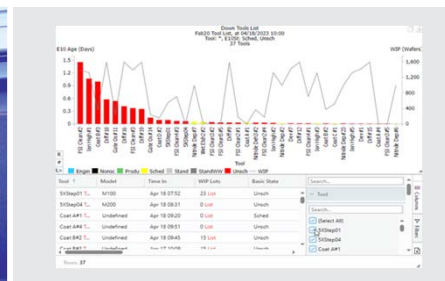
SMART-Spray
Wireless and Effortless Leak Detection in Semi Fabs



EcoBoost
New Feature for up to 90% Helium Savings



I-Guide^{3D} 350 Scanner
Maximum Precision for Fully Automated Leak Test Systems



FabTime
Flexible Factory Reporting



Magnesium Sensitive Crystals
Leading Edge OLED Sensor



FabGuard ASG-100
Abatement Failsafe and Controller

Recently at INFICON

Great moments that drive us forward...

Anniversary - 30 Years of Cold Cathode gauge



Service Excellence Training - Guangzhou



Opening - Sales & Service Office in Paris, FR



ETH Robotic Project



U.S. Senate celebrates NY Semiconductor Superhighway



Global Operation Summit – Syracuse, NY



Lam Research – Supplier Excellence Award



Opening - Sales & Service Office in Monterrey, MX



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Agenda & Speakers



Oliver Wyrsh, President & CEO

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- Expectations 2024



Matthias Tröndle, Vice President & CFO

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Q3 2024 Highlights

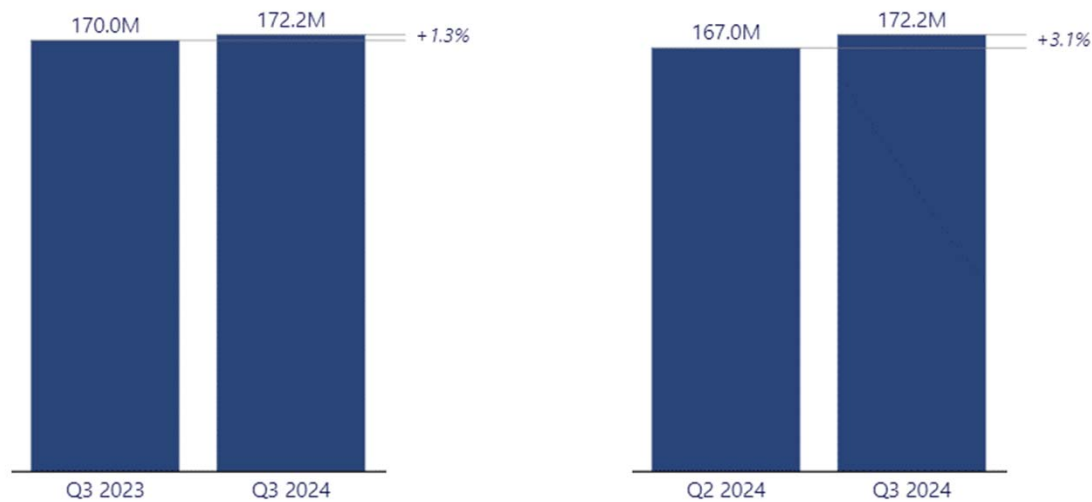
Increased sales and profitability, strong cash generation

Book to Bill	Sales	Gross Margin %	Operating Income
< 1	Q3 172.2M +1.3% ▲	Q3 47.4% +104bp ▲	Q3 34.9M +3.4% ▲ 20,3 % of Sales
Equity Ratio	Cash Flow	Net cash	CAPEX
Q3 64.7% +5pp ▲	Q3 45.9M +8.3M ▲	Q3 51.5M +35.0M ▲	Q3 5.5M -3.9M ▼

Except otherwise noted all
comparisons vs. previous year Q3

Sales

Overall Growth, record sales in Semi & General Vacuum and Security & Energy



Q3 2024 Sales and Growth by Region

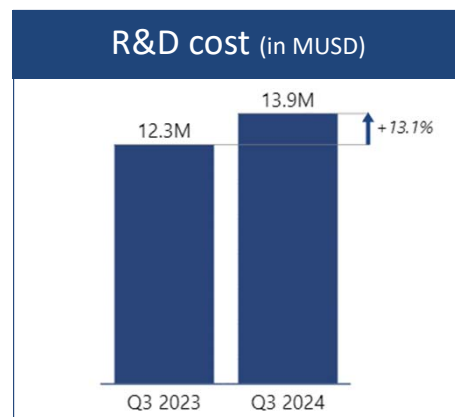
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Gross Profit, Costs, and Operating Income Q3

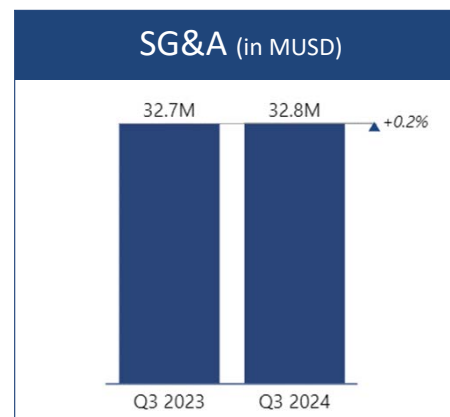
Gross margin and profitability improved, costs under control



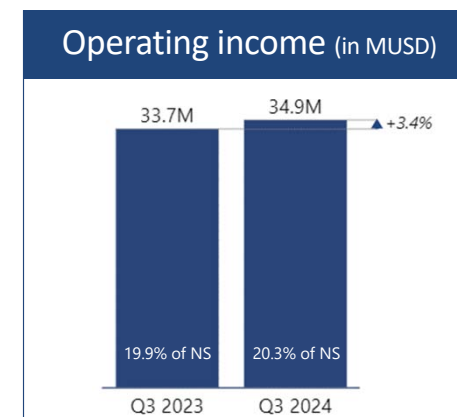
Improved margin. Plus 4% in absolute numbers and increased by 1.0%pp vs. Q3/23. Favorable mix, lower broker costs and improved supply chain as main driver



Increase of 13.1%. Our development efforts and investments continue to support future product launches



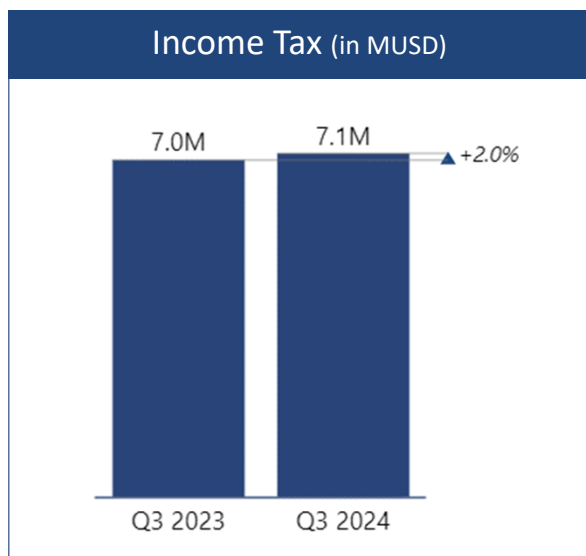
Stable/slight increase due to additional headcounts and costs for several initiatives compensated by good cash collections and somewhat lower performance related expense



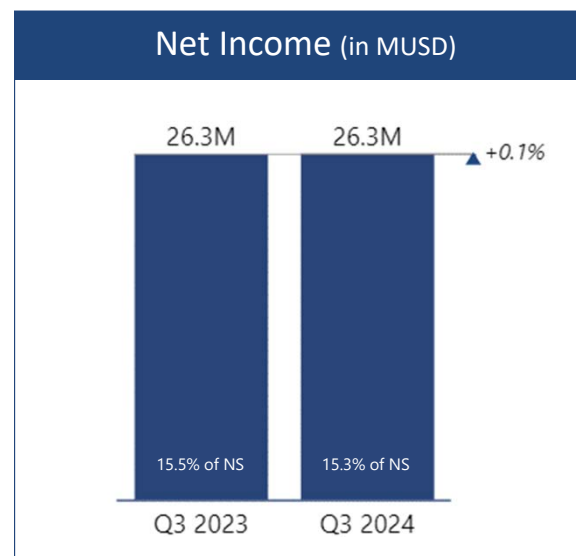
Improved by 3.4% driven by improved gross profit margin in combination with moderate increase in operational costs

Income Tax and Net Income Development

Net Profit stable



Slightly higher tax rate of 21.2% compared with 20.9% in Q3 last year.

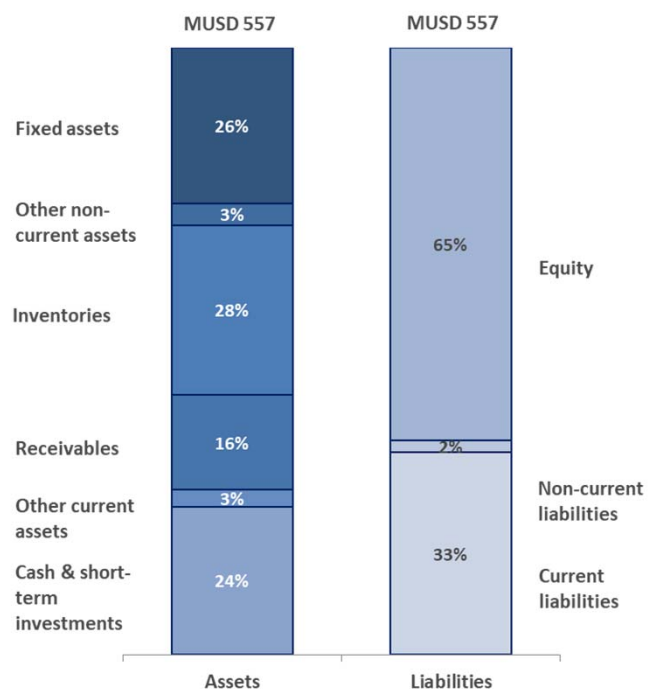


Stable/slight increase driven by improved operating income at a slightly higher tax rate. Net income margin at 15.3% (15.5% in Q3 2023)

Balance Sheet Highlights

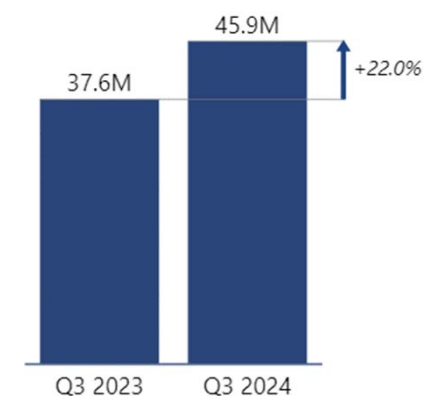
Solid balance sheet, record high cash flow

Balance Sheet Structure 2024



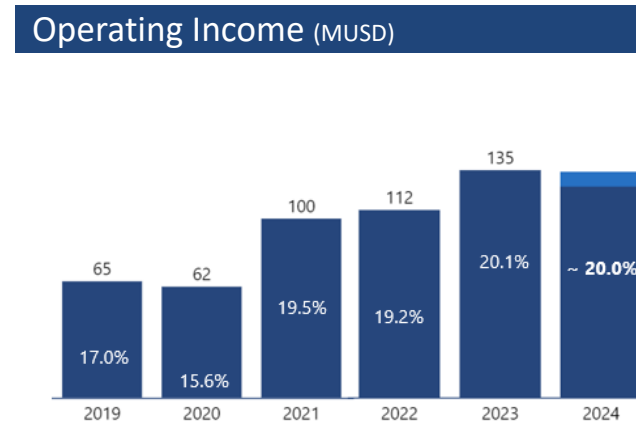
	Q3 24	Q4 23
Net Cash	51.5	44.4
DSO	48.7	51.6
Inventory Turns	2.3	2.4
Working Capital	221.4	225.2
Operating Cash Flow	45.9	38.9

Cash Flow



Full-Year 2024 Guidance

Solid final quarter expected



Outlook 2024

INFICON is optimistic about the outlook despite all the global uncertainties and the mixed signals regarding the extent and timing of the next cycle in the semiconductor business

Guidance for
2024

→ Sales 660-670 MUSD

→ Operating Income approx. 20%

Thank you for your attention.

Q&A

Next Events on Corporate Calendar 2024

- ➡ Q3 FY 2024 Earnings Conference Call, Thursday, October 24, 2024
- ➡ INFICON Technology Day, Thursday, November 14, 2024



INFICON

Inspired by visions. Proven by success.



INFICON believes that a deep understanding of our customers' challenges and their visions for success are paramount to everything we do. These long-standing partnerships and the commitment to see our customers succeed inspire our dedicated, talented employees to develop and build market-leading instruments that are a winning combination of outstanding innovation and proven performance. And we value the trust our customers have in us to take risks, move fast and continue learning as we push the limits of technology to help them succeed.