



Inspired by visions. Proven by success.

HALF-YEAR REPORT

**2022**

# Company Overview

INFICON provides world-class instruments for gas analysis, measurement and control.

These analysis, measurement and control products are essential for gas leak detection in air conditioning, refrigeration, and automotive manufacturing.

They are vital to equipment manufacturers and end-users in the complex fabrication of semiconductors and thin film coatings for optics, flat panel displays, solar cells, LED lighting, and industrial vacuum coating applications.

Other users of vacuum based processes include the life sciences, research, aerospace, food and general packaging, heat treatment, laser cutting, oil and gas transportation and processing, alternative energy, utilities, and many other industrial processes.

We also leverage our expertise to provide unique toxic chemical analysis products for emergency response, security, and environmental monitoring as well as instruments for energy and petrochemical applications.

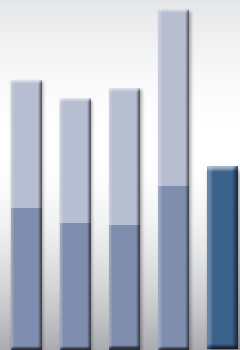
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INFICON publishes its half-year report online.  
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## Key Figures – At a Glance

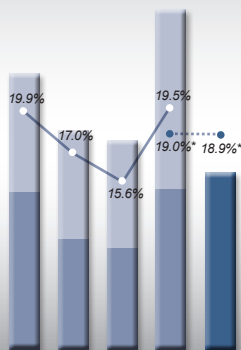
### Net sales



	2018	2019	2020	2021	2022
Full Year	410.4	381.7	397.8	515.8	
Half-Year	214.9	192.2	188.8	249.0	<b>278.1</b>

### Operating income

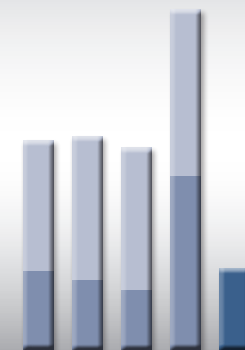
(in % of net sales)



	2018	2019	2020	2021	2022
Full Year	81.5	64.8	61.9	100.4	
Half-Year	46.6	32.5	30.0	47.4	<b>52.4</b>

\* These percentages are only for the first 6 months, all other percentages are based on 12 months

### Cash flow from operations



	2018	2019	2020	2021	2022
Full Year	52.3	53.3	50.5	85.1	
Half-Year	19.7	17.3	14.8	43.3	<b>20.3</b>

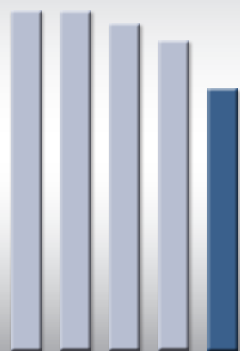
According to Swiss GAAP FER

(US Dollars in Millions, except per share amounts)

	Half-Year		Full Year
	2022	2021	2021
Net sales	<b>278.1</b>	249.0	515.8
Research and development	<b>22.5</b>	24.7	47.0
Selling, general and administrative expense	<b>53.6</b>	50.2	99.5
Operating income	<b>52.4</b>	47.4	100.4
<i>in % of net sales</i>	<b>18.9%</b>	19.0%	19.5%
EBITDA	<b>57.7</b>	53.2	111.8
<i>in % of net sales</i>	<b>20.8%</b>	21.4%	21.7%
Net income	<b>41.1</b>	37.2	80.3
<i>in % of net sales</i>	<b>14.8%</b>	14.9%	15.6%
Cash and short-term investments	<b>63.1</b>	74.9	65.6
Cash flow from operations	<b>20.3</b>	43.3	85.1
Capital expenditures	<b>18.1</b>	12.9	30.3
Total assets	<b>388.1</b>	348.8	365.2
Stockholders' equity	<b>227.2</b>	215.2	252.6
<i>Equity Ratio in %</i>	<b>58.5%</b>	61.7%	69.2%
Employees	<b>1,390</b>	1,266	1,297

# Key Figures – At a Glance

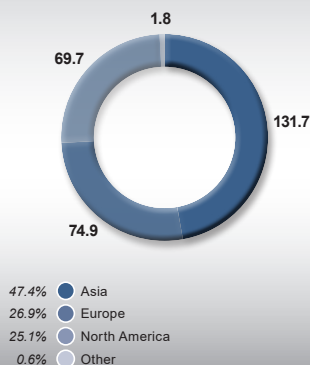
## Equity Ratio



2018 2019 2020 2021 2022  
75.9% 75.9% 73.0% 69.2% 58.5%\*

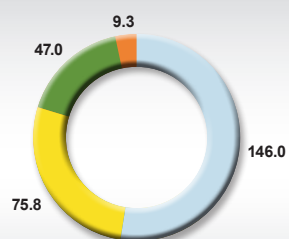
\* 2022 percentage is only for the first 6 months, all other percentages are based on 12 months

## H1/22 Sales by Geographic Region



47.4% Asia  
26.9% Europe  
25.1% North America  
0.6% Other

## H1/22 Sales by End Market



52.5% Semi & Vacuum Coating  
27.3% Security & Energy  
16.9% Refrigeration, Air Conditioning & Automotive  
3.3% General Vacuum

According to Swiss GAAP FER

(US Dollars in Millions, except per share amounts)

	Half-Year		Full Year
	2022	2021	2021
<b>Ratios per Share</b>			
Earnings per share – diluted	<b>16.80</b>	15.22	32.87
Shareholders' equity per share – diluted	<b>92.92</b>	88.02	103.37
Free cash flow per share – diluted	<b>0.43</b>	12.33	25.13
Return on equity %*	<b>36.2%</b>	34.6%	33.8%

## Direct Sales by Geographic Region

Asia-Pacific	<b>131.7</b>	114.0	248.0
Europe	<b>74.9</b>	68.4	133.6
North America	<b>69.7</b>	63.6	128.1
Other	<b>1.8</b>	3.0	6.1

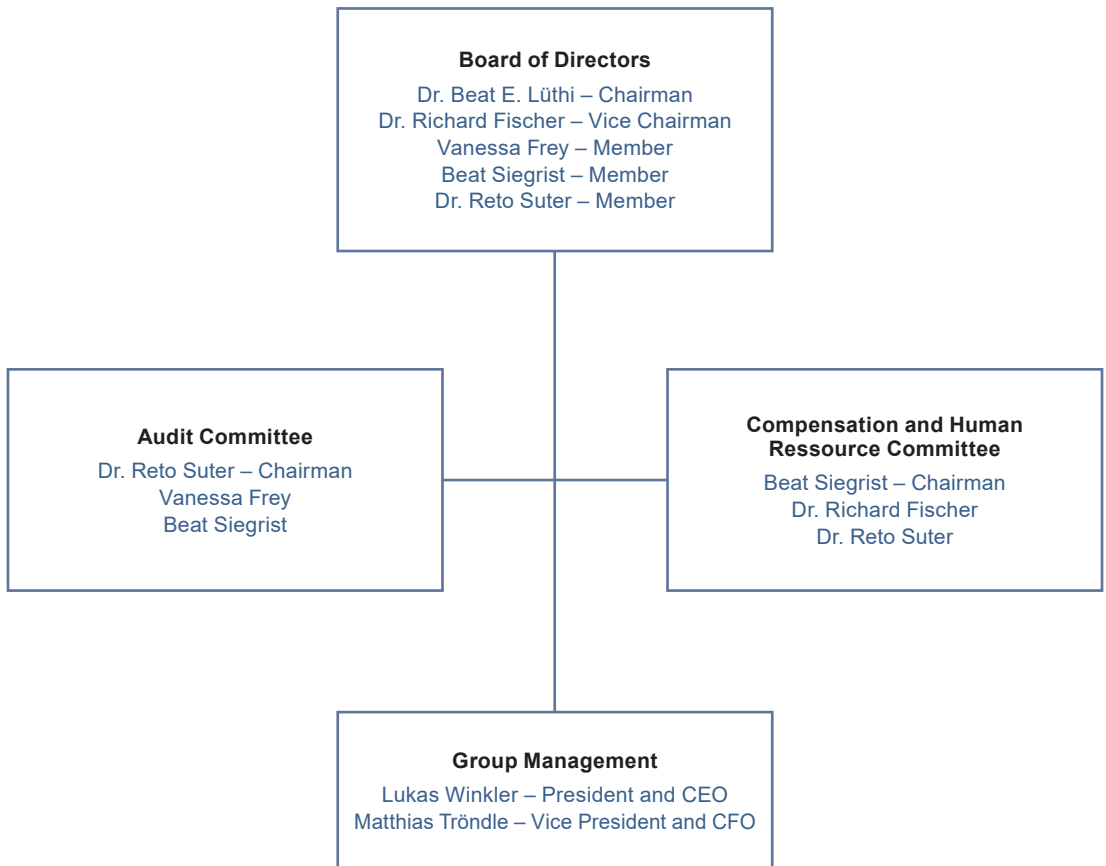
## Sales by End Market

Semi & Vacuum Coating	<b>146.0</b>	124.7	261.4
Security & Energy	<b>9.3</b>	10.1	21.2
Refrigeration, Air Conditioning & Automotive	<b>47.0</b>	51.1	99.8
General Vacuum	<b>75.8</b>	63.1	133.4

\* Percentages have been annualized for 6 months figures

# Group Organization

(as of July 26, 2022)



## Board and Executive Secretary

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# Financial Review

(Unaudited)

## Income Statement

### Net Sales

Net sales for six months ended June 30, 2022 reached USD 278.1 million compared with USD 249.0 million for the same period in 2021, representing a USD 29.1 million or 11.7% increase. This includes a negative impact of USD 8.6 million or -3.5% percentage points from changes in currency rates as well as a slight positive impact from acquisition of 0.3%, therefore the currency and acquisition adjusted growth in net sales amounts to 14.8%.

INFICON achieved the most significant gains in its largest target market Semi & Vacuum Coating. Sales increased by USD 21.3 million or 17.1% to USD 146.0 million. This was driven by the high demand in the semiconductor business from original equipment manufacturers (OEMs) and chip producers, mainly coming from Asia and Europe.

Sales in the General Vacuum market had the highest percentage growth and grew by 20.1% to USD 75.8 million. The increase in Asia was particularly notable, while the other regions also recorded growth.

Refrigeration, Air Conditioning & Automotive sales decreased by 8.0% or USD 4.1 million to USD 47.0 million. While the e-mobility and battery business continued to boom, the significant unfavorable currency development and the traditional refrigeration and air conditioning business, which tends to be more subdued in seasonal terms did drive this decrease.

Sales to the Security & Energy market decreased by USD 0.8 million or 7.9%. The smallest target market which is characterized by a long-term project business with public governmental customers thus contributed only slightly more than 3% to Group sales.

The regional sales split confirms the economic strength of Asia, with a contribution of 47.4% of sales or USD 131.7 million, which represents a yearly increase of 15.6%. Sales in Europe grew by 9.5% and reached USD 74.9 million while America shows similar sales increase of 9.4% to USD 69.7 million.

### Gross Profit

Gross profit margin was 46.2% for the six months ended June 30, 2022 compared with 49.1% for the same period in 2021. The massive price war on the procurement markets and rising transportation costs continue to put pressure on margins. Although the gross profit margin increased by USD 6.2 million or 5%, it developed disproportionately to sales.

### Research and Development

Research and development costs decreased to USD 22.5 million or 8.1% of net sales for the six months ended June 30, 2022, as compared with USD 24.7 million or 9.9% for the same period in 2021. The decrease is driven by favorable foreign currency impacts and lower variable compensation while we continue to push forward and fully support our development efforts.

### Selling, General and Administrative (SGA)

Selling, General and Administrative (SGA) costs for the first six months of 2022 were USD 53.6 million or 19.3% of net sales, as compared with USD 50.2 million or 20.1% for the same period in 2021. This decrease is driven by lower variable compensation in form of commission and performance bonus as well as favorable FX impacts.

### Operating Income

Operating income from operations increased to USD 52.4 million or 18.9% of sales for the six months ended June 30, 2022 compared to USD 47.4 million or 19.0% for the same period in 2021. Despite the lower gross profit percentage margin, the sales growth and nearly stable operating expenses did result in a 10.6% higher operating income

### Financial Result

The decrease in the financial result to USD -1.9 million is driven by a negative impact from FX losses in Q1 2022.

# Financial Review

(Unaudited)

## Income Taxes

Income tax was USD 9.2 million or 18.3% of earnings before taxes for the six months ended June 30, 2022, compared with USD 10.2 million or 21.6% for the same period in 2021. This decrease is driven by the mix in earnings and tax rates among the Company's different tax jurisdictions.

## Net Income and Diluted Earnings per Share

Net income and diluted earnings per share were USD 41.1 million and USD 16.80 for the six months ended June 30, 2022, as compared with USD 37.2 million and USD 15.22 per share for the same period in 2021. The increase of 10.4% in basic earnings per share is a result of the increase in net income.

## Balance Sheet and Liquidity

Cash and short-term investments totaled USD 63.1 million at June 30, 2022 which represents a decrease of USD 11.8 million as compared with USD 74.9 million at June 30, 2021. Net cash decreased to USD -1.3 million at June 30, 2022 compared to USD 26.8 million at June 30, 2021. During the first half of 2022 cash flow from operations ended at USD 20.3 million versus the record high USD 43.3 million in the first half of 2021, the decrease is driven by the substantial increase in inventories and accounts receivables and decrease of provisions.

Trade accounts receivable decreased by USD 4.4 million to USD 77.7 million at June 30, 2022 as compared with USD 82.1 million at December 31, 2021. Days sales outstanding ended at 52.4 for 2022 versus 52.1 days for 2021 using a 4-point average of quarter-end balances. The decrease in trade receivable is in line with slightly lower sales volume in Q4 2021 versus Q2 2022.

Inventory increased substantially by USD 20.1 million to USD 109.2 million at June 30, 2022 as compared with USD 89.1 million at December 31, 2021. Inventory turns developed stable and ended at 3.0 in June using a 4-point average of quarter-end inventory balances. The rise in inventory is due to the order and business situation and driven by the tense procurement and supply chain environment.

Due to heavy investments in machinery and equipment as well as in buildings, property, plant, and equipment increased by USD 7.1 million to USD 100.5 million. This is driven by growing customer demand and to support future growth.

Trade accounts payable increased by USD 3.8 million to USD 23.2 million at June 30, 2022 as compared with USD 19.4 million at December 31, 2021. This increase reflects the increase in business volume.

Short-term provisions decreased by USD 15.4 million to USD 14.1 million at June 30, 2022 as compared with USD 29.5 million at December 31, 2021. This substantial decrease is mainly driven by reductions in bonus and performance provisions due to payouts in the first half of 2022.

# Consolidated Interim Balance Sheet

(Unaudited)

(US Dollars in Thousands, except share and per share amounts)

	June 30, 2022	December 31, 2021	June 30, 2021
<b>Assets</b>			
Cash and cash equivalents	63,121	65,628	74,885
Trade accounts receivable	77,681	82,091	73,653
Inventories	109,174	89,067	84,355
Prepayments and accrued income	9,038	7,564	5,614
Other current assets	10,660	8,852	7,789
<b>Total current assets</b>	<b>269,674</b>	<b>253,202</b>	<b>246,296</b>
Property, plant, and equipment	100,525	93,390	83,031
Intangible assets	5,800	5,495	5,283
Deferred tax assets	9,372	9,048	8,283
Financial assets	2,717	4,019	5,867
<b>Total non-current assets</b>	<b>118,414</b>	<b>111,953</b>	<b>102,465</b>
<b>Total assets</b>	<b>388,088</b>	<b>365,155</b>	<b>348,761</b>
<b>Liabilities and Shareholders' Equity</b>			
Trade accounts payable	23,203	19,364	15,285
Short-term financial liabilities	64,200	10,755	47,750
Short-term provisions	14,089	29,473	19,771
Income taxes payable	11,069	10,640	7,104
Accrued expenses and deferred income	16,886	13,683	14,628
Other current liabilities	19,259	16,907	14,569
<b>Total current liabilities</b>	<b>148,706</b>	<b>100,822</b>	<b>119,107</b>
Long-term provisions	7,247	6,927	8,630
Deferred tax liabilities	3,992	4,268	3,747
Pension liabilities	769	311	1,735
Long-term financial liabilities	174	241	308
<b>Total non-current liabilities</b>	<b>12,182</b>	<b>11,747</b>	<b>14,420</b>
<b>Total liabilities</b>	<b>160,888</b>	<b>112,569</b>	<b>133,527</b>
Common stock	6,860	6,860	6,860
Capital reserves	(350)	0	0
Treasury shares	(1,534)	(554)	(1,016)
Retained earnings	236,816	251,360	211,332
Foreign currency translation	(14,592)	(5,080)	(1,943)
<b>Total shareholders' equity</b>	<b>227,200</b>	<b>252,586</b>	<b>215,233</b>
<b>Total liabilities and shareholders' equity</b>	<b>388,088</b>	<b>365,155</b>	<b>348,761</b>



# Consolidated Interim Statement of Income

(Unaudited)

(US Dollars in Thousands, except share and per share amounts)

Six months ended June 30,	2022	2021
Net sales	278,108	249,047
Cost of sales	(149,612)	(126,719)
<b>Gross profit</b>	<b>128,496</b>	<b>122,328</b>
Research and development	(22,475)	(24,734)
Selling expense	(14,329)	(14,446)
General and administrative expense	(39,256)	(35,733)
<b>Operating income</b>	<b>52,436</b>	<b>47,415</b>
Financial result	(1,941)	11
<b>Ordinary result</b>	<b>50,495</b>	<b>47,426</b>
Non-operating result	(195)	(51)
<b>Earnings before income taxes (EBT)</b>	<b>50,300</b>	<b>47,375</b>
Income taxes	(9,224)	(10,185)
<b>Net income</b>	<b>41,076</b>	<b>37,190</b>
Earnings per share:		
Basic	16.80	15.22
Dilution	0.00	0.00
Diluted	16.80	15.22

## Consolidated Interim Statement of Shareholders' Equity

(Unaudited)

(US Dollars in Thousands, except share and per share amounts)

	Common stock	Capital reserves	Treasury Shares	Retained earnings	Foreign currency translation	Total shareholders' equity
Balance at January 1, 2021	6,843	—	(1,382)	215,196	2,229	222,886
Net income				37,190		37,190
Foreign currency translation adjustments					(4,172)	(4,172)
Issuance of common stock from exercise of stock options	18	1,042				1,060
Acquisition of treasury shares			(535)			(535)
Stock-based compensation		163	901			1,064
Dividend		(1,205)		(41,054)		(42,259)
Balance at June 30, 2021	6,861	—	(1,016)	211,332	(1,943)	215,234
Balance at January 1, 2022	6,860	—	(554)	251,360	(5,080)	252,586
Net income				41,076		41,076
Foreign currency translation adjustments					(9,512)	(9,512)
Acquisition of treasury shares		(350)	(2,518)			(2,868)
Stock-based compensation			1,538			1,538
Dividend				(54,520)		(54,520)
Adjustment of Goodwill				(1,100)		(1,100)
Balance at June 30, 2022	6,860	(350)	(1,534)	236,816	(14,592)	227,200

2022: Capital reserves disclose the acquisitions costs for treasury shares

## Consolidated Interim Statement of Cash Flows

(Unaudited)

(US Dollars in Thousands, except share and per share amounts)

Six months ended June 30,	2022	2021
Cash flows from operating activities:		
Net income	41,076	37,190
Adjustments to reconcile net result to net cash provided by operating activities:		
Depreciation	5,938	5,270
Amortization	786	708
Income Taxes	(1,379)	3,820
Changes in operating assets and liabilities, excluding effects from acquisition:		
Trade accounts receivable	1,155	(11,656)
Inventories	(24,382)	(9,136)
Other assets	(2,155)	(4,039)
Trade accounts payable	4,675	7,637
Accrued liabilities and provisions	(9,407)	8,120
Other liabilities	5,442	8,820
FX impact excluding cash	(1,403)	(3,385)
<b>Net cash provided by operating activities</b>	<b>20,346</b>	<b>43,349</b>
Cash flows from investing activities:		
Purchase of property, plant and equipment	(18,085)	(12,864)
Disposal of property, plant and equipment	1,423	1,204
Purchase of intangible assets	(1,220)	(339)
Disposal of intangible assets	0	1
Acquisitions of businesses net of cash acquired	(700)	(2,189)
Liquidation of subsidiary	0	67
Loans granted	1	(292)
<b>Net cash used in investing activities</b>	<b>(18,581)</b>	<b>(14,412)</b>
Cash flows from financing activities:		
Proceeds from exercise of stock options	0	1,059
Cash dividend paid	(54,520)	(43,867)
Purchase/disposal of treasury shares	(1,330)	529
Proceeds from borrowings	54,556	46,809
Repayments of borrowings	(51)	(17,247)
<b>Net cash used in financing activities</b>	<b>(1,345)</b>	<b>(12,717)</b>
Effect of exchange rate changes on cash and cash equivalents	(2,927)	(1,432)
Change in cash and cash equivalents	(2,507)	14,788
Cash and cash equivalents at beginning of period	65,628	60,097
<b>Cash and cash equivalents at end of period</b>	<b>63,121</b>	<b>74,885</b>

# Notes to Consolidated Interim Financial Statements

(US Dollars in Thousands, except share and per share amounts)

## 1 Description of Business

INFICON Holding AG (INFICON or the “Company”) is domiciled in Bad Ragaz, Switzerland, as a corporation (Aktiengesellschaft) organized under the laws of Switzerland.

The Company’s stock is traded on the SIX Swiss Exchange in Switzerland. INFICON provides world-class instruments for gas analysis, measurement and control, and our products are essential for gas leak detection in air conditioning, refrigeration and automotive manufacturing. They are vital to equipment manufacturers and end-users in the complex fabrication of semiconductors and thin film coatings for optics, flat panel displays, solar cells and industrial vacuum coating applications. Other users of vacuum based processes include the life sciences, research, aerospace, packaging, heat treatment, laser cutting and many other industrial processes. The Company also leverages its expertise in vacuum technology to provide unique, toxic chemical analysis products for emergency response, security, and environmental monitoring.

INFICON has best in class manufacturing facilities in Europe, the United States and China, as well as subsidiaries in China, Finland, France, Germany, Italy, Japan, Korea, Liechtenstein, Singapore, Sweden, Switzerland, Taiwan, the United Kingdom, the United States and Denmark. In Q2 2022 INFICON established a sales company in Mexico.

## 2 Summary of Significant Accounting Policies

### Basis of Preparation

These consolidated interim financial statements comprise the unaudited interim financial statements for the six months ended June 30, 2022, which were approved for issue by the Board of Directors on July 26, 2022. They have been prepared in accordance with Swiss GAAP FER (Accounting and Reporting Recommendations).

The consolidated interim financial statements for 2022 have been prepared in accordance with FER 31 “Supplementary Recommendations for Listed Companies”, which do not include all the information and disclosures presented in the annual consolidated financial statements and should therefore be read in conjunction with the consolidated financial statements for the year ended December 31, 2021.

## 3 Foreign Currency Translation

The following foreign exchange rates versus the US Dollar have been applied when translating the financial statements of the Company’s major subsidiaries:

Currency	Period-end rates			Average rates Six months ended	
	June 30, 2022	Dec 31, 2021	June 30, 2021	June 30, 2022	June 30, 2021
Swiss Franc	USD 1.0512	1.0937	1.0842	1.0607	1.1013
Euro	USD 1.0517	1.1334	1.1888	1.0943	1.2051
Japanese Yen	USD 0.0073	0.0087	0.0090	0.0082	0.0093
Hong Kong Dollar	USD 0.1274	0.1282	0.1288	0.1278	0.1288
Korean Won	USD 0.0008	0.0008	0.0009	0.0008	0.0009

# Notes to Consolidated Interim Financial Statements

(US Dollars in Thousands, except share and per share amounts)

## 4 Earnings per Share

The Company computes basic earnings per share, which is based on the weighted average number of common shares outstanding, and diluted earnings per share, which is based on the weighted average number of common shares outstanding and all dilutive common equivalent shares outstanding. The dilutive effect of options is determined under the treasury stock method using the average market price for the period.

The following table sets forth the computation of basic and diluted earnings per share for the half years ended June 30:

Six months ended June 30,	2022	2021
Numerator:		
Net income	41,076	37,190
Denominator:		
Weighted average shares outstanding	2,445,161	2,443,561
Effect of dilutive stock options	0	0
Denominator for diluted earnings per share	2,445,161	2,443,561
Earnings per share:		
Basic	16.80	15.22
Dilution	0.00	0.00
Diluted	16.80	15.22

The Management & Key Employee Stock Option Plan has expired in May 2021. As of June 30 2022, there are no outstanding options and consequently no effect of dilutive stock options anymore. Basic earnings per share do equal diluted earnings per share.

## 5 Business Segments

The Company is a global supplier of instrumentation for gas analysis, measurement and control. The Board of Directors is responsible for the ultimate direction and supervision of INFICON Holding AG and delegates the day to day management to Group Management. In 2013, the Board of Directors decided to condense the management of the Company to only comprising the CEO and the CFO as this best reflects the operational management of INFICON.

Group Management steers the business globally and the allocation of resources, assessment of performance and the respective reporting is made for the Group as a whole.

Although the Company discloses net sales into various end markets, the Company uses a key account concept and thus focuses on customers, regardless of products, technologies or regions.

Since the Company operates in one global segment, all information required by FER 31 can be found in the consolidated financial statements.

## 6 Subsequent Events

No subsequent events occurred through July 26, 2022 that would affect the half-year financial statements at June 30, 2022, or need to be disclosed.

## Imprint and Contact

### Note regarding forward-looking statements

Forward-looking statements contained herein are qualified in their entirety as there are certain factors that could cause results to differ materially from those anticipated. Any statements contained herein that are not statements of historical fact (including statements containing the words “believes,” “plans,” “anticipates,” “expects,” “estimates”, “continue”, “may” and similar expressions) should be considered to be forward-looking statements. Forward-looking statements involve inherent known and unknown risks, uncertainties and contingencies because they relate to events and depend on circumstances that may or may not occur in the future and may cause the actual results, performance or achievements of the company to be materially different from those expressed or implied by such forward-looking statements. Many of these

risks and uncertainties relate to factors that are beyond the company's ability to control or estimate precisely, such as future market conditions, currency fluctuations, the behavior of other market participants, the performance, security and reliability of the company's information technology systems, political, economic and regulatory changes in the countries in which the company operates or in economic or technological trends or conditions. As a result, investors are cautioned not to place undue reliance on such forward-looking statements.

Except as otherwise required by law, INFICON disclaims any intention or obligation to update any forward-looking statements as a result of developments occurring after the date of this report.

### Investor Relations

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