



Earnings Release – Analyst/Media Conference Q1 2024

April 25th, 2024

Agenda & Speakers



Oliver Wyrsh, President & CEO

- Key Messages & Figures Q1 2024
- Target Market Business Review
- Expectations 2024



Matthias Tröndle, Vice President & CFO

- Financials Q1 2024
- Guidance
- Corporate Calendar

Q1 2024 Results

Improved gross margin and profitability. As expected, Q1 slightly weaker. Except Semi & Vacuum Coating, all markets grow YoY. Book to bill nearly 1

SALES

- Sales nearly flat -2.5% YoY at 154.2 MUSD (organic -2.1% YoY)
- Growth in Europe and Americas, and all end markets except Semi (S&VC)
- Temporarily slower momentum in Q1 in Semi related business, and in Asia. Record growth of nearly 50% in S&E, growth in GV (+4%), RAC&Auto (+8%) while Semi decreased (-15%)
- Order intake slow at start then accelerating, with book-to-bill in Q1 close to 1

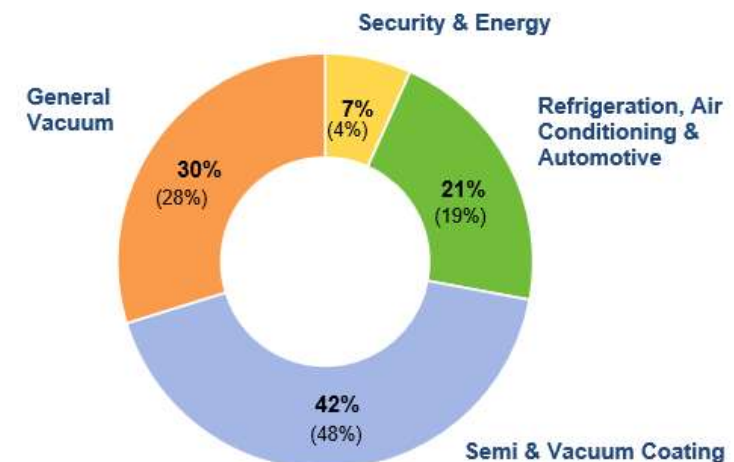
OPERATING RESULT

- Improved operating income of 31 MUSD or 20.3%, after 19.0% in Q1 2023, increase of 4% YoY
- Gross margin improved by +2.0%pts YoY, best level since Q2 2021. Lower broker costs and improved supply chain quality and availability. Systematic cost management while preparing for ramp-up
- Good cash generation, operating cash flow of 22.5 MUSD (+7 MUSD)

ORGANIZATION / OTHER

- Continued investments into R&D at 8% of sales and into production capacity with CAPEX 12 MUSD. Expected CAPEX around 30 MUSD for full year

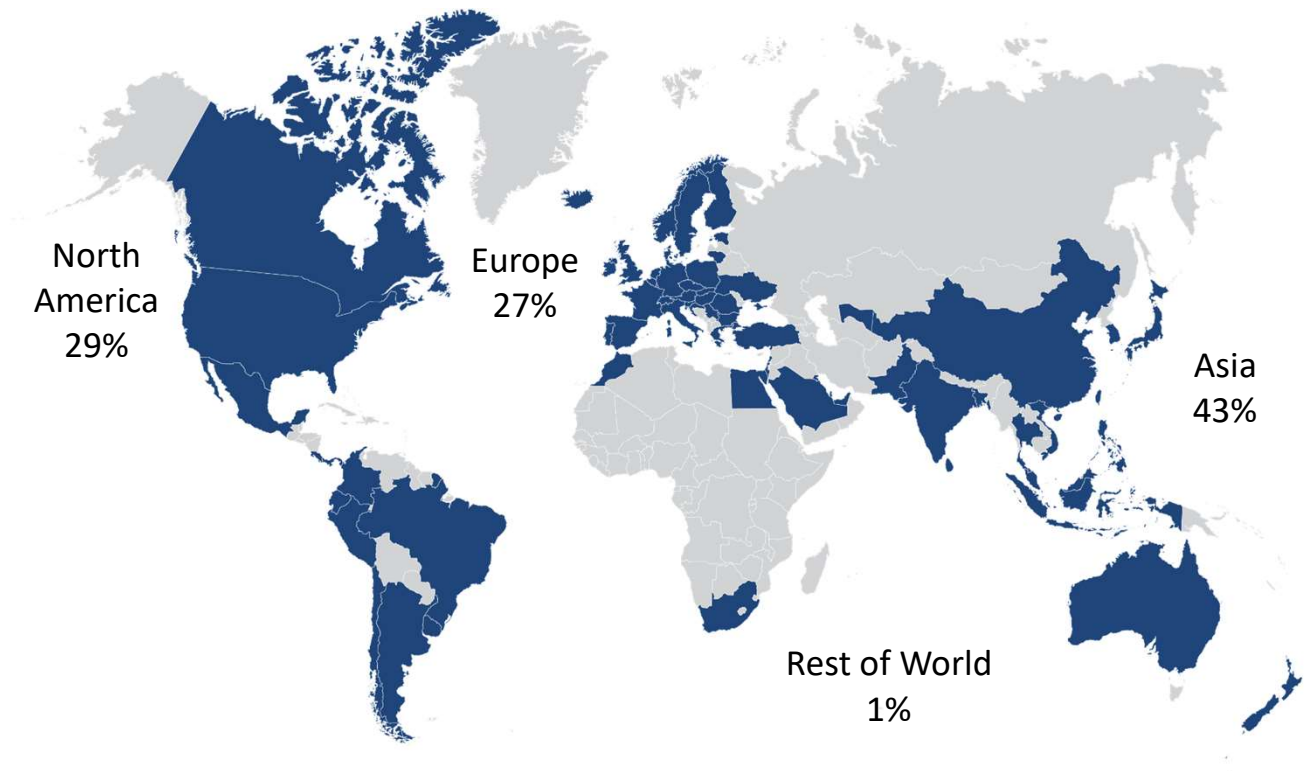
Sales Q1 2024
(Q1 2023)



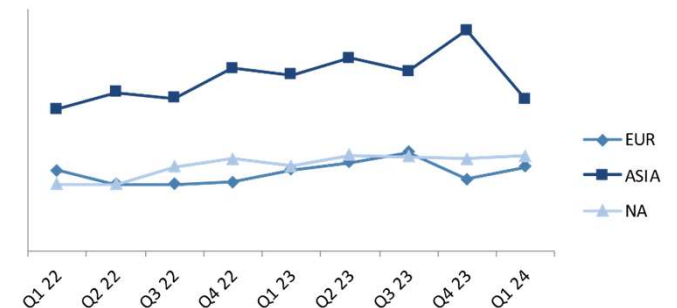
Worldwide Markets & Sales

Growth in EMEA and Americas year-on-year. Slow start in Asia

Worldwide Net Sales in Q1 2024 by Region



Quarterly Sales Trend by Region



Q1 2024 Sales and Growth by Region

Asia:	~	66	MUSD	- 12%
Europe:	~	41	MUSD	+ 3%
North America:	~	46	MUSD	+ 9%
Total: (including ROW)	~	154	MUSD	- 3% vs. Q1 2023)

Semiconductor & Vacuum Coating – Performance & Outlook

Solid Q1 based on market dynamics. Good growth opportunities starting H2 2024

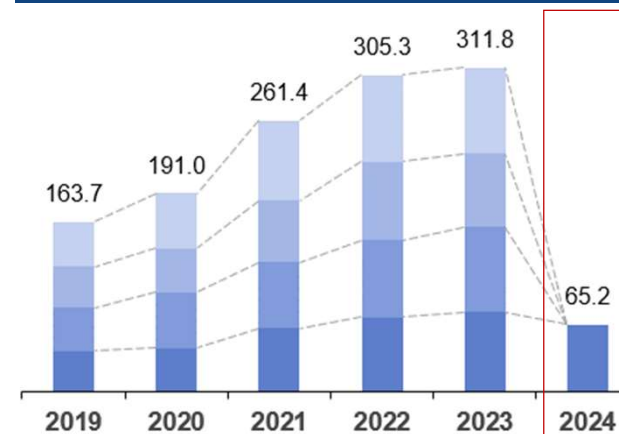
PERFORMANCE

- 2024 sales decreased -15% vs. Q1 2023, mainly driven by Asia
- #1 position in process control, leak detection, smart manufacturing software and thin film monitoring
- #2 for pressure measurement. Closing up to #1

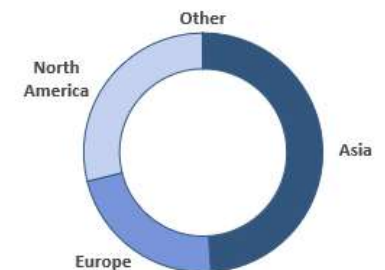
OUTLOOK

- Market expectations for 2024: **H1: Soft / H2: Growth**
Starting soft we see upwards potential in H2. Mid- and long-term very strong growth drivers for Semi
- Memory was the slowest of submarket in 2023 and now shows improvement. Most submarkets have moderately optimistic outlook for 2024 with mixed picture in H1 then positive in H2. After strong mature edge in '23, now some slight slowdown visible for 2024
- 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

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



Sales Q1 '24 by Region
(in MUSD)



Automotive & Refrigeration, Air Conditioning – Performance & Outlook

Strong position with strong growth in RAC & Automotive market with battery testing as largest opportunity, but also RAC with good growth

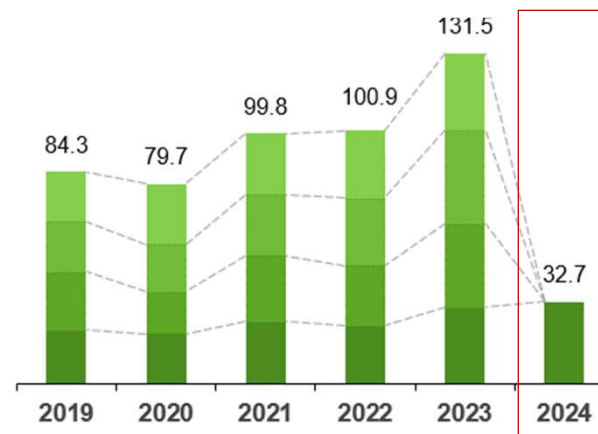
PERFORMANCE

- Good growth of +8% vs Q1 2023 mainly from Americas
- #1 position in RAC and Battery market

OUTLOOK

- Market Expectations 2024: **Flat/Growth**
Traditional auto slowing, but battery/EV continuously growing, but 2024 expected to be slower growth than 2023
- New mobility and battery storage growth opportunities 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
- Growth in the RAC market. Change of regulations and new refrigerants supports 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

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



Sales Q1 '24 by Region
(in MUSD)



General Vacuum – Performance & Outlook

The broad industrial market is addressed through a multi-brand strategy and long-term channel partners. Growth in EMEA and some in Asia

PERFORMANCE

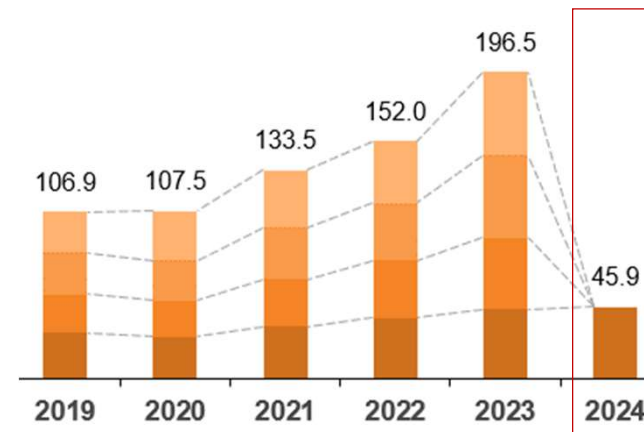
- 2024 Q1 sales increase of +4% vs. 2023. Growth in EMEA. Slower growth in Asia vs Q4
- Most competitive “full liner” in vacuum instrumentation
- Remain #1 position

OUTLOOK

- Overall market expectations 2023: **Flat**
- After strong market growth in 2023, outlook for Asia and Americas lower. Slower market expected in China vacuum market after strong growth in 2023
- Expand market reach into industrial and analytical OEM markets
- Expand distribution networks (US and Asia)
- Multi-brand strategy

Sales to General Vacuum

+11.2% CAGR (2018 – 2023) (in MUSD)



Sales Q1 '24 by Region

(in MUSD)



Security & Energy – Performance & Outlook

Strong growth in Q1 and new quarterly sales record. Security and energy have both growth potentials but often depend on specific government programs and policies with their own dynamic. Good diversification factor versus the other end markets

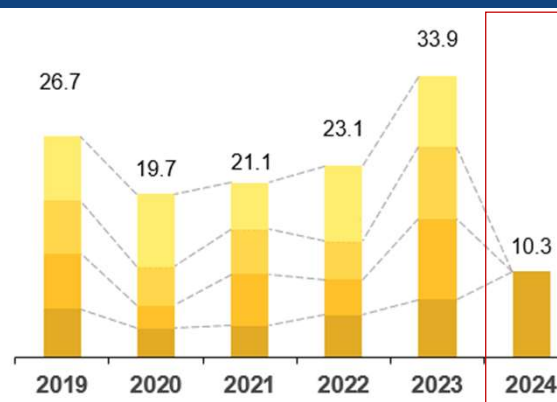
PERFORMANCE

- 2024 Q1 sales increase of +49% vs. 2023, new quarterly record, 25% over Q4 with strong driver from Americas. Continued strong order pipeline
- Typically, significant fluctuations over time due to large programs
- Remain #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
- Cyclical: Still highly dependent on government spending
- Some Chinese competition for environmental applications

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



Sales Q1 '24 by Region
(in MUSD)



Expectations 2024

Expect soft H1/24 and growth in H2/24. With a solid order situation and the growth in selected markets, we are mostly optimistic for 2024, despite the global uncertainties and risks



- Even with weakness and risks in the markets we are mostly optimistic given the improved supply chain, the solid order situation, and the expected Semi upturn in H2
- We see positive momentum in certain markets: most Semi submarkets and selected other markets such as Battery and Security

**Guidance for
2024**

→ Sales 650 - 700 MUSD (unchanged)

→ Operating Income approx. 20%

Recently at INFICON

Great moments that drive us forward...

Annual General Meeting



INFICON Ski Day



Opening - Guangzhou Application Center



Dual Study Program Cooperation with University of Graubünden



International Automotive and Battery Workshop



Innovation Day & Total Eclipse in Syracuse



INFICON Women at STEM



Social Days in Cologne



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Q1 2024 Highlights

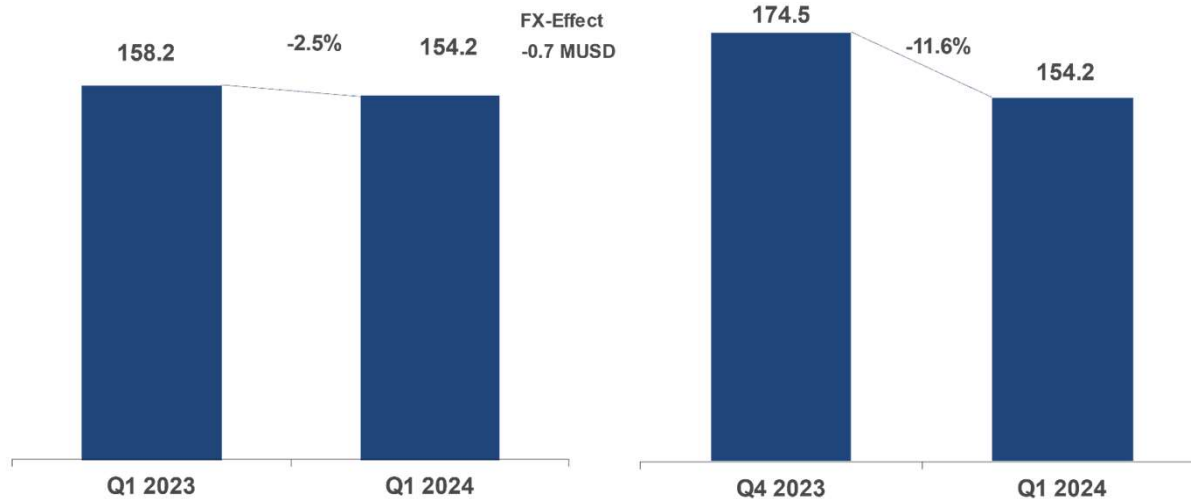
Strong sales and record profitability, orders improved, growth in all regions, end-markets mixed (strong GV and RAC&Auto), solid cash generation

Book to Bill	Sales	Gross Margin %	Operating Income
Nearly 1	154.2 MUSD -2.5% organic -2.1%	47.8% +2.0 %pts	31.3 MUSD +4.3% 20.3% of Sales
Equity Ratio	Cash Flow	Net cash	CAPEX
69.8% +4.9%	22.5 MUSD +7.2 MUSD	54.0 MUSD +42.5 MUSD	11.7 MUSD +8.1 MUSD

*Except otherwise noted all
comparisons vs. previous year Q1*

Sales

All markets grew, except for Semiconductor & Vacuum Coating
Slower momentum in the semiconductor related business, and in Asia

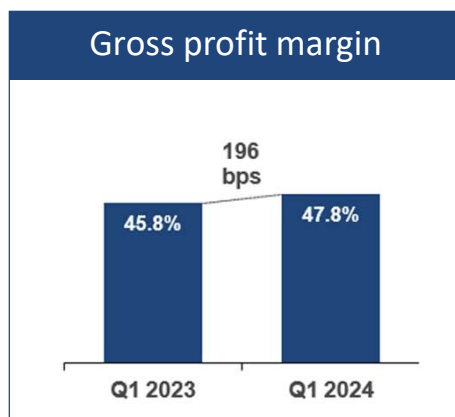


Q1 2024 Sales and Growth by Region

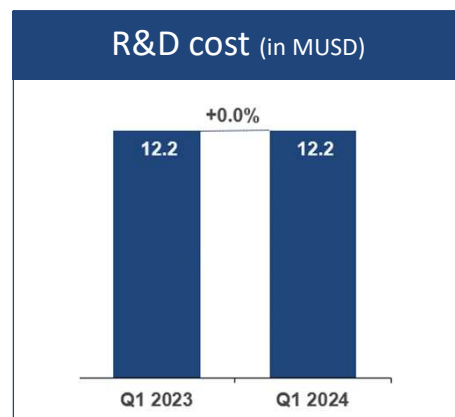
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Gross Profit, Costs, and Operating Income Q1

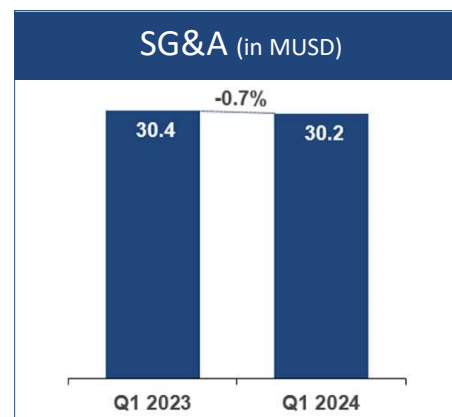
Gross Margin and profitability improved, costs under control



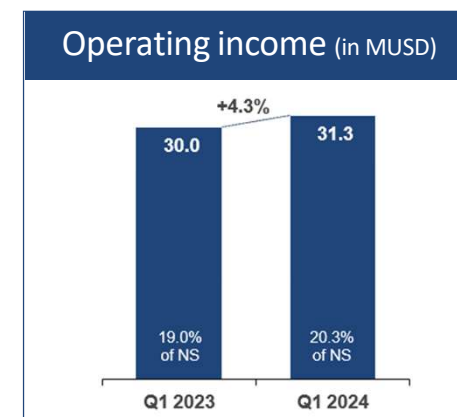
Improved margin. Plus 12% in absolute numbers and increased by 196 bps vs. Q1/23 and best GM% since Q2/21. Favorable mix, lower broker costs and improved supply chain as main driver



Stable. Development efforts continue for future product launches. Some unfavorable FX impacts



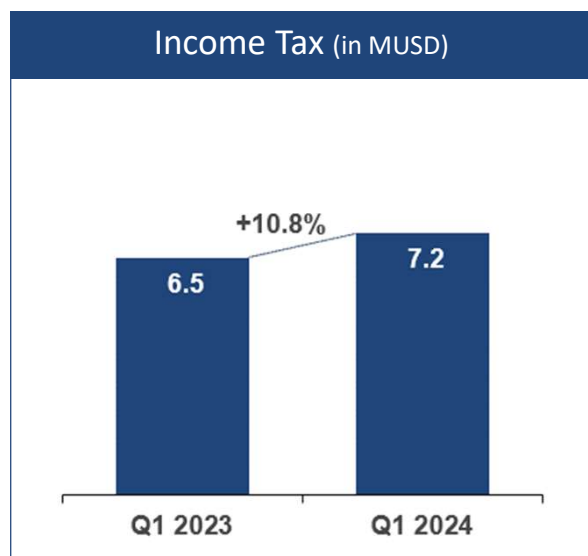
Stable. Additional headcounts and costs for several initiatives have been compensated by lower performance related expense and other savings. Unfavorable FX impacts



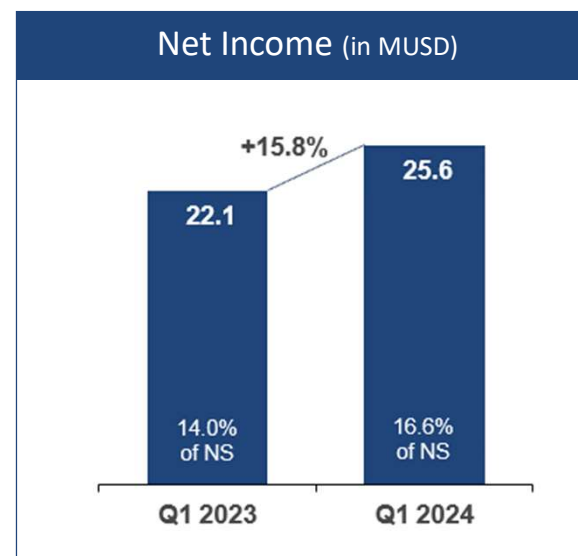
Improved by 4.3%, driven by improved Gross Profit Margin in combination with stable operational costs

Income Tax and Net Income Development

Net Profit Growth



Tax rate of 21.9% compared with 22.7% in Q1 last year.

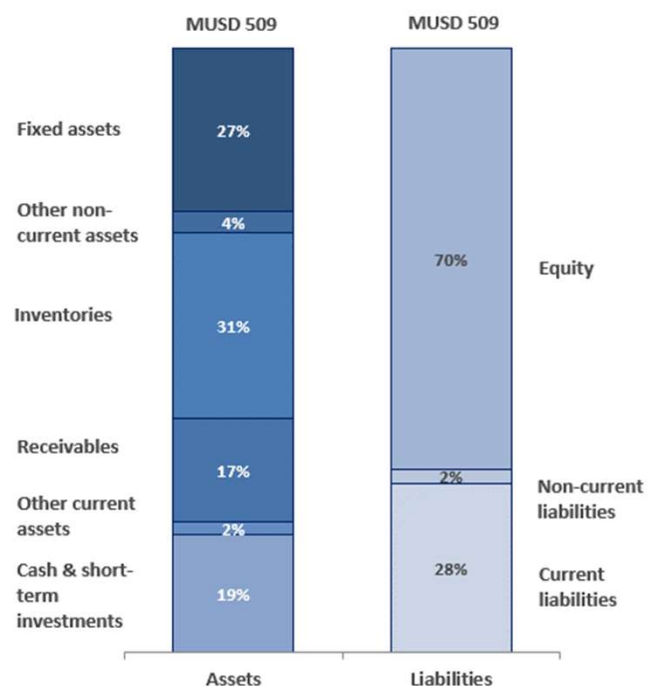


Increase driven by improved operating income and better financial result (FX) at a slightly lower tax rate

Balance Sheet Highlights

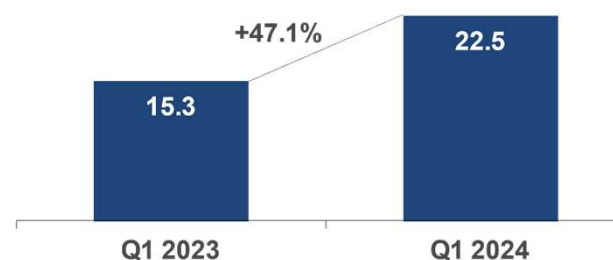
Solid balance sheet; working capital decreased, improved cash flow and net cash

Balance Sheet Structure 2024



	Q1 24	Q4 23
Net Cash	54.0	44.4
DSO	50.7	51.6
Inventory Turns	2.4	2.4
Working Capital	215.6	225.2
Operating Cash Flow	22.5	38.9

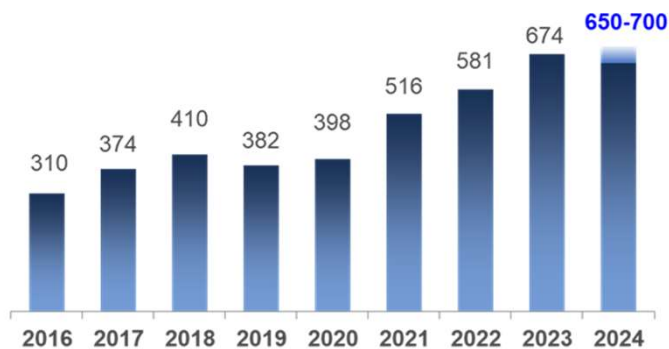
Cash Flow



Full-Year 2024 Guidance

Soft H1 and growth in H2 expected, mostly optimistic

Sales (MUSD)



Operating Income (MUSD)



Outlook 2024

INFICON is mostly optimistic about the outlook, given all the global uncertainties. This is based on the order situation, the expected SEMI upturn in H2, and the assessment of the various end markets.

Guidance for 2024

→ Sales 650-700 MUSD

→ Operating Income approx. 20%

Thank you for your attention.

Q&A

Next Events on Corporate Calendar 2024

- ➡ Q2 and HY 2024 Earnings Conference Call July 31, 2024
- ➡ Q3 FY 2024 Earnings Conference Call October 24, 2024
- ➡ INFICON Technology Day 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.