



## **Earnings Release – Analyst/Media Conference Q2 2024**

July 31<sup>st</sup>, 2024

# Agenda & Speakers



## **Oliver Wyrsh, President & CEO**

- Key Messages & Figures Q2 2024
- Target Market Business Review
- Expectations 2024



## **Matthias Tröndle, Vice President & CFO**

- Financials Q2 2024
- Guidance
- Half-Year Results
- Corporate Calendar

# Q2 2024 Results

Increased sales and profitability. Except General Vacuum, all markets grow YoY and QoQ.  
Book to bill back above 1

## SALES

- Sales growth to 167 MUSD or +8% vs. previous quarter and nearly flat YoY (-2% YoY)
- New quarterly sales records in Semi & Vacuum Coating (+3% YoY, +29% QoQ) and in Security & Energy (+14% YoY, +8% QoQ)
- Slower momentum in the General Vacuum related business (-22% YoY) in Q2, coming mainly from Asia
- Order intake improved nicely in Q2 and book-to-bill above 1. Best since 22Q3

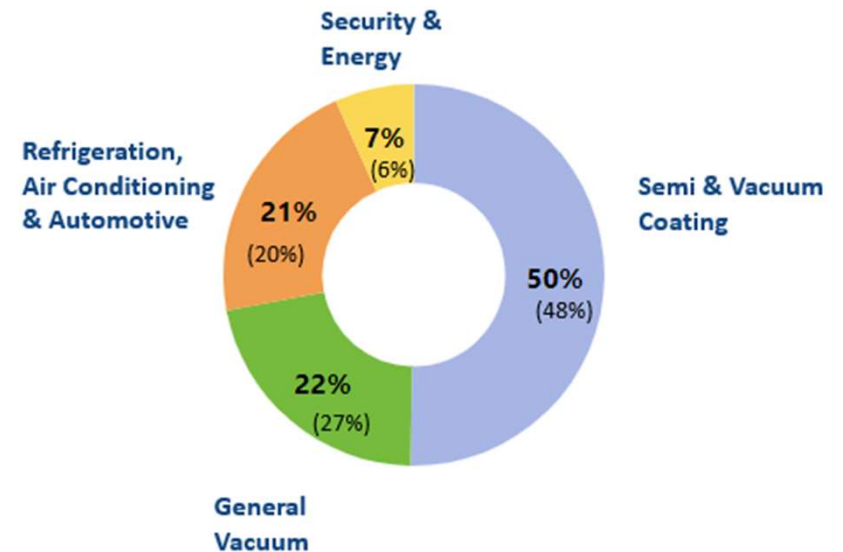
## OPERATING RESULT

- Improved operating income of 34 MUSD or 20.2%, compared with 19.5% in Q2 2023, increase of 0.7%pts
- Gross margin strengthened by +2.1%pts. Lower broker costs and improved supply chain quality and availability. Systematic cost management while preparing for ramp
- Operating cash flow of solid 19 MUSD

## ORGANIZATION / OTHER

- Continued investments into R&D at 8% of sales and into production capacity with H1 16 MUSD. Full year Capex expected around 30 MUSD

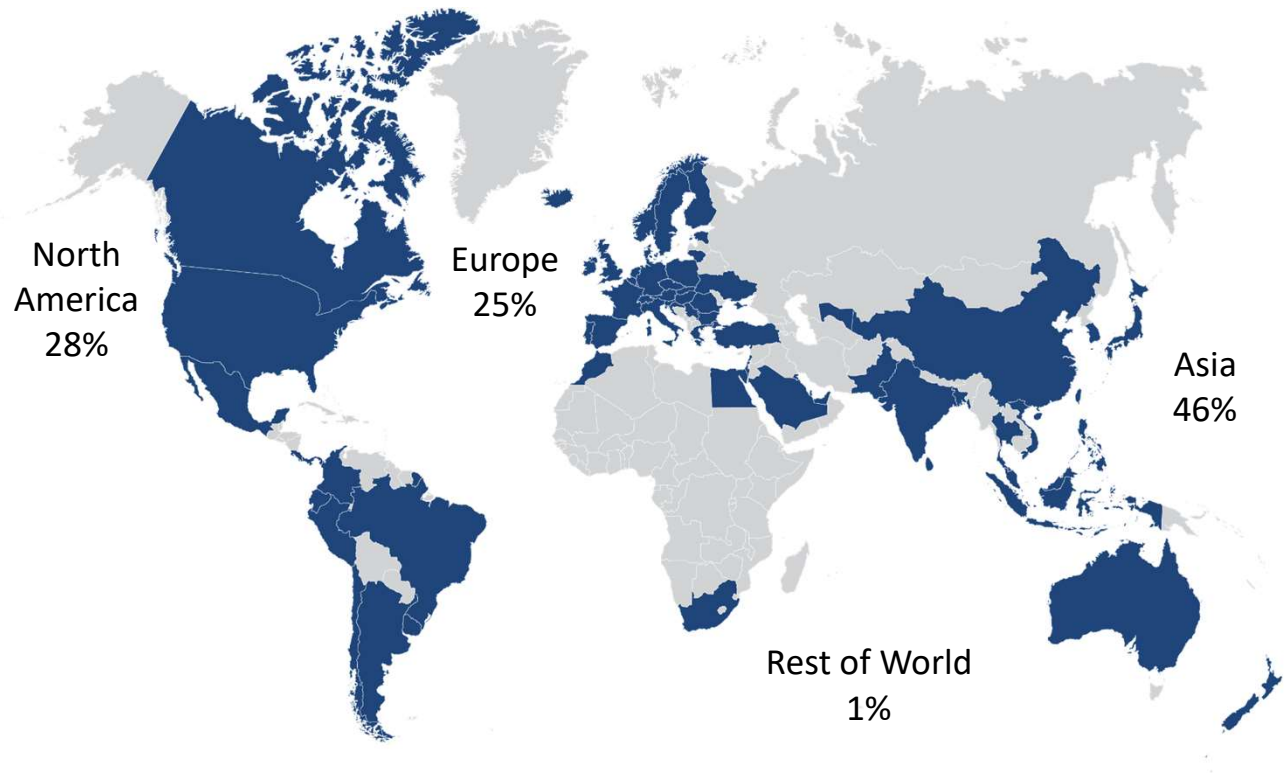
Sales Q2 2024  
(Q2 2023)



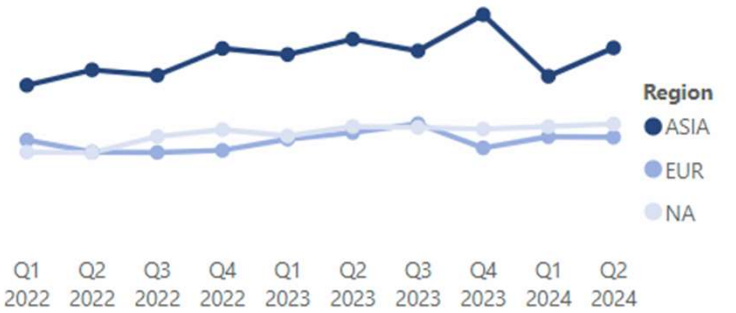
# Worldwide Markets & Sales

Good growth year-on-year in Asia and some in Americas – EMEA flat

Worldwide Sales in Q2 2024 by Region



Quarterly Sales Trend by Region



Q2 2024 Sales and Growth by Region

Asia:	~ 78 MUSD	+ 17.6 %
Europe:	~ 41 MUSD	- 0.5 %
North America:	~ 47 MUSD	+ 2.2 %
Total: (including ROW)	~ 167 MUSD	+ 8.3 % (vs. Q1 2024)

# Semiconductor & Vacuum Coating – Performance & Outlook

**Strong position. Record sales in Q2 albeit small increase year-on-year. Growth expected to pick up further starting H2 2024**

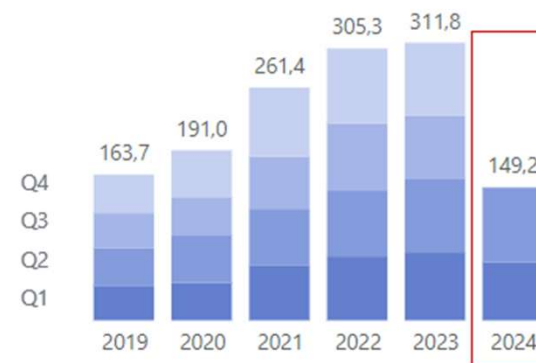
## PERFORMANCE

- 2024 sales increased with +2% vs. Q2 2023 and +29% vs. Q1 2023
- #1 position in process control, leak detection, smart manufacturing software and thin film monitoring
- #2 for pressure measurement. Closing up to #1

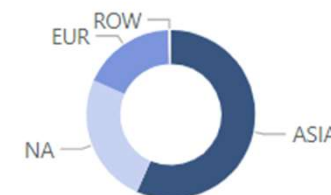
## OUTLOOK

- Market expectations for 2024: **H1: Soft / H2: Growth**  
Starting soft, we see upward potential in H2. Mid- and long-term very strong growth drivers for Semi
- Memory was the slowest submarket in 2023 and now shows improvement. Most submarkets have moderately optimistic outlook for 2024, with mixed picture in H1 and then positive in H2. The strong mature edge business of 2023, now shows slight slowdown 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 Q2 '24 by Region**  
(in MUSD)



# Automotive & Refrigeration, Air Conditioning – Performance & Outlook

Strong position. Continued growth in RAC & Automotive market, especially in Asia and Americas

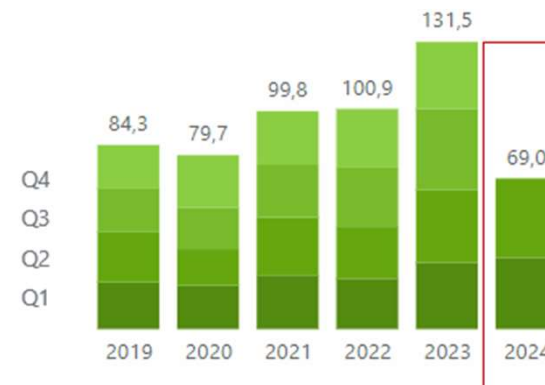
## PERFORMANCE

- Continued good growth of +9% YoY, mainly in Asia and Americas
- #1 position in RAC and Battery market

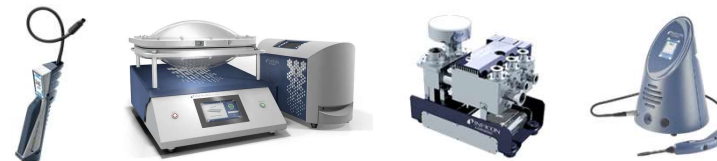
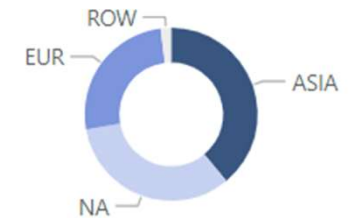
## OUTLOOK

- Market Expectations 2024: **Flat/Growth**  
Traditional automotive market slowing, but battery/EV continuously growing. 2024 expected to grow slower than 2023. Some geopolitical/trade risks
- New growth opportunities in mobility and battery storage 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 RAC market. 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

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



Sales Q2 '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

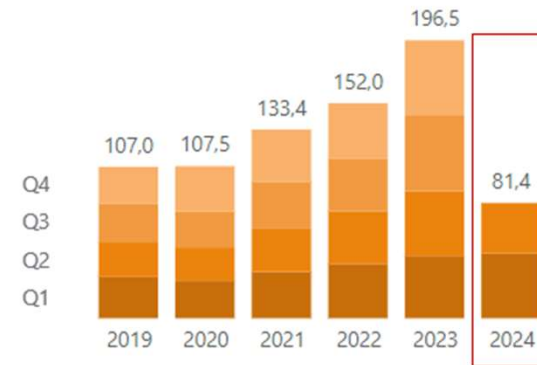
## PERFORMANCE

- 2024 Q2 sales decrease of 22% vs. 2023 mainly due to weakness in Asia
- Most competitive “full liner” in vacuum instrumentation
- Remain #1 position

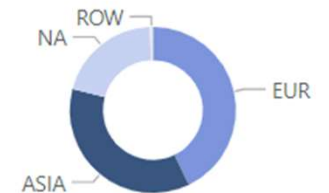
## OUTLOOK

- Overall market expectations 2024: **Slow**
- After strong market growth in 2023, outlook for Asia and Americas lower. Slower market expected in Chinese 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 Q2 '24 by Region  
(in MUSD)



# Security & Energy – Performance & Outlook

Growth and new quarterly sales record. Good growth potentials largely depending on government programs and policies with their own dynamic. Good diversification factor versus other end markets

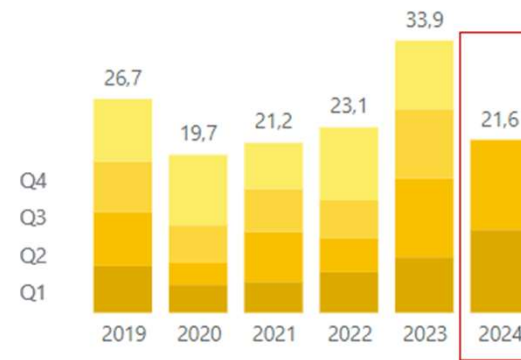
## PERFORMANCE

- 2024 Q2 sales increase of +14% vs. 2023, new quarterly record, growth in all regions. Continued strong order pipeline
- Typically, significant fluctuations over time due to large programs
- Unchained #1 position
- Supply chain at times still instable and limiting sales

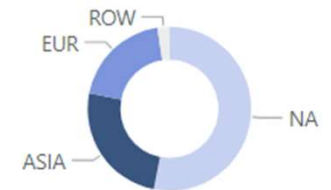
## OUTLOOK

- 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
- 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 Q2 '24 by Region  
(in MUSD)





# Expectations 2024

Soft H1/24 and growth expected 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

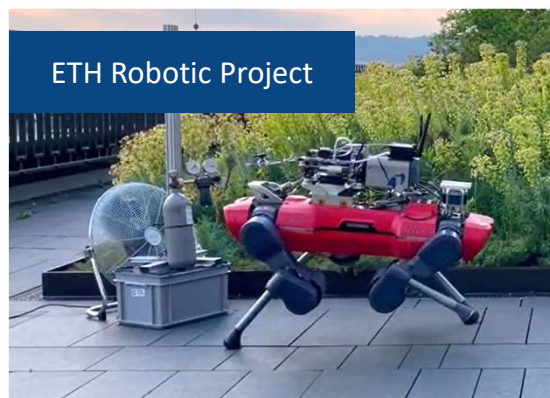
**Guidance for  
2024**

→ Sales 660 - 690 MUSD

→ Operating Income approx. 20%

# Recently at INFICON

Great moments that drive us forward...



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# Agenda & Speakers



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# Q2 2024 Highlights

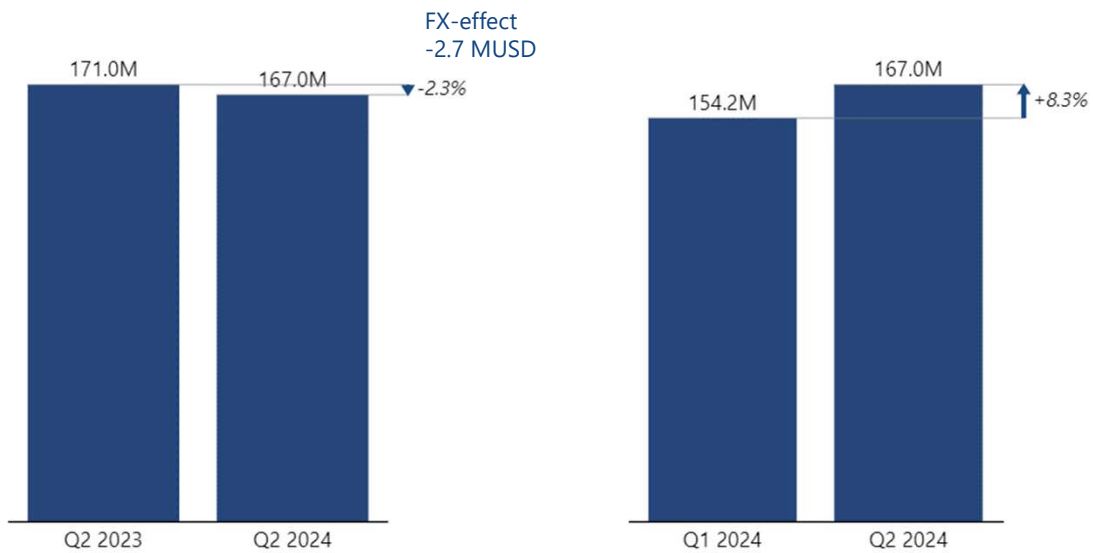
Increased sales and profitability, growth in all end markets, except general vacuum, solid cash generation

Book to Bill	Sales	Gross Margin %	Operating Income
> 1	Q2 167.0M -2.3% ▼	Q2 47.1% +214bp ▲	Q2 33.7M +1.2% ▲ 20,2 % of Sales
Equity Ratio	Cash Flow	Net cash	CAPEX
Q2 64.0% +6pp ▲	Q2 19.0M -7.5M ▼	Q2 14.1M +29.0M ▲	Q2 4.8M -0.9M ▼

Except otherwise noted all comparisons vs. previous year Q2

# Sales

## Growth in all markets, except General Vacuum



### Q2 2024 Sales and Growth by Region

Asia:	<b>78 MUSD</b>	+ 17.6 %
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<b>Total:</b> (including ROW)	<b>167 MUSD</b>	+ 8.3 % (vs. Q1 2024)

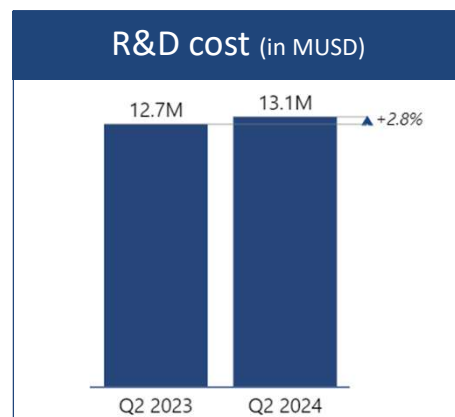


# Gross Profit, Costs, and Operating Income Q2

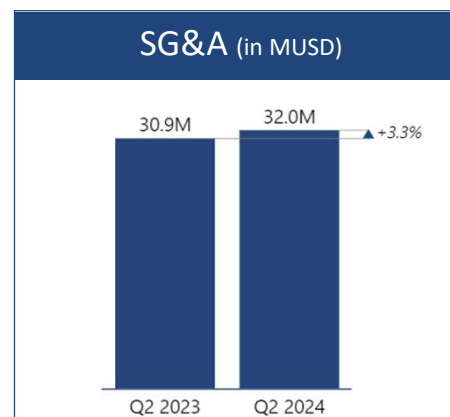
Gross margin and profitability improved, costs under control



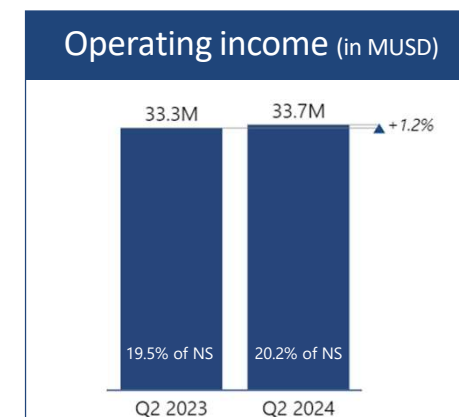
Improved margin. Plus 2% in absolute numbers and increased by 2.1%pp vs. Q2/23. Favorable mix, lower broker costs and improved supply chain as main driver



Slight increase. Development efforts continue for future product launches



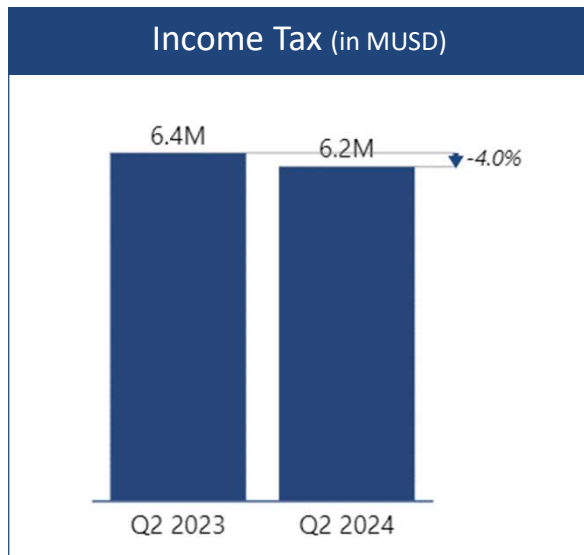
Increase due to additional headcounts and costs for several initiatives partially compensated by lower performance related expense and favorable FX impacts



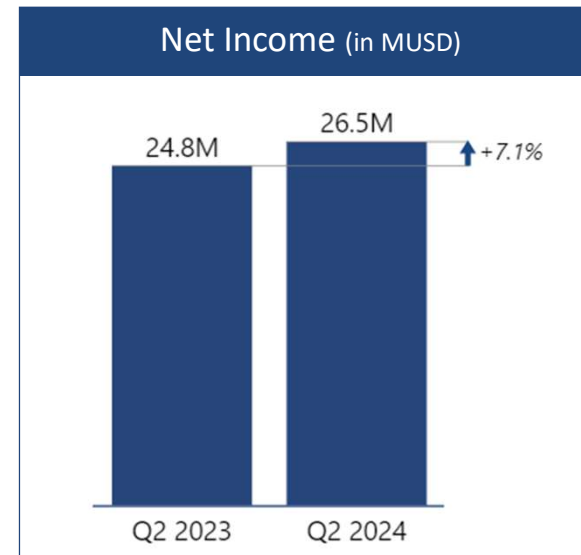
Improved by 1.2% driven by improved gross profit margin in combination with moderate increase in operational costs

# Income Tax and Net Income Development

## Net Profit Growth



Slightly lower Tax rate of 18.8% compared with 20.6% in Q2 last year.

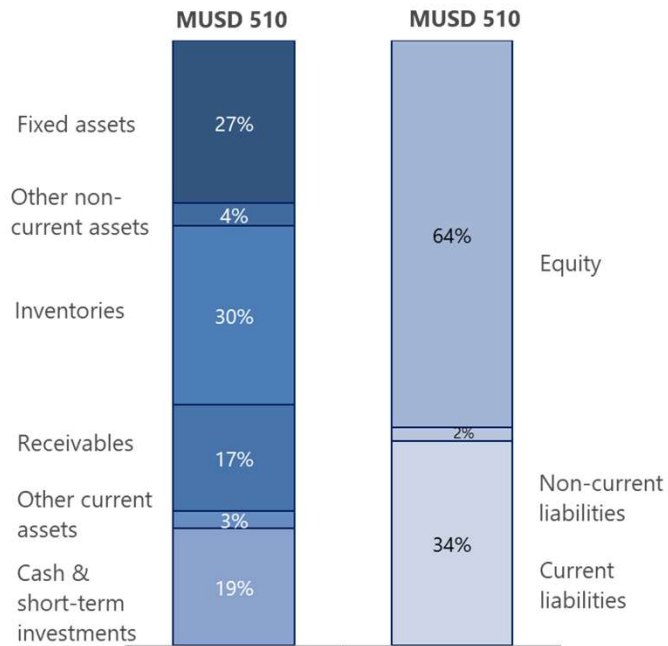


Increase driven by improved operating income and better financial result (FX&Interest) at a slightly lower tax rate. Net income margin at 15.9% (14.5% in Q2 2023)

# Balance Sheet Highlights

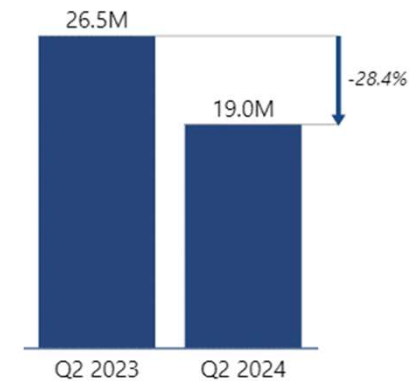
## Solid balance sheet

Balance Sheet Structure 2024



	Q2 24	Q4 23
Net Cash	14.1	44.4
DSO	50.2	51.6
Inventory Turns	2.4	2.4
Working Capital	219.0	225.2
Operating Cash Flow	19.0	38.9

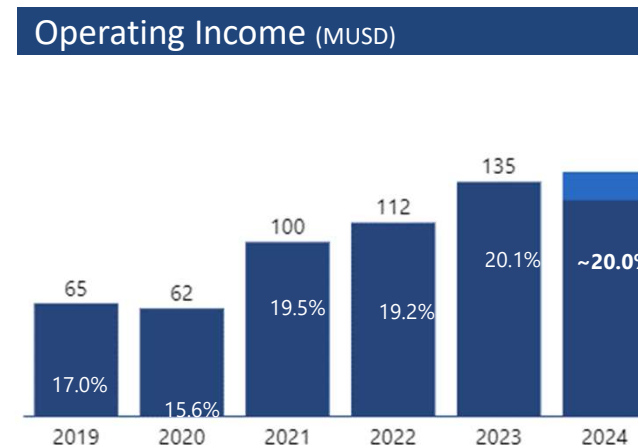
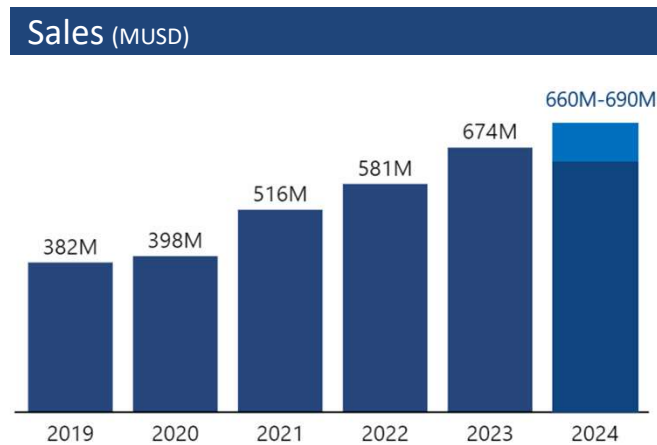
Cash Flow





# Full-Year 2024 Guidance

Soft H1, growth expected in H2, mostly optimistic



## Outlook 2024

INFICON is mostly optimistic about the outlook, despite 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.

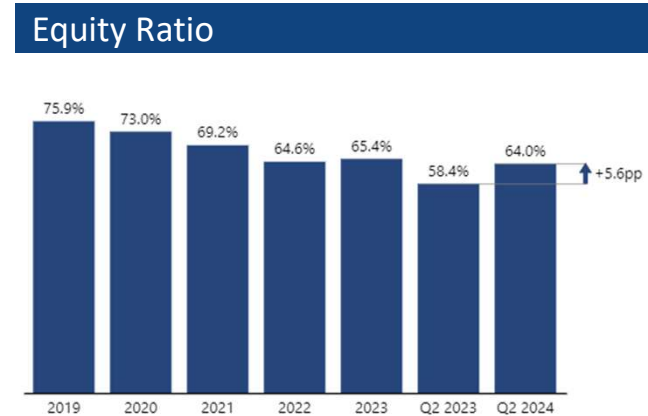
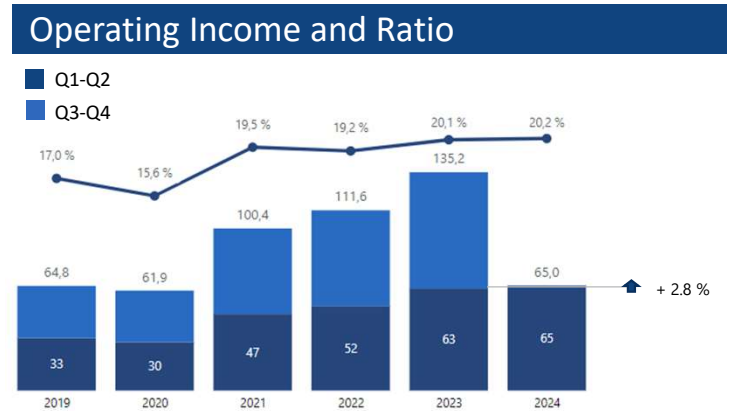
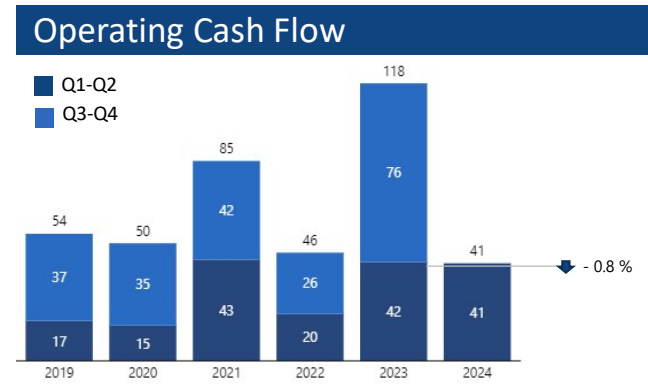
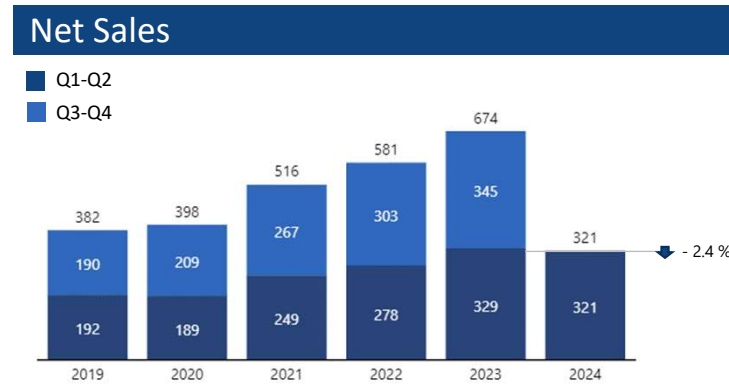
Guidance for  
2024

→ Sales 660-690 MUSD

→ Operating Income approx. 20%

# Financial Overview Half-Year 2024 (in MUSD)

Slightly lower sales level with improved profitability, stable cashflow and solid balance sheet



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.