

# INFICON with solid start and improved margins

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'Ad hoc announcement pursuant to Art. 53 LR'

## ***Announcement of INFICON Holding AG Bad Ragaz/Switzerland, April 25, 2024***

INFICON (SIX Swiss Exchange: IFCN) reports solid first quarter 2024 sales of USD 154.2 million. This equals organically a decline of 2.1% or – including negative currency effects of 0.4 percentage points – a minus of 2.5% over the same period of last year. It is 11.6% below the record-high last quarter of 2023. The gross profit margin increased to 47.8%, up from 45.8% a year ago, and the operating income margin improved to 20.3% after 19.0% recorded for the same period of last year. Sales generated in the first three months of the year softened compared with the prior-year period and the strong and record-high preceding quarter due to the short-term weaker market dynamic. This reflects in particular the slower momentum in the semiconductor related business, and in Asia at the beginning of the year. Based on the situation in the four target markets, a solid order intake, and an expected acceleration in the second half of the year, INFICON maintains its guidance for 2024 with sales of USD 650-700 million and an operating income margin of around 20%.

INFICON reports growth in three of its four target markets. In its largest target **Semiconductor & Vacuum Coating**, INFICON generated sales of USD 65.2 million. This represents 42.3% of Group sales and a decline of 15.0% compared with the first quarter of 2023. The level is 20.6% below the record-high figures of the preceding fourth quarter 2023. In Asia, especially sales to China slowed slightly in the first quarter due to the general business and industry trends. The prospects are looking promising for the remainder of the year, backed by INFICON's broad product and service offering in the smart manufacturing environment. INFICON achieved sales of USD 45.9 million with customers in the **General Vacuum** market. This represents 29.8% of overall sales and a plus of 4.0% over the same period of last year, yet a decline of 13.9% when compared with the last quarter of 2023 when the business with Asian and especially Chinese business was extremely strong. INFICON assesses the current sales level as solid and in line with the overall macroeconomic development. In the **Refrigeration, Air Conditioning, and Automotive** market, sales grew robustly both year-over-year (+7.5%) and quarter-on-quarter (+7.2%) to USD 32.7 million. This market therefore contributed 21.2% to the consolidated sales. The transition from combustion engines to electric drives in the automotive industry continues stably at a high, yet slower pace than in the strongly growing last quarters. The strongest sales increases were achieved in the **Security & Energy** market. Sales reached a new quarterly record level of USD 10.3 million or 6.7% of Group Sales. This is an increase of 49.4% over the same prior-year period and 21.2% over the preceding fourth quarter. This surge reflects especially a gradually normalizing supply chain and both strong demand in the security as well as the energy/utility sub-markets.

## **Regional sales development**

Year-over-year, quarterly sales grew in Europe (USD 41.3%; +2.5%, 26.8% of Group sales) and America (USD 45.5 million; +9.4%, 29.5% of Group sales), while Asia – still the largest sales region with a sales contribution of 43.0% – reported lower figures with USD 66.4 million (-12.0%). INFICON is confident that the sales to Asian customers, mostly impacted by a slower momentum in the Semiconductor and General Vacuum market, will gradually pick up again.

## **Strengthened profitability**

INFICON strengthened its profitability on all levels: The gross profit margin increased by 2.0 percentage points to now 47.8%. After same-level investments into R&D of USD 12.2 million and tightly managed selling, general, and administrative costs of USD 30.2 million, the operating income for the period was USD 31.3 million after 30.0 million a year ago. This represents a stronger operating income margin of 20.3% after 19.0% at the end of March last year. INFICON's business model, its systematic cost management, and operational set-up allow the Group to flexibly adjust to varying business trends. The net result for the period increased by 15.8% to USD 25.6 million or a margin of 16.6% of sales, up from 14.0% twelve months ago. Earnings per share were thus USD 10.47 after USD 9.06 at the end of the first quarter 2023.

## **Cash flow and balance sheet**

INFICON increased its operating cash flow in the reporting quarter to USD 22.5 million, up from USD 15.3 million a year ago. Inventories are still high. The strong receivables collection, however, led to an overall lower working capital of USD 215.6 million, down by USD 4 million compared with last year's first quarter. The balance sheet remains robust as underlined by a higher net cash position of USD 54 million and a strong equity ratio of 69.8% after 64.9% a year ago.

## **Web conference**

INFICON discusses its first quarter 2024 results in more detail **today at 09:30 a.m. CEST** in an English-language web conference. You can access the web conference via the following links: <https://www.inficon.com/web-conference>

The presentation is available from 07:00 a.m. in the investors' area of the INFICON website [www.inficon.com](http://www.inficon.com).

## **Communication Calendar**

The communication calendar of INFICON is continuously updated and available online in the Investors' section of the INFICON website [www.inficon.com](http://www.inficon.com) or directly at <https://ir.inficon.com/financial-calendar/>

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