Conference Call H1 2026

Transcript

(August 6, 2026)

Note

This transcript was prepared based on the Conference Call held on August 6, 2026, by SUSS MicroTec SE on the occasion of the publication of the Half-yearly financial Report 2026. The transcript may not provide a faithful record of the discussion due to technical reasons.

The names of the analysts and investors have been made anonymous. Questions and comments immaterial to the discussion, for example by the operator or coordination after a lost connection, have been removed for improved readability. All other content has only been edited for filler words and inconsistencies. SUSS has added hints to the slides discussed in the Conference Call.

The following transcript contains forward looking statements. While these statements represent our judgement on the development of SUSS at the time of the Conference Call, they are subject to risks and uncertainties that could cause actual results to differ materially. SUSS does not intend or accept any obligation to publish updates of these forward-looking statements.

Call Participants

SUSS MicroTec SE

Burkhardt Frick
CEO & Member of Management Board

Dr. Cornelia Ballwießer
CFO & Member of Management Board

Dr. Thomas Rohe
COO & Member of Management Board

Sabrina Müller
Vice President Investor Relations & Communications

Other Participants

Operator

Analysts and Investors of SUSS MicroTec SE
Questions by Analysts and Investors are highlighted in light grey.

Presentation

A presentation was shown during the conference call. The presentation is published at **www.suss.com** in the "Investor Relations" section.

Conference Call H1 2026

Operator: Ladies and gentlemen, welcome to the conference call of SUSS MicroTec following the publication of the half year figures of 2026. I would like to welcome the company's CEO, Burkhardt Frick; the CFO, Dr. Cornelia Ballwießer; the COO, Dr. Thomas Rohe; and the Vice President, Investor Relations and Communications, Sabrina Mueller, who will guide us through the presentation in a moment, followed by a Q&A session via audio line and chat.

And with that, I hand over to you, Ms. Mueller.

Sabrina Müller: Thank you, and welcome to our conference call following the publication of our Half-yearly financial Report 2026. Before we start, please note that this call is being recorded and considered as copyrighted material. It cannot be recorded or rebroadcasted without permission, and participating in this call implies your consent to this procedure. Please be also aware of the safe harbor statement on Page 2 of the slide deck. It applies throughout the call. And with that, I'll now hand over to Burkhardt to to guide you through our results for the first half year.

Slide 5: H1 2026 at a glance: Record Order Intake of 410.0 million in the first six months

Burkhardt Frick: Thank you, Sabrina. And also, a very warm welcome from my end. Let's start off with an overview of the key financials for 2026. Order intake of €410 million was very strong. Q2 alone contributed to €260 million. Distribution of demand was across all product lines but dominated by coaters. More than 40 coaters were booked in May and June alone. The biggest driver was a single order of approx. €115 million for one customer who will significantly scale advanced packaging capacity. This customer also serves the biggest foundry in Taiwan.

Revenue compared to the first half of 2025 is down €63.8 million. But first half 2025 was also the best first half year performance of the company in its history. On profitability, the gross profit margin is well on track at 37.2%, slightly ahead of the guidance corridor of 35 to 37%. On EBIT margin, which is below strong achievements of 2025, but improving. Second quarter EBIT margin was at 9%, up from 4.3% in Q1, and clearly demonstrates higher sales volume improve EBIT margin significantly.

Slide 6: Key CEO Messages

Burkhardt Frick [cont.]: Now some key messages. I'll start with the market outlook and the demand situation. There are significantly increased predictions for the semiconductor industry. SEMI raised the outlook for the wafer fab equipment to $144 billion versus December estimates of $126 billion. SUSS also profited from achieving record order intake in Q2. Our visibility for 2027 is improving quickly. We note strong orders for the current tool generations, which provide stability and do not cannibalize demand for next-generation tools. Current investments building on existing process of record tools.

On the segments, ABS collected orders from all product lines. Imaging and bonding also contributing in absolute terms. However, with coating as the strongest product category. Photomask Solutions recorded lower sales after particularly slow order intake in the second half of 2025. Now a couple of key developments: Our new application center officially was communicated, and Thomas will talk about it later. We also managed to launch our first panel level scanner, which is now at a customer site. That was achieved by a very strong effort of the team. Customer will use it to develop the CoPoS process.

On guidance, we confirmed the guidance this morning. Gross profit margin already well within range, EBIT margin improving with rising sales levels, an acceleration of sales expected for the second half.

Slide 7: Segment Overview H1 2026

Burkhardt Frick [cont.]: Now the segment overview, and I spare you the tables which have been kind of publicized this morning. I'd like just to highlight a few things on the 2 segments. On Advanced Backend Solutions, our order intake improving strongly with coating business as a major driver. Segment sales, we show a solid performance also compared to strong first half 2025 numbers. We launched the first UV projection scanner, which is a first panel level tool at a customer site. For Photomask Solutions, our order book increased in the second quarter with continuing strong demand from China. Sales still shows the effect of a weak second half of order entry in 2025. Gross profit margin for Q1 is a major driver. Q2 is lagging due to lower cost coverage.

Slide 8: Order Intake: significant acceleration in Order Intake driven by strong demand for existing solutions

Burkhardt Frick [cont.]: Now let's have a look at our order intake development. The bar shows the quarterly order intake per segment, and I'd like to highlight 3 points here.

- First, we achieved a major customer order from Taiwan in the second quarter. This represents €115 million for coaters, for a Taiwanese advanced packaging customer. And it's a strong validation of our market position and customer commitment to capacity extension. Our technology is well aligned with customer road maps. Even excluding this order, the second quarter is still at a very strong level.
- Second, we have a demand for existing solutions. The momentum is driven by the existing portfolio. Broad demand across product lines is noted. Market environment supports repeat orders on proven solutions and provides strong starting position for our portfolio refresh and new launches.
- Thirdly, in the first half of 2026, the order intake performance, we had a third consecutive quarter of sequential growth. We noted the Q1 momentum carried into Q2. The first half year order entry is €410 million. This is already above full year level of financial year 2025 after only six months.

This is a clear acceleration of customer investment activity, and the order book is enhancing our visibility, as you will see on the next page.

Slide 9: Order Book: Strong Order Intake improves visibility for 2027 significantly

Burkhardt Frick [cont.]: Here, I'd like to dive into our order book development and the visibility of the order book, which we show here for the first time in such a great detail. The outset point is the record high order book. The order book reached a new all-time high of about € 474 million at the end of first half. A direct result of a strong order intake momentum over recent quarters. It equals a significant expansion compared to historic levels, and it reflects increasing customer commitment as well as long-term project visibility.

Secondly, strong revenue coverage for financial year 2026. Around €240 million of the current order book is expected to convert into sales in the second half of 2026. This provides a high degree of visibility for the rest of the year and our 2026 guidance confirmation and supports execution confidence plus planning reliability. Thirdly, we now have improved visibility for the fiscal year 2027. Here, I'd like to make an important note. Please be aware that the figure presented for 2027 is based on the current order book and currently scheduled delivery dates. It does not represent management guidance or revenue forecast for fiscal year 2027.

Approximately €220 million already scheduled for delivery in the fiscal year 2027 out of this order book, which is an early increase of visibility for expected revenue conversion into 2027. This highlights long-term customer investment and is a strong starting position entering the next fiscal year. Finally, it creates greater predictability and supports sustainable growth. And with that, I'd like to hand over to Cornelia.

Slide 11: Order Book: Strong Order Intake improves visibility for 2027 significantly

Dr. Cornelia Ballwießer: Thank you, Burkhardt. And also, a warm welcome from my side to all of you. I will focus on a few key financial and operational messages for first half year 2026.. Overall, sales of €202.8 million for the first half of 2026 were the result we expected. Q1 was a weaker quarter in terms of sales, and Q2 already showed the expected improvement in the level of €160.2 million. Gross profit was 25.5% lower than in the previous year and in line with the lower revenue level. The gross profit margin was 37.2%, slightly below the prior year level. This is, of course, also influenced by product and customer mix effects. In addition, profitability was affected by a one-time charge of €2.1 million related to the withdrawal of a product. This product has been already discontinued as a part of our portfolio optimization. Therefore, it is no longer utilized or sold and consequently was expensed in full through the income statement.

Operating expenses, that means selling expenses, general administration expenses and R&D expenses. This OpEx increased only slightly overall by €0.3 million. Because of lower business volume, selling expenses were lower due to lower freight costs. R&D expenses, on the other hand, were higher to support our launches. And for the first half of the year, R&D expenses increased by €1.6 million to a total of €24.9 million. G&A expenses were at the prior year level.

EBIT, and consequently EBIT margin, was clearly below prior year due to less business volume and consequently less gross profit and quite unchanged OpEx level. In addition, a negative foreign currency impact of €1.5 million is reflected in this figure. Free cash flow was positive with €16.4 million and profited from a positive operating cash flow, thanks to the working capital reduction and a lower CapEx level compared to last year due to investments in our Taiwan site in Zhubei. That represents also a very strong improvement compared to last year. The free cash flow was negative after the first 6 months CapEx remained low following substantially higher spendings in the previous year for our facility in Zhubei. This year, we had only minor items for Taiwan. Most of the spending this year was related to German sites for infrastructure and demo tools.

Slide 12: Q2 2026 delivered significantly higher sales and profitability than Q1

Dr. Cornelia Ballwießer [Cont.]: And now let's move to the development of our main financial KPIs for the second quarter. In Q1, we indicated that the order level for Q2 could be above the first quarter. This expectation clearly materialized, with SUSS achieving the highest order intake per quarter in its history. We already highlighted the high coater order in Q2. But even without this order, we would have booked a significant order intake only slightly below the first quarter level. This shows that the overall demand was still very high.

In terms of sales, Q1, as we expected, was the turning point. Sales level in Q2 have been higher, and with a rising level of sales, the fixed cost coverage improved. With €202.8 million of sales of the first half of the year, we are well on track to meet the guidance corridor. This implies that the second half of the year will have higher sales level.

Gross profit margin. With this higher sales level in the second quarter, gross profit margin improved. For the first 6 months of the year, we achieved a gross margin of 37.2%, slightly above our full year guidance corridor of 35% to 37%. But as already mentioned, also the product and customer mix will have an impact on this expected margin.

On EBIT level, we also see the expected development with a higher EBIT margin in the second quarter. Higher sales levels support the cost coverage, so the EBIT margin in Q2 was already at 9% after 4.3% in the first quarter. All in all, the EBIT margin is not yet within the guidance corridor after the first 6 months. Based on the information currently available, including our expectations for sales in the product and customer mix in the second half of the year, we continue to expect an EBIT margin in the range of 8% to 10%, in line with our guidance.

Slide 13: Strong order intake and rising sales in Advanced Backend Solutions

Dr. Cornelia Ballwießer [Cont.]: Let's have a quick look at the segments. The momentum of the 2 segments differed in the second quarter. ABS had very strong order intake, sales and gross profitability. Photomask Solutions still showed good gross profitability, while cost coverage of OpEx was not as good as in the first quarter. In Advanced Backend Solutions, sales came back strongly. We already explained one-off effect of €2.1 million is fully attributable to the segment. Overall, the product mix still benefited from a strong sales contribution of the bonding solutions product line. Also, the higher sales level improved cost coverage, which led to an EBIT margin of 12.1% in the second quarter and to an EBIT of €8.3 million and EBIT margin of 5.6% in the first half of 2026. This clearly indicates the turnaround in the ABS segment after 2 quarters with a negative result.

Turning to Photomask Solutions. Order intake in the second quarter slowed down. Sales were below prior year levels. Please keep in mind that due to the high unit price and comparatively low equipment volume, timing shifts in projects can lead to noticeable impact on short-term trends in sales and in profitability. Gross profit margin came in at 39.5% in Q2. While lower than the strong 43% reported in the first quarter, margins remain robust and continue to reflect the strong profitability profile of the Photomask Solutions segment. And compared to the slightly higher sales level of Q3 last year, we achieved a higher gross profit margin over Q2 of this year. EBIT margin in Q2 amounted to 12.4%, reflecting lower fixed cost coverage compared to prior year quarters.

Importantly, our R&D activities and other strategic projects are progressing according to plan and are reflected in OpEx and consequently in EBIT and EBIT margin.

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Slide 14: Quarterly Order Intake and Sales by Region: America and EMEA pick up volume

Dr. Cornelia Ballwießer [Cont.]: Now to the regional split of order intake and sales. As you can see, the increase in order intake in the first half of 2026 was particularly strong in the Americas and APAC, but EMEA was strong too. In America and EMEA, the push for localized production is now starting to translate in tool orders. And now, in terms of order intake, America was the region with the strongest growth in order intake. The order intake of the first half from America was 14.1% of total order intake. That compares against 9.5% of total order intake in the first half 2025.

In EMEA, order intake also increased, but not as strongly as in the other regions. In our most important region, Asia Pacific or APAC, we also had a significantly higher order intake. The share of the total order intake for the first half 2026 was 75.5%. In 2025, the share was 76.7%. So the share of APAC in relative terms was almost stable. Within APAC, the relative share of the order intake from China decreased. In H1 2025, it was 30.2%. In the first half year of 2026, it came down to 22.4%. However, the order intake from China, in absolute terms, increased to €69.4 million in the first half of 2026.

And now a short look on sales. While sales revenue in Americas and EMEA grew, we see a decline in APAC if we compare the first 6 months of 2026 to 2025. This is the result of the digestion phase after the initial ramp we had there. APAC's share of total sales revenue was around 75% in the first half of this year after 84% last year. EMEA's share of sales was 10% and America was 15%, after 6.4% and 9.7%, respectively.

Slide 15: Rising Cash and Cash Equivalents due to positive Free Cashflow

Dr. Cornelia Ballwießer [cont.]: And now let's have a look to the most important balance sheet developments. Overall, total assets expanded by €45.1 million or 8.9%. The changes in the noncurrent assets were immaterial. The changes in the positions almost cancel each other out. In current assets, we had an increase of €45.6 million, mainly related to inventories, with a plus of €10.7 million due to higher work in progress. And we had also an increase in contract assets with a plus of €14.1 million and cash and cash equivalents with €13.6 million. The positive free cash flow in the amount of €16.4 million in the first half resulted in an increase of the cash and cash equivalents up to €112.3 million.

Slide 16: Increase in current liabilities as part of working capital

Dr. Cornelia Ballwießer [cont.]: And now on the liability and equity side. In the first half of 2026, equity increased due to net income and OCI by €10.6 million. The equity ratio, however, declined from 62.2% to 59% due to increased total assets. Noncurrent liabilities remained at the same level as of December 31, 2025, and amounted €75.5 million end of June 2026. Current liabilities increased by €33.1 million or 28.1%. The main driver was higher contract liabilities resulting from increased customer advance payments, particularly in connection with the stronger China business. Contract liabilities rose by €33.8 million. And with that, I would like to conclude the financial review and hand over to Thomas, who will provide further insights into our planned application center as well as an update on the upcoming products introduction.

Slide 18: The new application center: a strategic investment into innovation and future growth

Dr. Thomas Rohe: Yes. Thank you very much, Cornelia, and good afternoon to everyone. As we have already announced during the Capital Market Day in November last year, we want to build a new application and R&D center. Let me briefly explain why this project is important for SUSS. This investment is not about adding capacity. It is about creating the foundation for the next phase of innovation, talent acquisition, customer collaboration and long-term growth.

The new application and development center will serve as an innovation hub. By locating the facility in Karlsruhe, close to the Karlsruhe Institute of Technology, abbreviated with KIT, we gain direct access to one of Europe's leading research environments. The location improves our access to highly qualified talent. The proximity to KIT and our planned involvement in academic research create an attractive environment for engineers and semiconductor specialists and support our long-term growth ambitions.

The country of Baden-Wuerttemberg also sponsors a professorship in the field of advanced packaging and heterogeneous integration to support not only SUSS, but also the city of Karlsruhe to generate a center of excellence for wafer equipment development. The project will allow us to relocate parts of R&D and application activities from Sternenfels to Karlsruhe.

Finally, the center will strengthen collaboration with our customers. Modern application facilities are becoming increasingly important as customers and equipment suppliers work together to develop and qualify next-generation manufacturing processes. We view Karlsruhe as a strategic investment in the future of SUSS. It supports innovation, strengthens our talent base, enhances customer engagement and creates the foundation for sustainable growth in the years ahead. Planning activities are progressing well, and subject to the relevant approvals, we expect the facility to be completed in 2028.

Slide 19: Upcoming new product introductions – initiating next growth phase

Dr. Thomas Rohe [cont.]: This leads me to our product road map. As you can see on the slide, we are progressing with a broad range of new product introductions across both segments over the coming years. Some of these developments have already reached important milestones, while others continue to move through the final stages of development and customer qualification. As is typical for highly complex semiconductor equipment programs, time lines can evolve as we work closely with customers to ensure performance and process requirements are fully met.

Looking at the road map as a whole, these programs represent an important refresh of our portfolio and are designed to address key technology trends, particularly in advanced packaging and in heterogeneous integration. Our objective remains unchanged: to strengthen our technology position, expand the applications we can address and create additional growth opportunities over the coming years. While the commercial contribution of individual products may vary from year-to-year, we believe this next generation of solutions will support the continued development of our business well beyond 2027. With that said, I would like to hand back to Burkhardt for the outlook. Burkhardt?

Slide 21: Strong order intake continued – clear path to achieving our goals for 2026

Burhardt Frick: Thank you, Thomas. Just a quick recap. We have already booked €202.8 million of sales, and now we have a record order book of €473.7 million. This gives us confidence that we will meet the guidance for the full year. And as we said from the start of the year, 2026 will be a transition year. Q1 marked the low point. Q2 already shows the improvement we expected.

Slide 22: Transition year 2026

Burhardt Frick [cont]: Therefore, we confirm the guidance today. Sales range of €425 million to €485 million. We see a broadly stable gross profit margin of 35% to 37%, but a decline in EBIT margin of 8% to 10% compared to the previous year. The expectation is the second half stronger for the year. But like Cornelia said, the window for orders that convert into sales for 2026 is closing. And with that, I'd like to open the floor for questions.

Q&A-Session

Analyst 1: My first question is on the order intake. If you exclude the €115 million of coating order in Q2, orders were still €146 million. It was €149 million in Q1. I'm just wondering if you should see that kind of range as a reasonable indication of the underlying quarterly demand run rate for H2 as well, or that maybe we should expect more considering the launch of a new equipment, and a new equipment cycle in H2, like wafer cleaning, photomask cleaning and so on.

Burkhardt Frick: Thank you for the opening question. I mean of course, you see how our single big orders can create quite spikes in the order entry. So of course, these things are hard to predict. But the levels we achieved before were, as you said, but we are not guiding the forward-looking order entry, as a lot of things can still happen. We see different effects of maybe pull-ins and order entries. Therefore, it's very difficult to guide that.

Analyst 1: So beyond the large OSAT order that you got in Q2, how broad is the improvement in coating and imaging demand across AI packaging applications in general? And are you seeing similar capacity requirements from other OSATs potentially in the future?

Burkhardt Frick:, Most of these orders are in context with AI application. Of course, we see less – at this point in time, less bonder orders and much more OSAT-related orders, which are for the packaging space, but they're also driven by AI activity.

Analyst 2: I just had one on the exceptional coater order. Just curious whether you could talk a bit more about what drove that exceptional order. I think, is this like a set of stand-alone spin coaters? Or is it like sort of full coat and develop tracks? Yes, just what have been really the conditions that drove this order? And I mean, if we think about coaters, I think I've got it in my notes, it was like roughly around 16% of sales in 2024. This €115 million order is already 24%, I guess, of the backlog. So, it looks like it's a much higher base rate going forward. So yes, some color on the coater activities would be very helpful.

Burkhardt Frick: Yes. Well, that's a good question. I think we mentioned earlier that this is in context with the large Taiwanese foundry. And the orders we are receiving, as I also mentioned, are for existing products we have, which are a substantial part of process records of those customers. And they are kind of increasing significantly their capacity. And therefore, we see these orders because we are the qualified tool of record there. So it is indeed for spin coaters, the different variants of spin coaters, different configurations. But all of these orders are for existing records and existing processes, which are being scaled up as we speak. And we see this at this large one order, but we see similar developments also with other coating customers of ours.

Analyst 2: A final question on margins. I mean for the full year, it seems a bit conservative. I think, obviously, first half year didn't realize that higher volume, higher sales, depressing a bit the operational profits. But I mean, we should see a significant step-up from here forward. What would sort of event would have to happen in the second half for the full year to land inside your range? I mean, also for the EBIT guidance, 8 % to 10%, you're already at 9% in Q2 at only €116 million of sales. So I mean, with a significant step up, what would sort of be the incremental drop-through, not only for H2 2026, but looking beyond that as well?

Kommentiert [SM1]: ?

Burkhardt Frick: Yes, I can start answering this before I hand over to Cornelia. But as we said when we put out this guidance, we see this dip. And this dip is created by much lower order entry activity of 2025. So this has been anticipated, and this is actually now materializing. We also said that we keep our high burn rate for R&D activities going because we want to launch all these new products. So therefore, the spend level is high.

Now if the top line drops and as predicted, obviously the margin drops with that as well. So, this is all within the anticipated range. The order entry activity now, of course, dilutes the picture a bit. That's also why we clarified a lot that the big part of the orders we are collecting, especially since the second quarter onwards, are already for next year. They will not help us to get the topline up. The answer to your question, what needs to happen to improve the margins? Well, in the current constellation, it's a higher topline, but that's something we don't see happening this year. But Cornelia might want to add something more fundamental.

Dr. Cornelia Ballwießer: I think you mentioned all what we have to say to this because the OpEx will slightly increase, I would say, in the second half, but this is all planned. And of course, we're in a transition year. And yes, with less volume compared to prior year or what we expect in future in our long-term plannings, of course, EBIT margin cannot reach that high because of the lack of cost coverage. And as Burkhardt said, we do not stop our projects, whether the R&D projects nor other projects we have on our table and what we want to do. For example, digitalization projects like S/4HANA and some others. We will not stop.

Analyst 3: I'll start with a follow-up on the guidance. If I look at implied H2, we talk about a good €220 million to a good €280 million. Obviously, you showed that slide, I think, which was €240 million for a backlog conversion in H2, so I think lower end is not really an option anymore. And you said, let's say, the window for 2026 is closing, but it didn't sound like it was entirely closed. So maybe to give us a little more of a context, what could make you moving higher within the range? Is it rush orders? Is it, let's say, services which are not yet reflected in the backlog? So, a bit more colour here would be helpful. And then also on, let's say, your availability by product line. I guess, for coaters, you're now pretty much sold out for a couple of quarters after the major order. Maybe a quick idea on also what is your, let's say, available delivery windows for the other products.

Burkhardt Frick: Yes. I mean you are trying to connect the dots, obviously, which makes good sense here. Now a lot of things can still happen. We don't have many production slots available anymore to build additional machines than the ones we already have planned. We have a few shorter lead time machines, but it's very rare that we can get a big surprise order still delivered this year. Of course, service orders and these things can make a small imprint here. But also, even if we get 1 or 2 more orders in, there's also a chance that some orders are being pushed out. So therefore, we want to be cautious here and not overpredict. But I think with the granularity we provided, I think you can pretty much estimate where we think we end up.

The second question was on the coaters. We have these record order entries for spin coaters, and they are for 200- and 300-millimeter coaters. We already started building the capacity in parallel, not only in our Taiwan site, but also in our German site. Both sites are capable to build this product. So, we are now using the operational flexibility we have to build these things in parallel. So far, we can handle this high demand. But yes, we do see that getting parts is becoming also an issue. But so far, I think we can confirm the orders we have received.

Analyst 3: Great. And one more on the new products, where you also had one slide included. Obviously, we're moving closer and closer to, let's say, more launches of those new products. Being fully aware, it's a number of things and a complex topic still. Maybe a few words on the progress in terms of discussions with customers, qualification processes and where you would say probably are the biggest chances for nearer-term orders in the product lineup.

Burkhardt Frick: Yes. For some of these products, we already have orders. We have to get them out. So that's the challenge we have. The mid-end cleaner, for example, is one of these examples which we are launching this year. That will be the second new product launch, and not only launch, but also shipment this year. There, we have already a number of orders and customers eagerly expecting those machines, and we are building the first couple of machines in the second half of this year. But maybe Thomas wants to comment further.

Dr. Thomas Rohe: Yes. For sure, the situation is completely different for each and every tool which we develop. So, some are, as Burkhardt said, in the phase where we already have orders on hand, which we have to fulfil in short term. Others are still partially in discussion with customers, and others are on the way to be – to get finished in the next year. And when we ship one to the customer, we have always to keep in mind that the tools are in the first step qualified at the customer for the process. This means in this phase also, we have deep discussions with customers about minor improvements or even bug fixes or whatever, so that we have all phases of the product development in our portfolio. And this really brings us in next year also in future, let's say, stress to get all these tools up and running at the customer site, but we are prepared for this. And so, it makes us very optimistic to launch all the products we have in our portfolio plan.

Analyst 4: Congratulations on the strong order intake, especially. First question is on the product mix next year. I mean, seeing that coaters might deliver disproportionately high contributions in 2027, doesn't that represent a headwind on the gross margin level next year? How do you see that?

Burkhardt Frick: No, I can also imagine that if you can build at that scale, it also has a positive margin impact. But coaters, as you know, Malte, they're kind of in the middle of the margin spectrum of our portfolio. They are not pulling us down significantly or lifting us up. They're kind of average. In that sense, it will not move the needle negatively, for sure not. So – but we still are looking if we can gain some volume effects by very large material orders. In a world where also supplies are tightening, it's a hit and miss here. But I think the sheer volume allows us also to build and scale.

Analyst 4: Okay. That's good to hear. And is the application linked to the TSMC outsourcing of CoWoS to OSATs in Taiwan?

Burkhardt Frick: That's a good guess, yes. We have not mentioned the customer, but I guess your guess is as good as mine.

Analyst 4: Okay. Then gross margin for 2026. I mean you have come up at the upper end of the guidance range for the end of first half. Utilization will be somewhat better in the second half of the year. We have seen in the second half of last year, quite disappointing, with lower gross margin levels in Q3, Q4. Do you see the risk for such a decline in any of the quarters? Or how do you feel about the mix in your order backlog for the second half of this year?

Burkhardt Frick: No, I think we will stay in that range. That's also why, although we were pushed to positively adjust our guidance, we are reluctant to do so because we see similar mixes, similar effects as we had before. So that's why we stick to this guidance, and we think this is well advised.

Analyst 4: Yes. Okay. Then on temporary bonders, how do you assess the Korean customer to place orders in the second half of the year? Do you think that is – do you see that? Do you have any visibility on that? Do you think that this will happen? Or is that something that might get postponed until 2027?

Burkhardt Frick: Yes. So far, we haven't seen this happening or developing. And we have to see because we have a strong share in HBM3E mix, and we must see how the product mix will look like. But we don't see current momentum from that particular customer.

Analyst 4: Okay. And do you think this is because the customer has sufficient utilization? Or do you see potential competition getting orders?

Burhardt Frick: I think it's a mix of both factors because especially that customer, there is quite significant competition. But it's about the process records, which are changing as we speak. And we, of course, try to stay in this process record.

Analyst 4: Then in terms of the new products, I mean, you have talked about quite a couple of product launches this year, and you seem to be on track. When do you think these might – or will come through at order intake level to a greater extent? Will that start early next year so that order intake will benefit from a pilot ramp, volume ramp at certain customers?

Burkhardt Frick: I have to give you an "it depends"-answer to your question because for the mid-end cleaner, we already have quite a significant number in the high single digits of POs. So that is already kind of starting to ramp at least in order intake. The other products we talked about, we, of course, see now the initial machines being ordered or being installed at customers. And we have a couple of those coming in the second half as well and early first quarter of next year.

And as Thomas already said, I mean, these are initial systems, which often go through a verification, qualification phase at launching customers. And then after that, and that can be a period of 6 to 12 months, then you will get follow-up and volume orders. Sometimes even earlier than that, depends how eager those customers want to move or if they want to first see validation data, real hard production data. So we - so to answer your question, I think it's – we will see something in the first half of next year, but then I think more in the second half of next year.

Analyst 4: Last one on lead times. Do you think that coater production spots – slots will extend lead times also for the other products? Or how do you expect lead times to progress towards the end of the year and early 2027?.

Dr. Thomas Rohe: I expect no changes on our lead time. We are prepared right now for huge order intakes to really manage them with the same lead times as before. We are prepared for this with our flexible workforce, with our supply chains. For sure, we see actually some minor or some problems rising in our supply chain because of the huge demand. But on our side, we are prepared for this, and we can really stick to the lead times which we promised to our customers.

Analyst 5: On the guidance, just to follow-up to make sure that I understand that correctly. So basically, the order backlog, is that including service? So the shippable backlog of €240 million for the second half of the year.Would that mean this is now with services? Or would you see that 15% service business on top?

Dr. Cornelia Ballwießer: It is with service.

Analyst 5: So then it would be wrong to assume that in second half, we will, depending on the revenue level, to assume service business on top. That's already reflected.

Dr. Cornelia Ballwießer: Yes. No, it's already included in our guidance and also in the order book as far as we have orders for service.

Analyst 5: And then on the comment regarding that the order window basically closed, or the shippable order window closed for 2026. I remember historically you said, "Yes, the orders you receive the first 2 quarters, it will be turned into revenues." But this comment has shifted some time last year, particularly with the Taiwanese fab, in the sense that early part of the Q3 orders could be still turned into revenues. What is your stance between these two statements today? Do you think July and August orders can be still shipped? Or would you, from today's perspective, exclude this?

Dr. Thomas Rohe: I would say, as Burkhardt said even before, it depends. It depends on the tool type which are ordered for sure. We can still really manage to take some orders for easier or simpler tools which have a shorter lead time. For those, we can still accept some orders for this year. But for bigger tools, more complicated tools, also with a more complex supply chain, it takes more time. And for those tools, the window is really closed right now.

Analyst 5: And what about temporary bonder, debonder and the scanner tools? Is that more shorter lead time products or...

Dr. Thomas Rohe: These are also long lead time items. Half year is minimum. So, if there would be, let's say, a really very urgent demand for a tool, okay, we can perhaps think about this, but this will not happen. Normally, it does not happen.

Burkhardt Frick: And those slots are already taken because, especially for those products, we have orders on hand which we are executing and that took the available slots. There's very little additional you can book, then that's also why we stick to the guidance.

Analyst 5: Well, but your first – first half revenues plus the €240 million gives you €445 million, whereas the market is around €475 million, €480 million. So, the top end of the guidance range rather than midpoint or low end. That was what I was trying to sense a bit how you think about.

Burkhardt Frick: Yes. I think the market judgment is a bit driven by previous assumptions that anything which you book before the end of June, as you said yourself, we can convert. Especially in the second quarter, we got these large orders, which have a large portion in 2027. So this old rule of thumb we used, doesn't work anymore. And I think this also has to be more or less put into estimates of the analysts.

Analyst 5: And then this question was also asked, but again, to just make a little bit sure that we understand the business dynamics. If you strip out the large order, the €115 million, then the quarterly order run rate was, for the first half, something around, yes, €145 million versus last year, around €90 million quarterly run rate. And looking now into the second half of the year, why would – or what needs to go wrong that the order – quarterly order run rate of first half would deteriorate materially towards the run rate we have seen last year, below €100 million or around €90 million?

Burkhardt Frick Yes. Well, again, this is a glass ball question. For example, just assume for one second that customers order early. They placed orders in Q2 they would've placed otherwise in Q3 or Q4. If that assumption is correct, then orders for the second half can be well lower. We don't know. We do see an ongoing strong momentum for the running quarter. But this time I will not be led to make an estimate if we will beat our previous quarter because it will get increasingly difficult. And I'm not taking that gamble.

But – so we don't know if customers have placed orders early, they otherwise would've placed in towards the end of the year in anticipation of equipment or parts shortage. Until we haven't really understood the dynamic well enough, it will be too early to estimate future intake run rates. You see how we jumped out of our usual patterns just in the recent two quarters. I think it will be super exciting what's happening in the next few quarters. But we see currently still a very strong demand signal.

Analyst 5: Okay. Sustained momentum into Q3, so to say. And then final question on China. What we're hearing is that Chinese foundries are increasingly shifting capacities to AI-related products because there's clearly the willingness that in AI chips, the capacity needs to rise and supply needs to support the AI ambitions there. So which basically tells me that demand is quite strong for new capacity buildup in China. Your Photomask business was, in terms of order entry, not really as strong in this quarter. But what is your general view for China? Do you think demand prospects have accelerated versus Q1? Or yes, what is your view there or the signals you are getting?

Burkhardt Frick: Yes. I think we already saw that the Chinese activity did pick up in the last two quarters compared to expectations, and that momentum can even increase further. Now for Photomask business, of course, these orders, usually they are large orders and few. So large in single order size, but then they are scattered over sometimes months and quarters. So, it's difficult to predict. But we do see a positive momentum out of China, which also could result in business opportunities for us. We will see this in the second half of the year more clearly. But it's too early to make a prediction there. But I, in general, share your assessment.

Analyst 5: And then final one, sorry, I forgot that. Cornelia, you mentioned during your presentation a one-off expense. I'm not sure if I got the number correct. Was it €2.4 million?

Dr. Cornelia Ballwießer: It was €2.1 million.

Analyst 5: And it was related to an older project you discontinued or what and in ABS segment, right?

Dr. Cornelia Ballwießer: Yes, ABS segment, it's a recall of a product that we removed from our product portfolio. Last year in the context of optimizing our product portfolio. And that is what it is. We take – we have it back and we booked it in full through P&L because it's no longer in our portfolio, and we will not sell it or refurbish it or whatever.

Analyst 5: And that was in Q2, right?

Dr. Cornelia Ballwießer: Yes.

Investor 1: My questions are mostly answered, but two follow-ons. First, on temporary bonding. Maybe you can explain a little bit more follow-on on the question of Malte. What's his answer regarding to your largest customer in the temporary bonding from the three memory guys? And how much maybe it could be affected by this technology change or that maybe development at this customer you mentioned? And how is the development at the two other players in HBM and at the memory side, especially the one maybe you had maybe seen a chance to enter, which was a closed shop in the past.

Burkhardt Frick: Yes. Let's start with the last one, which is the second Korean customer. We booked an order in early Q1. We delivered the system, I think, towards the end of Q2. And I think another one is in the pipeline. So this is too early to see how well this will result in follow-up business. So we have – yes, we wait for feedback and results because, of course, R&D has to comment and also on operations before we see significant shares there. But the good news is: we are in with our hardware there, which was quite a long struggle to be there.

The other customer, which is the non-Korean one, of course, we are heavily engaged there with all kinds of ramp and optimization activities. We are currently increasing the throughput of those lines by using the existing footprint because if there's no space to put in more machines, then you need to make sure you have measures to improve the output of the installed base. And that's what we are focusing on right now because that customer will have a new site, but this is not ready before beginning of next year. We are now involved in a lot of optimization activities to increase the yield and the throughput of our installed base machines. Plus where we – where there are slots and spaces available at that customer, we will also install additional machines in the second half of the year.

Investor 1: And there's this third customer from Korea, the third one, you have been also a strong position in the past, a part which had still machines bought and couldn't it utilize in the past, how has the development going on there?

Burkhardt Frick: Yes, the utilization goes up. But as I said before, we don't – we haven't received significant follow-up business. We got a couple of machines, but not, I would say, real substantial volume orders. So that can be a mix of both, still available capacity and new processes we are currently not qualified for.

Investor 1: Last question from my side. On the wafer cleaner, maybe you talked a lot about the mask cleaner part, but what about the wafer cleaner? How is the process there? Update us when maybe you will launch the first product and where you see maybe some broader launch of the product. Will it be second half next year?

Burkhardt Frick: Well, it's – I think, first of all, we have the first machine running in our application center in Sternenfels. We have received the first hardware. We are now in a phase where we run our internal validation, plus we are testing customer wafers and use it internally. We were planning to ship out the system in the second half of the year, but we decided to keep it internal to optimize the performance before we get it out. And therefore, customers are coming to our site and running the wafers there. Next year, we want to ship the first system. Also, we want to launch the development of the 300-millimeter version of the wafer cleaner because the current one is a 200-millimeter system.

Investor 1: Really final point. What about pricing? We heard from other semiconductor equipment companies that they partly intend to increase their prices because others, the supply chains, do you see maybe the one or other price increases. Is it also the case for you? How you think about pricing? And if yes, how pronounced could price increases be?

Burkhardt Frick: Yes, I will quote you there. We partially intend to increase our prices. So where we can, of course, we do this. Usually, you cannot just simply raise prices and cite a shortage or inflation for things. But where we have solid grounds to raise the bar, we will do that. Usually, customers expect new products, new features, and then that's the best way to set a new price. You can do some adjustments based on higher material costs or other aspects, and we do this every time we have a chance to do so. And – but of course, new products will give you more room to raise the bar.

Operator: Well, thank you very much. And with no further questions online, we come to the end of today's conference call. Thank you very much for your interest in SUSS MicroTec. And for a successful remaining day, I wish you all, and I'm handing over for some closing remarks back to Sabrina Mueller.

Sabrina Müller: Yes. Thanks a lot, and thanks to the audience for joining our conference call. And if further questions arise, pleasedo not hesitate to contact us, the IR team, and we wish you a nice rest of the day, and bye-bye.

End of the Conference Call