

**INDEPENDENT AUDITOR'S REPORT
PURSUANT TO ARTICLE 14 OF LEGISLATIVE DECREE No. 39 OF JANUARY 27, 2010
AND ARTICLE 10 OF THE EU REGULATION 537/2014**

**To the Shareholders of
SAES Getters S.p.A.**

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of SAES Getters S.p.A. (the Company), which comprise the statement of financial position as at December 31, 2020 and the income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at December 31, 2020, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union and the requirements of national regulations issued pursuant to art. 9 of Italian Legislative Decree no. 38/05.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements applicable under Italian law to the audit of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Impairment test on investments

Description of the key audit matter

The Company booked investments and other financial activities for Euro 128,230 thousand as of December 31, 2020.

As required by IAS 36, the Directors, in the presence of indicators of a possible write-down of the values, carried out an *impairment test* to determine whether the investments are recorded in the financial statements at a value not higher than their recoverable amount. In consideration of this, the Directors proceeded to carry out a verification of the recoverable value of the investments held in Saes Coated Films S.p.A. (booked at a value of Euro 17,486 thousand as of December 31, 2020), SAES Rial Vacuum S.r.l. (Euro 1,614 thousand), SAES Getters Korea Corporation (fully impaired during the current year).

The Company estimated the recoverable amount by determining the present value of the future cash flows expected based on the explicit period of three years, corresponding to the business plan 2021–2023 approved by the Company's Board of Directors on January 21, 2021, for each business and its related investments in subsidiaries. Regarding the CGU Solutions for Advanced Packaging CGU, whose operating sector was introduced more recently than the others, the explicit period was extended for two additional years. The Directors also determined a *terminal value*, assuming a zero g-rate and a time horizon deemed representative of the duration of the various businesses. As a result of the *impairment test*, an impairment loss has been recorded for the investment in SAES Korea Corporation for Euro 184 thousand.

The Directors, also, point out that the expectations of the effects of the Covid-19 pandemic on the performance of the various sectors and, consequently, on the estimates of the future cash flows of the investments and joint ventures are still subject to a high degree of uncertainty and will be subject to constant monitoring in the coming months, also for the purpose of identifying possible future impairment losses. In this context, the Directors deemed appropriate to increase the WACC for those investments that during 2020 were most impacted by the Covid-19 pandemic.

The valuation process made by the Directors is complex and based on assumptions concerning, among others, the forecast of expected cash flows of each of the above-mentioned companies and the determination of an appropriate discount rate (WACC) and long-term growth rate (g-rate).

The most important key assumptions in determining the expectations of the future cash flows are:

- sales forecasts by Business Area/product family/client;

- prices and margins trend;
- cost of goods sold (including cost of materials) by product family;
- production costs, operating expenses and investment plan;
- discount rates.

Future expectations and market conditions influence these assumptions.

In consideration of the significance of the investments in subsidiaries reported in the financial statements, the subjectivity of the estimates related to the determination of cash flows and other key of the impairment test, we considered the *impairment test* on investments in subsidiaries as a key audit matter of SAES Getters's financial statements.

Paragraph 16. "Investments and other financial assets" report the disclosure on the *impairment test*, including a sensitivity analysis performed by the Directors.

Audit procedures performed

As part of our audit, among other procedures, we have carried out the following, also with the support of experts:

- review of the methods adopted by the Directors for the determination of the recoverable value of the investments in subsidiaries and analysis of the methodology and assumptions used on the *impairment test*;
- understand the methodology used by the Directors on the *impairment test* and examination of its compliance with the referenced accounting principles;
- understand the Company's relevant internal controls relevant to the *impairment test* process;
- analysis of the reasonableness of the key assumptions underlying the cash flows determination, also considering the possible effects of the Covid-19 pandemic, through information obtained from management;
- analysis of the actual figures compared to the plans in order to assess the nature of the deviations and the reliability of the planning process;
- analysis of the reasonableness of the discount rate (WACC), long-term growth rate (g-rate) and assumptions used for the *terminal value* (TV) determination;
- review of the mathematical accuracy of the model used to estimate the recoverable value of the investments in subsidiaries and of the correct calculation of the book value of the asset subject to *impairment test*;
- review of the Directors' sensitivity analysis.

Further, we also examined the adequacy of the disclosure provided by the Company on the *impairment test* and its compliance to IAS 36 requirements.

Responsibilities of the Directors and the Board of Statutory Auditors for the Financial Statements

The Directors are responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the European Union and the requirements of national regulations issued pursuant to art. 9 of Italian Legislative Decree no. 38/05 and, within the terms established by law, for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they have identified the existence of the conditions for the liquidation of the Company or for the termination of the operations or have no realistic alternative to such choices.

The Board of Statutory Auditors is responsible for overseeing, within the terms established by law, the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (ISA Italia) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with International Standards on Auditing (ISA Italia), we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control;

- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors;
- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance, identified at an appropriate level as required by ISA Italia, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence applicable in Italy, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and, where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report.

Other information communicated pursuant to art. 10 of the EU Regulation 537/2014

The Shareholders' Meeting of SAES Getters S.p.A. has appointed us on April 23, 2013 as auditors of the Company for the years from December 31, 2013 to December 31, 2021.

We declare that we have not provided prohibited non-audit services referred to in art. 5 (1) of EU Regulation 537/2014 and that we have remained independent of the Company in conducting the audit.

We confirm that the opinion on the financial statements expressed in this report is consistent with the additional report to the Board of Statutory Auditors, in its role of Audit Committee, referred to in art. 11 of the said Regulation.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**Opinion pursuant to art. 14, paragraph 2 (e), of Legislative Decree 39/10 and art. 123-bis, paragraph 4, of Legislative Decree 58/98**

The Directors of SAES Getters S.p.A. are responsible for the preparation of the report on operations and the report on corporate governance and ownership structure of SAES Getters S.p.A. as at December 31, 2020, including their consistency with the related financial statements and their compliance with the law.

We have carried out the procedures set forth in the Auditing Standard (SA Italia) n. 720B in order to express an opinion on the consistency of the report on operations and some specific information contained in the report on corporate governance and ownership structure set forth in art. 123-bis, n. 4 of Legislative Decree 58/98 with the financial statements of SAES Getters S.p.A. as at December 31, 2020 and on their compliance with the law, as well as to make a statement about any material misstatement.

In our opinion, the above-mentioned report on operations and information contained in the report on corporate governance and ownership structure are consistent with the financial statements of SAES Getters S.p.A. as at December 31, 2020 and are prepared in accordance with the law.

With reference to the statement referred to in art. 14, paragraph 2 (e), of Legislative Decree 39/10, made on the basis of the knowledge and understanding of the entity and of the related context acquired during the audit, we have nothing to report.

DELOITTE & TOUCHE S.p.A.

Signed by
Carlo Laganà
Partner

Milan, Italy
March 26, 2021

This report has been translated into the English language solely for the convenience of international readers.