Group results

VAT accelerates organic growth in orders and sales in 2025, delivering record free cash flow and proposing a 12% increase in dividends, establishing readiness for AI-led semiconductor ramp.

Significant AI capex driving record WFE spend in 2025
After several quarters of sluggish growth in 2024, the semiconductor industry saw a shift to building out leading-edge capabilities, in particular for gate all around (GAA) chip architecture in logic and high bandwidth memory (HBM) in DRAM-memory in 2025. Hyperscaler capex of over USD 400 billion in 2025, up from about USD 230 billion in 2024, to expand AI-capable data center capacity has driven unmatched demand for high-performance chips. This has resulted in supply constraints in the availability of leading-edge chips. With a fivefold or more increase in DRAM prices and the ability of memory to improve AI performance, there has been a new-found focus on memory as a strategic asset rather than a commodity.

Net sales
in CHF million

1,074

2024: 942

Overall front-end investments in wafer fab equipment (WFE) saw significant growth in 2025 after plateauing in 2023 and 2024, up around 10% to a record USD 115 billion driven by the build-out and equipping of fabs and China's ongoing self-sufficiency measures. Logic-related WFE spend increased by 14%, and memory is estimated to have grown 17%, driven by DRAM-related upgrade investments. NAND growth was higher, albeit from a low starting base. Chinese WFE spend declined by about 5 percentage points and represents approximately 31% of global WFE. VAT's core product application areas, deposition and etching, have seen growth of around 10% and 24% respectively, representing together a combined volume of approximately USD 49 billion or around 40% of total WFE.

Asia and semiconductors remain key drivers of VAT's growth
From a geographical perspective, VAT continued to see robust growth in Asia, with direct sales to Chinese customers growing by 24% year on year. China represented 32% of total sales compared to around 30% in 2024. Sales to Asian customers outside China grew by a similar degree up 23% year on year, contributing over 40% of VAT's sales. VAT's overall market share in semiconductor and semiconductor-related vacuum valves remained at around 70%.

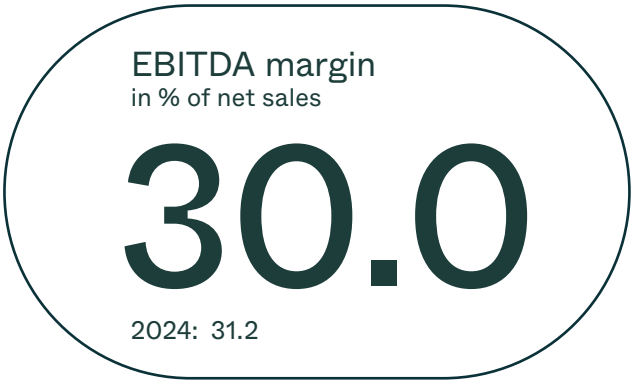
In the Valves segment, full year 2025 orders were down 4% year on year but sales increased by 13%. In the Semiconductors business unit, demand in the markets saw a shift from the prevailing build-up of Chinese manufacturing infrastructure in the first half of the year to the build-up of AI-related infrastructure in the second half when several hyperscalers globally announced increases in their planned investments in AI-related data centers. In displays, the market was driven by ongoing investments in OLED IT (mid-size display technology). VAT solidified its strong market position

and secured significant valve orders for major fab investments in China, focusing on the key technology of OLED evaporation, etch and deposition.

Advanced Industrials displays mixed picture, Global Service benefits from higher fab utilization
Our Advanced Industrial business unit was faced with mixed markets. While politics resulted in academic budget cuts amounting to over USD 2 billion, especially in US research on high-energy physics applications, demand from other regions increased. Scientific instruments staged a rebound as inventories were digested. Industrial coating applications returned to a growth trajectory, and automotive-linked businesses showed resilience. Demand for valves required for solar panel manufacturing remained flat. However, in conjunction with the AI infrastructure build-out, the energy deficit is becoming more apparent, and demand for alternative energy generation technologies is increasing.

In the Global Service segment, which generates over 90% of its revenue in the semiconductor market, sales increased 19% to CHF 199 million. Fab utilization increased continuously during the year and is currently estimated to be close to 100% in DRAM, and above 80% in the advanced logic foundry chip market. NAND remained behind in utilization rates and services but showed signs of recovery in the fourth quarter of the year.

Next generation of chip architecture in development with customers while VAT maintains its technology leadership position
VAT's innovation focus serves both as a differentiator for customers and a barrier to entry. As a collaborative partner, VAT co-develops components and sub-systems with customers. In 2025, VAT spent a record CHF 75 million or 7% of sales in innovation and product development, a 22% increase in line with our ambition of further increasing our technology leadership. VAT achieved a record of 150 specification wins (up 14%), a strong indication of our future growth prospects, as they usually convert into revenues in the next 2 to 5 years. Spec wins also serve as proof of VAT's customer intimacy and proximity. Around 50% of the specification wins were generated in leading-edge applications and around 20% in Adjacencies. VAT continued to push the boundaries of technology in collaboration with its customers, launching products in the gas inlet, wafer conditioning and high-performance pressure control area.



Ramp readiness is established ahead of a structural market uplift
As the semiconductor industry is looking forward to a ramp in demand for wafer fab equipment in the coming years, VAT ensures that this can be satisfied, and remains committed to using its proven flexible operating model to provide a 30%-plus quarter-on-quarter ramp capability. VAT established its second plant in Penang and inaugurated its new facility in Arad, Romania, which acts as an internal supplier.

2025 results reflect the technology build-out and establishment of AI ecosystem
Total orders amounted to CHF 1,033 million, flat year on year but up 6% like for like. This reflects a shift in the mix from legacy equipment to leading-edge, as well as regional shift as companies in the US, Japan, and Korea increase their investment activity. Depleted customer inventory levels were re-stocked again towards the end of the year ahead of ramp-up activity in the coming quarters. At year-end, VAT's order backlog amounted to CHF 304 million, down 18% reflecting our strong execution over the course of 2025.

Group sales amounted to CHF 1,074 million, up 14% year on year and up 20% like for like. In the Semiconductors business unit, sales increased by 15%, as drivers such as increasing vacuum content and vacuum intensity shifted the mix. In Global Service, sales grew 19% year on year amid a sharp increase in utilization rates. Sales in the Advanced Industrials business unit were up 5% due to a slowdown in demand in end-markets such as nuclear enrichment and solar, which could not be compensated for by recovery in other markets such as research and scientific instruments.

Gross profit[1] increased by 9% to CHF 682 million. Gross profit margin[2] for the year decreased to 64% from 66% a year earlier, as the reversal of the working capital build-up of 2024 and unfavorable FX movements more than offset the ongoing operational efficiency gains.

VAT increased EBITDA to CHF 322 million. The EBITDA margin however, declined by 1.2 percentage points to 30.0%. Efficiency gains, operational execution measures and the higher share of products from Malaysia were offset by higher R&D expenditure, and the negative effects of inventory reduction. The volatile FX situation, primarily in the US dollar against the Swiss franc, had a positive impact of about 0.7 percentage points on the 2025 EBITDA margin.

VAT's EBIT amounted to CHF 273 million, up 9%, while the EBIT margin decreased by about 1.2 percentage points to 25.4%. Below the EBIT line, VAT's net financial result of CHF minus 15 million reflects net foreign exchange losses on financing activities. Earnings before taxes (EBT) increased 2% to CHF 257 million and the effective tax rate remained around 17%. Net income was flat at CHF 214 million, and EPS amounts to CHF 7.15 per share. On December 31, 2025, VAT's net debt came to CHF 107 million, representing an unchanged leverage ratio of around 0.3 times.

VAT generates substantial free cash flow and supports an attractive total shareholder return
Cash flow from operating activities increased to CHF 299 million (up 24% versus 2024), while capex was CHF 68 million (up 23% on 2024). The capex to net sales ratio was slightly above 6% for the year, an increase of 0.5 percentage points.

At year-end 2025, net trade working capital amounted to CHF 273 million, approximately 13% lower than at the end of 2024. This represented 25% of net sales, an 8-percentage-point decline versus 2024, when the introduction of the new ERP system had resulted in higher safety stock and finished goods availabilities, which were managed down during 2025.

As a consequence, free cash flow reached a record of CHF 230 million and the free cash flow conversion rate was 72% of EBITDA.

At the Annual General Meeting on April 28, 2026, VAT's Board of Directors will therefore propose a 12% dividend increase to CHF 7.00 per share for the fiscal year ending December 31, 2025. This is in line with the company's stated dividend policy and represents a payout of 93% of VAT's 2025 free cash flow to equity.

Free cash flow
in CHF million

230

2024: 183

1 Gross profit: net sales minus cost of materials plus/minus changes in inventories of finished goods and work in progress
2 Gross profit margin: gross profit as a percentage of net sales

Segment results: Valves

VAT's Valves segment designs and delivers the company's entire range of high-precision vacuum valves for ultra-high-vacuum environments. The segment comprises two business units: Semiconductors, serving the semiconductor industry and high-end flat-panel displays; and Advanced Industrials, for customers in a variety of advanced vacuum-process industries including scientific research, scientific testing, nuclear fusion, uranium enrichment, and coatings for solar photovoltaic markets and other industrial applications. The Valves segment operates manufacturing facilities in Switzerland and Malaysia, with sales, product development, and engineering support in all major markets.

In 2025, demand in the semiconductor markets saw a shift from the prevailing build-up of Chinese manufacturing infrastructure to the ramp-up of leading-edge chips, mainly used for artificial intelligence (AI) related applications. Hyperscalers globally invested around USD 400 billion in new AI-dedicated data centers, up nearly 80% year on year. While the investment in data centers was initially focused on the relevant land and buildings, the build-out of technology and networking equipment started later in the year. This had a notable impact on the pricing of memory, especially DRAM, where demand for high-performance memory and tight capacity resulted in supply issues. These conditions are likely to persist, as meaningful extra memory production capacity will only come online in 2026 and 2027.

In addition to these trends, overall investment activity was impacted by geopolitical volatility, with trade conflicts and restrictions adding uncertainty to the prevailing international trading regime. However, as opposed to last year, chip manufacturers, especially in the second half of 2025, were

Key figures: Valves

In CHF million	2025	2024	Change
Order intake	821.0	858.1	–4.3%
– Semiconductors	675.9	713.4	–5.3%
– Advanced Industrials	145.2	144.7	0.3%
Net sales	874.7	774.7	12.9%
– Semiconductors	724.7	632.2	14.6%
– Advanced Industrials	149.9	142.5	5.2%
Inter-segment sales	77.2	68.1	13.3%
Segment net sales	951.8	842.8	12.9%
Segment EBITDA	284.4	266.3	6.8%
Segment EBITDA margin	29.9%	31.6%	–
Segment net operating assets	919.7	901.5	2.0%
of which net trade working capital	236.9	278.8	–15.0%

able to start addressing the necessary capacity build-outs, and major capex announcements followed in late 2025.

The Advanced Industrials business unit recorded a mixed performance. The business with research institutes had a strong 2025, driven by projects awarded in multiple regions. Investments in fusion continued at a good rate. Scientific instruments returned to growth after excess inventory was managed down. Similarly, industrial coatings also returned to growth in 2025. SiC substrate manufacturing also showed signs of recovery over the course of 2025 in line with the underlying auto industry. Finally, power generation saw mixed results: the solar market had already performed poorly in 2024 and the trend continued into 2025. Uranium enrichment projects, which fueled demand in late 2024, also slowed in anticipation of a new investment cycle scheduled for 2027.

Maintaining manufacturing readiness for our clients
Semiconductors is VAT's largest business unit, accounting for approximately 70% of the group's total sales in 2025. With the shift in underlying trends, sales accelerated by 15%, resulting in orders of CHF 676 million and sales of CHF 725 million. This positive development was driven by growth in leading-edge applications for memory and logic in the second six months, and from Chinese customers continuing their self-sufficiency efforts in the first half. There was a noticeable acceleration in orders, especially in late 2025. Working closely with our customers in the space, the business unit is working toward providing ample manufacturing capacity. With the completion of Malaysia Plant 1B, the gradual build-up of capacity continued in 2025, with record output levels of CHF 400 million achieved over the course of the year. With over 1,000 people working in Malaysia, a doubling of capacity to reach the target output of around CHF 1.2 billion is on track, demonstrating VAT's ramp readiness. In the summer of 2025, VAT inaugurated its third operational hub in Arad, Romania, which serves as an internal supplier.

Innovation remains a key driver of growth
In 2025, specification wins increased by 14% over 2024 to 150. These wins represent new contracts that will convert into new sales in the years to come. The Semiconductors business unit recorded important wins, not only in customer projects focused on the further scaling-down of node sizes, but also in adjacent products in areas where VAT is already present: deposition, etching, and lithography. VAT continued optimizing its supply chain for high-volume products in 2025 to ensure strategic supply chain security for its customers, and the build-out of capacity in Malaysia continues to give our customers efficiency and flexibility, reliability and certainty.

Advanced Industrials stages recovery in 2025, but not all end-markets are equal
The Advanced Industrials business unit serves a wide variety of customers with vacuum-based technologies. In 2025, the business unit achieved net sales of CHF 150 million, up 5% on the previous year. This development in sales was due to a slowdown in demand in end-markets such as nuclear enrichment and solar, which could not be offset by the recovery of other markets such as research, scientific instruments, industrial coatings, and SiC. Order intake was flat versus 2024 at CHF 145 million, impacted by the lumpy nature of project business.

Review of 2025 performance
Total orders in the Valves segment came to CHF 821 million in 2025, down 4% on the previous year. This was due to adverse movements in the underlying FX rates. Net sales reached CHF 875 million, an increase of 13% versus CHF 775 million in 2024. The segment reported EBITDA of CHF 284 million, up 7% from the year before, and a segment EBITDA margin of 32.5% versus 31.6% in 2024. There was a positive mix effect, with operating leverage offsetting adverse foreign exchange movements.

Market outlook for 2026
The 2026 market outlook for the Valves segment is positive.

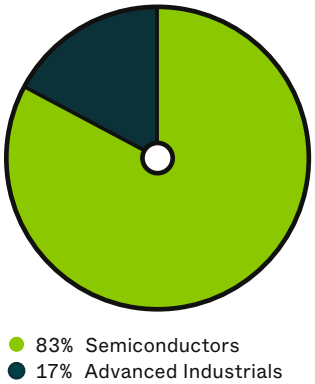
Capital spending in semiconductor manufacturing is expected to continue to improve during the year and potentially accelerate further in the second six months as leading-edge fabs built in 2024 and 2025 receive equipment to start manufacturing at volume.

In logic, GAA manufacturing technology will see volume production ramping during the course of the year. This requires new equipment that is currently being produced and delivered. In memory, the supply tightness affecting HBM chips has led to the repurposing of DRAM plants in 2025 to manufacture these higher-value chips. The increasingly dramatic supply tightness now requires new capacity to be built in 2026 to avoid impacting the supply chain negatively for consumer products. In NAND, there are signs emerging of similar market capacity constraints and similar dynamics are expected – especially as AI starts moving towards inference processes which are memory intensive. In displays, OLED is becoming the prevalent standard, requiring significant investment in new production lines. Finally, in ADV, fusion customers remain promising, but industrialization is only expected after 2030. Expectations for scientific instruments have been scaled back slightly, but growth remains on track. Uranium enrichment is likely to be stronger again in 2026, as significant government investments in restoring capabilities are expected.

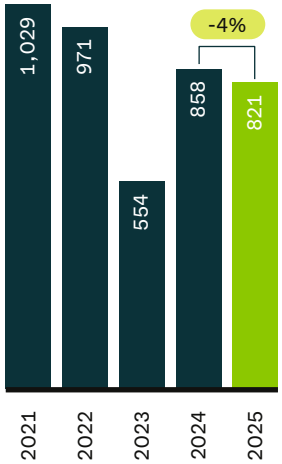
Valves segment

Net sales by business unit

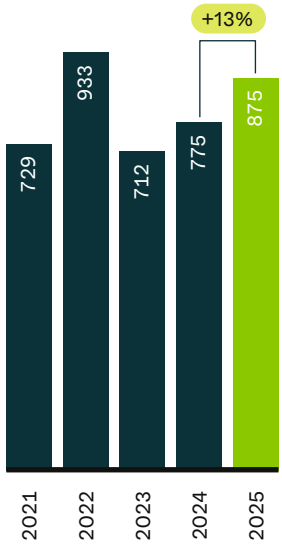
The Valves segment comprises the two business units Semiconductors and Advanced Industrials.



Order intake
in CHF million



Net sales
in CHF million



Segment results: Global Service

VAT's Global Service segment focuses on OEM and end-user customers and is an important part of our business proposition to our customers. It offers products and provides customers with original spare parts, valve maintenance and service, sub-fab installations, and technical support and training. It also helps customers improve the performance of their equipment with customized product upgrades and retrofits. The key drivers of VAT's Global Service sales are still the installed base of VAT valves, fab utilization, and fab inventory levels.

Global Service saw a return to order growth already in late 2024, and the trend continued in 2025 on the back of higher utilization rates at semiconductor manufacturing facilities. Especially in the DRAM memory space, utilization is now close to 100%, and downtime, for both preventative maintenance and upgrade work, is kept to a minimum. With logic fabs installing new manufacturing technology such as GAA, there is initially less demand for servicing. Lower service activity is also being observed in NAND. Subfab installations, not a core VAT product area, saw a decline in orders and sales in line with the timing of the fab construction process, where equipment is only purchased once the shell has been built.

VAT Global Service offers our customers four key differentiators that enable us to grow with them. Firstly, our market and technology leadership means that parts continue to deliver the high performance expected. Further differentiating us from competitors is our know-how, maintained with the help of record levels of R&D in particle performance, the materials used, and our tight control of the process. Our local footprint puts us close to our end-user customers, ensuring short transportation distances and allowing VAT to work with local providers for additional services such as decontamination or coating.

Key figures: Global Service

In CHF million	2025	2024	Change
Order intake	212.0	175.1	21.0%
Net sales	198.8	167.5	18.7%
Inter-segment sales	–	–	–
Segment net sales	198.8	167.5	18.7%
Segment EBITDA	90.7	63.6	42.7%
Segment EBITDA margin	45.6%	37.9%	–
Segment net operating assets	123.9	127.1	–2.5%
of which net trade working capital	35.7	33.9	5.4%

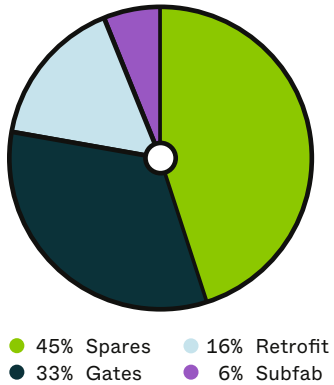
Review of 2025 performance
Orders in the Global Service segment increased 21% year on year to CHF 212 million. Net sales grew by 19% to CHF 199 million. The increase in orders and sales was predominantly due to higher demand for both gates and spares, in line with an increase in utilization rates to nearly 100% at DRAM memory fabs. Retrofit activity remained flat, with an uptick in orders especially in the last quarter of 2025, which is in line with the trends seen in the broader market. EBITDA increased by 43% to CHF 91 million versus CHF 64 million in 2024. The EBITDA margin increased to 46% in 2025 compared with 38% a year earlier, reflecting the favorable mix of consumables and spare parts in the sales portfolio.

Market outlook for 2026
With DRAM fab utilization rates running at high levels and slated to stay just as high into 2027, VAT Global Service expects the operating environment to remain favorable and support strong demand for consumables and spares. With NAND markets expected to follow suit as AI shifts to interference, additional growth is expected. Logic fabs are in the process of upgrading to GAA and leading-edge technology, which could additionally drive demand in the retrofit business. VAT is also innovating around the service offering, offering faster servicing keeping downtime to a minimum.

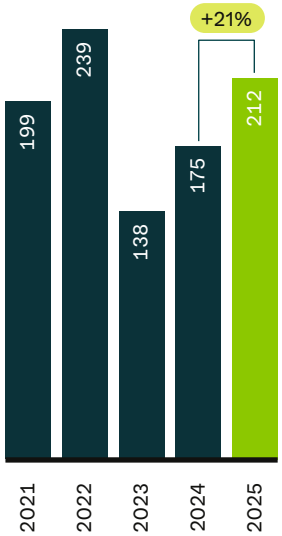
Global Service segment

Net sales by business unit

The Global Service segment comprises the four business units Gates, Spares, Retrofit, and Subfab.



Order intake
in CHF million



Net sales
in CHF million