Half-Year Report 2025

Empowering your tomorrow

We are celebrating 60 years of inspiring technology

60 years of VAT

Key figures

In CHF million	6M 2025	6M 2024	Change
Order intake	489.4	506.7	–3.4%
Order backlog	293.8	345.6	–15.0%
Net sales	558.0	449.6	24.1%
Gross profit	365.2	298.4	22.4%
Gross profit margin	65.4%	66.4%	–
EBITDA	165.0	135.3	22.0%
EBITDA margin	29.6%	30.1%	–
EBIT	142.0	113.8	24.8%
EBIT margin	25.4%	25.3%	–
Net income	105.6	94.0	12.3%
Net income margin	18.9%	20.9%	–
Earnings per share (in CHF)	3.52	3.14	12.9%
Cash flow from operating activities	94.4	66.3	42.4%
Capex[1]	42.1	40.0	5.3%
Capex margin	7.5%	8.9%	–
Free cash flow[2]	50.7	26.3	92.8%
Free cash flow margin	9.1%	5.8%	–
Free cash flow conversion rate[3]	30.7%	19.4%	–

In CHF million	2025 as of June 30	2024 as of June 30	Change
Total assets	1,357.4	1,248.0	8.8%
Total liabilities	663.1	589.2	12.5%
Equity	694.3	658.7	5.4%
Net debt	261.9	230.8	13.5%
Number of employees[4]	3,406	2,983	14.2%

1 Capex: acquisitions of subsidiaries net of cash, purchases of property, plant and equipment, and intangible assets and proceeds from sale of property, plant and equipment.
2 Free cash flow: cash flow from operating activities minus cash flow from investing activities.
3 Free cash flow conversion rate: free cash flow as a percentage of EBITDA.
4 Number of employees expressed as full time equivalents (FTE).

Net sales
in CHF million

558

2024: 450

Free cash flow
in CHF million

51

2024: 26

EBITDA margin in %

29.6

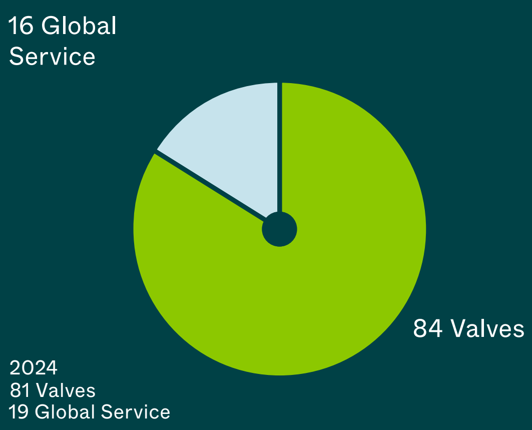
2024: 30.1

EBITDA
in CHF million

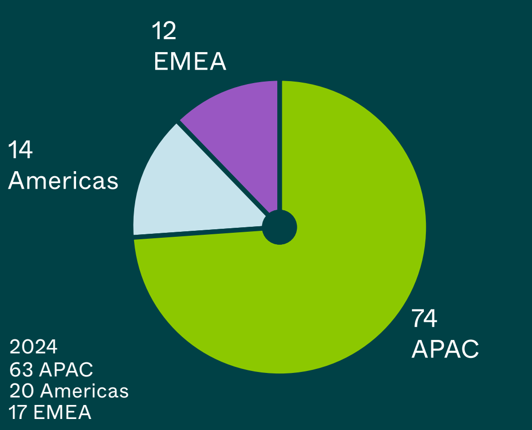
165

2024: 135

Net sales by segment in %



Net sales by region in %



Strong top line growth in the first six months of 2025 despite continued global uncertainties

Q2 2025 summary
The trend in demand for VAT products seen in the past quarters continued. As a result, orders increased 3% sequentially in Q2 2025 despite ongoing global uncertainties surrounding global trade tariffs, geopolitics and a general lack of certainty about when the high-volume manufacturing of 2nm/GAA architecture chips will start. On a constant FX basis, orders grew 10% sequentially to CHF 268 million. Positive sentiment was fueled by continued significant investment announcements by major fab operators, as well as commitments by hyperscalers to invest in AI infrastructure. Chinese order patterns remained strong, highlighting an accelerated drive to self-sustainability. Year-on-year orders were down 1% at constant FX and 9% down at actual rates.

In the Valves segment, Q2 2025 orders were down 2% sequentially versus Q1 2025 while sales increased 1%. Semiconductors orders were down 11% over the same period, a year earlier, but sales increased by 23% thanks to strong backlog execution, despite the increased uncertainty. This uncertainty is also expressed in our customers' demands for shorter lead times for VAT products to manage the expected future ramp in fab investments.

In Advanced Industrials, the quarter saw orders and sales decrease both year on year and sequentially quarter over quarter. These declines were driven by lower orders from the power generation sector, slower business from US academic research institutes facing funding cuts, and limited activity in the coating business. This more than offset the benefit of a major spec win in scientific instruments, a large order for an advanced module confirming the success of adjacencies outside semiconductor applications as well. Overall Q2 orders were down 18% sequentially and 6% year on year; sales declined 15% and 10% respectively.

Q2 Global Service orders were flat year on year as fab utilization rates remained elevated throughout the quarter. Sequentially however, orders were up 23% as all subsegments grew on ongoing initiative by fabs to increase ramp readiness. Segment sales were up 12% sequentially but down 3% year on year. In consumables sales were slightly down year on year in Q2, but demand from Chinese customers remained strong. Utilization rates supported growth in spares and repairs for the quarter. In retrofits and upgrades, VAT has several projects in the pipeline, which should see approval in H2 2025. Sales in the sub-fab business were up slightly. However, in Q2, retrofit orders and sales declined substantially year on year in anticipation of upgrading activity toward H2 2025.

As a result, total Group orders in the second quarter amounted to CHF 248 million, increasing sequentially by 3% on Q1 (10% at constant FX), but 9% lower than in the same quarter in 2024 (down 1% at constant FX). Net sales increased 3% quarter on quarter (10% at constant FX) and 13% year on year (22% at constant FX) to CHF 283 million, which is above the midpoint of the guidance range of CHF 260 to 290 million.

Six-month 2025 summary
During the first six months of 2025, VAT's total order intake amounted to CHF 489 million, a decrease of 3% compared with the levels seen the previous year (flat at constant FX); all business units saw a lower order intake. At CHF 558 million, net sales were up 24% on last year (28% at constant FX), with all business units showing a positive development.

Orders in the Valves segment decreased 3% during the first half of 2025 versus 2024 amounting to CHF 400 million. Net sales were 29% higher at CHF 467 million, the result of strong order backlog execution. The

Semiconductors business unit saw orders fall 3% but sales increased 35% in H1 2025. In the Advanced Industrials business unit, orders in the first six months also declined 3% versus 2024, reflecting softer conditions across several ADV end-markets. Sales were up slightly by 1% to CHF 73 million.

The Global Service segment reported orders of CHF 90 million, down 5% orders year on year, while the segment's sales increased 5% to CHF 91 million. This development in sales reflects higher semiconductor fab utilization rates, which have benefited the consumables and repair business. Sub-fab activity also increased, while the upgrade and retrofit business was significantly down year on year.

Gross profit and EBITDA margins remain at high levels, albeit slightly lower than in 2024 on FX headwinds and ongoing inventory reduction

Gross profit[1] for the first six months of 2025 amounted to CHF 365 million, an increase of 22%. The H1 2025 gross profit margin[2] decreased slightly to 65% in 2025 from 66% in the same period in 2024 as adverse FX developments and increased sales from inventory over the last six months posted headwinds.

EBITDA for the first half of the year increased 22% to CHF 165 million. This reflects the significant top line growth in combination with operational measures, focused on productivity and cost improvements as well as continued investment in capacity and capabilities ahead of the anticipated technology transition. Commitments to clients concerning ramp readiness require VAT to retain production capacity and execution reserves, because of expected higher sales volumes, reducing some of the operating leverage realized. The net foreign exchange impact (including hedging and balance sheet revaluations) on EBITDA margin was negative by 1.6 percentage points for H1 2025, resulting in an EBITDA margin of 29.6% (31.2% at constant FX). EBIT for the first six months of 2025 increased 25% to CHF 142 million, the EBIT margin remained largely flat at 25.4% versus 25.3% a year earlier.

R&D expenses amounted to CHF 36 million or 7% of sales. VAT engineering teams reported 61 spec wins in H1 2025, an increase of 27% over the first six months of 2024. Most of these spec wins were achieved in the semiconductor related businesses in Valves and Global Service and about 20% in adjacencies.

Below the EBIT line, net financial costs amounted to CHF 12 million compared to plus CHF 1 million in H1 2024. The main reasons for this negative result were revaluation losses on cash balances and intercompany loans. The effective tax rate for the first six months of 2025 was 19% compared with 18% a year earlier.

Net income for the first half of 2025 amounted to CHF 106 million, 12% higher than in the first six months of 2024. This includes the impact of an overall increase in business activities, the negative financial results and the higher tax rate of 19% versus 18% a year earlier. EPS for H1 2025 amounted to CHF 3.52.

On June 30, 2025, net debt stood at CHF 262 million compared with CHF 231 million a year ago. The leverage ratio on a last-twelve-month (LTM) basis and measured as net debt to LTM EBITDA was 0.81x, slightly down from 0.84x a year earlier. This is in line with the normal seasonal pattern, which includes the dividend payment in early May. The equity ratio on June 30, 2025, was 51% compared with 53% on June 30, 2024.

Free cash flow commentary

Free cash flow in the first six months of 2025 was very strong, amounting to CHF 51 million, up 93% year on year, representing free cash flow conversion of 31% compared with 20% a year earlier. This is mainly the result of the higher EBITDA and reduced trade working capital requirements, measured as a percentage of sales. It improved by 4.8 percentage points to 31.2% during the first six months of 2025. Capital expenditures (capex) amounted to CHF 42 million, up 5% versus 2024. This represents 7.6% of sales in the first six months of 2025 compared with 8.9% a year earlier.

1 Gross profit is calculated as net sales minus costs of raw materials and consumables used plus/minus changes in inventory of finished goods and work in progress.
2 Gross profit margin: gross profit as a percentage of net sales

At the end of June 2025, VAT had 3,406 employees worldwide (measured as full-time equivalents, FTEs), representing an increase of around 420 FTEs, or 14.2%, compared with the end of June 2024.

Outlook: technological transition in 2025 will allow VAT to outperform the market
As communicated at the full-year 2024 results presentation on March 4, 2025, VAT expects investments in semiconductor manufacturing equipment to grow further over the course of 2025, albeit at a slower pace than originally anticipated. The installation and upgrading of new manufacturing tools related to leading-edge logic chips and high-performance memory chips requires significant capex on the part of chip manufacturers. Large chip manufacturers have recently announced or confirmed extensive capex plans for 2025 and beyond, which will enable them to build experience with low-volume production of leading-edge logic chips before moving to volume production over the course of 2026. In memory, fabs are moving rapidly to build high bandwidth memory (HBM) capacity, announcing the partial conversion of existing DRAM capacity. These technological transitions in memory are taking place across multiple applications and markets and require both green-field and upgrading activities. However, mixed signals prevail for NAND capacity expansion investments that have been further pushed out by major players.

Overall, global market research firms expect global WFE to grow by around 5% overall, putting it within a range of between USD 100 and 110 billion.

As the undisputed market and technology leader, VAT is uniquely positioned to outpace the anticipated market growth in 2025 and beyond. With its high market share in leading-edge applications, VAT expects to benefit extraordinarily from the ongoing technology shift. VAT has historically been strong in etch and deposition tools, so the forecasted changes in the WFE spend mix from a non-vacuum lithography to etch and deposition will contribute positively to VAT's growth. Finally, more and in particular more advanced process steps in vacuum are required to manufacture the smallest node structures of 2nm or less. In addition, VAT will continue to benefit from healthy demand in its direct business with Chinese OEMs, as China is working towards achieving higher grades of self-sufficiency in chip manufacturing.

While it is too early to determine the global economic impact of the most recent global tariff announcements, VAT estimates that the direct negative financial impact is non-material at this stage.

On this basis, VAT expects full-year 2025 orders, sales, EBITDA, EBITDA margin, net income, and free cash flow to be higher than in 2024; capex is now forecast at CHF 75 to 85 million.

Guidance for Q3 2025
VAT expects sales of CHF 255 to 285 million.

Key figures Valves

In CHF million	2Q 2025	2Q 2024	Change [1]	6M 2025	6M 2024	Change [2]
Order intake	198.3	221.5	–10.5%	399.8	412.3	–3.0%
– Semiconductors	168.2	189.6	–11.3%	333.2	343.9	–3.1%
– Advanced Industrials	30.1	31.9	–5.6%	66.6	68.4	–2.6%
Net sales	234.9	201.4	16.6%	467.2	363.5	28.5%
– Semiconductors	201.4	164.0	22.8%	394.1	291.2	35.3%
– Advanced Industrials	33.5	37.3	–10.2%	73.1	72.3	1.1%
Inter-segment sales	18.0	20.4	–11.8%	35.3	35.2	0.3%
Segment net sales	252.9	221.8	14.0%	502.6	398.7	26.1%
Segment EBTIDA				152.5	116.9	30.5%
Segment EBITDA margin [3]				30.3%	29.3%	–

Key figures Global Service

In CHF million	2Q 2025	2Q 2024	Change [1]	6M 2025	6M 2024	Change [2]
Order intake	49.4	49.4	0.0%	89.6	94.5	–5.2%
Net sales	48.0	49.7	–3.4%	90.7	86.1	5.3%
Inter-segment sales	–	–	–	–	–	–
Segment net sales	48.0	49.7	–3.4%	90.7	86.1	5.3%
Segment EBITDA				39.2	34.0	15.3%
Segment EBITDA margin [3]				43.2%	39.5%	–

1 Quarter on quarter
2 Year on year
3 Segment EBITDA margin as a percentage of Segment net sales

Consolidated income statement

January 1 to June 30 In CHF thousand	Note	2025 unaudited	2024 unaudited
Net sales	4, 5	**557,962**	**449,605**
Raw materials and consumables used		–202,775	–189,035
Changes in inventories of finished goods and work in progress		10,022	37,804
Personnel expenses	8	–139,280	–121,923
Other income		4,026	4,997
Other expenses		–64,974	–46,164
Earnings before interest, taxes, depreciation and amortization (EBITDA)[1]		**164,981**	**135,285**
Depreciation, amortization and impairment		–23,010	–21,526
Earnings before interest and taxes (EBIT)[1]		**141,972**	**113,759**
Finance income		430	4,338
Finance costs		–12,818	–3,534
Earnings before income taxes		**129,583**	**114,563**
Income tax expenses	6	–24,016	–20,567
Net income attributable to owners of the Company		**105,567**	**93,996**
Earnings per share (in CHF)			
Basic earnings per share		3.52	3.14
Diluted earnings per share		3.52	3.13

1 Interest includes other items as reported in the financial results.

Consolidated statement of comprehensive income

January 1 to June 30 In CHF thousand	**Note**	**2025** **unaudited**	**2024** **unaudited**
Net income attributable to owners of the Company		**105,567**	**93,996**
Other comprehensive income			
Items that will not be reclassified to profit or loss:			
Remeasurements of defined benefit obligations	10	10,943	6,469
Related tax	10	–1,565	–925
Subtotal		**9,378**	**5,544**
Items that are or may be subsequently reclassified to profit or loss:			
Changes in the fair value of hedging reserves		29,059	–14,204
Related tax		–4,359	2,047
Currency translation adjustments		–10,649	4,569
Subtotal		**14,051**	**–7,588**
Other comprehensive income for the period (net of tax)		**23,430**	**–2,044**
Total comprehensive income for the period attributable to owners of the Company		**128,997**	**91,952**

Consolidated balance sheet

In CHF thousand	Note	June 30, 2025 unaudited	Dec 31, 2024 audited
Assets			
Cash and cash equivalents		148,241	158,121
Trade and other receivables		158,328	141,056
Other investments, including derivatives	11	27,732	3,028
Prepayments and accrued income		9,931	5,604
Inventories		236,594	247,596
Current tax assets		2,537	1,996
Current assets		**583,363**	**557,402**
Property, plant and equipment		313,814	273,180
Investment properties		1,567	1,582
Intangible assets and goodwill		441,225	448,358
Other receivables		1,014	1,066
Other investments		5,970	3,942
Deferred tax assets		10,485	9,216
Non-current assets		**774,075**	**737,344**
Total assets		**1,357,438**	**1,294,746**

In CHF thousand	Note	June 30, 2025 unaudited	Dec 31, 2024 audited
Liabilities			
Trade and other payables		86,512	111,853
Loans and borrowings	9	202,982	2,440
Provisions		1,802	2,075
Derivative financial instruments	11	835	19,882
Accrued expenses and deferred income		62,211	59,250
Current tax liabilities		36,858	31,131
Current liabilities		**391,199**	**226,630**
Loans and borrowings	9	207,137	239,346
Other non-current liabilities		2,887	2,181
Deferred tax liabilities		40,670	40,898
Defined benefit obligations		21,225	31,814
Non-current liabilities		**271,919**	**314,240**
Total liabilities		**663,118**	**540,870**
Equity			
Share capital		3,000	3,000
Share premium		344	344
Reserves		–2,324	–16,376
Treasury shares		–10,132	–9,863
Retained earnings[1]		703,432	776,771
Total equity attributable to owners of the Company		**694,320**	**753,877**
Total liabilities and equity		**1,357,438**	**1,294,746**

1 Includes remeasurements of DBO and other reserves.

Consolidated statement of changes in equity

In CHF thousand	Share capital	Share premium	Hedging reserves	Translation reserves	Treasury shares	Retained earnings	Total equity
Equity as of Jan 1, 2024	**3,000**	**344**	**10,254**	**–17,824**	**–6,795**	**768,183**	**757,161**
Net income attributable to owners of the Company						93,996	93,996
Total other comprehensive income for the period attributable to owners of the Company			–12,157	4,569		5,544	–2,044
Treasury shares acquired					–4,232		–4,232
Dividend payment						–187,415	–187,415
Share-based payments (net of tax)					3,951	–2,707	1,244
Equity as of June 30, 2024, unaudited	**3,000**	**344**	**–1,903**	**–13,255**	**–7,076**	**677,601**	**658,710**

In CHF thousand	Share capital	Share premium	Hedging reserves	Translation reserves	Treasury shares	Retained earnings	Total equity
Equity as of Jan 1, 2025	**3,000**	**344**	**–10,033**	**–6,343**	**–9,863**	**776,771**	**753,877**
Net income attributable to owners of the Company						105,567	105,567
Total other comprehensive income for the period attributable to owners of the Company			24,701	–10,649		9,378	23,430
Treasury shares acquired					–2,840		–2,840
Dividend payment						–187,364	–187,364
Share-based payments (net of tax)					2,571	–921	1,650
Equity as of June 30, 2025, unaudited	**3,000**	**344**	**14,667**	**–16,992**	**–10,132**	**703,432**	**694,320**

Consolidated statement of cash flows

January 1 to June 30 In CHF thousand	**Note**	**2025 unaudited**	**2024 unaudited**
Net income attributable to owners of the Company		**105,567**	**93,996**
Adjustments for:			
Depreciation, amortization and impairment		23,010	21,526
(Profit)/loss from disposal of property, plant and equipment		–10	–29
Change in defined benefit obligations		354	–687
Net impact from foreign exchange		–151	5,103
Income tax expenses	6	24,016	20,567
Net finance costs		12,388	–804
Other non-cash-effective adjustments		1,586	928
Change in trade and other receivables		–28,556	–35,796
Change in prepayments and accrued income		–4,525	–5,446
Change in inventories		–1,490	–49,760
Change in trade and other payables		–18,005	19,905
Change in accrued expenses and deferred income		4,725	13,735
Change in provisions		341	188
Cash generated from operations		**119,251**	**83,425**
Income taxes paid		–24,812	–17,101
Cash flow from operating activities		**94,438**	**66,324**
Purchases of property, plant and equipment		–38,801	–35,647
Proceeds from sale of property, plant and equipment		10	58
Purchases of intangible assets and development expenditure		–3,340	–4,308
Interest received		425	756
Loans granted		–2,028	–839
Cash flow from investing activities		**–43,735**	**–39,980**
Proceeds from borrowings	9	195,000	140,000
Repayments of borrowings	9	–50,000	0
Repayments of lease liabilities		–1,506	–1,513
Purchase of treasury shares		–2,840	–4,232
Dividend paid	7	–187,364	–187,415
Interest paid		–2,150	–2,562
Other finance expenses paid		–321	–484
Cash flow from financing activities		**–49,181**	**–56,207**
Net increase/(decrease) in cash and cash equivalents		1,523	–29,863
Cash and cash equivalents at beginning of period		158,121	144,108
Effect of movements in exchange rates on cash held		–11,403	2,162
Cash and cash equivalents at end of period		**148,241**	**116,407**

Notes to the condensed consolidated interim financial statements

1. General information

General information
VAT Group AG (“the Company”) is a limited liability company incorporated in accordance with Swiss law. The registered office of the Company is Rütistrasse 4, 9469 Haag, Switzerland.

The condensed consolidated interim financial statements as at and for the six-month period ended June 30, 2025, comprise VAT Group AG and all companies under its control (together referred to as “VAT” or “Group”).

The Group develops, manufactures, and sells vacuum valves for the semiconductor, displays, photovoltaics, and vacuum-coating industries as well as for the industrial and research sector.

These condensed consolidated interim financial statements were authorized for issue by the Group’s Board of Directors on July 22, 2025.

2. Basis of accounting of half-year report

The consolidated interim financial statements of the Group are presented in a condensed form and have been prepared in accordance with IAS 34 “Interim Financial Reporting” and should be read in conjunction with the Group’s last annual consolidated financial statements as at and for the year ended December 31, 2024. They do not include all of the information required for a complete set of financial statements prepared in accordance with IFRS Accounting Standards. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance since the last annual financial statements.

In general, the sales of the Group are not subject to significant seasonal variations.

In preparing these condensed consolidated interim financial statements, management has made judgments, estimates, and assumptions that affect the application of the Group’s accounting policies and the reported amounts of assets, liabilities, income, and expenses. Actual results may differ from estimates. Estimates and underlying assumptions are reviewed frequently. Revisions to estimates are recognized prospectively. Important estimates and assumptions with related uncertainties primarily affect intangible assets and goodwill, property, plant and equipment, income taxes, post-employment benefits, and contingent considerations.

3. Material accounting policies

The accounting policies applied in these interim financial statements are the same as those applied in the Group’s consolidated financial statements as at and for the year ended December 31, 2024. There were no new IFRS Accounting Standards amendments or interpretations that became effective that had a material impact on the Company’s condensed consolidated interim financial statements.

A number of new accounting standards and amendments to accounting standards are effective for annual periods beginning after January 1, 2025, and earlier application is permitted. In 2024, IFRS 18 Presentation and Disclosure in Financial Statements was issued, which replaces IAS 1. IFRS 18 will apply for annual reporting periods beginning on or after January 1, 2027. The Group is still in the process of assessing the impact of the new standard, particularly with respect to the structure of the Group's statement of profit or loss, the statement of cash flows and the additional disclosures required for MPMs. The Group is also assessing the impact on how information is grouped in the financial statements, including for items currently labelled as "other". The Group has not applied the new or amended accounting standards early in preparing these condensed consolidated interim financial statements.

4. Segment information

The Group is divided into and managed on the basis of two segments: Valves and the Global Service segment. The segment information is presented as provided to the Board of Directors and the Group Executive Committee in their role as Chief Operating Decision Maker (CODM) and measured in a manner consistent with that of the financial statements. Sales between the segments are carried out at arm's length and are eliminated on consolidation.

Information about reportable segments

January 1 to June 30, 2025 In CHF thousand	**Valves**	**Global Service**	**Total segments**	**Corporate and eliminations**	**Total**
Net sales	467,227	90,735	557,962		557,962
Inter-segment sales	35,345		35,345	–35,345	0
Segment net sales	**502,572**	**90,735**	**593,307**	**–35,345**	**557,962**
Segment EBITDA	**152,506**	**39,216**	**191,721**	**–26,740**	**164,981**

January 1 to June 30, 2024 In CHF thousand	**Valves**	**Global Service**	**Total segments**	**Corporate and eliminations**	**Total**
Net sales	363,482	86,123	449,605		449,605
Inter-segment sales	35,177		35,177	–35,177	0
Segment net sales	**398,659**	**86,123**	**484,782**	**–35,177**	**449,605**
Segment EBITDA	**116,891**	**34,022**	**150,913**	**–15,628**	**135,285**

As of June 30, 2025 In CHF thousand	**Valves**	**Global Service**	**Total segments**	**Corporate and eliminations**	**Total**
Segment assets	1,013,037	119,988	1,133,026	1,567	1,134,593
Segment liabilities	52,504	312	52,816	0	52,816
Segment net operating assets	**960,533**	**119,676**	**1,080,209**	**1,567**	**1,081,776**
Of which net trade working capital	297,634	30,548	328,181	0	328,181

As of December 31, 2024 In CHF thousand	**Valves**	**Global Service**	**Total segments**	**Corporate and eliminations**	**Total**
Segment assets	973,319	127,335	1,100,654	1,582	1,102,236
Segment liabilities	71,840	285	72,125	312	72,437
Segment net operating assets	**901,478**	**127,050**	**1,028,529**	**1,270**	**1,029,799**
Of which net trade working capital	278,777	33,889	312,666	–312	312,354

Net operating assets by reportable segment include trade receivables, inventories, property, plant and equipment, investment properties, intangible assets, and goodwill as well as trade payables. Intangible assets and goodwill are allocated to the segments based on quotes defined as a result of the purchase price allocation.

Reconciliation of segment results to income statement and balance sheet

Income statement

January 1 to June 30 In CHF thousand	2025	2024
Segment EBITDA	191,721	150,913
Corporate and eliminations	–26,740	–15,628
Depreciation, amortization and impairment	–23,010	–21,526
Finance costs net	–12,388	804
Earnings before income taxes	**129,583**	**114,563**

Assets

In CHF thousand	June 30, 2025	Dec 31, 2024
Segment assets	1,133,026	1,100,654
Corporate and eliminations	1,567	1,582
Cash and cash equivalents	148,241	158,121
Other assets[1]	74,604	34,389
Assets	**1,357,438**	**1,294,746**

1 The main positions included in other assets are other receivables, other investments, deferred tax assets and prepayments and accrued income.

Liabilities

In CHF thousand	June 30, 2025	Dec 31, 2024
Segment liabilities[1]	52,816	72,125
Corporate and eliminations	0	312
Loans and borrowings	410,119	241,786
Other liabilities and provisions	200,183	226,646
Liabilities	**663,118**	**540,870**

1 Only trade payables are allocated to segments.

5. Revenue

The Group's operations and main revenue streams are those described in the last annual financial statements. The Group's revenue is derived from contracts with customers and is measured based on the consideration specified in a contract with a customer. The Group recognizes revenue when it transfers control over a good or service to a customer. Customers obtain control of the goods dependent on standard trade terms (Incoterms) or when services are rendered. The Group uses different Incoterms, generally CIF, FCA and DDP. Contracts include only standard warranty clauses and do not provide for separate purchase of warranty. Payment conditions are short term and therefore do not contain significant financing components.

Disaggregation of order intake and net sales

January 1 to June 30, 2025 In CHF thousand	**Valves**	**Global Service**	**Total**
Order intake	399,785	89,601	489,386
Net sales by region			
Asia	351,472	60,789	412,261
Americas	59,747	19,879	79,626
EMEA	56,007	10,068	66,075
Net sales	**467,227**	**90,735**	**557,962**

January 1 to June 30, 2024 In CHF thousand	**Valves**	**Global Service**	**Total**
Order intake	412,250	94,462	506,713
Net sales by region			
Asia	239,396	44,748	284,145
Americas	60,639	31,014	91,653
EMEA	63,447	10,361	73,807
Net sales	**363,482**	**86,123**	**449,605**

6. Tax information

Income tax expenses are recognized based on management's estimate of the weighted average annual income tax rate expected for the full financial year. The estimated average annual tax rate used for the six-month period ended June 30, 2025, is 17.4% compared to 16.6% for the six-month period ended June 30, 2024.

The Group is subject to the global minimum top-up tax under Pillar Two tax legislation. The top-up tax mainly relates to the Group's operations in Switzerland, where the statutory tax rate is 14.3%. The Group recognized a current tax expense of CHF 0.8 million, related to the top-up tax in the six months ended June 30, 2025 (prior period: CHF 1.0 million).

The Group has applied a temporary mandatory relief from deferred tax accounting for the impacts of the top-up tax and accounts for it as a current tax when it is incurred.

7. Dividend

In CHF thousand	**2025**	**2024**
Dividends paid	**187,364**	**187,415**

At the Annual General Meeting, held on April 29, 2025, the shareholders approved a dividend in the amount of CHF 6.25 per share for the financial year 2024 (prior year: CHF 6.25 per share). The dividend was paid out on May 6, 2025.

8. Share-based payments

Members of the Board of Directors receive 30% of total compensation in restricted shares. VAT Group granted 1,209 shares with a fair value of CHF 356.60 per share for the period 2024/25 (prior period: 859 shares). The shares were transferred in February 2025. For the period 2025/26, the Group allocated 483 shares (prior year: 152 shares).

Long-term incentive plans (LTIP) are in place for the Group's management. The Group's management received 5,760 shares with a fair value of CHF 294.30 per share in April 2025 from the LTIP 2022 (prior period: 11,880 shares with a fair value of CHF 481.00 per share from the LTIP 2021). For the ongoing plans, the number of outstanding performance share units (PSU) is 24,665 (prior year: 18,335).

These programs are accounted for as equity-settled share-based payment compensation. A total amount of CHF 1.6 million (prior period: CHF 0.9 million) was recognized directly in equity.

9. Loans and borrowings

VAT Group AG maintains a syndicated revolving loan facility of CHF 250.0 million, maturing on December 21, 2027, and includes an uncommitted extension option of two times one year. The outstanding loan as of June 30, 2025 amounts to CHF 175.0 million (December 31, 2024: CHF 30.0 million). The movement of the outstanding loan in the financial year 2025 was driven by raising of CHF 195.0 million (prior year: CHF 140.0 million) and repaying CHF 50.0 million (prior year: CHF 0.0 million).

Additionally, VAT Group AG maintains a syndicated term loan facility of CHF 200.0 million, maturing on May 30, 2026. The outstanding loan as of June 30, 2025 and December 31, 2024 amounts to CHF 200.0 million. There has been no movement of the outstanding loan in the financial year 2025 and 2024.

The facilities are subject to the financial covenant "total net debt/EBITDA" ratio, which is tested semi-annually and with which the Group complied with for the half-year 2025 and 2024.

10. Retirement benefit obligation

An actuarial gain, net of tax, of CHF 9.4 million (June 30, 2024, gain: CHF 5.5 million) was recognized through other comprehensive income in the six-month period ended June 30, 2025. The main drivers of the gain were the positive return on assets and the higher discount rate.

11. Fair value estimation

The following table shows the fair values of financial assets and financial liabilities measured at fair value including their levels in the fair value hierarchy.

In CHF thousand	Measurement principle	Contract value June 30, 2025	Contract value Dec 31, 2024	Fair value June 30, 2025	Fair value Dec 31, 2024
Derivatives held for hedging (USD)	Level 2[2]	342,615	0	22,920	0
Derivatives held for hedging (JPY)	Level 2[2]	52,550	40,600	2,536	934
Derivatives held for hedging (KRW)	Level 2[2]	3,328	25,060	53	2,061
Derivatives held for hedging (CNY)	Level 2[2]	37,471	0	2,185	0
Derivative assets		**435,964**	**65,660**	**27,695**	**2,995**
Equity shares	**Level 1[1]**	**0**	**0**	**36**	**33**
Thereof:					
Current assets		435,964	65,660	27,732	3,028
Derivatives held for hedging (USD)	Level 2[2]	0	380,372	0	–18,344
Derivatives held for hedging (JPY)	Level 2[2]	0	13,527	0	–211
Derivatives held for hedging (KRW)	Level 2[2]	20,379	0	–813	0
Derivatives held for hedging (CNY)	Level 2[2]	2,001	38,270	–22	–1,326
Derivative liabilities		**22,380**	**432,169**	**–835**	**–19,882**
Contingent considerations[4]	**Level 3[3]**	**300**	**300**	**–300**	**–300**
Thereof:					
Current liabilities		22,380	432,169	–835	–19,882
Non-current liabilities		300	300	–300	–300

1 Level 1: The fair values of equity shares are based on quoted market prices in active markets.
2 Level 2: The fair values of the derivatives held by the VAT Group are based on market/broker quotes. Similar contracts are traded in an active market and quotes reflect the actual transactions in similar instruments. If all significant inputs required for the valuation of an instrument are observable, the instrument is included in Level 2.
3 Level 3: Fair values measured using unobservable inputs are categorized within Level 3 of the fair value hierarchy. This applies particularly to contingent considerations in business combinations.
4 Contingent considerations are disclosed in other non-current liabilities.

On June 30, 2025, the cash flow hedge reserves included net unrealized gains of CHF 14.7 million (prior period: unrealized losses of CHF 1.9 million), net of tax, on derivatives designated as cash flow hedges. Net gains of CHF 13.8 million (prior period: net losses of CHF 7.5 million) were reclassified to the profit and loss statement in 2025. The maturity of derivatives classified as a cash flow hedge was up to 12 months.

The carrying amounts of financial assets and liabilities not measured at fair value are a reasonable approximate of their fair values.

12. Principal exchange rates

The following table summarizes the principal exchange rates for translation purposes.

	Average exchange rates in CHF		Closing exchange rates in CHF		
	Jan 1–June 30, 2025	Jan 1–June 30, 2024	June 30, 2025	Dec 31, 2024	June 30, 2024
1 Chinese Yuan	0.12	0.12	0.11	0.13	0.12
1 Euro	0.94	0.96	0.94	0.94	0.96
100 Japanese Yen	0.58	0.58	0.55	0.58	0.56
100 Korean Won	0.06	0.07	0.06	0.06	0.07
1 Malaysian Ringgit	0.20	0.19	0.19	0.20	0.19
1 US Dollar	0.86	0.89	0.80	0.90	0.90

13. Events occurring after the end of the reporting period

There are no events occurring after the end of the reporting period that warrant disclosure.

Haag, Switzerland, July 23, 2025

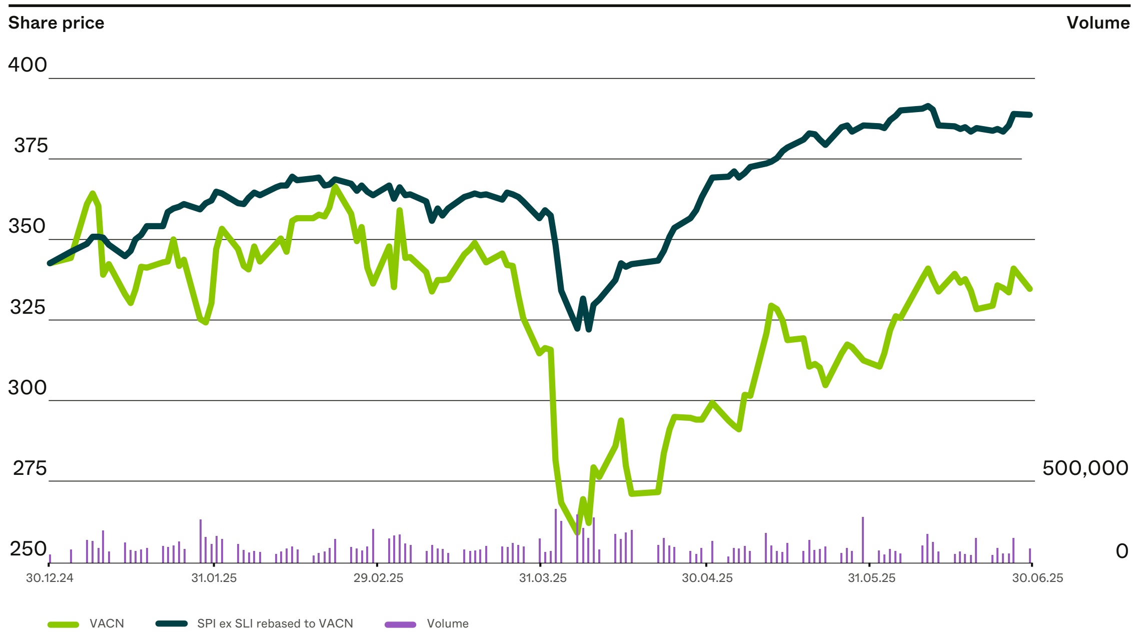
Shareholder information

VAT's share price moved sideways during the first six months of 2025 versus the closing price at the end of 2024 and is down 34% from its level at the end of June 2024. The sharp decline in the second half of 2024 was primarily due to a cooling in investor confidence in the general recovery of the market in semiconductor-related areas. This was triggered by a renewed focus on geopolitical trade tensions and the lack of visible acceleration in WFE spending in the second half of 2024. While overall growth prospects for the market and for VAT in particular remained positive, investors adopted a wait-and-see stance to get clearer indications of the recovery of the semiconductor market. In the first six months of 2025, this positioning in the financial market did not change, especially in the wake of increased uncertainty created by the global tariff discussions and their uncertain outcome. In addition, the strength of the Swiss franc against all of VAT's major currencies prevented a more visible improvement in performance. During the third Capital Markets Day held on May 20, VAT detailed its growth aspiration for the five years between 2025 and 2029; the overall message was well received by the audience, with renewed interest in the VAT story. On June 30, 2025, VAT's share price amounted to CHF 335, corresponding to a total market capitalization of CHF 10 billion, flat compared with the beginning of the year.

VAT's major shareholders
Since the end of 2024, no major changes have occurred among VAT's largest shareholders; the company has not been informed about any thresholds being crossed. Together, the three largest shareholders with positions of over 3% own approximately 22% of the outstanding shares. The free float of VAT shares, as defined by the SIX Swiss Exchange, amounted to approximately 90% at the end of June 2025. On that date, the number of registered shareholders was 26,576, 32% more than on June 30, 2024, and 10% more than at year-end 2024.

Dividend policy
On May 6, 2025, VAT paid its shareholders an unchanged dividend of CHF 6.25 (2024: CHF 6.25) per share for the 2024 financial year, in line with its stated policy of paying a dividend of up to 100% of free cash flow. VAT also expects its dividend for the 2025 financial year to be in line with this policy.

Share price development



Stock exchange listing

Ticker symbol	VACN (SIX); VACN.S (Reuters); VACN SW (Bloomberg)	**Legal Entity Identifier (LEI)**	529900MVFK7NVALR7Y83
Valor number	31 186 490	**Nominal value**	CHF 0.10 per share
ISIN	CH0311864901	**Free float**	Approximately 90%
Market capitalization as of June 30, 2025	CHF 10.0 billion	**Number of shares outstanding**	30,000,000
Exchange	SIX Swiss Exchange (International Reporting Standard)	**Segment**	Mid and Small Cap Swiss shares

Financial calendar

Date	Event
2025	
Thursday, October 16, 2025	Q3 2025 trading update
2026	
Tuesday, March 3, 2026	Q4 and full-year 2025 results

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Forward-looking statements
Forward-looking statements contained herein are qualified in their entirety as there are certain factors that could cause results to differ materially from those anticipated. Any statements contained herein that are not statements of historical fact (including statements con- taining the words “believes,” “plans,” “anticipates,” “expects,” “estimates” and similar expressions) should be considered to be forward-looking statements. Forward-looking statements involve inherent known and unknown risks, uncertainties and contingencies because they relate to events and depend on circumstances that may or may not occur in the future and may cause the actual results, performance or achieve- ments of the company to be materially different from those expressed or implied by such forward-looking statements. Many of these risks and uncertainties relate to factors that are beyond the company’s ability to control or estimate precisely, such as future market conditions, curren- cy fluctuations, the behavior of other market participants, the perfor- mance, security and reliability of the company’s information technology systems, political, economic and regulatory changes in the countries in which the company operates or in economic or technological trends or conditions. As a result, investors are cautioned not to place undue reliance on such forward-looking statements.

Except as otherwise required by law, VAT disclaims any intention or obligation to update any forward-looking statements as a result of developments occurring after the date of this report.

Passion. Precision. Purity.

Outlook 2025

VAT expects investments in semiconductor manufacturing equipment to grow further over the course of 2025, as new production tools will require significant capex.

On this basis, VAT expects full-year 2025 orders, sales, EBITDA, EBITDA margin, net income and free cash flow to be higher than in 2024.