Full-year 2024 results

March 4, 2025

We change the world with vacuum solutions.

Agenda

1. Highlights and review 2024

Urs Gantner, CEO

Highlights 2024

Transitional year for VAT – orders and sales in SEMI sharply up in 2024 – major investment programs completed or nearing completion

Orders – recovery in SSG	FY orders up 49% year-on-year – driven by SEMI business (+84%); ADV orders saw fewer large project orders (-13%); GSE overall recovered for the year (+27%)
Sales – recovery in SSG	Group sales up 6%, driven by 22% increase in SEMI sales, -27% decline in ADV and -3% decline in GSE EBITDA margin for FY25 at 31.2%; H2 margin of 32.2%
Innovation at the core	Spec-win rate in 2024 at new record level of 132; new record R&D investments of CHF 61m / 6.5% of sales serves as competitive advantage and differentiator; Innovation Center to open early 2025
Manufacturing capacity online	Penang plant 1B completed and opened, with additional machining and clean-rooms to be built; construction on new facility in Romania started; additional manufacturing capacity in Haag in preparation
Market reflecting investment environment	WFE investments in 2024 up c. 5% on prior year, with a focus on lithography, analogue / ICAPS; industry digesting capex volatility driven by chip manufacturer uncertainties

Market rebound is imminent – capacity and capabilities ready for ramp

Our business focus and performance

Continued return to normalized market conditions across VAT's businesses

Our business segments
(share of 2024 net sales)

Valves
(82%)

Global
Service
(18%)

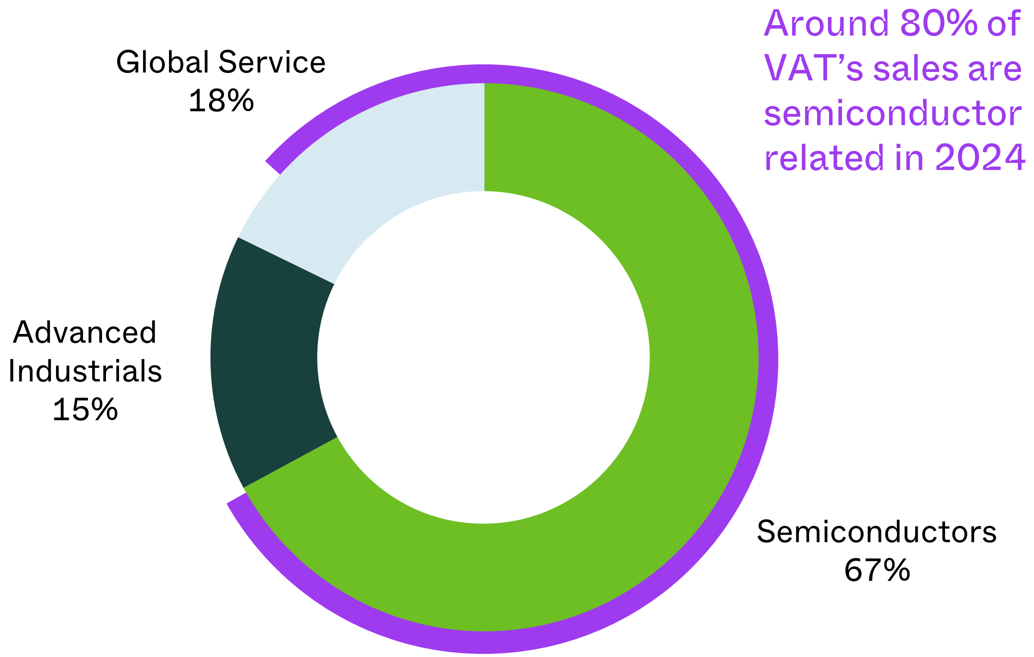
Delivering outstanding performance

1,033 (+49%) Full-year 2024 order intake (M CHF)	**942** (+6%) Full-year 2024 net sales (M CHF)	**31.2%** FY reported EBITDA margin (0.6 ppts)
183 (-3%) Full-year free cash flow (M CHF)	**6.25** (unchanged) Dividend proposal (CHF/share)	**132** (+10%) Spec wins

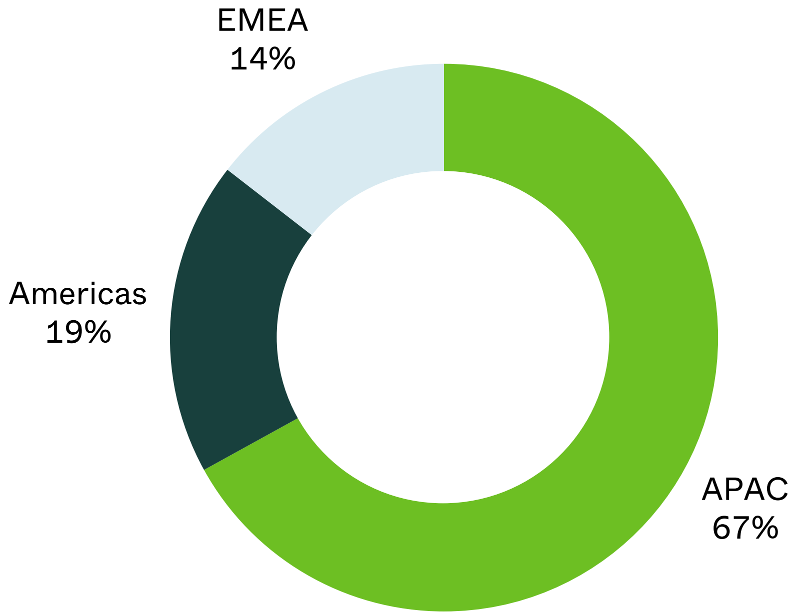
Sales breakdown by markets and regions

Semiconductor end-markets gained 2024 – Asian markets remain at forefront

Sales breakdown by market segment 2024



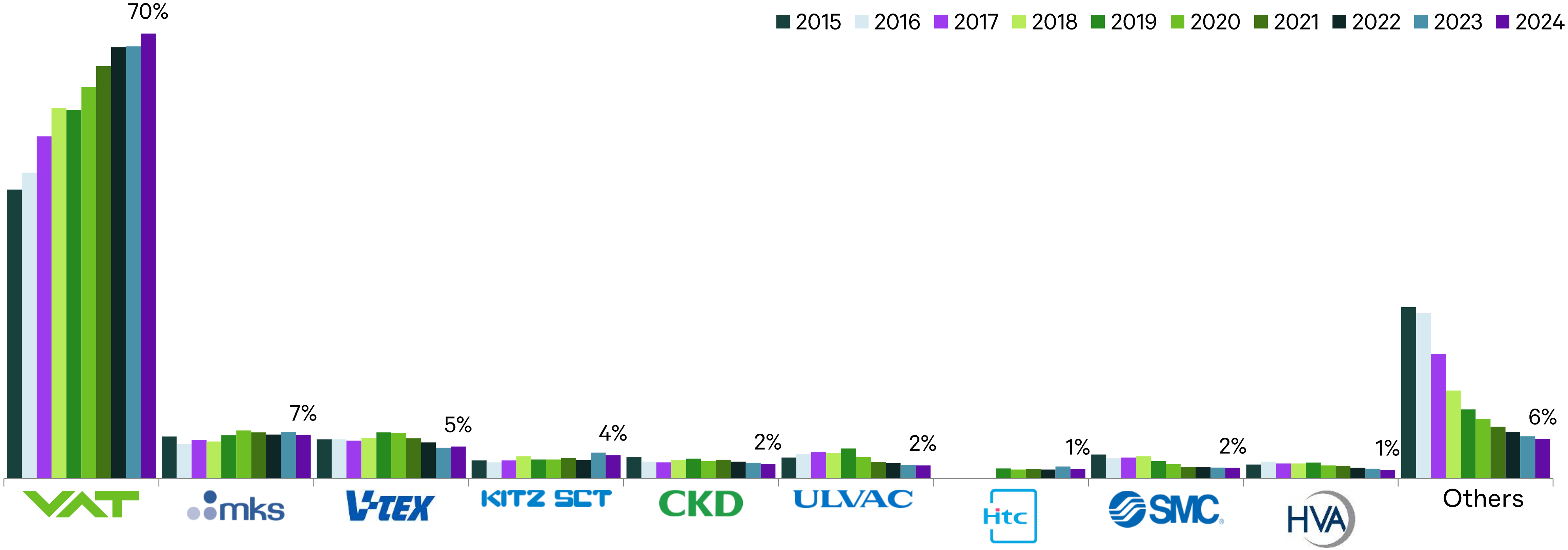
Regional sales breakdown 2024



Semi and related competitive landscape

VAT has been able to increase the market share by 2 ppts in 2024 – despite unfavorable mix-effects

Market share Semi and related(1)



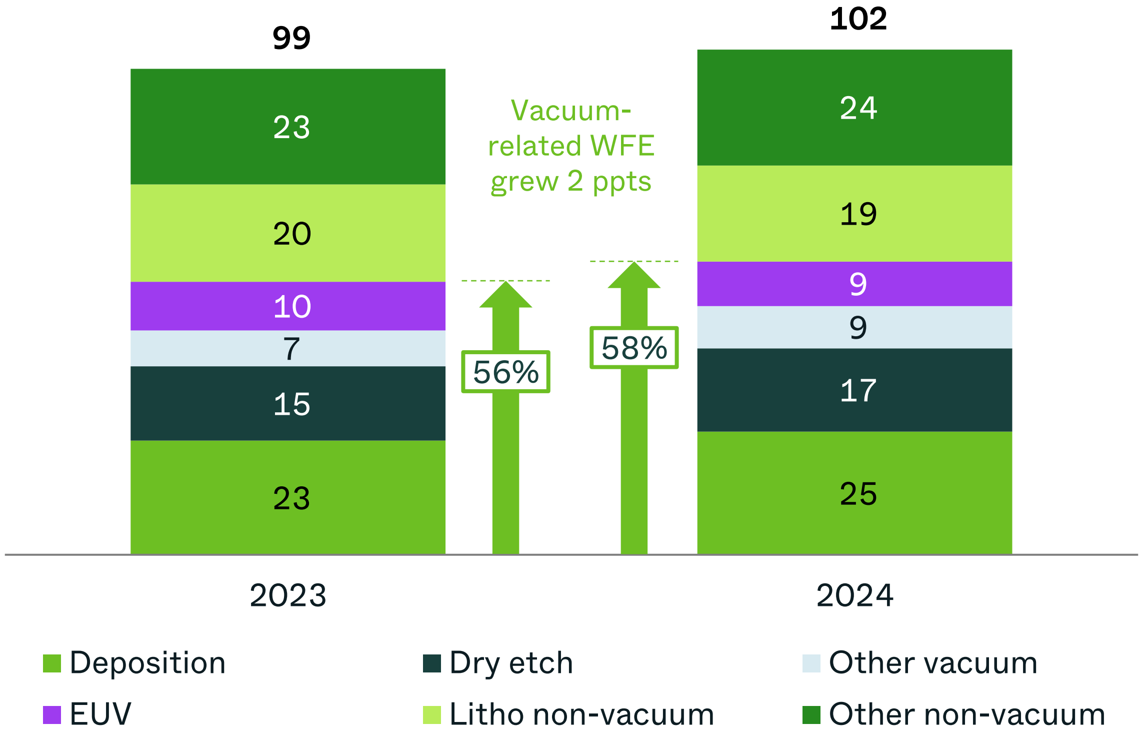
Source: Preliminary TechInsights data as per February 2025; (1) Semi & related includes Semiconductors, Displays, Solar, LED Lighting, Hard Disk Drive

WFE growth areas 2024

Vacuum-related WFE grew by 2 ppts – bias was on China-related WFE and DUV lithography equipment

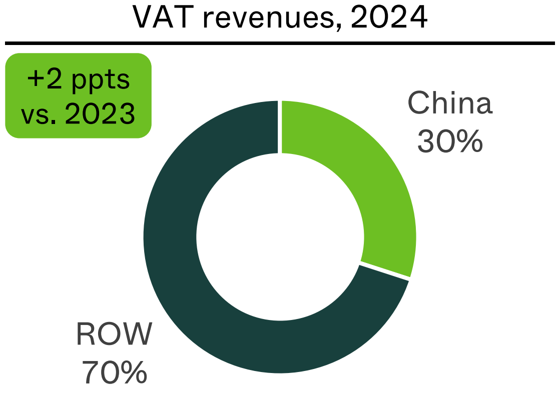
WFE in VAT's core markets grew only slightly

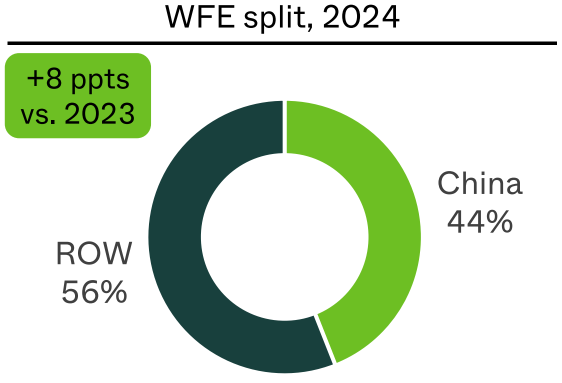
WFE composition by application (2024 preliminary), in USD billion



Source: Techinsights, January 2025

China development in-line with market





2024 WFE market review

- Front-end WFE growth of ~ 4%
- Previous higher non-vacuum lithography (DUV) growth has normalized; EUV stagnated at the previous year's level
- Etch/deposition up 4% on previous years – in-line with market growth

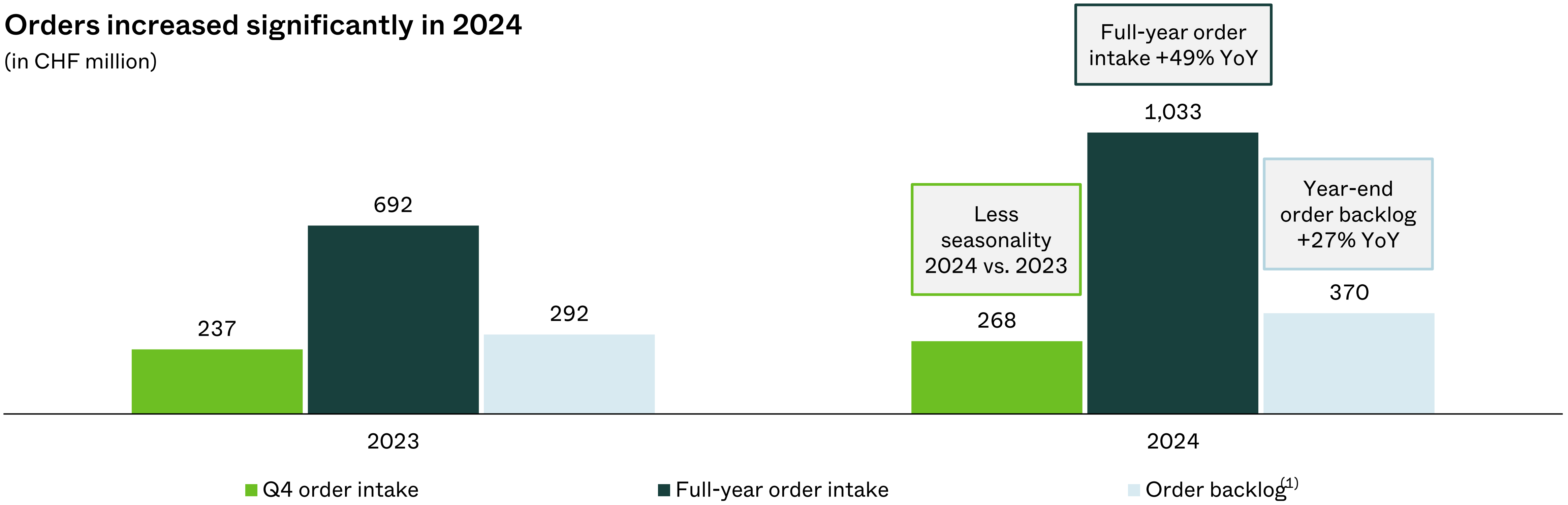
2. Full-year 2024 financial review

Fabian Chiozza, CFO

Order intake

Recovery in semiconductor end-markets fueled 49% increase in orders over 2023

Orders increased significantly in 2024
(in CHF million)

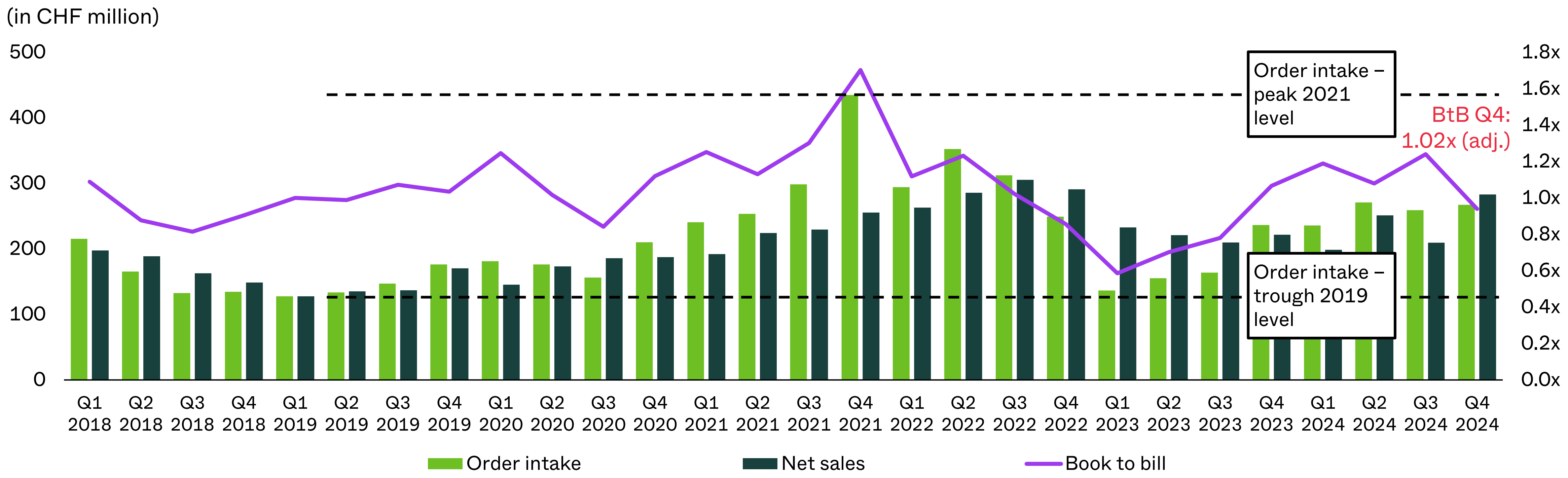


- 2024 orders considerably up on 2023 (+13% Q4 YoY, +49% FY YoY), with less one-off effects in Q4
- Order momentum stronger in H1 (+27%) vs. H2 (+4%)

(1) Order backlog as of December 31

Orders and sales through the cycle

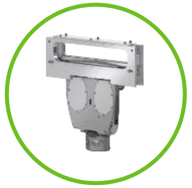
Order momentum continues, with 2024 showing some volatility

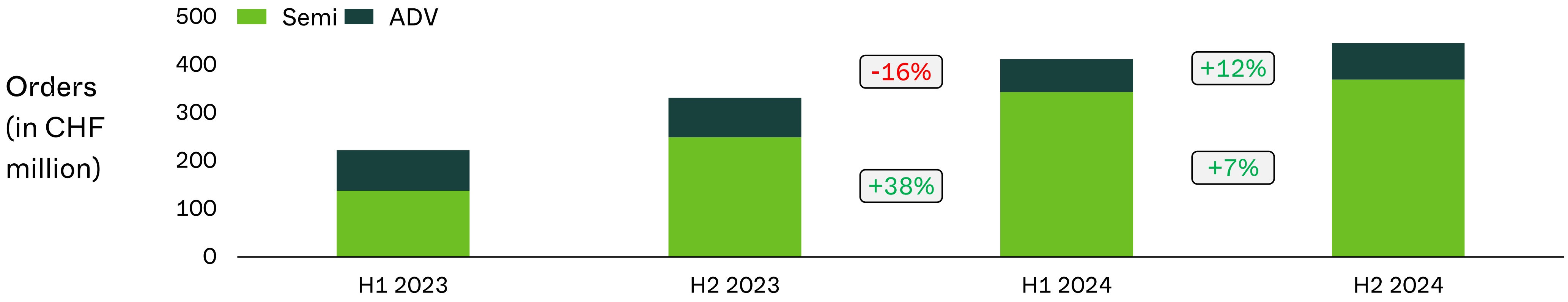


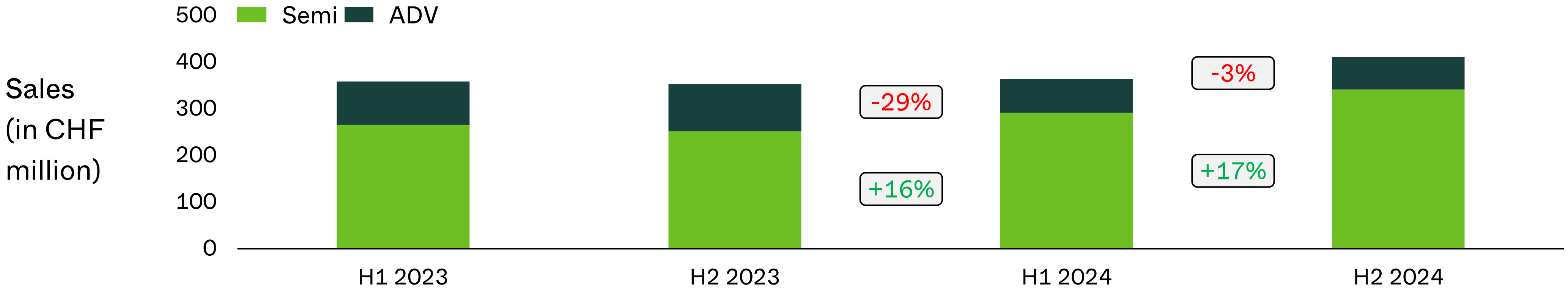
- Comparison to peak and trough levels shows VAT around mid-point of cycle
- Book-to-bill continuously trending above 1.0x since late-2023; Q4 book-to-bill corrected for pre-orders at 1.02x
- Normalized order development through the year is consistently up

Highlights: Valves

Semi orders and sales showing recovery - Semi 2024 orders up 84%, sales up 22%

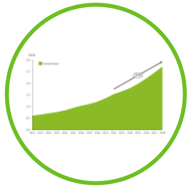


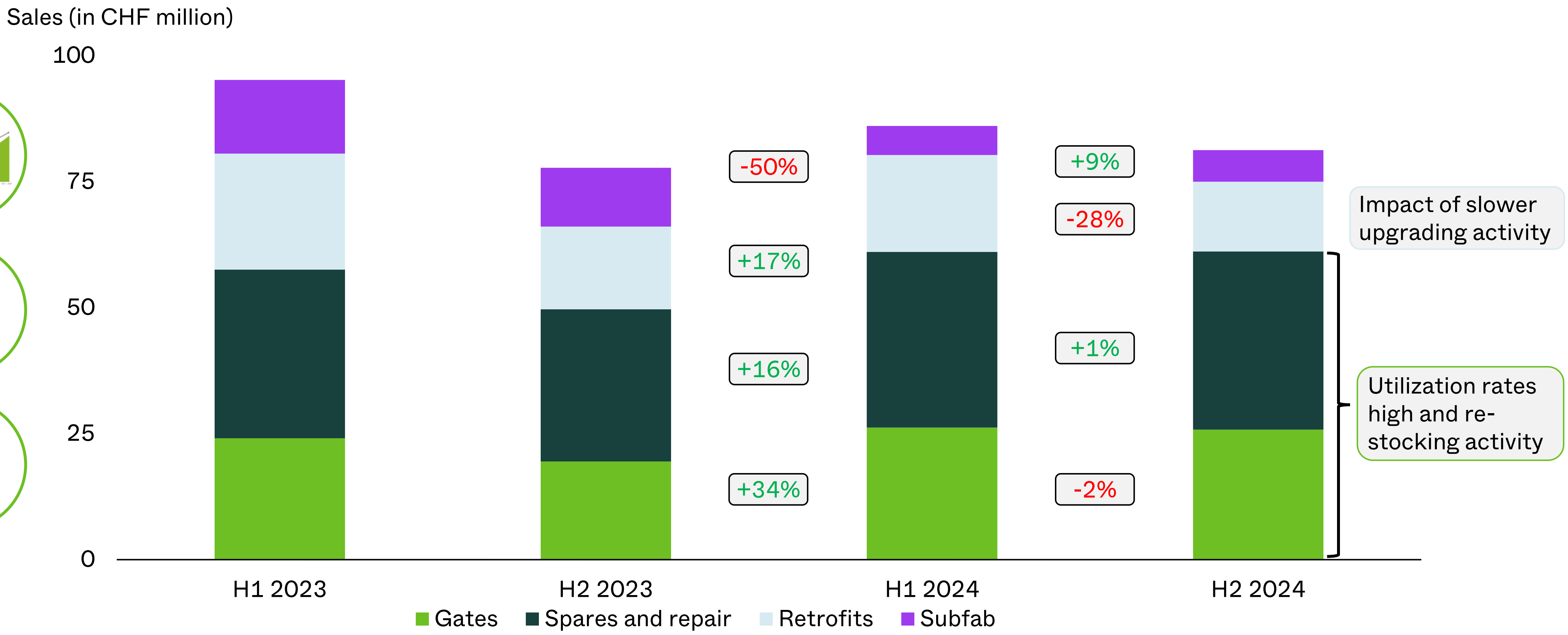




Highlights: Global Service

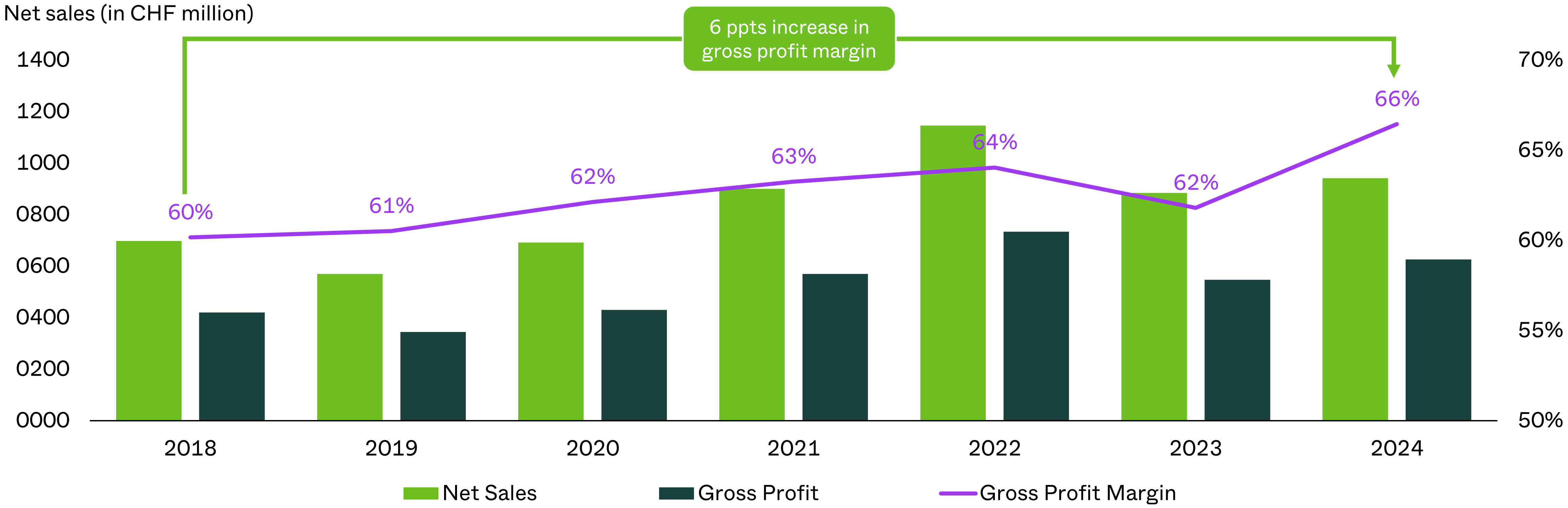
Global Service saw a great start to 2024, but momentum slowed into H2. Higher utilization rates reflected in the H1 performance, but decline in retrofits impacted sales





Gross profit development

VAT has generated consistently higher gross profit margins over time, which indicates sustainable efficiency gains through the flex operating model

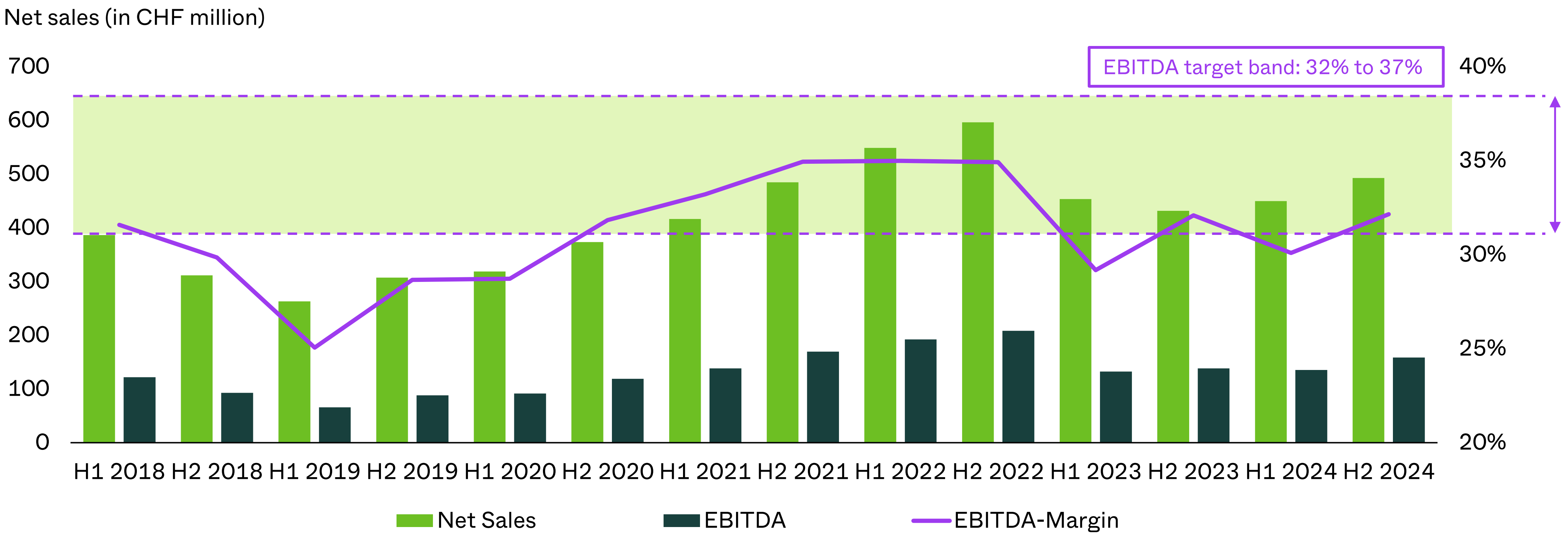


- Current gross profit margin at 66.4% at year-end 2024, recovering from 2023 low of 61.7%
- Operational excellence improvements are structural and sustainable, enabling EBITDA margin expansion through operating leverage

Gross profit = net sales minus cost of materials plus/minus changes in inventories of finished goods and work in progress

EBITDA development

VAT has returned in H2 2023 and H2 2024 into the target EBITDA band



- VAT EBITDA shown resilience throughout 2023 and 2024, with a recovery seen especially in the respective H2 semesters
- Profitability levers and cost efficiency programs contributed positively; higher R&D investments and FX effects add negative impact

Below the EBITDA line

Higher sales and profitability has increased the tax expenses for VAT

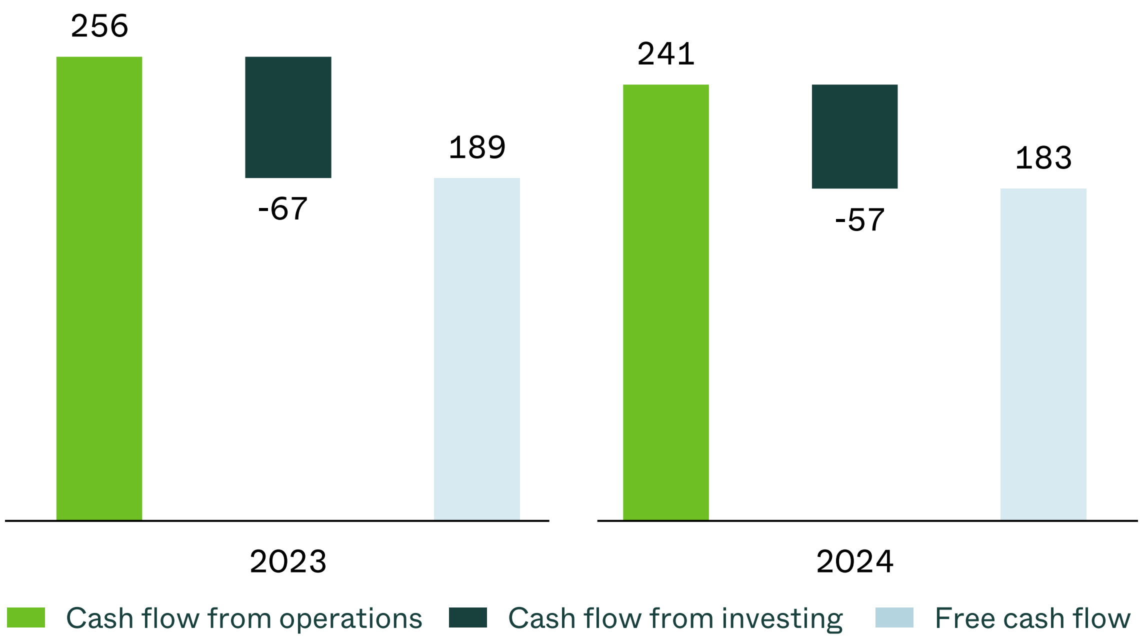
(in CHF million)	2024	2023	Change
EBITDA	293.7	270.9	+8%
Depreciation, amortization and impairment	-43.5	-42.3	+3%
EBIT	250.2	228.6	+9%
Finance net	2.4	-21.5	-111%
EBT	252.6	207.1	+22%
Income tax expenses	-40.8	-16.8	+143%
Effective tax rate	16.1%	8.1%	+8.0 ppt
Net income	211.8	190.3	+11%

- Net finance result has benefited from FX revaluation on bank balances and inter-company loans
- Tax rate for 2024 increased to 16% – based on additional tax expenses related to the global minimum top-up tax in Switzerland and the reversal of one-off effects in 2023

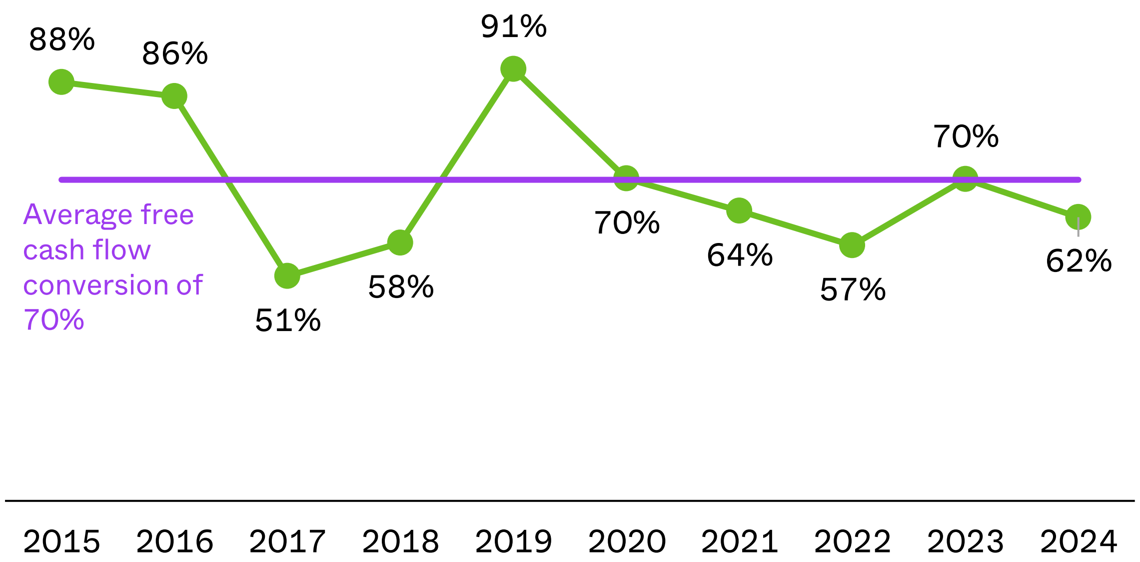
Free cash flow

FCF conversion for H2 2024 in-line again with long-term average following investment phase

Free cash flow development
(in CHF million)



Free cash flow conversion
(%)

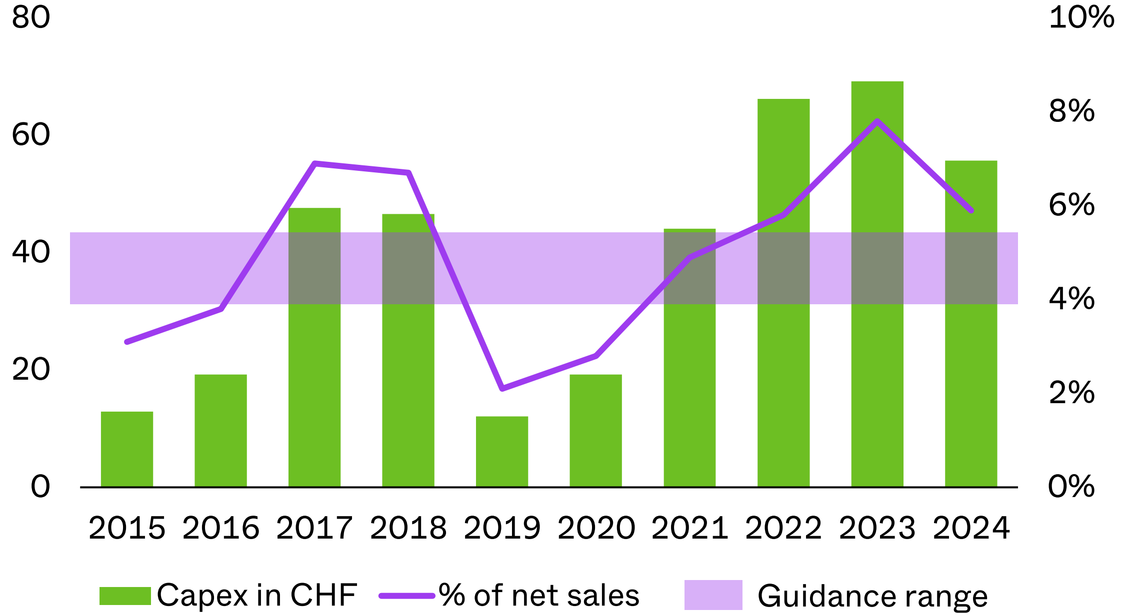


- FCF only slightly declined vs. 2023 levels, impacted mainly by increased net working capital, which was driven by the preparation for ramp-up as well as a strategic rebalancing of supply chain post-ERP transition, including selective stocking of key components

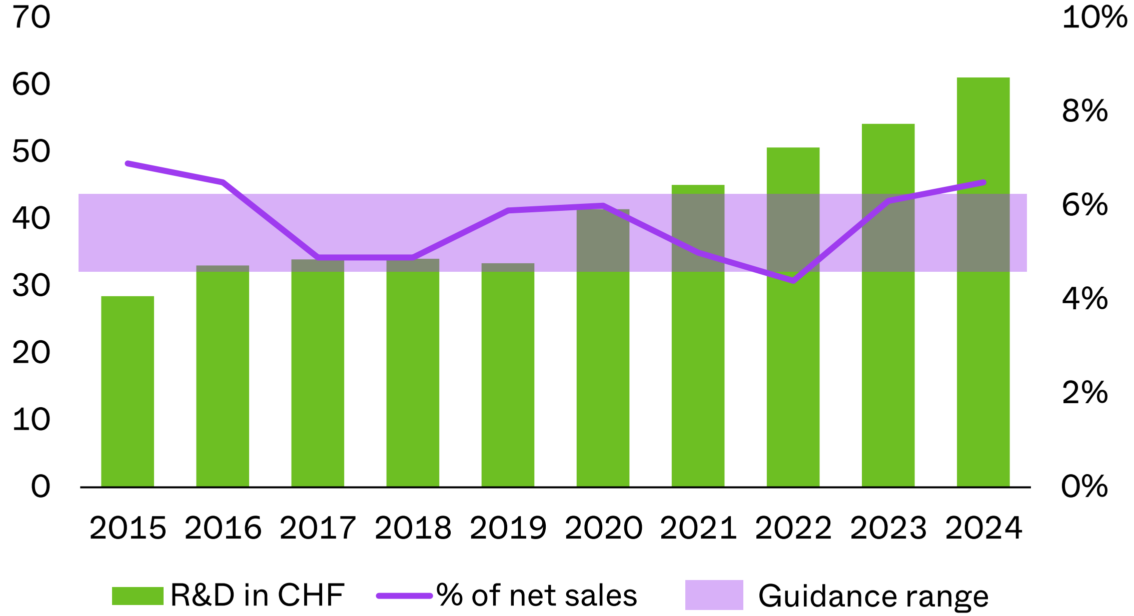
Preparations for the ramp on track

Capex and R&D at elevated levels, capex will normalize back to guidance band after major infrastructure investments; R&D remains key differentiator

Net capex
(in CHF million)



R&D
(in CHF million)



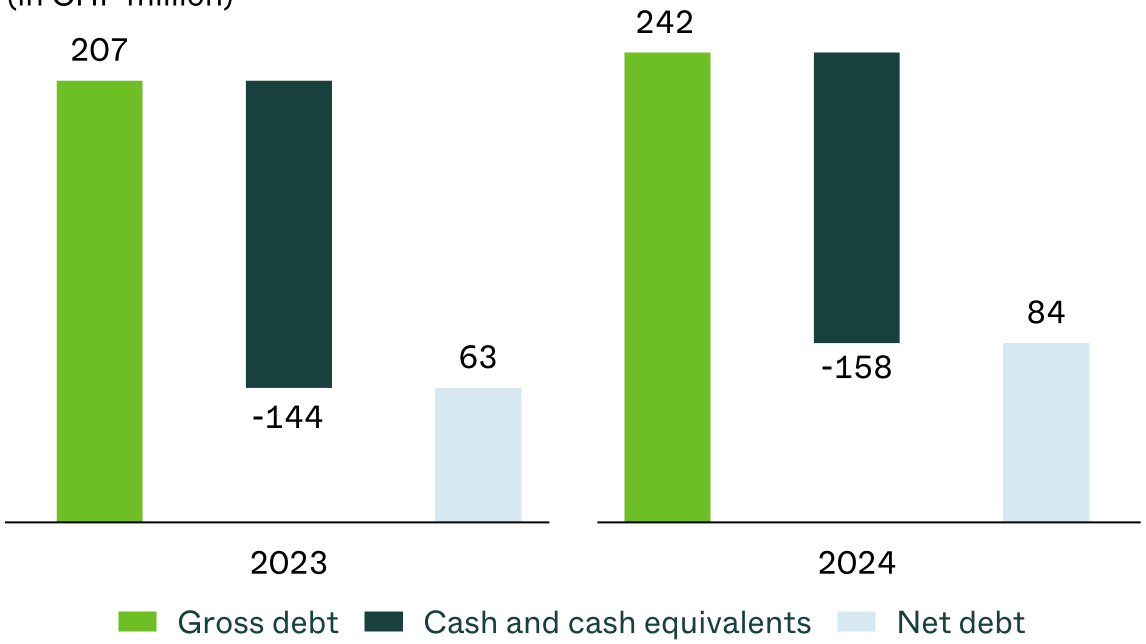
- Capex slowed, especially in H2 2024, in line with changing market conditions in the semi capex space – optimization allowed pushing equipping Penang 1B
- R&D expense of CHF 61m increased 13% YoY as VAT remains committed to technology leadership

Net debt and leverage

Leverage remains well below 1.0x target, with FCF increasing

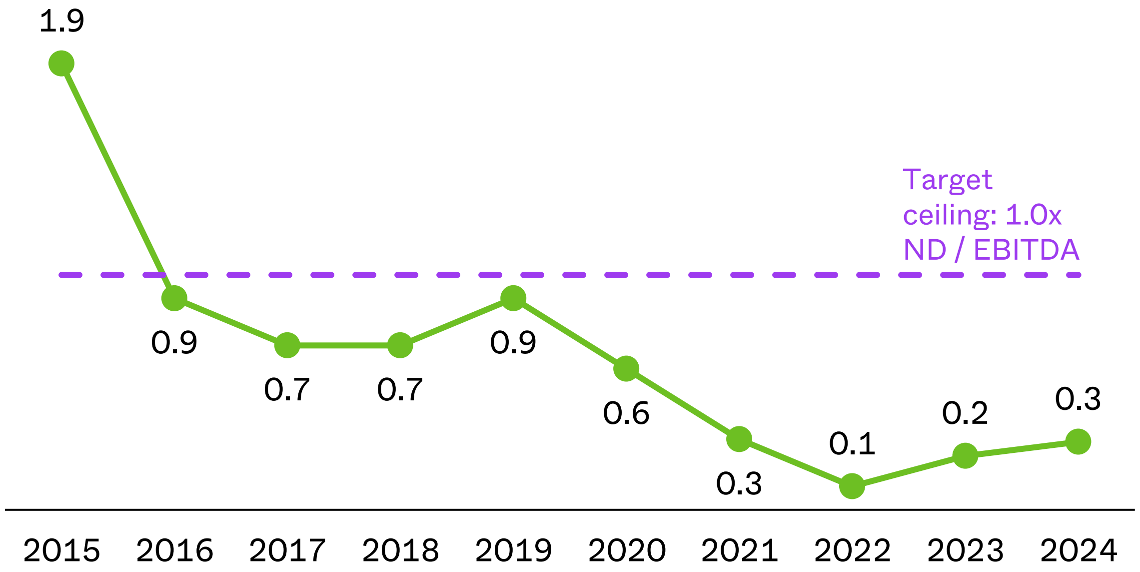
Net debt development

(in CHF million)



- Gross debt on December 31, 2024, includes CHF 200M term-loan and partial draw of RCF less current finance costs plus current leasing obligations

Leverage Development



- Strong balance sheet with net debt to EBITDA considerably below ceiling of 1.0x

Finance summary

2024 financial results reflect the improved environment in semiconductors and VAT's preparations for growth

Achievements 2024	• Continued preparations for market growth over the course of the year, focusing on capabilities (R&D, Engineering) and capacity (Capex) • Slowdown in VAT capex in H2 reflecting push out of certain semi-investments • Factory 1B in Penang completed, Innovation Center ready for inauguration on May 1, 2025 • Major transformation step concluded with ERP changeover in Switzerland in H2 2024; Q4 factory output surpassing pre-ERP change over levels
Finance priorities for 2025	• Continue disciplined cost and capacity management, closely monitoring customer requirements • Drive flexible operating model to reflect increased uncertainty from geopolitical and macro developments • Factory and clean-room buildout in Penang, further automation and capacity increase in Haag; in Romania, relocation of existing factory to a newly built and enlarged facility • Continue ERP roll-out into the sales and service entities over the course of 2025 into 2026
Dividend proposal	• CHF 6.25 per share – unchanged to 2023

3. 2025 market expectations and outlook

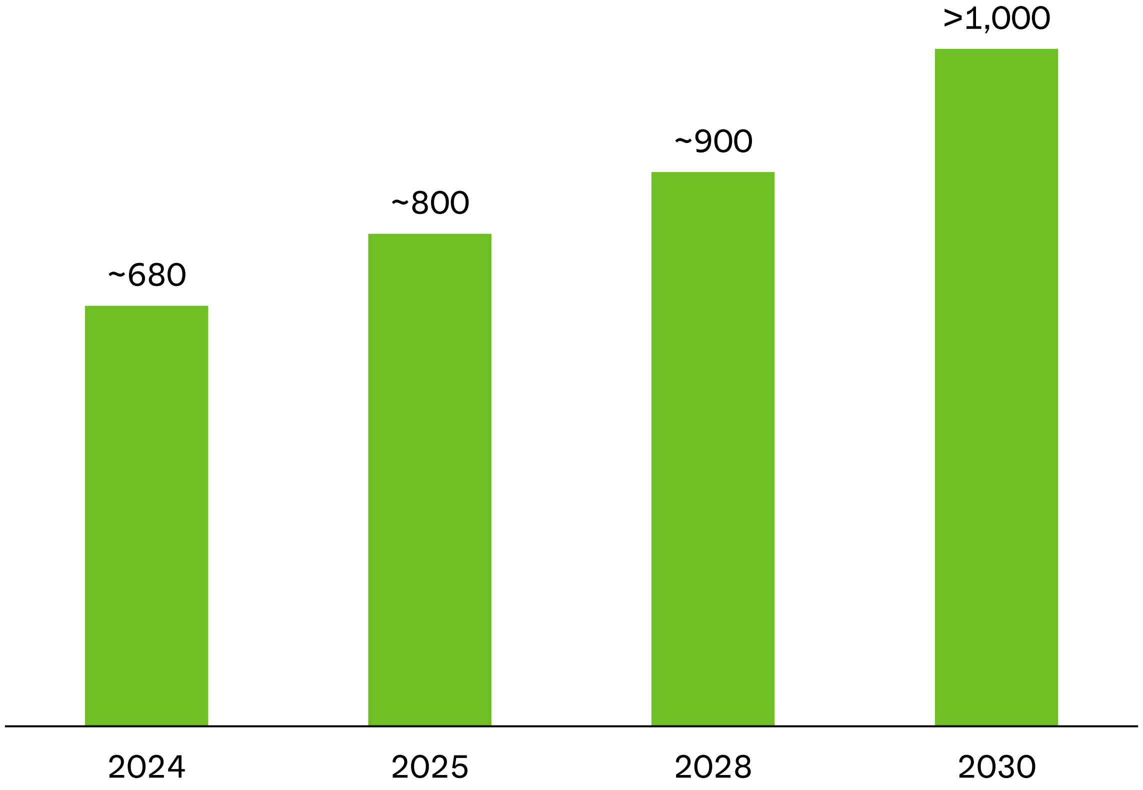
Urs Gantner, CEO

Growth drivers for 2025 (and beyond)

VAT is looking to a year of growth in 2025, fueled by the technology transition in semiconductor manufacturing

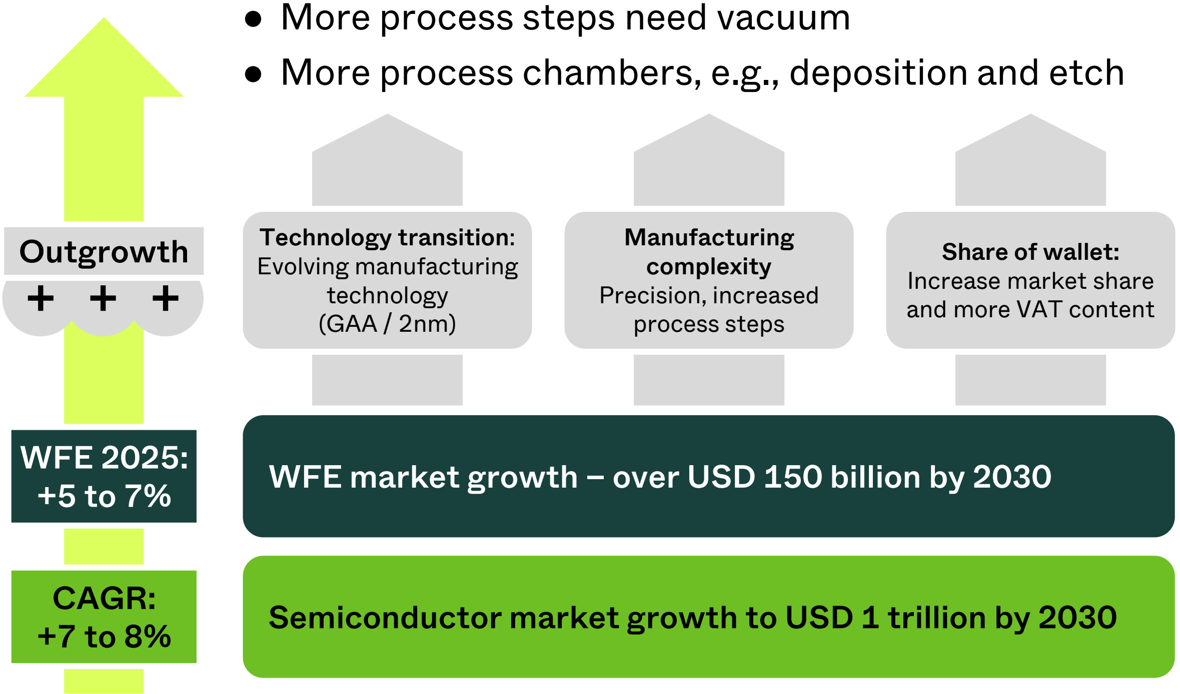
Semiconductor market growth to over USD 1 trillion

(Semiconductor market size, USD billion)



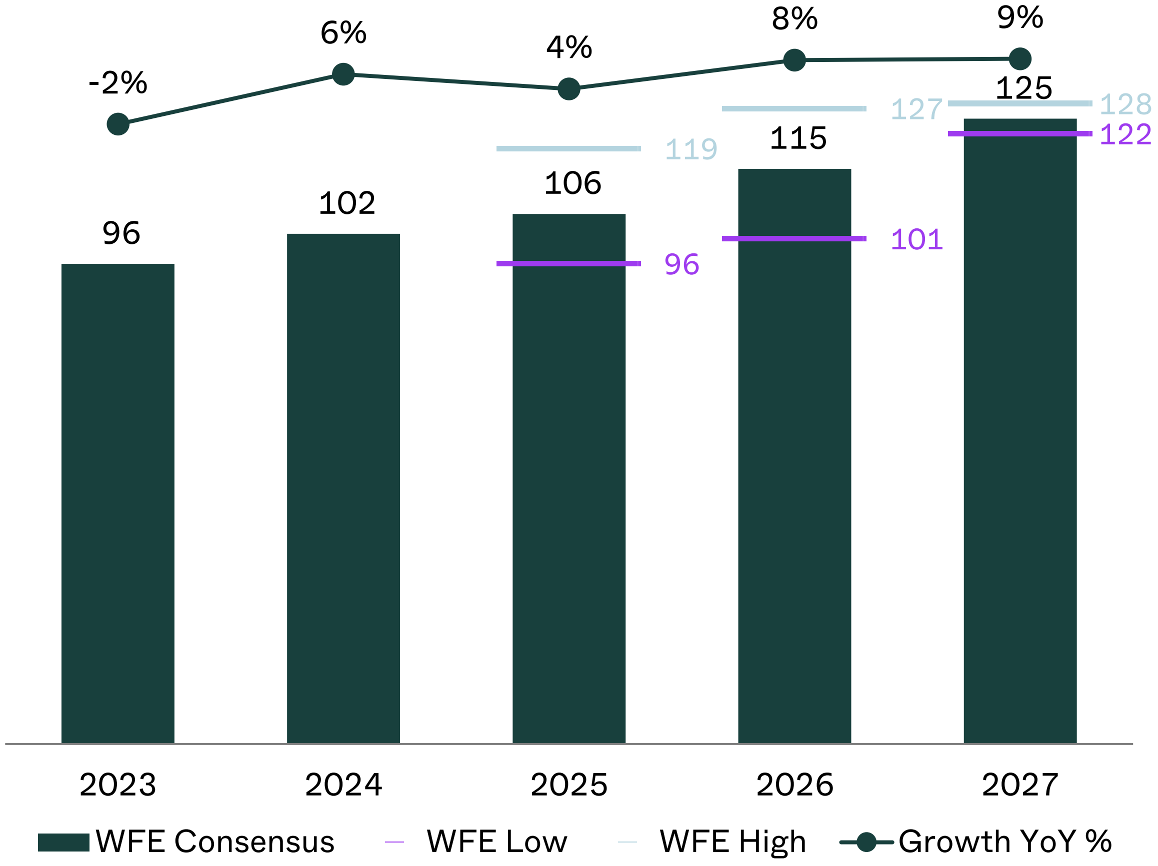
VAT to outgrow market

- More leading-edge investments
- More process steps need vacuum
- More process chambers, e.g., deposition and etch



WFE remains the base growth driver for VAT

Market consensus for WFE 2025 has pulled back, but growth for new technologies remains on the plate



Leading edge logic	Market expecting 2nm introduction in 2025, ramping into full volume production in 2026
Memory	DRAM market has excess capacity, but HBM requires upgrades; NAND to recover late 2025
Application split	Etch / deposition share of global WFE to increase, litho to decrease
China	Normalization of demand from non-Chinese WFE OEMs, further localization
Artificial Intelligence	Drives capex for logic, high-grade memory as well as new datacenters; driver for renewal cycles in laptops and smartphones?

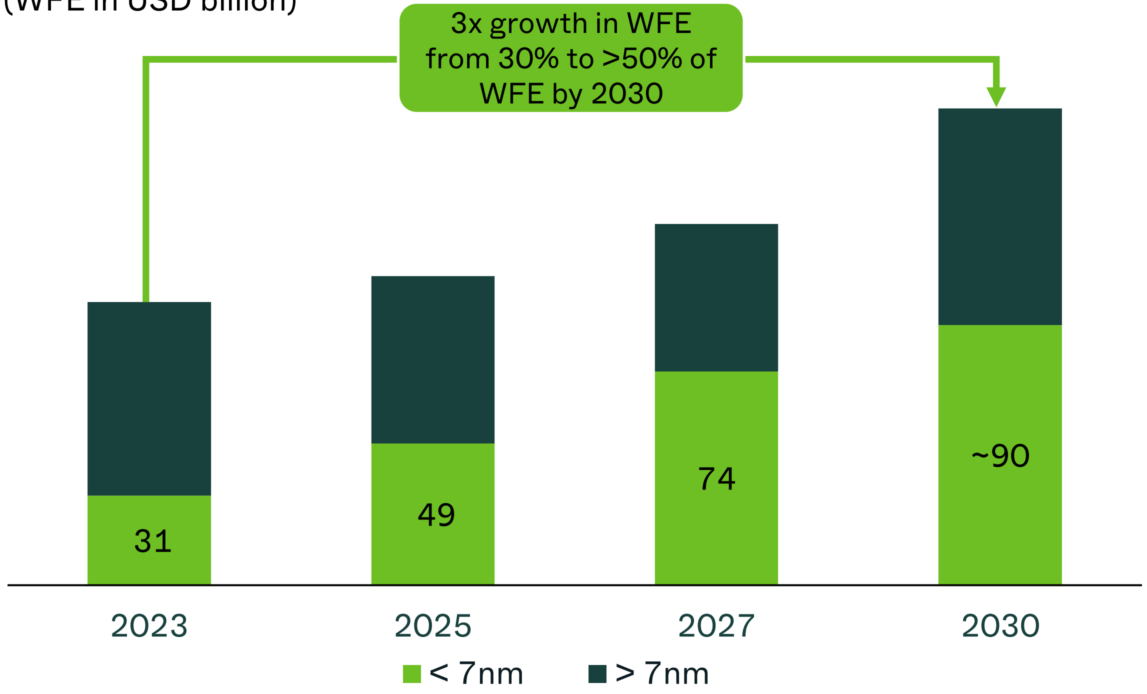
Source: TechInsights December 2024, Yole January 2025, SEMI.org December 2024; Barclays, BofA, DB, GS, Jefferies, JPM, MS, TD Cowen, UBS

Technology transition – GAA / 2nm

Leading edge investments in 2025 to rise by c. 20% over 2024 as 2nm / GAA are introduced

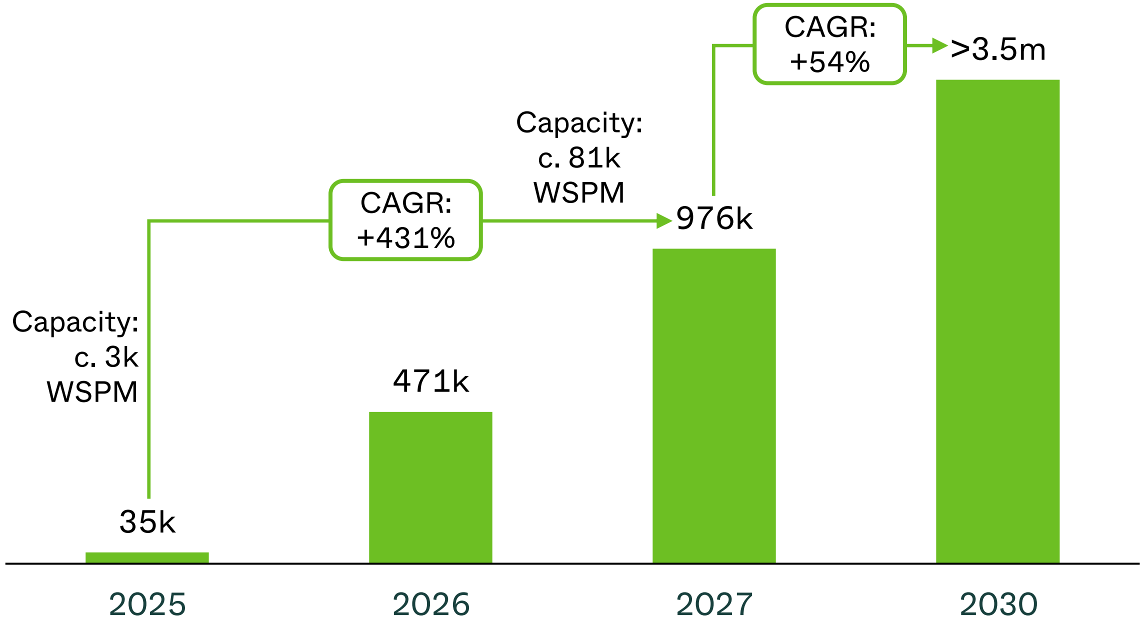
Leading edge-related WFE to triple

(WFE in USD billion)



2nm (and below) to be a major node development

(exp. production of 2nm wafers)



- High cost of EUV investments implies more etch / depo steps required for same results (multi-patterning)
- New etching (cryo-etch) and deposition (ALD) technologies to be installed for GAA / 2nm structures

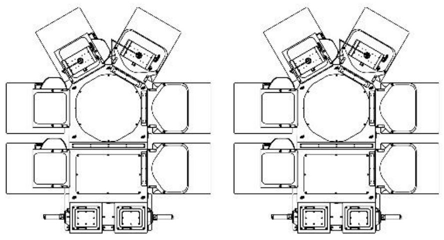
Source: IBS, Techinsights.

Manufacturing complexity

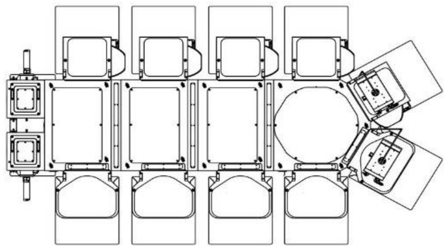
Key component of VAT's outgrowth potential is provided by the move to new tools and more process steps overall

Integrated tools result in up to 30% floor space saved…

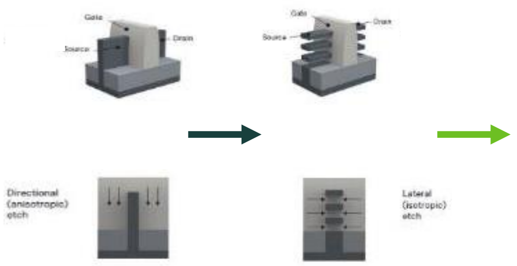
Old structure: collocated tools



New structure: integrated tools



… but with 20 – 25% more process steps, more tools are needed



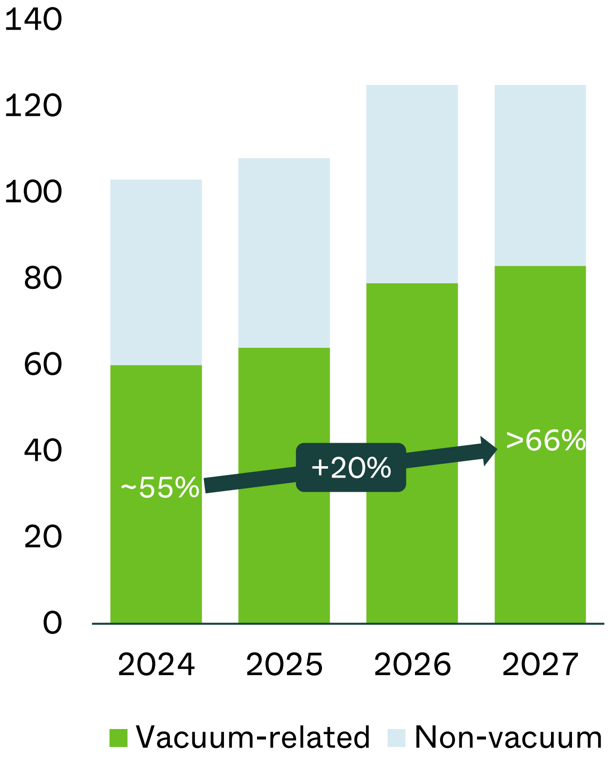
Process	New technology
Etch	Cryo-etch (-70° C) to achieve 1,000 sheet NAND
Depo	ALD (+200° C) Epitaxy – 600% increase in layer count vs. 3nm
Litho	10% increase in EUV layers

Benefits of shift:

- Controlled environment
- Lower risk of contamination / particles
- Unified tool for fab customer

Implications:

- Longer production time
- Higher value-add to wafer, risk to yield if damaged
- More tools required



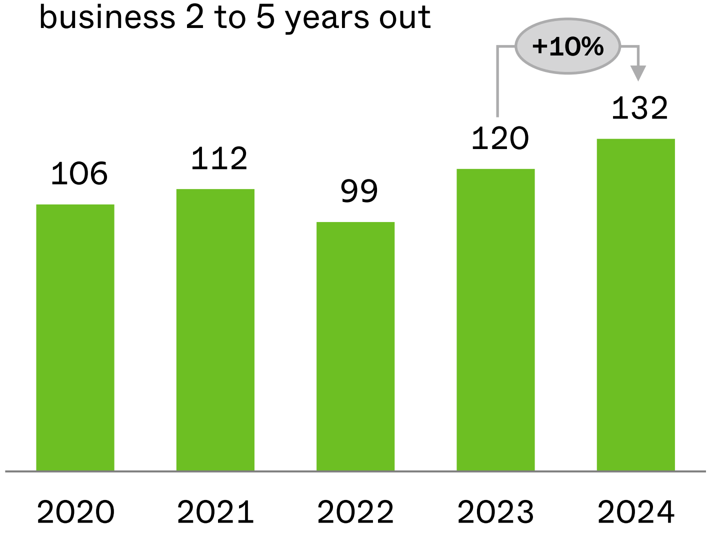
Increasing vacuum intensity drives larger share in WFE for VAT

Visibility for the ramp remains high

The technology transition in 2025 is likely to be significant and provides VAT with tailwinds

1 Spec wins

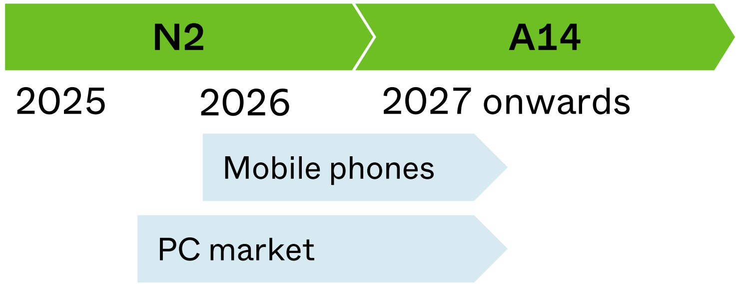
- Revenues in 2025 related to 2nm / leading-edge spec wins in the past years
- Spec-wins in 2023 / 2024 represent business 2 to 5 years out



2 Technology build-out

- Node size reduction every 2 to 3 years
- 2nm was expected as early as 2024 – 2025 will be the year of introduction and 2026 the year of volume production
- 2nm represents 1st GAA structure and requires all modern manufacturing technology (e.g. EUV, ALD)

Key renewal cycles



3 124 fabs to open

- Locations:
  - 43 – China
  - 42 – Asia (ex China)
  - 26 – USA
  - 13 – Europe / RoW

- Visibility of future business remains high for VAT and customers, given the spec win process, the tech roadmap and the fab build-out plans
- Short-term visibility driven by client dialogue and build-plans

Qualitative outlook '25 and guidance for Q1 2025

VAT's customers expect readiness and surge capacity available right now

Group

- Investment conditions for Semiconductor segment to continue in H1 similarly to 2024 and expected to improve gradually over course of 2025 – acceleration expected towards H2, which will be followed by a record 2026
- Global Service segment expected to rebound on increasing fab utilization rates, and higher demand for upgrades and retrofits
- Further profitable growth forecast in Advanced Industrials markets, especially from energy transition applications
- VAT expects higher orders, sales, EBITDA, EBITDA margin, net income and free cash flow in 2025 vs. 2024
- Capital expenditure at circa CHF 90 to 100 million in footprint and infrastructure
- R&D investments continue to remain high as VAT invests into technology and people

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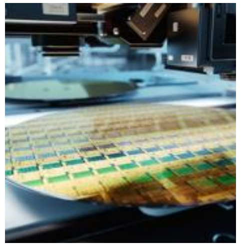
Q1 2025 guidance

- VAT expects sales of CHF 275 to 295 million

What to take away from today

2024 return to growth

- VAT semiconductor-related orders grew 84% in 2024
- Market share in semi/semi-related valves expanded by 2 ppts
- Record R&D levels resulting in record 132 spec wins


We are ready for the upturn

- Investments in capabilities and footprint expansion in infrastructure continued
- Penang 1B operating, Haag Innovation Center to open H1 2025, Romania relocation nearing completion

Our growth story continues

- Growth drivers of digitalization, AI, energy
- Outgrowth of WFE in years to come through technology adaption, manufacturing complexity and share of wallet growth
- Orders, Sales, EBITDA, EBITDA margin, FCF to increase in 2025

Capital Markets Day – May 20, 2025

Save the date

May 20, 2025 in Haag
Start around 10:00 a.m.

- Innovation Center tour (a.m.)
- Factory tour (a.m.)
- Lunch at “Siegfried”
- Strategy update 2025 to 2029 with management (p.m.) – will be webcast as well

4. Q&A session

Additional information

Investor information

Listing:	SIX Swiss Exchange
Currency:	CHF
Ticker symbol	VACN
ISIN	CH0311864901

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Financial calendar 2024

2025	
Thursday, April 17	Q1 2025 trading update
Thursday, April 17	Record date, closing of share register, 5:00 p.m. CEST
Tuesday, April 29	Annual General Meeting, St Gallen, Switzerland
Friday, May 2	Ex-date
Tuesday, May 6	Dividend payment
Tuesday, May 20	Capital Markets Day, Haag, Switzerland
Wednesday, July 23	Half-year 2025 results
Thursday, October 16	Q3 2025 trading update
2026	
Tuesday, March 3	Q4 and full-year 2025 results

Full-year 2024 results

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 containing 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 achievements 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, currency fluctuations, the behavior of other market participants, the performance, 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.

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