

Media Release

Haag, Switzerland, July 13, 2022

VAT CONTINUES STRONG GROWTH; RECORD LEVELS FOR HALF-YEAR SALES, EBITDA, EBITDA MARGIN AND FREE CASH FLOW; FULL-YEAR EXPECTATIONS REMAIN POSITIVE

Based on preliminary figures, VAT’s second-quarter and half-year 2022 results are substantially above the previous year’s periods, confirming the positive outlook given earlier in the year. The better performance is the result of unaltered high demand in the first six months and VAT’s strong business execution. Investments in the semiconductor industry continued on record levels as ongoing technology advances and chip shortages require investments in additional capacity in both leading and legacy platforms. This in turn also benefits VAT’s Global Service business which – like the Semiconductor business unit – posted record sales. In addition, the Advanced Industrials business unit continued its growth trend as strategic initiatives in several key areas were successfully implemented. The Display business unit showed the expected weaker order intake versus the prior year period, while sales increased driven by the execution of orders received in 2021.

Q2 2022 results

VAT recorded preliminary Q2 orders of around CHF 354 million, up 40% compared with the same period a year earlier and 20% higher than the first quarter of 2022. Sales amounted to approximately CHF 286 million, an increase of 28% year-on-year and 9% quarter-on-quarter. FX movements, especially US dollars against Swiss francs had a positive impact on Q2 2022 sales growth of about one percentage point. VAT successfully mitigated the persisting supply chain challenges and was able to satisfy customer demand throughout the quarter. The preliminary second quarter book-to-bill ratio of 1.24 is a strong indicator that growth in VAT’s businesses is based on healthy fundamentals. At the end of June, the order book amounted to approximately CHF 559 million, some 15% higher than at the end of the first quarter of 2022.

Half-year 2022 results

For the first half-year 2022, preliminary orders amounted to approximately CHF 648 million, up 31% compared to a year earlier. Sales increased by 32% to CHF 549 million year-on-year. Preliminary figures indicate that VAT achieved a half-year EBITDA margin around 35%, an increase of more than one percentage point over the restated first half-year level of 2021. This strong performance is based on the higher sales volume and the associated better operational leverage as well as VAT’s ongoing strong operational improvements, mitigating cost inflation for raw materials, logistics and wages. Despite higher working capital to support the continued growth in 2022, preliminary free cash flow reached a first six-month record level substantially above the previous year.

The continued strong order activity in the first six months indicates a sound business environment for the rest of 2022. Despite the high capacity utilization across the entire industry, VAT expects an increase in sales in H2 2022 versus the first six months. A more detailed update on VAT’s expectations for the rest of 2022 and its first sustainability review will be provided with the release of the detailed second quarter and half-year 2022 results on August 4, 2022.

VAT GROUP (ALL NUMBERS PRELIMINARY AND UNAUDITED)

in CHF million	Q2 2022	Q1 2022	CHANGE ¹	Q2 2021	CHANGE ²	HY 2022	HY 2021	CHANGE ²
Order intake	354	294.2	+20%	253.5	+40%	648	494.2	+31%
Net sales	286	263.0	+9%	224.2	+28%	549	416.4	+32%
Order backlog	559	487.0	+15%	218.3	+156%			

¹ Quarter-on-Quarter; ²Year-on-Year



For further information please contact:
VAT Group AG
Communications & Investor Relations
Michel R. Gerber
T +41 81 772 42 55
investors@vat.ch

Financial calendar 2022

Thursday, August 4, 2022

Half-year 2022 results

Thursday, October 13, 2022

Q3 2022 trading update

Friday, December 2, 2022

2nd VAT Capital Markets Day, Zurich

ABOUT VAT

VAT is the leading global developer, manufacturer and supplier of high-end vacuum valves. VAT vacuum valves are mission-critical components for advanced manufacturing processes of innovative products used in daily life such as portable devices, flat screen monitors or solar panels. VAT is organized into two different reporting segments: Valves and Global Service offering high-end vacuum valves, multi-valve modules, edge-welded bellows and related value-added services for an array of vacuum applications. VAT Group is a global player with over 2,500 employees and main manufacturing sites in Haag (Switzerland), Penang (Malaysia) and Arad (Romania). Net sales in the financial year 2021 amounted to CHF 901 million.

FORWARD-LOOKING STATEMENT

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.

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.