advaltech

2025

SEMI-ANNUAL REPORT

SEMI-ANNUAL KEY FIGURES OF THE ADVAL TECH GROUP

CHF million	1st half of 2025	2nd half of 2024	1st half of 2024
Net turnover			
Group	77.7	80.3	85.3
Total income[1]			
Group	79.5	84.6	90.3
EBITDA[1]			
Operating earnings before depreciation	0.8	-0.5	3.5
in % of total income	0.9	-0.6	3.8
EBIT[1]			
Operating earnings	-2.2	-3.6	-1.7
in % of total income	-2.8	-4.3	-1.9
Net result			
Net result after income taxes	-4.7	-4.5	-3.3
in % of total income	-5.9	-5.3	-3.6
Cash flow and capital expenditure			
Cash flow from operations	4.5	-5.1	-9.7
Capital expenditure	-2.4	-2.4	-2.7
Free cash flow[1]	2.2	-7.6	-12.4
Number of employees (full-time equivalents)			
as at balance sheet date	1,102[2]	1,085	1,090

[1] Alternative Performance Measure, see definitions on page 22.

[2] Workforce build-up with temporary employees at the Mexico plant, driven by production ramp-ups and quality initiatives

All statements in this report which do not refer to historical facts are statements related to the future which offer no guarantee with regard to future performance; they are subject to risks and uncertainties including, but not limited to, future global economic conditions, exchange rates, legal provisions, market conditions, activities by competitors, and other factors outside the company’s control.

TO OUR SHAREHOLDERS

ADVAL TECH IN A CHALLENGING ENVIRONMENT, BUT WITH A CLEAR FORWARD STRATEGY

In the first half of 2025, the Adval Tech Group realized total income of CHF 79.5 million, EBITDA of CHF 0.8 million, and free cash flow of CHF 2.2 million. The challenging market environment and extraordinary effects – in particular a cyber attack – had a noticeable impact on the half-year results. The Group has consistently advanced the projects initiated under its forward strategy and has already realized initial positive effects. In its target markets medtech and automotive, Adval Tech succeeded in securing significant contracts.

In the first half of 2025, the Adval Tech Group achieved total income of CHF 79.5 million (first half of 2024: CHF 90.3 million, -11.9%), EBITDA of CHF 0.8 million (first half of 2024: CHF 3.5 million, -78.3%), EBIT of CHF -2.2 million (first half of 2024: CHF -1.7 million), and a net result of CHF -4.7 million (first half of 2024: CHF -3.3 million). Adjusted for currency effects, EBITDA in the first half of 2025 amounted to CHF 1.0 million (first half of 2024: CHF 3.1 million) and EBIT to CHF -2.0 million (first half of 2024: CHF -1.9 million).

Net turnover from the sale of components, tools, and high-speed presses decreased from CHF 85.3 million to CHF 77.7 million (-8.9%). At 69%, the Adval Tech Group once again generated the largest share of its net turnover in the first half of 2025 with customers in Europe (first half of 2024: 69%). Sales to Asian customers accounted for 11% (first half of 2024: 12%). Adval Tech generated 15% of net turnover with Latin American customers (first half of 2024: 13%) and 5% with North American customers (first half of 2024: 6%). The capacity utilization of Adval Tech's plants in the first half of 2025 reflected the varying market demand. Although the Group's EBIT and net result remain below expectations, Adval Tech was able to improve its free cash flow from CHF -12.4 million in the first half of 2024 to CHF 2.2 million in the first half of 2025.

Positive effects of the forward strategy

Adval Tech has consistently advanced the projects launched in the previous year as part of its forward strategy, achieving significant progress. These include the further development of the organizational structure, the introduction of forward-looking performance reporting, and various operational adjustments at individual plants. The implementation was actively driven forward despite a challenging market environment and extraordinary factors, including a cyber attack.

Investments and net current assets

In the first half of 2025, capital expenditure was CHF 2.4 million (first half of 2024: CHF 2.7 million). Cash flow from operating activities amounted to CHF 4.5 million in the first half of the year (first half of 2024: CHF -9.7 million). Operating net current assets (trade accounts receivable, inventories, trade accounts payable) stood at CHF 50.8 million as of June 30, 2025 (December 31, 2024: CHF 56.5 million). In relation to total income, average operating net current assets as of the end of June 2025 remained at 33.2% (end of December 2024: 29.5%). Free cash flow improved significantly, from CHF -12.4 million in the first half of 2024 to CHF 2.2 million in the first half of 2025, mainly due to returns from pre-financing in the toolmaking business carried out in the previous year.

Automotive target market

The greatest challenges remain in the automotive target market, where the Adval Tech Group, thanks to its long-standing expertise in metal, plastic, and hybrid technologies, enjoys an excellent market position and reputation. In the first half of 2025, slightly more vehicles were sold worldwide than in the prior-year period. However, due to the new import tariffs – 25% higher – on imported vehicles and vehicle parts, exports from European countries to the USA declined noticeably in the second quarter. Adval Tech was directly impacted by U.S. tariffs at its plant in Endingen (Germany). This resulted in the discontinuation of a project and led to a revenue shortfall amounting to several million CHF in the 2025 financial year. It is still uncertain how the special rate of 15% for the EU, negotiated on July 27, 2025, and the new Swiss tariff rates will affect exports to the USA in the third and fourth quarters. Because of the high import share of components, vehicle production in the USA itself is most heavily impacted by the U.S. tariffs. In contrast, South America recorded stable industry growth. In China, vehicle sales continued to rise, driven by the domestic market supported by government incentives. Chinese automobile manufacturers are increasingly expanding their presence in European markets, not least to avoid punitive U.S. tariffs. This trend is leading to a shift in market shares – both in Europe and globally.

In the **metal** sector, the Adval Tech Group manufactures, among other things, structural parts and assemblies for the automotive industry at its sites in Germany, Hungary, and Brazil, as well as rotationally symmetrical stamped parts for airbags, ABS braking systems, and fuel injection systems at the Niederwangen site in Switzerland. In the first half of 2025, the plants in Switzerland and Germany, in particular, recorded a decline in demand. In contrast, the Brazil site was able to increase its sales compared to the first half of 2024. The favorable development in the South American market promises further growth opportunities for Adval Tech.

In the **plastics** automotive sector, the Adval Tech Group produces, for example, air flow systems in Hungary and Mexico, as well as plastic housings and brackets in China. Despite the difficult market situation, Adval Tech was able to increase sales of plastic applications at all three sites. The Group sees further considerable growth potential in this area.

Adval Tech was able to significantly increase its sales in the **tools** segment in the first half of 2025, thanks to successful sample approvals and upcoming series launches, which will have a positive impact on business development in the future.

Medtech target market

Growth in the medtech sector is a key element of Adval Tech's forward strategy. At its site in Grenchen (Switzerland), the Group produces and assembles plastic injection-molded parts under cleanroom conditions. Turnover in the first half of 2025 developed better than expected. In addition, the Group secured major new orders, for example for a new and innovative syringe closure system. At the same time, it has intensified market cultivation in Europe and Asia. With its strong development and manufacturing expertise under cleanroom conditions and its excellent market reputation, the Adval Tech Group has further growth potential. Accordingly, in the medtech segment, Adval Tech has initiated plans to expand its production capacities and organizational structure.

Consumer goods target market

In the consumer goods sales market, Adval Tech produces plastic injection-molded parts in Malaysia and aluminum capsules at its Swiss site in Grenchen. In the first half of 2025, demand remained slightly below the previous year's level, as expected. At the Malaysia site, Adval Tech implemented several new projects with existing customers for the Asian market in the first half of the year and also acquired two new customers.

Board of Directors, Group Executive Management, and Employees

At the Annual General Meeting on May 15, 2025, Dirk Lambrecht and Jörg Buchheim were elected as new members of Adval Tech's Board of Directors. Shareholders also elected Dirk Lambrecht as Chairman of the Board. As a proven leader with broad international experience, he also serves as a member of the Board of Directors of Dätwyler Holding AG, Switzerland, and as a member of the Executive Board of Swissmem. Jörg Buchheim likewise has extensive and successful international management experience in the automotive industry. He has been CEO of the Webasto Group, since March 2025.

In addition, the Adval Tech Group was able to recruit Ralf Eble, an experienced operations manager, as COO and member of the Group Executive Board as of May 1, 2025. The workforce of the Adval Tech Group, measured in full-time equivalents, rose in the first half of 2025 from 1,085 (year-end 2024) to 1,102 (end of June 2025). The increase in capacity was attributable to production ramp-ups and quality initiatives in Mexico, while capacity was reduced at other sites.

Cyber attack

On March 2, 2025, the Adval Tech Group became the target of a cyber attack. Adval Tech responded quickly with targeted security measures, engaged external specialists, and promptly informed the relevant authorities. Production could be maintained at all sites, and customers continued to be supplied. Adval Tech resolved the incident within a few weeks and, at the same time, substantially strengthened its cyber security. Overall, the cyber attack resulted in direct and indirect costs in the high six-figure range.

Outlook

The economic environment remains challenging – particularly in the automotive industry, which continues to be characterized by significant uncertainty and profound structural changes. Compared to the first half of the year, Adval Tech expects an improvement in profitability in the second half of 2025. Although the conditions remain difficult, the Adval Tech Group sees opportunities for further development and expansion in all target markets. In both the automotive and medtech sectors, Adval Tech is engaged in customer negotiations for the acquisition of new major projects. Thanks to its forward strategy, with targeted structural and organizational improvements, the Adval Tech Group is now well positioned to respond flexibly to short-term market movements in the automotive industry while simultaneously accelerating growth in the medtech segment. The aim remains unchanged: to place Adval Tech on a sustainably profitable growth path.

Niederwangen, August 2025

Dirk Lambrecht
Chairman of the Board of Directors

Volker Brielmann
Chief Executive Officer

The unaudited semi-annual financial statements of the Adval Tech Group have been prepared in accordance with the accounting principles published in the 2024 Annual Report. In accordance with SWISS GAAP FER 31, this Semi-Annual Report contains shorter presentations and disclosures in comparison with the consolidated annual financial statements and should therefore be read and interpreted in the context of the 2024 Annual Report.

CONSOLIDATED BALANCE SHEET

CHF 1,000	Notes	06/30/2025	12/31/2024
Liquid assets		14,676	17,766
Trade accounts receivable	5	30,221	28,362
Other receivables	6	4,038	3,139
Advance payments to suppliers	7	1,845	1,709
Inventories and work in progress	8	39,221	47,621
Prepaid expenses and accrued income		2,394	1,751
Total current assets		**92,395**	**100,348**
Tangible fixed assets	9, 17	48,909	50,092
Financial assets		82	93
Intangible assets		2,120	2,014
Deferred tax assets		2,633	2,687
Total fixed assets		**53,744**	**54,886**
Total assets		**146,139**	**155,234**
Trade accounts payable	10	12,265	12,927
Short-term interest-bearing liabilities	11	5,181	9,753
Other short-term liabilities	12	6,241	5,475
Prepaid income and accrued expenses	13	15,463	12,403
Short-term provisions		474	787
Accrued current income taxes		334	720
Total short-term liabilities		**39,958**	**42,065**
Long-term interest-bearing liabilities	11	1,494	1,697
Other long-term liabilities		272	272
Long-term provisions		1,427	1,395
Income tax liabilities		1,779	1,755
Total long-term liabilities		**4,972**	**5,119**
Total liabilities		**44,930**	**47,184**
Share capital		14,600	14,600
Capital reserves		92,457	92,457
Treasury shares		0	0
Goodwill offset		-58,776	-58,776
Translation differences		-15,933	-13,809
Retained earnings		68,861	73,578
Total shareholders' equity		**101,209**	**108,050**
Total liabilities and shareholders' equity		**146,139**	**155,234**

The attached explanatory Notes are part of the consolidated semi-annual financial statements of the Adval Tech Group.

CONSOLIDATED INCOME STATEMENT

CHF 1,000	Notes	1st half of 2025	1st half of 2024
Net turnover	14	**77,700**	**85,298**
Total income[1]		**79,487**	**90,251**
Cost of materials and services	15	-41,278	-46,801
Personnel expenses	16	-25,801	-27,520
Other operating expenses		-11,656	-12,466
Operating expenses		**-78,735**	**-86,787**
Operating earnings before depreciation (EBITDA)[1]		**752**	**3,464**
Depreciation on tangible fixed assets		-2,658	-4,972
Amortization on intangible fixed assets		-284	-214
Depreciation		**-2,942**	**-5,186**
Operating earnings (EBIT)[1]		**-2,190**	**-1,722**
Financial income		612	1,018
Financial expenses		-1,930	-1,926
Net financial income	18	**-1,318**	**-908**
Extraordinary result	19	-605	0
Net result before income taxes		**-4,113**	**-2,630**
Income taxes	20	-604	-637
Net result after income taxes		**-4,717**	**-3,267**
Net result after income taxes per share[2] **(CHF)**	21	**-6.46**	**-4.48**

[1] Alternative Performance Measure, see definitions on page 22.
[2] There is no dilutive effect.

The attached explanatory Notes are part of the consolidated semi-annual financial statements of the Adval Tech Group.

SHAREHOLDERS' EQUITY

1st half of 2024 CHF 1,000	**Share capital**	**Capital reserves**	**Treasury shares**	**Share of goodwill offset**	**Translation difference**	**Ret. earnings / acc. losses**	**Total share-holders' equity**
At January 1, 2024	**14,600**	**92,457**	**0**	**-58,776**	**-15,151**	**81,341**	**114,471**
Net result after income taxes	0	0	0	0	0	-3,267	-3,267
Translation differences	0	0	0	0	2,355	0	2,355
Increase/decrease in share capital	0	0	0	0	0	0	0
Dividends	0	0	0	0	0	0	0
Transfers	0	0	0	0	0	0	0
Purchase/sale of treasury shares	0	0	0	0	0	0	0
At June 30, 2024	**14,600**	**92,457**	**0**	**-58,776**	**-12,796**	**78,074**	**113,559**

1st half of 2025 CHF 1,000	**Share capital**	**Capital reserves**	**Treasury shares**	**Share of goodwill offset**	**Translation difference**	**Ret. earnings / acc. losses**	**Total share-holders' equity**
At January 1, 2025	**14,600**	**92,457**	**0**	**-58,776**	**-13,809**	**73,578**	**108,050**
Net result after income taxes	0	0	0	0	0	-4,717	-4,717
Translation differences	0	0	0	0	-2,124	0	-2,124
Increase/decrease in share capital	0	0	0	0	0	0	0
Dividends	0	0	0	0	0	0	0
Transfers	0	0	0	0	0	0	0
Purchase/sale of treasury shares	0	0	0	0	0	0	0
At June 30, 2025	**14,600**	**92,457**	**0**	**-58,776**	**-15,933**	**68,861**	**101,209**

The share capital of Adval Tech Holding AG is divided into 730,000 registered shares (2024: 730,000) (nominal value CHF 20 each, fully paid up). As at June 30, 2025, the Adval Tech Group held no company shares (June 30 and December 31, 2024: no company shares). The attached explanatory Notes are part of the consolidated semi-annual financial statements of the Adval Tech Group.

CONSOLIDATED CASH FLOW STATEMENT

CHF 1,000	Notes	1st half of 2025	1st half of 2024
Net result after income taxes		**-4,717**	**-3,267**
Scheduled depreciation on tangible fixed assets		2,658	3,147
Impairment on tangible fixed assets	17	0	1,825
Scheduled amortization on intangible assets		284	214
Increase (+) / decrease (-) in long-term and short-term provisions		-284	47
Increase (+) / decrease (-) in provision for deferred income taxes (net position)		78	57
Gain (-) / loss (+) on sales of tangible fixed assets		-32	-12
Other transactions with no impact on liquidity		666	-482
Cash flow from operating activities before change in net current assets[1)]		*-1,347*	*1,529*
Increase (-) / decrease (+) in receivables		-3,010	-2,416
Increase (-) / decrease (+) in inventories and work in progress	8	7,132	-7,530
Increase (-) / decrease (+) in prepaid expenses and accrued income		-1,865	1,016
Increase (+) / decrease (-) in trade accounts payable		-357	-2,842
Increase (+) / decrease (-) in other short-term liabilities, prepaid income and accrued expenses		3,977	516
Cash flow from operating activities		**4,530**	**-9,727**
Capital expenditure		-2,383	-2,660
Income from sales of tangible fixed assets		37	13
Investments in financial assets		0	0
Income from sales of financial assets		0	0
Investments in intangible assets		0	0
Income from sales of intangible assets		0	0
Net cash outflow from investments in financial assets		0	0
Net cash inflow from divestments of financial assets		0	0
Cash used for investing activities		**-2,346**	**-2,647**
Free cash flow[1)]		**2,184**	**-12,374**

[1)] Alternative Performance Measure, see definitions on page 22.

CHF 1,000	Notes	**1st half of 2025**	**1st half of 2024**
Free cash flow[1)]		**2,184**	**-12,374**
Dividend paid		0	0
Acquisition (-) / disposal (+) of treasury shares		0	0
Increase (+) / decrease (-) in short-term interest-bearing liabilities		-4,568	218
Increase (+) / decrease (-) in long-term interest-bearing liabilities		-203	852
Cash flow from financing activities		**-4,771**	**1,070**
Translation differences		-503	296
Changes in liquid assets		**-3,090**	**-11,008**
Liquid assets on June 30		14,676	16,296
Liquid assets on January 1		17,766	27,304
Changes in liquid assets		-3,090	-11,008

1) Alternative Performance Measure, see definitions on page 22.

The attached explanatory Notes are part of the consolidated semi-annual financial statements of the Adval Tech Group.

NOTES

1. BASIS FOR THE SEMI-ANNUAL FINANCIAL STATEMENTS / SEASONAL INFLUENCES

The Adval Tech Group operates in various markets. Adval Tech Group's business in the first half of 2025 remained impacted by occasional supply bottlenecks in the markets, the war in Ukraine, global economic uncertainties and disagreements between the global economic blocs on trade and punitive tariffs. In line with demand on the markets, company vacations were scheduled at individual sites. The most important influencing factors on the sales side are explained on pages 3 to 7.

The further development of the markets and their impact on the financial situation of the Adval Tech Group cannot be reliably estimated at present. Further statements regarding the outlook can be found on page 7 of this Semi-Annual Report.

2. CHANGES TO THE SCOPE OF CONSOLIDATION

In the first half of 2025, the two companies in Hungary were merged. The merged company now operates under the name Adval Tech (Hungary) Kft. This merger has no impact on the Group's financial position or results of operations. In the prior-year period, the scope of consolidation remained unchanged.

3. EXCHANGE RATES

Exchange rates relevant to consolidation relative to the reporting currency CHF:

	Average 1st half of 2025	Average 2nd half of 2024	Average 1st half of 2024
BRL	0.1495	0.1641	0.1753
CNY	0.1189	0.1225	0.1235
EUR	0.9411	0.9526	0.9614
MXN	0.0432	0.0484	0.0521
USD	0.8626	0.8805	0.8893

	on 06/30/2025	on 12/31/2024	on 06/30/2024
BRL	0.1456	0.1457	0.1626
CNY	0.1114	0.1237	0.1234
EUR	0.9361	0.9408	0.9603
MXN	0.0424	0.0440	0.0488
USD	0.7987	0.9031	0.8975

4. ITEMS WITH MATERIAL ESTIMATES BY MANAGEMENT AND RISKS

Items with material estimates by the management and the principal risks are fundamentally unchanged from the 2024 financial statements. They are listed in Notes 1.1, 1.7 and 2 to the consolidated financial statements of the Annual Report 2024.

The Adval Tech Group is exposed to various financial risks in the context of its business activities, such as currency risks, interest rate risks, credit risks and liquidity risks. It seeks through systematic management to minimize any adverse effects of such fluctuations on its financial results.

5. TRADE ACCOUNTS RECEIVABLE

Trade accounts receivable increased by CHF 1.9 million to CHF 30.2 million in the first half of 2025. As of the balance sheet date, CHF 4.2 million of trade accounts receivable were overdue (December 31, 2024: CHF 8.6 million), of which CHF 2.3 million were more than 30 days past due (December 31, 2024: CHF 6.2 million). While trade accounts receivable in Germany, Mexico, and Grenchen increased, they decreased in Hungary. The increase is primarily attributable to the invoicing of tool projects.

6. OTHER RECEIVABLES

Other receivables increased by CHF 0.9 million to CHF 4.0 million in the first half of 2025. They include receivables from services not directly related to operating activities, such as VAT and other tax credits, as well as credits from social security institutions.

7. ADVANCE PAYMENTS TO SUPPLIERS

Advance payments to suppliers increased by CHF 0.1 million to CHF 1.8 million in the first half of 2025. They are primarily related to prepayments for tools and raw material deliveries. In Hungary, advance payments increased, while in Mexico, they declined.

8. INVENTORIES AND WORK IN PROGRESS

CHF 1,000	06/30/2025	12/31/2024
Trading goods	70	106
Raw materials	8,849	9,126
Semi-finished and finished goods	21,139	21,579
Work in progress, long-term orders	18,124	26,324
Work in progress, other orders	2,665	2,116
Provisions	-11,626	-11,630
Total inventories and work in progress	**39,221**	**47,621**

In the first half of 2025, inventories and work in progress decreased by CHF 8.4 million. Long-term orders for tools and equipment accounted for the main part of the decrease, amounting to CHF 8.2 million. These projects were invoiced in the first half of 2025 and largely paid for by the customers.

9. TANGIBLE FIXED ASSETS

The carrying amounts of tangible fixed assets decreased by CHF 1.2 million during the reporting period. This decline is primarily attributable to changes in cumulative currency translation differences. Investments in tangible fixed assets in the first half of 2025 were at comparable levels.

10. TRADE ACCOUNTS PAYABLE

Trade accounts payable decreased by CHF 0.7 million to CHF 12.3 million in the first half of 2025. At the sites in Hungary, China, Mexico, Brazil, and Malaysia this item declined by a total of CHF 1.6 million, while at the other locations, trade accounts payable increased by a total of CHF 0.9 million.

11. SHORT- AND LONG-TERM INTEREST-BEARING LIABILITIES

Interest-bearing liabilities are as follows:

CHF 1,000	**06/30/2025**	**12/31/2024**
Short-term interest-bearing liabilities to third parties	4,996	9,542
Short-term leasing liabilities to third parties	185	211
Short-term interest-bearing liabilities	**5,181**	**9,753**
Long-term leasing liabilities to third parties	115	137
Long-term interest-bearing liabilities to third parties	1,379	1,560
Long-term interest-bearing liabilities	**1,494**	**1,697**

Interest-bearing liabilities totaling CHF 6.7 million (December 31, 2024: CHF 11.5 million) are covered by liquid assets of CHF 14.7 million (December 31, 2024: CHF 17.8 million, gross). Short-term interest-bearing liabilities were reduced by CHF 4.5 million through payments received for tooling projects. Long-term interest-bearing liabilities were decreased in line with the contractually agreed monthly repayments.

12. OTHER SHORT-TERM LIABILITIES

Other short-term liabilities increased by CHF 0.8 million to CHF 6.2 million compared to December 31, 2024. The increase is attributable to the sites in Hungary, Mexico, and Switzerland.

13. PREPAID INCOME AND ACCRUED EXPENSES

Prepaid income and accrued expenses increased by CHF 3.1 million to CHF 15.5 million in the first half of 2025. The largest increase was recorded at the sites in Switzerland, Hungary, and Germany. The increase is mainly related to the accrual of received but not yet invoiced services, employees' vacation and overtime entitlements, variable salary components, and staff changes. The accrual for employees' vacation and overtime entitlements is expected to be largely reduced by year-end through vacation taken and the compensation of overtime.

14. SEGMENT REPORTING / TURNOVER BY GEOGRAPHICAL MARKET

The Adval Tech Group presents net turnover by regions, as in the 2024 Annual Report. The resulting breakdown is as follows:

CHF 1,000		1st half of 2025		1st half of 2024
Net turnover	**77,700**	**100%**	**85,298**	**100%**
Europe	53,924	69%	58,481	69%
– of which Germany	32,210	41%	29,720	35%
– of which Switzerland	7,184	9%	8,935	10%
– of which Hungary	5,276	7%	2,824	3%
– of which France	2,130	3%	2,928	3%
– of which Slovakia	1,634	2%	1,595	2%
– of which Turkey	1,368	2%	2,369	3%
– of which Czech Republic	656	1%	5,689	7%
– of which other countries in Europe	3,466	4%	4,421	6%

Asia	8,506	11%	10,606	12%
– of which China	6,069	8%	7,621	9%
– of which other countries in Asia	2,437	3%	2,985	3%
Latin America	11,284	15%	10,672	13%
North America	3,851	5%	5,407	6%
Africa	114	0%	16	0%
Australia and Oceania	21	0%	116	0%

15. COST OF GOODS SOLD AND THIRD-PARTY SERVICES

The cost of goods sold and third-party services was CHF 5.5 million lower than in the first half of 2024. This reduction is primarily due to the lower output. In addition, some of the higher procurement costs absorbed in the past were recharged to customers in the first half of 2025. The cost of goods sold and third-party services as a percentage of total income[1)] remained at the previous year's level in the first half of 2025 at 51.9%. Negotiations with customers for charging on the higher costs have not been concluded and will continue.

16. PERSONNEL EXPENSES

Personnel expenses in the first half of 2025 were CHF 1.7 million lower than in the same period of the previous year.

In the first six months of 2025, the headcount increased by 17 full-time positions to 1,102 full-time positions. Compared with June 30, 2024, the headcount increased by 12 full-time equivalents. The increase in the number of employees mainly took place in Mexico, while positions were reduced at other sites.

17. CAPITAL EXPENDITURE

Capital expenditure includes a value adjustment of CHF 1.8 million from a project discontinuation. Like the other expenses in this connection, this value adjustment was charged on to customers.

[1)] Alternative Performance Measure, see definitions on page 22.

18. FINANCIAL EXPENSES AND FINANCIAL INCOME

CHF 1,000	1st half of 2025	1st half of 2024
Interest earned	83	219
Currency gains	529	795
Other financial income	0	4
Total financial income	**612**	**1,018**
Interest paid	-153	-90
Currency losses	-1,169	-1,125
Unrealized translation differences	-466	-588
Other financial expenses	-142	-123
Total financial expenses	**-1,930**	**-1,926**
Net financial result	**-1,318**	**-908**

The net financial result shows net expenses of CHF 1.3 million in the first half of 2025 (first half of 2024: net expenses of CHF 0.9 million). Cumulative currency translation differences in the first half of 2025 amounted to CHF 1.1 million (first half of 2024: CHF 0.9 million). Net interest expenses for the reporting period amounted to CHF 0.07 million (first half of 2024: net income of CHF 0.13 million).

19. EXTRAORDINARY RESULT

The extraordinary result for the reporting period is directly related to the costs of dealing with the cyber attack of March 2, 2025.

20. INCOME TAXES

Income taxes were incurred primarily in profitable entities that had no tax loss carry-forwards. No additional deferred tax assets were recognized in the first half of 2025.

21. EARNINGS PER SHARE

The result reported for corporate tax per share was calculated on the basis of the 730,000 outstanding shares. The capital structure remained unchanged in the reporting period and the previous year. There are therefore no dilutive effects.

22. SHARE-BASED REMUNERATION

As in the previous year, no shares were issued to the Group Executive Management in the first half of 2025 as part of variable remuneration for the 2024 fiscal year.

23. TRANSACTIONS WITH RELATED PARTIES

The list with persons and companies deemed to be related parties is included in note 36 to the 2024 consolidated financial statements.

In the first half of 2025, materials worth CHF 0.02 million were procured from related parties (first half of 2024: CHF 0.02 million). As of June 30, 2025, there were liabilities to related parties of CHF 0.2 million (December 31, 2024: CHF 0.0 million). As at the balance sheet dates June 30, 2025, and December 31, 2024, no receivables from related parties existed.

24. EVENTS OCCURRING AFTER BALANCE SHEET DATE

Between the balance sheet date and the approval of the semi-annual statements for publication, there were no events that significantly affect the statements in this report. The impact of the future developments in the demand and supply situation cannot currently be reliably assessed, either for customers or for Adval Tech itself. This applies in particular with regard to the war in Ukraine, the global political situation, and global economic developments.

25. RELEASE OF THE SEMI-ANNUAL FINANCIAL STATEMENTS

These semi-annual financial statements were released for publication by the Board of Directors of Adval Tech Holding AG on August 29, 2025.

SUBTOTALS IN THE BALANCE SHEET, INCOME STATEMENT AND CASH FLOW STATEMENT

The Adval Tech Group uses subtotals in its financial report that are not defined in Swiss GAAP FER. These **Alternative Performance Measures** are used to enhance the information value of the income statement and cash flow statement. The following subtotals are used:

INCOME STATEMENT

Total income	Net turnover, plus or minus change in inventories of finished and semi-finished goods, plus capitalized internally produced assets, plus other operating income
EBITDA	Total income less cost of goods sold and outsourced services, payroll and other operating expenses
EBIT	EBITDA less depreciation on tangible fixed assets and amortization on intangible assets

CASH FLOW STATEMENT

Cash flow from operating activities before changes in net current assets	Net result after income taxes plus depreciation on tangible fixed assets and amortization on intagible assets plus or minus change in short-term and long-term provisions, change in provisions for deferred income taxes, gain/loss on sales of tangible fixed assets, other transactions with no impact on liquidity
Free cash flow	Sum of cash flow from operating activities and cash flow from investing activities

BALANCE SHEET FIGURES

Operating net current assets	Trade accounts receivable plus prepayments to suppliers plus inventories minus trade accounts payable minus prepayments from customers minus invoices not yet paid
Net debt	Cash and cash equivalents minus short-term interest-bearing liabilities minus long-term interest-bearing liabilities
Net financial position	If net debt is negative, we speak of a net financial position.

		Components	
		Metal	Plastic
Europe	Adval Tech (Grenchen) AG, Grenchen, Switzerland	●	●
	Adval Tech (Hungary) Kft., Szekszárd, Hungary	●	●
	Adval Tech (Germany) GmbH und Co. KG, Endingen, Germany	●	
	Adval Tech (Switzerland) AG, Niederwangen, Switzerland	●	
Asia	Adval Tech (Malaysia) Sdn. Bhd., Johor Bahru, Malaysia		●
	Adval Tech (Suzhou) Co. Ltd, Suzhou, China		●
Americas	Adval Tech (Mexico) S.A. de C.V., Querétaro, Mexico		●
	Adval Tech do Brasil Indústria de Autopeças Ltda., São José dos Pinhais, Brazil	●	

AGENDA

- Conference on the 2025 financial statements: April 2026
- Publication of the 2025 Annual Report: April 2026
- General Meeting of Shareholders: May 21, 2026

BRIEF PORTRAIT OF THE ADVAL TECH GROUP

Adding value through innovation – that's what Adval Tech stands for. The Adval Tech Group is a global industrial supplier of technologically sophisticated components and subassemblies made of metal, light metal, and plastic. It focuses on selected activities, especially in its main target markets, the automotive industry and medtech. As a supplier and value-adding partner, Adval Tech covers the entire value chain from product development to prototyping, to mold and tool development, and through to component production and assembly. Headquartered in Switzerland, the Adval Tech Group operates a total of eight production plants. These are located in Switzerland, Germany, Hungary, China, Malaysia, Mexico, and Brazil.

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This Semi-Annual Report is available in English and German. The original German-language version is binding.