

ANNUAL REPORT

2025

Measured progress.

Valtorne Instruments SA · Vufflens-la-Ville, Switzerland

VALTORNE
INSTRUMENTS

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About this report

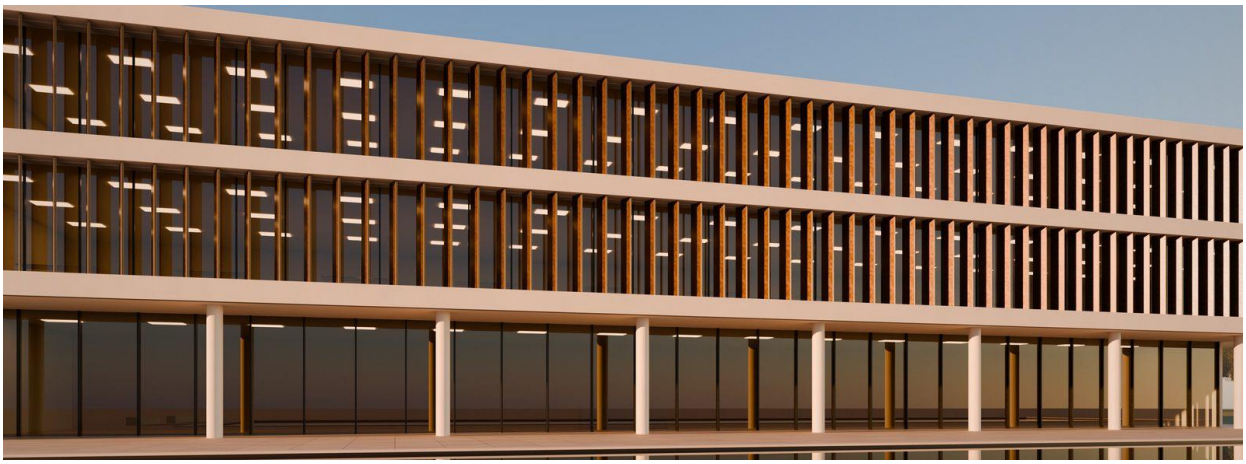
This annual report describes the business, strategy and financial performance of Valtorne Instruments SA and its subsidiaries ("Valtorne" or "the Group") for the financial year from 1 January to 31 December 2025. The consolidated financial statements have been prepared in accordance with Swiss GAAP FER and audited by Brenner & Cuendet Revision SA, Lausanne. Amounts are stated in Swiss francs; figures in tables are rounded, so totals may differ slightly from the sum of their components.

Statements about future developments reflect the Board's current expectations. They involve risks and uncertainties, and actual results may differ materially. The report is published in English and French; the English version prevails.

Financial calendar

Event	Date	Details
Annual General Meeting	23 April 2026	Lausanne, Palais de Beaulieu
Ex-dividend date	27 April 2026	Swiss stock exchange
Dividend payment	29 April 2026	CHF 6.20 per share (proposed)
Half-year report 2026	18 August 2026	Webcast at 10:00 CET
Investor day	8 October 2026	Vufflens-la-Ville
Annual results 2026	2 March 2027	Media and analyst conference

Letter from the CEO



The headquarters in Vufflens-la-Ville, where development, assembly of the PG-200 and the group's accredited calibration laboratory share one roof.

Dear Shareholders,

Twelve months ago I wrote that 2025 would test our ability to grow in a market that was neither booming nor in decline. Looking back, I am pleased to report that Valtorne passed that test convincingly. Net sales rose by 7.0% to CHF 412.3 million, order intake reached a record CHF 421.1 million and the EBIT margin improved for the fifth year in a row, to 12.8%. We achieved this although the strong Swiss franc reduced reported sales by 2.4 percentage points and several customers in the chemical industry postponed capital projects into 2026.

Three developments shaped the year. The first was the full launch of the PG-200 digital pressure gauge family, which already accounts for more than a third of sales in Digital Gauges, eighteen months after its introduction. Customers value its wireless configuration, the ten-year battery life and an accuracy class of 0.1% of span that previously required a laboratory instrument. The second was the growth of our service business: recurring calibration contracts grew by 6.4%, and the share of contracts renewed for three years or longer exceeded 70% for the first time. The third was our progress in Asia. The plant in Suzhou delivered its first MX-7 transmitters for the Chinese market in April and closed the year with a backlog that secures its utilisation well into the second half of 2026.

> “
>
> Precision is not a feature we add at the end. It is the discipline that runs through everything we do.
>
> **Corinne Vuilleumier, CEO**

Profitability improved because volume growth met a cost base that we had prepared for it. Gross margin rose to 45.0% (2024: 44.5%) as the new surface-mount line in Vufflens-la-Ville reached its planned output and purchasing savings on sensor elements offset higher wage costs. We continued to invest in our future: research and development expenses grew by 8.3% to CHF 36.7 million, or 8.9% of net sales, and capital expenditure of CHF 25.1 million was again financed entirely from operating cash flow.[1]

Innovation remains the foundation of our growth. In 2025 we filed 14 patent applications, launched 23 new products and variants and opened a test laboratory for hydrogen applications in Vufflens-la-Ville, where instruments are exposed to pure hydrogen at up to 1,050 bar for several thousand pressure cycles. Products launched in the past three years generated 31% of net sales, compared with 27% a year earlier. Together with two

[1] Capital expenditure comprises purchases of property, plant and equipment (CHF 21.9 million) and of intangible assets (CHF 3.2 million); see the consolidated cash flow statement.

universities of applied sciences we are developing a new generation of thin-film sensor elements that will more than halve the energy consumption of battery-powered transmitters.

Our people made these results possible. At the end of the year Valtorne employed 1,140 people in five countries, 38 more than a year earlier. I thank every one of them for their commitment, and in particular the teams in Yverdon-les-Bains and Ostrava who transferred the assembly of Calibra bench calibrators while keeping delivery reliability at 96.8%. We welcomed 41 apprentices, the largest intake in the company's history, and extended our technical training programme to the plants in Suzhou and Charlotte.

Sustainability is part of how we run the company. Scope 1 and 2 emissions fell by 11% compared with 2024, mainly because the Vufflens-la-Ville site now sources all of its electricity from certified hydropower and the heat-recovery system installed in Ostrava cut the plant's gas consumption by a quarter. Our products contribute as well: a transmitter that drifts less needs fewer recalibrations and fewer service visits over its lifetime. We report our targets and progress on page 10.

For 2026 we expect the market environment to remain mixed. Demand from water utilities, energy and life-science customers should stay robust, while the chemical industry is likely to recover only gradually. On this basis, and assuming stable exchange rates, we expect organic growth of 4 to 6% and a further slight improvement in the EBIT margin. Strategy 2028, presented on page 4, sets out how we intend to reach a margin of 14% and net sales of more than half a billion francs by the end of the plan period.

At the Annual General Meeting, Prof. Dr. Andreas Wyss will not stand for re-election after ten years on the Board. We thank him for his guidance, in particular in shaping our technology roadmap. The Board proposes Dr. Renate Imhof, a physicist with long experience in sensor development and semiconductor manufacturing, as his successor.

The Board of Directors proposes to the Annual General Meeting on 23 April 2026 a dividend of CHF 6.20 per share (2024: CHF 5.40), an increase of 14.8%. This corresponds to a pay-out ratio of 44% and reflects both the strong result and our confidence in the years ahead. On behalf of the Executive Committee, I thank you, our shareholders, for your trust, and our customers and partners for the confidence they place in Valtorne every day.

Vufflens-la-Ville, 2 March 2026



Corinne Vuilleumier
Chief Executive Officer

KEY FIGURES

2025 at a glance

A record order intake, higher margins and a stronger balance sheet: the main figures of the year, compared with 2024.

CHF 412.3 m
Net sales
+7.0% (organic +9.4%)

CHF 421.1 m
Order intake
+8.1%, book-to-bill 1.02

12.8%
EBIT margin
+0.8 percentage points

CHF 40.1 m
Net profit
+17.0%

CHF 32.6 m
Free cash flow
+22.4%

8.9%
R&D in % of net sales
CHF 36.7 m invested

1,140
Employees at year end
+38, of which 41 apprentices

CHF 6.20
Proposed dividend per share
+14.8%, pay-out ratio 44%

−11%
Scope 1 and 2 emissions
−37% against 2019 baseline

Highlights of the year

Q1 2025

PG-200 wireless version certified for hazardous areas (ATEX Zone 1).

Calibration contract with a Swiss water utility covering 3,400 instruments.

Q2 2025

First MX-7 transmitters shipped from Suzhou.

Heat-recovery system commissioned in Ostrava.

Q3 2025

Calibra 9 bench calibrator launched with automated test sequences.

Accredited laboratory in Charlotte extended to differential pressure.

Q4 2025

Record quarterly order intake of CHF 113.5 million.

Framework agreement with a European hydrogen electrolyser maker.

Free cash flow is defined as cash flow from operating activities less capital expenditure plus proceeds from the disposal of fixed assets.[2] All other figures are taken from the audited consolidated financial statements.

[2] Free cash flow and other alternative performance measures are defined in the glossary at the end of this report. Organic growth excludes currency effects and the effects of acquisitions and divestments.

STRATEGY

Strategy and markets

Valtorne measures pressure, level and flow where accuracy matters: in water networks, energy plants, chemical processes and laboratories. Strategy 2028 builds on this position and adds two growth engines, digital services and Asia.



November 2024 and entered its first year of implementation in 2025. It sets three financial targets for 2028: net sales above CHF 500 million, an EBIT margin of 14% and a return on capital employed of more than 20%. The plan assumes average organic growth of 6% per year, slightly above the expected growth of our addressable market, which we estimate at CHF 6.8 billion.[3]

Grow digital. Digital instruments that can be configured and read without opening a housing are replacing mechanical gauges in a growing number of applications. With the PG-200 we have the most complete family in our price class. By 2028 we want connected products to account for half of Digital Gauges sales, compared with 36% today.

Scale services. Every installed Valtorne instrument needs to be checked at regular intervals. Our accredited laboratories in Vufflens-la-Ville, Ostrava and Charlotte calibrate more than 210,000 instruments a year, including those of other manufacturers. We are converting one-off orders into multi-year contracts with guaranteed turnaround times, supported by the Calibra Cloud certificate portal.

Expand in Asia. Asia-Pacific accounts for 16% of our sales but for almost 40% of global market growth. The Suzhou plant, which began series production in 2024, allows us to offer MX-7 transmitters with local content and short delivery times. We plan to double the plant's capacity by 2027 within the existing building.

Operate sustainably. We have committed to net zero greenhouse gas emissions in our own operations by 2035 and to a science-based reduction target for our

we now provide for all main product lines.

Progress against each priority is reviewed by the Executive Committee every quarter and by the Board twice a year. Variable compensation of the Executive Committee is linked to the three financial targets and to the emission reduction path.

[3] Valtorne estimate based on data published by European and North American instrument industry associations, converted at 2025 average exchange rates.

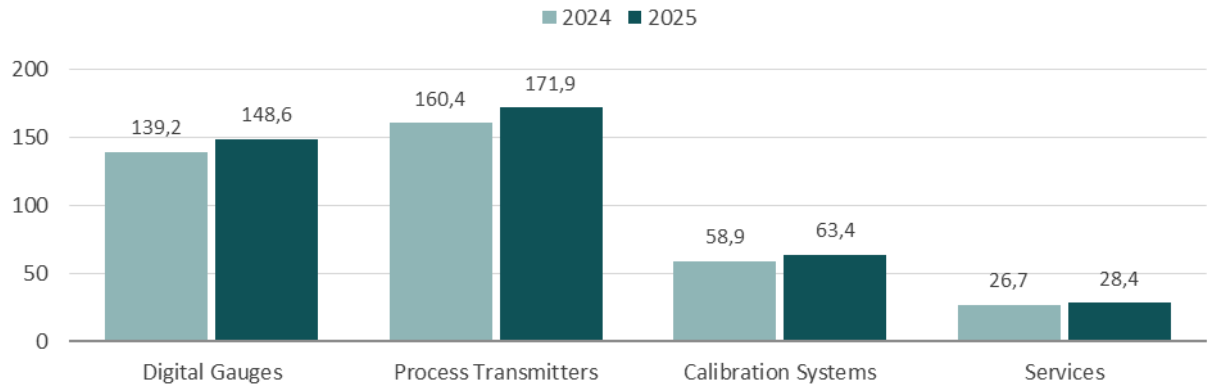


Figure 1: Net sales by segment, 2024 and 2025 (CHF million)

Market environment in 2025

The global market for industrial pressure and level instrumentation grew by an estimated 3.5% in nominal terms. Growth was strongest in water and wastewater treatment, hydrogen and battery production and pharmaceuticals, and weakest in base chemicals and the European automotive supply chain. Valtorne grew faster than the market in all three end markets and gained share in water utilities, where the PG-200 and MX-7 platforms are now specified in public tenders in eleven countries.

Table 1: End markets: market growth and Valtorne growth in 2025

End market	Market growth	Valtorne growth	Share of sales	Main applications
Process industries	+1.2%	+0.4%	34%	Reactors, pipelines, tank farms, food processing
Energy and utilities	+5.8%	+12.1%	41%	Water networks, district heating, hydrogen, power plants
Life sciences and laboratories	+4.6%	+9.0%	25%	Bioreactors, clean utilities, calibration laboratories
Group	**+3.5%**	**+7.0%**	**100%**	

Our end markets

Process industries

Chemical, petrochemical and food plants buy robust transmitters and gauges that withstand aggressive media and high temperatures. Sales in this market were flat in 2025, as several European chemical producers postponed investments. Replacement demand and safety upgrades, where instruments with SIL 2 certification are required, held up well. Share of group sales: 34%.

Energy and utilities

Water and wastewater utilities, district heating networks and power producers were our fastest-growing customers, with sales up 12%. Hydrogen is a new and promising field: electrolysers and filling stations operate at pressures of up to 1,000 bar and require instruments that resist hydrogen embrittlement. Share of group sales: 41%.

Life sciences and laboratories

Pharmaceutical producers, contract manufacturers and research laboratories need instruments with documented traceability and hygienic process connections. Demand for Calibra bench calibrators and sanitary MX-7 versions grew by 9%. Calibration services for this market are often part of the customer's regulatory validation. Share of group sales: 25%.

BUSINESS REVIEW

Business review

All four segments grew in 2025. Price increases contributed about 2.5% to growth, volume and mix the remainder; currency translation reduced reported sales by CHF 9.2 million.

Group performance

Order intake rose to CHF 421.1 million, 8.1% more than in the previous year and the highest figure in Valtorne's history. Each quarter exceeded the corresponding quarter of 2024 (see Figure 2), and the fourth quarter was strengthened by the framework agreement with a hydrogen electrolyser manufacturer. The book-to-bill ratio of 1.02 and an order backlog of CHF 118.4 million at year end provide good visibility for the first half of 2026.

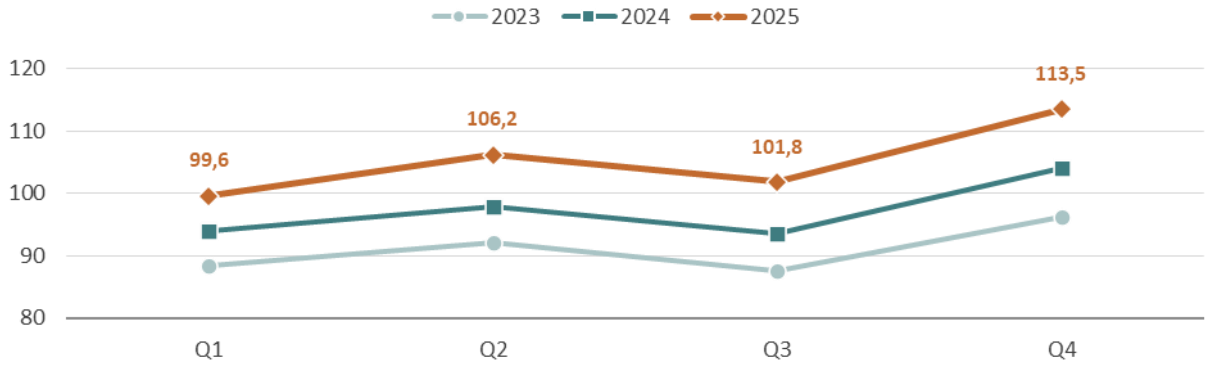


Figure 2: Order intake by quarter, 2023–2025 (CHF million)

Net sales grew by 7.0% to CHF 412.3 million; in local currencies the increase was 9.4%. Europe remained our largest region with 60% of sales. The Americas grew by 8.6%, driven by water utilities and the expansion of the calibration laboratory in Charlotte, and Asia-Pacific by 14.8%, the highest rate of all regions.[4]

[4] Sales are allocated to regions according to the location of the customer. Rest of Europe includes the United Kingdom, Scandinavia and Turkey.

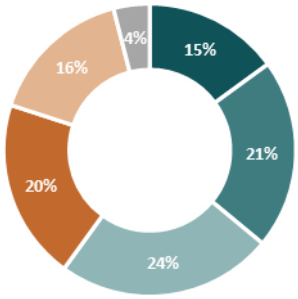


Figure 3: Net sales by region, 2025

CHF million	2025	2024	Change
Switzerland	61.8	60.1	+2.8%
Germany	86.6	83.2	+4.1%
Rest of Europe	98.9	93.4	+5.9%
Americas	82.5	76.0	+8.6%
Asia-Pacific	66.0	57.5	+14.8%
Middle East & Africa	16.5	15.0	+10.0%
Total	**412.3**	**385.2**	**+7.0%**

- Switzerland
- Germany
- Rest of Europe
- Americas
- Asia-Pacific
- Middle East & Africa

Segment results

Table 2: Key figures by segment (CHF thousands)

Segment	Net sales 2025	Change	EBIT 2025	EBIT margin 2025	EBIT margin 2024
Digital Gauges	148,612	+6.7%	21,846	14.7%	13.4%
Process Transmitters	171,904	+7.2%	23,964	13.9%	13.3%
Calibration Systems	63,415	+7.6%	6,913	10.9%	10.4%
Services	28,385	+6.3%	5,394	19.0%	18.2%
Corporate and eliminations	–	–	(5,326)	–	–
Group	**412,316**	**+7.0%**	**52,791**	**12.8%**	**12.0%**

Digital Gauges



Net sales in Digital Gauges increased by 6.7% to CHF 148.6 million. The PG-200 family, now available in 46 variants, sold 61,000 units, and its share of segment sales reached 36%. Mechanical gauges, which still account for the largest part of the segment, grew modestly thanks to the oil and gas business in the Middle East. The segment's EBIT margin improved to 14.7% (2024: 13.4%), helped by the higher share of digital products and by lower costs for display modules.

In 2026 the PG-200 will be extended by a version with IO-Link interface for machine builders and by a differential-pressure model for filter monitoring. Both are developed on the same electronics platform, which reduces development costs and simplifies certification.

Process Transmitters



Process Transmitters is our largest segment. Net sales rose by 7.2% to CHF 171.9 million. The MX-7 platform benefited from strong demand from water utilities and energy customers and from its first full year of production in Suzhou. HART and WirelessHART versions accounted for 58% of units. EBIT increased by 12.3% to CHF 24.0 million and the margin to 13.9%, despite

start-up costs in Suzhou of about CHF 1.4 million. Skid builders for water treatment and hydrogen compression were the fastest-growing customer group; for them we introduced a compact MX-7 version with a reduced mounting depth and a pre-configured diagnostics package.

Calibration Systems

Calibration Systems, which develops and builds the Calibra bench and portable calibrators, grew by 7.6% to CHF 63.4 million. The new Calibra 9 with automated test sequences was well received by pharmaceutical customers, who use it to document the calibration of their own instruments. The transfer of bench assembly from Yverdon-les-Bains to Ostrava was completed in September; it will lower unit costs by about 12% from 2026. EBIT margin: 10.9% (2024: 10.4%).

Services

Services comprise calibration, repair and on-site maintenance. Net sales grew by 6.3% to CHF 28.4 million and the segment again achieved the highest margin in the group, 19.0%. Our three accredited laboratories, which work to ISO/IEC 17025, issued 214,000 calibration certificates, of which 71% were delivered digitally through Calibra Cloud.

Innovation

Valtorne invested CHF 36.7 million in research and development in 2025, or 8.9% of net sales. About 180 employees work in development, two-thirds of them in Vufflens-la-Ville, where the sensor technology centre designs the piezoresistive and thin-film sensor elements at the heart of all our transmitters. The development teams in Yverdon-les-Bains (calibration systems) and Ostrava (mechanical design and test automation) complement it.

Three projects dominated the year: the hydrogen-compatible MX-7 H2, whose gold-plated sensor diaphragm prevents hydrogen permeation and which passed 50,000 pressure cycles at 1,000 bar; the PG-200 IO-Link platform; and the Calibra 9 software with automated test sequences and electronic signatures that meet the data-integrity requirements of pharmaceutical customers.

Table 3: Innovation indicators

Indicator	2025	2024
R&D expenses (CHF million)	36.7	33.9
R&D in % of net sales	8.9%	8.8%
Employees in research and development	180	171
Patent applications filed	14	11
Patent families in force	212	203
Share of sales from products launched in the last three years	31%	27%

Outlook 2026

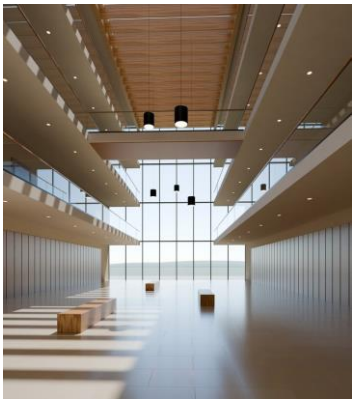
We expect the trends of 2025 to continue in 2026. Demand from water utilities, energy and life sciences should remain robust, while orders from the chemical industry are likely to recover only in the second half of the year. The following table summarises our expectations and priorities by segment.

Segment	Market outlook	Priorities 2026
Digital Gauges	Growth in line with market; digital share rising	Launch PG-200 IO-Link and differential-pressure versions
Process Transmitters	Above-market growth in water and hydrogen	Ramp-up of second assembly line in Suzhou
Calibration Systems	Stable; pharmaceutical demand strong	Realise cost savings from transfer to Ostrava
Services	Continued growth of multi-year contracts	Extend Calibra Cloud to third-party instruments

PEOPLE

People and organisation

Valtorne's competitive advantage rests on the know-how of its employees: engineers who understand sensors down to the crystal lattice, technicians who calibrate to a few parts per million and sales staff who speak the language of process engineers.



At 31 December 2025 the group employed 1,140 people (2024: 1,102), equivalent to 1,086 full-time positions.[5] Headcount rose mainly in Suzhou (+21) and in the calibration laboratories (+12), while the number of employees in Yverdon-les-Bains fell by 9 after the transfer of bench assembly; all affected employees were offered positions elsewhere in the group. Figure 4 shows the distribution by site and function.

Voluntary turnover decreased to 6.1% (2024: 7.4%). Women account for 31% of the workforce and for 27% of management positions; our target is 33% by 2028. We conducted our second group-wide employee survey in October: participation was 84%, and 79% of respondents would recommend Valtorne as an employer. The main area for improvement, cooperation across sites, is addressed by a new rotation programme for young engineers.

Vocational training has a long tradition at Valtorne. In Switzerland we train polymechanics, electronics technicians, logisticians and commercial employees; in Ostrava we cooperate with the regional technical college on a dual programme for mechatronics. In total, 96 apprentices were in training at the end of the year.

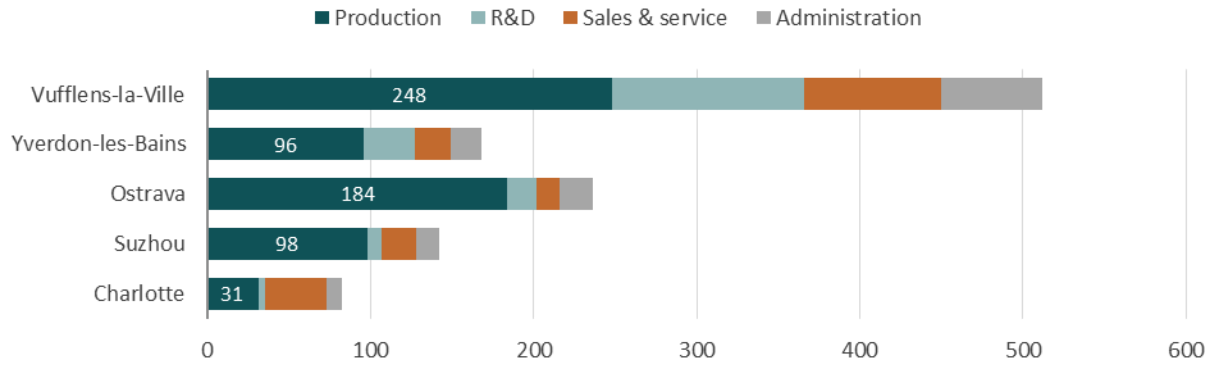


Figure 4: Employees by site and function, 31 December 2025

Table 4: Workforce indicators

Indicator	2025	2024	Change
Employees at 31 December	1,140	1,102	+3.4%
Full-time equivalents	1,086	1,049	+3.5%
Apprentices	96	88	+9.1%
Women in workforce / in management	31% / 27%	30% / 25%	+1 / +2 pp
Voluntary turnover	6.1%	7.4%	−1.3 pp
Lost-time injury rate (per million hours)	3.2	4.1	−0.9

[5] Full-time equivalents exclude apprentices and interns. Temporary staff (an average of 46 FTE) are not included.

SUSTAINABILITY

Sustainability

Our sustainability programme focuses on the topics where Valtorne has the greatest impact: energy and emissions in our plants, the life cycle of our products, and the health and development of our employees.

Total Scope 1 and 2 emissions decreased to 3,890 tonnes of CO_2 equivalent, 11% less than in 2024 and 37% less than in the 2019 base year (Figure 5). The largest reduction came from heating fuels: the heat-recovery system in Ostrava uses waste heat from the compressor station and the test benches and has replaced a quarter of the plant's natural gas consumption. Emissions from purchased electricity fell further because all Swiss sites now buy certified hydropower.[6]

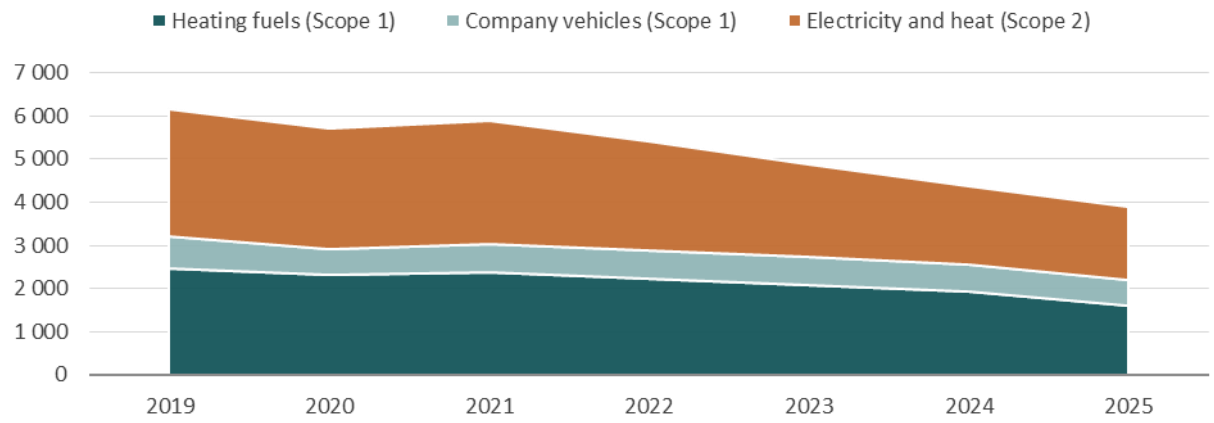


Figure 5: Scope 1 and 2 greenhouse gas emissions, 2019–2025 (tonnes CO_2e)

We have set ourselves the target of halving Scope 1 and 2 emissions by 2030 compared with 2019 and of reaching net zero in our own operations by 2035. The next steps are the replacement of the gas boilers in Vufflens-la-Ville by a heat pump connected to the groundwater (2026/27), photovoltaic installations on the roofs of the Ostrava and Suzhou plants, and the conversion of the service fleet to electric vehicles, which is already 38% complete.

Upstream and downstream emissions (Scope 3) are about twenty times higher than our own. The most important sources are purchased electronic components and metals, and the energy consumed by our products during their use. In 2025 we asked our 120 largest suppliers to report their emissions; 74 have done so, and 31 have set reduction targets.

Table 5: Environmental key figures

Indicator	2025	2024	Change
Energy consumption (MWh)	21,480	23,060	−6.9%
of which renewable	58%	49%	+9 pp
Scope 1 and 2 emissions (t CO_2e)	3,890	4,370	−11.0%
Water withdrawal (m^3)	41,200	43,900	−6.2%
Waste (t)	812	846	−4.0%
Recycling rate	71%	68%	+3 pp

[6] Scope 2 emissions are reported according to the market-based method of the GHG Protocol. Under the location-based method they amounted to 2,310 tonnes CO_2e (2024: 2,380 tonnes).

CORPORATE GOVERNANCE

Corporate governance

Valtorne is committed to the principles of the Swiss Code of Best Practice for Corporate Governance. The following summary complements the full corporate governance and compensation reports published on our website.

Board of Directors

The Board of Directors consists of six members, five of whom are independent.[7] It met eight times in 2025, including a two-day strategy meeting in Suzhou. Members are elected individually by the Annual General Meeting for a term of one year.

Table 6: Members of the Board of Directors

Name	Function	Member since	Committees
Dr. Stefan Brändli	Chairman	2017	Nomination and Compensation
Isabelle Morand-Rochat	Vice-Chair	2019	Audit (Chair)
Prof. Dr. Andreas Wyss	Member	2016	Technology (Chair)
Dr. Mirjam Oberholzer	Member	2021	Audit; Technology
Jean-Philippe Tissot	Member	2022	Nomination and Compensation (Chair)
Laura Finsterwald	Member	2024	Audit

Executive Committee

The Board has delegated the management of the company to the Executive Committee under the leadership of the Chief Executive Officer. Its members and their areas of responsibility are shown below.

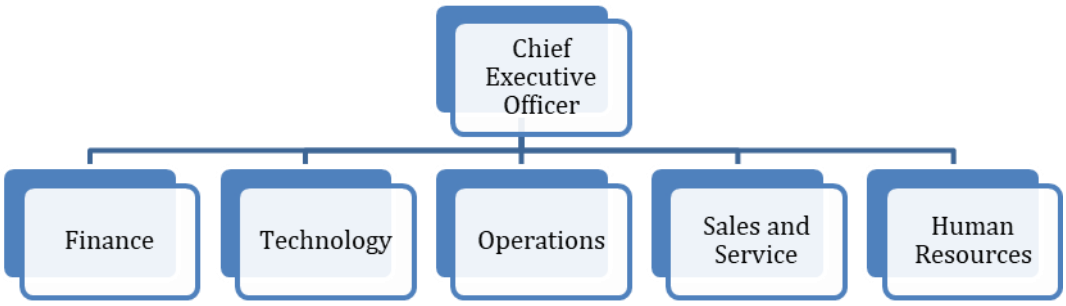


Table 7: Members of the Executive Committee

Name	Function	Member since
Corinne Vuilleumier	Chief Executive Officer	2020
Matthias Keller	Chief Financial Officer	2018
Dr. Lionel Chappuis	Chief Technology Officer	2019

[7] A member is considered independent if he or she has not been a member of the Executive Committee in the past three years and has no significant business relationship with the group.

Name	Function	Member since
Petra Novotná	Chief Operating Officer	2023
Daniel Hofstetter	Head of Sales and Service	2021
Sandrine Aubort	Chief Human Resources Officer	2022

Compensation

Total compensation of the Board of Directors amounted to CHF 1.21 million (2024: CHF 1.18 million) and that of the Executive Committee to CHF 5.94 million (2024: CHF 5.42 million). The variable component of the Executive Committee is capped at 100% of base salary and depends on net sales, EBIT margin, free cash flow and the emission reduction path. Half of it is paid in Valtorne shares blocked for three years.

Shareholders

The share capital of CHF 2,850,000 is divided into 2,850,000 registered shares with a nominal value of CHF 1.00 each, listed on the Swiss stock exchange. At 31 December 2025 the share register listed 6,912 shareholders. The following shareholders held more than 3% of the voting rights:

Shareholder	31 Dec 2025	31 Dec 2024
Holding Venoge SA (Brändli family), Morges	21.4%	21.4%
Fondation Valtorne pour la formation technique, Vufflens-la-Ville	8.2%	8.2%
Caisse de prévoyance Léman, Lausanne	5.1%	4.6%
Alpenrhein Capital Partners AG, St. Gallen	3.6%	–

Risk management

The Board reviews the group's risk map once a year on the basis of an assessment by the Executive Committee. Each risk is assigned to an owner and evaluated for likelihood and financial impact. The most significant risks and the main mitigating measures are:

Risk	Potential impact	Mitigation
Supply of electronic components	Delivery delays, higher costs	Second sources, safety stock of 16 weeks for critical parts
Currency exposure (EUR, USD)	Lower reported sales and margins	Natural hedging through local production; forward contracts
Cyber security	Production stoppage, loss of data	Segmented networks, regular penetration tests, staff training
Product liability	Claims, reputational damage	Type testing, traceability of every sensor, liability insurance

Auditors

Brenner & Cuendet Revision SA, Lausanne, has been the statutory auditor since 2019. The lead auditor, Ms Nathalie Gex, has held this function since the 2023 financial year. Audit fees amounted to CHF 512,000; fees for other services, mainly tax advice, to CHF 64,000.

FINANCIAL REVIEW

Financial review

Higher volumes, a better product mix and disciplined cost management lifted EBIT by 14.2% to CHF 52.8 million. Free cash flow rose to CHF 32.6 million and Valtorne ended the year with net cash for the first time since 2018.

Income statement

Gross profit increased by CHF 14.1 million to CHF 185.5 million and the gross margin by 0.5 percentage points to 45.0%. Material costs rose less than sales thanks to new supply agreements for silicon sensor elements and stainless-steel housings. Personnel expenses increased by 5.6% to CHF 149.6 million, reflecting the higher headcount and average wage increases of 2.1% in Switzerland and 6.5% in the Czech Republic.

Operating expenses grew more slowly than sales. Marketing and sales expenses rose by 6.3%, research and development expenses by 8.3% and general and administrative expenses by 4.6%. EBIT increased to CHF 52.8 million and the EBIT margin to 12.8% (Figure 6). Currency effects reduced EBIT by about CHF 1.6 million.[8]

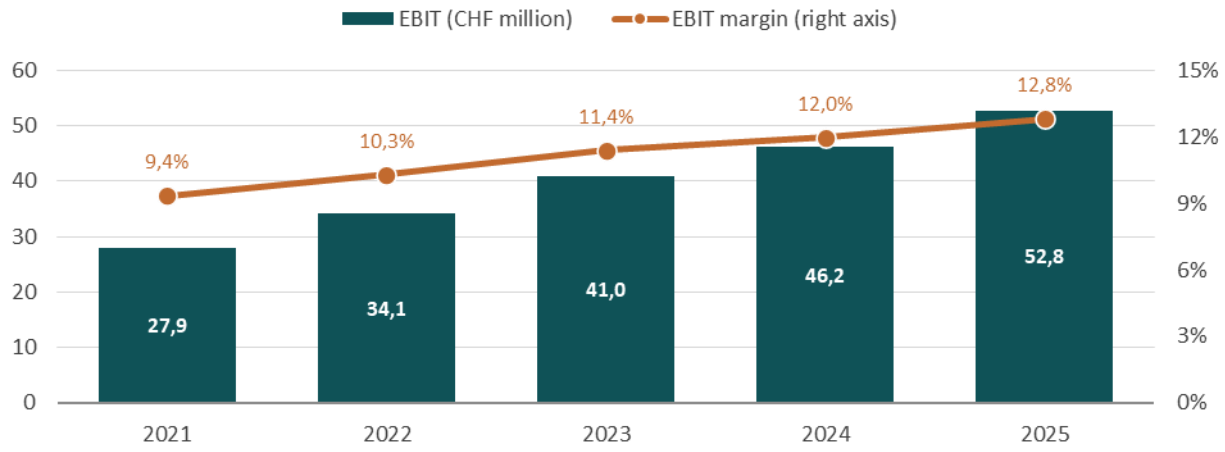


Figure 6: EBIT and EBIT margin, 2021–2025

The financial result improved to a net expense of CHF 1.3 million (2024: CHF 2.1 million) owing to lower debt and higher interest income on cash deposits. Income taxes amounted to CHF 11.4 million; the effective tax rate decreased slightly to 22.1%. Net profit rose by 17.0% to CHF 40.1 million and earnings per share to CHF 14.06 (2024: CHF 12.03).

Cash flow and balance sheet

Cash flow from operating activities increased by 13.9% to CHF 57.3 million. Net working capital rose by CHF 2.6 million, much less than sales, as inventory turnover improved. Capital expenditure of CHF 25.1 million was mainly invested in the surface-mount line in Vufflens-la-Ville, test equipment for Suzhou and the heat-recovery system in Ostrava. Free cash flow reached CHF 32.6 million (2024: CHF 26.6 million).

We repaid CHF 15.0 million of bank debt and paid dividends of CHF 15.3 million. At 31 December 2025, cash and cash equivalents of CHF 57.2 million exceeded financial debt of CHF 50.0 million, resulting in net cash of CHF 7.2 million (2024: net debt of CHF 10.1 million). Equity increased to CHF 219.9 million and the equity ratio to 58.3%.

[8] Currency effects are calculated by translating the current year's results at the previous year's exchange rates.

CONSOLIDATED FINANCIAL STATEMENTS

Consolidated financial statements

Consolidated income statement

Table 8: Consolidated income statement

Net sales	2	412,316	385,207
Cost of goods sold		(226,774)	(213,789)
Gross profit		**185,542**	**171,418**
Marketing and sales		(61,847)	(58,166)
Research and development	5	(36,695)	(33,898)
General and administration		(36,108)	(34,512)
Other operating income[9]		2,174	1,632
Other operating expenses		(275)	(253)
Operating result (EBIT)	2	**52,791**	**46,221**
Financial income		1,118	864
Financial expenses		(2,406)	(2,951)
Profit before taxes		**51,503**	**44,134**
Income taxes	6	(11,382)	(9,842)
Net profit		**40,121**	**34,292**
Attributable to shareholders of Valtorne Instruments SA		39,874	34,105
Attributable to minority interests		247	187
Earnings per share (CHF)[10]		14.06	12.03

Consolidated statement of changes in equity

Table 9: Consolidated statement of changes in equity, 2025

Balance at 31 December 2024	**2,850**	**18,420**	**180,355**	**(1,512)**	**(5,437)**	**194,676**	**1,756**	**196,432**
Net profit	–	–	39,874	–	–	39,874	247	40,121
Dividends	–	–	(15,326)	–	–	(15,326)	(57)	(15,383)
Treasury share transactions	–	–	–	228	–	228	–	228
Currency translation differences	–	–	–	–	(1,475)	(1,475)	–	(1,475)
Balance at 31 December 2025	**2,850**	**18,420**	**204,903**	**(1,284)**	**(6,912)**	**217,977**	**1,946**	**219,923**

[9] Includes a gain of CHF 60 thousand on the disposal of machinery and government grants for apprenticeships of CHF 0.9 million.
[10] Basic and diluted. Weighted average number of shares outstanding: 2,836,420 (2024: 2,834,900).

Consolidated balance sheet

Table 10: Consolidated balance sheet at 31 December

Assets			
Cash and cash equivalents		57,212	54,906
Trade receivables		71,238	66,815
Other receivables		8,954	8,102
Inventories	7	82,617	79,344
Prepaid expenses and accrued income		3,215	2,988
Current assets		**223,236**	**212,155**
Property, plant and equipment	8	118,742	112,530
Intangible assets		24,386	26,115
Financial assets		6,871	6,402
Deferred tax assets	6	4,129	4,377
Non-current assets		**154,128**	**149,424**
Total assets		**377,364**	**361,579**
Liabilities and equity			
Trade payables		33,516	31,207
Short-term financial debt	9	10,000	15,000
Other current liabilities		14,882	13,640
Accrued expenses and deferred income		27,941	25,318
Current provisions	10	6,204	5,796
Current liabilities		**92,543**	**90,961**
Long-term financial debt	9	40,000	50,000
Employee benefit obligations		8,615	9,240
Non-current provisions	10	4,377	4,102
Deferred tax liabilities	6	11,906	10,844
Non-current liabilities		**64,898**	**74,186**
Total liabilities		**157,441**	**165,147**
Share capital		2,850	2,850
Capital reserves		18,420	18,420
Retained earnings		204,903	180,355
Treasury shares		(1,284)	(1,512)
Cumulative translation differences		(6,912)	(5,437)
Equity attributable to shareholders		**217,977**	**194,676**
Minority interests		1,946	1,756
Total equity		**219,923**	**196,432**
Total liabilities and equity		**377,364**	**361,579**

Consolidated cash flow statement

Table 11: Consolidated cash flow statement

Net profit		40,121	34,292
Depreciation of property, plant and equipment	8	14,688	13,874
Amortisation of intangible assets		4,912	4,806
Change in provisions	10	683	412
Change in employee benefit obligations		(625)	(318)
Change in deferred taxes	6	1,310	704
Other non-cash items		(1,204)	(386)
Change in trade receivables		(4,423)	(3,912)
Change in inventories	7	(3,273)	(4,685)
Change in other receivables and prepaid expenses		(1,079)	512
Change in trade payables		2,309	1,874
Change in other current liabilities and accruals		3,865	3,127
Cash flow from operating activities		**57,284**	**50,300**
Purchase of property, plant and equipment	8	(21,940)	(20,517)
Proceeds from disposal of property, plant and equipment		412	384
Purchase of intangible assets		(3,183)	(3,594)
Change in financial assets		(469)	(212)
Cash flow from investing activities		**(25,180)**	**(23,939)**
Repayment of financial debt	9	(15,000)	(10,000)
Dividends paid to shareholders[11]		(15,326)	(13,325)
Dividends paid to minority interests		(57)	(48)
Sale (purchase) of treasury shares, net		228	(406)
Cash flow from financing activities		**(30,155)**	**(23,779)**
Currency translation effects		357	(1,105)
Change in cash and cash equivalents		**2,306**	**1,477**
Cash and cash equivalents at 1 January		54,906	53,429
Cash and cash equivalents at 31 December		**57,212**	**54,906**

[11] CHF 5.40 per share for the 2024 financial year, paid on 30 April 2025 on 2,838,148 shares entitled to dividend.

NOTES

Notes to the consolidated financial statements

1 Accounting principles

Basis of preparation

The consolidated financial statements are prepared in accordance with the complete set of Swiss GAAP FER and comply with Swiss law. They are based on historical cost, except for derivative financial instruments, which are measured at fair value. The financial statements were approved by the Board of Directors on 2 March 2026 and are subject to approval by the Annual General Meeting.

Scope of consolidation

The consolidated financial statements include Valtorne Instruments SA and all companies it controls directly or indirectly: Valtorne Calibra SA, Yverdon-les-Bains; Valtorne s.r.o., Ostrava; Valtorne GmbH, Stuttgart; Valtorne Instruments (Suzhou) Co., Ltd.; and Valtorne Inc., Charlotte. Valtorne holds 100% of all subsidiaries except the Suzhou company, in which a local partner holds 15%.[12] There were no changes in the scope of consolidation in 2025.

Foreign currency translation

Balance sheets of foreign subsidiaries are translated at year-end rates and income statements at average rates. Translation differences are recognised in equity. The main exchange rates were as follows:

Table 12: Exchange rates (CHF)

Currency	Unit	Year-end rate		Average rate	
EUR	1	0.9285	0.9410	0.9372	0.9526
USD	1	0.8112	0.9046	0.8436	0.8807
CZK	100	3.7310	3.7480	3.7520	3.7965
CNY	100	11.2100	12.4300	11.7200	12.2400

2 Segment information

The segments correspond to the internal reporting to the Executive Committee: Digital Gauges, Process Transmitters, Calibration Systems and Services. Segment results are measured at EBIT level; corporate costs and eliminations of inter-segment sales are shown separately. Table 2 in the business review shows net sales and EBIT by segment. Inter-segment sales, mainly sensor modules supplied by Process Transmitters to Calibration Systems, amounted to CHF 4.8 million (2024: CHF 4.5 million) and are eliminated.

3 Personnel expenses

CHF thousands	2025	2024
Wages and salaries	118,640	112,307
Social security contributions	16,915	16,021

[12] The minority interest in Valtorne Instruments (Suzhou) Co., Ltd. is held by Suzhou Industrial Park Instrument Investment Co., Ltd.; Valtorne has a call option on these shares exercisable from 2029.

CHF thousands	2025	2024
Pension costs	9,876	9,412
Other personnel expenses	4,212	3,985
Total personnel expenses	**149,643**	**141,725**

4 Research and development

Research and development expenses of CHF 36.7 million (2024: CHF 33.9 million) are recognised in the income statement. Development costs for the PG-200 IO-Link and differential-pressure versions of CHF 2.1 million were capitalised as intangible assets because the criteria of Swiss GAAP FER 10 were met; they will be amortised over five years from market launch.

5 Income taxes

CHF thousands	2025	2024
Current income taxes	10,072	9,138
Deferred income taxes	1,310	704
Total income taxes	**11,382**	**9,842**

The expected average tax rate, based on the profit before taxes of each company and its local tax rate, was 21.4% (2024: 21.6%). The difference to the effective rate of 22.1% results mainly from non-deductible expenses and withholding taxes on intra-group dividends.

6 Inventories

CHF thousands	2025	2024
Raw materials and components	31,486	30,212
Work in progress	18,972	17,654
Finished goods and merchandise	29,415	28,890
Advances to suppliers	2,744	2,588
Total inventories[13]	**82,617**	**79,344**

7 Property, plant and equipment

Table 13: Movements in property, plant and equipment, 2025

CHF thousands	Land and buildings	Machinery and equipment	Other equipment and IT	Assets under construction	Total
Net book value at 1 January	58,410	39,860	7,935	6,325	112,530
Additions	3,120	9,870	2,410	6,540	21,940
Transfers	1,850	4,215	260	(6,325)	–
Disposals	–	(298)	(54)	–	(352)
Depreciation	(3,412)	(8,936)	(2,340)	–	(14,688)
Currency translation	(214)	(356)	(78)	(40)	(688)
Net book value at 31 December	**59,754**	**44,355**	**8,133**	**6,500**	**118,742**

[13] After value adjustments for slow-moving items of CHF 6.8 million (2024: CHF 6.5 million).

Buildings are depreciated over 25 to 40 years, machinery over 5 to 12 years and IT equipment over 3 to 5 years. Land is not depreciated. No impairment losses were recognised in 2025.

8 Financial debt

Financial debt consists of fixed-rate bank loans with Swiss banks. The weighted average interest rate was 1.54% (2024: 1.61%). The loans are subject to financial covenants (net debt to EBITDA below 2.5 and equity ratio above 35%), which were met at all times.[14]

Maturity	CHF thousands	Interest rate
2026	10,000	1.15%
2027	15,000	1.42%
2028	15,000	1.68%
2029	10,000	1.85%
Total	**50,000**	**1.54%**

9 Provisions

Table 14: Provisions

CHF thousands	Warranties	Personnel	Other	Total
At 1 January 2025	6,420	2,310	1,168	9,898
Additions	3,380	512	320	4,212
Used	(2,710)	(284)	(110)	(3,104)
Released	(240)	–	(82)	(322)
Currency translation	(78)	(12)	(13)	(103)
At 31 December 2025	**6,772**	**2,526**	**1,283**	**10,581**

Warranty provisions are calculated on the basis of historical claims as a percentage of sales by product line. Personnel provisions mainly concern long-service awards. Of the total, CHF 6.2 million is expected to be used within one year.

10 Contingent liabilities

Guarantees in favour of customers, mainly performance and advance-payment bonds, amounted to CHF 3.9 million (2024: CHF 4.4 million). The group is involved in a dispute with a former distributor in Brazil concerning the termination of the distribution agreement in 2024. The Board considers the claim unfounded and has not recognised a provision; the maximum exposure is estimated at CHF 0.8 million.

11 Events after the balance sheet date

On 12 February 2026 Valtorne signed an agreement to acquire 70% of the shares of a Danish developer of ultrasonic flow sensors with 24 employees, for a purchase price of about CHF 9 million. The transaction is expected to close in the second quarter of 2026. No other events occurred between the balance sheet date and the approval of the financial statements that would require disclosure.[i]

[14] The covenants are tested semi-annually on the basis of the consolidated financial statements. At 31 December 2025 the group had net cash, and the equity ratio was 58.3%.

FIVE-YEAR SUMMARY

Five-year summary

Key figures of the Valtorne group, 2021–2025. Compound annual growth rates refer to the period 2021–2025.

Table 15: Five-year summary

Income statement						
Order intake	309.7	347.2	364.4	389.4	421.1	8.0%
Net sales	298.4	331.0	359.6	385.2	412.3	8.4%
Change in net sales (%)	6.1%	10.9%	8.6%	7.1%	7.0%	–
Gross margin (%)	42.6%	43.4%	44.1%	44.5%	45.0%	–
EBITDA	44.0	51.1	58.7	64.9	72.4	13.3%
Operating result (EBIT)	27.9	34.1	41.0	46.2	52.8	17.3%
EBIT margin (%)	9.3%	10.3%	11.4%	12.0%	12.8%	–
Net profit	20.6	25.4	30.3	34.3	40.1	18.1%
Research and development	25.1	28.0	31.3	33.9	36.7	10.0%
R&D in % of net sales	8.4%	8.5%	8.7%	8.8%	8.9%	–
Cash flow and balance sheet						
Cash flow from operating activities	36.2	41.5	47.9	50.3	57.3	12.2%
Capital expenditure	17.8	19.4	23.6	24.1	25.1	9.0%
Free cash flow	18.6	22.3	24.6	26.6	32.6	15.1%
Total assets	318.4	334.9	349.7	361.6	377.4	4.3%
Equity	158.2	171.6	184.0	196.4	219.9	8.6%
Equity ratio (%)	49.7%	51.2%	52.6%	54.3%	58.3%	–
Net cash / (net debt)	(28.4)	(21.7)	(16.2)	(10.1)	7.2	–
Employees and shares						
Employees at 31 December	1,034	1,061	1,087	1,102	1,140	2.5%
Earnings per share (CHF)	7.21	8.92	10.64	12.03	14.06	18.2%
Dividend per share (CHF)[15]	3.40	4.00	4.70	5.40	6.20	16.2%

[15] 2025: proposal of the Board of Directors to the Annual General Meeting of 23 April 2026.

GLOSSARY

Glossary

Technical and financial terms used in this report.

Accuracy class
Maximum permissible error of an instrument, expressed as a percentage of its measuring span.

Book-to-bill ratio
Order intake divided by net sales for the same period; a value above 1 indicates a growing backlog.

Calibration
Comparison of an instrument's reading with a reference standard of known uncertainty, documented in a certificate.

CAGR
Compound annual growth rate: the constant yearly rate that leads from the initial to the final value.

EBIT
Earnings before interest and taxes; operating result.

EBIT margin
EBIT as a percentage of net sales.

EBITDA
EBIT before depreciation of property, plant and equipment and amortisation of intangible assets.

Equity ratio
Total equity as a percentage of total assets.

Free cash flow
Cash flow from operating activities less capital expenditure plus proceeds from disposals of fixed assets.

HART
Highway Addressable Remote Transducer protocol: digital communication superimposed on the 4–20 mA signal.

IO-Link
Point-to-point communication standard for sensors and actuators in machine automation.

ISO/IEC 17025
International standard for the competence of testing and calibration laboratories.

Net cash / net debt
Cash and cash equivalents less financial debt; a negative value is net debt.

Order backlog
Value of orders received but not yet invoiced at the balance sheet date.

Organic growth
Change in net sales excluding currency effects, acquisitions and divestments.

Pay-out ratio
Dividend per share as a percentage of earnings per share.

Scope 1, 2 and 3
Greenhouse gas emissions from own sources (1), purchased energy (2) and the value chain (3), per the GHG Protocol.

SIL
Safety Integrity Level according to IEC 61508; SIL 2 instruments may be used in safety functions with medium risk reduction.

Swiss GAAP FER
Swiss accounting and reporting recommendations, applied by many listed small and mid-sized companies.

Turndown ratio
Ratio between the maximum and minimum measuring range to which a transmitter can be adjusted.

WirelessHART
Wireless mesh network version of the HART protocol for process instruments.

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[i] These consolidated financial statements were approved for publication by the Board of Directors of Valtorne Instruments SA on 2 March 2026. The report of the statutory auditor is published in the full financial report, which is available at the registered office in Vufflens-la-Ville.