SET TO GROW

Half Year Financial Report 2025

Quarterly overview

In EUR million		Q2 2025[1]	Q1 2025[1]	Q2 2024[1]	H1 2025	H1 2024
Statement of profit or loss						
Sales		329.1	345.8	351.3	674.8	694.8
Gross profit		60.2	54.9	70.6	115.0	140.7
Gross margin	%	18.3	15.9	20.1	17.0	20.3
EBITDA		86.4	78.3	90.6	164.6	181.4
EBITDA margin	%	26.3	22.6	25.8	24.4	26.1
EBIT		23.7	14.9	33.0	38.5	69.0
EBIT margin	%	7.2	4.3	9.4	5.7	9.9
Financial result		–9.3	–7.4	–6.8	–16.7	–9.9
Income taxes		0.2	–3.2	–3.8	–3.0	–9.0
Result for the period		14.6	4.3	22.4	18.8	50.1
Earnings per share	EUR	0.38	0.08	0.73	0.46	1.59
Capital expenditure and net cash flow						
Capital expenditure including and intangible assets		125.5	96.5	140.6	222.0	313.6
Net cash flow		–83.4	–73.6	–95.0	–157.0	–252.8

[1] Quarterly figures are unaudited

In EUR million		June 30, 2025	Dec. 31, 2024
Statement of financial position			
Total assets		4,931.4	5,084.4
Equity		2,136.4	2,215.2
Equity ratio	%	43.3	43.6
Net financial debt		902.8	733.5

Employees	June 30, 2025	Dec. 31, 2024
Number, excluding temporary employees	4,309	4,357

Company profile

As one of the leading wafer manufacturers, Siltronic is globally oriented and operates production facilities in Asia, Europe and the US. Silicon wafers are the foundation of the modern semiconductor industry and the basis for chips in all electronic applications – from computers and smartphones to electric cars and wind turbines. The international company is highly customer-oriented and focused on quality, precision, innovation and growth.

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Management Report on Interim Consolidated Financial Statements

Group basics

The Annual Report 2024 provides a detailed overview of the business activities, objectives and strategy of Siltronic AG. The statements made therein are still valid. There were no significant changes in H1 2025.

The development of the key financial performance indicators in H1 2025 is shown in the table below. The exact definition of all key performance indicators can be found in the Annual Report 2024 on page 21.

Financial key performance indicators

In EUR million	H1 2025	H1 2024	FY 2024
EBITDA margin in %	24.4	26.1	25.8
Net cash flow	–157.0	–252.8	–297.0
Sales	674.8	694.8	1,412.8
EBIT	38.5	69.0	125.2
Capital expenditure	222.0	313.6	523.4
Net financial debt, as of reporting date	902.8	639.2	733.5

Macroeconomic situation and industry trends

According to the International Monetary Fund (IMF), global gross domestic product (GDP) growth in 2024 was 3.3 percent. For 2025, the IMF projected a decline to 2.8 percent. This is primarily due to uncertainties stemming from U.S. trade policy and the responses of its trading partners, as well as ongoing geopolitical conflicts.

Global inflation is expected to decrease from 5.8 percent in 2024 to 4.3 percent in 2025, according to the IMF. However, most economies remain below their inflation targets.

According to the OECD, GDP in the eurozone increased by 0.3 percent in Q1 2025 compared to Q4 2024. This growth was driven by stronger domestic demand, supported by gradually declining inflation and rising real wages, as well as a slight decrease in energy prices. In contrast, exports were negatively impacted by growing trade conflicts and geopolitical tensions.

The euro remained nearly stable against the U.S. dollar over the six-month period and depreciated against the Japanese yen. On a quarterly basis, however, the euro appreciated significantly against the U.S. dollar.

According to the industry association SEMI, global silicon wafer shipments declined by 9.0 percent in Q1 2025 compared to Q4 2024. At the time of reporting, data for Q2 had not yet been published. We expect shipment volumes in Q2 to exceed those of the previous quarter.

Sources:
IMF World Economic Outlook Update January 2025 and April 2025
OECD Data as of July 9, 2025
SEMI SMG Press Release April 29, 2025
ECB Macroeconomic Projections June 2025

Overall statement by the Executive Board on business performance and economic position

The environment in the semiconductor industry remains challenging. Although growth is visible in the end markets, this has not yet translated into clearly increased demand for wafers. This is primarily due to the high inventory levels held by chip manufacturers.

In this environment, business performance for the first six months of 2025 was in line with our expectations. Sales for H1 2025 amounted to EUR 674.8 million and thus slightly below previous year's period (EUR 694.8 million).

Although customer orders remained cautious and contractually agreed volumes under long term agreements were further postponed, we were able to increase the wafer area sold in H1 2025. However, this increase was not sufficient to offset the pricing pressure outside of our long term agreements and the negative product mix development.

At EUR 164.6 million, EBITDA was within the expected range. The corresponding margin came in at 24.4 percent in H1 2025, compared to 26.1 percent in H1 2024. Both sales and EBITDA are in line with the full-year guidance published on April 30, 2025.

Furthermore, it is encouraging that we achieved our strategic goal of at least maintaining Siltronic's market share in H1 2025.

A recovery in inventory levels remains difficult to predict. However, the medium- to long-term outlook for the semiconductor and wafer industry continues to be very positive. Megatrends such as Artificial Intelligence, digitalization, and electromobility are significantly increasing silicon consumption per end device. We expect growth in the end markets to continue in 2025 and beyond.

In order to participate in end market growth in a sustainable and profitable manner, we are already taking targeted measures. Operationally, we achieved significant milestones in the first six months of the year that will support us on this path.

Customer qualifications for our new fab in Singapore, Siltronic's new production site for 300 mm wafers, are progressing according to plan and with success. Depreciation of the main parts of the new fab will therefore begin as scheduled in August 2025. In light of the challenging environment, we have initiated several cost and liquidity measures that are already showing results. These include, among others, the slowed ramp-up of our new fab in Singapore, which we will continue to align with market realities in the coming year. In addition, the planned cessation of small diameter wafer production at the Burghausen site will be completed in the next few days.

Regarding U.S. tariff policy, significant uncertainty persists, which we are also unable to avoid. The final impact on end markets remains unclear at this stage. However, we currently do not expect any direct and material consequences for Siltronic.

Another challenge stems from the continued depreciation of the U.S. dollar. In response, we have adjusted our exchange rate assumption in the half year report and refined our full-year guidance accordingly.

Siltronic on the stock exchange

At the end of H1 2025, the Siltronic share was trading at EUR 40.70, representing a decrease of 13 percent compared to the closing price at year-end 2024 (EUR 46.50). The subdued demand for silicon wafers is also reflected in the continued weak share price performance.

On February 4, 2025, we released our guidance for the financial year 2025 regarding the key performance indicators sales and EBITDA, in connection with the publication of preliminary figures for the financial year 2024. The audited financial figures for 2024 and guidance followed with the publication of the Annual Report on March 6, 2025. Against the backdrop of continued weak demand, sales for the financial year 2025 was expected to be in the region of the previous year. In this context, it was anticipated that sales in the H1 2025 would be in the high single-digit percent range below H2 2024.

With the publication of the Q1 results, the guidance for the financial year 2025 was specified. We now expected that sales in H1 2025 would be in the mid to high single-digit percent range below the level of H2 2024. Overall, the sales guidance for full year 2025 remained unchanged. At that time, however, the potential impact of U.S. tariff policy and corresponding countermeasures on expected end market growth and exchange rates over the further course of the year could not yet be assessed (assumption for the guidance: EUR/USD 1.08). In addition, the guidance for the EBITDA margin was specified at 21 to 25 percent – due to anticipated negative pricing effects outside of long term agreements and an unfavorable product mix development.

In light of the persistently challenging market environment, the Annual General Meeting in May resolved to distribute a dividend of EUR 0.20 per share for the financial year 2024, corresponding to a payout ratio of approximately 10 percent of the Group's profit attributable to Siltronic shareholders. This resulted in a dividend yield of 0.43 percent based on the closing share price at year-end 2024 and represented a deviation from the previous dividend policy.

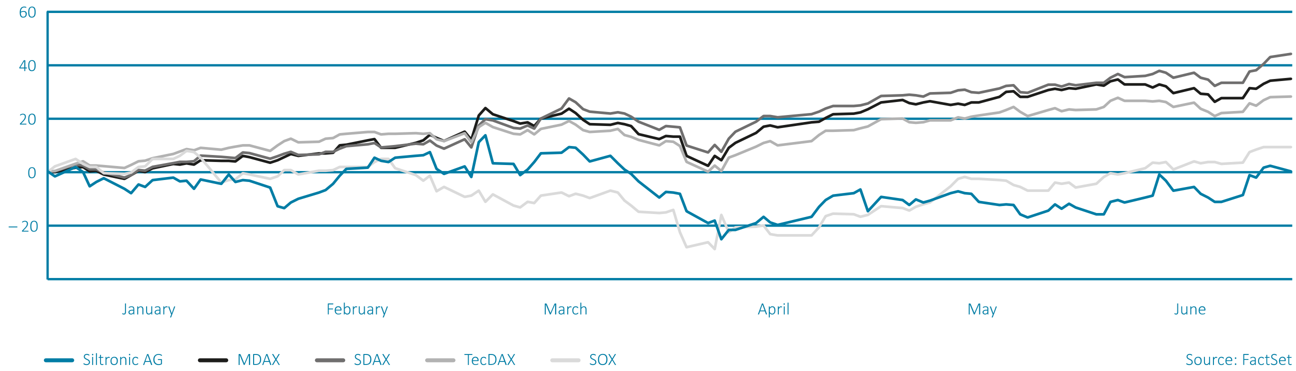
Wacker Chemie AG remains the largest single shareholder with a direct holding of 30.83 percent of voting rights. HAL Investments follows as the largest institutional investor with a stake of 15.10 percent. Sino-American Silicon Products Inc. (SAS), the parent company of GlobalWafers, holds 13.67 percent of the shares. Based on the published voting rights announcements as of June 30, 2025, Goldman Sachs Group Inc. held a total of 5.49 percent, of which 4.99 percent were held via financial instruments, making it the fourth-largest shareholder.

As of June 30, 2025, twelve analysts from leading national and international banks and financial analysis firms covered Siltronic shares. At the end of June, the average target price of the analysts was EUR 44.70.

For the latest information on investor relations releases, voting rights announcements and analyst estimates, please visit our website at *https://www.siltronic.com/en/investors.html.*

Performance of Siltronic shares vs. indices 2025

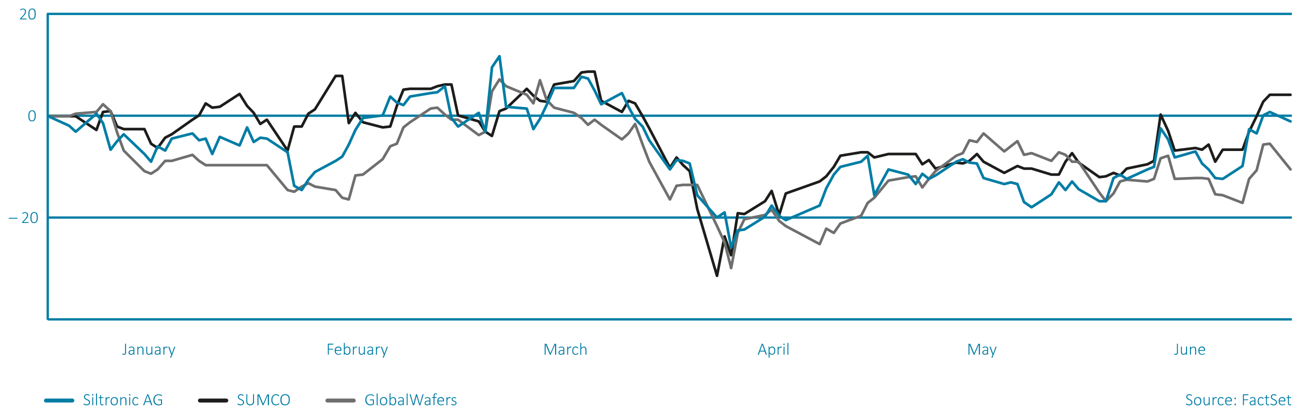
in %



Source: FactSet

Performance of Siltronic shares vs. competitors 2025

in %



Source: FactSet

Economic development from January to June 2025

Financial performance

Sales declined year over year due to price and mix effects, and quarter over quarter due to exchange rate effects

		H1 2025	H1 2024	Change	Q2 2025[1]	Q1 2025[1]	Q2 2024[1]	Change	
								Q2 to Q1[1]	Q2 to Q2[1]
Sales	In EUR million	674.8	694.8	−20.0	329.1	345.8	351.3	−16.7	−22.2
	in %			−2.9				−4.8	−6.3

Half-year comparison

Siltronic generated sales of EUR 674.8 million in H1 2025. This corresponds to a of EUR 20.0 million or 2.9 percent compared to H1 of the previous year. The main reason for this was negative price and also product mix effects. On a positive note, the wafer area sold was significantly increased compared to the same period of the previous year.

In half-year comparison, exchange rate developments had a subordinate impact on sales development. In H1 2025, the euro averaged 1.09 against the U.S. dollar, compared to 1.08 in H1 2024.

Sequential quarterly comparison[1]

In Q2 2025, Siltronic generated sales of EUR 329.1 million, EUR 16.7 million lower than in the previous quarter (Q1 2025: EUR 345.8 million). Although the wafer area sold increased, the appreciation of the euro against the U.S. dollar had a particularly negative impact on sales performance. In Q2 2025, the euro averaged 1.13 against the U.S. dollar, compared to 1.05 in Q1 – an increase of 7 percent.

[1] Quarterly figures are unaudited

Gross profit weaker in half-year comparison and slightly stronger quarter-on-quarter

		H1 2025	H1 2024	Change	Q2 2025[1]	Q1 2025[1]	Q2 2024[1]	Change	
								Q2 to Q1[1]	Q2 to Q2[1]
Cost of sales	in EUR million	559.8	554.1	5.7	268.9	290.9	280.7	−22.0	−11.8
	in %			1.0				−7.6	−4.2
Gross profit	in EUR million	115.0	140.7	−25.7	60.2	54.9	70.6	5.3	−10.4
	in %			−18.3				9.7	−14.7
Gross margin	in %	17.0	20.3		18.3	15.9	20.1		

Half-year comparison

The cost of sales increased by EUR 5.7 million or 1 percent in H1 2025. Depreciation increased by EUR 13.7 million year over year due to investment activity and is largely reflected in cost of sales. A positive effect came from a lower write-down of spare parts in inventories.

Furthermore, the increase in wafer area sold led to improved fixed cost dilution and thus to lower specific cost of sales. However, this could not fully offset the pressure on gross profit resulting from negative product mix and price effects.

As a result, gross profit fell by EUR 25.7 million to EUR 115.0 million in H1 2025. The gross margin fell from 20.3 percent to 17.0 percent.

Sequential quarterly comparison[1]

Compared to the previous quarter, the cost of sales decreased by EUR 22.0 million. This is due to the increased fixed cost dilution, exchange rate effects and the previously mentioned lower write-down of spare parts.

In combination with the decline in sales, gross profit improved compared to Q1 2025 by EUR 5.3 million to EUR 60.2 million. The gross margin in Q2 2025 came in at 18.3 percent after 15.9 percent in Q1 2025.

[1] Quarterly figures are unaudited

Selling, R&D and administration expenses around 11 percent of sales

In EUR million	H1 2025	H1 2024	Change	Q2 2025[1]	Q1 2025[1]	Q2 2024[1]	Change Q2 to Q1[1]	Change Q2 to Q2[1]
Selling expenses	15.9	16.5	–0.6	7.9	8.1	8.3	–0.2	–0.4
R&D expenses	38.6	43.7	–5.1	17.6	21.0	21.9	–3.4	–4.3
Administration expenses	18.0	18.2	–0.2	8.8	9.2	9.2	–0.4	–0.4
Total	**72.5**	**78.4**	**–5.9**	**34.3**	**38.3**	**39.4**	**–4.0**	**–5.1**
In % of sales	10.7	11.3		10.4	11.1	11.2		

[1] Quarterly figures are unaudited

The selling, research and development (R&D) and general administration expenses amounted to EUR 72.5 million in H1 2025 compared to EUR 78.4 million in the previous year's period. This corresponds to 10.7 percent of sales compared to 11.3 percent in H1 2024. The decrease was primarily due to a higher capitalization of development costs.

EUR 6 million loss from exchange rate effects in H1 2025

In EUR million	H1 2025	H1 2024	Change	Q2 2025[1]	Q1 2025[1]	Q2 2024[1]	Change Q2 to Q1[1]	Change Q2 to Q2[1]
Balance of exchange rate effects	–5.7	4.7	–10.4	–3.2	–2.5	–0.7	–0.7	–2.5
Sundry other operating income and expenses	1.7	2.0	–0.3	1.0	0.7	2.5	0.3	–1.5
Balance of other operating income and expenses	**–4.0**	**6.7**	**–10.7**	**–2.2**	**–1.8**	**1.8**	**–0.4**	**–4.0**

Half-year comparison

The development of the U.S. dollar had no significant effect on Siltronic's sales in a half-year comparison. As in previous periods, Siltronic implemented currency hedging measures to mitigate future adverse exchange rate developments. In H1 2025, exchange rate effects resulted in a net loss of EUR 5.7 million after a gain of EUR 4.7 million in H1 2024.

Since Siltronic invoices a significant part of its sales in U.S. dollar, the reporting date valuation of receivables as of the end of June had a strong impact on exchange rate results, both in the half-year and quarter-on-quarter comparison. At that time, the exchange rate was at EUR/USD 1.17 (March 31, 2025: 1.08; December 31, 2024: 1.04).

Sequential quarterly comparison[1]

In Q2 2025, exchange rate-related expenses of EUR 3.2 million were reported after a loss of EUR 2.5 million in the previous quarter.

[1] Quarterly figures are unaudited

Solid EBITDA margin of 24 percent in H1 2025

		H1 2025	H1 2024	Change	Q2 2025[1]	Q1 2025[1]	Q2 2024[1]	Change Q2 to Q1[1]	Change Q2 to Q2[1]
EBITDA	In EUR million	164.6	181.4	–16.8	86.4	78.3	90.6	8.1	–4.2
	in %			–9.3				10.3	–4.6
EBITDA margin	**in %**	**24.4**	**26.1**		**26.3**	**22.6**	**25.8**		
Depreciation, amorization and impairment less reversals thereof		–126.1	–112.4	–13.7	–62.7	–63.4	–57.6	0.7	–5.1
EBIT	**In EUR million**	**38.5**	**69.0**	**–30.5**	**23.7**	**14.9**	**33.0**	**8.8**	**–9.3**
	in %			**–44.2**				**59.1**	**–28.2**
EBIT margin	in %	5.7	9.9		7.2	4.3	9.4		

[1] Quarterly figures are unaudited

Half-year comparison

EBITDA of EUR 164.6 million in H1 2025 was EUR 16.8 million below the previous year's figure of EUR 181.4 million. EBITDA for the first six months of the reporting year corresponded to an EBITDA margin of 24.4 percent, compared to 26.1 percent in H1 2024.

The increase in depreciation in the half-year comparison relates exclusively to planned depreciation.

Earnings before interest and taxes (EBIT) decreased by EUR 30.5 million compared to H1 2024. In addition to the effects on EBITDA already explained, this was mainly due to the increase in depreciation.

Sequential quarterly comparison[1]

EBITDA of EUR 86.4 million in Q2 2025 was despite lower sales EUR 8.1 million above the previous quarter. Accordingly, the EBITDA margin increased to 26.3 percent in Q2 2025, from 22.6 percent in the previous quarter. This was due not only to the positive effect of the lower write-down of spare parts, but also to the previously described developments in cost of sales and R&D expenses.

As depreciation remained largely unchanged compared to the previous quarter, EBIT improved by EUR 8.8 million to EUR 23.7 million (Q1: EUR 14.9 million).

[1] Quarterly figures are unaudited

Profit of EUR 19 million in H1 2025

								Change	
		H1 2025	H1 2024	Change	**Q2 2025[1]**	Q1 2025[1]	Q2 2024[1]	Q2 to Q1[1]	Q2 to Q2[1]
Financial result	In EUR million	–16.7	–9.9	–6.8	–9.3	–7.4	–6.8	–1.9	–2.5
Result before income tax	In EUR million	21.8	59.1	–37.3	14.4	7.5	26.2	6.9	–11.8
	in %			–63.1				92.0	–45.0
Income taxes	In EUR million	–3.0	–9.0	6.0	0.2	–3.2	–3.8	3.4	4.0
Tax rate	in %	14	15		–1	43	15		
Result for the period	**In EUR million**	**18.8**	**50.1**	**–31.3**	**14.6**	**4.3**	**22.4**	**10.3**	**–7.8**
attributable to Siltronic AG shareholders		*13.8*	*47.6*	*–33.8*	*11.5*	*2.4*	*21.8*	*9.1*	*–10.3*
attributable to others		*5.0*	*2.5*	*2.5*	*3.1*	*1.9*	*0.6*	*1.2*	*2.5*
Earnings per share	**In EUR**	**0.46**	**1.59**	**–1.13**	**0.38**	**0.08**	**0.73**	**0.30**	**–0.35**

The financial result fell by EUR 6.8 million in half-year comparison and EUR 1.9 million in sequential quarterly comparison respectively. There are two reasons for this. Firstly, the increased investments in the new fab in Singapore resulted in a reduction in financial investments, which led to a decline in capital gains. Secondly, loans were drawn, which led to an increase in interest expenses.

The Group's low tax rate until Q2 2025 is due to the fact that a large proportion of the earnings before income taxes were generated by manufacturing companies in Singapore. The tax rate for corporate profits there is 17 percent. In addition, one Group company was granted tax exemption respectively a reduced tax rate for a limited period as part of a government program to attract high-tech manufacturing companies.

The ongoing weakness in demand due to the continued elevated inventories at our customers is reflected in the result for the period in H1 2025. This declined by EUR 31.3 million to EUR 18.8 million compared to the same period of the previous year (H1 2024: EUR 50.1 million). The result for the period amounted to EUR 4.3 million in Q1 and EUR 14.6 million in Q2.

Earnings per share amounted to EUR 0.38 in the quarter under review after EUR 0.08 in Q1 2025. Cumulative earnings per share for H1 2025 amounted to EUR 0.46 after EUR 1.59 in H1 2024.

[1] Quarterly figures are unaudited

Financial position

Total assets increased from EUR 5,084.4 million as of December 31, 2024 to EUR 4,931.4 million as of June 30, 2025.

Exchange rate-related decline exceeded investment-related increase in property, plant and equipment

In EUR million	June 30, 2025	Dec. 31, 2024	Change
Intangible assets	47.1	34.8	12.3
Property, plant and equipment	3,626.4	3,676.2	–49.8
Right-of-use assets	134.6	144.6	–10.0
Financial investments	2.5	2.7	–0.2
Other assets	25.5	27.9	–2.4
Non-current assets	**3,836.1**	**3,886.2**	**–50.1**

In H1 2025, capital expenditure including intangible assets totalled at EUR 222.0 million and depreciation and amortization added up to EUR 126.1 million. Despite the continued high investment level, property, plant and equipment decreased by EUR 49.8 million, primarily due to the weaker Singapore dollar at the end of the quarter.

The majority of the investments are related to the construction of the new fab for 300 mm wafers in Singapore.

Non-current assets accounted for 77.8 percent at the balance sheet date (December 31, 2024: 76.4 percent).

Cash and cash equivalents and financial investments decrease significantly due to a continuously elevated investment level

In EUR million	June 30, 2025	Dec. 31, 2024	Change
Inventories	315.2	308.3	6.9
Trade receivables including contract assets	149.4	155.6	–6.2
Other assets	97.8	70.6	27.2
Cash and cash equivalents and financial investments	532.9	663.7	–130.8
Current assets	**1,095.3**	**1,198.2**	**–102.9**

Cash and cash equivalents and short-term financial investments fell by EUR 130.8 million in H1 2025. This was primarily due to payments for capital expenditure including intangible assets totalling EUR 250.1 million. In the same period, the payments were offset by cash inflows of EUR 80.6 million from operating cash flow and cash inflows of EUR 53.0 million from a loan drawn in H1 2025.

Equity ratio of 43.3 percent

In EUR million	June 30, 2025	Dec. 31, 2024	Change
Equity	**2,136.4**	**2,215.2**	**–78.8**
Pension provisions	121.8	134.1	–12.3
Customer prepayments	494.1	508.6	–14.5
Loan liabilities	1,308.6	1,303.8	4.8
Lease liabilities	129.1	137.0	–7.9
Other provisions and liabilities	201.9	215.4	–13.5
Non-current liabilities	**2,255.5**	**2,298.9**	**–43.4**
Trade liabilities	233.2	280.5	–47.3
Customer prepayments	41.8	57.3	–15.5
Lease liabilities	7.0	7.3	–0.3
Loan liabilities	112.5	75.2	37.3
Other priovisions and liabilities	145.0	150.0	–5.0
Current liabilities	**539.5**	**570.3**	**–30.8**

As of June 30, 2025, the equity ratio was at 43.3 percent, roughly in line with the level at the end of 2024 (43.6 percent). Equity decreased by EUR 78.8 million in H1 2025 to EUR 2,136.4 million. The main reason for this was the decline in unrealized currency gains within other comprehensive income, which fell by EUR 111.3 million to EUR 8.3 million. This effect more than offset both the positive contribution from the revaluation of pension provisions and the half-year profit.

As of June 30, 2025, the pension provision in the US was discounted at 5.41 percent, compared to 5.37 percent as of December 31, 2024. In Germany, the interest rate increased from 3.46 percent to 3.97 percent.

Loan liabilities increased by EUR 42.1 million, mainly because a loan was partially drawn.

Non-current liabilities as of June 30, 2025, account for 45.7 percent of total assets (December 31, 2024: 45.2 percent).

The decrease in trade payables of EUR 47.3 million is mainly due to the settlement of outstanding supplier invoices in connection with the investments.

Free and net cash flow negative as expected due to high investments

In EUR million	H1 2025	H1 2024	Change
Cash flow from operating activities	80.6	171.4	–90.8
Proceeds/payments for capital expenditure including intangible assets, incl. Investment Grants	–250.1	–411.2	161.1
Free cash flow	**–169.5**	**–239.8**	**70.3**
Balance from Increase/decrease of prepayments	12.5	–13.0	25.5
Net cash flow	**–157.0**	**–252.8**	**95.8**
Proceeds/payments for capital expenditure including intangible assets, incl. Investment Grants	–250.1	–411.2	161.1
Proceeds/payments from financial investments (fixed-term deposits, securities)	96.1	–44.9	141.0
Cash flow from investing activities	**–154.0**	**–456.1**	**302.1**

Cash flow from operating activities fell by EUR 90.8 million in H1 2025 compared to the same period of the previous year. This is primarily due to the EUR 16.8 million decline in EBITDA, an increase in net interest payments of EUR 18.1 million, effects from changes in net working capital totaling EUR 32.3 million, and the refund of customer prepayments amounting to EUR 25.6 million.

As expected, in H1 2025, customer prepayments refunded exceeded customer prepayments received by EUR 12.5 million. In the same period of the previous year, the situation was reversed, with new prepayments exceeding refunds by EUR 13.0 million.

Proceeds from financial investments in H1 2025 relate to repayment of fixed-term deposits and the securities.

Net financial debt of EUR 903 million

In EUR million	June 30, 2025	Dec. 31, 2024	Change
Cash and cash equivalents	–266.5	–297.1	30.6
Financial investments	–268.9	–369.3	100.4
Restricted long-term securities	2.5	2.7	–0.2
Nominal value of loan liabilities including interest	1,435.7	1,397.2	38.5
Net financial debt	**902.8**	**733.5**	**169.3**

Due to the capex including intangible assets (EUR 250.1 million), the net financial debt increased by EUR 169.3 million. The payments significantly exceeded the cash flow from operating activities of EUR 80.6 million. As at the reporting date, net financial debt totalled EUR 902.8 million.

Risk and opportunity change report

In the Annual Report 2024, our assessments of the significant risks are presented in the Risk Report (pages 38 to 47).

Changes in risk assessments in the first half of 2025 relate to the risk of impairment of investments in property, plant and equipment. This is due to the earnings situation falling short of original expectations, which is partly attributable to the exchange rate development of the U.S. dollar against the euro, as well as an increased discount rate. Against this backdrop, there is an elevated risk of an impairment loss.

The development of earnings is below the original expectations, which is attributable not only to weak demand but also to the exchange rate development of the euro against the U.S. dollar. Should this trend intensify, it could have a negative impact on compliance with contractually agreed financial covenants, which stipulate that a certain ratio of net financial debt to EBITDA must not be exceeded. A breach of these contractually agreed financial covenants could, in principle, as a result could lead to the underlying loans being declared due. However, the company currently does not expect this to occur. Measures have already been taken to ensure compliance with the aforementioned financial covenants for the next relevant period through December 31, 2025.

In addition, the company may implement further measures, including an expansion of working capital financing or a reduction in selective investments. Siltronic monitors compliance with the financial covenants as part of its company-wide risk management system. Scenario analyses and stress tests are conducted to identify potential risks at an early stage.

Furthermore, elevated customs- and trade risks persist, particularly in connection with the geopolitical tensions and regulatory developments in key sales and procurement markets. New or tightened export controls, import duties, and potential trade conflicts – especially between the EU, the U.S., and China – could lead to delays in the supply chain, increased costs, or restricted market access. The company continuously monitors regulatory developments and adjusts its supply chain and compliance strategies accordingly. At present, the company does not expect any significant direct impact, as exemptions currently apply to our products. However, a final assessment is difficult to make due to the volatile situation.

There are currently no known risks that could jeopardize the continued existence of the company

Revised risk assessment for 2025

Risk	Risk Assessment: Low	Medium	High	Changes compared to annual report 2024
Overall environment				
Economic development			•	→
Geopolitical tensions, wars and trade restrictions			•	→
Industry and market risks				
Competition, customer buying power, cycles in the wafer market			•	→
Investment risks			•	↑
Product development risks		•		→
Procurement risks		•		→
Product liability, production and safety risks		•		→
Legal and regulatory risks				
General legal risks		•		→
Tax risks	•			→
Environment related risks	•			→
Energy-, climate- and water related regulations		•		→
Social risks in the supply chain	•			→
IT, data and cyber risks			•	→
HR risks		•		→
Pension risks		•		→
Financial risks				
Credit risks	•			→
Market price, currency and energy price risks			•	→
Liquidity, financing and interest rate risks			•	→

→ unchanged ↑ increased ↓ decreased

We assess the relevant risks according to the probability of occurrence and the degree of impact on business activities, net assets, financial position, results of operations and cash flow. For better readability, we have classified risks according to the following matrix:

Risk assessment		Probability of occurrence: < 25 percent	25 – 75 percent	> 75 percent
Effects on the development of the Group's net assets, financial position and result of operations	< EUR 10 million	Low	Low	Medium
	EUR 10 – 50 million	Low	Medium	High
	> EUR 50 million	Medium	High	High

Forecast update

Expected macroeconomic and sector development

The International Monetary Fund (IMF) has revised its outlook for the global economy significantly downward compared to the beginning of 2025. In light of elevated uncertainties associated with the U.S. trade policy, the countermeasures of its trading partners, and ongoing geopolitical conflicts, global growth is now expected to reach 2.8 percent in 2025 (growth in 2024: 3.3 percent). This represents a downward revision of 0.5 percentage points from the IMF's January 2025 forecast for the current year.

Economic output in the eurozone is projected to grow by 0.8 percent in 2025 (growth in 2024: 0.9 percent).

The forecast for the U.S. economy anticipates GDP growth of 1.8 percent in 2025, down from 2.8 percent in 2024. This decline is attributed to increasing political uncertainty, trade conflicts, and weakening demand dynamics.

Japan's economy is expected to grow by 0.6 percent in 2025 (growth in 2024: 0.1 percent).

China's gross domestic product is projected to grow by 4.0 percent this year, below the previous year's growth rate of 5.0 percent. As a result, China's economic recovery continues to lose momentum due to current U.S. trade policy.

The market for silicon wafers for the semiconductor industry is expected to grow by 6.9 percent in 2025. However, this growth assumption does not take inventories in the value chain into account.

Sources:
IMF World Economic Outlook update, April 2025
Omdia Silicon Demand Forecast Tool – 2Q25 Analysis, June 27, 2025

Siltronic's future performance

Siltronic does not plan any significant changes to its corporate goals and strategy. We will continue to strengthen our position as a technology leader, focus on the power segment, grow organically, and maintain our high-quality performance. Operational excellence and increasing cost efficiency to enhance profitability will remain key focuses, along with improving cash flow.

The most important financial performance indicators are:

- EBITDA margin
- EBIT
- Net cash flow

The megatrends in the semiconductor industry lead us to expect a significantly increasing demand for wafers in the medium to long term. Despite ongoing end-market growth, we do not expect an improvement in sales development in the short term. The slow reduction of inventory levels at chip manufacturers and their customers will continue in H2 2025, leading to postponed agreed delivery volumes or lower-than-usual orders for unagreed quantities. The April 30, 2025 forecast is specified as follows:

Sales

While we confirm our full-year 2025 guidance based on a constant exchange rate (original assumption: 1.08 EUR/USD), we are lowering our expectations based on an adjusted exchange rate of 1.15 EUR/USD for H2 2025. We now expect sales to be in the mid-single-digit percentage range below the previous year (previously: in the region of the previous year).

Sales in Q3 2025 are expected to be below the level of Q2. For Q4 2025, we currently anticipate a noticeable increase compared to Q3. This development is primarily due to delivery volumes being shifted within the year 2025, with most of them now scheduled for Q4.

The guidance also takes into account the cessation of production of polished and epitaxial wafers with diameters of up to 150 mm at the Burghausen site as of the end of July 2025. Compared to the previous year, this step will have a slightly negative impact on sales.

EBITDA margin

The guidance for the EBITDA margin between 21 percent and 25 percent remains unchanged.

Depreciation

Due to a weaker Singapore dollar and improved insights gained over the course of the year, depreciation and amortization is now expected to range between EUR 340 million and EUR 400 million (previously: EUR 380 million to EUR 440 million).

EBIT

Although depreciation expectations for the current year have been lowered, total depreciation will increase significantly compared to the previous year. As a result, a substantial decline in EBIT compared to the previous year is still expected for 2025.

Capex

In 2025, we expect significantly reduced capex including intangible assets of EUR 350 to 400 million. In addition to the capacity expansion in Singapore, our investment projects will focus on expanding capacity, cost efficiency, improving the product mix, ensuring capabilities (support for technical progress) and maintenance.

Net cash flow

Net cash flow will improve considerably compared to the previous year but will remain significantly negative.

Irrespective of the fundamental development in our industry, geopolitical and global economic developments may have a negative impact on the guidance for 2025.

Guidance 2025

	Guidance March 6, 2025 (Annual Report)	**Guidance April 30, 2025 (Q1)**	**Guidance July 29, 2025 (Half Year Financial Report)**
Sales	in the region of the previous year, no growth compared to the previous year expected (EUR/USD: 1.08)	in the region of the previous year, no growth compared to the previous year expected (EUR/USD: 1.08)	in the mid-single-digit percentage range below the previous year (EUR/USD: 1.15 for H2 2025)
EBITDA margin	22 to 27 percent	21 to 25 percent	21 to 25 percent
Depreciation	EUR 380 to 440 million	EUR 380 to 440 million	EUR 340 to 400 million
EBIT	significant decline	significant decline	significant decline
Capital expenditure	EUR 350 to 400 million	EUR 350 to 400 million	EUR 350 to 400 million
Net cash flow	considerably improved compared to the previous year, but remains significantly negative	considerably improved compared to the previous year, but remains significantly negative	considerably improved compared to the previous year, but remains significantly negative

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Condensed Interim Financial Statements

Consolidated statement of profit or loss

In EUR million	Q2 2025[1]	Q2 2024[1]	H1 2025	H1 2024
Sales	329.1	351.3	674.8	694.8
Cost of sales	–268.9	–280.7	–559.8	–554.1
Gross profit	**60.2**	**70.6**	**115.0**	**140.7**
Selling expenses	–7.9	–8.3	–15.9	–16.5
Research and development expenses	–17.6	–21.9	–38.6	–43.7
General administration expenses	–8.8	–9.2	–18.0	–18.2
Other operating income	52.0	17.7	90.0	49.2
Other operating expenses	–54.2	–15.9	–94.0	–42.5
Operating result	**23.7**	**33.0**	**38.5**	**69.0**
Interest income	3.8	2.9	8.4	6.3
Interest expenses	–11.3	–6.8	–22.5	–12.5
Other financial income	0.6	0.2	2.5	1.1
Other financial expenses	–2.4	–3.1	–5.1	–4.8
Financial result	**–9.3**	**–6.8**	**–16.7**	**–9.9**
Result before income tax	14.4	26.2	21.8	59.1
Income taxes	0.2	–3.8	–3.0	–9.0
Result for the period	**14.6**	**22.4**	**18.8**	**50.1**
of which				
attributable to Siltronic AG shareholders	*11.5*	*21.8*	*13.8*	*47.6*
attributable to non-controlling interests	*3.1*	*0.6*	*5.0*	*2.5*
Result per common share in EUR (basic/diluted)	0.38	0.73	0.46	1.59

[1] Quarterly figures are unaudited

Consolidated statement of comprehensive income

	H1 2025		H1 2024	
In EUR million	Before tax	After tax	Before tax	After tax
Result for the period		18.8		50.1
Items not reclassified to profit or loss: Remeasurement of defined benefit plans	–	11.7	31.1	31.1
Items that have been or may subsequently be reclassified to profit or loss:				
Difference from foreign currency translation	–121.8	–121.8	13.8	13.8
thereof reclassified to profit or loss	–	–	–	–
Changes in market values of derivative financial instruments (cash flow hedge)	23.9	18.5	–11.9	–8.7
thereof reclassified to profit or loss	*–0.9*	*–0.7*	*–0.8*	*–0.5*
Sum of items that have been or may subsequently be reclassified to profit or loss:	**–97.9**	**–103.3**	**1.9**	**5.1**
Other comprehensive income / loss	–97.9	–91.6	33.0	36.2
Total comprehensive income / loss		**–72.8**		**86.3**
of which				
attributable to Siltronic AG shareholders		*–67.3*		*82.8*
attributable to non-controlling interests		*–5.5*		*3.5*

	Q2 2025[1]		Q2 2024[1]	
In EUR million	Before tax	After tax	Before tax	After tax
Result for the period		14.6		22.4
Items not reclassified to profit or loss: Remeasurement of defined benefit plans	–	5.5	7.9	7.9
Items that have been or may subsequently be reclassified to the income statement:				
Difference from foreign currency translation	–68.2	–68.2	4.0	4.0
thereof reclassified to profit or loss	–	–	–	–
Changes in market values of derivative financial instruments (cash flow hedge)	15.4	11.4	–1.6	–1.0
thereof reclassified to profit or loss	*–2.9*	*–2.2*	*1.3*	*1.0*
Sum of items that have been or may subsequently be reclassified to the income statement:	**–52.8**	**–56.8**	**2.4**	**3.0**
Other comprehensive income / loss	–52.8	–51.3	10.3	10.9
Total comprehensive income / loss		**–36.7**		**33.3**
of which				
attributable to Siltronic AG shareholders		*–34.1*		*32.3*
attributable to non-controlling interests		*–2.6*		*1.0*

[1] Quarterly figures are unaudited

Consolidated statement of financial position

In EUR million	June 30, 2025	Dec. 31, 2024
Intangible assets	47.1	34.8
Property, plant and equipment	3,626.4	3,676.2
Right-of-use assets	134.6	144.6
Securities and fixed-term deposits	2.5	2.7
Other financial assets	1.4	–
Other non-financial assets	10.8	13.9
Deferred tax assets	13.3	14.0
Non-current assets	**3,836.1**	**3,886.2**
Inventories	315.2	308.3
Trade receivables	136.1	142.9
Contract assets	13.3	12.7
Securities and fixed-term deposits	266.4	366.6
Other financial assets	37.5	12.9
Other non-financial assets	51.8	50.7
Income tax receivables	8.5	7.0
Cash and cash equivalents	266.5	297.1
Current assets	**1,095.3**	**1,198.2**
Total assets	**4,931.4**	**5,084.4**

In EUR million	June 30, 2025	Dec. 31, 2024
Subscribed capital	120.0	120.0
Capital reserves	974.6	974.6
Retained earnings and net Group result	802.9	795.1
Other equity items	39.1	120.2
Equity attributable to Siltronic AG shareholders	**1,936.6**	**2,009.9**
Equity attributable to non-controlling interests	199.8	205.3
Equity	**2,136.4**	**2,215.2**
Provisions for pensions	121.8	134.1
Other provisions	62.7	66.1
Income tax liabilities	3.0	3.0
Deferred tax liabilities	9.8	8.7
Customer prepayments	494.1	508.6
Loan Liabilities	1,308.6	1,303.8
Lease liabilities	129.1	137.0
Other financial liabilities	1.1	0.8
Other non-financial liabilities	125.3	136.8
Non-current liabilities	**2,255.5**	**2,298.9**
Other provisions	10.1	9.6
Income tax liabilities	15.7	18.1
Trade liabilities	233.2	280.5
Customer prepayments	41.8	57.3
Loan Liabilities	112.5	75.2
Lease liabilities	7.0	7.3
Other financial liabilities	57.6	67.1
Other non-financial liabilities	61.6	55.2
Current liabilities	**539.5**	**570.3**
Total liabilities	2,795.0	2,869.2
Total equity and liabilities	**4,931.4**	**5,084.4**

Consolidated statement of cash flows

In EUR million	Q2 2025[1]	Q2 2024[1]	H1 2025	H1 2024
Result for the period	14.5	22.4	18.8	50.1
Depreciation / amortization of non-current assets, including impairment losses and reversals thereof	62.7	57.6	126.1	112.4
Other non-cash expenses and income	–9.9	–1.7	–11.5	–5.3
Result from disposal of non-current assets	0.3	0.2	0.7	0.8
Interest result	7.5	3.9	14.1	6.3
Interest paid	–22.8	–15.4	–28.5	–19.2
Interest received	5.1	2.9	9.0	17.8
Tax result	–0.2	3.8	3.0	9.0
Taxes paid	–7.0	–6.9	–9.9	–9.4
Changes in inventories	–9.4	1.9	–16.4	–4.1
Changes in trade receivables	4.8	64.6	–4.6	19.8
Changes in contract assets	–0.6	–3.1	–0.8	–4.0
Changes in other assets without prepayments	–0.2	–2.4	–6.0	–20.3
Changes in provisions	1.0	3.6	3.5	16.7
Changes in trade liabilities	–9.3	–3.4	–4.8	–6.0
Changes in other liabilities without prepayments	–8.9	–10.5	0.4	–6.2
Changes in prepayments	–5.0	–7.7	–12.5	13.0
Cash flow from operating activities	**22.6**	**109.8**	**80.6**	**171.4**
Payments for capital expenditure (including intangible assets)	–111.0	–212.6	–250.1	–443.5
Proceeds from the disposal of property, plant and equipment and intangible assets	–	0.1	–	0.3
Proceeds from Investment Grants	–	–	–	32.0
Payments for securities and fixed-term deposits	–154.3	–105.5	–209.4	–155.3
Proceeds from securities and fixed-term deposits	178.1	80.4	305.5	110.4
Cash flow from investing activities	**–87.2**	**–237.6**	**–154.0**	**–456.1**
Dividends	–6.0	–36.0	–6.0	–36.0
Proceeds from borrowing of loans	53.0	100.0	53.0	150.0
Proceeds from other financial liabilities[2]	42.2	–	82.2	–
Repayments of other financial liabilities[2]	–40.1	–	–80.8	–
Repayment portion of lease liability	–1.5	–1.9	–3.1	–3.7
Cash flow from financing activities	**47.6**	**62.1**	**45.3**	**110.3**
Changes due to exchange- rate fluctuations	–0.8	–0.3	–2.5	–0.2
Changes in cash and cash equivalents	**–17.8**	**–66.0**	**–30.6**	**–174.6**
at the beginning of the period	284.3	277.6	297.1	386.2
at the end of the period	**266.5**	**211.6**	**266.5**	**211.6**

[1] Quarterly figures are unaudited

[2] Gross presentation of payment flows of a payment service provider in H1 2025

Additional financial information
(not part of condensed interim financial statements and unaudited)

In EUR million	Q2 2025[1]	Q2 2024[1]	H1 2025	H1 2024
Cash flow from operating activities	22.6	109.8	80.6	171.4
Increase/decrease of prepayments received (customer prepayments)	5.0	7.7	12.5	–13.0
Cash flow from investing activities, incl. Investment Grants	–111.0	–212.5	–250.1	–411.2
Net cash flow	**–83.4**	**–95.0**	**–157.0**	**–252.8**

[1] Quarterly figures are unaudited

Consolidated statement of changes in equity

In EUR million	Subscribed capital	Capital reserves	Variance from foreign currency translation	Effects of net investments in foreign operations	Changes in market values of derivative financial instruments (cash flow hedge)	Remeasurement of defined benefit plans	Retained earnings /net Group result	Total	Non-controlling interests	Total equity
Balance as of January 1, 2024	120.0	974.6	63.2	–7.1	8.2	–22.6	768.1	1,904.4	195.3	2,099.7
Result for the period	–	–	–	–	–	–	47.6	47.6	2.5	50.1
Other comprehensive income and loss	–	–	12.8	–	–8.7	31.1	–	35.2	1.0	36.2
Total comprehensive income and loss	**–**	**–**	**12.8**	**–**	**–8.7**	**31.1**	**47.6**	**82.8**	**3.5**	**86.3**
Dividends	–	–	–	–	–	–	–36.0	–36.0	–	–36.0
Balance as of June 30, 2024	**120.0**	**974.6**	**76.0**	**–7.1**	**–0.5**	**8.5**	**779.7**	**1,951.2**	**198.8**	**2,150.0**
Balance as of January 1, 2025	120.0	974.6	119.6	–7.1	–5.2	12.9	795.1	2,009.9	205.3	2,215.2
Result for the period	–	–	–	–	–	–	13.8	13.8	5.0	18.8
Other comprehensive income and loss	–	–	–111.3	–	18.5	11.7	–	–81.1	–10.5	–91.6
Total comprehensive income and loss	**–**	**–**	**–111.3**	**–**	**18.5**	**11.7**	**13.8**	**–67.3**	**–5.5**	**–72.8**
Dividends	–	–	–	–	–	–	–6.0	–6.0	–	–6.0
Balance as of June 30, 2025	**120.0**	**974.6**	**8.3**	**–7.1**	**13.3**	**24.6**	**802.9**	**1,936.6**	**199.8**	**2,136.4**

Condensed consolidated notes

Basis of presentation and accounting policies

These condensed financial statements ("interim financial statements") for the six-month period ended June 30, 2025 comprise Siltronic AG and its subsidiaries, together referred to as the "Group". Siltronic AG is a listed company subject to German law.

The interim financial statements of the Siltronic Group as of June 30, 2025 have been prepared in accordance with the International Financial Reporting Standards (IFRS) for interim financial statements (IAS 34) as endorsed by the European Union, and are presented in condensed form. The accounting and valuation methods applicable for the financial year 2024 have been amended by new accounting standards if applicable and effective for the first time in 2025. There are no significant effects resulting from this. Apart from this, the accounting and valuation methods remained unchanged.

Siltronic AG is a company domiciled in Munich/Germany. The business address is Einsteinstrasse 172, 81677 Munich/Germany. The company is registered at the Munich District Court (Amtsgericht) under HRB 150884.

Use of assumptions and estimates

When the interim financial statements are being prepared, it is necessary to make estimates and assumptions affecting the amounts and the reporting of the recognized assets and debts, income and expenses, and contingent liabilities. All assumptions and estimates are based on projections that were valid on the reporting date. The actual values may differ from assumptions and estimates if the economic conditions referred to do not develop in line with the expectations as of the reporting date.

In accordance with IAS 34, income tax expenses for the reporting period were accrued based on the tax rate expected for the full financial year.

As of each reporting date, the net defined benefit liability must be reassessed and the discount factor newly determined. The derivation of the discount rate in Germany is based on a so-called "bond universe". The net defined benefit liability as of June 30, 2025 was calculated using discount factors of 3.97 percent in Germany and 5.41 percent in the US (June 30, 2024: 3.67 percent in Germany and 5.26 percent in the US). As of December 31, 2024, the actuarial interest rate was 3.46 percent in Germany and 5.37 percent in the U.S.

The more subdued outlook compared to year-end 2024, combined with a higher discount rate, has resulted in the present value of the cash-generating unit 300 mm being close to its carrying amount. The discounting was performed using a pre-tax rate of 11.6 percent. An increase in the discount rate by 0.1 percentage points or a decrease in EBITDA by 1 percent until the end of the remaining useful life would, all else being equal, result in an impairment. Depreciation of the main components of the new fab in Singapore, which will begin in August 2025, reduces the risk of an impairment loss.

Earnings performance is below the original expectations, which is attributable not only to weak demand but also to the development of the euro exchange rate against the U.S. dollar. Should this trend intensify, it could negatively impact compliance with contractually agreed financial covenants, which stipulate that a certain ratio of net financial debt to EBITDA must not be exceeded. A breach of these contractually agreed financial covenants could, in principle, result in the underlying loans with a carrying amount of EUR 754.2 million (prior year: EUR 717.3 million) becoming due. However, the company currently does not expect this to occur. Measures have already been taken to ensure compliance with the aforementioned financial covenants for the next relevant period through December 31, 2025. In addition, the company may implement further measures, including an expansion of working capital financing or a reduction in selective investments. Siltronic monitors compliance with the financial covenants as part of its company-wide risk management system. Scenario analyses and stress tests are conducted to identify potential risks at an early stage.

Segment reporting

The Group is engaged in one reportable segment. That includes the development, production and sale of semiconductor silicon wafers with a wide variety of features satisfying numerous product specifications to meet customers' very precise technical specifications. Wafers are utilized in the manufacturing of semiconductor devices. Based on the fact that in the wafer industry the allocation of resources is derived from a wide variety of product specifications from customers, the Group is only operating in one segment.

The following table shows the breakdown of sales by geographical region:

	H1 2025							
In EUR million	Germany	Europe excluding Germany	United States	Taiwan and (mainland) China	Korea	Asia excluding Taiwan, (mainland) China and Korea	Others	Siltronic Group
External sales of contracts with customers by customer location	38.8	46.5	75.4	243.1	176.1	80.1	14.8	674.8

	H1 2024							
In EUR million	Germany	Europe excluding Germany	United States	Taiwan and (mainland) China	Korea	Asia excluding Taiwan, (mainland) China and Korea	Others	Siltronic Group
External sales of contracts with customers by customer location	52.3	73.5	62.1	236.6	165.5	91.2	13.6	694.8

Information on fair value

The fair value of a financial instrument is the price that would be achieved in the sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The following table shows the carrying amounts and fair values of the financial assets and financial liabilities:

	June 30, 2025		December 31, 2024	
In EUR million	Carrying amount	Fair value	Carrying amount	Fair value
Trade receivables (AC) 1)	132.6	132.6	137.4	137.4
Trade receivables (FVOCI) 3)	3.5	3.5	5.5	5.5
Securities (FVTPL) 2)	2.5	2.5	2.7	2.7
Securities and fixed-term deposits (AC) 1)	266.4	266.7	366.5	366.5
Other financial assets	38.9	38.9	12.9	12.9
Derivatives for which hedge accounting is used (Hedge Accounting) 4)	16.0	16.0	–	–
Derivatives for which hedge accounting is not used (FVTPL) 2)	14.0	14.0	6.5	6.5
Other (AC) 1)	8.3	8.3	6.5	6.5
Cash and cash equivalents (AC) 1)	266.5	266.5	297.1	297.1
Total financial assets	**710.4**	**710.7**	**822.1**	**822.1**
Loan liabilities (AC) 1)	1,421.1	1,416.9	1,379.0	1,372.6
Trade liabilities (AC) 1)	233.2	233.2	280.5	280.5
Other financial liabilities	58.8	58.8	67.9	67.9
Derivatives for which hedge accounting is used (Hedge Accounting) 4)	1.1	1.1	9.2	9.2
Derivatives for which hedge accounting is not used (FVTPL) 2)	14.3	14.3	11.0	11.0
Other (AC) 1)	43.3	43.3	47.7	47.7
Total financial liabilities	**1,713.1**	**1,708.9**	**1,727.4**	**1,721.0**

[1)] AC = Amortized cost
[2)] FVTPL = Fair value through profit or loss
[3)] FVOCI = Fair value through other comprehensive income
[4)] Hedge Accounting = Not assigned to the measurement categories. Hedging relationships continue to be accounted for in accordance with IAS 39.

The financial assets and liabilities measured at fair value in the statement of financial position were allocated to one of the three categories in accordance with the fair value hierarchy described in IFRS 13. Allocation to these categories shows which of the fair values reported were settled through market transactions and the extent to which the measurement was based on models in the absence of observable market transactions. With respect to the definition of the fair value levels and the corresponding financial assets and financial liabilities and the valuation of these items reference is made to the 2024 consolidated financial statements.

The following table shows the fair value hierarchy classification of financial assets and liabilities measured at fair value in the statement of financial position:

Fair value hierarchy

In EUR million	As of June 30, 2025 Level I	Level II	Level III	Total
Financial assets, measured at amortized costs				
Securities and time deposits	266.7	–	–	266.7
Financial assets, measured at fair value				
Fair value through profit or loss (FVTPL)				
Derivatives for which hedge accounting is not used	–	14.0	–	14.0
Securities	2.5	–	–	2.5
Fair value through other operating income (FVOCI)				
Trade receivables	–	3.5	–	3.5
Derivatives for which hedge accounting is used	–	16.0	–	16.0
Total	**269.2**	**33.5**	**–**	**302.7**
Financial liabilities, measured at amortized costs				
Loan liabilities	–	1,416.9	–	1,416.9
Financial liabilities, measured at fair value				
Fair value through profit or loss (FVTPL)				
Derivatives for which hedge accounting is not used	–	14.3	–	14.3
Fair value through other operating income (FVOCI)				
Derivatives for which hedge accounting is used	–	1.1	–	1.1
Total	**–**	**1,432.3**	**–**	**1,432.3**

In EUR million	As of December 31, 2024 Level I	Level II	Level III	Total
Financial assets, measured at amortized costs				
Securities and time deposits	366.5	–	–	366.5
Financial assets, measured at fair value				
Fair value through profit or loss (FVTPL)				
Derivatives for which hedge accounting is not used	–	6.5	–	6.5
Securities	2.7	–	–	2.7
Fair value through other operating income (FVOCI)				
Trade receivables	–	5.5	–	5.5
Derivatives for which hedge accounting is used	–	–	–	–
Total	**369.2**	**12.0**	**–**	**381.2**
Financial liabilities, measured at amortized costs				
Loan liabilities	–	1,372.6	–	1,372.6
Financial liabilities, measured at fair value				
Fair value through profit or loss (FVTPL)				
Derivatives for which hedge accounting is not used	–	11.0	–	11.0
Fair value through other operating income (FVOCI)				
Derivatives for which hedge accounting is used	–	9.2	–	9.2
Total	**–**	**1,392.8**	**–**	**1,392.8**

The market value determined at Level I is based on unadjusted, quoted prices in active markets for the assets and liabilities in question or those that are identical. Quoted prices in an active market are available for all securities of the Group. All securities are classified as Level I securities.

The financial instruments allocated to Level II are measured using methods based on parameters that are either directly or indirectly derived from observable market data. These include hedging and non-hedging derivative financial instruments.

At Level III, the market value is determined on the basis of parameters for which no observable prices are available.

Siltronic reviews on an annual basis whether its financial instruments are appropriately allocated to the hierarchy levels. No changes to the valuation method occurred compared to the end of the prior financial year and no non-recurring fair value measurements took place. No reclassifications between the levels of the fair value hierarchy were carried out in the period under review.

The trade receivables recognised at fair value through other comprehensive income are based on a factoring programme with derecognition in the balance sheet. All opportunities and risks associated with ownership of the financial asset are transferred to the financial service providers, in particular the credit risk. For receivables in the portfolio not transferred as at the reporting date, the intention is to hold them until final payment and collect the contractual cash flows. In the first half of 2025, trade receivables totalling EUR 53.9 million (previous year: EUR 46.1 million) were transferred in this way. The fair value of the receivables sold corresponds approximately to the carrying amount of the receivables before the transfer due to their short term.

Related party disclosures

The disclosure requirements according to IAS 24 refer to transactions with (a) the minority shareholder Wacker Chemie AG and its controlling shareholder Dr. Alexander Wacker Familiengesellschaft mbH (holding more than 50 percent of the voting shares in Wacker Chemie AG), (b) Pensionskasse (pensions fund) and (c) members of the Executive Board and Supervisory Board of the Company.

The following amounts are included in the statement of profit or loss and result from transactions with Wacker Chemie AG:

In EUR million	H1 2025	H1 2024
Sales	0.4	0.4
Purchased material and services (primarily cost of sales)	103.2	77.4
Lease expenses (several functional costs)	0.1	0.1

The following table shows transactions with Wacker Chemie AG in the statement of financial position:

In EUR million	June 30, 2025	Dec. 31, 2024
Right-of-use assets	1,0	1.1
Other assets	11.7	15.2
Inventories	46.6	47.0
Lease liabilties	1.4	1.5
Trade liabilities	19.7	18.7

The inventories and trade payables mainly relate to raw material purchases. The other assets relate to advance payments made.

Income taxes

The calculation of effective income taxes was performed in accordance with IAS 34. Deferred tax assets were recognized on temporary differences to the extent that they are expected to result in realizable tax benefits within the period covered by the medium-term planning.

On July 11, 2025, the German Bundesrat approved the law for an immediate tax investment program, which includes, among other things, the gradual reduction of the corporate income tax rate. The reduction starting in 2028 will lead to a decrease in the unrecognized surplus of deferred tax assets at the German entity as of the next balance sheet date, although the impact is expected to be immaterial. In the United States, the “One Big Beautiful Bill Act” was enacted on July 4, 2025. As a result, the U.S. entity is now able to deduct certain expenditures for tax purposes more quickly and to benefit from enhanced tax incentives for investments. These changes are not expected to have a material impact on the company’s tax positions.

Foreign exchange gains/ losses and hedging activities

In the semiconductor industry, it is common practice to conduct transactions in foreign currencies, particularly in U.S. dollars. This applies to both operating activities and investments. The resulting currency risks are partially hedged. Realized and unrealized effects are presented under other operating income and expenses.

In the first half of 2025, foreign exchange gains of approximately EUR 87.9 million (H1 2024: EUR 45.2 million) and foreign exchange losses of EUR 93.6 million (H1 2024: EUR 40.5 million) were included in other operating income of EUR 90.0 million (H1 2024: EUR 49.2 million) and other operating expenses of EUR 94.0 million (H1 2024: EUR 42.5 million), respectively.

Foreign exchange rates

The financial statements of consolidated companies outside Germany are translated into euro following the concept of functional currency. For all foreign Group companies, the functional currency equals the local currency because these entities operate their business on a stand-alone basis from a financial, commercial and organizational perspective. Assets and liabilities are translated using the spot rates prevailing at the balance sheet date, equity is translated using historical rates, and amounts in the statement of profit and loss are translated using the average exchange rates of the quarter. Amounts resulting from the variance between spot rates at different balance sheet dates are shown separately under “Other equity items” within equity.

The following table shows the main exchange rates in relation to the euro:

Exchange rates

		Spot rate			Average for the period		
	ISO-Code	**June 30, 2025**	June 30, 2024	Dec. 31, 2024	**Q2 2025**	**H1 2025**	H1 2024
US-Dollar	USD	1.17	1.07	1.04	1.13	1.09	1.08
Japanese Yen	JPY	169	172	163	164	162	164
Singapore Dollar	SGD	1.49	1.45	1.42	1.47	1.45	1.46

Major events in period under review and events after June 30, 2025

The significant events of the reporting period with regard to their impact, nature and occurrence are described in the interim group management report and the interim consolidated financial statements.

Customer qualifications related to the new fab in Singapore are progressing as planned and successfully. As a result, depreciation of the main components of the new fab will begin as scheduled in August 2025. Recent tax law changes in Germany and the United States are not expected to have a material impact. The same applies to the currently highly uncertain U.S. tariff regulations. At the moment, exemptions apply to our products.

There were no other significant events after the end of the reporting period on June 30, 2025, up to the date of preparation of this interim report.

Munich, July 25, 2025
The Executive Board of Siltronic AG

Michael Heckmeier

Dr. Michael Heckmeier
(CEO)

Claudia Schmitt

Claudia Schmitt
(CFO)

Klaus Buchwald

Klaus Buchwald
(COO)

Further Information

Responsibility statement

To the best of our knowledge, we assure that in accordance with the applicable accounting principles for interim reporting for the Group's interim financial statements in compliance with generally accepted accounting principles, we have provided a truthful picture of the assets, financial and earnings situation of the Group and that the Group's interim management report outlines the business performance, including the Company's profit and the Group's situation, such that it provides a picture in line with the actual circumstances and describes the key opportunities and risks of the expected performance of the Group in the remainder of the financial year.

Munich, July 25, 2025
The Executive Board of Siltronic AG

Dr. Michael Heckmeier
(CEO)

Claudia Schmitt
(CFO)

Klaus Buchwald
(COO)

Review Report

To Siltronic AG, Munich

We have reviewed the condensed consolidated interim financial statements – comprising the consolidated statement of financial position, the consolidated statement of profit and loss, the consolidated statement of comprehensive income, the consolidated statement of cash flows, the consolidated statement of changes in equity and the condensed consolidated notes – and the interim group management report of Siltronic AG, Munich, for the period from 1 January to 30 June 2025 which are part of the half-year financial report pursuant to § [Article] 115 WpHG ("Wertpapierhandelsgesetz": German Securities Trading Act). The preparation of the condensed consolidated interim financial statements in accordance with the IFRS applicable to interim financial reporting as adopted by the EU and of the interim group management report in accordance with the provisions of the German Securities Trading Act applicable to interim group management reports is the responsibility of the parent Company's executive directors. Our responsibility is to issue a review report on the condensed consolidated interim financial statements and on the interim group management report based on our review.

We conducted our review of the condensed consolidated interim financial statements and the interim group management report in accordance with German generally accepted standards for the review of financial statements promulgated by the Institut der Wirtschaftsprüfer (Institute of Public Auditors in Germany) (IDW). Those standards require that we plan and perform the review so that we can preclude through critical evaluation, with moderate assurance, that the condensed consolidated interim financial statements have not been prepared, in all material respects, in accordance with the IFRS applicable to interim financial reporting as adopted by the EU and that the interim group management report has not been prepared, in all material respects, in accordance with the provisions of the German Securities Trading Act applicable to interim group management reports. A review is limited primarily to inquiries of company personnel and analytical procedures and therefore does not provide the assurance attainable in a financial statement audit. Since, in accordance with our engagement, we have not performed a financial statement audit, we cannot express an audit opinion.

Based on our review, no matters have come to our attention that cause us to presume that the condensed consolidated interim financial statements have not been prepared, in all material respects, in accordance with the IFRS applicable to interim financial reporting as adopted by the EU nor that the interim group management report has not been prepared, in all material respects, in accordance with the provisions of the German Securities Trading Act applicable to interim group management reports.

Munich, July 25, 2025
PricewaterhouseCoopers GmbH
Wirtschaftsprüfungsgesellschaft

sgd. Klaus Bernhard
Wirtschaftsprüfer
(German Public Auditor)

sgd. Diana Plaum
Wirtschaftsprüfer
(German Public Auditor)

Financial calendar

October 28, 2025 Quarterly Statement Q3 2025

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Imprint

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Note on the Interim Report

This Interim Report is also available in German. If there are differences between the two, the German version takes priority. The Interim Report is available as a PDF document.

Disclaimer

This interim Report contains forward-looking statements based on assumptions and estimates made by Siltronic's Executive Board. Although we assume that the expectations in these forward-looking statements are realistic, we cannot guarantee they will prove to be correct. The assumptions may harbor risks and uncertainties that may cause the actual figures to differ considerably from the forward-looking statements. Factors that may cause such discrepancies include, among other things, changes in the economic and business environment, variations in exchange and interest rates, the introduction of competing products, lack of acceptance for new products or services, and changes in corporate strategy. Siltronic does not plan to up-date the forward-looking statements, nor does it assume the obligation to do so. Due to rounding, it is possible that individual figures in this report and other reports do not exactly add and that percentages presented do not accurately reflect the absolute values to which they relate. The contents of this report address women and men equally.

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