

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 10-Q

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended **June 28, 2025**

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission File Number 011-07416

**Vishay Intertechnology, Inc.**

(Exact name of registrant as specified in its charter)

**Delaware**

(State or Other Jurisdiction of Incorporation)

**38-1686453**

(I.R.S. Employer Identification Number)

**63 Lancaster Avenue  
Malvern, Pennsylvania 19355-2143**

(Address of Principal Executive Offices)

**610-644-1300**

(Registrant's Area Code and Telephone Number)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading symbol	Name of exchange on which registered
Common stock, par value \$0.10 per share	VSH	New York Stock Exchange LLC

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.  Yes  No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (section 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files.)

Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes  No

As of August 4, 2025 the registrant had 123,488,664 shares of its common stock (excluding treasury shares) and 12,097,148 shares of its Class B common stock outstanding.

**This page intentionally left blank.**

VISHAY INTERTECHNOLOGY, INC.

FORM 10-Q

June 28, 2025

CONTENTS

Page Number

<b><u>PART I.</u></b>	<b><u>FINANCIAL INFORMATION</u></b>	
<u>Item 1.</u>	<u>Financial Statements (Unaudited)</u>	
	<u>Consolidated Condensed Balance Sheets – June 28, 2025 and December 31, 2024</u>	<u>4</u>
	<u>Consolidated Condensed Statements of Operations – Fiscal Quarters Ended June 28, 2025 and June 29, 2024</u>	<u>6</u>
	<u>Consolidated Condensed Statements of Comprehensive Income – Fiscal Quarters Ended June 28, 2025 and June 29, 2024</u>	<u>7</u>
	<u>Consolidated Condensed Statement of Operations – Six Fiscal Months Ended June 28, 2025 and June 29, 2024</u>	<u>8</u>
	<u>Consolidated Condensed Statements of Comprehensive Income – Six Fiscal Months Ended June 28, 2025 and June 29, 2024</u>	<u>9</u>
	<u>Consolidated Condensed Statements of Cash Flows – Six Fiscal Months Ended June 28, 2025 and June 29, 2024</u>	<u>10</u>
	<u>Consolidated Condensed Statements of Equity</u>	<u>11</u>
	<u>Notes to the Consolidated Condensed Financial Statements</u>	<u>12</u>
<u>Item 2.</u>	<u>Management’s Discussion and Analysis of Financial Condition and Results of Operations</u>	<u>26</u>
<u>Item 3.</u>	<u>Quantitative and Qualitative Disclosures About Market Risk</u>	<u>45</u>
<u>Item 4.</u>	<u>Controls and Procedures</u>	<u>45</u>
<b><u>PART II.</u></b>	<b><u>OTHER INFORMATION</u></b>	
<u>Item 1.</u>	<u>Legal Proceedings</u>	<u>46</u>
<u>Item 1A.</u>	<u>Risk Factors</u>	<u>46</u>
<u>Item 2.</u>	<u>Unregistered Sales of Equity Securities and Use of Proceeds</u>	<u>46</u>
<u>Item 3.</u>	<u>Defaults Upon Senior Securities</u>	<u>46</u>
<u>Item 4.</u>	<u>Mine Safety Disclosures</u>	<u>46</u>
<u>Item 5.</u>	<u>Other Information</u>	<u>46</u>
<u>Item 6.</u>	<u>Exhibits</u>	<u>46</u>
	<b><u>SIGNATURES</u></b>	<b><u>47</u></b>

**PART I - FINANCIAL INFORMATION**

**Item 1. Financial Statements**

**VISHAY INTERTECHNOLOGY, INC.**

Consolidated Condensed Balance Sheets

(Unaudited - In thousands)

	<u>June 28, 2025</u>	<u>December 31, 2024</u>
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 473,860	\$ 590,286
Short-term investments	5,217	16,130
Accounts receivable, net	461,809	401,901
Inventories:		
Finished goods	192,393	175,176
Work in process	326,575	296,393
Raw materials	235,898	217,812
Total inventories	<u>754,866</u>	<u>689,381</u>
Prepaid expenses and other current assets	216,330	217,809
Total current assets	<u>1,912,082</u>	<u>1,915,507</u>
Property and equipment, at cost:		
Land	86,411	84,124
Buildings and improvements	813,274	766,058
Machinery and equipment	3,433,596	3,259,213
Construction in progress	421,365	367,564
Allowance for depreciation	<u>(3,124,035)</u>	<u>(2,931,221)</u>
Property and equipment, net	<u>1,630,611</u>	<u>1,545,738</u>
Right of use assets	122,554	117,953
Deferred income taxes	179,215	159,769
Goodwill	180,348	179,005
Other intangible assets, net	86,195	87,223
Other assets	<u>110,650</u>	<u>105,501</u>
Total assets	<u>\$ 4,221,655</u>	<u>\$ 4,110,696</u>

*Continues on following page.*

**VISHAY INTERTECHNOLOGY, INC.**

Consolidated Condensed Balance Sheets (continued)

*(Unaudited - In thousands)*

	<u>June 28, 2025</u>	<u>December 31, 2024</u>
<b>Liabilities and equity</b>		
Current liabilities:		
Trade accounts payable	\$ 224,346	\$ 216,313
Payroll and related expenses	176,553	137,101
Lease liabilities	26,986	25,901
Other accrued expenses	268,101	264,471
Income taxes	11,308	64,562
Total current liabilities	<u>707,294</u>	<u>708,348</u>
Long-term debt less current portion	914,504	905,019
Deferred income taxes	98,320	96,363
Long-term lease liabilities	98,970	94,218
Other liabilities	119,573	104,086
Accrued pension and other postretirement costs	188,003	173,700
Total liabilities	<u>2,126,664</u>	<u>2,081,734</u>
Equity:		
Common stock	13,415	13,361
Class B convertible common stock	1,210	1,210
Capital in excess of par value	1,314,066	1,306,245
Retained earnings	926,267	955,500
Treasury stock (at cost)	(224,592)	(212,062)
Accumulated other comprehensive income (loss)	64,625	(35,292)
Total equity	<u>2,094,991</u>	<u>2,028,962</u>
Total liabilities and equity	<u>\$ 4,221,655</u>	<u>\$ 4,110,696</u>

*See accompanying notes.*

**VISHAY INTERTECHNOLOGY, INC.**

## Consolidated Condensed Statements of Operations

*(Unaudited - In thousands, except per share amounts)*

	Fiscal quarters ended	
	June 28, 2025	June 29, 2024
Net revenues	\$ 762,250	\$ 741,239
Costs of products sold	613,567	578,369
Gross profit	148,683	162,870
Selling, general, and administrative expenses	126,565	124,953
Operating income	22,118	37,917
Other income (expense):		
Interest expense	(10,588)	(6,657)
Other	747	5,011
Total other income (expense)	(9,841)	(1,646)
Income before taxes	12,277	36,271
Income tax expense	10,273	12,391
Net earnings	2,004	23,880
Less: net earnings attributable to noncontrolling interests	-	347
Net earnings attributable to Vishay stockholders	\$ 2,004	\$ 23,533
Basic earnings per share attributable to Vishay stockholders	\$ 0.01	\$ 0.17
Diluted earnings per share attributable to Vishay stockholders	\$ 0.01	\$ 0.17
Weighted average shares outstanding - basic	135,702	137,326
Weighted average shares outstanding - diluted	136,167	138,084
Cash dividends per share	\$ 0.10	\$ 0.10

*See accompanying notes.*

**VISHAY INTERTECHNOLOGY, INC.**  
Consolidated Statements of Comprehensive Income  
(Unaudited - In thousands)

	Fiscal quarters ended	
	<u>June 28, 2025</u>	<u>June 29, 2024</u>
Net earnings	\$ 2,004	\$ 23,880
Other comprehensive income (loss), net of tax		
Pension and other post-retirement actuarial items	138	388
Foreign currency translation adjustment	<u>68,575</u>	<u>(7,672)</u>
Other comprehensive income (loss)	<u>68,713</u>	<u>(7,284)</u>
Comprehensive income	<u>70,717</u>	<u>16,596</u>
Less: comprehensive income attributable to noncontrolling interests	-	347
Comprehensive income attributable to Vishay stockholders	<u>\$ 70,717</u>	<u>\$ 16,249</u>

*See accompanying notes.*

**VISHAY INTERTECHNOLOGY, INC.**

## Consolidated Condensed Statements of Operations

*(Unaudited - In thousands, except per share amounts)*

	Six fiscal months ended	
	June 28, 2025	June 29, 2024
Net revenues	\$ 1,477,486	\$ 1,487,518
Costs of products sold	1,193,249	1,154,241
Gross profit	284,237	333,277
Selling, general, and administrative expenses	261,304	252,689
Operating income	22,933	80,588
Other income (expense):		
Interest expense	(19,378)	(13,153)
Other	4,494	13,098
Total other income (expense)	(14,884)	(55)
Income before taxes	8,049	80,533
Income tax expense	10,137	25,210
Net earnings (loss)	(2,088)	55,323
Less: net earnings attributable to noncontrolling interests	-	866
Net earnings (loss) attributable to Vishay stockholders	\$ (2,088)	\$ 54,457
Basic earnings (loss) per share attributable to Vishay stockholders	\$ (0.02)	\$ 0.40
Diluted earnings (loss) per share attributable to Vishay stockholders	\$ (0.02)	\$ 0.39
Weighted average shares outstanding - basic	135,750	137,525
Weighted average shares outstanding - diluted	135,750	138,279
Cash dividends per share	\$ 0.20	\$ 0.20

*See accompanying notes.*

**VISHAY INTERTECHNOLOGY, INC.**  
Consolidated Statements of Comprehensive Income  
(Unaudited - In thousands)

	<b>Six fiscal months ended</b>	
	<b>June 28, 2025</b>	<b>June 29, 2024</b>
Net earnings (loss)	\$ (2,088)	\$ 55,323
Other comprehensive income (loss), net of tax		
Pension and other post-retirement actuarial items	440	(1,808)
Foreign currency translation adjustment	<u>99,477</u>	<u>(25,498)</u>
Other comprehensive income (loss)	<u>99,917</u>	<u>(27,306)</u>
Comprehensive income	<u>97,829</u>	<u>28,017</u>
Less: comprehensive income attributable to noncontrolling interests	-	866
Comprehensive income attributable to Vishay stockholders	<u>\$ 97,829</u>	<u>\$ 27,151</u>

*See accompanying notes.*

**VISHAY INTERTECHNOLOGY, INC.**

Consolidated Condensed Statements of Cash Flows  
(Unaudited - In thousands)

	Six fiscal months ended	
	<u>June 28, 2025</u>	<u>June 29, 2024</u>
<b>Operating activities</b>		
Net earnings (loss)	\$ (2,088)	\$ 55,323
Adjustments to reconcile net earnings (loss) to net cash provided by operating activities:		
Depreciation and amortization	109,743	101,677
(Gain) loss on disposal of property and equipment	73	(1,091)
Inventory write-offs for obsolescence	17,456	19,051
Deferred income taxes	(6,034)	5,589
Stock compensation expense	11,736	9,293
Other	(3,606)	(632)
Change in U.S. transition tax liability	(47,027)	(37,622)
Change in repatriation tax liability	(9,375)	(15,000)
Net change in operating assets and liabilities, net of effects of businesses acquired	(63,571)	(81,107)
Net cash provided by operating activities	<u>7,307</u>	<u>55,481</u>
<b>Investing activities</b>		
Capital expenditures	(126,167)	(115,648)
Proceeds from sale of property and equipment	494	1,265
Purchase of businesses, net of cash acquired	-	(200,185)
Purchase of short-term investments	(28,481)	(59,638)
Maturity of short-term investments	39,400	80,110
Other investing activities	(661)	(1,220)
Net cash used in investing activities	<u>(115,415)</u>	<u>(295,316)</u>
<b>Financing activities</b>		
Principal payments on long-term debt	(41,911)	-
Net proceeds from revolving credit facility	49,000	-
Dividends paid to common stockholders	(24,700)	(25,033)
Dividends paid to Class B common stockholders	(2,419)	(2,419)
Repurchase of common stock held in treasury	(12,538)	(25,160)
Cash withholding taxes paid when shares withheld for vested equity awards	(3,957)	(4,058)
Other financing activities	10,078	-
Net cash used in financing activities	<u>(26,447)</u>	<u>(56,670)</u>
Effect of exchange rate changes on cash and cash equivalents	<u>18,129</u>	<u>(3,483)</u>
Net decrease in cash and cash equivalents	<u>(116,426)</u>	<u>(299,988)</u>
Cash and cash equivalents at beginning of period	<u>590,286</u>	<u>972,719</u>
Cash and cash equivalents at end of period	<u>\$ 473,860</u>	<u>\$ 672,731</u>

*See accompanying notes.*

**VISHAY INTERTECHNOLOGY, INC.**

## Consolidated Condensed Statements of Equity

(Unaudited - In thousands, except share and per share amounts)

	Common Stock	Class B Convertible Common Stock	Capital in Excess of Par Value	Retained Earnings	Treasury Stock	Accumulated Other Comprehensive Income (Loss)	Total Vishay Stockholders' Equity	Noncontrolling Interests	Total Equity
Balance at December 31, 2023	\$ 13,319	\$ 1,210	\$ 1,291,499	\$1,041,372	\$ (161,656)	\$ 10,337	\$ 2,196,081	\$ 4,725	\$ 2,200,806
Net earnings	-	-	-	30,924	-	-	30,924	519	31,443
Other comprehensive income (loss)	-	-	-	-	-	(20,022)	(20,022)	-	(20,022)
Issuance of stock and related tax withholdings for vested restricted stock units (371,055 shares)	38	-	(4,091)	-	-	-	(4,053)	-	(4,053)
Dividends declared (\$0.10 per share)	-	-	13	(13,765)	-	-	(13,752)	-	(13,752)
Stock compensation expense	-	-	5,344	-	-	-	5,344	-	5,344
Repurchase of common stock held in treasury (565,420 shares)	-	-	-	-	(12,538)	-	(12,538)	-	(12,538)
Balance at March 30, 2024	\$ 13,357	\$ 1,210	\$ 1,292,765	\$1,058,531	\$ (174,194)	\$ (9,685)	\$ 2,181,984	\$ 5,244	\$ 2,187,228
Net earnings	-	-	-	23,533	-	-	23,533	347	23,880
Other comprehensive income (loss)	-	-	-	-	-	(7,284)	(7,284)	-	(7,284)
Issuance of stock and related tax withholdings for vested restricted stock units (19,809 shares)	1	-	(6)	-	-	-	(5)	-	(5)
Dividends declared (\$0.10 per share)	-	-	13	(13,713)	-	-	(13,700)	-	(13,700)
Stock compensation expense	-	-	3,949	-	-	-	3,949	-	3,949
Repurchase of common stock held in treasury (554,587 shares)	-	-	-	-	(12,622)	-	(12,622)	-	(12,622)
Balance at June 29, 2024	\$ 13,358	\$ 1,210	\$ 1,296,721	\$1,068,351	\$ (186,816)	\$ (16,969)	\$ 2,175,855	\$ 5,591	\$ 2,181,446
Balance at December 31, 2024	\$ 13,361	\$ 1,210	\$ 1,306,245	\$ 955,500	\$ (212,062)	\$ (35,292)	\$ 2,028,962	\$ -	\$ 2,028,962
Net earnings (loss)	-	-	-	(4,092)	-	-	(4,092)	-	(4,092)
Other comprehensive income	-	-	-	-	-	31,204	31,204	-	31,204
Issuance of stock and related tax withholdings for vested restricted stock units (506,430 shares)	50	-	(3,943)	-	-	-	(3,893)	-	(3,893)
Dividends declared (\$0.10 per share)	-	-	13	(13,575)	-	-	(13,562)	-	(13,562)
Stock compensation expense	-	-	6,051	-	-	-	6,051	-	6,051
Repurchase of common stock held in treasury (728,560 shares)	-	-	-	-	(12,538)	-	(12,538)	-	(12,538)
Balance at March 29, 2025	\$ 13,411	\$ 1,210	\$ 1,308,366	\$ 937,833	\$ (224,600)	\$ (4,088)	\$ 2,032,132	\$ -	\$ 2,032,132
Net earnings	-	-	-	2,004	-	-	2,004	-	2,004
Other comprehensive income	-	-	-	-	-	68,713	68,713	-	68,713
Issuance of stock and related tax withholdings for vested restricted stock units (35,366 shares)	4	-	(68)	-	-	-	(64)	-	(64)
Dividends declared (\$0.10 per share)	-	-	13	(13,570)	-	-	(13,557)	-	(13,557)
Stock compensation expense	-	-	5,685	-	-	-	5,685	-	5,685
Other	-	-	70	-	8	-	78	-	78
Balance at June 28, 2025	\$ 13,415	\$ 1,210	\$1,314,066	\$926,267	\$ (224,592)	\$ 64,625	\$ 2,094,991	\$ -	\$2,094,991

See accompanying notes.

NOTES TO THE CONSOLIDATED CONDENSED FINANCIAL STATEMENTS  
(dollars in thousands, except per share amounts)

**Note 1 – Basis of Presentation**

The accompanying unaudited consolidated condensed financial statements of Vishay Intertechnology, Inc. (“Vishay” or the “Company”) have been prepared in accordance with the instructions to Form 10-Q and therefore do not include all information and footnotes necessary for presentation of financial position, results of operations, and cash flows required by accounting principles generally accepted in the United States (“GAAP”) for complete financial statements. The information furnished reflects all normal recurring adjustments which are, in the opinion of management, necessary for a fair summary of the financial position, results of operations, and cash flows for the interim periods presented. The financial statements should be read in conjunction with the consolidated financial statements filed with the Company’s Annual Report on Form 10-K for the year ended December 31, 2024. The results of operations for the fiscal quarter and six fiscal months ended June 28, 2025 are not necessarily indicative of the results to be expected for the full year.

The Company reports interim financial information for 13-week periods beginning on a Sunday and ending on a Saturday, except for the first fiscal quarter, which always begins on January 1, and the fourth fiscal quarter, which always ends on December 31. The four fiscal quarters in 2025 end on March 29, 2025, June 28, 2025, September 27, 2025, and December 31, 2025, respectively. The four fiscal quarters in 2024 ended on March 30, 2024, June 29, 2024, September 28, 2024, and December 31, 2024, respectively.

***Selling, General, and Administrative Expenses***

Selling, general, and administrative expenses for the fiscal quarter and six fiscal months ended June 28, 2025 include an \$11,293 benefit recognized upon the favorable resolution of a contingency.

***Reclassifications***

Certain prior period amounts have been reclassified to conform to the current financial statement presentation.

**Note 2 – Restructuring and Related Activities**

In September 2024, the Company announced the implementation of restructuring actions designed to optimize the Company’s manufacturing footprint and streamline business decision making.

The following table summarizes activity to date related to this program:

Expense recorded in 2024	\$ 40,614
Utilized	(8,734)
Foreign currency translation	(1,292)
Balance at December 31, 2024	<u>\$ 30,588</u>
Utilized	<u>(7,820)</u>
Foreign currency translation	<u>1,623</u>
Balance at June 28, 2025	<u>\$ 24,391</u>

Severance payment terms vary by country, but are generally paid in a lump sum at cessation of employment. Some payments are made over an extended period. The current portion of the liability is \$9,354 and is included in other accrued expenses in the accompanying consolidated condensed balance sheet. The non-current portion of the liability is \$15,037 and is included in other liabilities in the accompanying consolidated condensed balance sheet.

NOTES TO THE CONSOLIDATED CONDENSED FINANCIAL STATEMENTS  
(dollars in thousands, except per share amounts)

**Note 3 – Leases**

The net right of use assets and lease liabilities recognized on the consolidated condensed balance sheets for the Company's operating leases were as follows:

	<u>June 28, 2025</u>	<u>December 31, 2024</u>
Right of use assets		
<i>Operating Leases</i>		
Buildings and improvements	\$ 117,278	\$ 112,528
Machinery and equipment	5,276	5,425
<b>Total</b>	<b>\$ 122,554</b>	<b>\$ 117,953</b>
Current lease liabilities		
<i>Operating Leases</i>		
Buildings and improvements	\$ 24,018	\$ 22,993
Machinery and equipment	2,968	2,908
<b>Total</b>	<b>\$ 26,986</b>	<b>\$ 25,901</b>
Long-term lease liabilities		
<i>Operating Leases</i>		
Buildings and improvements	\$ 96,750	\$ 91,772
Machinery and equipment	2,220	2,446
<b>Total</b>	<b>\$ 98,970</b>	<b>\$ 94,218</b>
<b>Total lease liabilities</b>	<b>\$ 125,956</b>	<b>\$ 120,119</b>

Lease expense is classified in the statements of operations based on asset use. Total lease cost recognized on the consolidated condensed statements of operations is as follows:

	<u>Fiscal quarters ended</u>		<u>Six fiscal months ended</u>	
	<u>June 28, 2025</u>	<u>June 29, 2024</u>	<u>June 28, 2025</u>	<u>June 29, 2024</u>
<u>Lease expense</u>				
Operating lease expense	\$ 7,128	\$ 7,466	\$ 14,084	\$ 14,759
Short-term lease expense	546	220	953	476
Variable lease expense	233	148	393	362
<b>Total lease expense</b>	<b>\$ 7,907</b>	<b>\$ 7,834</b>	<b>\$ 15,430</b>	<b>\$ 15,597</b>

The Company paid \$14,222 and \$14,801 for its operating leases in the six fiscal months ended June 28, 2025 and June 29, 2024, respectively, which are included in operating cash flows on the consolidated condensed statements of cash flows. The weighted-average remaining lease term for the Company's operating leases is 8.8 years and the weighted-average discount rate is 6.6% as of June 28, 2025.

The undiscounted future lease payments for the Company's operating lease liabilities are as follows:

	<u>June 28, 2025</u>
2025 (excluding the six fiscal months ended June 28, 2025)	\$ 14,415
2026	25,432
2027	22,145
2028	17,394
2029	15,204
Thereafter	71,166

The undiscounted future lease payments presented in the table above include payments through the term of the lease, which may include periods beyond the noncancellable term. The difference between the total payments above and the lease liability balance is due to the discount rate used to calculate lease liabilities.

NOTES TO THE CONSOLIDATED CONDENSED FINANCIAL STATEMENTS  
(dollars in thousands, except per share amounts)

**Note 4 – Income Taxes**

The provision for income taxes consists of provisions for federal, state, and foreign income taxes. The effective tax rates for the periods ended June 28, 2025 and June 29, 2024 reflect the Company’s expected tax rate on reported income before income tax and tax adjustments. The Company operates in a global environment with significant operations in various jurisdictions outside the United States. Accordingly, the consolidated income tax rate is a composite rate reflecting the Company’s earnings and the applicable tax rates in the various jurisdictions where the Company operates.

In December 2021, the Organization for Economic Co-operation and Development (“OECD”) issued model rules for a new global minimum tax (“Pillar Two”). Various jurisdictions around the world have passed legislation to enact Pillar Two and certain Pillar Two rules are in effect for 2025. The United States has not adopted Pillar Two. The Company does not anticipate a material increase in income tax expense for 2025 due to Pillar Two and the Company is continuing to monitor Pillar Two developments and the potential future impact on its operations and income tax expense.

On July 4, 2025, H.R. 1 (“the Act”), a tax reconciliation act, was enacted into law in the United States. Under U.S. GAAP (specifically, Accounting Standards Codification Topic 740), the effects of changes in tax rates and laws on deferred tax balances are recognized in the period in which the new legislation is enacted. Accordingly, the Company will account for the Act in the third fiscal quarter. The Company is evaluating the Act’s provisions, but is not currently able to estimate the impact of the Act on its deferred tax balances and future income tax expense. Certain provisions of the Act, particularly the international tax provisions, may have a material impact on the Company’s deferred tax balances and future income tax expense.

The Company repatriated \$75,000 of accumulated earnings to the United States in the second fiscal quarter of 2025 and paid withholding taxes, in Israel, of \$9,375. The withholding tax expense for the repatriation was recorded in prior years.

During the six fiscal months ended June 28, 2025, the liabilities for unrecognized tax benefits decreased \$744 on a net basis, primarily due to statute expirations, settlements, and payments, partially offset by accruals for the current period.

**Note 5 – Long-Term Debt**

Long-term debt consists of the following:

	<b>June 28, 2025</b>	<b>December 31, 2024</b>
Credit facility	\$ 185,000	\$ 136,000
Convertible senior notes, due 2025	-	41,911
Convertible senior notes, due 2030	750,000	750,000
Deferred financing costs	(20,496)	(22,892)
	<b>914,504</b>	<b>905,019</b>
Less current portion	-	-
	<b>\$ 914,504</b>	<b>\$ 905,019</b>

The following table summarizes some key facts and terms regarding the outstanding convertible senior notes due 2030 as of June 28, 2025:

	<b>2030 Notes</b>
Issuance date	September 12, 2023
Maturity date	September 15, 2030
Principal amount as of June 28, 2025	\$ 750,000
Cash coupon rate (per annum)	2.25%
Conversion rate (per \$1 principal amount)	33.1609
Effective conversion price (per share)	\$ 30.16
130% of the current effective conversion price (per share)	\$ 39.21

The convertible senior notes due 2025 matured on June 15, 2025. Upon maturity, \$41,911 aggregate principal amount of the convertible senior notes due 2025 were settled in cash, funded by borrowings on the revolving credit facility. No shares were issued to settle the convertible senior notes due 2025.

Deferred financing costs are recognized as non-cash interest expense. Non-cash interest expense was \$1,195 and \$2,418 for the fiscal quarter and six fiscal months ended June 28, 2025, respectively, and \$1,213 and \$2,426 for the fiscal quarter and six fiscal months ended June 29, 2024.

NOTES TO THE CONSOLIDATED CONDENSED FINANCIAL STATEMENTS  
(dollars in thousands, except per share amounts)

**Note 6 – Stockholders' Equity**

In 2022, the Company's Board of Directors adopted a Stockholder Return Policy that will remain in effect until such time as the Board votes to amend or rescind the policy. The Stockholder Return Policy calls for the Company to return a prescribed amount of cash flows on an annual basis. The Company intends to return such amounts directly, in the form of dividends, or indirectly, in the form of stock repurchases.

The following table summarizes activity pursuant to this policy:

	Fiscal quarters ended		Six fiscal months ended	
	June 28, 2025	June 29, 2024	June 28, 2025	June 29, 2024
Dividends paid to stockholders	\$ 13,557	\$ 13,700	\$ 27,119	\$ 27,452
Stock repurchases	-	12,622	12,538	25,160
<b>Total</b>	<b>\$ 13,557</b>	<b>\$ 26,322</b>	<b>\$ 39,657</b>	<b>\$ 52,612</b>

The repurchased shares are being held as treasury stock. The number of shares of common stock being held as treasury stock was 10,662,155 and 9,933,595 as of June 28, 2025 and December 31, 2024, respectively.

**Note 7 – Revenue Recognition**

Sales returns and allowances accrual activity is shown below:

	Fiscal quarters ended		Six fiscal months ended	
	June 28, 2025	June 29, 2024	June 28, 2025	June 29, 2024
Beginning balance	\$ 38,438	\$ 48,748	\$ 43,445	\$ 47,760
Sales allowances	27,890	20,955	48,076	46,231
Credits issued	(23,110)	(25,103)	(48,699)	(49,187)
Foreign currency	776	(107)	1,172	(311)
<b>Ending balance</b>	<b>\$ 43,994</b>	<b>\$ 44,493</b>	<b>\$ 43,994</b>	<b>\$ 44,493</b>

**Note 8 – Accumulated Other Comprehensive Income (Loss)**

The cumulative balance of each component of other comprehensive income (loss) and the income tax effects allocated to each component are as follows:

	Pension and other post- retirement actuarial items	Currency translation adjustment	Total
<b>Balance at January 1, 2025</b>	\$ (10,956)	\$ (24,336)	\$ (35,292)
Other comprehensive income (loss) before reclassifications	-	99,477	\$ 99,477
Tax effect	-	-	\$ -
Other comprehensive income before reclassifications, net of tax	-	99,477	\$ 99,477
Amounts reclassified out of AOCI	544	-	\$ 544
Tax effect	(104)	-	\$ (104)
Amounts reclassified out of AOCI, net of tax	440	-	\$ 440
<b>Net other comprehensive income (loss)</b>	<b>\$ 440</b>	<b>\$ 99,477</b>	<b>\$ 99,917</b>
<b>Balance at June 28, 2025</b>	<b>\$ (10,516)</b>	<b>\$ 75,141</b>	<b>\$ 64,625</b>

Reclassifications of pension and other post-retirement actuarial items out of AOCI are included in the computation of net periodic benefit cost. See Note 9 for further information.

NOTES TO THE CONSOLIDATED CONDENSED FINANCIAL STATEMENTS  
(dollars in thousands, except per share amounts)

**Note 9 – Pensions and Other Postretirement Benefits**

The Company maintains various retirement benefit plans. The service cost component of net periodic pension cost is classified in costs of products sold or selling, general, and administrative expenses on the consolidated condensed statements of operations based on the respective employee's function. The other components of net periodic pension cost are classified as other expense on the consolidated condensed statements of operations.

**Defined Benefit Pension Plans**

The following table shows the components of the net periodic pension cost for the second fiscal quarters of 2025 and 2024 for the Company's defined benefit pension plans:

	Fiscal quarter ended June 28, 2025		Fiscal quarter ended June 29, 2024	
	U.S. Plans	Non-U.S. Plans	U.S. Plans	Non-U.S. Plans
Net service cost	\$ -	\$ 765	\$ -	\$ 776
Interest cost	380	1,582	382	1,664
Expected return on plan assets	-	(560)	-	(582)
Amortization of prior service cost	1	36	17	57
Amortization of losses (gains)	-	258	(109)	453
Curtailement and settlement losses	-	24	-	101
Net periodic benefit cost	<u>\$ 381</u>	<u>\$ 2,105</u>	<u>\$ 290</u>	<u>\$ 2,469</u>

The following table shows the components of the net periodic pension cost for the six fiscal months ended June 28, 2025 and June 29, 2024 for the Company's defined benefit pension plans:

	Six fiscal months ended June 28, 2025		Six fiscal months ended June 29, 2024	
	U.S. Plans	Non-U.S. Plans	U.S. Plans	Non-U.S. Plans
Net service cost	\$ -	\$ 1,494	\$ -	\$ 1,566
Interest cost	760	3,070	763	3,350
Expected return on plan assets	-	(1,100)	-	(1,178)
Amortization of prior service cost	2	70	33	114
Amortization of losses (gains)	-	500	(217)	910
Curtailement and settlement losses	-	47	-	206
Net periodic benefit cost	<u>\$ 762</u>	<u>\$ 4,081</u>	<u>\$ 579</u>	<u>\$ 4,968</u>

NOTES TO THE CONSOLIDATED CONDENSED FINANCIAL STATEMENTS  
(dollars in thousands, except per share amounts)

**Other Postretirement Benefits**

The following table shows the components of the net periodic benefit cost for the second fiscal quarters of 2025 and 2024 for the Company's other postretirement benefit plans:

	Fiscal quarter ended June 28, 2025		Fiscal quarter ended June 29, 2024	
	U.S. Plans	Non-U.S. Plans	U.S. Plans	Non-U.S. Plans
Service cost	\$ 5	\$ 60	\$ 5	\$ 60
Interest cost	50	60	52	61
Amortization of losses (gains)	(52)	15	(60)	20
Net periodic benefit cost	<u>\$ 3</u>	<u>\$ 135</u>	<u>\$ (3)</u>	<u>\$ 141</u>

The following table shows the components of the net periodic pension cost for the six fiscal months ended June 28, 2025 and June 29, 2024 for the Company's other postretirement benefit plans:

	Six fiscal months ended June 28, 2025		Six fiscal months ended June 29, 2024	
	U.S. Plans	Non-U.S. Plans	U.S. Plans	Non-U.S. Plans
Service cost	\$ 10	\$ 115	\$ 10	\$ 120
Interest cost	101	116	105	122
Amortization of losses (gains)	(104)	29	(120)	41
Net periodic benefit cost	<u>\$ 7</u>	<u>\$ 260</u>	<u>\$ (5)</u>	<u>\$ 283</u>

NOTES TO THE CONSOLIDATED CONDENSED FINANCIAL STATEMENTS  
*(dollars in thousands, except per share amounts)*

**Note 10 – Stock-Based Compensation**

The following table summarizes stock-based compensation expense recognized:

	Fiscal quarters ended		Six fiscal months ended	
	June 28, 2025	June 29, 2024	June 28, 2025	June 29, 2024
Restricted stock units ("RSUs")	\$ 5,685	\$ 3,949	\$ 11,653	9,175
Phantom stock units	-	-	83	118
<b>Total</b>	<b>\$ 5,685</b>	<b>\$ 3,949</b>	<b>\$ 11,736</b>	<b>9,293</b>

The following table summarizes unrecognized compensation cost and the weighted average remaining amortization periods at June 28, 2025 (*amortization periods in years*):

	Unrecognized Compensation Cost	Weighted Average Remaining Amortization Periods
Restricted stock units	\$ 38,506	2.1
Phantom stock units	-	n/a
<b>Total</b>	<b>\$ 38,506</b>	

NOTES TO THE CONSOLIDATED CONDENSED FINANCIAL STATEMENTS  
(dollars in thousands, except per share amounts)

**Restricted Stock Units**

RSU activity under the Company's stock incentive programs as of June 28, 2025 and changes during the six fiscal months then ended are presented below (number of RSUs in thousands):

	<u>Number of RSUs</u>	<u>Weighted Average Grant-date Fair Value per Unit</u>
<b>Outstanding:</b>		
January 1, 2025	2,628	\$ 21.37
Granted*	1,844	15.19
Vested**	(764)	21.75
Cancelled or forfeited	(168)	20.59
Outstanding at June 28, 2025	<u>3,540</u>	<u>\$ 18.11</u>
Expected to vest at June 28, 2025	<u>2,839</u>	

\* Employees in certain countries are granted equity-linked awards that will be settled in cash and are accounted for as liability awards. The liability awards are not material. The number of RSUs granted excludes these awards.

\*\* The number of RSUs vested includes shares that the Company withheld on behalf of employees to satisfy the statutory tax withholding requirements.

The number of performance-based RSUs that are scheduled to vest increases ratably based on the achievement of defined performance and market criteria between the established target and maximum levels. RSUs with performance-based and market-based vesting criteria are expected to vest as follows (number of RSUs in thousands):

<u>Vesting Date</u>	<u>Expected to Vest</u>	<u>Not Expected to Vest</u>	<u>Total</u>
January 1, 2026	-	137	137
January 1, 2027	-	540	540
January 1, 2028	836	24	860
March 1, 2029	175	-	175

**Phantom Stock Units**

Phantom stock unit activity as of June 28, 2025 and changes during the six fiscal months then ended are presented below (number of phantom stock units in thousands):

	<u>Number of units</u>	<u>Grant-date Fair Value per Unit</u>
<b>Outstanding:</b>		
January 1, 2025	128	
Granted	5	\$ 16.69
Dividend equivalents issued	2	
Outstanding at June 28, 2025	<u>135</u>	

NOTES TO THE CONSOLIDATED CONDENSED FINANCIAL STATEMENTS  
(dollars in thousands, except per share amounts)

**Note 11 – Segment Information**

The following tables set forth business segment information:

	<u>MOSFETs</u>	<u>Diodes</u>	<u>Optoelectronic Components</u>	<u>Resistors</u>	<u>Inductors</u>	<u>Capacitors</u>	<u>Corporate/ Other</u>	<u>Total</u>
<b>Fiscal quarter ended June 28, 2025:</b>								
Net revenues	\$ 148,633	\$ 147,942	\$ 54,119	\$ 194,769	\$ 95,675	\$ 121,112	\$ -	\$ 762,250
Cost of products sold (excluding depreciation)	\$ 125,546	\$ 106,770	\$ 37,596	\$ 139,330	\$ 64,594	\$ 90,643	\$ -	\$ 564,479
Depreciation expense in costs of products sold	13,708	11,634	3,965	11,109	4,245	4,427	-	49,088
Total costs of products sold	\$ 139,254	\$ 118,404	\$ 41,561	\$ 150,439	\$ 68,839	\$ 95,070	\$ -	\$ 613,567
Gross profit	\$ 9,379	\$ 29,538	\$ 12,558	\$ 44,330	\$ 26,836	\$ 26,042	\$ -	\$ 148,683
Segment operating expenses	\$ 23,859	\$ 7,353	\$ 5,743	\$ 9,421	\$ 3,887	\$ 6,357	\$ -	\$ 56,620
Segment operating income (loss)	\$ (14,480)	\$ 22,185	\$ 6,815	\$ 34,909	\$ 22,949	\$ 19,685	\$ -	\$ 92,063
Total depreciation expense	\$ 14,342	\$ 11,917	\$ 4,081	\$ 11,308	\$ 4,291	\$ 4,472	\$ 2,268	\$ 52,679
Capital expenditures	46,002	3,809	4,043	5,644	1,021	3,024	1,055	64,598
Total assets as of June 28, 2025:	\$ 1,123,514	\$ 725,548	\$ 360,008	\$ 967,976	\$ 328,726	\$ 462,490	\$ 253,393	\$ 4,221,655
<b>Fiscal quarter ended June 29, 2024:</b>								
Net revenues	\$ 155,053	\$ 146,265	\$ 53,010	\$ 179,498	\$ 94,061	\$ 113,352	\$ -	\$ 741,239
Cost of products sold (excluding depreciation)	\$ 120,953	\$ 103,823	\$ 34,961	\$ 128,157	\$ 61,519	\$ 82,978	\$ -	\$ 532,391
Depreciation expense in cost of products sold	12,531	11,443	3,844	10,159	4,258	3,743	-	45,978
Total cost of products sold	\$ 133,484	\$ 115,266	\$ 38,805	\$ 138,316	\$ 65,777	\$ 86,721	\$ -	\$ 578,369
Gross profit	\$ 21,569	\$ 30,999	\$ 14,205	\$ 41,182	\$ 28,284	\$ 26,631	\$ -	\$ 162,870
Segment operating expenses	\$ 19,735	\$ 6,585	\$ 5,512	\$ 8,323	\$ 3,737	\$ 5,665	\$ -	\$ 49,557
Segment operating income	\$ 1,834	\$ 24,414	\$ 8,693	\$ 32,859	\$ 24,547	\$ 20,966	\$ -	\$ 113,313
Total depreciation expense	\$ 12,982	\$ 11,691	\$ 3,935	\$ 10,315	\$ 4,273	\$ 3,800	\$ 2,222	\$ 49,218
Capital expenditures	37,571	9,188	1,134	7,286	2,330	3,637	1,418	62,564
Total assets as of June 29, 2024:	\$ 1,045,228	\$ 736,065	\$ 352,159	\$ 1,010,499	\$ 342,626	\$ 435,712	\$ 230,412	\$ 4,152,701

NOTES TO THE CONSOLIDATED CONDENSED FINANCIAL STATEMENTS  
(dollars in thousands, except per share amounts)

	<u>MOSFETs</u>	<u>Diodes</u>	<u>Optoelectronic Components</u>	<u>Resistors</u>	<u>Inductors</u>	<u>Capacitors</u>	<u>Corporate/ Other</u>	<u>Total</u>
<b>Six fiscal months ended June 28, 2025:</b>								
Net revenues	\$ 290,746	\$ 288,905	\$ 105,287	\$ 374,269	\$ 179,796	\$ 238,483	\$ -	\$ 1,477,486
Cost of products sold (excluding depreciation)	\$ 243,053	\$ 208,599	\$ 74,254	\$ 267,802	\$ 126,876	\$ 176,597	\$ -	\$ 1,097,181
Depreciation expense in costs of products sold	26,708	22,746	7,775	21,783	8,487	8,569	-	96,068
Total costs of products sold	<u>\$ 269,761</u>	<u>\$ 231,345</u>	<u>\$ 82,029</u>	<u>\$ 289,585</u>	<u>\$ 135,363</u>	<u>\$ 185,166</u>	<u>\$ -</u>	<u>\$ 1,193,249</u>
Gross profit	\$ 20,985	\$ 57,560	\$ 23,258	\$ 84,684	\$ 44,433	\$ 53,317	\$ -	\$ 284,237
Segment operating expenses	<u>\$ 44,204</u>	<u>\$ 14,178</u>	<u>\$ 11,024</u>	<u>\$ 18,624</u>	<u>\$ 7,582</u>	<u>\$ 13,058</u>	<u>\$ -</u>	<u>\$ 108,670</u>
Segment operating income (loss)	<u>\$ (23,219)</u>	<u>\$ 43,382</u>	<u>\$ 12,234</u>	<u>\$ 66,060</u>	<u>\$ 36,851</u>	<u>\$ 40,259</u>	<u>\$ -</u>	<u>\$ 175,567</u>
Total depreciation expense	\$ 27,914	\$ 23,400	\$ 7,998	\$ 22,172	\$ 8,574	\$ 8,656	\$ 4,483	\$ 103,197
Capital expenditures	92,305	8,138	4,755	8,691	1,605	8,999	1,674	126,167
<b>Six fiscal months ended June 29, 2024:</b>								
Net revenues	\$ 308,226	\$ 295,395	\$ 102,209	\$ 367,694	\$ 182,712	\$ 231,282	\$ -	\$ 1,487,518
Cost of products sold (excluding depreciation)	\$ 237,701	\$ 209,468	\$ 73,364	\$ 259,790	\$ 119,367	\$ 164,975	\$ -	\$ 1,064,665
Depreciation expense in cost of products sold	23,483	22,558	7,639	20,251	8,274	7,371	-	89,576
Total cost of products sold	<u>\$ 261,184</u>	<u>\$ 232,026</u>	<u>\$ 81,003</u>	<u>\$ 280,041</u>	<u>\$ 127,641</u>	<u>\$ 172,346</u>	<u>\$ -</u>	<u>\$ 1,154,241</u>
Gross profit	\$ 47,042	\$ 63,369	\$ 21,206	\$ 87,653	\$ 55,071	\$ 58,936	\$ -	\$ 333,277
Segment operating expenses	<u>\$ 37,161</u>	<u>\$ 12,944</u>	<u>\$ 11,020</u>	<u>\$ 16,621</u>	<u>\$ 7,343</u>	<u>\$ 11,441</u>	<u>\$ -</u>	<u>\$ 96,530</u>
Segment operating income	<u>\$ 9,881</u>	<u>\$ 50,425</u>	<u>\$ 10,186</u>	<u>\$ 71,032</u>	<u>\$ 47,728</u>	<u>\$ 47,495</u>	<u>\$ -</u>	<u>\$ 236,747</u>
Total depreciation expense	\$ 24,311	\$ 23,177	\$ 7,823	\$ 20,585	\$ 8,317	\$ 7,482	\$ 4,446	\$ 96,141
Capital expenditures	66,133	17,243	2,425	18,588	3,463	5,704	2,092	115,648

	<u>Fiscal quarters ended</u>		<u>Six fiscal months ended</u>	
	<u>June 28, 2025</u>	<u>June 29, 2024</u>	<u>June 28, 2025</u>	<u>June 29, 2024</u>
<b>Reconciliation:</b>				
Segment Operating Income	\$ 92,063	\$ 113,313	\$ 175,567	\$ 236,747
Unallocated Selling, General, and Administrative Expenses	(69,945)	(75,396)	(152,634)	(156,159)
Consolidated Operating Income	<u>\$ 22,118</u>	<u>\$ 37,917</u>	<u>\$ 22,933</u>	<u>\$ 80,588</u>
Unallocated Other Income (Expense)	(9,841)	(1,646)	(14,884)	(55)
Consolidated Income Before Taxes	<u>\$ 12,277</u>	<u>\$ 36,271</u>	<u>\$ 8,049</u>	<u>\$ 80,533</u>

NOTES TO THE CONSOLIDATED CONDENSED FINANCIAL STATEMENTS  
(dollars in thousands, except per share amounts)

The Company has a broad line of products that it sells to original equipment manufacturers ("OEMs"), electronic manufacturing services ("EMS") companies, and independent distributors. The distribution of sales by channel is shown below:

	Fiscal quarters ended		Six fiscal months ended	
	June 28, 2025	June 29, 2024	June 28, 2025	June 29, 2024
Distributors	\$ 430,159	\$ 411,508	\$ 818,652	\$ 793,988
OEMs	277,255	279,111	555,601	592,938
EMS companies	54,836	50,620	103,233	100,592
Total Revenue	<u>\$ 762,250</u>	<u>\$ 741,239</u>	<u>\$ 1,477,486</u>	<u>\$ 1,487,518</u>

Net revenues were attributable to customers in the following regions:

	Fiscal quarters ended		Six fiscal months ended	
	June 28, 2025	June 29, 2024	June 28, 2025	June 29, 2024
Asia	\$ 317,479	\$ 283,489	\$ 602,058	\$ 567,496
Europe	256,489	265,153	511,820	536,887
Americas	188,282	192,597	363,608	383,135
Total Revenue	<u>\$ 762,250</u>	<u>\$ 741,239</u>	<u>\$ 1,477,486</u>	<u>\$ 1,487,518</u>

The Company generates substantially all of its revenue from product sales to end customers in the industrial, automotive, telecommunications, computing, consumer products, power supplies, military and aerospace, and medical end markets. Sales by end market are presented below:

	Fiscal quarters ended		Six fiscal months ended	
	June 28, 2025	June 29, 2024	June 28, 2025	June 29, 2024
Industrial	\$ 267,028	\$ 262,134	\$ 511,954	\$ 510,262
Automotive	267,423	268,099	524,535	555,401
Military and Aerospace	80,488	80,569	156,805	163,925
Medical	37,899	39,456	74,431	73,845
Other	109,412	90,981	209,761	184,085
Total Revenue	<u>\$ 762,250</u>	<u>\$ 741,239</u>	<u>\$ 1,477,486</u>	<u>\$ 1,487,518</u>

NOTES TO THE CONSOLIDATED CONDENSED FINANCIAL STATEMENTS  
(dollars in thousands, except per share amounts)

**Note 12 – Earnings Per Share**

The following table sets forth the computation of basic and diluted earnings (loss) per share attributable to Vishay stockholders (*shares in thousands*):

	Fiscal quarters ended		Six fiscal months ended	
	<u>June 28, 2025</u>	<u>June 29, 2024</u>	<u>June 28, 2025</u>	<u>June 29, 2024</u>
<b>Numerator:</b>				
Net earnings (loss) attributable to Vishay stockholders	\$ 2,004	\$ 23,533	\$ (2,088)	\$ 54,457
<b>Denominator:</b>				
Denominator for basic earnings (loss) per share:				
Weighted average shares	135,569	137,201	135,617	137,400
Outstanding phantom stock units	133	125	133	125
Adjusted weighted average shares	<u>135,702</u>	<u>137,326</u>	<u>135,750</u>	<u>137,525</u>
Effect of dilutive securities:				
Restricted stock units	465	758	-	754
Dilutive potential common shares	<u>465</u>	<u>758</u>	<u>-</u>	<u>754</u>
Denominator for diluted earnings per share:				
Adjusted weighted average shares - diluted	<u>136,167</u>	<u>138,084</u>	<u>135,750</u>	<u>138,279</u>
Basic earnings (loss) per share attributable to Vishay stockholders	\$ 0.01	\$ 0.17	\$ (0.02)	\$ 0.40
Diluted earnings (loss) per share attributable to Vishay stockholders	\$ 0.01	\$ 0.17	\$ (0.02)	\$ 0.39

Diluted earnings (loss) per share for the periods presented do not reflect the following weighted average potential common shares that would have an antidilutive effect or have unsatisfied performance conditions (*in thousands*):

	Fiscal quarters ended		Six fiscal months ended	
	<u>June 28, 2025</u>	<u>June 29, 2024</u>	<u>June 28, 2025</u>	<u>June 29, 2024</u>
Restricted stock units	1,295	381	3,099	254

If the average market price of Vishay common stock is less than the effective conversion price of the convertible senior notes due 2030, no shares are included in the diluted earnings per share computation for the convertible senior notes due 2030. Pursuant to the indenture governing the convertible senior notes due 2030, Vishay will satisfy its conversion obligations by paying \$1 cash per \$1 principal amount of converted notes and settle any additional amounts due in cash and/or common stock.

In connection with the issuance of the convertible senior notes due 2030, the Company entered into capped call transactions, which were not included in the calculation of diluted earnings per share as their effect would have been anti-dilutive. The capped calls are intended to reduce the potential dilution to the Company's common stock in the event that at the time of conversion of the convertible senior notes due 2030 the Company's common stock price exceeds the conversion price of the convertible senior notes due 2030.

NOTES TO THE CONSOLIDATED CONDENSED FINANCIAL STATEMENTS  
(dollars in thousands, except per share amounts)

**Note 13 – Fair Value Measurements**

The following table provides the financial assets and liabilities carried at fair value measured on a recurring basis:

	<b>Total Fair Value</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
<b>June 28, 2025</b>				
<u>Assets:</u>				
Assets held in rabbi trusts	\$ 53,765	\$ 23,162	\$ 30,603	\$ -
Available for sale securities	\$ 4,584	4,584	-	-
	<u>\$ 58,349</u>	<u>\$ 27,746</u>	<u>\$ 30,603</u>	<u>\$ -</u>
<u>Liability:</u>				
Acquisitions contingent consideration	\$ 3,508	\$ -	\$ -	\$ 3,508
<b>December 31, 2024</b>				
<u>Assets:</u>				
Assets held in rabbi trusts	\$ 53,508	\$ 24,518	\$ 28,990	\$ -
Available for sale securities	\$ 4,043	4,043	-	-
	<u>\$ 57,551</u>	<u>\$ 28,561</u>	<u>\$ 28,990</u>	<u>\$ -</u>
<u>Liability:</u>				
Acquisitions contingent consideration	\$ 3,801	\$ -	\$ -	\$ 3,801

There have been no changes in the classification of any financial instruments within the fair value hierarchy in the periods presented.

The Company maintains non-qualified trusts, referred to as “rabbi” trusts, to fund payments under deferred compensation and non-qualified pension plans. Rabbi trust assets consist primarily of marketable securities, classified as available-for-sale and company-owned life insurance assets. The marketable securities held in the rabbi trusts are valued using quoted market prices on the last business day of the period. The company-owned life insurance assets are valued in consultation with the Company’s insurance brokers using the value of underlying assets of the insurance contracts. The fair value measurement of the marketable securities held in the rabbi trust is considered a Level 1 measurement and the measurement of the company-owned life insurance assets is considered a Level 2 measurement within the fair value hierarchy.

The Company holds investments in debt securities that are intended to fund a portion of its pension and other postretirement benefit obligations outside of the United States. The investments are valued based on quoted market prices on the last business day of the period. The fair value measurement of the investments is considered a Level 1 measurement within the fair value hierarchy.

The Company may be required to make certain contingent consideration payments related to acquisitions. The fair value of these contingent payments is determined by estimating the net present value of the expected cash flows based on the probability of expected payments. The fair value measurement of the contingent consideration payments is considered a Level 3 measurement within the fair value hierarchy.

The fair value of the long-term debt, excluding the derivative liabilities and deferred financing costs, at June 28, 2025 and December 31, 2024 is approximately \$865,500 and \$850,600, respectively, compared to its carrying value, excluding the deferred financing costs, of \$935,000 and \$927,911, respectively. The Company estimates the fair value of its long-term debt using a combination of quoted market prices for similar financing arrangements and expected future payments discounted at risk-adjusted rates, which are considered Level 2 inputs.

NOTES TO THE CONSOLIDATED CONDENSED FINANCIAL STATEMENTS  
*(dollars in thousands, except per share amounts)*

At June 28, 2025 and December 31, 2024, the Company's short-term investments were comprised of time deposits with financial institutions that have maturities that exceed 90 days from the date of acquisition; however they all mature within one year from the respective balance sheet dates. The Company's short-term investments are accounted for as held-to-maturity debt instruments, at amortized cost, which approximates their fair value. The investments are funded with excess cash not expected to be needed for operations prior to maturity; therefore, the Company believes it has the intent and ability to hold the short-term investments until maturity. At each reporting date, the Company performs an evaluation to determine if any unrealized losses are other-than-temporary. No other-than-temporary impairments have been recognized on these securities, and there are no unrecognized holding gains or losses for these securities during the periods presented. There have been no transfers to or from the held-to-maturity classification. All decreases in the account balance are due to returns of principal at the securities' maturity dates. Interest on the securities is recognized as interest income when earned.

At June 28, 2025 and December 31, 2024, the Company's cash and cash equivalents were comprised of demand deposits, time deposits with maturities of three months or less when purchased, and money market funds. The Company estimates the fair value of its cash, cash equivalents, and short-term investments using Level 2 inputs. Based on the current interest rates for similar investments with comparable credit risk and time to maturity, the fair value of the Company's cash, cash equivalents, and held-to-maturity short-term investments approximate the carrying amounts reported in the consolidated condensed balance sheets.

In the second fiscal quarter of 2025, the Company entered into a forward contract with a highly-rated financial institution to mitigate the foreign currency risk associated with an intercompany loan denominated in a currency other than the legal entity's functional currency. The notional amount of the forward contract was \$25,000 as of June 28, 2025. We have not designated the forward contract as a hedge for accounting purposes, and as such the change in the fair value of the contract is recognized in the consolidated condensed statements of operations as a component of other income (expense). The Company estimates the fair value of the forward contract based on applicable and commonly used pricing models using current market information and is considered a Level 2 measurement within the fair value hierarchy. Due to the timing of the forward contract, the value of the forward contract was immaterial as of June 28, 2025. The Company does not utilize derivatives or other financial instruments for trading or other speculative purposes.

The Company's financial instruments also include accounts receivable and accounts payable. The carrying amounts for these financial instruments reported in the consolidated condensed balance sheets approximate their fair values.

## **Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations**

*This Management's Discussion and Analysis ("MD&A") is intended to provide an understanding of Vishay's financial condition, results of operations and cash flows by focusing on changes in certain key measures from period to period. The MD&A should be read in conjunction with our Consolidated Condensed Financial Statements and accompanying Notes included in Item 1. This discussion contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of various factors, including those discussed in our Annual Report on Form 10-K, particularly in Item 1A. "Risk Factors," filed with the Securities and Exchange Commission on February 14, 2025.*

### **Overview**

Vishay Intertechnology, Inc. ("Vishay," "we," "us," or "our") manufactures one of the world's largest portfolios of discrete semiconductors and passive electronic components that are essential to innovative designs in the automotive, industrial, computing, consumer, telecommunications, military, aerospace, and medical markets.

We operate in six segments based on product functionality: MOSFETs, Diodes, Optoelectronic Components, Resistors, Inductors, and Capacitors.

Our goal is to enhance stockholder value by growing our business and improving earnings per share. Since 1985, we have pursued a business strategy of growth through focused research and development and acquisitions. We plan to continue to grow our business through intensified internal growth supplemented by opportunistic acquisitions, while maintaining a prudent capital structure. We have developed go-to-market strategies and are investing in and expanding the key product lines for growth that we have identified. In addition, we are strategically expanding our outsourced production of commodity products to subcontractors. At the same time, we are enhancing our channel management while investing in internal resources by adding customer-facing engineers and filling gaps in technology and market coverage. Taken together, each of these initiatives supports our Think Customer First organizational culture.

We are focused on realizing the full value of our broad product portfolio, becoming a customer-first company, and capitalizing on the mega trends of e-mobility, sustainability, and connectivity to drive top line growth, expand margins, and optimize stockholder returns. We are using eight strategic levers to achieve these goals. Despite the industry recovery being slower than expected, we remain committed to our long-term plan of increasing our capacity to assure our customers of reliable volume as they scale. While we plan to advance our capacity expansion projects, we have and will continue to modulate spending in response to order flow and the timing of customer demand and qualification. The decreased lead time for equipment and the increased subcontractor capacity are also variables that allow us to adjust our capacity spending. For 2025, we plan to spend between \$300 million to \$350 million for capital expenditures, at least 70% of which will be invested in capacity expansion projects for high growth products lines, including our wafer fab expansions.

In addition to enhancing stockholder value through growing our business, in 2022, our Board of Directors adopted a Stockholder Return Policy, which calls for us to return at least 70% of free cash flow, net of scheduled principal payments of long-term debt, on an annual basis. See further discussion in "Stockholder Return Policy" below.

Our business and operating results have been and will continue to be impacted by worldwide economic conditions. Our revenues are dependent on end markets that are impacted by consumer and industrial demand, and our operating results can be adversely affected by reduced demand in those global markets. In this volatile economic environment, we continue to closely monitor our fixed costs, capital expenditure plans, inventory, and capital resources to respond to changing conditions and to ensure we have the management, business processes, and resources to meet our future needs. We believe we can react quickly and professionally to changes in demand to minimize manufacturing inefficiencies and excess inventory build in periods of decline and maximize opportunities in periods of growth. The Company implemented restructuring programs in the third fiscal quarter of 2024 designed to optimize the Company's manufacturing footprint and streamline business decision making. We believe we have significant liquidity to withstand temporary disruptions in the economic environment.

We utilize several financial metrics, including net revenues, gross profit margin, operating margin, segment operating margin, end-of-period backlog, book-to-bill ratio, inventory turnover, change in average selling prices, net cash and short-term investments (debt), and free cash generation to evaluate the performance and assess the future direction of our business. See further discussion in "Financial Metrics" and "Financial Condition, Liquidity, and Capital Resources" below. The key financial metrics increased versus the prior fiscal quarter, but were mixed versus the prior year period. Net revenues and margins increased versus the prior fiscal quarter and net revenues increased versus the prior year quarter, but margins were lower. The increases are primarily due to increased sales volume.

Net revenues for the fiscal quarter ended June 28, 2025 were \$762.3 million, compared to \$715.2 million and \$741.2 million for the fiscal quarters ended March 29, 2025 and June 29, 2024, respectively. The net earnings attributable to Vishay stockholders for the fiscal quarter ended June 28, 2025 was \$2.0 million, or \$0.01 per diluted share, compared to a net loss of \$(4.1) million, or \$(0.03) per share for the fiscal quarter ended March 29, 2025, and net earnings of \$23.5 million, or \$0.17 per diluted share for the fiscal quarter ended June 29, 2024.

Net revenues for the six fiscal months ended June 28, 2025 were \$1,477.5 million, compared to \$1,487.5 million for the six fiscal months ended June 29, 2024. The net loss attributable to Vishay stockholders for the six fiscal months ended June 28, 2025 was \$(2.1) million, or \$(0.02) per share, compared to net earnings of \$54.5 million, or \$0.39 per diluted share for the six fiscal months ended June 29, 2024.

We define adjusted net earnings as net earnings (loss) determined in accordance with GAAP adjusted for various items that management believes are not indicative of the intrinsic operating performance of our business. We define free cash as the cash flows generated from continuing operations less capital expenditures plus net proceeds from the sale of property and equipment. The reconciliations below include certain financial measures which are not recognized in accordance with GAAP, including adjusted net earnings, adjusted earnings per share, and free cash. These non-GAAP measures should not be viewed as alternatives to GAAP measures of performance or liquidity. Non-GAAP measures such as adjusted net earnings, adjusted earnings per share, and free cash do not have uniform definitions. These measures, as calculated by Vishay, may not be comparable to similarly titled measures used by other companies. Management believes that adjusted net earnings and adjusted earnings per share are meaningful because they provide insight with respect to our intrinsic operating results. Management believes that free cash is a meaningful measure of our ability to fund acquisitions, repay debt, and otherwise enhance stockholder value through stock repurchases or dividends. We utilize the free cash metric in defining our Stockholder Return Policy.

Net earnings (loss) attributable to Vishay stockholders include items affecting comparability. The items affecting comparability are (*in thousands, except per share amounts*):

	Fiscal quarters ended			Six fiscal months ended	
	June 28, 2025	March 29, 2025	June 29, 2024	June 28, 2025	June 29, 2024
GAAP net earnings (loss) attributable to Vishay stockholders	\$ 2,004	\$ (4,092)	\$ 23,533	\$ (2,088)	\$ 54,457
<u>Reconciling items affecting operating income:</u>					
Favorable resolution of contingency	\$ (11,293)	\$ -	\$ -	\$ (11,293)	\$ -
Adjusted net earnings (loss)	<u>\$ (9,289)</u>	<u>\$ (4,092)</u>	<u>\$ 23,533</u>	<u>\$ (13,381)</u>	<u>\$ 54,457</u>
Adjusted weighted average diluted shares outstanding	135,702	135,799	138,084	135,750	138,279
Adjusted earnings (loss) per diluted share	\$ (0.07)	\$ (0.03)	\$ 0.17	\$ (0.10)	\$ 0.39

The following table reconciles gross profit by segment to consolidated gross profit (*in thousands*).

	Fiscal quarters ended			Six fiscal months ended	
	<u>June 28, 2025</u>	<u>March 29, 2025</u>	<u>June 29, 2024</u>	<u>June 28, 2025</u>	<u>June 29, 2024</u>
MOSFETs	\$ 9,379	\$ 11,606	\$ 21,569	\$ 20,985	\$ 47,042
Diodes	29,538	28,022	30,999	57,560	63,369
Optoelectronic Components	12,558	10,700	14,205	23,258	21,206
Resistors	44,330	40,354	41,182	84,684	87,653
Inductors	26,836	17,597	28,284	44,433	55,071
Capacitors	26,042	27,275	26,631	53,317	58,936
Gross profit	<u>\$ 148,683</u>	<u>\$ 135,554</u>	<u>\$ 162,870</u>	<u>\$ 284,237</u>	<u>\$ 333,277</u>

Although the term "free cash" is not defined in GAAP, each of the elements used to calculate free cash for the year-to-date period is presented as a line item on the face of our consolidated condensed statement of cash flows prepared in accordance with GAAP and the quarterly amounts are derived from the year-to-date GAAP statements as of the beginning and end of the respective quarter. Free cash results are as follows (*in thousands*):

	Fiscal quarters ended			Six fiscal months ended	
	<u>June 28, 2025</u>	<u>March 29, 2025</u>	<u>June 29, 2024</u>	<u>June 28, 2025</u>	<u>June 29, 2024</u>
Net cash provided by (used in) continuing operating activities	\$ (8,791)	\$ 16,098	\$ (24,730)	\$ 7,307	\$ 55,481
Proceeds from sale of property and equipment	215	279	514	494	1,265
Less: Capital expenditures	(64,598)	(61,569)	(62,564)	(126,167)	(115,648)
Free cash	<u>\$ (73,174)</u>	<u>\$ (45,192)</u>	<u>\$ (86,780)</u>	<u>\$ (118,366)</u>	<u>\$ (58,902)</u>

For the past several quarters, orders were negatively impacted by a distributor inventory correction and channel inventory that overhung the market, but there are indicators that the prolonged period of excess inventory digestion is ending. The long-term outlook of our business remains strong, although our results are weaker than our prior year results.

## **Stockholder Return Policy**

In 2022, our Board of Directors adopted a Stockholder Return Policy, which calls for us to return at least 70% of free cash flow, net of scheduled principal payments of long-term debt, on an annual basis. We intend to return such amounts to stockholders directly, in the form of dividends, or indirectly, in the form of stock repurchases. The policy sets forth our intention, but does not obligate us to acquire any shares of common stock or declare any dividends, and the policy may be terminated or suspended at any time at our discretion, in accordance with applicable laws and regulations. We expect negative free cash flow for the fiscal year ending December 31, 2025 due to our capacity expansion plans. As a result, we expect to maintain our dividend and opportunistically repurchase shares based on U.S. available liquidity in line with this policy. We did not repurchase any shares of common stock in the second fiscal quarter. We expect to be in compliance with our Stockholder Return Policy without repurchasing any additional shares in 2025.

## **Tariff Impact**

The newly announced U.S. tariffs will impact our future results. The tariff rates and application are currently unsettled and any potential demand distraction is not able to be estimated at this time. Historically, we have charged tariff adders to customers to offset increased costs. The gross profit impact of the tariffs and tariff adders is approximately zero, but they negatively impact gross profit margin. The net impact of tariffs on gross profit margin in the second fiscal quarter was (40) basis points.

## **Recent Developments**

The announcement of the U.S. tariffs and recent geopolitical events resulted in significant stock market volatility and uncertainty in the markets for our products. A sustained decrease in share price or prolonged deterioration in the general economy could represent indicators of impairment of our goodwill or other long-lived assets.

## Financial Metrics

We utilize several financial metrics to evaluate the performance and assess the future direction of our business. These key financial measures and metrics include net revenues, gross profit margin, operating margin, segment operating income, segment operating margin, end-of-period backlog, and the book-to-bill ratio. We also monitor changes in inventory turnover and our or publicly available average selling prices ("ASP").

Gross profit margin is computed as gross profit as a percentage of net revenues. Gross profit is generally net revenues less costs of products sold, but also deducts certain other period costs, particularly losses on purchase commitments and inventory write-downs. Losses on purchase commitments and inventory write-downs have the impact of reducing gross profit margin in the period of the charge, but result in improved gross profit margins in subsequent periods by reducing costs of products sold as inventory is used. We also regularly evaluate gross profit by segment to assist in the analysis of consolidated gross profit. Gross profit margin and gross profit margin by segment are clearly a function of net revenues, but also reflect our cost management programs and our ability to contain fixed costs.

Operating margin is computed as gross profit less operating expenses, expressed as a percentage of net revenues. Operating margin is clearly a function of net revenues, but also reflects our cost management programs and our ability to contain fixed costs.

Our chief operating decision maker makes decisions, allocates resources, and evaluates business segment performance based on segment gross profit and segment operating income. Only dedicated, direct selling, general, and administrative ("SG&A") expenses of the segments are included in the calculation of segment operating income. We do not allocate certain SG&A expenses that are managed at the regional or corporate global level to our segments. Accordingly, segment operating income excludes these SG&A expenses that are not directly traceable to the segments. Segment operating income would also exclude costs not routinely used in the management of the segments in periods when those items are present, such as restructuring and severance costs, goodwill impairment charges, and other items affecting comparability. Segment operating income is clearly a function of net revenues, but also reflects our cost management programs and our ability to contain fixed costs. Segment operating margin is segment operating income expressed as a percentage of net revenues.

End-of-period backlog is one indicator of future revenues. We include in our backlog only open orders that we expect to ship in the next twelve months. If demand falls below customers' forecasts, or if customers do not control their inventory effectively, they may cancel or reschedule the shipments that are included in our backlog, in many instances without the payment of any penalty. Therefore, the backlog is not necessarily indicative of the results to be expected for future periods.

An important indicator of demand in our industry is the book-to-bill ratio, which is the ratio of the amount of product ordered during a period as compared with the product that we ship during that period. A book-to-bill ratio that is greater than one indicates that our backlog is building and that we are likely to see increasing revenues in future periods. Conversely, a book-to-bill ratio that is less than one is an indicator of declining demand and may foretell declining revenues.

We focus on our inventory turnover as a measure of how well we are managing our inventory. We define inventory turnover for a financial reporting period as our costs of products sold for the four fiscal quarters ending on the last day of the reporting period divided by our average inventory (computed using each fiscal quarter-end balance) for this same period. A higher level of inventory turnover reflects more efficient use of our capital.

Pricing in our industry can be volatile. Using our and publicly available data, we analyze trends and changes in average selling prices to evaluate likely future pricing. The erosion of average selling prices of established products is typical for semiconductor products. We attempt to offset this deterioration with ongoing cost reduction activities and new product introductions. Our specialty passive components are more resistant to average selling price erosion. All pricing is subject to governing market conditions and is independently set by us.

The quarter-to-quarter trends in these financial metrics can also be an important indicator of the likely direction of our business. The following table shows net revenues, gross profit margin, operating margin, end-of-period backlog, book-to-bill ratio, inventory turnover, and changes in ASP for our business as a whole during the five fiscal quarters beginning with the second fiscal quarter of 2024 through the second fiscal quarter of 2025 (*dollars in thousands*):

	<u>2nd Quarter 2024</u>	<u>3rd Quarter 2024</u>	<u>4th Quarter 2024</u>	<u>1st Quarter 2025</u>	<u>2nd Quarter 2025</u>
Net revenues	\$ 741,239	\$ 735,353	\$ 714,716	\$ 715,236	\$ 762,250
Gross profit margin	22.0%	20.5%	19.9%	19.0%	19.5%
Operating margin <sup>(1)</sup>	5.1%	(2.5)%	(7.9)%	0.1%	2.9%
End-of-period backlog	\$ 1,145,400	\$ 1,075,800	\$ 1,051,500	\$ 1,124,300	\$ 1,174,900
Book-to-bill ratio	0.86	0.88	1.01	1.08	1.02
Inventory turnover	3.4	3.4	3.3	3.3	3.3
Change in ASP vs. prior quarter	(0.7)%	(1.0)%	(0.6)%	(1.3)%	0.0%

(1) Operating margin for the second fiscal quarter of 2025 includes an \$11.3 million gain recognized upon the favorable resolution of a contingency. Operating margin for the third fiscal quarter of 2024 includes \$40.6 million of restructuring and severance expenses (see Note 2 to our consolidated condensed financial statements). Operating margin for the fourth fiscal quarter of 2024 includes \$66.5 million of goodwill impairment charges.

See “Financial Metrics by Segment” below for net revenues, book-to-bill ratio, and gross profit margin broken out by segment.

Revenues increased versus the prior fiscal quarter and prior year quarter. The increases versus the prior fiscal quarter and prior year quarter are primarily due to higher sales volume and favorable exchange rate impacts. The book-to-bill ratio remained above 1.0 for the third consecutive quarter. Backlog was relatively flat versus the prior fiscal quarter and prior year fiscal quarter. We continue to increase capacity for critical product lines. Average selling prices, including tariff adders, were flat versus the prior fiscal quarter, but decreased versus the prior year fiscal quarter.

Gross profit margin increased versus the prior fiscal quarter, but decreased versus the prior year fiscal quarter. The increase versus the prior fiscal quarter is primarily due to higher sales volume and lower fixed costs. The decrease versus the prior year quarter is primarily due to lower average selling prices and higher fixed costs. Costs associated with the Newport wafer fab also contributed to the decrease versus the prior year quarter.

## Financial Metrics by Segment

The following table shows net revenues, book-to-bill ratio, gross profit margin, and segment operating margin broken out by segment for the five fiscal quarters beginning with the second fiscal quarter of 2024 through the second fiscal quarter of 2025 (*dollars in thousands*):

	<u>2nd Quarter 2024</u>	<u>3rd Quarter 2024</u>	<u>4th Quarter 2024</u>	<u>1st Quarter 2025</u>	<u>2nd Quarter 2025</u>
<u><i>MOSFETs</i></u>					
Net revenues	\$ 155,053	\$ 147,134	\$ 146,619	\$ 142,113	\$ 148,633
Book-to-bill ratio	0.79	0.84	0.98	1.32	1.00
Gross profit margin	13.9%	11.7%	15.6%	8.2%	6.3%
Segment operating margin	1.2%	(2.9)%	0.8%	(6.1)%	(9.7)%
<u><i>Diodes</i></u>					
Net revenues	\$ 146,265	\$ 145,183	\$ 141,397	\$ 140,963	\$ 147,942
Book-to-bill ratio	0.85	0.74	1.00	0.99	0.93
Gross profit margin	21.2%	20.1%	20.2%	19.9%	20.0%
Segment operating margin	16.7%	15.7%	16.1%	15.0%	15.0%
<u><i>Optoelectronic Components</i></u>					
Net revenues	\$ 53,010	\$ 63,227	\$ 46,932	\$ 51,168	\$ 54,119
Book-to-bill ratio	0.82	0.77	1.00	0.90	1.05
Gross profit margin	26.8%	18.3%	11.7%	20.9%	23.2%
Segment operating margin	16.4%	9.7%	1.1%	10.6%	12.6%
<u><i>Resistors</i></u>					
Net revenues	\$ 179,498	\$ 180,889	\$ 177,031	\$ 179,500	\$ 194,769
Book-to-bill ratio	0.87	0.95	0.91	1.00	0.91
Gross profit margin	22.9%	22.5%	17.3%	22.5%	22.8%
Segment operating margin	18.3%	17.9%	12.7%	17.4%	17.9%
<u><i>Inductors</i></u>					
Net revenues	\$ 94,061	\$ 90,253	\$ 83,390	\$ 84,121	\$ 95,675
Book-to-bill ratio	0.97	0.83	1.01	1.02	0.91
Gross profit margin	30.1%	30.3%	29.6%	20.9%	28.0%
Segment operating margin	26.1%	26.2%	25.0%	16.5%	24.0%
<u><i>Capacitors</i></u>					
Net revenues	\$ 113,352	\$ 108,667	\$ 119,347	\$ 117,371	\$ 121,112
Book-to-bill ratio	0.87	1.10	1.21	1.13	1.40
Gross profit margin	23.5%	22.9%	25.1%	23.2%	21.5%
Segment operating margin	18.5%	17.4%	20.0%	17.5%	16.3%

## Results of Operations

Statements of operations' captions as a percentage of net revenues and the effective tax rates were as follows:

	Fiscal quarters ended			Six fiscal months ended	
	June 28, 2025	March 29, 2025	June 29, 2024	June 28, 2025	June 29, 2024
Cost of products sold	80.5%	81.0%	78.0%	80.8%	77.6%
Gross profit	19.5%	19.0%	22.0%	19.2%	22.4%
Selling, general & administrative expenses	16.6%	18.8%	16.9%	17.7%	17.0%
Operating income	2.9%	0.1%	5.1%	1.6%	5.4%
Income (loss) before taxes and noncontrolling interest	1.6%	(0.6)%	4.9%	0.5%	5.4%
Net earnings (loss) attributable to Vishay stockholders	0.3%	(0.6)%	3.2%	(0.1)%	3.7%
Effective tax rate	83.7%	3.2%	34.2%	125.9%	31.3%

## Net Revenues

Net revenues were as follows (*dollars in thousands*):

	Fiscal quarters ended			Six fiscal months ended	
	June 28, 2025	March 29, 2025	June 29, 2024	June 28, 2025	June 29, 2024
Net revenues	\$ 762,250	\$ 715,236	\$ 741,239	\$ 1,477,486	\$ 1,487,518

The change in net revenues versus the comparable prior periods was as follows (*dollars in thousands*):

	Fiscal quarter ended June 28, 2025		Six fiscal months ended June 28, 2025	
	Change in net revenues	% change	Change in net revenues	% change
March 29, 2025	\$ 47,014	6.6%	n/a	n/a
June 29, 2024	\$ 21,011	2.8%	\$ (10,032)	(0.7)%

Changes in net revenues were attributable to the following:

	vs. Prior Quarter	vs. Prior Year Quarter	vs. Prior Year-to-Date
<b>Change attributable to:</b>			
Increase in volume	4.3%	2.8%	0.9%
Change in average selling prices	0.0%	(2.0)%	(2.5)%
Foreign currency effects	2.3%	1.5%	0.2%
Acquisitions	0.0%	0.4%	0.5%
Other	0.0%	0.1%	0.2%
Net change	6.6%	2.8%	(0.7)%

There are indications that the channel inventory that has overhung the market is normalizing and the prolonged period of excess inventory digestion is ending. The long-term prospects for our business remain favorable, and we continue to increase manufacturing capacities for critical product lines. The increase in net revenues versus the prior fiscal quarter and prior year periods are primarily due to sales volume and favorable foreign currency impacts.

## Gross Profit Margins

Gross profit margins for the fiscal quarter ended June 28, 2025 were 19.5%, versus 19.0% and 22.0%, for the comparable prior quarter and prior year quarter, respectively. Gross profit margins for the six fiscal months ended June 28, 2025 were 19.2%, versus 22.4% for the comparable prior year period. Gross profit margin increased versus the prior fiscal quarter primarily due to higher sales volume. The decreases versus the prior year periods are primarily due to lower average selling prices and higher fixed costs. Costs associated with the Newport wafer fab also contributed to the decrease versus the prior year-to-date period.

## Segments

Analysis of revenues and margins for our segments is provided below.

### MOSFETs

Net revenues, gross profit margins, and segment operating margins of the MOSFETs segment were as follows (*dollars in thousands*):

	Fiscal quarters ended			Six fiscal months ended	
	<u>June 28, 2025</u>	<u>March 29, 2025</u>	<u>June 29, 2024</u>	<u>June 28, 2025</u>	<u>June 29, 2024</u>
Net revenues	\$ 148,633	\$ 142,113	\$ 155,053	\$ 290,746	\$ 308,226
Gross profit margin	6.3%	8.2%	13.9%	7.2%	15.3%
Segment operating margin	(9.7)%	(6.1)%	1.2%	(8.0)%	3.2%

The change in net revenues versus the comparable prior periods was as follows (*dollars in thousands*):

	Fiscal quarter ended June 28, 2025		Six fiscal months ended June 28, 2025	
	<u>Change in net revenues</u>	<u>% change</u>	<u>Change in net revenues</u>	<u>% change</u>
March 29, 2025	\$ 6,520	4.6%	n/a	n/a
June 29, 2024	\$ (6,420)	(4.1)%	\$ (17,480)	(5.7)%

Changes in MOSFETs segment net revenues were attributable to the following:

	<u>vs. Prior Quarter</u>	<u>vs. Prior Year Quarter</u>	<u>vs. Prior Year-to-Date</u>
<b>Change attributable to:</b>			
Change in volume	8.1%	3.5%	(0.2)%
Decrease in average selling prices	(4.0)%	(7.9)%	(6.1)%
Foreign currency effects	1.1%	0.7%	0.1%
Acquisition	0.0%	0.0%	0.6%
Other	(0.6)%	(0.4)%	(0.1)%
Net change	<u>4.6%</u>	<u>(4.1)%</u>	<u>(5.7)%</u>

Net revenues of the MOSFETs segment increased versus the prior fiscal quarter, but decreased versus the prior year periods. The increase versus the prior fiscal quarter is primarily due to increased sales to distribution customers, power supply end market customers, and customers in the Asia region. The decreases versus the prior year periods are primarily due to decreased sales to OEM customers, industrial end market customers, and customers in the Europe region.

Gross profit margin decreased versus the prior fiscal quarter and prior year periods. The decreases are primarily due to lower average selling prices. Costs associated with the Newport wafer fab also contributed to the decrease versus the prior year-to-date period.

Segment operating margin decreased versus the prior fiscal quarter and prior year periods. The decreases are primarily due to gross profit decreases.

Average selling prices decreased versus the prior fiscal quarter and the prior year periods.

We continue to invest to expand mid- and long-term manufacturing capacity for strategic product lines. We are building a 12-inch wafer fab in Itzehoe, Germany adjacent to our existing 8-inch wafer fab, which we expect will increase our in-house wafer capacity by approximately 70% by 2028 and allow us to balance our in-house and foundry wafer supply.

We acquired leading edge silicon and silicon carbide MOSFETs products with our acquisition of MaxPower in the fourth fiscal quarter of 2022. We plan to use the Newport wafer fabrication facility acquired in the first fiscal quarter of 2024 as the home for MaxPower to further develop and scale our SiC MOSFETs and diodes capabilities. The acquisitions of MaxPower Semiconductor, Inc. and the Newport wafer fab, as well as the planned capacity expansions at Itzehoe and Newport, are long-term investments which are not expected to generate significant income or cash flows in the near-term, but should greatly enhance the long-term position of our MOSFETs business. We remain committed to these long-term projects.

Diodes

Net revenues, gross profit margins, and segment operating margins of the Diodes segment were as follows (*dollars in thousands*):

	Fiscal quarters ended			Six fiscal months ended	
	<u>June 28, 2025</u>	<u>March 29, 2025</u>	<u>June 29, 2024</u>	<u>June 28, 2025</u>	<u>June 29, 2024</u>
Net revenues	\$ 147,942	\$ 140,963	\$ 146,265	\$ 288,905	\$ 295,395
Gross profit margin	20.0%	19.9%	21.2%	19.9%	21.5%
Segment operating margin	15.0%	15.0%	16.7%	15.0%	17.1%

The change in net revenues versus the comparable prior periods was as follows (*dollars in thousands*):

	Fiscal quarter ended		Six fiscal months ended	
	June 28, 2025		June 28, 2025	
	<u>Change in net revenues</u>	<u>% change</u>	<u>Change in net revenues</u>	<u>% change</u>
March 29, 2025	\$ 6,979	5.0%	n/a	n/a
June 29, 2024	\$ 1,677	1.1%	\$ (6,490)	(2.2)%

Changes in Diodes segment net revenues were attributable to the following:

	<u>vs. Prior Quarter</u>	<u>vs. Prior Year Quarter</u>	<u>vs. Prior Year-to-Date</u>
<b>Change attributable to:</b>			
Increase in volume	3.7%	5.0%	2.9%
Decrease in average selling prices	(0.7)%	(4.9)%	(5.2)%
Foreign currency effects	1.9%	1.1%	0.2%
Other	0.1%	(0.1)%	(0.1)%
Net change	<u>5.0%</u>	<u>1.1%</u>	<u>(2.2)%</u>

Net revenues of the Diodes segment increased versus the prior fiscal quarter and the prior year quarter, but decreased versus the prior year-to-date period. The increases versus the prior fiscal quarter and prior year quarter are primarily due to increased sales to distribution customers, industrial end market customers, and customers in the Asia region. The decrease versus the prior year-to-date period is primarily due to decreased sales to OEM customers, automotive end market customers, and customers in the Americas region.

Gross profit margin increased slightly versus the prior fiscal quarter, but decreased versus the prior year periods. The increase versus the prior fiscal quarter is primarily due to higher sales volume. The decreases versus the prior year periods is primarily due to lower average selling prices.

Segment operating margin was flat versus the prior fiscal quarter, but decreased versus the prior year periods. The decreases versus the prior year periods are primarily due to decreased gross profit.

Average selling prices decreased versus the prior fiscal quarter and prior year periods.

Optoelectronic Components

Net revenues, gross profit margins, and segment operating margins of the Optoelectronic Components segment were as follows (*dollars in thousands*):

	Fiscal quarters ended			Six fiscal months ended	
	<u>June 28, 2025</u>	<u>March 29, 2025</u>	<u>June 29, 2024</u>	<u>June 28, 2025</u>	<u>June 29, 2024</u>
Net revenues	\$ 54,119	\$ 51,168	\$ 53,010	\$ 105,287	\$ 102,209
Gross profit margin	23.2%	20.9%	26.8%	22.1%	20.7%
Segment operating margin	12.6%	10.6%	16.4%	11.6%	10.0%

The change in net revenues versus the comparable prior periods was as follows (*dollars in thousands*):

	Fiscal quarter ended		Six fiscal months ended	
	June 28, 2025		June 28, 2025	
	Change in net revenues	% change	Change in net revenues	% change
March 29, 2025	\$ 2,951	5.8%	n/a	n/a
June 29, 2024	\$ 1,109	2.1%	3,078	3.0%

Changes in Optoelectronic Components segment net revenues were attributable to the following:

	<u>vs. Prior Quarter</u>	<u>vs. Prior Year Quarter</u>	<u>vs. Prior Year-to-Date</u>
<b>Change attributable to:</b>			
Increase in volume	3.4%	0.4%	2.5%
Decrease in average selling prices	(0.7)%	(0.7)%	(0.3)%
Foreign currency effects	3.5%	2.3%	0.5%
Other	(0.4)%	0.1%	0.3%
<b>Net change</b>	<b>5.8%</b>	<b>2.1%</b>	<b>3.0%</b>

Net revenues of the Optoelectronic Components segment increased versus the prior fiscal quarter and prior year periods. The increase versus the prior fiscal quarter is primarily due to increased sales to OEM and distribution customers, industrial and consumer end market customers, and customers in the Europe region. The increase versus the prior year quarter is primarily due to increased sales to OEM customers, automotive and industrial end market customers, and customers in the Europe region. The increase versus the prior year-to-date period is primarily due to increased sales to distribution customers, industrial end market customers, and customers in the Asia region.

Gross margin increased versus the prior fiscal quarter and prior year-to-date period, but decreased versus the prior year quarter. The increases versus the prior fiscal quarter and prior year-to-date period are primarily due to higher sales volume and lower utility costs. The decrease versus the prior year quarter is primarily due to lower average selling prices and higher metals and fixed costs.

Segment operating margin increased versus the prior fiscal quarter and prior year-to-date period, but decreased versus the prior year quarter. The changes are primarily due to changes in gross profit.

Average selling prices decreased versus the prior fiscal quarter and prior year periods.

## Resistors

Net revenues, gross profit margins, and segment operating margins of the Resistors segment were as follows (*dollars in thousands*):

	Fiscal quarters ended			Six fiscal months ended	
	<u>June 28, 2025</u>	<u>March 29, 2025</u>	<u>June 29, 2024</u>	<u>June 28, 2025</u>	<u>June 29, 2024</u>
Net revenues	\$ 194,769	\$ 179,500	\$ 179,498	\$ 374,269	\$ 367,694
Gross profit margin	22.8%	22.5%	22.9%	22.6%	23.8%
Segment operating margin	17.9%	17.4%	18.3%	17.7%	19.3%

The change in net revenues versus the comparable prior periods was as follows (*dollars in thousands*):

	Fiscal quarter ended June 28, 2025		Six fiscal months ended June 28, 2025	
	<u>Change in net revenues</u>	<u>% change</u>	<u>Change in net revenues</u>	<u>% change</u>
March 29, 2025	\$ 15,269	8.5%	n/a	n/a
June 29, 2024	\$ 15,271	8.5%	\$ 6,575	1.8%

Changes in Resistors segment net revenues were attributable to the following:

	<u>vs. Prior Quarter</u>	<u>vs. Prior Year Quarter</u>	<u>vs. Prior Year-to-Date</u>
<b>Change attributable to:</b>			
Increase in volume	5.3%	5.9%	2.2%
Change in average selling prices	0.5%	(0.3)%	(1.4)%
Foreign currency effects	2.9%	1.9%	0.3%
Acquisitions	0.0%	0.7%	0.7%
Other	(0.2)%	0.3%	0.0%
Net change	<u>8.5%</u>	<u>8.5%</u>	<u>1.8%</u>

Net revenues of the Resistors segment increased versus the prior fiscal quarter and prior year periods. The increases versus the prior fiscal quarter and prior year quarter are primarily due to increased sales to distribution and OEM customers, industrial and automotive end market customers, and customers in all regions. The increase versus the prior year-to-date period is primarily due to increased sales to distribution customers, military and aerospace end market customers, and customers in the Asia and Americas regions.

Gross profit margin increased versus the prior fiscal quarter, but decreased versus the prior year periods. The increase versus the prior fiscal quarter is primarily due to higher sales volume. The decrease versus the prior year periods is primarily due to lower average selling prices.

Segment operating margin increased versus the prior fiscal quarter, but decreased versus the prior year periods. The changes are primarily due to changes in gross profit.

Average selling prices, including tariff adders, increased versus the prior fiscal quarter and decreased versus the prior year periods.

We are increasing critical manufacturing capacities for certain product lines. We continue to broaden our business with targeted acquisitions of specialty resistors businesses.

## Inductors

Net revenues, gross profit margins, and segment operating margins of the Inductors segment were as follows (*dollars in thousands*):

	Fiscal quarters ended			Six fiscal months ended	
	<u>June 28, 2025</u>	<u>March 29, 2025</u>	<u>June 29, 2024</u>	<u>June 28, 2025</u>	<u>June 29, 2024</u>
Net revenues	\$ 95,675	\$ 84,121	\$ 94,061	\$ 179,796	\$ 182,712
Gross profit margin	28.0%	20.9%	30.1%	24.7%	30.1%
Segment operating margin	24.0%	16.5%	26.1%	20.5%	26.1%

The change in net revenues versus the comparable prior periods was as follows (*dollars in thousands*):

	Fiscal quarter ended June 28, 2025		Six fiscal months ended June 28, 2025	
	Change in net revenues	% change	Change in net revenues	% change
March 29, 2025	\$ 11,554	13.7%	n/a	n/a
June 29, 2024	\$ 1,614	1.7%	\$ (2,916)	(1.6)%

Changes in Inductors segment net revenues were attributable to the following:

	<u>vs. Prior Quarter</u>	<u>vs. Prior Year Quarter</u>	<u>vs. Prior Year-to-Date</u>
<b>Change attributable to:</b>			
Change in volume	7.6%	(2.1)%	(2.5)%
Increase in average selling prices	4.4%	3.0%	0.7%
Foreign currency effects	1.4%	0.8%	0.2%
Other	0.3%	0.0%	0.0%
Net change	<u>13.7%</u>	<u>1.7%</u>	<u>(1.6)%</u>

Net revenues of the Inductors segment increased versus the prior fiscal quarter and prior year quarter, but decreased versus the prior year-to-date period. The increase versus the prior fiscal quarter is primarily due to increased sales to distribution and OEM customers, automotive and industrial end market customers, and customers in all regions. The increase versus the prior year quarter is primarily due to increased sales to distribution customers, industrial end market customers, and customers in the Asia region. The decrease versus the prior year-to-date period is primarily due to decreased sales to OEM customers, automotive and military and aerospace end market customers, and customers in the Americas region, partially offset by increased sales to distribution customers and customers in the Asia region.

Gross profit margin increased significantly versus the prior fiscal quarter, but decreased versus the prior year periods. The increase versus the prior fiscal quarter is primarily due to higher sales volume and manufacturing efficiencies. The decreases versus the prior year periods are primarily due to lower sales volume.

Segment operating margin increased significantly versus the prior fiscal quarter, but decreased versus the prior year periods. The changes are primarily due to changes in gross profit.

Average selling prices, including tariff adders, increased versus the prior fiscal quarter and prior year periods.

We expect long-term growth in this segment, and are continuously expanding manufacturing capacity for certain product lines and evaluating acquisition opportunities, particularly of specialty businesses.

## Capacitors

Net revenues, gross profit margins, and segment operating margins of the Capacitors segment were as follows (*dollars in thousands*):

	Fiscal quarters ended			Six fiscal months ended	
	June 28, 2025	March 29, 2025	June 29, 2024	June 28, 2025	June 29, 2024
Net revenues	\$ 121,112	\$ 117,371	\$ 113,352	\$ 238,483	\$ 231,282
Gross profit margin	21.5%	23.2%	23.5%	22.4%	25.5%
Segment operating margin	16.3%	17.5%	18.5%	16.9%	20.5%

The change in net revenues versus the comparable prior periods was as follows (*dollars in thousands*):

	Fiscal quarter ended June 28, 2025		Six fiscal months ended June 28, 2025	
	Change in net revenues	% change	Change in net revenues	% change
March 29, 2025	\$ 3,741	3.2%	n/a	n/a
June 29, 2024	\$ 7,760	6.8%	\$ 7,201	3.1%

Changes in Capacitors segment net revenues were attributable to the following:

	vs. Prior Quarter	vs. Prior Year Quarter	vs. Prior Year-to-Date
<b>Change attributable to:</b>			
Change in volume	(2.8)%	(0.7)%	0.0%
Increase in average selling prices	2.1%	2.7%	0.9%
Foreign currency effects	3.6%	2.4%	0.2%
Acquisitions	0.0%	1.1%	1.4%
Other	0.3%	1.3%	0.6%
Net change	<u>3.2%</u>	<u>6.8%</u>	<u>3.1%</u>

Net revenues of the Capacitors segment increased versus the prior fiscal quarter and prior year periods. The increase versus the prior fiscal quarter is primarily due to increased sales to distribution customers, industrial end market customers, and customers in the Asia region, partially offset by decreased sales to customers in the Europe region. The increase versus the prior year quarter is primarily due to increased sales to OEM customers, industrial and telecommunications end market customers, and customers in the Asia region. The increase versus the prior year-to-date period is primarily due to increased sales to OEM customers, industrial and telecommunications end market customers, and customers in the Europe region, partially offset by decreased sales to military and aerospace end market customers and customers in the Americas region.

Gross profit margin decreased versus the prior fiscal quarter and prior year periods. The decrease versus the prior fiscal quarter is primarily due to lower sales volume. The decreases versus the prior year periods are primarily due to higher fixed costs. Lower sales volume also contributed to the decrease versus the prior fiscal quarter.

Segment operating margin decreased versus the prior fiscal quarter and prior year periods. The changes are primarily due to gross profit decreases.

Average selling prices, including tariff adders, increased versus the prior fiscal quarter and prior year periods.

## Selling, General, and Administrative Expenses

Selling, general, and administrative (“SG&A”) expenses are summarized as follows (*dollars in thousands*):

	Fiscal quarters ended			Six fiscal months ended	
	June 28, 2025	March 29, 2025	June 29, 2024	June 28, 2025	June 29, 2024
Total SG&A expenses	\$ 126,565	\$ 134,739	\$ 124,953	\$ 261,304	\$ 252,689
as a percentage of revenues	16.6%	18.8%	16.9%	17.7%	17.0%

The sequential decrease in SG&A expenses is primarily attributable to an \$11.3 million gain recognized upon the favorable resolution of a contingency. Excluding the one-time benefit, the sequential increase is primarily due to exchange rate impacts. SG&A expenses increased versus the prior year periods due to higher stock-based compensation expense, general cost inflation, and exchange rate impacts.

### Other Income (Expense)

Interest expense for the fiscal quarter ended June 28, 2025 increased \$1.8 million versus the fiscal quarter ended March 29, 2025 and increased \$3.9 million versus the fiscal quarter ended June 29, 2024. Interest expense for the six fiscal months ended June 28, 2025 increased by \$6.2 million versus the six fiscal months ended June 29, 2024. The increases versus the prior fiscal quarter and the prior year periods are due to higher average outstanding balances on our revolving credit facility.

In the second fiscal quarter of 2025, we entered into a forward contract with a highly-rated financial institution to mitigate the foreign currency risk associated with an intercompany loan denominated in a currency other than the legal entity's functional currency. The notional amount of the forward contract was \$25 million as of June 28, 2025. We have not designated the forward contract as a hedge for accounting purposes, and as such the change in the fair value of the contract is recognized in the consolidated condensed statements of operations as a component of other income (expense). Due to the timing of the forward contract, the value of the forward contract was immaterial as of June 28, 2025.

The following tables analyze the components of the line “Other” on the consolidated condensed statements of operations (*in thousands*):

	Fiscal quarters ended		
	June 28, 2025	June 29, 2024	Change
Foreign exchange gain (loss)	\$ (1,673)	\$ 620	\$ (2,293)
Interest income	4,023	6,663	(2,640)
Other components of net periodic pension expense	(1,794)	(2,056)	262
Investment income (expense)	179	(148)	327
Other	12	(68)	80
	<u>\$ 747</u>	<u>\$ 5,011</u>	<u>\$ (4,264)</u>

	Fiscal quarters ended		
	June 28, 2025	March 29, 2025	Change
Foreign exchange gain (loss)	\$ (1,673)	\$ 1,329	\$ (3,002)
Interest income	4,023	3,877	146
Other components of net periodic pension expense	(1,794)	(1,697)	(97)
Investment income (expense)	179	261	(82)
Other	12	(23)	35
	<u>\$ 747</u>	<u>\$ 3,747</u>	<u>\$ (3,000)</u>

	Six fiscal months ended		
	June 28, 2025	June 29, 2024	Change
Foreign exchange gain (loss)	\$ (344)	\$ 1,913	\$ (2,257)
Interest income	7,900	15,716	(7,816)
Other components of net periodic pension expense	(3,491)	(4,129)	638
Investment income (expense)	440	(514)	954
Other	(11)	112	(123)
	<u>\$ 4,494</u>	<u>\$ 13,098</u>	<u>\$ (8,604)</u>

## ***Income Taxes***

For the fiscal quarter ended June 28, 2025, our effective tax rate was 83.7%, as compared to 3.2% and 34.2% for the fiscal quarters ended March 29, 2025 and June 29, 2024, respectively. For the six fiscal months ended June 28, 2025, our effective tax rate was 125.9%, as compared to 31.3% for the six fiscal months ended June 29, 2024. Our current effective tax rate is not indicative of expected future tax rates due to relatively small items having a disproportionate impact on the current effective tax rate. When pre-tax earnings increase, we expect that our effective tax rate will be higher than the U.S. statutory rate, excluding unusual transactions.

During the six fiscal months ended June 28, 2025, the liabilities for unrecognized tax benefits decreased \$0.7 million on a net basis, primarily due to statute expirations, settlements, and payments, partially offset by accruals for the current period.

On July 4, 2025, H.R. 1 (“the Act”), a tax reconciliation act, was enacted into law in the United States. Under U.S. GAAP (specifically, Accounting Standards Codification Topic 740), the effects of changes in tax rates and laws on deferred tax balances are recognized in the period in which the new legislation is enacted. Accordingly, we will account for the Act in the third fiscal quarter. We are evaluating the Act’s provisions, but are not currently able to estimate the impact of the Act on our deferred tax balances and future income tax expense. Certain provisions of the Act, particularly the international tax provisions, may have a material impact on our deferred tax balances and future income tax expense.

We operate in a global environment with significant operations in various locations outside the United States. Accordingly, the consolidated income tax rate is a composite rate reflecting our earnings and the applicable tax rates in the various locations where we operate. Part of our historical strategy has been to achieve cost savings through the transfer and expansion of manufacturing operations to countries where we can take advantage of lower labor costs and available tax and other government-sponsored incentives.

Additional information about income taxes is included in Note 4 to our consolidated condensed financial statements.

## Financial Condition, Liquidity, and Capital Resources

Our financial condition as of June 28, 2025 continued to be strong. We have historically been a strong generator of operating cash flows. The cash generated from operations is used to fund our capital expenditure plans, and cash in excess of our capital expenditure needs is available to fund our acquisition strategy, fund our Stockholder Return Policy, and to reduce debt levels.

Management uses a non-GAAP measure, "free cash," to evaluate our ability to fund acquisitions, repay debt, and otherwise enhance stockholder value through stock repurchases or dividends. See "Overview" above for "free cash" definition and reconciliation to GAAP.

Cash flows provided by operating activities were \$7.3 million for the six fiscal months ended June 28, 2025, as compared to cash flows provided by operations of \$55.5 million for the six fiscal months ended June 29, 2024.

In order to manage our working capital and operating cash needs, we monitor our cash conversion cycle. The following table presents the components of our cash conversion cycle during the five fiscal quarters beginning with the second fiscal quarter of 2024 through the second fiscal quarter of 2025:

	Fiscal quarters ended				
	2nd Quarter 2024	3rd Quarter 2024	4th Quarter 2024	1st Quarter 2025	2nd Quarter 2025
Days sales outstanding ("DSO") <sup>(a)</sup>	51	53	53	53	53
Days inventory outstanding ("DIO") <sup>(b)</sup>	105	106	109	110	109
Days payable outstanding ("DPO") <sup>(c)</sup>	(31)	(32)	(34)	(34)	(32)
Cash conversion cycle	125	127	128	129	130

a) DSO measures the average collection period of our receivables. DSO is calculated by dividing the average accounts receivable by the average net revenue per day for the respective fiscal quarter.

b) DIO measures the average number of days from procurement to sale of our product. DIO is calculated by dividing the average inventory by average cost of goods sold per day for the respective fiscal quarter.

c) DPO measures the average number of days our payables remain outstanding before payment. DPO is calculated by dividing the average accounts payable by the average cost of goods sold per day for the respective fiscal quarter.

Cash paid for property and equipment for the six fiscal months ended June 28, 2025 was \$126.2 million, as compared to \$115.6 million for the six fiscal months ended June 29, 2024. To be well positioned to service our customers and to fully participate in growing markets, we have increased and expect to maintain a relatively high level of capital expenditures for expansion in the mid-term. We remain committed to our long-term plan of increasing Vishay's capacity, to assure our customers of reliable volume as they scale. While we plan to advance our capacity expansion projects, we have and will continue to modulate spending in response to order flow and the timing of customer demand and qualifications. The decreased lead time for equipment and the increased subcontractor capacity are also variables that allow us to adjust our capacity spending. For 2025, we plan to spend between \$300 million to \$350 million for capital expenditures, at least 70% of which will be invested in capacity expansion projects for high growth product lines, including our wafer fab expansions.

Free cash flow for the six fiscal months ended June 28, 2025 decreased versus the six fiscal months ended June 29, 2024 primarily due to decreased net earnings. We expect that free cash flow will be negatively impacted by the expected high level of capital expenditures for expansion after which we expect to generate increasingly higher levels of free cash. There is no assurance, however, that we will be able to continue to generate cash flows from operations and free cash at our historical levels, or at all, going forward if the economic environment worsens.

In 2022, our Board of Directors adopted a Stockholder Return Policy that will remain in effect until such time as the Board votes to amend or rescind the policy. See "Stockholder Return Policy" above for additional information.

The following table summarizes the components of net cash and short-term investments (debt) at June 28, 2025 and December 31, 2024 (*in thousands*):

	June 28, 2025	December 31, 2024
Credit facility	\$ 185,000	\$ 136,000
Convertible senior notes, due 2025	-	41,911
Convertible senior notes, due 2030	750,000	750,000
Deferred financing costs	(20,496)	(22,892)
Total debt	914,504	905,019
Cash and cash equivalents	473,860	590,286
Short-term investments	5,217	16,130
Net cash and short-term investments (debt)	\$ (435,427)	(298,603)

"Net cash and short-term investments (debt)" does not have a uniform definition and is not recognized in accordance with GAAP. This measure should not be viewed as an alternative to GAAP measures of performance or liquidity. However, management believes that an analysis of "net cash and short-term investments (debt)" assists investors in understanding aspects of our cash and debt management. The measure, as calculated by us, may not be comparable to similarly titled measures used by other companies.

We invest a portion of our excess cash in highly liquid, high-quality instruments with maturities greater than 90 days, but less than 1 year, which we classify as short-term investments on our consolidated condensed balance sheets. As these investments were funded using a portion of excess cash and represent a significant aspect of our cash management strategy, we include the investments in the calculation of net cash and short-term investments (debt).

The interest rates on our short-term investments vary by location. Transactions related to these investments are classified as investing activities on our consolidated condensed statements of cash flows.

Our business is geographically diverse and our cash is generated by our subsidiaries around the world. Cash dividends to stockholders, share repurchases, and principal and interest payments on our debt instruments need to be paid by the U.S. parent company, Vishay Intertechnology, Inc. We continue to allocate capital responsibly between our business, our lenders, and our stockholders. The capital allocated to our business is further allocated between our subsidiaries to meet local operating cash needs, to fund capital expenditures as part of our growth plan, and to meet corporate funding needs while also aiming to minimize our tax expense.

We repatriated \$75 million of accumulated earnings to the United States in the second fiscal quarter of 2025 and paid withholding taxes, in Israel, of \$9.4 million. As of June 28, 2025, \$26.5 million of our cash and cash equivalents and short-term investments were held by our U.S. subsidiaries. As of June 28, 2025, we are in a net borrowing position in the U.S. and we expect to continue to be at least throughout 2025, primarily due to Newport expansion funding requirements. As of June 28, 2025, we have approximately \$491.1 million of German and Israeli earnings that are deemed not indefinitely reinvested. Based on the expected timing of future repatriations, we estimate that the tax liability to repatriate these unremitted earnings will be approximately \$75.3 million, which has been accrued, but will only be paid upon repatriation of the unremitted earnings. Repatriating these unremitted earnings earlier than currently planned may not be possible and would incur additional tax expense. We also have amounts of unremitted foreign earnings held by subsidiaries in countries other than Israel and Germany, which continue to be reinvested indefinitely, that we have not accrued for the incremental foreign income taxes and withholding taxes payable to foreign jurisdictions that would be incurred to repatriate these amounts. Certain of these subsidiaries are located in countries with restrictive regulations and high tax rates for repatriating cash. Due to the uncertainties associated with the ability, timing, and method to repatriate these unremitted earnings and other complexities associated with its hypothetical calculation, determination of the amount of tax expense that would be incurred to repatriate the unremitted earnings is not practicable, but could be significant. Our undrawn credit facility provides us with adequate operating liquidity in the United States.

Upon successful completion of our growth plan, we expect to generate increasingly higher levels of free cash that will be sufficient to meet our long-term financing needs related to normal operating requirements, regular dividend payments, share repurchases pursuant to our Stockholder Return Policy, while allowing us to manage our repatriation and financing activities to minimize tax and interest expense. During the current period of intensified capital expenditures to achieve our growth plans, we are considering a combination of additional and alternative sources of financing and our cash on hand to fund a portion of the capital expenditures that would conserve cash for future acquisitions while enabling us to minimize tax expense.

We maintain a \$750 million revolving credit agreement with a consortium of banks led by JPMorgan Chase Bank, N.A., that matures on May 8, 2028. The maximum amount available on the revolving credit facility is restricted by the financial covenants described below. The credit facility also provides us the ability to request up to \$300 million of incremental facilities, subject to the satisfaction of certain conditions, which could take the form of additional revolving commitments, incremental "term loan A" or "term loan B" facilities, or incremental equivalent debt.

Pursuant to the credit facility, the financial maintenance covenants include (a) an interest coverage ratio of not less than 3.25 to 1; and (b) a net leverage ratio of not more than 3.25 to 1 (and a pro forma ratio of 3.00 to 1 on the date of incurrence of additional debt). Net leverage ratio reduces the measure of outstanding debt by up to \$250 million of unrestricted cash.

The credit facility limits or restricts us from, among other things, incurring indebtedness, incurring liens on its respective assets, making investments and acquisitions (assuming our pro forma net leverage ratio is greater than 2.75 to 1.00), making asset sales, and paying cash dividends and making other restricted payments (assuming our pro forma net leverage ratio is greater than 2.50 to 1.00).

We were in compliance with all financial covenants under the credit facility at June 28, 2025. Our interest coverage ratio and net leverage ratio were 10.69 to 1 and 2.34 to 1, respectively. We expect to continue to be in compliance with these covenants based on current projections. Based on our current EBITDA and outstanding revolver balance, the usable capacity on the credit facility is approximately \$275 million.

If we are not in compliance with all of the required financial covenants, the credit facility could be terminated by the lenders, and any amounts then outstanding pursuant to the credit facility could become immediately payable. Additionally, our convertible senior notes due 2030 have cross-default provisions that could accelerate repayment in the event the indebtedness under the credit facility is accelerated.

Borrowings under the credit facility bear interest at variable reference rates plus an interest margin. The applicable interest margin is based on our total leverage ratio. We also pay a commitment fee, also based on our total leverage ratio, on undrawn amounts. U.S. dollar borrowings under the credit facility are based on SOFR (including a customary spread adjustment). Borrowings in foreign currencies bear interest at currency-specific reference rates plus an interest margin. Based on our current total leverage ratio of 3.16 to 1, any new U.S. dollar borrowings will bear interest at SOFR plus 2.10% (including the applicable credit spread), and the undrawn commitment fee is 0.35% per annum.

The borrowings under the credit facility are secured by a lien on substantially all assets, including accounts receivable, inventory, machinery and equipment, and general intangibles (but excluding real estate, intellectual property registered or licensed solely for use in, or arising solely under the laws of, any country other than the United States, assets located solely outside of the United States and deposit and securities accounts), of Vishay and certain significant subsidiaries located in the United States, and pledges of stock in certain subsidiaries; and are guaranteed by certain significant subsidiaries.

We had \$136 million outstanding on our revolving credit facility at December 31, 2024 and \$185 million outstanding at June 28, 2025. We borrowed \$420 million and repaid \$371 million on the revolving credit facility during the six fiscal months ended June 28, 2025. The average outstanding balance on our revolving credit facility calculated at fiscal month-ends was \$223 million and the highest amount outstanding at a fiscal month end was \$309 million during the six fiscal months ended June 28, 2025. We expect, at least initially, to fund certain future obligations required to be paid by the U.S. parent company by borrowing under our credit facility. We also expect to continue to use the credit facility from time-to-time to meet certain short-term financing needs. Additional acquisition activity, convertible debt repurchases, or conversion of our convertible debt instruments may require additional borrowing under our credit facility or may otherwise require us to incur additional debt. No principal payments on our debt are due until 2028.

The convertible senior notes due 2030 are not currently convertible. Pursuant to the indenture governing the convertible senior notes due 2030, we will cash-settle the principal amount of \$1,000 per note and settle any additional amounts in cash or shares of our common stock. We intend to finance the principal amount of any converted notes using borrowings under our credit facility. No conversions have occurred to date.

The convertible senior notes due 2025 matured on June 15, 2025. Pursuant to the indenture governing the convertible senior notes due 2025 and the amendments thereto incorporated in the Supplemental Indenture dated December 23, 2020, we cash-settled the \$41.9 million aggregate principal amount outstanding as of June 15, 2025. The settlement was funded using borrowings under our credit facility. No shares were issued to settle the convertible senior notes due 2025.

## **Safe Harbor Statement**

From time to time, information provided by us, including but not limited to statements in this report, or other statements made by or on our behalf, may contain “forward-looking” information within the meaning of the Private Securities Litigation Reform Act of 1995. Words such as “believe,” “estimate,” “will be,” “will,” “would,” “expect,” “anticipate,” “plan,” “project,” “intend,” “could,” “should,” or other similar words or expressions often identify forward-looking statements.

Such statements are based on current expectations only, and are subject to certain risks, uncertainties, and assumptions, many of which are beyond our control. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results, performance, or achievements may vary materially from those anticipated, estimated, or projected. Among the factors that could cause actual results to materially differ include: general business and economic conditions; delays or difficulties in implementing our cost reduction strategies; delays or difficulties in expanding our manufacturing capacities; manufacturing or supply chain interruptions or changes in customer demand (including due to political, economic, and health instability and military conflicts and hostilities); an inability to attract and retain highly qualified personnel; changes in foreign currency exchange rates; uncertainty related to the effects of changes in foreign currency exchange rates; competition and technological changes in our industries; difficulties in new product development; difficulties in identifying suitable acquisition candidates, consummating a transaction on terms which we consider acceptable, and integration and performance of acquired businesses; changes in applicable domestic and foreign tax regulations and uncertainty regarding the same; changes in U.S. and foreign trade regulations and tariffs and uncertainty regarding the same; changes in applicable accounting standards and other factors affecting our operations, markets, capacity to meet demand, products, services, and prices that are set forth in our filings with the SEC, including our annual reports on Form 10-K and our quarterly reports on Form 10-Q. We undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise.

Our 2024 Annual Report on Form 10-K listed various important factors that could cause actual results to differ materially from projected and historic results. We note these factors for investors as permitted by the Private Securities Litigation Reform Act of 1995. Readers can find them in Part I, Item 1A, of that filing under the heading “Risk Factors.” You should understand that it is not possible to predict or identify all such factors. Consequently, you should not consider any such list to be a complete set of all potential risks or uncertainties.

### **Item 3. Quantitative and Qualitative Disclosures About Market Risk**

Part II, Item 7A, “Quantitative and Qualitative Disclosures About Market Risk,” of our Annual Report on Form 10-K for the year ended December 31, 2024, filed with the SEC on February 14, 2025, describes our exposure to market risks. There have been no material changes to our market risks since December 31, 2024.

### **Item 4. Controls and Procedures**

#### **Conclusion Regarding the Effectiveness of Disclosure Controls and Procedures**

An evaluation was performed under the supervision and with the participation of our management, including the Chief Executive Officer (“CEO”) and Chief Financial Officer (“CFO”), of the effectiveness of the design and operation of our disclosure controls and procedures, as such term is defined under Rule 13a-15(e) and Rule 15d-15(e) promulgated under the Securities Exchange Act of 1934, as amended (the “Exchange Act”). Based on that evaluation, our CEO and CFO concluded that our disclosure controls and procedures were effective as of the end of the period covered by this quarterly report to ensure that information required to be disclosed in reports that we file or submit under the Exchange Act are: (1) recorded, processed, summarized, and reported within the time periods specified in the SEC’s rules and forms; and (2) accumulated and communicated to our management, including our CEO and CFO, as appropriate to allow timely decisions regarding required disclosure.

#### **Changes in Internal Control Over Financial Reporting**

There were no changes in our internal control over financial reporting during the period covered by this report that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

## PART II - OTHER INFORMATION

### **Item 1. Legal Proceedings**

Item 3 of Part I of our Annual Report on Form 10-K for the year ended December 31, 2024, filed with the SEC on February 14, 2025 describes certain of our legal proceedings. There have been no material developments to the legal proceedings previously disclosed.

### **Item 1A. Risk Factors**

There have been no material changes to the risk factors we previously disclosed under Item 1A of Part I of our Annual Report on Form 10-K for the year ended December 31, 2024, filed with the SEC on February 14, 2025.

### **Item 2. Unregistered Sales of Equity Securities and Use of Proceeds**

Not applicable.

### **Item 3. Defaults Upon Senior Securities**

Not applicable.

### **Item 4. Mine Safety Disclosures**

Not applicable.

### **Item 5. Other Information**

None of our directors or executive officers adopted or terminated a Rule 10b5-1 trading arrangement or adopted or terminated a non-Rule 10b5-1 trading arrangement (as defined by Item 408(c) of Regulation S-K) during the fiscal quarter ended June 28, 2025.

### **Item 6. Exhibits**

- |      |  |
|------|--|
| 31.1 | <a href="#">Certification pursuant to Rule 13a-14(a) or 15d-14(a) under the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 - Joel Smejkal, Chief Executive Officer.</a>       |
| 31.2 | <a href="#">Certification pursuant to Rule 13a-14(a) or 15d-14(a) under the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 - David E. McConnell, Chief Financial Officer.</a> |
| 32.1 | <a href="#">Certification Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 – Joel Smejkal, Chief Executive Officer.</a>  |
| 32.2 | <a href="#">Certification Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 – David E. McConnell, Chief Financial Officer.</a>  |
| 101  | Interactive Data File (Quarterly Report on Form 10-Q, for the quarterly period ended June 28, 2025, furnished in iXBRL (Inline eXtensible Business Reporting Language)).   |
| 104  | Cover Page Interactive Data File (formatted as Inline eXtensible Business Reporting Language and contained in Exhibit 101)   |

## SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

VISHAY INTERTECHNOLOGY, INC.

/s/ David E. McConnell

David E. McConnell

Executive Vice President and Chief Financial Officer

(as a duly authorized officer and principal financial officer)

/s/ David L. Tomlinson

David L. Tomlinson

Senior Vice President - Chief Accounting Officer

(as a duly authorized officer and principal accounting officer)

Date: August 6, 2025

## CERTIFICATIONS

I, Joel Smejkal, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Vishay Intertechnology, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 6, 2025

/s/ Joel Smejkal  
Joel Smejkal  
Chief Executive Officer

## CERTIFICATIONS

I, David E. McConnell, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Vishay Intertechnology, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 6, 2025

/s/ David E. McConnell  
David E. McConnell  
Chief Financial Officer

**CERTIFICATION PURSUANT TO  
18 U.S.C. SECTION 1350,  
AS ADOPTED PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Vishay Intertechnology, Inc. (the "Company") on Form 10-Q for the fiscal quarter ended June 28, 2025 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Joel Smejkal, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. section 1350, as adopted pursuant to section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Joel Smejkal  
Joel Smejkal  
Chief Executive Officer  
August 6, 2025

**CERTIFICATION PURSUANT TO  
18 U.S.C. SECTION 1350,  
AS ADOPTED PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Vishay Intertechnology, Inc. (the "Company") on Form 10-Q for the fiscal quarter ended June 28, 2025 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, David E. McConnell, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. section 1350, as adopted pursuant to section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ David E. McConnell

David E. McConnell  
Chief Financial Officer  
August 6, 2025