HILTI

2024 Financial Report

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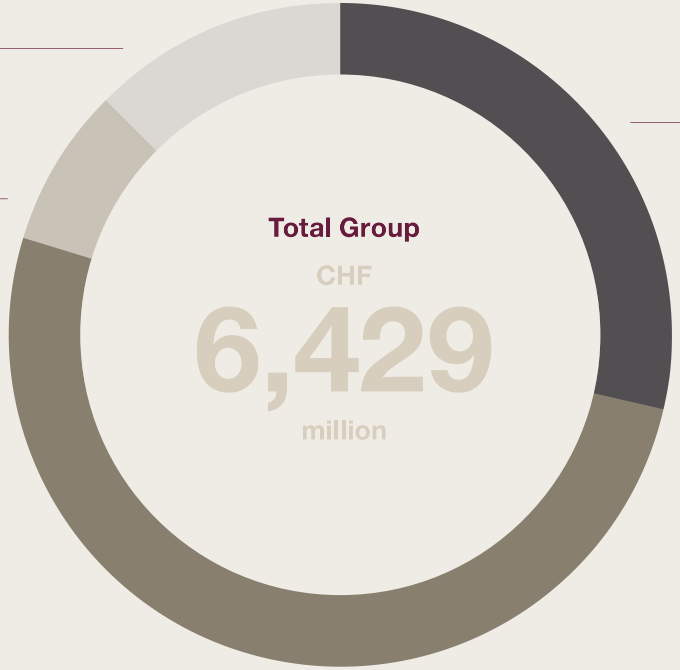
Group at a Glance

Net sales by region

Asia/Pacific
CHF 794 million

Eastern Europe/ Middle East/ Africa
CHF 492 million

Europe[1]
CHF 3,289 million



Americas
CHF 1,854 million

[1] Excl. Eastern Europe

CHF **769** million
Operating result

CHF **561** million
Net income

CHF **379** million
Free cash flow

34,353
Employees (as at December 31)

KEY FINANCIAL INFORMATION

of the Group

financial amounts in CHF million

	2020	2021	2022	2023	2024
Results					
Net sales	5,332	5,978	6,347	6,520	6,429
Depreciation and amortization	(395)	(412)	(440)	(476)	(514)
Operating result	728	847	731	770	769
Net income before tax	652	805	668	700	699
Net income	531	675	565	560	561
Return on capital employed (ROCE) in % (operating result)[1]	16.4	17.1	13.2	13.3	12.9
Return on equity (ROE) in % (net income)	15.7	17.4	12.7	12.2	11.9
Return on sales (ROS) in %	13.7	14.2	11.5	11.8	12.0
Free cash flow[2]	463	377	(147)	359	379
Balance sheet					
Total equity	3,472	4,294	4,579	4,576	4,883
Total equity in % of total equity and liabilities	53	57	62	59	61
Total non-current liabilities	1,673	1,470	1,130	1,484	1,421
Total current liabilities	1,401	1,705	1,717	1,644	1,751
Capital expenditures on intangible assets and on property, plant and equipment	345	401	445	451	354
Intangible assets and property, plant and equipment	1,902	2,250	2,350	2,728	2,725
Other non-current assets	1,374	1,486	1,551	1,751	1,935
Total current assets	3,270	3,733	3,525	3,225	3,395
Total assets	6,546	7,469	7,426	7,704	8,055
Dividend[3]	–	337	281	279	279
Employees (as at December 31)	29,549	31,115	32,487	34,111	34,353

[1] Capital employed is defined as the average of the total equity and interest-bearing liabilities of the last two years
[2] In 2021, the Group decided to change the definition of free cash flow, excluding the cash flow from financial investments and disclosing it as a separate line item. Prior period figures were restated accordingly
[3] As proposed by the Board of Directors

SALES DEVELOPMENT ACROSS REGIONS

Change in local currencies (%)

Europe[1]
In CHF: -1.9%

-0.2%

Asia/Pacific (Asia, Australia and the Pacific)
In CHF: 0.4%

4.7%

Americas (North and Latin America)
In CHF: -1.1%

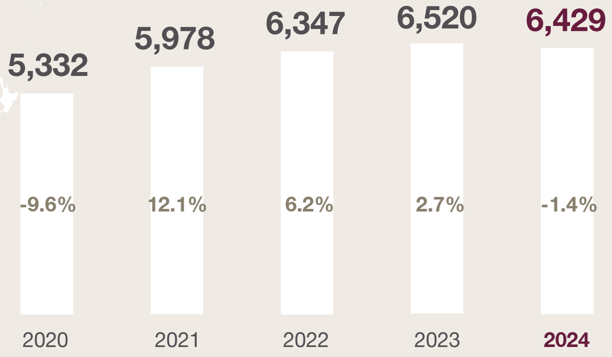
2.2%

Eastern Europe/Middle East/Africa
In CHF: -2.4%

5.9%

Total net sales

in CHF million



Net sales growth in CHF (%)

[1] Excl. Eastern Europe

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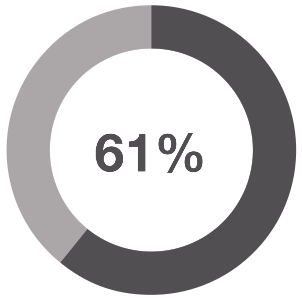
INFORMATION ON FINANCING AND CAPITAL

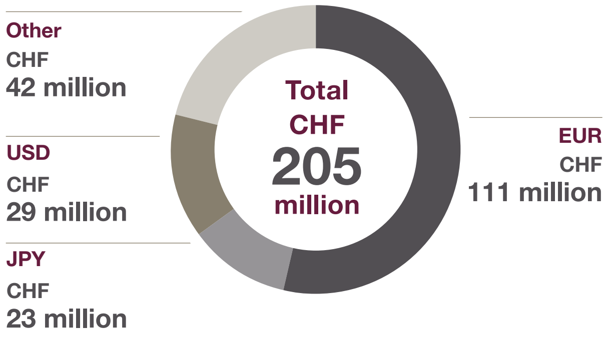
Equity ratio

Total equity in % of total equity and liabilities

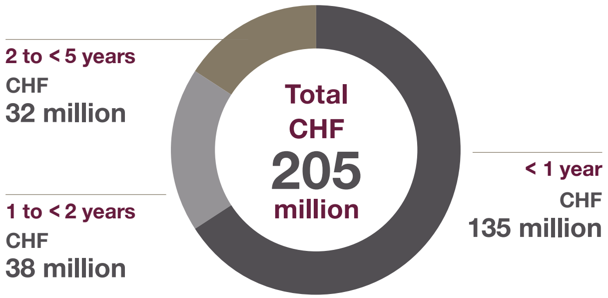


Bank borrowings

Currencies



Time to maturity

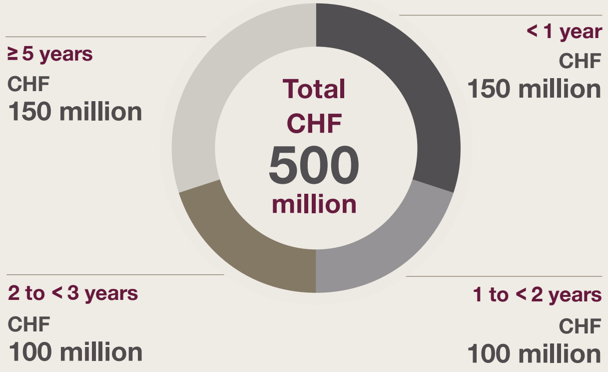


Information on bonds (nominal values)

in CHF million

	2022	2023	2024
CHF bond 1.875% 13/23 (early call for tax reasons only)	100	–	–
CHF bond 0.2% 17/24 (early call for tax reasons only)	100	100	–
CHF bond 0.4% 17/27 (early call for tax reasons only)	100	100	100
CHF bond 0.05% 20/25 (early call for tax reasons only)	150	150	150
CHF bond 1.7425% 23/26 (early call for tax reasons only)	–	100	100
CHF bond 1.9225% 23/31 (early call for tax reasons only)	–	150	150

Time to maturity



OUTLOOK

In 2025, the Hilti Group expects low single-digit sales growth in local currencies with a similar ROS compared to 2024.

Construction market forecasts point to a similar business environment in 2025, strongly varying by geographic area and depending on the development of various geopolitical conflicts. In light of this volatility, uncertainty in the markets is expected to continue, likely causing the Swiss franc to remain strong.

The Group's strategic objective, value creation through leadership, built on differentiation and direct customer relationships, encompasses value creation for all stakeholders and achieving a positive impact on society beyond financial goals. Hilti wants to secure long-term success through a business strategy that values ecological, people and social aspects along with economic factors.

To live up to the Group's purpose of "Making Construction Better", Hilti will continuously invest in driving innovation in both hardware and software solutions and building up its market reach resources. The Group focusses on being its customers' best partner for productivity, safety and sustainability.

Consolidated Management Report

HILTI HOLDS ITS GROUND WITH SALES OF CHF 6.4 BILLION

With sales growth of 1.5 percent in local currencies (-1.4 percent in Swiss francs), the Hilti Group reported turnover of CHF 6.4 billion in 2024. The Group managed to gain further market share in a challenging market environment. Despite a strongly negative currency impact, the company's operating result matched that of the previous year and amounted to CHF 769 million. In 2024, Hilti continued to significantly invest in innovation and the strategic priorities outlined in its corporate strategy Lead 2030.

In Europe, Hilti maintained its sales level in local currencies (-0.2%). Central and Northern Europe were most affected by the challenging economic environment, while Southern Europe proved to be the exception with growth. In the Americas, the company increased sales by 2.2 percent, with double-digit growth in Latin America. Sales grew by 4.7 percent in Asia/Pacific, with an overproportionate contribution from Northern Asia. The Eastern Europe/Middle East/Africa region reported growth of 5.9 percent in local currencies.

Investments in innovation and strategic priorities

With more than 80 new products and services launched in 2024, the Hilti Group continued to invest heavily in its innovation pipeline. Investments in research and development reached CHF 466 million (+2.6%), equaling 7.2 percent of Group sales. Hilti also invested in expanding its global production network as part of securing its long-term supply chain resilience.

Hilti's customer promise is to be its customers' best partner for productivity, safety and sustainability. In 2024, the company drove significant productivity potential for its customers by further growing its offer beyond hardware. In the reporting year, the Group launched its jobsite management software solution,

Fieldwire, in additional markets and successfully integrated the Netherlands-based business software solution provider 4PS after the acquisition in 2023.

At the end of 2024, the Hilti Group had 34,353 team members, an addition of 242 employees (+0.7%) compared to the previous year.

Profit development

The operating result remained on a similar level with CHF 769 million (2023: CHF 770 million). The continuous appreciation of the Swiss franc against all major currencies led to a significantly negative currency impact of CHF 71 million on the operating result (2023: CHF -51 million).

With CHF 561 million, net income was also at the previous year's level (2023: CHF 560 million). Return on sales (ROS) grew slightly to 12.0 percent (2023: 11.8%) despite the negative currency impact, continued investments into long-term strategic priorities and other negative one-time effects. The Group's capital employed increased by CHF 184 million to CHF 6.0 billion, whereas return on capital employed (ROCE) decreased by 0.4 percentage points to 12.9 percent (2023: 13.3%).

Free cash flow reached CHF 379 million (2023: 359 million) leading to a cash flow conversion of 67.6 percent, which is in line with the long-term average target defined in Lead 2030.

Solid balance sheet and liquidity

The equity ratio of 61 percent (2023: 59%) continues to be considerably above the Group's target level of 45 percent. Cash and cash equivalents were stable at CHF 0.9 billion (2023: CHF 0.9 billion), after the repayment of a corporate bond of CHF 100 million. Based on this solid business result, the Board of Directors proposes the payout of an ordinary dividend of CHF 279 million for the 2024 financial year (2023: 279 million).

Sustainability reporting

Hilti's commitment to sustainability is deeply anchored in its corporate strategy. As part of its customer promise, the Group aims to be its customers' best partner for sustainability, both through its innovative solutions and how it operates.

The sustainability strategy is based on three pillars: caring for the environment, people and society. It is founded on the double materiality assessment required by the Corporate Sustainability Reporting Directive (CSRD) as well as the European Sustainability Reporting Standards (ESRS) established under this directive. The 2024 sustainability report is voluntarily published with reference to the ESRS before the new reporting requirements become mandatory for the Group.

Since 2022, Hilti has used the Value2Society™ (V2S) model to better understand and quantify its impacts across its upstream value chain and own operations. The model aligns with principles set by the Value Balancing Alliance and the International Foundation for Valuing Impacts. It highlights the most significant positive impacts from both direct and indirect contributions to economic welfare. Further positive impacts relate to employee well-being and opportunities for development as well as volunteering. Hilti is committed to continuously improve its V2S in line with potentials indicated by this model.

Next to reaching carbon neutrality in its own operations (Scope 1, 2 and business travel GHG emissions), the Group also committed to establishing CO_2-reduction targets in accordance with the Science Based Targets initiative (SBTi). Besides ambitious near-term targets set until 2032, Hilti aims for net-zero emissions by 2050. In the reporting period, these targets were officially validated by the SBTi. The auditor, PricewaterhouseCoopers AG, provided limited assurance on the sustainability metrics of greenhouse gas emissions (GHG), energy consumption and lost time incident rate.

Outlook

Construction market forecasts point to a similar business environment in 2025, strongly varying by geographic area and depending on the development of various geopolitical conflicts. In light of this volatility, uncertainty in the markets is expected to continue, likely causing the Swiss franc to remain strong.

In line with its purpose of Making Construction Better, Hilti will continue to significantly invest in innovation and will continue to build up market reach resources.

In 2025, the Hilti Group expects low single-digit sales growth in local currencies with a similar ROS compared to 2024.

Group Financial Statements

CONSOLIDATED INCOME STATEMENT

in CHF million

	Note	2023	2024
Net sales	2	6,520	6,429
Other operating income	2	207	241
Total operating income		**6,727**	**6,670**
Material costs	2	(1,720)	(1,570)
Personnel expenses	3	(2,852)	(2,886)
Depreciation and amortization	4	(476)	(514)
Losses on trade and other receivables		(47)	(49)
Other operating expenses	2	(1,083)	(1,099)
Capitalized costs		221	217
Total operating expenses		**(5,957)**	**(5,901)**
Operating result		**770**	**769**
Other income and expenses (net)	5	(32)	(22)
Finance costs	5	(38)	(48)
Net income before income tax expenses		**700**	**699**
Income tax expenses	8	(140)	(138)
Net income		**560**	**561**
Attributable to:			
Equity holders of the parent		557	558
Non-controlling interests		3	3

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

in CHF million

	Note	2023	2024
Net income		**560**	**561**
Net movement on cash flow hedges, net of taxes	5/8	(1)	(1)
Foreign currency translation differences, net of taxes	8	(201)	66
Items that may be subsequently reclassified to the income statement		**(202)**	**65**
Remeasurements on employee benefits, net of taxes	3/8	(80)	(40)
Items that will never be reclassified to the income statement		**(80)**	**(40)**
Other comprehensive income (OCI)		**(282)**	**25**
Total comprehensive income		**278**	**586**
Attributable to:			
Equity holders of the parent		277	582
Non-controlling interests		1	4

CONSOLIDATED BALANCE SHEET

as at December 31

Assets

in CHF million

	Note	2023	2024
Property, plant and equipment	4	1,115	1,123
Right of use assets	4	438	454
Intangible assets	4	1,613	1,602
Deferred income tax assets	8	175	200
Other financial assets	5	28	34
Other assets	7	5	2
Trade and other receivables	6	1,105	1,245
Total non-current assets		**4,479**	**4,660**
Inventories	6	778	854
Trade and other receivables	6	1,408	1,489
Accrued income and prepaid expenses	6	107	105
Other financial assets	5	46	33
Cash and cash equivalents	6	886	914
Total current assets		**3,225**	**3,395**
Total assets		**7,704**	**8,055**

Equity and liabilities

in CHF million

	Note	2023	2024
Non-controlling interests		15	19
Equity attributable to equity holders of the parent		4,561	4,864
Total equity	**5**	**4,576**	**4,883**
Employee benefits	3	238	302
Deferred income tax liabilities	8	245	259
Trade and other payables	6	22	25
Other financial liabilities	4/5	930	783
Other liabilities	7	49	52
Total non-current liabilities		**1,484**	**1,421**
Employee benefits	3	28	43
Trade and other payables	6	630	688
Accrued expenses	6	561	504
Other financial liabilities	4/5	339	426
Other liabilities	7	86	90
Total current liabilities		**1,644**	**1,751**
Total liabilities		**3,128**	**3,172**
Total equity and liabilities		**7,704**	**8,055**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

in CHF million

	Share capital	Capital reserves	Translation reserves	Hedging reserves	Retained earnings	Equity attributable to equity holders of the parent	Non-controlling interests	Total equity
Equity at January 1, 2024	**127**	**17**	**(868)**	**1**	**5,284**	**4,561**	**15**	**4,576**
Net income recognized in income statement	–	–	–	–	558	558	3	561
Other comprehensive income								
Cash flow hedges	–	–	–	(1)	–	(1)	–	(1)
Remeasurements on employee benefits	–	–	–	–	(40)	(40)	–	(40)
Foreign currency translation differences	–	–	65	–	–	65	1	66
Total other comprehensive income	**–**	**–**	**65**	**(1)**	**(40)**	**24**	**1**	**25**
Total comprehensive income	**–**	**–**	**65**	**(1)**	**518**	**582**	**4**	**586**
Dividend paid	–	–	–	–	(279)	(279)	–	(279)
Equity at December 31, 2024	**127**	**17**	**(803)**	**–**	**5,523**	**4,864**	**19**	**4,883**
Equity at January 1, 2023	**127**	**17**	**(669)**	**2**	**5,088**	**4,565**	**14**	**4,579**
Net income recognized in income statement	–	–	–	–	557	557	3	560
Other comprehensive income								
Cash flow hedges	–	–	–	(1)	–	(1)	–	(1)
Remeasurements on employee benefits	–	–	–	–	(80)	(80)	–	(80)
Foreign currency translation differences	–	–	(199)	–	–	(199)	(2)	(201)
Total other comprehensive income	**–**	**–**	**(199)**	**(1)**	**(80)**	**(280)**	**(2)**	**(282)**
Total comprehensive income	**–**	**–**	**(199)**	**(1)**	**477**	**277**	**1**	**278**
Dividend paid	–	–	–	–	(281)	(281)	–	(281)
Equity at December 31, 2023	**127**	**17**	**(868)**	**1**	**5,284**	**4,561**	**15**	**4,576**

CONSOLIDATED CASH FLOW STATEMENT

in CHF million

	Note	2023	2024
Operating result		770	**769**
Depreciation and amortization	4	476	514
Interest received		12	10
Interest paid		(39)	(48)
Income tax paid	8	(131)	(109)
Loss on disposal of subsidiaries[1]		–	34
(Increase)/decrease in inventories	6	142	(85)
(Increase)/decrease in trade receivables	6	(46)	(18)
(Increase)/decrease in finance lease receivables	6	(303)	(191)
Increase/(decrease) in trade payables	6	(19)	15
Increase/(decrease) in contract liabilities	7	(2)	3
Non-cash items		25	(17)
Change in other net operating assets		49	(17)
Cash flow from operating activities		934	**860**
Capital expenditure on intangible assets	4	(227)	(220)
Capital expenditure on property, plant and equipment	4	(224)	(134)
Acquisition of subsidiaries	8	(300)	–
Disposal of subsidiaries		–	(3)
(Increase)/decrease in financial investments		44	5
Disposal of intangible assets	4	1	–
Disposal of property, plant and equipment	4	9	17
Cash flow from investing activities		(697)	**(335)**

in CHF million

	Note	2023	2024
Proceeds from long-term borrowings	5	59	–
Repayment of long-term borrowings	5	(4)	–
Payment of lease liabilities	4	(134)	(144)
Proceeds from (repayment of) short-term borrowings	5	(89)	9
Proceeds from issuance of bonds	5	249	–
Repayment of bonds	5	(100)	(100)
Increase/(decrease) in liability to shareholder	8	1	–
Dividend paid	5	(281)	(279)
Cash flow from financing activities		(299)	**(514)**
Exchange differences		(43)	17
Total increase/(decrease) in cash and cash equivalents		(105)	**28**
Cash and cash equivalents at January 1		991	886
Cash and cash equivalents at December 31		886	**914**

[1] Further information is given in note 1.6

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 Basis of preparation

1.1 General information

The Hilti Group (the Group) comprises the Hilti Corporation and its domestic and foreign subsidiaries. The Group supplies the worldwide construction and energy industries with technologically leading products, systems, software and services that provide clear and sustainable added value. Its product range includes tools and systems covering demolition, drilling, sawing, cutting and grinding, direct and screw fastening, diamond coring and cutting, anchoring, firestop, installation and measuring.

The Hilti Corporation is a limited by shares company incorporated and domiciled in the Principality of Liechtenstein. The Group's headquarters and the address of its registered office are at Feldkircherstrasse 100, 9494 Schaan, Liechtenstein. The Group's principal production and research and development location is Liechtenstein, with further production and research and development locations worldwide. The Group has sales organizations in approximately 80 countries and has over 34,000 employees worldwide.

These consolidated financial statements were approved for issue by the Board of Directors on March 12, 2025.

1.2 Basis of accounting

These consolidated financial statements have been prepared in accordance with IFRS Accounting Standards as adopted by the European Union. Preparation of the financial statements in accordance with IFRS Accounting Standards meets the requirements of Liechtenstein's corporations law, the "Personen- und Gesellschaftsrecht (PGR)".

The Group's accounting policies are set out in the explanatory notes to the consolidated financial statements and have been consistently applied to both periods presented, unless otherwise stated.

1.3 Critical accounting estimates and judgments

The preparation of the financial statements requires management to use certain critical accounting estimates and to exercise its judgment in the process of applying the Group's accounting policies. The Group also makes estimates and assumptions concerning the future. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The actual results may differ from these assumptions and estimates.

Significant estimates (with the related uncertainties) were primarily made in the following areas:

- Assumptions underlying the expected credit loss of trade receivables (note 6.2)
- Assumptions underlying write-downs of inventories (note 6.1)
- Assumptions underlying impairment testing of goodwill, intangible assets with an indefinite useful life and development costs (note 4.3)
- Assumptions underlying the recognition of defined benefit pension plans (note 3.2)
- Assumptions underlying the valuation of current and deferred tax assets and liabilities (note 8.2)

1.4 Changes in accounting policies and estimates

The Group has applied the following amendments for the first time for its annual reporting period commencing January 1, 2024:

- Classification of Liabilities as Current or Non-current and Non-current liabilities with covenants – Amendments to IAS 1
- Lease Liability in a Sale and Leaseback – Amendments to IFRS 16
- Supplier finance arrangements – Amendments to IAS 7 and IFRS 7
- International Tax Reform – OECD Pillar Two Model Rules – amendments to IAS 12

On 23 May 2023, the International Accounting Standards Board (IASB) issued International Tax Reform – Pillar Two Model Rules – Amendments to IAS 12 (the Amendments). The Amendments clarify that IAS 12 applies to income taxes arising from tax law enacted or substantively enacted to implement the Global Anti-Base Erosion Model Rules (Pillar Two model rules) published by the Organisation for Economic Co-operation and Development (OECD). The Group has adopted these amendments, which introduce a mandatory temporary exception to the accounting for deferred taxes arising from the jurisdictional implementation of the Pillar Two model rules and include disclosure requirements for affected entities to help readers of the financial statements better understand an entity's exposure to Pillar Two income taxes.

Following the recent amendments by the IASB to IAS 7 and IFRS 7, which introduced new disclosure requirements for supplier finance arrangements, Hilti provided detailed information in note 6.4.

All other amendments listed above had no material impact on the amounts recognized in prior periods and are not expected to significantly affect the current or future periods.

1.5 New standards, amendments and interpretations not yet adopted by the Group

The new accounting standards and interpretations listed below that have been published are not mandatory for the December 31, 2024 reporting period and have not yet been adopted by the Group:

- Lack of Exchangeability – Amendments to IAS 21, effective date January 1, 2025
- Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7, effective date January 1, 2026
- Contracts for Renewable Electricity – Amendments to IFRS 9 and IFRS 7, effective date January 1, 2026
- Presentation and Disclosure in Financial Statements – IFRS 18, effective date January 1, 2027

First two points listed above are not expected to have a material impact on the Group in the current or future reporting periods or on foreseeable future transactions. Implications of remaining standards are currently further evaluated.

1.6 Method of consolidation

The consolidated financial statements are based on the annual financial statements of the individual Group companies controlled directly or indirectly by Hilti Corporation and are prepared using consistent accounting policies. The Group eliminates all intercompany transactions as part of the Group consolidation process. A company is consolidated for the first time or deconsolidated from the date on which the Group exercises or loses control over the company.

All entities over which the Group has significant influence but no control are classified as associates or joint ventures and accounted for using the equity method.

The Group has joint operations and, as a joint operator, accounts for the assets, liabilities, revenues and expenses in relation to its interest in a joint operation.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated income statement, statement of comprehensive income, statement of changes in equity and balance sheet, respectively. When the Group ceases to have control, any retained interest in the entity is remeasured to its fair value at the date when control is lost, with the change in carrying amount being recognized in other income and expenses (net).

On June 28, 2024, the Group lost the control of the subsidiaries in Russia and Belarus, which were sold to the local management. This resulted in a loss recognized in the income statement of CHF 34 million (see note 2.3).

In 2023, the Group obtained control of 4PS Group, resulting in the first-time consolidation of the company. Additionally, the Group acquired the remaining 50% of the shares of Hillos GmbH, a former joint operation that is since then fully consolidated. The related impact of the two acquisitions is reported in the line change in scope of consolidation in the relevant notes to the consolidated financial statements. Detailed information on the first-time consolidation of 4PS Group and on the business combinations is given in note 8.3.

1.7 Foreign currency translation

The functional currency of the Group companies is the currency used in the primary economic environment in which they operate. The consolidated financial statements are presented in Swiss francs.

Foreign currency transactions are translated using the exchange rates at the dates of the transactions. Foreign exchange gains and losses, resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies, are recognized in the income statement. Foreign exchange gains and losses relating to long-term intercompany foreign currency loans are regarded as part of the net investment in the foreign entity and are recognized in other comprehensive income (OCI).

For consolidation purposes, the results and financial position of all the Group companies in foreign currencies are translated into Swiss francs. Assets and liabilities are translated at the year-end rates (closing rate), while income and expense items are translated at the sales-weighted average exchange rates (average rate).

The change in accumulated exchange differences from the translation of foreign companies is recognized in OCI. If a Group company is sold, or if part of it is sold and control is lost, the accumulated exchange differences are reclassified to the income statement.

The following exchange rates of principal currencies were applied for translation into Swiss francs:

in CHF

	Average rates		Closing rates	
	2023	2024	2023	2024
1 CAD	0.666	0.643	0.632	0.630
1 EUR	0.972	0.953	0.926	0.941
1 GBP	1.118	1.125	1.066	1.135
100 JPY	0.639	0.580	0.592	0.577
1 USD	0.899	0.879	0.838	0.906

2 Operating performance

2.1 Operating income

Accounting policies

Depending on the specific contractual circumstances, the Group recognizes revenue over time or, when it transfers control over a product or service to a customer, at a point in time. The Group has therefore implemented a five-step model applicable to all contracts with customers and has disaggregated revenue from contracts with customers into the following categories of revenue recognition patterns: sales contracts of goods, services and warranties (covering repairs). Net sales of services consist of logistics, repairs (including service warranty) and other fleet management-related services, tests, training and software solutions. Other operating income, among others, comprises finance lease interests, including related risk premiums.

Net sales of goods and services

Revenue from the sale of goods is recognized in the income statement at a point in time, when control of the products has been transferred, typically when the products are delivered to the customer and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Revenue related to goods for which control has not yet been transferred to the customer will be recognized when control is transferred to the customer.

Revenue from services rendered is recognized at a point in time or over time, depending on when the performance obligation is satisfied.

All revenues from sales of goods and services rendered are recognized at the normal selling price less applicable trade discounts and rebates, individually determined in the markets. In most cases, the consideration is due when legal title has been transferred. While deferred payment terms may be agreed upon in rare circumstances, the deferral never exceeds 12 months.

Revenue from sales of goods with a significant financing component relates to finance lease and is recognized in the period in which the lease commences, while the applicable interest income is recognized on an actuarial basis over the lease term. Revenue from operating leases is recognized over the lease term.

Service warranty

The Group offers its customers warranties covering all repairs for a certain period after the sale. These warranty obligations are considered as a separate performance obligation and recognized over time. For goods sold outright, a portion of the transaction price is allocated to the service warranty and recognized as a contract liability. Revenue is recognized over the period in which the service warranty is provided based on the time elapsed. Contract liabilities are shown as part of other liabilities and split into current and non-current. Detailed information is given in note 7.2.

in CHF million	2023	2024
Net sales of goods	5,992	5,805
Net sales of services	528	624
Total net sales	**6,520**	**6,429**
Other operating income	207	241
Total operating income	**6,727**	**6,670**

Revenue related to finance lease in the reporting period amounts to CHF 1044 million (2023: CHF 1092 million).

The following table shows the revenue recognition split into point in time and period of time:

in CHF million	2023	2024
Revenue recognized at a point in time	6,111	5,970
Revenue recognized over time	409	459
Total revenue	**6,520**	**6,429**

Revenue recognized over time mainly comprises special repairs, other fleet management-related services and software solutions. The subscriptions for software solutions are short-term contracts, whereas the average contract duration of the repairs and fleet management-related services is somewhat longer.

2.2 Operating segments

Accounting policies

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Executive Board (EB) that makes strategic decisions. With the Group's Multi-Channel Service (MCS) approach, all products and services are relevant for all customers and the EB steers the business at the Group level as one unit. Consequently, the Group operates in only one single operating segment. The single operating segment disclosure is accordingly set out in the balance sheet, income statement, statement of comprehensive income, statement of changes in equity and the cash flow statement.

Net sales information by geographical area is based on the country of the third-party customer. Net sales information by major country is based on the country of domicile of the respective Group companies.

Net sales information about products and services

in CHF million		2023	2024
Electric Tools & Accessories	Products	2,686	2,507
Electric Tools & Accessories	Services	466	560
Total Electric Tools & Accessories		**3,152**	**3,067**
Fastening & Protection Systems	Products	3,306	3,298
Fastening & Protection Systems	Services	62	64
Total Fastening & Protection Systems		**3,368**	**3,362**
Total Group		**6,520**	**6,429**

Net sales information about geographical areas

The Group has no customer exceeding the threshold of 10% of the Group's net sales.

financial amounts in CHF million	2023	2024	Change in CHF (%)	Change in local currencies (%)
Europe[1]	3,351	3,289	(1.9)	(0.2)
Americas	1,874	1,854	(1.1)	2.2
Asia/Pacific	791	794	0.4	4.7
Eastern Europe/ Middle East/ Africa	504	492	(2.4)	5.9
Total Group	**6,520**	**6,429**	**(1.4)**	**1.5**

[1] Excl. Eastern Europe

Net sales for major countries

in CHF million	2023	2024
USA	1,411	1,396
Germany	963	933
France	505	451
Liechtenstein (country of domicile)	72	64
Other countries	3,569	3,585
Total Group	**6,520**	**6,429**

Tangible and intangible assets information for major countries

in CHF million	2023	2024
Liechtenstein (country of domicile)	1,427	1,409
Germany	364	376
Netherlands	360	356
USA	308	318
Other countries	707	722
Total Group	**3,166**	**3,181**

2.3 Operating expenses

Operating expenses include material costs and changes in inventory, other operating expenses, personnel expenses, losses on trade and other receivables, depreciation, amortization and capitalized costs. Detailed information regarding personnel expenses is given in note 3.1. Capitalized costs mainly include development costs such as personnel and other consulting costs (see note 4.3).

Expenditure on research and development in the reporting period amounted to CHF 466 million (2023: CHF 454 million), thereof CHF 209 million (2023: CHF 211 million) were recognized as additions on intangible assets.

Material costs

in CHF million	2023	2024
Materials	(1,561)	(1,635)
Outsourced manufacturing	(17)	(20)
Total material costs	**(1,578)**	**(1,655)**
Change in inventory	(142)	85
Total material costs including change in inventory	**(1,720)**	**(1,570)**

Other operating expenses

Major items included in other operating expenses are as follows:

in CHF million	2023	2024
Expenditures for rent[1]	(131)	(148)
Outward freight	(143)	(142)
Travel	(146)	(136)
Maintenance & repairs	(133)	(123)
Legal & consulting	(118)	(114)
Other administration expenses	(88)	(97)
Transportation	(66)	(67)
Marketing & communication	(66)	(60)
Power	(28)	(30)
Recruiting	(22)	(21)
Loss on disposal of subsidiaries	–	(34)
Other[2]	(142)	(127)
Total other operating expenses	**(1,083)**	**(1,099)**

[1] Including expenses relating to short-term and low-value leases (detailed information is given in note 4.2)
[2] Other includes items which are individually not material

3 Personnel expenses

3.1 Personnel expenses

in CHF million

	2023	2024
Salaries and wages	(2,331)	(2,322)
Social contributions	(521)	(564)
Total personnel expenses	**(2,852)**	**(2,886)**

Social contributions include expenses for pensions and similar liabilities in addition to social security contributions.

The breakdown of the number of employees of Group companies by function is as follows:

	2023	2024
Sales	25,532	25,759
Research and development	2,571	2,576
Production	4,096	4,051
Administration	1,912	1,967
Total employees (as at December 31)	**34,111**	**34,353**

In 2024, we completed a detailed allocation by function of the employees of the 4PS Group, acquired in 2023. Prior year figures were restated accordingly.

3.2 Employee benefits

Accounting policies

Pension obligations
Group companies operate various post-employment schemes, including both defined benefit and defined contribution pension plans. These schemes are generally funded through payments to insurance companies or trustee-administered funds, determined by annual actuarial valuations.

For defined contribution plans, the Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid.

Long service benefits
Some Group companies provide jubilee and other similar long service benefits. The entitlement to these benefits is usually conditional on the completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment using an accounting methodology similar to that used for defined benefit pension plans.

Variable compensation
The Group recognizes a liability and an expense for variable compensation based on changes in key financial results, such as sales, operating profit, net income and capital employed as specified in the employment contracts.

Management judgment and estimates

The present value of the defined benefit obligations is determined annually by independent actuaries using the projected unit credit method. Actuarial assumptions are required for this purpose. The calculation of the discount rate, future increases in salaries/wages and pensions, and mortality are significant assumptions in actuarial valuations.

Employee benefits creating obligations of the Group to its employees comprise defined benefit plans, other long-term employee benefits and short-term employee benefits. The Group also provides employee benefits through defined contribution plans.

Defined benefit plans

Swiss pension plan
The Group's largest defined benefit pension plan is located in Switzerland and covers employees of the parent company as well as of the Swiss and other Liechtenstein-based Group companies (the "Swiss pension plan"). The Swiss pension plan accounts for 86% (2023: 84%) of the Group's total defined benefit obligation and 91% (2023: 90%) of the Group's plan assets. The weighted average duration of the defined benefit obligation is 14.3 years (2023: 14.0 years).

The Swiss pension plan is funded through a legally separate trustee-administered pension fund. The pension plan is overseen by a regulator as well as by a state supervisory body. The pension plan's most senior governing body (Board of Trustees) must be composed of equal numbers of employee and employer representatives. The Board of Trustees is responsible for the investment of the assets. When defining the investment strategy, it takes into account the pension fund's objectives, benefit obligations and risk capacity. The investment strategy is defined in the form of a long-term target asset structure (investment policy). The Board of Trustees delegates the implementation of the investment policy – in accordance with the investment strategy – to an Investment Committee. The cash funding of the plan is designed to ensure that present and future contributions should be sufficient to meet future liabilities. Further on, the Board of Trustees is able to adapt the contributions and benefits. There is a stop-loss insurance which covers the risk from a certain excess amount (e.g., for disability or death).

The Swiss pension plan contains a cash balance benefit formula and is therefore accounted for as a defined benefit plan. Employer and employee contributions are defined in the pension fund rules in terms of an age-related sliding scale of percentages of remuneration. Under Swiss law, the pension fund guarantees the vested benefit amount as confirmed annually to members. Interest may be added to member balances at the discretion of the Board of Trustees (i.e., 1.75% in 2024 and 1.0% in 2023). At retirement date, members have the right to take their retirement benefit as a lump sum, an annuity or part as a lump sum with the remaining balance converted to a fixed annuity at the rates defined in the fund rules. The Board of Trustees may change the conversion rate at their discretion subject to the plan's funded status and the requirements of the Swiss Federal Law on Occupational Retirement, Survivors' and Disability Pension Plan (BVG).

Other defined benefit plans

The remaining defined benefit plans are located in Austria, Germany, Great Britain, Italy, Taiwan, Korea, the Philippines, France, Japan and India. Only the last three plans listed are still open for new plan participants.

Other long-term employee benefits

Other long-term employee benefits comprise jubilee and other long service benefits, a long-term incentive and other long-term employee benefits. The relevant period for the long-term incentive is 2023-2025, with final payment to be made in 2026. Historically, the level of outflows concerning other long-term employee benefits (excluding the long-term incentive) has been constant each year.

Short-term employee benefits

Short-term employee benefits such as short-term variable compensation are included in accrued expenses (see note 6.6).

Defined contribution plans

The employer's contribution totals CHF 61 million (2023: CHF 58 million).

Employee benefit obligations (defined benefit plans and other long-term benefits)

in CHF million

	2023			2024		
	Funded	Unfunded	Total	Funded	Unfunded	Total
Switzerland						
Fair value of plan assets	984	–	984	1,082	–	1,082
Present value of defined benefit obligation	(1,055)	–	(1,055)	(1,189)	–	(1,189)
Net defined benefit (liability)/asset at December 31	**(71)**	**–**	**(71)**	**(107)**	**–**	**(107)**
Other plans						
Fair value of plan assets	111	–	111	110	–	110
Present value of defined benefit obligation	(150)	(46)	(196)	(149)	(47)	(196)
Net defined benefit (liability)/asset at December 31	**(39)**	**(46)**	**(85)**	**(39)**	**(47)**	**(86)**
Total						
Fair value of plan assets	1,095	–	1,095	1,192	–	1,192
Present value of defined benefit obligation	(1,205)	(46)	(1,251)	(1,338)	(47)	(1,385)
Net defined benefit (liability)/asset at December 31	**(110)**	**(46)**	**(156)**	**(146)**	**(47)**	**(193)**
Present value of other employee benefits	–	(110)	(110)	–	(152)	(152)
Total net book value of employee benefits at December 31	**(110)**	**(156)**	**(266)**	**(146)**	**(199)**	**(345)**
Thereof current portion			(28)			(43)
Thereof non-current portion			(238)			(302)

Reconciliation of present value of defined benefit obligation and fair value of plan assets

in CHF million

	2023			2024		
	Present value of obligation	Fair value of plan assets	Total	Present value of obligation	Fair value of plan assets	Total
Opening balance at January 1	**(1,181)**	**1,081**	**(100)**	**(1,251)**	**1,095**	**(156)**
Current service cost	(24)	–	(24)	(45)	–	(45)
Past service cost	19	–	19	6	–	6
Interest (expense)/income	(29)	27	(2)	(24)	20	(4)
Total amount recognized in profit or loss	**(34)**	**27**	**(7)**	**(63)**	**20**	**(43)**
Actuarial gains/(losses) arising from changes in demographic assumptions	2	–	2	–	–	–
Actuarial gains/(losses) arising from changes in financial assumptions	(82)	–	(82)	(52)	–	(52)
Actuarial gains/(losses) arising from experience adjustments	–	–	–	(39)	–	(39)
Return on plan assets excluding interest income	–	(11)	(11)	–	45	45
Total remeasurements recognized in other comprehensive income	**(80)**	**(11)**	**(91)**	**(91)**	**45**	**(46)**
Contributions by employer	–	33	33	–	46	46
Contributions by plan participants	(19)	19	–	(26)	26	–
Benefits paid	53	(49)	4	53	(46)	7
Currency translation adjustment	10	(5)	5	(7)	6	(1)
Total other movements	**44**	**(2)**	**42**	**20**	**32**	**52**
Closing balance at December 31	**(1,251)**	**1,095**	**(156)**	**(1,385)**	**1,192**	**(193)**

In the income statement, the various components of the defined benefit costs are included as follows:

- Total service cost – in personnel expenses (see note 3.1) and
- Interest income and expense – in other income and expenses (net) (see note 5.5)

Plan asset classes

financial amounts in CHF million

	2023				2024			
	Quoted market price	Non-quoted market price	Total	%	Quoted market price	Non-quoted market price	Total	%
Cash and cash equivalents	41	–	41	4	39	–	39	3
Equity instruments (including private equity funds)	224	48	272	25	200	68	268	23
Debt instruments (e.g., bonds)	318	–	318	29	361	–	361	30
Real estate and investments in infrastructures	9	311	320	29	42	309	351	29
Derivatives	(1)	–	(1)	–	(4)	–	(4)	–
Investment funds	45	4	49	4	51	5	56	5
Others	–	96	96	9	–	121	121	10
Total plan assets at fair value	**636**	**459**	**1,095**	**100**	**689**	**503**	**1,192**	**100**

The Group does not make use of any assets held by pension plans.

Cash and cash equivalents are primarily invested in money market funds and current accounts with financial institutions that mostly have at least an “A” rating.

Equity instruments represent investments in equity funds and direct investments. They generally have quoted market prices in an active market. The pension plans’ assets do not include any shares of Hilti Corporation.

Debt instruments (e.g., bonds) generally have a credit rating that is no lower than “BBB”, have quoted market prices in an active market and are primarily direct investments. Compound financial instruments include convertible bonds.

Real estate represents indirect and direct investments in residential and commercial properties, as well as in infrastructures. Indirect investments comprise listed and unlisted real estate funds, investment foundations and unlisted real estate fund of funds. Direct investments are primarily held in residential properties in Liechtenstein. Directly held real estate is periodically valued by an independent expert.

Investment funds represent investments with an insurance company and a mandate with a bank which invests in alternative asset classes (e.g., hedge funds and commodities). In the case of investment funds, quoted market prices in an active market are usually not available.

The position Others primarily includes mezzanine investments and insurance-linked securities, among others. Leveraging and short selling is prohibited. Quoted market prices in an active market are usually not available.

Plan members at December 31

financial amounts in CHF million

	2023				2024			
	Active	Deferred	Retired	Total	Active	Deferred	Retired	Total
Plan members	6,475	667	1,767	8,909	7,684	630	1,813	10,127
Defined benefit obligation	(630)	(78)	(543)	(1,251)	(734)	(75)	(576)	(1,385)
Defined benefit obligation share in % of total	51	6	43	100	53	5	42	100
Average weighted duration in years	16.4	17.9	10.8	14.0	16.1	16.1	11.4	14.1

The employer's best estimate of contributions expected to be paid to defined benefit plans for the financial year 2024 is CHF 42 million.

Actuarial assumptions

Actuarial assumptions are based on long-term economic factors in the respective countries. Each item of "Other plans" is a weighted average in relation to the relevant underlying component. The significant assumptions are as in the table below.

Life expectancy is reflected in the defined benefit obligations by using mortality tables of the country in which the plan is located. The generational tables BVG/LPP 2020 (2023: BVG/LPP 2020) have been used for Switzerland.

The following impacts on the defined benefit obligation would result from changes in actuarial assumptions:

- A 0.25% increase/decrease in the discount rate would lead to a decrease/increase of 3.5% in the defined benefit obligation
- A 0.25% increase/decrease in expected future salaries would lead to an increase/decrease of 0.4% in the defined benefit obligation
- A one-year increase/decrease in life expectancy would lead to an increase/decrease of 2.8% in the defined benefit obligation

The sensitivity analysis is based on realistically possible changes as of the end of the reporting period. Each change in a significant actuarial assumption was analyzed separately as part of the test. Interdependencies were not taken into account.

in %

	2023			2024		
	Switzerland	Other plans	Total	Switzerland	Other plans	Total
Discount rate	1.50	3.73	1.85	1.00	4.00	1.43
Future salary increase	1.50	1.31	1.47	1.50	1.43	1.49
Future pension increase	–	2.00	0.31	–	2.01	0.28

4 Tangible and intangible assets

4.1 Property, plant and equipment

Accounting policies

Land is valued at historical cost less accumulated impairment losses, if any. Other property, plant and equipment consist mainly of office equipment, testing instruments, leasehold improvements and vehicles and are recognized at historical cost less accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost includes transfers from equity of any gains or losses on qualifying cash flow hedges. Historical cost may also include transfers from equity of gains/losses on qualifying cash flow hedges of foreign currency purchases of tangible fixed assets.

Depreciation is calculated using the straight-line method to allocate the historical costs of assets over their estimated useful lives. Additions to accumulated depreciation are included in the depreciation and amortization line item of the income statement. The estimated useful lives of depreciable property, plant and equipment are:

Buildings	20 to 40 years
Plant and machinery	5 to 15 years
Other operating assets	2 to 10 years

An impairment test is performed whenever impairment indicators are identified. If the test reveals that the carrying amount exceeds the recoverable amount, the carrying amount is reduced accordingly. Impairment losses are recognized in the income statement.

Property, plant and equipment

in CHF million

	2023					2024				
	Land and buildings	Plant and machinery	Other operating assets	Assets under construction	Total	Land and buildings	Plant and machinery	Other operating assets	Assets under construction	Total
Cost										
Opening balance at January 1	897	795	635	202	2,529	982	792	682	121	2,577
Change in scope of consolidation	1	1	5	–	7	–	(5)	(6)	–	(11)
Additions	20	29	84	91	224	9	30	43	52	134
Disposals	(1)	(23)	(39)	–	(63)	(16)	(22)	(34)	–	(72)
Other transfers	96	22	47	(165)	–	43	26	12	(81)	–
Currency translation adjustment	(31)	(32)	(50)	(7)	(120)	3	4	20	–	27
Closing balance at December 31	982	792	682	121	2,577	1,021	825	717	92	2,655
Accumulated depreciation										
Opening balance at January 1	(379)	(645)	(439)	–	(1,463)	(389)	(637)	(436)	–	(1,462)
Change in scope of consolidation	(1)	(1)	(2)	–	(4)	–	2	5	–	7
Additions	(26)	(33)	(60)	–	(119)	(28)	(34)	(60)	–	(122)
Disposals	1	18	35	–	54	13	18	32	–	63
Other transfers	2	–	(2)	–	–	–	–	–	–	–
Currency translation adjustment	14	24	32	–	70	(2)	(3)	(13)	–	(18)
Closing balance at December 31	(389)	(637)	(436)	–	(1,462)	(406)	(654)	(472)	–	(1,532)
Net book values at December 31	593	155	246	121	1,115	615	171	245	92	1,123

Capital expenditure, shown as additions to cost, relates primarily to manufacturing facility enhancements and extensions of sales organizations.

As at December 31, 2024, the Group had entered into firm commitments for capital expenditures of CHF 13 million (2023: CHF 18 million).

4.2 Leases

Accounting policies

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, whether the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As lessee

The Group, as a lessee, identified leases mainly relating to rental contracts for buildings (e.g., offices, warehouses, retail stores) and vehicles. Contracts may contain both lease and non-lease components; the Group has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets, which are recognized as expenses on a straight-line basis over the lease terms.

At the date at which the leased asset is available for use, the Group recognizes lease liabilities to make lease payments and right of use assets representing the right to use the underlying assets.

At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of lease payments to be made over the lease term, which include:

- Fixed payments, less any lease incentives receivable
- Variable lease payments that are based on an index or a rate
- Amounts expected to be payable by the Group under residual value guarantees
- The exercise price of a purchase option if the Group is reasonably certain to exercise that option
- Payments of penalties for terminating the lease

Lease liabilities are subsequently increased by the interest cost on the lease liability and are decreased by lease payments made.

The Group has several lease contracts that include extension and termination options. Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The Group applies judgment in evaluating whether it is reasonably certain whether or not the option to renew or terminate the lease will be exercised, considering relevant facts and circumstances that create an economic incentive.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right of use asset in a similar economic environment with similar terms, security and conditions.

The right of use assets are initially measured at cost comprising the following:

- The amount of the initial measurement of lease liability
- Any lease payments made at or before the commencement date less any lease incentives received
- Any initial direct costs
- Restoration costs

Subsequently, the right of use assets are measured at cost less any accumulated depreciation and impairment losses and adjusted for any remeasurement of lease liabilities.

Right of use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, or if the purchase option is exercised, the right of use asset is depreciated over the underlying asset's useful life.

The carrying amount of the right of use assets is derecognized at the end date of the contract or before in case of early termination.

Right of use assets

in CHF million

	2023				2024			
	Buildings	Vehicles	Others	Total	Buildings	Vehicles	Others	Total
Cost								
Opening balance at January 1	477	275	8	760	**514**	**275**	**10**	**799**
Change in scope of consolidation	4	2	–	6	(17)	(3)	–	(20)
Additions	104	108	4	216	76	102	3	181
Disposals	(27)	(87)	(1)	(115)	(35)	(86)	(3)	(124)
Currency translation adjustment	(44)	(23)	(1)	(68)	20	8	–	28
Closing balance at December 31	514	275	10	799	**558**	**296**	**10**	**864**
Accumulated depreciation								
Opening balance at January 1	(198)	(140)	(4)	(342)	**(225)**	**(131)**	**(5)**	**(361)**
Change in scope of consolidation	–	–	–	–	13	2	–	15
Additions	(67)	(74)	(2)	(143)	(67)	(78)	(2)	(147)
Disposals	20	72	1	93	22	71	2	95
Currency translation adjustment	20	11	–	31	(9)	(3)	–	(12)
Closing balance at December 31	(225)	(131)	(5)	(361)	**(266)**	**(139)**	**(5)**	**(410)**
Net book values at December 31	289	144	5	438	**292**	**157**	**5**	**454**

Lease liabilities

in CHF million

	2023	2024
< 1 year[1]	121	132
1 to < 2 years	95	104
2 to < 5 years	145	152
≥ 5 years	103	95
Total lease liabilities	464	**483**

[1] In 2024, this includes CHF 1 million lease liability with related party, detailed information is given in note 8.4

The consolidated income statement shows the following amounts relating to leases:

in CHF million

	2023	2024
Depreciation	(143)	(147)
Interest expense[1]	(17)	(20)
Expense relating to short-term leases[2]	(14)	(13)
Expense relating to low-value assets that are not short-term leases[2]	(17)	(14)
Expense relating to variable lease payments not included in lease liabilities[2]	(41)	(41)
Expense relating to leases relating to software and other intangible assets[2]	(59)	(80)

[1] Included in finance costs (see note 5.5)
[2] Included in other operating expenses (see note 2.3)

4.3 Intangible assets

Accounting policies

Intangible assets with finite useful lives are amortized on a straight-line basis over their useful life and tested for impairment when indicators of impairment are identified. Intangible assets that have an indefinite useful life, like goodwill, or intangible assets not ready to use are not subject to amortization and are tested annually for impairment, or when indicators of impairment are identified.

Goodwill is recognized at cost less any accumulated impairment losses, which are not reversed. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are largely independent cash flows (CGU).

Development costs are recognized as an asset only when the expenditure attributable to the internally generated intangible asset can be measured reliably and it is probable that the intangible asset will generate future economic benefits directly attributable to the costs. Only costs for certain product development projects, subjected to a stringent review process, meet this condition. These assets are typically amortized on a straight-line basis over a five-year period, beginning when the assets are ready for use, meaning the underlying project is ready to be launched on the market and capable of generating revenue. All other development costs are recognized directly as an expense when incurred.

Other intangible assets consist of database and application software as well as manufacturing patents, which are recognized at historical cost less accumulated amortization and accumulated impairment losses, if any, and of customer contracts, patents, trademarks and licenses, which were acquired as part of a business combination and initially recognized at fair value at the date of acquisition. They are amortized on a straight-line basis over their estimated useful lives, which are mostly periods of between three and ten years. Other periods may be used where specific contractual conditions apply.

Additions to accumulated amortization and impairment losses are included in the depreciation and amortization line item of the income statement.

Management judgment and estimates

An impairment loss is recognized for the amount by which the carrying amount of an asset or a cash-generating unit (CGU) exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use.

For impairment of goodwill, the recoverable amounts of CGU are determined based on value-in-use calculations which require medium- and long-term estimates. The discounted cash flow model adopted is most sensitive to the following key assumptions, which are tested for sensitivity:

- Forecasts of free cash flows, which are based on the expected sales volumes of the CGU in years one to four and the long-term growth rate, for the terminal value beyond year four
- Pre-tax discount rate, which is based on external and internal data

For impairment of development costs, the recoverable amount is determined based on the discounted cash flow forecast of the underlying project.

Intangible assets

in CHF million

	2023				2024			
	Goodwill	Development costs	Other intangible assets	Total	Goodwill	Development costs	Other intangible assets	Total
Cost								
Opening balance at January 1	233	1,339	354	1,926	**440**	**1,365**	**474**	**2,279**
Change in scope of consolidation	241	–	119	360	–	–	–	–
Additions	–	211	16	227	–	209	11	220
Disposals	–	(185)	(1)	(186)	–	(33)	–	(33)
Currency translation adjustment	(34)	–	(14)	(48)	13	–	–	13
Closing balance at December 31	440	1,365	474	2,279	**453**	**1,541**	**485**	**2,479**
Accumulated amortization								
Opening balance at January 1	–	(474)	(168)	(642)	**–**	**(459)**	**(207)**	**(666)**
Change in scope of consolidation	–	–	(1)	(1)	–	–	–	–
Additions	–	(169)	(44)	(213)	–	(176)	(54)	(230)
Impairment losses	–	(1)	–	(1)	–	(15)	–	(15)
Disposals	–	185	–	185	–	33	–	33
Currency translation adjustment	–	–	6	6	–	–	1	1
Closing balance at December 31	–	(459)	(207)	(666)	**–**	**(617)**	**(260)**	**(877)**
Net book values at December 31	440	906	267	1,613	**453**	**924**	**225**	**1,602**

The goodwill arises for CHF 71 million (2023: CHF 73 million) from the acquisition of the Oglaend Group in 2017, for CHF 147 million (2023: CHF 136 million) from the acquisition of Fieldwire Inc. in 2021 and for CHF 235 million (2023: CHF 231 million) from the acquisition of the 4PS Group in 2023. Based on the assessment made in the current year, no impairment losses have been recognized in the consolidated financial statements for the reporting period.

For impairment testing purposes, goodwill of Oglaend is solely allocated to the Group's offshore business as CGU. The goodwill recognized on Fieldwire and 4PS is accelerating the Group's capability to deliver productivity to customers through software solutions and strengthen its software portfolio and is allocated to the whole Hilti Group.

The projected cash flows for Oglaend largely depend on management's expectations concerning the development of the offshore market and the planned business focus by the Group on this area of operation. The projected cash flows for Fieldwire and 4PS are largely dependent on management's expectations concerning the whole Hilti Group.

For Oglaend, the pre-tax discount rate of 9.5% (2023: 10.7%) reflects the specific risks to the CGU offshore and is derived from its weighted average cost of capital (WACC). For Fieldwire and 4PS acquisitions, the Group WACC was applied to reflect the risk of the whole Group.

The future cash flows are estimated based on the business plan approved by management in general covering a four-year forecast period from 2025 to 2028. For Oglaend, a sale growth rate in a range from 5 to 10% was estimated for these years. For Fieldwire and 4PS, the sale growth was consistent with the expected average growth rates of the Group.

For all acquisitions, it is estimated a long-term growth rate for the terminal value beyond 2028 of 2.0% (2023: 2.0%), based upon management's expectations corroborated by external information sources and does not exceed the long-term average growth rate customarily used for the relevant countries and markets.

The key assumptions were tested for sensitivity by applying a reasonably possible change. Reasonably possible changes in the key assumptions would not result in an impairment of goodwill.

5 Financing and capital

5.1 Financial assets

Accounting policies

For the purpose of identifying accounting policies applied, after initial recognition, financial assets are classified as subsequently measured:

- at amortized cost and
- at fair value through profit or loss (FVPL)

For all classes of financial assets, purchases and sales are recognized on the trade date (the date on which the Group commits to purchase or sell the asset). Financial assets are derecognized when the rights to receive cash flows from the assets have expired or have been transferred.

Financial assets are included in the current assets if they are either held for trading or are expected to be realized within 12 months of the balance sheet date; otherwise, they are classified as non-current assets.

Financial assets measured at amortized cost
This category includes loans and trade and other receivables, held within a business model whose objective is to collect contractual cash flows, which are solely of payments, fixed or determinable, of principal and interest. They arise when, in the ordinary course of business, the Group provides money, goods or services directly to a debtor with no intention of trading the receivable.

Financial assets measured at amortized costs are initially recognized at fair value plus directly attributable transaction costs and subsequently measured at amortized cost using the effective interest method. Detailed information concerning trade receivables is given in note 6.2.

Financial assets measured at fair value through profit or loss
Financial assets other than those classified as measured at amortized cost are initially recognized at fair value with applicable transaction costs immediately recognized in the income statement. Subsequently, they are measured at fair value with all changes in fair value recognized in the income statement. The financial assets at fair value through profit and loss include investments in deposits and equities restricted to the funding of a deferred compensation plan for employees.

These financial assets are classified as held for trading, as acquired principally for the purpose of selling in the short term or so designated by management. Other financial assets mandatorily measured at fair value through profit or loss mainly comprise other investments in equities. Derivatives are also categorized as held for trading unless they are designated as hedges.

Fair value estimation
Financial instruments measured at fair value are assigned to one of the following three hierarchy levels according to the input data available:

Level 1:
Fair values are determined using quoted prices in active markets.

Level 2:
Fair values are determined using quoted prices in inactive markets or according to the discounted cash flow method based on observable market data.

Level 3:
Fair values are determined by using external valuations or according to the discounted cash flow method based on unobservable data.

Financial assets listed according to the measurement categories are as follows:

in CHF million

	Measurement categories	2023			2024			Fair value measurement hierarchy
		Current	Non-current	Total	Current	Non-current	Total	
Trade and other receivables	Amortized cost	1,408	1,105	2,513	1,489	1,245	2,734	
Cash and cash equivalents	Amortized cost	886	–	886	914	–	914	
Other financial assets								
Held for trading	FVPL	24	–	24	28	–	28	Level 1
Other financial investments	FVPL	2	23	25	–	21	21	Level 2
Derivative financial instruments								
Used for hedging	FVPL	3	5	8	2	13	15	Level 2
Held for trading	FVPL	17	–	17	3	–	3	Level 2
Total other financial assets		46	28	74	33	34	67	
Total financial assets		2,340	1,133	3,473	2,436	1,279	3,715	

The maximum exposure to credit risk at the end of the reporting period is the carrying amount of each class of financial assets mentioned above.

There were no transfers between levels 1 and 2 during the current period or the prior period.

5.2 Financial liabilities

Financial liabilities

Accounting policies

Financial liabilities comprise trade and other payables, bonds and borrowings, measured at amortized cost; derivative financial instruments, measured at FVPL; and lease liabilities.

Detailed information regarding trade and other payables, lease liabilities and derivative financial instruments is given in notes 6.4, 4.2 and 5.4, respectively.

Borrowings are recognized initially at fair value net of transaction costs incurred and subsequently measured at amortized cost, with any difference between the amount at initial recognition and the redemption value being recognized in the income statement over the period of the borrowings using the effective interest method. Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

Financial liabilities are derecognized when the contractual obligations are fulfilled, cancelled or expire.

Financial liabilities listed according to the measurement categories:

in CHF million

	Measurement categories	2023			2024			Fair value measurement hierarchy
		Current	Non-current	Total	Current	Non-current	Total	
Trade and other payables	Amortized cost	630	22	652	**688**	**25**	**713**	
Other financial liabilities								
Bonds[1]	Amortized cost	100	504	604	150	362	512	
Bank borrowings	Amortized cost	113	83	196	135	70	205	
Lease liabilities	n/a	121	343	464	132	351	483	
Derivative financial instruments								
Used for hedging	FVPL	2	–	2	2	–	2	Level 2
Held for trading	FVPL	3	–	3	7	–	7	Level 2
Total other financial liabilities		339	930	1,269	**426**	**783**	**1,209**	
Total financial liabilities		969	952	1,921	**1,114**	**808**	**1,922**	

[1] In 2024, the non-current bond value includes fair value hedge adjustments of CHF 13 million (2023: CHF 5 million) related to hedge accounting

There were no transfers between levels 1 and 2 during the current period or the prior period.

Bonds

financial amounts in CHF million	2023	2024
Maturity		
< 1 year	100	150
1 to < 2 years	150	100
2 to < 3 years	100	100
3 to < 4 years	100	–
4 to < 5 years	–	–
≥ 5 years	154	162
Total bonds	**604**	**512**
Further information		
Fair values	601	514
Average effective interest rates (in %)	0.9	1.1

The bonds were issued by Hilti Corporation. Further details of the individual bonds are given in the Information on Financing and Capital section (see here).

The fair values of Swiss franc bonds totaling CHF 514 million (2023: CHF 601 million) are based on the quoted market prices and are within level 1 of the fair value hierarchy.

Long-term bank borrowings

in CHF million	2023	2024
Maturity		
1 to < 2 years	38	38
2 to < 5 years	45	32
≥ 5 years	–	–
Total long-term bank borrowings	**83**	**70**
Currency		
EUR	82	70
RUB	1	–
Total long-term bank borrowings	**83**	**70**

In certain countries, in order to finance its fleet management business, the Group enters into dedicated refinancing structures, either based on sale-and-leaseback transactions of the underlying assets and therewith subsequently subleasing the tools to the customers, or by a sale of the according account receivables on a non-recourse basis to financial institutions or similar vehicles. As the transfers do not qualify as sales in accordance with IFRS 15 Revenues from contracts with customers, the Group recognizes the related financial liabilities equal to the transfer proceeds as bank borrowings. In 2024, CHF 70 million (2023: CHF 82 million) of the total long-term bank borrowings are secured by non-recourse sale of fleet management business-related account receivables in the same amount (see note 6.2). Nil (2023: CHF 1 million) of the total long-term bank borrowings are secured by the underlying assets subleased to customers.

Short-term bank borrowings

in CHF million	2023	2024
Currency		
EUR	46	41
USD	15	29
JPY	16	23
TRY	7	19
Other	29	23
Total short-term bank borrowings	**113**	**135**

In 2024, CHF 41 million (2023: CHF 46 million) of the total short-term bank borrowings are secured by a non-recourse sale of fleet management business-related account receivables in the same amount (see note 6.2). In addition, nil (2023: CHF 1 million) of the total short-term bank borrowings are secured by the underlying assets subleased to customers in the same amount.

5.3 Debt reconciliation

in CHF million

	January 1, 2024	Cash flow	Non-cash changes: Change in scope of consolidation	Non-cash changes: Acquisition/ disposal of leases	Non-cash changes: Exchange differences	Non-cash changes: Other non-cash changes	December 31, 2024
Bonds	604	(100)	–	–	–	8	512
Long-term borrowings	83	–	(1)	–	2	(14)	70
Lease liabilities	464	(144)	(7)	153	17	–	483
Other long-term loans[1]	5	–	–	–	–	–	5
Short-term bank borrowings	113	9	–	–	(1)	14	135
Total liabilities from financing activities	**1,269**	**(235)**	**(8)**	**153**	**18**	**8**	**1,205**

[1] Included in trade and other payables (see note 6.4)

in CHF million

	January 1, 2023	Cash flow	Non-cash changes: Change in scope of consolidation	Non-cash changes: Acquisition/ disposal of leases	Non-cash changes: Exchange differences	Non-cash changes: Other non-cash changes	December 31, 2023
Bonds	450	149	–	–	–	5	604
Long-term borrowings	37	54	1	–	(5)	(4)	83
Lease liabilities	438	(134)	6	193	(39)	–	464
Other long-term loans[1]	4	1	–	–	–	–	5
Short-term bank borrowings	211	(89)	–	–	(13)	4	113
Total liabilities from financing activities	**1,140**	**(19)**	**7**	**193**	**(57)**	**5**	**1,269**

[1] Included in trade and other payables (see note 6.4)

5.4 Derivative financial instruments

Accounting policies

Derivatives are only used for economic hedging purposes and not as speculative investments. Hedge effectiveness is determined and documented at the inception of the hedge relationship, through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and the hedging instrument. The Group also documents its risk management objective and strategy for undertaking its hedge transactions.

Derivatives are initially recognized at fair value on the date a derivative contract is entered into and are subsequently remeasured at their fair value. The method of recognizing the resulting gain or loss depends on the nature of the item being hedged. The Group designates certain derivatives as one of:

- Fair value hedges – Hedges of the fair value of recognized assets or liabilities or a firm commitment
- Cash flow hedges – Hedges of highly probable forecast transactions

The Group enters into derivative contracts to hedge the foreign currency risks arising from forecast foreign currency sales and purchases transactions and foreign currency investment positions. The critical terms of the hedging instrument match exactly with the terms of the hedged item. The Group performs a qualitative assessment to identify any changes in circumstances affecting the critical terms. The applicable derivative contracts are designated as cash flow, fair value and net investment hedges, respectively.

Moreover, the Group enters into interest rate swaps. The hedged item is identified proportionally to the outstanding loans up to the notional amount of the swaps. As based on an effectiveness assessment of all critical terms matched at any time, the economic relationship was 100% effective.

There was no ineffectiveness to be recognized in the income statement. All contracts have a maturity of less than 12 months. The fixed interest rate of the interest rate swaps is 1.9% (2023: 1.9%) and the floating rate is SARON.

Derivative contracts to hedge foreign currency risks and interest rate risks outstanding at the balance sheet date are as follows:

Contract face amounts

in CHF million

	2023					2024				
	CHF	USD	EUR	Other	Total	CHF	USD	EUR	Other	Total
Foreign currency forward contracts	–	155	185	350	690	–	203	164	414	781
Outstanding interest rate swaps	150	–	–	–	150	150	–	–	–	150

Reconciliations for derivative financial instruments

in CHF million

	2023			2024		
	Foreign currency risks	Interest rate risks	Total	Foreign currency risks	Interest rate risks	Total
Current assets	20	–	20	5	–	5
Non-current assets	–	5	5	–	13	13
Current liabilities	(5)	–	(5)	(9)	–	(9)
Non-current liabilities	–	–	–	–	–	–
Total net book value derivative financial instruments at December 31	**15**	**5**	**20**	**(4)**	**13**	**9**

The cash flow hedging reserve in equity, net of tax, amounts to CHF 0 million (2023: CHF 1 million).

The Group enters into derivative financial instruments with various counterparties, principally financial institutions with investment grade credit ratings of at least "A" according to Standard & Poor's.

5.5 Financial result

Finance costs

Finance costs are reported at the gross interest expense amount. Interest expense includes interest on lease liabilities; see note 4.2.

Other income and expenses (net)

in CHF million

	2023	2024
Interest and dividend income	11	10
Gains/(losses) arising from valuation changes on financial assets and fair value hedging instruments	(1)	(3)
Gains/(losses) on foreign currency hedging instruments	31	(33)
Gains/(losses) on foreign currencies	(71)	8
Net interest income/(expense) on defined benefit plans	(2)	(4)
Total other income and expenses (net)	**(32)**	**(22)**

5.6 Equity

Accounting policies

Dividend distributions to the Hilti Corporation's shareholder are recognized as liabilities in the Group's financial statements in the periods in which the dividends are approved by the Corporation's shareholder.

The share capital consists of 253,440 registered and fully paid shares with a par value of CHF 500 each. 100% of the registered shares of the Hilti Corporation are owned by the Martin Hilti Family Trust. As at December 31, 2024, Hilti has no authorized capital to issue.

The capital reserve contains the share premium from capital increases and capital accruing from mergers in previous years.

A dividend in respect of the year ended December 31, 2024 of CHF 279 million (financial year 2023: CHF 279 million) is to be proposed at the Annual General Assembly.

6 Net working capital

Net working capital is the capital invested in the Group's operating activities. Net working capital equals current assets and current liabilities – excluding current other financial and non-financial assets and liabilities and employee benefits. For completeness, non-current trade receivables and non-current trade and other payables are also reported in this section.

6.1 Inventories

Accounting policies

Inventories are stated at the lower of cost and net realizable value. Cost is determined using the standard cost method with variances capitalized at acquisition and production and recognized in the income statement together with the standard cost of inventory at the time of sale. Standard costs are annually reviewed and updated in light of current conditions. Cost determined under this method approximates cost determined under the FIFO method.

Management judgment and estimates

Write-downs of inventories are recognized for particular items when net realizable value falls below cost. The determination of net realizable value is made using a valuation process based on the ageing of items, with ageing parameters set based on estimates of historical loss experience. This process assumes a linear realizable value reduction based on age.

Inventories

in CHF million

	2023	2024
Raw materials	93	86
Work in progress	10	12
Finished goods	675	756
Total inventories	**778**	**854**

The change in inventories includes a change in scope of consolidation which decreases the inventories by CHF 21 million and a currency translation adjustment which increases the inventories by CHF 12 million in 2024. The currency translation adjustment is due to the change in closing rates in 2024 compared to those in 2023.

The allowance made for possible inventory losses due to age and obsolescence totals CHF 68 million (2023: CHF 79 million). The change in the allowance recognized in the income statement is CHF 8 million (2023: CHF 0 million) and is included in the line change in inventory under the material costs (see note 2.3).

6.2 Trade receivables

Accounting policies

Trade receivables that do not have a significant financing component are initially recognized at their transaction price and subsequently measured at amortized cost, which equals their transaction value less expected credit losses (ECL).

The Group manufactures goods which are sold or leased to the customers. The Group classifies its leases as operating lease or finance lease and accounts for these two types of leases differently. Finance lease transfers substantially all the risks and rewards incidental to ownership to the lessee. For such a lease, a receivable is recognized at the amount of the net investment in the lease, while the selling profit, recognized in the income statement, as part of Hilti's integrated business model, is substantially in line with the selling profit of the goods sold outright (detailed information related to revenue from finance lease is given in note 2.1).

ECLs are recognized for financial assets measured at amortized cost and finance lease receivables. A credit loss is the present value of the difference between the contractual cash flows and the cash flows that the entity expects to receive.

For trade receivables that do not contain a significant financing component, the Group elected to adopt the simplified approach, which allows entities to use a provision matrix to recognize lifetime ECL. The provision matrix is based on historical loss patterns, reflecting the customers' payment behavior in the different countries, adjusted for forward-looking estimates.

The amount of the loss allowances is calculated based on ageing applied to the following categories: normal or doubtful. A write-off is made when all or part of the financial asset is deemed uncollectible or forgiven.

For finance lease receivables, the Group elected to calculate the 12-month expected credit loss model based on the historical default rates.

Management judgment and estimates

Losses on trade receivables are recognized when they are expected, which requires management's best estimate of probable losses. Such estimates require consideration of historical loss experience, adjusted for current conditions, and judgments about the probable effects of relevant observable data, including the financial health of specific customers and market sectors or collateral values.

Generally, trade receivables overdue by more than 360 days are not recoverable anymore and therefore are normally fully impaired.

in CHF million	2023	2024
Trade receivables	2,475	2,737
Less adjustment for impairment of trade receivables	(139)	(152)
Trade receivables net	**2,336**	**2,585**
Other receivables	177	149
Total trade and other receivables	**2,513**	**2,734**
Thereof current portion	1,408	1,489
Thereof non-current portion	1,105	1,245
Aging of trade receivables		
Not due	2,201	2,435
Overdue by < 90 days	155	177
Overdue by 91 to 180 days	24	29
Overdue by 181 to 360 days	20	23
Overdue by > 360 days	75	73
Total trade receivables	**2,475**	**2,737**
Maturity of non-current portion		
1 to < 2 years	498	583
2 to < 3 years	365	406
3 to < 4 years	192	201
4 to < 5 years	41	41
≥ 5 years	9	14
Total non-current trade and other receivables	**1,105**	**1,245**

The closing loss allowances for trade receivables and finance lease receivables as at December 31 reconcile to the opening loss allowances as follows:

in CHF million

	2023	2024
Opening balance of adjustment for the impairment of trade receivables at January 1	138	**139**
Additional impairment adjustment charged to income statement during year	33	52
Write-offs of trade receivables charged to impairment adjustment account during year	(32)	(37)
Change in scope of consolidation	–	(2)
Closing balance of adjustment for the impairment of trade receivables at December 31	139	**152**

The change in trade and other receivables includes a currency translation adjustment which increases the trade and other receivables by CHF 54 million in 2024 (2023: decreases by CHF 180 million), due to the change in closing rates in 2024 compared to those in 2023.

The net change in the adjustment for the impairment of trade receivables is recognized in the income statement in the line losses on trade and other receivables.

Other receivables primarily consist of VAT, income tax receivables and tax refunds totaling CHF 85 million (2023: CHF 85 million) and deposits totaling CHF 27 million (2023: CHF 43 million).

Receivables totaling CHF 111 million (2023: CHF 128 million) serve as security for bank borrowings. There are no other financial assets pledged as collateral for recognized liabilities or for contingent liabilities.

Details of the finance lease receivables included in trade receivables are as follows:

in CHF million

	2023			2024		
	Gross investment in the lease	Unearned finance income	Net investment in the lease	Gross investment in the lease	Unearned finance income	Net investment in the lease
< 1 year	733	148	585	846	177	669
1 to < 5 years	1,205	146	1,059	1,356	174	1,182
≥ 5 years	3	–	3	2	–	2
Total at December 31	**1,941**	**294**	**1,647**	**2,204**	**351**	**1,853**
Accumulated allowance for uncollectible finance lease receivables			(32)			(35)

6.3 Cash and cash equivalents

Accounting policies

Cash includes cash on hand and at banks, while cash equivalents include short-term deposits with original maturities of three months or less.

Cash and cash equivalents are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

Cash totals CHF 564 million (2023: CHF 521 million); cash equivalent totals CHF 350 million (2023: CHF 365 million).

The movement in cash and cash equivalents is shown in detail in the cash flow statement and the following cash flow bridge.

in CHF million	2023	2024
Cash flow from operating activities	934	860
Capital expenditures on/disposal of intangible assets and property, plant and equipment	(441)	(337)
Payment of lease liabilities	(134)	(144)
Free cash flow	**359**	**379**
Acquisition and disposal of subsidiaries	(300)	(3)
Cash flow from financial investments	44	5
Cash flow from financing activities[1]	(165)	(370)
Effects of exchange rate changes on cash and cash equivalents	(43)	17
Total increase/(decrease) in cash and cash equivalents	**(105)**	**28**

[1] Excluding payment of lease liabilities

The Group has legal or economic restrictions on CHF 1 million (2023: CHF 2 million).

6.4 Trade and other payables

Accounting policies

Trade and other payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method. Other payables include income tax payables.

The change in trade and other payables includes a currency translation adjustment which increases trade and other payables by CHF 8 million in 2024. This is due to the change in closing rates in 2024 compared to those in 2023.

in CHF million	2023	2024
Trade payables	310	327
Other payables	342	386
Total trade and other payables	**652**	**713**
Thereof current portion	630	688
Thereof non-current portion	22	25
Maturity of non-current portion		
1 to <2 years	9	8
2 to <5 years	8	11
≥ 5 years	5	6
Total non-current trade and other payables	**22**	**25**

Other payables primarily consist of income tax payables totaling CHF 134 million (2023: CHF 96 million), liabilities for source-deducted taxes and VAT totaling CHF 113 million (2023: CHF 109 million), liabilities for social contributions totaling CHF 35 million (2023: CHF 30 million) and customers with credit balances totaling CHF 56 million (2023: CHF 55 million).

To finance its supply chain, Hilti entered supplier finance arrangements, which give its suppliers the choice to receive from a finance provider cash for outstanding receivables with Hilti earlier than the agreed payment terms. The trade payables are only settled at the time when Hilti transfers cash to the finance provider.

At the end of the current reporting period, the carrying amount of the trade payables under the supplier finance arrangements amounts to CHF 7 million (2023: CHF 11 million). The payment terms to the suppliers under this arrangement are in line with those for standard trade payables.

6.5 Accrued income and prepaid expenses

Accrued income and prepaid expenses mainly comprise prepayments for property, plant and equipment and prepaid operating expenditure to be recorded as expenses in the next accounting period.

6.6 Accrued expenses

Accrued expenses include estimates and are short-term accrued liabilities.

7 Other assets and liabilities

7.1 Other assets

Other assets comprise investment property totaling CHF 2 million (2023: CHF 2 million). In 2024, other investments in associates and joint ventures decreased to CHF 0 million (2023: CHF 3 million).

7.2 Other liabilities

Accounting policies

Other liabilities comprise provisions and contract liabilities.

The Group records provisions when it is probable that a liability has been incurred as a result of past events and the amount can be reliably estimated. These provisions are adjusted periodically as assessments change or additional information becomes available.

In the ordinary course of business, the Group is or may be involved in lawsuits, claims, investigations and proceedings, including product liability, commercial, environmental, health and safety matters, etc. The Group is currently not aware of any such matter that, either individually or in the aggregate, could likely have a material adverse effect on the company's future financial position or results of operations.

When conditions required to recognize a provision are not met, a contingent liability is disclosed, unless the likelihood of an outflow of resources is remote. Contingent liabilities also include guarantees to third parties.

Accounting policies regarding contract liabilities are disclosed under the operating income section (see note 2.1).

Provisions

in CHF million

	2023	2024
Opening balance at January 1	**25**	**53**
Additions	39	15
Amounts used	(8)	(8)
Unused reversals	(2)	(7)
Change in scope of consolidation	1	–
Currency translation adjustment	(2)	1
Closing balance at December 31	**53**	**54**
Thereof current portion	27	28
Thereof non-current portion	26	26

Provisions are, among other things, built up for obligations regarding legal claims, product liability, assurance warranty, future dismantling of buildings, restructuring and workplace accidents, which are individually not material.

Additions in 2023 and unused reversal in 2024, are mainly related to contingent considerations for the 4PS Group acquisition; detailed information is given in note 8.3.

Contract liabilities

The revenue recognized that was included in the contract liabilities balance at the beginning of the reporting period totals CHF 59 million (2023: CHF 71 million).

The Group has recognized the following revenue-related contract liabilities from contracts with customers:

in CHF million	2023	2024
Opening balance at January 1	**82**	**82**
Change in scope of consolidation	8	–
Additions	87	75
Amount released	(89)	(72)
Currency translation adjustment	(6)	3
Closing balance at December 31	**82**	**88**
Thereof current portion	59	62
Thereof non-current portion	23	26

Contingent liabilities

in CHF million	2023	2024
Guarantees	6	6
Other contingent liabilities	3	3
Total contingent liabilities	**9**	**9**

8 Other disclosures

8.1 Financial risk management

Accounting policies

Financial risk management
The Group's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and other price risks), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial performance. The Group uses derivative financial instruments to hedge certain risk exposures.

Risk management is carried out by a central treasury department (Corporate Treasury) under policies approved by the Board of Directors. Corporate Treasury identifies, evaluates and hedges certain financial risks in close cooperation with the Group's operating units. The Board provides written principles for overall risk management, as well as written policies covering specific areas, such as the use of derivative and non-derivative financial instruments, managing market risk, credit risk and investing excess liquidity.

Currency risk
The Group operates globally and is exposed to risk arising from various currency exposures. Currency risk arises from future commercial transactions, recognized assets and liabilities, and net investments in foreign operations.

Currency risk arising from future operating transactions (sales and purchases of goods and services) and recognized assets and liabilities is managed by Corporate Treasury using hedging instruments, primarily forward contracts. Corporate Treasury's general risk management practice is to hedge between 50% and 100% of the Group's anticipated net cash inflows or outflows in each major foreign currency for the subsequent 12 months. For hedge accounting purposes, forward contracts are designated against the relevant amounts of projected intercompany sales by the parent company, and 100% (2023: 100%) of projected sales qualify as 'highly probable' forecast transactions.

Currency risks arising from net investments in foreign operations are only hedged in exceptional cases.

Currency exposures arising from open balances with third parties and/or Group companies in trade and other receivables, trade and other payables, and bonds are reduced through the natural hedging (currency matching) of these items, as well as managed using hedging instruments. Currency exposures arising from cash and cash equivalents are reduced by limiting non-Swiss franc-denominated investments to the main currencies of the operative business of the Group and by limiting the proportions of investments in these currencies.

Currency risk sensitivity

At December 31, if the Swiss franc had strengthened/weakened by 10% against the US dollar, euro and all other currencies with all other variables held constant, net income for the year would have been affected as follows:

in CHF million	Swiss franc strengthened (+10%)		Swiss franc weakened (–10%)	
	2023	2024	2023	2024
USD	(3)	(7)	3	7
EUR	4	(2)	(4)	2
All other currencies	(3)	(1)	3	1

These effects result from the translation of monetary asset and liability positions held in foreign currencies and from derivative contracts to hedge these foreign currency risks and do not include any effects of foreign currency transactions during the year.

At December 31, if the Swiss franc had strengthened/weakened by 10% against the US dollar, euro and all other currencies with all other variables held constant, OCI would have been affected as follows:

in CHF million	Swiss franc strengthened (+10%)		Swiss franc weakened (–10%)	
	2023	2024	2023	2024
USD	2	2	(2)	(2)
EUR	–	–	–	–
All other currencies	7	7	(7)	(7)

These effects result from changes in the values (due to the respective Swiss franc movements) of Swiss franc derivative contracts held to hedge foreign currency risk.

Interest rate risk

The Group has investments in interest-bearing assets, mainly deposits and long-term borrowings. Interest-bearing assets and borrowings subject to variable rates or held for trading expose the Group to cash flow interest rate risk. Interest-bearing assets and borrowings subject to fixed rates and not held for trading expose the Group to fair value interest rate risk.

Virtually all the Group's interest-bearing assets are subject to variable rates or are reported at fair value through profit or loss because they are held for trading. All the Group's bond liabilities are reported at amortized cost. The interest-bearing assets are denominated primarily in Swiss franc and euro investments and the bond liabilities are effectively denominated in a combination of Swiss francs and euros. Interest rate risk arising from long-term financing (banking and capital market) liabilities is managed by Corporate Treasury by using hedging instruments, primarily interest rate swaps. Corporate Treasury's general risk management practice is to hedge the Group's relevant interest exposure.

Interest rate sensitivity

Based on December 31 levels of borrowings subject to variable rates, lease liabilities and interest-bearing assets subject to variable rates or held for trading, an increase/decrease of one hundred basis points would have affected net income as follows:

in CHF million	Increase of hundred basis points		Decrease of hundred basis points	
	2023	2024	2023	2024
All currencies	2	2	(2)	(2)

Separate simulations of the impact of interest rate changes on each of the Swiss franc, euro and US dollar investment holdings have not been completed since an increase/decrease of one hundred basis points is not considered reasonably possible for each of the three currencies.

Credit risk

Credit risk is managed on a Group basis. Virtually all credit risk arises from cash and cash equivalents (which primarily consist of demand deposits with first-class financial institutions) and from trade receivables (which represent credit exposures to customers).

The Group has significant concentrations of credit risk arising from its investments in cash and cash equivalents. These concentrations relate to demand deposits with banking institutions. For all major counterparty banking institutions, a minimum credit rating of “A” is required. The Group regularly reviews the counterparties’ creditworthiness based on the ratings issued by Standard & Poor’s. Management does not expect any losses from non-performance by these counterparties.

For trade receivables, the Group has policies in place to ensure that credit sales of products are made to customers with appropriate credit histories. In addition, an active credit management focus is maintained in all the Group’s market organizations to ensure that the impact of credit risk is minimized. Details of the impairment estimates of trade receivables are given in note 6.2. The Group has no significant concentrations of corresponding credit risk with trade receivables.

Liquidity risk

Cash flow forecasting is performed in the operating companies of the Group and aggregated by Corporate Treasury. Corporate Treasury monitors rolling forecasts of the Group’s liquidity requirements to ensure it has sufficient cash to meet operational needs, while maintaining sufficient headroom on its undrawn established borrowing facilities at all times so that the Group does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities. Such forecasting takes into consideration the Group’s debt financing plans, covenant compliance, compliance with internal balance sheet ratio targets and, if applicable, external regulatory or legal requirements – for example, currency restrictions.

Surplus cash held by the operating companies over and above the balance required for working capital management is transferred to Corporate Treasury. Corporate Treasury deposits surplus cash in current accounts and time deposits, choosing instruments with appropriate maturities or sufficient liquidity to provide sufficient headroom as determined by the above-mentioned forecasts. In line with the Group’s refinancing strategy, a five-year syndicated stand-by facility of CHF 600 million with the Group’s core banks was established in December 2021. In 2022, the Group made use of its right to extend the credit facility by one year. In 2023, Hilti strategically leveraged the rendezvous clause embedded in the Revolving Credit Facility (RCF). This initiative transformed the facility into a sustainability-linked loan, incorporating the key performance indicators (KPIs) of Scope 1 and 2 CO_2 emissions, along with the Lost-Time-Incident for occupational health and safety. The inclusion of Scope 3 CO_2 emissions as a third KPI will follow in 2025. In 2023, Hilti opted to extend the RCF for a second time, stretching its maturity date to December 2028. At the reporting date, the Group has cash and cash equivalents of CHF 914 million (2023: CHF 886 million).

The following table analyzes the Group’s non-derivative financial liabilities into relevant maturity groupings, based on the periods from the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows, including future interest payments:

in CHF million

	2023				2024			
	< 1 year	1 to < 2 years	2 to < 5 years	≥ 5 years	< 1 year	1 to < 2 years	2 to < 5 years	≥ 5 years
Bonds and borrowings	218	194	256	164	290	143	142	168
Lease liabilities	133	105	160	112	147	116	167	102
Trade and other payables	630	9	8	5	688	8	11	6

Most of the non-trading Group's gross or net settled derivative financial instruments are in hedge relationships and are due to be settled gross or net within 12 months of the balance sheet date. These contracts require undiscounted contractual cash inflows of CHF 795 million (2023: CHF 1028 million) and undiscounted contractual cash outflows of CHF 820 million (2023: CHF 1019 million). All of the non-trading Group's derivative financial instruments are in hedge relationships and are disclosed in note 5.4.

Capital structure risk management

The Group's primary objective when managing capital is to add sustainable value for investors while ensuring the independence of the Group. In order to maintain or adjust the capital structure, the Group maintains a flexible dividend policy within the limits of its overall finance policies.

The Group monitors capital on the basis of the equity ratio measured as equity in percentage of total equity and liabilities. The Group views a high equity ratio as the basis for ensuring security, capability of taking risk, independence, flexibility and creditworthiness. The Group's objective is to maintain a sufficiently high equity ratio, primarily to ensure independence from the influence of external creditors, as well as to maintain a high external credit rating to help minimize the cost of debt if and when further debt is issued.

The Group's policy is to maintain a minimum equity ratio of 45% on a mid-term basis. The following table shows equity ratio information at the balance sheet date:

financial amounts in CHF million

	2023	2024
Total equity	4,576	4,883
Total equity and liabilities	7,704	8,055
Total equity in % of total equity and liabilities	**59**	**61**

Based on the Group's credit profile and outlook as assessed by UBS Switzerland AG during 2024 on the basis of the Group's 2023 Financial Report, a credit rating of "A+, stable" was assigned (2023: "A+, stable").

8.2 Income taxes

Accounting policies

The tax expenses for the period comprise current and deferred income taxes. Income taxes are recognized in the income statement, except to the extent that they relate to items recognized in OCI; in this case, the tax is also recognized in OCI.

Current income taxes
The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities. If late payment interests and/or penalties or fines are due in connection with additional direct taxes that are payable as the result of a tax audit, a voluntary disclosure, the amendment of a tax return or the like, such payments are considered as income taxes.

Deferred income taxes
Deferred income taxes are provided in full, using the liability method, on temporary differences arising between the tax bases of

assets and liabilities and their carrying amounts in the consolidated financial statements. However, if the deferred income tax arises from initial recognition of an asset or liability in a transaction other than a business combination that, at the time of the transaction, affects neither accounting nor taxable profit or loss, it is not accounted for. Deferred income tax is determined using tax rates that have been legally or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled, and reflects uncertainty related to income taxes, if any. Deferred income tax assets are recognized to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized. Deferred income tax is provided on temporary differences arising on investments in subsidiaries, associates and joint arrangements, except where the timing of the reversal of a temporary difference is controlled by the Group and it is probable that the temporary difference will not be reversed in the foreseeable future.

Global Tax Reform
The OECD/G20 Inclusive Framework (IF) on Base Erosion and Profit Shifting (BEPS) addresses the tax challenges arising from the digitalization of the global economy via so-called "Pillar 2 Model Rules". The Pillar Two model rules apply to multinational enterprises (MNEs) with annual revenue in excess of EUR 750 million per their consolidated financial statements. The Group is in scope of respective legislation enacted or substantively enacted in various countries, in particular because of respective enactment in the Group's Headquarter Location in Liechtenstein.

The Pillar Two model rules introduce mainly three new taxing mechanisms under which MNEs would pay a minimum level of tax (the Minimum Tax):

- The Qualified Domestic Minimum Top-up Tax (QDMTT)
- The Income Inclusion Rule (IIR)
- The Under Taxed Payments/Profits Rule (UTPR)

The new taxing mechanisms can impose a top-up tax on the income arising in basically each jurisdiction in which the Group operates. The QDMTT, IIR and UTPR do so by imposing a top-up tax in a jurisdiction whenever the effective tax rate (ETR), determined on a jurisdictional basis under the Pillar Two rules, is below a 15% minimum rate. The QDMTT and the IIR of the Pillar Two model rules were adopted in Liechtenstein starting from 1 January 2024. At the same time, Pillar Two legislation has been enacted or substantively enacted in several other jurisdictions in which the Group operates effective for the financial year beginning 1 January 2024.

The Group has performed an assessment of its potential exposure to Pillar Two income taxes based on the most recent Country-by-Country Report (CbCR) and 2024 financial information for the constituent entities in the Group. The Pillar Two ETR in most of the jurisdictions in which the Group operates is above 15% or the jurisdictions qualify for the CBCR transitional safe harbour relief, respectively. However, the Group has recognized a total expected Pillar Two current tax expense of CHF 11 million in Liechtenstein due to the QDMTT in Liechtenstein and the Liechtenstein IIR for profits realized in Panama and the United Arab Emirates. This expense is not subject to the transitional safe harbour relief because of lower local statutory tax rates. As the rules and guidance is new, uncertainties on detailed implementation exists, which may lead to adjustments on the estimates and assumptions taken. The Group continues to follow Pillar Two legislative developments, as further countries enact the Pillar Two model rules, to evaluate the potential future impact on its consolidated results of operations, financial position and cash flows beginning. The Group also continues to closely follow legislative developments in connection with Pillar One (Amount B).

Management judgment and estimates

The measurement of current and deferred income tax liabilities or assets is dependent on the judgment and interpretation of existing tax laws and regulations in the respective countries and therefore requires certain estimates. Generally, deferred tax assets and liabilities are determined based on temporary differences between the financial accounts and the tax balance and are measured relying on enacted tax rates and, if applicable, on tax rates that are anticipated to be in effect when differences are estimated to reverse, if substantively enacted. Unforeseen changes in these areas may affect the current and deferred tax asset and liability estimates. Additionally, in tax disputes, the judgments taken by management could be challenged by tax authorities, potentially resulting in the payment of additional taxes, interest and/or penalties. Consequently, deviations between the initial assumptions and the final determination of income taxes may lead to material changes to current or deferred income tax expenses for the period in which such income tax becomes definite. Furthermore, the recognition of deferred tax assets on tax loss carryforwards depends on the probability of future taxable profits of Group companies. Several internal and external factors, such as forecasts, interpretations of existing tax laws and regulations, are used in the estimation of such future profits. Tax positions are regularly and proactively clarified with external tax experts to reduce tax contingencies. If such tax positions are still considered uncertain, they are assessed and treated based on the International Financial Reporting Interpretations Committee's interpretation on "Uncertainty over Income Tax Treatments" (IFRIC 23).

The tax on the Group's profit before tax differs from the theoretical amount that would arise using the weighted average tax rate applicable to profits of the consolidated companies as follows:

financial amounts in CHF million

	2023	2024
Net income before income tax	**700**	**699**
Tax calculated at domestic tax rates applicable to profits in the respective countries	(130)	(105)
Income not subject to tax	9	8
Expenses not deductible for tax purposes	(11)	(15)
Utilization of previously unrecognized tax losses	5	–
Tax losses for which no deferred tax asset has been recognized	(1)	(5)
Tax attributable to prior years	(9)	1
Pillar Two current tax expense	–	(11)
Other effects	(3)	(11)
Income tax expenses	**(140)**	**(138)**
Thereof current tax	(108)	(143)
Thereof deferred tax	(32)	5
Weighted average applicable tax rate (%)	18.6	15.0

The line "Other effects" includes the effects of changes in tax rates and expenses or incomes subject to different tax rates.

The tax effects on other comprehensive income are as follows:

in CHF million

	2023			2024		
	Pre-tax amount	Tax	After-tax amount	Pre-tax amount	Tax	After-tax amount
Remeasurement of defined benefit plans	(91)	11	(80)	(46)	6	(40)
Cash flow hedges	(1)	–	(1)	(1)	–	(1)
Currency translation of foreign operations	(204)	3	(201)	68	(2)	66
Other comprehensive income	**(296)**	**14**	**(282)**	**21**	**4**	**25**

Deferred income tax assets and liabilities

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes relate to the same fiscal authority. The net book values are shown in the table on the right:

in CHF million

	2023	2024
Recovery of deferred tax balances		
More than 1 year	(207)	(233)
Less than 1 year	137	174
Total	**(70)**	**(59)**
Components of deferred tax balances		
Inventories	81	115
Fixed and intangible assets	21	35
Provisions and employee benefits	28	34
Receivables	(263)	(301)
Tax losses	15	8
Trade payables and contract liabilities	11	13
Other	37	37
Total	**(70)**	**(59)**
of which recognized as deferred tax assets	175	200
of which recognized as deferred tax liabilities	(245)	(259)

The movements in net deferred tax assets/(liabilities) during the reporting period and prior period are as follows:

in CHF million

	Inventories	Fixed and intangible assets	Provisions and employee benefits	Receivables	Tax losses	Trade payables and contract liabilities	Other	Total
Opening balance at January 1, 2024	**81**	**21**	**28**	**(263)**	**15**	**11**	**37**	**(70)**
Changes in scope of consolidation	(1)	–	–	–	–	–	–	(1)
(Charged)/credited to income statement	31	10	(1)	(32)	(7)	2	(3)	–
(Charged)/credited to OCI	–	–	6	–	–	–	–	6
Currency translation adjustment	4	4	1	(6)	–	–	3	6
Closing balance at December 31, 2024	**115**	**35**	**34**	**(301)**	**8**	**13**	**37**	**(59)**
Opening balance at January 1, 2023	**108**	**35**	**21**	**(236)**	**8**	**11**	**40**	**(13)**
Changes in scope of consolidation	–	(31)	–	–	1	–	–	(30)
(Charged)/credited to income statement	(19)	27	(2)	(44)	8	1	1	(28)
(Charged)/credited to OCI	–	–	11	–	–	–	–	11
Currency translation adjustment	(8)	(10)	(2)	17	(2)	(1)	(4)	(10)
Closing balance at December 31, 2023	**81**	**21**	**28**	**(263)**	**15**	**11**	**37**	**(70)**

Deferred income tax assets are recognized for tax loss carryforwards to the extent that the realization of the related tax benefit through future taxable profits is probable. Details are shown in the table on the right.

Deferred income tax liabilities have not been recognized for withholding tax and other taxes that would be payable on the unremitted earnings of certain subsidiaries totaling CHF 522 million (2023: CHF 455 million). Such amounts are permanently reinvested.

in CHF million

	2023	2024
Tax loss carryforwards recognized in deferred tax	70	40
Unused tax loss carryforwards	12	33
Total tax loss carryforwards	**82**	**73**
Expiration of unused tax loss carryforwards:		
Expiration < 1 year	–	1
Expiration 1 year to < 5 years	1	7
Expiration ≥ 5 years or no expiration date	11	25
Tax effect of unused tax loss carryforwards	4	8
Unremitted earnings subject to withholding tax or other taxes	455	522

8.3 Business combinations

Accounting policies

The Group applies the acquisition method to account for business combinations. Identifiable assets acquired, liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Group recognizes any non-controlling interest in the acquiree at the non-controlling interest's proportionate share of the recognized amounts of the acquiree's identifiable net assets. Acquisition costs are expensed as incurred.

The positive difference between the acquisition costs and the fair value of the net assets acquired is recognized as goodwill.

When the Group obtains control of an associate in a step acquisition, the previously held interests are measured at fair value at the acquisition date. Any gain or loss resulting from the remeasurement is recognized in other income. Items previously recognized in OCI are reclassified to the income statement.

During the current reporting period, the Group was not involved in any business combinations.

On October 2, 2023, the Hilti Group acquired 100% of the share capital of 4PS Group, with a headcount of more than 350 team members, which is specialized in providing business management (vertical ERP) solutions for the construction industry.

Founded in 2000 in the Netherlands, 4PS is a leading player in its domestic market and has expanded its presence to the UK, Belgium and Germany. On top of ERP functionalities such as accounting, purchasing, sales and marketing, the 4PS Construct software offers construction-specific functionalities that enable companies to manage the entire construction project life cycle. The acquisition further strengthened our software offering beyond asset management and jobsite management.

In the year of acquisition, the acquired business contributed revenues of CHF 15 million and a net loss of CHF 1 million to the Group, while losses included in OCI totaled CHF 14 million. If the acquisition had occurred on January 1, 2023, the Group's revenue would have increased by a further CHF 38 million, while net profit would have decreased by 3 million.

Details of net assets acquired are as follows:

in CHF million	2023
Purchase consideration	
Cash paid	297
Deferred payment of purchase price to sellers	1
Contingent considerations	28
Total purchase consideration	**326**

Acquisition-related costs, included in other operating expenses in the consolidated income statement for the year ended December 31, 2023, were CHF 6 million.

Contingent considerations are recognized for the future transfer of additional considerations in cash to the former owners, subject to the achievement of certain financial targets in the reporting periods 2024 and 2025. In 2023, the estimated outflow of CHF 28 million was the discounted amount based on the probability of the expected payments, which range from CHF nil to CHF 60 million. In 2024, the contingent considerations were remeasured resulting in an expected cash outflow of CHF 21 million, which range from CHF 8 million to CHF 39 million; the change in the fair value, which was determined by using external valuation (Level 3), was recognized as a valuation gain in the income statement.

The assets and liabilities recognized as a result of the acquisition are as follows:

in CHF million	2023
Fair value	
Intangible assets	118
Other operating assets and right of use assets	8
Trade and other receivables	12
Cash and cash equivalents	6
Deferred tax assets	1
Deferred tax liabilities	(31)
Other financial liabilities	(8)
Contract liabilities	(8)
Accrued liabilities	(8)
Trade and other payables	(5)
Fair value of net assets	**85**
Goodwill	**241**
Total purchase consideration	**326**
Purchase consideration settled in cash	(297)
Cash and cash equivalents in subsidiary acquired	6
Cash outflow on acquisition	**(291)**

The goodwill is attributable to the assembled workforce, the commercial synergies and economic benefits arising from the software portfolio. It will not be deductible for tax purposes. The fair value of acquired trade and other receivables was CHF 12 million, which corresponds to the gross contractual amount, expected to be fully collectible in line with the contractual timeline.

Additionally on May 31, 2023, Hilti increased to 100% its interest in Hillos GmbH, acquiring the remaining 50% of its share capital. Hillos GmbH, based in Jena, Germany, was a joint operation, founded as a development and manufacturing partnership for laser measuring devices and positioning equipment between Jenoptik AG and Hilti. In the future, Hillos will serve as a competence center for highly complex measuring tools. The transaction had no material impact on the Group's financial statements.

Transactions with non-controlling interests

During the current and prior reporting period, there were no transactions with non-controlling interests.

8.4 Related parties

Details of compensation of key management personnel are as follows:

Key management personnel compensation

financial amounts in CHF million

	2023		2024	
	Number of members	Remuneration	Number of members	Remuneration
Board of Directors	8	3	8	3
Corporate Management (Executive Board and Executive Management Team)	32	40	34	47
Total	**40**	**43**	**42**	**50**
Salaries and other short-term employee benefits		26		26
Post-employment benefits		3		3
Other employee benefits, mainly related to long-term incentive		14		21
Total employee benefits to key management		**43**		**50**

Employee benefits to key management include both fixed and variable components. The variable components are performance-linked and include a long-term incentive which is payable only if certain predetermined specific financial targets linked to the sustainable development and growth of the Group's business are achieved. The 2024 portion of the estimated ultimate amount payable has been recognized as an obligation at December 31, 2024, under the heading of other employee benefits (see note 3.2).

Loans amounting to CHF 1 million (2023: CHF 2 million) have been granted to members of the Corporate Management at market interest rates.

Other transactions and balances with the shareholder

The Hilti Corporation rendered accounting, administration, rental and other support services to the Martin Hilti Family Trust. The amount invoiced was CHF 1 million (2023: CHF 2 million). These services were charged at cost. Additionally, the Hilti Corporation has a current liability to the Martin Hilti Family Trust of CHF 1 million.

In July 2024, the Hilti Group entered into a sale and leaseback transaction with a related party, selling an office building in Switzerland and leasing it back for 21 months. The transaction was conducted at arm's length and resulted in a gain of CHF 8 million. At the end of the current reporting period, the lease liability from the lease back transaction amounts to CHF 1 million.

8.5 Other information

Events after the reporting period

In February 2025, the US Government announced tariffs on various materials imported from Canada, Mexico and China as well as steel and aluminum. While the Group is currently assessing the potential financial impact and how to mitigate it, it is too early to provide a reliable estimate.

Group companies and joint arrangements

Country	Company name and location	Activity S = sales R = research D = development P = production Se = services H = holding
Parent company		
Liechtenstein	Hilti Corporation, Feldkircherstrasse 100, P.O. Box 333, 9494 Schaan, Tel. +423 234 2111, www.hilti.group	S, R, D, P, Se, H
100% owned consolidated Group companies (subsidiaries – including production plants and market organizations)		
Albania	Hilti Albania sh.p.k., Tirana	S
Algeria	Hilti Construction Equipements EURL, Alger	S
Argentina	Hilti Argentina S.R.L., Buenos Aires	S
Australia	Hilti (Aust.) Pty. Ltd., Rhodes New South Wales	S
Austria	Hilti Austria Gesellschaft m.b.H., Vienna	S
	Hilti Holding GmbH, Vienna	H
	Hilti Aktiengesellschaft Zweigniederlassung Thüringen, Thüringen	P
	Hilti Austria Industrie GmbH, Lanzenkirchen	P, D
Belgium	Hilti Belgium N.V., Brussels	S
	4PS Belgium N.V., Gent	S
Bosnia-Herzegovina	Hilti Systems BH d.o.o. Sarajevo, Sarajevo	S
Brazil	Hilti do Brasil Comercial Ltda., São Paulo	S
Bulgaria	Hilti (Bulgaria) EOOD, Sofia	S
Canada	Hilti (Canada) Corporation, Oakville	S
Chile	Hilti Chile Limitada, Santiago de Chile	S

Group companies and joint arrangements

Country	Company name and location	Activity S = sales R = research D = development P = production Se = services H = holding
China	Hilti (China) Ltd., Zhanjiang	P, D
	Hilti (China) Distribution Ltd., Shanghai	S
	Hilti (PEC Suzhou) Ltd., Suzhou	P
	Hilti (Shanghai) Ltd., Shanghai	P, D
	Oglaend Industries (Changzhou) Co. Ltd., Changzhou	P
Colombia	Hilti Colombia S A S, Bogota D.C.	S
Croatia	Hilti Croatia d.o.o., Sesvete	S
Czech Republic	Hilti ČR spol. s r.o., Prague	S
Denmark	Hilti Danmark A/S, Hvidovre	S
	Øglænd System A/S, Haderslev	S, Se
Egypt	Hilti for Distribution LLC, Cairo	S
Estonia	Hilti Eesti OÜ, Tallinn	S
Finland	Hilti (Suomi) OY, Espoo	S
France	Hilti France SAS, Boulogne-Billancourt	S
	Hilti Digital Marketing Services SAS, Boulogne-Billancourt	Se
Germany	Hilti Deutschland AG (Liechtenstein), Zweigniederlassung Deutschland, Kaufering	S
	Hilti GmbH Industriegesellschaft für Befestigungstechnik, Kaufering	P
	Hilti Entwicklungsgesellschaft mbH, Kaufering	D
	Hilti Kunststofftechnik GmbH, Nersingen	P
	Hilti Deutschland Logistik GmbH, Oberhausen	Se
	PEC Europe GmbH, Duisburg	S
	HILLOS GmbH, Jena	P
	4PS Bausoftware GmbH, Ulm	Se
Great Britain	Hilti (Gt. Britain) Ltd., Manchester	S
	Oglaend System UK Limited, Wednesbury	S
	4PS Construction Solutions Ltd., Birmingham	S
	Metaphorix Ltd., Birmingham	S

Group companies and joint arrangements

Country	Company name and location	Activity S = sales R = research D = development P = production Se = services H = holding
Greece	Hilti Hellas S.A., Athens	S
Hong Kong	Hilti Asia Ltd., Kowloon, Hong Kong	H, Se
	Hilti (Hong Kong) Ltd., Kowloon, Hong Kong	S
Hungary	Hilti (Hungária) Szolgáltató Kft., Budapest	S
	Hilti Szerszám Kft., Kecskemét	P, D
India	Hilti India Private Ltd., Gurgaon	S
	Hilti Manufacturing India Private Limited, Mumbai	P, D
	Hilti Technology Solutions India Private Limited, Pune	Se
Indonesia	PT Hilti Nusantara, Jakarta	S
Ireland	Hilti (Fastening Systems) Ltd., Dublin	S
Israel	Hilti (Israel) Ltd., Petach Tiqva	S
Italy	Hilti Italia S.p.A., Sesto San Giovanni	S
Japan	Hilti (Japan) Ltd., Yokohama	S
Kazakhstan	Hilti Kazakhstan LLP, Almaty	S
Korea	Hilti (Korea) Ltd., Seoul	S
Latvia	Hilti Services Limited, Riga	S
Liechtenstein	Hilti Deutschland AG, Schaan	S
	Hilti Equipment Corporation, Schaan	H
	Hilti (International) Services, Ltd., Schaan	Se
	Hilti Service Corporation, Schaan	Se
	Hilti (Schweiz) AG, Zweigniederlassung Schaan, Schaan	S
	Hilti Global Services AG, Schaan	Se
Lithuania	Hilti Complete Systems UAB, Vilnius	S
Luxembourg	Hilti Belgium S.A. Succursale, Luxembourg	S
Macao	Hilti (Hong Kong) Ltd. Macao Branch, Macao	S
Malaysia	Hilti (Malaysia) Sdn. Bhd., Selangor	S
	Hilti Asia IT Services Sdn. Bhd., Selangor	Se

Group companies and joint arrangements

Country	Company name and location	Activity S = sales R = research D = development P = production Se = services H = holding
	Oglaend Industries Sdn. Bhd, Selangor	P, D
Mexico	Hilti Mexicana, S.A. de C.V., Mexico City	S
	Hilti Operaciones de Mexico, S.A. de C.V., Matamoros	P
Montenegro	Hilti Montenegro d.o.o Podgorica, Podgorica	S
Morocco	Hilti Maroc S.A., Casablanca	S
Netherlands	Hilti Nederland B.V., Berkel en Rodenrijs	S
	Oglaend System BV, Ridderkerk	S
	4PS Beheer B.V., Ede	H
	4PS Group B.V., Ede	H
	4PS Development B.V., Ede	Se
	HOMECTRL B.V., Ede	S
	4PS Bouw B.V., Ede	S
	4PS Installatie B.V., Ede	S
	4PS GWW B.V., Ede	S
	Be-Sync B.V., Ede	S
	4PS International B.V., Ede	S
New Zealand	Hilti (New Zealand) Limited, Auckland	S
Norway	Øglænd Group Holding AS, Kleppe	H
	Øglænd Industrier AS, Kleppe	H, Se
	Øglænd System AS, Kleppe	S, P, D
Panama	Hilti Latin America S.A., Panama City	S, Se
	Transportes Continentales S.A., Panama City	Se
	Hilti Regional Services S.A., Panama City	Se
Peru	Hilti Peru S.A., Lima	S
Philippines	Hilti (Philippines) Inc., Manila	S
Poland	Hilti (Poland) Sp. z o.o., Warsaw	S
Portugal	Hilti (Portugal) – Produtos e Serviços Lda., Porto	S

Group companies and joint arrangements

Country	Company name and location	Activity S = sales R = research D = development P = production Se = services H = holding
Puerto Rico	Hilti Caribe LLC, San Juan	S
Romania	Hilti Romania SRL, Bucharest	S
Serbia	Hilti SMN d.o.o. Beograd, Belgrade	S
Singapore	Hilti Far East Private Ltd., Singapore	S
	Hilti Asia Pacific Pte. Ltd, Singapore	Se
	Oglaend System Singapore Pte. Ltd., Singapore	S
Slovakia	Hilti Slovakia spol. s r.o., Bratislava	S
Slovenia	Hilti Slovenija d.o.o., Ljubljana	S
South Africa	Hilti Africa Holdings (Pty) Ltd., Johannesburg/Midrand	H
Spain	Hilti Española, S.A., Madrid	S
Sweden	Hilti Svenska AB, Arlöv-Malmö	S
	4PS Construction Software AB, Göteborg	S
Switzerland	Hilti (Schweiz) AG, Adliswil	S
	Hilti Befestigungstechnik AG, Buchs	Se
	Hilti-Finanz GmbH, Buchs	H, Se
Taiwan	Hilti Taiwan Co., Ltd., Taipei	S
Thailand	Hilti (Thailand) Ltd., Bangkok	S
Turkey	Hilti Insaat Malzemeleri Ticaret A.Ş., Istanbul	S
Ukraine	Hilti (Ukraine) Ltd., Kiev	S
United Arab Emirates	Hilti Middle East FZE, Dubai	S, Se
USA	Hilti Inc., Plano	S
	Hilti of America, Inc., Delaware	H
	Hilti Holdings Limited, Delaware	H
	Hilti Fieldwire, Inc., San Francisco	S, R, D
Vietnam	Hilti Vietnam Company Limited, Ho Chi Minh City	S

The entities Hilti BY FLLC, Minsk, Hilti Distribution Ltd., Moscow and LLC “Oglaend System”, Saint Petersburg were legally part of the Group, but the Group did not have control anymore as at June 28, 2024 (see note 1.6 Method of consolidation).

Group companies and joint arrangements

Country	Company name and location	Activity S = sales R = research D = development P = production Se = services H = holding
Less than 100% owned consolidated Group companies (subsidiaries)		
Bahrain	Hilti Bahrain Co. W.L.L., Manama (49%)	S
China	Hilti (Handan) Manufacturing Ltd., Handan (80%)	P
Qatar	Hilti Qatar W.L.L., Doha (49%)	S
Saudi Arabia	Hilti Saudi Arabia for Construction Tools LLC, Riyadh (75%)	S
South Africa	Hilti (South Africa) (Pty) Ltd., Johannesburg/Midrand (87.25%)	S
United Arab Emirates	Hilti Emirates LLC, Abu Dhabi (49%)	S

Although the Group owns less than half of the voting rights of Hilti Bahrain Co. W.L.L., Hilti Qatar W.L.L. and Hilti Emirates LLC, management has determined that the Group controls these three companies. The Group has control as contractual agreements grant the Group the right to appoint and remove management responsible for directing the relevant activities. In addition, the Group is entitled to appoint, remove and substitute a majority of members of the companies' Board of Directors.

Joint operations		
China	Panasonic Power Tools (Shanghai) Company Limited, Shanghai (49%)	P
Taiwan	Racing Point Industry Co., Ltd., Kaohsiung (49%)	P
USA	Intelligent Construction Tools LLC, Delaware (50%)	P, D
Joint venture		
South Africa	Hilti SA Holding (Pty) Ltd., Johannesburg/Midrand (49%)	H

Report of the statutory auditor

to the General Assembly of Hilti Aktiengesellschaft

Schaan

Report on the audit of the consolidated financial statements

Opinion
We have audited the consolidated financial statements of Hilti Aktiengesellschaft and its subsidiaries (the Group), which comprise the consolidated income statement and the consolidated statement of comprehensive income for the year ended 31 December 2024, the consolidated balance sheet as at 31 December 2024 and the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, and the notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements (pages 12 to 62) give a true and fair view of the consolidated financial position of the Group as at 31 December 2024 and its financial performance for the year then ended in accordance with International Financial Reporting Standards (IFRS Accounting Standards) as adopted by the European Union and the provisions of Liechtenstein law.

Basis for Opinion
We conducted our audit in accordance with Liechtenstein law and International Standards on Auditing (ISAs). Our responsibilities under those provisions and standards are further described in the “Auditor’s Responsibilities for the Audit of the consolidated Financial Statements” section of our report.

We are independent of the Group in accordance with the provisions of Liechtenstein law and the requirements of the audit profession, as well as the International Code of Ethics for Professional Accountants (including International Independence Standards) of the International Ethics Standards Board for Accountants (IESBA Code) and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our audit approach

Overview

Overall Group materiality: CHF 35 million

Audit scope:

- We conducted full-scope audits on five reporting units contributing 75% to the Group’s net income before income tax expenses.
- Furthermore, we performed audit procedures centrally on certain financial statement line items for other reporting units due to risk or size.
- Additionally, we conducted audit procedures centrally for the assessment of goodwill impairment, consolidation, disclosures, and presentation of the consolidated financial statements as part of our group audit activities.

As key audit matter the following area of focus has been identified:

- Development costs

Materiality

The scope of our audit was influenced by our application of materiality. Our audit opinion aims to provide reasonable assurance that the consolidated financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall Group materiality for the consolidated financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate, on the consolidated financial statements as a whole.

Overall Group materiality	CHF 35 million
How we determined it	Net income before income tax expenses
Rationale for the materiality benchmark applied	We chose net income before income tax expenses as the benchmark because, in our view this is the most commonly used performance measure for the industry in which the Group operates and it is a generally accepted benchmark.

Audit scope

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the Group operates.

The consolidated financial statements consist of more than 100 reporting units, comprising the Group's operating businesses and market organisations, production plants, research and development centres, and centralised functions.

We conducted full scope audits on five reporting units due to risk or size. In addition, we performed audit procedures centrally on certain financial statement line items for other reporting units based on their risk or size. On the remaining reporting units, we performed analytical procedures. We audited the impairment assessment of goodwill, the consolidation, the disclosures and the presentation of the consolidated financial statements as part of our group audit activities.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
Development costs Refer to note 4.3 We focused on this area due to the significance of total capitalized internal development costs (CHF 924 million as of 31 December 2024 accounted for in the balance sheet line item intangible assets) and because significant judgement by the Group is involved in assessing whether costs are either research or development in nature and whether the criteria outlined in IAS 38 Intangible assets, have been met, particularly: • Generation of probable future economic benefit; • Reliable measure of the attributable expenditure; • Technical feasibility of the project; • Assessment of the recoverability of the capitalized development costs as part of an impairment assessment; • Determination of appropriate useful lives; and • Assessment if appropriate presentation and disclosures have been made.	We assessed and tested the design and operating effectiveness of the key controls relating to the capitalization process, particularly those that: • Address whether costs are research or development in nature. • Address the risks relating to the 'probable future economic benefit' and 'technical feasibility'. • Ensure the appropriate, timely and complete capitalization of the internal employee costs and any other project-related costs. We held interviews with the business unit controllers and project managers, to: • Gain an understanding of their development projects and why specific project costs were considered to meet the requirements of the relevant accounting standards. • Discuss specific project topics and risks with business unit controllers and critically assess their responses. Our work also included substantive audit procedures (e.g., reading the project documentation, evaluating the project's key assumptions, testing a sample of standard hourly rates). We performed audit procedures to test the recoverability of the capitalized project costs and the estimated useful life by auditing the Group's impairment assessment and amortization. We also tested the appropriateness of the disclosures of development costs. Based on the procedures performed, we determined that the approach taken and the conclusions reached by management with regard to the capitalized development costs were reasonable.

Other information in the annual report

The Board of Directors is responsible for the other information in the Annual Report. The other information comprises all information included in the annual report, but does not include the consolidated financial statements, the stand-alone financial statements, the consolidated management report, the management report and our auditor’s reports thereon.

Our opinion on the consolidated financial statements does not cover the other information in the annual report and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information in the annual report and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors for the Consolidated Financial Statements

The Board of Directors is responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with Liechtenstein law and IFRS Accounting Standards, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Directors is responsible for assessing the Group’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Liechtenstein law and ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Liechtenstein law and ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements or, whether due to fraud design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group’s internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.

- Conclude on the appropriateness of the Board of Directors’ use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors or the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors or its relevant committee with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Board of Directors or the Audit Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

The accompanying consolidated management report has been prepared in accordance with the applicable legal requirements, is consistent with the consolidated financial statements and, in our opinion, based on the knowledge obtained in the audit of the consolidated financial statements and our understanding of the Group and its environment does not contain any material misstatements.

We further confirm that the consolidated financial statements comply with Liechtenstein law and the articles of incorporation. We recommend that the accompanying consolidated financial statements submitted to you be approved.

PricewaterhouseCoopers AG

Beat Inauen
Liechtenstein Certified Public Accountant
Auditor in charge

Rolf Johner

St. Gallen, 12 March 2025

Financial Statements Hilti Corporation

INCLUDING BRANCHES

BALANCE SHEET

as at December 31

in CHF million

	Note	2023	2024
Assets			
Intangible assets	4	83	55
Property, plant and equipment	5	432	435
Financial investments	6	2,521	2,643
Total non-current assets		**3,036**	**3,133**
Inventories	7	230	242
Trade and other receivables	8	856	968
Accrued income and prepayments		81	92
Cash and cash equivalents		462	473
Total current assets		**1,629**	**1,775**
Total assets		**4,665**	**4,908**
Equity and liabilities			
Share capital		127	127
Legal reserves		108	108
Foreign currency translation reserve		(27)	(26)
Retained earnings brought forward		2,932	2,857
Net income		204	449
Total equity	9	**3,344**	**3,515**
Provisions	10	93	149
Borrowings, payables and other liabilities	11	1,082	1,115
Accrued liabilities and deferred incomeexpenses		146	129
Total liabilities		**1,321**	**1,393**
Total equity and liabilities		**4,665**	**4,908**

INCOME STATEMENT

in CHF million	Note	2023	2024
Net sales		3,482	3,727
Capitalized own production		5	4
Other operating revenues		12	17
Total operating revenues		**3,499**	**3,748**
Material costs	12	(1,459)	(1,495)
Personnel expenses	13	(422)	(425)
Depreciation and amortization	14	(77)	(62)
Other operating expenses		(1,266)	(1,311)
Total operating expenses		**(3,224)**	**(3,293)**
Operating result		**275**	**455**
Financial revenues	15	37	69
Financial expenses	16	(82)	(6)
Financial result		**(45)**	**63**
Net income before income tax expense		**230**	**518**
Tax expense[1]		(26)	(69)
Net income		**204**	**449**

[1] The tax expenses of Hilti Corporation include the Pillar Two current tax expenses as outlined in note 8.2 of the Group's consolidated financial statements

NOTES TO THE FINANCIAL STATEMENTS HILTI CORPORATION

1 General information

Hilti Corporation is a limited by shares company incorporated and domiciled in the Principality of Liechtenstein. Its registered office is at Feldkircherstrasse 100, 9494 Schaan, Liechtenstein. Hilti Corporation is the parent and main operating company of the Hilti Group. The shareholder has an interest in the Group through its interest in Hilti Corporation. The accompanying Group's consolidated financial statements are the most significant indicator of the Group's financial position and financial performance.

2 Accounting policies

2.1 Overview

In contrast to the Group's consolidated financial statements, which have been prepared in accordance with International Financial Reporting Standards (IFRS), the financial statements of Hilti Corporation have been prepared in accordance with Liechtenstein's corporations law, the "Personen- und Gesellschaftsrecht (PGR)". As a result, there are significant differences between the accounting treatments in the financial statements of Hilti Corporation and the accounting treatments in the Group's consolidated financial statements. The significant measurement, recognition and presentation differences are listed below. Apart from these differences, the accounting policies adopted for the measurement, recognition and presentation of financial statement items in both sets of financial statements are substantially the same.

2.2 Differences in accounting policies to those of the Group

The following table identifies the relevant financial statement items and the corresponding treatments where the accounting policies adopted for the measurement and recognition of items in the financial statements of Hilti Corporation are significantly different from those adopted in the Group's consolidated financial statements.

Relevant financial statement item	Treatment in financial statements of Hilti Corporation	Treatment in Group financial statements
Valuation of property, plant and equipment	In accordance with taxation rules pursuant to Article 1086 of the PGR.	At lower of market value and historical cost subject to adjustment for depreciation based on economic estimates.
Valuation of inventories	In accordance with taxation rules pursuant to Article 1086 of the PGR.	At lower of market value and historical cost subject to adjustment for obsolescence based on economic estimates.
Valuation of investments in associated companies and joint ventures	At historical cost.	In accordance with the equity method of accounting.
Valuation of provisions	Based on business risk criteria.	In accordance with the best estimate of the amounts required to satisfy existing obligations.
Reporting of derivative financial instruments hedging anticipated operating transactions (cash flow hedges)	Recognized at fair value with value changes reported directly in the income statement.	Recognized at fair value with value changes reported as part of equity and reclassified to the income statement when the anticipated operating transactions occur.
Reporting of development costs	All immediately expensed.	For qualifying new product developments, capitalized during the development phases and subsequently amortized over the sales lives of the new products while other development costs are immediately expensed.
Measurement of pension plan obligation	Treated as defined contribution plan.	Treated as defined benefit plan with cumulative remeasurements recognized directly in equity.
Reporting of operating lease contracts	Lease payments are recognized in the income statement in the period in which they are incurred. Payment commitments are reported as off-balance sheet commitments.	Recognized on the balance sheet, reflecting right of use assets as well as lease liabilities – except for short-term contracts and low-value assets.

Relevant financial statement item	Presentation in financial statements of Hilti Corporation	Presentation in Group financial statements
Investments in deposits, bonds and equities restricted to the funding of losses arising from damages to assets and losses arising from product-related obligations	Included in financial investments.	Included in other financial investments at fair value through profit or loss under non-current other financial assets line item.
Investments in short-term cash deposits with an original maturity of longer than three months but lower than 12 months	Included in cash and cash equivalents.	Included in other financial investments at amortized costs under current other financial assets line item.
Recognized values of derivative financial instruments	Included in accrued income and prepayments or accrued expenses, as applicable.	Presented in the derivative financial instruments under each of the current and non-current other financial assets and other financial liabilities line items.
Short-term tax obligations	Included in provisions.	Included in income tax payables under trade and other payables, mainly under current liabilities heading.

The table above identifies the significant presentation differences relating to items in the financial statements of Hilti Corporation and the corresponding items in the Group's consolidated financial statements.

2.3 Changes in accounting policies

There have been no material changes in accounting policies in the 2024 financial statements of Hilti Corporation from those adopted in 2023.

3 Exchange rates

For details of foreign exchange rates of principal currencies that have been applied for translation into Swiss francs, see note 1.7 of the Group's consolidated financial statements.

4 Intangible assets

in CHF million	Rights	Other intangible assets	Total
Cost 2024			
Opening balance at January 1, 2024	**4**	**298**	**302**
Additions	–	8	8
Closing balance at December 31, 2024	**4**	**306**	**310**
Accumulated amortization 2024			
Opening balance at January 1, 2024	**(4)**	**(215)**	**(219)**
Additions	–	(36)	(36)
Closing balance at December 31, 2024	**(4)**	**(251)**	**(255)**
Net book values at December 31, 2024	**–**	**55**	**55**
Net book values at December 31, 2023	–	83	83

5 Property, plant and equipment

in CHF million

	Land and buildings	Plant and machinery	Other operating equipment	Prepayments or assets under construction	Total
Cost 2024					
Opening balance at January 1, 2024	**553**	**417**	**83**	**19**	**1,072**
Currency translation adjustment	1	1	–	–	2
Additions	–	14	4	13	31
Disposals	(3)	(15)	(8)	–	(26)
Transfers	1	5	1	(7)	–
Closing balance at December 31, 2024	**552**	**422**	**80**	**25**	**1,079**
Accumulated depreciation 2024					
Opening balance at January 1, 2024	**(191)**	**(377)**	**(72)**	**–**	**(640)**
Currency translation adjustment	–	(1)	–	–	(1)
Additions	(7)	(15)	(4)	–	(26)
Disposals	2	13	8	–	23
Closing balance at December 31, 2024	**(196)**	**(380)**	**(68)**	**–**	**(644)**
Net book values at December 31, 2024	**356**	**42**	**12**	**25**	**435**
Net book values at December 31, 2023	362	40	11	19	432

6 Financial investments

in CHF million

	Shareholdings	Loans to Group companies	Other financial investments	Total
Cost 2024				
Opening balance at January 1, 2024	**2,669**	**39**	**14**	**2,722**
Additions	116	8	–	124
Disposals	–	–	(7)	(7)
Closing balance at December 31, 2024	**2,785**	**47**	**7**	**2,839**
Accumulated valuation allowance 2024				
Opening balance at January 1, 2024	**(201)**	**–**	**–**	**(201)**
Disposals	5	–	–	5
Closing balance at December 31, 2024	**(196)**	**–**	**–**	**(196)**
Net book values at December 31, 2024	**2,589**	**47**	**7**	**2,643**
Net book values at December 31, 2023	2,468	39	14	2,521

A list of Group companies, directly or indirectly held by Hilti Corporation, is included in note 8.5 of this Financial Report. Pursuant to Article 1094 (3) of the PGR, some details relating to investments in Group companies have not been disclosed in this list.

7 Inventories

in CHF million

	2023	2024
Raw materials	22	19
Consumables	8	9
Production in progress	8	8
Finished products and goods held for resale	192	206
Total inventories	**230**	**242**

Total inventories include a provision of CHF 120 million (2023: CHF 114 million), noted in accordance with tax regulations.

8 Trade and other receivables

in CHF million

	2023			2024		
	Short-term	Long-term	Total	Short-term	Long-term	Total
Trade accounts receivables from third parties	23	–	23	29	–	29
Trade accounts receivables from Group companies	653	–	653	807	–	807
Total trade accounts receivables	**676**	**–**	**676**	**836**	**–**	**836**
Other accounts receivables from third parties	36	–	36	21	–	21
Other accounts receivables from Group companies	144	–	144	111	–	111
Total other accounts receivables	**180**	**–**	**180**	**132**	**–**	**132**
Total trade and other receivables	**856**	**–**	**856**	**968**	**–**	**968**

The contractual maturity for short-term receivables is less than one year and for long-term receivables over one year.

9 Equity

in CHF million

	Share and PC capital	Legal reserves	Foreign currency translation reserve	Retained earnings	Total equity
Equity at January 1, 2024	**127**	**108**	**(27)**	**3,136**	**3,344**
Dividend paid	–	–	–	(279)	(279)
Foreign currency translation differences	–	–	1	–	1
Net income	–	–	–	449	449
Equity at December 31, 2024	**127**	**108**	**(26)**	**3,306**	**3,515**

The share capital consists of 253,440 registered shares with a par value of CHF 500 each.

The currency translation differences arise from the inclusion of the income statement and balance sheet items of plant Thüringen, Austria, which are denominated in euro. The foreign currency translation reserve comprises the accumulated foreign currency gains and losses recognized in equity since 2003.

10 Provisions

in CHF million

	2023	2024
Provision for employee benefits	58	75
Tax obligations	26	69
Other provisions	9	5
Total provisions	**93**	**149**

11 Borrowings, payables and other liabilities

in CHF million

	2023			2024		
	Short-term	Long-term	Total	Short-term	Long-term	Total
Bonds	100	504	604	**150**	**362**	**512**
Bank borrowings	–	–	–	**–**	**–**	**–**
Trade accounts payables third parties	162	–	162	182	–	182
Trade accounts payables Group companies	193	–	193	193	–	193
Total trade accounts payables	355	–	355	**375**	**–**	**375**
Other liabilities owing to third parties	12	7	19	19	7	26
Other liabilities owing to Group companies	103	–	103	201	–	201
Other liabilities owing to companies with which a shareholding relationship exists	1	–	1	1	–	1
Total other liabilities	116	7	123	**221**	**7**	**228**
Total borrowings, payables and other liabilities	571	511	1,082	**746**	**369**	**1,115**

The contractual maturity for short-term liabilities is less than one year and for long-term liabilities over one year. The total amount of liabilities with a remaining term of more than five years is CHF 162 million (2023: CHF 155 million).

12 Material costs

in CHF million

	2023	2024
Raw materials, consumables and bought-in goods for resale	(1,447)	(1,481)
Outsourced manufacturing	(12)	(14)
Total material costs	(1,459)	**(1,495)**

13 Personnel expenses

in CHF million

	2023	2024
Wages and salaries	(353)	(347)
Pension contributions	(47)	(55)
Other social contributions	(22)	(23)
Total personnel expenses	(422)	**(425)**

14 Depreciation and amortization

This position comprises depreciation and amortization of intangible assets and property, plant and equipment.

15 Financial revenues

in CHF million

	2023	2024
Recovery of depreciation on financial assets	–	**5**
Financial investment revenues from third parties	5	5
Financial investment revenues from Group companies	32	59
Total revenues from financial investments	**37**	**64**
Total financial revenues	**37**	**69**

16 Financial expenses

in CHF million

	2023	2024
Depreciation on financial assets	**(24)**	**(11)**
Interest and similar expenses incurred to third parties	(6)	(7)
Interest and similar expenses incurred to Group companies	(3)	(3)
Total interest and similar expenses	**(9)**	**(10)**
Operating currency and hedge gains/(losses)	**(49)**	**15**
Total financial expenses	**(82)**	**(6)**

17 Derivative financial instruments

Hilti Corporation enters into derivative contracts to hedge mainly foreign currency risks arising from forecast foreign currency sales and purchases transactions. Derivative contracts are recognized when the applicable forecast transactions occur. Until then, they remain off-balance sheet. Recognized (i.e., on-balance sheet) derivative contracts are reported at fair value. Changes in the fair value of recognized derivative contracts are reported in the income statement. In accordance with Article 1093 of the PGR, details of the on- and off-balance sheet derivative contracts outstanding at balance sheet date are as follows:

in CHF million

	2023	2024
Contract face amounts		
Foreign currency forward contracts	690	781
Interest rate swaps	150	150
Total contract face amounts	**840**	**931**
Contract values		
Foreign currency forward contracts	15	(4)
Interest rate swaps	5	13
Total contract values	**20**	**9**
Reporting of contract values		
Contract values recognized (on-balance sheet)	20	9
Total contract values	**20**	**9**

18 Segment information

Pursuant to Article 1094 (2) of the PGR, a breakdown of net sales has not been disclosed.

19 Contingent liabilities

in CHF million

	2023	2024
Guarantees third parties	–	–
Guarantees Group companies	171	163
Total contingent liabilities	**171**	**163**

20 Commitments

Payment commitments arising from operating lease contracts are as follows:

in CHF million

	2023	2024
Expiring within 1 year	1	1
Expiring between 1 and 5 years	1	1
Total commitments	**2**	**2**

21 Remuneration of the Board of Directors and the Corporate Management

For details of the remuneration of the Board of Directors and the Corporate Management, see note 8.4 of the Group's consolidated financial statements.

22 Other transactions and balances with the shareholder

For details about other transactions and balances with the shareholder, see note 8.4 within the notes to the consolidated financial statements.

23 Number of employees

The breakdown of employees by nationality is as follows:

	2023	%	2024	%
Austria	870	37	832	37
Germany	475	20	462	20
Switzerland	217	9	216	10
Liechtenstein	138	6	125	5
Other countries	664	28	643	28
Total employees	**2,364**	**100**	**2,278**	**100**

24 Management report

Pursuant to Article 1121 (3) of the PGR, the management report of Hilti Corporation has been combined with the consolidated management report. The consolidated management report is on pages 8 to 10 of this Financial Report (see here).

25 Appropriation of retained earnings

in CHF million

	2023	2024
Profit brought forward	2,932	2,857
Net income	204	449
At the disposal of the General Meeting	**3,136**	**3,306**
Proposal by the Board of Directors		
Dividend of CHF 1100 (2023: CHF 1100) per share	279	279
Balance carried forward	2,857	3,027
Total	**3,136**	**3,306**

Report of the statutory auditor

to the General Assembly of Hilti Aktiengesellschaft

Schaan

Report on the audit of the financial statements

Opinion
We have audited the financial statements of Hilti Aktiengesellschaft (the Company), which comprise the balance sheet as at 31 December 2024, the income statement for the year then ended, and the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements (page 69 to 79) give a true and fair view of the financial position of the Company as at 31 December 2024 and its financial performance for the year then ended in accordance with Liechtenstein law.

Basis for Opinion
We conducted our audit in accordance with Liechtenstein law and International Standards on Auditing (ISAs). Our responsibilities under those provisions and standards are further described in the "Auditor's Responsibilities for the Audit of the financial statements" section of our report.

We are independent of the Company in accordance with the provisions of Liechtenstein law and the requirements of the audit profession, as well as the International Code of Ethics for Professional Accountants (including International Independence Standards) of the International Ethics Standards Board for Accountants (IESBA Code) and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our audit approach

Overview

Overall materiality: CHF 25 million

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the financial statements as a whole, taking into account the structure of the entity, the accounting processes and controls, and the industry in which the entity operates.

We have determined that there are no key audit matters to communicate in our report.

Materiality

The scope of our audit was influenced by our application of materiality. Our audit opinion aims to provide reasonable assurance that the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall materiality for the financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate, on the financial statements as a whole.

Overall Group materiality	CHF 25 million
How we determined it	Net income before income tax expense
Rationale for the materiality benchmark applied	We chose net income before income tax expense as the benchmark because, in our view, this is the most commonly used performance measure for the entity and it is a generally accepted benchmark.

Audit scope

We designed our audit by determining materiality and assessing the risks of material misstatement in the financial statements. In particular, we considered where subjective judgements were made; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the financial statements as a whole, taking into account the structure of the entity, the accounting processes and controls, and the industry in which the entity operates.

Key Audit Matters

We have determined that there are no key audit matters to communicate in our report.

Other Information in the Annual Report

The Board of Directors is responsible for the other information in the annual report. The other information comprises that information included in the annual report, but does not include the consolidated financial statements, the stand-alone financial statements, the consolidated management report, the management report and our auditor's reports thereon.

Our opinion on the financial statements does not cover the other information, and we do not express any form of assurance conclusion thereon.

In connection with our audit, we have the responsibility to read the other information and to consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, on the basis of our work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors for the Financial Statements

The Board of Directors is responsible for the preparation of the financial statements that give a true and fair view in accordance with Liechtenstein law, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Liechtenstein law and ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Liechtenstein law and ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements or, whether due to fraud design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.

- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors or the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors or its relevant committee with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them regarding all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Board of Directors or the Audit Committee, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

The accompanying management report has been prepared in accordance with the applicable legal requirements, is consistent with the financial statements and, in our opinion, based on the knowledge obtained in the audit of the financial statements and our understanding of the Company and its environment does not contain any material misstatements.

We further confirm that the financial statements and the proposed appropriation of retained earnings comply with Liechtenstein law and the articles of incorporation. We recommend that the accompanying financial statements submitted to you be approved.

PricewaterhouseCoopers AG

Beat Inauen
Liechtenstein Certified Public Accountant
Auditor in charge

Rolf Johner

St. Gallen, 12 March 2025

Group at a Glance
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Corporate Governance

Election and term of office for the members of the Board of Directors

Members of the Board of Directors of Hilti Corporation are elected by the Annual General Assembly, generally for a three-year term with the possibility of re-election. In principle, the admissible term of office shall be limited to four terms and the term of office shall lapse with effect at the end of the business year in which the relevant member reaches the age of 70. For good reason, the term of office may be extended.

Allocation of responsibilities and duties of the Board of Directors

The Board of Directors is the supreme executive body of Hilti Corporation and responsible for superintendence, supervision and control of the management. In addition to further legally defined obligations, the Board of Directors adopts the fundamental strategic orientation of the Group, approves the Group's strategic planning and material business decisions, searches for and proposes eligible candidates to the General Assembly for election as members of the Board of Directors and ensures the succession planning and appointment of the Executive Board.

In the last business year, the Board of Directors supervised the activities of the Executive Board and supported it in a consultative capacity. The Board of Directors took a strategic focus and was actively involved in projects concerning Group strategy. In several multiday Board meetings and visits (performed physically or virtually, as practicable) to major operating units of the Group, as well as on the basis of written and oral reports of the Executive Board, the Board of Directors dealt intensively with the economic situation, day-to-day running of the business, as well as with its corporate policy, financial planning, risk management and basic questions of corporate development. Furthermore, the Board of Directors was kept fully informed by the statutory auditors on the results of the audit of the annual financial statements.

Audit Committee

The Audit Committee assists the Board of Directors in fulfilling its supervisory responsibilities with respect to the accounting and financial reporting practices of Hilti Corporation and its subsidiaries, compliance with legal and regulatory requirements, the internal and external audit processes, as well as with its oversight of risk management. The overall responsibility for the tasks delegated to the Audit Committee remains with the Board of Directors. In 2024, the Audit Committee consisted of Carla De Geyseleer (Chair of the Audit Committee) and Dr. Daniel Daeniker.

Internal audit

The internal audit department, Corporate Audit, supports the Board of Directors by monitoring the internal control status within Group companies. To achieve this, Corporate Audit conducts audits focused on controls within major transaction cycles, as well as on processes for management of selected corporate risks. Corporate Audit's objective is to provide transparency over the Group's control environment and enable security to be provided over the Group's resources.

Risk management

The Group maintains an enterprise-wide risk management process, which involves a complete risk inventory with different risk owners assigned to manage all known strategic, financial and occurrence-oriented risks of the Group. The risk owners are responsible for evaluating, implementing, reviewing and monitoring compliance with the corresponding risk mitigation measures for their respective risks. For financial and occurrence-oriented risks, the Corporate Risk Manager is responsible for the risk reporting process and for ensuring that the reported content and identified measures regarding the identified risks are plausible. Corporate Audit undertakes reviews of selected risks as part of their internal control reviews in Group companies (see above) and in corporate functions managed by the respective risk owners. For strategic risks, Corporate Development runs annual strategy review workshops with the Executive Board. The risk management reporting is regularly reviewed by the Audit Committee on behalf of the Board of Directors.

Shareholders' rights

Details of share capital are given in the Group financial statements (see note 5.6). In principle, resolutions of the General Assembly are passed by absolute majority of the voting shares represented. A majority of at least three quarters of the voting shares represented at the General Assembly is required for: an amendment to the Articles of Association, an increase in the share capital, the buyback of shares, the restriction or cancelation of the subscription right, mergers with other companies, transformation of the company into another legal form or the dissolution of the company.

Auditors

The Group financial statements and the financial statements of Hilti Corporation are audited by PricewaterhouseCoopers AG, St.Gallen (lead auditor). The firm was re-appointed in March 2024 for the 2024 fiscal year. The auditor-in-charge has overseen the mandate since 2021, with a new partner appointed in 2024. For the 2024 fiscal year, audit fees paid to PricewaterhouseCoopers amount to CHF 2.2 million, while audit-related and non-audit fees total CHF 0.2 million. The Group's total audit fees, including those for audits not conducted by PricewaterhouseCoopers, amount to CHF 3.0 million.

INVESTOR INFORMATION

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Key dates

Interim financial information January to April 2025	May 16, 2025
Interim financial information January to August 2025	September 25, 2025
Publication of the 2025 Financial Report	March 13, 2026
Annual results media conference	March 13, 2026