



2024 Q4 Presentation

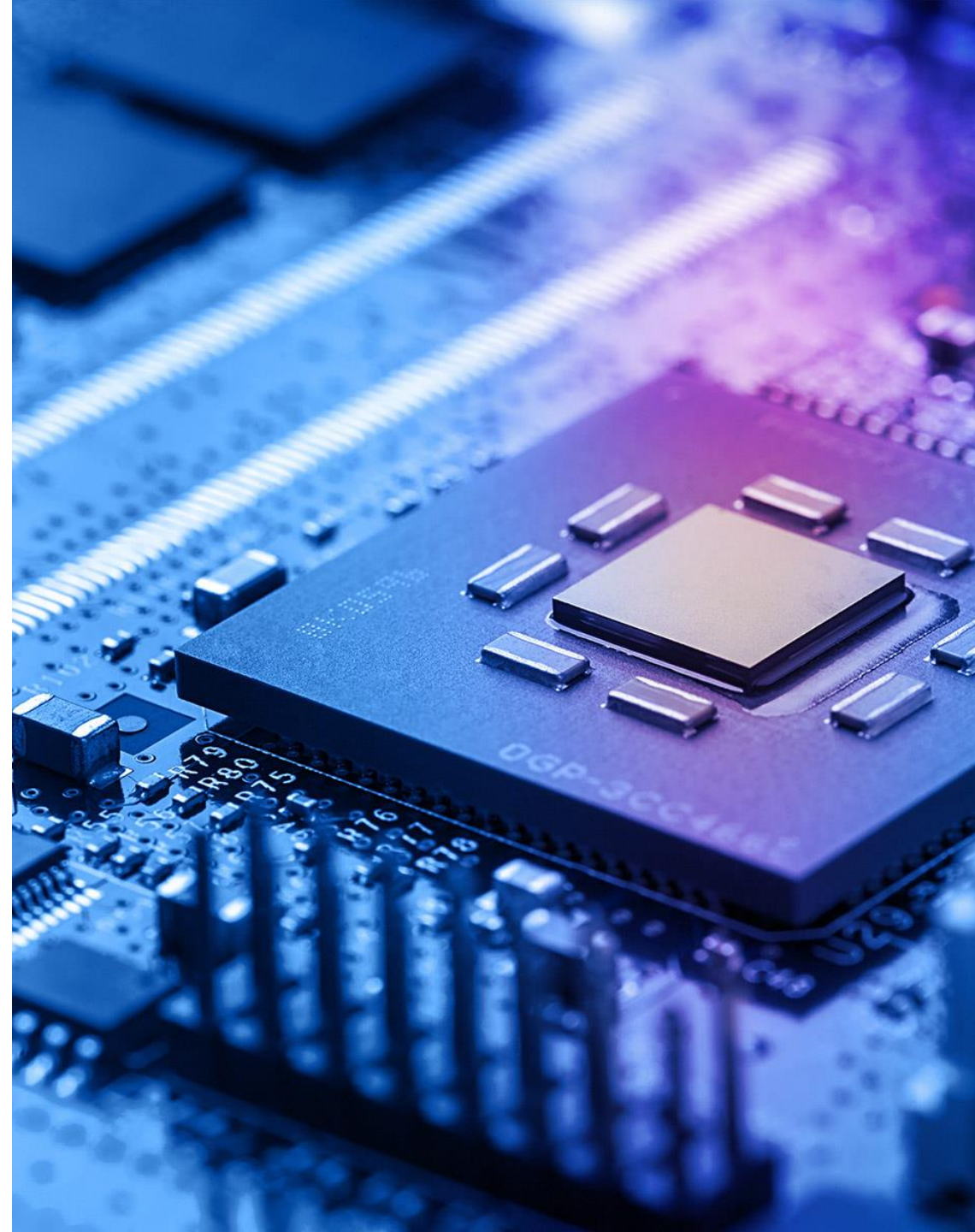
CEO comments

Profitable Execution in a Shifting Market

- Kitron closed 2024 Q4 with revenue of 160.6 €M with 7.3% margin. Full-year revenue of 647.2 €M with 7.4% margin
- Over the year, demand weakened across Connectivity, Industry, and Electrification with CEE and Asia experiencing the sharpest regional declines
- Defence & Aerospace continued to show resilience, growing 6% quarter-over-quarter and 22% year-over-year

Transforming Operations for Profitability

- A restructuring program in early 2024 resulted in 4.8 €M in one-time costs
- In Q4, 1.3 €M in additional accruals related to customer impairments was recognized
- Underlying EBIT 54.1 €M with an 8.4% EBIT margin



Outlook

Strategic contract wins reinforcing market leadership

- 15 €M Marine IoT technology deal driving growth in smart maritime applications
- 5 €M U.S. Army defense electronics contract

Additionally, two major deals were announced in January 2025:

- 25 €M Naval Strike Missile electronics contract (Kongsberg)
- 30 €M Advanced UAV optics contract

Expansion plans to support future demand

- A new site in Longum, Norway (operational from 2026 Q1)
- Expanded Swedish footprint (2025 Q4)
- M&A strategy focused on technology acquisitions and geographic expansion

Positioned for Growth in 2025

- 2024 Q4 Book-to-Bill increased to 1.03
- Revenue projections for 2025 remain between 600 €M and 700 €M, with Operating profit (EBIT) expected to be between 42 €M and 63 €M.
- Revenue expectation is to exceed 650 €M
- Trade wars and global economic uncertainties could impact demand



Sector trends Q4

Connectivity:

- Sector growth: Connectivity sector saw mixed performance with initial weak performance gradually picking up over Q3 and Q4. Order backlog improved by 28% YoY
- Product categories: Sensor and asset tracking solutions driving growth.
- Trends and drivers: New customer wins, Smart integration of emerging technologies. De-stocking continues for established technologies. We expect most of the de-stocking to be done by end-of-Q2.

Electrification:

- Sector growth: Revenue for Electrification fell by 32% YoY, primarily due to reduced demand in the CEE region (-50%), while Nordics & US electrification grew 28% YoY.
- Product categories: Energy Transmission shows strong growth, while consumer-driven electrification (home energy storage, solar inverters, EV charging infrastructure) declined.
- Trends and drivers: Industrial electrification investments are expected to drive recovery in 2025. Consumer demand remains uncertain.

Industry:

- Sector growth: Industry sector declined by 33% YoY, with AI infrastructure and subsea applications showing resilience, but general manufacturing demand remained weak.
- Trends and drivers: Investments in automation and maritime technology offer long-term potential.

Medical Devices:

- Sector growth: Declined 12% YoY, mainly due to inventory destocking and a slowdown in capital expenditures.
- Trends and drivers: Demand is picking up with indicated by more frequent drop-in expedited orders.

Defence/Aerospace:

- Sector growth: Defence & Aerospace was the best-performing sector, growing YTD 22% and 6% for the quarter. Growth is driven by continued geopolitical instability and government investments.
- Product categories: Avionics, missile electronics, and surveillance systems saw strong demand.
- Trends and drivers: Government defense budgets continue to increase, NATO-related investments are boosting long-term demand, and UAV and missile technology advancements are key growth areas.

Connectivity

Expect full sector growth returning mid 2025.

Electrification

Expect strength returning to the sector in late 2025

Industry

Expect strength returning to the sector in late 2025

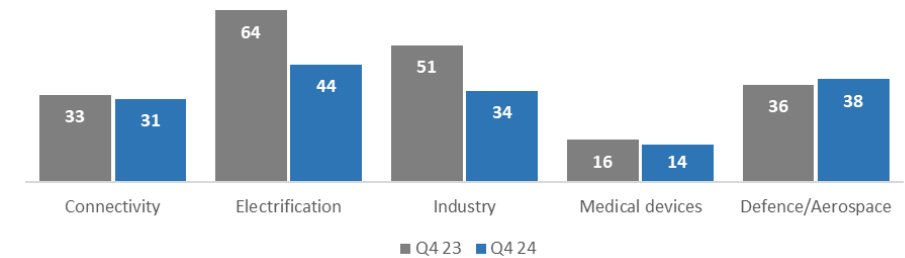
Medical Devices

Demand stabilizing

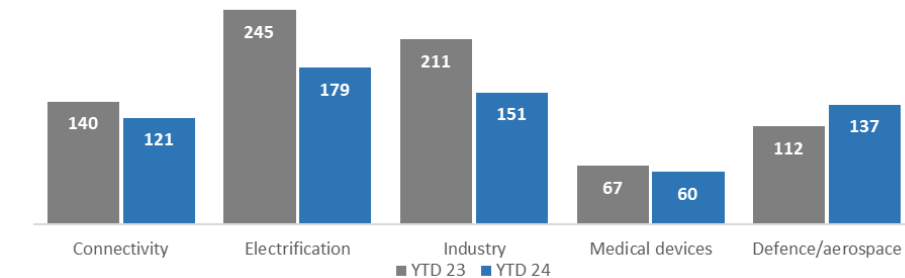
Defense Aerospace

Continued double digit growth over next several years

Revenue per sector €M



Revenue per sector €M



Order Backlog Review

Performance, Trends, and Strategic Outlook

Overview of 2024 Q4 Order Backlog

- Total backlog reached 472 M€, reflecting a 3% sequential growth
- Defence & Aerospace (+23% YoY) and Connectivity (+28% YoY) were the strongest sectors
- Electrification (-21% YoY) and Industry (-31% YoY) remained weak.
- Late update: Order backlog at the end-of-January came in at 505 M€.

Defence & Aerospace:

- Strongest growth sector, increasing 23% YoY and 17% sequentially
- Key contracts secured in missile systems, avionics, and surveillance

Connectivity:

- Backlog improved by 28% YoY, indicating a recovery in demand
- IoT, sensor networks, and smart asset tracking seeing renewed orders

Electrification:

- Backlog fell 21% YoY due to sluggish consumer demand
- Grid Networks and Energy Transmission projects growing

Industry:

- Backlog declined 31% YoY, reflecting broad weakness in manufacturing
- Maritime, AI-driven automation, and subsea applications remain strong

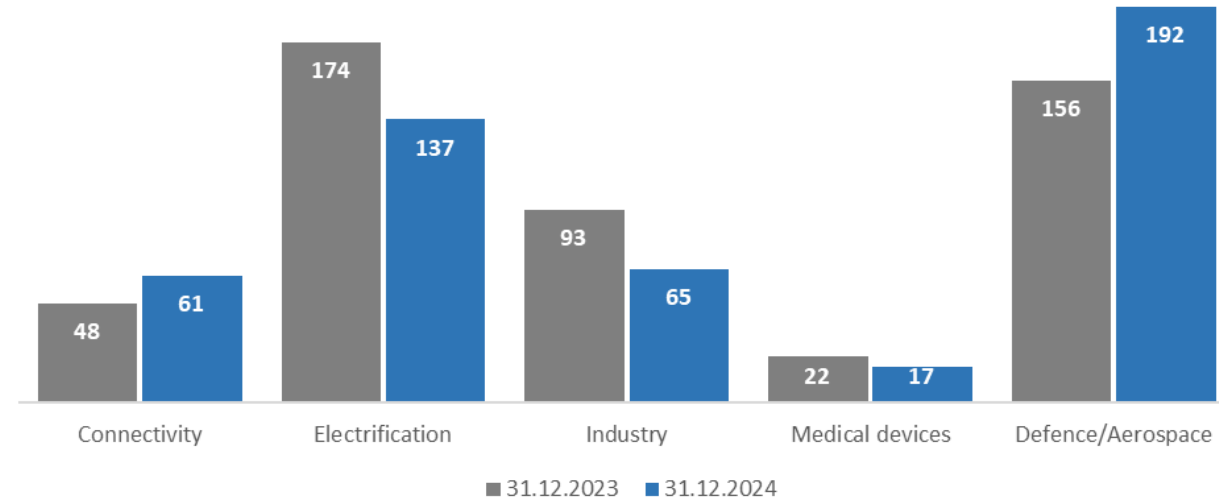
Medical Devices:

- Backlog declined 22% YoY, but stabilized sequentially
- One product end-of-life affecting annual volume ~ 10 M€

Forward demand

- Rolling six-month outlook 331 €M indicating an improved BtB of 1.02
- This contains all customer demand, firm demand and forecast

Order backlog €M



The Order backlog features all firm customer orders and the first 4 months of customer forecast.

2024 Q4 Highlights

- **Revenue:** 160.6 -19.3 % (199.1)
- **EBIT:** 11.8, -34.6% (18.0)
- **EBIT margin:** 7.3% (9.1%)
- **ROOC:** 18.0% (26.9%)
- **Cash Cycle Conversion days:** 106 (95)
- **Operating Cash flow:** 14.2 (33.4)
- **NIBD:** 113.5 (129.4)
- **NIBD/EBITDA:** 1.7 (1.5)
- **Net Gearing:** 0.57 (0.71)
- **Equity %:** 35.8% (31.6%)
- **Order Backlog:** 471.9, -4% (493.6)
- **Net Income:** 4.9 (12.3)
- **EPS (EUR):** 0.02, -67% (0.06)

*Performance measures expressed in €M



Year to date 2024 Highlights

- **Revenue:** 647.2 -16.5% (775.2)
- **EBIT:** 48.1, -32.0% (70.7)
- **EBIT margin:** 7.4% (9.1%)
- **Underlying EBIT and EBIT %:** 54.2 and 8.4%
- **Operating Cash flow:** 43.7 (59.0)
- **Net Income:** 28.0 (51.1)
- **EPS (EUR):** 0.14, -46% (0.26)

- Proposed dividend of 0.35 NOK pr share

*Performance measures expressed in €M



Business sectors

For the year

- Nordics & NA: 9% revenue growth, EBIT% at 7.4% (8.4%)
- For CEE and Asia: volume reductions of 33% and 39% compared to last year, Profit margins at 8.2% (9.6%) and 11.6% (12.6%) respectively.
- Restructuring charge of 4.8 €M in Q1 and customer impairment of 1.3 €M in Q4
- No of employees 2 411 and reduced with 589 compared to last year
 - Nordics 0%
 - CEE -32%
 - China -23%

Revenue Business Sectors	Q4 2024	Q4 2023	Change	31.12.2024	31.12.2023	Change
Nordics & North America	89.9	91.4	-1.5	355.6	325.0	30.6
CEE	50.8	77.6	-26.8	205.7	304.8	-99.1
Asia	23.7	32.1	-8.4	95.7	157.4	-61.7
Group and eliminations	-3.8	-1.9	-1.9	-9.9	-12.0	2.1
Revenue	160.6	199.3	-38.7	647.2	775.2	-128.1

EBIT Business Sectors	Q4 2024	Q4 2023	Change	31.12.2024	31.12.2023	Change
Nordics & North America	4.0	7.3	-3.3	26.2	27.3	-1.1
CEE	3.6	6.0	-2.4	16.8	29.2	-12.4
Asia	3.5	3.8	-0.3	11.1	19.8	-8.7
Group and eliminations*	0.7	1.0	-0.3	-6.4	-5.6	-0.8
EBIT	11.8	18.2	-6.4	47.7	70.7	-23.0

FTE Business Sectors	31.12.2024	31.12.2023	Change
Nordics & North America	994	994	0
CEE	930	1 376	-446
Asia	488	631	-143
FTE	2 411	3 001	-589

Cash flow and working capital

- Q4 Cash flow from operating activities at 14.2 €M (33.4 €M).
- Net working capital at 188.0 €M (193.8 €M), down 3% from last year, up 3% from last quarter.

						€M
Cash Flow	Q4 2024	Q4 2023	Change	31.12.2024	31.12.2023	Change
Profit before tax	10.3	16.9	-6.6	39.9	64.7	-24.8
Depreciations	4.8	4.8	0.0	18.7	17.6	1.1
Change in inventory, accounts receivable, contract assets and accounts payable	-4.9	6.6	-11.5	5.8	-10.2	16.0
Change in net other current assets and other operating related items	4.0	5.1	-1.1	-20.6	-13.2	-7.4
Net cash flow from operating activities	14.2	33.4	-19.2	43.7	59.0	-15.3
Net cash flow from investing activities	-4.1	-7.6	3.5	-8.6	-16.3	7.7
Net cash flow from financing activities	-10.9	-18.6	7.7	-16.3	-29.5	13.2

			€M
Net working capital	31.12.2024	31.12.2023	Change
Inventory	141.4	166.4	-25.0
Contract assets	77.6	77.9	-0.3
Trade receivables	124.1	131.3	-7.2
Trade payables	155.1	181.9	-26.8
Net working capital	188.0	193.8	-5.8

Ratios

- Net gearing and NIBD/EBITDA 0.6 and 1.7
- Finance cost -1.5 (-1.2)
- Proposed dividend of 0.35 NOK pr share ~ 0.03 €

Ratios	31.12.2024	31.12.2023	Change
R3 NWC % sales	28.8 %	24.4 %	4.4 %
R3 ROOC % sales	18.0 %	26.9 %	-8.9 %
R3 Cash Cycle Conversion	106	95	11
Net Interest bearing debt €M	113.5	129.4	-15.9
Net gearing	0.57	0.71	-0.14
NIBD/EBITDA	1.7	1.5	0.2
Equity percent	35.8 %	31.6 %	4.2 %
Earnings per share quarter €	0.02	0.06	-0.04
Earnings per share ytd €	0.14	0.26	-0.12



2024 Q4 Key take-ways

- **Revenue of 160.6 €M**, down 19.3% YoY, but order backlog remains strong at 471.9 €M (-4% YoY, +3% QoQ).
- **Defence & Aerospace was the strongest sector, growing 22% YoY** and 6% QoQ, driven by increased NATO investments.
- **Connectivity backlog improved 28% YoY**, reflecting renewed IoT demand, but Q4 revenue declined by 5%.
- Electrification and Industry sectors remained weak, with CEE electrification down 50% YoY, **but Nordics & US electrification grew 28%**.
- **Medical Devices sector declined 12% YoY**, primarily due to destocking and capital expenditure slowdowns.
- Restructuring completed, one-time costs of 6.1 €M, EBIT margin of 7.4%, **Underlying EBIT at 54.1 €M (8.4% EBIT margin)**.
- 2025 revenue forecast set between 600-700 €M, with **expectations to exceed 650 €M; macroeconomic risks remain.**





2024 Q4

Q&A

Appendix: Definition of alternative performance measures

Order backlog

All firm orders and 4 months of committed customers forecast at revenue value as at balance sheet date.

Foreign exchange effects

Group consolidation restated with exchange rates as comparable period the previous year. Change in volume or balance calculated with the same exchange rates for the both periods are defined as underlying growth. Change based on the change in exchange rates are defined as foreign exchange effects. The sum of underlying growth and foreign exchange effects represent the total change between the periods.

EBITDA

Operating profit (EBIT) + Depreciation and Impairments

EBIT

Operating profit

EBIT margin (%)

Operating profit (EBIT) / Revenue

Net working capital

Inventory + Accounts Receivable – Accounts Payable

Operating capital

Other intangible assets + Tangible fixed assets + Net working capital

Return on operating capital (ROOC) %

Annualised Operating profit (EBIT) / Operating Capital

Return on operating capital (ROOC) R3 %

(Last 3 months Operating profit (EBIT))*4 / (Last 3 months Operating Capital /3)

Return on capital employed (ROCE)

EBIT/(Total assets - short term debt)

Return on equity

Net Income/Equity

Direct Cost

Cost of material + Direct wages (subset of personnel expenses only to include personnel directly involved in production)

Days of Inventory Outstanding

360/ (Annualised Direct Costs/Inventory)

Days of Inventory Outstanding R3

360/ ((Last 3 months Direct Costs *4) / (Last 3 months Inventory/3))

Days of Receivables Outstanding

360/ (Annualised Revenue/Trade Receivables)

Days of Receivables Outstanding R3

360/ (((Last 3 months Revenue*4)/(Last 3 months Trade Receivables/3))

Days of Payables outstanding

360/ ((Annualised Cost of Material + Annualised other operational expenses) / Trade Payables)

Days of Payables Outstanding (R3)

360/ (((Last 3 months (Cost of Material + other operational expenses)*4) / (Last 3 months Trade Payables/3))

Cash conversion cycle (CCC)

Days of inventory outstanding + Days of receivables outstanding – Days of payables outstanding

Cash conversion cycle (CCC) R3

Days of inventory outstanding (R3) + Days of receivables outstanding (R3) – Days of payables outstanding (R3)

Net Interest-bearing debt

- Cash and cash equivalents + Loans (Non- current liabilities) + Loans (Current liabilities)

Interest-bearing debt

Loans (Non- current liabilities) + Loans (Current liabilities)

Net gearing

Net Interest-bearing debt / Equity

Free Cash flow

Net Cash Flow from operating activities – Cash flows from acquisition of tangible fixed assets – Cash flows from acquisition of other intangible assets

Equity ratio

Total Equity / Total Assets

EPS

Earnings Per Share