



2025 Q1 Presentation

Quarter highlights

Strong start to 2025

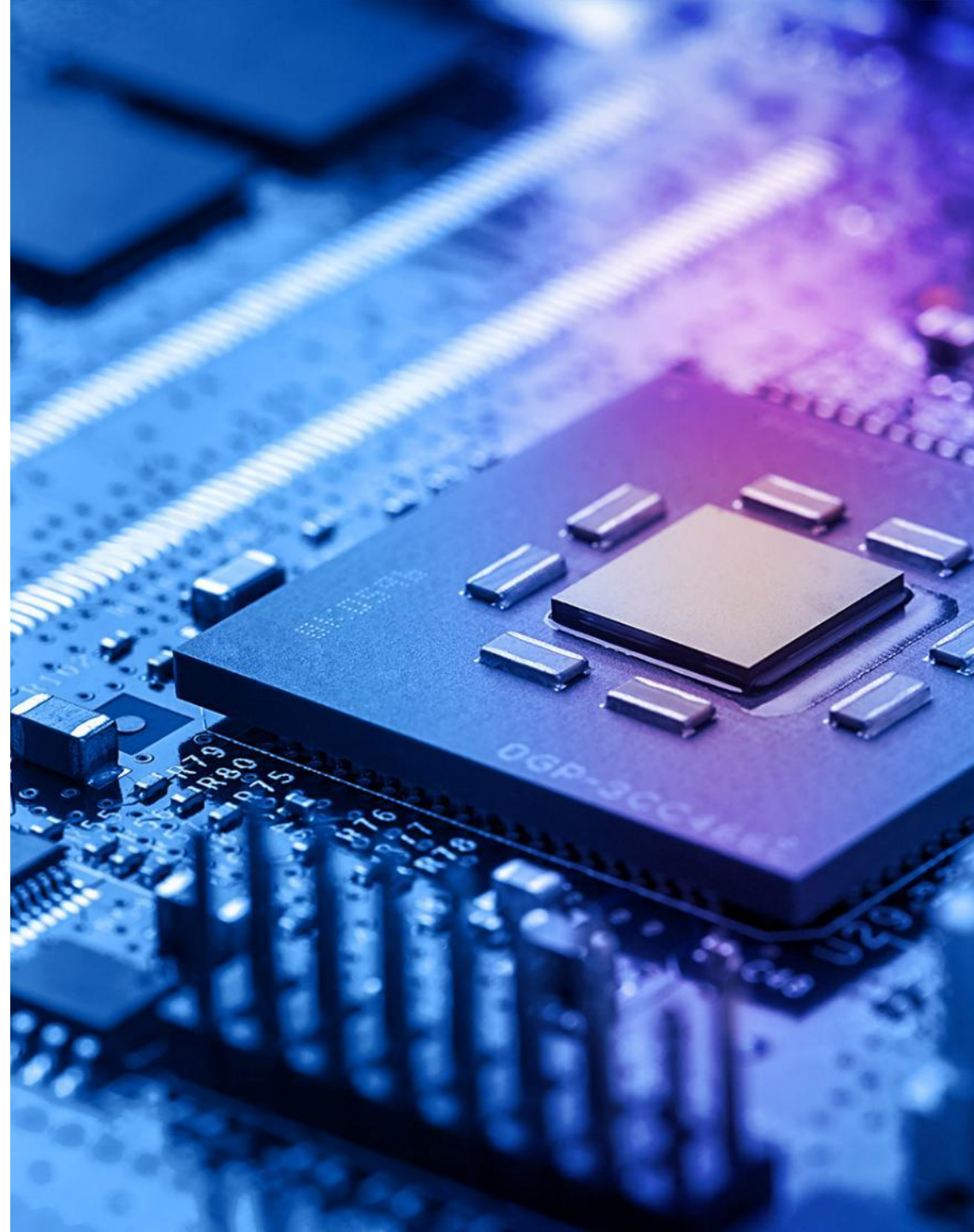
- Solid performance in Q1 driven by momentum in key sectors.
- Order backlog grew 11% sequentially to 525 €M .
- Defence & Aerospace revenue up 30% year-over-year.

Q1-2025 Performance

- Q1: REVENUE 165 €M; EBIT 12.5 €M; EBIT margin 7.6%
- Strong Cash Flow in the quarter 12.1 (8.5) €M

Significant Contract Wins

- EUR 76 million in new Defence & Aerospace orders.
- Key customers: Kongsberg Defence & Aerospace, Thales, and others.
- Contracts include:
 - Joint Strike Missile (JSM)
 - Naval Strike Missile (NSM)
 - Communications and air defence systems
 - Optical assemblies for UAVs and drones
- Production allocated to Nordic and CEE facilities.



Market and Operations

Defence & Aerospace: Strategic Pillar

- Five Kitron sites focused on Defence & Aerospace.
- Additional EU site undergoing accreditation for defence production.
- Flexible and rapid scalability in production.
- Capability to triple output across EU and U.S. operations.

Norway Ramp-up Success

- Norway operations ramp-up progressing well.
- Targeting a 50% increase in defence volumes compared to last year.

Market sentiment

- New Malaysia facility receiving positive customer feedback with rapid deployment of new products underway.
- Post-semiconductor oversupply de-stocking largely resolved.
- Rebound in quick-turn demand. Shift to short-term buying patterns reflects customer caution.



Tariffs, M&A and Growth

Tariffs and U.S. Market Position

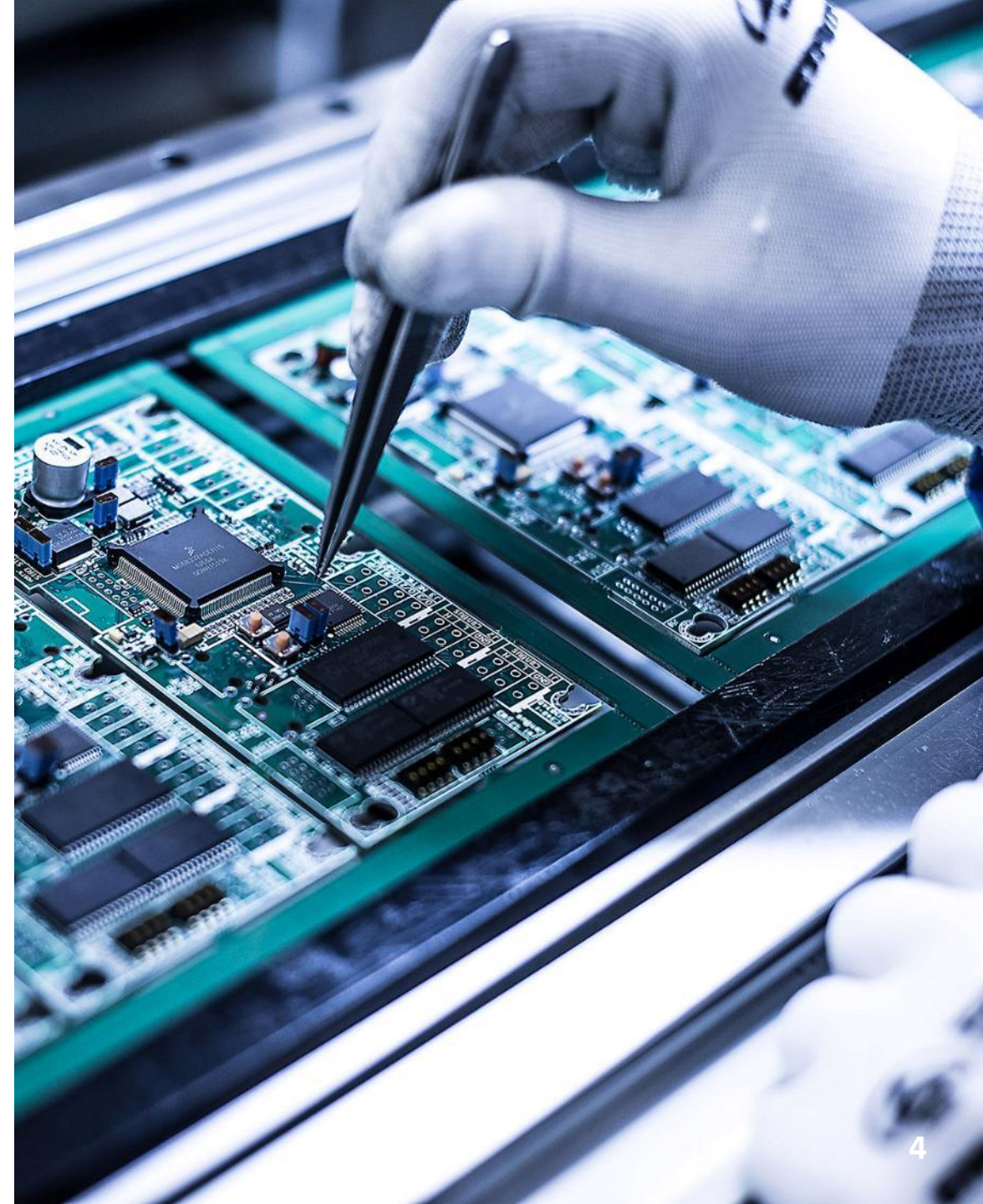
- U.S. accounts for ~15% of Kitron's direct revenue. U.S. domestic production amounts to 30% of U.S. sales.
- Tariffs passed through to customers.

M&A Progress

- M&A project advancing as planned.
- Aligned with long-term growth and capability expansion.

Positioned for Growth in 2025

- 2025 Q1 Order intake 217 €M Book-to-Build ratio: 1.32
- Revenue projections for 2025 to between 640 €M and 710 €M, with Operating profit (EBIT) expected to between 47 €M and 65 €M.
- Trade wars and global economic uncertainties could impact demand.



Sector trends Q1

Connectivity:

- Growth driven by sensor and asset tracking solutions, new customer wins, Smart integration of emerging technologies.
- De-stocking activities appears to be complete.

Electrification:

- Continued strength for Energy transmission and weakness in Consumer-focused tech (EV charging, home storage, solar)

Industry:

- Sector growth over previous quarter, up 21%. AI infrastructure and subsea applications showing resilience, general manufacturing demand is starting to pick up.

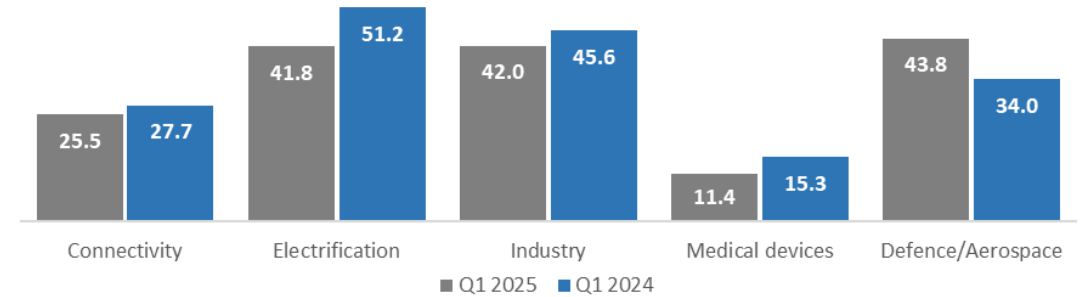
Medical Devices:

- Sector declined over previous quarter 17% as disengagement from one customer due to end-of-life on product.
- Demand is picking up for most other customers with indicated by more frequent drop-in expedited orders.

Defence/Aerospace:

- Sector performed the best , growing YoY 29% and 14% for the quarter.
- Product categories: Avionics, missile electronics, and surveillance systems saw strong demand.
- Rising defense budgets sustain long-term growth, and UAV and missile technology advancements are key growth areas. New defense tech is creating substantial new opportunities.

Revenue per sector €M



| Connectivity | Electrification | Industry |
|---|--|--|
| Expect full sector growth returning mid 2025. | Expect strengthening in consumer sector in late 2025 | Expect strength returning to the sector in late 2025 |

| Medical Devices | Defense Aerospace |
|--------------------|---|
| Demand stabilizing | Continued double digit growth over next several years |

Order Backlog Review

Performance, Trends, and Strategic Outlook

Overview of 2025 Q1 Order Backlog

- Total backlog approached 525 €M, reflecting a 11% sequential growth and 18% YoY.
- Defence & Aerospace (+79% YoY) strongest sector
- The non-defence sectors down 9% YoY but up 2% sequentially.

Defence & Aerospace:

- Strongest growth sector, increasing 79% YoY and 23% sequentially
- Key contracts secured in missile systems, avionics, and surveillance

Connectivity:

- Backlog fell 11% YoY, but stabilized sequentially, indicating a recovery in demand
- IoT, sensor networks, and smart asset tracking seeing renewed orders

Electrification:

- Backlog fell 5% YoY, and up 4% sequentially due to sluggish consumer demand
- Grid Networks and Energy Transmission projects growing

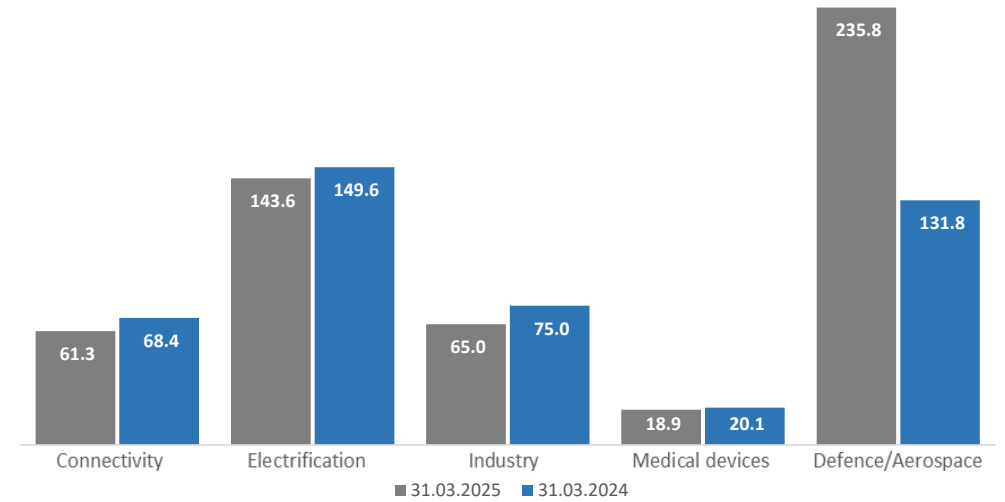
Industry:

- Backlog declined 11% YoY, but stabilized sequentially, reflecting broad weakness in manufacturing
- Maritime, AI-driven automation, and subsea applications remain strong

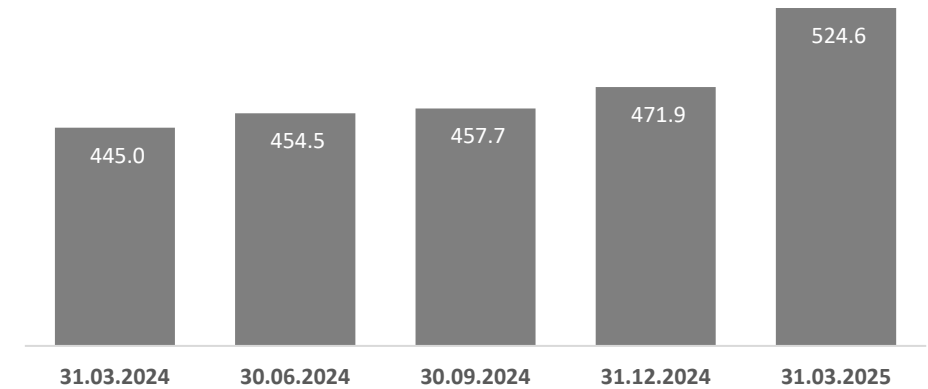
Medical Devices:

- Backlog declined 11% YoY, and up 3% sequentially
- One product end-of-life affecting annual volume ~ 10 €M

Order backlog €M



Order Backlog €M



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

2025 Q1 Highlights

- **Revenue:** 164.6 -5.3 % (173.9)
- **EBIT:** 12.5, 18.0% (10.6)
- **EBIT margin:** 7.6% (6.1%)
- **ROOC:** 18.7% (15.4%)
- **Cash Cycle Conversion days:** 111 (113)
- **Operating Cash flow:** 12.1 (8.5)
- **NIBD:** 108.2 (123.1)
- **NIBD/EBITDA:** 1.6 (1.5)
- **Net Gearing:** 0.52 (0.65)
- **Equity %:** 36.3% (33.4%)
- **Order Backlog:** 524.8, 17.9% (445.0)
- **Net Income:** 7.5 (6.5)
- **EPS (EUR):** 0.038, 15% (0.033)

- Proposed dividend of 0.35 NOK pr share

*Performance measures expressed in €M



Business sectors

- The regional revenue stabilized sequentially and vs last year apart from CEE, where Q1 last year still was strong in Electrification
- Profitability is improved in Nordica & NA and CEE.
- No of employees 2 391 and reduced with 380 compared to last year
 - Nordics 1%, CEE -25%, China -14%

| Revenue Business Sectors | Q1 2025 | Q1 2024 | Change | 31.12.2024 | Change |
|--------------------------|--------------|--------------|-------------|--------------|---------------|
| Nordics & North America | 93.7 | 92.0 | 1.7 | 355.6 | 30.6 |
| CEE | 51.6 | 61.9 | -10.3 | 205.7 | -99.1 |
| Asia | 21.1 | 22.6 | -1.5 | 95.7 | -61.7 |
| Group and eliminations | -1.7 | -2.7 | 1.0 | -9.9 | 2.1 |
| Revenue | 164.6 | 173.8 | -9.2 | 647.2 | -128.1 |

| EBIT Business Sectors | Q1 2025 | Q1 2024 | Change | 31.12.2024 | Change |
|-------------------------|-------------|-------------|------------|-------------|--------------|
| Nordics & North America | 7.7 | 8.1 | -0.4 | 26.2 | -1.1 |
| CEE | 4.3 | 5.3 | -1.0 | 16.8 | -12.4 |
| Asia | 1.6 | 1.9 | -0.3 | 11.1 | -8.7 |
| Group and eliminations* | -1.2 | -4.7 | 3.6 | -6.4 | -0.8 |
| EBIT | 12.5 | 10.6 | 1.9 | 47.7 | -23.0 |

| FTE Business Sectors | 31.03.2025 | 31.03.2024 | 31.12.2024 | Change |
|-------------------------|--------------|--------------|--------------|--------------|
| Nordics & North America | 1 014 | 1 009 | 994 | 994 |
| CEE | 902 | 1 209 | 930 | 930 |
| Asia | 475 | 553 | 488 | 488 |
| FTE | 2 391 | 2 771 | 2 411 | 2 412 |

* includes restructuring charge in Q1 and YTD 2024

Cash flow and working capital

- Cash flow from operating activities at 12.1 €M (8.5 €M).
- Net working capital at 189.8 €M (196.8 €M), down 4% from last year, up 1% from last quarter.

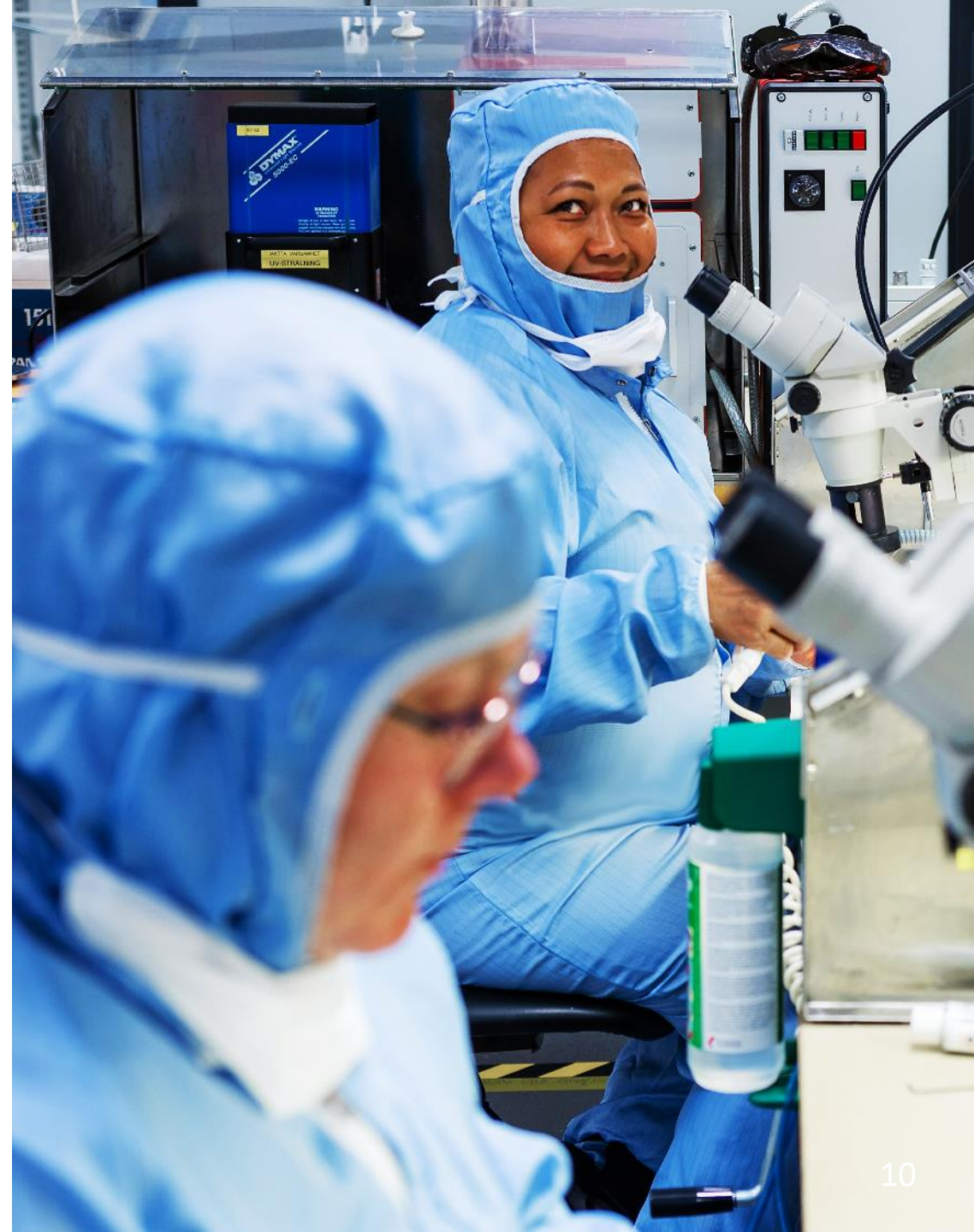
| | | | | €M |
|--|-------------|-------------|--------------|--------------|
| Cash Flow | Q1 2025 | Q1 2024 | Change | 31.12.2024 |
| Profit before tax | 10.0 | 8.6 | 1.4 | 39.9 |
| Depreciations | 4.6 | 4.7 | -0.1 | 18.7 |
| Change in inventory, accounts receivable, contract assets and accounts payable | -2.0 | -3.1 | 1.1 | 5.8 |
| Change in net other current assets and other operating related items | -0.5 | -1.7 | 1.2 | -20.6 |
| Net cash flow from operating activities | 12.1 | 8.5 | 3.6 | 43.7 |
| Net cash flow from investing activities | -1.6 | -2.6 | 1.0 | -8.6 |
| Net cash flow from financing activities | -9.5 | 2.1 | -11.6 | -16.3 |

| | | | | €M |
|----------------------------|--------------|--------------|-------------|--------------|
| Net working capital | 31.03.2025 | 31.03.2024 | Change | 31.12.2024 |
| Inventory | 151.3 | 155.5 | -4.2 | 141.4 |
| Contract assets | 79.4 | 75.8 | 3.6 | 77.6 |
| Trade receivables | 129.4 | 123.8 | 5.6 | 124.1 |
| Trade payables | 170.3 | 158.3 | 12.0 | 155.1 |
| Net working capital | 189.8 | 196.8 | -7.0 | 188.0 |

Ratios

- Net gearing and NIBD/EBITDA 0.5 and 1.6
- Finance cost -2.5 (-1.9)
- Proposed dividend of 0.35 NOK pr share ~ 0.03 €

| Ratios | 31.03.2025 | 31.03.2024 | Change | 31.12.2024 |
|------------------------------|------------|------------|--------|------------|
| R3 NWC % sales | 28.6 % | 28.0 % | 2.1 % | 28.8 % |
| R3 ROOC % sales | 18.7 % | 15.4 % | 21.4 % | 18.0 % |
| R3 Cash Cycle Conversion | 111 | 113 | -2 | 106 |
| Net Interest bearing debt €M | 108.2 | 123.1 | -14.9 | 113.5 |
| Net gearing | 0.52 | 0.65 | -0.13 | 0.57 |
| NIBD/EBITDA | 1.6 | 1.5 | 0.1 | 1.7 |
| Equity percent | 36.3 % | 33.3 % | 3.0 % | 35.8 % |
| Earnings per share quarter € | 0.038 | 0.033 | 15.2 % | 0.020 |
| Earnings per share ytd € | 0.038 | 0.033 | 15.2 % | 0.140 |



2025 Q1 Key take-ways

- Revenue of 164.6 €M, up 2% sequentially.
- Order backlog comes in strong at close to 525 €M (+18% YoY)
- Defence & Aerospace was the strongest sector, revenue growing 29% YoY and 14% QoQ, driven by increased NATO investments.
- Non-defence sectors revenue flat sequentially and Order backlog up 3% sequentially indicating an improvement in market sentiment and a completion of de-stocking activities.
- New defense tech is creating substantial new opportunities
- Five Kitron sites focused on Defence & Aerospace.
- Flexible and rapid scalability in production. Capability to triple output across EU and U.S. operations.

- 2025 outlook: Revenue between 640-710 €M and EBIT between 47-65 €M





 **Kitron**

2025 Q1

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