



SECOND QUARTER 2025

Connectivity
Electrification

Industry

Medical Devices

Defence/Aerospace

Norway
Sweden
Denmark
USA

Germany
Lithuania
Poland
Czech Republic

China
Malaysia
India

Message from our CEO

Strengthening momentum

- Exceptional performance in Defence & Aerospace
- Strategically important contracts
- Robust market fundamentals
- Full-year outlook lifted

With the first half of 2025 completed, I am pleased to report a continued strengthening of our outlook. Sales and profits remain solid, driven by sustained momentum in key sectors, particularly Defence & Aerospace, with the Industry sector also showing promising developments.

During the second quarter, we secured five strategically important contracts totaling EUR 37 million, comprising EUR 23 million within Defence & Aerospace, and EUR 14 million within Connectivity and Industry.

In Q2, we achieved solid year-over-year growth in our total order backlog, reflecting continued strength across strategic market segments. Despite some short-term fluctuations, the underlying market fundamentals remain robust.

Defence & Aerospace continues to demonstrate exceptional performance, posting 46 % growth in order backlog driven by robust demand for missile systems, air defence technologies, avionics, and encrypted communication. While natural timing fluctuations persist, the sector maintains a strongly positive outlook, further supported by strategic investments in advanced unmanned aerial vehicle (UAV) optics.

The **Industry** sector experienced solid growth, supported by increased global demand, successful production ramp-up at our Malaysia facility, and growing adoption of advanced subsea technologies and chip-design automation tools. Additionally, the anticipated easing of trade tensions could further enhance future performance.

In **Connectivity**, we've observed a shift from lower-volume IoT sensor solutions toward higher-volume container-tracking products, resulting in growth despite lower unit pricing. Conversely, demand for construction-equipment tracking solutions declined, influenced by shorter order horizons and ongoing uncertainty related to U.S. tariffs.

Electrification continues to experience robust underlying demand in 2025. However, we've noted a shortening of order horizons, with the second half of 2026 not yet fully loaded. We anticipate a recovery

later this year as assembly and installation capacities re-align with market needs. Key growth drivers in this sector remain energy transmission, fixed-grid infrastructure expansions, and backup power solutions for data centers.

Medical Devices showed sequential improvement, driven by increased global demand, though caution remains around ongoing U.S. tariff exposure.

Our M&A activities continue to progress according to plan, with strong momentum toward completing one or more strategic transactions by year-end. These acquisitions align closely with our long-term growth objectives, further strengthening our capabilities, expanding market presence, and positioning us for sustained growth.

The expansion of our site in Sweden and the construction of our new facility in Norway are progressing according to plan, with ramp-up expected in Q4 2025 and late Q1 2026, respectively.

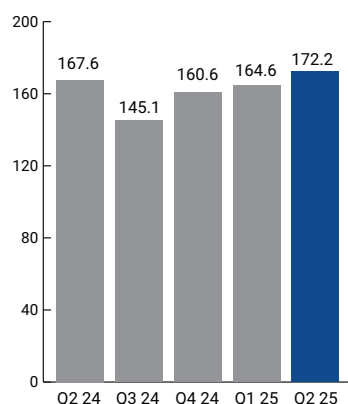
We remain committed to executing our strategic initiatives and continuously optimizing our global operations. These focused efforts position us well for continued strong performance and sustainable growth throughout 2025.

Given our current momentum, we are raising our outlook for 2025. We now expect revenue to be between EUR 675 million and EUR 725 million, with EBIT (operating profit) expected to range from EUR 55 million to EUR 65 million.

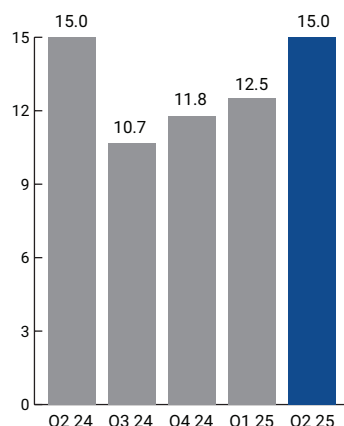



Peter Nilsson

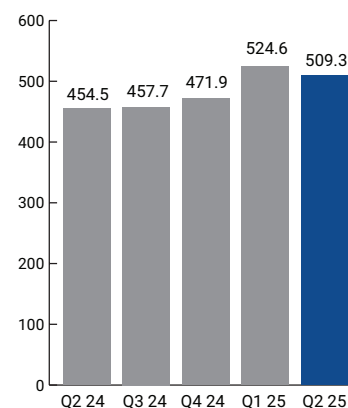
REVENUE Group
EUR million



EBIT Group
EUR million



ORDER BACKLOG Group
EUR million



Strong growth for Defence/Aerospace

Kitron's revenue for the second quarter was EUR 172.2 million, compared to EUR 167.6 million last year. The Defence/Aerospace market sector showed particularly strong growth.

EBIT margin approaching target of 9 per cent

Second quarter EBITDA* was EUR 19.6 million (EUR 19.6 million). Operating profit (EBIT)* for the second quarter ended at EUR 15.0 million (EUR 15.0 million). Profitability expressed as EBIT margin* was 8.7 per cent (8.9 per cent). Profit after tax was EUR 10.0 million (EUR 10.4 million), corresponding to EUR 0.05 earnings per share (EUR 0.05).

Kitron's revenue for the first half year was EUR 336.8 million (EUR 341.5 million), a decrease of 1 per cent compared to last year. First half year EBITDA* was EUR 36.7 million (EUR 34.8 million), an increase of 5 per cent from last year. Operating profit (EBIT)* for the first half year ended at EUR 27.5 million (EUR 25.5 million), an increase of 8 per cent. Profitability expressed as EBIT margin* was 8.2 per cent (7.5 per cent). Profit after tax was EUR 17.6 million (EUR 16.9 million), an increase of 4 per cent and corresponding to EUR 0.09 earnings per share (EUR 0.09).

In the second quarter Kitron paid a dividend to shareholders of EUR 6.0 million compared to EUR 12.8 million last year.

Order backlog growing

The order backlog ended at EUR 509.3 million, an increase of 12 per cent compared to last year. Growth was particularly strong in the Defence/Aerospace market sector, but there was also solid growth in the Industry sector.

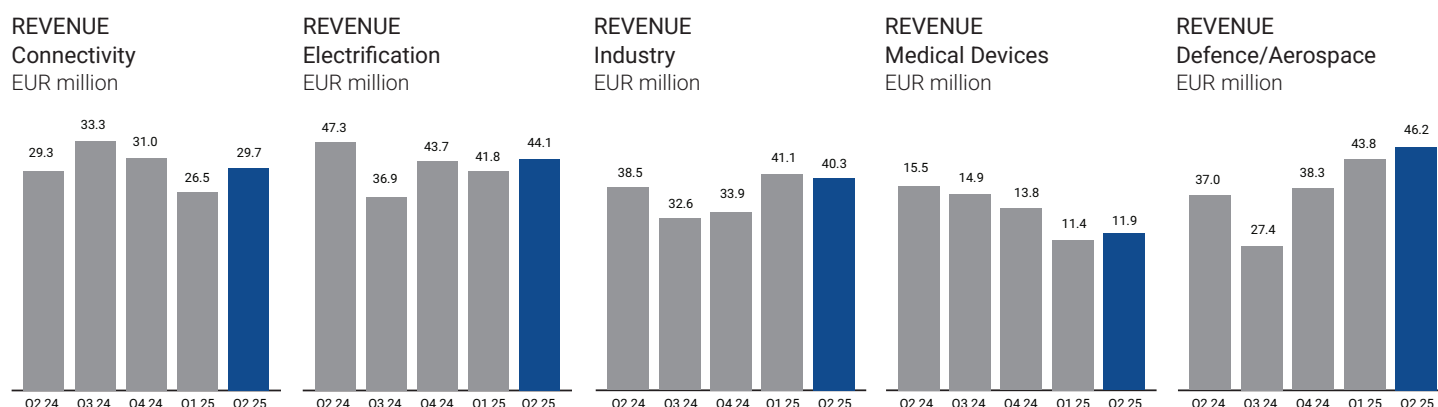
Capital efficiency improving

Operating cash flow was EUR 19.3 million (EUR 18.8 million) for the second quarter. Net working capital was EUR 180.7 million, a decrease of 4 per cent compared to the same quarter last year. Cash conversion cycle R3* was down from 112 days to 104 days, and net working capital R3* as a percentage of revenue was 26.8 per cent compared to 28.4 per cent last year. Return on operating capital (ROOC) R3* was 23.0 per cent compared to 22.3 per cent in the same quarter last year. Our focus continues to be on improving the supply situation, as well as managing resources, cash and deliverables.

Key figures

EUR million	Q2 2025	Q2 2024	Change	30.06.2025	30.06.2024	Change	Full year 2024
Revenue	172.2	167.6	4.7	336.8	341.5	(4.6)	647.2
EBIT	15.0	15.0	(0.0)	27.5	25.5	2.0	48.0
Order backlog	509.3	454.5	54.7	509.3	454.5	54.7	471.9
Operating cash flow	19.3	18.8	0.6	31.4	27.3	4.1	43.7
Net working capital	180.7	188.0	(7.3)	180.7	188.0	(7.3)	188.0

* For definition – See Appendix «Definition of Alternative Performance Measures»



Order intake

Order intake in the quarter was EUR 156.9 million, which is 11 per cent lower than for the second quarter of 2024. The order backlog ended at EUR 509.3 million, which is 12 per cent higher than the same period last year.

Four-quarters moving average order intake was down from EUR 179.4 million at the beginning of the second quarter to EUR 174.3 million at the end of the quarter. Kitron's order backlog includes four months committed customer forecast plus all firm orders for later delivery.

Markets

Connectivity

Kitron's Connectivity sector is focused on connected devices. Many of these devices are sensors, continuously feeding data into increasingly advanced software, utilizing artificial intelligence to make predictions and improve efficiency and safety. Examples are multiplying, in everything from industrial control systems to medical devices monitoring vital functions and modern cars, containing many sensors communicating with the Internet. Another part of the connectivity market sector is communication, which supplies the backbone for sensors and IOT. Typical products here are wireless communication, optical transmission and networking products.

Electrification

Kitron's Electrification sector is focused on the megatrend that sees the world increasingly moving to renewable energy and electrification. Examples are battery management, power grid transmission, power and electric drive management, charging and fuel cell technology. Kitron is involved with electrification from the power grid to end-user products, from control systems for offshore wind power to battery management systems and charging stations.

Industry

Within the Industry sector, Kitron operates and delivers a complete range of services within industrial applications like automation, environmental, material warehousing and security. The Industry sector consists of three main product areas: control systems, electronic control units and automation.

Medical devices

The medical device sector consists of the product areas diagnostics, life support, surgical, hospital and home care. Kitron is especially strong in ultrasound and cardiology systems, respiratory medical devices and Lab/IVD (In-Vitro Diagnostics).

Defence/Aerospace

Aerospace is mainly navigation and communication equipment for civil and military avionics. Defence is primarily communication, encryption, and surveillance systems. The Defence/Aerospace sector is in general characterized by project deliveries.

Revenue market sectors

EUR million	Q2 2025	Q2 2024	Change	01.01-30.06.2025	01.01-30.06.2024	Change	Full year 2024
Connectivity	29.7	29.3	0.3	56.1	57.1	(0.9)	121.3
Electrification	44.1	47.3	(3.1)	86.0	98.5	(12.5)	179.1
Industry	40.3	38.5	1.8	81.4	84.1	(2.7)	150.6
Medical devices	11.9	15.5	(3.6)	23.3	30.8	(7.5)	59.6
Defence & Aerospace	46.2	37.0	9.3	90.1	70.9	19.1	136.6
Total group	172.2	167.6	4.7	336.8	341.5	(4.6)	647.2

Order backlog market sectors

EUR million	30.06.2025	30.06.2024	Change	31.12.2024
Connectivity	54.8	67.4	(12.6)	61.2
Electrification	123.5	145.1	(21.5)	137.1
Industry	72.2	59.3	12.9	64.6
Medical devices	21.7	20.1	1.6	17.4
Defence & Aerospace	237.1	162.7	74.4	191.6
Total group	509.3	454.5	54.7	471.9

Operations

Organisation

The Kitron workforce corresponded to 2 474 full-time employees (FTE) on 30 June 2025. This is a decrease of 73 FTE since the second quarter of 2024. The company's total payroll expenses in the second quarter

were EUR 1.7 million higher than in the corresponding period in 2024. The relative payroll costs ended at 17.3 per cent, up from 16.8 per cent of revenue in the second quarter last year.

Revenue Business Sectors

EUR million	Q2 2025	Q2 2024	Change	01.01-30.06.2025	01.01-30.06.2024	Change	Full year 2024
Nordics and US	96.0	94.1	1.9	189.7	186.1	3.6	355.6
CEE	56.7	50.7	6.0	108.2	112.6	(4.4)	205.7
Asia	22.3	24.8	(2.5)	43.4	47.4	(4.0)	95.7
Group and eliminations	(2.8)	(1.9)	(0.9)	(4.5)	(4.6)	0.1	(9.9)
Total group	172.2	167.6	4.7	336.8	341.5	(4.6)	647.2

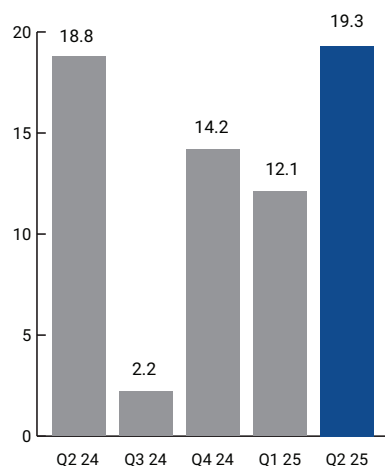
EBIT Business Sectors

EUR million	Q2 2025	Q2 2024	Change	01.01-30.06.2025	01.01-30.06.2024	Change	Full year 2024
Nordics and US	9.4	8.7	0.7	17.1	16.8	0.3	26.2
CEE	5.4	4.7	0.7	9.7	9.8	(0.1)	17.1
Asia	2.1	2.9	(0.8)	3.8	4.9	(1.1)	11.1
Group and eliminations	(1.9)	(1.3)	(0.6)	(3.1)	(6.0)	2.9	(6.4)
Total group	15.0	15.0	0.0	27.5	25.5	2.0	48.0

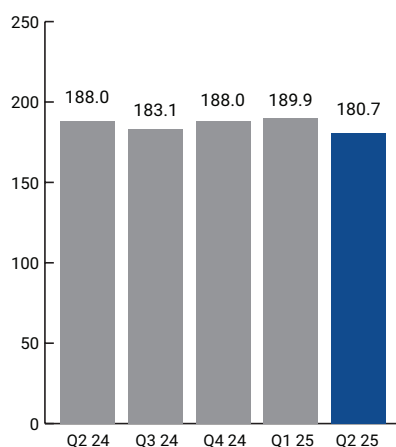
FTE Business Sectors

	30.06.2025	30.06.2024	Change	31.12.2024
Nordics and US	1 061	1 088	(27)	994
CEE	929	955	(26)	930
Asia	484	504	(20)	488
Total group	2 474	2 547	(73)	2 411

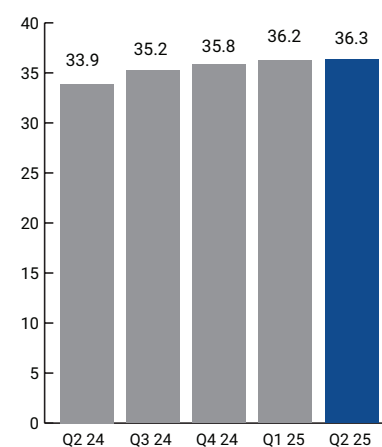
OPERATING CASH FLOW Group
EUR million



NET WORKING CAPITAL Group
EUR million



EQUITY RATIO Group
Percent



Finance

Net financial items

During the quarter, net financial items amounted to a net cost of EUR 2.3 million. The corresponding figure for the second quarter last year was a net cost of EUR 2.4 million. Net disagio for the second quarter amounted to EUR 0.5 million (disagio EUR 0.05 million).

Balance sheet

Kitron's gross balance sheet as of 30 June 2025 amounted to EUR 574.4 million, compared to EUR 551.8 million at the same time in 2024.

Equity was EUR 208.4 million (EUR 187.0 million), corresponding to an equity ratio of 36.3 per cent (33.9 per cent). Return on equity was 19.4 per cent (22.2 per cent). Equity is influenced by foreign exchange effects from consolidation of foreign subsidiaries.

Inventory was EUR 144.1 million as of 30 June 2025 (EUR 148.6 million). Inventory turns* was 2.8 in the second quarter 2025 (2024: 2.6). Deposits from customers are collected to partially offset the increased inventory.

Accounts receivable amounted to EUR 132.1 million at the end of the second quarter of 2025. The corresponding amount at the same time in 2024 was EUR 126.0 million.

Contract assets were EUR 81.5 million as of 30 June 2025, compared to EUR 72.5 million at the same time in 2024.

Right-of-use assets amounted to EUR 25.9 million at the end of the second quarter compared to EUR 23.9 million at the same time last year. Right-of-use assets consist of buildings, land and vehicles amounting to EUR 13.9 million (2024: EUR 11.6 million) and machinery and equipment amounting to EUR 12.0 million (2024: EUR 12.3 million). Depreciation and interest costs related to leased buildings, land and vehicles were EUR 1.0 million and EUR 0.2 million respectively for the first quarter (2024: EUR 0.9 million and EUR 0.3 million respectively).

The group's reported net interest-bearing debt* amounted to EUR 96.0 million as of 30 June 2025 (2024: EUR 122.9 million). Net gearing of the company was 0.5 (0.7). Net interest-bearing debt / EBITDA is 1.4 for 12 months rolling compared to 1.6 for the same period last year. The net gearing and net interest-bearing debt / EBITDA exclusive IFRS 16 effects are 0.4 and 1.2 respectively.

Outlook

At this time, Kitron expects revenue for the full year 2025 to be between EUR 675 and 725 million. Operating profit (EBIT) is expected to be between EUR 55 and 65 million. The previous outlook was for revenue between EUR 640 and 710 million, with an operating profit (EBIT) between EUR 47 and 65 million.

Oslo, 10 July 2025, Board of directors, Kitron ASA

Condensed profit and loss statement

EUR million	Q2 2025	Q2 2024	01.01-30.06.2025	01.01-30.06.2024	Full year 2024
Revenue	172.2	167.6	336.8	341.5	647.2
Cost of materials	113.6	111.8	223.8	225.6	432.8
Payroll expenses	29.8	28.1	58.8	62.4	115.5
Other operational expenses	8.8	8.2	16.8	18.6	32.2
Other gains / (losses)	(0.4)	(0.0)	(0.8)	(0.1)	0.1
Operating profit before depreciation and impairments (EBITDA)	19.6	19.6	36.7	34.8	66.7
Depreciation	4.5	4.6	9.2	9.3	18.7
Operating profit (EBIT)	15.0	15.0	27.5	25.5	48.0
Net financial items	(2.3)	(2.4)	(4.8)	(4.3)	(8.2)
Profit (loss) before tax	12.7	12.6	22.7	21.2	39.9
Tax	2.8	2.2	5.1	4.3	11.9
Profit (loss) for the period	10.0	10.4	17.6	16.9	28.0
Earnings per share-basic	0.05	0.05	0.09	0.09	0.14
Earnings per share-diluted	0.05	0.05	0.09	0.08	0.14

Condensed balance sheet

EUR million	30.06.2025	30.06.2024	31.12.2024
ASSETS			
Goodwill	44.7	44.7	44.4
Other intangible assets	25.9	27.0	26.3
Property, plant and equipment	45.5	50.8	47.2
Right-of-use assets	25.9	23.9	27.9
Deferred tax assets	5.6	6.1	7.1
Other receivables	0.9	0.9	0.9
Total non-current assets	148.5	153.5	153.8
Inventory	144.1	148.6	141.4
Accounts receivable	132.1	126.0	124.1
Contract assets	81.5	72.5	77.6
Other receivables	13.9	10.5	10.4
Cash and cash equivalents	54.3	40.8	48.7
Total current assets	425.9	398.3	402.2
Total assets	574.4	551.8	556.0
LIABILITIES AND EQUITY			
Equity	208.4	187.0	198.9
Total equity	208.4	187.0	198.9
Deferred tax liabilities	7.7	5.3	8.6
Interest bearing debt	99.2	114.9	108.2
Pension commitments	0.4	0.5	0.4
Other liabilities	1.1	1.1	1.0
Total non-current liabilities	108.5	121.8	118.2
Accounts payable	177.0	159.0	155.1
Other payables	27.8	29.6	27.6
Tax payable	1.6	5.6	2.1
Interest bearing debt	51.1	48.8	54.0
Total current liabilities	257.5	243.0	238.8
Total liabilities and equity	574.4	551.8	556.0

Condensed cash flow statement

EUR million	Q2 2025	Q2 2024	01.01-30.06.2025	01.01-30.06.2024	Full year 2024
Profit before tax	12.7	12.6	22.7	21.2	39.9
Depreciations	4.5	4.6	9.2	9.3	18.7
Change in inventory, accounts receivable, contract assets and accounts payable	9.2	8.9	7.3	5.8	5.8
Change in net other current assets and other operating related items	(7.2)	(7.3)	(7.7)	(9.0)	(20.6)
Net cash flow from operating activities	19.3	18.8	31.4	27.3	43.7
Net cash flow from investing activities	(2.0)	(2.1)	(3.6)	(4.7)	(8.6)
Net cash flow from financing activities	(10.4)	(23.4)	(19.9)	(21.2)	(27.2)
Change in cash and cash equivalents	6.9	(6.7)	7.9	1.3	7.9
Cash and cash equivalents opening balance	48.9	47.6	48.7	39.0	39.0
Currency conversion of cash and cash equivalents	(1.5)	(0.1)	(2.3)	0.6	1.8
Cash and cash equivalents closing balance	54.3	40.8	54.3	40.8	48.7

Condensed statement of comprehensive income

EUR million	Q2 2025	Q2 2024	01.01-30.06.2025	01.01-30.06.2024	Full year 2024
Profit (loss) for the period	10.0	10.4	17.6	16.9	28.0
Actuarial gain / losses pensions	-	-	-	-	(0.0)
Gain / losses forward contract	-	-	-	-	0.0
Exchange differences on translation	(3.4)	(1.6)	(2.2)	(1.8)	1.1
Total comprehensive income for the period	6.5	8.8	15.4	15.2	29.1
Allocated to shareholders	6.5	8.8	15.4	15.2	29.1

Changes in equity

EUR million	30.06.2025	30.06.2024	31.12.2024
Equity opening balance	198.9	183.5	183.5
Profit (loss) for the period	17.6	16.9	28.0
Paid dividends	(6.0)	(12.8)	(12.8)
Issue of ordinary shares	-	0.0	0.0
Employee share schemes	0.1	1.1	(0.8)
Other comprehensive income for the period	(2.2)	(1.8)	1.1
Equity closing balance	208.4	187.0	198.9

Notes to the financial statements

Note 1 – General information and principles

The condensed consolidated financial statements for the second quarter of 2025 have been prepared in accordance with International Financial Accounting Standards (IFRS) and IAS 34 for interim financial reporting. Kitron has applied the same accounting policies as in the consolidated financial statements for 2024. The interim financial statements do not include all the information required for a full financial report and should therefore be read in conjunction with the consolidated financial statements for 2024, which were prepared in accordance with the Norwegian Accounting Act and IFRS, as adopted by the EU. The consolidated financial statements for 2024 are available upon request from the company and at www.kitron.com.

Note 2 - Estimates

The preparation of the interim financial statements requires the use of evaluations, estimates and assumptions that affect the application of the accounting principles and amounts recognised as assets and liabilities, income and expenses. The actual results may deviate from these estimates. The important assessments underlying the application of Kitron's accounting policy and the main sources of uncertainty are the same for the interim financial statements as for the consolidated statements for 2024.

Note 3 – Financial risk management

Kitron's business exposes the company to financial risks. The purpose of the company's procedures for risk management is to minimise possibly negative effects caused by the company's financial arrangements.

Note 4 – Other gains and losses

Other gains and losses consist of net currency gains and losses.

Responsibility statement

We confirm, to the best of our knowledge, that the condensed set of financial statements for the period 1 January to 30 June 2025 has been prepared in accordance with IAS 34 - Interim Financial Reporting, and gives a true and fair view of the group's assets, liabilities, financial position and profit or loss as a whole. We also confirm, to the best of our knowledge, that the interim

management report includes a fair review of important events that have occurred during the first six months of the financial year and their impact on the condensed set of financial statements, a description of the principal risks and uncertainties for the remaining six months of the financial year, and major related parties transactions

Oslo, 10 July 2025



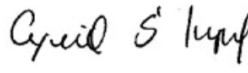
Tuomo Lähdesmäki
Chairman



Maalfrid Brath
Deputy Chairman



Michael Lundgaard Thomsen
Board Member



Gyrid Skalleberg Ingerø
Board Member



Petra Grandinson
Board Member



Ingjerd Livollen
Employee Elected
Board Member



Håkon Ljøstad
Employee Elected
Board Member



Geir Vedøy
Employee Elected
Board Member



Peter Nilsson
CEO of Kitron ASA

Appendix

Definition of Alternative Performance Measures

Kitron uses terms in the consolidated financial statements that are not anchored in the IFRS accounting standards. As being an Electronics Manufacturing Services company, Kitron uses Alternative Performance Measures which are relevant for understanding and evaluation of performance within manufacturing.

Our definitions and explanations of these terms follow below.

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 + Contract assets + Accounts Receivables – Accounts Payable

Operating capital

Other intangible assets + Tangible fixed assets + Net working capital

Return on operating capital (ROOC) %
 $\text{Annualised Operating profit (EBIT) / Operating Capital}$

Return on operating capital (ROOC) R3 %
 $\text{(Last 3 months Operating profit (EBIT))} \times 4 / \text{(Last 3 months Operating Capital) / 3}$

Direct Cost

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

Days of Inventory Outstanding

$360 / \text{(Annualised Direct Costs / (Inventory + Contract assets))}$

Days of Inventory Outstanding R3

$360 / \text{((Last 3 months Direct Costs} \times 4) / \text{(Last 3 months Inventory and Contract assets/3))}$

Days of Receivables Outstanding 360/

$\text{(Annualised Revenue/Trade Receivables)}$

Days of Receivables Outstanding R3

$360 / \text{((Last 3 months Revenue} \times 4) / \text{(Last 3 months Trade Receivables/3))}$

Days of Payables outstanding

$360 / \text{((Annualised Cost of Material + Annualised other operational expenses) / Trade Payables)}$

Days of Payables Outstanding (R3)

$360 / \text{(((Last 3 months (Cost of Material + other operational expenses) } \times 4) / \text{(Last 3 months Trade Payables)/3))}$

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)

Inventory turns

$\text{Annualised direct costs / (Inventory + Contract assets)}$

Variable contribution

Revenue - Direct cost

Net gearing

Net interest bearing debt / Equity

Equity Ratio

The ratio of Equity to Total Assets



Kitron is a leading Scandinavian electronics manufacturing services company for the Connectivity, Electrification, Industry, Medical devices, and Defence/Aerospace sectors. The group is located in Norway, Sweden, Denmark, Lithuania, Germany, Poland, the Czech Republic, India, China, Malaysia and the US and has about 2 400 employees. Kitron manufactures both electronics that are embedded in the customers' own product, as well as box-built electronic products. Kitron also provides high-level assembly (HLA) of complex electromechanical products for its customers.

Kitron offers all parts of the value chain: From design via industrialisation, manufacturing, and logistics, to repairs. The electronics content may be based on conventional printed circuit boards or ceramic substrates.

Kitron also provides various related services such as cable harness manufacturing and components analysis, and resilience testing, and source any other part of the customer's product. Customers typically serve international markets and provide equipment or systems for professional or industrial use.