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The Power of IoT

FY 2025

Investor Presentation

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26th March 2026, Linz

Kontron: FY Results & Company Highlights

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Results Highlights

- **Big Leap in Operating Cashflow**
  From EUR 99m (2024) to EUR 168m (2025)
- **Leap in EBITDA**
  From EUR 192m (2024) to EUR 237m (2025)
- **Increased Record Backlog**
  Again: Book-to-bill ratio of 1.26
  Record backlog of EUR 2.5bn
- **Working Capital Fixed**
  Improved from above EUR 350m to EUR 287m

2025

Company Highlights

- **Ongoing Portfolio Streamlining**
  Reduction of low margin EMS/IT/COM biz, strengthen Software + Solutions
- **Strong Growth in High-Margin Software + Solutions**
  Book-to-bill 1.47 and 15.5% organic revenue growth driven by Defense and Transportation
- **GreenTec Restructuring**
  Initiated by scaling down Solar
- **Software Gaining Momentum**
  CRA compatible IoT solutions powered by KontronOS and AI-Shield

Share Buyback Program 2026 I

- Share buyback program 2026 I with expected duration until 30 September latest
- Total amount: max EUR 50 million (max 2,900,000 shares or 4.54% of the share capital) – potential further extension depending on market conditions and share price development
- Reasoning: current share price development – proposed instead of dividend (decision reevaluated every year – dividend last year was EUR 0.6/share i.e. EUR 37 million)
- Type of repurchase: Via stock exchange and Multilateral Trading Facilities (MTFs)
- Price cap
  - Purchase price range not above 10% of the average price of the last 5 trading days in XETRA trading
  - Up to EUR 24 per share
- Lowest price:
  - Purchase price range not under 10% of the average price of the last 5 trading days in XETRA trading and at least EUR 1 per share

KPIs FY 2025

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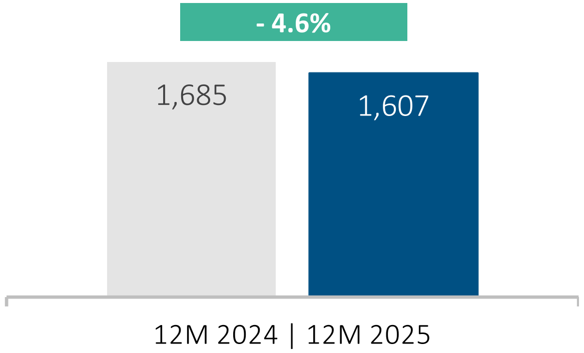
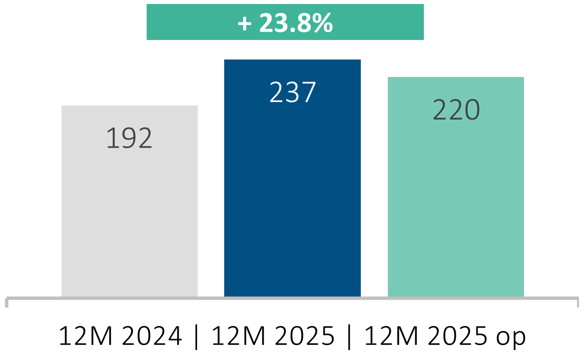
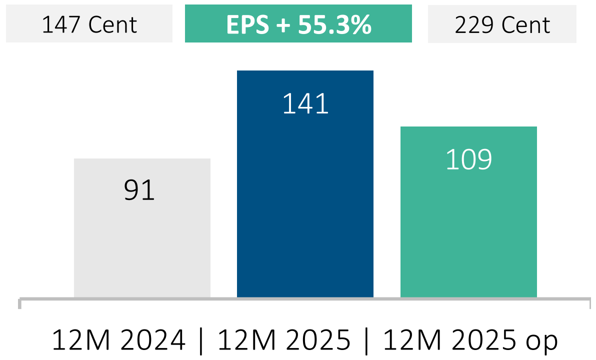
Revenues
(in EUR m)



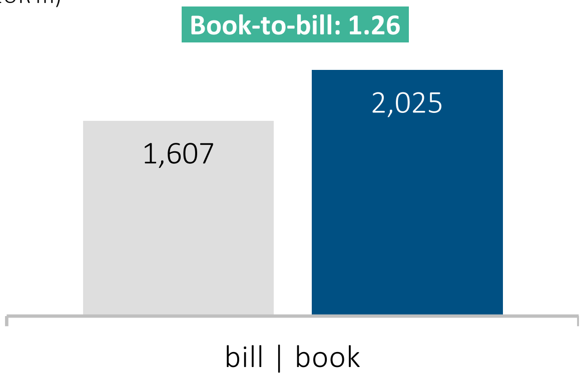
EBITDA*
(in EUR m)



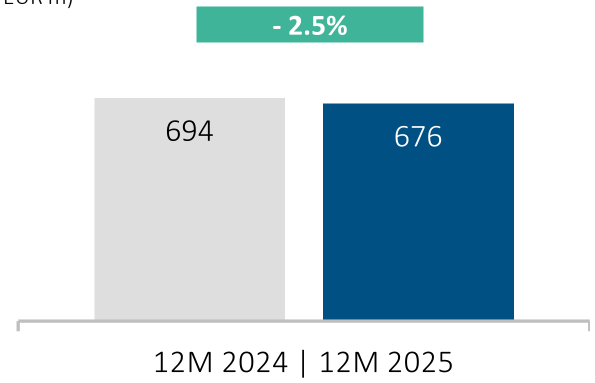
Net Result after NCI*
(in EUR m)



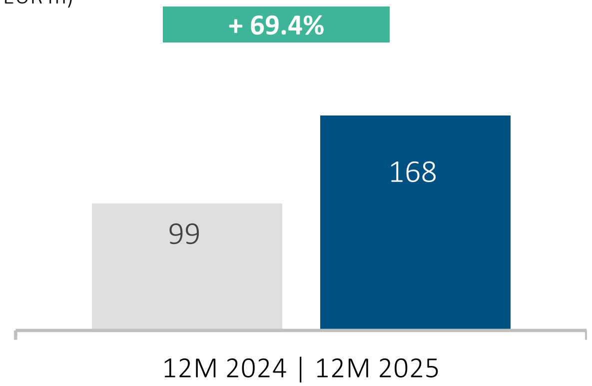
Order Entry vs. Revenues
(in EUR m)



Gross Profit**
(in EUR m)



Operating Cash Flow
(in EUR m)



* Including one-off effects from portfolio streamlining.
** Burdened by inventory deconsolidation effects.

Kontron Group Balance Sheet FY 2025

Equity and Liquidity very Strong

in EUR m	31.12.2025	31.12.2024
NON-CURRENT ASSETS	**833.9**	**744.8**
Tangible assets	236.3	238.1
Intangible assets	166.4	157.3
Goodwill	255.1	262.6
Other assets	176.1	86.8
CURRENT ASSETS	**947.4**	**1,078.9**
Inventories	318.5	373.3
Trade receivables	196.9	249.6
Contract assets from customers	77.8	71.6
Cash and cash equivalents	263.5	315.6
Other receivables and prepayments	90.6	68.8
Total assets	**1,781.2**	**1,823.7**

in EUR m	31.12.2025	31.12.2024
EQUITY	**746.1**	**652.3**
Accumulated results	626.9	522.7
as of treasury shares	-22.4	-50.1
NON-CURRENT LIABILITIES	**328.8**	**452.9**
Long-term loans and borrowings	216.7	305.8
Other liabilities and provisions	112.1	147.2
CURRENT LIABILITIES	**678.7**	**718.5**
Trade payables	228.0	272.4
Contract liabilities from customers	58.9	91.2
Short-term loans and borrowings	193.9	173.0
Other liabilities and provisions	197.9	181.9
Total liabilities & equity	**1,753.6**	**1,823.7**
Equity ratio	**41.8%**	**35.8%**
Total net debt*	**-147.1**	**-163.1**
Working capital**	**287.4**	**350.6**

- Improvement in Equity Ratio from 35.8% to 41.8%
- Strong Progress in Working Capital / Net Debt Improved – COM Deconsolition Cash-In yet to come

* Definition Net Debt: Cash and cash equivalents less non-current and current financing liabilities (excl. liabilities from leasing according to IFRS 16)
** Definition Working Capital: Inventories plus trade receivables less trade payables (excl. IFRS 15 contract assets and liabilities)

Additional Disclosures

FY 2025

One Time Effect	TEUR
One-time reported in other income	87,012
Further one-time costs	-66,811
One-time income impacting net income	15,539
Total impact on net income	32,379

Revenues Growth Breakdown	2025
Reported 3rd party revenues	1,607
Impact Katek/EMS	59
Deconsolidation COM + IT HU	70
ORGANIC GROWTH	3,2%

R&D	in EUR m	in %
Segment „S + S“	145.9	54.6
Segment „Europe“	99.1	37.0
Segment „Global“	22.4	8.4
Total R&D spendings	267,4	100

Status Liquidity

- EUR 263.5m cash on hand
- EUR 200m available lines
- EUR 126m expected additional inflow from COM deconsolidation

Kontron: Major KPIs

Strong Operational Development Continued

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in EUR m	2023	2024	2025	Comment
Revenues	1,257	1,685	1,607	EUR 179m of discontinued biz: COM (EUR 100m), EMS (EUR 59m) and ITS (EUR 20m)
Gross Margin (in %)	38.0%	41.2%	42.1%	Improvements to be continued due to revenue mix shifting towards S + S
EBITDA	126	192	237	Strong improvement over last years – 2025 one-time effect impact of net EUR 17m
Net Profit	78	91	141	Operationally strong 2025 one-time effect impact of EUR 32m
Equity Ratio	44%	36%	42%	Target for 2025 achieved - to be further improved in 2026
Working Capital	170	351	287	Significant progress since 2024
Operating CF	123	149	168	Record operating cashflow
FTE	4,838	7,263	6,695	Thereof ~3,000 experienced engineers
Net Cash/Debt	121	-163	-147	Target below < 1 time EBITDA achieved

Portfolio Streamlining

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In EUR m	2022	2023	2024	2025	2026e
Discontinued Revenues		- 390	- 60	- 129	
Related Gross Margin		30%	15%	23%	
Impact on Gross Margin		- 117	- 9	-30	
Reported Gross Margin	370	466	694	676	
Group Gross Margin	34.7%	38.0%	41.2%	41.8%	Appr 43%
Clean-Up Portfolio		Divest IT biz to Axians	Discontinued low margin biz in IT + EMS	COM biz + discontinued low margin IT + EMS biz	Plan to divest rest of ITS biz

- Focus increased: Total of EUR 579 million of low margin biz divested/discontinued over last 3 years
- Proceeds used for acqusitions + shareholders
- Profits still growing based on increased gross margin

Massive Design Win Volume Increases to EUR 8.1bn

Backlog Rose to EUR 2.5bn Driven by Great Order Intake

Kontron to Power Multinational Energy Equipment Manufacturer with Control Systems in a Market Poised for $100M in Growth

11.11.2025 | Linz, Austria

Q4

Kontron Transportation has been awarded a GSM-R project in Spain valued at over 20 million Euros

Kontron secures another major defense and security order expected to be worth around EUR 165 million

Kontron announces new order for satellite communication

Big Contract Win in France: Kontron Transportation Signs Three-Digit Million Euro Contract with SNCF

15.07.2025 | Linz, Austria

Kontron secures another EUR 40 million order in the automotive sector

Kontron continues successful collaboration with a leading U.S. Aerospace & Defense firm

E-mobility picks up speed: Another major order for intelligent wallboxes goes into production

Kontron Transportation receives EUR 26 million order from Czech Railways

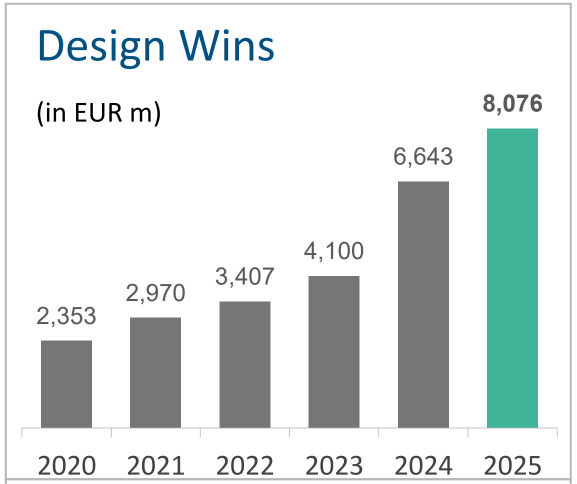
10.06.2025 | Linz, Austria

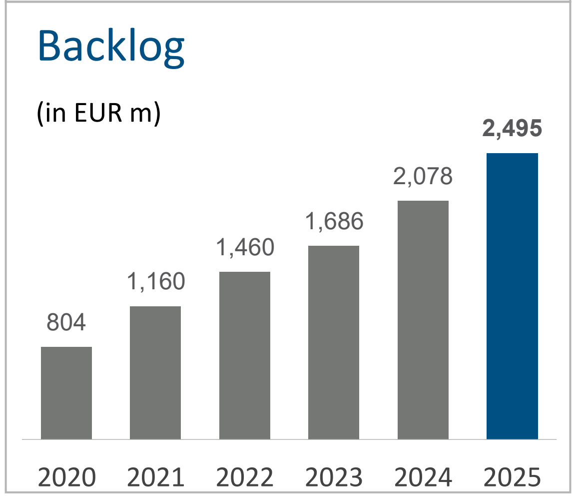
Kontron Secures Contract with Leading Supplier to the Automotive Industry $ 250 Mio.

Kontron secures a EUR 65 Mio design win in rail infrastructure

Kontron AG: Major order for smart wallboxes

Kontron wins a EUR 34 Mio. contract for a GSM-R system in the Czech Republic

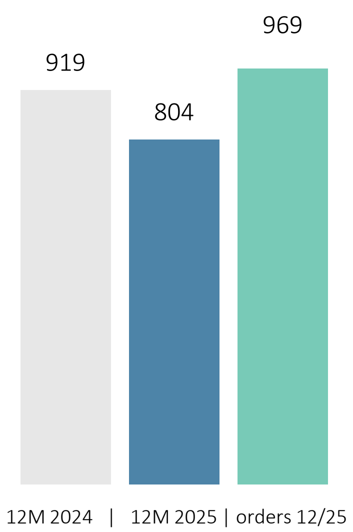




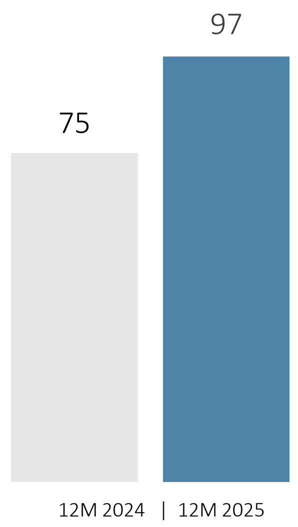
Europe: Ongoing Portfolio Improvements

Reduce Low Margin Biz

Revenue & Order Entry



EBITDA*



About the Segment & Strategy

- Adjusted (15m) EBITDA margin of 10.2%; 2025 no growth
- Portfolio streamlining impacts of EUR -109m revenues in 2025
- Deconsolidation of Jumptec and other EMS/IT biz
- Broad base of IoT products/technologies for various industries -> defense growing
- Represents 50% of group revenues in 2025
- Strong pan European cost-efficient engineering base
- Install KontronOS on all devices

Comments on FY 2025

- Qualcomm cooperation on 5G and ARM started
- Volume defense biz with “Bundeswehr” & “Bundesdruckerei”
- H1 2025 was soft, order entry came back in H2 -> 2027 will be good
- Several design wins in ODM turning into revenues 2027
- Affected by EUR -21m of delinquent backlog

Portfolio Streamlining to Adjust Product Portfolio to Higher Margin Products; Phase Out Low Margin Biz

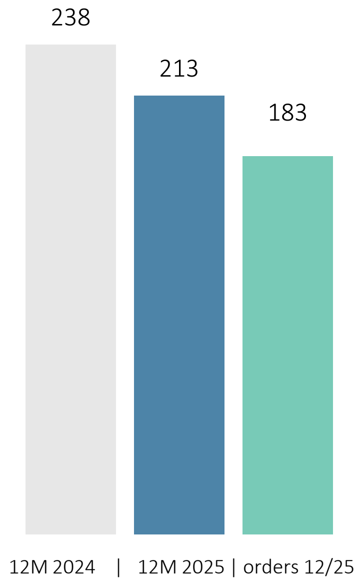
* EBITDA before Intercompany HQ fees (part of Europe Segment)

** Impacted by deconsolidation of COM business

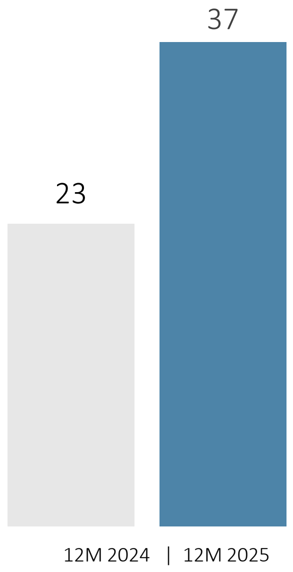
Global: Growth Potential

Sales Channel for Legacy and Focus Business

Revenue & Order Entry



EBITDA*



About the Segment & Strategy

- Revenues were organically stable (deconsolidation of modules)
- Adj. operating EBITDA margin 11.3%
- Sales/Support channel for the complete Kontron technology portfolio
- Represents 14% of group revenues - Target 30% America + Asia by 2030
- ITAR approved competence center for Defense and Aerospace in the USA
- Will be combined with Europe to smart IoT segment
- Report global revenues in KPIs separately

2025 in North America

- Tariffs no major impact (exemptions valid)
- Defense & Aerospace market very strong and profitable

2025 in Asia

- Expand cooperation with Foxconn in technology
- High potential in avionics and high-speed trains (Air China, CR)

Need to Get Used to US Strategy

* EBITDA before Intercompany HQ fees (part of Europe Segment)

** Impacted by deconsolidation of COM business

Software + Solutions: Fast Growing – Our Focus

Strongest EBITDA Contributor, Just Started in 2020

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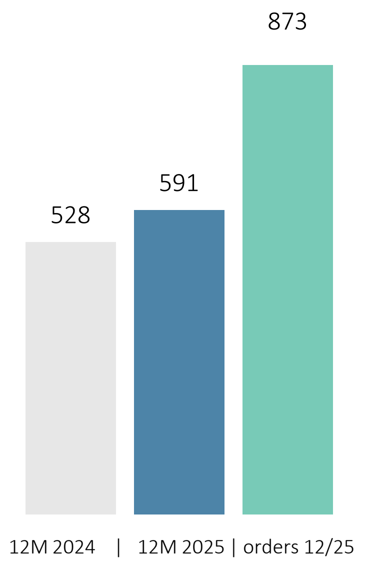
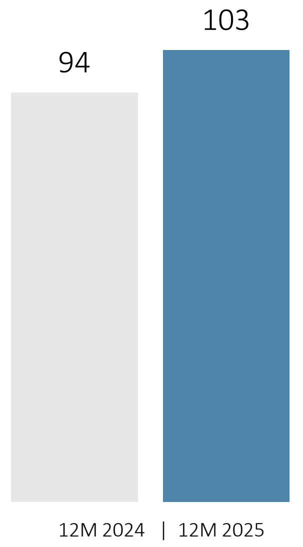
Revenue & Order Entry



EBITDA*



About the Segment & Strategy

- Consists of IOT technology specialized for defense + trains + cybersecurity + GreenTec
- Fast growing, good margins but 2025 heavily burdened by GreenTec
- 65% of Kontron R&D dedicated to this segment
- Segment burdened by loss making shrinking GreenTec
- EBITDA margin 17.5%; growth 12,5% before Greentec 23% margin and 18% growth
- Significant Software share -> GM 60%, Technology leader
- Not impacted by chip crisis

CRA compatible AI supported KontronOS

- K-OS, AI-Shield and K-Grid to become the *de facto* standard with 30m licenses by 2028
- Spread in avionics, WBX, ARM-based, target install on all IoT devices

Transportation (high-speed trains)

- Book to bill: 1.34; market leader in Europe, only supplier dedicated to FRMCS

Defense and Aerospace

- Major NATO supplier for encrypted data communication

New segment GreenTec

- Restructuring program - reduce R&D spendings

Represents Today 50% of Group Profits, Target 2030: Increase to 75%

* EBITDA before Intercompany HQ fees (part of Europe Segment)

New Segment Structure 2026

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Pro-Forma for FY 2025 Results

Old Structure 2025

Europe


Industrial


Telecom


EMS/ODM

Revenue
EUR 804m

EBITDAHQ
EUR 97m

Global


North America


Asia

Revenue
EUR 213m

EBITDAHQ
EUR 37m

Software + Solutions


Software


Transport


Aerospace & Defense


GreenTec

Revenue
EUR 591m

EBITDAHQ
EUR 103m

New Structure 2025 as if

Smart IoT


Industrial


Telecom


North America


ODM


Asia

Revenue
EUR 1.077m

EBITDAHQ
EUR 131m

Software + Solutions


Software


Transport


Aerospace & Defense

Revenue
EUR 531m

EBITDAHQ
EUR 106m

Challenges: Solar – Chip Crisis

Status Solar:

Solar/GreenTec missed in 2025 plan by 28%; generating losses of EUR -8m in EBITDA

Consequence:

We will redimension solar biz and combine the activities with other divisions

Engineers added to Software / CRA + defense

No new designs - maintain biz but no major new investments

Reduction of 500 FTE (50%) globally creating EUR 25m in restructuring costs

Restructuring completed 2026 – back to profits in Q4/2026

Keep connected WBX biz and transfer to Software Division incl. 90 engineers

Supply Chain:

Flash + DDR4 + CPUs are on allocation (driven by AI demand)

Currently EUR 29m of scheduled orders not shipped in Q1, (EUR 10m EBITDA delayed)

-> Foxconn will help us

Structural Macro Trends Driving Demand

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Cybersecurity

- Estimated cost of cybercrime increasing by ~$6.400bn (+69%) between 2024–2029, reaching ~$15.600bn.
- EU regulation (e.g. Cyber Resilience Act) driving demand for “secure-by-design” embedded and IoT systems.

IoT & Edge Computing

- CAGR of connected devices 13–19% until 2030 (increase from 19bn to >40bn units).
- AI is moving to the “edge” (data processing directly on the device). Market growing at 22% CAGR.

5G & Connectivity

- Real-time data transmission for IoT systems and smart grids.
- EU‘s high-speed rail network (~12,000 km today) could triple to ~30,000 km by 2040, driving major demand for 5G-based FRMCS railway communications.

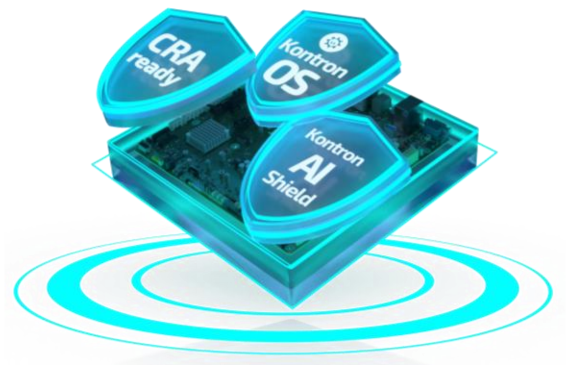
Defense

- Driver: Geopolitical tensions are forcing higher NATO budgets (CAGR ~5%).
- Impact: Demand for ITAR-certified, rugged communication technology with secure encryption is steadily increasing.

1. IoT Analytics (2025). State of IoT 2025: Number of connected IoT devices growing 14% to 21.1 billion globally / Grand View Research (2026). Edge AI Market to Reach $118.69 Billion by 2033.
2. ENR, 2025 – EU Plans $371B Build-Out of High-Speed Rail Corridors. / CER, High-Speed Rail as a Strategic Tool for Achieving European Transport Policy Goals, 2022.
3. Strategic Market Research – *NATO Defense Market Outlook*, 2024.
4. Annual cost of cybercrime worldwide 2018-2029, Statista Market Insights (via published summaries)

Deep Dive: Cybersecurity

Cybersecurity as Regulatory Necessity - Software as Monetization Engine



The Drivers: NIS2 & Cyber Resilience Act (CRA)
Starting in 2027, stricter cybersecurity requirements for digital components - including obligations for updates, security patches, and attack detection - are expected to significantly increase demand for robust cybersecurity solutions in IoT-based critical infrastructure (e.g. railways, defense, healthcare).

The Consequence
Operators of critical infrastructure (rail, energy, medical systems) will be required to harden their systems, ensure continuous cybersecurity compliance, and strengthen lifecycle security management for connected products and systems.

	Cybersecurity
2025 Biz	Low single digit million
2030 Potential	80m devices, >500m subscription fees
Competition	Many start-ups
Next Steps	July install on all devices

The Kontron Solution
Kontron AlShield and KontronOS
Security is *built-in*, not an *add-on*.
Secure-by-design architecture lifecycle management with continuous updates & security patches

Phase I — **Build the Installed Base (Now to 2027)**
KontronOS is delivered "free of charge" in a bundle to accelerate market penetration. (Kontron+ENN+Congatec)

Phase II — **Activate Monetization (From 2028 Onwards)**
After implementation phase (1-3 years) transition to a subscription-based model for updates and security patches.

Potential with 30m Devices: EUR 1-2 per Month = EUR >300m EUR SaaS Revenues

Deep Dive: VPX Defense Platform

Driven by Rising NATO Budgets and Modernization Programs

Technology Focus: VPX - Ruggedized Communication

Mission-critical VPX-based routers and servers engineered for extreme environments - resistant to shock, vibration, dust, water, and temperature extremes. Fast and highly encrypted communication.

Certification Advantage

ITAR-compliant solutions represent a significant barrier to entry, limiting competitive pressure and strengthening positioning in sensitive defense programs.

Key Applications

- Mobile command centers
- Drone control systems
- Secure military communication networks

Financial Impact

High growth combined with structurally high margins driven by higher BSP spendings and specialized performance standards.

	Defense
2025 Biz	EUR 200m @ 20% EBITDA
2030 Potential	> EUR 400m
Competition	Mercury, Curtis-Wright
Next Steps	Penetrate NATO countries

Global increase in defense spendings making cybersecurity and the upgrade to intelligent communication solutions more critical than ever.

Deep Dive: Transportation & FRMCS

Rail Enters the 5G Era: FRMCS as Structural Growth Driver

	FRMCS
2025 Biz	EUR 260m @ 25% EBITDA
2030 Potential	> EUR 500m
Competition	Nokia, Huawei
Next Steps	Upgradeability in any tender

Growth momentum building from 2026, supported by 50% market share and 5G-driven rail modernization.

Products

- High-performance onboard servers for trains
- IFEC (In-Flight Entertainment & Connectivity) systems adapted for rail connectivity

Technology Shift

- Migration from GSM-R (2G) to FRMCS (5G-derived)
- Mandatory replacement of rail communication systems across Europe

Kontron Positioning

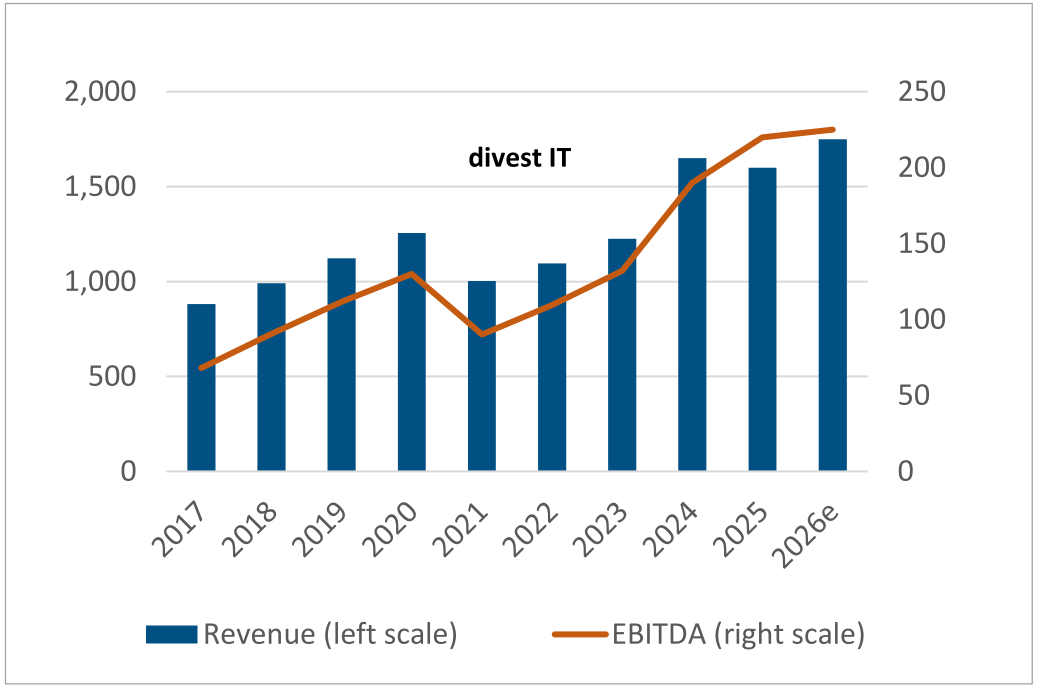
- Market leader in European Digital Train Communication (~50% share)
- Exclusive FRMCS onboard supplier with high regulatory barriers
- Replacement-driven demand + 5G rollout from 2026
- ~20% CAGR in railway 5G driving structural margin upside

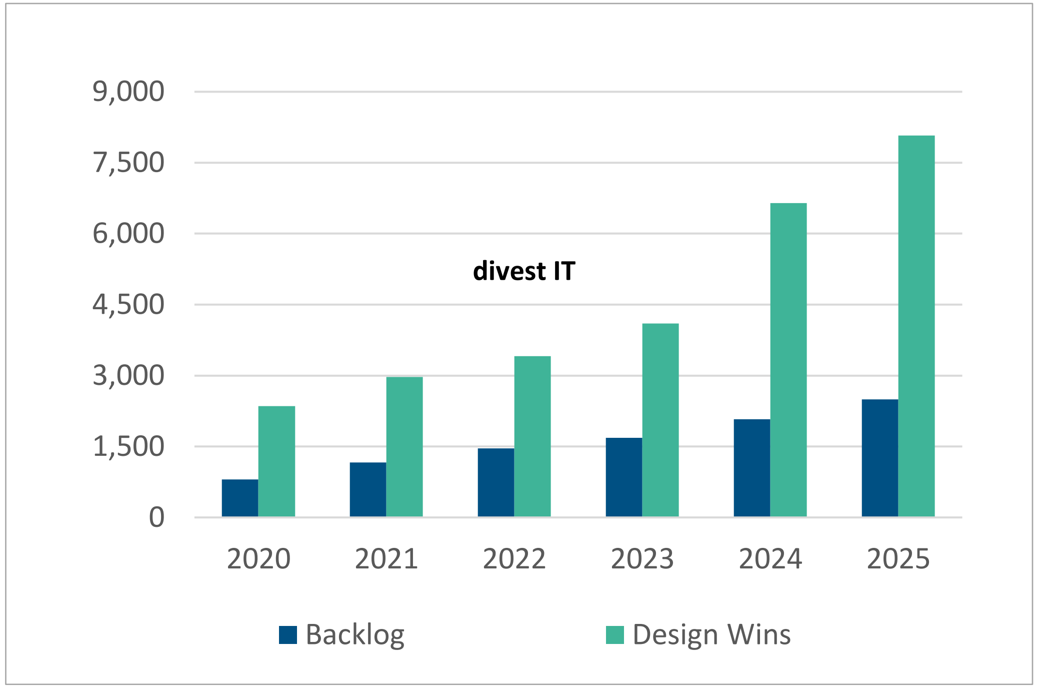
Key Customers

- Deutsche Bahn
- SNCF
- Network Rail UK

History and 2026 Forecast

Continuous Strong Organic Growth in Profitability Expected





(in EUR million)	Results 2024	Results 2025	Guidance 2026
Revenue	1,685	1,607	1,750 – 1,800 based on WBX
EBITDA (op)	192	220	225 (before 25 solar restructuring)*

*Incl. 15m effect of chip crisis

Mid-Term Guidance 2030

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Revenues

EUR 2.6bn

EBITDA

420 m

KPIs

- S + S = 50% of Total Revenues
- S + S = 75% of Total EBITDA
- Rev EUR 500m Transportation
- Rev EUR 500m Defense
- 2m Devices 5G NADs p.a.

#1 in Cybersecurity

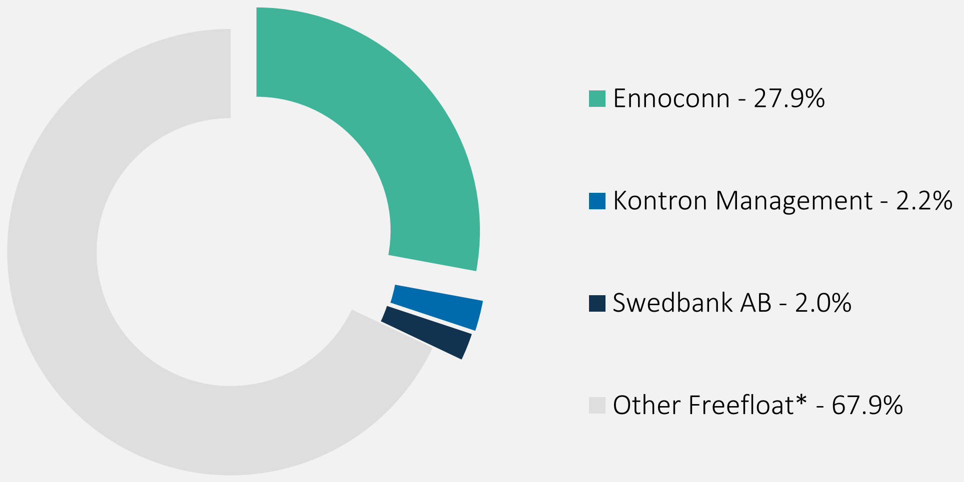
80m Installations KOS/CRA

APPENDIX

The Kontron Share

Price target clearly above current share price

Shareholder Structure



Shareholder base

Analyst Recommendations

Cantor Fitzgerald	Buy: EUR 34.00
Jefferies	Buy: EUR 27.00
ERSTE Group	Buy: EUR 30.90
Kepler Cheuvreux	Buy: EUR 30.00
mwb research	Buy: EUR 36.00
ODDO BHF	Buy: EUR 31.00
Pareto Securities	Buy: EUR 30.00
Warburg	Buy: EUR 30.00
Bankhaus Metzler	Buy: EUR 32.50
DZ Bank	Buy: EUR 33.00
Average Target Share Price	**EUR 31.44**

Share ID as of 31/12/2025
* incl. 1.7% Treasury Shares
** Latest Analysts' recommendation change as of 07.11.2025

Update on ESG: Achievements

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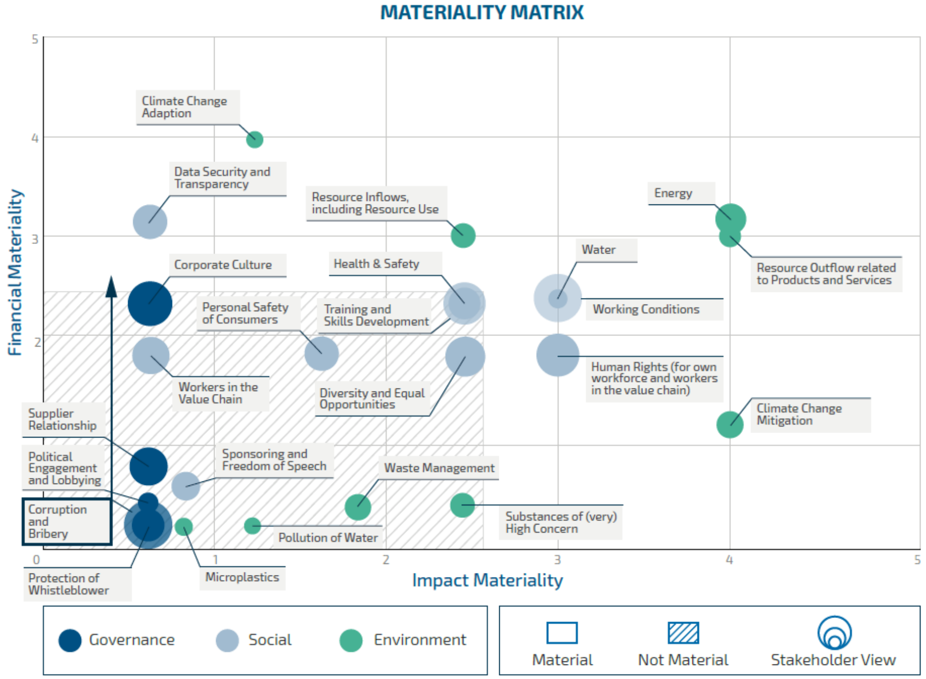
Recognition of Kontron’s ESG efforts

- MSCI: A (previously BBB)

- EcoVadis: 50 (rated above industry average)
- Sustainalytics: 17.9 (low risk)
- Moody’s: 38 (improvement by 4 points since 2022)
- ISS ESG: C (previously C-)



- Double Materiality Analysis (CSRD requirement) was completed – 10 material topics identified
- Education
  Kontron Sustainable Leadership Academy 2024 (focus on female employees)
  Data Security Training Focus
- Employee Survey – conducted among approx. 4,700 employees

Update on ESG: Outlook & Targets

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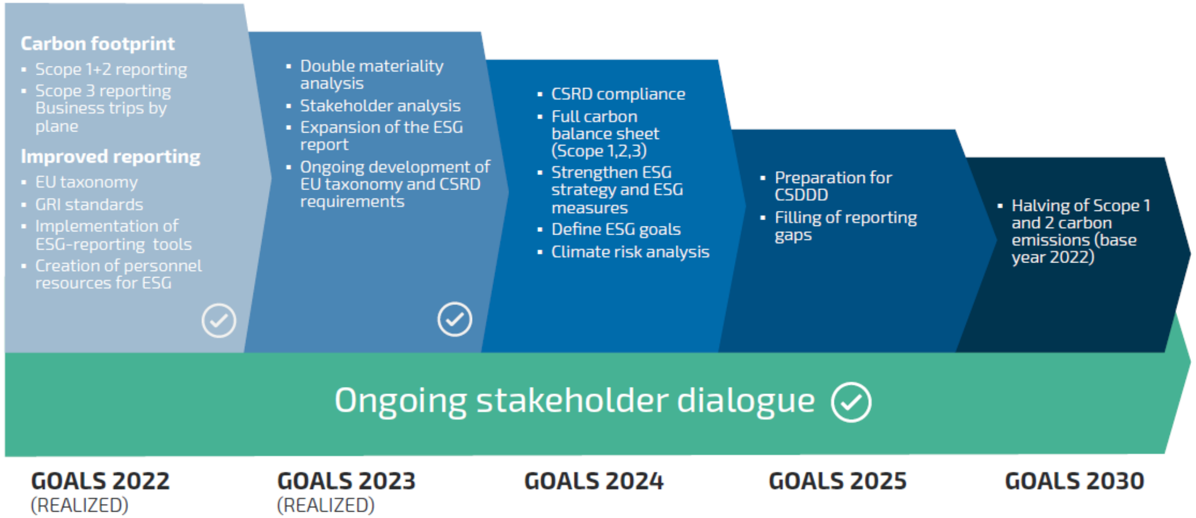
- Corporate Carbon Footprint (Full disclosure on Scope I, II, III)
- Climate Risk Analysis
- EU Taxonomy alignment
- CSRD compliance – Sustainability Statement 2024 (ESRS) based on Double Materiality Analysis
- Kontron's Green Products – communicating our products better (product carbon footprint)
- Kontron's Green Products – Connecting sustainable Energy and ESG for higher performance
- GreenTec – Upgrading GreenTec with IoT
- CSDDD preparation
- Compliance targets – update of policies (Supplier Code of Conduct, Code of Conduct, etc), increase in number of participants and participation rate of compliance trainings, integration of acquired companies



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