

# kontron

The Power of IoT

## Q3 2025 Results

November 5<sup>th</sup> 2025



# Kontron: Q3 Results & Company Highlights

## Results Highlights

- › **EBITDA on track**  
EUR 47.6m (Q3 2025) similar to Q2 operationally
- › **Leap in operating Cashflow**  
EUR 33.5m (Q3/25) vs EUR 19.4m (Q3/24) driven by inventory reduction
- › **Increased Backlog**  
Book-to-bill ratio of 1.41  
record Backlog of EUR 2.4bn
- › **Equity Ratio >40%**  
Improved to 40.6% already after Q3



## Q3-25

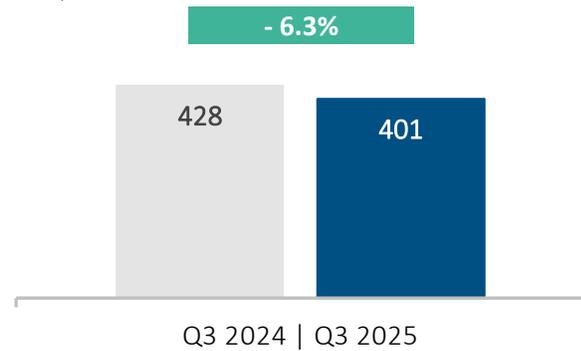
## Company Highlights

- › **Ongoing portfolio streamlining**  
Reduction of low margin EMS/IT/COM biz, strengthen Software + Solutions in IoT
- › **Strong growth in high-margin Software + Solutions**  
Book-to-bill 1.58 and 19.5% organic revenue growth driven by Defense and Transportation
- › **Leader in disruptive technology**  
CRA compatible IoT solutions powered by KOS and AI

# KPIs Q3 2025

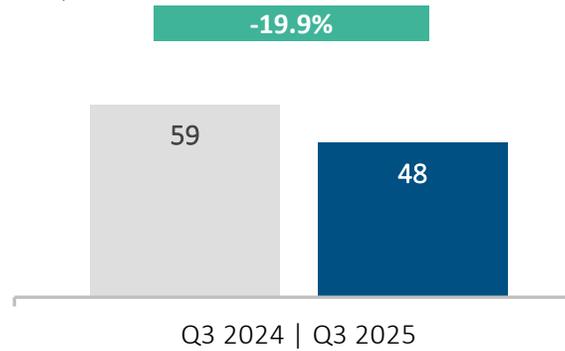
## Revenues

(in EUR m)



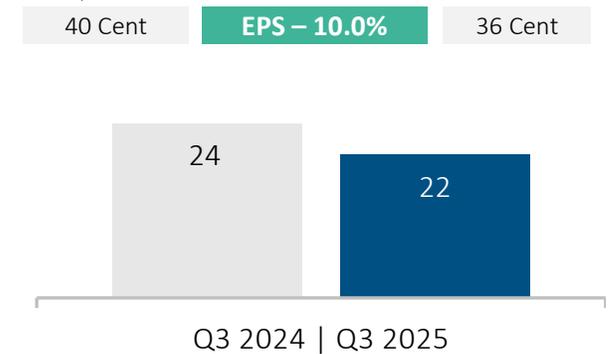
## EBITDA

(in EUR m)



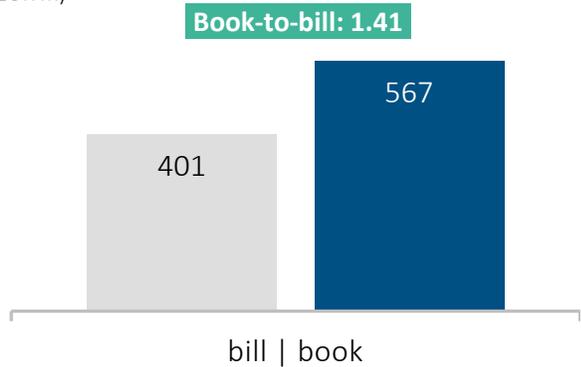
## Net Result after NCI

(in EUR m)



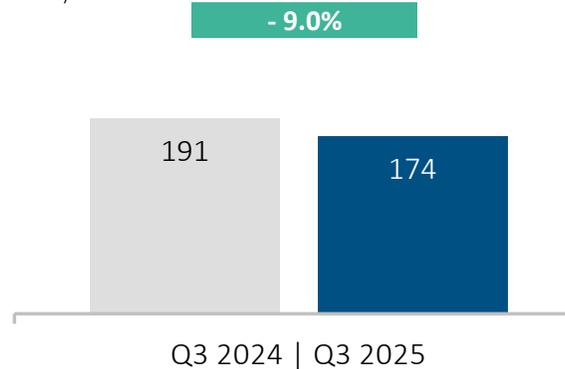
## Order Entry vs. Revenues

(in EUR m)



## Gross Profit

(in EUR m)



## Operating Cash Flow

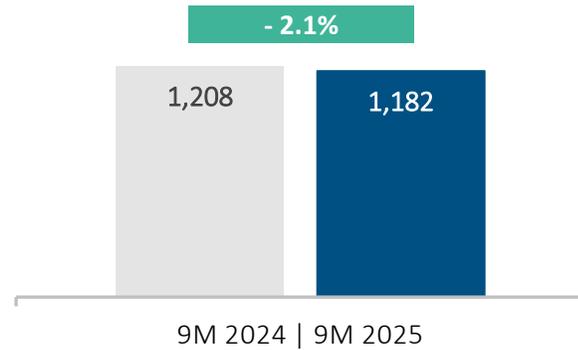
(in EUR m)



# KPIs 9M 2025

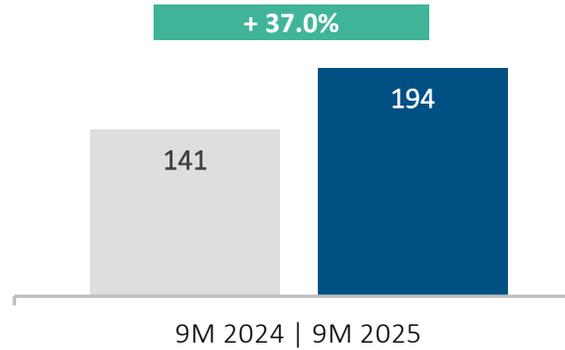
## Revenues

(in EUR m)



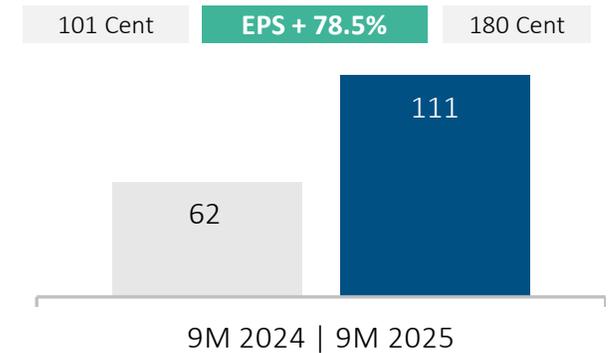
## EBITDA\*

(in EUR m)



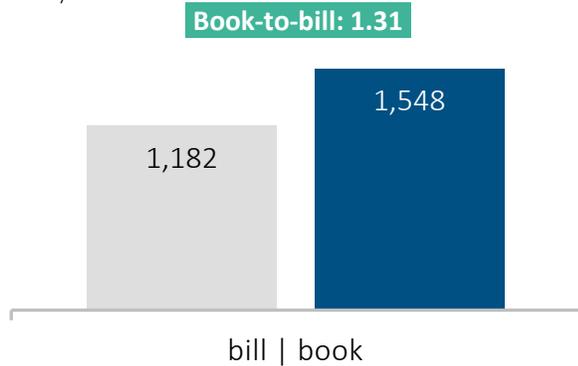
## Net Result after NCI\*

(in EUR m)



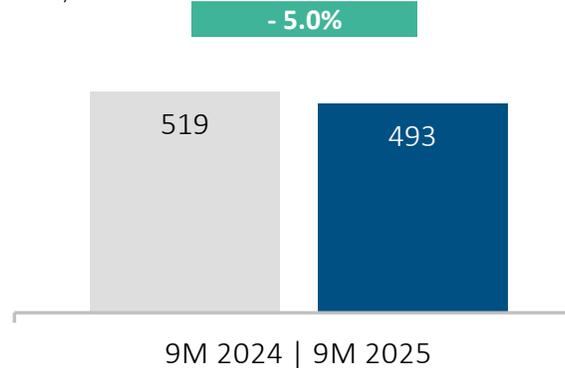
## Order Entry vs. Revenues

(in EUR m)



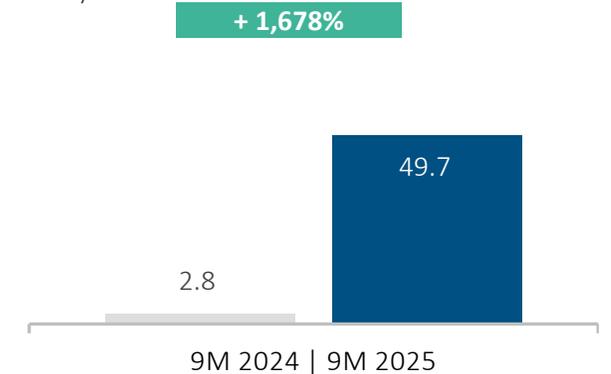
## Gross Profit\*\*

(in EUR m)



## Operating Cash Flow

(in EUR m)



\* Including one-off effects from portfolio streamlining of preliminary ~EUR 46m in EBITDA also in Net Result.

\*\* Burdened by inventory deconsolidation effects.

# Kontron Group Balance Sheet Q3 2025

Equity and liquidity very strong

in EUR m	30.09.2025	31.12.2024
<b>NON-CURRENT ASSETS</b>	<b>845.1</b>	<b>744.8</b>
Tangible assets	224.5	238.1
Intangible assets	161.3	157.3
Goodwill	261.3	262.6
Other assets	197.9	86.8
<b>CURRENT ASSETS</b>	<b>916.7</b>	<b>1,078.9</b>
Inventories	329.6	373.3
Trade receivables	207.7	249.6
Contract assets from customers	98.7	71.6
Cash and cash equivalents	187.6	315.6
Other receivables and prepayments	93.1	68.8
<b>Total assets</b>	<b>1,761.8</b>	<b>1,823.7</b>

in EUR m	30.09.2025	31.12.2024
<b>EQUITY</b>	<b>714.8</b>	<b>652.3</b>
Accumulated results	596.6	522.7
as of treasury shares	-49.3	-50.1
<b>NON-CURRENT LIABILITIES</b>	<b>375.6</b>	<b>452.9</b>
Long-term loans and borrowings	234.6	305.8
Other liabilities and provisions	141.0	147.2
<b>CURRENT LIABILITIES</b>	<b>671.3</b>	<b>718.5</b>
Trade payables	240.8	272.4
Contract liabilities from customers	58.6	91.2
Short-term loans and borrowings	181.5	173.0
Other liabilities and provisions	190.4	181.9
<b>Total liabilities &amp; equity</b>	<b>1,761.8</b>	<b>1,823.7</b>

Equity ratio	<b>40.6%</b>	<b>35.8%</b>
Total net debt*	<b>-228.6</b>	<b>-163.1</b>
Working capital**	<b>296.6</b>	<b>350.6</b>

- Improvement in Equity ratio from 35.8% to 40.6%
- Progress in Working Capital / Net Debt improved in Q3 by EUR 26m

\* 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

Q3 2025

Q2 COM Special Impact	EBITDA (in EUR m)
EBITDA reported	194
One-time income	95
One-time costs	-49
One-time impact	46
Booked tax	5
Impact split in segments	42m Europe 12m Global -8m Solutions

Operating Cashflow	9M/2025
Reported	49.7
Reduced Factoring	15.7
Adjusted operating CF	65.4

Organic Revenues Growth	9M/2025
Reported 3 <sup>rd</sup> party revenues	1,181
Impact Katek/EMS	59
Discontinuation COM + IT biz	51
<b>ORGANIC GROWTH</b>	<b>6.9%</b>

## Status liquidity

- › EUR 188m cash on hand
- › EUR 220m available lines

# Portfolio streamlining

In EUR m	2022	2023	2024	2025 YTD	2026e
Discontinued revenues		- 390	- 60	- 110	- 75
Related gross margin		30%	15%	25%	33%
Impact on gross margin		- 117	- 9	- 27	- 25
Reported gross margin	370	466	694	493	
Group gross margin	34.7%	38.0%	41.2%	41.7%	>42.0%
Clean-up portfolio		Divest IT biz to Axians	Discontinue low margin biz in IT + EMS	Divest COM biz + discontinue low margin biz IT + EMS biz	Plan to divest rest of IT biz

- › Totally EUR 635 million of low margin biz divested/discontinued
- › Proceeds used for acquisitions + shareholders
- › Profits still growing based on increased gross margin

# Kontron: Major KPIs

## Strong operational development continued

in EUR m	9M 2023	9M 2024	9M 2025	Comment
Revenues	834	1,207	1,182	EUR 250m of discontinued biz: COM (EUR 100m), EMS (EUR 80m) and IT (EUR 70m)
Gross Margin (in %)	39.6%	43.0%	41.7%	Price pressure EMS -> move to ODM in progress, in Q3 already 43.4%
EBITDA	96	141	194	Strong improvement over last years – H1/2025 one time effect of 46m
Net profit	55	62	111	Operationally strong, tax on COM deconsolidation not final yet
Equity ratio	46.2%	35.4%	40.6%	Target for 2025 already achieved - to be further improved in Q4 2025
Working Capital	189	418	297	Shrinking since HY 2024 – to be continued
Operating CF	34.1	2.8	49.7	Would be even EUR 15.7m higher if adjusted by reduced factoring in 2025
FTE	4,740	7,392	6,826	Thereof 3,000 experienced engineers
Net cash/debt	73	-218	-229	Improvement expected in Q4 25 – will go further down and stay below <1x EBITDA

# Massive design win volume increases to EUR 7.8bn

Backlog rose to EUR 2.4bn driven by great order intake

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

15.07.2025 | Linz, Austria

Q3

Kontron secures another EUR  
40 million order in the  
automotive sector

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

Kontron AG: Major order for  
smart wallboxes

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

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

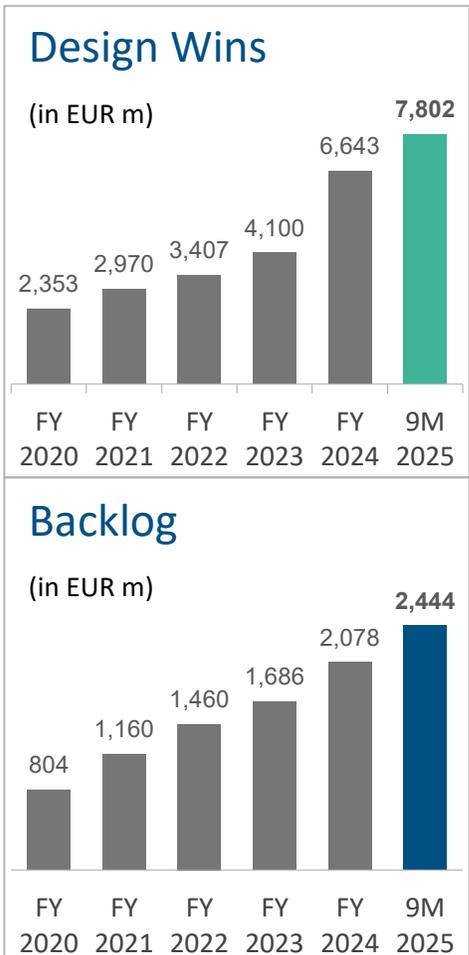
Kontron Transportation has  
been awarded a GSM-R project  
in Spain valued at over 20  
million Euros

15.04.2025 | Linz, Austria

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

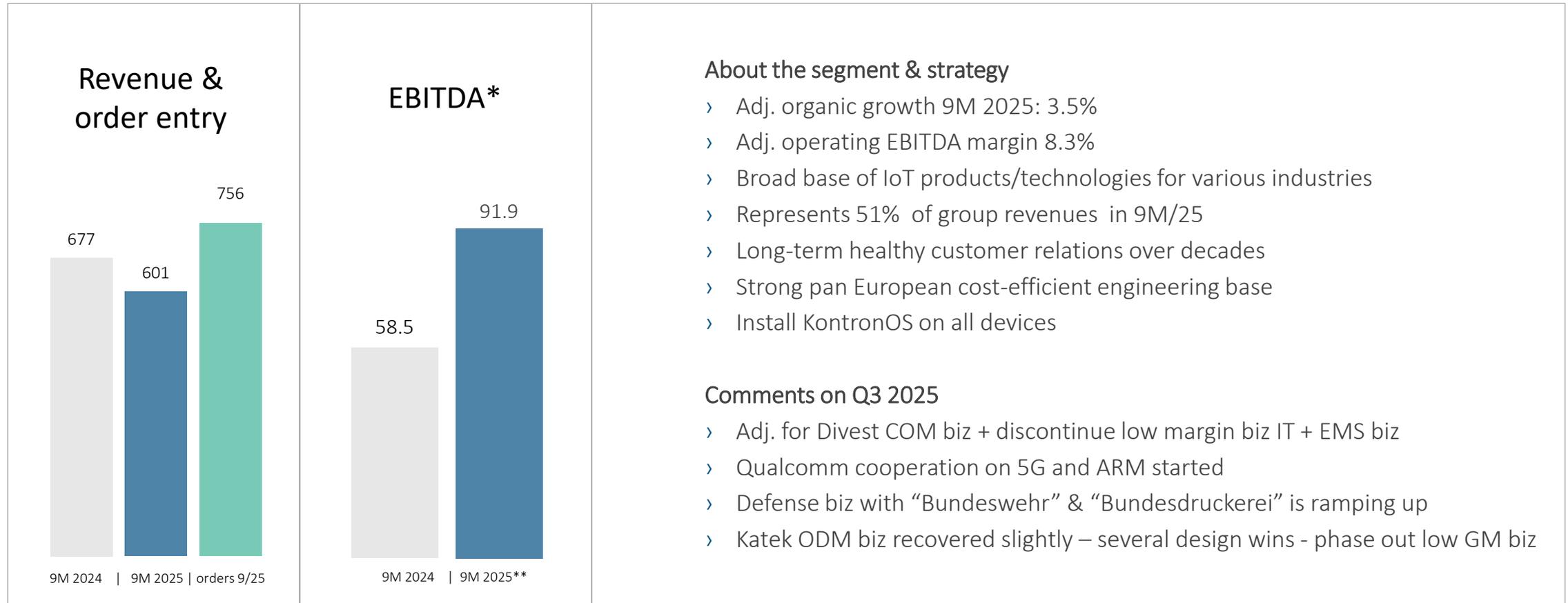
Kontron announces new order  
for satellite communication

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



# Europe: ongoing portfolio improvements

## Reduce low margin biz



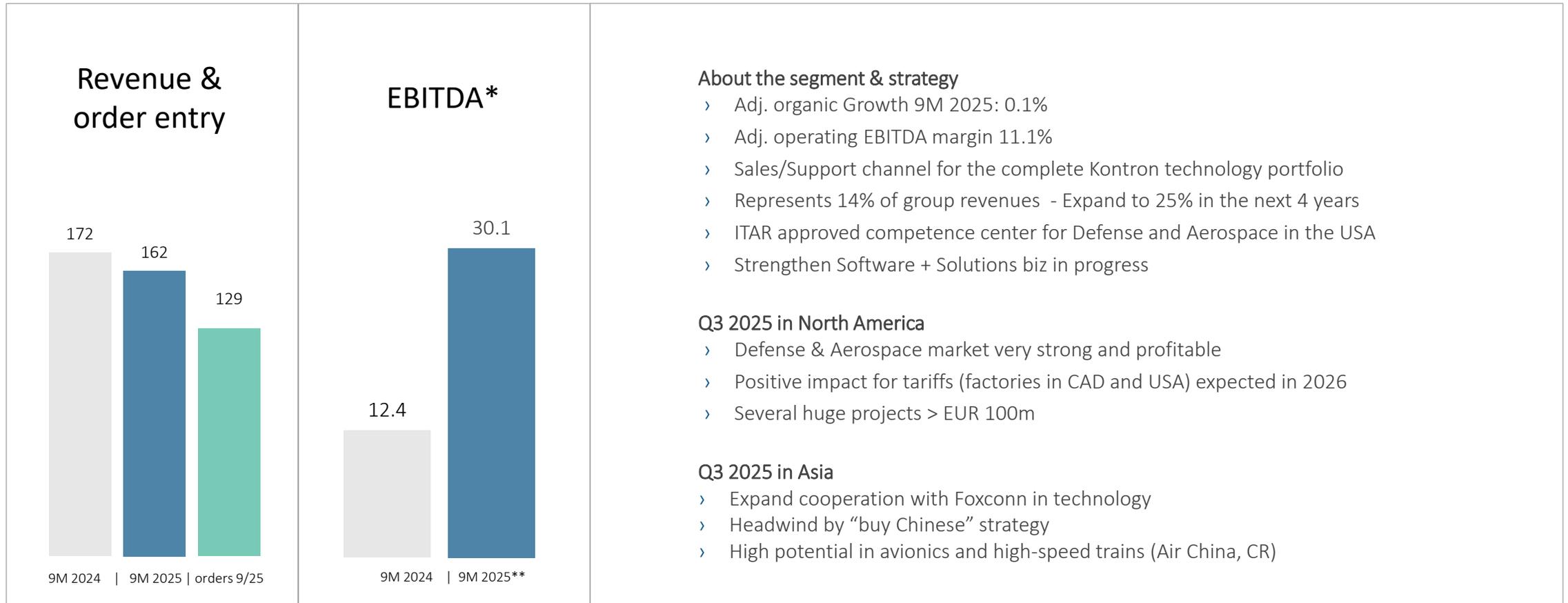
➤ Adjust product portfolio to higher margin products, phase out low margin biz

\* 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



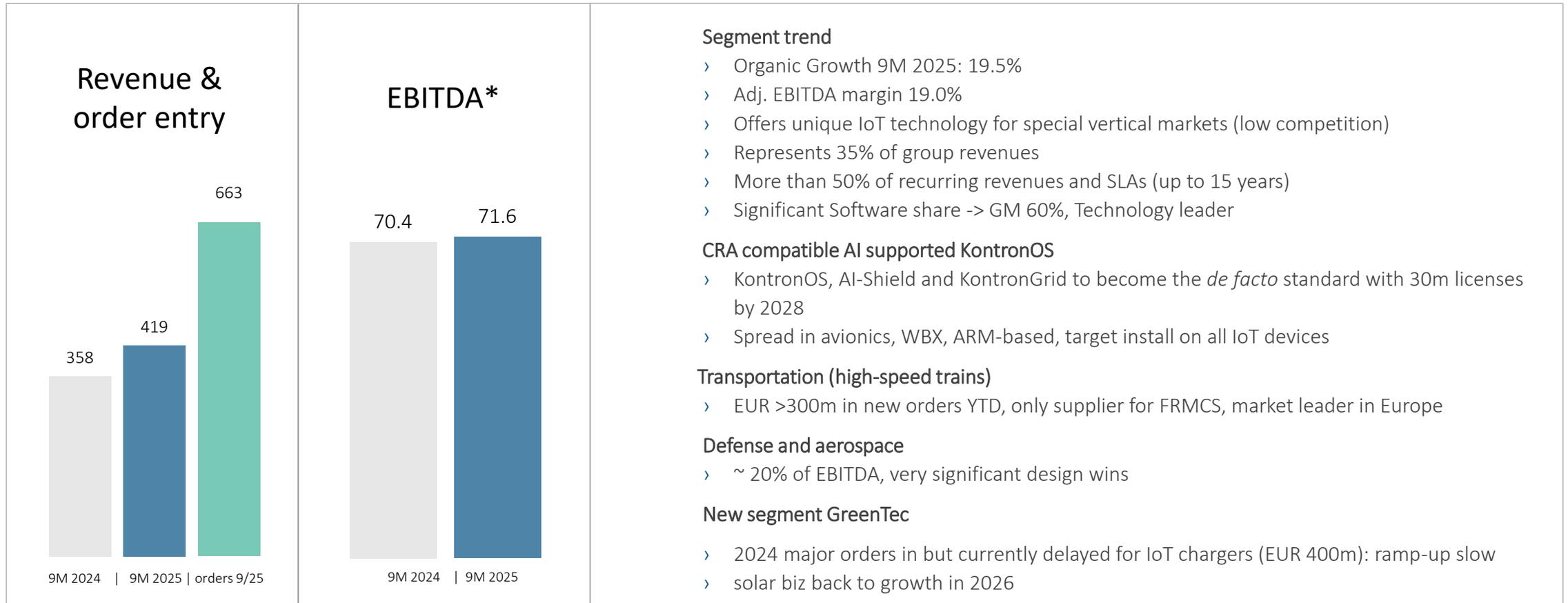
➤ Tailwind by USA tariffs: Kontron is local in R&D and productions pays off

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

\*\* Impacted by deconsolidation of COM business

# Software + Solutions: fast growing – our focus

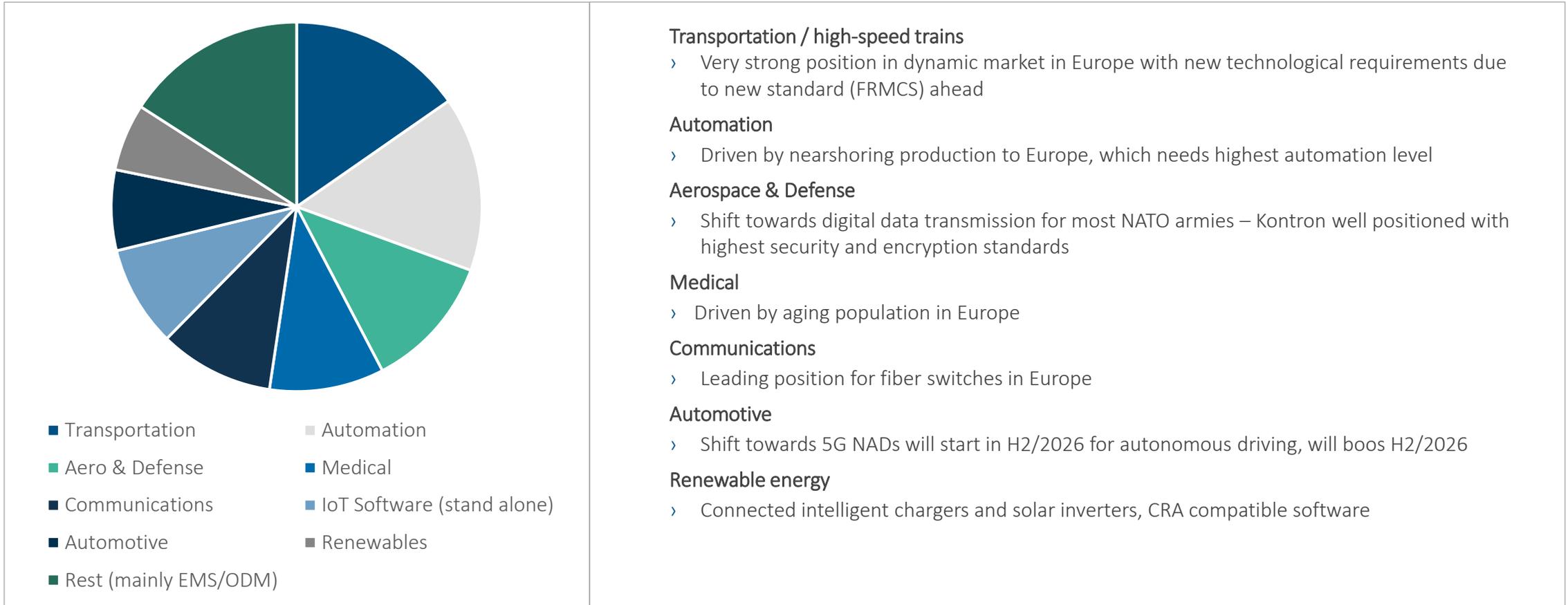
Strongest EBITDA contributor, just started in 2020



➤ Most profitable segment with strong growth, 2025 EBITDA margin ~ 20% despite solar weakness

# Vertical Market Split

We are independent from any specific end-market



➤ Even mix of several core markets – strong particularly in defense + railways

# Disruptive Technologies to drive our future growth



## FRMCS

## VPX/Defense

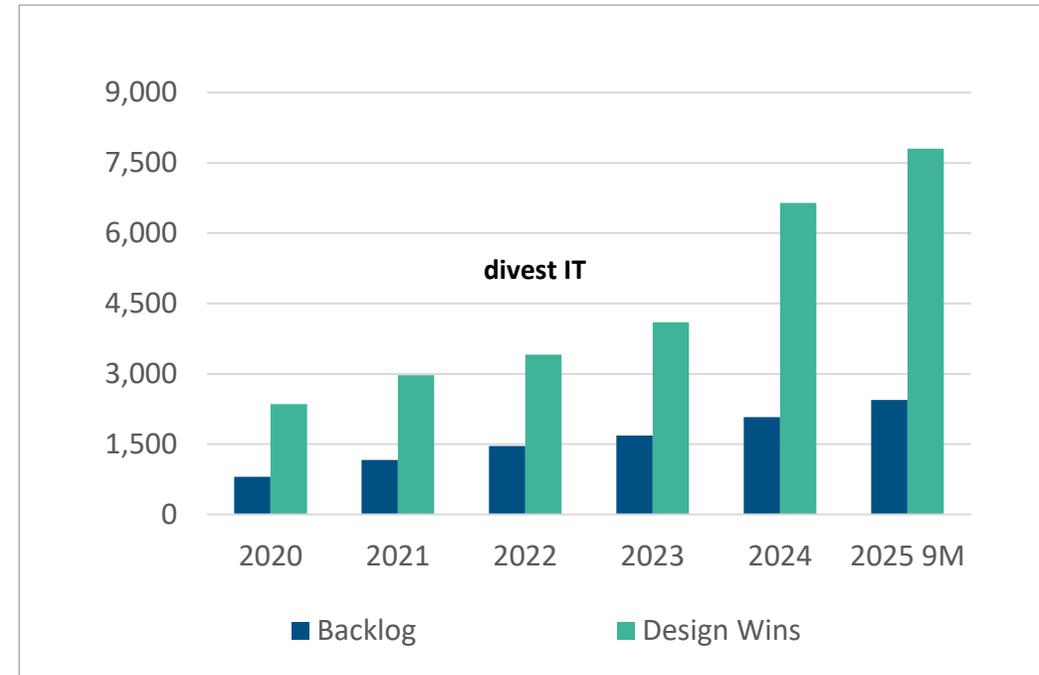
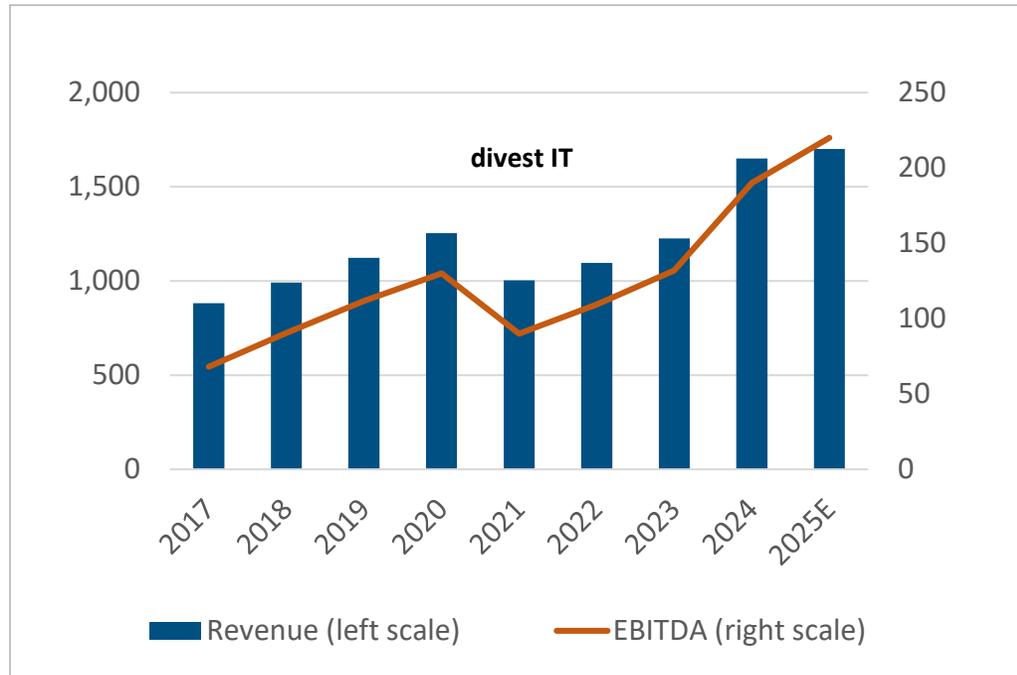
## Cybersecurity/CRA

## Automotive NADs

	FRMCS	VPX/Defense	Cybersecurity/CRA	Automotive NADs
<b>Market</b>	Data connectivity for high-speed railways	Global increase in defense budgets	CRA to become mandatory for all mission-critical applications	Connectivity for autonomous cars
<b>Position of Kontron</b>	> 50% market share in EU	Leading ITAR Technology supplier for encrypted defense communication	First adaptor to CRA	1 out of 2 „non-Chinese supplier“
<b>Competitors</b>	Nokia, Huawei	Mercury, Curtiss-Wright	none	Chinese players, LG
<b>Technology USP</b>	Only supplier for FRMCS edge devices, new standard, increase data speed 100x	VPX secured/encrypted 6.25 Gb/s data connectivity, new VNX+ standard	Cybersecurity supported by AI	Ultrafast (5 Gb/s) 5G modules in coop with Qualcomm, CRA compatible
<b>Current biz</b>	EUR 260m biz @ 25% EBITDA	EUR 200m biz @ 20% EBITDA	4m devices	EUR 100m biz @ 10% EBITDA
<b>Potential biz in 5 years</b>	> EUR 500m	> EUR 400m	80m devices, > EUR 500m subscription fees	> EUR 500m

# History and 2025 forecast

Continuous strong organic growth in profitability expected



(in EUR million)	Results 2023	Results 2024	Guidance 2025
Revenue	1,226	1,685	1,700
EBITDA (op.)	126	192	> 220



**kontron**  
The Power of IoT

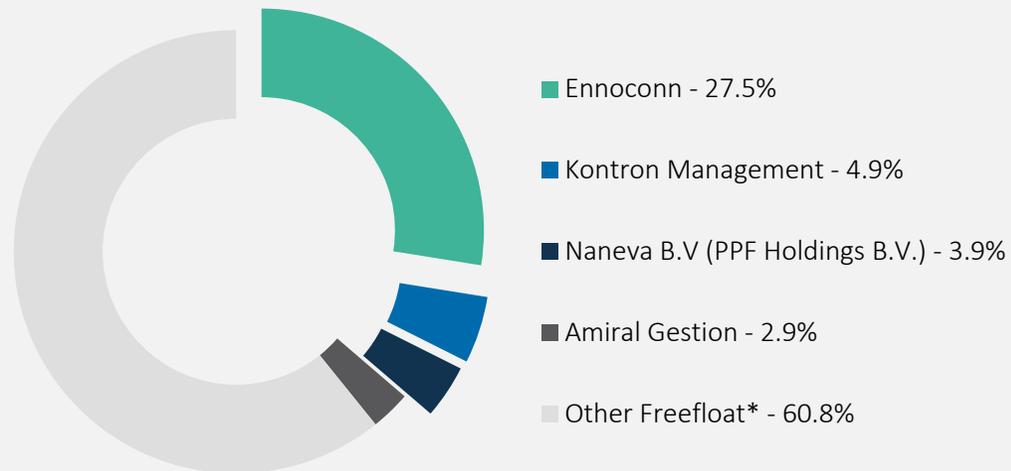
**APPENDIX**

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# The Kontron Share

Price target clearly above current share price

## Shareholder Structure



Shareholder base

## Shareholder Structure

Hauck & Aufhäuser	Buy: EUR 37.00
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 28.40
Bankhaus Metzler	Buy: EUR 32.50

## Average Target Share Price

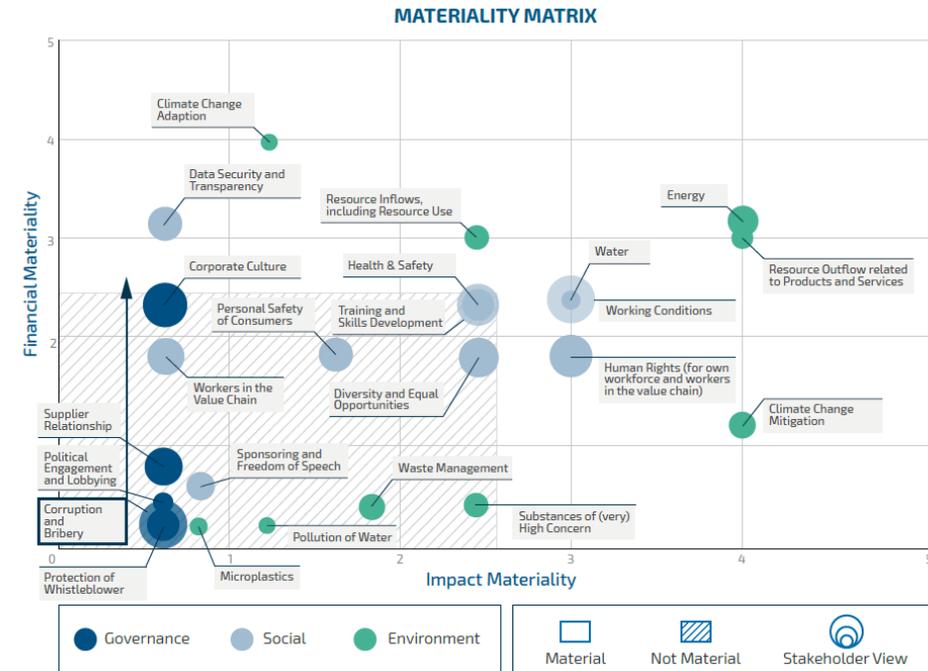
**EUR 31.42**

1 additional analyst will take on coverage of Kontron

# Update on ESG: Achievements

## 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

- › 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



# Competitive landscape

## Leap forward in 2024

Selected competitors in Industrial IoT	Revenue (in USD m)	Region
Curtiss Wright*	2,845	North America
<b>Kontron</b>	<b>2,100</b>	<b>Europe</b>
Advantech	2,000	Asia
Beckhoff**	1,600	Europe
ABB B&R	1,100	Europe
Mercury*	1,000	North America
Adlink	370	Asia
Seco	230	Europe
Eurotech	100	Europe
% as of total market (USD 254bn)	4%	

\* Also not Industrial IoT revenues

\*\* FY22 revenues

## Our distinctive competitive advantages

- › Unmatched R&D scale: EUR 200m annual investments
- › Cost efficient solutions: EUR 55k p.a. average salary
- › Differentiated technology platform for high-value low-volume use cases
- › Tech Alliance with Foxconn, Ennoconn, Sharp, ARM

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