

# kontron

The Power of IoT

## Q2 2024 Results

August 7<sup>th</sup> 2024



# Kontron: Q2 Results & Company Highlights

## Results Highlights

- › **Strong improvement in EBITDA** from EUR 31.3m to EUR 46.5m
- › **Solid revenue growth by 52.9% and 6.1% organically**
- › **Solid increase of profitability to EUR 21.6m despite one-off effects**
- › **Very strong order intake in Q2**  
Book-to-bill ratio of 1.29 in Q2 I  
Backlog of ~EUR 2bn



## Q2-24

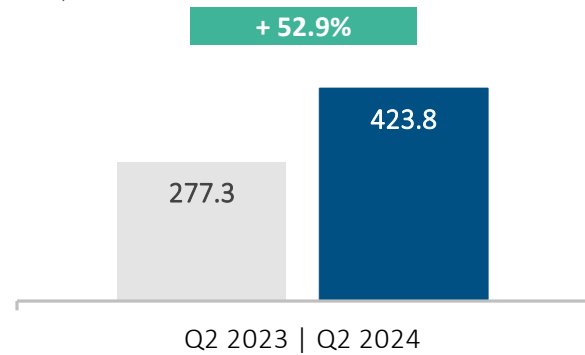
## Company Highlights

- › **Strong improvement in GM to 42.5% / leap in technologies**  
Many new products in 2024:  
K-OS, K-Grid, NIS2 compatibility
- › **Public tender offer and delisting for Katek completed**  
87.3% shareholding in Katek
- › **Integration of Katek advanced**  
Efficiency enhancement & streamlining has started
- › **Share Buyback Program I 2024 started July**

# KPIs Q2 2024

## Revenue

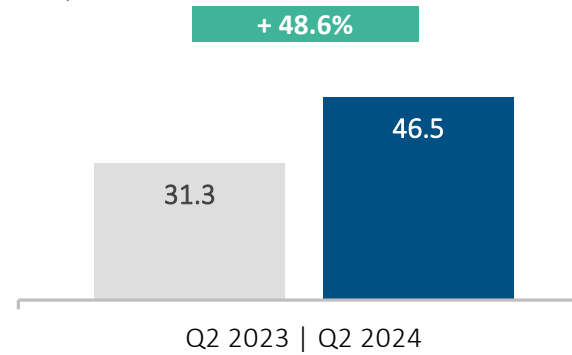
(in EUR m)



Adjustment of H1 23 revenues due to changed assessment of principal/agent status

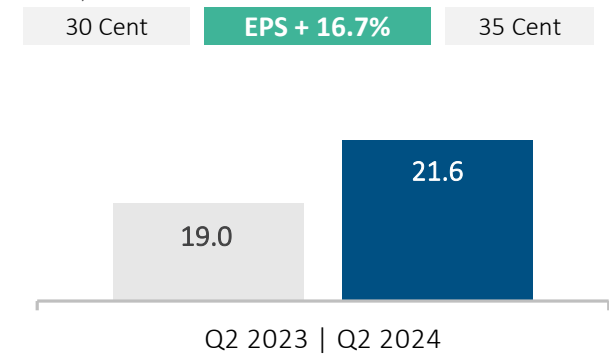
## EBITDA

(in EUR m)



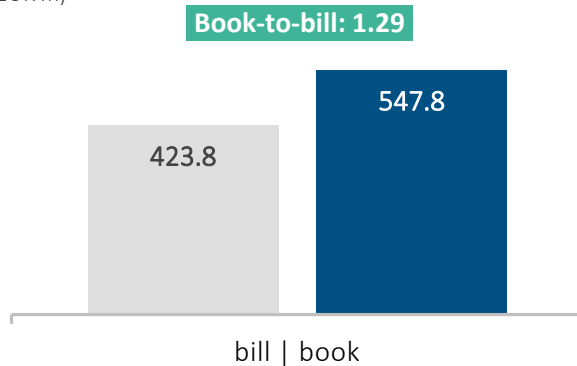
## Operating Net Income after NCI

(in EUR m)



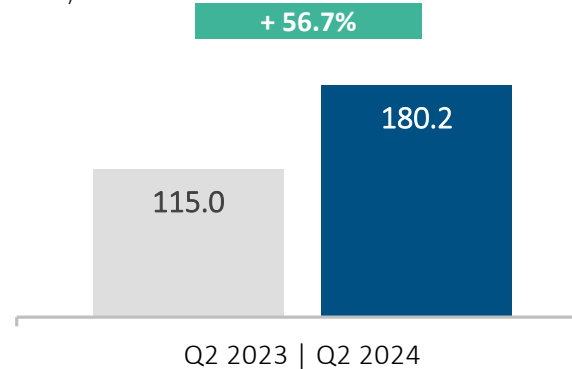
## Order Entry vs. Revenues

(in EUR m)



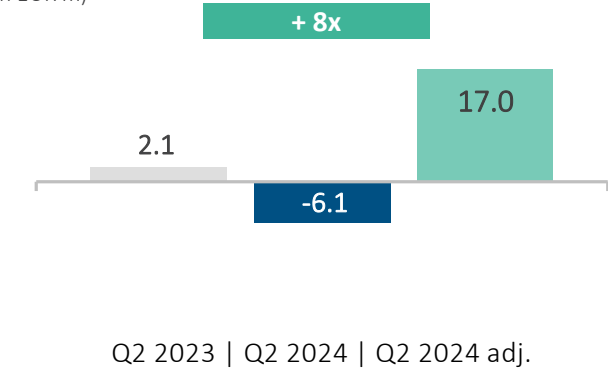
## Gross Profit

(in EUR m)



## Operating Cash Flow\*

(in EUR m)

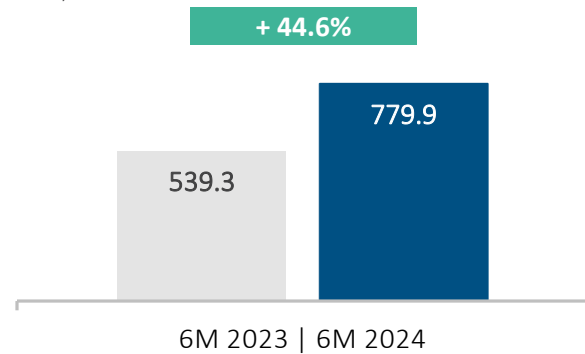


\* adjusted for the reduced factoring

# KPIs 6M 2024

## Revenue

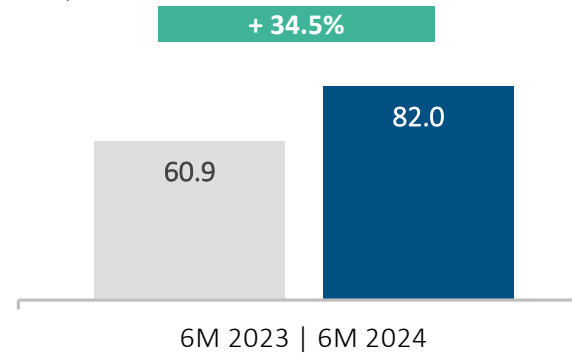
(in EUR m)



Adjustment of H1 23 revenues due to changed assessment of principal/agent status

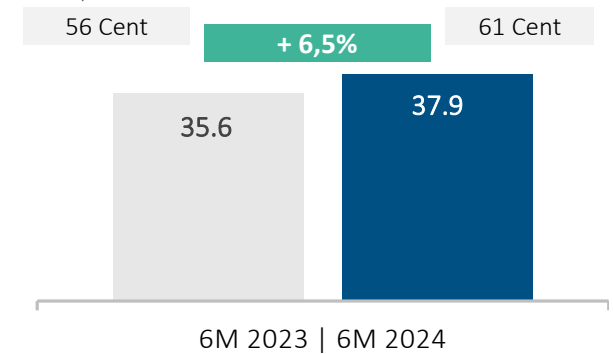
## EBITDA

(in EUR m)



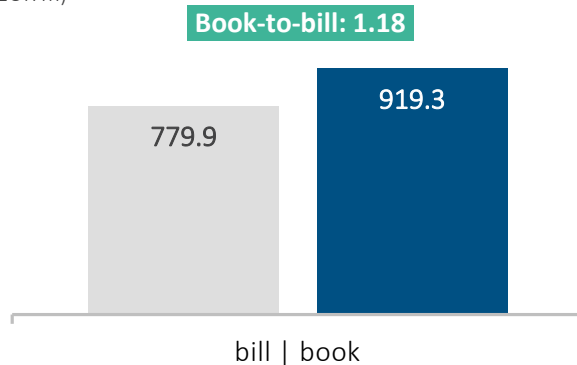
## Net Result after NCI

(in EUR m)



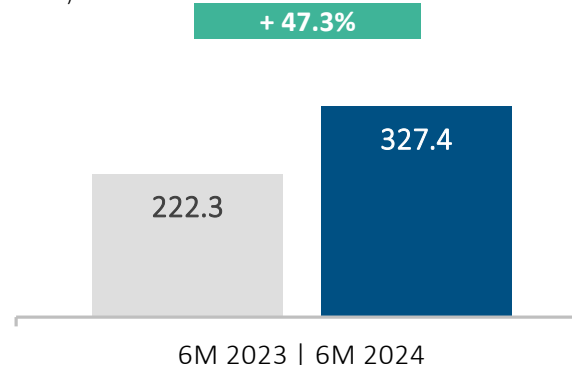
## Order Entry vs. Revenues

(in EUR m)



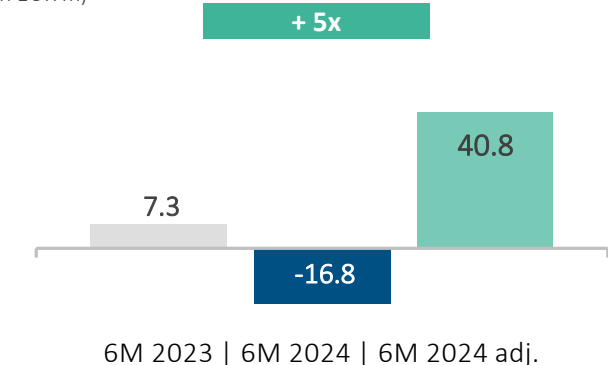
## Gross Profit

(in EUR m)



## Operating Cash Flow\*

(in EUR m)



\* adjusted for the reduced factoring and a deferral effect for 2023

# Kontron Group Balance Sheet

Equity and liquidity very strong

in EUR m	30.06.2024	31.12.2023
<b>NON-CURRENT ASSETS</b>	<b>748,1</b>	<b>492,5</b>
Tangible assets	224,1	110,4
Intangible assets	165,8	102,4
Goodwill	270,4	216,6
Other assets	87,8	63,0
<b>CURRENT ASSETS</b>	<b>1.055,0</b>	<b>878,2</b>
Inventories	450,0	229,1
Trade receivables	240,4	213,6
Contract assets from customers	57,1	38,1
Cash and cash equivalents	227,7	332,2
Other receivables and prepayments	79,8	65,2
Assets classified as held for sales	0,0	0,0
<b>Total assets</b>	<b>1.803,1</b>	<b>1.370,7</b>

in EUR m	30.06.2024	31.12.2023
<b>EQUITY</b>	<b>607,6</b>	<b>604,0</b>
Accumulated results	469,9	462,8
as of treasury shares	-41,9	-43,0
<b>NON-CURRENT LIABILITIES</b>	<b>506,9</b>	<b>136,1</b>
Long-term loans and borrowings	352,7	60,1
Other liabilities and provisions	154,2	76,0
<b>CURRENT LIABILITIES</b>	<b>688,6</b>	<b>630,6</b>
Trade payables	287,9	273,1
Contract liabilities from customers	90,9	69,6
Short-term loans and borrowings	84,8	150,9
Other liabilities and provisions	225,0	137,0
Liabilities classified as held for sale	0,0	0,0
<b>Total liabilities &amp; equity</b>	<b>1.803,1</b>	<b>1.370,7</b>

Equity ratio	<b>33,7%</b>	<b>44,1%</b>
Total net cash/(net debt)*	<b>-209,8</b>	<b>121,2</b>
Working capital**	<b>402,5</b>	<b>169,6</b>

 Healthy balance sheet outlook after cash outflows for integration of Katek and dividend payment

\* Definition Net Cash: 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)

# Massive Design win volume increases to EUR 6bn

Backlog rose to EUR 1.97bn driven by great order intake

Kontron announces new order for satellite communication

24.07.2024

Q3

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

03.07.2024

Q3

Kontron AG: Major order for smart wallboxes

21.05.2024

Q2

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

13.03.2024

Contract wins - Kontron signs 3 major railway contracts worth exceeding EUR 100m

07.02.2024

Kontron signs a contract over EUR 30m for optical network solutions

05.12.2023

Kontron: Another design win of over EUR 50 million from a heavy machinery manufacturer – Design win volume increases to EUR 3.7 billion

23.11.2023

Kontron AG: Kontron announces two design wins in the field of energy management amounting to a total of EUR 25 million

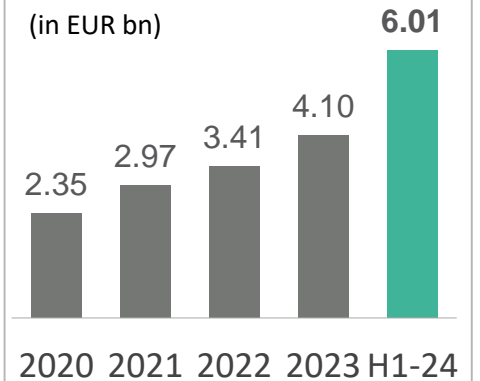
23.10.2023

Kontron AG: Strong growth in the avionics market - Kontron announces two design wins amounting to a total volume of EUR 100m

10.10.2023

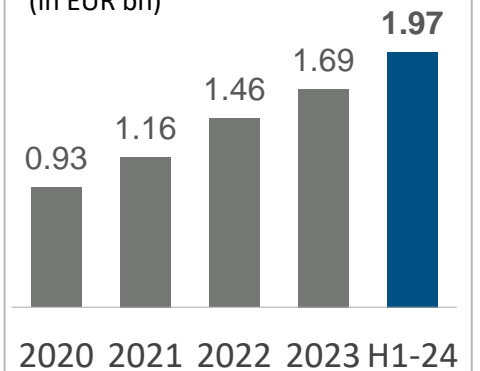
## Design Wins

(in EUR bn)



## Backlog

(in EUR bn)





# IoT growth accelerated and driven by mega trends

Double revenues within 4 years

## Mega drivers for IoT end devices

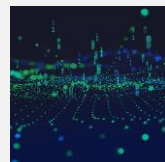
### Security for IoT devices



- › Current IoT networks do not comply to NIS2 requirements
- › Kontron OS offers unique and global leading security features to protect edge devices and the grid
- › Install 30 million licenses mid term “Windows for machines”

### Artificial Intelligence

- › 75% of needed AI data are generated by IoT devices
- › AI will not work without connected IoT devices
- › update IoT for higher bandwidth eg FRMCS



## Smart solutions for vertical markets

### Mission-critical control systems

- ✓ E.g. European Train Control System Level 3
- ✓ New standard FRMCS will boost biz and enable AI

### GreenTec with IoT software

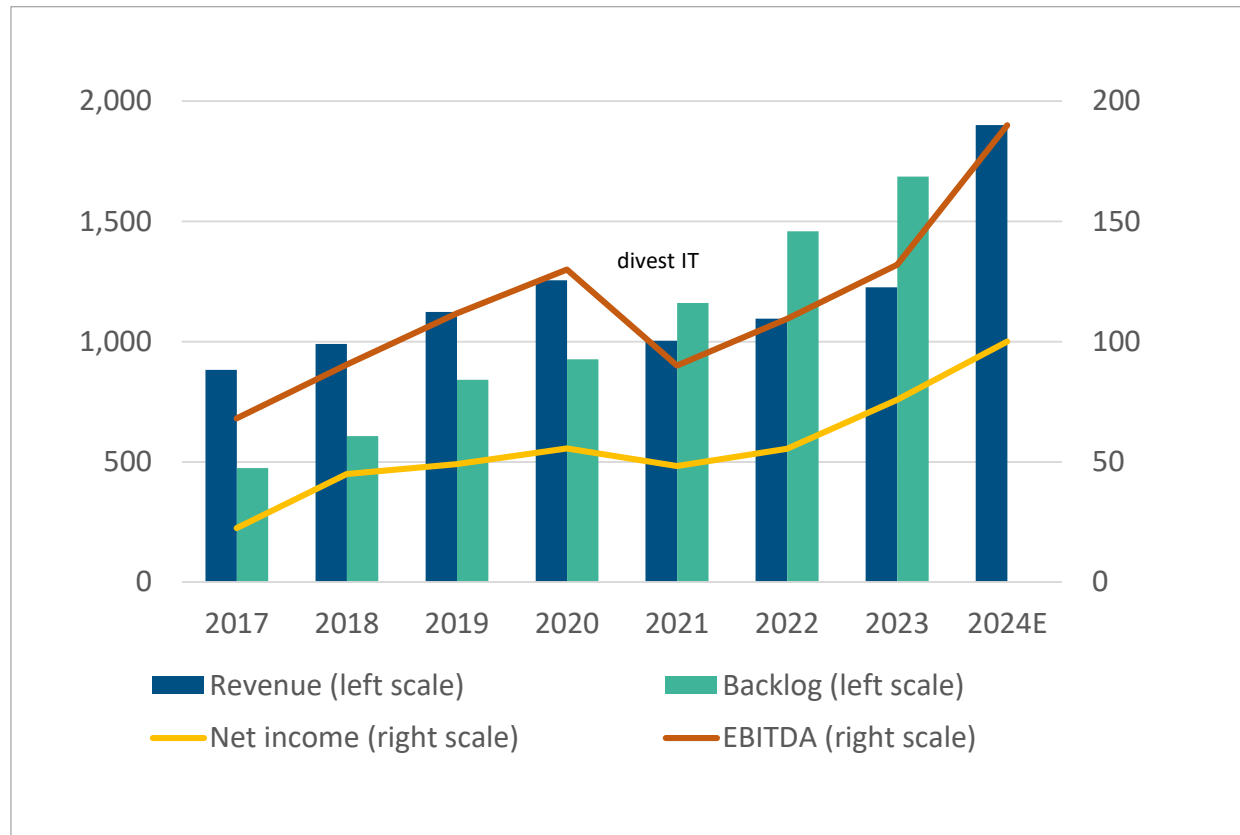
- ✓ Smart Solar inverter connected to IoT grid, HEM Software
- ✓ Smart e-mobility charger connected to IoT, HEM Software

### Aerospace and defense

- ✓ VPX – mission critical standard for defense, NIS2
- ✓ K-OS installed in 4,000 planes

# History and 2024 forecast

Continuous strong growth – another leap in 2024 expected



(in EUR million)	Guidance 2024	Y-o-y growth
Revenue	~ 1,900	~ 50%
EBITDA	190	50%
Net Income*	100	33%

\* Adjusted for non cash PPA amortization of intangible assets



# **kontron**

The Power of IoT

**Q&A**

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