

## Market Update Q1 2025

# Results in line with expectations

## Financial developments in the first quarter of 2025

- Turnover of €420.0 million (2.2% organic growth vs. Q1 2024)
- EBITA<sup>1</sup> of €40.0 million (Q1 2024: €41.2 million)
- Good progress towards stable manufacturing in Eemshaven
- ROS of 9.5% (Q1 2024: 9.8%)
- Added value at 51.2% (Q1 2024: 51.8%)
- Order book at €1,137 million (year-end 2024: €1,135 million)
- Outlook reiterated: organic growth in turnover and EBITA in 2025

**Alexander van der Lof, CEO of TKH:** *“Following a strong Q4 with growth in all segments, we had forecasted Q1 to be relatively soft due to seasonality, the ramp-up of the Eemshaven plant and continued weakness in the digitalization market. Despite this, we achieved organic growth, driven by the Smart Vision and Smart Manufacturing segments. While Smart Connectivity continued to be impacted by a very weak digitalization market, the cost saving measures we announced will start to have a positive impact in Q2.*

*During the quarter we made good progress in the ramp-up of our new inter-array cable manufacturing facilities in Eemshaven, with a number of longer length inter-array cables successfully manufactured and delivered in April. In addition, the sales funnel for the offshore inter-array cables continued to grow to over 70 projects, totaling over 11,000 km currently under tender until 2030.*

*While the recent tariffs announcements may have an indirect impact on businesses in general, we believe the direct cost impact on our business is limited. The strong position we have established through our focus on Automation and Electrification make us more resilient to negative macro-economic developments. We continue to monitor the geopolitical and macro-economic developments closely and take mitigating actions as necessary.*

*We will continue to divest non-core activities, as evidenced by the recent sale of Dewetron and build on our differentiating core technologies. With a robust strategic and financial foundation, we remain confident in our ability to deliver sustainable value. We therefore reiterate our expectation for organic turnover and EBITA growth in 2025.”*

## Developments by technology segment

### Smart Vision systems

Smart Vision systems recorded a 5.2% organic growth in turnover compared to Q1 2024, driven by the improved performance in Machine Vision. In line with expectations, 3D Vision performed well, benefitting from the wood market as well as increased activity in battery and consumer electronics. 2D Vision's turnover increased on the back of the delivery of several larger orders. Security Vision recorded slightly lower turnover for the quarter under review, due to the timing of a few larger projects.

<sup>1</sup> EBITA in this Market Update refers to EBITA excluding one-off income and expenses.



Smart Vision systems' orderbook at the end of Q1 2025 was higher than at the end of 2024, the fifth consecutive quarter of gradual increase in the orderbook.

### **Smart Manufacturing systems**

Smart Manufacturing systems recorded a 1.2% organic decrease in turnover compared to Q1 2024. Tire Building Machine's turnover compares to a strong Q1 2024, which benefitted from catch-up effects. Tire Building Machine's ROS remained at 2024 levels, partly due to the implemented efficiency programs. The divestment of Dewetron was announced on April 25, 2025 for a total consideration of €54 million and a one-off net profit of €36 million at closing. As expected, the orderbook for Smart Manufacturing systems at the end of Q1 2025 was slightly lower than at the end of 2024.

### **Smart Connectivity systems**

Smart Connectivity systems reported a 2.1% organic increase in turnover compared to Q1 2024. Offshore energy saw a slight increase in turnover. Onshore energy also reported an increase in turnover. The ramp-up costs of the new Eemshaven factory as well as the decrease in turnover within digitalization had a considerable impact on the result. The orderbook for Smart Connectivity systems at the end of Q1 2025 increased slightly compared to the end of 2024. In April, a contract was signed for the supply of 130 km of inter-array cable for the Waterkant offshore wind farm.

## **2025 outlook**

TKH reiterates its outlook as communicated on March 4, 2025. Our assessment on the recent tariff announcements is that the direct cost impact on our business is limited.

For the full year, we expect turnover and EBITA in Smart Vision systems to grow, driven by increased order intake, expected market share growth, and the effects of the implemented cost-saving measures. In Smart Manufacturing systems, turnover and EBITA are expected to decrease organically due to the lower order intake and the comparison with a very strong 2024, which benefitted from catch-up effects. In Smart Connectivity systems, we expect the new Eemshaven production capacity and the good orderbook to contribute to significant turnover and EBITA growth.

Subject to ongoing market uncertainties and barring unforeseen circumstances, on balance we anticipate organic growth in turnover and EBITA excluding one-off income and expenses in 2025.

A conference call for analysts will be held today at 10:00 CET. To access the conference call, please visit [www.tkhgroup.com](http://www.tkhgroup.com).

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## Financial calendar

May 15, 2025	General Meeting of Shareholders
May 19, 2025	Ex-dividend date
May 20, 2025	Dividend record date
May 23, 2025	Payment of dividend
August 12, 2025	Publication Interim Results 2025
September 25, 2025	Capital Markets Day
November 11, 2025	Market Update Q3 2025

## About TKH

TKH Group N.V. (TKH) is a leading technology company. We specialize in the creation of innovative, client-centric technology systems that drive success in automation, digitalization, and electrification. By integrating hardware, software, and customer-focused insight, our smart technologies provide unique answers to customers' challenges. In doing so, we work to make the world better by creating ever more efficient and more sustainable systems.

With close to 7,000 employees, TKH pursues sustainable growth in a culture of entrepreneurship, working closely with customers to create one-stop-shop, plug-and-play innovations combined with software for Smart Vision, Smart Manufacturing, and Smart Connectivity technology.

Listed on Euronext Amsterdam (TICKER: TWEKA), we operate globally and focus our growth across Europe, North America, and Asia.

For further information, please visit [www.tkhgroup.com](http://www.tkhgroup.com).

### Disclaimer

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The forward-looking statements are based upon our current expectations, plans, estimates, assumptions and beliefs that involve numerous risks and uncertainties. Assumptions relating to the foregoing involve judgments with respect to, among other things, future economic, competitive and market conditions and future business decisions, all of which are difficult or impossible to predict accurately and many of which are beyond our control. Although we believe that the expectations reflected in such forward-looking statements are based on reasonable assumptions, our actual results and performance could differ materially from those set forth in the forward-looking statements.