



TKH Group NV

GENERAL INVESTOR PRESENTATION

MAY 2025

SMART TECHNOLOGIES <

Important information – disclaimer

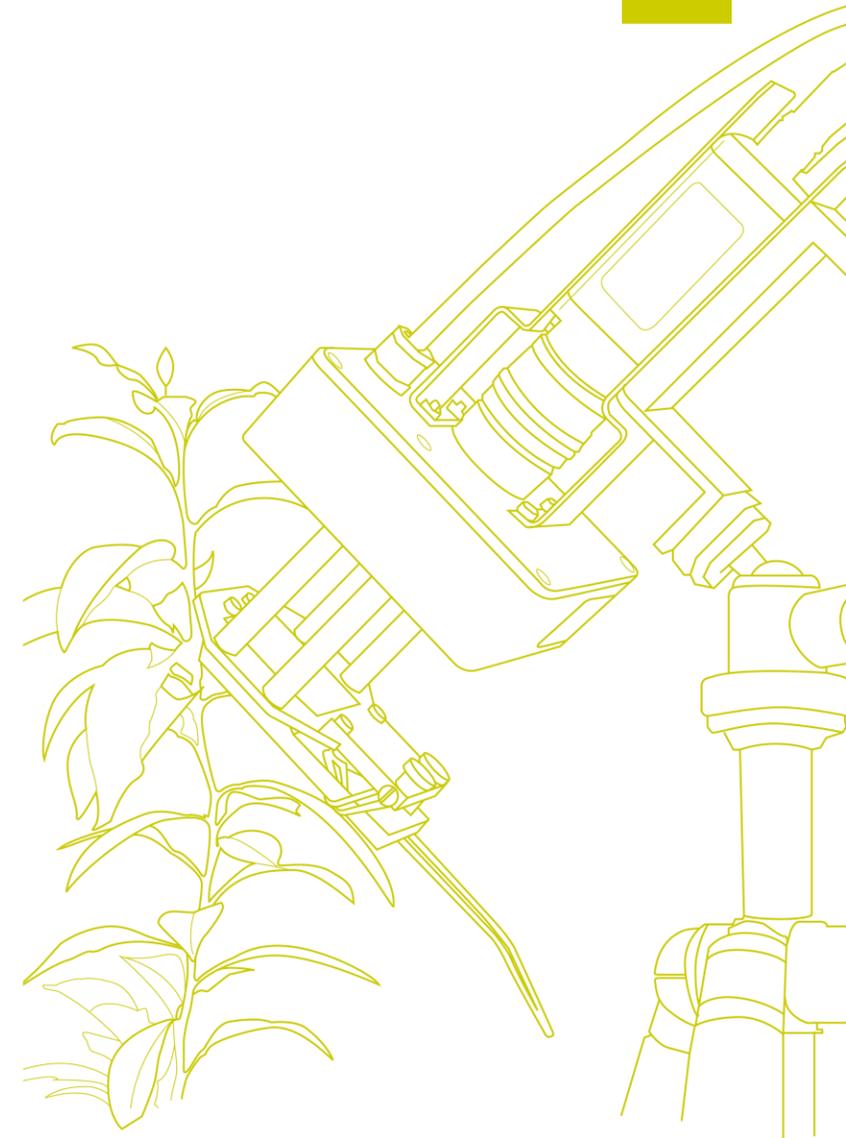
Cautionary note regarding forward looking statements

Statements included in this presentation that are not historical facts (including any statements concerning investment objectives, other plans and objectives of management for future operations or economic performance, or assumptions or forecasts related thereto) are forward-looking statements. These statements are only predictions and are not guarantees. Actual events or the results of our operations could differ materially from those expressed or implied in the forward-looking statements. Forward-looking statements are typically identified by the use of terms such as "may", "will", "should", "expect", "could", "intend", "plan", "anticipate", "estimate", "believe", "continue", "predict", "potential" or the negative of such terms and other comparable terminology.

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.

Content

- Highlights
- Profile
- Our next phase: Focus and Optimization
- ESG
- Capital Allocation
- Reporting Segments Overview
- Highlights and Financial Performance FY 2024
- Outlook



Highlights



Solid Q1 2025, following 2024 EBITA in line with outlook, strong Q4 2024

- Q1 2025 EBITA of €40.0m (Q12024: €41.2m)
- 2024 EBITA of €203.9 million; Strong Q4 2024 with EBITA up 5.1% organically
- Smart Manufacturing systems strong 2024, slight decrease in Q1 2025 as expected
- Smart Vision systems strong Q4 2024 and Q1 2025
- Smart Connectivity systems affected in Q4 2024 and Q1 2025 by weak digitalization and ramp-up costs Eemshaven
- Record orderbook of €1,137.0 m at end of Q1 2025
- Further milestones in portfolio optimization
- €15 million cost savings program implemented



Good progress towards stable manufacturing in Eemshaven

- Shorter lengths in less complex production stages successfully completed in 2024; in April 2025 number of longer lengths manufactured and delivered
- Strong order intake in offshore wind in 2024, in total € 336 million
- €200 million order for turnkey project InchCape
- To compensate ramp-up of Eemshaven, production at Lochem plant continues in 2025
- Sales funnel remains high with >70 tenders totaling >11.000 km until 2030



Strategy update leading to next phase of focus and optimization

- Focus on Automation and Electrification
- Optimize our operations by integrations and divestments
- Use proceeds of divestments to further build on core technologies and return excess cash to shareholders
- Capital Markets Day on September 25, 2025

Q1 2025 Market update

Q1 2025 Market Update

Results in line with expectations

Turnover €420.0 m

Q1 2024: € 421.0 m

+ 2.2 % organically

EBITA €40.0 m

Q1 2024: €41.2 m

- In line with forecast, following strong Q4 with growth in all segments
- Smart Connectivity impacted by a very weak digitalization market
 - Cost saving measures to start having positive impact in Q2
- Good progress towards stable manufacturing in Eemshaven
 - Number of longer length inter-array cables successfully manufactured and delivered in April
 - Current sales funnel over 70 projects, totaling over 11,000 km under tender until 2030
- ROS of 9.5% (Q1 2024: 9.8%)
- Order book at €1,137 million (year-end 2024: €1,135 million)
- Recent tariffs announcements expected to have limited direct cost impact
 - Strong position in Automation & Electrification make us more resilient to negative macro-economic developments
- Will continue to divest non-core activities; Dewetron divestment recently announced for €54 million, resulting in one-off net profit contribution of €36 million at closing

Outlook reiterated: organic growth in turnover and EBITA in 2025

Q1 2025 Market Update

Smart Vision systems

Turnover
+ 5.2% organically vs Q1 2024

- Improved performance in Machine Vision
 - 3D Vision performed well; wood market & increased activity in battery and CE
 - 2D Vision's turnover increased on the back of delivery of several larger orders
- Security Vision recorded slightly lower turnover, due to timing of a few larger projects
- Smart Vision systems' orderbook higher than end 2024, fifth consecutive quarter of gradual increase in the orderbook

Smart Manufacturing systems

Turnover
- 1.2% organically vs Q1 2024

- Tire Building Machine's turnover compares to a strong Q1 2024, which benefitted from catch-up effects.
- Tire Building Machines' ROS remained at levels recorded in 2024, partly due to the implemented efficiency programs
- As expected, orderbook for Smart Manufacturing systems slightly lower than at the end of 2024

Smart Connectivity systems

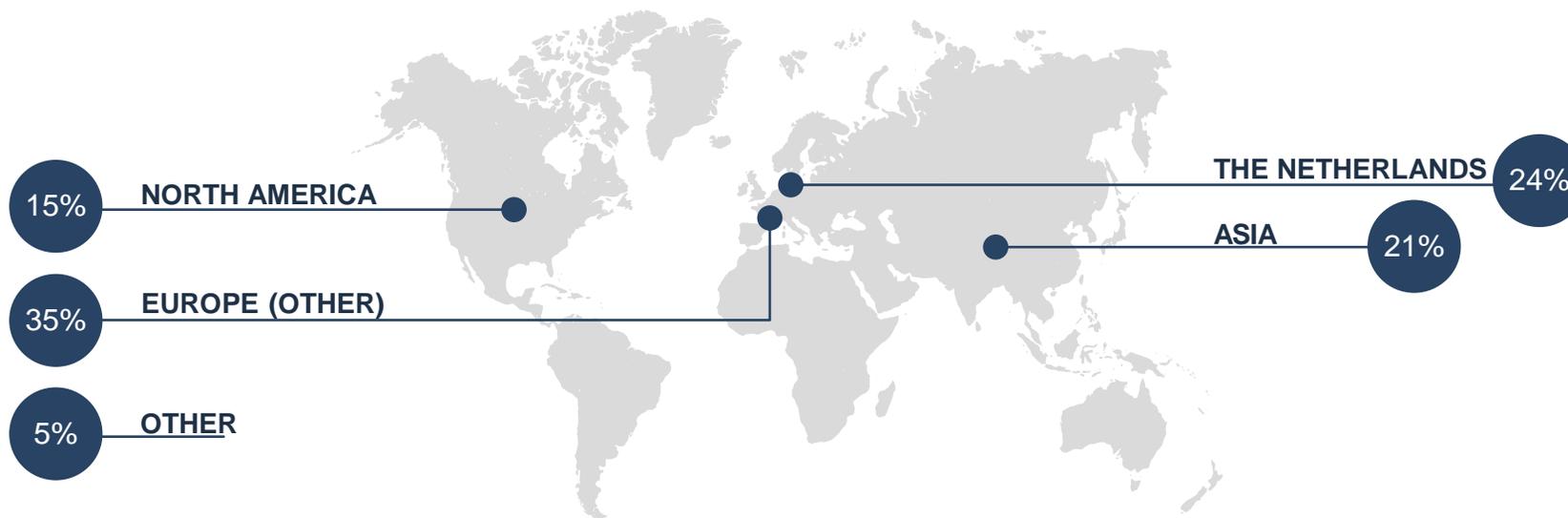
Turnover
+ 2.1% organically vs Q1 2024

- Offshore energy saw slight increase in turnover
- Onshore energy also reported increase in turnover
- Ramp-up costs of Eemshaven as well as the decrease in turnover within digitalization had a considerable impact on the result
- Orderbook increased slightly compared to end of 2024
 - Contract for the supply of 130 km inter-array cable for Waterkant offshore park signed in April

Profile

TKH – Technology leader with focus on automation and electrification

Innovative technologies that make the world more efficient and more sustainable



Headcount

- 6,700 FTEs of which 750 in R&D and software development
- Entrepreneurial culture

Turnover

- 2024 €1,713m (2023: €1,848m)
- 17.6% turnover from innovations

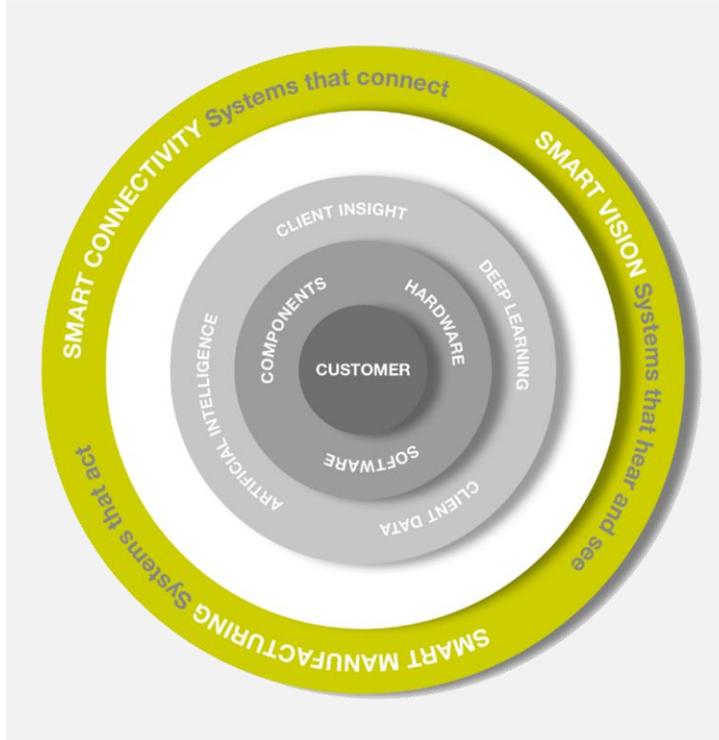
ESG

- 71.6% of turnover linked to SDGs
- Frontrunner ambition

Customer and technology focussed

- >1,400 patents
- >30% technology proposition is software
- Market leadership in majority of activities

Making the world better & more sustainable



Vision

We develop class-leading technologies tailored to the needs of our customers. By making their operations ever more efficient, we aspire to be the strategic partner they trust to deliver long-term value that benefits people, the planet, and future generations



Values

We are aspirational

The commitment to go beyond the norm

We are motivated

The ambition to deliver sustainable success

We empower

The freedom to make great things happen

We are customer-focused

The vision to help our customers thrive



Strategic pillars

Committed people

Differentiation through innovation

Customer first philosophy

Sustainability in action

Sound financial foundation

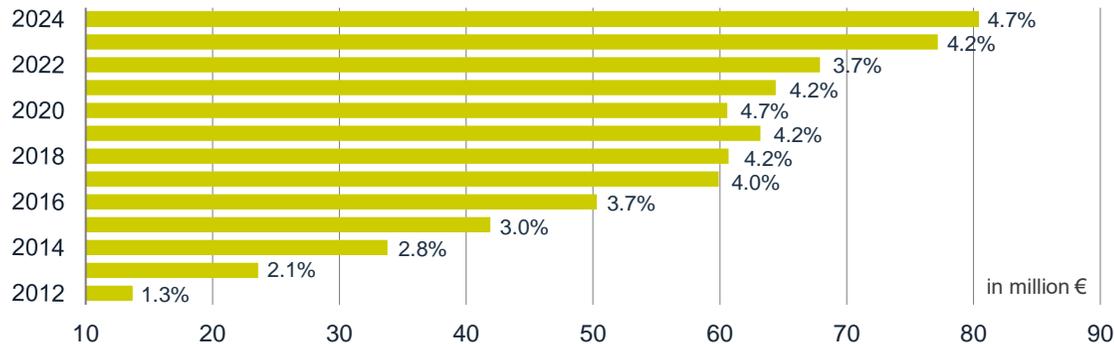
Specialized in the development of innovative, client-centric systems that drive success in automation, digitalization, and electrification. By integrating hardware, software, and customer-focused insight, our smart technologies provide unique answers to client challenges. Creating one-stop-shop, plug-and-play innovations for Smart Vision, Smart Manufacturing and Smart Connectivity technology.

Built on innovation, accelerated by AI

Innovations as % of turnover



Annual R&D spend, and annual R&D spend as % of turnover



>750 FTE in R&D and software development

>1,400 patents to secure value proposition

>30% of our technology proposition
is software driven



AI accelerated technology

Cleans voice from noise

Algorithm for voice signals

- Efficient network algorithms for adaptive artificial intelligence
- Ensuring that the voice signal in intercom systems is perfectly cleaned of ambient noise and echoes during transmission.



AI accelerated technology

Foreign object detection

First AI application in MAXX machines

- In-line high speed detection systems utilizing PIXXEL camera to detect foreign objects on tread material
- Leads to less scrap rates and increased safety of tires

Leading market positions

	TKH Smart Vision systems				TKH Smart Manufacturing systems	TKH Smart Connectivity systems			
	Vision			Tire building	Energy	Digitization			
Geographical markets	3D Global market Leader	2D Strong market Positions	Security Vision Global market Leader in high end market		 Global market Leader	Offshore Growing market positions	Onshore Market leader	 Growing market positions	 Market leader
Main end Markets	 Factory Automation	 Consumer Electronics	 Factory Automation	 Building & infrastructure	 Tire manufacturers	 Offshore Utility companies	 Onshore Utility companies	 Network companies	
	 Battery / Solar Inspection	 Wood	 Medical / Healthcare	 Mobility					
Share of 2024 turnover	28%			35%	37%				

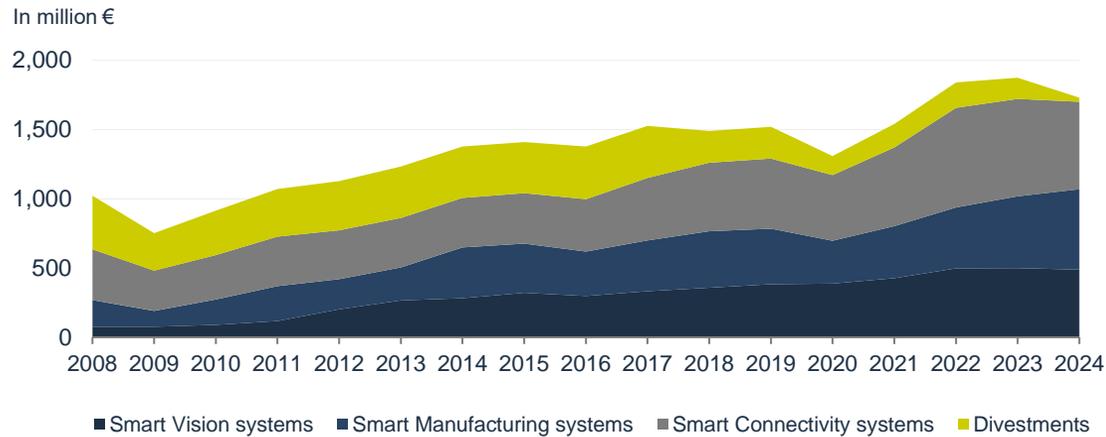
Benefiting from

High barriers to entry: combination of advanced technology levels, patented technologies, expertise and capital required to enter market

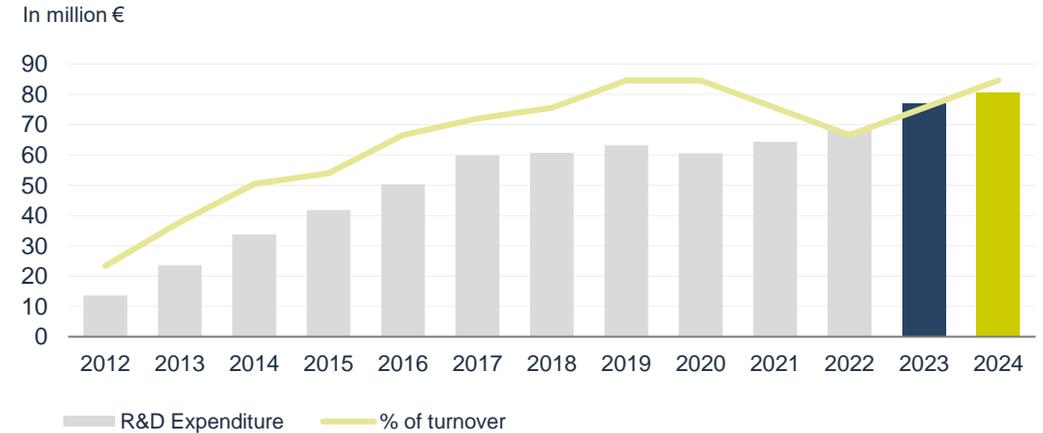
Entering next phase: Focus & optimization

TKH's evolution into today's technology leader

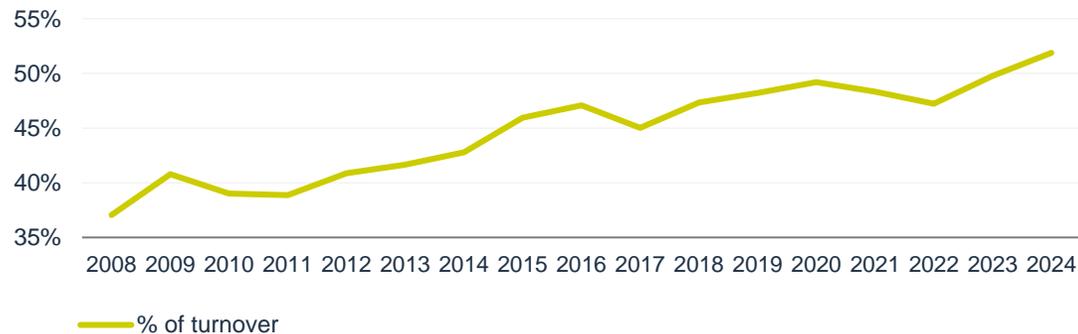
Development of turnover



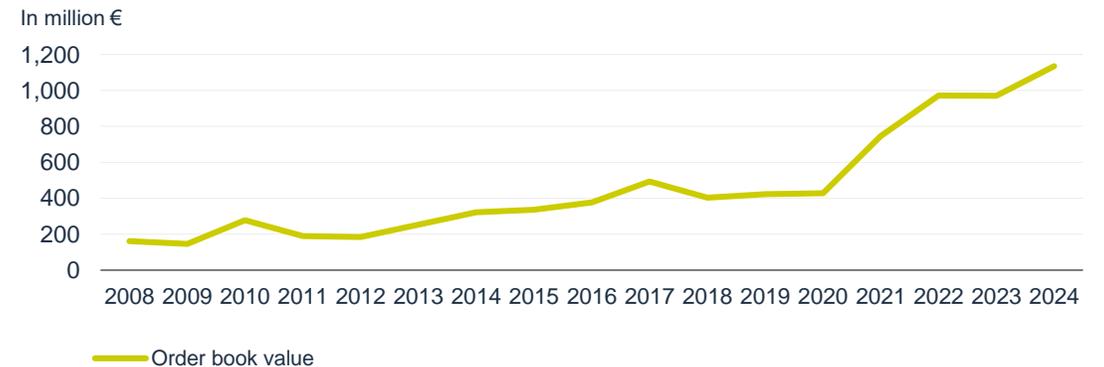
R&D expenditure



Development of added value %



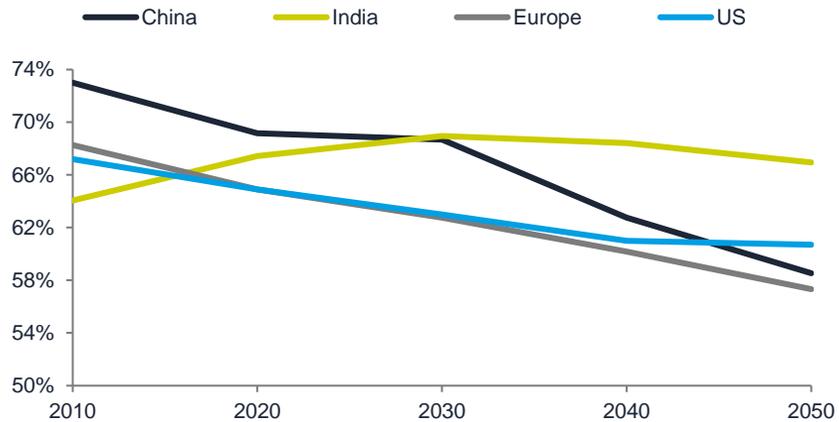
Order book development



Global trends **shaping our future**

Automation

Share of working age population (15-64) in selected countries / regions



Industry 4.0 – hands-off, eyes-off manufacturing

- New technology systems to cope with advances in Artificial Intelligence and Machine Learning
- IoT advancement
- Reduction likelihood of failures

Labour shortages

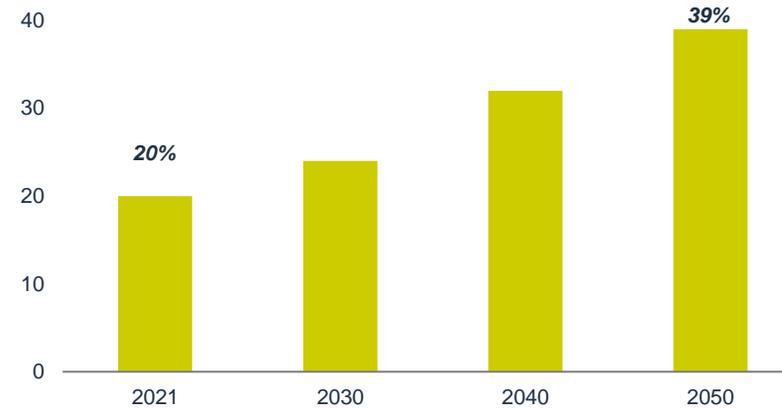
Higher productivity levels

Increased need for reliability

High levels accuracy

Electrification

Electricity as % of global energy demand



Acceleration of Energy Transition

- Boost in power generation from renewable sources
- Public and private ESG ambitions drive investments
- Growth in demand for electricity

Climate change

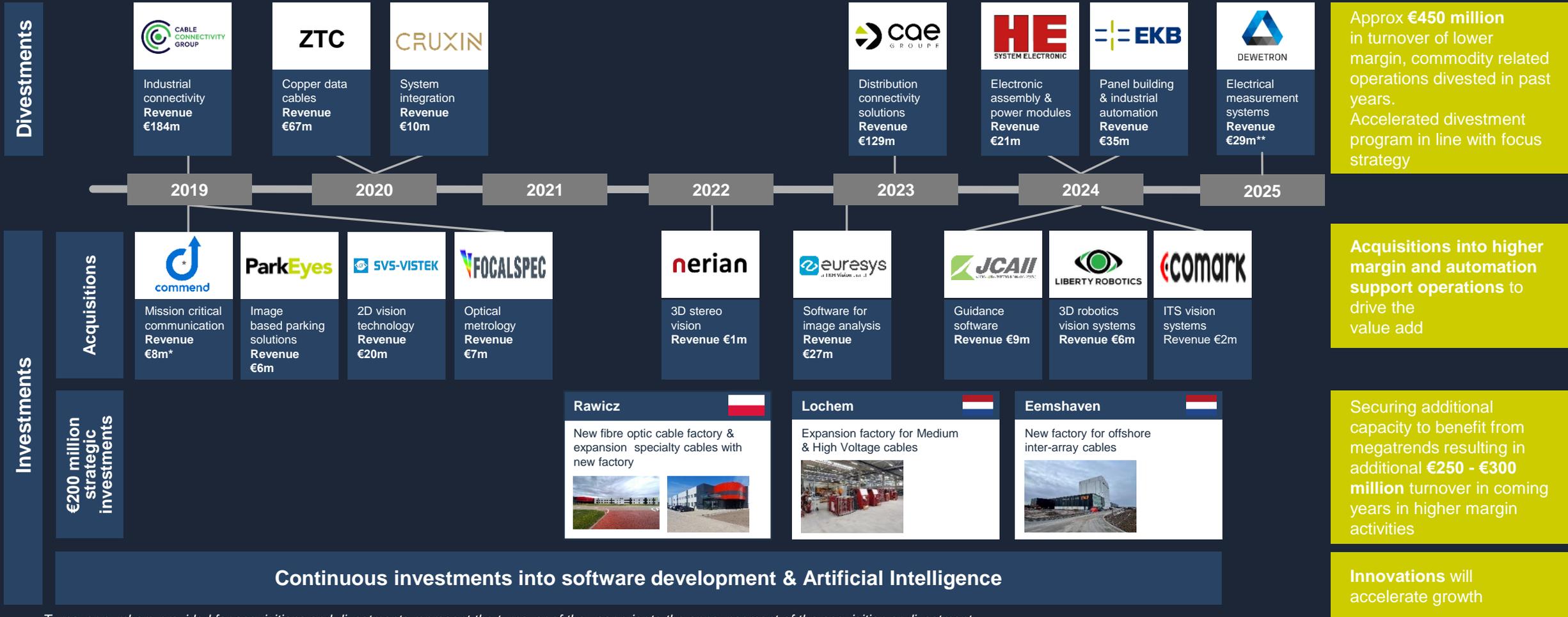
Scarcity natural resources

Lack of infrastructure

Offshore wind market to grow 13X to 2050

Sources: IAE 2022 report, public company materials, UN Population Prospects 2022, S&P Global

Focus on core technologies



Approx €450 million in turnover of lower margin, commodity related operations divested in past years. Accelerated divestment program in line with focus strategy

Acquisitions into higher margin and automation support operations to drive the value add

Securing additional capacity to benefit from megatrends resulting in additional €250 - €300 million turnover in coming years in higher margin activities

Innovations will accelerate growth

Continuous investments into software development & Artificial Intelligence

Turnover numbers provided for acquisitions and divestments represent the turnover of the year prior to the announcement of the acquisition or divestment

* Commend AG is the value-added reseller in Switzerland of the in Austria based Commend Group, which was acquired by TKH in 2015

** Closing expected within 3 months ; one-off net profit contribution of €36m expected upon closing

Next Phase: Focus & Optimization

Building Blocks

Unique technologies

- Unique dry design inter-array cable
- Technology leadership in Tire Building Machines
- Breadth of security and machine vision technologies

Leading market positions

- Global market leader in tire building machines
- Strong market positions in vision systems
- Market leader in cables in Western Europe

Enlarged production capacity

- Tripled production capacity in inter-array cables
- Expanded production capacity to include high voltage cables; enlarged medium voltage production
- Expanded capacity for Tire Building Machines in Poland

Enlarged AI & software proposition

- Establishment of AI hub in Amsterdam to accelerate technology innovations and developments
- AI- powered technologies successfully brought to the market

Next phase: Focus & Optimization

Focus on Automation & Electrification

- Automation: Focus on production automation, inspection and security
- Electrification: Build on our significantly expanded production capacity for offshore and onshore connectivity

Optimizations through integrations and divestments

- Drive further cost efficiencies in our operations
- Divest non-core business activities not related to Automation or Electrification; includes Digitalization

Use of proceeds to build core technologies and aim to return excess cash to shareholders

- Proceeds used to further build on our core technologies in Automation & Electrification
- Aim to return excess cash to shareholders through dividends and/or share buy backs

R&D competences, innovations, smart software, and AI will remain cornerstones to accelerate growth

Capital Markets DAY – September 25, 2025

ESG

Our sustainable value chain

Our Focus on SDGs

71.6% of turnover linked to SDGs



Electrification

Energy cables
Subsea cables

Automation

Machine vision inspection
Tire building systems
Specialty cables for industrial applications

Sustainable Communities

Mobility inspection
Mission critical communication
Parking guidance
Connectivity systems

Digitalization

Fibre Optic Cables

How we do it

non-financial KPIs FY 2024

CO₂e Footprint reduction (scopes 1&2)
Compared to 2019
Target 100% neutrality by 2030

70.3%

2023 64.3%
2022 42.7%

LTFR
Target < 1.0

0.7

2023 0.8
2022 0.8

Satisfaction score

Customers
Target Average score above benchmark (7.8)

8.6

2023 8.6
2022 8.6

Diversity

Female Executive and Senior Management
Target > 25% by 2030

21.6%

2023 19.2%
2022 18.4%

Illness rate

Target < 4.0%

3.97%

2023 3.85%
2022 4.04%

Satisfaction score

Employees
Target > 7.5

7.8

2023 7.8
2022 7.6

How we are rated

rating agencies

MSCI
ESG RATINGS
AA

CCC B BB BBB A AA AAA

ESG Risk Rating
22.8 Medium Risk

Negligible Low Medium High Severe
0-10 10-20 20-30 30-40 40+

CDP B
DISCLOSURE INSIGHT ACTION

Capital Allocation

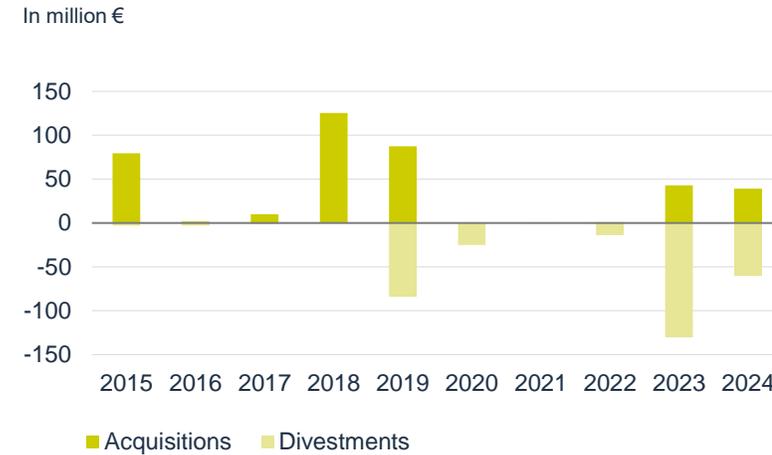
Capital allocation

Capital expenditure



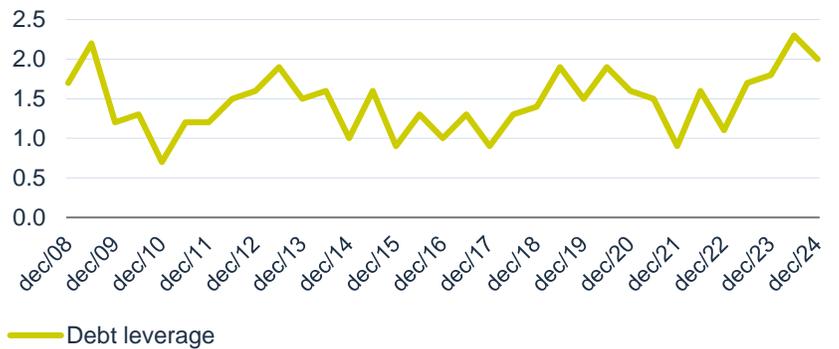
2024: PP&E capex of €98.7 million of which €49 million from Strategic Investment Program, which has been completed in 2024

Acquisitions & divestments



Acquisitions that strengthen our portfolio
Divestments that do not contribute towards achieving long-term targets

Debt leverage



Target net debt/ EBITDA < 2.0

Dividend

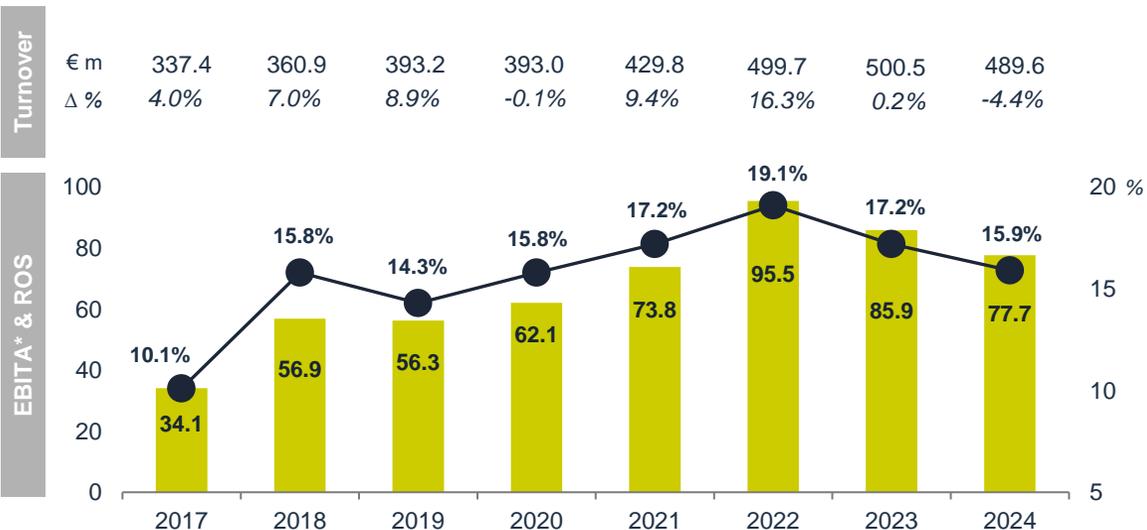


Aim for a dividend pay-out of between 40% and 70%

Reporting Segments

Smart Vision systems – 2024 Results

(in million € unless stated otherwise)	2024	2023	Δ in %	Organic Δ in %
Turnover	489.6	500.5	- 2.2%	- 4.4%
<i>Added value</i>	60.6%	58.9%		
EBITA*	77.7	85.9	- 9.5%	- 12.8%
ROS	15.9%	17.2%		
Order book	139.9	124.0	+ 12.8%	



* EBITA excluding one-off income and expenses; One-off net expenses for Smart Vision systems amounted to €2.5 million in 2024 (2023: € 0.5 million).

Highlights 2024

Smart Vision Systems

- **Organic Turnover – 4.4% and EBITA – 12.8%**
 - Q4 very strong with a ROS of 22% - larger orders
 - Orderintake increase

Security Vision – segment

- Turnover declined slightly
- Orderintake increased – larger projects

Machine Vision – segment

- 3D Vision turnover declined – but strong Q4
 - Battery and solar market weak
 - New customer wins – orderintake increased
- 2D Vision turnover increase – strong Q4 – larger orders
 - Integration steps – combined with reduced cost
 - Innovations support differentiating power – larger orders
 - One stop shop success – orderintake increased

Smart Vision systems

Main take-aways

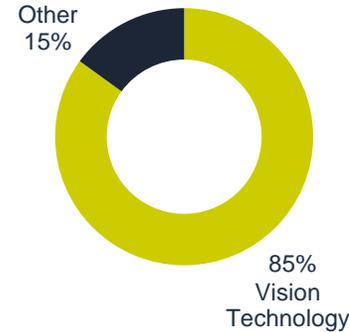
- State of the art **vision systems**; encompasses **Security Vision** and **Machine Vision**
- Combines hardware with in-house software development to create smart, integrated **plug-and-play systems**, and **one-stop-shop solutions**
- **Wide product offering** of 2D, 3D, security and surveillance systems, hardware, software and parking guidance
- **Leading global player in 3D Machine Vision**
- **Security vision** to manage and control **urban environment**
- Sales from **innovations relatively high** due to continuous ongoing investments and new product launches

Where we operate

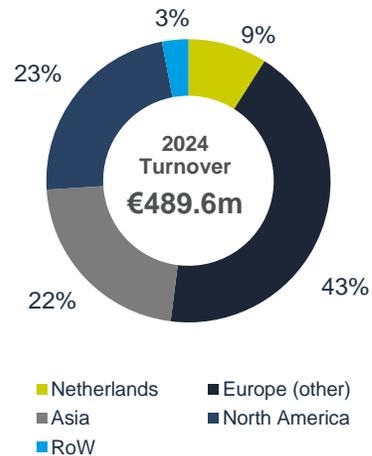


Production / R&D locations Service & Sales Hubs Excluding external sales partners

Turnover split



Geographical split



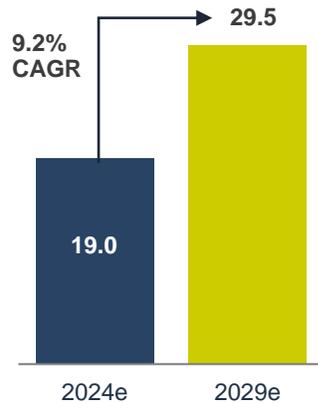
Technologies, market position & end market

	2D Vision	3D Vision
Machine Vision	<p>Strong market Positions</p> <p>Factory Automation</p> <p>Medical / Healthcare</p>	<p>Global market Leader</p> <p>Factory Automation</p> <p>Consumer Electronics</p> <p>Battery / Solar Inspection</p> <p>Wood</p>
Security Vision	<p>Integrated Intercom, ITS, Surveillance, Parking Guidance</p> <p>Global market Leader in high end market</p> <p>Building & infrastructure</p> <p>Mobility</p>	

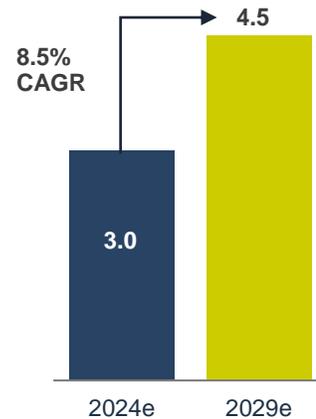
Smart Vision systems

Market data (in € bn)

Security Vision – TAM



2d & 3d Machine Vision - TAM



Source: Various market reports, TKH' estimates: Global Machine Vision market is excluding Quality Assurance, Industrial Automation, Robotics; Security Vision includes Video Surveillance, Video Intercom, Parking Guidance

Market drivers

Industry 4.0
automation
with **hands-off,**
eyes-off
manufacturing

Need for higher
productivity
and improved
quality

Automated and
higher levels of
safety and
security

Automatic
enforcement
and
monitoring of
infrastructure

Building blocks for above market growth

Technology leadership strengthened
with software and AI

International position based on
technology leadership

Innovation with a strong R&D
roadmap

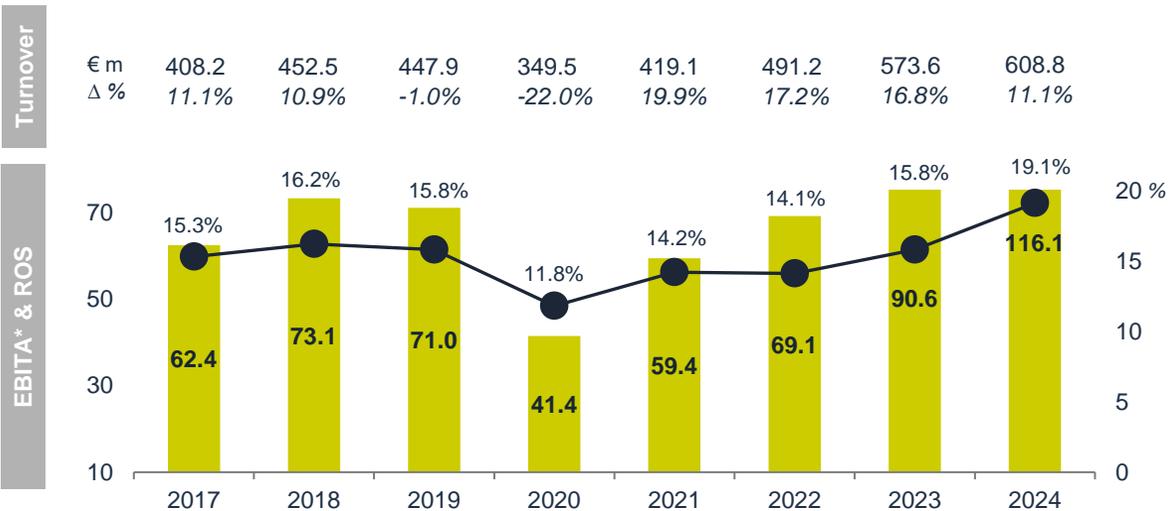
One stop shop solution provider and
best customer centric service

Strong brands with excellent
reputation

Grow market share
in current end
markets
& expand into new
end markets,
growing
addressable market
through innovations
and technology
leadership

Smart Manufacturing Systems – 2024 Results

(in million € unless stated otherwise)	2024	2023	Δ in %	Organic Δ in %
Turnover	608.8	573.6	+ 6.2%	+ 11.1%
<i>Added value</i>	<i>51.5%</i>	<i>50.5%</i>		
EBITA*	116.1	90.6	+ 28.1%	+ 31.1%
ROS	19.1%	15.8%		
Order book**	501.5	631.3	- 20.6%	-15.2%



* EBITA excluding one-off income and expenses

** The order book as of 31 December 2023 includes the order book of the divested companies HE System Electronic and EKB Groep for a total of €40.0 million

Highlights 2024

Tire Building systems

- **Organic Turnover + 11.1% and EBITA + 31.1%**
 - Catch-up effect of deliveries from earlier periods
 - Orderintake decrease – mainly Tier 1
 - 4 important drivers for customer investments continue

UNIXX technology – confirmed strong driver for future growth

- Positive feedback from launching customer
- Unique technology to address urgent needs
- UNIXX Beltmaker & Revolute – successful

AI generated developments successfully introduced

Other

- Divestment of HE System Electronic and EKB Groep completed
- New orders were received for the Indivion

Smart Manufacturing systems

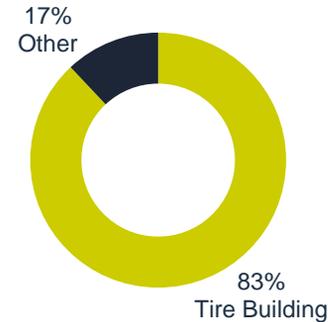
Main take-aways

- **Leading player** in smart manufacturing systems for **tire manufacturers**
- Main products include **passenger and truck tire building machines** and **tire components**
- Selected supplier to **Tier 1 customers**
- Broader product offering includes **pharma care, industrial automation** and **advanced measurement systems**
- Focus on **increasing production efficiency and reducing operational costs** through innovative manufacturing technologies
- Organic **innovation track record** with developments for new applications

Where we operate



Turnover split



Geographical split



Technologies, market position & end market

Tire Building Systems

Assembly Machines



Passenger TBM



Truck TBM



UNIXX

Tire Component Machines



Global market Leader



Revolute



UNIXX Beltmaker

Services

Tire manufacturers





Pharma

Indivion





Factory Automation



Medical / Healthcare

TKH Group NV General Investor Presentation

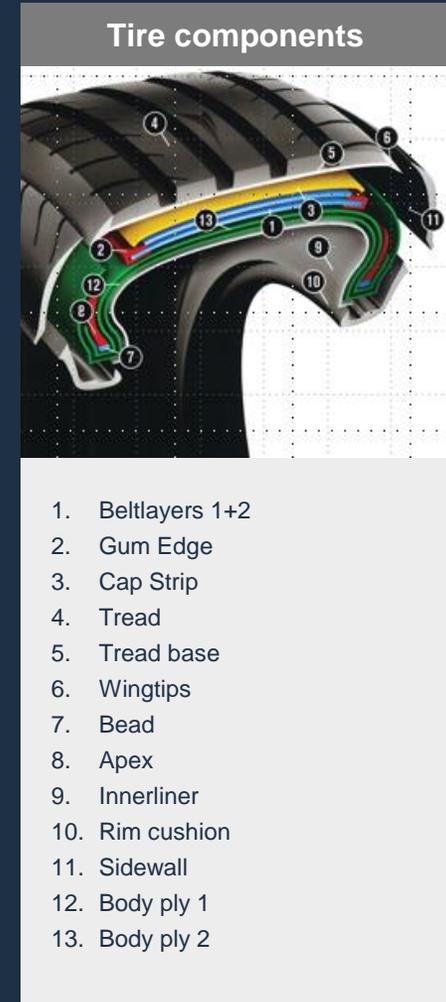
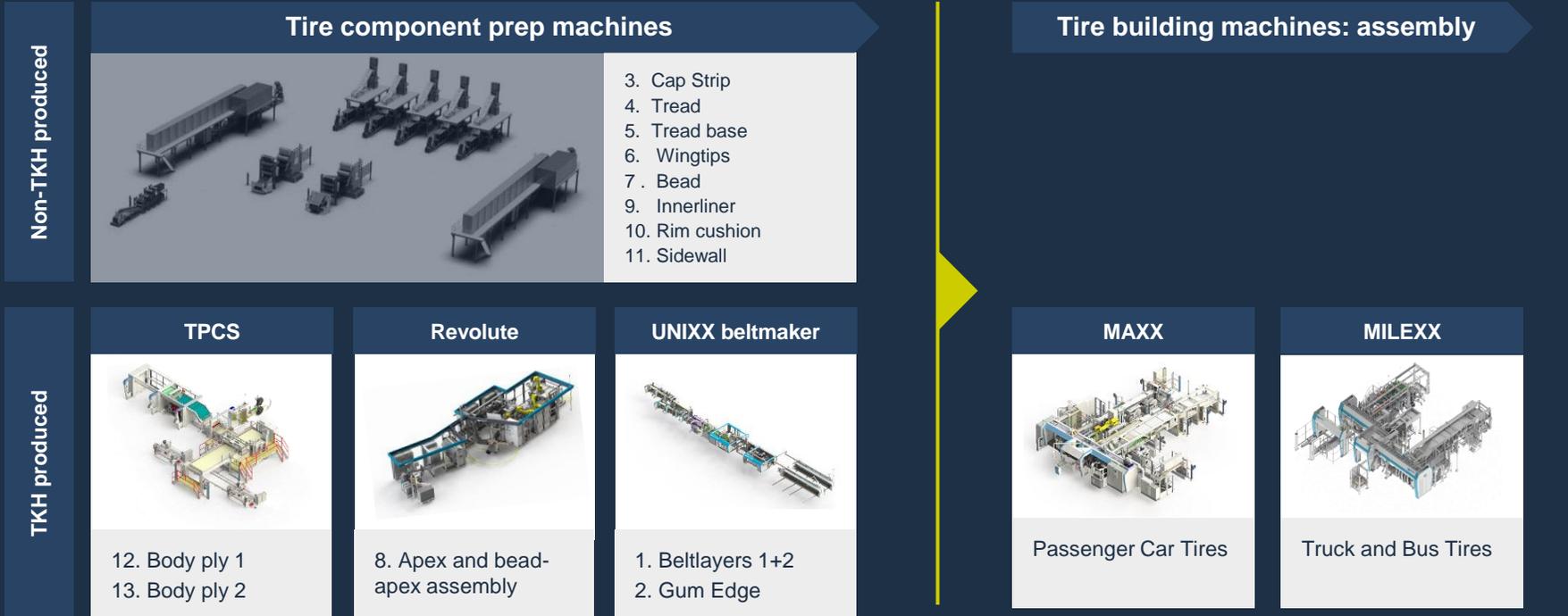
May 2025

SMART TECHNOLOGIES < 27

Tire Building systems

Building a vulcanized tire: from tire component machines to assembly

Tire building systems



Leading player in tire building machines (assembly) with unrivalled ability to serve Tier 1 customers with a global manufacturing and service platform

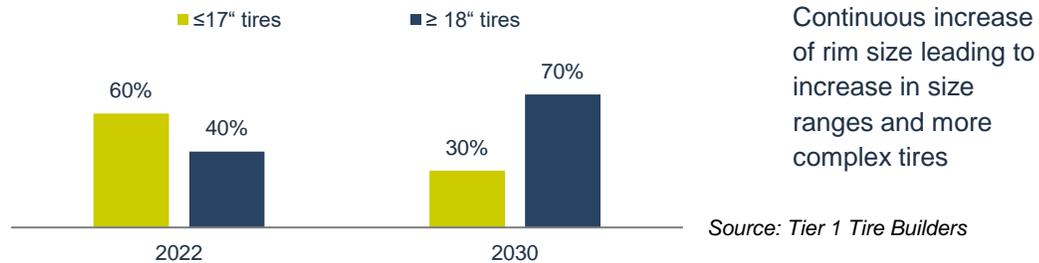
Successfully introduced tire component machines on the back of proven innovation track record, expanding addressable market organically; successful launches driving new business wins REVOLUTE and UNIXX Beltmaker

Growth further driven by new product development and upgrade of existing capacity to meet new sustainability and technology requirements in tires

Key dynamics of tire building machine market

Driving tire building machines

1. Increase in rim size



2. Reshoring



3. Increase in number of tire specifications



4. Sustainability

Need for more sustainable tires

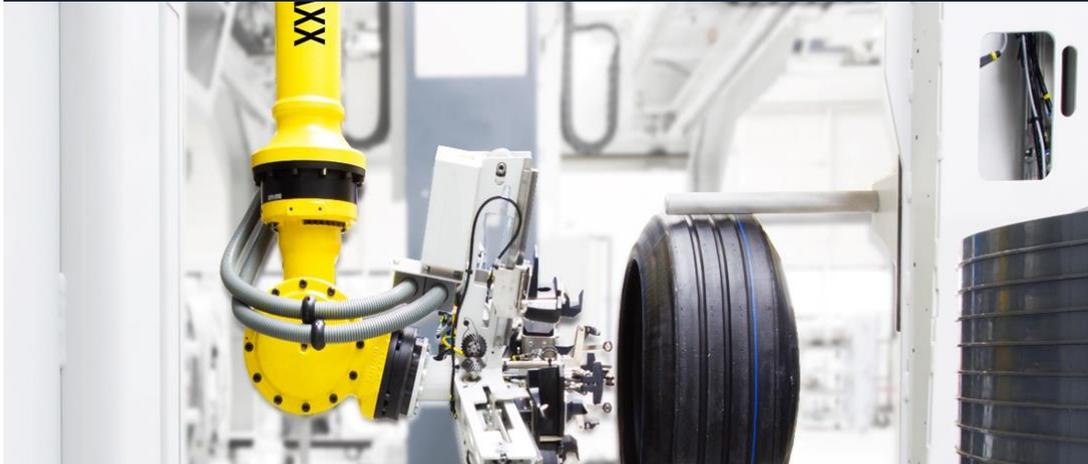
- Lower rolling resistance
- Longer lifetime / mileage
- Lower noise level
- Lower weight
- Environmentally friendly materials
- Able to withstand higher forces

Top 1% S&P Global ESG Score 2022: 86/100

For tire manufacturers: added complexity whilst maintaining efficiency

UNIXX: next generation tire building machines

UNIXX: highly automated, meeting demand for complexity



Unprecedented solution

- Very high level of automation
- Highly flexible
- Shorter new tire development process
- Handles advanced high-tech components
- Full track & trace
- Lower cost

Increased tire quality

- More accurate components
- Less weight
- Better performance
- Less energy
- Less waste

Building blocks for growth

Technology & market leadership

Enlarge addressable market with tire component production modules

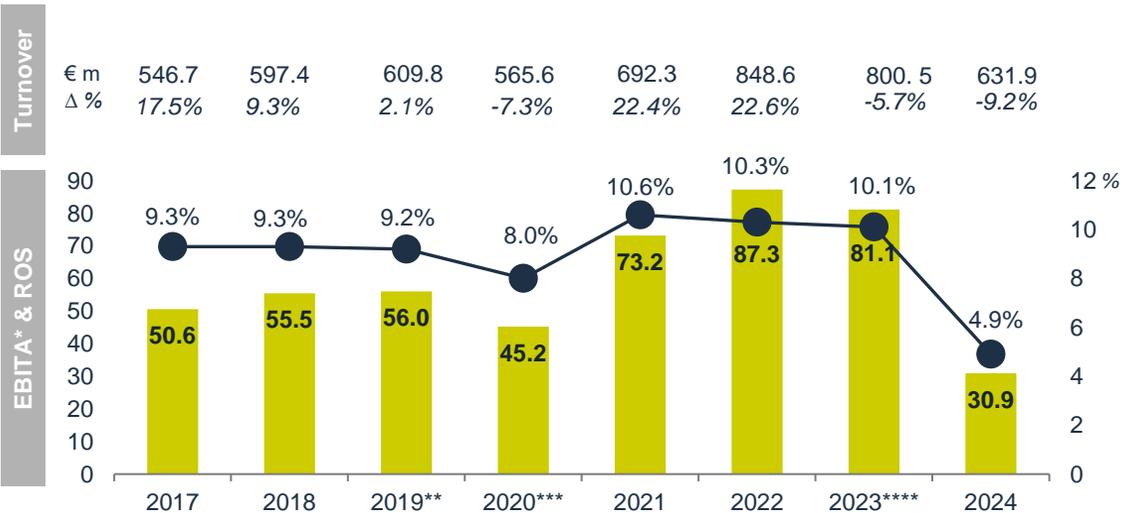
Breakthrough superior UNIXX technology

Strong service proposition with potential to expand

Grow market share and take advantage of growing market through our technology leadership

Smart Connectivity Systems – 2024 Results

(in million € unless stated otherwise)	2024	2023	Δ in %	Organic Δ in %
Turnover	631.9	800.5	- 21.1%	- 9.2%
<i>Added value</i>	<i>44.0%</i>	<i>41.8%</i>		
EBITA *	30.9	81.1	- 61.9%	- 42.9%
ROS	4.9%	10.1%		
Order book	493.6	214.8	+ 129.8%	



* EBITA before one-off income and expenses

** In Aug 2019, CCG was divested (2018 EBITA €14.3m, turnover €184m)

*** In Jan 2020, ZTC was divested (2019 EBITA €5.0m, turnover €67.5m)

**** In Sept 2023, TKH France was divested (2022 EBITA €19.6m, turnover €129.3m)

Highlights 2024

Smart Connectivity Systems

- Organic Turnover – 9.2% and EBITA – 42.9%
 - Divestment of Connectivity distribution in France
 - Contribution of strategic investment program
 - Start-up and ramp-up costs of the new factories – Eemshaven and Rawich

Electrification (48%)

Offshore

- Record high orderintake of €336 million
- Start-up and ramp-up cost – negative result
- Eemshaven – confirmed State of the Art facility

Onshore

- Decrease in turnover – continued destocking
- Increased order intake – high voltage contribution
- Internationalisation

Digitalization (29%)

- Strong turnover decrease – postponement network investments
- Substantial cost reduction program – consolidation production

Other (23%)

- Impacted by weak German economy

Smart Connectivity **systems**

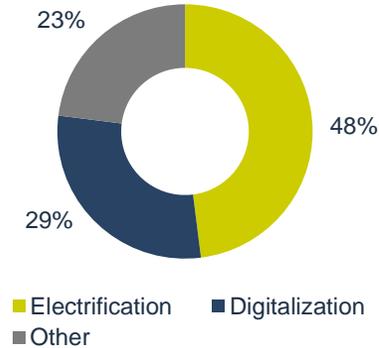
Main take-aways

- **Leading cable and systems manufacturer** in Europe
- Main products include **power transmission cables, installation cables, inter-array, fibre optics, specialty cables** and **indoor cables**
- Exposed to fast-growing **renewable energy** market
- **Capacity increase** in inter-array cables to meet growing demand
- **Leading supplier of medium voltage cables in Netherlands, expanding into Europe**
- **Expanding into high voltage cables**

Where we operate



Turnover split



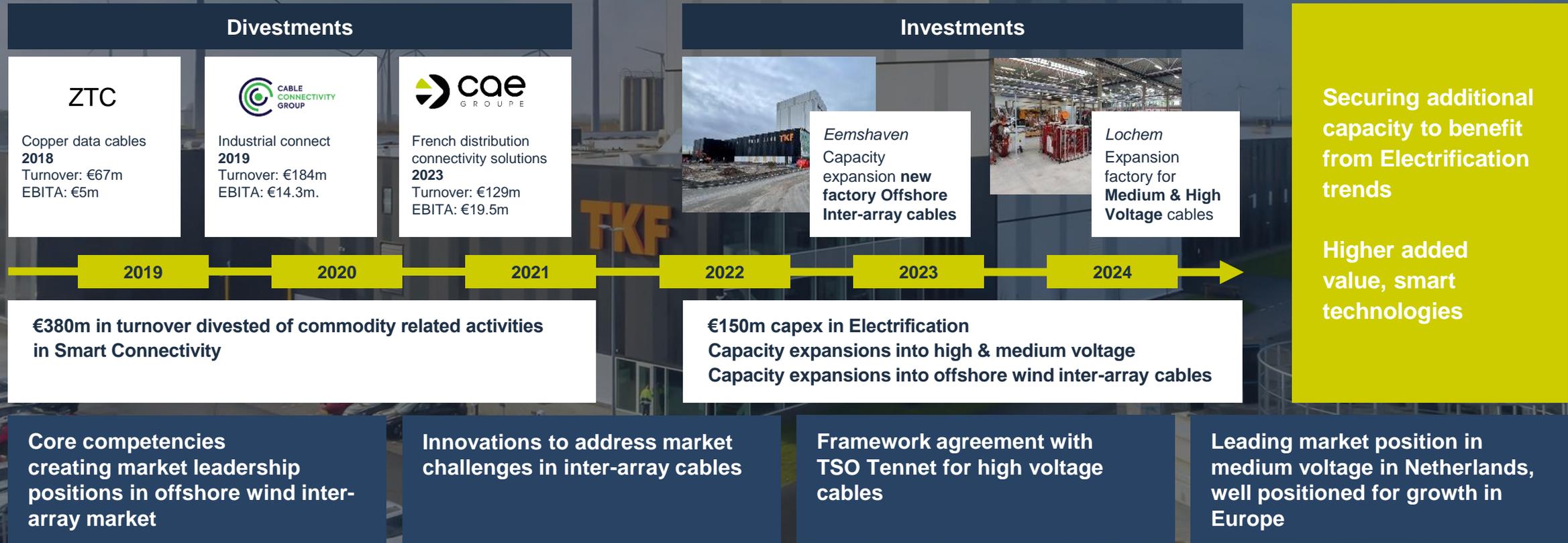
Geographical split



Technologies, market position & end market

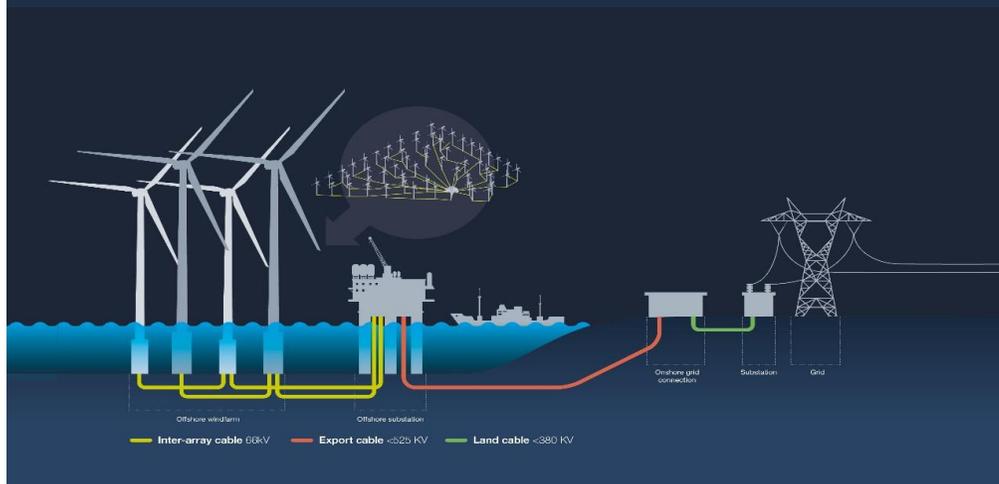
	Onshore	Offshore
Electrification	Medium Voltage Low Voltage MARKET LEADER Utility companies	Inter-array Offshore Utility companies
Digitalization	FIBRE OPTIC CABLE MARKET LEADER GROWING MARKET POSITIONS	ACCESSORIES Network companies
Others	SPECIALTY CABLES MARKET LEADER HIGH GRADE SPECIAL CABLES	OTHER / CEDD

Powering the sustainable future of energy

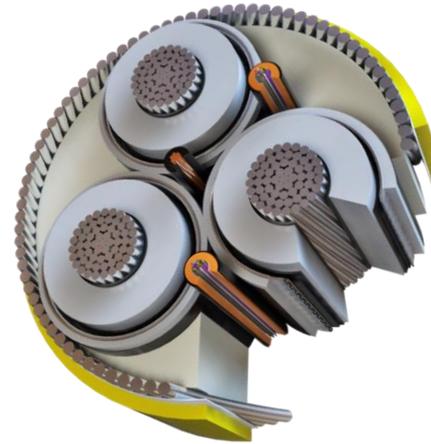


Offshore wind inter-array cables: **unique design**

Application: connecting wind-turbines



Unique Dry Inter-Array Cable Design



No use of lead or bitumen

- Recyclable & environmentally friendly
- Clean installation
- No risk of leaching chemicals or metals into the marine environment

Aluminium welded sheath

- Resulting in a 100 % dry design
- Longer durability
- Less materials needed (copper) – thinner cable and reduction of costs

Compact & robust

- Crush and impact resistant – less risks
- Easy installation, allowing cable laying in extreme weather conditions
- Protection of the fibre optic cable

TKH innovations to address market challenges



Environment

- Use of recycled materials in cable design
- Circularity of the design



Next generation 132 kV

- Innovative dry design, ready for the next generation wind energy



Floating wind

- Dynamic cable for floating wind

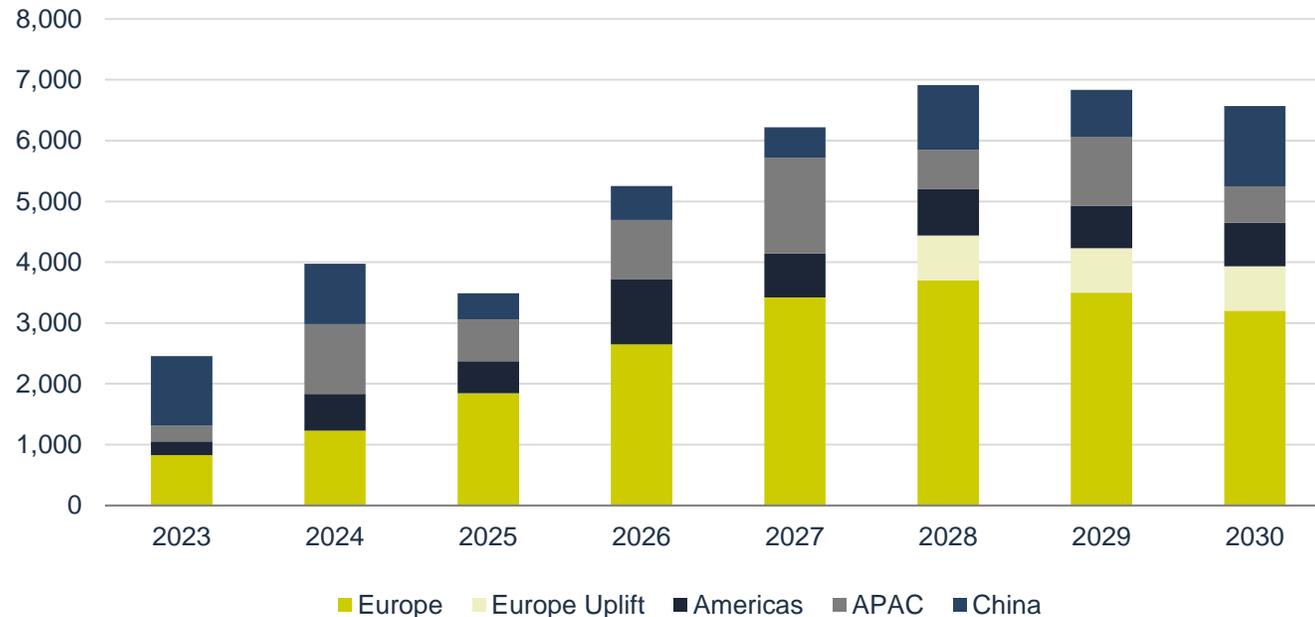


Monitoring systems

- Optical Strain Sensor
- Cable strain measurements
- AI

Smart Connectivity systems – offshore energy

Global inter-array cable demand (km)



Source: 4cOffshore, completed with information on built / planned windfarms to date and EU targets; data to be supplemented as more to be developed windfarms are announced

EU targets

 **4.5 GW in 2023**
21 GW by 2030
70 GW by 2050

 **8.5 GW in 2023**
40 GW by 2035
70 GW by 2045

 **14 GW in 2023**
Up to 50 GW by 2030

 **1 GW by 2023**
18 GW by 2035
40 GW by 2050

 **2.6 GW in 2023**
22.4 GW by 2040

 **2.2GW in 2023**
5.8 GW by 2029

Europe aims a North Sea offshore wind capacity of **120GW by 2030 and 300GW by 2050** (25 GW currently)

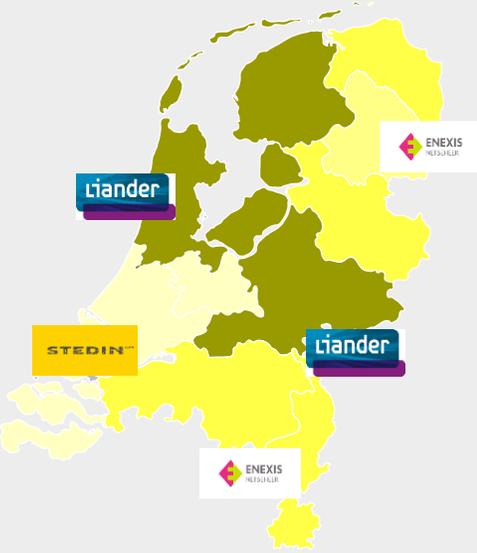
Ambitious plans for Europe beyond 2030 have not been converted into concrete plans yet

The MW power of the turbines will increase, leading to the demand for thicker inter-array cables with higher pricing and higher added value

- Other inter-array cable manufacturers in Europe include Hellenic Cables, JDR and Prysmian
- Currently involved in >70 tenders, totaling over >11.000 km of inter-array cables up to 2030

Smart Connectivity systems – onshore energy

Main network operators



Currently
 > 100,000 km medium voltage
 > 200,000 km low voltage

High ambitions

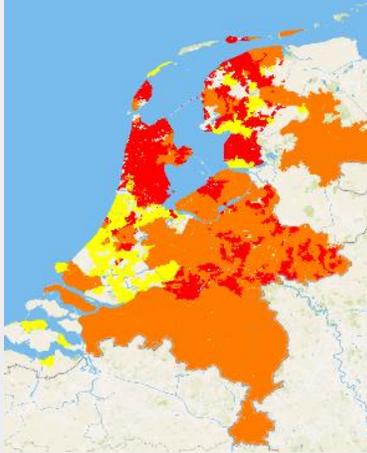
+40%
additional TWh needed until 2030

+300%
additional TWh needed until 2050

>€195bn
Estimated capex into the power grid in the Netherlands

Current estimates
 > 100,000 km medium voltage additional by 2035*

Congested network



- Threat of transport limitation
- Pre-announcement of structural congestion
- Structural congestion

10,000 companies waiting to be added to grid

Inventory & slow roll out

Liander	2021	2022	2023
Cable (km)*	2027	2212	2519
Invest's (€m)	1014	1228	1411
Inventory (€m)**	63	141	193
STEDIN			
Cable (km)*	989	863	892
Invest's (€m)	687	712	832
Inventory (€m)**	51	54	99
ENEXIS			
Cable (km)*	1770	1850	1850
Invest's (€m)	841	867	1098
Inventory (€m)**	41	74	150

* Expansion and replacement, MV and LV
 ** Includes all inventory, not only cables

Bottlenecks

Planning and roll-out permissions, long project realization times, shortage of technicians and engineers

Mitigating measures taken

Reduction in planning and roll-out permissions, reduction of project realization times, hiring of engineers

* Additional cables only, does not take into account replacement cables

Highlights & Financial performance

FY 2024



EBITA in line with outlook

Highlights FY 2024

Turnover
€1,712.7m

2023: €1,847.5m
- 1.2% organically***

EBITA*
€203.9m

2023: €237.0m
- 7.5% organically***

ROS*
11.9%

2023: 12.8%

Adjusted net profit**
€98.9m

2023: €130.5m
- 24.2%

ROCE
15.2%

2023: 19.8%

Orderbook
€1,135.0m

Dec. 31, 2023: €970.1m

Innovations
17.6%

2023: 16.1%

As percentage of turnover

Net debt
€496.0m

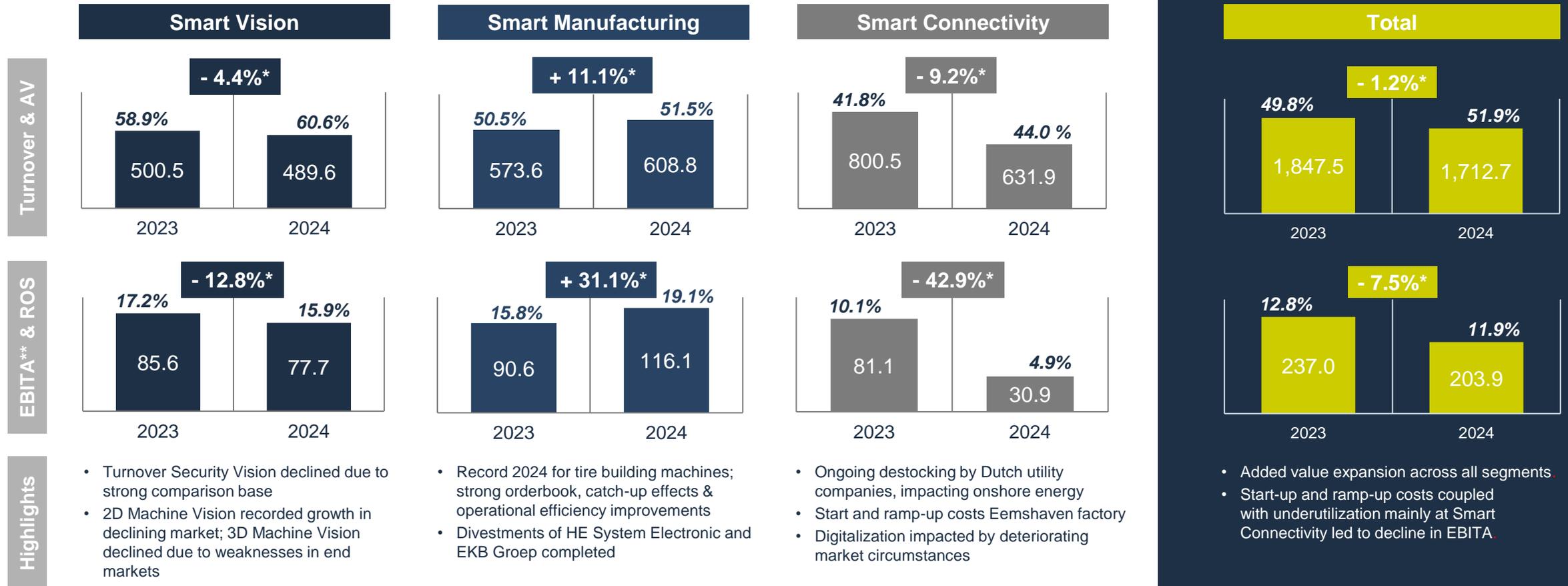
Dec 31, 2023: €469.2m

* EBITA & ROS excluding one-off income and expenses (one-off net expenses in 2024 amounted to €4.0 million, 2023: one-off net expenses of €2.0 million)

** Net profit before amortization of intangible non-current assets related to acquisitions (after tax) and one-off income and expenses attributable to shareholders. Amortization of intangible non-current assets related to acquisitions (after taxes) in 2024 of €17.7 million (2023: €16.5 million)

*** Adjusted for acquisitions, divestments, and currency effects

Added value increased across all segments



* Adjusted for acquisitions, divestments and currency effects ** EBITA excluding one-off income and expenses

Geographical distribution of turnover

	2024	2023
Netherlands	24.1%	24.6%
Europe (other)	34.7%	38.8%
Asia	21.5%	19.1%
North America	14.7%	13.0%
Other	5.0%	4.5%

- Smart Vision systems
- Smart Manufacturing systems
- Smart Connectivity systems



Profit and loss account

€ million	2024		2023		Δ in %
1 Turnover	1,712.7		1,847.5		- 7.3%
Raw materials and subcontracted work	- 824.2		- 927.9		
2 Added value	888.5	51.9%	919.7	49.8%	- 3.4%
3 Operating expenses	- 684.6		- 682.7	-36.9%	+ 0.3%
4 EBITA ¹⁾	203.9	11.9%	237.0	12.8%	- 14.0%
One-off income & expenses	- 4.0		-2.0		
Amortization	- 60.8		- 56.9		
Impairments	- 8.5		- 3.7		
Operating result	130.6		174.5		
Result associates	24.5		51.5		
Other financial result	- 31.5		- 23.0		
Result before taxes	123.5		202.9		
Taxes	- 24.0		- 37.2		
Net profit	99.5	5.8%	165.8	9.0%	- 40.0%
Adjusted net profit ²⁾	98.9	5.8%	130.5	7.1%	- 24.2%

1) Excluding one-off income and expenses

2) Before amortization of PPAs and one-off income and expenses attributable to shareholders

€ million	Turnover	
2023	1,847.5	
Acquisitions & divestments	- 111.4	- 6.0%
Currency translation	- 0.6	- 0.1%
Organic growth	- 22.9	- 1.2%
2024	1,712.7	- 7.3%

- 2**
- Elimination of anti-dumping duties on fibre optic cables
 - Shift product mix
 - Acquisitions & divestments
- 3**
- Acquisitions & divestments net impact of - 3.1%
 - Increase operating expenses due to start-up and ramp-up of capacity and payroll increases

€ million	EBITA	
2023	237.0	
Acquisitions & divestments	- 14.9	- 6.3%
Currency translation	- 0.4	- 0.1%
Organic growth	- 17.8	- 7.5%
2024	203.9	- 14.0%

Profit and loss account

€ million	2024		2023		Δ in %
Turnover	1,712.7		1,847.5		- 7.3%
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1) Excluding one-off income and expenses

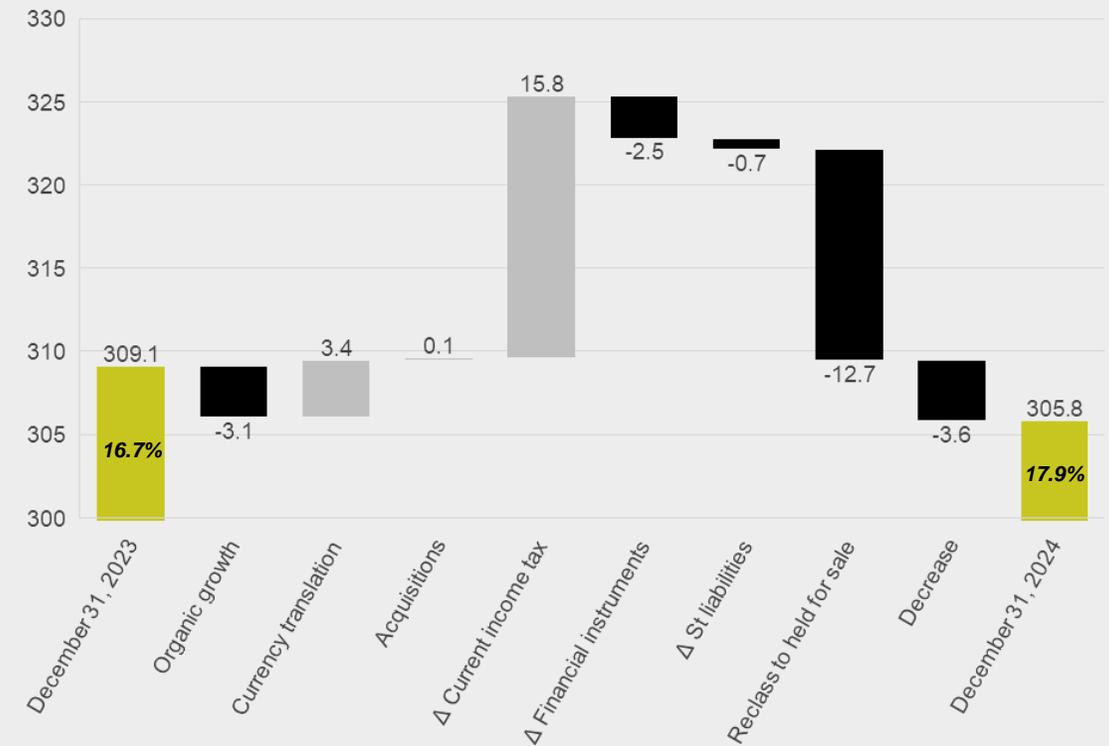
2) Before amortization of PPAs and one-off income and expenses attributable to shareholders

- 5** Amortization increased related to
- Amortization of PPA's from acquisitions (Liberty Robotics, Comark and JCAI)
 - Increased investment levels and acquisitions of R&D intensive companies
- 6** Result associates largely attributable to one-off profit on divestment of HE System Electronic and EKB Groep (2023 includes one-off profit from divestment of CCG and TKH France)
- 7** Increase net interest expenses due to higher interest rates and higher average outstanding debt
- 8** Normalized effective tax rate stable at 24.4% (2023: 24.6%); benefitted from R&D tax facilities

Balance sheet

(in € million)	Dec. 31, 2024	Dec. 31, 2023
Intangible assets and goodwill	611.1	565.7
Property, plant and equipment	486.2	436.0
Right-of-use assets	78.0	84.0
Other non-current assets	47.5	52.6
Total non-current assets	1,222.8	1,138.3
1 Current assets	837.7	874.6
Cash and cash equivalents	125.6	93.7
Total current assets	963.4	968.3
Assets held for sale	27.2	21.2
Total assets	2,213.3	2,127.8
Total group equity	883.1	835.7
Borrowings	620.1	572.4
Other non-current liabilities	79.0	75.2
Total non-current liabilities	699.1	647.6
Borrowings	90.3	75.9
1 Other current liabilities	531.9	565.5
Total current liabilities	622.2	641.4
Liabilities held for sale	9.0	3.1
Total equity and liabilities	2,213.3	2,127.8

1 Changes in working capital (in € million)



Use of non-recourse factoring

- Dec 31, 2024 €43.3 million
- Jun 30, 2024 €42.4 million
- Dec 31, 2023 €40.9 million

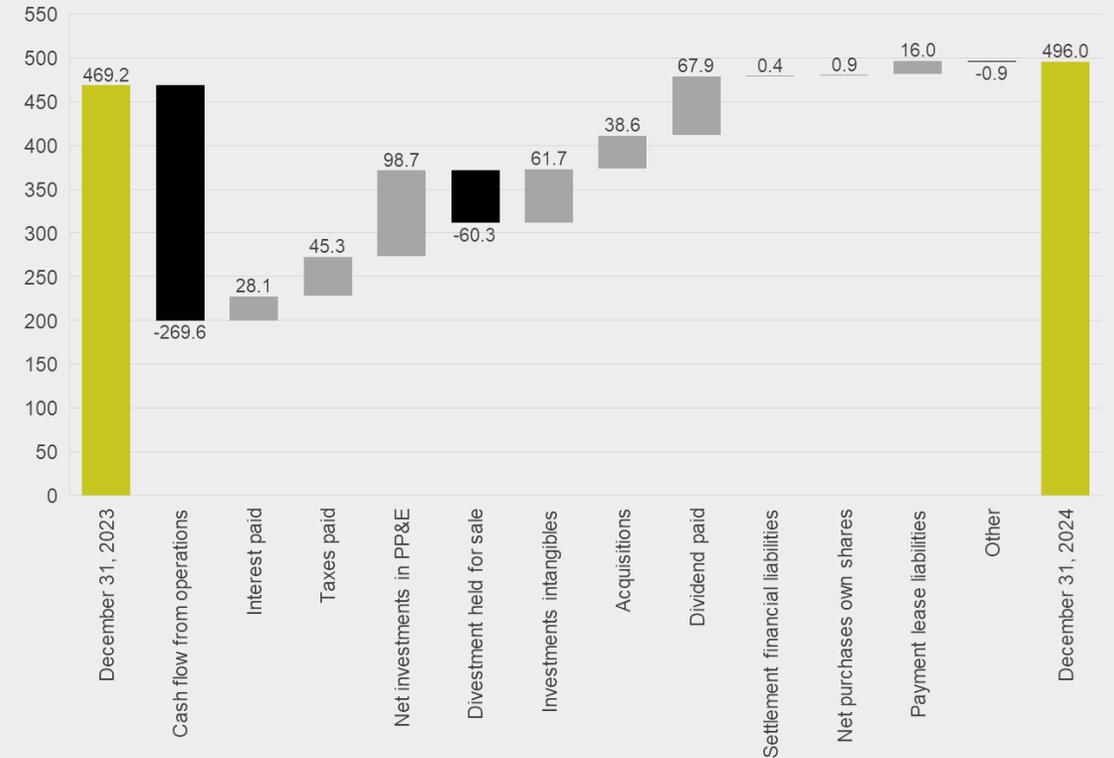
Use of supply chain finance

- Dec 31, 2024 €39.4 million
- Jun 30, 2024 €48.5 million
- Dec 31, 2023 €44.1 million

Balance sheet

(in € million)	Dec. 31, 2024	Dec. 31, 2023
Intangible assets and goodwill	611.1	565.7
Property, plant and equipment	486.2	436.0
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Total equity and liabilities	2,213.3	2,127.8

1 Changes in net debt (in € million)



- The net debt is determined in accordance with the bank covenants
- Net debt / EBITDA of 2.0 (June 30, 2024: 2.3 and December 31, 2023: 1.8)

Free cash flow

(in million € unless stated otherwise)	H1 2024	H2 2024	2024	2023	2022	2021
Operating result	63.9	66.7	130.6	174.5	190.2	136.9
Depreciation, amortization and impairment	57.4	63.9	121.3	109.4	100.6	98.0
EBITDA adjusted	121.3	130.6	251.9	283.9	290.8	234.9
1 Change in working capital	- 35.3	49.2	13.9	- 71.3	- 116.3	- 3.5
Taxes paid	- 17.9	- 27.4	- 45.3	- 44.1	- 40.4	- 33.1
Other	- 2.1	6.0	3.9	4.9	- 9.3	8.2
Cash flow from operations before interest	66.0	158.4	224.4	173.4	124.8	206.5
Payment of lease liabilities	- 8.2	- 7.8	- 16.0	- 16.5	- 14.7	- 15.6
2 Capital expenditure PP&E	- 59.7	- 39.0	- 98.7	- 177.1	- 91.8	- 31.0
3 Capital expenditure intangibles	- 30.6	- 31.1	- 61.7	- 53.1	- 45.9	- 40.5
Divestments of property held for sale					14.0	
Free Cash Flow ('FCF')	- 32.5	80.5	48.0	- 73.3	- 13.6	119.4
EBITDA (adjusted) to FCF conversion	- 26.8%	61.6%	19.1%	- 25.8%	- 4.7%	50.8%

1 FCF conversion is affected by developments in working capital. Working capital ratio for the period-end included in the overview are:

- 2021: 9.9%
- 2022: 12.9%
- 2023: 16.7%
- 2024: 17.9%

FCF-conversion is traditionally lower in the first half year and stronger in second half due to working capital development

2 In 2024, Strategic Investment Program impacted FCF by €49 million (2023: €134 million)

3 Net cash flows for acquisitions and divestments have not been included in FCF

Balance sheet

(in € million)	Dec 31, 2024	Dec 31, 2023
Intangible assets and goodwill	611.1	565.7
Property, plant and equipment	486.2	436.0
Right-of-use assets	78.0	84.0
Associates	29.7	36.0
Other receivables	0.8	0.8
Deferred tax assets	16.9	15.8
Total non-current assets	1,222.8	1,138.3
Inventories	398.6	403.3
Trade and other receivables	250.0	243.6
Contract assets	165.9	217.1
Contract costs	10.3	8.0
Current income tax	12.9	2.6
Cash and cash equivalents	125.6	93.7
Total current assets	963.4	968.3
Assets held for sale	27.2	21.2
Total assets	2,213.3	2,127.8

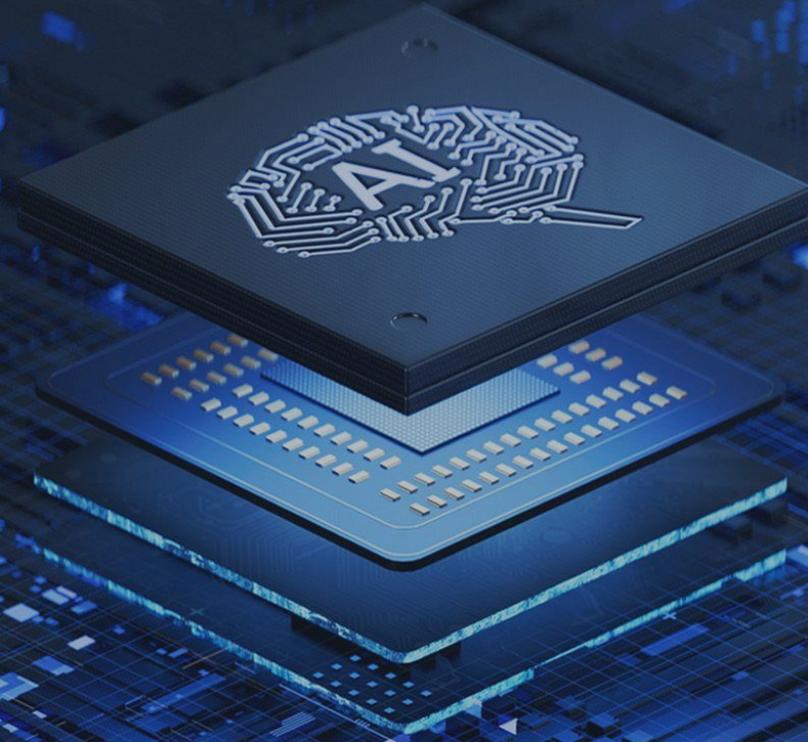
- Cash and cash equivalents includes €63.3 million (December 31, 2023: €24.5 million) that are part of a balance and interest compensation schemes
- Solvency of 39.9% (December 31, 2023: 39.3%)

(in € million)	Dec 31, 2024	Dec 31, 2023
Shareholders' equity	883.0	835.6
Non-controlling interests	0.1	0.1
Total group equity	883.1	835.7
Interest bearing loans and borrowings	620.1	572.4
Deferred tax liabilities	59.0	57.7
Retirement benefit obligation	3.1	3.7
Financial liabilities	3.8	1.0
Provisions	13.1	12.7
Total non-current liabilities	699.1	647.5
Interest bearing loans and borrowings	90.3	75.9
Trade payables and other payables	327.7	357.2
Contract liabilities	176.6	176.1
Current income tax liabilities	5.8	11.3
Financial liabilities	1.9	1.6
Provisions	19.8	19.2
Total current liabilities	622.2	641.4
Liabilities directly associated with assets held for sale	9.0	3.1
Total equity and liabilities	2,213.3	2,127.8

Financial covenant

- Net debt, based on financial covenant agreed with banks, of €496.0 million (December 31, 2023: €469.2 million)
- Net debt/EBITDA of 2.0 (June 30, 2024: 2.3 and December 31, 2023: 1.8)

Outlook



Outlook

Outlook reiterated: organic growth in turnover and EBITA in 2025

Smart Vision systems

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

Smart Manufacturing systems

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

Smart Connectivity systems

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



Thank **you**