



TKH Group NV

Q1 2025 MARKET UPDATE – ANALYST PRESENTATION

13 MAY 2025

SMART TECHNOLOGIES <

Important information – 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.

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

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

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

Q&A