kontron

The Power of IoT

Press conference @ EW 2024

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CEO Kontron AG

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Nuremberg, Germany

Kontron in Figures

Leader of Smart Industrial IoT Solutions

8,000
Employees*

1.9bn
Revenue (EUR)*

100m
Net Result (EUR)*

>10%
Organic growth p.a.*

Member of SDAX®
Member of TecDAX®

HQ in Austria; listed in Germany

*Management estimates for 2024 and organic growth mid-term guidance.

Focused on large and growing B2B-IoT market
Number of connected IoT devices grows globally by 30%

Fully integrated technology platform
Integrated (SW+HW) solutions

Driven by customers success, blue-chip customers
> 4,500 customers in total

Leading provider of disruptive IoT connectivity technology
Real time 5G/6G connectivity, susietec® toolset, Kontron OS

Kontron 2024 structure

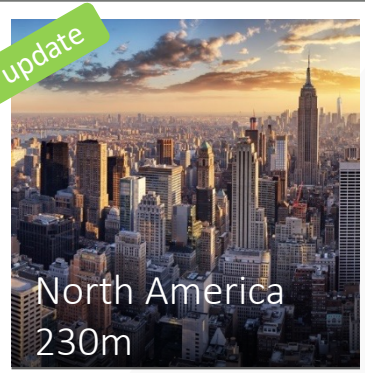
10 new divisions in 3 segments

Europe

Rev FC 24*
€ 1,350m

EBITDA** 10%
GM 35%

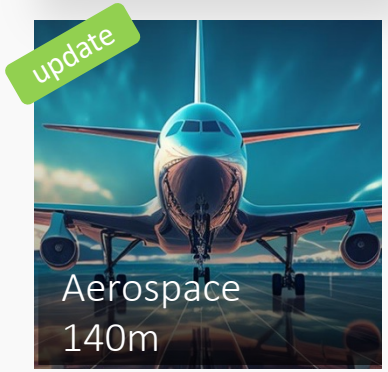
Global

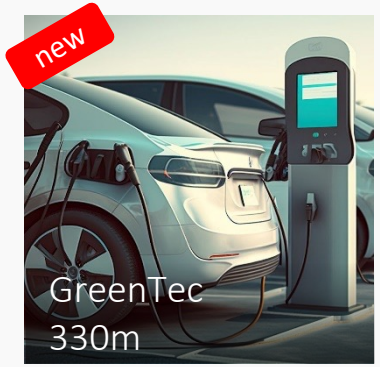


Rev FC24*
€ 320m

EBITDA** 8%
GM 30%

Software + Solutions





Rev FC24*
€ 750m

EBITDA** 15%
GM 50%

* incl. EUR 1,900m external and EUR 520m IC revenues

** Margin on external revenues

FY2023 at a glance

Revenues	EBITDA	OpCF	Net Income	EPS	Backlog
EUR 1,226m +15%	EUR 126m +15%	EUR 117m +163%	EUR 75.3m +36%	EUR 1.23	EUR 1,686m +16%

Regional distribution:
DE 17%, AT 11%, Europe Rest 53%, NA 11%, Asia 9%

FY22 comparable figures had been impacted by extraordinary effects in connection with the sale of the IT service business.
Adjustment of FY22 revenues due to changed assessment of principal/agent status: EUR 30m lower revenues, no effect on EBITDA.
Net Income from Continuing Operations.

KATEK acquisition for complementary solutions

Strong Footprint as First Mover with Green Technologies

eMobility, Renewables/Solar,
Aerospace & Defense, Electronics

>1,500 customers
(e.g. Porsche, Viessmann, Bosch)

KATEK

EUR > 750m (2023E)
Revenues

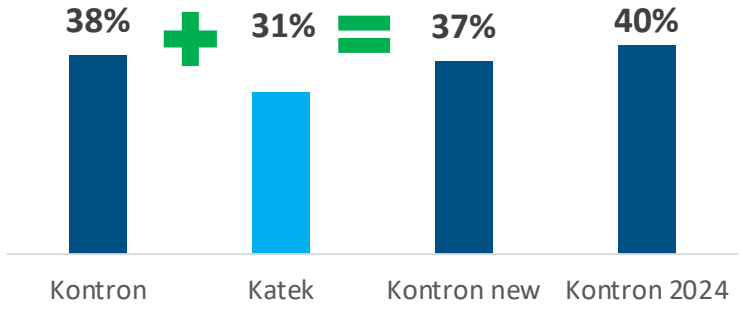
HQ Munich, Germany
Footprint in Europe,
North America and Asia

> 3,200 employees

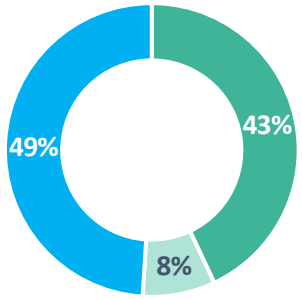
Investment Rationale: Complementary solutions

Transforming Green Technologies with IoT software

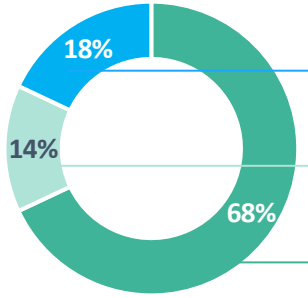
Product Synergies (Gross Margin)



Katek: Revenue share



EBITDA share



EBITDA margin

2.1%

10.2%

9.1%

GreenTec Aerospace Manufacturing services

Major product synergies (EUR 32m)

- Add Kontron IoT Software = security, grid control, remote maintenance
- Katek solar inverters + Kontron SW = smart IoT solar inverter
- Katek EV chargers + Kontron SW = smart IoT EV charger

➔ Increase gross margin by 5% (EUR 32m)

Limited Cost synergies (EUR 10m) – no major layoffs

- Benefitting from favorable financing terms of Kontron
- Only one stock exchange listing
- Administrative cost savings

Katek generated 2023 82% of its EBITDA in solutions with EBITDA margin of approx. 10%

Strong brainpower for unique industry solutions

3,600 engineers (incl. Katek)

Software for all IoT end devices

➢ High margins and long-term service contracts

Basic IoT software

- ✓ **KontronOS** (highest security standard, remote maintenance, remote control)
- ✓ Kontron Grid connects up to 1mn devices to smart grids
- ➢ Target install on all Kontron and other IoT devices
  → "Windows for machines"

Artificial Intelligence

- ✓ HAILO chips for customized scalable applications
- ✓ Video surveillance, defect detection, robotics
- ✓ Target get IoT applications smarter and simpler to operate

Smart solutions for vertical markets

➢ High margins and long-term service contracts

Mission-critical control systems for high-speed trai

- ✓ European Train Control System Level 3
- ✓ New standard FRMCS will accelerate migration and requires 5G

GreenTec with IoT software

- ✓ Solar systems connected to the IoT grid (smart home)
- ✓ Smart e-mobility chargers connected to the grid

Aerospace and defense

- ✓ Mission critical
- ✓ VPX - highest performance for defense
- ✓ SGOS installed in 4,000 planes

KontronOS

IoT-Bundle

100 %

Update for critical security breaches

100 %

Uptime by providing two redundant OS-partitions

100 %

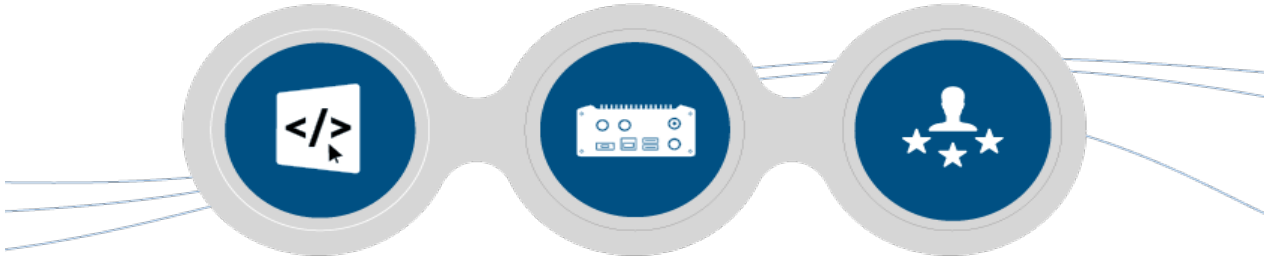
Uptime after Updates

- Secure Management Interface for Managed Update Service
- We take care of:
  - Hardened KontronOS for x86 & ARM
  - Defined Standard on all devices
  - Low bandwidth consumption trough Delta-Updates
  - Support for Customized Hardware
- Our customers can focus on:
  - Key-Tasks in R&D

susietec® Product Portfolio: K-PORT + KontronOS

Combination creates opportunities

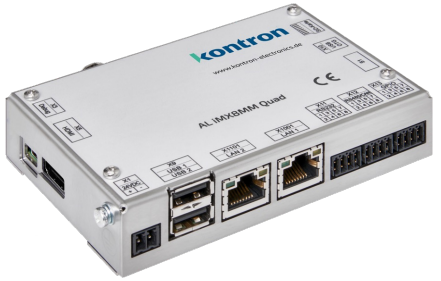
K-PORT + KontronOS



- IoT Bundle K-PORT for KBox A-250 & AL i.MX8M Mini
  - KontronOS: hardened operating system
  - Agent for communication
  - Docker container with interface to the machine (optional)
  - Pre-installed before delivery

- Cloud-based software to manage devices in the field
  - Monetization of software licenses
  - Remote support
  - Secure and predictable mass updates
  - Device Management as a Service

KBox A-250

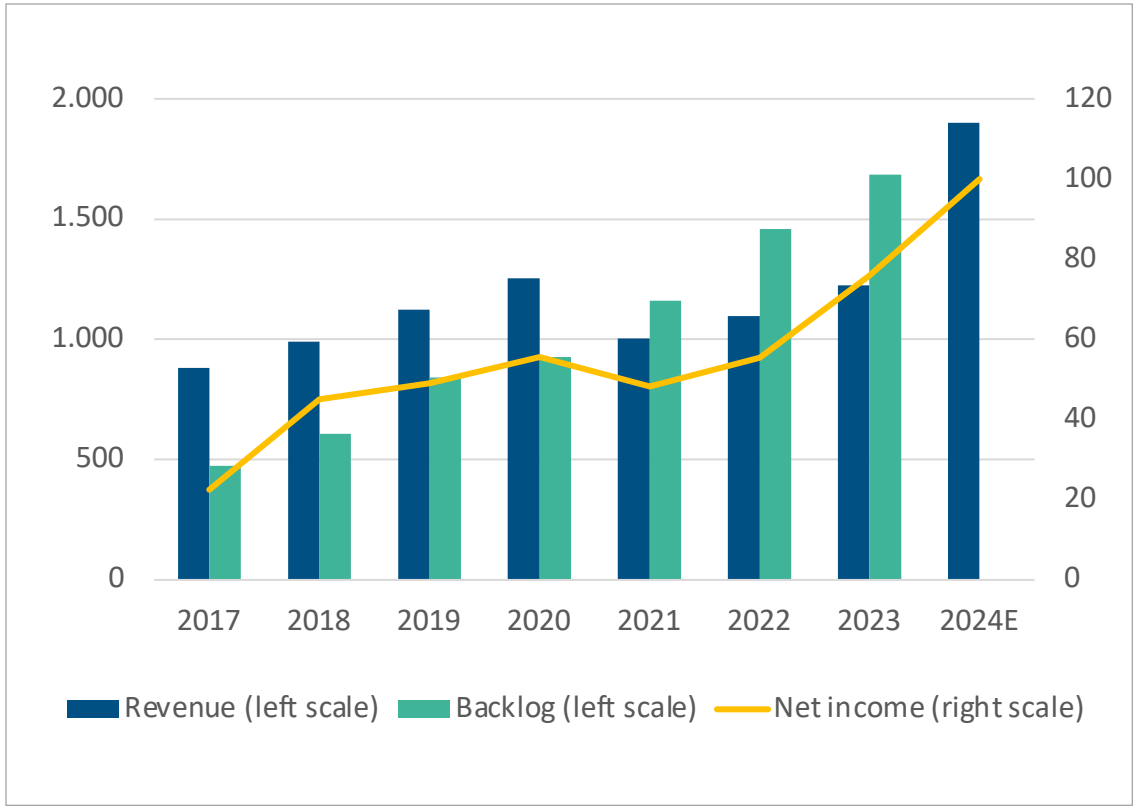


AL i.MX8M Mini

KBox A-151-TGL / EKL

History and 2024 forecast

Continuous strong growth of revenues and net income



(in EUR million)	Results 2023	Guidance 2024
Revenue	1,226	1,900
Net Income	77.7	100

Agenda 2025: EUR 2bn revenues and EUR 140m net income

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The Power of IoT

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