

H1 2025 Results

Weak Q2 in Smart Connectivity

Solid underlying performance in other segments

Highlights Q2 2025

- Turnover increased by 0.8% organically to €438.3 million, on the back of a strong performance in Smart Vision systems
- Adjusted EBITA declined by 27.8% organically to €40.2 million, impacted by completion of launching inter-array cable project at Eemshaven plant

Highlights H1 2025

- Turnover increased organically by 1.5% to €858.1 million
- Adjusted EBITA decreased by 18.1% organically to €80.2 million
- ROS at 9.3% (H1 2024: 11.0%)
- Most production issues at Eemshaven solved
- Order book at €1,080.2 million (December 31, 2024: €1,135.0 million)
- Announced divestment of Dewetron, expected one-off net profit of €36 million upon closing

Outlook

- TKH expects turnover and Adjusted EBITA for H2 2025 to be substantially higher than H1 2025 and to be above H2 2024
- TKH will host a Capital Markets Day on 25 September 2025

Key figures (in € million unless otherwise stated)

Q2 2025	Q2 2024		H1 2025	H1 2024	Δ in %	Organic Δ in %
438.3	446.3	Turnover	858.1	867.2	-1.0%	+1.5%
		Added Value	50.7%	51.8%		
40.2	54.5	Adjusted EBITA ¹⁾	80.2	95.8	-16.2%	-18.1%
		Adjusted net profit ²⁾	36.0	45.4	-20.8%	
		Net profit ³⁾	13.6	49.8	-72.6%	
		EPS (in €)	0.34	1.25	-72.6%	
9.2%	12.2%	ROS	9.3%	11.0%		
		ROCE	13.4%	15.9%		

¹⁾ Adjusted EBITA excludes one-off expenses of €16.3 million in H1 2025 (Q2 2025: €15.1 million), related to acquisitions and divestments, one-off transportation costs due to the delayed ramp-up of Eemshaven and restructuring costs (H1 2024: €0.4 million expenses).

²⁾ Adjusted net profit is the net profit before amortization of intangible non-current assets related to acquisitions and one-off income and expenses attributable to shareholders.

³⁾ H1 2025 net profit includes an impairment of €4.4 million (H1 2024: €0.9 million). H1 2024 net profit includes a one-off profit from divestment of €13.7 million.

For further details, including the calculations on organic turnover and Adjusted EBITA growth, see the 'Alternative Performance Measures' included in the appendix of this press release.

Alexander van der Lof, CEO of technology company TKH: *“Amidst challenging circumstances, we realized a slight organic increase in turnover in Q2 as well as in H1 2025. Smart Vision systems showed a strong performance, as Machine Vision was able to benefit from the improved market conditions in factory automation. Turnover in Smart Connectivity systems increased as well, despite the continued weakness in the digitalization market. The performance of Smart Manufacturing systems was lower, in line with expectations, due to the comparison with a very strong H1 2024, which benefitted from catch-up effects.*

Although our underlying performance was solid, our results were impacted by our new inter-array cable plant in Eemshaven. During Q2, a number of longer length inter-array cables were successfully manufactured. However, the output was at a low level due to efforts to meet the requirements of the launching project. We were able to solve most of the production issues and production yields are improving gradually to the planned level. We are confident this will lead to a catch-up effect in the output in H2 2025.

We continue to make progress on our strategic agenda. The divestment of Dewetron, as announced in April, is expected to lead to a one-off profit of €36 million. We completed the integration of all fibre optic cable production in Digitalization into our plant in Poland, leading to further cost reductions. The long term outlook for our differentiating core technologies remains positive and we have a strong sales funnel totaling over 11,500 km currently under tender until 2030 for our inter-array cables.

For H2 2025, we expect Smart Vision systems to continue its strong performance, while Smart Manufacturing systems will not be improving yet. Due to the anticipated improvements in Smart Connectivity systems, TKH's performance in H2 2025 is expected to be substantially better than in H1 2025 and also better than in H2 2024. At our Capital Markets Day on September 25, 2025, we will present our strategy and targets for the next phase.”

ESG

TKH continues to demonstrate a strong commitment to its ESG ambitions, making further progress in H1 2025 towards our key sustainability targets. Turnover related to the Sustainable Development Goals (SDG) reached 67%. MSCI updated TKH's rating to AA, indicating a strong management of Environmental, Social, and Governance (ESG) risks and opportunities. Our operating company VMI was awarded a Gold EcoVadis Medal for its progress toward sustainability and is thereby recognized as one of the top 5% most sustainable companies worldwide.

Financial highlights Q2 2025

Turnover in Q2 2025 amounted to €438.3 million, a +0.8% organic increase in turnover on Q2 2024. Compared to Q2 2024, acquisitions and divestments had a -1.9% effect on turnover, while currency effects accounted for a -0.7% decrease. Smart Vision systems and Smart Connectivity systems recorded organic turnover growth during the quarter, up by +12.4% and +9.1% respectively. As expected, turnover in Smart Manufacturing systems decreased by -16.2% organically. Adjusted EBITA amounted to €40.2 million, a -27.8% organic decline from Q2 2024. Smart Vision systems' Adjusted EBITA showed strong organic growth compared to Q2 2024, as well as sequential quarterly growth compared to Q1 2025. Smart Connectivity systems' Adjusted EBITA was impacted by continued difficulties in ramping-up the output at the Eemshaven plant and ongoing weakness in Digitalization. Smart Manufacturing systems' Adjusted EBITA was impacted by the decrease in turnover. Order intake in Q2 2025 reached €381.8 million (Q2 2024: €515.5 million), and ROS amounted to 9.2% (Q2 2024: 12.2%).



Financial developments H1 2025

In H1 2025, turnover was €858.1 million, representing a 1.5% organic growth (H1 2024: €867.2 million). Acquisitions accounted for +0.7% of turnover, divestments for -3.0% and currency effects for -0.2%. The turnover share in the Netherlands amounted to 23% of total turnover (H1 2024: 26%), while the share in Europe, excluding the Netherlands, amounted to 34% (H1 2024: 35%). Asia's share of turnover increased to 24% (H1 2024: 20%), while North America's share of turnover grew to 17% (H1 2024: 14%). The turnover share of the other geographical areas declined to 2% (H1 2024: 5%). This shift in geographical turnover distribution is due to divestments and a shift in sales towards North America and Asia in both Smart Vision and Smart Manufacturing systems.

The order intake in H1 2025 amounted to €803.3 million (H1 2024: €970.9 million), resulting in an orderbook as of June 30, 2025 of €1,080.2 million (December 31, 2024: €1,135.0 million).

Added value reached 50.7% in H1 2025 (H1 2024: 51.8%). Smart Manufacturing and Smart Vision systems showed an improvement in added value compared to H1 2024, due to the product mix, whereas the added value in Smart Connectivity systems decreased.

Operating expenses (excluding amortization and impairments) increased by +0.4% compared to H1 2024. Acquisitions and divestments had a net downward impact of -3.5%. Personnel expenses decreased by -1.0%, partially due to divestments.

As a result, Adjusted EBITA decreased by -18.1% organically to €80.2 million in H1 2025 (H1 2024: €95.8). ROS decreased to 9.3% (H1 2024: 11.0%), impacted by ramp-up costs and low production output at Eemshaven and ongoing weaknesses in Digitalization.

One-off expenses of €16.3 million were recorded in H1 2025 relating to acquisitions and divestments, one-off transportation costs due to the delayed ramp-up of Eemshaven and restructuring costs in Digitalization (H1 2024: one-off expense of €0.4 million). An impairment of €4.4 million was recognized, largely related to the cost reduction measures and scaling down of our production capacity in Digitalization.

Net interest expenses decreased to €13.3 million (H1 2024: €13.9 million), due to lower interest rates. The exchange rate difference amounted to +€1.9 million (compared to -€1.4 million in H1 2024), due to the strengthening of the Euro compared to the US dollar and Chinese yuan.

The normalized effective tax rate remained stable at 25.6% in H1 2025 compared to 25.8% in H1 2024.

Net profit before amortization and one-off income and expenses attributable to shareholders decreased by -20.8% to €36.0 million (H1 2024: €45.4 million) mainly due to the lower Adjusted EBITA. Net profit amounted to €13.6 million (H1 2024: €49.8 million, including a €13.7 million profit contribution from the HE System Electronic divestment).

Net interest-bearing debt according to the bank covenants increased by €105.7 million from year-end 2024 to €601.7 million as of June 30, 2025. Items affecting the debt level include an increase in working capital (€22 million), net investments in property, plant and equipment (€40 million), investments in intangible assets (€31 million) and dividends paid (€60 million). Cash flow from operating activities amounted to €41.2 million (H1 2024: €47.4 million). The net debt/EBITDA ratio was 2.6 (H1 2024: 2.3), which is within the financial ratio agreed with our banks. Solvency decreased to 36.8% (H1 2024: 37.7%).

As of June 30, 2025, TKH employed a total of 6,711 FTEs (December 31, 2024: 6,640 FTEs), of which 418 were temporary employees (December 31, 2024: 351 FTEs).

Developments by technology segment

Smart Vision systems

Key figures (in € million unless otherwise stated)

	H1 2025	H1 2024	Δ in %	Organic Δ in %
Turnover	254.2	232.6	+9.3%	+7.5%
Added Value	62.0%	60.2%		
Adjusted EBITA	42.8	30.4	+40.9%	+35.4%
ROS	16.9%	13.1%		

In H1 2025, Smart Vision systems' turnover grew organically by +7.5% to €254.2 million. Acquisitions had an upward impact of +2.5%. The order book increased to €144.8 million (December 31, 2024: €139.9 million), up by +3.5%. Added value rose from 60.2% to 62.0% driven by the product mix. The higher turnover, coupled with an increase in added value, resulted in a +35.4% organic increase in Smart Vision systems' Adjusted EBITA to €42.8 million. ROS for H1 2025 amounted to 16.9% (H1 2024: 13.1%).

Vision Technology (88% of Smart Vision systems' turnover) – Machine Vision showed a strong increase in turnover in H1 2025. In Q2 2025, 3D Machine Vision benefitted from a strong factory automation and consumer electronics market, as well as strong demand from the battery market. 2D Machine Vision also grew due to the delivery of several larger orders. Security Vision's growth was moderate due to the timing of several larger projects, which will benefit H2 2025.

Smart Manufacturing systems

Key figures (in € million unless otherwise stated)

	H1 2025	H1 2024	Δ in %	Organic Δ in %
Turnover	260.9	315.9	-17.4%	-9.2%
Added Value	53.2%	50.8%		
Adjusted EBITA	45.5	56.4	-19.4%	-19.6%
ROS	17.4%	17.9%		

Adjusted for currency effects and divestments, turnover at Smart Manufacturing systems declined organically by -9.2%. Added value increased further, from 50.8% to 53.2%, primarily due to higher margin services contributions and cost reductions in sourcing and supply. Adjusted EBITA declined by -19.6% organically to €45.5 million. ROS reached 17.4% (H1 2024: 17.9%), as Tire Building machines performance continued to benefit from the implemented efficiency programs. The order book declined to €438.6 million, compared to the €501.5 million level of December 31, 2024. The low order intake during H1 2025 is due to orders being re-evaluated in light of uncertainties in trade tariffs and continued lower investments from the Tier 1s.

Tire Building systems (85% of Smart Manufacturing systems' turnover) – As anticipated, Tire Building systems' H1 2025 performance was impacted by the comparison to a strong H1 2024 which benefitted from the catch-up effect of deliveries, as well as the lower order intake in the previous quarters. The development and delivery of the first UNIXX tire building machine, scheduled for Q3 2025, is progressing according to plan. The sales funnel for Tire Building Machines, including

component systems based on the UNIXX technology remains strong. The expected order intake in H2 2025 is promising, with many projects in the pipeline, driven by the need for investments related to the production of more sustainable tires, reshoring and the demand for more automation.

Other – The divestment of Dewetron is scheduled to be finalized in Q3 2025, in line with our strategic focus on our core technologies.

Smart Connectivity systems

Key figures (in € million unless otherwise stated)

	H1 2025	H1 2024	Δ in %	Organic Δ in %
Turnover	349.8	328.5	+6.5%	+6.5%
Added Value	39.6%	45.1%		
Adjusted EBITA ¹⁾	3.4	20.4	-83.1%	-83.1%
ROS	1.0%	6.2%		

Turnover in Smart Connectivity systems increased organically by +6.5% to €349.8 million in H1 2025. The order book grew to €496.8 million (December 31, 2024: €493.6 million). Added value as a percentage of turnover decreased from 45.1% to 39.6% in H1 2025, due to low yields in the Eemshaven plant, lower margins on outsourced service activities and continued pricing pressure on our Digitalization activities. Adjusted EBITA decreased by -83.1% organically to €3.4 million (H1 2024: €20.4 million), due to the low output and yields coupled with the start-up costs at the Eemshaven factory and the weakness in Digitalization. ROS amounted to 1.0%.

Energy (55% of Smart Connectivity systems' turnover) – Energy recorded growth in turnover for H1 2025, both in offshore and onshore energy. Onshore energy cables benefitted from an improvement in the roll-out of the networks in the Netherlands, leading to an increased volume of energy cables being installed. In offshore energy, our results were impacted by our new inter-array cable plant in Eemshaven. During Q2, a number of longer length inter-array cables were successfully manufactured. However, the output was at a low level due to efforts to meet the requirements of the launching project. Most of the production issues were solved and production yields are improving gradually to the planned level. This is expected to lead to a catch-up effect in the output in H2 2025. In Q2 2025, an offshore wind order was signed for the supply of 130 km inter-array cables (Waterkant project).

Digitalization (25% of Smart Connectivity systems' turnover) – Turnover at Digitalization dropped sharply in H1 2025, impacted by a significant decline in demand due to the continued low levels of investment in the roll-out of fibre optic networks in Europe. The resulting pricing pressure in combination with the ramp-up costs and low capacity utilization put significant pressure on the results of Digitalization during H1 2025. The consolidation of our fibre optic cable manufacturing in our Polish factory has been completed, resulting in reduced headcount at other locations, which will benefit H2 2025.

Other (20% of Smart Connectivity systems' turnover) – TKH's specialized and customized connectivity systems for the machine-building, robotics, and medical industries were impacted by the weak German economy.



Outlook

TKH expects the following developments per business segment:

Smart Vision systems

Smart Vision systems is expected to continue its strong performance. Turnover and Adjusted EBITA in H2 2025 are expected to grow compared to H1 2025, on the back of the delivery of some larger secured orders within Machine Vision as well as Security Vision.

Smart Manufacturing systems

As anticipated, Smart Manufacturing systems' H2 2025 turnover and Adjusted EBITA are expected to be lower than in H1 2025, due to a lower orderbook. The order intake during H1 2025 was impacted by uncertainties in trade tariffs and continued lower investments from the Tier 1s. The expected order intake for H2 2025 is promising.

Smart Connectivity systems

Turnover and Adjusted EBITA in H2 2025 are expected to grow substantially compared to H1 2025, due to a projected higher output level in the Eemshaven factory and an increase in accessories and service turnover. Furthermore, in onshore energy, we anticipate a further increase in demand from the network companies that support a higher utilization level within this segment. Within Digitalization a lower cost level and higher utilization will also support an improved result.

Subject to ongoing market uncertainties and barring unforeseen circumstances, on balance TKH expects turnover and Adjusted EBITA for H2 2025 to be substantially higher than H1 2025 and to be above H2 2024.

The presentation of the half year results on August 12, 2025 can be followed via live webcast at 10:00 CET (www.tkhgroup.com).

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Financial Calendar

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 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 over 6,700 employees globally, 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.



Disclaimer

Statements included in this press release 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 on 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.

Consolidated profit and loss account

in thousands of euros	1 st half year 2025	1 st half year 2024
Total turnover	858,144	867,215
Raw materials, consumables, trade products and subcontracted work	434,912	418,158
Personnel expenses	245,825	246,963
Other operating expenses	84,308	80,840
Depreciation and result on divestment of property, plant and equipment	29,136	25,924
Amortization	30,241	30,500
Impairments	4,393	896
Total operating expenses	828,815	803,281
Operating result	29,329	63,934
Financial income	687	519
Financial expenses	-14,026	-14,419
Exchange differences	1,855	-1,363
Share in result of associates	-160	-29
Result on sale of associates	0	13,709
Fair value changes of financial liability for earn-out and put options of shareholders of non-controlling interests	512	0
Result before tax	18,197	62,351
Tax on result	4,576	12,558
Net result	13,621	49,793
Attributable to:		
Shareholders of the company	13,673	49,806
Non-controlling interests	-52	-13
Net result	13,621	49,793
Earnings per share attributable to shareholders		
Basic earnings per share (in €)	0.34	1.25
Diluted earnings per share (in €)	0.34	1.25
Basic earnings per share before amortization and one-off income and expenses (in €)	0.90	1.14

Consolidated statement of comprehensive income

in thousands of euros	1 st half year 2025	1 st half year 2024
Net result	13,621	49,793
Items that may be reclassified subsequently to profit or loss (net of tax)		
Currency translation differences	-27,886	6,487
Currency translation differences in other associates	-95	26
Effective part of changes in fair value of cash flow hedges (after tax)	92	602
	-27,889	7,115
Items that will not be reclassified subsequently to profit or loss (net of tax)		
Actuarial gains/(losses)	0	0
	0	0
Other comprehensive income (net of tax)	-27,889	7,115
Comprehensive income for the period (net of tax)	-14,268	56,908
Attributable to:		
Shareholders of the company	-14,248	56,933
Non-controlling interests	-20	-25
Total comprehensive income for the period (net of tax)	-14,268	56,908

Consolidated balance sheet

in thousands of euros	30-06-2025	31-12-2024
Assets		
Non-current assets		
Intangible assets and goodwill	600,950	611,082
Property, plant and equipment	497,680	486,166
Right-of-use assets	72,141	78,006
Associates	29,485	29,738
Other receivables	708	842
Deferred tax assets	16,091	16,949
Total non-current assets	1,217,055	1,222,783
Current assets		
Inventories	388,948	398,563
Trade and other receivables	286,686	250,044
Contract assets	161,482	165,861
Contract costs	7,778	10,325
Current income tax	18,346	12,939
Cash and cash equivalents	92,819	125,629
Total current assets	956,059	963,361
Assets held for sale	27,925	27,197
Total assets	2,201,039	2,213,341
Equity and liabilities		
Group Equity		
Shareholders' equity	809,467	882,979
Non-controlling interests	88	108
Total group equity	809,555	883,087
Non-current liabilities		
Interest-bearing loans and borrowings	573,701	620,085
Deferred tax liabilities	59,363	58,985
Retirement benefit obligation	3,034	3,070
Other non-current financial liabilities	3,392	3,825
Provisions	13,031	13,093
Total non-current liabilities	652,521	699,058
Current liabilities		
Interest-bearing loans and borrowings	203,314	90,270
Trade payables and other payables	340,012	327,684
Contract liabilities	167,040	176,645
Current income tax liabilities	2,374	5,815
Other financial liabilities	1,804	1,939
Provisions	15,382	19,824
Total current liabilities	729,926	622,177
Liabilities directly associated with assets held for sale	9,037	9,019
Total equity and liabilities	2,201,039	2,213,341

Consolidated statement of changes in group equity

in thousands of euros	Total shareholders' equity	Non- controlling interests	Total group equity
Balance on January 1, 2024	835,565	148	835,713
Net result	49,806	-13	49,793
Other comprehensive income	7,127	-12	7,115
Total comprehensive income	56,933	-25	56,908
Dividends	-67,883		-67,883
Share and option schemes	1,689		1,689
Purchased shares for share and option schemes	-2,108		-2,108
Sold shares for share and option schemes	2,633		2,633
Balance on June 30, 2024	826,829	123	826,952
Balance on January 1, 2025	882,979	108	883,087
Net result	13,673	-52	13,621
Other comprehensive income	-27,921	32	-27,889
Total comprehensive income	-14,248	-20	-14,268
Dividends	-59,931		-59,931
Share and option schemes	1,593		1,593
Purchased shares for share and option schemes	-1,019		-1,019
Sold shares for share and option schemes	93		93
Balance on June 30, 2025	809,467	88	809,555



Consolidated cash flow statement

in thousands of euros	1 st half year 2025	1 st half year 2024
Cash flow from operating activities		
Operating result	29,329	63,934
Depreciation, amortization and impairment	63,805	57,430
Share and option schemes not resulting in a cash flow	1,593	1,689
Result on disposals	-30	-110
Changes in provisions	-3,794	-3,716
Changes in working capital	-22,384	-35,331
Cash flow from operations	68,519	83,896
Interest received	687	519
Interest paid	-15,617	-19,064
Income taxes paid	-12,344	-17,931
Net cash flow from operating activities (A)	41,245	47,420
Cash flow from investing activities		
Investments in intangible assets and goodwill	-30,755	-30,571
Purchases of property, plant and equipment	-40,203	-60,194
Disposals of property, plant and equipment	424	465
Dividends received from associates		60
Proceeds from/(payments of) loans	134	-28
Divestments of assets held for sale		35,749
Acquisition of subsidiaries less cash and cash equivalents acquired		-19,461
Net cash flow from investing activities (B)	-70,400	-73,980
Cash flow from financing activities		
Dividends paid	-59,931	-67,883
Settlement of financial liabilities regarding put options of non-controlling interests and earn-out	-56	-273
Purchased shares for share and option schemes	-1,019	-2,108
Sold shares for share and option schemes	93	2,633
Payment of lease liabilities	-8,797	-8,207
Proceeds from long term debts	84,840	69,648
Repayments of other long-term debts	-822	-877
Change in short-term borrowings	-778	14,495
Net cash flow from financing activities (C)	13,530	7,428
Net increase/(decrease) in cash and cash equivalents (A+B+C)	-15,625	-19,132
Exchange differences	-6,821	512
Change in cash and cash equivalents	-22,446	-18,620
Cash and cash equivalents at 1 January	63,978	69,294
Cash and cash equivalents at 30 June	41,532	50,674
Cash and bank balances as included in the cash flow statement	41,532	50,674
Cash at companies assets held for sale	-1,471	-1,683
Cash and bank balances in cash and interest pools	52,758	27,110
Cash and cash equivalents in balance sheet	92,819	76,101

Notes to the interim financial report

Accounting principles for financial reporting

The accounting policies for the valuation of assets and liabilities and determination of the result (hereafter 'valuation principles') are the same as the accounting principles applied for the consolidated financial statements 2024. Annual accounts have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union (EU-IFRS) and with Section 2: 362 sub 9 of the Dutch Civil Code (Dutch Civil Code).

The interim financial report has been prepared in accordance with IAS 34 Interim Financial Reporting. It does not include all of the information required for full annual financial statements and should be read in conjunction with the consolidated financial statements 2024 of the group.

Judgements

The preparation of the consolidated interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported value of assets and liabilities, and income and expenses. Actual results may differ from these estimates. The main sources for estimates used by management are the same as those used in preparing the 2024 consolidated financial statements.

Assets and directly associated liabilities held for sale

In April 2025, TKH announced the divestment of Dewetron GmbH ("Dewetron") to Japanese Anritsu Corporation. Dewetron is active in the development, manufacturing, sale and service of high-end electrical measurement instruments such as power analyzers and data recording devices. The turnover of Dewetron, part of TKH's Smart Manufacturing segment, totaled €29.4 million in 2024, with an Adjusted EBITA of €3.0 million and 147 FTE. Dewetron is headquartered in Grambach, Austria, where the main production facilities are located, and operates across Europe, North America and Asia.

The total consideration for Dewetron upon closing amounts to €54 million, resulting in a one-off net profit contribution of about €36 million. The transaction is subject to regulatory approval and is expected to be closed in the third quarter of 2025.

Dewetron was marked as an asset held for sale on 31 December 2024. The amount of allocated goodwill has been based on applying the relative value method. Besides working capital, capitalized R&D is also an important part of this value. The main categories of assets and liabilities classified as held for sale are as follows:

in thousands of euros	June 30, 2025	December 31, 2024
Assets		
Intangible assets and goodwill	6,855	6,153
Property, plant and equipment	1,258	963
Right-of-use assets	3,096	2,811
Deferred tax assets	3,730	3,591
Inventories	6,125	7,755
Trade and other receivables	5,379	4,268
Current income tax	11	6
Cash and cash equivalents	1,471	1,650
Assets held for sale	27,925	27,197

in thousands of euros	June 30, 2025	December 31, 2024
Liabilities		
Non-current interest-bearing loans and borrowings	2,150	2,330
Deferred tax liabilities	1,347	1,342
Retirement benefit obligation	1,295	1,247
Current interest-bearing loans and borrowings	662	536
Trade payables and other payables	3,422	3,424
Short term provisions	132	94
Current income tax liabilities	29	46
Liabilities directly associated with assets held for sale	9,037	9,019
Net assets directly associated with held for sale	18,888	18,178

Statutory capital

The number of outstanding (depository receipts of) shares as per December 31, 2024 amounted to 39,877,080. Due to the exercise of options rights and share schemes, a balance of 7,134 (depository receipts of) shares were sold in the first half of 2025. As a result, the number of (depository receipts of) shares outstanding with third parties as per June 30, 2025 was 39,884,214. The amount of own shares held by TKH amounts to 2,318,215 per June 30, 2025 (December 31, 2024: 2,325,349), which represents 5.49% (2024: 5.51%) of the total outstanding shares.

Dividend

At the General Meeting of Shareholders 2025, the dividend over 2024 was declared at €1.50 per (depository receipts of) ordinary share. The dividend on the priority shares was declared at €0.05 per share. The total amount in dividends paid in the first half of 2025 was €59,931,000 and this amount was charged to the other reserves (H1 2024: €67,883,000).

Order book

The following table shows the expected future revenue regarding contractual performance obligations that have not (or have only partially) been completed on the balance sheet date:

in thousands of euros	June 30, 2025	December 31, 2024	June 30, 2024
Expected to be recognized as revenue within 1 year	841,066	840,121	811,213
Expected to be recognized as revenue between 1 and 2 years	201,698	208,961	143,808
Expected to be recognized as revenue after 2 years	37,400	85,922	97,800
Total	1,080,164	1,135,004	1,052,821

in thousands of euros	June 30, 2025	December 31, 2024	June 30, 2024
Smart Vision systems	144,809	139,861	133,050
Smart Manufacturing systems	438,578	501,506	618,484
Smart Connectivity systems	496,778	493,638	301,287
Total	1,080,164	1,135,004	1,052,821

Contingent liabilities

The contingent liabilities which are not reflected in the balance sheet, as reported in the consolidated financial statements for 2024, have not essentially changed in the first half 2025.

Segmented information

in thousands of euros (unless stated otherwise)	Smart Vision systems		Smart Manufacturing systems		Smart Connectivity systems		Other and eliminations		Total	
	H1 2025	H1 2024	H1 2025	H1 2024	H1 2025	H1 2024	H1 2025	H1 2024	H1 2025	H1 2024
Turnover	254,200	232,606	260,878	315,888	349,802	328,508	-6,736	-9,787	858,144	867,215
Raw materials, consumables, trade products and subcontracted work	96,696	92,469	122,123	155,275	211,257	180,320	-6,764	-9,906	423,312	418,158
Added value	157,504	140,137	138,755	160,613	138,545	148,188	28	119	434,832	449,057
<i>Added value in %</i>	<i>62.0%</i>	<i>60.2%</i>	<i>53.2%</i>	<i>50.8%</i>	<i>39.6%</i>	<i>45.1%</i>			<i>50.7%</i>	<i>51.8%</i>
EBITDA	51,561	38,721	50,029	61,135	19,137	32,641	-10,790	-10,812	109,937	121,685
Depreciation	8,728	8,325	4,556	4,707	15,698	12,249	726	643	29,708	25,924
Adjusted EBITA	42,833	30,396	45,473	56,428	3,439	20,392	-11,516	-11,455	80,229	95,761
ROS	<i>16.9%</i>	<i>13.1%</i>	<i>17.4%</i>	<i>17.9%</i>	<i>1.0%</i>	<i>6.2%</i>			<i>9.3%</i>	<i>11.0%</i>
One-off income & expenses	365	0	572	0	-13,276	0	-3,928	-430	-16,267	-430
Amortization	-21,535	-22,125	-5,614	-5,552	-2,991	-2,817	-101	-6	-30,241	-30,500
Impairments	-310	-896	-34	0	-4,049	0	0	0	-4,393	-896
Operating result	21,352	7,375	40,396	50,876	-16,877	17,575	-15,543	-11,892	29,328	63,934
Other information										
Employees (FTE)	2,064	2,081	1,779	1,912	2,333	2,305	117	117	6,293	6,415

Raw materials, consumables, trade products and subcontracted work , EBITDA and Adjusted EBITA are excluding one-off income and expenses.

Overview of alternative performance measures (APM)

For a complete overview of our APM's and definitions reference is made to the annual report 2024 as published on our website. An overview of the reconciliation of the APM's used in this press release is included in the annex to this press release.

Events after balance sheet date

There have been no events in the past interim period that are material to the understanding of this interim report.

Risks

The 2024 annual report describes in detail certain risk categories and risk factors that could have a (negative) impact on TKH's financial position and results. On June 30, 2025, the risk categories and risk factors were re-analyzed and it was concluded that they are still relevant.

Executive Board declaration

This report contains the interim financial report of TKH Group N.V. The interim financial report ended June 30, 2025 consists of the condensed consolidated interim financial statements, the interim director's report and Executive Board declaration. The information in this interim financial report is unaudited. The condensed consolidated interim financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the consolidated financial statements of TKH for the year ended December 31, 2024.



The Executive Board hereby declares that to the best of their knowledge, the interim financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and the undertakings included in the consolidation taken as a whole, and the interim director's report gives a fair review of the information required pursuant to section 5:25d (8)/(9) of the Dutch Financial Markets Supervision Act ('Wet op het financieel toezicht').

Signature of interim report

Haaksbergen, August 12, 2025

Executive Board

J.M.A. van der Lof, MBA, Chairman

E.D.H. de Lange, MBA

H.J. Voortman, MSc

The figures in the interim financial report have not been audited.

Disclaimer

Statements included in this press release 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.

Appendix: Alternative Performance Measures (APM)

Added value

Total turnover less the cost of 'Raw materials, consumables, trade products and subcontracted work' for products sold and services delivered, excluding one-off income and expenses. Added value is presented as an absolute value, as well as a percentage from turnover. Reference is made to the 'Notes to the interim financial report – 'Segmented information' in the press release for a reconciliation and calculation. TKH deems this a relevant performance measure as it is an indicator of the pricing power TKH has in its specific markets and the ability to create added value for its customers.

Adjusted EBITA and EBITDA and ROS (return on sales)

Adjusted EBITA Earnings before interest, taxes, impairments, and amortization, excluding one-off income and expenses.

EBITDA Earnings before interest, taxes, impairments, depreciation, and amortization, excluding one-off income and expenses.

ROS Adjusted EBITA divided by total turnover as a percentage.

Reference is made to the 'Notes to the interim financial report – Segmented information' and 'One-off income and expenses' for a reconciliation and calculation.

Net profit before amortization of intangible non-current assets related to acquisitions (after tax) and one-off income and expenses attributable to shareholders (summarized as: 'Adjusted net profit')

in thousands of euros	June 30, 2025	June 30, 2024
Net profit	13,621	49,793
Less: Non-controlling interests	52	13
Net profit attributable to the shareholders of the company	13,673	49,806
Amortization of intangible non-current assets from acquisitions	8,732	8,959
Taxes on amortization	-2,250	-2,362
Net profit before amortization from continuing operations attributable to the shareholders of the company	20,155	56,403
One-off expenses	16,267	430
Result from divestments and purchase price allocations in the result of associates	819	-11,972
Impairments	4,393	896
Fair value changes of financial liability for earn-out and put options of shareholders of non-controlling interests	-512	0
Tax impact on one-off expenses and benefits	-5,165	-331
Net profit before amortization and one-off income and expenses attributable to the shareholders of the company	35,957	45,426

Capital employed and ROCE (return on capital employed)

Capital employed: Group equity plus Interest-bearing loans and borrowings current and non-current, less total lease liabilities and less cash and cash equivalents.

Return on capital employed: is the Adjusted EBITA for the last 12 months divided by the average of capital employed at the beginning and at the end of the period.



in thousands of euros	June 30, 2025	June 30, 2024
Group equity	809,555	826,952
add: Interest-bearing loans and borrowings, non-current	573,701	645,517
add: Interest-bearing loans and borrowings, current	203,314	91,953
minus: Total lease liabilities	-81,688	-88,074
minus: Cash and cash equivalents	-92,819	-76,101
Capital employed current year	1,412,063	1,400,247
Capital employed previous year	1,400,247	1,274,128
Average capital employed	1,406,155	1,337,188
Adjusted EBITA - 12 months	188,385	213,023
ROCE	13.4%	15.9%

Net interest bearing debt and Debt leverage ratio (net interesting bearing debt/EBITDA)

Net interest bearing debt: Bank loans reported under non-current liabilities plus lease liabilities plus borrowings reported under current liabilities less cash and cash equivalents.

Debt leverage ratio: Net interest bearing debt according to bank covenants, divided by EBITDA according to bank covenants.

in thousands of euros	June 30, 2025	June 30, 2024
Net interest bearing debt	681,825	657,894
Adjustment according to bank covenants	-80,164	-84,697
Net interest bearing debt according to bank covenants	601,661	573,197
EBITDA - 12 months	244,171	260,205
Adjustment according to bank covenants	-14,183	-10,989
EBITDA according to bank covenants	229,988	249,216
Debt leverage ratio	2.6	2.3

The 'adjustments according to bank covenants' mainly relate to the exclusion of lease liabilities from the calculation of the net interest bearing debt and some adjustments in determining EBITDA. All based on specific arrangements as included in the credit facilities with our banks.

Normalized effective tax rate

Tax on result divided by Result before tax less the impact of Share in result of associates, Result on sale of associates and subsidiaries and Fair value changes of financial liability for earn-out and put options of shareholders of non-controlling interests.

in thousands of euros	June 30, 2025	June 30, 2024
Result before tax	18,197	62,351
minus: Share in result of associates	160	29
minus: Result on sale of associates and subsidiaries	0	-13,709
minus: Fair value changes of financial liability for earn-out and put options of shareholders of non-controlling interests	-512	0
Normalized result before tax	17,845	48,671
Tax on result	4,576	12,558
Normalized effective tax rate	25.6%	25.8%

One-off income and expenses

Income and expense items of such nature, size and/or frequency of occurrence that their disclosure is relevant to explain TKH performance, including impairments, restructuring costs, one-off transportation costs due to the delayed ramp-up of Eemshaven and expenditures, and results from acquisitions and disposals. One-off income and expenses are identified both within the operating result, result of associates, result from divestments and fair value changes of financial liability for earn-out and put options of shareholders of non-controlling interests.

One-off income and expenses are excluded when using as a measure to improve insight in the underlying performance of our activities. The one-off income and expenses can be specified as follows:

in thousands of euros	Segment	Category	June 30, 2025	June 30, 2024
Acquisitions and divestments	Other	Other operating expenses	-3,927	-430
One-off transportation costs due to the delayed ramp-up of Eemshaven	Smart Connectivity systems	Raw materials, consumables, trade products and subcontracted work	-11,600	
Restructuring costs	Smart Connectivity systems (mainly)	Personnel expenses	-1,312	
Cancellation of depreciation on 'held for sale'	Smart Manufacturing systems	Depreciation	572	
One-off income and expenses			-16,267	-430

Operating expenses excluding one-off expenses, amortization and impairments

This relates to the operating expenses excluding one-off expenses, amortization and impairments. This is used when reconciling between Added value and Adjusted EBITA.

in thousands of euros	June 30, 2025	June 30, 2024
Total Operating expenses	828,815	803,281
minus: One-off income and expenses	-16,267	-430
minus: Raw materials, consumables, trade products and subcontracted work (adjusted for one-off expenses)	-423,312	-418,158
minus: Amortization	-30,241	-30,500
minus: Impairments	-4,393	-896
Operating expenses (excluding one-off expenses, amortization and impairments)	354,602	353,297

Order book and order intake

Expected future turnover with respect to contractual performance obligations that have not yet (or partially) been satisfied at balance sheet date. The order intake is calculated as follows:

in thousands of euros	June 30, 2025	June 30, 2024
Order book at 1 January	1,135,004	970,105
Acquisitions and divestments	0	-20,960
Turnover	-858,144	-867,215
Order intake	803,304	970,891
Order book at 30 June	1,080,164	1,052,821

Organic turnover growth

Growth of turnover corrected for the impact of acquisitions, divestments and foreign exchange effects from translating turnover in foreign currencies. The correction for divestments is determined by adjusting 'Turnover growth' for the turnover of the previous year period for which the divested company was no longer part of the consolidation in the current year. The correction for acquisitions

is determined by adjusting 'Turnover growth' for the turnover of the current year period for which the acquired company was not yet part of the consolidation in the previous year.

in thousands of euros (unless stated otherwise)	Smart Vision Systems	Δ in %	Smart Manufacturing Systems	Δ in %	Smart Connectivity Systems	Δ in %	Other & eliminations	H1 2025	Δ in %
Turnover current year	254,200		260,878		349,802		(6,736)	858,144	
Turnover previous year	232,606		315,888		328,508		(9,787)	867,215	
Turnover growth	21,594	9.3%	(55,010)	-17.4%	21,294	6.5%	3,051	(9,071)	-1.0%
Impact of acquisitions & divestments	5,862	2.5%	(25,852)	-8.2%	-	0.0%		(19,990)	-2.3%
Impact of foreign exchange effects	(1,747)	-0.8%	(11)	0.0%	(168)	-0.1%		(1,926)	-0.2%
Organic turnover growth	17,479	7.5%	(29,147)	-9.2%	21,462	6.5%	3,051	12,845	1.5%

Organic Adjusted EBITA growth

Growth of Adjusted EBITA corrected for the impact of acquisitions, divestments and foreign exchange effects from translating Adjusted EBITA in foreign currencies. The correction for divestments is determined by adjusting 'EBITA growth' for the Adjusted EBITA of the previous year period for which the divested company was no longer part of the consolidation in the current year. The correction for acquisitions is determined by adjusting 'EBITA growth' for the Adjusted EBITA of the current year period for which the acquired company was not yet part of the consolidation in the previous year.

in thousands of euros (unless stated otherwise)	Smart Vision Systems	Δ in %	Smart Manufacturing Systems	Δ in %	Smart Connectivity Systems	Δ in %	Other & eliminations	H1 2025	Δ in %
Adjusted EBITA current year	42,833		45,473		3,439		(11,516)	80,229	
Adjusted EBITA previous year	30,396		56,428		20,392		(11,455)	95,761	
Adjusted EBITA growth	12,437	40.9%	(10,955)	-19.4%	(16,953)	-83.1%	(61)	(15,532)	-16.2%
Impact of acquisitions & divestments	2,002	6.6%	251	0.4%	-	0.0%		2,253	2.4%
Impact of foreign exchange effects	(311)	-1.0%	(135)	-0.2%	(10)	0.0%		(456)	-0.5%
Organic Adjusted EBITA growth	10,746	35.4%	(11,071)	-19.6%	(16,943)	-83.1%	(61)	(17,329)	-18.1%

Solvency

Percentage of the Total group equity relative to the Total equity and liabilities.

in thousands of euros (unless stated otherwise)	June 30, 2025	June 30, 2024
Total group equity	809,555	826,952
Total equity and liabilities	2,201,039	2,195,337
Solvency	36.8%	37.7%

Turnover related to the Sustainable Development Goals (SDGs)

Total of TKH's portfolio's turnover linked to one of the 17 SDGs (Sustainable Developments Goals), adopted by all United Nations Member States in 2015. This is calculated by allocating TKH's portfolio based on internal reporting of turnover by end-market combined with portfolio information included in quarterly reports of operating companies.



in thousands of euros (unless stated otherwise)	H1 2025	H1 2024
Turnover linked to SDGs	573,831	615,553
Total Turnover	858,144	867,215
Turnover linked to SDGs%	66.9%	71.0%

Working capital ratio

Working capital ratio is calculated by dividing working capital by turnover.

in thousands of euros (unless stated otherwise)	June 30, 2025	December 31, 2024	June 30, 2024
Add: Current assets	956,059	963,361	947,389
Less: Cash and cash equivalents	-92,819	-125,629	-76,101
Less: Current liabilities	-729,926	-622,177	-617,945
Add: Current interest-bearing loans and borrowings	203,314	90,270	91,953
Working capital	336,628	305,825	345,296
Turnover - 12 months	1,703,663	1,712,735	1,767,138
Working capital ratio	19.8%	17.9%	19.5%