

Market Update Q3 2025

Organic growth driven by Vision Technology and Electrification

Financial developments Q3 2025

- Turnover of €419.4 million (+ 8.0% organically)
- Adjusted EBITA of €38.7 million (- 6.4% organically)
- ROS of 9.2% (Q3 2024: 10.7%)
- Added value at 50.2% (Q3 2024: 51.5%)
- Orderbook at €1,028 million (June 30, 2025: €1,080 million)
- Outlook reiterated: turnover and adjusted EBITA for H2 2025 expected to be substantially higher than H1 2025 and to be above H2 2024

Financial developments first nine months 2025

- Turnover of €1,277.5 million (+ 3.5% organically)
- Adjusted EBITA of €119.0 million (- 14.5% organically)
- ROS of 9.3%

Alexander van der Lof, CEO of TKH: *“In September we presented our new strategy, focused on the transition towards asset light Automation activities. This increased focus will enable us to drive further growth and capture the opportunities in the market.*

During the quarter under review, Smart Vision systems had a strong performance on the back of stronger market demand, with an organic growth of 11.4%, while turnover of Smart Manufacturing declined based on the lower order intake in previous quarters and a strong comparison base. We expect the order intake in Tire Building systems to improve over the coming quarters.

Within Electrification, we realised a 21.2% growth in turnover. This was driven by a strong increase in demand in the onshore energy segment and the contribution of the services activities in the offshore energy segment. The technical issues in the Eemshaven plant have been largely resolved. Output of offshore inter-array cables was limited in Q3 due to the focus on the release of new cable types and type approval tests, which were successfully completed. A new contract for the delivery of 140 km inter-array offshore cables for the Gennaker offshore windfarm was recently signed, and includes the engineering, manufacturing, testing, and delivery of the cables and corresponding accessories.

As we are entering our next strategic phase ‘Capitalize & Execute 2028’, we will continue our divestment program. The divestment of Dewetron, closed in October, brings the total turnover divested as of 2019 to €458 million. Over the coming period, we plan to divest a further €250 million in non-core turnover, including Digitalization. We will capitalize on our market leading positions and are fully committed towards the execution of our Capital Markets Day targets and actions.”

Developments by segment

AUTOMATION

Automation consists of the subsegments Vision Technology and Automated Machinery that are closely related and focused on automating technology for a wide range of end markets. From full year 2025 onwards, TKH's segment reporting will be in line with its new focus.

Smart Vision systems

Smart Vision systems recorded a + 11.4% organic increase in turnover compared to Q3 2024, driven by improved performances in both Security and Machine Vision. Within Machine Vision, 3D Vision performed very well, benefiting from several well-performing end markets. Security Vision's turnover increased compared to Q3 2024, primarily due to the delivery of some larger projects.

Smart Manufacturing systems

Smart Manufacturing systems recorded a - 8.9% organic decrease in turnover compared to Q3 2024. Turnover in Tire Building systems was lower due to the lower order intake in previous quarters, while Q3 2024 was particularly strong as a result of catch-up effects. Order intake in the quarter continued to be impacted by geopolitical circumstances.

ELECTRIFICATION

Electrification consists of the subsegments Electrification and Digitalization. From full year 2025 onwards, TKH's segment reporting will be in line with its new focus.

Smart Connectivity systems

Smart Connectivity systems reported a + 21.2% organic increase in turnover compared to Q3 2024. Offshore energy benefited from the ramp-up of the production of inter-array cables in Eemshaven, as well as increased turnover of accessories and services. During the quarter, production processes of inter-array cables in Eemshaven stabilized further. As planned, changeover to different cable types including successful further type approval tests for upcoming projects, impacted the utilization. The higher cost base, due to the Eemshaven plant being fully operational, impacted EBITA. Onshore energy recorded turnover growth during the quarter under review, driven by increased demand that is expected to continue into the coming year. Digitalization continued to be impacted by oversupply in the European fibre optic market, leading to pressure on volumes and pricing.

2025 outlook

TKH expects the following developments per business segment:

AUTOMATION

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. Although we have not seen an increase in our order intake in Tire Building systems in Q3, we expect an improvement in the coming quarters.



ELECTRIFICATION

Smart Connectivity systems

Turnover and adjusted EBITA in H2 2025 are expected to grow substantially compared to H1 2025. A higher output level is projected in the Eemshaven factory, contingent on continued stable production processes. In addition, we expect further turnover increase in offshore accessories and services. Furthermore, in onshore energy, we anticipate a further increase in demand from the network companies that support higher utilization levels. 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.

Haaksbergen, November 11, 2025

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Financial calendar

March 5, 2026	Publication Full Year Results 2025
May 12, 2026	Market Update Q1 2026
August 11, 2026	Publication Interim Results 2026

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 6,500 employees, TKH pursues sustainable growth in a culture of entrepreneurship, working closely with customers to create one-stop-shop, plug-and-play innovations combined with software for Automation and Electrification.

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.

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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.

Appendix: Alternative Performance Measures (APMs)

For a complete overview of our APMs, definitions, and reconciliations/calculations, please refer to the 2024 Annual Report published on our website. An overview of the APMs used in this Market Update is provided below.

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 and as a percentage of turnover.

Adjusted EBITA and ROS (return on sales)

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

ROS: Adjusted EBITA divided by total turnover as a percentage.

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.

Order book and order intake

Expected future turnover with respect to contractual performance obligations that have not yet (or only partially) been fulfilled at the balance sheet date.

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.

Organic 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.