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UNLEASHING THE POWER OF THE EDGE
company introduction
Paris, 8 September 2022

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Eurotech's roots:
Embedded Computers for demanding applications

Custom | Rugged

JOHN DEERE

ALSTOM

HITACHI MEDICAL CORPORATION

MITSUBISHI HEAVY INDUSTRIES MACHINERY SYSTEMS

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at a glance

eurotech

320+ people

65% engineers

7 offices worldwide

5 r&d hubs

80+ countries served

~70M€ revenue

Eurotech's offering evolution

from embedded computing to complete edge solutions

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1992

HW modules

1999
co-authors of MQTT with IBM

HW subsystems

2012
Co-founders of Open-source IoT

integrated HW & SW

2021
IEC 62443

intelligent edge platform

unleashing the **power** of the **edge**

Eurotech's mission today is to connect Edge assets securely and simply and enable AI Computing in mission critical environments

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SIMPLE
better time to market

SECURE
minimize risk

AGNOSTIC
open-source agnosticity
enabling AI at the edge

our journey on the long run

2021: repositioning

- New strategy & new organisation kick-off
- Order book back to solid growth

2022: transitioning

- Strategy building blocks execution
- Embedded business sustaining double digit growth
- Creating and closing healthy Edge IoT pipeline
- Close 1st M&A deal

2023: transforming

- Edge IoT growing stronger than Embedded
- Sustainable re-occurring revenues growing double digit

2024: Eurotech is a relevant player in edge IoT

NEW BENEFITS TO POTATO FARMERS WITH PRECISION AGRICULTURE

CUSTOMER REQUIREMENTS

- Enable precise field performance assessment
- Maximize yield while improving sustainability
- Perform remote and predictive maintenance
- Offer valuable data to the complete supply chain

THE SOLUTION

+

ESF EC

INTELLIGENT DATA LOGGING FOR TRAIN LOCOMOTIVES

CUSTOMER REQUIREMENTS

- Securely collect data from locomotives
- Publish data in customer's private cloud in near real time
- Aggregate data on the Edge for effective data transfer
- Enable load measurement and preventive maintenance

THE SOLUTION

+

ESF EC

IOT PLATFORM FOR GLOBALLY DEPLOYED MEDICAL DEVICES

CUSTOMER REQUIREMENTS

FRESENIUS MEDICAL CARE

- Integrating with existing IT infrastructure with zero changes on products and applications
- High level of cybersecurity and reliability
- Advanced Edge computing performances

THE SOLUTION

+

ESF EC

where do we play

the edge of industrial iot

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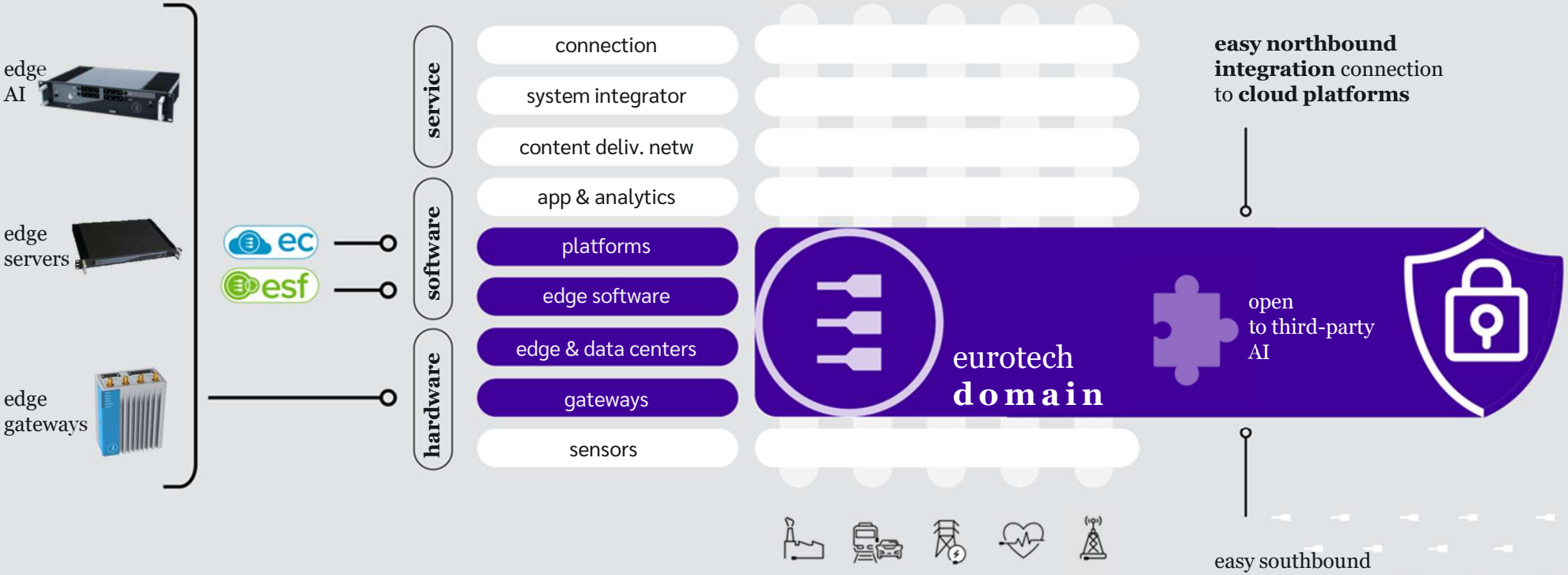
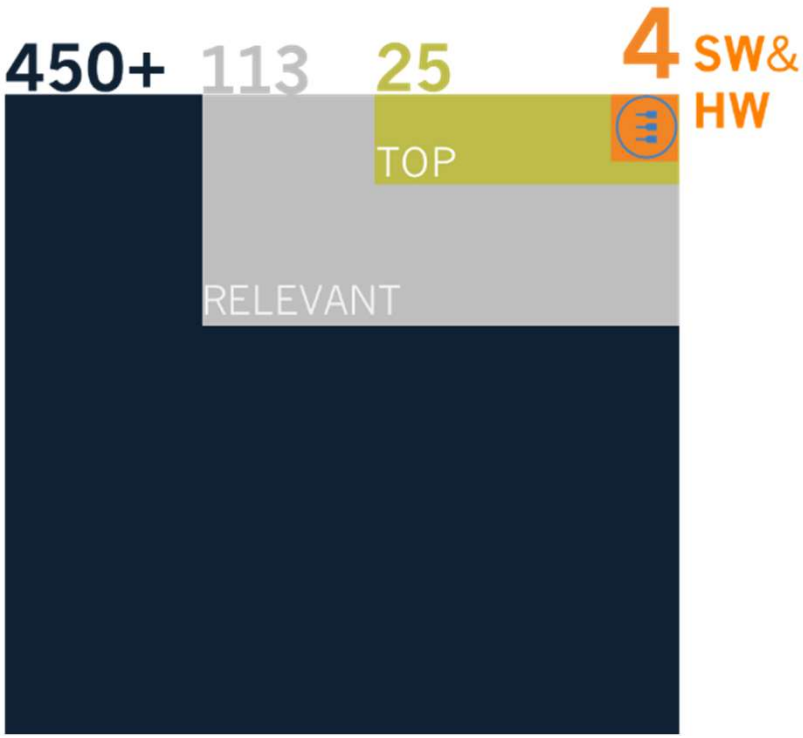


We are a Top Player in Industrial IoT with a distinctive offering of integrated Edge SW + HW



Source: adapted from MachNation, Gartner, IoT Analytics

Industry Analysts recognize & appreciate:

- ❑ **premium cybersecurity** = less risk for customers
- ❑ **easiness of use** / implementation = low cost & low effort to market

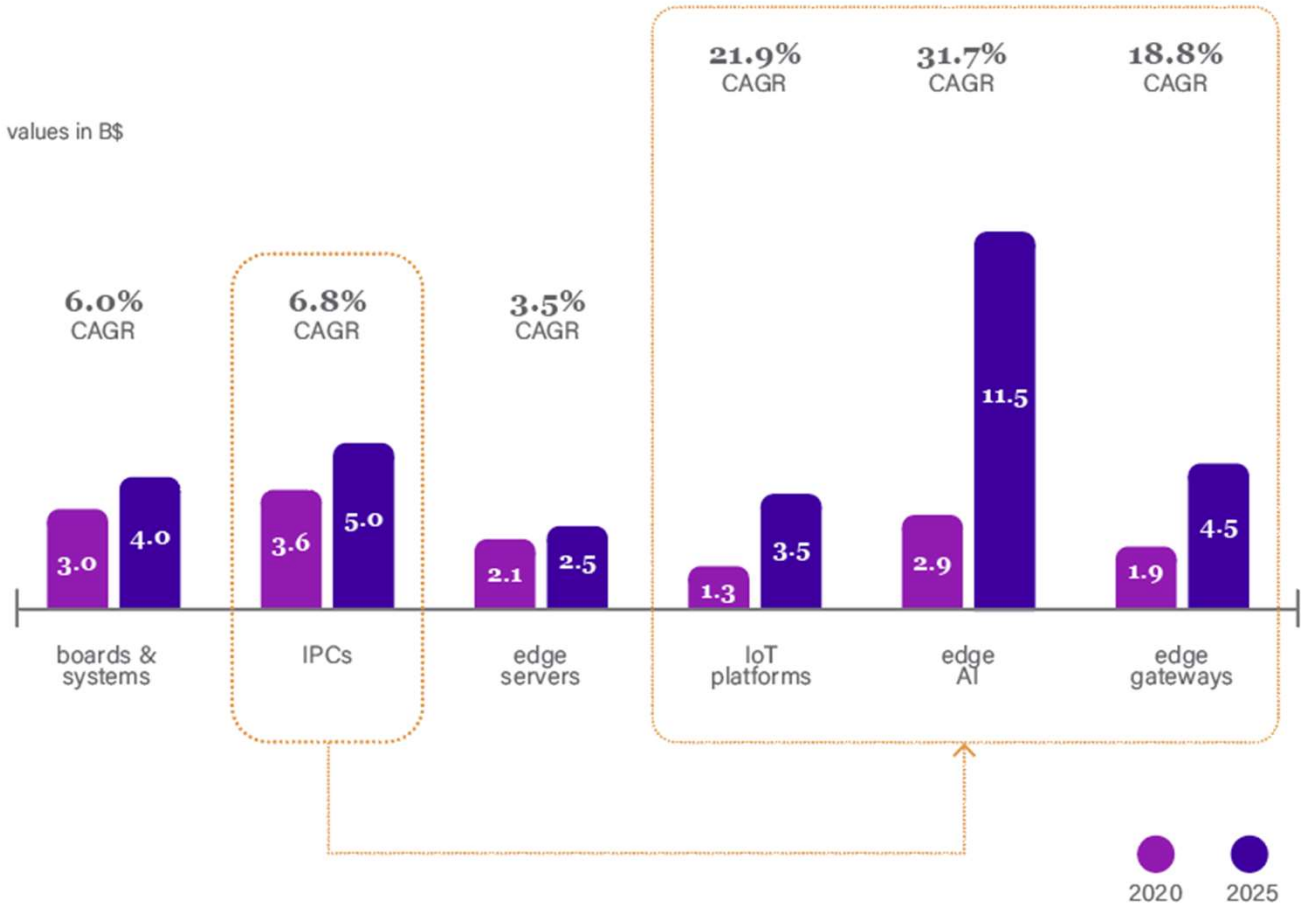
We are different because:

- ❑ **open-source** = agnosticity & **no lock-in**
- ❑ **one-stop-shop with HW + SW** = less complexity in system integration & best cybersecurity

How we want to grow: FOCUS and LEVERAGE

- Play in **markets** with combination of **higher size** and **higher CAGR** in next 5 years
- Serve **mission critical** type of applications with **high and mild ruggedization needs**
- Focus on **verticals / applications** where **certified cutting-edge cybersecurity is valued** more
- Create growth **organically** and **inorganically**
- Leverage **relevant driving forces & accelerators**:
  - ✓ Repatriation, i.e. moving computing from cloud to edge, where data are generated
  - ✓ 5G
  - ✓ Automation & Servitization
  - ✓ Green & Smart Energy
  - ✓ Recovery Plans

Leveraging on strong growing Edge Gateways, Edge AI and IoT Platforms



source: adapted from MEC, VDC, IoT Analytics

The 5 verticals where we will focus (TAM 21B$ in ’25)

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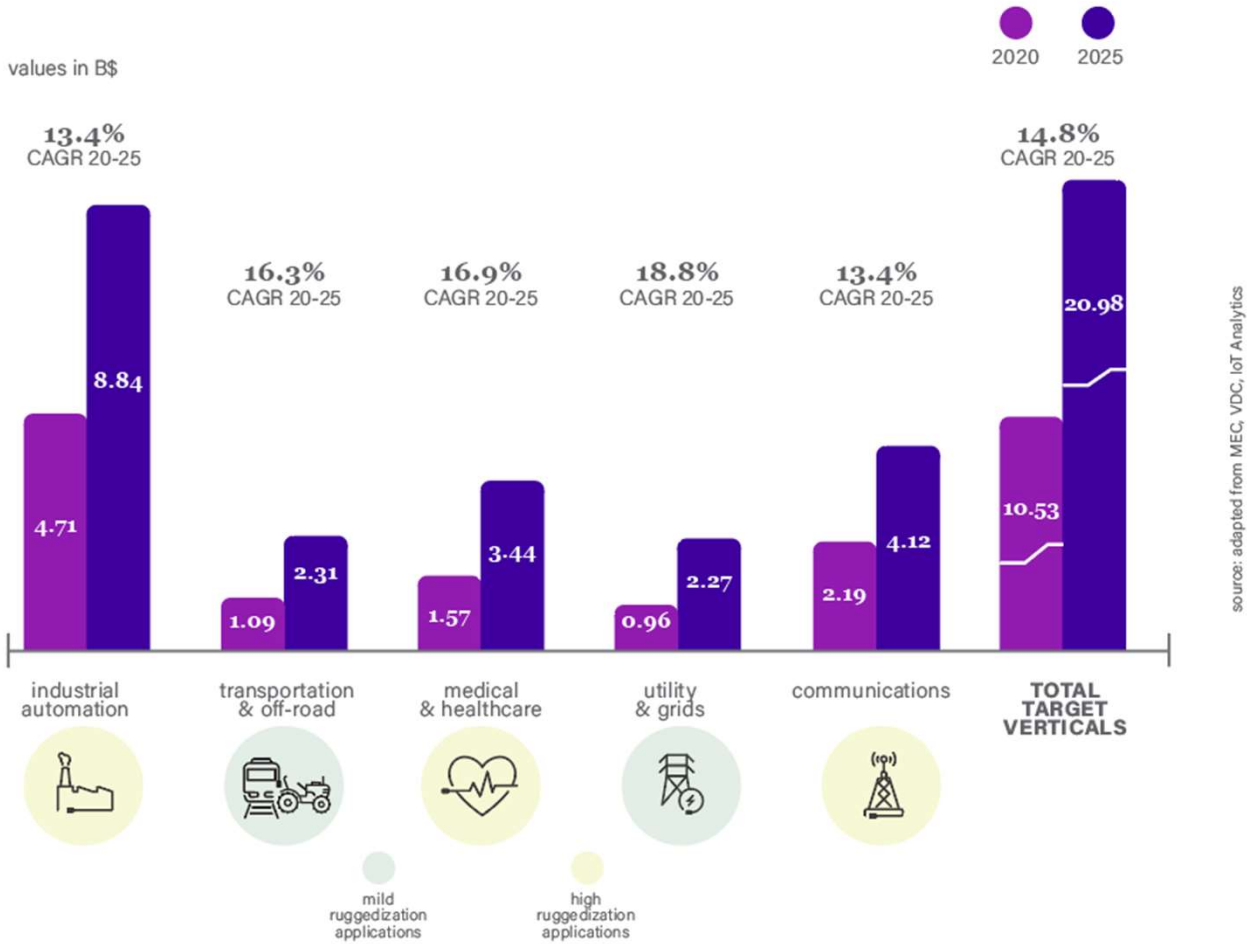

Go to market routes:
Partners Ecosystem will be key to accelerate growth

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Route 1

Route 2

Hyperscalers

Route 3

Large
System Integrators

Route 4

Distributors

GLOBAL 2000 OEM
COMPANIES

Why Eurotech

- ☑ We have **top class EDGE technology**
- ☑ We are **long term** committed
- ☑ We aim at **growing double digit** …

  by leveraging secular trends and using **M&A to accelerate**
- ☑ With **solid margins** …

  because of our **differentiation** in high reliability & ruggedized applications and our **innovation** in Edge software
- ☑ With more **re-occurring** and **sticky type of revenues** …

  selling **integrated HW & SW**

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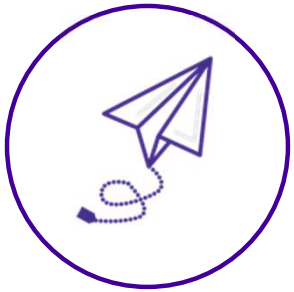
business
progress



line of sight

- Order Backlog for the year allowing **visibility @87M€**
- **Q3** still **growing double digit YoY and >Q2**
- Volume of **Gateways shipped in FY2022** confirmed at **+40% YoY**
- **SW revenues on track to reach 3.5M€ this year** (50+% YoY)
- **Availability of components and PPV getting better** also thanks to actions taken

- *FYI: no revenues linked to Russia and Ukraine*

business update

key achievements in H1 2022

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- **Focus on improving GPM:** we have reversed the trend and **margins are coming back**
- **Focus on finding components:** Q3 and Q4 outlook is now improved

- **Autonomous driving business coming back:** 5.2M€ orders received in Q1, 3.6M€ billing in 2022
- **21 new IoT customers in Pilot and POC stage**

business update

key achievements in H1 2022

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- **Talent recruiting taking extra effort,** new hires joining in Q3
- **New brand identity *"unleashing the power of the edge"*** rolled out **with new website** and collaterals
- **Technology leadership confirmed** by both Frost & Sullivan and Quadrant Knowledge Solutions

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thank
you