2024 **nine months** results

INVESTORS LIVE STREAMING PRESENTATION

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UNLEASHING THE POWER OF THE EDGE

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9 months 2024 financial highlights

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- **Revenues @ 43.0M€ largely affected by phase-out of main customer on legacy embedded business in US, destocking in Japan and market weakness in Germany** -37.2% YoY at constant exchange rates
- **Gross Profit Margin @ 51.8% improving 450 bps YoY**
- **Opex down 2.9M€ YoY net of non-recurring costs** but weak top line drove EBITDA to negative performance
- **Operating cash flow positive** for 0.7M€ despite negative EBITDA
- **Net Working Capital down 4.9M€** vs year-end 2023 as expected due to collection of receivables, improving vs H1
- **Net Financial Position @21M€ vs 20.6M€ at year-end 2023,** down 0.4M€ but improving vs 23.3M€ in H1

business
update

#4

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4M€ cost saving achieved in FY24

vs FY23 reported, @ constant exchange rates

- **Workstreams achieved:**
  - Reduced external consultants on all activities where internal personnel is now available & trained
  - Right-sized structure supporting legacy Embedded business
  - Activated new cross-Country synergies
- **FY24 opex down 4M€ vs FY23 reported**
  - 0.5M€ better than Sept estimate
- **Achieved 4M€ saving on FY25 run-rate vs FY23**

going forward…

- **H2 revenues improving** vs H1
- **H2 GPM in line** with H1

- Customers still releasing orders "last-minute“, but…
  - noticeable **increase in customer interest in discussing new business** in the past months
  - **growing number of bid requests,** an increase in the order book should materialize in the months ahead
- We are **accelerating in mission critical applications sensitive to cybersecurity**
- Positive signals for a **resumption of growth during 2025**

- Just **launched a new modular cybersecure gateway**
  - incubated for almost 2 years
  - designed to **enable easier scaling of business**

new modular product designed for scaling

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a new concept of modular cybersecure gateway suitable for channels too

- Enables the **'semi-custom'** approach: **configuration vs customisation**
- **Cybersecure by design to serve new challenging regulations:**
  - **EU NIS2**
  - US IoT Cybersecurity Improvement Act
  - RED
  - Cyber Resilience Act
  - Machinery Directive
- **Designed to retain cellular carrier certifications across the versions:** **first in the industry** to minimize costs of worldwide deployments

getting traction on grids and security & surveillance

our cybersecure offering is matching an emerging demand for mission critical assets

- **Project won in water grids**: 5,000 cybersecure gateways with remote device management over next 4 years
  - Incremental business with existing customer
- **Project won in electric power grids**: 1500+ of new modular gateway over next 3 years
  - Incremental business with existing customer

- **Pilot project in electric power grids**
  - New customer in EU
- **POC in gas grid**
  - New customer in USA

- **15+ M€ worth of outstanding quotations for Security & Surveillance projects issued in last 3 months**

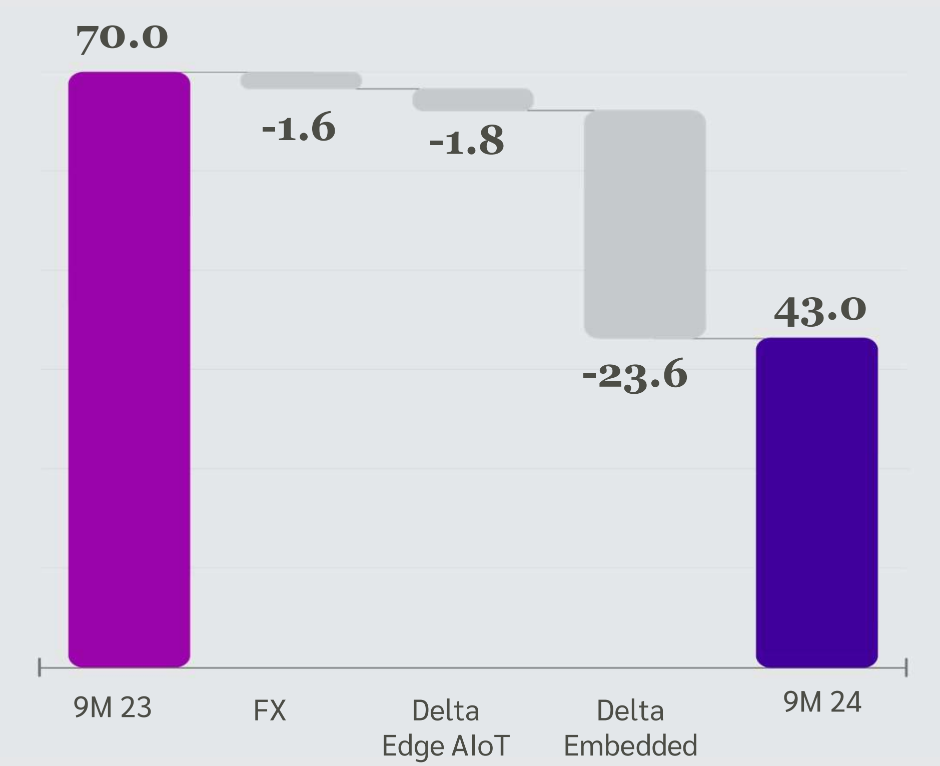
financial
update

UNLEASHING THE POWER OF THE EDGE

9 months drop driven by legacy business

edge AIoT accounts for 59,8% of total revenues

All values in € million



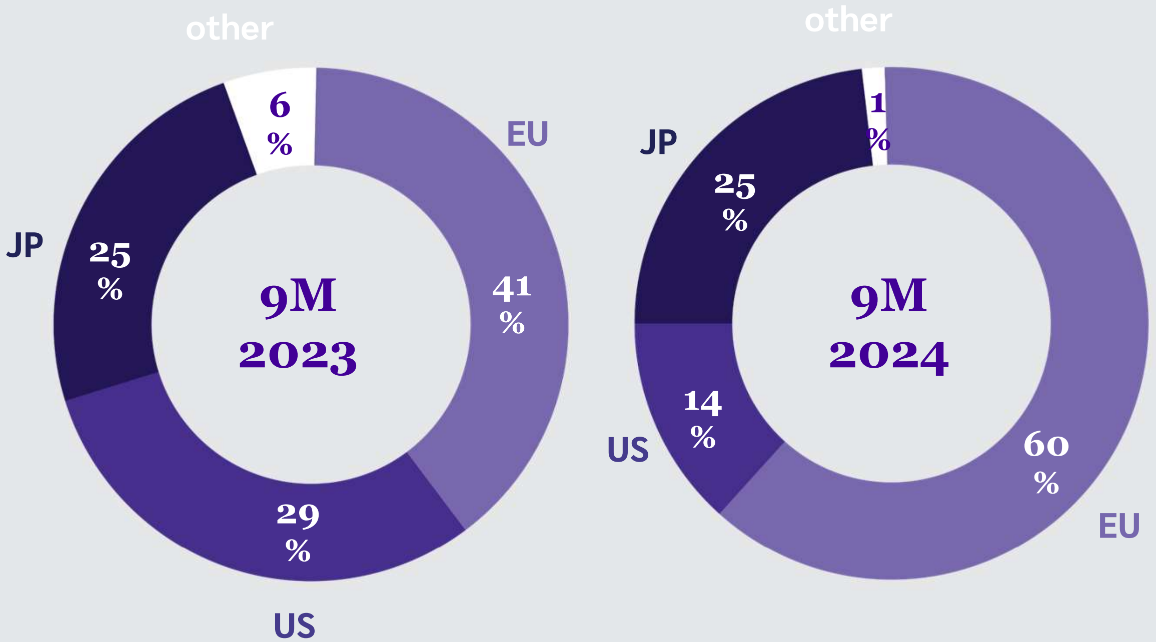
#**65%** of revenues decrease linked to phase out of US legacy embedded customer

#**26%** of revenues decrease linked to destocking in Japan

#**Edge AIoT suffered** because of German market weakness

Europe is the first area

breakdown by end-customer location



Percentages total might not sum up to 100 because of rounding

#US suffering from mismatch between phase-out of main customer on Embedded and phase-in of new Edge AIoT business

#Europe facing some weaknesses, especially in Industrial Automation, and recession in Germany

#Japan undergoing destocking effect on main customers that are supplying equipment into Industrial and Semiconductor sectors

EBITDA margin negative due to volume decrease

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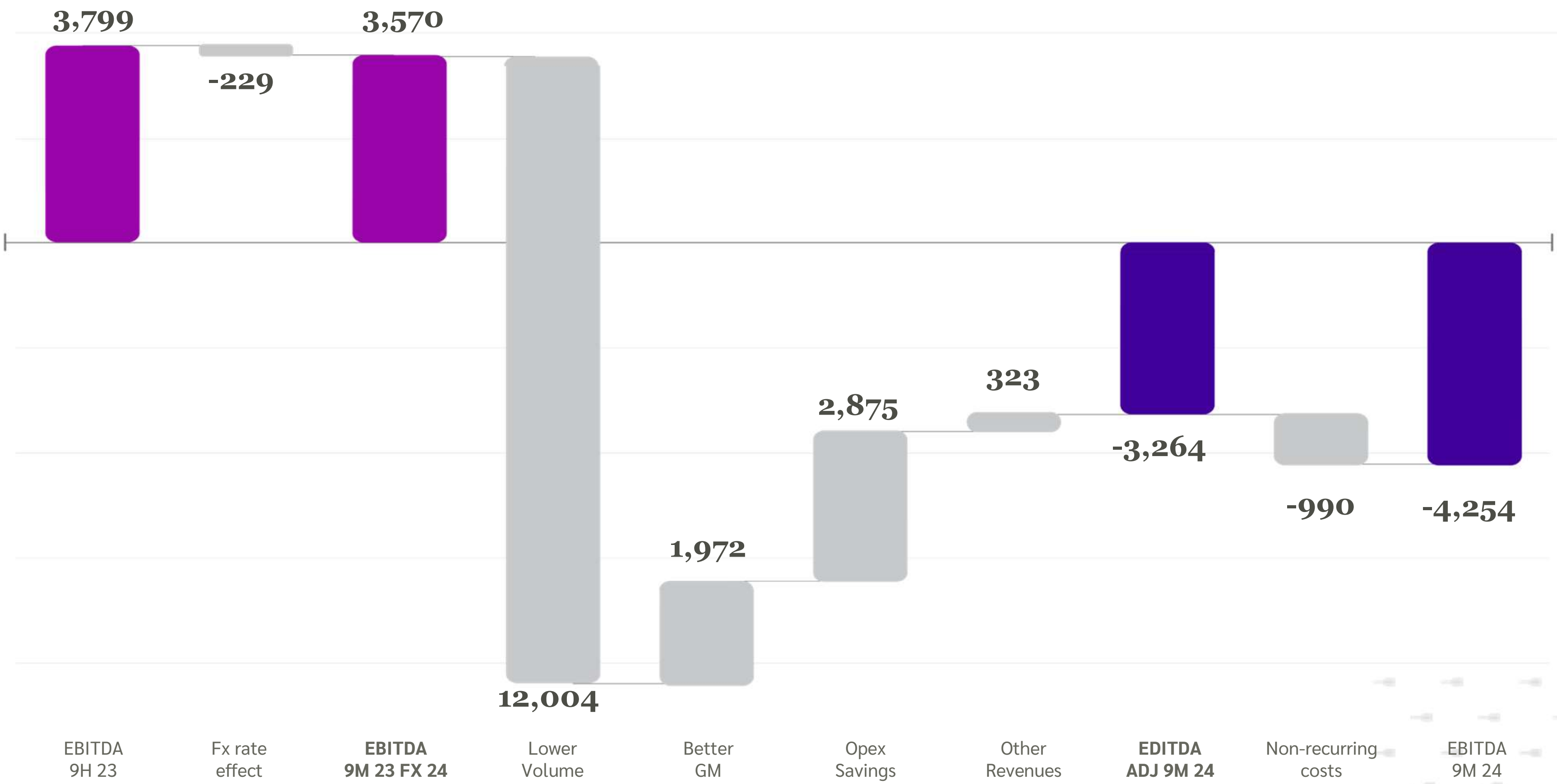
better GM and OPEX savings only partly compensated Sales decline

All values in € million



balance sheet effected by reduction of NWC

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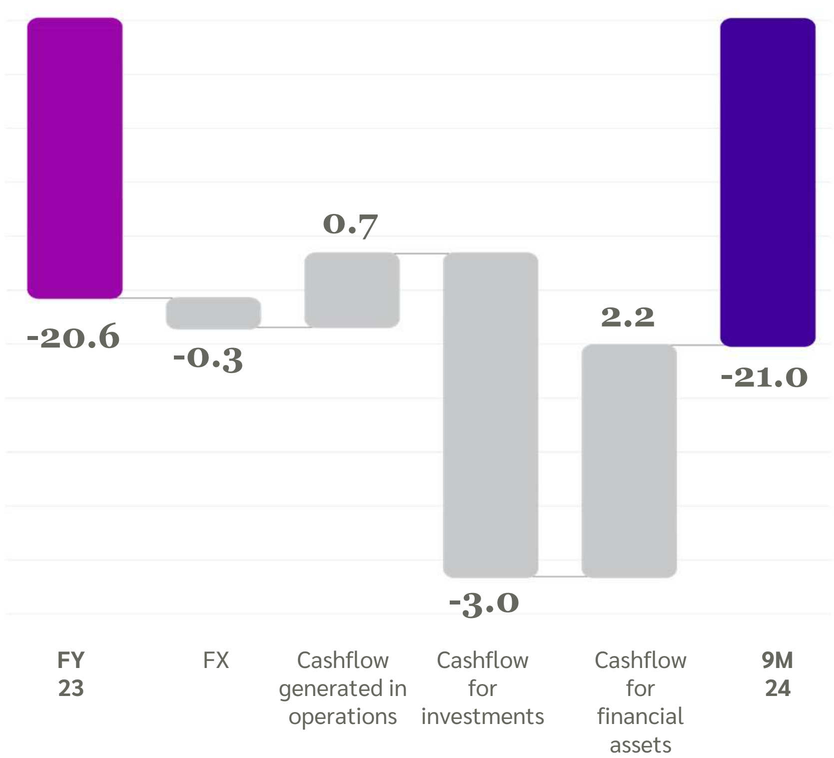
All values in € million

NFP down 0.4M€ vs year end 2023, but operating cash flow was positive despite the negative EBITDA



NWC down 4.9M€ vs year end 2023 driven by collection of trade receivables

key
takeaways

key takeaways

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Revenues still weak YoY due to market conditions plus phase-out of legacy business main customer in USA

GPM improving 450bps YoY, **Opex down 2.9M€** YoY net of non-recurring costs

Action plan to lower opex announced in May executed, **4M€ savings on run-rate in 2025 achieved**

New modular cybersecure gateway launched: first family available in December, more to come in 2025

Low visibility still the new normal, but customers interest & bid requests growing in past 2 months

Getting traction in mission critical applications sensitive to cybersecurity: IoT for grids and Edge AI HW for security & surveillance