2025 first half results

INVESTORS LIVE STREAMING PRESENTATION

eurotech
UNLEASHING THE POWER OF THE EDGE

disclaimer

This presentation has been prepared by Eurotech S.p.A. (or “Eurotech”) and has to be read in conjunction with its oral presentation.

The information contained in this presentation does nor purport to be comprehensive. Neither Eurotech nor any of its officers, employees, advisers or agents accepts any responsibility for/or makes any representation or warranty, express or implied, as to the truth, fullness, accuracy or completeness of the information in this presentation (or whether any information has been omitted from the presentation) or any other information relating to Eurotech, its subsidiaries or associated companies, whether written, oral or in a visual or electric form, transmitted or made available.

This document is confidential and is being provided to you solely for your information and may not be reproduced, further distributed to any other person or published, in whole or in part, for any purpose.

The distribution of this document in other jurisdictions may be restricted by law, and persons into whose possession this document comes should inform themselves about, and observe, any such restrictions.

This document is directed only at relevant persons. Other persons should not act or rely on this document or any of its contents.

No reliance may be placed for any purposes whatsoever on the information contained in this document or any other material discussed during this presentation, or on its completeness, accuracy or fairness.

The information in this document and any other material discussed at this presentation is subject to verification, completion and change.

The information and opinions contained in this document are provided as at the date of the presentation and are subject to change without notice.

Some of the information is still in draft form and will only be finalized.

By attending the presentation you agree to be bound by the foregoing terms.

Trademarks or Registered Trademarks are the property of their respective owners.

New Leadership Driving Transformation

eurotech

Massimo Milan, CEO

CEO Appointment – 5 June 2025

Business Transformation
Proven track record in complex turnaround situations with sustainable results

Strategic Expertise
Deep experience in strategy design, financial planning, and operational cost efficiency

Industrial Focus
Extensive background in complex industrial environments and execution-oriented leadership focused on sustainable value creation and operational excellence

Results-oriented approach with solid background in business development, specifically targeting organizational excellence in technology-driven companies.

what I have found

eurotech

Core Strengths: Foundation for Growth

Digital Technology DNA

Strong foundation in digital technology with proven track record in high-performance hardware and edge software solutions.

Innovation Brand Reputation

Recognized player with established credibility in delivering cutting-edge engineering solutions.

Premium Customer Base

Exclusive portfolio of high-value clients across strategic vertical markets and critical infrastructure sectors.

Exceptional Work Ethics

Commitment to excellence and integrity drives sustainable partnerships and long-term value creation.

#4

work in progress

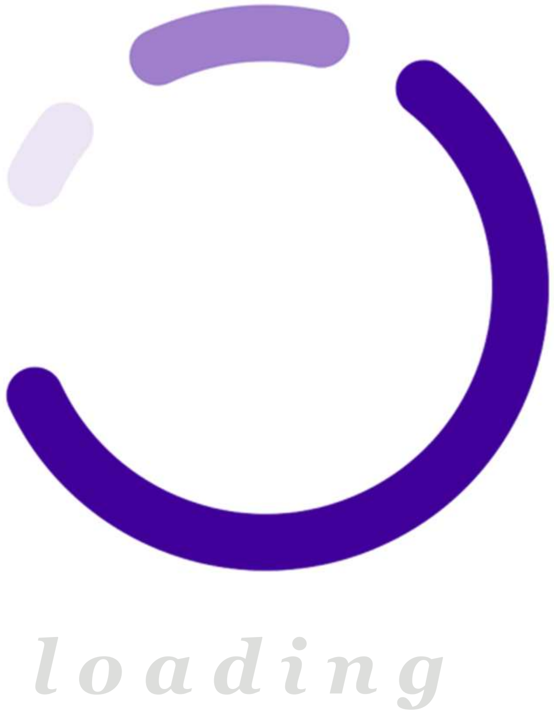
a strategic plan for next 3 to 5 years

Pillars of our **#rethink** initiative:

Reclaim Engineering Excellence
Combine hardware and software building blocks into customer-focused unique solutions that leverage our core DNA.

Affirm Cybersecurity Leadership
Strengthen our position as the premier provider of cybersecurity solutions specifically designed for edge computing environments.

Focus on Strategic Verticals
Target markets where our expertise creates competitive advantage: Smart Infrastructure (energy/transportation), Rolling Stock, and Defense sectors.



eurotech

business
update

#6

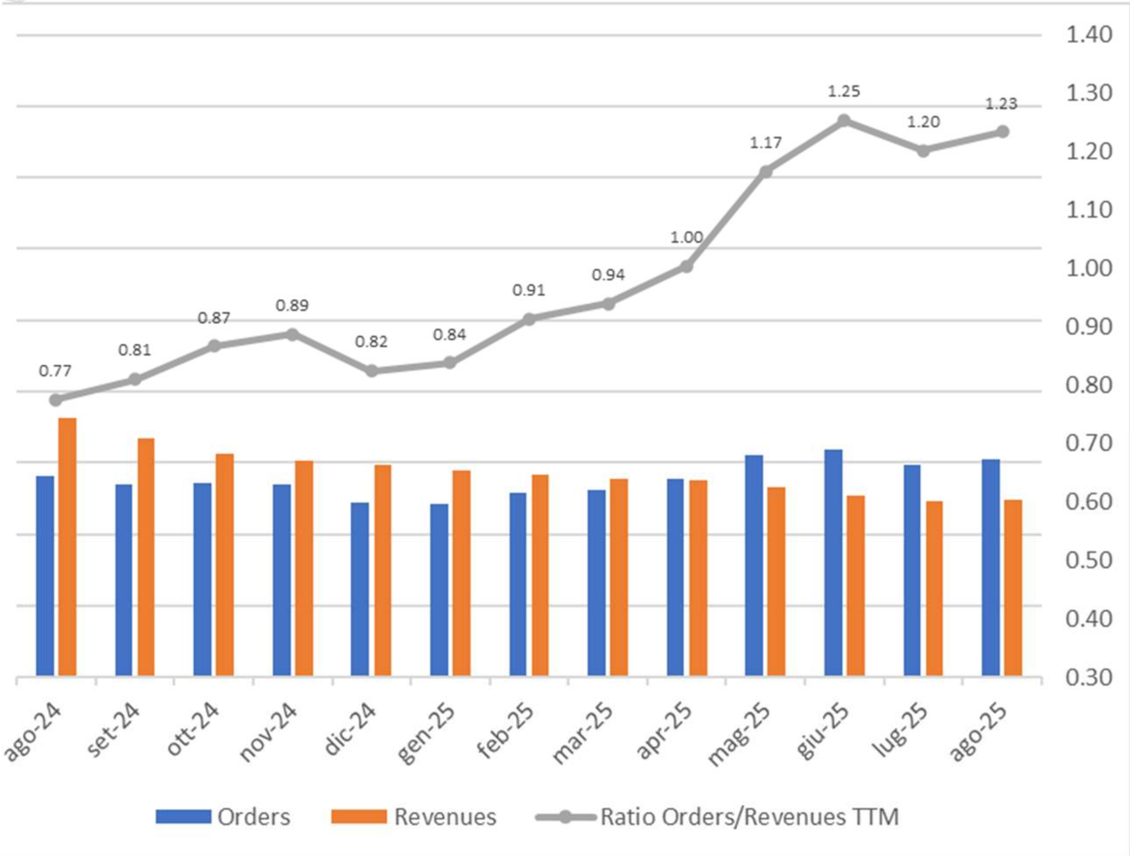
UNLEASHING THE POWER OF THE EDGE

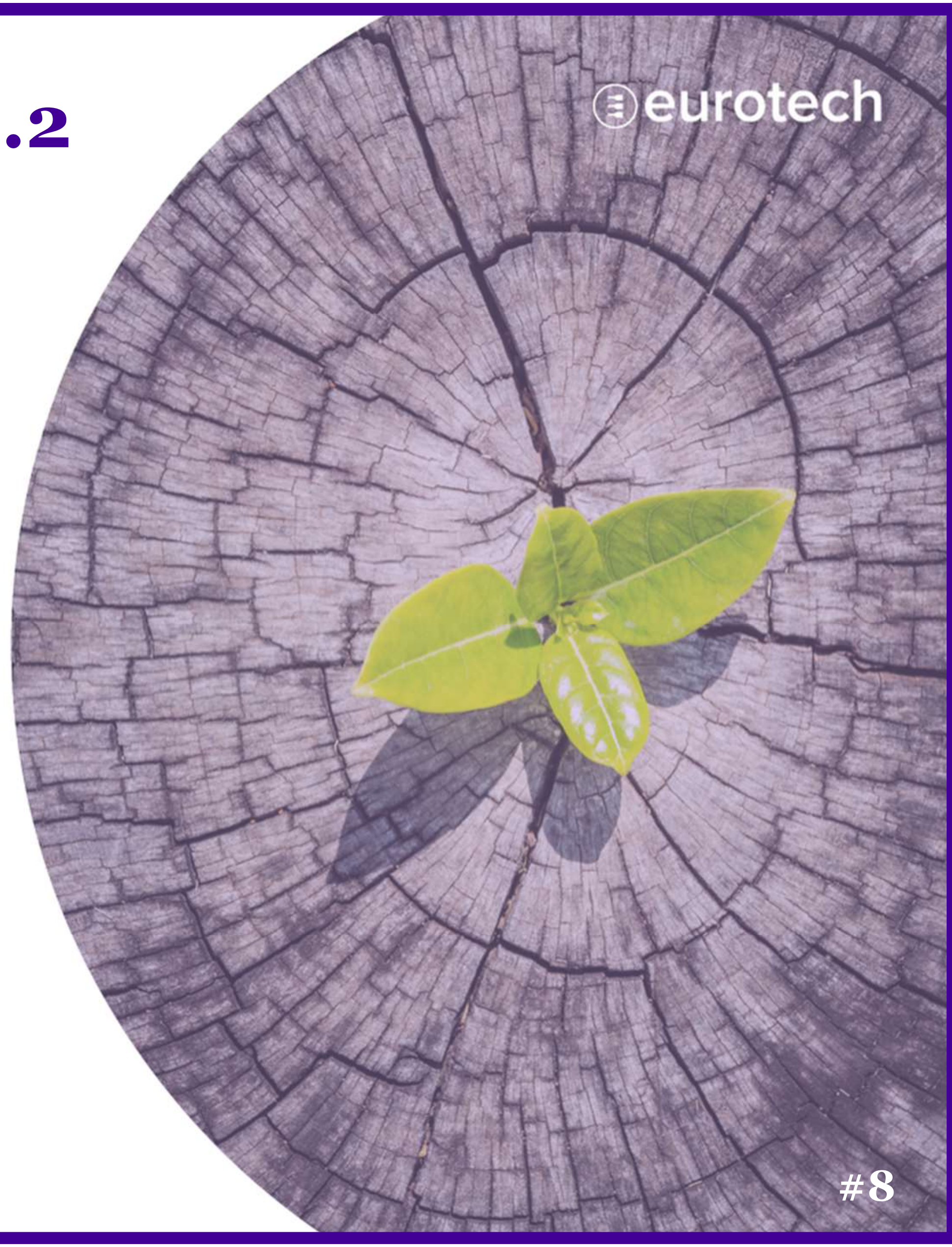
H1 2025 financial highlights

eurotech

- **Q2 revenues up sequentially as expected** (+57% QoQ) **but H1 still down 26.6% YoY** following the weak order intake in H2 last year
- **Gross Profit Margin @ 49.3% in line with Q1-25 and H1-24**, small variation linked to product mix
- **OPEX down 2.4M€ YoY** which become 3.3M€ net of non-recurring costs
- **EBITDA still negative due to weak top line**
- **Net Working Capital down 5.2M€** vs year-end 2024
- **Net Financial Position improving 1.7M€** vs year-end 2024

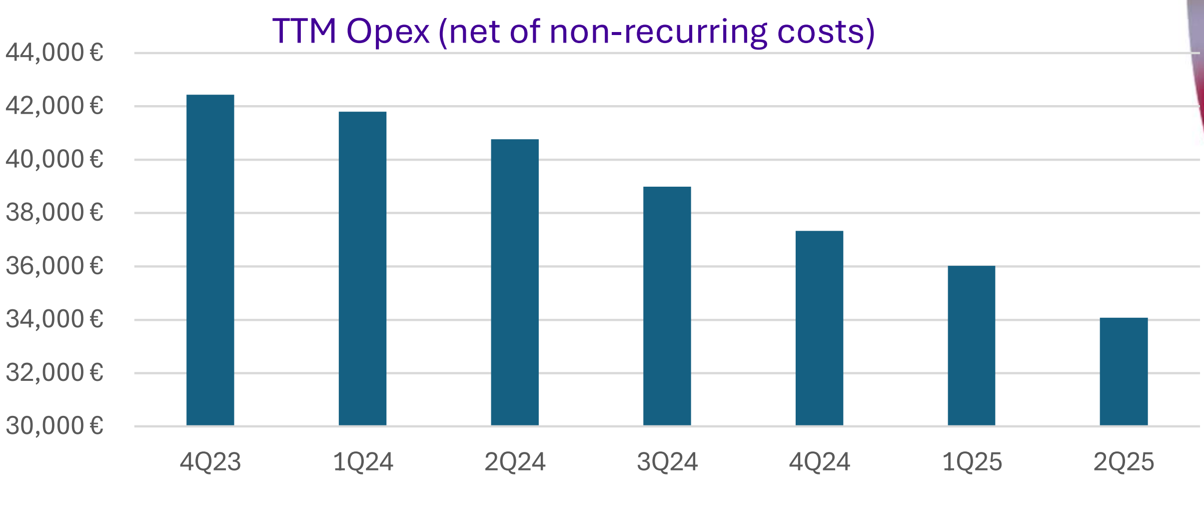
TTM order / revenues ratio > 1.2
and steadily > 1 since April





opex optimization update

- **Not just reduction but also redesign of organizational structure**
  - Stronger integration of functions between subsidiaries and Italian headquarters
  - USA & UK focusing only on Go-to-market & Sales
  - Trimming external services and promoting insourcing
- **Constant focus on cost management and opex optimization going forward**



All values in € thousand

macro-economic scenario: a mix of turbulence, uncertainty and opportunities

- **US tariffs shaking global trade** with several companies choosing a wait-and-see approach
- Geopolitical events keeping **market volatility at high levels**
- European industrial sector recovery needing more time to materialise, few signs visible so far
- **New public spending initiatives in Europe pushing smart infrastructure and defence sectors**
- **AI is here to stay** despite some hype
- Compared to 1 year ago the **landscape for M&A operations has changed, macro scenario suggests a review of the approach**

road ahead in the short term: back to positive EBITDA in H2

- **H2 >> H1**
- **H2-25 > H2-24** confirming trend inversion
- **Order intake at the end of August has already matched the FY-24 figure**
- **No direct impact from tariffs in H1. Watching out on potential impacts going forward** since current deals are not written on stone
- **FY25 vs FY-24: revenues slightly below YoY** due to H1 performance, but...
- **FY-25 EBITDA materially better than FY-24** due to opex reduction

financial
update

H1 2025

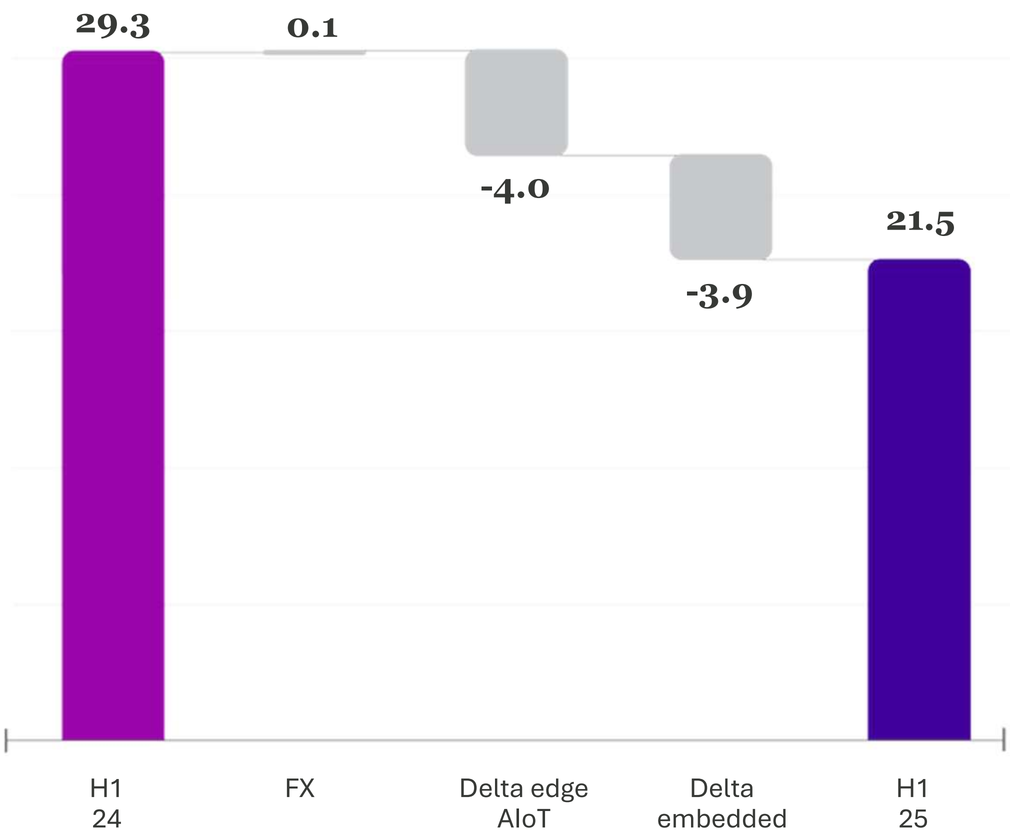
UNLEASHING THE POWER OF THE EDGE

revenues following weak order intake in H2-24

eurotech

but Q2 showing signs of trend inversion

All values in € million

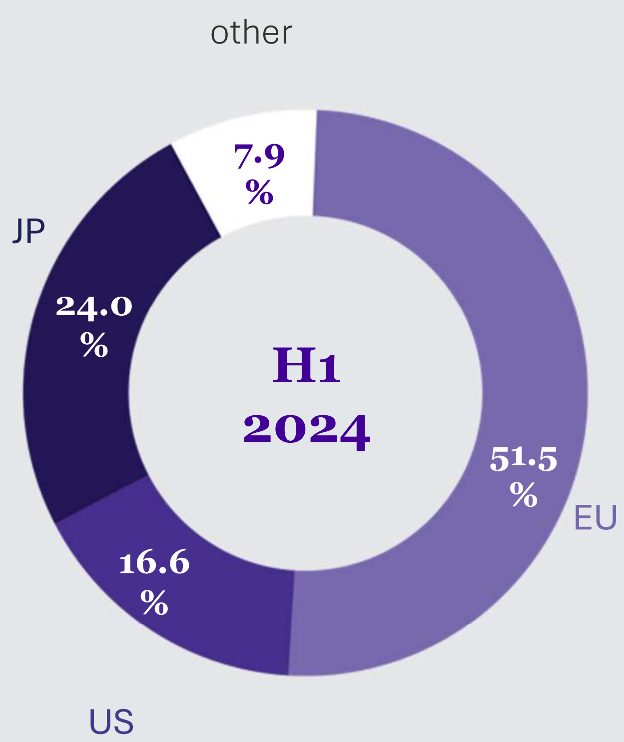


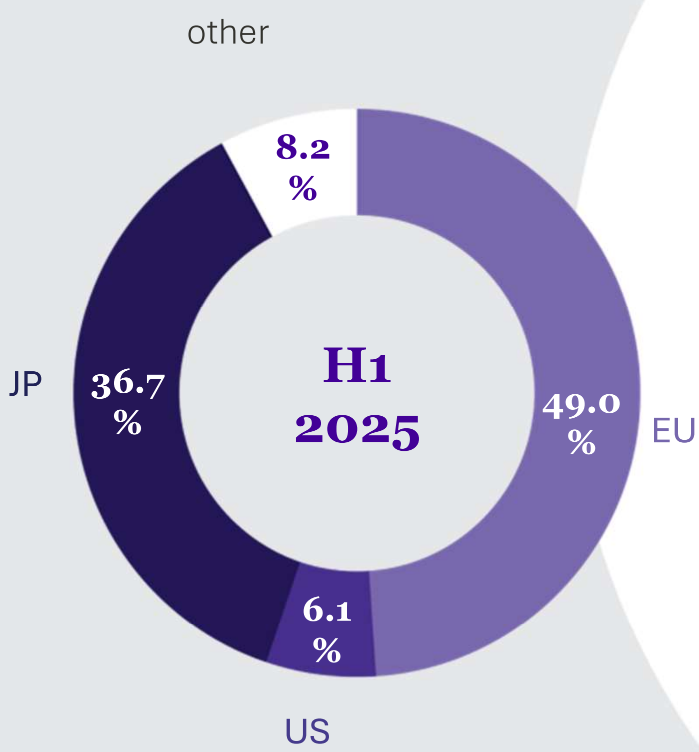
#Legacy embedded business impacted by contraction in US

#Edge AIoT contracting mainly due to economic crisis in Germany in H2 2024

EU area consolidates first place

revenues breakdown by end-customer location





#**Europe** confirmed as first market despite weakness in Germany

#**Japan** consolidating second place

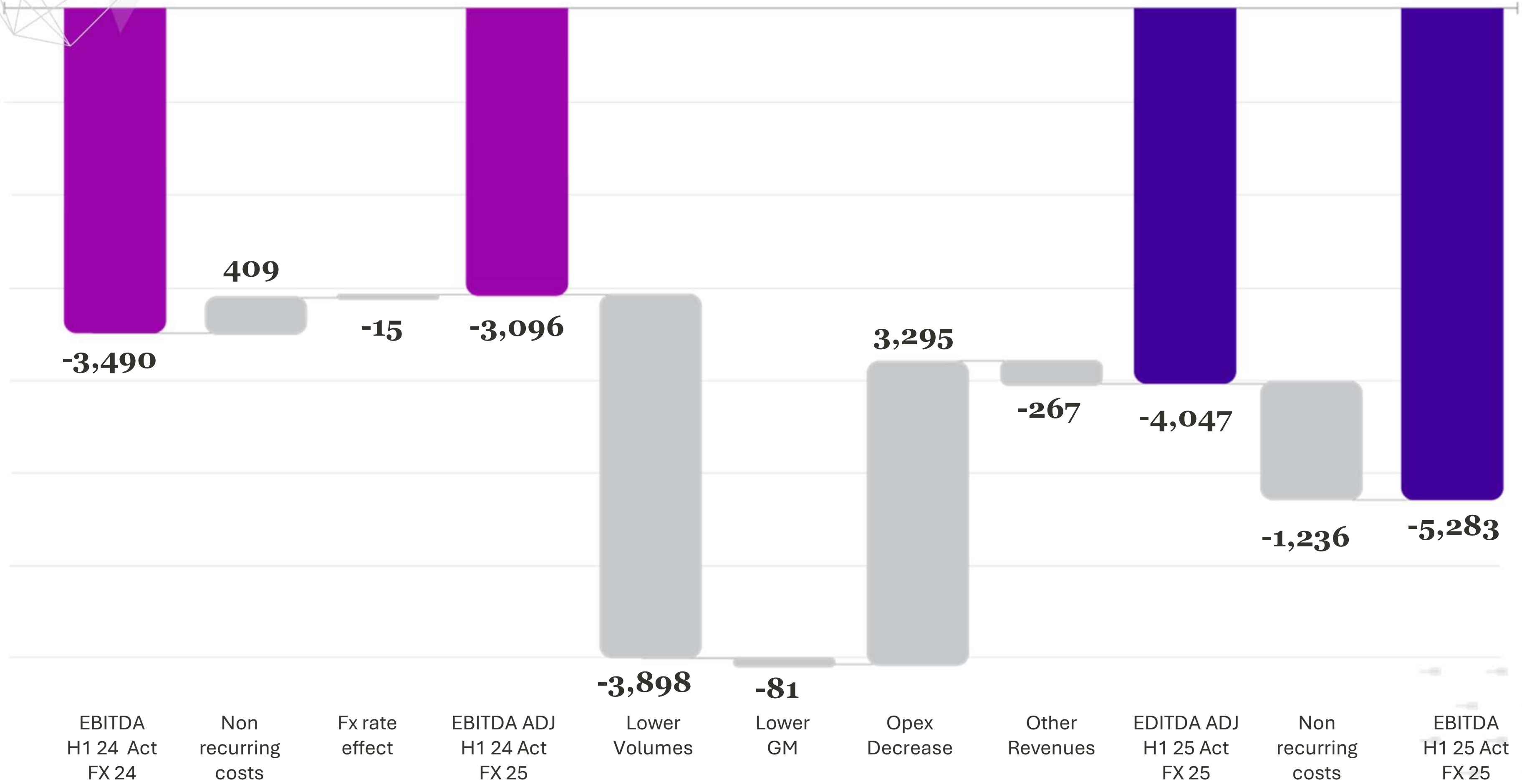
#**US** shrinking in absolute value following traditional embedded business reduction

Percentages total might not sum up to 100 because of rounding

EBITDA helped by lower break-even point

opex reduction partially compensate top line weakness

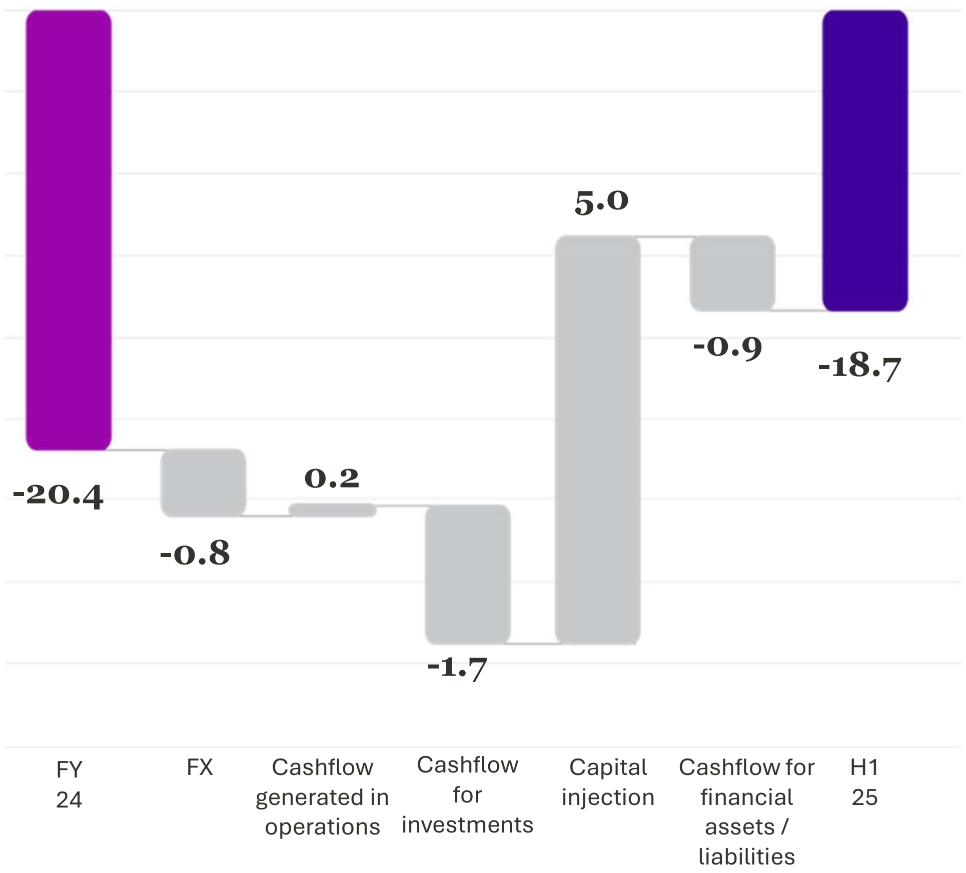
All values in € thousand



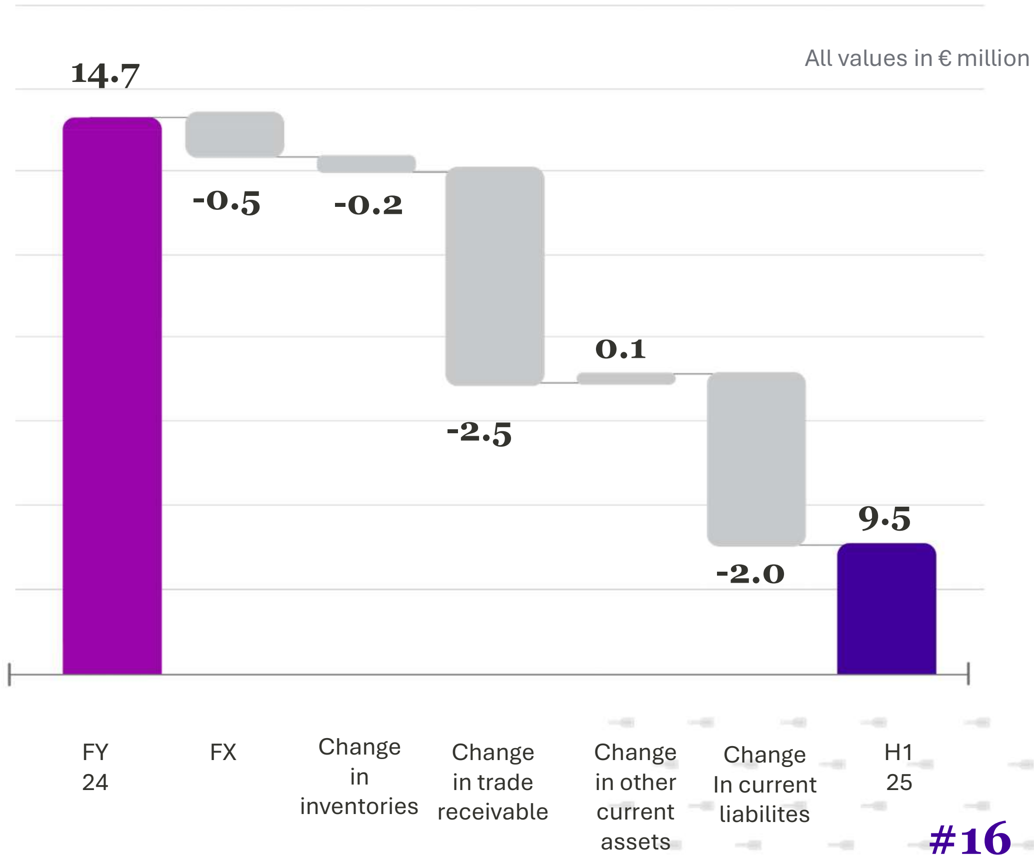
balance sheet affected by reduction of NWC

eurotech

NFP improving 1.7M€ vs year-end 2024, with positive operating cash flow despite negative EBITDA



NWC down 5.2M€ vs year-end 2024 driven by collection of trade receivables and reduction of current liabilities including the payables



key
takeaways

H1 2025

key takeaways

eurotech

H1 revenues down 26.6% but H2 showing sings of trend inversion

Order booking growing steadily with **TTM Book-to-bill ratio back to > 1 since April**

GPM stable YoY and **Net Opex (running costs) down 2.4M€ YoY** mitigating impact of weak sales on EBITDA

No direct impact from tariffs in H1. Watching out on potential impacts going forward since situation is still very fluid

NWC improved by 5.2M€ and **NFP improved by 1.7M€**

We expect H2-25 >> H1-25 and also H2-25 > H2-24, leading to positive EBITDA generation in H2-25