

# RTX Q3 & 9M – Investor Presentation

Q3 & 9M – 2023/24

# Disclaimer on Forward Looking Statements

*This presentation contains statements regarding expectations for the future development of RTX A/S, including future revenue and operating profit (EBITDA), reflect Management's current outlook and carry some uncertainty.*

*These statements can be affected by a number of risks and uncertainties, which means that actual developments and results can be materially different from the expectations expressed directly or indirectly in this presentation of the interim report.*

*These risks and uncertainties include, but are not limited to, general economic conditions and developments, changes in demand for RTX's products and services, competition, technological changes, fluctuations in currencies, component availability, and fluctuations in sub-contractor supplies as well as legislative and/or regulatory changes.*



# Agenda

- 1. RTX Key Highlights and Business Update**
2. Financial Highlights for Q3 & 9M 2023/24
3. Q&A

# Business Update Highlights - Q3 2023/24

- **Revenue growth from Q1 to Q3:** Q3 2023/24 reached DKK 142 million. Q3 2023/24 shows an increase in new orders, compared to previous quarters, although the outlook remains short-term, and the levels are still below expectation.
- **Improving gross margin:** Q3 reached 47.7%, an increase compared to Q1 (38.9%) and Q2 (45.6%), due to both realized product mix and an overall increase in revenue.
- **Positive EBITDA** at DKK 9 million in Q3, compared to DKK 1 million in Q2 and DKK -31 million in Q1, which is a combined result of increased revenue and cost cautiousness in capacity costs.
- **Outlook adjusted:** On 30 June 2024, RTX announced an adjusted outlook, due to postponed orders and lower demand, particularly in the ProAudio segment, but also for one of our major customers in the Enterprise segment. The updated outlook is:
  - Revenue DKK 500 to 510 million (from 580-630)
  - EBITDA DKK 0 to 10 million (from 45-60)
  - EBIT DKK -40 to -30 million (5-20)



# Business Update Highlights - Q3 & 9M 2023/24

## Revenue

Q3: **142** DKKm

9M: **349** DKKm



## Revenue (2022/23)

Q3: **170** DKKm

9M: **558** DKKm

*The revenue development between the first and third quarters reflects that many customers have reduced their inventory and has started placing new orders.*

## Enterprise

Q3: **103**

9M: **228**

-40%  
9M YoY change



## ProAudio

Q3: **27**

9M: **91**

-27%  
9M YoY change



## Healthcare

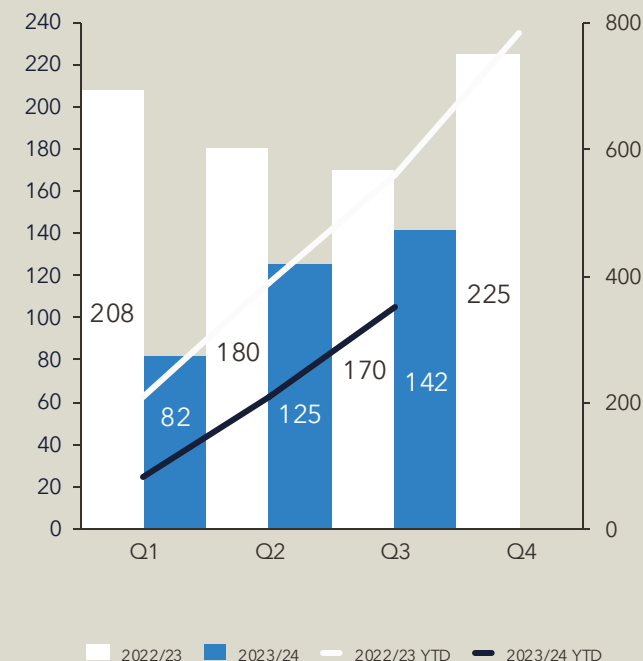
Q3: **12**

9M: **30**

-46%  
9M YoY change



## Revenue DKKm



# Business Update Highlights - Q3 & 9M 2023/24

## Gross Margin

Q3: **47.7** %

9M: **44.9** %



## Gross Margin (2022/23)

Q3: **48.2** %

9M: **46.2** %

The development in gross margin during the current financial year reflects both increased profitability from product mix and an overall increase in revenue.

## EBITDA

Q3: **9** DKKm

9M: **-20** DKKm



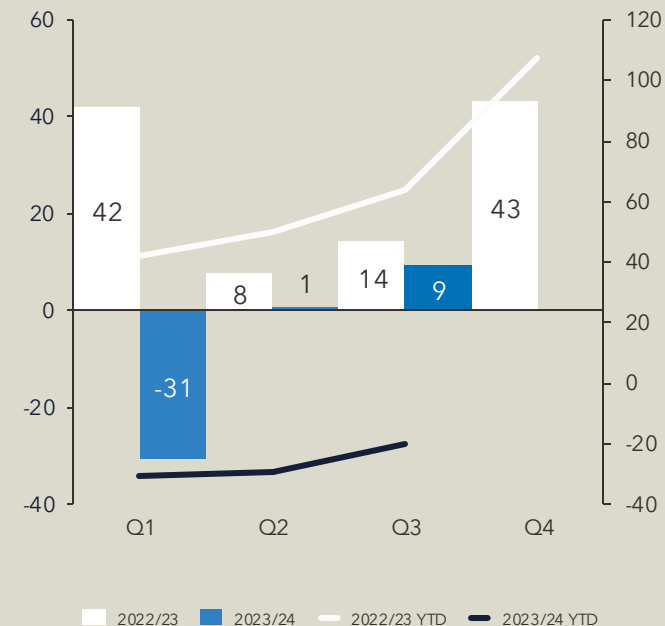
## EBITDA (2022/23)

Q3: **14** DKKm

9M: **64** DKKm

The development in EBITDA for the period is impacted mainly by the revenue level, which is lower than last year, but improving from Q1 to Q3 in the current financial year.

## EBITDA DKKm



# Agenda

1. RTX Key Highlights and Business Update
- 2. Financial Highlights for Q3 & 9M 2023/24**
3. Q&A

# Financial Update Highlights - Q3 & 9M 2023/24

## Change in Inventory



Q3: ↓ **9** DKKm  
9M: ↓ **11** DKKm

**Inventory end of Q3** reached DKK 91 million (Q3 2022/23: DKK 122 million). The reduction in inventory is a result of revenue picking up and utilization of component inventory for products sold.

RTX is no longer sourcing components for production, as corporation with our production partners is normalizing.

## Change in net liquidity position



Q3: ↑ **13** DKKm  
9M: ↓ **37** DKKm

**Positive development in the quarter** on net liquidity position of DKK 13 million. This is a result of both positive EBITDA, a reduction of inventory and reduced working capital.

The development for the first 9 months is impacted positively by reduction in inventory and working capital and negatively by operational result and share buy back program.

## Share Buy Back Program



Q3: **5.5** DKKm  
9M: **17.5** DKKm

**Share Buy Back** program of DKK 20 million was announced on 30 November 2023. Up until the end of Q3, shares had been purchased for DKK 17.5 million.

Just prior to the publication of the Q3 & 9M 2023/24 report (22 august 2024) the share buy back program of DKK 20 million was concluded.



# RTX Group PnL - Q3 & 9M 2023/24

Amounts in DKK '000	Note	Q3 2023/24	Q3 2022/23	9M 2023/24	9M 2022/23	FY 2022/23
Revenue	3	141,940	169,885	349,049	557,382	782,777
Value of own work capitalized	4	5,275	2,092	15,914	8,693	13,525
Cost of sales		-74,265	-88,013	-192,458	-299,889	-424,346
Other external expenses		-17,435	-18,176	-54,167	-52,599	-72,419
Staff costs		-46,120	-51,463	-138,484	-149,450	-192,013
<b>Operating profit/loss before depreciation and amortization (EBITDA)</b>		<b>9,395</b>	<b>14,325</b>	<b>-20,146</b>	<b>64,137</b>	<b>107,524</b>
Depreciation, amortization and impairment	4	-9,238	-9,929	-30,485	-29,345	-39,628
<b>Operating profit/loss (EBIT)</b>		<b>157</b>	<b>4,396</b>	<b>-50,631</b>	<b>34,792</b>	<b>67,896</b>
Financial income	5	1,323	1,085	4,443	3,515	3,840
Financial expenses	5	-672	-1,568	-5,199	-15,638	-12,569
<b>Profit/loss before tax</b>		<b>808</b>	<b>3,913</b>	<b>-51,387</b>	<b>22,669</b>	<b>59,167</b>
Tax on profit/loss		-178	-825	11,305	-4,986	-12,452
<b>Profit/loss for the period</b>		<b>630</b>	<b>3,088</b>	<b>-40,082</b>	<b>17,683</b>	<b>46,715</b>
<b>Earnings per share</b>						
Earnings per share (DKK)		0,1	0,4	-4,9	2,2	5,7
Earnings per share, diluted (DKK)		0,1	0,4	-5,0	2,2	5,7

## Revenue

We see a revenue increase quarter on quarter during FY 2023/24. Revenue for 9M 2023/24 months, is 37% lower than same period last year.

## Capacity costs

Capacity costs consists of mainly staff costs and other external expenses. The capacity costs for 9M 2023/24 are DKK 9 million lower than same period last year, and this is a result of cost cautiousness.

## EBITDA / EBIT

EBITDA / EBIT for 9M 2023/24 is negatively impacted by lower revenue and positively by lower capacity costs compared to same period last year.

# Group Balance Sheet - Q3 & 9M 2023/24

DKK million	30 Jun 2024	30 Jun 2023	30 Sep 2023
<b>Assets</b>			
Intangible assets	78.1	58.5	55.9
Tangible assets	79.6	91.3	86.3
Other non-current assets	19.7	8.6	8.9
Inventories	90.7	121.7	102.2
Receivables	119.8	188.8	187.2
Cash and cash equivalents	100.4	91.6	137.7
<b>Total assets</b>	<b>488.3</b>	<b>560.5</b>	<b>578.1</b>
<b>Liabilities</b>			
Equity	320.8	350.0	377.1
Non-current liabilities	79.3	71.4	57.8
Current liabilities	88.2	139.1	143.2
<b>Total equity and liabilities</b>	<b>488.3</b>	<b>560.5</b>	<b>201.0</b>
Equity ratio	65.7%	62.4%	65.2 %

## Inventory

Inventory decreased, and the supply chain is normalizing, where our production partners source the components for production. Further reductions in component inventory is expected.

## Working capital

Reduction in working capital is related to the lower revenue level impacting both payables and receivables and the efforts to reduce component inventory.

## Intangible assets / Non-current liabilities

The increase in intangible assets and non-current liabilities during the year is impacted by the investment in strategic collaboration with a large global Healthcare company regarding a new generation of wireless infrastructure for patient monitoring solutions.

# Group Cash Flow - Q3 & 9M 2023/24

DKK million	Q3 23/24	Q3 22/23	9M YTD 23/24	9M YTD 22/23
Cash flow from operations (CFFO)	26.8	6.7	3.8	43.4
Cash flow from investments (CFFI)	-6.0	-8.3	-18.0	-23.4
Cash flow from financing activities (CFFF)	-7.7	-2.8	-23.2	-6.1
<b>Increase/decrease in cash and cash equivalents</b>	<b>13.1</b>	<b>-4.4</b>	<b>-37.3</b>	<b>13.9</b>
Current asset investments in the trading portfolio	32.8	31.1	32.8	31.1
<b>Cash &amp; Cash Equivalent</b>	<b>100.4</b>	<b>91.6</b>	<b>100.4</b>	<b>91.6</b>

## CFFO

CFFO is positively impacted by reduction in working capital and positive EBITDA.

## CFFI

CFFI is mainly composed of investments in own development projects.

## CFFF

CFFF is mainly composed of leasing liabilities and acquisition of shares under the share buy back program

Q&A Session

# Thank you for your attention

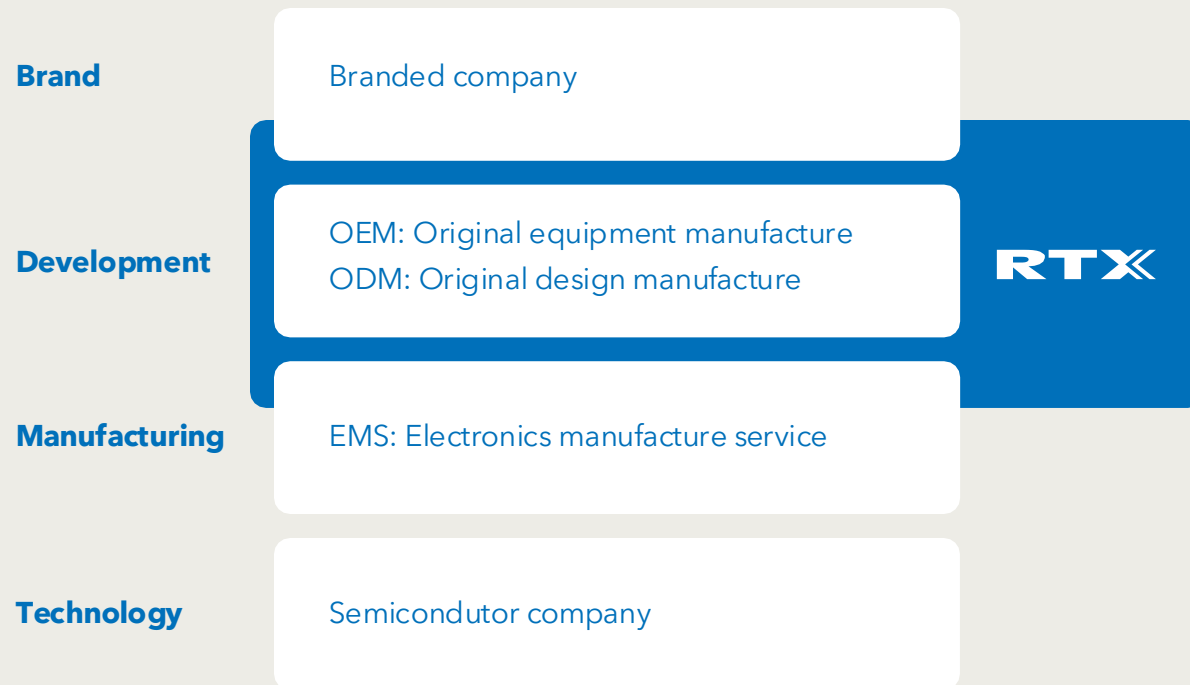
For further information, please contact  
CEO Peter Røpke or CFO Mille Tram Lux at +45 9632 2300

Our purpose is to help  
people perform at their best.

We provide our customers with the best possible  
wireless communications solutions, allowing their  
customers to seamlessly connect and communicate.

# RTX and our market position

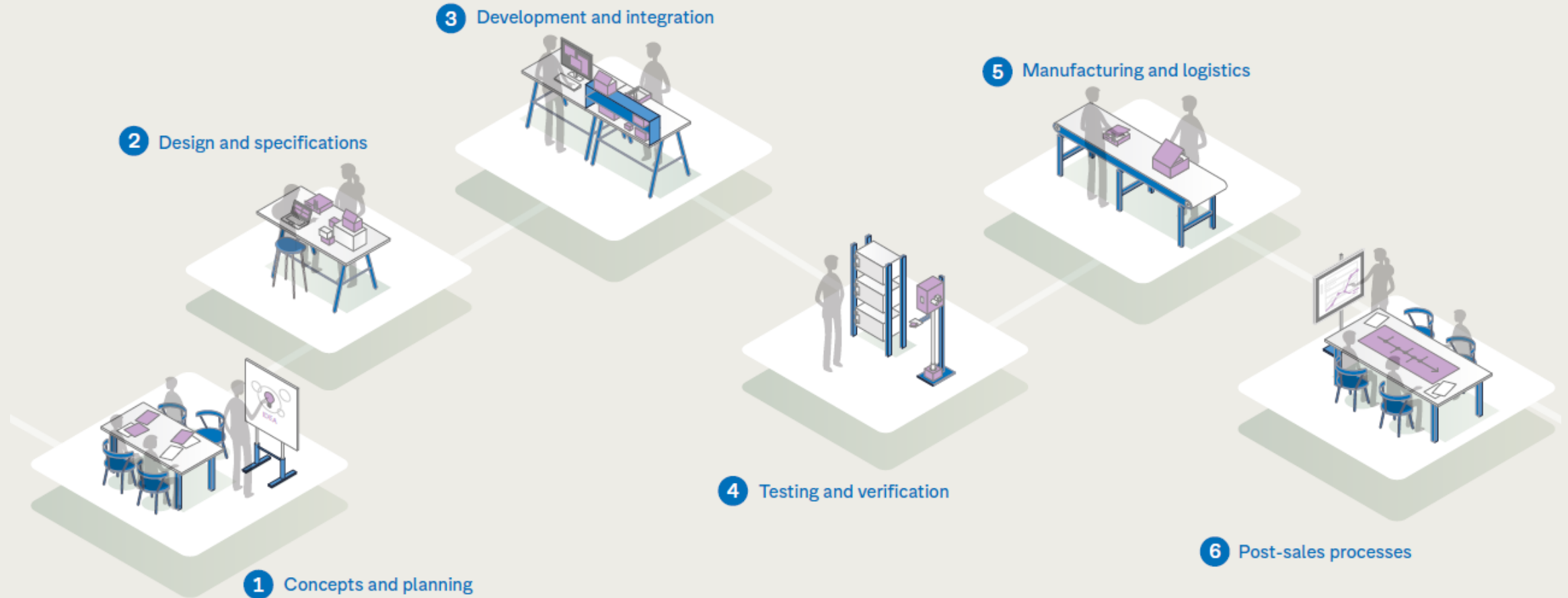
## Multiple horizontal layers



## RTX - A solutions provider

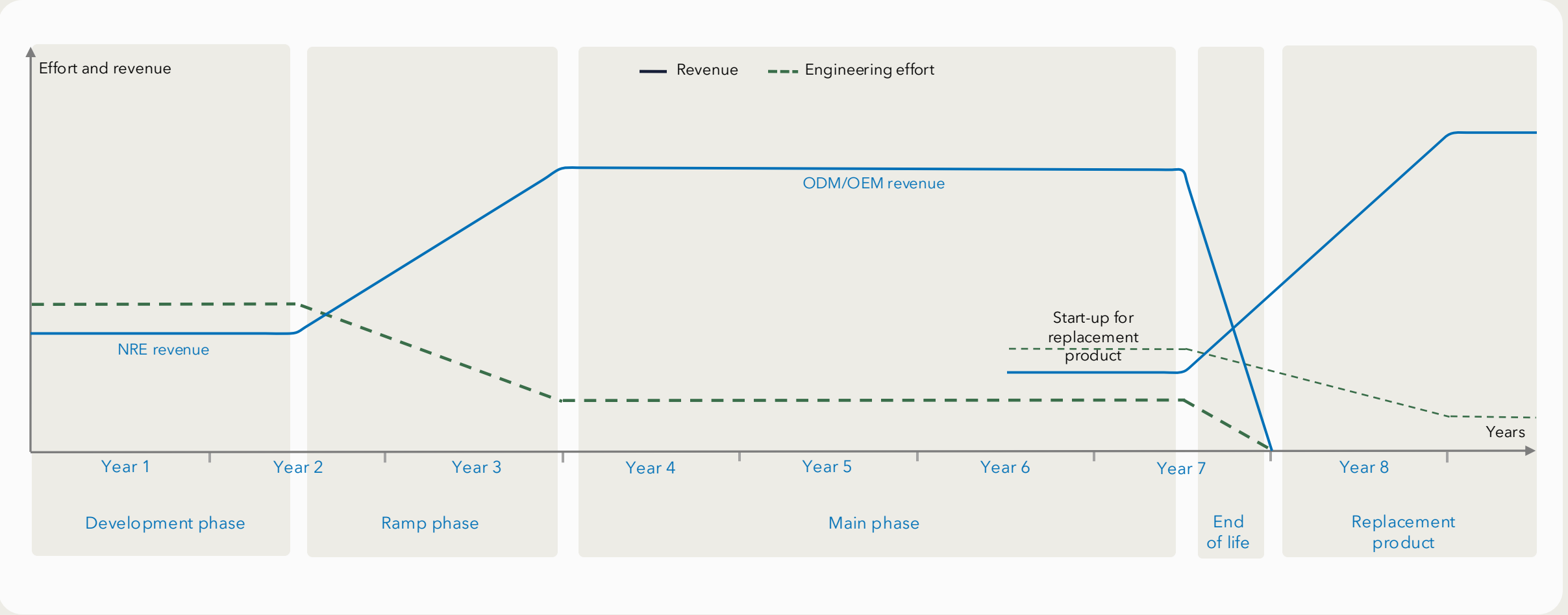
- RTX operates mainly in the spectrum of development as an ODM/OEM.
- Providing a range of services; including product customization, technology integration, and end- to-end solutions encompassing full product lifecycle management.
- Through long-term partner- ships we seamlessly align with our customers’ development processes and operations.
- As a pure-play solutions provider, we refrain from directly marketing and selling RTX products and solutions to end-users. Our primary focus revolves around serving as an ODM/OEM for our customers and as a true partner we tie our earnings to our customers’ market success.

# How we work





# RTX - Revenue Model



# Customers and Partnerships

## Global B2B customers

RTX's wireless solutions enable our B2B customers to market **reliable**, **secure**, and **scalable** systems with **seamless integration** to meet their specific communication and monitoring needs and respond to market demands.

