

RTX Q2 – Investor Presentation

Q2 - 2023/24

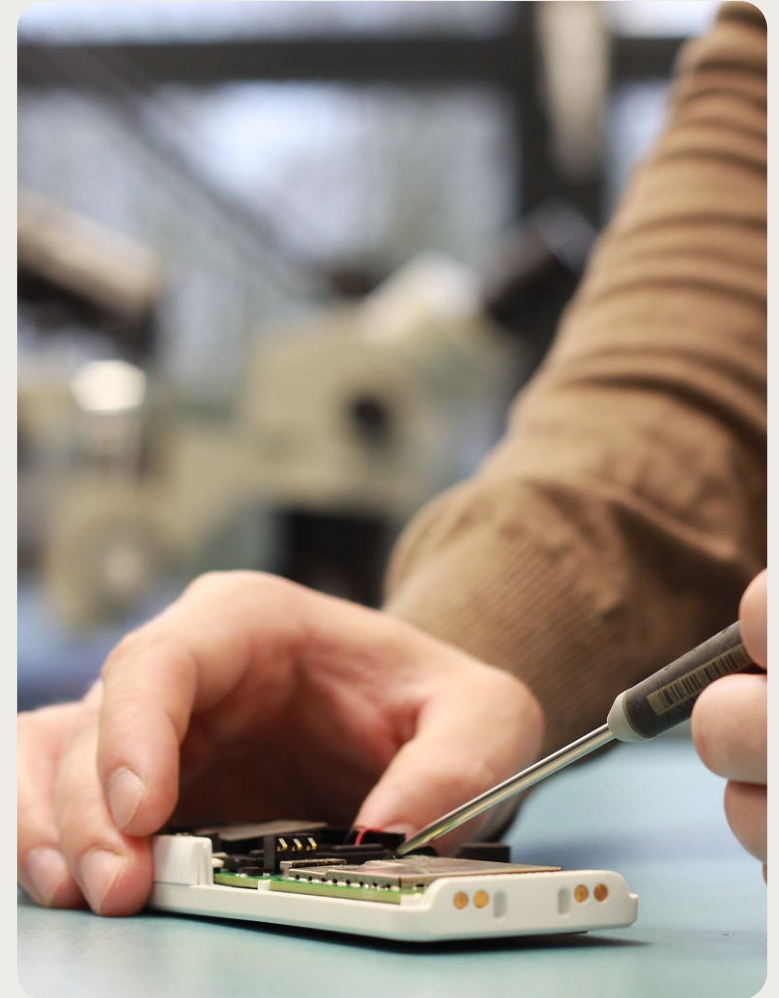
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Disclaimer on Forward Looking Statements

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 mean 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 Q2 2023/24
- 3 Outlook
- 4 Q&A

Business Update Highlights

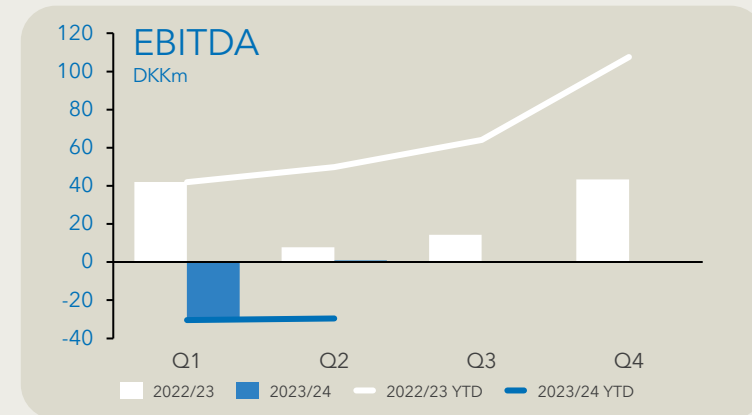
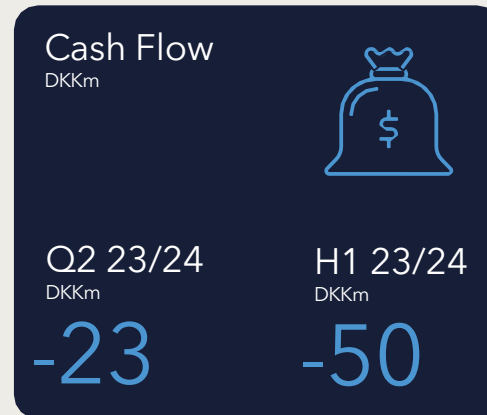
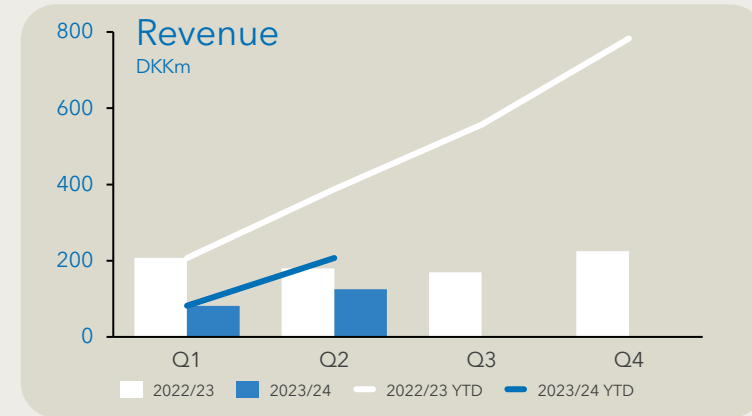
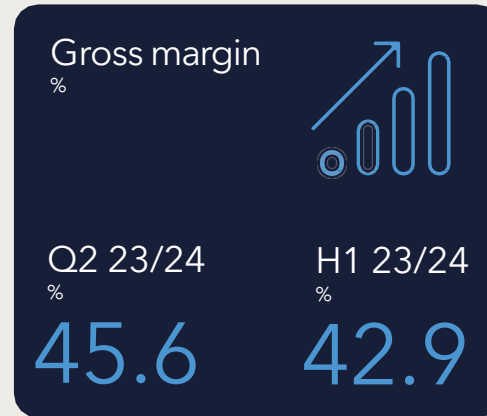
- **Revenue** for Q2 2023/24 reached DKK 125 million (Q2 2022/23: DKK 180 million). Revenue for H1 2023/24 amounted to DKK 207 million (H1 2022/23: DKK 388 million). The positive development in revenue between first and second quarter reflects that a number of customers have reduced their inventory and have started placing new orders.
- **Gross margin** for Q2 reached 45.6%, which is a reflection of both product mix and an overall increase in revenue, compared to Q1 2023/24.
- **Supply chain** is normalizing and we have continuous focus on driving down component inventory. In order to strengthen our production partner footprint, we have successfully established a partnership with a new EMS in the Philippines, where we started mass production, during Q2 2023/24.
- **Capacity costs:** We have exercised cost cautiousness in capacity costs and organizational development, and in parallel increased customer focused activities. This is reflected in the lower cost level compared to last year.
- **Strategic contract in Healthcare** signed in November 2023 - development is progressing, with first product launch expected in the second half of 2024.
- **Outlook** for 2023/24 is maintained. The positive development in revenue between first and second quarter reflects that a number of customers have reduced their inventory and have started placing new orders. We expect to continue to see improvements in the coming quarters. The outlook still is subject to uncertainties, particularly in the Pro-Audio segment, combined with the timing for reaching a normalized production and delivery pattern. However, we maintain our outlook for the year, as previously communicated in the 2022/23 annual report.

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Financial Highlights

Interim Financial Report for Q2, 2023/24



Revenue

Interim Financial Report for Q2, 2023/24

Enterprise Revenue

Q2: DKK **81** million

H1: DKK **125** million

ProAudio Revenue

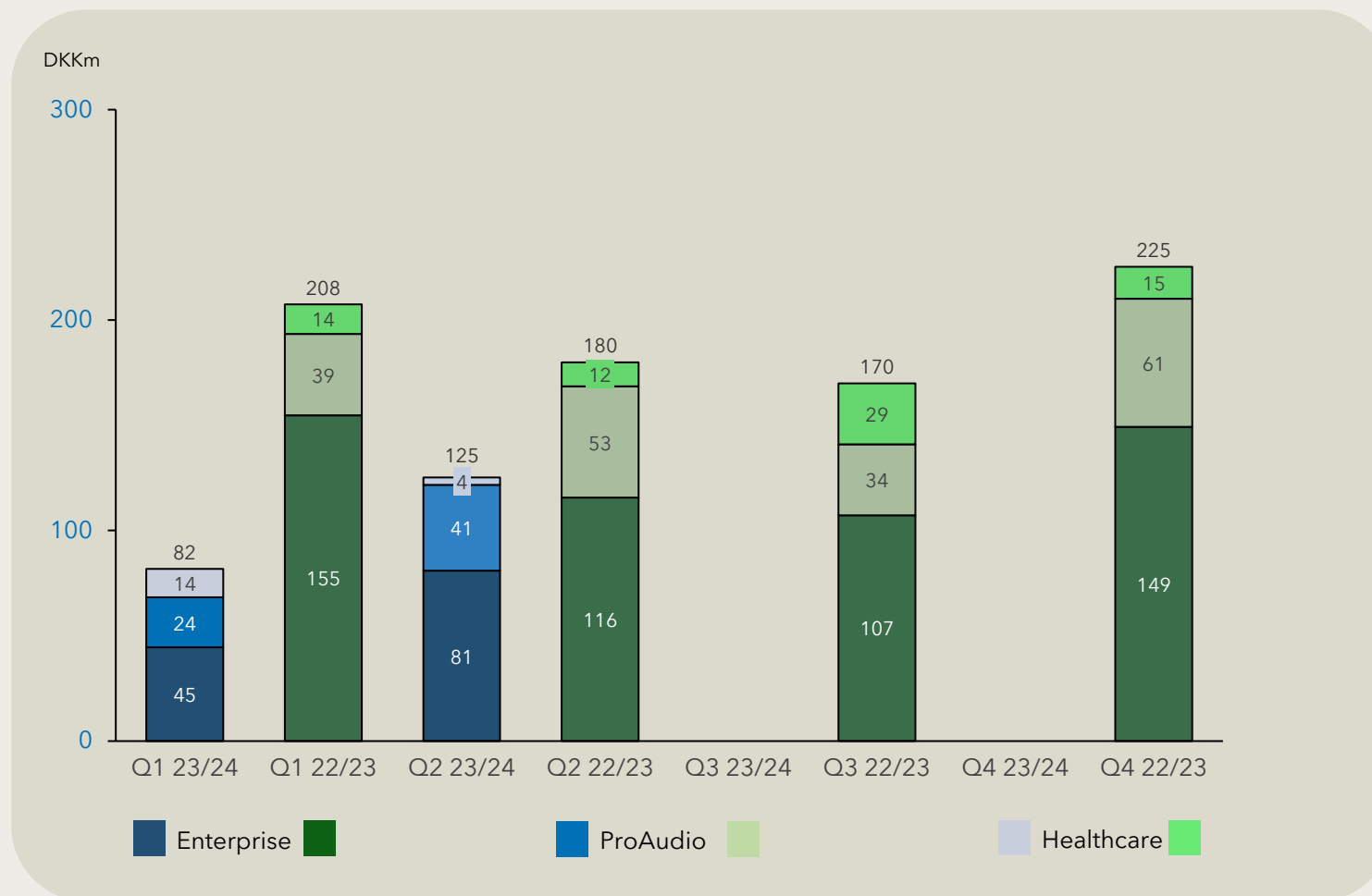
Q2: DKK **41** million

H1: DKK **65** million

Healthcare Revenue

Q2: DKK **4** million

H1: DKK **17** million



Group PnL

Interim Financial Report for Q2, 2023/24

DKK million	Q2 23/24	Q2 22/23	H1 YTD 23/24	H1 YTD 22/23
Revenue	125.2	180.0	207.1	387.5
Cost of sale	-68.1	-105.8	-118.2	-211.9
Gross profit	57.1	74.2	88.9	175.6
Gross margin %	45.6%	41.2%	42.9%	45.3%
Capacity costs	-63.2	-69,6	-129.2	-132.4
<i>Other external cost</i>	-17.5	-18.0	-36.8	-34.4
<i>Staff cost</i>	-45.7	-51.6	-92.4	-98.0
Value of own work capitalized	7.0	3.2	10.6	6.6
EBITDA	0.9	7.8	-29.5	49.8
Depreciation, amortization and impairment	-10.5	-9.7	-21.3	-19.4
Operating Profit (EBIT)	-9.6	-1.9	-50.8	30.4

Revenue for Q2 DKK 125.2 million

Revenue for Q2 ended at DKK 125.2 million compared to DKK 180.0 million in Q2 last year. Revenue for H1 ended at DKK 207.1 million compared to DKK 387.5 million in Q2 last year.

Gross margin for H1 at 42.9 %

Gross margin is primarily impacted by the revenue mix of products, but also the low volume in the first half year. The Q1 delivery of low-margin products is expected to be balanced by higher-margin products in the remaining quarters and we have seen a higher gross margin in Q2 at 45.6 % compared to 41.2 % in H1 last year.

Capacity costs cautiousness

Capacity costs for H2 2023/24 reached DKK 129 million, compared to DKK 132 million in H1 2022/23. The lower capacity costs is a result of cautiousness in capacity costs and organizational development.

EBITDA for Q2 DKK 0.9 million

EBITDA for Q2 ended at 0.9 million, compared to DKK 7.8 million last year and is a result of lower revenue from product sales. EBITDA for H1 ended at DKK -29.5 million compared to DKK 49.8 million last year

Group Balance Sheet

Interim Financial Report for Q2, 2023/24

DKK million	31 Mar 2024	31 Mar 2023	30 Sep 2023
Assets			
Intangible assets	71.9	60.3	55.9
Tangible assets	78.7	86.2	86.3
Other non-current assets	14.3	8.6	8.9
Inventories	99.8	112.7	102.2
Receivables	115.1	182.9	187.2
Cash and cash equivalents	87.2	96.3	137.7
Total assets	467.0	547.0	578.1
Liabilities			
Equity	325.6	346.4	377.1
Non-current liabilities	66.6	68.8	57.8
Current liabilities	74.8	131.7	143.2
Total equity and liabilities	467.0	547.0	201.0
Equity ratio	69.7%	63.3%	65.2 %

Working capital

Reduction in working capital primarily due to reduced revenue in H1 and determined focus on reduction of inventory.

Intangible assets

The increase in intangible assets 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.

Inventory

Inventory decreased by DKK 8 million in Q2, and the supply chain is normalizing, where our production partners source the components as the main rule. Further reductions in component inventory is expected throughout the year.

Group Cash Flow

Interim Financial Report for Q2, 2023/24

DKK million	Q2 23/24	Q2 22/23	H1 YTD 23/24	H1 YTD 22/23
Cash flow from operations (CFFO)	-4.3	14.5	-22.9	36.6
Cash flow from investments	-7.6	-9.1	-12.0	-15.1
Cash flow from financing activities	-10.8	-1.9	-15.5	-3.2
Increase/decrease in cash and cash equivalents	-22.7	3.5	-50.4	18.3
Current asset investments in the trading portfolio	32.7	31.2	32.7	31.2
Cash & Cash Equivalent	87.2	96.3	87.2	96.3

CFFO

Cash Flow from Operations in H1 was DKK -22.9 million, compared to DKK 36.6 million in H1 last year, negatively impacted by the lower revenue compared to last year. In Q2 the CFFO was positively affected by reduction in working capital.

Cash end Q2 / H1

The cash and cash equivalent at the end of Q2 amounted to DKK 87.2 million, compared to DKK 96.3 million at the end of Q2 last year and DKK 137.7 million end 2022/23

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Outlook 2023/24

Interim Financial Report for Q2, 2023/24

OUTLOOK / AMBITION

OUTLOOK 2023/2024

REVENUE
DKKm

580 - 630

EBITDA
DKKm

45 - 60

EBIT
DKKm

5 - 20

MAIN ASSUMPTIONS

- Backloaded as a consequence of channel stocking at global customers.
- Normal runrate anticipated towards the end of Q4.
- New products and customers are currently ramping up.
- EBITDA is impacted by the lower revenue level
- We have implemented controlled reduction in capacity costs
- We invest in activities and partnerships generating revenue in 2024/25

OUTLOOK MAINTAINED

The outlook is still subject to uncertainties, particularly in the Pro-Audio segment, combined with the timing for reaching a normalized production and delivery pattern. However, we maintain our outlook for the year, as previously communicated in the 2022/23 annual report.

Share buy back

26 April 2024

	Number of Shares	Average Purchase Price	Transaction value in DKK
RTX shares prior to initiation of the programme	258,528		
Accumulated share in the programme, latest announcement	154,620		13,070,910
19 April 2024	800	94.90	75,920
22 April 2024	800	95.70	76,560
23 April 2024	800	95.00	76,000
24 April 2024	809	95.18	77,001
25 April 2024	900	95.91	86,319
Accumulated under the programme	158,729	84.82	13,462,709
RTX total shares	8,467,838		
RTX Treasury shares	417,257	4.9%	of share capital

- Revised capital policy announced on 29 August 2023
- Initiate a share buyback program up to DKK 20 million during 2023/24.
- By the end of Q2 2023/24, 140,040 shares had been purchased

Q&A Session



Thank you for your attention

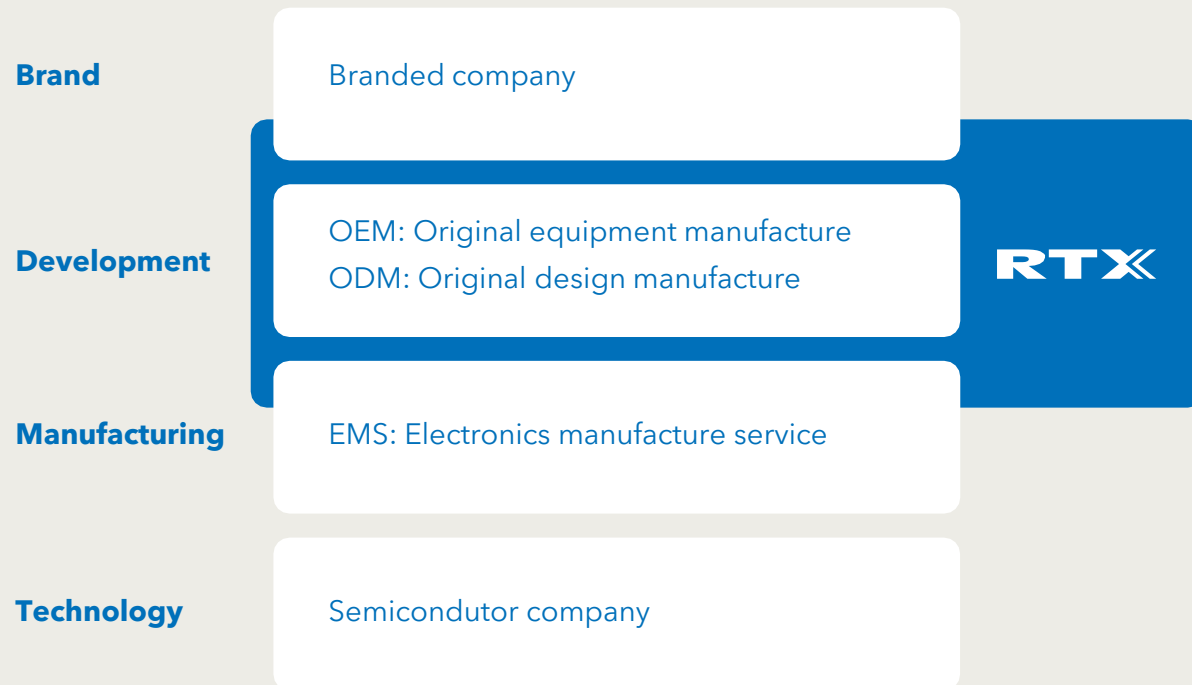
For further information, please contact
CEO Peter Røpke or CFO Mille Tram Lux at +45 9632 2300

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

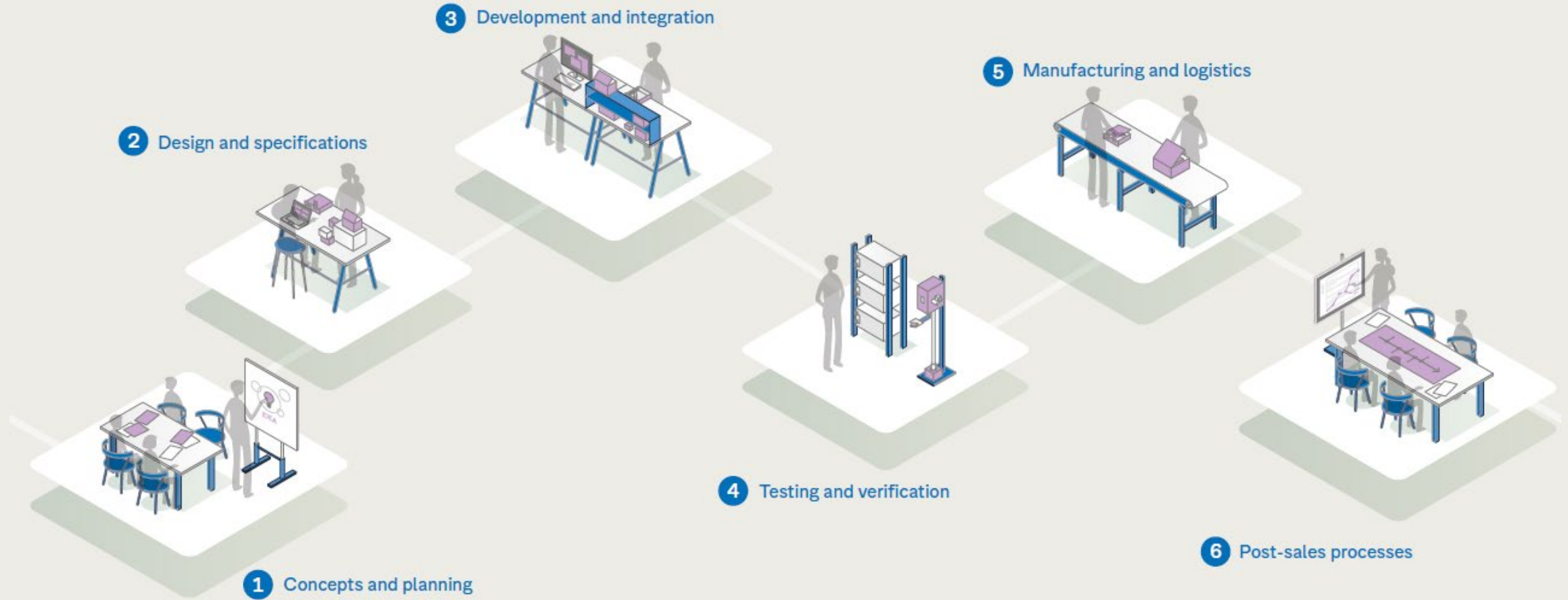
Multiple horizontal layers



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 partnerships 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



Customers and Partnerships

Global B2B customers

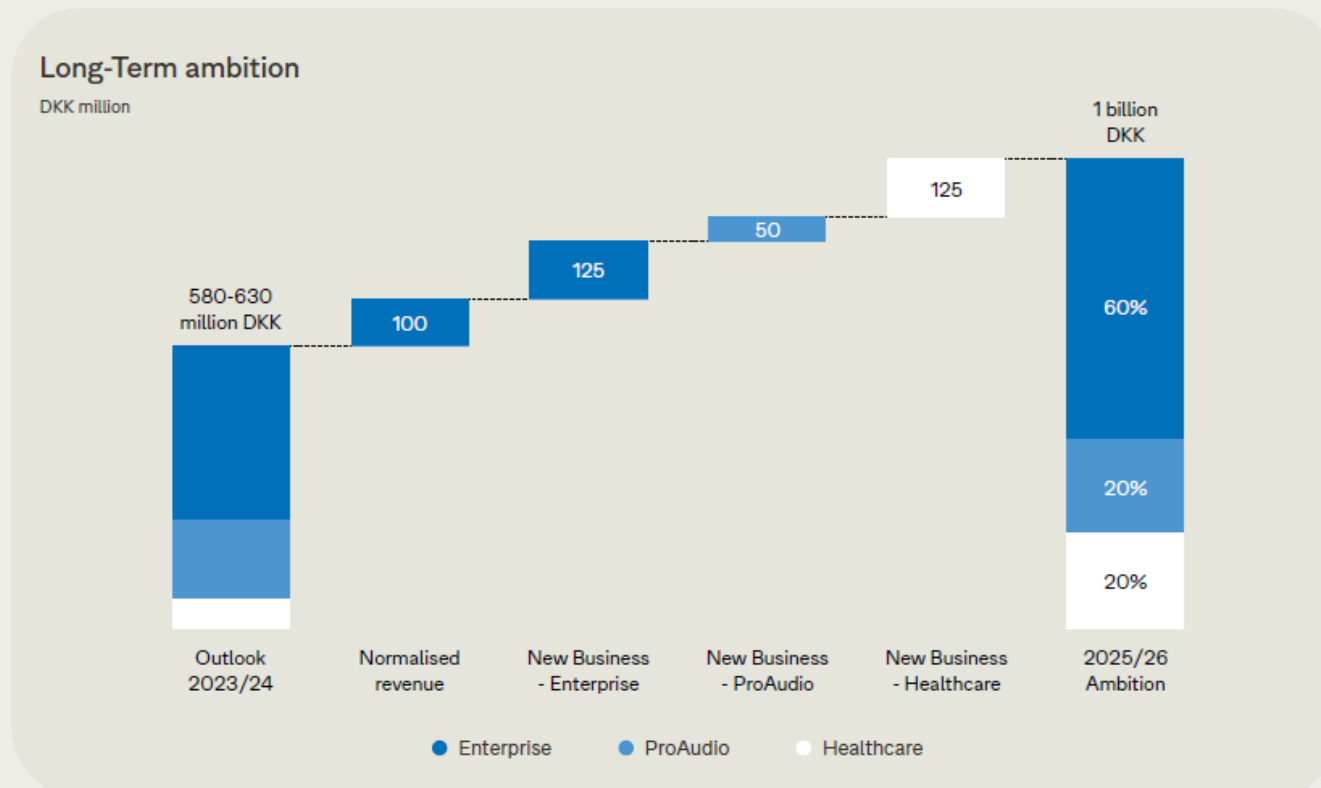
RTX's wireless solutions enable our B2B customers to market **reliable**, **secure**, and **scalable** systems with **seamless integration** to meet their specific communication and monitoring needs and respond to market demands.



Long Term Ambition 2025/26

Interim Financial Report for Q1, 2023/24

- Long-term ambition in 2025/26:**
 Revenue above DKK 1 billion
 EBITDA margin above 16%.
- Normalized revenue patterns** with revenue of existing products of DKK 600-700 million. Returning to normalized order horizons and delivery patterns of products for both RTX and our customers.
- New business**
Enterprise segment: new product categories (wireless headset), new subsegment (retail) and a broader customers base and new OEM distribution channels.
ProAudio is characterized by cooperation with key global players in the segment. New business coming from our module business, as more and more customers will bring new products to the market using our modules.
Healthcare With the contract signed in November 2023, we now have the possibility to reach customers in the Healthcare segment.



NEW - Healthcare deferred income and own development

The shift between before and after HC contract

From		To
Development service of company specific products with shared IP	➔	RTX product portfolio for Healthcare with integration to multiple brands and applications
RTX is responsible for a part of the product development & the customer is responsible for a part of the development	➔	RTX is responsible for the product development
RTX sales price reflects shared responsibility and ownership	➔	RTX sales price will significantly increase to reflect increased ownership and responsibility
Revenue from contract development projects in progress recognized during the development phase based on percentage of completion method	➔	Deferred income related to healthcare agreement will be recognized as income when development related to the products are finalized
Capitalized development of own development projects related to healthcare	➔	Capitalized development of own and acquired development projects related to healthcare
Own completed development projects amortized over the expected lifetime	➔	Own completed development projects amortized over the expected lifetime