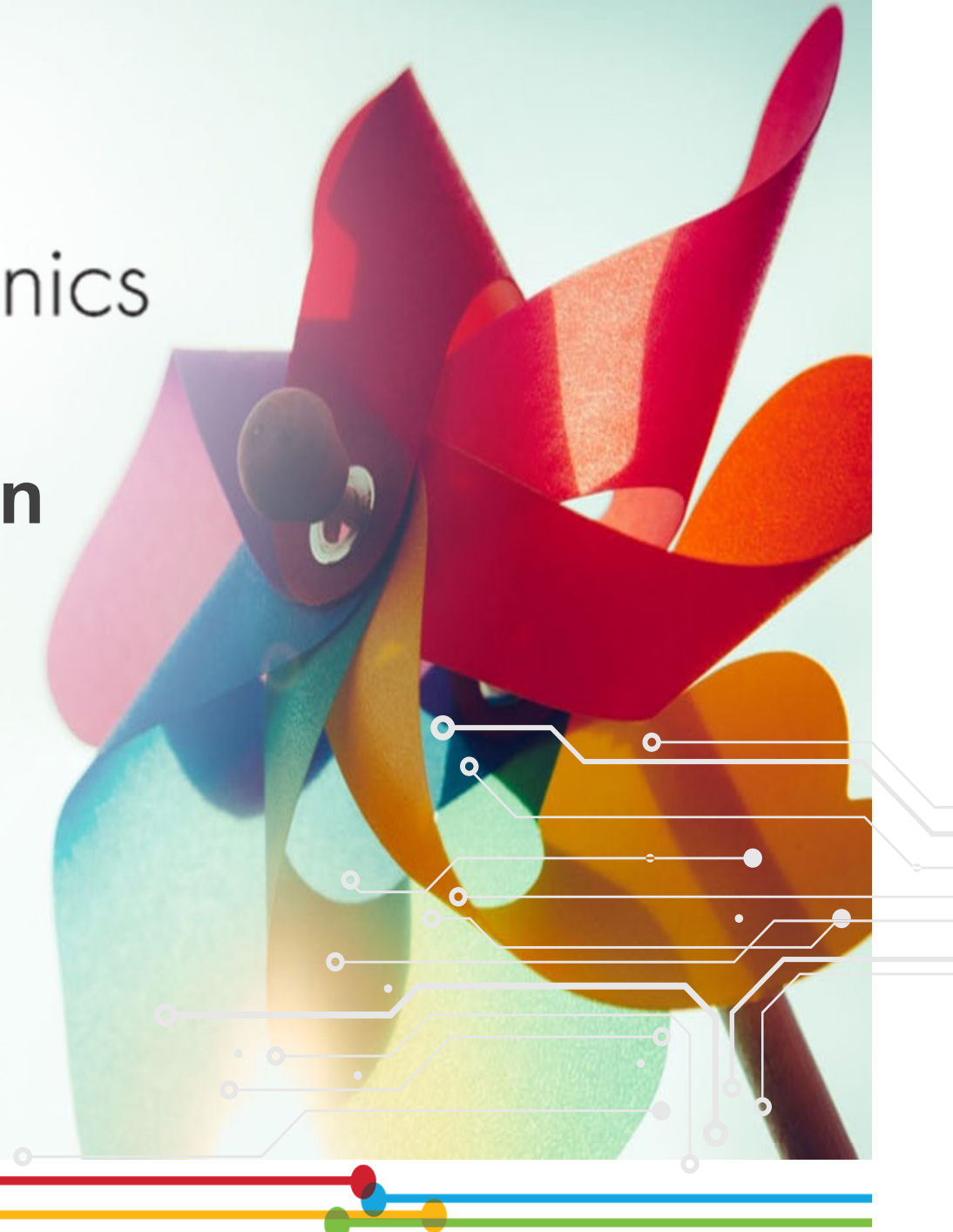




# Investor Presentation

June 2021



# Safe Harbor Statement

Certain statements contained within this presentation may be considered forward-looking under the Private Securities Litigation Reform Act of 1995. The statements may be identified by the use of words such as “expect,” “should,” “goal,” “predict,” “will,” “future,” “optimistic,” “confident,” and “believe.” These forward-looking statements are subject to risks and uncertainties including without limitation, global economic conditions, the geopolitical environment, global health emergencies including the COVID-19 pandemic, availability or cost of raw materials and components, foreign exchange fluctuations, and our ability to convert new business opportunities into customers and revenue. Additional cautionary statements regarding other risk factors that could have an effect on the future performance of Kimball Electronics, Inc. (the “Company”) are contained in the Company’s Annual Report on Form 10-K for the fiscal year ended June 30, 2020 and other filings with the Securities and Exchange Commission (the “SEC”).

# Who We Are

**Global manufacturing solutions provider**  
of contract electronics and diversified manufacturing services  
used in...

**Automotive, Industrial, Medical & Public Safety Industries**

Focused on **non-commodity products and components**  
that require ...

**complexity, quality, reliability, and durability**

**6,500+ employees in 9 countries**

Headquarters:  
Jasper, Indiana

Established in 1961

Nasdaq: KE  
Market Cap\*: \$549 M  
TTM Revenue\*\*: \$1.25 B  
FYE: June 30

\*As of June 15, 2021

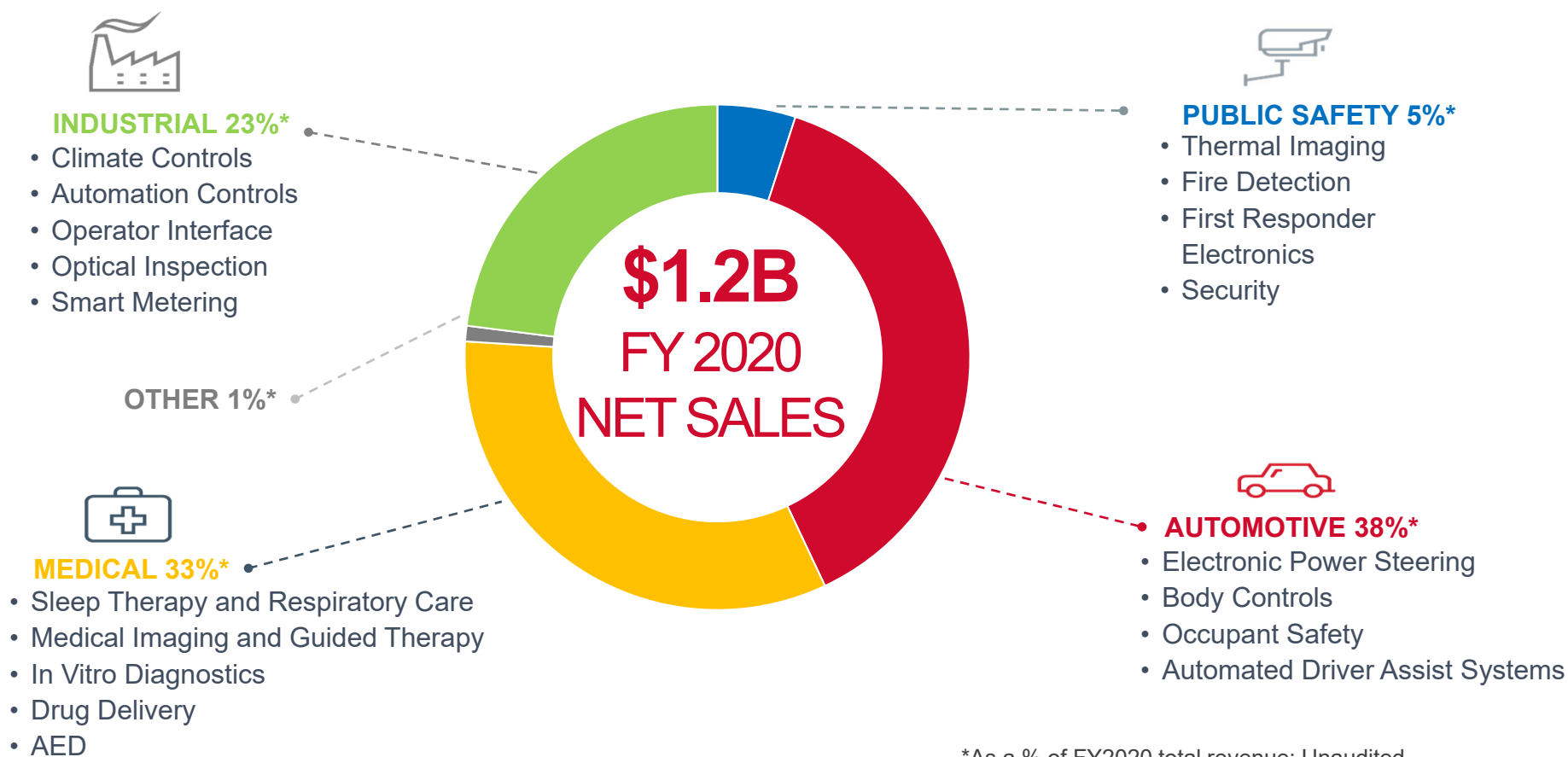
\*\* For the twelve months ended March 31, 2021

# Global Footprint



1.3 million square feet of owned manufacturing space

# What We Do



**Contract Manufacturer of non-commodity products and components  
that require complexity, quality, reliability, and durability**

# End Markets with Secular Growth - Automotive

## Kimball Automotive Growth

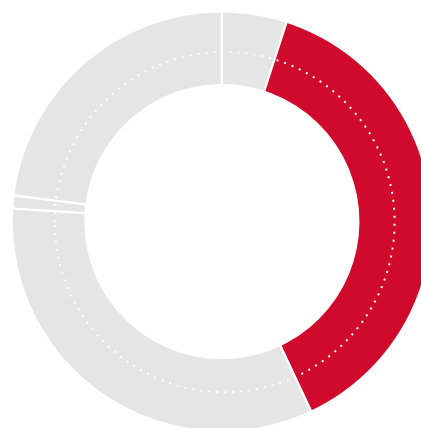
CAGR 2015-2020

9%



FY20 vs FY19

(4)%



38% of Revenue\*

### AUTOMOTIVE

- Electronic Power Steering
- Body Controls
- Occupant Safety
- Automated Driver Assist Systems

## Representative Customers

**brose**  
Technik für Automobile

**nexteer**  
AUTOMOTIVE



**TRW**

**Mando**  
Halla Company

**1 in 5 light vehicles have a Kimball Part**

\*As a % of FY2020 total revenue

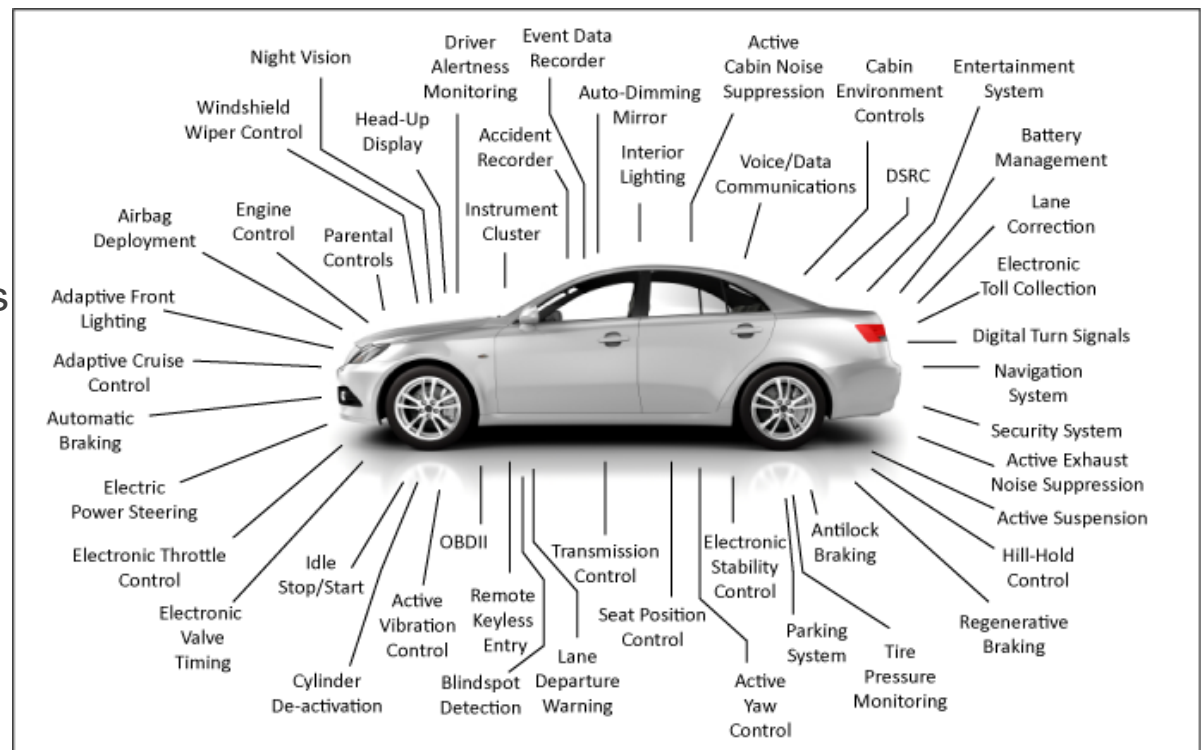
(Unaudited)

KIMBALL ELECTRONICS 6

# Megatrends Opportunities

## Increasing electronic content per vehicle

- Automated Driver Assistance Systems (“ADAS”)
- Infotainment Systems
- Passenger Safety Systems
- Mobility/Vehicle Management
- Electric Vehicles
- Redundant Systems for Self Driving Cars



**Global Automotive electronics assembly value  
to grow 8.3% through 2022**

# End Markets with Secular Growth - Medical

## Kimball Medical Growth

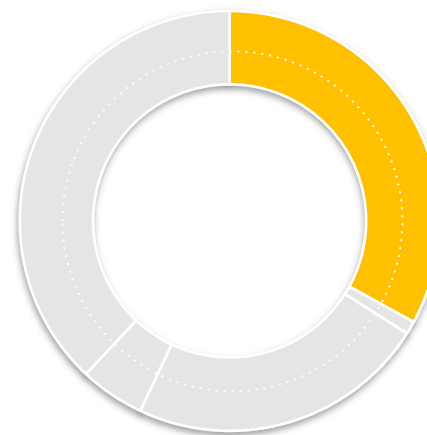
CAGR 2015-2020

10%



FY20 vs FY19 Growth

8%



33% of Revenue\*

### MEDICAL

- Sleep Therapy and Respiratory Care
- Medical Imaging and Guided Therapy
- In Vitro Diagnostics
- Drug Delivery
- AED

## Representative Customers

**ZOLL**  
Medical

**PHILIPS**  
Healthcare

**kaléo**

**SIEMENS**  
Healthcare

**stryker**

\*As a % of FY2020 total revenue

(Unaudited)

KIMBALL ELECTRONICS 8



# Megatrend Opportunities

## Healthcare Growth

- Aging Population
- Affordability/Increasing Access to Care
- Connected Care to Improve Patient Outcomes
- Decreasing Device Size
- Connected Drug Delivery



**43 MILLION+** LIVES WERE POSITIVELY IMPACTED BY HEALTHCARE PRODUCTS  
MANUFACTURED BY KIMBALL ELECTRONICS THIS YEAR

**Global Medical electronics assembly value to grow 6.2% through 2022**

**Global Industrial electronics assembly value to grow 5.9% through 2022**

# End Markets with Secular Growth – Industrial

## Kimball Industrial Growth

CAGR 2015-2020

6% ↑

FY20 vs FY19 Growth

6% ↑



23% of Revenue\*

### INDUSTRIAL

- Climate Controls
- Automation Controls
- Operator Interface
- Optical Inspection
- Smart Metering

## Representative Customers

Honeywell

**IR** Ingersoll Rand  
Inspiring Progress™

**REGAL**

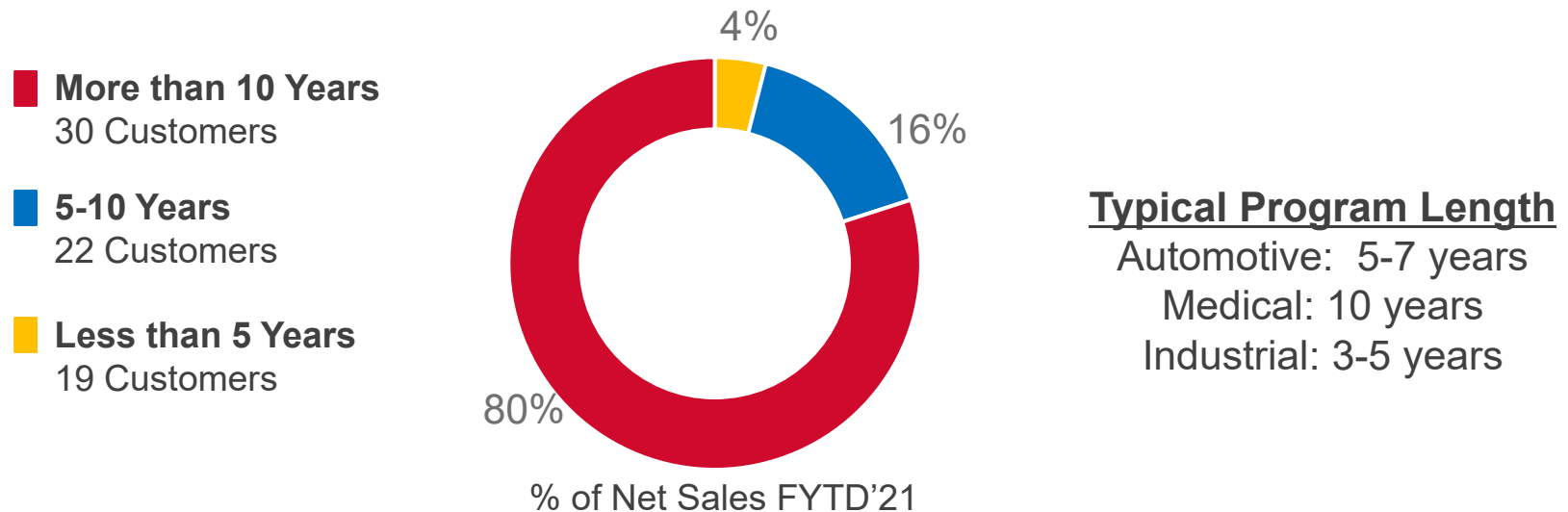
**GRUNDFOS** X

\*As a % of FY2020 total revenue

(Unaudited)

KIMBALL ELECTRONICS 10

# Sustainable Long-Term Customer Relationships



**Programs are mostly single sourced**

**Recurring revenue**

**Long-term predictable revenue enables multi-year planning**

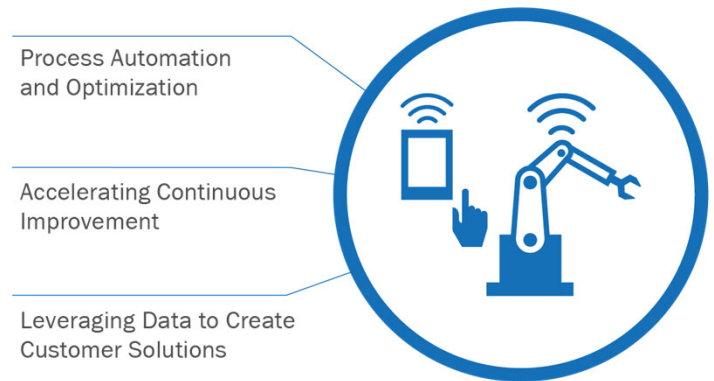
**Enables projects focused on multi-year ROIC**

# Rapid Change for Traditional Manufacturing

## Industry 4.0 Strategy for Success

Our Industry 4.0 strategy is to leverage a digital framework focused on meeting customer requirements and enhancing competitiveness by accelerating continuous improvement, sharing best practices, and process automation and optimization.

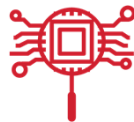
EMTab, a product of GES, is an AI-driven, active, web-based, data-gathering and analysis-management system facilitating Industry 4.0.



MACHINE  
LEARNING



REAL-TIME DATA  
COLLECTION FOR  
ELECTRONIC PROCESS  
CONTROLS



PREDICTIVE  
ANALYSIS TO  
IMPROVE QUALITY  
AND RELIABILITY

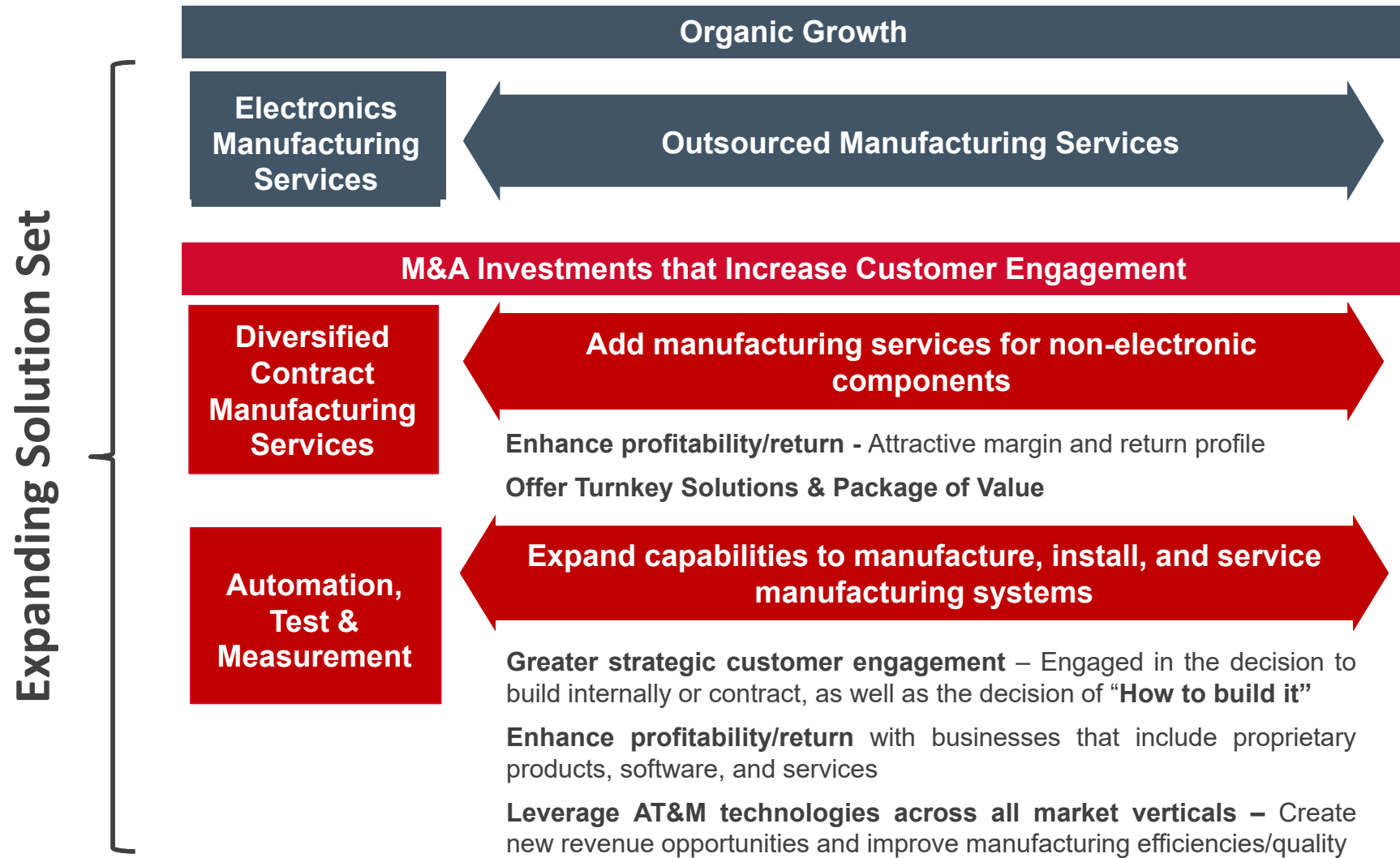


AUTOMATION &  
ROBOTICS



SMART  
MAINTENANCE

# Our Strategy: Developing Into A Multifaceted Manufacturing Solutions Provider



# Why Invest?

## Strong Top Line Growth

- Expect high single-digit revenue growth
- Focus on secular growth trends
- Positive outsourcing trends
- Market share gains

## Sustainable Competitive Advantage

- Significant barriers to entry
- Focus in areas that require complexity, regulatory approval, and durable electronics
- Sustainable long-term customer relationships

## Solid Balance Sheet

- Track record of disciplined capital allocation decisions
- Investment focus on ROIC
- Repurchased \$79.7 million (5.3 million shares) of common stock since October 2015
- \$90 million in cash... \$226 million in total liquidity\*
- \$150 million Credit Facility, with option to increase to \$225 million

\* At or for the nine months ended March 31, 2021

## Opportunities to Expand Profitability and Returns

- Utilization rates increase
- New customer programs mature
- Contribution from new strategic investments

## Predictable & Recurring Revenue

- 10 year+ relationships with 80% (as a % of revenue) of customers\*
- Typical program life 3 to 10 years

# Creating Shareholder Value

Target end markets with **strong secular** growth

Make investments that enable **greater strategic customer engagement** and **enhance return profile**

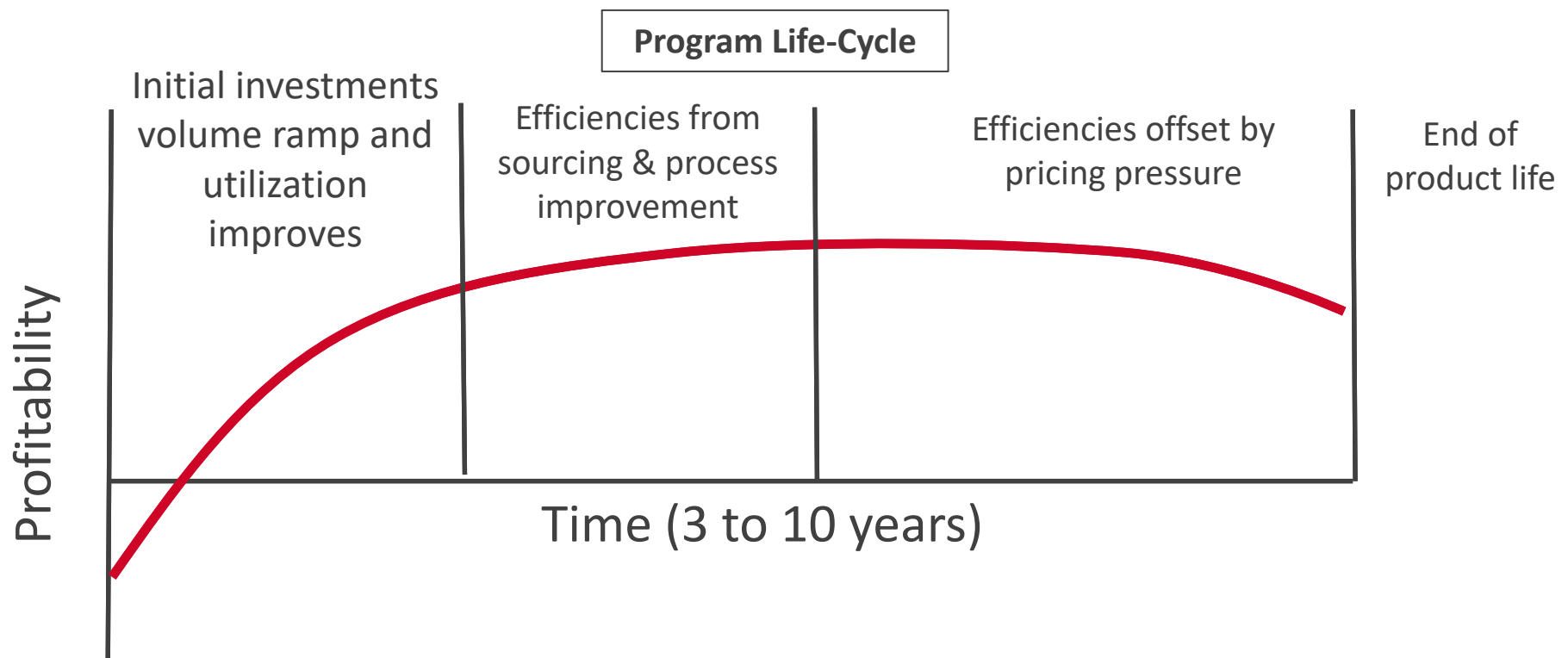
Leveraging existing assets & **continuously improving efficiencies**

# ROIC Measured Over Multiple Years

As new programs mature, volumes ramp, and cost efficiencies are gained  
Increased launch activity in recent years has put near term pressure on profitability/returns

ROIC measured over multiple years

Programs are mostly single sourced







# Appendix



## Jana Croom – VP Finance

Jana Croom is VP, Finance for Kimball Electronics a global electronics manufacturing company (Nasdaq: KE). She has oversight of the accounting, treasury, investor relations and financial planning & analysis functions, including capital allocation and governance. On July 1, 2021 Jana will assume the role of CFO where she will continue to partner with business leaders across the Kimball Electronics global footprint to drive results and support operational decisions.

A long tenured utility industry finance professional, Jana has worked in both the electric and natural gas fields. Prior to assuming her role at Kimball, she held positions of increasing responsibility within the finance, operations and regulatory areas of NiSource, an S&P 500 regulated utility. Before joining NiSource, she was employed by American Electric Power focusing on investor relations and treasury.

Jana holds a Bachelor of Arts degree from The College of Wooster and a Masters of Business Administration from the Fisher College of Business at The Ohio State University.

Jana is a member of the advisory board for the Salvation Army of Central Ohio where she chairs the nominating committee. She is also a member of the American Association of Blacks in Energy (AABE). She is a graduate of the 2015 cohort of Leadership Columbus and serves as a member of the Board of Trustees of the New Albany Community Authority. Jana is passionate about developing the next generation of finance leaders and is involved in the many development programs offered by her company and externally.

Jana resides in New Albany, Ohio with her husband Aaron, their two children AJ and Camille, and rowdy puppy, Ghost.



# Andy Regrut – Head of Investor Relations

Andy Regrut is the Head of Investor Relations for Kimball Electronics a global electronics manufacturing company (Nasdaq: KE). He has 30 years of diverse industry experience and exceptional success in finance and with the investment community.

Prior to joining Kimball Electronics, Andy was the Vice President of Investor Relations for Big Lots, a discount retailer with approximately 1,400 stores in 47 states. During his tenure, he was named to Institutional Investor's "Best of Company Management" as a top investor relations professional in the Consumer sector.

Andy has a bachelor's degree in Economics from Kenyon College in Gambier, Ohio.

