

**BUILDING
TOMORROW,
TOGETHER**



 **Kimball**® Electronics

Company Overview

November 2025



Safe Harbor Statement

Certain statements contained within this supplementary information, including our fiscal year 2026 guidance, and any statements made during today's webcast 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." Undue reliance should not be placed on these forward-looking statements. These statements are based on current expectations of future events and thus are inherently subject to uncertainty. If underlying assumptions prove inaccurate or known or unknown risks or uncertainties materialize, actual results could vary materially from our expectations and projections. These forward-looking statements are subject to risks and uncertainties including, without limitation, global economic conditions, geopolitical environment and conflicts such as the war in Ukraine, global health emergencies, availability or cost of raw materials and components, tariffs and other trade barriers, 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, 2025, our earnings release, and other filings with the Securities and Exchange Commission (the "SEC").

Kimball Electronics (Nasdaq: KE)

Global, multifaceted solutions provider of **Electronics Manufacturing Services** (EMS) and **Contract Manufacturing Organization** (CMO) recognized for excellence and leadership in highly regulated and complex industries

Our customers' products are a **diversified portfolio** that offer long runways of growth supported by **secular tailwinds** and program life cycles in the Automotive, Medical, and Industrial end markets

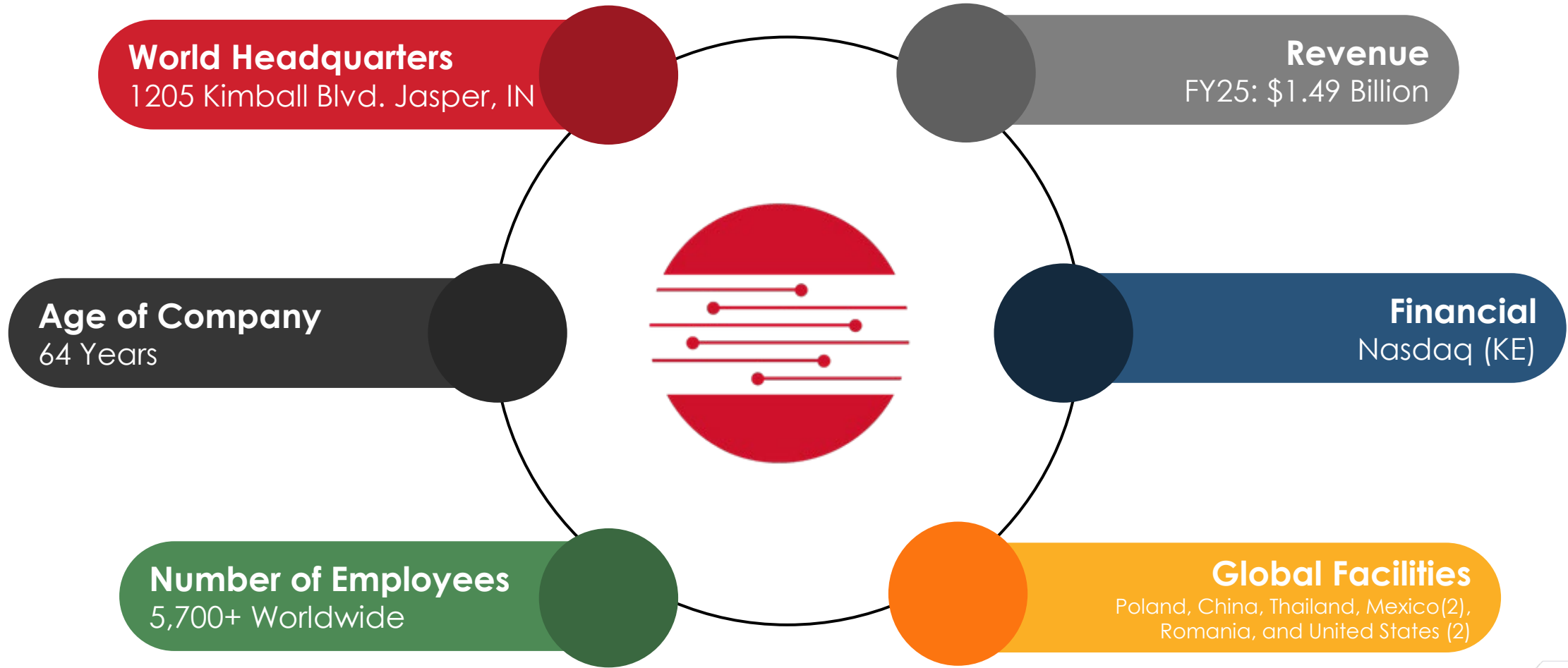
Uniquely positioned with a focus on **non-commodity** products that involve high levels of complexity, quality, reliability, and durability

Long-term customer relationships driving sustainable growth and enable multi-year planning and operating efficiency

Track record of **revenue** and **earnings growth** with recent capacity expansions supporting future demand and global growth opportunities



Company at a glance





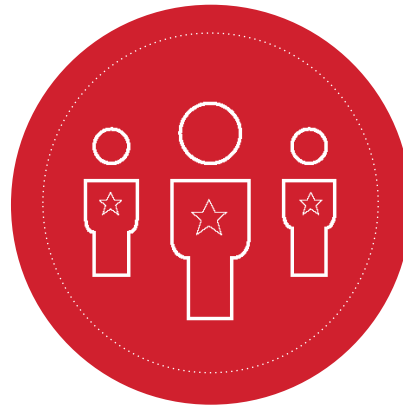
Our culture and core values are differentiators

Guiding Principles



CUSTOMERS

Our customer is our business



PEOPLE

Our people are the company



CITIZENSHIP

The environment is our home



PROFIT

Profits are the ultimate measure of how efficiently and effectively we serve our customers

Providing end-to-end solutions and support



DESIGN & DEVELOPMENT

Integrated design engineering and design for manufacturing services that ensure manufacturability and increase speed to market.



PROTOTYPING

Dedicated team & equipment in prototyping centers of excellence that enables bringing products to market faster.



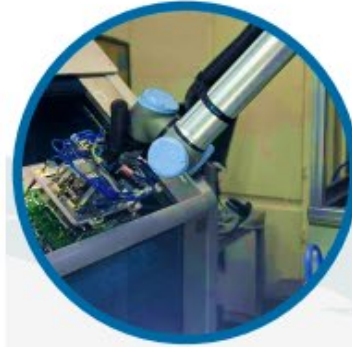
NEW PRODUCT INTRODUCTION (NPI) OR TRANSFER OF WORK (TOW)

Robust processes for new product introduction (NPI), or the transfer of existing products from an existing supplier (TOW), focused on manufacturing excellence and speed to market.



MANUFACTURING

A manufacturing partnership with a customer-focused team that works as a direct extension of your team, including manufacturing and operational excellence, while building in quality, managing the supply chain, and handling any required regulatory certifications.



TESTING

Focused on testing criteria for areas of concern that affirm reliability of specific functionality and ensuring quality.



AFTERMARKET SUPPORT

Full service and support as market conditions change. Management throughout product life cycle from start to finish.

Global footprint with an “in-region” focus

7 MANUFACTURING LOCATIONS

NORTH AMERICA | EUROPE | ASIA



1.7M SQ FT OF MANUFACTURING SPACE

~38% CAPACITY ADDED AFTER RECENT FACILITY EXPANSIONS

INTEGRATED NETWORK OF STATE-OF-THE-ART MANUFACTURING FACILITIES



USA

Jasper, Indiana
220,000 sq. ft.



USA

Indianapolis, Indiana
427,000 sq. ft.
Note: 2 manufacturing facilities



Mexico

Reynosa, Mexico
470,000 sq. ft.
Note: 2 manufacturing facilities



Poland

Poznan, Poland
207,500 sq. ft.



Romania

Timisoara, Romania
66,200 sq. ft.



China

Nanjing, China
132,400 sq. ft.



Thailand

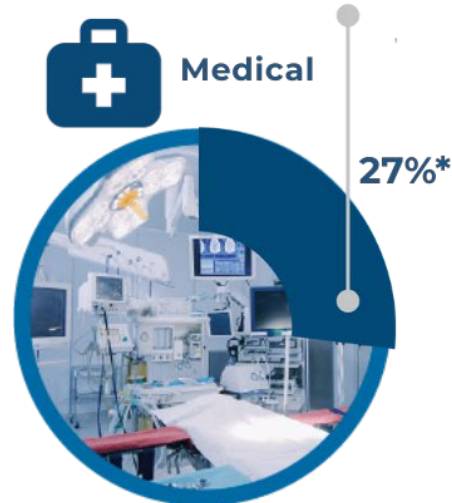
Laem Chabang, Thailand
220,000 sq. ft.

Diversified portfolio supporting 3 end market verticals

Revenue in fiscal 2025



- Electronic Power Steering
- Body Controls
- Automated Driver Assist Systems
- Electronic Braking Systems

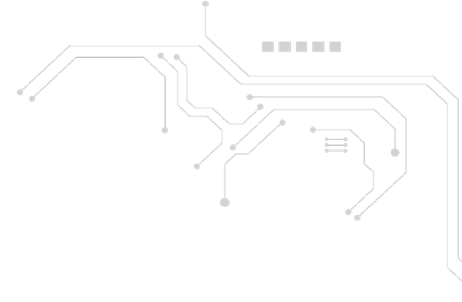


- Sleep Therapy and Respiratory Care
- Image Guided Therapy
- In Vitro Diagnostics
- Drug Delivery
- AED
- Patient Monitoring



- Climate Controls
- Automation Controls
- Public Safety
- IoT & Factory Automation
- Efficient Energy
- Off Highway/Commercial Equipment

**Percentage of net sales*



Medical supporting the continuum of care

SLEEP &
OXYGEN
THERAPY



SURGICAL
SYSTEMS



AMBULANCE &
HOSPITAL PATIENT
MONITORING
SYSTEMS



DRUG
DELIVERY



AUTOMATED
EXTERNAL
DEFIBRILLATORS



Favorable demographics & advances in technology

- Aging population
- Decreasing device size
- Affordability & access to care
- Connected drug delivery
- Connected care

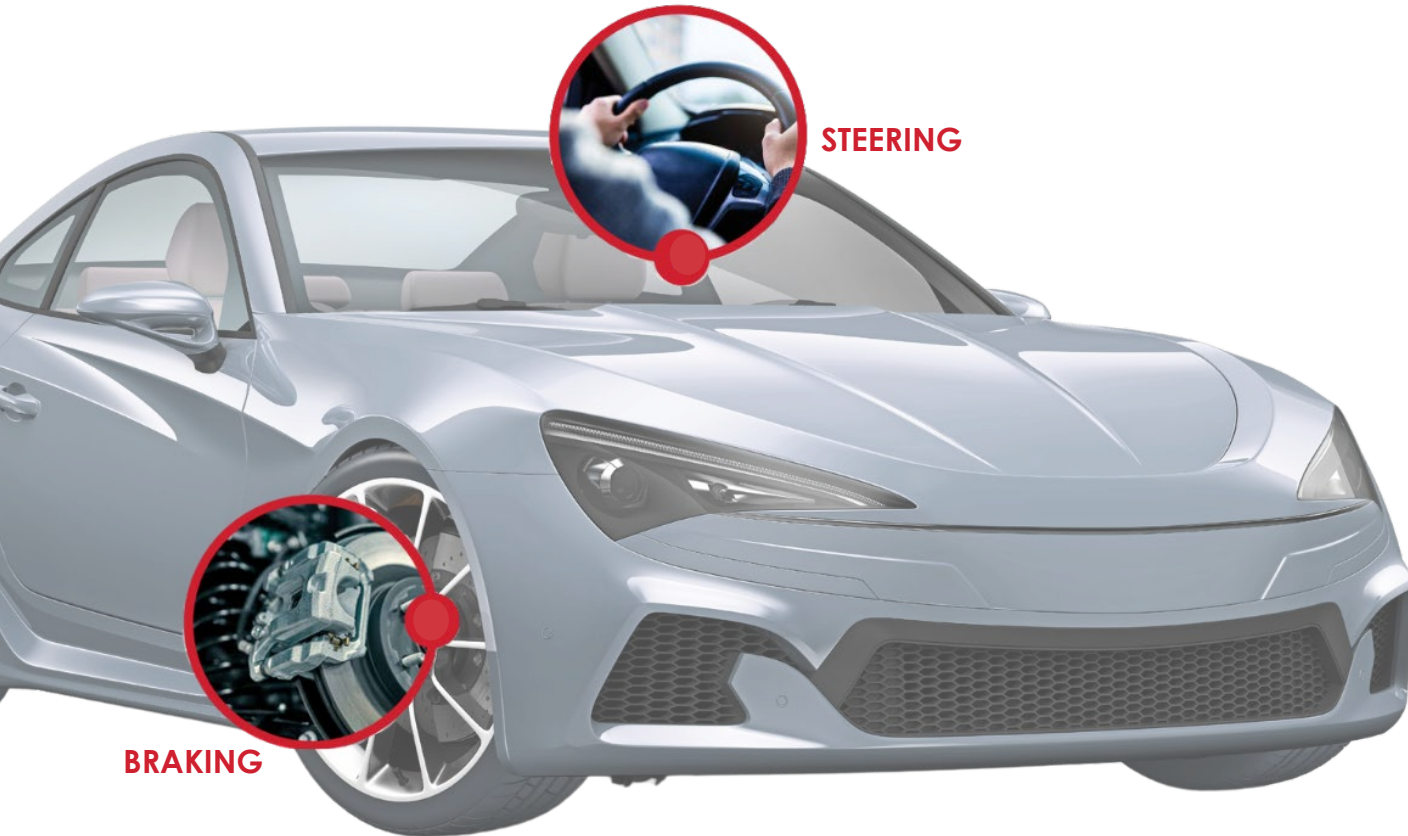
Products supporting prevention, early diagnostics, clinical & hospital treatment, home & community care

- Respiratory care
- Drug delivery
- Surgical systems
- Imaging systems
- In vitro diagnostics
- Focus on Class II and Class III devices
- Patient monitoring

REPRESENTATIVE CUSTOMERS



Automotive vertical fueled by vehicle “electrification”



- Current business heavily concentrated in **electronic power steering**
- Architecture similar for **ICE, EV, and hybrid vehicles**
- Next generation **braking** also a growth opportunity
- **Electronic content** being added to vehicles at increasing rate
- **Stringent industry requirements** align with KE core competencies

REPRESENTATIVE CUSTOMERS TIER 1 SUPPLIERS



Industrial promotes clean energy and innovation



OFF-HIGHWAY
EQUIPMENT



PUBLIC SAFETY



GREEN ENERGY,
CHARGING, &
STORAGE



IoT & FACTORY
AUTOMATION



CLIMATE CONTROL
& SMART ENERGY
MANAGEMENT



- Longer-term return to growth from market rebound for **climate control products**
- **Diversification** into other sub-verticals within the industrial space
- Increased demand for **factory automation** and **efficient energy**
- Expanding **off-highway equipment** and **commercial transportation** market capabilities

REPRESENTATIVE CUSTOMERS





EMS and CMO

Electronics Manufacturing Services (EMS)

- Printed Circuit Board Assembly (PCBAs)
- Full System and High-Level Assembly
- Large Capital Equipment Assembly
- Prototyping
- New Product Introduction (NPI) or Transfer of Work (TOW)
- Supply Chain Management
- Design Engineering Services

Contract Manufacturing Organization (CMO) (Focused on Medical Solutions)

- Scientific Injection Molding
- Cold Chain Management
- Complex Medical Device Assembly
- Clean Room Assembly
- Manufacturing Medical Products, Surgical Instruments, and Drug Delivery Devices
- Design Engineering Services



Why Invest?

Company repositioned for a return to profitable top line growth



**Sharpened
Strategic
Focus**



**Unique
Competitive
Advantages**



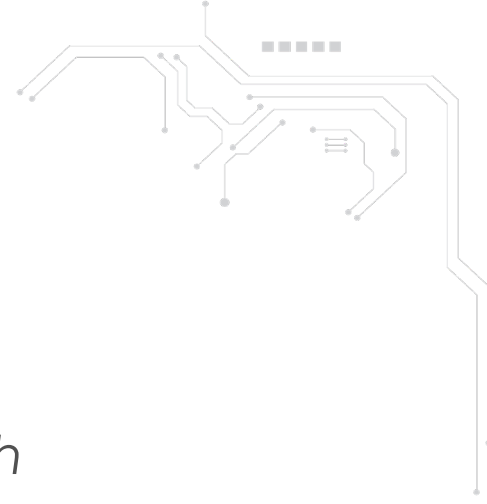
**Strong
Balance
Sheet**



**Opportunity
for Margin
Expansion**



**Sticky
Customer
Relationships**



Sharpened Strategic Focus

Portfolio Rationalization

- **Divested** the non-core **Automation, Test & Measurement** business
- Folded the **medical CMO** business into our **core EMS** portfolio
- Improved utilization with the **closure** of our facility in **Tampa**

Return to Growth

- **Record** number of **wins** in fiscal 2025 for future business
- Quality ratings at a **15-year** high
- **Elevating prominence** as medical **CMO**
- Expect profitable top line growth in **fiscal 2027**



Unique Competitive Advantages

Manufacturing Capabilities

- Experienced **body of knowledge** with products that require high **quality**, high **reliability**, highly **complex**, durable electronics

Regulatory Compliance

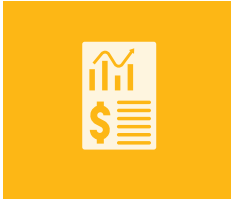
- **Industry certifications** including  **ISO 9001 ISO 13485**

Supply Chain

- Scientific **plastic injection molding** and **cold chain management** with the ability to handle drugs

Facility Integration

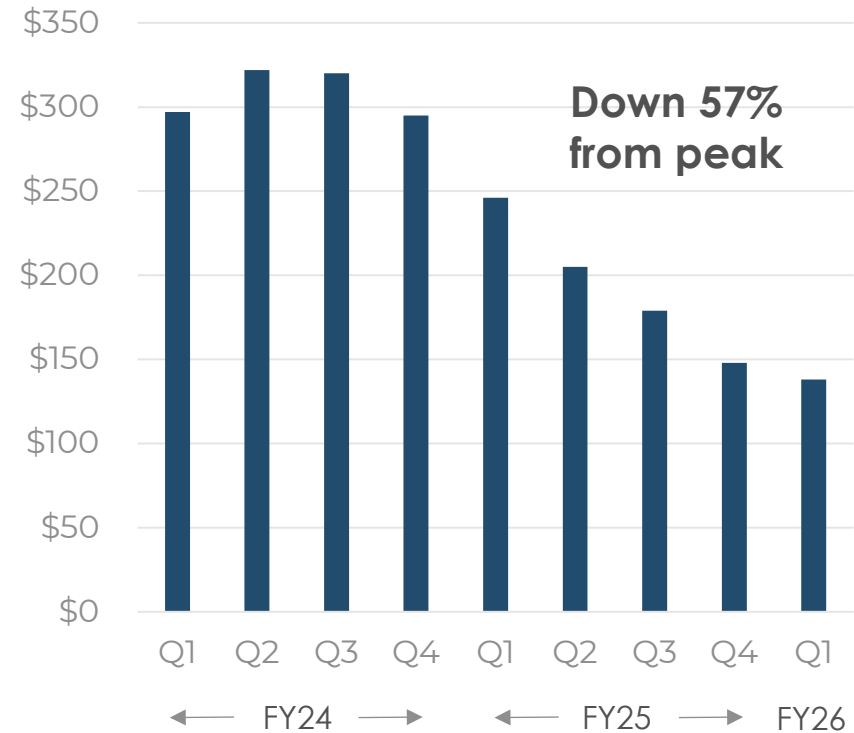
- **Global footprint** on a single instance of SAP

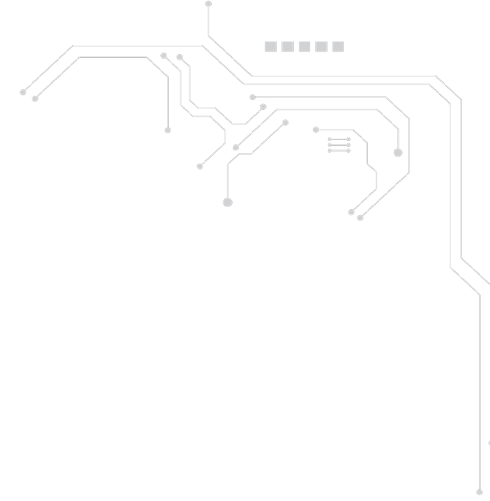


Strong Balance Sheet

- **Debt** levels at a **3-year low**
- **Cash** from operations **positive** for 7 consecutive quarters
- Improved working capital management reducing **Cash Conversion Days** to 83
- Short-term **liquidity** of \$370 million
- **Dry powder** to opportunity invest in growth

Total Debt Levels





Opportunity for Margin Expansion

- Aligned **cost structure** to changing customer demand trends
- Better **capacity utilization** will result in higher margins
- **Vertical composition** expected to be more balanced with **medical** business increasing as a percent of total
 - Medical market represents opportunity to **diversify revenue** and **leverage core strengths** as a trusted partner in a complex and regulated industry
 - New manufacturing facility in Indianapolis **doubles** our **footprint** for producing **medical products, surgical instruments, and drug delivery devices**, such as **auto-injectors**



Sticky Customer Relationships

- **Recurring** revenue... typical customer program **7-10 years**
- **77%** of **revenue** in fiscal 2025 from customers with relationships of **10-years** or more
- Multifaceted and multilayered **diversification** between customers, verticals, and submarkets is a core focus
 - Grow with existing customers in different divisions and submarkets

Customer Loyalty

Our robust customer scorecard process provides valuable feedback to all levels of our company, driving continuous improvement initiatives, strengthening our award-winning service, and fostering deep customer loyalty.

77%

of our revenue in FY25 came from customers with relationships over **10+ Years.**

We recognize customer loyalty as a strategic strength rooted in our operational practices and service excellence philosophy.

In 2025, we recognized and celebrated one customer for achieving the 30-year relationship mark, two others achieving the 20-year mark, and one for achieving the 15-year mark.

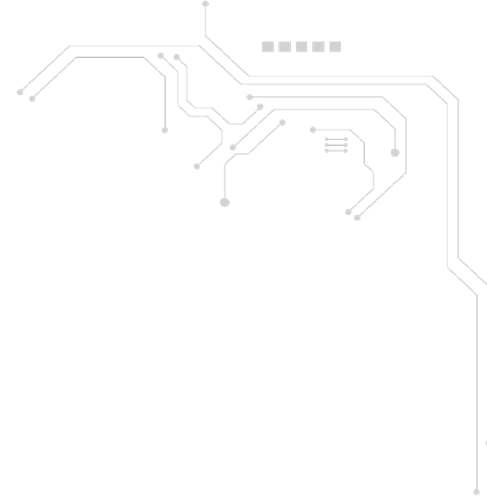


Our strategy positions the Company for long-term, profitable growth

- Continue to generate positive cash flow, **deploy capital** toward growing CMO
- Medical CMO presents opportunity for **higher EBITDA margins**
- Serve **blue-chip customers** with long product life cycles and a high degree of visibility
- Building a **scalable platform** that supports the work we already do well, creates opportunities for vertical integration, and positions us to take on more complex programs
- **Drug delivery** has been a key area of focus
- Committed to **inorganic** options to augment this space
 - Exploring applications in areas such as cardiology, orthopedics, minimally invasive surgery, and surgical instruments & packaging

Guidance for fiscal 2026

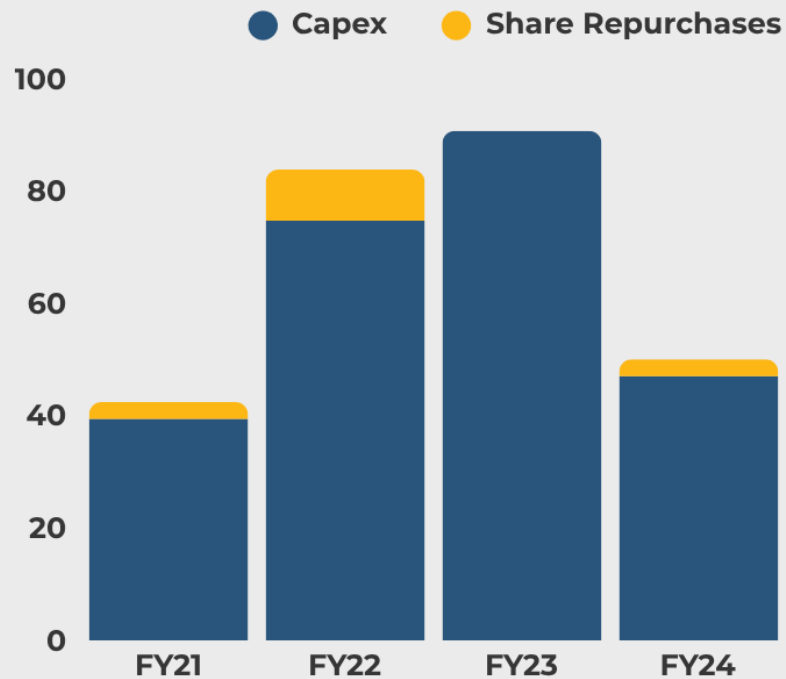
- **Net sales** of \$1.350 - \$1.450 billion
- **Adjusted operating income** of 4.0% - 4.25% of net sales
 - Repurpose some of the benefit of the Tampa closure
- **Capital expenditures** of \$50 - \$60 million
 - Heavily weighted toward our new facility in **Indianapolis (~\$30 million)**
 - Balance supporting growth, automation, and maintenance



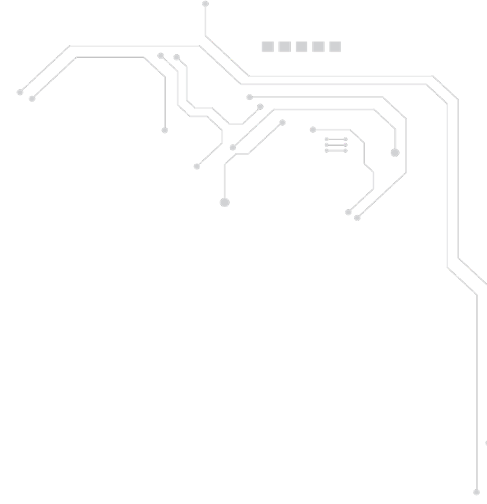
Capital allocation strategy



CAPITAL ALLOCATION



- **Invest in growth**, concentrated in the medical CMO
- **Tuck-in M&A** potentially adding:
 - Manufacturing **capabilities**
 - **End-markets**
 - **Customers**
 - **Geographies**
- Return cash to Share Owners with **share repurchases**



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