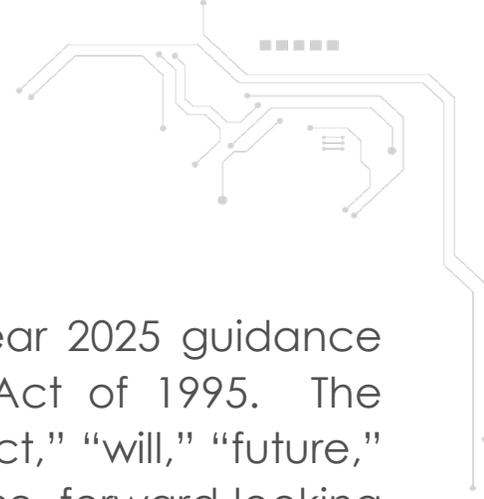


Company Overview

September 2025

Strategically Focused





Safe Harbor Statement

Certain statements contained within this supplementary information, including our fiscal year 2025 guidance and 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

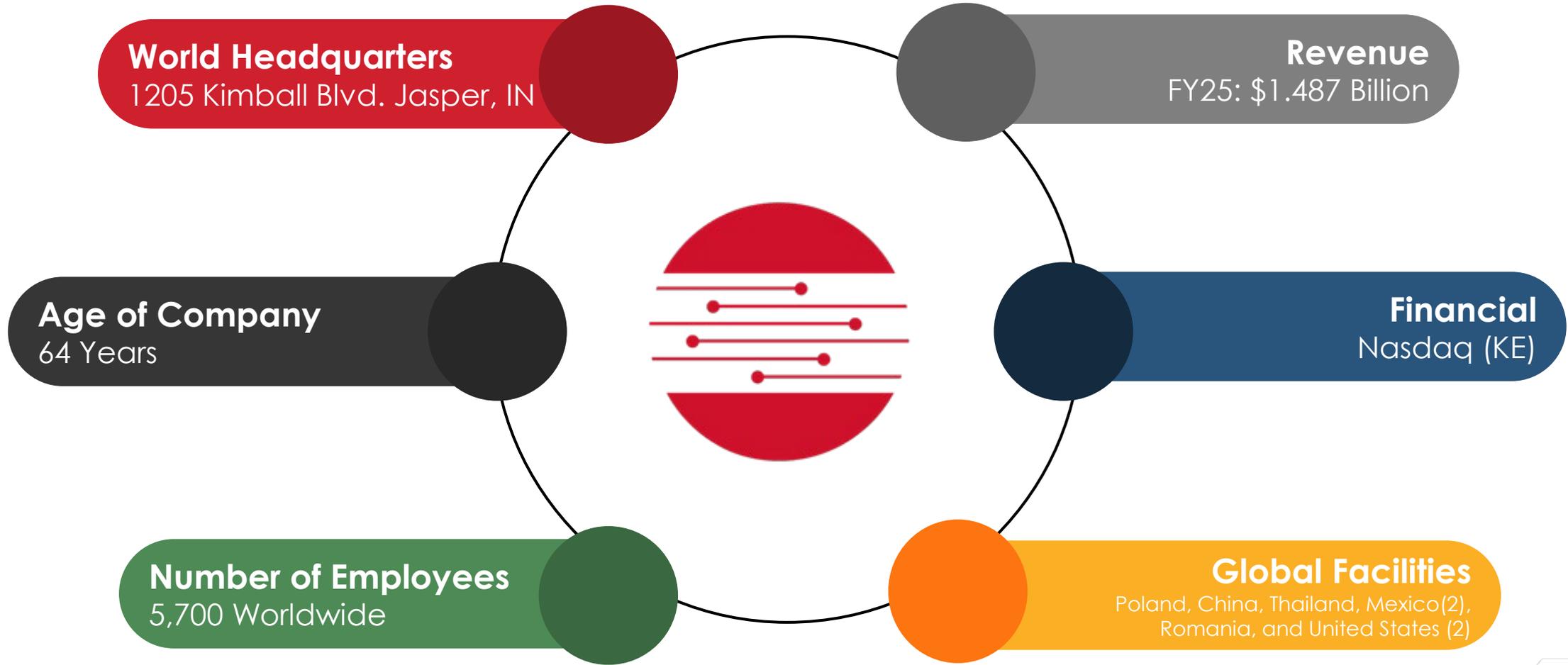
Uniquely positioned with a focus on **non-commodity** products that involve high levels of complexity, quality, reliability, and durability

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



Why invest?

Strong company with a proven ability to deliver



Top-Line Growth

- Focus on secular growth
- Favorable outsourcing trends by OEMs



Sustainable Competitive Advantage

- High barriers to entry
- Focus on areas requiring complexity, regulatory approval, and durable electronics
- Sustainable long-term customer relationships



Solid Balance Sheet

- Disciplined capital allocation
- \$89 million in cash; \$374 million in liquidity*
- Cash generated from operating activities of \$184 million in fiscal 2025



Opportunities to Expand Profitability and Returns

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



Recurring Revenue

- 77% of revenue from customers with 10+ year relationships
- Typical program life seven-to-ten years

* As of June 30, 2025



Strategically positioned for growth

COMPETITIVE ADVANTAGES

Global consistency

Single instance of SAP supports manufacturing operations around the world. Standard lean six sigma practices shared across all facilities.



Global footprint

Support global OEMs in all areas of the world. More easily allows programs to be single-sourced.



Deep domain expertise

Experienced body of knowledge required for high quality, high reliability, highly complex, and durable electronics.



Customer relationships

Sustainable and long-term produce ongoing streams of orders. Many programs single-sourced.

Regulatory compliance

...and industry certifications



Megatrends

Key vertical market growth will provide tailwinds for future growth.

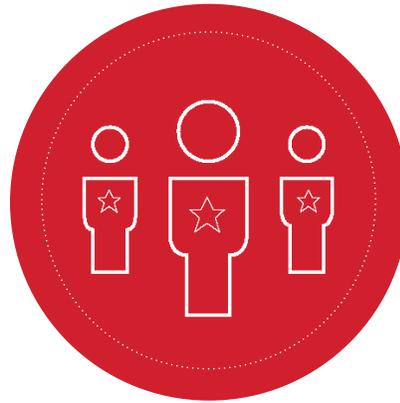
Our Company culture and core values are differentiators

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.



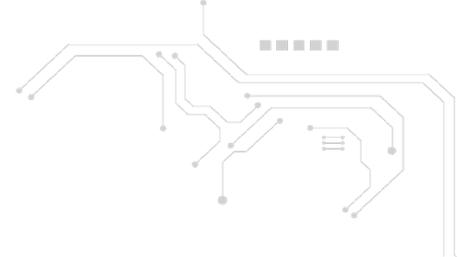
TESTING

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

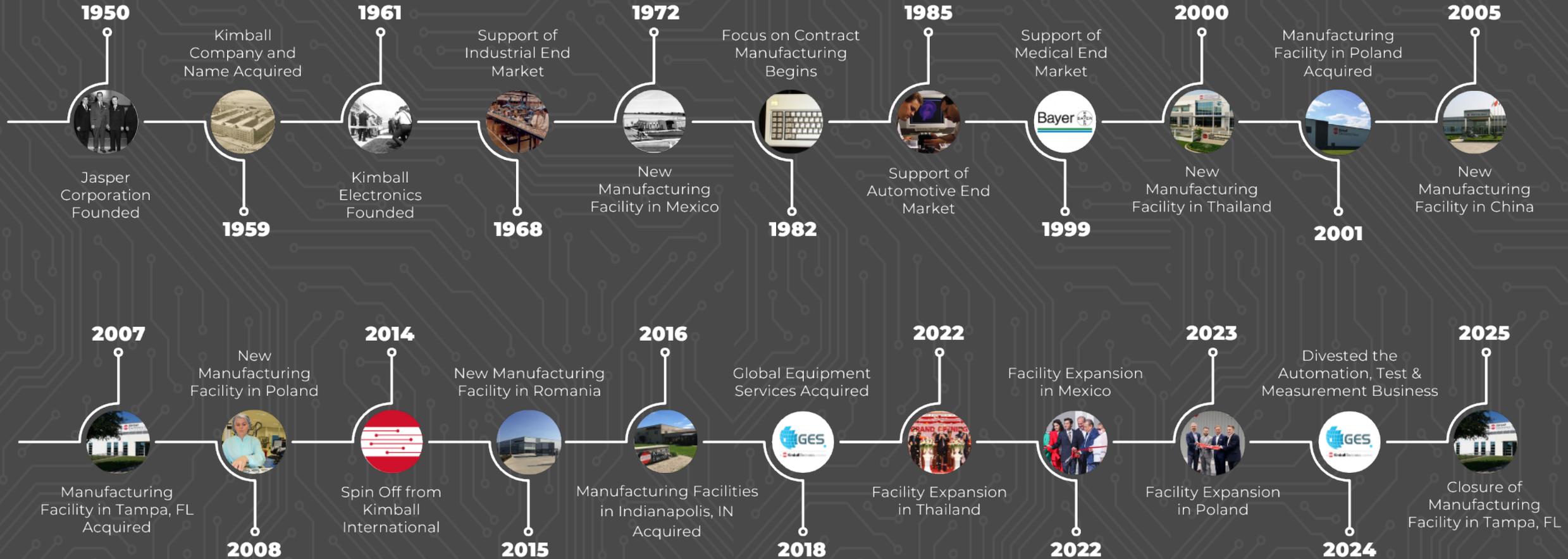


AFTERMARKET SUPPORT

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



A rich history of growth and expansion



Global footprint with an “in-region” focus

9 GLOBAL LOCATIONS

NORTH AMERICA | EUROPE | ASIA



1.9M 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

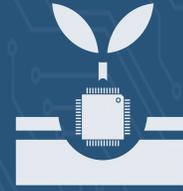
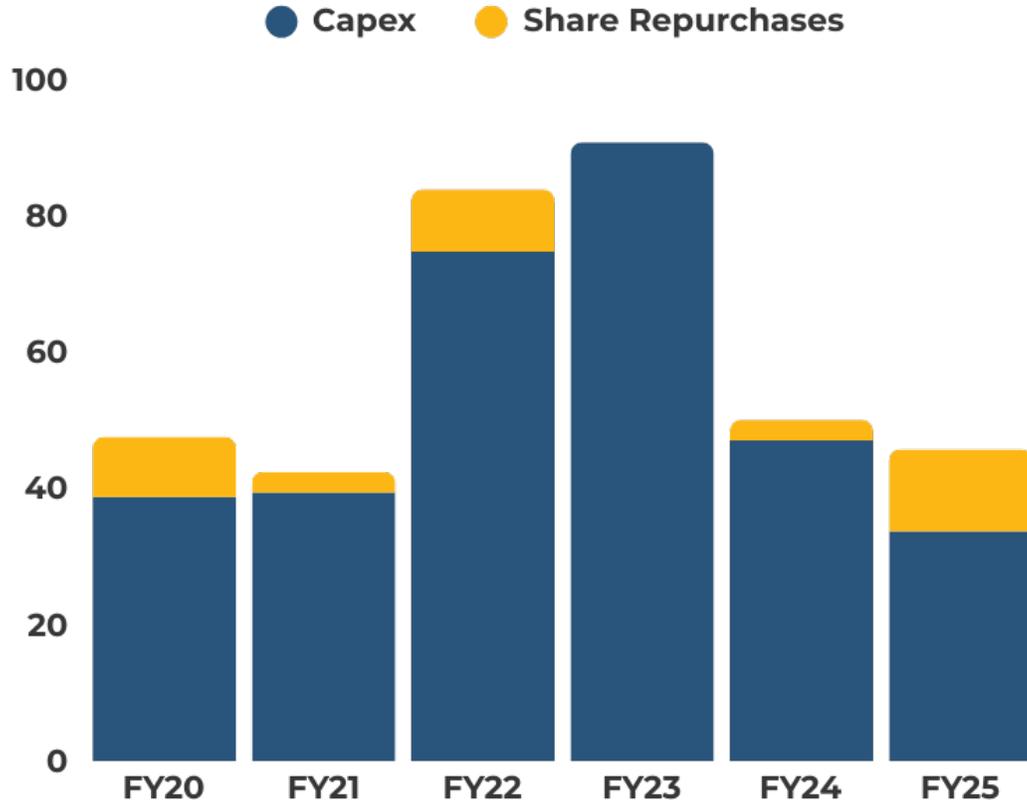
Nanjing, China
132,400 sq. ft.



Thailand

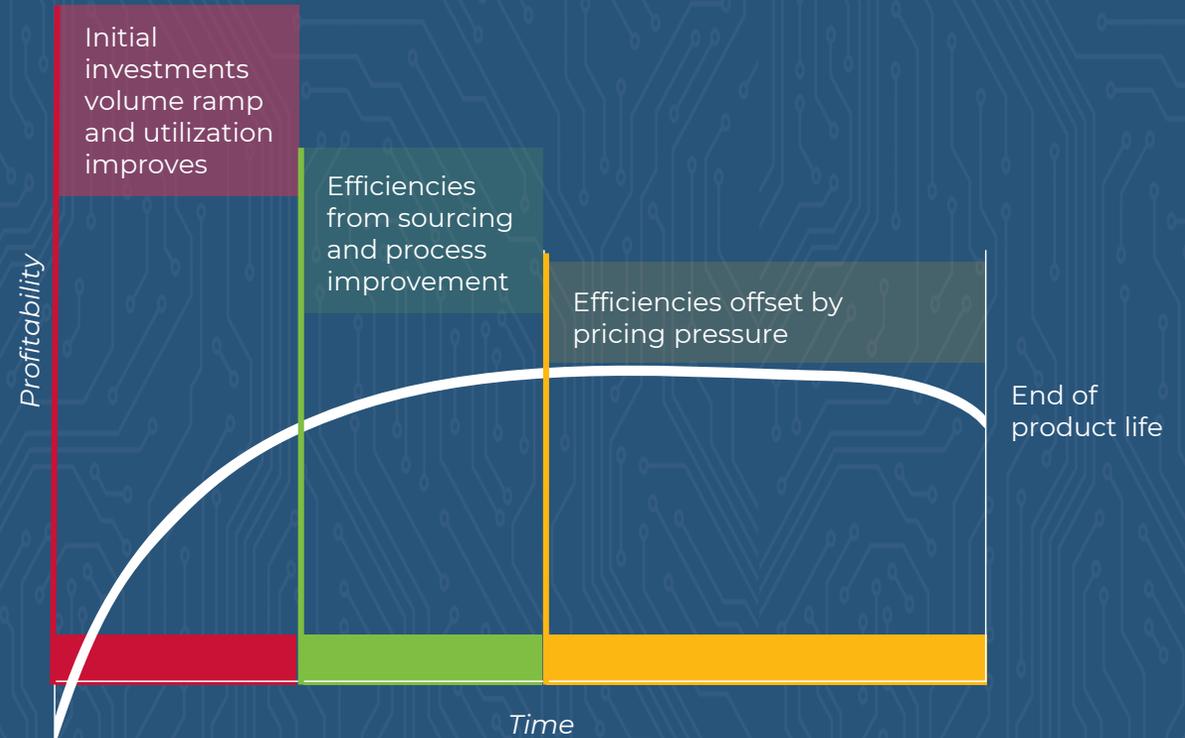
Laem Chabang, Thailand
220,000 sq. ft.

Capital allocation strategy



THESE PROGRAMS PROGRESS at a slow and steady pace, allowing for long-term sustainable growth gained through sourcing efficiencies and process improvements.

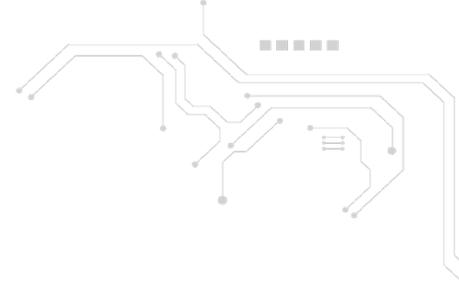
PROGRAM LIFECYCLES



We have a diversified portfolio focused on 3 end markets

	 Automotive	 Medical	 Industrial
REVENUE <i>Fiscal 2025 (\$ in millions)</i>	\$738	\$396	\$353 <i>excludes GES</i>
% of TOTAL <i>Fiscal 2025</i>	 49%*	 27%*	 24%*
MMI RANKING *	6th	7th	22nd

* Manufacturing Market Insider



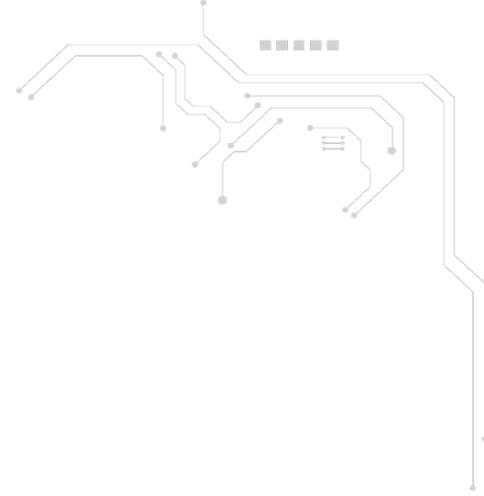
Medical supporting the continuum of care



- 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

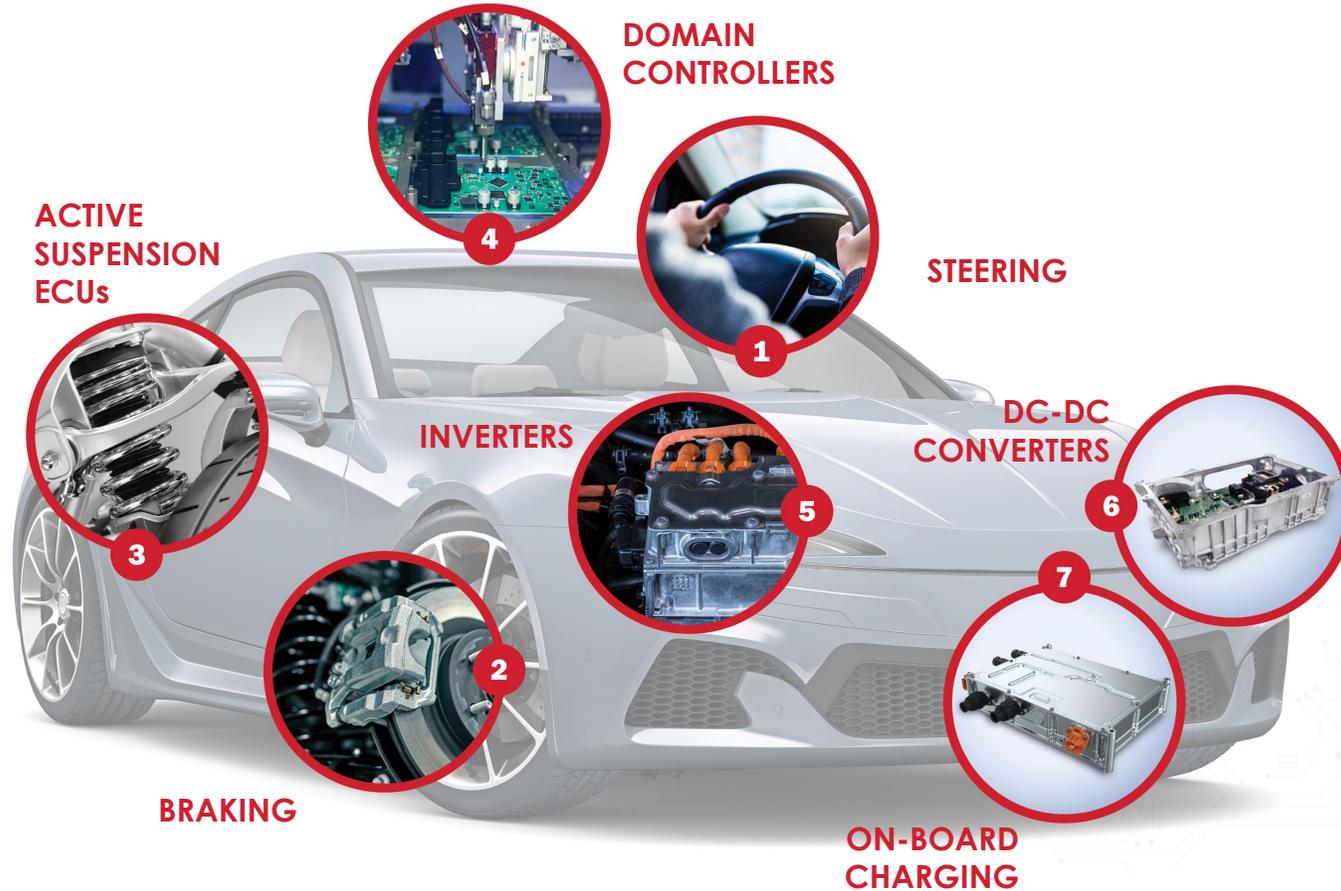




Organic growth opportunities in Medical

- Focus on Higher Level Assemblies (HLAs) and Finished Medical Devices
- Recently awarded transfer of work
 - Sole supplier on respiratory care final assembly and HLA business for largest medical customer
 - Transfer to commence in calendar 2025
 - Production impacting fiscal 2026 results
- Expertise in manufacturing selected drug devices, such as auto-injectors, as differentiator
- Focus significant business development resources in this space

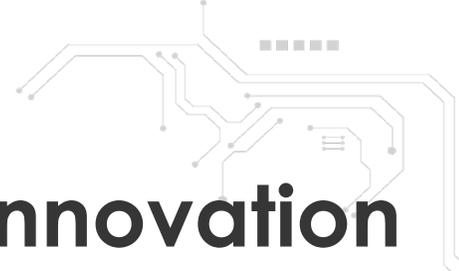
Automotive vertical fueled by vehicle “electrification”



- 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 vertical promotes clean energy and innovation



- 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 **green energy**
- Early stages of exploring **off-highway equipment** market

REPRESENTATIVE CUSTOMERS



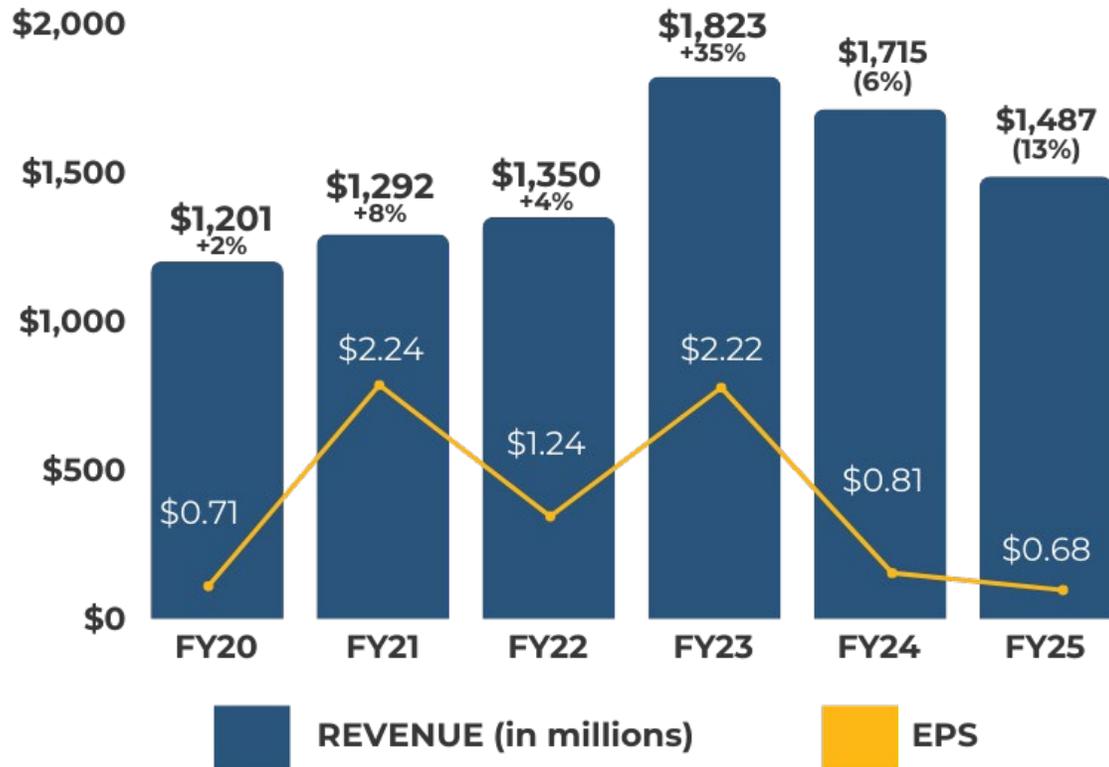
Fiscal 2025 was a year of “controlling what we can control”

- Net sales totaling \$1.487 billion, the 3rd highest annual revenue total in the 60+ year history of the Company
- Adjusted operating income of \$61.3 million, or 4.1% of net sales
- Inventory down nearly 20% year-over-year
- Cash generated by operating activities of \$183.9 million, a record result for annual cash flow
- CCD at our lowest level in 3-years
- Debt down 50% within the fiscal year and at its lowest level in 3 years
- \$12.0 million invested to repurchase 653,000 shares of common stock



Revenue and profitability metrics

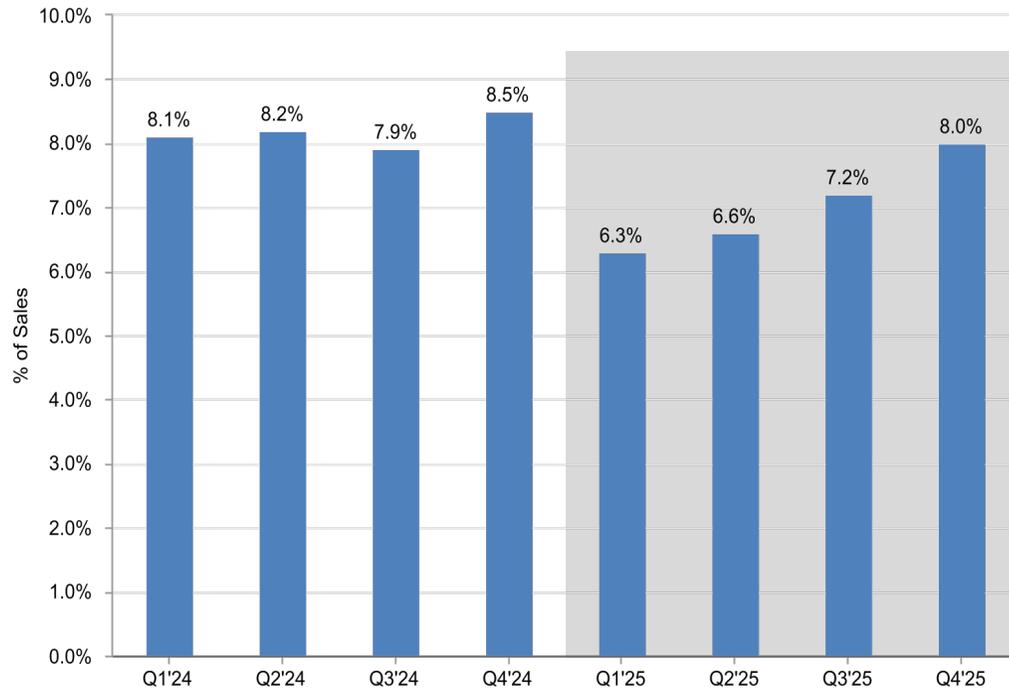
REVENUE AND EPS



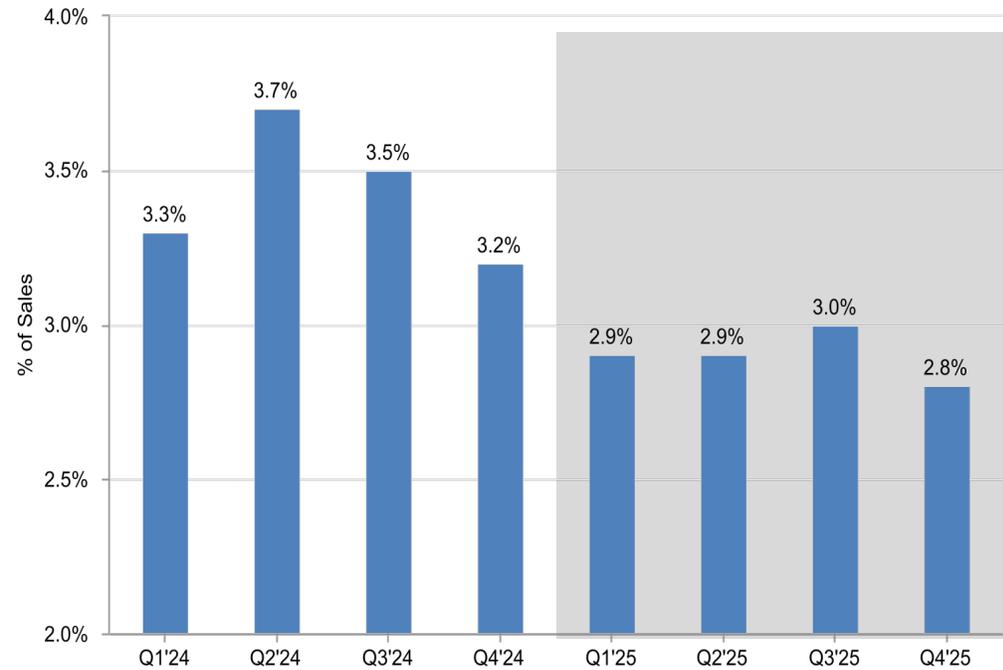
- FY23 stepped-up growth driven by completion of **facility expansions**
- FY24 decline resulting from **medical customer** involved in **FDA recall**
 - Recall **not** related to KE issue
 - Customer unable to ship respiratory product in U.S. - **\$100 million impact**
- FY25 decline resulting from loss of electronic braking program in Reynosa
 - **Not** related to KE issue
 - Commercial agreement by OEM to transfer to another source - **\$100 million impact**

Our cost basis was adjusted for softening demand and is now contributing to margin improvement

Gross Margin Rate



Selling & Admin Expense*

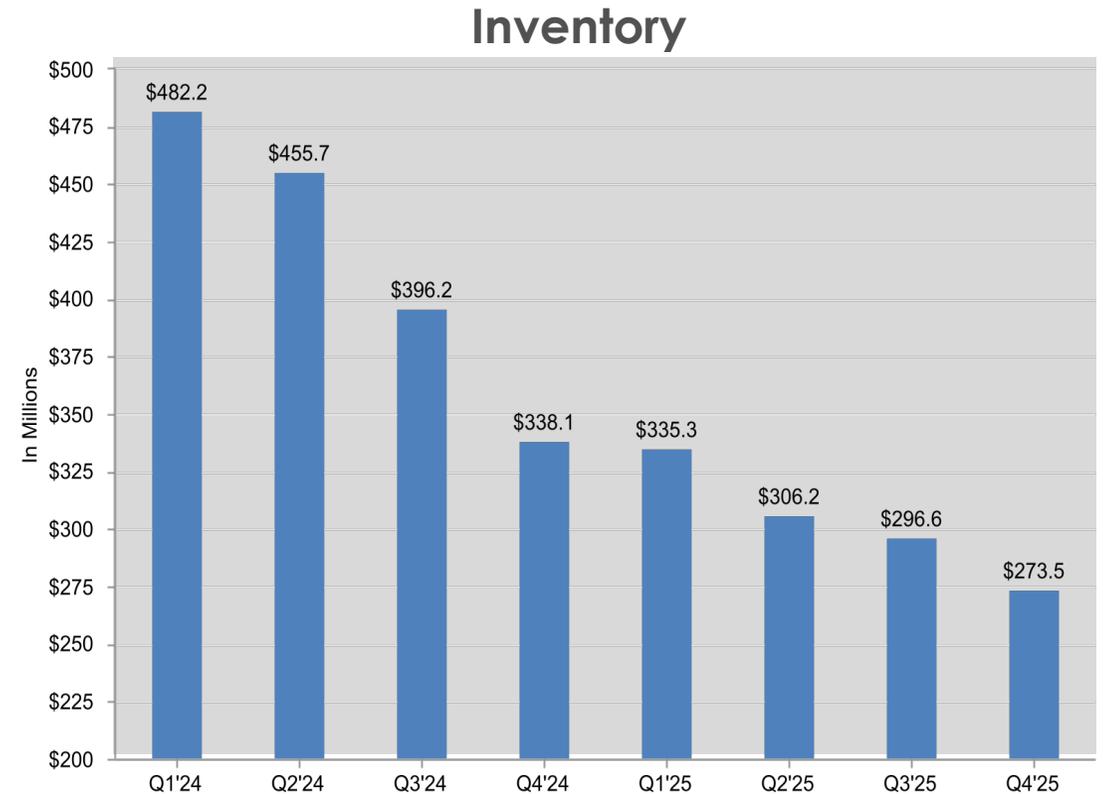


* Adjusted Selling & Administrative Expense is a Non-GAAP measure – refer to Reconciliation of Non-GAAP Results on the company website. Beginning in Q1'25, Adjusted Selling & Administrative Expense excludes stock compensation expense. Prior periods have been revised accordingly.



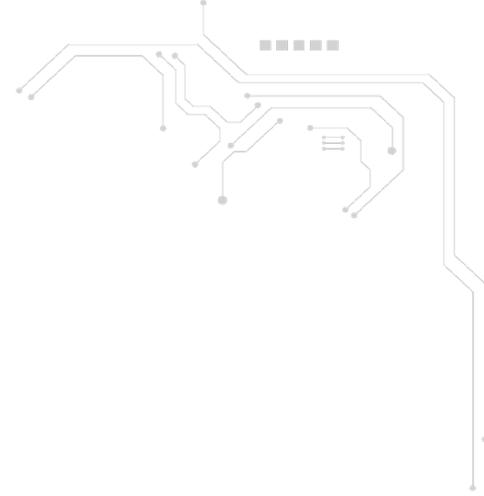
Our balance sheet is a competitive strength

- Cash and cash equivalents at June 30, 2025, were \$88.8 million
- Positive cash generated by operating activities for six consecutive quarters
- Cash conversion days were 85 days, compared to 99 days last quarter
 - Opportunity to reduce CCD with new working capital initiatives
- Debt of \$147.5 million and borrowing capacity of \$284.7 million



Expect fiscal 2026 to be another step forward

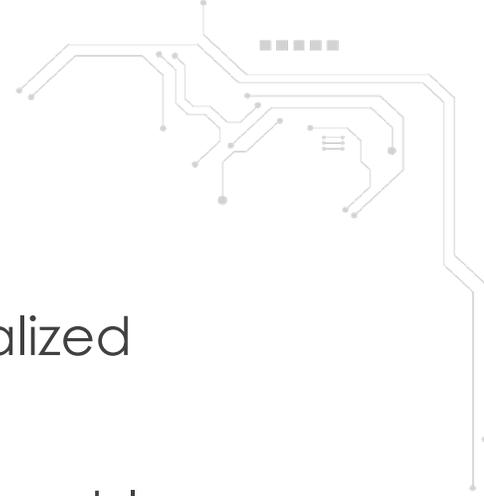
- This journey will unfold over time
- Anticipating a return to growth in FY27
- Better capacity utilization will result in higher margins





Guidance for fiscal year 2026

- Net sales of \$1.350 - \$1.450 billion, a 2% to 9% decrease compared to fiscal 2025
- Adjusted operating income of 4.0% - 4.25% of net sales, compared to 4.1% in fiscal 2025
- Capital expenditures of \$50 - \$60 million

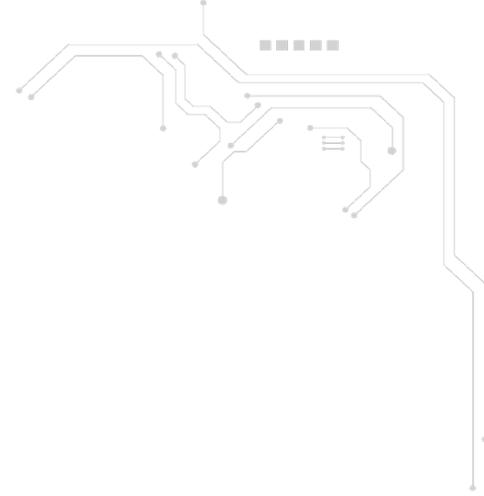


Sales guidance in perspective...

- Two important events occurred in fiscal 2025 that have been normalized when planning for FY26
 - Loss of braking program in Reynosa will have a \$60 million unfavorable impact in the year
 - Do not expect another large consigned inventory sale, similar to Q3, to occur again
- Without these two items, our top line guide is approximately flat year-over-year
- Modest growth in medical and industrial, offset by a decline in automotive

Margins are estimated to be in line with fiscal 2025

- Repurpose some of the benefit of the Tampa closure
 - Focus on growing the CMO and core EMS business
- When top line growth returns, enhancements to our cost structure should support margin improvement
- Capital expenditures will be heavily weighted toward our new facility in Indianapolis
 - Approximately \$30 million
- Balance supporting growth, automation, and maintenance



Company repositioned for a return to growth

- **Divestiture** of the non-core assets from **AT&M**
- Improved facility utilization with the **closing** of our plant in **Tampa**
- **Sharpened strategic focus** in all three verticals to target attractive new market spaces that align with our capabilities
 - Record number of wins for future business
 - Meaningful increase in the number of “green” customer scorecards
 - Quality ratings at a 15-year high
- **Elevate prominence** as **CMO** with expanded manufacturing footprint
 - Adjacencies & vertical integration
 - Expanded geographies and/or new capabilities
 - Customer divestitures in the medical space

EMS vs. Medical CMO

Electronics Manufacturing Services (EMS)

- Printed Circuit Board Assembly (PCBA's)
- Full System and High-Level Assembly Build
- Large Capital Equipment Assembly
- Prototyping
- New Product Introduction or Transfer of Existing Products
- Supply Chain Management
- Design Engineering Services

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

- Focused on the Medical Market
- Scientific Injection Molding
- Cold Chain Management
- Drug Delivery Device Manufacturing
- Disposable Medical Product Manufacturing
- Surgical Device Manufacturing
- Complex Medical Device Assembly
- Clean Room Assembly
- Design Engineering Services

Approaching medical CMO strategy with additional steps to position 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
- Well-positioned to meet current and future customer needs
- Committed to inorganic options to augment this space

New medical facility in Indianapolis is an important milestone

- Provides space needed to expand production capabilities
- Encompasses cold chain management, complete device assembly, and precision-molded plastics
- Currently manufacturing medical disposables, single-use surgical instruments, and selected drug delivery devices
- Exploring applications in areas such as cardiology, orthopedics, minimally invasive surgery, and surgical instruments & packaging
- Medical market presents compelling opportunity to diversify revenue and leverage our core strengths as a trusted partner in a complex and regulated industry

For more information, please contact:



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