

**BUILDING  
TOMORROW,  
TOGETHER**

 **Kimball**® Electronics

## **Company Overview**

March 2026



# 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

Diversified portfolio aligned with secular growth trends across **Automotive**, **Medical**, and **Industrial** markets, supported by long program life cycles

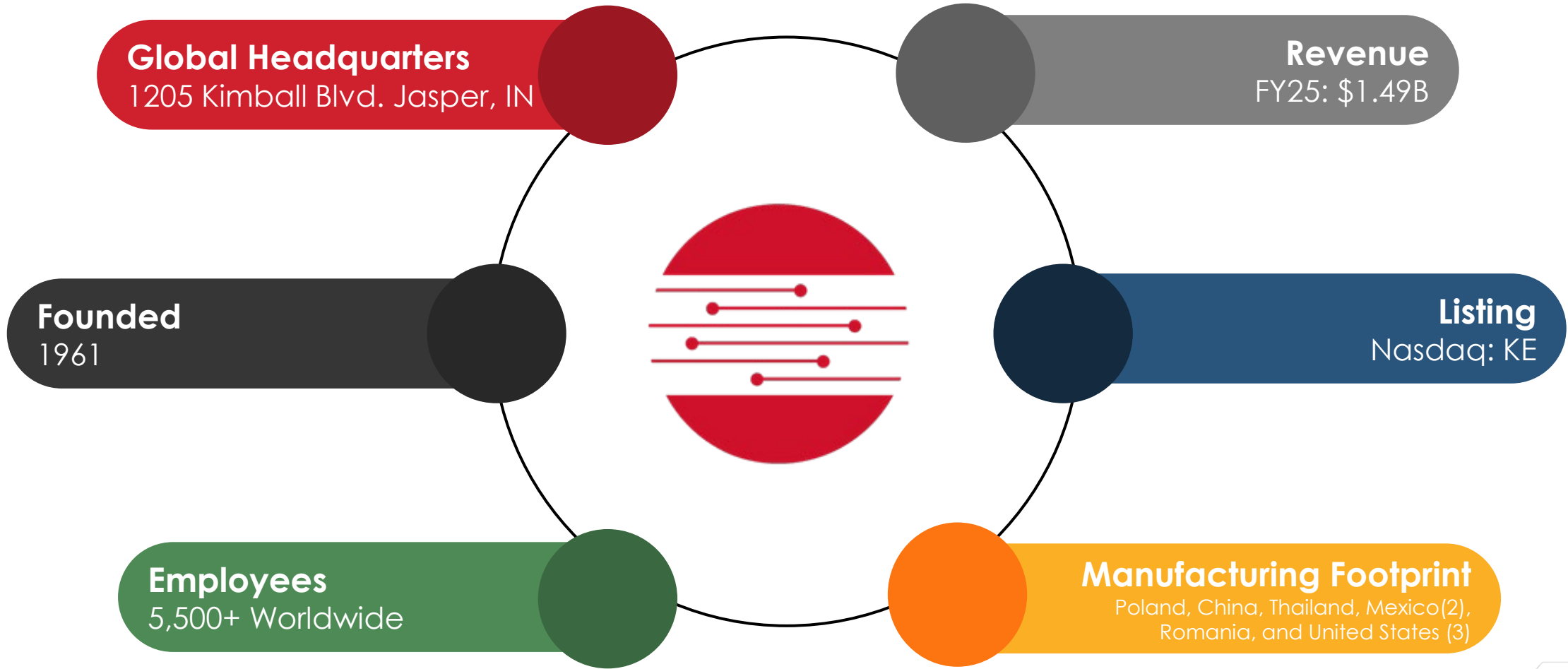
Specialization in **high-complexity, non-commodity manufacturing** requiring advanced engineering and reliability

Deep, long-term customer partnerships driving **sustainable growth** and operating leverage

Proven track record of **revenue** and **earnings growth**, with recent capacity investments supporting global expansion



# Company at a glance





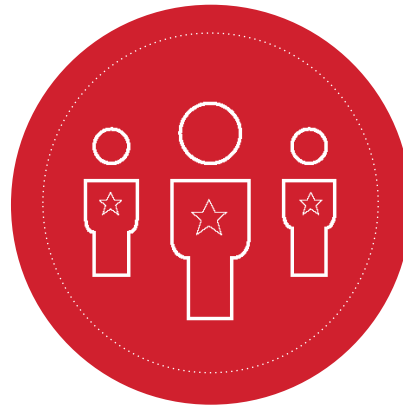
# Our culture and core values are differentiators

## 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

# Integrated platform supporting the full product lifecycle



## 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.



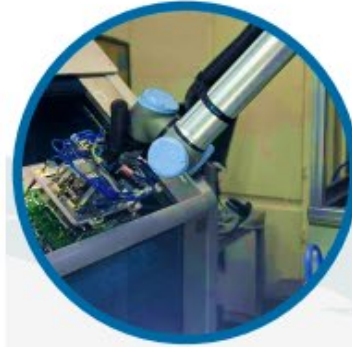
## NEW PRODUCT INTRODUCTION (NPI) OR TRANSFER OF WORK (TOW)

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.



# 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

# 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.

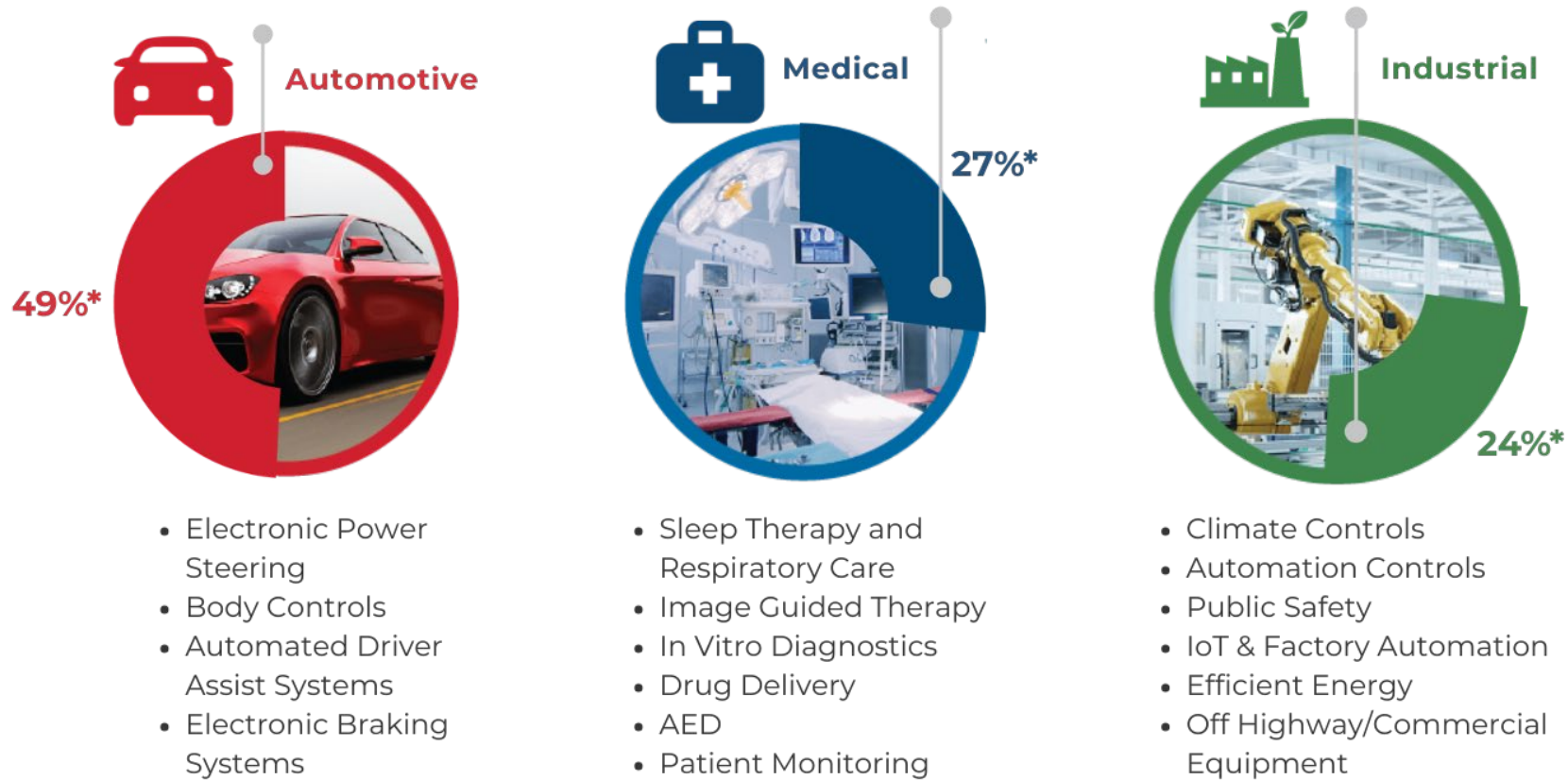


**Thailand**

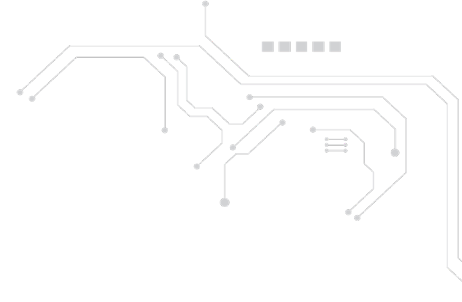
Laem Chabang, Thailand  
220,000 sq. ft.

# Diversified portfolio supporting 3 end market verticals

Revenue in fiscal 2025



*\*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

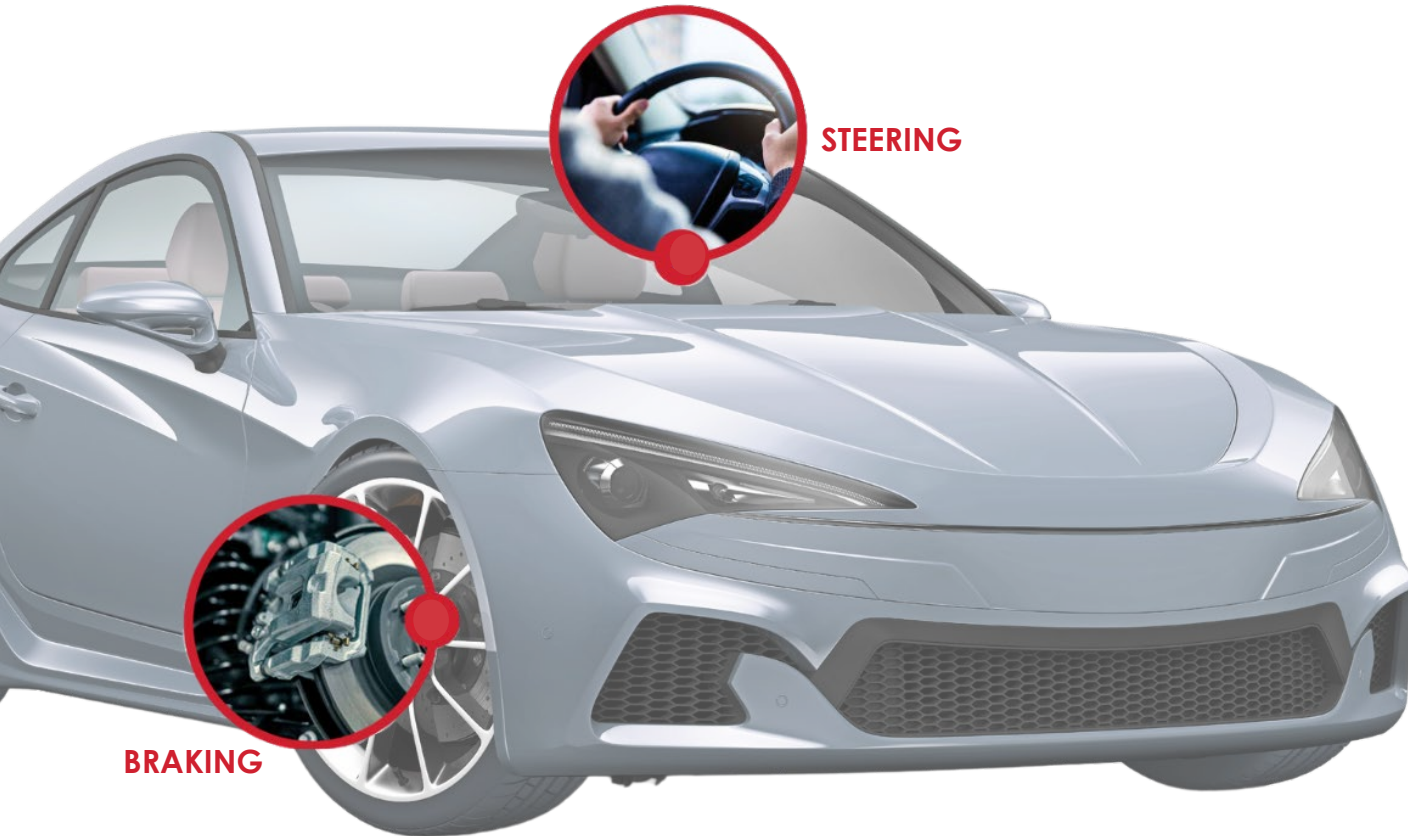
## Products supporting prevention, early diagnostics, clinical & hospital treatment, home & community care

- 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





# Why Invest?

Company repositioned for a return to profitable top line growth



**Sharpened  
Strategic  
Focus**



**Unique  
Competitive  
Advantages**



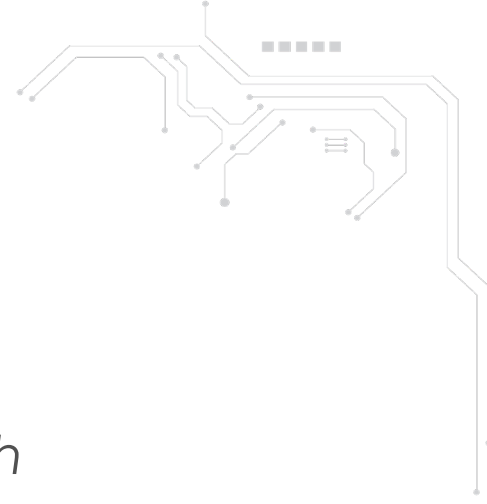
**Strong  
Balance  
Sheet**



**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

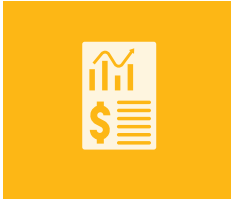
- **Industry certifications** including  **ISO 9001 ISO 13485**

## 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

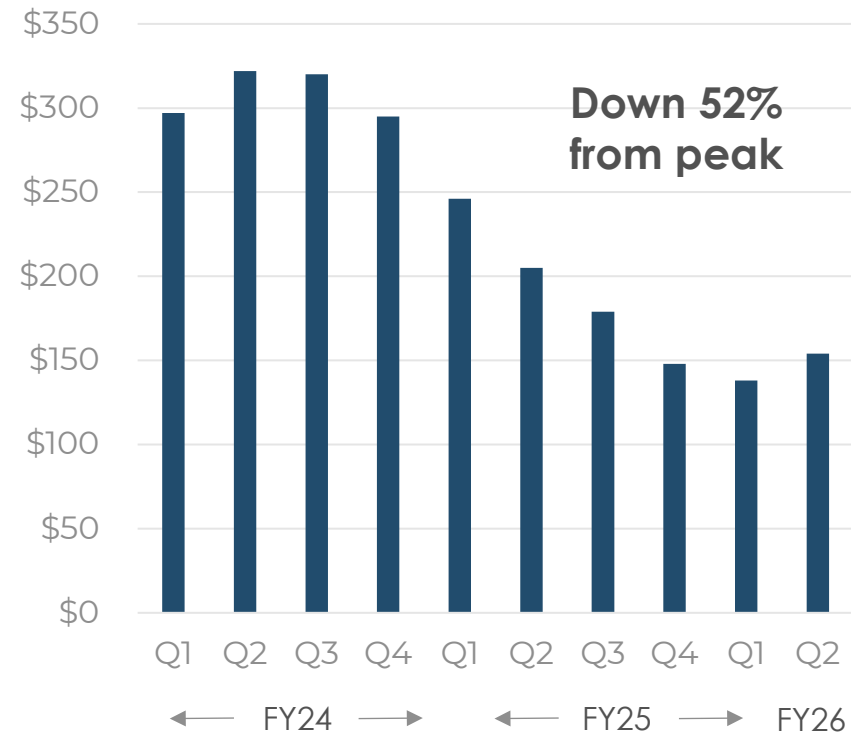


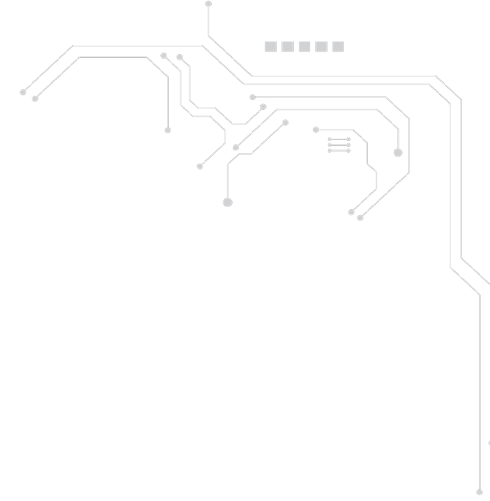
# Strong Balance Sheet

- Debt levels **significantly below peak**
- **Cash** from operations **positive** for 8 consecutive quarters\*
- Improved working capital management reducing **Cash Conversion Days** to 91\*
- Short-term **liquidity** of \$363 million\*
- **Dry powder** to opportunistically invest in growth

\* As of December 31, 2025

### 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** and **accelerated growth**
- 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

# Raised guidance for fiscal 2026\*

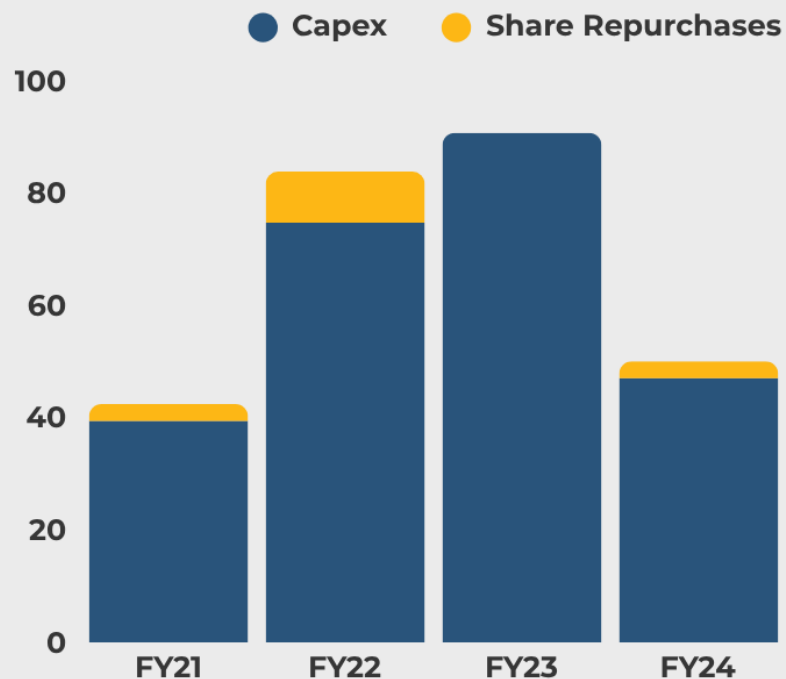
- **Net sales** of \$1.40 - \$1.46 billion
  - Prior guidance range of \$1.35 - \$1.45 billion
- **Adjusted operating income** of 4.2% - 4.5% of net sales
  - Prior guidance range of 4.0% - 4.25%
- **Capital expenditures** of \$50 - \$60 million (*unchanged*)
  - Heavily weighted toward our new facility in **Indianapolis (~\$30 million)**
  - Balance supporting growth, automation, and maintenance

\* Raised fiscal 2026 guidance for net sales and adjusted operating income as part of Q2 FY26 earnings release

# 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**

# For more information, please contact:



## **Andy Regrut**

Vice President, Investor Relations, Strategic Development, and Treasurer

812-827-4151

[andy.regrut@kimballelectronics.com](mailto:andy.regrut@kimballelectronics.com)