

FY 2024 Results Presentation & Business Update

March 17th, 2025



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Presenting today



Massimo Mauri
Chief Executive Officer



Lorenzo Mazzini
Chief Financial Officer



Clarence Nahan
Head of Corp. Dev. & IR

FY 2024 results overview

Guidance exceeded in what remained a complex market backdrop

2024 guidance



€180M+

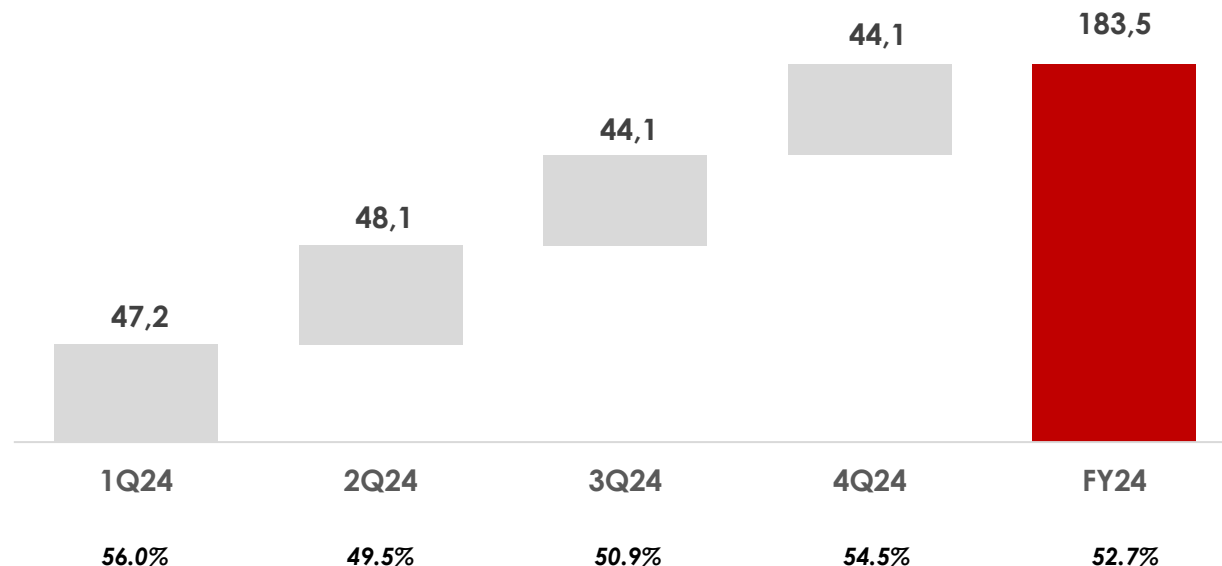
FY24 Revenues



50%+

FY24 Adj. Gross Profit Margin

Quarterly revenue & Adj. gross margin evolution



Key takeaways from the past 12 months

Continued resilience in a complex market

- **FY24:** Net sales at **€183.5m**, **down 12.5%** vs. FY23
- **Solid and diversified client base** in the Edge computing business
- Clea revenues at **€21.3m** in FY24 (**11.6%** of sales), **up 0.9%** vs. FY23

Best in class Gross Profit Margins

- **Adj. GPM** incidence at **52.7%** in FY24
- Stable YoY and improving QoQ thanks to **unique business model, offering & Clea contribution**
- 4Q24 GPM favored by a slightly better **client / product mix**

Focus on Opex optimization

- Adj. EBITDA at **€28.2m** in FY24 (**15.4%** of sales), **down 44.2%** vs. FY23
- **Profitability improving in 4Q24**, Adj. EBITDA at **17.6%** vs. 10.5% in 3Q24
- Adj. Net Income at **€1.4m** in FY24

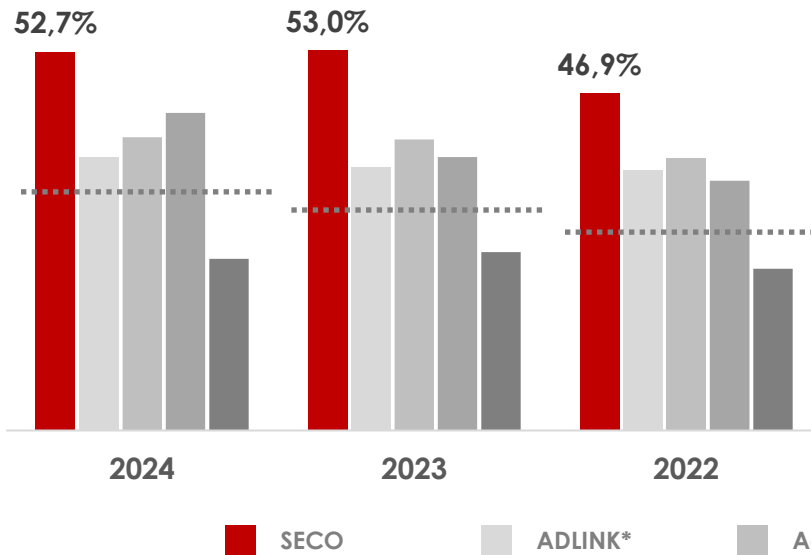
Significant Net Working Capital improvement

- **Positive Cash generation in 4Q24 (€15.6m)**, thanks to effective **NWC management**
- **Net Debt reduction** at **€41.3m**, with a financial leverage fully under control (1.5x)

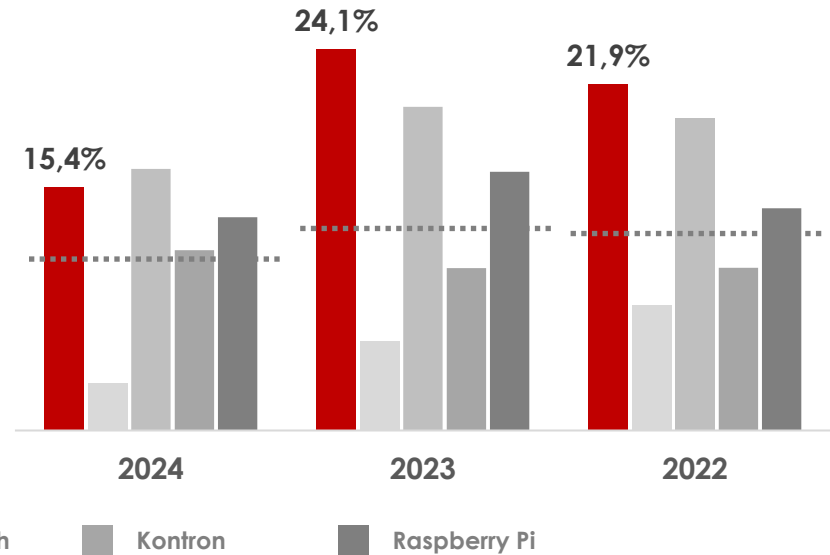
Benchmarking our performance with the rest of the sector

A proven business model with a high operating leverage

Adj. Gross Profit Margin



Adj. EBITDA Margin



Source: FactSet, financial data refers to historical or consensus figures depending on availability

*Adlink data as of 9M 2024

FY 2024 financial performance in details

FY 23



FY 24

Net sales

€209.8m



€183.5m

- Continuing destocking trend through the year by key customers led to decreased sales volumes
- Clea revenue at **€21.3m** in FY24 vs. €22.5m in FY23 (-5%)

Adj. Gross margin

€111.1m

53.0%



€96.8m

52.7%

- FY24 vs. FY23 margin broadly in line, thanks to Edge product mix, coupled with more favorable conditions in the components market
- Extraordinary write-down on Biorespira components (€4.1m), a product developed during the COVID-19 crisis, still not fully absorbed by the market

Adj. EBITDA

€50.6m

24.1%



€28.2m

15.4%

- Negative operating leverage amplified the impact of the Sales contraction due to our primarily fixed-costs structure
- 44%** in FY24 vs. FY23

Adj. Net Income

€22.9m

10.9%



€1.4m

0.7%

- D&A: +€9.6m vs. FY23
- Net financial expenses in reduction of €3.2m vs. FY23
- Aside from the adjustments made to EBITDA, Net income has been primarily adjusted for a €5.8m goodwill impairment of SECO Mind USA CGU, that results from the completion of SW development (now integrated into the Clea platform) by the US team, which has been terminated

Net sales - €183.5m



Edge computing

- **€162.2m** in FY24, **(-13%)** vs. FY23
- Sales volume contraction distributed across geographical areas and verticals due to customers' final stages of destocking
- Positive trajectory from Vending, PKE, Defense & Aerospace and Fitness

Edge
88%



CLEA
12%

Clea business

- **€21.3m** in FY24, **(-5%)** vs. FY23
- **+0.9%** vs. FY23 in terms of incidence on Net sales

By
Areas

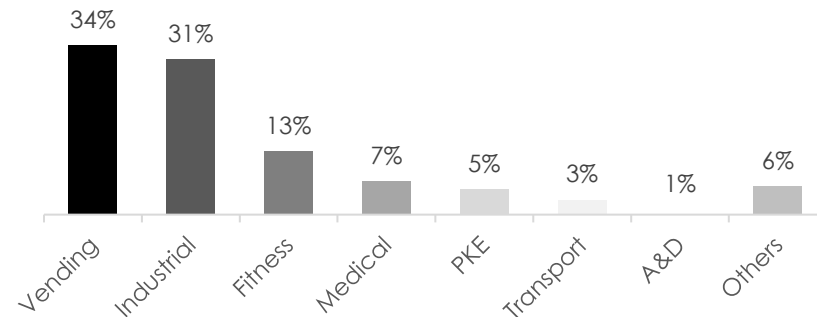
EMEA
82%



USA
10%

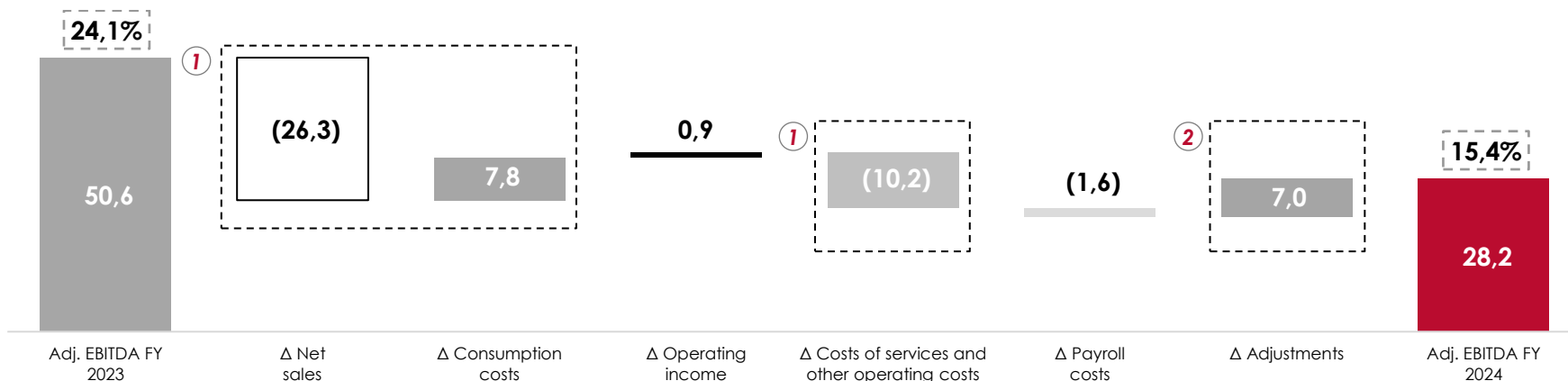
APAC
7%

By
Vertical



Adjusted EBITDA

Adj. EBITDA bridge (€m)



1 Gross margin effect and operating costs

- Adj. Gross margin at **52.7% of sales** (substantially stable vs. FY23), mainly thanks to **Edge product mix**, as well as to a **decrease in components' price** following market stabilization
- Adverse operating leverage effect**, with the impact of reduced sales volume amplified by our P&L structure, primarily characterized by fixed-costs

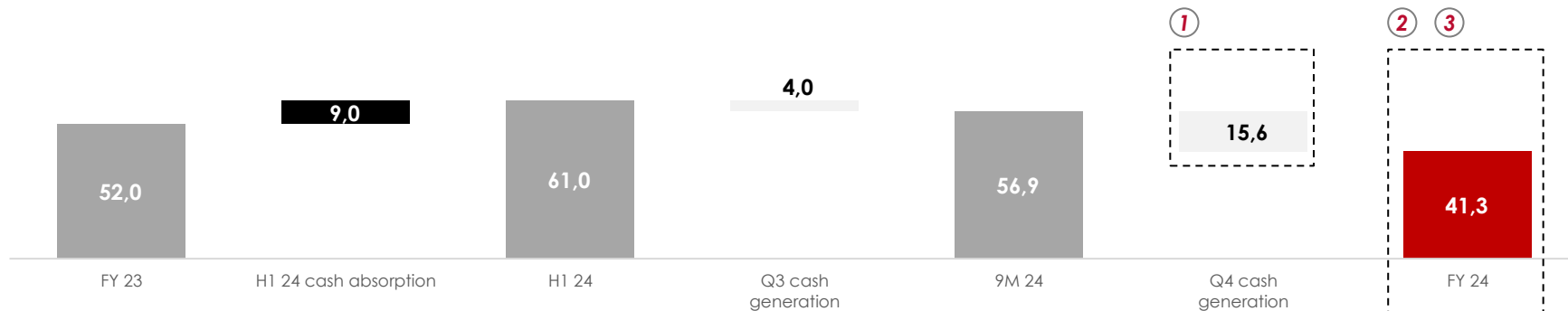
2 Adjustments

- FY 2024 EBITDA Adjustments (€m)



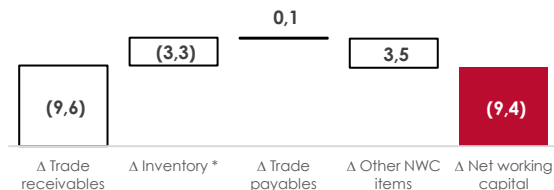
Adjusted Net financial position

Adj. Net debt evolution (€m)



1 4Q24 vs. 3Q24

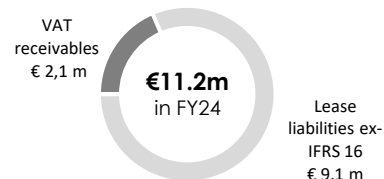
- Cash generation for €15.6m in 4Q24**, mainly thanks to net working capital management actions



* Δ Inventory adjusted for the extraordinary write-down on Biorespira components (€4.1m)

Note: percentages may not sum to 100% due to rounding; all numbers in €m are rounded to the closest first decimal place, so there may be deltas for up to ±€0.1m when variation figures are displayed

2 Net debt Adjustments



3 Leverage

- Solid financial position**

Leverage

(Net Debt Adj. / Adj. EBITDA)

1.5x
FY 2024

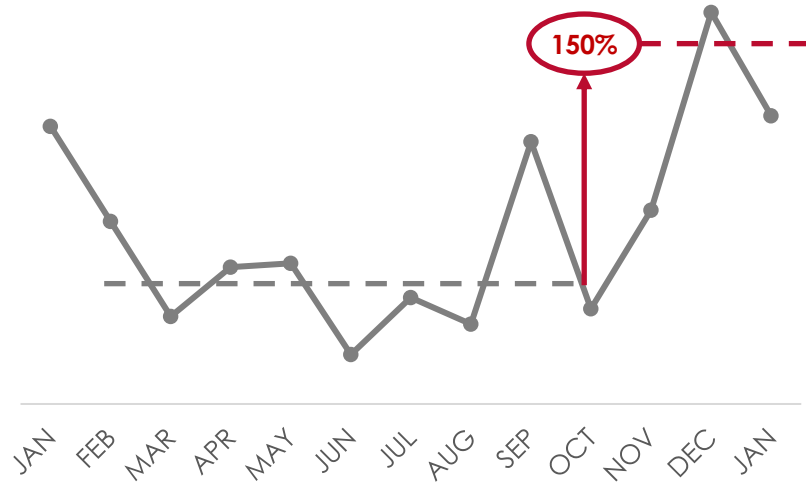
Business update



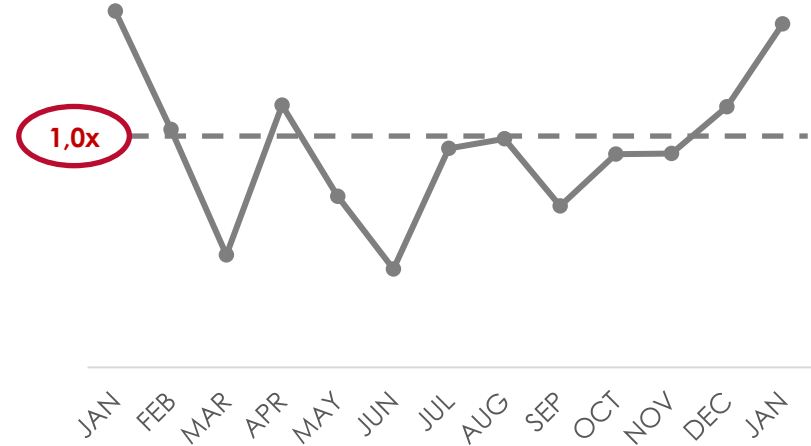
KPIs show that the inflection point has been reached

Supportive signs that OEMs are mostly done with their inventory adjustment

Encouraging Incoming Backlog Trend



Positive Book-to-Bill ratio Evolution



Key pillars driving the growth of our business in 2025

Capitalizing on years of technological leadership and continuous innovation

Optimal products & services offering

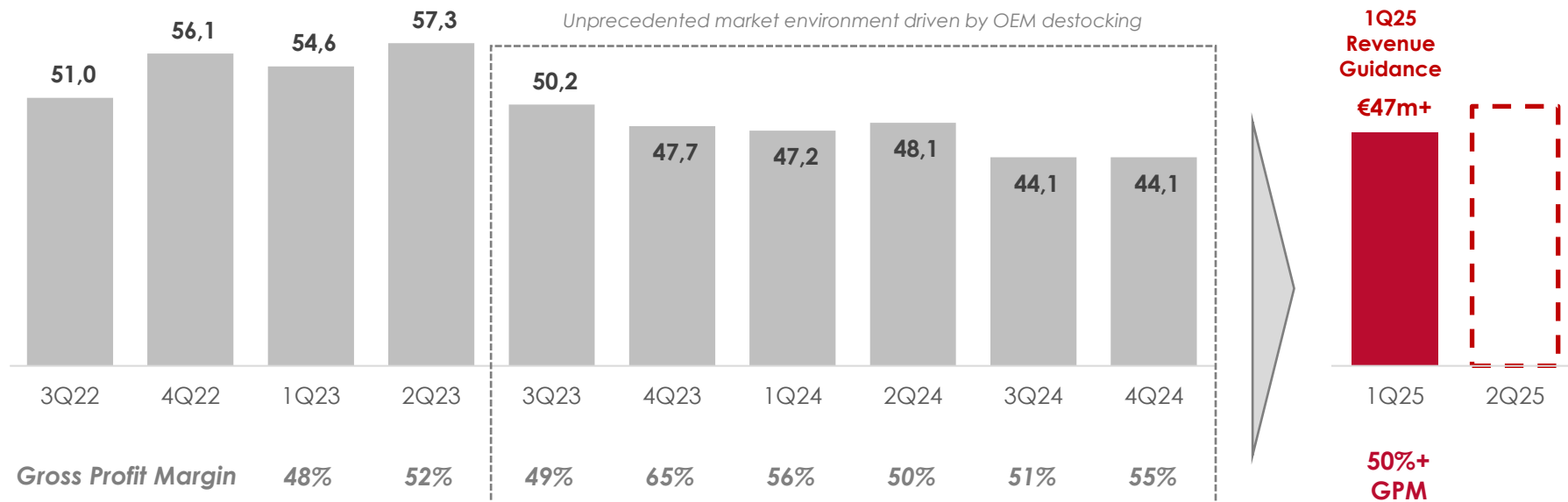
- **Record-high new product pipeline** both from range & innovation perspective
- Pick-up in project leads and **new design wins with new global clients**
- **Clea platform getting increasing traction with historical OEM clients** driven by data-analysis & value-added services
- **Ecosystem of industry-leading Partners** enriching Clea offering with specialized & vertically-focused services
- **Favorable product & country mix**, exposed to the fastest growing segments (e.g. Defense, Medical, Industrial...)

Compelling market outlook

- **Improving macro backdrop** with interest rates normalization
- Strong signals for the start of a **new cycle of corporate capex**
- **Acceleration in the adoption of edge computing systems** fueled by increasing demand for HMI
- **Increasing geopolitical visibility** in key geographies for SECO (e.g. Germany)

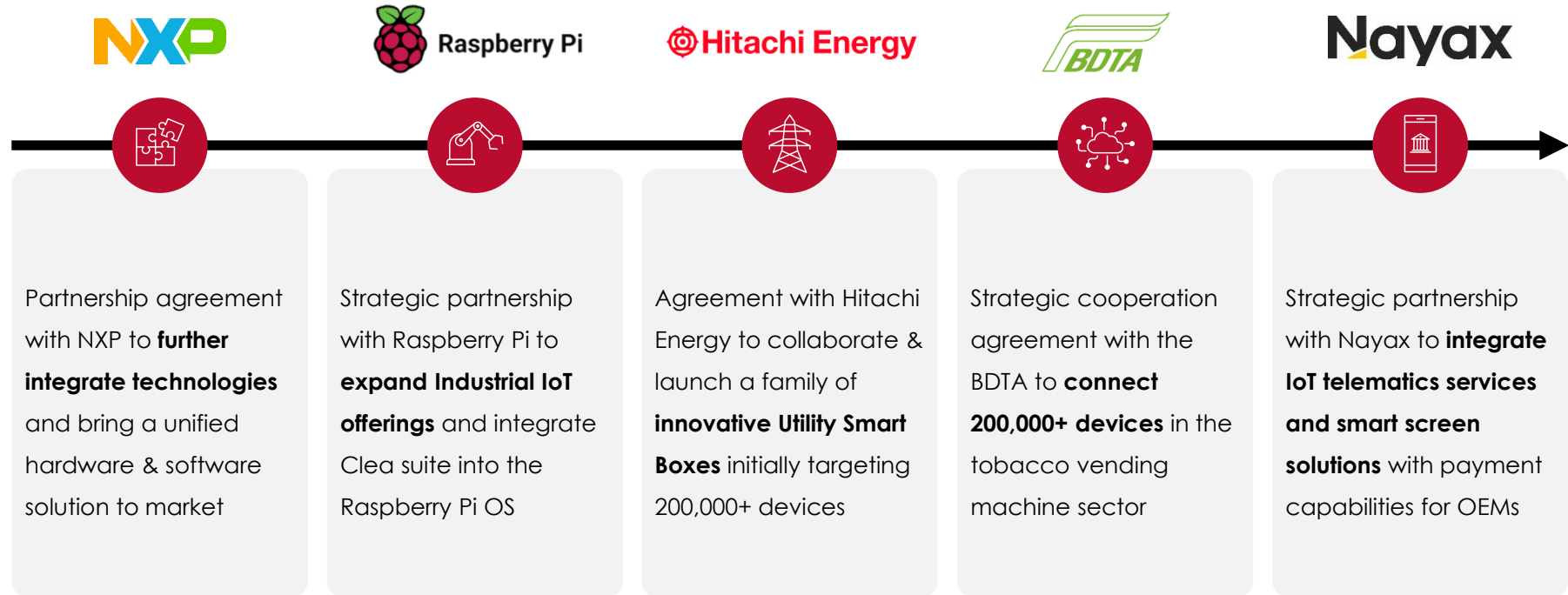
SECO is ideally positioned to capture this rebound in demand

We expect revenue growth trajectory to be back on track starting from 1Q25 and quarterly revenues to regain their historical levels by summer



An eventful past few months

Building up further momentum in our business



How Clea is gaining traction with clients and partners



Hitachi Energy

- 10 years agreement
- Energy Industry
- **+ 200.000** devices
- Platform adoption with retrofitting capabilities for Hitachi
- Platform as foundation for Joint **go-to-market Strategy**

€1M

Yearly recurring revenue



- 11 years agreement
- Tobacco Industry
- **+ 200.000** devices
- Recurrent revenue from cashless payments & telemetry usage
- AI & IoT applications enabled by Clea Vend

€8M

Yearly recurring revenue

Nayax

- Long-term partnership
- Initially focused on the vending Industry
- E2E portfolio coverage
- Shared transaction fees
- New revenues streams and cost reduction for OEMs

Multi-million

annual revenue stream opportunity correlated to client adoption

Embedded world 2025, Nuremberg

23° edition

SECO present since 2012

1.200+ exhibitors

from 38 countries

32.000+ visitors

from 40+ countries

112 MQL* collected

*Marketing Qualified Leads



Key partners featured during the event



Gesture recognition
and AI forecasting
people counting



EV Charging
Management



Voice-Controlled AI
with LLMs



Hands-free gesture-
controlled UI



Smart Vending &
Payment



Industrial HMI
powered by RPI CM5

Industrial AI at its best: SECO's COM Express with Snapdragon X

Collaboration with



Qualcomm selected SECO as
European IIoT design center partner



Multi-OS Support

Runs Windows & Linux for industrial applications



Extreme Performance

Snapdragon X Elite delivers top-tier CPU, GPU & 45 TOPs NPU for AI at the edge



Versatile & Scalable

Available across Snapdragon X, X Plus & X Elite SKUs



Efficiency & AI Acceleration

Low-power design, high-efficiency AI processing



Edge AI for Robotics: SECO COM Express with Metis AI Acceleration

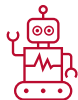


Collaboration with



AI-Powered Vision

High-performance Axelera Metis AI chip for real-time object detection & tracking



Optimized for Robotics

COM Express module ensures seamless integration with autonomous warehouse systems



High Efficiency & Speed

Accelerates logistics with advanced AI computer vision



Edge AI Processing

Low latency inference at the edge for real-time decisions



SECO Pi Vision 10.1 CM5: the Smart HMI for Industrial Innovation

Collaboration with



Raspberry Pi



Powered by Raspberry Pi CM5

A cost-effective yet industrial-grade HMI designed for automation, retail, logistics, and transportation



Integrated IoT & AI with Clea

Enables real-time data insights, predictive analytics, and seamless remote management



Smart, Scalable & Ready for Deployment

Ideal for OEMs and startups, reducing time-to-market from prototyping to mass production



Enabling Digital Transformation

Drives efficiency, automation, and cost savings across industries with intelligent edge computing



Backed by a record-high Edge product pipeline

2025

2026



SOM-SMARC-MX95

6x Arm® Cortex-A55
@2GHz
NPU: 2 TOPS



Raspberry Pi



Pi Vision 10.1 CM5

4x A76 clocked @ 2GHz
10.1" display



MEDIATEK

Modular Vision Family

NXP i.MX93, Mediatek Genio
700/500, Intel AML
Display range 7", 10.1", 15.6"

Qualcomm



SOM-COMe-X-Elite

12 Cores ORYION CPU @
3.4 GHz - AI-accelerator
45 TOPS



M.2 & PCIe Metis-AI

AI-accelerator up to 100
TOPS



SOM-COMe-CT6- RK3588-AI

RK3588 + Axeleria Metis
AI-accelerator up to
200 TOPS

Nayax



Modular Pay Mini

Ultra-compact, secure,
and built for seamless
unattended NFC
payments



SOM-COMe-BT6-ARL

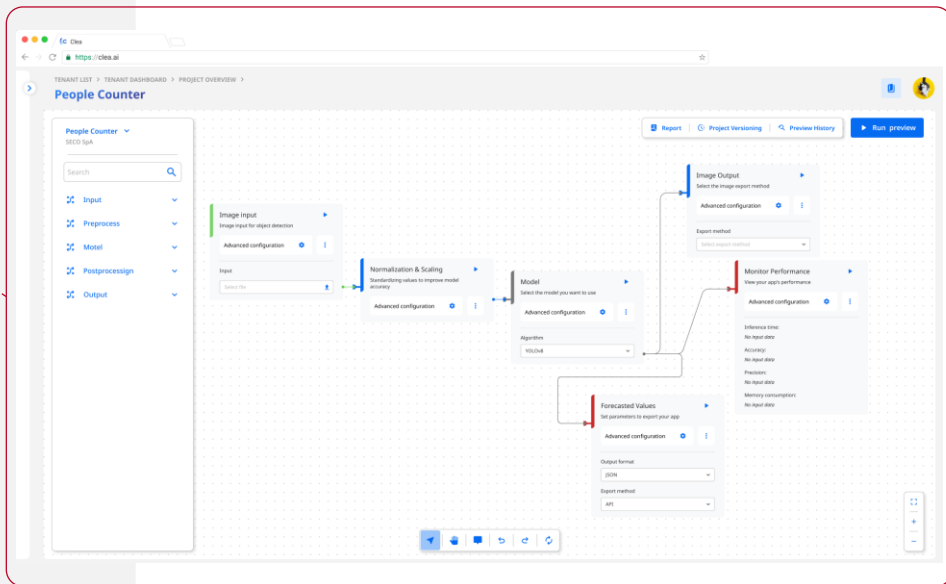
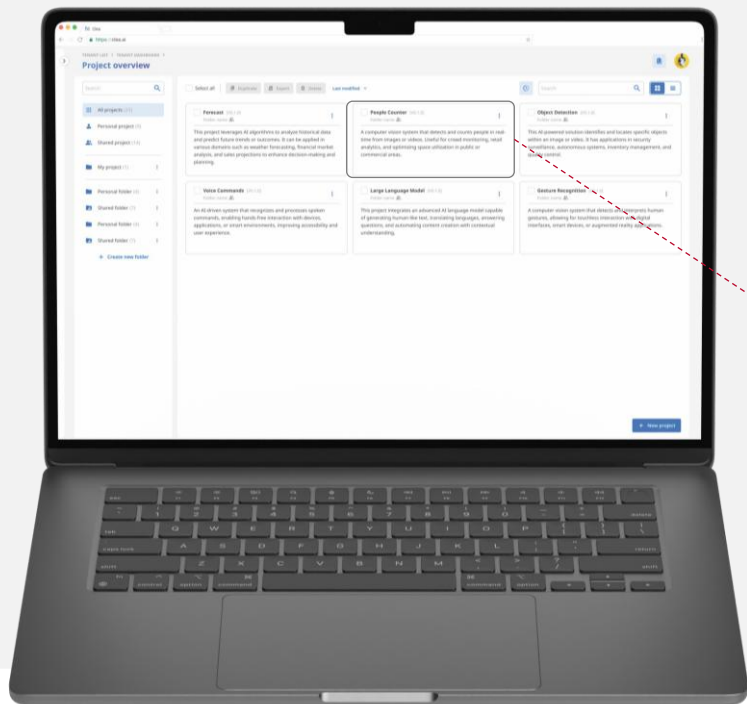
Intel Arrow Lake – up to Core
Ultra 9 processor 285H
AI-accelerator up to 99 TOPS



Modular Link MX93

DIN Mount Industrial
Gateway
NPU: 0.5 TOPS

AI workflow automation for Industrial IoT

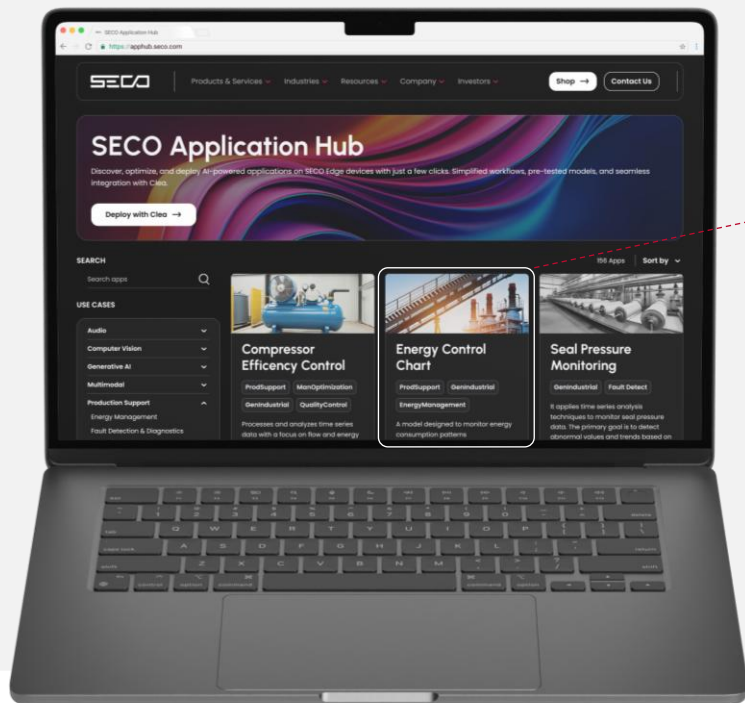


**The value of AI deployment
at the Edge**

SECO Application Hub

The AI Marketplace for Industrial IoT

Coming in
2H25



Telephony, distribution, and commercial use strictly prohibited



Energy Control Chart

Energy Consumption Monitoring and Control Chart Analysis
This model monitors energy consumption patterns using time series analysis. It processes and interprets missing data, aggregates energy usage over custom time intervals, and identifies active/inactive periods based on weekday patterns.

Deploy on your device →

ProdSupport GenIndustrial EnergyManagement

App details

APP DETAILS

MODEL TYPE: Time Series Analysis & Anomaly Detection
FRAMEWORK: Python-based statistical modeling (NumPy, Pandas, SciPy, Matplotlib)
ALGORITHM: Statistical Control Chart Analysis for Energy Consumption
DATA INPUT TYPE: Time series energy consumption data (kWh, Watts, etc.)
PREPROCESSING:

- Handling missing data through interpolation
- Aggregation of energy data on daily, weekly, or custom intervals
- Identification of active and inactive operational periods

INFERENCE PROCESSES:

- Defines control chart thresholds based on historical energy data
- Detects out-of-bound (OOB) energy consumption patterns
- Adapts to different time zones and sampling rates

OUTPUT TYPE:

- Anomaly detection flags
- Statistical summaries of energy usage patterns
- Control chart visualizations for operational insights

Model Repository →

SUPPORTED IOT DEVICES

- SOM-SMARC-EHL
- SOM-SMARC-Genio700
- SOM-SMARC-M395
- SOM-COM-C16-V1000
- SOM-SMARC-QC5430
- Titan 300 TGL-UP3
- SOM-COM-HPC-A-8PL
- SOM-COM-HPC-A-TGL-H
- Patella 300 SP
- Modular Link M393
- SBC-35-RV500
- SBC-35-RV3008
- Modular Vision 7 M393
- Modular Vision 13 M393-Plus
- Modular Vision 131 M393-Plus
- Flex Vision 7 AML

SUPPORTED CHIPS

- Intel Intel Pentium®
- Intel Intel Atom Series
- Intel Intel Celeron® N and J, S
- Intel Intel Core™ i3
- Intel Intel Core™ i5
- Intel Intel Core™ i7
- MediaTek Genio 700
- MediaTek Genio S10
- NXP iMX 8X
- NXP iMX 8X
- NXP iMX 8M Plus
- AMD Ryzen™ Embedded
- AMD Ryzen™ Embedded
- Qualcomm® QC5430
- Rockchip RK3568
- Rockchip RK3568

Performance Benchmark

HARDWARE	LATENCY	MEMORY USAGE
SECO SOM-SMARC-EHL	45 ms	50 MB RAM
SECO Titan 300 TGL-UP3	20 ms	45 MB RAM
SOM-SMARC-Genio700	35 ms	50 MB RAM

Load more

Requirements

Hardware Requirement
CPU: Intel/ARM-based processors
GPU: (optional for large-scale processing)
EDGE AI COMPATIBILITY: Low-power industrial edge devices

Certified SECO Devices for Mistral-3B



Modular Vision: Game-changer AI-ready HMIs



Unique E2E offering

HMI + Clea IoT platform + AI:
complete solutions to
maximize our tech investments



Interest from Silicon vendors

Seen as the ideal go-to AI
evaluation kit by our
chipmaker partners



Driving AI at the Edge

AI-based with an intuitive UX,
to accelerate AI adoption in
industrial application



Fast Time-to-Market

Modular & scalable platform,
to deliver custom HMI in just
3 months

Clear monetization strategy

Fully integrated IoT offering, from edge computing to software & services suite, allowing multiple recurring revenue opportunities



Edge System

- Fully integrated offering developed for Industrial OEMs, with in-house HMI design & manufacturing
- Visible & High Margin model focused on customization



IoT Suite

- Modular & open source full-stack IoT & AI solutions, designed to support HW-specific add-ons
- Long-term contracts based on fee per device & consumption



Development of a services through strategic partnerships with leading international players

Cybersecurity

Security solutions specifically dedicated to Industrial applications, strengthening the protection levels of in-field devices



Payment/ Telemetry











Telematics & smart screen solutions with payment capabilities for OEMs with a focus on automated self-service points of sale



- Revenue share model adding to SaaS model
- Further value-add services to be announced in 2025

Recent design win improving sales mix across verticals & regions

New projects with new clients demonstrating the competitiveness of our product offering

Sector	Country	Solution	Business Size
 Global tech leader in Energy metering	 Switzerland	<ul style="list-style-type: none"> • Smart device for High voltage sub-stations • Modular, boxed solution with IoT connectivity 	€5M+
 South American leader in smart voting	 Argentina	<ul style="list-style-type: none"> • Complete custom project for electronic voting machines • Complex system integration (fingerprint scanner, printer...) 	€5M+
 Western world's largest machine tool builder	 USA	<ul style="list-style-type: none"> • 18.5" touch panel assembly with integrated brackets • Enhanced user interface in CNC machines 	€3-5M
 Leader in Passenger Information Systems	 Germany	<ul style="list-style-type: none"> • Displays (inside/outside) & audio systems for new suburban trains in Munich • Compliance with transportation certifications 	€1-2M
 Global group in Aerospace & Defense	 Italy	<ul style="list-style-type: none"> • Supply of HMI and modules to be integrated by customer • Front & rear cabin operator panels into Airbus civil aircraft 	€1-2M

Long-lasting relationships with Top-tier customers

Sustainable growth trajectory driven by strong client base



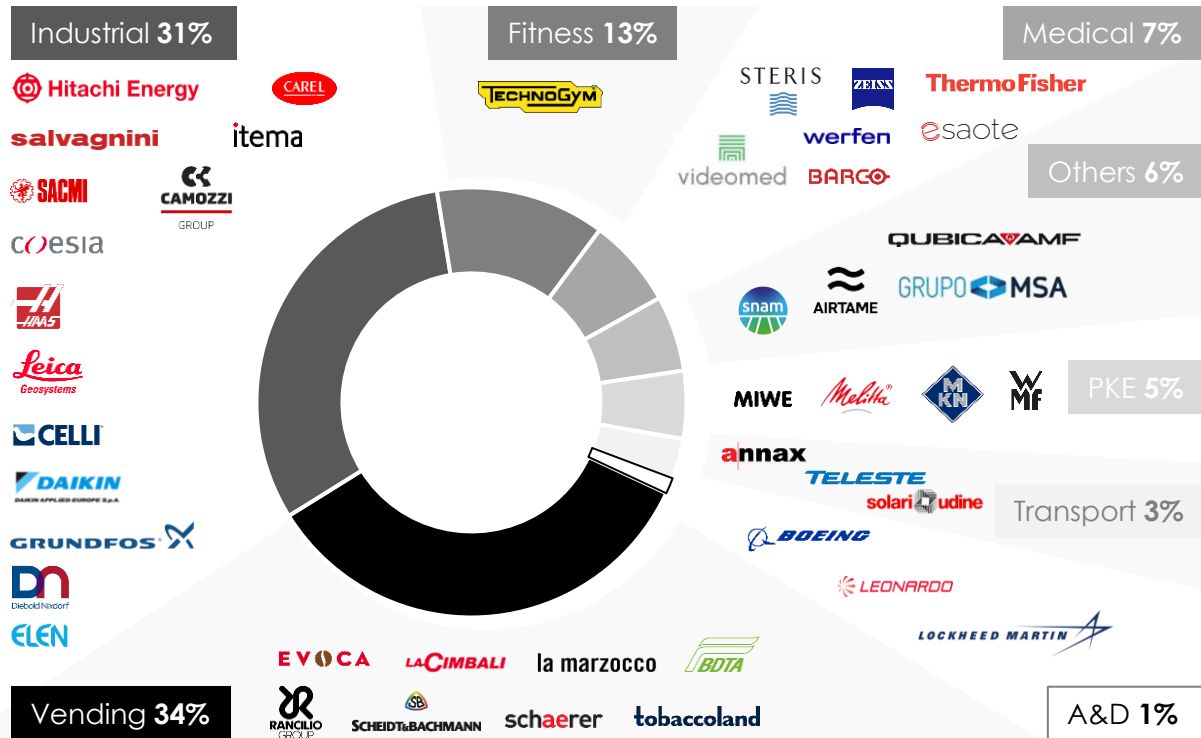
20 years+
relationship with Top3



~3%
Churn rate



Top10 concentration
<70% (2018) to
~45% (2024)



Why invest in SECO?

SECO

- 1 **Top 5 player globally** in one of the fastest growing end-market in technology
- 2 **Profitable business model** focused on high margin custom solutions
- 3 **End-to-end technological partner** with unrivalled R&D excellence
- 4 **Fully integrated IoT offering**, from edge computing to software & services stack
- 5 **Uniquely positioned product range** to fully benefit from Edge AI tailwind
- 6 **Highly diversified client base**, consistently growing through new project wins
- 7 **Strong balance sheet** allowing for pro-active M&A strategy
- 8 **Experienced management team** with a clear roadmap to deliver long term growth

Q&A

SECO

Thank you

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