

Mid year un-audited financial statement

Relating to the un-audited financial statement

For the date of Sept 27th 2024

Flextronics International Kft.

Tab, 19th of December 2024

We, as the managing directors of **Flextronics International Kft.** (registered seat: H-8660 Tab, Munkás u. 28.; company registration number: 14-09-300339) (the "**Issuer**"), regarding the Issuer's mid-year unaudited financial statement for the date of 27th September 2024 (that shows total assets at the end of the period **1,351,040 kEUR** and profit for the period **9,182 kEUR**) state that the financial statement:

- is not an audited financial report;
- is fair and complete representation of the Issuer's assets, liabilities, performance, and financial position;
- is prepared based on the principles of the Hungarian Act on Accounting (Act C. 2000) and in accordance with the best knowledge of the Issuer;
- there were no major changes compared to the prior year financials in the policies applied for the preparation of this financial statement; and
- the management report being part of the Issuer's financial statement provides reliable overview as to the Issuer's situation, development, and performance, presenting the main risks and uncertainties.

Laszlo Nagy
Managing Director

Christian Pfister
Managing Director

This report contains forward-looking statements related to our future financial results and our guidance for future financial performance (including expected revenues, operating income, margins and earnings per share). These forward-looking statements are based on current expectations, forecasts and assumptions involving risks and uncertainties that could cause the actual outcomes and results to differ materially from those anticipated by these forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements. The forward-looking statements are based on current expectations and we assume no obligation to update these forward-looking statements.

Performance of the period 04.01.2024 – 09.27.2024

- Net revenue of 6 month changed from 0,96bn€ (04.01.2023 – 09.30.2023) to 0.77bn€ (04.01.2024 – 09.27.2024)
- Operating income of 6 month from 6.9m€ (04.01.2023 – 09.30.2023) to 5.8m€ (04.01.2024 – 09.27.2024)
- Net working capital from 149m€ (at 03.31.2024) to 143€ (at 09.27.2024)
(*Receivables + Inventory – Payables*)
- Liquidity from 1.21 (at 03.31.2024) to 1.23 (at 09.27.2024)
(*current assets + prepayments and accrued income*) / (*current liabilities + accruals and deferred income*)

Our markets performed stable in the first part of FY2025. Both our high value-add focus areas, industrial and automotive, delivered slightly higher revenues compared to the same period of last year. The revenue erosion was associated with our solar equipment manufacturing. Following record orders last year, our partner discontinued the cooperation early this fiscal year, hence we ramped down manufacturing.

As we continue investing into our automotive electrification programs to satisfy our contracts the construction in progress amount in the first six months of the year was approximately 15.9m€ compared to 21.6m€ whole prior year. In line with the schedule of our awards, we expect increased capital spend in the second half of the year, and the construction of our new facility in Zalaegerszeg is in progress according to plan. We continue utilizing the long term XBOND financing to facilitate investment into state-of-the-art manufacturing capabilities.

Net working capital slightly reduced as the inventory and receivables associated with our solar equipment contract have been settled while the ramping vehicle electrification businesses for our American and German OEM partners required less working capital.

	04.01.23 - 09.30.23	04.01.23 - 09.27.24
Net sales domestic	31 375	10 996
Net sales export	927 932	756 524
NET SALES REVENUE	959 307	767 520
Change in stocks of finished goods and work in progress	-1 499	16 537
OWN PERFORMANCE CAPITALIZED	-1 499	16 537
OTHER INCOME	13 020	22 346
including: loss in value marked back	6 247	10 742
Cost of raw materials and consumables	650 270	494 414
Cost of services	125 412	116 854
Cost of other service activities	1 041	210
Cost of goods sold	20 287	17 807
Cost of services sold (intermediated)	52 272	59 690
MATERIAL COSTS	849 282	688 975
Wages and salaries	61 116	60 562
Other employee benefits	6 948	6 394
Contributions on wages and salaries	8 809	9 063
STAFF COSTS	76 873	76 019
DEPRECIATION	12 942	13 911
OTHER OPERATING CHARGES	24 846	21 746
including: loss in value	10 756	3 283
OPERATING (TRADING) PROFIT	6 885	5 753
Other interest and similar income (received or due)	21 318	18 635
including: from affiliated undertakings	21 239	18 618
Other income from financial transactions	171 239	114 814
INCOME FROM FINANCIAL TRANSACTIONS	192 557	133 450
Interest payable and similar charges	20 704	14 822
including: to affiliated undertakings	11 039	9 295
Other expenses on financial transactions	168 586	115 178
EXPENSES ON FINANCIAL TRANSACTIONS	189 290	129 999
PROFIT OR LOSS FROM FINANCIAL TRANSACTIONS	3 267	3 451
PROFIT OR LOSS ON ORDINARY ACTIVITIES	10 152	9 204
PROFIT BEFORE TAX	10 152	9 204
TAX PAYABLE	116	0
PROFIT AFTER TAX	10 036	9 204
PROFIT OR LOSS FOR THE YEAR	10 036	9 204

Unaudited statement of financial position: assets (kEUR)

	03.31.2024	09.27.2024
A <u>FIXED ASSETS</u>	422 937	426 265
I. INTANGIBLE ASSETS	91	137
I.3 Concessions, licenses and similar rights and assets	46	104
I.4 Intellectual property	45	33
II. TANGIBLE ASSETS	133 278	135 560
II.1 Land and buildings, rights to immovable	40 273	39 124
II.2 Plant and machinery, vehicles	80 975	77 901
II.3 Other equipment, fixtures and fittings, vehicles	5 217	6 307
II.5 Assets in course of construction	6 814	7 615
II.6 Payment on account	0	4 616
III. FINANCIAL INVESTMENTS	289 567	290 568
III.1 Long-term participations in affiliated undertakings	35 615	36 917
III.2 Long-term loan to affiliated undertakings	253 952	253 651
B <u>CURRENT ASSETS</u>	914 355	869 610
I INVENTORIES	190 788	190 650
I.1 Raw materials and consumables	157 957	141 244
I.2 Work in progress, intermediate and semi-finished products	13 203	12 829
I.4 Finished products	9 369	26 281
I.5 Goods for resale	1 625	1 766
I.6 Advances and prepayments on inventories	8 632	8 530
II. RECEIVABLES	722 226	677 891
II.1 Accounts receivable (trade debtors)	192 847	163 362
II.2 Receivables from affiliated undertakings	520 370	507 731
II.5 Other receivables	9 009	6 797
III. SECURITIES	0	0
IV. LIQUID ASSETS	1 341	1 070
IV.1 Cash in hand, checks	1	1
IV.2 Cash at bank	1 340	1 068
C <u>PREPAYMENTS AND ACCRUED INCOME</u>	67 629	55 165
C.1 Accrued income	43 047	38 943
C.2 Accrued costs, expenses	24 582	16 223
<u>TOTAL ASSETS</u>	1 404 921	1 351 040

Unaudited statement of financial position: liabilities (kEUR)

	03.31.2024	09.27.2024
D. SHAREHOLDERS' EQUITY	329 748	338 952
I. ISSUED CAPITAL	5 591	5 591
II. ISSUED CAPITAL UNPAID (-)	0	0
III. CAPITAL RESERVE	61 635	61 635
IV. ACCUMULATED PROFIT RESERVE	142 013	153 742
V. TIED-UP RESERVE	108 780	108 780
VI. REVALUATION RESERVE	0	0
VII. PROFIT OR LOSS FOR THE PERIOD	11 729	9 204
E. PROVISIONS	10 190	6 654
E.1 Provisions for expected liabilities	10 190	6 654
F. LIABILITIES	957 520	874 089
I. SUBORDINATED LIABILITIES	0	0
II. LONG-TERM LIABILITIES	252 634	251 984
II.3 Debts on issue of bonds	252 634	251 984
III. CURRENT LIABILITIES	704 887	622 105
III.2 Other short-term credits	29 678	139 078
III.3 Advances received from customers	9 053	9 052
III.4 Accounts payable (trade creditors)	234 229	211 442
III.6 Short-term liabilities to affiliated undertakings	392 649	232 166
III.8 Other short-term liabilities	39 277	30 367
G. ACCRUALS AND DEFERRED INCOME	107 462	131 344
G.1 Deferred income	18 498	14 818
G.2 Deferred costs, expenses	81 193	109 858
G.3 Accrued income	7 771	6 668
TOTAL EQUITY AND LIABILITIES	1 404 921	1 351 040