



CHERRY SE

GERMAN CORPORATE CONFERENCE

INVESTOR PRESENTATION

MUNICH, 23 SEPTEMBER 2024



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This presentation also contains estimates and other statistical data made by independent parties and by the Company relating to the Company's industry, the Company's business and the market for the Company's products and its future growth. This data involves a number of assumptions and limitations, and you are cautioned not to give undue weight to such estimates. In addition, projections, assumptions, and estimates of the Company's future performance and the future performance of the market for its products are necessarily subject to a high degree of uncertainty and risk.

GENERAL REMARK

Figures may not add up due to rounding.

OUR MARKETS

Gaming



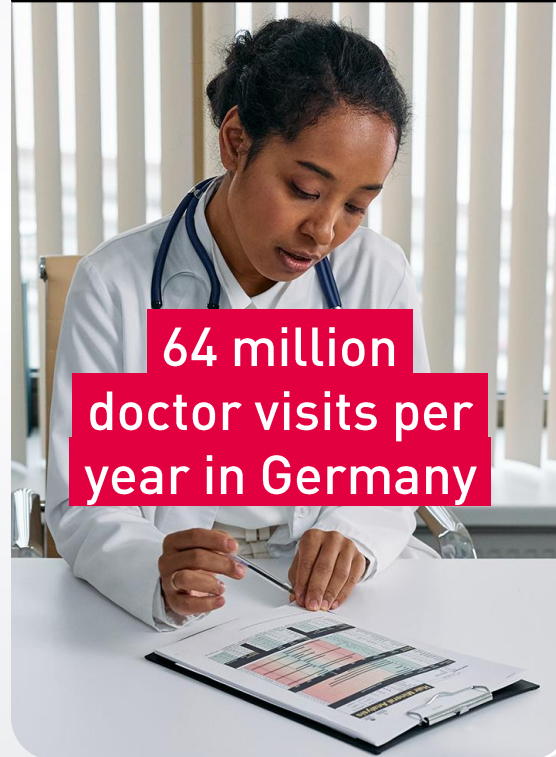
3.2 billion gamers
worldwide

Office



80 million
work from home
in Europe

Health



64 million
doctor visits per
year in Germany

Industrial



30 billion
connected devices
by 2030

SEGMENTS & PRODUCTS

Gaming & Office Peripherals

Keyboards and Mice



Microphones



Components

Switches



SEGMENTS & PRODUCTS

Digital Health & Solutions

eHealth



Robotics



Software and Cloud



Hygienic Peripherals



Security



OUR GLOBAL DEVELOPMENT & PRODUCTION

Cherry SE

Cherry Europe / Germany



Innovation for MX and ULP product lines as well as development and production of MX2 and ULP switches

Cherry Embedded Solutions / Austria



Development / manufacturing of System-on-Modules (SoM), Single-Board Computers (SBC) and Full-Custom Design Devices (FCD)

Zhuhai Cherry Electronics / China



Development and production of office and gaming hardware

Cherry XTRFY / Sweden

Design and development of gaming devices



TWO-MEMBER EXECUTIVE BOARD



Oliver Kaltner, CEO

Experienced CEO with proven track record in IT, digital, consumer electronics and branded companies, both in large corporations and SMID as well as start-ups.



Dr. Udo Streller, COO

More than 20 years of management experience in operational excellence, including constructing and managing factories, R&D, product management, and supply chain management procurement.

H1 PERFORMANCE UNDERPINS REVITALIZATION



FINANCING
SECURED



HEALTHY
INVENTORY
LEVELS



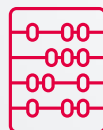
ALIGNMENT OF
SALES AND
CONTROLLING



EARLIER START
OF CHINESE
ASSEMBLY



DH&S
PLATFORM
OWNERSHIP



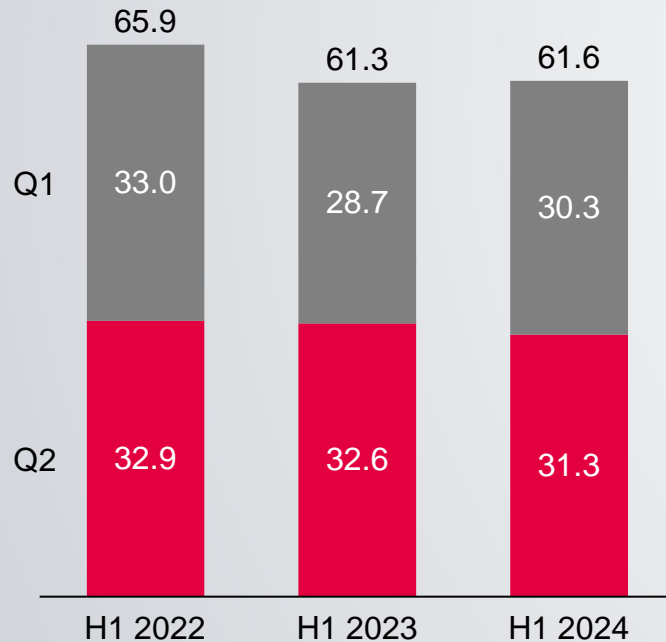
“MARGIN OVER
VOLUME” LED TO LFL
SEQUENTIAL INCREASE
IN PROFITABILITY



Q2 ADJ. EBITDA MGN. UP 2.3PPT. SEQUENTIALLY

H1 REVENUE

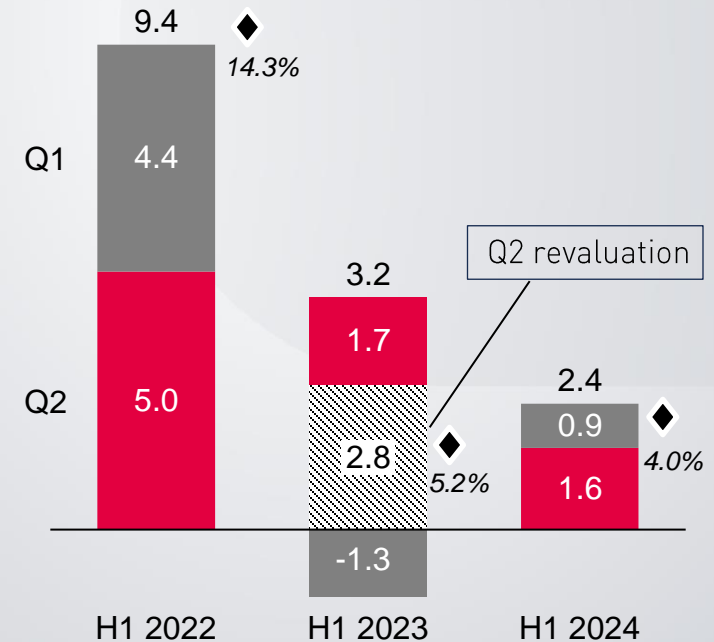
(in EUR m)



- H1 Revenue slightly up y-o-y
- Q2 Revenue up 3.2% q-o-q, but slightly down y-o-y as
 - we declined high volume / low margin deals
 - Americas started slowly
 - Components faced an order delay into Q3
- Q2 Margin at 5.1%, l-f-l* on previous Q2's level and burdened by one-offs of c. EUR 0.8m**

H1 ADJ. EBITDA***

(in EUR m; mgn. in %)



• like-for-like, i.e. without Q2 2023 revaluation effect of EUR 2.8m, when inflation led to higher valuation of inventory / finished goods ** One-off effects include additional audit costs, the renegotiation of the loan and associated costs of legal advice. *** Rounding errors may occur

COMPONENTS – SET FOR RECOVERY

Back to
**competitive
pricing**

**Computex - new
switches:**

- Inductive MX Multipoint
- MX Silent Clear
- MX Low Profile 2.0

**First samples
delivered** to
OEMs and KB
manufacturers in
June

**Customers' new
products:**

- MX Multipoint KB
- Fightstick MX Multipoint

**New volume
customers:**

- Keychron (China)
- Geon (SK)
- IKBC (China)

**Inventory
management:**

- MX1 cleared before Q4
- MX2A inventory actively managed for D prod & CN assembly



GAMING AND OFFICE PERIPHERALS REFOCUSSED

Expand Retail Reach:
New D2C agreements and wider distribution

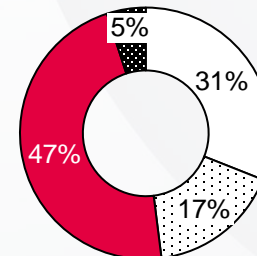
Core Market Focus:
Prioritize primary markets

Optimize SKUs:
Reduce lifecycle and streamline core SKUs

Pricing Strategy:
Prioritize margin over market share

Healthy Inventory:
Maintain optimal stock levels

WIRELESS OPPORTUNITY*



DH&S AT CORE OF OUR TRANSFORMATION TO A DIGITAL ECO SYSTEM

Benefit from progressing
digitisation in healthcare

>75% market share in new terminal sales

New and
replacement business

Building up new
asset-light revenue streams

Q2 strongest quarter ever
for our Hygiene & Security unit

Robust **demand and supply management** in place



CHALLENGES

Deteriorating Macro Environment

- German Consumer sentiment suffered severe setback in August: Rising incomes and decreasing inflation led to increased savings as a result of high uncertainty*
- Eurozone August business sentiment lowest in 2024**

Low Predictability of Container Shipping Availability

- Container run ahead of US election
- Red Sea Shipping Turmoil
- Longer transport time from China to Europe
- Shortage of freight capacities
- Elevated container prices



OPPORTUNITIES

- Market potential of new switches
- Additional demand from completely new devices
- Full cost synergies from Chinese assembly
- Additional OEM signings in H2 2024



- Brand relaunch to increase customer awareness
- Rigid margin, cost, and EBITDA steering via synchronized data
- Stricter receivables and working capital management

- Focus on core markets and minimize product variations
- Emphasize wireless
- Increase D2C
- Boost operations and presence in Americas
- Higher channel diversification in China



- Recurring revenue from new & asset light offerings
- New terminal customer groups
- ePat from 15 Jan 2025
- Sales synergies Hygiene & Security

DH&S DEEP DIVE: NEW SW/CLOUD OFFERINGS



TMS

Terminal Management System for remote device management



SMARTLINK

Virtualized patient authentication service: imminent product approval

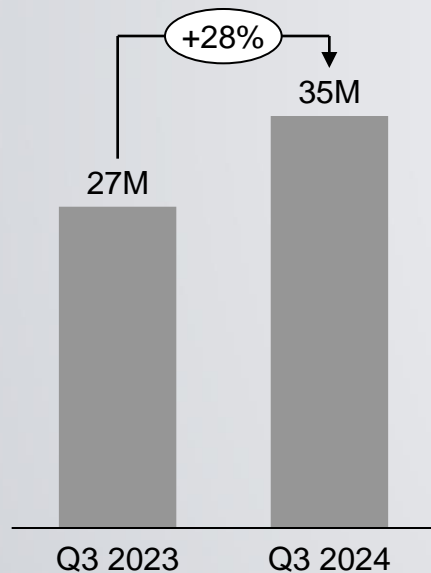


TI-M

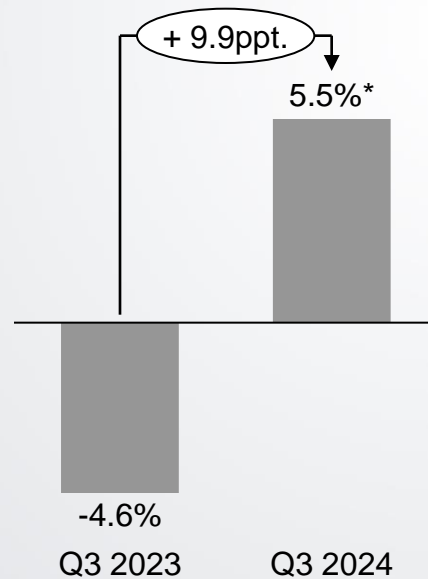
Messenger: certification and launch planned for Q4

Q3 OUTLOOK

**Q3 24 REVENUES
AROUND EUR 35 M**



**Q3 24 ADJ. EBITDA
MGN. 5-6%**

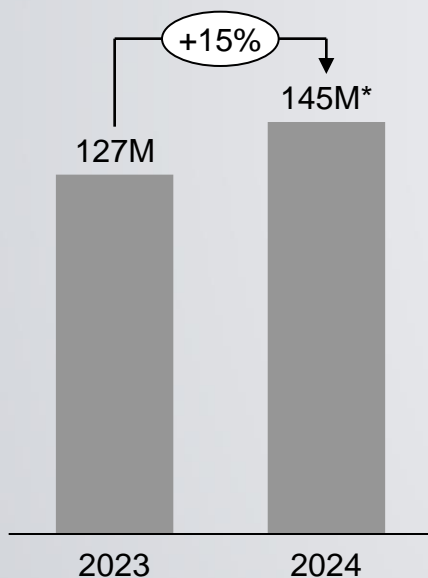


* Mid point of forecast range

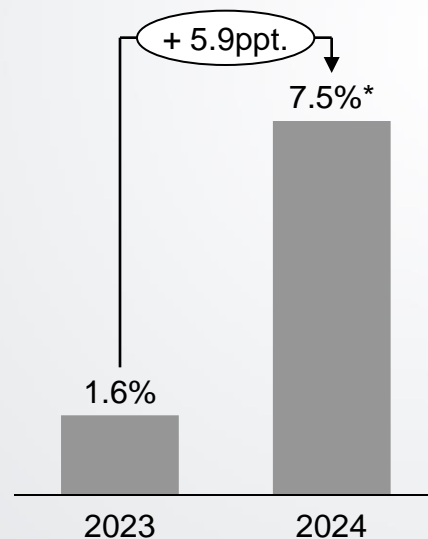


FY 2024 FORECAST

2024 REVENUES
EUR 140-150M



2024 ADJ. EBITDA
MGN. 7-8%



* Mid point of forecast range





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