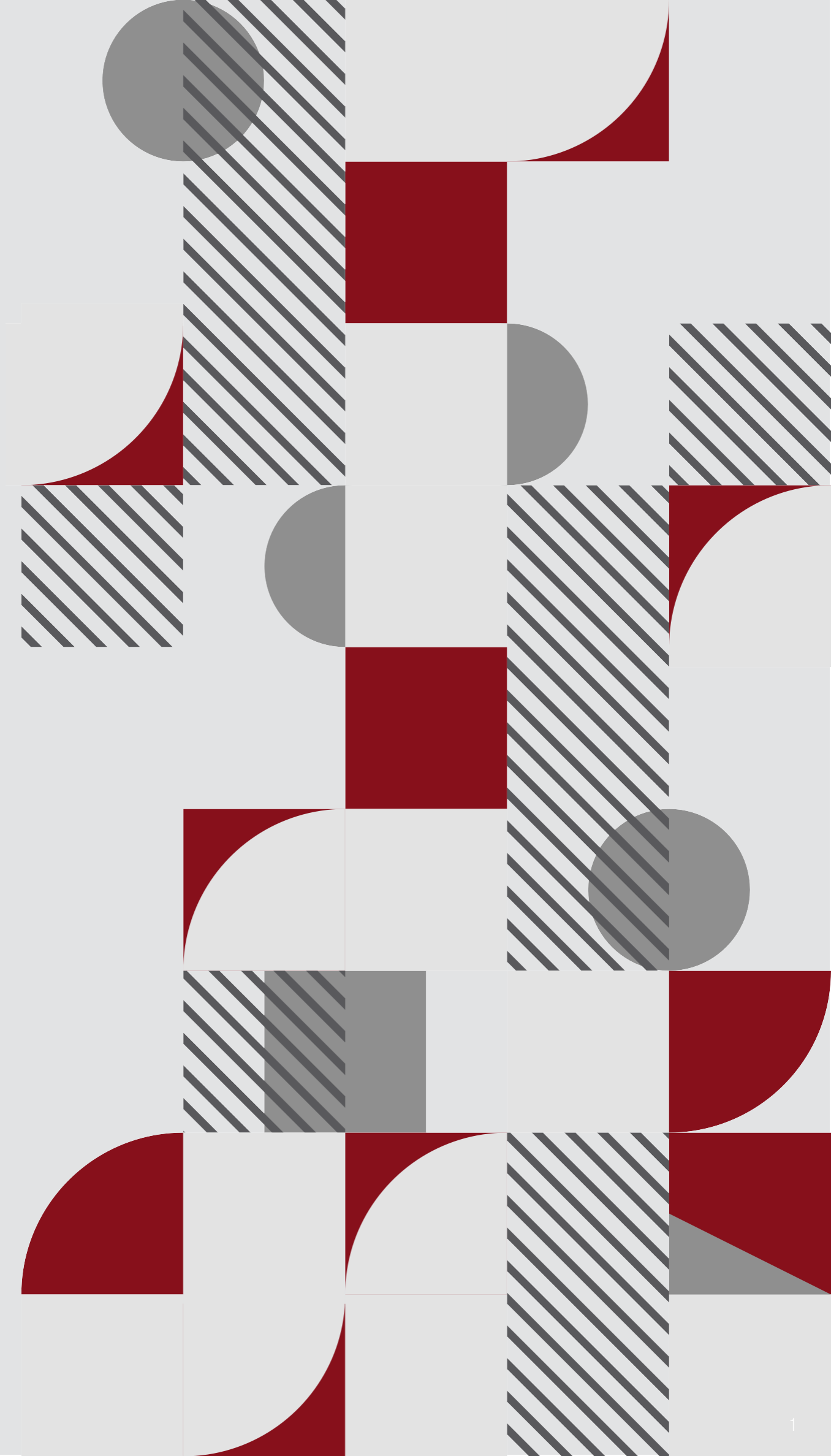


# Trading update

FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2025



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## Business model

Theon International Plc (THEON) is a leading developer and manufacturer of customizable night vision and thermal imaging systems for military and security applications in Europe, with a global footprint spanning 71 countries, including 26 NATO countries.

The main product lines are:

- Night Vision Monoculars and Binoculars,
- Thermal Stand-alone and Clip-on uncooled Sights and
- Vehicle and Platform based thermal imaging systems

THEON has a disruptive business model that leverages technological and engineering expertise with fully integrated processes, ranging from design and production to business development. This vertical integration allows us to firmly oversee engineering and production, resulting in high-quality, cost-efficient solutions.

THEON started its operations in 1997 from Greece and today occupies a leading role in the sector thanks to its international presence through subsidiaries and production facilities in Greece, Cyprus, Germany, the Baltics, the United States, the Gulf States, Switzerland, Denmark, Belgium, Singapore and South Korea.



## Key milestones achieved



In **January 2025**, the Group, through Theon International Plc, acquired 100% of the shares of NVT Sensor General Trading LLC, incorporated in Dubai and 100% of the shares of Focus Optech Co., LTD, incorporated in South Korea, in order to expand the Group's operations. The last was renamed Theon Korea Co., Ltd. on 01 April 2025.



In **January 2025**, Theon International Plc founded the subsidiary Theon Optronics Equipment Manufacturing -L.L.C – S.P.C in Abu Dhabi, in which owns 100% of its share capital. The above company's main operations will be the manufacturing of security and surveillance equipment.



In **January 2025**, the German Parliament approved the procurement of the German Future Soldier Program (IdZ), with Rheinmetall Electronics GmbH as the prime contractor. Theon Sensors SA is the largest supplier for this program, offering its newly launched Heads-Up Display system to the German Armed Forces, which is expected to serve as a key reference for similar initiatives being developed in various countries worldwide.



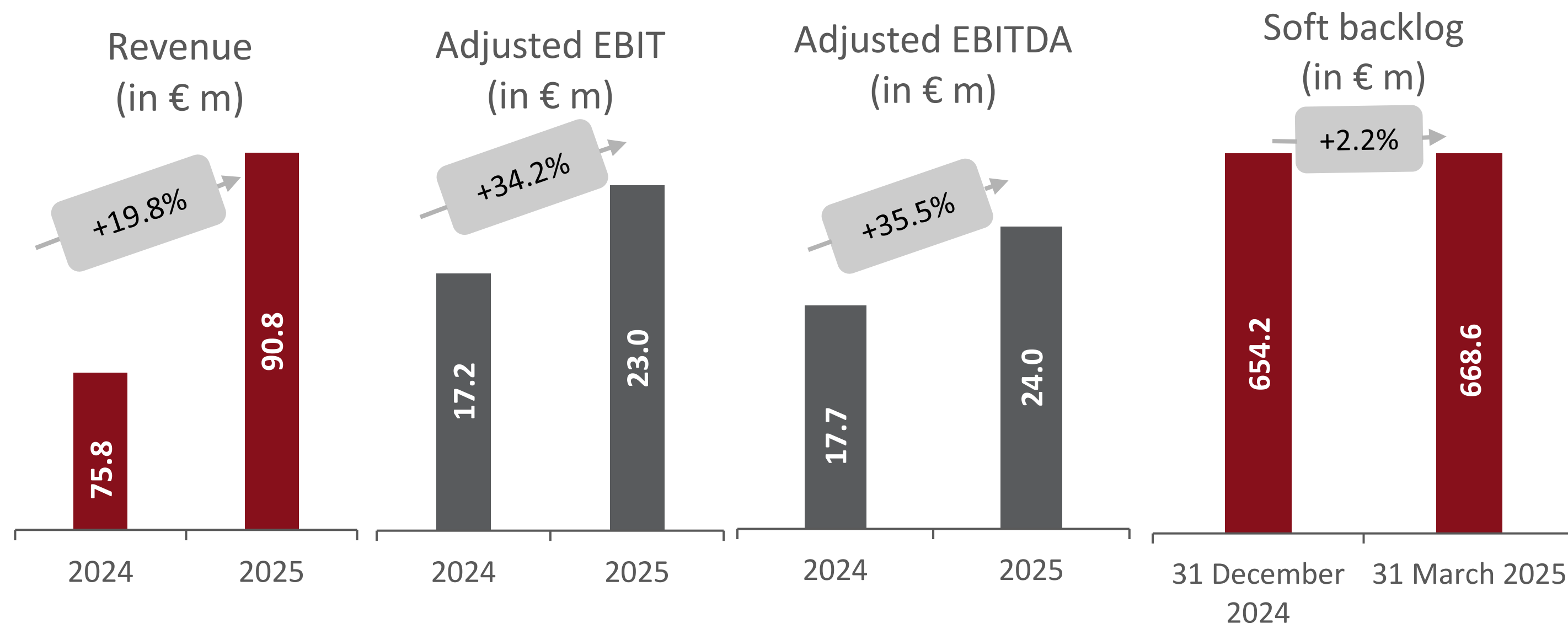
On **14 March 2025**, Theon International Plc's majority shareholder, Venetus Limited, completed the sale of approximately 3.2 million shares (4.5% of the Company's share capital) through an accelerated bookbuilding process at €17.7 per share, reducing its stake to 65.8% and increasing the Company's free float.



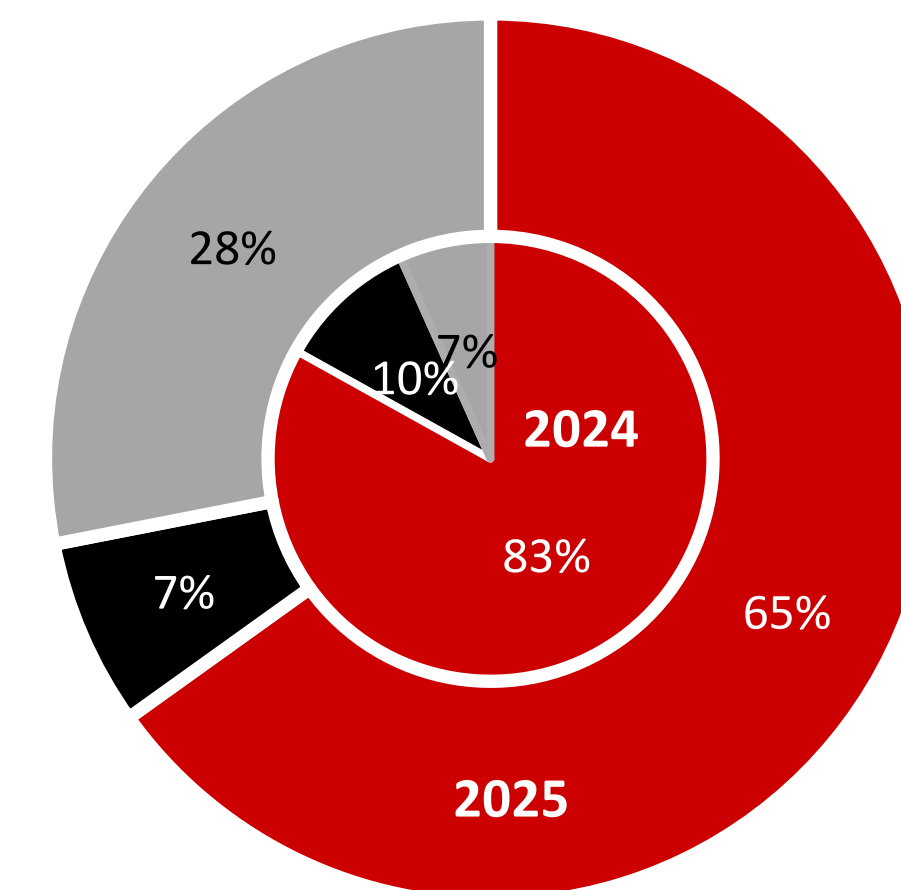
In the **three-month period ended 31 March 2025**, THEON secured new orders totaling €117.9 million and approximately €100 million new options, attached to these new contracts.

## Financial highlights

For the three months ended 31 March 2025 and 31 March 2024



## Revenue Breakdown



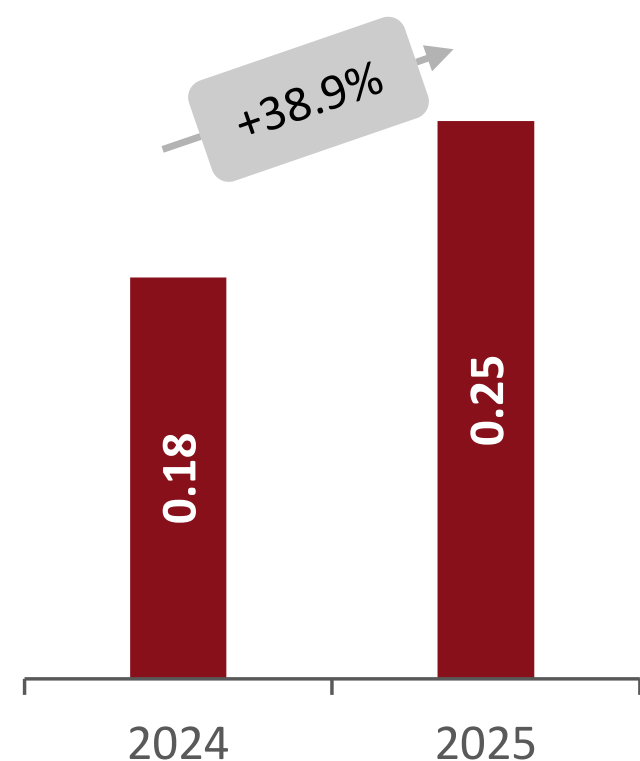
■ Europe ■ Americas ■ Rest of the world



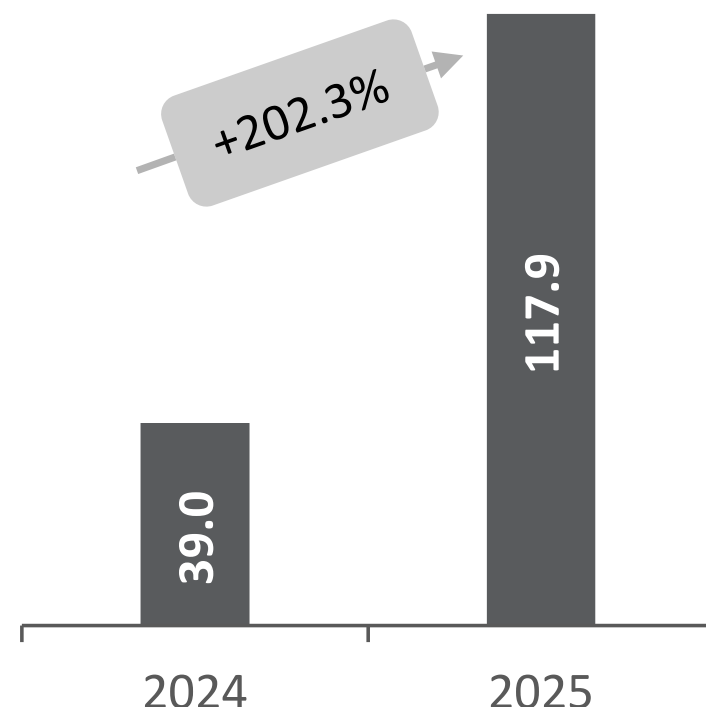
## Financial highlights

For the three months ended 31 March 2025 and 31 March 2024

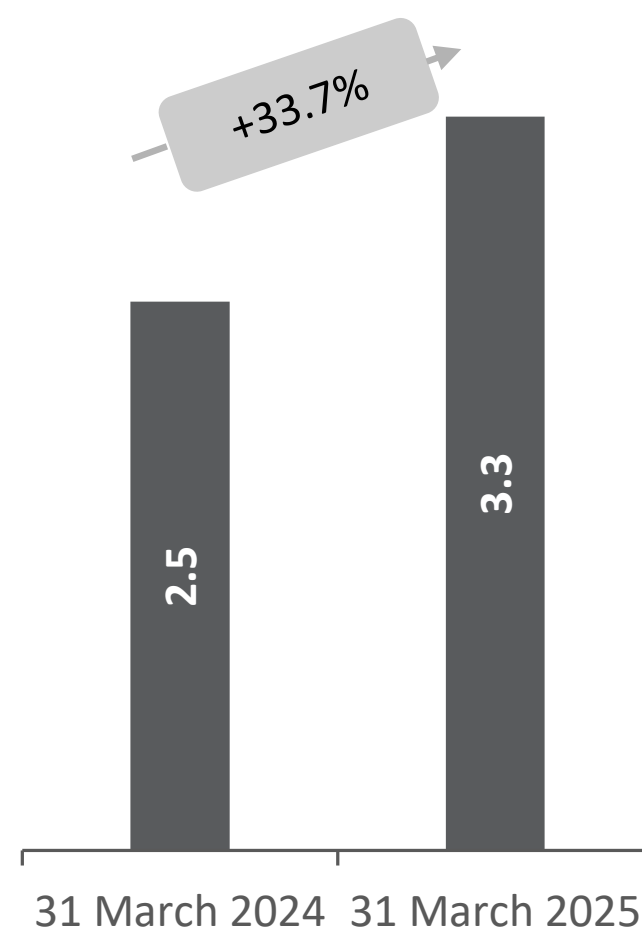
Earnings per Share  
(in € m)



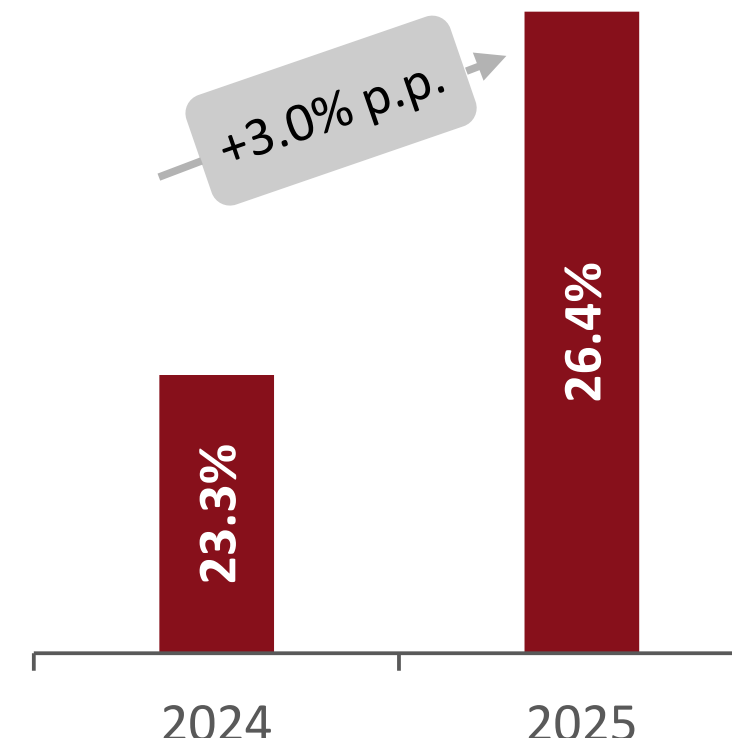
Order intake  
(in € m)



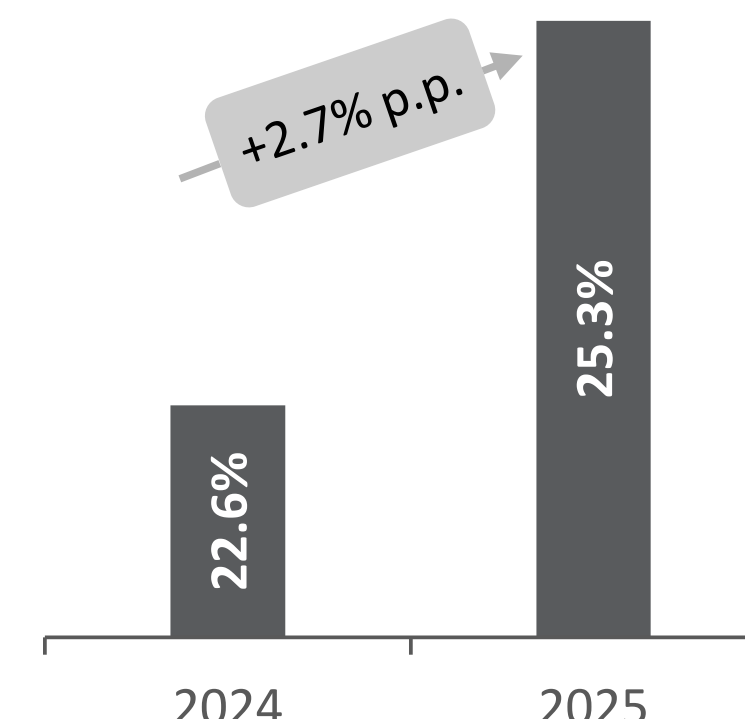
Capital Expenditure  
(CapEx) (in € m)



Adjusted EBITDA  
margin



Adjusted EBIT  
margin



## Review of operations

**The Group delivered an exceptional performance in the three-month period ended 31 March 2025. Turnover surged by 19.8% to reach €90.8 million, while net profit attributable to shareholders climbed sharply to €17.6 million. Adjusted EBIT also experienced robust growth, increasing by 34.2% to €23.0 million, representing a solid margin of 25.3%. Operating cash flow also improved, reflecting the Group's strong financial discipline and the positive impact of its strategic focus on international expansion and innovative product development.**

## Financial highlights

Net profit attributable to the Group's shareholders reached €17.6 million, a significant increase from €12.6 million in the three-month period ended 31 March 2024. As of 31 March 2025, the Group's total assets stood at €429.2 million, up from €392.4 million at the end of the previous period, while net assets rose to €253.5 million compared to €236.2 million as of 31 December 2024.

Revenue for the period reached €90.8 million, up from €75.8 million in the previous period. Operating profit rose to €22.9 million, compared to €16.8 million in the previous period. Adjusted EBIT climbed to €23.0 million, marking a 34.2% increase. The adjusted EBIT margin stood at 25.3%, marking a notable improvement from 22.6% in the previous period.

Revenue from night vision devices—accounting for 87.5% of total revenue—rose from €72.0 million in the three-month period ended 31 March 2024 to €79.5 million in the three-month period ended 31 March 2025. While Europe remained a key market despite a slight decline, sales in Asia saw a marked increase, contributing significantly to the overall growth.

The Group continues to prioritize international expansion, aiming to strengthen its market position through innovation and sustained customer engagement.

As of 31 March 2025, the soft backlog reached €668.6 million, representing a 2.2% increase from €654.2 million at the end of 2024. This figure encompasses the remaining value of current contracts as well as expected future agreements.

Operating cash flow increased from -€38.8 million in the three-month period ended 31 March 2024 to €23.7 million in three-month period ended 31 March 2025. This improvement was primarily driven by a significant decrease in receivables. Additionally, net cash flow from investing activities increased due to allocation of funds into term deposits with a maturity of less than three months.

As a result of the increase in net profit for the year compared to the previous period, earnings per share (EPS) rose by 38.89%, largely driven by higher sales.

## Financial highlights

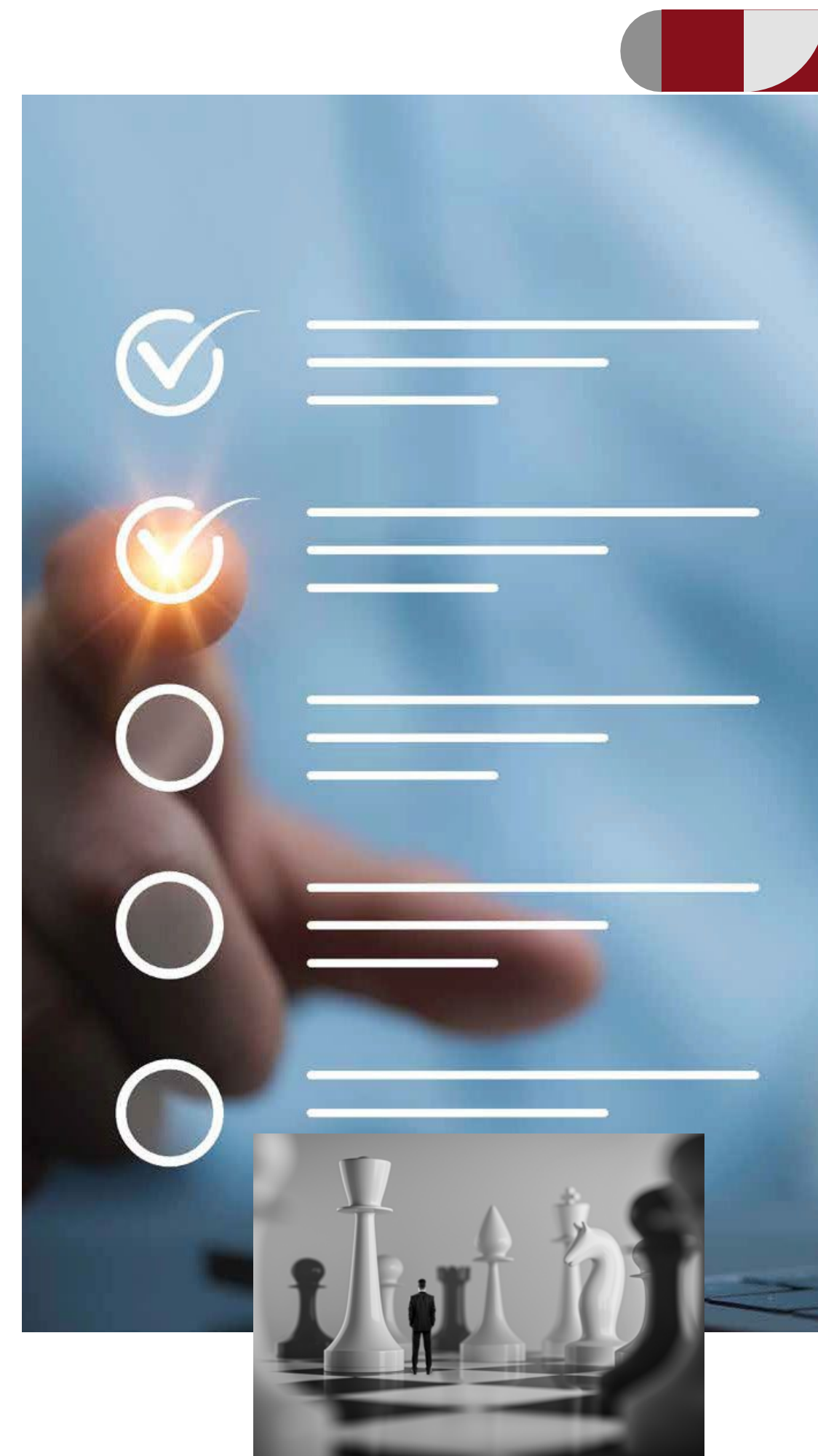
As at 31 March 2025, the company's total debt increased to €102.2 million from €82.8 million as at 31 December 2024. Despite the increase in debt, the company maintains a strong net cash position of €54.5 million, improved compared to €35.0 million at 31 December 2024, largely due to a significant increase in cash and cash equivalents.

The net cash over capital employed ratio, stands at approximately -16.9% as at 31 March 2025 (compared to -12.3% as at 31 December 2024). Although the ratio has slightly decreased, it remains at a moderate level, indicating that the company continues to rely primarily on equity rather than debt to finance its operations. Overall, the company's financial leverage remains healthy, supported by a robust equity base and a strong liquidity position.

IN EURO	31 March 2025	31 December 2024	Variance
Long-term loan obligations	66,537,914	47,300,975	19,236,939
Short-term loan obligations	35,700,160	35,454,569	245,591
<b>Total debt</b>	<b>102,238,074</b>	<b>82,755,544</b>	<b>19,482,530</b>
Less: Term deposits	(10,000,000)	(30,000,000)	20,000,000
Less: Cash and cash equivalents	(146,690,977)	(87,805,420)	(58,885,557)
<b>Net cash</b>	<b>(54,452,903)</b>	<b>(35,049,876)</b>	<b>(19,403,027)</b>
Equity	253,546,920	236,202,621	17,344,299
Non-current liabilities	68,030,830	48,679,823	19,351,007
<b>Total capital employed</b>	<b>321,577,750</b>	<b>284,882,444</b>	<b>36,695,306</b>

The Board of Directors aims to maintain a strong capital base to sustain investor, creditor, and market confidence and to support future expansion efforts.

Throughout the reporting period, the Group's approach to capital management remained consistent. As at 31 March 2025, an amount of €10.0 million is held in fixed-term deposits with maturities exceeding three months, classified within current assets but not recognised as cash and cash equivalents. The net cash position, excluding fixed-term deposits in the calculations, would be -€44.5 million, with a corresponding leverage ratio of -13.8%.





## Selected Performance, Capital Structure and Liquidity Indicators

For the three months ended 31 March 2025 and 31 March 2024

IN EURO

2025

2024

<b>Adjusted EBITDA margin</b>	=	$\frac{\text{Adjusted EBITDA}}{\text{Revenue}}$	=	$\frac{23,951,746}{90,826,563} = 0.26$		$\frac{17,678,938}{75,783,943} = 0.23$
<b>Adjusted EBIT margin</b>	=	$\frac{\text{Adjusted EBIT}}{\text{Revenue}}$	=	$\frac{23,017,891}{90,826,563} = 0.25$		$\frac{17,152,869}{75,783,943} = 0.23$
<b>ROCE</b>	=	$\frac{\text{LTM Adjusted EBIT}}{\text{Invested capital}}$	=	$\frac{94,251,208}{321,577,750} = 0.29$		$\frac{69,000,634}{219,886,090} = 0.31$
<b>Return on Equity (ROE)</b>	=	$\frac{\text{LTM Net profit after tax}}{\text{Equity}}$	=	$\frac{72,408,080}{253,546,920} = 0.29$		$\frac{45,957,610}{183,592,646} = 0.25$
<b>Net Debt-to-EBITDA ratio</b>	=	$\frac{\text{Net cash}}{\text{LTM Adjusted EBITDA}}$	=	$\frac{-54,452,903}{97,169,155} = -0.56$		$\frac{-52,865,979}{70,407,632} = -0.75$
<b>Debt ratio</b>	=	$\frac{\text{Debt}}{\text{Debt} + \text{Equity}}$	=	$\frac{102,238,074}{355,784,994} = 0.29$		$\frac{63,413,870}{247,006,516} = 0.26$
<b>Current ratio</b>	=	$\frac{\text{Current assets}}{\text{Current liabilities}}$	=	$\frac{363,841,365}{107,638,503} = 3.38$		$\frac{262,215,764}{66,647,209} = 3.93$
<b>Quick ratio</b>	=	$\frac{\text{Current assets} - \text{inventories}}{\text{Current liabilities}}$	=	$\frac{283,176,914}{107,638,503} = 2.63$		$\frac{202,802,168}{66,647,209} = 3.04$



## Assets

IN EURO	31 March 2025	31 December 2024
<b>Assets</b>		
Property plant and equipment	33,092,545	32,382,731
Intangible assets and goodwill	24,847,851	22,115,520
Right of use assets	938,807	1,034,232
Investment property	624,278	641,662
Investment in associates	4,305,199	3,546,272
Other non-current assets	532,038	177,945
Other financial assets	200	14,505
Deferred tax assets	1,033,970	1,027,877
<b>Non-current assets</b>	<b>65,374,888</b>	<b>60,940,744</b>
Inventories	80,664,451	75,897,083
Trade accounts receivable	115,959,244	125,949,916
Other receivables	5,954,771	7,620,624
Other financial assets	313,437	721,746
Prepayments	4,258,485	3,499,908
Term deposits	10,000,000	30,000,000
Cash and cash equivalents	146,690,977	87,805,420
<b>Current assets</b>	<b>363,841,365</b>	<b>331,494,697</b>
<b>Total assets</b>	<b>429,216,253</b>	<b>392,435,441</b>





## Equity and Liabilities

IN EURO	31 March 2025	31 December 2024
<b>Equity</b>		
<b>Equity attributable to the owners of the Company</b>	<b>242,265,450</b>	<b>224,365,396</b>
Non-controlling interests	11,281,470	11,837,225
<b>Total equity</b>	<b>253,546,920</b>	<b>236,202,621</b>
<b>Liabilities</b>		
Loans and borrowings	66,075,092	46,767,331
Provision for staff retirement indemnities	404,788	294,140
Lease liabilities	462,822	533,644
Government grants	50,572	50,623
Deferred tax liabilities	1,037,556	1,034,085
<b>Non-current liabilities</b>	<b>68,030,830</b>	<b>48,679,823</b>
Trade accounts payable	36,603,433	36,382,023
Lease liabilities	485,434	512,680
Loans and borrowings	28,453,463	28,280,395
Amount owed for share buy-back	6,761,263	6,661,494
Contract liabilities	10,169,104	4,859,278
Income tax payable	16,128,600	14,802,925
Accrued and other current liabilities	9,037,206	16,054,202
<b>Current liabilities</b>	<b>107,638,503</b>	<b>107,552,997</b>
<b>Total liabilities</b>	<b>175,669,333</b>	<b>156,232,820</b>
<b>Total equity and liabilities</b>	<b>429,216,253</b>	<b>392,435,441</b>





# Assets, Liabilities and Financial Position

## Trade accounts receivable

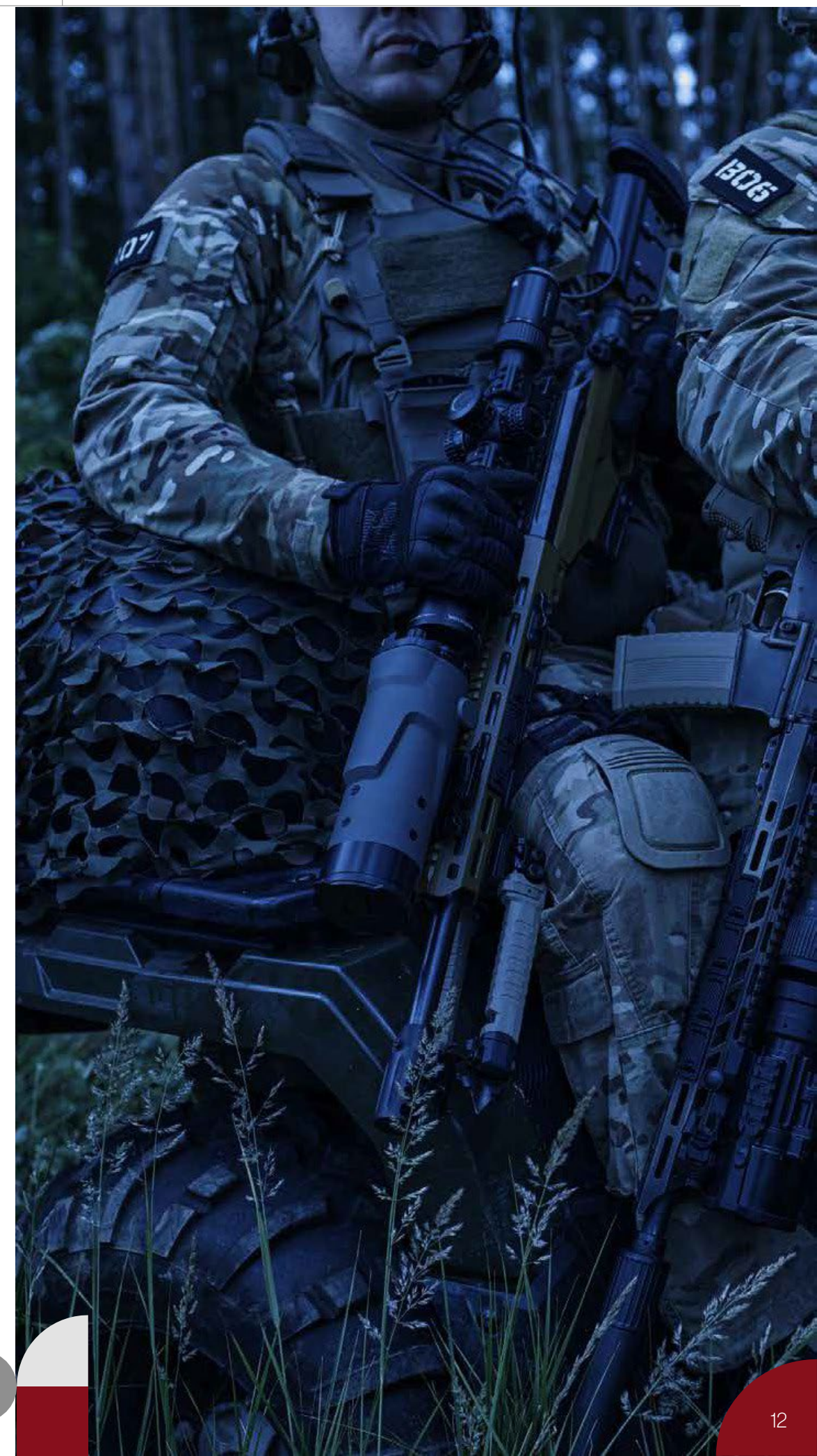
The trade accounts receivables declined by 7.9%, largely driven by significant improvements in collectability. This positive trend enhanced the Group's overall cash flows. The reduction in receivables has been instrumental in strengthening the Group's liquidity.

## Term deposits

As at 31 March 2025, investments in term deposits with maturities greater than three months decreased by €20 million.

## Loans and borrowings

In February 2025, Theon Sensors SA successfully completed the refinancing of a €12 million short-term loan, replacing it with a €20 million bond loan. The new bond features favorable terms, including the option for repurchase and reissuance (revolving), which offers greater flexibility. As a result of this refinancing, the Group saw an increase of 25.96% in its loans and borrowings, reflecting the improved financing structure.





# Income

*For the three months ended 31 March*

IN EURO	2025	2024
Revenue	90,826,563	75,783,943
Cost of sales	(62,900,292)	(53,745,512)
<b>Gross profit</b>	<b>27,926,271</b>	<b>22,038,431</b>
Other income	1,095,862	21,885
Administrative expenses	(3,557,676)	(3,690,791)
Selling and distribution expenses	(1,174,727)	(687,424)
Research and development expenses	(1,336,225)	(846,328)
Impairment loss on financial assets	(1,400)	-
Other expenses	(21,678)	(39,404)
<b>Operating profit</b>	<b>22,930,427</b>	<b>16,796,369</b>
Finance income	1,064,417	481,957
Finance costs	(2,273,019)	(1,046,410)
<b>Net finance costs</b>	<b>(1,208,602)</b>	<b>(564,453)</b>
Share of profit of equity-accounted investees	758,927	268,045
<b>Profit before tax</b>	<b>22,480,752</b>	<b>16,499,961</b>
Income tax expense	(4,892,319)	(3,934,595)
Deferred tax	2,622	56,604
<b>Profit for the period after tax</b>	<b>17,591,055</b>	<b>12,621,970</b>



# Income

Adjusted earnings before interest, tax, depreciation and amortization (adjusted EBITDA)

For the three months ended 31 March

IN EURO	2025	2024
Profit after tax	17,591,055	12,621,970
Income tax expense	4,892,319	3,934,595
Deferred tax	(2,622)	(56,604)
Profit before tax	22,480,752	16,499,961
Adjustments	449,675	296,408
EBIT	22,930,427	16,796,369
Non recurring items	87,464	356,500
Adjusted EBIT	23,017,891	17,152,869
Adjusted EBITDA	23,951,746	17,678,938

The Management provides the adjusted EBITDA performance measure as it closely monitors this metric at a consolidated level and deems it integral for comprehending the Group's financial performance.

Adjusted EBITDA is calculated by adjusting profit for the period after tax to exclude the impact from taxation, net finance costs, depreciation and amortization, impairment of fixed assets, gains from the revaluation of assets, the share of profit of equity-accounted investees and the effects of significant items of income and expenses, which might have an impact on the quality of earnings, such as restructuring costs, legal expenses and impairments resulting from an isolated, non-recurring event.

The non-recurring expenses in the three months ended 31 March 2025 include €87,464 of other acquisition related costs. Over the same period in 2024, this included IPO related expenses.



# Income

## Disaggregation of revenue from contracts with customers

In the following table, revenue is disaggregated by primary geographical market, major products and timing of revenue recognition.

*For the three months ended 31 March*

IN EURO	2025	2024
Primary geographic markets		
Europe	59,133,215	62,955,235
Asia	25,502,582	4,081,423
Americas	6,190,766	7,753,161
Oceania	-	994,124
	90,826,563	75,783,943
Major products categories		
Night	79,467,968	71,968,238
Thermal	11,011,118	2,755,164
Miscellaneous	88,605	528,431
Other	258,872	532,110
	90,826,563	75,783,943
Total Revenue	90,826,563	75,783,943

The Group has two optronic divisions which are night and thermal divisions. Segmentation is based on the fact that the relevant devices have different technologies, characteristics, and components (tubes/sensors), specifically, night vision products have image intensification technology and thermal products have thermal imaging technology.

The “Other” category encompasses services and spare parts, while the “Miscellaneous” category includes any products that do not fit within the other defined categories.





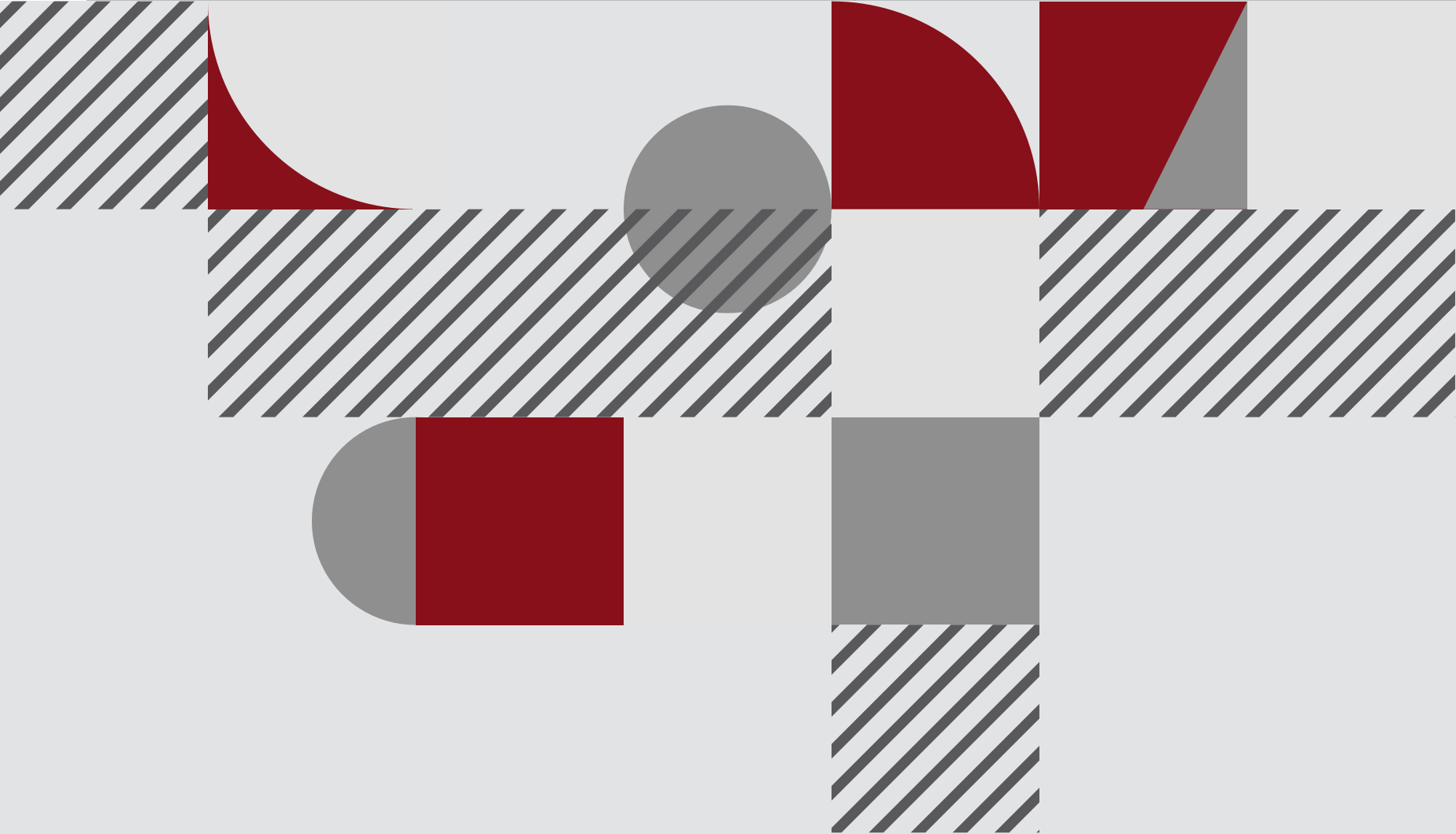
# Cash flows

For the three months ended 31 March

IN EURO	2025	2024
Cash flows from operating activities		
Profit for the period after tax	17,591,055	12,621,970
Non cash items	7,211,155	4,877,512
	24,802,210	17,499,482
Changes in:		
(Increase) / Decrease in inventories	(5,365,614)	4,068,181
Decrease / (Increase) in trade and other receivables	10,899,627	(27,042,476)
Decreasein trade and other payables	(2,078,086)	(29,781,351)
Cash from / (used in) operation activities	28,258,137	(35,256,164)
Income tax paid	(3,566,644)	(2,525,805)
Interest paid	(1,011,788)	(970,729)
Net cash from / (used in) operating activities	23,679,705	(38,752,698)
Cash flows from investing activities		
Payments for non current assets	(3,342,517)	(2,475,146)
Payments for business combinations, net of cash acquired	(38,349)	-
Proceeds from sale of tangible and intangible assets	-	3,629
Decrease in investment in term deposits	20,000,000	-
Proceeds from loans receivables	14,305	-
Interest received	568,937	413,343
Net cash flows from / (used in) investing activities	17,202,376	(2,058,174)

IN EURO	2025	2024
Cash flows financing activities		
Repayment of borrowings	(24,109,880)	(23,493,358)
Proceeds from borrowings from financial institutions	42,496,882	21,442,991
Outflows of lease liablilities	(137,191)	(111,144)
Proceeds from share capital increase	-	94,017,316
Net cash flows from financing activities	18,249,811	91,855,805
Net increase in cash and cash equivalents	59,131,892	51,044,933
Cash and cash equivalents at 1 January	87,805,420	65,639,067
Foreign exchange differences	(246,335)	(404,151)
Cash and cash equivalents at 31 March	146,690,977	116,279,849





[theon.com](http://theon.com)

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