

VIDEOTON

ONE COMPANY – INFINITE POSSIBILITIES

TECHNOLOGY

DYNAMISM

PROGRESS

STABILITY

—
2019



- Privately owned, financially strong, vertically integrated industrial group in best-cost Europe
- One of the leading European EMS providers
- Turn-key & flexible contract manufacturing partner for both established multinationals and young innovative emerging companies
- Competent multi-commodity supplier of parts, modules and assemblies
- Complex service provider owning and operating industrial parks

HIGHLIGHTS

Founded in
1938

Private since
1992

Revenue
(2018)
590
Mill €

Equity
No debt since 2005
394
Mill €

1st
Most Valuable
Company in HUN
Ownership*

11
Locations

9.600
Employees**
(December 2018)

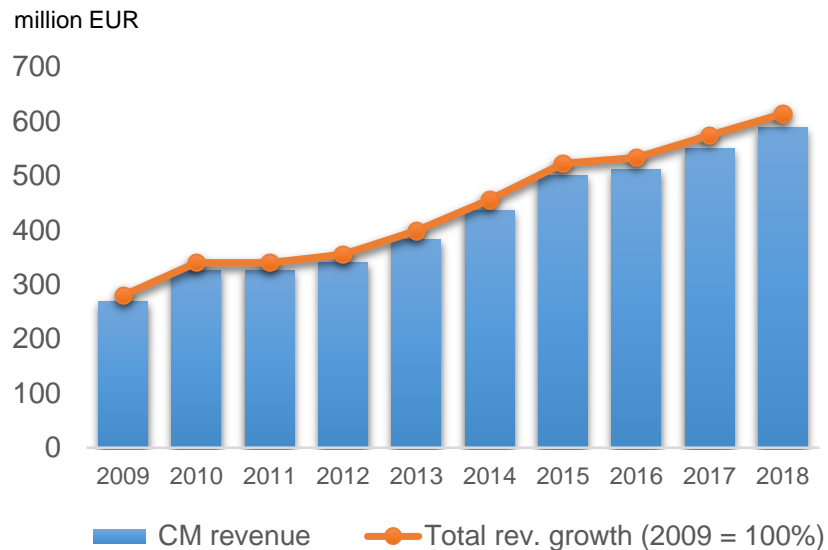
3rd
Among EMS
Companies HQ'd
in Europe

** According to Forbes in 2017 and 2018*

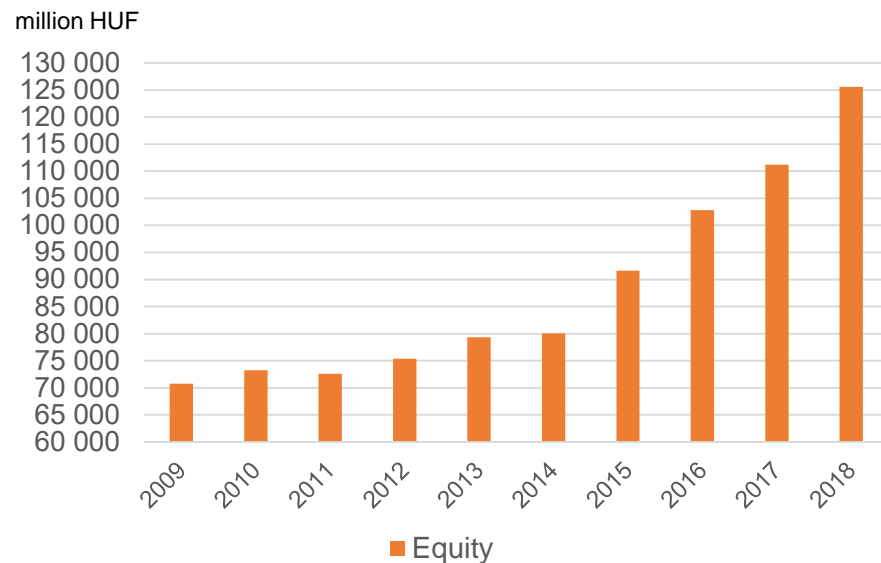
*** 2600 employees in Services*

PROGRESS IN RECENT YEARS I.

Sales Revenue

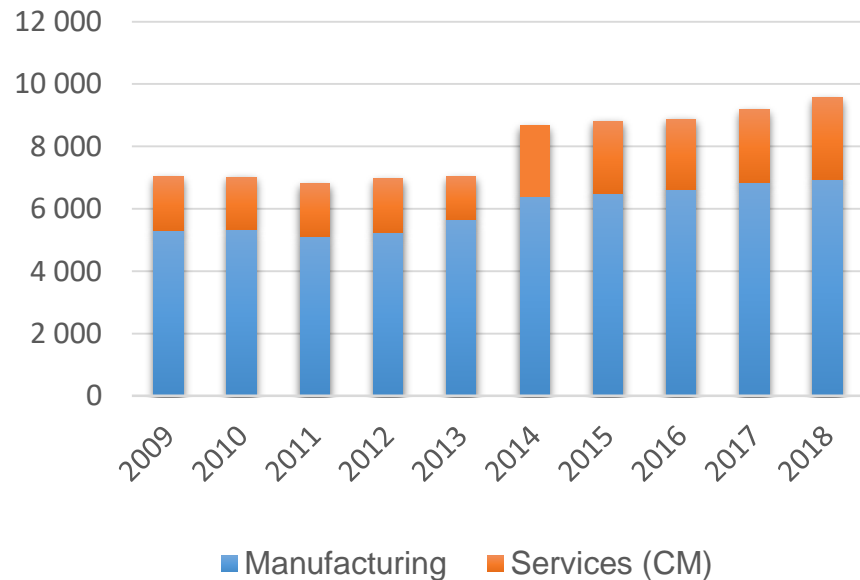


Equity



PROGRESS IN RECENT YEARS II.

Number of Employees

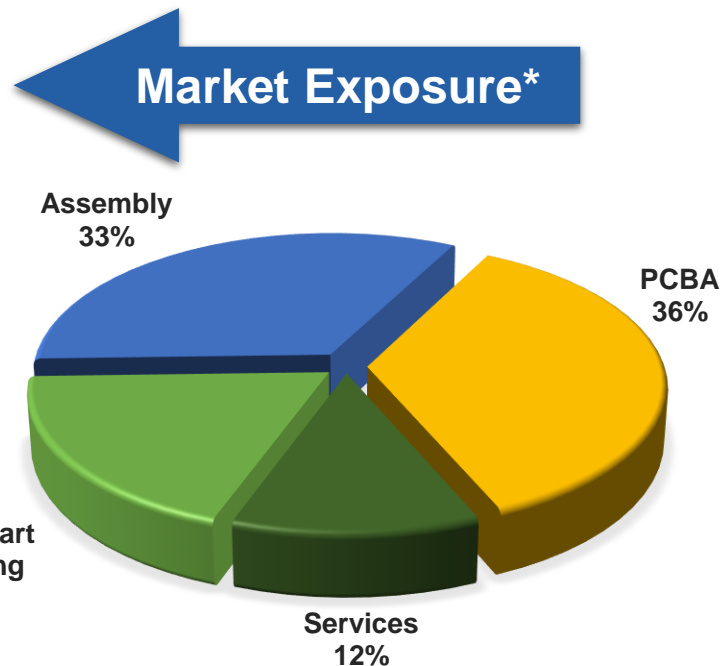
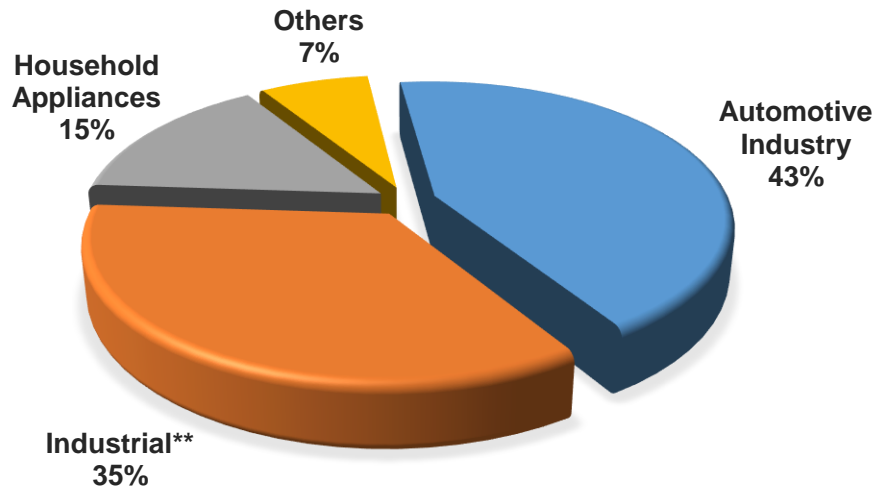


Investments

million EUR



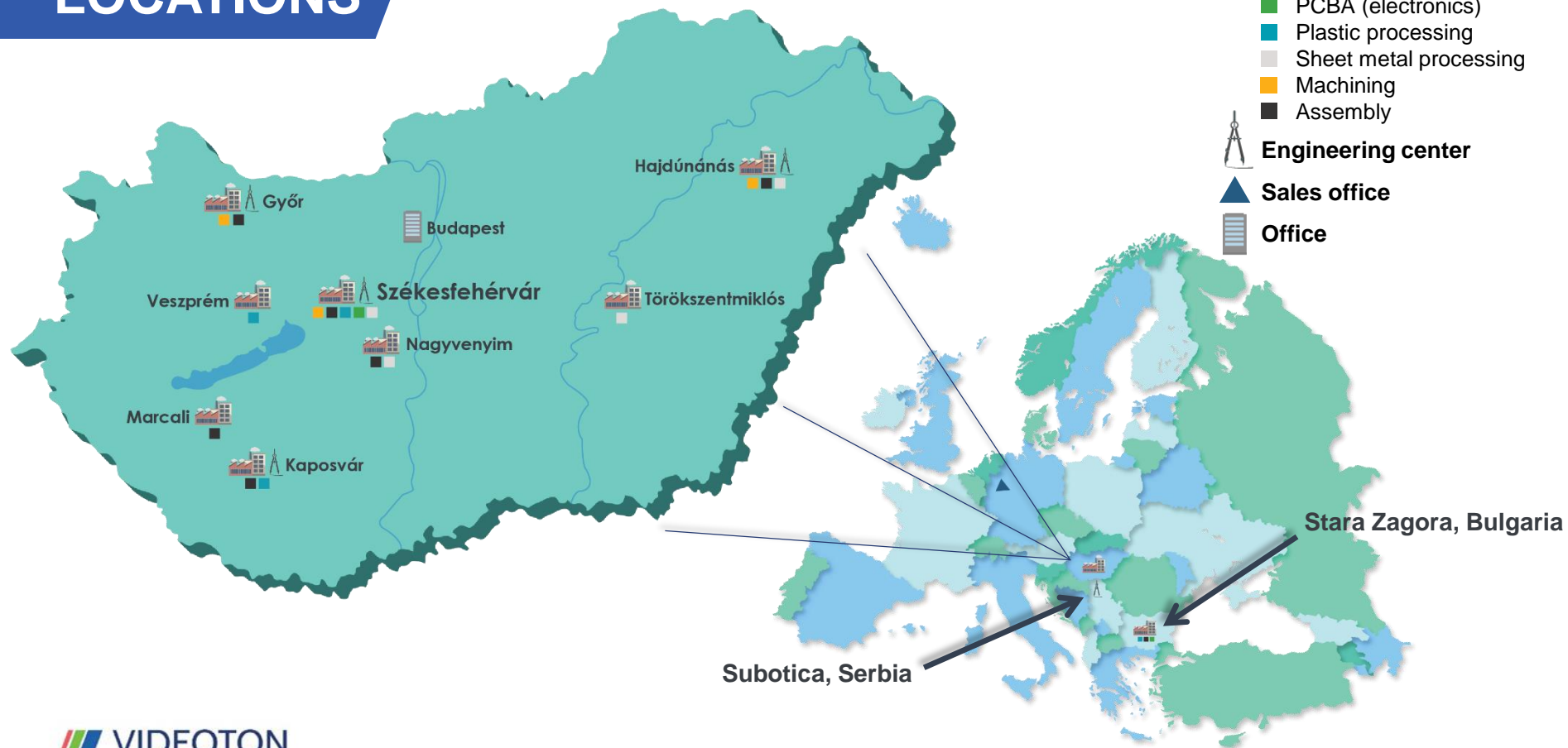
MARKETS & ACTIVITIES 2018



* Turnover without Services

** Including Building automation, Electrical safety & power generation, Instrumentation, Metering & Measurement, Semiconductor industry, Terminals & vending machines, Commercial and Industrial HVACR, Railway, LED Lighting, 3D printers

LOCATIONS



GROUP STRUCTURE

VIDEOTON HOLDING

Property Mgmt

Controlling

Finance

HR

Legal

IT

Business Development

Sourcing

Design & Engineering

Manufacturing Subsidiaries

PCBA & Box build assy.



VT Automotive Electronics
Automotive EMS
Box build assembly



Videoton EAS
Non-automotive EMS
Box build assembly



Videoton EAS Bulgaria
Non-automotive EMS
Box build assembly

Part mfg. & Box build assy.



VT Elektro-PLAST
Assembly & box build
Plastic injection moulding



VT Battery Technology
Battery pack assembly



VTES
Sheet metal fabrication
Enclosure manufacturing
Box build assembly



VTBH (Bulgaria)
Electromechanical and mechanical
assembly & box build services



VT Mechatronics
High complexity assembly
and machining



TIPA
Robotized assembly lines
Testers



VT-ASYST
Robotized assembly lines
Testers

Part mfg. & Heavy duty assy.



VT Plastic
Automotive-focused injection
moulding



VT Bulplast (Bulgaria)
Thermoplast injection and thermoset
injection and compression moulding
Tooling



VT METAL
Medium to high volume machining
Electroplating, KTL



KVJ Muvek
Stamping w/ presses



VT Precizios
Injection moulds



VENTIFILT
Heavy-duty fans, filters
Large steel fabs



VT-Systemtechnics
Shelter / container mfg.

Services Subsidiaries



Pannonjob
HR services



Industrial Park
Building lease & services



VT ARtrans
Logistics services



Pannonfacility
Facility management

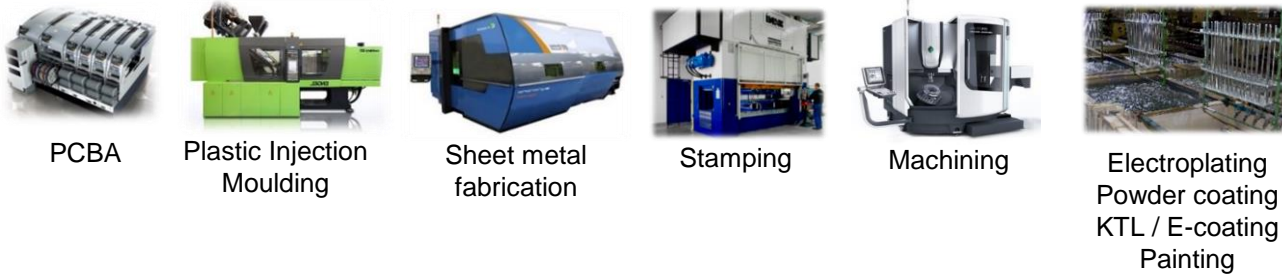
INTEGRATED MANUFACTURING SERVICES

Value chain / Vertical integration

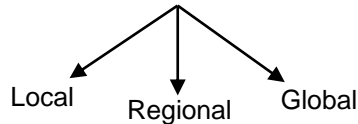
Box build assembly & System integration



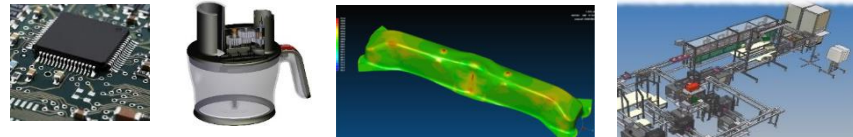
Core technologies



Supply chain



Design & Engineering



Co-design of
mechanics & PCBAs,
early involvement

DfX, services
Production engineering

Industrialization

CORE TECHNOLOGIES

PCB ASSEMBLY AND TESTING



BOX BUILD ASSEMBLY



PLASTIC MOULDING



SHEET METAL PROCESSING

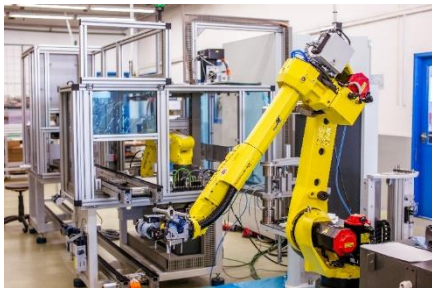


MACHINING



FURTHER MANUFACTURING COMPETENCES

**ROBOTIZED ASSEMBLY
LINES, TESTERS**



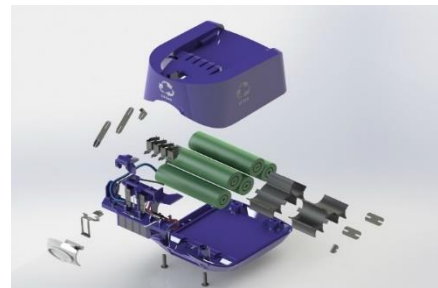
**HIGH PRECISION
EQUIPMENT ASSEMBLY**



**CUSTOMER-SPECIFIC
SHELTERS**



**BATTERY PACKS
ASSEMBLY**



**LARGE WELDED
STEEL CONSTRUCTIONS**



DESIGN & ENGINEERING

BY OUR EARLY INVOLVEMENT IN NEW PRODUCT DESIGN PROJECTS WE SUPPORT CUSTOMERS IN:

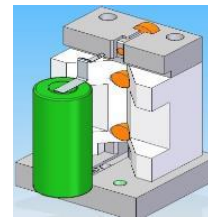
- winning new projects
- shortening time-to-market
- making their products stand out in terms of quality, cost-competitiveness and reliability

OUR NPI ACTIVITIES INCLUDE:

- multifocal DfX services
- co-design of mechanical parts & PCBA's
- complete industrialisation of new products

WE SUPPORT CUSTOMERS THROUGH THE LIFECYCLE OF PRODUCTS WITH PRODUCTION ENGINEERING SERVICES SUCH AS:

- Competent solutions for quality improvement, cost & process optimisation
- Engineering change management



SERVICES



**INDUSTRIAL
PARK SERVICES**



LOGISTICS



**HR SERVICES & MANPOWER
SECONDMENT**



**AUTO IDENTIFICATION SYSTEMS /
MES SYSTEMS**



**FACILITY
MANAGEMENT**



**KLT'S
CLEANING**

QUALITY & ENVIRONMENTAL POLICY

Quality, work safety and green operation are key elements of Videoton's core values.

The above philosophy is underpinned by the following certificates:

- ISO 9001 – 16 subsidiaries
- ISO 14001 – 14 subsidiaries
- ISO/TS 16949* – 7 subsidiaries (Automotive)
- OHSAS 18001 – 3 subsidiaries
- ISO 3834-2 – 2 subsidiaries (Welding)
- AQAP 2110 – 1 subsidiary (Defence)
- ISO 13485 – 1 subsidiary (Medical devices)
- ISO 1090-01 & 02 – 2 subsidiaries (Welding)
- ISO 50001 – 6 subsidiaries
- ATEX – 2 subsidiaries (Products for explosive atmospheres)
- FDA – 1 subsidiary (Food & skin related products)



DIVERSIFIED CUSTOMER BASE I.

AUTOMOTIVE



Audi



DENSO



faurecia

flex



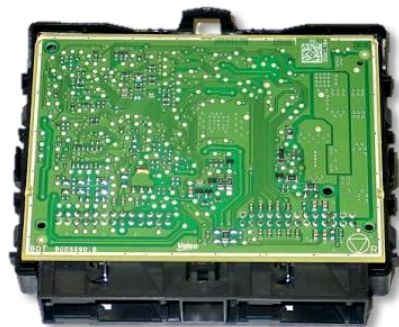
HI-LEX



MAHLE



PRODUCT REFERENCES I.



DIVERSIFIED CUSTOMER BASE II.

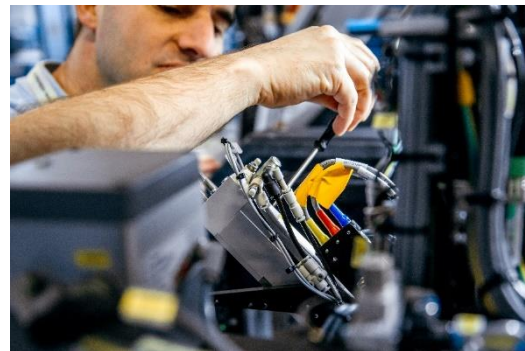
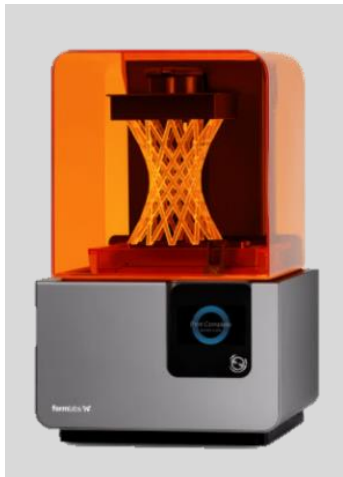
INDUSTRIAL



BATTERY PACKS



PRODUCT REFERENCES II.



DIVERSIFIED CUSTOMER BASE III.

BUILDING AUTOMATION/ SMART HOME

ABB **LOXONE**

SENSUS
a xylem brand

Itron

Honeywell **:hager**

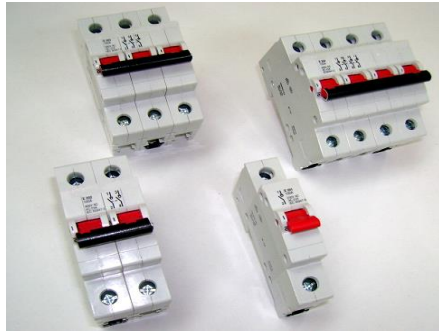
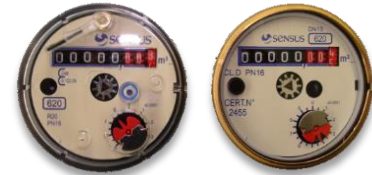
Schneider
Electric **legrand**

TELECOMMUNICATION/ COMMUNICATION

 **COMMSCOPE**

 **ekinops** **CORNING**

PRODUCT REFERENCES III.



DIVERSIFIED CUSTOMER BASE IV.

HOUSEHOLD

DēLonghi Group | BRAUN

PHILIPS

 **Electrolux**

ghd
good hair day, every day

OTHERS

3M

ACRO

PETZL

 **STOKKE**

STADLER

ALSTOM

PRODUCT REFERENCES IV.



RECENT BUSINESS AWARDS I.

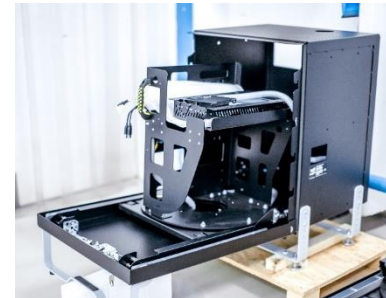
Manufacturing of Li-ion battery packs for one of the leading power tools manufacturers on a semi automated assembly line designed and built by Videoton



A new innovative outdoor headlamp of a market leader company using the complexity of Videoton: PCBA, plastics, battery pack & industrialisation



Industrialisation and start of serial production of innovative product of US payment handling technology company



RECENT BUSINESS AWARDS II.

Ramp-up with an Austrian innovative, start-up, tech company to produce various smart home products



High volume production of a new high-end router for a renowned company in high-speed broadband connectivity and smart home networking



Start of production of TEQBALL, a new innovative sport equipment for a new sport based on football



WHERE ARE WE HEADING TO?

We are determined...

- to adopt a lean production approach in our operations. Apply Industry 4.0 methods
- to provide higher added value to our customers through our vertical integration and our synergies
- provide multifocal DfX support in our partnerships
- to further improve our world-wide sourcing capabilities
- to build up new and expand existing cooperations with dynamic, innovative companies, with special focus to battery, e-mobility, mobile power and smart technology markets
- to become strategic contract manufacturing partner in industrialisation and serial production for start-up / scale-up companies

FOCUS ON START / SCALE UPS

Our strategy is utmost adaptability



Not being able to predict or influence markets is an accepted fact of life. Acceptance of operating in a cost+ business. Preparing for effective and fast actions in case of sudden changes in the environment. Expert in manufacturing with technology-based know-how. Open to all new markets and applications

**Growing share of investments
Expansion into inter-related technologies**



Preference for many small steps as opposed to big leaps. Aiming to provide a more diverse portfolio with synergies

**Labour market may become the limit of growth.
Adapt HR strategy to the substantially changing
environment.**



Be in line with the expectations of new generations. Support workers through employee benefit programs (housing, education, health, recreation etc.)

Largely continue with organic growth



Sustain transparency, predictability

FIRM INTENTION TO BECOME A PREFERRED MANUFACTURING PARTNER FOR EUROPEAN START/SCALE-UPS

■ Paradigm shift

Instead of concentrating on established players only, Videoton is now also focusing more on start-ups / scale-ups who are looking for an all-around B2B UX.

■ What Videoton can provide to start/scale-ups

- Vertical integration
- Customized and flexible service
- DfX capabilities
- Scalability – Able to flexibly handle rapid ramp-up to high volumes whilst moderate volumes are also of interest
- Customized cost and financing models for the above

■ References:

- Prosumer 3D printer of US start-up, Formlabs
- Industrial vending machine of Hungarian start-up, IVM



WHY VIDEOTON?

Integrated manufacturing services

Financial stability

Cost-competitive solutions

High flexibility

Customer-oriented focus

ONE PARTNER – INFINITE POSSIBILITIES

THANK YOU FOR YOUR KIND ATTENTION!

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