ANNUAL AND SUSTAINABILITY REPORT
2024

NCAB manufactures printed circuit boards for industries where failure is not an option.

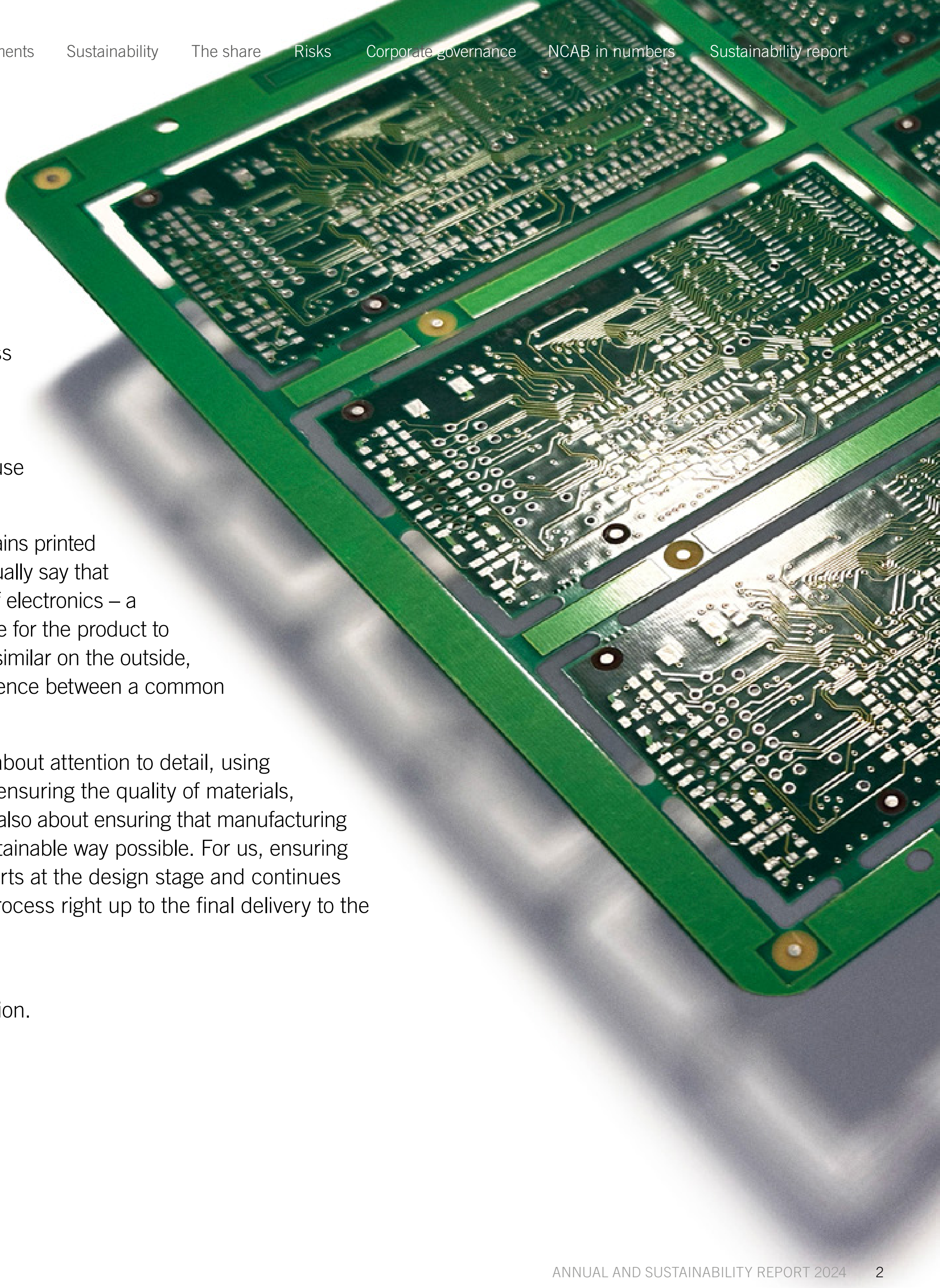
Contents

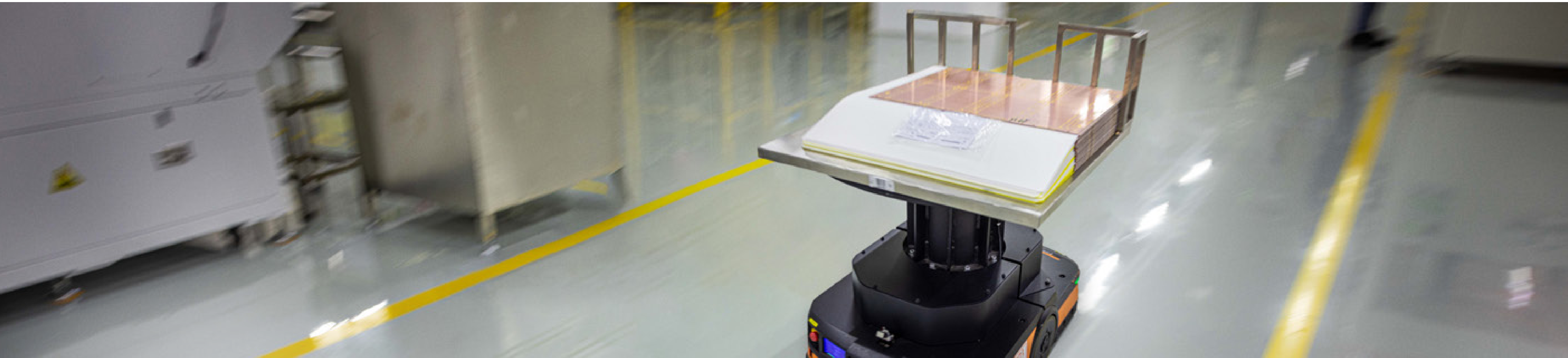
Our society depends on the reliability and stability of the electronics we use, regardless of whether it is medical equipment, trains, satellites or smoke detectors. We expect them to work – because they must.

All electronic equipment contains printed circuit boards (PCBs). We usually say that these are the beating heart of electronics – a platform that must be in place for the product to work. Even if PCBs can look similar on the outside, there can be a world of difference between a common PCB and a reliable PCB.

Producing a reliable PCB is about attention to detail, using the right specifications, and ensuring the quality of materials, processes and factories. It is also about ensuring that manufacturing is performed in the most sustainable way possible. For us, ensuring the reliability of our PCBs starts at the design stage and continues throughout the production process right up to the final delivery to the customer.

Reliable PCBs
Because failure is not an option.





2024 in brief

Continued investments and acquisitions despite weak market in Europe

In 2024, NCAB continued to acquire high-quality companies specialised in the same field: the sale of PCBs for technologically advanced products and demanding customers.

We also continued to develop our business to offer better service to our customers in the form of technical support and advice.

In aerospace and defence, we opened up opportunities in more countries. We also continued to roll out our new business system in more countries, so that it had been deployed in one third of our operations by the end of 2024.

However, the market was weak during the year, particularly in Europe, our largest segment, leading to a 12 per cent drop in net sales to SEK 3,614 million.

The companies acquired in 2023 and 2024 contributed 4 per cent and the decrease in the organic trend was therefore 16 per cent (15).

Five acquisitions were completed during the year: in Belgium, Switzerland, Austria, Denmark and Italy.

High profitability despite lower sales

NCAB's profitability decreased in 2024 due to the deteriorating economic situation and the resulting lower volumes, particularly in Europe. EBITA decreased by 30 per cent to SEK 450 million, compared with the figure in the year-earlier period of SEK 647 million, and the EBITA margin decreased to 12.4 per cent from 15.8 per cent in 2023.

Segments

NCAB has four segments: Nordic, Europe, North America and East. All segments reported weak growth in 2024 in terms of net sales and order intake.

The NCAB share decreased in value during 2024

In 2024, the NCAB share fell 12 per cent, from SEK 73.25 to SEK 64.50. In the same period, OMX Stockholm PI rose by 6 per cent.

Organisation

The number of employees increased 6 per cent from 603 to 628 in 2024. The increase is primarily attributable to the acquired companies.

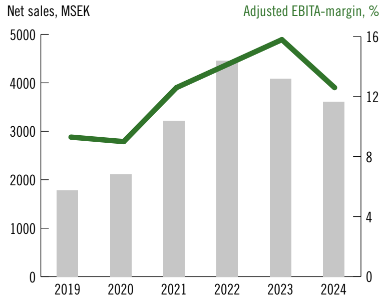
Sustainable business development

In 2024, NCAB continued to develop its systematic sustainable development efforts, as an integrated part of its business strategy and the company's processes. Work focused on ensuring compliance with new and evolving legislation and meeting stakeholder expectations. Activities included updating and developing our materiality assessment in line with new sustainability reporting requirements (CSRD/ESRS) and clarifying our climate pledge by committing to set scientific climate targets through the Science Based Targets initiative (SBTi). Our focus remains strongly on social and environmental sustainability at our manufacturing partners, and on climate impact in the value chain and in our own operations. During the year, we were involved in the development and evaluation of bio-based and traditional materials with a view to increasing circularity and reducing environmental impact. This year, NCAB was awarded an EcoVadis silver medal for its sustainability work.

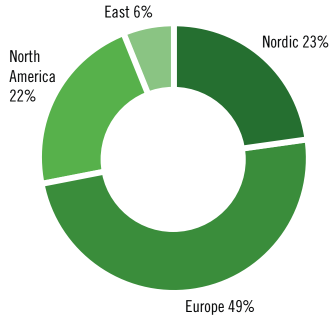
SALES, SEK million	EBITA, SEK million	SALES GROWTH	EBITA MARGIN	EMISSIONS INTENSITY, tCO2e/SEK million	EMPLOYEES
3,614	450	-12%	12.4%	28.6	628

The information above refers to 31 December 2024.

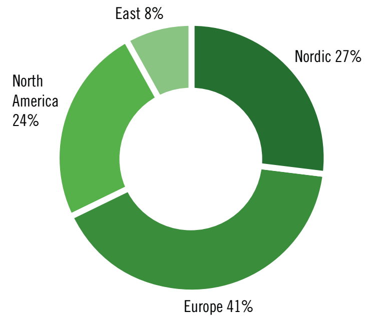
Net sales and adjusted EBITA margin



Net sales, share by segment



EBITA, share by segment



KEY PERFORMANCE INDICATORS	2024	2023	2022	2021	2020	2019
Order intake, SEK million	3,701.1	3,750.8	4,227.2	4,038.9	2,243.4	1,818.3
Order intake, USD million	350.3	353.4	417.5	470.6	243.8	192.2
Net sales, SEK million	3,614.0	4,087.8	4,457.7	3,219.5	2,115.2	1,781.2
Net sales, USD million	342.0	385.2	440.3	375.5	229.8	189.1
Gross margin, %	37.1	36.0	32.2	30.7	30.3	31.7
EBITA, SEK million	449.7	646.9	630.9	406.1	190.7	165.4
EBITA margin, %	12.4	15.8	14.2	12.6	9.0	9.3
Operating profit, SEK million	386.1	591.4	546.4	387.2	182.3	161.7
Profit after tax, SEK million	254.8	403.9	417.1	285.3	127.5	128.4
Earnings per share before dilution*, SEK	1.36	2.16	2.23	1.52	0.70	0.76
Earnings per share after dilution*, SEK	1.36	2.15	2.23	1.52	0.70	0.76
Cash flow from operating activities, SEK million	354.2	700.4	568.1	48.3	194.3	153.0
Return on equity, %	18.3	31.9	42.4	38.7	24.3	39.8
Average exchange rate, SEK/USD	10.57	10.61	10.12	8.58	9.20	9.46
Average exchange rate, SEK/EUR	11.43	11.48	10.63	10.14	10.49	10.58
Dividend	1.10**	1.10	1.10	0.60*	1.50***	–

* The Annual General Meeting on 15 December 2021 resolved to approve a 10:1 stock split. Earnings per share and dividends have been calculated retrospectively based on the total number of shares after the stock split for each period.

** Dividend proposed by the Board of Directors.

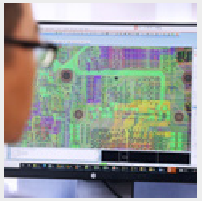
*** Ordinary dividend of SEK 0.50 and extra dividend of SEK 1.00 calculated after the split.

Sustainable business – throughout the value chain

Our focus is to create value for our stakeholders and take responsibility throughout our value chain. We endeavour to identify opportunities to drive positive change and reduce the negative impact of the various processes.

Areas where we have significant influence and control

Outside our direct control and influence



Sales, service and design support

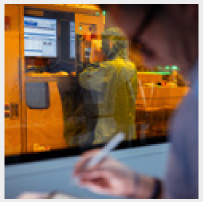
In the design phase, we help our customers to optimize the PCB design to obtain reliable PCBs and cost-efficient manufacturing. Optimized design means less waste and the use of less materials, chemicals, water and energy during manufacturing. The PCB will also be of higher quality. By offering different shipping alternatives to customers, we can help to reduce GHG emissions. A high level of service and strong relationships with our customers are crucial factors to ensure long-term business operations.

Transportation and distribution

Demand for short lead times in the industry is a challenge from a sustainability perspective. Our PCBs are transported by both air and sea. Air freight from Asia to Europe and the USA has a large carbon footprint. To reduce emissions, we offer our customers alternative transportation solutions.

Recycling and waste management

Waste management and recycling of the end product is normally outside our area of influence. The few PCBs returned to us are managed according to local regulations for waste management.

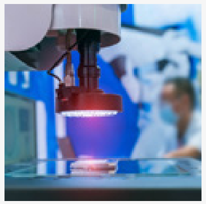


Sourcing and production

Our PCBs are manufactured by our suppliers in selected factories. Together with customers and manufacturers, we are focusing on quality and resource efficiency, social conditions and human rights, as well as climate and environmental impacts, in production and throughout the supply chain.

Our offices and employees

As a knowledge-based company, our employees are our most important asset. Creating engagement among employees is key to success and a responsibility as an employer. We strive to provide a stimulating and healthy work environment with a high degree of engagement where every individual is respected and included. To reduce the climate impact of our operations, we are investing in renewable energy, optimising energy use in our own premises and minimising emissions from company cars and business travel.



Product use

PCBs are used in many different types of technical applications and it is crucial that they do not stop working. High-quality PCBs are of the utmost importance for reliability and service life of the end product.

A challenging 2024 – but not without positive signs

2024 was marked by a continued challenging external environment with armed conflicts in Ukraine and the Middle East. Industrial production has been weak, not least in Europe, where large markets such as Germany, Italy and the UK in particular have seen negative development in the second half of the year. However, on the positive side we made steady progress in terms of the number of projects won and in new customers, and order intake began to show growth in several regions.

The weak market demand led to a decline in net sales for NCAB in 2024, despite strong growth in the number of projects won and in new customers. However, in the second half of the year we began to see positive signs of a turnaround in North America, East and Nordics while Europe remained weak. The new projects provide a good platform for renewed growth when market demand also recovers in Europe.

We continued to invest in the future during the year. We have actively expanded our supplier base outside of China to satisfy increasing interest from customers to broaden their geographical sourcing footprint. The broad supplier base also offers us good opportunities to support our customers in dealing with possible tariffs and customs duties. We also continued to develop our business to offer better support to our customers through technical support and advice. In 2024, we were more focused and coordinated across our different countries to pool our strengths and expertise in certain sectors. This applies, for example, to aerospace and defence, where we now have regulatory approval in more countries, which provides us with significant potential to continue to expand our sales in this growing segment.

As part of our digitalisation journey to improve customer service and efficiency, we continued the implementation of our new business system in more countries, so that by the end of 2024 it has been deployed across one third of our operations. Our goal is to have implemented the system in most companies in the Group by the end of 2025. The new platform will also facilitate the integration of acquired companies. In 2024, we welcomed five new companies to the Group. In addition to a major acquisition that further consolidates our strong position in the Italian market, we also established a local presence in Belgium and Austria through acquisitions as a base for continued organic growth.

NCAB has been working actively with sustainability for a decade now, mainly in collaboration with our partner factories in Asia. We have also offered our customers alternative and greener transportation solutions. These are issues that are highly valued and demanded by our customers today.

It is positive to note that despite a challenging year, we maintained healthy profitability and a strong financial position for 2024 as a whole. This gives us confidence, combined with the positive signs we have seen of a return to growth in three out of four segments, as we continue to invest in our long-term growth. Plenty of uncertainty remains about economic developments and we do not expect a quick turnaround in the market. However, we see continued opportunities to increase our market share both organically and through continued acquisitions and share the general outlook of a positive development in the market in the medium and long term.

I would like to take this opportunity to thank all our employees for their energy and commitment and of course our loyal customers and shareholders.

I look forward to continuing our journey together in 2025.

Peter Kruk
President and CEO, NCAB Group AB
Sundbyberg, March 2025

Strategy for growth

Chris Nuttall, Chief Operating Officer of NCAB Group, being interviewed during the Electronica trade fair in Germany. Electronica is one of the world's largest electronics trade fairs and a great opportunity to meet customers from all over Europe.

Strategy for sustainable growth

NCAB is methodically developing according to a well-established strategy in order to continue to grow sustainably with good profitability. Despite the weak market in 2024, we have strengthened our position through strategic acquisitions across Europe. We continue to see major potential to expand our market position and growth going forward.

Geographical expansion

Geographical expansion into new markets through acquisitions to accelerate the process

There are several geographic markets where we have yet to establish a local presence, for example, large and growing markets in Asia or parts of North America. In 2024, we strengthened our presence in Europe through acquisitions in Belgium and Austria, while continuing to explore opportunities in other key markets to accelerate growth and expand our global reach.

Market consolidation

Consolidate the market and leverage economies of scale to further increase our competitiveness

The PCB market in North America and Europe is highly fragmented and consists of many smaller, local import companies, many of which were established 20–30 years ago. Market consolidation is expected to continue, partly as many of the smaller, local players are facing a generational shift. We are playing a proactive role in this consolidation phase, and acquired five companies in 2024: Cumatrix BV in Belgium, ICOM Industrial Components AG in Switzerland, the PCB operations of EPI Components Trade GmbH in Austria, Print Production A/S in Denmark and the PCB operations of DVS Global in Italy. These acquisitions strengthen our market position, expand our customer offering and leverage economies of scale to further strengthen our competitiveness.

100 per cent focus on PCBs

Retain our 100 per cent focus on PCBs without own manufacturing operations

Focusing entirely on PCBs is a strength in our growth strategy. This allows us to maintain a high level of expertise and service within a niche market and to continue to provide high customer value. Globally, we have a market share of approximately 2 per cent in the High-Mix Low-Volume (HMLV) segment and in Europe 7–8 per cent. Consequently, there are major opportunities to grow. By not owning any factories, we have a highly flexible business model with good cash flow and excellent opportunities for growth investments.

Increase market share

Increase market share and deepen customer relationships in existing markets

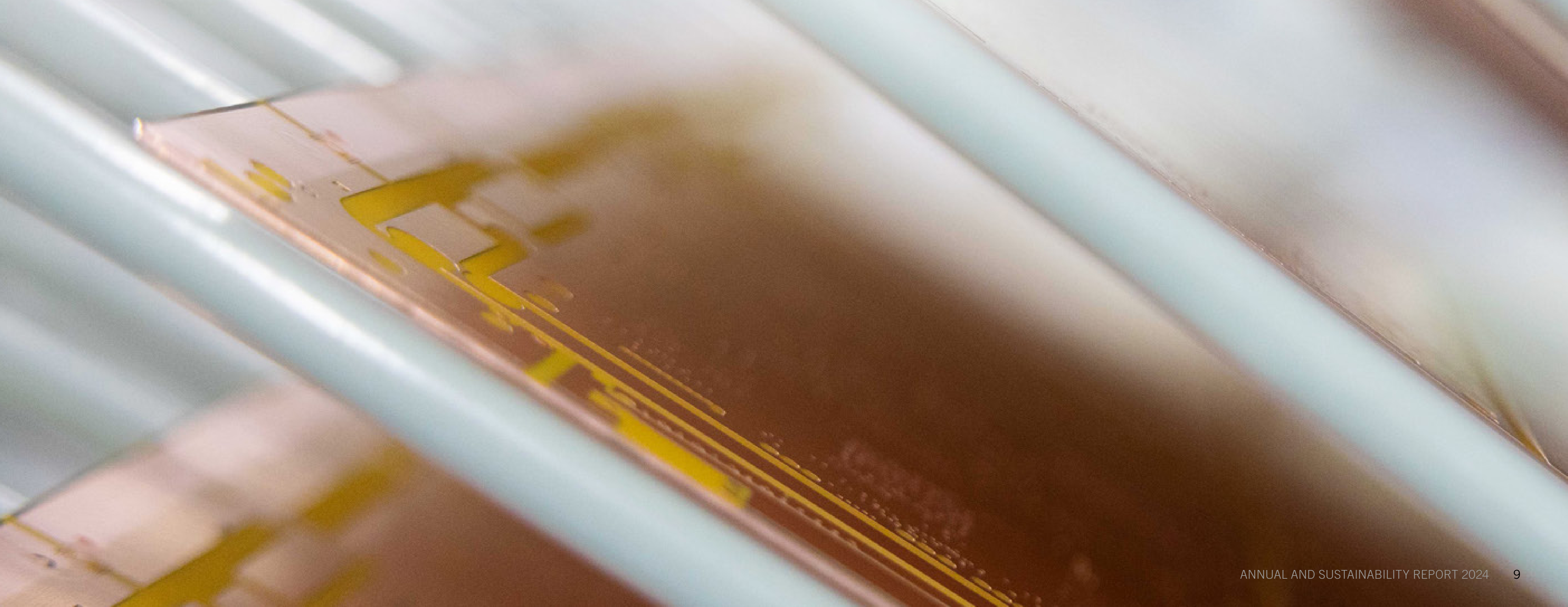
Our customer base has steadily grown with new customers in order to increase market share. By deepening our relationships with existing customers, we are able to win a larger share of their PCB purchases. Greater focus on global customers strengthens our offering and creates growth. The reuse of local expertise worldwide in distinct niches, which all have their own specific requirements, creates the conditions for further growth. In 2024, in line with our growth strategy, we have strengthened our presence in key European markets and expanded our customer base across different industries.

Acquisitions

Acquisitions play a key role in our growth strategy. They enable us to rapidly expand our customer base and create long-term organic growth, and also offer us an opportunity to gain skilled and knowledgeable employees. In 2024, we acquired five companies. Synergies from acquisitions are mainly gained through greater purchasing power, as we can secure better purchasing prices and terms and conditions. Our comprehensive network of factories and strong Factory Management in Asia mean we can also offer a broader range of products to the acquired company's customers. All acquired companies are seamlessly integrated into NCAB with a gradual integration of IT systems, branding and work processes.

ACQUISITIONS 2024

COMPANY	Month	Annual sales before acquisition	Employees
Cumatrix BV, Belgium	April	SEK 7 million	2
ICOM Industrial Components AG, Switzerland	July	SEK 39 million	6
EPI Components Trade (PCB division), Austria	July	SEK 28 million	4
Print Production A/S, Denmark	September	SEK 12 million	3
DVS Global, Italy	October	SEK 230 million	31



Operations

NCAB Group has a total of seven labs worldwide (five in Europe, one in the USA and one in China). The picture shows Bengt Boström, PCB Engineer at NCAB Group Sweden, examining a PCB in the Swedish lab.

This is NCAB

NCAB is a PCB supplier that aggregates customer demands and cooperates with a number of different partner factories. We have sales in 45 markets and a broad customer base in many different industries. We mainly operate in the HMLV segment (High-Mix Low-Volume). Quality and sustainability are some of our cornerstones.

An integrated full-service offering

We do not own any factories. Instead, we purchase our products from a network of manufacturers. We currently cooperate with 33 prioritised factories. Our aim is to account for 10–20 per cent of each manufacturer's sales, or to be one of their five largest customers, to secure – thanks to our purchasing power – a close relationship and high priority at the manufacturer. The manufacturers that we have chosen to collaborate with are approved by us to manufacture a controlled range of PCB technology and together offer us almost unlimited production capacity. Our "Integrated PCB production" concept offers added value to both customers and manufacturers as we take overall responsibility – from design support, prototyping, production, control of quality and sustainability to logistics and final delivery.

Local presence provides greater understanding and improved quality

We have local companies in 19 countries in the Nordic region, Europe, Asia and North America. The companies have a close collaboration with customers in relation to both technical and commercial support. As an example, NCAB reviews documentation that underlies new products before ordering, which results in proposals for improvements relating to quality, sustainability and performance.

Factory Management team conducts quality assurance on site

Our Factory Management teams in Asia, Europe and the US work closely with NCAB's partner manufacturers and play a key role in our quality and sustainability work. Preventive quality work with continuous monitoring and follow-up of factories is particularly important since errors that arise later in the process are more costly and time consuming. It also aims to ensure that the manufacturers act responsibly from an environmental, social and ethical perspective.

Sustainable development throughout the production process

A more sustainable PCB is created already at the design phase. By optimising design, the quality and reliability of the actual PCB is ensured, and environmental impact is reduced during production through less waste, and the use of less materials, chemicals, energy and water. To be at the forefront of new technologies and sustainable PCBs, we have appointed a Technical Council that comprises various focus groups. The Technical Council acts as an expert on technology development and works to create more sustainable PCBs through, for example, the use of more eco-friendly materials and increased opportunities for circular products.

VISION

The number 1 PCB producer – wherever we are.

MISSION

PCBs for demanding customers, on time with zero defects, produced sustainably at the lowest total cost.

VALUES

Quality first. Strong relationships. Full responsibility.

Focus on High-Mix Low-Volume (HMLV)

The market for PCBs can be divided into two main segments that cover different customer needs: High-volume and HMLV. The high-volume segment is characterised by strong competition and small margins – typically in industries such as consumer electronics, passengers cars, etc. Due to these conditions, buying directly from manufacturers is the most common alternative in the segment. The HMLV segment represents about 30 per cent of the global PCB market and encompasses many different types of PCBs manufactured at lower volumes. These types of PCB are often used in more technically advanced and primarily more demanding products, in the manufacturing industry, professional equipment, medtech and transport/logistics industry.

Market-leading position

The PCB market in Europe and North America is a fragmented market with many local players. Our global competitors include Fineline in Germany, ICAPE in France and PalPilot in the USA. These operate in a similar fashion to us, with a local customer presence and organisations in Asia to ensure quality and capacity. Other types of competitors include Asian manufacturers that sell directly to customers in Europe and North America, mainly active in the high-volume segment, and domestic manufacturers and small trading companies without their own presence in Asia.

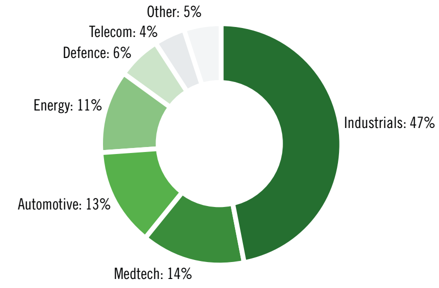
Customer base with wide variation

We have more than 3,000 customers located worldwide. The customer base is far-reaching – the ten largest customers accounted for 20 per cent of sales in 2024. About half of our customers are active in the industrial sector, most of which manufacture electronic systems for advanced industrial products. We also have customers in industries such as aeronautics, defence, the automotive industry, data communications, medical, energy, railways, safety-critical sectors and telecom.

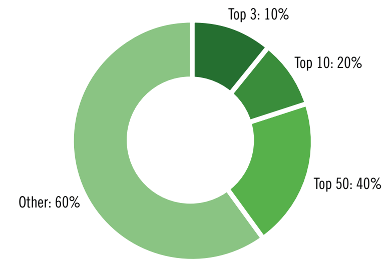
WHAT IS A PRINTED CIRCUIT BOARD?

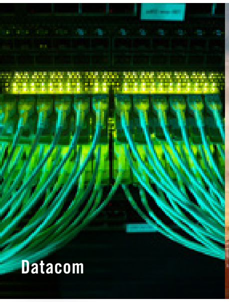
PCBs are at the heart of all electronic equipment and the platform on which electronic components are mounted to produce a PCB-A. Without the PCB, neither the PCB-A nor the end product can be manufactured. It represents a small share, between 1 per cent and 3 per cent, of the value of the end product. Often, PCBs have a greater share of the value in basic end products, for example an electric toothbrush, and a smaller share in more complex end products, such as an industrial robot. Regardless of the complexity, PCBs are critical for the end product – a defective PCB is often very expensive to rectify. This makes quality and reliability some of the most important purchasing criteria for our customers.

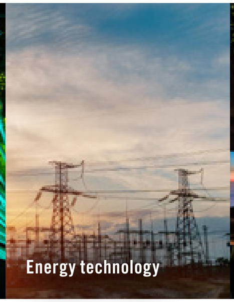
SALES BY INDUSTRY

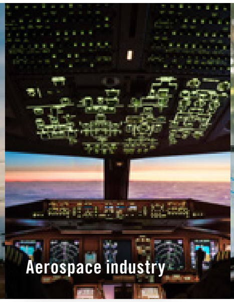


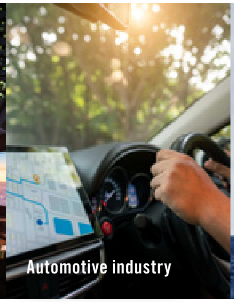
DIVERSIFIED CUSTOMER BASE

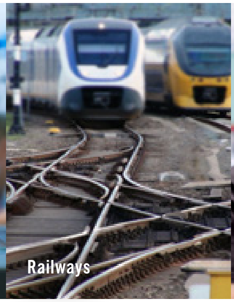


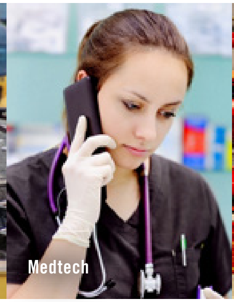


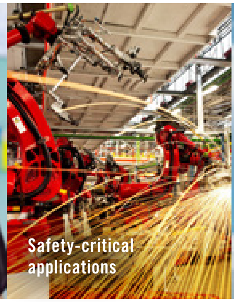


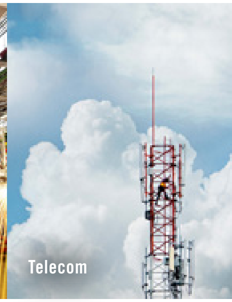












Factory Management guarantees quality and sustainability

The Factory Management team plays a key role in our quality and sustainability work with partner factories. The organisation currently consists of 119 employees, mainly in China and since 2020 there is also a team in Taiwan. Factory Management also has representatives in Europe and the USA.

EMPLOYEES AT FACTORY MANAGEMENT
119

QUALITY ASSURANCE
99.5%

DELIVERY RELIABILITY
94%

Factory Management works closely with our main factories to ensure production quality through auditing and optimisation of production processes and sustainability practices. Every main factory is regularly assessed according to quality, delivery reliability, sustainability aspects and levels of service and commercial viability. We have both our own staff and specially selected teams at the main factories in China. Each manufacturer in China receives an extra 40 hours of training each year related to our quality and service requirements. Because the Factory Management team builds strong relationships with the factories, we are given the best possible support and our orders are a top priority.

Thorough process to choose the right manufacturers

Another key focus area for Factory Management is to assess and approve new factories. Finding PCB factories is relatively simple, but choosing and validating a supplier that meets our rigorous demands for quality, reliability and sustainability is much more difficult. A broad range of expertise and effective methods are needed to choose and develop the best factories. Our extensive sourcing process includes the collection and analysis of performance data and manufacturing capacity, factory visits and the verification of PCB tests. This involves detailed quality and sustainability audits on-site, a review of pre-production technology and follow-up visits to ensure any changes have been correctly implemented.

Manufacturers are only approved for the technology and volumes that they can reliably supply – so that the anticipated performance is attained – meaning that even if the manufacturer can manufacture everything from simple 2-layer PCBs to advanced HDI boards, it is only used for technologies that meet our rigorous quality standards. When a manufacturer is approved, it is integrated into our continuous development programme.

For more information about our sourcing process, see https://www.ncabgroup.com/maximize-pcb-factory-performance/.

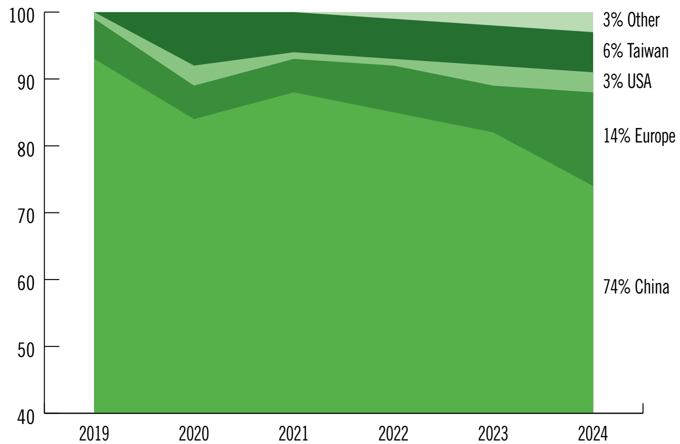
Audits to maintain quality

Quality audits are performed each year in all main factories. The focus is then on how well the manufacturing process and related areas work. In addition to these, we carry out annual audits of pre-production processes, and monthly process audits focusing on details in specific areas to guarantee continuous improvement. An optimised manufacturing process also helps to reduce environmental impact through less waste and less energy, water, chemicals and materials used in the supply chain.

High demands on sustainability

NCAB strives to achieve a sustainable supply chain. This means we must ensure that our suppliers act responsibly from an environmental, social and ethical perspective. Our Sustainability Policy and Supplier Code of Conduct clarify our obligations and requirements, and are based on the principles of the UN Global Compact and the UN Guiding Principles on Business and Human Rights. To receive approval as a main factory, the factories must not only sign and comply with our Code of Conduct, and fulfil other requirements regarding certification and compliance with legislation, but also successfully complete a sustainability audit. Since the highest sustainability risks, and also the greatest impact, are found in the main factories in China, our regular sustainability audits are currently performed at these units. The greatest risks in our main factories in China have been identified in health and safety (in particular the handling of chemicals), human rights, workers' rights and environmental impact. These risks were identified in audits and in dialogue with factory workers and management. We regularly follow up progress made in the factories, and perform follow-up audits and action plans when shortcomings are found.

SHARE OF MANUFACTURING BY GEOGRAPHY



Yvonne Qiu, Sustainability Manager at NCAB Group Factory Management, China, visiting one of our manufacturers. Factory Management works closely with our main factories to ensure production quality through auditing and optimisation of production processes and sustainability practices.

Target to increase share of fossil-free energy

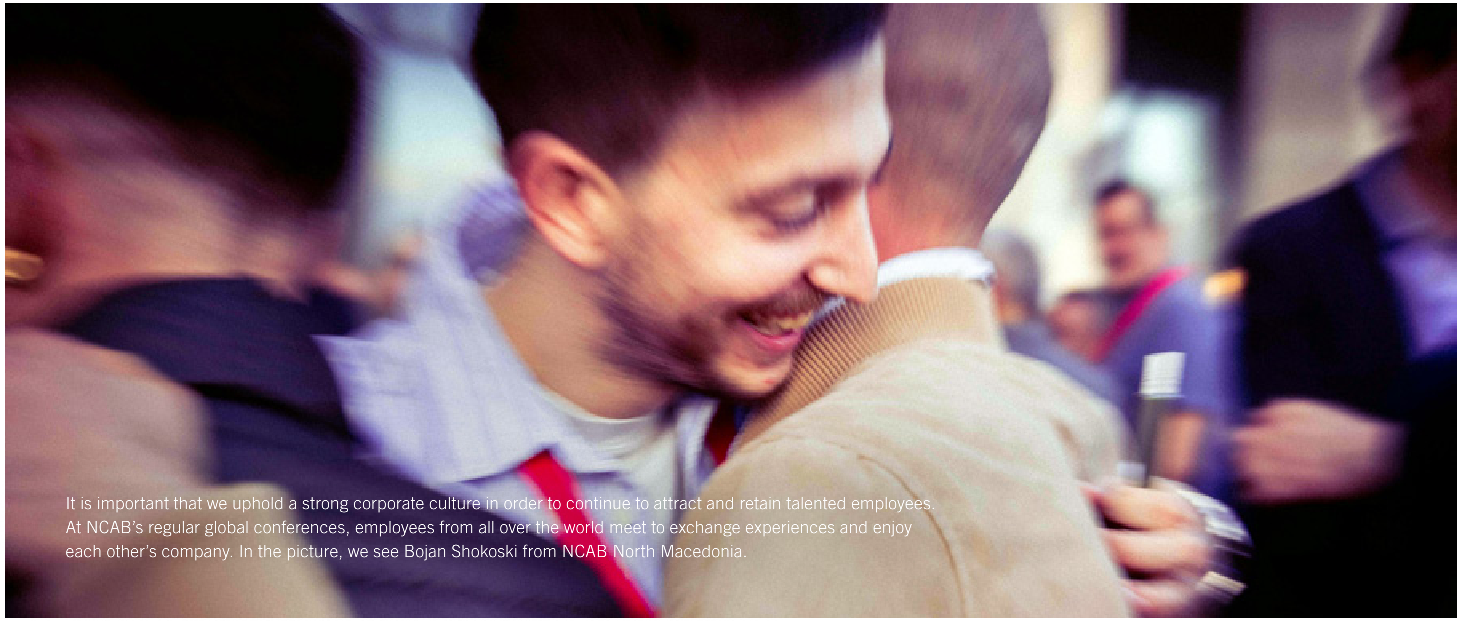
Our greatest climate impact is from the energy used in the production of the PCBs, and increased energy efficiency and a higher share of fossil-free energy at our manufacturers are important parameters in reducing emissions. Currently, the energy mix used is largely dependent on the location of the factory. We can see that a growing number of factories are installing solar panels, which is a step in the right direction, though solar panels only cover 1–5 per cent of factory's energy needs. We are identifying the share of existing and planned fossil-free energy at our manufacturers, which is also an important parameter when sourcing new factories. For our main factories, we also request that energy efficiency plans are in place so that action can be taken to reduce emissions. Other environmental aspects that our manufacturers focus on are efficient water use and treatment, and the management and reduction of waste.

Work that produces results

NCAB measures quality performance as the number of deliveries without customer complaints in relation to the total number of deliveries. Delivery performance is measured as the number of order lines delivered within the confirmed delivery time, in relation to the total number of delivered order lines. Since we launched Factory Management in 2006, quality has increased from 96.5 per cent to 99.5 per cent in 2024, which is high in the industry, and delivery reliability to the customer increased from 84.0 per cent to 94.0 per cent. This means our customers receive better PCBs on time, which makes our customers more efficient.

Collaboration with three categories of factories

NCAB has strong and close relationships with the factories with which we have chosen to cooperate. In 2024, we cooperated with 33 main factories – 18 in China, five in Taiwan, seven in Europe and the USA, two in South Korea and one in Thailand – which offers a good risk spread while allowing us to provide a broad range of PCBs to our customers. Additionally, we have other manufacturers for various needs, known as 'spot factories' and these are used when the main factories lack either technical capacity or commercial flexibility. These factories are continuously assessed for performance. In individual cases, when neither the main factories nor spot factories have the capacity for a project, 'special project factories' are used. These factories are used for individual customer projects and are assessed and approved for each project.



It is important that we uphold a strong corporate culture in order to continue to attract and retain talented employees. At NCAB's regular global conferences, employees from all over the world meet to exchange experiences and enjoy each other's company. In the picture, we see Bojan Shokoski from NCAB North Macedonia.

Employees – the heart of NCAB

NCAB has a distinct, decentralised corporate culture that pervades the whole of the company – we are convinced that the best business decisions are made close to the customer and the market. Shared values simplify responsibility at all levels and provide us with an effective working method and direction moving forward.

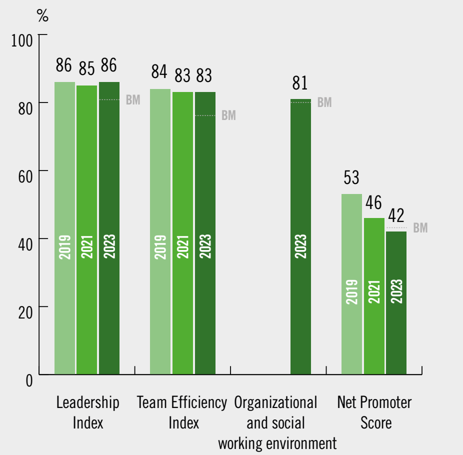
NCAB's values are to always put quality first, to build strong relationships with the people you work and interact with, and to always assume full responsibility for your obligations. The values have been developed by all employees, and are based on the premise that all employees, regardless of position, should be able to make their own decisions, quickly and easily and in line with our strategy.

Local subsidiaries and central Group function

Of our just over 600 employees, about 50 work within central functions, while the remainder work in 19 local companies, or in the Factory Management team. Our local companies work close to their market and customers and receive support from the central organisation. The local companies are headed by a Managing Director and are accountable for their own performance. Each local company is responsible for customer relationships and handling of orders, deliveries and technical advisory services.

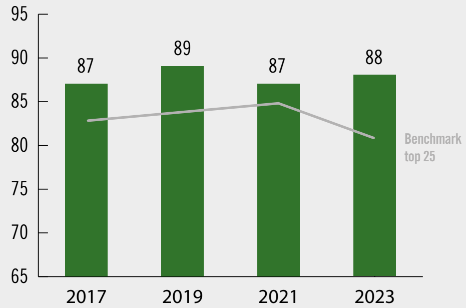
NCAB's central organisation is to support the business strategy and has overriding responsibility for global sales and marketing, and for acquisitions and business development. It is also responsible for managing People & Culture, quality and sustainability, Factory Management, logistics and technology as well as the development of systems and processes.

EMPLOYEE SATISFACTION SURVEY

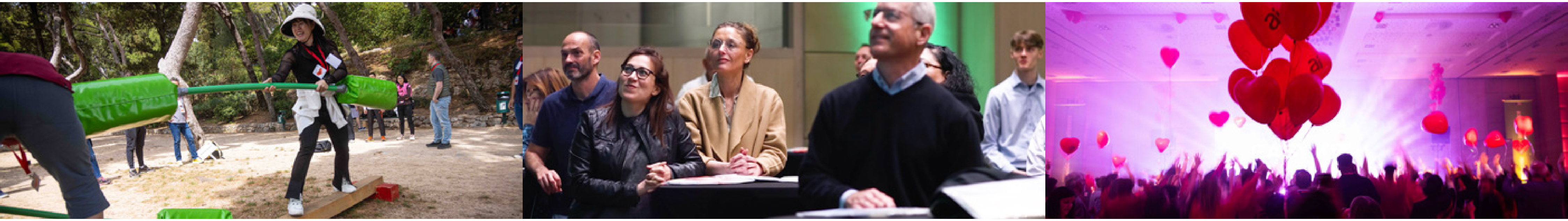


Results of our employee engagement survey for 2019–2023. The next survey will take place in 2025. BM = Top 25 Benchmark.

ENGAGEMENT INDEX



NCAB is to have dedicated employees, an engagement index higher than benchmark for the top 25 companies measured.



NCAB United 2024

In 2024, NCAB organised its regular global conference for all employees, a valuable opportunity to build stronger relationships and company culture, and to create customer value and develop together. The themes for this year's conference were "AI = authentic intelligence" and "Exploring", focusing on exploring new ideas that make us more innovative and sustainable as a business.

Strong corporate culture is important in a growing company

NCAB Group is a global organisation that is growing organically and through recruitment and acquisitions. In 2024, five acquisitions were completed: Cumatrix BV in Belgium, ICOM Industrial Components AG in Switzerland, EPI Components Trade (PCB operations) in Austria, Print Production A/S in Denmark and the PCB operations of DVS Global in Italy. In total, the company welcomed just over 40 new employees. It is crucial that we uphold a strong corporate culture as we grow in order to continue to attract and retain talented employees. All employees take part in a structured onboarding programme during their first three months, as a means of firmly establishing the company's processes and corporate culture. All of our employees also meet regularly at global conferences and internal training programmes to exchange knowledge, strengthen ties between the offices, and ensure a shared direction moving forward.

Stimulating work environment contributes to dedicated employees

Creating engagement among employees is key to success and a responsibility as an employer. We strive to provide a stimulating work environment where every individual is respected and included, with the long-term aim of attracting, engaging and developing together. Every second year, an employee satisfaction survey is conducted to measure employee engagement and to implement possible improvement measures. The next employee satisfaction survey will be conducted in 2025. Performance reviews are held each year when areas such as motivation, work-life balance, leadership, cooperation, development as well as awareness and understanding of our Code of Conduct are discussed. The purpose is to increase employee engagement and motivation.

Continuous experience sharing and skills development in various channels

To remain a leading company in our industry, it is important to constantly develop the internal expertise and specialist know-how, through different types of learning and by regularly meeting colleagues from the whole organisation to exchange experiences. We offer leadership training to all employees in senior positions. Managers must be able to engage their employees and act as good role models. Internal training courses are also held for our sales personnel and technicians to develop them in their roles. All employees have access to a range of online courses through the NCAB Academy, a digital platform for training and development. This helps employees to continually develop their expertise, regardless of their location. Alongside of the NCAB Academy, other courses are provided online and in workshops.

In October 2024, the largest knowledge initiative in years was launched, the "How we make a PCB – the value we add in every production step" training programme with all employees in sales as the main target group. The aim is that – through better knowledge and understanding of the production process – they will be able to make a difference and add value for our customers.

For more information on our work with learning and development, refer to the sustainability notes on page 95-97.

Diversity stimulates creativity and innovation

Diversity is important for us and we can see that teams made up of employees with different experiences and perspectives are more sustainable in the long term and stimulate creativity and innovation. We have zero tolerance of harassment and discrimination due to racial or ethnic origin, religion, gender, sexual orientation, political opinions, age, disability or for any other reason. To create awareness of our zero tolerance policy, the subject is highlighted and discussed in global induction sessions and onboarding programmes, and discussed by each manager during performance and development appraisals with our employees.

Code of Conduct helps combat corruption

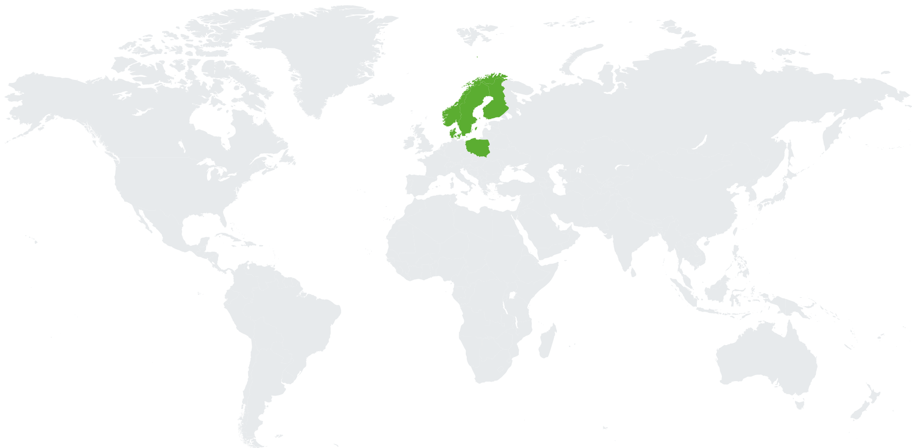
NCAB operates in a global environment where varying degrees of corruption exist. Corruption exacerbates poverty in the world, undermines democracy and the protection of human rights, damages trade and reduces confidence in social institutions and the market economy. It is therefore important to combat all forms of corruption. Our Code of Conduct clarifies our zero-tolerance approach to corruption. Business ethics and corruption are always discussed with new employees in connection with the global onboarding sessions, which are led by the CEO. The Code of Conduct is also part of the agenda at annual performance reviews. We also have a whistleblower function available to employees via our intranet and to external stakeholders via the website, for reporting any irregularities and misconduct. The service is provided by an external party, which means reports can be submitted anonymously. Complaints are managed by VP People & Culture and reported to Group management and the Board of Directors. In 2024, one (1) case was reported via the whistleblower channel. The case has been investigated.

Segments

Marcus Plyme, Business Development Manager and Ludvig Lindqvist, Sales Manager, both from NCAB Group Sweden in a conference room at our head office in Sundbyberg.

Nordic

DENMARK, FINLAND, NORWAY, POLAND AND SWEDEN



Peter Jensen,
VP Nordic

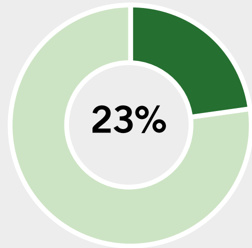
"Expanded regional reach and strong customer relationships"

Net sales, SEK million
822

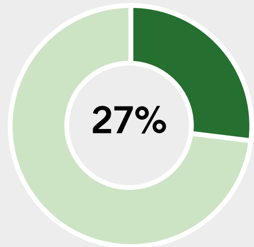
EBITA, SEK million
128.3

EBITA MARGIN
15.6%

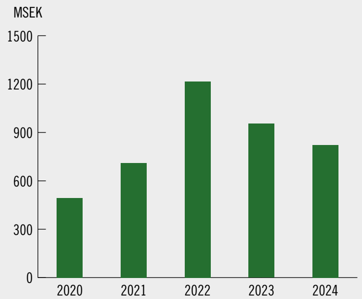
SEGMENT'S SHARE OF SALES



SEGMENT'S SHARE OF EBITA



SALES



In the *Nordic* segment, we have a long track record and strong market position. The strong position, combined with a relatively mature market, means focus is on profitability rather than growth and recruitment. Customers are mainly active in the industrial segment, defence industry and in medtech and electric vehicle (EV) chargers. The segment's favourable profitability is mainly due to strong customer relationships, as a result of long-term work focusing on quality and reliability. The strategy is to further deepen these customer relationships over time. As of this year, Poland is included in the Nordic segment to facilitate customer relationships as several Nordic companies have operations in several of the countries. Our presence in Denmark was strengthened during the year with the acquisition of the company Print Production A/S.

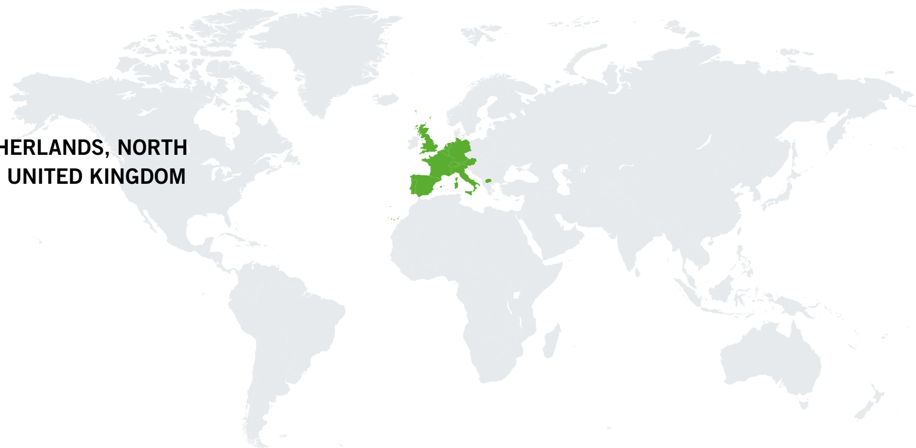
Sales to customers in the defence industry increased in 2024 while the market for EV chargers weakened. Sweden and Finland reported growth while other companies in the segment noted a decline in net sales. In 2024, the segment accounted for 23 per cent of the Group's total sales and 27 per cent of EBITA.

KEY PERFORMANCE INDICATORS	2024	2023*
Net sales, SEK million	822.4	953.9
Change in sales, %	-13.8	-11.0
EBITA, SEK million	128.3	184.2
EBITA margin, %	15.6	19.3
Average number of employees	84	79

*) Adjusted for Poland

Europe

AUSTRIA, BELGIUM, FRANCE, GERMANY, ITALY, THE NETHERLANDS, NORTH MACEDONIA, PORTUGAL, SWITZERLAND, SPAIN AND THE UNITED KINGDOM



Benjamin Klingenberg,
VP Europe

"The market position further strengthened geographically as a result of strategic acquisitions"

Net sales, SEK million	EBITA, SEK million	EBITA MARGIN
1,776	194.3	10.9%

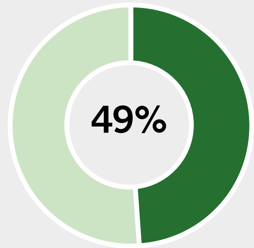
Europe is our largest segment and was in 2024 adversely impacted by market developments in Germany, which spread to neighbouring countries as the year progressed. The European market contains many minor local players and thus there are substantial acquisition opportunities. During the year, we completed four acquisitions: Cumatrix BV in Belgium, ICOM Industrial Components in Switzerland, the PCB operations of EPI Components Trade and the PCB operations of DVS Global in Italy. Despite negative market developments during the year, growth potential remains substantial in the segment as we still have a small market share in many of the countries – partly as these countries and markets still have domestic production of PCBs.

The European market was weak during the year, particularly in Germany, the Netherlands and Italy. Spain and France have performed better and are in line with previous years or have increased sales. Reduced gross profit resulted in a lower EBITA and EBITA margin during the year. In 2024, the segment accounted for 49 per cent of the Group's total sales and 41 per cent of EBITA. Customers are primarily in the industrial segment.

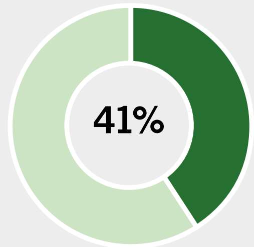
KEY PERFORMANCE INDICATORS	2024	2023*
Net sales, SEK million	1,776.0	2,196.1
Sales growth, %	-19.1	-6.2
EBITA, SEK million	194.3	323.3
EBITA margin, %	10.9	14.7
Average number of employees	253	223

*) Adjusted for Poland

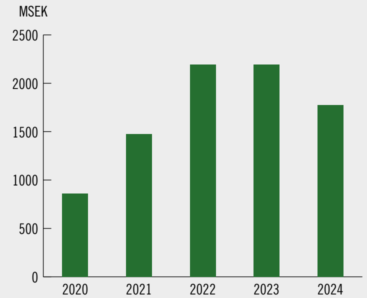
SEGMENT'S SHARE OF SALES



SEGMENT'S SHARE OF EBITA

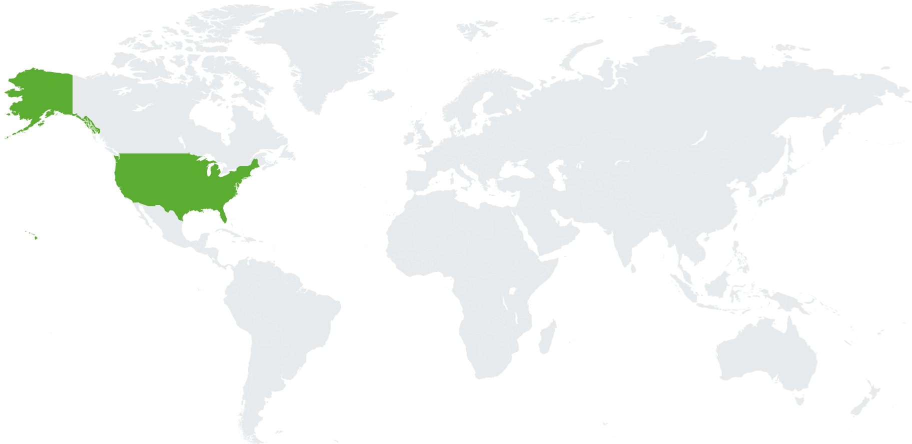


SALES



North America

USA



Howard Goff,
VP North America

"We are seeing increased demand from customers who value NCAB's expertise in reliable PCBs."

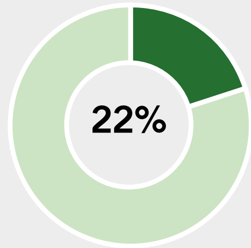
Net sales, SEK million	EBITA, SEK million	EBITA MARGIN
800	117.3	14.7%

The US market is roughly the size of the European, and NCAB's market share is only about 2 per cent, so major growth opportunities remain. We have six regional offices in the USA from east to west and Texas in the south. This is a means of working close to customers and thereby strengthening relationships with them. Our operations in the USA are the result of a number of acquisitions and customers are primarily active in industry and medtech. NCAB North America has a larger share of EMS customers compared with the rest of the Group. The market started to recover in 2024 and sales increased. Import tariffs have been imposed on PCBs from China for a number of years, and we have seen a larger share of sold PCBs that are manufactured outside of China to our customers in North America, mainly from Taiwan and South Korea.

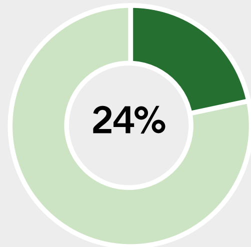
Net sales performed positively during the year, partly due to the acquisition of Phase 3 in 2023, but also due to market growth in *North America* in 2024. In 2024, the segment accounted for 22 per cent of the Group's total sales and 24 per cent of EBITA.

KEY PERFORMANCE INDICATORS	2024	2023
Net sales, SEK million	800.4	718.8
Sales growth, %	11.3	-7.7
EBITA, SEK million	117.3	108.7
EBITA margin, %	14.7	15.1
Average number of employees	91	89

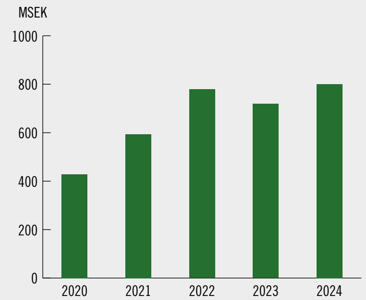
SEGMENT'S SHARE OF SALES



SEGMENT'S SHARE OF EBITA



SALES



East

CHINA AND MALAYSIA

Andy Liu,
VP East

"A challenging year in which we have been appreciated for our focus on quality and fast service."

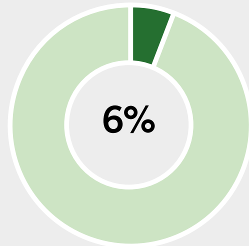
Net sales, SEK million	EBITA, SEK million	EBITA MARGIN
215.3	36.3	16.8%

Sales in Asia are to both Chinese customers and to European and American customers that have established a presence in China. However, sales growth to local Chinese companies is strongest. The segment has one sales office in Malaysia and four sales offices in China that sell in CNY and a company in Hong Kong that sells in USD. China has noted a continued weak performance in the wake of the pandemic and the economic downturn. Following various stimulus packages from the Chinese government, an increase in domestic consumption was noted.

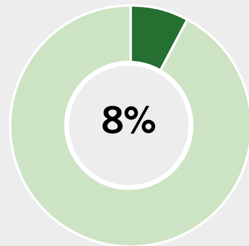
In China, we generally sell much more technically advanced PCBs than in the rest of the Group. In 2024, the segment accounted for 6 per cent of the Group's total sales and 8 per cent of EBITA.

KEY PERFORMANCE INDICATORS	2024	2023
Net sales, SEK million	215.3	219.1
Sales growth, %	-1.7	-18.9
EBITA, SEK million	36.3	42.3
EBITA margin, %	16.8	19.3
Average number of employees	39	42

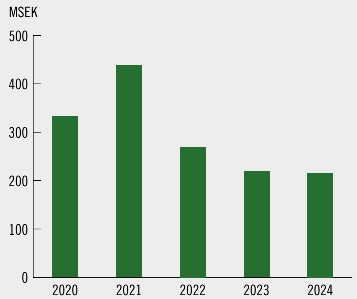
SEGMENT'S SHARE OF SALES



SEGMENT'S SHARE OF EBITA



SALES*



*East previously included Russia, the company was sold in April 2022.

Sustainability

To receive approval as a main factory, the factories must, for example, successfully complete a sustainability audit. Since the highest sustainability risks, and also the greatest impact, are found in the main factories in China, our regular sustainability audits are currently performed at these units.

Sustainable business – strong relationships and transparency are the way forward

Conducting operations in a responsible manner throughout the value chain is an integrated part of our business model and long-term strategy. This is best achieved in close collaboration with suppliers and customers, and through a high level of engagement from our employees. Together, we want to create a more sustainable industry with growth and profitability for everyone.

CHANNELS FOR DIALOGUE WITH OUR KEY STAKEHOLDERS

NCAB GROUP

CUSTOMERS
- Customer satisfaction surveys
- Meetings
- Seminars

INVESTORS
- Meetings

EMPLOYEES
- Employee satisfaction surveys
- Performance and development appraisals

SUPPLIERS
- Meetings
- Factory audits

Integrated sustainability strategy

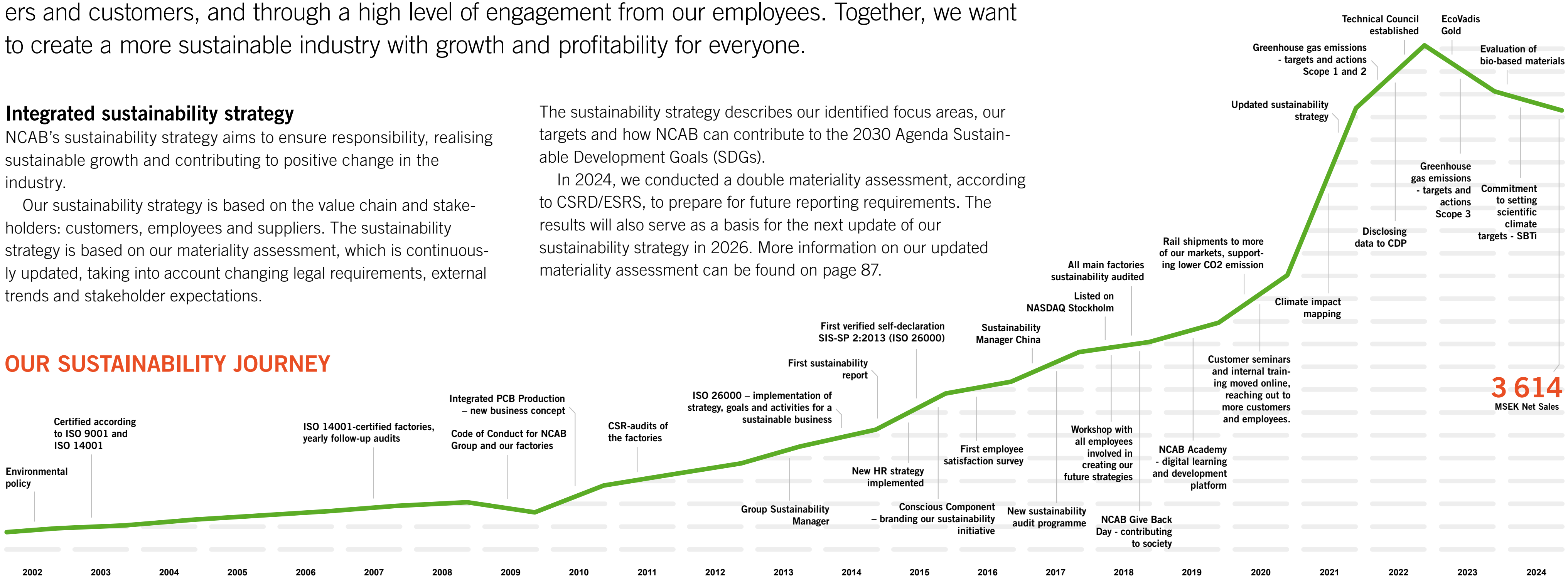
NCAB's sustainability strategy aims to ensure responsibility, realising sustainable growth and contributing to positive change in the industry.

Our sustainability strategy is based on the value chain and stakeholders: customers, employees and suppliers. The sustainability strategy is based on our materiality assessment, which is continuously updated, taking into account changing legal requirements, external trends and stakeholder expectations.

The sustainability strategy describes our identified focus areas, our targets and how NCAB can contribute to the 2030 Agenda Sustainable Development Goals (SDGs).

In 2024, we conducted a double materiality assessment, according to CSRD/ESRS, to prepare for future reporting requirements. The results will also serve as a basis for the next update of our sustainability strategy in 2026. More information on our updated materiality assessment can be found on page 87.

OUR SUSTAINABILITY JOURNEY



NCAB GROUP SUSTAINABILITY STRATEGY 2022–2026

Suppliers

Take full responsibility throughout the supply chain

	FOCUS AREAS	LONG-TERM TARGETS
SOCIAL RESPONSIBILITY	› Human rights & Labour rights › Health & Safety	› Zero human rights violations › Full compliance with human rights legislation and NCAB's Code of Conduct › Zero high-consequence work-related injuries
ENVIRONMENT	› Energy efficiency & renewable energy › Resource efficiency › Waste management › Climate impact	› Increase energy efficiency in PCB production › Renewable energy in PCB production › Environmentally conscious material used in production and in products. › Increased circularity › Reduce total GHG emissions (Scope 1–3) in accordance with the 1.5 degree target of the Paris agreement.

NCAB

Attract, retain and develop the best employees

	FOCUS AREAS	LONG-TERM TARGETS
SOCIAL RESPONSIBILITY	› Wellbeing & Work-life balance › Equal opportunities for everyone › Employee satisfaction and engagement	› Top scores in employee satisfaction and engagement › NCAB recognised as the most attractive employer within the electronics industry
ENVIRONMENT	› Business travel › Energy efficiency & renewable energy › Climate impact	› Reduce emissions from business trips and company cars › Renewable energy in NCAB's offices and warehouse spaces › Reduce total GHG emissions (Scope 1–3) in accordance with the 1.5 degree target of the Paris agreement.
CORPORATE GOVERNANCE	› Ethics › Transparency	› Continuing robust risk management and governance, including all relevant categories of risks.

Customers

Steer the sector in a green direction

	FOCUS AREAS	LONG-TERM TARGETS
ENVIRONMENT	› Sustainable product development › Sustainable product offering › Transportation › Climate impact	› Leadership in sustainable PCBs › Increased awareness of sustainable PCBs among customers › Customers choose environmentally friendly transportation alternatives › Reduce total GHG emissions (Scope 1–3) in accordance with the 1.5 degree target of the Paris agreement.

NCAB'S GHG EMISSIONS 2024

Climate change is an urgent global challenge and we have a responsibility to reduce the impact of our operations on the climate. Working together with customers and suppliers, we strive to reduce GHG emissions in line with the 1.5 °C threshold in the Paris Agreement. In 2024, we clarified our climate pledge through a commitment on scientific climate targets to SBTi. Some areas where we are striving to reduce climate impact include energy use and energy mix in our own premises and in our main factories, transportation alternatives for goods to customers, and our own business travel. Read more about our climate targets and how we calculate our climate emissions on pages 89-92.

SCOPE 1 – Direct emissions from own operations

GHG EMISSIONS FROM FUEL USED IN COMPANY CARS AND FROM OWN PRODUCTION OF HEATING AND COOLING
278 (ton CO_2e)

SCOPE 2 – Indirect emissions from purchased energy

FROM THE ELECTRICITY AND HEAT PURCHASED AND USED IN NCAB OFFICES AND NCAB WAREHOUSES
225 (ton CO_2e)

SCOPE 3 – Other indirect emissions

WASTE (OWN OPERATIONS)
1 (ton CO_2e)

OTHER PURCHASED GOODS AND SERVICES (INTERNAL CONSUMABLES, OUTSOURCED IT SERVER SERVICES)
62 (ton CO_2e)

FUEL AND ENERGY RELATED ACTIVITIES (NOT INCL. IN SCOPE 1 OR 2)
131 (ton CO_2e)

BUSINESS TRAVEL
1,534 (ton CO_2e)

ENERGY USAGE IN PCB FACTORIES
82,146 (ton CO_2e)

WASTE (PCB PRODUCTION)
262 (ton CO_2e)

END-OF-LIFE TREATMENT OF SOLD PCBs
104 (ton CO_2e)

TRANSPORTATION AND DISTRIBUTION OF PCBs
18,626 (ton CO_2e)

SCOPE 1-3

TOTAL 103,369 (ton CO_2e) **28.6** (ton CO_2e/MSEK)

	2023	2022	2021	
	116,314	107,855	92,404	(ton CO_2e)
	28.5	24.2	28.7	(ton CO_2e/MSEK)

More information on 89-92.

The share

Discarded material from a PCB panel. Throughout much of the manufacturing process, the PCBs are connected on a panel, which is later divided into specific sizes and shapes according to the customer's specifications. The frame holding the panel together is then cut away.

NCAB shares

At the end of 2024, NCAB had been listed on Nasdaq Stockholm for six and a half years. The listing was on Small Cap in June 2018 at a share price of SEK 75 (now equivalent to SEK 7.50 following the split in 2021) and in January 2021 the share was transferred to the Mid Cap list. It was time for the move to Large Cap in January 2022. The shareholding has changed as the former major owner R12 Kapital sold its remaining holding in 2023. Since then, no owner has a holding of more than 10 per cent. Furthermore, the share of foreign owners has increased from 33 per cent to 37 per cent.

The share price has risen by more than 860 per cent, or almost 9 times the original value, between the listing in 2018 and 30 December 2024. From the 1 December 2023, NCAB is part of the OMX benchmark index OMXPI. On 30 November 2023, NCAB also joined the MSCI Global Small Cap Index.

SHARE PRICE DEVELOPMENT 2024

In 2024, the NCAB share declined 12 per cent, from SEK 73.25 to SEK 64.50. In the same period, OMX Stockholm PI rose by 6 per cent. However, the share price varied considerably during the year, with the highest level noted on 12 July at SEK 88.10 and the lowest on 19 November at SEK 57.40. The closing price at the end of the period was SEK 64.50, which means the total market value at the end of the year was SEK 12,059,645 million.

SHARE CAPITAL AND ITS PERFORMANCE

On 30 December 2024, NCAB Group's share capital amounted to SEK 1.9 million distributed between 186,971,240 shares with a quotient value of SEK 0.01 per share. According to the Articles of Association, share capital is to be a minimum of SEK 1,500,000 and a maximum of SEK 6,000,000 distributed between a minimum of 150,000,000 shares and a maximum of 600,000,000 shares.

GENERAL MEETING ON 8 MAY 2024 RESOLVED ON DIVIDEND OF SEK 1.10

The Meeting resolved in accordance with the Board's proposal to pay a dividend to shareholders of SEK 1.10 per share, to be disbursed in May 2024. The dividend paid amounted to SEK 205.7 million and corresponded to 51 per cent of profit after tax for 2023. NCAB's dividend policy aims to distribute available cash flow, after taking into account the company's indebtedness as well as future growth opportunities, including acquisitions. The dividend is expected to correspond to at least 50 per cent of net profit. For full-year 2024, the Board of Directors proposes a dividend of SEK 1.10 (1.10) per share, corresponding to 81 per cent of profit after tax, which is aligned with the company's dividend policy.

LONG-TERM INCENTIVE PLAN

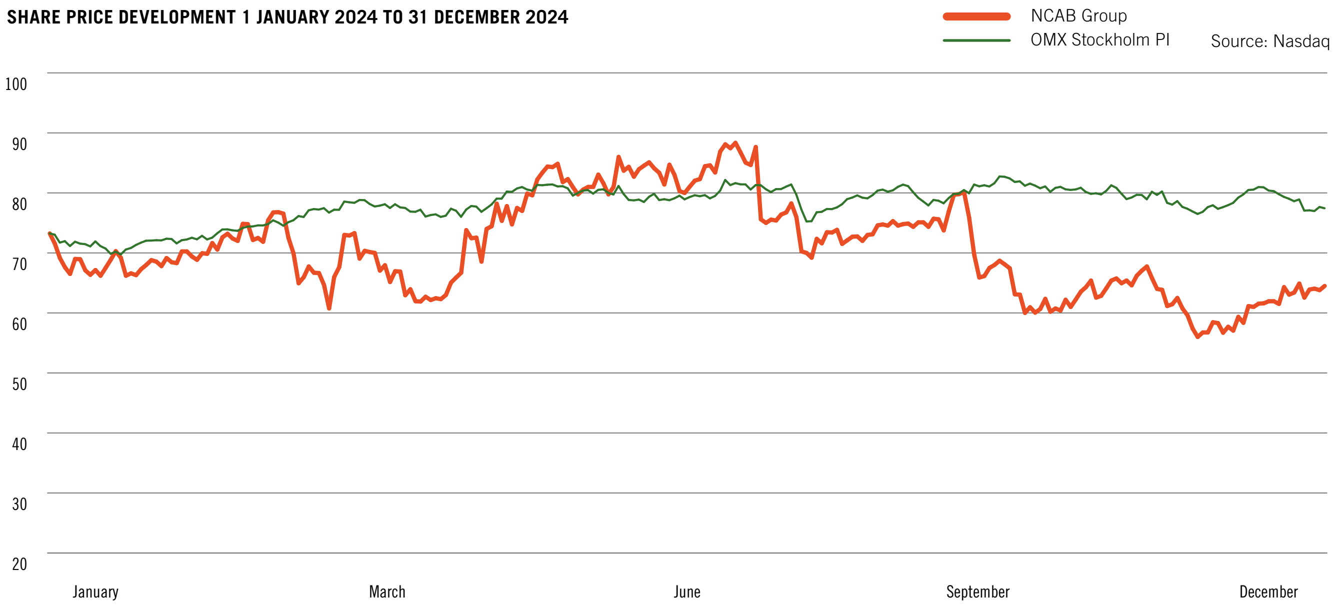
The Meeting resolved, in accordance with the Board's proposal, to introduce a long-term incentive plan in line with previous years. Participation in the LTIP 2024/2027 requires participants to use their own funds to acquire shares in the company at market price. If Investment Shares are retained until 15 May 2027, and the participant continues to be employed by the Group for the whole Savings Period, each Investment Share entitles the holder to acquire four shares in the company at a price corresponding to 70 per cent of the volume-weighted average price of transactions in the company's shares from 13 May 2024 until 24 May 2024 on Nasdaq Stockholm. To ensure the delivery of shares within the scope of the incentive plan, the Meeting also resolved on a directed share issue of 776,000 warrants, approval of the subsidiary's transfer of warrants to key persons, authorisation for the Board to decide on the purchase of own shares, and on the transfer of own shares.

Date for registration	Event	Change in number of shares	Total number of shares	Change in share capital (SEK)	Total share capital (SEK)
27 April 2020	Directed share issue	1,850,000	18,697,124	185,000	1,869,712
29 December 2021	10:1 share split	168,274,116	186,971,240	0	1,869,712

WHY INVEST IN THE NCAB SHARE?

- NCAB has a strong position in the market.
- NCAB is focused and has a unique proposition to customers and manufacturers.
- NCAB has many customers in many countries and in many product areas – good risk spread.
- NCAB has an asset-light business model with strong cash flows.
- NCAB has a long track record of profitable growth.
- NCAB has an experienced management team with an extensive background of managing a company with growth and good profitability.

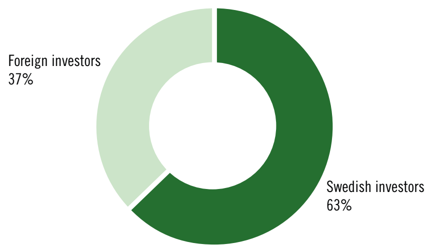
SHARE PRICE DEVELOPMENT 1 JANUARY 2024 TO 31 DECEMBER 2024



OWNERSHIP STRUCTURE AT 30 DECEMBER 2024

The number of shareholders in NCAB amounted to 5,373 (6,940) on the 30 December 2024 according to Euroclear Sweden AB. The ten largest shareholders owned 53 per cent (53) of both capital and votes in the company. Foreign ownership amounted to about 37 per cent (33).

OWNERSHIP DISTRIBUTION BY COUNTRY, % OF CAPITAL



THE TEN LARGEST OWNERS

Owners	Number of shares	Capital	Votes
Lannebo Kapitalförvaltning	13,127,133	7.0%	7.0%
Carnegie Fonder	12,564,058	6.7%	6.7%
Second Swedish National Pension Fund (AP2)	12,327,920	6.5%	6.5%
Swedbank Robur Fonder	11,740,720	6.2%	6.2%
Anicom Gestion	11,200,000	5.9%	5.9%
Fourth Swedish National Pension Fund (AP4)	10,592,331	5.6%	5.6%
SEB Investment Management	9,468,773	5.0%	5.0%
Vanguard	6,760,162	3.6%	3.6%
Montanaro	6,272,454	3.3%	3.3%
AMF Pension & Fonder	5,242,370	2.8%	2.8%
Total	**99,295,921**	**53.1%**	**53.1%**

The information above refers to 31 December 2024.

Outline of targets and dividend policy

NCAB presented new financial targets in conjunction with the publication of the first quarter report for 2022.

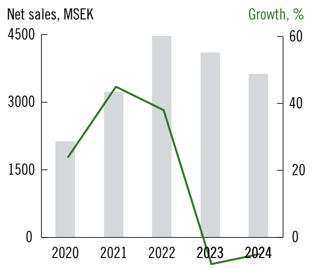
GROWTH

TARGETS

SEK **8** billion

NCAB shall achieve net sales of SEK 8 billion in 2026, through approximately equal part organic and acquired growth.

OUTCOME



INDEBTEDNESS

TARGETS

<2.0

Net debt in relation to adjusted EBITDA (excl. effects of IFRS 16) shall be less than 2.0.

OUTCOME

1.5

Net debt (excl. IFRS 16)

EMISSIONS INTENSITY

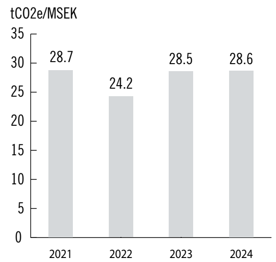
TARGETS

14.5

tCO2e/SEK million

By 2030, NCAB will have halved the emissions intensity for Scope 1–3 measured in tCO2e per SEK million in sales (of which Scope 3 accounts for 99.5 per cent), calculated from the base year of 2021.

OUTCOME



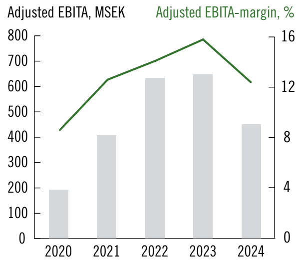
PROFITABILITY

TARGETS

SEK **1** billion

NCAB shall achieve EBITA of SEK 1 billion in 2026.

OUTCOME



DIVIDEND

DIVIDEND POLICY

50%

NCAB shall distribute available cash flow, which is expected to correspond to at least 50 per cent of net profit.

PROPOSAL

1.10 SEK per share

The motion to the 2025 Annual General Meeting is the payment of a dividend of SEK 205.7 million, corresponding to 81 per cent of net profit.

ENGAGEMENT INDEX

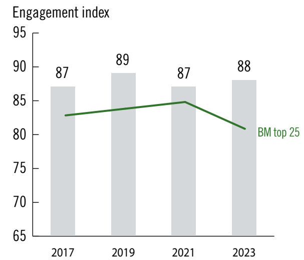
TARGETS

Higher than

top 25 benchmark

NCAB shall have dedicated employees, an engagement index higher than benchmark for the top 25 companies measured.

OUTCOME*



* Employee surveys are conducted every other year.

Risks

Some steps in the production process of a PCB must be carried out in a "clean room." This is a room that is particularly clean with a limit on the number of particles present in the air. It is also protected from UV light by a yellow UV-blocking film applied to windows and lamps – hence the yellow light.

Risks

The table presents a summary of identified risks to NCAB's operations and business in the short and medium term. An overall assessment of the impact is provided for each risk area based on probability and impact, taking into account governance and risk management.

Probability (P) Impact (I)
🟢 🟡 🔴

Types of risk	Description	Management	P	I
MARKET AND EXTERNAL RISKS				
Demand	The demand for PCBs is dependent on general economic conditions and the activity within relevant markets and different end-industries. Demand for the PCBs sold by us is ultimately dependent on the underlying demand for the end-products in which they are used.	Our products are used in a wide variety of end-industries, such as industrial, telecom, medtech, aerospace and defence.	🟢	🟢
Competition	We operate in competitive markets and customers may choose to purchase PCBs from another supplier. We face competition both from trading companies and manufacturers, on a regional, national and multi-national level. Some of our suppliers compete with us through direct sales to customers, which increased in 2024 due to low utilization rates in the factories.	We have a robust full-service offering to both customers and manufacturers. The principal competitive factors in our business include quality and quality control, price, design and technical support, purchasing power, the range of products on offer, ability to make on-time deliveries and access to volume capability. We continue to be close to our customers and ensure high customer satisfaction, which we continuously measure.	🟢	🟡
Capacity	Both high and low utilisation levels at manufacturers may entail risks for us, either in the form of inferior product quality or that prices increase and deliveries are delayed. If a factory files for bankruptcy or chooses another direction, then our future deliveries may be threatened.	We cooperate with a range of manufacturers for different levels of technology and purposes and always have at least dual-sourcing, meaning there is little dependence on individual manufacturers and that we have a high level of flexibility and capacity in our offering. Our size in terms of volume of purchases from manufacturers has offered priority benefits compared with smaller competitors.	🟢	🟡
Dependence on China	We purchase most, about 74 per cent, of our PCBs in China. Political unrest, natural disasters or other export restrictions from China may have a negative impact on sales. There is also increasing political reluctance to buy products from China, which may impact sales.	Although we have alternative factories outside China, we remain dependent on the country. Due to our size, we have greater opportunities to find alternatives than many minor players. We are often prioritised by suppliers during temporary problems. We also have a factory base and a Factory Management team in Taiwan. We are actively looking to build a competitive base of factories outside China, including in South Korea and Thailand.	🟡	🟡
Pandemic	We may be adversely impacted by a pandemic. The impact may be from supplier closures, disruptions in deliveries of materials to our suppliers, a drop in demand from customers and disruptions to supply chains from Asia to Europe and the USA.	We work with more than 33 preferred manufacturing partners and have a number of suppliers outside of China. We sell to many different customers in a variety of customer sectors, which reduces risk. We have low fixed costs and with relative ease can adapt costs in the event of major changes in demand.	🟡	🟢
Political conflicts	Political conflicts between countries may, and has, led to trade barriers, such as tariffs from China to the USA that have been in place for several years. The Russian regime's invasion of Ukraine prompted the EU to impose sanctions on Russia. The new administration in the USA has also discussed new tariffs that could affect the trade flow of some of our products.	For several years, we have managed the trade barriers between China and the USA, partly by offering PCBs from Taiwan and South Korea. We also have a factory in Thailand as of 2024. Following the Russian invasion of Ukraine, we decided to cease deliveries of PCBs to Russia, which in the past accounted for about 5 per cent of sales and EBITA. New trade flows for some of our products present both a risk and an opportunity – we are working to secure additional partners worldwide in order to supply our customers from their preferred country or region.	🟡	🟡
OPERATIONAL RISK				
Customer dependence	Our customer base is diversified and consists of more than 3,000 customers, spread across 45 countries and in many different industries. Despite a good risk spread, we are dependent on the success of, and orders from, individual customers.	We are constantly striving to develop a customer base with more customers and closer collaboration. The 50 largest customers accounted for approximately 40 per cent of the company's revenues in 2024, and the 10 largest for about 20 per cent, which means a good risk spread.	🟢	🟢
Organisation	Being able to attract and retain qualified staff and executive management is important to our future strategy and operations. Employees with a high level of technical competence are important, at the same time as PCB expertise is on the decline as more production is transferred to Asia.	We have a decentralised organisation where every subsidiary and employee is offered significant autonomous responsibility. On account of our global presence, we can offer substantial development opportunities for employees. We have a particular focus on education and development in all positions. Furthermore, corporate culture is an important cornerstone of our strategy, which is also reflected in the excellent results of the employee satisfaction surveys carried out.	🟢	🟢
Acquisitions	We may experience difficulties completing acquisitions, integrating acquired businesses and achieving anticipated synergies. Furthermore, acquisitions could expose us to other unknown liabilities.	We have extensive experience of company acquisitions. All acquisition candidates are carefully assessed with internal and external resources to ensure the price is correct and no unforeseen risks are acquired. Furthermore, an assessment is made that the conditions are right for a successful integration – particularly that the corporate culture is appropriate, and that key customers and employees can be retained.	🟢	🟢
Laws and regulations	NCAB is subject to numerous international, EU, national and local laws, regulations, rules, decisions and other actions, such as trade restrictions, implemented by the authorities in the countries where we operate and NCAB must observe a large number of different regulatory systems which are continuously evolving and may require additional investments.	Our local companies work closely to their respective markets and may therefore follow the developments in terms of public decisions, changes in legislation, regulations and other provisions.	🟢	🟡

Probability (P) Impact (I)
🟢 🟡 🔴

Types of risk	Description	Management	P	I
IT functionality	Disturbances in our IT system's functionality, such as disruption, or that the IT-system does not fulfil relevant integrations requirements from customers, can have a material negative impact on the operation.	To meet requirements of accessibility and functionality from customers as well as from the internal organisation, we monitor and upgrade our IT systems continuously, both in-house and through specialised third parties. In 2023, NCAB invested in a new IT platform, which has been implemented in several countries in 2024 and approximately 30 per cent of the operations have now been transferred. This work will continue in 2025. This will lead to both more efficient and secure IT operation.	🟡	🟢
IT security	Cyber threats, such as cyber-attacks, data theft and ransomware, are increasing globally.	We are continuously striving to ensure best practices in terms of policies, plans, working methods and procedures for greater cybersecurity. The company's Chief Information Security Officer (CISO) is supervising this work. The new IT platforms and systems being implemented will increase IT security in the Group. We have also invested in cybersecurity training for staff to protect the company.	🟡	🟡
SUSTAINABILITY RISKS				
Environment	Our main environmental risks arise from legislation and costs linked to the PCB manufacturers' resource use, chemicals and waste management, emissions to water and air, and contamination of soil. We also depend on critical and limited raw materials such as metals and minerals. Another main area is transportation; most of our carbon emissions are caused by transportation from manufacturer to customer. We largely use air transportation as customers place high demands on quick deliveries.	We have clear policies governing environmental work and assessing the risks and impact. We impose demands on, and monitor, that PCB manufacturers have identified and comply with local environmental demands and the RoHS and REACH directives. We maintain close dialogue with customers and manufacturers about how the supply chain can reduce its environmental impact in the design and production phases. We support and utilise industry partnerships for responsible sourcing of raw materials. We offer various transport alternatives (air, sea, rail, road), all with a different impact on the environment.	🟢	🟡
Human rights	We operate in a global environment where certain markets limit insight and control of human rights. Risks of human rights violations also exist in the underlying supply chain, for example linked to the extraction of raw materials in the form of metals and minerals. For NCAB, these risks could lead to loss of confidence or costs for switching to another supplier and non-compliance.	We apply Codes of Conduct that encompass suppliers and employees, that include support and respect for human rights and have, inter alia, a whistleblower function. We have zero tolerance of discrimination and harassment, and employ working methods that provide systematic prevention and follow up, both internally and externally. The continuous audits conducted by NCAB's Factory Management team are key elements in effective monitoring. We support and utilise industry partnerships and follow established guidelines for responsible sourcing of raw materials.	🟢	🟡
Social conditions	Shortcoming in efforts by us and PCB manufacturers in work environment, health and safety, labour and work conditions may have adverse implications at an individual and company level.	We impose demands on, and monitor, that PCB manufacturers, and our own operations, have identified and comply with local demands. We apply Codes of Conduct that encompass suppliers and employees, and employ working methods that provide systematic prevention and follow up, both internally and externally. A whistleblower function is available on our website, where any misconduct can be reported. NCAB's Factory Management team and sustainability audits are important elements in ensuring good social conditions.	🟢	🟡
Corruption	Corruption is present in all countries and industries to varying degrees. Both we and our suppliers are exposed to various ethical risks in their operations, including corruption, business ethics and bribery.	We have procedures and processes in place to avoid and counteract bribery and corruption. In addition, our employees and suppliers are trained using the Code of Conduct and through courses. We are implementing a process according to which our Supplier Code of Conduct will be signed not only by our PCB factories but also by logistics providers and other key service providers.	🟡	🟡
FINANCIAL RISKS				
Currency	Exchange rate fluctuations may affect our cash flow, income statement and balance sheet and the sale prices for PCBs. The main part of our purchases and sales are made in USD. Consequently, our profits and assets are affected by fluctuations in the price of USD compared to SEK.	Instead of hedging the currency exposure of cash flows and asset value, the Group's risk management policy is, as far as possible, to price and invoice goods in USD, which is also the currency used for most purchases. Approximately 80 per cent of our pricing is in USD and around 70 per cent of invoicing is in USD. Goods purchases and shipping are 95 per cent denominated in USD.	🟡	🟢
Goodwill	Our consolidated balance sheet includes significant goodwill. Changed market conditions or other factors that have an adverse impact on the acquired companies' operations may entail a risk of future impairment losses on goodwill.	For acquisitions, we are careful that the acquisition price properly reflects the acquired company's future prospects. There are well-established procedures, processes and quality demands used to minimise the risk of being overcharged for an acquisition. Impairment testing of goodwill takes place on an annual basis and if there is an indication of impairment.	🟢	🟢
Interest	NCAB is exposed to interest rate risks that could cause fair values, financial income and expenditure, cash flow and/or results to vary as a result of changes in market interest rates.	Our borrowing mainly uses variable interest rates. Interest-rate exposure can, if agreed by the Board, be reduced through the use of derivatives that convert variable interest to fixed interest.	🟢	🟢
Credit	We are exposed to credit and counterparty risk. Subsidiaries within NCAB sell PCBs through contracts that are not secured by collateral or other security. In addition, the company is exposed to credit risks in relation to the financial institutions in which we have deposited funds.	Each subsidiary is responsible for monitoring and assessing the credit risk for each new customer before offering standard terms of payment and delivery. The Group insures credit risk in subsidiaries through a credit insurance company. The use of credit limits is monitored regularly. Counterparty risk for financial assets is managed at Group level and only a small number of approved banks may be used.	🟢	🟡
Financing	We may have a shortage of liquidity and may not be able to obtain loans at favourable terms, or obtain loans at all. Should we fail to meet our obligations under the credit facility or breach any covenant, it could have a negative impact on us.	We have a financial target concerning a maximum debt/equity ratio. Due to our asset-light business model, we have strong cash flows.	🟢	🟡

Corporate governance

Part of NCAB's management team: Peter Jensen VP Nordics & Managing Director Denmark (with back to camera), Andy Liu, Managing Director China Sales / Vice President Asia and Arjan Sinoo, VP Sales.

Corporate governance

NCAB views sound corporate governance as an important foundation on which to build a trusting relationship with shareholders and other important parties. The Swedish Corporate Governance Code, which is applied by NCAB, aims to create a good balance between shareholders, the Board of Directors and senior management. Reasonable corporate governance, with a high standard in respect of transparency, reliability and ethical values, is a guiding principle for NCAB.

NCAB's shares are traded on Nasdaq Stockholm and therefore apply, in addition to the rules of the Swedish Companies Act (2005:551) and the Swedish Annual Accounts Act (1995:1554), the Nasdaq Stockholm's Rule Book for Issuers and the Swedish Corporate Governance Code (the "Code") as well as other Swedish and foreign laws and regulations, where relevant. The Code defines a norm for corporate governance on a higher level of ambition than the Swedish Companies Act and other regulations' minimum requirements. The Code is based on the principle of "comply or explain." It means that the company must not, at every occasion comply with every rule of the Code, but may choose other solutions that are deemed to better respond to the circumstances in the individual case. Provided that the company openly reports every such non-compliance, describes the alternative solution chosen and states the reasons for this.

COMPLIANCE WITH THE SWEDISH CODE OF CORPORATE GOVERNANCE

No violations of applicable rules and regulations occurred in 2024 and NCAB's operations were conducted in accordance with good practice in the equities market. The company has not deviated from the Code.

SHARES AND SHAREHOLDERS

NCAB's shareholders' register is maintained by Euroclear Sweden AB. On 31 December 2024, NCAB had 5,373 shareholders according to the shareholders' register and the total number of shares was 186,971,240, all with one vote each. More about NCAB's shares and its shareholders can be found in the section on the NCAB share on pages 27–28.

ARTICLES OF ASSOCIATION

According to the Articles of Association, the registered name of the company is NCAB Group AB (publ) and the financial year is the calendar year, 1 January to 31 December. To view the Articles of Association in its entirety, which in its current form was approved at the General Meeting on 3 May 2022, refer to the company's website www.ncabgroup.com, under the section Investors/Corporate Governance/Articles of Association.

GENERAL MEETING

The General Meeting is NCAB's highest decision-making body and can resolve upon every issue for the company, which is not specifically reserved for another company body's exclusive competence. At the Annual General Meeting, which shall be held within six months from the end of the financial year, shareholders exercise their voting rights on issues, such as the adoption of income statement and balance sheet, allocation of company's profit or loss, resolutions to discharge the members of the Board of Directors and the CEO from liability for the financial year, the appointment of members of the Board of Directors and auditor as well as remuneration for the Board of Directors and the auditor. At Annual General Meetings, at least one member of the Nomination Committee, the company's auditor and, to the extent possible, all other members of the Board of Directors, shall participate. In accordance with the Articles of Association, notice to convene the General Meeting shall be published in Post- och Inrikes Tidningar (the Swedish Official Gazette) and be kept available at the company's website. An announcement shall be placed in Svenska Dagbladet with information that the Meeting has been convened. An announcement shall be placed in Svenska Dagbladet with information that the Meeting has been convened. In addition to the Annual General Meeting, Extraordinary General Meetings can be convened. The Chairman of the Board of Directors, as many other members of the Board of Directors as possible and the CEO shall be present at Extraordinary General Meetings of the company.

RIGHT TO ATTEND GENERAL MEETINGS

All shareholders who are registered directly in the share register kept by Euroclear Sweden AB ("Euroclear"), five weekdays prior to the General Meeting and who has notified the company of their intention to attend the General Meeting at the latest by the date specified in the notice convening the Meeting shall be entitled to attend the General Meeting and vote according to the number of shares they hold. Shareholders may attend General Meetings in person or through a proxy, and may also be accompanied by not more than two assistants.

SHAREHOLDER INITIATIVES

Shareholders who wish a matter to be discussed at the General Meeting must submit a written request to the Board of Directors. Requests must normally be received by the Board of Directors seven weeks prior to the General Meeting.

ANNUAL GENERAL MEETING 2024

The Annual General Meeting on 8 May 2024 adopted the income statement and balance sheet and approved the allocation of the company's earnings. A decision was made to distribute a dividend of SEK 1.10 per share, corresponding to SEK 205.7 million. Decisions were also taken to grant discharge from liability for the Board of Directors and CEO, to elect Board members, auditors and on the remuneration of the Board of Directors. Furthermore, a decision was made on a long-term share-based incentive plan for executive management. In addition, the Board of Directors was authorised to resolve on an increase in the company's share capital through new share issues and the purchase of own shares.

ANNUAL GENERAL MEETING 2025

NCAB's Annual General Meeting 2025 will be held on 8 May. For further information about the Annual General Meeting 2025, see page 84 and NCAB's website www.ncabgroup.com.

NOMINATION COMMITTEE

The General Meeting on 8 May 2024 resolved that the following instruction is to apply until further notice for future Nomination Committees, unless a General Meeting decides otherwise: The Nomination Committee shall comprise members appointed by the four largest shareholders according to Euroclear's register on the final banking day in August in the year preceding the General Meeting. The Chairman of the Board of Directors shall contact these shareholders in September to convene the Nomination Committee. The Chairman of the Board of Directors shall be a member of the Nomination Committee. The Nomination Committee appoints the Chairman of the Committee from within its ranks. If a member leaves the Nomination Committee or in case of an ownership change, meaning that a member appointed by shareholder no longer belongs to the largest shareholders, the composition should be changed according to the Nomination Committee's resolution if the Nomination Committee finds it appropriate. The composition of the Nomination Committee should be published as soon as the members and the Chairman of the Nomination Committee have been appointed. No remuneration should be paid for work in the Nomination Committee.

The Nomination Committee is tasked with presenting proposals to the General Meeting pertaining to:

- Chairman of the Annual General Meeting;
- Members of the Board of Directors, Chairman of the Board of Directors and auditor;
- Director's fee divided between the Chairman and other members of the Board of Directors;
- Fees for work on the Board of Directors' committees;
- Fees to be paid to the auditors; and
- The next General Meeting decides on any changes to instructions for the Nomination Committee.

In accordance with the General Meeting's decision, the following individuals were appointed to the Nomination Committee in October 2024: Jan Dworsky, Swedbank Robur, Hjalmar Ek, Lannebo Kapitalförvaltning, Simon Peterson, Carnegie Fonder, Johan Sjöström, AP2 and Christian Salamon, Chairman of the Board. Jan Dworsky was appointed Chairman of the Nomination Committee. The composition of the Nomination Committee were announced in a press release in October 2024.

The Nomination Committee has, prior to the 2025 Annual General Meeting, held six minuted meetings and also maintained informal contact. The Nomination Committee interviewed all Board members, including the CEO. The Nomination Committee also received a presentation of the Board's own evaluation of its work. Particular attention has been devoted to the Board of Directors' composition and how the Board of Directors performed as a group and the Nomination Committee has discussed the evaluation of the Board of Directors' work. The Nomination Committee has also discussed and assessed remuneration of the Board of Directors. Information has been available on NCAB's website about how shareholders have been able to submit proposals to the Nomination Committee. During the year, the Nomination Committee proposed the election of Anders Lindquist and Sarah Eccleston to the Board, which was approved by the Annual General Meeting on 8 May 2024. On the issue of the composition of the Board of Directors, the stipulations in Item 4.1 of the Code were applied as the diversity policy as well as knowledge about NCAB's operations and material sustainability areas.

The Nomination Committee's proposal to the 2025 Annual General Meeting will be presented in connection with the official notification and made available on NCAB's website.

BOARD OF DIRECTORS

The Board of Directors is the highest decision-making body after the General Meeting and also the highest executive body. The responsibilities of the Board of Directors are primarily set forth in the Swedish Companies Act, the Swedish Annual Accounts Act, the company's Articles of Association, instructions given by the shareholders at the General Meeting and the rules of procedure for the Board of Directors. In

NCAB's Board of Directors visiting one of our customers.

addition thereto, the Board of Directors shall comply with the Code and Nasdaq Stockholm's Rule Book for Issuers, as well as other Swedish and foreign laws and regulations, as applicable.

The Board of Directors is responsible for the organisation of the company and management of the company's business operations in accordance with the Swedish Companies Act. The rules of procedure for the Board of Directors, which have been adopted by the Board of Directors and are reviewed annually, govern the division of work and responsibilities among the Board of Directors, its Chairman and the CEO. The Board of Directors also adopts instructions for the committees of the Board of Directors and an instruction for the CEO, as well as an instruction for financial reporting. The Board of Directors' tasks include adopting strategies, business plans and budgets, interim reports, year-end financial statements and annual reports and setting instructions, policies and guidelines. The Board of Directors also determines the sustainability strategy and establishes sustainability targets. The Board of Directors is also required to follow economic developments and ensure the quality of financial reporting and internal controls and evaluate operations on the basis of the objectives and guidelines set by the Board of Directors. Finally, the Board of Directors decides on the company's major investments and acquisitions and changes in the organisation and activities.

The Chairman of the Board of Directors is in charge of the work of the Board of Directors and is responsible for ensuring that the Board fulfils its obligations in accordance with applicable laws and regulations and that the work is carried out efficiently and according to the Board's rules of procedure. The Chairman is to ensure that the Board of Directors' resolutions are implemented, that the Board of Directors receives necessary information punctually to perform its assignment and that the Board of Directors continuously deepens its knowledge about the company and its operations. The Chairman is also responsible for ensuring that the work of the Board is assessed every year. The Chairman represents the Board of Directors in relation to the shareholders of the company. Members of the Board of Directors are appointed annually by the General Meeting for the period until the end of the next Annual General Meeting. According to the company's Articles of Association, the Board of Directors shall consist of a minimum of three members and a maximum of ten members appointed by the General Meeting, without deputy members.

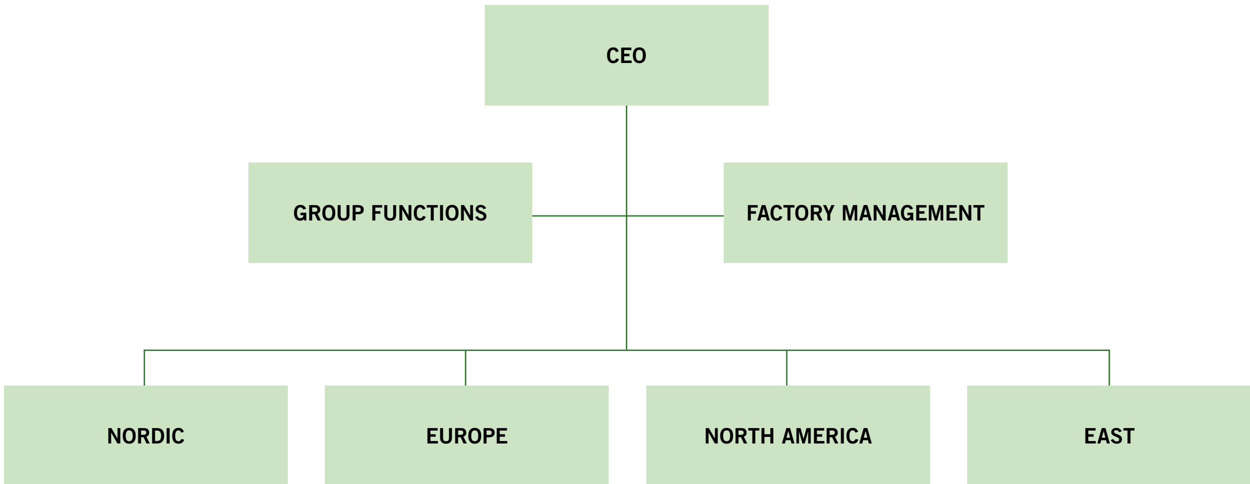
AUDIT COMMITTEE

The Board of Directors has appointed an Audit Committee in accordance with the Swedish Companies Act. According to the Swedish Companies Act, members of the Audit Committee may not be employed by the company and at least one member of the Audit Committee shall hold accounting or audit competence.

The Audit Committee consists of three members, Gunilla Rudebjer (Chairman), Hans Ramel and Christian Salamon, all of whom are independent to the company and its executive management as well as the company's major shareholders. The Audit Committee is responsible for monitoring the company's financial and sustainability reporting, risk management and internal control, as well as accounting and auditing. The Audit Committee also reviews and monitors the auditors' impartiality and independence, other services provided by the company's auditors and assists the company's Nomination Committee with the preparation of proposals for election of auditors. The members of the Audit Committee possess competence and experience within accounting, auditing and risk management allowing them to fulfil the obligations of the Committee. During the year, the Audit Committee held five meetings, and the company's auditor attended all of these meetings. The main focus for the Committee's work during the year has been on the financial reporting, financing issues, information and IT security, sustainability reporting, reporting acquisitions, risk monitoring and internal controls as well as audit issues.

REMUNERATION COMMITTEE

The Board of Directors has appointed a Remuneration Committee. According to the rules of procedure for the Board of Directors, a member serving on the Remuneration Committee may not be employed by the company or any other company within the Group. The members shall be independent of the company and its executive management. At least one of the members of the Remuneration Committee is also to be independent of the company's major shareholders. The Chairman of the Board of Directors can chair the Committee. The Remuneration Committee consists of three members: Christian Salamon (Chairman), Magdalena Persson and Hans Ståhl. All members, except Hans Ståhl, are independent of the company and its executive management, and all members are also independent of the company's major shareholders. Hans Ståhl was CEO of NCAB until September 2020.



Member	Elected	Born	Attendance: Board meetings	Attendance: Audit Committee	Attendance: Remuneration Committee	Independent of company	Independent of major shareholders	Total remuneration
Christian Salamon (Chairman)	2007	1961	14 (14)	5 (5)	4 (4)	Yes	Yes	863,000
Magdalena Persson	2017	1971	14 (14)		4 (4)	Yes	Yes	590,000
Hans Ramel	2007	1964	14 (14)	5 (5)		Yes	Yes	456,000
Gunilla Rudebjer	2017	1959	13 (14)	5 (5)		Yes	Yes	770,000
Hans Ståhl	2007	1955	14 (14)		4 (4)	No	Yes	403,000
Anders Lindqvist [1)]	2024	1967	9 (10)			Yes	Yes	560,000
Sarah Eccleston [2)]	2024	1970	10 (10)			Yes	Yes	560,000
Peter Kruk (CEO)	2021	1968	14 (14)			No	Yes	

1) Anders Lindqvist was elected to the Board in conjunction with the Annual General Meeting.
2) Sarah Eccleston was elected to the Board in conjunction with the Annual General Meeting.

The Remuneration Committee's main tasks are to prepare the Board of Directors' decisions on issues concerning, among other things, terms of employment and compensation to the executive management. The Remuneration Committee prepares the guidelines for remuneration principles presented by the Board of Directors for resolution by the Annual General Meeting and the Remuneration Report that the Board of Directors presents to the Annual General Meeting. Furthermore, the Remuneration Committee shall prepare documentation in certain remuneration matters of principal nature or otherwise of significant importance. For example, stock option programmes, profit sharing systems, monitoring and evaluation of the application of the guidelines for remuneration that the Annual General Meeting is legally obliged to adopt, as well as the current remuneration structures and levels in the company. The Remuneration Committee held four meetings during the 2024 financial year, and the Remuneration Committee also maintained informal contact. The main purpose of these meetings was to evaluate compensation for 2023, to prepare decisions and reports prior to the Annual General Meeting, to review succession planning for executive management and to prepare the question of adjusting management's compensation for 2024.

CEO AND EXECUTIVE MANAGEMENT

The CEO reports to the Board of Directors. The CEO's responsibility is governed by the Swedish Companies Act, the Swedish Annual Accounts Act, the company's Articles of Association, instructions given by shareholders at the General Meeting, the instruction for the CEO and other internal instructions and guiding principles adopted by the Board of Directors, as well as other Swedish and foreign laws and regulations, as applicable. In addition thereto, the CEO must comply with the Code and Nasdaq Stockholm's Rule Book for Issuers. According to the Swedish Companies Act, the CEO shall handle the day-to-day management pursuant to the Board of Directors' guidelines and instructions. In addition, the CEO shall take any measures necessary in order for the company's accounts to be maintained pursuant to law and that the management of funds is conducted in an appropriate manner. The division of work between the Board of Directors and the CEO is described in the instruction for the CEO. The CEO shall administrate the operative management and execute the resolutions passed by the Board of Directors. The CEO is responsible to present the matters to be dealt with by the Board of Directors according to applicable legislation, the Articles of Association and internal instructions. The Chairman of the Board of Directors is also to be kept informed about the company's operations, its earnings and financial position, as well as any other events, circumstances or conditions that cannot be assumed to be irrelevant to the Board of Directors or the shareholders. The operating activities are controlled in four segments, Nordic, Europe, North America and East together with Factory Management, staff functions for economy/finance, sales/market, sustainability, IT and HR.

More information about the CEO and executive management is presented in the Management section on page 40.

WORK OF THE BOARD IN 2024

According to the rules of procedure for the Board of Directors, the Board shall, in addition to one statutory meeting, meet six times per year and also when the situation requires. At one of the meetings, the Board of Directors shall address the Group's strategic direction, risks and business plan. In accordance with the rules of procedure, the Board of Directors is to meet the company's auditor at least once per year without the presence of company management, to assess the work of the Board of Directors and evaluate the CEO. Board meetings usually begin with a discussion about the business and the company's financial performance. Financial statements and the Annual Report are reviewed and approved prior to publication. Other issues discussed at Board meetings include; general strategy issues, financing issues, general business issues, sustainability issues, potential acquisitions, long and short-term targets, HR issues, IT issues, compliance with policies and laws as well as remuneration models. At what is normally the last meeting of the year, the CEO and CFO present the budget for the forthcoming year.

The budget is discussed and, following any adjustments, approved. In connection with this meeting, all segment managers are invited to present developments in their respective markets. This offers the Board a good opportunity to examine the operations of each segment in more detail. The company's CFO is normally always invited to attend the Board meetings and is responsible for keeping minutes. Other members of the company's management are invited to present issues concerning their areas of responsibility. In 2024, NCAB's Board of Directors paid particular attention to issues related to the long-term business plan, acquisitions, IT investments, risk management, sustainability issues, financing and capital structure as well as internal control. During the year, the new CSRD regulation was discussed to verify preparations by the company and the Board ahead of the introduction of CSRD. This included the introduction of several new long-term sustainability targets. 14 Board meetings were held in 2024, of which eight were ordinary and six extra. Board members' attendance and remuneration are presented in the to the left. A self-assessment of the work of the Board was carried out.

RISK MANAGEMENT

The Group's finance department works with the Group's operating units to identify and evaluate financial and operational risks. In business operations, the main risks relate to quality issues. These are continuously monitored within the scope of the operational controls, and through internal and external ISO audits. Risk management is handled by the Group's quality department and in accordance with policies approved by the Board of Directors. A risk evaluation in accordance with the COSO model is conducted on an annual basis where risks are identified and controls evaluated. Operational, sustainability and financial risks are tested internally through self-monitoring and these are followed up by the Audit Committee. Some of the self-monitoring, which is carried out by subsidiaries, is also followed up by the company's external auditors. The Group's financial policy for financial risk management has been formulated by the Board of Directors and provides a framework of guidelines and rules in the form of a risk mandate for financial activities. The overall aim of the finance function is to ensure that the financial risks are optimised to a risk level that gives the shareholders a good return, within the framework of the risk mandate provided by the Board of Directors.

Risk management is handled by the Group's finance department and in accordance with policies approved by the Board of Directors. NCAB's risk management process also includes drawing up of the annual business plan, which contains an analysis of trends, business opportunities and risks that enables an assessment and swift reaction to changes in social, environmental and legal requirements. Each process owner is responsible for the ongoing evaluation, development and implementation of risk control methods and processes.

For more about risks and risk management, see pages 31–32.

INTERNAL CONTROL

The Board of Directors and the CEO are ultimately responsible for ensuring that internal controls are developed, communicated to and understood by the employees of the company. Managers at all levels are responsible for ensuring that internal controls are established within their own area and that these controls have the desired effect. The procedures for internal control, risk assessment, control activities and monitoring for financial reporting have been designed to ensure reliable financial reporting in accordance with IFRS, applicable laws and regulations as well as other Stock Exchange requirements. This work involves the Board of Directors, the executive management and other personnel. The way in which the Board of Directors monitors and ensures quality in the internal control is documented in the adopted rules of procedures of the Board of Directors and the instructions for the Audit Committee. NCAB uses an internal control model based on the three lines of defence model.

- The first line of defence consists of the company's operational activities that are conducted according to procedures designed to fulfil the company's requirements on internal control. Process owners, along with other employees within NCAB, have roles which are clearly defined and also have clear responsibilities and direction in terms of policies, procedures, and strategies, which are necessary to achieve business goals. Self-assessments are carried out to determine the status and functionality of the associated risks and controls. This work is controlled within the scope of the company's ISO system.
- The second line of defence consists of the company's internal monitoring of controls. Monitoring, coordination and consolidation of reported results are compiled within a risk and control matrix. In addition, there is a coordination of activities to improve risk management and to ensure that the company complies with risk management, governance policies, laws and regulations.
- The third line of defence consists of NCAB's Audit Committee. Internal self-assessments, together with the company's external ISO evaluations, are used so that an overall picture is obtained in connection with evaluation and improvement of the risk management system. The self-assessments are reviewed and assessed by the accounting function, the auditors and the Audit Committee in order to ensure correct risk management and accounting. The compliance reports from the external ISO evaluations are presented for the Audit Committee, the Board of Directors and the CEO. The CEO and the executive management are responsible for the first line of defence. The responsibility for the second line of defence is shared between the CEO, the executive management, the Board of Directors and the Audit Committee. The third line of defence falls within the CEO's and the Board of Directors' responsibility. Compliance with internal procedures and processes is examined using self-assessment annually, when the company's external auditors review compliance as part of the annual audit.

INTERNAL AUDIT

The Board of Directors has resolved not to establish any separate function for the internal audit as the company believes the business systems, in terms of risk and quality, as well as financial function and monitoring by the Audit Committee, with regard to financial internal control, satisfy the requisite control and follow-up.

POLICIES

The company has established a number of policies and control documents that are approved annually by the Board of Directors. Both policies and control documents are managed in the company's ISO system to ensure uniform and simple handling. The following policies and governing documents are approved by the Board of Directors:

- Rules of Procedure for the Board of Directors
- Instructions to the CEO
- Instruction for financial reporting
- Instructions for the Audit Committee
- Accounting and Finance policy
- Information policy
- Insider policy
- Risk management policy
- Code of Conduct
- Suppliers' Code of Conduct
- Compliance policy for sales to the defence industry

AUDIT

Öhrlings PriceWaterhouseCoopers, with Johan Engstam as Auditor-in-Charge, was elected at the Annual General Meeting on 8 May 2024. The auditor shall audit the company's annual report and accounts, the consolidated annual report and the consolidated companies' interrelations, as well as the management by the Board of Directors and the CEO. Following each financial year, the auditor shall submit an audit report to the Annual General Meeting. Pursuant to the company's Articles of Association, the company shall have one auditor, and not more than one deputy auditor. For remuneration of auditors, see Note 10 on page 55. In connection with the adoption by the Board of the year-end accounts for 2024, the Board of Directors has conducted an examination and received reports from the company's external auditors. On this occasion, the Board also held a meeting with the auditors without the presence of the CEO or others from company management.

AUDITOR'S REPORT ON THE CORPORATE GOVERNANCE STATEMENT

To the general meeting of the shareholders in NCAB Group AB (publ), corporate identity number 556733-0161

Engagement and responsibility

It is the board of directors who is responsible for the corporate governance statement for the year 2024 on pages 34–38, and that it has been prepared in accordance with the Annual Accounts Act.

The scope of the audit

Our examination has been conducted in accordance with FAR's auditing standard RevR 16 *The auditor's examination of the corporate governance statement*. This means that our examination of the corporate governance statement is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinions.

Opinion

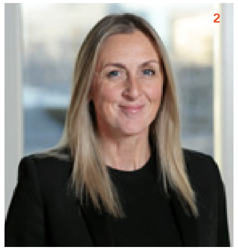
A corporate governance statement has been prepared. Disclosures in accordance with chapter 6 section 6 the second paragraph points 2–6 the Annual Accounts Act and chapter 7 section 31 the second paragraph the same law are consistent with the annual accounts and the consolidated accounts and are in accordance with the Annual Accounts Act.

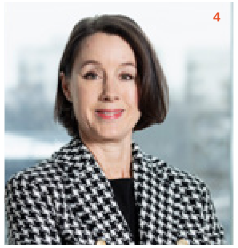
Stockholm, 2 April 2025

Öhrlings PricewaterhouseCoopers AB

Johan Engstam
Authorised Public Accountant

Board of Directors





1. CHRISTIAN SALAMON
Chairman since 2007.

Born: 1961.

Education: M.Sc. in Engineering Physics from the KTH Royal Institute of Technology, Stockholm and an MBA from Harvard Business School, Boston, USA.

Other current assignments: Chairman of OSM Holding AB
and the Sweden-America Foundation, Board member of Altor Fund Manager AB and Industrifonden.

Shareholding: 3,902,350 shares via the 100 per cent owned Gogoy AB.

Independent: Independent in relation to the company and its executive management.

2. SARAH ECCLESTON
Board member since 2024.

Born: 1970.

Education: Studies in electronics and telecommunications at the University of Coventry.

Other current assignments: Board member of Data Communications Company (DCC) in the UK and Telia Company AB in Sweden.

Shareholding: 0 shares.

Independent: Independent in relation to the company and its executive management.

3. ANDERS LINDQVIST
Board member since 2024.

Born: 1967.

Education: Mechanical engineer and university-level studies in marketing.

Other current assignments: President and CEO of Mycronic since 2019. Chairman of Dafo Vehicle Fire Protection AB, Board member of Gunnebo Holding AB and Munters AB.

Shareholding: 1,600 shares.

Independent: Independent in relation to the company and its executive management.

4. MAGDALENA PERSSON
Board member since 2017.

Born: 1971.

Education: M.Sc. in Business Administration and a Licentiate of Economics and Management from Linköping University.

Other current assignments: Chair of SK Shieldus, South Korea. Board member of Qarlbo AB, Recover Nordic AB, Bactiguard Holding AB (publ) and owner and Board member of Myrtel Management AB.

Shareholding: 20,000 shares.

Independent: Independent in relation to the company and its executive management.

5. HANS RAMEL
Board member since 2007.

Born: 1964.

Education: M.Sc. in Business and Economics from the Stockholm School of Economics.

Other current assignments: Board member of af Jochnick Foundation, Oriflame Partners Ltd, SMD Logistics AB and OSM Holding AB.

Shareholding: 2,735,000 shares.

Independent: Independent in relation to the company and its executive management.

6. GUNILLA RUDEBJER
Board member since 2017.

Born: 1959.

Education: M.Sc. in Business and Economics from the Stockholm School of Economics.

Other current assignments: Board member of Ambea AB (publ), Scandic Hotels Group AB (publ), Skistar AB (publ) and Svenska Rymdaktiebolaget (SSC).

Shareholding: 37,000 shares.

Independent: Independent in relation to the company and its executive management.

7. HANS STÅHL
Former CEO 2007–2020 and Board member since 2007.

Born: 1955.

Education: –

Other current assignments: Board member of IGF Biogas AB, H&E Solution AB and Source Manage Distribute Holding AB.

Shareholding: 2,038,600 shares.

Independent: Dependent in relation to the company and its executive management.

8. PETER KRUK
Board member since 2021.

Born: 1968.

Education: M.Sc. in Engineering Physics from Chalmers University of Technology, Sweden, and at Ecole Polytechnique Federale de Lausanne, Switzerland.

Other current assignments: Board member of Neonode Inc and Nodica Group AB.

Shareholding: 100,770 shares.

Independent: Dependent in relation to the company and its executive management.

The information pertaining to shareholdings refers to 31 December 2024.

Group management

Standing from left: Benjamin Klingenberg, Peter Jensen, Andy Liu, Howard Goff, Anna Lothsson, Peter Kruk, Chris Nuttall, Sanna Magnusson, Timothy Benjamin.
Sitting from left: Eva Holm, Arjan Sinoo, Ann Juviken.

PETER KRUK
President and Chief Executive Officer since 2020.

Born: 1968.

Education: M.Sc. in Engineering Physics from Chalmers University of Technology, Sweden, and at Ecole Polytechnique Federale de Lausanne, Switzerland.

Shareholding: 100,770 shares.

TIMOTHY BENJAMIN
Chief Financial Officer since September 2024.

Born: 1982.

Education: Bachelor of Science in Accounting, as well as an MBA from Clemson University, South Carolina, USA.

Shareholding: 20,000 shares.

HOWARD GOFF
VP North America since 2023, employed since 2010.

Born: 1962.

Education: HND in Aerospace Engineering from the University of West England in Bristol, United Kingdom.

Shareholding: 20,000 shares.

EVA HOLM
VP People and Culture since 2015.

Born: 1962.

Education: M.Sc. in Business and Economics from Stockholm University, Sweden.

Shareholding: 19,000 shares.

PETER JENSEN
VP Nordics since 2023, employed since 2021.

Born: 1962.

Education: Bachelor of Science (BS), Mechanical Engineering from DTU, Technical University of Denmark. Diploma in Specialized Business, Marketing from ZBC, Zealand Business College.

Shareholding: 10,000 shares.

ANN JUVIKEN
Chief Digital and Information Officer since 2021.

Born: 1970.

Education: M.Sc. from the Gothenburg School of Business, Economics and Law, Sweden.

Shareholding: 12,700 shares.

BENJAMIN KLINGENBERG
VP Europe since 2022, employed since 2019.

Born: 1982.

Education: Mechatronics engineering.

Shareholding: 10,500 shares.

ANDY LIU
VP Asia since 2007.

Born: 1980.

Education: Industrial System Engineering, University of Regina, Canada.

Shareholding: 288,320 shares.

ANNA LOTHSSON
Group Sustainability Director since 2013, employed since 2005.

Born: 1977.

Education: B.Sc. in Electrical Engineering and Economics from the KTH Royal Institute of Technology, Sweden, and a Graduate Certificate in Marketing from the University of Wollongong, Australia.

Shareholding: 476,500 shares.

SANNA MAGNUSSON
Group Marketing Director since 2006, employed since 2004.

Born: 1979.

Education: B.Sc. in Marketing and Human Resources Mgmt from Unitec Institute of Technology, Auckland, New Zealand.

Shareholding: 247,500 shares.

CHRIS NUTTALL
Chief Operating Officer since 2009.

Born: 1973.

Education: M.Sc. in Quality Management and a B.Sc. in Technology & Management from Paisley University, United Kingdom.

Shareholding: 135,400 shares.

ARJAN SINOO
VP Sales since February 2024, employed since 2020.

Born: 1980.

Education: M.Sc. Business Studies at the University of Amsterdam (UvA), Netherlands.

Shareholding: 11,000 shares.

ANDERS FORSÉN
Chief Financial Officer between 2008 and September 2024.

Born: 1962.

Education: B.Sc. in Business Administration and Finance from Linköping University, Sweden.

The information pertaining to shareholdings refers to 31 December 2024.

NCAB in numbers

Directors' Report

The Board of Directors and the CEO of NCAB Group AB (publ), with its head office in Sundbyberg, Sweden, hereby submits the Annual Report and consolidated financial statements for the 2024 financial year. The company's postal address is Löfströms Allé 5, SE-172 61 Sundbyberg, Corporate Registration Number 556733-0161. Comparative figures in parentheses pertain to the preceding year. The financial statements are presented in SEK thousands (kSEK), which means rounding differences may arise.

OPERATIONS

NCAB Group AB (publ) ("NCAB", "the company" or "the Group") is a leading maker of printed circuit boards (PCBs) with a local presence in 19 countries and customers in 45 global markets. At year-end 2024, NCAB had more than 3,000 customers and 628 employees. The Parent Company is based in Sweden.

NCAB's vision is to be the leading PCB supplier wherever the company operates. Growth is important for NCAB – the company wants to grow with its customers in existing and new markets. PCBs are an important and complex component of electronic products. The company's business concept is to provide defect-free printed circuit boards for demanding customers, at the right time, produced in a sustainable manner and at the lowest overall cost. The goal is to help our customers become as competitive as possible and minimise their time to market by providing PCBs in a sustainable manner with the help of the company's expertise, product quality and delivery precision. To ensure compliance with its high standards in these areas, the company has established an organisation which regularly monitors and quality-assures all selected manufacturers.

MARKET

NCAB is one of the world's leading suppliers of printed circuit boards. According to Prismark, the global PCB market is expected to have grown in 2024, but the growth has largely been driven by the expansion of data centres, which is not the sector where NCAB has its customers. From 2025, the global market for PCBs is expected to grow 4–5 per cent per year*. NCAB focuses on PCBs for the High-Mix Low-Volume segment (HMLV), which represents approximately 30 per cent of the global market. NCAB's growth is also driven by the continuing transfer of PCB production from Europe and North America to Asia while some PCB assembly is being moved back to Europe and North America, which is increasing demand for PCBs in NCAB's markets.

NCAB takes overall responsibility for supplying its customers with high-quality PCBs at the right price. NCAB does not own any factories, but thanks to local sales companies and Factory Management teams, it "owns" the most important elements: the entire supply chain as well as the relationships with the customer and the factory. This gives NCAB access to the best technology without being dependent on factory investments.

OPERATING SEGMENTS

NCAB's operations are conducted on the basis of four operating segments: Nordic, Europe, North America and East. Each segment provides a broad range of PCBs to the geographical markets in which it operates. The PCBs are purchased from external manufacturers, mainly in China. Most of the PCBs are of the HMLV type, i.e. specialised products that are produced in small quantities. NCAB has a local presence in 19 countries through technicians and customer support staff to ensure that its customers receive support throughout the process.

NET SALES

For full-year 2024, net sales decreased 12 per cent to SEK 3,614 million (4,088). In USD, net sales decreased about 11 per cent. NCAB sets prices and invoices most customers in USD and growth in USD therefore offers a more accurate picture. Excluding acquisitions, net sales decreased 16 per cent in SEK and by 15 per cent in USD. In 2024, sales primarily decreased in the Europe and Nordic segments, while the North America segment grew compared to the previous year and East decreased slightly compared with the year-earlier period. For Europe and Nordic, the economic situation contributed to the decline in sales. The inventory adjustment seen in previous years has largely ceased and customers have begun to place orders again, but to a lesser extent due to lower demand from their customers. Despite a decline in revenue in Europe and Nordic, there were still positive signs and sales increased in Spain during the year. In Nordic, net sales decreased in all countries and overall sales decreased by 14 per cent. Net sales in the Europe segment decreased 19 per cent, adjusted for acquisitions net sales decreased 22 per cent. During the year, the North America segment recovered and net sales increased 11 per cent; adjusted for acquisitions the segment noted a decrease of 2 per cent. The East segment also had slightly negative growth during the year, with a 2 per cent decrease in net sales, despite an increase in market activity during the last quarters.

OPERATING PROFIT

In 2024, gross margins stabilised as factories in China have slowly increased their capacity utilisation, which was extremely low in 2023. This has led to slightly higher purchasing prices and a stabilisation of the gross margin for NCAB. Gross profit decreased during the year, entirely due to the decrease in net sales. Gross margin improved to 37.1 per cent (36.0). EBITA decreased in 2024 to SEK 449.7 million (646.9), corresponding to an EBITA margin of 12.4 per cent (15.8). The EBITA margin weakened in all segments. Even though the gross margin improved and despite NCAB's flexible cost structure, the decrease in net sales in comparable companies impacted EBITA. Costs for the roll-out of the Group's new IT platforms increased compared with the previous year to SEK 37 million (27). The higher cost reflects the implementation of the system in several countries during the year. The difference in earnings between the years was also due to a positive net of dissolved additional purchase considerations and acquisition costs totalling SEK 13.6 million reported in the previous year. This compares with a cost of SEK 16.1 million relating to internal conferences and transaction costs that was charged to earnings this year. Operating profit for the period decreased 35 per cent to SEK 386.1 million (591.4). Net financial items amounted to SEK -46.1 million (-57.8). Interest expenses excluding IFRS 16 increased to SEK -67.3 million (-63.5), while foreign exchange differences amounted to SEK 14.5 million (-1.0). Tax amounted to SEK -85.3 million (-129.7). The average tax rate was 25.1 per cent (24.3). Profit for the year after tax was SEK 254.8 million (403.9).

CASH FLOW AND INVESTMENTS

Cash flow from operating activities was SEK 354.2 million (700.4). Cash flow was negatively impacted by a decrease in profit, which also includes an in-

*Source: Prismark Partners

creased share of non-cash items. On 31 December 2024, tied-up working capital for the Group amounted to 8.6 per cent (6.9) of net sales over the past 12 months. NCAB has credit insurance that covers most of the trade receivables outstanding. Cash flow from investing activities, excluding acquisitions, was SEK -7.6 million (-54.5). Investments last year were mainly attributable to investments in the new IT platform. Five acquisitions were completed during the year: Cumatrix BV in Belgium, ICOM Industrial Components in Switzerland, the PCB operations of EPI Components Trade in Austria, Print Production A/S in Denmark and the PCB operations of DVS Global in Italy. The total purchase consideration impacting cash flow was SEK 274.0 million, which also includes additional purchase considerations paid in 2024.

LIQUIDITY AND FINANCIAL POSITION

The Group's net debt including liabilities for right-of-use assets at the end of the year was SEK 767.3 million (591.9), adjusted for IFRS 16, the net debt amounted to SEK 687.5 million (516.7). NCAB has credit facilities totalling SEK 2,025 million, including SEK 225 million in overdraft facilities. Of these facilities, SEK 1,000 million has been utilised, and the rest remains at NCAB's disposal for future acquisitions. All loans are free of instalments and mature in autumn 2026. At the balance sheet date of 31 December 2024, the company was in compliance with all covenants under the financing agreement. At 31 December, the equity/assets ratio was 42.7 per cent (41.5) and equity was SEK 1,448.2 million (1,335.3). The substantial exchange-rate changes during the year entailed translation differences on equity of SEK 86.8 million (-70.6). At the end of the period, the Group had available liquidity, including undrawn overdraft facilities, of SEK 1,335 million (994).

SEASONAL VARIATIONS

The Group has relatively small seasonal variations over the year. However, the fourth quarter is often weakest in terms of sales and EBITA, due to few outgoing deliveries in the second half of December.

THE SHARE AND PERFORMANCE OF SHARE CAPITAL

NCAB Group is listed on Nasdaq Stockholm, Large Cap. Since its IPO in June 2018, total return until 31 December 2024 was 860 per cent. On 31 December 2024, NCAB Group's share capital amounted to SEK 1.9 million distributed between 186,971,240 shares with a quotient value of SEK 0.01 per share. In 2024, the NCAB share generated a return of -12 per cent. In the same period, OMX Stockholm PI rose 6 per cent. For more information, see pages 27–28.

OWN SHARES

NCAB has had a long-term incentive plan for the past three years. During the year, 510,000 shares were acquired to conclude the first plan. On 31 December, the company held 120 shares via subsidiaries that can be used for future plans.

RISKS AND UNCERTAINTIES

NCAB is exposed to a range of risks and great emphasis is placed on continuously following up, analysing and acting to mitigate potential risks. The most material risks are described on pages 31–32.

BOARD OF DIRECTORS

The company has chosen to introduce the Board of Directors on page 39.

GUIDELINES FOR REMUNERATION OF EXECUTIVE MANAGEMENT

The 2024 Annual General Meeting resolved to adopt the following guidelines for determining salary and other remunerations to the executive management. Executive management refers to the Chief Executive Officer (CEO) and other members of the Group management. The guidelines shall apply to remuneration agreed and amendments to remuneration already agreed, after adoption of the guidelines by the 2024 Annual General Meeting. These guidelines do not apply to any remuneration decided or approved by the general meeting, including long-term share-based incentive plans.

The guidelines' promotion of the company's business strategy, long-term interests and sustainability

A prerequisite for the successful implementation of the company's business strategy and safeguarding of its long-term interests, including its sustainability agenda, is that the company is able to recruit, motivate and retain qualified personnel. To this end, it is necessary that the company offers competitive remuneration. These guidelines enable the company to offer the executive management a competitive total remuneration.

Variable cash remuneration covered by these guidelines shall aim at promoting the company's business strategy and long-term interests, including its sustainability agenda. This is implemented by way of a clear link between the financial and non-financial targets that determine the variable cash remuneration outcome and the business strategy and the company's sustainability agenda. The variable cash remuneration is further described under "Fixed and variable remuneration" below.

The company's objective for having a program relating to variable cash remuneration and share-based incentive plans is to (i) encourage behaviours supporting the company's business strategy, including its sustainability agenda, and safeguarding its long-term and short-term interests and thereby to generate value for the shareholders, (ii) make the company an attractive employer, (iii) retain key persons and (iv) increase the personnel's interest and engagement in the business and development of the company.

For information regarding the company's business strategy, please see the company's website www.ncabgroup.com.

Types of remuneration, etc.

The Group applies market-based salaries and remuneration based on a fixed and a variable portion. The total remuneration shall reflect market practice and be competitive, but not necessarily market-leading, and reflect the individual's performance as well as responsibilities and authorities. Remuneration consists of a basic salary, variable salary, pension benefits and other benefits. Additionally, the general meeting may – irrespective of these guidelines – resolve on, among other things, share-based or share price-based remuneration.

Fixed and variable remuneration

The allocation between basic salary and variable remuneration shall be proportionate to the executive's responsibilities and authorities. The variable remuneration shall be based on financial targets linked to the development of NCAB, such as sales, EBITDA and capital efficiency. Non-financial targets – quantitative and qualitative – may be included as a basis for the variable remuneration, however, not exceeding 35 per cent. Financial and non-financial targets shall contribute to the company's business strategy and long-term interests, including its sustainability agenda, by having a clear link to the company's business strategy. The satisfaction of criteria for awarding variable cash remuneration shall be measured over a period of one year.

The yearly variable salary to the CEO shall not exceed 100 per cent of the fixed yearly salary. Other members of executive management may receive yearly variable salary in an amount not exceeding the equivalent of 40–100 per cent of the yearly fixed salary. Variable cash remuneration may qualify for pension benefits.

To which extent the criteria for awarding variable cash remuneration has been satisfied shall be evaluated/determined when the measurement period has ended. The Remuneration Committee is responsible for the evaluation so far as it concerns variable remuneration to the CEO. For variable cash remuneration to other executives, the CEO is responsible for the evaluation and shall consult the Remuneration Committee. With regards to financial targets, the evaluation shall be based on the latest internal or external financial reporting.

Pension benefits
Members of executive management shall be entitled to pension benefits according to a defined contribution plan with premiums of up to 30 per cent of the executive's annual salary, or according to applicable occupational pension scheme.

Other benefits
Other benefits may include, for example medical insurance, company health services and company cars. Such benefits may amount to not more than 15 per cent of the fixed annual cash salary.

For employment contracts governed by rules other than Swedish, pension benefits and other benefits may be duly adjusted for compliance with mandatory rules or established local practice, taking into account, to the extent possible, the overall purpose of these guidelines.

Members of executive management who are expatriates in a country other than their country of residence may receive additional remuneration and other benefits to the extent reasonable in light of the special circumstances associated with the expat arrangement, taking into account, to the extent possible, the overall purpose of these guidelines. Such benefits may not in total exceed 50 per cent of the fixed annual cash salary.

Period of notice and severance pay
The CEO shall have a notice period of no more than 12 months if termination is made by the company and six months if termination is made by the CEO. No severance pay shall be made. Other members of executive management shall have a notice period of nine months if termination is made by the company and six months if the termination is made by the senior executive. No severance pay shall be made.

Additionally, remuneration may be paid for non-compete undertakings. Such remuneration shall compensate for loss of income. The remuneration shall be based on the fixed cash salary at the time of termination of employment, in the absence of any mandatory collective agreement provisions, and be paid during the time the non-compete undertaking applies, however not for more than 12 months following termination of employment.

Salary and employment conditions for employees
In the preparation of the Board of Directors' proposal for these remuneration guidelines, salary and employment conditions for employees of the Group have been taken into account by including information on the employees' total income, the components of the remuneration and increase and growth rate of remuneration comprised part of the Remuneration Committee's and the Board of Directors' basis of decision when assessing the fairness of the guidelines and the limitations that arise from these.

The decision-making process to determine, review and implement the guidelines
The Board of Directors has established a Remuneration Committee. The Committee's tasks include preparing the Board of Directors' decision to propose guidelines for remuneration of executive management. The Board of Directors shall prepare a proposal for new guidelines at least every fourth year and submit it to the Annual General Meeting. The guidelines shall be in force until new guidelines are adopted by the general meeting. The Remuneration Committee shall also monitor and evaluate programs for variable remuneration for the executive management, the application of the guidelines for executive remuneration as well as the current remuneration structures and remuneration levels in the company. The members of the Remuneration Committee are largely independent of the company and its executive management. One member is dependent in relation to the company and its executive management. The CEO and other members of the executive management do not participate in the Board of Directors' processing of and resolutions regarding remuneration-related matters in so far as they are affected by such matters.

Derogation from the guidelines
The Board of Directors may temporarily resolve to derogate from the guidelines, in whole or in part, if in a specific case there is special cause for the derogation and a derogation is necessary to serve the company's long-term interests, including its sustainability agenda, or to ensure the company's financial viability. As set out above, the Remuneration Committee's tasks include preparing the Board of Directors' resolutions in remuneration-related matters. This includes any resolutions to derogate from the guidelines.

Information on derogations from the guidelines for remuneration as resolved by the 2024 Annual General Meeting
In 2024, the company has complied with applicable remuneration guidelines as adopted by the general meeting.

Long-term incentive plan
The 2022, 2023 and 2024 Annual General Meeting initiated a long-term incentive plan for key persons in the company. Decisions were taken concerning the plan in 2023 and 2024. Participation in the incentive plan requires participants to use their own funds to acquire shares in NCAB at market price. If these investment shares are retained for three years, and the participant continues to be employed by the Group for the saving period, each investment share entitles the holder to acquire four performance shares in NCAB at a price equivalent to 70 per cent of the price when the investment shares were purchased. The number of performance shares is decided by the Board and is linked to a measure resolved by the Board for capital cost-adjusted earnings (EBITA adjusted for a calculated cost for capital employed). The performance measure is related to the company's financial targets. One condition for receiving performance shares is that participants do not seriously act in a manner inconsistent with the company's policies during the saving period. The 2022 programme was completed and the number of performance shares allocated amounted to zero per investment share.

Information on remuneration resolved but not yet due
There are no remunerations resolved but not yet due.

CORPORATE GOVERNANCE
Corporate governance is included as a separate section of these annual accounts and is not part of NCAB's formal Annual Report for 2024. Refer to the Corporate governance section, or NCAB's website ncabgroup.com, in the section Investors/Corporate governance where corporate governance is also available as a separate report.

ORGANISATION
At 31 December 2024, the number of employees was 628 (603), of whom 277 (264) were women and 351 (339) were men. The average number of employees in the organisation during the period was 615 (595), of whom 271 (263) were women and 344 (333) were men.

SUSTAINABILITY
Sustainability has been a prioritised area for NCAB for many years and acting in a sustainable way and assuming great responsibility is an integrated part of the company's business model and long-term strategy. Sustainability work is divided into three focus areas in relation to the company's stakeholder groups: customers, employees and factories. This illustrates how sustainability work reinforces and creates value in these relationships. In accordance with Chapter 6, Section 11 of the Annual Accounts Act, NCAB has decided to prepare a statutory Sustainability Report as part of its Annual Report and is available to read on pages 5, 32 and 85-106.

SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

Acquisitions

Cumatrix BV

On 11 April 2024, an agreement was signed to acquire 100 per cent of the shares in Cumatrix BV with operations in Belgium. In 2023, Cumatrix had sales of just over SEK 7 million and an EBITA of just over SEK 0.5 million and had two employees. Goodwill of SEK 2.4 million arose in conjunction with the acquisition. The purchase consideration for the shares amounted to SEK 4.5 million. The company will be integrated with our Dutch company.

ICOM Industrial Components AG

On 1 July 2024, 100 per cent of the shares was acquired in ICOM Industrial with operations in Switzerland. In 2023, the company reported net sales of SEK 39 million and an EBITA margin that is in line with NCAB. The purchase consideration for the shares amounted to SEK 51 million and goodwill of SEK 29.0 million arose. The acquisition led to the addition of six new employees.

PCB operations of EPI

On 4 July 2024, the PCB operations of EPI Components in Austria were acquired. In 2023, the operations reported net sales of SEK 28 million and an EBITA margin slightly lower than NCAB's. The purchase consideration for the operations was SEK 18 million and goodwill of SEK 11.4 million arose. Through the acquisition, four employees were added.

Print Production A/S

On 2 September 2024, 100 per cent of the shares was acquired in Print Production A/S in Denmark. The company's net sales 2023 were SEK 12 million, with EBITA of SEK 1 million. The purchase consideration for the shares amounted to SEK 6 million. Goodwill of SEK 2.5 million arose. The acquisition led to the addition of three new employees.

PCB operations of DVS Global

On 22 July 2024, an agreement was signed to acquire the PCB operations of DVS Global in Italy. The acquisition was completed on 10 October 2024. Annual sales for the PCB operations in 2023 were SEK 230 million, with EBITA of SEK 40 million. The purchase consideration for the operations was SEK 207 million, with a possible additional purchase consideration of SEK 40 million. The additional purchase consideration on the date of acquisition was estimated at SEK 0 million. Goodwill of SEK 140.3 million arose. The acquisition led to the addition of 31 new employees. After the end of 2024, it has been confirmed that no additional purchase consideration will be paid.

Full-year impact of acquisitions

If the acquired companies had been consolidated on 1 January 2024, the Group's net sales for the January–December 2024 period would have increased by SEK 228.5 million to SEK 3,842.5 million and EBITA by SEK 36.8 million to SEK 468.5 million.

PARENT COMPANY EARNINGS AND FINANCIAL POSITION

NCAB Group AB (publ) is the Parent Company in the NCAB Group. The company's operations comprise management services to subsidiaries and the management of shares in subsidiaries. The Parent Company's net sales amounted to SEK 225.6 million (185.5). Earnings before tax amounted to SEK 281.0 million (252.9). The improvement was mainly due to decreased financial expenses. Equity was SEK 382.1 million (319.8).

PROPOSED APPROPRIATION OF RETAINED EARNINGS

The Board of Directors proposes the payment of a dividend of SEK 1.10 per share to those shareholders who are registered on the record date and that the remaining non-restricted equity be retained in the Parent Company. For more information, see NCAB's dividend policy.

The Annual General Meeting is asked to decide on the appropriation of the following earnings:

Share premium account	478,109,571
Retained earnings	-372,719,060
Net profit for the year	274,844,789
	SEK 380,235,300

The Board of Directors proposes the following appropriation of retained earnings:
a dividend payment to holders of ordinary shares of SEK 1.10 per share,

total	205,668,364
carried forward	174,566,936
	SEK 380,235,300

Consolidated income statement

kSEK	Note	2024	2023
Net sales	5.6	3,614,032	4,087,832
Other operating income	7	8,914	33,870
Total operating revenue		**3,622,946**	**4,121,702**
Raw materials and consumables		-2,280,976	-2,627,027
Other external expenses	8, 10	-272,883	-236,314
Staff costs	9	-565,709	-558,032
Depreciation of property, plant and equipment, and amortisation of intangible assets	18, 19	-113,582	-98,640
Other operating expenses	11	-3,692	-10,317
Total operating expenses		**-3,236,842**	**-3,530,330**
Operating profit		**386,104**	**591,373**
Financial income	12, 14	25,225	11,153
Financial expense	12, 14	-71,296	-68,962
Net financial items		**-46,071**	**-57,809**
Profit before tax		**340,032**	**533,564**
Income tax	13	-85,261	-129,703
Profit for the year		**254,772**	**403,861**
Profit attributable to:			
Shareholders of the Parent Company		254,873	403,741
Non-controlling interests		-101	121
Average number of shares before dilution		186,925,431	186,951,183
Average number of shares after dilution		187,411,552	187,552,145
Earnings per share before dilution	15	1.36	2.16
Earnings per share after dilution	15	1.36	2.15

Consolidated statement of comprehensive income

kSEK	Note	2024	2023
Profit for the year		**254,772**	**403,861**
Other comprehensive income,			
Items that can subsequently be reclassified to profit or loss:			
Foreign exchange differences		86,780	-70,645
Foreign exchange differences from the termination of operations, reclassified to profit or loss		0	0
Total other comprehensive income for the year		86,780	-70,645
Total comprehensive income for the year		**341,552**	**333,216**
Attributable to:			
– Shareholders of the Parent Company		341,653	333,096
Non-controlling interests		-101	121
Total comprehensive income for the year		**341,552**	**333,216**

The Notes on pages 49–68 form an integral part of these consolidated financial statements.

Consolidated balance sheet

kSEK	Note	31 Dec 2024	31 Dec 2023
ASSETS			
Non-current assets			
Intangible assets			
Goodwill	18	1,596,437	1,345,760
Other intangible assets	18	252,902	251,609
Total intangible assets		**1,849,339**	**1,597,368**
Property, plant and equipment			
Leasehold improvement costs	17	5,599	6,783
Plant and equipment	17	12,588	13,038
Right-of-use assets, offices and cars	17, 33	78,012	70,425
Total property, plant and equipment		**96,199**	**90,246**
Financial assets			
Financial assets	20	5,818	7,336
Total financial assets		**5,818**	**7,336**
Deferred tax assets	28	26,373	20,767
Total non-current assets		**1,977,729**	**1,715,717**
Current assets			
Inventories			
Raw materials and consumables	22	293,933	315,227
Total inventories, etc.		**293,933**	**315,227**
Current receivables			
Trade receivables	21	729,916	654,962
Other current receivables	23	39,128	31,780
Prepaid expenses and accrued income	24	40,673	25,035
Cash and cash equivalents	25	310,574	478,625
Total current receivables		**1,120,291**	**1,190,401**
TOTAL CURRENT ASSETS		**1,414,224**	**1,505,628**
TOTAL ASSETS		**3,391,954**	**3,221,344**

The Notes on pages 49–68 form an integral part of these consolidated financial statements.

kSEK	Note	31 Dec 2024	31 Dec 2023
EQUITY AND LIABILITIES			
Equity attributable to shareholders of the Parent Company	26		
Share capital		1,870	1,870
Additional paid-in capital		478,143	478,143
Reserves		140,180	53,400
Retained earnings		828,015	801,686
Non-controlling interests		-11	211
Total equity		**1,448,198**	**1,335,310**
LIABILITIES			
Non-current liabilities			
Borrowings	27	998,103	927,825
Right-of-use liabilities	33	41,271	42,838
Deferred tax	28	94,927	76,871
Total non-current liabilities		**1,134,302**	**1,047,534**
Current liabilities			
Current liabilities	27	0	67,500
Current right-of-use liabilities	33	38,462	32,376
Trade payables		523,457	444,965
Current tax liabilities		69,670	81,714
Other current liabilities		60,060	80,735
Accrued expenses and deferred income	29	117,805	131,211
Total current liabilities		**809,454**	**838,500**
TOTAL NET DEBT		**1,943,756**	**1,886,034**
TOTAL EQUITY AND LIABILITIES		**3,391,954**	**3,221,344**

The Notes on pages 49–68 form an integral part of these consolidated financial statements.

Consolidated statement of changes in equity

		Attributable to shareholders of the Parent Company						
	Note	**Share capital**	**Additional paid-in capital**	**Reserves**	**Retained earnings**	**Total**	**Non-controlling interests**	**Total equity**
Opening balance on 1 January 2023	26	**1,870**	**478,143**	**124,045**	**591,493**	**1,195,551**	**269**	**1,195,820**
Profit for the year					403,741	403,741	121	403,861
Other comprehensive income for the year				-70,645		-70,645		-70,645
Total comprehensive income				**-70,645**	**403,740**	**333,096**	**121**	**333,216**
Share dividend					-205,668	-205,668	-179	-205,847
Change in own shares					2,996	2,996		2,996
Option programme					9,125	9,125		9,125
Total contribution from value transfer to shareholders, recognised directly in equity					**-193,547**	**-193,547**	**-179**	**-193,726**
Closing balance on 31 December 2023		**1,870**	**478,143**	**53,400**	**801,686**	**1,335,099**	**211**	**1,335,310**
Opening balance on 1 January 2024		**1,870**	**478,143**	**53,400**	**801,686**	**1,335,099**	**211**	**1,335,310**
Profit/loss for the year					254,873	254,873	-101	254,772
Other comprehensive income for the year				86,780		86,780		86,780
Total comprehensive income				**86,780**	**254,873**	**341,653**	**-101**	**341,552**
Share dividend					-205,668	-205,668	-121	-205,789
Change in own shares					-22,725	-22,725		-22,725
Option programme					-150	-150		-150
Total contribution from value transfer to shareholders, recognised directly in equity					**-228,543**	**-228,543**	**-121**	**-228,664**
Closing balance on 31 December 2024		**1,870**	**478,143**	**140,180**	**828,015**	**1,448,208**	**-11**	**1,448,198**

The Notes on pages 49–68 form an integral part of these consolidated financial statements.

Consolidated statement of cash flows

kSEK	Note	31 Dec 2024	31 Dec 2023
Cash flow from operating activities			
Profit before net financial income/expense		386,104	591,373
Adjustment for non-cash items	30	95,655	66,375
Interest received		10,692	10,861
Interest paid		-63,631	-63,458
Income taxes paid		-121,270	-175,742
Cash flow from operating activities before changes in working capital		**307,549**	**429,409**
Change in inventories		44,589	193,330
Change in current receivables		20,629	234,593
Change in current operating liabilities		-18,608	-156,903
Total changes in working capital		**46,610**	**271,019**
Cash flow from operating activities		**354,159**	**700,428**
Cash flow from investing activities			
Investments in property, plant and equipment	17	-4,747	-4,834
Investments in intangible assets	18	-264	-47,847
Investments in subsidiaries	35	-274,033	-436,266
Investments in financial assets	20	-2,641	-1,802
Cash flow from investing activities		**-281,685**	**-490,749**
Cash flow from financing activities			
Redemption of share-based incentive plan		-23,688	
Borrowings	27	1,000,000	160,000
Transaction costs loan		-2,200	
Repayment of loans	27	-1,000,000	
Repayment of right-of-use liabilities		-37,466	-32,552
Dividend		-205,789	-205,668
Cash flow from financing activities	31	**-269,143**	**-78,220**
Decrease/increase in cash and cash equivalents			
Cash flow for the year		-196,668	131,459
Foreign exchange difference in cash and cash equivalents		28,617	-10,673
Cash and cash equivalents at beginning of year		478,625	357,839
Cash and cash equivalents at end of year		**310,574**	**478,625**

The Notes on pages 49–68 form an integral part of these consolidated financial statements.

Group Notes

NOTE 1 GENERAL INFORMATION

NCAB Group AB (publ) (Parent Company) and its subsidiaries (the Group) form a global company active in printed circuit board (PCB) manufacturing. At 31 December 2024, the Group comprises 32 operational companies in Europe, the USA and Asia. Five acquisitions were completed during 2024.

The Parent Company is a public limited liability company registered in Sweden with its head office in Sundbyberg. The address of the head office is Löfströms allé 5, SE-172 66 in Sundbyberg, Sweden.

Unless otherwise specifically indicated, all amounts refer to thousands of Swedish kronor (kSEK). Figures in parentheses pertain to the preceding year.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Significant accounting policies applied in preparing these consolidated financial statements are described below. Unless otherwise stated, these policies have been applied consistently for all the years presented.

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The consolidated financial statements for NCAB Group have been prepared in accordance with the Swedish Annual Accounts Act, Recommendation RFR 1 Supplementary Financial Reporting Rules for Corporate Groups of the Swedish Financial Reporting Board, IRFS (International Financial Reporting Standards) Accounting Standards and the interpretations of the IFRS Interpretations Committee (IFRS IC), as adopted by the EU. The financial statements have been prepared using the cost method, except with regard to financial assets and liabilities (including derivatives and contingent considerations), which have been measured at fair value through profit or loss.

The preparation of financial statements in compliance with IFRS requires the use of critical accounting estimates. Management is also required to make certain judgements in applying the Group's accounting policies. Areas which involve a high degree of judgement, are complex or where assumptions and estimates have a material impact on the consolidated financial statements are described in Note 4.

Changes to accounting policies and disclosures

The new standards that became effective in 2024 had no material impact on the Group's financial results.

Certain amendments to standards that have been published come into effect for the financial year beginning 1 January 2025 and later and have not been early adopted in these financial statements. These new amendments are not expected to have a material impact on the Group in the current or future reporting periods nor on foreseeable future transactions.

2.2 CONSOLIDATED FINANCIAL STATEMENTS

Subsidiaries are all companies over which the Group has a controlling influence. Control exists when the Group is exposed to or is entitled to a variable return from its holding in the company and is able to affect the return through its influence in the company. Subsidiaries are included in the consolidated financial statements as of the date on which control is transferred to the Group. They are excluded from the consolidated financial statements as of the date when the Group loses control.

The purchase method is applied in accounting for the Group's business combinations. The acquisition analysis determines the fair value on the acquisition date of the acquired identifiable assets and assumed liabilities. Any difference between fair value on the acquisition date of the agreed purchase consideration and the net of identified assets and assumed liabilities is recognised as goodwill. The purchase consideration includes each asset or liability resulting from a contingent consideration arrangement.

In cases where the contingent consideration is part of the purchase consideration, it is recognised at fair value on the acquisition date and recognised as part of the purchase consideration. Subsequent changes to the fair value of a contingent consideration are classified as a financial liability and as other revenue/expense in profit or loss in accordance with IFRS 9. Acquisition-related costs are expensed as incurred in profit or loss. Where applicable, the accounting policies for subsidiaries have been amended to guarantee a consistent application of the Group's policies.

2.3 TRANSLATION OF FOREIGN CURRENCIES

(a) Functional currency and reporting currency

Items included in the financial statements for the various units of the Group are valued in the currency used in the economic environment in which each company primarily operates (functional currency). Swedish kronor (SEK), the Group's reporting currency, are used in the consolidated financial statements.

(b) Transactions and balance-sheet items

Transactions in foreign currency are translated to the functional currency at the exchange rates applying at the transaction date or the date when the items were restated.

(c) Group companies

Results and financial position for all Group companies which have a different functional currency than the reporting currency are translated to the Group's reporting currency as follows:

(a) assets and liabilities for each of the balance sheets are translated at the closing rates;
(b) income and expenses for each of the income statements are translated at the average exchange rate (provided that this rate is a reasonable approximation of the cumulative effect of the exchange rates applying at the transaction date; otherwise, income and expenses are translated at the transaction date exchange rate),
(c) all resulting foreign exchange differences are to be recognised in other comprehensive income.

Goodwill and fair value adjustments arising from the acquisition of a foreign business are treated as assets and liabilities in this business and translated at the closing rate. Foreign exchange differences are recognised in other comprehensive income.

2.4 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment mainly comprise improvements to third party's property, as well as equipment. All property, plant and equipment are stated at cost less depreciation. Cost includes expenditure directly attributable to the acquisition of the asset.

All other forms of repairs and maintenance are expensed in profit or loss in the periods in which they are incurred.

Other assets are depreciated so as to allocate the cost down to the estimated residual value over the assets' estimated useful lives. Assets are depreciated on a straight-line basis as follows:

- improvements to third party's property .... Lease term
- plant .... 5 years
- computers .... 3 years
- office equipment .... 5 years
- right-of-use assets .... Contract term

Residual values and useful lives of assets are tested at the end of each reporting period and adjusted where necessary.

An asset's carrying amount is written down to the recoverable amount immediately if the carrying amount exceeds the estimated recoverable amount (Note 2.6).

Gains and losses from the sale of assets are determined by comparing the sale proceeds and carrying amount. The difference is recognised under Other operating income/Other operating expenses – net in profit or loss.

2.5 INTANGIBLE ASSETS

(a) Goodwill

Goodwill arises on the acquisition of subsidiaries and refers to the amount by which the consideration, any non-controlling interest in the acquired entity and the fair value of the previous equity interest in the acquired entity at the acquisition date exceeds the fair value of identifiable acquired net assets.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to cash-generating units or groups of cash-generating units that are expected to benefit from the synergies of the combination. Each unit or group of units to which goodwill has been allocated represents the lowest level in the Group at which the goodwill is monitored for internal management purposes. Goodwill is monitored at country level.

Goodwill is tested for impairment annually, or more frequently if there are events or changes in circumstances which indicate potential impairment. The carrying amount of the cash-generating unit to which goodwill is allocated is compared with the recoverable amount, which is defined as the higher of value in use and fair value less selling expenses. Any impairment loss is expensed immediately and cannot be reversed.

(b) Customer relationships and other intangible assets

Other intangible assets that have been acquired separately are recognised at cost. Customer relationships and other intangible assets (such as trademarks and licences) that have been acquired through a business combination are recognised at fair value at the acquisition date. Customer relationships and other intangible assets have a definite useful life and are recognised at cost less accumulated amortisation. Trademarks and licences are amortised on a straight-line basis so that the cost is distributed over their estimated useful life of five years.

Note 2, cont.

(c) Capitalised development costs for IT systems
Costs for maintenance of IT systems are expensed as incurred. Development costs directly attributable to the development of identifiable and unique IT systems which are controlled by the Group are recognised as intangible assets when the following criteria are met:
- it is technically feasible to complete the IT system so that it will be available for use
- the company intends to complete the IT systems for use or sale
- there is reason to expect that the company will be able to use or sell the IT system
- it can be shown that the IT system will generate probable future economic benefits
- adequate technical, economic and other resources are available to complete the development of and use or sell the IT system
- the costs attributable to the IT system during its development can be reliably measured

Other development costs which do not meet these criteria are expensed as incurred. Previously expensed development costs are not capitalised in later periods.

IT systems development costs recognised as assets are amortised over the estimated useful life, which does not exceed eight years.

2.6 IMPAIRMENT OF INTANGIBLE ASSETS AND PROPERTY, PLANT AND EQUIPMENT
Intangible assets with indefinite useful lives or intangible assets which are not yet available for use, are not amortised but tested annually for impairment. Assets which are depreciated or amortised are tested for impairment when an event or change of circumstance indicates that the carrying amount may not be recoverable. The difference between the carrying amount and recoverable amount is recognised as an impairment loss. The recoverable amount is the higher of the fair value of the asset less costs to sell and value in use. In testing for impairment, assets are grouped to the lowest levels at which there are essentially independent identifiable cash flows (cash-generating units). For assets (other than goodwill) which have previously been written down, an impairment test is made at each balance sheet date to determine if a reversal is required.

Property, plant and equipment is impaired for assets when the replacement value falls below the carrying amount. Right-of-use assets are only impaired for assets when the asset is not utilised but the contract continues.

2.7 FINANCIAL ASSETS AND LIABILITIES
Calculation of fair value
The levels are defined as follows:
- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1)
- Inputs other than quoted market prices included in Level 1 that are observable for the asset or liability, either directly in the form of quoted prices or indirectly, i.e. derived from quoted prices (Level 2)
- Inputs for the asset or liability which are not based on observable market data (non-observable inputs) (Level 3).

Classification and measurement
Financial assets are classified according to the business model used to manage the asset and the nature of the asset's cash flow. If the financial asset is held within the framework of a business model whose objective is to collecting contractual cash flows (hold to collect) and the contractual conditions for the financial asset at specified times give rise to cash flows that solely consist of the principal amount and interest on the principal amount outstanding, the asset is recognised at amortised cost.

If the business model's objective can instead be met by both collecting contractual cash flows and selling financial assets (hold to collect and sell) and the contractual conditions for the financial asset at specified times give rise to cash flows that solely consist of the principal amount and interest on the principal amount outstanding, the asset is recognised at fair value through other comprehensive income.

All other business models (other) for the purpose of speculation, held for trading or where the nature of the cash flows excludes other business models, entail recognition at fair value through profit or loss.

The Group applies the hold to collect business model for other non-current receivables, trade receivables, cash and cash equivalents and for financial assets recognised as other receivables.

Financial liabilities are measured at fair value through profit or loss if these are a contingent consideration to which IFRS 3 is to apply, held for trading or if they are initially identified as liabilities at fair value through profit or loss. Other financial liabilities are measured at amortised cost.

Trade payables pertain to obligations to pay for products and services purchased from suppliers in operating activities. Trade payables classified as financial liabilities are measured at amortised cost. Trade payables are initially stated at fair value and subsequently at amortised cost (applying the effective interest method for durations longer than three months). The carrying amount of trade payables is assumed to correspond to their fair value, given that this item is current by its very nature.

Liabilities to credit institutions are classified as financial liabilities measured at amortised cost. Borrowings are initially recognised at fair value, net, after transaction costs and, subsequently, at amortised cost. Any difference between the amount received (net after transaction costs) and the amount to be repaid is recognised in the statement of comprehensive income over the loan period by applying the effective interest method. Borrowing is included in current liabilities unless the Group has an unconditional right to defer payment of the liability by at least 12 months after the balance-sheet date. The carrying amount of the Group's borrowing is assumed to correspond to its fair value and carries a market interest rate.

Fair value of financial instruments
The recognised carrying amount of all financial assets and liabilities is considered a good approximation of its fair value, unless otherwise specified.

Offsetting of financial assets and liabilities
Financial assets and liabilities are offset and recognised at the net amount in the balance sheet when a legal right exists to offset and when there is an intention to settle the items net, or simultaneously realise the asset and settle the liability. The Group does not offset any financial assets and liabilities.

Impairment
The Group recognises a loss allowance for expected credit losses on financial assets measured at amortised cost. On every balance-sheet date, the Group reports the change in expected credit losses since the initial recognition in profit or loss.

The expected credit loss rates are based on the payment history of customers for a period of 36 months before the end of the financial year and the beginning of the financial year respectively, together with the loss history for the same period. Historical losses are then adjusted to take into account current and forward-looking information on macroeconomic factors that may affect customers' ability to pay the receivable. The Group has identified GDP and unemployment levels in countries where goods and services are sold as relevant factors. The historical loss rate is therefore adjusted based on expected changes in these factors.

The purpose of the impairment requirements is to recognise expected credit losses for the remaining time to maturity for all financial instruments where a significant increase in credit risk has occurred since the initial recognition, either assessed individually or collectively, given all reasonable and verifiable information, including forward-looking information. The Group measures expected credit losses from a financial instrument using a method that reflects an objective and probability-weighted amount determined by assessing an interval of possible outcomes, monetary values over time and reasonable verifiable information, current circumstances and forecasts of future economic circumstances.

For trade receivables, the simplified approach is used and means the Group can directly report expected credit losses for asset's remaining time to maturity.

The Group's trade receivables are subject to the modified retrospective model for impairment. Trade receivables were assessed individually when calculating expected credit losses. Expected credit losses for trade receivables are calculated based on previous events, current circumstances and forecasts of future economic circumstances and monetary values over time, if applicable.

The Group defines default when it is deemed improbable that the counterparty will meet its obligations due to indicators such as financial difficulties and missed payments. The Group writes off a receivable when no further opportunities for additional cash flow are deemed to exist.

Trade receivables
Trade receivables are amounts due from customers for goods sold or services rendered in operating activities. Trade receivables are initially stated at transaction price, as long as there is not a significant financing component in the receivable, and subsequently at amortised cost using the effective interest method, less any provisions for impairment.

2.8 INVENTORIES
Inventories are stated at the lower of cost and net realisable value. Cost is calculated using the first in, first out method (FIFO). Net realisable value is the estimated selling price in the company's operating activities less any applicable variable selling expenses.

Note 2, cont.

2.9 CASH AND CASH EQUIVALENTS
Cash and cash equivalents in the balance sheet and in the statement of cash flows includes cash, bank deposits and other short-term investments. Other short-term investments are classified as cash and cash equivalents if they expire within three months from the time of acquisition, can easily be converted into cash for a known amount and are exposed to an insignificant risk for fluctuations in value.

Overdraft facilities are recognised in the balance sheet as loans in current liabilities.

2.10 SHARE CAPITAL AND EARNINGS PER SHARE
Ordinary shares are classified as equity. Transaction costs which are directly attributable to the issue of new ordinary shares or warrants are recognised, net of tax, in equity as a deduction from the proceeds of the issue.

Earnings per share were calculated based on the average number of shares for the period. When calculating earnings per share after dilution, the number of shares was adjusted for the options expected to be received as part of the option programmes outstanding, and the difference between the price at year-end and the exercise price.

Where any Group company purchases the Parent Company's shares (share buyback), the consideration paid, including any directly attributable incremental costs (net of taxes), is deducted from equity, until the shares are cancelled or reissued. Where such ordinary shares are subsequently reissued, any consideration received (net of any directly attributable incremental transaction costs and tax effects) is included in equity. The company only holds ordinary shares. Through subsidiaries, the Group holds 120 own shares in treasury.

2.11 PROVISIONS
Provisions for legal claims, warranties and measures of reinstatement are recognised when the Group has a legal or constructive obligation arising from past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount has been reliably measured. No provisions are made for future operating losses. If a number of similar obligations exist, the probability that an outflow of resources will be required is determined for the settlement of the group of obligations as a whole. A provision is recognised also when there is a low probability of an outflow of resources in respect of a particular item in this group of obligations.

Provisions are measured at the present value of the amount expected to be required to settle the obligation. In this case, a discount rate before tax is used which reflects a current market assessment of the time-dependent value of money and the risks associated with the provision. The increase in the provision due to passage of time is recognised as interest expense.

2.12 DEFERRED INCOME TAX
Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be wholly or partially offset.

2.13 EMPLOYEE BENEFITS
The Group companies have defined contribution pension plans. Defined contribution pension plans are post-employment benefit plans under which the Group pays fixed contributions into a separate legal entity. The Group has no legal or constructive obligations to pay further contributions if this legal entity does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods.

The company has ongoing long-term incentive plans (see Note 26). The cost of these plans is recognised continuously during the plan based on the estimated outcome.

2.14 REVENUE RECOGNITION
Revenue is measured at the fair value of the consideration received or receivable and comprises the amounts received for sold goods less discounts, returns and value-added tax.

The Group recognises a revenue when control of goods is transferred, which occurs when the goods are delivered to the customer or to the location designated by the customer and when there are no unmet obligations that may impact the customer's approval of the goods. The Group solely has contracts with terms up to six months. Consequently, exemption rules for recognition of contracted but not completed performance obligations are applied.

A receivable is recognised when the goods are delivered, which is the date when remuneration becomes unconditional. The company has also analysed whether there are any contract assets. Contract liabilities exist to a very limited degree in cases where advance payment has been received from customers.

More information about doubtful debts is provided in Note 21. The majority of the Group's trade receivables are covered by insurance.

Sale of goods
The Group sells printed circuit boards (PCBs). The sale of PCBs is recognised as income when control of the goods is transferred, which takes place when the goods are delivered to the designated place. Customers do not have the right to return goods but have the right to replacement deliveries for any defective products.

PCBs are sold to certain customers with volume discounts based on accumulated sales over a 12-month period. Revenue from the sale of cards is recognised based on the price in the agreement, less estimated volume discounts. Accumulated experience is used to assess and make provisions for discounts.

Third-party currencies
IFRS 9 provides specific guidance for an embedded currency derivative in a host contract that is not a financial instrument (such as a contract for the purchase or sale of a non-financial item where the price is denominated in a foreign currency). The embedded currency derivative should not be separated from the host contract if it is closely related to its host. A currency derivative is considered closely related to its host if payments are denominated in the functional currency of the buyer or seller, acquired or delivered goods or services are routinely denominated in the currency in commercial transactions around the world or the currency is commonly used in contracts to buy or sell non-financial items in the economic environment in which the transaction takes place. The Group has embedded derivatives in the form of third-party currencies in sales contracts, as pricing and invoicing is largely in USD. The effects of third-party currencies are considered to have only a marginal impact on the income statement and balance sheet, and have therefore not been taken into account. The effects of third-party currencies are assessed on a quarterly basis.

2.15 INTEREST INCOME
Interest income is recognised using the effective interest method.

2.16 LEASES – RIGHT-OF-USE ASSETS
The Group leases various offices, warehouse space and vehicles. Rental contracts are amortised over the duration of the contract, which is typically one to five years, but in exceptional cases also up to ten years. A possible extension is not included in the measurement of the lease at the acquisition date, instead the contact is remeasured when the extension is agreed. Contracts may include both lease and non-lease elements.

The Group allocates the consideration in the contract to lease and non-lease components based on the relative stand-alone selling prices. Lease payments for property, where the Group is a tenant, are not separated into lease and non-lease components and instead these are recognised as a single lease component.

The Group has no leases of intangible assets. The company has no leased assets that are difficult to replace with other assets, which is why the lease term stated in the contract is the lease term included in the lease asset and liability. The discount rate applied was assessed by country taking into account the length of the lease, country-specific currency risk and risk premium.

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments.

- Fixed payments made at or before the commencement date less any lease incentives received.
- Amounts expected to be paid by the lessee according to residual value guarantees.

Right-of-use assets are normally depreciated over the shorter of the useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use is amortised over the useful life of the underlying asset.

Payments associated with short-term leases relating to equipment and vehicles and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or shorter. Low-value assets include items of office furniture.

Critical judgements in determining the lease term:
Extension options related to leases for office premises and vehicles are not included in lease liability as the Group can replace the assets without material costs or disruption to operations.

2.17 DIVIDENDS
Dividend payments to shareholders of the Parent Company are recognised as a liability in the consolidated financial statements in the period in which the payment is approved by the shareholders of the Parent Company.

Note 2, cont.

2.18 SEGMENT REPORTING

Segments are accounted for in a way that is consistent with the internal reports submitted to the chief operating decision maker. The chief operating decision maker is the function that is responsible for allocating resources and assessing the results of segments. In the Group, this function has been identified as the Chief Executive Officer, who makes strategic decisions. The Group's operations are evaluated based on geography. The following four segments have been identified: Nordic, Europe, North America and East. See Note 6.

NOTE 3 FINANCIAL RISK MANAGEMENT

3.1 FINANCIAL RISK FACTORS

Through its activities, the Group is exposed to a wide range of financial risks: market risk (currency risk, fair value interest rate risk and cash flow interest rate risk), credit risk, liquidity risk and financing risk. The Group's overall risk management policy focuses on the unpredictability of financial markets and strives to minimise potential adverse effects on the Group's financial results. The Group does not, however, apply hedge accounting.

Risk management is handled by a central finance department in accordance with the financial policy adopted by the Board of Directors. The finance department identifies, evaluates and hedges financial risks in close collaboration with the Group's operating units.

The financial policy encompasses general risk management as well as for specific areas, such as currency risk, interest rate risk, credit risk, the use of derivatives and non-derivative financial instruments, and the investment of excess liquidity.

(a) Market risk

(i) Currency risk

The Group operates internationally and is exposed to currency risks arising from various currency exposures, mainly from USD and EUR. Currency risk arises through future business transactions, recognised assets and liabilities, and net investments in foreign operations.

Currency risks also arise when future business transactions are expressed in a currency that is not the functional currency of the unit. Approximately 85 per cent of the Group's pricing is in USD and around 75 per cent of the Group's invoicing is in USD. Goods purchases and shipping are 95 per cent denominated in USD, which means that a strengthening of the USD leads to an improved gross profit while a weakening of the USD leads to a reduced gross profit, but unchanged gross margin.
The Group has a number of investments in foreign businesses whose net assets are exposed to currency risks. These are not hedged.

If the USD had weakened/strengthened by 10 per cent against the other currencies, with all other variables held constant, the restated net profit at 31 December 2024 would have been kSEK 24,800 (21,000) lower/higher. Gross profit would have been kSEK 55,000 (47,000) lower/higher, while the gross margin was about 1 per cent lower. EBITA would have been kSEK 37,000 (32,000) lower/higher. Restating trade receivables and trade payables would have had the opposite impact on earnings of kSEK 7,000 (12,000).

If the EUR had weakened/strengthened by 10 per cent against the other currencies, with all other variables held constant, the restated net profit at 31 December 2024 would have been kSEK 6,000 (0) higher/lower.

Foreign exchange differences in current assets are recognised as other operating income or other operating expenses. Exchange rate difference in cash, external and internal loans are recognised in net financial items.

(ii) Cash flow interest rate risk and fair value interest rate risk

The Group's interest rate risk arises from short-term and long-term borrowing. Variable interest rate borrowings expose the Group to cash flow interest rate risk, which is partly neutralised by cash assets bearing variable interest rates.

Fixed interest rate borrowings expose the Group to fair value interest rate risk. The Group's policy is to have variable interest rate borrowings. In 2024, the Group's variable interest rate borrowings consisted mainly of loans in SEK, which was also the case in 2023. Lending in other currencies may temporarily occur in the Group's cash pool.

The Group has an opportunity to secure the interest rate if exposure is considered too great but no hedging took place in 2024 and 2023. An analysis is always conducted in conjunction with refinancing or when rolling-over existing loans. The analysis shows that the effect of a +/-1.0 per cent change in interest level would entail a maximum increase of kSEK 10,000 (9,700) or a reduction of kSEK 10,000 (9,700) in interest expense.

The Group normally takes out long-term loans at variable interest rates.

(b) Credit risk

Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions as well as credit exposures to customers. Credit risk is managed at Group level, with the exception of credit risk related to outstanding trade receivables. Each Group company is responsible for monitoring and assessing the credit risk for each new customer before offering standard terms of payment and delivery.

The Group's subsidiaries insure credit risk through a credit insurance company.

The use of a credit insurance company enables NCAB to make a better proactive selection of new customers and to monitor our existing customers effectively. The use of credit limits is monitored regularly. Only banks and financial institutions that have received a credit rating of "BBB+" or higher from an independent rating agency are accepted. Individual risk limits are defined based on internal or external credit assessments in accordance with the limits set by the Board.

No credit limits were exceeded during the reporting period and management does not expect any losses due to non-payments from these counterparties.

(c) Financing risk

The Group's loan financing takes place centrally and consists of both fixed loans and an intra-Group cash pool with an associated overdraft facility. The loan conditions include covenants stating that the net debt excluding IFRS 16 must not exceed 2.5 times adjusted EBITDA and that cash flow before financing costs must exceed financing costs. Management regularly measures and monitors covenant calculations and cash flow forecasts from a covenant perspective.

(d) Liquidity risks

Cash flow forecasts are prepared by the Group's operating companies and aggregated at Group level. Rolling forecasts for the Group's liquidity are monitored continually to ensure that the Group has sufficient cash to meet its day-to-day operational needs while maintaining sufficient unused credit facilities to ensure that it does not breach borrowing limits or loan covenants (where applicable) on any of its loan facilities.

Excess liquidity in the Group's operating companies exceeding that portion which is required to manage working capital requirements is transferred to the Parent Company, which invests the excess liquidity in interest-bearing current accounts, term deposits, money market instruments and marketable securities, depending on what type of instrument has an appropriate maturity or is sufficiently liquid to meet the requirements determined by the aforementioned forecasts. At the balance sheet date, the company had liquid assets of kSEK 310,574 (478,625) and undrawn credit facilities of kSEK 1,025 (515,000) that can quickly be converted into cash in order to manage the liquidity risk.

The following table shows an analysis of the Group's non-derivative financial liabilities by remaining maturity from the balance sheet date.

Derivatives that are financial liabilities are included in the analysis if their contractual maturities are essential for understanding the timing of future cash flows. The amounts indicated in the table are the contractual cash flows calculated using the average interest rate for 2024.

31 December 2024	Less than 3 months	Between 3–12 months	Between 12–24 months	Between 2–5 years
Borrowings	13,076	39,229	1,047,947	
Overdraft facility				
Trade payables	478,449	45,008		
31 December 2023				
Borrowings	11,881	102,340	132,711	858,434
Overdraft facility				
Trade payables	426,939	18,026		

Note 3, cont.

3.2 MANAGEMENT OF CAPITAL

The Group's goal in respect of capital structure is to secure its ability to continue its operations with a view to continuing to generate a return for the shareholders and benefits for other stakeholders, and to maintain an optimal capital structure in order to keep the costs of capital down.

To maintain, or adjust, its capital structure, the Group may change the dividend that is paid to the shareholders, return capital to the shareholders, issue new shares or sell assets to reduce its liabilities.

Like other companies in the industry, the Group assesses its capital based on the debt/equity ratio. This key ratio is calculated as net debt divided by equity. Net debt is calculated as total borrowings (comprising the items Short-term borrowings and Long-term borrowings in the consolidated balance sheet) less cash and cash equivalents.

The Group's target is that net debt will not exceed twice adjusted EBITDA (excluding the effect of IFRS 16) and have a credit rating of not less than BB. The Group's BB credit rating was maintained throughout the year. For the reported periods, the debt/equity ratio has been as follows:

	2024	2023
Total borrowings (Note 27)	998,103	995,325
Less: cash and cash equivalents	-310,574	-478,625
Net debt excl. right-of-use liability	687,530	516,700
Right-of-use liability	79,733	75,214
Total liability	767,262	591,914
Total equity	1,448,198	1,335,310
Total capital	2,215,461	1,927,224
Debt/equity ratio	**53%**	**44%**
Adjusted EBITDA*, incl. IFRS 16	499,685	690,013
Net debt / Adjusted EBITDA, incl. IFRS 16	**1.5**	**0.9**
Adjusted EBITDA, excl. IFRS 16	456,914	652,865
Net debt / Adjusted EBITDA, excl. IFRS 16	**1.5**	**0.8**

*No adjustment of EBITDA was carried out for 2024 and 2023.

NOTE 4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are reviewed on an ongoing basis, and are based on historical experiences and other factors, including expectations of future events that are deemed reasonable under existing circumstances.

4.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The Group makes estimates and assumptions about the future. The resulting accounting estimates will by definition seldom equal the related actual results. Estimates and assumptions which involve a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities in the next financial year are addressed below.

Goodwill impairment testing

Each year, the Group tests goodwill for impairment in accordance with the accounting policy described in Note 2. Recoverable amounts for cash-generating units have been determined by calculating value in use. For these calculations, certain estimates need to be made (Note 18).

The carrying amount of goodwill is kSEK 1,596,437 (1,345,760). The change is due to additional goodwill for the acquisition of DVS Global of kSEK 140,299, ICOM Industrial Components AG of kSEK 28,614, EPI Components AG of kSEK 11,405 as well as currency effects.

Valuation of business combinations

The assessment of the fair value of assets in business combinations is based on estimates and judgements of what has been acquired, its future cash flows, discount rates, amortisation/depreciation periods etc. The actual outcome is therefore influenced by a variety of factors, both within the operations and beyond its control, and may thus differ from what was initially reported.

Measurement of trade receivables

At the closing date, the Group had trade receivables of kSEK 729,916 (654,962). Trade receivables are amounts attributable to customers for sold goods in the ordinary course of business. Trade receivables generally fall due for payment within 30–90 days and all trade receivables are therefore classified as current assets. Trade receivables are initially recognised at transaction price. Trade receivables with a material financing component are measured, on the other hand, at fair value. The Group holds trade receivables for the purpose of collecting contractual cash flow and measures these therefore on subsequent accounting dates at amortised cost.

The Group applies the modified retrospective approach for calculating expected credit losses. The method means expected losses over the entire lifetime of the receivable are used as a basis for trade receivables.

More information about doubtful debts is provided in Note 21. The majority of the Group's trade receivables are covered by insurance.

NOTE 5 REVENUES FROM CUSTOMERS

Breakdown of net sales by geographic location of customers.

	2024	2023
USA	761,908	703,825
Germany	505,063	804,086
Italy	317,744	352,846
Sweden	263,939	280,190
Norway	241,156	274,965
UK	207,113	273,981
China	163,088	160,589
France	119,095	128,186
Netherlands	103,225	74,505
Denmark	95,923	100,789
Romania	91,186	97,220
Poland	86,626	104,759
Spain	72,243	87,162
Canada	68,554	82,688
Finland	61,614	62,711
Estonia	55,585	56,302
Switzerland	48,246	65,325
Belgium	31,931	32,222
Austria	29,088	28,456
Czech Republic	19,617	56,328
Slovakia	11,161	63,083
Other markets	259,926	197,615
Total	**3,614,032**	**4,087,833**

Remaining performance obligation

The company has contract liabilities of kSEK 577 (655) attributable to advances from customers. Total liabilities at the beginning of the year were included in profit or loss for 2024.

NOTE 6 SEGMENTS

DESCRIPTION OF SEGMENTS AND PRINCIPAL ACTIVITIES

In NCAB Group, the CEO is the Group's chief operating decision maker. The segments are based on the information that is handled by the CEO and used as a basis for decisions on the allocation of resources and evaluation of results. NCAB Group has identified four segments, which also constitute reportable segments in the Group's operations:

Nordic

Provides a broad range of PCBs from NCAB's companies in Denmark, Finland, Norway, Poland and Sweden. Poland has been included in the Nordic segment since 2024. Results for 2023 have been adjusted for this. The PCBs are purchased from external suppliers, mainly in China. Most of the PCBs are of the High-Mix-Low-Volume (HMLV) type, i.e. specialised products that are produced in small quantities. NCAB has a local presence through technicians and customer support staff to ensure that its customers receive support throughout the process.

Europe

Provides a broad range of PCBs from NCAB's companies in Austria, Belgium, France, Germany, Italy, the Netherlands, North Macedonia, Portugal, Spain, Switzerland and the UK. Poland was transferred from the Europe segment to the Nordic segment as of 2024. Results for 2023 have been adjusted for this. The PCBs are purchased from external suppliers, mainly in China. Most of the PCBs are of the High-Mix-Low-Volume (HMLV) type, i.e. specialised products that are produced in small quantities. NCAB has a local presence through technicians and customer support staff to ensure that its customers receive support throughout the process.

North America

Provides a broad range of PCBs from NCAB's companies in the USA. The PCBs are purchased from external suppliers, mainly in China. Most of the PCBs are of the High-Mix-Low-Volume (HMLV) type, i.e. specialised products that are produced in small quantities. NCAB has a local presence through technicians and customer support staff to ensure that its customers receive support throughout the process.

East

Provides a broad range of PCBs from NCAB's companies in China and Malaysia. The PCBs are purchased from external suppliers, mainly in China. Most of the PCBs are of the High-Mix-Low-Volume (HMLV) type, i.e. specialised products that are produced in small quantities. NCAB has a local presence through technicians and customer support staff to ensure that its customers receive support throughout the process.

Revenue

Revenue is generated from a large number of customers across all segments. No individual customer accounts for 10 per cent or more of net sales. There are no sales of goods between segments. Minor amounts may be invoiced for freight and services, which are provided on market terms. The revenue from external parties reported to the CEO is measured in the same way as in profit or loss.

NET SALES AND EARNINGS OF SEGMENTS

	Nordic		Europe		North America		East		Central functions		Group	
SEK million	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**
Net sales	822	954	1,776	2,196	800	719	215	219			3,614	4,088
EBITA	128	184	194	323	117	109	36	42	-26	-12	450	647
EBITA margin, %	15.6	19.3	10.9	14.7	14.7	15.1	16.8	19.3			12.4	15.8%
Amortisation of intangible assets											-64	-55
Operating profit											**386**	**591**
Operating margin, %											10.7	14.5
Net financial expense											-46	-58
Profit before tax											340	534
Net working capital	97	89	173	168	61	39	39	42	-38	-50	333	288
Non-current assets												
Intangible assets*)	386	402	813	574	570	537	9	8	72	76	1,849	1,597
Property, plant and equipment	16	20	47	34	17	15	6	8	10	14	96	90

In Sweden, there are non-current assets valued at SEK 98.1 million (104.0), of which property, plant and equipment of SEK 11.5 million (12.7), and intangible assets of SEK 86.6 million (91.3).
*) Intangible assets mainly pertain to Goodwill and are presented by country in Note 18.

NOTE 7 OTHER OPERATING INCOME

	2024	**2023**
Operating foreign exchange gains	36,664	29,010
Operating foreign exchange losses	-31,390	-22,430
Reversed additional purchase consideration		23,925
Other income	3,640	3,365
Total	**8,914**	**33,870**

NOTE 8 OTHER EXTERNAL EXPENSES

	2024	**2023**
Cost of premises	36,218	37,434
Travel expenses	31,672	22,228
External sales commission	20,494	24,767
Marketing	20,095	14,930
IT	97,755	66,741
Other	66,648	70,213
Total	**272,883**	**236,314**

NOTE 9 EMPLOYEE BENEFITS, ETC.

	2024	2023
Salaries and benefits	438,303	427,317
Social security contributions	65,742	70,343
Retirement benefit costs – defined contribution plans	26,637	23,170
Total employee benefits	**530,682**	**520,830**

Salaries and other benefits:

	2024		2023	
	Salaries and other benefits (of which bonuses)	Retirement benefit costs	Salaries and other benefits (of which bonuses)	Retirement benefit costs
Directors, CEOs and other executive management	39,279 (3,716)	3,688	33,126 (7,909)	3,182
Other employees	399,024	22,949	394,192	19,988
Total, Group	**438,303**	**26,637**	**427,317**	**23,170**

Remuneration to executive management in 2024

The Group applies market-based salaries and remuneration based on a fixed and a variable portion. Remuneration of the CEO and other executive management consists of a basic salary, variable salary and pension. Executive management refers to the individuals who comprise Group management together with the CEO.

Fixed and variable remuneration

The allocation between basic salary and variable remuneration is proportionate to the executive's responsibilities and authorities. The variable remuneration is based on financial and non-financial targets. The yearly variable salary to the CEO is not to exceed 100 per cent of the fixed yearly salary. Other members of executive management may receive yearly variable salary in an amount not exceeding the equivalent of 40–100 per cent of the yearly fixed salary. Executive management otherwise receives customary benefits, such as a company car, occupational health care, etc.

Pension commitments

Management executives shall be entitled to pension benefits according to defined contribution pension plans with premiums of up to 30 per cent of the executive's annual salary, or according to applicable occupational pension scheme.

Period of notice and severance pay

The CEO has a notice period of 12 months if termination is made by the company and 6 months if termination is made by the CEO.

Average number of employees:

	2024		2023	
	Average number of employees	Of whom, women	Average number of employees	Of whom, women
Belgium	1			
Denmark	13	5	13	5
Finland	15	6	14	6
France	22	11	22	10
Hong Kong	4	2	3	1
Italy	33	17	26	13
China	142	81	135	78
Netherlands	33	7	33	8
North Macedonia	2		2	
Norway	21	5	23	6
Poland	14	9	13	9
Portugal	2			
Switzerland	3	2		
Spain	16	5	18	5
UK	51	18	50	18
Sweden	50	23	49	24
Germany	88	27	90	28
Taiwan	12	8	13	8
USA	91	44	91	44
Austria	2	1		
Total, Group	**615**	**271**	**595**	**263**

Gender distribution in the Group (incl. subsidiaries) for Directors and other executive management:

	2024		2023	
	Number at balance sheet date	Of whom, women	Number at balance sheet date	Of whom, women
Board of Directors	7	3	5	2
CEOs and other executive management	12	4	11	4
Total, Group	**19**	**7**	**16**	**6**

NOTE 10 AUDIT FEES

	2024	2023
PwC		
– Audit engagement	5,375	6,362
– Tax advisory services	132	253
– Other services	222	524
Total	**5,729**	**7,139**
Other auditors		
– Audit engagement	1,616	1,211
– Tax advisory services	283	588
– Other services	117	150
Total	**2,016**	**1,949**
Total, Group	**7,745**	**9,088**

Fees to Öhrlings PricewaterhouseCoopers AB from companies in the NCAB Group amounted to SEK 3.4 million (3.8) during the year. Of this amount, SEK 3.1 million (3.1) was audit fees and SEK 0.3 million (0.6) pertains to advice on option programme and sustainability reporting.

NOTE 11 OTHER OPERATING EXPENSES

Other operating expenses are non-recurring items and net operating foreign exchange losses.

	2024	2023
Transaction costs for acquisitions	-3,692	-10,317
Total	**-3,692**	**-10,317**

NOTE 12 FINANCIAL INCOME AND EXPENSE

	2024	2023
Financial expense:		
– interest expenses bank loans	-59,690	-55,801
– interest expenses right-of-use	-3,941	-4,472
Foreign exchange gains on financing activities		44,367
Foreign exchange losses on financing activities		-45,399
Other financial expense	-7,665	-7,657
Total financial expense	**-71,296**	**-68,962**
Financial income:		
– interest income from short-term bank deposits	10,692	10,829
Foreign exchange gains on financing activities	34,716	
Foreign exchange losses on financing activities	-20,190	
Other financial income	7	324
Total financial income	**25,225**	**11,153**
Net financial expense	**-46,071**	**-57,809**

NOTE 13 TAX

	2024	2023
Current tax:		
Current tax on profit for the year	-89,807	-142,452
Total current tax	**-89,807**	**-142,452**
Deferred tax (Note 28)	4,546	12,749
Total deferred tax	**4,546**	**12,749**
Tax	**-85,261**	**-129,703**

Direct tax of 3,929 was recognised directly in equity.

The tax on the consolidated profit before tax differs from the theoretical amount that would have resulted from the use of the Swedish tax rate for the results of the consolidated companies as follows:

	2024	2023
Profit before tax	**340,032**	**533,564**
Tax calculated at tax rate in Sweden (20.6%)	-70,047	-109,914
Effect of foreign tax rates	-8,877	-12,081
Tax effects of:		
Non-taxable income	2,510	7,559
Non-deductible expenses	-7,860	-12,041
Tax losses for which no deferred tax asset has been recognised		-362
Adjustment relating to prior years	-987	-2,864
Tax expense	**-85,261**	**-129,703**

The weighted average tax rate was 25.1 per cent (24.3).

NOTE 14 NET FOREIGN EXCHANGE DIFFERENCES

Foreign exchange differences have been recognised in profit or loss as follows:

	2024	2023
Net other operating income (Note 7)	5,274	6,580
Net financial income/expense (Note 12)	14,526	-1,032
Total	**19,800**	**5,548**

NOTE 15 EARNINGS PER SHARE

The Parent Company now only holds ordinary shares.

	2024	2023
Profit for the period	254,873	403,741
Average number of shares before dilution	186,925,431	186,951,183
Average number of shares after dilution	187,411,552	187,552,145
Earnings per share before dilution, SEK	1.36	2.16
Earnings per share after dilution, SEK	1.36	2.15

Own shares	**Number of shares**
1 January 2023	**35,900**
Shares acquired by subsidiary	80,000
Shares sold to employees	-58,100
Shares sold to external parties	-53,350
1 January 2024	**4,450**
Shares acquired by Parent Company	513,000
Shares allocated for LTIP	-513,000
Shares acquired by subsidiaries	16,000
Shares sold to employees	-20,330
31 December 2024	**120**

Reconciliation number of shares:

	31 Dec 2024	31 Dec 2023
Number of shares before dilution	186,925,431	186,951,183
Expected dilution due to incentive plan	486,121	600,962
Number of shares after dilution	187,751,446	187,552,145

NOTE 16 HOLDING AND INVESTMENTS IN SUBSIDIARIES

At 31 December 2024, the Group had the following subsidiaries:

Name	Country of registration and operation	Percentage of ordinary shares owned directly by the Parent Company (%)	Percentage of ordinary shares owned by the Group (%)
NCAB Group Asia Ltd.	Hong Kong	100	
NCAB Group ShenZhen Electronics Co Ltd.	China		100
NCAB Group ShenZhen Co Ltd.	China		100
NCAB Group Denmark A/S	Denmark	100	
Print Production A/S	Denmark		100
NCAB Group Estonia Oü	Estonia	100	
NCAB Group Finland OY	Finland	100	
NCAB Group France SAS	France	100	
NCAB Group Germany GmbH	Germany	100	
db electronics AG	Switzerland		100
NCAB Group Spain S.A.U	Spain	100	
Electronic Advanced Circuits S.L	Spain		100
NCAB Group Italy S.r.l.	Italy	100	
NCAB Group DVS S.r.l.	Italy		100
DVS Pacific Ltd	Hong Kong		100
NCAB Group Norway AS	Norway	100	
NCAB Group Macedonia D.o.o	North Macedonia	70	
NCAB Group Polska Sp. Z.o.o	Poland	100	
NCAB Group Portugal, S.A.	Portugal	100	
NCAB Group South East Asia SDN BHD	Malaysia	100	
NCAB Group Sweden AB	Sweden	100	
NCAB Group UK Ltd	UK	100	
NCAB Group Kestrel Ltd	UK		100
NCAB Group USA Inc.	USA	100	
Bare Board Group Inc.	USA		100
Phase 3 Technologies Inc.	USA		100
NCAB Group Benelux B.V	Netherlands	100	
Flatfield Germany GmbH	Germany		100
Elmatica AS	Norway	100	
Elmatica GmbH	Germany		100
NCAB Group AG	Switzerland	100	
NCAB Group Switzerland AG	Switzerland		100
NCAB Group SR d.o.o	Serbia		100
NCAB Group Austria GmbH	Austria	100	
3PD BV	Belgium	100	
NCAB Group Belgium BV	Belgium		100

All subsidiaries are consolidated in the Group. The voting interest in subsidiaries which are owned directly by the Parent Company does not differ from the owned share of ordinary shares.

NOTE 17 PROPERTY, PLANT AND EQUIPMENT

Improvements to third party's property:

	2024	2023
Opening balance		
Cost	16,018	13,863
Accumulated depreciation	-9,235	-6,657
Carrying amount	**6,783**	**7,206**
Period		
Foreign exchange differences	212	-266
Purchases	630	677
Additions from acquisitions and reclassifications	1,272	2,174
Depreciation	-2,754	-2,084
Depreciation from additions from acquisitions and reclassifications	-159	-924
Divestments	-387	
Closing balance		
Cost	18,301	16,018
Accumulated depreciation	-12,702	-9,235
Carrying amount	**5,599**	**6,783**

Plant and equipment:

	2024	2023
Opening balance		
Cost	47,716	38,509
Accumulated depreciation	-34,677	-27,525
Carrying amount	**13,038**	**10,984**
Period		
Foreign exchange differences	587	2,026
Purchases	4,117	4,157
Sales and disposals	-1,058	-399
Depreciation	-4,880	-7,340
Additions from acquisitions and reclassifications	2,016	9,507
Additional depreciation from acquisitions and reclassification	-1,231	-5,897
Closing balance		
Cost	54,363	47,716
Accumulated depreciation	-41,775	-34,677
Carrying amount	**12,588**	**13,038**

Right-of-use assets:

	2024	2023
Opening balance		
Cost	137,132	128,791
Accumulated depreciation	-66,707	-43,272
Carrying amount	**70,425**	**85,519**
Period		
Additions	36,291	8,342
Depreciation	-36,156	-33,812
Closing balance		
Cost	173,423	137,132
Accumulated depreciation	-95,411	-66,707
Carrying amount	**78,012**	**70,425**

NOTE 18 INTANGIBLE ASSETS

	Goodwill	Capitalised development costs	Other intangible assets	Total
Financial year 2023				
Carrying amount at beginning of year	**1,057,509**	**33,498**	**138,167**	**1,229,174**
Foreign exchange differences	-39,365	-2,138	-4,515	-46,018
Added	327,615	47,847	94,206	469,668
Amortisation			-55,456	-55,456
Carrying amount at end of year	**1,345,759**	**79,207**	**172,402**	**1,597,368**
Carrying amount				
Cost	1,345,759	106,246	327,690	1,779,695
Accumulated amortisation and impairment		-27,039	-155,288	-182,327
31 December 2023	**1,345,759**	**79,207**	**172,402**	**1,597,368**
Financial year 2024				
Carrying amount at beginning of year	**1,345,759**	**79,207**	**172,402**	**1,597,368**
Foreign exchange differences	65,442	-683	3,926	68,686
Added	185,234	264	67,677	253,175
Amortisation		-6,222	-63,669	-69,891
Carrying amount at end of year	**1,596,435**	**72,566**	**180,336**	**1,849,338**
Carrying amount				
Cost	1,596,435	105,827	399,293	2,101,556
Accumulated amortisation and impairment		-33,261	-218,957	-252,218
31 December 2024	**1,596,435**	**72,566**	**180,336**	**1,849,338**

GOODWILL BY CASH-GENERATING UNIT

31 Dec 2023	Carrying amount at beginning of year	Added/discontinued	Other adjustments (foreign exchange effect)	Carrying amount at end of year
Sweden	15,386			15,386
Denmark	30,587		-157	30,430
Norway	322,027		-21,333	300,694
Finland	10,621		-31	10,590
USA	299,692	196,272	-15,733	480,231
Netherlands	103,454		-297	103,157
Germany	28,875	84,992	-1,708	112,159
Italy	193,334	18,900	-616	211,618
UK	45,269		673	45,942
Spain		11,211	-333	10,878
Switzerland		12,650	555	13,205
Other	8,265	3,590	-384	11,471
Total	**1,057,509**	**327,615**	**-39,365**	**1,345,760**

31 Dec 2024	Carrying amount at beginning of year	Added	Other adjustments (foreign exchange effect)	Carrying amount at end of year
Sweden	15,386			15,386
Denmark	30,430	2,535	1,000	33,965
Norway	300,694		-4,766	295,928
Finland	10,590		346	10,936
USA	480,231		47,263	527,494
Netherlands	103,157		3,374	106,531
Germany	112,159		3,669	115,828
Italy	211,618	140,299	8,077	359,994
UK	45,942		3,784	49,726
Spain	10,878		356	11,234
Switzerland	13,205	28,984	921	43,110
Austria		11,405	122	11,527
Other	11,471	2,381	925	14,777
Total	**1,345,760**	**185,234**	**65,442**	**1,596,437**

The recoverable amount for a cash-generating unit (CGU, for the Group, country) is determined based on calculations of value in use. These calculations are made on the basis of estimated future cash flows before tax based on five-year financial budgets that have been approved by management. Cash flows beyond the five-year period are extrapolated using an estimated growth rate, as shown below. The growth rate does not exceed the long term growth rate for the market in which the CGU operates.

For each CGU to which a significant amount of goodwill has been allocated, the material assumptions, long-term growth rates and discount rates used in calculating value in use are indicated below.

Note 18, cont.

31 Dec 2023	Sweden	Norway	Finland	Denmark	USA	Netherlands	Italy	Germany	UK	Switzerland	Spain
Long-term growth rate, %	2	2	2	2	2	2	2	2	2	2	2
Pre-tax discount rate, %	12.2	13.5	12.9	12.8	17.3	12.7	16.2	13.9	13.6	9.2	14.6

31 Dec 2024	Sweden	Norway	Finland	Denmark	USA	Netherlands	Italy	Germany	UK	Switzerland	Spain	Austria
Long-term growth rate, %	2	2	2	2	2	2	2	2	2	2	2	2
Pre-tax discount rate, %	11.4	13.5	12.2	11.9	17.3	12.7	14.5	14	14.3	8.2	14.3	12.4

Sensitivity analysis: The five-year forecasting period is based on the budget and unchanged sales margins and sales composition. The five-year period is also based on previous earnings and management's expectations of market development as well as external information sources. No reasonable possible change in critical assumptions for NCAB's cash-generating units would result in the carrying amount exceeding the recoverable amount, with the exception of Norway where an increase in the interest rate of 2 percentage points and a decrease in sales of 3 per cent would indicate impairment.

Fair value:
For most of the Group's borrowing, the carrying amount on borrowing corresponds to its fair value given that the interest on this borrowing is in parity with prevailing market rates or because the borrowing is short-term.

Liabilities measured at fair value	31 Dec 2024	31 Dec 2023
Opening value	**0**	**0**
Additions		23,925
Final settlement		0
Recognised through profit or loss		-23,925
Restated		0
Closing value	**0**	**0**

Liabilities measured at fair value concern contingent considerations. The earnings impact on 2023 was recognised under Other operating income.

NOTE 19 FINANCIAL INSTRUMENTS BY CATEGORY

31 DEC 2024

	Assets recognised at amortised cost	Total
Assets in balance sheet		
Non-current financial assets	5,818	5,818
Trade receivables	729,916	729,916
Cash and cash equivalents	310,574	310,574
Total	**1,046,308**	**1,046,308**

	Liabilities recognised at fair value	Financial liabilities recognised at amortised cost	Total
Liabilities in balance sheet			
Borrowings		998,103	998,103
Trade payables		523,457	523,457
Other liabilities		4,955	4,955
Total		**1,526,515**	**1,526,515**

31 DEC 2023

	Assets recognised at amortised cost	Total
Assets in balance sheet		
Non-current financial assets	7,336	7,336
Trade receivables	654,962	654,962
Cash and cash equivalents	478,625	478,625
Total	**1,140,922**	**1,140,922**

	Liabilities recognised at fair value	Financial liabilities recognised at amortised cost	Total
Liabilities in balance sheet			
Borrowings		995,325	995,325
Trade payables		444,965	444,965
Other liabilities		15,228	15,228
Total		**1,455,517**	**1,455,517**

The company had no other liabilities recognised at fair value in neither 2024 nor 2023.

NOTE 20 FINANCIAL ASSETS

	31 Dec 2024	31 Dec 2023
Opening value	**7,336**	**5,533**
Foreign exchange differences	1,435	-1,578
Additions	1,476	5,120
Sales and disposals	-4,429	-1,739
Closing value	**5,818**	**7,336**

Financial assets refer to deposits for leases in Denmark, Finland, France, Italy, Sweden and the USA and in the Parent Company endowment insurance for pensions.

NOTE 21 TRADE RECEIVABLES

	31 Dec 2024	31 Dec 2023
Trade receivables	751,404	678,045
Provision for doubtful debts	-21,488	-23,083
Net trade receivables	**729,916**	**654,962**

The fair value of trade receivables is equal to the carrying amount, as the discount effect is insignificant.

Note 21, cont.

At 31 December 2024, the Group had past due trade receivables of kSEK 113,709 (124,904). The age structure of these trade receivables is shown below:

	31 Dec 2024	31 Dec 2023
1–30 days	72,655	94,189
31–90 days	20,480	22,399
> 91 days	20,575	8,316
Total trade receivables past due	**113,709**	**124,904**

At 31 December 2024, the Group recognised reversal/impairment of trade receivables of kSEK -1,150 (-5,814), pertaining to both realised and unrealised losses. The provision for probable bad debt losses is based on an age distribution pertaining to past due trade receivables that are not insured. The provision for bad debt losses is based on an assessment of outstanding receivables and insured value per customer.

The carrying amounts, for each currency, of the Group's trade and other receivables are as follows:

	31 Dec 2024	31 Dec 2023
SEK	429	2,105
EUR	191,641	153,263
USD	460,128	414,795
GBP	43,493	52,442
Other	34,225	32,356
Total	**729,916**	**654,962**

Changes in the provision for doubtful debts are as follows:

	2024	2023
Provisions for credit losses		
Opening balance	23,083	24,294
Provision for the year	351	1,655
Reversals	-1,946	-2,866
31 December	**21,488**	**23,083**

Provisions and reversals of provisions for doubtful debts are included in the item Other external expenses in profit or loss (Note 8). Other categories in trade and other receivables do not include any impaired assets. The maximum exposure to credit risk at the balance sheet date is the carrying amount, as shown above. The Group has not received any pledge as security for trade receivables but the majority of the Group's trade receivables are insured with a credit insurance company. The insurance covers losses on the condition that the terms of agreement are followed.

NOTE 22 INVENTORIES

	31 Dec 2024	31 Dec 2023
Raw materials and consumables	293,933	315,227

The cost for inventories that has been expensed is included in the item Raw materials and consumables in profit or loss, and amounts to kSEK 2,179,556 (2,537,389).

The Group did not recognise any reversals of impairment losses on inventories in 2024 or 2023.

Inventories, which totalled kSEK 293,933 (315,227) at the closing date, consist exclusively of goods with fixed orders from customers.

NOTE 23 OTHER CURRENT RECEIVABLES

	31 Dec 2024	31 Dec 2023
Tax assets	18,372	6,962
VAT receivables	8,555	11,390
Other receivables	12,201	13,428
Total	**39,128**	**31,780**

NOTE 24 PREPAID EXPENSES AND ACCRUED INCOME

	31 Dec 2024	31 Dec 2023
Prepaid rents	2,056	1,476
Accrued supplier bonus	12,571	12,820
Prepaid service agreement	7,344	4,111
Other prepaid expenses	18,702	6,628
Total	**40,673**	**25,035**

NOTE 25 CASH AND CASH EQUIVALENTS

	31 Dec 2024	31 Dec 2023
Bank deposits	310,574	478,625
Total	**310,574**	**478,625**

NOTE 26 SHARE CAPITAL AND ADDITIONAL PAID-IN CAPITAL

	Number of shares ('000)	Share capital	Other additional paid-in capital	Total
31 December 2023	**186,971**	**1,870**	**478,143**	**480,013**
31 December 2024	**186,971**	**1,870**	**478,143**	**480,013**

The share capital comprises 186,971,240 shares with a quotient value of SEK 0.01. Each share carries one vote. All shares issued by the Parent Company are fully paid up.

Dividend

In 2024, the General Meeting resolved that SEK 1.10 should be disbursed as an ordinary dividend. The 2025 General Meeting will propose a dividend of SEK 1.10 per share.

Long-term incentive plan

Participation in the incentive plan requires participants to use their own funds to acquire shares in NCAB at market price. If these investment shares are retained for three years, and the participant continues to be employed by the Group for the saving period, each investment share entitles the holder to acquire four shares in NCAB at a price corresponding to 70 per cent of the volume-weighted average price for a period of approximately two weeks in May when the plan starts. The plan continued in 2024 and is expected to continue on an annual basis in the future.

Programme:	2021-2024	2022-2025	2023-2026	2024-2027
1 January 2024	**513,000**	**549,200**	**465,800**	
Allocated				705,312
Forfeited		-88,000	-85,000	-5,200
Exercised	-513,000			
Expired				
31 December 2024	**0**	**461,200**	**380,800**	**700,112**

The fair value of the warrants was determined using the Black-Scholes model. Key input data to the model included weighted average stock valuation on the start date, the exercise price below and volatility. Volatility measured as standard deviation for expected return on the share price based on a statistical analysis of daily share prices over the past three years.

Note 26, cont.

Programme	Maximum number of instruments	Time to maturity (months)	Exercise price per share (SEK)	Volatility	Risk-free interest rate
2022-2025	461,200	6	40.33	56.16	0.01
2023-2026	380,800	18	50.80	57.26	2.80
2024-2027	700,112	30	56.02	53.79	2.38

Date of allotment	Due date 31 May	Exercise price in SEK per share	Shares
May 2022	2025	40.33	549,200
May 2023	2026	50.80	465,800
May 2024	2027	56.02	700,112

Costs for long-term incentive plan		31 Dec 2024	31 Dec 2023
2021-2024	Salary	1,266	3,193
	Social security contributions	184	2,576
2022-2025	Reversed salary	-6,509	3,906
	Reversed social security contributions	-1,942	1,239
2023-2026	Salary	2,350	2,027
	Social security contributions	161	380
2024-2027	Salary	2,743	
	Social security contributions	410	

Own shares
On 31 December 2024, the company held 120 own shares.

NOTE 27 BORROWINGS

	31 Dec 2024	31 Dec 2023
Liabilities to credit institutions		
Non-current	998,103	927,825
Current		67,500
Total borrowings	**998,103**	**995,325**

BANK LOANS

The Group's borrowing was primarily conducted in SEK and USD. Under the covenants associated with liabilities to credit institutions, net debt must not exceed 2.5 times EBITDA adjusted for IFRS 16. Cash flow/financing costs (interest and repayments of principal) must exceed 1.0.

NCAB has credit facilities totalling SEK 2,025 million, including SEK 225 million in overdraft facilities. Of these facilities, SEK 1,000 million has been utilised, and the rest remains at NCAB's disposal for future acquisitions. All loans are free of instalments and mature in autumn 2026. At the balance sheet date of 31 December 2024, the company was in compliance with all covenants under the financing agreement.

The company has no pledged assets for these loans (Note 32).

OVERDRAFT FACILITY

The Group has an agreed overdraft facility with a limit of kSEK 225,000 in the currencies SEK, EUR, USD, GBP, DKK and NOK. Of the agreed limit, kSEK 0 had been drawn at 31 December 2024 (0). The interest rate on the overdraft facility, if exercised, is STIBOR +1.5 per cent and interest is paid quarterly. The terms of the overdraft facility are linked to the covenants for the bank loans, see above.

The carrying amounts and fair values for borrowings are as follows:

	Carrying amount		Fair value	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
Liabilities to credit institutions	998,103	995,325	998,103	995,325
Total	**998,103**	**995,325**	**998,103**	**995,325**

The fair value of short-term borrowings is equal to the carrying amount, as the discount effect is insignificant. Liabilities to credit institutions are classified in Level 2 of the fair value hierarchy.

The carrying amounts, by currency, for the Group's borrowings are as follows:

	31 Dec 2024	31 Dec 2023
SEK	998,103	995,325
USD		
Total	**998,103**	**995,325**

The Group has the following undrawn credit facilities:

	31 Dec 2024	31 Dec 2023
Variable interest:		
– no maturity date	225,000	215,000
– acquisition credit	800,000	300,000
Total	**1,025,000**	**515,000**

In addition to the credit and borrowing referred to above, the Group has liabilities relating to right-of-use assets of kSEK 79,733 (75,214).

NOTE 28 DEFERRED TAX

The breakdown of deferred tax assets and liabilities is as follows:

	31 Dec 2024	31 Dec 2023
Deferred tax assets:		
– deferred tax assets usable after more than 12 months	25,873	19,539
– deferred tax assets usable within 12 months	500	1,227
Deferred tax liabilities:		
– deferred tax liabilities payable after more than 12 months	81,463	66,647
– deferred tax liabilities payable within 12 months	13,464	10,224
Deferred tax liabilities (net)	**-68,554**	**-56,105**

The gross change in respect of deferred taxes is as follows:

	2024	2023
Opening balance	**-56,105**	**-49,887**
Foreign exchange differences	-2	-5,927
Additions/disposals	-16,994	-17,029
Recognised in profit or loss (Note 13)	4,546	12,749
Directly to equity		3,989
Closing balance	**-68,554**	**-56,105**

Note 28, cont.

The change in deferred tax assets and liabilities during the year, without taking account of netting in the same tax jurisdiction, is shown in the tables below:

Deferred tax liabilities are recognised in full for customer values. Deferred tax assets are recognised under IFRS 16 in an amount of kSEK 368, employee share options kSEK 4,038, Group provisions kSEK 2,678 and kSEK 19,289 for local, temporary differences. Deferred tax assets under IFRS 16 comprise deferred tax assets of kSEK 18,641 and deferred tax liabilities of kSEK 19,010.

Deferred tax liabilities	Other	Total
1 January 2023	**62,071**	**62,071**
Recognised in profit or loss	-14,238	-14,238
Currency adjustment	4,524	4,524
Additions	24,514	24,514
31 December 2023	**76,871**	**76,871**
Recognised in profit or loss	-8,081	-8,081
Currency adjustment	2,155	2,155
Additions	23,982	23,982
31 December 2024	**94,927**	**94,927**

Deferred tax assets	Other	Tax losses	IFRS 16	Total
1 January 2023	**10,195**	**857**	**1,132**	**12,184**
Recognised in profit or loss	3,190	-857	167	2,500
Foreign exchange differences	-1,331		-72	-1,403
Additions	7,485			7,485
31 December 2023	**19,539**		**1,227**	**20,766**
Recognised in profit or loss	-3,244		-291	-3,535
Foreign exchange differences	2,720		-567	2,153
Additions	6,990			6,990
31 December 2024	**26,005**	**0**	**369**	**26,374**

Deferred tax assets are recognised for tax losses to the extent that it is probable that these can be used to offset future taxable profits. The Group has not recognised deferred tax assets of kSEK 0 (340) relating to losses of kSEK 0 (1,415) pertaining to Malaysia.

NOTE 29 ACCRUED EXPENSES AND DEFERRED INCOME

	31 Dec 2024	31 Dec 2023
Accrued holiday pay and bonuses	52,619	68,255
Accrued customer bonus	13,407	11,300
Accrued audit fees	4,931	5,928
Deferred income	310	9
Other items	46,538	45,719
Total	**117,805**	**131,211**

NOTE 30 ADJUSTMENT FOR NON-CASH ITEMS

	31 Dec 2024	31 Dec 2023
Adjustments for:		
– depreciation of property, plant and equipment (Note 17)	43,789	43,236
– amortisation of intangible assets (Note 18)	69,892	55,404
– minority share of profit for the year	101	121
– foreign exchange difference	-17,977	-41,512
– cost of option programme	-150	9,126
Total	**95,655**	**66,375**

NOTE 31 CASH FLOW FROM FINANCING ACTIVITIES

	1 January 2023	Cash flow	Non-cash change: Unrealised foreign exchange difference	Other non-cash changes	31 December 2023
Overdraft facility					
Other loans	833,767	160,000		1,558	995,325
Right-of-use liabilities	89,401	-32,552	-1,834	20,198	75,214
	923,168	**127,448**	**-1,834**	**21,756**	**1,070,539**
Cash and cash equivalents	357,839	131,459	-10,673		478,625

	1 January 2024	Cash flow	Non-cash change: Unrealised foreign exchange difference	Other non-cash changes	31 December 2024
Overdraft facility					
Other loans	995,325	-2,200		4,978	998,103
Right-of-use liabilities	75,214	-37,466	3,568	38,417	79,733
	1,070,539	**-39,666**	**3,568**	**43,395**	**1,077,836**
Cash and cash equivalents	478,625	-196,668	28,617		310,574

NOTE 32 PLEDGED ASSETS

Pledged assets	2024	2023
Other pledged assets	2,088	1,571
Total	**2,088**	**1,571**

NOTE 33 RIGHT-OF-USE ASSETS

Right-of-use assets:

Right-of-use assets	31 Dec 2024	31 Dec 2023
Properties	60,343	59,411
Vehicles	17,669	11,015
Total	**78,012**	**70,426**
Lease liability		
Current	38,462	32,376
Non-current	41,271	42,838
Total	**79,733**	**75,214**

Additions to the right-of-use assets in 2024 were kSEK 18,358 (15,506).

Depreciation of right-of-use assets	31 Dec 2024	31 Dec 2023
Properties	27,728	26,917
Vehicles	8,428	6,895
Total	**36,155**	**33,812**

Future cash flows pertaining to right-of-use assets:

31 December 2024	Less than 1 year	Between 1 and 5 years	More than 5 years
	38,780	43,934	807

31 December 2023	Less than 1 year	Between 1 and 5 years	More than 5 years
	34,419	49,019	493

	2024	2023
Interest expense	-3,941	-4,453
Expense relating to short-term leases (included in other external expenses)	-935	-583
Expense relating to leases of low-value assets that are not short-term leases (included in other external expenses)		
Expense relating to variable lease payments not included in lease liabilities (included in other external expenses)		
Repayment of lease liability	-37,466	-32,552
Total cash flow	**-42,342**	**-37,588**

NOTE 34 RELATED PARTIES

The following transactions have been made with related parties:

(a) Sale of goods and services
The Group had no sales of goods and services to related parties.

(b) Purchases of goods and services
The Group has not purchased goods and a limited amount of services from related parties.

(c) Remuneration of executive management

LONG-TERM INCENTIVE PLAN
Participation in the incentive plan requires participants to use their own funds to acquire shares in NCAB at market price. If these investment shares are retained for three years until the end of the plan, and the participant continues to be employed by the Group for the saving period, each investment share entitles the holder to acquire four performance shares in NCAB at a price equivalent to 70 per cent of market price during an adoption period of approximately two weeks before the plan starts. The cost of these plans is recognised continuously during the plan based on the estimated outcome. Share-based remuneration of executive management is recognised in the year it is assured that the options will be realised.

Programme	Exercise price	Total number of shares	Number that may go to executive management
2022-2025	40.33	461,200	328,000
2023-2026	50.80	380,800	244,800
2024-2027	56.02	700,112	462,000

Executive management has received the following remuneration.

	2024	2023
Salaries and other short-term benefits	32,548	33,126
Share-based remuneration	6,731	
Other long-term benefits		
Post-employment benefits (pension contributions)	3,688	3,182
Total	**42,967**	**36,308**

PERIOD OF NOTICE AND SEVERANCE PAY
The CEO has a notice period of 12 months if termination is made by the company and 6 months if termination is made by the CEO. There is no agreement on severance pay.

Other members of executive management have a notice period of no more than nine months if termination is made by the company and no more than six months if the termination is made by the senior executive.

Note 34, cont.

Remuneration and other benefits 2024

2024	Basic salary/fees	Variable remuneration	Retirement benefit costs	Share-based remuneration	Other remuneration	Total
Christian Salamon, Chairman of the Board	863					863
Sarah Eccleston	560					560
Anders Lindqvist	560					560
Magdalena Persson	590					590
Gunilla Rudebjer	770					770
Hans Ramel	456					456
Hans Ståhl	403					403
Peter Kruk, Chief Executive Officer	3,970	965	1,092	2,383	118	8,527
"Other executive management (11 persons)"	19,134	2,751	2,596	4,348	1,407	30,237
Total	**27,306**	**3,716**	**3,688**	**6,731**	**1,525**	**42,966**

*) Arjan Sinoo is included from 1 March to 31 December, Anders Forsén from 1 January to 31 August and Timothy Benjamin from 1 September to 31 December.

Remuneration and other benefits 2023

2023	Basic salary/fees	Variable remuneration	Retirement benefit costs	Share-based remuneration	Other remuneration	Total
Christian Salamon, Chairman of the Board	828					828
Magdalena Persson	569					569
Gunilla Rudebjer	724					724
Hans Ramel	440					440
Per Hesselmark	194					194
Hans Ståhl	362					362
Peter Kruk, Chief Executive Officer	3,523	1,574	1,011		118	6,226
"Other executive management (approx. 11 persons)*"	16,884	6,335	2,171		1,575	26,965
Total	**23,524**	**7,909**	**3,182**		**1,693**	**36,308**

*) Peter Jensen is included between 1 July and 31 December. Robert Bolson is included from 1 January until 30 November.

(d) Receivables and liabilities at year-end due to sales and purchases of goods and services
The Group has no receivables or liabilities to related parties.

(e) Loans to related parties
The Group has no loans to related parties.

(f) Pledged assets and contingent liabilities on behalf of related parties
Pledged assets to related parties amount to kSEK 2,088 (1,571).

NOTE 35 ACQUISITIONS

Cumatrix
On 11 April 2024, 100 per cent of shares was acquired in Cumatrix BV in Belgium. Operating profit together with assets and liabilities associated with the acquired company were consolidated from the transaction date. Goodwill of SEK 2.4 million arose in conjunction with the acquisition. Cumatrix contributed SEK 4 million in net sales and SEK 0.5 million in EBITA in the period between 11 April and 31 December 2024.

Acquisition costs related to the acquisition amounted to approximately SEK 1.2 million and were expensed as other external expenses in Central functions. The goodwill of SEK 2.4 million that arose from the acquisition is attributable to an increased market presence (which is not separable) and expected synergies from the merger of the Group's and Cumatrix's operations.

Purchase consideration (SEK million)	
Cash and cash equivalents	4.5
Total consideration	**4.5**

Carrying amounts of identifiable acquired assets and assumed liabilities (SEK million)	
Non-current assets	0.2
Customer relationships (included in intangible assets)	0.9
Other current assets	3.9
Other operating liabilities	-2.7
Deferred tax	-0.2
Total identifiable net assets	**2.1**
Goodwill	**2.4**

Note 35, cont.

ICOM Industrial Components AG

On 1 July 2024, 100 per cent of the shares was acquired in ICOM Industrial Components AG, Zurich, Switzerland. Operating profit together with assets and liabilities associated with the acquired company were consolidated from the transaction date. Goodwill of SEK 29 million arose in conjunction with the acquisition. ICOM Industrial Components AG contributed SEK 10 million in net sales and SEK 1 million in EBITA in the period between 1 July and 31 December 2024.

Acquisition costs related to the acquisition amounted to approximately SEK 1.1 million and were expensed as other external expenses in Central functions. The goodwill of SEK 29 million that arose from the acquisition is attributable to an increased market presence (which is not separable) and expected synergies from the merger of the Group's and ICOM's operations.

Purchase consideration (SEK million)	
Cash and cash equivalents	51.1
Total consideration	**51.1**

Carrying amounts of identifiable acquired assets and assumed liabilities (SEK million)	
Non-current assets	2.9
Customer relationships (included in intangible assets)	10.3
Other current assets	19.8
Other operating liabilities	-8.8
Deferred tax	-2.1
Total identifiable net assets	**22.1**
Goodwill	**29.0**

EPI Components Trades

On 4 July 2024, the PCB operations of EPI Components Trades in Austria were acquired. Operating profit together with assets and liabilities associated with the acquired companies were consolidated from the transaction date. Goodwill of SEK 11.4 million arose in conjunction with the acquisition. EPI contributed SEK 6 million in net sales and SEK -0.8 million in EBITA in the period between 4 July and 31 December 2024.

Acquisition costs related to the acquisition amounted to approximately SEK 0.3 million and were expensed as other external expenses in Central functions. The goodwill of SEK 11.4 million that arose from the acquisition is attributable to an increased market presence (which is not separable) and expected synergies from the merger of the Group's and EPI's operations.

Purchase consideration (SEK million)	
Cash and cash equivalents	18.1
Total consideration	**18.1**

Carrying amounts of identifiable acquired assets and assumed liabilities (SEK million)	
Non-current assets	0.0
Customer relationships (included in intangible assets)	8.1
Other current assets	0.7
Other operating liabilities	-0.2
Deferred tax	-1.9
Total identifiable net assets	**6.7**
Goodwill	**11.4**

Print Production

On 2 September 2024, 100 per cent of the shares was acquired in Print Production A/S, Denmark. Operating profit together with assets and liabilities associated with the acquired company were consolidated from the transaction date. Goodwill of SEK 2.5 million arose in conjunction with the acquisition. Print Production A/S contributed SEK 3 million in net sales and SEK 1.0 million in EBITA in the period between 2 September and 31 December 2024.

Acquisition costs related to the acquisition amounted to approximately SEK 0.3 million and were expensed as other external expenses in Central functions. The goodwill of SEK 2.5 million that arose from the acquisition is attributable to an increased market presence (which is not separable) and expected synergies from the merger of the Group's and Print Production A/S's operations.

Purchase consideration (SEK million)	
Cash and cash equivalents	6.2
Total consideration	**6.2**

Carrying amounts of identifiable acquired assets and assumed liabilities (SEK million)	
Non-current assets	
Customer relationships (included in intangible assets)	1.5
Other current assets	3.7
Other operating liabilities	-1.2
Deferred tax	-0.3
Total identifiable net assets	**3.7**
Goodwill	**2.5**

DVS Global

On 22 July 2024, an agreement was signed to acquire the PCB operations of DVS Global. The acquisition was completed on 10 October 2024. Operating profit together with assets and liabilities associated with the acquired company were consolidated from the transaction date. Goodwill of SEK 140.3 million arose in conjunction with the acquisition. DVS contributed SEK 35 million in net sales and SEK -1.1 million in EBITA in the period between 10 October and 31 December 2024.

Acquisition costs related to the acquisition amounted to approximately SEK 0.3 million and were expensed as other external expenses in Central functions. The goodwill of SEK 140.3 million that arose from the acquisition is attributable to an increased market presence (which is not separable) and expected synergies from the merger of the Group's and DVS's operations. The purchase consideration comprised SEK 207.5 million paid on transfer and a potential additional purchase consideration of SEK 40 million. The additional purchase consideration is based on the development of gross profit in 2023 compared with the gross profit for 2024, and was estimated in October at SEK 0 million based on the financial outcome up to and including October. This was also the result for the full year 2024, and accordingly no additional purchase consideration will be paid.

Purchase consideration (SEK million)	
Cash and cash equivalents	207.5
Total consideration	**207.5**

Carrying amounts of identifiable acquired assets and assumed liabilities (SEK million)	
Non-current assets	0.5
Customer relationships (included in intangible assets)	46.2
Other current assets	70.3
Other operating liabilities	-36.9
Deferred tax	-12.9
Total identifiable net assets	**67.2**
Goodwill	**140.3**

The acquisition analyses presented are preliminary. During the year, Cumatrix, ICOM, EPI, Print Production and DVS jointly contributed SEK 58.4 million in net sales and SEK 1.7 million in EBITA. If all of the acquired companies had been consolidated on 1 January 2024, the Group's net sales for the January–December 2024 period would have increased by SEK 228.5 million to SEK 3,842.5 million and EBITA by SEK 36.8 million to SEK 486.5 million.

Cash flow pertaining to acquisitions	
Additional purchase consideration BBC	-3,673
Purchase consideration Cumatrix	-4,497
Purchase consideration ICOM	-51,136
Purchase consideration EPI	-18,137
Purchase consideration Print Production	-6,195
Purchase consideration DVS	-207,649
Of which cash received Cumatrix	1,212
Of which cash received ICOM	9,079
Of which cash received Print Production	581
Of which cash received DVS	6,223
Sales Elmatica	160
Impact on cash flow	**-274,033**

NOTE 36 EVENTS AFTER THE END OF THE REPORTING PERIOD

There are no events to report.

NOTE 37 DEFINITIONS OF ALTERNATIVE PERFORMANCE MEASURES

Some of the information contained in this report that is used by management and analysts to assess the Group's performance has not been prepared in accordance with IFRS. Management believes that this information helps investors to analyse the Group's financial performance and financial position. Investors should regard this information as complementary rather than as replacing financial reporting in accordance with IFRS.

Alternative performance measure	Definition	Purpose
Gross profit	Net sales less raw materials and consumables with the addition of other operating income, which includes translation differences on trade receivables and trade payables	Gross profit provides an indication of the surplus that is needed to cover fixed and semi-fixed costs in the NCAB Group.
Gross margin	Gross profit divided by net sales.	"The gross margin provides an indication of the surplus as a percentage of net sales that is needed to cover fixed and semi-fixed costs in the NCAB Group."
EBITDA	Operating profit before depreciation, amortisation and impairment of property, plant and equipment, and intangible assets.	EBITDA along with EBITA provide an overall picture of operating earnings.
Adjusted EBITDA	"Operating profit before depreciation, amortisation and impairment of property, plant and equipment, and intangible assets adjusted for non-recurring items."	"Adjusted EBITDA is adjusted for extraordinary items. NCAB therefore considers that it is a useful performance measure for showing the company's operating earnings."
EBITA	Operating profit before amortisation and impairment of goodwill and acquisition-related intangible assets.	EBITA provides an overall picture of operating earnings.
Adjusted EBITA	"Operating profit before amortisation and impairment of goodwill and acquisition-related intangible assets adjusted for non-recurring items."	"Adjusted EBITA is adjusted for extraordinary items. NCAB therefore considers that it is a useful performance measure for showing the company's operating earnings."
Adjusted EBITA margin	"Operating profit before amortisation and impairment of goodwill and acquisition-related intangible assets adjusted for non-recurring items, divided by net sales."	"Adjusted EBITA margin is adjusted for non-recurring items. NCAB Group therefore considers that it is a useful performance measure for comparing the company's margin with other companies regardless of whether the business is driven by acquisitions or organic growth."
Return on equity	Net profit/loss for the year divided by average equity.	"Return on equity is used to analyse the company's profitability, based on how much equity is used."
Equity/assets ratio	Equity and untaxed reserves net of deferred tax, divided by total assets	"NCAB considers that this is a useful measure for showing what portion of total assets is financed by equity. It is used by management to monitor the Group's long-term financial position."
Net debt	Interest-bearing liabilities less cash and cash equivalents.	Net debt is a measure which shows the company's total indebtedness.
Net working capital	Current assets excluding cash and cash equivalents less non-interest-bearing current liabilities.	This measure shows how much working capital that is tied up in the business.
EBITDA excl. IFRS 16	EBITDA adjusted for lease expenses pertaining to assets classified as right-of-use assets.	"EBITDA along with EBITA provide an overall picture of operating earnings. Used in covenant calculations to the bank."
Net debt excl. IFRS 16	Interest-bearing liabilities excluding liabilities for right-of-use assets less cash and cash equivalents.	"Net debt is a measure which shows the company's total indebtedness and has been adjusted for IFRS 16. Used in covenant calculations to the bank."

Note 37, cont.

GROSS PROFIT

SEK million	2024	2023
Net sales	3,614.0	4,087.8
Other operating income	8.9	10.0
Raw materials and consumables	-2,281.0	-2,627.0
Total gross profit	**1,342.0**	**1,470.8**
Gross margin, %	37.1	36.0

EBITA

SEK million	2024	2023
Operating profit	386.1	591.4
Amortisation and impairment of intangible assets	63.6	55.5
EBITA	**449.7**	**646.9**
EBITA margin, %	12.4	15.8

EBITDA

SEK million	2024	2023
Operating profit	386.1	591.4
Depreciation, amortisation and impairment of property, plant and equipment, and intangible assets	113.6	98.6
EBITDA	**499.7**	**690.0**
EBITDA margin, %	13.8	16.9

RETURN ON EQUITY

SEK million	2024	2023
Profit for the year	254.8	403.9
Equity (average)	1,391.8	1,265.6
Return on equity, %	**18.3**	**31.9**

EQUITY/ASSETS RATIO

SEK million	31 Dec 2024	31 Dec 2023
Equity	1,448.2	1,335.3
Total	**1,448.2**	**1,335.3**
Total assets	3,392.0	3,221.3
Equity/assets ratio, %	**42.7**	**41.5**

NET DEBT

SEK million	31 Dec 2024	31 Dec 2023
Interest-bearing liabilities	1,077.8	1,070.5
Cash and cash equivalents	-310.6	-478.6
Total net debt	**767.3**	**591.9**
Adjusted EBITDA	499.7	690.0
Net debt/Adjusted EBITDA	**1.5**	**0.9**

NET WORKING CAPITAL

SEK million	2024	2023
Inventories	293.9	315.2
Trade receivables	729.9	655.0
Other current receivables	39.1	31.8
Prepaid expenses and accrued income	40.7	25.0
Trade payables	-523.5	-445.0
Current tax liabilities	-69.7	-81.7
Other current liabilities	-60.1	-80.7
Accrued expenses and deferred income	-117.8	-131.2
Net working capital	**332.7**	**288.4**

Parent Company income statement

kSEK	Note	2024	2023
Operating revenue			
Net sales	40	225,567	185,473
Other income		0	440
Total		**225,567**	**185,914**
Other external expenses	41.43	-154,926	-128,198
Staff costs	42	-70,397	-59,986
Depreciation of property, plant and equipment, and amortisation of intangible assets	49.50	-4,777	-40
Total operating expenses		**-230,100**	**-188,224**
Operating loss		**-4,533**	**-2,310**
Income from investments in Group companies	44	277,813	285,525
Other interest income and similar income	45	57,715	43,163
Interest expenses and similar charges	45, 48	-73,134	-102,422
Net financial income		**262,395**	**226,266**
Profit before tax		**257,861**	**223,956**
Appropriations	46	23,134	28,948
Tax on profit for the year	47	-6,150	-4,266
Profit for the year		**274,845**	**248,638**

The Parent Company has no items which are accounted for as other comprehensive income. Total comprehensive income is therefore the same as profit for the year.

The Notes on pages 72 to 77 form an integral part of this annual report.

Parent Company balance sheet

kSEK	Note	31 Dec 2024	31 Dec 2023
ASSETS			
Non-current assets			
Intangible assets			
Capitalised development expenditure	49	71,206	75,953
Total intangible assets		**71,206**	**75,953**
Property, plant and equipment			
Plant and equipment	50	35	119
Total property, plant and equipment		**35**	**119**
Non-current financial assets			
Investments in Group companies	51	970,332	909,225
Non-current receivables from Group companies	52	550,369	482,223
Other non-current receivables		2,088	1,571
Total non-current financial assets		**1,522,790**	**1,393,019**
Total non-current assets		**1,594,031**	**1,469,091**
Current assets			
Current receivables			
Receivables from Group companies	53	83,982	42,355
Other current receivables	54	4,955	4,105
Prepaid expenses and accrued income	55	8,068	4,847
Total current receivables		**97,006**	**51,306**
Cash and bank balances	56	**29,801**	**116,716**
TOTAL ASSETS		**1,720,838**	**1,637,113**

The Notes on pages 72 to 77 form an integral part of this annual report.

kSEK	Note	31 Dec 2024	31 Dec 2023
EQUITY AND LIABILITIES			
Equity	26		
Restricted equity			
Share capital (186,971,240 ordinary shares)		1,870	1,870
Non-restricted equity			
Share premium account		478,110	478,110
Retained earnings		-372,719	-408,768
Profit for the year		274,845	248,638
Total equity		**382,105**	**319,849**
Untaxed reserves	46	10,900	
LIABILITIES			
Non-current liabilities			
Liabilities to credit institutions	57	998,103	927,825
Other provisions	60	2,595	1,952
Total non-current liabilities		**1,000,699**	**929,777**
Current liabilities			
Liabilities to credit institutions	57		67,500
Trade payables		7,744	7,304
Liabilities to Group companies	53	301,401	284,932
Current tax liabilities		4,220	4,211
Other current liabilities		3,879	824
Accrued expenses and deferred income	58	9,890	22,716
Total current liabilities		**327,134**	**387,487**
TOTAL EQUITY AND LIABILITIES		**1,720,838**	**1,637,113**

The Notes on pages 72 to 77 form an integral part of this annual report.

Parent Company statement of changes in equity

		Restricted equity	Non-restricted equity		
	Note	Share capital	Share premium account	Retained earnings and net profit for the year	Total equity
Opening balance on 1 January 2023	26	**1,870**	**478,110**	**-203,100**	**276,880**
Comprehensive income					
Profit for the year				248,638	248,638
Total comprehensive income				**248,638**	**248,638**
Dividend				-205,668	-205,668
Total transactions with shareholders, recognised directly in equity				**-205,668**	**-205,668**
Closing balance on 31 December 2023		**1,870**	**478,110**	**-160,130**	**319,850**
Opening balance on 1 January 2024	26	**1,870**	**478,110**	**-160,130**	**319,850**
Comprehensive income					
Profit for the year				274,845	274,845
Total comprehensive income				**274,845**	**274,845**
Dividend				-205,668	-205,668
Costs for incentive plans				16,922	16,922
Own shares				-23,843	-23,843
Total transactions with shareholders, recognised directly in equity				**-212,589**	**-212,589**
Closing balance on 31 December 2024		**1,870**	**478,110**	**-97,875**	**382,105**

The Notes on pages 72 to 77 form an integral part of this annual report.

Parent Company statement of cash flows

kSEK	Note	31 Dec 2024	31 Dec 2023
Cash flow from operating activities			
Profit before net financial income/expense		-4,533	-2,310
Adjustment for non-cash items	59	30,026	15,764
Interest received		26,135	43,163
Dividends received		277,813	285,525
Interest paid and other financial items		-73,260	-85,128
Income taxes paid		-6,141	-3,831
Cash flow from operating activities before changes in working capital		**250,040**	**253,183**
Change in current receivables		-43,867	119,932
Change in current operating liabilities		7,264	9,185
Total changes in working capital		**-36,603**	**129,117**
Cash flow from operating activities		**213,437**	**382,300**
Cash flow from investing activities			
Investments in intangible assets	49		-47,400
Investments in property, plant and equipment	50		-16
Investments in financial assets		-68,664	-214,805
Investments in subsidiaries	51	-57,854	-560
Cash flow from investing activities		**-126,518**	**-262,781**
Cash flow from financing activities			
Dividend	26	-205,668	-205,668
Borrowings		1,000,000	160,000
Repayment of liability		-1,000,000	
Transaction costs loan		-2,200	
Group contributions received		34,034	
Cash flow from financing activities		**-173,834**	**-45,668**
Decrease/increase in cash and cash equivalents			
Cash flow for the year		-86,915	73,850
Cash and cash equivalents at beginning of year		116,716	42,866
Cash and cash equivalents at end of year		**29,801**	**116,716**

The Notes on pages 72 to 77 form an integral part of this annual report.

Parent Company notes

NOTE 38 GENERAL INFORMATION

NCAB Group AB (publ) is the Parent Company of NCAB Group, which is a global company engaged in the production of printed circuit boards (PCBs). The Parent Company is a public limited liability company registered in Sundbyberg. The address of the head office is Löfströms allé 5, SE-172 66 Sundbyberg, Sweden. Since June 2018, the Parent Company is listed on Nasdaq Stockholm.

Unless otherwise specifically indicated, all amounts refer to thousands of Swedish kronor (kSEK). Figures in parentheses pertain to the comparative year.

NOTE 39 SUMMARY OF SIGNIFICANT PARENT COMPANY ACCOUNTING POLICIES

Significant accounting policies applied in preparing these annual accounts are described in the following. Unless otherwise stated, these policies have been applied consistently for all the years presented.

The annual accounts of NCAB Group AB (the Parent Company) have been prepared in accordance with RFR 2 Financial Reporting for Legal Entities and the Swedish Annual Accounts Act. In cases where the Parent Company applies other accounting policies than the Group's accounting policies, as described in Note 2 to the consolidated financial statements, this is indicated in the following.

The annual accounts have been prepared in accordance with the cost method. Preparing financial statements in compliance with RFR 2 requires the use of critical accounting estimates. Management is also required to make certain judgements in applying the Parent Company's accounting policies. Areas which involve a high degree of judgement, are complex or where assumptions and estimates have a material impact on the annual accounts are described in Note 4 to the consolidated financial statements.

Through its activities, the Parent Company is exposed to a wide range of financial risks: market risk (comprising currency risk, fair value interest rate risk, cash flow interest rate risk), credit risk and liquidity risk. The Parent Company's overall risk management policy focuses on the unpredictability of financial markets and strives to minimise potential adverse effects on the Group's financial results. For more information on financial risks, see Note 3 to the consolidated financial statements.

The Parent Company applies other accounting policies than the Group in the cases indicated below.

Formats

The format prescribed in the Swedish Annual Accounts Act is used for the income statement and balance sheet. The statement of changes in equity follows the format used in the Group but is required to contain the components specified in the Annual Accounts Act. This also means that different names are used than in the consolidated financial statements, primarily with regard to financial income and expense, and equity.

Investments in subsidiaries

Investments in subsidiaries are stated at cost less any impairment. Cost includes acquisition-related costs. When there is an indication that investments in subsidiaries are impaired, an estimate is made of the recoverable amount. If the recoverable amount is less than the carrying amount, an impairment loss is recognised. Impairment losses are recognised in the item Income from investments in Group companies.

Financial instruments

IFRS 9 is not applied in the Parent Company, and financial instruments are measured at cost. In subsequent periods, financial assets which have been acquired with the intention of being held for the short term are recognised at the lower of cost or market value in accordance with the lower of cost or market method.

At each balance sheet date, the Parent Company assesses whether there are any indicators that financial assets may be impaired.

An impairment loss is recognised if the decline in value is deemed to be permanent. Impairment losses on interest-bearing financial assets at amortised cost are defined as the difference between the carrying amount of the asset and the present value of management's best estimate of future cash flows discounted at the asset's original effective interest rate. The impairment loss for other non-current financial assets is defined as the difference between the carrying amount and the higher of fair value less selling expenses and the present value of future cash flows (based on management's best estimate).

NOTE 40 BREAKDOWN OF NET SALES

Net sales by geographic location of customers. The Parent Company's revenue comes exclusively from services to Group companies.

	2024	2023
Nordic region	41,671	35,808
Rest of Europe	119,973	95,514
North America	48,780	33,120
Asia	15,143	21,030
Total	**225,567**	**185,473**

NOTE 41 OTHER EXTERNAL EXPENSES

	2024	2023
Cost of premises	4	3,642
Travel expenses	3,274	2,122
Marketing	6,009	5,826
IT	82,779	52,994
Other	62,860	63,614
Total	**154,926**	**128,198**

NOTE 42 EMPLOYEE BENEFITS, ETC.

	2024	2023
Salaries and other benefits	38,240	36,309
Social security contributions	17,233	12,146
Retirement benefit costs – defined contribution plans	5,608	4,582
Total employee benefits	**61,081**	**53,036**

Salaries and other benefits:

	2024		2023	
	Salaries and other benefits (of which bonuses)	Retirement benefit costs	Salaries and other benefits (of which bonuses)	Retirement benefit costs
Directors, CEOs and other executive management	16,241 (1,297)	1,675	10,862 (2,256)	1,428
Other employees	21,999	3,933	25,447	3,154
Total	**38,240**	**5,608**	**36,309**	**4,582**

Average number of employees by country:

	2024		2023	
	Average number of employees	Of whom, women	Average number of employees	Of whom, women
Sweden	31	13	25	12
Total	**31**	**13**	**25**	**12**

Note 42, cont.

Gender distribution for Directors and other executive management:

	2024		2023	
	On balance sheet date	Of whom, women	On balance sheet date	Of whom, women
Board of Directors	6	3	5	2
CEO and other executive management	2		2	
Total	**8**	**3**	**7**	**2**

NOTE 43 AUDIT FEES

	2024	2023
PwC		
– Audit engagement	2,858	2,895
– Tax advisory services	80	82
– Other services	222	524
Total	**3,160**	**3,501**

NOTE 44 INCOME FROM INVESTMENTS IN SUBSIDIARIES

	2024	2023
Dividends	277,813	285,525
Total	**277,813**	**285,525**

NOTE 45 INTEREST INCOME AND SIMILAR INCOME, AND INTEREST EXPENSES AND SIMILAR CHARGES

	2024	2023
Interest income on bank balances	4,841	7,678
Interest income on receivables from Group companies	23,126	35,485
Exchange-rate change	29,748	
Total interest income and similar income	**57,715**	**43,163**

	2024	2023
Interest expenses on liabilities to credit institutions	57,549	50,360
Interest expenses on liabilities to Group companies	9,150	29,319
Foreign exchange losses		17,293
Other financial expense	6,434	5,449
Total interest expenses and similar charges	**73,134**	**102,422**
Net financial income/expense	**-15,418**	**-59,259**

NOTE 46 APPROPRIATIONS

	2024	2023
Group contributions from NCAB Group Sweden AB	34,034	27,948
Allocation to tax allocation reserve	-10,900	
Reversal of tax allocation reserve		1,000
Total appropriations	**23,134**	**28,948**

The total tax allocation reserve is kSEK 10,900 (0).

NOTE 47 TAX ON PROFIT FOR THE YEAR

Tax recognised in income statement	2024	2023
Current tax:	20.6%	20.6%
Current tax on profit for the year	6,746	1,612
Tax from prior years	-595	2,654
Total current tax	**6,150**	**4,266**

	2024	2023
Profit before tax	**280,995**	**252,904**
Income tax calculated at tax rate in Sweden (20.6%)	-57,885	-52,098
Tax effects of:		
Non-taxable income	4	
Non-taxable dividends	57,229	58,828
Non-deductible expenses	-5,517	-8,325
Deductible expenses not included in profit or loss		-16
Adjustments for previous year	595	-2,654
Other tax adjustments	-577	
Total reported tax	**-6,150**	**-4,266**

NOTE 48 NET FOREIGN EXCHANGE DIFFERENCES

Foreign exchange differences have been recognised in profit or loss as follows:

	2024	2023
Net financial income/expense (Note 45)	29,748	-17,293
Total	**29,748**	**-17,293**

As of 2018, the company recognises foreign exchange differences on a net basis in Other interest income and similar income and Interest expenses and similar charges.

NOTE 49 INTANGIBLE ASSETS

Capitalised development costs:

	2024	2023
Cost		
Opening balance	81,969	34,569
Reduction in accumulated cost as a result of disposals	-4,338	
Purchases for the period		47,400
Closing balance	**77,631**	**81,969**
Accumulated amortisation and impairment		
Opening balance	-6,016	-6,010
Reduction in accumulated cost as a result of disposals	4,338	
Amortisation	-4,747	-6
Closing balance	**-6,425**	**-6,016**
Carrying amount		
Cost	77,631	81,969
Accumulated amortisation and impairment	-6,425	-6,016
Closing balance	**71,206**	**75,953**

NOTE 50 PROPERTY, PLANT AND EQUIPMENT

Plant and equipment:

	2024	2023
Opening balance		
Cost	833	1,459
Accumulated depreciation	-714	-1,323
Carrying amount	**119**	**136**
Purchases for the period		16
Reduction in accumulated cost as a result of disposals	-511	-642
Depreciation for the period	-30	-33
Reduction in accumulated depreciation as a result of disposals	457	642
Closing balance		
Cost	323	833
Accumulated depreciation	-287	-714
Carrying amount	**36**	**119**

NOTE 51 PARTICIPATIONS IN GROUP COMPANIES

	31 Dec 2024	31 Dec 2023
Cost at beginning of year	909,225	908,665
Acquisition, subsidiaries	57,854	560
Capital contribution adjustment	3,253	
Cost at end of year	**970,332**	**909,225**

Name	Country of registration and operation	Corp. ID no.	Percentage of ordinary shares owned directly by the Parent Company	Percentage of ordinary shares owned by the Group	Carrying amount 31 Dec 2024	Carrying amount 31 Dec 2023
Elmatica AS	Norway	921513240	100%	100%	401,449	401,449
NCAB Group Austria	Austria	ATU80468245	100%	100%	663	
NCAB Group Belgium	Belgium	BE0437112484	100%	100%	5,419	
NCAB Group Benelux B.V	Netherlands	NL859059613B01	100%	100%	71,077	70,809
NCAB Group Asia Ltd.	Hong Kong	51293694-000-10-09-6	100%	100%	581	9
NCAB Group Denmark A/S	Denmark	25872231	100%	100%	56,499	56,499
NCAB Group Estonia Oü	Estonia	14267913	100%	100%	25	25
NCAB Group Finland OY	Finland	FI1098064-7	100%	100%	38,588	38,388
NCAB Group France SAS	France	RCS Orleans 530 469 634	100%	100%	317	88
NCAB Group Germany GmbH	Germany	HRB166986	100%	100%	2,059	1,791
NCAB Group Iberia S.A	Spain	A83663161	100%	100%	2,976	2,976
NCAB Group Italy S.r.l.	Italy	9729860966	100%	100%	198,553	198,324
NCAB Macedonia A.D.	North Macedonia	01012278-3-o3-ooo	70%	70%	82	82
NCAB Group Norway AS	Norway	980025985	100%	100%	19,952	19,723
NCAB Group Sweden AB	Sweden	556622-9364	100%	100%	57,081	57,081
NCAB Group AG	Switzerland	CHE352967141	100%	100%	51,772	
NCAB Group Polska Sp. Z.o.o	Poland	KRS0000281188 REGON 140982368	100%	100%	579	122
NCAB Group Portugal, S.A.	Portugal	517870991	100%	100%	561	560
NCAB Group South East Asia SDN BHD	Malaysia	1305701-D	100%	100%	222	221
NCAB Group UK Ltd	UK	7071477	100%	100%	191	1
NCAB Group USA Inc.	USA	n/a	100%	100%	61,686	61,077
					970,332	**909,225**

NOTE 52 NON-CURRENT RECEIVABLES, GROUP COMPANIES

	31 Dec 2024	31 Dec 2023
NCAB Group Italy S.r.l.	229,180	55,480
NCAB Group USA Inc.	256,446	321,331
NCAB Group Germany GmbH	64,743	105,412
Total	**550,369**	**482,223**

NOTE 53 CURRENT RECEIVABLES AND LIABILITIES, GROUP COMPANIES

Receivables	31 Dec 2024	31 Dec 2023
NCAB Group Kestrel Ltd	5,346	3,130
NCAB Group Austria	20,091	
NCAB Group Benelux B.V	2,860	3,490
NCAB Group DVS S.R.L.	2,410	
NCAB Group France SAS	10,405	13,968
NCAB Group Italy S.r.l.	3,995	2,540
NCAB Group Southeast Asia	565	2,551
NCAB Group Iberia, S.A.U.	14,822	7,195
NCAB Group Asia Ltd.	2,520	4,438
NCAB Group Portugal, S.A.	2,901	
NCAB Group Switzerland AG	1,057	
NCAB Group USA Inc.	17,012	5,043
Total	**83,982**	**42,355**

Liabilities	31 Dec 2024	31 Dec 2023
Elmatica AS	29,145	17,243
NCAB Group Estonia OÜ	5,494	5,112
NCAB Group Norway AS	65,436	60,584
NCAB Group Finland OY	37,527	37,004
NCAB Group Denmark A/S	13,323	32,347
NCAB Group UK Ltd	54,341	51,910
NCAB Kestrel Ltd		21,935
NCAB Group Germany GmbH	66,607	10,357
NCAB Group Polska Sp. Z.o.o	142	9,930
NCAB Group Sweden AB	29,387	38,510
Total	**301,401**	**284,932**

NOTE 54 OTHER CURRENT RECEIVABLES

	31 Dec 2024	31 Dec 2023
VAT	656	2,109
Other tax assets		1,996
Other receivables	4,299	
Total	**4,955**	**4,105**

NOTE 55 PREPAID EXPENSES AND ACCRUED INCOME

	31 Dec 2024	31 Dec 2023
Service contracts	6,436	3,349
Other items	1,632	1,498
Total	**8,068**	**4,847**

NOTE 56 CASH AND BANK BALANCES

	31 Dec 2024	31 Dec 2023
Bank deposits	29,801	116,716
Total	**29,801**	**116,716**

NOTE 57 BORROWINGS

Non-current liabilities to credit institutions	31 Dec 2024	31 Dec 2023
Liabilities	998,103	927,825
Total	**998,103**	**927,825**

Current	31 Dec 2024	31 Dec 2023
Overdraft facilities		
Liabilities to credit institutions		67,500
Total		**67,500**

The Parent Company's borrowing is in SEK. The Parent Company's borrowings consist of loans from Nordea.

Under the covenants associated with liabilities to credit institutions, net debt must not exceed 2.5 times EBITDA, cash flow/financing costs (interest and repayments of principal) must exceed 1.0.

On 31 December, NCAB had a loan of SEK 550 million and three acquisition credits totalling SEK 1,250 million (of which SEK 450 million was drawn). In addition, there were other credit facilities of SEK 210 million. All credits are free of instalments and expire in 2026. The interest rate on the loan is STIBOR +1.5 per cent. At the balance sheet date of 31 December 2024, the company was in compliance with all covenants under the financing agreement.

OVERDRAFT FACILITY

The Parent Company has an agreed overdraft facility in the currencies SEK, USD, EUR, GBP, NOK and DKK, and is part of a European cash pool for NCAB's companies in Sweden, Finland, Norway, Denmark and the UK. Of the available overdraft facility of SEK 200 million, SEK 0 million had been drawn at 31 December 2024 (0). The overdraft facility is subject to a variable interest rate defined as STIBOR +1.5 per cent, which is paid quarterly. The terms of the overdraft facility are covered by the terms applying for other bank loans from Nordea.

The carrying amounts and fair values for long-term borrowings are as follows:

	Carrying amount		Fair value	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
Liabilities to credit institutions	998,103	927,825	998,103	927,825
Total	**998,103**	**927,825**	**998,103**	**927,825**

The fair value of short-term borrowings is equal to the carrying amount, as the discount effect is insignificant.

The carrying amounts, by currency, for the Parent Company's borrowings are as follows:

	31 Dec 2024	31 Dec 2023
SEK	998,103	995,325
Total	**998,103**	**995,325**

The Parent Company has the following undrawn credit facilities:

	31 Dec 2024	31 Dec 2023
Variable interest:		
– no maturity date	200,000	200,000
– maturity date	810,000	300,000
Total	**1,010,000**	**500,000**

Note 57, cont.

The following table shows an analysis of the Parent Company's non-derivative financial liabilities that are financial liabilities by remaining maturity from the balance sheet date. The amounts indicated in the table are the contractual, undiscounted cash flows. Financial liabilities non-derivative.

31 December 2024	Less than 3 months	Between 3–12 months	Between 12–24 months	Between 2–5 years
Borrowings	13,076	39,229	1,047,947	
Trade payables	7,744			
Accrued expenses and deferred income	9,890			

31 December 2023	Less than 3 months	Between 3–12 months	Between 12–24 months	Between 2–5 years
Borrowings	11,881	102,340	132,711	858,434
Trade payables	7,304			
Accrued expenses and deferred income	22,716			

NOTE 58 ACCRUED EXPENSES AND DEFERRED INCOME

	31 Dec 2024	31 Dec 2023
Accrued holiday pay and bonuses, and social security contributions	6,384	14,692
Accrued audit fees	1,200	1,870
Other items	2,306	6,154
Total	**9,890**	**22,716**

NOTE 59 ADJUSTMENT FOR NON-CASH ITEMS

	31 Dec 2024	31 Dec 2023
Adjustment for:		
– disposals property, plant and equipment	54	
– depreciation of property, plant and equipment (Note 50)	30	33
– amortisation of intangible assets (Note 49)	4,747	6
– foreign exchange difference	29,748	17,283
– arrangement fee for loans	4,978	-1,558
– share-based remuneration	-10,174	
– provision for endowment insurance	643	
Total	**30,026**	**15,764**

NOTE 60 PLEDGED ASSETS

Pledged assets	31 Dec 2024	31 Dec 2023
Other pledged assets	2,088	1,571
Total	**2,088**	**1,571**

Pledged assets pertain to an endowment insurance for pensions.

The Group's income statements and balance sheets will be presented for approval to the Annual General Meeting on 8 May 2025.
The Board of Directors and Chief Executive Officer affirm that the consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS), as adopted by the EU, and provide a true and fair view of the Group's financial position and results. The annual accounts have been prepared in accordance with generally accepted accounting standards and provide a true and fair view of the Parent Company's financial position and results.
The directors' report for the Group and Parent Company provides a true and fair overview of the development of the Group's and Parent Company's business, financial position and results, and describes significant risks and uncertainties faced by the Parent Company and the companies included in the Group.

Sundbyberg, 2 April 2025

Christian Salamon
Chairman

Hans Ramel
Board member

Sarah Eccleston
Board member

Gunilla Rudebjer
Board member

Anders Lindqvist
Board member

Hans Ståhl
Board member

Magdalena Persson
Board member

Peter Kruk
Chief Executive Officer

We submitted our audit report on 2 April 2025
Öhrlings PricewaterhouseCoopers AB

Johan Engstam
Authorised Public Accountant

Auditor's Report

To the general meeting of the shareholders of NCAB Group AB (publ),
Corporate Identity Number 556733-0161

REPORT ON THE ANNUAL ACCOUNTS AND CONSOLIDATED ACCOUNTS

Opinions

We have audited the annual accounts and consolidated accounts of NCAB Group AB (Publ) for the year 2024. The annual accounts and consolidated accounts of the company are included on pages 42-78 in this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of parent company and the group as of 31 December 2024 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of 31 December 2024 and their financial performance and cash flow for the year then ended in accordance with IFRS Accounting Standards as adopted by the EU, and the Annual Accounts Act. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the group.

Our opinions in this report on the annual accounts and consolidated accounts are consistent with the content of the additional report that has been submitted to the parent company's audit committee in accordance with the Audit Regulation (537/2014) Article 11.

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements. This includes that, based on the best of our knowledge and belief, no prohibited services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided to the audited company or, where applicable, its parent company or its controlled companies within the EU.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Our audit approach

Audit scope

We designed our audit by determining materiality and assessing the risks of material misstatement in the consolidated financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

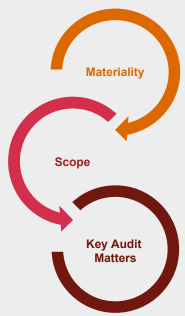
We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the group operates.

NCAB Group sells printed circuit boards all over the world. The group does not operate its own factories and therefore does not have its own manufacturing, but works with a selection of contract manufacturers mainly based in China. NCAB Group has a clear growth target and has grown gradually both organically and through acquisitions. We therefore place extra emphasis on goodwill valuation and acquisition accounting in our audit. Our audit covers the parent company and the group's larger subsidiaries. If necessary, we communicate with selected subsidiaries and local auditors also outside Sweden to gain an understanding of the local operations and their routines and controls in the financial reporting.

Materiality

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

Overview



Materiality
- Overall materiality figure: SEK 36 million, which corresponds to approximately 1% of the Group's net sales

Focus and scope
- We have performed an audit covering NCAB Group AB (publ) and 8 major subsidiaries in 8 countries.

Key Audit Matters
- Valuation of Goodwill
- Accounting for significant business transactions

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall group materiality for the consolidated financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Group materiality ratio	36,0 MSEK
How we determined it	The materiality figure was based on approximately 1% of the Group's turnover.
Justification for the choice of materiality figures	We have chosen to determine the materiality figure based on the Group's turnover as, in our opinion, it is the most relevant measure by which the Group's development is most often measured, especially as the Group continues to expand. The 1% level is considered in auditing standards to be an acceptable quantitative materiality threshold.

We agreed with the audit committee that we would report detected misstatements that exceeded SEK 2.0 million as well as misstatements that were below this amount but that, in our opinion, should be reported for qualitative reasons.

Key audit matters

Key audit matters of the audit are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts and consolidated accounts of the current period. These matters were addressed in the context of our audit of, and in forming our opinion thereon, the annual accounts and consolidated accounts as a whole, but we do not provide a separate opinion on these matters.

Key audit matter	*How our audit considered the key audit matter*
Valuation of Goodwill *See also Note 2 (Accounting principles), Note 4 (Estimates and judgments) and Note 18 (Intangible assets - Impairment test).* The Group's balance sheet includes goodwill totaling SEK 1,596 million, which constitutes a significant portion, approximately 47%, of the Group's total assets. Goodwill is not amortized but is instead subject to an annual impairment test. The valuation of goodwill is based on management's subjective assessments of future cash flows based on assumptions about future growth, margin and estimated return requirements, which means that the valuation is inherently uncertain as it can be affected by unexpected future events. The risk here is that the company's impairment test is based on incorrect or unreasonable estimates and assessments and that this would mean that an impairment requirement was not detected. The company's impairment test has not resulted in an impairment.	In our audit, we have paid particular attention to management's assessment of any impairment. In evaluating the assumptions, which are described in Note 18, we have performed, among other things, the following audit procedures to assess their reasonableness: • We have reviewed the structure of the valuation model. • We have tested and evaluated management's assumptions regarding discount rate, growth and margins. We test the assumptions based on what is included in the budget and business plan, the results of the units, our knowledge of the NCAB Group's development and other verifiable information. This includes monitoring the accuracy of the forecasts for historical periods. This provides us with a basis for testing the assumptions regarding future development. Regarding the discount rate, this is based on our review of the company's calculation of this rate and assessment of the inherent risk of conducting business in current markets. • In connection with testing for any impairment requirement, we have also checked the sensitivity of the valuation on a sample basis through sensitivity analysis for negative changes in significant parameters that could, on an individual or collective basis, result in an impairment requirement. • We have also assessed whether the accounting principles and disclosures provided in the annual report are fair and in accordance with IFRS. No significant observations have emerged from this review.

Key audit matter	*How our audit considered the key audit matter*
Accounting for significant business combinations *See also Note 2 (Accounting principles) and Note 35 (Acquisitions).* During 2024, the Group has completed five acquisitions of varying sizes and purchase prices totaling SEK 288 million In connection with acquisitions, the company prepares an acquisition analysis in which all acquired assets and liabilities are valued at fair value. The difference between the purchase price and the fair value of acquired assets and liabilities consists of goodwill. The valuation of the identified assets and liabilities is dependent on management's assessments and estimates. There is a risk that management's valuations are based on incorrect or unreasonable assessments and estimates and that this would result in errors in the valuation of acquired assets, liabilities or goodwill not being discovered.	We have reviewed management's analysis of the acquisitions and relevant documents such as purchase agreements and performed, among other things, the following audit procedures: • We have reviewed management's allocation and valuation of transferred consideration on identifiable assets and assumed liabilities. • We have evaluated management's assessments and estimates in connection with these valuations. • Finally, we checked the completeness and accuracy of the information provided in the annual report, and that it is fair and in accordance with IFRS. The results of these review steps have not given rise to any significant audit observations.

Other Information than the annual accounts and consolidated accounts

This document also contains other information than the annual accounts and consolidated accounts and is found on pages 1-32, 40 and 84-106 The Remuneration report published on the companies web page at the same time as this report is also considered as other information. The Board of Directors and the Managing Director are responsible for this other information.

Our opinion on the annual accounts and consolidated accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts and consolidated accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Director's and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act and, concerning the consolidated accounts, in accordance with IFRS Accounting Standards as adopted by the EU. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts, The Board of Directors and the Managing Director are responsible for the assessment of the company's and the group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intend to liquidate the company, to cease operations, or has no realistic alternative but to do so.

The Audit Committee shall, without prejudice to the Board of Director's responsibilities and tasks in general, among other things oversee the company's financial reporting process.

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts and consolidated accounts.

A further description of our responsibility for the audit of the annual accounts and consolidated accounts is available on Revisorsinspektionen's website: www.revisorsinspektionen.se/revisornsansvar. This description is part of the auditor´s report.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

The auditor's examination of the administration of the company and the proposed appropriations of the company's profit or loss

Opinions

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Director's and the Managing Director of NCAB Group AB (Publ) for the year 2024 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Director's and the Managing Director be discharged from liability for the financial year.

Basis for Opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of the Board of Director's and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the group's type of operations, size and risks place on the size of the parent company's and the group' equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the group's financial situation and ensuring that the company´s organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner. The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

A further description of our responsibility for the audit of the administration is available on Revisorsinspektionen's website: www.revisorsinspektionen.se/revisornsansvar. This description is part of the auditor's report.

The auditor's examination of the ESEF report

Opinion

In addition my our audit of the annual accounts and consolidated accounts, we have also examined that the Board of Directors and the Managing Director have prepared the annual accounts and consolidated accounts in a format that enables uniform electronic reporting (the Esef report) pursuant to Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528) for NCAB Group AB (publ) for the financial year 2024.

Our examination and our opinion relate only to the statutory requirements.

In our opinion, the Esef report has been prepared in a format that, in all material respects, enables uniform electronic reporting.

Basis for Opinion

We have performed the examination in accordance with FAR's recommendation RevR 18 Examination of the Esef report. Our responsibility under this recommendation is described in more detail in the Auditors' responsibility section. We are independent of NCAB Group AB (publ) in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Board of Director's and the Managing Director

The Board of Directors (and the Managing Director) are responsible for the preparation of Esef report in accordance with the Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), and for such internal control that the Board of Directors and the Managing Director determine is necessary to prepare the Esef report without material misstatements, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to obtain reasonable assurance whether the Esef report is in all material respects prepared in a format that meets the requirements of Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), based on the procedures performed.

RevR 18 requires us to plan and execute procedures to achieve reasonable assurance that the Esef report is prepared in a format that meets these requirements.

Reasonable assurance is a high level of assurance, but it is not a guarantee that an engagement carried out according to RevR 18 and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the ESEF report.

The firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

The examination involves obtaining evidence, through various procedures, that the Esef report has been prepared in a format that enables uniform electronic reporting of the annual accounts and consolidated accounts. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement in the report, whether due to fraud or error. In carrying out this risk assessment, and in order to design audit procedures that are appropriate in the circumstances, the auditor considers those elements of internal control that are relevant to the preparation of the Esef report by the Board of Directors (and the Managing Director), but not for the purpose of expressing an opinion on the effectiveness of those internal controls. The examination also includes an evaluation of the appropriateness and reasonableness of assumptions made by the Board of Directors and the Managing Director.

The procedures mainly include a validation that the Esef report has been prepared in a valid XHMTL format and a reconciliation of the Esef report with the audited annual accounts and consolidated accounts.

Furthermore, the procedures also include an assessment of whether the consolidated statement of financial performance, financial position, changes in equity, cash flow and disclosures in the Esef report have been marked with iXBRL in accordance with what follows from the Esef regulation.

Öhrlings PricewaterhouseCoopers AB, 113 97 Stockholm, was appointed auditor of NCAB Group AB (Publ) by the general meeting of the shareholders on the 8 May 2024 and has been the company's auditor since the 2 July 2007. NCAB Group AB (publ) has been a public interest company since June 5, 2018.

Stockholm, 2 April 2025
Öhrlings PricewaterhouseCoopers AB

Johan Engstam
Authorized Public Accountant

Annual General Meeting

ANNUAL GENERAL MEETING

The Annual General Meeting (AGM) of NCAB Group AB (publ.) will be held on Wednesday, 8 May 2025 at 10:00 a.m. in Sundbyberg, Sweden.

PAYMENT OF DIVIDENDS

The Board of Directors proposes a dividend of SEK 1.10 per share. The dividend is equivalent to a total of SEK 205.7 million. The AGM's decision on dividends will include the day when shareholders must be registered in the shareholders' register maintained by Euroclear Sweden AB in order to be entitled to dividends. The Board has proposed 12 May 2025 as the record date. On the condition that the AGM resolves in accordance with this proposal, the dividend payment is expected to be distributed by Euroclear Sweden AB on 15 May 2025 to those who are registered in the shareholders' register on the record date.

Financial calendar

Interim report January–March 2025	25 April 2025
2025 Annual General Meeting	8 May 2025
Interim report January–June 2025	22 July 2025
Interim report January–September 2025	24 October 2025

Sustainability report

Discarded material from a PCB is inspected by Kevin Ke, Sourcing Vice Manager/CIS at Factory Management in China.

NCAB's sustainability report

NCAB's sustainability report complies with the guidelines of the international Global Reporting Initiative (GRI) and is prepared in accordance with GRI Universal Standards 2021. The sustainability report includes the companies that are covered by NCAB's statutory annual accounts, see page 49. The GRI content index on pages 99–102 refers to information included in the sustainability report.

NCAB is subject to the requirements for sustainability reporting in accordance with Chapter 6, Section 11 of the Swedish Annual Accounts Act. The Board of Directors is responsible for the statutory sustainability report, which is provided in the Annual Report on pages 5, 32 and 85–106.

From the 2025 financial year, NCAB is subject to the new sustainability reporting requirements under CSRD as implemented in the Swedish Annual Accounts Act. The 2024 report was not prepared in accordance with these requirements but implementation work has started and the content of some parts of the report were prepared in line with the new standards (ESRS).

NCAB prepares an annual overall presentation of its sustainability work. The latest report was published in April 2024.

The contact person for the sustainability report is NCAB's Group Sustainability Director, Anna Lothsson.

Materiality assessment

NCAB's sustainability strategy and the goals set for the operations, as well as the content of this sustainability report, are based on the results of the materiality assessment. Prior to this, NCAB regularly identified and prioritised the operations' material sustainability matters on the basis of external monitoring, legislation, industry analysis and stakeholder perspectives.

In 2024, an updated materiality assessment was compiled in accordance with the requirements for double materiality in the EU Corporate Sustainability Reporting Directive (CSRD). This work included the identification of additional sustainability matters where NCAB's operations are deemed to have an actual or potential impact on people and the environment, as well as identifying sustainability-related financial risks and opportunities with the support of the Group's risk assessment model. The materiality assessment was based on a value chain perspective and the topics included in the CSRD reporting standards, ESRS. The time horizon used in the review was through to 2030 and after 2030, respectively.

The process and result of the double materiality assessment has been validated and approved by the NCAB Board in the autumn of 2024.

The result of the updated materiality assessment closely matches the existing strategy and focus issues, and will form the basis for the next updated strategy in 2026. Some topics require additional analysis to further define and assess NCAB's impacts or risks, as well as governance capacity. These include risks related to water use in production, as well as impacts on biodiversity when extracting raw materials.

The illustration below provides an overview of the material sustainability matters identified for NCAB, from an impact and financial perspective.

MATERIAL SUSTAINABILITY AREAS	DESCRIPTION OF MATERIAL IMPACTS, RISKS AND OPPORTUNITIES (IRO)	VALUE CHAIN	IMPACT MATERIALITY	FINANCIAL MATERIALITY	FOCUS AREAS IN NCAB's SUSTAINABILITY STRATEGY 2022–2026
Climate change ESRS E1	GHG emissions and carbon footprint	Raw material, Contract manufacturing, Transportation, Own operations	🔴		› Climate impact › Energy efficiency & renewable energy › Transportation › Business travel › Sustainable product development
	Energy consumption		🔴		
	Sustainable product development and offering			🟢	
Pollution ESRS E2	Emissions to air and water	Contract manufacturing	🔴		› Resource efficiency › Sustainable product offering
	Use of limited substances and substances of concern		🔴		
Water and marine resources ESRS E3	Water-intensive manufacturing	Contract manufacturing	🔴		› Resource efficiency
Biodiversity and ecosystems ESRS E4	Land use and direct exploitation of nature when extracting raw materials	Raw materials	🔴		*New material area in 2025 – will be further assessed and integrated into updated strategy.*
Circular economy ESRS E5	Use of virgin, rare raw materials	Contract manufacturing, Own operations	🔴		› Sustainable product development › Sustainable product offering › Resource efficiency › Waste management
	Waste generation and waste management		🔴		
	Customer demand for more recyclable and resource-efficient PCBs			🟢	
Own workforce ESRS S1	Health and safety in warehouses	Own operations	🔴		› Well-being and work-life balance › Equal opportunities for everyone › Employee satisfaction and engagement
	Work-life balance		🟢		
	Diversity and inclusion		🟢		
	Skills supply and skills development		🟢	🔴 🟢	
Workers in the value chain ESRS S2	Labour relations and working conditions	Supply chain	🔴		› Human rights & labour rights › Health and safety
	Health and safety		🔴		
	Human rights and labour rights		🔴		
Business conduct ESRS G1	Corporate culture	Own operations		🔴 🟢	› Ethics › Transparency
	Business ethics, bribery and corruption			🔴	
	Relationships with suppliers, including payment practices			🟢	

🔴 Impact/Risk 🟢 Contribution/Opportunity

Stakeholders

The identification and assessment of key stakeholders along the value chain, and their expectations on NCAB is a prerequisite for creating responsible and sustainable operations. NCAB's main stakeholders are customers, employees, investors and suppliers. We continuously cooperate with our stakeholders and engage in dialogue in conjunction with meetings, audits, seminars, interviews, employee satisfaction and customer surveys. We also gain knowledge by participating in industry forums and reading reports from stakeholder organisations and research players.

The expectations and results from the dialogues with stakeholders are analysed and included on an ongoing basis in operational activities and various process owners within the organisation are responsible for ensuring that stakeholder dialogues are performed. The global head of sales is responsible for ensuring customer surveys are conducted. Continuous dialogues with customers are primarily handled by the local companies and Global Account Managers.

VP People & Culture is responsible for ensuring the employee satisfaction surveys are conducted every second year, that the results of reported back to Group management and that an overall and local action plan are drafted based on the latest results. VP People & Culture also bears overall responsibility for developing and ensuring implementation of performance and development appraisals (PDA).

The CEO, CFO and the Head of Investor Relations are responsible for contacts with investors and that capital market presentations and other investor meetings are held regularly.

The COO has overall responsibility for the continuous dialogue with existing suppliers as well as through the sourcing process.

Key stakeholders	Communication channels	Focus areas 2024
Customers	Customer surveys, in-depth interviews, seminars, webinars, meetings	Climate footprint, human rights, social conditions in the supply chain, circularity, management and Board commitment, quality.
Employees	Employee satisfaction survey, performance and development appraisals	Knowledge sharing, skills development, corporate culture, cooperation, psychosocial work environment.
Investors	Meetings, in-depth interviews, capital market presentations	Climate footprint, circularity, human rights and working conditions, risk management processes & governance.
Suppliers	Meetings, audits	Climate footprint, human rights, health and safety, quality, terms of agreement (relationships with customers/suppliers).

Management approach

The sustainability strategy is governed by NCAB's Group management, with a clear division of responsibility for the different focus areas, and work is followed up on a monthly basis at management team meetings. The Group Sustainability Director is responsible for pursuing overall sustainability work, such as strategy, policies and targets. Governing documents and policies are approved annually by the Board, and each process owner is responsible for implementing the policies. The Board approves the Code of Conduct for Employees and the Code of Conduct for Suppliers, as well as several policies on business conduct and information security (see page 38). The CEO approves policies on sustainability, environment, quality, people & culture and health and safety.

At Board level, the Chairman is responsible for ensuring that sustainability matters are on the agenda and are discussed routinely at Board meetings, as an integrated part of NCAB's business operations. The Group Sustainability Director participates annually at Board meetings to follow up strategy and targets, but also to inform the Board of upcoming legislation, material matters (focus areas) and external monitoring related to sustainability matters.

In 2024, topics included preparations ahead of CSRD, including the validation and decisions on the results of the double materiality assessment (DMA), the implementation of strategy and targets, and target fulfilment, on the Board's agenda.

All employees share responsibility for ensuring operations are conducted responsibly and sustainably. Sustainability is integrated into our business model and our processes, where each process owner is responsible for their part of operations and for reporting progress towards set targets.

NCAB's COO is responsible for the quality management system. NCAB Group, and contracted factories, are certified according to ISO 9001 and ISO 14001 to ensure that all of our processes are uniform and of the highest quality. NCAB's sustainability work is also based on ISO 26000, an international standard that provides guidance for how companies can operate sustainably. For more information about our management approach in each material area, see the sustainability notes on pages 89–98.

In January 2025, NCAB received a silver medal from EcoVadis for our sustainability work. NCAB received a total score of 73 out of 100, which places us in the top 7 per cent of all companies that have completed an evaluation in the last 12 months, and in the top 4 per cent of companies in the "Manufacture of electronic components and boards" industry category.

EU TAXONOMY

The EU Taxonomy Regulation was introduced in 2021 and is a sustainable finance framework. Since 2022, listed companies with more than 500 employees are obligated to report alignment with the regulation based on the technical screening criteria for the first six environmental objectives. The technical screening criteria define the sectors and associated economic activities covered by the Taxonomy Regulation. NCAB is active in the distribution of electronic components (PCBs) and primarily conducts operations linked to the NACE codes G46.5 2 and M70.1.0. These economic activities are currently not covered by the EU Taxonomy Regulation.

However, indirect activities that give rise to costs within NCAB's operations, such as leasing and ownership of vehicles used by employees in the course of their work, are covered by the taxonomy. These economic activities are 6.5. Transport by motorbikes, passenger cars and light commercial vehicles, and through electric vehicle chargers in economic activity 7.5. Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings.

The proportion of operations that are classified as environmentally sustainable in accordance with the EU Taxonomy Regulation are reported using three financial metrics: turnover, capital expenditure (CapEx) and operating expenditure (OpEx). The metrics are reported in accordance with the taxonomy's regulations and presented in separate tables on pages 103–106. To be considered environmentally sustainable under the taxonomy requirements, the activity must also demonstrate compliance with the technical screening criteria, the do no significant harm criteria and the minimum safeguards (see below on due diligence for the environment and human rights).

Turnover includes total external revenues (net sales) under IFRS 15. See Note 2.14 on page 51 for more information about applicable accounting policies for revenue recognition. CapEx includes additions to property, plant and equipment and intangible assets, with the exception of goodwill, during the financial year, see Note 17 and Note 18. Additions to property, plant and equipment include purchases and acquisitions during the year. OpEx includes current leases under IFRS 16.

As shown in the tables on pages 103 and 105, no part of NCAB's turnover or OpEx is subject to the economic activities included in the Taxonomy Regulation, which was also the case in the preceding year. 5.8 per cent of CapEx for the year is taxonomy-eligible, compared with 3 per cent in the previous year. The change between the years is attributable to an increase in the number of taxonomy-eligible vehicles. No CapEx was taxonomy-aligned.

DUE DILIGENCE FOR THE ENVIRONMENT AND HUMAN RIGHTS

NCAB supports the UN Guiding Principles on Business and Human Rights and our commitment to respect human rights and to prevent and mitigate negative environmental impacts is defined in our Sustainability Policy, our Code of Conduct and the Code of Conduct for Suppliers.

For information on the most material risks identified by NCAB for the environment and human rights, as well as risk assessment and ownership, see pages 32 and 94–95. The performance of regular audits related to the environment, social conditions, human rights and quality in main factories, as well as due diligence in the qualification process of new factories are described on pages 94–95 and on ncabgroup.com. NCAB's whistleblower function is available for stakeholders who suspect irregularities or deviations that may violate our Supplier Code of Conduct or prevailing laws.

The EU Taxonomy criteria on minimum safeguards refer to compliance with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, including the principles and rights contained in the ILO Core Conventions. As NCAB does not have any economic activities that are deemed to be aligned with the technical screening criteria in the taxonomy, no in-depth assessment has been performed of whether NCAB's due diligence activities related to the environment and human rights are aligned with the criteria for minimum safeguards.

NCAB Group Norway AS is subject to the Norwegian Transparency Act, which addresses due diligences in relation to human rights and working conditions. Compliance work is described on pages 89–98 and on ncabgroup.com.

NCAB is not subject to the reporting requirements for due diligence in the supply chain in accordance with the German Supply Chain Due Diligence Act (LkSG) as it only applies to companies with more than 1,000 employees. However, NCAB aims to provide stakeholders with information about NCAB's ongoing work within the areas covered by the law.

Environment

NCAB's material environmental matters include the environmental impact of product manufacturing in terms of material and energy use, GHG emissions and other pollution, and the generation of waste. NCAB is working together with customers and suppliers to reduce environmental impacts and risks, and to capitalise on business opportunities through product development. Our initiatives with identified material environmental matters are described below.

The energy used in the production of the PCBs constitutes our greatest climate impact, and thus improving energy efficiency and the use of a higher share of fossil-free energy among our manufacturers play an important role in reducing emissions. We can see an increase in the installation of solar panels among manufacturers, although solar panels only cover 1–5 per cent of the factories' energy needs.

ENERGY (GRI 302) AND EMISSIONS (GRI 305)

Description of impact, risk and opportunity

NCAB's operations create GHG emissions in the various stages of the value chain. The largest emissions arise upstream in the value chain through the materials and energy used when manufacturing the PCBs. Another significant share of emissions arises during transportation of the PCBs from the factory to the warehouse or to the end customer.

Within NCAB's own operations, emissions mainly arise from business travel and energy use in own premises and warehouses.

NCAB has identified climate change and its consequences as a risk for the operations. In the years ahead, climate risk analyses and the identification of possible climate change adaptation needs will be performed.

Governance and targets

NCAB works together with customers and suppliers to reduce emissions in the various parts of the value chain, and the ambition is to reduce climate impact in line with the 1.5°C threshold in the Paris Agreement. The sustainability strategy clarifies that a reduction in climate impact is one of NCAB's main focus areas, and this permeates our working methods in everything from design of PCBs, to manufacturing and transportation to customers.

NCAB's environmental policy guides the operation's work with energy optimisation, increased use of renewable energy and reduced climate and environmental impact. The environmental policy states, for example, that NCAB is to evaluate, measure and take action together with the factories to ensure that these strive to reduce climate impact in the manufacturing process. It also clarifies that the factories are to strive for sustainable product development and high quality to increase the service life of the PCBs and reduce the need for new resources.

Internal energy saving and recycling measures are also to be taken in NCAB's own operations.

The environmental policy is owned by the Group Sustainability Director and the policy is adopted annually by Group management and signed by the CEO.

NCAB's management team is responsible for making the right expertise and resources available to each area of responsibility to ensure that work is carried out as set out in the environmental policy and applicable laws and regulations. The environmental policy is available to all stakeholders on ncabgroup.com.

In addition to the environmental policy, work is channelled towards a reduction in climate impact by the requirements we make on our suppliers when we approve new factories and in annual sustainability audits. Read more about our sourcing process and audits on pages 94–96.

NCAB's target is to achieve net zero emissions in Scope 1 and 2 by 2030. For Scope 1, this will be achieved as all new company cars will be fossil free by 2025. For Scope 2 emissions, at least 50 per cent of our offices and owned warehouses will only use renewable energy by 2025, and 100 per cent by 2030. The targets for Scope 1 and 2 are science-based and in line with the Paris Agreement.

The overall target for Scope 3 emissions is to halve these by 2030 and reach net zero emissions by 2050, compared with the base year of 2021 and calculated using CO_2e/SEK million. The Scope 3 target is based on knowledge and ongoing discussions with the main factories about the current situation and future plans, and on what is required to achieve the Paris Agreement. For information about the outcome in relation to the targets, refer to comments under the Outcome heading. NCAB has reported to the Carbon Disclosure Project (CDP) since 2022.

In 2024, we clarified our climate pledge through a commitment to set scientific climate targets to SBTi.

Measures and responsibility

Work to reduce the climate impact of own operations includes increased energy efficiency and greater use of renewable energy in own offices and internal warehouses. Company cars are being replaced with electric vehicles to reduce emissions. Work is also in progress to evaluate how emissions from our business travel can be cut.

As part of efforts to reduce greenhouse gas emissions in the value chain, NCAB is engaged in dialogue with suppliers and customers about the climate impact of design and manufacturing, and encourages customers to choose low-carbon transport alternatives. A project is also ongoing to increase the consolidation of ocean freight and to evaluate how goods can be packaged as efficiently as possible.

NCAB retains a particular focus on increased energy efficiency and using a larger share of renewable energy when manufacturing PCBs, where dialogue with the factories and their transition plans play a crucial role. Today, access to and the option to choose renewable energy is very limited in many countries. In 2024, NCAB focused on obtaining greater knowledge of the conditions for each factory through dialogue with suppliers. Several factories in China have transitioned to renewable electricity and/or invested in their own electricity production (solar energy). However, own solar electricity production only provides 1–7 per cent of the factories' electricity consumption.

To reduce transport emissions, the share of goods sent by air must be reduced and replaced with ocean freight. Dialogue began with customers last year to facilitate change and we have seen greater awareness during the year. We saw a slight increase in ocean freight (4 percentage points) compared to last year.

Sustainable product development begins at the design phase and we support our customers in designing their PCBs. It is important that the construction is as robust as possible, without compromising function, to avoid pitfalls later in the production process. The focus on quality means optimised manufacturing and reliable and durable PCBs. Doing the right thing from the outset is not only about quality, but also reduces our climate impact as an optimised design means less waste and less use of materials, chemicals, energy and water.

To be at the forefront of new technologies and sustainable PCBs, we have a Technical Council that involves some 70 employees and comprises various focus groups. The Technical Council acts as experts on technology development and works to create more sustainable PCBs through, for example, the use of greener materials and increased opportunities for circular products. In 2023 and 2024, we acquired knowledge about new, greener base materials, and we produced PCB samples that were evaluated in our lab. These materials are still under development and work will continue in the years ahead. During the past year, we held about 20 webinars and seminars, when we reached out and expanded dialogue with customers and other stakeholders worldwide. The aim of this initiative was to share our knowledge and enable collaborations that focused on greener materials and greater circularity.

Calculation methods and follow up

The calculations of climate emissions are based on data collected from various functions within NCAB Group's local companies, logistics managers and Factory Management. External data is collected from, among others, production partners, which provide data on energy consumption and waste from production, as well as logistics partners, which provide information on transport emissions and energy use in warehouses. Estimates were used when actual data was not available.

Scope 1 includes direct emissions from fuel used in NCAB's company cars and emissions from the combustion of gas to heat four of NCAB's offices. The calculation is based on data collected on fuel consumption in diesel, petrol and HVO company cars multiplied by emissions factors for petrol and diesel (no HVO-powered cars in 2024). Emissions from the combustion of gas were calculated by multiplying the number of cubic metres of gas used by emission factors for self-generated heating (natural gas, propane, LPG) (source: UK Gov).

Scope 2 includes emissions from indirect energy from electricity and heating purchased and used in NCAB's offices and NCAB's warehouses. The local NCAB companies report their consumption of purchased electricity, district heating or other heating sources used and emissions are calculated based on emissions factors for each country where the offices and warehouses are located. The type of purchased electricity, such as agreements for renewable energy, is taken into account in the calculation.

When calculating location-based emissions, the climate impact from purchased electricity was calculated by multiplying kWh of purchased electricity by the emissions factor for the energy mix in each country (sources: IVL, AIB, EPA, UNFCCC).

Market-based emissions from purchased non-renewable electricity was calculated by multiplying kWh by emissions factors for the residual mix for each country (sources: IVL, AIB, EPA). For China, Malaysia and Taiwan, where no residual mix data is available, the UNFCCC's emissions factor was used for each country. Climate impact from purchased 100 per cent renewable electricity was calculated by multiplying kWh by the emissions factor from the Environmental Product Declaration (EPD) standard for Swedish hydropower from Vattenfall. This EPD was used to represent 100 per cent renewable energy.

Scope 3 includes emissions from the manufacturing and transportation of PCBs, business travel, waste from own operations and PCB manufacturing, other purchased goods and services (internal consumables and external IT-server services) and end-of-life treatment of sold PCBs. Energy use in PCB manufacturing is collected straight from the main factories in China and accounts for about 84 per cent of NCAB's total purchases in China. This data was then used to estimate the remaining energy use in factories in China, which accounts for approximately 73 per cent of NCAB's total purchases. The calculation also includes energy use in the main factories in Europe, the USA and Taiwan, which accounts for approximately 23 per cent of total purchases. The emissions calculation is based on the energy use (kWh) multiplied by emissions factors for the energy mix in each country (sources: AIB, EPA, UNFCCC).

Emissions from transportation include transport to warehouses and the "last mile" and direct deliveries from factories to customers. Most emissions from transportation are based on information from logistics partners, of which a minor share is estimated from actual data.

Waste data from own operations is collected from NCAB's local companies. Waste data from manufacturing is collected from the main factories in China, and includes information on hazardous and non-hazardous waste.

NCAB does not apply internal carbon pricing schemes and does not purchase any carbon credits to compensate for emissions from operations.

OUTCOME

Energy

In 2024, total indirect energy use (heating, cooling and electricity) within NCAB amounted to 943 MWh (1,275). Electricity use amounted to 674 MWh (742), of which 377 MWh (376) was renewable. In addition to this, 48,381 m³ (10,050) of natural gas and propane was used to heat four of our offices. 47 per cent (37) of offices and 100 per cent of warehouses use electricity from renewable sources, corresponding to a total of 56 per cent (51) of energy use. The goal is that at least half of offices and warehouses will use electricity from renewable sources by 2025 and all by 2030.

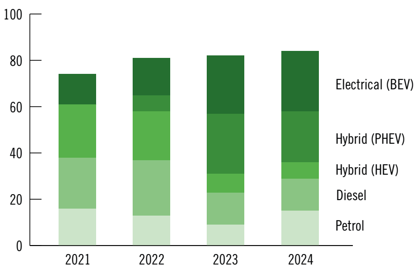
Fuel consumption amounted to 88,525 litres (100,117), distributed between diesel and petrol as set out in the table to the right.

Energy use in the factories when manufacturing PCBs amounted to 105,783 MWh (101,522).

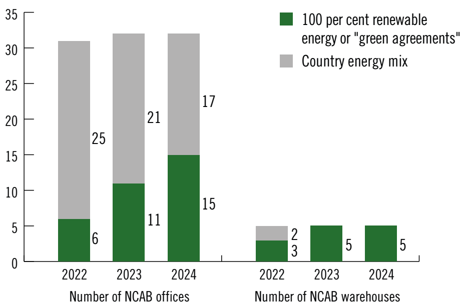
At the end of 2024, 31 per cent (30) of all company cars were electric vehicles, compared with the target that all new company cars are to be fossil free by 2025. During the year, the number of petrol-powered cars increased from 11 to 17 due to cars added through an acquisition in Germany.

ENERGY CONSUMPTION – WITHIN THE ORGANISATION	UNIT	2024	2023	2022	2021	COMMENTS
Electricity use – total	MWh	674	742	775	716	NCAB offices and internal warehouses.
Electricity use from renewable sources*	MWh	377	376	318	144	*100 per cent renewable energy or green agreements.
Proportion of electricity use from renewable sources*	%	56	51	41	20	
Energy use heating (district heating)	MWh	269	533	657	487	
Natural gas use (heating)	m³	48,381	10,050	602	3,504	Heating of four NCAB offices uses the combustion of natural gas, propane, LPG.
Fuel use – diesel (company cars)	litres	25,841	33,549*	50,194	60,396	*Correction of 2023, when 59,863 litres was reported.
Fuel use – petrol (company cars)	litres	62,684	66,568*	132,970	74,415	*Correction of 2023, when 156,627 litres was reported.
Self-generated electricity, not consumed within the organisation	MWh	65	74*	82	73	Solar energy (Netherlands). *Correction of 2023, when 108 MWh was reported.
ENERGY CONSUMPTION OUTSIDE THE ORGANISATION	**UNIT**	**2024**	**2023**	**2022**	**2021**	**COMMENTS**
Electricity use – PCB manufacturing	MWh	105,783	101,522	97,144	87,141	
Electricity use – external warehouses	MWh	35	33	47	No data.	In 2024, one of five external warehouses (19 per cent of total MWh) used electricity from 100 per cent renewable energy sources or from green agreements.

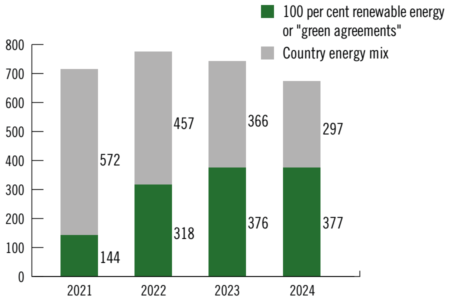
NUMBER OF COMPANY CARS (SCOPE 1)



ENERGY SOURCE – ELECTRICITY (SCOPE 2)



ELECTRICITY USE MWH (SCOPE 2)



Emissions intensity (tonnes CO_2e/SEK million)	2024	2023	2022	2021
Scope 1	0.08	0.06	0.11	0.05
Scope 2 (market-based)	0.06	0.08	0.08	0.12
Scope 2 (location-based)	0.08	0.09	0.09	Not reported
Scope 3	28.5	28.3	24.0	28.5
Total (Scope 1–3) – market-based	**28.6**	**28.5**	**24.2**	**28.7**
Total (Scope 1–3) – location-based	**28.6**	**28.5**	**24.2**	**Not reported**

GHG emissions are calculated as carbon dioxide equivalents (CO_2e). CO_2e is defined as the amount of a particular greenhouse gas, expressed as the amount of carbon dioxide that produces the same greenhouse effect. CO_2e figures include the following greenhouse gases: CO_2, CH_4, N_2O, HFC and PFC. NCAB reports GHG emissions according to the GHG protocol.

Emissions

NCAB's total greenhouse gas emissions (Scope 1–3) amounted to 103,369 tonnes (116,314) in 2024. For more information about distribution by scope, refer to the table to the right.

In Scope 1, emissions from own production of heating and cooling increased compared to the previous year due to new data and information from two of our offices in the USA. Emissions from own vehicles decreased slightly. The reduction in Scope 2 was due to an increase in the number of our offices and internal warehouses that use electricity from renewable sources together with a decrease in electricity consumption.

In Scope 3, emissions decreased mainly due to an increased share of manufacturing in Europe and a decreased share in China, but also due to an increased share of renewable energy used in manufacturing in China.

Emissions intensity is largely unchanged, attributable to a decrease in total emissions in combination with lower sales compared with the year-earlier period.

The calculation of GHG emissions for 2024 does not include emissions from mining and the production of raw materials obtained and used when manufacturing PCBs as well as emissions from the use of sold PCBs.

GHG emissions (tonnes CO_2e)	2024	2023	2022	2021
Direct emissions (Scope 1)	**278**	**244**	**490**	**175**
Own vehicles	195	223	490	175
Own production of heating and cooling	83	21	Included in Scope 2.	Included in Scope 2.
Indirect emissions (Scope 2) – market-based	**225**	**319**	**363**	**390**
Purchased energy (market-based)	225	319	363	390
Indirect emissions (Scope 2) – location-based	**307**	**373**	**383**	
Purchased energy (location-based)	307	373	383	Not reported.
Other indirect emissions (Scope 3)	**102,866**	**115,751**	**107,003**	**91,839**
Business travel	1,534	1,491	1,273	150
Upstream transportation and distribution	18,626	18,128	18,698	17,085
Energy use (PCB manufacturing)	82,146	95,466	86,384	74,604
Waste (within the organisation)	1	1	0.4	No data.
Waste (PCB manufacturing)	262	334	326	No data.
Other purchased goods and services (consumables, IT server services)	62	100	204	No data.
End-of-life treatment of sold PCBs	104	93	117	No data.
Fuel and energy-related activities (not included in Scope 1 or 2)	131	138	Included in Scope 1 and 2.	Included in Scope 1 and 2.
Total (Scope 1–3) – market-based	**103,369**	**116,314**	**107,855**	**92,404**
Total (Scope 1–3) – location-based	**103,451**	**116,368**	**107,876**	**Not reported.**

WASTE – WITHIN THE ORGANISATION (TONNES)	2024	2023	2022	2021
Waste – hazardous waste	24.7	21.4	20.5	No data.
Waste – non-hazardous waste	34.4	35.9	18.6	No data.
WASTE – OUTSIDE THE ORGANISATION (TONNES)				
Waste – hazardous waste (PCB manufacturing)	8,532	11,827	13,220	No data.
Waste – non-hazardous waste (PCB manufacturing)	1,747	3,871	2,091	No data.

WASTE (GRI 306)

Description of impact, risk and opportunity

Waste is mainly created when manufacturing PCBs and is managed by the factories in accordance with local laws and regulations.

Hazardous waste may be created within the own organisation when scrapping faulty PCBs or during tests in local laboratories. The non-hazardous waste mainly comprises mixed waste consisting of plastic, cardboard and office waste. The waste is handled and recycled according to local regulations and legislation on waste management.

Governance and targets

Waste management is governed by NCAB's environmental policy, clarifying the aim that the environmental impact is to decrease, which involves using resources as effectively as possible.

NCAB has a long-term target to increase circularity in the production of PCBs and a first step in this direction is to evaluate the potential for more circular input materials. Local targets have been set in certain factories to reduce waste and increase recycling.

Measures and responsibility

NCAB collects information from the factories about waste generated, in addition to information about the factories' own targets and plans to reduce waste. Waste management and reporting of hazardous waste and non-hazardous waste are included in the sustainability audits carried out in factories by our sustainability team in China.

We also collaborate with our customers to optimise the design of PCBs at an early stage to reduce the amount of waste and material used in the manufacturing process.

The responsibility for waste management within NCAB's own offices and warehouses is with the office manager at each local office.

Calculation methods and follow up

Follow-up and waste reporting is conducted annually when preparing the Annual and Sustainability Report.

Waste data from own operations is collected from NCAB's local companies. Waste data from the manufacturing process is collected from the main factories in China, and also includes the distribution of hazardous and non-hazardous waste.

Outcome

During the year, the total amount of waste from the own organisation amounted to 59.1 tonnes (57.3), of which 24.7 tonnes (21.4) was hazardous waste. Hazardous waste mainly comprised scrapped PCBs and a small portion of other electronic waste (end-of-life IT products). The non-hazardous waste comprised plastic, cardboard and other office and household waste. The increase in non-hazardous waste was primarily due to improved reporting from the local companies.

Total waste from manufacturing in the factories amounted to 10,279 tonnes (15,698), of which 83 per cent (75) was hazardous waste.

QUALITY (Company-specific indicator)

Description of impact, risk and opportunity

Quality management is a key component for NCAB and we work directly with the factories that produce our PCBs and we consider them as long-term partners. An on-site presence when we monitor and consult with our factories is crucial for production quality. We share our knowledge with factory workers and continuously strive to improve processes and governance. A well-defined process to identify and assess potential factories helps us to select the factories best suited to the technical and commercial requirements for each customer and product.

Governance and targets

Work with quality is governed by our quality policy that describes NCAB's work and mission – PCBs for demanding customers, on time with zero defects, produced sustainably at the lowest total cost. Quality is also one of NCAB's three values. The target for quality performance is at least 99.4 per cent and is measured as the number of delivered order lines without customer complaints, in relation to the total number of delivered order lines.

NCAB also has a target for the total number of defective parts per million PCBs produced, a target of less than 1,000 ppm. The target for delivery performance is at least 98 per cent, measured as the number of order lines delivered within the confirmed delivery time, in relation to the total number of delivered order lines.

Measures and responsibility

Factory Management works closely with our partner factories to ensure production quality through auditing and optimisation of production processes and sustainability practices. Every main factory is regularly assessed according to quality, delivery reliability, sustainability aspects and levels of service and commercial viability. NCAB has both its own staff and specially selected teams at the main factories in China. A Factory Management team is also based in Taiwan, as well as representatives in Europe and the USA.

Quality audits are performed each year in all main factories. The focus is then on how well the manufacturing process and other related aspects work. In addition to these, NCAB carries out annual audits of pre-production processes, and monthly process audits focusing on details in specific areas to guarantee continuous improvement.

Calculation methods and follow up

NCAB measures quality performance as the number of delivered order lines without customer complaints in relation to the total number of delivered order lines, and the total number of defective parts per million PCBs produced. Delivery performance is measured as the number of order lines delivered within the confirmed delivery time, in relation to the total number of delivered order lines.

The follow-up of quality, delivery performance and the percentage of defective parts takes place on a monthly basis together with an annual summary. The monthly results are reported to Group management together with an explanation of any deviations and improvement measures.

Most of the local companies register complaints and deliveries in a joint system. The remaining companies, including companies acquired during the year and that do not yet have access to the joint reporting system, report this information separately.

Outcome

The total number of faulty parts per million PCBs produced amounted to 367 ppm (788), compared to the target of no more than 1,000 ppm. Quality assurance amounted to 99.5 per cent (99.6), which is higher than the target of at least 99.4 per cent. The delivery performance was 94.0 per cent (95.2), compared with the target of at least 98 per cent.

Social

NCAB's products are manufactured by suppliers mainly in Asia. We work closely with our suppliers and promote good social conditions throughout the value chain. NCAB is a global company with employees in many different countries. We want to be an attractive and responsible employer. Our initiatives with identified material social matters are described below.

SUPPLIER ENVIRONMENTAL AND SOCIAL ASSESSMENT (GRI 308 AND 414)

Description of impact, risk and opportunity

NCAB is a global manufacturer of PCBs and our vision is to be the number 1 PCB producer – wherever we are. This means we must apply a responsible approach in everything we do: socially, environmentally and ethically, and we expect the same from our suppliers.

The main impact, and the most material risks, is found in our main factories in China and is related to human rights, working conditions, health and safety and environmental impact. These areas were identified in our sustainability audits and in dialogue with factory workers and management. It is important to ensure that environmental and social principles and guidelines are implemented and are part of the evaluation and approval of new factories and factories that have joined as part of the supplier base in a company acquisition.

The most relevant human rights risks followed up in sustainability audits were salaries and benefits, working hours, discrimination, child and youth labour, freedom of association and forced labour. We strive to adapt our risk processes to the UN Guiding Principles on Business and Human Rights.

Governance and targets

Through the Code of Conduct for Suppliers we make demands in areas such as human rights, working conditions, health and safety, environmental impact and business conduct. We support the UN Global Compact and the UN Guiding Principles on Business and Human Rights and our commitment to respect human rights and to reduce negative environmental impacts is defined in our Sustainability Policy and Code of Conduct for Suppliers.

To qualify as a main factory, the factories must sign and comply with our Supplier Code of Conduct, which is aligned with the Responsible Business Alliance (RBA) Code of Conduct. In addition, they must satisfy our quality and sustainability audits, be ISO 9001 certified (quality management system), ISO 14001 certified (environmental management system) and for suppliers in China also ISO 45001 certified (health and safety). They must also report use of any conflict minerals and cobalt in accordance with the framework provided by the Responsible Minerals Initiative (RMI) and comply with its Responsible Minerals Assurance Process (RMAP), as well as comply with legislation on raw material content (RoHS, REACH, TSCA, California Proposition 65, POPs (Persistent Organic Pollutants)) and local regulations on social compliance and environmental impact.

A whistleblower function is available on ncabgroup.com to enhance opportunities for suppliers and other parties to anonymously report suspicions of deviation from laws and regulations related to working conditions, human rights, environmental impact or business conduct. The service is provided by an external party, which means reports can be submitted anonymously.

NCAB has a target that all main factories in high-risk areas are to meet the requirements in sustainability audits and thus be approved and subsequently undergo regular audits for further development. We are continuously focused on improving sustainability performance throughout the supply chain, increasing energy efficiency and use of renewable energy in PCB production, reduce water use and waste, as well as using greener materials in production.

NCAB strives to achieve a sustainable supply chain. This means we must ensure that our suppliers act responsibly from an environmental, social and ethical perspective. A sustainability audit of a factory not only reviews the manufacturing operations but also all associated areas such as restaurant kitchens, accommodation, etc.

Measures and responsibility

NCAB's suppliers are expected to strive to prevent impacts and risks linked to people and the environment throughout the value chain. As a minimum, all applicable laws and regulations must be followed.

Factory Management works closely with our partner factories to ensure production quality through auditing and optimisation of production processes and sustainability practices. Every main factory is regularly assessed according to quality, delivery reliability, sustainability aspects and levels of service and commercial viability. NCAB has both its own staff and specially selected teams at the main factories in China. Since the highest sustainability risks, and also the greatest impact, are found in the main factories in China, our regular sustainability audits are currently performed at these units. In 2024, our Factory Management Team in Taiwan received training in our sustainability programme to extend our audits to factories outside China.

NCAB has conducted regular sustainability audits in main factories in China since 2017. Our audits assess areas in human rights, such as working conditions and health and safety, but also environmental impact and business conduct. All factories must have a management system in place that is designed to avoid negative impacts in the area covered by these parameters, and to ensure continuous improvements. Since 2022, specific areas of environmental impact have been monitored, such as amount of non-hazardous waste and hazardous waste generated in the factories. Suppliers are also obliged to answer questions about targets and plans they have set to reduce climate impact, including energy use and energy mix as well as plans for an increased share of renewable energy.

Sustainability audits are performed of all main factories in China every second year. In the intervening period, follow up audits are conducted of specific improvement areas. We regularly follow up progress made in the factories in respect of deviations and shortcomings identified in our audits. When deviations are detected, a plan is established for corrective measures together with the factory within two weeks of the audit. Critical results are followed up as soon as possible and major deviations are followed up within three to six months. Our regular audits provide us with a clear picture of the factories' sustainability performance and an account of what we need to focus on at each individual factory.

In recent years, the cooperation with suppliers has mainly expanded through the collection of additional data on generated waste, energy use and water consumption. This has enabled us to set targets as well as make improvements and to draft plans in climate-related areas. For more information about how we conduct our audits and the results and improvements, see ncabgroup.com and page 94. For more information about how we work with each area included in the audits, refer to information under the relevant GRI indicator on pages 89–98.

Calculation methods and follow up

Statistics over the number of sustainability audits performed and the results are collected annually when preparing the Annual and Sustainability Report. During the year, regular meetings are held with the sustainability team in China to routinely monitor the status, measures and results.

Outcome

The factories we partner with are included on our Preferred Supplier List (PSL). We divide these into Main, Spot, Special project and Acquisition factories. In 2024, 65 per cent of our total purchasing was from main factories. Of these, 17 are located in China (17). Since the greatest sustainability risks, but also the strongest impact, are found in the main factories in China, these are the focus of our sustainability initiatives. The 17 main factories in China include 30 NCAB-approved manufacturing sites.

In 2024, we performed 21 sustainability audits (22), of which 2 in new potential factories (2) and 2 in new manufacturing sites in previously approved factories (2) as well as 5 follow-up audits (6). Our target that all main factories in China should undergo a sustainability audit every second year was achieved.

The results of our audits show a positive development for all main factories in China, where long-term cooperation focusing on continuous improvement and knowledge transfer has contributed to improved sustainability performance and increased awareness among factory management and employees. One remaining challenge linked to working conditions is that many factories have no solution for managing overtime. There is still room for improvement to processes and management systems even at factories that have guaranteed minimum wages, provide overtime pay, holidays and insurance. Another challenge is to reduce climate impact. The two factories evaluated in audits during the year as potential factories were not approved and the process can only continue after corrective measures have been taken.

In 2024, two critical findings were recorded as part of an audit of a factory during the evaluation process, whereupon the process was discontinued until corrective measures were implemented. We found no evidence of child labour in our sustainability audits, and no cases of forced labour. However, we noted in certain factories that the rights of young workers were not respected, and this was then rectified. Most cases where problems were registered concerned the lack of policies and insufficient management systems to control risks.

EMPLOYEES AND WORKERS WHO ARE NOT EMPLOYEES (GRI 2-7 AND 2-8)

At 31 December 2024, the number of employees was 628 (603), of whom 277 (265) were women and 351 (338) were men. Of these, 98.9 per cent (99.6) were permanent employees, distributed between 275 women (264) and 346 men (336). The percentage of employees with full-time contracts amounted to 94.7 per cent (93.9), distributed between 250 women (238) and 345 men (328). The average number of employees in the organisation during the year was 615 (595), of whom 271 (263) were women and 344 (332) were men.

In addition to employees, there were 4 (2) insourced consultants at the end of the year. These consultants are mainly used for temporary vacancies and there are no significant seasonal variations regarding when during the year the consultants are contracted.

Number of employees (by country) on 31 December 2024

Country	Total	Women	Men
Belgium	2	0	2
Denmark	14	5	9
Finland	16	7	9
France	22	13	9
Hong Kong	5	3	2
Italy	41	20	21
China	145	83	62
Netherlands	34	8	26
North Macedonia	2	0	2
Norway	18	4	14
Poland	15	9	6
Portugal	2	0	2
Switzerland	6	3	3
Spain	16	5	11
UK	51	17	34
Sweden	49	21	28
Germany	85	27	58
Taiwan	11	7	4
USA	90	44	46
Austria	4	1	3
Total	**628**	**277**	**351**

OCCUPATIONAL HEALTH AND SAFETY (GRI 403)

Description of impact, risk and opportunity

NCAB's greatest impact from a health and safety perspective is from the work environment for workers in the factories of our suppliers. The impact occurs in the production process and in connection with handling hazardous chemicals and hazardous waste.

Within NCAB's own organisation, the impact occurs in the work environment for employees in our warehouses, in conjunction with handling chemicals in laboratories, but also through the employees' work-life balance.

Governance and targets

The Code of Conduct for Suppliers clarify guidelines for work with health and safety in the factories. Since 2024, NCAB also requires ISO 45001 at our main factories in China.

Health and safety work in our own operations is clarified in the Health and Safety Policy, as well as in the People & Culture Strategy. In addition, each local company has their own guidelines covering health and safety, risk analyses, safety inspections and evacuation plans in accordance with local laws and regulations. Health and safety is also discussed during the annual performance and development appraisals and are included as questions in the employee satisfaction survey. NCAB has a target for zero serious accidents in own operations.

Measures and responsibility

During the sustainability audits of factories, we carefully examine how chemicals are stored in factories and used in production. Other areas examined include access to personal protective equipment, training in how to avoid and handle emergency situations, the installation of illuminated evacuation signs, fire alarm and equipment, as well as fire drills and preparations for first aid. Training and monitoring related to a safe workplace are regularly conducted in the factories and serious accidents that occur are reported to local authorities in accordance with Chinese law.

It is our responsibility as employer to identify and eliminate any factors that have a negative impact on the safety and well-being of our employees. Each local company is responsible for compliance with local laws and regulations to ensure a safe and healthy workplace for all of our employees. Questions are asked in the annual performance and development appraisals about experienced health and well-being, to prevent ill health and maintain the good health of our employees and in the employee satisfaction survey that is conducted every second year.

Calculation methods and follow up

Compliance with health and safety in the factories is monitored as part of the sustainability audits performed in the main factories. Data about the number of accidents is collected from the main factories in China.

Accidents within NCAB's own organisation are collected in the HR system. The results of the employee satisfaction survey are reported back to Group management and an overall and local action plan is drafted based on the latest results using workshops with employees in each company and team.

A follow-up of the accident rate is performed annually when preparing the Annual and Sustainability Report. The accident rate is calculated by dividing the number of accidents by the number of employees.

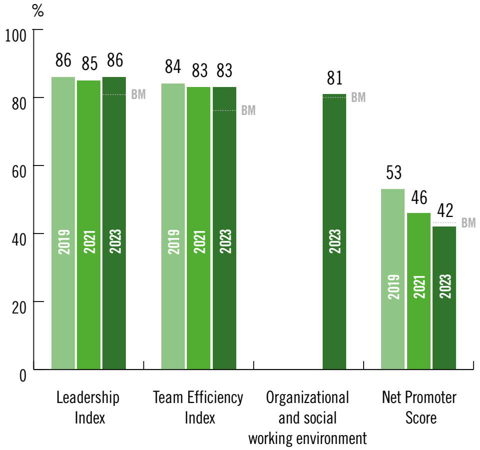
Outcome

The number of work-related injuries in the main factories (our suppliers) in China amounted to 55 (77) during the year and the accident rate was 0.23 per cent (0.33), which is calculated by dividing the number of accidents by the number of employees. Despite many improvements in health and safety, it remains an area that needs further improvements related to the incorrect use of personal protective equipment (PPE), lack of emergency exits, evacuation signs and a lack of fire extinguishers.

No accidents or incidents were reported within the own organisation in 2024.

The result of the latest employee satisfaction survey in 2023. The next survey is planned for 2025.

EMPLOYEE SATISFACTION SURVEY



Results of our employee engagement survey for 2019–2023. The next survey will take place in 2025. BM = Top 25 benchmark.

TRAINING AND EDUCATION (GRI 404)

Description of impact, risk and opportunity

To be an industry-leading company, it is important to constantly develop the internal expertise and specialist know-how, through different types of training and experience sharing within the organisation.

Increasingly, we are living in a knowledge-based economy and many companies offer the same or similar products, which means people and their expertise make all of the difference in business. Investments in learning and development are therefore important for NCAB's success and have a clear link to increased profitability, innovation, employee engagement and a strong employer and company brand. The market and working methods are changing quickly, which means individual development must also be a constantly evolving process that is regularly followed up.

Sarah Lindgärde, Global Marketing Coordinator at NCAB Group together with two colleagues at our global conference in 2024. The themes for this year's conference were "AI = authentic intelligence" and "Exploring", focusing on exploring new ideas that make us more innovative and sustainable as a business.

Governance and targets

NCAB's work with skills development and training is part of our People & Culture Strategy, which is evaluated annually and adopted by Group management. The strategy is owned by VP People & Culture.

The aim is that all employees shall have an annual performance and development appraisal to discuss the need for training and skills development and draft a training plan.

Measures and responsibility

NCAB offers leadership training to all employees in managerial positions. Managers must be able to engage their employees and act as good role models. Internal training courses are also held for our sales personnel and technicians to develop them in their roles.

All employees have access to a number of online courses through the NCAB Academy, a digital platform for training and development. This helps employees to continually develop their expertise, regardless of where they are located. Alongside of the NCAB Academy, other courses are provided online and in workshops.

The need for skills development and training is discussed with employees during the annual performance and development appraisal. The performance and development appraisals also provide an opportunity to follow up and support individual achievements and offer feedback and ensure that expectations and requirements are clear, which increases engagement and profitability.

In addition to the performance and development appraisals, individual development plans (IDP) are set, when managers and employees together draft an action plan for what and how the employee wants to develop to achieve agreed targets and activities, feel a sense of engagement and meet future targets and visions. The plan could include anything from mentoring, presenting seminars, working alongside an expert, visiting another office, etc.

VP People & Culture has overall responsibility for training provided worldwide. Managers are responsible for discussing the need for training during performance and development appraisals. Skills development and training needs are also recurring topics at management conferences and other similar forums.

Calculation methods and follow up

The number of employees who have taken part in a performance and development appraisal during the year is followed up via the company's HR system at the end of the year. The result of completed training is followed up by asking participants to provide feedback in a survey distributed after the course is completed. Work is in progress to develop efforts to evaluate the results of completed training.

Outcome

In 2024, 62 per cent (86) of employees had a performance and development appraisal. This means the target of 100 per cent was not achieved. Most of those who have not yet had a performance and development appraisal were employed towards the end of the year, employees from acquired companies who are gradually being included in this process and employees in a company where a new CEO was employed during the year.

In 2024, the second Exploring Leadership programme was held internally, and 20 leaders worldwide took part.

During the year, the 'How we make a PCB – Our added value in every production step' course was launched. This course is aimed at all employees and is available on our NCAB Academy training platform.

DIVERSITY AND EQUAL OPPORTUNITY (GRI 405)

Description of impact, risk and opportunity

Diversity is important and necessary for NCAB's development. Team comprising employees with different experiences and perspectives are sustainable in the long term and lead to creativity and innovation. The sense of inclusion and belonging, when everyone feels they can be themselves, is an important part of the corporate culture.

Governance and targets

The People & Culture Strategy clarifies the framework for work with diversity and inclusion. NCAB has zero tolerance of harassment and discrimination whether this concerns unequal opportunities, sexual harassment or bullying due to ethnicity, religion, gender identity or gender expression, or sexual orientation.

Measures and responsibility

To create awareness of our zero-tolerance policy towards discrimination and harassment, the subject is highlighted and discussed in global introduction sessions and onboarding programmes. When recruiting new employees, emphasis is placed on whether the individual's approach and attitude is suited to NCAB's values, culture and leadership to form the foundation for a long-term commitment. Given that skills are easier to learn than attitudes, our overall recruitment principle is to "hire for attitude, train for skill".

Should any employee at NCAB experience discrimination or harassment, which cannot be discussed with their immediate supervisor, then the matter can be discussed with the local People & Culture manager, or VP People & Culture. If employees at NCAB, or other stakeholders, detect serious irregularities or misconduct that contravenes our Code of Conduct, there is an external whistleblower system that can be used. The matter is anonymised and passed on the NCAB Group's investigative function, which is headed by VP People & Culture.

Calculation methods and follow up

Matters concerning discrimination and harassment submitted via the whistleblower system are followed up continuously during the year and suspected cases are reported to management and the Board. A summary of the number of discrimination cases is presented annually in the Annual and Sustainability Report.

The employee satisfaction survey and performance and development appraisal also include a question about experienced discrimination and harassment.

A follow-up of the gender distribution of the Board, management and all employees is performed annually when preparing the Annual and Sustainability Report.

Outcome

One incident was reported to the whistleblower system in 2024. The incident has been investigated and closed without any measures being taken.

The total percentage of women and men in NCAB, and in Group management and the Board of Directors, is presented in the tables below. These also include information about the age structure.

Gender distribution	Number of women/men			Percentage of women/men (%)		
	2024	2023	2022	2024	2023	2022
Board of Directors	3/5	2/4	2/6	38/62	33/67	25/75
Group management	4/8	4/7	4/8	33/67	36/64	33/67
CEO/Managing Director (Group + local companies)	0/17	0/17	0/17	0/100	0/100	0/100
All employees	277/351	265/338	261/326	44/56	44/56	44/56

Age distribution, percentage (%) – 2024 (2023, 2022)			
	< 30 years	30–50 years	> 50 years
Board of Directors	0 (0, 0)	0 (0, 0)	100 (100, 100)
Group management	0 (0, 0)	50 (36, 33)	50 (64, 67)
CEO/Managing Director (Group + local companies)	0 (0, 0)	53 (47, 41)	47 (53, 59)
All employees	11 (10, 12)	57 (57, 59)	32 (33, 29)

CONFLICT MINERALS (Company-specific indicator)

Description of impact, risk and opportunity

NCAB strives to only use conflict-free minerals when manufacturing PCBs. The 3TG minerals – tin, tantalum, tungsten and gold – together with cobalt must not be linked to abuses and violations of human rights. Tin and gold are metals often used in PCB production and cobalt is sometimes used in the process of gold plating.

Governance and targets

Work with conflict minerals is governed by the policy for conflict minerals. Additionally, the factories are asked to report annually in accordance with the Responsible Minerals Initiative's (RMI) Conflict Mineral Reporting Template (CMRT) for tin, tantalum, tungsten and gold and according to the Extended Minerals Reporting Template (EMRT) for cobalt. The aim is to only use conformant smelters that comply with RMI's RMAP standard in our supply chain.

Measures and responsibility

NCAB imposes demands on the factories to purchase from suppliers using smelters that are consistent with the Responsible Minerals Initiative (RMI). NCAB also trains factories in ways to check their supply chain by applying RMI.

Calculation methods and follow up

The follow-up of reporting in accordance with CMRT and EMRT is conducted annually, and the process is routinely checked in conjunction with factory audits.

Outcome

In 2024, two of the listed smelters that had previously been on the RMI's conformant list for gold and cobalt respectively were moved to the non-conformant list, after which they were phased out. In addition, nine conformant smelters in Indonesia shut down in 2024, of which five were in our supply chain, though with little impact.

Business conduct

NCAB operates in a global market and has many business relationships, both with customers and suppliers. Business conduct and good corporate governance are crucial to our operations and we strive to act and be seen as a good example of compliance, transparency and ethics. For us, material topics in business conduct are corporate culture, mutually beneficial supplier relationships and anti-corruption. Our initiatives related to anti-corruption are described below. See also pages 94–95 for a description of how we work with our suppliers.

ANTI-CORRUPTION (GRI 205)

Description of impact, risk and opportunity
NCAB operates in a global environment where varying degrees of corruption exist. Corruption exacerbates poverty in the world, undermines democracy and the protection of human rights, damages trade and reduces confidence in social institutions and the market economy. It may also entail a risk of damage to the brand and company reputation. It is therefore important to combat all forms of corruption.

Governance and targets
Our codes of conduct for employees and suppliers clarify our zero tolerance towards corruption. All employees and suppliers are expected to comply with the codes of conduct and prevailing laws. The codes of conduct are available on ncabgroup.com and internally in our HR system and are always discussed with new recruits and when new suppliers are engaged.

Any infringements can be reported to NCAB's whistleblower system, which is handled by an external party and formed in accordance with the EU Whistleblowing Directive.

Measures and responsibility
Business ethics and corruption are always discussed with new employees during the global onboarding sessions, with this topic being led by the CEO. In 2024, two global onboarding sessions were held with a total of 55 participants. The Code of Conduct is also part of the agenda at the annual performance and development appraisals and is signed as part of the employment process.

When contracts are signed with new factories, the factory receives training in the Code of Conduct for Suppliers, which contains guidelines for anti-corruption. Compliance is then followed up in factory audits. Anti-corruption is also part of the Responsible Business Alliance (RBA), and the Code of Conduct for Suppliers is aligned with this.

Our whistleblower function is available to employees and other stakeholders on ncabgroup.com and can be used to report any irregularities or misconduct. The service is provided by an external party, which means reports can be submitted anonymously. Complaints are managed by VP People & Culture and reported to Group management and the Board of Directors.

Calculation methods and follow up
VP People & Culture compiles any suspected corruption cases submitted via the whistleblower function. This is carried out continuously during the year but communicated annually when preparing the Annual and Sustainability Report.

Outcome
In 2024, there were no convictions or confirmed cases of corruption.

GRI content index

STATEMENT ON THE REPORT	NCAB Group has presented the information in this GRI content index for the period 1 January 2024 to 31 December 2024 in accordance with GRI Standards 2021.
USE OF GRI	GRI 1: Foundation 2021
APPLICABLE GRI SECTOR STANDARD(S)	Sector-specific disclosures are not available for the sector in which NCAB operates.

GRI STANDARD	DISCLOSURE	LOCATION	OMISSION		
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION
GENERAL DISCLOSURES					
GRI 2: GENERAL DISCLOSURES 2021	2-1 Organisational details	Front page, pages 11, 27–28, 42, 49			
	2-2 Entities included in the organisation's sustainability reporting	Page 86			
	2-3 Reporting period, frequency and contact point	Page 86			
	2-4 Restatements of information	No restatements			
	2-5 External assurance	Not externally assured			
	2-6 Activities, value chain and other business relationships	Pages 5, 11–13, 94			
	2-7 Employees	Page 95			
	2-8 Workers who are not employees	Page 95			
	2-9 Governance structure and composition	Pages 34–38			
	2-10 Nomination and selection of the highest governance body	Page 35			
	2-11 Chair of the highest governance body	Page 39			
	2-12 Role of the highest governance body in overseeing the management of impacts	Pages 35, 86–88			
	2-13 Delegation of responsibility for managing impacts	Pages 86–88			
	2-14 Role of the highest governance body in sustainability reporting	Pages 86–88			
	2-15 Conflicts of interest	Pages 35–37, 39, 44			
	2-16 Communication of critical concerns	Pages 16, 94, 98			

GRI STANDARD	DISCLOSURE	LOCATION	OMISSION		
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION
GENERAL DISCLOSURES					
GRI 2: GENERAL DISCLOSURES 2021	2-17 Collective knowledge of the highest governance body	Pages 16, 35, 88, 94, 98			
	2-18 Evaluation of the performance of the highest governance body	Pages 35–37			
	2-19 Remuneration policies	Pages 36–37, 43–44			
	2-20 Process to determine remuneration	Pages 36–37, 43–44			
	2-21 Annual total compensation ratio		2-21		Not relevant as NCAB's operations are conducted in many different countries where salary levels significantly differ.
	2-22 Statement on sustainable development strategy	Pages 6, 8, 23			
	2-23 Policy commitments	Pages 11, 38, 86–98			
	2-24 Embedding policy commitments	Pages 86–98			
	2-25 Processes to remediate negative impacts	Pages 86–98 and website			
	2-26 Mechanisms for seeking advice and raising concerns	Pages 16, 32, 89, 94–95, 98 and website			
	2-27 Compliance with laws and regulations	No significant deviations in 2024			
	2-28 Membership associations	IPC, local trade organisations			
	2-29 Approach to stakeholder engagement	Page 88			
	2-30 Collective bargaining agreements	0 per cent			
MATERIAL TOPICS					
GRI 3: MATERIAL TOPICS 2021	3-1 Process to determine material topics	Pages 87–88			
	3-2 List of material topics	Pages 87–88			
ANTI-CORRUPTION					
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	Pages 32, 98			
GRI 205: ANTI-CORRUPTION 2016	205-2 Communication and training about anti-corruption policies and procedures	Page 98			
	205-3 Confirmed incidents of corruption and actions taken	Page 98			
ENERGY					
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	Pages 89–91			
GRI 302: ENERGY 2016	302-1 Energy consumption within the organisation	Page 91			
	302-2 Energy consumption outside of the organisation	Page 91			

GRI STANDARD	DISCLOSURE	LOCATION	OMISSION		
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION
GENERAL DISCLOSURES					
EMISSIONS					
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	Pages 89–92			
GRI 305: EMISSIONS 2016	305-1 Direct (Scope 1) GHG emissions	Page 92			
	305-2 Energy indirect (Scope 2) GHG emissions	Page 92			
	305-3 Other indirect (Scope 3) GHG emissions	Page 92			
	305-4 GHG emissions intensity	Page 92			
WASTE					
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	Page 93			
GRI 306: WASTE 2020	306-1 Waste generation and significant waste-related impacts	Page 5			
	306-2 Management of significant waste-related impacts	Page 93			
	306-3 Waste generated	Page 93			
SUPPLIER ENVIRONMENTAL ASSESSMENT					
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	Page 94			
GRI 308: SUPPLIER ENVIRON-MENTAL ASSESSMENT 2016	308-1 New suppliers that were screened using environmental criteria	Pages 94–95			
	308-2 Negative environmental impacts in the supply chain and actions taken	Pages 94–95 and website			
HEALTH & SAFETY					
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	Page 95			
GRI 403: OCCUPATIONAL HEALTH AND SAFETY 2018	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships 1)	Pages 95–96 and website			
	403-9 Work-related injuries	Pages 95–96			
TRAINING AND EDUCATION					
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	Pages 16, 96			
GRI 404: TRAINING AND EDUCATION 2016	404-3 Percentage of employees receiving regular performance and career development reviews	Page 97			
DIVERSITY AND EQUAL OPPORTUNITY					
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	Pages 16, 97			
GRI 405: DIVERSITY AND EQUAL OPPORTUNITY 2016	405-1 Diversity of governance bodies and employees	Pages 39–40, 97			

1) NCAB has a responsibility to prevent and mitigate any negative impact on the work environment in the factories. Only GRI 403-7 is reported, given that NCAB does not have full control over the workplace in the factories, or the working methods used.

GRI STANDARD	DISCLOSURE	LOCATION	OMISSION		
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION
GENERAL DISCLOSURES					
SUPPLIER SOCIAL ASSESSMENT					
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	Page 94			
GRI 414: SUPPLIER SOCIAL ASSESSMENT 2016	414-1 New suppliers that were screened using social criteria	Pages 94–95			
	414-2 Negative social impacts in the supply chain and actions taken	Pages 94–95 and website			
QUALITY (COMPANY-SPECIFIC INDICATOR)					
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	Pages 13–14, 93			
COMPANY-SPECIFIC	Sustainable product development and quality assurance	Pages 89–90, 93			
CONFLICT MINERALS (COMPANY-SPECIFIC INDICATOR)					
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	Page 97			
COMPANY-SPECIFIC	Work to avoid conflict minerals in the supply chain	Page 97			

Auditor's report on the statutory sustainability report

To the general meeting of the shareholders in NCAB Group AB(publ), corporate identity number 556733-0161.

ENGAGEMENT AND RESPONSIBILITY

It is the board of directors who is responsible for the statutory sustainability report for the year 2024 on pages 5, 32 and 85-106 and that it has been prepared in accordance with the Annual Accounts Act in accordance with the older wording that applied before 1 July 2024.

THE SCOPE OF THE AUDIT

Our examination has been conducted in accordance with FAR's auditing standard RevR 12 The auditor's opinion regarding the statutory sustainability report. This means that our examination of the statutory sustainability report is substantially different and less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinion.

OPINION

A statutory sustainability report has been prepared.

Stockholm, 2 April 2025
Öhrlings PricewaterhouseCoopers AB

Johan Engstam
Authorised Public Accountant

EU TAXONOMY

PROPORTION OF <u>TURNOVER</u> FROM PRODUCTS OR SERVICES ASSOCIATED WITH TAXONOMY-ALIGNED ECONOMIC ACTIVITIES.

FINANCIAL YEAR 2024	YEAR			SUBSTANTIAL CONTRIBUTION CRITERIA						DNSH CRITERIA (DOES NO SIGNIFICANT HARM)									
Economic activities (1)	**Code (2)**	**Turnover (3)**	**Proportion of turnover, year 2024 (4)**	**Climate change mitigation (5)**	**Climate change adaptation (6)**	**Water (7)**	**Pollution (8)**	**Circular economy (9)**	**Biodiversity (10)**	**Climate change mitigation (11)**	**Climate change adaptation (12)**	**Water (13)**	**Pollution (14)**	**Circular economy (15)**	**Biodiversity (16)**	**Minimum safeguards (17)**	**Proportion of Taxonomy-aligned (A.1.) or -eligible (A.2.) turnover, year 2023 (18)**	**Category enabling activity (19)**	**Category transitional activity (20)**
		SEK million	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0	0%	–	–	–	–	–	–	–	–	–	–	–	–	–	0%		
Of which enabling		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	0%	E	
Of which transitional		–	–	–						–	–	–	–	–	–	–	0%		T
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		0	0%	–	–	–	–	–	–								0%		
A. Turnover of Taxonomy-eligible activities (A.1+A.2)		0	0%	–	–	–	–	–	–								0%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy-non-eligible activities*		3,614	100%																
TOTAL		3,614	100%																

*Page 46 – Consolidated income statement – Net sales

PROPORTION OF CAPEX FROM PRODUCTS OR SERVICES ASSOCIATED WITH TAXONOMY-ALIGNED ECONOMIC ACTIVITIES.

FINANCIAL YEAR 2024	YEAR			SUBSTANTIAL CONTRIBUTION CRITERIA						DNSH CRITERIA (DOES NO SIGNIFICANT HARM)									
Economic activities (1)	Code (2)	CapEx (3)	Proportion of turnover, year 2024 (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)	Minimum safeguards (17)	Proportion of Taxonomy-aligned (A.1.) or -eligible (A.2.), year 2023 (18)	Category enabling activity (19)	Category transitional activity (20)
		SEK million	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0	0%	–	–	–	–	–	–	–	–	–	–	–	–	–	0%		
Of which enabling		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	0%	E	
Of which transitional		–	–	–						–	–	–	–	–	–	–	0%		T
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	CCM 7.4	0	0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0%		
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	6.53	5.8%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								3%		
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		6.53	5.8%	5.8%	–	–	–	–	–								3%		
A. CapEx of Taxonomy-eligible activities (A.1+A.2)		6.53	5.8%	5.8%	–	–	–	–	–								3%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
CapEx of Taxonomy-non-eligible activities*		105.7	94.2%																
TOTAL		112	100%																

*Note 17 – Property, plant and equipment – line Purchases, line Additions from acquisitions and reclassifications, line Additions, and Note 18 – Intangible assets – line Added

PROPORTION OF OPEX FROM PRODUCTS OR SERVICES ASSOCIATED WITH TAXONOMY-ALIGNED ECONOMIC ACTIVITIES.

FINANCIAL YEAR 2024	YEAR			SUBSTANTIAL CONTRIBUTION CRITERIA						DNSH CRITERIA (DOES NO SIGNIFICANT HARM)									
Economic activities (1)	**Code (2)**	**OpEx (3)**	**Proportion of turnover, year 2024 (4)**	**Climate change mitigation (5)**	**Climate change adaptation (6)**	**Water (7)**	**Pollution (8)**	**Circular economy (9)**	**Biodiversity (10)**	**Climate change mitigation (11)**	**Climate change adaptation (12)**	**Water (13)**	**Pollution (14)**	**Circular economy (15)**	**Biodiversity (16)**	**Minimum safeguards (17)**	**Proportion of Taxonomy-aligned (A.1.) or -eligible (A.2.) OpEx, year 2023 (18)**	**Category enabling activity (19)**	**Category transitional activity (20)**
		SEK million	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0	0%	–	–	–	–	–	–	–	–	–	–	–	–	–	0%		
Of which enabling		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	0%	E	
Of which transitional		–	–	–						–	–	–	–	–	–	–	0%		T
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		0	0%	–	–	–	–	–	–								0%		
A. OpEx of Taxonomy-eligible activities (A.1+A.2)		0	0%	–	–	–	–	–	–								0%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
OpEx of Taxonomy-non-eligible activities*		0.94	100%																
TOTAL		0.94	100%																

*Costs related to short-term leases – Note 33 Right-of-use assets

NUCLEAR AND FOSSIL GAS RELATED ACTIVITIES

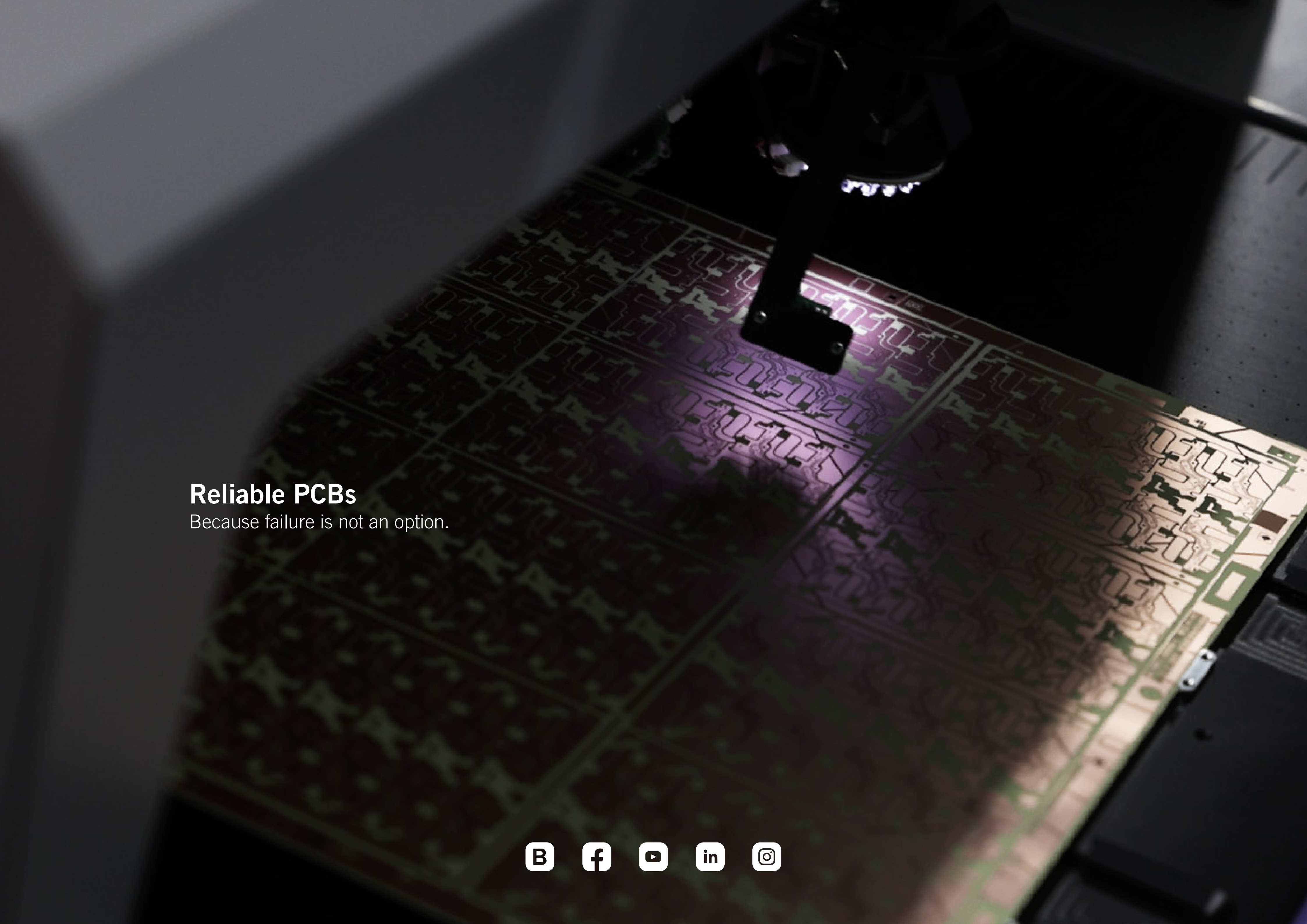
ROW	NUCLEAR ENERGY RELATED ACTIVITIES	YES/NO
1	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
2	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	NO
3	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO
ROW	**FOSSIL GAS RELATED ACTIVITIES**	**YES/NO**
4	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	NO
5	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	NO
6	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	NO

SCOPE AND ALIGNMENT WITH EU TAXONOMY FOR ALL ENVIRONMENTAL OBJECTIVES

	PROPORTION OF TURNOVER/TOTAL TURNOVER	
%	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	0	0
CCA	0	0
WTR	0	0
CE	0	0
PPC	0	0
BIO	0	0

	PROPORTION OF CAPEX/TOTAL CAPEX	
%	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	0	5.8
CCA	0	0
WTR	0	0
CE	0	0
PPC	0	0
BIO	0	0

	PROPORTION OF OPEX/TOTAL OPEX	
%	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	0	0
CCA	0	0
WTR	0	0
CE	0	0
PPC	0	0
BIO	0	0


Reliable PCBs
Because failure is not an option.