



Stronger result in a softer market

NCAB Q2 report

July 21, 2023

Today's presenters



PETER KRUK
CEO



ANDERS FORSÉN
CFO

KEY TAKE AWAYS IN Q2 2023

Stronger margins despite softer market

Markets generally weaker in all regions

- Net sales and order intake decreasing mainly because of lower prices and inventory normalization
- Nordic and Europe regions slightly stronger
- EV charging markets and Aerospace & Defence perform well

Improved result, higher margins and profitability

- Off-setting lower prices with record Gross Margin
- Strong EBITA improving YoY despite topline decline

Acquisitions of Phase 3 and db electronic in early May

- Integration process initiated

Cash flow continues to improve

- Working capital continues to decrease

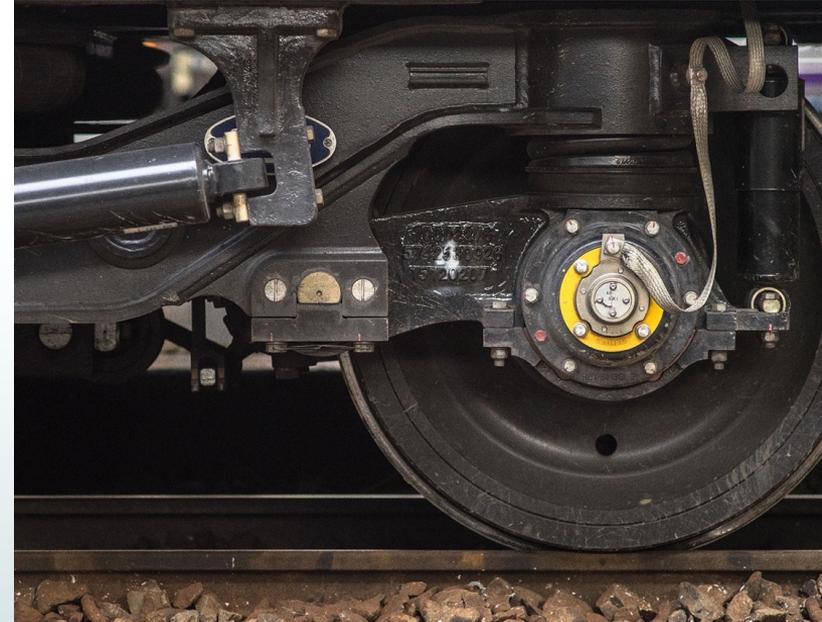
Promising pipeline of M&A targets



Q2 2023

In figures

- Net Sales decreased by 6% to 1,057 (1,122) MSEK.
- Orderbook from 2022 continued to support net sales.
- Organic growth -14% in SEK.
- Order intake decreased by 11% to 924 (1,036) MSEK.
- Organic growth -19% in SEK.
- EBITA amounted to 168.2 MSEK, an increase by 5%
- Strong EBITA-margin of 15.9 % (14.3), includes transaction costs of 8.4 MSEK.
- Gross Margin at record level of 36.4 % (31.3).
- Operating cash flow strong at 152.7 MSEK (148.2).



ACQUISITIONS OF DB ELECTRONIC AND PHASE 3 TECHNOLOGIES ANNOUNCED IN EARLY MAY

Two new acquisitions focusing on "quick turns"

- > DACH and Silicon valley – two key markets
- > Complements our existing business well
- > Quick turns is a profitable and exciting niche
- > Prototypes and quick turns first step for new customers
- > Combined add SEK 350 million in yearly net sales



16

companies

45

markets

614

specialists

31

factories

MISSION

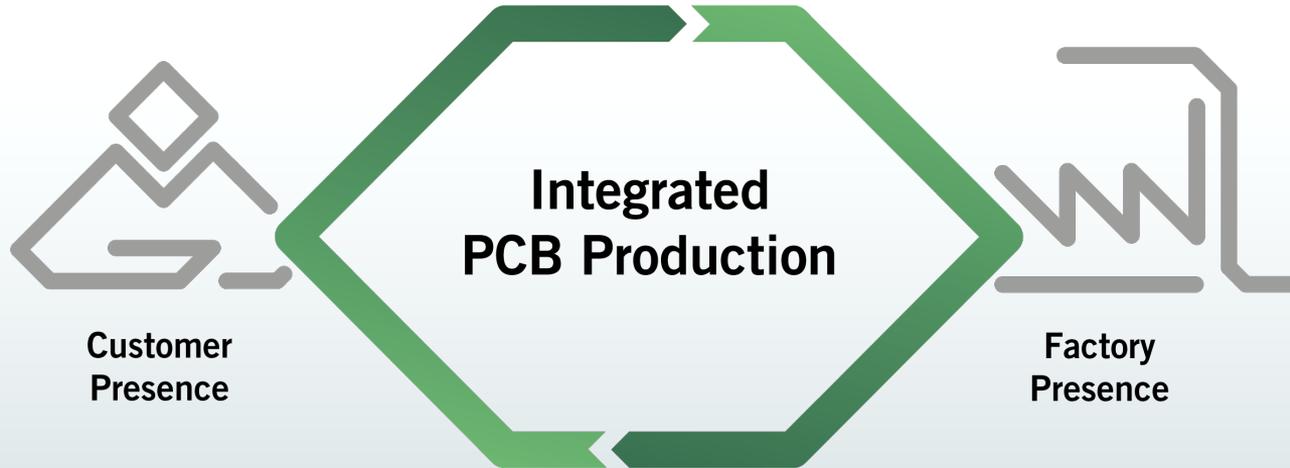
**PCBs for demanding customers,
on time with zero defects, produced
sustainably at the lowest total cost.**

VISION

**The Number 1 PCB Producer
wherever we are.**

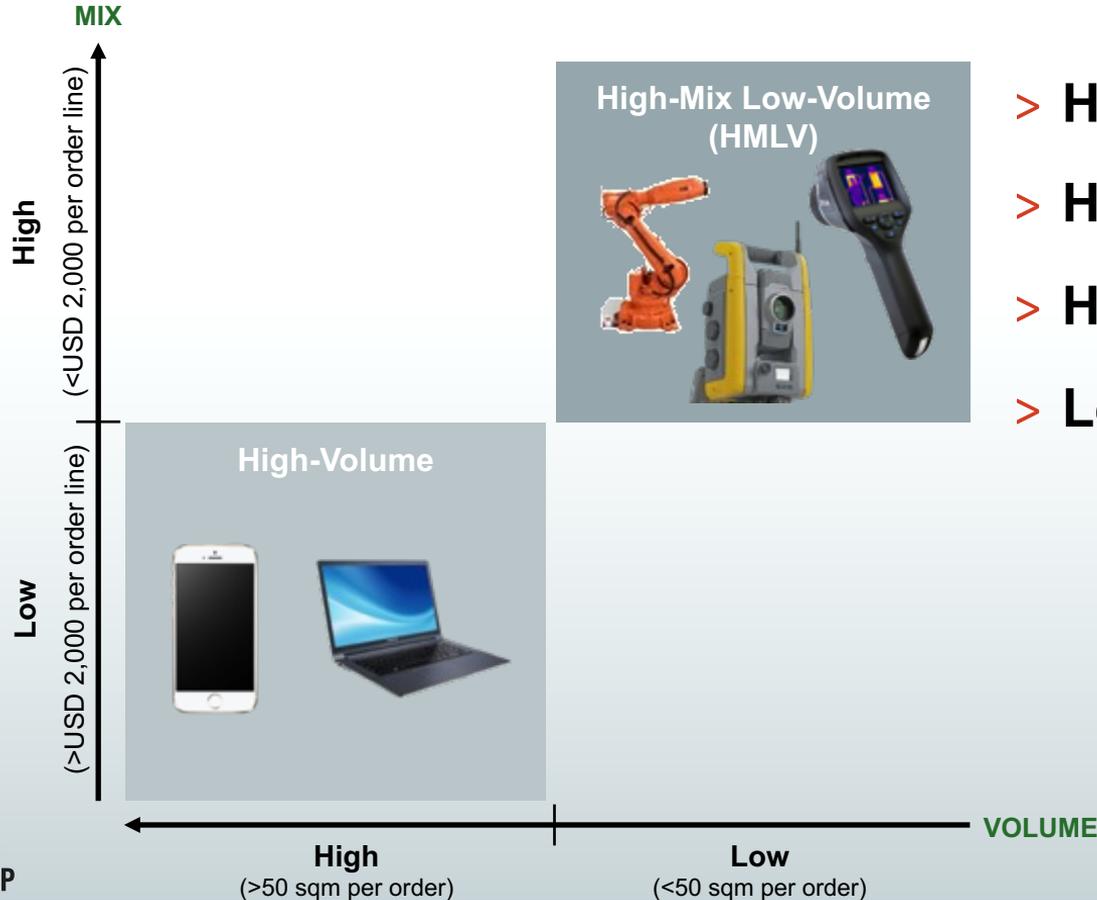
BUSINESS MODEL

Integrated PCB production



OUR MARKET

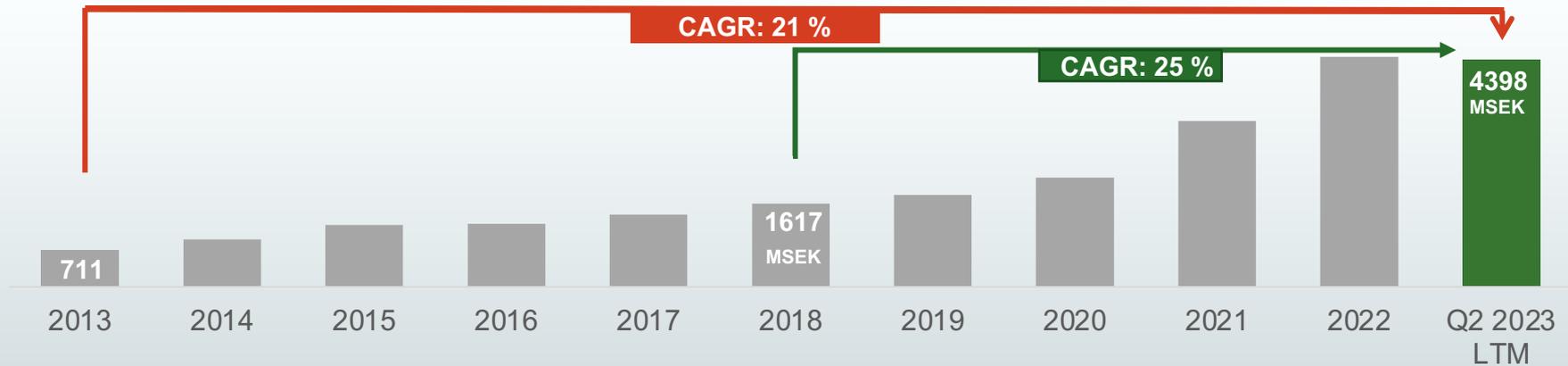
Our attractive niche – HMLV



- > Higher product value
- > Higher quality demand
- > Harder to buy direct
- > Less price pressure

THIS IS NCAB

Our growth journey



THE SECOND QUARTER IN NUMBERS

Performing despite weaker market in the quarter

Q2
2023

1,057

Net sales, MSEK

101

Net sales, MUSD

168

EBITA, MSEK

15.9 %

EBITA margin

Change
vs
Q2 2022

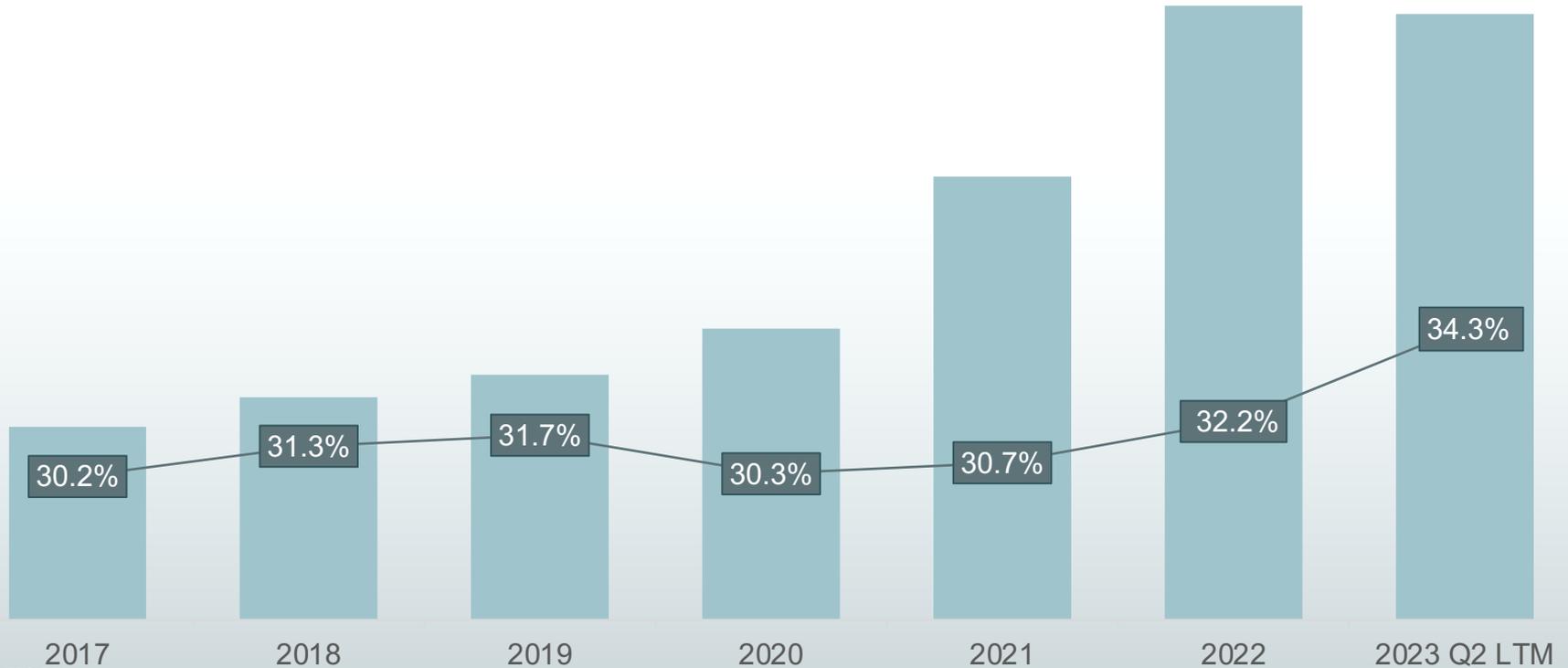
-6%

-12%

+5%

+1.6 pp

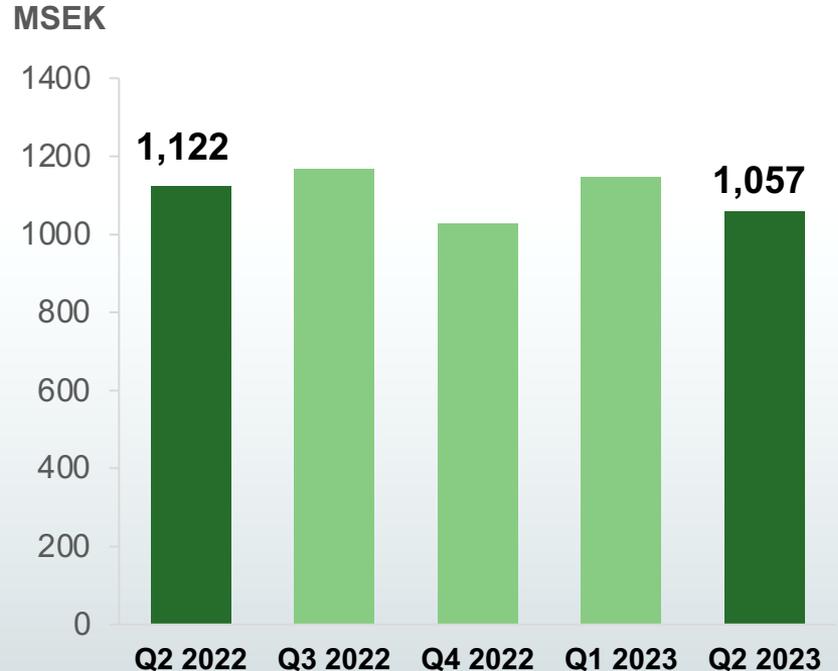
Record gross margin offset weaker top line



NET SALES

Softer markets impact top line

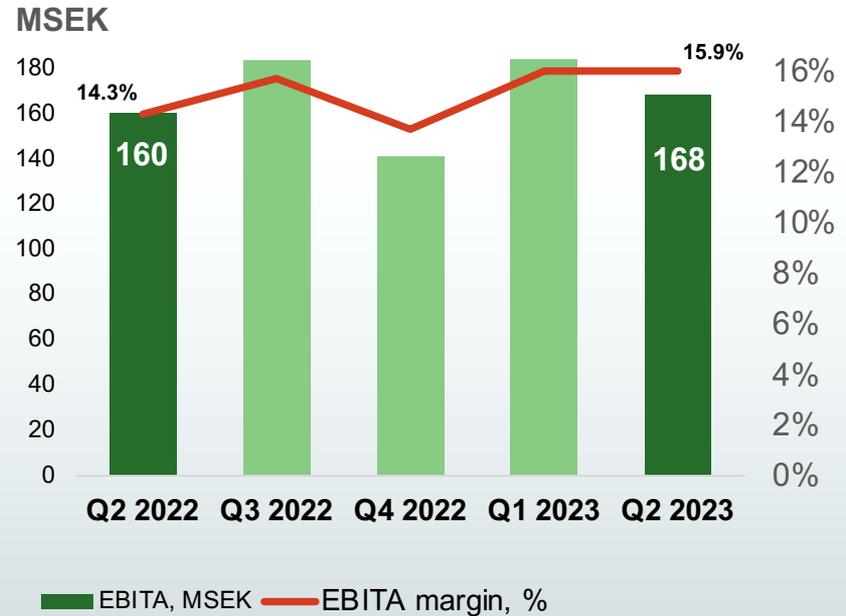
- > Net sales amounted to 1,057 MSEK, for comparable units in USD -12%.
- > Order intake decreased in SEK by 11% to 924 MSEK.
- > Book to bill 87%.
- > For comparable units orders decreased 24% in USD, and with 19% in SEK.
- > Market prices have decreased, and customers are normalizing inventory.
- > Lead times are now back to normal.



EBITA RESULT

Stronger profitability despite lower top line

- EBITA increased by 5% to 168 MSEK (160).
 - Adjusted for transaction costs and IT-platforms EBITA reached 186 MSEK.
- The EBITA margin increased to 15.9% (14.3).
 - Adjusted margin as above 17.7%.
 - Gross margin increased to 36.4% (31.3).
 - Gross profit increased by 10%.
 - Scale advantages and improved cost structure.
- Reduced working capital and increased result generated strong cash flow at 153 MSEK (148).
- Earnings per share was 0.54 SEK (0.75).

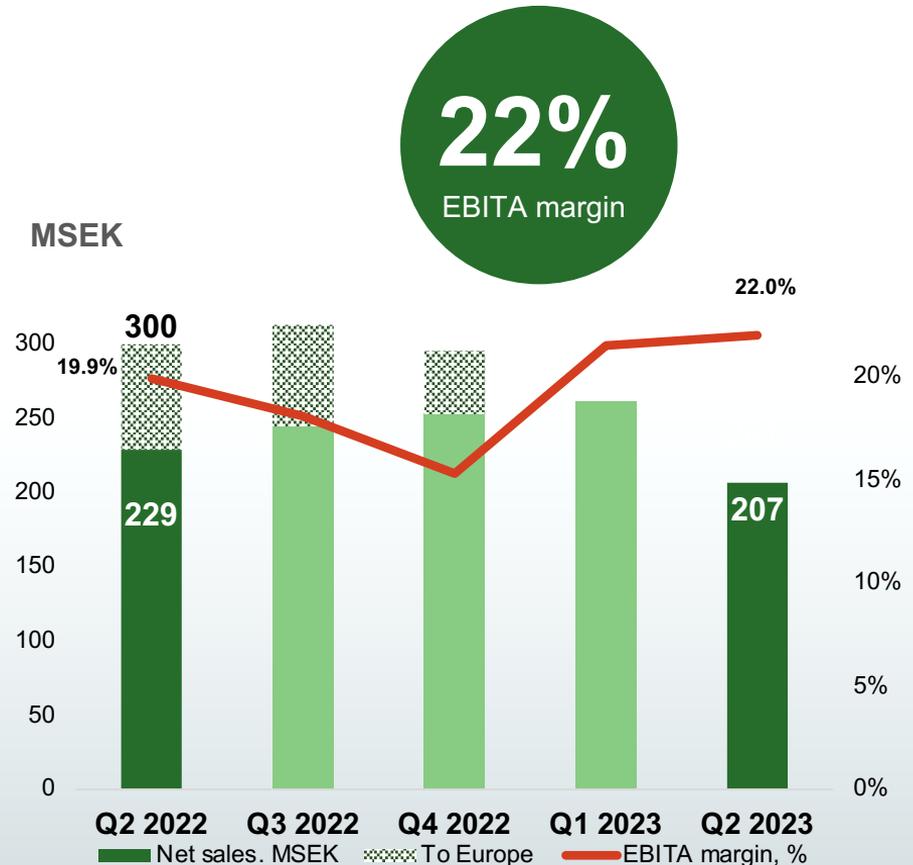


SEGMENTS

Nordic

- > Some business moved to segment Europe.
- > Adjusted* order intake decreased by 15% to 242 MSEK and by 22% in USD.
- > Net sales decreased to 207 MSEK (300) Adjusted* net sales for comparable units decreased by 10% in SEK and -17% in USD.
- > Good development in Norway.
- > EBITA decreased to 45.4 MSEK (59.7), but increased for comparable companies.
- > Improved EBITA margin to 22.0% (19.9).

* internal transfer of customers to segment Europe

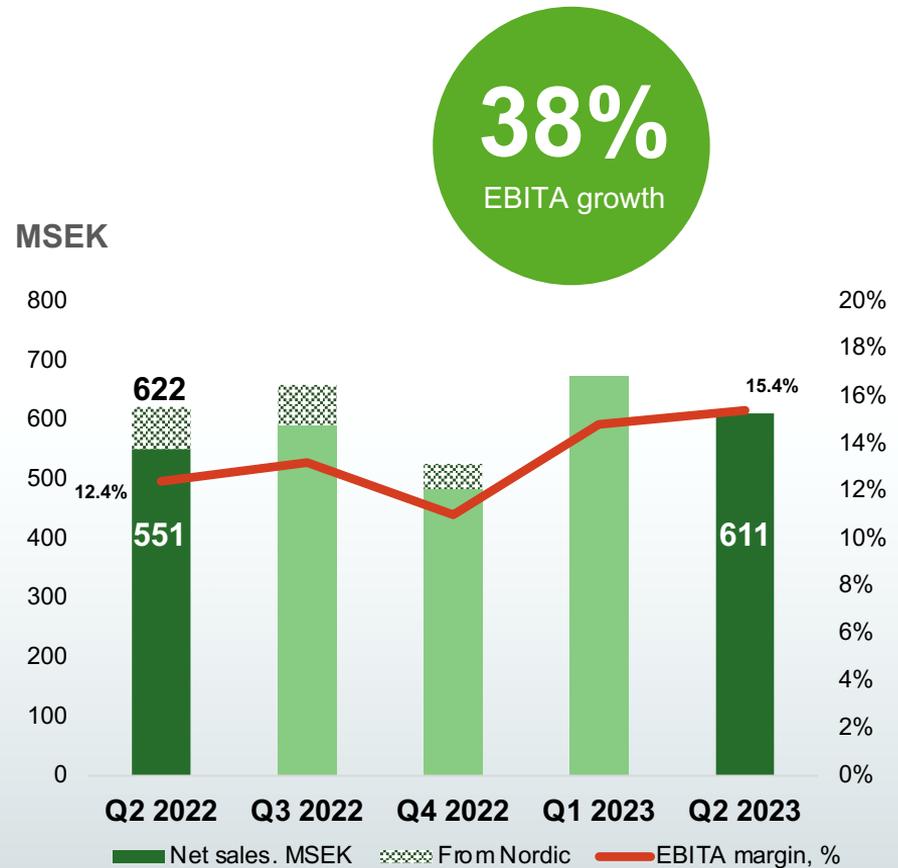


SEGMENTS

Europe

- > Net sales increased to 611 MSEK (551) driven by acquisitions and transferred business from Nordic
- > Adjusted* net sales for comparable units decreased by 11% in SEK and -17% in USD.
- > Order intake 513 MSEK (480). Adjusted* order intake for comparable units decreased with 16% in SEK and with 20% in USD.
- > EBITA increased to 94.2 MSEK (68.4), corresponding to a margin of 15.4% (12.4%).

* internal transfer of customers from segment Nordic and acquisitions

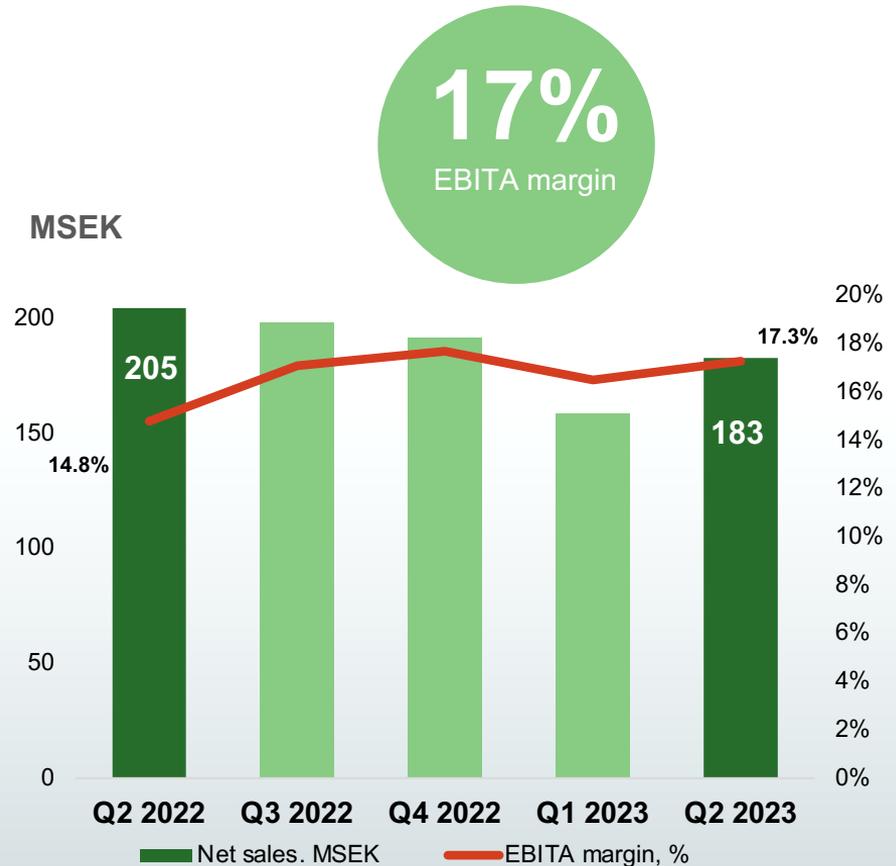


SEGMENTS

North America

- > US EMS customers adapting to shorter lead times and reducing inventories.
- > Order intake decreased by 14% to 163 MSEK. Adjusted* order intake decreased by 30% to 242 MSEK and by 34% in USD.
- > Net sales decreased by 11% to 183 MSEK (205). Adjusted* net sales for comparable units decreased by 24% in SEK and -29% in USD.
- > EBITA increased to 31.6 MSEK (30.3).
- > EBITA margin increased to 17.3% (14.8).

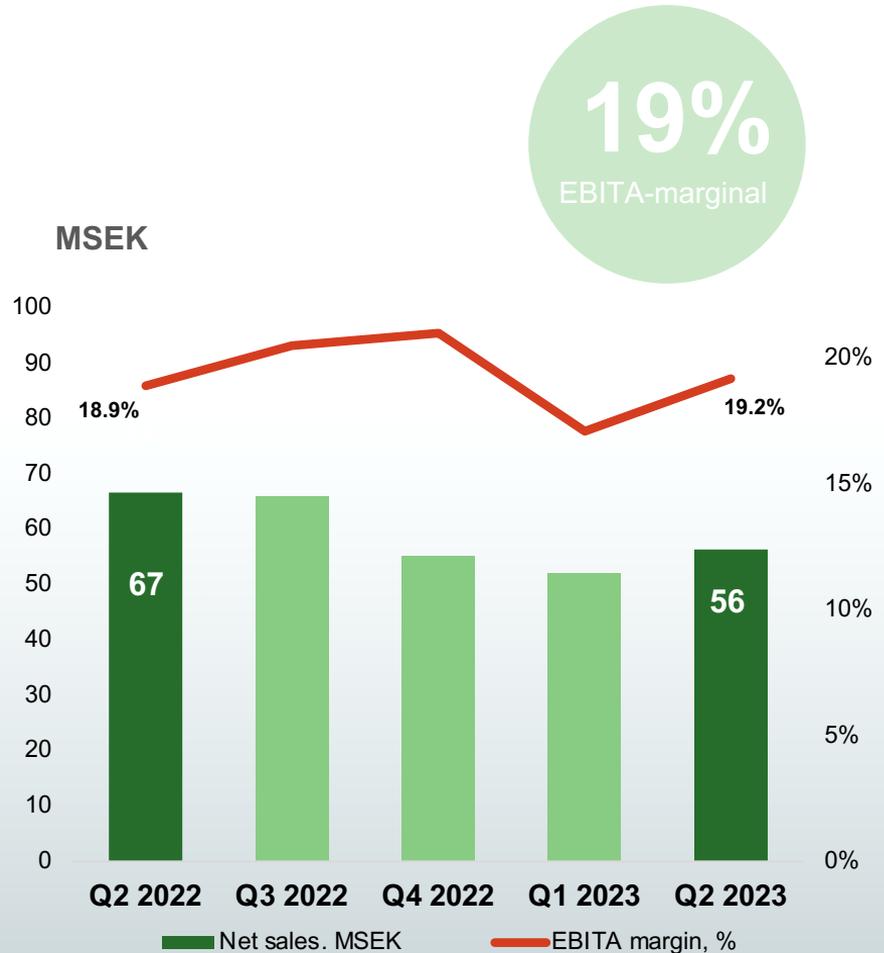
* adjusted for the acquisition of Phase 3



SEGMENTS

East

- > Lower customer activities than expected, after China opened up.
- > Manufacturing still on low levels.
- > Order intake decreased to 43 MSEK (60).
- > Net sales decreased with 28 % to 56 MSEK (67) but decreased with 31% in USD.
- > EBITA decreased to 10.8 MSEK (12.6), but EBITA-margin increased to 19.2% (18.9).



NCAB ACQUISITION PROCESS

Good progress in our pipeline



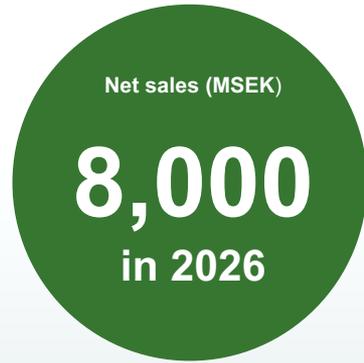
KPI:s

Available liquidity useful for more acquisitions

	June 2023	June 2022
ROE %	39.4	44.6
Net debt/EBITDA	1.2	1.6
Equity/Asset ratio %	37.8	30.6
Net working capital, MSEK	419	534
Net working capital/Net sales LTM %	7.9	10.7
Available liquidity, MSEK	743	735

FINANCIAL TARGETS MID TERM

This is where we are aiming



NCAB STRATEGY SINCE 2018

We continue to deliver on our strategic plan!





Questions?

Financial calendar 2023

SEPT 4
NOV 7

CAPITAL MARKETS DAY
THIRD QUARTER REPORT

Investor contact:

Gunilla Öhman

gunilla.ohman@ncabgroup.com

