



NCAB Group

CAPITAL MARKETS DAY 2023

Agenda

- 13:00** **Welcome**
Christian Salamon - Chairman
- 13:05** **Technical info on Q&A**
Gunilla Öhman – IR Manager and Moderator
- 13:10** **NCAB and our business concept**
Peter Kruk - CEO, Anders Forsén - CFO
- 13:40** **Growth case – Segment Europe**
Benjamin Klingenberg – Vice President Europe
- 14:10** **Factory management, supply chain
& sustainability**
Chris Nuttall – COO, Anna Lothsson – Group Sustainability Director
- 15:00** **Coffee break – Lab & Quote process**
- 15:30** **M&A and integration processes**
Anders Forsén – CFO, Hassan Elsayed – Mergers & Acquisitions
- 16:00** **Concluding remarks**
Peter Kruk - CEO
- 16:15** **Final Q&A session**





NCAB Group

**CAPITAL
MARKETS
DAY 2023**

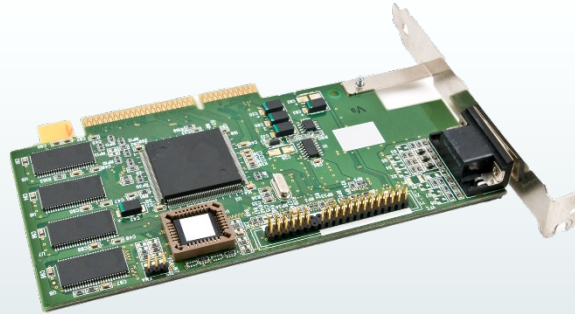
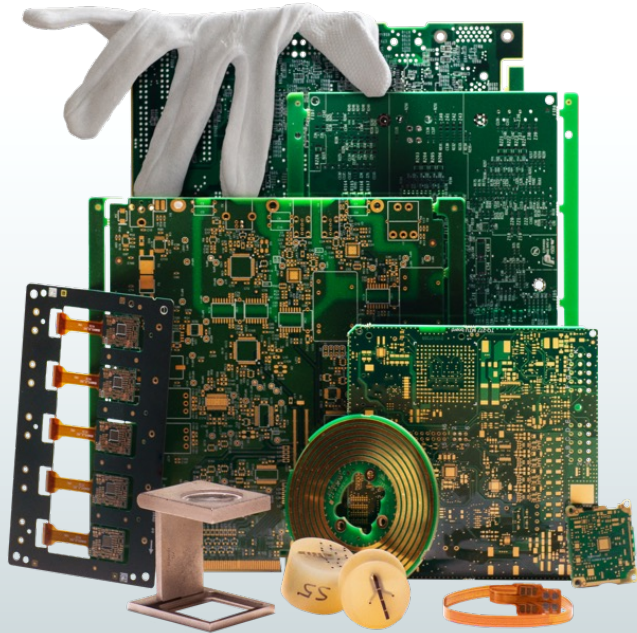
Peter Kruk
CEO

Anders Forsén
CFO

**NCAB and our
business concept**

DIGITALIZATION, ELECTRIFICATION AND IOT...

Everything needs a PCB and each PCB is unique



16

companies

45

markets

615

specialists

31

factories

MISSION

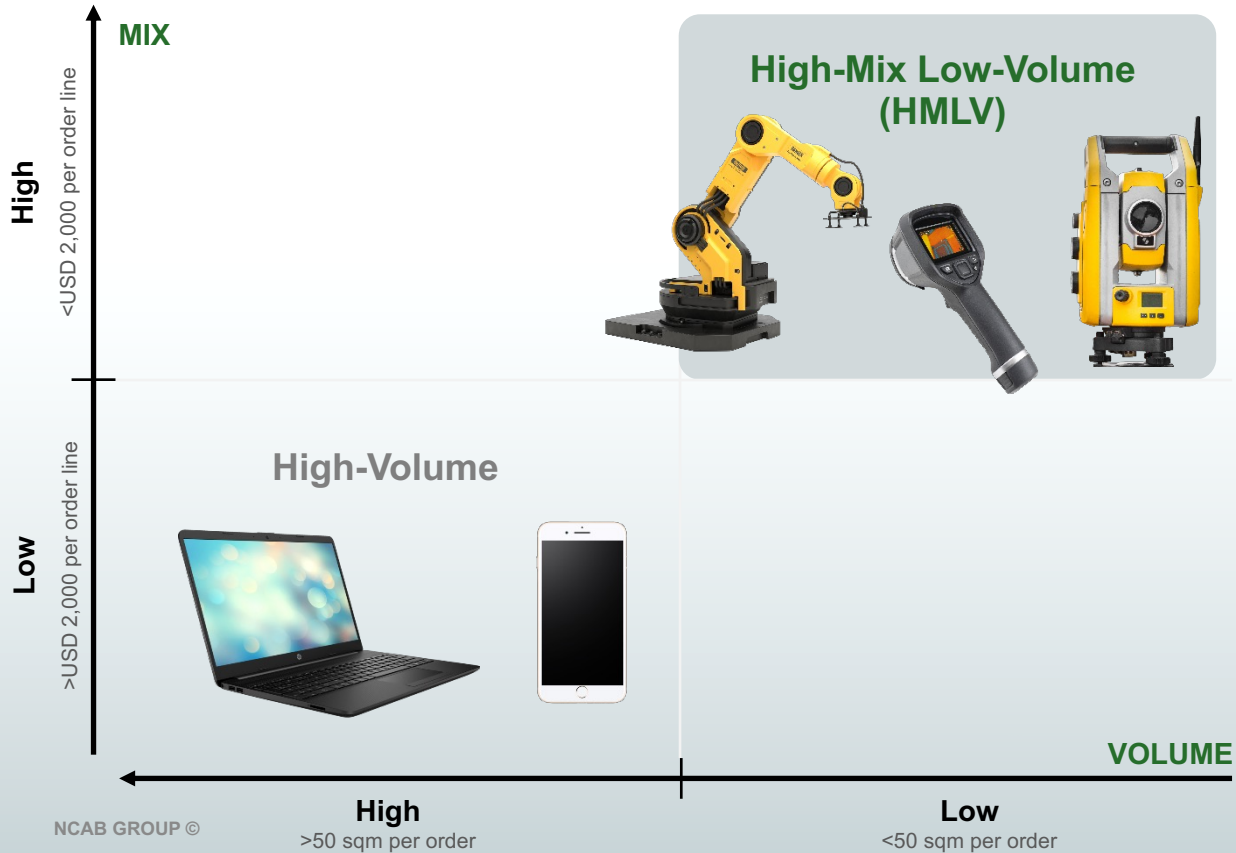
**PCBs for demanding customers,
on time with zero defects, produced
sustainably at the lowest total cost.**

VISION

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


OUR MARKET

Our attractive niche – HMLV




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


Industries we serve




Aerospace




Automotive



Datacom




Defence




Industrial


NCAR Group
CAPITAL
MARKETS
DAY 2023



Medical




Power/energy



Railway



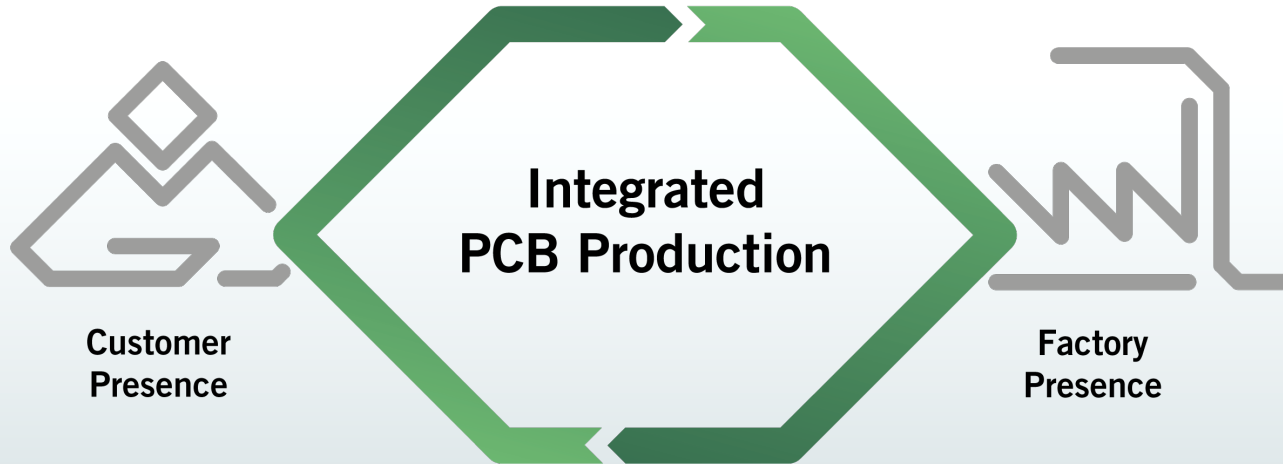
Safety critical



Telecom

BUSINESS MODEL

Integrated PCB production



BUSINESS MODEL

Customer integration

Local presence IRL

- > Business knowledge, Local language and Personal relationships

Production engineering

- > Cost, Quality & Sustainability

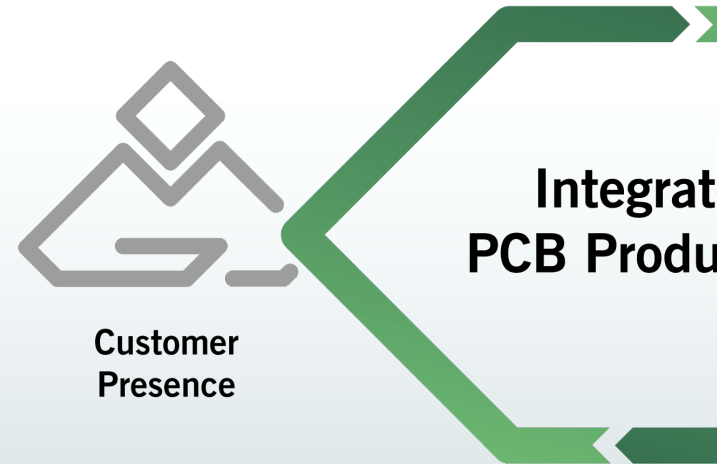
PCB unique know-how

- > Tech advise, Customer education and Design+

Matching needs with optimum manufacturing location

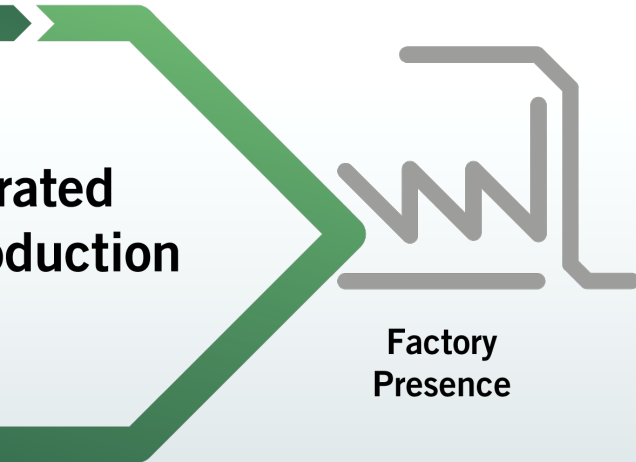
Process integration for efficiency

- > FMOS, EDI



BUSINESS MODEL

Factory integration



Local presence IRL

- > Business knowledge, Local language and Personal relationships
- > Experienced team of 120+ specialists
- > Continuous presence at factories

Securing supply

- > Preventive and reactive quality assurance
- > Regular full quality and sustainability audits
- > Securing global logistics flow

Development

- > Development of factory base to meet current and future customer needs
- > Development of capabilities – quality & sustainability
- > Sourcing and qualification of new partners

Our history

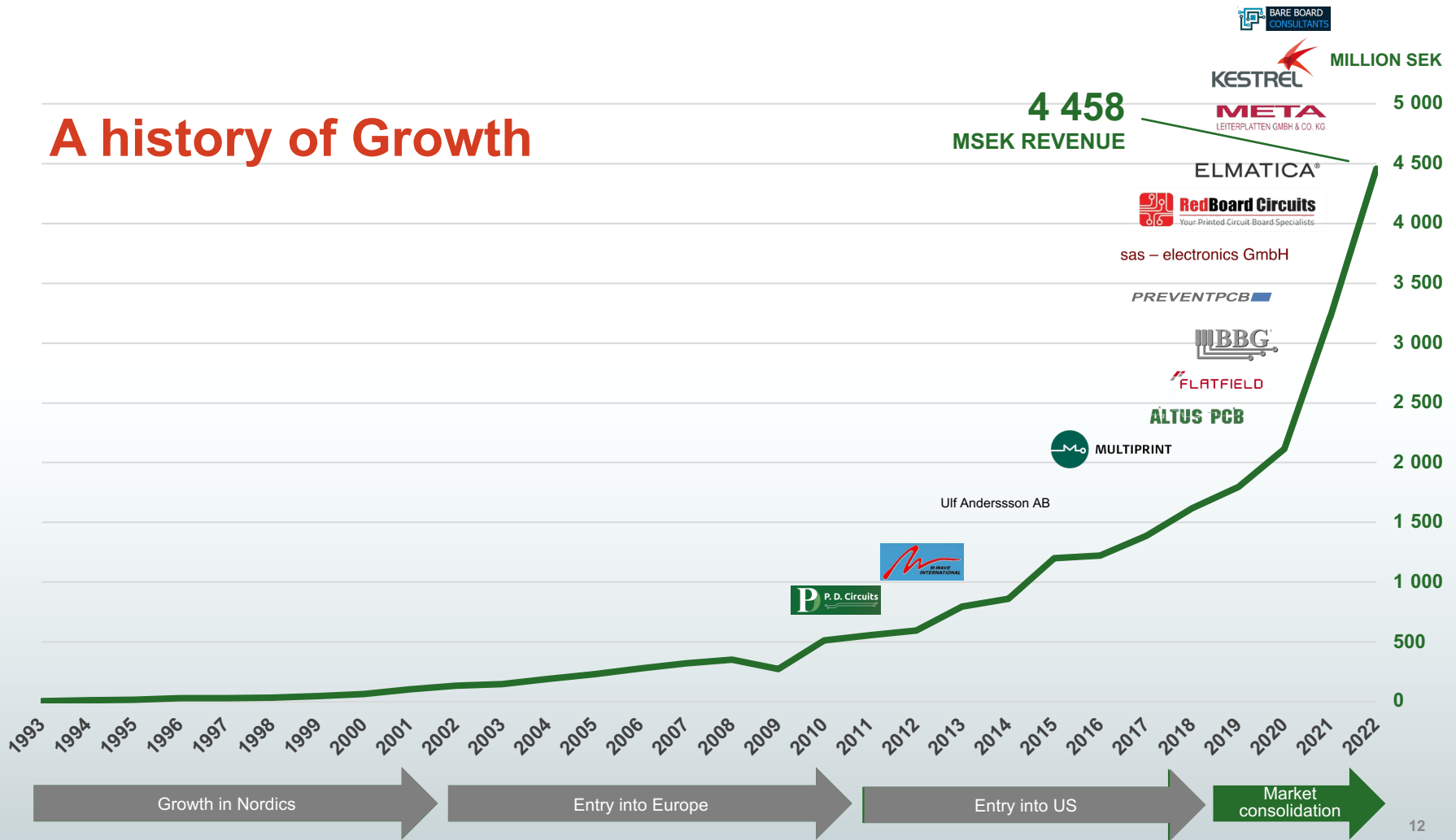
HELLO
WE ARE FROM SWEDEN



WE COME WITH PCBs

NCAB Group
CAPITAL
MARKETS
DAY 2023

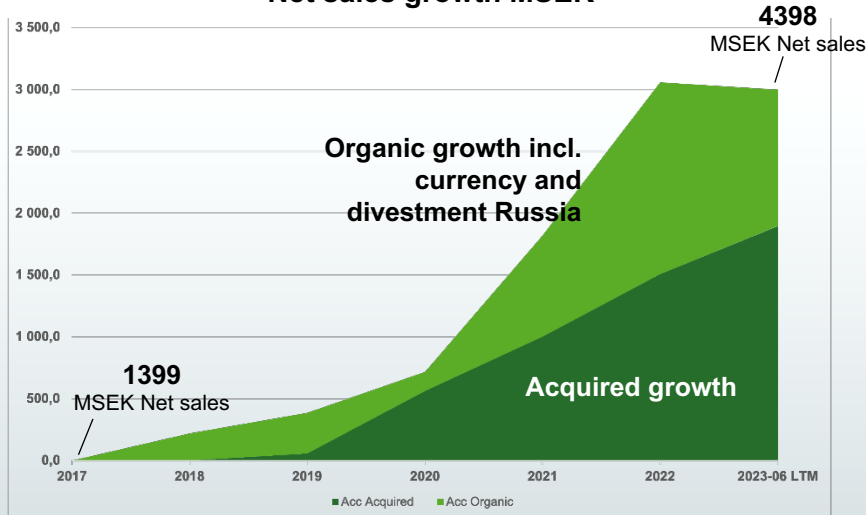
A history of Growth



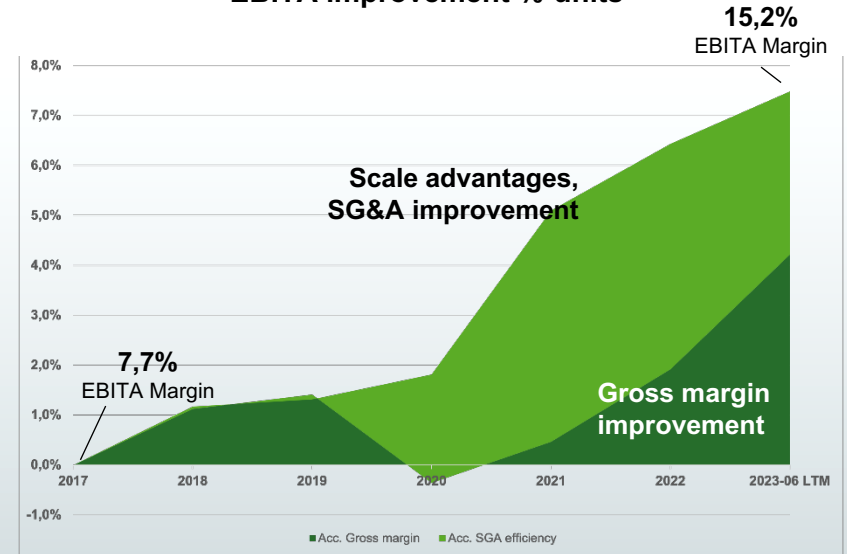
NCAB Development since IPO

NCAB Development 2017 – 2023-06 LTM

Net sales growth MSEK



EBITA improvement %-units



2017 – 2023-06 LTM A different company

	2017	2023-06 LTM	CAGR	Total growth
Net Sales	1 399	4 398	23,1%	214%

Lean balance sheet and strong cash flow

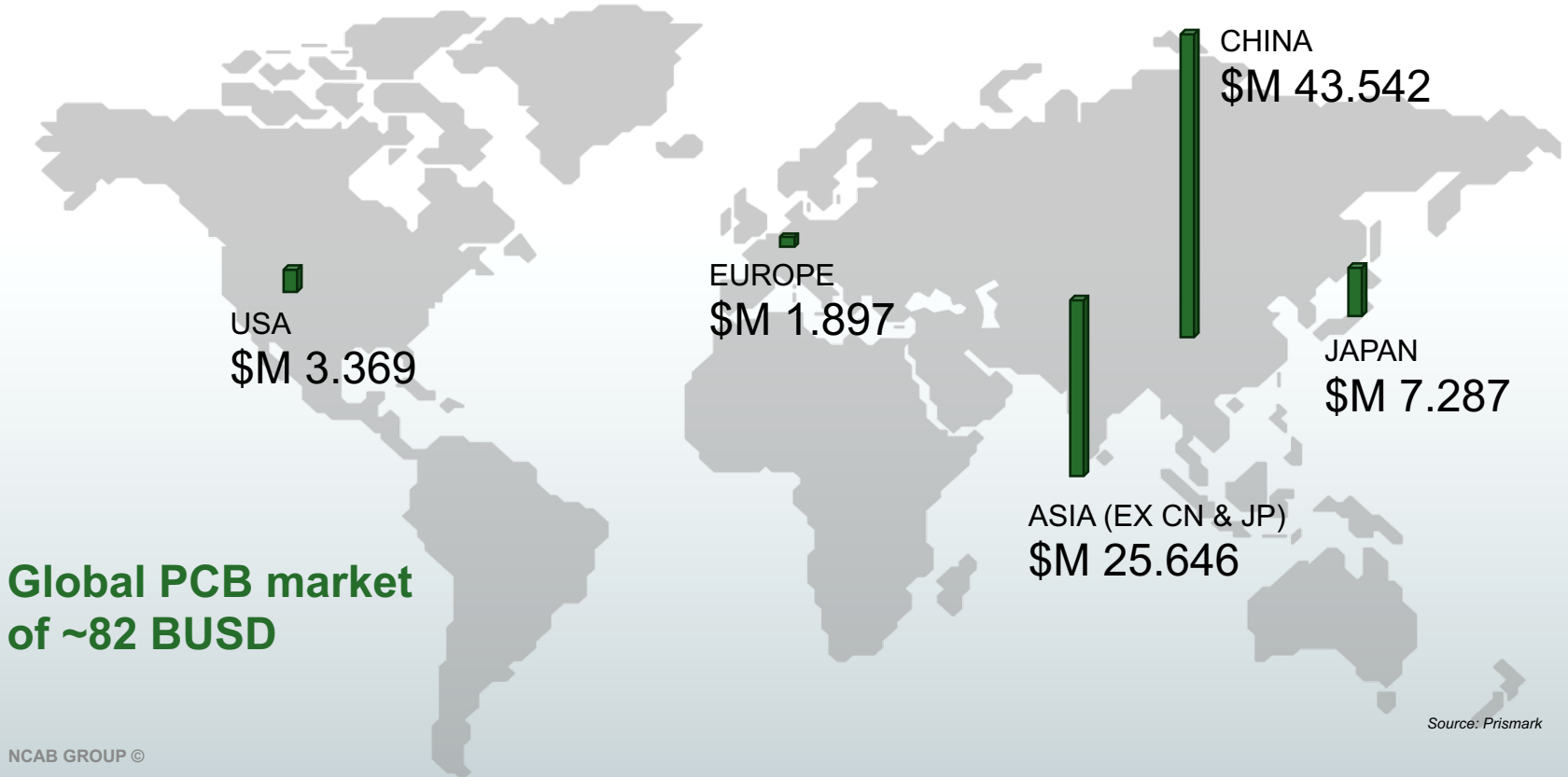
Cash flow	2018	2019	2020	2021	2022	23-06 LTM	Acc 2018-2023
EBITA	144	161	202	413	632	676	1 596
Operating cash flow	70	143	194	48	569	750	1 206
% of EBITA	49%	89%	96%	12%	90%	111%	76%

We have acquired companies for approx. 1 500 MSEK, i.e. organic and acquired growth has almost been self financed by operating cash flow

The future of NCAB

GLOBAL PCB MARKET

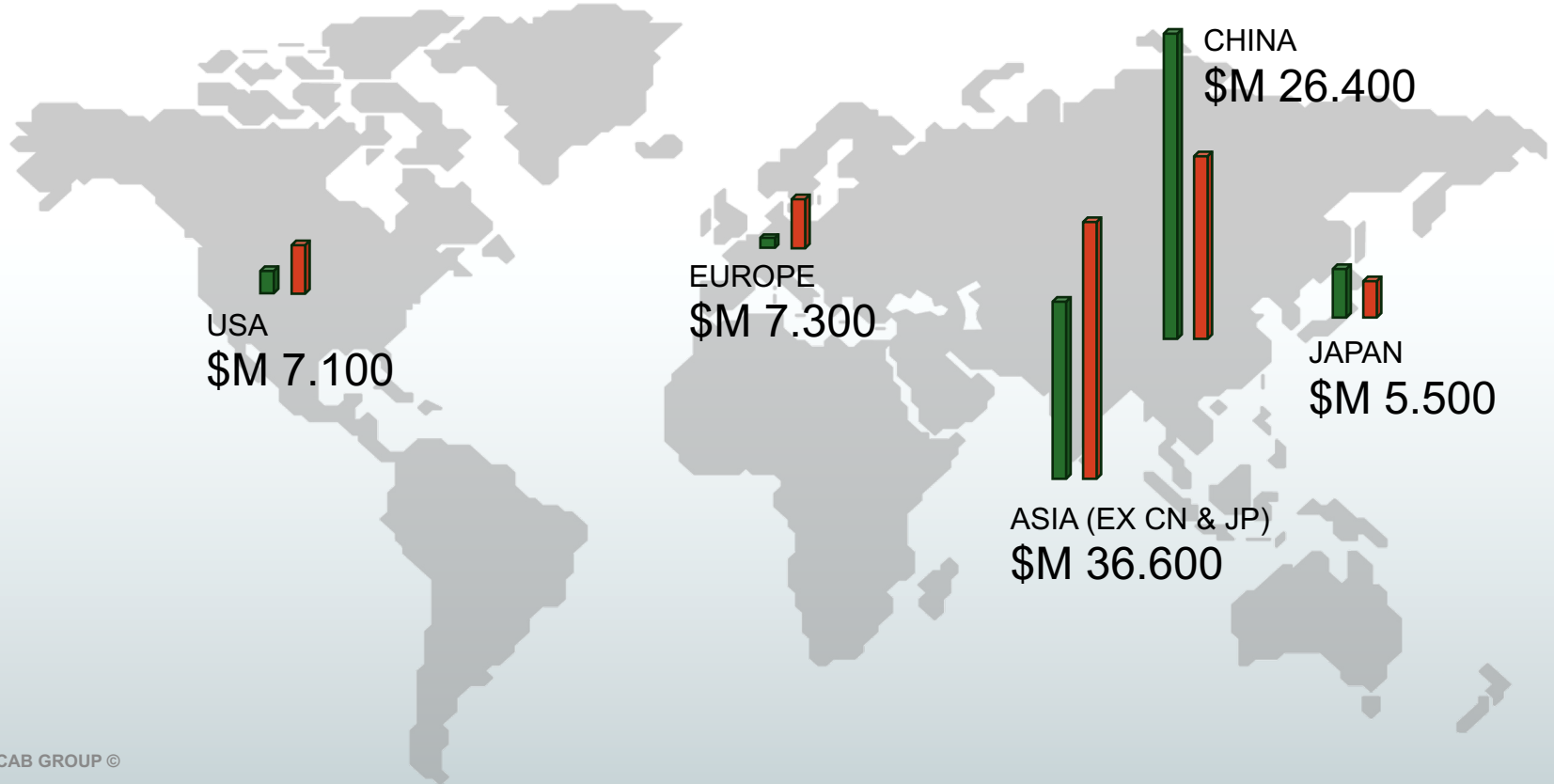
Production 2022



Global PCB market
of ~82 BUSD

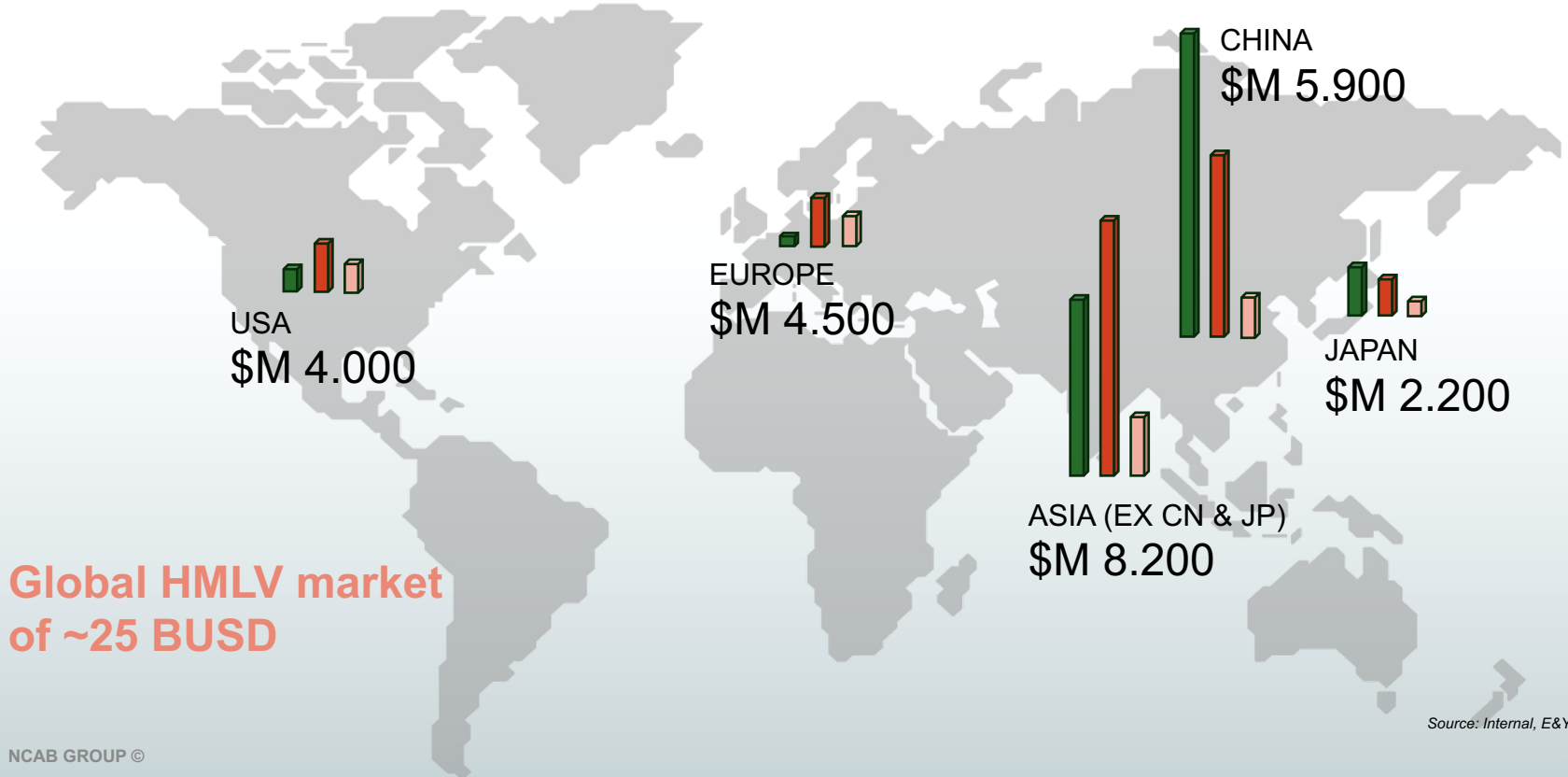
GLOBAL PCB MARKET

Consumption 2022



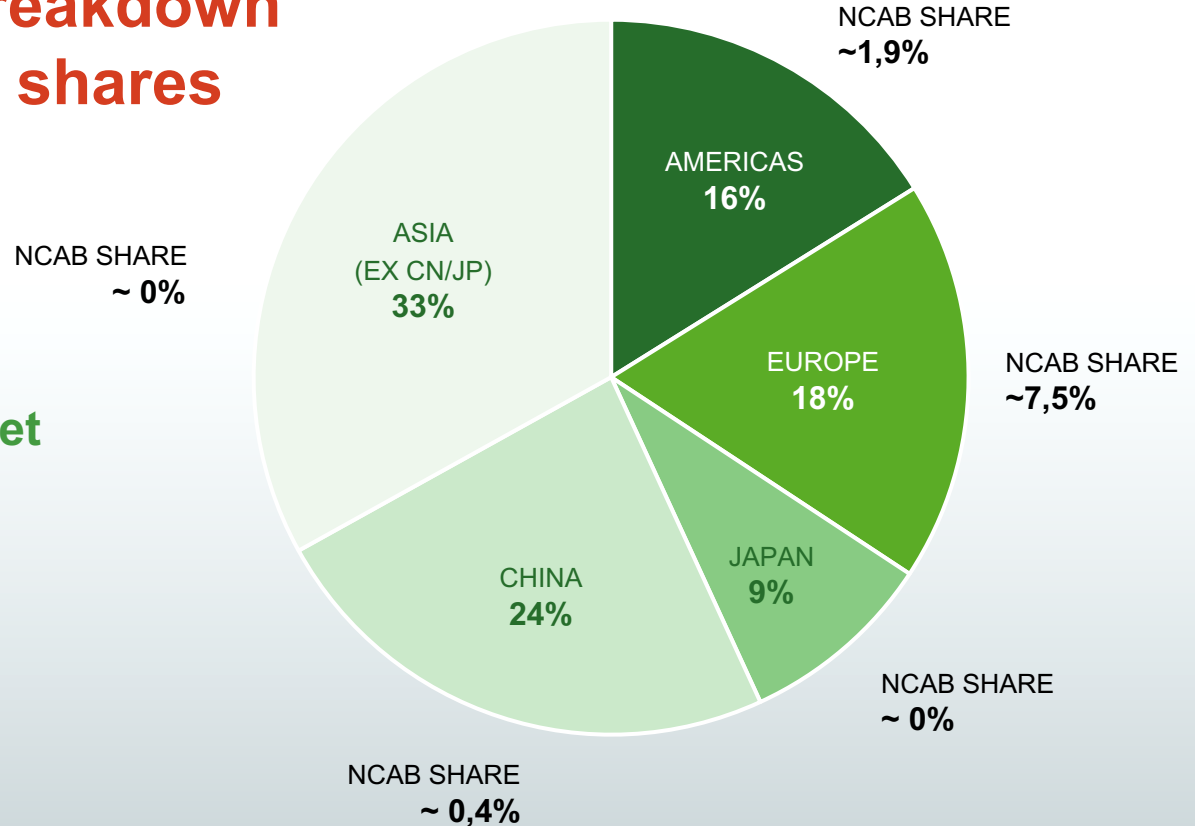
GLOBAL PCB MARKET

HMLV Consumption 2022

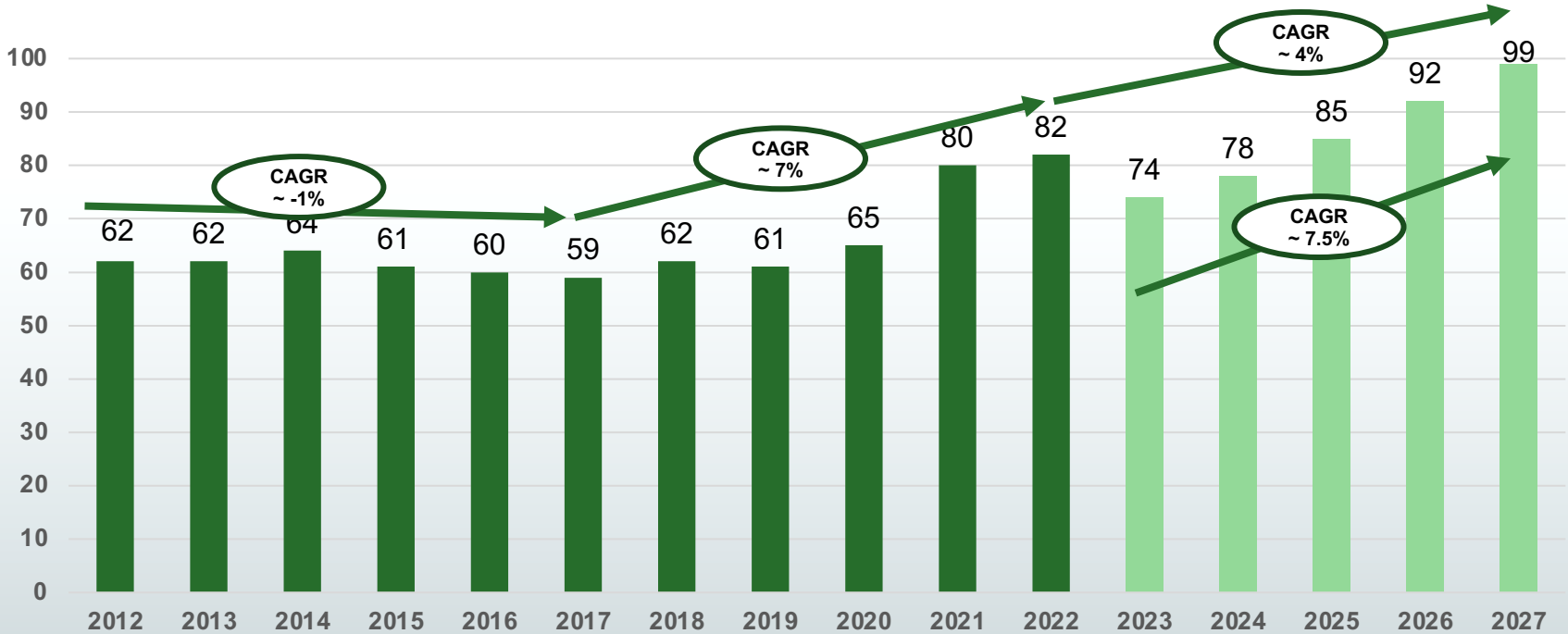


HMLV market breakdown & NCAB market shares

Global HMLV market
of ~25 BUSD



Market Development



Global market of ~82 BUSD in 2022 with projected CAGR of 4% 2022-2027.
From 2023 to 2027 CAGR is projected at 7,5%

Source: Prismark

A clear strategy for high-pace profitable growth!

GEOGRAPHICAL EXPANSION

Expand geographically to new markets using M&A to accelerate process

MARKET CONSOLIDATION

Consolidate market and explore economies of scale for cost and capability advantages

100% FOCUS ON PCBs

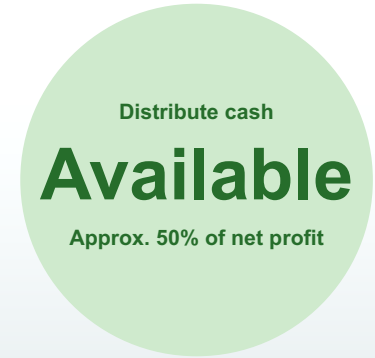
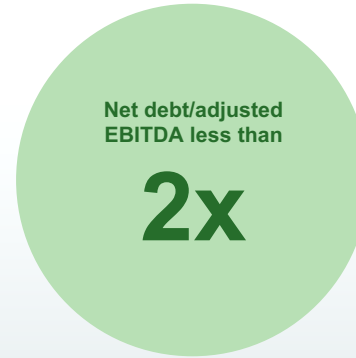
Maintain 100% focus on PCBs with an Asset Light model

INCREASE MARKET SHARES

Increase market shares and deepen customer relationships in existing markets

FINANCIAL TARGETS MID TERM

This is where we are aiming





NCAB Group

**CAPITAL
MARKETS
DAY 2023**

Benjamin Klingenberg
VICE PRESIDENT EUROPE

**Growth case
– Segment Europe**

Wording “Europe” in NCAB terms

- > **We have divided geographical Europe into 2 segments: Nordics + Europe**
- > **Countries of segment Europe:**
 - > Benelux, Germany, Switzerland, Austria, France, Italy, North Macedonia, Poland, Spain, UK, Ireland
 - > Eastern Europe for future development



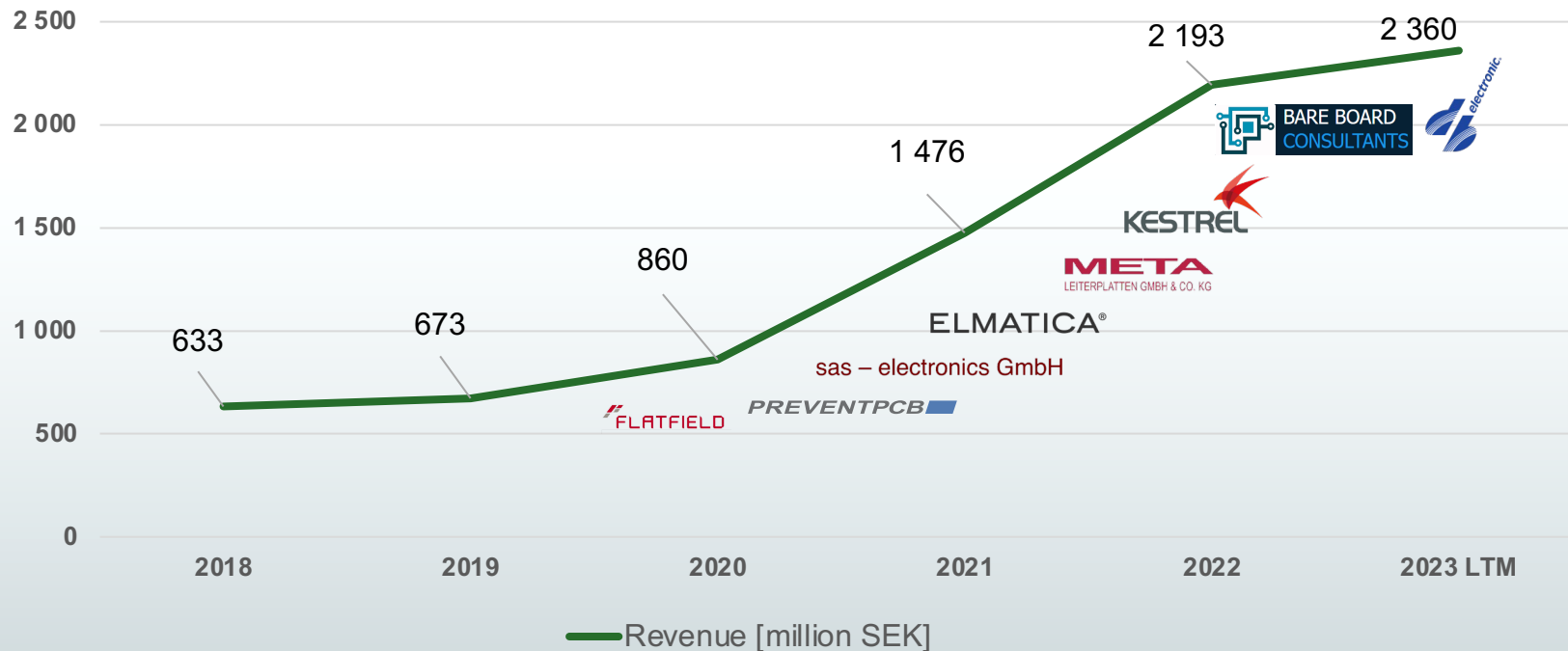
SEGMENT EUROPE

PCB demand



SEGMENT EUROPE

Growth



SEGMENT EUROPE

Growth strategies

ORGANIC

New markets:

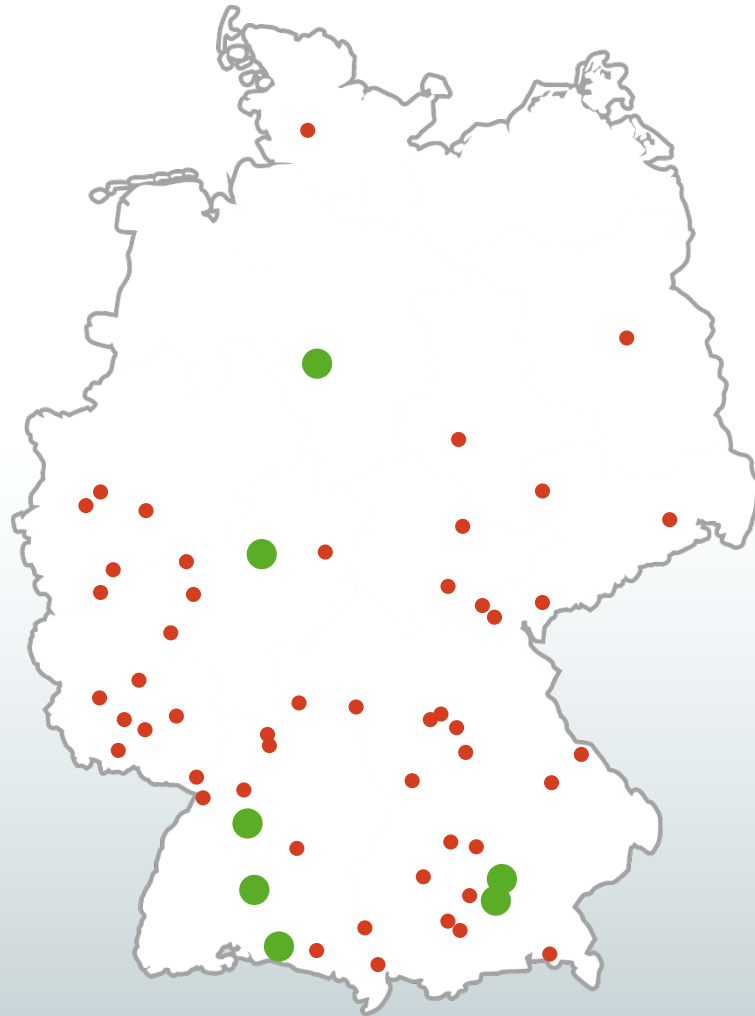
- > Eastern Europe
- > Stronger focus on Switzerland
- > Belgium
- > Portugal

ACQUISITIONS

Strong focus in several markets

Locations of the top 25 EMS companies in Germany

- EMS customer
- NCAB offices



Industry sector sales

Medical, Power & Energy, Defence, Railway, Aerospace

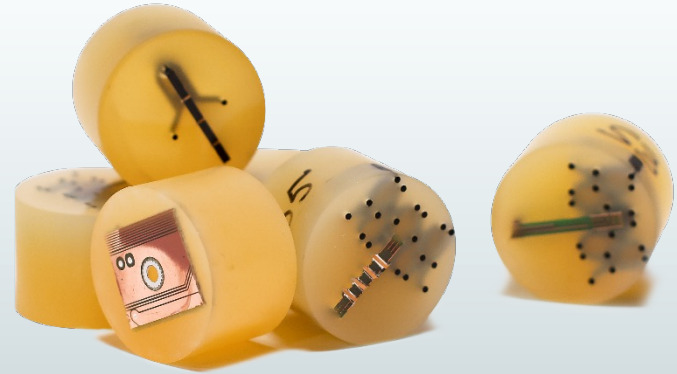
- Requirements can be specific for each industry sector
- We build trust by „speaking the same language“
- Key Account Managers that are industry sector specialists



SEGMENT EUROPE / GROWTH STRATEGY ORGANIC

Sales mindset and customer service

- > Acquired companies have sometimes similar, but often a different approach.
- > A lot of training, coaching, BLITZ sessions, academy.
- > Progress visible and measurable.



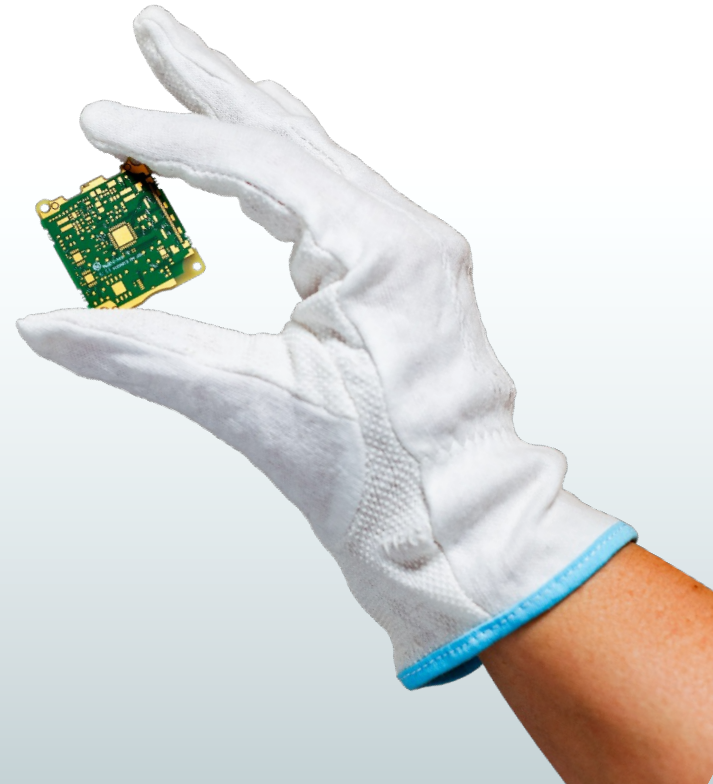
Multiplication of an acquisition

- NCAB has a name in the market. Targets approach us.
- Acquired companies often have a different way of working.
- Customer overlap <10%
- Product / capability extension

SEGMENT EUROPE / GROWTH STRATEGY / ACQUISITIONS

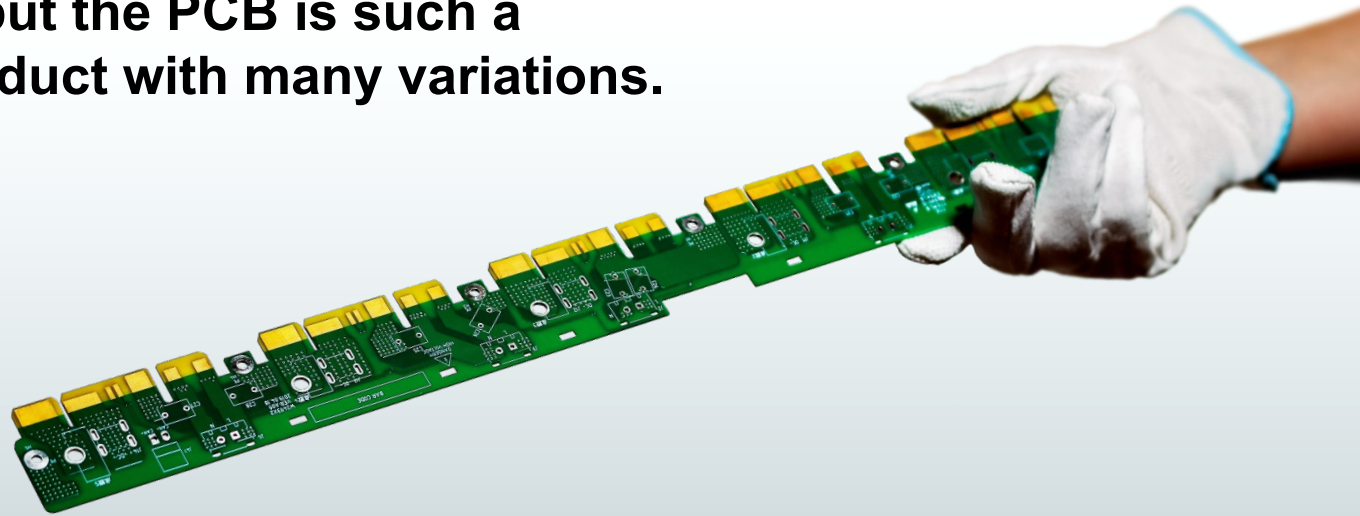
Characteristics of potential acquisitions

- > **Many companies founded in end of 1990 – 2000th.**
- > **Owners will retire and have no potential succession.**
- > **~10 million EUR Revenue.**
- > **Good alternative to green field – relationship + trust takes 1-2 years.**



Know-how dominance

- > **40% of PCB engineers in Germany will retire in the next 10 years.**
- > **AI is growing, but the PCB is such a specialized product with many variations.**



NCAB Group

CAPITAL MARKETS DAY 2023

Chris Nuttall
CHIEF OPERATING OFFICER

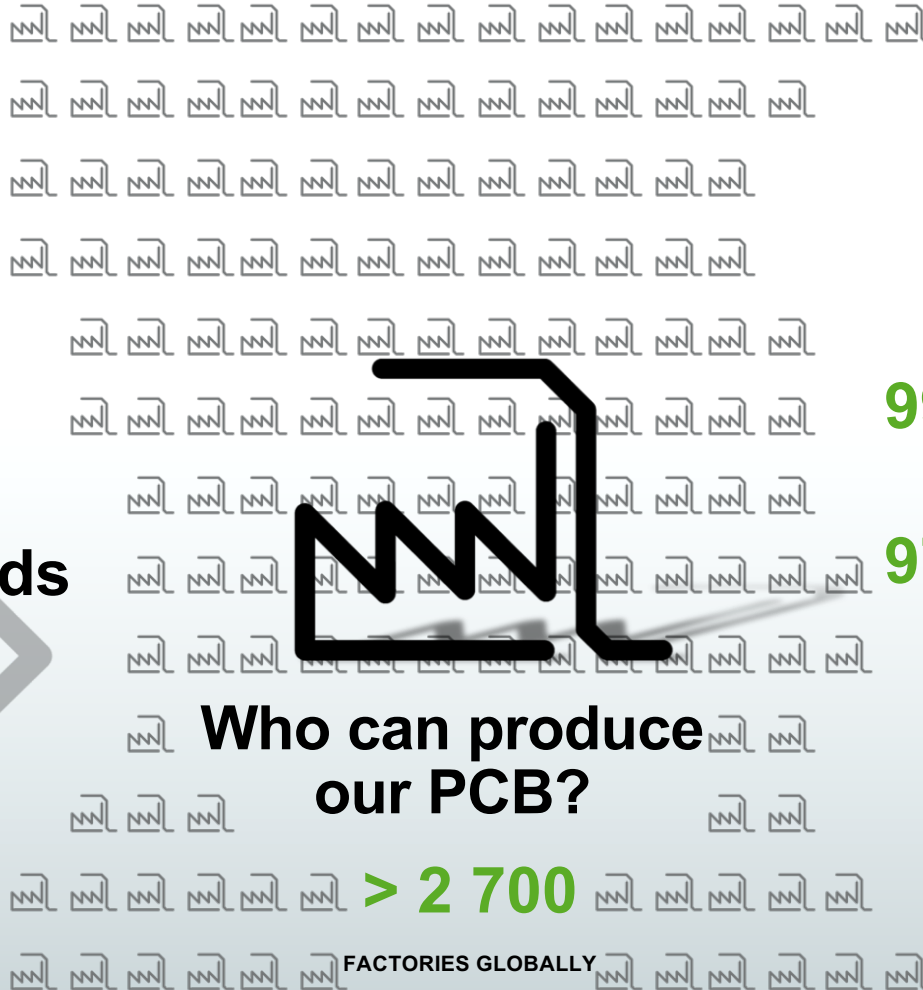
Anna Lothsson
GROUP SUSTAINABILITY DIRECTOR

Factory management, supply chain & Sustainability



Challenge

Market needs



99,3%

QUALITY

97,0%

ON-TIME



FACTORY MANAGEMENT

What is NCAB Group Factory Management?

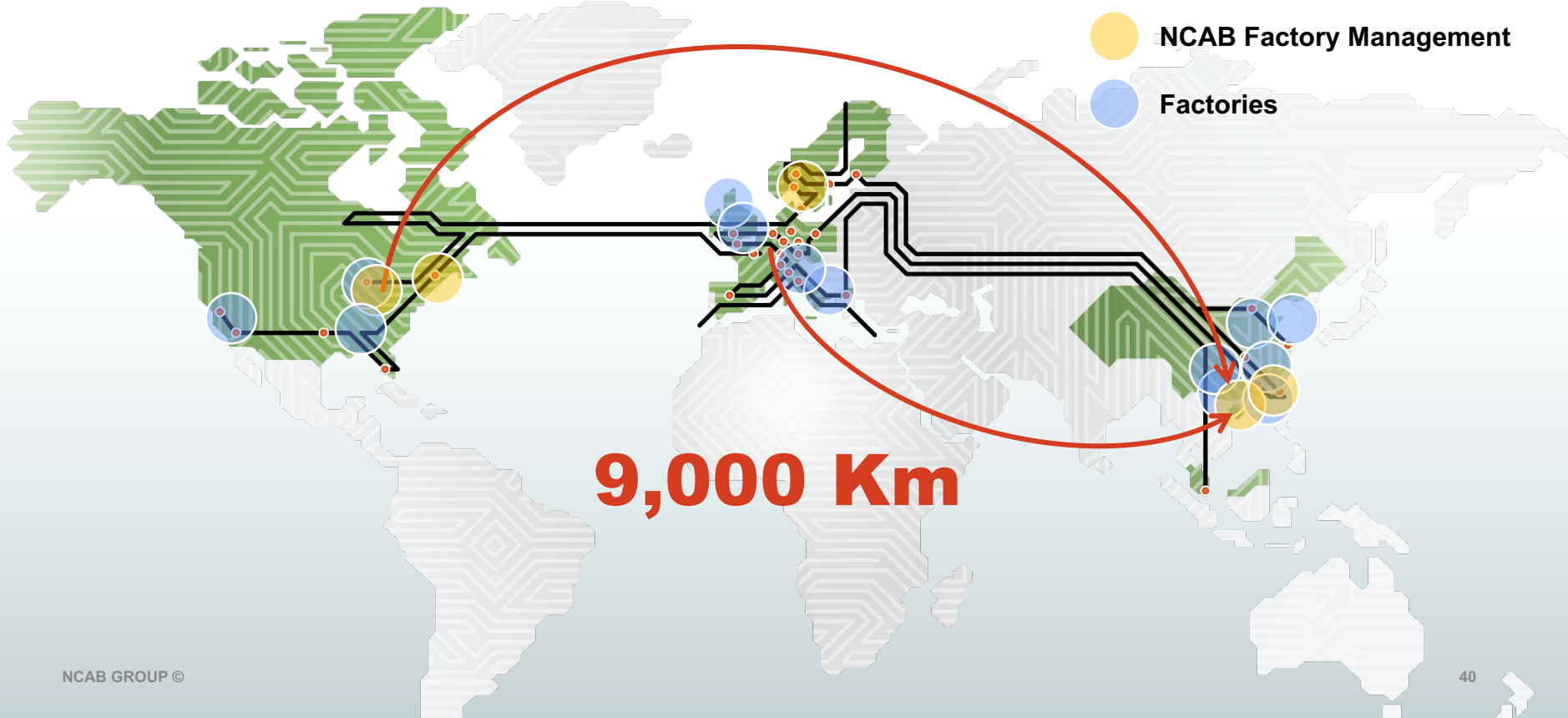
Specialists who maintain and develop a supply chain that matches the needs of our customers, the market and assist our local companies in the supply of PCBs for demanding customers, on-time with zero defects, produced sustainably at the lowest total cost.



Why do we need Factory Management?

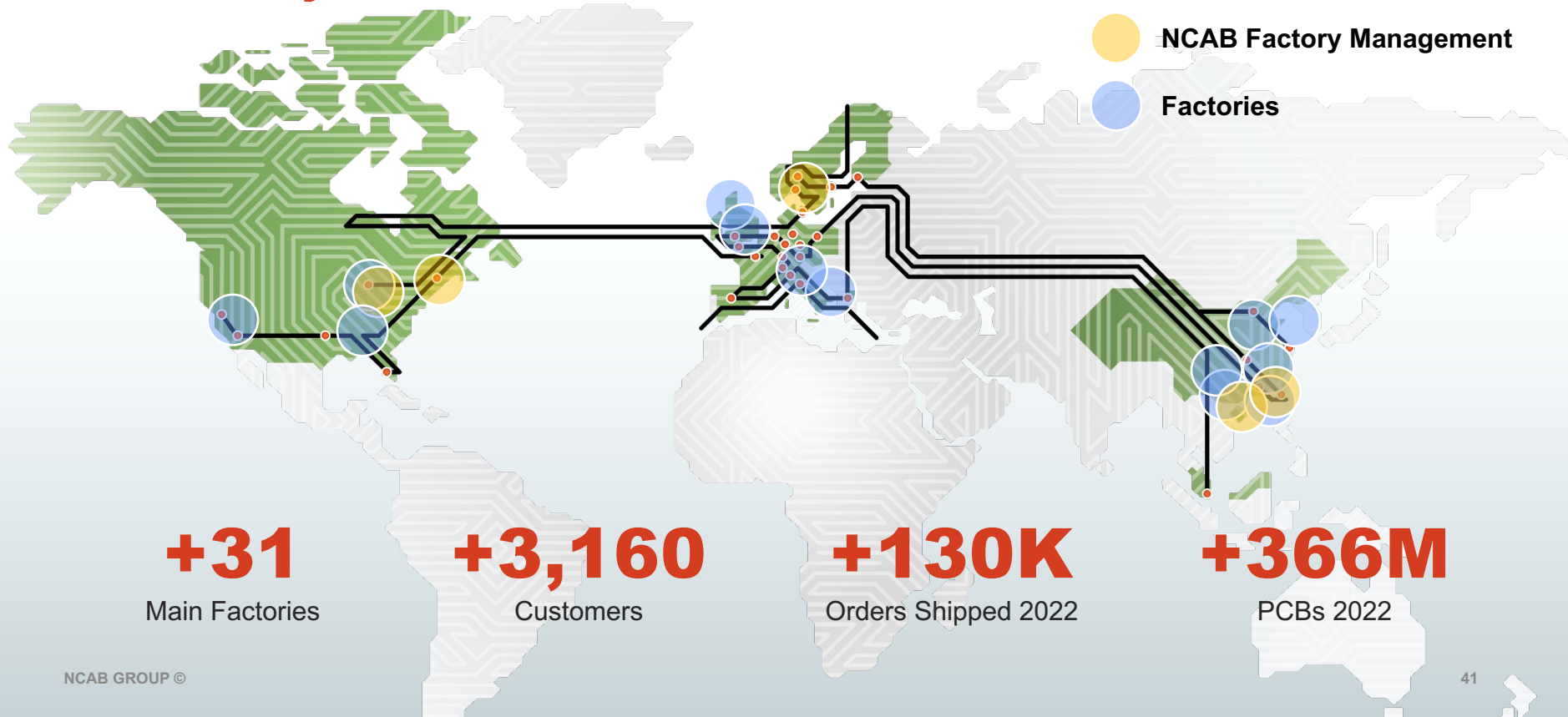
- > Strong relationships
- > Order management / delivery focus
- > Market leading audits
- > Increased security
- > Technical knowledge²
- > Local language
- > No distance issues / Presence
- > Communication
- > Improved sustainability
- > Best in class service
- > Daily, onsite, follow ups
- > Rapid response / ICU
- > Prioritisation within factories
- > Presence = control
- > Best in class performance
- > Eyes and ears in the factory
- > Proactive support
- > 113 FM = 1,008 dedicated people

Global Presence



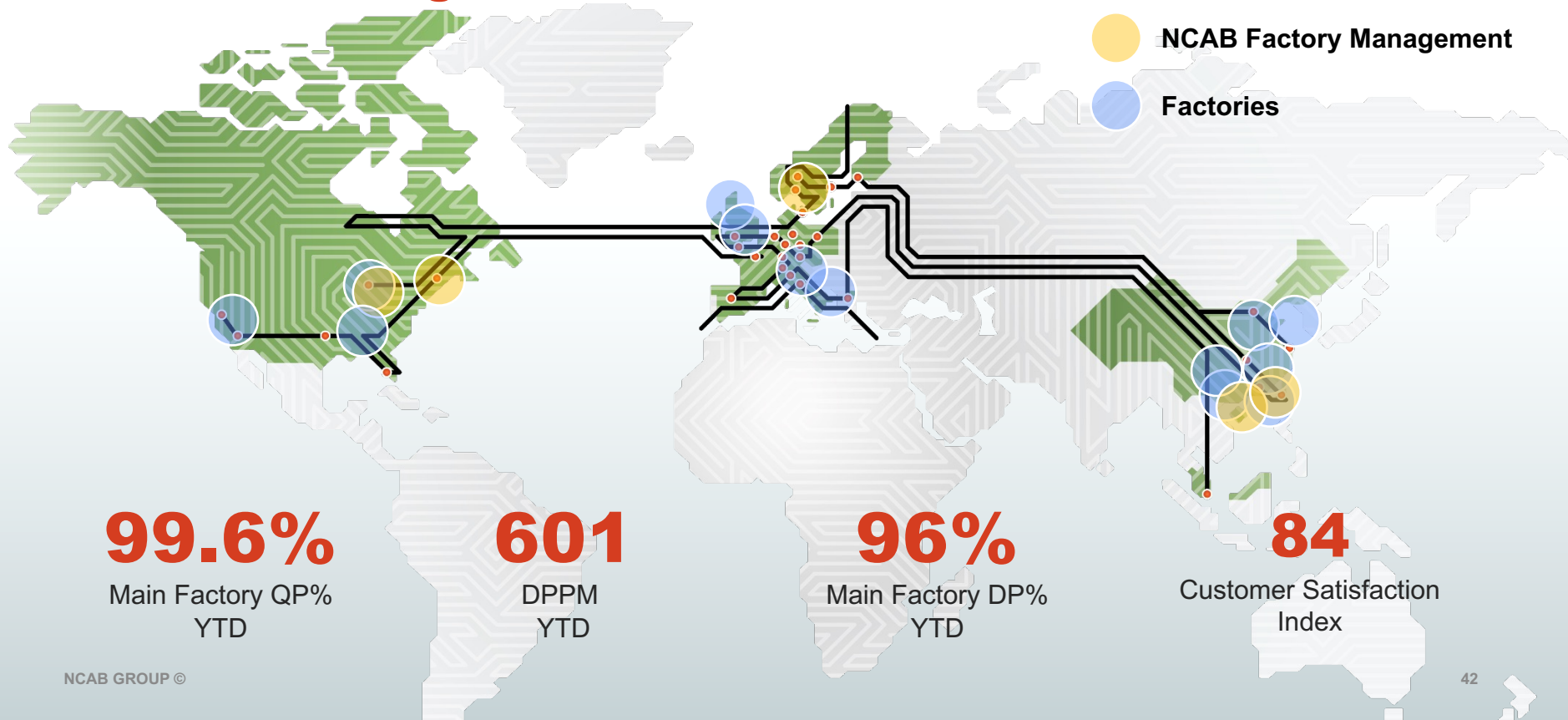
FACTORY MANAGEMENT

How many?



FACTORY MANAGEMENT

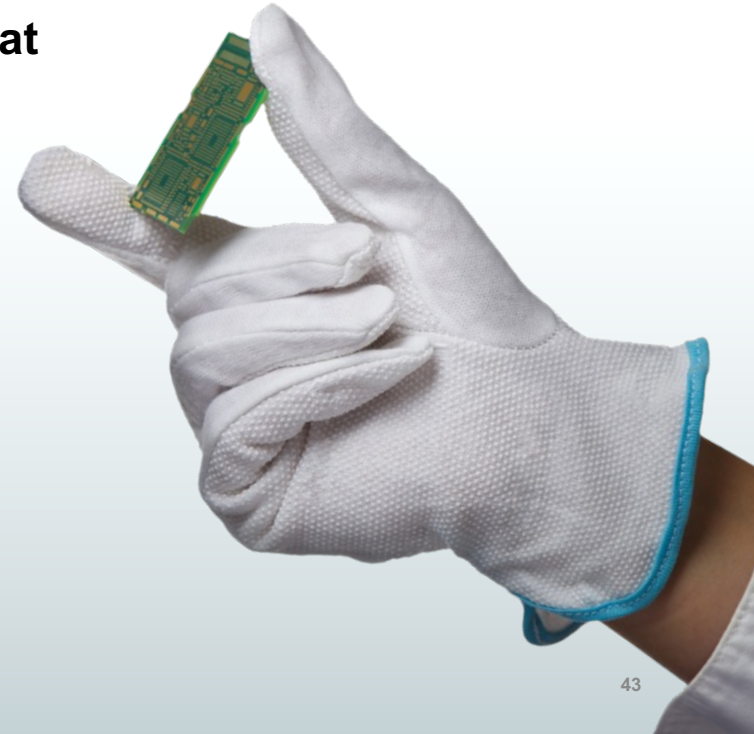
Market Leading Performance



FACTORY MANAGEMENT

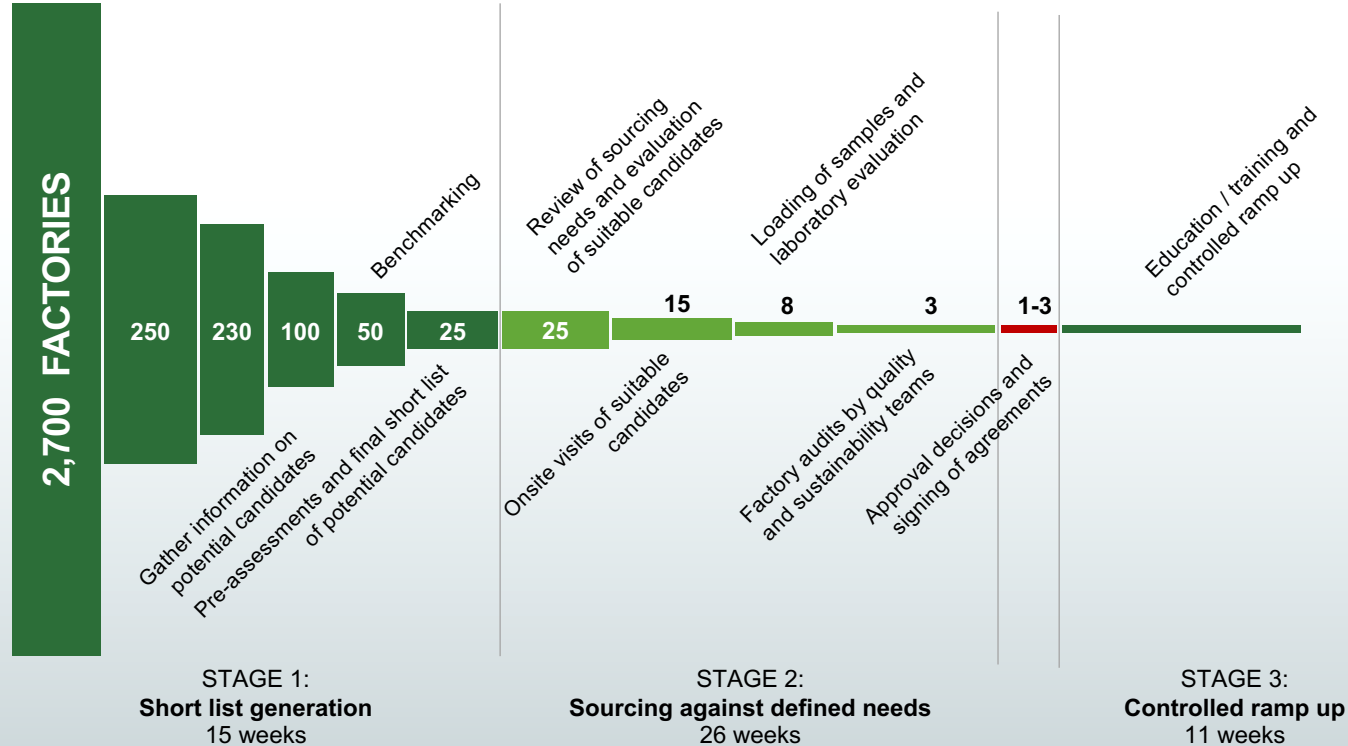
How to maximise factory output?

- 1. Sourcing the right factories to work with**
- 2. Only approving the factory for what it is good at**
- 3. Monitor, maintain and improve quality**
- 4. Secure logistics with proactive approach**
- 5. Ensure the Sustainability of operations**
- 6. Dedicated factory staff trained for NCAB**
- 7. NCAB Approved equipment in the factories**
- 8. How to handle when it goes wrong**
- 9. Continued development**



FACTORY MANAGEMENT

Sourcing the right factories to work with



SUSTAINABILITY

Our way of conducting audits

Management Systems
Human Rights
Labour & Working Conditions
Health & Safety
Environment
Business Ethics



1. Opening meeting



2. Reviewing documents



3. Factory tour



4. Employee interviews



5. Closing meeting



6. Audit report

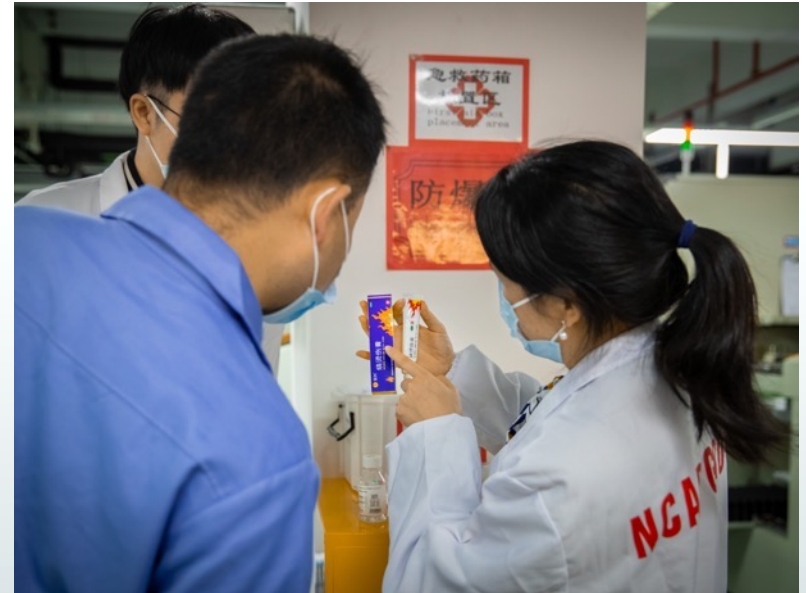


7. Follow-up audits

SUSTAINABILITY / AUDITS

Improvements

- Fire fighting equipment
- Emergency exits signs
- Emergency evacuation drills
- Chemical handling
- First Aid kits and training
- Employment contracts
- Food samples canteen



SUSTAINABILITY / AUDITS

Improvements

- **Waste water and air emission permits**
- **Waste handling and recycling**
- **Personal Protective Equipment**
- **Employee insurances**
- **Young workers rights**
- **Health checks**
- **Wage and over-time calculations**



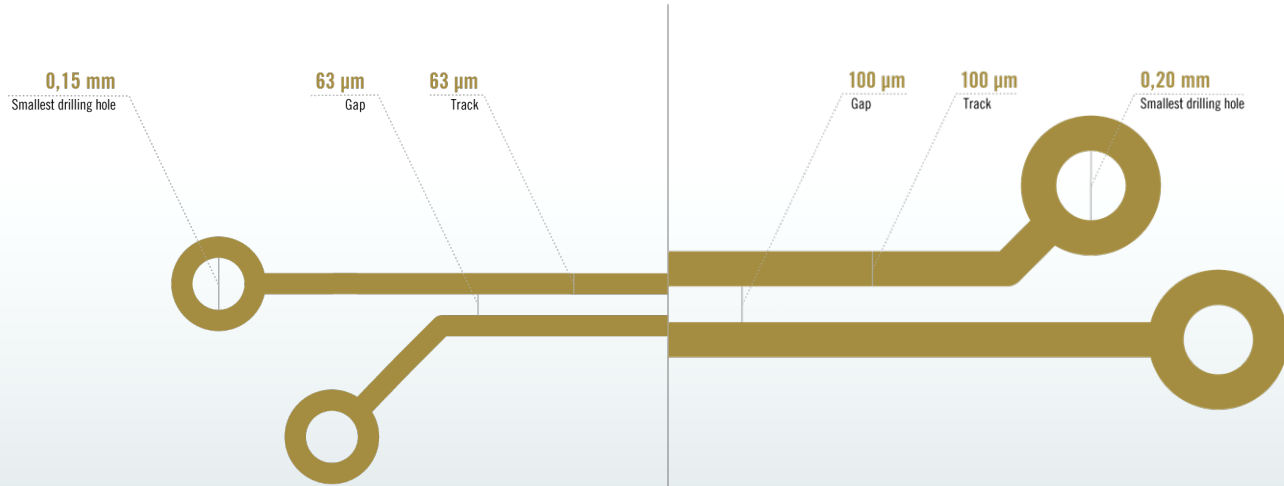
FACTORY MANAGEMENT

Only approve a factory for what they are good at

TECH.	PROTOTYPE	LOW <10m ²	MEDIUM <10-100m ²	HIGH >100m ²
2 L	N/A			
4-8 L	N/A	What the factory say they can do		
10+ L	N/A			
HDI	N/A			
FLEXIBLE	N/A	N/A	N/A	N/A
RIGID-FLEX	N/A	N/A	N/A	N/A
IMS	N/A			

FACTORY MANAGEMENT

Only approve a factory for what they are good at




**What the factory
claim they can do**

**What the factory is
good at and what we
will approve them for**

The broadest & deepest offering

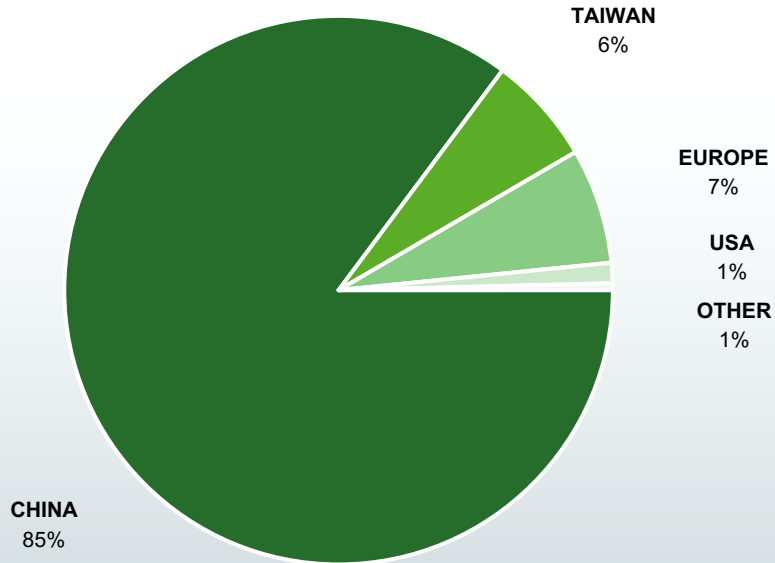
- > **Covering all technologies**
 - > Supporting current and future needs securing transition for customers
- > **Multiple sources reducing supply risks and secures commercial terms**

	PROTOTYPE	LOW <10m ²	MEDIUM <10-100m ²	HIGH >100m ²
2 L				
4-8 L				
10+ L				
HDI				
FLEXIBLE				
RIGID-FLEX				
IMS				

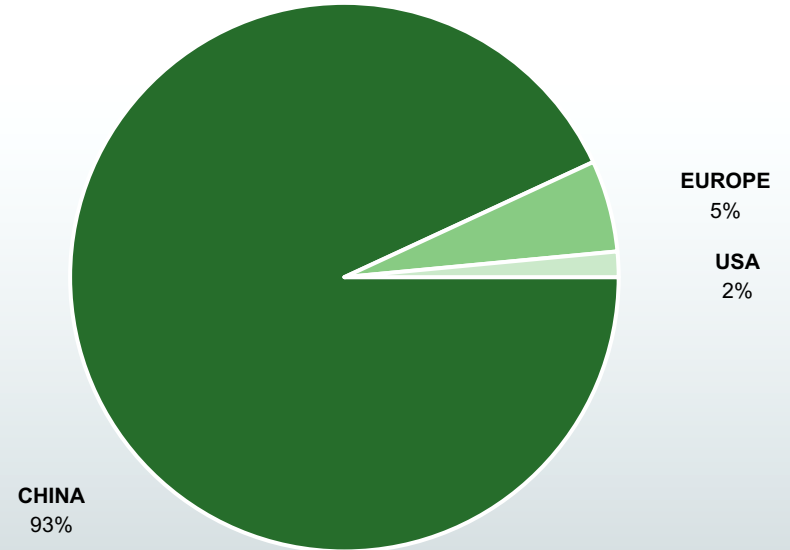
GEOGRAPHICAL SOURCING SOLUTIONS

China remains the engine room

2022 Spend by Geography



2018 Spend by Geography



GEOGRAPHICAL SOURCING SOLUTIONS

Recent additions to our supplier portfolio

MALAYSIA

2 new factories

- > Flexible technology

SINGAPORE

1 new factory

- > High technology focus
- > Aerospace & defence

SOUTH KOREA

4 new factories

- > High technology focus

TAIWAN

1 new factory

- > High technology focus
- > Aerospace & defence

THAILAND

1 new factory + 1 add factory (2024)

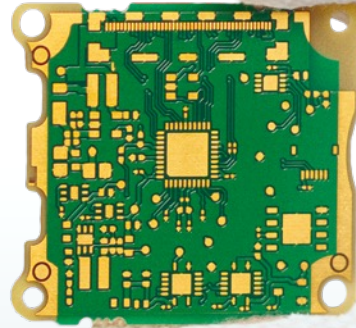
- > Standard technology

SUSTAINABILITY

Sustainability strategy

Together with our suppliers and customers we want to create a more sustainable industry with growth and profitability for all.

We believe that strong relationships and transparency are key to achieving this.

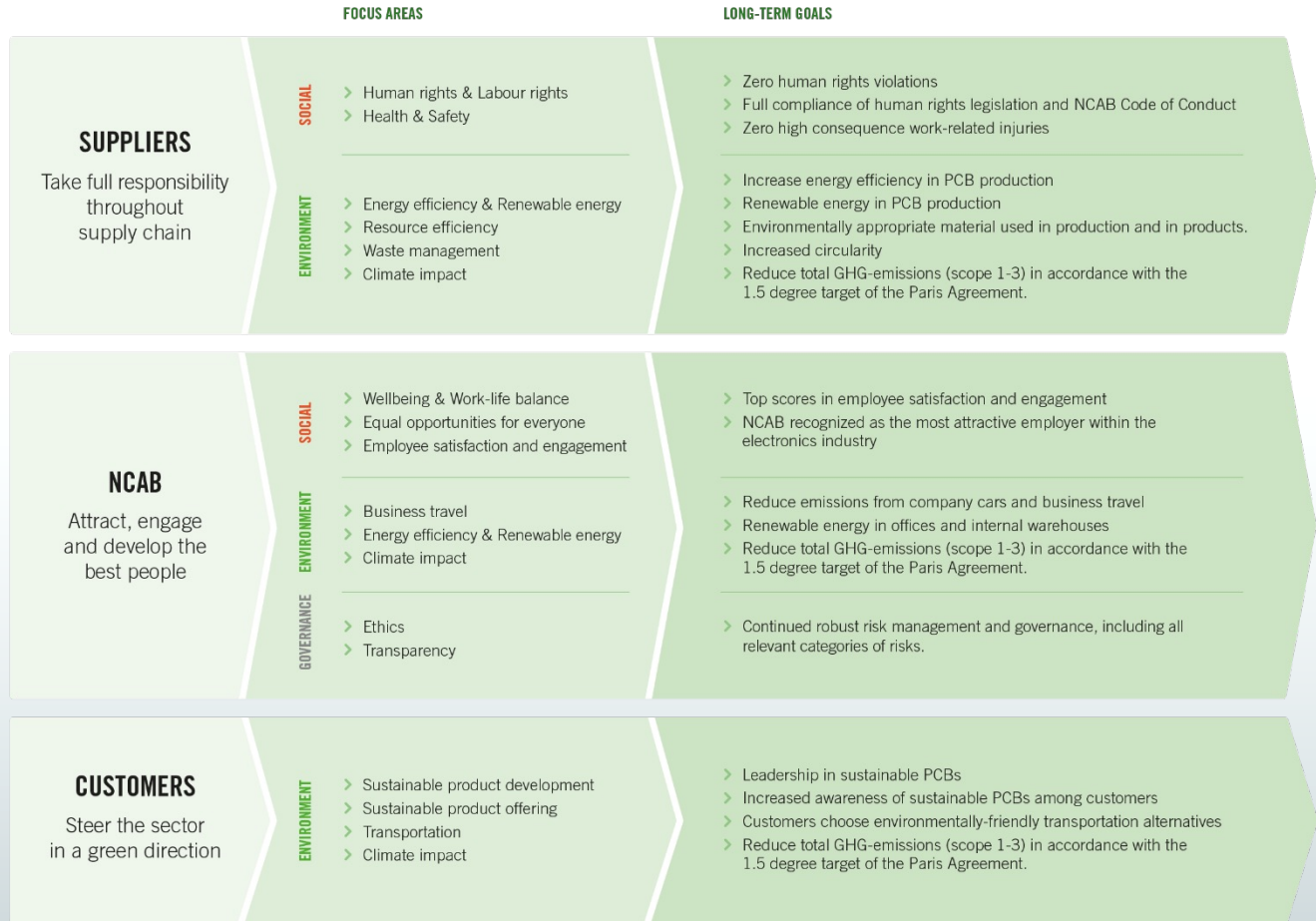


SUSTAINABILITY

Our sustainability journey



SUSTAINABILITY STRATEGY



SUSTAINABILITY

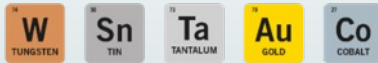
Ensure the sustainability of operations in our PCB factories

2700 FACTORIES

Choosing the right factories

Sourcing process
Code of Conduct

Conflict minerals



California Prop 65



TSCA



Sustainability audits

biennial, at least 2 persons
2-3 days

Management Systems
Human Rights
Labour & Working Conditions
Health & Safety
Environment
Business Ethics



Renewable energy and energy efficiency

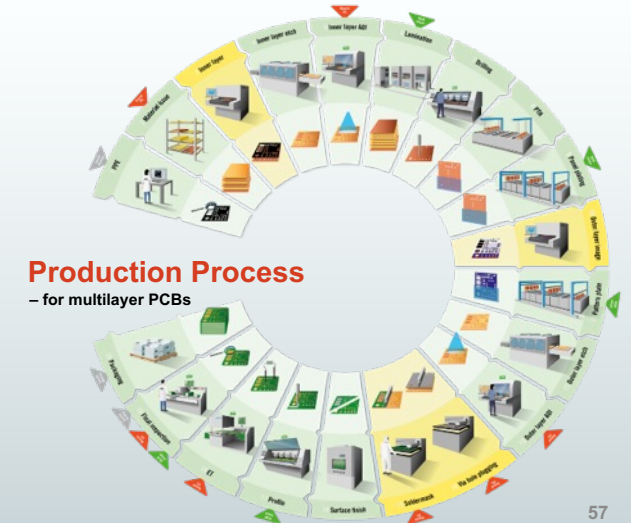
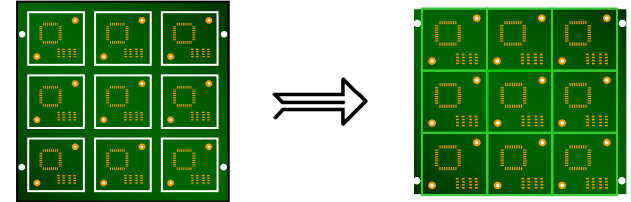
Waste and water management

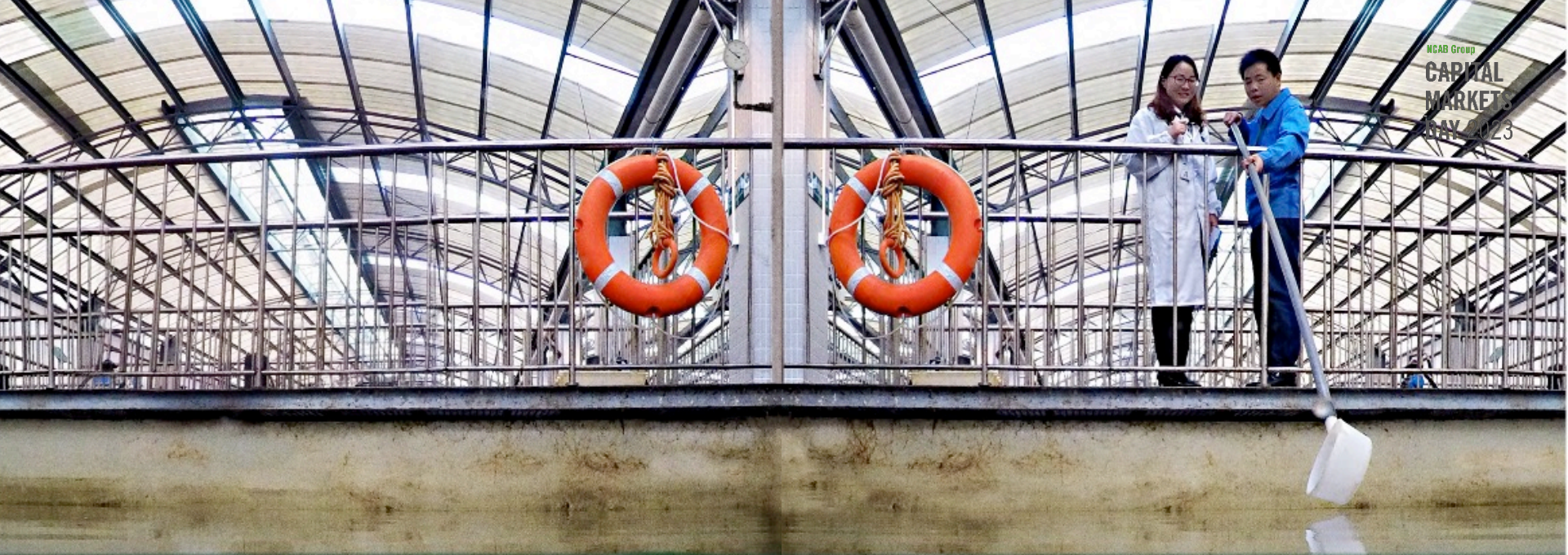
Quality audits
Yearly

SUSTAINABILITY / ENVIRONMENT

How to minimize risks and drive positive change?

- > Design for Manufacturing
- > Right product in right factory
- > Quality assurance

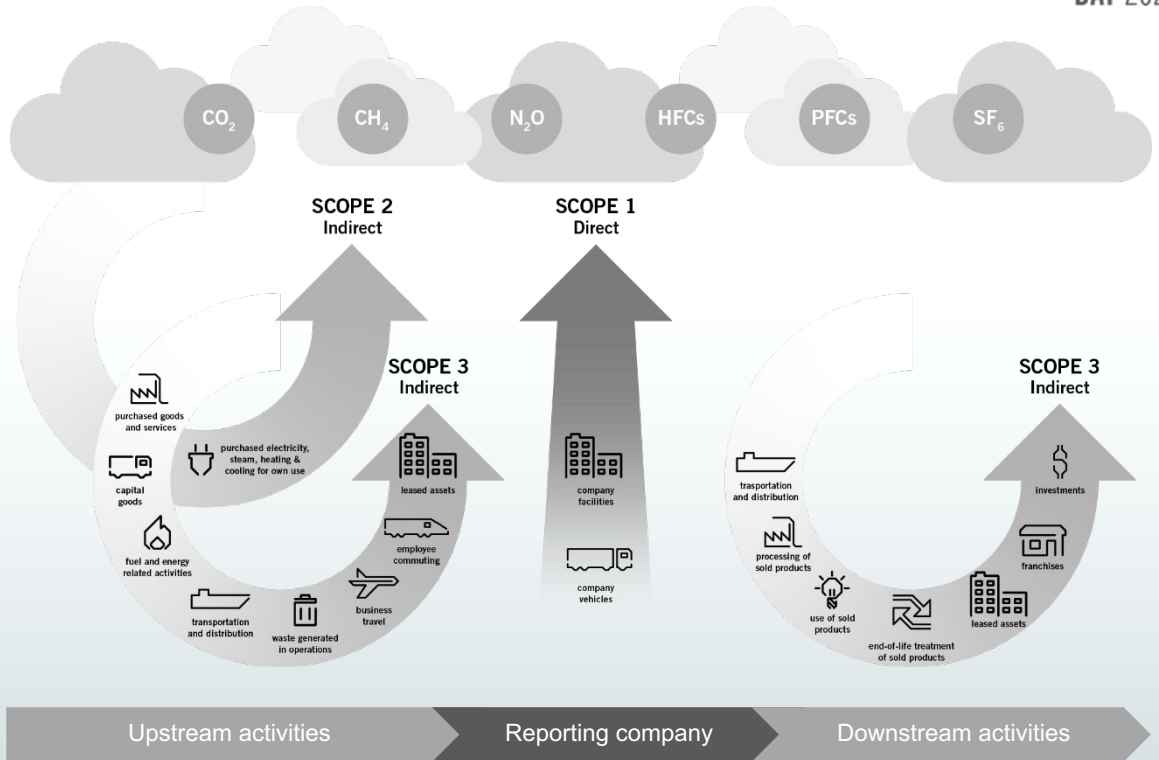




Optimized design and high quality performance reduces the environmental footprint; less scrap means less wasted material and less energy, water and chemicals used in the supply chain.

SUSTAINABILITY / CLIMATE IMPACT – CHALLENGES AND OPPORTUNITIES

**Green-house
 gas emissions
 need to be cut
 by half by 2030**



Overview of GHG Protocol scopes and emissions across the value chain

SUSTAINABILITY / ENVIRONMENT

CO₂e emissions 2022

TOTAL

107 855

(92 404 in 2021)

tCO₂e

(scope 1-3)

INTENSITY

24.19

(28.71 in 2021)

tCO₂e/MSEK

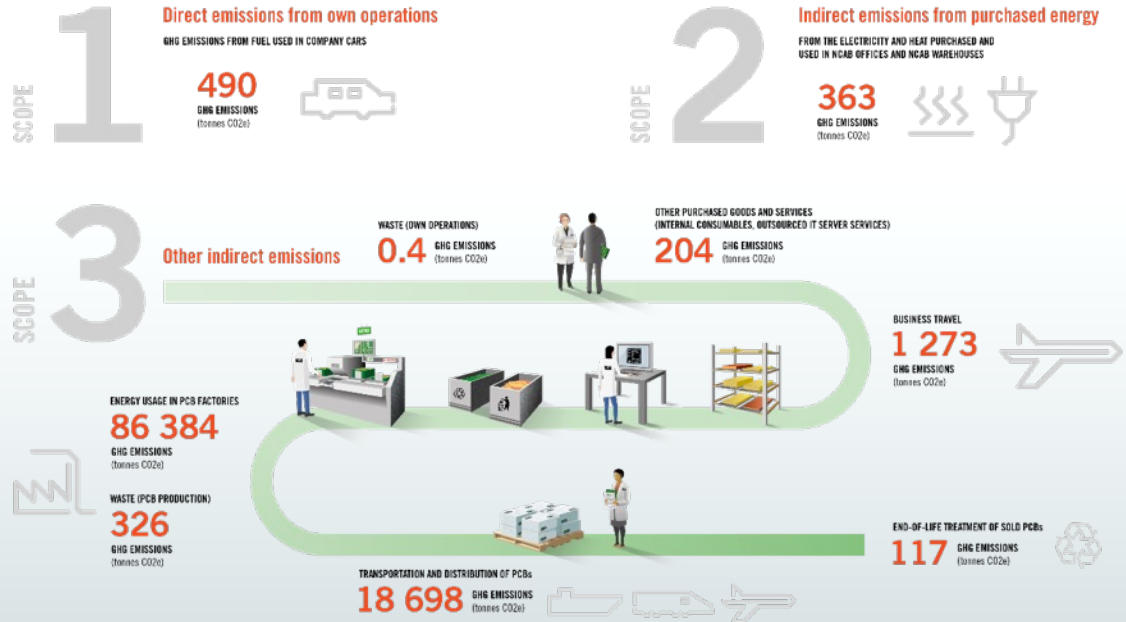
(scope 1-3)

LONG-TERM GOAL

Reduce total GHG-emissions (Scope 1-3) in accordance with the 1.5 degree target of the Paris agreement.

TARGET

- Be fossil free on Scope 1 & 2 by 2030
- Reduce Scope 3 emissions by ≥ 50% by 2030

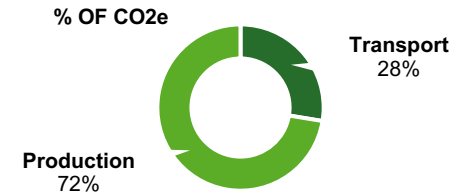


CUSTOMER X

CO₂e 2022

32
CO₂e / 1000 SEK

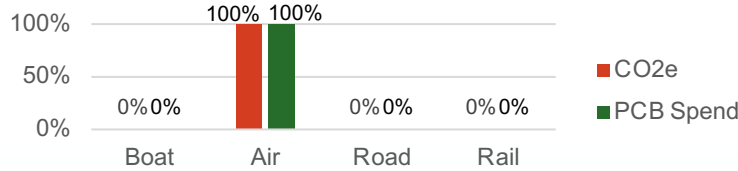
3153
TON CO₂e IN TOTAL



TRANSPORT

862
TON CO₂e

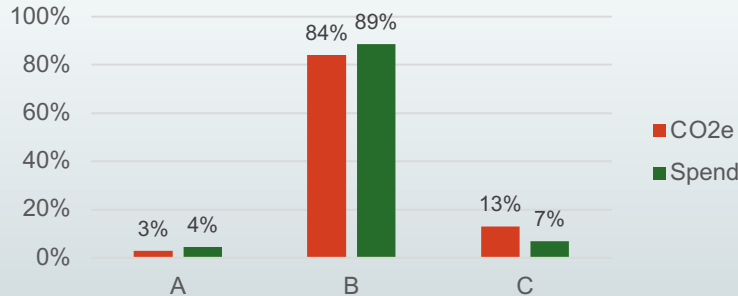
% CO₂e and PCB spend shipped in different transportation categories



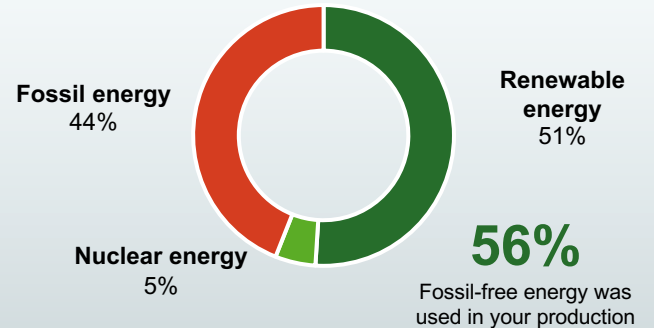
PRODUCTION

2276
TON CO₂e

% CO₂e and spend in different factory categories



Energy mix in production



SUSTAINABILITY

Our journey continues

Suppliers

- > Improve social and environmental performance (auditing, follow-up, share knowledge)

Customers

- > Sustainable product development (materials, circularity, recycled materials, transportation, reduce climate impact)

Transparency

- > Annual sustainability reporting
- > Nasdaq ESG portal
- > CDP (Climate Disclosure Project)
- > EcoVadis – 2023



NCAB Group

**CAPITAL
MARKETS
DAY 2023**

Anders Forsén
CFO

Hassan Elsayed
MERGERS & ACQUISITIONS

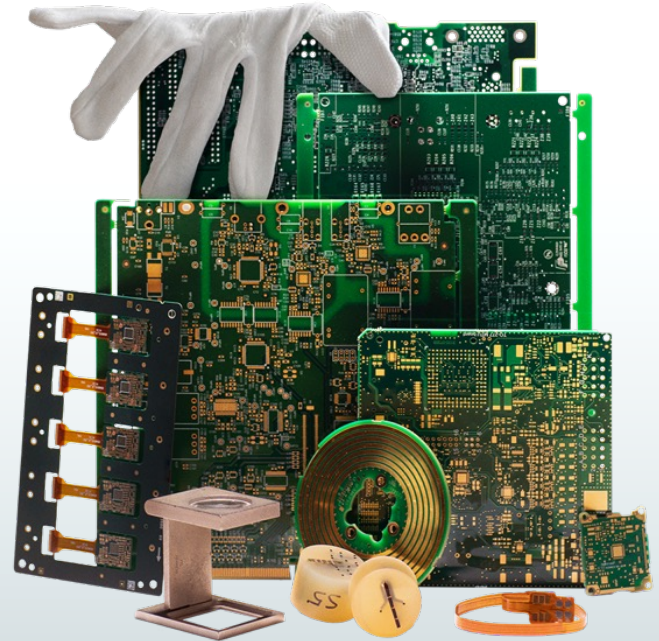
**M&A and integration
processes**

MERGERS & ACQUISITIONS

NCAB Growth Strategy – M&A

M&A is an important component to reach 8 Billion SEK 2026

- Access to new customers
- Access to new employees and competence
- Target to over time grow with 10% per year through acquisitions



MERGERS & ACQUISITIONS

Acquisitions done after the IPO (June 2018)

		Year	Revenue	Gross profit	EBITA	EBITA-margin	EV
Multiprint	Denmark	2019	61	12	7	11%	50
Altus	USA	2019	43	16	9	22%	57
Flatfield	Netherlands	2020	297	80	24	8%	65
BBG	USA	2020	280	61	18	7%	109
Prevent	Italy	2021	225	65	34	15%	203
sas-electronics	Germany	2021	30	12	4	12%	27
Redboard	USA	2021	45	9	3	8%	19
Elmatica	Norway	2021	371	113	42	11%	399
Meta	Germany	2022	85	17	6	7%	19
Kestrel	UK	2022	125	29	14	11%	104
BBC	Italy	2023	90	19	9	10%	63
db electronic	Germany	2023	125	48	19	15%	115
Phase 3	USA	2023	247	84	36	15%	240
TOTAL			2 024	565 (28%)	225	11%	1 470

INTEGRATION PROCESS

Successful integration

**Continue
acquisition
target
operations
and customer
activity**

**Cultural
alignment and
talent
retention**

**Value creation
/ fulfill
synergy
objectives**

INTEGRATION PROCESS

Our integration process creates synergies

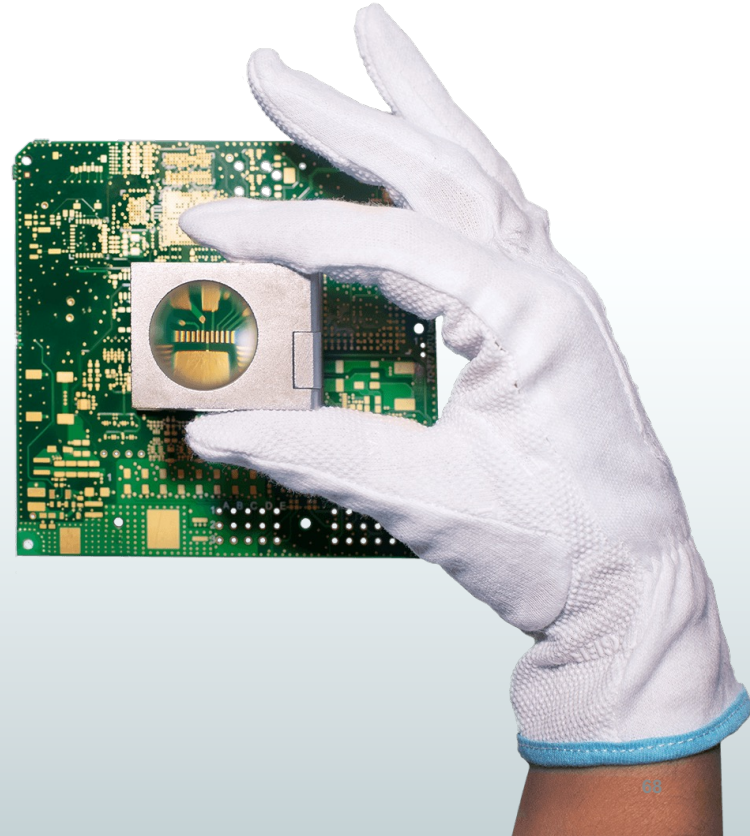
Acquired companies to be fully integrated, within **12-18** months



INTEGRATION PROGRESS

Synergies

- > **Increased revenue**
 - > Higher quality and better service
 - > Broader factory panel
 - > Factory management
- > **Improved gross margin**
 - > Purchasing power
 - > Logistic solutions
- > **Improved profitability due to scale**
- > **Improved working capital**



INTEGRATION PROGRESS

Strong result from acquisitions

Companies

Summary of companies acquired 2019 - 2021

	Year before acquisition	LTM 2023-06	Growth/ improvement	
2019 – Multiprint				
2019 – Altus				
2020 – Flatfield	Revenue	1 352	1 634	21%
2020 – BBG	Gross profit %	369 27,3%	516 31,6%	40%
2021 – Prevent	EBITA %	141 10,5%	239 14,7%	69%
2021 – sas-electronics				
2021 – Redboard	Enterprise value	929		
2021 – Elmatica	EBITA multiple	6,6	3,9	

GROWTH OPPORTUNITIES

M&A Pipeline

- > **Approx. 200 companies identified trading with PCB**
- > **Short list. 51 companies**

	Europe/Nordic	North America	East	Total
No. of targets	28	10	13	51
Estimated revenue (MSEK)	1 300	1 600	800	3 700

LATEST ACQUISITIONS

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**



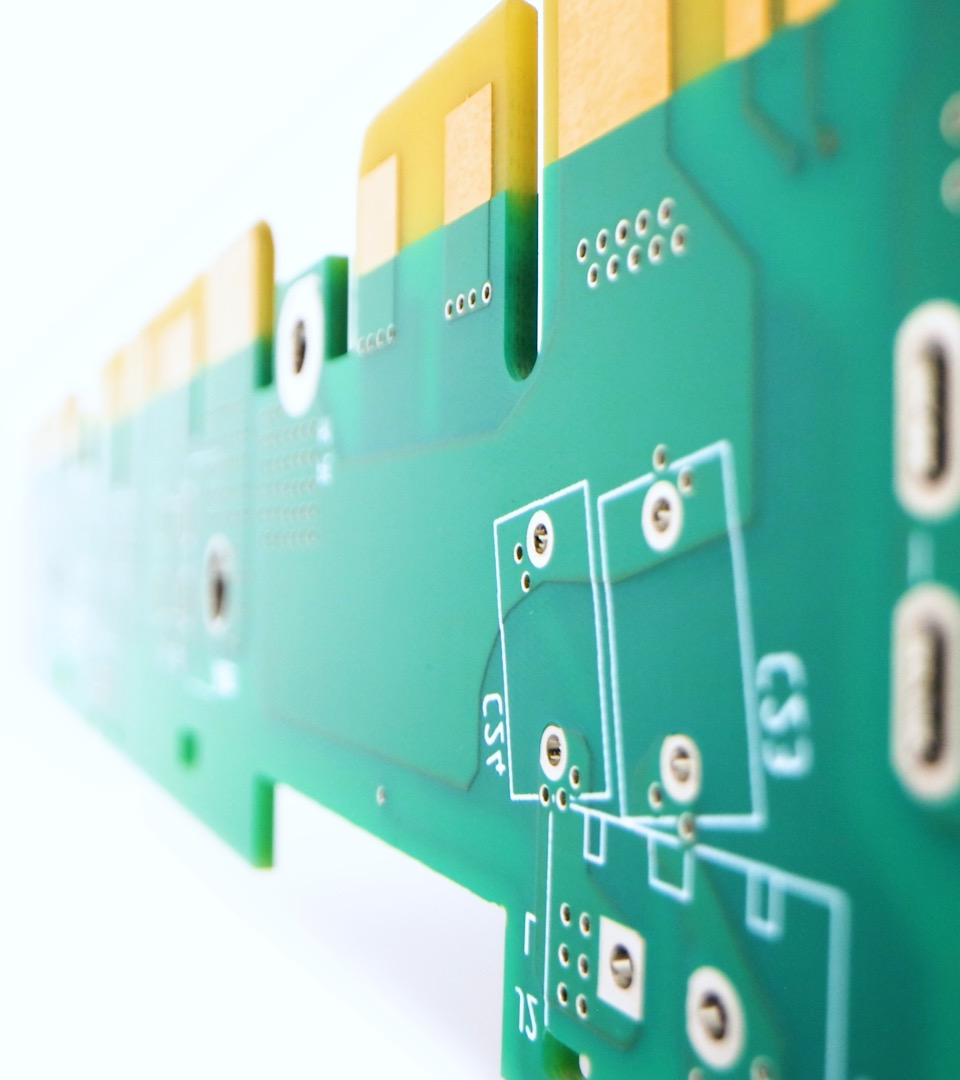
Phase 3
Technologies, Inc.

NCAB Group

CAPITAL MARKETS DAY 2023

Peter Kruk
CEO

Concluding remarks



A history to be proud of



Strong Unique Selling Points



Customer presence
providing a lean
process



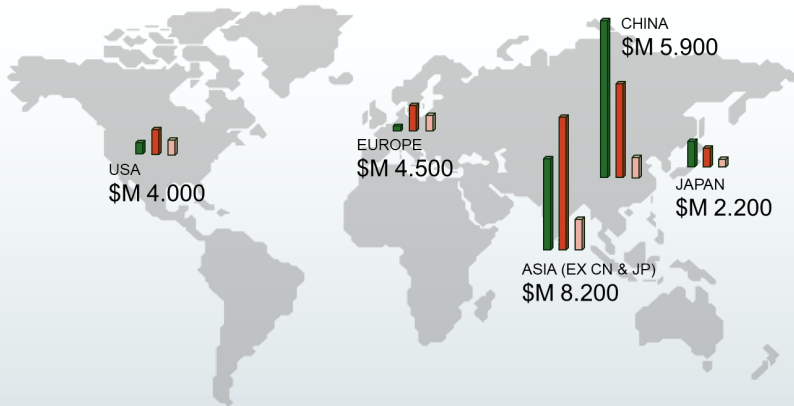
Purchasing power
providing substantial
leverage



Factory presence
providing maximum
performance

Opportunities to continue growth journey

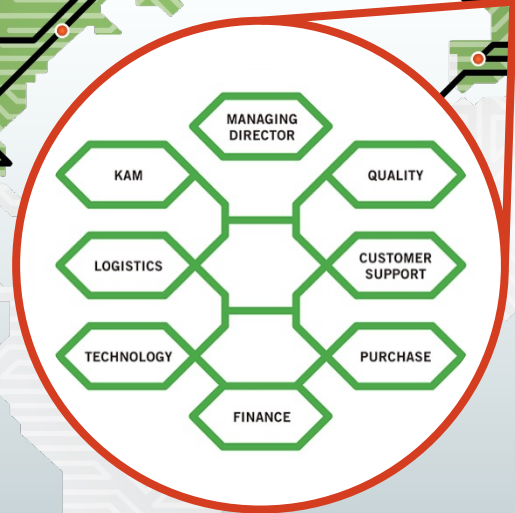
Global leader with market share of 2% in a growing market



A strategy for continued profitable growth



Decentralized & Entrepreneurial Culture



Local decisions makes us more responsive and drives better business

Our Common Framework

Mission

- > Define what we do, and for whom

Vision

- > What we are striving for

Values

- > The way we act, and what we stand for

Strategy

- > The path we are choosing, and the choices we are making to take us towards the vision

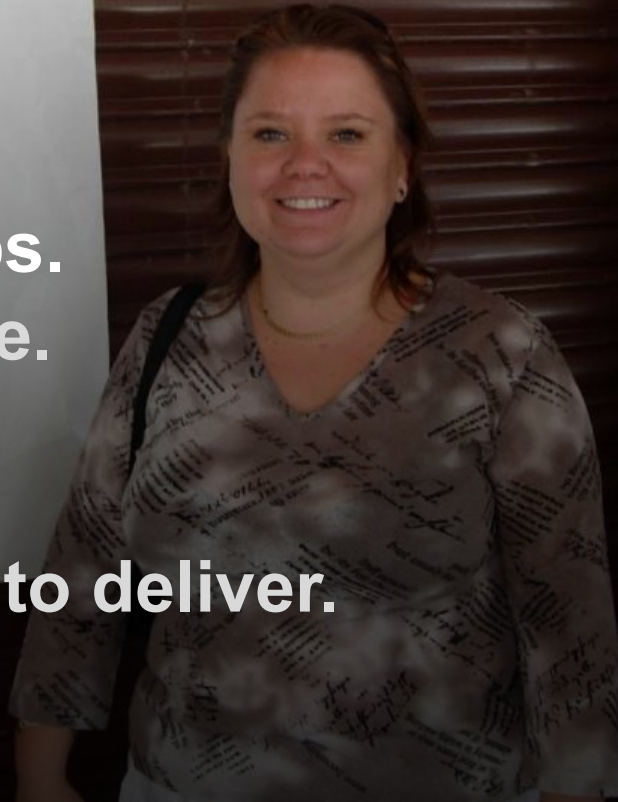
4 Competence.

We should use the competence within the group in the best possible way to fulfill our customer needs.

**Quality First.
Always.**

**Strong Relationships.
Makes the difference.**

**Full responsibility.
Easy to say. Harder to deliver.**



LEARNING & DEVELOPMENT

Trainings to build culture and capabilities













- > Onboarding sessions
- > Sales
- > Technology
- > Leadership
- > Business Development
- > Global workshops and live sessions

NCAR Group
CAPITAL
MARKETS
DAY 2023



LEARNING & DEVELOPMENT

NCAB Academy Online courses

<p>Completed</p>  <p>(A). WELCOME TO NCAB GROUP!</p> <p>- The basics about NCAB Group!</p> <p>Go To Course »</p>	<p>Completed</p>  <p>(B). WE ARE ALL RACE CAR DRIVERS</p> <p>- What we need to know about profit and margin</p> <p>Go To Course »</p>	<p>Completed</p>  <p>(C). HEED THE NEED</p> <p>- Selling the NCAB Way!</p> <p>Go To Course »</p>	<p>Completed</p>  <p>(D). OUR USPS</p> <p>- What makes NCAB different?</p> <p>Go To Course »</p>	<p>Completed</p>  <p>(E). WARM CALLING</p> <p>- How to contact new customers the NCAB Way</p> <p>Go To Course »</p>	<p>Completed</p>  <p>(F). QUOTING LIKE A NEEDS ANALYST</p> <p>- How we turn RFQs to wins</p> <p>Go To Course »</p>
<p>Completed</p>  <p>(G). GETTING THROUGH</p> <p>- How to handle common obstacles in your selling</p> <p>Go To Course »</p>	<p>Completed</p>  <p>(H). NEGOTIATION</p> <p>- Expanding your dancefloor</p> <p>Go To Course »</p>	<p>Completed</p>  <p>(I). HOW TO HANDLE COMPLAINTS</p> <p>- Leaning in to the customer</p> <p>Go To Course »</p>	<p>Completed</p>  <p>(J). HOW TO HOST A GREAT WEBINAR</p> <p>See More...</p>	<p>Completed</p>  <p>(K). NEW: LEVEL UP</p> <p>- What's your next step?</p> <p>Go To Course »</p>	<p>Completed</p>  <p>(L). NEW: EXPLORING LEADERSHIP</p> <p>- Leading change and growth</p> <p>Go To Course »</p>

What gets measured gets done

We are a sales focused organisation

- Incentives on Sales Growth, Contribution

Senior management is invested in the company

- LTIP tied to value creation in company and share development

Close dialogue with companies

- Monthly reporting on performance, goals and activities
- Quarterly business reviews
- Annual strategy updates



Decentralized but leveraging scale

Industry Sector Business Development

- › Leveraging global know-how to accelerate local growth

Technology and Sustainability Leadership

- › Technology council and dedicated resources in sustainability

Digitalization and Cyber Security

- › New IT platform ready for rollout in 2024

Appointments & Recruitments

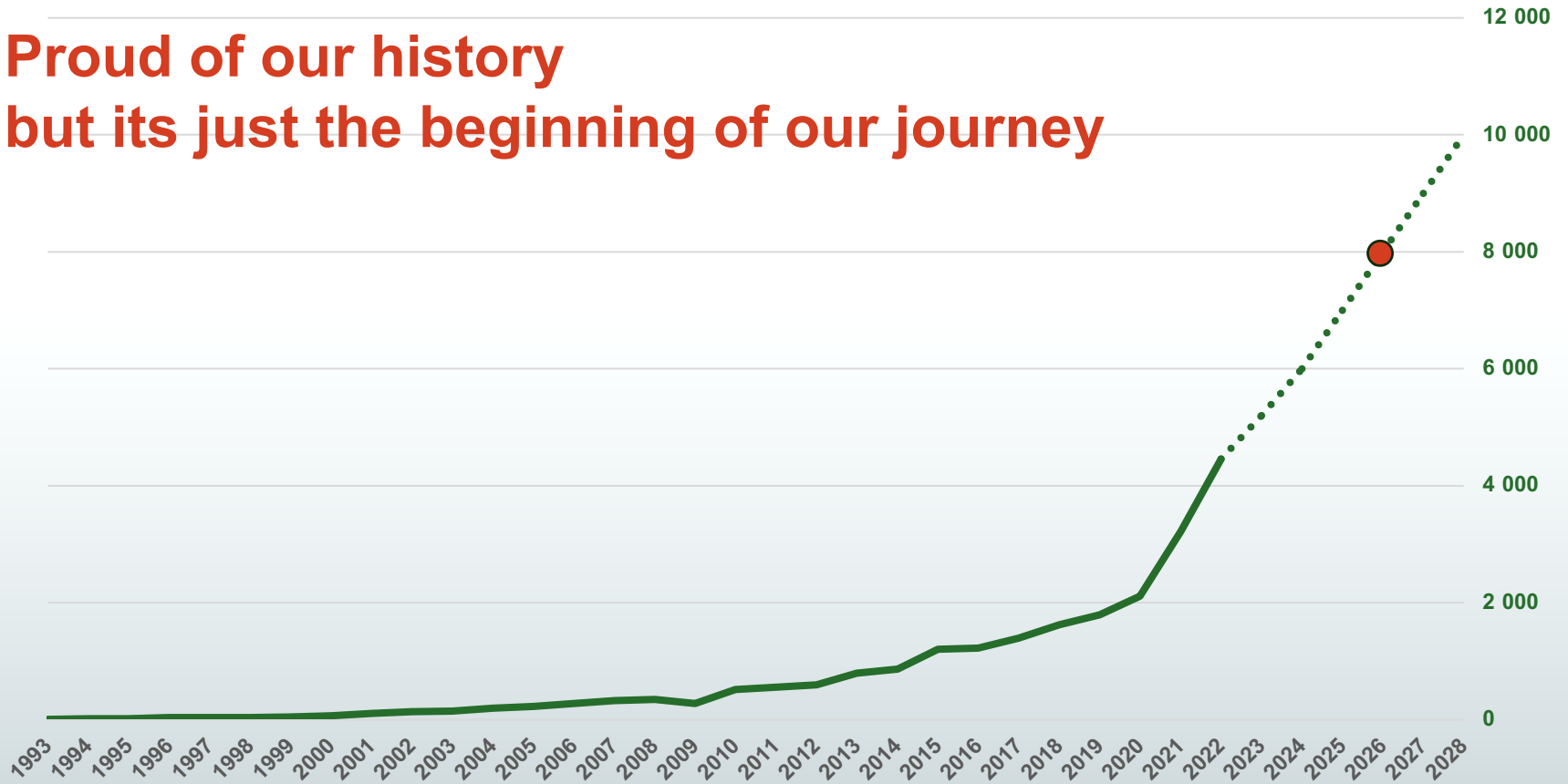
- › Technology, Global Logistics, Global Sourcing, IT

Group Management





Proud of our history but its just the beginning of our journey





ncabgroup.com

Thank you



Follow us

