

Progress in a brightening market

NCAB Q1 PRESENTATION
25 April 2024

Today's presenters



PETER KRUK
CEO



ANDERS FORSÉN
CFO

KEY TAKE AWAYS IN Q1 2024

Solid financials and growth in orders

Market demand improving

- > Order intake improves over previous quarters and all segments show positive trend except East
- > Customer inventory adjustments appear to abate with pickup in recurring orders and book to bill >1
- > Continued good performance in Automotive, Aerospace & Defence and strong growth vs 2023 in new part numbers and new customers won

Maintained good gross margins and strong EBITA margin

- > Purchasing and logistics cost savings safe-guard gross profit and offset lower sales vs 2023

M&A climate positive and high activity

- > Several active discussions and pipeline continues to grow
- > Minor acquisition in Belgium closed in April

New CFO recruited



Q1 2024

In figures

Net Sales decreased by 17% to 951 (1,146) MSEK

- > Organic growth -24% in SEK and USD
- > Net Sales increased 9% vs Q4 (879)

Order intake decreased by 6% to 970 (1,030) MSEK

- > Order Intake increased 11% vs Q4 (873)

EBITA amounted to 143 MSEK, a decrease by 22%

- > Strong EBITA margin of 15% (16%), despite lower net sales
- > Gross Margin at continued high level of 37.6% (33.6)

Strong operating cash flow at 96.1 MSEK (201.9)

- > Working capital stable on low level 6.4%

Proposed dividend 1.10 SEK per share (1.10)



18

companies

45

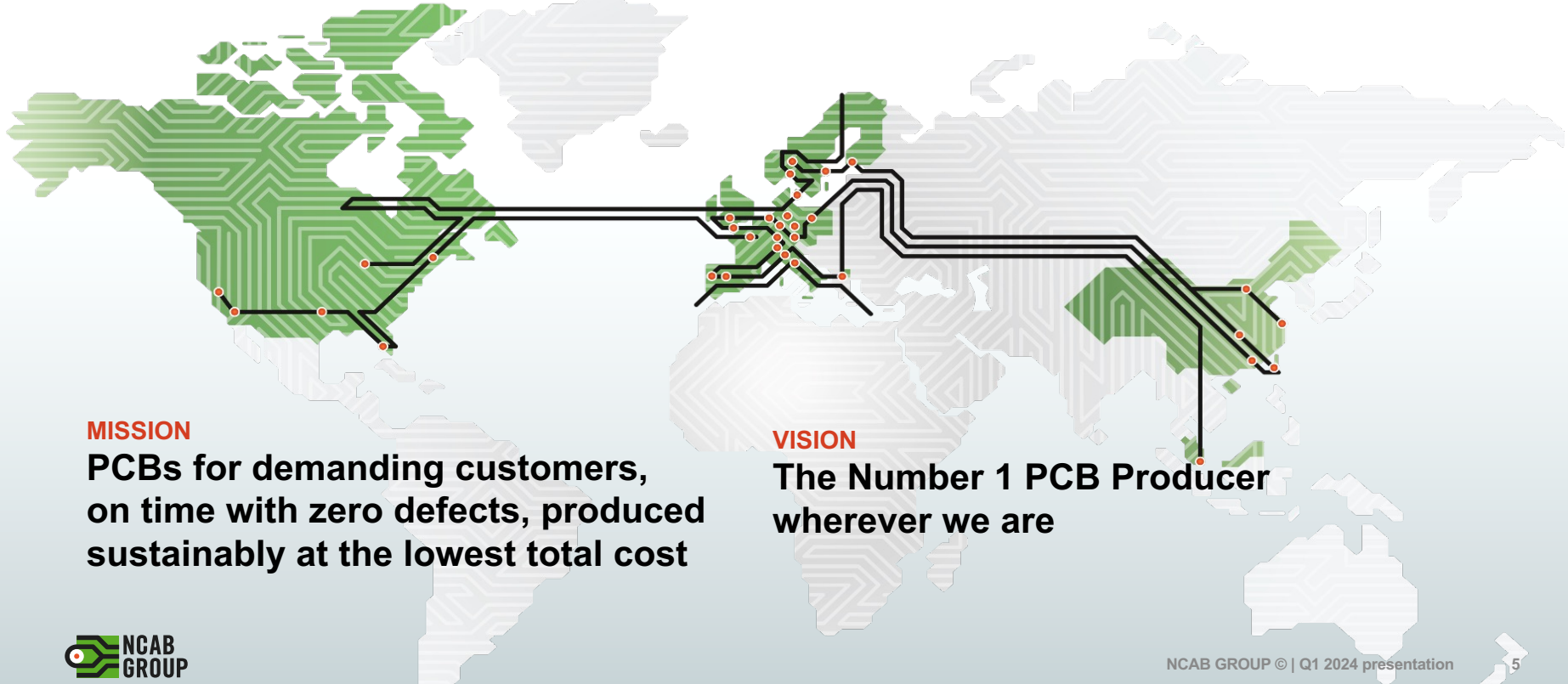
markets

607

specialists

32

factories



MISSION

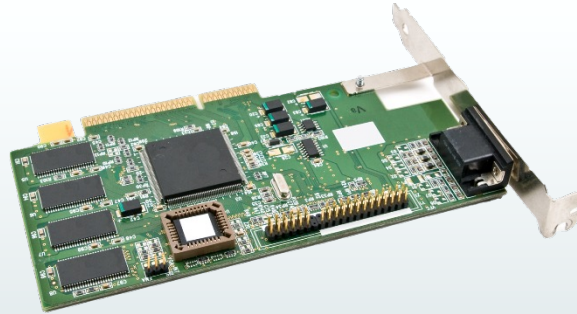
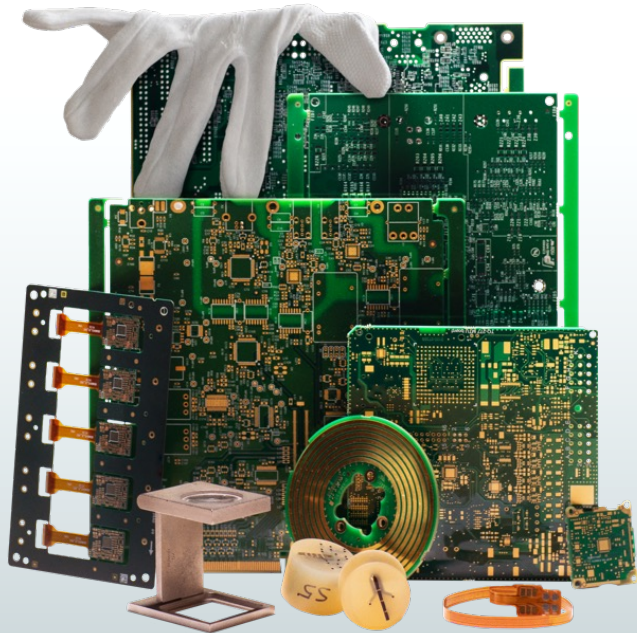
**PCBs for demanding customers,
on time with zero defects, produced
sustainably at the lowest total cost**

VISION

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

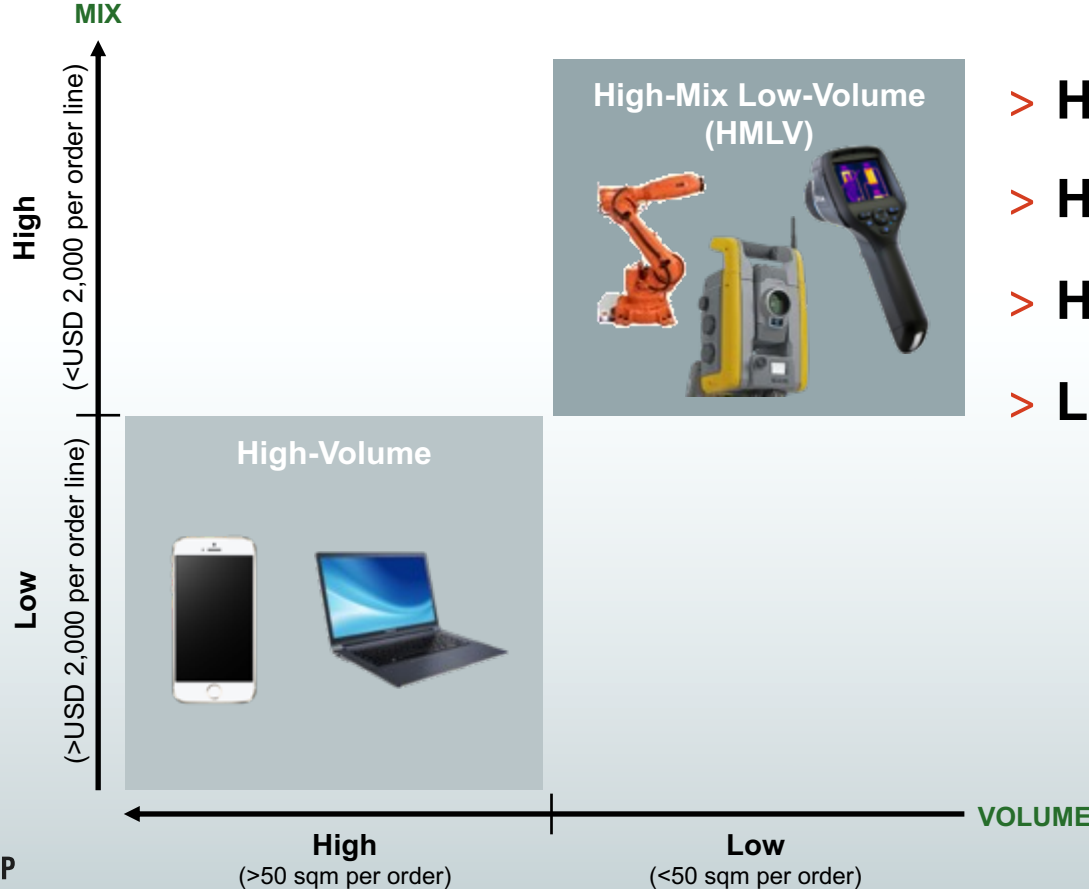
DIGITALIZATION, ELECTRIFICATION AND IOT...

**Everything needs a PCB
and each PCB is unique**



OUR MARKET

Our attractive niche – HMLV

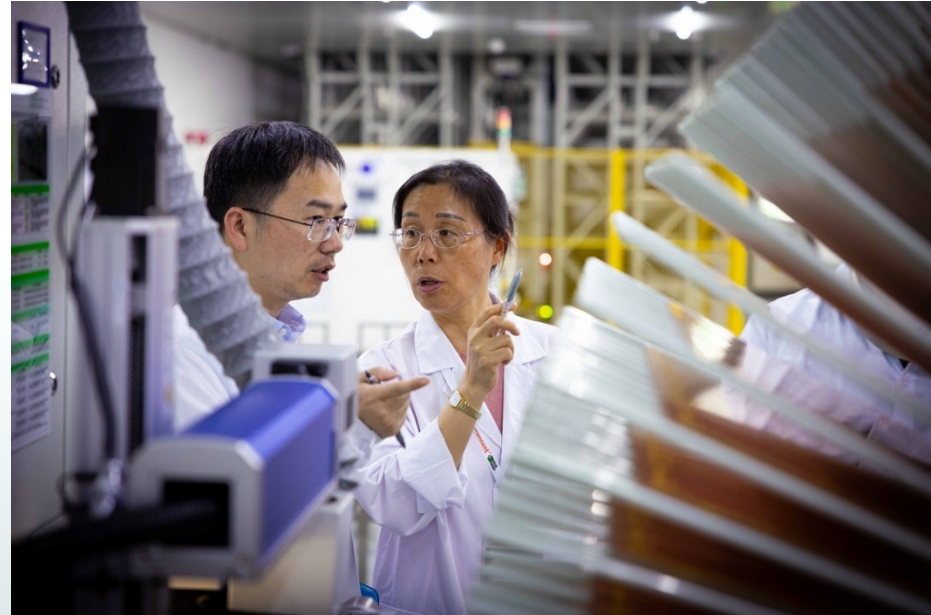


- > Higher product value
- > Higher quality demand
- > Harder to buy direct
- > Less price pressure

TECHNOLOGY & QUALITY MANAGEMENT

Reliable PCBs - because failure is not an option

- Local customer facing presence with PCB and application technology know-how secures optimised designs and a smooth process with shorter time to market
- Global Technology Council and Factory Management secures leadership in technology, quality and sustainability
- The Factory Management team plays a key role in developing our partner factories
 - The organisation currently consists of 109 employees, mainly located in China and Taiwan
- Industry leading product quality, delivery performance and customer support



Industries we serve



Aerospace



Automotive



Datacom



Defence



Industrial



Medical



Power/energy



Railway

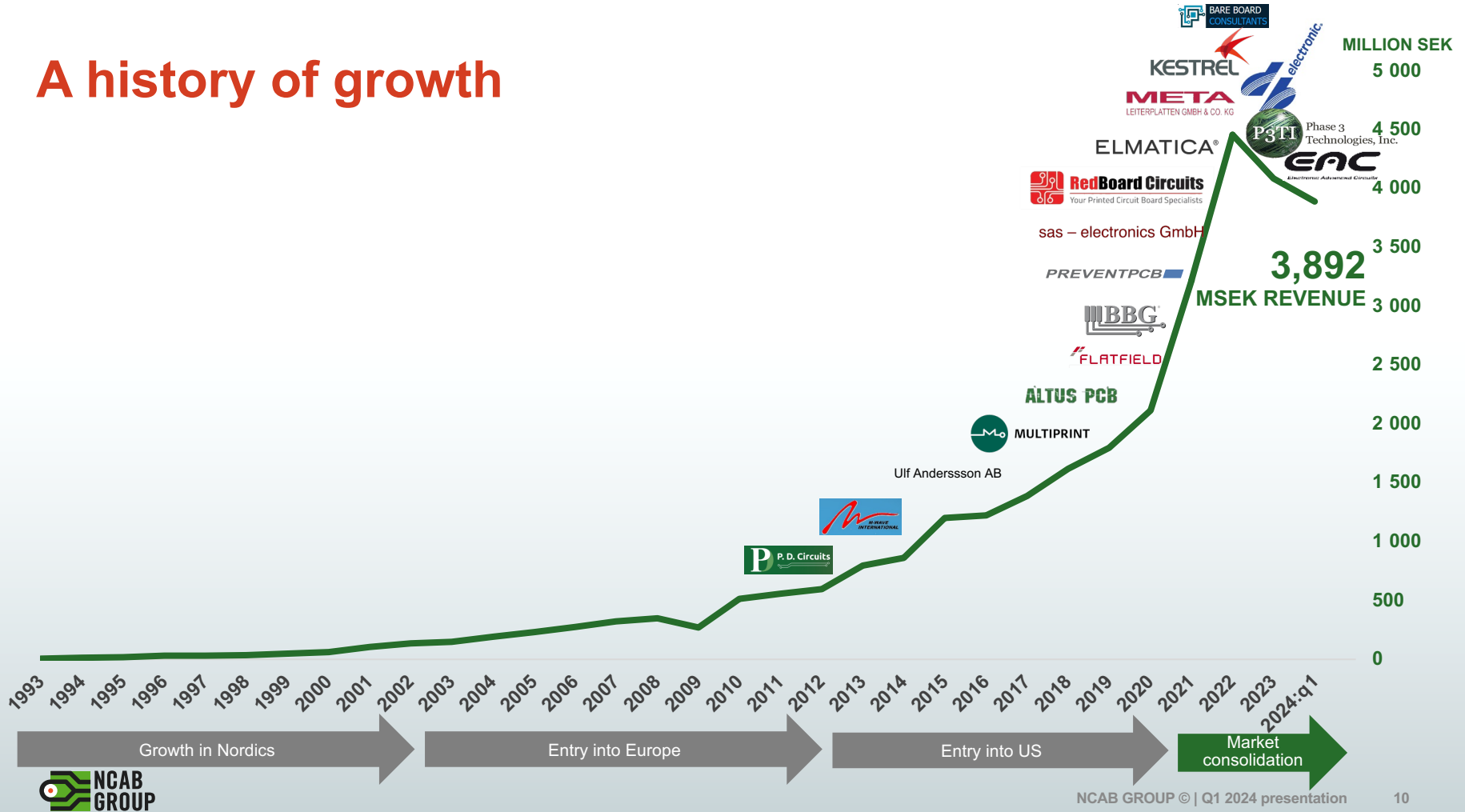


Safety critical



Telecom

A history of growth



THE FIRST QUARTER IN NUMBERS

Solid EBITA margin despite lower net sales

Q1
2024

951

Net sales, MSEK

91

Net sales, MUSD

143

EBITA, MSEK

15.0 %

EBITA margin

Change
vs
Q1 2023

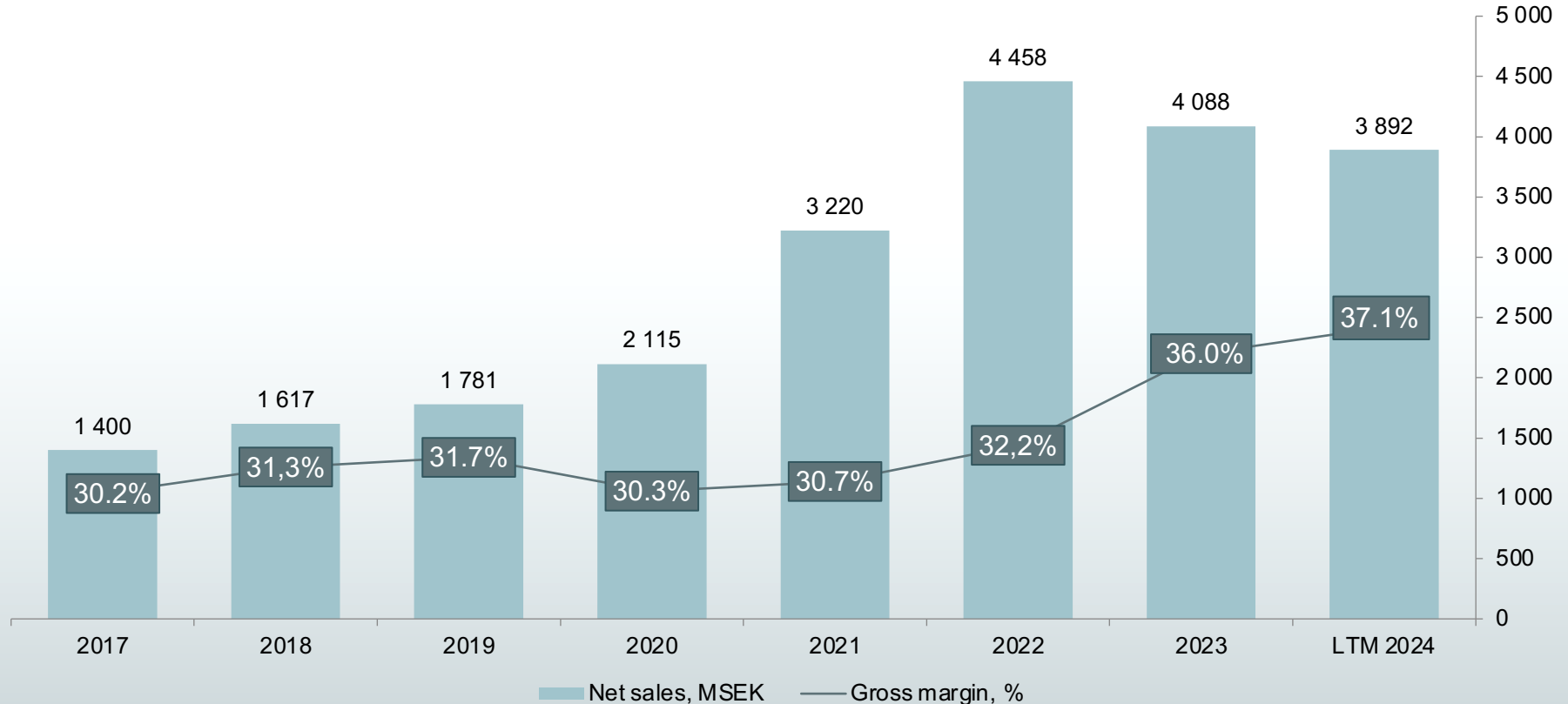
-17%

-17%

-22%

-1.0 pp

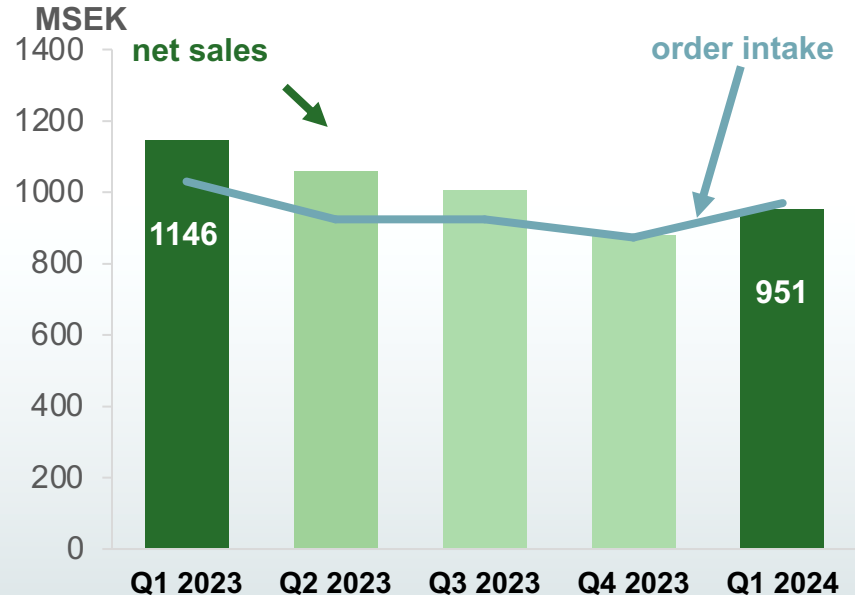
Improved gross margin offset weaker top line



NET SALES AND ORDER INTAKE

Still weaker sales but uplift in order intake

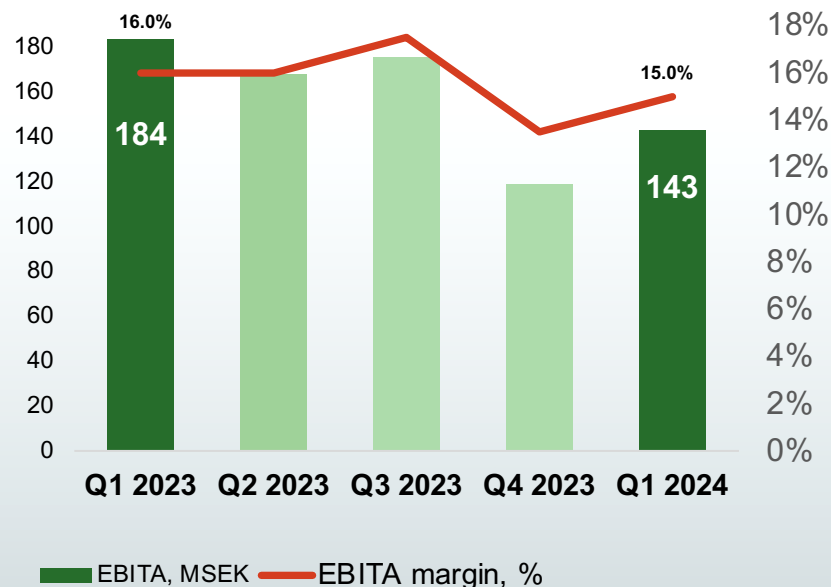
- > Net sales decreased by 17% to 951 MSEK in the quarter but increased compared to the fourth quarter
- > Order intake decreased by 6% to 970 and for comparable units in USD decreased by 14%
 - > Order intake increasing 11% over Q4 (873) and highest since Q1 2023
- > Book to bill now at 1.02



EBITA RESULT

Resilience in EBITA margin

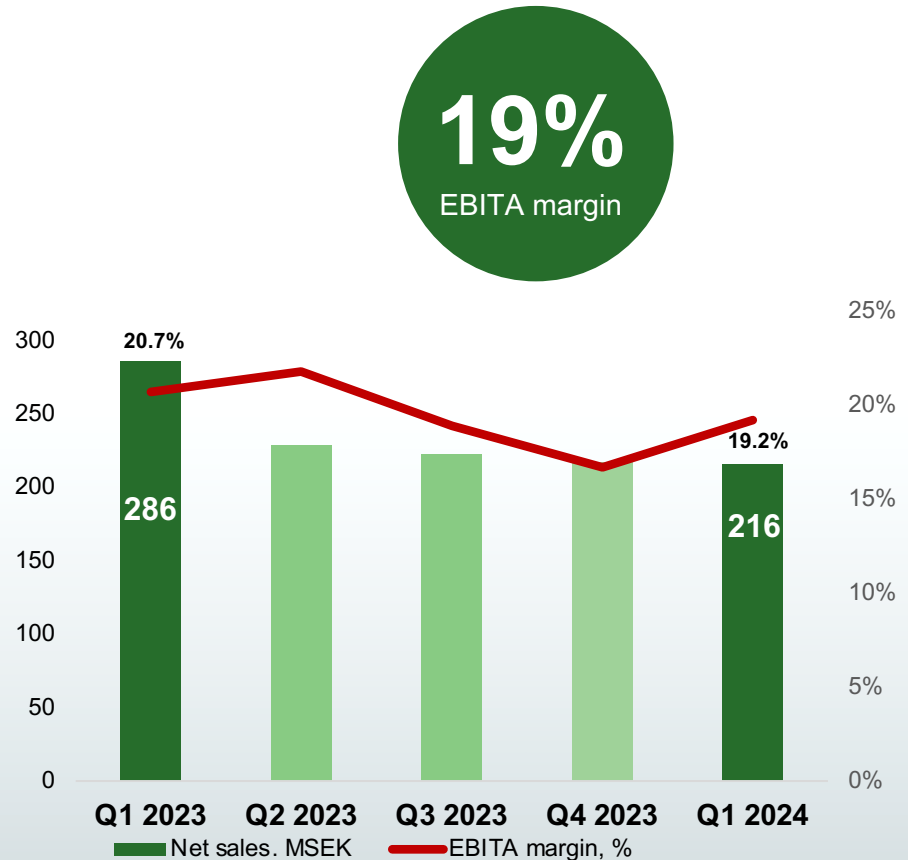
- > EBITA decreased by 22% in the quarter to 143 MSEK (184)
- > Overall cost level stable with previous quarters
- > IT platform rollout continue according to plan and budget
- > The EBITA margin decreased to 15.0% (16.0%)
 - > Gross margin increased to 37.6% (33.6%)
 - > Gross profit amounted to 357 MSEK (386)
- > Earnings per share was 0.48 SEK (0.67)



SEGMENTS

Nordic

- > Poland is from 2024 part of segment Nordic to support customer needs
- > Order intake decreased by 11% to 234 MSEK and by 11% in USD
 - > Double digit growth vs Q3 & Q4
 - > Aerospace & Defence perform well
- > Net sales amounted to 216 MSEK (286), decreasing by 25% in SEK and 24% in USD
- > EBITA amounted to 41.4 MSEK (59.2), and EBITA margin decreased to 19.2% (20.7)



SEGMENTS

Europe

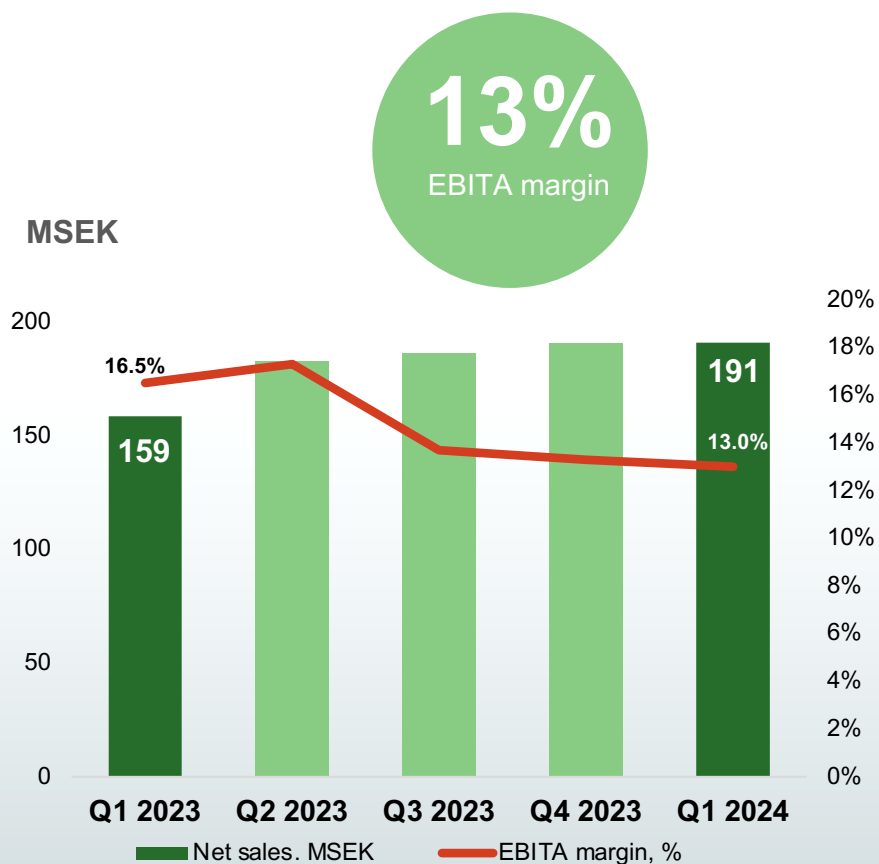
- > Net sales decreased by 23% to 503 MSEK (650)
 - > Net sales for comparable units decreased by 27% in SEK and 26% in USD
- > Order intake reached 488 MSEK (535)
 - > Order intake for comparable units decreased with 13% in SEK and USD
- > German market still weak, other markets more stable and positive development in Automotive and Aerospace
- > EBITA decreased to 76.6 MSEK (96.7), corresponding to a margin of 15.2% (14.9)



SEGMENTS

North America

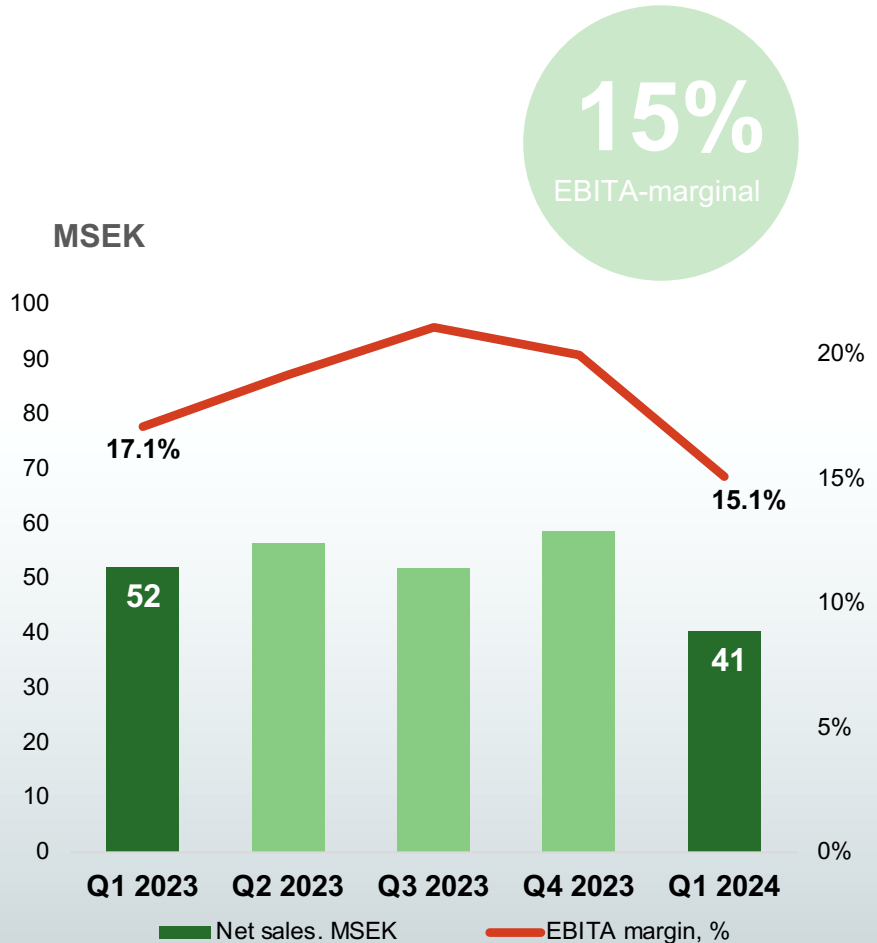
- Order intake amounted to 199 MSEK (170)
 - Order intake for comparable units decreased by 17% in both SEK and USD
 - Order intake continue growth trend from Q3 and Q4 in more positive market conditions
- Net sales increased by 20% to 191 MSEK (159)
 - Net sales for comparable units decreased by 16% in SEK and USD
- EBITA decreased to 24.7 MSEK (26.2)
- EBITA margin decreased to 13.0% (16.5)
 - Phase 3 joined NCAB in Q2 2023



SEGMENTS

East

- > Market conditions in China remain challenging but increasing customer activity level
- > Book to bill at 1.18
- > Order intake decreased to 48 MSEK (62)
- > Net sales decreased to 41 MSEK (52)
- > Extended closures around Chinese New Year
- > EBITA decreased to 6.1 MSEK (8.9), with EBITA-margin at 15.1% (17.1)



KPI:s

Strong finances support upcoming acquisitions

	2024 Q1	2023 Q1
ROE %	26.3	31.9
Net debt/EBITDA	0.7	0.6
Equity/Asset ratio %	43.7	40.9
Net working capital, MSEK	312	441
Net working capital/Net sales LTM %	6.4	8.0
Available liquidity, MSEK	1,104	1,147

NCAB ACQUISITION PROCESS

Good progress in our pipeline



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