

Interim report, January–June 2024

APRIL–JUNE 2024

- > Net sales decreased by 12% to SEK 935.1 million (1,057.5). In USD, net sales decreased 13%. For comparable units, net sales decreased 15% in both SEK and USD.
- > Order intake increased 1% to SEK 938 million (924), while in USD order intake was unchanged. Order intake for comparable units decreased 2% year-on-year in both SEK and USD. Book to bill amounted to 1.00.
- > EBITA decreased to SEK 120.4 million (168.2), representing an EBITA margin of 12.9% (15.9). Earnings were charged with SEK 13 million (10) related to implementation costs for the Group's new IT system and SEK 13 million in costs for the Group's business development conference that is held every second year for all employees. SEK 0.8 million (8.4) was also charged to EBITA relating to transaction costs.
- > Cash flow from operating activities was SEK 101.2 million (152.7).
- > Operating profit was SEK 105.5 million (154.5).
- > Profit after tax was SEK 73.5 million (101.2).
- > Earnings per share before and after dilution was SEK 0.39 (0.54).

JANUARY–JUNE 2024

- > Net sales decreased 14% to SEK 1,885.7 million (2,203.8). In USD, net sales decreased 15%. For comparable units, net sales decreased 20% in SEK as well as USD.
- > Order intake decreased 2% to SEK 1,907 million (1,954). The decrease in USD was 3%. Order intake for comparable units decreased 8%.
- > EBITA decreased to SEK 263.0 million (351.9), representing an EBITA margin of 13.9% (16.0). SEK 0.8 million was charged to EBITA relating to transaction costs. SEK 9.4 million was charged to EBITA relating to transaction costs in the previous year. Earnings were charged with SEK 21 million (18) related to roll-out costs for the Group's new IT system and approximately SEK 13 million in costs for the Group's business development conference that is held in alternating years for all employees.
- > Cash flow from operating activities was SEK 194.1 million (354.6).
- > Operating profit was SEK 232.8 million (327.1).
- > Return on equity was 26.0% (39.4).
- > Profit after tax was SEK 163.3 million (226.2).
- > Earnings per share before and after dilution was SEK 0.87 (1.21).

SIGNIFICANT EVENTS DURING AND AFTER THE QUARTER

- > Timothy Benjamin was appointed to replace Anders Forsén as new CFO. Timothy will take up his new duties in September.
- > On 11 April, 100% of the shares were acquired in Cumatrix BV in Belgium.
- > The Annual General Meeting resolved on a dividend of SEK 1.10 per share.
- > Sarah Eccleston and Anders Lindqvist were newly elected as members of the Board at the AGM.
- > NCAB expanded its acquisition credit facility by SEK 500 million to ensure financing for future acquisitions.
- > On 1 July, 100% of the shares were acquired in ICOM Industrial Components AG in Switzerland.
- > On 4 July, the PCB division was acquired from EPI Components in Austria.
- > An agreement was signed on 22 July to acquire 100% of the shares in the PCB company DVS Global in Italy.

Key performance indicators

	Apr-Jun			Jan-Jun			Full-year	
	2024	2023	%	2024	2023	%	LTM	2023
Order intake, SEK million	937.8	924.4	1	1,907.5	1,954.0	-2	3,704.3	3,750.8
Order intake, USD million	87.7	87.9	-0	181.1	186.6	-3	347.9	353.4
Net sales, SEK million	935.1	1,057.5	-12	1,885.7	2,203.8	-14	3,769.7	4,087.8
Net sales, USD million	87.5	100.5	-13	179.0	210.5	-15	353.7	385.2
Gross margin, %	38.5	36.4		38.0	35.0		37.6	36.0
EBITA, SEK million	120.4	168.2	-28	263.0	351.9	-25	557.9	646.9
EBITA margin, %	12.9	15.9		13.9	16.0		14.8	15.8
Operating profit, SEK million	105.5	154.5	-32	232.8	327.1	-29	497.1	591.4
Operating margin, %	11.3	14.6		12.3	14.8		13.2	14.5
Profit after tax, SEK million	73.5	101.2	-27	163.3	226.2	-28	340.9	403.9
Earnings per share before dilution, SEK	0.39	0.54	-27	0.87	1.21	-28	1.82	2.16
Earnings per share after dilution, SEK	0.39	0.54	-27	0.87	1.21	-28	1.82	2.15
Cash flow from operating activities, SEK million	101.2	152.7	-34	194.1	354.6	-45	540.0	700.4
Return on capital employed, %							20.6	26.1
Return on equity, %							26.0	31.9
USD/SEK - average	10.68	10.51		10.53	10.47		10.63	10.61
EUR/SEK - average	11.50	11.43		11.38	11.32		11.50	11.48

MESSAGE FROM THE CEO

Weak demand in Germany but continued slow improvement in other regions

The quarter was characterised by a weak economy with restrained demand, with weaker growth in Germany than expected. Order intake was still partially impacted by destocking. However, the market was more positive in North America and Asia, and to an extent in the Nordic region.

We are navigating the challenges and are focused on strengthening our position. During the quarter, we continued to win contracts for new articles and new customers at an undiminished growth rate. This paves the way for future growth regardless of market developments.

Our gross margins remained healthy, but the EBITA margin dipped during the quarter, primarily due to lower net sales and costs for the business development conference held for all the Group's employees.

In *North America*, we are seeing some signs of increased market activity. This, combined with positive customer dialogues and winning several important projects – including in Aerospace – led to positive order intake trend in the segment compared with the year-earlier quarter.

In the *East* segment, which is dominated by the Chinese market, the trend is still cautious. However, the size of the market means that it is still possible to find sectors that are performing well, and our team managed to generate good growth during the quarter compared with the previous year. This includes growth in test equipment for the semiconductor industry.

The *Nordics* segment, which also includes Poland, delivered a somewhat weaker performance. Norway continued to have good sales, for example connected to the defence industry. It is also gratifying that despite a generally weak market during the quarter we saw growing order intake in countries such as Finland and Denmark.

We faced the most challenging market conditions in the *Europe* segment. The increasingly weak economy in Germany is also affecting the economy in neighbouring countries. Despite this, our order intake grew in a number of other European countries. We also had strong growth in the number of new customers and contracts won for new articles. Sales in Aerospace & Defence are progressing and during the third quarter we will open up for sales in Defence in several European markets.

After a period of limited opportunities for organic growth, it is encouraging that we have been able to successfully conclude three of our ongoing acquisition discussions in recent weeks. In addition to contributing annual sales of approximately SEK 300 million, the acquisitions of ICOM in Switzerland, EPI in Austria and DVS in Italy will also further strengthen our position in *Europe*. The acquisitions in Switzerland and Austria have allowed us to establish a local presence in these industrial markets. This has given us a larger base of demanding customers and a platform for further organic growth.

“ It is encouraging that we have been able to successfully conclude three of our ongoing acquisition discussions ”

Peter Kruk
President and CEO, NCAB Group AB



Q2 2024

-12%

Sales growth

935.1

Net sales, SEK
million

120.4

EBITA, SEK
million

12.9%

EBITA margin

APRIL–JUNE 2024

ORDER INTAKE

Order intake was stable overall, though with significant differences between segments. In *North America* and *East*, there was a distinctly positive quarter-on-quarter trend, while weaker demand meant that *Europe*, primarily Germany, did not perform as expected. Inventory adjustments have now been partially completed, but many customers are still hesitant and cautious about placing new orders. The number of contracts won for new articles continued to grow and increased by 18 per cent during the quarter, which in the long term is positive. The price level stabilised and negative price effects compared with the year-earlier quarter were minor. The price increases that we saw signs of earlier did not materialise. However, freight costs continued to rise.

Order intake for the quarter amounted to SEK 938 million (924), an increase of 1 per cent. Order intake for comparable units decreased 2 per cent in both SEK and USD. Book to bill was 1.00. Compared with recent quarters, order intake improved significantly in *North America* and *East*.

NET SALES

Net sales decreased in the quarter by 12 per cent to SEK 935.1 million (1,057.5). The decrease in USD was 13 per cent. The *Nordic* and *Europe* segments saw downturns, while *North America* posted clear growth and net sales in *East* were on a par with the previous year. Compared with the previous year, lower prices had a negative impact on net sales for the year. With lead times back at normal levels, the relation between a quarter's order intake and the following quarter's net sales was once again at parity. Net sales for comparable units decreased 15 per cent in both SEK and USD.

GROSS PROFIT

NCAB has continued to offset lower market prices with cost savings and the continuing transfer to more high-tech applications, which resulted in a gross margin of 38.5 per cent (36.4). This meant gross profit only declined 8 per cent despite a decrease in net sales of 12 per cent.

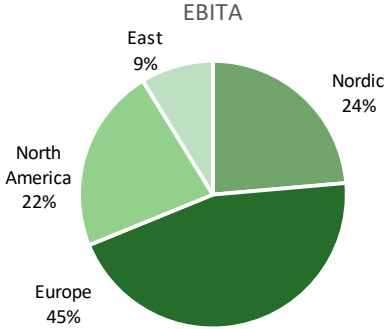
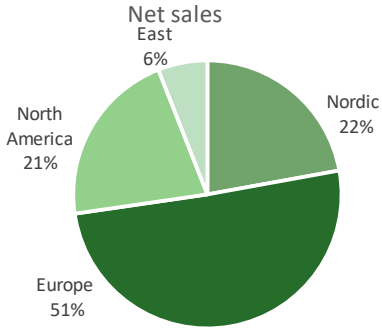
EARNINGS

While the gross margin increased, earnings were impacted by lower net sales than in the previous year. The quarter was also negatively impacted by costs of a transitional nature, including the implementation costs for the company's new IT platform. During the quarter, we also held our strategy and business development conference, which we hold every second year, for our just over 430 employees for approximately SEK 13 million. EBITA for the quarter amounted to SEK 120.4 million (168.2). The EBITA margin amounted to 12.9 per cent (15.9). Compared with the year-earlier period, the EBITA margin improved in the *East* segment and declined in other segments. Operating profit for the quarter decreased to SEK 105.5 million (154.5).

Net financial items amounted to -15.9 million (-21.5) and interest expenses excluding IFRS 16 increased to SEK -15.7 million (-10.2), while foreign currency conversion rates generated foreign exchange gains of SEK 3.6 million (-11.4). Tax amounted to -16.1 million (-31.8). The average tax rate was 18.0 per cent (23.9). Profit after tax for the period totalled 73.5 million (101.2). Earnings per share was SEK 0.39 (0.54) both before as well as after dilution.

Net working capital increased slightly compared with year-end but decreased 27 per cent year-on-year and amounted to 6.2 per cent of net sales over the past 12 months. Cash flow from operating activities was SEK 101.2 million (354.6). Cash flow for 2023 was positively impacted by reduced inventories and improved logistic flows.

BREAKDOWN BY SEGMENT, APRIL–JUNE 2024



JANUARY–JUNE 2024

ORDER INTAKE

Order intake has stabilised and has been at a relatively even level in recent quarters. The overall weak economy, primarily in Europe and especially in Germany, impacted customer order placement. Although the number of new articles increased, many customers remained cautious. Order intake for the first half of the year amounted to SEK 1,907 million (1,954), a decline of 2 per cent. Order intake for comparable units decreased 8 per cent. While *Europe* displayed weak indicators, *North America* and to an extent *East* pivoted towards growth. Book to bill was 1.01.

NET SALES

Net sales declined to SEK 1,885.7 million (2,203.8). In USD, net sales decreased 15 per cent. Compared with the year-earlier period, net sales decreased in *Europe* and *Nordic*, while they grew in *North America* and remained unchanged in *East*. Net sales for comparable units decreased 20 per cent in both SEK and USD. Compared with the previous year, there was still a price component to the decrease, though it is expected to wane by the end of the year.

GROSS PROFIT

The gross margin continued to improve, amounting to 38.0 per cent (35.0). The low utilisation levels for factories in China, and the drop in freight costs, have created good opportunities for NCAB to secure both lower prices to customers and a higher gross margin. However, freight prices increased somewhat in the most recent quarter. Gross profit decreased by 7 per cent despite an 18 per cent decrease in net sales.

EARNINGS

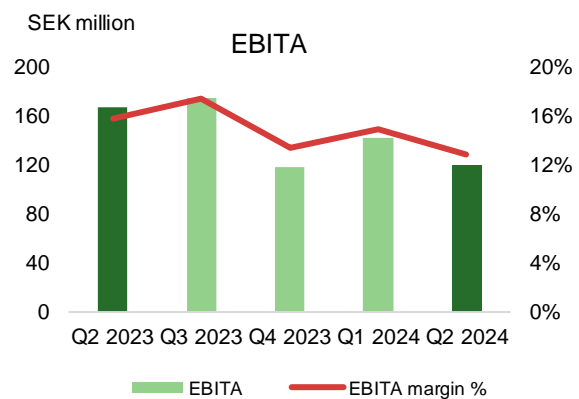
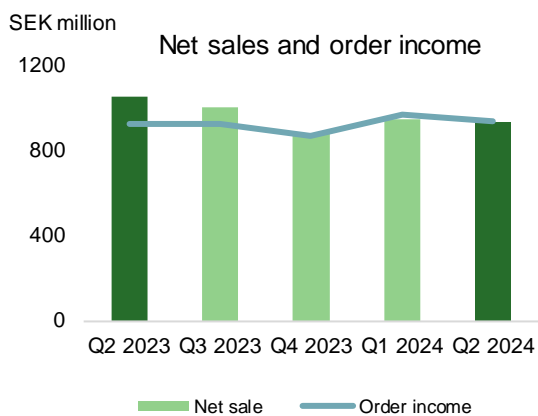
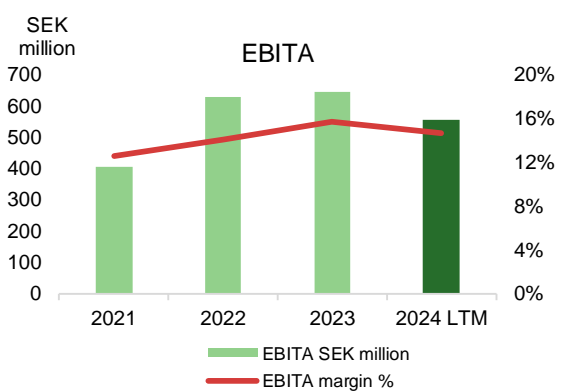
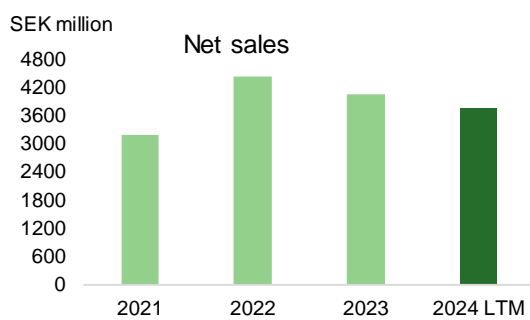
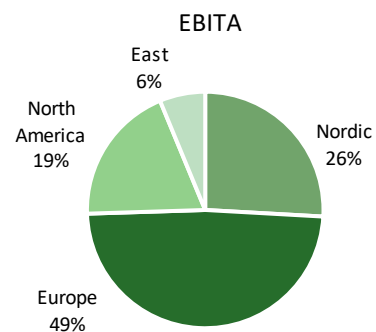
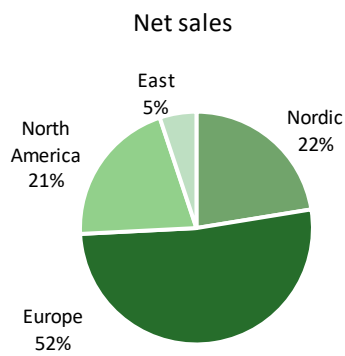
EBITA decreased to SEK 263.0 million (351.9) for the first half of the year, corresponding to an EBITA margin of 13.9 per cent (16.0). The EBITA margin deteriorated in all segments. The decrease in net sales in comparable companies impacted EBITA despite improved gross margins and NCAB's flexible cost structure. Costs for the roll-out of the Group's new IT platform amounted to SEK 21.0 million, compared with development costs of SEK 18.0 million for the previous year. Operating profit for the first half of the year decreased 29 per cent to 232.8 million (327.1).

Work on the Group's new IT platform has now moved into the implementation phase. The platform has been rolled out in several companies and will be launched in all companies gradually during 2024 and 2025. The implementation costs will be charged in their entirety to earnings. The costs for 2024 are expected to be in line with expensed development costs for 2023. The new platform will enable further improved customer service and increase the Group's efficiency and will support continued growth and integration of new companies.

Net financial items amounted to 23.2 million (-31.3) and interest expenses exclusive IFRS 16 increased to SEK -31.8 million (-23.4), while foreign currency conversion rates generated foreign exchange gains of SEK 12.6 million (-7.0). Tax amounted to SEK -46.4 million (-69.5). The average tax rate was 22.1 per cent (23.5). Profit after tax for the period totalled SEK 163.3 million (226.2). Earnings per share was SEK 0.87 (1.21) before dilution and SEK 0.87 (0.87) after dilution.1.21

Active work to optimise the balance sheet and focus on working capital at all stages, together with favourable earnings, led to a cash flow from operating activities of SEK 194.1 million (354.6), corresponding to 74 per cent of EBITA (101).

BREAKDOWN BY SEGMENT, JANUARY–JUNE 2024



PERFORMANCE BY SEGMENT

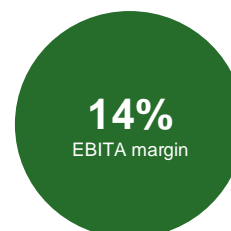
NORDIC

Denmark, Finland, Norway, Poland and Sweden. The margin in this segment is high due to a high technology content and generally lower volumes per order. As of 2024, Poland is included in the Nordic segment. Net sales and earnings for 2023 are adjusted and also include Poland. The transfer of the Polish operations is logical, as many of NCAB's customers operate in both the Nordic region and Poland, which facilitates customer relations.

Second quarter 2024

Order intake decreased slightly compared with the year-earlier period and amounted to SEK 226 million (231). Book to bill was 1.09.

Net sales amounted to SEK 207.1 million (228.4). All companies reported slightly lower net sales than in the year-earlier period. Among customer segments, sales to the defence industry continued to increase while deliveries for electric vehicle chargers slowed down somewhat.



EBITA decreased to SEK 29.6 million (49.8), with an EBITA margin of 14.3 per cent compared with 21.8 per cent for the previous year. The decrease was attributable to lower net sales and a somewhat lower gross margin due to a different customer mix. The quarter was also impacted by non-recurring costs in connection with the roll-out of the new IT platform in Denmark and Poland.

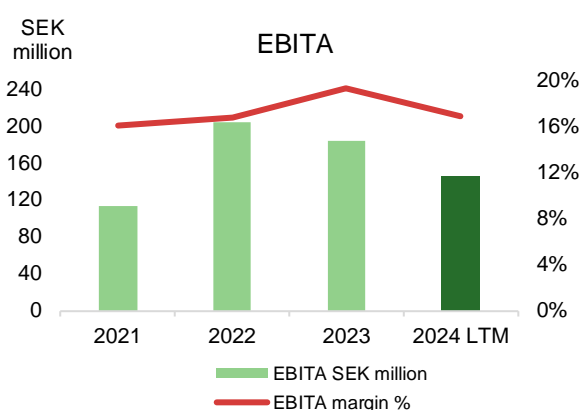
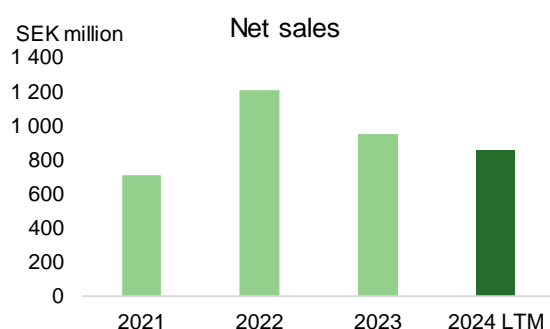
January to June 2024

Order intake decreased 7 per cent to SEK 461 million (494) during the period. A weak economy, adjustments to customer inventory volumes, shorter lead times and lower market prices impacted order intake.

Net sales decreased 18 per cent till SEK 423.0 million (514.4) during the first half of the year. The largest downturn was noted in Denmark, which has important customers in the construction and energy sectors. EBITA amounted to SEK 71.0 million (109.0) and the EBITA margin decreased to 16.8 per cent (21.2).

NORDIC

SEK million	Apr-Jun			Jan-Jun			Full-year	
	2024	2023	%	2024	2023	%	LTM	2023
Order intake	226.3	230.6	-1.9	460.7	494.1	-6.8	875.0	908.4
Net sales	207.1	228.4	-9.3	423.0	514.4	-17.8	862.5	953.9
EBITA	29.6	49.8	-40.5	71.0	109.0	-34.8	146.2	184.2
EBITA margin, %	14.3	21.8		16.8	21.2		17.0	19.3



EUROPE

Belgium, France, Italy, the Netherlands, North Macedonia, Portugal, Switzerland, Spain, the United Kingdom, Germany and Austria. The *Europe* segment has been strengthened through a number of acquisitions. As of 2024, Poland was transferred from the *Europe* to the *Nordic* segment. Earnings for 2023 were adjusted and Poland was excluded.

Second quarter 2024

Order intake for the quarter amounted to SEK 423 million (487), down 13 per cent compared with the year-earlier period. Order intake for comparable units decreased 15 per cent in both SEK and USD. Demand remains weak, particularly in the German market and to an extent in Southern Europe. Book to bill was 0.89.

12%
EBITA margin

Net sales in the second quarter decreased 20 per cent to SEK 472.8 million (589.7). Net sales in comparable units decreased by 22 per cent and by 23 per cent in USD.

The lower net sales impacted EBITA, which fell to SEK 56.7 million (89.8), corresponding to an EBITA margin of 12.0 per cent (15.2). However, the gross margin improved compared with the previous year. During the quarter, Cumatrix was acquired in Belgium, and at the beginning of July, two additional companies were acquired in Switzerland and Austria. Having a local presence in these countries will provide greater sales opportunities. An agreement was also signed on 22 July to acquire the PCB company DVS Global in Italy. This acquisition brings approximately SEK 230 million in annual sales and just over 30 employees. The acquisition is expected to be finalised in September.

January to June 2024

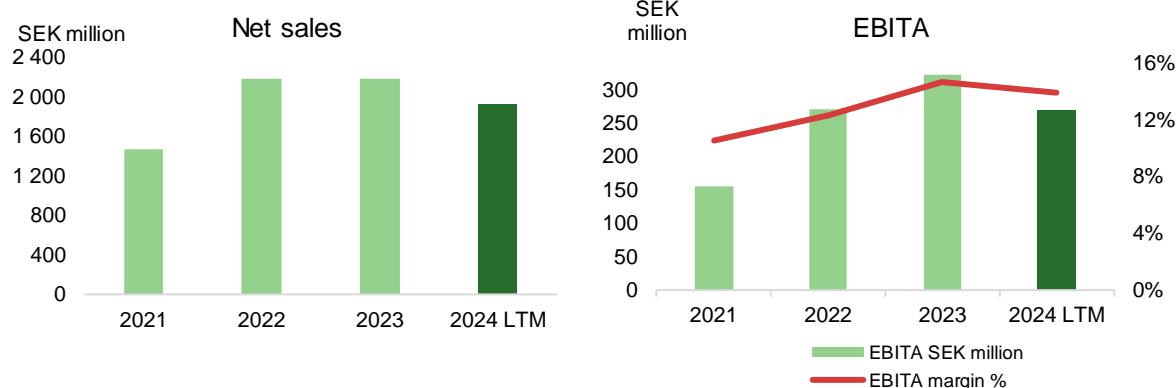
Order intake for the first half of the year decreased to SEK 911 million (1,022), a decrease of 11 per cent. Order intake for comparable units decreased by 14 per cent and by 15 per cent in USD.

Net sales declined to SEK 976.0 million (1,239.2). The downturn was largely attributable to German customers. For comparable units, the decrease was 24 per cent in both SEK and USD.

Earnings decreased compared with last year, primarily due to lower net sales. EBITA for the period amounted to SEK 133.3million (186.5) and the EBITA margin decreased to 13.7per cent (15.1).

EUROPE

SEK million	Apr-Jun			Jan-Jun			Full-year	
	2024	2023	%	2024	2023	%	LTM	2023
Order intake	423.1	487.1	-13.1	911.3	1,021.7	-10.8	1,830.7	1,941.1
Net sales	472.8	589.7	-19.8	976.0	1,239.2	-21.2	1,932.9	2,196.1
EBITA	56.7	89.8	-36.9	133.3	186.5	-28.5	270.0	323.3
EBITA margin, %	12.0	15.2		13.7	15.1		14.0	14.7



NORTH AMERICA

NCAB has six offices in the USA that cover the country from east to west. The North American market is an important growth region where NCAB is focusing on growing organically as well as through acquisitions.

Second quarter 2024

Order intake continued to improve quarter-on-quarter and order intake for the second quarter of 2024 amounted to SEK 229 million (163.3), 15 per cent higher than the previous quarter. Adjusted for acquisitions, order intake increased 29 per cent from the year-earlier quarter. This growth was partly attributable to a number of new projects. Book to bill was 1.15.

Net sales for the segment amounted to SEK 199.5 million (182.9). Adjusted for acquisitions, net sales decreased 2 per cent. Although the gross margin was in line with the previous year, EBITA decreased to SEK 28.1 million (31.6) and the EBITA margin declined to 14.1 per cent (17.3).



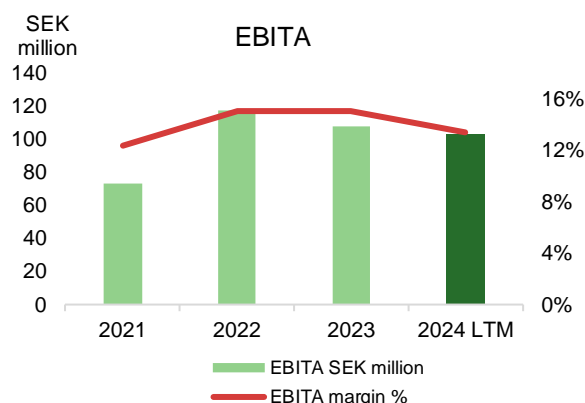
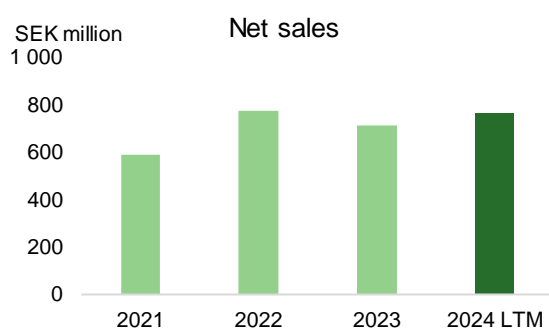
January to June 2024

Order intake increased 29 per cent to SEK 428 million during the first half of the year. Adjusted for acquisitions, the increase was 5 per cent in SEK as well as USD. Net sales rose 14 per cent during the first half of the year, though adjusted for acquisitions the decrease was 9 per cent.

The gross margin remained unchanged but the lower net sales in comparable companies had a negative impact on EBITA, which amounted to SEK 52.8 million (57.8). The EBITA margin decreased to 13.5 (15.1).

NORTH AMERICA

SEK million	Apr-Jun			Jan-Jun			Full-year	
	2024	2023	%	2024	2023	%	LTM	2023
Order intake	229.0	163.3	40.2	428.4	333.2	28.6	794.6	699.4
Net sales	199.5	182.9	9.1	390.3	341.6	14.3	767.5	718.8
EBITA	28.1	31.6	-11.2	52.8	57.8	-8.6	103.7	108.7
EBITA margin, %	14.1	17.3		13.5	16.9		13.5	15.1



EAST

China and Malaysia. In China, NCAB has sales offices in Shenzhen, Beijing, Suzhou and Wuhan.

Second quarter 2024

Demand in the Chinese market remained weak overall, but NCAB has carved out a niche serving demanding high-tech customers and is now beginning to see a positive change. Competition from local PCB factories in China has increased due to the factories' low utilisation levels, which makes it even more important to focus on higher technology content and more demanding customers. Order intake increased 37 per cent to SEK 59 million (43). Book to bill was 1.07.

20%
EBITA
margin

Net sales for the quarter amounted to SEK 55.7 million (56.4), a clear improvement from the previous quarter's net sales of SEK 40.6 million.

Earnings were stable and EBITA amounted to SEK 11.0 million (10.8), corresponding to an EBITA margin of 19.8 per cent (19.2). NCAB's focus on a high level of service and demanding customers is enabling the Group to retain a high margin.

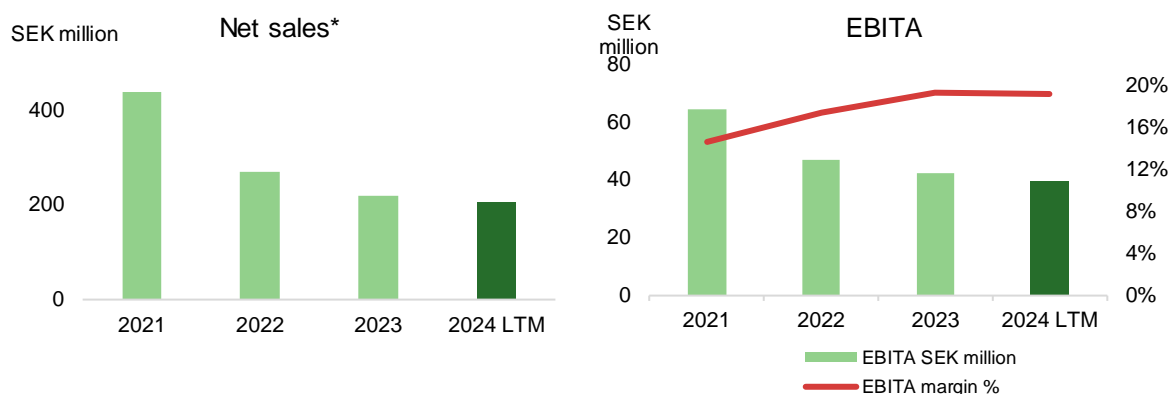
January to June 2024

Order intake increased to SEK 107 million (105) during the first half of the year. Net sales decreased 11 per cent till SEK 96.3 million (108.5) and 12 per cent in USD.

The EBITA margin was stable compared with the previous year. The EBITA margin was 17.8 per cent, though EBITA declined somewhat for the first half of 2024 to SEK 17.1 million (19.7).

EAST

SEK million	Apr-Jun			Jan-Jun			Full-year	
	2024	2023	%	2024	2023	%	LTM	2023
Order intake	59.5	43.4	37.0	107.0	105.1	1.9	203.9	202.0
Net sales	55.7	56.4	-1.2	96.3	108.5	-11.3	206.8	219.1
EBITA	11.0	10.8	1.9	17.1	19.7	-13.1	39.8	42.3
EBITA margin, %	19.8	19.2		17.8	18.2		19.2	19.3



*) In 2021, NCAB's operations in Russia were part of the *East* segment. The Russian operations were divested in Q2 2022.

FINANCIAL POSITION

CASH FLOW AND INVESTMENTS

Following the effects of the pandemic, working capital has stabilised at approximately 6 per cent of net sales over the past 12 months. Tied-up working capital for the Group on 30 June 2024 corresponded to 6.2 per cent (7.9). Cash flow from operating activities in the quarter was SEK 101.2 million (152.7). Cash flow for the first half of the year amounted to SEK 193.0 million (354.6). Reduced working capital had a positive impact on cash flow for the year-earlier period. NCAB has credit insurance for most of the trade receivables outstanding.

Cash flow from investing activities was SEK -8.7 million (-424.1) for the first half of the year. Non-acquisition-related investments amounted to SEK -1.7 million (-34.6).

LIQUIDITY AND FINANCIAL POSITION

Net debt at the end of the quarter was SEK 632.3 million (850.1). The equity/assets ratio was 40.6 per cent (37.8) and equity was SEK 1,331.8 million (1,288.2). At the end of the period, the Group had available liquidity, including undrawn acquisition credits and overdraft facilities, of SEK 1,455 million (743).

During the quarter, NCAB renegotiated loans and expanded its loan limits by SEK 500 million for future acquisitions. At 30 June 2024, NCAB had loans totalling SEK 998 million. In addition to these loans, NCAB has two undrawn acquisition credits totalling SEK 800 million and an undrawn overdraft facility of SEK 215 million. All loans are free of instalments and mature in autumn 2026. At the balance sheet date of 30 June 2024, the company complied with all covenants under the financing agreement.

Other

SIGNIFICANT RISKS AND UNCERTAINTIES

Through its operations, the Group is exposed to risks of both a financial and an operational nature, which the Group can influence to a greater or lesser extent. Continuous processes are in place in the Group to identify any risks and assess how they should be managed.

Operational risks include commercial risks arising from changes in economic activity and demand as well as customer preferences and relationships to the company. Other risks are related to the production capabilities, capacity and order books of the company's manufacturers, and to the availability and prices of raw materials. The company is also dependent on the continued trust of its employees and its ability to recruit skilled employees.

Regarding financial risks, the Group is exposed to currency risk, primarily the exchange rates between USD, EUR and SEK, through the translation exposure of sales and purchase ledgers, and reported assets, liabilities and net investments in the operations. The Group is also exposed to other risks, such as interest rate risk, credit risk and liquidity risk.

There are also geopolitical risks, for example as a result of the large share of factories used by NCAB being located in China. See NCAB's 2023 Annual Report for a more detailed description of the Group's risk exposure and risk management.

SIGNIFICANT EVENTS DURING AND AFTER THE QUARTER

- > Timothy Benjamin was appointed to replace Anders Forsén as new CFO. Timothy will take up his new duties in September.
- > On 11 April, 100% of the shares were acquired in Cumatrix BV in Belgium.
- > The Annual General Meeting resolved on a dividend of SEK 1.10 per share.
- > Sarah Eccleston and Anders Lindqvist were newly elected as members of the Board at the Meeting.
- > NCAB expanded its acquisition credit facility by SEK 500 million to ensure financing for future acquisitions.
- > On 1 July, 100% of the shares were acquired in ICOM Industrial Components AG in Switzerland.
- > On 4 July, the PCB division was acquired from EPI Components in Austria.
An agreement was signed on 22 July to acquire 100% of the shares in the PCB company DVS Global in Italy.

RELATED-PARTY TRANSACTIONS

No material related-party transactions took place during the period.

ORGANISATION

At 30 June 2024, the number of employees was 605 (614), of whom 262 (277) were women and 343 (337) were men. The average number of employees in the organisation during the quarter was 606 (601), of whom 263 (272) were women and 344 (329) were men.

PARENT COMPANY

The Parent Company's net sales for the second quarter were SEK 58.4 million (44.5). Sales consist exclusively of internal billing. Profit after financial items was SEK 20.6 million (258.3) for the quarter. The decrease was due to lower intra-Group dividends.

DECLARATION OF THE BOARD OF DIRECTORS AND CHIEF EXECUTIVE OFFICER

The Board of Directors and Chief Executive Officer provide their assurance that the interim report gives a true and fair view of the Group's and the Parent Company's operations, position and results and describes the significant risks and uncertainties facing the Parent Company and the companies included in the Group.

Sundbyberg, 22 July 2024

Christian Salamon
Chairman

Sarah Eccleston
Director

Anders Lindqvist
Director

Magdalena Persson
Director

Hans Ramel
Director

Gunilla Rudebjer
Director

Hans Ståhl
Director

Peter Kruk
President and CEO

CONTACT

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Gunilla Öhman, IR Manager, +46 (0)70 763 81 25

This interim report has not been reviewed by the company's auditor.

This is information that NCAB Group AB is obligated to disclose pursuant to the EU Market Abuse Regulation. The information was issued for publication through the agency of the contact persons set out above on 23 July 2024, at 7:30 a.m.

NCAB Group AB (publ)

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www.ncabgroup.com

NCAB Group is publishing the interim report for January–June 2024 on Tuesday 23 July at 7:30 a.m. A web-cast teleconference will be held at 10:00 a.m. CEST on the same date, where President and CEO Peter Kruk and CFO Anders Forsén will present the report. The presentation will be followed by

a Q&A session. The presentation will be held in English. For those who wish to participate via webcast, please use the link below: <https://ir.financialhearings.com/ncab-group-q2-report-2024>

For those who wish to participate via teleconference, please register on the link below. After registration, you will be provided with phone numbers and a conference ID to access the conference. You can ask questions verbally via the teleconference.

<https://conference.financialhearings.com/teleconference/?id=50048799>

FINANCIAL CALENDAR

Interim report third quarter
Year-end report

5 November 2024
13 February 2025

About NCAB Group

NCAB is a worldwide leading supplier of printed circuit boards (PCBs), listed on NASDAQ Stockholm. NCAB offers PCBs for demanding customers, on time with zero defects, produced sustainably at the lowest total cost. NCAB was founded in 1993. Since its foundation, the operations have been characterised by an entrepreneurial and cost-efficient culture and have showed strong growth and good profitability over time. Today, NCAB has a local presence in 19 countries in Europe, Asia and North America. Net sales in 2023 amounted to SEK 4,088 million. Organic growth and acquisitions are part of NCAB's strategy. For more information about NCAB Group, please visit us at www.ncabgroup.com.

Group

CONSOLIDATED INCOME STATEMENT

SEK million	Apr-Jun		Jan-Jun		LTM	Jan-Dec 2023
	2024	2023	2024	2023		
Operating revenue						
Net sales	935.1	1,057.5	1,885.7	2,203.8	3,769.7	4,087.8
Other operating income	1.2	8.7	5.9	9.5	30.3	33.9
Total	936.3	1,066.2	1,891.6	2,213.3	3,800.0	4,121.7
Raw materials and consumables	-581.0	-680.8	-1,174.6	-1,442.2	-2,359.4	-2,627.0
Other external expenses	-70.4	-65.0	-133.9	-125.4	-244.7	-236.3
Staff costs	-153.1	-133.9	-298.7	-264.0	-592.7	-558.0
Dep. and amort of fixed assets	-25.6	-24.1	-50.8	-45.2	-104.3	-98.6
Other operating expenses	-0.8	-7.9	-0.8	-9.4	-1.8	-10.3
Total operating expenses	-830.8	-911.7	-1,658.8	-1,886.2	-3,302.9	-3,530.3
Operating profit	105.5	154.5	232.8	327.1	497.1	591.4
Net financial income/expense	-15.9	-21.5	-23.2	-31.3	-49.7	-57.8
Profit before tax	89.6	133.0	209.6	295.8	447.4	533.6
Income tax	-16.1	-31.8	-46.4	-69.5	-106.5	-129.7
Profit for the period	73.5	101.2	163.3	226.2	340.9	403.9
Profit attributable to:						
Shareholders of the Parent Company	73.4	101.2	163.2	226.1	340.8	403.7
Non-controlling interests	0.0	-0.0	0.1	0.1	0.1	0.1
Average number of shares before dilution	186,792,094	186,944,090	186,879,442	186,939,739	186,921,168	186,951,183
Average number of shares after dilution	187,275,299	187,732,713	187,444,765	187,552,873	187,489,556	187,552,145
Earnings per share before dilution	0.39	0.54	0.87	1.21	1.82	2.16
Earnings per share after dilution	0.39	0.54	0.87	1.21	1.82	2.15

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

SEK million	Apr-Jun		Jan-Jun		LTM	Jan-Dec 2023
	2024	2023	2024	2023		
Profit for the period	73.5	101.2	163.3	226.2	340.9	403.9
Other comprehensive income, items that can subsequently be reclassified to profit or loss:						
Foreign exchange differences	-15.2	88.9	63.9	65.1	-71.8	-70.6
Total comprehensive income	58.2	190.1	227.1	291.3	269.1	333.2
Profit attributable to:						
Shareholders of the Parent Company	58.2	190.1	227.1	291.2	269.0	333.1
Non-controlling interests	0.0	-0.0	0.1	0.1	0.1	0.1

CONSOLIDATED BALANCE SHEET

SEK million

ASSETS	30 Jun 2024	30 Jun 2023	31 Dec 2023
Non-current assets			
Goodwill	1,392.7	1,414.2	1,345.8
Other intangible assets	224.8	270.0	251.6
Leasehold improvement costs	6.5	7.9	6.8
Right-of-use Office and Cars	72.8	79.1	70.4
Plant and equipment	12.9	14.8	13.0
Financial assets	8.4	4.6	7.3
Deferred tax assets	20.2	14.1	20.8
Total non-current assets	1,738.1	1,804.7	1,715.7
Current assets			
Inventories	265.8	375.0	315.2
Trade receivables	759.3	869.8	655.0
Other current receivables	41.0	32.7	31.8
Prepaid expenses and accrued income	37.2	37.2	25.0
Cash and cash equivalents	440.7	288.9	478.6
Total current assets	1,544.1	1,603.6	1,505.6
TOTAL ASSETS	3,282.2	3,408.4	3,221.3
EQUITY AND LIABILITIES			
Equity attributable to shareholders of the Parent Company			
Share capital	1.9	1.9	1.9
Additional paid-in capital	478.1	478.1	478.1
Reserves	117.3	189.1	53.4
Retained earnings	736.5	618.9	801.7
Non-controlling interests	0.2	0.2	0.2
Total equity	1,334.0	1,288.2	1,335.3
Non-current liabilities			
Borrowings	997.8	971.9	927.8
Leased liabilities	40.5	51.1	42.8
Deferred tax	76.9	85.6	76.9
Total non-current liabilities	1,115.2	1,108.6	1,047.5
Current liabilities			
Current liabilities	-	83.4	67.5
Current right-of-use liabilities	34.7	32.5	32.4
Trade payables	536.3	534.0	445.0
Current tax liabilities	64.1	107.1	81.7
Other current liabilities	64.6	119.0	80.7
Accrued expenses and deferred income	133.2	135.5	131.2
Total current liabilities	833.0	1,011.5	838.5
TOTAL EQUITY AND LIABILITIES	3,282.2	3,408.4	3,221.3

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Attributable to shareholders of the Parent Company

SEK million	Share capital	Additional paid-in capital	Reserves	Retained earning	Total	Non-controlling interests	Total equity
1 Jan 2023	1.9	478.1	124.0	591.5	1,195.6	0.3	1,195.8
Profit for the period				226.1	226.1	0.1	226.2
Other comprehensive income for the period	-	-	65.1	-	65.1	-	65.1
income	-	-	65.1	226.1	291.2	0.1	291.3
Dividend	-	-	-	-205.7	-205.7	-0.2	-205.8
Own shares	-	-	-	3.0	3.0	-	3.0
Cost for Warrants	-	-	-	3.9	3.9	-	3.9
Total transactions with shareholders, recognised directly in equity	-	-	-	-198.8	-198.8	-0.2	-198.9
30 Jun 2023	1.9	478.1	189.1	618.9	1,288.0	0.2	1,288.2

Attributable to shareholders of the Parent Company

SEK million	Share capital	Additional paid-in capital	Reserves	Retained earning	Total	Non-controlling interests	Total equity
1 Jan 2024	1.9	478.1	53.4	801.7	1,335.1	0.2	1,335.3
Profit for the period				163.2	163.2	0.1	163.3
Other comprehensive income for the period	-	-	63.9	-	63.9	-	63.9
income	-	-	63.9	163.2	227.1	0.1	227.1
Dividend	-	-	-	-205.7	-205.7	-0.1	-205.8
Own shares	-	-	-	-28.2	-28.2	-	-28.2
Cost for Warrants	-	-	-	5.5	5.5	-	5.5
Total transactions with shareholders, recognised directly in equity	-	-	-	-228.3	-228.3	-0.1	-228.5
30 Jun 2024	1.9	478.1	117.3	736.5	1,333.8	0.2	1,334.0

CONSOLIDATED STATEMENT OF CASH FLOWS

SEK million	Apr-Jun		Jan-Jun		Jan-Dec	
	2024	2023	2024	2023	LTM	2023
Cash flow from operating activities						
Profit before net financial income/expense	105.5	154.5	232.8	327.1	497.1	591.4
Adjustment for non-cash items	18.2	7.5	38.6	35.1	69.9	66.4
Interest received	1.1	1.2	1.9	1.4	11.4	10.9
Interest paid	-15.7	-10.2	-31.3	-23.4	-71.4	-63.5
Income taxes paid	-45.4	-60.0	-85.1	-73.4	-187.5	-175.7
Cash flow from operating activities before changes in working capital	63.7	93.0	156.8	266.8	319.5	429.4
Change in inventories	-0.0	27.4	59.5	132.3	120.5	193.3
Change in current receivables	-2.5	63.5	-87.0	1.1	146.5	234.6
Change in current operating liabilities	40.0	-31.3	64.9	-45.5	-46.5	-156.9
Total changes in working capital	37.5	59.6	37.3	87.8	220.5	271.0
Cash flow from operating activities	101.2	152.7	194.1	354.6	540.0	700.4
Cash flow from investing activities						
Investments in property, plant and equipment	-0.3	-2.6	-0.9	-3.8	-1.9	-4.8
Investments in intangible assets	-0.0	-11.9	-0.0	-30.7	-17.1	-47.8
Investments in subsidiaries	-7.0	-335.9	-7.0	-389.5	-53.7	-436.3
Investments in financial assets	-1.2	-	-0.8	-	-2.6	-1.8
Cash flow from investing activities	-8.5	-350.4	-8.7	-424.1	-75.3	-490.7
Cash flow from financing activities						
Issue of new shares	-28.0	-	-28.0	-	-28.0	-
Change in overdraft facility	-	60.8	-	60.8	-60.8	-
Borrowings	-	160.0	-	160.0	-	160.0
Transaction cost, loans	-2.2	-	-2.2	-	-2.2	-
Repayment of leased liabilities	-9.2	-8.9	-17.5	-17.8	-32.3	-32.6
Dividend	-205.8	-205.7	-205.8	-205.7	-205.8	-205.7
Cash flow from financing activities	-245.1	6.2	-253.5	-2.7	-329.0	-78.2
Decrease/increase in cash and cash equivalents						
Cash flow for the period	-152.4	-191.5	-68.0	-72.2	135.7	131.5
Foreign exchange difference in cash and cash equivalents	4.1	8.7	30.1	3.3	16.2	-10.7
Cash and cash equivalents at beginning of period	589.0	471.7	478.6	357.8	288.9	357.8
Cash and cash equivalents at end of period	440.7	288.9	440.7	288.9	440.7	478.6

Parent Company

PARENT COMPANY INCOME STATEMENT

SEK million	Apr-Jun		Jan-Jun		Jan-Dec
	2024	2023	2024	2023	2023
Operating revenue					
Net sales	58.4	44.5	115.0	87.2	185.9
Total	58.4	44.5	115.0	87.2	185.9
Other external expenses	-46.7	-36.1	-80.6	-59.4	-128.2
Staff costs	-30.2	-13.6	-44.2	-25.3	-60.0
Depreciation of property, plant and equipment, and amortisation of intangible assets	-0.0	-0.0	-0.0	-0.0	-0.0
Total operating expenses	-76.9	-49.7	-124.9	-84.7	-188.2
Operating loss	-18.5	-5.2	-9.9	2.4	-2.3
Income from investments in Group companies	56.3	259.3	56.3	259.3	285.5
Net financial income/expense	-17.3	4.2	-5.1	-0.7	-59.3
Net financial income/expense	39.1	263.5	51.3	258.6	226.3
Profit before tax	20.6	258.3	41.4	261.0	224.0
Appropriations	-	-	-	-	28.9
Tax on profit for the period	-0.4	-2.0	-0.8	-2.7	-4.3
Profit for the period	20.2	256.3	40.6	258.4	248.6

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 period.

PARENT COMPANY BALANCE SHEET

SEK million

ASSETS	30 Jun 2024	30 Jun 2023	31 Dec 2023
Non-current assets			
Capitalised development costs	76.0	59.0	76.0
Plant and equipment	0.1	0.1	0.1
Non-current financial assets	919.9	910.0	910.8
Non-current financial assets from Group companies	416.0	587.9	482.2
Total non-current assets	1,412.0	1,557.0	1,469.1
Current assets			
Receivables from Group companies	56.6	84.0	42.4
Other current receivables	2.5	2.4	4.1
Prepaid expenses and accrued income	13.6	6.6	4.8
Cash and cash equivalents	58.2	0.1	116.7
Total current assets	130.9	93.1	168.0
TOTAL ASSETS	1,542.9	1,650.0	1,637.1
EQUITY AND LIABILITIES			
Equity			
Restricted equity			
Share capital (186,971,240 shares)	1.9	1.9	1.9
Non-restricted equity			
Share premium account	478.1	478.1	478.1
Retained earnings	-356.1	-408.8	-408.8
Profit/ loss for the period	40.6	258.4	248.6
Total equity	164.4	329.6	319.8
Untaxed reserves	-	1.0	-
Non-current liabilities			
Liabilities to credit institutions	997.8	971.9	927.8
Other provisions	2.3	-	2.0
Total non-current liabilities	1,000.1	971.9	929.8
Current liabilities			
Liabilities to credit institutions	-	83.3	67.5
Trade payables	19.7	14.0	7.3
Liabilities to Group companies	330.6	233.7	284.9
Current tax liabilities	2.3	3.1	4.2
Other current liabilities	2.1	1.0	0.8
Accrued expenses and deferred income	23.7	12.4	22.7
Total current liabilities	378.4	347.5	387.5
TOTAL EQUITY AND LIABILITIES	1,542.9	1,650.0	1,637.1

PARENT COMPANY STATEMENT OF CHANGES IN EQUITY

SEK million	Restricted equity	Non-restricted equity		Total
	Share capital	Share premium account	Retained earnings	
1 January 2023	1.9	478.1	-203.1	276.9
Profit for the period	-	-	258.4	258.4
Total comprehensive income	-	-	258.4	258.4
Dividend, shares			-205.7	-205.7
Total transactions with shareholders, recognised directly in equity	-	-	-205.7	-205.7
30 Jun 2023	1.9	478.1	-150.4	329.6

SEK million	Restricted equity	Non-restricted equity		Total
	Share capital	Share premium account	Retained earnings	
1 January 2024	1.9	478.1	-160.2	319.9
Profit for the period	-	-	40.6	40.6
Total comprehensive income	-	-	40.6	40.6
Dividend, shares			-205.7	-205.7
Cost for Warrants			9.7	9.7
Total transactions with shareholders, recognised directly in equity	-	-	-196.0	-196.0
30 Jun 2024	1.9	478.1	-315.6	164.4

Notes

Note 1 Accounting policies

This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting and the Swedish Annual Accounts Act. The financial statements of the Parent Company have been prepared in accordance with the Swedish Annual Accounts Act and Recommendation RFR 2 Financial Reporting for Legal Entities of the Swedish Financial Reporting Board.

The applied accounting policies are consistent with the policies described in the annual report for the financial year ended 31 December 2023 and should be read in conjunction with these. With the exception of the accounting policies described below, the applied accounting policies are consistent with those described in the NCAB Group's annual report for 2023, which is available on NCAB Group's website.

None of the new IFRS standards, amended standards and interpretations that are applicable as of 1 January 2024 have had any material impact on the financial statements of the Group or the Parent Company. No new or amended standards have been applied prospectively.

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*.

The interim financial information on pages 1–30 is an integral part of this financial report.

Significant estimates and judgements

For information on significant estimates and judgements made by management in preparing the consolidated financial statements, see Note 4 of the 2023 Annual Report.

Note 2 Information on financial assets and liabilities

For more information on financial assets and liabilities, see the 2023 Annual Report, Note 2. The Group's financial assets and liabilities are measured at amortised cost. There are temporary financial liabilities that are measured at fair value. For acquisitions, the purchase consideration may be determined based on future outcomes in the acquired company. The part of the consideration that is dependent on the future outcome of the acquired company is determined by earnings forecasts and is recognised at fair value. No change in the value took place in the period. The carrying amounts of the Group's financial assets and liabilities are deemed to approximate their fair values. All financial assets are recognised in the category "Financial assets measured at amortised cost". Most of the company's financial liabilities are recognised in the category "Other financial liabilities", and any additional purchase considerations are recognised at fair value.

Note 3 Pledged assets and contingent liabilities

The Group does not have any material pledged assets or contingent liabilities.

Note 4 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 Group's companies in Denmark, Finland, Norway, Poland and Sweden. 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 Group 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 Group's companies in Belgium, France, Italy, the Netherlands, North Macedonia, Portugal, Switzerland, Spain, the United Kingdom, Germany and Austria. 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 Group 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 Group'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 Group 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 Group'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 Group 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. There are no sales of goods between segments. However, minor amounts may be invoiced between the segments for freight and services, which are provided on market terms.

Sales and earnings of segments, April–June 2024

Quarter	Nordic		Europe		North America		East		Central functions		Group	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
SEK million												
Net sales	207	228	473	590	200	183	56	56	-	0	935	1,057
EBITA	30	50	57	90	28	32	11	11	-5	-14	120	168
EBITA margin, %	14.3	21.8	12.0	15.2	14.1	17.3	19.8	19.2			12.9	15.9
Amortis. intangible assets											-15	-14
Operating profit											105	154
Operating margin, %											11.3	14.6
Net financial expense											-16	-21
Profit before tax											90	133
Net working capital	102	81	173	316	39	34	25	24	-34	-37	305	419

Sales and earnings of segments, January–June 2024

SEK million	Nordic		Europe		North America		East		Central functions		Group	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Net sales	423	514	976	1,239	390	342	96	109	0	0	1,886	2,204
EBITA	71	109	133	187	53	58	17	20	-11	-21	263	352
EBITA margin, %	16.8	21.2	13.7	15.1	13.5	16.9	17.8	18.2			13.9	16.0
Amortis. intangible assets											-30	-25
Operating profit											233	327
Operating margin, %											12.3	14.8
Net financial expense											-23	-31
Profit before tax											210	296
Fixed assets	18	22	39	42	15	11	7	10	13	17	92	102
Intangible assets	398	422	577	605	558	590	8	9	76	59	1,617	1,684

Sales and earnings of segments, LTM

LTM	Nordic		Europe		North America		East		Central functions		Group	
	2024 LTM	2023	2024 LTM	2023	2024 LTM	2023	2024 LTM	2023	2024 LTM	2023	2024 LTM	2023
Net sales	862	954	1,933	2,196	768	719	207	219	0	-	3,770	4,088
EBITA	146	184	270	323	104	109	40	42	-2	-12	558	647
EBITA margin, %	17.0	19.3	14.0	14.7	13.5	15.1	19.2	19.3			14.8	15.8
Amortis. intangible assets											-61	-55
Operating profit											497	591
Operating margin, %											13.2	14.5
Net financial expense											-50	-58
Profit before tax											447	534
Net working capital	102	89	173	167	39	39	25	42	-34	-49	305	288
Fixed assets	18	19	39	35	15	15	7	8	13	14	92	90
Intangible assets	398	402	577	574	558	537	8	8	76	76	1,617	1,597

Note 5

Quarterly summary

	Q2 24	Q1 24	Q4 23	Q3 23	Q2 23	Q1 23	Q4 22	Q3 22	Q2 22
Order intake, SEK million	938	970	873	924	924	1,030	1,009	1,011	1,036
Order intake, USD million	87.7	93.3	81.6	85.2	87.9	98.7	93.2	94.1	104.9
Net sales, SEK million	935	951	879	1,005	1,057	1,146	1,026	1,168	1,122
SEK annual growth, %	-11.6	-17.1	-14.4	-13.9	-5.7	0.4	5.1	35.3	47.2
Net sales, USD million	87.5	91.5	82.1	92.6	100.5	109.9	94.4	109.8	114.0
USD annual growth, %	-12.9	-16.8	-13.0	-15.6	-11.8	-10.0	-15.2	10.0	25.4
Gross margin, %	38.5	37.6	38.2	36.2	36.4	33.6	34.1	32.2	31.3
EBITA, SEK million	120.4	142.6	119.0	176.0	168.2	183.7	141.0	183.5	160.2
EBITA margin, %	12.9	15.0	13.5	17.5	15.9	16.0	13.7	15.7	14.3
Operating profit/loss, SEK million	105.5	127.4	103.8	160.5	154.5	172.6	129.3	172.3	150.9
Total assets, SEK million	3,282	3,447	3,221	3,415	3,408	3,176	3,041	3,195	3,034
Cash flow from operating activities, SEK million	101.2	92.9	85.5	260.4	152.7	201.9	189.4	212.2	148.2
Equity/assets ratio, %	40.6	43.7	41.5	40.5	37.8	40.9	39.3	35.5	30.6
Number of employees	605	607	603	613	614	587	587	578	574
Average exchange rate, SEK/USD	10.68	10.39	10.67	10.81	10.51	10.42	10.73	10.55	9.83
Average exchange rate, SEK/EUR	11.50	11.49	11.47	11.76	11.43	11.20	10.94	10.63	10.47

Note 6 Acquisitions

Cumatrix BV

On 11 April, 100 per cent of shares were acquired in Cumatrix BV, in Lommel, Belgium. Operating profit together with assets and liabilities associated with the acquired company were consolidated from the transaction date. The company reported net sales of SEK 7 million and EBITA of approximately SEK 0.5 million in 2023. The purchase consideration was SEK 5 million. As a result of the acquisition, two new employees joined us in Belgium.

Acquisitions	Cumatrix BV 11 April 2024
Total purchase consideration	4.5
Acquired assets and assumed liabilities	
Non-current assets	0.4
Customer relationships	0.8
Other current assets	2.7
Cash and cash equivalents	1.1
Other operating liabilities	-2.6
Deferred tax	-0.2
Total net assets	2.2
Goodwill	2.3

Amounts reported in the table above are preliminary values.

Events after the end of the quarter:

ICOM Industrial Components AG:

On 1 July, 100 per cent of the shares were acquired in ICOM Industrial Components AG in Zurich, Switzerland. Operating profit (including cash and cash equivalents of SEK 9 million) together with assets and liabilities associated with the acquired company were consolidated from the transaction date. The company is estimated to have annual net sales of SEK 40 million with an EBITA margin in the same range as NCAB. The purchase consideration was SEK 51 million. As a result of the acquisition, six new employees joined us in Switzerland and Serbia.

EPI Components AG:

On 4 July, the PCB division was acquired from EPI Components in Austria. Operating profit together with assets and liabilities associated with the acquired operations were consolidated from the transaction date. The company is estimated to have annual net sales annually of approximately SEK 35 million with an EBITA margin just under NCAB's. The purchase consideration was SEK 20 million. As a result of the acquisition, three new employees joined us in Austria.

DVS Global:

An agreement was signed on 22 July to acquire the PCB division of DVS Global in Italy. DVS Global is one of the major players in Italy, with 31 employees in Italy, Switzerland, Hong Kong and China. The company's business model and values are compatible with NCAB's. Its net sales for the past 12 months amount to approximately SEK 230 million with an EBITA margin just under NCAB's. The transaction is expected to be finalised in September.

Contribution

If Cumatrix, ICOM and EPI had been consolidated on 1 January 2024, the Group's net sales for the January–June 2024 period would have increased by SEK 50 million to SEK 1,936 million and EBITA by SEK 6.0 million to SEK 263.0 million.

Note 7 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.

Gross profit

SEK million	Apr-Jun		Jan-Jun		Jan-Dec	
	2024	2023	2024	2023	LTM	2023
Net sales	935.1	1,057.5	1,885.7	2,203.8	3,769.7	4,087.8
Other operating income	2.2	0.2	2.4	1.0	28.7	27.3
Cost of goods sold	-581.0	-680.8	-1,174.6	-1,442.2	-2,359.4	-2,627.0
Translation differences	3.5	8.5	3.5	8.5	1.6	6.6
Revaluation of purchase price	-	-	-	-	-23.9	-23.9
Total gross profit	359.7	385.4	717.0	771.1	1,416.7	1,470.8
Gross margin, %	38.5	36.4	38.0	35.0	37.6	36.0

EBITA

SEK million	Apr-Jun		Jan-Jun		Jan-Dec	
	2024	2023	2024	2023	LTM	2023
Operating profit	105.5	154.5	232.8	327.1	497.1	591.4
Amortisation and impairment of intangible assets	14.9	13.7	30.1	24.8	60.8	55.5
EBITA	120.4	168.2	263.0	351.9	557.9	646.9
EBITA margin, %	12.9	15.9	13.9	16.0	14.8	15.8

EBITDA

SEK million	Apr-Jun		Jan-Jun		Jan-Dec	
	2024	2023	2024	2023	LTM	2023
Operating profit	105.5	154.5	232.8	327.1	497.1	591.4
Depreciation, amortisation and impairment of property, plant and equipment, and intangible assets	25.6	24.1	50.8	45.2	104.3	98.6
EBITDA	131.0	178.6	283.6	372.3	601.4	690.0
EBITDA margin, %	14.0	16.9	15.0	16.9	16.0	16.9

Return on equity

SEK million	Jun 2024	Jun 2023	Dec 2023
Profit for the period — LTM	340.9	436.1	403.9
Equity (average)	1,311.1	1,108.2	1,265.6
Return on equity, %	26.0	39.4	31.9

Net working capital and capital employed

SEK million	30 Jun 2024	30 Jun 2023	31 Dec 2023
Inventories	265.8	375.0	315.2
Trade receivables	759.3	869.8	655.0
Other current receivables	41.0	32.7	31.8
Prepaid expenses and accrued income	37.2	37.2	25.0
Trade payables	-536.3	-534.0	-445.0
Current tax liabilities	-64.1	-107.1	-81.7
Other current liabilities	-64.6	-119.0	-80.7
Accrued expenses and deferred income	-133.2	-135.5	-131.2
Net working capital	305.0	419.1	288.4
Non-current assets	1,738.1	1,804.7	1,715.7
Likvida medel	440.7	288.9	478.6
Deferred tax	-76.9	-85.6	-76.9
Capital employed	2,407.0	2,427.1	2,405.8

Return on capital employed

SEK million	Jun 2024	Jun 2023	Dec 2023
Operating profit/loss — LTM	497.1	628.7	591.4
Capital employed (average)	2,417.1	2,221.2	2,262.6
Return on capital employed, %	20.6	28.3	26.1

Equity/assets ratio

SEK million	30 Jun 2024	30 Jun 2023	31 Dec 2023
Equity	1,334.0	1,288.2	1,335.3
Untaxed reserves	-	-	-
Total	1,334.0	1,288.2	1,335.3
Total assets	3,282.2	3,408.4	3,221.3
Equity/assets ratio, %	40.6	37.8	41.5

Net debt

SEK million	30 Jun 2024	30 Jun 2023	31 Dec 2023
Interest-bearing liabilities	1,073.0	1,139.0	1,070.5
Cash and cash equivalents	-440.7	-288.9	-478.6
Total net debt	632.3	850.1	591.9
EBITDA LTM	601.4	716.9	690.0
Net debt / EBITDA	1.1	1.2	0.9

Net debt excl. IFRS 16 adjustment

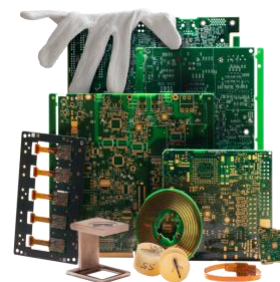
SEK million	30 Jun 2024	30 Jun 2023	31 Dec 2023
Interest-bearing liabilities excl IFRS 16	997.8	1,055.3	995.3
Cash and cash equivalents	-440.7	-288.9	-478.6
Total net debt excl IFRS16	557.1	766.4	516.7
EBITDA LTM excl IFRS 16	561.1	682.2	652.9
Net debt excl IFRS 16/ EBITDA excl IFRS 16	1.0	1.1	0.8

Alternative performance measure	Definition	Purpose
Gross profit	Net sales less raw materials and consumables and with the addition of other operating income, which includes translation differences on trade receivables and trade payables, but does not include other operating income pertaining to the remeasurement of acquisition price at fair value	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 Group 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 non-recurring items. NCAB Group 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	Profit/loss for the past 12 months divided by average equity	Return on equity is used to analyse the company's profitability, based on how much equity is used
Net working capital	Current assets excluding cash and cash equivalents less non-interest-bearing current liabilities	This measure shows how much working capital is tied up in the business
Capital employed	Equity and interest-bearing liabilities	Capital from external parties
Return on capital employed	Profit/loss for the past 12 months divided by average capital employed	Return on capital employed 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 Group 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 debt excl. IFRS 16 adjustment	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.
EBITDA excl. IFRS	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.
Book to bill	Order intake for the period divided by net sales for the period	This provides a picture of how the order backlog changes over the period regardless of the effects of acquisitions or currency

ABOUT NCAB

A leading supplier of PCBs

NCAB is one of the world's leading suppliers of printed circuit boards (PCBs) with some 3,650 customers worldwide. It is important to achieve scale benefits, which is why NCAB has a strong focus on growth. NCAB is the leader in terms of expertise, service, sustainability and technology. Being the leading player also gives the strength to attract customers through important projects, skilled employees and the best factories.



NCAB works in deep relationships with its customers, where NCAB takes responsibility for the entire delivery so customers can focus on their manufacturing operations. NCAB does not own any factories, but because of its Factory Management team NCAB does "own" the most important element – the relationship with the factories and the entire manufacturing process, which provides access to state-of-the-art technology and limitless capacity without the need for investments.

BUSINESS CONCEPT

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.

FINANCIAL TARGETS

- > Net sales of SEK 8 billion in 2026, achieved by approximately equal part organic and acquired growth.
- > EBITA of SEK 1 billion in 2026.
- > Net debt less than 2x EBITDA (unchanged from before).
- > Dividend based on available cash flow amounting to approximately 50% of net profit (unchanged from before).

3,650
CUSTOMERS



19
COUNTRIES WITH
LOCAL PRESENCE



32
MANUFACTURERS



605
SPECIALISTS



325
MILLION PCBs
MANUFACTURED PER YEAR

