

NCAB acquires Bare Board Group in the US

NCAB has today signed an agreement to acquire 100 percent of the shares in the US-based company Bare Board Group (“BBG”) located in Largo, Florida, with offices in Canada and Taiwan. BBG had a turnover of approximately SEK 280 million *) during 2019, and is one of the leading suppliers of printed circuit boards (“PCBs”) in the US. Most of BBG’s suppliers are based in Taiwan and the company has in total about 30 employees. Through this transaction, NCAB will more than double its net sales in North America.

The purchase price for BBG amounts to SEK 125 million **) which implies a profit multiple of approximately 7 times adjusted EBITA before synergy effects. The company is expected to be consolidated from May 1 and will be integrated into NCAB's organization for North America. The acquisition is estimated to give a positive EBITA contribution for NCAB Group in 2020. Synergy effects are expected to arise from a stronger market position, through larger purchase volumes and a broader supplier network. The acquisition will be financed through equity and debt.

Hans Ståhl, President and CEO of NCAB, comments:

“For a long time we have been following BBG’s development. BBG will be a significant addition to NCAB in the US and we will together be a clear leader in the market. It is also very interesting that BBG has most of its sourcing of PCBs from Taiwan. These imports are made today without the US import tariffs that are imposed on Chinese PCBs, which will be useful for several of NCAB’s customers. It is important for us to invest for the future especially in times as these, this will make us a stronger supplier for our customers going forward. In terms of culture, BBG is similar to us with entrepreneurship and a comparable business model.”

Adrienne Ridley and Jason Liu, former owners of BBG that both will continue in managing positions within NCAB USA comment:

“We are thrilled to be joining forces with NCAB Group in the US. This deal is very exciting and positive, both for our customers and employees. Our customers will get access to more factories with the best technology. For our employees, we join a great international organization with many highly skilled colleagues. This will further develop and strengthen us for the future. Being selected by NCAB Group to be a part of their North American growth is a great compliment. As the PCB supply market continues to evolve this is an excellent time to take this step and grow together.”

*) SEK/USD rate of 9,50

**) SEK/USD rate of 10,0

For further information, please contact:

Anders Forsén, CFO, +46 8 4030 0051

Gunilla Öhman, Investor Relations, +46 (0)70 763 81 25

About NCAB

NCAB is a worldwide leading supplier of printed circuit boards, listed on Nasdaq Stockholm. NCAB is offering 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

characterized by an entrepreneurial and cost efficient culture and have over time showed strong growth and good profitability. Today, NCAB has local presence in 17 countries in Europe, Asia and North America and customers in approximately 45 countries worldwide. Net sales in 2019 amounted to SEK 1,781 million. Organic growth and acquisitions are part of NCAB's strategy. For more information about NCAB Group please visit us at www.ncabgroup.com.

This information is information that NCAB Group is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person[s] set out above, at 2020-04-24 17:38 CEST.

Attachments

[NCAB acquires Bare Board Group in the US](#)