



Annual Results 2023

Cicor Technologies Ltd.

March 6, 2024

Alexander Hagemann (CEO)

Peter Neumann (CFO)



March 6, 2024

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Alexander Hagemann

The Cicor Group

Electronification of everything

“Cicor inside” in three core markets

Medical



29% of sales in 2023

Cicor helps improve global healthcare by the development and manufacture of applications such as hearing aids, surgical robots or smart drug delivery systems

Industrial



39% of sales in 2023

Cicor is at the forefront of technology, driving miniaturization and automation in areas such as robotics, sensors, control systems and semi-conductor equipment

Aerospace & Defence



16% of sales in 2023

Solutions from Cicor in aircrafts, satellites and defense systems **ensure safety, reliability and communication** at land, sea, in the skies and beyond

High-tech Electronics CDMO*

Sales growth FY 2023

24.5% to **CHF 389.9M**

Organic growth of 11.1%

EBITDA margin FY 2023

11.6%

Sales to strategic markets

84%

Industrial, Medical,
Aerospace & Defence

Book-to-bill rate FY 2023

1.03

15

Production sites, resilient
setup in Europe and Asia
(December 31, 2023)

2,551

Cicor employees (December 31, 2023)

*) CDMO: Contract Development and Manufacturing Organization, also referenced as Electronics Manufacturing Services (EMS)



One stop shop – creating strategic partnerships with customers



Close to customers and competitive



United Kingdom

- Bedford ■
- Gosport ■

Germany

- Buttlar ■
- Dresden ■
- Radeberg ■■
- Ulm ■
- Wutha-Farnroda ■

Switzerland

- Boudry ■
- Bronschhofen ■■
- Wangs ■

Romania

- Arad ■
- Bucharest ■

Tunisia

- Borj Cedria ■

China

- Suzhou ■

Vietnam

- Thuan An City ■■

Singapore

- Singapore ■■

Indonesia

- Batam ■



- Electronic Manufacturing Services
- Precision Plastics
- Hybrid Circuits
- Printed Circuit Boards
- Printed Electronics

Alexander Hagemann

Cicor in 2023

Highlights 2023

New **record figures** for **order intake**, **sales** and **earnings**

Continued **positive book-to-bill ratio**

Focus on **medical**, **industrial**, and **aerospace & defence** markets

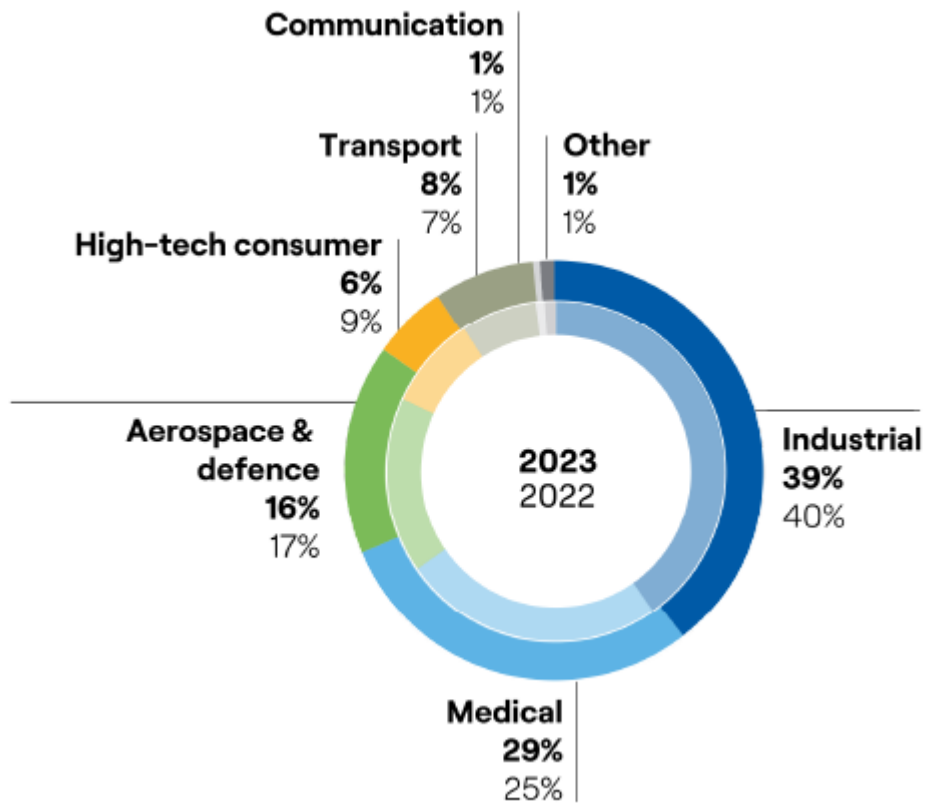
Acquired **businesses** delivered above expectations

Strategic Partnership with **Clayens**

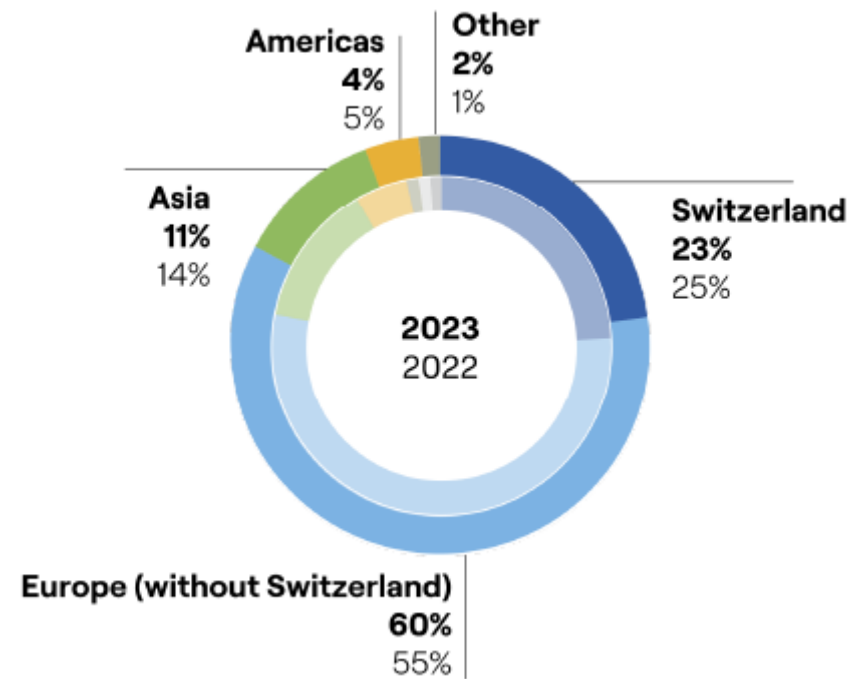
M&A fueled and organic growth continue in 2024

Further strengthening of target markets: Industrial, Medical, A&D

Sales by industry

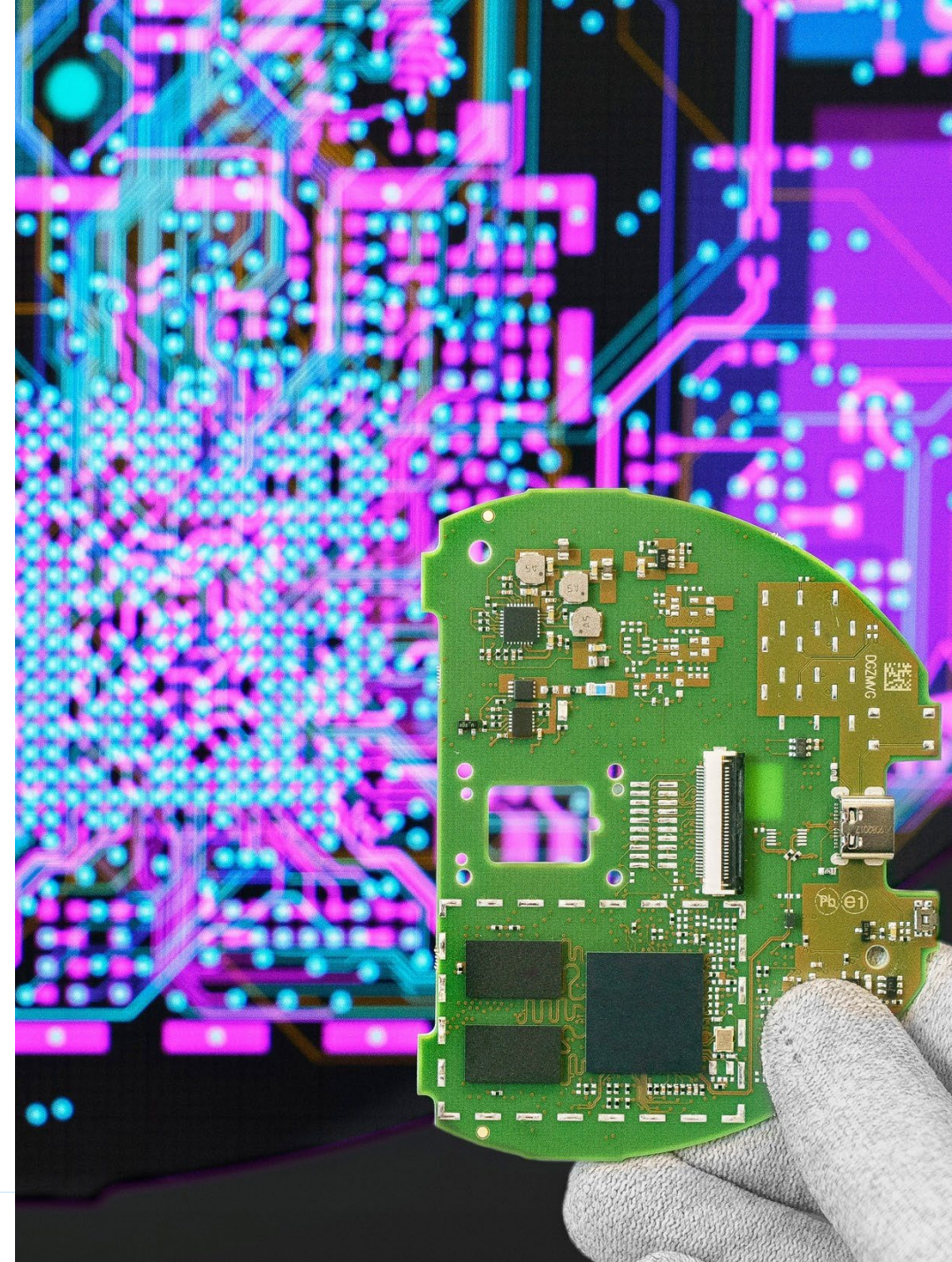


Sales by region



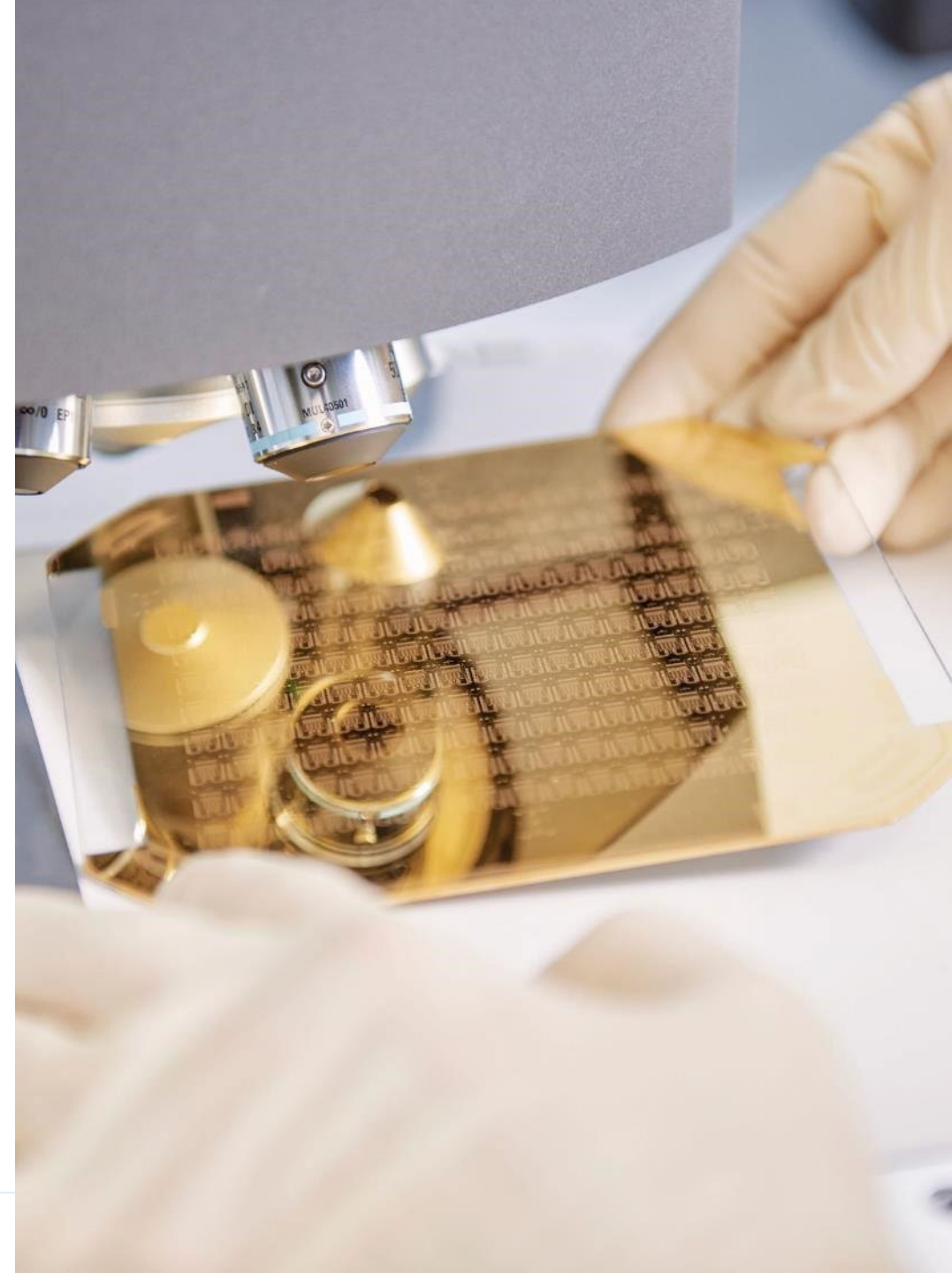
EMS Division takes another step forward

- Winning important new customers
- Progress in operational excellence
- Increased working capital efficiency
- Excellent performance of acquired companies
- Acquired UK-based STS Defence Limited - the transaction was completed in January 2024
- Partnership with Clayens, one of the world's leading manufacturers of engineered polymer components



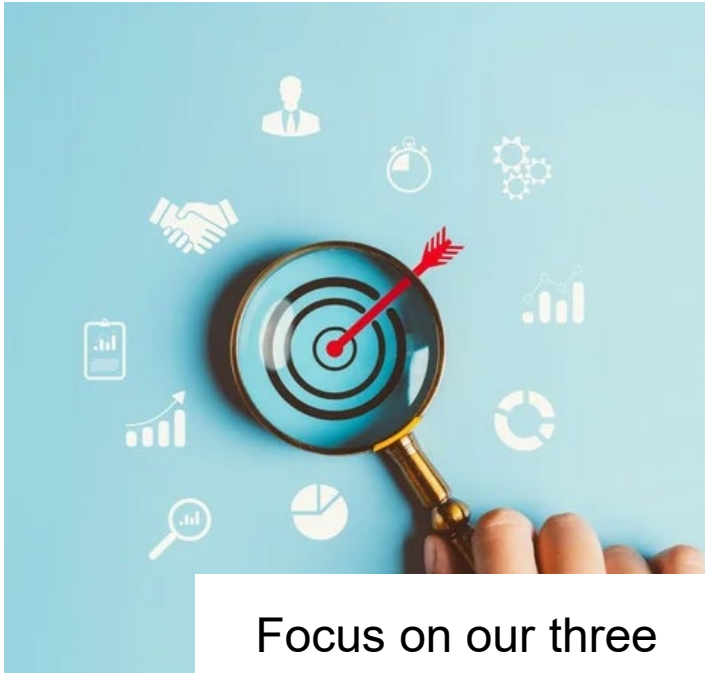
AS Division with recovery in H2

- Satisfying performance in H2 after a weaker H1
- AS remains strategic to Cicor as a technology powerhouse
- AS opportunities support the growth of Cicor in Medical and Aerospace & Defense markets
- Printed Circuit Board (PCB) production with excellent progress
- Output issues at one of the thin-film substrate sites due to personnel shortages



Alexander Hagemann
M&A Update

A strong platform for organic growth and industry consolidation



Focus on our three **core markets** with highly profitable high-mix/low-volume businesses



Strategic customer relationships through excellent solution finding, differentiated technology portfolio and flawless execution



Active consolidation through **M&A**

The EMS market is a highly fragmented and growing market, predestined for consolidation through M&A

Highly fragmented market

- **1.700 EMS companies** in Europe (thereof many smaller owner-led EMS companies looking for succession options).
- Top 10 companies representing **only 40%** of the total market.
- To date, **no clear winners** or players with clear leadership position.

Source: Weiss Engineering (in4ma), 2024

Large, growing market

- EMEA's EMS market has a size of **EUR 57bn** (2023) and a forecasted CAGR of 6.8% until 2030.
- Cicor's core segments (**Medical, Aerospace & Defence & High End Industrial**) represent around **40%** of EMS market.

Source: Weiss Engineering (in4ma), 2023, 2024

High customer loyalty

- Cicor operates in markets with high customer loyalty.
- **High entry barriers** for competitors in **mission-critical applications** through engineering partnerships, validation cycles and government regulations.
- High mix / low volume EMS players with a **history of consistently higher margins** than commoditized low mix / high volume segments.

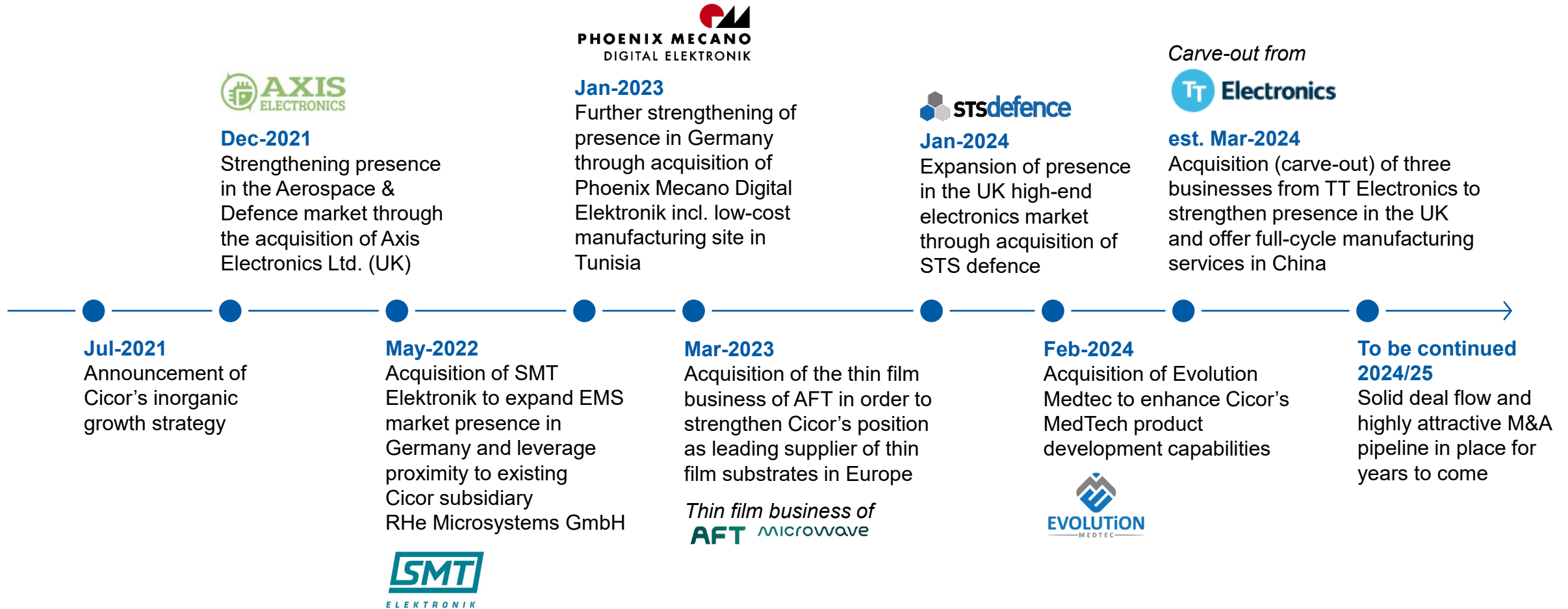
Clear economies of scale

- Clear **economies of scale** and **competitive advantages** of larger players.
- **High synergy potential** in terms of revenue, cost savings and cash benefits.
- Customers are actively searching for a **consolidated and reliable supply base**.

Long-term market development

A consolidated market with significantly increased profitability of the leading EMS players

Cicor has successfully acquired 7 companies since launch of its active M&A strategy



Note: Dates in timeline refer for acquisitions to month as of when companies were/will be included in Cicor consolidation scope

Acquisition of STS Defence Limited



has acquired 100% of the shares of the UK based STS Defence Limited (completed January 24, 2024)



Tech & engineering provider of sustainment, support and modernization solutions for mission-critical electronics and communications systems

Key facts

Location: Gosport, UK (120km south of London)

FTE: 150

Financials: GBP 27.5M of sales (FY 2023) with strong operating margins

Customers: medium to large customers within Aerospace & Defence and other industries located primarily in the UK market

Acquisition rationale

Expand Cicor's platform for the UK market combined with the other announced UK-based acquisitions (i.e., Axis Electronics and two of the three acquired TT Electronics businesses)

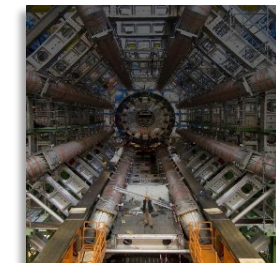
Increase Cicor's **capabilities within mission-critical electronics** for the Aerospace and Defence industry

Product examples



Design of Type 26 communication masts

Development of an AI-based, marine engine health monitoring system



Box build and cabling of CERN power systems

Acquisition of Evolution Medtec Srl



has acquired 100% of the shares of the Romanian engineering company Evolution Medtec Srl (February 28, 2024)



End-to-end engineering services provider, focused on medical and paramedical applications

Key facts

Location: Bucharest, Romania

FTE: 25

Sales: in the lower single-digits million Euro range for FY 2023

EBITDA: margin comparable to Cicor in FY 2023

Customers: medium and large medical device and industrial companies in Europe, the UK, and the US

Acquisition rationale

Enhancing Cicor's **product development capabilities** in the medical technology sector

Geographic fit: proximity to Cicor's Arad production site and geographic distribution of customers

Product engineering examples



Therapy devices



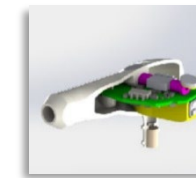
Class III remote control system and control app



Biometric monitor



Implants



Acoustics

Carve-out of three manufacturing sites from TT Electronics



has signed an agreement to acquire
TT Electronics IoT Solutions Ltd,
with three businesses
in the UK and China
(March 4, 2024)

Carve-out from



PCBA and box builds for IoT solutions and OEMs in highly regulated markets including full life cycle EMS services and substantial testing capabilities

Key facts

Locations: Hartlepool, UK; Newport, UK; Dongguan, China

FTE: 500

Purchase consideration (EV): GBP 20.8 mln

Sales: GBP 70.2 mln (FY 2023)

Customers: customer base across mission-critical, high growth sectors including Aerospace & Defence, Industrial, Green Energy

Acquisition rationale

Improved business continuity and expanded capacity with multiple EMS production facilities in the UK

Platform for Cicor UK to enter into new sectors (Industrial, Medical)

Integration of production site in Dongguan, China, into Cicor Asia

Production sites

25'000 sq.m of manufacturing space



Hartlepool (UK)



Dongguan (China)

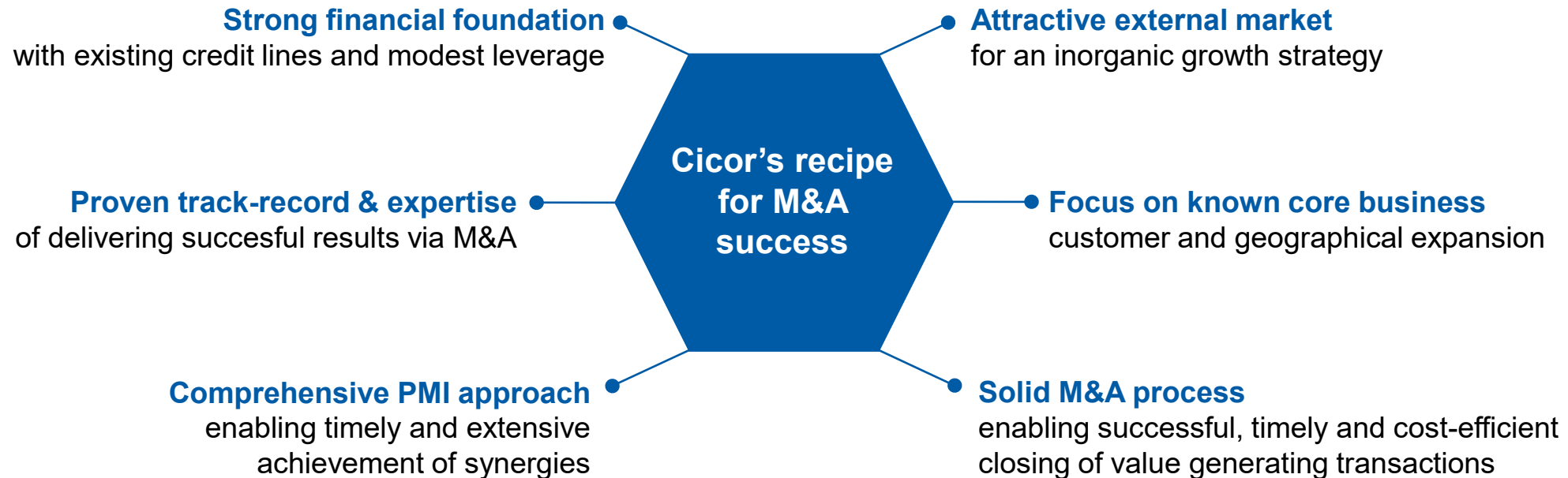
IoT Solutions



Cardiff (UK)

Solutions for OEMs in highly regulated markets

Cicor's unique position to create value through M&A

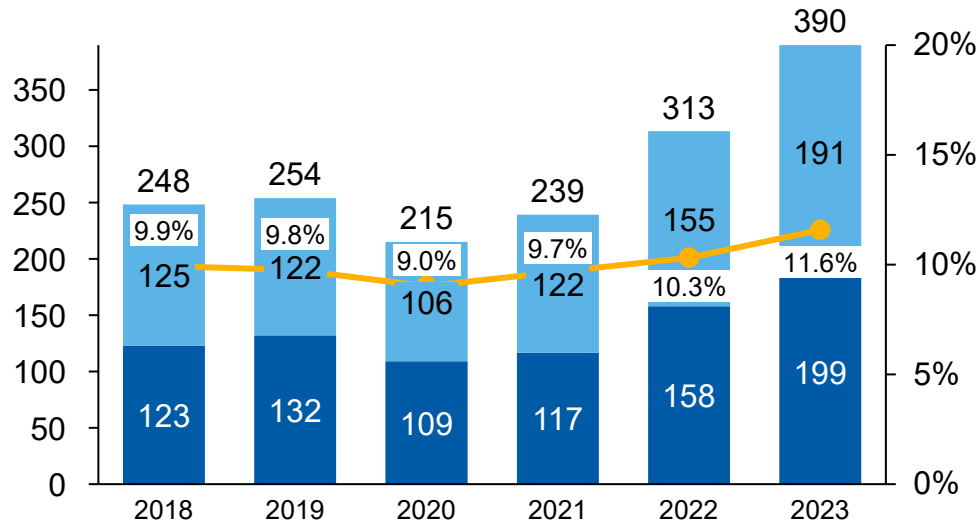


Peter Neumann

Financial Results FY 2023

Long-term view – Impact of Cicor growth strategy

Cicor Group



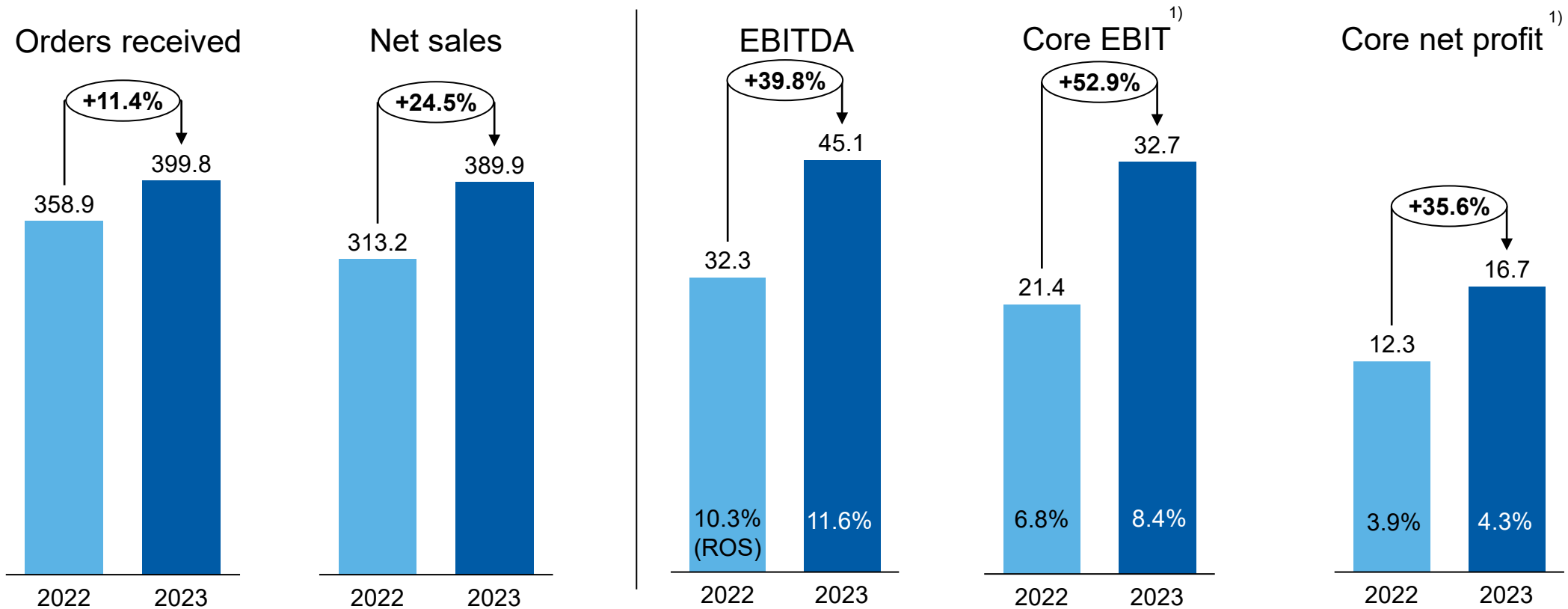
- Change in sales at reported FX rates +24.5% (at constant FX rates +27.5%)
- Organic sales growth of 11.1%¹⁾
- Profitable growth with 9.5% Sales CAGR and 12.9% EBITDA CAGR over the last five years.
- STS closed in January 2024, no impact on 2023 results or balance sheet.

| Group in TCHF | FY 2022 | FY 2023 | % YoY |
|---------------|---------|---------|----------|
| Sales | 313 193 | 389 890 | 24.5% |
| EBITDA | 32 274 | 45 135 | 39.8% |
| ROS% | 10.3% | 11.6% | +130 bps |

■ Sales H2 ■ Sales H1 —●— EBITDA margin in %

1) Change in local currencies, adjusted for acquisitions

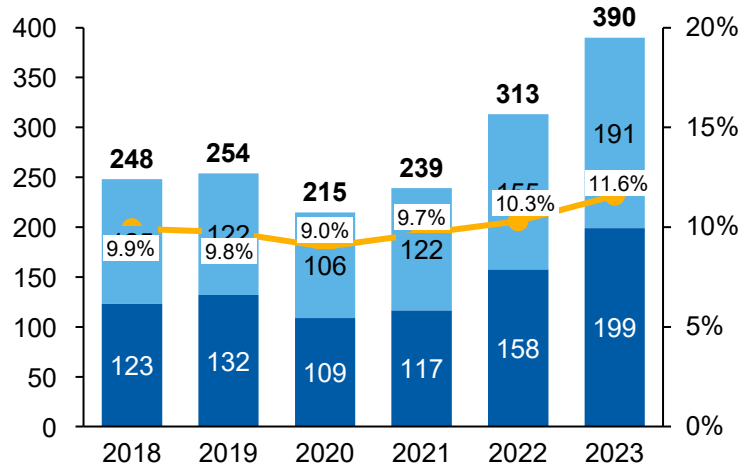
Record sales and core results from organic growth and acquisitions



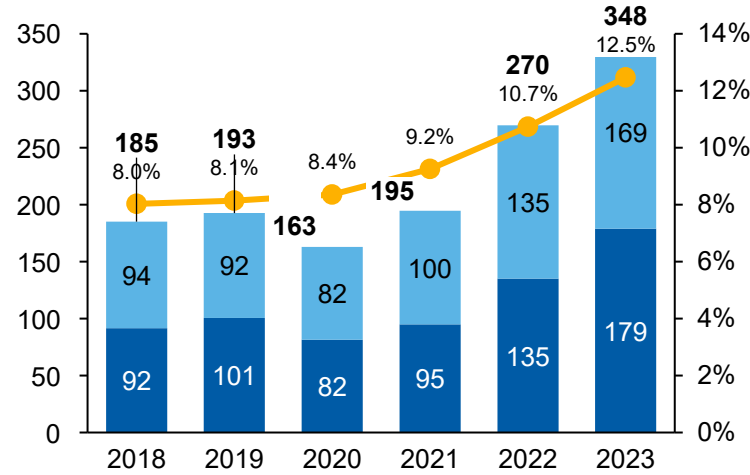
1) Before amortization of goodwill and intangible assets from acquisitions of TCHF 9 366 (2022: TCHF 9 171). Adjusted for related income tax effects of TCHF +1 204 (2023: TCHF -725) for Core net profit.

Performance 2018 – 2023

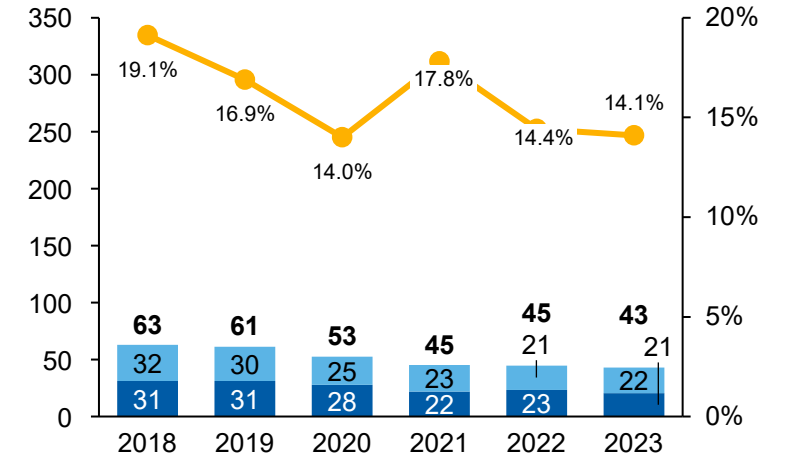
Cicor Group



EMS Division



AS Division



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|---------------|---------|---------|---------|
| Sales | 313 193 | 389 890 | 24.5% |
| EBITDA | 32 274 | 45 135 | 39.8% |
| ROS% | 10.3% | 11.6% | +130bps |

| EMS in TCHF | FY 2022 | FY 2023 | %YoY |
|-------------|---------|---------|---------|
| Sales | 269 637 | 347 932 | 29.0% |
| EBITDA | 28 950 | 43 366 | 49.8% |
| ROS% | 10.7% | 12.5% | +170bps |

| AS in TCHF | FY 2022 | FY 2023 | %YoY |
|------------|---------|---------|--------|
| Sales | 44 779 | 43 011 | -3.9% |
| EBITDA | 6 459 | 6 063 | -6.1% |
| ROS% | 14.4% | 14.1% | -30bps |

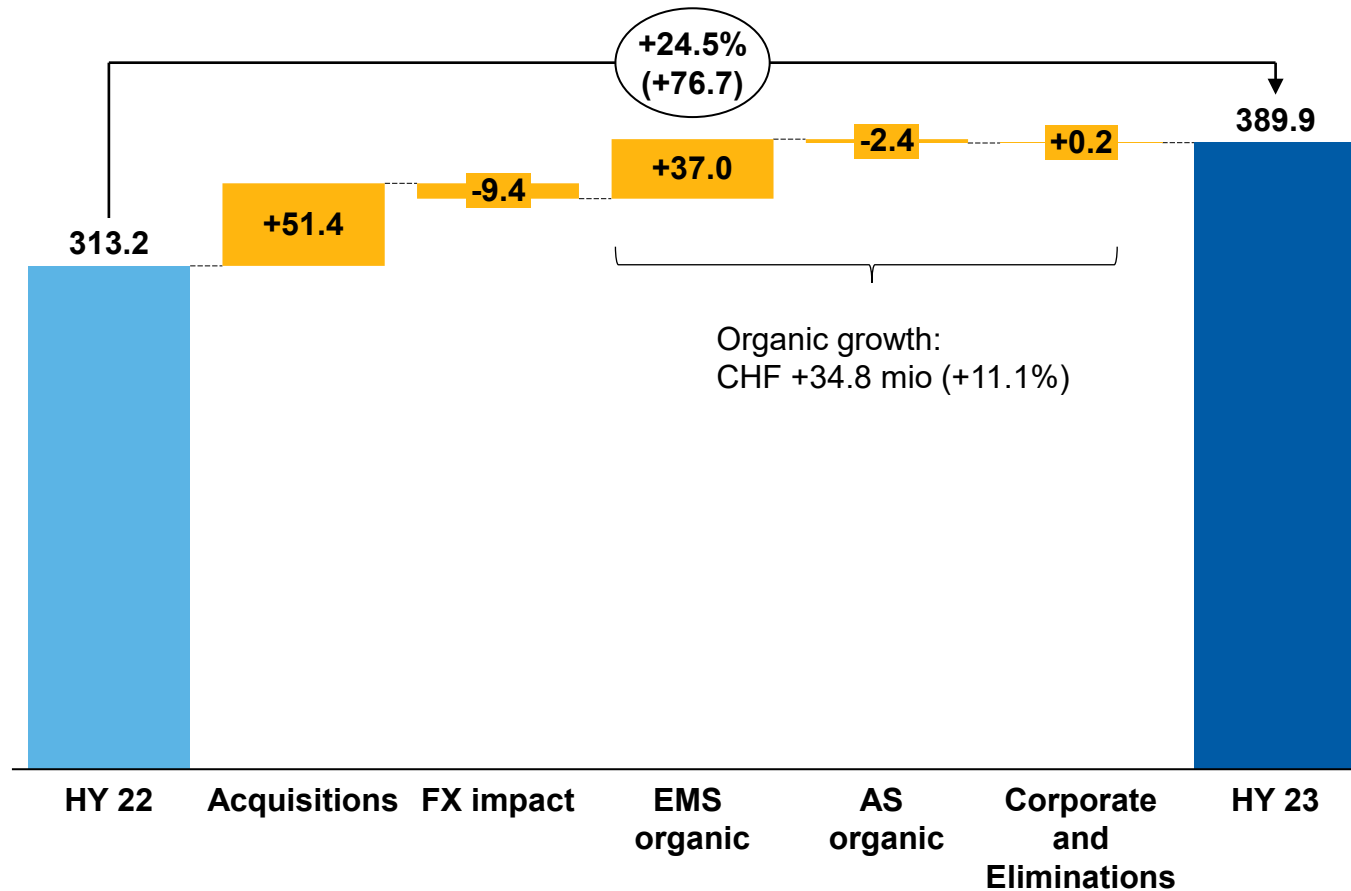
■ Sales H2
 ■ Sales H1
 —●— EBITDA margin in %

Consolidated Income Statement

| | 2023 | in % | 2022 | in % | %YoY |
|--|----------------|--------------|----------------|--------------|-------------|
| Net sales | 389 890 | 100.0 | 313 193 | 100.0 | 24.5 |
| Material expenses | -207 150 | -53.1 | -167 077 | -53.3 | 24.0 |
| Operating expenses | -137 605 | -35.3 | -113 842 | -36.3 | 20.9 |
| EBITDA | 45 135 | 11.6 | 32 274 | 10.3 | 39.8 |
| Depreciation and amortization | -12 401 | -3.2 | -10 869 | -3.5 | 14.1 |
| Amortization of M&A Goodwill and intang. | -9 366 | -2.4 | -9 171 | -2.9 | 2.1 |
| EBIT | 23 368 | 6.0 | 12 234 | 3.9 | 91.0 |
| Financial result | -8 362 | -2.1 | -4 541 | -1.4 | 84.1 |
| Income taxes | -8 923 | -2.3 | -3 873 | -1.2 | 130.4 |
| Net profit | 6 083 | 1.6 | 3 820 | 1.2 | 59.2 |
| Core EBIT | 32 734 | 8.4 | 21 405 | 6.8 | 52.9 |
| Core net profit | 16 653 | 4.3 | 12 266 | 3.9 | 35.8 |

- Record high in Net sales and EBITDA
- Strong contribution from EMS division and economies of scale results in increased overall EBITDA margin of 11.6% (plus 130bps).
- Financial result affected by negative currency effects in both periods, in 2023 the FX effects were MCHF 3 higher than PY.
- Core tax rate (w/o PPA effects) rises to 31.7% compared to prior year rate of 27.3% mainly due to external tax effects, as tax-rate increase in UK and change of tax-scheme in Romania (minimal tax).
- Core EBIT margin increased to 8.4% driven by improved operating profitability.

Sales contribution



- Strong organic sales growth in EMS division and good contribution from newly acquired companies.
- Negative currency impact of -3.0% (CHF -9.4 mio) mainly due to the devaluation of GBP, RON and EUR vs. CHF.
- Organic growth includes a decrease in broker sales (low margin sales), this understates EMS organic growth.

Consolidated Balance Sheet

| | 2023 | | 2022 | |
|---|----------------|--------------|----------------|--------------|
| | | in % | | in % |
| Current assets | 251'896 | 69.8 | 251'422 | 68.6 |
| Non-current assets | 109'217 | 30.2 | 115'313 | 31.4 |
| Total Assets | 361'113 | 100.0 | 366'735 | 100.0 |
| Current liabilities | 114'989 | 31.8 | 102'829 | 28.0 |
| Non-current liabilities | 98'044 | 27.2 | 115'015 | 31.4 |
| Equity | 148'080 | 41.0 | 148'891 | 40.6 |
| Total Liabilities and equity | 361'113 | 100.0 | 366'735 | 100.0 |
| Net Debt | 43'484 | | 44'522 | |
| Gearing ratio (net debt in % of equity) | 29.4 | | 29.9 | |
| Net debt / EBITDA LTM | 0.96 | | 1.38 | |
| Net debt / EBITDA LTM proforma 1) | 0.96 | | 1.36 | |
| Equity Ratio | 41.0% | | 40.6% | |

1) Acquisitions are included for twelve months pro forma as defined in the covenants agreed with the banking syndicate.

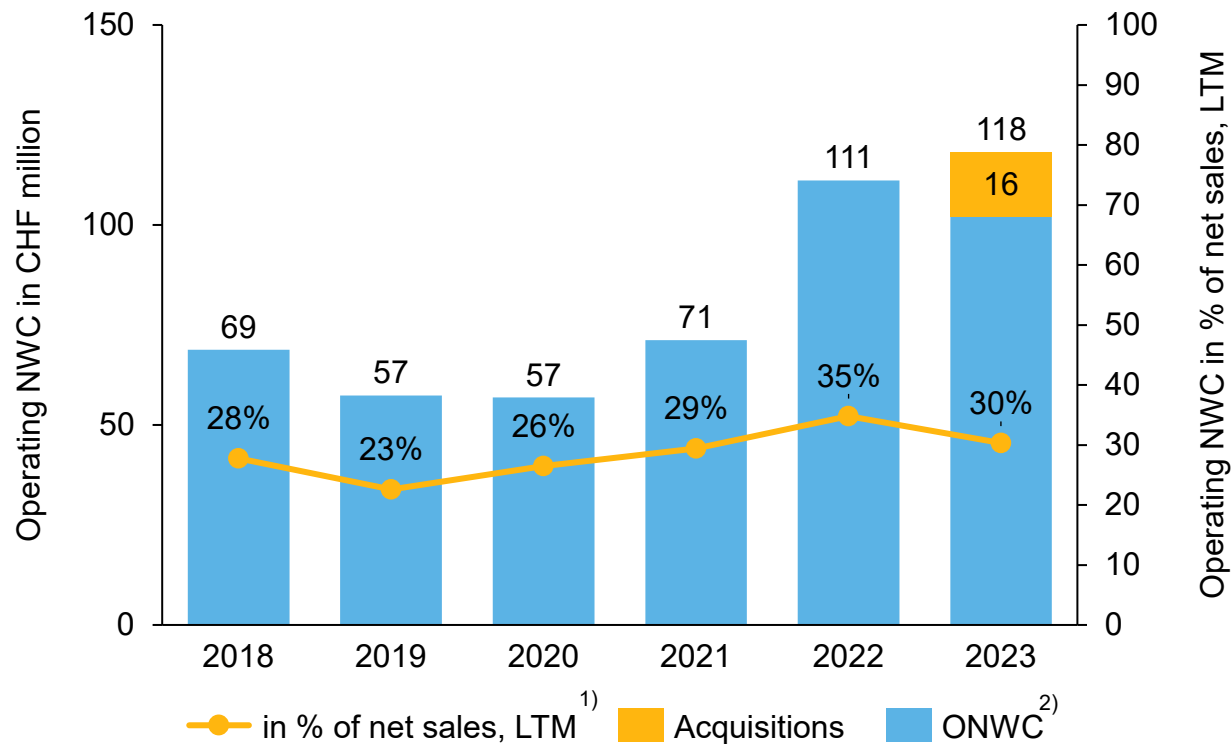
- Focus on ONWC and optimization of treasury activities delivering strong 2023 results. Despite revenue growth of 24.5% balance sheet size slightly reduced demonstrating improved capital efficiency.
- All bank covenants met as of December 2023 (equity ratio > 30.0% and leverage net debt / EBITDA < 3.5 including acquisition pro forma).
- Net debt of CHF 43.5 million decreased by CHF 1.0 million despite investments in two acquisitions in 2023.

Consolidated Cash Flow Statement

| | 2023 | 2022 |
|---|----------------|----------------|
| Net profit | 6 083 | 3 820 |
| Depreciation, amortization and impairment | 21 767 | 20 041 |
| Other non cash items | 8 371 | - 877 |
| Changes in working capital | 2 537 | -33 041 |
| Net cash from / (used in) operating activities | 38 757 | -10 057 |
| Purchase of Property, plant and equipment (net) | -12 156 | -11 174 |
| Purchase of intangible assets | - 347 | - 225 |
| Acquisition of subsidiaries, net of cash acquired | -21 985 | -19 645 |
| Net cash used in investing activities | -34 488 | -31 044 |
| Free cash flow | 4 269 | -41 101 |
| Free Cash Flow excl. acquisitions | 26 254 | -21 456 |
| Net cash from financing activities | -20 578 | 48 947 |
| Currency translation effects | -1 331 | -1 152 |
| Cash flow | -17 640 | 6 694 |

- Positive cash flow from operating activities driven by strong net income performance and focus on working capital management.
- Focus on working capital and normalization of supply chain resulted in a positive cashflow
- Positive free cash flow before acquisitions demonstrates value creation of Cicor's core business.

Operating Net Working Capital

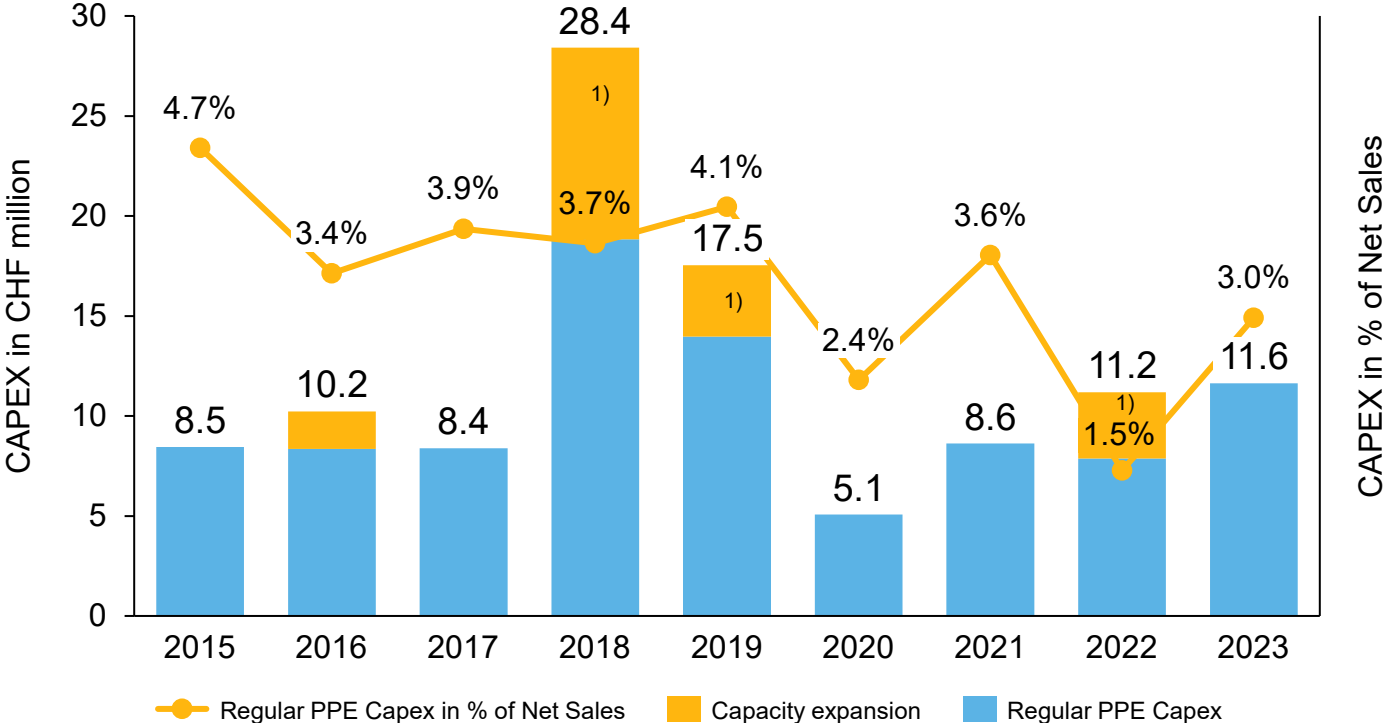


- Stabilization in half year 2023 turned into a decrease in second half of 2023, as a result of strong management focus on working capital management.
- Increase in ONWC from recent acquisitions is main driver for increase.
- The improvement to 30% of sales confirms Cicor's mid-term guidance/strategy

1) Acquisitions are included for full twelve months pro-forma

2) Operating NWC: Operating inventory + operating accounts receivable – operating trade payables

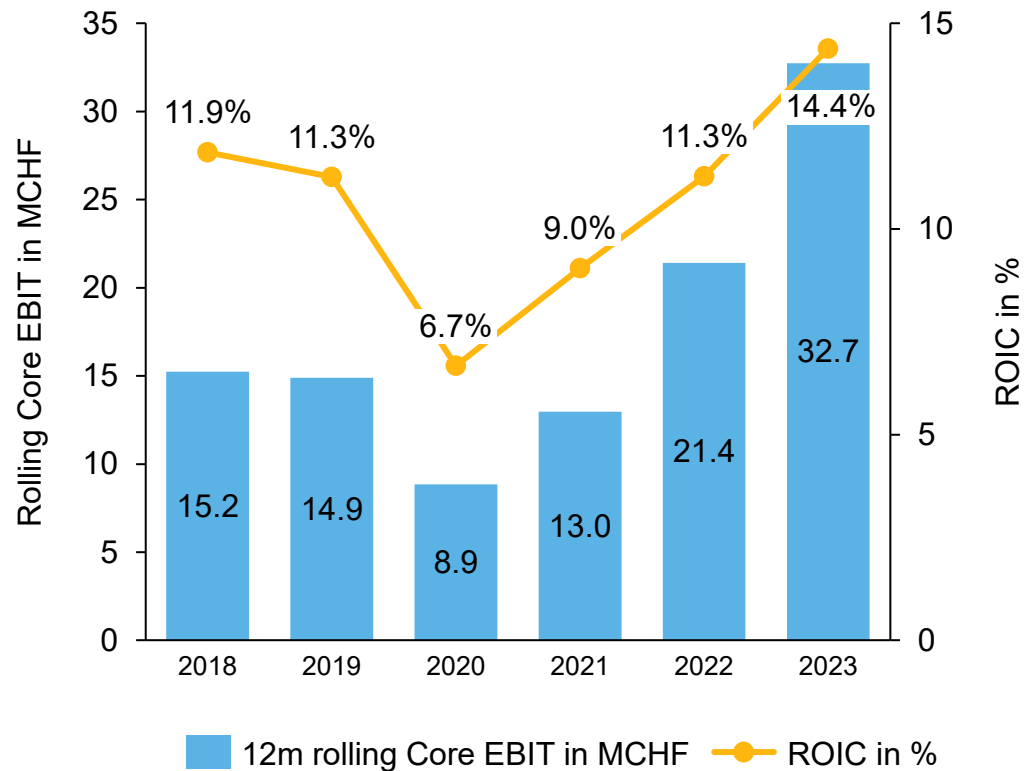
Capex for Property, plant and equipment



- No capacity expansion in 2023
- Investment in PPE was in line with our expectations and support our further growth strategy
- Capex of 3% according our mid-term goals (excluding major footprint expansions)

1) 2018: New plant in Romania, 2019: Paint-Shop and precision molding in Indonesia, 2022: New plant in Vietnam

Return on Invested Capital



ROIC in % = Core EBIT (12m rolling) / Average Net Invested Capital (12m rolling)
 Average Net Invested Capital (12m rolling) = Equity plus Financial liabilities minus Intangible assets out of business combinations

- Strong ROIC progression in 2023 inline with mid-term guidance to be above 15%.
- ROIC improvement driven by
 - Revenue growth (25%)
 - profitability improvements (160 bps)
 - invested capital efficiency (treasury / ONWC improvement)
- Increase in ROIC compared to prior period as adjusted core EBIT increased 53% while average net invested capital increased only 20%.

Key Figures per Share

| | 2023 | 2022 | % YoY |
|--|------------------|------------------|---------------|
| Number of registered shares issued | 3 411 169 | 3 409 542 | +0.0% |
| Number of Treasury shares | - 249 404 | - 241 916 | +3.1% |
| Number of outstanding registered shares | 3 161 765 | 3 167 626 | -0.2% |
| Number of conditional shares for MCN | 1 267 116 | 1 267 116 | +0.0% |
| Number of outs. and cond. MCN shares | 4 428 881 | 4 434 742 | -0.1% |
| Average number of outst. and cond. MCN shares | 4 428 767 | 3 719 122 | +19.1% |
| Core Net profit (in TCHF) | 16 653 | 12 266 | +35.8% |
| Core Earnings per share (in CHF) | 3.76 | 3.30 | +14.0% |
| Share price (in CHF) | 49.80 | 42.90 | +16.1% |
| Market capitalization (in TCHF) | 220 558 | 190 250 | +15.9% |

- The conversion of the MCN will result in 1,267,116 additional shares until 2027. These shares are considered outstanding for both EPS and market capitalization purposes.
- Optional conversion of the MCN started in January 2024
- Increase in average number of outstanding and conditional MCN shares from the issuance of the second tranche of MCNs in October 2022.
- Core Earnings per share increase driven by strong operating profitability.

Two acquisitions successfully completed in 2023

Acquisitions

| | PM | AFT | 2023 |
|--|---------------|--------------|---------------|
| Cash paid | 23'498 | 1'368 | 24'866 |
| Direct costs related to acquisition | 421 | 157 | 578 |
| Purchase consideration cash | 23'919 | 1'525 | 25'444 |
| less: Fair value of net assets acquired | -23'004 | -1'313 | -24'317 |
| Goodwill | 915 | 212 | 1'127 |
| Non-current Assets | 7'258 | 831 | 8'089 |
| Current Assets | 23'512 | 524 | 24'036 |
| Non current liabilities | -348 | 0 | -348 |
| Current liabilities | -7'418 | -41 | -7'459 |
| Total fair value of net assets acquired | 23'004 | 1'313 | 24'317 |
| Purchase consideration cash | 23'919 | 1'525 | 25'444 |
| less: cash and cash equivalents acquired | -3'459 | 0 | -3'459 |
| Cash outflow on acq. during the year | 20'461 | 1'525 | 21'985 |

Cicor Digital Elektronik (PM)

- Two sites in Thuringia (Germany) and one site in Borj-Cedria (Tunisia)
- Closing of share deal in January 2023 for a consideration of TCHF 23 919, resulting in a Goodwill of TCHF 915
- Integrated in Cicor's EMS division

AFT Microwave (AFT)

- Cicor acquired the thin-film business of AFT microwave GmbH, Backnang (Germany), as part of an asset deal.
- Closing of deal in March 2023 for a consideration of TCHF 1 525, resulting in a Goodwill of TCHF 212.
- Integrated into Reinhardt Microtech GmbH, Ulm (Germany), which is part of the Cicor AS division

Alexander Hagemann

Outlook & Closing

Accelerated growth expected to continue in 2024

- **Order backlog** equivalent to almost one year's sales
- Important **new projects** are entering series production
- The **consolidation** of acquired companies will additionally lead to a significant increase in sales and earnings
- The **appreciation of the Swiss franc** against the euro and the US dollar, as well as a temporary **decline in demand** from customers in the smart building and other industrial sectors, will have a **dampening effect** on growth
- **Full year 2024 guidance** (Provided the geopolitical, economic and financial conditions do not deteriorate significantly):
 - Net sales of CHF 460 - 500 million
 - EBITDA margin in the target range of 10-13%



Continuing on the growth trajectory

| Organic Growth | Revenue | Profitability | Other |
|-------------------------|---|---|--|
| 7 - 10% p.A. | >600 million CHF⁴⁾ | Core EBIT 7 – 10% EBITDA 10 – 13% | Core ROIC ¹⁾ >15% Net Debt / EBITDA <2.75 Capex ²⁾ up to 3% |

- Cicor is well positioned to face economic headwinds due to its strategic markets being more resilient.
- Acquisitions will continue to play an important role as we see attractive opportunities with high returns.
- Dividends to be considered once Cicor delivering sustainable positive net cash flows.³⁾

1) ROIC in % = Core EBIT (12m rolling) / Average Net Invested Capital (12m rolling)

Average Net Invested Capital (12m rolling) = Equity plus Financial liabilities minus Intangible assets out of business combinations

2) CAPEX guidance expressed as % of revenue excluding major footprint expansions

3) Positive operating cash flows higher than negative investment cash flows (incl M&A) and financing cash flows (incl repayments) in at least two consecutive years.

4) The current mid-term guidance includes some moderate level of acquisitions.

Reasons to invest

Cicor – an asset for your portfolio

- **Market with resilient growth** driven by megatrends of electronification, outsourcing and nearshoring
- **Strategy targeting the most profitable segments of the market:** Industrial, Medical, Aerospace & Defense
- **Value accretive buy and build strategy** with disciplined approach and integration playbook
- **Management with track-record** for successful organic and inorganic growth



Agenda 2024

| | |
|-------------------|---|
| March 6 | Annual Report & Sustainability Report 2023 |
| April 16 | Business Update Q1/2024 |
| April 18 | Annual General Meeting (AGM) 2024 in Zurich |
| July 24 | Interim Report 2024 |
| October 15 | Business Update Q3/2024 |
| March 21 | Kepler Cheuvreux Swiss Digital Seminar in Zurich |
| September 18 - 19 | Investora 2024 in Zurich |
| November 25 - 27 | Deutsches Eigenkapitalforum in Frankfurt |

We plan to participate in various conferences and roadshows during 2024. As soon as the dates are confirmed, we will publish details on our website and in the SIX consolidated corporate calendar.



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Thank you



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Cicor Group



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