



# **Cicor Technologies Ltd.**

## **Deutsches Eigenkapitalforum 2024**

November 26, 2024

Alexander Hagemann, CEO  
Peter Neumann, CFO

November 26, 2024

## Disclaimer

The information in this presentation does not constitute an offer or invitation and may not be construed as a recommendation by us to purchase, hold or sell shares of Cicor Technologies Ltd.

This information or any copy thereof may not be sent or taken to or distributed in any jurisdiction in which such transmission or distribution is unlawful. This document may contain certain 'forward-looking' statements. By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances. Actual outcomes and results may differ materially from any outcomes or results expressed or implied by such forward-looking statements.

Alexander Hagemann, CEO

# **Cicor Group – Market and Business**

The Cicor Group

# Fastest growing manufacturer of advanced electronics in Europe

2024 Sales guidance

**CHF 470-510 million**

Organic growth ahead of Electronic Manufacturing market

2024 EBITDA guidance

**CHF 50-60 million**

Mid-Term 10-13% margin.  
Top profitability vs peer group

HY 2024 Earnings per share

**CHF 2.69**

Fully diluted after MCB conversion,  
+ CHF 0.95 to HY 2023

HY 2024 Free Cash Flow

**CHF 21.1 million**

Before acquisitions,  
+ 303% to HY 2023

**25% Sales CAGR**

HY 2021 to 2024 as result of  
organic growth and 7 acquisitions

**3,350**

Employees worldwide, of  
which >10% with engineering  
degree (November 2024)



Electronification of everything

# Turning ideas into advanced electronic solutions

## Healthcare Technology



**24%** of sales in HY 2024

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

## Industrial



**33%** of sales in HY 2024

**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 (A&D)



**24%** of sales in HY 2024

**Cicor ensures safety, reliability and communication** in aircrafts, satellites and defence systems at land, sea, in the skies and beyond

Building of leading platforms in attractive markets

# Advancing healthcare through technology



- Development and manufacturing partner for medical devices supporting people to live healthier lives
- True one-stop shop from device engineering to critical component development/manufacturing and assembly
- Serving high-growth verticals such as smart drug delivery, robot surgery, neurostimulation
- Acquisitions of Evolution Medtech (completed 02/2024) and Nordic Engineering Partners (completed 11/2024) strengthened Cicor profile as CDMO



CAGR 2021-2023

**31%**

Share of sales H1/2024

**24%**

Market position Europe

**4**



Building of leading platforms in attractive markets



# European market leader for A&D EMS

- Long-standing supplier of design and manufacturing services to 30 leading A&D integrators in Europe
- True one-stop shop from systems engineering, critical components, assembly, on-site support and training
- Acquisition of Axis Electronics (completed 11/2021), STS Defence (01/2024) and TT Electronics' IoT division (03/2024) turned Cicor into the European leader for A&D electronics



CAGR 2021-2023

**66%**

Share of sales H1/2024

**24%**

Market position Europe

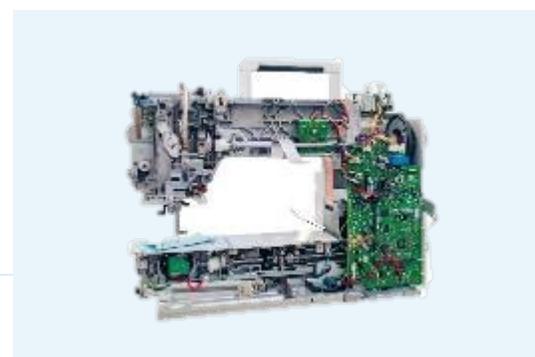
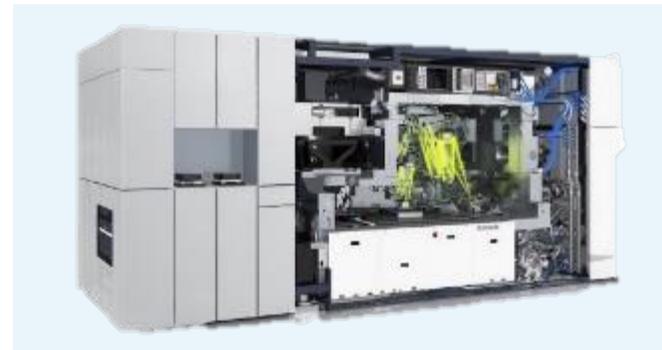
**1**

Building of leading platforms in attractive markets

# Driving automation and miniaturisation in industry



- Development and manufacturing partner for high-tech industrial electronic solutions
- Serving high-growth verticals such as equipment for semiconductor manufacturing, smart building technologies, sensors and test/measurement solutions
- Focus on serving regional customers in DACH region and UK – striving for regional market leadership
- Acquisition of Nordic Engineering Partners (completed 11/2024) establishes a strong presence for Cicor in the Nordics



CAGR 2021-2023

**22%**

Share of sales H1/2024

**33%**

Market position Europe

**ca. 10**

# Leadership – step by step

---

European market position

**# 10**

Pro-forma 2024,  
from # 28 in 2021

---

Position in Aerospace & Defence

**# 1**

In Europe - expanding the lead  
vs. # 2

---

Position in Hybrid Substrates

**# 1**

In Europe – on par with the leading  
peers in the US

---

UK market position

**# 1**

From acquisitions  
made 2021-2024

---

Position in Healthcare Technology

**# 4**

In Europe - working towards  
# 2 in 2028

---

Position in PCB for Hearing Aids

**# 3**

Worldwide, with strong new business  
pipeline in healthcare technology



# Expansion into Sweden and plans to further strengthen market position in Germany



*Customized development services and prototype production for complex electronic systems*

**Establish a significant presence in the Nordics** as a step in the transformation of Cicor towards becoming the leading pan-European partner in its chosen markets by 2028.

**Doubles Cicor's product development capacity** and broadens the portfolio of capabilities.



Development



Product care



Test systems

Advanced negotiations for the acquisition of a **German EMS provider** with **EUR 20-30 million of sales**

*Electronic assemblies and systems manufacturer in industrial and medical sectors*

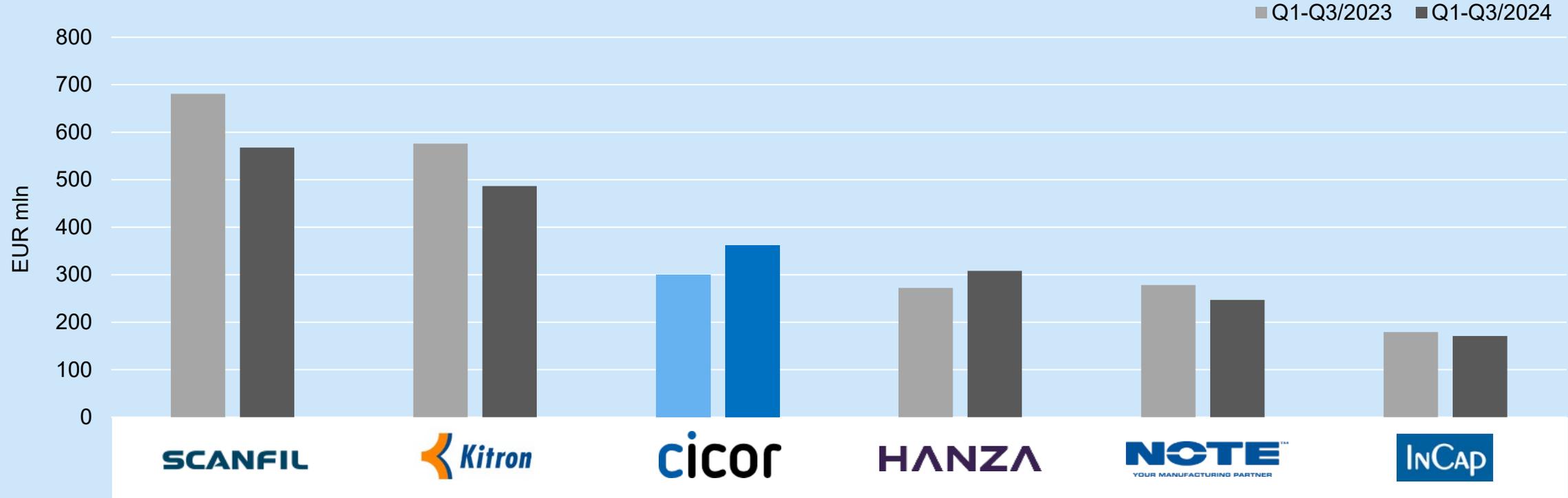
**Expansion of market position in Germany** while maintaining focus on the target markets of medical technology, industrial and aerospace and defence.

Provides **state-of-the-art machinery** and excellent infrastructure with **further expansion reserves**

Signing expected in the upcoming weeks with closing in early 2025

Net Sales Q1-Q3/2024 and growth comparison amongst listed European peers

# Cicor with strongest resilience and highest growth



|         | SCANFIL | Kitron | cicor | HANZA | NOTE | InCap |
|---------|---------|--------|-------|-------|------|-------|
| Growth  | -17%    | -16%   | +21%  | +13%  | -11% | -5%   |
| Organic | -17%    | -16%   | -4%   | -6%   | -11% | -20%  |

Alexander Hagemann, CEO

# **Cicor 2028**

# Vision Statement



**We are the leading pan-European electronics design and manufacturing partner for healthcare technology, aerospace/defence and industrial, recognised as an employer of choice, committed to operating sustainably**

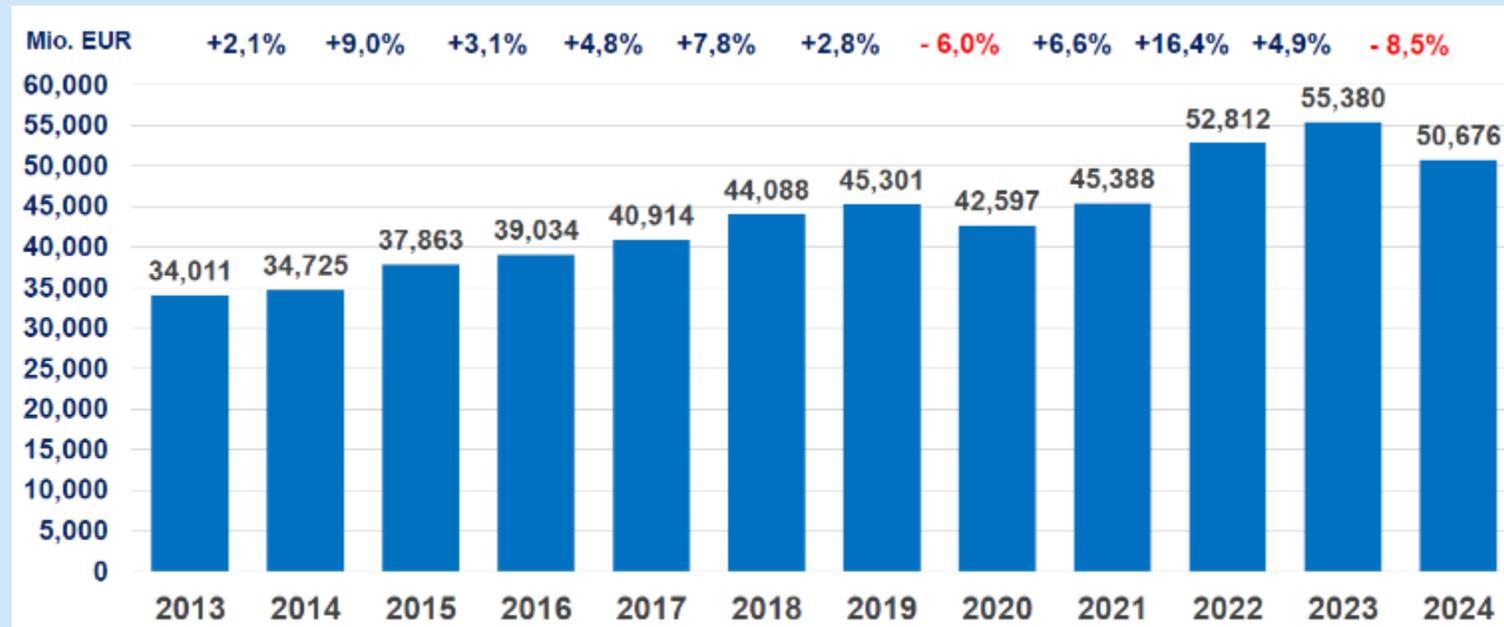


**creating together**



## Expect healthy market growth during strategy period

- European EMS market expected to grow at 6.5% CAGR from 2023 to 2028
- Normalisation of market in 2025 after destocking in 2024
- Unchanged longterm trends of nearshoring and increased outsourcing



Source: In4ma, Cicor

### Market driving factors:

- 2020: COVID
- 2021: Supply restrictions, broker surcharges
- 2022, 2023: Restocking, inflation, military conflicts
- 2024: Destocking, recession, weakness in EV (cars, charging) and renewable energy (China)
- 2025: Expect normalization

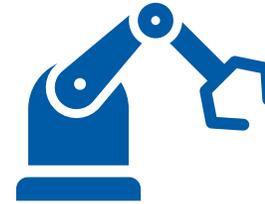
## A comprehensive strategy with clear implementation plan



Focus on high growth verticals



Transformation into a true creator of products



Business excellence driving performance



AS Division as high tech differentiator



Accelerate growth with M&A supporting the strategy



Employer of choice, inclusive, supporting personal growth

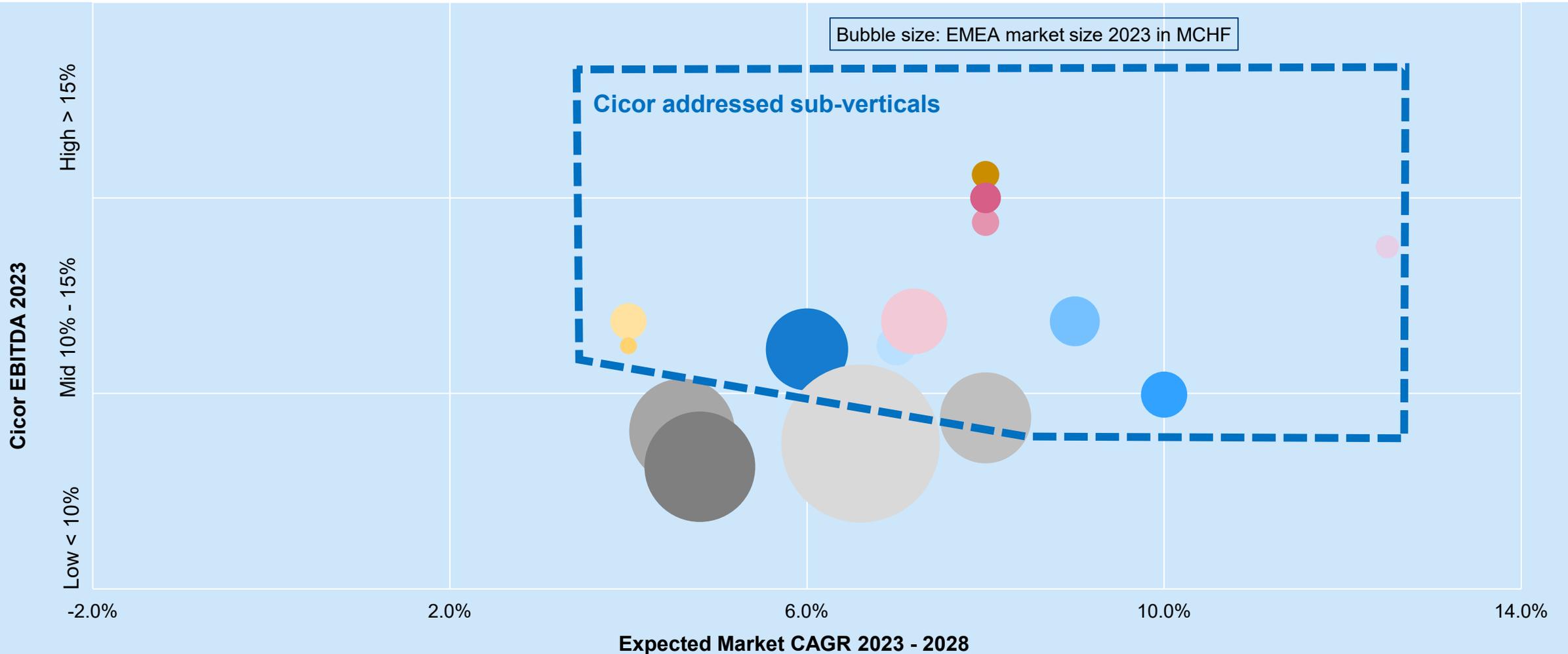


Cicor as a sustainable company on all dimensions of ESG

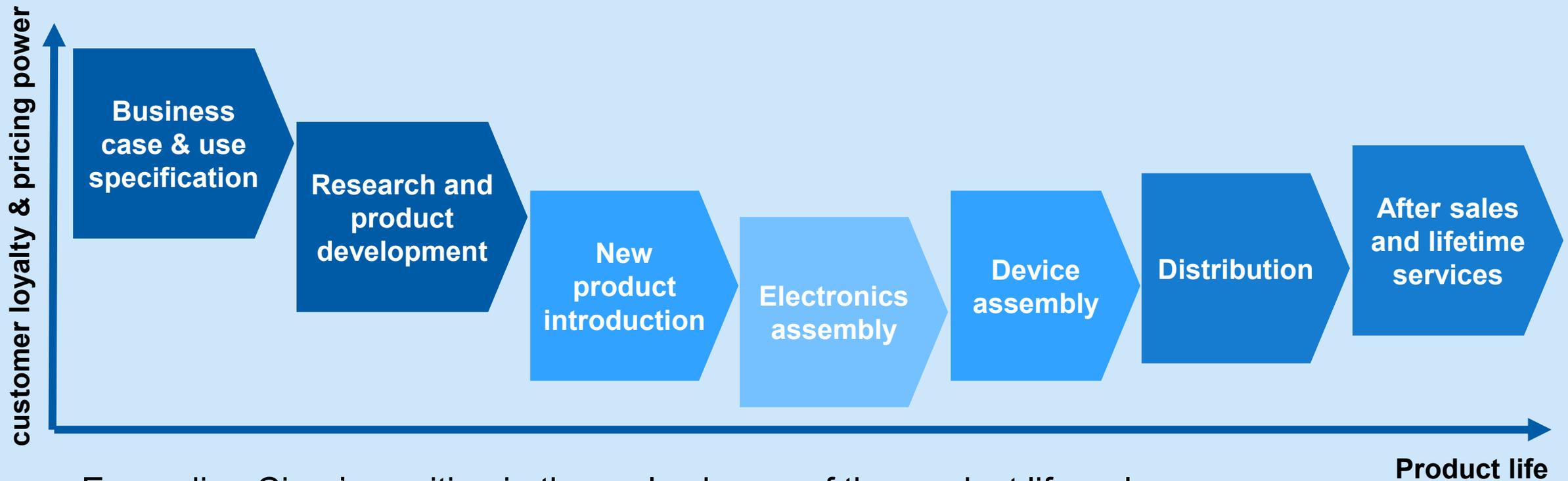


Financial value creation and mid-term financial objectives

# Cicor focuses on sub-verticals with high growth and margins

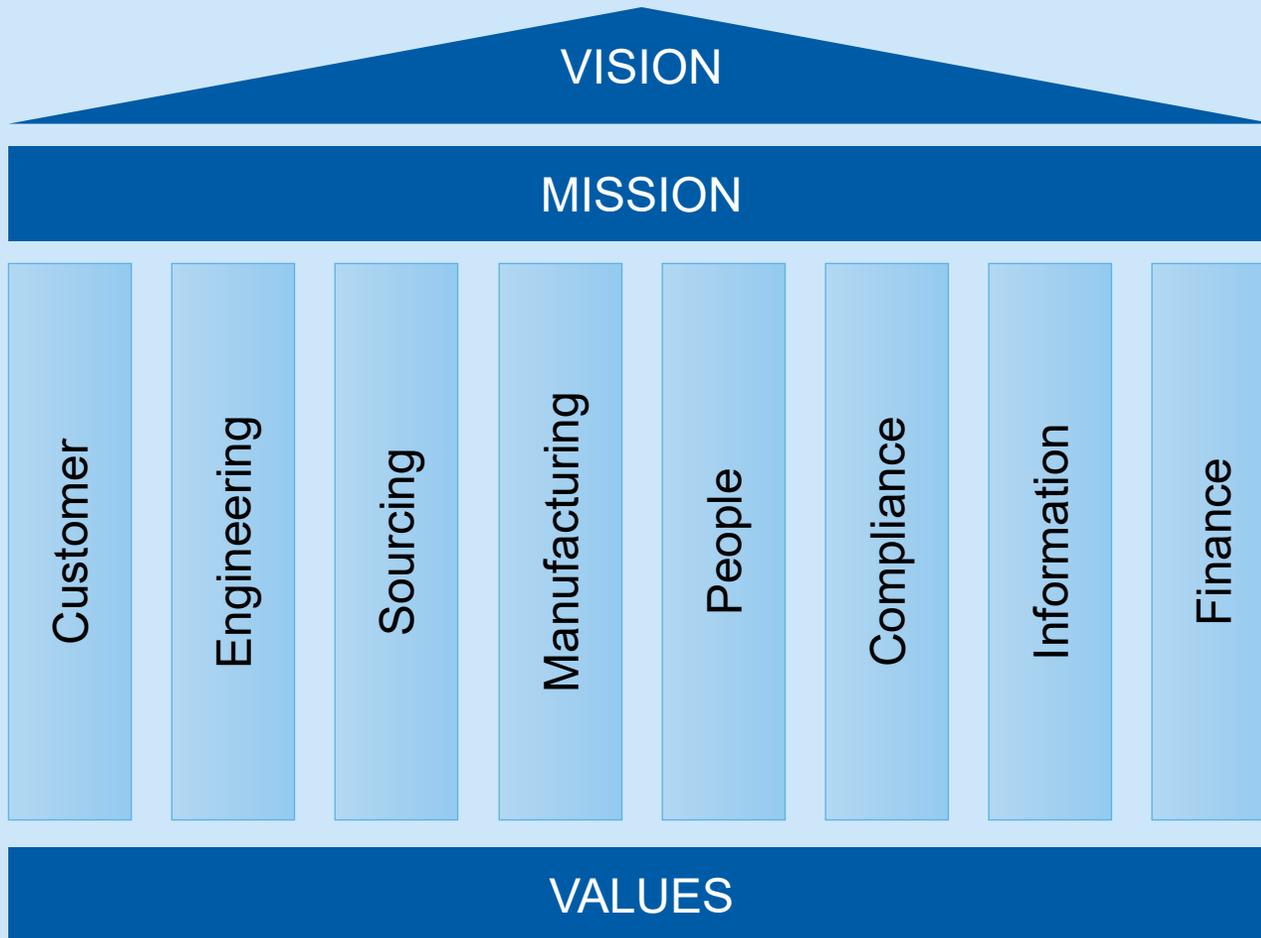


# Transforming Cicor into a true product creation company



- Expanding Cicor's position in the early phases of the product lifecycle
- Entering new regions through engineering and prototyping presence
- Operating product creation services as contributor to expanded margins

# Business excellence driving results



*The Business Excellence Model is a framework that combines vision, mission and values with key value-add performance categories and support functions for a harmonized roadmap to excellence.*

# The European EMS market is highly fragmented and growing, pre-destined for consolidation

Fragmented market ✓

## 1,700 EMS

In Europe, consolidation has just begun:  
Succession, carve-outs

## Cicor #10

Market position  
(pro-forma 2024)

Source: Weiss Engineering (in4ma), 2024

Growing market ✓

## € 25 billion

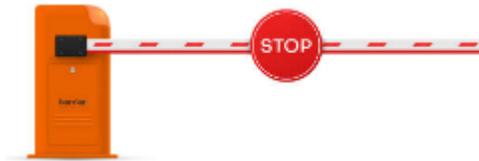
Adressed market (2023),  
44% of total European  
EMS market

## 6.8% ↗

Forecasted market  
CAGR until 2030

Source: Weiss Engineering (in4ma), 2023, 2024

Customer loyalty ✓



- Strong entry barriers in high-mix low-volume business
- Acquiring customers through M&A, extending share of wallet

Economies of scale ✓



- Global footprint
- Business excellence
- Purchasing power
- Digitization

**Long-term market development:  
A consolidated market with significantly increased profitability of the leading EMS players** ✓

Peter Neumann, CFO

# M&A

# Proven path to value creation



## Strong Financial foundation for M&A

- 2023 Refinancing provides flexibility for future operational and acquisition requirements at attractive conditions
- Interests linked to SARON with margin grid depending on Cicor leverage (net debt / EBITDA)
- Net debt / EBITDA ratio at 1.5 (H1/2024) with strong free cash flow generation reducing leverage
- Available cash, revolving credit facility and optional M&A line provide solid foundation. Around CHF 150 Million financing available for 2024 / 2025 acquisitions

# Clear strategy to establish Cicor as the pan-European leader for A&D, Medical and High-End Industrial Electronic solutions



Driving industry consolidation in Europe with a focus on well-managed manufacturers and highly attractive customer portfolios within Cicor's core business segments.

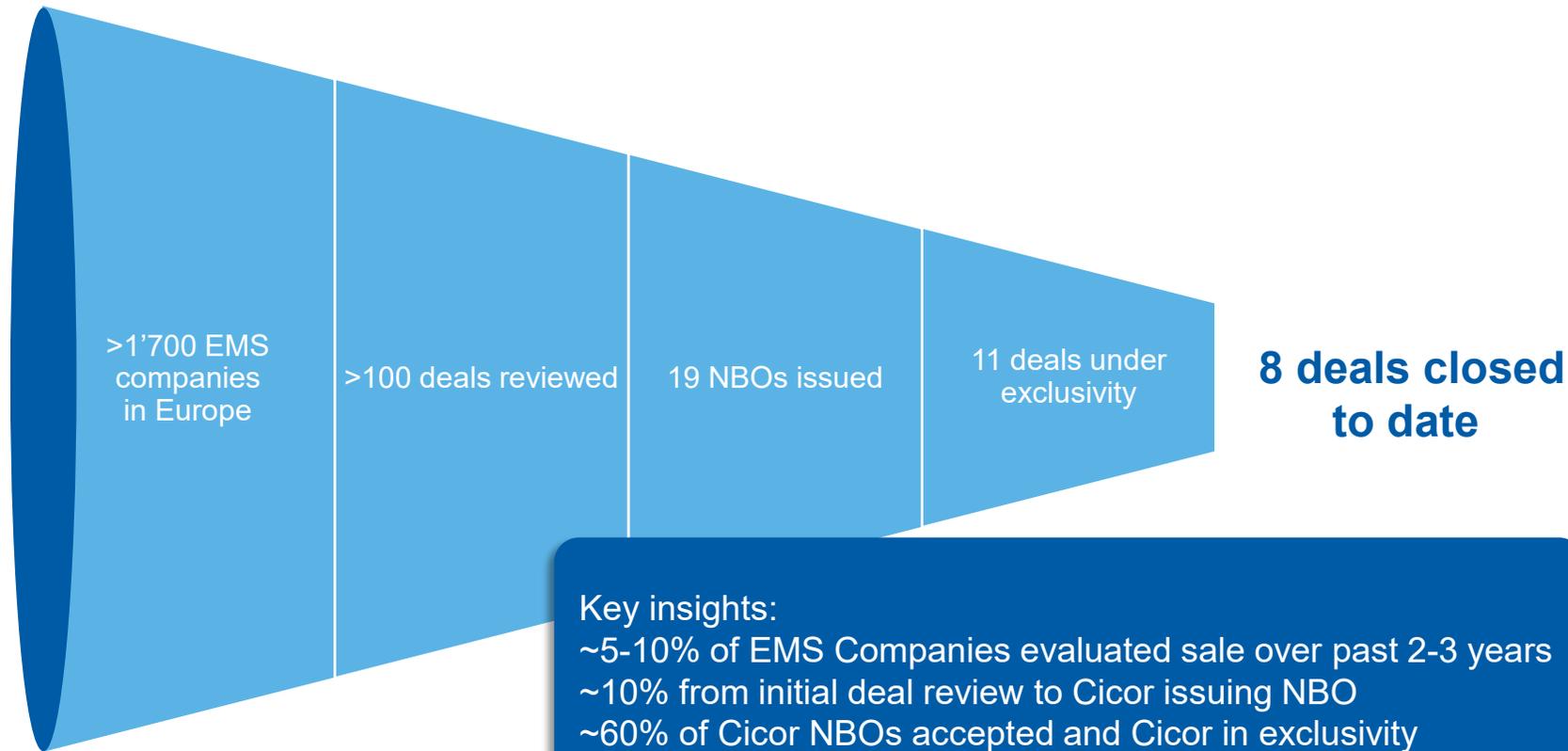
**What we do**

Expand into segments with lower customer retention like consumer or automotive.  
Enter into technologies that are not critical for winning in our core segments.  
Acquisitions without clear synergies  
Paying above market multiples.

**What we don't do**

# Strong deal flow, selective deal criteria and high success rate

Since announcement of our inorganic growth strategy in mid-2021 ...



**Key insights:**  
~5-10% of EMS Companies evaluated sale over past 2-3 years  
~10% from initial deal review to Cicor issuing NBO  
~60% of Cicor NBOs accepted and Cicor in exclusivity  
~80% of exclusive processes lead to deal closure

**AXIS ELECTRONICS** **SMT ELEKTRONIK**

**PHOENIX MECANO**  
DIGITAL ELEKTRONIK

*Thin film business of*  
**AFT MICROWAVE**

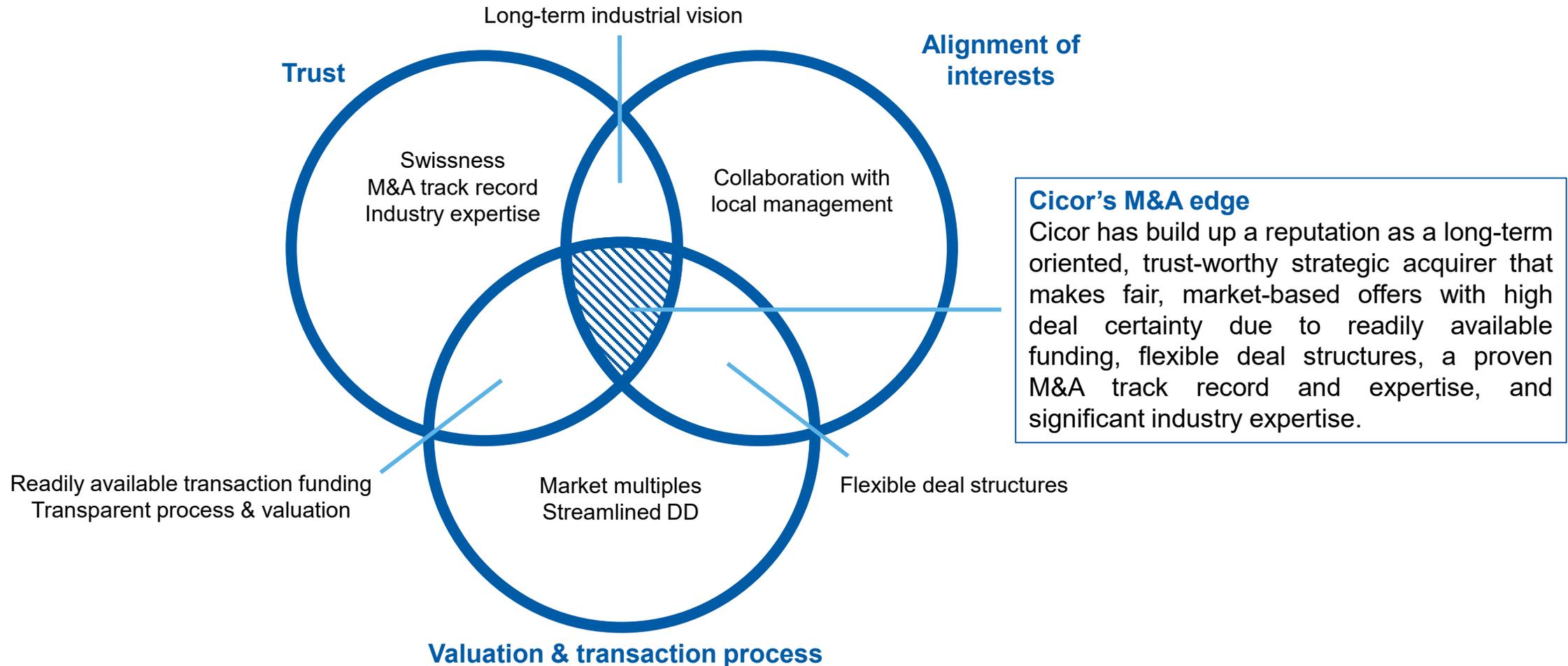
**STSdefence** **EVOLUTION MEDTEC**

*Carve-out from*  
**Tt Electronics**

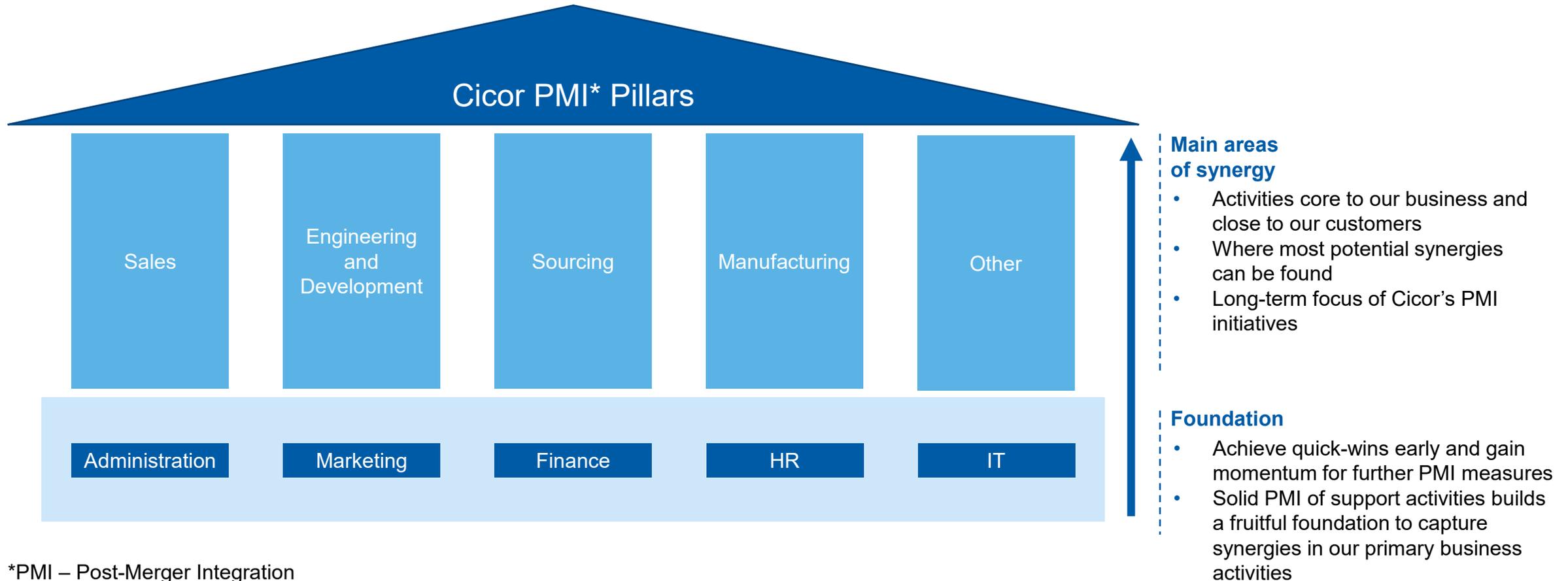
**November 2024**

**NEP**

# Cicor often acquirer of choice for sellers



# Cicor employs a comprehensive PMI approach, ensuring a solid foundation to leverage synergies across all business activities



\*PMI – Post-Merger Integration

# Cicor's acquisitions deliver consistent and excellent results

## Growth acceleration (Revenue +30%) \*

- Acquired CHF 208 million revenue (LTM pre-closing) with 7 acquisitions (CHF 95 Million excl. three 2024 acquisitions)
- Cicor is delivering strong revenue synergies. 2024 revenue of acquired companies in local currency at 16% above pre-M&A LTM performance (+30% on pre 2024 acquisitions)

## Profitability step-up (EBITDA +41%) \*

- Acquired CHF 25 Million EBITDA (LTM pre-closing) with 7 acquisitions (CHF 15 Million excl. three 2024 acquisitions)
- Significant profitability step up with growth acceleration and cost synergies post completion. 2024 EBITDA of acquired companies 40% in local currency above pre-LTM EBITDA (+41% on pre 2024 acquisitions)

## Excellent FCF Generation (40% of M&A net cash outlay already recovered)

- Acquisitions are a key contributor to Cicor's FCF performance
- M&A net cash outlay expected to be recovered via FCF delivery of acquired companies within 5-7 years
- For 7 acquisitions\*\* 35% of net cash outlay already recovered by FCF Generation (40% for pre 2024 acquisitions)

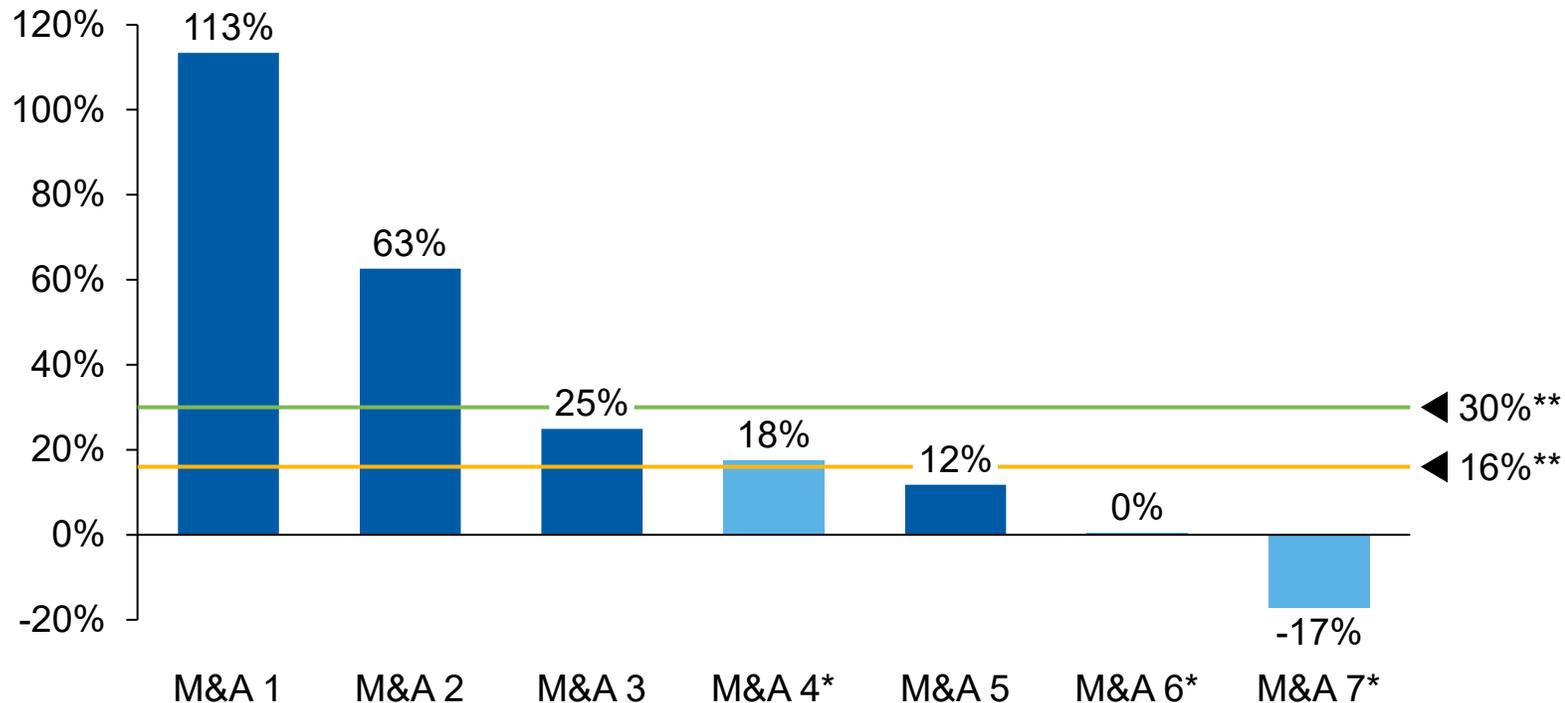
**Cicor's M&A Strategy is delivering strong topline, profitability and free-Cash-Flow results.  
Success consistent due to proven target selection, due diligence and PMI approaches**

\* For acquisitions completed in 2024, the 12-month post acquisition reference period includes actuals to September 2024 and rolling forecast for the remaining period. EBITDA is excluding Management Fee allocation.

\*\* Excl. recent acquisition of Nordic Engineering Partner on Nov. 7, 2024; more time needed for a meaningful performance assessment.

# Consistent Revenue Performance and Synergies

Revenue 2024 outlook compared to LTM pre-Aquisition in local currency\*\*\*



- 2024 revenue of acquired companies in local currency at 16% above pre-M&A LTM performance (+30% excluding three 2024 acquisitions)
- All acquisitions perform strong in terms of topline and 2025 outlook also indicates repetition of success model for most recent additions in 2024
- M&A creates true win-wins with customers in newly acquired companies. Cicor's culture, quality and footprint extremely appreciated

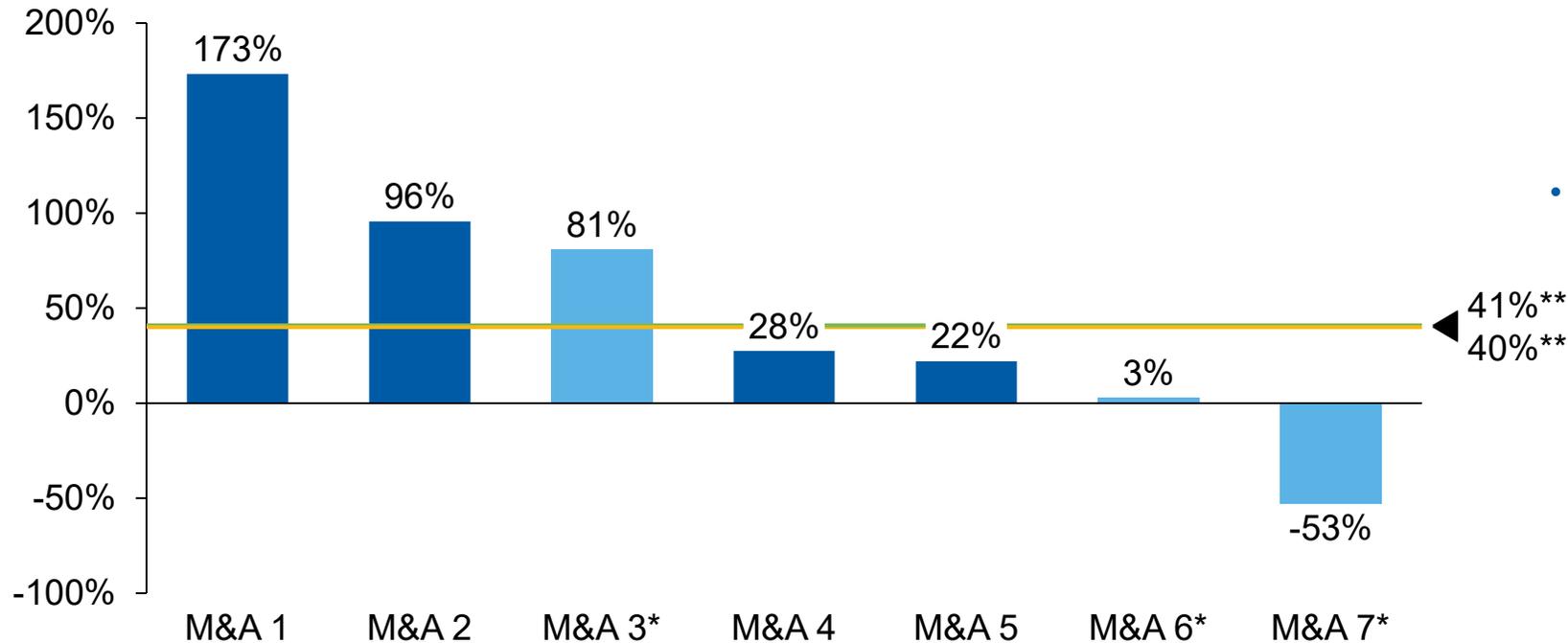
\* Acquired in 2024, integration not yet complete

\*\* Weighted average revenue increase (30% increase = all acquisitions excl. 2024 M&A; 16% increase = all acquisitions incl. 2024 M&A)

\*\*\* Excl. recent acquisition of Nordic Engineering Partner on Nov. 7, 2024; more time needed for a meaningful performance assessment

# Consistent EBITDA Performance

EBITDA 2024 outlook compared to LTM pre-Aquisition in local currency\*\*\*



- 2024 EBITDA of acquired companies in local currency 40% above pre-LTM EBITDA (41% excluding three 2024 acquisitions)
- All acquisitions perform strong in terms of EBITDA and 2025 outlook also indicates repetition of success model for most recent additions in 2024

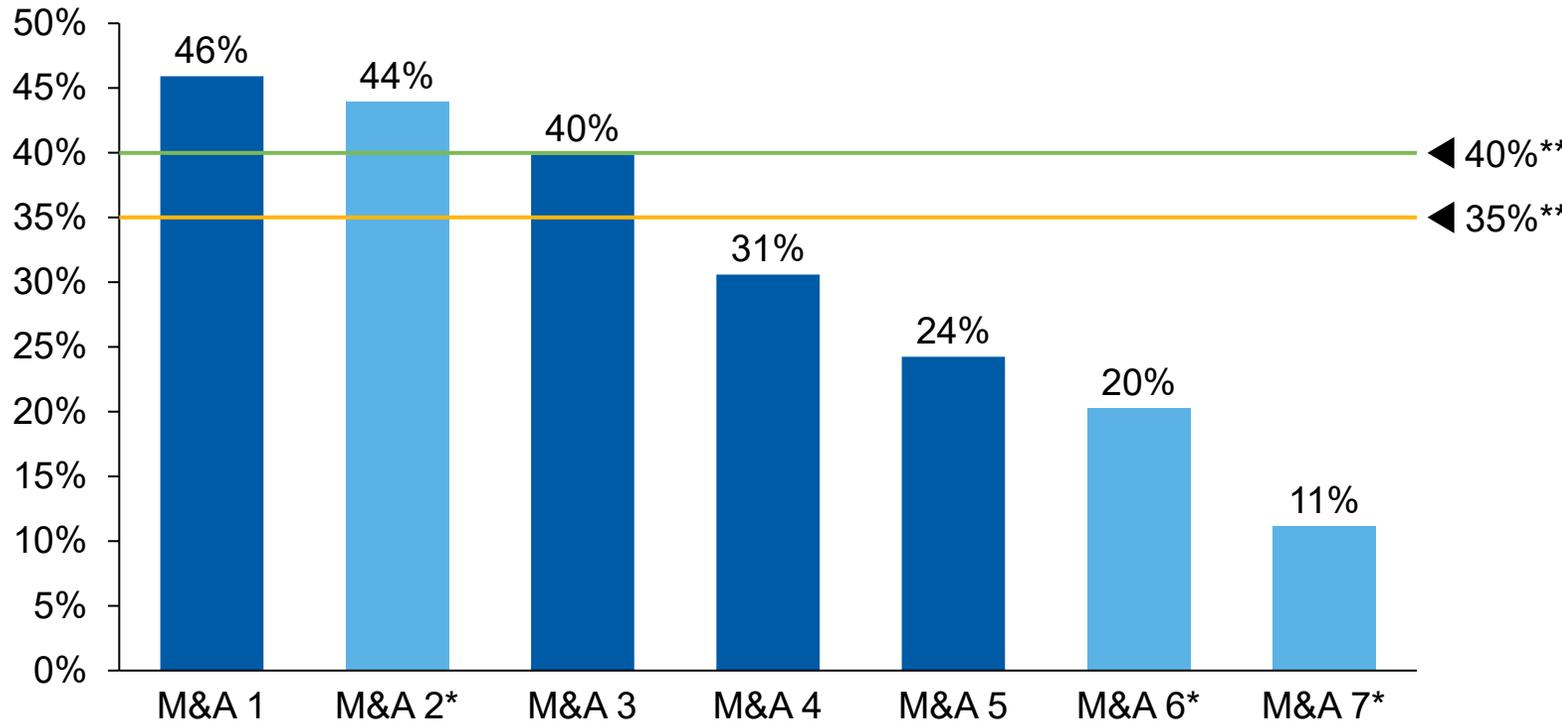
\* Acquired in 2024, integration not yet complete

\*\* Weighted average EBITDA increase (41% increase = all acquisitions excl. 2024 M&A; 40% increase = all acquisitions incl. 2024 M&A)

\*\*\* Excl. recent acquisition of Nordic Engineering Partner on Nov. 7, 2024; more time needed for a meaningful performance assessment

# Consistent FCF Delivery to recovery of net M&A cash outlay

Cumulative Free Cash Flow in % of Cash outlay for acquisition\*\*\*



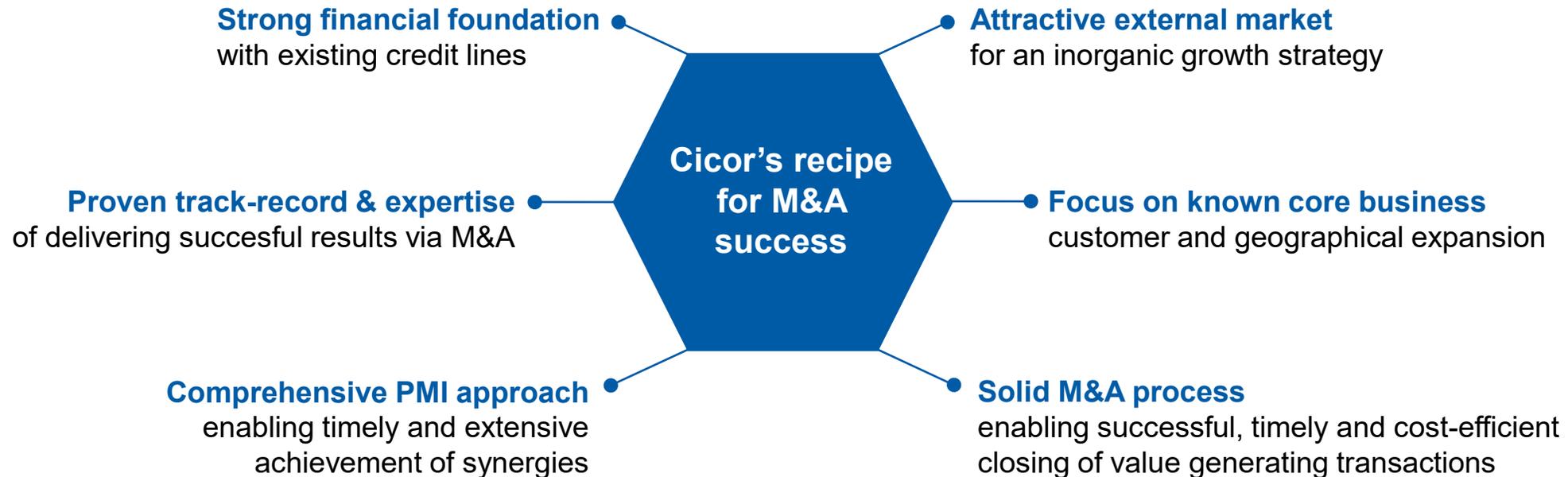
- M&A net cash outlay expected to be recovered via FCF delivery of acquired companies in 5-7 years
- For 7 acquisitions 35% of net cash outlay already recovered by FCF Generation (40% excluding three 2024 acquisitions)
- Fast FCF recovery driven by
  - diligent valuation approach (4-7 EV/EBITDA multiples and never paying forward looking multiples)
  - Cicor operational excellence program
  - cash synergies of companies being part of more sizable group

\* Acquired in 2024, integration not yet complete

\*\* Weighted average cumulative FCF recovery of M&A cash outlay (40% increase = all acquisitions excl. 2024 M&A; 35% increase = all acquisitions incl. 2024 M&A)

\*\*\* Excl. recent acquisition of Nordic Engineering Partner on Nov. 7, 2024; more time needed for a meaningful performance assessment

# M&A Summary - Cicor's unique position to create value

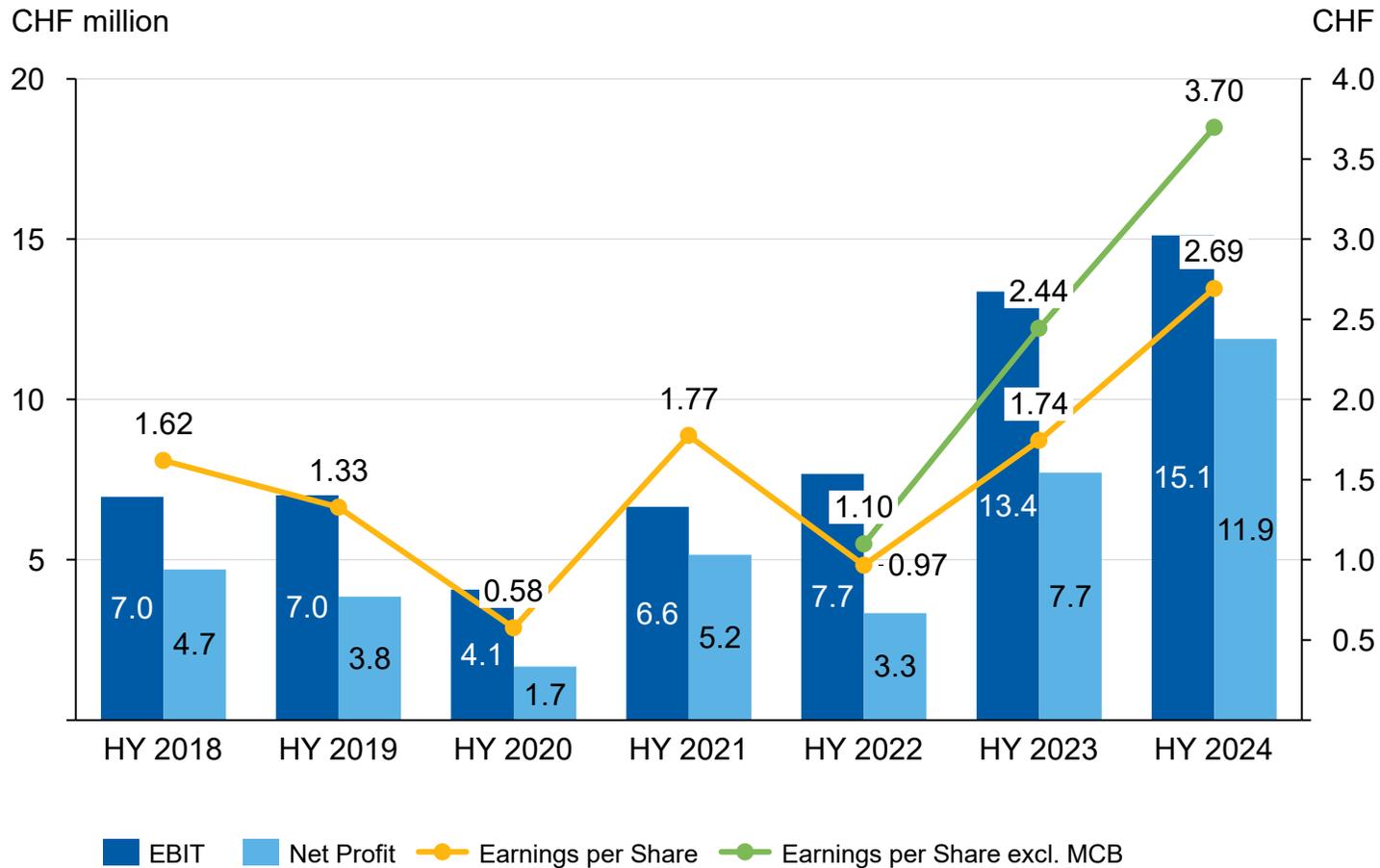


## Key Figures per Share

|  |               | HY 2024          | HY 2023          | %YoY         |
|--|---------------|------------------|------------------|--------------|
| Number of registered shares issued             | 30.6.         | 3'478'616        | 3'411'169        | 2.0%         |
| Number of Treasury shares                      | 30.6.         | -307'929         | -251'267         | 22.6%        |
| <b>Number of outstanding registered shares</b> | <b>30.6.</b>  | <b>3'170'687</b> | <b>3'159'902</b> | <b>0.3%</b>  |
| Number of conditional shares for MCN           | 30.6.         | 1'199'669        | 1'267'116        | -5.3%        |
| <b>Number of outs. and cond. MCN shares</b>    | <b>30.6.</b>  | <b>4'370'356</b> | <b>4'427'018</b> | <b>-1.3%</b> |
| Ø number of outst. and cond. MCN shares        | period        | 4'415'031        | 4'429'695        | -0.3%        |
| Net profit (in CHF thousand)                   | period        | 11'886           | 7'722            | 53.9%        |
| <b>Earnings per share (in CHF)</b>             | <b>period</b> | <b>2.69</b>      | <b>1.74</b>      | <b>54.4%</b> |
| Share price (in CHF)                           | 30.6.         | 52.60            | 43.00            | 22.3%        |
| <b>Market capitalization (in CHF thousand)</b> | <b>30.6.</b>  | <b>229'881</b>   | <b>190'362</b>   | <b>20.8%</b> |

- Favorable EPS and market capitalization trends demonstrate strong shareholder value creation
- 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 and 67'447 new shares have been created to date with no impact on EPS

# Long-term development of Earnings per Share



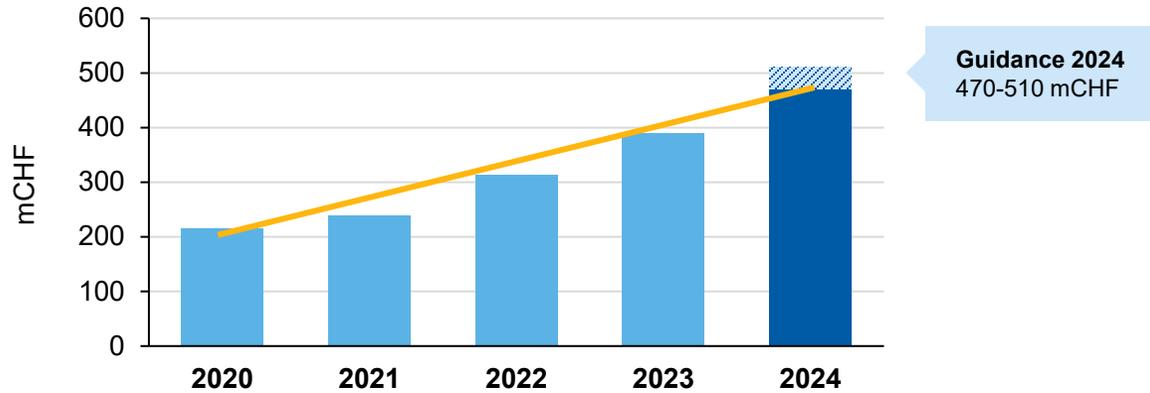
- Positive development of EPS as a result of improved Net Profit performance
- Dilution on EPS due to the issuance of the Mandatory Convertible Note

Peter Neumann, CFO

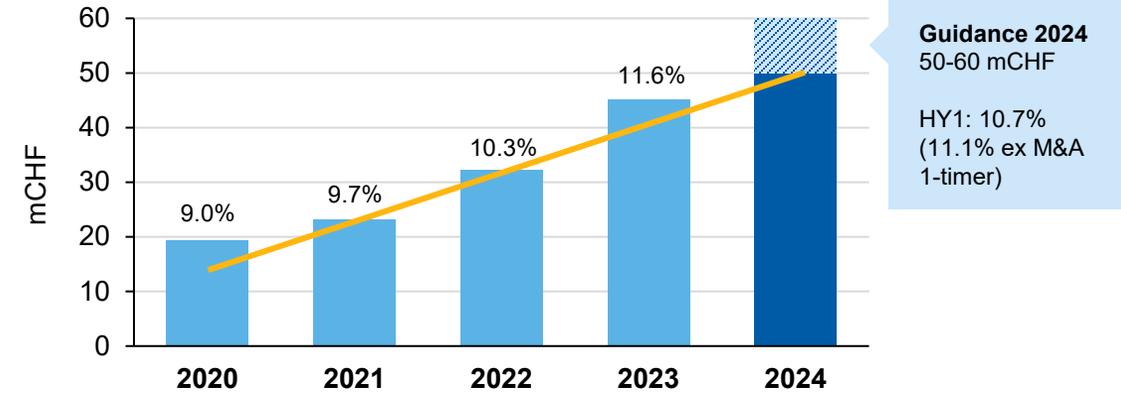
# Mid-term Targets

# Cicor's Growth transformation delivery excellent results

Net Sales

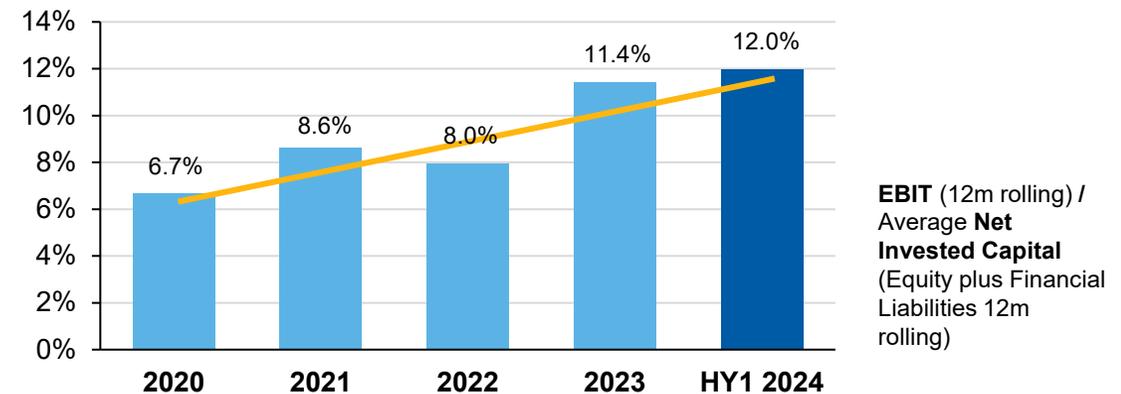


EBITDA

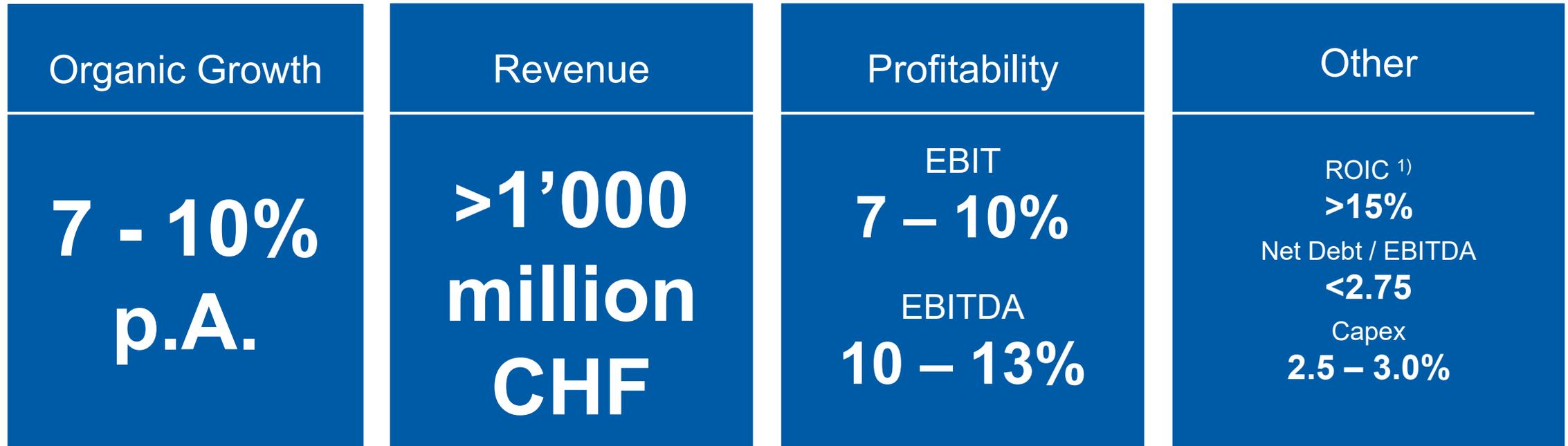


- Cicor embarked on Growth Strategy in 2021 (8 acquisitions completed since then).
- Topline has more than doubled and profitability (EBITDA margin) improved from 9% to 10.7% / 11.5% in H1 2025.
- Solid Financial foundation despite M&A. H1 2024 leverage at 1.5 and 2023 Re-Financing plus cash provides financial flexibility to continue acquisition strategy (CHF 150 Million firepower for 2024 & 2025).
- FCF delivery provides financial flexibility - FCF to EBITDA conversion of around 50%.
- ROIC continuously improved due to Growth, Profitability improvement and NWC optimization.

ROIC



## Creating together: Establishing the pan-European leader



- Gaining market share through focus on strategic verticals and the continued transformation into a product development and manufacturing partner (CDMO)
- Balancing organic vs. inorganic growth
- No dividends are considered as long as attractive growth opportunities are available that will create superior value to Cicor's shareholders

1) ROIC in % = EBIT (12m rolling) / Average Net Invested Capital (12m rolling). Average Net Invested Capital (12m rolling) = Equity plus Financial liabilities

Alexander Hagemann, CEO

# Summary and Outlook

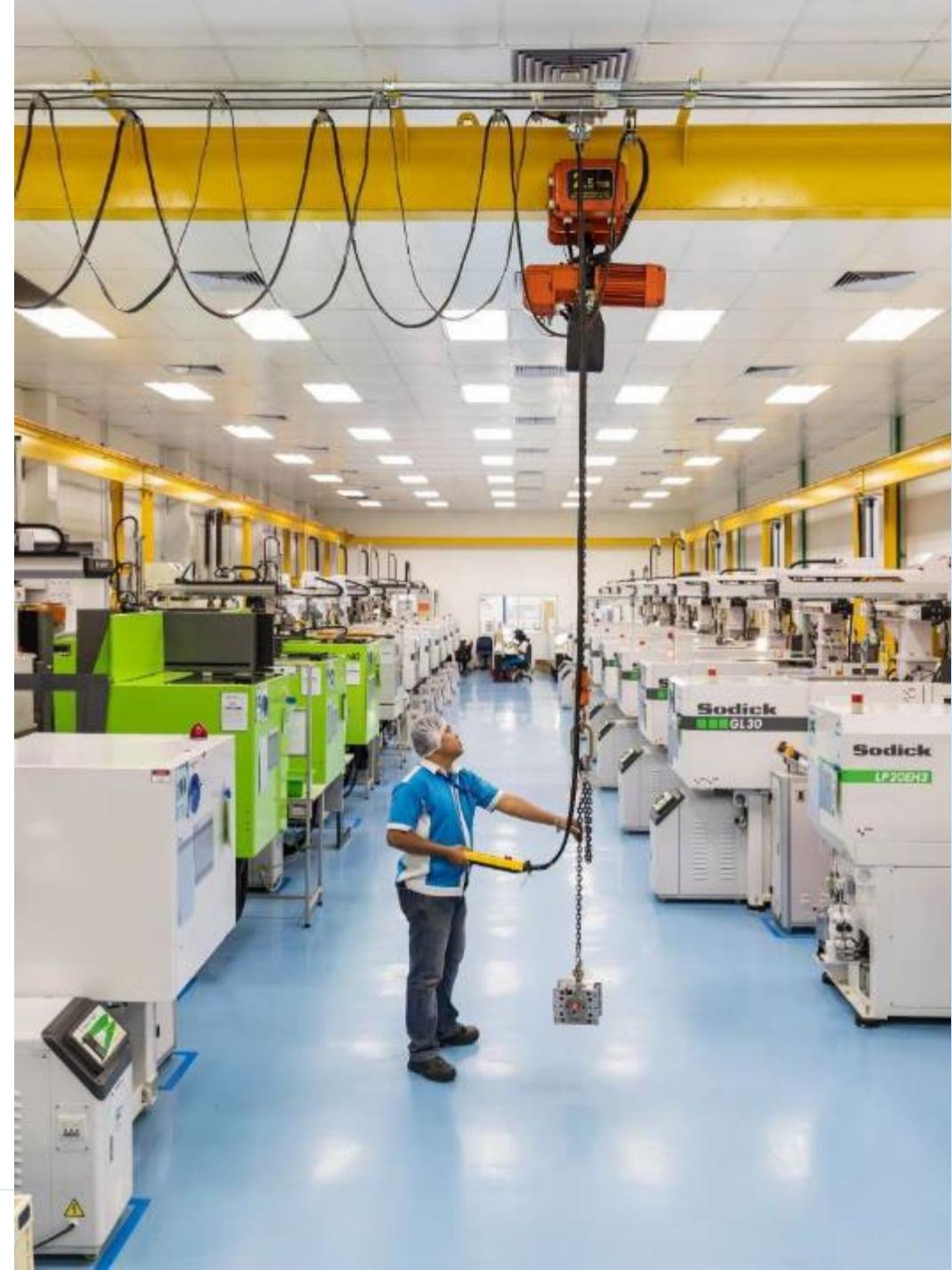
## Resilience and continued growth

- Organic growth in the first nine months slightly negative but significantly outperforming the market – expect order intake and sales to continue recovery in Q4/2024
- Very satisfying progress in integrating newly acquired companies, especially on profitability
- Unchanged guidance to Q3/2024 Business Update  
(provided there are no significant changes in the economic, geopolitical and financial environment)
  - Expect 2024 sales of CHF 470-510 million
  - Operating result (EBITDA) forecasted at CHF 50-60 million



## Cicor – an asset for your portfolio

- **Market with longterm growth** driven by megatrends of electrification, outsourcing and nearshoring
- **Strategy 2028 targeting the most profitable segments of the market:** Healthcare Technology, Aerospace & Defence, Industrial
- **Establishing strong and lasting USP** by transforming into a product creation company
- **Value accretive buy and build strategy** with disciplined approach and integration playbook
- **Management with track-record** for successful organic and inorganic growth



# Analysts

## Kepler Cheuvreux

Patrick Steiner  
psteiner@keplercheuvreux.com  
+43 (1) 20 577 383

## Research Partners

Reto Huber  
reto.huber@researchpartners.ch  
+41 44 533 40 30

## Zürcher Kantonalbank

Bernd Laux  
bernd.laux@zkb.ch  
+41 44 292 37 23

## Baader Helvea

Zana Mamelli  
zmamelli@helvea.com  
+41 43 388 92 50

## mwb Research

Alexander Zienkowicz  
a.zienkowicz@mwb-research.com  
+49 40 309 293 56

The latest list of analysts covering Cicor is available on our website: [cicor.com/analysts](https://www.cicor.com/analysts)

# Contacts



**Alexander Hagemann**  
CEO



**Peter Neumann**  
CFO



**Michael Götti**  
VP Corporate  
Marketing & Communications

Cicor Management AG, Gebenloostrasse 15, 9552 Bronschhofen, Switzerland  
investor@cicor.com | +41 71 913 73 00

**cicor**

**Thank You**



[cicor.com](https://cicor.com)



Cicor Group



[@cicor.group](https://www.instagram.com/cicor.group)