



Half-Year Results 2024

Cicor Technologies Ltd.

July 24, 2024

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Peter Neumann, CFO

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Alexander Hagemann

Cicor Group in HY1 2024

Turning ideas into advanced electronic solutions



Medical



24% of sales in HY1 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 HY1 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 HY1 2024

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

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

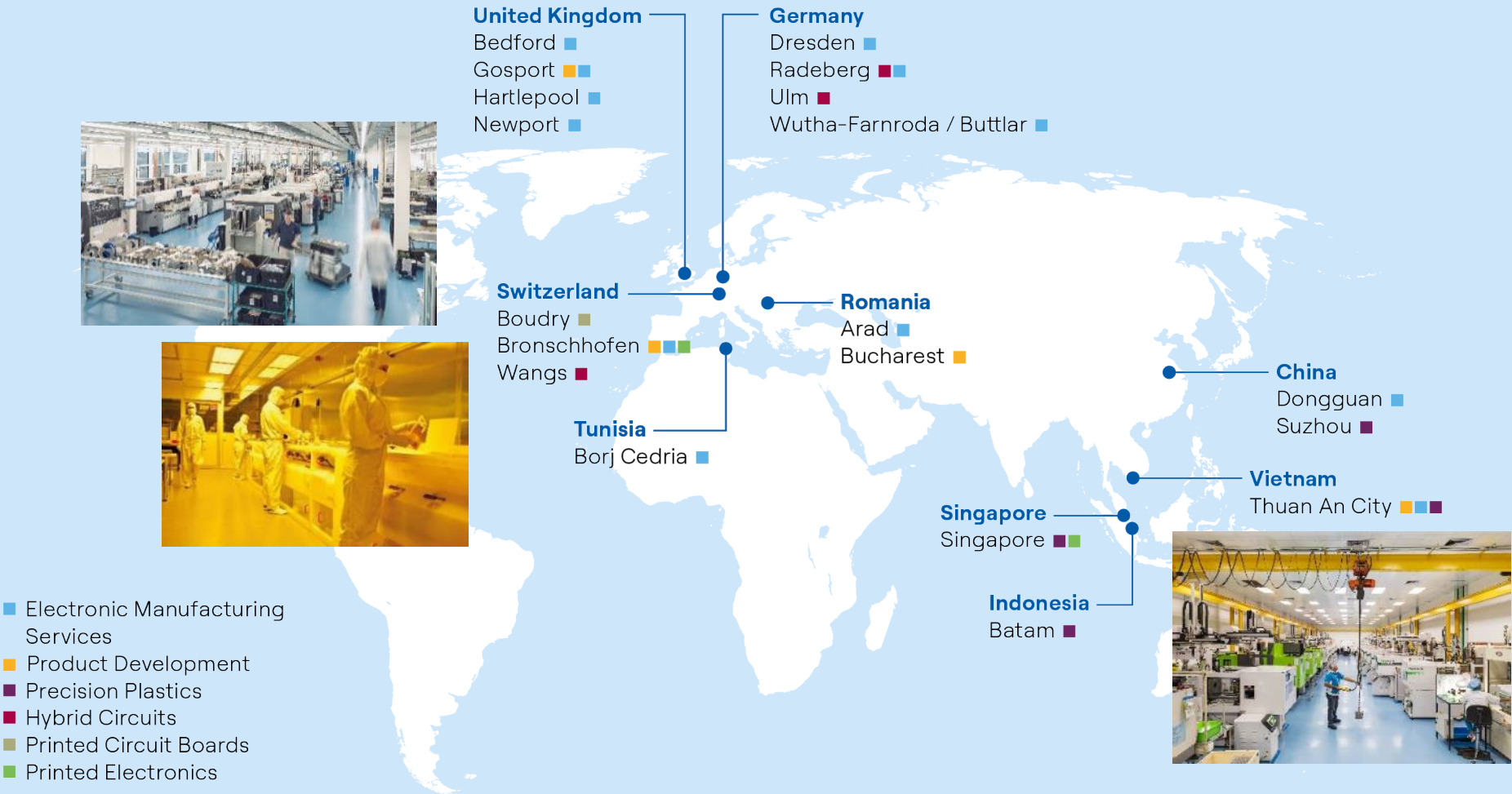


Active consolidation through **M&A**

One stop shop – creating strategic partnerships with customers



Close to customers and competitive



Key Messages from HY1 2024

Significant growth in **net sales** to **CHF 231.3 million**,
making Cicor one of Europe's top tier electronics manufacturers

Net sales growth of **16.1% year-on-year**, driven by acquisitions

Constant **EBITDA** operating margin of **10.7%**

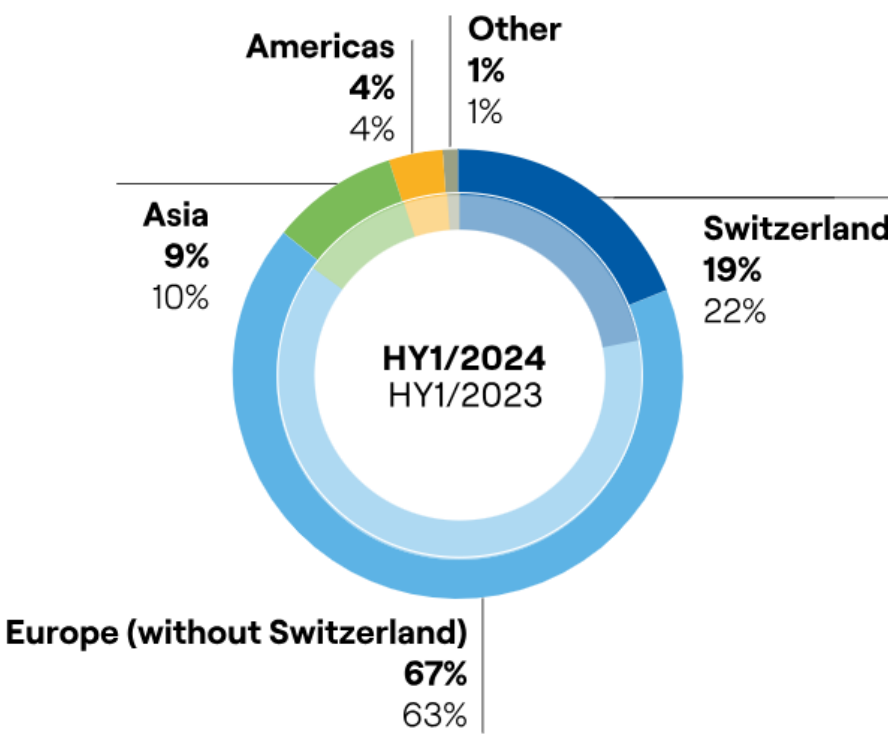
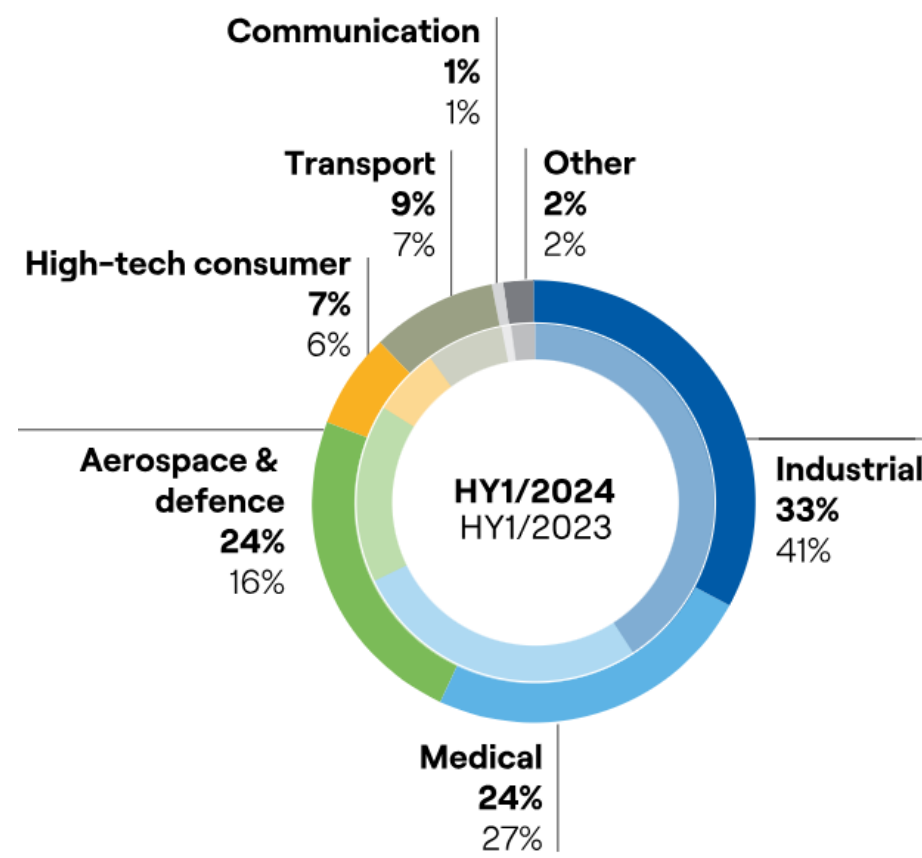
Fourfold increase of **free cash flow** to **CHF 21.1 million** (before acquisitions)

Solid order intake, order book remains at **around one year's worth of sales**

Net profit growth resulting in **earnings per share** of **CHF 2.69** from CHF 1.74 (HY1 2023)

Full-year guidance raised based on expected order and sales growth
and progress in integrating newly acquired businesses

Balanced exposure to strategic markets, focus on Europe



Electronic Manufacturing Services (EMS)

EMS Division – growth driver with leading profitability

Net sales

➤ **CHF 208.5m**

+16.5% from HY1 2023

EBITDA margin

➤ **11.6%**

HY1 2023: 11.4%

Share of Cicor Group sales

90%

Growth strategy – M&A

**STS Defence,
Evolution Medtec &
TT Electronics IoT**

Closed in Q1

Contributing 24.3% to sales growth

Focus HY2/2024

**Rapid integration, alignment
of TT IoT sites operating
margin to Group level**



M&A supports strategy, making Cicor a stronger company



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

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



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

Enhancing Cicor’s **product development capabilities and capacity** in the medical technology sector

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



Biometric monitor

Class III remote control system and control app

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

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

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

Integration of production site in Dongguan, China, to provide local manufacturing for Cicor customers



Newport (UK)

Hartlepool (UK)

Dongguan (China)

Advanced Substrates (AS)

AS Division – technology leader with regained strength

Net sales

➤ **CHF 23.9m**

+15.7% from HY1 2023

EBITDA margin

➤ **14.4%**

HY1 2023: 11.8%

Share of Cicor Group sales

10%

Cicor site in Boudry, Switzerland

Successful multi-year excellence programme

Resulting in an ever more robust and future-proof business

Focus HY2/2024

Leveraging organic growth opportunities, further improve profitability



Peter Neumann

Financial Results HY1 2024

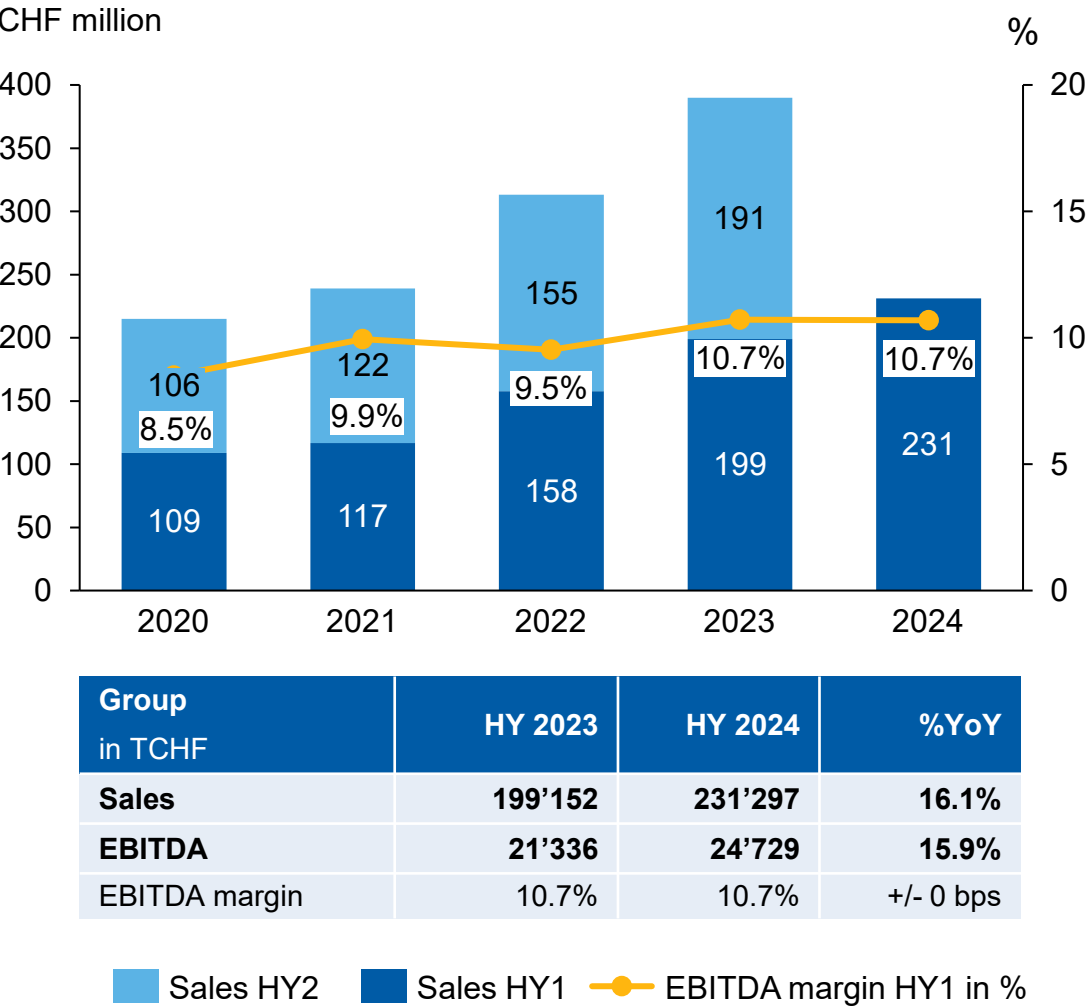
Change in Accounting Principles – Offset Goodwill in Equity

- Cicor changed its accounting policy that goodwill from acquisitions will be offset directly against shareholders' equity at the time of acquisition
- Previously goodwill was capitalized and amortized over its estimated useful life
- This is common standard under Swiss GAAP FER and allows better comparability with other stock quoted entities
- The prior year financial information was restated
- Core results (excluding the amortization of goodwill and intangible assets from acquisitions) will no longer be reported
- The impact of the restatement is shown in the adjacent table

in CHF million	June 2023 (6 months)			December 2023 (12 months)		
	reported	change	restated	reported	change	restated
Goodwill	20.2	-20.2	0.0	16.6	-16.6	0.0
Other intangible assets	35.7	0.0	35.7	31.9	0.0	31.9
Other assets	348.8	0.0	348.8	312.7	0.0	312.7
Total assets	404.7	-20.2	384.5	361.1	-16.6	344.5
Total liabilities	250.9	0.0	250.9	213.0	0.0	213.0
Total equity	153.8	-20.2	133.6	148.1	-16.6	131.5
Total equity and liabilities	404.7	-20.2	384.5	361.1	-16.6	344.5
Net sales	199.2	0.0	199.2	389.9	0.0	389.9
Operating costs	-177.8	0.0	-177.8	-344.8	0.0	-344.8
EBITDA	21.3	0.0	21.3	45.1	0.0	45.1
Depreciation	-5.8	0.0	-5.8	-11.7	0.0	-11.7
Amortization Goodwill	-2.8	2.8	0.0	-5.7	5.7	0.0
Amortization other intangible assets	-2.2	0.0	-2.2	-4.4	0.0	-4.4
Operating profit (EBIT)	10.5	2.8	13.4	23.4	5.7	29.0
Interest and taxes	-5.6	0.0	-5.6	-17.3	0.0	-17.3
Net profit	4.9	2.8	7.7	6.1	5.7	11.8
EBITDA margin	10.7%	0.0%	10.7%	11.6%	0.0%	11.6%
EBIT margin	5.3%	1.4%	6.7%	6.0%	1.5%	7.4%
Net profit margin	2.5%	1.4%	3.9%	1.6%	1.5%	3.0%
Equity Ratio	38.0%	-3.3%	34.8%	41.0%	-2.8%	38.2%
Net debt	-63.0	0.0	-63.0	-43.5	0.0	-43.5
Earnings per share in CHF ¹⁾	1.10	0.64	1.74	1.37	1.28	2.66

1) Earnings per share is calculated considering the 1'267'116 conditional shares that will be created upon conversion of the mandatory convertible notes by January 2027.

Long-term view – Impact of Cicor growth strategy



- Cicor achieves best half-year results ever in terms of Sales and EBITDA, demonstrating the success of its growth strategy
- Strong sales contribution from newly acquired companies
- Organic sales declined by -4.4% due to weak demand caused by economic conditions in the industrial market
- Strong average sales growth over four years (+21.1%) driven by M&A activity (+15.5%) and organic growth (+7.3%), partly offset by unfavorable currency development (-1.6%)

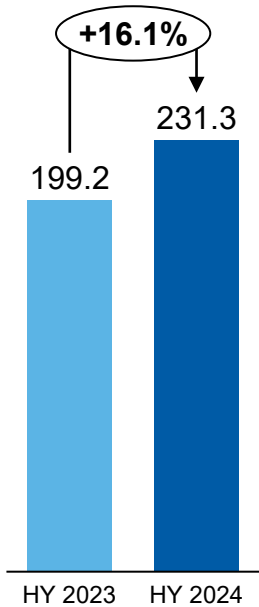
Financial achievements Half-Year 2024

CHF million

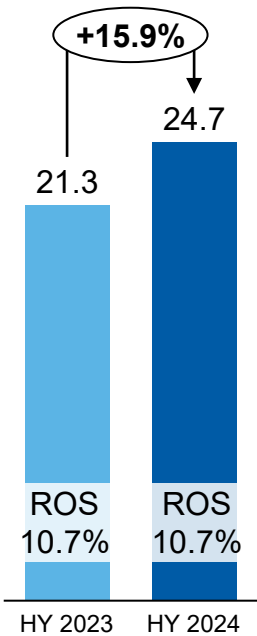
Orders received



Net sales



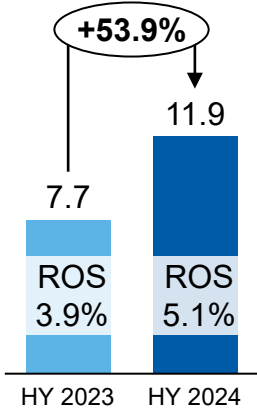
EBITDA



EBIT



Net profit

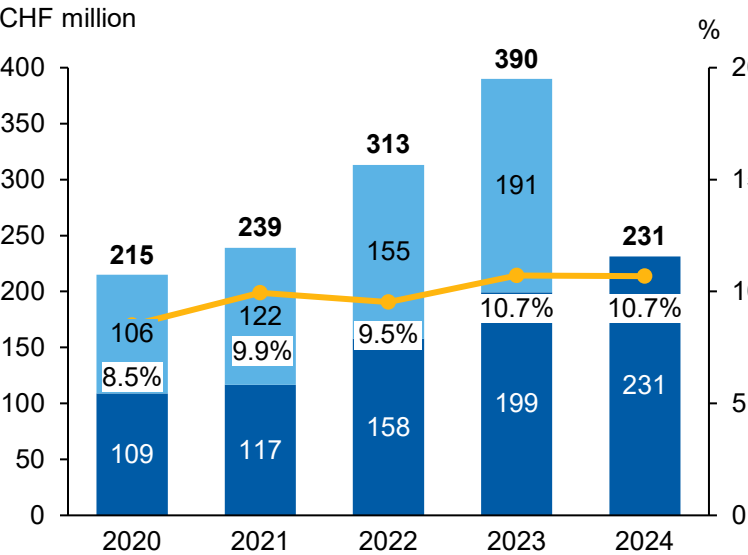


FCF
excl. Acquisition



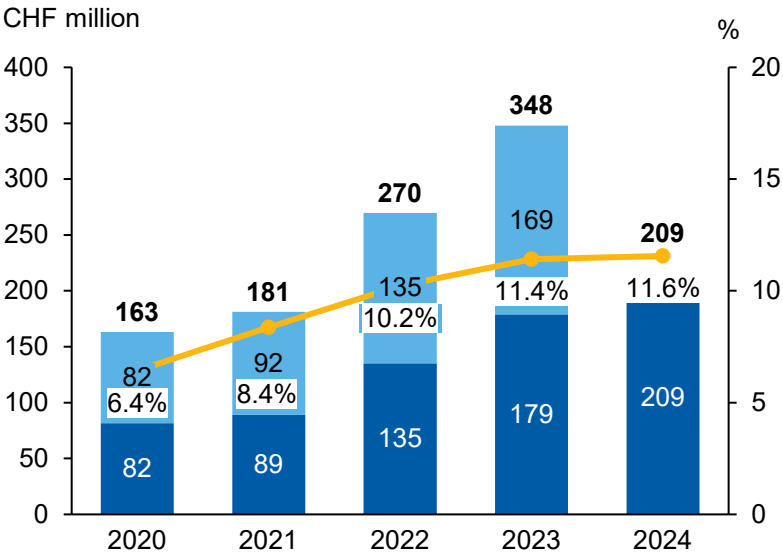
Performance 2020 – 2024

Cicor Group



Group in TCHF	HY 2023	HY 2024	%YoY
Sales	199'152	231'297	16.1%
EBITDA	21'336	24'729	15.9%
EBITDA margin	10.7%	10.7%	+/- 0 bps

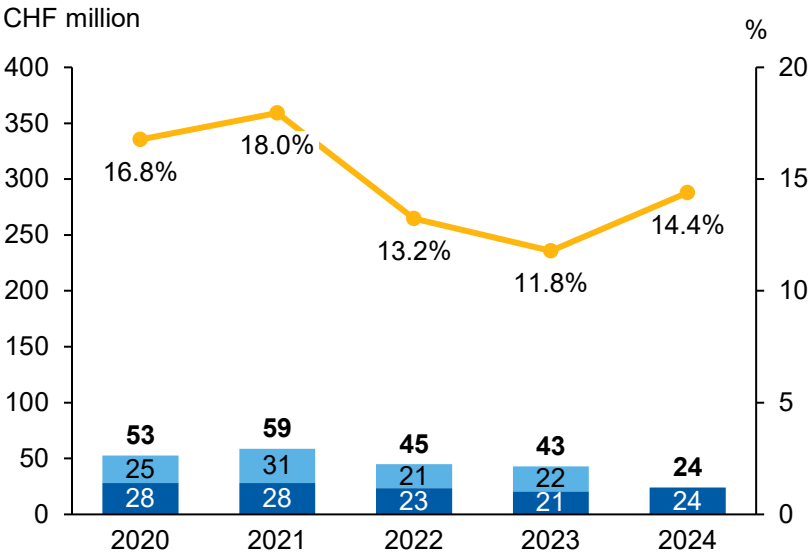
EMS Division



EMS in TCHF	HY 2023	HY 2024	%YoY
Sales	178'997	208'524	16.5%
EBITDA	20'439	24'109	18.0%
EBITDA margin	11.4%	11.6%	+20 bps

90% of Group Sales

AS Division



AS in TCHF	HY 2023	HY 2024	%YoY
Sales	20'638	23'868	15.7%
EBITDA	2'433	3'436	41.2%
EBITDA margin	11.8%	14.4%	+260 bps

10% of Group Sales

■ Sales HY2 ■ Sales HY1 — EBITDA margin HY1 in %

Consolidated Income Statement

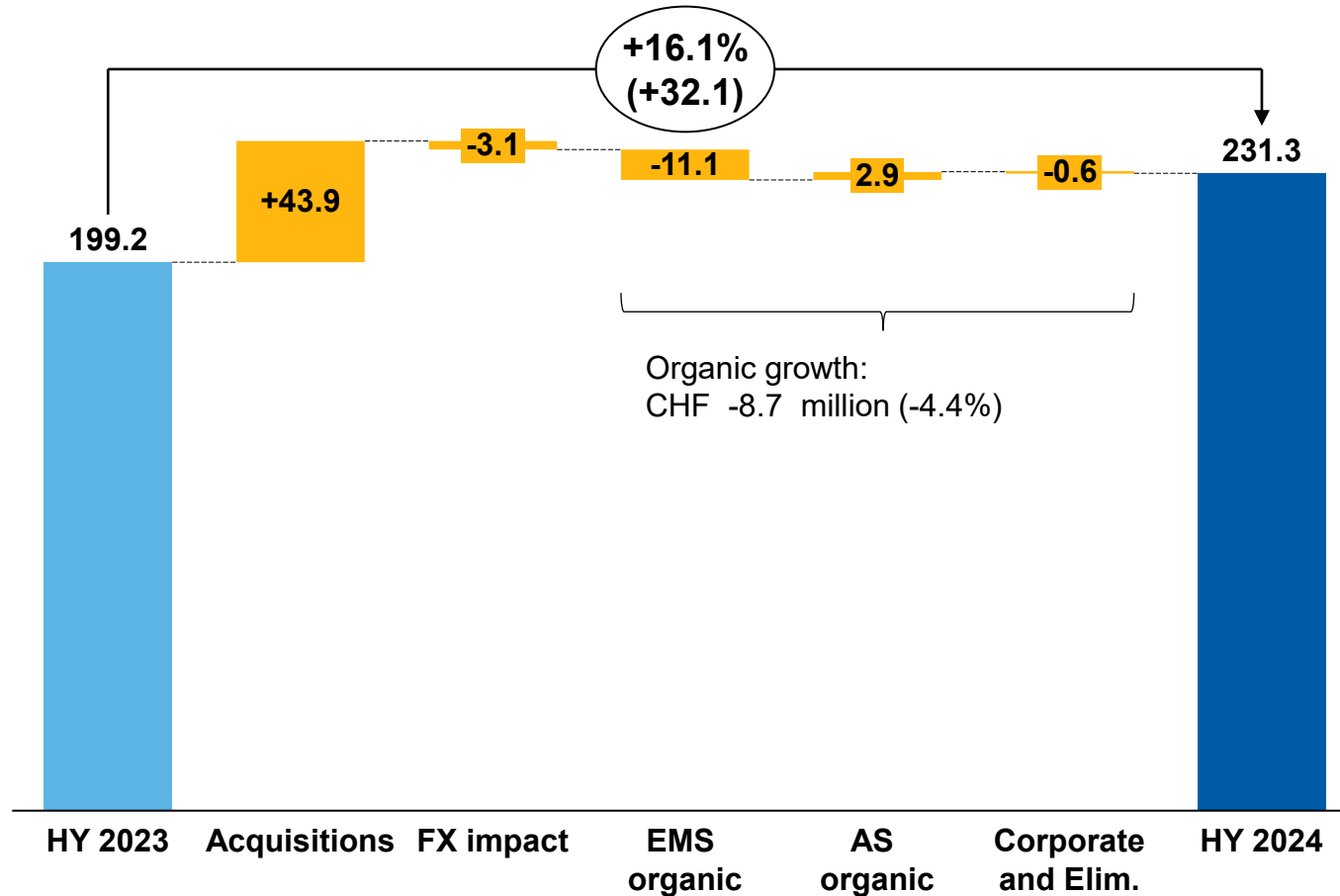
CHF million	HY 2024	in %	HY 2023	in %	%YoY
			<i>restated</i>		
Net sales	231'297	100.0	199'152	100.0	16.1
Material expenses	-119'406	-51.6	-109'443	-55.0	9.1
Operating expenses	-87'162	-37.7	-68'373	-34.3	27.5
EBITDA	24'729	10.7	21'336	10.7	15.9
Depreciation	-6'065	-2.6	-5'765	-2.9	5.2
Amortization	-3'548	-1.5	-2'204	-1.1	61.0
EBIT	15'116	6.5	13'366	6.7	13.1
Financial result	311	0.1	-2'599	-1.3	-112.0
Income taxes	-3'541	-1.5	-3'045	-1.5	16.3
Net profit	11'886	5.1	7'722	3.9	53.9

- Record high in Net sales and EBITDA
- EBITDA margin stable at 10.7% despite negative one-time impacts of CHF 1.7 million (0.8% of Net sales) from PPA step-ups ¹⁾
- The financial result includes FX impacts of CHF +2.8 million (previous period: CHF -1.0 million) due to the weakening of the CHF.
- Improvement in tax rate to 23% (previous period: 28%)

¹⁾ accounting standards require that net assets acquired in a business combination be included in the consolidated balance sheet at fair value rather than at book value.

Sales contribution

CHF million



- Strong contribution from newly acquired companies
- Negative currency impact due to depreciation of GBP, EUR, RON and USD against CHF
- Organic decline in EMS division due to weak demand in the industrial electronics market because of the economic downturn and the postponement of a major Aerospace & Defense (A&D) project.
- Organic growth in AS division from new medical business and increased demand in A&D

Consolidated Balance Sheet

CHF million	Jun 24	in %	Dec 2023	in %
			<i>restated</i>	
Current assets	302'705	72.4	251'896	73.1
Non-current assets	115'288	27.6	92'626	26.9
Total Assets	417'993	100.0	344'522	100.0
Current liabilities	162'552	38.9	114'989	33.4
Non-current liabilities	124'385	29.8	98'044	28.5
Equity	131'056	31.4	131'489	38.2
Total Liabilities and Equity	417'993	100.0	344'522	100.0
Net Debt	79'643		43'484	
Net debt / EBITDA LTM proforma ¹⁾	1.50		0.96	
Equity Ratio	31.4%		38.2%	

- Net debt increased by CHF 36.2 million of which CHF 51.0 million was used for the acquisition of businesses
- Financial leverage of 1.50 in line with strategy and strong FCF generation build a solid foundation for continued in-organic growth
- Solid equity ratio at 31.4%

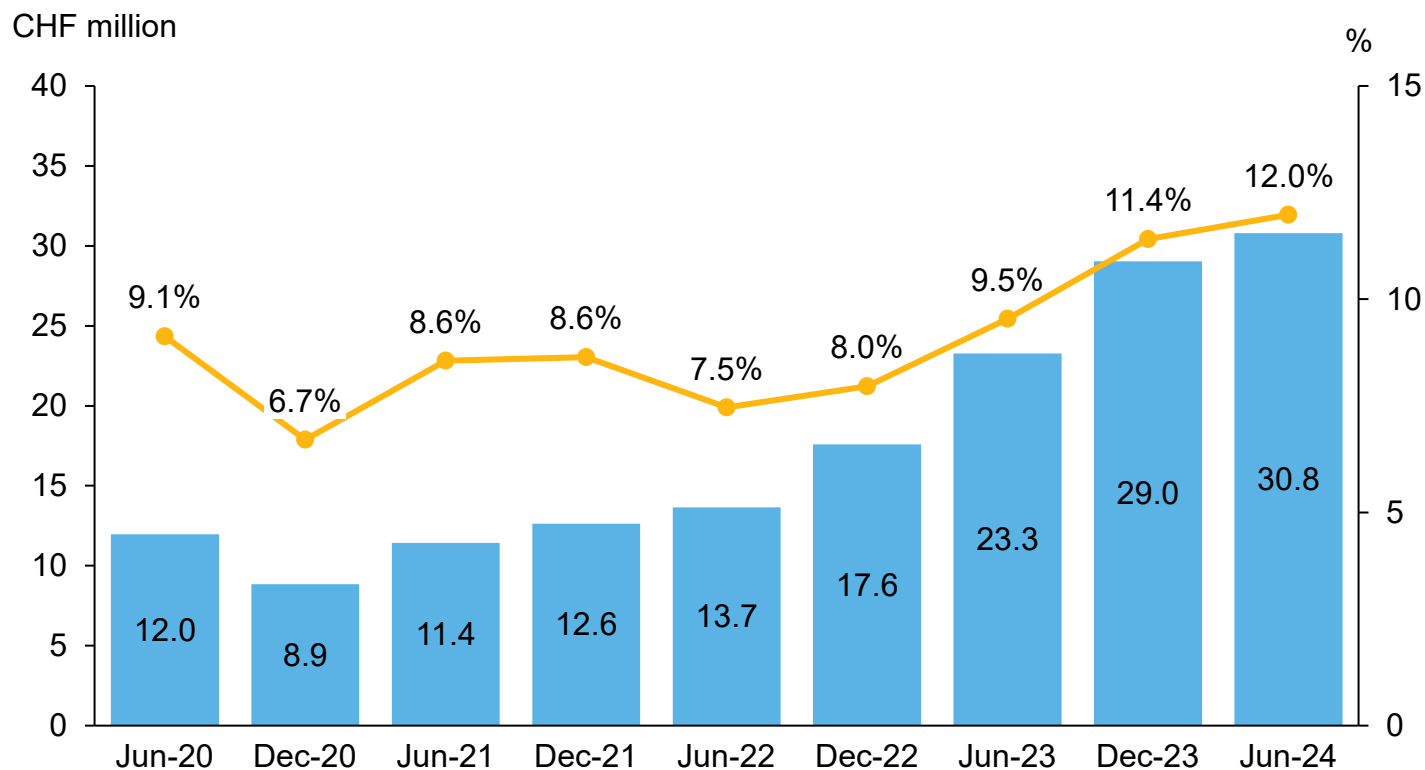
¹⁾ Acquisitions are included for twelve months pro forma as defined in the covenants agreed with the banking syndicate.

Consolidated Cash Flow Statement

CHF million	HY 2024	HY 2023
		<i>restated</i>
Net profit	11'886	7'722
Depreciation, amortization and impairment	9'613	7'969
Other non cash items	-1'519	2'597
Changes in working capital	6'549	-7'421
Net cash from operating activities	26'529	10'868
Purchase of Property, plant and equipment (net)	-5'430	-5'433
Purchase of intangible assets	-20	-204
Acquisition of subsidiaries, net of cash acquired	-51'035	-21'985
Net cash used in investing activities	-56'485	-27'622
Free cash flow	-29'956	-16'754
Free cash flow excl. acquisitions	21'079	5'231
Net cash from financing activities	21'358	5'545
Currency translation effects	1'265	-113
Cash flow	-7'333	-11'322

- Strong cash flow from operating activities driven by strong net income performance and proven working capital management
- Moderate level of CAPEX (2.4% of Net sales)
- Acquisitions of subsidiaries partially funded with operating cash flow

Return on Invested Capital

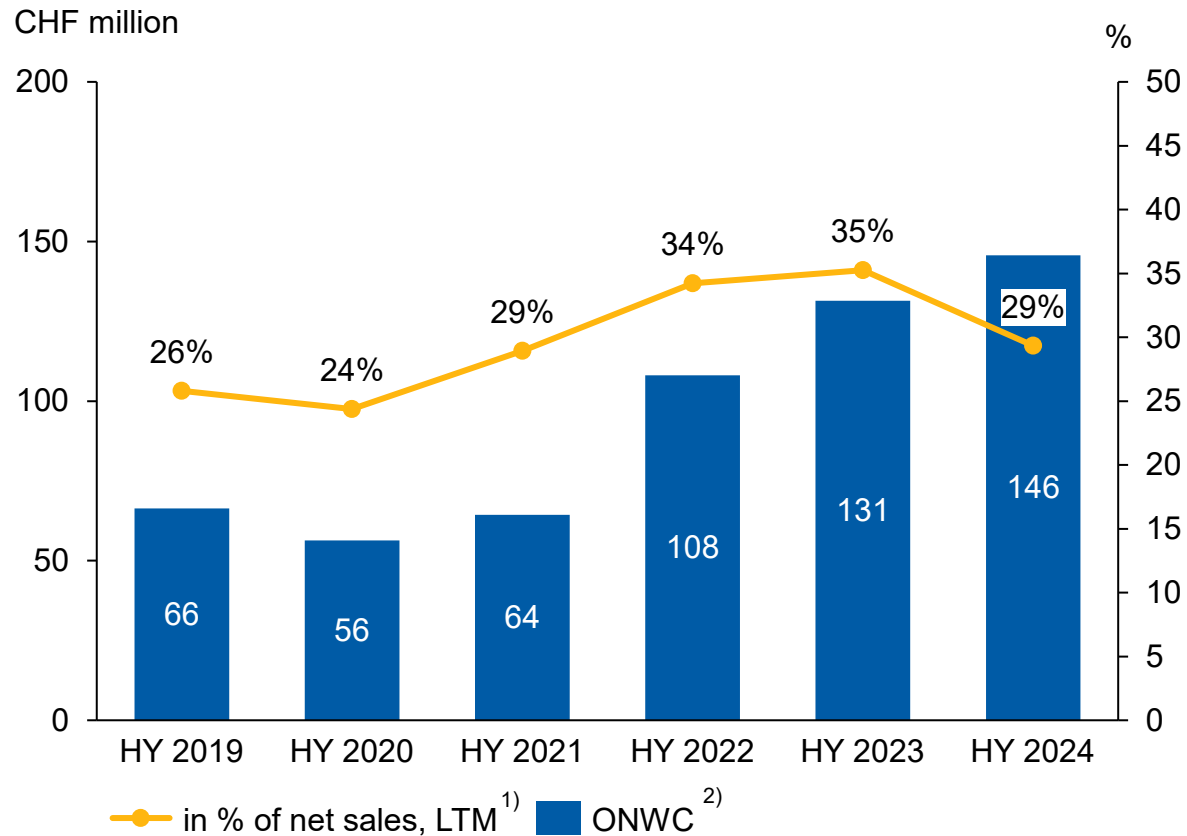


ROIC in % = EBIT / Average Invested Capital (12m rolling)
 Average Net Invested Capital (12m rolling) = Equity plus Financial liabilities

■ 12m rolling EBIT in CHF mio —●— ROIC in %

- ROIC above Cicor's cost of capital
- New ROIC definition in line with the change in accounting for goodwill as disclosed in footnote
- Steady increase in ROIC demonstrates successful execution of Cicor's growth strategy
- Increase in ROIC due to strong EBIT contribution in the last twelve months

Operating Net Working Capital



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

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

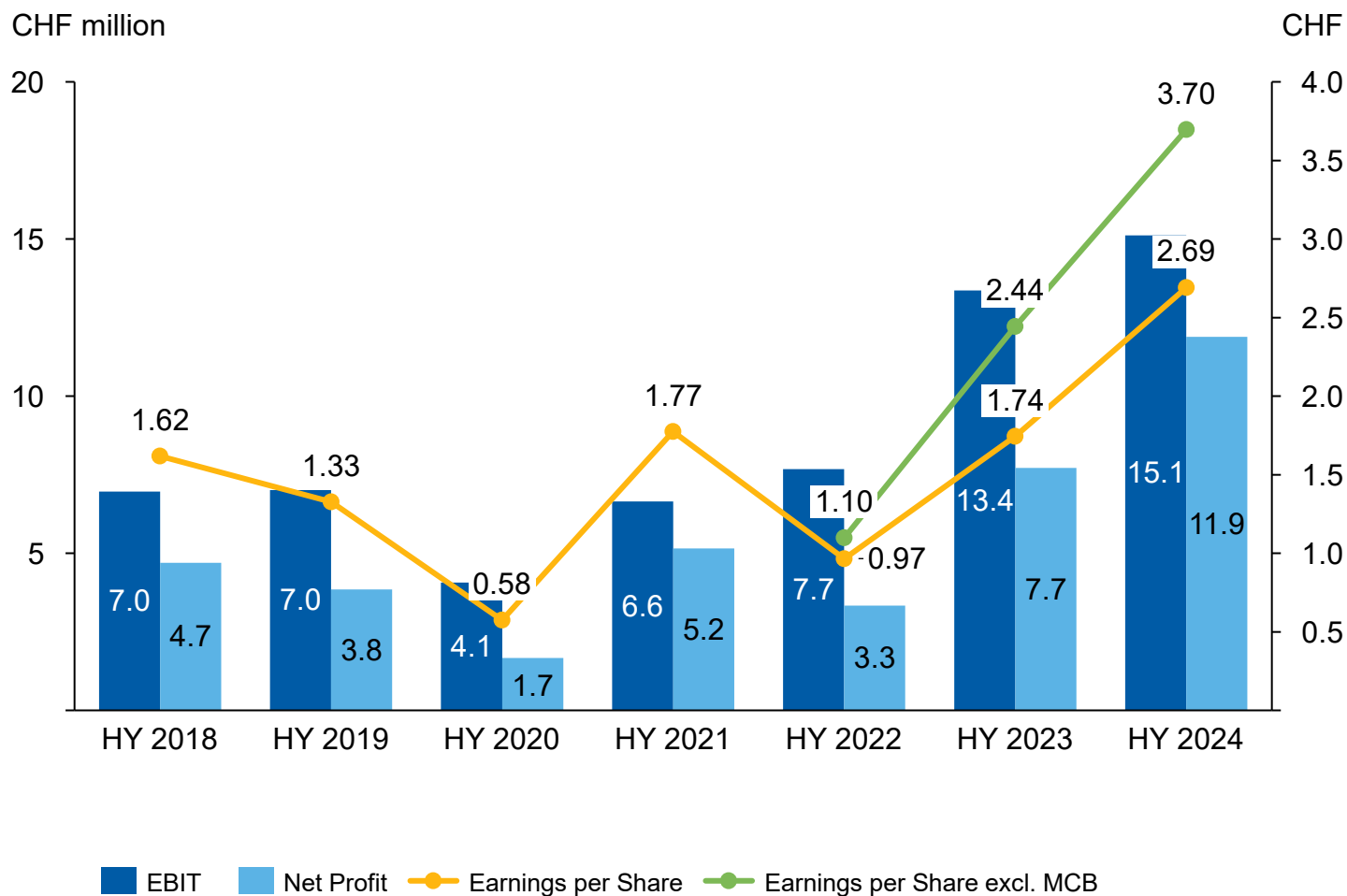
- Absolute increase in ONWC due to acquisitions
- Favorable development in ONWC in % of net sales as a result of improved inventory management (customer funded inventory)

Key Figures per Share

		HY 2024	HY 2023	%YoY
Number of registered shares issued	30.6.	3'478'616	<i>restated</i> 3'411'169	0.0%
Number of Treasury shares	30.6.	-307'929	-251'267	22.6%
Number of outstanding registered shares	30.6.	3'170'687	3'159'902	0.3%
Number of conditional shares for MCN	30.6.	1'199'669	1'267'116	-5.3%
Number of outs. and cond. MCN shares	30.6.	4'370'356	4'427'018	-1.3%
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%
Earnings per share (in CHF)	period	2.69	1.74	54.4%
Share price (in CHF)	30.6.	52.60	43.00	22.3%
Market capitalization (in CHF thousand)	30.6.	229'881	190'362	20.8%

- 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

Three M&A transactions completed in HY 2024

CHF million	HY 2024
Purchase consideration	54'359
Direct costs related to acquisition	2'401
Total purchase considerations	56'759
less: Fair value of net assets acquired	-41'697
Goodwill	15'062
Non-current assets	20'336
Current assets	56'641
Non-current liabilities	-3'139
Current liabilities	-32'141
Total fair value of net assets acquired	41'697
Purchase considerations cash	58'435
less: cash and cash equivalent acquired	-7'400
Cash outflow on acquisition during the year	51'035

STS Defence

- One operating site in Gosport (UK), specialized in engineering solutions for the UK A&D sector
- Closing of the share deal in January 2024 for a consideration of CHF 30.7 million, resulting in a goodwill of CHF 21.3 million

Evolution Medtec

- One operating site in Bucharest (Romania), specialized in engineering solutions for the medical sector
- Closing of the share deal in February 2024 for a consideration of CHF 1.9 million, resulting in a goodwill of CHF 1.3 million

IoT

- Three operating sites in Newport (UK), Hartlepool (UK) and Dongguan (China) serving customers in the A&D and industrial sector
- Closing of the share deal in March 2024 for a consideration of CHF 24.2 million, resulting in negative goodwill of CHF -7.5 million

Alexander Hagemann
Outlook 2024

Continued growth expected in 2024

- Expected increase in order intake and sales in the existing business
- Progress in integrating newly acquired companies
- This leads to a higher guidance than previously communicated (provided there are no significant changes in the economic, geopolitical and financial environment)
- **Expect 2024 sales of CHF 470-510 million**
(previous guidance: CHF 460-500 million)
- **Operating result (EBITDA) forecasted at CHF 50-60 million**
(previous guidance: target range 10-13%)



Agenda 2024

October 15	Business Update Q3/2024
September 18	Investora 2024 in Zurich
September 23	Baader Investment Conference 2024 in Munich
November 25-27	Deutsches Eigenkapitalforum in Frankfurt
December	Cicor Capital Markets Event 2024 in Zurich



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The latest list of analysts covering Cicor is available on our website: <https://www.cicor.com/en/investors/financial-information/analysts/>

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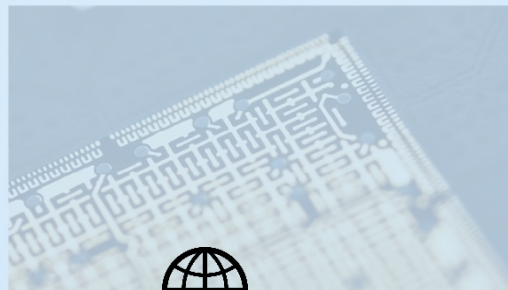


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Thank You



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