

## Report of the Board of Directors of Cicor Technologies Ltd. pursuant to Art. 132 FMIA

The board of directors of Cicor Technologies Ltd (the "**Board of Directors**"), domiciled in Boudry, Switzerland ("**Cicor**" or the "**Company**", and together with its subsidiaries the "**Cicor Group**"), hereby takes its position pursuant to Article 132 para. 1 of the Financial Market Infrastructure Act ("**FMIA**") and Articles 30-32 of the Takeover Ordinance on the public tender offer (the "**Offer**") by OEP 80 B.V., with its registered office in Amsterdam, the Netherlands (the "**Offeror**" or "**OEP**" and together with its ultimate parent company and its subsidiaries the "**Offeror Group**"), for all publicly held registered shares of the Company with a nominal value of CHF 10 each (each share a "**Cicor Share**").

### 1. Recommendation

Based on an in-depth review of the Offer and taking into account the fairness opinion of IFBC AG, Zurich ("**IFBC**"), which forms an integral part of this report, the Board of Directors (excluding Konstantin Ryzhkov, who did not participate in the discussion and the resolution due to a potential conflict of interest, see Section 4.1 below), has unanimously resolved to recommend to the shareholders of Cicor (the "**Cicor Shareholders**") not to accept the Offer. Aside from the reasons given below, the Board of Directors regards the Offer as a technical step resulting from the conversion of the MCNs. That step does not, as stated in the prospectus, aim at taking the Company private. Consequently, the Board of Directors has also refrained from any action that could make the Offer more difficult.

### 2. Rationale

#### 2.1 Offer Price does not reflect the true value of the Company

The price offered by the Offeror is CHF 55.17 net per Cicor Share (the "**Offer Price**").

The Board of Directors is of the opinion that the price offered by the Offeror for the Cicor Share does not reflect the actual value of the Company. Cicor is one of the top performers among EMS companies in Europe, both in terms of EBITDA and revenue growth. Despite a challenging economic environment, Cicor has gained market share.

In recent years, Cicor has focused on the industrial verticals aerospace and defense, industrial and medical. The Company has achieved a leading position in the aerospace and defense sector in the UK and is among the largest four suppliers in the medical sector in Europe. Overall, Cicor is one of the ten leading EMS providers in Europe.

With its Strategy 2028, announced on 5 November 2024, Cicor has set out a clear path to achieve financial targets, including sales exceeding CHF 1 billion and an EBITDA performance of 10-13%. The targets of the previous strategy periods in the 2017-2022 and 2022-2024 plans were fully achieved, giving Cicor a solid track record.

Cicor is developing from a provider of Electronics Manufacturing Services (EMS) into a Contract Development and Manufacturing Organisation (CDMO) in line with Strategy 2028 and thus occupies a unique position among the European EMS companies. The fair associated EBITDA multiple to assess the Enterprise Value is in the range of 9-12 rather than 7-9 as a result of capturing key parts of the value chain, being the leading pan-European provider in its peer group and the growth and profit profile.

Comparisons with competitors and comprehensive analyst reports prepared before the announcement of the Strategy 2028 put the value of the share at CHF 70-75. Taking into account the reasons mentioned above, the Board of Directors considers the value per Cicor Share as determined by IFBC to be an appropriate offer price per Cicor Share.

The Board of Directors has mandated IFBC AG, Zurich (**IFBC**) to render a fairness opinion to assess the appropriateness of the Offer Price from a financial perspective. In its fairness opinion dated 12 December 2024, IFBC determined, as of the valuation date of 6 December 2024 and applying the discounted cash flow (DCF) method as the primary valuation method, a valuation range of CHF 92.02 to CHF 121.45 and, subject to the assumptions made in its fairness

opinion, concluded that the Offer Price of CHF 55.17 net per Cicor Share in cash offered by OEP is not appropriate from a financial perspective. The application of the market method leads to a valuation range of the Cicor Share from CHF 58.87 to CHF 78.79 for the trading multiples and from CHF 54.62 to CHF 129.38 for the transaction multiples and supports the conclusion based on the DCF method that the Offer Price does not adequately reflect the value of the Cicor Shares.

In its fairness opinion, IFBC stated, among other things, that the Offer Price corresponds to a mere 52.2% of the fair price, as determined by the DCF valuation (CHF 105.67), and is considerably below the value range derived from the sensitivity analysis. Moreover, the Offer Price is below the value range resulting from the application of trading multiples and corresponds to a mere 77.5% of the average of the median values of the trading multiples. Furthermore, the Offer Price is significantly below the value range of the transaction multiples valuation.

The fairness opinion can be ordered free of charge in German, French and English from Cicor Technologies Ltd (Email to: [investor@cicor.com](mailto:investor@cicor.com); post to: Cicor Technologies Ltd, c/o Cicor Management AG, Gebenloostrasse 15, CH-9552 Bronschhofen; Tel: +41 71 913 73 00) and can be downloaded under <https://cicor.com/oeptenderoffer>.

Even measured against the current stock market price, the Offer Price offered by OEP does not correspond to the actual value and potential of Cicor. Not only is the Offer Price significantly below the valuation range of CHF 92.02 to CHF 121.45 per Cicor Share determined by IFBC, but also below the stock exchange price on all days since the pre-announcement of the Offer.

The Offer Price corresponds exactly to the volume-weighted average price of trades in Cicor Shares at the SIX over the previous sixty (60) SIX trading days prior to the publication of the pre-announcement of the Offer (CHF 55.17), and implies a discount of approximately -7.12% over the closing price of the last trading day prior to the publication of the pre-announcement of the Offer (CHF 59.40). In contrast, market premiums to the share price are considerably higher in public tender offers aiming at acquiring all shares.

The inadequately low Offer Price is explained by the fact that, as expressly stated in the Offer Prospectus, OEP does not intend to completely take over the Company and does not intend that as many Cicor Shareholders as possible tender their Cicor Shares into the Offer of OEP. Rather, OEP is making the Offer in order to comply with its statutory obligation to make an offer, which arises as a result of the threshold of 33 1/3% of the voting rights in Cicor being exceeded as a result of the (early) conversion of its mandatory convertible notes ("**MCNs**").

A tender at the Offer Price of CHF 55.17 could prevent the public shareholders of the Company from participating in the potential increase of the Cicor Share price. The independent committee of the Board of Directors reaches the conclusion that the Offer Price does not adequately reflect the potential for growth in value of the Cicor Shares. As of 6 December 2024, the closing price of the Cicor Shares on the SIX Swiss Exchange was CHF 59.40. The Offer Price is therefore lower than this closing price.

Based on these considerations and the result of the fairness opinion, the Board of Directors considers the Offer Price to be too low for a recommendation to the Cicor Shareholders to accept the Offer.

## 2.2 Compliance with the minimum price provisions

In accordance with corporate and takeover law, the Board of Directors of Cicor is responsible for safeguarding the interests of public shareholders. In this regard, the Board of Directors must ensure, in particular, that the Offer Price complies with the statutory provisions on the minimum price.

The price offered by OEP per Cicor Share is CHF 55.17. In accordance with the statutory minimum price rule, the price offered in the public tender offer must be at least equal to the volume-weighted average price of stock exchange trades over the past 60 days prior to the publication of the pre-announcement of the Offer (the "**Stock Exchange Price**") or the highest price paid by the Offeror and persons acting in concert with the Offeror for the Company's equity

securities in the past twelve months (the "**Previous Acquisition Price**"). The applicable minimum price is the higher of the two reference figures, i.e. the Stock Exchange Price or, alternatively, the highest Previous Acquisition Price. The Offeror bases the Offer Price on the first of these two reference values, given that neither the Offeror nor any person acting in concert with the Offeror has acquired any equity securities of the Company in the last twelve months prior to the publication of the pre-announcement of the Offer. In particular, the (early) conversion of the Offeror's mandatory convertible bond into 1,016,105 Cicor Shares on 29 November 2024 does not constitute an acquisition within the meaning of the statutory minimum price rule.

As the monthly median of the daily trading volume of stock exchange transactions in the Cicor Shares in ten out of twelve full months prior to the Offer was greater than 0.04% of the tradable portion of the equity security (*free float*), the Cicor Shares are considered liquid within the meaning of TOB Circular No. 2: Liquidity in the context of takeover law of 26 February 2010, and the Offeror has therefore permissibly based the calculation of the minimum price on the Stock Exchange Price.

In the absence of any notable dilutive occurrences within the twelve months preceding the Offer, there is no requirement to make any adjustments to the Stock Exchange Price.

### 2.3 Creation of liquidity and lack of future liquidity

It is important to note that, despite the inadequately low Offer Price, the Offer does facilitate the creation of liquidity that would otherwise be challenging to achieve in the market. Consequently, it may prove challenging for Cicor Shareholders with significant holdings to sell their Cicor Shares on the market within a relatively short timeframe. This may be a compelling reason for a Cicor Shareholder to accept the Offer.

In this regard, it should also be noted that it cannot be ruled out that OEP will acquire further Cicor Shares on the market and thus gradually eliminate the free float. This may also result in the Cicor Shareholders ultimately being excluded from the Company without participating in the aforementioned upside. The Board of Directors is of the opinion that this risk is low, as it cannot be in OEP's interest to invest its financial resources in measures that do not lead to the growth of the Company and preclude the possibility of an exit via the capital market. This is all the more true as private equity funds generally have a limited investment horizon. Nevertheless, such a scenario cannot be completely ruled out and must be explained to Cicor Shareholders.

### 2.4 No delisting and request for cancellation of shares

According to the Offer Prospectus, OEP, respectively the Offeror Group do not intend to delist the Cicor Shares. The present Offer at the minimum price is made solely in fulfilment of the Offeror's statutory obligation to make an offer for all listed equity securities of the Company, which results from exceeding the 33 1/3% threshold of the voting rights of Cicor due to the conversion of its mandatory convertible notes (the "**MCNs**") into 1,016,105 Cicor Shares on 29 November 2024.

The Offeror Group does not intend to take full control of the Company nor does it intend to delist the Company from the stock exchange. In the unlikely event that, following completion of the Offer, OEP should hold more than 98% of the voting rights in Cicor, the Offeror will, in accordance with the Offer Prospectus, apply for the cancellation of the remaining publicly held Cicor Shares pursuant to Art. 137 FMIA. However, this scenario is by no means the intention of the Offeror.

### 2.5 Strategic orientation

Pursuant to the Offer Prospectus, OEP, respectively the Offeror Group do not intend to change the strategic orientation of Cicor or the composition of the Board of Directors or the group management. The Committee (as defined below) notes that the Offeror Group is of the opinion that its stake of more than 33 1/3% in Cicor provides additional flexibility to implement measures to optimize Cicor's capital structure.

## 2.6 Conclusion

Based on the considerations summarized above, the Committee of the Board of Directors unanimously recommends to the Cicor Shareholders not to tender their Cicor Shares to the Offer.

## 3. Agreements

Cicor has not entered into any agreements with the Offeror Group with respect to and in connection with the Offer.

## 4. Possible conflicts of interest of the members of the Board of Directors

### 4.1 Board of Directors

The Board of Directors consists of the following persons:

- Daniel Frutig, Chair of the Board of Directors;
- Norma Catherine Corio,
- Denise Koopmans; and
- Konstantin Ryzhkov.

Until August 2022, Norma Catherine Corio was a Senior Managing Director and member of the investment committee at One Equity Partners, a US private equity firm that is part of the Offeror Group. In addition to her position as a member of the Board of Directors of Cicor, Norma Catherine Corio is also a member of the Board of Directors of the OEP portfolio companies Omni Environmental Solutions and Wood Technologies International. Although the aforementioned OEP portfolio companies have significant business relationships with the ultimate parent company of the Offeror and thus with a person acting in concert with the Offeror, the Board of Directors is of the opinion that Ms. Corio does not have a conflict of interest in relation to the Offer. On the one hand, there has been no direct employment relationship between Norma Catherine Corio and any Offeror Group company since her departure from One Equity Partners in 2022 at the latest, and on the other hand there is no economic dependence on any entity of the Offeror Group. Moreover, any potential conflict of interest of Ms. Corio, if any, would not be to the detriment of the recipients of the Offer, as the Board of Directors bases its assessment of the Offer on a Fairness Opinion.

Konstantin Ryzhkov is a member of the Board of Directors of Cicor and has also been a partner at One Equity Partners since 2017. As a partner, Konstantin Ryzhkov participates directly in the commercial success of One Equity Partners. In his leading position at One Equity Partners, Konstantin Ryzhkov was also instrumental in One Equity Partners' strategic investment in Cicor in 2021. Due to Konstantin Ryzhkov's material business relationship with the Offeror and the Offeror Group, respectively, he has a potential conflict of interest in relation to the Offer. Konstantin Ryzhkov did not participate in the deliberations and decisions of the Board of Directors in connection with the Offeror's public tender offer due to his business relationship with the Offeror Group.

Daniel Frutig and Denise Koopmans have no contractual or other relationship with the Offeror or any person acting in concert with the Offeror. Although Daniel Frutig and Denise Koopmans were (also) elected to the Board of Directors by the votes of the Offeror as anchor shareholder of Cicor, they have no conflict of interest in relation to the Offer as their election and annual re-election was proposed by the entire Board of Directors (and not only by the Offeror).

In order to address potential conflicts of interest, the Board of Directors commissioned IFBC AG to prepare a fairness opinion (see Section 2.1 above). In addition, on 26 September 2024 the Board of Directors formed an independent committee consisting of the independent members of the Board of Directors Daniel Frutig, Norma Catherine Corio and Denise Koopmans (the "**Committee**"). The Committee was charged with, among other things, overseeing the

Transaction on behalf of the Company, reviewing the terms of the Transaction, preparing the directors' report and approving announcements in connection with the Offer.

Except as set out above or elsewhere in this report (including this Section **Error! Reference source not found.**) no member of the Board of Directors (i) has entered into any relevant contractual arrangements or other relationships with the Offeror or any person acting in concert with the Offeror, or (ii) exercises its mandate on the Board of Directors in accordance with the instructions of the Offeror or a person acting in concert with the Offeror. In addition, the independent members of the Board of Directors (with the exception of Norma Catherine Corio) are not employees or members of the governing bodies of (i) a company controlled by the Offeror or by a person acting in concert with the Offeror, or (ii) a company which has significant business relations with the Offeror or a person acting in concert with the Offeror.

The Board of Directors has taken note of the fact that the mandates of all members of the Board of Directors of Cicor shall be continued on the existing terms after the settlement of this Offer. Furthermore, there are no agreements with severance payments of any kind within the Company.

## 4.2 Management

The management of Cicor (the "**Management**") consists of the following persons:

- Alexander Hagemann, Chief Executive Officer;
- Peter Neumann, Chief Financial Officer; and
- Marco Kechele, Executive Vice President of Operations.

No member of the Management has entered into any contractual or other agreement with the Offeror or any person acting in concert with the Offeror (with the exception of the OEP financed management incentive plan for the members of the Management, as disclosed in the Annual Report and referred to below), and there is currently no intention to enter into any further such agreements or relationships. The members of the Management are neither employees nor members of a body of the Offeror or of a person acting in concert with the Offeror or of companies that maintain significant business relationships with the Offeror or a person acting in concert with the Offeror.

## 5. Financial consequences of the Offer for the members of the Board of directors and the Management

### 5.1 Remuneration of members of the Board of Directors and employee participation plans

The members of the Board of Directors receive a fixed remuneration for their work as members of the Board of Directors, which is composed of both cash and restricted share units (**RSUs**). One RSU entitles the beneficiary to receive one Cicor Share. In addition, the members of the Board of Directors receive a cash fee for serving on the Company's committees.

The cash remuneration is paid to the members of the Board of Directors on a quarterly basis.

The allocation of the RSUs to the members of the Board of Directors, which represents their entitlement to receive Cicor Shares, occurs at the commencement of their term of office, typically on the first trading day following the annual general meeting, which marks the beginning of their term of office. The number of RSUs granted to the members of the Board of Directors is determined by dividing the amount of the respective gross remuneration by the average closing price of the Cicor Share in the last ten trading days immediately prior to the annual general meeting. The RSUs granted to members of the Board of Directors are settled in Cicor Shares following the end of their term of office, and are usually transferred to the beneficiaries on the first trading day following the annual general meeting, which marks the end of their term of office. The Cicor Shares are then subject to a three-year blocking period during which they may not be sold or otherwise disposed of.

Neither the cash component of the remuneration of the Board of directors nor the share-based component of the remuneration in the form of RSUs were modified as part of the Offer.

At the time of this report, the members of the Board of Directors hold the following number of Cicor Shares and entitlements to Cicor Shares in the form of RSUs:

	<b>Cicor Shares</b>	<b>RSUs</b>
Daniel Frutig	7,039	1,962
Norma Catherine Corio*	493	785
Denise Koopmans	900	785
Konstantin Ryzhkov*	-	-

\*Norma Corio and Konstantin Ryzhkov waived their remuneration for the 2022/2023 term of office. In addition, Konstantin Ryzhkov waived his remuneration for the 2023/2024 term of office.

Apart from their capacity as Cicor Shareholders, the Offer has no financial impact on the members of the Board of Directors.

## 5.2 Management

In addition to their fixed basic remuneration, the members of the Management receive a variable bonus, the amount of which depends on the achievement of certain financial and individual targets under a Short Term Incentive Plan (**STIP**). The remuneration committee determines whether and to what extent the targets under the STIP have been achieved, confirms the maximum amount of bonuses to be paid out under the STIP and makes a recommendation to the Board of Directors who makes the final decision on the bonus payment to the members of the Management.

Furthermore, all members of the Management participate in two long-term employee participation programs.

Under the Performance Share Plan (**PSP**), which came into effect on 1 January 2022, selected members of the Cicor global management (including the Management and ca. 50 key managers worldwide) are granted Performance Share Units (**PSUs**), usually on 1 January of each year, which entitle them to receive Cicor Shares free of charge at the end of the three-year performance period (**Performance Period**). Each vested PSU entitles the participant to receive one Cicor Share, which, in accordance with the provisions of the PSP, is transferred to the participant's individual securities account on the designated share delivery date. The number of vested PSUs at the conclusion of the three-year Performance Period, and thus the number of Cicor Shares to be transferred to members of the Management, is contingent upon the extent to which the performance conditions delineated in the PSP are met during the three years of the Performance Period. Therefore, there may be discrepancies between the number of PSUs granted and the number of vested PSUs.

Under the Performance Stock Option Plan (**PSOP**), which also came into force on 1 January 2022, the members of the Management are granted Performance Stock Options (**PSOs**), usually on 1 January of each year. These entitle the participants to purchase Cicor Shares at the end of a three-year Performance Period. Each vested PSO entitles the beneficiaries to acquire one Cicor Share in return for payment of the predetermined exercise price. The nomination and compensation committee of the Board of Directors, in collaboration with Obermatt AG, the entity entrusted with the administration of the long-term incentive plans, assesses the extent to which the PSOs granted to members of the Management have vested at the end of the Performance Period, based on the achievement of the performance conditions set forth in the PSOP. In this respect, the number of actually vested PSOs can differ from the number of PSOs originally granted to the members of the Management.

At the time of publication of this report, the PSUs and PSOs granted to the members of the Management in 2022 have not yet vested, as the three-year Performance Period for these PSUs and PSOs does not conclude until 31 December 2024. Due to the strong performance of Cicor in the years since 2022 and the (over-)fulfillment of the performance criteria stipulated in the PSUP it is expected that the PSU plans 2022-2024 and 2023-2025 will at least partially

vest. No statement can be made in this report as to whether and to what extent the members of the Management are entitled to receive or purchase Cicor Shares under the PSOP.

The number of Cicor Shares held by the members of the Management at the date of this report is shown in the table below:

	<b>Cicor Shares</b>	<b>Blocked PSUs</b>	<b>Blocked PSOs</b>
Alexander Hagemann	13,997	9,611	35,282
Peter Neumann	1,000	4,920	18,177
Marco Kechele	-	3,961	14,653

In the event that, following the settlement of the Offer, the Offeror acquires more than 50% of the voting rights in Cicor, this would constitute a change of control within the meaning of the PSP and the PSOP. Consequently, the legal effects described in section 18 of the PSP and section 18 of the PSOP, respectively, would be triggered. In the event of a change of control, the PSOs and PSUs granted to members of the Management will vest with effect as from the effective date of the change of control. The number of vested PSOs and PSUs will be calculated on a *pro rata temporis* basis, taking into account the shortened Performance Period. As the Board of Directors considers the possibility of a change of control not entirely implausible, it has, by resolution of 4 November 2024, incorporated a provision into the PSP and PSOP, according to which the legal consequences delineated in section 18 of the PSP and section 18 of the PSOP, respectively, shall not apply in the event that the change of control occurs as a consequence of the settlement of this Offer, unless the Offer or other circumstances at a later date result in the Offeror's participation being 90% or more, in which case all entitlement to the delivery of Cicor Shares which are outstanding on the effective date of the change of control shall be converted into entitlements to receive cash settlements.

Apart from their capacity as Cicor Shareholders and the possible consequences described above, which are averted by the adjustment of the PSP and the PSOP, the Offer has no financial impact on the members of the Management.

The Management Incentive Plan (**MIP**) described in the annual report, which is financed exclusively by OEP but administered by the Board of Directors, remains unaffected by the Offer. Under the MIP, members of the Management who participate in the two employee participation programs have the opportunity to acquire Share Appreciation Rights (**SARs**) at CHF 1.00 per SAR. Upon OEP's complete exit, a SAR pays the difference between the weighted average exit price received by OEP per Cicor Share and the reference share price, which is set at CHF 60.00 per Share, less the costs incurred by OEP to maintain the MIP.

### 5.3 Compensation and benefits

Apart from the remuneration described above, the members of the Board of Directors and the Management do not receive any remuneration or benefits in connection with the Offer.

## 6. Intentions of Cicor's major shareholders

To the knowledge of the Board of Directors, the following shareholders hold more than 3% of the voting rights of Cicor at the time of publication of this report (taking into account the MCNs already converted by the date of this report):

<b>Beneficial owner</b>	<b>Direct shareholders</b>	<b>Participation*</b>
OEP VIII GP, L.L.C.	OEP 80 B.V.	41.01%
Cicor Technologies Ltd.		-
LLB Swiss Investment AG		4.09%

\*based on the number of Cicor Shares as registered in the Commercial Register on 11 December 2024.

OEP will not tender their Cicor Shares into the Offer. The intentions of the other shareholders are not known to the Board of Directors. The treasury shares held by Cicor do not confer any voting rights.

As of the date of this report, 54,805 MCNs out of a total of 60,188 issued MCNs have already been converted (including the MCNs of the Offeror). This has resulted in the Company issuing a total of 1,153,777 new Cicor Shares from its conditional capital. As of the date of this report, of the 1,153,777 newly issued Cicor Shares, 10,609 Cicor Shares have not yet been registered with the commercial register.

Accordingly, the effectively issued share capital of the Company as of 11 December 2024 amounted to CHF 45,649,460.00, divided into 4,564,946 Cicor Shares.

Following the registration of the 10,609 newly issued Cicor Shares with the commercial register, the Offeror will hold 40.92% and LLB Swiss Investment AG will hold 4.08% of the voting rights in Cicor, based on a total number of 4,564,946 Cicor Shares effectively issued.

## 7. Defensive measures pursuant to Art. 132 para. 2 FMIA

The Board of Directors has not taken any defensive measures against the Offer and does not intend to take any defensive measures in the future or to propose the adoption of any such measures at an annual general meeting or an extraordinary general meeting.

## 8. Financial reporting, information on significant changes in the net assets, financial position and results of operations and business prospects

Cicor's consolidated annual financial statements as of 31 December 2023 and the consolidated half-year report as of 30 June 2024 can be viewed on Cicor's website (<https://www.cicor.com/de/investoren/berichte/>). Furthermore, the supplementary business update published by Cicor for the third quarter of 2024 can be viewed on the aforementioned website.

Except for the transaction underlying this report and except as disclosed prior to or on the date of this report (including in this report), the Board of Directors is not aware of any material changes in Cicor's net assets, financial condition, results of operations or business prospects since 30 June 2024 that could affect the decision of the Cicor Shareholders regarding the Offer.

Boudry, 11 December 2024

For the Board of Directors of Cicor

Daniel Frutig, Norma Catherine Corio and Denise Koopmans