



Annual Results 2019

12 March 2020

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cicor

Disclaimer

12 March 2020



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Alexander Hagemann

The Cicor Group

The Cicor Group

At a glance



- The Swiss leader in design and manufacturing of advanced electronics
- Unique capabilities that enable miniaturization, medical innovation, wireless and IoT
- Serving customers in growth markets
- Established 1966, listed at SIX Swiss Exchange since 1998
- 2,036 employees worldwide at 10 operating sites in Europe and Asia

Medical



Industrial



Aerospace/Defense



Leading capabilities for advanced electronics

An unparalleled offering of products and services



AMS Division

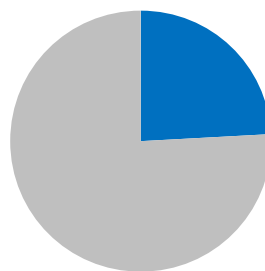


Advanced Microelectronics and Substrates

The strongest platform in the industry for high precision electronic substrates and microelectronics:

- Thin film and thick film substrates
- High density printed circuit boards (PCB)
- Semiconductor packaging and assembly

Share of Sales



EBITDA Margin

16.9%

ES Division

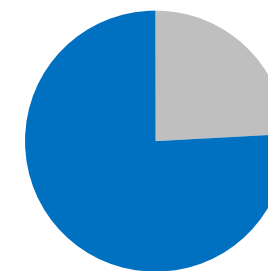


Electronic Solutions

Realization of advanced electronic devices along the product lifecycle:

- Engineering – from concept to mass production
- Assembly services
- Supply chain integration through high precision plastic injection molding and toolmaking

Share of Sales

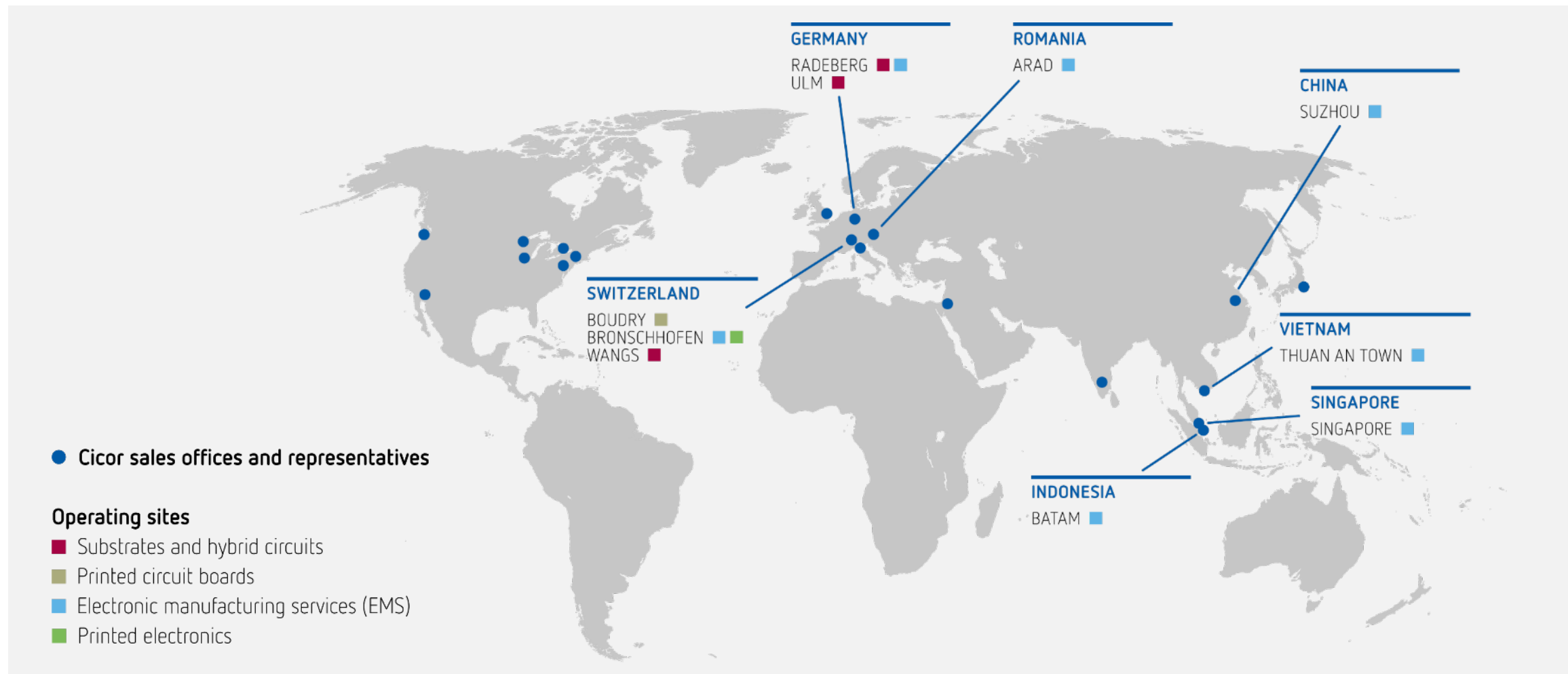



EBITDA Margin

8.1%

Global footprint

High tech and competitiveness - close to the customer



A woman wearing a white hijab and a blue lab coat with white sleeves is operating a large, white industrial machine. She is looking down at a blue-lit surface on the machine. The machine has a large, flat top surface with various components and a blue light emanating from it. The background is a plain, light-colored wall.

Alexander Hagemann

Cicor in 2019

Annual Report 2019 – Cover story

High-precision plastic parts from Southeast Asia



With a population of 265 million, Indonesia is the fourth most populous country in the world and by far the largest economy in Southeast Asia. Economic growth has recently been close to 5.2 percent. The production site for assembly and precision plastic injection molding in Batam was founded in 2000 and employs around 670 people today.

«The Asian sites of Cicor were further strengthened in 2019 through targeted investments and optimizations.»

Electronic supply chains are changing

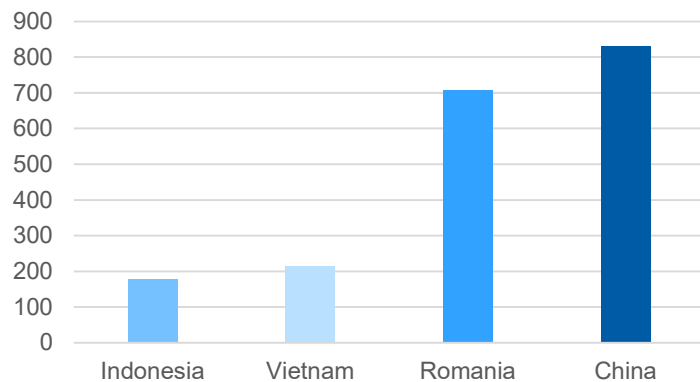
Cicor benefits from trends that are expected to last



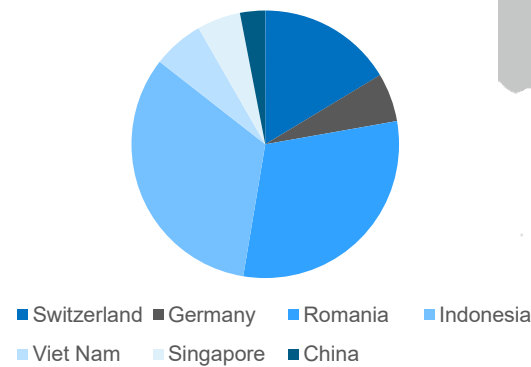
- **Nearshoring:** To move production closer to market in order to reduce transit times, transportation cost and carbon footprint
- **China + 1 Strategy:** To move a portion of production outside China to reduce risks on cost, tariffs and business continuity



Comparison of labor cost in CHF



Employees per country



Source: ILO Global Wage Report 2018/2019

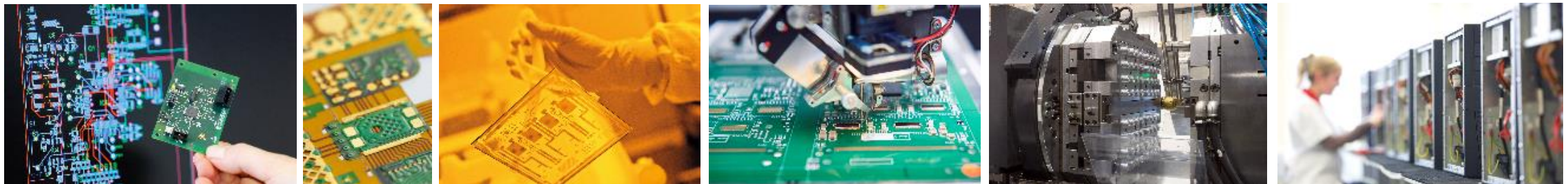
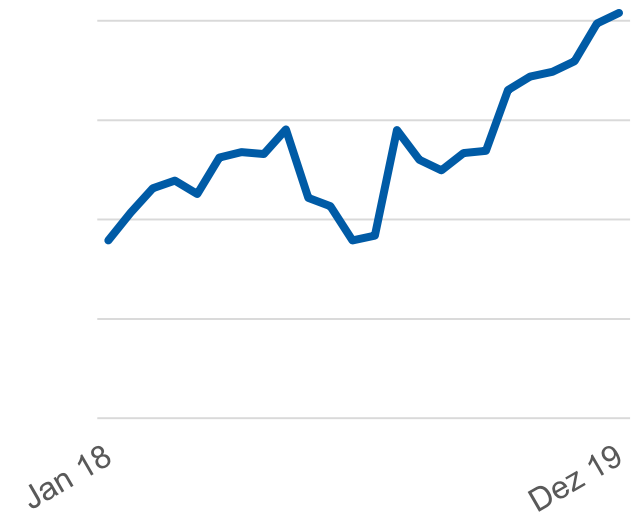
Preferred partner for high-tech applications

Further strengthening of capabilities in 2019



- Unique platform for high performance electronics
 - Miniaturized PCB and thin-film substrates
 - Printed Electronics (Aerosol Jet Printing)
 - Full solution provider: From high-end substrates and precision parts to microelectronic assemblies
- Project win for a new drug delivery system that can lead to double-digit million CHF annual revenues from 2022
- High single-digit number of major programs with production ramp-up in 2020

New business pipeline



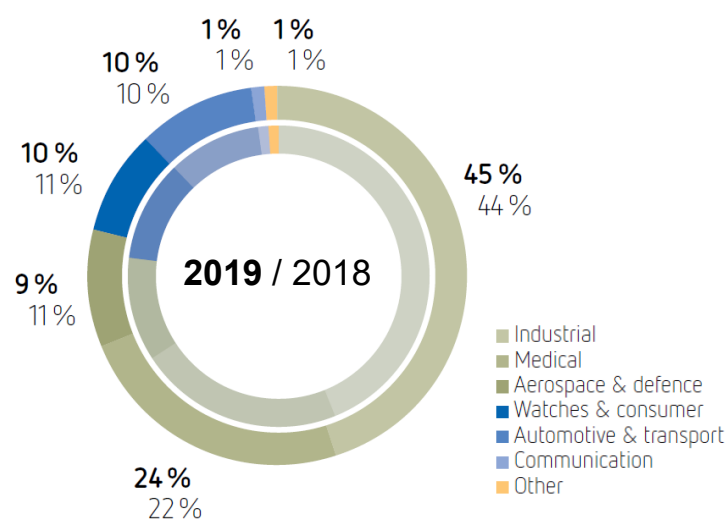
Cicor in 2019



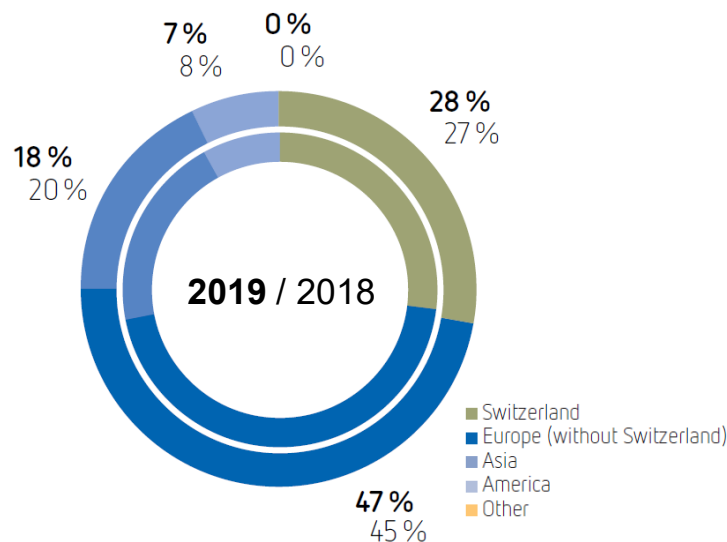
Continued growth in an overall declining business environment

- Sales growth of 2.3% to CHF 253.9 million – 4.2% growth in local currencies
- Sales to medical device manufacturers advanced 11%
- Strong performance of Swiss and European home markets
- Switzerland remains an important location for high-tech products

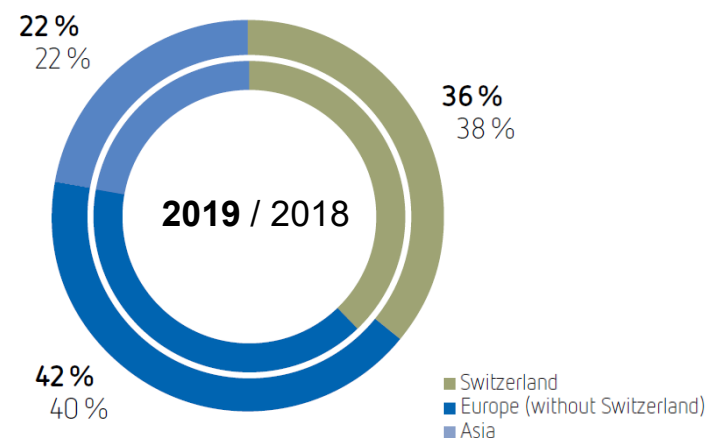
Net sales by industry



Net sales by export region



Net sales by production region



Advanced Microelectronics and Substrates

Mixed performance, albeit on a satisfactory level



- Strong performance of microelectronics operations
- Demand for printed circuit boards (PCB) suffered from low demand of watchmakers and automotive industry
- Net Sales of CHF 61.3 m was 2.6% below previous year
- EBIT profitability of 10.1% still within target range of 10-12%, albeit at the lower end
- Market position for hybrid substrates in aerospace applications further strengthened internationally
- New plating line for PCB further increases technical capabilities and operational excellence

Electronic Solutions

Gaining market share for third year in a row



- Good growth of net sales by 4.1%
- EBIT almost unchanged with operating margin at 5.2% - negative one-time effects from H1 partly compensated by positive one-offs in H2
- After successful go-live in Asia almost the entire business of the ES Division is managed with SAP
- The competence center for precision plastics in Batam (Indonesia) is fully operational and Singapore volume production was ramped down



Patric Schoch

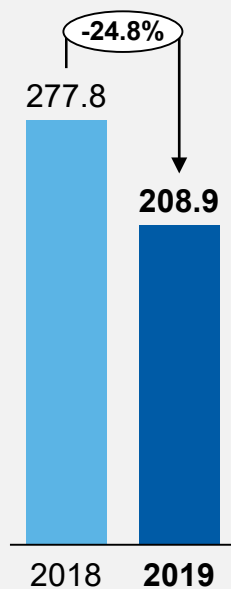
Financial Results 2019

Financial achievements 2019

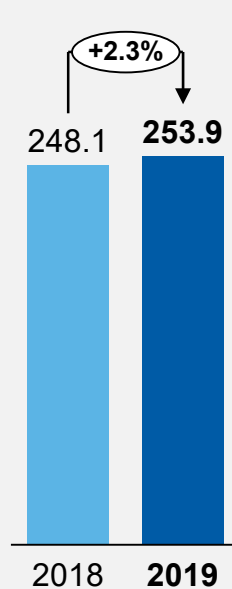
All figures in CHF million at actual FX rates



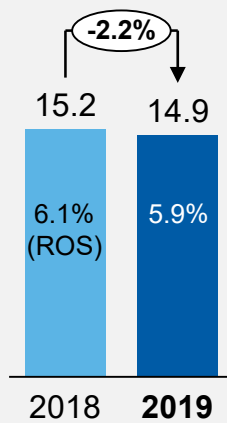
Orders received



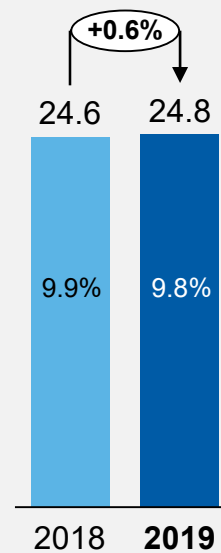
Net sales



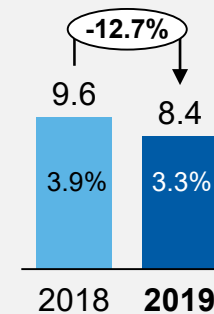
EBIT



EBITDA



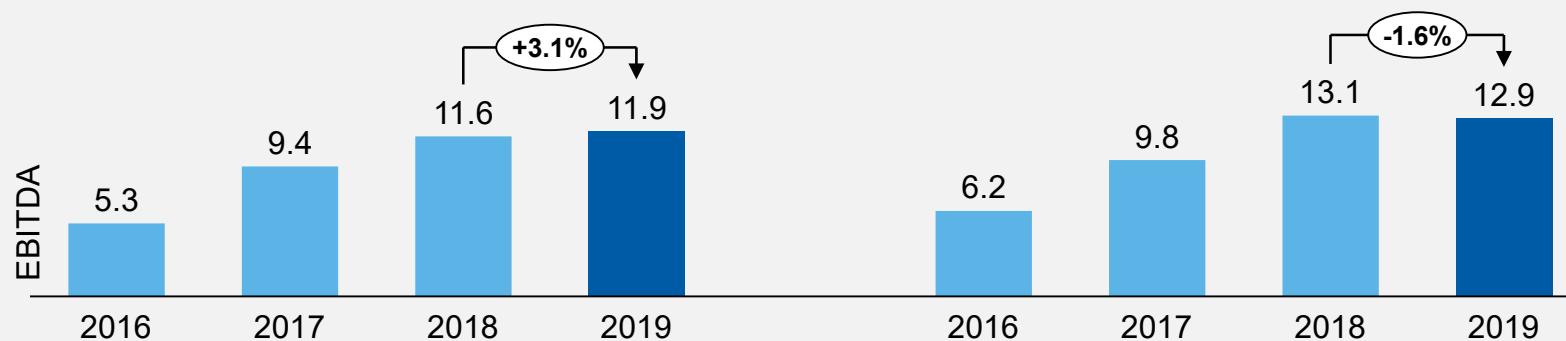
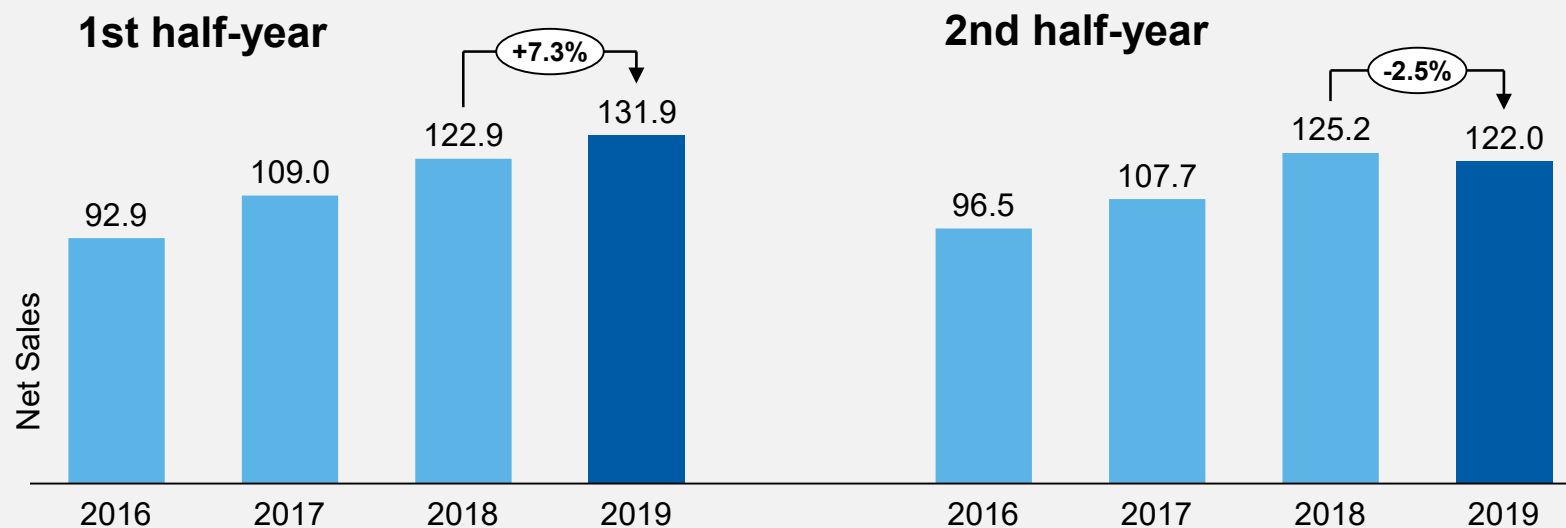
Net profit



- Sales growth of 4.2% in local currencies

Half-year results 2016 - 2019

All figures in CHF million at actual FX rates

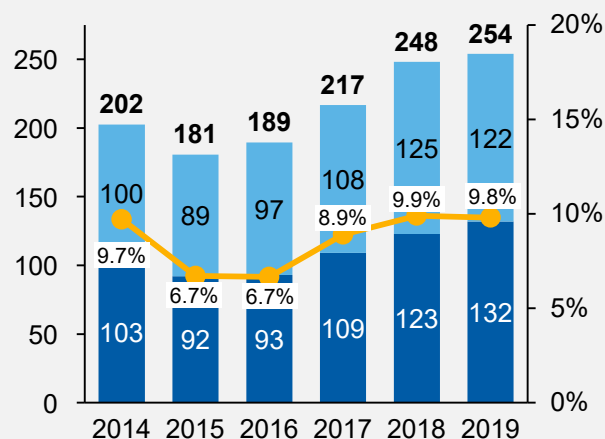


Performance 2014 - 2019

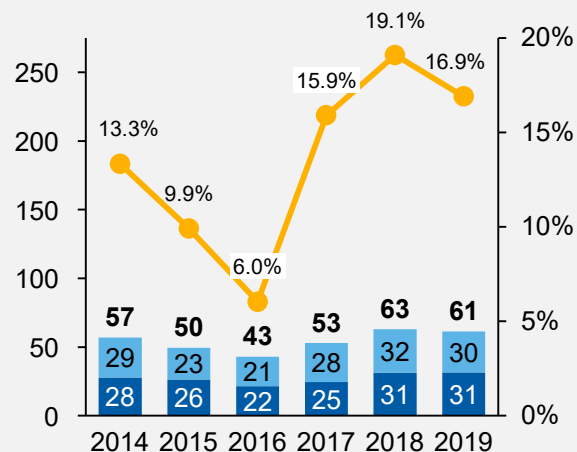
All figures in CHF million at actual FX rates



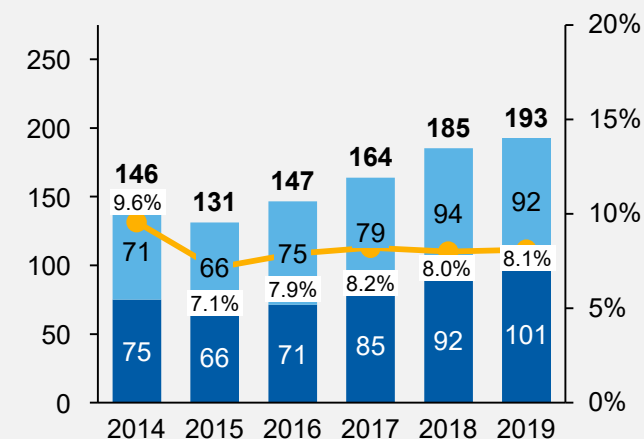
Total Group



AMS Division



ES Division

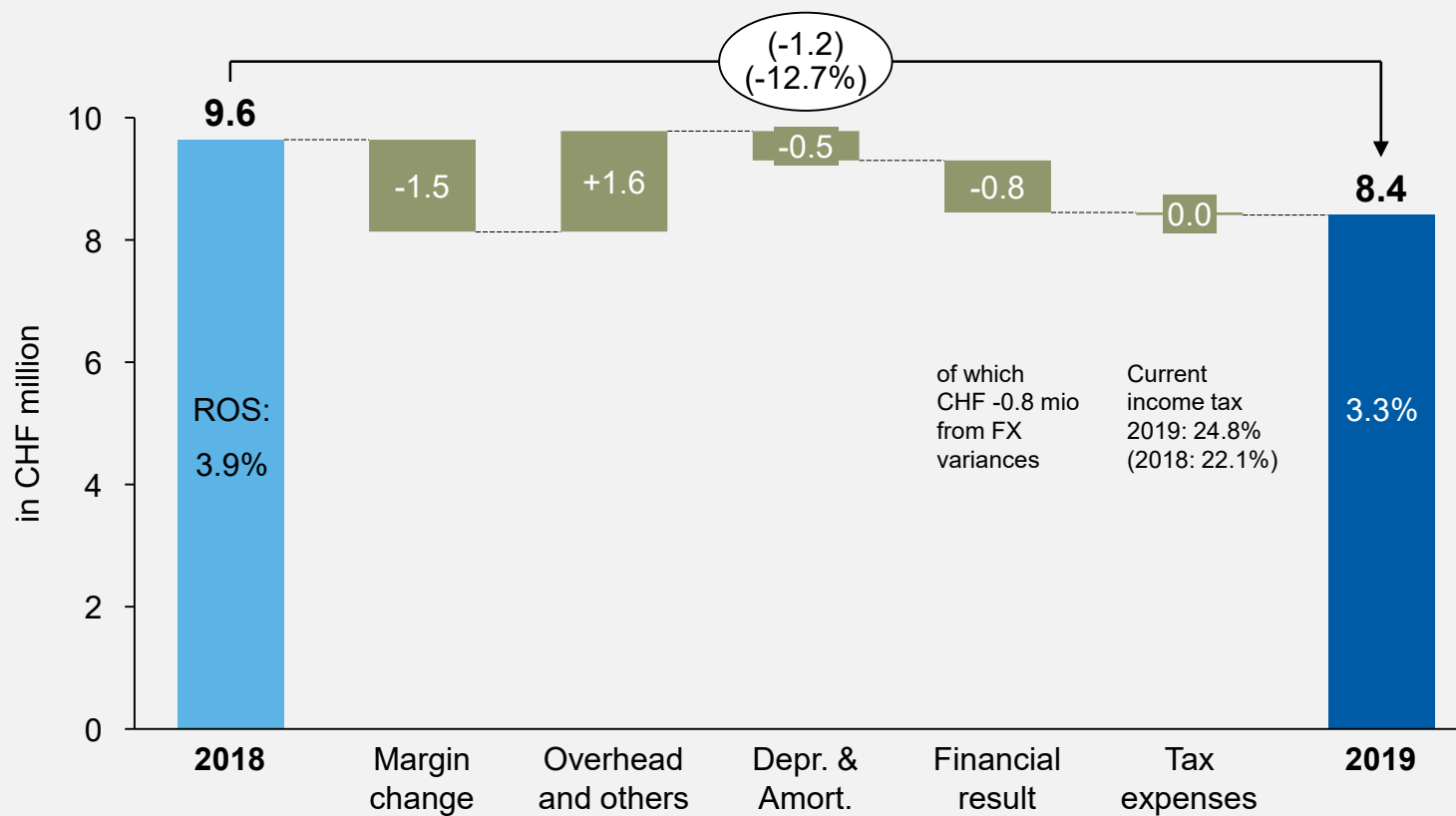


Group in TCHF	2018	2019	%YoY	AMS in TCHF	2018	2019	%YoY	ES in TCHF	2018	2019	%YoY
Sales	248 115	253 909	2.3%	Sales	62 977	61 344	-2.6%	Sales	185 176	192 708	4.1%
EBITDA	24 630	24 781	0.6%	EBITDA	12 036	10 362	-13.9%	EBITDA	14 868	15 681	5.5%
ROS%	9.9%	9.8%	-0.1%pt.	ROS%	19.1%	16.9%	-2.2pt.	ROS%	8.0%	8.1%	+0.1%pt.

■ Sales H2
 ■ Sales H1
 ● EBITDA% (before restructuring)

Net Profit development

2019 vs. 2018

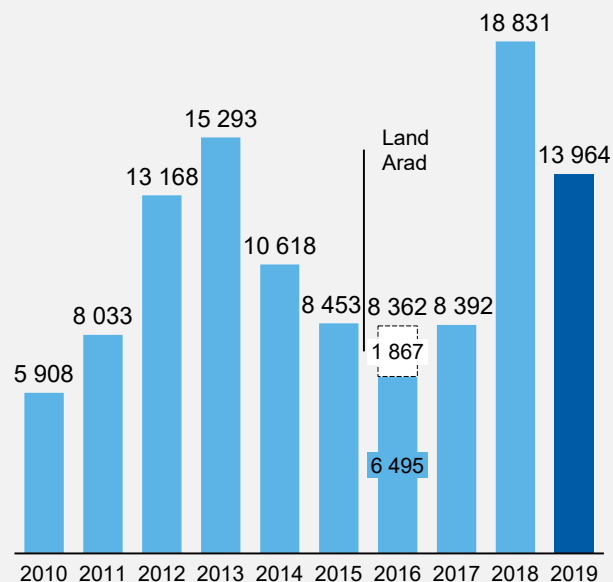


Capex and depreciation for PPE*

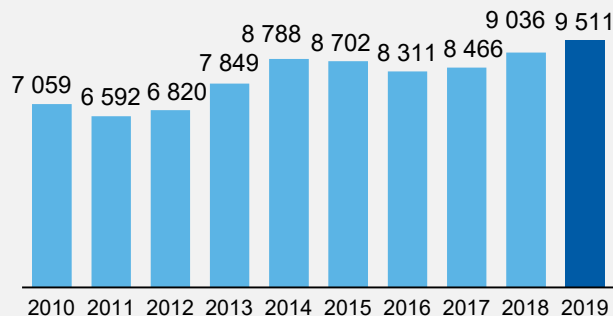
High capex due to several new high-tech production equipment



PPE Capex in TCHF

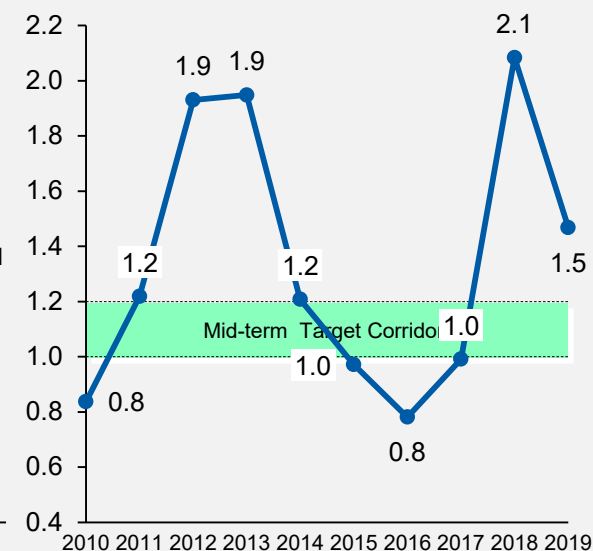


PPE Depreciation in TCHF



Capex / Depreciation ratio

Average 2010 – 2019 = 1.34



Excl. Land Arad

* PPE = Property, Plant and Equipment

Consolidated income statement

in TCHF



	Actual 2018	in %	Actual 2019	in %	%YoY
Net sales	248 115	100.0	253 909	100.0	2.3
Material expenses	-130 757	-52.7	-136 263	-53.7	4.2
Operating expenses	-92 728	-37.4	-92 865	-36.5	0.1
Restructuring	0	0	0	0	0
Depreciation and amortization	-9 396	-3.8	-9 880	-3.9	5.2
EBIT	15 234	6.1	14 901	5.9	-2.2
Financial result	-2 191	-0.8	-3 040	-1.2	38.7
EBT	13 043	5.3	11 861	4.7	-9.1
Income taxes	-3 403	-1.4	-3 447	-1.4	-1.3
Net profit	9 640	3.9	8 414	3.3	-12.7

Consolidated Balance Sheet

in TCHF



	Actual 2018	in %	Actual 2019	in %
Current assets	137 282	70.7	125 744	68.0
Non-current assets	56 924	29.3	59 202	32.0
Total assets	194 206	100.0	184 946	100.0
Current liabilities	61 759	31.8	53 794	29.1
Non-current liabilities	57 310	29.5	52 347	28.3
Equity	75 137	38.7	78 805	42.6
Total liabilities and equity	194 206	100.0	184 946	100.0
Net Debt	27 980		16 687	
Gearing ratio (net debt in % of equity)	37.2		21.2	
Net debt / EBITDA	1.14		0.67	
Equity Ratio	38.7%		42.6%	


Cash Flow Statement

in TCHF



	Actual 2018	Actual 2019
Profit / (Loss) before tax	13 043	11 861
Non cash items	11 949	11 121
Changes in working capital ¹	-12 237	9 566
Interest, tax paid / received	-2 507	-4 011
Cash flow from operations	10 248	28 537
Property, plant and equipment (net)	-16 313	-14 361
Intangible assets	-544	-516
Cash flow from investments	-16 857	-14 877
Free Cash Flow	-6 609	13 660
Net cash from / (used) in fin.act.	7 515	-9 380
Currency translation effects	-363	-463
Cash flow	543	3 817

¹ Working capital including other current assets and other current liabilities

A man in a blue shirt is focused on working on a large, complex metal part in a factory setting. He is using a tool to adjust or inspect the part. In the background, another man is visible, also working, and there are shelves with various items. A microscope is visible in the foreground on the right side.

Alexander Hagemann

Summary and Outlook 2020

Outlook

Expectations for 2020



- As things stand today, it can be assumed that the **coronavirus** pandemic will have an impact on Cicor's 2020 results. The exact impact cannot be estimated at the moment.
- The **major new projects** that are ramping up and the catch-up effects from the situation in China indicate significant growth in the second half of 2020.
- Overall Cicor still expects **slightly lower net sales** in 2020 compared to 2019.
- With a **full project pipeline**, Cicor is expected to continue to grow faster than the market in the future.

Mid-term targets

Cicor Technologies Ltd.



Market Focus	Topline growth	EBIT target	Profit distribution
Industrial Medical Aerospace	Above the growth of global electronics production	6 - 8%	Stable and increasing Dividends

Investor Relations

Agenda 2020 / 2021



- Annual Report 2019 12 March 2020
- Annual Shareholder's Meeting 2020 16 April 2020 in Bronschhofen (Switzerland)
- Interim Report 2020 13 August 2020
- Annual Report 2020 March 2021
- Investora 2020 24 September 2020 in Zurich (Switzerland)

Investor Relations

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