



THE ICAPE GROUP REPORTS ITS 2024 HALF-YEAR RESULTS

- **Impact of market conditions on profitability over the period**
- **Activation of operating efficiency measures and M&A synergies to improve short-term profitability**
- **Continuation of external growth strategy**
- **Post-closing:**
 - **Acquisition of NTW, a major PCB player in Japan and Southeast Asia, enabling expansion of the Group's strategic network**
 - **Acquisition of François Frères, a long-standing business partner of the Group**
- **Confirmation of all Group growth and profitability targets**

Fontenay-aux-Roses, France, September 26, 2024, 07:30 am – The ICAPE Group (ISIN code: FR001400A3Q3 - Ticker: ALICA), a global technology distributor of printed circuit boards ("PCB") and custom-made electromechanical parts, today announced its half-year results for the first half of 2024, ended on June 30, 2024, and approved by the Board of Directors on September 25, 2024.

Yann DUGOU, ICAPE Group's CEO, stated: *"Our profitability indicators were impacted by a sluggish market environment. In this context, we are actively stepping up the deployment of synergies, accelerating cost rationalization, to return to higher levels of profitability as soon as possible. Having successfully completed the major acquisition of NTW in Japan, we are also announcing the acquisition of François Frères, enabling the Group to achieve an immediately accretive transaction and to integrate our principal intermediary and long-standing business partner into our structure. The implementation of our operating levers, the success of our external growth policy and the synergy potential of our recent acquisitions, will enable us to take full advantage of the upturn in business. We are confident of achieving our sales and profitability targets."*

Simplified income statement

<i>In € thousands (IFRS standards)</i>	30/06/2023	30/06/2024	Var. %
Revenue	94,519	86,619	-8.4%
Cost of goods	-65,400	-57,256	-12.5%
External expenses	-9,518	-10,150	+6.6%
Payroll costs	-12,231	-13,544	+10.7%
Taxes, other operating income and expenses	-296	-162	-45.3%
EBITDA	7,074	5,507	-22%
<i>% revenue</i>	7.5%	6.4%	-1.1 pts
Operating depreciation and amortization	-1,900	-1,854	-2.4%
EBITA	5,174	3,653	-29%
<i>% revenue</i>	5.5%	4.2%	-1.3 pts
Amortization of acquisition-related intangible assets	-443	-736	+66.1%
EBIT	4,731	2,917	-38%
<i>% revenue</i>	5.0%	3.4%	-1.6 pts
Other operating income and expenses	-866	-137	-84.2%
Financial result	-1,290	-1,452	+12.6%
Income tax	-1,029	-70	-93.2%
Income from discontinued activities	375	-218	-158.1%
Net income	1,921	1,040	-46%
<i>% revenue</i>	2.0%	1.2%	-0.8 pts

Business activity and financial results

As of June 30, 2024, Group revenue stood at €86.6 million, down 8.4% compared with the first half of 2023, reflecting the economic downturn in the first quarter, followed by an improvement in the following quarter. On a sequential basis, sales were up 1.9% on the previous half-year, indicating the first signs of the recovery expected in the second half.

The backlog maintained at a high level of €47.2 million as of June 30, 2024, compared with €50.9 million at the end of December 2023.

External expenses and payroll costs increased by 7% and 11% respectively compared with the same period last year, mainly because of recent acquisitions. Against this backdrop, the Group is actively deploying operational synergies to support short-term profitability.

Taking all these factors into account, EBITDA margin fell by 110 basis points over the period to 6.4%. Operating income recurring followed a similar trajectory, falling by 38% to €2.9 million at the end of June 2024. After taking into account financial result of € -1.5 million,

other operating income and expenses of €-0.1 million, and income from discontinued operations of € -0.2 million, net income stood at € 1.0 million as of June 30, 2024, compared with € 1.9 million at end-June 2023, down 46%.

As of June 30, 2024, the Group's cash position stood at €28.2 million. Financial debt stood at €56.3 million, compared with €59.5 million as of December 31, 2023, giving the Group net debt as of June 30, 2024, of €28.1 million, compared with €26.8 million as of December 31, 2023.

An extract from the IFRS financial statements (balance sheet and income statement) is provided in the appendix to this press release.

The 2024 half-year financial report is scheduled for publication on October 4.

Continuation of the Group's external growth strategy in H1 2024 and beyond

In line with its strategy for 2022 and 2023, the Group pursued its policy of selective acquisitions in the first half of 2024 and beyond. The operating assets of Italian distributor P.C.S and design company Studio E2 were acquired in February 2024, consolidating the Group's position on the Italian peninsula and adding printed circuit board design to its already extensive range of services.

On September 19, 2024, the Group also announced the closing of its acquisition of the NTW group, one of the leading PCB distributors in Japan and in Southeast Asia. With proven market expertise and 7 subsidiaries located close to the world's PCB production centers, the NTW group has developed a portfolio of major Japanese accounts that the ICAPE Group had not previously addressed. NTW's management will support the ICAPE Group in this integration, in order to deploy all necessary synergies between the two organizations.

Finally, the Group today announces the acquisition of François Frères. This transaction is immediately accretive, internalizing the Group's main intermediary and reducing the agent fees paid by the ICAPE Group. It also brings highly experienced PCB market experts into the ICAPE Group.

All Group objectives confirmed

Having achieved €45 million in additional revenue through external growth since the beginning of 2023, and with solid fundamentals in a gradually improving market context, the Group confirms all its commercial and financial objectives, namely:

- an average annual organic growth rate of 10% between 2023 and 2026;
- around €120 million in additional revenue from external growth between the beginning of 2023 and the end of 2026;
- an EBIT margin of around 9.5% by 2026;
- medium-term sales of around €500 million.

Next Financial release

- **2024 Third-Quarter Revenue**, Wednesday, November 13th, 2024, after market close

About the ICAPE Group

Founded in 1999, the ICAPE Group acts as a key technological expert in the PCB and technical parts supply chain. With a global network of 38 subsidiaries and a major presence in China, where most of the world's PCB production is done, the Group is a one-stop-shop provider for the products and services which are essentials for customers. As of December 31, 2023, the ICAPE Group recorded a consolidated revenue of €179.5 million.

For more information: [icafe-group.com](https://www.icafe-group.com)

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Appendices – Financial Statements (IFRS)

CONSOLIDATED BALANCE SHEET

<i>(In € thousands)</i>	31/12/2023	30/06/2024
Goodwill	23,667	23,788
Intangible assets	23,269	23,597
Tangible assets	3,755	3,479
Rights of use and other fixed assets	7,503	6,622
Total fixed Assets	58,194	57,487
Inventories and work-in-progress	11,357	9,828
Trade and other receivables	41,888	41,896
Other current assets	1,508	2,149
Cash and cash equivalents	32,747	28,216
Total current assets	87,500	82,090
Total assets held for sale	5,149	4,988
Total Assets	150,843	144,565
Share capital	3,235	3,235
Additional paid-in capital	16,912	15,301
Retained earnings	6,746	11,381
Net income for the year	4,482	994
Total equity - Group share	31,375	30,912
Non-controlling interests	312	378
Total equity	31,687	31,290
Borrowings	32,263	30,271
Non-current lease liabilities	4,386	3,569
Other non-current liabilities	3,788	3,775
Total non-current liabilities	40,436	37,615
Current borrowings and bank overdrafts	20,983	20,657
Current lease liabilities	1,870	1,822
Trade and other payables	48,664	46,834
Other current liabilities	5,575	4,697
Total current liabilities	77,089	74,011
Total liabilities associated with assets held for sale	1,630	1,650
Total liabilities and equity	150,843	144,565

CONSOLIDATED CASH FLOW STATEMENT

<i>(In € thousands)</i>	30/06/2023	31/12/2023	30/06/2024
Net income	1,921	4,230	1,040
Elimination of depreciation, amortization and provisions	2,707	5,399	2,913
Elimination of income tax expense, net of taxes paid	-200	-1,059	-564
Elimination of net cost of debt	571	853	1,173
Change in working capital requirement	-9,461	-1,174	-1,259
Other operating cash flows	-65	-20	-43
Cash flows from operating activities	-4,528	8,229	3,260
Acquisition of operating assets and subsidiaries	-5,438	-11,214	-732
Acquisition of property, plant and equipment and intangible assets	-1,625	-1,621	-1,085
Other cash flows from investing activities	90	-2,344	-6
Cash flows from investing activities	-6,972	-15,179	-1,822
Issuance of borrowings	15,348	44,346	277
Repayment of borrowings	-4,566	-28,517	-3,724
Interest paid	-628	-1,654	-1,024
Dividends paid to Group shareholders	-1,614	-1,614	-1,610
Other cash flows from financing activities	384	-730	-297
Cash flows from financing activities	8,926	11,832	-6,378
Impact of changes in exchange rates and application of IFRS 5	-63	-140	403
Change in cash and cash equivalents	-2,636	4,743	-4,538
Opening cash position	27,941	27,941	32,684
Closing cash position	25,305	32,684	28,146