

The InCap logo consists of the word "InCap" in a white, sans-serif font, centered within a solid blue square. The background of the entire slide is a dark, blurred image of a circuit board with various electronic components.

InCap

INCAP ANNUAL GENERAL MEETING

29 APRIL 2022

INCAPCORP.COM



InCap

CEO REVIEW

29 April 2022

A portrait of Otto Richard Pukk, President and CEO of InCap. He is a man with a beard and glasses, wearing a dark suit, white shirt, and dark tie. He is adjusting his glasses with his right hand. The background is a neutral grey.

INCap

2021

A STRONG YEAR UNDER DIFFICULT CIRCUMSTANCES

// Our order book is at an all-time high level, and we are increasing our capacity to meet the growing demand.

OTTO RICHARD PUKK
President and CEO



InCap

AGILE

FLEXIBLE

EFFICIENT

INCAP - A TRUSTED PARTNER IN EMS

- Incap supports customers ranging from large multinationals and mid-sized companies to small start-ups in their complete manufacturing value chain.
- Incap offers state-of-the-art technology, an entrepreneurial culture and highly qualified personnel.
- Operations in Finland, Estonia, India, the UK, Slovakia and Hong Kong. Approximately 2,500 employees.
- Listed on Nasdaq Helsinki Ltd stock exchange since 1997.



STRONG GROWTH CONTINUED DURING 2021

○ Revenue increased organically 59% to EUR 169.8 million.

○ Operating profit (EBIT) increased to EUR 26.8 million, corresponding to 15.8% of revenue.

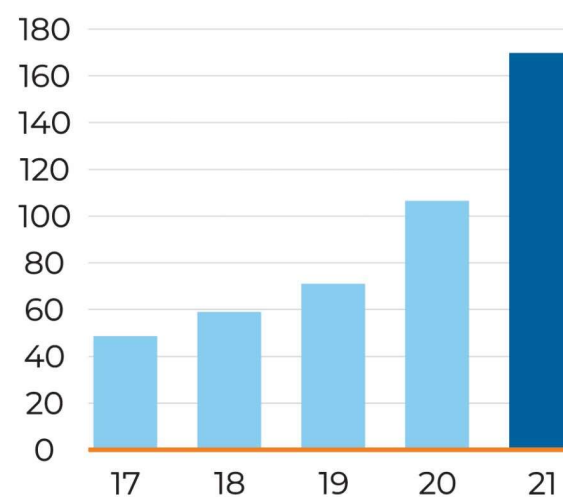
+59%
REVENUE

169.8
MILLION

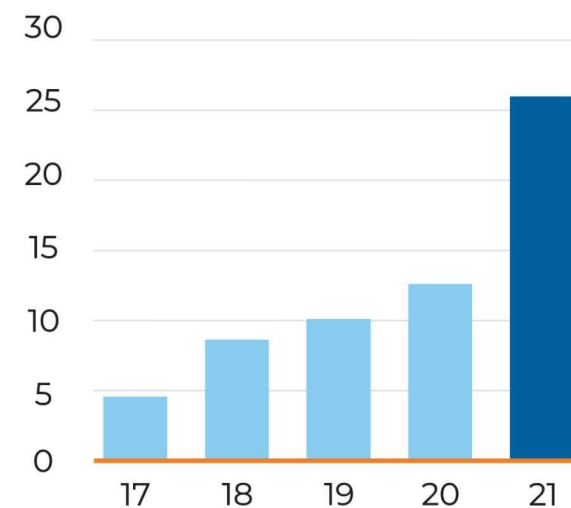
+84%
EBIT

A GREAT TEAM

REVENUE, EUR MILLION

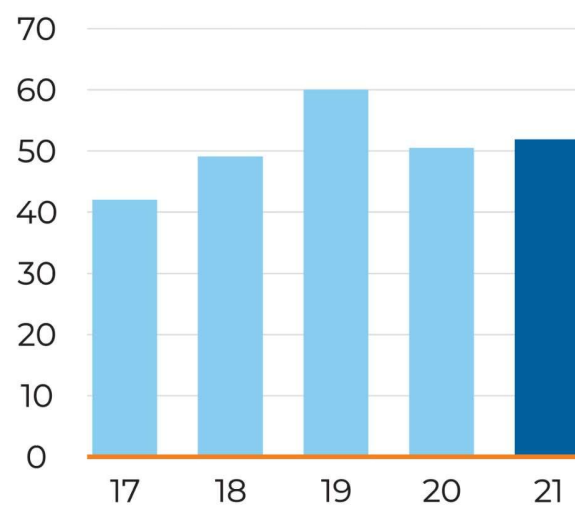


OPERATING PROFIT (EBIT), EUR MILLION

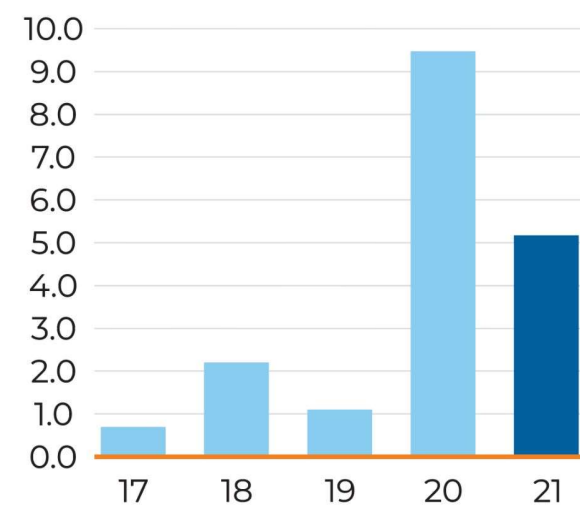


STRONG BALANCE SHEET AND MODERN MACHINERY

EQUITY RATIO, %



INVESTMENTS, EUR MILLION

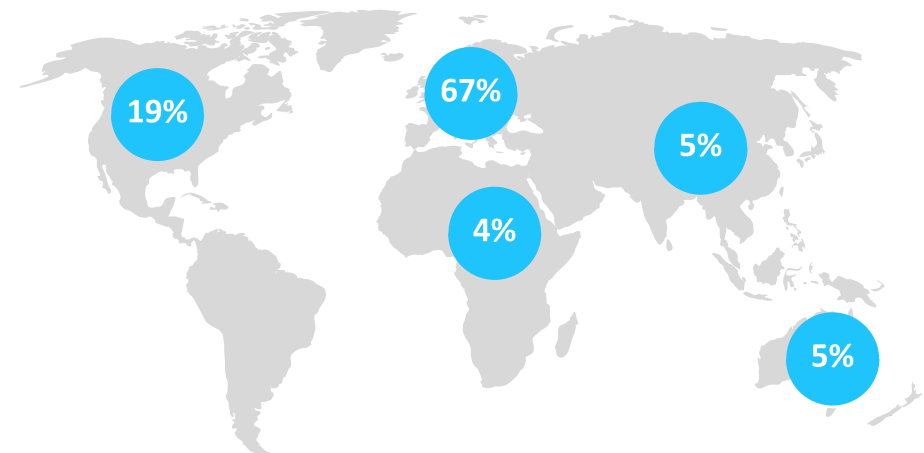


2021 GROWTH IN VOLUMES

- High market demand and capacity expansions at India.
- Increased profitability, synergy effects and favourable product mix.
- Customers have increased the outsourcing of their operations.

Geographic division of external customers' revenue	1 Jan-31 Dec 2021	1 Jan-31 Dec 2020
Europe	114,616	78,418
North-America	32,363	10,574
South-America	0	15
Asia	8,146	8,297
Africa	6,985	4,849
Australia	7,678	4,342
	169,786	106,494

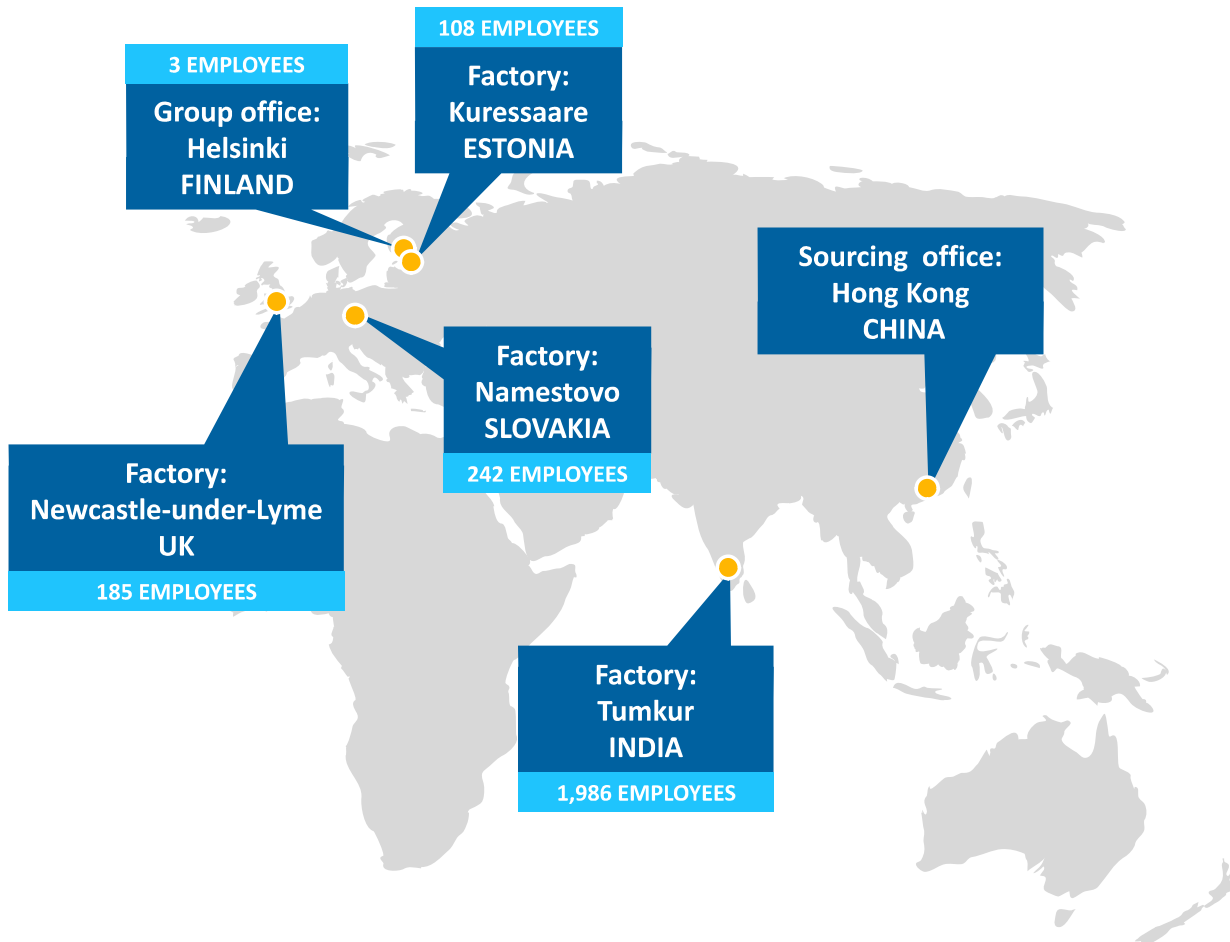
SHARE OF REVENUE PER REGION IN 2021



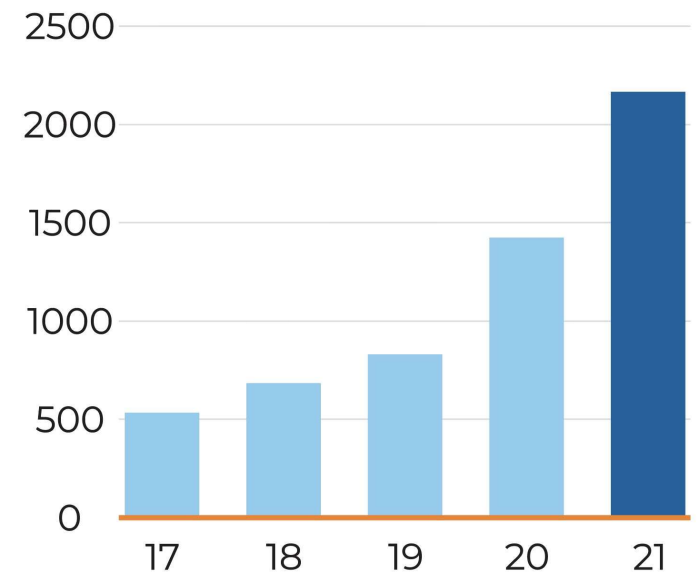
CONTINUOUS IMPROVEMENT IN 2021

- Focus on keeping **personnel safe** during pandemic and **deliveries** to customers **running** smoothly.
- Navigating through the crises (COVID-19, component availability and energy crisis) and staying on the path with growth strategy.
- Good development at the Indian factory improving the profitability - **expansion projects finalised, third factory project proceeding as planned and fully finalised by the end of 2022.**
- **Investments** in new machinery in Estonia.

HR IN NUMBERS AND BY LOCATION



AVERAGE NUMBER OF PERSONNEL





A GREAT TEAM

- Great results achieved with a **highly professional and entrepreneurial team**.
- Incap's top quality and efficiency are based on seamless **teamwork** throughout the whole production and delivery chain.
- The dedicated team spirit can also be seen in our **low employee turnover** rate.
- We aim to keep the best professionals at Incap by providing **equal opportunities**, good **training** possibilities and **family friendly** working atmosphere.

CORPORATE RESPONSIBILITY PROGRAMME

- Sustainable operations are a must in achieving our goals and reason for initiating **Incap's Corporate Responsibility program** during 2020.
- Key themes In 2021: **energy efficiency** of our factories (i.e. water management in India) and **wellbeing of our employees** (i.e. protecting our employees from the coronavirus by offering vaccinations etc).
- To strengthen our commitment for sustainable development, we also joined the **United Nations Global Compact initiative** in 2021.



SHARE INFORMATION

IFRS		2021	2020	2019	2018	2017
Per-share data						
Earnings per share	EUR ²	3.60	2.02	1.44	1.34	0.72
Equity per share	EUR ²	10.75	6.59	5.01	3.61	2.39
Dividend per share	EUR ²	0.00	0.00	0.00	0.00	0.00
Dividend out of profit	% ¹	0	0	0	0	0
Effective dividend yield	% ¹	0	0	0	0	0
P/E ratio		21.8	9.1	11.8	5.4	8.6

¹ The Board of Directors of Incap Corporation proposes that the Annual General Meeting authorises the Board of Directors to decide on a distribution of dividend of a maximum of EUR 0.80 per share from the profits in accordance with the adopted financial statements of the financial year 1 January 2021 to 31 December 2021, to be distributed in one or several instalments at a later stage based on the Board of Director's assessment. The authorisation shall be valid until the commencement of the next Annual General Meeting. If the Board of Directors decides to exercise the authorisation, the company will publish the possible decision on the amount of the dividend to be distributed separately, and at the same time confirm the pertinent record and payment dates of the dividend payment.

² Number of shares increased in 2020 due to the acquisition of AWS Electronics Group that was partially paid in shares and due to the share issue in November. In 2021 the number of shares decreased due to the actual realized purchase price paid in shares relating to AWS acquisition.

³ Share issued adjusted number of shares in 2020 based on purchase price in shares relating to AWS acquisition and share issue in November 2020. Share issue adjusted number of shares in 2021 based on the actual realized purchase price in shares relating to AWS acquisition.

INCAP 2022

INCAP
FINLAND

INCAP
INDIA

INCAP
ESTONIA

INCAP
SLOVAKIA

INCAP
UNITED
KINGDOM

INCAP
HONG
KONG

BUSINESS IN TIMES OF CRISES

- Looking forward, the **component availability** situation is still difficult, which makes planning increasingly challenging and requires a lot of extra effort. Tight component availability is forcing us to manage the situation carefully.
- The **energy crisis in China** as well as increased **geopolitical tensions in Eastern Europe** might make the development more difficult to foresee.
- Incap is working closely with its suppliers and customers to keep adequate inventory levels to mitigate the risks.

MOVING FORWARD

- Long-term market development in EMS industry is estimated to be positive, as **electronics is increasingly used** in new types of products such as light vehicles and other everyday items.
- In the longer term, the growth in EMS is driven by the growing use of electronics supported with **megatrends such as digitalisation**.
- The increasing need for sustainable energy solutions, medical equipment, emerging 5G and IoT ecosystems and the proliferation of electric vehicles contribute to the demand growth. Population growth and aging population also create opportunities in for instance healthcare technology.
- The EMS industry is highly fragmented and offers **potential for consolidation**.
- Therefore, Incap continues to evaluate **M&A opportunities**, concentrating in companies with a strong cultural fit and good profitability.

A portrait of Otto Pukk, a man with a beard and glasses, wearing a dark suit and a white shirt. He is holding his right hand near his forehead. A blue semi-transparent box is overlaid on the left side of the image, containing text.

THANK YOU!

AT YOUR SERVICE

OTTO PUKK

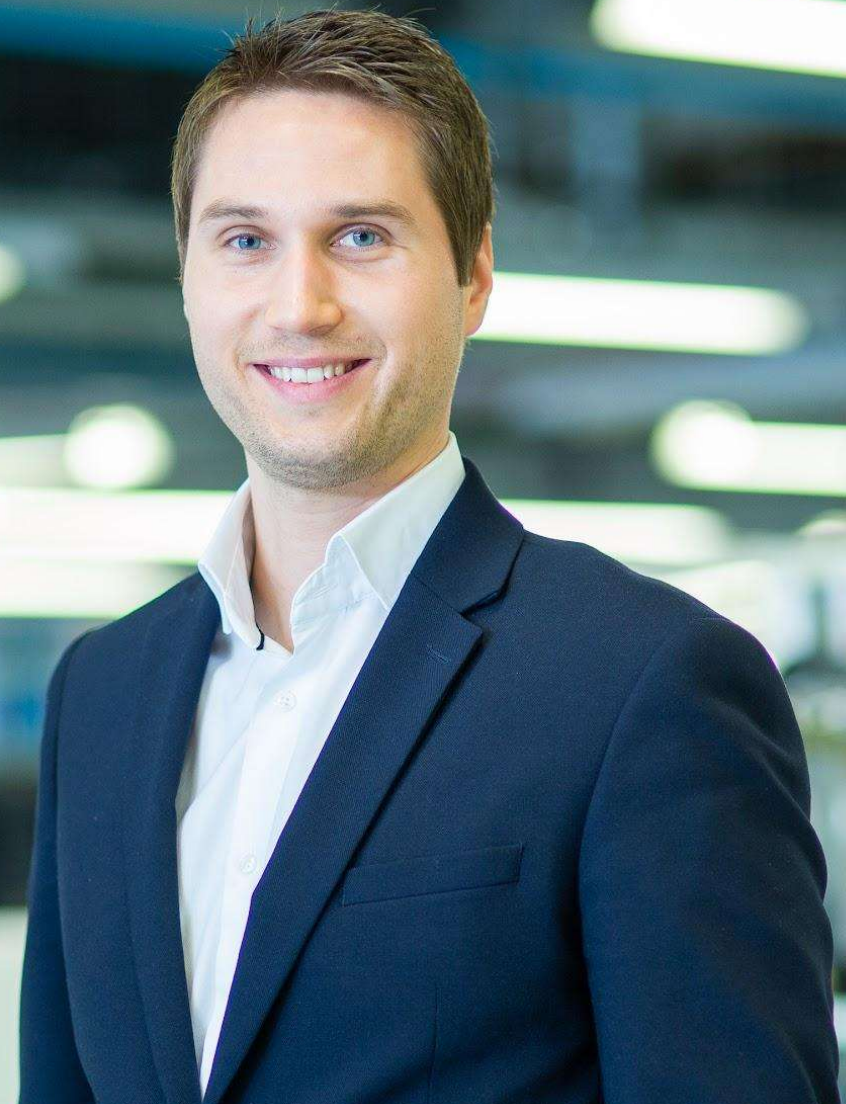
President and CEO
at Incap Corporation

otto.pukk@incapcorp.com

FINANCIAL STATEMENTS 2021

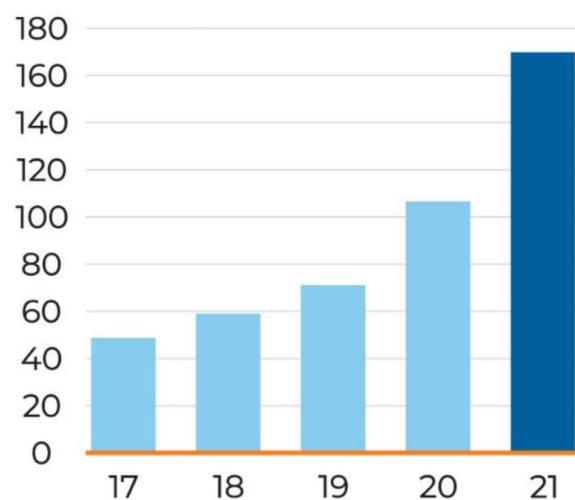
ANTTI PYNNÖNEN
CFO

29 April 2022

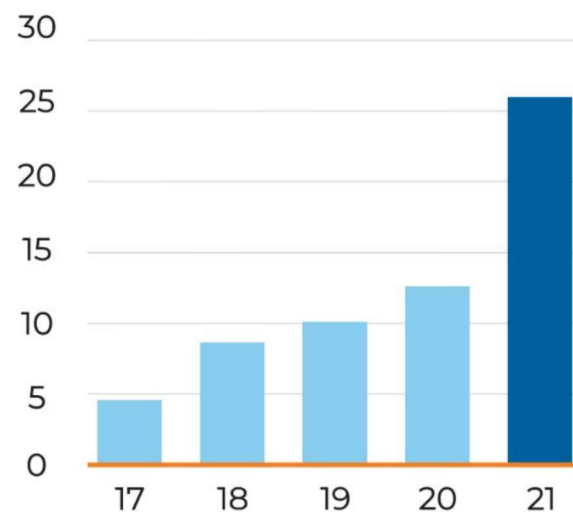


A YEAR OF GROWTH FOR INCAP

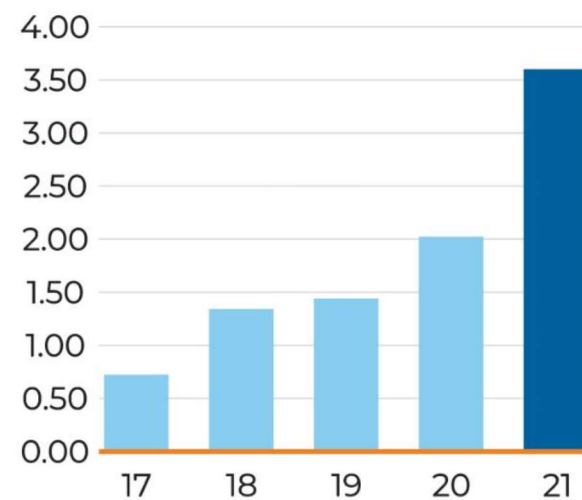
REVENUE, EUR MILLION



OPERATING PROFIT (EBIT), EUR MILLION



EARNINGS PER SHARE (EPS), EUR



CONSOLIDATED INCOME STATEMENT

1,000 euros	Note	1 Jan-31 Dec 2021	1 Jan-31 Dec 2020
Revenue	3	169,787	106,494
Other operating income	4	200	1,062
Changes in inventories of finished goods and work in progress	5	10,232	723
Raw materials and consumables used	5	127,032	73,617
Personnel expenses	8	17,404	14,315
Depreciation and amortisation	7	3,286	3,347
Other operating expenses	6	6,524	4,406
Operating profit		25,974	12,594
Financial income and expenses	9	-253	-1,086
Profit before tax		25,721	11,508
Income tax	10	-4,662	-2,290
Profit for the year		21,059	9,218
Consolidated statement of comprehensive income			
Other comprehensive income:			
Items that are not transferred to the statement of income			
Revaluation of employee benefits		15	-14
Items that may be reclassified subsequently to profit or loss			
Translation differences from foreign units		2,470	-2,965
Other comprehensive income, net		2,485	-2,980
Total comprehensive income		23,544	6,239

CONSOLIDATED BALANCE SHEET

1,000 euros	Note	31 Dec 2021	31 Dec 2020
ASSETS			
Non-current assets			
Property, plant and equipment	12	10,115	6,825
Right-of-use assets	12	3,736	4,584
Goodwill	13	7,547	7,086
Other intangible assets	13	4,517	4,640
Other financial assets	14	4	4
Deferred tax assets	15	852	744
Other receivables	17	346	205
Total non-current assets		27,117	24,087
Current assets			
Inventories	16	59,467	24,176
Trade and other receivables	17	33,654	24,202
Cash and cash equivalents	18	9,249	3,899
Total current assets		102,371	52,278
Total assets		129,488	76,365

CONSOLIDATED BALANCE SHEET

1,000 euros	Note	31 Dec 2021	31 Dec 2020
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the parent	19		
Share capital			1,000
Exchange differences			-4,629
Unrestricted equity reserve			21,491
Retained earnings			20,719
Total equity			38,580
Non-current liabilities			
Non-Interest-bearing liabilities	24		1,619
Interest-bearing liabilities	23		6,103
Deferred tax liabilities	15		881
Current liabilities			
Trade and other payables	24		25,494
Interest-bearing loans and borrowings	23		3,687
Total liabilities			37,785
Total equity and liabilities			76,365

CONSOLIDATED CASH FLOW STATEMENT

1,000 euros	Note	1 Jan-31 Dec 2021	1 Jan-31 Dec 2020
Cash flow from operations			
Operating profit, in total		25,974	12,594
Adjustments to operating profit	27	4,530	3,667
Change in working capital		-15,757	-7,850
Interest paid		-557	-954
Interest received		9	5
Tax paid and tax refund		-4,530	-2,752
Cash flow from operations		9,669	4,709
Cash flow from investing activities			
Capital expenditure on tangible and intangible assets		-4,520	-2,793
Acquisitions	2	-650	-6,679
Cash flow from investing activities		-5,170	-9,471
Cash flow from financing activities			
Share issue	19		10,913
Share issue transaction costs	19		-563
Drawdown of loans		6,886	14,456
Repayments of loans		-4,725	-20,693
Right-of-use asset payments	28	-1,356	-1,188
Cash flow from financing activities		805	2,926
Change in cash and cash equivalents		5,304	-1,836
Cash and cash equivalents at beginning of period		3,899	6,163
Effects of changes in exchange rates		46	-428
Cash and cash equivalents at end of period	18	9,249	3,899

FIVE-YEAR KEY FIGURES

IFRS		2021	2020	2019	2018	2017
Revenue	EUR million	169.8	106.5	71.0	59.0	48.5
Growth/change	%	59.4	49.9	20.5	21.5	25.8
Operating profit/loss	EUR million	26.0	12.6	10.1	8.6	4.5
Share of revenue	%	15.3	11.8	14.2	14.6	9.4
Profit/loss before tax	EUR million	25.7	11.5	9.7	7.9	4.0
Share of revenue	%	15.1	10.8	13.6	13.5	8.2
Return on equity (ROE)	%	41.5	30.5	33.4	44.7	34.2
Return on investment (ROI)	%	43.8	34.8	43.4	46.8	28.4
Total assets	EUR million	129.5	76.4	36.5	32.1	24.8
Equity ratio	%	51.9	50.5	60.0	49.1	42.0
Net gearing	%	3.2	15.3	-2.7	16.6	41.9
Interest-bearing net debt	EUR million	2.0	5.9	-0.6	2.6	4.4
Quick ratio		0.8	1.0	1.6	1.0	1.0
Current ratio		1.7	1.8	2.6	1.8	1.6
Investments	EUR million	5.2	9.5	1.1	2.2	0.7
Share of revenue	%	3.1	8.9	1.6	3.7	1.4
R&D expenditure	EUR million	0	0	0	0	0
Share of revenue	%	0	0	0	0	0
Average number of employees		2,165	1,424	830	684	535
Dividends	EUR million ¹	0	0	0	0	0

DIVIDEND PROPOSAL



The Board of Directors of Incap Corporation proposes that the AGM authorises the Board of Directors to decide on a distribution of **dividend of a maximum of EUR 0.80 per share** from the profits in accordance with the adopted financial statements of the financial year 1 January 2021 to 31 December 2021, to be distributed in one or several instalments at a later stage based on the Board of Director's assessment.

The total amount of dividend will be divided between one current and four new shares, so that the total maximum amount of dividend is EUR 0.16 per share.



INCAP

THANK YOU

29 April 2022



INCAP CORPORATION

More information:
www.incapcorp.com