NCAB Group

Raising the bar

On 19 November, NCAB hosted a capital markets day and introduced new ambitious medium-term growth and margin targets. The company aims to meet these through a combination of organic growth, including market share gains, and continued consolidation of the fragmented printed circuit board (PCB) services market. From a capital allocation perspective, the company expects to distribute available capital after taking into account gearing and cash needed for acquisitions and internal investment.

Reliability and security of supply

NCAB is a Swedish-headquartered supplier of PCBs to a global customer base, specialising in high mix, low volume production. It has a portfolio of 35 partner factories through which it can source product. With the vision of 'Making PCBs easy', NCAB helps OEM/EMS customers find the most suitable PCB supplier for their particular design, also providing design services, logistics and support. Growth drivers include the growing pervasion of electronics, the increasing complexity of chip and PCB designs, and sovereignty concerns. With current strong demand for AI-related product creating shortages of materials and high factory utilisation, NCAB specialises in providing its customers with a secure and reliable supply of PCBs.

M&A expands presence and broadens service offering

M&A is core to NCAB's growth strategy. It has made 23 acquisitions since its 2018 IPO, strengthening its position in Europe and North America, and most recently, entering Australia to grow its East operations. Acquisitions have brought new customers and expertise, including prototyping, new product introduction, PCB assembly and quick turn production. The integration process focuses on supporting growth, improving gross margins and optimising working capital requirements. NCAB typically pays 5–7x EV/EBITA with earn-outs to provide flexibility.

Forecasts and valuation: Higher ambitions

New medium-term targets are for through-cycle average revenue growth of 15% per year (10% organic/5% M&A) and an average EBITA margin of 15%, with gearing of 1.5–2.0x. Organic growth is supported by market growth estimates of c 8% per year in 2026–30e (excluding data centres) and the company's track record of winning market share. The company averaged an EBITA margin of 11.5% in FY18–25 and 12.5% year-to-date and believes that scale benefits and moderating investment in IT should support margin expansion. In our view, the valuation reflects the current strong demand environment, although recent concerns about slowing AI investment may be weighing on the share price.

Consensus estimates

Year end	Revenue (SEKm)	PBT (SEKm)	EPS (SEK)	DPS (SEK)	P/E (x)	Yield (%)
12/24	3,614.0	340.0	1.36	0.00	53.2	N/A
12/25	3,743.5	273.9	1.10	1.10	65.7	1.5
12/26e	5,205.3	545.3	2.27	1.30	31.9	1.8
12/27e	6,951.0	838.3	3.82	1.75	18.9	2.4

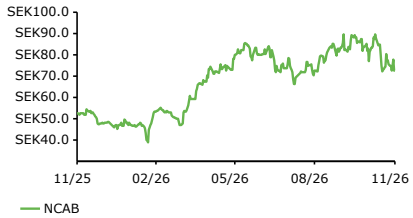
Source: LSEG Data & Analytics (as at 20 November).

Technology

23 November 2026

Price	**SEK72.30**
Market cap	**SEK13,518m**

Share price performance



Share details

Code	NCAB
Listing	OMX
Shares in issue	187.0m
Net cash/(debt) at end Q326	SEK(831.9)m

Business description

NCAB is a global full-service supplier of printed circuit boards (PCBs) with a local presence in 19 countries and sales in 45 countries.

Bull points

- Access to a network of 35 PCB factories provides geographic, vertical and technology diversity and allows an asset-lite business model.
- Good track record of M&A.
- High mix, low volume focus attracts higher value product with less price pressure, avoiding commodity consumer electronics.

Bear points

- The PCB industry is highly cyclical.
- Recent pull forward of orders due to material and component shortages makes it harder to ascertain underlying growth rate.
- Acquisition and integration risk from future M&A.

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