



PRESS RELEASE
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Nolato provides update on third-quarter financial performance

Overall, Nolato expects the Group's net sales for the third quarter of 2021 to be around SEK 3 billion, with an EBITA margin in the region of 11%.

Industrial Solutions

Nolato's six-month report, published on 20 July, noted that the Industrial Solutions business area experienced disruptions in its supply chain in the second quarter, with some customers having had to close or reduce production capacity for short periods due to component shortages. These disruptions have intensified since the summer holiday period and are expected to impact both the current and the fourth quarter of this year. Net sales for the third quarter are expected to be in line with last year and amount to around SEK 550 million, and to generate lower EBITA than last year.

Medical Solutions

Medical Solutions' net sales are expected to be close to SEK 1 billion for the third quarter. Volumes have continued to be adversely affected by postponed surgical operations in the third quarter, while there has also been a return to more normal inventory levels by more customers in other areas as restrictions have been eased or removed. In addition, there is the ramp-up of a major project with an existing leading global customer in an area that is new to Nolato for this particular client; in vitro diagnostics (IVD). This ramp-up is resulting in disruptions and temporarily higher costs for the third and fourth quarters. Overall, the aforementioned factors will have a negative effect on Medical Solutions' profitability throughout the second half of the year. The planned expansion of production capacity in Switzerland, Hungary, Poland, the United States and Sweden is proceeding according to plan.

Integrated Solutions

Integrated Solutions' net sales have performed above expectations in the third quarter, supported by continued strong volume growth in vaporizer heating products (VHP) and the EMC area. Nolato's six-month report expected continued good sales growth for both VHP and EMC in the third quarter compared with the second quarter of this year, when net sales totaled SEK 1,186 million.

Overall, Nolato expects the Group's net sales for the third quarter of 2021 to be around SEK 3 billion, with an EBITA margin in the region of 11%. Nolato's full interim report for the third quarter will be published on 28 October.

Contact

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About Us

Nolato is a Swedish group with operations in Europe, Asia, and North America. We develop and manufacture products in polymer materials such as plastic, silicone and TPE for leading customers within medical technology, pharmaceuticals, consumer electronics, telecom, automotive, hygiene and other selected industrial sectors. Nolato's shares are listed on Nasdaq Stockholm in the Large Cap segment, where they are included in the Industrials sector. www.nolato.com/IR

This information is information that Nolato is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, at 2021-10-01 08:15 CEST.

Attachments

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