

Interim Report January–March 2022

NOTETM
YOUR MANUFACTURING PARTNER

Financial performance in January–March

- Sales increased by 64% to SEK 821 (502) million. Adjusted for acquisitions and currency effects, growth was 35%.
- Operating profit was up by 90% to SEK 76 (40) million.
- Operating margin increased by 1.3 percentage points to 9.3% (8.0%).
- Profit after financial items was up by 85% to SEK 69 (38) million.
- Profit after tax increased by 83% to SEK 56 (31) million, corresponding to SEK 1.95 (1.08) per share.
- Cash flow after investments was SEK 9 (4) million, or SEK 0.31 (0.14) per share.

Events in the period

• Major successes on the market

After several years of successful new business sales, NOTE is in a clear expansion phase. In February, NOTE communicated that its partnership with a well-established international customer in its Industrial segment was performing significantly above estimates. Where previously, growth of this new deal was forecast at SEK 50 million—sales of over SEK 130 million are now already expected this year. In Communication, which has been negatively impacted by the pandemic in recent years, high order intake is expected to generate record sales in 2022. Several new, high-potential projects in Medtech have recently entered serial production, in Sweden and internationally. Last year's successful acquisition of iPRO of the UK has advanced positioning in Greentech as planned—NOTE has several expansive customers in the green technology transition in serial production, including charging points for electric vehicles.

• High growth despite a challenging component market

Despite challenges presented by the pandemic and continued shortages of electronic components on the market, sales in Q1 increased by 64%. Organic growth was 35%. Sales increased robustly in all customer segments.

• Strong order levels

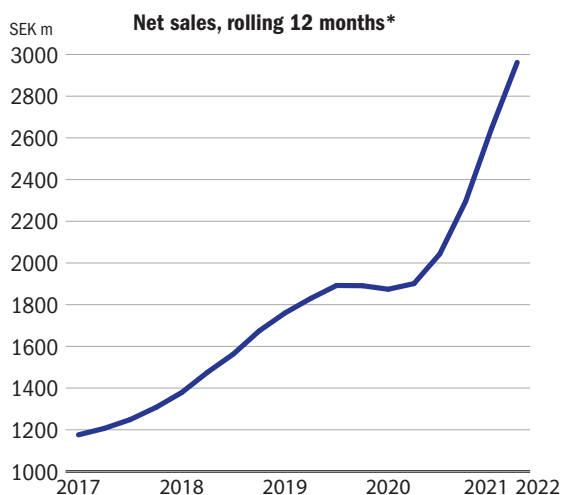
To increase the availability of electronic components during the market's continued shortage, as in the previous year, NOTE has been encouraging its customers to place orders over longer terms than usual. In combination with continued high new business sales, this was a contributor to total like-for-like order backlog (excluding iPRO) almost doubling compared to the end of Q1 last year. The order backlog for delivery in the rest of the year increased by 46%.

• Marginal short-term impact of the war in Ukraine

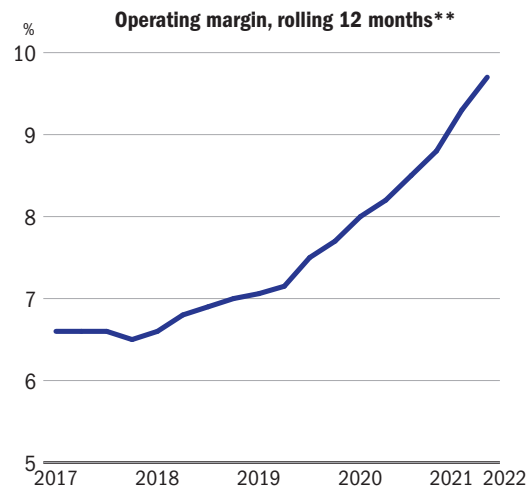
Based on sales to customers and sourcing of materials in Russia and Ukraine last year being at marginal levels, NOTE anticipates a very limited direct near-term impact on its business.

• CEO increases NOTE shareholding

Within the three-year incentive programme launched in 2019, NOTE's CEO Johannes Lind-Widestam purchased all 400,000 newly issued shares in February under the terms of the programme.



* The subsidiary iPRO is included from June 2021.



** Operating margin adjusted for non-recurring items with SEK -16 million in Q1 2017, SEK +7 million in Q3 2018, and SEK -5 million in Q4 2021.

CEO's comments

Focusing on profitable growth

NOTE is one of the fastest-growing companies in our sector and a stable provider of EMS for customers with high standards. The combination of a clear growth agenda and strong customer offering, with continuous rationalisation on our cost side, have been contributors to increased market shares and progressively expanding margins. Our critical success factors are methodical work on assuring quality and delivery precision of the highest class to customers, and in these segments, we've secured a sector-leading position. By focusing on the market and technology segments where we're already strong, we've successfully secured a large number of new accounts in traditional industries, as well as in new, expansive application segments.

European EMS market in profound change

In a longer perspective, an increasing number of market commentators anticipate growth on the European EMS market of the order of 7-10% per year. Contributors to this positive view include the clear electrification trend across society, and a growing number of smart solutions enabling the emergence of new application segments.

Previously, there was great interest among customers in the West to locate electronics production in Asia, which brought supply chain vulnerability and significantly accentuated the need for transportation. But in the wake of the pandemic, with a sharper focus on sustainability issues, increasing barriers in global trade and uncertainty on freight markets, the pronounced trend is for customers demanding development and manufacturing services closer to home. Recent geopolitical events have further accentuated this clear reshoring trend. We noticed this early, and have progressively expanded the capacity of our already efficient plants in Europe, and got the rest of NOTE's organisation well prepared to deal with expected market growth.

A positive start to the year

NOTE's record progress continued in the first quarter of the year. Despite challenges presented by the temporary closure of our plant in China and high sickness rates in Europe, both linked to the pandemic, plus a complex shortage situation on the component market, in Q1 we still succeeded in lifting sales by 64% to SEK 821 million—our highest-ever level for an individual quarter. Adjusted for currency affects and continued strong sales by iPRO of the UK, organic growth was 35%. We're growing significantly in all customer segments. In Greentech, which is 24% of sales, growth was as high as 90%. Here, we have several expansive customers with products that are clear contributors to energy optimisation or the transition from fossil fuel to renewable energy. For example, we have several manufacturing assignments for electric vehicle charging points, in serial production and start-up phases.

Sales performed very briskly on all domestic markets. In Sweden, growth was 45%. I'm also pleased that sales in China, which are mainly to domestic customers, grew by 53%. Sales from our plant in Estonia, mainly to customers in Sweden and Finland, also performed strongly, with growth of 35%.

I'm also delighted that we succeeded in continuing our positive earnings trend. In Q1, seasonally our weakest quarter, operating profit increased by 90% to SEK 76 million, and our



Continued high growth, operating profit up by 90% and great future prospects!

operating margin increased by 1.3 percentage points to 9.3%. Our strong earnings performance in recent years has been enabled by growth, stable margins on customer assignments and rationalisation on our cost side. Earnings performance in Q1 was consistent with estimates, while we incurred significantly increased costs associated with the pandemic, mainly in China.

We have a highly functional business model and state-of-the-art, efficient plants. At the same time, we won't hesitate to keep investing to boost growth, automation levels and efficiency, which benefit ourselves and our customers. With our high growth rate, we are continuously striving to stay one step ahead and adding more production capacity when required. For example, we significantly expanded our production capacity in Sweden and the UK recently.

We're growing on an electronic components market that is clearly unbalanced. In this problematic situation, not least in terms of the availability of semiconductors, we took the early decision to increase both our resources and inventories to ensure the best possible availability of materials for our customers. Naturally, the combination of this inventory build-up with high growth put pressure on our cash flow throughout last year. Despite that our direct delivery delays doubled to some SEK 100 million in Q1 as an effect of the material shortages, I view the fact that cash flow after investments improved to SEK 9 (4) million as positive. Our financial position is strong, and we're working actively to exploit new acquisition and growth opportunities on the market.

Future

We still anticipate very brisk market progress and is well placed to achieve our goal of reaching sales of SEK 5 billion by 2025 at the latest. In March, we achieved by far our highest-ever sales for an individual month. Our order situation is fantastic, with a large base of expansive customers in serial production, and several exciting assignments in start-up. Despite challenges on the component market, we anticipate continued brisk progress. We think we have really good potential to achieve growth of at least 30% for the full year 2022, and to keep strengthening our operating margin.

Johannes Lind-Widestam

Comments on Q1

Sales, January–March

NOTE is a competitive electronics manufacturer, and a stable business partner for Swedish and international customers that need advanced EMS. NOTE's business model is based on long-term customer relationships and partnerships. NOTE sells to a large customer base, active in the Industrial, Communication, Medtech and Greentech segments. Its customer base includes global corporations active worldwide, and local enterprises whose main sales are in Europe. Usually, customers outsource all EMS to one or several production partners. Another clear trend, not least among new, innovative companies, is for customers increasingly demanding more manufacture of box build products. About half of NOTE's sales are box build.

Demand for NOTE's services kept progressing strongly in the first quarter. Sales increased by 64% to SEK 821 (502) million. After adjusting for sales added by UK acquisition iPRO in Q2 last year, and altered exchange rates, mainly the USD, EUR and GBP, growth was 35%.

The sales increase consisted of new business with established customers, and the progressive impact of increased sales to a large base of new business customers. Most of NOTE's new business customers are companies across Europe and Asia. Several of these customer assignments, which usually start with industrialisation services (service sales, prototyping and pilot series), have now transitioned to serial production and higher volumes.

Demand progressed very strongly on all domestic markets. In Sweden, NOTE's largest market, growth was 45%. The company also achieved significant sales gains in the UK and Finland. After adjusting for the extra sales of iPRO, growth in Western Europe was 39%. Sales from the plant in China are to local and global customers. NOTE has worked successfully to regenerate its customer base recently, so most of its sales are now direct to customers in China or nearby markets. Sales and order intake in China progressed strongly. Despite an extended production stoppage linked to a stringent response to the pandemic, growth in China was 53%, which exceeded expectations. Sales from our plant in Estonia, mainly to customers in northern Europe, were 35% above the previous year's high level, mainly because of increased volumes on several recently secured deals.

NOTE's 15 largest customers in sales terms made up 54% (55%) of group sales. No single customer (group) represented more than about 7% of total sales.

Successful new sales to new and current business customers, and continued healthy demand in all customer segments, were contributors to record-high order intake. Readers should note that ever since the start of the shortage that still persists on the global electronic component market, and with the aim of safeguarding the availability of components and other production materials, NOTE has been working actively for customers to place fixed orders over longer periods than usual. Total order backlog, which consists of a combination of fixed orders and customer forecasts, had almost doubled at the end of the first quarter compared to the corresponding point of last year. For the order backlog for delivery for the rest of the year, the increase in

like-for-like terms (excluding iPRO) was 46%. This strong order situation suggests continued high sales growth, simultaneous with the availability of electronic components being highly significant to growth in the near term.

Results of operations, January–March

In order to keep sharpening competitiveness and create the potential for profitable growth, NOTE has been conducting methodical improvement work at all the group's plants for several years. This work is conducted locally at each plant and through a number of group-wide projects. Over and above initiatives to expand and develop its customer offering, NOTE's focus is on measures that improve delivery precision and quality performance, and on cost and working capital rationalisation. One clear example of outcomes of this improvement work is the company's positive trend of sales per employee over time.

Mainly as a consequence of increased sales and continued rationalisations on the costs side, gross profit increased by 66% to SEK 106 (63) million. Gross margin increased by 0.2 percentage points to 12.8% (12.6%).

Sales and administration overheads for the period were some SEK 8 million (37%) higher than the previous year, essentially because of the extra expenses from iPRO, which was acquired in Q2 last year. These overheads were 3.5% (4.1%) of sales.

Other operating income/expenses, largely consisting of the revaluation of operating assets and liabilities denominated in foreign currency, were SEK -1 (-3) million.

Operating profit in the first quarter improved by 90% to SEK 76 (40) million, and the operating margin increased by 1.3 percentage points to 9.3% (8.0%).

An increased need for financing, mainly for working capital, and revaluation of loans in foreign currencies, contributed to net financial income/expenses in the period of SEK -7 (-2) million.

Profit after net financial items increased by 85% to SEK 69 (38) million, which meant the profit margin increased to 8.4% (7.5%).

Profit after tax was up by 83% to SEK 56 (31) million, or SEK 1.95 (1.08) per share. The tax expense for the period corresponded to 19% (18%) of profit before tax.

Cash flow

Competing successfully in the high mix market segment sets demanding standards on flexibility in manufacture, the effective supply of materials and the capability to deliver custom logistics solutions. Accordingly, NOTE puts a lot of focus on continuously improving its business methods and internal processes in these areas.

One of NOTE's key missions is to maintain a good and cost-efficient supply of materials to customers. The global market for electronic components is usually considered fairly volatile, with limited supply of various types of component from time to time. Access to semiconductors has been an especially limiting factor in the industry for over a year. Accordingly, NOTE has done a lot of work in limiting disruptions and delays to the shipments of components it receives. As part of these efforts, it has consci-

ously upscaled its inventories of critical components.

The high growth and direct supply delays to customers of the order of SEK 100 million caused by a shortage on the component market, was a contributor to capital tied-up in inventory being over 100% higher than at the end of the first quarter last year. The inventory of acquired company iPRO brought an inventory increase of 15%.

NOTE is making continuous efforts to monitor credit risks and limit the number of outstanding customer credit days. Accounts receivable—trade have automatically increased since year-end, and were 69% higher than at the corresponding point of the previous year. With the record sales in March, the number of outstanding days of customer credit was consistent with the previous year's level.

Accounts payable—trade mainly consist of purchases of electronic components and other production materials. NOTE is working actively on a partner model on the supplier side, which has implications including sourcing being concentrated on fewer, quality-assured suppliers as far as possible. This working method simultaneously helps rationalise the utilisation of working capital. Accounts payable—trade increased by 6% since year-end, and were 75% higher than compared to the corresponding point of the previous year.

Despite continued positive profit performance, the increased need for working capital, mainly linked to growth and problems on the component market, resulted in first-quarter cash flow after investments being limited to SEK 9 (4) million, or SEK 0.31 (0.14) per share.

Equity to assets ratio

NOTE has a strong financial position. According to NOTE's externally communicated financial targets, its minimum equity to assets ratio should be 30%. At the end of the first quarter, and after the acquisition of iPRO last year, the equity to assets ratio was 40.9% (47.7%).

Liquidity and net debt

NOTE puts a sharp focus on measures that further improve the group's liquidity and cash flow.

The group's reported available cash and cash equivalents, including unused credit facilities, amounted to SEK 275 (195) million at the end of Q1. Disregarding estimated financial liabilities on the additional right-of-use assets for leased properties under IFRS 16 (Leases), net debt at the end of the quarter was SEK 254 (31) million.

Investments

In the first quarter, expenditure on property, plant and equipment, excluding right-of-use assets for leased properties (IFRS 16 Leases), was SEK 11 (9) million, corresponding to 1.3% (1.8%) of sales, and mainly consisted of projects to increase capacity, efficiency and quality.

Scheduled depreciation increased to SEK 20 (13) million, of which the amortisation of right-of-use assets for leased properties, was SEK 6 (4) million.

Parent company

The parent company, NOTE AB (publ), is primarily focused on the management, coordination and development of the group. Revenue in the period was SEK 10 (8) million, mainly from intra-group services. Profit after tax amounted to SEK 5 (6) million in the first quarter.

Other information

Transactions with related parties

Within the framework of the three-year incentive programme launched in 2019, NOTE's CEO Johannes Lind-Widestam bought all 400,000 newly issued shares in February in accordance with the terms of the programme. In total, almost SEK 12 million was provided to the company. After some divestment to finance the share acquisition, Johannes' holding privately, via companies and related parties, amounts to 497,100 shares.

Dividend

To ensure maximum financial freedom of action during the ongoing structural transformation of the industry, the Board has proposed that no dividend be paid for 2021.

New CFO

As previously announced, NOTE's former CFO Henrik Nygren has decided to retire in connection with the 2022 Annual General Meeting. As planned, Frida Frykstrand, NOTE's Corporate Accounting Manager and Treasurer, took over as CFO in March.

Significant operational risks

NOTE is one of the leading northern European EMS partners. It has especially strong market positioning in the high mix market segment, i.e. for products that require high technology competence and flexibility. NOTE produces PCBAs, subassemblies and box build products. The customer offering covers the complete product lifecycle, from design to after-sales.

For a more detailed review of the group's operational and financial risks, refer to NOTE's Annual Report for 2021, more specifically to the Risks section on page 15, the Report of the Directors on page 47, as well as note 24, Financial risks and finance policy, on page 65–66.

NOTE's operations set relatively high standards on working capital financing. Accordingly, it puts a sharp focus on managing its liquidity risk.

Accounting and valuation principles

NOTE observes International Financial Reporting Standards (IFRS) as endorsed by the European Union. Significant accounting and valuation principles are stated on pages 54–56 of the Annual Report for 2021. The group's Interim Report has been prepared in accordance with the Swedish Annual Accounts Act and IAS 34, Interim Financial Reporting. The parent company observes RFR 2.

From 2021 onwards, NOTE is reporting sales in four customer segments—Industrial, Communication, Medtech, and Greentech. Reclassifications of customers are natural, which is reflected in quarterly and cumulative figures for the full period.

All amounts are in SEK million unless otherwise stated.

Financial definitions

Average number of employees Average number of employees calculated on the basis of hours worked.

Cash flow per share Cash flow after investments divided by the number of outstanding shares at end of the period.

Equity per share Equity divided by the number of outstanding shares at end of the period.

Equity to assets ratio Equity as a percentage of total assets.

Gross profit margin Gross profit as a percentage of net sales.

Net debt Interest-bearing liabilities and provisions less cash and cash equivalents.

Net sales per employee Net sales divided by the average number of full-time employees.

Order backlog A combination of fixed orders and customer forecasts.

Operating capital Total assets less cash and cash equivalents, non-interest bearing liabilities and provisions.

Operating margin Operating profit as a percentage of net sales.

Profit margin Profit after financial items as a percentage of net sales.

Return on equity Net profit as a percentage of the average equity for the most recent twelve-month period.

Return on operating capital Operating profit as a percentage of the average operating capital for the most recent twelve-month period.

Discrepancies between reports

Swedish and English-language versions of this Report have been produced. In the event of any discrepancy between the two, the Swedish version shall apply.

Audit review

As in previous years, the Interim Report for Q1 has not been subject to review by the company's auditor.

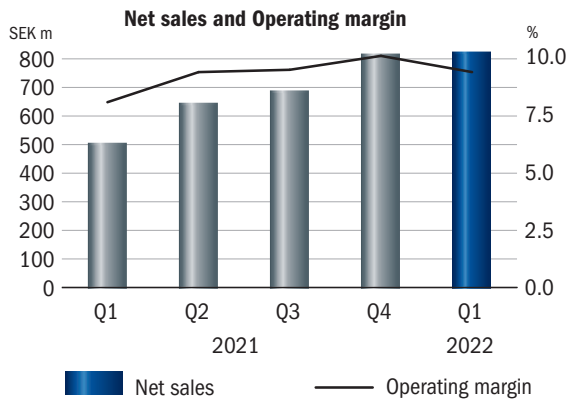
Johannes Lind-Widestam
CEO and President

Stockholm, Sweden, 19 April 2022

Consolidated summary

Quarterly summary

SEK million	2022 Q1	2021 Q4	2021 Q3	2021 Q2	2021 Q1
Net sales	821	814	685	642	502
Gross margin	12.8%	13.7%	13.4%	13.5%	12.6%
Operating margin	9.3%	10.6%	9.4%	9.3%	8.0%
Profit margin	8.4%	10.0%	8.6%	9.1%	7.5%
Cash flow after investing activities	9	-44	-49	-53	4
Cash flow per share, SEK	0.31	-1.54	-1.71	-1.85	0.14
Equity per share, SEK	30.2	28.0	25.2	23.3	21.7
Equity to assets ratio	40.9%	38.6%	38.2%	38.6%	47.7%
Average number of employees	1,319	1,314	1,283	1,186	1,091
Net sales per employee, SEK 000	622	619	534	541	460



Six-year summary

SEK million	Rolling 12 mth.	2021	2020	2019	2018	2017
Net sales	2,962	2,643	1,874	1,760	1,379	1,176
Gross margin	13.4%	13.4%	12.0%	11.7%	12.5%	11.9%
Operating margin	9.7%	9.5%	8.0%	7.1%	6.1%	7.9%
Profit margin	9.1%	9.0%	7.6%	6.6%	5.7%	7.6%
Cash flow after investing activities	-137	-142	172	75	-76	70
Cash flow per share, SEK	-4.73	-4.97	6.06	2.69	-2.63	2.41
Equity per share, SEK	30.2	28.0	20.0	16.7	13.3	12.8
Return on operating capital	29.6%	27.6%	22.7%	20.7%	17.8%	24.2%
Return on equity	29.4%	28.4%	22.5%	21.7%	17.1%	21.0%
Equity to assets ratio	40.9%	38.6%	51.2%	41.2%	39.8%	48.8%
Average number of employees	1,275	1,218	1,101	1,070	980	912
Net sales per employee, SEK 000	2,323	2,170	1,702	1,645	1,407	1,289

Consolidated Financial Reports

Income Statement

SEK million	2022 Q1	2021 Q1	Rolling 12 mth.	2021 Full year
Net sales	821	502	2,962	2,643
Cost of goods and services sold	-715	-439	-2,565	-2,289
Gross profit	106	63	397	354
Selling expenses	-17	-12	-64	-59
Administrative expenses	-12	-8	-45	-41
Other operating income/expenses	-1	-3	-1	-3
Operating profit	76	40	287	251
Net financial income/expenses	-7	-2	-19	-14
Profit after financial items	69	38	268	237
Income tax	-13	-7	-49	-43
Profit after tax	56	31	219	194

Other Comprehensive Income

SEK million	2022 Q1	2021 Q1	Rolling 12 mth.	2021 Full year
Profit after tax	56	31	219	194
Other comprehensive income				
Items that can be subsequently reversed in the income statement:				
Exchange rate differences	6	19	22	35
Cash flow hedges	0	0	0	0
Tax on hedges and exchange rate difference	0	-2	-1	-3
Total other comprehensive income after tax	6	17	21	32
Comprehensive income after tax	62	48	240	226

Earnings per Share

	2022 Q1	2021 Q1	Rolling 12 mth.	2021 Full year
Number of shares at end of period (000)	28,984	28,373	28,984	28,584
Weighted average number of shares (000)*	28,690	28,373	28,577	28,445
Weighted average number of shares (000)**	28,938	28,726	28,903	28,864
Earnings per share, SEK*	1.95	1.08	7.68	6.82
Earnings per share, SEK**	1.94	1.07	7.59	6.72

* Before dilution

** After dilution

Balance Sheet

SEK million	2022 31 March	2021 31 March	2021 31 Dec
Assets			
Goodwill	141	109	141
Intangible assets—customer relationships	24	9	25
Other intangible assets	9	11	10
Right of use assets—rented properties	95	67	102
Property, plant and equipment	175	140	174
Deferred tax assets	5	5	5
Other financial assets	2	1	1
Total non-current assets	451	342	458
Inventories	879	428	798
Accounts receivable—trade	689	408	675
Other current receivables	53	35	44
Cash and bank balances	64	79	99
Total current asset	1,685	950	1,616
TOTAL ASSETS	2,136	1,292	2,074
Equity and liabilities			
Equity	874	616	800
Liabilities			
Long-term interest-bearing liabilities	76	56	79
Long-term liabilities, right of use asset—rented properties	74	51	79
Deferred tax liabilities	27	15	28
Total non-current liabilities	177	122	186
Current interest-bearing liabilities	241	54	287
Short-term liabilities, right of use asset—rented properties	23	18	23
Accounts payable—trade	630	359	595
Other current liabilities	190	122	182
Other short term provisions	1	1	1
Total current liabilities	1,085	554	1,088
TOTAL EQUITY AND LIABILITIES	2,136	1,292	2,074

Change in Equity

SEK million	2022 Q1	2021 Q1	Rolling 12 mth.	2021 Full year
Opening equity	800	568	616	568
Comprehensive income after tax	62	48	240	226
New share issue	12	-	18	6
Closing equity	874	616	874	800

Cash Flow Statement

SEK million	2022 Q1	2021 Q1	Rolling 12 mth.	2021 Full year
Operating activities				
Profit after financial items	69	38	268	237
Reversed depreciation and amortisation	20	13	73	66
Other non-cash items	0	1	0	1
Tax paid	-28	-9	-36	-17
Change in working capital	-43	-35	-328	-320
Cash flow from operating activities	18	8	-23	-33
Cash flow from investing activities	-9	-4	-114	-109
Cash flow from financing activities	-45	4	119	168
Change in cash and cash equivalents	-36	8	-18	26
Cash and cash equivalents				
At beginning of period	99	68	79	68
Cash flow after investing activities	9	4	-137	-142
Cash flow from financing activities	-45	4	119	168
Exchange rate difference in cash and cash equivalents	1	3	3	5
Cash and cash equivalents at end of period	64	79	64	99
Un-utilised credits	211	116	211	116
Available cash and cash equivalents	275	195	275	215

Operating Segments

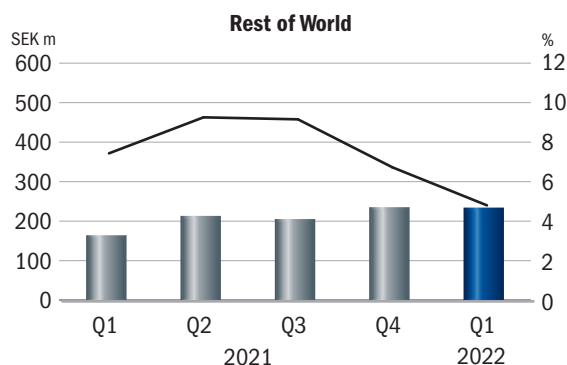
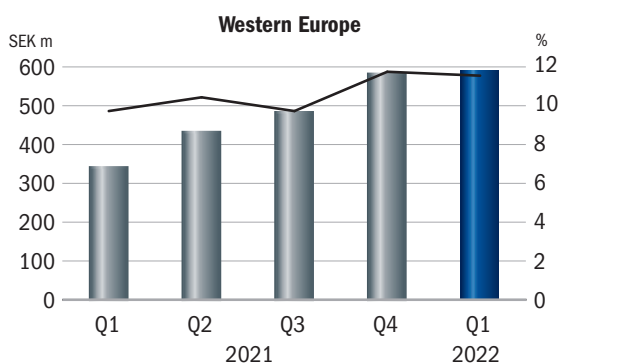
NOTE's operating segment Western Europe consist of units located in geographical regions with high industrial activity and innovation standards in Sweden, Finland and the UK. These units provide advanced production technology services in close collaboration with customers, such as component selection, developing test equipment, prototyping and serial production.

Operating segment Rest of World, located in Estonia and China, are close to large end markets and in regions with strong

traditions of production and high competence levels. In addition to development-oriented services, these units also offer cost-efficient volume production of PCBAs and box build products.

Intra-Group are group-wide business support functions in the parent company and for the sourcing operations in NOTE Components. The segment also includes group eliminations.

SEK million	2022 Q1	2021 Q1	Rolling 12 mth.	2021 Full year
WESTERN EUROPE				
External net sales	590	341	2,087	1,838
Internal net sales	1	1	29	29
Operating profit	67	33	228	194
Operating margin	11.4%	9.7%	10.8%	10.4%
Inventories	615	277	615	558
External accounts receivable—trade	499	298	499	477
Average number of employees	757	549	710	658
REST OF WORLD				
External net sales	231	161	875	805
Internal net sales	12	9	81	78
Operating profit	12	13	71	72
Operating margin	4.8%	7.4%	7.4%	8.1%
Inventories	264	151	264	240
External accounts receivable—trade	188	109	188	196
Average number of employees	546	525	548	543
INTRA-GROUP				
Internal net sales	-13	-10	-110	-107
Operating profit	-3	-6	-12	-15
External accounts receivable—trade	2	1	2	2
Average number of employees	16	17	17	17



Net sales external

Operating margin

Sales per Customer Segment

NOTE divides its sales into four customer segments: Industrial, Communication, Medtech and Greentech.

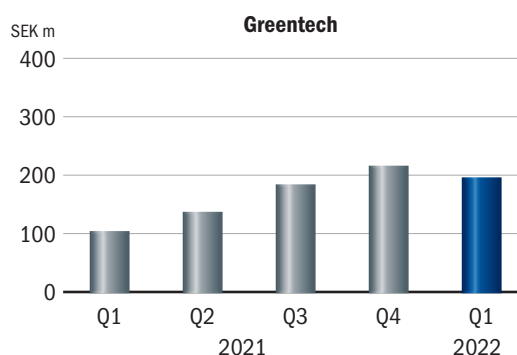
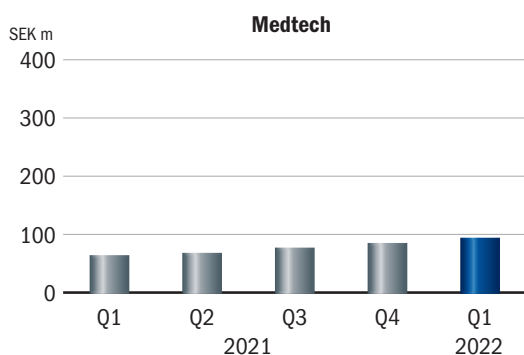
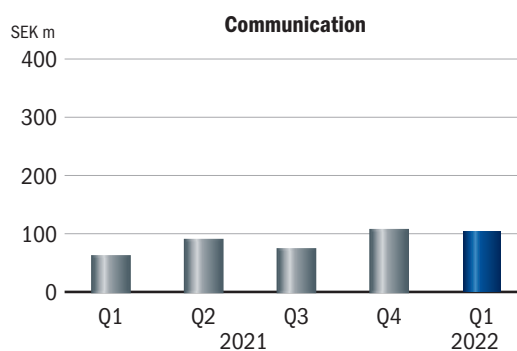
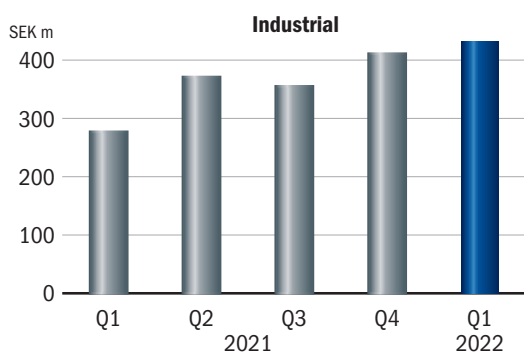
Industrial: With high quality and flexibility, products are manufactured in areas such as automation, control, infrastructure, energy and construction technology.

Communication: One of NOTE's core areas since the company was founded. The extensive and rapid development requires technical competence and equipment at the forefront.

Medtech: Medical technology products in diagnostics, treatment and X-ray are the basis in the segment. Medtech has been part of NOTE for many years.

Greentech: The new segment Greentech consists of customers active in the fast-growing green technology shift. Here you will find customers with products that contribute positively to increased sustainability, for example to the transition from fossil to renewable energy or to optimisation of energy consumption.

SEK million	2022 Q1	2021 Q1	Rolling 12 mth.	2021 Full year
WESTERN EUROPE				
Industrial	284	178	1,012	906
Communication	42	20	133	111
Medtech	91	58	300	267
Greentech	173	85	642	554
Total external sales	590	341	2,087	1,838
REST OF WORLD				
Industrial	148	99	538	489
Communication	61	41	238	218
Medtech	1	4	16	19
Greentech	21	17	83	79
Total external sales	231	161	875	805
TOTAL				
Industrial	432	277	1,550	1,395
Communication	103	61	371	329
Medtech	92	62	316	286
Greentech	194	102	725	633
Total external sales	821	502	2,962	2,643



Parent Company Financial Reports

Income Statement

SEK million	2022 Q1	2021 Q1	Rolling 12 mth.	2021 Full year
Net sales	10	8	35	33
Cost of services sold	-4	-3	-14	-13
Gross profit	6	5	21	20
Selling expenses	-4	-3	-15	-14
Administrative expenses	-3	-3	-12	-12
Other operating income/expenses	2	8	9	15
Operating profit	1	7	3	9
Net financial income/expenses	5	1	9	5
Profit after financial items	6	8	12	14
Appropriations	-	-	-4	-4
Profit before tax	6	8	8	10
Income tax	-1	-2	-1	-2
Profit after tax	5	6	7	8

Other Comprehensive Income

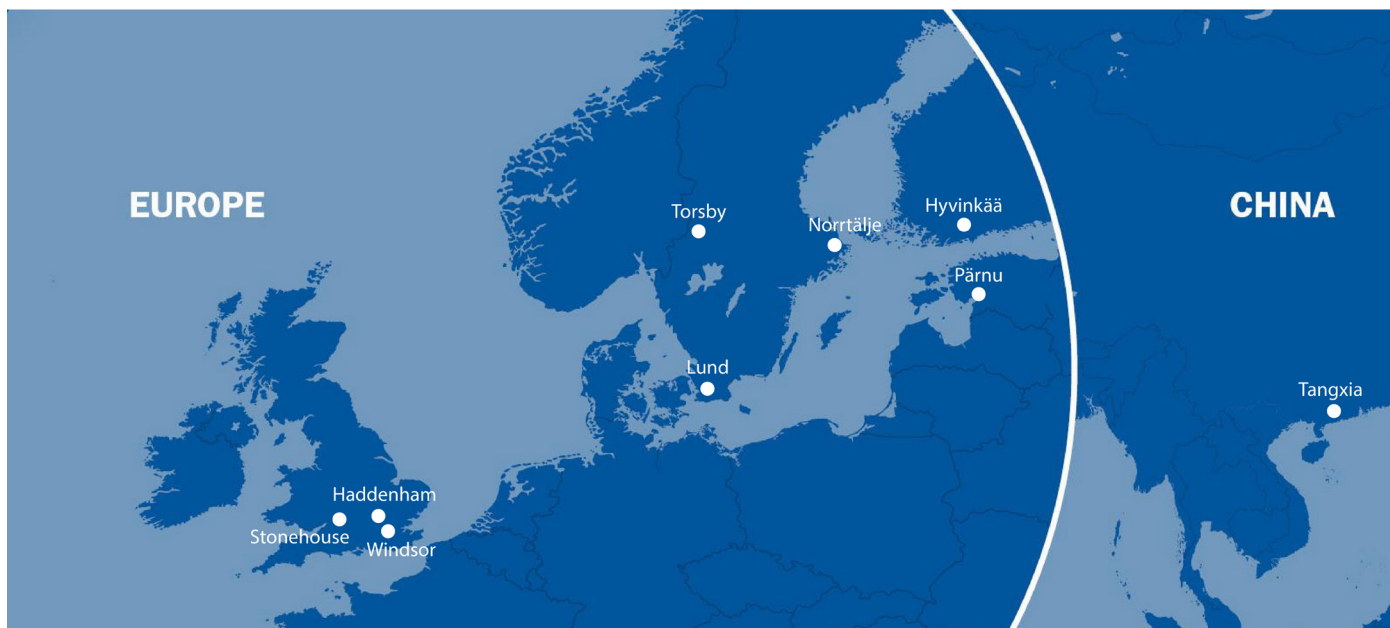
SEK million	2022 Q1	2021 Q1	Rolling 12 mth.	2021 Full year
Profit after tax	5	6	7	8
Other comprehensive income				
Items that can be subsequently reversed in the income statement:	-	-	-	-
Total other comprehensive income	-	-	-	-
Comprehensive income after tax	5	6	7	8

Balance Sheet

SEK million	2022 31 March	2021 31 March	2021 31 Dec
Assets			
Intangible assets	2	3	2
Property, plant and equipment	0	1	0
Long-term receivables from group companies	220	115	217
Financial non-current assets	197	221	197
Total non-current assets	419	340	416
Receivables from group companies	21	14	27
Other current receivables	17	14	14
Cash and bank balances	4	22	19
Total current assets	42	50	60
TOTAL ASSETS	461	390	476
Equity and liabilities			
Equity	282	257	265
Untaxed reserves	10	7	10
Liabilities			
Liabilities to financial institutions	0	0	0
Liabilities to group companies	157	115	186
Other current liabilities and provisions	12	11	15
Total current liabilities	169	126	201
TOTAL EQUITY AND LIABILITIES	461	390	476

Change in Equity

SEK million	2022 Q1	2021 Q1	Rolling 12 mth.	2021 Full year
Opening equity	265	251	257	251
Comprehensive income after tax	5	6	7	8
New share issue	12	-	18	6
Closing equity	282	257	282	265



This is NOTE

NOTE produces PCBAs, subassemblies, and increasingly box build products. The products are embedded in complex systems used in applications including electronic control, surveillance and security.

The customers are active in the Industrial, Communication, Medtech and Greentech segments. Primarily, the customer base consists of large corporations operating on the global market, but also businesses whose main sales are in northern Europe.

The business model is based on delivering

advanced manufacturing services, tailored logistics solutions as well as value-added consulting services for the best total cost. The customer offering covers complete product lifecycles from design to after-sales.

In Western Europe, NOTE has plants located in geographical regions with high industrial activity and innovation capabilities. At these plants, NOTE provides sophisticated production technology services in close partnership with customers, such as component selection, developing test equipment, prototyping and

serial production.

NOTE's plants in Estonia and China are close to major final markets, and in regions with strong traditions of production and high skills levels. Over and above development-oriented services, cost-efficient serial production of PCBAs and box build products are provided.

The NOTE share has been available on Nasdaq Stockholm OMX Mid Cap since the turn of the year 2021-2022.

Financial information

NOTE AB (publ)
Corporate ID no. 556408-8770

Calendar

Interim Report Q2	14 Jul 2022
Interim Report Q3	18 Oct 2022

Ordering Financial Information

Financial and other relevant information can be ordered from NOTE. Out of consideration for the environment, a subscription service is readily available from NOTE's website.

Website: www.note-ems.com
E-mail: info@note-ems.com
Tel: +46 (0)8-568 990 00

Investor Relations Contact

Frida Frykstrand
CFO
Tel: +46 (0)70 462 0939
E-mail: frida.frykstrand@note-ems.com