

NOTE acquires British company iPRO

NOTE has acquired all shares in UK based iPRO Holdings Ltd. iPRO manufactures advanced electronics-based products (box-build) with customers mostly found within Greentech, but also in Medtech and Industrial sectors. iPRO's sales during the past 12 months amounted to SEK 320 million with an operating margin in line with NOTE's.

iPRO's business model is similar to NOTE's and is based on long-term customer collaborations, high quality and strong delivery performance. iPRO is already in a strong growth phase with several ongoing projects in the electric vehicle (EV) and e-mobility markets. The company will further strengthen NOTE's growing position in the Greentech customer segment. iPRO is based in Haddenham, Buckinghamshire, UK, and employs 100 staff. The growth and profitability of iPRO is currently developing very positively - primarily as a consequence of the high demand for charging products for electric vehicles.

iPRO's operations have been founded, operated and developed successfully under the leadership of the current owner Martin Deas, who will continue his role as Managing Director of the company.

The purchase price initially amounts to GBP 7.0 million on a debt-free basis and may be increased by an additional purchase price of a maximum of GBP 2.3 million. In terms of the company's development over the past 12 months, the initial purchase price corresponds to an acquisition multiple (EV/EBIT) of approximately 3.5.

Seen over the past 12 months, pro forma the acquisition means a sales growth for NOTE of approximately 17% and an increase in operating profit (EBITA) of around 16%. Together with the geographically nearby plants in Windsor and Stonehouse, NOTE's sales in UK amounted to just over SEK 500 million/pro forma for the past 12 months.

Payment of the purchase price is made in cash based on NOTE's strong balance sheet. Following the acquisition, NOTE's equity/assets ratio amounts to approximately 43%.

"The size of the British EMS market is approximately at the same level as the entire Nordic market. We are very pleased to complete this acquisition, which significantly strengthens our position in the UK. The growth in iPRO is strong and the company has many exciting customers and new projects. We are already seeing a significant recovery in demand in the UK market as well and look forward to further develop the operations of iPRO together with current customers, staff and management", says Johannes Lind-Widestam, CEO and President.

"For some time now, I have come to know NOTE as a company that shares our core values of high quality and where customers are at the centre of operations. iPRO is currently in a strong growth phase and I believe that in preparing the business for the future, iPRO will be significantly better positioned as part of a larger group of companies. I look forward to working with other NOTE units, both in Europe and in China, and to benefiting from synergies particularly in areas such as global sourcing. I believe NOTE is an ideal owner for both our staff and our customers and I am excited by the opportunities to both broaden and strengthen our customer offering in the UK market", says Martin Deas, Managing Director at iPRO.

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About NOTE

NOTE is one of northern Europe's leading EMS partners, producing PCBAs, subassemblies and box build products. NOTE's offering covers the complete product lifecycle, from design to after-sales. NOTE

has a presence in Sweden, Finland, the UK, Estonia and China. Net sales in the last 12 months were SEK 1,901 million; the group has approximately 1,100 employees. NOTE is listed on Nasdaq Stockholm. For more information, please go to www.note-ems.com.

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