

NOTE's Interim Report January–June 2021

Financial performance Q2 (April–June)

- Sales increased by 28% to SEK 642 (500) million. Adjusted for acquisitions and currency effects, growth was 27%.
- Operating profit was up by 44% to SEK 60 (42) million.
- Operating margin increased by 1.0 percentage point to 9.3% (8.3%).
- Profit after net financial items increased by 40% to SEK 58 (42) million.
- Profit after tax increased by 40% to SEK 47 (34) million, corresponding to SEK 1.66 (1.20) per share.
- Cash flow after investments and acquisitions amounted to SEK -53 (64) million, or SEK -1.85 (2.26) per share. The payment for the acquisition of iPRO affected cash flow by SEK -68 million.

Financial performance January–June

- Sales increased by 17% to SEK 1,144 (975) million. Adjusted for acquisitions and currency effects, growth was 19%.
- Operating profit was up by 34% to SEK 100 (75) million.
- Operating margin increased by 1.0 percentage point to 8.7% (7.7%).
- Profit after net financial items increased by 38% to SEK 96 (70) million.
- Profit after tax increased by 39% to SEK 78 (56) million, corresponding to SEK 2.75 (2.01) per share.
- Cash flow after investments and acquisitions amounted to SEK -49 (127) million, or SEK -1.71 (4.48) per share. The payment for the acquisition of iPRO affected cash flow by SEK -68 million.

CEO's comment – Record order intake and expansive acquisition boost our future potential

"NOTE continues to develop in a convincing way. A strong recovery in the market, especially in Sweden and China, in combination with continued very high new sales, contributed to sales increasing by 17% during the first half of the year to SEK 1,144 million. Adjusted for acquisitions and currency effects, organic growth was 19%. The positive development was further strengthened during the second quarter - in the same way, organic growth in Q2 was 27%.

At the turn of the month May-June, we completed an expansive acquisition of iPRO of the UK. In the recent 12-month period the company has sales of just over SEK 330 million. iPRO is in a strong growth phase with several customers developing charging solutions for electric vehicles - a market under very rapid development.

In terms of earnings, our positive trend continued, mainly due to growth, stable margins in ongoing customer assignments and good cost development as a result of implemented efficiency programmes. During the first half of the year, operating profit increased by 34% to SEK 100 million. During Q2, earnings growth was 44% and the operating margin was 9.3% - our highest level ever.

We have reason for great optimism regarding the future. The order backlog at the end of June was at a record level, and in like-for-like terms just over 40% higher than last year. Based on the current market situation, we estimate that sales for this year will amount to at least SEK 2.45 billion. For the full year, we expect increased operating profit and a stronger operating margin", says Johannes Lind-Widestam, CEO and President.

NOTE's Interim Report for January–June is now available in PDF format on the corporate web site, www.note-ems.com, and attached to this message. Today at 10.00 CET, NOTE organises a telephone conference for analysts, media and investors, where CEO and President Johannes Lind-Widestam presents the report. The Interim Report for January–September will be published on 19 October.

For more information, please contact:

Johannes Lind-Widestam, CEO and President, tel. +46 (0)70 541 7222
Henrik Nygren, CFO, tel. +46 (0)70 977 0686

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 2,043 million; the group has approximately 1,200 employees. NOTE is listed on Nasdaq Stockholm. For more information, please go to www.note-ems.com.

This information is information that NOTE AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation and the Securities Markets Act. The information was submitted for publication, through the agency of Johannes Lind-Widestam, at 8:30 a.m. CET on 13 July 2021.