

NOTE's Interim Report January–March 2021

Financial performance January–March

- Sales increased by 6% to SEK 502 (475) million. Adjusted for currency effects, growth was 11%.
- Operating profit was up by 21% to SEK 40 (33) million.
- Operating margin widened by 1.0 percentage point to 8.0% (7.0%).
- Profit after net financial items increased by 35% to SEK 38 (28) million.
- Profit after tax increased by 37% to SEK 31 (22) million, corresponding to SEK 1.08 (0.80) per share.
- Cash flow after investments amounted to SEK 4 (63) million, or SEK 0.14 (2.26) per share.

CEO's comment – Strong new sales and a strong recovery in demand pave the way for an increased growth rate

"During Q1, we increased sales by 6% to the new record level of SEK 502 million. Adjusted for currency effects, growth was 11%. We continue to win new business in a convincing way and the order backlog at the end of the quarter was just over 30% higher than last year. In terms of profitability, our positive trend continued. Operating profit increased by 21% to SEK 40 million, implying a strengthening of the operating margin by 1.0 percentage point to 8.0%, our highest level ever for Q1. To ensure, if possible, deliveries to our customers in the current shortage of electronic components, mainly of semiconductors, we increased our inventories during Q1, which in the short-term weighed on our cash flow.

In the wake of the pandemic, our growth clearly slowed down during the second half of last year. For some time now, however, we have seen a very strong recovery in demand, both from our established customer base and from new customer partnerships. Based on the current market situation and our strong order backlog, I consider the conditions as very good to achieve growth of 10%-20% for the full year and continue our positive profitability trend," says Johannes Lind-Widestam, CEO and President.

NOTE's Interim Report for January–March is now available in PDF format at the 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–June will be published on 13 July.

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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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