

NOTE's Interim Report January–March 2022

Financial performance 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.

CEO's comment – New record quarter with strong growth, 90% increased operating profit and very good future prospects

“Despite challenges caused by the pandemic and continued shortage situation in the component market, NOTE increased sales by 64% to the new record level of SEK 821 million. Adjusted for acquisitions and currency effects, growth was 35%. We continue to win new business in a convincing way. The order backlog for comparable units (excluding English iPRO) and for delivery in the next three quarters, was 46% higher than at the end of Q1 last year. We are growing significantly in all domestic markets and in all customer segments. Within Greentech, which accounted for 24% of sales, growth was as high as 90%. There are several fast-growing customers in the green technology shift, including products for energy optimisation and electric vehicle charging points.

In terms of profitability, our strong trend continued. Operating profit increased by 90% to SEK 76 million, meaning a strengthening of the operating margin by 1.3 percentage points to 9.3%, our highest level ever for Q1. Despite inventory increases due to growth and the fact that our direct delivery delays due to component deficiencies doubled to approximately SEK 100 million, cash flow after investments improved to SEK 9 (4) million. Our financial situation remains very strong with an equity/asset's ratio of 41%.

We have a fantastic order situation and in March we achieved by far our highest sales ever for an individual month. Despite the challenges in the component market, we consider the opportunities to be very good to reach growth of at least 30% in 2022 and continue our positive profitability trend. We are well placed to achieve our goal of reaching sales of SEK 5 billion by 2025 at the latest,” 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 14 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 2,962 million; the group has approximately 1,300 employees. NOTE is listed on Nasdaq Stockholm. For more information, please go to www.note-ems.com.

This information is such information that NOTE AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of Johannes Lind-Widestam, at 8:30 a.m. CET on 20 April 2022.