

NOTE's Interim Report January–June 2022

Financial performance in April-June

- Sales increased by 40% to SEK 898 (642) million. Adjusted for acquisitions and currency effects growth was 24%.
- Operating profit was up by 39% to SEK 83 (60) million.
- Operating margin was 9.3% (9.3%).
- Profit after financial items was up by 22% to SEK 72 (58) million.
- Profit after tax increased by 24% to SEK 59 (47) million, corresponding to SEK 2.02 (1.66) per share.
- Cash flow after investments amounted to SEK -4 (-53) million, or SEK -0.14 (-1.85) per share. Cash flow was negatively affected by the continued challenges in the market for electronic components. Last year's cash flow was also negatively impacted by the SEK -68 million payment for the acquisition of iPRO of the UK.

Financial performance in January–June

- Sales increased by 50% to SEK 1,719 (1,144) million. Adjusted for acquisitions and currency effects, growth was 29%.
- Operating profit was up by 60% to SEK 159 (100) million.
- Operating margin increased by 0.6 percentage points to 9.3% (8.7%).
- Profit after financial items was up by 47% to SEK 141 (96) million.
- Profit after tax increased by 47% to SEK 115 (78) million, corresponding to SEK 3.98 (2.75) per share.
- Cash flow after investments was SEK 5 (-49) million, or SEK 0.17 (-1.71) per share. Cash flow in the previous year was negatively impacted by the SEK -68 million payment for the acquisition of iPRO of the UK.

CEO's comment – Q2 was a record quarter with our highest sales to date and a strong operating margin, despite challenges in both the materials and foreign exchange markets

"NOTE continues to develop in a convincing way. Despite challenges related to the pandemic and the continued shortage situation in the component market, NOTE's sales increased by 50% during the first half of the year to SEK 1,719 million. Adjusted for acquisitions and currency effects, growth was 29%. During the second quarter, growth of 40% and a new record level for sales of SEK 898 million was achieved. Organic growth, adjusted for acquisitions and currency effects, was 24% in Q2. We are growing in all domestic markets and in all customer segments.

In terms of results, our positive trend continued. During the first half of the year, operating profit increased by 60% to SEK 159 million and the operating margin was strengthened by 0.6 percentage points to 9.3%. The operating margin for Q2 was at the same level as Q1 and was negatively affected by about one percentage point due to the large fluctuations in the foreign exchange market. The underlying profitability was thus in line with our expectations.

Shortly after the midpoint of the year, we completed an expansive acquisition of Swedish Dynamic Precision Solutions AB. The company is developing strongly and is expected to have sales of just over SEK 140 million for the full year 2022 with an operating margin in line with NOTE's. The business is operating in rented premises of just over 5,000 m², which significantly increases production capacity in Sweden, NOTE's largest domestic market.

We expect a continued strong market development and are well in line with our goal of reaching sales of SEK 5 billion by 2025 at the latest. Our order situation is fantastic and we expect sales of at least SEK 3.6 billion for the full year 2022, corresponding to a growth for the full year of 35%. For the second half of the year, this corresponds to a growth of 25%. We continue to look forward to 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 17 October.

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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 3,218 million; the group has approximately 1,400 employees. NOTE is listed on Nasdaq Stockholm. For more information, please go to www.note-ems.com.

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