

## NOTE's Year-end Report 2022

### Financial performance in Q4 (October-December)

- Sales increased by 28% to SEK 1,038 (814) million. Adjusted for acquisitions and currency effects, organic growth was 8%. Re-invoicing of extraordinary cost increases on electronic components had no significant impact on growth as the corresponding re-invoicing also occurred during the fourth quarter of the previous year.
- Operating profit was SEK 129 (87) million and corresponded to an operating margin of 12.3% (10.6%). Adjusted for the SEK +15 million profit effect linked to reversal of 50% of the SEK 30 million doubtful debt reported in Q3, and for currency revaluations of operating assets and liabilities in foreign currencies as well as re-invoicing of extraordinary cost increases of electronic components essentially without margin, the underlying operating profit increased by 41% to SEK 111 (79) million. The corresponding underlying operating margin increased by 1.0 percentage points to 11.2% (10.2%).
- Profit after financial items was SEK 123 (82) million.
- Profit after tax amounted to SEK 99 (68) million, corresponding to SEK 3.44 (2.39) per share.
- Cash flow after investments amounted to SEK 23 (-44) million, or SEK 0.79 (-1.54) per share. The quarter's cash flow includes a SEK -16 million payment of the contingent consideration for the acquisition of iPRO of the UK. Cash flow for the corresponding quarter of the previous year was impacted by a SEK -12 million payment for the acquisition of iPRO of the UK. Adjusted for acquisition-related payments, cash flow for the period was SEK +39 (-32) million.

### Financial performance in January–December

- Sales increased by 39% to SEK 3,687 (2,643) million. Adjusted for acquisitions and currency effects, organic growth was 20%. Approximately 5% of sales consisted of re-invoicing of extraordinary cost increases on electronic components.
- Operating profit was SEK 345 (251) million which corresponded to an operating margin of 9.3% (9.5%). Adjusted for the doubtful debt of SEK -15 million net, and adjusted for currency revaluations of operating assets and liabilities in foreign currencies as well as re-invoicing of extraordinary cost increases of electronic components essentially without margin, the underlying operating profit increased by 49% to SEK 372 (249) million. The corresponding underlying operating margin increased by 1.0 percentage points to 10.6% (9.6%).
- Profit after financial items was SEK 311 (237) million.
- Profit after tax amounted to SEK 254 (194) million, corresponding to SEK 8.79 (6.82) per share.
- Cash flow after investments was SEK -31 (-142) million, or SEK -1.07 (-4.97) per share. The year's cash flow includes the SEK -17 million payment for the acquisition of NOTE Herrljunga, and a SEK -16 million payment of a contingent consideration for the acquisition of iPRO of the UK in the previous year. Cash flow in the previous year was impacted by the SEK -80 million payment for the acquisition of iPRO of the UK. Adjusted for acquisition-related payments, cash flow for the year was SEK +2 (-62) million.

### Dividend

To ensure maximum financial freedom to act during the sector's current structural transformation, the Board of Directors is proposing that no dividend is paid for 2022.

### CEO's comment – Strong progress for NOTE in the year, with high growth and record operating profit despite challenges on the market.

*"NOTE's operations developed at a record high level during the year. Sales growth for 2022 amounted to 39%. In Q4, we saw our strongest sales figure to date when we as a group for the first time reached over 1 billion in a single quarter. The fourth quarter's turnover of SEK 1,038 million represented a growth of 28%.*

*NOTE also developed strongly in terms of profitability during the year. The underlying operating profit for 2022 increased by 49% to SEK 372 million. The underlying operating margin increased to 10.6%, an increase of 1.0 percentage points. In Q4, the underlying operating profit amounted to MSEK 111 (79) and corresponded to an underlying operating margin of 11.2% (10.2%). The strong development*

*comes despite a challenging market, linked, among other things, to a continued uncertain market for electronic components.*

*We have a strong order position with several exciting customers and projects in the start-up phase, and we see good opportunities to continue our positive development. Based on the current market situation, we see good opportunities to reach a turnover for Q1 of SEK 1 billion, which corresponds to a growth of 25%. For the full year 2023, we repeat our guidance for sales of at least SEK 4 billion. We're well positioned to achieve our long-term targets for growth, profitability and sustainability", says Johannes Lind-Widestam, CEO and President.*

NOTE's Year-end Report for 2022 is now available in PDF format at the web site, [www.note-ems.com](http://www.note-ems.com), and attached to this message. Today at 10:00 a.m. CET NOTE will arrange a presentation for analysts, media and investors where the report will be presented by NOTE's CEO and President Johannes Lind-Widestam. The Interim Report for January–March will be published on 19 April.

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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 3,687 million; the group has approximately 1,400 employees. NOTE is listed on Nasdaq Stockholm. For more information, please go to [www.note-ems.com](http://www.note-ems.com).*

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