



AQ Group: Corona update

During April and May, 5 of our manufacturing units in Canada, the United States, Italy and India have been closed, while 9 units in Europe have been affected by the standstill of the European automotive industry. The other 28 units within AQ Group continued to manufacture without major disruptions.

From the beginning of June, all of our manufacturing units are up and running and automotive customers have also restarted after their downtime. We deliver what our customers demand and currently we have no significant problems with material deliveries, staffing or other restrictions.

The first three months of Corona have been handled in a good way by our employees around the world. Work routines, staffing and material procurement have quickly adapted to very large variations in customer demand. A majority of customers have continued to produce from their order backlog and there are also some segments where demand has increased. The most important thing has been to introduce procedures that reduce the risk of virus spread and to continue to deliver to our customers. Disturbances that have occurred have been handled well.

In order to counteract the financial effect during this quarter, we have worked intensively to reduce our costs and several of these measures were started even before Covid-19. We have also taken part of the financial support measures from the governments in the countries where we operate.

Now we move on to the next phase of Covid-19 where there is a great deal of uncertainty concerning how our customers' business volumes will develop. We will therefore continue our efforts to adjust our costs to the actual demand that arises. We will also increase our efforts to seize all the opportunities that will arise in a situation like this.

AQ Group has a strong balance sheet, which is a strength in such a difficult situation. Nevertheless, we have worked humbly on these issues as well. We have reviewed our investment plans and worked to reduce the inflow of materials and increased dialogue with our customers. During May, we also extended our bank loans, thereby increasing the long-term share of our financing.

We are ready for new challenges and opportunities during the rest of the year and will continue to do our utmost to be a "reliable" supplier to demanding industrial customers during a challenging time.

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AQ in brief

AQ is a leading supplier to demanding industrial customers and is listed on Nasdaq Stockholm's main market.

The Group consists mainly of operating companies each of which develop their special skills and in cooperation with other companies, provides cost effective solutions in close cooperation with the customer.

The Group headquarter is in Västerås, Sweden. AQ has, on December 31, 2019, in total about 6,300 employees in Sweden, Bulgaria, China, Estonia, Hungary, India, Italy, Lithuania, Mexico, Poland, Serbia, Finland, Canada, USA, Brazil and Germany.

In 2019 AQ had net sales of SEK 5.1 billion and the group has since its start in 1994 shown profit every quarter.

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