

Interim report January-March 2020

STRONG QUARTER DESPITE CHANGE IN MARKET SITUATION.

First quarter

- The operating income amounted to SEK 491 million [483] and the organic growth was 1.3%
- The operating profit amounted to SEK 50 million [44], yielding an operating margin of 10.2% [9.1]
- The profit after tax amounted to SEK 38 million [33]
- Earnings per share [EPS] after dilution amounted to SEK 2.14 [1.83]



Comment from CEO Markus Granlund:

The year began in much the same way as 2019 ended - with further improvements in earnings and an operating margin over 10 per cent. Rising demand for product information solutions in service and aftermarket, a successful shift towards new fields of technology and greater industry diversification in combination with earlier efficiency measures were major contributing factors to the positive figures for the first quarter. In these uncertain times, it is reassuring that we have started the year with a healthy cash flow and that the Group's net cash is increasing even after completed acquisition. Rolling 12 months, our earnings were in line with our financial objective of an 8 per cent operating margin.

Demand for digital aftermarket solutions remained strong at the beginning of the year as our customers, among other activities, improve and streamline their service businesses. The Product Information business area reported a sharp increase in operating profit for the quarter year-on-year and achieved an operating margin of 15.9 per cent. In March, we completed the acquisition of the digital training company Xtractor, with customers in, for example, the public sector, which has further strengthened our offering in aftermarket and product information. The acquisition is expected to have a positive impact on both the business area's operating margin and Semcon's earnings per share in 2020.

At the start of the year, customer demand was at positive levels for services in product development and production optimisation using, for example, digitisation, electrification and autonomous applications. Demand in the Engineering & Digital Services business area was particularly strong, predominantly from Life Science and the public sector, while order levels from the automotive industry are substantially lower in comparison with previous periods. Despite changes in market conditions

and a slowdown towards the end of the quarter, due to the spread of covid-19, the business area reported an operating margin of 9.2 per cent.

The measures we have implemented in response to the dramatic change in the market, with lower demand from the automotive industry and greater uncertainty in the manufacturing industry caused by the spread of covid-19, are mainly short-time working for staff, further efficiency enhancements and postponed investments. We quickly switched to remote working and increased the use of digital working tools in all geographic markets, which was achieved with maintained productivity in our operations. However, we can see that certain projects that were terminated at short notice will have a long-term impact on some competences and positions, which led us to restructure operations primarily in Göteborg, Stockholm and Södertälje in April, resulting in a reduction of the workforce by approximately 150 people. The restructuring will lead to a non-recurring cost of about SEK 30 million, which will be charged to the second quarter of 2020. The measures means an acceleration of our strategic competence shift and industry diversification.

Semcon is well placed and has a strong financial position, which is important in the weaker market we are faced with. What differentiates this crisis from previous crises is that we are in a time when all of our customers are affected by significant technology changes and need specialist expertise to avoid risking their competitiveness. We continue our strategic shift by strengthening our position in new fields of technology and further streamlining operations while achieving even greater industry diversification to gain market shares in strategically prioritised areas.

Göteborg, 28 April 2020

Markus Granlund, President and CEO

Income and result

Operating income amounted to SEK 491 million [483] and organic growth was 1.3 per cent. The quarter included the same number of working days compared with the corresponding period last year. Operating profit amounted to SEK 50 million [44], yielding an operating margin of 10.2 per cent [9.1]. The Product Information business area reported a very positive improvement in earnings due to healthy organic growth and improved productivity. The Engineering & Digital Services business area's earnings were burdened by, among other factors, investments in activities aimed at supporting sales. Net financial items amounted to SEK -1 million [-2], yielding profit before tax of SEK 49 million [42]. Tax expense for the quarter amounted to SEK -11 million [-10]. Profit after tax amounted to SEK 38 million [33] and earnings per share after dilution totalled SEK 2.14 [1.83].

Financial position

Operating cash flow from current activities was SEK 63 million [31]. Investments in hardware, licenses, office supplies and equipment amounted to SEK 2 million [1]. The Group's cash and cash equivalents, after the acquisition of Xtractor, amounted to SEK 65 million [61]. In addition, the Group had non-utilised credit of SEK 251 million [251] as of 31 March. Shareholders' equity amounted to SEK 651 million [603] and the equity/assets ratio was 55 per cent [54]. The Group's net cash, excluding leasing obligations, amounted to SEK 65 million [61].

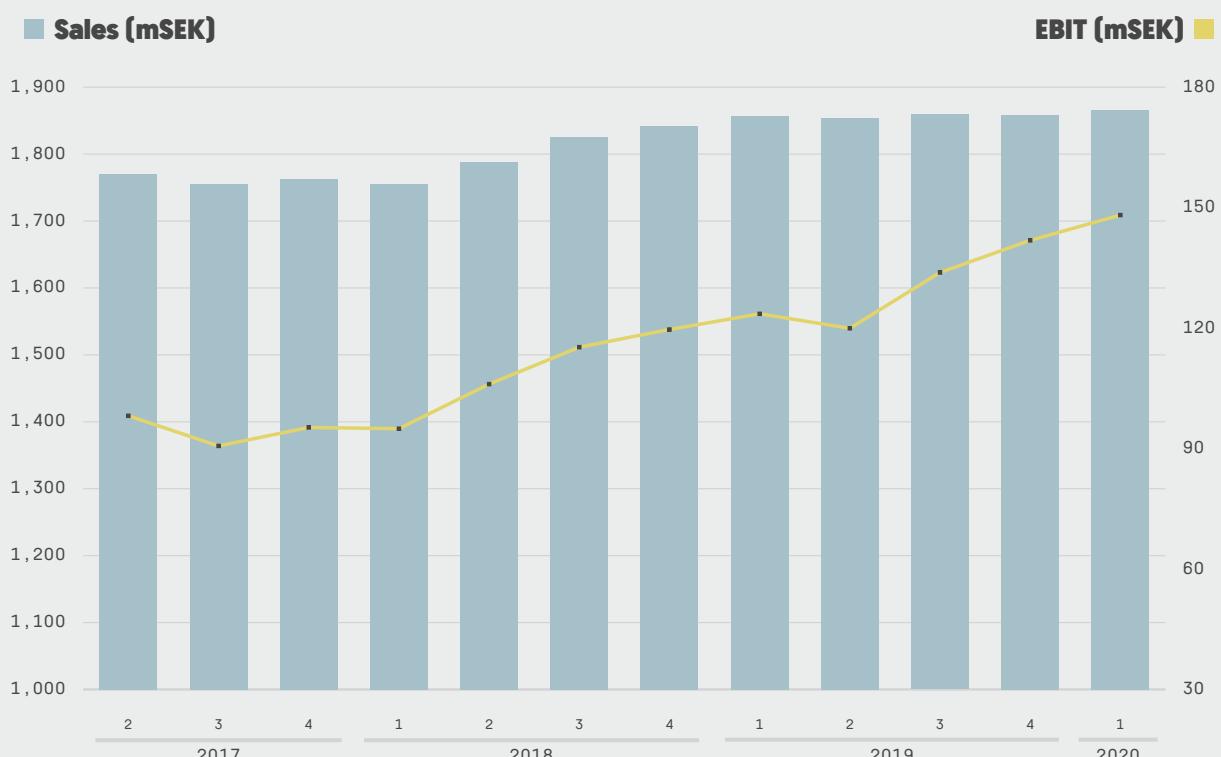
Parent company

Operating income for the parent company amounted to SEK 11 million [18] and pertains to compensation for intra-Group services. The profit before tax totalled SEK -1 million [7].

Important events during the period

- The Engineering & Digital Services business area entered into a partnership with Imagimob. The company develops software for Edge AI, which means that even more and smaller products can be both connected and intelligent.
- In March, the Product Information business area acquired Xtractor, with operations in Stockholm. The company has approximately 40 employees with revenues of about SEK 50 million. The acquisition will strengthen Semcon's position within digital training.
- Through the Engineering & Digital Services business area, Semcon has acted as technology partner to Jotun with the revolutionary proactive cleaning solution for large vessels - Jotun Hull Skating Solutions. The solution is contributing to healthier oceans and cost savings for Jotun's customers.
- Semcon has developed an AI-powered intelligent assistant for professional use, which can help companies to structure security classified data and present required information in a way tailored to their end users.

Rolling 12 months, per quarter



Employees

The number of employees on March 31 was 2,267 [2,143] and the number of employees in active service was 2,184 [2,062]. In the respective business areas the head count is as follows: Engineering & Digital Services 1,489 [1,421] and Product Information 778 [722].

Ownership structure

As of March 31, JCE Group owned 25.8% [25.8] of Semcon's shares, Nordea Investment Funds 10.3% [9.8], BNY Mellon 5.0% [4.5], Avanza Pension 3.5% [4.2] and Northern Trust Company 3.4% [2.9]. Foreign ownership was 41.4% [34.2] and the number of shareholders was 5,145 [5,558]. The number of ordinary shares at the end of the period was 18,112,534 [18,112,534], all with the quotient value of SEK 1 and equal voting rights. Semcon owned 754,416 [694,199] of the company's share on March 31. Semcon is listed on Nasdaq Stockholm, small cap under the SEMC ticker. For more information about Semcon's ownership structure and share price movements visit www.semcon.com.

Risk and instability factors

The Group and parent company's significant risks and instability factors include business risks in the form of high exposure towards a single industry or customer. An economic downturn or disruptions to financial markets can have a negative effect on the Group's services. In general terms acquisitions and divest-

ments incur increased risks. This also includes financial risks mainly concerning currency risks. Semcon's Annual Report 2019, pages 42-43 and 61-63, include a detailed description of the Group and parent company's risk exposure and risk management. The global outbreak of covid-19 in 2020 has resulted in greater uncertainty in terms of the above risks and uncertainties.

Accounting principles

Semcon follows the IFRS standards adopted by the EU and its interpretations of these [IFRIC]. This interim report has been drawn up in accordance with IAS 34. The new standards that came into force as of 1 January 2020 have had no material effect on the Group's accounts during the year. In general, the same accounting policies and methods of calculation have been used in this interim report as in the latest Annual Report.

Acquisitions and divestments

In March, the Product Information business area acquired Xtractor. The acquisition is expected to have a positive impact on both the business area's operating margin and Semcon's earnings per share in 2020. Xtractor has operations in Stockholm and approximately 40 employees with revenues of about SEK 50 million. For further information about the acquisition, see Note 2. No other acquisitions or divestments took place during the period.

Change in operating income

	Jan-March	Jan-Dec
	2020	2019
Acquisition and divestment	1.1%	-0.2%
Currency effects	-0.7%	0.6%
Organic growth	1.3%	0.5%
Total	1.7%	0.9%

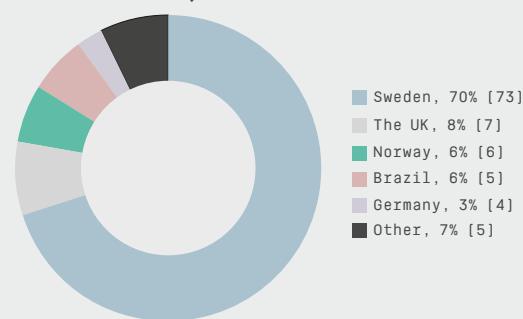
No. of working days in Sweden

	2018	2019	2020	2021
Q1	63	63	63	62
Q2	59	58	58	59
Q3	65	66	66	66
Q4	62	62	63	64
Total	249	249	250	251

The change in one working day represents around SEK 7 million in income and impacts operating profit by about SEK 6 million.

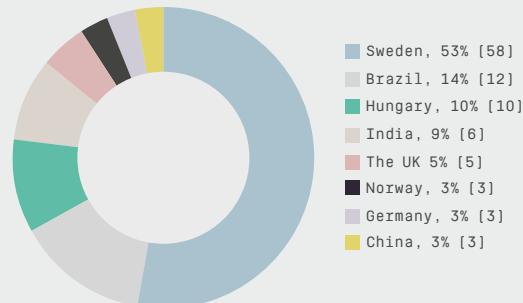
Group income per market

Jan–March, 2020



Employees per country

31 March, 2020



Events after the end of the period

Due to the spread of covid-19, the Group has noted a decline in demand, mainly from automotive customers but also from certain other industrial customers. At present, it is not possible to quantify the impact this may have on the Group. A number of measures have been taken to limit the effects, which include temporary short-term working for staff, further efficiency enhancements and postponed investments. Certain projects that were terminated at short notice will however have a long-term impact on some competences and positions. This has led to restructuring in Sweden in April, with a reduction in staff by approximately 150 people. Costs for the restructuring are estimated at about SEK 30 million, which will be charged to the second quarter. No other significant events occurred after the end of the period.

BUSINESS AREAS

Engineering & Digital Services

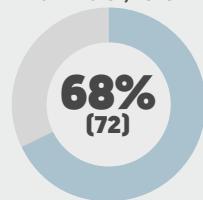
The business area's income amounted to SEK 337 million [349] and the organic growth was -2.1 per cent. Growth in Sweden was adversely impacted by weaker demand from, among others, automotive customers. However, growth remained positive in relation to customers in Life Science and the public sector and for operations in Brazil. Operating profit amounted to SEK 31 million [34], yielding an operating margin of 9.2 per cent [9.8]. The business area was, to a

certain extent, affected by changes in market conditions towards the end of the quarter due to the spread of covid-19. In addition, investments in activities aimed at supporting sales were charged to earnings, which in a normal market would create long-term potential to grow both organically and through acquisitions.

	Jan-March	Jan-Dec	
	2020	2019	2019
Operating income, mSEK	337.3	348.8	1,326.5
Operating profit, mSEK	31.0	34.1	107.3
Operating margin, %	9.2	9.8	8.1
No. of employees	1,489	1,421	1,528

Share of Semcon's total income

Jan-March, 2020



About Engineering & Digital Services

The business area's almost 1,500 employees provide services in areas such as digitization, product development, plant engineering and production development services. The offer is aimed at requirement and concept studies, design, calculations, construction, embedded systems, testing, simulation, quality control, project management, production and process development and expertise in lean production and service development. Engineering & Digital Services has offices in Sweden, Norway, the UK, India and Brazil. Business activities mainly focus on the automotive, industry, energy and life science sectors. Customers include ABB, AB Volvo, Alstom, Aston Martin, AstraZeneca, Autoliv, Bombardier, CEVT, Geely, Fortum, Getinge, Husqvarna, Jaguar Land Rover, MAN, McLaren, Metso, Rolls-Royce Marine, Saab, Scania, Siemens, Vattenfall and Volvo Cars.

Product Information

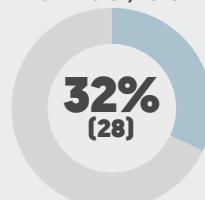
The business area's income amounted to SEK 155 million [134] and organic growth was 10.8 per cent. Growth was favourable in Sweden and the UK among others. The partnership with AGCO (one of the world's largest manufacturers of agricultural equipment) has progressed well and has, for example, contributed to the improved income in the UK and other markets. Operating profit amounted to SEK 25 million [13], yielding an operating margin of 15.9 per cent [9.7].

Operating profit improved due to healthy organic growth and higher productivity. The acquisition of Xtractor also contributed to the improvement in earnings. Part of the business area's strategy is focused on a high proportion of Managed Service contracts and a high level of resource efficiency through deliveries involving networking teams from several countries.

	Jan-March	Jan-Dec	
	2020	2019	2019
Operating income, mSEK	155.2	134.5	535.8
Operating profit, mSEK	24.6	13.0	50.4
Operating margin, %	15.9	9.7	9.4
No. of employees	778	722	734

Share of Semcon's total income

Jan-March, 2020



About Product Information

The business area's almost 800 employees provide complete product information solutions with the primary focus on customers' aftermarket business. The business area's offering supports products and systems throughout the product life cycle: from sales and marketing to installation, maintenance, diagnostics, repairs, as well as training service staff. The business area has offices in Sweden, the UK, Hungary, Germany and China. Customers are mainly in the engineering, automotive, telecom and IT, energy sectors and med-tech. These include ABB, AB Volvo, AGCO, Baxter, Bombardier, CEVT/Lynk & Co, ESAB, Jaguar Land Rover, Saab, Siemens, London Electric Vehicle Company, UniCarriers and Volvo Cars.

Consolidated FINANCIAL, SUMMARY

Income statements

mSEK	Note	Jan-March		Jan-Dec
		2020	2019	2019
Operating income	1	491.3	483.2	1,858.2
Purchase of goods and services		-86.6	-84.7	-336.6
Other external operating expenses		-25.3	-25.1	-99.7
Staff costs		-316.2	-316.0	-1,227.3
Operating profit before depreciation		63.2	57.4	194.6
Depreciation of tangible fixed assets		-2.3	-2.2	-9.2
Depreciation of right-of-use assets		-9.9	-10.6	-40.5
Depreciation of other intangible assets		-0.8	-0.7	-3.1
Operating profit		50.2	43.9	141.8
Net financial items		-1.4	-1.5	-6.8
Profit before tax		48.8	42.4	135.0
Tax		-11.2	-9.8	-28.7
Profit after tax		37.6	32.6	106.3
Profit attributable to:				
Parent company's shareholders		37.6	32.6	106.3
Earnings per share before dilution [SEK]		2.17	1.87	6.11
Earnings per share after dilution [SEK]		2.14	1.83	6.04
No. of working days in period		63	63	249

Statement of comprehensive income

mSEK		Jan-March		Jan-Dec
		2020	2019	2019
Profit after tax		37.6	32.6	106.3
Items that can be reclassified as profit or loss				
Translation differences for the period		-7.1	4.6	2.4
Total		-7.1	4.6	2.4
Total other comprehensive income		30.5	37.2	108.7
Total comprehensive income for the period		40.5	37.2	108.7

Balance sheets

mSEK	March 31		Dec 31
	2020	2019	2019
Assets			
Intangible assets, goodwill	371.5	317.1	317.1
Right-of-use assets	138.8	151.3	148.6
Other intangible assets	9.4	10.0	10.2
Tangible fixed assets	29.6	31.1	30.1
Financial assets	3.5	6.0	5.6
Accounts receivable	334.7	309.9	372.7
Accrued non-invoiced income	194.7	197.6	145.5
Other current assets	35.8	33.2	30.3
Cash and cash equivalents	65.1	61.2	63.0
Total assets	1,183.1	1,117.4	1,123.1
Shareholders' equity and liabilities			
Shareholders' equity	650.9	603.3	620.1
Non-current lease liabilities	101.2	109.8	109.1
Deferred tax liabilities	57.2	51.1	48.2
Accounts payable	57.5	46.6	55.7
Current lease liabilities	35.1	36.4	36.8
Non-accrued invoiced income	24.1	10.2	16.5
Other non interest-bearing current liabilities	257.1	260.0	236.7
Total shareholders' equity and liabilities	1,183.1	1,117.4	1,123.1

Change in shareholders' equity

mSEK	March 31		Dec 31
	2020	2019	2019
Shareholders' equity at the start of the year			
Shareholders' equity at the start of the year	620.1	566.9	566.9
Total comprehensive income	30.5	37.2	108.7
Acquisition of own shares	-	-1.1	-4.7
Share-based remuneration	0.3	0.3	1.5
Shareholder dividend	-	-	-52.3
Shareholders' equity at the end of the year	650.9	603.3	620.1

Capital employed

mSEK	March 31		Dec 31
	2020	2019	2019
Total assets			
Total assets	1,183.1	1,117.4	1,123.1
Deferred tax liabilities	-57.2	-51.1	-48.2
Accounts payable	-57.5	-46.6	-55.7
Other non interest-bearing liabilities	-281.2	-270.2	-253.2
Total capital employed	787.2	749.5	766.0
Average capital employed	743.2	596.7	699.1

Cash flow statements

mSEK	Note	Jan-March		Jan-Dec
		2020	2019	2019
Cash flow from current activities				
before change in working capital		40.4	39.1	162.9
Change in working capital		22.5	-7.8	-32.1
Cash flow from current activities		62.9	31.3	130.8
Investments		-2.3	-0.9	-9.6
Acquisition of subsidiaries	2	-42.0	-	-
Sales of fixed assets		-	-	0.1
Cash flow from investment activities		-44.3	-0.9	-9.5
Repayment of lease liabilities		-9.2	-11.4	-44.0
Acquisition of own shares		-	-1.1	-4.7
Shareholder dividend		-	-	-52.3
Cash flow from financing activities		-9.2	-12.5	-101.0
Cash flow for the period		9.4	17.9	20.3
Cash and cash equivalents at the start of the period		63.0	43.5	43.5
Translation differences		-7.3	-0.2	-0.8
Cash and cash equivalents at the end of the period		65.1	61.2	63.0

Change in net cash

mSEK		Jan-March		Jan-Dec
		2020	2019	2019
Opening balance		63.0	43.5	43.5
Cash flow from current activities		62.9	31.3	130.8
Net investments		-2.3	-0.9	-9.5
Acquisitions of subsidiaries		-42.0	-	-
Shareholder dividend		-	-	-52.3
Repayment of lease liabilities		-9.2	-11.4	-44.0
Acquisition of own shares		-	-1.1	-4.7
Translation differences		-7.3	-0.2	-0.8
Closing balance		65.1	61.2	63.0

Key figures

	Jan-March 2020	Jan-Dec 2019	Jan-Dec 2019
Growth in sales [%]	1.7	3.2	0.9
Organic growth in sales [%]	1.3	0.6	0.5
Operating margin before depreciation [%]	12.9	11.9	10.5
Operating margin [%]	10.2	9.1	7.6
Profit margin [%]	9.9	8.8	7.3
Return on shareholders' equity [%]*	18.4	17.0	18.1
Return on capital employed [%]*	19.1	20.6	19.4
Equity/assets ratio [%]	55.0	54.0	55.2
Number of employees at the end of the year	2,267	2,143	2,262

* Rolling 12 months.

Key figures for the Semcon share

	Jan-March 2020	Jan-Dec 2019	Jan-Dec 2019
Earnings per share before dilution [SEK]	2.17	1.87	6.11
Earnings per share after dilution [SEK]	2.14	1.83	6.04
Shareholders' equity before dilution [SEK]	37.50	34.64	35.72
Shareholders' equity after dilution [SEK]	35.94	33.31	34.24
Share price/Shareholders' equity [times]	1.29	1.79	2.02
Cash flow from current activities [SEK]	3.47	1.73	7.22
Share price at the end of the year [SEK]	46.25	59.60	69.20
Market cap at the end of the year [mSEK]	863	1,080	1,253
Number of shares at the end of the year with the quotient value of SEK 1 [000]	18,113	18,113	18,113
Number of own shares at the end of the year [000]	754	694	754
Average number of shares [000]	18,113	18,113	18,113

Definitions

Capital employed

The balance sheet total minus non-interest-bearing provisions and liabilities.

Cash flow per share

Cash flow from current activities divided by the weighted average number of outstanding shares adjusted for the dilution effect on potential shares.

Earnings per share [EPS] before dilution

Profit/loss after tax attributable to the parent company's owners divided by the average number of outstanding ordinary shares excluding shares held as own shares by the parent company.

Earnings per share [EPS] after dilution

Profit/loss after tax attributable to the parent company's owners divided by the average number of outstanding shares adjusted for the dilution effect of potential shares.

Equity/assets ratio

Shareholders' equity as a percentage of the balance sheet total.

Net cash/net debt

Cash and cash equivalents and interest-bearing receivables with deductions for interest-bearing provisions and liabilities, excluding lease liabilities.

Organic growth

Year-on-year increase in income adjusted for currency effects, acquisitions and divestments.

Operating margin

Operating profit as a percentage of operating income.

Operating margin before depreciation

Operating profit before depreciation as a percentage of operating income.

Profit margin

Profit before tax as a percentage of operating income.

Return on shareholders' equity

Profit for the period after tax divided by the average shareholders' equity.

Return on capital employed

Profit before tax plus financial costs divided by the average capital employed.

Shareholders' equity per share before dilution

Shareholders' equity divided by the number of shares at end of the period excluding shares held as own shares by the parent company.

Shareholders' equity per share after dilution

Shareholders' equity divided by the number of shares at end of the period adjusted for the dilution effect on potential shares.

Quarterly information by Business Area

	2018				2019				2020	
	Q1	Q2	Q3	Q4	2018	Q1	Q2	Q3	Q4	2019
Operating income [mSEK]										
Engineering & Digital										
Services	359.6	362.7	293.1	355.6	1,371.0	348.8	340.1	287.4	350.2	1,326.5
Product Information	109.0	116.7	112.5	135.9	474.1	134.5	136.0	124.1	141.2	535.8
Group items/ eliminations	-0.2	-0.2	-0.7	-1.8	-2.9	-0.1	-0.1	-1.3	-2.6	-4.1
Total	468.4	479.2	404.9	489.7	1,842.2	483.2	476.0	410.2	488.8	1,858.2
										491.3
Operating profit [mSEK]										
Engineering & Digital										
Services	36.8	25.5	10.0	31.6	103.9	34.1	12.5	22.6	38.1	107.3
Product Information	6.7	1.1	9.7	15.5	33.0	13.0	9.1	13.4	14.9	50.4
Group items/ eliminations	-3.5	-5.9	-1.8	-6.1	-17.3	-3.2	-4.5	-4.2	-4.0	-15.9
Total	40.0	20.7	17.9	41.0	119.6	43.9	17.1	31.8	49.0	141.8
										50.2
Operating margin [%]										
Engineering & Digital										
Services	10.2	7.0	3.4	8.9	7.6	9.8	3.7	7.9	10.9	8.1
Product Information	6.1	0.9	8.6	11.4	7.0	9.7	6.7	10.8	10.6	9.4
Total	8.5	4.3	4.4	8.4	6.5	9.1	3.6	7.8	10.0	7.6
										10.2
Number of employees										
Engineering & Digital										
Services	1,405	1,458	1,427	1,414	1,414	1,421	1,440	1,498	1,528	1,528
Product Information	637	668	695	705	705	722	728	737	734	778
Total	2,042	2,126	2,122	2,119	2,119	2,143	2,168	2,235	2,262	2,262
Number of working days	63	59	65	62	249	63	58	66	62	249
										63

Parent company

FINANCIAL, SUMMARY

Income statements

mSEK	Jan-March 2020	2019	Jan-Dec 2019
Operating income	10.5	17.6	43.1
Other external operating expenses	-2.8	-3.3	-11.7
Staff costs	-9.5	-8.7	-36.3
Operating profit/loss	-1.8	5.6	-4.9
Net financial items*	0.5	1.1	31.4
Profit/loss after net financial items	-1.3	6.7	26.5
Appropriations**	-	-	52.3
Profit/loss before tax	-1.3	6.7	78.8
Tax	0.3	-1.4	-11.8
Profit/loss for the period	-1.0	5.3	67.0
* of which translation differences	0.1	0.8	1.0
of which dividend	-	-	29.0
** of which group contribution received	-	-	70.4

Statements of comprehensive income

mSEK	Jan-March 2020	2019	Jan-Dec 2019
Profit/loss for the period	-1.0	5.3	67.0
Other comprehensive income	-	-	-
Total comprehensive income for the period	-1.0	5.3	67.0

Balance sheets

mSEK	31 March 2020	Dec 31 2019
Assets		
Financial fixed assets	234.4	232.8
Current assets	206.9	173.6
Cash and cash equivalents	23.2	12.4
Total assets	464.5	418.8
Shareholders' equity and liabilities		
Shareholders' equity	349.6	344.8
Untaxed reserves	56.6	38.5
Non interest-bearing current liabilities	58.3	35.5
Total shareholders' equity and liabilities	464.5	418.8

Note 1

DISTRIBUTION OF REVENUE

mSEK	Engineering & Digital Services		Product Information		Group	
Jan-March	2020	2019	2020	2019	2020	2019
Distribution per country						
Sweden	257.1	275.2	88.9	79.7	346.0	354.9
UK	14.2	11.7	24.7	19.2	38.9	30.1
Norway	30.0	29.9	-	0.2	30.0	25.4
Brazil	28.2	25.4	-	-	28.2	30.9
Germany	0.5	0.7	16.3	16.9	16.8	17.6
Other	7.3	5.9	25.3	18.5	32.6	24.4
Eliminations	-	-	-	-	-1.2	-0.1
Total	337.3	348.8	155.2	134.5	491.3	483.2
Distribution per industry						
Automotive	144.9	151.7	51.4	44.3	196.3	196.0
Industry	104.6	111.1	54.0	51.7	158.6	162.8
Life Science	39.0	35.6	3.6	2.7	42.6	38.3
Energy	29.7	31.7	4.4	4.2	34.1	35.9
Telekom	3.7	6.0	34.3	31.2	38.0	37.2
Other	15.4	12.7	7.5	0.4	22.9	13.1
Eliminations	-	-	-	-	-1.2	-0.1
Total	337.3	348.8	155.2	134.5	491.3	483.2

Note 2

ACQUISITIONS

In March, Semcon acquired 100 per cent of the shares in Xtractor Interactive AB, with its registered office in Stockholm, Sweden. Xtractor provides complete digital training solutions to companies within several different industries. The company has approximately 40 employees, with competencies within e-learning and development of LMS [Learning Management System] and LXP [Learning eXperience Platform]. The acquisition of Xtractor further strengthens Semcon's position, enabling it to become one of the largest service providers in Sweden within digital training.

Operating income for the January–March 2020 period amounted to SEK 15.4 million and operating profit to SEK 2.4 million. Operating income for the holding period amounted to SEK 5.2 million and operating profit to SEK 0.7 million. External acquisition-related costs are recognised in operating profit and total SEK 0.2 million. Based on preliminary acquisition analyses, the acquisition has impacted the consolidated balance sheet and cash and cash equivalents according to the table below.

Acquired net assets on the date of acquisition

mSEK

Current assets	28.1
Current liabilities	-24.3
Net assets and liabilities	3.8
Intangible assets, goodwill	51.8
Total purchase price	55.6
Purchase price not paid	-6.1
Less: liquid assets in acquired companies	-7.5
Impact on consolidated cash and cash equivalents	42.0

The analysis of the acquisition of Xtractor found that the purchase price was larger than the carrying amount of net assets, and therefore gave rise to goodwill. In the acquisition of a consultancy firm, the main item acquired consists of human capital in the form of employee expertise, which is why the acquired companies' intangible assets have been assigned to goodwill.

FINANCIAL CALENDAR

Interim report January-June 2020
Interim report January-September 2020
Year-end report 2020

July 15, 2020, at 08.00
October 22, 2020, at 08.00
February 10, 2021, at 08.00

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Semcon AB [publ] Co.reg.no 556539-9549
Markus Granlund, President and CEO

This report has not been reviewed by the company's auditors.

This information is such information as Semcon AB [publ] is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, at 08.00 a.m. CET on 28 April 2020.

Semcon is an international technology company that develops products based on human needs and behaviours. We strengthen our customers' competitiveness by always starting from the end user, because the person who knows most about the user's needs creates the best products and the clearest benefits to humans. Semcon collaborates mainly with companies in the automotive, industry, energy, life science and telecom sectors. With more than 2,200 specialised employees, Semcon has the ability to take care of the entire product development cycle, from strategy and technology development to design and product information. Semcon was founded in Sweden in 1980 and has offices in over 30 locations in eight different countries. In 2019, the Group reported annual sales of SEK 1.9 billion. Read more on semcon.com.
