

Press release, 20 mars 2020

Semcon adapts to uncertain market situation

As a consequence of covid-19, some customers have announced reduced demand, which has a negative impact on Semcon. In order to mitigate negative financial effects Semcon will implement short-term layoffs for affected employees, in accordance to subsidized measures from authorities.

The short-term layoffs will affect both administrative personnel and consultants where relevant. This is a temporary action, in order to be ready to scale up working hours when the situation changes, and minimize the number of permanent layoffs in this extraordinary situation.

Even though some customers have announced reduction in demand, delivery to the vast majority of the customer base is still unaffected. The financial effect due to reduced demand is not possible to predict at this time. The Semcon Group has a strong financial position and good liquidity. In addition, the industry diversification over the last years has been important in order to improve the company's resilience in a weaker market.

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 8.15 p.m. CET on 20 March 2020.

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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 and life science 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