

Press release, 9 September 2021

Semcon investigates public listing of its Product Information business area

The Semcon Board resolved today to undertake an internal separation of the Product Information business area and to explore possibilities for a potential separate public listing of the business area [Lex Asea¹]. The measures aim to strengthen conditions for each business to accelerate long-term growth and further develop the offering, employees and shareholder value.

Currently, the Semcon Group comprises two strong business areas with separate management teams and decentralised responsibility, as well as largely separate offerings. The Product Information business area, which accounts for almost 40 per cent of Group sales, focuses on digital aftersales solutions that make complex products and systems easy to use and maintain while Engineering & Digital Services concentrates on innovative and sustainable product and production development.

“The Board can see that conditions exist for each business to increase focus and make better use of their growth potential autonomously, which will strengthen long-term shareholder value. We also believe this potential will become more visible with a new structure to make the offering clearer from each separate unit. We have therefore given Group management a mandate to undertake an internal separation of the Product Information business area and to explore possibilities for a potential public listing of the business area,” says Eva Elmstedt, Chair of the Board of Semcon.

Two well-positioned operations

Product Information is a leading supplier of digital aftersales solutions and is active on the global market. The business area's share of Group sales and result has risen over time. Customer focus on the aftersales business, combined with digitalisation and other macro trends, means the outlook for continued growth in this business is considered favourable. Managed services and solution-based deliveries currently account for more than 75 per cent of the business area's sales and are largely conducted through international multi-site deliveries. The ambition is to continue growing this share of the business, as well as deliveries through proprietary digital platforms.

The Engineering & Digital Services business area is – with its advanced engineering skills and digital excellence – well positioned to meet customer demand for expertise linked to a sustainable and digital transition. Semcon's

service offering in product and production development targets a number of industries with a strong pressure for change, such as life science, manufacturing, automotive/mobility, telecom & IT and energy.

"I regard the separation as a natural step, both for Product Information and Engineering & Digital Services. The exciting opportunities, together with greater focus, commitment and transparency, convince me that this is the right way forward to create maximum value," says Semcon's President and CEO Markus Granlund.

Timetable

Semcon intends to present more information on the progress of the process in connection with the year-end report for 2021. However, there is no guarantee that a public listing of the Product Information business area will take place.

Invitation to presentation and audio broadcast [English]

In view of the resolved measures, a telephone conference with a presentation and Q&A session will be held today at 3:00 p.m. CEST.

To take part in the conference, use the link

<https://tv.streamfabriken.com/press-conference-2021-audiocast>

or the telephone numbers below:

SE: +46 8 566 427 03

UK: +44 333 300 9267

US: +1 646 722 4902

The presentation material is also available on [Semcon's IR page](#).

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This information is information that 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 above at 11.00 a.m. CEST on 9 September 2021.

¹ Lex Asea is Swedish tax legislation that, in certain cases, offers tax exemption for the distribution of shares in subsidiaries.