



Business Review Q3/2021

- **Groupwide Turnaround program and plans to strengthen the liquidity**

ENEDO PLC Business Review October 27th, 2021 klo 9:45

Enedo Plc Publishes Business review July 1 – September 30, 2021 - Groupwide turnaround program and plans to strengthen the liquidity

Business Review figures are unaudited.

	7-9/21	7-9/20	1-9/21	1-9/20	1-12/20
NET SALES BY GEOGRAPHY, MEUR	3mo	3mo	9mo	9mo	12mo
Americas	1,8	1,5	5,1	5,1	7,0
EMEA	5,3	6,2	17,8	20,2	26,5
APAC	1,2	1,7	3,5	3,8	5,0
Total	8,2	9,4	26,4	29,1	38,5

	7-9/21	7-9/20	1-9/21	1-9/20	1-12/20
NET SALES BY PRODUCT CATEGORY, MEUR	3mo	3mo	9mo	9mo	12mo
Led Drivers	2,7	2,0	7,2	6,3	8,7
Power Supplies	4,8	6,0	15,4	18,8	24,1
Power Systems	0,7	1,3	3,7	4,0	5,7
Total	8,2	9,4	26,4	29,1	38,5

Mikael Fryklund, CEO:

Net sales for the third quarter were EUR 8,2 million which is EUR 1,2 million less than a year ago. The decline in sales was effected mainly due to the component shortage and limited cash reserves and due to covid pandemia restrictions. The order book however increased and was EUR 20,5 million at the end of Q3 2021 compared to EUR 11,8 million last year. The order intake for Q3 2021 developed also very well and was EUR 14,5 million compared to EUR 7,3 million in Q3 2020.

The Led Drivers product category's net sales were EUR 2,7 million, an increase of EUR 0,7 million in the third quarter of 2021 and EUR 0,9 million for the first three quarters. The increase of the Led Drivers product category was mainly driven by the increased demand by our Led Driver customers in North America and EMEA.

The decrease in net sales compared to last year came from the Power Supplies and Power Systems product categories. The net sales of the Power Systems product category were EUR 0,7 million for Q3 2021, a decrease of EUR 0,6 million versus Q3 last year and EUR 0,3 million for the first three quarters. The decrease was mainly driven by a weak demand during summer period and partly due to component shortage. The demand for the MHE product family remained stable.

The sales in the Power Supplies product category were EUR 4,8 million for Q3 2021, a decrease of EUR 1,2 million compared to Q3 last year. The year-to-date net sales were EUR 15,4 million with a decrease of EUR 3,4 million compared to last year. The decrease was driven by the component shortage. The order intake for

the Power Supplies product category for the first nine months was EUR 26,2 million compared to EUR 21,0 million last year.

Geographically, the sales increased in Q3 in the American market driven by increased sales to Led Drivers customers which was strongly impacted last year by the Covid pandemic, whereas sales in EMEA and APAC were lower, due to the shortage of components. The global market has been recovering, and the order intake was increasing well in the quarter, but due to global shortage of components and the limited cash reserves, the sales has been negatively impacted in the quarter.

Enedo Plc's groupwide turnaround program and plans to strengthen the liquidity

In order to turn Enedo Plc's significant losses into a company with long-term sustainable profitability, the company has launched a turnaround program, which includes among others restructuring activities and optimization of the logistics, involving the entire Enedo Group as described in the half year report. The turnaround program is progressing well but has shown to be more challenging than anticipated, both in time and financially. The turnaround program is estimated to cost around EUR 4 million until end of first quarter next year, with the corresponding cash effect.

To financially manage this transition period and implement the turnaround program, the company needs to strengthen the liquidity. Therefore we are now in discussions with various financial institutions on a loan arrangement. The company is confident that the loan arrangement will be completed well before the end of the financial year.

The company is also investigating the possibility to strengthen the equity in order to complete the full turnaround program.

The groupwide turnaround program and the strengthening of the liquidity will furthermore enable Enedo Plc to improve the service levels to our customers, likewise strengthen the relations to our suppliers.

ENEDO PLC

Board of Directors

For further information please contact Mr. Mikael Fryklund, CEO, tel. +358 40 500 6864,
On 27th of October at 13:00–15:00.

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Enedo is a European designer and producer of high-quality electronic power supplies and Power systems for critical equipment even in the most demanding environments. Enedo's mission is to make electricity better – more reliable, more secure, more energy efficient – and just right to fit its purpose. Enedo's three main product categories are Led Drivers, Power supplies and Power Systems. In 2020 the group's revenue was EUR 38,5 million. Enedo has 354 employees and its main functions are located in Finland, Italy, Tunisia and USA. The group's head office is in Finland and parent company Enedo Oyj is listed on Nasdaq Helsinki Oy.

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