



PRESS RELEASE
24 August 2023 08:00:00 CEST

Novedo updates the company's financial targets

Novedo Holding AB (publ) ("Novedo" or the "Company"), a niche industrial group within the business segments Industry, Infrastructure and Installation & Services, has today adopted updated financial targets. Novedo has previously communicated that the Company is preparing an initial public offering in 2023, provided that the market conditions are right. The financial targets, which have been updated by the board of directors, are conditional on Novedo carrying out an initial public offering.

Novedo has demonstrated acquisition-driven growth, as well as stable organic growth in combination with good margin development within the group, 's over 20 subsidiaries since the first acquisition was completed in January 2021. During the first half of 2023, net sales growth amounted to 83.8 percent, of which organic growth was 5.0 percent in combination with improved operating margins. Net sales and EBITA for the last 12 months as of June 30, 2023, amounted to SEK 2,370.9 million and SEK 246.4 million, respectively, with an EBITA margin of 10.4 percent.

To better reflect the Company's business plan in the medium term regarding growth, profitability, and capital structure, as well as taking into account the initial public offering preparation activities, Novedo's board of directors today adopted the updated financial targets. The updated financial targets are conditional on Novedo carrying out an initial public offering.

Updated financial targets

Growth: >15 percent average net sales growth per annum in the medium term, of which organic growth in line with market growth in relevant markets. *(Previous target: >50 percent annual revenue growth 2022-2024, including 3 percent organic growth in the medium term).*

Profitability: >10 percent adjusted EBITA margin in the medium term. *(Previous target: >10 percent annual EBITA margin in the medium term).*

Capital structure: Net debt in relation to adjusted EBITDA (R12) shall not exceed 2.5 times. However, the ratio may temporarily exceed 2.5 times in connection with acquisitions.^[1] *(Previous target: <3.5 times interest-bearing net debt / EBITDA (pro forma)).*

[1] Net debt in relation to adjusted EBITDA over the last 12-month period. Net debt is defined as short-term and long-term interest-bearing liabilities (including lease liabilities and contingent considerations) less cash and cash equivalents.



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About Novedo

Novedo is an industrial group of prominent B2B companies, with a sound corporate culture and well-balanced service and product offerings as well as a stable and diversified customer base, in three segments – Industry, Infrastructure, and Installation & Services. The company has an active acquisition strategy and the goal is to continue to grow with qualitative companies and through organic growth. For more information, www.novedo.se.

This information is information that Novedo is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, at 2023-08-24 08:00 CEST.

Attachments

[Novedo updates the company's financial targets](#)