

Novem Group S.A.

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- YTD 2023/24 revenue of €485.8 million, -7.7% below YTD 2022/23
- Adj. EBIT¹ of €54.6 million, -9.8% below PY
- Business environment characterised by continued headwinds

Luxembourg, 15 February 2024 – Novem Group S.A. today published its figures for the third quarter of its financial year 2023/24. In the first nine months of financial year 2023/24, Novem generated a total revenue of €485.8 million, falling short against previous year by -7.7%.

Robust margin amid lower revenue

Revenue Series of €123.1 million declined by -16.5% in Q3 2023/24, primarily influenced by extended customer plant holidays and weak call-offs. Because of a different project phasing, revenue Tooling of €15.7 million also recorded lower than last year (€19.6 million). At constant foreign exchange rates, revenue in Q3 2023/24 would have been higher by €3.4 million or 2.4%. The solid order intake in the current financial year supports the mid-term guidance on revenue growth of 5-6%.

In total, this year's Q3 revenue decreased by €-28.2 million in all regions compared to last year. By segments, the largest decline was reported in Europe (€-23.3 million year-on-year) due to a weak market demand. Americas showed a slight decrease in revenue (€-1.8 million year-on-year) caused by Tooling, while Series performed well despite the weakness of the US Dollar. Revenue in Asia (€-3.0 million year-on-year) was negatively affected by several model changes and a slower than expected ramp-up of some platforms.

In Q3 2023/24, the Adj. EBIT of €16.6 million fell short of previous year by €-2.4 million, but at the same time resulted in a solid margin of 12.0% compared to last year (11.4%). Especially the aforementioned inefficiencies led to a mediocre utilisation of several plants. In response to this development, the production facility in Italy was closed and all platforms have been successfully transferred to other European locations. Besides this, the operating result benefited from lower

freight expenses as well as reduced input costs such as material and leased workers. Agreed customer compensation payments and the release of accruals also supported the Adj. EBIT.

Stable capex development

Free cash flow¹ turned slightly negative at €-3.9 million for the reporting period and recorded well below last year's figure (€24.6 million), mainly resulting from increased working capital¹.

Capital expenditure¹ of €4.6 million for the third quarter remained almost flat compared to previous year (€4.7 million), with a large portion invested in China. The overall underlying capex ratio rose to 3.3% (PY: 2.8%) because of lower revenue.

Increased working capital and net leverage ratio

As of 31 December 2023, total working capital¹ of €149.2 million recorded 8.8% higher than last year. The deviation of €-12.1 million compared to prior year was mainly attributable to lower trade payables as well as higher tooling net.

Gross financial debt¹ of €307.4 million increased by €25.0 million compared to the third quarter of previous year, primarily due to the extension of existing lease contracts in Querétaro.

Compared to last year, net financial debt¹ as of 31 December 2023 rose to €182.3 million. This resulted in a net leverage ratio¹ of 1.7x Adj. EBITDA¹ (PY: 1.3x).

The quarterly statement for the third quarter of financial year 2023/24 can be found on the Investor Relations website at [Reports & Presentation](#).

¹ For the definition/calculation of the used Alternative Performance Measures (APMs), please refer to the glossary provided in the corresponding quarterly statement for the third quarter of financial year 2023/24, which can be found on the Investor Relations website under [Reports & Presentation](#).

About Novem

Luxembourg-headquartered Novem is a globally leading supplier of decorative interior trim parts for the premium automotive industry. Across the range of key materials such as genuine wood, aluminium, carbon and premium synthetics, the Company offers unrivalled quality, technology and innovation to a growing customer base including all major premium carmakers worldwide. Founded in Vorchheim, Germany, back in 1947, the Company has continuously expanded its global footprint in Germany, Italy, Czech Republic, Slovenia, China, USA, Honduras and Mexico. Novem employs about 5,500 people at 12 locations and achieved revenue of around €700 million in FY 2022/23.

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