



ISIN LU2356314745

Country Luxemburg

**Novem Group S.A.**

Novem Group S.A.: Preliminary results 2023/24 driven by weak market environment

Corporate | 29 May 2024 09:00

EQS-News: Novem Group S.A. / Key word(s): Preliminary Results/Annual Results

Novem Group S.A.: Preliminary results 2023/24 driven by weak market environment

29.05.2024 / 09:00 CET/CEST

The issuer is solely responsible for the content of this announcement.

**Novem Group S.A.: Preliminary results 2023/24 driven by weak market environment**

- FY 2023/24 revenue of €635.5 million, -9.3% below FY 2022/23
- Adj. EBIT<sup>1</sup> of €69.1 million, -15.5% below PY
- Solid order intake supporting medium-term guidance

*Luxembourg, 29 May 2024* – Novem Group S.A. today published its preliminary results for its financial year 2023/24, including the figures for the fourth quarter. In the past 12 months, the Company generated a total revenue of €635.5 million, thus equalling a decline over prior year by -9.3%. Despite challenging market conditions, Novem reported a solid Adj. EBIT margin<sup>1</sup> of 10.9% for the reporting year.

**Contrary development across the regions in Q4 2023/24**

While revenue Series of €129.4 million in Q4 2023/24 decreased by -20.4% due to a persistently soft market, revenue Tooling of €20.3 million rose by 74.4%. On a segmental basis, revenue decreased both in Europe and Asia, whereas Americas developed well in the last quarter of FY 2023/24. Revenue in Europe (€-16.7 million y/y) declined due to the underperformance of certain platforms and the structural weakness of electric vehicles. By contrast, revenue in Americas (€+5.8 million y/y) increased, largely attributable to Tooling business, while Series moved sideways. Lower

revenue in Asia (€-13.4 million y/y) was impaired by several model changes and a weak launch of new programs.

In Q4 2023/24, the Adj. EBIT of €14.4 million recorded below previous year by €-6.7 million and resulted in a profit margin of 9.6% (PY: 12.2%). The operating result was again impacted by poor revenue development and thus a weak cost coverage. Initiatives to mitigate this included the restructuring activities of the plant in Vorbach (Germany) and the already closed Italian production facility, which should help to improve the utilisation in Europe further. Reduced input costs and customer compensation payments supported the operating result.

### **Excellent future prospects due to strong order intake**

The medium-term guidance is supported by a substantial order intake, including the successful award of Tesla in Europe and Americas. Apart from the Model Y interior, the acquisition of the aluminium tailgate marks Novem's entry into the premium exterior trim market and represents a strategic milestone.

### **Solid free cash flow**

Novem generated a robust free cash flow<sup>1</sup> of €24.2 million in Q4 2023/24 but fell short of previous year (€39.6 million). The decline was mainly attributable to lower cash flow from operating activities due to lower profit and higher taxes paid. For the whole financial year, Novem generated a free cash flow of €53.8 million, down versus prior year by -36.4% (PY: €84.5 million).

In the fourth quarter of 2023/24, capital expenditure<sup>1</sup> of €3.5 million decreased (PY: €5.7 million). On a full-year basis, overall investments of €16.1 million led to a capex ratio of 2.5%.

### **Improved net leverage ratio**

As of 31 March 2024, total working capital<sup>1</sup> of €133.3 million was 7.5% higher than last year (€124.0 million). Compared to prior year, the deviation of €-9.3 million was mainly attributable to lower payables and higher tooling net.

At the end of financial year, gross financial debt<sup>1</sup> of €306.4 million increased by €17.9 million (PY: €288.5 million). Net financial debt<sup>1</sup> amounted to €164.9 million, representing a deterioration against previous year (€123.0 million). This led to a net leverage ratio<sup>1</sup> of 1.6x Adj. EBITDA<sup>1</sup>, which came in at a higher level than last year (1.1x) but improved sequentially against the preceding quarter (1.7x).

An accompanying presentation on the preliminary FY 2023/24 results can be found on the Investor Relations website under [Reports & Presentation](#). This press release contains unaudited financial information, which may be subject to change. The final figures and the Annual Report for the financial year 2023/24 will be published on 27 June 2024 on our Investor Relations website.

1 For the definition/calculation of the used Alternative Performance Measures (APMs), please refer to the glossary provided in the corresponding presentation on the preliminary results 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.

For more information, please visit [www.novem.com](http://www.novem.com).

Contact Investor Relations	Press Contact
Mareike Völker	Isabel Henninger
Head of Investor Relations	Phone: +49 69 506 037 583
Phone: +49 9205 18 1399	E-Mail: <a href="mailto:isabel.henninger@kekstcnc.com">isabel.henninger@kekstcnc.com</a>
E-Mail: <a href="mailto:investor.relations@novem.com">investor.relations@novem.com</a>	

29.05.2024 CET/CEST Dissemination of a Corporate News, transmitted by EQS News - a service of EQS Group AG.  
The issuer is solely responsible for the content of this announcement.

The EQS Distribution Services include Regulatory Announcements, Financial/Corporate News and Press Releases.  
Archive at [www.eqs-news.com](http://www.eqs-news.com)

Language:	English
Company:	Novem Group S.A. 19, rue Edmond Reuter L-5326 Contern Luxemburg
ISIN:	LU2356314745
WKN:	A3CSWZ
Listed:	Regulated Market in Frankfurt (Prime Standard); Regulated Unofficial Market in Berlin, Dusseldorf, Munich, Stuttgart, TradeGate Exchange; Luxembourg Stock Exchange
EQS News ID:	1912661
End of News	EQS News Service