



Year-end Report

2022

Novedo is a niche industrial group of prominent B2B companies, with a well-balanced mix of offerings and a solid and diversified customer base, within Industry, Infrastructure and Installation & Services.



Solid growth and earnings

Fourth quarter (October–December 2022)

- Net sales increased 196 percent to SEK 603.0 million (203.8), of which organic growth amounted to 8.9 percent.
- EBITA increased to SEK 60.7 million (20.0), corresponding to an EBITA margin of 10.1 percent (9.8).
- Profit/loss for the quarter amounted to SEK -25.6 million (1.4).
- Cash flow from operating activities amounted to SEK 65.7 million (17.2).
- Nordkabel A/S, with annual sales of DKK 215 million (approximately SEK 315 million) for the financial year ending June 30, 2022, was acquired and taken over.
- Novedo's outstanding bonds were admitted to trade on Nasdaq Stockholm's corporate bond list on 28 October 2022.

Period (January–December 2022)

- Net sales increased 378 percent to SEK 1,773.4 million (370.9), organic growth is not reported due to few comparable companies for the period.
- EBITA increased to SEK 153.6 million (31.0), corresponding to an EBITA margin of 8.7 percent (8.4).
- Profit/loss for the period amounted to SEK -56.9 million (0.5).
- Cash flow from operating activities amounted to SEK 52.3 million (55.0).
- Broadening of business to add Industry segment and presence in Denmark and Estonia.
- 11 companies were consolidated with a combined annual turnover for the companies' last twelve months of SEK 1,623.4 million.
- Bond terms for the company's senior secured bond loan 2021/2024, state that no dividend may be paid during the term of the bond loan.

Growth in net sales

378%

Jan-Dec 2022

Organic growth

8.9%

Oct-Dec 2022

EBITA margin

10.1%

Oct-Dec 2022

Significant events after the balance-sheet date

- Jan Johansson, an experienced board member and previously also President & CEO of SCA AB and Boliden AB, was elected new board member and chairman of the board at the extraordinary general meeting on January 12, 2023.
- To perform company acquisitions, SEK 250 million in bonds has been issued in February 2023 within the framework of the company's existing bond loan 2021/2024. Novedo's principal owner has also committed to a subordinated shareholder loan of SEK 100 million that matures after the maturity date of the bond loan.

Financial overview

SEK million	2022 Oct-Dec	2021 Oct-Dec	2022 Jan-Dec	2021 Jan-Dec	2020/2021 Jul-Dec ¹⁾	2022 Jan-Dec ²⁾
Net sales	603.0	203.8	1,773.4	370.9	370.9	2 396.9
EBITA	60.7	20.0	153.6	31.0	31.0	245.9
EBITA margin, %	10.1%	9.8%	8.7%	8.4%	8.4%	10.3%
EBIT	50.9	16.4	122.5	23.3	23.3	-
EBIT margin, %	8.4%	8.0%	6.9%	6.3%	6.3%	-
Profit/loss for the period	-25.6	-5.3	-56.9	0.5	0.5	-
Cash flow from operating activities	65.7	17.2	52.3	55.0	55.0	-
Net interest-bearing debt/EBITDA, multiple	1.9	-0.1	1.9	-0.1	-0.1	-
Equity/assets ratio, %	20.4%	25.9%	20.4%	25.9%	25.9%	-
Earnings per share before/after dilution, SEK	-833,95	-5,31	-1,909,42	-42,34	-42,34	-

¹⁾ Actual outcome for the extended financial year of July 2020 to December 2021. The Group acquired its first company in January 2021.

²⁾ The pro-forma information encompasses the period from January to December 2022 and includes all companies acquired as of the publication date of the Year-end Report 2022. The calculation has been conducted as if Novedo had owned the companies for the entire period.



Novedo's niche industrial group of prominent B2B companies shows solid growth and profitability for 2022.

Novedo has shown continued solid growth and profitability in 2022. Pro formed net sales amounted to SEK 2,397 million on an annual basis and pro forma EBITA to SEK 246 million. At the end of 2022, the Group consisted of prominent B2B companies in Denmark, Estonia and Sweden with a balanced mix of offerings as well as a solid and diversified customer base in three segments; Industry, Infrastructure and Installation & Services.

Solid growth – broadening of business and geography

Novedo's clear growth focus is reflected in the company's financial targets and 2022 has shown continued solid growth where eleven portfolio companies have been acquired, of which the latest company acquisition, is also Novedo's first acquisition outside Sweden. Danish Nordkabel A/S was acquired and taken over during the fourth quarter of 2022. Nordkabel is part of our business segment Infrastructure and performs installations and service work primarily in electricity networks, fiber and water foremost to stable B2B customers, such as municipalities, private and public energy companies and telecom companies. The company has about 220 employees and sales for the last financial year corresponding to approximately SEK 315 million.

In 2022, we broadened the business to consist of three business segments; Industry, Infrastructure and Installation & Services, where the latter segment at year-end corresponded to 57.1 percent of the Group's sales. Our intention is to gradually grow these three segments to be equal in terms of sales.

During the year, we have had good activity in our acquisition processes, and entrepreneurs are interested in becoming part of Novedo. We see good growth opportunities within Sweden but also have an active acquisition agenda outside Sweden's borders. We have currently signed letters of intent regarding four company acquisitions corresponding to aggregate sales of approximately SEK 600 million and EBITDA of approximately SEK 90 million.

8.9% organic growth confirms companies' stability

Net sales tripled in the fourth quarter by year-on-year comparison and amounted to SEK 603.0 million (203.8) and full-year sales increased to SEK 1,773.4 million (370.9). The portfolio companies' well-balanced mix of offerings and a solid and diversified customer base have shown good resilience in the uncertain economic situation that characterized 2022, which is confirmed by organic growth of 8.9 percent for the fourth quarter. We intend to report organic growth for the aggregate period when more companies have been part of the Group throughout the comparison period.

EBITA increased from SEK 20.0 million to SEK 60.7 million for the fourth quarter and for the full-year period, EBITA increased from SEK 31.0 million to SEK 153.6 million, corresponding to a margin of 10.1 percent (9.8) for the quarter and 8.7 percent (8.4) for the full-year period. The margin improvements result from the positive effects of acquisitions and organic growth. The full-year result includes IPO-related costs corresponding to approximately SEK -7.9 million.

Cash flow from operating activities amounted to SEK 65.7 million in the fourth quarter and SEK 52.3 million for the full-year period, which is in accordance with plan. From the good growth follows increased inventory in order to secure material supply and deliveries, which has affected cash flow during the year.

Net debt increased during the year, which follows completed acquisitions. At year-end, the company's outstanding bond loan amounted to SEK 1,000 million within a framework of a total of SEK 1,500 million. To finance company acquisitions, Novedo issued an additional SEK 250 million within the framework of the existing bond loan during February 2023, after which the bond loan amounts to SEK 1,250 million. As of October 28, 2022, the bonds are admitted to trading on the corporate bond list of Nasdaq Stockholm.

The company's balance sheet is solid and our net debt in relation to pro forma EBITDA at year-end amounted to 2.9 times, which is well below the company's financial target of 3.5 times.

Value-creating business model – stronger together

Central to Novedo's value-creating business model is a decentralized structure where the portfolio companies continue to operate as before, but where the companies are given opportunities to benefit from the Group's com-

bined expertise, experience and resources, i.e. we become stronger together. Important components of our value creation are long-term planning and leadership, where we conducted appreciated network meetings and leadership training during the year. At the Group level, we have also invested in improved systems for follow-up and accounting and staffed the organization to meet the needs of a growing group.

Good order situation follows from a balanced offer mix and a solid and diversified customer base

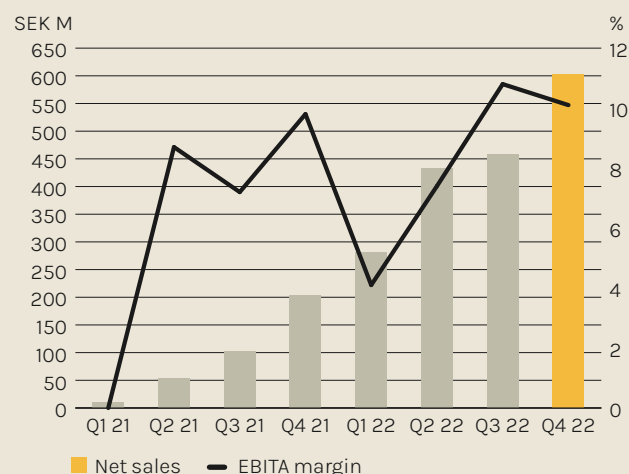
Uncertainty about the general economy will continue to characterize the business situation for 2023. At the beginning of the year, we see a good order situation among the portfolio companies, which follows from the companies' well-balanced mix of offerings and a solid and diversified customer base. Energy optimization, infrastructure investments and increased demand for solid European industrial companies that manufacture components and systems are underlying structural trends that are noticeable in the portfolio companies' business.

At the end of 2022, the Group consisted of approximately 1,100 employees in Denmark, Estonia and Sweden, active in companies with a sound corporate culture, developed niche positions, proven business models and relevant market segments, which together gives us good conditions for long-term profitable growth.

Finally, I would like to thank our entrepreneurs, employees and collaboration partners for their efforts during the year.

Per-Johan Dahlgren
President & CEO

Net sales and EBITA margin



¹⁾ The Group's first company was acquired in January 2022.

Growth in net sales Jan-Dec 2022

378%

EBITA Jan-Dec 2022

153.6 MSEK

EBITA margin Jan-Dec 2022

8.7%

Organic growth Oct-Dec 2022

8.9%

Equity/assets ratio

20.4%

Net interest-bearing debt ratio/EBITDA, R12

2.9 multiple

Niched industrial group in Industry, Infrastructure, and Installation & Services

Novedo is a privately owned niched industrial group of prominent and decentralized B2B-companies with sound corporate cultures, developed niche positions and proven business models in three segments – Industry, Infrastructure, and Installation & Services.

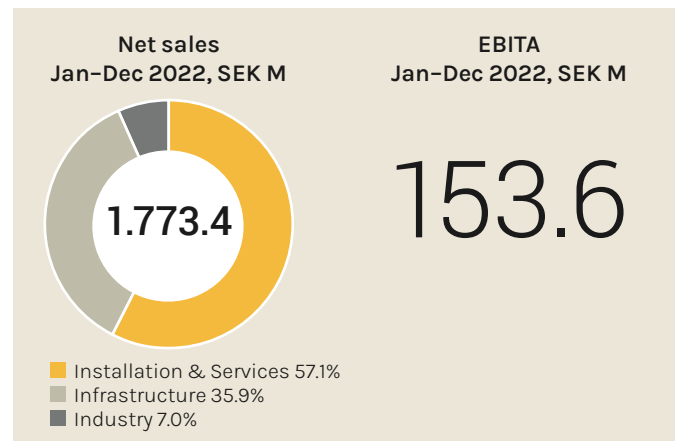
Long-term sustainable value creation with an active acquisition strategy

Novedo's vision is to create long-term value by developing a focused and well-balanced industrial group through acquisitions and the development of prominent entrepreneurial-driven B2B companies that grow stronger together and where the entrepreneur wants to run the company further after selling. Novedo has an active acquisition strategy and the portfolio companies are developed with the support of leadership, know-how and bolt-on acquisitions, all embraced by the Group's core values – business acumen, trust and operational closeness.

Novedo completed its first acquisition in Q1 2021, and at the end of 2022, the Group consisted of about 1,100 employees. Net sales for the period January–December 2022 amounted to SEK 1,773.4 million and EBITA to SEK 153.6 million. Installation & Services is the Group's largest segment with net sales 2022 amounting to SEK 1,031.1 million, corresponding to about 57.1 percent of consolidated EBITA.

Financial targets

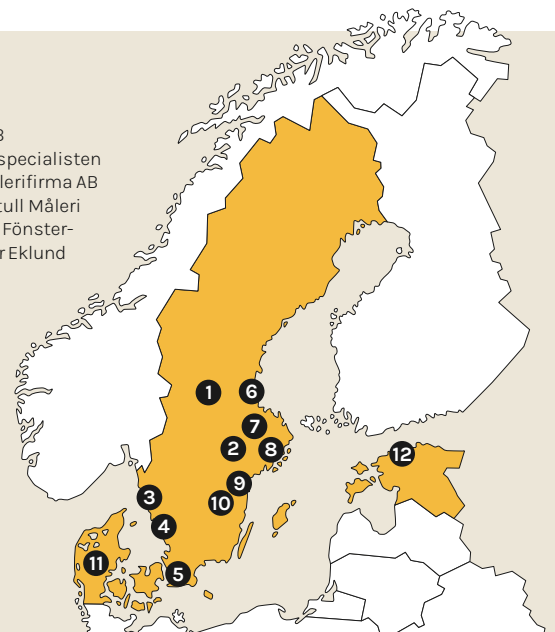
- >50% annual sales growth between 2022 and 2024, including 3% mid-term organic growth.
- >10% EBITA margin per year in the mid term.
- <3.5x net interest-bearing debt / EBITDA pro forma



Targets and strategy in accordance with Agenda 2030

Novedo supports the UN Global Compact and Agenda 2030. The Group believes that it has the greatest ability to impact the following UN SDGs: 8 (decent work and economic growth), 9 (industry, innovation and infrastructure) and 11 (sustainable cities and communities).

- 1 Leksand**
Nordsign AB
- 2 Västerås**
ProvideU AB
Elektronik Mekanik i Västerås AB
- 3 Göteborg**
Elforum Göteborg AB. Elinzity AB inkl. Elinzity Förstärkning AB. Ventilationskontroll Aeolus AB inkl. CX Ventilation AB, Ekoion AB, RC El & Styrinstallationer Zeus AB samt KG Vent AB
- 4 Helsingborg**
Elarbeten Helsingborg AB
- 5 Malmö**
Deramont Entreprenad AB
- 6 Gävle**
Hansson & Ekman Isolerings Aktiebolag
- 7 Uppsala**
Hansson & Ekman Isolerings Aktiebolag
- 8 Stockholm**
BATAB Bygg & Akustikteknik AB. GBB Holding AB inkl. AO Entreprenadtjänst i Stockholm AB, Borrspecialisten i Stockholm AB, IMPAB AB mfl. Olle Timblads Målerifirma AB inkl. Tyresö Målericentral AB. Sentexa AB. Skanstull Måleri Aktiebolag. Total Fasad Stockholm AB inkl. Total Fönsterrenovering Stockholm AB. Uni-Vent Rör AB. Valter Eklund Stenentreprenader AB inkl. VE Sten AB
- 9 Norrköping**
Kultur målarna i Norrköping AB
- 10 Linköping**
Kultur målarna i Linköping AB
- 11 8 locations on Jylland, Denmark**
Nordkabel A/S
- 12 Tallin, Estonia**
ProvideU Assembly OÜ





Dennis Hedström, founder of Gnesta Bergbyggare AB and
Nenad Blagojevic, CEO Gnesta Bergbyggare AB.

Group development

Sales

Fourth quarter 2022

Net sales increased by 196.1 percent during the quarter to SEK 603.0 million (203.8). Growth was mostly acquisition-related, but underlying growth was also good and organic growth amounted to 8.9 percent for the quarter.

January–December 2022

Net sales increased by 378.1 percent during the period to SEK 1,773.4 million (370.9). Growth was mostly acquisition-related, but the underlying growth was driven by overall good demand. Organic growth consists of companies that have been part of the Group throughout the full comparison period. Novedo intends to report organic growth for the period when more companies have been part of the Group throughout the full comparison period.

Earnings

Fourth quarter 2022

All three segments contributed positively to the Group's good earnings and margin development.

EBITA increased year-on-year compared to SEK 60.7 million (20.0), with an EBITA margin of 10.1 percent (9.8) for the quarter. EBIT increased to SEK 50.9 million (16.4) and the EBIT margin amounted to 8.4 percent (9.5). IPO-related costs of SEK -2.0 million (0.0) are included in the EBIT result.

Net financial items amounted to SEK -60.2 million (-10.2), of which SEK -24.4 million (-6.0) consisted of interest expenses for bond loans and SEK -22.1 million (-6.9) is attributable to revaluation and reassessment of additional purchase price. Changes in the additional purchase price are the result of the companies' improved earnings.

Profit before tax increased to SEK -9.3 million (6.3). Profit after tax for the quarter amounted to SEK -25.6 million (1.4). Earnings per share amounted to SEK -833,95 (-5,31).

January–December 2022

During 2022, EBITA increased to SEK 153.6 million (31.0) with an EBITA margin of 8.7 percent (8.4). EBIT increased to SEK 122.5 million (23.3) and the EBIT margin amounted to 6.9 percent (6.3). IPO-related costs of SEK -7.9 million (0.0) are included in the EBIT result.

Net financial items amounted to SEK -154.1 million (-16.6), where SEK -66.8 million (-6.0) consists of interest expenses for bond loans, SEK -65.7 million (-3.0) is attributable to revaluation and reassessment of additional purchase price and -19.8 (0) refers to capital gains from the sale of subsidiaries. Profit before tax amounted to SEK -31.5 million (6.7). Profit for the period amounted to SEK -56.9 million (0.5). Earnings per share amounted to SEK -1,909.42 (-42.34).

Financial position

Equity in the Group on 31 December 2022 amounted to SEK 468.0 million (378.0) and the equity/assets ratio was 20.4 percent (25.9). Cash and cash equivalents at 31 december 2022 amounted to SEK 189.0 million (821.4).

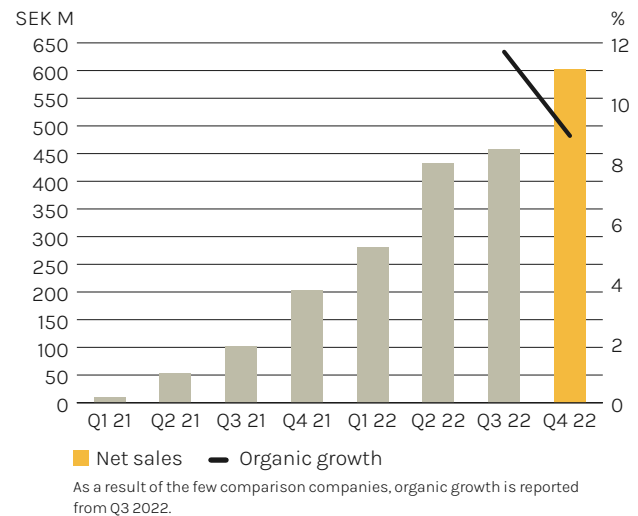
During the third quarter, Novedo issued an additional SEK 250 million within the existing bond loan, after which the outstanding volume amounts to SEK 1,000 million within a framework of a total of SEK 1,500 million. The proceeds from the bond issue has been used to finance further acquisitions. The Group's interest-bearing net debt thus increased during the year and amounted to SEK 873.2 million as of December 31, 2022. The net debt/equity ratio was 1.9x (-0.1) at the end of the period.

Cash flow and investments

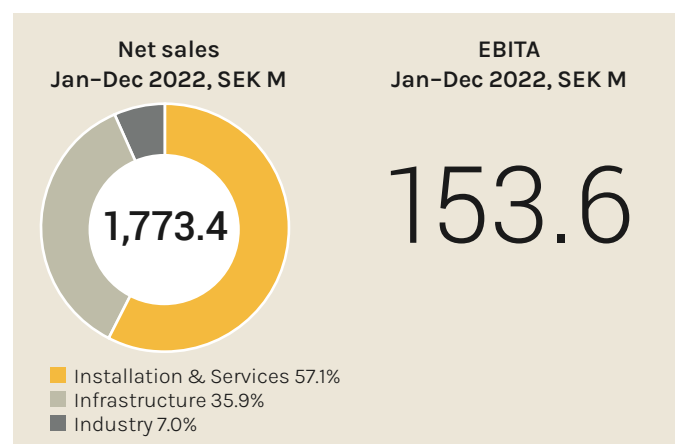
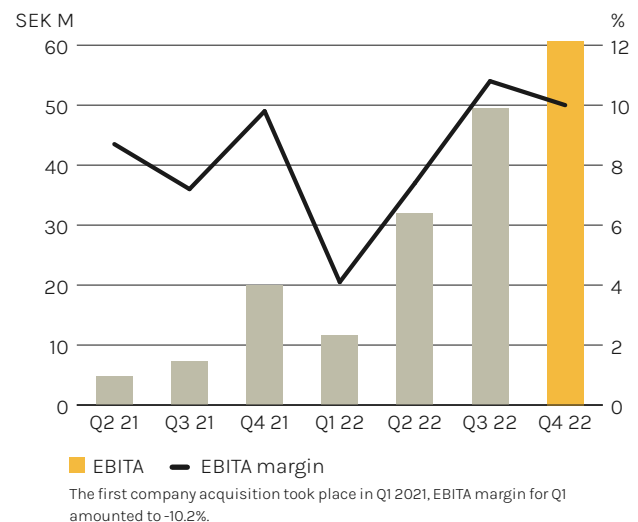
Cash flow from operating activities amounted to SEK 65.7 million (17.2) during the fourth quarter and to SEK 52.3 million (55.0) for 2022. The good growth has meant some increased inventory in order to secure material availability and deliveries, which has affected cash flow during current periods. Novedo applies percentage of completion method, which also has had an impact on the company's cash flow. In comparison between the quarters, the difference can be significant depending on the outcome of, above all, work in progress, accounts receivable and accounts payable.

Acquisitions of shares in subsidiaries, including settlement of additional purchasing price for previous acquisitions, amounted to a net of SEK -249.7 million (0) during the fourth quarter and to SEK -827.4 million (-209.7) for the period January–December 2022.

Net sales and organic growth



EBITA and EBITA margin





Installation & Services

Installation & Services is Novedo's largest segment in terms of sales and comprises companies that offer installation, service and maintenance of properties (electrical, insulation, painting, heating and plumbing, etc.) and is primarily aimed at commercial property owners and public housing.

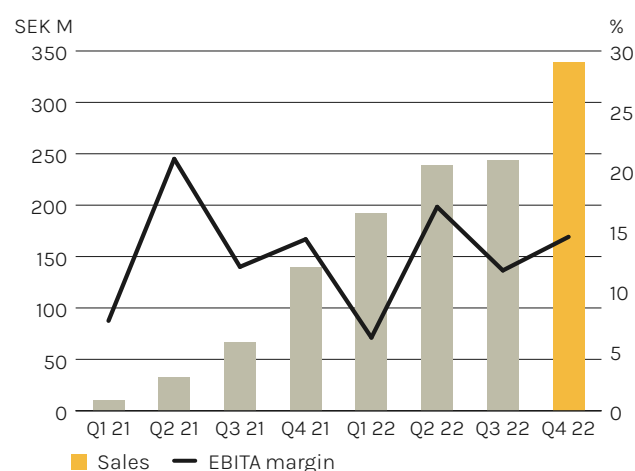
Installation & Services delivered a good fourth quarter and full-year period for 2022. The segment's net sales increased significantly during the quarter on a year-on-year comparison and amounted to SEK 338.8 million (140.0). EBITA increased to SEK 49.1 million (20.1), corresponding to an EBITA margin for the fourth quarter of 14.5 percent. Net sales increased by year-on-year comparison and amounted to SEK 1,013.1 million (250.0). EBITA increased to SEK 119.2 million (34.1), corresponding to an EBITA margin of 11.8 percent for 2022.

The segment's primary customer base is primarily solid and recurring B2B customers (both private and public). The projects are often within a framework agreement and of a shorter nature, criteria that have been to the advantage of the portfolio companies in connection with market uncertainty and rapid changes in price levels in 2022.

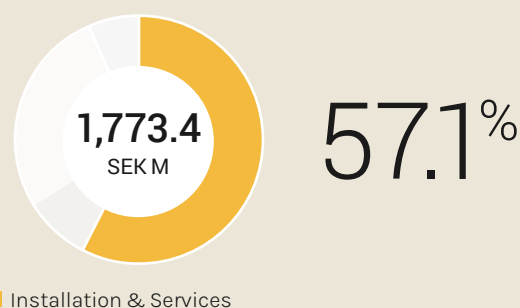
Order intake at the end of the period is good, which follows from the fact that a large part of the companies' offerings are focused on service, maintenance and improvements in existing properties. Macro trends in energy saving and electrification also have a positive impact on demand for the segment's electricity and ventilation companies.

At year-end, the segment consisted of 14 wholly owned operating portfolio companies with 7 operating subsidiaries, comprising 649 employees.

Sales and EBITA margin



Share of consolidated sales Jan–Dec 2022



Refer to Note 9 for an overview of the Group's portfolio companies and their subsidiaries.

Financial overview

SEK million	2022 Oct–Dec	2021 Oct–Dec	2022 Jan–Dec	2021 Jan–Dec	2020/2021 Jul–Dec ¹⁾
Net sales	338.8	140.0	1,013.1	250.0	250.0
EBITA	49.1	20.1	119.2	34.1	34.1
EBITA margin, %	14.5%	14.3%	11.8%	13.6%	13.6%

¹⁾ Actual outcome for the extended financial year of July 2020 to December 2021. The Group acquired its first company in January 2021.



Infrastructure

The segment consists of specialist companies active in infrastructure projects such as ground works and associated areas, including maintenance and new construction of railway, road and power transmission and general infrastructure building.

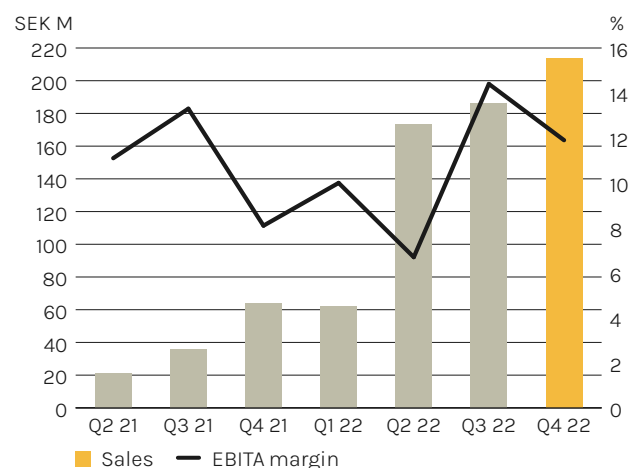
Infrastructure has developed strongly during the fourth quarter and full year 2022. Net sales during the quarter amounted to SEK 213.8 million (63.8) and EBITA amounted to SEK 25.6 million (5.2), corresponding to an EBITA margin of 11.9 percent. For the full year 2022, net sales amounted to SEK 635.6 million (120.9) and EBITA results amounted to SEK 70.0 million (12.7), corresponding to an EBITA margin of 11.0 percent for 2022.

Government and regional investments in infrastructure have a positive impact on the segment. Historically, economic slowdowns have had a low impact on infrastructure investment. Demand for the companies' services is good for 2023, driven by both government infrastructure projects and the construction of commercial properties. The primary customer base is primarily stable and returning B2B customers (both private and public). Customers who value experienced partners with broad knowledge and ability in their field, which is to the advantage of portfolio companies. The companies' long framework agreements and customer collaborations strengthen this picture.

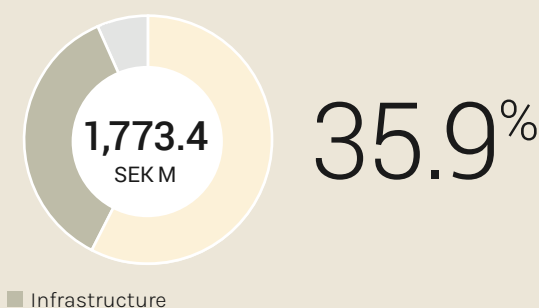
Novedo has a clear ambition to grow in the segment. During the fourth quarter, Novedo acquired and took over the Danish company Nordkabel A/S, active in installations and service work, primarily for electricity networks, fiber and water. Nordkabel's accounts for the month of December 2022 are included in Novedo's financial statements for the fourth quarter and full year 2022.

At the end of the period, the segment consisted of 4 operating portfolio companies with 6 operating subsidiaries, which includes 385 employees.

Sales and EBITA margin



Share of consolidated sales Jan-Dec 2022



Refer to page 11 for more information about Nordkabel A/S and Note 9 for a compiled overview of the Group's portfolio companies and their subsidiaries.

Financial overview

SEK million	2022 Oct-Dec	2021 Oct-Dec	2022 Jan-Dec	2021 Jan-Dec	2020/2021 Jul-Dec ¹⁾
Net sales	213.8	63.8	635.6	120.9	120.9
EBITA	25.6	5.2	70.0	12.7	12.7
EBITA margin, %	11.9%	8.1%	11.0%	10.5%	10.5%

¹⁾ Actual outcome for the extended financial year of July 2020 to December 2021. The Group acquired its first company in January 2021.



Industry

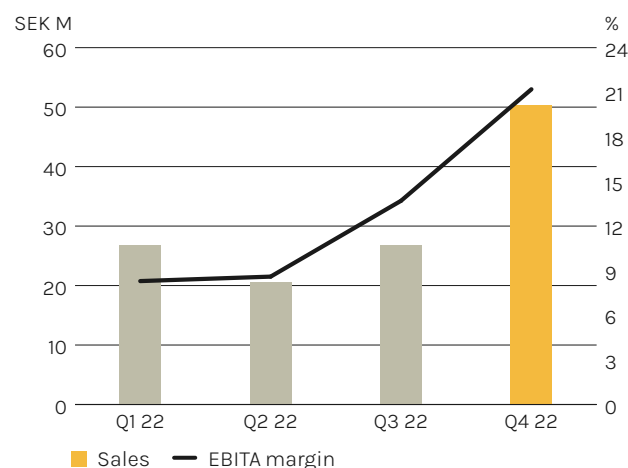
The segment consists of niche industrial companies that deliver clear customer value in terms of manufacturing or retail of products intended for B2B, for example, suppliers to component suppliers and production companies as well as distributors and companies with in-house manufacturing.

Industry was added as a new business segment in 2022 and all companies in the segment were acquired and taken over in 2022. Net sales in the fourth quarter amounted to SEK 50.4 million (0) and EBITA to SEK 10.7 million (0), corresponding to an EBITA margin of 21.2 percent for the quarter. For the full year 2022, net sales amounted to SEK 124.6 million (0) and EBITA amounted to SEK 18.4 million (0), corresponding to an EBITA margin of 14.8 percent for 2022.

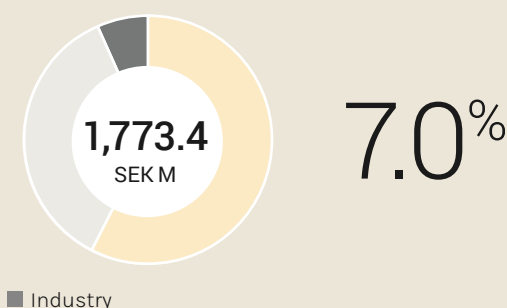
In the wake of the Covid pandemic, the electronics manufacturing industry has been characterized by component shortages and strong demand. Customers tend to focus on risk minimization over optimization of supply chain and costs. It follows that customers are looking for closer and long-term supplier collaborations in order to secure materials via larger frame orders and call-offs or, with the support of the suppliers' technical expertise, make changes to the design and thus be able to minimize shortage components. Through proactive and close cooperation with customers, Novedo's portfolio companies have been able to avoid disruptions during the year and the order situation for 2023 is long-term and at a good level as a consequence of the above.

Novedo has a clear ambition to grow in the industrial segment to account for one third of the Group's sales. The macro trend where product-owning companies move their supply chains geographically closer to the place of consumption should primarily benefit European electronic manufacturers with highly automated manufacturing, like the portfolio companies in the business segment, in the coming years.

Sales and EBITA margin



Share of consolidated sales Jan-Dec 2022



At the end of the period, the segment consisted of one operating portfolio companies with 2 operating subsidiaries, which includes 77 employees. Refer to page 11 for more information about ProvideU and Note 9 for a compiled overview of the Group's portfolio companies and their subsidiaries.

Financial overview

SEK million	2022 Oct-Dec	2021 Oct-Dec	2022 Jan-Dec	2021 Jan-Dec	2020/2021 Jul-Dec ¹⁾
Net sales	50.4	-	124.6	-	-
EBITA	10.7	-	18.4	-	-
EBITA margin, %	21.2%	-	14.8%	-	-

¹⁾ Actual outcome for the extended financial year of July 2020 to December 2021. The Group acquired its first company in January 2021.



Elarbeten Helsingborg AB

Elarbeten Helsingborg AB (Elarbeten Helsingborg) was founded in 1993 and is a Helsingborg-based company that offers a varied range of services related to electricity, mainly consultation / planning and execution of electrical installations, for example, new installations, renovations, service, telephone lines, solar cells and charging stations for electric vehicles. Primary customers are real estate and construction (B2B) companies. The company consists of 13 employees at year-end and net sales for 2022 amounted to ca 33 MSEK. The company was acquired by Novedo in Q1 2022 and is part of the Installation & Services segment.

CEO: Simon Persson
www.elarbetenab.se

Nordkabel A/S

Nordkabel A/S (Nordkabel) with ca 220 employees was founded in 1988 and is today located in eight Jutland locations, of which the head office is based in Års (near Aalborg). The company performs installations and service work primarily in the electricity network, fiber and water. Nordkabel has a solid and strong customer base exclusively in B2B consisting of long-term customer relations, often framework agreements, and close collaborations with municipalities, private and public energy companies and telecom companies. Net sales for 2022 amounted to ca 327 MSEK. The company was acquired and taken over by Novedo in Q4 2022. Nordkabel is part of the Infrastructure segment.

CEO: Henrik Hassing
www.nordkabel.dk



ProvideU

ProvideU AB (ProvideU) was founded in 2008 and is a fast-growing industrial company in customized components and complete systems for B2B customers, many of which are in growth areas such as future energy storage, industrial robotics, IoT and vehicle electronics, such as ABB, Flowserve and Humphree. ProvideU was taken over by Novedo in Q1 2022. During Q3 2022, ProvideU acquired the company Elektronik Mekanik i Västerås Aktiebolag that manufactures and assembles printed circuit boards. ProvideU has its head office in Västerås and production

facilities in Tallin, Estonia, Västerås (via its subsidiary Elektronik Mekanik), as well as Asian production partners. ProvideU, including subsidiaries, consists of 77 employees at the end of 2022 and net sales for 2022 amounted to ca SEK 175 million for the Group. ProvideU and its subsidiaries are part of the Industry segment.

CEO ProvideU: Fredrik Forngren (to the left)
 CEO Elektronik Mekanik: Thomas Zeijlon (to the right).
www.provideu.com / www.elektronikmekanik.com

Other information

Seasonal variations

Novedo's segments are to a limited extent affected by seasonal variations and are to a large extent balanced within the Group as a whole. The Group uses percent-age-of-completion method and in comparison periods the difference can be significant depending on the outcome of, above all, ongoing work, customer receivables and accounts payable.

Employees

At the end of the third quarter, the number of employees was 1,122 (521), whereof 3 (0) employees were employed within the Parent Company.

Parent Company

Parent Company's net sales comprise intra-Group management services. Third quarter net sales for the Parent Company amounted to SEK 0.8 million (0.0) and to SEK 1.6 million (0.0) for the twelve-month period. EBITA totalled SEK -11.3 million (-7.9) for the fourth quarter and SEK -52.3 million (-7.9) for the twelve-month period. The Parent Company's earnings were negatively impacted by interest expenses for the bond loan of SEK -43.3 million for the quarter and SEK -68.1 million for the twelve-month period.

Share capital

Novedo has only one class of shares. At the end of December 2022, the share capital amounted to SEK 551,970 (551,970) allocated over 30,960 shares, each with a quotient value of SEK 17.83. Previous owners of the companies acquired by Novedo in 2022 have chosen to become partners of Novedo through preference shares in Novedo AB (a wholly-owned subsidiary of Novedo Holding AB (publ)).

Shareholder

Esmaeilzadeh Holding AB owns 67.0 percent of Novedo's shares. In addition, F Holmström PE 3 AB has a share holding of 13.6 percent. No other shareholder owns over ten percent of the company's shares.

Dividend

Bond terms for senior secured bond loan 2021/2024 (ISIN: SE0017070980) state that no dividend may be paid during the term of the bond loan if the company's shares are unlisted.

Significant events after the balance-sheet date

Jan Johansson, an experienced board member, and previously also President & CEO of SCA AB and Boliden AB, was elected new board member and chairman of the board at the extraordinary general meeting on January 12, 2023. Former Chairman of the Board Christer Hellström remains on the Board as an ordinary member.

In order to realize company acquisitions, SEK 250 million in bonds has been issued in February 2023 within the framework of the company's existing bond loan 2021/2024. In addition, the principal owner has undertaken to provide SEK 100 million in a subordinated owner's loan maturing after the bond loan.

Financial calendar

2022 Annual Report	21 April 2023
Interim Report Q1 2023	12 May 2023
2023 Annual General Meeting	12 May 2023
Interim Report Q2 2023	24 August 2023
Interim Report Q3 2023	16 November 2023





Sustainable value creation

Energy supply became a global hotbed of crisis in 2022, as a direct consequence in Europe of the war in Ukraine. Even before that, with the aim of achieving the UN's global sustainability goals and the Paris Agreement, ambitious and innovative solutions have been underway to reduce energy consumption and supply energy with a low impact on the environment. Novedo supports the UN Global Compact and is behind Agenda 2030 and within the Group there are a number of companies that offer services in energy optimization, primarily to public and commercial property owners.

Real estate from energy consumers...

According to the National Board of Housing, Building and Planning (sv. Boverket) and Statistics Sweden (sv. SCB), the construction and real estate sector accounts for about 30 percent of Sweden's total energy use and technical installations account for about 70 percent of consumption, mainly for heating, ventilation and cooling properties. For both the climate and the economy, there are great gains to be made by actively working with energy efficiency. Reduced energy consumption can be achieved, for example, through technical measures that optimize energy consumption or through behavioral changes while maintaining benefit.

Each individual property has different conditions for savings potential, it is possible to optimize energy use for a specific system or for an entire property.

Property owners today have a clear focus on energy optimizing their properties and companies within Novedo that work with energy efficiency notice a good demand for these services. Ventilationskontroll Aeolus Aktiebolag (Ventilationskontroll) is one of the Group's companies that works with energy optimization and about 60 percent of the company's turnover derives

from energy optimization. Ventilationskontroll has, among other things, worked with energy-optimizing assignments for Sahlgrenska University Hospital in Gothenburg, Sweden.

Within the framework of the assignment, Ventilationskontroll has project managed everything from design to completion of the contract in all disciplines, ventilation, cooling, pipes, sprinklers, construction, control and electricity. Today, the hospital has a system that is energy efficient and meets the high demands of the legislation and the property owner, both when it comes to energy recovery and fire protection.

"Ventilationskontroll is driven by a strong environmental commitment. By actively working with energy optimization among our customers, we in our micro environment contribute to jointly limit global heating. We can reduce energy consumption by about 15 to 50 percent depending on the scale of the efforts," says Aleksandar Köster, CEO of Ventilationskontroll.

...to energy producers

Property owners also have a clear focus on investments in the production of energy via, for example, solar cell systems on the roofs of the properties, which in the long run can lead to the properties becoming both climate neutral and climate positive, ie property owners have in a short time gone from being energy consumers to energy producers – for the benefit of both the individual property owner, its tenants and to the global environmental goals.

Ventilationskontroll AB

Ventilationskontroll Aeolus Aktiebolag (Ventilationskontroll) is a Gothenburg-based installation company in ventilation and indoor climate that for over 40 years has delivered climate solutions for the indoor environment, both in terms of renovations and new installations in contract form. With about 70 employees, the company offers installation, service, repair, operation and energy optimization, electrical and control work, pre-planning, technical investigations, so-called OVK inspections and adjustments of indoor air conditioners. The company has many service and operating agreements with stable customers. Net sales for 2022 amounted to ca 159 MSEK. The company has been certified according to FR2000 since 2009. Ventilationskontroll is part of the Installation & Services segment.

CEO: Aleksandar Köster
www.ventilationskontroll.nu



Condensed consolidated statement of comprehensive income

SEK thousands	Note	2022 Oct-Dec	2021 Oct-Dec	2022 Jan-Dec	2021 Jan-Dec	2020/2021 ¹⁾ Jul-Dec
Operating income	2					
Net sales	3	602,982	203,804	1,773,350	370,906	370,906
Other operating income		6,304	2,234	19,197	3,144	3,144
Total operating income		609,286	206,038	1,792,547	374,050	374,050
Operating expenses						
Raw materials, consumables and goods for resale		-287,744	-80,791	-856,323	-151,842	-151,842
Other external expenses		-79,401	-21,908	-197,880	-40,010	-40,010
Employee benefit expenses		-163,715	-78,681	-541,390	-142,479	-142,479
Other operating expenses		-2,411	-76	-4,774	-129	-129
Depreciation, amortisation and impairment of tangible and intangible assets		-14,724	-4,611	-41,309	-9,379	-9,379
Depreciation of right-of-use assets		-10,408	-3,542	-28,342	-6,933	-6,933
Operating profit (EBIT)		50,883	16,430	122,530	23,278	23,278
Net financial items	4	-60,219	-10,173	-154,061	-16,575	-16,575
Pre-tax profit		-9,336	6,257	-31,531	6,703	6,703
Income tax		-16,255	-4,842	-25,410	-6,177	-6,177
Profit/loss for the period		-25,591	1,414	-56,941	526	526
Attributable to shareholders in the Parent Company		-25,819	-157	-59,116	-1,090	-1,090
Attributable to non-controlling interests		228	1,571	2,175	1,616	1,616
Profit/loss for the period		-25,591	1,414	-56,941	526	526
Other comprehensive income:		-	-	-	-	-
Items that may be reclassified to profit or loss		-	-	-	-	-
Exchange-rate differences		7,715	-	9,033	-	-
Other comprehensive income for the period		-	-	-	-	-
Total comprehensive income for the period		-17,876	1,414	-47,908	526	526
Attributable to:						
Shareholders in the Parent Company		-18,945	-157	-51,068	-1,090	-1,090
Non-controlling interests		1,069	1,571	3,160	1,616	1,616
Total comprehensive income for the period		-17,876	1,414	-47,908	526	526
Earnings per share for the period before and after dilution		-833.95	-5.31	-1,909.42	-42.34	-42.34
Average number of shares before and after dilution		30,960	29,628	30,960	25,751	25,751

¹⁾ Actual outcome from the extended financial year July 2020 to December 2021. The Group's first company acquisition was carried out in January 2021.

Condensed consolidated balance sheet

SEK thousands	Note	2022 31 Dec	2021 31 Dec
ASSETS			
Intangible assets		1,288,604	443,591
Tangible assets		109,941	20,150
Right-of-use assets		88,676	57,440
Financial assets		5,092	3,272
Total non-current assets		1,492,314	524,453
Inventories		93,903	7,864
Accounts receivable - trade		372,665	85,357
Other current receivables		61,888	15,483
Contract assets		83,617	20,138
Investments in securities etc.		1,096	825
Cash and cash equivalents		188,970	821,432
Total current assets		802,140	951,099
Total assets		2,294,453	1,475,552
EQUITY AND LIABILITIES			
Equity attributable to shareholders in the Parent Company		406,528	334,407
Non-controlling interests		61,518	43,597
Total equity		468,047	378,004
Contingent consideration	6	295,948	55,562
Other acquisition-related liabilities		37,200	37,200
Lease liabilities		47,718	37,916
Bonds	7	938,001	737,419
Liabilities to credit institutions	7	4,932	4,651
Deferred tax liabilities		67,044	20,017
Other non-current liabilities		7,900	128
Total non-current liabilities		1,398,743	892,893
Lease liabilities		26,344	16,210
Acquisition-related liabilities		17,103	37,296
Accounts payable - trade		138,329	40,216
Liabilities to main owner		30,000	-
Contract liabilities		12,398	12,502
Liabilities to credit institutions	7	4,123	3,582
Other current liabilities		199,365	94,849
Total current liabilities		427,663	204,655
Total liabilities		1,826,406	1,097,548
Total equity and liabilities		2,294,453	1,475,552

Condensed consolidated statement of changes in equity

SEK thousands	2022 31 Dec	2021 31 Dec
Opening equity	378,004	-
New share issue	123,189	254,330
Formation of Novedo Holding Group	-	500
Acquisition of non-controlling interests	-	51
Divestment of non-controlling interest	-309	-
Translation difference	8,048	-
Shareholders' contribution	-	80,668
Profit/loss for the period	-59,116	-1,090
Other comprehensive income	-	-
Non-controlling interests	18,230	43,545
Closing equity	468,047	378,004
<i>Equity attributable to shareholders in the Parent Company</i>	<i>406,528</i>	<i>334,407</i>
<i>Non-controlling interests</i>	<i>61,518</i>	<i>43,597</i>
SEK thousands		
Number of ordinary shares at the beginning of the period	30,960	25,000
Number of ordinary shares at the end of the period	30,960	30,960
Total number of shares at the end of the period	30,960	30,960

The ordinary shares have a quotient value of SEK 17.83.

Condensed consolidated statement of cash flows

SEK thousands	Note	2022 Oct-Dec	2021 Oct-Dec	2022 Jan-Dec	2021 Jan-Dec	2020/2021 ¹⁾ Jul-Dec
Operating profit (EBIT)		50,883	16,430	122,530	23,278	23,278
Adjustments for non-cash items, etc.	8	33,165	7,701	73,063	15,375	15,375
Net interest income/expense paid		-22,471	-6,826	-63,559	-10,748	-10,748
Income tax paid		-1,574	-3,971	-49,476	-9,022	-9,022
Cash flow from operating activities before changes in working capital		60,003	13,334	82,558	18,883	18,883
Change in operating receivables		-31,858	5,227	-52,921	-26,276	-26,276
Change in operating liabilities		37,557	11,999	22,622	62,423	62,423
Cash flow from operating activities		65,702	17,226	52,259	55,030	55,030
Acquisition of subsidiaries		-265,846	-	-827,441	-209,682	-209,682
Divestments of subsidiaries		42	-	-1,984	-	-
Investments in tangible assets		-2,162	-216	-5,638	-216	-216
Disposals of items of property, plant and equipment		1,297	-	36,027	-	-
Investments right-of-use assets		-339	-	-12,041	-	-
Change in other financial assets		-	-1,901	-	521	521
Settlement of short-term financial liabilities		-5,000	-	-8,000	-	-
Change in current financial investments		-	-115	-72	-115	-115
Cash flow from investing activities		-272,008	-2,232	-819,149	-209,492	-209,492
New share issue		-	185,346	-	187,476	187,476
Shareholders' contribution received		-	30	-	98,375	98,375
Share capital Novedo Holding AB (publ)		-	500	-	500	500
Borrowings	11	693,791	197,968	885,428	885,428	885,428
Repayment of borrowings		-4,581	-188,506	-53,491	-188,506	-188,506
Repayment of lease liabilities		-8,107	-3,988	-25,099	-7,379	-7,379
Change in overdraft facility		11,854	-	14,975	-	-
Cash flow from financing activities		-822	687,173	134,353	975,894	975,894
Cash flow for the period		-207,129	715,501	-632,536	821,432	821,432
Cash and cash equivalents - opening balance		396,051	105,981	821,432	-	-
Exchange rate difference in cash and cash equivalents		48	-	74	-	-
Cash and cash equivalents - closing balance		188,970	821,432	188,970	821,432	821,432

¹⁾ Actual outcome from the extended financial year July 2020 to December 2021. The Group's first company acquisition was carried out in January 2021.

Statement of comprehensive income

– Parent Company

SEK thousands	Note	2022 Oct-Dec	2021 Oct-Dec	2022 Jan-Dec	2021 Sep-Dec
Operating income					
Net sales		788	-	1,577	-
Other income		1	-	1	-
Total operating income		789	-	1,578	-
Operating expenses					
Other external expenses		-1,711	-2,165	-3,725	-2,165
Employee benefit expenses		-2,261	-	-4,654	-
Other operating expenses		-1	-1	-2	-1
Total operating expenses		-3,972	-2,166	-8,380	-2,166
Operating loss		-3,184	-2,166	-6,803	-2,166
Profit/loss from financial items					
Interest income		301	-	664	-
Interest expenses		-24,805	-6,002	-67,279	-6,002
Profit/loss after financial items		-27,687	-8,168	-73,417	-8,168
Group contributions received		23,568	-	23,568	-
Tax on profit for the year		-7,816	277	-2,475	277
Profit/loss for the period		-11,305	-7,891	-52,324	-7,891

The parent company was formed in September 2021.

The parent company does not include any items that are reported as other comprehensive income, which is why total comprehensive income is consistent with profit for the year.

Condensed balance sheet

– Parent Company

SEK thousands	Note	2022 31 Dec	2021 31 Dec
Assets			
Participations in Group companies		1,033,927	191,155
Deferred tax assets		-	277
Total non-current assets		1,033,927	191,432
Receivables from Group companies		29,614	-
Other current receivables		103	615
Prepayments and accrued income		197	-
Cash and cash equivalents		1,134	689,355
Total current assets		31,048	689,970
Total assets		1,064,975	881,402
Equity and liabilities			
Equity		84,301	136,625
Total equity		84,301	136,625
Bonds		938,001	737,419
Total non-current liabilities		938,001	737,419
Accounts payable – trade		69	2,514
Liabilities to main owner		30,000	35
Other current liabilities		2,190	4,809
Accrued expenses and prepaid income		10,415	-
Total current liabilities		42,674	7,358
Total liabilities		980,675	744,777
Total equity and liabilities		1,064,975	881,402

Quarterly data

SEK thousands	2022 Q4	2022 Q3	2022 Q2	2022 Q1	2021 Q4	2021 Q3	2021 Q2	2021 Q1
Net sales	602,982	457,224	432,454	280,691	203,655	102,596	54,082	10,424
Net sales growth, %	196.1%	345.7%	699.6%	2,592.7%	N/A	N/A	N/A	N/A
Operating profit/loss (EBIT)	50,883	40,294	25,095	6,257	16,429	4,382	3,777	-1,311
EBIT margin, %	8.4%	8.8%	5.8%	2.2%	8.1%	4.3%	7.0%	-12.6%
EBITA	60,747	49,357	31,874	11,576	19,961	7,356	4,726	-1,065
EBITA margin, %	10.1%	10.8%	7.4%	4.1%	9.8%	7.2%	8.7%	-10.2%
EBITDA	76,015	57,383	41,186	17,596	24,582	10,154	5,806	-952
EBITDA margin, %	12.6%	12.6%	9.5%	6.3%	12.1%	9.9%	10.7%	-9.1%
Pre-tax profit/loss	-9,336	224	-5,982	-16,436	6,256	131	2,100	-1,784
Profit/loss for the period	-25,591	-2,227	-11,630	-17,493	1,414	-604	1,353	-1,637
Working capital	274,125	146,825	73,113	23,482	-13,045	7,509	16,149	-5,357
Net interest-bearing debt	873,222	605,802	418,224	136,172	-25,376	143,965	37,714	-32,937
Net debt/equity ratio	1.9	1.3	0.9	0.3	-0.1	0.6	0.4	-0.6
Net interest-bearing debt/EBITDA	11.5	10.6	10.2	7.7	-1.0	14.2	6.5	34.6
Equity/assets ratio, %	20.4%	22.5%	24.7%	25.4%	25.9%	30.0%	33.0%	52.5%
Return on equity, %	-5.5%	-0.5%	-2.6%	-4.2%	0.6%	-0.3%	1.5%	-3.0%
Return on capital employed, %	3.4%	3.7%	2.9%	-1.5%	3.9%	1.4%	2.8%	-2.9%
Number of employees at the end of the period	1,122	904	890	769	521	521	160	74

Novedo conducts an acquisition-intensive business. The fair value of acquired assets and liabilities is, in some cases, preliminary pending final valuation. The final acquisition analysis may thus affect the Group's income statement and balance sheet retroactively. The above quarterly data is based on final acquisition analyses up to and including September 2022. See also Note 5 for more information.

Reconciliation of performance measures not defined pursuant to IFRS

SEK thousands	2022 Q4	2022 Q3	2022 Q2	2022 Q1	2021 Q4	2021 Q3	2021 Q2	2021 Q1
(A) Operating profit/loss (EBIT)	50,883	40,294	25,095	6,257	16,429	4,382	3,777	-1,311
Amortisation and impairment of acquisition-related intangible assets	9,864	9,063	6,779	5,319	3,532	2,974	949	246
(B) EBITA	60,747	49,357	31,874	11,576	19,961	7,356	4,726	-1,065
Depreciation, amortisation and impairment of other tangible and intangible assets	15,268	8,026	9,311	6,021	4,621	2,798	1,080	113
(C) EBITDA	76,015	57,383	41,185	17,597	24,582	10,154	5,806	-952
Acquisition expenses	8,074	1,351	2,137	2,170	-	2,239	887	825
(D) Adjusted EBITA	68,821	50,708	34,011	13,746	19,961	9,595	5,613	-240
(E) Adjusted EBITDA	84,089	58,734	43,322	19,767	24,582	12,393	6,693	-127
(F) Net sales	602,982	457,224	457,454	280,691	203,655	102,596	54,082	10,424
(A/F) EBIT margin, %	8.4%	8.8%	5.8%	2.2%	8.1%	4.3%	7.0%	-12.6%
(B/F) EBITA margin, %	10.1%	10.8%	7.4%	4.1%	9.8%	7.2%	8.7%	-10.2%
(C/F) EBITDA margin, %	12.6%	12.6%	9.5%	6.3%	12.1%	9.9%	10.7%	-9.1%
(D/F) Adjusted EBITA margin, %	11.4%	11.1%	7.9%	4.9%	9.8%	9.4%	10.4%	-2.3%
(E/F) Adjusted EBITDA margin, %	13.9%	12.8%	10.0%	7.0%	12.1%	12.1%	12.4%	-1.2%

Notes

Note 1 Accounting principles

The consolidated financial statements were prepared in accordance with the International Financial Reporting Standards (IFRS). The Interim Report was prepared in accordance with IAS 34 Interim Financial Reporting and the applicable provisions of the Swedish Annual Accounts Act. Interim financial information is provided in the notes and elsewhere in this Interim Report. The Interim Report for the Parent Company has been prepared in accordance with the Swedish Annual Accounts Act, which follows the provisions of recommendation RFR 2 Accounting for Legal Entities. The accounting and calculation methods are the same as those applied in the 2021 Annual Report. There were no amendments to IFRS in 2022 that have a material impact on the Group's earnings and financial position. Risks and uncertainties relevant to Novedo are described in the 2021 Annual Report and no changes have been made to these assessments. All amounts are in SEK thousands for the Group and Parent Company, unless stated otherwise.

Note 2 Operating segments

The chief operating decision maker is the function responsible for making decisions about resources to be allocated to the operating segments and the assessment of their performance. Within the Novedo Group, the CEO has been identified as the chief operating decision maker. The Group has three operating segments as described below:

- **Installation & Services**
Companies delivering installation, service and maintenance of properties (electrical, insulation, painting, heating and plumbing, etc) and is primarily aimed at commercial property owners and public housing.
- **Infrastructure**
The segment consists of specialist companies active in infrastructure projects such as ground works and associated areas, including maintenance and new construction of railway, road and power transmission infrastructure.
- **Industry**
Companies delivering products and systems to industrial customers with clear customer value in terms of manufacturing or retail of products instead of B2B, for example, suppliers to component suppliers and production companies as well as distributors and companies with in-house manufacturing.

The segment information is based on the same accounting policies as applied in the Group as a whole. In addition, Group-wide costs are reported in the category Group items.

2022 Oct-Dec, SEK thousands	Installation & Services	Infrastructure	Industry	Group items	Total segment
Operating segment					
Net sales from external customers	338,783	213,824	50,375	-	602,982
Other operating income	1,795	2,753	1,752	-	6,304
Total operating income	340,578	216,576	52,127	-	609,286
Operating expenses					
Raw materials, consumables and goods for resale	-147,150	-113,694	-26,906	-	287,744
Other external expenses	-28,449	-26,990	-3,733	-19,895	-79,401
Employee benefit expenses	-110,268	-40,068	-8,712	-4,667	163,715
Depreciation, amortisation and impairment of tangible and intangible assets	-936	-3,315	-609	-	-4,860
Depreciation of right-of-use assets	-4,626	-5,002	-780	-	-10,408
Other operating expenses	-29	-1,862	-690	-152	-2,411
Total operating expenses	-291,457	-190,932	-41,431	-24,714	-548,539
Operating profit/loss (EBITA)	49,120	25,645	10,696	-24,714	60,747
Depreciation brands and customer relationships	-6,768	-2,111	-985	-	-9,864
Operating profit (EBIT)	42,352	23,534	9,711	-24,714	50,883
Net financial items	1,568	-102	-79	-61,606	-60,219
Pre-tax profit/loss	43,920	23,432	9,632	-86,320	-9,336

2021 Oct-Dec, SEK thousands	Installation & Services	Infrastructure	Industry	Group items	Total segment
Operating segment					
Net sales	139,968	63,836	-	-	203,804
Other operating income	2,013	220	-	-	2,233
Total operating income	141,981	64,056	-	-	206,037
Operating expenses					
Raw materials, consumables and goods for resale	-45,627	-35,162	-	-	-80,789
Other external expenses	-11,426	-7,179	-	-3,302	-21,907
Employee benefit expenses	-62,517	-14,185	-	-1,982	-78,684
Depreciation, amortisation and impairment of tangible and intangible assets	-65	-1,013	-	-	-1,078
Depreciation of right-of-use assets	-2,274	-1,268	-	-	-3,542
Other operating expenses	-2	-74	-	-1	-77
Total operating expenses	-121,910	-58,880	-	-5,285	-186,075
Operating profit/loss (EBIT)	20,071	5,176	-	-5,285	19,962
Depreciation brands and customer relationships	-2,445	-1,087	-	-	-3,532
Operating profit (EBIT)	17,626	4,089	-	-5,285	16,430
Net financial items	2,712	-165	-	-12,721	-10,174
Pre-tax profit/loss	20,338	3,924	-	-18,006	6,256

2022 Jan-Dec, SEK thousands	Installation & Services	Infrastructure	Industry	Group items	Total segment
Operating segment					
Net sales	1,013,135	635,570	124,645	-	1,773,350
Other operating income	12,090	5,153	1,949	5	19,197
Total operating income	1,025,226	640,723	126,593	5	1,792,547
Operating expenses					
Raw materials, consumables and goods for resale	-434,326	-351,476	-70,524	-	-856,329
Other external expenses	-73,980	-77,760	-10,592	-35,540	-197,873
Employee benefit expenses	-379,623	-120,011	-23,334	-18,422	-541,390
Depreciation, amortisation and impairment of tangible and intangible assets	-1,906	-6,523	-1,855	-	-10,284
Depreciation of right-of-use assets	-15,807	-11,515	-1,020	-	-28,342
Other operating expenses	-342	-3,428	-847	-157	-4,774
Total operating expenses	-905,987	-570,713	-108,172	-54,119	-1,638,992
Operating profit/loss (EBIT)	119,238	70,010	18,421	-54,114	153,555
Depreciation brands and customer relationships	-20,655	-7,420	-2,950	-	-31,025
Operating profit (EBIT)	98,583	62,590	15,471	-54,114	122,530
Net financial items	547	-1,626	-99	-152,883	-154,060
Pre-tax profit/loss	99,130	60,964	15,373	-206,997	-31,530

2021 Jan-Dec, SEK thousands	Installation & Services	Infrastructure	Industry	Group items	Total segment
Operating segment					
Net sales	249,962	120,945	-	-	370,907
Other operating income	2,435	709	-	-	3,144
Total operating income	252,397	121,654	-	-	374,051
Operating expenses					
Raw materials, consumables and goods for resale	-86,247	-65,595	-	-	-151,842
Other external expenses	-18,297	-10,897	-	-10,816	-40,010
Employee benefit expenses	-109,378	-27,616	-	-5,488	-142,482
Depreciation, amortisation and impairment of tangible and intangible assets	-218	-1,461	-	-	-1,679
Depreciation of right-of-use assets	-3,708	-3,225	-	-	-6,933
Other operating expenses	-9	-119	-	-1	-129
Total operating expenses	-217,856	-108,912	-	-16,305	-343,073
Operating profit/loss (EBIT)	34,541	12,742	-	-16,305	30,978
Depreciation brands and customer relationships	-5,663	-2,037	-	-	-7,700
Operating profit (EBIT)	28,878	10,705	-	-16,305	23,278
Net financial items	2,855	-397	-	-19,033	-16,575
Pre-tax profit/loss	31,733	10,308	-	-35,338	6,703

Note 3 Specification of net sales and income

The Group allocates revenue across three segments

Net sales, SEK thousands	2022 Oct-Dec	2021 Oct-Dec	2022 Jan-Dec	2021 Jan-Dec	2020/2021 Jul-Dec
Infrastructure	213,823	63,836	635,570	120,944	120,944
of which, installation and production	205,001	49,074	585,894	92,975	92,975
of which, service	6,200	-	6,200	-	-
of which, products	2,622	14,672	43,476	27,969	27,969
Installation & Services	338,783	139,968	1,013,135	249,962	249,962
of which, installation and production	112,825	88,196	644,069	157,505	157,505
of which, service	218,237	51,772	355,212	92,457	92,457
of which, products	7,721	-	13,854	-	-
Industry	50,376	-	124,645	-	-
of which, installation and production	-	-	-	-	-
of which, service	-	-	-	-	-
of which, products	50,376	-	124,645	-	-
Total net sales	602,982	203,804	1,773,350	370,906	370,906
of which, installation and production	317,827	137,270	1,229,964	250,480	250,480
of which, service	224,437	51,772	361,412	92,457	92,457
of which, products	60,718	14,762	181,974	27,969	27,969

Income per significant class of income and geographical area	2022 Oct-Dec	2021 Oct-Dec	2022 Jan-Sep	2021 Jan-Sep	2020/2021 Jul-Dec
Installation and production	317,827	137,270	1,229,964	278,449	278,449
Sweden	287,573	137,270	1,199,224	278,449	278,449
EU	30,058	-	30,502	-	-
Rest of world	196	-	238	-	-
Service	224,437	51,772	361,412	92,457	92,457
Sweden	218,510	51,772	355,485	92,457	92,457
EU	5,927	-	5,927	-	-
Rest of world	-	-	-	-	-
Products	60,718	14,762	181,974	-	-
Sweden	63,786	14,762	181,682	-	-
EU	-3,032	-	292	-	-
Rest of world	-36	-	-	-	-
Total income	602,982	203,804	1,773,350	370,906	370,906
Sweden	351,359	203,804	1,380,906	370,906	370,906
EU	87,744	-	212,768	-	-
Rest of world	63,946	-	181,920	-	-

Note 4 Financial items

SEK thousands	2022 Oct-Dec	2021 Oct-Dec	2022 Jan-Dec	2021 Jan-Dec	2020/2021 Jul-Dec
Financial income	835	31	955	322	322
Total financial income	835	31	955	322	322
Interest expenses, bonds	-24,351	-6,002	-66,791	-6,002	-6,002
Interest expenses, lease liabilities	-389	-142	-1,478	-621	-621
Capital loss on the disposal of subsidiaries	-5,985	-	-19,787	-	-
Change in present value earn-outs after acquisition	-7,630	-474	-22,784	-2,954	-2,954
Revaluation and new discounting earn-outs	-22,123	-6,908	-42,937	-	-
Interest expenses to main owner	-448	-	-448	-	-
Other interest-related and financial expenses	-130	-3,370	-791	-7,320	-7,320
Total financial expenses	-61,055	-16,896	-155,015	-16,897	-16,897
Net financial items	-60,219	-16,865	-154,060	-16,575	-16,575

Note 5 Business combinations

Acquisitions January – December 2022

Novedo completed the following acquisitions during the year:

Name of company	Segment	Consolidated	Country	Proportion of ordinary shares owned by the Group, %	Net sales MSEK ¹⁾	No. employee
Elarbeten Helsingborg AB	Installation & Services	January	Sweden	100%	33	13
Elinzity AB	Installation & Services	January	Sweden	100%	122	64
Ventilationskontroll Aeolus Aktiebolag	Installation & Services	January	Sweden	100%	157	87
ProvideU AB	Industry	January	Sweden	100%	97	62
Elektronik Mekanik i Västerås Aktiebolag	Industry	September	Sweden	100%	77	15
GBB Holding AB	Infrastructure	April	Sweden	100%	444	106
Sentexa AB	Installation & Services	May	Sweden	100%	32	12
Total Fasad Stockholm AB	Installation & Services	June	Sweden	100%	129	58
BATAB Bygg & Akustikteknik AB	Installation & Services	July	Sweden	100%	128	20
Nordsign Aktiebolag	Installation & Services	September	Sweden	100%	77	17
Nordkabel A/S	Infrastructure	November	Denmark	100%	327	190

¹⁾ Refers to pro forma for the full year 2022..

During the period January -December 2022, Novedo has consolidated eleven companies. The fair value of acquired assets and liabilities is in some cases preliminary pending final valuation. Unallocated excess values are provisionally reported as goodwill. Distribution of the purchase price is a complex process and the assessment is that further analysis is required to fully assess future profit generation capabilities based on employee knowledge and access to new markets, synergies and customer contracts. The acquisition balance

sheet may thus be adjusted in the coming quarters. Hence, the established acquisition balance is considered preliminary.

The acquisitions are presented on an aggregated level, by segment as the relative amounts of the individual acquisitions are not considered to be material, except in the acquisition of GBB Holding AB and Nordkabel A/S which are therefore presented both separately and as part of the segments.

Preliminary acquisition analyses completed by segment

SEK thousands	Installation & Services	Infrastructure	Industry	Total
Non-current assets	40,306	119,516	8,299	168,121
Inventories	2,696	13,272	37,673	53,641
Other current assets, excluding cash and cash equivalents	139,365	210,797	27,199	377,361
Cash and cash equivalents	71,648	13,743	5,951	91,342
Deferred tax assets/liabilities	-3,292	-480	-1,284	-5,056
Liabilities to creditors	-4,817	-39,762	-3,393	-47,971
Other liabilities	-125,321	-118,072	-27,127	-270,520
Acquired net assets	120,585	199,014	47,318	366,918
Customer contracts	81,979	16,824	15,867	114,670
Trademark	16,535	7,322	4,361	28,218
Goodwill	411,663	258,099	80,697	750,459
Fair value of inventories	-	5,242	1,255	6,497
Purchase price	630,763	486,502	149,497	1,266,762
Less, cash and cash equivalents in acquired operations	-71,648	-13,743	-5,951	-91,342
Less, unpaid purchase price	-164,594	-86,983	-43,796	-295,373
Impact on the Group's cash and cash equivalents	394,520	385,776	99,751	880,047

All acquisitions are in line with the Group's strategy to grow through acquisitions of profitable entrepreneur-led companies. The total purchase price for the above acquisitions amounts to SEK 1,266.8 million.

Goodwill refers to excess value from business combinations. Identified goodwill is primarily related to employees, expected future potential and the high profitability of the acquired business. The Group's goodwill is measured annually per cash-generating unit. During the period, no impairment needs were identified. Trademarks consist of acquired corporate trademarks and are written off in 10

years. Customer relationships stem from the written agreements that make up the order backlog at the time of acquisition and are written off in 5-10 years.

Acquisition-related costs for the period January-December 2022 tentatively amount to SEK 13.7 million. The contingent purchase price shall be paid when future operating profit for the years 2022, 2023, 2024 and 2025 exceeds a level agreed upon by both parties according to agreement. The maximum undiscounted amount that may be paid to the previous owners amounts to SEK 402.4 million as of December 31.

Material acquisitions

SEK thousands	GBB Holding	Nordkabel	Total
	Included in Infrastructure	Included in Infrastructure	
Non-current assets	67,470	52,046	119,516
Inventories	12,775	497	13,272
Other current assets, excluding cash and cash equivalents	109,607	101,190	210,797
Cash and cash equivalents	7,225	6,518	13,743
Deferred tax assets/liabilities	-480	-	-480
Liabilities to creditors	-36,588	-3,174	-39,762
Other liabilities	-64,983	-53,089	-118,072
Acquired net assets	95,027	103,987	199,014
Customer contracts	16,824	-	16,824
Trademark	7,322	-	-7,322
Goodwill	70,314	187,785	258,099
Fair value of inventories	5,242	-	-5,242
Purchase price	194,729	291,772	486,502
Less, cash and cash equivalents in acquired operations	-7,225	-6,518	-13,743
Less, unpaid purchase price	-48,594	-38,388	-86,983
Impact on the Group's cash and cash equivalents	138,910	246,866	385,776

**Impact of acquisitions after the date of acquisition
on the Group's profit January–December 2022**

SEK thousands	Installation & Services	Infrastructure	Industry	Total
Net sales	513,127	316,996	124,645	999,768
Operating profit (EBIT)	52,837	33,757	15,471	102,065

Pro-forma impact of the acquisitions from 1 January 2022

SEK thousands	Installation & Services	Infrastructure	Industry	Total
Net sales	677,652	771,212	174,521	1,623,384
Operating profit (EBIT)	72,954	92,364	29,180	194,498

Final acquisition analyses for the acquisitions in 2021 have been produced. The total impact between previously reported acquisition analyses and final acquisition analyses for these acquisitions is as follows:

- Goodwill has decreased by SEK -80,935 thousand
- Trademarks have increased by SEK 22,682 thousand
- Customer relationships have increased SEK 59,957 thousand
- Deferred tax liabilities have increased SEK -16,924 thousand
- Conditional purchase prices have decrease by SEK 9,659 thousand

Effects in the result regarding final acquisition analyses for companies acquired in 2021 are amortization of intangible fixed assets of SEK 6,339 thousand, financial costs attributable to revaluation of discount rates of SEK 1,013 thousand and deferred tax of SEK 1,306 thousand.

Final acquisition analyses have also been produced for acquisitions made during January to September 2022. The total effect between previously reported acquisition analyses and final acquisition analyses for these companies is as follows:

- Goodwill has decreased by SEK -113,452 thousand
- Trademark has increased by SEK 28,217 thousand
- Customer relationships have increased by SEK 28,217 thousand
- Inventories has increased by SEK 6,497 thousand
- Deferred tax liabilities have increased by SEK -29,434 thousand

Note 6 Contingent consideration

**Change in financial liabilities – Level 3,
SEK thousands**

	OB	Acquisitions	Paid	Revaluation/ discounted	Currency effect	CB
Conditional purchase price	55 562	184 389	-	56 291	-295	295 947

The fair value of conditional purchase prices has been calculated based on the expected outcomes for the contractual targets given a discount rate of 13.9 percent.

Note 7 Borrowings

SEK thousands	2022 31 Dec	2021 31 Dec	Borrowings on 31 Dec 2021	Interest rate, % maturity	Year of maturity	Nominal value	Carrying amount
Opening carrying amount	745,652	-	Bonds	STIBOR +6.5	2024	750,000	737,420
Acquired borrowings	34,777	8,232	Assets with retention of title	0.8–3.1	2023–26	8,232	8,232
Borrowings for the year	199,398	737,420	Closing carrying amount			758,232	745,652
Repayment for the period	-32,771	-					
Closing carrying amount	947,056	745,652					

Borrowings on 31 Dec 2022	Interest rate, % maturity	Year of maturity	Nominal value	Carrying amount
Bonds	STIBOR +6.5	2024	956,250	938,001
Assets with retention of title	0.8–3.1	2023–26	9,055	9,055
Closing carrying amount			965,305	9,055

Note 8 Adjustments for non-cash items, etc.

SEK thousands	2022 Oct-Dec	2021 Oct-Dec	2022 Jan-Dec	2021 Jan-Dec	2020/2021 Jul-Dec
Depreciation, equipment	5,083	1,080	10,266	1,679	1,679
Amortisation, intangible assets	13,384	2,415	31,043	6,584	6,584
Depreciation, right-of-use assets	9,939	3,542	28,342	6,933	6,933
Interest expenses, lease liabilities	-	-291	-	-622	-622
Transaction costs bonds	-	1,143	-	1,143	1,143
Loss on other securities and receivables	995	291	863	-	-
Disposals of tangible assets	1,168	303	851	389	389
Change in provisions	1,163	-782	-45	-782	-782
Transactions with non-controlling interests	-	-	-	51	51
Exchange differences	1,661	-	1,743	-	-
Total	33,165	7,701	73,063	15,375	15,375

Note 9 Investments in subsidiaries

Name of company	Segment	Consolidated	Registration country and country of operation	Corporate ID number	Proportion of ordinary shares owned by the Group, %
Novedo AB	-	-	Sweden	559264-9841	100%
Novdeo Danmark OpCp ApS	-	-	Denmark	43529374	100%
Novedo OpCo AB	-	-	Sweden	559334-8344	100%
BATAB Bygg & Akustikteknik AB	Installation & Services	Jul 2022	Sweden	556133-7642	100%
Elarbeten Helsingborg AB	Installation & Services	Jan 2022	Sweden	556464-1354	100%
Elforum Göteborg AB	Installation & Services	Aug 2021	Sweden	559133-4031	100%
Elinzity AB	Installation & Services	Jan 2022	Sweden	556694-5878	100%
Elinzity Förstärkning AB	Installation & Services	Jan 2022	Sweden	556187-5088	100%
Hansson & Ekman Isolerings Aktiebolag	Installation & Services	Sep 2021	Sweden	556459-0379	100%
Kulturmålna i Linköping Aktiebolag	Installation & Services	Sep 2021	Sweden	559203-8177	100%
Kulturmålna i Norrköping Aktiebolag	Installation & Services	Sep 2021	Sweden	556435-2887	100%
Nordsign Aktiebolag	Installation & Services	Sep 2022	Sweden	556699-2706	100%
Olle Timblads Målerifirma AB	Installation & Services	Sep 2021	Sweden	556688-5488	100%
Tysesö Målericentral AB	Installation & Services	Sep 2021	Sweden	556909-8725	100%
Sentexa AB	Installation & Services	May 2022	Sweden	556637-4921	100%
Skanstulls Måleri Aktiebolag	Installation & Services	Jan 2021	Sweden	556543-8974	100%
Total Fasad Stockholm AB	Installation & Services	Jun 2022	Sweden	559004-4375	100%
Total Fönsterrenovering Stockholm AB	Installation & Services	Jun 2022	Sweden	559133-9444	100%
Uni-Vent Rör AB	Installation & Services	May 2022	Sweden	556665-6889	100%
Ventilationskontroll Aeolus Aktiebolag	Installation & Services	Jan 2022	Sweden	556211-1343	100%
RC EI & Styrinstallationer Zeus AB	Installation & Services	Jan 2022	Sweden	556310-2010	100%
CX Ventilation AB	Installation & Services	Jan 2022	Sweden	556846-1882	100%
KG Vent AB	Installation & Services	Sep 2022	Sweden	559000-5921	100%
Ekoion AB	Installation & Services	Jan 2022	Sweden	556700-0814	100%
Deramont Entreprenad AB	Infrastructure	Sep 2021	Sweden	556803-5421	100%
GBB Holding AB	Infrastructure	Apr 2022	Sweden	556910-5652	100%
Gnesta Bergbyggare AB	Infrastructure	Apr 2022	Sweden	556599-9355	100%
AO Entreprenadtjänst i Stockholm AB	Infrastructure	Apr 2022	Sweden	556995-2269	100%
Borrspécialisten i Stockholm AB	Infrastructure	Apr 2022	Sweden	556929-2591	100%
GBB Syd AB	Infrastructure	Apr 2022	Sweden	559234-7297	100%
IMPAB AB	Infrastructure	Apr 2022	Sweden	556718-1069	100%
Impab International AB	Infrastructure	Apr 2022	Sweden	556881-7547	100%
Nordkabel A/S	Infrastructure	Nov 2022	Denmark	28851782	100%
Valter Eklund Stenentreprenader AB	Infrastructure	May 2021	Sweden	556071-7463	100%
VE Sten AB	Infrastructure	May 2021	Sweden	556143-4126	100%
ProvideU AB	Industry	Jan 2022	Sweden	556754-0231	100%
ProvideU Assembly OÜ	Industry	Jan 2022	Estonia	11066054	100%
Elektronik Mekanik i Västerås Aktiebolag	Industry	Sep 2022	Sweden	556506-1560	100%

During the third quarter of 2022, Fog & Byggtjänst i Åkersberga AB, Fog & Byggtjänst i Östergötland and Fog & Byggtjänst i Sverige AB were divested (see also notes 4 and 8 for more information). In addition, Air Solution D.O.O, Krovent Group D.O.O and Krovent Montaza D.O.O have been liquidated.

Note 10 Related-party transactions

Related parties are defined as the management team and the Board of Directors of the Parent Company and its subsidiaries. There are no related-party transactions, other than salaries and other remuneration.

Note 11 Pledged assets and contingent liabilities

Pledged assets, SEK thousands	31 Dec 2022	31 Dec 2021
Floating charge	40,497	16,050
Assets with retention of title	18,922	8,512
Assets pledged for pension commitments	-	2,425
Mortgage deeds	5,284	-
Shares in Group companies	537,267	538,182
Total	601,970	565,169

Contingent liabilities, SEK thousands	31 Dec 2022	31 Dec 2021
Performance guarantees	18,424	2,687
Guarantee commitments	5,249	-
Total	23,673	2,687

Definitions

IFRS measures	Definition/Calculation
Earnings per share	Profit for the period divided by the average number of shares.
Alternative performance measures:	Definition/Calculation
Adjusted EBITDA	EBITDA adjusted for non-recurring items.
Adjusted EBITDA margin, %	EBITDA adjusted for non-recurring items, as a percentage of net sales.
Adjusted EBITA	EBITA adjusted for non-recurring items.
Adjusted EBITA margin, %	EBITA adjusted for non-recurring items, as a percentage of net sales.
EBIT margin, %	EBIT in relation to net sales.
EBITA	EBIT before amortisation and impairment of acquisition-related intangible assets
EBITA margin, %	EBITA in relation to net sales.
EBITDA	Operating profit (EBIT) according to income statement before depreciation of right-of-use assets and amortisation, depreciation and impairment of intangible and tangible assets.
EBITDA margin, %	EBITDA as a percentage of net sales.
Equity/assets ratio, %	Equity at the end of the period as a percentage of total assets at the end of the period.
Net debt/equity ratio, %	Net interest-bearing debt as a percentage of equity including non-controlling interests.
Net interest-bearing debt	Current and non-current interest-bearing liabilities, less cash and cash equivalents at the end of the period.
Net interest-bearing debt/EBITDA, multiple	Net interest-bearing debt as a percentage of operating profit (EBITDA) according to the income statement.
Net sales growth, %	Change in sales compared with total net sales in the preceding quarter.
Operating profit/loss (EBIT)	Profit/loss before financial items and tax.
Pro forma organic growth	Organic growth calculated as if all consolidated companies had been owned for the entire period in question.
Pro forma	Pro forma refers to companies that Novedo has acquired during the current period, and has been recalculated to show the results as if Novedo had owned the companies during the entire period.
Return on equity, %	Profit/loss for the period as a percentage of equity at the end of the period.
Return on capital employed, %	EBITA for the period as a percentage of, total assets less operational liabilities less cash and cash equivalents at the end of the period.
Working capital	All current assets less current liabilities.

Board assurance

The Board of Directors and the CEO affirm that this report provides a fair representation of the company's and the Group's operations, financial position and results of operations and describes the material risks and uncertainties facing the Parent Company and its subsidiaries.

Stockholm, February 23, 2023

Novedo Holding AB (publ)

Jan Johansson
Chairman of the board

Mouna Esmaeilzadeh
Board member

Saeid Esmaeilzadeh
Board member

Christer Hellström
Board member

Mona Öljansdotter Johansson
Board member

Fredrik Lidjan
Board member

Erik Rune
Board member

Per-Johan Dahlgren
President & CEO

This interim report has not been subject to review by the company's auditors.

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This information is such that Novedo Holding AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation (MAR). The information was submitted for publication, through the agency of the contact persons set out above, at 7:30 a.m. CET on February 23, 2023.

The interim report is published in Swedish and in English. In the event of any inconsistency between the English version and the Swedish original, the Swedish version takes precedence.

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