

NONEDO

Annual and
Sustainability
Report
2024





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ABOUT THE 2024 ANNUAL AND SUSTAINABILITY REPORT

The audited statutory Annual Report can be found on pages 30–65. The company's auditors have provided their statement in the Corporate governance report on pages 71–81. Sustainability is integrated into Novedo's operations and, therefore, into the Annual Report, but is primarily reported on pages 19–25. Managing sustainability risks is one component of the Group's general risks and risk management. Figures in parentheses refer to 2023 unless otherwise stated.

Cover photo: Henrik Hassing, CEO of Nordkabel A/S.
Image on right: GBB completing work at Citybanan, Stockholm.



Novedo in brief

Novedo is a growing and solid European industrial group comprised of regional, market-leading and profitable small to medium-sized B2B enterprises that primarily offer services for the service and renovation of properties, the climate transition, infrastructure projects and the manufacture of industrial components.

Vision
The first choice for SMEs in the B2B segment that want to develop and grow their business to achieve long-term sustainable profitability.

Business concept
Novedo is to develop and acquire, and own long-term, regionally market-leading and profitable SMEs in the B2B segment with strong cash flows, where Novedo's industrial know-how and investment capacity enable improved earnings growth over time, both for the individual company and for the Group as a whole.



GBB employees splitting rock at Riddarholmen in Stockholm.

Net sales, ca. SEK

3 billion

No. of Corp. groups

22

No. of segments

3

No. of employees, ca.

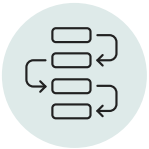
1,300

No. of customers, ca

4,000



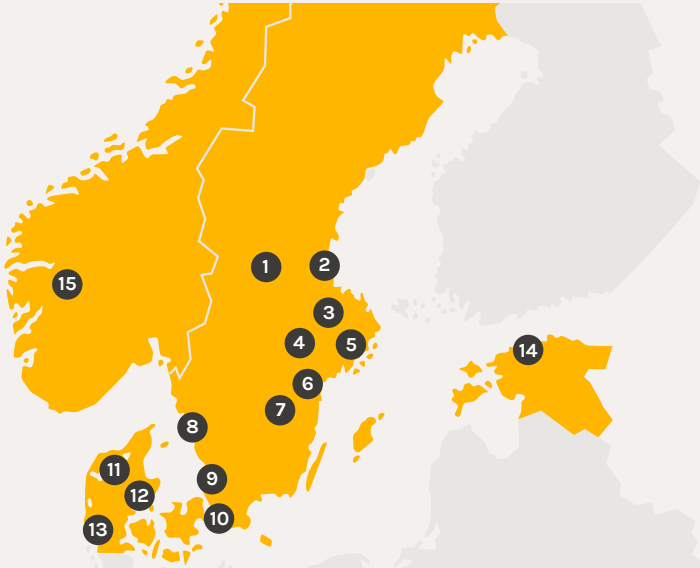
INFRASTRUCTURE



INDUSTRY



INSTALLATION & SERVICES



- 1

Leksand
Nordsign Aktiebolag
- 2

Gävle
Hansson & Ekman Isolerings Aktiebolag
- 3

Uppsala
Hansson & Ekman Isolerings Aktiebolag
- 4

Västerås
ProvideU AB, ProvideU Electronics AB
- 5

Stockholm
BATAB Bygg & Akustikteknik AB, GBB Holding AB incl. Gnesta Bergbyggare AB, AO Entreprenadtjänst i Stockholm AB, Borrspecialisten i Stockholm AB, Impab Dundertech AB etc., Olle Timblads Målerifirma AB incl. Tyresö Målericentral AB, Persiennteamet Stockholm AB, Sentexa AB, Skanstull Måleri AB, Total Fasad Stockholm AB incl. Total Fönsterrenovering Stockholm AB, Uni-Vent Rör AB, Valter Eklund Stenentreprenader AB incl. VE Sten AB
- 6

Norrköping
Kultur målarna i Norrköping AB
- 7

Linköping
Kultur målarna i Linköping AB
- 8

Gothenburg
Elforum Göteborg AB, Elinzity AB incl. Elinzity Förstärkning AB, Ventilationskontroll Aeolus AB incl. CX Ventilation AB, Ekoion AB, RC EI & Styrinstallationer Zeus, KG Vent AB, Ventera i Göteborg AB
- 9

Helsingborg
Elarbeten Helsingborg AB, Helsingborgs Byggplåt AB incl. Bra Tak Entreprenad Skåne AB
- 10

Malmö
Deramont Entreprenad AB, OVKservice Syd AB (Löddeköpinge)
- 11

Aars, Denmark (and seven other locations in Jutland) Nordkabel A/S
- 12

Lystrup, Denmark
Stantræk A/S
- 13

Ribe, Denmark
Nørgaard Anlæg Holding ApS, Nørgaard Anlæg Maskinudlejning ApS, Sydvestjyllands Miljø og Genbrug ApS, Nørgaard Anlæg Miljø ApS
- 14

Tallinn, Estonia
ProvideU Assembly OÜ
- 15

Voss, Norway
Novedo ST Holding AS, incl. ST Entreprenør AS and Utleigesenteret AS

The year in brief

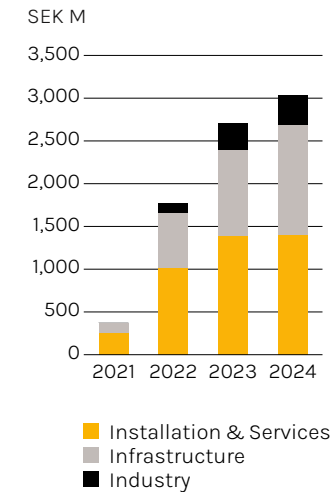
Events during the year

- Increased sales as a result of acquisitions and organic growth –** Novedo's strategic diversification with three business segments combined with geographical spread has demonstrated its strength and facilitated stability during the tougher market climate that prevailed in 2024. Novedo's net sales increased 11.8 percent, of which 3.7 percent comprised organic growth for equivalent units, and totalled SEK 3,026.9 million (2,708.2) for the full-year 2024.
- Increased sales in Denmark and a strong performance in the infrastructure segment –** Novedo's geographic expansion is increasingly impacting the Group's net sales from companies outside of Sweden and amounted to 27.9 percent (19.9) for the full-year 2024, of which the majority of sales came from the Danish operations. The infrastructure segment experienced strong growth, driven by stable and structural demand for expansion and renovation of infrastructure. The segment grew and accounted for almost 50 percent of Novedo's EBITA with an EBITA margin for the full year of 13.4 percent (11.5).
- The first Norwegian acquisition and supplementary add-on acquisitions –** During the year, Novedo acquired three companies with combined annual sales totalling SEK 136 million. These consisted of one stand-alone acquisition via the Norwegian infrastructure company ST Entreprenør AS and two add-on acquisitions in the Installation & Services business segment, strengthening the segment's existing business through complementary customer offerings, broadening of geographies and an expanded customer base.
- Completed refinancing –** During the year, Novedo worked actively to facilitate favourable conditions for raising long-term capital, also taking into consideration a future possible stock exchange listing. Novedo signed a SEK 175.0 million revolving credit facility, issued three-year senior secured bonds 2024/2027 in an amount of SEK 1,250 million within a framework of SEK 2,000 million and issued SEK 466.3 million in secured convertible bonds 2024/2028, of which SEK 123.0 million has been set off against shareholder loans issued by the principal owner and SEK 79.9 million has been used as payment in acquisitions.

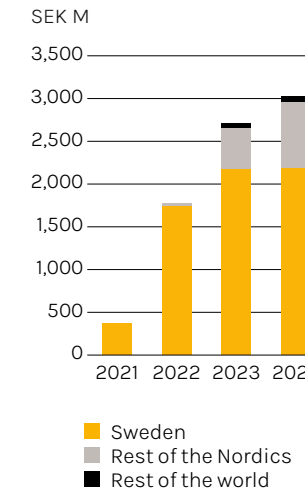


Employees from the installation company Uni-Vent Rör AB and the industrial company ProvideU AB.

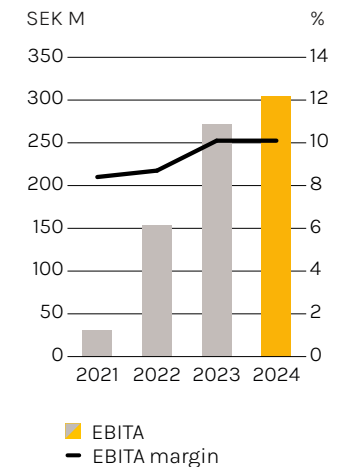
Net sales by segment



Net sales by geography



EBITA and EBITA margin



Financial overview

SEK M	2024	2023	2022	2021
Net sales	3,026.9	2,708.2	1,773.4	370.9
EBITDA	403.1	339.8	192.2	39.6
EBITDA margin, %	13.3	12.5	10.8	10.7
EBITA	304.8	272.3	153.6	31.0
EBITA margin, %	10.1	10.1	8.7	8.4
EBIT	246.9	218.6	122.5	23.3
EBIT margin, %	8.2	8.1	6.9	6.3
Profit/loss for the period	-187.6	-97.4	-56.9	0.5
Working capital	386.1	357.4	274.1	-7.3
Cash flow from operating activities	122.0	108.3	52.3	6.0
Equity/assets ratio	6.6	12.6	20.4	25.6
Return on capital employed, %	17.8	16.3	11.5	8.6
Earnings per share before/after dilution, SEK	-11.48	-6.53	-3.82	-0.08

Stronger together

Novedo places a strong emphasis on a sound corporate culture, and this is our first criteria when considering an acquisition. Novedo operates based on three mottos: a sound corporate culture is essential for a strong company; companies are stronger together; and all companies in the Group contribute to a stronger society through job opportunities and local initiatives.

Novedo’s operations are characterised by the following business culture



Trust
We build long-term relationships based on trust and respect.



Business acumen
We create the best possible value through strong professionalism and ethical business conduct.



Operational closeness
We make decisions close to our customers based on knowledge and sound market intelligence.



INDUSTRY



INFRASTRUCTURE



INSTALLATION & SERVICES



Organic growth and solid margins in a continued tough market climate

Novedo's value-creating business model with three focused business segments and a healthy geographic spread – with a base primarily comprising entrepreneurial and regional market-leading companies – demonstrated strength and stability in a continued tough market climate in 2024. The year concluded with sales exceeding SEK 3 billion, of which 3.7 percent was organic growth, together with an EBITA margin of 10.1 percent.

Increase in sales as a result of acquisitions and strong organic growth in the infrastructure segment

In 2024, Novedo's value-creating business model, which consists of three focused business segments with good geographical spread, and is fundamentally built on entrepreneurial and regionally market-leading companies, has demonstrated strength and stability in a continued tough market climate. Novedo's net sales rose 11.8 percent, of which 3.7 percent was organic growth for equivalent units, totalling SEK 3,026.9 million (2,708.2) for 2024.

The Group's net sales from outside Sweden are increasing and amounted to 27.9 percent (19.9) for 2024, of which the majority of sales came from our Danish operations.

The Installation & Services segment has seen solid sales throughout the full year; however, margin development for this segment has dampened due to a weakened economic-climate for construction, while demand for property services, maintenance and energy-related assignments remained robust.

The infrastructure segment experienced strong growth in 2024, driven by solid and fundamental underlying demand for expansion, renovation and redundancy. Throughout the year, this segment represented nearly


50 percent of Novedo's EBITA, with an EBITA margin for the full year of 13.4 percent (11.5).

The development in the industrial segment is on par with the market and margins were impacted by lower business volumes resulting from weaker economic conditions for the industrial sector, while the comparative figures for 2023 were strong and positively impacted by global supply chain disruptions.

The infrastructure segment posted strong growth and margin development in 2024 and accounted for almost half of Novedo's EBITA.

Solid margins in line with financial target

EBITA increased 12.0 percent for the full year and amounted to SEK 304.8 million (272.3), with an EBITA margin of 10.1 percent (10.1), which confirms Novedo's strength and ability to reach our financial margin target even in a tougher market climate. Cash flow for the year was positively impacted by increased volumes and amounted to SEK 122.0 million (108.3) for the full year.



Per-Johan Dahlgren,
President and CEO Novedo.

Well-equipped to continue to develop Novedo into a stable European industrial group.

Activities carried out for favourable raising of long-term capital

Novedo continuously conducts activities to facilitate favourable conditions for raising long-term capital, where a possible future listing is also considered.

In 2024, Novedo redeemed the existing bond issue and issued a new three-year senior secured bond of SEK 1,250 million within a framework of SEK 2,000 million. An additional SEK 160.0 million in bonds were issued to existing investors in early 2025, confirming the confidence in our business shown by our existing investor base. During the year, Novedo also completed convertible bond issues totalling SEK 466.3 million, of which SEK 123.0 million was offset against a shareholder loan issued by the principal owner and SEK 79.9 million was used as payment in acquisitions where selling entrepreneurs have chosen to reinvest in Novedo.

Countercyclical investments, the climate transition and reshoring drive market growth

My assessment is that all of Novedo's business segments will be able to leverage trends and the economy in the coming years. The renovation of infrastructure, housing and commercial premises is expected to yield strong growth. Renovation of infrastructure is usually countercyclical driven by public investment in times of economic downturn. The ongoing energy transition of society to renewable energy sources is set to drive investments in energy infrastructure. Several investments are also being made in transportation infrastructure, the expansion of electricity transmission, climate adaptation, urban devel-

opment projects and investments in municipal water and sewage. Investments are also being made in infrastructure due to increased defence and security initiatives.

A focus on sustainability and rising energy prices are expected to be key for boosting installations of EV charging equipment, solar panels and more energy efficient HVAC equipment. The ability to connect and control buildings and/or household appliances remotely while saving energy costs is expected to lead to demand for more installation services.

Industrial segments are expected to benefit from increased demand for electronic components in essentially all business sectors, with demand for Northern European industrial manufacturing picking up as more companies turn to reliable and flexible domestic subcontractors (also known as reshoring).

First Norwegian acquisition, favourable opportunities for acquisitions both in existing and in new geographies

During the year, Novedo acquired three companies with combined annual sales of approximately SEK 136 million. These consisted of one stand-alone acquisition via the Norwegian infrastructure company ST Entreprenør AS with about SEK 120 in annual sales, and two add-on acquisitions in the Installation & Services business segment, which strengthen the segment's existing business through complementary customer offerings, broadening of geographies and an expanded customer base. Novedo has several company acquisitions under evaluation, and I see good growth opportunities in all segments both in existing and in new geographic markets.

Business-centric sustainability and health and safety in focus

Novedo has a clear business model for operating and creating value through a decentralised company structure. The local team knows its market and forms long-term customer relationships while ensuring a sound corporate culture for all employees. The same method is also applied for sustainability, which is largely structured based on the priorities of individual companies, which are normally closely linked to customer requirements and the desire to be an ethical employer and a positive force in local communities. We focus on being business centric and on employee health and safety, which most of the Novedo companies have consolidated through established certifications regarding quality, environment and the work environment.

To meet expected customer requirements and legal reporting requirements (CSRD), Novedo worked on certain Group-wide activities within the framework of sustainability in 2024. Novedo adopted sustainability policies, conducted stakeholder dialogues with customers, employees and other stakeholder groups, and prepared a materiality assessment. We intend to collect sustainability data in 2025, primarily within the environmental and social areas, to report in accordance with the CSRD for the next financial year.

Well-equipped for long-term positive development

2024 was characterised by a challenging market in many sectors and I would like to extend my sincere thanks to all employees for their efforts during the year. My view is that the market climate will remain uncertain and challenging even in 2025 as a result of geopolitical instability, with demand varying by segment and to some extent by geography.

The established market positions and business acumen of the Novedo companies combined with expectations of more expansive fiscal and monetary policies should lay the foundation for a gradual increase in the willingness of our customers to invest, even if we expect instability to dampen demand, particularly in the first half of 2025.

The financing activities completed in the year have created favourable conditions for raising long-term capital and we now look forward to continuing to develop Novedo into a solid European industrial group.

Per-Johan Dahlgren

President & CEO

Why invest in Novedo?

Thanks to the company's four value-creating business strategies, Novedo has demonstrated stability and healthy resilience in an operating environment that has primarily been characterised by geopolitical uncertainty and an economic downturn since Novedo's first company acquisition in 2021.

Regionally market-leading, entrepreneurial and profitable B2B enterprises with growth potential

Novedo acquires companies that are regional market leaders run by committed entrepreneurs with sound values, and that have strong cash flows and a sustained EBITA margin above 10 percent. The companies should also have growth potential, both organically and through add-on acquisitions.

Decentralised company structure and healthy business acumen at all levels

Novedo's operations are conducted through a decentralised corporate structure with full responsibility for results. The local team knows its market and forms long-term customer relationships while ensuring a sound corporate culture for all employees. Healthy business acumen is rewarded at all levels and necessary Group processes are kept as simple as possible.

Three business segments and a good geographical spread

Novedo's operations are conducted in three business segments: Industry, Infrastructure, and Installation & Services currently in Sweden, Denmark, Estonia and Norway. The differentiated segments combined with the geographical spread provides resilience and stability for Novedo's earnings and results. Over time, the segments are intended to grow to equal levels in terms of sales, and significant acquisition opportunities are possible both in existing and in new markets.

A mix of offerings benefited by macro trends and countercyclical investments

Novedo's operations mainly offer services related to the maintenance and renovation of buildings, climate change adaptation, infrastructure projects, and the manufacture of industrial components, services and products that are expected to benefit from current macro trends and countercyclical investments.



Martin Elm, COO, Novedo

Value creation within Novedo

How do companies increase growth and profitability by being part of Novedo?

Companies are provided with access to commercial added value, such as add-on acquisitions, increased investment capacity, business partnerships, strategic planning, a broad industrial network, management training, Group procurements, digitalisation support, etc. This is essentially to provide driven entrepreneurs with a platform from which to draw commercial advantage, creating added value for all involved.

How do you monitor that the platform creates commercial value?

Novedo uses the EBITA margin as an important metric for measuring value creation. Novedo's objective is for the company's adjusted EBITA margin to exceed 10 percent in the medium term. The EBITA margin for Novedo's first financial years (2021 and 2022) amounted to 8.4 and 8.7 percent, respectively. In both 2023 and 2024, the margin strengthened to 10.1 percent.

Targets and target achievement

Financial targets

Target

Outcome 2024

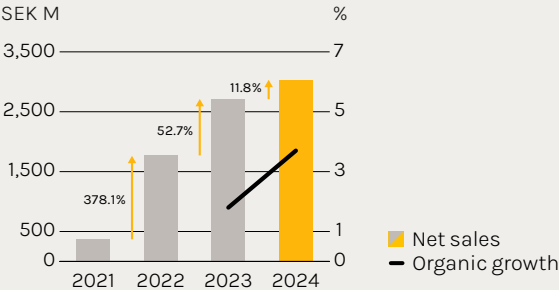
Development

Annual sales growth

Novedo experienced significant sales growth in the company's first financial year. The target for sales growth was revised in 2024 to an annual average net sales growth of at least 30 percent over the 2024-2028 period, of which organic growth is to be in line with market growth in relevant markets. In 2024, annual growth amounted to 11.8 percent (52.7), of which consolidated organic growth amounted to 3.7 percent (1.8).

>30%

11.8%

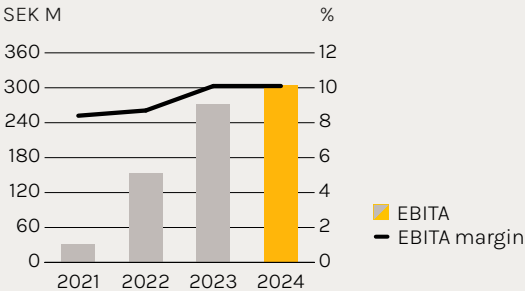


Adjusted EBITA margin

Novedo's objective is for the company's adjusted EBITA margin to exceed 10 percent in the medium term. For the first two financial years, 2021 and 2022, the company's EBITA margin was 8.4 percent and 8.7 percent, respectively. The margin has strengthened over the past two years and amounted to 10.1 percent (10.1) in 2024.

>10%

10.1%

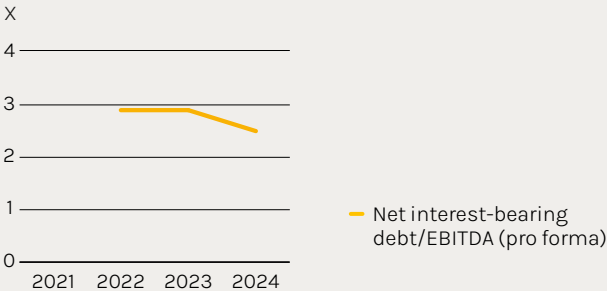


Net interest-bearing debt/EBITDA (pro forma)

Novedo's objective is to have a balanced and sound net debt ratio of less than 3.5 times pro forma EBITDA. The ratio is calculated pursuant to the definition in the company's bond terms and conditions as net interest-bearing debt in relation to pro forma EBITDA over the last 12 months. For 2023 and 2022, net debt amounted to a multiple of 2.9, and for 2024, net debt amounted to a multiple of 2.5.

<3.5^x

2.5^x



Targets and target achievement

Sustainability goals	Target	Outcome 2024	Development															
<div>ESG due diligence</div> <p>Novedo aims to perform an external ESG due diligence for more than 90 percent of acquired annual sales, where business conduct, health & safety, employer brand and environmental management are examined. The external ESG commenced in 2022 when 45.5 percent of acquired annual sales were examined. In 2024, 88.6 percent (94.7) of acquired annual sales were examined.</p>	>90%	88.6%	<table border="1"><thead><tr><th>Year</th><th>Acquired sales (SEK M)</th><th>ESG due diligence (%)</th></tr></thead><tbody><tr><td>2021</td><td>800</td><td>0</td></tr><tr><td>2022</td><td>1600</td><td>45.5</td></tr><tr><td>2023</td><td>450</td><td>94.7</td></tr><tr><td>2024</td><td>100</td><td>88.6</td></tr></tbody></table>	Year	Acquired sales (SEK M)	ESG due diligence (%)	2021	800	0	2022	1600	45.5	2023	450	94.7	2024	100	88.6
Year	Acquired sales (SEK M)	ESG due diligence (%)																
2021	800	0																
2022	1600	45.5																
2023	450	94.7																
2024	100	88.6																
<div>Training</div> <p>Novedo’s objective is that the CEOs and managers of its subsidiaries complete leadership training with the aim of promoting a sound corporate culture and assuring the quality of succession planning over time. The objective is monitored through the percentage of CEOs who have completed leadership training under Novedo’s auspices over the past five years. The training rate amounted to 60.0 percent for 2022, 70.0 percent for 2023 and 64.7 percent for 2024. CEO changes in subsidiaries impacted this rate in 2024.</p>	>90%	64.7%	<table border="1"><thead><tr><th>Year</th><th>Percentage of CEOs who have completed leadership training (%)</th></tr></thead><tbody><tr><td>2021</td><td>0</td></tr><tr><td>2022</td><td>60.0</td></tr><tr><td>2023</td><td>70.0</td></tr><tr><td>2024</td><td>64.7</td></tr></tbody></table>	Year	Percentage of CEOs who have completed leadership training (%)	2021	0	2022	60.0	2023	70.0	2024	64.7					
Year	Percentage of CEOs who have completed leadership training (%)																	
2021	0																	
2022	60.0																	
2023	70.0																	
2024	64.7																	

>90%

88.6%

Year	Acquired sales (SEK M)	ESG due diligence (%)
2021	800	-
2022	1600	45.5
2023	450	94.7
2024	100	88.6

Business model

Acquisitions are a primary component of Novedo's growth strategy and the Group has maintained a high acquisition rate since the first one was completed in January 2021. At the end of 2024, the Group consisted of some 22 subsidiaries/groups, three of which were consolidated in 2024. Novedo has clear acquisition criteria for companies that are acquired.

Acquisition criteria

Novedo acquires companies that are regional market leaders run by committed entrepreneurs with sound values, and that have strong cash flows and a sustained EBITA margin above 10 percent. The companies should also have growth potential, both organically and through add-on acquisitions. In addition, Novedo wants the existing management of acquired companies to continue in the company since they are most knowledgeable about the market and the business.

Acquisition process

The acquisition process has three key phases. When a potential company is identified, when it is evaluated and finally when Novedo and the company being sold create a common understanding about how it will be run and developed moving forward and when the parties come to an agreement on the commercial terms.

Potential companies identified

Novedo strives to conduct a dialogue early on with the owner of a company of interest. This allows Novedo to become a natural partner for the owner ahead of any sale. Novedo has a continuous inflow of new, attractive companies with acquisition potential, both from its own network, from external business brokers and from the entrepreneurs themselves.

Reviewed and evaluated

All companies to be acquired are reviewed to ensure that they have a long-term sustainable business. Discussions and reasoning regarding the continued engagement of key individuals, as well as Novedo's values and decentralised governance model, are held at an early stage of the evaluation. A basic and adapted evaluation is performed in order to ensure that the opportunities and risks associated with the acquisition have been identified. In addition to the aggregate expertise at the Group, due diligence is performed by external auditing and legal firms to review, for example, environmental impact, tax, financial position and legal matters.

Establishing consensus going forward

Finally, Novedo assesses whether it is a suitable owner and what added value Novedo can provide the potential acquisition company. If a potential acquisition is not assessed as meeting the relevant requirements and standards, or is not deemed amenable to necessary improvements, Novedo refrains from the acquisition.

All acquisitions are presented to Novedo's Investment Committee, which may also approve certain acquisitions as delegated by the Board. Other acquisitions are presented to and approved by the Group's Board of Directors.

The acquisition process – three key phases



Acquisition criteria

- Sound corporate culture
- Strong entrepreneurs
- Proven and sustainable business model
- Leading position in its market niche
- Healthy customer relationships
- Strong cash flows
- >10 percent EBITA margin



Victoria Svensson, employee,
Novedo's M&A team.

Joel Åsenlöv, employee,
Novedo's M&A team.

Integration

In conjunction with the formal consolidation of an acquired company, there is a structured integration process that provides the company with the best preconditions within the Group.

Initially, a new Board will be appointed with a Chairman from Novedo who has relevant previous experience of running similar companies. In order to ensure good corporate governance, it is also incumbent on the acquired company to adopt certain Group-wide codes and policies, including a code of conduct, CEO instructions and authorisation instructions. There are also reporting procedures in place regarding financial and non-financial information. Novedo strives to keep necessary Group processes as simple as possible.

Operations at Novedo are based on a conviction that the best business decisions are made close to the customer and the market by knowledgeable and engaged entrepreneurs and employees. Novedo's business model revolves around the subsidiaries being operated as previously but where they are also provided with the opportunity to reap the benefits of the Group's collective competence, experience and resources to, thereby, over time create the best possible value growth.

Novedo focuses primarily on supporting subsidiaries with strategic planning and leadership issues. A meaningful, proactive activity for development in leadership is the leadership course that has been running for several years. The training aims to provide companies with good leaders and specialists. The course, which is conducted with the help of external professionals, has three tracks. One is for existing CEOs, one is for potential leaders and one is for talent and specialists, who are often younger people. The training is obligatory for existing CEOs.

Follow-up

Every month, the companies report sales, earnings and other important financial and non-financial performance metrics to Novedo centrally. The ongoing follow-up is goal-oriented and focused on business that has a bearing on stable growth, margin development and tied-up capital. Novedo also ensures that skills development at the subsidiaries, as well as their sustainability agendas, are followed up and evaluated during the year.

The UN SDGs are an integrated component of Novedo's business model

Sustainability is a precondition for long-term value creation. That is why it is an integrated component of Novedo's business model.

Novedo is based on sound business ethics, which means operating in accordance with the company's business structure, following the company's sustainability policies and applicable laws, ordinances and regulations. Novedo's Code of Conduct is based on international conventions and standards such as the UN Global Compact, the OECD Guidelines for Multinational Enterprises, the Universal Declaration of Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, the UN Convention Against Corruption and the Rio Declaration on Environment and Development.

Novedo's initial sustainability approach has specifically considered the UN Sustainable Development Goals 8, 9, 10, 11 and 12.

In 2024, Novedo continued to develop its sustainability approach with stakeholder dialogues and a double materiality assessment. For more and in-depth information about Novedo's sustainability approach, refer also to pages 19–25 of Novedo's sustainability report.

Value-creating operational business model




Operational business models drive value and limit risk – stronger together.



Niche industrial group

Novedo consists of prominent entrepreneurial SMEs with sound corporate cultures, developed niche positions and proven business models in three business segments.

BUSINESS SEGMENTS

	Installation & Services The segment comprises niche companies that offer installation, service and maintenance of properties and is primarily aimed at commercial property owners and public housing.	NET SALES, SEK MILLION 1 394.6	EBITA, SEK M 149.4	EBITA MARGIN, % 10.7	EMPLOYEES 691
	Infrastructure The segment consists of niche companies active in infrastructure projects such as rock removal, ground works and associated areas and maintenance of railway, road and power transmission infrastructure as well as other infrastructure construction.	NET SALES, SEK MILLION 1 291.7	EBITA, SEK M 173.2	EBITA MARGIN, % 13.4	EMPLOYEES 491
	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 production companies, distributors and companies with in-house product development.	NET SALES, SEK MILLION 340.6	EBITA, SEK M 38.5	EBITA MARGIN, % 11.3	EMPLOYEES 147

Installation & Services

The Installation & Services business segment comprises niche companies that offer installation, service and maintenance of properties and is primarily aimed at commercial property owners and public housing.



Net sales for the Installation & Services business segment were stable in 2024 and the segment's companies navigated well and maintained their market positions in a more challenging market environment.

Sales amounted to SEK 1,394.6 million (1,382.0) for the full-year 2024 and EBITA amounted to SEK 149.4 million (167.0) for 2024. Market conditions have resulted in some price pressure that has dampened the EBITA margin that amounted to 10.7 percent (12.1) for the full year.

Market outlook

Urbanisation, sustainability and digitalisation are mega-trends for the business segment that impact demand.

Urbanisation is continually creating new needs for housing, community facilities and workplaces. A substantial share of the Nordic region's property stock, healthcare facilities and schools were built in the late 1960s and society's increased sustainability focus and requirements mean that these older properties need to be modernised, renovated and enhanced technologically.

Increased investments in defence and correctional centres are also leading to higher demand for the segment's services, both in terms of renovations and new construction of such properties.

Energy shortages in line with the ongoing climate transition are accelerating demand for energy efficiency services.

Recent years' decline in the new construction of housing will further increase housing shortages in locations where people want to live.

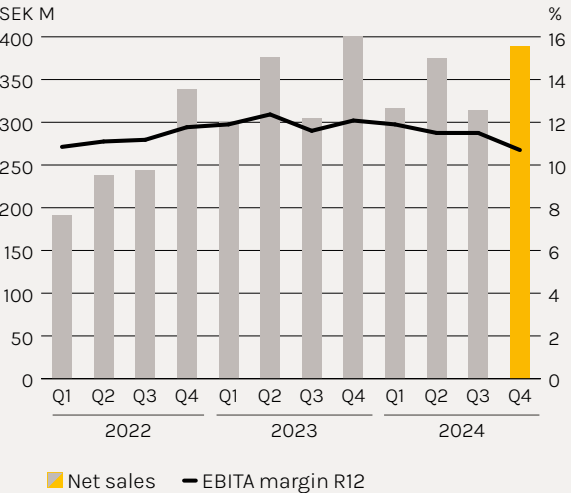
Novedo's main focus is on regions with higher growth rates than the overall market and, in 2024, demand remained stable in property service and maintenance as well as for energy-related assignments, while demand for new housing construction has remained cautious.

Acquisitions

During the year, two add-on acquisitions were completed for the companies OVKservice Syd AB and Persienn-teamet Stockholm AB with total annual sales for 2024 of SEK 16 million. The acquisitions strengthen the segment's existing business with supplementary customer offerings, a broader geographical presence and an expanded established customer base. At the end of the quarter, the segment consisted of 15 operating subsidiaries with 11 associated subsidiaries, encompassing a total of 691 employees. Refer to Note 32 on page 61 for a collected overview of the Group's subsidiaries.

Financial overview

Net sales and EBITA margin,¹⁾ per quarter



¹⁾ R12 Q4 2024.

Share of the Group's net sales, 2024

46%

Share of Group EBITA, 2024

41%

SEK M	2024	2023	2022	2021
Net sales	1,394.6	1,382.0	1,013.1	250.0
EBITA	149.4	167.0	119.2	34.1
EBITA margin, %	10.7	12.1	11.8	13.6

Seasonal trends, in terms of revenue and earnings, vary between Novedo's three business segments, and within each segment as a result of the specific business and industrial conditions. Installation & Services has an underlying seasonal variation where the first quarter of the year is generally weaker due to winter weather conditions and the third quarter of the year is affected by annual leave, which coincides with the third quarter.



Case Installation & Services

Add-on acquisitions strengthen existing business and broaden geographies

An important aspect of Novedo's value creation is to add strategic and supplementary add-on acquisitions to existing companies within the Group. In 2024, two add-on acquisitions were completed strengthening the existing business in Installation & Services, through supplementary customer offerings, broadening of geographies and an expanded customer base.

OVKservice Syd AB

In 2024, Novedo's subsidiary Ventilationskontroll Aeolus Aktiebolag acquired the Skåne-based company OVKservice Syd AB. OVKservice was founded in 1996 in Löddeköpinge and mainly conducts ventilation inspection, adjustments and cleaning, which accounts for about 90 percent of sales. Operations comprise nine employees and annual sales for 2023 amounted to SEK 10 million.

CEO: Fredrik Gyllander
www.ovkservice.se

Persiennteamet Stockholm AB

In 2024, Novedo's subsidiary Total Fasad Stockholm AB acquired the company Persiennteamet Stockholm Aktiebolag. Persiennteamet was founded in 1990 in Stockholm and offers services in sun protection and interior fittings such as awnings, blinds and curtains. Persiennteamet has a stable customer base of which about 75 percent are B2B customers, such as public companies, property companies and housing associations. Annual sales for the latest financial year amounted to about SEK 6 million.

CEO: Peter Siversson Grahn
www.persiennteamet.se



Fredrik Gyllander,
CEO, OVKservice Syd AB.



Peter Siversson Grahn, CEO,
Persiennteamet Stockholm AB.

Infrastructure

The Infrastructure business segment consists of niche companies active in infrastructure projects such as rock removal, ground works and associated areas, maintenance of road and power transmission infrastructure as well as infrastructure construction in areas such as fibre and water.



Net sales for the Infrastructure business segment demonstrated strong growth in 2024, in part due to the acquisitions of the Danish company Nørgaard Anlæg Holding ApS, which was consolidated in December 2023, and the Norwegian company ST Entreprenør AS, which was consolidated in November 2024.

The segment also posted strong organic growth for equivalent units during the entire year and net sales amounted to SEK 1,291.7 million (1,005.5) for the full-year 2024. EBITA increased significantly and amounted to SEK 173.2 million (115.4) for the full year. The EBITA margin also posted a positive trend as a consequence of volume growth and amounted to 13.4 percent (11.5) for the full-year 2024.

Market outlook

Urbanisation and population growth in growth regions are increasing the need for infrastructure and water supply, and placing requirements for expansion and increased capacity.

Global trends in the climate and green transition are increasing the need for energy efficiency and the transformation to a more electrified future, which is increasing demand for investments and the maintenance of infrastructure.

Some of the infrastructure in the Nordic region is outdated and underinvested with a lack of capacity. Overall,

this is driving infrastructure investments that meet both new and increasing requirements for capacity, accessibility and sustainability. End customers primarily comprise the public sector, but also include private companies that are investing in and maintaining various parts of infrastructure such as railways, the underground, schools, hospitals and other public buildings as well as water and sewage.

Demand for services from the infrastructure segment were strong in 2024, primarily as a result of the above-mentioned underlying infrastructure demand in expansion, renovation and redundancy.

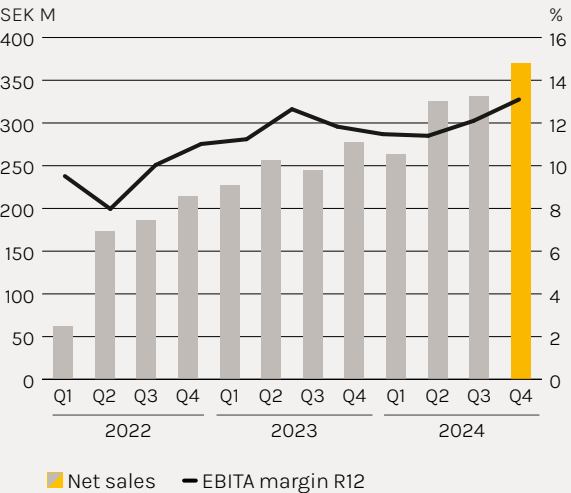
Acquisitions

The Norwegian infrastructure company, ST Entreprenør AS, which was Novedo's first acquisition in Norway, was acquired and consolidated in 2024. The company provides high-quality services in rock protection, tunnel work, shotcreting and fire protection to the civil engineering industry throughout Norway. The company has 15 employees and recorded sales of about SEK 120 million in 2024. Refer also to page 16 for more information about the company.

At the end of the year, the segment consisted of 7 operating subsidiaries with 11 associated subsidiaries, encompassing 491 employees. Refer also to Note 32 on page 61 for a collected overview of the Group's subsidiaries.

Financial overview

Net sales and EBITA margin,¹⁾ per quarter



¹⁾ R12 Q4 2024.

Share of the Group's net sales, 2024

43%

Share of Group EBITA, 2024

48%

SEK M	2024	2023	2022	2021
Net sales	1,291.7	1,005.5	635.6	120.9
EBITA	173.2	115.4	70.0	12.7
EBITA margin, %	13.4	11.5	11.0	10.5

Seasonal trends, in terms of revenue and earnings, vary between Novedo's three business segments, and within each segment as a result of the specific business and industrial conditions. Infrastructure has an underlying seasonal variation where the first quarter of the year is generally weaker due to winter weather conditions and the third quarter of the year is affected by annual leave, which coincides with the quarter.



Case Infrastructure

First Norwegian acquisition in a market with strong demand in infrastructure expansion and maintenance

Novedo has an active Nordic acquisition strategy in place and sales from companies outside Sweden are continuously increasing, amounting to 27.9 percent of Novedo's total annual sales for 2024. Norway is a compelling market for Novedo and the Group sees favourable opportunities to grow in the country with high-quality and profitable companies.

ST Entreprenør AS

In 2024, the Norwegian infrastructure company ST Entreprenør AS, which was Novedo's first acquisition in Norway, was acquired. ST Entreprenør conducts operations from Voss in Norway, which is about ten miles from Bergen. The company provides high-quality services in rock protection, tunnel work, shotcreting and fire protection to the civil engineering industry throughout Norway. The company has 15 employees and recorded sales of about SEK 120 million in 2024.

"My team and I are looking forward to becoming a part of Novedo. ST Entreprenør AS has stable operations and we believe that we will be able to further develop our business within the framework of Novedo's organisation and capitalise on favourable demand for, for example, the maintenance and renovation of the Norwegian tunnel network," says Kristian Skjerven, CEO of ST Entreprenør AS.

CEO: Kristian Skjerven
www.stentreprenor.no

Kristian Skjerven, CEO, ST Entreprenør AS and associated companies.

Industry

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



The Industry segment remained stable in the weaker market that characterised 2024 and net sales amounted to SEK 340.6 million (320.7) for full-year 2024. Sales amounted to SEK 38.5 million (43.0) for 2024 and the EBITA margin was 11.3 percent (13.4) for the full year. Margins are impacted by lower business volumes as a result of a weaker industrial economy, while the comparative figures for 2023 were strong and positively impacted by global supply chain disruptions.

Market outlook

Digitalisation and globalisation trends are driving growth in the EMS industry and creating a market in which product owners focus on core operations such as sales, and research and development, and elect to outsource manufacturing to contract manufacturers.

Demand in Europe has been strong in recent years and the EMS market is expected to continue to grow going forward as a result of reshoring, benefiting the business segment.

Reshoring can reduce risks such as political instability, tariffs and currency fluctuations. In today's global marketplace focusing on factors such as total cost, international trade and sustainability, the value of partnering with local EMS providers is becoming increasingly important.

As a result of its progress in production and its strong sustainability profile, northern Europe has established itself as a strong manufacturing region.

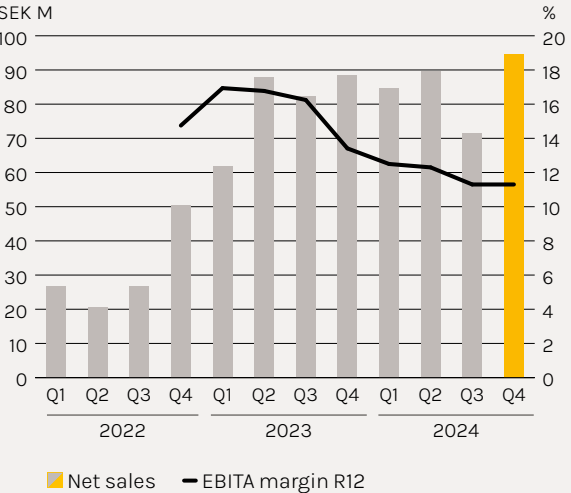
Demand in the business segment was stable in 2024 and continued reshoring is assessed as a strategic opportunity for Novedo to strengthen its market position in Europe, in line with the company's growth strategy.

Acquisitions

The segment's first acquisition was completed in 2022 and at the end of the period, the segment consisted of two operating subsidiaries and two associated subsidiaries with 147 employees. Refer also to Note 32 on page 61 for a collected overview of the Group's subsidiaries.

Financial overview

Net sales and EBITA margin,¹⁾ per quarter



¹⁾ R12 Q4 2024.

Share of the Group's net sales, 2024

11%

Share of Group EBITA, 2024

11%

SEK M	2024	2023	2022	2021
Net sales	340.6	320.7	124.7	n/a
EBITA	38.5	43.0	18.4	n/a
EBITA margin, %	11.3	13.4	14.7	n/a

Seasonal trends, in terms of revenue and earnings, vary between Novedo's three business segments, and within each segment as a result of the specific business and industrial conditions. Industry has an underlying seasonal variation where the third quarter of the year is affected by annual leave, which coincides with the quarter.



Case Industry

Solid industrial recovery anticipated in Europe in the years ahead

In recent years, Novedo's industry segment has been impacted by the pandemic and geopolitical uncertainty, with such turbulence also leading to product-owning companies moving their manufacturing closer to their own operations. Reshoring, together with a focus on the environment and human rights, is expected to increase northern Europe's competitiveness as a priority manufacturing region.

Focus on growth and the team

In September 2024, Henrik Miltz assumed the role of CEO of Novedo's Danish industrial company Stantræk A/S. Henrik has worked at Stantræk for 13 years, most recently as COO.

"I assumed the role of CEO of Stantræk with great enthusiasm. In the first half of the year, I have focused on sales and the recruitment of certain strategic roles and made sure to maintain our sound employee focus. We are a strong team and my view is that Stantræk is in a healthy position, both in terms of offering, customer base and the ability to capitalise on current market trends," says Henrik Miltz.

Partnerships creating synergies

Novedo provides a platform including industrial knowledge and networks as well as investment capacity for subsidiaries to further capitalise on. Synergies are established through natural collaborations based on commercial added value.

"Since it was acquired by Novedo, Stantræk has been aware that synergies in Novedo are created by the subsidiaries themselves. Nevertheless, Novedo's Board representation and annual Novedo days have resulted in our current status as suppliers to sister companies and, as such, we have a significant sparring partner with Novedo's other industrial company ProvideU," says Henrik Miltz.

CEO: Henrik Miltz
www.stantraek.dk

Morten Bro Pedersen, newly appointed Sales Manager and Henrik Miltz, CEO since 1 September 2024, Stantræk A/S together with Fredrik Forngren, CEO ProvideU AB.

Sustainability Report 2024

Sustainability is integrated in Novedo’s business strategy and business model and is a precondition for long-term value creation.

Based on a sound corporate culture

Novedo is based on sound business ethics, which means following the company’s sustainability policies, business culture, and applicable laws, ordinances and regulations. Novedo’s Code of Conduct is based on international conventions and standards such as the UN Global Compact, the OECD Guidelines for Multinational Enterprises, the Universal Declaration of Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, the UN Convention Against Corruption and the Rio Declaration on Environment and Development. Novedo has zero tolerance for corruption, bribes and money laundering.

Focus on strategy and framework for the CSRD during the year

Novedo’s 2024 sustainability report was prepared in accordance with the Annual Accounts Act and was prepared for the Group on the same consolidation basis as the financial statements.

As of the 2025 financial year, Novedo’s operations are covered by the Corporate Sustainability Reporting Directive (CSRD) and in 2024 Novedo developed a strategy and framework for the coming reporting and auditing according to the CSRD for the 2025 financial year. The primary activities are the adoption of sustainability policies, value

chain disclosures, identifying and managing sustainability risks, stakeholder dialogues and the double materiality assessment. In early 2025, Novedo also started training, methodology, processes and systematic support for Group subsidiaries in order to collect sustainability data for the 2025 financial year.

A sound corporate culture is essential for a strong company; companies are stronger together; and all companies in the Novedo Group contribute to a stronger society through job opportunities and local initiatives – “stronger together.”

Based on the outcomes for the first collection test sustainability data, adjustments and support measures may be added in order to enable relevant and qualitative full-year data for 2025. Based on the outcomes from the initial measurements, relevant goals will be set in order to govern and monitor operations going forward.

Novedo intends to include all subsidiaries that had been acquired at the beginning of the financial year and

to exclude data from subsidiaries divested during the current financial year.

This means that all of the current subsidiaries, including the acquisition of ST Entreprenør AS, will be encompassed by the sustainability reporting for the 2025 financial year. Additional acquisitions in 2025 will not be consolidated in the annual data for the 2025 financial year, which can therefore differ from the financial reporting for 2025.

Sustainability policies

The following sustainability-related policies were adopted by the Board in 2024:

- Code of conduct for employees
- Code of conduct for business partners
- Health and safety policy
- Privacy policy
- Whistle-blower policy

Sustainability risks

Sustainability risks are identified and managed in the same ways as other risks in the Group and are reported in the Risks and management section on pages 26-29.

ESG due diligence

88.6% of the annual sales of the companies acquired during the year underwent an external ESG due diligence process. The target is >90%.

Training

64.7% of the subsidiaries’ CEOs have completed the leadership programme in the past five years. The target is >90%.

Stakeholder dialogues

Novedo has a clear business model for operating and creating value through a decentralised company structure. Through active and continuous dialogues and collaborations with local communities, customers, employees, suppliers, industry colleagues and owners, the local team acquires the knowledge and experience to develop sustainable products and services that align with the priorities and requirements of immediate stakeholders and the external environment. In 2024, a selection of customers, employees, members of management, the Board, shareholders and other investors were surveyed or interviewed about their expectations regarding Novedo’s sustainability priorities and agenda. Their viewpoints and feedback were taken into consideration in Novedo’s double materiality assessment.

Value chain

Novedo’s value chain is divided into earlier and later stages, or “upstream” and “downstream,” respectively. Novedo’s upstream activities include the production and transportation of various tools, equipment and components for conducting Novedo’s own services and product manufacturing. Own operations include installation and service infrastructure – such as ventilation, construction,

painting, renovation and product manufacturing – as well as shipping. Downstream activities include own waste management but also include customers who use Novedo’s services and products, for example property companies, manufacturing companies and private customers.

Double materiality assessment

In 2024, Novedo performed a double materiality assessment at the Group level pursuant to the CSRD methodology in order to facilitate compliance with future reporting requirements. The assessment was based on Novedo’s own operations as well as the company’s value chain and analysed the impact on the environment and people as well as the financial impacts of risks and opportunities linked to sustainability.

The double materiality assessment is a core component of Novedo’s sustainability strategy and guides the company in identifying and prioritising the matters that are most material for Novedo’s operations and stakeholders. Material matters comprise matters with a significant environmental, social or governance impact, as well as risks and opportunities that shape stakeholder perceptions of Novedo’s performance and that impact the company’s ability to create and maintain value.

The results of the double materiality assessment are integrated into Novedo’s operations and reflect Novedo’s commitment to providing high quality services and products, focusing on the health and safety of its own employees and people in its value chain, and minimising the company’s environmental footprint.

The outcome and methodology of the assessment were reviewed and approved by Novedo’s Board of Directors in 2024 to ensure alignment with Novedo’s strategic priorities and sustainability commitments.

Methodology, process and assessment

The double materiality assessment is based on industry-wide surveys of value chains, sector expertise, benchmarks, stakeholder dialogues, internal and public documents, internal insights and workshops with Group management. In particular, the assessment focused on specific activities, business relationships and factors that can entail an increased risk for negative impacts, such as industry-related business ethic risks and human rights.

The impact materiality assessment evaluated the environmental and social impacts of Novedo’s operations by analysing their scale, scope and potential irreversible nature as well as whether the impact is actual or potential.

The financial materiality assessment analysed how sustainability matters, and potential risks and opportunities related to factors such as market trends, disruptions and changed regulations, impact Novedo’s financial performance.

The overall outcome indicates that health and safety as well as the climate are clear priorities, which confirms Novedo’s current priorities in these areas as well as the energy transition in the property sector.

The topics in the table to the right were identified as material for Novedo’s operations. They can change over time as Novedo’s operations develop in combination with stakeholder expectations and priorities.

- Environmental
- Social
- Governance

Double materiality assessment overview

Topic	Materiality	Material sub-topic	Impact materiality	Financial materiality
E1 Climate change	Yes	Climate change adaptation	X	✓
		Climate change mitigation	✓	✓
		Energy	✓	✓
E2 Pollution	Yes	Pollution of air	✓	X
		Pollution of water	✓	X
		Pollution of soil	✓	X
		Substances of concern	✓	X
E4 Biodiversity and ecosystems	Yes	Impacts on the extent and condition of ecosystems	✓	X
		Impacts and dependencies on ecosystem services	✓	X
E5 Circular economy	Yes	Resource inflows, including resource use	✓	✓
		Resource outflows related to products and services	✓	X
		Waste	✓	✓
S1 Own workforce	Yes	Working conditions	✓	✓
		Equal treatment and opportunities for all	✓	✓
S2 Workers in the value chain	Yes	Working conditions	✓	✓
		Equal treatment and opportunities for all	✓	X
		Other work-related rights	✓	X
G1 Business conduct	Yes	Corporate culture	✓	✓
		Protection of whistle-blowers	✓	X
		Corruption and bribery	✓	✓
ES Company specific	Yes	Business conduct	✓	✓

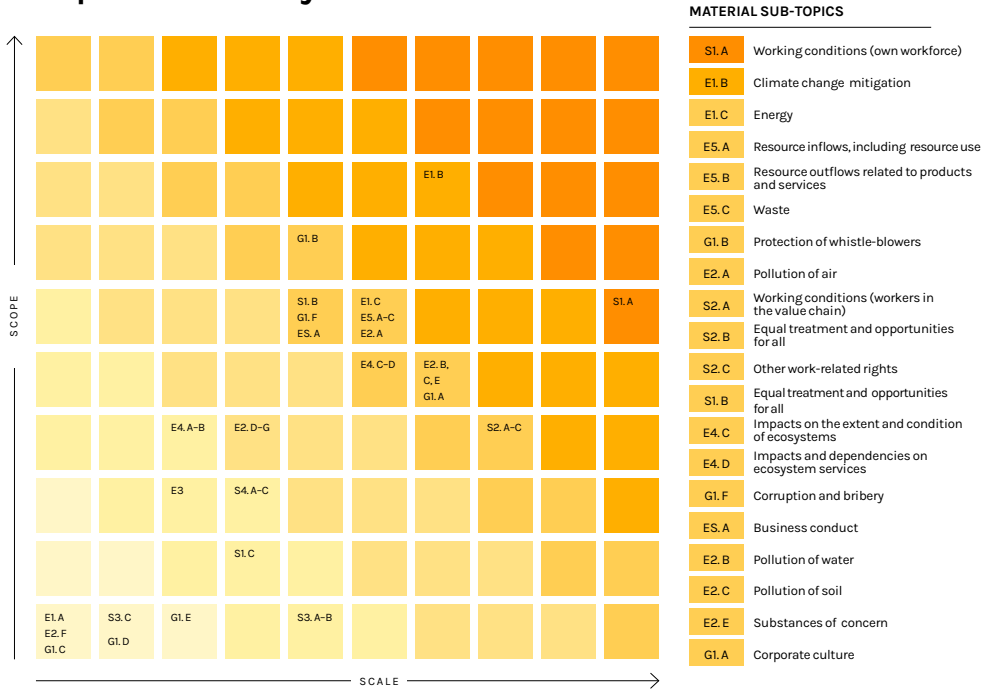
Assessment of impact materiality and financial materiality

Impact materiality is assessed based on whether Novedo's impact on a relevant sustainability matter is positive or negative, as well as whether the impact is actual or potential. Negative impacts are assessed based on severity, which includes scope, scale and irremediable character, together with likelihood (for potential impact). Severity is prioritised ahead of likelihood for the potential negative impacts on human rights. Positive impacts are assessed based on scope, scale and likelihood. The reasoning and assessment (0-5) are based on stakeholder dialogues.

Financial materiality is assessed by determining whether a sustainability matter entails a risk and/or an opportunity for Novedo as well as its likelihood and potential scope. The assessment (0-5) takes the scope and likelihood of the impacts over the short, medium and long term into account.

Novedo has determined that a materiality threshold based on an average value of 4 indicates a matter that needs to be addressed, followed up and included in future reports.

Impact materiality



Impact materiality

E1.B = Novedo's operations and upstream value chain contribute to GHG emissions from goods and services.

E1.C = Novedo's operations and upstream value chain consume high levels of energy and require fossil-intensive activities to produce materials and goods.

E2.A, E2.B, E2.C, E2.D = Novedo's operations include services and products for rock processing and ground works, cement, paint, plastic and batteries, which collectively entail a high risk of air, water and soil pollution.

E4.C, E4.D = Novedo's operations and upstream value chain includes rock processing, ground works and the handling of chemicals, which can have a negative impact on ecosystems and biodiversity.

E5.A = Novedo's operations include the use of virgin materials, such as concrete, chemicals, plastic and steel.

E5.B = Operations at Novedo have the opportunity to use circular principles in product design.

E5.C = Novedo's operations and upstream value chain generate both non-hazardous and hazardous waste.

S1.A = Novedo has employees in industries with an elevated risk of workplace accidents. It is also material to maintain fair working conditions, salaries and workers' rights.

S1.B = Certain groups are sometimes underrepresented in some of Novedo's activities. In these cases, it is important to prioritise diversity, gender equality and inclusion. Novedo can also have a positive impact on the work environment and thereby improve well-being, motivation and engagement.

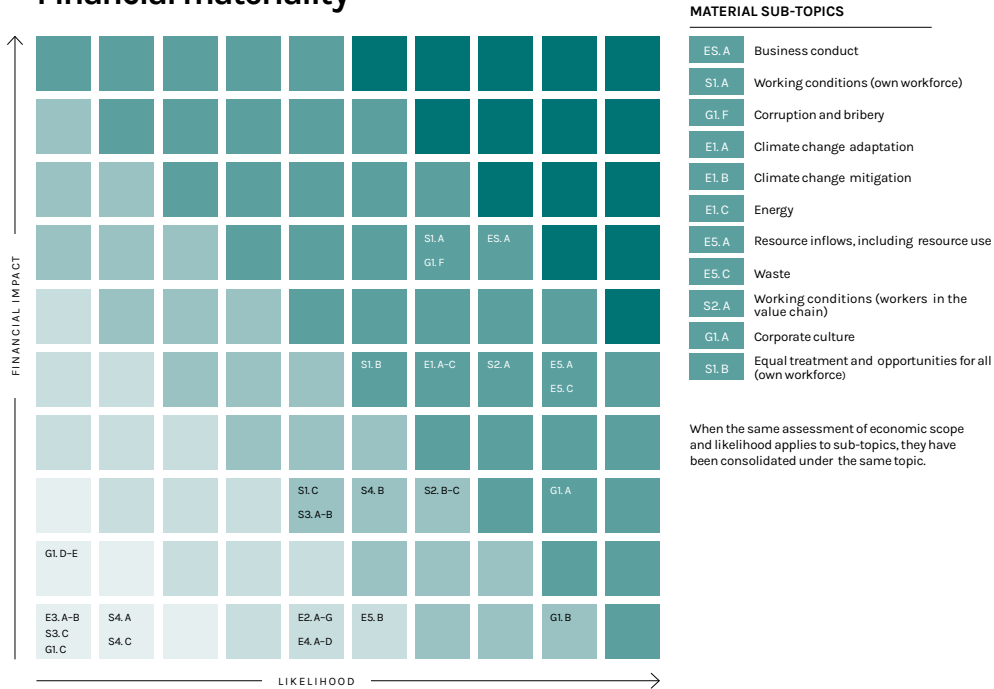
S2.A, S2.B, S2.C = Work in Novedo's upstream value chain in certain industries and countries can entail risk. Novedo can have a positive impact by applying the supplier code of conduct.

G1.A = Novedo has a long-term ownership strategy and thereby the opportunity to establish a strong and ethical business culture.

G1.B = To support sound business ethics, it is important for Novedo to have an anonymous, external whistle-blower function where suspicions of inappropriate behaviour or actions can be reported.

ES.A = Through its acquisition strategy, governance documentation, requirements and objectives, Novedo has the opportunity to have an impact on material sustainability matters.

Financial materiality



Financial materiality

E1.A = Novedo's suppliers upstream in the value chain may need to adapt their operations due to climate risks, which can impact the Group's supply of raw materials and equipment.

E1.B = Novedo's suppliers in the upstream value chain may be subject to stricter regulation regarding, for example, carbon-intensive industries, which may mean reduced availability of raw materials and increased costs.

E1.C = Novedo's operations and upstream value chain may be subject to increased carbon and fuel taxes, and increased competition for green energy, which may lead to higher costs.

E5.A = Novedo's costs may increase as a result of increased customer focus on sustainability and increased demand for more environmentally friendly alternatives.

E5.C = Novedo's costs may increase as a result of stricter regulations on waste generation and management.

S1.A, S1.B = Engaged and thriving employees who have positive and marketable working conditions support good profitability.

S2.A = Failure to manage health, safety and working conditions in the upstream value chain can lead to reputational damage, fines and even the loss of customers for Novedo.

G1.A = Novedo's business culture is based on a high level of trust, good business acumen and sound business ethics, which is positive for growth and performance.

G1.F = Novedo's business culture and governance documentation support sound business ethics and sustainable profitability.

ES.A = Novedo's acquisition strategy takes sound business ethics and good leadership into account, since they can impact growth, performance and brand strength.

Health and safety is a priority in Novedo's sustainability agenda

Novedo is noticing changes in customer requirements with regard to sustainability, and the demand for sustainable products and services is expected to grow. For customers, it is typically positive to be able to present certificates for quality, the environment and the work environment, which several of Novedo's subsidiaries hold.

Anders Larm, what is your role at Novedo?

I've been working as a business developer at Timblads Målerifirma since 2023, which means that I work with the company's management system and sustainability calculations. I also support other Novedo companies in the framework of various certifications and, in 2024, I started to work with Group-wide sustainability initiatives across Novedo.

How does Novedo work with sustainability?

Novedo focuses on what is close to our business and where the Group can have a tangible impact. A primary and fundamental area is naturally the health and safety of the Group's employees.

Novedo has a clear business model for operating and creating value through a decentralised company structure. The same method is also applied for sustainability, which is largely structured based on the priorities of individual companies, which are normally closely linked to customer requirements and the desire to be an ethical employer and a positive force in local communities.



Anders Larm, business developer at Olle Timblads Målerifirma AB and Tyresö Målericentral AB.

Outcome 2024

Sound business ethics

Sustainability at Novedo is based on sound business ethics and sustainability work is performed locally and largely adapted to the priorities at individual subsidiaries, which are normally closely linked to customer requirements, and the desire to be an ethical employer and a positive force in local communities.

Novedo has zero tolerance for violations of laws, regulations, ordinances and Novedo’s sustainability policies as well as for all forms of corruption, bribes and money laundering. To facilitate the reporting of suspected improprieties within, or in relation to, Novedo’s operations, Novedo has established an external and anonymous whistle-blower function, which is available at www.novedo.se that allows users to report suspicions of serious irregularities. No cases were reported in the external whistle-blower function in 2024.

Sustainability integrated in Novedo’s acquisition analysis

It is important to understand how an acquisition’s business model and competitive ability are affected by ESG opportunities and risks, today and in the long term. Novedo therefore aims to perform an external ESG due diligence for more than 90 percent of acquired annual sales, where business conduct, health & safety, employer brand and environmental management in particular are examined.

In 2024, 88.6 percent (94.7) of acquired annual net sales were externally examined with positive outcomes. The year’s two add-on acquisitions were reviewed according to the same parameters but by Novedo’s own employees.

Certifications for increased quality, reduced climate impact and good work environment

Novedo’s business model means that subsidiaries make independent decisions regarding management systems and certifications based on business decisions and risk assessments. Novedo companies work in a structured way with the environment and work environment, and almost half of the Group’s subsidiaries have also implemented ISO certifications or equivalents for quality, environmental and work management, which are often requested by customers and represent a strength in various business contexts. The most recent company to become ISO certified was Sentexa AB, which was certified in the first quarter of 2025.

COMPANY	CERTIFICATION
BATAB Bygg & Akustikteknik AB	ISO 9001, ISO 14001
Elforum Göteborg AB	ISO 14001:2015
Helsingborgs Byggplåt AB	Environmental plan based on ISO 14001 (The National Association of Sheet Metal Workers / Plåtslagarnas Riksförbund)
Bra Tak Entreprenad Skåne AB	Environmental plan based on ISO 14001 (The National Association of Sheet Metal Workers / Plåtslagarnas Riksförbund))
Olle Timblads Målerifirma AB	ISO 9001:2015, ISO 14001:2015, ISO 45001:2023
Tyresö Målericentral AB	ISO 9001:2015, ISO 14001:2015, ISO 45001:2023
ProvideU AB	ISO 9001:2015, ISO 14001:2015, ISO 45001:2018
ProvideU Assembly OU	ISO 9001:2015, ISO 14001:2015, ISO 45001:2018
ProvideU Electronics AB	ISO 9001:2015, ISO 14001:2015

Novedo’s employees

The majority of Novedo’s employees are permanent employees with full-time hours. At the end of the year, the number of employees in the Group was 1,341 (1,304) of whom 3 (3) employees were employed in the Parent Company. The average number of employees in the Group was 1,271 (1,242). The gender breakdown was 11.7 percent (12.0) women and 88.3 percent (88.0) men.

Equal pay for work of equal value is a given and Novedo respects collective bargaining, while the code of conduct regulates employees’ right to freedom of association and the right to bargain collectively. For employees not covered by collective agreements, the terms and conditions of their employment are usually based on collective

COMPANY	CERTIFICATION
Sentexa AB	ISO 9001, ISO 14001
Stantræk A/S	ISO 9001, ISO 14001
Ventilationskontroll Aeolus AB	FR 2000 (based on ISO standard)
CX Ventilation AB	FR 2000 (based on ISO standard)
Ekoion AB	FR 2000 (based on ISO standard)
KG Vent AB	FR 2000 (based on ISO standard)
OVKservice Syd AB	FR 2000 (based on ISO standard)
RC EI & Styrintallationer Zeus AB	FR 2000 (based on ISO standard)
Ventera i Göteborg AB	FR 2000 (based on ISO standard)

agreements covering other employees, or based on collective bargaining agreements from other organisations or industry practices.

Safe and healthy work environment

Novedo has a clear objective to ensure a safe and healthy work environment, physically as well as mentally, in all operations. In order to promote a sound corporate culture, good leadership is prioritised in the Group and Novedo’s objective is that the CEOs and managers of its subsidiaries complete leadership training. The objective is monitored through the percentage of CEOs who have completed leadership training under Novedo’s auspices over the past five years, which for the full-year 2024 was 64.7 percent (70.0).

In 2024, Novedo started to measure employee turnover, absence due to illness and the number of near misses and incidents at the consolidated level, and intends to annually analyse and follow up outcomes for these metrics.

Employee turnover is an indicator of how well employees can thrive in Novedo companies and the goal is for turnover to be at a relevant level compared with peer companies. Employee turnover amounted to 13.9 percent during the year.

Novedo works systematically to prevent potential health and safety incidents, and employment injuries. Injuries and accidents that occur on the job are logged and investigated, and preventive actions are taken. Serious incidents and accidents are reported to the Board and Group management, who evaluate and follow up the actions taken.

Absence due to illness is a key indicator of employee health and well-being. High or increasing levels of this indicator are followed up and appropriate actions are taken in the relevant company. Absence due to illness was 3.8 percent in 2024 and the number of incidents per 1,000,000 hours worked was 0.6. These largely included hand, foot and back injuries. No fatal workplace accidents occurred during the year.

Minimise negative environmental impact

Novedo strives to minimise the negative environmental impact of its operations. Using procedures to identify, measure and follow up its environmental impact, Novedo strives to continuously improve its performance and to minimise resource consumption and emissions.

When choosing suppliers, products and services, environmental impact is to be minimised as far as is technically feasible, financially reasonable and justifiable from an environmental perspective. To apply the environmental principles of the UN Global Compact and the Rio

Declaration, Novedo’s ambition is to apply the “do no harm” principle in businesses decisions that could have a negative environmental impact. The ambition is to apply the substitution principle to the greatest extent possible, which means that lower-quality technology and hazardous substances are continuously replaced by more resource-efficient technology and environmentally friendly substances.

Waste management follows the waste hierarchy, which has the following priorities: prevention, preparing for re-use, recycling, recovery and disposal. In 2024, an environmental incident occurred within the Group linked to the lack of a waste management permit. It did not result in any environmental damage and the permit has since been obtained.

Management and governance

Novedo’s Board determines the Group’s ESG strategy as well as the Group’s codes and policies, such as the code of conduct, supplier code of conduct, environmental policy, and the health & safety policy, in addition to taking a position on and approving the double materiality assessment on which the ESG strategy and future CSRD reporting is based.

Novedo’s Board is the ultimate authority in terms of the Group’s sustainability. Novedo’s CEO and the subsidiary CEOs are responsible for compliance.

Subsidiaries are permitted to regulate matters at a deeper level of granularity if they so desire. If other internal guidelines at a subsidiary conflict with the Group’s policies, the Group’s policies take precedence.

All employees bear responsibility for adhering to legislation and policies in their daily work. For more information about Novedo’s governance, see also the Corporate governance report on pages 71–81.

DEFINITIONS

UN Global Compact

The UN Global Compact was established in 1999 at the World Economic Forum in Davos. The goal was to create international business principles on human rights, labour, the environment and anti-corruption. They are based on the UN Universal Declaration of Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, the UN Declaration on the Rights of Indigenous Peoples and the UN Convention against Corruption.

UN SDGs

Part of the 2030 Agenda for Sustainable Development, consisting of 17 goals for sustainable development adopted by the UN General Assembly. The aim is to eradicate extreme poverty, reduce inequality and injustices around the world, promote peace and justice, and to solve the climate crisis by 2030.

ILO

The International Labour Organization is a UN body that collects governments, employers and workers in 187 member states to establish labour standards, develop policy and shape programmes that support decent work for all women and men.

CSRD

The Corporate Sustainability Reporting Directive is an EU level directive that requires companies of a certain size to report on sustainability according to certain standards (see the ESRS) and to meet various consistency requirements when presenting sustainability information.

ESRS

The European Sustainability Reporting Standards are a sustainability reporting framework that requires companies to evaluate and present material sustainability topics in a standardised and comparable way.

ISO 9001

ISO 9001 is a global quality management standard that helps companies ensure a high level of quality in their products and services. The standard requires companies to establish clear processes, set quality targets and create a structure that supports continuous improvement, which ultimately improves productivity and efficiency, and customer satisfaction.

ISO 14001

ISO 14001 is a global standard for environmental management systems that helps companies to continuously identify and monitor environmental aspects of their operations as well as to implement measures to reduce negative environmental impacts (for example, reducing waste processing, reducing environmental risks and following applicable environmental legislation). The standard is designed to help companies systematically identify, manage and reduce their environmental impact.

ISO 45001

ISO 45001 is a global standard for managing work environments and associated risks. It is designed to help companies ensure a safe and healthy work environment for their employees by identifying and managing potential risks. ISO 45001 includes requirements for a systematic process of risk assessment, risk management and continuous work environment improvement.

Rate of accidents

A comparative metric that refers to the relationship between the number of accidents and the number of hours worked at the company multiplied by 1,000,000 hours worked. The metric is used to compare different companies.



Helsingborgs Byggplåt strengthens local community

Investing in young people is investing in the future. Novedo is committed to strengthening local communities through job opportunities and local initiatives. This is exemplified through Helsingborgs Byggplåt AB, based in southern Sweden, which has invested in apprentices for many years.

Learning every step from the bottom up

At Helsingborgs Byggplåt, apprentices learn practical skills for working with sheet metal, starting with the very basics. Helsingborgs Byggplåt has a well thought-out and time-tested programme for all of its apprentices. It also collaborates with several vocational schools and participates in several programmes within the municipality of Helsingborg, with students who are not attending upper secondary school. www.helsingborgsbyggplat.se

Risks and risk management

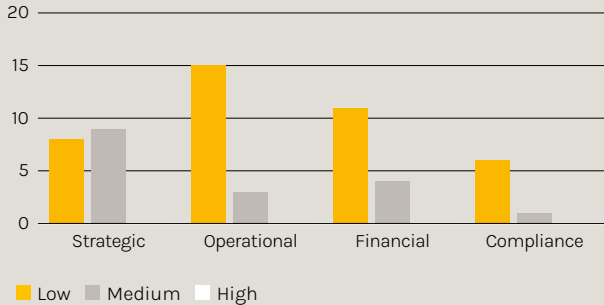
Novedo has a process for a structured review of the Group’s exposure to strategic, operational, and financial risk, as well as compliance risk within the Group. All of the identified risks were rated based on their likelihood and potential impact. For risks with a higher overall risk value, proactive measures were defined. Conclusions from the review are presented and discussed at the Board level.

At the end of 2024, Novedo’s Group structure consisted of 22 decentralised companies/corporate groups in three different business segments in four different countries. This spread, together with a fragmented customer base, limits the Group’s business risks. The most recent risk survey at the company identified 57 risks (88). Of these, none were classified as high, 17 (9) were moderate and 40 (79) were low. Read more about Novedo’s financial risks and risk management in Note 3 Financial risks.

Strategic risks

Includes risks that can prevent the company from achieving its vision and targets. Strategic risks are often tied to operating in a specific industry.

Assessment per category



STRATEGIC RISKS	RISK MANAGEMENT
Acquisition model Acquisitions account for a substantial portion of the Group’s business model and growth. Failing to acquire companies at the same rate as before could slow Novedo’s progress towards the Group’s strategic targets.	Novedo has a developed central acquisition organisation that works in a structured manner in its own channels or via external corporate brokers to identify possible companies to acquire. Growth is within several segments and countries.
Acquisition process The acquisition process, especially the evaluation ahead of an acquisition, needs to include legal, financial and sustainability aspects. Failing to maintain the quality of the acquisition process could slow Novedo’s progress towards the Group’s strategic targets.	Novedo has an established acquisition process conducted by employees with industry expertise and extensive experience, where potential acquisitions are evaluated based on a variety of aspects, quantitative as well as qualitative.
Market dynamics Novedo’s subsidiaries depend on customers’ investments and purchases. Thus they are affected by changes in the economy, including geopolitical uncertainties. A downturn in the markets where Novedo operates can slow progress, leaving the Group unable to meet its overall financial targets.	Novedo’s business model, with balanced diversification of subsidiaries active in a variety of industries, segments and geographic markets reduces the Group’s overall sensitivity to the market as well as exposure to individual customers. Many of Novedo’s companies are also exposed to segments with structural growth.
Climate change Climate change in the form of global warming and extreme weather conditions and natural catastrophes are risks that can affect the Group and its value chains. Changes in environmental legislation, taxes and demand can also impact Novedo’s sales as well as the shipment of goods, which can collectively limit progress towards the Group’s strategic targets.	<p>Novedo’s decentralised Group structure, with SMEs active in a variety of industries and geographies, reduces the risk of problems at a single company having a material impact on the Group as a whole.</p> <p>When Novedo carries out a preliminary acquisition analysis, it includes ESG due diligence where material sustainability risks are mapped and assessed before the acquisition.</p>

Risks and risk management

Operational risks

Risks that are related to efficiency, including the efficient use of resources. Operational risks are risks related to internal processes, resources, systems and employees.

OPERATIONAL RISKS	RISK MANAGEMENT
<p>Poor performance in newly acquired companies</p> <p>If a company with serious problems is acquired as a result of an inadequate evaluation process or unforeseen circumstances (regarding financial earning capacity or important sustainability topics, for example), there is a risk of a negative impact on the Group's reputation or financial performance.</p>	<p>The decentralised governance model, with full operational mandate and responsibility at each individual company, allows companies to adapt easily by making decisions quickly and close to operations. In connection with the consolidation of acquired subsidiaries, Novedo appoints a new board that includes representatives from Novedo's Group management and employees with specialist expertise. Monthly financial follow-up for all companies and developed structure for sustainability follow-up. Shared risk with sales through acquisition agreements that are based on earnouts.</p>
<p>Customer credit risk</p> <p>There is risk that companies' customers are unable to fulfil their obligations, which is to say are unable to pay.</p>	<p>Full operational responsibility at subsidiaries for their operations, including credit risk assessment of customers and payment procedures. The Group provides support as necessary.</p>
<p>Skills shortage</p> <p>There is risk that one or several key individuals leave some of the Group's companies. If Novedo fails to recruit appropriate replacements, this can have a negative impact on the company's financial position and earnings.</p>	<p>Annual structured review of the Board, CEO and management group for all companies regarding expertise, composition and succession planning. Due diligence includes a thorough review of companies' key individuals in order to identify any need for succession planning or dependence on expertise.</p>
<p>Succession planning</p> <p>Striving for increased diversity and inclusion is a strategically important area for Novedo since research shows that diverse groups perform better than homogeneous ones. A lack of diversity can lead to reduced innovation and creativity as well as limited perspectives in decision making.</p>	<p>Long-term expertise and resource plans as well as recurring development programmes. Active board work in all subsidiaries according to a Group-wide framework.</p>

Risks and risk management

Operational risks, continued

OPERATIONAL RISKS	RISK MANAGEMENT
<p>Disruptions in accounting systems</p> <p>There is a risk of unwanted disruptions in critical systems that can lead to companies being unable to report their figures. This can also lead to some operations being incapacitated for a period of time – or in the worst-case scenario, permanently.</p>	<p>Novedo’s business model with many SMEs reduces the risk for a material impact on the Group as a result of an error or disruption arising at any single company. Novedo has developed a framework of policies with associated guidelines in order to improve IT security and continuity planning.</p>
<p>IT incidents</p> <p>IT incidents at Novedo’s head office or at any of the subsidiaries can lead to the loss of important data, or the loss of any of the IT systems in use. Companies can also be exposed to disruptions in operations caused by cybercrime or other intrusions into their information systems, which can lead to stops in operating activities as well as high costs.</p>	<p>Novedo’s decentralised business model with independent subsidiaries means that few subsidiaries share IT platforms or infrastructure. This means that the risk of a significant financial impact on the Group in the event of an IT incident is relatively limited. A framework of policies with associated guidelines has been developed in order to improve IT security and continuity planning for implementation at the Group. A large portion of the Group’s subsidiaries also conducted a self-evaluation to quality assure the company’s procedures and controls with respect to IT systems and information security. The Group’s Board of Directors reviewed the results.</p>
<p>External or internal attempts at fraud</p> <p>Internal or external attempts at fraud related to one or several companies can damage a company’s financial performance and reputation.</p>	<p>Novedo’s business model with many SMEs reduces the risk that an incident at a single company might have a significant financial effect on the Group. Internal procedures, and an external and anonymous whistle-blower function are established to prevent and detect errors and fraud.</p>
<p>Company-specific sustainability matters/problems</p> <p>There is a risk that sustainability-related problems might arise at one or several of the Group’s subsidiaries or supply chains, for example, related to human rights or to products that are in some way shown to have a negative impact on people or the environment. Problems can, in the long run, entail costs for management and correction as well as damage the reputations of the subsidiary or even the Group as a whole.</p>	<p>Novedo conducts a thorough ESG due diligence ahead of any potential acquisition. The decentralised Group structure, with SMEs active in a variety of industries and geographies, reduces the risk of problems at a single company having a material impact on the Group as a whole.</p>

Risks and risk management

Financial risks

Risks related to the company's internal and external reporting, as well as the company's exposure to financial risks such as interest rates, liquidity, credit and currency.

FINANCIAL RISKS

Access to financing

Disruptions in the credit market or problems in the banking sector can entail difficulties for the Group when financing capital needs, making it significantly more expensive or even impossible.

Interest rate risk

Unfavourable changes in interest rate levels can have a significant negative impact on the Group's net financial items and earnings.

RISK MANAGEMENT

Novedo has a centralised approach to the Group's financing, where all external borrowings are handled by the Parent Company for internal financing of the subsidiaries. The company aims for an even maturity structure for external liabilities, a good liquidity reserve and diversified borrowings from well-reputed banks.

Regular monitoring of interest rates and continuous evaluation of the need to expand lending with fixed interest or to hedge interest rates with interest rate swaps.

Compliance risks

Includes the risk of financial or legal consequences from a failure to comply with laws, ordinances or regulations.

COMPLIANCE RISKS

Reporting errors

Major errors in accounting or reporting could affect the quality of the published financial statements and damage the confidence investors and other stakeholders have in Novedo, and subsequently their relationship with Novedo.

Sustainability data and communication

Failing to communicate Novedo's collective performance in important sustainability areas or how the companies approach sustainability can damage the confidence investors and other stakeholders have in Novedo.

RISK MANAGEMENT

A framework of procedures for financial reporting has been developed together with controls to ensure good internal control.

To ensure ESG relevance and to meet reporting requirements, Novedo conducted renewed stakeholder dialogues and a double materiality assessment in 2024. Sustainability is included as a standing item in at least one regular Board meeting per year. The reporting of sustainability data from subsidiaries is consolidated at Group level.



Financial statements

During the year, Novedo has worked actively to create the conditions for long-term favorable capital raising.

Jonas Söderkvist, CFO

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Directors' report

Novedo continues to demonstrate solid growth and profitability in 2024. At the end of the year, the Group comprised of ca. 20 prominent B2B companies, employing ca. 1,300 people across Denmark, Estonia, Germany, Norway and Sweden. Companies with a balanced mix of offerings and stable and diversified customer base in three segments: Industry, Infrastructure, and Installation & Services.

The Board of Directors and the CEO of Novedo Holding AB (publ) ("Novedo"), with company registration number 559334-4202 and registered office in Stockholm, hereby submit the Annual Report and Consolidated Financial Statements for the financial year 2024.

Operations

Novedo is a growing and solid European industrial group composed of regionally market-leading and profitable small and medium-sized B2B companies that primarily provide services related to property maintenance and renovation, climate transition, infrastructure projects, and the manufacturing of industrial components.

The vision is to be the first choice for small and medium-sized B2B companies aiming to develop and grow their businesses to achieve long-term sustainable profitability. The company's business concept is to develop and acquire, as well as to own long-term, regionally leading and profitable small and medium-sized B2B companies that exhibit strong cash flows. Novedo's industrial expertise and investment capacity facilitate improved earnings growth over time, both for the individual company and the Group.

The company's operations focus on three business segments: Industry, Infrastructure, and Installation & Services. The Industry segment consists of niche industrial companies that deliver significant customer value in manufacturing or trade intended for B2B, such as subcontractors to product companies, distributors, and firms with their own product development. The Infrastructure segment includes companies engaged in infrastructure projects, including rock transfer, earthworks, and related areas, as well as the maintenance of rail, road, power infrastructure, and other construction. Installation & Services encompasses companies that provide installation, service, and maintenance for properties, primarily targeting commercial property owners and public housing. For more information about the segments, see also pages 12–18.

Significant events during the year

In 2024, Novedo has continued to implement the Group's growth strategy, aiming for the three business segments to equalize in size regarding sales over time. Additionally, Novedo has expanded its geographical presence, with 27.9 percent (19.9) of the Group's net sales originating from companies outside Sweden. Three companies have been acquired,

contributing combined annual sales of SEK 136.0 million for 2024.

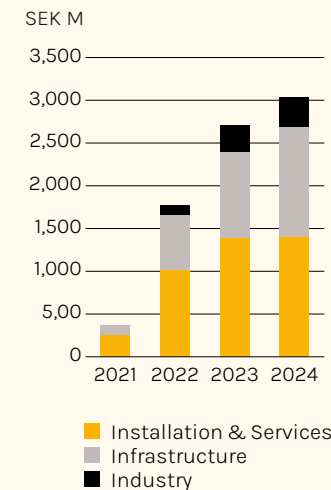
In 2024, Novedo undertook activities to establish conditions for long-term favorable capital raising. For further details, refer to the Financial Position section on page 32.

Mikael Ericson was elected as Chairman of the Board at the 2024 AGM, and Jonas Söderqvist assumed the role of CFO at the end of August 2024.

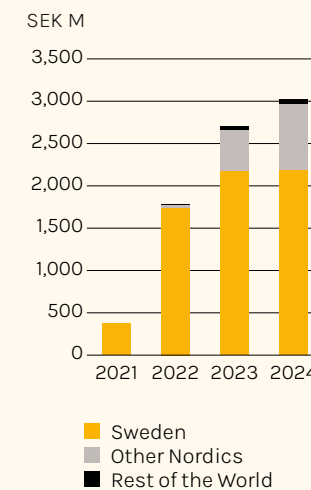
Net sales

Net sales increased by 11.8 percent to SEK 3,026.9 million (2,708.2), while organic growth for equivalent units reached 3.7 percent.

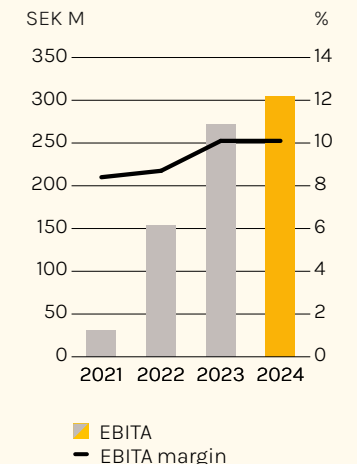
Net sales per segment



Net sales per geography



EBITA and EBITA margin



Earnings

All three segments positively contributed to the Group's earnings and margin development during the year. EBITA increased annually, amounting to SEK 304.8 million (272.3), with an EBITA margin of 10.1 percent (10.1). EBIT rose to SEK 246.9 million (218.6), while the EBIT margin was 8.2 percent (8.1).

Net financial items totaled SEK -389.9 million (-299.1), of which SEK -155.5 million (-147.4) were interest expenses for bond loans, and SEK -189.9 million (-143.8) resulted from revaluation and present value changes of earn-out considerations. The shift in contingent purchase prices reflects the companies' improved earnings performance. Profit before tax was

Directors’ report

SEK -143.0 million (-80.5), and profit for the year was SEK -187.6 million (-97.4). Earnings per share amounted to SEK -11.48 (-6.54).

Financial position

Equity in the Group as of December 31, 2024, amounted to SEK 227.9 million (373.5), and the equity/assets ratio was 6.6 percent (12.6). Cash and cash equivalents totaled SEK 479.1 million (226.9) as of December 31, 2024.

During the year, Novedo engaged in activities aimed at refinancing the company. Novedo issued three-year senior secured bonds of SEK 1,250 million under a framework of SEK 2,000 million and, in connection with the issue, also redeemed an early bond loan 2021/2024 on October 4, 2024.

Novedo also carried out convertible bond issues totaling SEK 466.3 million, of which SEK 123.0 million was offset against shareholder loans from the principal owner, SEK 38.2 million was utilized as direct payment for acquisitions, SEK 34.6 million was set against established earn-outs, and SEK 7.1 million was applied against reinvestment notes. To generate greater financial flexibility, Novedo has also signed a revolving credit facility of SEK 175.0 million during the year.

The Group’s interest-bearing net debt decreased during the year, amounting to SEK 1,096.6 million as of December 31, 2024. The interest-bearing net debt as a percentage of total equity (net debt/equity ratio) was 480 percent (330) at year-end. The interest-bearing net debt in relation to pro forma EBITDA stood at 2.5 times at the end of the year, which is well below the company’s financial target of 3.5 times.

Cash flow and investments

Cash flow from operating activities was positively impacted by increased volume, amounted to SEK 122.0 million (108.3) for 2024. Working capital rose to SEK 386.1 million (357.4). Acquisitions of shares in subsidiaries totaled SEK -182.6 million (-308.3), with payments of contingent purchase prices reaching SEK -80.6 million (0.0) during the full year 2024.

Employees

At the end of the year, the Group employed 1,341 (1,304) employees, including 3 (3) at the parent company. The average number of employees in the Group throughout the year was 1,271 (1,242). The gender distribution among employees was 12 percent (12) women and 88 percent (88) men.

Parent Company

The Parent Company’s net sales consist of intra-group management services. Net sales amounted to SEK 5.8 million (4.6) for the full year. Profit was SEK -59.5 million (73.8) for the full year. Interest expenses from the bond loan negatively impacted the year’s profit with SEK -155.5 million (-147.4).

Research and development

Novedo does not conduct research activities but develops its own products in the industry business segment.

Operations subject to permits

The company, through one of its subsidiaries, conducts activities that involve rock movement. For this

purpose, it possesses the necessary permits for the acquisition, storage, transfer, and use of explosives.

Material risks and uncertainties

Novedo’s operations and subsidiaries are exposed to several risks that may impact the Group. During the year, Group Management conducted a risk assessment and presented the evaluation to the Board of Directors. See also the risks and management section on pages 26–29.

Guidelines for remuneration to senior executives

Remuneration for senior executives is outlined in Note 9. During the 2023 Annual General Meeting, guidelines for senior executive remuneration were adopted.

Corporate governance report and sustainability report

The company’s sustainability-related information can be found primarily on pages 19–25 of the annual report. Novedo’s Board of Directors is responsible for the company’s sustainability report. Novedo’s Corporate Governance Report can be found on pages 71–81.

Events after balance-sheet date

At an Extraordinary General Meeting on January 15, 2025, Martin Almgren, Fredrik Holmström, and Lars Kvarnsund were elected as new members of the Board of Directors. The three new board members bring international industry and stock market experience, strengthening the Board’s expertise in finance and accounting. Mouna Esmaeilzadeh, Saeid Esmaeilzadeh,

Christer Hellström, and Erik Rune left the Board in connection with the Extraordinary General Meeting.

In January 2025, Novedo completed an additional bond issue of SEK 160 million within the existing framework.

Outlook

The company sees good acquisition opportunities within Sweden, but also has an active acquisition agenda outside Sweden’s borders. The company assesses that the market situation for 2025 corresponds to 2024 and the company sees a stable order situation also at the beginning of 2025, which is reflected in Novedo’s well-balanced mix of offerings and stable and diversified customer base.

Financial targets

Novedo has the following financial targets::

- >30 percent average annual net sales growth for the next five-year period 2024–2028, of which organic growth in line with market growth in relevant markets;
- >10 percent adjusted EBITA margin in the medium term;
- < 3.5 times interest-bearing net debt / EBITDA (pro forma). The debt-to-income ratio is calculated, in accordance with the definitions in the terms and conditions of the bonds, as interest-bearing net debt in relation to EBITDA for the last twelve-month period (pro forma).

Sustainability targets

Novedo has the following sustainability targets:

- > 90 percent of acquired annual sales must have undergone an ESG:DD performed by an external party.
- >90 percent of the proportion of CEOs must have undergone leadership training under Novedo’s auspices during the past five years.

Share capital and shareholders

Novedo Holding AB (publ) has one class of shares. As of December 31, 2024, the share capital amounted to SEK 551,970 divided into 15,480,000 shares, resulting in a quotient value of approximately SEK 0.04. Additionally, as of December 31, 2024, Novedo has issued

four-year secured convertible bonds totaling SEK 466,250,206 within a framework of SEK 1,000 million. This entailed an increase in the share capital upon full conversion of the convertible bonds by a maximum of SEK 124,281, calculated on a quotient value of approximately SEK 0.04 and based on the entire convertible loan being subscribed for, with an initial conversion price of SEK 133.77 per share – i.e., before any recalculation in accordance with the convertible terms and conditions.

Owners of companies that Novedo has acquired have chosen to become shareholders in Novedo through preference shares in Novedo AB (a subsidiary of Novedo Holding AB (publ) in which Novedo Holding AB owns all ordinary shares).

Shareholder agreement for preference shares in Novedo AB

Holders of preference shares have the right to have their preference shares in Novedo AB converted into ordinary shares in Novedo Holding AB (publ) (“Holding”) prior to an exit. The definition of “Exit” is an IPO by Holding or a transfer of a majority (50 percent) of the shares of Holding. In the event of an Exit, there are reciprocal rights regarding drag-along (for Holding) and tag-along (for the owners of preference shares in Novedo AB). In the event of conversion, the number of ordinary shares whose value corresponds to the value of the preference shares is obtained, which in turn depends on the exit valuation. Owners of preference shares have in the shareholders’ agreement renounced the right to influence decision-making in Novedo AB.

Proposed appropriation of profits

The Board of Directors proposes the following, SEK thousand

Profit/loss brought forward	37,080
Share premium reserve	143,934
Profit/loss for the year	-59,470
To be carried forward	121,544

Terms and Conditions for Senior Secured Bond 2024/2027 (ISIN: SE0022240529) and Terms and Conditions for Super Senior Revolving Credit Facility 2024/2027 (ISIN: NO0013277574) stipulate that no dividend may be paid during the term of the bond loan or revolving credit facility if the company’s shares are unlisted.

Outcome 2024

Net sales growth

11.8%

(52.7)

EBITA margin

10.1%

(10.1)

Interest-bearing net debt/EBITDA (pro forma)

2.5 times

(2.9)

ESG due diligence

88.6%

(94.7)

Training

64.7%

(70.0)

Consolidated statement of comprehensive income

SEK thousand	Note	2024 Jan-Dec	2023 Jan-Dec
Operating income	6		
Net sales	4	3,026,875	2,708,228
Other operating income	5	26,012	19,223
Total operating income		3,052,887	2,727,451
Operating expenses			
Raw materials and consumables		-1,092,965	-961,260
Goods for resale		-265,241	-286,017
Other external expenses	10	-307,250	-281,514
Employee benefit expenses	9	-978,067	-854,757
Depreciation and amortisation		-98,753	-79,739
Depreciation of right-of-use assets		-57,472	-41,444
Other operating expenses		-6,248	-4,078
Total operating expensed		-2,805,996	-2,508,808
Operating profit (EBIT)		246,891	218,642
Profit/loss from financial items			
Financial income	11	5,403	10,736
Financial expenses	11	-395,327	-309,830
Total financial items		-389,924	-299,094
Pre-tax profit/loss		-143,033	-80,452
Income tax	12	-44,531	-16,960
Profit/loss for the year		-187,564	-97,412
Profit is attributable to:			
<i>shareholders in the Parent Company</i>		-177,701	-101,100
<i>non-controlling interests</i>		-9,863	3,688
Earnings per share			
<i>Earnings per share before and after dilution</i>	35	-11,48	-6,53
<i>Average number of shares before and after dilution</i>	35	15,480,000	15,480,000

Consolidated statement of other comprehensive income

SEK thousand	Note	2024 Jan-Dec	2023 Jan-Dec
Profit/loss for the year		-187,564	-97,412
Other comprehensive income:		-	
<i>Items that may reclassified to profit or loss:</i>			
Exchange-rate differences		18,478	-21,748
Other comprehensive income for the period		-	-
Total comprehensive income for the period		-169,086	-119,160
Attributable to:			
Shareholders in the Parent Company		-160,437	-121,671
Non-controlling interests		-8,649	2,511

Consolidated balance sheet

SEK thousand	Note	2024 Dec 31	2023 Dec 31
Intangible assets	13		
Intangible assets		1,618,007	1,525,575
Total intangible assets		1,618,007	1,525,575
Tangible assets	14		
Plant and equipment		80,506	83,693
Furniture, tools and fittings		32,685	36,148
Leasehold improvements		44,425	42,269
Total tangible assets		157,616	162,110
Right-of-use assets	15	192,464	120,534
Financial assets	16		
Other non-current securities holdings	17	3,769	3,891
Deferred tax assets	25	37,354	37,354
Other non-current receivables	18	3,507	2,923
Total financial assets		44,631	44,169
Total non-current assets		2,012,718	1,852,387
Inventories, etc.			
Raw materials and consumables		103,051	128,572
Total inventories		103,051	128,572
Current receivables			
Accounts receivables – trade	19	507,495	492,823
Current tax assets		49,142	21,946
Other current receivables		34,589	28,204
Contract assets	20	241,451	172,702
Prepayments and accrued income	21	33,150	50,658
Total current receivables		865,828	766,333
Liquid investments		264	1,522
Cash and cash equivalents	22	479,090	226,875
Total current assets		1,448,232	1,123,302
Total assets		3,460,950	2,975,690

SEK thousand	Note	2024 Dec 31	2023 Dec 31
Equity			
Share capital	23	552	552
Other contributed capital	23	421,147	389,545
Profit/loss brought forward, including profit for the period		-298,391	-162,748
Equity attributable to shareholders in the Parent Company		123,308	227,349
Non-controlling interests		104,628	146,177
Total equity		227,936	373,526
Non-current liabilities			
Provisions for pensions and similar obligations	24	4,955	5,033
Other provisions	24	3,807	2,347
Conditional purchase prices	8	248,298	382,809
Other acquisition-related liabilities	25	85,734	93,830
Deferred tax liabilities	15	118,361	79,602
Bonds issued	26	1,219,551	-
Convertible loan	26	384,058	-
Liabilities to credit institutions	26	178,042	2,751
Other non-current liabilities		180	111
Total non-current liabilities		2,242,986	566,483
Current liabilities			
Lease liabilities	15	52,996	22,404
Bonds issued	26	-	1,232,699
Liabilities to credit institutions	26	1,973	2,298
Acquisition-related liabilities	8	347,539	96,819
Other acquisition-related liabilities	30	-	37,200
Advance payments from customers		128,766	81,710
Accounts payable – trade		157,304	191,514
Bank overdraft facilities		5,057	-
Tax liabilities		48,782	24,547
Debt to principal shareholder	36	-	104,167
Other current liabilities	27	78,427	66,836
Contract liabilities	20	3,647	21,824
Accred expenses and deferred income	28	165,538	153,663
Total current liabilities		990,027	2,035,681
Total liabilities		3,233,013	2,602,164
Total equity and liabilities		3,460,950	2,975,690

Consolidated statement of changes in equity

SEK thousand	Note	Share capital	Other contributed capital	Translation reserve	Profit/loss brought forward including profit for the year	Total	Non-controlling interests	Total equity
Opening balance, Jan 2023		552	364,205	8,351	-59,589	313,520	154,526	468,047
New share issue	23	-	14,076	-	-	14,076	1,531	15,607
Shareholders' contribution		-	-1,573	-	-	-1,573	1,573	-
Change in non-controlling interests		-	12,837	-	-	12,837	-12,837	-
Total transactions with shareholders		-	25,340	-	-	25,340	-9,733	15,607
Profit/loss for the period		-	-	-	-101,100	-101,100	3,688	-97,412
Translation effect of foreign operations		-	-	-11,602	-	-11,602	-1,114	-12,715
Change in non-controlling interests		-	-	63	1,128	1,191	-1,191	-
Other comprehensive income		-	-	-	-	-	-	-
Total comprehensive income		-	-	-11,539	-99,972	-111,511	1,384	-110,127
Closing balance, Dec 31, 2023	23	552	389,545	-3,188	-159,561	227,349	146,177	373,526
Opening balance, Jan 2024		552	389,545	-3,188	-159,561	227,349	146,177	373,526
[Change in non-controlling interests]		-	31,601	-	-	31,601	-31,601	-
Total transactions with shareholders		-	31,601	-	-	31,601	-31,601	-
Profit/loss for the period		-	-	-	-177,701	-177,701	-9,863	-187,564
[Optionsdel konvertibel]		-	-	-	23,496	23,496	-	23,496
Translation effect of foreign operations		-	-	17,265	-	17,265	1,214	18,478
Change in non-controlling interests		-	-	-110	1,408	1,298	-1,298	-
Other comprehensive income		-	-	-	-	-	-	-
Total comprehensive income		-	-	17,155	-152,797	-135,642	-9,947	-145,590
Closing balance, Dec 31, 2024	23	552	421,146	13,967	-312,358	123,308	104,628	227,936
SEK thousand							2024 Dec 31	2023 Dec 31
Number of ordinary shares at the beginning of the year							15,480,000	15,480,000
Number of ordinary shares at the end of the year							15,480,000	15,480,000
Total number of shares at the end of the year							15,480,000	15,480,000

As of December 31, 2024, the share capital amounted to SEK 551,970 divided into 15,480,000 shares, corresponding to a quotient value of SEK 0.04.

Consolidated statement of cash flow

SEK thousand	Note	2024 Jan-Dec	2023 Jan-Dec
Operating profit		246,891	218,642
Adjustments for non-cash items	29	159,894	120,409
Net interest income/expense paid		-154,067	-130,419
Income tax paid		-71,957	-64,160
Cash flow from operating activities before changes in working capital		180,761	144,472
Total change in operating receivables		-27,094	-149,497
Total change in operating liabilities		-31,673	113,324
Cash flow from operating activities		121,994	108,299
Acquisitions of subsidiaries	7	-182,577	-308,261
Divestments of subsidiaries		-15	934
Investments in tangible assets		-24,490	-43,874
Disposals of items of property, plant and equipment		7,840	8,482
Investments in right-of-use assets		-9,354	-2,865
Settlement of short-term financial liabilities		1,518	-2,197
Cash flow from investing activities		-207,078	-347,780
Borrowings	26, 30	1,326,083	391,624
Repayment of borrowings to principal shareholder	30	-	-45,000
Repayment of borrowings	26	-941,023	-14,991
Repayment of lease liabilities		-54,005	-38,130
Change in bank overdraft facilities		5,098	-16,738
Cash flow from financing activities		336,153	276,765
Cash flow for the period		251,068	37,283
Cash and cash equivalents - opening balance		226,875	188,970
Exchange-rate difference in cash and cash equivalents		1,147	622
Cash and cash equivalents - closing balance	22	479,090	226,875

Statement of comprehensive income – Parent Company

SEK thousand	Note	2024 Jan–Dec	2023 Jan–Dec
Operating income			
Net sales		5,836	4,564
Other operating income		21	2
Total operating income		5,857	4,566
Operating expenses			
Other external expenses	10	-9,780	-4,888
Employee benefit expenses	9	-17,594	-18,634
Other operating expenses		-4	-205
Total operating expenses		-27,378	-23,727
Operating profit/loss	31	-21,521	-19,161
Profit/loss from financial items			
Result from shares in subsidiaries	11	-	208,435
Interest income	11	20,219	5,637
Interest expenses	11	-193,909	-160,693
Profit/loss after financial items		-195,211	34,217
Group contributions received		150,900	-
Tax on profit for the year	12	-15,159	39,552
Profit/loss for the year		-59,470	73,769

The Parent Company does not include items reported as other comprehensive income, which is why total comprehensive income aligns with profit for the year.

Balance sheet – Parent Company

SEK thousand	Note	2024 Dec 31	2023 Dec 31
Financial assets			
Participations in Group companies	31, 32	1,258,248	1,258,248
Deferred tax assets	25	37,354	37,354
Total financial assets		1,295,602	1,295,602
Total non-current assets		1,295,602	1,295,602
Current receivables			
Tax receivables		-	280
Receivables from Group companies		478,750	181,791
Other current receivables		560	662
Prepayments and accrued income	21	5,971	25,867
Total current receivables		485,280	208,601
Cash and cash equivalents	22	166,409	21,938
Total current assets		651,689	230,538
Total assets		1,947,291	1,526,140

SEK thousand	Note	2024 Dec 31	2023 Dec 31
Equity			
Share capital	23	552	552
Total restricted equity		552	552
Share premium reserve		143,934	143,934
Profit/loss brought forward		37,080	-60,185
Profit/loss for the period		-59,470	73,769
Total non-restricted capital		121,544	157,518
Total equity		122,096	158,070
Non-current liabilities			
Bonds issued	26	1,219,551	-
Liabilities to credit institutions	26	176,930	-
Convertible loan	26	384,058	-
Total non-current liabilities		1,780,539	-
Current liabilities			
Bonds issued	26	-	1,232,699
Accounts payable – trade		1,475	1,243
Debt to principal shareholder	36	-	104,167
Other current liabilities	27	15,917	674
Accrued expenses and deferred income	28	27,264	29,287
Total current liabilities		44,656	1,368,070
Total liabilities		1,825,195	1,368,070
Total equity and liabilities		1,947,291	1,526,140

Statement of changes i equity – Parent Company

SEK thousand	Share capital	Share premium reserve	Profit/loss brought forward including profit for the year	Total equity
Opening balance, January 1, 2023	552	143,934	-60,185	84,301
Profit/loss for the year	-	-	73,769	73,769
Total transactions with shareholders	-	-	73,769	73,769
Closing balance, Dec 31, 2023	552	143,934	13,584	158,070
Opening balance, January 1, 2024	552	143,934	13,584	158,070
Convertible option	-	-	23,496	23,496
Profit/loss for the year	-	-	-59,470	-59,470
Total transactions with shareholders	-	-	-35,974	-35,974
Closing balance, Dec 31, 2024	552	143,934	-22,390	122,096
			2024 Dec 31	2023 Dec 31
Number of ordinary shares at the beginning of the year			15,480,000	15,480,000
Number of ordinary shares at the end of the year			15,480,000	15,480,000
Total number of shares at the end of the year			15,480,000	15,480,000
The ordinary shares have a quotient value of SEK 0.04.				

Statement of cash flow – Parent Company

SEK thousand	Note	2024 Jan-Dec	2023 Jan-Dec
Operating loss		-21,518	-19,161
Adjustments for non-cash items	29	-1	-1
Interest expenses		-145,629	-127,663
Income tax paid		-	-43
Cash flows from operating activities before changes in working capital		-167,148	-146,868
Changes in operating receivables		-93,133	-175,577
Change in operating liabilities		17,751	-211,741
Cash flow from operating activities		-242,530	-534,186
Dividends from subsidiaries		-	208,435
Cash flow from investing activities		-	208,435
Borrowings	26, 30	1,325,752	391,624
Repayment of borrowings	30	-938,750	
Repayment of borrowings to principal shareholder		-	-45,000
Cash flow from financing activities		387,002	346,624
Cash flow for the year		144,472	20,873
Cash and cash equivalents - opening balance		21,938	1,134
Exchange rate difference		-	-69
Cash and cash equivalents - closing balance	22	166,409	21,938

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Notes

Note 1 Accounting policies

General information

The most significant accounting policies and valuation principles used in the preparation of the financial statements are summarised below. Where the Parent Company applies different policies, these are set out under the heading “Parent Company’s accounting policies” below.

The consolidated financial statements were prepared in accordance with the Annual Accounts Act, the recommendations from the Swedish Financial Reporting Board’s RFR 1 Supplementary Accounting Rules for Groups and International Financial Reporting Standards (IFRS) as endorsed by the EU.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in a separate section below “Significant accounting estimates and judgements.”

Formation of the Group

Novedo Holding AB (publ) was formed on September 10, 2021 and, therefore, has no history of balance sheets and income statements for the beginning of 2021. The Novedo AB Group was formed on July 28, 2020. The new Group was formed through the acquisition of the former Novedo AB Group by Novedo Holding AB through contributions on October 26, 2021. Novedo Holding AB became the owner of the shares in Novedo AB immediately following the acquisition. The shares previously held by, inter alia, Board members and Group management, were transferred by means of a contribution to the effect that ordinary shares in Novedo AB were exchanged for ordinary shares in Novedo Holding AB. The acquisition of these shares took place on October 26, 2021. The formation of the Group entailed the establishment of a new Parent Company, Novedo Holding AB, through a share exchange. Due to the fact that a newly formed company cannot be considered to comprise an acquirer, and where the primary purpose is a

restructuring within the Group (common control), the Group has been established as a continuation of the former Novedo AB Group.

The consolidated financial statements when the Group was formed were prepared in accordance with the cost method aside from those that concern any financial instruments which are consistently measured at fair value. Other assets and liabilities are recognised at historical cost in accordance with the cost method. The financial statements encompass the companies that the Group is made up of. The financial statements were prepared with consistent application of the accounting policies.

Currency and reporting currency

The Group uses Swedish kronor (SEK) as its reporting currency. The Parent Company’s functional currency is Swedish kronor (SEK), which is also the Parent Company’s reporting currency. Unless otherwise stated, all amounts are rounded to the nearest thousand SEK (SEK thousand).

New accounting policies

New and revised existing standards, endorsed by the EU that will enter force in 2024.

None of the EU endorsed new and amended standards and interpretations from the IFRS Interpretation Committee are currently assessed to materially impact Novedo’s earnings or financial position. This is also true of Swedish regulations.

Principles for the consolidated financial statements

Subsidiaries

Subsidiaries are all companies over which the Group has control. The Group controls a company when the Group is exposed to, or has rights to, variable returns from its involvement with the company and has the ability to affect those returns through its power over the company. Subsidiaries are fully consolidated in the financial statements from the date on which control is transferred to the Group. They are deconsolidated from the financial statements from the date that control ceases.

All transactions between Group companies are carried out at market prices. Intra-Group transactions, balances

and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are eliminated unless the transaction provides evidence of an impairment of the asset transferred.

The consolidated financial statements were prepared using the acquisition method, whereby the equity of the subsidiary at acquisition, determined as the difference between the fair values of assets and liabilities, is eliminated in its entirety. The Group’s equity includes only the amount of the subsidiaries’ equity arising after the acquisition.

Business combinations

The Group applies the acquisition method when accounting for business combinations. The compensation transferred by the Group for obtaining control of a subsidiary is measured as the total of fair values at the acquisition date of the assets transferred, liabilities assumed and equity instruments issued by the Group, which includes the fair value of any asset or liability arising from a conditional purchase prices agreement. Subsequent changes to the fair value of the conditional purchase prices that is deemed to be a financial liability are recognised in profit or loss (under Other operating expenses).

In business combinations for which consideration has been transferred, any difference between a non-controlling interest and the fair value of the previously owned interest (in the case of step acquisitions) exceeding the fair value of the assets acquired and liabilities assumed, which are recognised separately, is reported as goodwill. When the difference is negative, known as a bargain purchase, it is recognised directly in profit or loss.

Acquisition-related expenses are expensed as incurred under the item Other external expenses.

Assets acquired and liabilities assumed are measured initially at their fair values at the acquisition date.

Transactions and balances in foreign currency

Transactions in foreign currencies are translated using the applicable exchange rates on the transaction date (spot rate). Gains and losses in foreign currencies resulting from the revaluation of monetary items at the closing rate are

recognised in profit or loss. Non-monetary items are not translated at the balance-sheet date but are measured at historical acquisition cost (translated at the exchange rate on the transaction date), except for non-monetary items measured at fair value which are translated at the exchange rate on the date the fair value was determined.

Segment information

Operating segments are reported according to IFRS 8 in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). The CODM is the function responsible for allocating resources and assessing the performance of operating segments. Within the Novedo Group, the President has been identified as the CODM. During the reporting period, Novedo had three operating segments, namely Industry, Infrastructure and Installation & Services. More information is provided in Note 6.

Goodwill

Goodwill represents future economic benefits arising from a business combination which is not individually identified and separately recognised. Goodwill is reported as cost of acquisition less accumulated amortisation.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to cash-generating units (CGUs) or groups of CGUs that are expected to benefit from the synergies of this combination. Each unit or group of units to which goodwill has been allocated corresponds to the lowest level in the Group at which the goodwill in question is monitored for internal management purposes.

Goodwill is tested for impairment annually or more frequently if events or changes in circumstances indicate a possible decline in value. The carrying amount of the CGU to which the goodwill is allocated is compared to its recoverable amount, which is the higher of its value in use and its fair value less costs to sell. Any impairment is recognised immediately as an expense and is not subsequently reversed. Goodwill is monitored and tested at segment level.

The valuation is based on Novedo’s business plan and the analysis of discounted cash flow as the main method to estimate the recoverable amount. A sensitivity analysis of the

discount rate, growth assumption and margins is performed after each impairment test to determine whether the residual value is sufficient.

Intangible fixed assets

Trademarks consist of acquired corporate trademarks and are amortised over ten years. Customer relationships stem from the written agreements that make up the order backlog at the time of acquisition and are amortised over 5-10 years.

Tangible fixed assets

Tangible fixed assets consist of machinery and equipment, which are stated at cost less accumulated depreciation and any accumulated impairment losses. The cost includes the purchase price and expenses directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended. Depreciation of machinery and equipment is based on historical acquisition cost less any subsequent impairment losses. The residual value is deemed to be non-existent. Depreciation is calculated on assets acquired during the year, taking into account the acquisition date. Depreciation is calculated on a straight-line basis, which means equal depreciation over the useful life, which is normally 3-5 years.

Impairment of non-financial assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset’s carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset’s fair value less costs to sell and its value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (CGUs). Non-financial assets (other than goodwill) that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

Impairment reversal

An impairment loss is reversed if there is both an indication that the impairment loss no longer applies and a change in the assumptions used to calculate the recoverable amount. A reversal is made only to the extent that the carrying amount of the asset after reversal does not exceed the carrying amount that would have been recognised, net of depreciation/amortisation where applicable, if no impairment loss

had been recognised. Impairment losses on loans and accounts receivables carried at amortised cost are reversed if a subsequent increase in the recoverable amount can be objectively related to an event occurring after the impairment loss was recognised.

Revenue

Revenue is measured based on the remuneration specified in the contract with the customer. The Group recognises revenue when control of a good or service is passed to the customer. Control occurs at a point in time or over time depending on the agreed terms.

The Group’s revenue comprises construction contracts and service assignments that are recognised over time and product sales that in all material are recognised at a point of time. Construction contracts includes invoicing under construction contracts and additional alterations and additions regulated in the contract, while service assignments refers to services, minor works, etc., that are not covered by the contract. Construction contracts are not turnkey contracts, but are usually used for smaller projects, which provides a good risk spread.

When the outcome can be measured reliably, assignment revenue and related expenses are recognised according to the percentage of completion of the contract (i.e., over time) at the balance-sheet date. Contract revenue is measured at the fair value of the consideration that has been or will be received. When the Group cannot reliably estimate the outcome of an assignment, revenue is recognised only to the extent that the assignment costs incurred can be recovered. Contract costs are recognised in the period in which they are incurred.

The percentage of completion of a construction contract is assessed by the project manager by comparing the costs incurred to date with the total estimated costs for the contract. Only costs corresponding to work performed are included in costs to date.

The gross amount payable by customers for contract is recognised in the line item “Contract assets” for all contracts in progress where the contract’s costs and recognised profits (net of recognised losses) exceed invoiced amounts. Liabilities due under assignments are recognised under the heading “Contract liabilities” for all assignments in progress for which invoiced amounts exceed contract costs plus recognised profits (less recognised losses).

Treatment as an onerous contract takes place when an expected loss arises where it is likely that the total contract costs will exceed the total revenue, which is then immediately recognised as an expense.

When recognising revenue from service assignments, a forecast is made in which the Group estimates the percentage of completion of each individual project, which is progressively offset against the costs incurred by the project. Revenue from service activities is recognised when the services are provided by reference to the percentage of completion of the contract (recognition over time) at the balance-sheet date.

For revenue from product sales, the performance obligation is fulfilled at a specific point of time. The performance obligations for standardised products are considered as met at the point in time when the products are delivered pursuant to the contracted delivery terms and control of the product is thereby transferred to the customer. For customer-specific products, customers are not entitled to terminate the contract, so the Group has the right to fulfil the contract and the right to payment for the service provided. Customer-specific products are recognised over time.

The Group’s payment terms are essentially 30 days net.

Government grants

Government grants are recognised at fair value when there is reasonable assurance that the grant will be received and that the Group will comply with all attached conditions. Government grants relating to costs are accrued and recognised in the income statement over the same periods as the costs they are intended to compensate. Government grants are reported under other operating income.

Employee benefits

Short-term employee benefits, such as salaries, social security contributions, holiday pay and bonuses, are recognised in the period in which the work is performed by the employees. A liability for the expected cost of bonus payments is recognised when the Group has a legal or informal obligation to make such payments as a result of services performed by employees. The obligation must also be reliably measurable.

Pension obligations

Pension plans are usually financed through payments to insurance companies or managed funds based on periodic actuarial calculations. These plans may be defined-benefit or defined-contribution plans.

A defined-benefit pension plan is a pension plan characterised by a determined amount of pension benefits which the employee is to receive after retiring, usually based on one or a number of factors such as age, length of service and salary.

A defined-contribution plan is a pension plan by which the

company pays fixed fees to a separate legal entity. The company therefore has no legal or informal obligations to pay additional fees if the fund lacks sufficient assets to pay all employee benefits related to employee service during current or previous periods. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments can come to the benefit of the Group. The contributions are recognised as employee benefit expenses when they fall due.

Post-employment benefits provided by the Group essentially only comprise various defined-contribution pension plans. A few employees are encompassed by a pension solution in the form of endowment insurance pledged for pension commitments.

Termination benefits

Termination benefits are payable when employment is terminated before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises any termination benefits when demonstrably obligated to, either through the termination of employees’ employment under a detailed formal plan without the possibility of retraction, or through the provision of termination benefits as a result of an offer of voluntary redundancy, as a result of restructuring. Benefits that are expected to be settled in more than twelve months are recognised at their discounted present value.

Financial income and expenses

Financial income comprises interest income and, where applicable, dividend income, as well as gains on the revaluation or disposal of financial instruments. Financial expenses comprise interest expense on borrowings, including accrued transaction costs and losses on changes in value or disposal of financial instruments. Any foreign exchange gains and losses are recognised net. Interest income and interest expenses are recognised using the effective interest rate method, while dividends are recognised when the right to receive dividends has been established.

Taxes

Income tax consists of current tax calculated on the taxable income, deferred tax and other taxes and adjustment of current tax relating to previous years for Group companies. All of the companies within the Group calculate income taxes in accordance with the applicable tax rules and regulations. Income tax is recognised in profit or loss for the period unless it relates to a transaction recognised directly in equity

or in other comprehensive income. Deferred tax is recognised for temporary differences between the carrying amounts and tax bases of assets and liabilities and for carried-forward tax losses (to the extent that they are expected to be recoverable). The Group uses the balance sheet method to calculate deferred tax liabilities and deferred tax assets. The balance sheet method is based on tax rates at the balance sheet date applied to differences between the carrying amount of an asset or liability and its tax base, and on carried-forward tax losses. These carried-forward tax losses can be used to reduce future taxable profits. Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available to enable the benefit to be utilised. Under IFRIC23, uncertainties relating to income taxes are taken into account if, and when, income taxes are recognised and measured in the financial statements.

Deferred tax assets and liabilities are recognised net if there is a legal right to set off tax assets against tax liabilities on a net basis and the deferred tax is attributable to the same taxation authority.

Financial instruments

Financial instruments recognised in the balance sheet include, on the asset side, mainly cash and cash equivalents, accounts receivable, non-current securities holdings and non-current receivables, and on the liability side, acquisition-related liabilities, accounts payable, accrued expenses and loan liabilities.

A financial asset or financial liability is recognised on the balance sheet when the company becomes a party under the instrument’s contractual terms. A receivable is recognised when the company has performed and a contractual obligation exists for the counterparty to pay, even if the invoice has not yet been sent. Accounts receivable are recognised once an invoice has been sent. Liabilities are recognised when the counterparty has performed and there is a contractual obligation to pay, even if the invoice has not yet been received. Accounts payable are recognised once an invoice has been received.

A financial asset is derecognised from the balance sheet when the rights in the agreement are realised, expire, or the company loses control over them. A financial liability is derecognised from the balance sheet when the contractual obligation is fulfilled or otherwise extinguished. A financial asset and a financial liability are recognised net only when there is a legal right to set off the amounts and an intention to settle the items net. Purchases and sales of financial assets are recognised on the transaction date, which is the date the

company commits to purchasing or selling the asset. Any transaction costs are included in the fair value of assets in addition to those whose changes in value are recognised in profit or loss for the period. Transaction costs that arise in connection with the recognition of financial liabilities are amortised over the maturity of the loan as a financial expense.

Financial assets and liabilities that are handled within IFRS 9 are classified as follows:

Financial assets:

- Financial assets measured at amortised cost
- Financial assets measured at fair value through profit or loss (FVPL)

Financial liabilities:

- Financial liabilities measured at amortised cost
- Financial liabilities measured at FVPL

Within the above categories, there are different types of financial instruments. Financial instruments are classified on initial recognition and the classification determines principles for the valuation of the instruments. The fair values of quoted financial investments and derivatives are based on quoted market prices or interest rates. If official interest rates or market prices are not available, fair value is calculated by calculating the present value of expected future cash flows with the interest rates at the time.

Financial liabilities at amortised cost

Financial assets are classified as recognised at amortised cost if the contractual terms result in payments relating only to principal amounts and interest on the outstanding principal amounts and when the purpose of holding the financial asset is to hold the asset to maturity. In subsequent recognition, the asset is measured at amortised cost based on the effective interest rate method less impairment losses. Interest income and gains/losses from financial assets at amortised cost are recognised under financial income.

Impairment of financial assets recognised at amortised cost

The Group assesses the future expected credit losses (ECLs) linked to assets recognised at amortised cost. The Group recognises a loss allowance for such ECLs at each reporting date. For accounts receivable, the Group applies the simplified approach for loss allowances, meaning that the allowance will correspond to the expected loss over the entire lifetime of the accounts receivable.

To measure the ECLs, accounts receivable have been grouped based on allocated credit risk characteristics and days past due. For the Group’s other financial instruments, the general model is applied to calculate ECLs. The Group uses forward-looking variables for ECLs. ECLs are recognised in the Group’s statement of comprehensive income in the item Other external expenses. The Group has historically had insignificant credit losses on receivables.

Financial assets at fair value through profit or loss (FVPL)

Assets that do not meet the criteria for amortised cost or fair value through other comprehensive income (FVOCI) are measured at FVPL. Interest income and gains/losses from financial assets at FVPL, are recognised under financial income.

Cash and cash equivalents

Cash and cash equivalents include cash, bank deposits and other liquid investments with maturities of three months or less. At the balance-sheet date, the Novedo Group had no overdraft facility, which would have been recognised on the balance sheet as borrowings under interest-bearing current liabilities.

Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the statement of comprehensive income over the borrowing period using the effective interest rate method.

Borrowings are derecognised from the statement of financial position when the obligations have been settled, annulled or otherwise expired. The difference between the carrying amount of a financial liability (or part of a financial liability) that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in the statement of comprehensive income.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

Financial liabilities, interest-bearing loans and credits measured at amortised cost

Loans and financial liabilities are initially measured at their respective fair values adjusted for directly attributable transaction costs. After initial recognition, these items are measured at their accrued amortised costs in accordance with the effective interest rate method.

Financial liabilities measured at FVPL – conditional purchase prices

The Group’s financial liabilities, which are measured at FVPL, comprise conditional purchase prices. The liability for a conditional purchase prices is discounted and the effect of discounting is expensed under financial expenses. Measurement is continuously at fair value and changes in value are recognised in profit or loss under financial items. However, if the change in value takes place before the acquisition analysis has been determined and is of a nature that the event derives from the acquisition date, measurement takes place via the balance sheet.

Accounts payable – trade

Accounts payable are recognised at amortised cost, which is assumed to correspond to fair value.

Inventory

Inventory is measured at the lower of cost and net realisable value. Cost includes all expenses that are directly related to purchases. Expenses for commonly replaceable articles are distributed according to the first-in, first-out principle. Net realisable value is the estimated selling price in the operating activities less any applicable costs to sell. If the estimated net realisable value is below cost, a provision is made for inventory obsolescence.

Provisions, contingent liabilities and contingent assets

Provisions for product warranties, legal processes, onerous contracts or other claims are recognised when the Group has a legal or constructive obligation as a result of an earlier event, and it is likely that an outflow of financial resources will be required to settle the obligation, and the amount can be reliably estimated. The time or amount for the outflow may still be uncertain.

Provisions are valued in the amount estimated to be required to settle the existing obligation, based on the most reliable information available on the balance-sheet date, including the risks and uncertainties related to the existing obligation. If there are a number of similar obligations, the probability is determined for an outflow in a collective assessment of the obligations. Provisions are discounted to their present value where the time value of money is significant.

Any indemnification that the Group is virtually certain of being able to receive from an external party for the obligation is recognised as a separate asset. However, this asset cannot exceed the amount for the attributable provision.

No liability is recognised if the outflow of financial resources as a result of existing obligations is unlikely. Such situations

are recognised as contingent liabilities insofar as the likelihood of an outflow of resources is very small.

Equity

- Equity consists of the following items:
- Share capital which represents the nominal value (quotient value) of issued and registered shares.
 - Other contributed capital comprised of premiums received in the new share issue and shareholders’ contributions from the owners. Any transaction costs associated with new share issues are deducted from contributed capital.
 - Profit/loss brought forward including profit for the year, i.e., all capitalised gains/losses for the current and previous periods and acquisitions of own shares.
 - Non-controlling interests, which show the share of equity attributable to non-controlling interests.
 - The foreign currency translation reserve encompasses all exchange differences that arise on the translation of financial statements from foreign operations with a currency other than SEK.

Earnings per share

The calculation of earnings per share before dilution is based on consolidated profit for the year attributable to Parent Company shareholders and the weighted average number of shares outstanding during the year. In calculating earnings per share after dilution, earnings and the average number of shares are adjusted to take into account the effects of potential ordinary shares.

Earnings per share before dilution

- Earnings per share before dilution are calculated by dividing:
- profit attributable to shareholders in the Parent Company, by the weighted average number of ordinary shares outstanding during the period, adjusted for bonus issue elements in ordinary shares issued during the year and excluding repurchased shares held as treasury shares by the Parent Company.

Earnings per share after dilution

- For the calculation of earnings per share after dilution, the amounts used for calculating earnings per share before dilution are adjusted by taking into account:
- the effect, after tax, of dividends and interest expenses on potential ordinary shares; and
 - the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

Leases

The Group acts as a lessee. The Group’s leases, where the Group is a lessee, essentially pertain to premises, vehicles and IT equipment.

Leases – Group as a lessee

- For all leases, except for the exceptions mentioned below, a right-of-use asset and a corresponding lease liability are recognised on the date on which the leased asset is available for use by the Group. Each lease payment is allocated between the repayment of the liability and financial expense. The financial expense is distributed across the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.
- The right-of-use asset is depreciated straight-line over the shorter of the asset’s useful life and the lease term. The leases extend for periods of 3–5 years, but options to extend or terminate the lease exist.
- Assets and liabilities arising from leases are initially recognised at the present value of future lease payments. Lease liabilities include the present value of the following lease payments:
- fixed payments;
 - variable lease payments that depend on an index or an interest rate;
 - residual value guarantees; and
 - purchase options (if it is reasonably certain said option will be exercised).

- The lease payments are discounted using the implicit interest rate, if that rate can be readily determined, or the Group’s incremental borrowing rate.
- Right-of-use assets are measured at cost comprising the following:
- the initial measurement of the lease liability;
 - payments made at or before the time when the leased asset is made available to the lessee;
 - any initial direct costs; and
 - an estimate of any expenses to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

The Group separates non-leasing components from lease payments

The Group applies the exemption in IFRS 16, which means that lease payments related to short-term leases and low-

value leases (assets with a value of USD 5,000 or less when new) are not recognised as a right-of-use asset together with a lease liability, but are instead recognised as an expense straight-line over the lease term. Short-term leases are leases with a lease term of 12 months or less. Low-value leases essentially comprise office equipment.

Extension and termination options

- Extension and termination options are included in a number of the Group’s leases for office premises. These terms are used to maximise operational flexibility in terms of managing contracts.
- The extension and termination options are included in the asset and the liability when it is reasonably certain that such options will be exercised.

Subsequent recognition

The lease liability is revalued if there are any changes in the lease or if there are changes in the cash flow on which the original lease terms are based. Changes in cash flows based on original contract terms arise when: the Group changes its initial assessment whether options for extension and/or termination will be used, when there are changes in previous assessments as to whether a purchase option will be utilised, or when lease payments will change due to changes in indices or interest rates. A revaluation of the lease liability leads to a corresponding adjustment of the right-of-use asset. If the carrying amount of the right-of-use asset has already been reduced to zero, the remaining revaluation is recognised in profit or loss. Right-of-use assets are assessed for impairment whenever events or changes in conditions indicate that the carrying amount of an asset cannot be recovered.

Presentation

- Right-of-use assets and lease liabilities are reported on a separate line in the balance sheet. In the income statement, depreciation on right-of-use assets is recognised in the line item depreciation and interest expenses on lease liabilities are recognised as financial expenses. Lease payments pertaining to low-value leases and short-term leases are recognised in profit or loss (line dependent on the type of leased asset). Repayment of the lease liabilities is recognised as cash flow from financing activities. Payments of interest and payments of short-term leases and low-value leases are recognised as cash flow from operating activities.
- The rental fee is revalued when changes in future lease payments arise through changes in the index or a changed

assessment of the agreement as a result of, for example, purchases, lease extensions or termination of leases. A corresponding adjustment is made to the right-of-use asset.

Cash flow statement

The cash flow statement is prepared using the indirect method. The recognised cash flow only includes transactions that have involved payment inflows or outflows.

Parent Company’s accounting policies

The differences between the consolidated and the Parent Company’s accounting policies are presented below. The Parent Company accounting policies presented below were consistently applied for all periods presented in the Parent Company’s financial statements.

Presentation

The income statement and balance sheet are presented in accordance with the format prescribed in the Swedish Annual Accounts Act. The statement of changes in equity is consistent with the format used for the consolidated statement of changes in equity, but must include the columns stated in the Swedish Annual Accounts Act. Moreover, there is a difference in terms, compared with the consolidated financial statements, mainly with regard to financial income and expense, and equity.

Participations in subsidiaries

Participations in subsidiaries are recognised in the Parent Company according to the cost method. This means that transaction costs are included in the carrying amount of the holding in the subsidiary. In the consolidated financial statements, transaction costs attributable to subsidiaries are recognised directly in profit or loss as they arise.

Financial instruments

Due to the connection between accounting and taxation, the rules concerning financial instruments and hedge accounting in IFRS 9 are not applied in the Parent Company as a legal entity. The Parent Company recognises financial assets at cost less any impairment and financial current assets according to the lower of cost or market value rule. The cost of interest-bearing instruments is adjusted for the accrual difference between what was originally paid, less transaction costs, and the amount paid on the due date (premium and discount respectively).

Note 2 Significant estimates and judgements

The preparation of financial statements pursuant to IFRS requires that management make certain estimates and judgements in applying the company’s accounting policies. These estimates and judgements can impact the reported amounts of assets, liabilities, revenue and costs. The actual amounts can deviate from these estimates and judgements. The estimates and underlying assumptions are analysed on an ongoing basis. Changes estimates and judgements are reported on a forward-looking basis.

Fair value measurement

Certain of the Group’s accounting policies and disclosures require measurement at fair value. This applies both to financial and to non-financial assets and liabilities. The Group has established methods for executing fair value measurements. If information from a third party, for example, a broker or other source of share prices, is available, this is used as the basis for assessing whether the valuation meets the criteria in the various applied standards. This includes the assessment undertaken in applying the valuation hierarchy stipulated in the reporting standards. With the fair value measurement of an asset or liability, the Group applies, on the first hand, the quoted prices in active markets for identical assets or liabilities. The Group applies the valuation model which categorises data according to a valuation hierarchy. This valuation hierarchy is based on the following levels. Level 1 – quoted prices for identical assets or liabilities in active markets. Level 2 – inputs other than quoted prices (according to Level 1) that are observable for the asset or liability. These can be either directly observable (for example prices) or indirectly observable (for example, deduced from price quotations). Level 3 – inputs for the valuation of assets or liabilities that are not based on observable market data.

If the inputs for the valuation of an asset or liability at fair value pertain to different levels in the valuation hierarchy, the entire valuation is categorised as belonging to one and the same level. The level to which the category refers is the lower of the levels applied in the valuation. At the end of each reporting period, the Group undertakes an assessment of whether there is sufficient data at a higher level.

Impairment of non-financial assets and goodwill

In order to assess any need for impairment, Group management calculates a recoverable amount for each asset or CGU

based on the expected future cash flow and applies an appropriate interest rate in discounting the cash flow. The assumptions regarding future operating profit are subject to uncertainty as is the determination of an appropriate discount rate. As of the closing date, December 31, 2024, goodwill totalled SEK 1,414,867 thousand. For more information on impairment testing, see Note 13.

Business combinations and fair value measurement

In calculating fair value, Group management applies valuation techniques for the specific assets and liabilities acquired in conjunction with a business combination. It is primarily the fair value of the conditional purchase prices that is dependent on the outcome of a number of different variables, including the acquired company’s future profitability. Group management applies valuation techniques in calculating the fair value of financial instruments (if there are no prices in active markets) and non-financial assets. This implies that estimates and judgements are undertaken as regards the manner in which market players would price a given instrument. Group management bases its assumptions, as far as possible, on observable data, but such data is not always available. In such cases, Group management applies the best available information. The estimated fair value can differ from the actual price which could have been achieved in a transaction on commercial terms as at the balance-sheet date. As of December 31, 2024, conditional purchase prices totalled SEK 595,837 thousand. See also Note 8.

Revenue from construction contracts

Recognised revenue and associated contract assets with the principal reflect the Group management’s best estimate of the outcome and percentage of completion for each contract. When it comes to more complex contracts, significant uncertainty exists in assessing the costs for completing the contract and as regards its profitability. The Group recognises revenue in the projects over time in pace with the percentage of completion, which is measured on the basis of costs incurred in relation to total expected costs at each given point in time. The Group has a well-established process for following up the risk of loss which can arise in the projects. As of December 31, 2024, receivables for construction contracts recognised in the balance sheet totalled SEK 241,451 thousand and contract liabilities totalled to SEK 3,647 thousand. For more information regarding construction contracts, see Note 20.

Carried-forward tax losses

Deferred tax assets are reported only for carried-forward tax losses where it is probable that such amounts can be used against future taxable surpluses and against taxable temporary differences. Each year, the Group investigates if it is appropriate to capitalise new deferred tax assets pertaining to the year’s, or previous years’, carried-forward tax losses.

Note 3 Financial risk management

Through its operations, the Group is exposed to a large number of different financial risks such as: various market risks (foreign currency risk and interest rate risk), credit risk, liquidity risk and refinancing risk. The Group strives to minimise any potentially disadvantageous effects on its financial results.

- The goal with the Group’s treasury activities is to:
- ensure that the Group can meet its payment obligations;
 - manage financial risks;
 - ensure access to the necessary financing; and
 - optimise the Group’s net financial items.

The Group’s risk management is handled by the Parent Company who identifies, evaluates and hedges financial risks in close collaboration with the Group’s operating units. The Group has a finance policy stipulating the guidelines and framework for the Group’s treasury activities. The responsibility for managing the Group’s financial transactions and risks is centralised in the Parent Company.

Market risk

Foreign currency risk

The Group is exposed to foreign currency risks which can be broken down as transaction exposure and translation exposure. Transaction exposure arises when a sales or purchase price is stated in foreign currency. Translation exposure arises when the subsidiaries’ balance sheets and income statements are translated from local currency to SEK. Comprehensive income includes such translation differences amounting to SEK 18.5 million (-12.7). The translation exposure is relatively limited since operations are mainly conducted in Swedish companies. The translation exposure is not hedged. Transaction exposure arises primarily from purchases in foreign currency and in the operations of foreign subsidiaries. Currency exposure arising from the operations of foreign subsidiaries is not hedged. Calculated on the assumption that the Swedish krona will strengthen or weaken

by 10 percent against DKK and EUR, profit before tax for DKK/SEK will be affected by +/- 1.8 MSEK, NOK / SEK by +/- 0.1 MSEK and for EUR/SEK by +/- 0.1 MSEK.

Interest rate risk

The Group evaluates, on a case-by-case basis, what is most advantageous – variable or fixed interest rates. At present, all liabilities to credit institutions are subject to a variable interest rate, while the bonds issued are subject to an interest rate of STIBOR +7.0 percent. Liabilities to credit institutions comprise borrowings in SEK at variable interest rates and expose the Group to interest rate risk as regards its cash flow. Liabilities to credit institutions amounted to SEK 180.0 million. The collateral for the Group’s liabilities to credit institutions comprises retention of title.

Sensitivity analysis of interest rate risk

If the interest rates on borrowings as of December 31, 2024 had been 100 basis points higher/lower, with all other variables being constant, the calculated pre-tax profit for the period would have been SEK 14.3 million lower/higher, mainly as an effect of the higher/lower interest expenses for borrowings with variable interest rates. Interest rate risk has been calculated based on the liabilities to credit institutions and bonds issued as of the balance-sheet date.

Credit risk

Credit risk arises from balances with banks and credit institutions, as well as from customer credit exposures, including receivables outstanding. Credit risk is handled by Group management. For banks and credit institutions, only independently rated parties with a minimum rating of “A” are accepted.

Credit risk is managed at Group level, with the exception of credit risk related to outstanding accounts receivable and project cost calculations. Each Group company is responsible for monitoring and analysing credit risk for each new customer. In cases where no independent credit assessment is available, a risk assessment of the customer’s creditworthiness is conducted, taking into account the customer’s financial position, as well as past experience and other factors. Individual risk limits are set based on internal or external credit assessments in accordance with the limits determined by the Board of Directors. The application of credit limits is monitored regularly.

No credit limits were exceeded during the reporting period and management does not expect any losses as a result of non-payment from these counterparties. Credit losses in the

Group’s companies have historically been insignificant and the payment history of customers has been good. Taking this into account, as well as considering forward-looking information on macroeconomic factors that may affect customers’ ability to pay their debts, the Group’s ECLs have also been assessed as insignificant.

Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Management monitors rolling forecasts of the Group’s liquidity reserve (including the undrawn borrowing facilities) and cash and cash equivalents on the basis of expected cash flows. These analyses are generally carried out in the operating companies, in accordance with practice and limits set by the Group management. To identify cash flows, liquidity/cash flow forecasts are prepared on a quarterly basis with forecasts for 12, 24 and 36 months ahead for the companies that the Group has acquired or signed acquisition agreements with.

The Group’s cash and cash equivalents as of December 31, 2024 amounted to SEK 479,090 thousand. As of the balance-sheet date, Novedo Holding AB (publ) has one bond issue of SEK 1,250 million with a coupon rate of 9.539 percent. Liquidity is followed up on an ongoing basis to identify any changes which could impact the above conditions.

The Group’s bond issue is subject to covenants pertaining to net interest-bearing debt (i.e., interest-bearing liabilities less cash and bank balances) divided by EBITDA not exceeding certain levels. Moreover, restrictions also pertain to how the bond proceeds can be used, a definition of so-called authorised acquisitions. This definition means that acquisitions must be within the Group’s three segments: Industry, Infrastructure, and Installation & Services. A further requirement is that the companies acquired have been profitable during the last 12 months (from a date not earlier than 3 months before the acquisition) and that the company was profitable during the most recent audited financial year. The bond issue is secured by pledging shares in subsidiaries representing at least 85 percent of consolidated EBITDA.

Refinancing risk

Refinancing risk is defined as the risk that it becomes difficult to refinance the Group, that financing cannot be obtained, or that it can only be obtained at an increased cost.

This risk is mitigated by the Group’s continuous evaluation of various financing solutions. Starting the refinancing process in a structured and timely manner reduces refinancing risk. In the case of refinancing amounts exceeding SEK 100 million, the refinancing process must be initiated not later than six months prior to the refinancing date.

The table below analyses the Group’s financial liabilities broken down by remaining tenor as of the balance-sheet date, up to and including, the contractual maturity date. The amounts stated in the table comprise contractual, undiscounted cash flows.

Measurement and disclosure of fair value

The various levels of financial instruments measured at fair are defined according to following:

(a) Financial instruments in Level 1

Quoted prices (unadjusted) in active markets for identical assets and liabilities.

(b) Financial instruments in Level 2

Other observable data for an asset or liability other than quoted prices included in Level 1, either directly (that is, as prices) or indirectly (that is, derived from prices).

(c) Financial instruments in Level 3

In the case one or more of the significant inputs is not based on observable market data, the instrument in question is classified in Level 3.

No transfers between the various fair value levels have occurred.

Interest-bearing liabilities

The carrying amount corresponds with the fair value of the Group’s borrowing when the loans are subject to variable interest rates and when the credit spread is not of such a nature that the carrying amount deviates significantly from the fair value.

Conditional purchase prices

The fair value of conditional purchase prices is based on the management’s assessment of the amount that will probably be paid given the terms and conditions of the share transfer agreement. Earnouts are measured in Level 3.

There were no financial assets measured at fair value on any of the dates presented in this Annual Report. Conditional purchase prices comprise financial liabilities which are measured at fair value as of the balance-sheet date.

Capital management

The Group’s goal regarding its capital structure is to safeguard the Group’s ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, and to maintain an optimal capital structure to keep the cost of capital as low as possible.

To maintain or adjust the capital structure, the Group may adjust the amount of dividends distributed to shareholders, return capital to shareholders, issue new shares or sell assets to reduce liabilities.

The Group has a strategy to maintain a balanced capital structure whereby the debt/equity ratio is followed up on an ongoing basis from the perspective of the Group’s requirements. Debt capital was comprised of:

SEK thousand	Dec 31, 2024	Dec 31, 2023
Total borrowings	1,575,979	1,443,922
Less: cash and cash equivalents	-479,353	-228,397
Net debt	1,096,626	1,215,525
Total equity	227,936	373,526
Debt/equity ratio, multiple	4.8	3.3

The increase in the debt/equity ratio during 2024 was primarily attributable to the financing of acquisitions.

As of December 31, 2024 SEK thousand	Less than 3 months	Between 3 months and 1 years	Between 1 and 2 years	Between 2 and 5 years	More than 5 years	Total contractual cash flows	Carrying amount
Financial liabilities							
Bonds issued	-	-	-	1,250,000	-	1,250,000	1,219,551
Liabilities to credit institutions	726	1,507	658	177,123	-	180,015	180,015
Conditional purchase prices	-	250,244	160,272	41,852	-	452,369	402,741
Other non-current liabilities	405	1,215	1,538	2,442	3,341	8,942	8,942
Lease liabilities	12,582	35,833	38,073	64,529	20,340	171,356	171,356
Accounts payable – trade	150,035	7,122	147	-	-	157,304	157,304
Accrued interest	2,022	751	-	-	-	2,773	2,773
Total	165,771	296,672	200,688	1,535,947	23,681	2,222,759	2,142,683

Note 4 Specification of net sales and income

Time of revenue recognition, SEK thousand	2024			
	Installation & Services	Infrastructure	Industry	Total
Services transferred over time	1,394,569	1,213,193	-	2,607,763
Goods transferred at a single point in time	-	78,478	340,634	419,112
Total	1,394,569	1,291,671	340,634	3,026,875
Time of revenue recognition, SEK thousand	2023			
	Installation & Services	Infrastructure	Industry	Total
Services transferred over time	1,382,021	951,510	-	2,333,532
Goods transferred at a single point in time	-	54,004	320,692	374,696
Total	1,382,021	1,005,515	320,692	2,708,228

Novedo controls and monitors the Group’s operations through three business segments: Industry, Infrastructure, and Installation & services. Net sales are reported as services transferred over time and goods transferred at a single point in time.

Net sales by geography, SEK thousand	2024			
	Installation & Services	Infrastructure	Industry	Total
Sweden	1,388,789	618,341	175,930	2,183,060
Other Nordics	5,771	670,459	101,324	777,554
Rest of the World	8	2,872	63,380	66,260
Total	1,394,569	1,291,671	340,634	3,026,875
Net sales by geography, SEK thousand	2023			
	Installation & Services	Infrastructure	Industry	Total
Sweden	1,362,463	619,045	187,579	2,169,087
Other Nordics	19,558	383,102	86,076	488,735
Rest of the World	-	3,367	47,037	50,405
Total	1,382,021	1,005,515	320,692	2,708,228

Novedo manages and monitors the Group’s operations through three business segments: Industry, Infrastructure, and Installation & Services. Net sales from the Swedish market amounted to 72.1 percent (80.1) for the full year 2024. The Group’s revenue from companies outside Sweden rose to 27.9 percent (19.9) for the same period, with the majority coming from the Danish operations.

Note 5 Other operating income

SEK thousand	Group	Group	Parent Company	Parent Company
	2024 Jan–Dec	2023 Jan–Dec	2024 Jan–Dec	2023 Jan–Dec
Rental income	778	588	-	-
Government grants	2,731	11,050	-	-
Capitalised borrowing costs	336	-	-	-
Gain on the disposal of tangible and intangible assets	9,292	6,212	-	-
Insurance benefits	7,287	-	-	-
Exchange-rate differences	1,462	1,325	-	2
Other items	4,127	48	21	-
Total income	26,012	19,223	21	2

Government grants pertain essentially to sick pay compensation received.

Note 6 Operating segment

The highest executive decision-maker is the function responsible for allocating resources and assessing the performance of operating segments. Within Novedo, the CEO has been identified as the highest executive decision-maker. The Group has three operating segments; Installation & Services, Infrastructure and Industry. The segment information adheres to the same accounting policies as those of the Group. Furthermore, Group-wide costs are reported under the category of Group items.

Installation & Services

The segment includes companies that provide installation, service, and maintenance for properties, primarily targeting property owners and public housing.

Infrastructure

The segment comprises specialist firms engaged in infrastructure projects, such as earthworks, along with the maintenance of road and power infrastructure, and construction in areas like fiber and water.

Industry

The segment is made up of industrial niche companies that deliver clear customer value in manufacturing or trade aimed at B2B markets, including subcontractors to product firms, distributors, and companies focused on product development.

2024, SEK thousand	Installation & Services	Infrastructure	Industry	Group items	Total
Operating segments					
Net sales	1,394,569	1,291,671	340,634	-	3,026,875
Other operating income	9,127	15,147	1,461	277	26,012
Total operating income	1,403,696	1,306,819	342,095	277	3,052,887
Operating expenses					
Raw materials, consumables and goods for resale	-640,865	-541,379	-175,961	-	-1,358,206
Other external expenses	-107,806	-161,970	-24,301	-13,174	-307,250
Employee benefit expenses	-476,081	-372,695	-91,798	-37,492	-978,067
Depreciation, amortisation and impairment of tangible and intangible assets	-3,337	-31,539	-4,658	-1,278	-40,811
Depreciation of right-of-use assets	-25,197	-23,213	-5,286	-3,775	-57,472
Other operating expenses	-1,046	-2,844	-1,625	-733	-6,248
Total operating expenses	-1,254,333	-1,133,640	-303,629	-56,452	-2,748,054
EBITA	149,364	173,178	38,466	-56,175	304,833
Amortisation brands and customer relationships	-29,318	-21,668	-6,956	-	-57,942
EBIT	120,046	151,510	31,509	-56,175	246,891

Segment assets

All non-current assets are physically located in Sweden, Estonia, Denmark, and Norway.

2023, SEK thousand	Installation & Services	Infrastructure	Industry	Group items	Total
Operating segments					
Net sales	1,382,021	1,005,515	320,692	-	2,708,228
Other operating income	8,543	8,352	2,301	27	19,223
Total operating income	1,390,564	1,013,867	322,992	27	2,727,451
Operating expenses					
Raw materials, consumables and goods for resale	-649,631	-433,929	-163,716	-	-1,247,277
Other external expenses	-102,582	-137,203	-27,725	-14,005	-281,514
Employee benefit expenses	-451,024	-290,497	-77,301	-35,935	-854,757
Depreciation, amortisation and impairment of tangible and intangible assets	-3,901	-17,032	-4,589	-583	-26,104
Depreciation of right-of-use assets	-16,155	-18,556	-4,569	-2,165	-41,444
Other operating expenses	-321	-1,201	-2,106	-449	-4,078
Total operating expenses	-1,223,614	-898,417	-280,006	-53,137	-2,455,174
EBITA	166,951	115,450	42,987	-53,110	272,277
Amortisation brands and customer relationships	-28,752	-18,452	-6,431	-	-53,635
EBIT	138,199	96,998	36,556	-53,110	218,642

Segment assets

All non-current assets are physically located in Sweden, Estonia, and Denmark.

Note 7 Business combinations

In 2024, Novedo completed the following acquisitions:

Company	Segment	Consolidated	Country	Proportion of shares and votes,%	Net sales, SEK million ¹⁾	No. of employees
OVKservice Syd AB	Installation & Services	February	Sweden	100	9.7	9
Persiennteamet i Stockholm AB	Installation & Services	April	Sweden	100	5.7	3
ST Entreprenør AS	Infrastructure	November	Norway	100	120.2	15

¹⁾ Refers to pro forma for the full year 2024.

Novedo has acquired three companies in 2024: OVKservice Syd AB, Persiennteamet i Stockholm AB, and ST Entreprenør AS. No acquisition is individually material to the Group, so information is reported by segment. The distribution of the purchase price is a complex process, requiring analyses to fully evaluate future profit-generating capabilities based on employees’ knowledge, access to new markets, synergies, and customer contracts. Final acquisition analyses for all acquisitions completed in 2024 have been prepared. These acquisition analyses reveal no significant deviations from previously reported surplus values.

The total purchase price for acquisitions in 2024 is SEK 156.0 million. Goodwill refers to surplus values from business combinations. Identified goodwill primarily relates to employees, expected future potential, and the profitability of the acquired business. Goodwill attributable to acquisitions completed in 2024 totals SEK 121.8 million. The Group’s goodwill is tested for impairment annually for each cash-generating unit.

Trademarks comprise acquired company trademarks and are depreciated over 10 years. Customer relationships arise from the written agreements that constitute the order backlog at the time of acquisition and are amortized over 5 to 10 years. Customer relationships and brands attributable to acquisitions in 2024 total SEK 12.8 million and SEK 2.4 million, respectively. Acquisition-related costs for 2024 are SEK 2.1 million.

The contingent purchase price is based on the operating profit of the acquired company over the next few years and shall exceed a level agreed upon by both parties. As of December 31, 2024, the undiscounted amount for all acquisitions made over the years that may accrue to the previous owners totals SEK 684.3 million, of which SEK 452.4 million is to be settled in cash. The remainder will, in accordance with the agreement with the previous owners, be set off against shares or convertible debentures within the existing framework of Novedo Holding AB (publ).

In 2023, Novedo completed the following acquisitions:

Company	Segment	Consolidated	Country	Proportion of shares and votes,%	Net sales, SEK million ¹⁾	No. of employees
Helsingborgs Byggplåt AB	Installation & Services	March	Sweden	100	103.3	40
Stantraek A/S	Industry	March	Denmark	100	170.0	71
Dundertech AB	Infrastructure	April	Sweden	100	25.6	2
Nørgaard Anlaeg Holding ApS	Infrastructure	December	Denmark	100	182.5	45

¹⁾ Refers to pro forma for the full year 2023.

Acquisition analyses completed acquisitions in 2024 by segment

2024, SEK thousand	Installation & Ser vices	Infrastructure	Industry	Total
Other fixed assets	126	10,161	-	10,287
Inventories	193	-	-	193
Other current assets, excluding cash and cash equivalents	1,673	32,175	-	33,847
Cash and cash equivalents	2,214	8,847	-	11,060
Deferred tax assets/liabilities	-246	-	-	-246
Liabilities to creditors	-	-	-	-
Other liabilities	-1,884	-31,023	-	-32,907
Acquired net assets	2,076	20,159	-	22,235
Customer contracts	1,550	11,329	-	12,878
Trademarks	385	2,038	-	2,422
Deferred tax liabilities	-398	-2,941	-	-2,941
Goodwill	14,731	107,037	-	121,768
Fair value of inventories	-	-	-	-
Purchase price	18,342	137,622	-	155,965
Less,cash and cash equivalents in acquired operations	-2,214	-8,847	-	-11,060
Less, unpaid purchase price	-5,270	-75,233	-	-80,503
Impact on the Group’s cash and cash equivalents	10,859	53,543	-	64,402

Impact of acquisitions after the date of acquisition on the Group’s profit 2024

SEK thousand	Installation & Services	Infrastructure	Industry	Total
Net sales	13,869	14,626	-	28,495
EBIT	3,492	3,445	-	6,937

Pro forma impact of the acquisitions from January 1, 2024

SEK thousand	Installation & Services	Infrastructure	Industry	Total
Net sales	15,418	120,155	-	135,573
EBIT	3,629	40,441	-	44,070

The value of the assets and liabilities involved in the acquisitions during the financial year 2023 has been finally determined.

2023, SEK thousand	Installation & Services	Infrastructure	Industry	Total
Other fixed assets	742	21,245	49,805	71,792
Inventories	725	8,981	30,969	40,674
Other current assets, excluding cash and cash equivalents	29,271	30,821	38,541	98,632
Cash and cash equivalents	3,988	13,732	9,447	27,166
Deferred tax assets/liabilities	-	-6,902	-	-6,902
Liabilities to creditors	-3,393	-3,251	-36,823	-43,467
Other liabilities	-18,047	-27,635	-38,704	-84,386
Acquired net assets	13,285	36,990	53,234	103,510
Customer contracts	8,468	18,115	13,726	40,309
Trademark	3,228	4,548	5,492	13,268
Deferred tax liabilities	-2,409	-5,706	-3,952	-12,067
Goodwill	76,184	67,091	80,243	223,518
Fair value of inventories	-	3,631	-	3,631
Purchase price	98,756	124,668	148,744	372,168
Less, cash and cash equivalents in acquired operations	-3,988	-13,732	-9,447	-27,166
Less, unpaid purchase price	-29,624	-29,033	-20,664	-79,321
Impact on the Group’s cash and cash equivalents	65,144	81,903	118,633	265,681

Note 8 Contingent purchase price

The contingent purchase price is based on the operating profit of the acquired company over the next few years and must exceed a level agreed upon by both parties according to the agreement. The contingent purchase price typically expires three years from the date of acquisition, provided that the conditions are met. During the period from January to December 2024, contingent purchase prices totaling SEK 80.6 million were paid in cash, with an additional SEK 34.6 million set off against convertible debentures. As of December 31, 2024, the undiscounted amount for all acquisitions made over the years that may accrue to the previous owners totaled SEK 684.3 million, of which SEK 452.4 million is to be settled in cash. The remaining balance will, in accordance with the agreement with the previous owners, be set off against shares or convertible debentures within the existing framework of Novedo Holding AB (publ). The fair value of the contingent purchase price is calculated based on the expected outcome of the targets set in the agreement, using a discount rate of 13.9 percent.

SEK thousand	2024	2023
As of January 1, 2024	479,628	295,947
Added through acquisition	39,568	60,476
Paid	-80,599	-20,000
Settled against convertible loans	-34,565	-
Revaluation contingent purchase prices	128,445	88,664
Change i present value of interest-bearing time factor	61,166	55,130
Currancy effect	2,194	-590
As of December 31, 2024	595,837	479,628
Of which will be settled in cash	402,741	479,628

Note 9 Employees, personnel costs and remuneration to senior executives

SEK thousand	Group		Parent Company	
	2024	2023	2024	2023
Salaries and benefits	738,607	632,974	11,528	12,988
Pension costs- defined-contribution plans	32,960	27,875	1,509	790
Statutory and contractual social security contributions	179,787	167,487	4,091	4,349
Total	951,353	828,336	17,128	18,127
Salaries and other benefits				
Board members, CEO and other senior executives	11,528	12,988	11,528	12,988
Other employees	727,078	619,986	-	-
Total	738,607	632,974	11,528	12,988
Social security contributions (of which pension costs)				
Board members, CEO and other senior executives	5,600	5,139	5,600	5,139
(Of which pension costs)	(1,509)	(790)	(1,509)	(790)
Other employees	207,147	190,223	-	-
(Of which pension costs)	(31,451)	(27,875)	(-)	(-)
Total	212,747	195,362	5,600	5,139

Average number of employees by geography

	Group			
	2024	2024	2023	2023
Average number of employees by country	Of which, men		Of which, men	
Sweden	865	793	877	803
Estonia	51	10	56	11
Denmark	339	306	309	280
Germany	1	1	1	1
Norway	15	15	-	-
Total, Group	1,271	1,124	1,242	1,094

Gender distribution in the Group as regards Board members and senior executives

	Group	
	2024	2023
Number of balance-sheet date (of which men)		
Board members	6 (4)	6 (4)
CEO and other senior executives	3 (3)	3 (3)

Defined contribution pension

The Group has only defined contribution pension plans. Pension cost refers to the expense that affected the profit for the year. The occupational pension premium is based on arrangements according to the ITP level, and the provision is 4.5–30 percent of the pensionable salary.

Termination of employment

The notice period for the CEO from the company's side is twelve months, while for the CEO it is six months. A mutual notice period of six months applies between the company and its other senior executives. At the 2023 AGM, the resolution on Guidelines for remuneration to senior executives was passed, which can be read in full at www.novedo.se.

Remuneration to senior executives

2024, SEK thousand	Basic salary/ Board fee	Variable remuneration	Other benefits	Pension costs	Other remuneration	Total
Mikael Ericson, Chairman	362	-	-	-	-	362
Jan Johansson, Chairman	113	-	-	-	-	113
Mouna Esmaeilzadeh, Board member	213	-	-	-	-	213
Saeid Esmaeilzadeh, Board member	213	-	-	-	-	213
Christer Hellström, Board member	275	-	-	-	-	275
Erik Rune, Board member	231	-	-	-	-	231
Mona Ö. Johansson, Board member	213	-	-	-	-	213
Per-Johan Dahlgren, President & CEO	3,294	2,746	190	727	-	6,957
Other senior executives (2)	2,944	1,408	144	602	-	5,098
Total	7,858	4,154	334	1,329	-	13,675

Amounts for basic salary/board fees are exclusive of social security contributions.

2023, SEK thousand	Basic salary/ Board fee	Variable remuneration	Other benefits	Pension costs	Other remuneration	Total
Jan Johansson, Chairman	250	-	-	-	-	250
Mouna Esmaeilzadeh, Board member	150	-	-	-	-	150
Saeid Esmaeilzadeh, Board member	150	-	-	-	-	150
Christer Hellström, Board member	175	-	-	-	-	175
Fredrik Lidjan, Board member	113	-	-	-	-	113
Erik Rune, Board member	150	-	-	-	-	150
Mona Ö. Johansson, Board member	150	-	-	-	-	150
Per-Johan Dahlgren, President & CEO	2,774	1,248	156	359	-	4,537
Other senior executives (2)	3,721	643	259	381	1,447	6,451
Total	7,632	1,893	415	740	1,447	12,125

Mikael Ericson took over the position of Chairman from Jan Johansson at the AGM on May 16, 2024. At the EGM on January 15, 2025, Martin Almgren, Fredrik Holmström, and Lars Kvarnsund were elected as new members of the Board of Directors until the AGM in May 2025. Mouna and Saeid Esmaeilzadeh, Christer Hellström, and Erik Rune left the Board of Directors in connection with the EGM on January 15, 2025. The amount for the base salary and board fees excludes social security contributions.

Note 10 Fees and remuneration to auditors

	Group	Group	Parent Company	Parent Company
SEK thousand	2024	2023	2024	2023
Öhrlings PricewaterhouseCoopers AB				
Audit engagement	5,570	7,788	750	80
Audit services in addition to the audit engagement	104	84	-	-
Tax advisory services	-	-	-	-
Other services	529	97	511	35
Total	6,203	7,969	1,261	115
Other auditing firms				
Audit engagement	928	573	-	-
Tax advisory services	48	532	-	-
Other services	258	229	-	-
Total	1,233	1,333	-	-

The audit engagement pertains to the statutory audit of the annual accounts and consolidated accounts, of the bookkeeping and of the administration of the Board, as well as the audit and other examinations executed as agreed upon, or in accordance with written agreements. Other services are such which are not included in an audit engagement and which also do not comprise tax advisory services.

Note 11 Financial items

	Group	Group	Parent Company	Parent Company
SEK thousand	2024	2023	2024	2023
Dividends	-	-		208,435
Exchange-rate differences	-	5,058	-	-70
Financial income	5,403	4,744	20,219	5,707
Total financial income	5,403	10,736	20,219	214,071
Interest expenses, bonds issued	-155,528	-147,448	-155,528	-147,448
Interest expenses, RCF-loan	-7,976	-	-7,976	-
Interest expenses, convertible loan	-19,051	-	-19,051	-
Interest expenses, lease liabilities	-7,614	-4,026	-	-
Change in present value of conditional purchase prices following acquisitions	-61,166	-55,131	-	-
Remeasurement and discount of conditional purchase prices	-128,711	-88,664	-	-
Interest expenses, principal shareholder	-11,284	-11,995	-11,284	-11,995
Other interest-related and financial expenses	-3,998	-2,566	-71	-1,250
Total financial expenses	-395,327	-309,830	-193,909	-160,693
Financial items – net	-389,924	-299,094	-173,690	53,378

Note 12 Tax on profit for the year

	Group	Group	Parent Company	Parent Company
SEK thousand	2024	2023	2024	2023
Current tax				
Current tax on profit for the year	-54,507	-56,695	-15,159	-
Adjustments, previous years	-2,254	579	-	2,198
Total current tax	-56,761	-56,115	-15,159	2,198
Deferred tax				
Origination and reversal of temporary differences	12,230	1,802	-	-
Tax losses carried forward	-	37,354	-	37,354
Total deferred tax	12,230	39,156	-	37,354
Total income tax	-44,531	-16,960	-15,159	39,552
The income tax on the Group's pre-tax profit differs from the theoretical amount that would arise using the Swedish tax rate applicable to profits of the consolidated entities as follows:				
Pre-tax profit/loss	-143,033	-80,452	-44,311	34,217
Tax according to the current tax rate 20.6%	29,465	16,573	9,128	-7,049
Differences attributable to overseas tax rates	-577	-841	-	-
Tax adjustments previous years	-1,849	-	-	-
Tax effect of non-deductible costs, interest expense deduction limitations	-27,981	-30,414	-27,861	-
Tax effect of other non-deductible costs	-59,063	-8,679	-30	-155
Tax effect of non-taxable income	15,829	4,655	-	45,139
Tax effect of standard income tax on tax allocation reserves	-642	-299	-	-
Losses for the year for which deferred tax assets have not been capitalized	-2,867	-	-	-
Utilised non-capitalised deficits	3,603	2,045	3,603	1,617
Other	-420	-	-	-
Total reported tax expense	-44,531	-16,960	-15,159	39,552

Not 13 Intangible assets

Dec 31, 2024	Group				
	Goodwill	Customer relationships	Trademark	Retained expenses	Total
Opening accumulated acquisition cost	1,281,401	260,928	74,152	-	1,616,481
Business combinations	129,783	12,878	2,422	-	145,084
Investments	-	-	-	777	777
Divestments	-4,858	-1,427	-543	-	-6,827
Exchange rate differences	8,542	2,144	575	-	11,261
Closing accumulated acquisition cost	1,414,867	247,524	76,606	777	1,766,775
Opening accumulated amortisation	-	-78,130	-12,776	-	-90,906
Amortisation for the year	-	-50,407	-7,522	-13	-57,942
Divestments	-	476	91	-	566
Exchange rate differences	-	-429	-56	-	-485
Closing accumulated amortisation	-	-128,491	-20,264	-13	-148,768
Carrying amount	1,414,867	146,034	56,342	764	1,618,008

Dec 31, 2023	Group				
	Goodwill	Customer relationships	Trademark	Retained expenses	Total
Opening accumulated acquisition cost	1,053,853	220,965	61,080	-	1,335,898
Business combinations	229,496	40,956	13,234	-	283,686
Exchange rate differences	-1,948	-993	-163	-	-3,103
Closing accumulated acquisition cost	1,281,401	260,928	74,152	-	1,616,481
Opening accumulated acquisition cost	-	-31,902	-5,814	-	-37,717
Amortisation for the year	-	-46,627	-7,008	-	-53,635
Exchange rate differences	-	399	47	-	446
Closing accumulated amortisation	-	-78,130	-12,776	-	-90,906
Carrying amount	1,281,401	182,798	61,375	-	1,525,575

Goodwill refers to surplus values from business combinations. Identified goodwill primarily relates to the employees, expected future potential, and the high profitability of the acquired business. The Group's reported goodwill amounts to SEK 1,414.9 million (1,281.4). Goodwill is distributed as follows: Installation & Services segment SEK 869.8 million, Infrastructure SEK 382.7 million, and Industry SEK 162.4 million.

Impairment testing is conducted based on the cash-generating units, which are equivalent to the Group's reported segments. The impairment test involves assessing whether the unit's recoverable value exceeds its carrying amount. The recoverable value has been calculated based on the unit's value in use, defined as the present value of the unit's expected future cash flows, excluding any future business expansion and restructuring.

The annual growth volume for the first year has been assessed based on the companies' forecasts and an approximate annual growth rate of 3 percent for the following year. These calculations rely on estimated future cash flows before tax, guided by financial projections covering a five-year period. The operating margins have been derived from historical operating margins. The weighted average growth rate used for extrapolating cash flows beyond the forecast period is estimated at 2 percent.

A discount rate of 12.4 percent after tax is applied to calculate the value in use. The main assumptions revolve around a risk-free interest rate of 2.0 percent, a share market premium of 6.5 percent, a share premium of 1.63 percent, and an estimated loan margin of 2.4 percent. In our sensitivity analysis of goodwill, we evaluated the effects of changes in growth assumptions and discount rates. The analysis indicated that an increase in the discount rate of more than 1 percentage point could impact the goodwill value; however, there is no need for impairment within this limit. Trademarks consist of acquired company trademarks and are depreciated over 10 years.

Customer relationships stem from the written agreements that constitute the order backlog at the point of acquisition and are amortised over 5 to 10 years.

Note 14 Tangible assets

Dec 31, 2024, SEK thousand	Group			
	Machinery	Equipment	Buildings and leasehold improvements	Total
Opening cost	218,815	124,741	61,778	405,334
Business combinations	8,888	3,909	-	12,797
Year's acquisitions	12,707	9,699	2,085	24,490
Sales and disposals	-12,539	-9,453	-	-21,992
Reclassifications	6,043	61	1,881	7,985
Divestments of subsidiaries	-	-	-	-
Exchange-rate differences	4,574	2,369	2,014	8,957
Closing cost	238,487	131,326	67,758	437,571
Opening accumulated depreciation	-135,122	-88,593	-19,509	-243,224
Business combinations	-2,027	-892	-	-2,919
Depreciation for the year	-20,188	-12,794	-876	-33,859
Impairment	-6,952	-	-	-6,952
Sales and disposals	11,139	7,873	-	19,012
Reclassifications	-1,709	-2,330	-2,331	-6,369
Divestments of subsidiaries	-	-	-	-
Exchange-rate differences	-3,122	-1,905	-618	-5,644
Closing accumulated depreciation	-157,981	-98,641	-23,334	-279,956
Carrying amount	80,506	32,685	44,425	157,616

There are no contracted investments in property, plant and equipment at the end of the reporting period that have not yet been recognized in the financial statements.

Dec 31, 2023, SEK thousand	Group			
	Machinery	Equipment	Buildings and leasehold improvements	Total
Opening cost	176,210	40,326	19,221	235,757
Business combinations	36,330	70,945	41,338	148,613
Year's acquisitions	26,742	15,478	1,654	43,874
Sales and disposals	-11,881	-1,888	-	-13,769
Reclassifications	-5,617	-100	315	-5,402
Divestments of subsidiaries	-	-	-	-
Exchange-rate differences	-2,969	-20	-750	-3,738
Closing cost	218,815	124,741	61,778	405,334
Opening accumulated depreciation	-97,048	-27,318	-1,449	-125,816
Business combinations	-32,070	-56,412	-17,058	-105,540
Depreciation for the year	-18,282	-6,604	-1,243	-26,129
Impairment	-	-	-	-
Sales and disposals	8,221	1,616	-	9,837
Reclassifications	1,951	-	-77	1,874
Divestments of subsidiaries	-	-	-	-
Exchange-rate differences	2,106	125	318	2,548
Closing accumulated depreciation	-135,122	-88,593	-19,509	-243,225
Carrying amount	83,693	36,148	42,269	162,110

There are no contracted investments in property, plant and equipment at the end of the reporting period that have not yet been recognized in the financial statements.

Note 15 Righ-of-use assets

The balance sheet shows the following amounts relating to leases:

SEK thousand	2024 Dec 31	2023 Dec 31
Right-of-use assets:		
Premises	65,218	35,266
Vehicles	26,337	21,170
Other	100,909	64,098
Total	192,464	120,534
Lease liabilities:		
Non-current	-118,361	-79,602
Current	-52,996	-22,404
Total	-171,356	-102,006

The income statement recognizes the following amounts related to leases:

Depreciation of right-of-use assets:		
Premises	21,875	13,516
Vehicles	18,278	13,418
Other	17,320	14,510
Total	57,472	41,444
Interest expense (included in financial expenses)		
Expense relating to short-term leases	23,450	18,810
Expense relating to leases of low-value assets	7,339	7,111

There were no contracted investments in right-of-use assets at the end of the reporting period that had not yet been recognized in the financial statements. The total cash flow from leases was -63,359 (-40,995) KSEK. For information on the maturity of the lease liability, see Note 3. The most important agreements are lease agreements for premises. The leasing agreements for premises are calculated, with a couple of exceptions, to be extended for three years.

The Group leases cars, and these agreements include options for extension and termination. In general, the Group does not consider itself reasonably certain of exercising any extension or termination option regarding car leasing, as it normally returns the car at the end of the agreement. Therefore, the end date has been set to the initial end date of the contract.

Note 16 Financial assets and liabilities

Financial assets and liabilities as of December 31, 2024, for the Group.

Dec 31, 2024, SEK thousand	Group			Total
	Financial assets and liabilities measured at fair value via other comprehensive income	Financial assets and liabilities measured at amortised cost	Financial assets and liabilities measured at fair value via the income statement	
Assets reported in the balance sheet				
Cash and cash equivalents	-	479,090	-	479,090
Other non-current securities holdings	-	-	3,769	3,769
Other non-current receivables	-	3,507	-	3,507
Accounts receivable – trade	-	507,495	-	507,495
Total	-	990,092	3,769	993,861
Liabilities reported in the balance sheet				
Bonds issued	-	1,219,551	-	1,219,551
Liabilities to credit institutions (non-current and current)	-	180,015	-	180,015
Other non-current liabilities	-	180	-	180
Conditional purchase prices	-	-	595,837	595,837
Convertible loan	-	384,058	-	384,058
Other acquisition-related expenses	-	-	-	-
Debt to principal shareholder	-	-	-	-
Lease liabilities	-	171,356	-	171,356
Bank overdraft facilities	-	5,057	-	5,057
Accounts payable – trade	-	157,304	-	157,304
Accrued interest	-	19,181	-	19,181
Total	-	2,136,702	595,837	2,732,539

Contingent purchase prices measured at fair value on the balance sheet are classified as level 3 according to the fair value hierarchy. For further information on valuation techniques and changes in fair value, see Note 7 and Note 8. Other long-term securities holdings are classified as level 2 according to the fair value hierarchy based on observable data for the assets or liabilities other than quoted prices included in level 1, either directly (i.e., as price quotes) or indirectly (i.e., derived from price quotes).

Financial assets and liabilities as of December 31, 2023, for the Group.

Dec 31, 2023, SEK thousand	Group			Total
	Financial assets and liabilities measured at fair value via other comprehensive income	Financial assets and liabilities measured at amortised cost	Financial assets and liabilities measured at fair value via the income statement	
Assets reported in the balance sheet				
Cash and cash equivalents	-	226,875	-	226,875
Other non-current securities holdings	-	-	3,891	3,891
Other non-current receivables	-	2,923	-	2,923
Accounts receivable – trade	-	492,823	-	492,823
Total	-	722,621	3,891	726,512
Liabilities reported in the balance sheet				
Bonds issued	-	1,232,699	-	1,232,699
Liabilities to credit institutions (non-current and current)	-	5,049	-	5,049
Other non-current liabilities	-	111	-	111
Conditional purchase prices	-	-	479,628	479,628
Convertible loan	-	-	-	-
Other acquisition-related expenses	-	37,200	-	37,200
Debt to principal shareholder	-	104,167	-	104,167
Lease liabilities	-	102,006	-	102,006
Bank overdraft facilities	-	-	-	-
Accounts payable – trade	-	191,516	-	191,516
Accrued interest	-	21,537	-	21,537
Total	-	1,694,286	479,628	2,173,914

The Group’s operations are exposed to various types of financial risks that may affect profit for the year and equity. This is primarily due to changes in interest rates, but also involves financing, liquidity, and counterparty risks; see Note 3.

Note 17 Other non-current securities holdings

Group, SEK thousand	2024 Dec 31	2023 Dec 31
Opening accumulated acquisition value	3,891	4,318
Additional holdings	320	604
Divesting holdings	-443	-1,031
Closing accumulated acquisition value	3,769	3,891
Carrying amount	3,769	3,891

Note 18 Other non-current receivables

Group, SEK thousand	2024 Dec 31	2023 Dec 31
Opening accumulated acquisition value	2,923	774
Acquisition of subsidiaries	409	-172
Additional holdings	235	2,331
Divesting holdings	-79	-7
Exchange-rate differences	19	-3
Closing accumulated acquisition value	3,507	2,923
Carrying amount	3,507	2,923

Note 19 Accounts receivable – trade

Age distribution of receivables and expected credit losses due to impaired receivables.

Group, SEK thousand	Dec 31, 2024	Dec 31, 2023
Accounts receivables – trade, gross	522,296	499,093
Provision for customer losses	-14,801	-6,270
Accounts receivables – trade	507,495	492,823

Group	Dec 31, 2024	Dec 31, 2023
Accounts receivables – trade, current	417,467	384,460
Accounts receivables – trade, past due 0–3 months	83,480	97,209
Accounts receivables – trade, past due 4–6 months	2,100	6,738
Accounts receivable – trade, past due >6 months	19,250	10,685
Expected credit losses	-14,801	-6,270
Total	507,495	492,823

Changes in the loss reserve for impaired receivables for the Group are as follows:

Group, SEK thousand	Dec 31, 2024	Dec 31, 2023
As of January 1	6,270	3,358
Impaired accounts receivable acquired	1,183	-
Provision for impaired receivables	15,207	4,511
Receivables written off during the year as non-collectible	-2,095	-1,461
Reversal of unused amounts	-5,757	-137
Exchange-rate differences	-8	-1
As of December 31	14,801	6,270

Carrying amount per currency, SEK thousand	Dec 31, 2024	Dec 31, 2023
SEK	287,224	276,364
DKK	124,153	114,999
EUR	2,345	2,052
NOK	13,499	-
USD	365	1,745

Note 20 Contract assets and contract liabilities

Group, SEK thousand	Dec 31, 2024	Dec 31, 2023
Contract assets – receivables from principals	241,451	172,702
Contractual debts – debts to principals	-132,413	-103,534
Net balance sheet	109,038	69,168

Contract assets primarily relate to the Group’s right to compensation for work performed but not invoiced by the balance sheet date. The contract assets are transferred to accounts receivable when the right to invoice exists. The increase in contract assets compared to the previous year mainly consists of new acquisitions.

Contractual liabilities primarily pertain to advances received from customers for future assignments, for which revenue is recognized over time.

Of the performance commitments that have not been fulfilled by the end of the year, the majority of revenues are expected to be realized in the coming year. It is assessed that the portion which may not be fulfilled within one year is not material.

Note 21 Prepayments and accrued income

SEK thousand	Group		Parent Company	
	Dec 31, 2024	Dec 31, 2023	Dec 31, 2024	Dec 31, 2023
Prepaid IPO costs	5,665	19,871	5,665	19,871
Prepaid insurance premiums	4,035	2,723	-	44
Prepaid income	2,290	12,438	-	3,714
Accrued supplier bonus	6,704	-	-	-
Other items	14,456	15,626	305	2,240
Total	33,150	50,658	5,917	25,867

Note 22 Cash and cash equivalents

The following subcomponents are included in cash and cash equivalents:

SEK thousand	Group		Parent Company	
	Dec 31, 2024	Dec 31, 2023	Dec 31, 2024	Dec 31, 2023
Bank balance	479,090	226,875	166,409	21,938
Total	479,090	226,875	166,409	21,938

Note 23 Equity – Share capital

SEK thousand	Number of shares	Share capital	Quota value, SEK
As per January 1, 2024	15,480,000	552	0.04
As per December 31, 2024	15,480,000	552	0.04

Novedo Holding AB (publ) has one class of shares. As of December 31, 2024, the share capital amounted to SEK 551,970 divided into 15,480,000 shares, which gives a quota value of approximately SEK 0.04.

In addition, as of December 31, 2024, Novedo has issued four-year secured convertible bonds totaling SEK 466,250,206 within a framework of SEK 1,000 million, leading to an increase in the share capital upon full conversion of the convertible bonds by a maximum of SEK 124,281 (calculated on a quota value of approximately SEK 0.04 and based on the subscription of the entire convertible loan and an initial conversion price of SEK 133.77 per share – i.e. before any recalculation according to the convertible terms and conditions), resulting in approximately SEK 3,485,462 new shares.

Owners of companies acquired by Novedo have opted to become shareholders in Novedo through preference shares in the subsidiary Novedo AB, which is a wholly-owned subsidiary of Novedo Holding AB (publ) where Novedo Holding AB owns all ordinary shares. There are 16,554 preference shares in Novedo AB. Holders of these preference shares have the right to convert them into ordinary shares in Novedo Holding AB (publ) prior to an “Exit.” If all current preference shares are converted to ordinary shares, they would correspond to a total of 7.7 percent (9.9) of all ordinary shares as of December 31, 2024, provided that performance meets the shareholders’ agreements. Minority shares are reported based on the number of ordinary shares expected to be issued in the event of an exit due to the preference shares. At the time of submitting the annual report, the repurchase value has not been determined, and it is reported as a holding without controlling influence.

Note 24 Provisions

All provisions in the table below pertain to a pension solution in the form of endowment insurance.

SEK thousand	Group
As of January 1, 2023	5,645
Additional provisions	-613
Carrying amount December 31, 2023	5,033
Disposal of provisions	-77
Carrying amount December 31, 2024	4,955

Provisions recognized as of the acquisition date in a business combination are included in “Additional provisions” above. Other provisions, totaling SEK 3,807 thousand, relate to guarantee provisions attributable to construction agreements with customers.

Note 25 Deferred tax

Deferred tax assets and liabilities are related to:

SEK thousand	December 31, 2024		December 31, 2023	
	Deferred tax assets	Deferred tax liabilities	Deferred tax assets	Deferred tax liabilities
Intangible assets	-	-42,121	-	-50,741
Tangible assets	-	-5,023	-	-1,293
Inventories	-	-	-	-543
Right-of-use assets/ lease liabilities	-	677	-	379
Untaxed reserves	-	-26,158	-	-28,413
Unutilised carried-forward tax losses	37,354	-	37,354	-15
Project provisions	-	-16,960	-	-13,727
Provisions for warranties	-	3,852	-	524
Total	37,354	-85,734	37,354	-93,830
Tax assets/ liabilities net		-48,380		-56,476

Change during the year, SEK thousand	Jan 1, 2024	Recognised in profit/ loss	Added through acquisition/ divestment	Exchange-rate difference	Dec 31, 2024
Intangible assets	-50,741	12,161	-2,788	-753	-42,121
Tangible assets	-1,293	-3,760	-	-107	-5,160
Inventories	-543	472	-	71	-
Right-of-use assets/ lease liabilities	379	298	-	-	677
Untaxed reserves	-28,413	2,502	-246	-	-26,158
Unutilised carried-forward tax losses	37,339	15	-	-	37,354
Project provisions	-13,727	-2,767	-	-	-16,819
Provisions for warranties	524	3,310	-	-324	3,846
Total	-56,476	12,230	-3,034	-1,100	-43,380

Change during the year, SEK thousand	Jan 1, 2023	Recognised in profit/ loss	Added through acquisition/ divestment	Exchange-rate difference	Dec 31, 2023
Intangible assets	-50,331	10,720	-11,376	247	-50,741
Tangible assets	-2,525	1,264	-32	-	-1,293
Inventories	-1,240	1,544	-748	-99	-543
Right-of-use assets/ lease liabilities	189	190	-	-	379
Untaxed reserves	-14,728	-13,135	-550	-	-28,413
Unutilised carried-forward tax losses	-	37,354	-15	-	37,339
Project provisions	-8,813	1,473	-6,388	-	-13,727
Provisions for warranties	826	-300	-2	-	524
Total	-76,622	39,109	-19,111	148	-56,476

Note 26 Borrowings

SEK thousand	Group		Parent Company	
	Dec 31, 2024	Dec 31, 2023	Dec 31, 2024	Dec 31, 2023
Opening carrying amount	1,237,748	947,056	1,232,699	938,001
Acquired borrowings	-	3,461	-	-
Borrowing for the year	1,512,712	276,636	1,512,434	276,624
Accrual of borrowing costs	27,988	18,074	27,988	18,074
Amortisation for the year	-941,092	-7,484	-938,750	-
Capitalised borrowing costs	-53,832	-	-53,832	-
Exchange-rate differences	46	5	-	-
Closing carrying amount	1,783,623	1,237,748	1,780,539	1,232,699

Borrowings Dec 31, 2024, SEK thousand	Interest rate, %	Year of maturity	Nominal value	Carrying amount
Bonds issued	STIBOR 3M +7,0	2027	1,250,000	1,219,551
Convertible loan	12,0	2028	466,250	384,058
Liabilities to credit institution (RCF)	STIBOR 3M +4,95	2027	175,000	176,930
Liabilities to credit institutions	0,8-4,0	2025-26	3,084	3,084
Closing carrying amount			1,856,084	1,783,623

Borrowings Dec 31, 2023, SEK thousand	Interest rate, %	Year of maturity	Nominal value	Carrying amount
Bonds issued	STIBOR+6,5	2024	1,250,000	1,232,699
Liabilities to credit institutions	0,8-4	2023-2026	5,049	5049
Closing carrying amount			1,255,049	1,237,748

In 2024, Novedo subscribed to a revolving credit facility of SEK 175.0 million, issued three-year senior secured bonds 2024/2027 totaling SEK 1,250 million within a framework of SEK 2,000 million (ISIN: SE0022240529), and issued SEK 466.3 million in four-year secured convertible bonds 2024/2028 (ISIN: N00013324731). The convertible bonds were listed on Börse Frankfurt (Open Market) in September 2024, and the bond loan 2024/2027 was listed on Nasdaq Stockholm’s corporate bond list on October 30, 2024. The bond loan 2021/2024 maturing in November 2024 was redeemed on October 4, 2024 (ISIN:SE0017070980).

Note 27 Current liabilities

SEK thousand	Group		Parent Company	
	Dec 31, 2024	Dec 31, 2023	Dec 31, 2024	Dec 31, 2023
VAT	48,943	25,678	-	-
Employee-related items	28,705	29,007	863	673
Other current liabilities	6,780	12,060	-	1
Total	78,427	66,836	863	674

Note 28 Accrued expenses and deferred income

SEK thousand	Group		Parent Company	
	Dec 31, 2024	Dec 31, 2023	Dec 31, 2024	Dec 31, 2023
Employee-related items	120,398	118,149	6,164	7,303
Accrued interest	19,809	21,357	19,058	21,684
Other	25,332	14,156	2,042	300
Total	165,538	153,663	27,264	29,287

Note 29 Adjustments for non-cash items

SEK thousand	Group		Parent Company	
	2024	2023	2024	2023
Depreciation, equipment	40,811	26,094	-	-
Amortisation, intangible assets	57,942	53,645	-	-
Depreciation, right-of-use assets	57,472	41,444	-	-
Exchange-rate differences	231	3,426	-	-
Other non-cash items	3,437	-4,199	-1	1
Total	159,894	120,409	-1	1

Note 30 Changes in liabilities pertaining to financing activities

SEK thousand	Jan 1, 2024	Cash inflow	Cash outflow	Non-cash items				Dec 31, 2024
				New leases	Acquisition	Revaluation	Other	
Bonds issued	1,232,699	911,227	-938,750	-	-	-	14,377	1,219,551
Liabilities to credit institutions	5,049	170,082	-2,342	-	-	-	7,227	180,015
Liabilities to principal shareholder	104,167	-	-	-	-	-104,167	-	-
Convertible loan	-	244,775	-	-	-	132,850	6,433	384,058
Other non-current liabilities	111	-	-	-	-	-	69	180
Conditional purchase prices	479,628	-	-80,599	-	39,568	155,046	2,194	595,837
Acquisition-related liabilities	37,200	-	-37,200	-	-	-	-	-
Overdraft facilities	-	5,057	-	-	-	-	-	5,057
Lease liabilities	102,006	-	-54,005	122,202	-	-	1,154	171,356
Total	1,960,858	1,331,140	-1,112,896	122,202	39,568	183,729	31,454	2,556,054

SEK thousand	Jan 1, 2023	Cash inflow	Cash outflow	Non-cash items				Dec 31, 2023
				New leases	Acquisition	Revaluation	Other	
Bonds issued	938,001	276,624	-	-	-	-	18,074	1,232,699
Liabilities to credit institutions	9,055	115	-7,484	-	3,393	-36	5	5,049
Liabilities to principal shareholder	30,000	115,000	-45,000	-	-	-	4,167	104,167
Other non-current liabilities	137	-	-7,576	-	7,479	36	35	111
Conditional purchase prices	295,948	-	-20,000	-	60,476	143,794	-591	479,628
Acquisition-related liabilities	51,811	-	-14,611	-	-	-	-	37,200
Lease liabilities	74,062	-	-31,117	22,939	36,192	-	-70	102,006
Total	1,399,014	391,740	-125,788	22,939	107,540	143,794	21,620	1,960,858

Note 31 Parent Company purchases from, and sales to, Group companies

Sales to group companies amounted to 100 percent (100) in 2024. No purchases from group companies were made in 2024 or 2023.

Note 32 Investments in subsidiaries

Name of company	Segment	Consoli- dated	Country of registration and operation	Corp. ID. No.	Proportion of ordinary shares/votes owned by the Group, %
Novedo AB	-	-	Sweden	559264-9841	100
Novedo Danmark OpCo ApS	-	-	Denmark	43529374	100
Novedo Norge OpCo AS	-	-	Norway	933987469	100
Novedo OpCo Germany GmbH	-	-	Germany	HRB 131390	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 AB	Installation & Services	Sep 2021	Sweden	556459-0379	100
Helsingborgs Byggplåt AB	Installation & Services	Mar 2023	Sweden	556722-7532	100
Bra Tak Entreprenad Skåne AB	Installation & Services	Mar 2023	Sweden	556889-9362	100
Kulturmålarerna i Linköping Aktiebolag	Installation & Services	Sep 2021	Sweden	559203-8177	100
Kulturmålarerna 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
Tyresö 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
Persiennteamet Stockholm AB	Installation & Services	Apr 2024	Sweden	556758-5392	100
Uni-Vent Rör AB	Installation & Services	May 2021	Sweden	556665-6889	100
Ventilationskontroll Aeolus Aktiebolag	Installation & Services	Jan 2022	Sweden	556211-1343	100
RC El & 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
Ventera i Göteborg AB	Installation & Services	Oct 2023	Sweden	559453-8489	100
OVKservice Syd AB	Installation & Services	Feb 2024	Sweden	556795-9308	100

Name of company	Segment	Consoli- dated	Country of registration and operation	Corp. ID. No.	Proportion of ordinary shares/votes owned by the Group, %
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
GBB Syd AB	Infrastructure	Apr 2022	Sweden	559234-7297	100
AO Entreprenadtjänst i Stockholm AB	Infrastructure	Apr 2022	Sweden	556995-2269	100
Borrsspecialisten Sverige AB	Infrastructure	Apr 2022	Sweden	556929-2591	100
IMPAB DUNDERTECH AB	Infrastructure	Apr 2022	Sweden	556718-1069	100
Nordkabel A/S	Infrastructure	Dec 2022	Denmark	28851782	100
Novedo ST Holding AS	Infrastructure	Nov 2024	Norway	934 157 761	100
ST Entreprenør AS	Infrastructure	Nov 2024	Norway	926 678 779	100
Utleigesenteret AS	Infrastructure	Nov 2024	Norway	926 678 426	100
Nørgaard Anlaeg Holding ApS	Infrastructure	Dec 2023	Denmark	37418226	100
Nørgaard Anlaeg ApS	Infrastructure	Dec 2023	Denmark	14546294	100
Nørgaard Anlaeg Maskin- udlejning ApS	Infrastructure	Dec 2023	Denmark	36507063	100
Sydvestjyllands Miljø og Genbrug ApS	Infrastructure	Dec 2023	Denmark	37523763	100
Nørgaard Anlaeg Miljø ApS	Infrastructure	Dec 2023	Denmark	37638846	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	Estland	11066054	100
ProvideU Electronics AB	Industry	Sep 2022	Sweden	556506-1560	100
Stantraek A/S	Industry	Mar 2023	Denmark	12630077	100

Note 33 Participation in Group companies

Parent Company	Dec 31, 2024	Dec 31, 2023
Opening acquisition cost	1,258,248	1,033,927
Shareholders’ contribution paid	-	224,321
Closing accumulated acquisition cost	1,258,248	1,258,248

Parent Company participations in Group companies as per December 31, 2024

Company	Corp. ID No.	Registered office	Number of shares	Share of equity, %	Book value
Novedo AB	559264-9841	Stockholm	279,290	94.4	1,258,248
Total			279,290	94.40	1,258,248

In total, there are 295,844 shares in Novedo AB. Novedo Holding AB (publ) holds 279,290 ordinary shares, while the remaining 16,554 shares are preference shares held by sellers of acquired companies. The number of preference shares does not affect their value in the event of future conversion to ordinary shares in Novedo Holding AB (publ). The corporate value of the preference share in the event of liquidation is linked to the subscription price of the preference shares.

Note 34 Proposed appropriation of profits

The following profit/loss are at the disposal of the Annual General Meeting:

SEK	
Profit/loss brought forward	37,079,660
Share premium reserve	143,934,105
Profit/loss for the year	-59,469,960
Total	121,543,805

The Board of Directors proposes that the profits be allocated as folllows:

be carried forward	121,543,805
Total	121,543,805

Terms and Conditions for Senior Secured Bond 2024/2027 (ISIN: SE0022240529) and Terms and Conditions for Super Senior Revolving Credit Facility 2024/2027 (ISIN: NO0013277574) stipulate that no dividend may be paid during the term of the bond loan or revolving credit facility if the company’s shares are unlisted.

Note 35 Earnings per share

SEK	2024	2023
Earnings per share before dilution	-11.48	-6.53
Diluted earnings per share	-11.48	-6.53

The amounts used in numerators are consistent with the Group’s profit for the period. The amounts used in the denominator are reported below. The weighted average number of shares before and after dilution was 15,480,000 for 2024. The weighted average number of shares before and after dilution was 15,480,000 for 2023. See also note 23 for more information about Novedo’s share structure.

Note 36 Related-party transactions

In 2024, the Parent Company charged the subsidiaries a management fee totaling SEK 5.8 million (4.6). Related parties consist of the Board of Directors, Group Management, their families, and firms they control, including those owned by the main shareholders. The shareholder loan from the principal owner, taken out in 2023, was fully converted into convertible debentures valued at SEK 123 million. Aside from the standard fees paid to the Board of Directors, no other notable transactions with related parties occurred during the year.

Note 37 Pledged assets

SEK thousand	Group	
	Dec 31, 2024	Dec 31, 2023
Floating charge	75,910	50,031
Assets with retention of title	3,667	15,393
Assets pledged for pension committments	1,863	2,169
Mortgage deeds in fixed property	5,437	5,257
Shares in group companies	2,405,189	1,467,090
Total	2,492,066	1,539,939

Shares in subsidiaries representing 85 percent of EBITDA are pledged according to the terms of the company’s bond loan.

Note 38 Contingent liabilities

SEK thousand	Group	
	Dec 31, 2024	Dec 31, 2023
Performance commitments	42,283	65,853
Gurantee committments	19,358	5,289
Total	61,641	71,142

Some of the Group’s subsidiaries have performance guarantees related to projects. The amounts specified represent the potential sum that may need to be paid out if the projects cannot be completed.

Note 39 Significant events after the balance-sheet date

At an Extraordinary General Meeting on January 15, 2025, Martin Almgren, Fredrik Holmström, and Lars Kvarnsund were elected as new members of the Board of Directors. The three new Board members bring valuable international industry and stock market experience, enhancing the Board’s expertise in finance and accounting. Mouna Esmaeilzadeh, Saeid Esmaeilzadeh, Christer Hellström, and Erik Rune resigned from the Board in connection with the Extraordinary General Meeting..

Note 40 Quarterly data

	2024	2024	2024	2024	2023	2023	2023	2023	2022	2022	2022	2022	2021	2021	2021	2021
SEK thousand	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Net sales	854,058	717,145	790,785	664,888	766,111	631,393	721,469	589,255	602,982	457,224	432,454	280,691	203,655	102,596	54,082	10,424
Net sales growth, %	11.5	13.6	9.6	12.8	27.1	38.1	66.8	109.9	196.1	345.7	699.6	2592.7	n.a	n.a	n.a	n.a
EBIT	70,635	54,953	79,829	41,474	71,764	37,033	75,734	34,112	50,883	40,294	25,095	6,257	16,429	4,382	3,777	-1,311
EBIT margin, %	8.3	7.7	10.1	6.2	9.4	5.9	10.5	5.8	8.4	8.8	5.8	2.2	8.1	4.3	7.0	-12.6
EBITA	85,410	69,378	94,721	55,774	85,484	50,473	89,803	46,518	60,747	49,357	31,874	11,576	19,961	7,356	4,726	-1,065
EBITA margin, %	10.0	9.7	11.9	8.4	11.2	8.0	12.4	7.9	10.1	10.8	7.4	4.1	9.8	7.2	8.7	-10.2
EBITDA	117,354	92,462	116,732	76,569	104,862	67,398	105,982	61,583	76,015	57,383	41,186	17,596	24,582	10,154	5,806	-952
EBITDA margin, %	13.7	12.9	14.8	11.5	13.7	10.7	14.7	10.5	12.6	12.6	9.5	6.3	12.1	9.9	10.7	-9.1
Pre-tax profit/loss	-95,347	-38,189	18,381	-27,877	-10,392	-25,304	-11,161	-33,595	-9,336	224	-5,982	-16,436	6,256	131	2,100	-1,784
Profit/loss for the period	-120,691	-44,659	10,782	-32,996	-16,978	-30,465	-16,328	-33,642	-25,591	-2,227	-11,180	-17,943	1,414	-604	1,353	-1,637
Net interest-bearing debt	1,096,626	1,032,443	1,337,008	1,223,941	1,215,525	1,121,348	1,091,056	1,067,224	873,222	605,802	418,224	136,172	-25,376	143,965	37,714	-32,937
Net debt/equity ratio	480	300	370	340	3.3	2.7	2.4	2.4	1.9	1.3	0.9	0.3	-0.1	0.6	0.4	-0.6
Equity/assets ratio, %	6.6	7.8	11.5	11.9	12.6	16.1	15.2	16.2	20.4	22.5	24.7	25.4	25.9	30.0	33.0	52.5
Return on equity, %	-52.9	-12.9	3.0	-9.1	-4.5	-7.5	-3.6	-7.4	-5.5	-0.5	-2.5	-4.2	0.6	-0.3	1.5	-3.0
Return on capital employed, %	17.8	15.7	15.1	16.3	16.3	15.4	14.9	12.4	11.5	10.5	8.1	7.9	8.6	n.a	n.a	n.a
Number of employees at the end of the period	1,341	1,365	1,344	1,324	1,304	1,284	1,282	1,299	1,122	904	890	769	521	521	160	74

Note 41 Performance measures not defined pursuant to IFRS

	2024	2024	2024	2024	2023	2023	2023	2023	2022	2022	2022	2022	2021	2021	2021	2021
SEK thousand	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
(A) EBIT	70,635	54,953	79,829	41,474	71,764	37,033	75,734	34,112	50,883	40,294	25,095	6,257	16,429	4,382	3,777	-1,311
Depreciation of acquisition-related intangible fixed asset	14,775	14,425	14,442	14,300	13,720	13,440	14,069	12,406	9,864	9,063	6,779	5,319	3,532	2,974	949	246
(B) EBITA	85,410	69,378	94,271	55,774	85,484	50,473	89,803	46,518	60,747	49,357	31,874	11,576	19,961	7,356	4,726	-1,065
Depreciation of other tangible and intangible fixed asset	31,944	23,084	22,461	20,795	19,378	16,925	16,179	15,065	15,268	8,026	9,311	6,021	4,621	2,798	1,080	113
(C) EBITDA	117,354	92,462	116,732	76,569	104,862	67,398	105,982	61,583	76,015	57,383	41,185	17,597	24,582	10,154	5,806	-952
Acquisition-related items																
Acquisition costs	1,097	50	18	914	1,863	-	-	7,073	8,074	1,351	2,137	2,170	-	2,239	887	825
Non-recurring items	-	-	-	-	-	-	-2,155	2,155	7,958	2,048	3,520	748	-	-	-	-
(D) Adjusted EBITA	86,507	69,428	94,289	56,688	87,347	50,473	87,648	55,746	76,779	52,756	37,531	14,494	19,961	9,595	5,613	-240
(E) Adjusted EBITDA	118,451	92,512	116,750	77,483	106,725	67,398	103,827	70,811	92,047	60,782	46,842	20,515	24,582	12,393	6,693	-127
(F) Net sales	854,058	717,145	790,785	664,888	766,111	631,393	721,469	589,255	602,982	457,224	432,454	280,691	203,655	102,596	54,082	10,424
(A/F) EBIT margin, %	8.3	7.7	10.1	6.2	9.4	5.9	10.5	5.8	8.4	8.8	5.8	2.2	8.1	4.3	7.0	-12.6
(B/F) EBITA margin, %	10.0	9.7	11.9	8.4	11.2	8.0	12.4	7.9	10.1	10.8	7.4	4.1	9.8	7.2	8.7	-10.2
(C/F) EBITDA margin, %	13.7	12.9	14.8	11.5	13.7	10.7	14.7	10.5	12.6	12.6	9.5	6.3	12.1	9.9	10.7	-9.1
(D/F) Adjusted EBITA margin, %	10.1	9.7	11.9	8.5	11.4	8.0	12.1	9.5	12.7	11.5	8.7	4.9	9.8	9.4	10.4	-2.3
(E/F) Adjusted EBITDA margin, %	13.9	12.9	14.8	11.7	13.9	10.7	14.4	12.0	15.3	13.3	10.8	7.0	12.1	12.1	12.4	-1.2

Board of Directors’ Assurance statement

The Board of Directors and the CEO ensure that the consolidated financial statements and the annual report have been prepared in accordance with IFRS and generally accepted accounting principles and provide a true and fair view of the company’s and the Group’s operations, position, and results. Additionally, the financial statements describe the significant risks and uncertainties to which the company and its subsidiaries are subject.

Stockholm April 4, 2025

Novedo Holding AB (publ)

Mikael Ericson
Chairman of the Board

Martin Almgren
Board member

Fredrik Holmström
Board member

Mona Öljansdotter Johansson
Board member

Lars Kvarnsund
Board member

Per-Johan Dahlgren
President & CEO

Stockholm April 4, 2025

Öhrlings PricewaterhouseCoopers AB

Victor Lindhall
Authorised Public Accountant

Auditor’s report

Unofficial translation

To the general meeting of the shareholders of Novedo Holding AB, corporate identity number 59334-4202

Report on the annual accounts and consolidated accounts

Opinions

We have audited the annual accounts and consolidated accounts of Novedo Holding AB for the year 2024. The annual accounts and consolidated accounts of the company are included on pages 30–65 in this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of parent company and the group as of December 31, 2024 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of December 31, 2024 and their financial performance and cash flow for the year then ended in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU, and the Annual Accounts The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the general meeting of shareholders adopts the consolidated statement of

comprehensive income and the consolidated balance sheet for the group and the statement of comprehensive income and balance sheet for the parent company.

Our opinions in this report on the annual accounts and consolidated accounts are consistent with the content of the additional report that has been submitted to the parent company’s audit committee in accordance with the Audit Regulation (537/2014) Article 11.

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor’s Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements. This includes that, based on the best of our knowledge and belief, no prohibited services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided to the audited company or, where applicable, its parent company or its controlled companies within the EU.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Our audit approach

Audit scope

We designed our audit by determining materiality and assessing the risks of material misstatement in the consolidated financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the group operates.

Materiality

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic

decisions of users taken on the basis of the consolidated financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall group materiality for the consolidated financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Key audit matters

Key audit matters of the audit are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts and consolidated accounts of the current period. These matters were addressed in the context of our audit of, and in forming our opinion thereon, the annual accounts and consolidated accounts as a whole, but we do not provide a separate opinion on these matters.

Auditor’s report

Key audit matters	How our audit addressed the Key audit matter	Key audit matters	How our audit addressed the Key audit matter
<p>Valuation of goodwill, customer relations and brand names</p> <p>In the group’s balance sheet, intangible assets of SEK 1,618 million attributable to business acquisitions are reported, which corresponds to 47 percent of total assets in the group. The items goodwill and intangible assets are thus material in terms of size for Novedo’s balance sheet. In addition to this, the valuation of intangible assets is associated with management’s assessments. All in all, this means that we have considered the valuation of goodwill, customer relations and brands as a particularly significant area in our audit.</p> <p>The company management performs an annual impairment test of goodwill and other intangible assets to test whether there is a need for impairment or not for each segment. Assumptions and assessments include forecasts regarding growth and operating margin, investment needs and applied discount rate. If the future development deviates negatively from applied assumptions and assessments, a write-down may arise.</p> <p><i>Refer to the sections; “Impairment of non-financial assets and goodwill” in Note 2 Important accounting estimates and judgments, and Note 13 Intangible fixed assets.</i></p>	<p>With the support of PwC’s internal valuation specialists, we have tested the group’s model for impairment testing as well as evaluated and sensitivity tested the essential assumptions used to determine forecasted cash flows and discount rates when calculating the assets’ values in use for each operating segment. In the evaluation, we have compared with the operations’ history, the group’s forecasts and strategic planning, as well as with external data sources where possible and relevant.</p> <p>We have verified the provided note information against the group’s model for impairment testing, bookkeeping and other accounting information.</p>	<p>Recognition of revenues in construction contracts</p> <p>The total revenues for Novedo in 2024, recognized over time, amount to approximately 2,608 million SEK. A significant portion of these revenues relates to construction contracts and is recognized over time using the percentage of completion method. This means that the recognized revenues and costs in construction projects are based on assumptions and judgments about future outcomes documented in the projects’ final forecasts. The forecasts include assessments of costs such as labor, materials, sub-contractors, and warranty obligations. In some cases, assessments of customer claims for changes, additional work, and inadequate bidding conditions are also included. The inclusion of assumptions and judgments means that the final results may differ from those currently reported. Given the significant reliance on estimates and judgments, this represents an area of particular importance for the audit.</p> <p><i>See the sections; “Revenues” in Note 1 Accounting policies; “Revenues from construction contracts” in Note 2 Significant estimates and judgments, Note 4 Specification of net sales and income, Note 20 Contract assets and contract liabilities.</i></p>	<p>We have evaluated processes, routines and methodology for projections, project reporting and project completion for significant group companies. We have performed analytical review of revenues and margins reported and evaluated management’s routines for review of the projects’ financial results and discussed the latter with management. On a sample basis, we have examined recognized revenues and the project costs on which determination of completion ratio is based. For selected projects, we have carried out in-depth procedures including, e.g., reading contract, review of project forecasts and discussions project leaders and controllers regarding judgments, assumptions and estimates. We have also tested the mathematical accuracy of the percentage-of-completion profit calculation.</p> <p>We have also kept dialogue with group management and the Board regarding Novedo’s estimates and the principles, methods and assumptions on which the these are based.</p> <p>In addition, we have verified the submitted notes against accounting records and other accounting information.</p>

Auditor's report

Other Information than the annual accounts and consolidated accounts

This document also contains other information than the annual accounts and consolidated accounts and is found on pages 1-29 and 70. The Board of Directors and the Managing Director are responsible for this other information.

Our opinion on the annual accounts and consolidated accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts and consolidated accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Director's and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act and, concerning the consolidated

accounts, in accordance with IFRS as adopted by the EU. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts, The Board of Directors and the Managing Director are responsible for the assessment of the company's and the group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intend to liquidate the company, to cease operations, or has no realistic alternative but to do so.

The Board's Audit Committee shall monitor the company's financial reporting, among other things, without prejudice to the Board's responsibilities and duties in general.

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstate-

ment when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts and consolidated accounts.

A further description of our responsibility for the audit of the annual accounts and consolidated accounts is available on Revisorsinspektionen's website: www.revisorsinspektionen.se/revisornsansvar. This description is part of the auditor's report.

Report on other legal and regulatory requirements

The auditor's examination of the administration of the company and the proposed appropriations of the company's profit or loss

Opinions

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Director's and the Managing Director of Novedo Holding AB for the year 2024 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Director's

and the Managing Director be discharged from liability for the financial year.

Basis for Opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of the Board of Director's and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the group's type of operations, size and risks place on the size of the parent company's and the group' equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the group's financial situation and ensuring

Auditor’s report

that the company’s organization is designed so that the accounting, management of assets and the company’s financial affairs otherwise are controlled in a reassuring manner. The Managing Director shall manage the ongoing administration according to the Board of Directors’ guidelines and instructions and among other matters take measures that are necessary to fulfill the company’s accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor’s responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company’s profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company’s profit or loss are not in accordance with the Companies Act.

A further description of our responsibility for the audit of the administration is available on Revisorsinspektionen’s website: www.revisorsinspektionen.se/revisornsansvar. This description is part of the auditor’s report.

Öhrlings PricewaterhouseCoopers AB, 113 97 Stockholm, was appointed auditor of Novedo Holding AB by the general meeting of the shareholders on the May 16, 2024 and has been the company’s auditor since the October 21, 2021.

Stockholm, April 4, 2025

Öhrlings PricewaterhouseCoopers AB

Victor Lindhall

Authorized Public Accountant

Definitions

Key figures	Definition/calculation	Purpose
Acquired growth in net sales	Change in net sales as a percentage of net sales during the comparable period, fuelled by acquisitions. Acquired net sales is defined as net sales during the period that are attributable to companies that were acquired during the last 12-month period and for these companies, the only amounts that are considered as acquired net sales are their sales up until 12 months after the acquisition date.	Acquired net sales growth reflects the acquired units’ impact on net sales.
Cash conversion	Operating cash flow, 12-months rolling, as a percentage of EBITDA, 12-months rolling.	Cash conversion is used to monitor how effective the Group is in managing ongoing investments and working capital.
Change in exchange rates	The period’s change in net sales that is attributable to the change in exchange rates (start of the period compared to the end of the period), as a percentage of net sales during comparison period.	The change in exchange rates reflects the impact that exchange rate fluctuations has had on net sales during the period.
EBIT margin	Earnings before interest and taxes, as a percentage of net sales.	EBIT margin is used to measure operational profitability.
EBITA	Operating profit/loss (EBIT) before depreciation/ amortisation and impairment of acquired intangible assets.	EBITA provides an overall picture of the profit generated from operating activities.
EBITA margin	Operating profit/loss (EBIT) before depreciation/ amortisation and impairment of acquired intangible assets, as a percentage of net sales.	EBIT margin is used to measure operational profitability.
EBITDA	Operating profit/loss (EBIT) before depreciation/ amortisation and impairment of acquired intangible assets and depreciation/amortisation and impairment of property, plant and equipment and intangible assets	EBITDA, together with EBITA provides an overall picture of the profit generated from operating activities.
EBITDA margin	Operating profit/loss (EBIT) before depreciation/ amortisation and impairment of acquired intangible assets and depreciation/amortisation and impairment of property, plant and equipment and intangible assets, as a percentage of net sales.	EBITDA margin is used to measure operational profitability.
Equity ratio	Equity including non-controlling interests, expressed as a percentage of total assets.	Equity ratio is used to show the proportion of assets that are financed by equity.
Growth in net sales	Change in net sales as a percentage of net sales in the comparable period, prior year.	The change in net sales reflects the Groups realised sales growth over time.

Key figures	Definition/calculation	Purpose
Interest-bearing net debt	Current and non-current interest-bearing liabilities less cash and cash equivalents at the end of the period.	Interest-bearing net debt is used as a measure that shows the Groups total debt.
Net debt/equity ratio	Interest-bearing net debt as a percentage of total equity.	Net debt/equity ratio measures the extent to which the Group is financed by loans. Because cash and other short-term investments can be used to pay off the debt on short notice, net debt is used instead of gross debt in the calculation.
Net debt in relation to EBITDA	Interest-bearing net debt compared to EBITDA provides a measure of liquidity for net liabilities in relation to cash-generating earnings in the business. Net debt on the closing date and EBITDA are calculated as the most recent 12-month period.	The measure provides an indication of the organisation’s ability to pay its debts.
Operating cash flow	EBITDA less investments in property, plant and equipment and intangible assets, along with an adjustment for cash flow from change in working capital.	Operating cash flow is used to monitor the cash flow generated from operating activities.
Operating profit/loss (EBIT)	Earnings before interest and taxes.	Operating profit/loss (EBIT) provides an overall picture of the profit generated from operating activities.
Organic growth for equivalent units	The change in net sales for comparable units, as a percentage of net sales during the comparison period.	Organic growth in net sales does not include the effects of changes in the Group’s structure, which enables a comparison of net sales over time.
Return on capital employed	EBITA for the period on a rolling 12-month basis divided by, total assets less interest-free liabilities, less cash and cash equivalents at the end of the period.	The purpose is to analyse profitability in relation to capital employed.
Return on equity	Earnings for the period on a rolling 12-month basis divided by average total equity at the end of the period.	Return on equity is used to analyse profitability, based on how much equity is used.
Working capital	Inventories, accounts receivable, earned but not yet invoiced income, prepaid expenses and accrued income and other current assets, less accounts payable, invoiced but not yet earned income, accrued expenses and deferred income and other current liabilities.	Working capital is used to measure the company’s ability to meet short-term capital requirements.
Working capital as a percentage of net sales	Working capital at the end of the period as a percentage of net sales on a 12-month rolling basis.	Working capital as a percentage of net sales is used to measure the extent to which working capital is tied up.



Corporate governance report 2024



Novedo's corporate governance aims to create long-term and sustainable value for shareholders and other stakeholders.

Mikael Ericson, Chairman Novedo.

CORPORATE GOVERNANCE REPORT

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Corporate governance at Novedo aims to create sustainable, long-term value for shareholders and other stakeholders. Governance encompasses maintaining an effective organizational structure, systems for risk management and internal control, transparent internal and external reporting, and regulatory compliance.

Novedo Holding AB (publ) ("Novedo") with corporate identity number 559334-4202 is a Swedish public company with its registered office in Stockholm. The Company has listed bonds 2024/2027 on Nasdaq Stockholm's list of corporate bonds (ISIN:SE0022240529) and listed convertible bonds 2024/2028 on Börse Frankfurt (Open Market) (ISIN:NO0013324731). Novedo is also preparing the company for a possible listing of its shares on Nasdaq Stockholm. Consequently, Novedo is preparing a statutory corporate governance report for 2024 in accordance with the Annual Accounts Act and is applying the Swedish Code of Corporate Governance (the "Code"). Deviations from the Code are reported. The Corporate Governance Report is an integral part of the Company's Annual and Sustainability Report for 2024 and is reviewed by the Company's auditor.



Martin Elm, COO, Novedo yearly CEO meeting in Båstad.



Founder and CEO, Konstantinos Papadopoulos, Uni-Vent Rör AB.



Founders Björn Lundberg and Ola Fogelmark together with CEO Peter Berntsson, Elinzity AB.



Novedo yearly CEO meeting in Båstad.

Corporate governance structure

Novedo operates through its subsidiaries across three business segments: Industry, Infrastructure, and Installation & Services. Responsibility for managing and controlling Novedo is shared between shareholders, the Board of Directors, and the CEO. Novedo’s governance relies on both external and internal control instruments. The framework for external governance instruments includes the Swedish Companies Act, the Annual Accounts Act, the Code, and other relevant Swedish and foreign laws and regulations. The internal binding governance instruments encompass, among other things, the Articles of Association, rules of procedure for the Board of Directors, instructions for Board committees and the CEO, as well as the Code of Conduct, Finance Policy, Risk Policy, Internal Control Framework, Communication Policy, Insider Policy, IT Policy, and Approval Instructions.

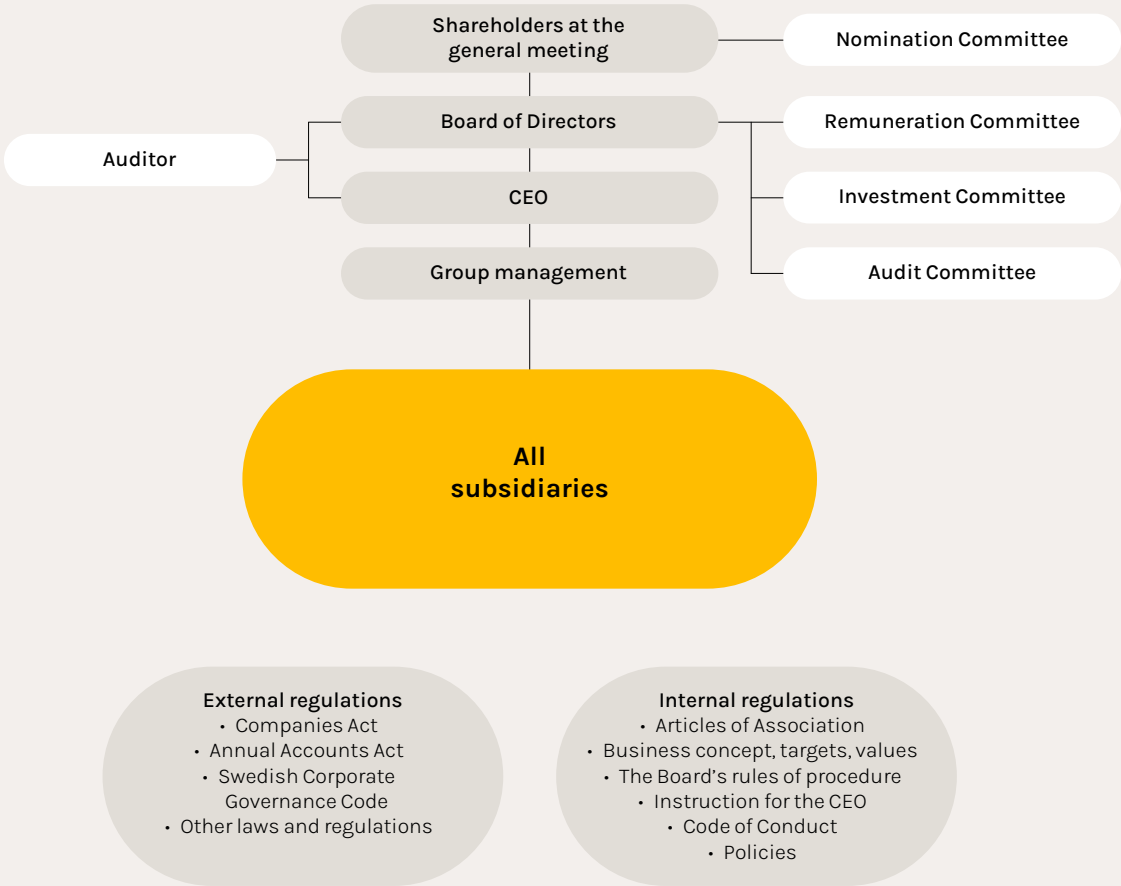
Shareholders

Novedo is a private company with one class of shares. As of December 31, 2024, the company has a share capital of SEK 551,970 (551,970), divided into 15,480,000 (15,480,000) shares. All shares possess equal voting rights and an equal share of assets and profits and are entitled to equal dividends. At year-end, the ten largest shareholders represented 92.5 (92.7) percent of the share capital and votes in the company. At year-end, Esmaeilzadeh Holding AB was the largest owner, holding 67.54 percent of the votes and capital. Additionally, F Holmström PE 3 AB has a shareholding of 12.70 percent. No other shareholder owns more than ten percent of the company’s shares.

Annual General Meeting and Articles of Association

The shareholders’ influence is exercised at the General Meeting, which is Novedo’s highest decision-making body. The Annual General Meeting resolves the Articles of Association. At this yearly meeting, shareholders elect members of the Board of Directors, the Chairman of the Board of Directors, and the auditor, as well as determine their remuneration. Furthermore, the Annual General Meeting adopts the income statement and balance sheet and decides on the appropriation of the company’s profit and discharge from liability toward the company for the members of the Board of Directors and the CEO. The meeting also appoints the Nomination Committee, outlines the framework for its work, and establishes principles for remuneration and terms of employment for the CEO and other senior executives. Novedo’s Annual General Meeting is held annually in Stockholm before the end of June. Extraordinary General Meetings are convened as needed. Notice of the Annual General Meeting and notice of an Extraordinary General Meeting, during which amendments to the Articles of Association will be considered, shall be issued no earlier than six weeks and no later than four weeks before the Meeting. Notice of the Extraordinary General Meeting shall be issued no earlier than six weeks and no later than two weeks before the Meeting. Notice shall be provided via press release, publication on the company’s website, or announcement in the Swedish Official Gazette. The issuance of the notice must be announced simultaneously in Dagens Industri.

Organisational structure



Annual General Meeting 2024

The 2024 Annual General Meeting was held in Stockholm on May 16, 2024. Notice of the meeting was published via press release on April 15, 2024. At the meeting, shareholders representing 80.70 percent (80.60) of the outstanding shares and votes were present. The Annual General Meeting resolved on, among other things:

- Adopt the income statement and balance sheet for 2023.
- No dividend shall be paid to the shareholders, and the amounts at the disposal of the Annual General Meeting shall be carried forward.
- Discharge from liability for the Board of Directors and the CEO.
- Re-election of Jan Johansson, Mouna Esmaeilzadeh, Saeid Esmaeilzadeh, Christer Hellström, Mona Öljansdotter Johansson and Erik Rune. Re-election of Jan Johansson as Chairman of the Board.
- Re-election of Öhrlings PricewaterhouseCoopers AB as auditor with Victor Lindhall as auditor-in-charge until the end of the 2025 Annual General Meeting.
- Fees for the Board of Directors and the auditor.
- Authorize the Board of Directors to resolve, during the period until the next Annual General Meeting, on one or more occasions, the issuance of shares, convertibles, and/or warrants corresponding to a maximum of 25 percent of the issued shares in the company. The authorization shall primarily be used to finance company acquisition.

Extra General Meeting 2024

An Extraordinary General Meeting was held on September 17, 2024, in Stockholm, where 76.0 percent of the outstanding shares and votes were represented. The notice of the meeting was published on September 2, 2024, via a press release. The AGM resolved on:

- Directed the issuance of convertible bonds to strengthen the company’s capital structure before a potential IPO and to provide acquisition financing for the company.

Extra General Meeting 2025

An Extraordinary General Meeting was held on January 15, 2025, in Stockholm, with 80.3 percent of the outstanding shares and votes represented. The notice of the Annual General Meeting was published on December 20, 2024, through a press release. The AGM resolved on:

- Reduce the board from six to five members.
- Elect Martin Almgren, Fredrik Holmström and Lars Kvarnsund as new Board members.

In connection with the Extraordinary General Meeting, Mouna and Saeid Esmaeilzadeh, Christer Hellström, and Erik Rune resigned from the Board of Directors.

Annual General Meeting 2025

Novedo’s Annual General Meeting 2025 will be held on May 15, 2025, in Stockholm. For more information about the Meeting, see page 83.

Nomination Committee

The Nomination Committee represents the company’s shareholders. It is responsible for submitting proposals to the Annual General Meeting for the election of the Chairman of the Annual General Meeting, Board members, the Chairman of the Board, and the auditor, along with proposals regarding remuneration for the Board of Directors, auditor’s fees, and, as necessary, proposals for amendments to the instructions for the Nomination Committee. The Nomination Committee shall carry out its duties following the Swedish Code of Corporate Governance and adhere to

the guidelines stipulated in section 4.1 of the Code on Diversity Policy concerning the composition of the Board of Directors. The Chairman of the Board convenes the Nomination Committee. The Company’s Nomination Committee shall consist of members appointed by each of the three largest shareholders in the company based on voting rights according to the share register maintained by Euroclear Sweden AB as of September 30 each year. If any of the three largest shareholders refrains from appointing a representative to the Nomination Committee, the right shall pass to the shareholder who possesses the largest shareholding in the company, after these three shareholders. If, during the Nomination Committee’s term of office, shareholders are no longer among the three largest shareholders in terms of voting rights, a member appointed by such a shareholder shall resign, and the shareholder that has become one of the three largest shareholders in terms of voting rights shall appoint a representative. However, such changes shall not be made if the changes in the number of votes are only marginal or if they occur later than three months before the Annual General Meeting, unless there are special reasons. The Nomination Committee’s term of office extends until a new Nomination Committee is appointed. The Chairman of the Nomination Committee shall, unless the members unanimously agree otherwise, be the member representing the largest shareholder in terms of voting rights, provided that the member is not also a member of the Board of Directors of Novedo. The composition of the Nomination Committee shall be announced no later than six months prior to the Annual General Meeting.

The Nomination Committee for the 2025 Annual General Meeting

The Nomination Committee for the 2025 Annual General Meeting has consisted of three members appointed by the three largest shareholders as of September 30, 2024; Mikael Ericson appointed by Esmaeilzadeh Holding AB, Fredrik Holmström appointed by F Holmström PE 3 AB and Marc Cameras appointed by Cambo Holding AB. The Nomination Committee has appointed Marc Cameras as Chairman of the Nomination Committee. The Nomination Committee was appointed and announced via press release on November 15, 2024. Three new Board members were elected at the Extraordinary General Meeting in January 2025. These members will bring international industry and stock exchange experience, strengthening the Board’s expertise in finance and accounting. The Nomination Committee believes that the current Board of Directors consists of individuals with skills that meet the strategic and operational requirements placed on the company, and that the Board’s work is conducted professionally and efficiently. Therefore, no changes are proposed to the composition of the Board of Directors before the 2025 Annual General Meeting. The Nomination Committee’s proposals will be presented at the 2025 Annual General Meeting and viewed on www.novedo.se. The website also contains the Nomination Committee’s reasoned statement, a report on its work and a presentation of all proposed members. Shareholders may at any time submit proposals to the Nomination Committee. Still, for the Nomination Committee to consider a proposal, the proposal must have been received well in advance of the current Annual General Meeting. Ahead of the 2025 Annual General Meeting, no proposals have been received from shareholders to the Nomination Committee.

Board

The Board of Directors is responsible for Novedo’s organization and management of the company’s affairs. According to the Articles of Association, the Board of Directors shall consist of at least three and no more than ten members. The members of the Board of Directors are elected annually at the Annual General Meeting to serve until the end of the following Annual General Meeting.

Composition of the Board of Directors 2024

In 2024, the Board of Directors consisted of six members. At the 2024 Annual General Meeting, Mikael Ericson was elected as a new member and Chairman of the company, simultaneously as former Chairman Jan Johansson resigned from the Board. Mouna Esmaeilzadeh, Saeid Esmaeilzadeh, Christer Hellström, Mona Öljansdotter Johansson, and Erik Rune were re-elected during the Annual General Meeting. The President, CEO, and the Group’s CFO participate in Board meetings, with the Group’s CFO primarily serving as the Board’s secretary. Other officials, such as rapporteurs, also attend the Management Board meetings. At an Extraordinary General Meeting on January 15, 2025, changes were made to the composition of the Board of Directors; see page 80 for a detailed description of the existing board.

Independence

None of the Board members elected by the Annual General Meeting in 2024 have been employed by Novedo, and all are deemed independent concerning the company and senior executives. Three of the Board members, who served on the Board of Directors as of December 31, 2024, are independent in relation

to the company, senior executives, and the company’s major shareholders.

The work of the Board

The Swedish Companies Act regulates the duties of the Board of Directors, Novedo’s Articles of Association, and the Code. The Board’s work and working methods are determined annually in written rules of procedure or more frequently if necessary. These rules of procedure govern the division of work and responsibilities among the members, the Chairman, and the CEO, as well as the procedures for financial reporting. The Board also establishes instructions for its committees.

The Board’s tasks include appointing the CEO and adopting strategies, business plans, budgets, interim reports, annual accounts, and the annual report, along with instructions and guidelines. The Board shall monitor the company’s financial development, ensure the quality of financial reporting and internal control, and evaluate operations against the goals and guidelines established by the Board. Additionally, the Board decides on significant investments and changes to the Group’s organization and operations.

The Chairman of the Board is responsible for directing the Board’s work, ensuring it is carried out efficiently, and meeting its obligations in accordance with applicable laws and regulations. The Chairman shall, in close cooperation with the CEO, monitor the company’s development and prepare and chair Board meetings. Additionally, the Chairman is responsible for ensuring that the Board evaluates its performance yearly and continuously receives the information necessary for effective functioning. The Chairman serves as the Board’s spokesperson.

Committees of the Board of Directors

The Board of Directors has decided on guidelines for the Remuneration and Audit Committee and the Investment Committee. In 2024, the Audit Committee comprised the entire Board of Directors, while the Remuneration Committee included Christer Hellström (Chairman), Mikael Ericson, and Erik Rune. The Investment Committee consisted of Novedo’s Chairman of the Board, Mikael Ericson, Christer Hellström, and the CEO.

Remuneration Committee

The Remuneration Committee prepares decisions on matters relating to remuneration principles, salaries, benefits, and remuneration for the President and CEO and senior executives who report to the CEO. The Remuneration Committee shall also monitor and evaluate the outcomes of variable remuneration programs and the company’s compliance with the remuneration guidelines adopted by the Annual General Meeting.

Board members	Position	Year of election	Board meeting attendance	Independent in relation to the company and its management	Independent in relation to the company’s major shareholders	Remuneration in 2024, SEK
Mikael Ericson	Chairman, member RC and IC	May 2024	14 (21)	Yes	No	362,500
Jan Johansson	Chairman	2023 – May 2024	7 (21)	Yes	Yes	112,500
Mouna Esmaeilzadeh	Board member	2021	20 (21)	Yes	No	212,500
Saeid Esmaeilzadeh	Board member	2021	20 (21)	Yes	No	212,500
Christer Hellström	Board member, Chairman RC, member IC	2021	19 (21)	Yes	No	275,000
Mona Öljansdotter Johansson	Board member	2021	21 (21)	Yes	Yes	212,500
Erik Rune	Board member, member RC	2021	21 (21)	Yes	No	231,250

Mikael Ericson took over as Chairman from Jan Johansson at the AGM on May 16, 2024. At the EGM on January 15, 2025, Martin Almgren, Fredrik Holmström, and Lars Kvarnsund were elected as new board members until the AGM in May 2025. Mouna and Saeid Esmaeilzadeh, Christer Hellström, and Erik Rune resigned from the Board of Directors in connection with the AGM on January 15, 2025.

The Remuneration Committee shall consist of at least two Board members elected by the Annual General Meeting. The Chairman of the Board of Directors may serve as chair of the Remuneration Committee. The other committee members shall be independent in relation to the company and its senior executives.

Audit Committee

The Audit Committee prepares the work of the Board of Directors regarding risk assessment, internal control, internal audit, accounting, financial reporting, and auditing. The Committee’s work aims to ensure compliance with the established principles for financial reporting and internal control while maintaining appropriate relationships with the company’s audi-

tors. The Audit Committee shall also evaluate the audit and report its findings to the Nomination Committee. Additionally, they must submit the Nomination Committee’s proposal for the election of the auditor. The Audit Committee also follows up on and addresses non-audit-related services that Novedo has procured from the company’s auditor.

The Audit Committee shall consist of a minimum of three members. The majority of the members shall be independent of the company and its senior executives. At least one member shall be independent of the company, its senior executives, and its major shareholders and possess auditing or accounting experience. In 2024, the entire Board of Directors constituted the Audit Committee, thus fulfilling the

Swedish Companies Act’s requirements for independence and accounting or auditing expertise.

Investment Committee

In 2024, Novedo had an investment committee that prepared and evaluated investment proposals. The committee consisted of the Chairman of the Board, Board member Christer Hellström, and the CEO.

The Board’s work during the year

In 2024, 21 (16) Board meetings were held, nine of which were per capsulam. The Board of Directors addressed issues related to strategy, company acquisitions, financing, financial reporting, recruitment, sustainability, and policy matters.

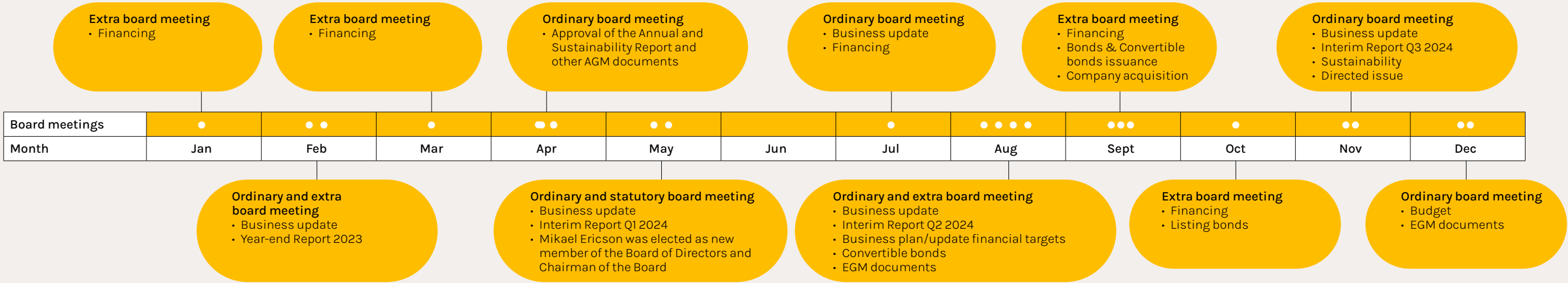
Evaluation of the work of the Board of Directors

In 2024, no systematic and structured evaluation of the Board’s work has occurred, which deviates from the Code but serves as a natural consequence of the Nomination Committee’s proposal for a significant change in the composition of the Board of Directors at the end of the year.

Auditors

Öhrlings PricewaterhouseCoopers has been the company’s auditors since 2021. At the Annual General Meeting on May 16, 2024, the auditing firm Öhrlings PricewaterhouseCoopers AB, with Authorised Public Accountant Victor Lindhall as auditor-in-charge, was re-elected as auditor for the period until the end of the

Overview board meetings in 2024



At each ordinary board meeting, the Group’s results and financial position were reported on as well as the outlook for the coming quarters.

Annual General Meeting 2025. The auditor has participated in a Board meeting in 2024 and then presented his observations to the Board where no one from the management was present. The Board of Directors annually evaluates the work and independence of the auditors. The auditor receives remuneration for his or her work in accordance with the resolution of the Annual General Meeting. Information on auditors’ fees can be found in Note 10 on page 54 in Novedo’s Annual and Sustainability Report.

Group Management

Novedo’s Group Management includes the CEO and two senior executives: the Group’s CFO and the Chief Operating Officer (COO). The current CFO assumed the role in August 2024, following a senior interim CFO who held the position from December 2023 to August 2024. For more detailed information about Group Management, see page 81.

The Board’s rules of procedure and instructions outline the CEO’s responsibilities and mandate. The CEO ensures that Novedo’s strategy, business plans, and other decisions are communicated and implemented throughout the organization. The CEO is ultimately accountable for satisfactory governance, organization, risk management, internal processes, and IT infrastructure. Group functions develop Group-wide policies, guidelines, and working methods while monitoring and ensuring that the Group’s operations adhere to established policies and procedures.

Group Management convenes monthly to discuss and follow up on strategy, acquisitions, earnings,

forecasts, succession planning, business development, and sustainability-related matters.

Operational governance

The Group’s operational activities are conducted within the subsidiary group; see Note 32 on page 61 in Novedo’s Annual and Sustainability Report 2024. In all subsidiaries, active board work is led by Novedo’s Group Management. The boards of directors of subsidiaries oversee day-to-day operations and formulate business plans. Operations are conducted according to the rules and policies established by Novedo’s Board of Directors and the guidelines set forth by Novedo’s Group Management. The subsidiaries’ CEOs are responsible for the performance of their respective companies and are tasked with ensuring growth and development within their organizations. Operational management features a decentralized organization, where decisions are made close to the market, the customer, and the employee.

Sustainability

Acting sustainably with regard to the environment and creating ethical, safe workplaces are of great importance to Novedo. Novedo’s governing documents in these contexts are primarily the Code of Conduct, the Supplier Code of Conduct, and the health and safety policy. The Board shares responsibility for sustainability. In Group Management, the work on sustainability is delegated to each function manager; the COO is responsible for the Code of Conduct, supplier chain control, and health and safety,

while the CFO oversees anti-corruption, GDPR compliance, and the reporting of ESG information. Sustainability is an integral part of Novedo’s governance and reporting. Novedo has established an external whistleblower function at www.novedo.se, which allows both external parties and employees to report suspicions of serious misconduct.

Significant events for Group Management during the year

The year was marked by acquisitions, company development, and financing issues.

Guidelines for remuneration to the CEO and senior executives

The Annual General Meeting for 2023 adopted guidelines for remuneration to senior executives, which will remain in effect until further notice. The guidelines aim to provide a clear framework for remuneration while allowing appropriate flexibility based on the remuneration levels and design, benefiting the company’s business strategy and long-term interests, including value creation for shareholders and sustainability. The guidelines can be read in their entirety at www.novedo.se. No deviations from the guidelines have been made in 2024.

Remuneration

For information about remuneration for senior executives, see Note 9 on page 53 in Novedo’s Annual and Sustainability Report 2024.

Long-term incentive program

Currently, Novedo has no long-term incentive program and no long-term incentive program is proposed for the 2025 Annual General Meeting.

Board's report on internal control

The Board of Directors' report on internal control regarding financial reporting

The Board of Directors is responsible for internal control in accordance with the Swedish Companies Act. This description has been prepared following the Annual Accounts Act and the Code; therefore, it is limited to internal control concerning financial reporting. The company's auditor has reviewed the report.

Actions during 2024

The Board of Directors ensures that internal control mechanisms are established, communicated to employees within the Novedo Group, and understood by those who perform the individual control measures. Additionally, it is their duty to ensure that these control measures are implemented, monitored, updated, and maintained. Management personnel at all levels are tasked with ensuring that internal control procedures are established in their respective areas and that these controls achieve the desired results.

Novedo's structure for internal control is based on the COSO model, which has been applied to Novedo's operations and conditions. According to the COSO model, review and assessment occur in the areas of control environment, risk assessment, control activities, information and communication, and follow-up. Based on this review, specific areas for development are identified and prioritized in the ongoing work with internal control.

The procedures for internal control, risk assessment, control activities, and follow-up regarding financial reporting have been designed to ensure

reliable and relevant reporting, alongside external financial reporting in accordance with IFRS, applicable laws, regulations, and other requirements that companies listed on Nasdaq Stockholm must meet, all of which are part of Novedo's IPO preparatory work. This effort involves the Board of Directors, senior executives, and other employees. The documentation of how the Board of Directors monitors and ensures the quality of internal control is included in the adopted rules of procedure for the Board of Directors and the instructions for the Audit Committee. Part of the Audit Committee's responsibilities includes evaluating the company's structure and guidelines for internal control.



Financial reporting

Financial reporting to the Board of Directors is carried out according to a format detailed in the instructions to the CEO regarding financial reporting. Furthermore, at each ordinary board meeting, the company's CFO reviews the financial results and the latest forecast for the current year. Draft interim reports are presented to the Audit Committee, which, in 2024, consisted of the entire Board of Directors, for discussion and consideration prior to the Board of Directors' approval.

Internal financial reporting follows a standardized format, utilizing the same definitions and key figures across all subsidiaries. Financial results are followed up through monthly reporting from the subsidiaries and semi-annual reviews that involve members of Group Management, the Central Finance Department, and the respective company management. A detailed follow-up of key performance indicators for the subsidiaries provides prompt information on deviations in operating margins or profit relative to expected outcomes. This thorough follow-up serves as an essential tool for ensuring internal control.

Control environment

The control environment provides the foundation for internal control over financial reporting. An important part of the control environment is that decision-making paths, powers, and responsibilities are clearly defined and communicated across different levels of the organization, along with governing documents in the form of internal policies and guidelines exist. A good control environment is established through

Novedo has prepared the company for a potential listing of its shares on Nasdaq Stockholm. As part of this effort, extensive work has been conducted regarding the company's internal control.

A risk survey and its management have been performed, frameworks for internal control have been developed (IKFR and ITGC), and several of the Group's subsidiaries have mapped significant business processes, conducted evaluations, and undertaken activities to remedy any deficiencies.

Additionally, a number of governing policies—including financial, risk, communication, insider, information security, and continuity policies—have been adopted by the Board of Directors, along with associated guidelines from Group management for further implementation across the Group. The company has also produced a Group-wide financial handbook.

The Board of Directors has discussed the outcome of the Group's evaluation of internal control.

effective communication and training, ensuring that policies and regulations are understood and adhered to. A good corporate culture, alongside transparent and relevant follow-up of financial results and key performance indicators at all levels of the Group, reinforces the control environment.

Risk assessment

Internal control is based on risk analysis. The risk analysis concerning internal control and the risk of errors in financial reporting is part of the overall risk assessment that Group Management conducts and presents to the Board. In this analysis, risks are identified and evaluated based on the likelihood of their occurrence and the potential consequences for the Group’s operations and financial position. The Group’s internal controls and control environment are then assessed, and any discrepancies compared to the desired control level are identified. A plan of action to address these gaps is established, weighing the value and feasibility of reducing risk against the costs associated with implementing and maintaining internal controls. Based on the risk analysis, control activities are designed to mitigate risk at a reasonable cost.

Control activities

Internal control is based on the company’s established decision-making processes, delegation procedures, and authorization procedures, as documented in governing policies and guidelines. Control activities can be IT-based or manual. Whenever possible, they should be an integral part of defined and documented processes and procedures. A number of con-

trol activities common to all companies within the Group have been established. Some of these are carried out at the subsidiary level and some in the Group’s finance department. The control activities are described in a Group-wide instruction.

Information and communication

Novedo’s governing documents, which include policies, guidelines, and manuals related to financial reporting, are primarily communicated via email and through meetings attended by all subsidiaries’ financial managers, as well as the Group’s financial handbook. In 2024, all of the Group’s finance managers convened for joint planning and review. For communication with internal and external parties, there is a communication policy that outlines how this interaction should occur. The purpose of the policy is to ensure that all information obligations are fulfilled accurately and completely. Internal communication aims to guarantee that each employee understands Novedo’s values and business operations. To keep employees well-informed, the Group employs both physical and digital meetings. Once a year, leaders from all subsidiaries gather for the so-called Novedo Days.

Follow-up

The Group applies common accounting instructions, and in 2022, Novedo also implemented a consolidated accounting system. The Board of Directors and Group Management receive regular information about the Group’s results, financial position, and business development. The company evaluates the

effectiveness of internal control, which an external auditor also reviews. The evaluation results form the basis for improvements in processes and controls.

Internal audit

The Group has a straightforward operational structure that primarily includes small and medium-sized independent businesses, along with other independent enterprises. Compliance with the Group’s established control and internal control systems is overseen by the boards of directors and controllers of the companies at the parent company level. The Board of Directors believes that the current organization does not necessitate a more extensive audit function in the form of an internal audit. Each year, the Board of Directors reassesses this decision.

Board of Directors



Mikael Ericson

Chairman since: 2024

Born: 1960.

Nationality: Swedish.

Education: MSc in Business and Economics, Stockholm University, Stockholm.

Current significant assignments: CEO Esmaeilzadeh Holding AB (publ), Chairman Lyvia Group AB (publ) and Protium Green Solutions Ltd and board member E. Öhman J:or Aktiebolag, Handelsbanken plc, Idaion AB, Mevlogic AB and Mevlogic Holding AB, Nundinum AB, Rebellion Holding AB and Rebellion Operations AB.

Work experience: Leading positions in the banking and finance industry, including CEO of Intrum AB (publ) and management positions at Danske Bank and Handelsbanken Capital Markets.

Independence: Independent to the company and its management but not to the company’s major shareholders.

Holdings: No holdings.



Martin Almgren

Board member since: 2025

Born: 1976.

Nationality: Swedish.

Education: Master’s Degree in Business Administration from Jönköping International Business School (JIBS).

Current significant assignments: Deputy CEO & CFO Lyvia Group AB (publ).

Work experience: Board member Lyvia Group AB (publ), CFO Skistar Aktiebolag, business area manager for Medtech at AddLife AB, CFO AddLife AB, auditor Ernst & Young, group controller Addtech AB and group accounting officer Nefab AB.

Independence: Independent to the company and its management but not to the company’s major shareholders.

Holdings: No holdings.



Fredrik Holmström

Board member since: 2025

Born: 1971.

Nationality: Swedish.

Education: Bachelor’s Degree in Business Administration (BSBA) from the International University of Monaco (IUM, formerly the University of Southern Europe).

Current significant assignments: Owner and CEO Holmström Group and board member Esmaeilzadeh Holding AB and Vincero Fastigheter AB.

Work experience: Founder and Chairman of Magnolia Bostad AB and founder of Klippudden Fastigheter AB.

Independence: Independent to the company and its management but not to the company’s major shareholders.

Holdings: 2,144,574 shares (private and through related parties).



Mona Öljansdotter Johansson

Board member since: 2021

Born: 1969.

Nationality: Swedish.

Education: Property valuation and analysis, KTH Stockholm, Business studies, FEI Stockholm, professional board work, Michael Berglund.

Current significant assignments: Founder and CEO Tenzing Invest AB and Tenzing Industrihus AB.

Work experience: Board member Granit Bostad AB, Head of Marketing & Administration and National Director JLL Norden, Head of Administration and Partner Tenzing AB and Head of Administration Catella Corporate Finance.

Independence: Independent to the company and its management and to the company’s major shareholders.

Holdings: 125,000 shares and 94,936 convertible bonds (through related parties).



Lars Kvarnsund

Board member since: 2025

Born: 1967.

Nationality: Swedish.

Education: Studies in Business Administration at Jönköping International Business School (JIBS).

Current significant assignments: Chairman P.O. Jansson Industri Aktiebolag, Zinkteknik Group AB and board member FM Mattson AB (publ), Prido AB, Ferroamp AB (publ), ITAB Shop Concept AB, United Power AB and LKV Consulting AB.

Work experience: Senior positions in international industrial companies, most recently as President & CEO of Gunnar Johansson Gruppen AB and Gnosjö Konstsmide AB, before that, about 20 years as CFO of GARO AB (publ).

Independence: Interim CFO of Novedo from Dec 2023 to Aug 2024, therefore dependent in relation to the company and its management, but independent to its major shareholders.

Holdings: No shares, 474 683 convertible bonds (through related parties).

Holdings as per March 31, 2025.

Group management



Per-Johan Dahlgren

President & CEO since: 2021

Born: 1975

Nationality: Swedish

Education: MSc Industrial Management & Economics, Halmstad University, and BSc Mechanical Engineering, Växjö University (Linnaeus University).

Current assignments: Chairman of the Board of Liljas Plast Aktiebolag, and board assignments within the Novedo Group.

Work experience: President & CEO of S:t Eriks Group AB, President & CEO of AQ Group AB, CEO AQ Group AB, CEO AQ Holmbergs Suzhou Co. Ltd (China).

Holdings: 250,000 shares (private and through related parties).



Martin Elm

COO since: 2021

Born: 1975

Nationality: Swedish

Education: Studies in business administration and entrepreneurship, Jönköping International Business School (JIBS), and studies in organisation and leadership at Jönköping School of Engineering.

Current assignments: Board assignments within the Novedo Group.

Works experience: CEO Sverull AB (within AxInter), CEO assignment within AQ Group; AQ ParkoPrint AB, AQ Enclosure Systems, AQ Holmbergs Suzhou Co. Ltd (China), and Business Area Manager for System Products, AQ Group AB.

Holdings: 36,000 shares (private and through related parties).



Jonas Söderkvist

CFO since: 2024

Born: 1978

Nationality: Swedish

Education: MSc in Business and Economics, University of Gothenburg, and MSc in Engineering, Linköping University.

Current assignments: Board assignments within the Novedo Group.

Works experience: CFO of Envirotainer Group and Ramirent Group, CEO of Ramirent’s Swedish and Danish operations, and Investment Manager at Nordstjernen.

Holdings: No holdings.

Holdings as per March 31, 2025.

Auditor’s report on the Corporate Governance Statement

To the general meeting of the shareholders in Novedo Holding AB, corporate identity number 559334-4202

Engagement and responsibility

It is the board of directors who is responsible for the corporate governance statement on pages 71-81 for the year 2024 and that it has been prepared in accordance with the Annual Accounts Act.

The scope of the audit

Our examination has been conducted in accordance with FAR’s auditing standard RevR 16 The auditor’s examination of the corporate governance statement. This means that our examination of the corporate governance statement is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinions.

Opinions

A corporate governance statement has been prepared. Disclosures in accordance with chapter 6 section 6 the second paragraph points 2-6 the Annual Accounts Act and chapter 7 section 31 the second paragraph the same law are consistent with the annual accounts and the consolidated accounts and are in accordance with the Annual Accounts Act..

Stockholm, April 4, 2025

Öhrlings PricewaterhouseCoopers AB

Victor Lindhall

Authorized Public Accountant

This is a translation of the Swedish language original included in RevR 16. In the event of any differences between this translation and the Swedish language original, the latter shall prevail.

Annual General Meeting 2025

The shareholders of Novedo Holding AB (publ), Corp. ID No. 559334-4202, are invited to the Annual General Meeting to be held on Thursday, May 15, 2025, at 15:00 CEST at Novedo's premises at Linnégatan 18 in Stockholm. Registration opens at 14:30 CEST.

Registration, etc.

Shareholders intending to participate in the Annual General Meeting must be registered in the share register maintained by Euroclear Sweden AB as of Wednesday, May 7, 2025, and must notify the company of their intention to participate via email at stamma@novedo.se.

The company must receive the notification no later than Friday, May 9, 2025. When providing notice of attendance, the shareholder's name, personal or corporate identity number, and telephone number must be included. The number of assistants (not exceeding two) attending the AGM must also be provided when giving attendance notice. Shareholders represented by proxy must issue a dated and signed power of attorney for the proxy. The original power of attorney and, for legal entities, a certified copy of the certificate of registration should be sent to the company well in advance of the AGM at the following address: Novedo Holding AB (publ), Attn: Edward af Sandeberg, Linnégatan 18, SE-114 47 Stockholm, Sweden. The power of attorney may not be older

than one year unless it specifies that it is valid for a more extended period, but no longer than five years from the date of issue. A proxy form is available on the company's website, www.novedo.se. Shareholders with nominee-registered shares (e.g., shares in custody with a bank) must temporarily re-register their shares in their name to participate in the AGM. Such re-registration must be completed at Euroclear Sweden AB no later than Friday, May 9, 2025. Therefore, contact should be made with the administrator before this date.

Proposed agenda

1. Opening of the Meeting.
2. Election of Chairman of the Meeting.
3. Preparation and approval of the voting list.
4. Election of one or two persons to verify the minutes.
5. Determination of whether the Meeting has been duly convened.
6. Approval of the agenda.
7. Presentation of the annual accounts and sustainability report, and the auditor's report together with the consolidated accounts and the auditors' report on the consolidated accounts.
8. Resolutions concerning:
 - a) adoption of the income statement and the balance sheet, and the consolidated income statement and the consolidated balance sheet;

- b) disposition of the company's earnings in accordance with the adopted balance sheet; and
- c) the discharge of the members of the Board of Directors and of the CEO from liability.

9. Resolution on the number of Board members.
10. Determination of Board and audit fees.
11. Election of members of the Board.
12. Election of the Chairman of the Board.
13. Election of Auditors.
14. Resolution on issue authorizations:
 - a) to issue shares, convertibles and warrants;
 - b) to regulate interest on existing convertible bonds.
15. Closing of the Meeting.

To read the full notice with appendices, please visit www.novedo.se.

Stockholm, April 2025

Novedo Holding AB (publ)

Board of Directors

For more information about the company and investor relations, please contact:

Per-Johan Dahlgren

President & CEO

E-mail: per-johan.dahlgren@novedo.se

Jonas Söderkvist

CFO

E-mail: jonas.soderkvist@novedo.se

For questions regarding the AGM, please contact:

Edward af Sandeberg

General Counsel

E-mail: edward.af.sandeberg@novedo.se

Mobil: +46 (0)760 / 15 24 00



Stronger together

Novedo comprises prominent entrepreneurial B2B companies within Industry, Infrastructure and Installation & Services that grow stronger together.

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