

2030 financial targets announced: Organic sales growth acceleration, margin expansion and ROIC improvement

Novonesis today announces its 'GROW' strategy and long-term targets for the strategy period until 2030 focusing on an acceleration of the core business and significant re-investments to secure long-term growth. By 2030, the company expects to deliver an organic sales CAGR of 6-9%, an adjusted EBITDA margin of ~39% and an adjusted ROIC excl. goodwill of ~16%.

Novonesis is well positioned to continue to drive strong performance in biosolutions. The company is present across multiple end-markets with strong capabilities to deliver value-adding solutions for tailored customer needs. Novonesis' distinct position is built on three capabilities: deep customer understanding, unparalleled innovation and an exceptional ability to scale and produce robust and affordable biosolutions. In a world with a growing population, increasing energy needs, evolving nutritional and health trends, as well as climate risks, the company sees a strong and increasing demand for biosolutions.

Ester Baiget, President & CEO: *"We are clearly on track to deliver on our 2025 targets that were set when we announced the combination. The potential for biosolutions continues to be strong and Novonesis is uniquely positioned to achieve accelerated profitable growth towards 2030 and beyond. We focus on growing our core, where we continue to see strong demand, and we significantly invest in our distinct capabilities to further expand our market and innovation leadership. We believe the more we grow, the more long-term value and impact we create for shareholders, customers, people and the planet."*

Novonesis' proven growth matrix is a well-balanced combination of end-market volume growth, pricing, upselling and adjacencies, as well as penetration. The company continues to explore areas with long-term growth opportunities targeting applications and markets with significant untapped potential. The new explorative areas in focus are Biopharma Processing Aids, Future Fuels and Chemicals, and Specialized Nutrition Proteins.

2030 targets*

- Organic sales growth CAGR of 6-9%. The organic sales growth is expected to be mainly driven by volume, including synergies, as well as an annual price contribution between 1-2%. Both the Food & Health and Planetary Health Biosolutions divisions are expected to grow within the Group range, and emerging markets are expected to grow stronger than developed markets.
- An adjusted EBITDA margin expected at around 39% by 2030, based on current currency exchange rates. The strategy period includes synergies, as well as significant investments in innovation, commercial and go-to-market capabilities to support growth on both the short- and long-term time horizons.
- The adjusted ROIC excl. goodwill is expected at around 16% by 2030, increasing from pro forma 8.3% in 2024.
- A reconfirmation of non-financial ambitions and targets, with investments to realize these targets.

*Modeling assumptions**

- Capex as a percentage of sales will be elevated at the beginning of the strategy period to cater for sustained high growth, also beyond the strategy period. A new ERP system and investments to support sustainability efforts are also included in the Capex. We invest globally to cater for increasing demand, creating flexibility on a global and regional basis. The Capex level will gradually decrease to high-single-digit as a percent of sales towards the end of the strategy period.
- A net debt/EBITDA ratio is targeted at around 1.5x in alignment with the capital allocation policy.
- A continued clear capital allocation model with an expected dividend payout ratio of 40-60% of adj. net profit.

The 2030 strategy will be presented and commented on in combination with the extended H1 2025 conference call on August 21 at 09.00 CEST. Slides will be shared shortly ahead of the conference call.

** 2025 as a baseline. All targets assume constant currencies, no impact from acquisitions or divestments, no major changes or disruptions to the current state of the global economy, including global trade conditions.*

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