

Press release

9 December 2021

Summary of Inwido's Capital Markets Day 9 December 2021

Today, Inwido organizes the 2021 Capital Markets day in Stockholm and via webcast. In the meeting new long-term targets, a new growth-oriented organization and segment structure with four business areas, as well as elaborated sustainability ambitions and goals within the EU taxonomy are presented.

The Capital Markets Day is led by President and CEO Henrik Hjalmarsson. Participating are CFO and deputy CEO Peter Welin, Lena Wessner, Senior Vice President, Human Resources, Organization & Sustainability, Jonna Opitz, Senior Vice President, Communications & MultiBrands and Antti Vuonokari, Senior Vice President Inwido North-east and MD Pihla Group.

In his introductory presentation, Henrik Hjalmarsson, President and CEO, presents the new financial targets decided by the Board regarding growth and profitability, as well as unchanged targets for capital structure and dividends.

Inwidos financial targets:

- **Growth (revised):**
Revenue target SEK 20 billion 2030
 With a further focus on growth, Inwido intends to grow, organically as well as through acquisitions, to reach a total revenue of at least SEK 20 billion by 2030.
- **Profitability (revised):**
>15% return on operating capital
 Inwido's return on operating capital shall, over a business cycle, amount to an average of at least 15%.
- **Capital structure:**
Net debt in relation to operating EBITDA <2.5x
 Inwido's net debt in relation to operating EBITDA shall, excluding temporary deviations, not exceed a multiple of 2.5.
- **Dividend:**
Approximately 50% of net profit
 Inwido's goal is to pay its shareholders an annual dividend corresponding to about 50 percent of the net profit. However, consideration must be taken to Inwido's capital structure in relation to the objective, cash flow and future prospects.

Inwido improves people's lives indoors with windows and doors. As Europe's leading window group, Inwido's business concept is to develop and sell the market's best customized window and door solutions through a decentralized structure and with a focus on the consumer-driven market in order to create long-term sustainable growth, organically and through acquisitions. Inwido consists of 29 business units with approximately 4,600 employees in eleven countries. In 2020 group sales amounted to SEK 6.7 billion with an operational EBITA margin of 10.9 percent. Inwido has been listed on Nasdaq Stockholm since 2014. Follow Inwido on LinkedIn [in](#)

New organization and segment structure

At the Capital Markets day a new organization and segment structure, with four instead of two business areas (formerly North and South), which will apply from 1 January 2022 is also presented. The new structure aims to increase transparency and clarity regarding development and business results within the Group's various areas. By highlighting growth segments, Inwido also wants to signal a clearer growth focus.

Inwido's four new business areas:

External sales as a percentage rolling 12 months, September 2021:

<u>Business area</u>	<u>Sales</u>	<u>Op EBITA (%), LTM</u> <u>Sep 2021</u>	<u>Consumer share</u> <u>sales</u>	<u>CAGR 2018-2021</u> <u>LTM</u>
e-Commerce	SEK 940m	17.6%	100%	18%
Scandinavia	SEK 4,098m	13.8%	72%	5%
Eastern Europe	SEK 1,707m	8.0%	63%	-3%
Western Europe	SEK 570m	7.9%	81%	0%

In the financial section of today's program, CFO and deputy CEO Peter Welin also concludes how Inwido have improved margins for ten consecutive quarters, how consumer-driven sales continued to grow, Inwido's strong cash flow development and the increased return on operating capital.

Finally, Lena Wessner, Senior Vice President, Human Resources, Organization & Sustainability, presents a series of news-items in Inwido's sustainability work, as follows:

Increased initiatives within sustainability:

- **Science Based Targets:**
 - Committing to SBTi verifies Inwido's long-term emission reductions to contribute to the 1.5-degree target
- **Two new sustainability KPIs:**
 - Waste and number of cases of discrimination and harassment
- **EU-taxonomy:**
 - In 2030, 75% of the sales of windows and doors will be Taxonomy-aligned

President and CEO Henrik Hjalmarsson concludes:

"Our new long-term targets testify to a more growth-oriented Group whose consolidation of the European market continues towards well-defined goals. By highlighting clear growth segments in our new reporting structure, we also signal how and where our growth will happen. With new initiatives in the area of sustainability, we naturally connect our financial goals with our contribution to a more sustainable world", says Henrik Hjalmarsson, President & CEO Inwido.

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