Netel

Q4

Year-end report 2025

Higher order backlog, strong cash flow and robust measures taken to restore profitability

Fourth quarter

Continuing operations[1]

- Net sales decreased 14.4 per cent to MSEK 812 (949)
- Operating loss (EBIT) amounted to MSEK -21 (58), with an operating margin of -2.6 per cent (6.1)
- EBITA amounted to MSEK -19 (60), with an EBITA margin of -2.3 per cent (6.3)
- Adjusted EBITA amounted to MSEK 2 (59), with an adjusted EBITA margin of 0.2 per cent (6.3)
- Loss for the period was MSEK -67 (-58)
- Earnings per share for continuing operations before and after dilution amounted to SEK -1.00 (0.71)
- Earnings per share including discontinuing operations before and after dilution amounted to SEK -1.38 (-1.19)
- Cash flow from operating activities amounted to MSEK 89 (63)

January–December

Continuing operations[1, 2]

- Net sales decreased 9.3 per cent to MSEK 2,915 (3,214)
- Operating loss (EBIT) amounted to MSEK -13 (157) with an operating margin of -0.5 per cent (4.9)
- EBITA MSEK -5 (164) with an EBITA margin of -0.2 per cent (5.1)
- Adjusted EBITA MSEK 28 (181), with an adjusted EBITA margin of 1.0 per cent (5.6)
- Loss for the period was MSEK -117 (-47)
- Earnings per share for continuing operations before and after dilution amounted to SEK -1.86 (1.31)
- Earnings per share including discontinuing operations before and after dilution amounted to SEK -2.42 (-0.96)
- Cash flow from operating activities MSEK -46 (59)
- Net debt excluding leases increased to MSEK 786 (662) and net debt/adjusted EBITDA amounted to 7.6 (2.8)
- The order backlog increased to SEK 4.16 billion (3.81)
- The Board proposes that no dividend be paid to shareholders for 2025

Significant events during the fourth quarter

- New long-term financing agreements signed
- UK operations divested
- Contract signed in Infraservices for civil engineering works at a new logistics centre in Ludvika worth about MSEK 110
- Agreement signed in Power with Ellevio for the reconstruction and refurbishment of a distribution station on Lidingö worth about MSEK 50
- Renewed two-year framework agreement in Power with Elvia in Norway for emergency services worth MNOK 20-30 per year

Significant events after the end of the year

- New framework agreement signed in Power with Elvia in Norway with a total value of more than MNOK 110, expanding the cooperation to Oslo Municipality
- Aksel Aas appointed Head of Telecom Norway and Robert Carlsson Head of Infraservices Sweden

	Oct-Dec		Jan-Dec	
SEK millions	**2025**	**2024**	**2025**	**2024**
Continuing operations				
Net sales	812	949	2,915	3,214
Net sales growth (%)	-14.4%	2.6%	-9.3%	4.5%
Adjusted EBITA	2	59	28	181
Adjusted EBITA margin (%)	0.2%	6.3%	1.0%	5.6%
EBITA	-19	60	-5	164
EBITA margin (%)	-2.3%	6.3%	-0.2%	5.1%
EBIT	-21	58	-13	157
EBIT margin (%)	-2.6%	6.1%	-0.5%	4.9%
Net debt excluding leasing	786	662	786	662
Net debt excl. leasing/Adj. EBITDA R12 (Ratio)	7.6	2.8	7.6	2.8

[1] Operations in Finland were divested on 30 June 2025 and operations in the UK were divested on 11 December 2025, which are presented in this report as discontinuing operations.

[2] Adjustments were not made for the earnings effect announced on 1 October 2025.

CEO's comments

Stronger in 2026 after a challenging year

2025 was a challenging year, with lower volumes and large write-downs in projects that had a negative impact on our earnings. We launched and carried out robust measures while entering 2026 with a higher order backlog of SEK 4.2 billion and an organisation that has taken clear steps towards increased stability and profitability. With an improved financial position, positive market outlooks and a clear focus on execution, we stand by our indication of growth and improved margin in 2026.

Robust measures implemented

In the quarter, we have incurred additional costs to terminate identified loss-making projects, while net sales were slightly lower than expected. In 2025, we took robust measures to strengthen our operational base and increase predictability in our operations. We carried out comprehensive efforts to streamline our organisation and strengthen the parts of operations that have a negative impact on results. Early in the year we divested our operations in Finland, and in December we sold our operations in the UK. Both of these operations have negatively affected results in recent years and have required intense focus from the organisation. We also improved internal processes and follow up projects more frequently. We have conducted an extensive review of subsidiaries with profitability challenges and have a clear picture of the operations and projects, we have strengthened their teams and adjusted the organisations. As a more general measure, we reduced managerial levels and the use of consultants, in addition to optimising the use of external resources. In 2026, we will also start consolidating subsidiaries to create economies of scale in administration and resource management, with the aim of freeing up more time and capacity for winning, managing and developing projects.

Savings programme for enhancing competitiveness

In the autumn we scaled up our efforts to restore and strengthen profitability. Our two savings programmes, introduced in the report for the third quarter 2025, are a key part of this work. The first programme has been fully implemented and will lead to total cost savings of MSEK 25 in 2026. The second programme, which will be rolled out gradually during the year, is expected to generate an additional MSEK 15–25 in savings, with full effect in 2027. These savings programmes are necessary for becoming even more competitive in attractive markets.

Our measures to increase profitability

- The UK and Finnish operations divested in 2025
- Cost savings of SEK 25 million with full effect in 2026
- Cost savings of SEK 15–25MSEK with full effect in 2027
- Restructuring of companies with profitability problems
- Consolidation of subsidiaries into larger units
- Reduction of the number of managerial levels
- Improvement of internal processes and follow-up

Our underlying business

Our underlying business remains stable, and what remains after we exclude the effects from the two underperforming subsidiaries and the unusually large volume loss, is a highly resilient business with a strong foundation. Even though lower volumes had an impact on earnings for the year, we consider this temporary. Our business model — with a high degree of flexibility and a significant share of subcontracting — means that we can adapt quickly to changing market conditions.

At the same time, parts of the operations are performing very well. It is especially gratifying to note that our power operations in Norway continued to improve and grew over 40 per cent during the year with an EBITA margin of over 5 per cent. It confirms that our strategic focus areas are delivering and that we are well positioned to create profitable growth when volumes normalise and the measures we took generate their full effect.

Changes in the Executive Team to boost our scope for action

As part of the work to boost Netel's scope for action and to improve profitability, we have made changes to the Executive Team. We removed a management layer within the divisions. The heads of the business areas will now report directly to me. I am pleased to welcome Aksel Aas as the new Head of Telecom Norway and Robert Carlsson as the new Head of Infraservices Sweden. The strength of their experience with Netel and its markets means that they are taking up key roles, with a clear mandate to bring change, enhance operational efficiency and further develop the Group's business. These changes will strengthen our position and create good conditions for improved earnings and sustainable growth.

Profitable order backlog

During the fourth quarter we continued to win attractive contracts and we are entering 2026 with a high order backlog more than SEK 4 billion. Around half of the order backlog is for projects that are already underway this year, creating a strong foundation for profitable growth. Agreements were signed at levels that offer good potential for profitability and will help to stabilise the business going forward. The growth in order backlog was primarily driven by Power and new framework agreements in Telecom.

Strong cash flow for the quarter

Cash flow was strong in the last quarter of the year, and once again we could see clear seasonal patterns as projects concluded and final invoicing resulted in increased cash flows during the last months of the year. Cash flow from operating activities amounted to nearly MSEK 100 for continuing operations for the fourth quarter, an excellent performance from our organisation. We remain intensely focused on cash flows. In addition to the divestment of operations in the UK and Finland, we have robust measures in place with the aim of reducing tied-up capital and improving our cash flows in 2026.

New extended financing

We successfully conducted a round of refinancing during the fourth quarter of 2025 and secured new long-term financing agreements. The financing runs until 30 June 2027 with a liquidity covenant structure. A liquidity covenant means that financing is linked to the company's actual ability to pay, thus providing greater stability, predictability and financial flexibility. Overall, this improves conditions to support our operational activities and the implementation of the Group's strategic initiatives going forward.

Our seasonal patterns

Netel's operations follow clear, recurring seasonal patterns related to project life cycles, customer investment plans and weather conditions. These patterns impact volumes, margins and cash flows. Given how our project mix looks this year, we expect slightly lower activity in the beginning of the first quarter than last year. This is due in part to many projects in the start-up phase, which includes preparatory work such as design and planning, and in part to the winter weather that means that we have to wait to start some production. We expect larger production volumes, primarily during the second half of the year.

We will continue to win attractive business

I would like to conclude by extending my sincere thanks to all of our employees. Their high levels of commitment, responsibility and determination led to strong performances, even in challenging conditions. With these shared efforts, we have created a stable foundation for continuing to win business, delivering high-quality projects and building long-term value for the company's shareholders and other stakeholders.

Jeanette Reuterskiöld
President and CEO

Our seasonal patterns

Quarter 1

Traditionally the weakest quarter in our industry. Projects often take longer due to winter weather. Many others are in the start-up phase, which means more planning and designing but less invoicing. This normally leads to lower sales and margins compared with the rest of the year. Cash flow is often weak or negative at the beginning of the year, since costs are incurred before any major invoicing can take place.

Quarter 2

Increasing volumes and transition to production but dependent on weather conditions for start of production. More projects enter the production phase, meaning higher volumes. Sales gradually increase and the margins improve as projects enter the field. Quarter 2 is normally a quarter with stable growth compared to quarter 1. Cash flow follows production phases, and we make use of working capital as production increases, and is still dependent on the project mix.

Quarter 3

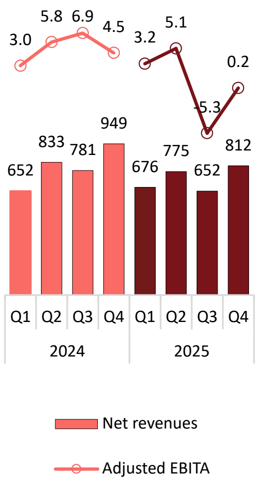
Stable peak season with high production intensity. Usually one of our most stable quarters. The summer months allow for efficient production, especially in groundwork. The margins improve as volumes increase and projects mature. However, quarter 3 is impacted by vacations, which can impact negatively. Like in quarter 2, cash flow in this quarter varies with production phase and project mix.

Quarter 4

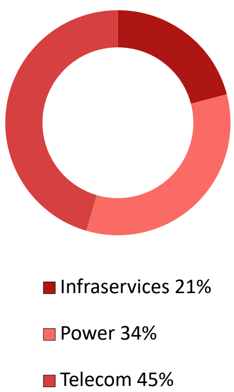
The strongest quarter of the year, notably the most profitable quarter with the strongest cash flow. Many projects reach their closing phase, generating large invoices. This pattern repeats annually. Quarter 4 is often the quarter that carries the full-year's margin, especially for large project deliveries.

Condensed consolidated financial performance

Net sales and adjusted EBITA margin, continuing operations



Net sales per segment, continuing operations



The operations in Finland and the UK are presented as discontinuing operations in this report. Earnings from both of these operations have been excluded from the individual rows in the consolidated income statement and are recognised as net earnings in Net Income, discontinuing operations. Comparative periods have also been restated. For more information on the accounting policies and reporting of the income statement, balance sheet and cash flow for discontinuing operations, see the notes Reports of discontinuing operations. Comments in this report refer to continuing operations unless otherwise stated.

Fourth quarter

Continuing operations

Net sales

Net sales declined 14.4 per cent organically to MSEK 812 (949) in the fourth quarter as a result of a high proportion of projects in start-up phases, fewer major contracts in the production phase and lower volumes. Volumes in the Infraservices and Telecom divisions were impacted by Netel's decision to focus on profitability in project procurements. Power in Norway continued to grow at a high rate during the quarter.

Exchange rate effects had a negative impact of 1.8 per cent.

Order bookings were favourable during the quarter and the order backlog increased to MSEK 4,157 (3,805). Netel's underlying markets are healthy and are driven by the strong megatrends of digitalisation, electrification and modernisation of critical infrastructure. At the end of the third quarter, the order backlog amounted to MSEK 3,840.

Earnings

EBITDA decreased to MSEK -1 (72) and the EBITDA margin amounted to -0.1 per cent (7.5). EBITA decreased to MSEK -19 (60) and the EBITA margin amounted to -2.3 per cent (6.6). Margins were impacted by the higher proportion of projects in the start-up phase, the lower number of contracts in the production phase and the lower volumes and measures taken in all divisions to restore profitability.

Adjusted EBITDA declined 72.3 per cent to MSEK 20 (71) for the quarter with an adjusted EBITDA margin of 2.4 per cent (7.5). Adjusted EBITA declined 96.9 per cent to MSEK 1.8 (59.4) and the EBITA margin amounted to 0.2 per cent (6.3). Adjustments were made for items affecting comparability of MSEK 20 (-1) concerning restructuring costs and costs attributable to the process for new financing agreements.

Depreciation and amortisation amounted to MSEK -20 (-13).

Net financial items amounted to MSEK -24 (-17) for the quarter. Interest expenses amounted to MSEK -15 (-15), of which MSEK -1 (-1) was attributable to lease liabilities.

Earnings before tax decreased to MSEK -45 (41) during the quarter.

Loss after tax amounted to MSEK -48 (34). The tax expense for the period amounted to MSEK -4 (-7), leading to an effective tax rate of -7.9 per cent (17.4). Limitations on interest deductions in 2025, with a lower scope than expected for full-year deductions based on prior periods, had a negative impact on tax for the period.

Net income discontinuing operations, including capital gains from divestment, amounted to MSEK -19 (-92). Loss after tax including discontinuing operations amounted to MSEK -67 (-58).

Cash flow and financial position

Cash flow from operating activities increased to MSEK 97 (71). Including discontinuing operations, cash flow from operating activities increased to MSEK 89 (63).

During the quarter, cash flow from investing activities for continuing operations was MSEK -0 (-42), which last year was mainly attributable to paid contingent considerations. Including discontinuing operations, cash flow from investing activities amounted to MSEK -1 (-42).

Cash flow from financing activities amounted to MSEK -21 (-5) for continuing operations. Including discontinuing operations, cash flow from financing activities amounted to MSEK -27 (-10).

Cash flow for the period increased to MSEK 76 (23) for continuing operations. Including discontinuing operations, cash flow for the period amounted to MSEK 61 (11).

Cash and cash equivalents at the end of the period amounted to MSEK 205, compared to MSEK 150 at the start of the quarter. Unutilised available credit facilities totalled MSEK 137 compared with MSEK 211 at the start of the period, which together with cash and cash equivalents means a total of MSEK 342 in available funds compared with MSEK 361 at the start of the period. In connection with the Group's new financing agreement announced on 30 December 2025, the available credit facilities were adjusted downward by approximately MSEK 80, affecting the comparison of available funds with prior periods.

Net debt, which is defined as current and non-current interest-bearing liabilities from credit institutions less cash and cash equivalents and current investments, amounted to MSEK 918 at the end of the quarter compared with MSEK 973 at the start of the quarter. The leverage ratio calculated in accordance with the Group's financial target was a multiple of 7.6 at the end of the period, which is above the capital structure target in the medium term.

Current and non-current interest-bearing liabilities primarily comprise bank financing and lease liabilities. These commitments amounted to MSEK 1,123 at the end of the quarter compared with MSEK 1,124 at the start of the quarter.

Total assets amounted to MSEK 2,737 compared with MSEK 2,831 at the start of the quarter and equity to MSEK 971 compared with MSEK 1,044 at the start of the quarter.

January–December

Continuing operations

Net sales

Net sales declined 9.3 per cent to MSEK 2,915 (3,214) as a result of the high proportion of projects in start-up phases, fewer major contracts in the production phase and lower volumes. Volumes in the Infraservices and

Telecom divisions were impacted by the Group's decision to focus on profitability in project procurements. Net sales increased during the year for Power in Norway and Telecom in Germany.

Exchange rate effects had a negative impact of 2 per cent.

Earnings

EBITDA decreased 68.2 per cent to MSEK 71 (222), with an EBITDA margin of 2.4 per cent (6.9). EBITA decreased to MSEK -5 (164) and the EBITA margin amounted to -0.2 per cent (5.1). Profitability was mainly impacted by lower volumes and impairments of projects in subsidiaries in Infraservices and Power in Sweden that were all acquired in 2021–2022.

Adjusted EBITDA decreased 56.9 per cent to MSEK 103 (240) for the year with an adjusted EBITDA margin of 3.5 per cent (7.5). Adjusted EBITA decreased 84.4 per cent to MSEK 28 (181), and the adjusted EBITA margin was 1.0 per cent (5.6). Adjustments were made for items affecting comparability of MSEK 33 (18) concerning restructuring costs, including costs for the divestments of the operations in Finland and the UK as well as costs attributable to the process for new financing agreements. Adjustments were not made for the earnings effect from the impairments of projects in two subsidiaries totalling MSEK 63, since these were not classified as items affecting comparability. For a reconciliation of the Groups' earnings excluding these two subsidiaries, see table on page 33. Earnings from the operations in the UK and Finland are reported as earnings from discontinuing operations.

Depreciation and amortisation amounted to MSEK -84 (-65). Depreciation was charged with MSEK 5 due to a one-off leasing adjustment.

Net financial items for the year amounted to MSEK -78 (-77). Interest expenses amounted to MSEK -60 (-65), of which MSEK -3 (-3) was attributable to lease liabilities.

Loss before tax decreased to MSEK -91 (81) during the 2025.

Earnings after tax declined to MSEK -90 (64). Tax for the period amounted to MSEK -2 (-10), leading to an effective tax rate of -1.1 per cent (21.0). Tax for the period is affected negatively by limitations on interest deductions in 2025.

Net income discontinuing operations, including capital gains from divestment, amounted to MSEK -27 (-111). Loss after tax including discontinuing operations amounted to MSEK -117 (-47).

Cash flow and financial position

Cash flow from operating activities amounted to MSEK -30 (116) for continuing operations. Including discontinuing operations, cash flow from operating activities amounted to MSEK -46 (59). Cash flow from operating activities is affected by operations with lower profitability and negatively affected by larger projects in the start-up phase, where Netel initially incur costs in its projects, produce and thus tie up capital before invoicing milestones are reached.

During the year, cash flow from investing activities was MSEK -17 (-160) for continuing operations. Including discontinuing operations, cash flow from investing activities amounted to MSEK -20 (-162).

Cash flow from financing activities amounted to MSEK 9 (-82). Including discontinuing operations, cash flow from financing activities amounted to MSEK 16 (-89).

Cash flow for the period amounted to MSEK -39 (-129) for continuing operations. Including discontinuing operations, cash flow for the period amounted to MSEK -51 (-192).

Segments

Continuing operations

Netel's segments correspond to the Infraservices, Power and Telecom divisions. Operations in Finland and the UK are recognised as discontinuing operations and are not included in the segment reporting.

Infraservices division

	Oct-Dec			Jan-Dec		
MSEK	**2025**	**2024**	**Δ**	**2025**	**2024**	**Δ**
Continuing operations						
Net Sales	170	238	-28.5%	605	844	-28.4%
of which						
Sweden	*170*	*238*	*-28.5%*	*605*	*844*	*-28.4%*
EBITA	-3	14		-17	54	
EBITA margin	-1.5%	5.9%	-7.4	-2.7%	6.4%	- 9.1

Net sales decreased 28.5 per cent to MSEK 170 (238) during the quarter and 28.4 per cent to MSEK 605 (844) for the full-year. The underlying market is healthy with high activity, particularly in the municipal and governmental sectors, but competition is very fierce, which impacts Netel's growth as a consequence of the Group's decision to focus on profitability in project procurements.

EBITA decreased to MSEK -3 (14), with an EBITA margin of -1.5 per cent (5.9) for the quarter. EBITA declined to MSEK -17 (54) during the year, with an EBITA margin of -2.7 per cent (6.4). Profitability for the year was impacted by lower volumes and impairments of older projects in a Swedish subsidiary which after a review towards the end of the projects were overvalued. Operations in the Swedish subsidiary had an impact of MSEK -4 on EBITA in the fourth quarter, and MSEK -31 for the full-year 2025. The division is carrying out measures to improve project control, increase risk control and facilitate more uniform ways of working for tenders, follow-ups and forecasts. New division management is in place to ensure continued work on control and governance.

An agreement with the general contractor Lindesbergs Bygg was announced during the quarter for a logistics centre totalling 103,000 square metres in Ludvika, Sweden. The projects will be completed by early 2027. The agreement, valued at approximately MSEK 110, is Netel's largest ever within the Infraservices division.

Power division

	Oct-Dec			Jan-Dec		
MSEK	**2025**	**2024**	**Δ**	**2025**	**2024**	**Δ**
Continuing operations						
Net Sales	272	317	-14.2%	989	1,005	-1.6%
of which						
Sweden	*135*	*223*	*-39.5%*	*492*	*653*	*-24.7%*
Norway	*139*	*96*	*45.1%*	*497*	*352*	*41.0%*
EBITA	1	37	*-96.8%*	-4	76	
EBITA margin	0.4%	11.6%	-11.1	-0.4%	7.6%	-7.9

Net sales declined 14.2 per cent to MSEK 272 (317) in the quarter due to a continued high proportion of projects in start-up phases and projects in the final phase in Sweden, which resulted in lower sales and EBITA. For the full-year 2025, sales decreased 1.6 per cent to MSEK 989 (1,005). The rate of growth in Sweden during the year was impacted by a high proportion of projects in the start-up phase, which involves project design and planning before production commences as well as fewer large projects for power stations. Once the production phase starts, it involves larger material deliveries and higher-volume work. Growth in Norway remained strong for the quarter as well as for the full year, and was positively impacted by the strategic decision in 2024 to expand operations both geographically and with new customer segments in service operations and projects. In total, the power business in Norway grew by over 40% during the year and contributed over 5% EBITA margin.

EBITA decreased -96.8 per cent to MSEK 1 (37) in the quarter and the EBITA margin declined 0.4 per cent (11.6) as a result of a higher proportion of projects in the start-up phase, fewer major projects in the production phase and lower volumes in Sweden. During the year, EBITA decreased to MSEK -4 (76) and the EBITA margin amounted to -0.4 per cent (7.6). Profitability was impacted by write-downs from completed projects or projects in end stages that started in 2022 in a Swedish subsidiary and a continued high proportion of project starts, lower volumes and the project mix in Sweden. In previous years, Power in Sweden has had a larger share of power station projects with high profitability in the project mix. Operations in the Swedish subsidiary had an impact of MSEK -2 on EBITA during the fourth quarter, and MSEK -32 for the full-year 2025. Profitability is expected to improve in 2026 in part through contributions from recently signed, major framework agreements as well as a new management team and improved project control in the company with project write-downs. The division's structure is also being enhanced by reducing the number of managerial levels and streamlining the structure by merging several subsidiaries.

A new two-year framework agreement with Elvia was announced during the quarter for emergency services in Østfold and Akershus counties. The estimated annual value of the framework agreement is MNOK 20–30. Netel also announced during the quarter an agreement with Ellevio for the reconstruction and upgrading of a distribution station on Lidingö, northeast of Stockholm, with a value of approximately SEK 50 million. After the end of the quarter, Netel signed a framework agreement with Elvia covering approximately half of Oslo Municipality, which is a new geographical area for Netel. At the same time, Netel has received renewed confidence from Elvia for the Søndre Follo area, south of Oslo. Both framework agreements are four-year contracts with a total value of more than MNOK 110.

Telecom division

	Oct-Dec			Jan-Dec		
MSEK	**2025**	**2024**	**Δ**	**2025**	**2024**	**Δ**
Continuing operations						
Net Sales	369	394	-6.3%	1,321	1,364	-3.2%
of which						
Sweden	*60*	*96*	*-37.6%*	*240*	*280*	*-14.4%*
Norway	*270*	*250*	*8.0%*	*894*	*912*	*-2.0%*
Germany	*48*	*50*	*-3.9%*	*187*	*174*	*7.7%*
EBITA	-16	4		21	26	-20.5%
EBITA margin	-4.3%	1.1%	- 5.4	1.6%	1.9%	-0.3

Net sales decreased 6.3 per cent to MSEK 369 (394) in the fourth quarter and 3.2 per cent to MSEK 1,321 (1,364) in the year, primarily due to a weaker performance in Norway and Sweden. Performance was impacted in part by more projects than expected remaining in start-up phases and in part by the Group's decision to focus on profitability in project procurements, which has affected the growth rate.

EBITA declined in the quarter to MSEK -16 (4) and the EBITA margin for the quarter amounted to -4.3 per cent (1.1). EBITA decreased 20.5 per cent to MSEK 21 (26) during the year, and the EBITA margin was 1.6 per cent (1.9). Profitability was impacted by impairments of projects and the high proportion of projects that remained in start-up phases as well as lower volumes in won projects. For the Norwegian operations, a decision was made to carry out measures that will reduce expenses in 2026 by approximately MSEK 15. These measures include a rreview of all administrative costs, not filling vacancies and the establishment of a new, more efficient organisational structure to adapt to new ways of working. The new digital tools that were gradually introduced to the Norwegian service organisation in 2024–2025 are expected to continue to enhance efficiency and boost profitability.

Other information

Discontinuing operations in Finland and the UK

On 30 June 2025, Netel announced the sale of its Finnish operations to a group of private investors. The Finnish operations have been recognised at a negative value in the balance sheet, and the purchase price amounted to EUR 1. The sale has no significant impact on Netel's financial results and position.

On 11 December 2025, Netel sold its operations in the UK to its local management. The operations, acquired in 2022, had demonstrated negative growth and losses in recent years. The purchase price amounted to GBP 1 and the sale resulted in a reported loss of MSEK 17 for the fourth quarter of 2025, but positive cash flow of approximately MSEK 2 after the repayment of loans.

Significant events after the end of the reporting period

Aksel Aas was appointed Head of Telecom Norway and Robert Carlsson Head of Infraservices Sweden.

Indication 2026

Based on the savings measures for 2025–2026 and the current market conditions we see today, we expect growth and improved margins for the full-year 2026.

Employees

The number of employees in continuing operations at the end of the year was 807 (773). The average number of employees in continuing operations amounted to 785 (752).

The number of employees is calculated as full-time equivalents.

Financial targets

Revenue growth
Annual organic growth of 3–5 per cent.

Margin
Annual adjusted EBITA margin of 5–7 per cent.

Capital structure
Net debt (excluding lease liabilities) in relation to adjusted EBITDA R12M of a multiple below 2.5. The leverage ratio can temporarily be exceeded in connection with acquisitions.

Dividend policy

Pay-out ratio of 40 per cent of the Group's net profit, considering other factors such as acquisition opportunities, financial position, cash flow and organic growth opportunities.

Long-term incentive programmes (LTIP)

Netel has long-term incentive programmes resolved on by Annual General Meetings – LTIP – where some of the participants in the programmes will have the opportunity to acquire shares in the company (warrants). In the LTIP 2024 programme, some of the participants will have the opportunity to receive a cash amount based on the share price (synthetic options).

LTIP 2024/2027

The LTIP 2024/2027 programme includes members of the Executive Team and certain other key employees of the Group, originally totalling eight persons. The programme includes 750,000 warrants and 214,000 synthetic options. Both warrants and synthetic options may be exercised during the period from 1 June 2027 up to and including 31 August 2027. The subscription/exercise price amounts to 150% of the volume-weighted average price paid during five trading days ending on 17 May 2024, which was SEK 22.39. The terms and conditions of the warrants contain a so-called net strike recalculation clause, which means that the subscription price and the number of shares that each warrant entitles to subscription for will be recalculated before the exercise period. Participants have been offered to purchase the options at market value, with a subsidy in the form of a cash payment equivalent to approximately 50% of the investment amount. The benefit corresponding to the subsidy is recognised as share-based payment in accordance with IFRS 2, meaning personnel costs over the vesting period of three years.

The fair value on the allotment date amounted to SEK 1.88 for warrants and SEK 1.87 for synthetic options. The maximum number of warrants has been subscribed.

The Group has expensed SEK 223,824 in 2025 in accordance with IFRS 2 for share-related remuneration.

The Group repurchased 107,000 warrants under LTIP 2024/2027 during the third quarter. In accordance with IFRS 2, the previously recognised cost of the bonus component was reversed. The portion repaid to the participants was recognised as a reduction of equity in accordance with IAS 32. Following the repurchase, the number of warrants outstanding amount to 643,000.

LTIP 2025/2028

The LTIP 2025/2028 programme includes members of the Executive Team and certain other key employees of the Group, totalling 33 persons. The programme includes 778,800 warrants that may be exercised during the period from 1 June 2028 up to and including 31 August 2028.
The subscription/exercise price amounts to 150% of the volume-weighted average price paid during five trading in May 2025, which was SEK 16.51. The terms and conditions of the warrants contain a so-called net strike recalculation clause, which means that the subscription price and the number of shares that each warrant entitles to subscription for will be recalculated before the exercise period. Participants have been offered to purchase the options at market value, with a subsidy in the form of a cash payment equivalent to approximately 50% of the investment amount. The benefit corresponding to the subsidy is recognised as share-based payment in accordance with IFRS 2, meaning personnel costs over the vesting period of three years.

The fair value on the allotment date amounted to SEK 1.71 for warrants. The maximum number of warrants has been subscribed.

The Group has expensed SEK 156,381 in 2025 in accordance with IFRS 2 for share-related remuneration.

Parent Company

The Parent Company's net sales amounted to MSEK 7 (7) for the quarter and MSEK 27 (27) for 2025. The Parent Company was charged with personnel costs and certain financial expenses.

Risks and uncertainties

There are several strategic, operational and financial risks and uncertainties that could impact the Group's financial results and position. Many of these can be managed by internal procedures, although some are governed by external factors to a greater extent. Risks and uncertainties are related to IT and control systems, suppliers, disputes and assessments related to projects, seasonal and weather variations and currencies, but could also arise in the event of new competition, changed market conditions and macroeconomic factors or changed customer behaviour. Interest rate risk also exists for the Group. A weaker macroeconomic situation, higher interest rates and inflation pressure as well as political uncertainty could have a negative impact on demand from customers and entail project delays or cancellations. Lower profitability due to the above could present difficulties for Netel to finance its operations. Netel cannot currently assess the scope of any potential recession, the level of inflation or expected interest rates or the long-term effects of trade tariffs and the effects on the Group's operations. Netel's business model is based on a low level of the Group's assets being tied up in own operations, for example, in machines, which makes the Group more financially agile during recessions. The Netel Group is also affected by weather factors. An early or late winter with lower temperatures has a negative impact on excavation projects, while autumn storms can lead to more assignments to secure power lines. For a more detailed description of the risks and uncertainties for the Group and the Parent Company, refer to the 2024 Annual Report.

Netel works actively to monitor and continuously evaluate sustainability-related risk and their impact on the Group's operations and earnings. As part of this governance, the Executive Team has started to monitor and evaluate the Group's climate impact and how the Group is affected by climate-related risks. The Executive Team is also following up compliance among subsidiaries regarding, for example, the Code of Conduct, work-related injuries and legal disputes.

2026 Annual General Meeting

The 2026 Annual General Meeting will be held on Thursday, 7 May, at 11:00 a.m. in Stockholm, Sweden. Shareholders who wish to have a matter brought before the AGM may submit a proposal to Netel's Chairman of the Board by e-mailing ir@netelgroup.com or writing to Netel Holding AB, Att: Årsstämma 2026, Fågelviksvägen 9, 7th floor SE-145 84 Stockholm, Sweden To be assured of the proposal reaching the notice and therefore the agenda of the AGM, the proposal must have reached the company by 19 March 2026 at the latest.

Owners

On 31 December 2025, Netel Holding AB (publ) had 3,400 (3,726) shareholders. The five largest shareholders were Theodor Jeansson Jr (9.59 per cent), Etemad Group AB (8.96 per cent), Stefan Lindblad (7.31 per cent), Nordnet Pensionsförsäkring (5.08 per cent) and Futur Pension (3.19 per cent).

There were a total of 48,511,873 shares and votes in Netel on 31 December 2025. All shares are ordinary shares.

Financial statements

Condensed consolidated statement of profit or loss

	Oct-Dec		Jan-Dec	
SEK millions	**2025**	**2024**	**2025**	**2024**
Continuing operations				
Operating income				
Net sales	812	949	2,915	3,214
Other operating income	2	25	10	31
Total revenue	**814**	**973**	**2,925**	**3,245**
Operating expenses				
Material and purchased services	-530	-623	-1,821	-2,059
Other external expenses	-89	-87	-309	-274
Personnel costs	-196	-192	-724	-690
Depreciation and amortisation	-20	-13	-84	-65
Operating profit/loss (EBIT)	**-21**	**58**	**-13**	**157**
Profit/loss from financial items				
Net financial items	-24	-17	-78	-77
Earnings before tax	**-45**	**41**	**-91**	**81**
Taxes	-4	-7	1	-17
Net Income continuing operations	**-48**	**34**	**-90**	**64**
Discontinued operations				
Net Income discontinued operations, net after tax	-19	-92	-27	-111
Earnings for the period	**-67**	**-58**	**-117**	**-47**
Earnings for the period is attributable to				
Parent company's shareholders	-67	-58	-117	-47
Non-controlling interests	-	-	-	-
Earnings per share				
Earnings per share before and after diltution continuing operations (SEK)	-1.00	0.71	-1.86	1.31
Earnings per share before and after diltution including discontinued operations (SEK)	-1.38	-1.19	-2.42	-0.96
Average number of shares before and after dilution (thousands)	48,512	48,512	48,512	48,512

Condensed consolidated statement of comprehensive income

	Oct-Dec		Jan-Dec	
SEK millions	**2025**	**2024**	**2025**	**2024**
Earnings for the period	-67	-58	-117	-47
Other comprehensive income				
Translation differences for the period	-6	3	-10	-0
Translation differences discontinued operations	0	1	2	8
Other comprehensive income for the period	**-6**	**4**	**-8**	**8**
Comprehensive income for the period	**-73**	**-54**	**-125**	**-39**
Comprehensive income for the period is attributable to				
Parent company's shareholders	-73	-54	-125	-39
Non-controlling interests	-	-	-	-

Condensed consolidated statement of financial position

SEK millions	31 Dec 2025	31 Dec 2024
ASSETS		
Non-current assets		
Goodwill	1,225	1,242
Intangible assets	200	202
Property, plant and equipment	198	162
Financial non-current assets	30	15
Deferred tax assets	2	7
Total non-current assets	**1,655**	**1,628**
Current assets		
Inventories	5	2
Current receivables	890	1,015
Cash and cash equivalents	205	261
Assets held for sale	-	62
Total current assets	**1,100**	**1,340**
Total assets	**2,755**	**2,968**
EQUITY AND LIABILITIES		
Equity		
Equity attributable to the parent company's shareholders	971	1,095
Equity attributable to non-controlling interests	-	-
Total equity	**971**	**1,095**
Non-current interest-bearing liabilities	968	958
Non-current non-interest-bearing liabilities	69	80
Total non-current liabilities	**1,037**	**1,038**
Current interest-bearing liabilities	154	49
Current non-interest-bearing liabilities	592	707
Liabilities directly associated with assets held for sale	-	78
Total current liabilities	**747**	**835**
Total equity and liabilities	**2,755**	**2,968**

Condensed consolidated statement of changes in equity

SEK thousands	Equity attributable to the parent company's shareholders: Share capital	Other contributed capital	Translation reserve	Retained earnings including profit/loss for the period	Total equity attributable to the parent company's shareholders	Non-controlling interest	Total equity
Opening equity 1 Jan 2024	**746**	**1,470,810**	**-20,703**	**-317,415**	**1,133,438**	**-**	**1,133,438**
Profit/loss for the period	-	-	-	-46,797	-46,797	-	-46,797
Other comprehensive income	-	-	7,573	-	7,573	-	7,573
Comprehensive income for the period	**-**	**-**	**7,573**	**-46,797**	**-39,224**	**-**	**-39,224**
Transactions with Group owners							
Completed issues	-	881	-	-	881	-	881
Total	**-**	**881**	**-**	**-**	**881**	**-**	**881**
Closing equity 31 Dec 2024	**746**	**1,471,691**	**-13,130**	**-364,212**	**1,095,095**	**-**	**1,095,095**
Opening equity 1 Jan 2025	**746**	**1,471,691**	**-13,130**	**-364,212**	**1,095,095**	**-**	**1,095,095**
Profit/loss for the period	-	-	-	-117,237	-117,237	-	-117,237
Other comprehensive income	-	-	-8,035	-	-8,035	-	-8,035
Comprehensive income for the period	**-**	**-**	**-8,035**	**-117,237**	**-125,272**	**-**	**-125,272**
Transactions with Group owners							
Completed issues	-	977	-	-	977	-	977
Total	**-**	**977**	**-**	**-**	**977**	**-**	**977**
Closing equity 31 Dec 2025	**746**	**1,472,668**	**-21,165**	**-481,449**	**970,801**	**-**	**970,801**

Condensed consolidated statement of cash flows

	Oct-Dec		Jan-Dec	
SEK millions	**2025**	**2024**	**2025**	**2024**
Operating profit/loss	-19	-26	-34	56
Reversal of non-cash items	13	-7	65	38
Interest received	1	3	3	5
Interest paid	-15	-15	-59	-65
Tax paid	9	-1	-24	-58
Cash flow from operating activities before changes in working capital	**-11**	**-46**	**-50**	**-24**
Changes in inventories	-0	2	0	2
Changes in operating receivables	102	102	72	8
Changes in operating liabilities	-2	6	-69	73
Cash flow from operating activities	**89**	**63**	**-46**	**59**
Acquisition of non-current assets	-1	-17	-22	-42
Acquisition and disposal of subsidiaries	0	-25	-2	-124
Sale of non-current assets	0	1	4	4
Cash flow from investing activities	**-1**	**-42**	**-20**	**-162**
New share issue	-	-	-	-
Amortisation of lease liabilities	-14	-8	-54	-46
Proceeds from current and non-current loans and credits	0	-	97	14
Amortisation of current and non-current loans and credits	-14	-1	-27	-57
Cash flow from financing activities	**-27**	**-10**	**16**	**-89**
Cash flow for the period	61	11	-51	-192
Cash and cash equivalents at the beginning of the period	150	249	265	446
Translation difference in cash and cach equivalents	-6	5	-10	11
Cash and cash equivalents at the end of the period	**205**	**265**	**205**	**265**

Consolidated statement of cash flows for continuing operations

	Oct-Dec		Jan-Dec	
SEK millions	**2025**	**2024**	**2025**	**2024**
Cash flow from continuing operations				
Cash flow from operating activities	97	71	-30	116
Cash flow from investing activities	-0	-42	-17	-160
Cash flow from financing activities	-21	-5	9	-82
Cash flow for the period from continuing operations	**76**	**23**	**-39**	**-126**

Notes to the financial statements in summary

Key accounting policies

This year-end report covers the Swedish Parent Company Netel Holding AB (publ), Corp. Reg. No. 559327–6263, and its subsidiaries. The activities of the company and its subsidiaries (the "Group") include the provision of the construction and maintenance of infrastructure in Sweden, Norway, Germany and the UK within the divisions of Infraservices, Power and Telecom. The Parent Company is a limited company with its registered office in Stockholm, Sweden. The address of the head office is Fågelviksvägen 9, SE-145 84 Stockholm.

Netel Holding AB (publ) applies International Financial Reporting Standards (IFRS) as adopted by the EU. The Group's interim report has been prepared in accordance with IAS 34 Interim Financial Reporting and applicable parts of the Annual Accounts Act (1995:1554).
The interim report for the Parent Company has been prepared in accordance with Chapter 9 Interim Reports of the Annual Accounts Act and RFR 2 Reporting for Legal Entities.
For the Group and the Parent Company, the same accounting policies, calculation bases and assessments have been applied as in the latest annual report for Netel Holding AB (publ), with the exception of hedge accounting. A more detailed description of the Group's applied accounting policies as well as new and future changes in standards can be found in the latest published annual report. For a complete description of the Group and the Parent Company's applied accounting policies, see Note 1 in the 2024 Annual Report and the description below. In addition to the financial statements and their accompanying notes, disclosures pursuant to IAS 34 are provided in the interim information, which comprise an integral part of this financial report.
All amounts in this report are stated in millions of Swedish kronor (MSEK) unless otherwise stated. Differences in rounding off may occur.

Hedging of net investment in foreign operations

In 2024, Netel replaced a bank loan in Swedish kronor (SEK) and signed a bank loan in Norwegian kronor (NOK) amounting to MNOK 200, corresponding to MSEK 199 at the time of borrowing. The loan is valued at the exchange rate on the balance sheet date. This loan was identified to secure the net investment in the Norwegian subsidiaries including the Parent Company's lending to the companies amounting to an equivalent amount (MNOK 200) that was identified as an expanded net investment. Hedge accounting is applied, which is why gains or losses from currency translation of the loan are recognised in other comprehensive income and accumulated in equity to the extent that the hedge is effective. Any ineffective portion of the hedging relationship is recognised in net financial items in the income statement. Accumulative gains or losses recognised in other comprehensive income are presented in a separate item of equity and reclassified from equity to profit or loss as a reclassification adjustment on divestment or part divestment of the foreign operation. The hedge ratio is 1:1 for the hedge and an economic relationship is deemed to exist since the underlying currency risk in the loan and net investment are well matched. The Group did not recognise any ineffectiveness during the period.

Warrants

Obligations for the Group's warrants are recognised as personnel costs over the period of service based on the estimated number of rights expected to be vested. The fair value is calculated on the allotment date and recognised in equity. The estimate of the number of shares expected to be vested is reassessed at the end of each reporting period and any differences are recognised in profit or loss with corresponding adjustments made in equity.

Synthetic options

Obligations for the Group's synthetic options are recognised as personnel costs over the period of service based on the estimated number of rights expected to be vested. The fair value of the liability is remeasured at the end of each reporting period and recognised as an employee benefit obligation in the balance sheet. Any changes in fair value are recognised in profit or loss as personnel costs. In the event that synthetic options are forfeited due to the employee not meeting the service conditions, the liability is derecognised and previously recognised expenses are reversed.

Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker is responsible for allocating resources and assessing the performance of the operating segments. In the Group, this function has been identified as the President and CEO. An operating segment is a part of the Group that conducts operations that earn revenue and incur costs, and for which discrete financial information is available. The Group is categorised into segments based on the internal structure of its business operations, which means that there are three operating segments: the Infraservices, Power and Telecom divisions.

The same accounting policies are used in the segments as for the Group, except for leases in accordance with IFRS 16. Leasing according to IFRS 16 was not allocated on the division level. Consequently, the divisions' leases are reported as if they were operating leases. The Group presents revenue and earnings before interest, tax and amortisation (EBITA) per segment.

Earnings per share

Earnings per share before dilution are calculated by dividing net profit attributable to holders of ordinary shares in the Parent Company by the weighted average number of outstanding ordinary shares during the year. Earnings per share after dilution are calculated by dividing net profit attributable to holders of ordinary shares in the Parent Company, adjusted where applicable, by the sum of the weighted average number of ordinary shares and potential ordinary shares that may give rise to a dilution effect. The dilution effect of potential ordinary shares is only reported if a recalculation of ordinary shares would lead to a decrease in earnings per share after dilution.

Estimates and judgements

The preparation of the interim report requires that company management makes assessments and estimates and makes assumptions that affect the application of the accounting policies and the reported amounts of assets, liabilities, revenue and expenses. The actual outcome may differ from these estimates and assessments. The critical assessments and sources of uncertainty in estimates are the same as in the latest published annual report. See Note 1 in the 2024 Annual Report for more information.

Operating segments

For accounting and monitoring purposes, the Group has divided its operations into three operating segments based on how the Group CEO evaluates the Group's operations. The three operating segments are the Infraservices, Power and Telecom divisions. The Group CEO primarily uses earnings before interest, tax and amortisation (EBITA) in assessing the performance of the operating segments. Other adjustments at Group level are included under Group-wide items and eliminations, for example, transaction costs and other Group-wide costs that are not allocated at segment level.

Discontinuing operations

Operations in Finland were divested on 30 June 2025 and operations in the UK were divested on 11 December 2025. Operations in Finland and the UK are recognised as discontinuing operations in the Group's income statement for 2024 and 2025. Earnings from both operations have been excluded from the individual rows in the consolidated statement of profit or loss and are instead recognised as net earnings from discontinuing operations, net after tax, which are attributable in their entirety to the Parent Company's shareholders.

To increase transparency, restated figures are also presented for all quarters of 2025 for continuing operations.

Discontinuing operations are included in the consolidated statement of cash flows. Additional information on cash flow regarding discontinuing operations is presented in a note. In the statement of financial position as of 31 December 2024, assets and liabilities attributable to the Finish operations have been reclassified as Assets held for sale and Liabilities attributable to assets held for sale.

Segment reporting

Oct-Dec 2025	Infraservices	Power	Telecom	Total segments	Group-wide	Group total
Continuing operations						
Revenue from external customers	170	272	369	811	1	812
Revenue from other segments	-	-	-	-	-	-
Total revenue	**170**	**272**	**369**	**811**	**1**	**812**
EBITA	**-3**	**1**	**-16**	**-17**	**-2**	**-19**

Oct-Dec 2024	Infraservices	Power	Telecom	Total segments	Group-wide	Group total
Continuing operations						
Revenue from external customers	238	317	393	949	0	949
Revenue from other segments	-	-	-	-	-	-
Total revenue	**238**	**317**	**393**	**949**	**0**	**949**
EBITA	**14**	**37**	**4**	**55**	**5**	**60**

Jan-Dec 2025	Infraservices	Power	Telecom	Total segments	Group-wide	Group total
Continuing operations						
Revenue from external customers	605	989	1,321	2,914	1	2,915
Revenue from other segments	-	-	-	-	-	-
Total revenue	**605**	**989**	**1,321**	**2,914**	**1**	**2,915**
EBITA	**-17**	**-4**	**21**	**1**	**-5**	**-5**

Jan-Dec 2024	Infraservices	Power	Telecom	Total segments	Group-wide	Group total
Continuing operations						
Revenue from external customers	844	1,005	1,364	3,214	-	3,214
Revenue from other segments	-	-	-	-	-	-
Total revenue	**844**	**1,005**	**1,364**	**3,214**	**-**	**3,214**
EBITA	**54**	**76**	**26**	**156**	**7**	**164**

Segment reporting for previous quarters of 2025

To increase transparency, restated figures are presented for all quarters of 2025 for continuing operations after the divestment of operations in Finland and the UK.

Jan-Mar 2025	Infraservices	Power	Telecom	Total segments	Group-wide	Group total
Continuing operations						
Revenue from external customers	144	252	279	676	-	676
Revenue from other segments	-	-	-	-	-	-
Total revenue	**144**	**252**	**279**	**676**	**-**	**676**
EBITA	**4**	**7**	**4**	**15**	**1**	**16**

Apr-Jun 2025	Infraservices	Power	Telecom	Total segments	Group-wide	Group total
Continuing operations						
Revenue from external customers	157	268	351	775	-	775
Revenue from other segments	-	-	-	-	-	-
Total revenue	**157**	**268**	**351**	**775**	**-**	**775**
EBITA	**6**	**8**	**33**	**46**	**-7**	**39**

Jul-Sep 2025	Infraservices	Power	Telecom	Total segments	Group-wide	Group total
Continuing operations						
Revenue from external customers	134	196	322	652	0	652
Revenue from other segments	-	-	-	-	-	-
Total revenue	**134**	**196**	**322**	**652**	**0**	**652**
EBITA	**-23**	**-20**	**-0**	**-44**	**3**	**-41**

Revenue from contracts with customers

Currently, the Group only conducts Infraservices in Sweden. Power operations are conducted in Sweden and Norway. Telecom operations are conducted in Sweden, Norway and Germany. Telecom only encompasses fibre roll-out and service in Germany, while in Sweden and Norway it also includes the roll-out and service of mobile networks.

Oct-Dec 2025	**Infraservices**	**Power**	**Telecom**	**Total segments**	**Discontinued operations**	**Group total**
Business area						
Sweden	170	135	60	**365**		**365**
Norway	-	139	270	**409**		**409**
Finland	-	-	-	**-**	-	**-**
Germany	-	-	48	**48**		**48**
United Kingdom	-	-	-	**-**	19	**19**
Group-wide	-	-2	-10	**-11**		**-11**
Revenue from contracts with customers	**170**	**272**	**369**	**812**	**19**	**830**
Type of service						
Framework agreement	44	91	249	**384**	-	**384**
Project	126	183	130	**439**	19	**458**
Group-wide	-	-2	-10	**-12**		**-12**
Revenue from contracts with customers	**170**	**272**	**369**	**811**	**19**	**830**

Oct-Dec 2024	**Infraservices**	**Power**	**Telecom**	**Total segments**	**Discontinued operations**	**Group total**
Business area						
Sweden	239	223	96	**558**		**558**
Norway	-	96	250	**346**		**346**
Finland	-	-	-	**-**	33	**33**
Germany	-	-	50	**50**		**50**
United Kingdom	-	-	-	**-**	9	**9**
Group-wide	-1	-2	-3	**-6**		**-6**
Revenue from contracts with customers	**238**	**317**	**394**	**949**	**41**	**990**
Type of service						
Framework agreement	74	95	311	**480**	50	**530**
Project	163	225	85	**474**	-8	**465**
Group-wide	-	-2	-3	**-5**		**-5**
Revenue from contracts with customers	**238**	**317**	**394**	**949**	**41**	**990**

Jan-Dec 2025	Infraservices	Power	Telecom	Total segments	Discontinued operations	Group total
Business area						
Sweden	605	492	240	**1,336**		1,336
Norway	-	497	894	**1,391**		1,391
Finland	-	-	-	**-**	92	92
Germany	-	-	187	**187**		187
United Kingdom	-	-	-	**-**	53	53
Group-wide	-	-	-	**1**	-	1
Revenue from contracts with customers	**605**	**989**	**1,321**	**2,915**	**145**	**3,060**
Type of service						
Framework agreement	141	285	1,043	**1,468**	102	1,570
Project	464	704	278	**1,446**	43	1,489
Group-wide	-	-	-	**1**	-	1
Revenue from contracts with customers	**605**	**989**	**1,321**	**2,915**	**145**	**3,060**

Jan-Dec 2024	Infraservices	Power	Telecom	Total segments	Discontinued operations	Group total
Business area						
Sweden	844	653	280	**1,777**		**1,777**
Norway	-	352	912	**1,264**		**1,264**
Finland	-	-	-	**-**	241	**241**
Germany	-	-	174	**174**		**174**
United Kingdom	-	-	-	**-**	70	**70**
Group-wide	-	-	-1	**-1**		**-1**
Revenue from contracts with customers	**844**	**1,005**	**1,364**	**3,214**	**311**	**3,524**
Type of service						
Framework agreement	214	246	1,095	**1,555**	272	**1,826**
Project	630	759	271	**1,660**	39	**1,700**
Group-wide	-	-	-1	**-1**		**-1**
Revenue from contracts with customers	**844**	**1,005**	**1,364**	**3,214**	**311**	**3,524**

Reports of discontinuing operations

Operations in Finland and the UK were divested in 2025. The sale means that Netel can now focus its resources to the core markets in Sweden and Norway and the growth markets of Germany.

Operations in Finland

Netel announced on 16 January 2025 that the Board of Directors had decided to initiate a process aimed at selling the Finnish operations, a decision for which management resolved to commence preparations during the fourth quarter of 2024. On 30 June 2025, Netel sold its Finnish operations to a group of private investors. The Finnish operations recognised negative net assets in the consolidated balance sheet, and the purchase price amounted to EUR 1. The sale resulted in a gain of MSEK 8 recognised for the second quarter of 2025.

Transaction costs related to the sale amounted to MSEK 9.

Operations in the UK

On 11 December 2025, Netel sold its operations in the UK to its local management. The operations, acquired in 2022, had demonstrated negative growth and losses in recent years. The purchase price amounted to GBP 1 and the sale resulted in a reported loss of MSEK 17 for the fourth quarter of 2025, but positive cash flow of approximately MSEK 2 after the repayment of loans.

Transaction costs related to the sale amounted to MSEK 0.

	Oct-Dec		Jan-Dec	
SEK millions	**2025**	**2024**	**2025**	**2024**
Discontinued operations				
Net sales	18	42	145	311
Other operating income	-0	16	6	17
Total revenue	**18**	**58**	**151**	**328**
Operating expenses				
Material and purchased services	-10	-88	-123	-304
Other external expenses	-3	-38	-9	-62
Personnel costs	-3	-15	-36	-56
Depreciation and amortisation	-1	-1	-3	-8
Operating profit/loss (EBIT)	**2**	**-84**	**-19**	**-102**
Profit/loss from financial items				
Net financial items	-0	2	-1	0
Earnings before tax	**2**	**-83**	**-20**	**-101**
Taxes	-3	-9	1	-9
Net Income fom discontinued operations	**-2**	**-92**	**-19**	**-111**

SEK millions	Disposal Finland	Disposal UK	Total
Information on disposal of subsidiary			
Consideration received			
Cash	0	0	**0**
Total selling price	**0**	**0**	**0**
Carrying amount of net assets sold	-18	18	**-0**
Gain on disposal of subsidiary before reclassification of translation reserve	**18**	**-18**	**0**
Reclassification of translation reserve	-10	1	**-8**
Other comprehensive income from discontiuned operations	**-10**	**1**	**-8**
Net Income fom discontinued operations	7	-26	**-19**
Total Income discontinued operations including earnings on disposal	**16**	**-43**	**-27**

Transaction costs related to the sale of the operations in Finland amounted SEK 9 MSEK and are included in the Group's other external expenses for the second quarter of 2025

Transaction costs related to the sale of the operations in UK amounted SEK 0 MSEK and are included in the Group's other external expenses for the fourth quarter of 2025

SEK millions	Disposal Finland	Disposal UK	Total
Net assets at date of disposal			
Tangible and intangible fixed assets	9	16	16
Current receivables	31	29	29
Cash	2	0	0
Total assets	**42**	**46**	**46**
Short-term interest-bearing liabilities	14	8	8
Short-term non-interest-bearing liabilities	46	19	19
Total liabilities	**61**	**28**	**28**
Net assets	**-18**	**18**	**18**

SEK millions	31 Dec 2025	31 Dec 2024
Assets held for sale		
Tangible and intangible non-current assets	-	9
Total non-current assets	**-**	**9**
Current receivables	-	49
Cash and cash equivalents	-	4
Total current assets	**-**	**53**
Total assets held for sale	**-**	**62**
Liabilites directly associated with assets held for sale		
Current interest-bearing liabilities	-	2
Current non-interest-bearing liabilities	-	76
Total current liabilities	**-**	**78**
Total Liabilites directly associated with assets held for sale	**-**	**78**

	Oct-Dec		Jan-Dec	
SEK millions	2025	2024	2025	2024
Cash flow from discontinued operations				
Cash flow from operating activities	-8	-8	-16	-57
Cash flow from investing activities	-1	-0	-3	-2
Cash flow from financing activities	-7	-4	7	-7
Cash flow for the period from discontinued operations	**-15**	**-12**	**-12**	**-58**

Financial instruments

The Group's financial instruments measured at fair value only refer to contingent considerations and fund holdings (see below). For other financial assets and liabilities, the carrying amounts are good approximations of the fair value.

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The table below shows financial instruments measured at fair value, based on the classification of the fair value hierarchy. The different levels are defined as follows:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets and liabilities.

Level 2 – Other observable input data for the asset or liability than quoted prices included in level 1, either direct (i.e. price quotes) or indirect (i.e. derived from price quotes).

Level 3 – Input data for the asset or liability that are not based on observable market data (i.e. unobservable input data).

Fund holdings

The Group holds funds included in the item Financial non-current assets. Fund holdings are measured at fair value by use of quoted prices in active markets for identical assets and are thus found in level 1 of the valuation hierarchy.

Contingent consideration

For some of the Group's business combinations, there are contingent considerations. The contingent considerations are dependent on the average EBITA for the business combinations over one to three years. The considerations will be settled in cash.

The contingent considerations are included in the items Non-current non-interest-bearing liabilities and Current non-interest-bearing liabilities in the amount of MSEK 0 (2). The contingent considerations are found in level 3 of the valuation hierarchy.

Other holdings and liabilities measured at fair value

The Group holds currency futures that are included in the item Current non-interest-bearing liabilities. These currency futures are measured at fair value through indirect calculations from underlying currencies, according to data received from the counterparty/bank, and thus are found in level 2 of the valuation hierarchy.

Fund holdings	31 Dec 2025	31 Dec 2024
Opening balance	**7**	**6**
Investments	0	1
Divestments	-	-
Change in value recognised through profit or loss	-	-
Translation difference	-	-
Closing balance	**7**	**7**

Contingent considiration	31 Dec 2025	31 Dec 2024
Opening balance	**2**	**162**
Acquisition of subsidiaries and businesses	-	-
Paid considirations	-	-124
Change in value recognised through profit or loss	-2	-37
Translation difference	-0	1
Closing balance	**-**	**2**

Other liabilities recognised at fair value	31 Dec 2025	31 Dec 2024
Opening balance	**0**	**-1**
Changes in recognised liabilities	-	-
Change in value recognised through profit or loss	-0	1
Translation difference	-	-
Closing balance	**-0**	**0**

Transactions with related parties

No significant changes took place during the year for the Group or the Parent Company in relationships or transactions with related parties compared to what has been described in Note 32 of the 2024 Annual report for Netel Holding AB (publ).

Condensed income statement for the Parent Company

	Oct-Dec		Jan-Dec	
SEK millions	**2025**	**2024**	**2025**	**2024**
Operating income				
Net sales	7	7	27	27
Other operating income	-	-	-	-
Total revenue	**7**	**7**	**27**	**27**
Operating expenses				
Personnel costs	-3	-5	-13	-18
Other external expenses	-9	-1	-17	-6
Operatin profit (EBIT)	**-5**	**1**	**-3**	**2**
Net financial items	-16	0	2	4
Earnings after financial items	**-21**	**1**	**-2**	**6**
Appropriations	-9	-5	-9	-5
Earnings before tax	**-30**	**-4**	**-10**	**1**
Taxes	6	1	0	-
Earnings for the period	**-24**	**-3**	**-10**	**1**

Condensed balance for the Parent Company

SEK millions	31 Dec 2025	31 Dec 2024
ASSETS		
Non-current assets		
Shares in subsidiaries	1,622	1,622
Financial non-current assets	8	8
Total non-current assets	**1,630**	**1,630**
Current assets		
Receivables from Group companies	772	789
Other current assets	8	-
Cash and cash equivalents	1	1
Total current assets	**781**	**790**
Total assets	**2,412**	**2,420**
EQUITY AND LIABILITIES		
Equity		
Share capital	1	1
Other equity	1,473	1,482
Total equity	**1,473**	**1,483**
Untaxed reserves	22	23
Total untaxed reserves	**22**	**23**
Non-current interest-bearing liabilities	868	878
Non-current non-interest-bearing liabilities	10	9
Total non-current liabilities	**878**	**888**
Current interest-bearing liabilities	5	9
Current non-interest-bearing liabilities	33	19
Total current assets	**38**	**27**
Total equity and liabilities	**2,412**	**2,420**

Stockholm, 6 February 2026

Jeanette Reuterskiöld
President and CEO

This report is unaudited.

Selected financial information

Definitions and a reconciliation of alternative performance measures for Netel Holding AB (publ) are presented here in accordance with the guidelines from the European Securities and Markets Authority (ESMA) regarding the use of alternative performance measures. These guidelines require expanded disclosures regarding the financial measures not defined by IFRS. Alternative performance measures are measures showing historical or future financial results, financial position or cash flows that are not defined by IFRS.

Netel Group uses alternative performance measures to monitor and describe the Group's financial position and to provide additional useful information where relevant for the user's understanding of the financial statements. These performance measures are not directly comparable with similar performance measures used by other companies. The performance measures stated below are presented in the interim report.

Alternative performance measures not defined under IFRS

	Oct-Dec		Jan-Dec	
SEK millions	**2025**	**2024**	**2025**	**2024**
Continuing operations				
Net sales growth (%)	-14.4%	2.6%	-9.3%	4.5%
Organic sales growth (%)	-14.4%	2.6%	-9.3%	4.3%
EBITDA	-1	72	71	222
EBITDA margin (%)	-0.1%	7.5%	2.4%	6.9%
EBITA	-19	60	-5	164
EBITA margin (%)	-2.3%	6.3%	-0.2%	5.1%
Items affecting comparability	21	-1	33	18
Adjusted EBITDA	20	71	103	240
Adjusted EBITDA margin (%)	2.4%	7.5%	3.5%	7.5%
Adjusted EBITA	2	59	28	181
Adjusted EBITA margin (%)	0.2%	6.3%	1.0%	5.6%
Net debt excluding leasing	786	662	786	662
Net debt/Adjusted EBITDA R12 (Ratio)	7.6	2.8	7.6	2.8
Equity ratio (%)	35.2%	36.9%	35.2%	36.9%
Order backlog	4,157	3,805	4,157	3,805

Reconciliation of growth in net sales

	Oct-Dec		Jan-Dec	
SEK millions	**2025**	**2024**	**2025**	**2024**
Continuing operations				
Net sales previous period	949	924	3,214	3,076
Acquired net sales	-	-	-	4
Organic net sales	812	949	2,915	3,210
Total net sales growth (%)	-14.4%	2.6%	-9.3%	4.5%
Organic net sales growth (%)	-14.4%	2.6%	-9.3%	4.3%

Reconciliation of EBITDA, EBITDA margin, adjusted EBITDA, adjusted EBITDA margin

	Oct-Dec		Jan-Dec	
SEK millions	**2025**	**2024**	**2025**	**2024**
Continuing operations				
Net sales	812	949	2,915	3,214
Operating profit/loss (EBIT)	-21	58	-13	157
Depreciation and amortisation of tangible and intangible assets	20	13	84	65
EBITDA	**-1**	**72**	**71**	**222**
EBITDA margin (%)	-0.1%	7.5%	2.4%	6.9%
Items affecting comparability				
Acquisition and disposal-related costs	0	-	10	-
Other items affecting comparability	20	-1	23	18
Total items affecting comparability	**21**	**-1**	**33**	**18**
Adjusted EBITDA	**20**	**71**	**103**	**240**
Adjusted EBITDA margin (%)	2.4%	7.5%	3.5%	7.5%

Reconciliation of EBITA, EBITA margin, adjusted EBITA and adjusted EBITA margin

	Oct-Dec		Jan-Dec	
SEK millions	**2025**	**2024**	**2025**	**2024**
Continuing operations				
Net sales	812	949	2,915	3,214
Operating profit/loss (EBIT)	-21	58	-13	157
Depreciation and amortisation of intangible assets	2	2	9	6
EBITA	**-19**	**60**	**-5**	**164**
EBITA margin (%)	-2.3%	6.3%	-0.2%	5.1%
Items affecting comparability				
Acquisition and disposal-related costs	0	-	10	-
Other items affecting comparability	20	-1	23	18
Total items affecting comparability	**21**	**-1**	**33**	**18**
Adjusted EBITA	**2**	**59**	**28**	**181**
Adjusted EBITA margin (%)	0.2%	6.3%	1.0%	5.6%

Reconciliation of net debt and net debt/adjusted EBITDA R12M (Ratio)

SEK millions	31 Dec 2025	31 Dec 2024
Continuing operations		
Non-current interest-bearing liabilities	968	958
Current interest-bearing liabilities	154	49
Total interest-bearing liabilities	**1,123**	**1,006**
Leasing liabilites	132	83
Cash and cash equivalents	205	261
Net debt	**918**	**745**
Net debt excluding leasing	**786**	**662**
Adjusted EBITDA R12	103	240
Net debt exluding leasing liabilites/Adjusted EBITDA R12 (Ratio)	**7.6**	**2.8**

Reconciliation of equity ratio

SEK millions	31 Dec 2025	31 Dec 2024
Total equity	971	1,095
Total assets	2,755	2,968
Equity ratio (%)	**35.2%**	**36.9%**

Reconciliation of Group net sales and EBITA

Netel was impacted by project write-downs for two subsidiaries in 2025 – one in Infraservices Sweden and one in Power Sweden.

The following tables present the net sales and EBITA for the Infraservices and Power segments as well as for the Group excluding both subsidiaries.

	Oct-Dec		Jan-Dec	
SEK millions	**2025**	**2024**	**2025**	**2024**
Continuing operations				
Net Sales				
Infraservices	**170**	**238**	**605**	**844**
One company Infraservices Sweden	33	39	89	219
Infraservices exluding above company	**137**	**199**	**516**	**626**
Power	**272**	**317**	**989**	**1,005**
One company Power Sweden	25	15	72	83
Power exluding above company	**247**	**302**	**917**	**922**
Telecom	**369**	**394**	**1,321**	**1,364**
Group-wide	**1**	**-0**	**1**	**-0**
Total Netel	**812**	**949**	**2,915**	**3,214**
Companies listed above	58	54	161	301
Total Netel excl. companies listed above	**754**	**895**	**2,754**	**2,912**

	Oct-Dec		Jan-Dec	
SEK millions	**2025**	**2024**	**2025**	**2024**
Continuing operations				
EBITA				
Infraservices	**-3**	**14**	**-17**	**54**
One company Infraservices Sweden	-4	-9	-31	-4
Infraservices exluding above company	**1**	**23**	**15**	**58**
Power	**1**	**37**	**-4**	**76**
One company Power Sweden	-2	-15	-32	-17
Power exluding above company	**3**	**52**	**28**	**93**
Telecom	**-16**	**4**	**21**	**26**
Group-wide	**-2**	**5**	**-5**	**7**
Total Netel	**-19**	**60**	**-5**	**164**
Companies listed above	-6	-24	-63	-21
Total Netel excl. companies listed above	**-13**	**84**	**59**	**185**

Definitions and reasons for use

Performance measures	Definition	Reason for use
EBITA*	Earnings before amortisation of intangible assets	EBITA is used to analyse the profitability generated by the underlying operations
EBITA margin*	EBITA as a percentage of net sales	The EBITA margin is used to illustrate the underlying operations' profitability
EBITDA*	Earnings before interest, taxes, depreciation and amortisation.	EBITDA is used to analyse the profitability generated by the underlying operations
EBITDA margin*	EBITDA as a percentage of net sales	The EBITDA margin is used to illustrate the underlying operations' profitability
Adjusted EBITA*	EBIT before amortisation of intangible assets, adjusted for items affecting comparability	Adjusted EBITA is used to analyse the profitability generated by the underlying operations
Adjusted EBITA margin*	Adjusted EBITA as a percentage of net sales	The adjusted EBITA margin is used to illustrate the underlying operations' underlying profitability
Adjusted EBITDA*	Earnings before interest, taxes, depreciation and amortisation, adjusted for items affecting comparability	Adjusted EBITDA is used to analyse the underlying profitability generated by the underlying operations
Adjusted EBITDA margin*	Adjusted EBITDA as a percentage of net sales	The adjusted EBITDA margin is used to illustrate the underlying operations' underlying profitability
Items affecting comparability*	Items affecting comparability are revenue and expenses of a non-recurring character such as capital gains from divestments, transaction costs in connection with M&As or capital raises, larger integration costs for acquisitions or planned reconstructions, and expenses following strategic decisions and major reconstructions that result in a discontinuation of operations	Items affecting comparability are used to highlight the income items that are not included in the operating activities to create a clear view of the underlying earnings trend
Cash flow from operating activities	Cash flow attributable to the company's main income-generating operations and operations other than investing activities and financing activities	The measure is a performance measure defined by IFRS
Net sales	The total of sales proceeds from goods and services less discounts provided, VAT and other tax related to the sale	The measure is a performance measure defined by IFRS

Organic growth*	Sales growth excluding material acquisitions in the last 12 months	The measure shows the size of the company’s total growth that is organic growth
Order backlog	The remaining order value on the balance sheet date for contracted projects and estimated future volumes from framework agreements	Used to show contracted future net sales attributable to projects
Earnings before tax	Profit for the period before tax	The measure is a performance measure defined by IFRS
Earnings per share (SEK)	Earnings per share before and after dilution attributable to holders of ordinary shares in the Parent Company	The measure (before and after dilution) is a performance measure defined by IFRS
Net debt*	Interest-bearing liabilities (current and non-current) less cash and cash equivalents	The measure shows the size of the company’s total assets financed via financial liabilities, taking into account cash and cash equivalents and is a component in assessing financial risk
Equity ratio*	Equity as a percentage of total assets	The measure shows the share of the company’s total assets financed by the shareholders through equity

* The KPI is an alternative performance measure according to ESMA’s guidelines

Webcast presentation and teleconference

Jeanette Reuterskiöld, President and CEO, and Fredrik Helenius, CFO, will present the interim report on Friday, 6 February at 9:00 a.m. (CET) in a webcast. Questions may be asked both online and by phone. Presentation material is also available at https://netelgroup.com/en/investors/reports-and-presentations/. The presentation will be held in English.

If you want to participate through the webcast, use the link https://netel-group.events.inderes.com/q4-report-2025. It will be possible to submit written questions during the webcast. If you want to ask questions orally via teleconference, please register through the link https://conference.inderes.com/teleconference/?id=5004069. After registration, you will receive a telephone number and ID to log in to the conference. It will be possible to ask questions orally during the teleconference.

Financial information

This report, previous interim reports and annual reports are available at https://netelgroup.com/en/investors/reports-and-presentations/.

Calendar

Annual and Sustainability Report 2025	Week beginning 6 April
First quarter 2026	24 April
Annual General Meeting	7 May
Second quarter 2026	10 July
Third quarter 2026	21 October
Fourth quarter and Year-end Report 2026	5 February 2027

This information is such that Netel Holding AB (Publ) is obliged to make public in accordance with the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons below, on 6 February 2026 at 7:30 a.m. CET.

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Netel in brief

With over 25 years of experience, Netel is a leader in the development and maintenance of critical infrastructure in Infraservices, Power and Telecom in Northern Europe. We are involved in the entire value chain from design, production and maintenance of our customers' facilities. We are dedicated to securing an accessible and reliable future, where technology unites and transforms society. Netel reported net sales of MSEK 2,915 in 2025 and the number of employees in the Group is just over 800. Netel has been listed on Nasdaq Stockholm since 2021. Read more at netelgroup.com.

FOUNDED IN	EMPLOYEES	NET SALES IN 2025
2000	807	2,915 MSEK

Netel