

## Growth of 26.9 per cent and continued expansion to new attractive markets

### Third quarter

- Net sales rose 26.9 per cent to MSEK 779 (614), of which organic growth was 4.9 per cent.
- Adjusted EBITA amounted to MSEK 49 (40) and the adjusted EBITA margin amounted to 6.3 per cent (6.5).
- EBITA increased to MSEK 43 (33) and the EBITA margin rose to 5.6 per cent (5.3).
- Operating profit (EBIT) increased to MSEK 42 (33) and the operating margin amounted to 5.4 per cent (5.3).
- Profit for the period increased to MSEK 31 (21).
- Earnings per share before and after dilution rose to SEK 0.66 (0.60).
- Cash flow from operating activities amounted to MSEK 7 (-49).

### January–September

- Net sales rose 26.8 per cent to MSEK 2,157 (1,701), of which organic growth was 5.4 per cent.
- Adjusted EBITA increased to MSEK 125 (111) and the adjusted EBITA margin amounted to 5.8 per cent (6.5).
- EBITA increased to MSEK 111 (90) and the EBITA margin amounted to 5.1 per cent (5.3).
- Operating profit (EBIT) increased to MSEK 108 (90) and the operating margin amounted to 5.0 per cent (5.3).
- Profit for the period increased to MSEK 75 (57).
- Earnings per share before and after dilution amounted to SEK 1.58 (1.67).
- Cash flow from operating activities amounted to MSEK -114 (-47).
- Net debt amounted to MSEK 692 (624) and net debt/adjusted EBITDA R12M to 2.7 (2.9).
- The order backlog was MSEK 3,257 (3,429).

### Significant events during and after the third quarter

- Entered the growing UK market through two acquisitions
- Expanded operations into northern Sweden through the acquisition of Bredbyns
- Seven acquisitions completed to date this year with total annual sales of MSEK 497 at the time of the acquisitions
- UK reported as a new operating segment

SEK millions	Jul-Sep		Jan-Sep		R12 Oct-Sep	Full-year
	2022	2021	2022	2021	2021/2022	2021
Net sales	779	614	2,157	1,701	2,874	2,418
Net sales growth (%)	26.9%	42.4%	26.8%	34.0%	29.5%	31.1%
Adjusted EBITA	49	40	125	111	191	177
Adjusted EBITA margin (%)	6.3%	6.5%	5.8%	6.5%	6.6%	7.3%
EBITA	43	33	111	90	147	127
EBITA margin (%)	5.6%	5.3%	5.1%	5.3%	5.1%	5.2%
EBIT	42	33	108	90	144	126
EBIT margin (%)	5.4%	5.3%	5.0%	5.3%	5.0%	5.2%
Net debt	692	624	692	624	692	318
Net debt/Adjusted EBITDA R12 (Ratio)	2.7	2.9	2.7	2.9	2.7	1.4

Adjusted EBITA has been calculated excluding acquisition costs in Q322 and YTD 2022 and in 2021 excluding acquisition costs, costs related to the IPO and other costs.

## CEO's comments

# Continued strong growth and healthy order intake

Sales grew 26.9 per cent in the quarter to MSEK 779, mainly due to acquisitions in Sweden and good growth in Norway, Finland and Germany. The order intake remained healthy during the quarter. As part of our growth strategy, we entered the attractive UK fibre market through two acquisitions and expanded to northern Sweden in Infraservice, meaning district heating, water and sewage.

Organic growth of 4.9 per cent for the quarter was mainly driven by Fixed networks in Norway and Germany. Power also grew favourably in Norway and Finland. The order intake remained healthy with an order backlog of SEK 3.3 billion.

Adjusted EBITA increased 22.5 per cent to MSEK 49 (40) with an adjusted EBITA margin of 6.3 per cent (6.5). In general, we have been able to compensate for increased material prices, with the exception of individual projects mainly in Finland, but also in Power in Norway, which negatively impacted profitability in the quarter.

Cash flow from operating activities in the quarter amounted to MSEK 7 (-49). Tied-up capital in the quarter followed normal seasonal variations. We are working intensely to reduce tied-up capital and offset the higher tied-up capital from the first half of the year, but it will take some time before we see the effects of this.

## Strong quarter for Fixed networks

Sales for the Fixed Networks business area grew 39.2 per cent to MSEK 465 (334) due to the healthy performances in Norway, Finland and Germany as well as acquisitions in Sweden and the UK. Demand was driven by the considerable need to expand the fibre network in countries such as Germany and the UK. In Sweden, we recently established ourselves in the district heating, water and sewage market through acquisitions in the Mälardalen region. Our acquisitions performs well in an attractive market and in October, we decided to expand operations to northern Sweden through the acquisition of Bredbyns in Örnsköldsvik.

In the Power business area, sales rose 18.7 per cent to MSEK 235 (198) following the commencement of heavy excavation projects in Finland during the quarter and the completion of some Norwegian projects that were postponed from the second quarter of 2022.

Sales for the Mobile business area declined 2.3 per cent to MSEK 83 (85) mainly due to a decline in Norway and Finland. Mobile performed well in Sweden with a continued healthy pace of 5G expansion.

## Value-adding acquisitions

We are very happy to welcome our new British colleagues to Netel. Our new companies Border and Doocey posted combined annual sales in the preceding

financial year totalling MSEK 118, providing us with a rapid start for our entry into the UK fibre market. We are continuing our acquisition strategy with a focus on Norway, Germany, the UK and Sweden. We always place stringent requirements on the companies we acquire. These companies must, for example, maintain a healthy market position and have profitability in line with, or preferably higher than, the Netel Group. Our ambition is for acquired companies to be able to create rapid value for Netel.

## Future outlook

In the first nine months of the year, sales rose 26.9 per cent to MSEK 2,157, of which organic growth was 5.9 per cent. This assures us that we will meet our financial target of at least 10 per cent growth for the full-year 2022.

Adjusted EBITA increased 12.6 per cent to MSEK 125 (111) with an adjusted EBITA margin of 5.8 per cent for the nine-month period. Profitability was primarily impacted by the performance in Finland with a lack of compensation for material price hikes and delayed projects as a result of the long winter. The final quarter of the year may also be trying in terms of profitability for the Finnish operations. For Finland, we note positive market signs for 2023 with increased demand for fibre roll-out and a consolidation in the supply chain. For Netel, the fourth quarter is the most important period of the year in terms of profitability, and although many of our segments are pushing full steam ahead, there is some uncertainty due to prevailing external circumstances.

Netel is active in markets that are driven by strong macrotrends such as the electrification of society, digitalisation and the need to modernise antiquated infrastructure for heating, water and sewage. We maintain a strong position as a leading specialist in critical infrastructures in Northern Europe, and we are adding additional expertise and expanding into new markets through acquisitions. This reassures me of Netel's ability to continue to create long-term profitable growth.

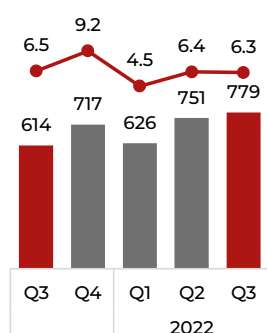


*Ove Bergkvist*  
President and CEO

# Condensed consolidated financial performance

## Third quarter

### Net sales and adjusted EBITA margin



■ Net revenues  
● Adjusted EBITA

### Net sales

Net sales grew 26.9 per cent in the quarter to MSEK 779 (614) in the third quarter, mainly due to acquisitions in Sweden and good growth in Norway, Finland and Germany. Organic growth amounted to 4.9 per cent and acquisitions and exchange rate effects contributed 22.0 per cent.

Order bookings remained healthy in the third quarter and the order backlog amounted to MSEK 3,257 (3,429) on 30 September 2022.

### Earnings

Adjusted EBITDA increased 30.0 per cent to MSEK 65 (50) for the quarter with an adjusted EBITDA margin of 8.3 per cent (8.1). Adjusted EBITA increased 22.5 per cent to MSEK 49 (40) with an adjusted EBITA margin of 6.3 per cent (6.5). Profitability was negatively impacted by the performance in Finland and individual projects in Power in Norway. Adjusted EBITDA and adjusted EBITA are calculated excluding acquisition costs in the quarter of MSEK 6 (0).

EBITDA increased 40.5 per cent to MSEK 59 (42), with an EBITDA margin of 7.6 per cent (6.9). EBITA increased 30.3 per cent to MSEK 43 (33), with an EBITA margin of 5.6 per cent (5.3).

Depreciation/amortisation and impairment amounted to MSEK -17 (-10).

Net financial items amounted to MSEK -3 (-5) for the quarter. Interest expenses amounted to MSEK -7, of which MSEK -1 was attributable to lease liabilities related to IFRS 16.

Profit before tax increased 39.3 per cent to MSEK 39 (28) in the quarter.

Profit after tax increased 47.6 per cent to MSEK 31 (21). Tax amounted to MSEK -8 (-7), corresponding to an effective tax rate of 20.0 per cent (25.3).

### Cash flow and financial position

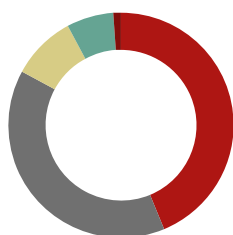
Cash flow from operating activities amounted to MSEK 7 (-49). Cash flow for the comparative period was impacted by a high level of production in the quarter.

Cash flow from investing activities amounted to MSEK -60 (-1) for the quarter, mainly attributable to acquisitions. The item Acquisitions of non-current assets includes MSEK -1 (0) for non-recurring investments in systems for executing the long-term and extensive framework agreements with Telia and Telenor in Norway.

Cash flow from financing activities amounted to MSEK 41 (26), primarily from borrowings in conjunction with completed acquisitions.

Cash flow for the period was MSEK -12 (-24).

### Net sales by segment



■ Sweden 44%  
■ Norway 39%  
■ Finland 9%  
■ Germany 7%  
■ UK 1%

Cash and cash equivalents at the end of the period amounted to MSEK 170 compared with MSEK 181 at the start of the period.

Net debt, which is defined as current and non-current interest-bearing liabilities to credit institutions less cash and cash equivalents and current investments, amounted to MSEK 692 at the end of the period, compared with MSEK 622 at the start of the period. This corresponds to net debt in relation to adjusted EBITDA R12M of a multiple of 2.7. The leverage ratio calculated in accordance with the Group's financial target amounted to a multiple of 2.3 at the end of the period, which is below the capital structure target for the medium term.

Other current and non-current interest-bearing liabilities primarily comprise bank financing and lease liabilities. These commitments amounted to MSEK 862 at the end of the period, compared with MSEK 797 at the start of the period. The increase was mainly attributable to acquisitions.

Unutilised credit facilities totalled MSEK 271 compared with MSEK 319 at the start of the period.

Total assets amounted to MSEK 2,681 compared with MSEK 2,558 at the start of the period and equity to MSEK 1,048 compared with MSEK 998 at the start of the period.

## January–September

### Net sales

Net sales grew 26.9 per cent in the quarter to MSEK 2,157 (1,701) in the first nine months of the year, mainly due to acquisitions in Sweden and favourable growth in Norway and Germany. Organic growth amounted to 5.4 per cent and acquisitions and exchange rate effects contributed 21.5 per cent.

### Earnings

Adjusted EBITDA increased 25.0 per cent to MSEK 170 (136) for the period with an adjusted EBITDA margin of 7.9 per cent (8.0). Adjusted EBITA increased 12.6 per cent to MSEK 125 (111) with an adjusted EBITA margin of 5.8 per cent (6.5). Profitability was negatively impacted by the performance in Finland. Adjusted EBITDA and adjusted EBITA are calculated excluding acquisition costs in the first nine months of the year of MSEK 14 (8).

EBITDA increased 34.5 per cent to MSEK 156 (116), with an EBITDA margin of 7.2 per cent (6.8). EBITA increased 23.3 per cent to MSEK 111 (90), with an EBITA margin of 5.1 per cent (5.3). Profitability was negatively impacted by the performance in Finland.

Depreciation/amortisation and impairment amounted to MSEK -47 (-26).

Net financial items amounted to MSEK -8 (-12) during the period. Interest expenses amounted to MSEK -16, of which MSEK -3 was attributable to lease liabilities.

Profit before tax increased 28.2 per cent to MSEK 100 (78) in the period.

Profit after tax increased 31.6 per cent to MSEK 75 (57). Tax amounted to MSEK -25 (-20), corresponding to an effective tax rate of 24.9 per cent (26.1).

## Cash flow

Cash flow from operating activities amounted to MSEK -114 (-47) in the first nine months of the year. Cash flow from operating activities was mainly impacted by changes in working capital that arose in the first quarter due to seasonal variations and a high production level with many new and ongoing projects, particularly in Germany, Norway and Finland.

Cash flow from investing activities amounted to MSEK -202 (-155) for the nine-month period, mainly attributable to acquisitions. The item Acquisitions of non-current assets includes MSEK -5 (0) for non-recurring investments in systems for executing the long-term and extensive framework agreements with Telia and Telenor in Norway.

Cash flow from financing activities amounted to MSEK 208 (189), primarily from borrowings in conjunction with completed acquisitions.

Cash flow for the period was MSEK -107 (-14).

## Segments

Following the expansion to the UK, Netel has chosen to recognise the UK as a segment from the third quarter of 2022.

### Sweden

Net sales grew 33.3 per cent to MSEK 332 (249) in the quarter due to growth in Mobile and the acquisitions in Power and Infraservice, meaning district heating, water and sewage. In the first nine months of the year, sales rose 45.1 per cent to MSEK 952 (656), driven by growth in Power, Mobile and acquisitions.

In Fixed networks, Infraservice grew in the quarter, mainly driven by healthy demand from municipal clients. The performance of Infraservice compensates well for the expected weaker market in fixed telecom networks.

Power grew in the quarter as the result of acquisitions. Demand for the construction of transformer stations and cable extensions remains high.

Mobile grew in the quarter, driven by the continued rapid pace of 5G expansion that includes the dismantling of 3G installations.

EBITA increased 120 per cent to MSEK 22 (10), with an EBITA margin of 6.6 per cent (4.0) in the third quarter. EBITA increased to MSEK 65 (27), with an EBITA margin of 6.8 per cent (4.1) during the nine-month period.

### Norway

Net sales rose 14.6 per cent to MSEK 299 (261) in the quarter with favourable growth in Fixed networks and Power. In the first nine months of the year, sales rose 12.7 per cent to MSEK 852 (756), also driven by growth in Fixed networks and Power.

Fixed networks performed well during the quarter, mainly driven by larger service contracts and cable-TV projects. Optimising production in the framework agreements with Telia and Telenor under the service agreements signed earlier in 2021 also continued in the third quarter.

In Power, sales growth was favourable in the quarter, driven partly by the completion of some projects that were postponed from the second quarter of 2022 to the third

quarter of 2022. During the quarter, activity levels were particularly high in high-voltage regional networks.

In Mobile, performance in the quarter was impacted by lower 5G volumes in framework agreements that will soon expire. Negotiations are ongoing for 5G volumes in 2023.

EBITA increased 11.2 per cent to MSEK 19 (17), with an EBITA margin of 6.4 per cent (6.5) in the third quarter. EBITA amounted to MSEK 48 (51), with an EBITA margin of 5.6 per cent (6.7) for the nine-month period. During the quarter, profitability was negatively impacted by some projects in Power with lower margins than expected partly due to higher material prices.

## Finland

Net sales rose 26.5 per cent to MSEK 86 (68) in the quarter with good growth in Fixed networks and Power. In the first nine months of the year, sales rose 3.1 per cent to MSEK 202 (196), driven by growth in Fixed networks.

During the quarter and year, Fixed networks has grown markedly from low volumes as a result of the expansion of the fibre networks. The market is positively impacted by new fixed-network operators establishing themselves with the ambition to increase the pace of expansion.

In Power, sales were positively impacted during the quarter by the postponed heavy excavation power-cable projects reaching full capacity.

Sales in Mobile were negatively impacted also in the third quarter by delayed material deliveries.

EBITA amounted to MSEK 0 (1) with an EBITA margin of 0 per cent (1.5) during the third quarter. EBITA amounted to MSEK -7 (3), with an EBITA margin of -3.5 per cent (1.5) for the nine-month period. Profitability was impacted by compensation for material price hikes in specific projects not yet being realised to a sufficient extent and by the sluggish start for heavy excavation power-cable projects. These power projects were postponed due to the long and cold winter and are now being completed at a rapid pace, which impacts profitability negatively.

## Germany

Net sales rose 35.4 per cent to MSEK 50 (37) in the quarter. In the first nine months of the year, sales rose 58.1 per cent to MSEK 147 (93). The strong performance in Germany was due to the large national need to modernise and expand the fixed networks. Sales in the quarter were negatively impacted by the commencement of certain projects being delayed due to a high workload and personnel shortages with customers.

EBITA increased 33.3 per cent to MSEK 4 (3), with an EBITA margin of 8.0 per cent (8.1) in the third quarter. EBITA increased 100 per cent to MSEK 16 (8), with an EBITA margin of 10.9 per cent (8.6) in the nine-month period.

## UK

The UK is recognised as an operating segment from the third quarter of 2022 and consists of the companies Border Civils & Utilities Ltd and Doocey North East Ltd. The companies were consolidated from July 2022 and August 2022 respectively.

Net sales amounted to MSEK 24 in the quarter with a favourable performance in the companies' main area of operation Fixed networks. EBITA amounted to MSEK 5, with an EBITA margin of 20.8 per cent in the quarter.

# Acquisitions

## Fourth quarter

On 7 October, the acquisition of Bredbyns Schakt AB in Örnsköldsvik was announced, meaning that Netel continued to expand its operations both geographically and operationally. The company's primary operations are water and sewage, power and district heating. Bredbyns' net sales in 2021 amounted to approximately MSEK 57. The company has 27 employees and a strong order backlog for the year ahead. Bredbyns has historically had a higher EBITA margin than the Netel Group. The acquisition was for all shares. The consideration was paid in cash and through an offset issue of 186,237 shares in Netel Holding. Bredbyns is included in the Sweden segment, Fixed Networks business area. Consolidation takes place from November 2022.

## Third quarter

The UK company Border Civils & Utilities Ltd. was consolidated from July 2022. The acquisition meant that Netel broadened its geographic presence by entering the growing UK infrastructure market. Border's primary operations are within fibre and the company is also active in water and sewage as well as gas. Net sales in 2021 amounted MSEK 36. The company has 50 employees and a strong order backlog for the years ahead. Border has historically had a higher EBITA margin than the Netel Group. The acquisition was for all shares. The consideration was paid in cash and through an offset issue on 8 July 2022 of 293,365 shares in Netel Holding. The company is part of the new UK segment.

Consolidation of the UK company Doocey North East Ltd took place from August 2022. The transaction meant that Netel is rapidly continuing its expansion in the growing UK fibre market. Doocey's main business is civil engineering work within fibre. Net sales amounted to about MSEK 82 in 2020/21. The company has 15 employees and a strong order backlog for the years ahead. Doocey has historically had a higher EBITA margin than the Netel Group. The acquisition was for all shares. The consideration was paid in cash on 17 August and through an offset issue of 90,364 shares in Netel Holding. The company is part of the new UK segment.

## Second quarter

Karlskoga Mark AB (KMAB) was consolidated from May 2022. The transaction means that Netel is strengthening its business in water and sewage, district heating and associated civil engineering works as well as broadening its geographic presence in Sweden. KMAB had sales of approximately MSEK 63 in 2021 with twelve employees. KMAB had a higher EBITA margin in 2021 than the Netel Group. The acquisition was for all shares. The consideration was paid in cash and through an offset issue on 6 May 2022 of 141,552 shares in Netel Holding.

## First quarter

JR Markteknik AB and Täby Maskin & Uthyrning AB were consolidated from January 2022. The acquisitions represent a key building block in Netel's investment in the field of water and sewage, pipe laying and associated civil engineering works. The companies' total sales in 2021 amounted to MSEK 212 with total EBIT of MSEK 21. The companies' combined number of employees was 50. The acquisitions were for all shares. The consideration was paid in cash and through an offset issue on 5 January 2022 of 637,852 shares in Netel Holding.

Elcenter i Söderköping Aktiebolag was consolidated from March 2022, which strengthens Netel's offering in power, including road lighting, solar cells and charging infrastructure. The company's sales in 2020/2021 (split financial year) amounted to approximately MSEK 30 with good profitability and a higher EBITA margin than the Netel Group in 2021. Elcenter i Söderköping has 13 employees. The acquisition was for all shares. The consideration was paid in cash and through an offset issue on 11 March 2022 of 65,775 shares in Netel Holding.

Eltek Entreprenad Sverige AB was consolidated from March 2022, which broadens Netel's offering within power with diversified services for handling higher voltages of up to 400 KV for transformer stations, for example. The company's sales in 2021 amounted to approximately MSEK 37 with good profitability and a higher EBITA margin than the Netel Group in 2021. Eltek Entreprenad Sverige has 13 employees. The acquisition was for all shares. The consideration was paid in cash and through an offset issue on 10 March 2022 of 89,763 shares in Netel Holding.

The offset issues are based on the authorisation from the Extraordinary General Meeting 27 August 2021 and the Annual General Meeting 2022 respectively.

## Other information

### Employees

The number of employees at the end of the period was 824 (640). The average number of employees for the third quarter was 820 (644). The increase was mainly attributable to acquisitions.

### Financial targets

#### *Revenue growth*

Annual growth objective of 10 per cent, including inorganic growth.

#### *Margin target*

Adjusted EBITA margin above 7 per cent in the medium term.

#### *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.



## Parent Company

The Parent Company's net sales amounted to MSEK 5 (0) for the quarter and MSEK 11 (0) for the first nine months of 2022. 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. Most 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 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 inflationary pressure may negatively affect customer demand and mean that projects are postponed. Netel cannot currently assess the extent of a possible economic downturn, the size of inflation and expected interest rates. Thus, it is also difficult to assess the effects on the Group's operations. Netel's business model is based on the fact that the Group keeps assets tied up in its own operations such as machines at a low level, which makes the Group financially more agile in the event of economic downturns. During 2022, the Group has experienced delays in certain projects as a result of material delays which in turn arose due to disruptions in global supply chains. Netel monitors the development of the global supply chains and manages the risks of project delays by, for example, moving resources between projects. The Netel Group is also affected by weather factors. An early or late winter with low temperatures negatively affects excavation projects, while autumn storms can mean 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 2021 Annual Report.

Netel is monitoring developments regarding the war in Ukraine and is currently unable to assess the effects of sanctions against Russia and the consequences that the war could have on the economic situation in Netel's markets. Netel did not have any sales, direct expenses or purchases to or from Russia or Ukraine in 2022 or 2021. The war in Ukraine and continued increases in commodity prices mean that Netel is working even more intensively on price compensation to match the timing of higher costs with revenue. The uncertainty in the world also entails a risk that customers will temporarily wait with placing orders and starting projects.

## Legal disputes

Netel AB currently has a dispute with a large Swedish provider of fibre data communication and data center. For further information, refer to the prospectus that was prepared in connection with the listing of Netel Holding AB on Nasdaq Stockholm on 15 October 2021.

## 2023 Annual General Meeting

The 2023 Annual General Meeting will be held on Thursday, 4 May, 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](mailto:ir@netelgroup.com) or writing to Netel Holding AB, Att: Årsstämman 2023, Fågelviksvägen 9, 7 th floor, SE-145 84 Stockholm, Sweden. To be assured of the proposal reaching the notice and therefore the agenda of the ATM, the proposal must have reached the company by 16 March 2023 at the latest.

## Nomination Committee 2023

In accordance with the instruction for the Nomination Committee adopted at the Extraordinary General Meeting on 27 August 2021, the Nomination Committee is to consist of Board members appointed by each of the four shareholders or ownership groups with the largest number of votes who wish to appoint a Nomination Committee member, as well as the Chairman of the Board. The Nomination Committee is to be constituted based on shareholder statistics from Euroclear Sweden AB on the last banking day in August of the year prior to the Annual General Meeting and other reliable ownership information provided to the company at that time. The Chairman of the Nomination Committee is, if the members do not agree otherwise, to be the member that is appointed by the shareholder with the largest number of votes.

Based on the ownership structure on 31 August 2022, the following people have been appointed as Board members of the Nomination Committee ahead of the 2023 AGM:

Alireza Etemad, representing IK Investment Partners  
Celia Grip, representing Swedbank Robur Fonder  
Hans Hedström, representing Carnegie Fonder  
Jacob Lundgren, representing AP2  
Hans Petersson, Chairman of the Board

As Chairman of the Nomination Committee ahead of the 2023 AGM, Alireza Etemad was appointed, which is a deviation from the Swedish Corporate Governance Code. The reason for the deviation is that the principal owners, who in accordance with the Nomination Committee's instructions are represented, believe it to be desirable that the representative for the largest shareholder is also the Chairman of the Nomination Committee.

The Nomination Committee is to prepare proposals in the following matters to be presented to the AGM to be resolved: proposal for the Chairman of the AGM, proposals for the Board and Chairman of the Board, proposals for fees to Board members and auditors, proposals for auditors (where applicable) and proposals for any changes to the Nomination Committee instruction.

Shareholders in Netel are welcome to submit proposals to the Nomination Committee via e-mail to [valberedning@netel.se](mailto:valberedning@netel.se) by 16 January 2023 at the latest.

## The share

Netel Holding AB (publ) was listed on Nasdaq Stockholm on 15 October 2021 under the ticker NETEL with the ISIN SE0015949433. The share price as of the listing on 15 October 2021 was SEK 48. The closing price on the final day of trading in September was SEK 30.65. The highest price paid in the third quarter was SEK 42.80 and the lowest price paid was SEK 29.50. 435,517 shares were traded on Nasdaq Stockholm during the quarter.

On 31 October 2022, Netel Holding AB (publ) had 1,662 shareholders. The five largest shareholders were IK VII fund via Cinnamon International S.à.r.l (48.04 per cent), Nordnet Pensionsförsäkring (8.03 per cent), Swedbank Robur Fonder (4.31 per cent), Andra AP-fonden (4.31 per cent) and Carnegie Fonder (4.21 per cent).

There were a total of 48,022,342 shares and votes in Netel on 30 September 2022. All shares are ordinary shares.

# Financial statements

## Condensed consolidated statement of profit or loss

SEK millions	Jul-Sep		Jan-Sep		R12 Oct-Sep	Full-year
	2022	2021	2022	2021	2021/2022	2021
<b>Operating income</b>						
Net sales	779	614	2,157	1,701	2,874	2,418
Other operating income	0	0	11	1	13	3
<b>Total revenue</b>	<b>780</b>	<b>614</b>	<b>2,168</b>	<b>1,701</b>	<b>2,887</b>	<b>2,420</b>
<b>Operating expenses</b>						
Material and purchased services	-511	-406	-1,363	-1,107	-1,814	-1,558
Other external expenses	-67	-59	-185	-158	-223	-196
Personnel costs	-143	-107	-463	-321	-639	-496
Depreciation and amortisation	-17	-10	-47	-26	-66	-44
<b>Operating profit/loss (EBIT)</b>	<b>42</b>	<b>33</b>	<b>108</b>	<b>90</b>	<b>144</b>	<b>126</b>
<b>Profit/loss from financial items</b>						
Net financial items	-3	-5	-8	-12	-21	-25
<b>Earnings before tax</b>	<b>39</b>	<b>28</b>	<b>100</b>	<b>78</b>	<b>123</b>	<b>100</b>
Taxes	-8	-7	-25	-20	-39	-34
<b>Earnings for the period</b>	<b>31</b>	<b>21</b>	<b>75</b>	<b>57</b>	<b>84</b>	<b>66</b>
<b>Earnings for the period is attributable to</b>						
Parent company's shareholders	31	20	75	54	84	66
Non-controlling interests	-	1	-	3	-	-
<b>Earnings per share</b>						
Earnings per share before and after dilution (SEK)*	0.65	0.60	1.58	1.67	1.80	1.87
Average number of shares before and after dilution (thousands)*	47,919	32,500	47,608	32,500	46,800	35,535

\*Netel Holding AB (publ) was registered with the Swedish Companies Registration Office on 15 July 2021 and became the new Parent Company of the Netel Group on the basis of an issue in kind on 20 August 2021. Accordingly, the Parent Company did not have any ordinary shares outstanding during the historical comparative periods. From the Parent Company registration date until 20 August 2021 there were 500,000 ordinary shares, and the number of ordinary shares increased to 500,002 in connection with the issue in kind. At the end of the third quarter of 2021, a non-controlling interest amounting to approximately 5 per cent of the capital remained in the Group due to this transaction. A decision was made on 27 August 2021 to carry out a share split in Netel Holding AB (publ), which entailed that the number of ordinary shares outstanding increased to 32,500,130. In order to calculate earnings per share for the comparative periods, Netel has used the number of ordinary shares that existed when the company was formed, retroactively adjusted for the share split, from the beginning of each period so that the measure is comparable with the current period.

In connection with the Group's listing on the stock exchange on 15 October 2021, a share exchange took place on the basis of an issue in kind, whereby the non-controlling interest exchanged its shares for newly issued ordinary shares in Netel Holding AB (publ), after which no non-controlling interest exists in the Group since the end of the fourth quarter of 2021. A new share issue was also carried out in connection with the listing of the Group, which together with the issue in kind increased the number of ordinary shares outstanding to 46,703,671. During the first nine months of the year, six offset issues have been completed in conjunction with announced acquisitions, of which two during the third quarter. The number of ordinary shares outstanding increased by 1,318,671 in the first nine months of the year, of which 383,729 in the third quarter, to 48,022,342 at the end of the period.

### Condensed consolidated statement of comprehensive income

SEK millions	Jul-Sep		Jan-Sep		R12 Oct-Sep	Full-year
	2022	2021	2022	2021	2021/2022	2021
Earnings for the period	31	21	75	57	84	66
<i>Other comprehensive income</i>						
Translation differences for the period	2	2	2	1	13	11
<b>Other comprehensive income for the period</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>1</b>	<b>13</b>	<b>11</b>
<b>Comprehensive income for the period</b>	<b>33</b>	<b>22</b>	<b>78</b>	<b>58</b>	<b>98</b>	<b>78</b>
<b>Comprehensive income for the period is attributable to</b>						
Parent company's shareholders	33	21	78	55	98	78
Non-controlling interests	-	1	-	3	-	-

## Condensed consolidated statement of financial position

SEK millions	30 Sep 2022	30 Sep 2021	31 Dec 2021
<b>ASSETS</b>			
<b>Non-current assets</b>			
Goodwill	1,086	804	810
Intangible assets	197	189	193
Property, plant and equipment	164	115	125
Financial non-current assets	8	3	7
Deferred tax assets	14	10	14
<b>Total non-current assets</b>	<b>1,470</b>	<b>1,120</b>	<b>1,149</b>
<b>Current assets</b>			
Inventories	7	8	8
Current receivables	1,035	768	705
Cash and cash equivalents	170	77	271
<b>Total current assets</b>	<b>1,212</b>	<b>853</b>	<b>984</b>
<b>Total assets</b>	<b>2,681</b>	<b>1,973</b>	<b>2,133</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity attributable to the parent company's shareholders	1,048	664	911
Equity attributable to non-controlling interests	-	35	-
<b>Total equity</b>	<b>1,048</b>	<b>699</b>	<b>911</b>
Non-current interest-bearing liabilities	734	546	554
Non-current non-interest-bearing liabilities	180	94	101
<b>Total non-current liabilities</b>	<b>915</b>	<b>641</b>	<b>655</b>
Current interest-bearing liabilities	128	154	35
Current non-interest-bearing liabilities	591	480	531
<b>Total current liabilities</b>	<b>718</b>	<b>634</b>	<b>566</b>
<b>Total equity and liabilities</b>	<b>2,681</b>	<b>1,973</b>	<b>2,133</b>

## Condensed consolidated statement of changes in equity

SEK thousands	Equity attributable to the parent company's shareholders			Retained earnings including profit/loss for the period	Total equity attributable to the parent company's shareholders	Non-controlling interest	Total equity
	Share capital	Other contributed capital	Translation reserve				
<b>Opening equity 1 Jan 2021</b>	576	582,501	-7,362	27,553	603,268	-	603,268
Profit/loss for the period	-	-	-	57,295	57,295	-	57,295
Other comprehensive income	-	-	589	-	589	-	589
<b>Comprehensive income for the period</b>	-	-	589	57,295	57,884	-	57,884
<i>Transactions with Group owners</i>							
Completed issues	48	37,452	-	-	37,500	-	37,500
Effects of Group restructuring*	-124	-	-	-34,988	-35,112	35,112	-
<b>Total</b>	<b>-76</b>	<b>37,452</b>	<b>-</b>	<b>-34,988</b>	<b>2,388</b>	<b>35,112</b>	<b>37,500</b>
<b>Closing equity 30 Sep 2021</b>	<b>500</b>	<b>619,953</b>	<b>-6,773</b>	<b>49,860</b>	<b>663,540</b>	<b>35,112</b>	<b>698,652</b>
<b>Opening equity 1 Jan 2022</b>	<b>719</b>	<b>1,395,693</b>	<b>-405</b>	<b>-484,812</b>	<b>911,195</b>	<b>-</b>	<b>911,195</b>
Profit/loss for the period	-	-	-	75,405	75,405	-	75,405
Other comprehensive income	-	-	2,348	-	2,348	-	2,348
<b>Comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>2,348</b>	<b>75,405</b>	<b>77,752</b>	<b>-</b>	<b>77,752</b>
<i>Transactions with Group owners</i>							
Completed issues	20	59,125	-	-	59,145	-	59,145
<b>Total</b>	<b>20</b>	<b>59,125</b>	<b>-</b>	<b>-</b>	<b>59,145</b>	<b>-</b>	<b>59,145</b>
<b>Closing equity 30 Sep 2022</b>	<b>739</b>	<b>1,454,817</b>	<b>1,942</b>	<b>-409,407</b>	<b>1,048,092</b>	<b>-</b>	<b>1,048,092</b>

Netel Group Holding AB approved a new issue of A and B shares on 19 February 2021, which resulted in an increase in share capital from SEK 576,337 to SEK 591,373. The shares were issued during a reinvestment in connection with a completed acquisition and have not affected cash flow.

Netel Group Holding AB approved a new issue of A and B shares on 4 March 2021, which resulted in an increase in share capital from SEK 591,373 to SEK 602,855. The shares were issued during a reinvestment in connection with a completed acquisition and have not affected cash flow.

Netel Group Holding AB approved a new issue of A and B shares on 29 March 2021, which resulted in an increase in share capital from SEK 602,855 to SEK 623,967. The shares were issued during a reinvestment in connection with a completed acquisition and have not affected cash flow.

Netel Holding AB (publ) decided on a new issue of ordinary shares in connection with the listing of the Group on 15 October 2021, which resulted in an increase in share capital from SEK 654,415 to SEK 718,518. The issue took place in connection with the listing of the Group and totalled SEK 200,000,016. Direct issue costs were settled directly against equity.

Netel Holding AB (publ) approved a new issue of ordinary shares on 5 January 2022, which resulted in an increase in share capital from SEK 718,518 to SEK 728,331. The shares were issued during a reinvestment in connection with a completed acquisition and have not affected cash flow.

Netel Holding AB (publ) approved a new issue of ordinary shares on 10 March 2022, which resulted in an increase in share capital from SEK 728,331 to SEK 729,343. The shares were issued during a reinvestment in connection with a completed acquisition and have not affected cash flow.

Netel Holding AB (publ) approved a new issue of ordinary shares on 11 March 2022, which resulted in an increase in share capital from SEK 729,343 to SEK 730,724. The shares were issued during a reinvestment in connection with a completed acquisition and have not affected cash flow.

Netel Holding AB (publ) approved a new issue of ordinary shares on 6 May 2022, which resulted in an increase in share capital from SEK 730,724 to SEK 732,902. The shares were issued during a reinvestment in connection with a completed acquisition and have not affected cash flow.

Netel Holding AB (publ) approved a new issue of ordinary shares on 19 July 2022, which resulted in an increase in share capital from SEK 732,902 to SEK 737,415. The shares were issued during a reinvestment in connection with a completed acquisition and have not affected cash flow.

Netel Holding AB (publ) approved a new issue of ordinary shares on 17 August 2022, which resulted in an increase in share capital from SEK 737,415 to SEK 738,805. The shares were issued during a reinvestment in connection with a completed acquisition and have not affected cash flow.

\* In the third quarter of 2021, a restructuring of the Netel Group was carried out whereby Netel Holding AB (publ) became the new Parent Company of the Group instead of the former Parent Company Netel Group Holding AB. The consolidated accounts prepared for the new Parent Company are presented as a continuation of the consolidated accounts that were previously prepared by Netel Group Holding AB. An Extraordinary General Meeting on 20 August 2021 resolved to carry out an issue in kind, and consideration other than cash, in the form of about 81 per cent of the shares in Netel Group Holding AB, about 95 per cent of the shares in NTL Management AB and about 90 per cent of the shares in NTL Co-Invest AB, was provided to Netel Holding AB (publ). An Extraordinary General Meeting in August 2021 also resolved to carry out a share split whereby every 1 existing share was split into 65 shares. For the calculations of earnings per share, the number of shares has been corrected as if the share split took place at the beginning of the first period recognised in the financial statements. At the end of the third quarter of 2021, a non-controlling interest amounting to approximately 5 per cent of the capital remained in the Group due to this transaction. In connection with the Group's listing on the stock exchange on 15 October 2021, a share exchange took place on the basis of an issue in kind, whereby the non-controlling interest exchanged its shares for newly issued ordinary shares in Netel Holding AB (publ), after which no non-controlling interest exists in the Group since the end of the fourth quarter of 2021. The effects of this restructuring on equity are recognised on the line *Effect of Group restructuring* in the *Condensed consolidated statement of changes in equity*. A new share issue was also carried out in connection with the listing of the Group, which together with the issue in kind increased the number of ordinary shares outstanding to 46,703,671.

## Condensed consolidated statement of cash flows

SEK millions	Jul-Sep		Jan-Sep		Full-year
	2022	2021	2022	2021	2021
Operating profit/loss	42	33	108	90	126
Reversal of non-cash items	16	10	46	26	43
Interest received	-	-0	-	-	-
Interest paid	-5	-6	-14	-17	-27
Tax paid	-3	-2	-27	-16	-27
<b>Cash flow from operating activities before changes in working capital</b>	<b>50</b>	<b>35</b>	<b>113</b>	<b>82</b>	<b>114</b>
Changes in inventories	0	1	2	-4	-3
Changes in operating receivables	-19	-42	-203	-121	-56
Changes in operating liabilities	-24	-43	-26	-4	59
<b>Cash flow from operating activities</b>	<b>7</b>	<b>-49</b>	<b>-114</b>	<b>-47</b>	<b>114</b>
Acquisition of non-current assets	-3	-1	-11	-2	-28
Acquisition of subsidiaries and businesses	-54	-	-188	-153	-153
Sale of non-current assets	-	-	-	-	-
<b>Cash flow from investing activities</b>	<b>-57</b>	<b>-1</b>	<b>-199</b>	<b>-155</b>	<b>-181</b>
New share issue	-	-	-	-	193
Amortisation of lease liabilities	-12	-9	-36	-26	-34
Proceeds from non-current loans and credits	50	35	244	252	475
Amortisation of non-current loans and credits	-0	-	-2	-38	-390
<b>Cash flow from financing activities</b>	<b>38</b>	<b>26</b>	<b>206</b>	<b>188</b>	<b>244</b>
Cash flow for the period	-12	-24	-107	-14	177
period	181	101	271	90	90
Translation difference in cash and cash equivalents	1	0	5	1	5
<b>Cash and cash equivalents at the end of the period</b>	<b>170</b>	<b>77</b>	<b>170</b>	<b>77</b>	<b>271</b>



# Notes to the financial statements in summary

## Key accounting policies

This interim 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 construction and maintenance infrastructure in Sweden, Norway, Finland, Germany and the UK, within the business areas of Fixed Networks, Power and Mobile. 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). 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 2021 Annual Report.

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.

## Segment reporting

Operating segments are reported 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 earnings of the operating segments. In the Group, this function has been identified as the Group CEO. An operating segment is a part of the Group that conducts activities from which it can generate revenue and incur costs and for which independent financial information is available. The Group's division into segments is based on the internal structure of the Group's business activities, which means that the Group's operations have been divided into five segments: *Sweden, Norway, Finland, Germany and the UK*. The UK is recognised as a segment for the first time in the third quarter of 2022 as a result of the Group's completed acquisitions (Border and Doocey) and only includes these new operations. As a result, there are no consequences for previously existing segments. Comparative figures have therefore not been restated.

The same accounting policies are used in the segments as for the Group. From the end of the fourth quarter of 2021, this means that the segments follow the Group's accounting policies with respect to leases according to IFRS 16. This is a change compared with prior periods for which leases according to IFRS 16, which are not allocated at segment level but are IFRS-adjusted at Group level. Consequently, the segment's leases were previously reported as if they were operating leases. Recognised earnings before interest, tax, depreciation and amortisation (EBITDA) for segments is affected as a result of leases being recognised with straight-line depreciation of the right-of-use asset over the useful life under IFRS 16. This also entails that the Group presents earnings before interest, tax and amortisation (EBITA) per segment. Comparative figures for comparable periods were restated and

are presented in accordance with the Group's accounting policies.

#### 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 assessments

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 2021 Annual Report for more information on the Group's estimates and assessments.

#### Operating segments

For accounting and monitoring purposes, the Group has divided its operations into five operating segments based on how the Group CEO evaluates the Group's operations. The five operating segments comprise Sweden, Norway, Finland, Germany and the UK. The UK is recognised as a segment for the first time in the third quarter of 2022 as a result of the Group's completed acquisitions. The Group CEO primarily uses earnings before interest, tax and amortisation (EBITA) in assessing the performance of the operating segments. This is a change since the fourth quarter of 2021 when earnings before interest, tax, depreciation and amortisation (EBITDA) were used to assess the performance of the operating segments. Comparative figures for comparable periods were restated and are presented in accordance with the Group's accounting policies.

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. Non-current assets include intangible assets (including goodwill), property, plant and equipment and right-of-use assets.

Jul-Sep 2022	Sweden	Norway	Finland	Germany	United Kingdom	Total segments	Group-wide items and eliminations	Group total
Revenue from external customers	332	299	86	50	24	790	-11	779
segments	-	-	-	-	-	-	-	-
<b>Total revenue</b>	<b>332</b>	<b>299</b>	<b>86</b>	<b>50</b>	<b>24</b>	<b>790</b>	<b>-11</b>	<b>779</b>
<b>EBITA</b>	<b>22</b>	<b>19</b>	<b>0</b>	<b>4</b>	<b>5</b>	<b>49</b>	<b>-6</b>	<b>43</b>
<b>Non-current assets</b>	<b>1,097</b>	<b>254</b>	<b>10</b>	<b>2</b>	<b>85</b>	<b>1,447</b>	<b>-</b>	<b>1,447</b>

Jul-Sep 2021	Sweden	Norway	Finland	Germany	United Kingdom	Total segments	Group-wide items and eliminations	Group total
Revenue from external customers	249	261	68	37	-	614	-	614
segments	-	-	-	-	-	-	-	-
<b>Total revenue</b>	<b>249</b>	<b>261</b>	<b>68</b>	<b>37</b>	<b>-</b>	<b>614</b>	<b>-</b>	<b>614</b>
<b>EBITA</b>	<b>10</b>	<b>17</b>	<b>1</b>	<b>3</b>	<b>-</b>	<b>31</b>	<b>2</b>	<b>33</b>
<b>Non-current assets</b>	<b>868</b>	<b>230</b>	<b>7</b>	<b>2</b>	<b>-</b>	<b>1,107</b>	<b>-</b>	<b>1,107</b>

Jan-Sep 2022	Sweden	Norway	Finland	Germany	United Kingdom	Total segments	Group-wide items and eliminations	Group total
Revenue from external customers	952	852	202	147	24	2,177	-20	2,157
segments	-	-	-	-	-	-	-	-
<b>Total revenue</b>	<b>952</b>	<b>852</b>	<b>202</b>	<b>147</b>	<b>24</b>	<b>2,177</b>	<b>-20</b>	<b>2,157</b>
<b>EBITA</b>	<b>65</b>	<b>48</b>	<b>-7</b>	<b>16</b>	<b>5</b>	<b>127</b>	<b>-17</b>	<b>111</b>
<b>Non-current assets</b>	<b>1,097</b>	<b>254</b>	<b>10</b>	<b>2</b>	<b>85</b>	<b>1,447</b>	<b>-</b>	<b>1,447</b>

Jan-Sep 2021	Sweden	Norway	Finland	Germany	United Kingdom	Total segments	Group-wide items and eliminations	Group total
Revenue from external customers	656	756	196	93	-	1,701	-	1,701
segments	-	-	-	-	-	-	-	-
<b>Total revenue</b>	<b>656</b>	<b>756</b>	<b>196</b>	<b>93</b>	<b>-</b>	<b>1,701</b>	<b>-</b>	<b>1,701</b>
<b>EBITA</b>	<b>27</b>	<b>51</b>	<b>3</b>	<b>8</b>	<b>-</b>	<b>90</b>	<b>0</b>	<b>90</b>
<b>Non-current assets</b>	<b>868</b>	<b>230</b>	<b>7</b>	<b>2</b>	<b>-</b>	<b>1,107</b>	<b>-</b>	<b>1,107</b>

## Revenue from contracts with customers

Jul-Sep 2022	Sweden	Norway	Finland	Germany	United Kingdom	Group total
<b>Business area</b>						
Fixed networks	200	183	8	50	24	465
Power	86	83	65	-	-	235
Mobile	38	33	12	-	-	83
Group-wide						-3
<b>customers</b>	<b>324</b>	<b>299</b>	<b>86</b>	<b>50</b>	<b>24</b>	<b>779</b>
<b>Type of service</b>						
Framework agreement	144	202	52	14	23	434
Project	188	97	34	37	1	356
Group-wide						-11
<b>customers</b>	<b>332</b>	<b>299</b>	<b>86</b>	<b>50</b>	<b>24</b>	<b>779</b>

Jul-Sep 2021	Sweden	Norway	Finland	Germany	United Kingdom	Group total
<b>Business area</b>						
Fixed networks	136	160	1	37	-	334
Power	81	63	53	-	-	198
Mobile	33	38	14	-	-	85
Group-wide						-1
<b>customers</b>	<b>250</b>	<b>262</b>	<b>68</b>	<b>37</b>	<b>-</b>	<b>615</b>
<b>Type of service</b>						
Framework agreement	143	154	50	-	-	347
Project	107	107	18	37	-	270
Group-wide						-1
<b>customers</b>	<b>250</b>	<b>262</b>	<b>68</b>	<b>37</b>	<b>-</b>	<b>615</b>

Jan-Sep 2022	Sweden	Norway	Finland	Germany	United Kingdom	Group total
<b>Business area</b>						
Fixed networks	550	491	14	147	24	1,226
Power	263	259	152	-	-	673
Mobile	121	102	37	-	-	259
Group-wide						-2
<b>customers</b>	<b>934</b>	<b>852</b>	<b>202</b>	<b>147</b>	<b>24</b>	<b>2,157</b>
<b>Type of service</b>						
Framework agreement	406	560	116	33	23	1,138
Project	546	292	86	114	1	1,039
Group-wide						-20
<b>customers</b>	<b>952</b>	<b>852</b>	<b>202</b>	<b>147</b>	<b>24</b>	<b>2,157</b>

Jan-Sep 2021	Sweden	Norway	Finland	Germany	United Kingdom	Group total
<b>Business area</b>						
Fixed networks	364	411	3	93	-	870
Power	190	244	151	-	-	585
Mobile	109	101	42	-	-	252
Group-wide						-6
<b>customers</b>	<b>662</b>	<b>756</b>	<b>196</b>	<b>93</b>	<b>-</b>	<b>1,701</b>
<b>Type of service</b>						
Framework agreement	324	459	138	-	-	922
Project	338	297	57	93	-	785
Group-wide						-6
<b>customers</b>	<b>662</b>	<b>756</b>	<b>196</b>	<b>93</b>	<b>-</b>	<b>1,701</b>

## 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 item Non-current non-interest-bearing liabilities in the amount of MSEK 108 (32). 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.

<b>Fund holdings</b>	<b>30 Sep 2022</b>	<b>30 Sep 2021</b>	<b>31 Dec 2021</b>
<b>Opening balance</b>	<b>3</b>	-	-
Investments	1	3	3
Divestments	-	-	-
Change in value recognised through profit or loss	-	-	-
Translation difference	-	-	-
<b>Closing balance</b>	<b>4</b>	<b>3</b>	<b>3</b>

<b>Contingent consideration</b>	<b>30 Sep 2022</b>	<b>30 Sep 2021</b>	<b>31 Dec 2021</b>
<b>Opening balance</b>	<b>32</b>	-	-
Acquisition of subsidiaries and businesses	81	32	32
Paid considerations	-5	-	-
Change in value recognised through profit or loss	-	-	-
Translation difference	-	-	-
<b>Closing balance</b>	<b>108</b>	<b>32</b>	<b>32</b>

<b>Other liabilities recognised at fair value</b>	<b>30 Sep 2022</b>	<b>30 Sep 2021</b>	<b>31 Dec 2021</b>
<b>Opening balance</b>	<b>0</b>	-	-
Changes in recognised liabilities	-0	-	-
Change in value recognised through profit or loss	-	0	0
Translation difference	-	-	-
<b>Closing balance</b>	<b>-</b>	<b>0</b>	<b>0</b>

## Business combinations

On 3 January 2022, the Group acquired 100 per cent of the shares and votes in JR Markteknik AB and Täby Maskin & Uthyrning Entreprenad AB ("JR"). The acquisitions represent a key building block in Netel's investment in the field of water and sewage, pipe laying and associated civil engineering works. JR's total sales in 2021 amounted to approximately MSEK 212 with total EBIT of MSEK 21, and the company had 50 employees on the acquisition date. JR is included in the Sweden segment.

On 1 March 2022, the Group acquired 100 per cent of the shares and votes in Eltek Entreprenad Sverige AB and its subsidiary Eltek Kraft & Montage Sverige AB ("Eltek"), which broadens Netel's offering within power with diversified services for handling higher voltages of up to 400 KV for transformer stations, for example. Eltek's

sales in 2021 amounted to approximately MSEK 37 with good profitability. Eltek has 13 employees and is included in the Sweden segment.

On 1 March 2022, the Group acquired 100 per cent of the shares and votes in Elcenter i Söderköping Aktiebolag ("Elcenter"), which strengthens Netel's offering in power, including road lighting, solar cells and charging infrastructure. Elcenter's sales in 2020/2021 (split financial year) amounted to approximately MSEK 30 with good profitability. Elcenter has 13 employees and is included in the Sweden segment.

On 1 May 2022, the Group acquired 100 per cent of the shares and votes in Karlskoga Mark AB ("KMAB"). The transaction means that Netel is strengthening its business in water and sewage, district heating and associated civil engineering works as well as broadening its geographic presence in Sweden. KMAB had sales of

approximately MSEK 63 in 2021 with 12 employees and is part of the Sweden segment.

On 1 July 2022, the Group acquired 100 per cent of the shares and votes of the UK company Border Civils & Utilities Ltd ("Border"), meaning that Netel broadened its geographic presence by entering the growing UK infrastructure market. Border's primary operations are within fibre and the company is also active in water and sewage as well as gas. Border's net sales amounted to MSEK 36 in 2021. The company has 50 employees and is part of the new UK segment, whose external reporting began in conjunction with the third quarter of 2022.

On 1 August 2022, the Group acquired 100 per cent of the shares and votes of the UK company

Doocey North East Ltd ("Doocey"), meaning that Netel is rapidly continuing its expansion in the growing UK fibre market. Doocey's net sales amounted to about MSEK 82 in 2020/21. The company has 15 employees and is included in the UK segment.

On 7 October, the acquisition of all shares in Swedish company Bredbyns Schakt AB ("Bredbyns") was announced, meaning that Netel continued to expand its operations both geographically and operationally. Bredbyns' net sales in 2021 amounted to approximately MSEK 57. The company has 27 employees and will be part of the Sweden segment. Consolidation takes place from November 2022.

Acquired net assets at acquisition date	JR Fair value	Eltek Fair value	Elcenter Fair value	KMAB Fair value	Border Fair value	Doocey Fair value	Total
Intangible assets	-	-	-	-	-	-	-
Property, plant and equipment	11	4	0	0	7	3	26
Right-of-use assets	-	-	-	-	-	-	-
Financial non-current assets	-	-	-	-	-	-	-
Deferred tax assets	-	-	-	-	-	-	-
Inventories	-	-	0	13	-	-	14
receivables	61	5	4	7	11	15	104
Cash and cash equivalents	17	5	5	3	13	1	46
Interest-bearing liabilities	-3	-3	-	-0	-	-	-7
Lease liabilities	-	-	-	-	-	-	-
Deferred tax liabilities	-	-1	-1	-1	-2	-1	-4
Accounts payable and other operating liabilities	-59	-3	-4	-20	-8	-8	-100
<b>Identified net assets</b>	<b>27</b>	<b>8</b>	<b>6</b>	<b>4</b>	<b>23</b>	<b>11</b>	<b>78</b>
Goodwill	128	16	18	39	49	23	273
<b>Total consideration</b>	<b>155</b>	<b>24</b>	<b>24</b>	<b>42</b>	<b>72</b>	<b>34</b>	<b>351</b>
<i>The consideration consists of</i>							
Cash	95	13	17	24	42	21	211
Equity instruments	30	4	3	6	12	4	59
Contingent consideration	30	7	5	13	17	10	81
Vendor loan note	-	-	-	-	-	-	-
<b>Total consideration</b>	<b>155</b>	<b>24</b>	<b>24</b>	<b>42</b>	<b>72</b>	<b>34</b>	<b>351</b>

For information on the contingent consideration, see the note on Financial instruments.

**Impact of acquisitions on cash and cash equivalents**

	JR	Eltek	Elcenter	KMAB	Border	Doocey	Total
Cash consideration paid	-95	-13	-17	-24	-42	-21	-211
Cash and cash equivalents acquired	11	1	4	3	8	0	28
<b>Total</b>	<b>-84</b>	<b>-12</b>	<b>-13</b>	<b>-21</b>	<b>-34</b>	<b>-21</b>	<b>-183</b>
Costs related to acquisitions	-3	-1	-1	-1	-3	-2	-11
<b>equivalents</b>	<b>-86</b>	<b>-13</b>	<b>-14</b>	<b>-22</b>	<b>-36</b>	<b>-23</b>	<b>-194</b>

In connection with the acquisition of JR, goodwill of MSEK 128 arose in the form of a difference between the transferred consideration and the fair value of the acquired net assets. Goodwill mainly refers to human resources. Transaction costs related to the acquisition of JR amounted to MSEK 3. The transaction costs were recognised as an expense in profit or loss under Other external expenses.

In connection with the acquisition of Eltek, goodwill of MSEK 16 arose in the form of a difference between the transferred consideration and the fair value of the acquired net assets. Goodwill mainly refers to human resources. Transaction costs related to the acquisition of Eltek amounted to MSEK 1. The transaction costs were recognised as an expense in profit or loss under Other external expenses.

In connection with the acquisition of Elcenter, goodwill of MSEK 18 arose in the form of a difference between the transferred consideration and the fair value of the acquired net assets. Goodwill mainly refers to human resources. Transaction costs related to the acquisition of Elcenter amounted to MSEK 1. The transaction costs were recognised as an expense in profit or loss under Other external expenses.

In connection with the acquisition of KMAB, goodwill of MSEK 39 arose in the form of a difference between the transferred consideration and the fair value of the acquired net assets. Goodwill mainly refers to human resources. Transaction costs related to the acquisition of KMAB amounted to MSEK 1. The transaction costs

were recognised as an expense in profit or loss under Other external expenses.

In connection with the acquisition of Border, goodwill of MSEK 49 arose in the form of a difference between the transferred consideration and the fair value of the acquired net assets. Goodwill mainly refers to human resources. Transaction costs related to the acquisition of Border amounted to MSEK 3. The transaction costs were recognised as an expense in profit or loss under Other external expenses.

In connection with the acquisition of Doocey, goodwill of MSEK 23 arose in the form of a difference between the transferred consideration and the fair value of the acquired net assets. Goodwill mainly refers to human resources. Transaction costs related to the acquisition of Doocey amounted to MSEK 2. The transaction costs were recognised as an expense in profit or loss under Other external expenses.

During the first nine months of the year, these acquisitions contributed MSEK 312 to the Group's revenue and MSEK 25 to the Group's profit after tax. If the acquisitions had taken place on 1 January 2022, company management estimates that the Group's revenue and earnings would have been positively impacted by MSEK 2,249 and MSEK 83 for the period.

**Transactions with related parties**

No significant changes took place in the first nine months of 2022 for the Group or the Parent Company in relationships or transactions with related parties compared to what has been



described in Note 31 of the 2021 Annual report for  
Netel Holding AB (publ).

<b>Management</b>	<b>30 Sep 2022</b>	<b>30 Sep 2021</b>
Sales of goods and services	-	-
Purchase of goods and services	-	-
Interest income	-	-
Interest expenses	-	-
Receivables (closing)	-	-
Debt (closing)	-	15

## Significant events after the balance sheet date

On 7 October, the acquisition of all shares in Swedish company Bredbyns Schakt AB ("Bredbyns") in Örnsköldsvik was announced. The company's primary operations are water and sewage, power and district heating. The acquisition means that Netel is continuing to expand its operations both geographically and operationally. Bredbyns' net sales in 2021 amounted to approximately MSEK 57. The company has 27 employees and a strong order backlog for the years ahead. Bredbyns has historically had a higher EBITA margin than the Netel Group.

Consolidation takes place from November 2022, and the company will be included in the Sweden segment, Fixed Networks business area. The consideration will be paid in cash and through an offset issue of 186,237 shares in Netel Holding.

Other than the above, no significant changes have occurred regarding the Group's financial position or financial results after 30 September 2022.

## Condensed income statement for the Parent Company

SEK millions	Jul-Sep		Jan-Sep		Full-year
	2022	2021	2022	2021	2021
<b>Operating income</b>					
Net sales	5	-	16	-	10
Other operating income	-	-	-	-	-
<b>Total revenue</b>	<b>5</b>	<b>-</b>	<b>16</b>	<b>-</b>	<b>10</b>
<b>Operating expenses</b>					
Personnel costs	-2	-	-8	-	-25
Other external expenses	-1	-0	-3	-0	-23
<b>Operatin profit (EBIT)</b>	<b>2</b>	<b>-0</b>	<b>5</b>	<b>-0</b>	<b>-38</b>
Net financial items	1	-	6	-	1
<b>Earnings after financial items</b>	<b>3</b>	<b>-0</b>	<b>11</b>	<b>-0</b>	<b>-37</b>
Appropriations	-	-	-	-	-
<b>Earnings before tax</b>	<b>3</b>	<b>-0</b>	<b>11</b>	<b>-0</b>	<b>-37</b>
Taxes	-0	-	-1	-	-
<b>Earnings for the period</b>	<b>2</b>	<b>-0</b>	<b>10</b>	<b>-0</b>	<b>-37</b>

## Condensed balance for the Parent Company

SEK millions	30 Sep 2022	30 Sep 2021	31 Dec 2021
<b>ASSETS</b>			
<b>Non-current assets</b>			
Shares in subsidiaries	1,202	720	1,202
Financial non-current assets	8	-	7
<b>Total non-current assets</b>	<b>1,210</b>	<b>720</b>	<b>1,209</b>
<b>Current assets</b>			
Receivables from Group companies	881	-	655
Other current assets	2	-	4
Cash and cash equivalents	7	0	8
<b>Total current assets</b>	<b>889</b>	<b>0</b>	<b>667</b>
<b>Total assets</b>	<b>2,099</b>	<b>721</b>	<b>1,876</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	1	1	1
Other equity	1,427	720	1,358
<b>Total equity</b>	<b>1,428</b>	<b>721</b>	<b>1,359</b>
Untaxed reserves	-	-	-
<b>Total untaxed reserves</b>	<b>-</b>	<b>-</b>	<b>-</b>
Non-current interest-bearing liabilities	635	-	475
Non-current non-interest-bearing liabilities	4	-	4
<b>Total non-current liabilities</b>	<b>639</b>	<b>-</b>	<b>479</b>
Current interest-bearing liabilities	4	-	2
Current non-interest-bearing liabilities	28	-	36
<b>Total current assets</b>	<b>32</b>	<b>-</b>	<b>38</b>
<b>Total equity and liabilities</b>	<b>2,099</b>	<b>721</b>	<b>1,876</b>

The Board of Directors and the CEO assure that this report for the third quarter of 2022 provides a fair review of the Group's and the Parent Company's operations, financial position and results and describes the significant risks and uncertainties faced by the Parent Company and the companies included in the Group.

Stockholm, 9 November 2022

Hans Petersson  
Chairman

Ann-Sofi Danielsson  
Board member

Alireza Etemad  
Board member

Carl Jakobsson  
Board member

Göran Lundgren  
Board member

Nina Macpherson  
Board member

Jeanette Reuterskiöld  
Board member

Ove Bergkvist  
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

SEK millions	Jul-Sep		Jan-Sep		Full-year
	2022	2021	2022	2021	2021
Net sales growth (%)	26.9%	42.4%	26.8%	34.0%	31.1%
Organic sales growth (%)	4.9%	9.5%	5.4%	11.2%	7.1%
EBITDA	59	42	156	116	170
EBITDA margin (%)	7.6%	6.9%	7.2%	6.8%	7.0%
EBITA	43	33	111	90	127
EBITA margin (%)	5.6%	5.3%	5.1%	5.3%	5.2%
Items affecting comparability	6	7	14	21	50
Adjusted EBITDA	65	50	170	136	220
Adjusted EBITDA margin (%)	8.3%	8.1%	7.9%	8.0%	9.1%
Adjusted EBITA	49	40	125	111	177
Adjusted EBITA margin (%)	6.3%	6.5%	5.8%	6.5%	7.3%
Net debt	692	623	692	623	318
Net debt/Adjusted EBITDA R12 (Ratio)	2.7	2.9	2.7	2.9	1.4
Equity ratio (%)	39.1%	35.4%	39.1%	35.4%	42.7%
Order backlog	3,257	3,429	3,257	3,429	3,488

### Reconciliation of growth in net sales

SEK millions	Jul-Sep		Jan-Sep		Full-year
	2022	2021	2022	2021	2021
Net sales previous period	614	431	1,701	1,270	1,845
Acquired net sales	135	142	364	289	441
Organic net sales	644	472	1,793	1,412	1,977
<b>Total net sales growth (%)</b>	<b>26.9%</b>	<b>42.4%</b>	<b>26.8%</b>	<b>34.0%</b>	<b>31.1%</b>
<b>Organic net sales growth (%)</b>	<b>4.9%</b>	<b>9.5%</b>	<b>5.4%</b>	<b>11.2%</b>	<b>7.1%</b>

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

SEK millions	Jul-Sep		Jan-Sep		Full-year
	2022	2021	2022	2021	2021
Net sales	779	614	2,157	1,701	2,418
Operating profit/loss (EBIT)	42	33	108	90	126
Depreciation and amortisation of tangible and intangible assets	17	10	47	26	44
<b>EBITDA</b>	<b>59</b>	<b>42</b>	<b>156</b>	<b>116</b>	<b>170</b>
<b>EBITDA margin (%)</b>	<b>7.6%</b>	<b>6.9%</b>	<b>7.2%</b>	<b>6.8%</b>	<b>7.0%</b>
<b>Items affecting comparability</b>					
Listing-related costs	-	7	-	11	37
Acquisition-related costs	6	-	14	8	8
Other items affecting comparability	-	0	-	3	5
<b>Total items affecting comparability</b>	<b>6</b>	<b>7</b>	<b>14</b>	<b>21</b>	<b>50</b>
<b>Adjusted EBITDA</b>	<b>65</b>	<b>50</b>	<b>170</b>	<b>136</b>	<b>220</b>
<b>Adjusted EBITDA margin (%)</b>	<b>8.3%</b>	<b>8.1%</b>	<b>7.9%</b>	<b>8.0%</b>	<b>9.1%</b>

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

SEK millions	Jul-Sep		Jan-Sep		Full-year
	2022	2021	2022	2021	2021
Net sales	779	614	2,157	1,701	2,418
Operating profit/loss (EBIT)	42	33	108	90	126
Depreciation and amortisation of intangible assets	1	-	2	-	1
<b>EBITA</b>	<b>43</b>	<b>33</b>	<b>111</b>	<b>90</b>	<b>127</b>
<b>EBITA margin (%)</b>	<b>5.6%</b>	<b>5.3%</b>	<b>5.1%</b>	<b>5.3%</b>	<b>5.2%</b>
<b>Items affecting comparability</b>					
Listing-related costs	-	7	-	11	37
Acquisition-related costs	6	-	14	8	8
Other items affecting comparability	-	0	-	3	5
<b>Total items affecting comparability</b>	<b>6</b>	<b>7</b>	<b>14</b>	<b>21</b>	<b>50</b>
<b>Adjusted EBITA</b>	<b>49</b>	<b>40</b>	<b>125</b>	<b>111</b>	<b>177</b>
<b>Adjusted EBITA margin (%)</b>	<b>6.3%</b>	<b>6.5%</b>	<b>5.8%</b>	<b>6.5%</b>	<b>7.3%</b>

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

SEK millions	30 Sep 2022	30 Sep 2021	31 Dec 2021
Non-current interest-bearing liabilities	734	546	554
Current interest-bearing liabilities	128	154	35
Total interest-bearing liabilities	862	700	589
Cash and cash equivalents	170	77	271
<b>Net debt</b>	<b>692</b>	<b>623</b>	<b>318</b>
Adjusted EBITDA R12	254	211	220
<b>Net debt/Adjusted EBITDA R12 (Ratio)</b>	<b>2.7</b>	<b>2.9</b>	<b>1.4</b>

### Reconciliation of equity ratio

SEK millions	30 Sep 2022	30 Sep 2021	31 Dec 2021
Total equity	1,048	699	911
Total assets	2,681	1,973	2,133
<b>Equity ratio (%)</b>	<b>39.1%</b>	<b>35.4%</b>	<b>42.7%</b>



## Definitions and reasons for use

Key performance indicators	Definition	Reason for use
<b>EBITA*</b>	EBIT before amortisation of intangible assets	EBITA is used to analyse the profitability generated by the underlying operations
<b>EBITA margin*</b>	EBITA as a percentage of net sales	The EBITA margin is used to illustrate the underlying operations' profitability
<b>EBITDA*</b>	Earnings before interest, taxes, depreciation and amortisation.	EBITDA is used to analyse the profitability generated by the underlying operations
<b>EBITDA margin*</b>	EBITDA as a percentage of net sales	The EBITDA margin is used to illustrate the underlying operations' profitability
<b>Adjusted EBITA*</b>	EBIT before amortisation of intangible assets, adjusted for items affecting comparability	Adjusted EBITA is used to analyse the profitability generated by the underlying operations
<b>Adjusted EBITA margin*</b>	Adjusted EBITA as a percentage of net sales	The adjusted EBITA margin is used to illustrate the underlying operations' underlying profitability
<b>Adjusted EBITDA*</b>	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
<b>Adjusted EBITDA margin*</b>	Adjusted EBITDA as a percentage of net sales	The adjusted EBITDA margin is used to illustrate the underlying operations' underlying profitability
<b>Items affecting comparability*</b>	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, external costs in conjunction with IPO preparations, 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
<b>Cash flow from operating activities</b>	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

<b>Net sales</b>	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
<b>Organic growth*</b>	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
<b>Order backlog</b>	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
<b>Profit/loss before tax</b>	Profit/loss for the period before tax	The measure is a performance measure defined by IFRS
<b>Earnings per share (SEK)</b>	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
<b>Net debt*</b>	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
<b>Equity ratio*</b>	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

Ove Bergkvist, President and CEO, and Peter Andersson, CFO, will present the interim report on Wednesday, 9 November at 9:00 a.m. CET in a webcast. Link to webcast <https://ir.financialhearings.com/netel-group-q3-2022>. 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.

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#### Financial information

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

#### Calendar

Fourth quarter 2022	16 February 2023
Annual and Sustainability Report 2022	Week starting 3 April
First quarter 2023	4 May
Annual General Meeting, Stockholm	4 May
Second quarter 2023	14 July
Third quarter 2023	8 November
Fourth quarter 2023	16 February 2024

*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 9 November 2022 at 7:30 a.m. CET.*

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#### Netel Group in brief

Netel is a leading specialist in critical infrastructure projects in Northern Europe. We have more than 20 years of experience in carrying out projects, service and maintenance for the largest industry players in power, telecom, district heating, and water and sewage. We have a clear strategy for organic growth and acquisitions based on an effective business model that features decentralisation, low tied-up capital and high cash conversion. Our operations include a strong sustainability approach with intense responsibility for the environment and work environment. Read more at [www.netelgroup.com](http://www.netelgroup.com).

FOUNDED IN

**2000**

EMPLOYEES

**824**

NET SALES IN R12M

**2,874** MSEK

ADJUSTED EBITA in R12M

**191** MSEK

**neTel** group

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