



Annual and Sustainability Report  
2025



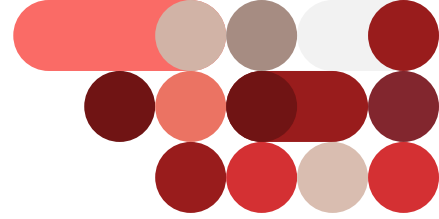
# We connect the world

Netel builds critical infrastructure. A vast technological nervous system where every line and facility brings us closer to a more connected society.

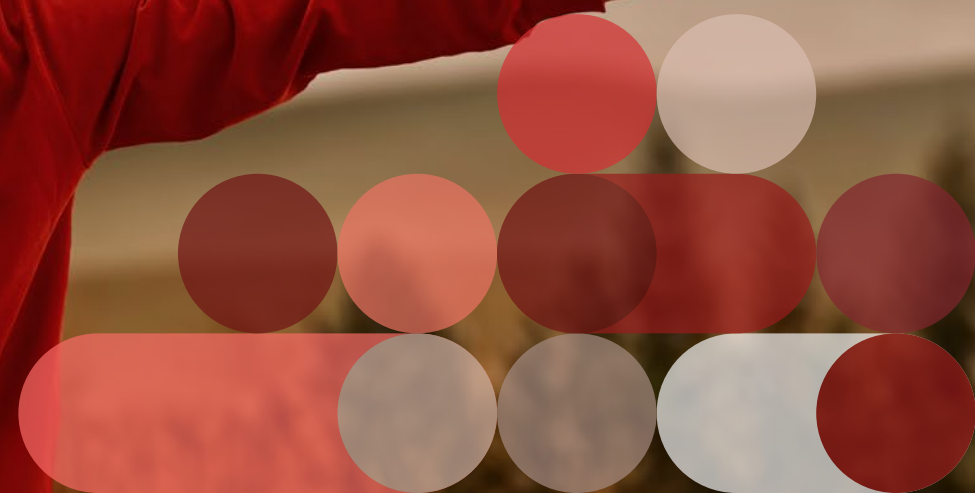
This expansion is necessary to ensure a future where accessibility and reliability are the cornerstones of security and prosperity.

Our proven ability to deliver exactly the expertise needed to meet the changing needs of the world gives us the strength to both develop and maintain critical infrastructure.

We exist for a future where technology unites, transforms and improves life for everyone.



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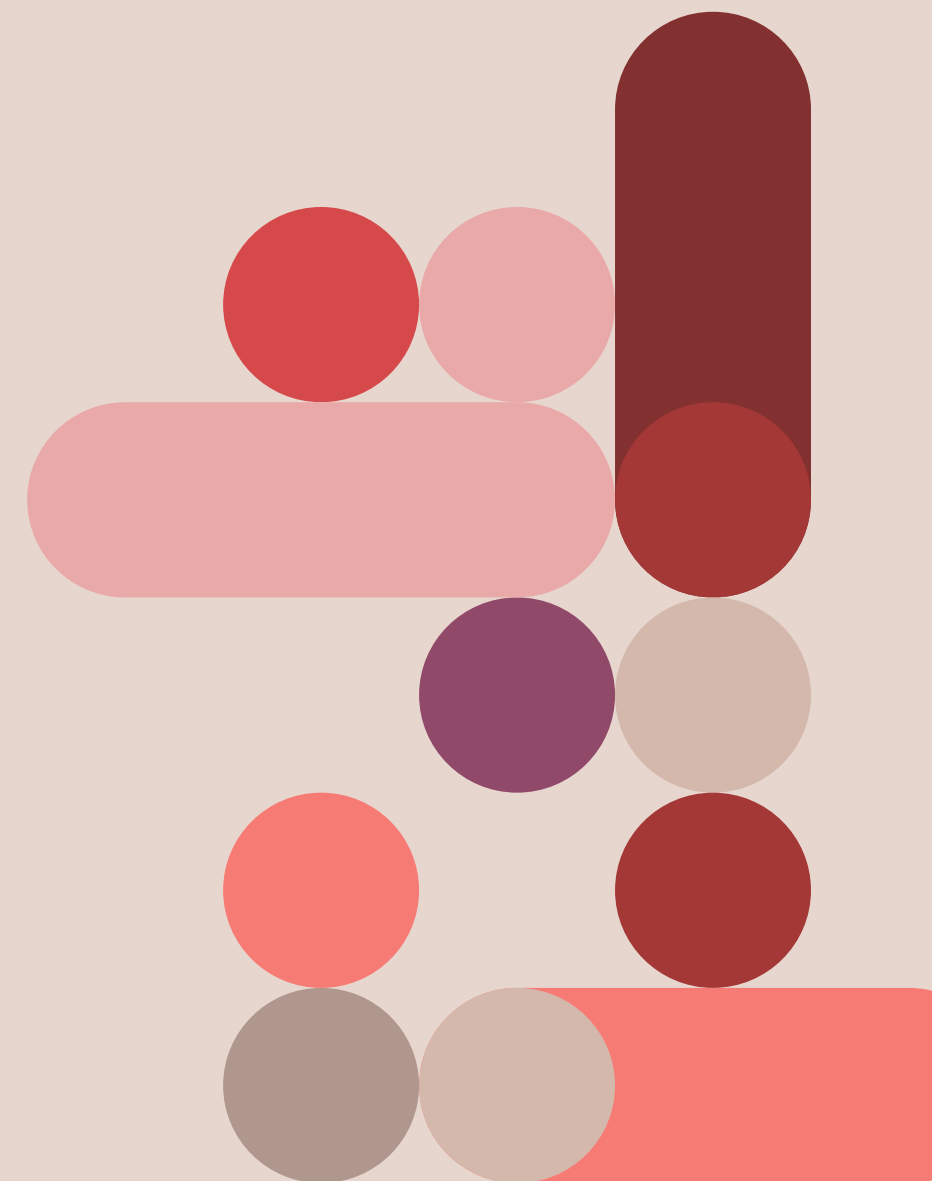
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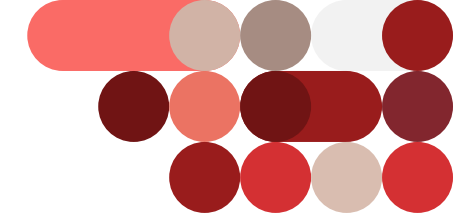
All data, graphs and tables in the annual report refer to continuing operations, i.e. the Group excluding the UK and the Finnish operations that were divested in 2025.

The Board of Directors and the CEO of Netel Holding AB (publ), corporate identity number 559327-6263, hereby submit the annual report for the 2025 financial year for the Parent Company and the Group, which consists of the Directors' Report (pages 4,

9–12, 14, 16–23 and 27–102) and the financial statements together with notes and comments (pages 69–102). The statutory corporate governance report and sustainability report according to the Annual Accounts Act are included in the Directors' Report (pages 27–33 and 39–67, respectively). The consolidated income statement and balance sheet as well as the Parent Company income statement and balance sheet will be adopted at the Annual General Meeting.

The Swedish Annual Report is the original document. In the event of any discrepancy between the original and the English translation, the Swedish original shall take precedence.

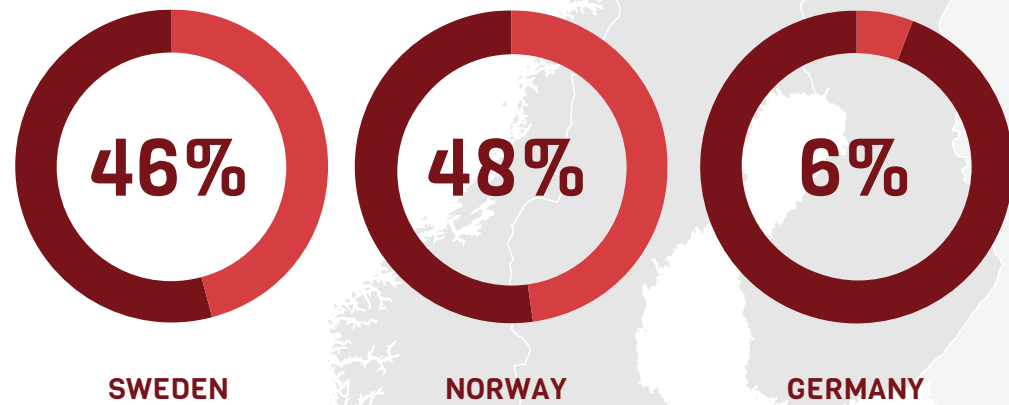




# About Netel

With over 25 years of experience in the development and maintenance of critical infrastructure, we are a leading player in infrastructure services, power and telecom. We are involved in the entire value chain from design and production to maintenance of customer facilities. We are dedicated to securing an accessible and reliable future, where technology unites and transforms society. Netel has been listed on Nasdaq Stockholm since 2021.

## Revenue by country



Revenue, SEK billion

2.9

Annual growth 2010–2025

16.4%

Order backlog, SEK billion

4.2

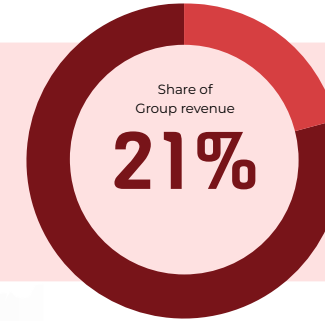
Number of employees

807

### Infraservices Division

Project manages and executes civil engineering projects, including district heating, water and sewage systems in Sweden.

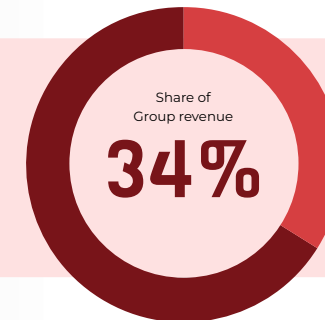
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### Power Division

Project manages, builds and maintains electricity distribution grids in Norway and Sweden.

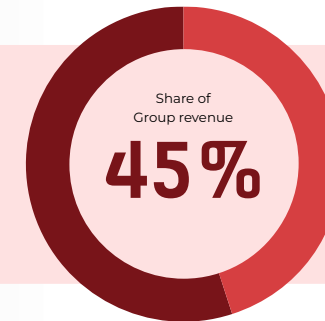
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### Telecom Division

Project manages, builds and maintains fibre and mobile networks in Norway, Sweden and Germany.

→ [Read more](#)



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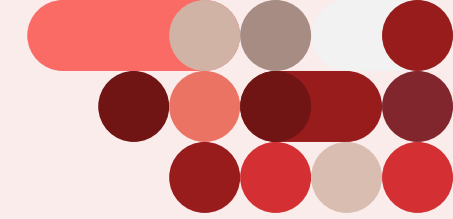
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# Powerful action programs implemented to restore profitability after a challenging 2025



Parts of our operations performed very well in 2025. 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.

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 earnings. Early in the year we divested our operations in Finland, and in December we sold our operations in the UK. Both of these operations negatively affected results in recent years and required intense focus from the organisation.

**“Given these strong, time-specific profitability measures and the market conditions we see today, we expect growth and a margin improvement for the full-year 2026.”**

## Savings strengthen competitiveness

In the autumn we scaled up our efforts to restore and strengthen profitability. Our two savings programmes 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.

2025 was a challenging year with lower volumes and large impairments in projects that negatively impacted our results. We have launched and implemented strong actions and we enter 2026 with a higher order backlog of SEK 4.2 billion and an organisation that has taken clear steps towards increased stability and profitability.

Net sales in 2025 declined 9.3 per cent to MSEK 2,915 as a result of a high proportion of projects in start-up phases and the postponement of forecast volumes in framework agreements. Sales were also impacted by our strategic decision in early 2025 to focus on profitability in project procurements. The volume trend and impairments of completed projects that were overvalued in companies acquired in 2021–2022 led to a decrease in the adjusted EBITA margin to 1.0 per cent.

Our underlying business remains stable, and what remains after we exclude the effects from the two underperforming subsidiaries in Sweden and the unusually large volume loss mainly in Sweden, 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 more quickly to changing market conditions.

## Key events 2025

- Record high order stock of SEK 4.2 billion
- Infraservices signs a record-breaking contract for civil engineering works for a new logistics centre in Ludvika, Sweden
- Norrköping Municipality new customer for Power in Sweden
- Telecom in Sweden expands cooperation with Tele2 covering a larger geographical area and more services
- Glitre Nett new customer for Power in Norway, expanding its geographical presence
- Infraservices wins new customers – Sigtuna Vatten & Renhållning AB and Järfälla Municipality in Sweden
- Telecom in Germany wins new customer – envia Tel – and expands its geographical presence
- Infraservices extends and expands contract with Mälarenergi in Sweden
- Power renews framework agreement with E.ON in Sweden
- Power will upgrade three substations for Elvia in Norway
- Power renews framework agreement with Elvia in Norway for emergency services
- Operations in Finland and the UK divested

## Management changes enhance efficiency

As part of the work to boost Netel's ability to act and to improve profitability, we have made changes to the Management Team. We removed a management layer within the divisions and the heads of the business areas now report directly to me. In short, the programmes mean that we will see continued efficiency gains from implementing digital tools as well as improvements to internal processes and follow-up of customer projects. We also introduced changes at the subsidiaries where the write-downs led to profitability issues. These include a review of the organisations and the addition of new expertise.

In 2026, we will also start consolidating subsidiaries to create economies of scale in administration, premises and resource management, with the aim of freeing up more time and capacity for winning, managing and developing projects.

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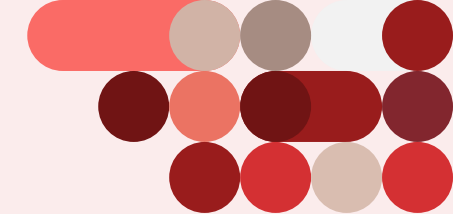
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### The year in figures

MSEK unless otherwise stated	2025	2024	Change
Continuing operations			
Net sales	2,915	3,214	-9.3%
EBITA	-5	164	
EBITA margin	-0.2%	5.1%	-5.3
Adjusted EBITA	28	181	-84.4%
Adjusted EBITA margin	1.0%	5.6%	-4.6
EBIT	-13	157	
EBITA margin	-0.5%	4.9%	-5.4
Earnings for the period	-90	64	
Earnings per share before and after dilution, SEK	-1.86	1.31	
Cash flow from operating activities	-30	116	
Net debt	786	662	18.7%
Net debt/adjusted EBITDA	7.6	2.8	4.8
Order backlog, SEK billion	4.2	3.8	9.2%
Number of employees at year-end	807	773	4.4%

### Project-driven business

Our investors often ask how our business operates and why earnings fluctuate between quarters. It is important to understand that our income statement is based on percentage of completion where revenue and costs, and therefore margins, are divided across the timespan of the projects. In addition to continuous reviews of our projects, we go through all projects in detail and update our forecasts for the margins for the projects four times a year. It is on these occasions and ahead of concluding a project that our earnings may be adjusted. Forecast adjustments have an immediate impact on the income statement through changed revenue recognition and as a write-down of, for example, 0.5 per cent on EBITA were to arise, it will at that point affect the previously reported results of the entire project, which can have major consequences in individual quarters even if the projects themselves have a profit margin that is in line with our financial goals. Since we have a project-based business, our earnings and cash flow will continue to fluctuate between quarters, and it is important to view our performance over longer time periods in order to gain a fair view.

The nature of our business also means that project control, risk control and uniform ways of working related to tendering, follow-ups and forecasts are of key importance to us. These are areas that have been – and continue to be – highly important to me and my Management Team since I assumed the role of CEO just over two years ago. Owing to this, we have increased control of our subsidiaries' operations, invested in reporting and governance tools and introduced new procedures for central review and approval of tenders. We are now accelerating this work in 2026 as we consolidate our Swedish subsidiaries within the Group.

### Strong cash flow in the fourth quarter

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.

Once again, we saw a strong cash flow in the last quarter of the year 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 of 2025, which is 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.

### Significant business success in 2025

Thanks to our dedicated and professional employees, we won a great deal of important business in 2025. Our new strategy of expanding into new customer segments and neighbouring geographical areas also proved successful.

Infraservices secured a number of new customers during the year, such as the municipal company Sigtuna Vatten & Renhållning as well as Järfälla Municipality. We strengthened our cooperation with Mälarenergi by extending previous contracts, at the same time signing a new contract for modernising district heating and water systems. Infraservices also won its largest contract ever, worth approximately MSEK 110, which includes civil engineering works for a logistics centre totalling 103,000 m<sup>2</sup> in Ludvika in central Sweden.

In Power, we won a major new customer, the energy company Glitre Nett, and were able to establish operations in Agder County in southern Norway – a new geographical area for us in Norway. During the year, we announced two new agreements with Glitre Nett, one covering the expansion of a transformer station and the other a multi-year framework agreement for project planning, ground and construction work, as well as high-voltage installations. We also expanded our geographical footprint in central Sweden through a new framework agreement with Norrköping Municipality and announced framework agreements with E.ON in Sweden for project contracting in central Sweden and parts of Norrland.

In Telecom, we presented, among other things, a new two-year framework agreement for installation, service and maintenance of Tele2's broadband network in Sweden. This agreement is more comprehensive than the previous one, covering a larger geographical area as well as more services. In Germany, we signed an agreement with the leading telecommunications operator in central Germany, envia TEL. With this agreement, Netel gains both a new customer and expands its geographical presence in Germany.

We expect these new, attractive agreements, together with the framework agreements we signed in 2025 with Vattenfall in Sweden and Elvia in Norway, among others, to help improve profitability in 2026.

### Summary of our measures to increase profitability

- Cost savings of MSEK 25 with full effect in 2026
- Cost savings of MSEK 15–25 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
- The UK and Finnish operations divested in 2025

### Indication 2026

We enter 2026 with a record order backlog of SEK 4.2 billion, of which approximately SEK 2 billion relates to projects in 2026. We also feel confident that we can continue to maintain it at a high level given the market conditions we see today. We are closely monitoring our customers' investment appetite, and since the latter part of 2025 we have noted a decrease in the investment volume in the telecom market. However, we can adapt to this downturn more easily due to our flexible business model with a high share of subcontracting in our projects.

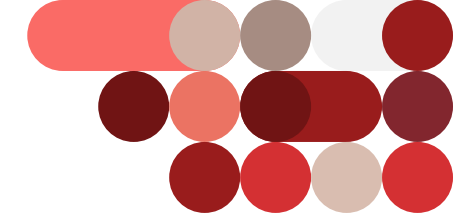
We have a good market position and a strong offering that is based on such factors as our expertise in critical infrastructure and solid and long-term customer relationships. We have a proven successful strategy and clear programmes to improve profitability. Activity in our markets is generally high, and we are participating in many tender requests. Given these robust, time-specific profitability measures and the market conditions we see today, we expect growth and a margin improvement for the full-year 2026.

  
 Jeanette Reuterskiöld  
 President and CEO

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# Our strengths



## Proven growth strategy

Many of our customers have ambitious investment plans and we have a proven track record of both expanding and extending our agreements with existing customers. In 2025, we continued to win new customers across all divisions and we successfully delivered on our strategy to expand into neighbouring geographic regions in Sweden, Norway and Germany. We see many attractive opportunities to continue to grow through both existing and new customers.

## Focus on profitability

We are currently implementing an action programme that will generate cost savings of MSEK 25 with full effect in 2026 and MSEK 15–25 with full effect in 2027. These measures include reducing the number of managerial levels and improving internal processes. We have also restructured subsidiaries with profitability problems and will consolidate our Swedish subsidiaries into larger units in 2026. The digital tools and systems we have introduced in recent years will continue to improve efficiency and profitability.

## High order backlog

The continued high order backlog of SEK 4.2 billion reflects healthy markets and is clear confirmation that we have an attractive offering and a strong market position. The order backlog extends into 2028 with the majority covering 2026–2027 and approximately SEK 2 billion covering 2026. We feel confident that we can continue to maintain it at a high level given the market conditions we see today. The order backlog of SEK 4.2 billion relates only to continuing operations.

## Powerful megatrends

Our markets are driven by three powerful megatrends: climate change, digitalisation and the need to modernise water and sewage systems. Climate change is resulting in the electrification of society and the expansion of the capacity of electrical grids. Digitalisation requires increased capacity in data networks. Large parts of the water and sewage systems in Europe are obsolete and in urgent need of modernisation. These megatrends put us in a good position to continue growing in the long term.

## Skilled employees

Our success depends on the skills and dedication of our employees. We foster motivation through freedom with responsibility, short decision-making paths and close dialogue between our employees. We create a good working environment by offering further development and safe workplaces. Our managers take clear responsibility for both daily operations and every employee's well-being and development. With motivated, competent employees and good managers, we can continue to develop and grow our business.

## Focus on sustainability

We are continuing to develop our sustainability work and our cooperation with suppliers and customers to support each other in achieving our respective climate targets. With a high level of sustainability awareness, we can create a strong employer brand, motivated employees and healthy customer relationships. With active sustainability work and science-based climate targets, we have created the necessary prerequisites for continuing to be a sought-after supplier of critical infrastructure.

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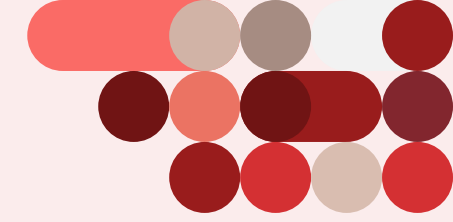
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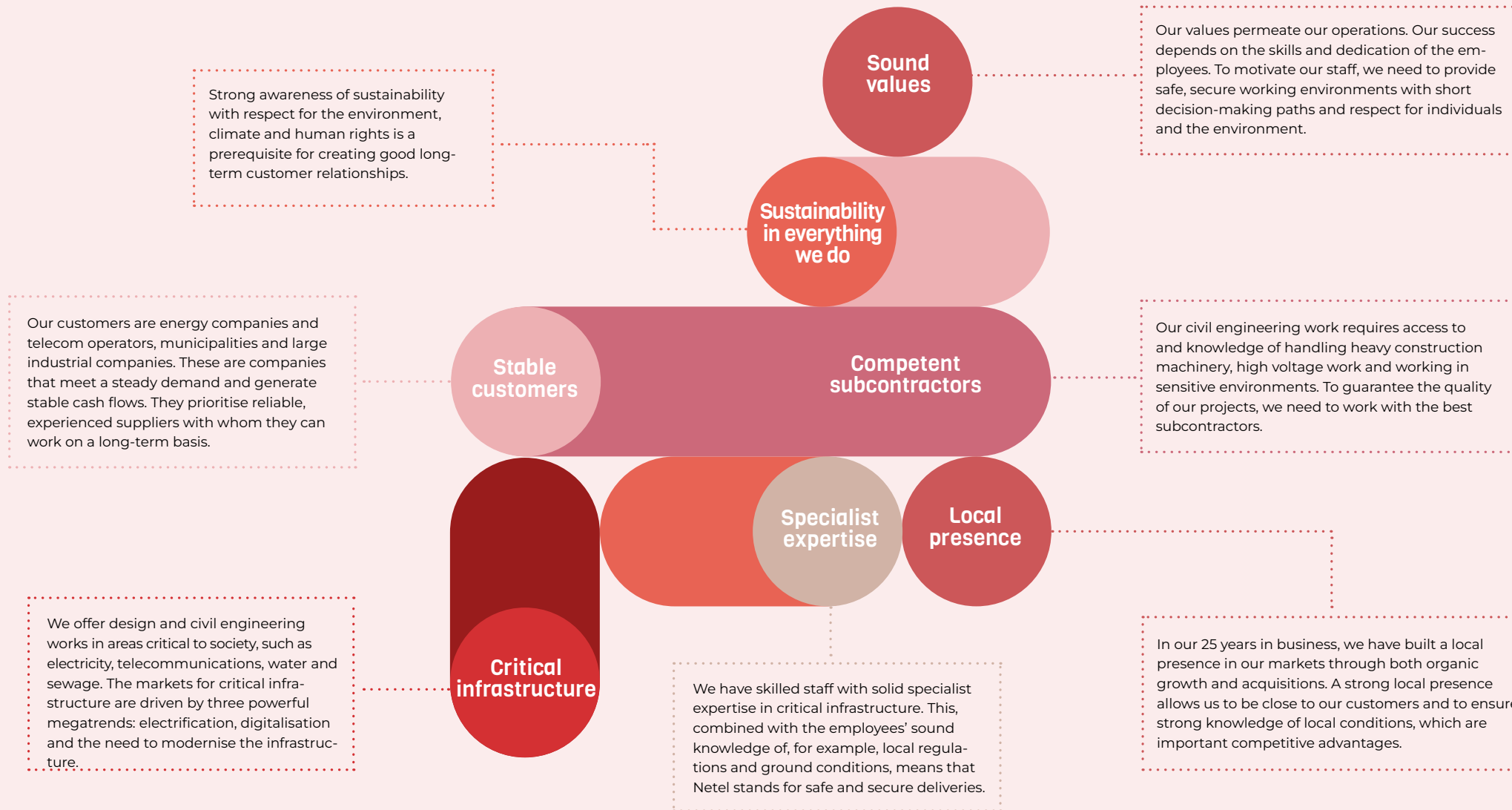
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# Business model

Netel creates value through a well-founded business model.



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# Growth driven by powerful megatrends

We operate in sectors whose functions are critical for society. These functions – telecom, electricity, district heating, water and sewage – are affected by three powerful megatrends: electrification, digitalisation and the need to modernise the infrastructure.

## Electrification

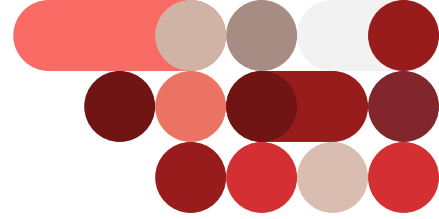
Climate change is today's biggest issue, which is driving new trends in society that have a major influence on the power networks. It is necessary to update the capacity in power networks in order to manage the transition to electricity-driven transportation and meet the needs of major industries that want to switch to electricity-based production. The introduction of more renewable energy sources, such as solar panels, also requires investments in the power networks. As the number of energy sources climb, demand for greater flexibility in the power networks increases, which in turn requires investments in capacity and new technology.

## Digitalisation

Digitalisation means that telecom has now become critical infrastructure for society and a prerequisite for continued digital development. The demand for capacity, availability and security is continuing to rise as data traffic grows rapidly, fibre and 5G are rolled out and industry and the public sector continue to digitalise. The market is characterised by high levels of investment, long-term projects and higher demands for robustness, security and sustainability. The focus has shifted from solely roll-out to an end-to-end view of the network lifecycle – from planning and construction to operation and maintenance.

## Modernisation of infrastructures

There is a vast need to modernise infrastructure in Europe in the areas of power, district heating, water and sewage. Many networks are at the end of their life cycle. Some networks are more than 70 years old and in urgent need of being replaced or modernised. In the power area, the needs for renewal of the networks are very great and the networks must be replaced even if only to maintain current capacity. Sweden's water and sewage treatment plants and pipeline networks are so neglected that the water supply risks becoming a societal crisis.



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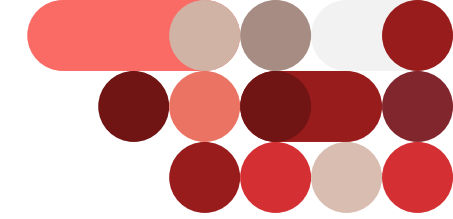
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# Major investments are needed in water and sewage to avoid a societal crisis

The investment needs in the Swedish water and sewage network are estimated to be SEK 560 billion. If these investments are not made, Sweden risks a major societal crisis.

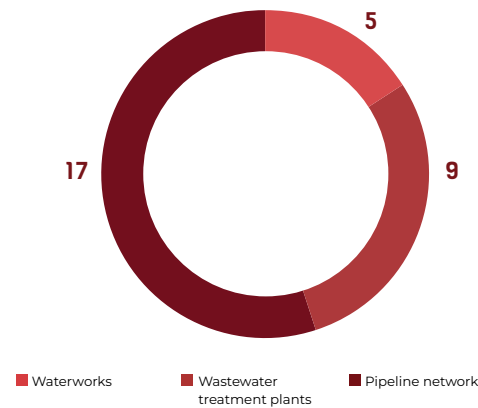
In a research report, the industry organisation Svenskt Vatten analysed the investment needs in the infrastructure for water between 2022 and 2040. The need is estimated at SEK 31 billion per year and the report notes that the current rate of investment is around SEK 20 billion per year. This means that Sweden under-invests by around SEK 10 billion every year and that the investment shortfall is growing rapidly.

The high investment needs are driven by several factors, including population growth, climate change and new EU directives. There is also a great need to modernise infrastructure for water and sewage. The municipal infrastructure for water and sewage began to be built in the mid-19th century and Svenskt Vatten notes that there are still pipes from that time.

As a result of climate change, some municipalities no longer have a reliable supply of raw water. Climate change also means that the sewage systems must be designed in other ways to be able to handle the changed precipitation.

In the report, Svenskt Vatten concludes that the water supply is at risk of becoming a major societal crisis. If the infrastructure for water is not renovated and upgraded, Sweden's residents may suffer leakages, taps running dry and pollution in the water, which leads to health risks and high societal costs.

Annual investment needs, SEK billion



Source: Svenskt Vatten, 2023



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# Multi-billion investments in power for a fossil-free society

The investment needs in the Swedish power network are estimated to be SEK 945 billion by 2045. These investments are a prerequisite for achieving a fossil-free society.

Across Europe, the electrification of society is underway, driven by both EU and national regulations. To facilitate the transition to a fossil-free society, major investments must be made in the electrical grid. Digitalisation, with more data centres, for example, also requires higher capacity in the electricity networks. In Sweden alone, engineering consultancy company Sweco estimates it will require investing a total of SEK 945 billion in the electrical grid through to 2045. Most of the investments must be made in the next ten years in order to manage capacity increases and replace the old outdated infrastructure.

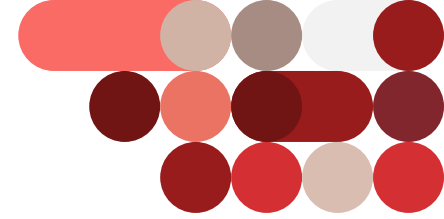
Sweco's calculated total investment needs includes transmission, regional and local networks. Netel's operations are focused on regional and local networks that will demand the investment of significant amounts.

E.ON Sverige, one of Sweden's largest electricity grid companies, confirms that the capacity of Sweden's electricity grid must be doubled by 2040. E.ON is therefore investing SEK 27 billion between 2024 and 2027 in its regional and local networks to enable the green transition and eliminate bottlenecks.

Vattenfall Eldistribution, also one of Sweden's largest electricity network companies, is investing SEK 8-10 billion every year in strengthening and improving the electricity grid to meet the needs of network capacity, electricity and delivery quality. These investments are also necessary to adapt the grid to future needs, including the electrification of the transport sector and industrial processes.

The energy company Ellevio is accelerating its investments in modernisation and capacity increases and plans for an annual investment level of SEK 7 billion in 2027.

In Norway, the organisation Renewables Norway, estimates that approximately NOK 100 billion will be invested in regional and local networks up until 2031, with NOK 40 billion invested in regional networks and NOK 40 billion in local networks.



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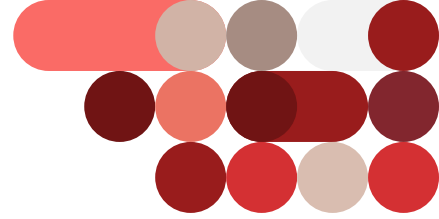
# The telecom market – a critical, long-term growth sector

Long-term investment plans are a hallmark of the telecom market, with priority given to reliability, resilience, and life-cycle responsibility.

The telecom market is one of society's most fundamental infra-structures. Digitalisation, increasing data traffic and new technical applications are continuing to drive the need for robust, secure and high-performance communication networks. Developments are taking place in a market environment that features lower investment levels, technological complexity and stricter regulatory requirements.

The fibre and 5G roll-out is still a focal point for market participants. Fibre is the backbone of the digital infrastructure for both fixed connections and mobile networks. At the same time, mobile networks are evolving from primarily concentrating on coverage to enabling high capacity, low latency and new services that are critical to society and businesses.

Long-term investment plans are the hallmark of the market, with priority given to reliability, resilience and life-cycle responsibility. Telecom infrastructure is increasingly considered a critical function for society, which entails high demands on robustness, redundancy and security. Geopolitical factors and cyber security have become important parts of decision-making processes and network architecture. Meanwhile, demands for sustainability are rising. Energy efficiency, climate impact and responsible construction are integral parts of modern-day telecom projects. In combination, this results in a market where technical expertise, the quality of implementation and long-term partnerships are vital for success.



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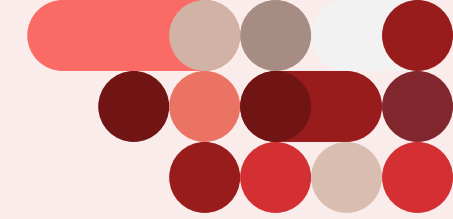
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# Benefits we create for our stakeholders

As a leading player in planning, development and maintenance of infrastructures critical to society, Netel creates significant direct and indirect values.

The direct values are created through our 807 employees in three countries and subcontractors who primarily carry out the civil engineering and assembly work in the projects. In that we often use local resources in our projects, we generate positive economic and environmental gains for society. Our business is characterised by a high level of responsibility for the environment and occupational health and safety, and we endeavour to reduce transports, lower the amount of waste, boost material recycling and use green resources.

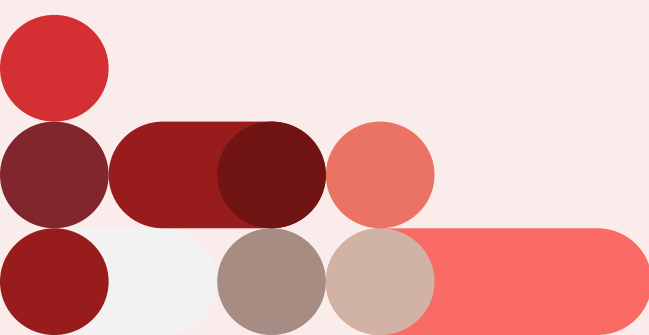
With our over 25 years in the industry, we have amassed solid experience in infrastructure projects and our activities have a significant positive impact on society. The projects in power are driven by the electrification of society and increased digitalisation. The expansion of telecom promotes inclusion and cultivates opportunities for sustainable social development. Well-functioning, effective infrastructures for district heating, water and sewage cultivate opportunities for healthy living environments and growing communities.

All information pertains to continuing operations.

Stakeholder	Type of value	Value created	Added value created
Customers	Net sales	MSEK 2,915 (3,214)	We provide high-quality services quickly and efficiently at the same time that we strive to establish close customer collaborations and long-term customer relationships.
Employees	Salaries, remuneration and pension	597 (562)	We offer a stimulating and safe work environment with short decision-making procedures, high safety awareness and many opportunities for growth and development.
Subcontractors and suppliers	Purchasing of materials, products and services	MSEK 1,821 (2,059)	We are an attractive partner that seeks out long-term supplier relationships and offers many opportunities for subcontractors and suppliers to deliver high quality and in turn create safe, stimulating work environments.
Society	Social security contributions and tax paid	MSEK 144 (149)	We use local subcontractors and suppliers which generates jobs in many geographical locations and in places outside the big-city regions. We have a high level of safety awareness and offer safe work sites. We have a sustainability focus, prioritise renewable resources and strive constantly to minimise the environmental impact of projects. Our customer projects typically have a positive environmental impact through more efficient energy use, greater inclusion in society and healthy living environments.



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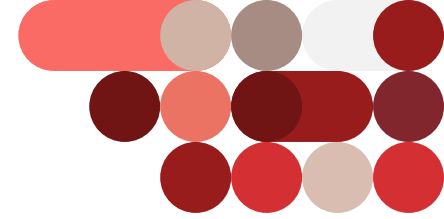
# Sustainability work strengthens our competitiveness

Through our sustainability work, we are building a strong brand and helping to achieve the Paris Agreement.

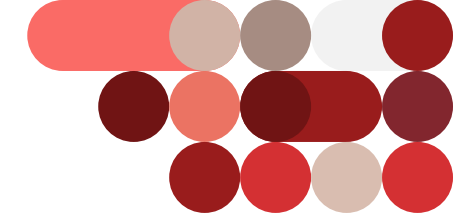
At Netel, sustainability is an integrated part of the business strategy and permeates our daily work. Everything that we do is to be done in a responsible and sustainable way, adhering to high ethical standards. We also place extensive demands on our subcontractors and suppliers. For us, high ethical standards, good work conditions and environmental responsibility are priority issues that have always distinguished the business.

We have issued our first sustainability statement according to the European Sustainability Reporting Standards (ESRS) for 2025, which increases the transparency, comparability and governance of our sustainability work. In 2025, we continued to develop our sustainability efforts by further refining data collection, establishing Group-wide processes and setting targets for our material sustainability matters. As an integrated part of our sustainability work, we systematically monitor our climate targets that have been validated by the Science Based Targets initiative (SBTi).

Netel is a UN Global Compact signatory and supports to the principles regarding human rights, labour, environment and corruption. The UN Global Compact's principles and a number of international guidelines form the basis of our Code of Conduct that extends to both employees and recurring major subcontractors and suppliers. These guidelines include, among other things, the International Bill of Human Rights, the ILO (International Labour Organisation) Declaration on Fundamental Principles and Rights at Work and the OECD Guidelines for Multinational Enterprises.



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# Our contribution to the UN Sustainable Development Goals

We contribute in several ways to the sustainable development goals (SDGs). Here we present the UN Sustainable Development Goals to which Netel contributes most and for which we are actively working. More information about our sustainability targets can be found in the Sustainability Report.

## Goal 7 Affordable and clean energy

7.1 Ensure universal access to affordable, reliable and modern energy services

7.2 By 2030, increase substantially the share of renewable energy in the global energy mix

Goal 7 aims to give everyone access to sustainable, reliable and renewable energy and clean fuels. We develop both large and small energy projects that contribute to increasing the share of renewable energy and more energy efficiency. By securing the distribution capacity in the power networks, we contribute to sustainable social development.

**Netel's target:** Climate targets validated by the SBTi

## Goal 8 Decent work and economic growth

8.8 Protect labour rights and promote safe and secure working environments of all workers

Goal 8 aims to promote sustainable, inclusive and substantial economic growth, full and productive employment with decent work for all. We promote a safe and secure work environment for everyone, including its own employees as well as those of subcontractors and suppliers.

**Netel's target:** No workplace accidents

## Goal 9 Industry, innovation and infrastructure

9.1 Develop sustainable, resilient and inclusive infrastructures

9.4 Upgrade all industries and infrastructures to make them more sustainable

9.c Access to information and communication technology for all

Goal 9 aims to build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation. We plan and develop infrastructures for telecom, power networks, district heating and water and sewage. We make it possible for everyone to have access through modern and efficient services through its projects. Netel's growth depends on investments in infrastructure.

**Netel's target:** Annual organic growth of 3–5 per cent.

## Goal 11 Sustainable cities and communities

11.3 Inclusive and sustainable urbanisation

Goal 11 aims to make cities and human settlements inclusive, safe, resilient and sustainable. We build smart, sustainable communities with access to clean energy and reliable infrastructures for telecom, energy supply, water and sewage. Netel's growth depends on investments in infrastructure.

**Netel's target:** Annual organic growth of 3–5 per cent.

## Goal 13 Climate action

13.3 Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning

Goal 13 aims to take urgent action to combat climate change and its impacts. We work to lower emissions in its operations by making transports more efficient and increasing the use of renewable energy.

**Netel's target:** Climate targets validated by the SBTi

## Goal 16 Peace, justice and strong institutions

16.5 Combat corruption and bribery

Goal 16 aims to promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels. We foster transparency both internally and among subcontractors and suppliers in order to provide fair conditions and compliance free from tax evasion, social dumping and corruption. We have zero tolerance for bribery, corruption, fraud and money laundering throughout the value chain.

**Netel's target:** No suspected or confirmed violations concerning bribery, corruption, fraud or money laundering

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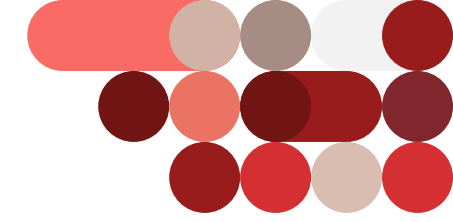
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# Growing order backlog during a financially challenging year

2025 was a challenging year, with lower volumes and large write-downs in projects that had a negative impact on earnings. Measures were launched and implemented in autumn 2025 to reduce costs by MSEK 25 in 2026 and MSEK 15–25 in 2027. These measures are presented in the CEO's comments on pages 5–7 and in the sections on the divisions on pages 18–23.

## 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 in all divisions, fewer major contracts in the production phase and lower volumes. Volumes in the InfraserVICES and Telecom divisions were impacted by the Group's decision in early 2025 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, all of which were acquired in 2021–2022.

Adjusted EBITDA decreased by 56.9 per cent to MSEK 103 (240), 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 both 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 note 36 Discontinued operations. Earnings from the operations in the UK and Finland are reported as earnings from discontinued operations.

Depreciation and amortisation amounted to MSEK -84 (-65).

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

Earnings before tax decreased to MSEK -91 (81). Earnings after tax declined to MSEK -90 (64). Tax 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 discontinued operations amounted to MSEK -117 (-47).

## Cash flow

Cash flow from operating activities amounted to MSEK -30 (116) for continuing operations. Including discontinued 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 incurs costs in its projects, produces and thus ties up capital before invoicing milestones are reached.

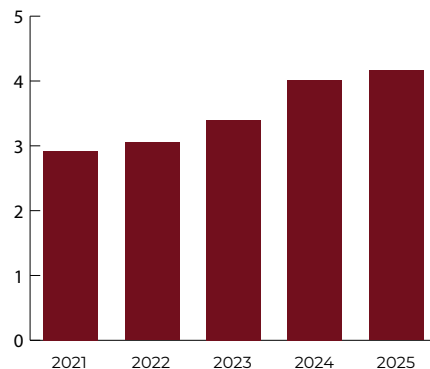
Cash flow from investing activities for the year was MSEK -17 (-160). Including discontinued operations, cash flow from investing activities amounted to MSEK -20 (-162).

Cash flow from financing activities amounted to MSEK 9 (-82). Including discontinued operations, cash flow from financing activities amounted to MSEK 16 (-89). Cash flow for the year amounted to MSEK -39 (-129). Including discontinued operations, cash flow for the year amounted to MSEK -51 (-192).

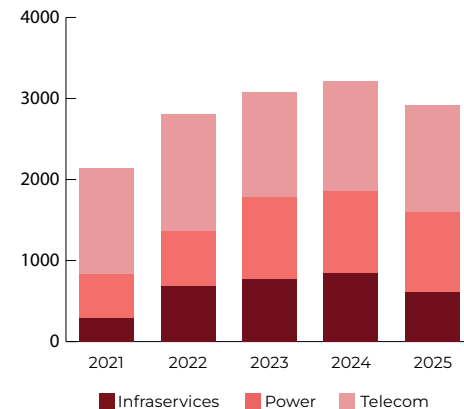
## Financial position

Cash and cash equivalents amounted to MSEK 205 at year-end. Unutilised available credit facilities amounted to MSEK 137, which together with cash and cash equivalents means a total of MSEK 342 in available funds.

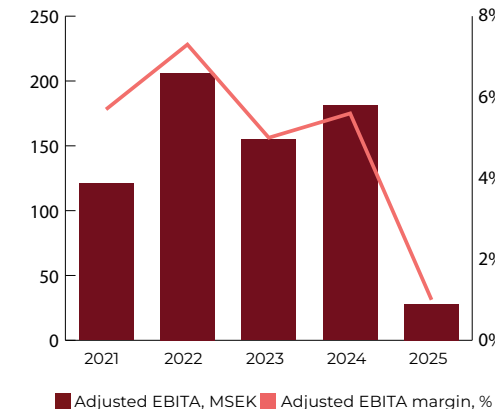
Order backlog, SEK billion



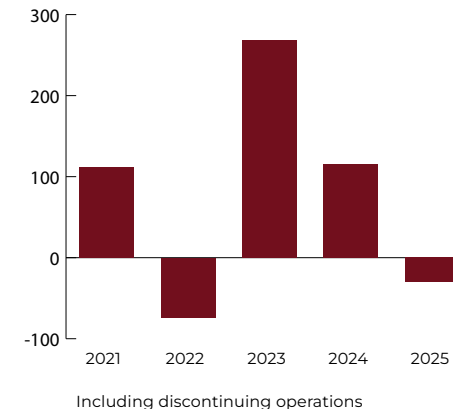
Net sales, MSEK



Adjusted EBITA and adjusted EBITA margin



Operating cash flow, MSEK



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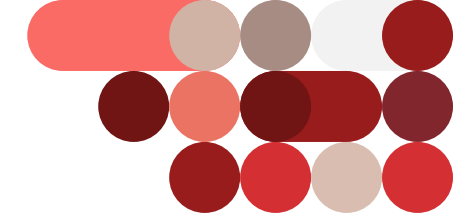
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Net debt, which is defined as current and non-current interest-bearing liabilities from credit institutions less cash and cash equivalents and current investments, amounted to MSEK 918 at the end of the year. The leverage ratio calculated in accordance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

At the end of 2025, all covenants for the external financing were met.

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 year.

Total assets amounted to MSEK 2,737 and equity amounted to MSEK 971.

### Dividends

Netel's policy is a payout ratio of 40 per cent of net profit. The proposed dividend is to take Netel's financial position, cash flow, mergers and acquisitions and organic growth opportunities into consideration. The Board proposed to the 2026 Annual General Meeting that no dividend be paid to shareholders for the 2025 financial year.

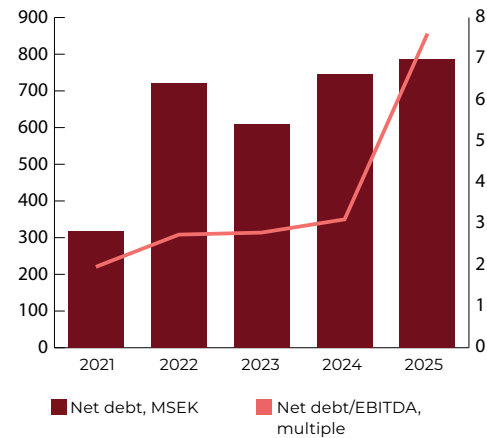
### Discontinued operations

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.

For more information on the accounting policies and reporting of the income statement, balance sheet and cash flow for discontinuing operations, see the Note Significant accounting policies and the Note Reports of discontinued operations. Comments in this report refer to continuing operations unless otherwise stated.

### Net debt, MSEK



### Our seasonal patterns

Netel's operations follow clear, recurring seasonal patterns related to project life cycles, customer investment plans and weather. These patterns impact volumes, margins and cash flows between quarters.

#### 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 results 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 results improve as projects enter the field. Quarter 2 is normally a quarter with more 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 ground-work. Results 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 results, especially during large project deliveries.

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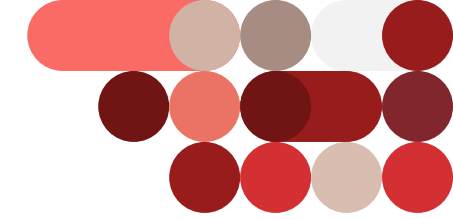
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Division  
**Infraservices**

We ensure access to clean water and enable societies to grow sustainably by building and modernising the infrastructure for district heating, water and sewage.

Our offering in Infraservices includes project managing and installation of district heating, water and sewage. We also carry out various groundwork contracts.

The Infraservices Division currently operates in Sweden and has a strong position in central Sweden. Its customers are municipal and private owners of energy, water, sewage and environmental infrastructure, as well as real estate and construction companies.

Assignments in Infraservices' market are often smaller but more numerous than projects in our other divisions, Power and Telecom. A significant share of the assignments are carried out through framework agreements.

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 our strategic decision to focus on profitability in project procurements. Local competition has intensified in recent years since actors that previously focused on the housing market sought municipal contracts. We performed well in the competition, with a good track record of winning new projects thanks to local knowledge, long-standing customer relationships and a good reputation.

**Key events 2025**

One of the major projects we won during the year was a new framework agreement with the municipal company Sigtuna Vatten & Renhållning AB. The agreement includes, among other things, the expansion and modernisation of the water and sewage network in Sigtuna Municipality. We also announced a new framework agreement with Järfälla Municipality covering land remediation and

restoration of areas, including former boat storage sites. In the summer, we presented an agreement with Mälarenergi involving the renewal of heating and water systems for a value of approximately MSEK 50. We have already established collaborations with Mälarenergi in the power sector. At the end of the year, Infraservices signed its largest ever contract. This contract, worth approximately MSEK 110, involves Infraservices delivering civil engineering works for a logistics centre totalling 103,000 m<sup>2</sup> in Ludvika.

**Earnings 2025**

Sales were impacted by the high proportion of projects in start-up phases, the postponement of forecast volumes in framework agreements and by our decision to focus on profitability in project procurements. Profitability was impacted by lower volumes and write-downs of older projects in a Swedish subsidiary after a review towards the end of the projects found them to be overvalued. Operations in the Swedish subsidiary had an impact of MSEK -31 on EBITA 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 as well as consolidation of subsidiaries in Sweden.



**MSEK, unless otherwise stated**

	2025	2024	Change
Revenue	605	844	-28.4%
EBITA margin	-2.7%	6.4%	-9.1
Share of framework agreements	23.3%	25.4%	-2.1
Number of employees	124	165	-24.8%

The number of employees is measured as average full-time equivalents over the year.

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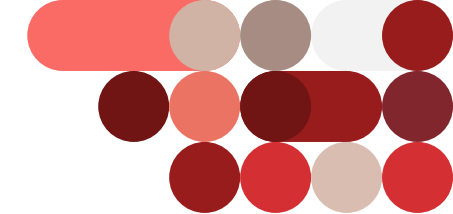
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**New logistics centre in Ludvika – our largest contract ever**

In autumn 2025, Brogrund Mark won the contract for civil engineering works for a new logistics centre of a total of 103,000 m<sup>3</sup> in Ludvika. With a value of approximately MSEK 110, this is Infra-services' largest contract to date.

The project started around year-end and is expected to be completed by the beginning of 2027. The project involves ground and civil engineering works on the site, including among other things ground preparation, installation of stormwater and sewage systems, rock blasting, hard surfaces and construction completions.

“We are proud to have been entrusted to carry out this project,” says Andreas Atienzo, CEO of Brogrund Mark. “We look forward to a rewarding partnership with our customer Lindesbergs Bygg AB, which is the contracting party of the developer Torngrund Group AB.”

**Sigtuna – a new municipal customer**

Sigtuna is a picturesque town on the shores of Lake Mälaren and a market town dating back thousands of years. The town now has almost 53,000 inhabitants and about 2,200 new residential properties will be constructed over the next few years. In 2025, our subsidiary JR Markteknik signed a new framework agreement with the municipal company Sigtuna Vatten & Renhållning AB that includes among other things the expansion and modernisation of the water and sewage network. The new framework agreement runs for three years, with the possibility of extension for up to five years.

“This is a new customer and a new geographical area for us. We are looking forward to supporting Sigtuna as the municipality's continues to expand and develop critical infrastructure,” says Robert Carlsson, CEO of JR Markteknik.

**New areas of responsibilities for Mälarenergi**

Mälarenergi is owned by the City of Västerås and supplies electricity, district heating, water, district cooling, and communication solutions, primarily in the Mälardalen region. The company also sells electricity to private and corporate customers throughout Sweden. We have already established collaborations with Mälarenergi in the power sector and in 2025 our subsidiary Morberg was entrusted with the assignment of renewing heating and water systems.

The projects will run for two years with a total contract value of approximately MSEK 50 and involves excavation and installation of culverts for heating and domestic water systems for nearly 400 property owners. “The factors for the success of these new projects are planning and communication – two of our key strengths,” says Niklas Ehrlin, CEO of Morberg.

**We improve public transport in Örebro**

Örebro, located about 200 km west of Stockholm and with a population of about 160,000, is investing in public transport. To improve public travel, Örebro has chosen to develop a BRT (Bus Rapid Transit) system with the name City line. The City line has electric buses with high frequency, dedicated lanes, centrally located stops and priority at traffic signals. For the passengers, this means that the buses run faster, more often and with greater punctuality. In this way, congestion and queues are reduced while air quality improves without the municipality having to build new roads.

Our subsidiary Brogrund Mark is involved in the construction of stops, lighting and safe passages, among other things. This extensive work is also coordinated with water and sewage to secure the water supply for Örebro residents. “This is an important project for Örebro where we are helping to build a more sustainable infrastructure system,” says Andreas Atienzo, CEO of Brogrund Mark.

**Järfälla – a new municipal customer**

Järfälla is a growing municipality at Lake Mälaren with large natural areas and beaches. With the extension of the underground rail to Barkarby, the municipality will become an important hub for the whole of north-western Stockholm. An important aspect for the municipality is improving access to coastal areas and improving the quality of water by removing pollution.

We have solid experience of carrying out work in sensitive environments and our subsidiary JR Markteknik was therefore able to sign a new framework agreement with Järfälla Municipality in 2025. The company will perform land remediation and restoration, including at former boat storage sites. The agreement runs for two years with the possibility of a two-year extension.

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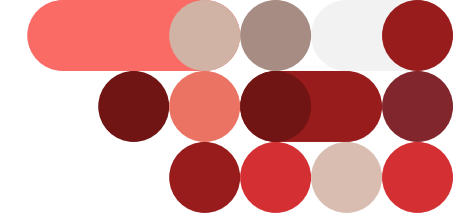
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Division  
**Power**

We build and maintain the electricity supply and create the conditions for an electrified, emission-free society.

Our offering in Power includes the design, planning, construction and maintenance of electricity distribution networks up to 400 kV. We also design, install and maintain power and electricity supplies for railways and underground rail.

We have Power operations in Sweden and Norway. In Sweden, we have a strong presence mainly in central Sweden, including the Stockholm area. Customers include E.ON, Svenska Kraftnät, Vattenfall Eldistribution and many municipal electricity companies and construction companies.

In Norway, we have a strong position in the south-eastern parts of the country. In 2024, we made important strategic decisions by broadening our customer base to industrial companies and expanding our offering to geographically nearby counties. The results could be seen quickly with the addition of a new industrial customer, Green Mountain, and the expansion of Elvia's geographical area of responsibility. In 2025, we continued to deliver on our strategy, winning a new customer, Glitre Nett, and establishing operations in Agder Country. We also expanded our geographical presence in central Sweden during the year.

**Key events 2025**

We announced two agreements with our new customer Glitre Nett. One was for the expansion of a substation and the other for project planning, ground and construction work, as well as high-voltage installations in Agder County. With this agreement, we have laid the foundation for a new organisation and presence in Agder County.

We also expanded our geographical presence in central Sweden with a new three-year framework agreement with Norrköping Municipality for the installation and maintenance of road lighting. In addition, we presented a new five-year framework agreement with E.ON in Sweden with a total value of MSEK 330 for project contracting in the areas of Örebro, Norrköping, Eastern Småland, and parts of Northern Norrland.

**Earnings 2025**

Net sales declined as a result of a high proportion of projects in start-up phases in Sweden. Growth in Norway was strong and was positively impacted by the strategic decision in 2024 to expand operations both geographically and with new customer segments.

Profitability was impacted by write-downs from completed projects or projects in end stages that started in 2022 in a Swedish subsidiary and a 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.

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 consolidating our subsidiaries in Sweden.



MSEK, unless otherwise stated	2025	2024	Change	MSEK, unless otherwise stated	2025	2024	Change
Revenue	989	1,005	-1.6%	EBITA	-4	76	
- Sweden	492	653	-24.7%	EBITA margin	-0.4%	7.6%	-8.0
- Norway	497	352	41.0%	Share of framework agreements	28.8%	24.5%	4.3
				Number of employees	256	213	20.2%

All information pertains to continuing operations. The number of employees is measured as average full-time equivalents over the year.

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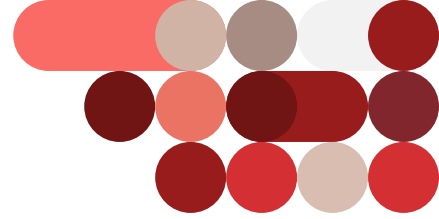
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**New assignments and new organisation in southern Norway**

The energy company Glitre Nett maintains the electricity grid in Agder, Buskerud and Hadeland in southern Norway with approximately 320,000 customers. To meet the electrification of society and ensure a stable and efficient power supply, Glitre Nett is investing in capacity and modernisation of the electricity grid.

In 2025, our subsidiary Nett-Tjenester signed its first agreement with Glitre Nett, covering the expansion of a transformer station in Spikkestad, southwest of Oslo. The agreement was followed by a new multi-year framework agreement with Glitre Nett for planning, ground and construction work, as well as high-voltage installations.

“This shows that our geographical expansion is successful,” says Lars-Erik Sundell, CEO of Nett-Tjenester. “In 2025, we built a new organisation in Mandal in Agder County that now employs about twenty people, laying the foundation for further investments in the region.”

**New assignments for Elvia, Norway’s leading energy company**

Elvia is responsible for supplying electricity to almost two million people in the counties of Oslo, Innlandet, Akershus and Østfold. The power grid area is the largest in Norway, covering an area bigger than Denmark. Elvia therefore plays a central role in the electrification of Norway. In 2025, our subsidiary Nett-Tjenester signed an agreement worth approximately MNOK 70 with Elvia to upgrade the substations in Gjestad, Dal and Garder. Nett-Tjenester is responsible for design, materials and installation. The projects will start in 2025 and are to be completed in the first quarter of 2027.

The upgrades are part of Elvia’s work to increase the voltage level between Minne and Frogner from the current 66 kV to 132 kV. After the upgrades, the flexibility and redundancy of the electricity grid in Øvre Romerike will be improved and the capacity towards the Gardermoen area will increase.

“These important projects confirm our position as a leading player in Norwegian energy supply,” says Lars-Erik Sundell, CEO of Nett-Tjenester. “We are proud to be part of and contribute to the increased electrification of Norwegian society.”

**New agreement with Vattenfall Eldistribution**

Vattenfall is one of Europe’s largest producers and retailers of electricity and heat. The company is working towards a future where fossil freedom is possible for everyone and together with its partners, Vattenfall is taking on the responsibility to find new and sustainable ways to electrify transportation and industries. In 2025, our subsidiary Oppunda Kraftkonsult signed a framework agreement for contracts covering power network connections with Vattenfall Eldistribution. The agreement concerns north-eastern Götaland and runs for two years with the possibility of an extension. The order value is estimated at approximately MSEK 40. The assignment includes installing network connections on islands and burying overhead lines.

“We are very proud about Vattenfall’s trust in us,” says Stefan Wik, CEO of Oppunda Kraftkonsult. “We are proud to be involved in ensuring a well-functioning power system so that the electrification of society can continue and greenhouse gas emissions can be reduced.”

**Supplier of E.ON – a leading European energy company**

E.ON is one of Europe’s largest energy companies, supplying electricity, heating and smart energy solutions to just over one million customers in Sweden. E.ON is working to electrify society and meet the energy needs of the future. In 2025, our subsidiary Oppunda Kraftkonsult signed a new five-year framework agreement with E.ON with guaranteed volumes totalling MSEK 330. The framework agreement covers project contracting for local networks in central Sweden.



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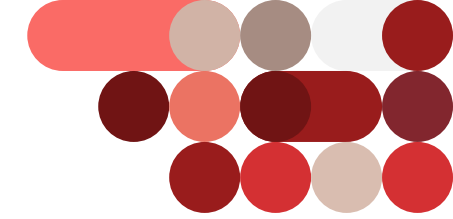
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# Division Telecom

We ensure secure telecommunications and are contributing to the digitalisation in Sweden, Norway and Germany.

Our offering in Telecom includes turnkey solutions and covers the entire value chain for fibre and mobile networks, from planning and permitting to deployment, installation, commissioning and integration. We have telecom operations in Sweden, Norway and Germany.

The fibre customers are mainly network owners, operators and property companies. Customers include several of the largest telecom operators and broadband providers in Northern Europe. Mobile network customers are telecom operators, mast owners and system providers. In mobile networks, the business mainly comprises expansion projects and maintenance.

In Sweden, the deal is focused on upgrading mobile networks to 5G for customers such as Telia and Telenor. In 2024, we began the cooperation with the Swedish Defence Materiel Administration (FMV) on the installation and contracting of data and telecommunications in the Swedish Armed Forces' headquarters in Stockholm and garrisons around Sweden.

In Norway, the upgrade to 5G is also ongoing, while the roll-out of fibre networks continues. Other customers include Global Connect, Ice, Viken Fiber, Telenor and Telia.

In Germany, there is ambitious investment in fibre networks nationally. We have a competitive advantage through our long experience from fibre roll-out in the Nordic region. The German operations started in 2018 and we operate in northern and central Germany. Customers include UGG – Unsere Grüne Glasfaser, E.dis and envia TEL.

## Key events 2025

During the year, we presented, among other things, a new two-year framework agreement for installation, service and maintenance of Tele2's broadband network in Sweden. This agreement is more comprehensive than the previous one, covering a larger geographical area as well as more services. In Germany, we signed an agreement with a new customer, envia TEL, worth MEUR 19. envia TEL is a leading telecommunications operator in central Germany and part of the E.ON Group. With this new agreement, Netel gained both a new customer and expands its geographical presence in Germany.

## Earnings 2025

Sales decreased primarily due to a weaker performance in Norway and Sweden. Performance was impacted in part by more projects than expected in start-up phases and in part by our decision to focus on profitability in project procurements, which has affected the growth rate.

Profitability was impacted by write-downs 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 by approximately MSEK 15 in 2026. These measures include reviewing all administrative costs, not re-staffing vacancies and the establishment of a new, more efficient organisational structure to adapt to new ways of working. The new digital tools that gradually started to be introduced in 2024–2025 to the Norwegian service organisation in 2024 are expected to continue to enhance efficiency and boost profitability.



MSEK, unless otherwise stated	2025	2024	Change	MSEK, unless otherwise stated	2025	2024	Change
Revenue	1,321	1,364	-3.2%	EBITA	21	26	-20.5%
- Sweden	240	280	-14.1%	EBITA margin	1.6%	1.9%	-0.3
- Norway	894	912	-2.0%	Share of framework agreements	79.0%	80.3%	-1.3
- Germany	187	174	7.7%	Number of employees	417	385	8.3%

All information pertains to continuing operations. The number of employees is measured as average full-time equivalents over the year.

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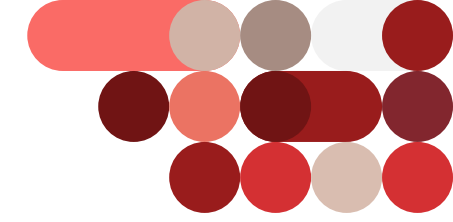
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**Telenor renews partnership with Netel**

Telenor is Norway's largest provider of digital services in mobile, broadband and TV services. Telenor is working to lead the digitalisation of Norway and develop the best digital security services. We initiated a partnership with Telenor back in 2021, and in 2025 we entered into a new three-year partnership with the option of a two-year extension. Our new framework agreement covers the operation, maintenance and expansion of fibre networks in Norway and is more comprehensive than the previous framework agreement in terms of geography and areas of operation.

The agreement is valued at MNOK 300–400 per year and includes the counties of Østfold, Akershus and Buskerud. The part of the agreement that refers to operation covers both the core and access networks.

“Since we started our collaboration with Telenor in Norway in operation and maintenance, we have built a local organisation with high competence where we can now take advantage of the larger volumes,” says Aksel Aas, Head of Telecom Norway. “Telenor’s renewed and increased trust in us shows that we are a reliable and knowledgeable supplier.”



**Contract with envia TEL, a new customer in Germany**

envia TEL is a leading telecommunications operator in central Germany and is part of the E.ON Group. envia TEL has about 7,000 km of fibre optic cables in central Germany and is a key player in digitalisation. In 2025, envia Tel became a new customer after we signed a contract worth MEUR 19. The two-year contract gives us full responsibility, including planning, installation, documentation and project management for the construction of the fibre network in Erzgebirgskreis, south of Leipzig.

“Thanks to our solid experience in fibre networks and successfully executed projects in Germany, we are now able to engage with a new major player,” says Anders Mikkola, Head of Telecom Germany.

**We are rolling out fibre for UGG in Germany**

UGG – Unsere Grüne Glasfaser – is a German telecom operator focused on the deployment of fibre optics in rural Germany. The aim is to reach more than two million properties and UGG has already signed agreements covering over one million households. UGG is a joint venture between Telefónica Group and Allianz.

We initiated a partnership with UGG in 2023 and in 2025 we expanded the collaboration with a further two contracts for fibre expansion in the fast-growing German market. One contract involves the roll-out of fibre to 5,000 households in Raguhn-Jeßnitz, north of Leipzig, worth MEUR 10. The second contract involves the roll-out of fibre to over 7,000 households in Muldenstausee, close to Leipzig, worth MEUR 15. The geographical proximity between the projects gives us opportunities for synergies.

“We are very proud of UGG’s extended trust,” says Anders Mikkola, Head of Telecom Germany. “Germany is a fast-growing fibre market and UGG is an important player with the goal of improving people’s quality of life with nationwide fibre networks.”

**FMV projects now set to start**

At the end of 2023, we could announce that we had signed three-year framework agreements with the Swedish Defense Materiel Administration (FMV) worth a total of MSEK 480 for installation and contracting of data and telecommunications. The agreements include the Swedish Armed Forces’ headquarters in Stockholm as well as garrisons around Sweden. The agreements run for three years with an option to extend for a total of four years. We are making preparations in 2024 and 2025 and we are ready when FMV is ready to increase volumes.

FMV is a new and important customer for us in telecom that shows that we are leading specialists in critical infrastructure in security classified environments.

**Major assignment for Tele2**

Tele2 is one of Sweden’s leading telecom operators, delivering broadband and communications services to millions of households and businesses. In 2025, Tele2 renewed and expanded trust in us with a new, larger, two-year framework agreement. The agreement covers the installation, service, and maintenance of the broadband network. We are responsible for installation from Skåne to Uppland. In terms of service and maintenance, the assignment covers the counties of Stockholm, Uppland, Västmanland, Södermanland and Östergötland.

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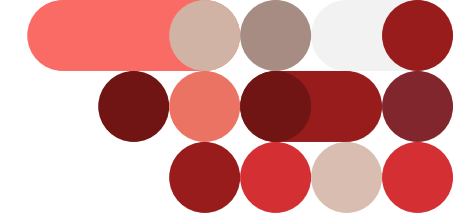
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# The share and owners

Netel was listed on Nasdaq Stockholm Mid Cap on 15 October 2021.

## Share capital

At the close of 2025, the share capital in Netel amounted to SEK 746,337 (746,337) divided among 48,511,873 (48,511,873) shares. Each share has one vote. All of the shares carry equal rights to dividends and share of the company's assets and earnings.

## Market history

Netel's share was listed on Nasdaq Stockholm Mid Cap on 15 October 2021. The introduction price was SEK 48.

## Share price trend

On the final day of trading in 2025, Netel's closing price was SEK 4.97, meaning a market capitalisation of MSEK 241.1. The highest price paid was noted on 15 January and was SEK 15.34. The lowest price paid was noted on 24 November and was SEK 3.70. In 2025, the share price decreased 62.6 per cent. According to the OMXS PI Index, Nasdaq Stockholm increased 9.5 per cent during 2025.

During the year, a total of 34,464,418 (30,392,875) shares were traded on Nasdaq Stockholm with a daily average of 138,411 (121,087). In total, shares worth TSEK 1,066.1 (1,923.9) were traded per day on average. During the year, there were 32,861 (55,593) trades with a daily average of 132 (221).

## Dividend policy

Payout ratio of 40 per cent of the Group's net profit. The proposed dividend is to take Netel's financial position, cash flow, mergers and acquisitions and organic growth opportunities into consideration.

## Ownership structure

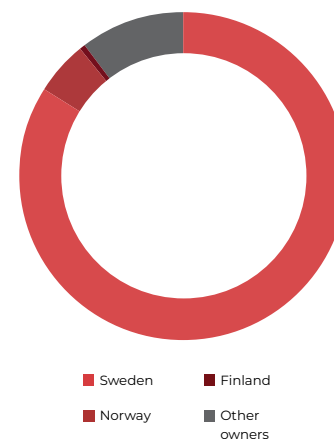
Netel had 3,400 shareholders (3,726) at the end of the year. Foreign holdings corresponded to 16.0 (7.9) per cent of the shares and the votes. The holdings of the ten largest shareholders corresponded to 46.59 (68.26) per cent of the shares and the votes. At the end of the year, 67.2 (28.3) per cent of the shares were held by private individuals, 4.9 (11.0) per cent by fund companies and 4.0 (1.6) per cent by pension and insurance companies.

Data on ownership and trade on Nasdaq Stockholm comes from Monitor, Modular Finance and refers to 31 December 2025.

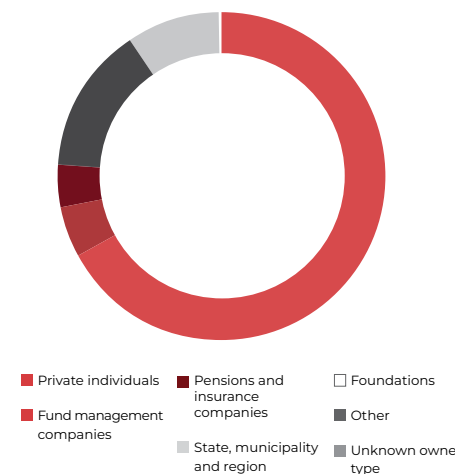
## Analysts who follow Netel

Karl-Johan Bonnevier, DNB Markets  
Gustav Berneblad, Nordea Markets

Share of capital and votes by country



Distribution by ownership type, capital and votes



## By owner type

Number of owners	31 Dec 2025	31 Dec 2024
Swedish institutional owners	14	16
Swedish private individuals	3,048	3,353
Other	333	352
Foreign institutional owners	5	5
Unknown owner type	-	-
<b>Total number of known owners</b>	<b>3,400</b>	<b>3,726</b>

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## Netel's ten largest owners

31 December 2025	Number of shares and votes	Share of capital and votes, %
Theodor Jeansson Jr.	4,650,000	9.59
Etemad Group	4,347,728	8.96
Stefan Lindblad	3,544,221	7.31
Nordnet Pensionsförsäkring	2,464,973	5.08
Futur Pension	1,545,378	3.19
S-Bolagen AB	1,400,000	2.89
Loe Equity AS	1,250,000	2.58
Avanza Pension	1,231,065	2.54
Santhe Dahl	1,100,000	2.27
Swedbank Robur Fonder	1,070,000	2.21
<b>Ten largest owners</b>	<b>22,603,365</b>	<b>46.62</b>
Other	25,908,508	53.38
<b>Total</b>	<b>48,511,873</b>	<b>100.00</b>

## Ownership structure by holdings

31 December 2025	Number of shares and votes	Share of shares and votes, %	Number of known owners	Share of known owners, %
1 - 500	264,603	0.55	1,759	51.74
501 - 1,000	392,332	0.81	479	14.09
1,001 - 5,000	1,691,760	3.49	687	20.21
5,001 - 10,000	1,494,849	3.08	193	5.68
10,001 - 20,000	1,660,539	3.42	110	3.24
20,001 - 50,000	2,986,413	6.16	92	2.71
50,001 - 100,000	2,836,055	5.85	39	1.15
100,001 - 500,000	5,141,474	10.60	24	0.71
500,001 - 1,000,000	4,940,507	10.18	7	0.21
1,000,001 - 5,000,000	22,603,365	46.59	10	0.29
Unknown holding size	4,499,976	9.28	--	-
<b>Total</b>	<b>48,511,873</b>	<b>100.00</b>	<b>3,726</b>	<b>100.00</b>

## Trend in share capital

Date	Transaction	Change in number of shares and votes	Total number of shares and votes	Increase in share capital, SEK	Total share capital, SEK
October 2021 <sup>1</sup>	Issue in kind and new share issue	10,036,874, 4,166,667	218,516	46,703,671	718,518
January 2022	Offset issue	637,852	47,341,523	9,813	728,331
March 2022	Offset issue	65,775	47,407,298	1,012	729,343
March 2022	Offset issue	89,763	47,497,061	1,381	730,724
May 2022	Offset issue	141,552	47,638,613	2,178	732,902
July 2022	Offset issue	293,365	47,931,978	4,513	737,415
August 2022	Offset issue	90,364	48,022,342	1,390	738,805
December 2022	Offset issue	186,237	48,208,579	2,865	741,670
February 2023	Offset issue	303,294	48,511,873	4,666	746,337

<sup>1</sup>The increase took place in conjunction with the listing on Nasdaq Stockholm when a transformation of the previous ownership structure was carried out and new shares were issued.

Offset issues were carried out in connection with acquisitions, based on the authorisation from the Extraordinary General Meeting on 27 August 2021 and the 2022 Annual General Meeting.

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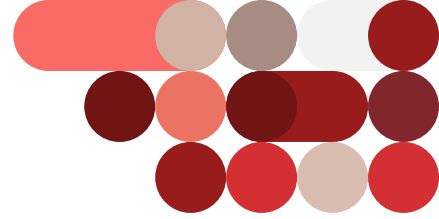
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# Governance



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# Corporate Governance Report

Netel Holding AB (publ) is listed on Nasdaq Stockholm's Main Market since 15 October 2021. The governance of Netel is based on the Swedish Companies Act, Nasdaq Stockholm's Rule book for Issuers, the Swedish Corporate Governance Code (the Code), statements from the Swedish Securities Council and other relevant Swedish and foreign laws and regulations.

The Corporate Governance Report has been prepared as a part of the Annual Accounts Act and the company's application of the Code. The auditors have reviewed the Corporate Governance Report.

## Articles of Association

The Articles of Association were adopted by the Annual General Meeting on 4 May 2023 and are available in full on the website [netelgroup.com](https://netelgroup.com).

The company's registered office is Stockholm, Sweden, and the financial year is the calendar year.

The Articles of Association do not contain provisions regarding dismissal of Board members or amendments to the Articles of Association.

## Share capital

Netel has one share series, in which each share entitles to one vote.

Netel's share was listed for the first time on Nasdaq Stockholm Mid-Cap segment on 15 October 2021.

At the close of 2025, share capital amounted to SEK 746,337 divided among a total of 48,511,873 shares and votes.

## Shareholders

At year-end, there were 3,400 shareholders and the five largest owners were (share of capital and votes in parenthesis): Theodor Jeansson Jr (9.59%), Etemad Group AB (8.96%), Stefan Lindblad (7.31%), Nordnet Pensionsförsäkring (5.08%) and Futur Pension (3.19%).

## Annual General Meeting

The Annual General Meeting is the company's highest decision-making body and it is at the Annual General Meeting and potential Extraordinary General Meetings that all shareholders can exercise their voting right and decide on issues that affect the company and its operations.

Notice convening an Annual General Meeting is to be sent no earlier than six and no later than four weeks before the Meeting. Notice convening an Extraordinary General Meeting that is not to address issues of amendments to the Articles of Association, is to be sent no later than three weeks before the Meeting.

Notice convening general meetings are to be published in Post- och Inrikes Tidningar and on the Company's website. It shall be advertised in Svenska Dagbladet that notice convening a general meeting has been made.

The Annual General Meeting is to be held in Stockholm, Sweden.

At the Annual General Meeting, resolutions are made regarding adoption of the income statement and balance sheet, appropriation of profit or loss

for the year, decision regarding dividends, and discharge from liability for the Board members and the CEO. Furthermore, resolutions are made regarding the fees for Board members and auditors. Thereafter, the Board of Directors and auditors for the period up until the next Annual General Meeting are elected. Other statutory matters, such as resolutions regarding guidelines for remuneration to senior executives and the Board of Directors' remuneration report.

All shareholders registered in the shareholders' register on the record date and who have registered their participation by the date specified in accordance with the Articles of Association's provisions have the right to participate in the Meeting and vote for their shareholding. Shareholders may be represented by proxy if the shareholder has notified the company of the number of proxies as stipulated in the notice convening the Meeting.

## 2025 Annual General Meeting

The Annual General Meeting (AGM) was held on Thursday, 8 May 2025, in Stockholm, Sweden. The AGM adopted the Parent Company's and the Group's income statement and balance sheet and resolved that no dividend be paid for the 2024 financial year. The AGM discharged the Board of Directors and the CEO from liability for 2024. The AGM re-elected Board members Alireza Etemad, Carl Jakobsson, Göran Lundgren, Therese Lundstedt and Nina Macpherson. Alireza Etemad was re-elected as the Chairman of the Board. The AGM also re-elected Deloitte AB as auditor.

The AGM also resolved regarding the following:

- to determine fees for the Board of Directors, the auditor and the members and Chairmen of the Audit and Remuneration Committees,
- to approve the Board's remuneration report for 2024 and the Board's proposed guidelines for remuneration of senior executives,
- to decide on the long-term incentive programme LTIP 2025,
- to authorise the Board of Directors to, on one or more occasions until the time of the next AGM, with or without deviation from the shareholders' preferential rights, in certain circumstances decide on a new share issue against cash payment, with provision for non-cash or set-off, or otherwise with conditions. Such issues may not result in the registered share capital of the company increasing by more than 10 per cent in total when the Board of Directors first exercises the authorisation.

The complete resolutions are available on Netel's website.

## 2026 Annual General Meeting

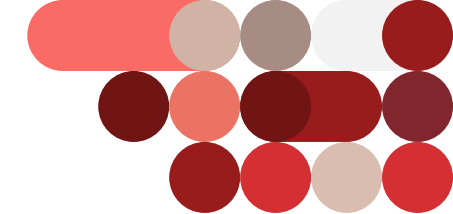
Netel's 2026 Annual General Meeting will be held on Thursday, 7 May, at 11:00 am CEST in Stockholm, Sweden.

## Nomination Committee

The Extraordinary General Meeting held on 27 August 2021 adopted the following instructions and rules for the Nomination Committee which will remain in force until otherwise resolved by the general meeting of shareholders.

1. The company is to have a Nomination Committee consisting of members appointed by each of the four shareholders or ownership groups in accordance with item 3 below, who wish to appoint a Nomination Committee member, as well as the Chairman of the Board. The Chairman of the Board is responsible for convening the Nomination Committee. If a Nomination Committee with four shareholder-appointed members cannot be convened after contact with the ten largest shareholders in terms of the number of votes, the Nomination Committee may consist of three shareholder-appointed members.
2. The names of the four shareholder-appointed Nomination Committee members and the names of the shareholders they represent, are to be announced no later than six months before the Annual General Meeting. The term of office for the Nomination Committee ends when a new Nomination Committee has been announced. The Nomination Committee Chairman is to be, unless the members otherwise agree, the member appointed by the largest shareholder in terms of the number of votes.
3. 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. In determining which are the shareholders in terms of the number of votes, a group of shareholders is considered to constitute one owner if they (i) are owner grouped in the Euroclear Sweden system or (ii) announced and notified in writing to the company that they have a written agreement to through coordinated exercise of the voting rights assume a long-term joint stance in the issue of the company's management.
4. If earlier than two months prior to the Annual General Meeting one or more of the shareholders who have been appointed Nomination Committee members are no longer among the four largest shareholders in terms of the number of votes in the Company, members appointed by those shareholders shall resign and the shareholder(s) who currently is/

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are among the four largest in terms of the number of votes in the Company shall have the right to appoint Nomination Committee members after contacting the Nomination Committee Chairman. Shareholders who have appointed a Nomination Committee member have the right to dismiss such member and appoint a new Nomination Committee member. Changes to the composition of the Nomination Committee are to be announced on the website as soon as such changes are made.

5. The Nomination Committee is to prepare proposals concerning the below issue to be presented to the Annual General Meeting for resolution:
  - proposal for AGM chairman,
  - proposal for Board of Directors,
  - proposal for Chairman of the Board,
  - proposal for fees to Board members and the division between the Chairman and other Board members and remuneration for committee work,
  - proposals for auditors (where applicable),
  - proposals for fees to the company's auditors and
  - proposals for any changes to the Nomination Committee instructions.
6. No remuneration will be paid to Nomination Committee members. That the Nomination Committee in conjunction with its assignment shall otherwise carry out the duties that the Code of Corporate Governance stipulates are those of the Nomination Committee and that the company on request from the Nomination Committee will provide personnel resources such as secretary function to accommodate the Committee's work. When needed, the company will also cover reasonable costs for external consultants deemed necessary by the Nomination Committee to enable the Committee to carry out its assignment.

The Nomination Committee ahead of the 2026 Annual General Meeting was announced on 7 November 2025. The Nomination Committee comprises the following members:

- Stefan Lindblad, Ambergate Invest Sverige AB, Chairman of the Nomination Committee
- Celia Grip, Swedbank Robur Funds
- Peter Magnusson, Cicero Fonder
- Alireza Etemad, Etemad Group, Chairman of the Board

Shareholders have been able to submit proposals and comments to the Nomination Committee until 31 January 2026. The Nomination Committee applied rule 4.1 of the Code on diversity policy in preparing proposals of Board members. The aim of the policy is that the Board is to have a composition appropriate to the company's operations, phase of maturity and other relevant circumstances, distinguished by diversity and breadth of qualifications, experience and background, and strive for an equal gender distribution. The Nomination Committee's proposal for Board members, fees to the Board and election of auditors as well as other relevant proposals, were presented in conjunction with the notice of the 2026 Annual General Meeting.

## Board of Directors and its work

### BOARD OF DIRECTORS

The Board of Directors is responsible for Netel's management and organisation, which means that the Board is responsible for setting targets and strategies, securing processes and systems for evaluation of set targets, continuously assessing performance and financial positions, evaluating management, as well as identifying how sustainability issues affect the company's risks and business opportunities. Moreover, the Board appoints the CEO.

The Board of Directors follows written rules of procedure, which are revised annually and adopted at the statutory Board meeting every year. The rules of procedure govern, among other matters, the work of the Board, functions and the division of work between the Board members and the CEO.

At the statutory Board meeting, the Board also adopts instructions for the CEO, including instructions for financial reporting. The Board of Directors convenes according to an annual predetermined schedule. In addition to these meetings, additional Board meetings can be convened to handle issues that cannot be postponed until the next scheduled Board meeting. In addition to the Board meetings, the Chairman and the CEO continuously discuss the management of the Company.

The Board has adopted 16 policies that are Group-wide and regulate how the company and its subsidiaries and employees are to conduct themselves and act with the ambition to operate a sustainable business in the long term. The policies are revised and adopted annually in conjunction with the statutory meeting or – if required – during the year. Policy compliance is followed up through internal controls and by the company's external auditors.

### CHAIRMAN OF THE BOARD

According to the Board's rules of procedure, the Chairman of the Board has a particular responsibility for maintaining regular contact with the CEO to oversee and discuss the company's performance. The Chairman is to ensure that the CEO keeps Board members informed about Netel's financial position, financial planning and performance. Moreover, the Chairman of the Board is responsible for ensuring an evaluation of the Board's work every year.

### COMPOSITION OF THE BOARD OF DIRECTORS

According to the Articles of Association, the Board of Directors is to comprise not fewer than three and not more than ten members. The Board members are elected annually at the Annual General Meeting to serve for the period up to the next Annual General Meeting.

The Board are presented in more detail in the chapter Board of Directors. The CFO attends all Board meetings except when the work of the CEO is evaluated.

### WORK OF THE BOARD IN 2025

In 2025, the Board has held 30 minuted meetings. During the meetings, the Board has addressed fixed agenda items such as the business and market situation, financial reporting, budget and project status. In addition, general strategic issues regarding financing, business intelligence, growth opportunities and sustainability have been analysed. The Board has met twice with the company's auditor of which once without the presence of the management team during the year.

### BOARD COMMITTEES

The members of the committees and the chairmen were appointed at the statutory Board meeting for a period of one year at a time. Committee work is carried out according to the instructions for each committee. The committees' work primarily concerns preparation and counselling within each respective area. However, the Board can occasionally delegate decision-making authority to the committees in certain issues.

#### Remuneration Committee

The Remuneration Committee is tasked with preparing recommendations involving remuneration principles, remuneration and other employment terms for the CEO and other senior executives.

The principles address, among other issues, the relationship between fixed and potentially variable remuneration as well as the connection between performance and remuneration, the main terms for potential bonuses and incentive schemes, as well as the main terms for other benefits, pensions, termination of employment and severance pay. For the CEO, the Board in its entirety is to determine remuneration and other employment terms. Share-related incentive schemes for the Executive Team are decided by the general meeting of shareholders.

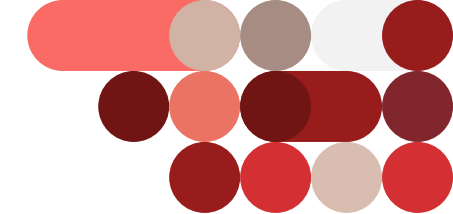
The Committee is to assist the Board in monitoring the systems through which the company complies with laws, stock exchange regulations and the Code in terms of provisions on publishing information that is related to remuneration to the CEO and other senior executives. The Committee is also to monitor and evaluate any ongoing and during the year concluded programs for variable remuneration to the CEO and other senior executives, application of the guidelines for remuneration to the CEO and other senior executives as decided by the Annual General Meeting as well as remuneration structures and remuneration levels.

After the 2025 Annual General Meeting, the Remuneration Committee comprised Alireza Etemad (chairman) and Nina Macpherson. In 2025, the Committee held three minuted meetings and had informal contact when needed. The Remuneration Committee's attendance is presented in the table The Board's attendance, independence and remuneration, 2025.

#### Audit Committee

The Audit Committee is to, without it affecting the responsibilities and tasks of the Board of Directors, monitor the financial reporting, the efficiency of the internal controls and risk management, remain informed of the audit of the annual report and consolidated accounts, review and monitor the impartiality and independence of the auditors and, in particular, whether the auditors provide the company with services other than auditing services, and assist in the preparation of proposals for the Annual General Meeting resolution on the election of auditors.

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## The Board's attendance, independence and remuneration, 2025

Member	Board meeting	Audit Committee	Remuneration Committee	Tender Committee	Independent in relation to the company	Independent in relation to major shareholders	Compensation paid in 2025
Alireza Etemad, Chairman	30/30	-	3/3	37/41	Yes	No	686,249
Carl Jakobsson <sup>1</sup>	17/20	4/5	-	-	Yes	No	284,167
Göran Lundgren	30/30	8/8	-	40/41	Yes	Yes	475,000
Therese Lundstedt	30/30	-	-	-	Yes	Yes	358,750
Nina Macpherson	29/30	-	3/3	-	Yes	Yes	330,417
<b>Total</b>	<b>30</b>	<b>8</b>	<b>3</b>	<b>41</b>			<b>2,134,582</b>
<b>Total including social security contributions</b>							<b>2,704,521</b>

<sup>1</sup>Left the Board at his own request as a result of Cinnamon International S.à.r.l. divesting its holding in May 2025.  
<sup>2</sup>Appointed as a member of the Audit Committee in June 2025.

After the 2025 Annual General Meeting the Audit Committee comprised Göran Lundgren (chairman) and Therese Lundstedt. Carl Jakobsson was a member of the Audit Committee until 23 September 2025, when he left the Board. The Board feels that the members are experts in the Audit Committee's areas and meet the independence requirements in accordance with the Code and the Swedish Companies Act. In addition to the Audit Committee members, the CFO and, when necessary, auditors, the CEO or other members of the company are asked to participate in Committee meetings. In 2025, the Committee held eight minuted meetings.

The Audit Committee's attendance is presented in the above table The Board's attendance, independence and remuneration, 2025. The company's auditors participated in four of the meetings.

### Tender Committee

The Tender Committee is a body within the company's Board of Directors with the task of preparing for the Board matters relating to submitting, accepting and following up tenders and transactions of major importance. The Tender Committee is mandated by the Board, after separate and individual consideration, to extend the CEO's authority to submit tenders that have to total value of more than MSEK 30 or contracts with a term of more than five years and to monitor and evaluate the tender process. The Committee regularly reports to the Board and can also address other matters addressed by the Board. The CEO presents reports to the Committee.

After the 2025 Annual General Meeting the Tender Committee comprised Alireza Etemad (chairman) and Göran Lundgren. In 2025, the Committee held 41 minuted meetings. The Tender Committee's attendance is presented in the above table The Board's attendance, independence and remuneration, 2025.

### EVALUATION OF THE WORK OF THE BOARD

The company's evaluation of the Board of Directors was carried out in December 2025 and presented to the Board in the same month. The evaluation constituted a survey that covers various aspects of the Board's work and its efforts to create value. The evaluation revealed the Board members' perspective on how the work of the Board is conducted and

whether action should be taken to develop and improve the Board's work. The outcome of the evaluation also forms an important document for the Nomination Committee's work ahead of the upcoming Annual General Meeting. Subsequently, the outcome was presented to both the Board and the Nomination Committee.

### Remuneration to Board members

Fees and other remuneration to the Board members, including the Chairman, are resolved by the general meetings. At the 2025 Annual General Meeting, it was resolved that fees of SEK 525,000 shall be paid to the Chairman and SEK 315,000 to the other members of the Board. Furthermore, the AGM resolved that a fee in the amount of SEK 130,000 be paid to the Chairman of the Audit Committee and that the other Audit Committee members be paid in the amount of SEK 75,000 and that a fee in the amount of SEK 80,000 be paid to the Chairman of the Remuneration Committee and that the other Remuneration Committee member receive the amount of SEK 45,000. A fee in the amount of SEK 100,000 be paid to the Chairman of the Tender Committee and a fee in the amount of SEK 50,000 be paid to the other Tender Committee member.

### CEO

The CEO is subordinate to the Board of Directors and responsible for everyday management and operations. The division of work between the Board of Directors and the CEO is set out in the rules of procedure for the Board and in the CEO's instructions. The CEO is also responsible for the preparation of reports and compiling information for the Board meetings and for presenting such materials at the Board meetings.

According to the financial reporting instructions, the CEO is responsible for the financial reporting and is to ensure that the Board of Directors receive adequate information for the Board to evaluate the financial position. The CEO is to continuously keep the Board informed of developments in the operations, sales, results and financial position, liquidity and credit status, important business events and all other events, circumstances or circumstances that can be assumed to be of significance to the shareholders.

The Board of Directors annually evaluates the work and performance of the CEO.

### Management Team

The Executive Team is an advisory body for the CEO and drives Group-wide strategy and development issues as well as day-to-day activities. The Executive Team convenes once a month and checks in regularly to address current issues, strategies and discussions. In November 2025 a new, smaller Management Team was formed consisting of Jeanette Reuterskiöld, CEO and President and Head of Telecom Sweden, Fredrik Helenius, CFO and Johan Olofsson, Head of Group Operational Support. Aksel Aas, Head of Telecom Norway, Robert Carlsson, Head of InfraserVICES, Klas Eldebrandt, Head of Power Sweden, Lars-Erik Sundell, Head of Power Norway and Anders Mikkola, Head of Telecom Germany, are also part of the Extended Management Team. The Management Team and the Extended Management Team are presented in the Management Team section.

Fredrik Land, head of InfraserVICES, left Netel in the autumn of 2025.

### Guidelines for remuneration of senior executives

The 2024 Annual General Meeting resolved on the following guidelines for remuneration and other employment terms for the CEO and other members of Netel Holding AB's (publ) The Executive Team:

The guidelines are proposed to apply until further notice and are essentially in line with the principles applied so far.

#### SCOPE OF THE GUIDELINES

These guidelines are applicable to remuneration agreed, and amendments to remuneration already agreed, after adoption of the guidelines by the General Meeting. These guidelines do not apply to any remuneration decided or approved by the General Meeting.

Employment conditions of a member of the Executive Team that is employed or resident outside Sweden or that is not a Swedish citizen, may be duly adjusted for compliance with mandatory rules or established local practice, taking into account, to the extent possible, the overall purpose of these guidelines.

#### PROMOTION OF NETEL'S BUSINESS STRATEGY, LONG-TERM INTERESTS AND SUSTAINABILITY

To become a leading Northern European Infranet service provider, Netel has identified two strategic priorities: core business development and geographical and business diversification. These goals can be achieved either through organic growth initiatives or via M&A.

Successful implementation of the company's business strategy and the safeguarding of the company's long-term interests, including its sustainability agenda, requires that the company can recruit and retain qualified employees. This requires that the company can offer competitive salaries and other terms and conditions of employment on market conditions, taking into account both global remuneration practice and practice in the home country of each member of the Executive Team. These guidelines enable Netel to offer the Executive Team a total remuneration that is on market conditions and competitive.

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## TYPES OF REMUNERATION

The total yearly remuneration to the members of the Executive Team shall be based on market conditions and be competitive as well as reflect each member's responsibility and performance. The total yearly remuneration shall consist of (i) fixed base salary, (ii) variable cash remuneration, (iii) pension benefits and (iv) other benefits (which are specified below excluding social security costs). Additionally, the General Meeting may – irrespective of these guidelines – resolve on, among other things, share-related or share price-related remuneration.

The variable cash remuneration shall be linked to predetermined and measurable targets, which are further described below, and may amount to not more than 100 per cent of the yearly base salary for the CEO and 50 per cent of the yearly base salary for the other members of the Executive Team.

The members of the Executive Team can be covered by defined contribution or defined benefit pension plans, for which pension premiums are based on each member's yearly base salary and is paid by Netel during the period of employment. The pension premiums shall amount to no more than 30 per cent of the yearly base salary.

Other benefits, such as company car, extra health insurance or occupational healthcare, shall be payable to the extent it is considered to be in line with market conditions on the market relevant for each member of the Executive Team. Premiums and other costs relating to such benefits may totally amount to no more than 20 per cent of the yearly base salary.

## CRITERIA FOR AWARDING VARIABLE CASH REMUNERATION

The variable cash remuneration shall be linked to predetermined and measurable financial targets and can also be linked to strategical and/or functional targets individually adjusted on the basis of responsibility and function. These targets shall be designed so as to contribute to Netel's business strategy and long-term interests, including its sustainability, by for example being linked to the business strategy or to promote the senior executive's long-term development within Netel.

The Remuneration Committee shall for the Board of Directors prepare, monitor and evaluate matters regarding variable cash remuneration to the Executive Team. Ahead of each yearly measurement period for awarding variable cash remuneration the Board of Directors shall, based on the work of the Remuneration Committee, establish which criteria are deemed to be relevant for the upcoming measurement period. To which extent the criteria for awarding variable cash remuneration has been satisfied, shall be determined when the measurement period has ended. Evaluations regarding fulfilment of financial targets shall be based on a determined financial basis for the relevant period. Variable cash remuneration is settled after the measurement period has ended. Paid variable cash remuneration can be claimed back when such right follows from the relevant individual agreement. Additional variable cash compensation may be payable in exceptional circumstances, provided that such extraordinary arrangements are time-limited and made only at the individual level, either to recruit or retain senior managers or as compensation for extraordinary duties in addition to the manager's ordinary duties. Such compensation may not exceed an amount equal to 100 per cent of the fixed annual cash salary, with the exception of extraordinary remuneration for the CEO whose extraordinary remuneration may not exceed an amount corresponding to 250 per cent of the fixed base salary. Extraordinary remuneration shall

not be paid more than once per year and individual. A decision on such remuneration for the CEO shall be made by the Board on a proposal from the Remuneration Committee. A decision on such remuneration for other senior managers shall be made by the Remuneration Committee on a proposal from the CEO.

## DURATION OF EMPLOYMENT AND TERMINATION OF EMPLOYMENT

The members of the Executive Team shall be employed until further notice. If notice of termination is made by Netel, the notice period may not exceed twelve months for the CEO and nine months for the other members of the Executive Team.

If a member of the Executive Team is given notice, Netel is liable to pay, including severance pay and remuneration under the notice period, the equivalent of maximum 18 months' base salary and other employment benefits. If notice of termination is made by a member of the Executive Team, the notice period may not exceed six months, with no right to severance pay. Full salary and other employment benefits are paid during the notice period, with deduction for salary and other remuneration received from other employment or activities that the employee has during the notice period.

A member of the Executive Team may, for such time when the member is not entitled to severance pay, be compensated for non-compete undertakings. Such compensation shall amount to not more than 60 per cent of the monthly base salary at the time of the termination and shall only be paid as long as the non-compete undertaking is applicable, at longest a period of 12 months.

## REMUNERATION AND EMPLOYMENT CONDITIONS FOR EMPLOYEES

In the preparation of the Board of Directors' proposal for these remuneration guidelines, remuneration and employment conditions for employees of Netel have been taken into account by including information on the employees' total remuneration, the components of the remuneration and increase and growth rate over time in the Remuneration Committee's and the Board of Directors' basis of decision when evaluating whether the guidelines and the limitations set out herein are reasonable.

## THE DECISION-MAKING PROCESS TO DETERMINE, REVIEW AND IMPLEMENT THE GUIDELINES

The Remuneration Committee's tasks include preparing the Board of Directors' decision to propose guidelines for remuneration to the Executive Team. The Board of Directors shall prepare a proposal for new guidelines at least every fourth year and submit it to the Annual General Meeting. The guidelines shall be in force until new guidelines are adopted by the General Meeting. The Remuneration Committee shall also monitor and evaluate programs for variable remuneration to the Executive Team, the application of the guidelines for remuneration to the Executive Team as well as the applicable remuneration structures and remuneration levels in Netel. The members of the Remuneration Committee are independent of the company and its management. The CEO and other members of the Executive Team do not participate in the Board of Directors' processing of and resolutions regarding remuneration-related matters in so far as they are affected by such matters.

## DEVIATION FROM THE GUIDELINES

The Board of Directors may temporarily resolve to deviate from the guidelines, in whole or in part, if in a specific case there is special cause for the deviation and a deviation is necessary to serve Netel's long-term interests, including its sustainability, or to ensure Netel's financial viability. As set out above, the Remuneration Committee's tasks include preparing the Board of Directors' resolutions in remuneration-related matters. This includes any resolutions to deviate from the guidelines.

## Auditor

Pursuant to the Articles of Association, the Annual General Meeting is to appoint at least one and not more than two auditors with or without deputy auditors.

Deloitte AB has been the Group's auditor since 2010 and was elected to be the company's auditor at the 2025 Annual General Meeting for the period until the end of the 2026 Annual General Meeting. Jenny Holmgren is the auditor in charge. Jenny Holmgren is an authorised public accountant and a member of FAR (professional institute for authorised public accountants). Deloitte AB's office address is Rehnsgatan 11, SE-113 79 Stockholm, Sweden.

The auditors participate as needed at the Audit Committee's meetings to inform about ongoing audit work and report on at least one occasion to the entire Board of Directors. In 2025, the auditor participated in four meetings with the Audit Committee and two with the Board of which one without the presence of the management team. The auditor takes part in the Annual General Meeting and accounts for review of Netel's administration and annual report. Moreover, the auditors review the interim report for the January–September period, remuneration of senior executives including the remuneration report, and the Annual Report, including the Corporate Governance Report and the Sustainability Reports.

## Internal control over financial reporting

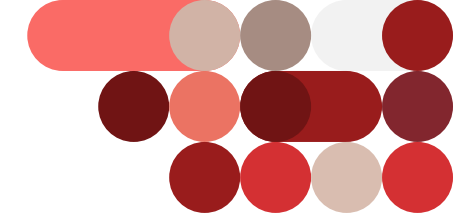
Internal control comprises the control of the company's and the Group's organisation, procedures and support measures. The objective is to ensure that reliable and accurate financial reporting takes place, that the company's and the Group's financial reporting is prepared in accordance with applicable laws and accounting standards, that the company's assets are protected and that other requirements are fulfilled. The internal control system is also intended to monitor compliance with the company's and the Group's policies, principles and instructions. Internal control also includes risk analysis. The Group identifies, assesses and manages risks based on the Group's vision and goals. An assessment of strategic, compliance, operational and financial risks shall be performed annually by the CEO and presented to the Audit Committee and the Board of Directors.

The Board of Directors is ultimately responsible for the internal control in the Company. Processes managing the business and delivering value shall be defined within the business management system. The CEO is responsible for the process structure within the Group.

## RISK ASSESSMENT

A self-assessment of minimum requirements of defined controls mitigating identified risks for each business process is to be performed and reported to the Audit Committee and the Board of Directors annually. The

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CEO is responsible for the self-assessment process, which is facilitated by the internal controls function and the CFO. In addition, the internal control function performs reviews of the risk and internal controls system according to plan agreed with the Board of Directors.

According to the Code, it is the responsibility of the Board to ensure that there are effective systems for follow-up and control of the company's operations. Processes and measures of control have been developed in close collaboration with the company's advisors in conjunction with the Nasdaq Stockholm listing that are based on Netel's needs and current industry practice in the business area in which the company operates. The company works systematically to ensure that internal controls are adequate by, among other things, carrying out risk identifications and self-assessments. The CFO is responsible for the annual risk identification. The identified risks are divided into different categories and assessed on the basis of consequences and probability, where the self-assessments aim to ensure effective risk control.

The prepared risk identification is presented on a yearly basis to the Audit Committee and the Board of Directors of Netel.

### CONTROL ENVIRONMENT AND CONTROL ACTIVITIES

In practice, internal control is defined as a process involving the Board of Directors, the Audit Committee, the CEO, the CFO, other senior executives and other employees, and which is intended to provide a reasonable assurance that a company's goals are met, with respect to: appropriate and efficient operations, reliable reporting and compliance with applicable laws and regulations. The Company is working systematically to identify and develop processes for internal control.

Each control and process owner must prepare an action plan for identified ineffective controls. The process owner must report the evaluation of the controls to the internal control coordinator and the CFO together with action plans for any controls that have been evaluated as ineffective.

Internal control over financial reporting is intended to provide reasonable assurances regarding the reliability of the external financial reporting in the form of quarterly and annual reports and financial statements even though the external financial reporting is prepared in accordance with applicable legislation, accounting standards and other requirements for listed companies. The responsibility for the internal control, ultimately, rests with the Board of Directors which continuously, through the Audit Committee, evaluates Netel's risk management and internal control.

### INFORMATION AND COMMUNICATION

Internal steering documents such as rules, guidelines, handbooks and instructions are updated constantly in the accounting handbook and communicated through internal meetings and other targeted dissemination. General strategic issues are communicated to the organisation through the intranet and employee meetings.

Netel's communication policy aims to ensure that all disclosure of information externally and internally is correct, relevant and reliable. The policy aims to ensure that requirements for disseminating information are compiled correctly and completely. For shareholders and other stakeholders wishing to monitor Netel's performance, current financial information is published regularly on the website netelgroup.com.

### FOLLOW-UP

The Board of Directors regularly follow-up the efficiency of the internal controls and discuss significant matters regarding accounting and reporting. The company bases its work on documented standard procedures and work instructions. These procedures and instructions are reviewed internally. Deviations are reported to management and major deviations to the Board. The company's auditors review the internal controls and report deviations, comments and activity proposals to the Audit Committee. The CEO reports regularly to the Board on follow-up of operational targets in the business plan. The CEO submits proposals for interim reports and year-end reports that are approved by the Board before they are made public.

The Audit Committee continuously takes part of work involving internal controls and processes for financial reporting. The Audit Committee also takes part of the external auditors' report regarding review and recommendations of internal controls that are reported to management and the Board.

Policies, guidelines and procedures are updated and reviewed as needed but at least annually. The Board is responsible for maintaining general steering documents, and the CEO or person appointed by the CEO is responsible for other documents.

### INTERNAL AUDIT

In 2025, the Board of Directors evaluated the Group's need for an internal audit that resulted in the Board making the decision that Netel, in addition to the existing internal control processes and functions, did not need to introduce its own internal audit function in 2025. The Board has decided that the monitoring and reviews carried out internally, together with the external audit, are sufficient to maintain an effective internal control over the financial reporting.

### Investor relations

The company's CEO and CFO are responsible for contact with the shareholders. The company informs the shareholders through the annual report, the year-end report, interim reports, press releases and the website netelgroup.com. During the year, they also participated in investor meetings and other investor activities.

### POLICIES RESOLVED BY THE BOARD OF DIRECTORS

- Code of Conduct
- Code of Conduct for suppliers
- HR Policy
- Health and Safety Policy
- Environmental Policy
- Finance Policy
- Information Security Policy
- Insider Policy
- Related Parties Policy
- Communication Policy
- IT Policy
- Purchasing Policy
- Transfer Pricing Policy
- Internal Controls Policy
- Risk Management Policy
- Policy for Steering Documents

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# Board of Directors



## ALIREZA ETEMAD

Chairman of the Board

**Elected to the Board:** 2016.

Chairman of the Board since 2024.

**Born:** 1976

**Education:** Studied for a Master of Science in Industrial Engineering at Linköping Institute of Technology. Master of Science in Telecommunications technology/Management from Institut National des Télécommunications in Paris.

**Other assignments:** Chairperson of Etemad Group AB, Carla AB, Juridium AB, Tempest Security AB, EGN AB and EGL Holding AB. Board member of Marconi LLC, AHUM AB, Wictor Family Office AB, Worldish AB, Salus Bostad AB and Alfa Sands AB.

**Previous assignments:** Board member Actic Group AB (publ), ELLAB A/S, Visolit AS, RHN Invest AB, IK Investment Partners Norden AB, Aspia Group AB, Aspia AB, Aspia Group Holding AB, Advania AB, Ainavda HoldCo AB, Ren10 Group Holding AB, Ren10 Holding AB and Skeppsbrons Skatt AB. Chair of Oriac CC AB, Oriac MPP AB, Cecure Bidco AB, Cecure Holding AB, Cecure Manco (A) AB, Cecure Manco (B) AB, Cecure Manco (C) AB, Cecure MidCo AB, Cecure TopCo AB, Ren10 Top Holding AB, Renta ManCo A1 AB, Renta ManCo A2 AB, Renta ManCo A3 AB, Renta ManCo C1 AB, Renta ManCo C2 AB, Renta ManCo C3 AB, Truesec Group AB och Truesec Holding AB.

**Shareholding in Netel:** 3,427,728 shares via Etemad Group AB.



## GÖRAN LUNDGREN

Board member

**Elected to the Board:** 2016

**Born:** 1948

**Education:** Master of Science in Engineering from the Royal Institute of Technology, Stockholm. Management programs from IFL, ABB, Vattenfall, and others.

**Other assignments:** Board member of GL add wise AB. **Previous assignments:** Chairperson of Efficax Energy AB, Meltron AB, Meltron Oy, Solarus Sunpower Holding AB and Solarus Sunpower Sweden AB. Board member of Solarus Sunpower Holding BV and Solarus Smart Energy Solutions BV.

**Shareholding in Netel:** 26,170 shares.



## THERESE LUNDSTEDT

Board member

**Born:** 1981

**Education:** Master of Marketing and Management, Uppsala University.

**Other assignments:** Board member of Lohilo Foods AB. Chairperson of RecruitTech Group AB, CEO Gimic AB and active in her own company Tessville AB, active in interim management, consulting and speaking engagements.

**Previous assignments:** CEO of Colix Systems AB, CEO Urbangreen AB, CEO Aktieinvest AB, CEO Unga Aktiesparare and Board member of Spotlight Group AB, Climeon AB, Urbangreen AB, Swedish House of Finance and Investment AB Spiltan.

**Shareholding in Netel:** 10,000 shares.



## NINA MACPHERSON

Board member

**Elected to the Board:** 2021

**Born:** 1958

**Education:** Master of Laws from Stockholm University.

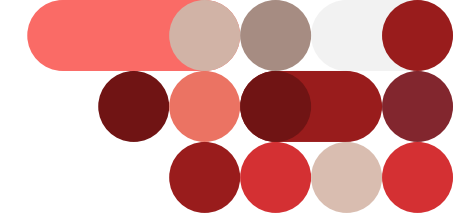
**Other assignments:** Member of the Supervisory Board and the Audit Committee of Traton SE. Board and Audit Committee member of Scania AB and Scania CV AB. Board member of the Swedish Corporate Governance Board. Deputy Board member of M&K Industrials AB.

**Previous assignments:** Chief Legal Officer and secretary of the Board and its committees of Telefonaktiebolaget LM Ericsson. Board member of the Swedish Association for Listed Companies, Scandinavian Enviro Systems AB and the Stockholm Chamber of Commerce's Arbitration Institute. Chairperson of Ericsson AB.

**Shareholding in Netel:** 30,007 shares.

Carl Jakobsson was re-elected as a board member at the Annual General Meeting on 8 May 2025. He chose to resign from the Board at his own request on 23 September 2025 following Cinnamon International S.à.r.l.'s divestment of all its shares. Carl Jakobsson represented IK Partners which are majority shareholders of Cinnamon International S.à.r.l.

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# Extended Management Team



**JEANETTE REUTERSKIÖLD**  
 President and CEO, Head of Telecom Sweden  
**Born:** 1974  
**Joined Netel:** 2023  
**Education:** Bachelor of Science in Engineering, Mälardalen University Västerås.

**Other current assignments:** Chair of the Board of Qflow Group AB. Board member of In3prenör AB and Svevia AB.

**Previous assignments:** Business Area President WSP Sweden, CEO Arcona and various positions at Hifab including CEO.

**Holdings in Netel:** 245 927 shares and 215,000 + 23,600 warrants (a total of 238,600 distributed over two programs).

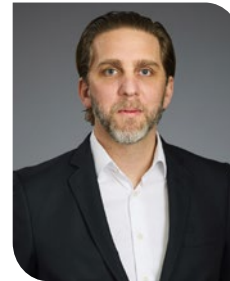


**FREDRIK HELENIUS**  
 CFO  
**Born:** 1990  
 Joined Netel: 2020  
**Education:** Master of Science from Stockholm School of Economics.

**Other current assignments:** –

**Previous assignments:** Group Accounting Manager for Netel Group 2020-2023. Consultant in accounting and tax matters.

**Holdings in Netel:** 74,549 shares via ACAIA Invest AB and 107,000 + 23,600 warrants (a total of 130,600 distributed over two programs).



**JOHAN OLOFSSON**  
 Head of Group Operational Support  
**Born:** 1977  
**Joined Netel:** 2010  
**Education:** Post-secondary education in IT

**Other current assignments:** –

**Previous assignments:** Service Delivery Manager and Project Manager at Netel. Twelve years of experience as an IT consultant before joining Netel.

**Holdings in Netel:** 83,799 shares and 107,000 + 23,600 warrants (a total of 130,600 distributed over two programs).



**KLAS ELDEBRANDT**  
 Head of Power Sweden  
**Born:** 1971  
**Joined Netel:** 2023  
**Education:** Technical upper secondary school

**Other current assignments:** –

**Previous assignments:** CEO Bengt Dahlgren Projektledning AB. Various roles within Hifab for 15 years, including Market Area Director East.

**Holdings in Netel:** 1,390 shares and 107,000 + 23,600 warrants (a total of 130,600 distributed over two programs).



**ANDERS MIKKOLA**  
 Head of Telecom Germany  
**Born:** 1979  
**Joined Netel:** 2002  
**Education:** Social science and economics studies from Westerlundiska Gymnasium.

**Other current assignments:** –

**Previous assignments:** Owner of Amtravans.

**Shareholding in Netel:** 23,600 warrants.



**LARS-ERIK SUNDELL**  
 Head of Power Norway  
**Born:** 1966  
**Joined Netel:** 2021  
**Education:** Bachelor of Science in Engineering, Master's Degree in Electricity Economy and Strategic Management

**Other current assignments:** Chair of the Board of Powersupply AS. Board member Infografikk AS.

**Previous assignments:** CEO Park & Anlegg AS, BUM in Infratek Norge AS and CEO Infografikk AS.

**Holdings in Netel:** 1,269 shares, 107,000 synthetic options and 23,600 warrants.



**AKSEL AAS**  
 Head of Telecom Norway  
**Born:** 1978  
**Joined Netel:** 2020  
**Education:** Master of Business Administration, Norwegian School of Economics. Master of Management and

Bachelor in Marketing, BI Norwegian Business School.

**Other current assignments:** –

**Previous assignments:** Chief Operating Officer Netel AS, senior positions in Gjensidige Forsikring ASA.

**Holdings in Netel:** 3,168 shares and 23,600 warrants.



**ROBERT CARLSSON**  
 Head of Infraservices Sweden  
**Born:** 1982  
**Joined Netel:** 2025  
**Education:** Studied at the Royal Institute of Technology, Stockholm. Ratos Business Executive Leadership program, Stockholm School of Economics.

**Other current assignments:** -

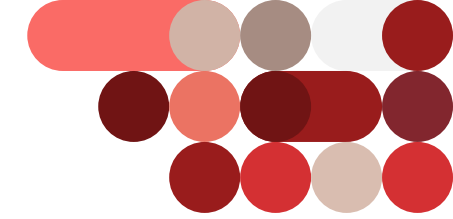
**Previous assignments:** Management positions Scandinavian Roadconstruction AB, NVBS, Serneke Anläggning AB, NCC, Hochtief Solutions AG and Peab Grundläggning.

**Holdings in Netel:** 23,600 warrants.

Aksel Aas and Robert Carlsson took up their positions in January 2026. Edward Olastuen, former Head of Telecom Norway, will remain at Netel in 2026 to support management in business development projects.

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# Risks and Risk Management

Netel's operations and operating profit are affected by various factors. There is an ongoing process at every level in the organisation to identify risks and determine how to manage each risk.

Netel is primarily exposed to industry and market-related risks, operational risks, financial risks and risks related to taxation and tax laws. The material risks that Netel is exposed to and how they are managed are described below, including sustainability risks.

## Risks related to the industry and markets

Risk	Description	Management
Increased competition	Competition may increase in regional and national projects if small local companies expand their business or if large competitors expand their business into Netel's business areas. Competitive pressures may result in loss of market shares, lower profit margins and increased competition for qualified personnel.	Netel's competitive advantages include the company's extensive experience in managing critical infrastructure projects, its broad customer base and long-standing customer relationships. With 25 years of experience in leading complex infrastructure projects, Netel has extensive knowledge and insight into critical success factors such as permit processes, an appreciation for how the environment may be affected during execution and knowledge about working in hazardous environments. A key strength is Netel's decentralised organisation, whereby the Group offers its customers insights into and knowledge about local conditions and regulations, while its subsidiaries act with the strength of a Group.
Severe macroeconomic disruptions	Demand for Netel's services is not normally affected by minor macroeconomic variations. Severe declines in the economic activity are likely to adversely affect Netel's business. A prolonged period of low growth may have a significant impact on customers' willingness to invest.	There is an underlying healthy growth within Netel's market segment driven by strong megatrends such as climate change, digitalisation and the need to modernise the infrastructure. Expansion of the infrastructure also increases the customers' service and maintenance needs. Netel therefore sees excellent potential to continue to grow with both existing and new customers. Netel's growth strategy also entails that the company is to grow to nearby geographical markets, thereby reducing dependence on individual sectors and creating scope for more efficient use of resources.
No inflation compensation	There is a risk that the Group cannot compensate for price increases, which could have a significant negative effect on the financial result.	The Group has as a guideline not to sign multi-year contracts that lack clauses on price compensation.
Inability to adapt strategy and resources to technological advances or changed customer behaviour	If Netel is unable to anticipate, assess or adapt to technological changes at a competitive price or provide competitive services on a timely basis or satisfactory terms, this could lead to Netel being unable to compete effectively. Should Netel not succeed in renewing its services as compared to its competitors, or keep up with new technological advances, or adapt to changes in terms of customer behaviour, this could lead to customers choosing competitors instead of Netel, which could have a material impact on Netel's revenue, and, as a consequence, its results and financial position.	Netel's ability to anticipate, assess and adapt to rapid technological changes, including the ability to quickly and cost-effectively offer services in demand from customers have been key factors in achieving successful financial results and long-standing customer relationships. Through its extensive experience, a decentralised and agile organisation paired with employees who possess expert knowledge, Netel continues to promote a culture in which the vision is to be our customers' preferred choice.
Inability to adapt strategy and resources due to saturated markets and reduced willingness to invest among customers	Netel may experience market saturation and reduced willingness to invest among customers when the infrastructure within a region or country is sufficiently expanded or modernised. This can affect sales, earnings and cash flow if Netel is unable to secure new business and shift resources when a market becomes saturated.	Netel closely monitors and assesses the impact of overall short- and long-term developments in the critical infrastructure markets and endeavours to have close customer contacts to understand customers' strategies and plans. These assessments underpin the annual strategic considerations that influence market focus and resource allocation.

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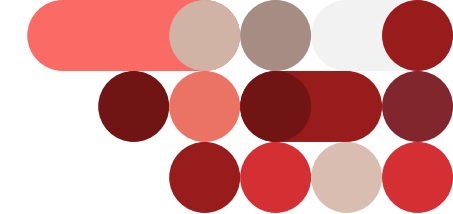
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## Operational risks

Risk	Description	Management
Inability to identify, attract and retain highly skilled personnel and senior executives	Netel also relies on its ability to hire and retain highly skilled project managers and technical personnel with the level of expertise necessary to conduct its operations. Netel is dependent upon the skills, experience and efforts of its senior executives. If Netel fails to continue to attract and retain highly qualified employees and senior executives, the company risks being unable to sustain or further develop its business, which could have a material adverse effect on Netel's operating profit.	Netel's decentralised organisation and robust market position are essential factors in why qualified employees are attracted to and remain at Netel. Netel also works to maintain and strengthen its positive culture and strengthen its employer brand. Netel offers competitive compensation and benefits as well as the opportunity for employees to develop and grow within the Group. The employees are given the opportunity for individual career and competence development plans.
Lack of succession planning	The Group lacks in succession planning, which involves a risk that key people cannot be replaced within an acceptable time. This can negatively affect the business and delay negotiations and project execution, which can have a negative effect on the financial result as well as employee engagement and the employer brand.	The divisions prepare succession plans to identify key people and skills needs in the short and long term. These plans are used to create a Group-wide picture of existing skills and short- and long-term needs.
Shortage of project managers	Netel's operations and ability to carry out assignments effectively may be affected by a shortage of project managers.	Each business unit has as a standing item at management team meetings the availability of short- and long-term project managers. See also Lack of succession planning and Inability to identify, attract and retain highly skilled personnel and senior executives.
Inability to attract and retain younger employees	There is a risk that Netel will not be able to meet younger employees' expectations regarding, for example, work/life balance, which may make it difficult for Netel to retain younger employees. This complicates succession planning and means that Netel may lose knowledge and lack strong culture bearers in the long term.	Netel works to meet the needs of employees at all ages and stages of life. Through employee interviews and employee surveys, a culture characterised by openness and short decision-making paths and succession planning, Netel is laying the foundation for a strong employer brand. Netel works actively to build the employer brand in both internal and external channels.
Expansion through acquisitions	As part of its business strategy, Netel can make add-on acquisitions. Future acquisitions pose risks, including: integration diverts resources from other operations and disrupts ongoing business; loss of key employees in the acquired companies; inability to retain relationships with the acquired companies' customers; inability to realise synergies and/or strategic advantages of the acquisitions due for example to culture clashes between Netel and the acquired company; and unforeseen liabilities or other claims from the acquired companies. Acquisitions could lead to losses, write-offs or liabilities that adversely affect Netel's financial position or operating profit. In addition, Netel could issue shares as consideration for acquired businesses, which can dilute its current shareholders' percentage of ownership.	Netel's acquisition process includes relevant due diligence processes covering legal, financial, tax and commercial issues. In addition, the company acquired should have strong, competent management, identified revenue synergies and a business culture that matches Netel's way of working and culture. Netel is now developing the acquisition process further by developing a process for integrating acquired companies.
Changes in business forms or project structures	Netel's business is based on projects and framework agreements. The risks associated with different projects and framework agreements vary depending on the type of business form and project structure. Risks associated with different projects vary depending on the size of the projects. Large projects are typically characterised by intensive competition and experienced customers with large procurement resources, resulting in downward pressure on prices. The projects often extend over long periods, are complex and associated with complicated estimates as regards work and use of materials. Small projects are characterised by local competition and stronger local presence. These projects typically entail low risk but also lower earning potential. Depending on the development of the business and the market, the project mix may vary, meaning that the risks associated with Netel's projects may change over time. Changes in business forms or project structures could affect the risk profile for Netel's projects and thereby the earning potential. This can have an adverse effect on the company's financial position and operating profit.	Netel evaluates projects and framework agreements according to a structured tender process that includes analysis of potential risks regarding changed conditions for works and materials, and adapts assessment and action according to identified risks. The tender process is followed by a structured approval and authorisation procedure which means that tenders, depending on size, must be approved by management, CEO, or, where applicable, the Board of Directors. Furthermore, Netel strives to maintain a high proportion of framework agreements and service and maintenance as part of the total business mix in order to reduce project dependency.
Non-exclusive framework agreements and contracts without guaranteed volumes	Several of Netel's framework agreements with customers are non-exclusive and a majority do not provide any guaranteed volumes. This could lead to an unexpected loss of revenue and a reduction in expected backlog, which could have a material adverse effect on Netel's business, financial position and operating profit.	Netel's processes, goals and activities aim to achieve the vision that Netel should be customers' first choice and ensure that Netel is an attractive employer and is competitive in public procurement with the main evaluation criteria being price.
Dependence on a limited number of customers	Netel generates a significant portion of its sales from a limited number of customers and any significant loss of business from these customers or other key customers could have a material adverse effect on the company's business, financial position and operating profit	Netel strives to raise the number of customers by landing new customers and expanding into nearby geographical areas. At the same time, Netel focuses on maintaining a balance in terms of customer composition and has a high share of larger blue-chip customers with framework agreements.
Workplace accidents	An accident involving Netel's employees, subcontractors or other third parties could harm Netel's reputation, affect its ability to compete for business, and if not adequately insured or indemnified, could have a material adverse effect on Netel's business, financial position and results of operation.	Netel's sustainability agenda permeates the entire business and is an integrated part of the strategy. Everything that Netel does is to be done in a responsible and sustainable way, adhering to high ethical standards. The company places the same high demands on its subcontractors and suppliers. Good work conditions are one of several prioritised sustainability issues where Netel has set a target that no one is injured while carrying out assignments for Netel. Consequently, Netel works proactively to prevent and avoid risks at the workplace.
Customer agreements that lack limitations of liability or have high monetary caps	Certain subsidiaries have signed, and may in the future sign customer agreements that lack satisfactory limitations of liability and/or have high monetary caps on Netel's liability. If a subsidiary is found liable for damages, it could have a material adverse effect on the Netel's results of operation, and consequently its financial position.	Netel's policy is to not sign agreements without satisfactory limitations of liability. Existing agreements without satisfactory limitations of liability refer to projects and these projects are carefully overseen to minimise the risk of any deviation that may lead to liability for damages.

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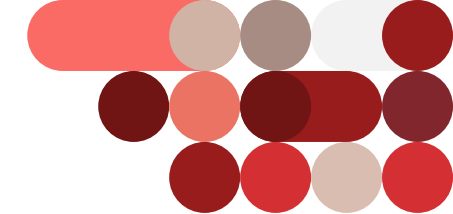
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Risk	Description	Management
Weather conditions	Netel's operations and ability to carry out assignments may be affected by weather factors. An early or late winter with low temperatures has a negative impact on excavation projects, while autumn storms can entail more assignments to secure power lines.	Netel balances the risk by operating in several segments, countries and regions, and by taking into account and managing any risks linked with delivery times in contracts.
Implementation of digital tools and new IT systems	The implementation of digital tools and new business systems can lead to project delays, increased IT costs, and inefficient use of resources.	Netel is preparing the implementation carefully and the changes are taking place gradually within parts of the organisation so that any problems that arise can be addressed without affecting the entire organisation.
Cyber attacks or faults in IT systems	Cyber attacks or faults in critical systems can lead to disruptions in key business process that can have adverse effects on Netel's operating profit. Interruptions or errors can also occur during the transition to new IT systems. Disruptions or faults in the IT system may also impact Netel's personal data processing and lead to fines or demands for damages as well as injunctions from supervisory authorities to rectify the error which may adversely affect Netel's reputation and financial position.	Netel has a management model for IT that includes steering, standardised IT processes and an organisation for IT security. IT security work involves continuously risk analysis, preventive measures and the use of security technologies. Standardised processes exist for the implementation of new system, updates to existing systems and day-to-day operations. Most of Netel's IT system are built on well-established systems. Within the Group, training courses and tests in IT security are regularly carried out.
Lack of motivation among employees	As a result of organisational changes, increased efficiency requirements and lack of internal communication, employee motivation may decrease.	Motivated employees are a success factor for Netel and therefore a priority issue. The basis for motivated employees is good leadership, clear communication, realistic goals and opportunities for further development, which Netel works with every day in all parts of the organisation. Parts of the organisation can be negatively affected when, for example, organisational changes are implemented when extra high demands are placed on leadership and communication skills..

## Financial risks

Risk	Description	Management
Risks related to failed calculations and assessments or failed project management	The risk of negative consequences as a result of shortcomings in calculations and assessments or project management is particularly high in projects where the compensation structure is a fixed price. In the case that Netel bears the risk of unforeseen or altered conditions, there is also a risk of contractual penalties. Shortcomings in calculations, project management and related factors may have an adverse effect on Netel's operating profit, and by extension, Netel's financial position.	Netel always endeavours to effectively develop quality project management in critical infrastructure and to have highly qualified employees with specialist knowledge. Netel regularly assesses current calculations and estimates to ensure accurate financial reporting. In addition, Netel strives to continuously improve and streamline project management, which means developing skills and evaluating effective tools such as relevant system support.
Refinancing risk	Refinancing risk refers to the risk that financing cannot be obtained or renewed on the expiry of its term or can only be obtained or renewed at significantly increased costs. Netel primarily finances its business through equity, loans and its own cash flow. There is a risk that additional capital cannot be obtained or can only be obtained at unfavourable terms and conditions. Netel may in the future become in breach of financial covenants and other obligations in the credit and loan agreements that constitute grounds for termination due to general economic environment or disruptions in the capital and/or credit markets. This may affect its ability to finance future business and affect Netel's ability to carry out business opportunities and activities.	In 2025, Netel renegotiated and extended its two main credit facilities. The financing and the two main credit facilities run until 30 June 2027 and mainly include liquidity as a financial commitment (covenant). As of 31 December 2025, Netel had fulfilled its commitments in the said facility agreements and did not report any short-term facilities in relation to main financing, therefore, Netel assesses the short-term refinancing risk as low. In 2026, Netel is focusing on refinancing existing financing.
Inability to effectively manage exposure to interest rate and exchange rate risks	Any increase in interest rates can increase the Netel's financing expenses related to its variable rate indebtedness and increase the costs of refinancing its existing indebtedness and issuing new debt. As Netel continues expanding its business into existing and new markets, it expects that a large and increasing percentage of its net sales and selling expenses will be denominated in currencies other than SEK. As a result, the Netel's currency exchange risk will increase, whereby changes in exchange rates between SEK and other currencies in which the Group does business could result in foreign exchange losses.	Netel works closely with its banking contacts to discuss and manage exposure to both interest rate and foreign exchange risks. Netel renegotiated and extended existing financing through 2025 and has not identified any significant interest rate risks in the short term. Furthermore, Netel continuously assesses foreign exchange risk and evaluates hedging alternatives from time to time.
Percentage of completion method	Netel's revenue from projects are reported in accordance with the percentage of completion method. This means that Netel reports revenue and profits during the project in proportion to the actual costs' part of forecasted project costs. There is a risk that estimated revenue and profits contain errors and are reported with too high amounts, which may result in adjustments to previously reported project incomes and may have an adverse effect on Netel's financial position.	Netel applies percentage of completion method when revenue and costs can be calculated in a reliable way. The method means that the results are evened out and better reflect reality. Netel regularly assesses current calculations and estimates to ensure updated forecasts of revenue and costs, as well as accurate financial reporting.

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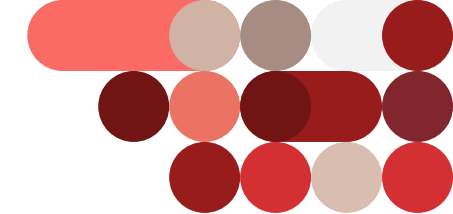
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Risk	Description	Management
Goodwill	Intangible assets in the form of goodwill constitute a significant part of Netel's assets. Goodwill is subject to impairment testing. Reporting impairment includes uncertainty as the company must make forward looking assumptions calculating the recoverable amount based inter alia on assumptions about future cash flows. A negative trend in the business may force the company to report impairment equal to all or part of the carrying amount, which may have a material adverse effect on the Netel's financial position and operating profit.	Goodwill and brands with indefinite useful lives are tested annually for impairment and the value in use is determined based on management's business plan and five-year forecasts for future net cash flows. The most important estimates and assumptions relate to future cash flows attributable to growth, margins and other factors affecting cash flow. The forecasts are determined by the management of each division and are based on historical experience, expected future development and take into account internal resources and externally available market information, such as investment plans and market conditions. The sensitivity analysis, based on the current business plan, shows that the value in use may be less than the carrying amount in the event of a combined negative change in several significant assumptions, a so-called perfect storm. Management believes that, in light of the business plan that forms the basis for the calculation and under reasonable assumptions, there is no need for impairment as of the balance sheet date. Furthermore, Netel has a clear and structured acquisition process. See above under the risk "Expansion through acquisition". Through a careful acquisition analysis, clear acquisition criteria, structured follow-up, decentralised organisation, active work on succession issues and, for some of the acquisitions, long-term conditional additional purchase prices, Netel creates the conditions for continued good development in acquired companies.
Risk of profitability problems in all or parts of the business	Netel may experience profitability problems in all or parts of its operations. This could lead to problems in signing new or renewed customer contracts, losing suppliers or subcontractors, obtaining finance, recruiting new employees or retaining existing employees.	Netel's overall goal is to grow with profitability. As part of its strategy to grow profitably, Netel works closely with customers and suppliers, continuously analysing market developments, raw material markets and supply chains in the short and long term, monitoring and forecasting project portfolio and execution. Netel works constantly to have a competitive, attractive offering that supports the goal of profitable growth. See also risk management under risks related to industry and markets and operational and other financial risks.

## Legal and regulatory risks

Risk	Description	Management
Non-compliance with applicable regulations	Failure or inability to comply with applicable regulations could subject Netel to penalties and result in a loss of its contracts, which could reduce sales, profit and cash flow.	One of Netel's competitive advantages is the company's extensive experience in managing critical infrastructure projects, which includes knowledge about regulations and guidelines. Netel works to ensure that it has highly qualified employees to maintain its knowledge regarding current regulations and guidelines. The decentralised organisation contributes to Netel's employees having good insight into local regulations and guidelines.
Litigation, administrative and arbitration proceedings	Netel could be involved in legal or arbitration proceedings relating in particular to civil liability, competition, intellectual property and industrial property, taxation, employment and environmental matters. If the outcome of legal, administrative or arbitration proceedings were to be unfavourable, it could have a material adverse effect on the Netel's business, financial position and operating profit.	In the case that Netel is the object of more extensive legal disputes, the precautionary principle is applied and provisions deemed suitable will be made. Netel has well-established collaborations with tax experts within each jurisdiction.

## Tax risks

Risk	Description	Management
Taxation and tax laws	Netel is exposed to risks relating to taxation. Netel is subject to complex tax laws in each of the jurisdictions in which the Group operates. Changes in tax laws or interpretation of tax laws could have material adverse consequences on the Group's tax situation, its effective corporate income tax rate and the amount of taxes to be paid.	Netel has well-established collaborations with tax experts within each jurisdiction and applies the precautionary principle in matters of assessment.
Employee reinvestments	To the end of 2023, Netel carried out a number of new share issues, e.g. to enable ownership for key employees and reinvestments of the sellers of acquired companies with continued employment within the Group after the acquisition. If the Swedish Tax Authority would be of the opinion that the shares were acquired below market value, there is a risk that the difference is deemed to be a benefit for the purchaser, entailing an obligation for Netel to pay social security contributions on the same amount, and that a tax penalty is applied to the additional social security contributions. Further, there is a risk that the instruments are disqualified as securities, which would result in social security contributions being levied on any gain following an exit. This may adversely impact Netel's financial position and operating profit.	

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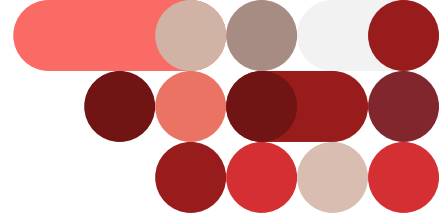
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## Sustainability risks and risk management

Risk	Description	Management
Non-compliance with applicable regulations	Failure or inability to comply with applicable regulations could subject Netel to penalties and result in a loss of its contracts, which could reduce sales, profit and cash flow.	One of Netel's competitive advantages is the company's extensive experience in managing critical infrastructure projects, which includes knowledge about regulations and guidelines. Netel works to ensure that it has highly qualified employees to maintain its knowledge regarding current regulations and guidelines. The decentralised organisation contributes to Netel's employees having good insight into local regulations and guidelines.
Litigation, administrative and arbitration proceedings	Netel could be involved in legal or arbitration proceedings relating in particular to civil liability, competition, intellectual property and industrial property, taxation, employment and environmental matters. If the outcome of legal, administrative or arbitration proceedings were to be unfavourable, it could have a material adverse effect on the Netel's business, financial position and operating profit.	In the case that Netel is the object of more extensive legal disputes, the precautionary principle is applied and provisions deemed suitable will be made. Netel has well-established collaborations with tax experts within each jurisdiction.
Subcontractors and suppliers fail to follow laws and regulations related to labour laws and/or fail to pay taxes and employer's contributions for employees.	There is a risk that subcontractors and suppliers use temporary workforce and circumvent laws and regulations pertaining to labour law.	Code of Conduct for subcontractors and suppliers. Repeat audits of subcontractors and suppliers. Potential termination of relationship in the event of severe violations.
Subcontractors and suppliers participate in forming cartels.	There is a risk that subcontractors form cartels in order to win tenders with Netel.	Netel works to maintain close, long-standing relationships with its subcontractors and suppliers. Code of Conduct for subcontractors and suppliers.
Violations of data protection laws and the Group's privacy policy	Netel's employees could violate data protection laws and the Group's privacy policy.	Netel's employees are to be trained in data protection matters and to sign the Code of Conduct.



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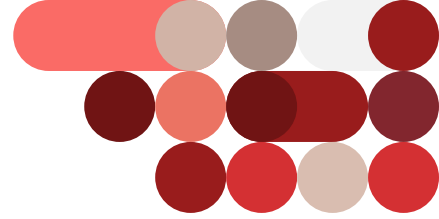
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# Sustainability Report



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# General disclosures

## BP-1 GENERAL BASIS FOR PREPARATION OF THE SUSTAINABILITY STATEMENT

The 2025 Sustainability Report was prepared in accordance with the European Corporate Sustainability Reporting Directive (CSRD) and the underlying European Sustainability Reporting Standards (ESRS).

The Sustainability Report provides an overview of how Netel's governance works as well as an account of outcomes in the environment, employees and governance. It also includes detailed information about how we work with sustainability and business conduct. This introductory section of general disclosures highlights the material impacts, risks and opportunities that could be identified as well as our sustainability reporting principles. Together they form the basis of our sustainability reporting. The goal of the report is to give stakeholders a true and fair overview of the relevant factors, activities, methods and results of the 2025 financial year. The Sustainability Report was prepared at the consolidated level, with the same scope as the financial reporting.

In preparing the Sustainability Report, Netel has utilised the option of omitting certain confidential or commercially sensitive information in accordance with applicable regulations. Any such omissions have been made restrictively and without affecting the overall fair presentation of the Sustainability Report.

The double materiality assessment (DMA) described in ESRS 2 IRO 1 includes impacts, risks and opportunities (IRO) in our own operations and in the value chain, both upstream and downstream (see ESRS 2 SBM-1). This sustainability reporting applies the short-, medium- and long-term time horizons as defined in ESRS 1.

## BP-2 DISCLOSURES IN RELATION TO SPECIFIC CIRCUMSTANCES

This is the first year that Netel has prepared a Sustainability Report in accordance with ESRS. This has entailed new processes for collecting, quality-assuring and consolidating data from the entire Group. In some cases, this resulted in limitations to scope and comparability compared with prior years.

Netel applied the "Quick Fix" amendments and excluded reporting for E4 Biodiversity and ecosystems as well as S2 Workers in the value chain, even though they were deemed material in the materiality assessment.

The operations in Finland and the UK, which were divested in June 2025 and December, respectively, are excluded in their entirety from the sustainability reporting unless stated otherwise.

### Estimates regarding value chain data

Some sustainability metrics include estimates of data from the value chain where primary data was unavailable. This mainly concerns Scope 3 GHG emissions, in particular the categories of purchased goods and services and capital goods, but also Scope 1 greenhouse



gas emissions from machinery in the company's own operations. The calculations are based on supplier data wherever available, and otherwise on spend-based methods and industry average emission factors. Estimates of the distribution between different types of raw materials, such as steel, plastics and cement, were also made. Such distributions were based on local management's best assessments using financial data and purchasing structure. The use of indirect estimates and standardised data entails a higher level of uncertainty compared with primary data, particularly in categories with limited supply chain transparency. Netel intends to gradually increase the share of primary data from strategic suppliers and further develop internal systems and supplier requirements so as to improve data quality over time.

### Appendix for ESRS E4 and ESRS S2

In accordance with ESRS 1 Appendix C, Netel has made use of the transitional provisions and therefore does not provide full disclosures under ESRS E4 (Biodiversity and ecosystems) and ESRS S2 (Workers in the value chain). However, both matters have been deemed to be material in the double materiality assessment.

### E4 Biodiversity and ecosystems

Materiality primarily relates to groundwork and infrastructure projects that could impact local ecosystems. Risks are managed on the basis of environmental policy, project-based environmental risk assessments, permitting processes and compliance with environmental legislation. The matter is integrated into the overall environmental work and is monitored under the framework of the environmental management system.

### S2 Workers in the value chain

Materiality relates to the working conditions and occupational health and safety of suppliers and subcontractors. Risks are managed on the basis of codes of conduct, contractual requirements and supplier monitoring. Identified shortcomings are managed by dialogue and action plans. Monitoring takes place via supplier assessments and incident reporting.

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<b>Governance</b>	<b>+</b>
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<b>Other information</b>	<b>+</b>

# Governance

## GOV-1 THE ROLE OF THE ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

## GOV-2 INFORMATION PROVIDED TO AND SUSTAINABILITY MATTERS ADDRESSED BY THE UNDERTAKING'S ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

The Board, which is comprised of four members, has overall responsibility for the strategic direction of Netel's sustainability work and decides on the company's policies and guidelines in this area. There are no employee representatives on the Board. The gender distribution is 50 per cent female and 50 per cent male. All four members are independent of the company and its management, corresponding to 100 per cent of the Board. Collectively, the Board possesses experience relevant to Netel's business, including expertise in telecom and infrastructure development, project operations, financial management and experience from the geographical markets served by the Group. Sustainability is a standing item in the Audit Committee's meetings. The Audit Committee held eight meetings during the financial year, thus ensuring the Board's ongoing oversight of sustainability activities.

The CEO and Management Team are responsible for the operational governance of Netel and report regularly to the Board. They ensure compliance with established sustainability targets and the implementation of sustainability strategies in the daily operations.

The Finance Department has a central role in integrating the sustainability targets into Netel's financial monitoring and overall risk management. There are established systems and processes for identifying, monitoring and managing climate-related risks, opportunities and impacts, which are managed as an integrated part of the company's risk management.

The Chief Financial Officer (CFO), who together with his team is responsible for coordinating sustainability activities, ensures that sustainability is part of daily operations by working closely with division heads. The CFO is also responsible for ensuring that sustainability is regularly addressed in Management Team meetings and that sustainability aspects are considered in the operational decisions.

Netel believes that the combined expertise of the Board, Management Team and the Finance Department is adequate for pursuing and following up Netel's sustainability work. External consultants are engaged, when necessary, to complement internal expertise in specific sustainability areas.

## GOV-3 INTEGRATION OF SUSTAINABILITY-RELATED PERFORMANCE IN INCENTIVE SCHEMES

The CEO and CFO are covered by incentive programmes that include sustainability-related targets. They can account for up to no more than 15 per cent of variable remuneration. The specific sustainability targets included in the incentive programme refer to reducing GHG emissions in line with the company's climate strategy. It is the Board, through the Remuneration Committee, that adopts the incentive programme every year.

The Board does not have an incentive programme that includes sustainability targets.

## GOV-4 STATEMENT ON DUE DILIGENCE

The table below shows how Netel's work on due diligence is reflected in the disclosures of this Sustainability Report.

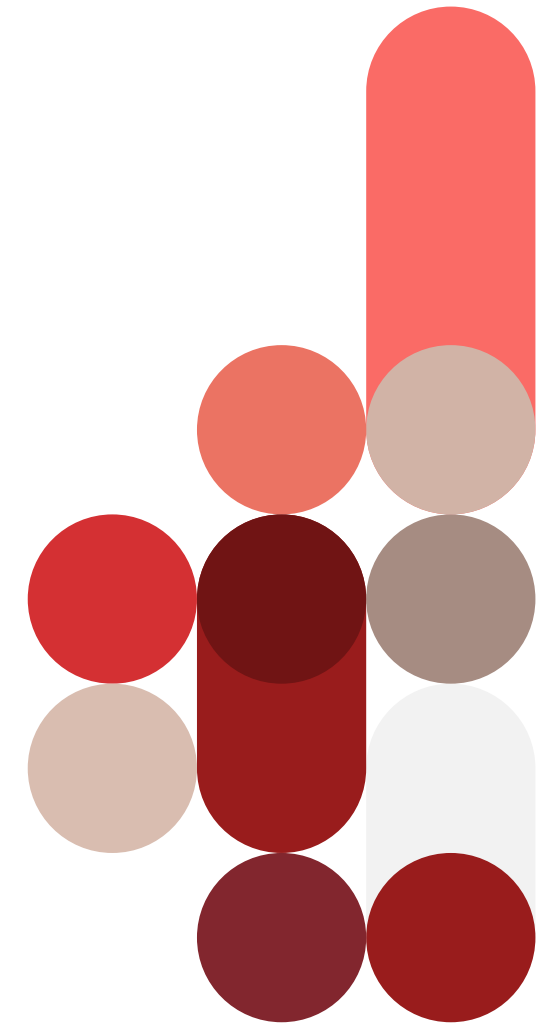
Core elements of due diligence	Paragraphs in the Sustainability Report
a) Embedding due diligence in governance, strategy and business model	GOV-2 GOV-3 SBM-3
b) Engaging with affected stakeholders in all key steps of the due diligence	GOV-2 SBM-2 SBM-3 SI-2
c) Identifying and assessing adverse impacts	GOV-2 SBM-2 IRO-1
d) Taking actions to address those adverse impacts	SBM-3 E1-1 E2-2 E5-2 SI-4
e) Tracking the effectiveness of these efforts and communicating	E1-4 E5-3 SI-5

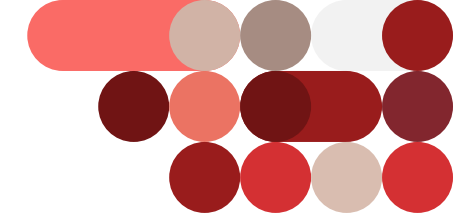
## GOV-5 RISK MANAGEMENT AND INTERNAL CONTROLS OVER SUSTAINABILITY REPORTING

The internal control structure for sustainability reporting is designed to ensure that all sustainability data collected is accurate and reliable. Through clearly defined roles and responsibilities, together with systematic monitoring and review, we can ensure that our reporting meets the requirements of applicable regulations and stakeholders. We are continuously working to improve our data collection and monitoring processes, including quality assurance and independent review of sustainability data.

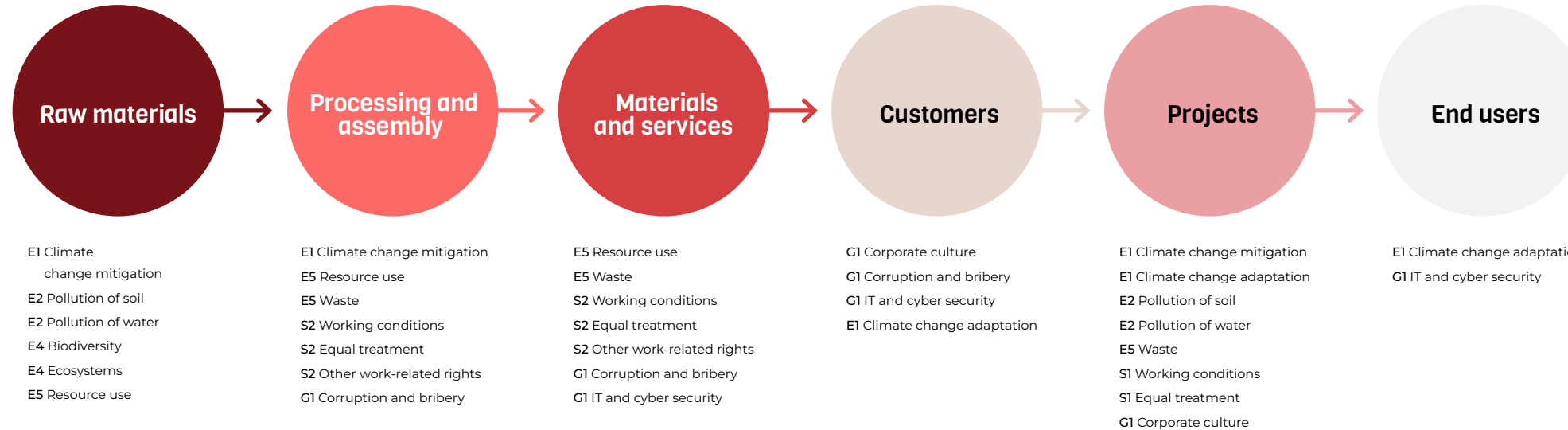
In order to further strengthen control, we have implemented a reporting structure that complies with international standards and ensures that our sustainability risks are managed in line with Netel's strategic goals and values. Regular training and awareness-raising ensure that all relevant employees are well versed in our sustainability requirements and control processes.

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# General information



## SBM-1 STRATEGY, BUSINESS MODEL AND VALUE CHAIN

Netel's value chain extends from the purchase of raw materials and processing of components to carrying out complex infrastructure projects and delivering critical functionality to end customers. As an electricity, telecom and infraservice contractor, Netel works with a broad network of suppliers, distributors, subcontractors and customers. This value chain is the foundation for the company's business model and creates the conditions for carrying out projects efficiently, sustainability and at a high-level of quality.

### Raw materials

Raw materials are the foundation of many of the components used in Netel's projects and consist of biological, mineral and fossil-based and recycled resources that are obtained from local and global sources. Netel prioritises renewable materials and promotes responsible management of non-renewable resources wherever the company can. The balance between volume, cost and technical quality is central to meeting requirements on both efficiency and sustainability.

The quality and availability of raw materials are crucial for Netel to be able to deliver solutions that sustainably meet customer and societal needs.

### Processing and assembly

Processing and assembly are a key part of many industrial value chains. Raw materials such as metals, plastics, wood or other materials are processed and transformed into components with specific properties and functions. These components are then used at several stages, often in an upstream value chain, to ultimately be assembled into finished products or systems.

Netel's purchases of raw materials and semi-finished products are made from major distributors or specialised product suppliers who can ensure consistent quality, delivery reliability and compliance with relevant environmental and labour requirements. This allows Netel to focus on its core competencies such as design, project management and final assembly, while other actors in the value chain handle the processing of the raw materials.

### Materials and services

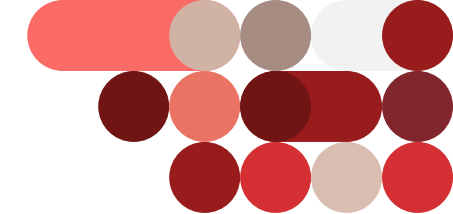
The most important product groups that Netel purchase are materials for land development, such as gravel, sand, crushed stone, soil, cement, asphalt and pipes for drainage, water and sewage.

Power projects involve products such as power lines, cables, transformers and other equipment. Within fibre networks, purchases comprise fibre cables, switch cabinets and connection boxes.

Subcontractor procurement is a significant part of operations and is crucial for carrying out projects efficiently and with high quality. Netel works with a broad network of specialised subcontractors that contribute expertise in groundwork, installation and technical solutions.

This approach allows for flexibility, efficient use of resources and strong local support of the projects carried out. Netel has work environment, safety, environmental and ethical requirements for its entire supply chain.

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### Customers

Netel has a broad customer base and each division has its unique customer base.

Infraservices' customers are mainly municipalities and private companies operating in the regions where Netel is located. A local presence makes it possible to build strong customer relationships and deliver tailored solutions that meet specific needs.

In Power, Netel mainly works with energy companies, both private and publicly owned. These long-term partnerships enable us to contribute to the development of main grids and regional and local networks.

In Telecom, customers are mainly mobile and telecom operators. Netel works closely with them to ensure high-quality solutions for both mobile and fixed networks. The customer base includes everything from major telecom companies to local operators that need support in their network expansion projects and mobile networks.

### Projects

Projects in every division vary in size, depending on customer needs. They can be governed by both framework and project agreements and include everything from design, purchase and installation to maintenance. Some of the framework agreements include guaranteed volumes, while others are a precondition for competing for tenders. The project agreements usually contain start and end dates and milestones that are to be met during the contract period. Other contractual terms can include indexation or price adjustment for changes and additions, and penalties for delays.

Netel's construction contracts apply different forms of remuneration depending on the scope and nature of the project. The most common forms are fixed prices and a time and materials basis, which each offer unique advantages and are used in different contexts.

### End users

As Netel builds critical infrastructure, the end users are all individuals and businesses in society, making our work both responsible and critical to society.

In Infraservices, projects focus on the modernisation of water and sewage systems that are critical to the functioning of society. The project ensures that people have access to clean water and that the wastewater is handled in a sustainable manner. The end users are directly affected by these installations, which are often the basis for a functioning and healthy infrastructure in both urban and rural areas.

In Power and Telecom, end users are both individuals and companies that use electricity and telecommunications networks. These networks are fundamental to society as a whole and affect everything from the everyday lives of individuals to the activities of companies and organisations. By delivering robust and reliable solutions for supplying electricity and telecommunications, Netel contributes to maintaining the infrastructure that is necessary for an efficient and resilient society.

## SBM-2 INTERESTS AND VIEWS OF STAKEHOLDERS

### Stakeholder dialogues

Netel's operations are of concern to a vast number of stakeholders. As part of our sustainability efforts, Netel has dialogues with key stakeholders, and their opinions form the basis for our priorities and focus areas in regard to sustainability.

Netel communicates regularly with stakeholder groups in various ways. For example, when planning day-to-day operations, and in discussions about sustainability during business meetings with customers and subcontractors. During customers' supplier audits,

Netel gains deep insights into the customers' sustainability demands in both the short and long term. These insights are valuable for Netel's internal priorities and during the Group's dialogues with subcontractors and suppliers.

Netel is a member of the Swedish Construction Federation and a supporting member of Fair Play Bygg in Norway.

Stakeholder	Dialogues	Main topics for dialogue	Priority sustainability topics
<b>Employees</b>	Employee surveys, employee appraisals, workplace meetings, labour union collaboration, manager and employee training.	Work environment, safety, skills development. Attitudes, norms.	Motivated employees. Safe workplaces. Equal and fair working conditions.
<b>Customers</b>	Customer satisfaction surveys, business meetings, customers' supplier audits.	Occupational health and safety. Working conditions. Climate impact. Environmental risks and risks management.	Safe workplaces. Equal and fair working conditions. Reduce climate impact. Focus on the environment. Compliance with Code of Conduct for subcontractors and suppliers.
<b>Owners and investors</b>	Financial reporting, annual general meeting, investor meetings, press releases and news on the website.	Climate impact. Environmental risks and risks management. Governance and follow-up.	Reduce climate impact. Focus on the environment.
<b>Subcontractors and suppliers</b>	Business meetings, assessments, follow-ups and controls. Monitoring of compliance with the Code of Conduct.	Work environment, safety. Working conditions. Climate impact. Environmental risks and risks management. Compliance with the Code of Conduct.	Focus on the environment. Compliance with Code of Conduct for subcontractors and suppliers.
<b>Other stakeholders – the industry, authorities, potential employees</b>	Industry organisations, tradeshows, dialogues with municipalities and local authorities, vocational schools and universities.	Work environment, safety. Working conditions. Environmental risks and risks management.	Safe workplaces. Equal and fair working conditions. Focus on the environment.

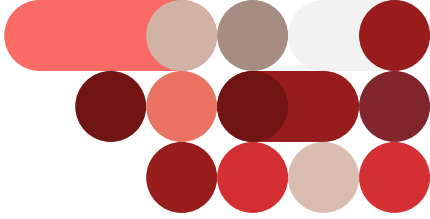
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### SBM-3 MATERIAL IMPACTS, RISKS AND OPPORTUNITIES AND THEIR INTERACTION WITH STRATEGY AND BUSINESS MODEL

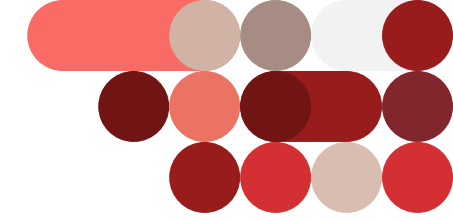
Netel's strategy and business model is impacted by the material sustainability-related impacts, risks and opportunities identified in the Group's double materiality assessment (DMA). These aspects are considered an integrated part of strategic planning, business development and risk management for ensuring long-term sustainable value creation.

The following table shows the material impacts, risks and opportunities identified in the DMA process. For a more detailed description of each area, refer to the sections for each standard.

ESRS standard	Topic within the standard	Impact on the environment and society	Financial materiality	Double materiality
<b>E1 Climate change</b>	Climate change adaptation	Positive	Opportunity	✓
	Climate change mitigation	Negative	Risk	✓
<b>E2 Pollution</b>	Pollution of water	Negative	Not material	
	Pollution of soil	Positive	Not material	
<b>E4 Biodiversity and ecosystems</b>	Ecosystems	Negative	Not material	
	Biodiversity	Negative	Not material	
<b>E5 Circular economy</b>	Resource use	Negative	Risk	✓
	Waste	Positive and negative	Not material	
<b>S1 Own workforce</b>	Working conditions	Positive and negative	Opportunity and risk	✓
	Equal treatment	Negative	Opportunity and risk	✓
<b>S2 Workers in the value chain</b>	Working conditions	Positive and negative	Opportunity and risk	✓
	Equal treatment	Negative	Not material	
	Other work-related rights	Negative	Not material	
<b>G1 Business conduct</b>	Corporate culture	Positive and negative	Opportunity and risk	✓
	Corruption and bribery	Negative	Risk	✓
	IT and cyber security	Negative	Risk	✓



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<b>Financial statements</b>	+
<b>Other information</b>	+



**IRO-1 DESCRIPTION OF THE PROCESSES TO IDENTIFY AND ASSESS MATERIAL IMPACTS, RISKS AND OPPORTUNITIES**

To ensure comprehensive and relevant sustainability reporting, Netel has conducted a double materiality assessment. The purpose of the double materiality assessment is to identify and prioritise the sustainability aspects that impact both the environment and society and Netel's financial performance.

**Methodology and process**

The double materiality assessment was carried out in several steps to ensure that all relevant sustainability matters are taken into account. The analysis covers two perspectives:

**Impact materiality**

This aspect is about Netel's impact on the outside world – environment, people and society – as a result of our activities or business relationships. Here, the impact is assessed based on severity, including scale (how large the impact is), scope (how many people are affected) and irremediable character (how difficult it is to remedy the damage). Positive and negative impacts are considered and the focus is on identifying and addressing the most material matters.

**Financial materiality**

The financial aspect focuses on the impact of an issue on Netel's financial performance, value or future financial position. It includes both risks and opportunities linked to factors such as legislation, market trends, climate change or social change. Materiality is assessed based on the financial impact and the likelihood of its occurrence.

**Criteria and thresholds**

Netel has set thresholds for both financial materiality and impact materiality in order to maintain consistency in assessments of sustainability matters. The assessment is based on scoring according to predefined scales and weighting relevant factors.

For financial materiality, the threshold was determined by a combined assessment of the estimated size of the financial effect in relation to EBITDA and the likelihood of the effect being realised within the relevant time horizon. Sustainability matters with a total score indicating significant economic impact were assessed as exceeding the threshold.

For impact materiality, the threshold was based on the severity of the impact, assessed by weighing its scale, scope and irremediable character, and – for potential impacts – the likelihood of the impact occurring. Topics with a high overall severity were deemed to be material.

The thresholds were applied following a standardised approach to all the sustainability topics assessed, and they form the basis for the final classification of material sustainability matters.

**Data collection and stakeholder dialogue**

As part of the assessment, we conducted an extensive stakeholder dialogue to gather insights from our key stakeholders, including customers, employees, investors and suppliers. Through workshops, data collection and interviews, we identified the sustainability matters deemed most relevant to these groups. The results of these dialogues were compared and fed into the final assessment of material sustainability matters.

In addition, we used both internal and external information to analyse risks, opportunities and impacts related to sustainability matters. This information provided us with a deeper understanding of which areas are critical to our business model and the long-term sustainability of the business.

**Results and analysis**

The results of the double materiality assessment led to prioritising the sustainability matters that have the greatest impact on both Netel's financial performance and our responsibility with regard to the environment and society. These matters were integrated into Netel's sustainability strategy and reporting.

The assessment also identified potential risks, opportunities and impacts related to sustainability that Netel should consider in its strategic planning going forward. These insights help us focus our resources and efforts on the areas that both create value for Netel and contribute to a positive impact on society and the environment.

**Continuous follow-up**

The double materiality assessment is a dynamic process that will be updated regularly to reflect changes in the market, new risks and stakeholder expectations. We will continue to develop our assessment to ensure that we remain updated on relevant sustainability matters and continues to meet our business objectives in a sustainable manner.

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## IRO-2 DISCLOSURE REQUIREMENTS IN ESRs COVERED BY THE UNDERTAKING'S SUSTAINABILITY STATEMENT

### List of material disclosure requirements

	Page number		Page number
BP-1 General basis for preparation of the sustainability statement	40	E5-1 Policies related to resource use and circular economy	61
BP-2 Disclosures in relation to specific circumstances	40	E5-2: Actions and resources related to resource use and circular economy	61
GOV-1 The role of the administrative, management and supervisory bodies	41	E5-3 Targets related to resource use and circular economy	61
GOV-2 Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	41	E5-4 Resource inflows	62
GOV-3 Integration of sustainability-related performance in incentive schemes	41	E5-5 Resource outflows	62
GOV-4 Statement on due diligence	41	S1-1 Policies related to own workforce	63
GOV-5 Risk management and internal controls over sustainability reporting	41	S1-2 Processes for engaging with own workforce and workers' representatives about impacts	63
SBM-1 Strategy, business model and value chain	42	S1-3 Processes to remediate negative impacts and channels for own workers to raise concerns	64
SBM-2 Interests and views of stakeholders	43	S1-4 Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	64
SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model	44	S1-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	64
IRO-1 Description of the processes to identify and assess material impacts, risks and opportunities	45	S1-6: Characteristics of the undertaking's employees	65
E1-1 Transition plan for climate change mitigation	53	S1-7: Characteristics of non-employees in the undertaking's own workforce	65
E1-2 – Policies related to climate change mitigation and adaptation	53	S1-8: Collective bargaining coverage and social dialogue	65
E1-3 Actions and resources in relation to climate change policies	53	S1-9: Diversity metrics	65
E1-4 Targets related to climate change mitigation and adaptation	53	S1-10 Adequate wages	65
E1-5 Energy consumption and mix	54	S1-16 Remuneration metrics (pay gap and total remuneration))	65
E1-6 – Gross Scopes 1, 2, 3 and Total GHG emissions	54	S1-17 Incidents, complaints and severe human rights impacts	65
E1-7 GHG removals and GHG mitigation projects financed through carbon credits	58	G1-1 Business conduct policies and corporate culture	66
E1-8 Internal carbon pricing	58	G1-2 Management of relationships with suppliers	66
E1-9 Anticipated financial effects from material physical and transition risks and potential climate-related opportunities	58	G1-3 Prevention and detection of corruption and bribery	67
E2-1 Policies related to pollution	59	G1-4 Incidents of corruption or bribery	67
E2-2 Actions and resources related to pollution	59	IT and cyber security	67
E2-3 – Targets related to pollution	60		
E2-4 Pollution of air, water and soil	60		
E2-5 Substances of concern and substances of very high concern	60		

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## LIST OF DATAPOINTS FROM OTHER EU LEGISLATION

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Page
ESRS 2 GOV-1 Board's gender diversity paragraph 21 (d)	Indicator number 13 Table #1 of Annex I		Commission Delegated Regulation (EU) 2020/1816, Annex II		41
ESRS 2 GOV-1 Percentage of board members who are independent paragraph 21 (e)			Delegated Regulation (EU) 2020/1816, Annex II		41
ESRS 2 GOV-4 Statement on due diligence paragraph 30	Indicator number 10 Table #3 of Annex I				41
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities paragraph 40 (d) i	Indicator number 4 Table #1 of Annex I	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Table 1: Qualitative information on Environmental risk and Table 2: Qualitative information on Social risk	Delegated Regulation (EU) 2020/1816, Annex II		42
ESRS 2 SBM-1   Involvement in activities related to chemical production paragraph 40 (d) ii	Indicator number 9 Table #2 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		N/A
ESRS 2 SBM-1 Involvement in activities related to controversial weapons paragraph 40 (d) iii	Indicator number 14 Table #1 of Annex I		Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		N/A
ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco paragraph 40 (d) iv			Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		N/A
ESRS E1-1 Transition plan to reach climate neutrality by 2050 paragraph 14				Regulation (EU) 2021/1119, Article 2(f)	53
ESRS E1-1 Undertakings excluded from Paris-aligned Benchmarks paragraph 16 (g)		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book – climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 12.1 (d) to (g), and Article 12.2		53
ESRS E1-4 GHG emission reduction targets paragraph 34	Indicator number 4 Table #2 of Annex I	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 6		53
ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors) paragraph 38	Indicator number 5 Table #1 and Indicator n. 5 Table #2 of Annex I				54
ESRS E1-5 Energy consumption and mix paragraph 37	Indicator number 5 Table #1 of Annex I				54
ESRS E1-5 Energy intensity associated with activities in high climate impact sectors paragraphs 40 to 43	Indicator number 6 Table #1 of Annex I				N/A
ESRS E1-6 Gross Scope 1, 2, 3 and Total GHG emissions paragraph 44	Indicators number 1 and 2 Table #1 of Annex I	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book – climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 5(1), 6 and 8(1)		54
ESRS E1-6 Gross GHG emissions intensity paragraphs 53 to 55	Indicator number 3 Table #1 of Annex I	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 8.1		54
ESRS E1-7 GHG removals and carbon credits paragraph 56				Regulation (EU) 2021/1119, Article 2(f)	58
ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks paragraph 66			Delegated Regulation (EU) 2020/1818, Annex II Delegated Regulation (EU) 2020/1816, Annex II		N/A
ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk paragraph 66 (a)		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraphs 46 and 47; Template 5: Banking book – Climate change physical risk: Exposures subject to physical risk			N/A
ESRS E1-9 Location of significant assets at material physical risk paragraph 66 (c).					N/A

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Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Page
ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy-efficiency classes paragraph 67 (c).		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraph 34; Template 2: Banking book – Climate change transition risk: Loans collateralised by immovable property – Energy efficiency of the collateral			N/A
ESRS E1-9 Degree of exposure of the portfolio to climate- related opportunities paragraph 69			Delegated Regulation (EU) 2020/1818, Annex II		N/A
ESRS E2-4 Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil, paragraph 28	Indicator number 8 Table #1 of Annex I Indicator number 2 Table #2 of Annex I Indicator number 1 Table #2 of Annex I Indicator number 3 Table #2 of Annex I				N/A
ESRS 2- SBM 3 - E4 paragraph 16 (a) i	Indicator number 7 Table #1 of Annex I				N/A
ESRS 2 – SBM 3 – E4 paragraph 16 (b)	Indicator number 10 Table #2 of Annex I				N/A
ESRS 2 – SBM 3 – E4 paragraph 16 (c)	Indicator number 14 Table #2 of Annex I				N/A
ESRS E5-5 Non-recycled waste paragraph 37 (d)	Indicator number 13 Table #2 of Annex I				N/A
ESRS E5-5 Hazardous waste and radioactive waste paragraph 39	Indicator number 9 Table #1 of Annex I				N/A
ESRS 2 – SBM3 – S1 Risk of incidents of forced labour paragraph 14 (f)	Indicator number 13 Table #3 of Annex I				63
ESRS 2 – SBM3 – S1 Risk of incidents of child labour paragraph 14 (g)	Indicator number 12 Table #3 of Annex I				63
ESRS S1-1 Human rights policy commitments paragraph 20	Indicator number 9 Table #3 and Indicator n. 11 Table #1 of Annex I				63
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 21			Delegated Regulation (EU) 2020/1816, Annex II		63
ESRS S1-1 Processes and measures for preventing trafficking in human beings paragraph 22	Indicator number 11 Table #3 of Annex I				63
ESRS S1-1 Workplace accident prevention policy or management system paragraph 23	Indicator number 1 Table #3 of Annex I				63
ESRS S1-3 Grievance/complaints handling mechanisms paragraph 32 (c)	Indicator number 5 Table #3 of Annex I				64
ESRS S1-14 Number of fatalities and number and rate of work-related accidents paragraph 88 (b) and (c)	Indicator number 2 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		65
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness paragraph 88 (e)	Indicator number 3 Table #3 of Annex I				65
ESRS S1-16 Unadjusted gender pay gap paragraph 97 (a)	Indicator number 12 Table #1 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		65
ESRS S1-16 Excessive CEO pay ratio paragraph 97 (b)	Indicator number 8 Table #3 of Annex I				65
ESRS S1-17 Incidents of discrimination paragraph 103 (a)	Indicator number 7 Table #3 of Annex I				65
ESRS S1-17 Non-respect of UNGPs on Business and Human Rights and OECD guidelines paragraph 104 (a)	Indicator number 10 Table #1 and Indicator n. 14 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818 Art 12 (1)		65
ESRS G1-1 United Nations Convention against Corruption paragraph 10 (b)	Indicator number 15 Table #3 of Annex I				66
ESRS G1-1 Protection of whistle-blowers paragraph 10 (d)	Indicator number 6 Table #3 of Annex I				66
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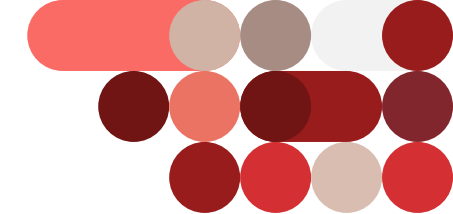
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# EU Taxonomy

The EU Taxonomy Regulation (2020/852) is a central part of the European Union's work to promote sustainable investments and create a common framework for classifying environmentally sustainable economic activities. The regulation aims to help investors and companies identify and direct investments to activities that contribute to the EU's climate and environmental objectives, while ensuring that these activities do not cause significant harm to other environmental objectives. The reporting refers to Netel's operations in Transmission and distribution of electricity (CCM 4.9) and is expanded with the Infraservice operations that conduct infrastructure projects in water and sewage. Water and sewage activities are Taxonomy-eligible but have not yet been assessed to be deemed environmentally sustainable and thus aligned with the EU Taxonomy. Within the Taxonomy Regulation, both climate-related risks and human rights play a central role in ensuring that economic activities not only contribute to sustainability, but are also carried out in an ethical and responsible manner. Climate-related risks, such as extreme weather and changing climate conditions, need to be taken into account in the design and implementation of activities to ensure that they do not cause long-term damage to the environment or society. Human rights is another critical aspect of the Taxonomy, which requires companies to comply with international standards on labour rights, gender equality and anti-corruption. These minimum safeguards are a prerequisite for classification as a sustainable activity. These minimum safeguards are a prerequisite for classification as a sustainable activity. Accordingly, the Taxonomy ensures that the green transition takes place with a strong social responsibility, where respect for human rights goes hand in hand with environmental sustainability.

## Meeting the criteria

### SIGNIFICANT CONTRIBUTIONS TO CLIMATE CHANGE MITIGATION

Netel's projects in the Power Division are performed in Sweden and Norway and involve work on the national, regional and/or local grids which are part of the interconnected European transmission and distribution system and/or subsystems. None of Netel's projects and services involve work on direct lines to CO2 intensive production plants. The activities within transmission and distribution of electricity (CCM 4.9) continue to meet the Taxonomy requirements on a significant contribution to the climate objective of "Climate Change Mitigation." By maintaining and expanding the electricity distribution infrastructure in Sweden and Norway, Netel enables a sustainable energy transition in Europe. Netel also takes into account potential risks linked to climate and human rights that can affect projects in the short and long term. Netel had previously extended its assessment of the operations to include the Infraservices division and identified potential economic activities that are eligible under the EU Taxonomy Regulation. These activities have been assessed as Taxonomy-eligible and fall under the climate change mitigation (CCM) and climate change adaptation (CCA) objectives. Netel has not yet completed a full evaluation of its operations with respect to the criteria to be classified as Taxonomy-aligned. This means that even if the identified activities are eligible under the Taxonomy, it remains to be assessed if they meet the technical screening criteria to make a significant contribution to the climate objectives and that they do not cause any significant harm to other environmental objectives (DNSH). Netel will monitor the further development of the EU Taxonomy and ensure that more parts of its operations are not only Taxonomy-eligible, but also meet the requirements to be classified as Taxonomy-aligned in accordance with EU regulations. The focus will be on evaluating the operations against the technical screening criteria and ensuring that Netel meets both environmental and social requirements under the Taxonomy Regulation for existing and potential additional economic activities.

### DNSH TO CLIMATE RISK ADAPTATION

Netel has performed a screening of the relevant climate-related hazards as well as a physical climate risk and vulnerability assessment for the power projects and services. The assessment concludes that the activities have limited exposure to physical climate risk in the geographies of operation. This is due to the fact that the climate-related hazards are relatively low in these areas and that Netel as a contractor (and not grid owner) performs activities through projects which

are conducted over a climatically short period of time. Since the climate-related risks are assessed not to be material, no adaptation solutions are required to meet the EU Taxonomy criteria. Netel does however recognise that increased awareness in design, planning and execution of the projects is important as the Netel's operations are exposed to climate-related hazards and because Netel's customers are subject to the more long-term impacts of climate change.

### DNSH TO TRANSITION TO A CIRCULAR ECONOMY

The responsibility for managing waste and ensuring maximum re-use and recycling rest in some contracts with Netel and in other contracts with the client. Where Netel has the responsibility, Netel follows internal waste management procedures. Where the waste management responsibility lies with the client, Netel seeks to ensure that the waste its operations produce is delivered to recognised waste management partners for further sorting and treatment.

### DNSH TO POLLUTION PREVENTION AND CONTROL

This provision is only applicable for activities related to above-ground high voltage lines. Where Netel is involved in such types of projects, management systems are in place that comply with the IFC performance standards for the environment, health and safety, as well as applicable norms and regulations for limiting electromagnetic radiation. Limitation of electromagnetic radiation is performed together with the clients by eliminating or minimising the risk.

### DNSH TO BIODIVERSITY AND ECOSYSTEMS

Netel's clients are required to complete an Environmental Impact Assessment (EIA) prior to obtaining a concession. Therefore, the responsibility to complete an EIA and ensure implementation of mitigation measures lies with our clients. In some projects, Netel may perform activities in or near biodiversity sensitive areas. In such cases, Netel is required to get a permit from appropriate national authorities before commencement.

### MINIMUM SAFEGUARDS

All activities performed by Netel are carried out in compliance with the minimum safeguard requirements to ensure that the activities are conducted ethically and responsibly. This includes compliance with internationally recognised standards for human rights, labour law, environmental protection and generally accepted business practices, including measures against corruption and tax evasion. Netel has implemented policies and practices in its operations to manage human rights concerns. A risk assessment was carried out to identify the most significant risks in this area. Netel continuously works to improve existing action plans, including a mapping of the value chain and environmental impact.

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Netel has anti-corruption processes in place including policies set out in the Code of Conduct, financial internal controls, whistleblowing procedures and a digital training programme. The training programme will also cover competition laws and regulations. Netel complies with national tax laws and regulations of the countries in which it operates, and profits are taxed in the same countries. Netel does not use group structures or individual entities for tax purposes. Netel has not been convicted for any violation in relation to labour law or human rights, tax, corruption or bribery or competition laws in the reporting period. By following the minimum safeguards, Netel strengthens its sustainability profile and shows that we not only focus on contributing to environmental objectives, but also take responsibility for conducting business with a high level of integrity and ethical standards. This is a prerequisite for being able to classify economic activities as environmentally sustainable and thereby aligned with the EU Taxonomy Regulation.

## Financial disclosures

### TURNOVER

The key figure “turnover” is defined in the provisions of the EU Taxonomy Regulation as net turnover, which must include all activities over which the Group is deemed to have control and decisive influence. Accordingly, the operation in Finland and the UK were excluded for 2025. All figures below regarding the Taxonomy are presented for the entire Group as per the closing day. Net turnover under IFRS, as presented in the financial statements, is further explained in Notes 1–3. In 2025, Netel’s total turnover was MSEK 2,915 (3,214) of which 31 per cent (29) derived from Taxonomy-aligned or eligible activities related to the economic activity of transmission and distribution of electricity (CCM 4.9).

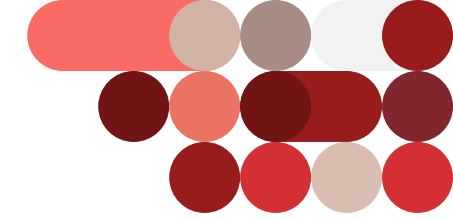
### CAPEX

All figures regarding CapEx are presented for the entire Group. The Taxonomy KPI on CapEx covers additions to tangible and intangible assets during the financial year. Given Netel’s asset-light project management business model with a flexible cost structure, there were few Taxonomy relevant investments made during 2025. Whilst the KPI on CapEx also covers additions to tangible and intangible assets resulting from business combinations, identified intangible assets resulting directly from a purchase price analysis, e.g., goodwill, are excluded. In 2025, total investments in tangible and intangible assets amounted to MSEK 108 (86), excluding goodwill but including investments of right-of-use assets. MSEK 15 (13) of the total investments relate to right-of-use assets for buildings and premises CCM 7.7/CCA 7.7, and whilst these investments are not related to the Taxonomy-eligible economic activity for transmission and distribution of electricity, Netel has decided to include such investments as Taxonomy-eligible investments related to the economic activity for acquisition and ownership of buildings. In 2025, Netel’s total CapEx was MSEK 108 (86), of which 14 per cent (15) derived from Taxonomy-eligible activities. 0 per cent (0) of the CapEx met the Taxonomy screening criteria and, therefore, no investments are classified as aligned. The EU Taxonomy Regulation also requires CapEx plans to be disclosed as part of Taxonomy reporting. Netel strives for future development aligned with the EU Taxonomy yet acknowledges the relatively low need for investments in the operating activities given Netel’s business model. As a result, no significant investments to expand Taxonomy-aligned economic activities or to allow Taxonomy-eligible economic activities to become Taxonomy-aligned have been identified.

### OPEX

All figures below regarding OpEx are presented for the entire Group. The OpEx KPI as defined by the EU Taxonomy has a somewhat different definition in comparison to operating expenses in Netel’s consolidated statement of profit or loss, as it focuses on direct non-capitalised costs related to tangible and intangible assets. In 2025, Netel’s total operating expenses were MSEK 2,855 (3,023) yet only costs related to maintenance and development of assets have the potential of being defined as Taxonomy-aligned. Again, referring to Netel’s asset-light project management business model with few assets under management, Netel has not recognised any Taxonomy-eligible OpEx in 2025. As a result, Netel acknowledges the absence of materiality of Taxonomy-aligned OpEx. Referring to the total operating expenses in 2025, 0 per cent (0) is derived from Taxonomy-eligible activities, and 0 per cent (0) met the Taxonomy criteria.

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Financial year: 2025

Substantial contribution from Taxonomy-aligned economic activities

Key performance indicators	Total (MSEK)	Proportion Taxonomy-eligible (%)	Taxonomy-aligned (MSEK)	Share of Taxonomy-aligned (%)	Climate change		Water (%)	Circular economy (%)		Biodiversity (%)	Share Enabling (%)	Share Transitional (%)	Not evaluated (%)	Taxonomy-aligned 2024 (MSEK)	Taxonomy-aligned 2024 (MSEK)
					mitigation (%)	adaptation (%)		Water (%)	Pollution (%)						
Turnover	2,915	31%	891	31%	100%	0%	0%	0%	0%	0%	31%	-	69%	953	29%
CapEx	108	14%	0	0%	-	-	-	-	-	-	-	-	86%	0	0%
OpEx	0	0%	0	0%	-	-	-	-	-	-	-	-	-	-	-

KPI (Turnover / CapEx / OpEx) Turnover  
 Financial year: 2025

Substantial contribution from Taxonomy-aligned economic activities

Economic activities	Code	Proportion of turnover, Taxonomy-eligible (%)	Taxonomy-aligned turnover (MSEK)	Share, Taxonomy-aligned turnover (%)	Climate change mitigation (%)	Climate change adaptation (%)	Water (%)	Circular economy (%)		Biodiversity (%)	Category enabling activity (E)	Category transitional activity (T)	Proportion Taxonomy-aligned and Taxonomy-eligible
								Water (%)	Pollution (%)				
Transmission and distribution of electricity	CCM 4.9	31%	891	31%	100%	0%	0%	0%	0%	0%	E	-	100%
<b>Total Taxonomy-aligned turnover</b>		<b>31%</b>	<b>891</b>	<b>31%</b>	<b>100%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>E</b>	<b>-</b>	<b>100%</b>

KPI (Turnover / CapEx / OpEx) CapEx  
 Financial year: 2025

Substantial contribution from Taxonomy-aligned economic activities

Economic activities	Code	Proportion of CapEx, Taxonomy-eligible (%)	Taxonomy-aligned CapEx (MSEK)	Share of Taxonomy-aligned CapEx (%)	Climate change mitigation (%)	Climate change adaptation (%)	Water (%)	Circular economy (%)		Biodiversity (%)	Category enabling activity (E)	Category transitional activity (T)	Proportion Taxonomy-aligned and Taxonomy-eligible
								Water (%)	Pollution (%)				
Acquisition and ownership of buildings	CCM7.7/ CCA 7.7	14%	0	0%	-	-	-	-	-	-	-	T	-
<b>Total Taxonomy-aligned CapEx</b>		<b>14%</b>	<b>0</b>	<b>0%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

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# E1 Climate change

Netel's largest negative impact on the climate is through the GHG emissions throughout the entire value chain. This is a result of the company's business model, which includes own operations (Scope 1 and 2) as well as upstream activities (Scope 3).

Scope 1 emissions arise primarily from fuel consumption in Netel's vehicle fleet and work machines. Scope 2 emissions arise from purchased electricity and heating offices and facilities. The largest portion of emissions, however, arise in Scope 3 from purchased goods and services, including building materials and contracted services. Additional emissions are generated through transportation, capital goods and waste management.

Since Scope 3 is the dominant category, cooperating with suppliers and subcontractors is essential for reducing climate impact throughout the entire value chain.

## SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model

Subtopic	Description of Impact, risk and opportunity	Location in the value chain	Time horizon	Reclassification
Climate adaptations	Netel's operations have a direct and material impact on society's ability to achieve net-zero emissions. By enabling new connections and expanding the electricity grid, the company promotes electrification in the transportation sector and other public sectors. This is a key part of the energy transition in Sweden and the EU, and accelerates the decarbonisation of society.	Own operations	Short, medium and long term	Positive impact and Financial opportunity
Climate change	Netel's largest direct climate impact comes from the transportation of employees and materials to project sites. The company can reduce emissions by choosing more environmentally-friendly vehicles and transportation solutions, but the long journeys to work sites mean that electric cars are not yet a realistic alternative for the entire vehicle fleet.	Own operations	Short, medium and long term	Negative impact
Climate change	In January 2023, Netel joined the Science Based Targets initiative (SBTi) and committed to setting emissions targets in line with the Paris Agreement. As a result, we started reporting energy consumption and climate impact in Scope 1-3. Netel has requirements for subcontractors and suppliers to follow relevant environmental standards, to have environmental management systems in place and to have energy plans to reduce their climate impacts. Electrification of the Group's vehicle fleet would have an estimated positive impact on reducing emissions, though in the short term it would be limited.	Upstream and own operations	Short, medium and long term	Positive impact
Climate change	Netel and its subcontractors use many machines in daily operations, particularly in the Infraservices business area. This intense use of machinery results in significant energy consumption and GHG emissions. There is also a risk that older machines and vehicles do not meet the latest environmental requirements, which can increase emissions. In addition to GHG emissions, transportation and heavy vehicles also cause air pollution through particles, nitrogen oxides, sulphur dioxide and other pollutants that negatively affect both the environment and health.	Upstream and own operations	Short, medium and long term	Negative impact and Financial risk
Climate change	Netel's environmental footprint also includes energy consumption and emissions from heating and electricity consumption in buildings, the production of vehicles and machinery, waste management and the purchase of goods, services and capital goods.	Upstream and own operations	Short, medium and long term	Negative impact

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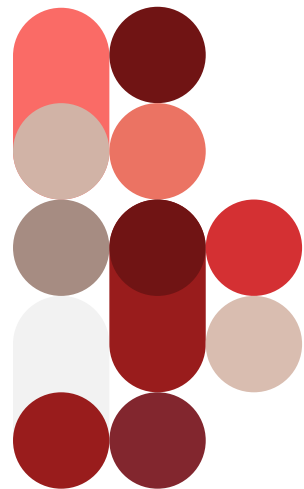
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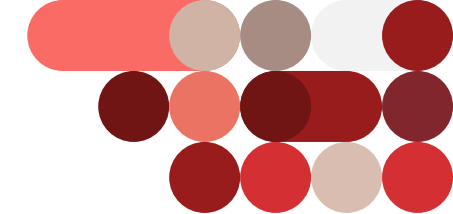
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## E1-1 Transition plan for climate change mitigation

### Transition plan

Netel has committed to the Paris Agreement’s goal of limiting global warming to no more than 1.5°C. The Science Based Targets initiative (SBTi) validated the Group’s climate targets in December 2024, confirming that Netel’s emission reduction targets are compatible with the science-based 1.5°C pathway. By following this pathway, Netel integrates work with climate targets into the Group’s business strategies and contributes to the energy transition. The approval marks an important step in Netel’s sustainability work is the basis for the transition plan, which has short-term targets for 2030 as well as long-term strategies for 2050.

The transition plan and the science-based targets have been approved by the Board and were developed for the purpose of contributing to society’s net-zero transition. By the year 2030, the target is to reduce Scope 1 and 2 emissions by 42 per cent from 2023 in absolute figures, and to reduce Scope 3 emissions by 51.6 per cent per MSEK added value in relevant categories.

The target for 2050 is to reduce Scope 1, 2 and 3 emissions by 90 per cent and to offset the remaining emissions through climate compensation and new technology such as carbon capture. By combining technological investments, supplier partnerships and behavioural changes in the organisation, the Group can enhance its competitiveness and actively participate in the energy transition in Sweden and the EU. Progress is followed up annually through internal reporting to the Board and Management Team.

The Group will achieve this through the following action plan:

### Short-term measures (by 2030):

- Electrification of the vehicle fleet (target: 75 per cent to be electric by 2030).
- Gradual electrification of work machines when technically possible.
- Transition to 100 per cent renewable electricity at offices.
- More efficient use of materials and reduced construction waste.
- Encourage suppliers to measure emissions and set climate targets.
- Training and engagement from employees in sustainability matters.

### Long-term measures (2030–2050):

- Nearly complete electrification of all vehicles and machines.
- Transition to fossil-free building materials (replace concrete, steel and copper).
- Optimised supply chain to ensure low emissions at every stage.
- Neutralising residual emissions through climate offsetting and carbon capture and storage (CCS).

The Group’s operations in activity 4.9 Transmission and distribution of electricity supports the electrification of society and are classified as enabling activities according to the EU Taxonomy’s environmental objectives.

Netel does not conduct any operations in the sectors covered by the exclusion criteria in Article 12 in the Commission Delegated Regulation 2020/1818 and is therefore not excluded from the EU’s Paris-aligned benchmarks. The Group has also prepared a resilience analysis which is presented in E1-9.

### Investments

Netel’s transition plan is based on gradually integrating climate-related investments into ordinary business planning and financing. Focus is on electrification of the vehicle and machine fleet, energy efficiency at offices and purchasing climate-adapted construction and installation materials when appropriate and in partnerships with our customers. Precise investment amounts for the transition have not been calculated yet. The investments are planned and followed up under the framework of the Group’s ordinary budget and investment process. The assessment is that the investments support reduced emissions as well as long-term cost efficiency through lower energy consumption and operating costs, strengthening the company’s financial resilience as climate requirements in the industry become more stringent.

### Assessment of locked-in GHG emissions

Netel’s operations are capital-intensive and depend on vehicles, work machines and materials with long technical lifetimes. This means that some assets and processes generate so-called “locked-in emissions” – future GHG emissions that arise during the remaining useful life of equipment.

A large portion of these pertain to the Group’s fossil-fuelled vehicles and machines, primarily in the Telecom and InfraserVICES divisions. These assets have an estimated service life of 3–5 years, meaning that their emissions will remain throughout the transition period until 2030. The use of building materials with high levels of carbon emissions, such as concrete and steel, also leads to locked-in emissions arising from facilities and installations that Netel builds on behalf of customers.

To reduce risks linked to these locked-in emissions, Netel has adopted a gradual phasing-out plan that is integrated into the Group’s transition plan. It includes gradually electrifying vehicles and machines, purchasing requirements for new machinery to meet the latest environmental requirements and, over time, to increase the use of alternative and recycled building materials when appropriate and in partnerships with customers. The Group continuously follows technological advances in electrification and renewable fuels and expects locked-in emissions to decrease as older equipment is replaced. These emissions are not expected to prevent Netel from reaching the Group’s climate targets for 2030 and 2050.

## E1-2 Policies related to climate change mitigation and adaptation

Netel’s work with climate and the environment is governed by the Group’s environmental policy, which was adopted by the Board and applies to all of the subsidiaries in the Group. The policy sets out overall goals and commitments to reduce climate impact in line with the Paris Agreement and the science-based targets (SBTi) that have been set. The work is based on the principles of preventive efforts in relation to the environment, resource efficiency and continuous improvement.

The environmental policy is supplemented by the risk policy, the purchasing policy and the Code of Conduct for suppliers, which governs how climate-related risks, impacts and opportunities are identified and managed in the value chain.

The environmental policy is available to all employees via the Group’s internal governance documents and intranet. For suppliers and customers, relevant requirements are made available through the Code of Conduct and contractual terms, which aid the implementation of the Group’s climate commitments in the value chain.

These policies are implemented by Netel’s Management Team. The Group CEO assumes the operational responsibility for ensuring that environment and climate matters are integrated into the business operations, while the Board has the overall responsibility for oversight and establishing the policy framework.

## E1-3 Actions and resources in relation to climate change policies

Netel’s current and planned actions to reduce GHG emissions, as well as the resources allocated to carrying out the transition, are described in section E1-1 – Transition plan for climate change mitigation.

This section covers the Group’s short- and long-term actions, investments, financial planning and prioritised focus areas in line with the Group’s science-based climate targets (SBTi). The information in E1-1 thereby covers the disclosure requirements as per ESRS E1-3 §§ 26–29.

## E1-4 Targets related to climate change mitigation and adaptation

Netel’s GHG emission reduction target is presented in section E1-1 – Transition plan for climate change mitigation, which sets out the Group’s science-based targets (SBTi). They are in line with the Paris Agreement’s 1.5°C pathway with base year of 2023, with sub-targets for 2030 and a long-term net-zero target for 2050. The targets encompass Scope 1 and Scope 2 as well as relevant Scope 3 categories. The Scope 2 target is based on market-based emissions in accordance with the GHG Protocol and the SBTi methodology requirements, since this better reflects the impact of the Group’s active choice of electricity contracts and origin-labelled energy.

The base year 2023 was chosen since it represents the first full year in which the Group had consolidated and quality assured emissions data in accordance with the GHG Protocol and the current organisational structure. The year is considered to be representative of the

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scale of the operations and energy consumption and has not been affected by extraordinary events that significantly distort emission levels. Accordingly, the base year is considered to provide a fair basis for monitoring the achievement of targets over time.

The E1-1 section also describes how the targets are followed up, delegated and integrated into the Group's strategy and reporting. This information thereby covers the disclosure requirements as per ESRS E1-4, Sections 30–33.

### E1-5 Energy consumption and mix

Information about Netel's energy consumption and ongoing energy efficiency actions are presented in section E1-1 – Transition plan for climate change mitigation and the Group's environmental policy.

These sections describe the Group's work to electrify the vehicle and machine fleet, reduce energy consumption at offices and facilities and to transition to 100 per cent renewable electricity. Energy consumption and consumption data is followed up annually within the sustainability reporting framework, which covers the disclosure requirements as per ESRS E1-5, Sections 34–36.

Netel did not have access to complete and consolidated data on total energy consumption in MWh broken down by energy source for all units for the 2025 financial year. Existing monitoring was primarily based on fuel volumes and electricity consumption in each unit, which have not yet been fully harmonised into Group-wide reporting in MWh per energy type.

#### Energy consumption and mix

Mvh	2025	2024
Fuel consumption from coal and coal products		
Fuel consumption from crude oil and petroleum products	12,055	12,723
Fuel consumption from natural gas	-	-
Fuel consumption from other non-renewable sources	-	-
Consumption of purchased or acquired electricity energy, heat, steam, and cooling from non-renewable sources	91	49
<b>Total non-renewable energy</b>	<b>12,146</b>	<b>12,772</b>
<b>Share of non-renewable sources in total energy consumption (%)</b>	<b>84%</b>	<b>90%</b>
Consumption from nuclear sources	159	97
<b>Share of nuclear sources in total energy consumption (%)</b>	<b>1%</b>	<b>1%</b>
Fuel consumption for renewable sources (including biomass, biogas, waste from non-fossil fuels, hydrogen from renewable sources, etc.)	695	102
Consumption of purchased or acquired electricity energy, heat, steam, and cooling from renewable sources	1,468	1,161
Consumption of self-generated non-fuel renewable energy	-	-
<b>Total consumption of renewable energy</b>	<b>2,163</b>	<b>1,263</b>
<b>Share of renewable sources in total energy consumption (%)</b>	<b>15%</b>	<b>9%</b>
<b>Total energy consumption (MWh)</b>	<b>14,468</b>	<b>14,132</b>

### E1-6 – Gross Scopes 1, 2, 3 and Total GHG emissions

The climate change statement aims to provide a comprehensive and transparent picture of Netel's climate impact. By adapting its operations, Netel can contribute to limiting global warming to 1.5 °C in line with the Paris Agreement. The Sustainability Report aims to provide insight into Netel's strategy and business model, which are designed to meet future demands and expectations for climate change adaptation. In the double materiality assessment, Netel has identified climate change as one of the most material matters for both environmental impact and financial sustainability. The assessment shows that Netel's activities have material impacts on GHG emissions. At the same time, the transition to more sustainable operations presents both risks and opportunities. For climate change mitigation and limiting GHG emissions, Netel is making a positive contribution to Northern Europe's energy transition through its work on the expansion of the electricity grid. Netel promotes the electrification of various sectors, including transport, thereby helps to reduce climate impact and accelerate the transition to a sustainable society. Netel's infrastructure activities thus strengthen both climate and social benefits. Financially, climate change means an increased exposure to costs linked to changed regulatory requirements, rising energy prices and potential customer requirements on reduced emissions. The transition enables new business opportunities through increased investments in infrastructure.

#### Science Based Targets initiative (SBTi)

The Science Based Targets initiative (SBTi) validated Netel's climate targets in December 2024. The science-based targets mean a reduction of 42 per cent in Scope 1-2 emissions by 2030 and a reduction of 90 per cent by 2050 with 2023 as the base year. The corresponding target for Scope 3 means a reduction of 51.6 per cent per MSEK GEVA1 by 2030 and a reduction of 90 per cent by 2050 with 2023 as the base year. The overall objective is to achieve net zero emissions throughout the value chain by 2050. The validated science-based targets give Netel a clear plan to reduce GHG emissions in line with the global climate targets. The targets reflect not only Netel's ambitions to contribute to a more sustainable future, but also its responsibility towards customers, suppliers and society. By working systematically and purposefully to reduce emissions, Netel strengthens its role as a sustainable and responsible actor.

#### ESRS and the Greenhouse Gas Protocol (GHG)

Netel reports its GHG emissions in accordance with the Greenhouse Gas Protocol (GHG Protocol) and the requirements stipulated in ESRS E1-6.

The standards followed are:

- ESRS E1-6
- Greenhouse Gas Protocol's Corporate Accounting and Reporting Standard (2004)
- Corporate Value Chain (Scope 3) Standard (2011)
- Scope 2 Guidance (2015)

The reporting takes place via a digital platform to ensure complete, relevant and comparable reporting in accordance with the guidelines of the GHG Protocol. All greenhouse gases included in the Kyoto Protocol (CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O, HFCs, PFCs, NF<sub>3</sub> and SF<sub>6</sub>) are covered and Netel uses the designation CO<sub>2</sub>e (CO<sub>2</sub> equivalents). The calculations take into account emissions across the entire value chain as far as possible. For emission factors that change annually, such as electricity and district heating, the latest available emission factor is used. In the calculations per employee, the average number of full-time employees in continuing operations during the year was used, which amounted to 837 (814). Netel has performed a detailed assessment to identify and categorise sources of emissions under the three scopes described in the GHG Protocol. According to the GHG Protocol, the emissions are divided into Scope 1, 2 and 3. Generally speaking, the scopes cover the following:

- Scope 1 encompasses direct GHG emissions over which Netel has direct operational control, primarily fuel consumption of company cars and work machines. These emissions represent a relatively limited share of the Group's total climate impact, but are also a priority area in transition efforts.
- Scope 2 encompasses indirect emissions from purchased electricity and heat. Emissions are reported using both the location-based and market-based approaches, in line with the GHG Protocol guidance.
- Scope 3 encompasses indirect emissions that the company does not control but still causes and is often divided into upstream and downstream emissions, depending on where in the value chain the emissions occur. At the beginning of the value chain, energy consumption in the production of materials such as aluminium, steel and copper is essential. When purchasing materials, Netel has limited insight into the origin and production methods, but it is reasonable to assume that these processes are also energy intensive. Netel's calculations within Scope 3 cover categories 1–7 and 11:
  1. Purchased goods and services
  2. Capital goods
  3. Fuel and energy related activities
  4. Upstream transportation
  5. Waste management
  6. Business travel including hotel stays
  7. Employee commuting
  8. Use of sold products

Calculations of emissions within Scope 3 have been made based on spend cost data in combination with relevant emission factors. Netel has made the assessment that the downstream value chain is not within its financial or operational control and is thereby deemed to be non-material.

<b>Operations</b>	<b>+</b>
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G1 Business conduct	
<b>Financial statements</b>	<b>+</b>
<b>Other information</b>	<b>+</b>



## GHG emissions 2025

In accordance with the Group's financial reporting, where discontinuing operations are reported separately from continuing operations, Netel reports emissions according to the GHG Protocol in the tables and text primarily for the continuing operations, with supplementary information regarding emissions from operations divested during the financial year, unless otherwise stated. Netel categorises and reports its GHG emissions in Scope 1, 2, and 3 according to the GHG Protocol to provide a comprehensive view of the business' climate impact and enable comparisons over time. To ensure comparability, the validated SBTi targets have been recalculated for the comparative period and the base year 2023. Data collection for the Sustainability Report is conducted through digital systems and includes both direct and indirect emissions. Fuel consumption in vehicles and machinery is reported through leasing operators, while energy consumption from properties is collected directly from energy providers or estimated when necessary. For Scope 3, data is collected from suppliers and subcontractors, but due to variations in data quality and availability, calculations are supplemented with standard values and estimates based on the Group's purchasing volumes. Netel has carried out a comprehensive mapping of its climate footprint and developed a transition plan to reduce the Group's GHG emissions. The goal is to create a more sustainable business in line with international climate targets. The reporting aims to ensure transparency, identify areas for improvement, and support the long-term work of integrating sustainability throughout the value chain. By measuring, analysing, and reporting emissions, Netel can develop effective strategies and targets to reduce its climate impact. At the same time, this strengthens the Group's accountability toward customers, suppliers, and society at large. The reporting is a central part of Netel's commitment to actively contribute to the global transition toward a more climate-neutral economy.

Netel's GHG emissions are mainly concentrated in Scope 3, where purchased goods and services constitute a significant portion of total emissions. Scope 1 and 2 primarily consist of fuel consumption in vehicles and machinery. Scope 1 and 2 (market-based) emissions amount to 3,488 (3,414) tonnes CO<sub>2</sub>e, with company cars and machinery being the largest sources. Emissions from company cars generated 1,940 (1,837) tonnes CO<sub>2</sub>e. The reduction in Scope 1 emissions is primarily due to Netel having more electric and hybrid vehicles, which is positive for Netel's climate footprint. Emissions within Scope 2 (market-based) amount to 435 (221) tonnes CO<sub>2</sub>e, where the increase is mainly due to the increased use of electric vehicles. Scope 3 contributed 52,094 (54,844) tonnes CO<sub>2</sub>e, where 90 per cent (92) relates to emissions from purchased goods and services. Emissions from purchased services amounted to 24,982 tonnes CO<sub>2</sub>e, representing 49 per cent of emissions in this category. This reflects the nature of the operations as a project management organisation because Netel engages a large number of subcontractors who do work, such as assembly, excavation work, digging and asphaltting. In addition to purchased services, 51 per cent of the emissions in this category were

generated from purchased materials. The business model means that a significant portion of emissions is generated by external actors. One of the biggest challenges with sustainability data within Scope 3 is collecting data from subcontractors. Currently, Netel cannot report specific data for each type of contractor and supplier but aims to continuously improve reporting. Other Scope 3 emissions amount to 5,132 (4,136) tonnes CO<sub>2</sub>e and are generated from capital goods, fuel-related activities, transport, waste, business travel, employee commuting, and the use of sold products.

The sales used for calculating emissions intensity are based on the Group's net sales according to the consolidated statement of profit or loss. Refer to the consolidated statement of profit or loss in the Annual Report.

### Distribution of primary and secondary Scope 3 data

The Group's Scope 3 emissions are calculated using a combination of primary and secondary data. For 2025, 98.2 per cent was calculated by applying the spend-based approach based on purchase volumes and the average emission factors for the industry, while 1.8 per cent was based on supplier-specific primary data. The high share of spend-based calculations entails a greater degree of uncertainty, particularly in purchased goods and services. Netel is gradually working towards increasing the share of supplier-based data by developing its data collection process and dialogue with suppliers.

### Discontinued operations

Emissions from discontinued operations, meaning the operations in Finland until June 2025 and the UK until November 2025, are estimated based on the 2024 reporting and are reported under Discontinued operations in the emissions table.

Discontinued operations are completely excluded from the tables above, including the comparative year 2024.

<b>Operations</b>	<b>+</b>
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<b>Financial statements</b>	<b>+</b>
<b>Other information</b>	<b>+</b>

## GHG emissions by Scopes 1 and 2 and significant Scope 3 emissions

Tonnes CO <sub>2</sub> e		Base year 2023	Retrospective		Milestones Targets		
			31 Dec 2024	31 Dec 2025	% N/N-1	2030	2050
<b>Scope 1 GHG emissions</b>	Gross Scope 1 GHG emissions (tCO <sub>2</sub> e)	3,324	3,193	3,055	-4%	1,928	332
<b>Scope 2 GHG emissions</b>	Gross location-based Scope 2 GHG emissions (tCO <sub>2</sub> e)	15	24	30	26%	9	2
	Gross market-based Scope 2 GHG emissions (tCO <sub>2</sub> e)	121	221	433	96%	70	12
<b>Scope 3 GHG emissions</b>	Total gross indirect (Scope 3) GHG emissions (tCO <sub>2</sub> e)	53,990	54,844	52,094	-5%	50,211	5,399
	1) Purchased goods and services	50,472	50,708	46,962	-7%	46,939	5,047
	2) Capital goods	1,036	1,678	3,109	85%	964	104
	3) Fuel and energy-related activities (not included in Scope 1 or Scope 2)	830	809	803	-1%	772	83
	4) Upstream transportation and distribution	204	335	274	-18%	190	20
	5) Waste generated in operations	343	564	457	-19%	319	34
	6) Business travel	105	78	100	28%	98	11
	7) Employee commuting	878	567	310	-45%	817	88
	11) Use of sold products	121	105	79	-25%	113	12
	<b>Total GHG emissions (location-based) (tCO<sub>2</sub>e)</b>	<b>57,329</b>	<b>58,060</b>	<b>55,158</b>	<b>-5%</b>	<b>52,148</b>	<b>5,733</b>
	<b>Total GHG emissions (market-based) (tCO<sub>2</sub>e)</b>	<b>57,435</b>	<b>58,257</b>	<b>55,582</b>	<b>-5%</b>	<b>52,209</b>	<b>5,743</b>
<b>Discontinued operations</b>							
<b>Scope 1 GHG emissions</b>	Gross Scope 1 GHG emissions (tCO <sub>2</sub> e)	752	492	668			
<b>Scope 2 GHG emissions</b>	Gross location-based Scope 2 GHG emissions (tCO <sub>2</sub> e)	12	3	1			
	Gross market-based Scope 2 GHG emissions (tCO <sub>2</sub> e)	26	8	4			
<b>Scope 3 GHG emissions</b>	Total gross indirect (Scope 3) GHG emissions (tCO <sub>2</sub> e)	7,692	6,678	4,063			
	1) Purchased materials and services	6,548	5,685	3,255			
	2) Capital goods	21	19	177			
	3) Other	1,123	974	631			
<b>Total emissions including discontinued operations</b>	<b>Location-based</b>	<b>65,785</b>	<b>65,232</b>	<b>59,910</b>	<b>-8%</b>		
	<b>Market-based</b>	<b>65,904</b>	<b>65,434</b>	<b>60,316</b>	<b>-8%</b>		

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Sustainability Report -

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E2 Pollution

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Other information +

**KPIs**

Continuing operations	Base year	31 Dec	31 Dec	% N/N-1
	2023	2024	2025	
Net sales	3,218	3,245	2,925	-10%
Number of employees	788	837	807	-4%
Adjusted EBITDA	250	223	103	-54%
Personnel costs	687	690	724	5%
Added value	937	913	827	-9%
Scope 3 - GEVA, tCO <sub>2</sub> eq/MSEK	58	60	63	5%

**GHG intensity per net revenue and employee**

Continuing operations	2025		2024	
	Per MSEK	Per employee	Per MSEK	Per employee
Scope 1 (tCO <sub>2</sub> eq)	1.0	3.8	1.0	3.8
Scope 2 location-based (tCO <sub>2</sub> eq)	0.01	0.04	0.01	0.03
Scope 2 market-based (tCO <sub>2</sub> eq)	0.15	0.54	0.07	0.26
Scope 1-2 location-based (tCO <sub>2</sub> eq)	1.1	3.8	1.0	3.8
Scope 1-2 market-based (tCO <sub>2</sub> eq)	1.2	4.3	1.1	4.1
Scope 3	17.8	64.5	16.9	65.5
Scope 1-3 location-based (tCO <sub>2</sub> eq)	18.9	68.4	17.9	69.4
Scope 1-3 market-based (tCO <sub>2</sub> eq)	19.0	68.9	18.0	69.6

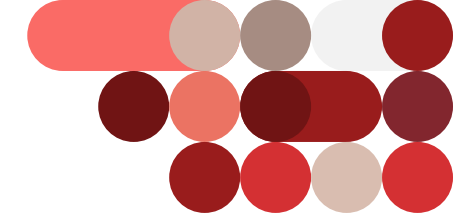
**Scope 1 and 2**

Continuing operations	2025	2024
<b>Tonnes CO<sub>2</sub>e</b>		
Company cars	1,940	1,837
Machinery	1,113	1,356
<b>Total</b>	<b>3,053</b>	<b>3,193</b>
Electricity market-based	414	203
Heating	21	18
<b>Total properties</b>	<b>435</b>	<b>221</b>
<b>Total CO<sub>2</sub>e emissions</b>	<b>3,488</b>	<b>3,414</b>

**Scope 1 Company cars**

Continuing operations	2025	2024
<b>Number</b>		
Electric	68	49
Hybrid	50	45
Biodiesel	9	15
Fossil fuel	451	417
<b>Total no. of cars</b>	<b>578</b>	<b>526</b>
Emissions, g per km driven	195	199

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<b>Other information</b>	<b>+</b>



**E1-7 GHG REMOVALS AND GHG MITIGATION PROJECTS FINANCED THROUGH CARBON CREDITS**

Netel does not currently conduct its own projects to capture or remove GHGs and does not use climate compensation to reach the Group's climate targets. The Group's focus is on actual emissions reductions in its own operations and in the value chain, in line with its established science-based targets (SBTi).

Any neutralisation of remaining emissions are only planned for the long term.

**E1-8 INTERNAL CARBON PRICING**

The Group does not currently apply internal carbon pricing in investment decisions or operational management. Netel follows developments in the industry and continuously evaluates how an internal price on CO2 could be used as a tool to strengthen the Group's efforts to reduce emissions.

Other tools, such as the science-based targets (SBTi), follow up of Scope 1-3 emissions and increased requirements in the purchasing process, are considered more appropriate for improving climate performance.

**E1-9 ANTICIPATED FINANCIAL EFFECTS FROM MATERIAL PHYSICAL AND TRANSITION RISKS AND POTENTIAL CLIMATE-RELATED OPPORTUNITIES**

Netel carried out a climate risk and vulnerability assessment in accordance with the EU Taxonomy's requirements for the "Climate change mitigation" environmental objective. The assessment primarily covers the Group's operations in Sweden and Norway.

The assessment of the transition scenario is in line with the 1.5°C goal and was also used as a reference framework for defining and evaluating the Group's emission reduction measures under E1-4. This ensures that the Group's transition actions and priorities are consistent with a pathway towards net-zero emissions in line with the EU's climate ambitions.

The identified transition risks – such as stricter regulatory requirements, increased supplier traceability requirements and fleet electrification – were integrated into investment planning and operational decisions. Similarly, the assessment of physical climate risks is used as a basis for risk management and project planning to ensure the long-term resilience of the operations.

Overall, Netel believes that the scenario analysis provides a sufficient basis for assessing the Group's climate-related risks and opportunities and for supporting the implementation of the Group's emission reduction strategy.

The results indicate that Netel has a generally low exposure to physical climate risks. This is because our projects have short climate lifespans. Operations are also geographically diversified and the company does not own the infrastructure being built. The primary climatic events that can impact operations are:

- Extreme rainfall and flooding – risk for temporary delays
- Landslides and erosion: local risk in areas with unstable soil conditions.
- Heat waves: can impact the work environment and lead to demands for different ways of working.
- Forest fires: heightened risk during dry summers.

The Group's operations in Germany are not part of the formal climate risk and vulnerability assessment, but are deemed to have similar climate conditions since they are both in the same general climate zone for Northern Europe. Netel is therefore of the opinion that the operations in Germany, as in the Nordic region, have a low exposure to physical climate risks.

While these risks have not been deemed material to the company's operations, they can still lead to operational interruptions. The potential financial impacts have been assessed as limited and short-term, primarily in the form of delayed deliveries due to extreme weather events. Climate-related risks are not expected to materially impact the Group's assets, profitability or long-term financial position.

**Transition risks**

The ongoing energy transition entails changes in regulations, technology and market expectations that impact the Group's operations. The following primary transition risks have been identified:

- Regulatory: More stringent requirements from the EU Taxonomy and the CSRD leading to an increased need for emissions data and supplier traceability in the value chain.
- Technical changes: The transition to electric vehicles and machines means investments and potential interruptions as new technologies are introduced.
- Market and cost risks: Increased prices for fossil-free fuels and climate-neutral materials can have a short-term impact on project calculations. However, this risk is mitigated in close cooperation with customers in the planning phase.

Netel manages these risks by gradually electrifying the vehicle and machine fleet, integrating climate requirements in the purchasing and procurement processes and by cooperating with customers early in the planning phase in order to adapt solutions to their climate targets. These actions are expected to reduce long-term business risk and strengthen the Group's competitiveness in line with sustainability requirements from customers and society.

**Climate-related opportunities**

Climate change and the energy transition are creating many business opportunities for Netel. When existing critical infrastructure in the Nordic region and Northern Europe is exposed to increased climate impact, such as extreme weather and capacity limitations, the need for modernisation, reinforcement and climate adaptation increases. Netel's services in the Telecom, Power and Infraprojects divisions are therefore increasingly in demand, in addition to the already growing need for new investments in electrification and digitalisation.

As an agile, responsive organisation with a strong local presence, Netel can deliver climate-smart, cost-effective solutions that meet customers' requirements for quality, efficiency and reduced climate impact. This strengthens the Group's position as a strategic partner in the energy transition. The Group is therefore of the opinion that the climate transition represents an overall net positive opportunity.

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<b>Financial statements</b>	<b>+</b>
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<b>Other information</b>	<b>+</b>

# E2 Pollution

Netel’s operations include construction work, which entails the risk of impact on soil and water during excavation, excavated soil processing and the use of fuels and chemicals. Pollution has been identified as material from an impact perspective, since operations can lead to impacts on the local environment if safeguards are not applied. The potential impact is primarily negative, though in projects where we contribute to remediation or where we replace older facilities with modern, environmentally resilient infrastructure our impact can also be positive.

## SBM-3 MATERIAL IMPACTS, RISKS AND OPPORTUNITIES AND THEIR INTERACTION WITH STRATEGY AND BUSINESS MODEL

Subtopic	Description of Impact, risk and opportunity	Location in the value chain	Time horizon	Reclassification
Pollution of water	Risk of spills, leaks and emissions during construction work. Managed through procedures for chemical and waste management as well as environmental protection to minimise impact on soil and water.	Upstream, own operations	Short and medium term	Negative impact
Pollution of soil	Material impacts related to the management of residual products during construction work, where the replacement of contaminated soil during projects has a positive impact.	Upstream, own operations	Short and medium term	Positive impact

### E2-1 POLICIES RELATED TO POLLUTION

Netel has a Group-wide sustainability policy that covers the entire organisation and the value chain. It states that Netel is to work systematically to prevent the pollution of air, water and soil and to minimise the risk of environmental damage.

The policy includes the following basic principles in its governance of pollution:

- Preventative work and the precautionary principle: Netel applies the precautionary principle in all decisions that impact the environment and works proactively to reduce environmental risks.
- Preparedness and incident management: There are action and contingency plans to manage accidents, spills and other environmental risks. Deviations are reported and managed through the internal control process established by Netel.
- Requirements for suppliers: Netel requires all suppliers to follow environmental legislation (such as RoHS and REACH) and has procedures for managing its own environmental impact. Suppliers must be able to demonstrate compliance during follow-up procedures.
- Practical environmental protection: Procedures are in place to manage chemicals and to avoid spills and emissions at work sites. Project planning includes environmental risks to protect sensitive areas.

The policy is approved by the Board and reviewed annually. It is shared with every employee and applies to all of Netel.

### E2-2 ACTIONS AND RESOURCES RELATED TO POLLUTION

Netel has established a systematic way of working to identify, manage and prevent pollution in its projects and operations. The work is governed by Netel’s HSSEQ management system (Health, Safety, Security, Environment and Quality).

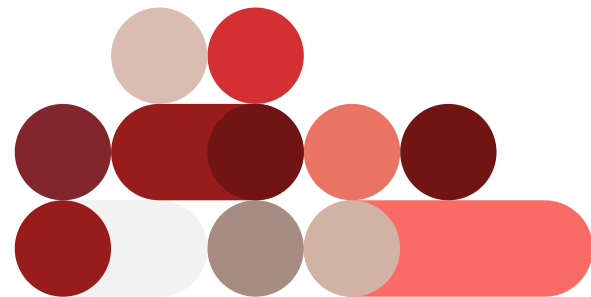
An environmental risk assessment is carried out in the planning phase of a project to identify potential pollution risks, such as working in proximity to watercourses, excavation in sensitive soil or handling chemicals and fuel. The risks are documented in the project’s risk matrix, which forms the basis of technical actions as well as organisational planning. The project’s work plans include concrete instructions for how to practically manage the environmental risks identified.

Preventative measures are introduced to reduce the likelihood of pollution. This can include the use of absorbers, safe storage of oils and chemicals as well as the installation of leak protection when drilling or digging. All project managers are responsible for ensuring that the right equipment is on site and that actions are taken according to plan. Subcontractors are subject to the same requirements based on Netel’s Code of Conduct and contractual terms.

There are established reporting and management procedures to follow in the event of emissions or an incident.

As a part of the control function, Netel carries out regular on-site visits, inspections and internal self-assessments to ensure that environmental and pollution risks are managed correctly. These, in conjunction with requiring suppliers to follow relevant environmental laws as well as demonstrating proof of compliance, creates a robust structure for preventing and minimising the environmental impact of pollution.

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- Governance +
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- Financial statements +
- Other information +



A comprehensive update to HSSEQ was carried out in 2025 for the Swedish Telecom and Power operations. The aim is to include the Swedish operations in Infraservices in the same management system.

The Norwegian companies are certified according to the Miljøfyrtårn (Eco-Lighthouse) environmental management system and work preventatively to prevent pollution in their projects. The Norwegian certification has requirements for correctly sorting waste at source, managing and declaring waste and safely handling hazardous waste and chemicals. Annual reporting according to Eco-Lighthouse in Norway ensures compliance with national environmental requirements.

**E2-3 – TARGETS RELATED TO POLLUTION**

Netel aims to prevent all forms of pollution that could arise as a result of its activities. This means that we work systematically to avoid emissions, spills and other impacts on soil, water and air. This target is qualitative but made tangible through our strategic environmental principles, where work to prevent pollution is one of the key components.

The environmental objective is based on our sustainability policy, where we explicitly commit to following applicable laws and government requirements, applying the precautionary principle and minimising the risk of environmental damage. We work actively to identify and manage environmental risks, such as by requiring environmental risk assessments for every project. This ensures that risks of pollution are identified before work begins, such as when handling chemicals or working near sensitive areas.

**E2-4 POLLUTION OF AIR, WATER AND SOIL**

No Group-wide quantitative measurements were taken during the reporting period related to emissions that pollute water and soil. Current targets are primarily qualitative in nature and focus on preventing pollution through internal procedures, risk analyses and following up on project deviations.

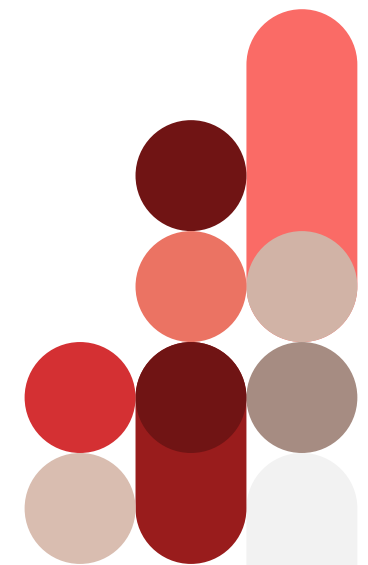
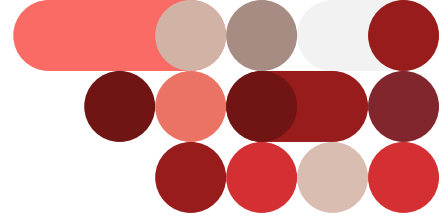
The ambition, as a part of developing Netel's environmental work, is to eventually supplement qualitative work with quantitative monitoring, for example, through statistics for spills or measurements of chemicals handled. This will be integrated into the follow-up part of the updated HSSEQ system.

**E2-5 SUBSTANCES OF CONCERN AND SUBSTANCES OF VERY HIGH CONCERN**

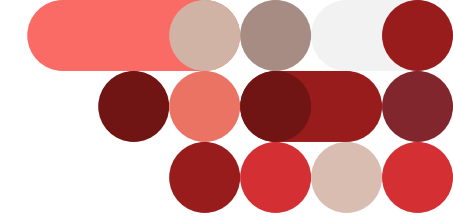
There is currently no reliable or complete data for the occurrence of substances of concern or substances of very high concern in the value chain.

**E2-6 ANTICIPATED FINANCIAL EFFECTS FROM POLLUTION-RELATED IMPACTS, RISKS AND OPPORTUNITIES**

Netel has not deemed pollution-related risks and opportunities to be financially material. Therefore, the company has not quantified the anticipated financial effects according to ESRS E2-6. Access to reliable data is currently limited.



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<b>Other information</b>	<b>+</b>



# E5 Resource use and circular economy

Efficient use of materials and resources is essential for Netel to reduce its environmental impact and increase long-term sustainability. Resource use has been identified as having double materiality, with significant environmental impacts and potential financial consequences linked to costs, delivery reliability and future access to materials. The primary impact is through the use of virgin materials such as gravel, sand, crushed stone and metals. Through careful planning, optimising material flows and resource efficiency requirements for suppliers and subcontractors, we work to reduce consumption and increase the share of recycled materials in projects.

Waste has been deemed material from an impact perspective. Waste is primarily generated during excavation, demolition and installation, and we strive to minimise quantities and to ensure that all waste is managed safely and in an environmentally correct manner.

## SBM-3 MATERIAL IMPACTS, RISKS AND OPPORTUNITIES AND THEIR INTERACTION WITH STRATEGY AND BUSINESS MODEL

Subtopic	Description of Impact, risk and opportunity	Location in the value chain	Time horizon	Reclassification
Resource use	Netel has a negative impact on circularity as it relies on large amounts of virgin materials, primarily in the construction of infrastructure. The company procures resource-intensive materials such as cement, steel, aluminium and copper, often with limited transparency from contractors regarding origins and production. Opportunities to reduce resource use are limited by customer specifications, quality requirements and global shortages of strategic materials.	Upstream	Short and medium term	Negative impact and Financial risk
Waste from own operations	The negative environmental impact arises primarily through waste generated during the construction or demolition of electricity, mobile communications networks or infrastructure services. Waste is managed by an external waste contractor and volumes are usually limited since components are ordered according to a project's needs and plans.	Upstream, own operations	Short, medium and long term	Negative impact
Resource-efficient waste management	Netel has a positive impact on waste management through effective procedures for sorting, recycling and minimising project waste. The company also contributes by ensuring waste from offices and facilities is recycled.	Own operations	Short, medium and long term	Positive impact

### E5-1 POLICIES RELATED TO RESOURCE USE AND CIRCULAR ECONOMY

Netel's sustainability policy states that we are to minimise waste and work to increase sorting at source. We strive to use recyclable and environmentally friendly materials and to avoid products that are hazardous to the environment or health when there are suitable alternatives. Our operations are to be characterised by energy and resource efficiency, whether at offices, in warehouses or on project sites. Resource use is optimised in planning, designing and material management. These principles are applied throughout the value chain and are also the foundation of our requirements for suppliers and subcontractors.

### E5-2: ACTIONS AND RESOURCES RELATED TO RESOURCE USE AND CIRCULAR ECONOMY

Netel did not set quantified or time-specific targets explicitly under ESRS E5 for the reporting year. The main activities carried out during the year and planned actions are described in this section, including their expected contribution to enhancing resource efficiency and circularity.

Netel works in several ways to put its sustainability policy into practice. We have procedures for measuring material waste in projects in order to follow up and reduce unnecessary waste. Improved coordination between purchasing and project management ensures that materials are ordered according to its actual consumption, leading to better resource efficiency. In order to promote circularity and reduce

the need for new production, construction projects identify components that can be reused. Every project site requires sorting at source to increase recycling and reduce environmental impact. Additionally, we work continuously on enhancing internal expertise on circularity and waste management by providing training initiatives for our employees.

Waste is sorted and managed through our own containers, satellite warehouses or through the customer's waste contract to maximise recycling and restoring materials. Hazardous waste is declared and delivered directly to authorised recipients, ensuring correct processing and minimal environmental impact. Waste recipients are chosen based on geography and resource efficiency. The recipient in Sweden is usually Stena Recycling and in Norway it is primarily either Norsk Gjenvinning or Franzefoss.

The Norwegian companies are certified according to the Eco-Lighthouse environmental management system and report annually in accordance with the requirements of the certification. Eco-Lighthouse serves as a national environmental management system and includes requirements for sorting waste at source, waste management, hazardous waste, chemicals, energy, transportation and systematic improvement work. Annual reporting according to Eco-Lighthouse ensures traceability in waste streams, waste sorting at source and resource use, which supports the companies' work with circular economy and environmental performance.

- Operations +

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- Governance +

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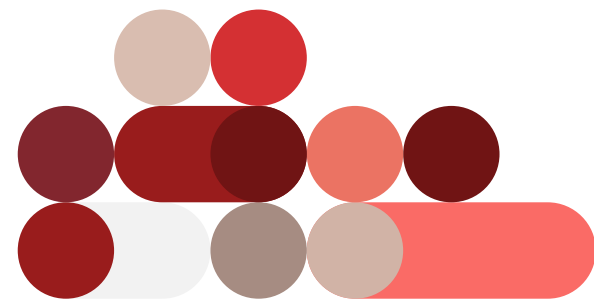
- Sustainability Report -
- General disclosures
- Governance
- General information
- EU Taxonomy
- E1 Climate change
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- S1 Own workforce
- G1 Business conduct

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- Financial statements +

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- Other information +



**E5-3 TARGETS RELATED TO RESOURCE USE AND CIRCULAR ECONOMY**

Netel's overall goal is to improve resource efficiency and reduce the total amount of unrecycled waste per project. The goals are not yet quantified in the form of absolute or relative indicators, but we are working to develop key performance indicators that can be followed up in the environmental management system.

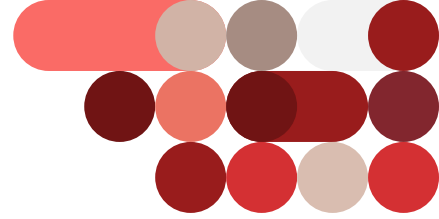
Work is ongoing to harmonise follow-up under the framework of the updated HSSEQ structure, with the aim of being able to report annually and to improve sustainability reporting.


**E5-4 RESOURCE INFLOWS**

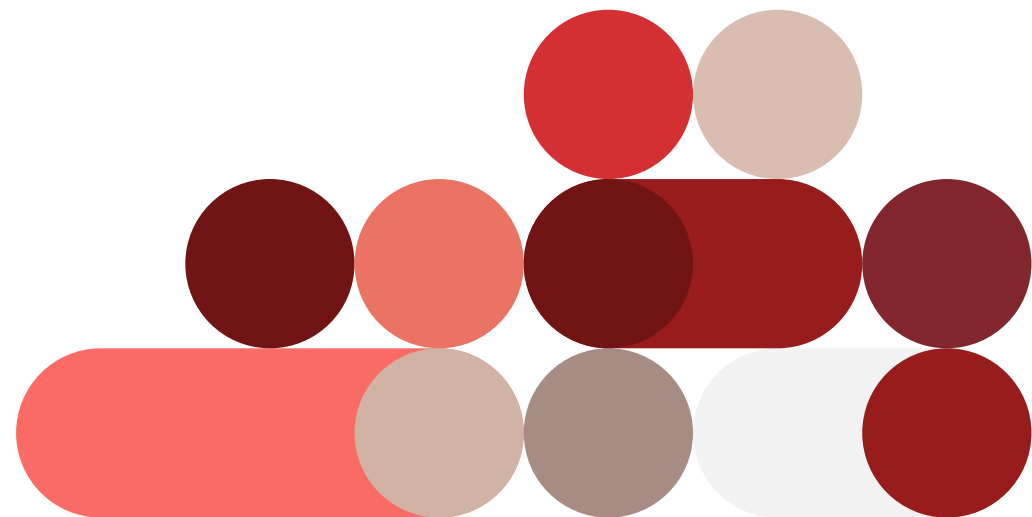
Netel does not currently have any systematic follow-up or reporting for resource inflows. No quantitative information about resource inflows is therefore provided.

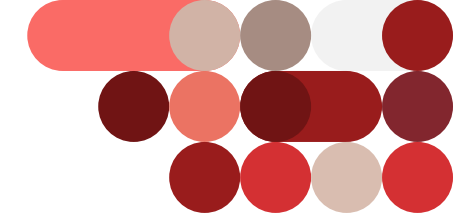
**E5-5 RESOURCE OUTFLOWS**

Netel does not currently have any systematic follow-up or reporting for resource outflows. No quantitative information about resource inflows is therefore provided.



<b>Operations</b>	<b>+</b>
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<b>Financial statements</b>	<b>+</b>
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<b>Other information</b>	<b>+</b>





# S1 Own workforce

As the core of operations, Netel's employees are essential for the Group's long-term success. A safe, fair and stimulating work environment is therefore a priority in our sustainability work. Working conditions and equal treatment were identified as material topics since they have both positive and negative impacts and could present financial risks as well as opportunities for operations.

Our goal is to offer attractive working conditions, ensure gender equality and equal treatment as well as to prevent work-related risks in every part of the organisation.

Subtopic	Description of Impact, risk and opportunity	Location in the value chain	Time horizon	Reclassification
Working conditions-Health and safety	Netel is exposed to work environment and health risks, especially with work at height, driving and managing high-voltage systems. Risks include falls, electrocution and fire. Handling machines and vehicles entails additional risks if safety regulations are not followed. This area is deemed material from both an impact and financial perspective.	Own operations	Short, medium and long term	Negative impact and financial opportunity and risk
Working conditions-Employees can be affected by high workloads, stress and mental illness	As an employer, Netel can expose employees to stressful working conditions, such as high workloads, stress and impacts on their mental health. The high requirements linked to the energy transition and the rapid expansion of the electricity grid has contributed to reports of stressful work environments.	Own operations	Short, medium and long term	Negative impact and financial opportunity and risk
Working conditions-impact through creating jobs with fair and secure working conditions	Netel has a positive impact as an employer by creating jobs with fair working conditions. The company offers salaries in line with applicable collective agreements, has guidelines for digital communication, carries out annual employee surveys and performance reviews and maintains a whistleblower function.	Own operations	Short, medium and long term	Positive impact
Equal treatment and opportunities for all	Netel works actively with gender equality and inclusion, but employees can still be negatively impacted by working in an industry with uneven gender distribution. Only around 8 per cent of employees are women. The company also be exposed to risks related to discrimination or other unconscious bias in daily operations and in contact with internal and external stakeholders, though these matters are handled proactively by Netel.	Own operations	Short, medium and long term	Negative impact and financial opportunity and risk

## S1-1 POLICIES RELATED TO OWN WORKFORCE

Netel has established policies and steering documents to ensure good working conditions, health and safety and equal opportunities for all employees. The work is regulated through the HR policy, the health and safety policy and the Code of Conduct for employees, which collectively form the basis for Netel's responsibilities in relation to its own workforce.

The HR policy establishes the overall principles for a respectful, safe and inclusive work environment. It includes leadership, recruitment, skills development, work environment, diversity and gender equality as well as guidelines for working conditions, salaries and benefits. The policy emphasises the importance of values-based leadership and a culture characterised by Closeness, Efficiency, Credibility, Commitment and Long-term approach.

The health and safety policy sets out Netel's ambition to offer a work environment that prevents both physical and mental illness. The policy applies to all employees, consultants and Board members and describes the division of responsibility, goals and procedures for meeting legal requirements, conducting preventative work and including employees and union representatives in our continuous safety efforts.

The Code of Conduct for employees establishes the ethical and social principles that every employee is expected to follow. The Code is based on the UN Global Compact, the ILO Core Conventions and

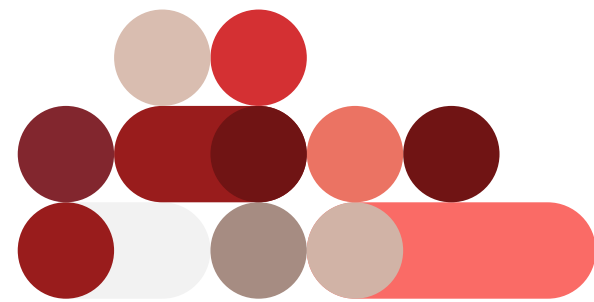
the OECD Guidelines for Multinational Enterprises. It covers human rights, equal treatment, labour rights, health and safety and establishes a zero-tolerance policy regarding corruption, discrimination and harassment. All employees are expected to read and sign the Code upon employment, and management is responsible for ensuring understanding and compliance.

The policies are adopted by the Board of Netel Group and reviewed annually or as needed. The Group CEO is responsible for keeping the policies up-to-date, communicating them to all relevant parties and implementing them in operating activities. Compliance is monitored under the framework for the Group's management system and work environment activities.

## S1-2 PROCESSES FOR ENGAGING WITH OWN WORKFORCE AND WORKERS' REPRESENTATIVES ABOUT IMPACTS

Netel maintains an open dialogue with employees and their representatives in matters pertaining to working conditions, work environment and other material aspects of working life. Continuous communication is carried out through employee interviews, workplace meetings, inspections and internal information channels.

In Sweden and Norway, the majority of employees are covered by collective bargaining agreements, ensuring formal channels for dialogues with union representatives. Topics such as changes to the operations, work environment matters and initiatives to improve



- Operations +

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- Governance +

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well-being and safety are discussed in these forums. Netel also encourages employees to communicate their viewpoints directly to their immediate superior or the HR function, in line with the Group's "open door" culture.

**S1-3 PROCESSES TO REMEDIATE NEGATIVE IMPACTS AND CHANNELS FOR OWN WORKERS TO RAISE CONCERNS**

Netel has established processes for identifying, managing and remediating any negative impacts that could impact employees. Every employee has access to a whistleblower function that allows anonymous reporting of irregularities such as harassment, discrimination, unethical behaviour or shortcomings in the work environment. Reports are managed by an independent party and followed up in accordance with applicable legislation and internal procedures.

In case of confirmed deviations or incidents, corrective actions are taken and the results are followed up by HR and management. Netel has a zero-tolerance policy towards discrimination and harassment and offers support to impacted individuals in the form of dialogues, counselling and, when necessary, rehabilitative measures.

**S1-4 TAKING ACTION ON MATERIAL IMPACTS ON OWN WORKFORCE, AND APPROACHES TO MANAGING MATERIAL RISKS AND PURSUING MATERIAL OPPORTUNITIES RELATED TO OWN WORKFORCE, AND EFFECTIVENESS OF THOSE ACTIONS**

Netel works systematically to create comfortable, fair and stimulating workplace. To reduce risks linked to work environment, workloads and safety, continuous risk assessments and inspections are carried out at project work sites. Employees are offered training in safety, leadership and stress management, and all workplaces are covered by procedures for reporting and following up accidents and incidents.

Opportunities are strengthened through investments in skills development, internal mobility and leadership programmes, which lead to increased motivation, commitment and loyalty. Netel follows up work environment and well-being through regular employee surveys and eNPS measurements, which form the basis of improvement actions. These initiatives allow Netel to work both preventively and developmentally to ensure a sustainable work life and long-term employee satisfaction.

**S1-5 TARGETS RELATED TO MANAGING MATERIAL NEGATIVE IMPACTS, ADVANCING POSITIVE IMPACTS, AND MANAGING MATERIAL RISKS AND OPPORTUNITIES**

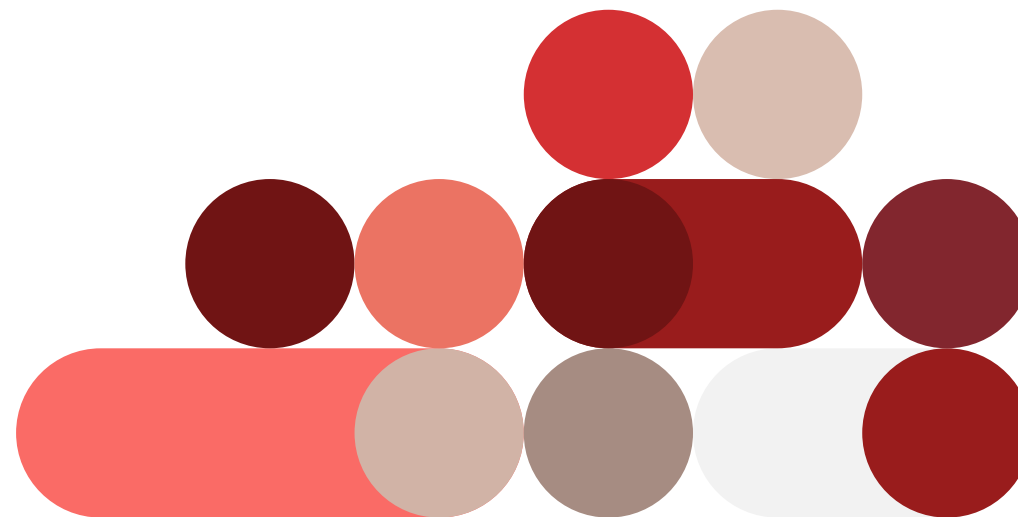
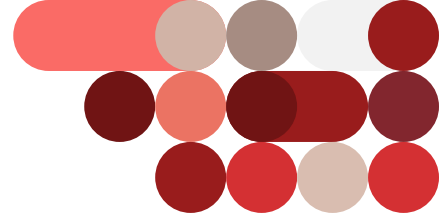
Netel's overall goal is to be an attractive, safe and inclusive employer.

The company aims to:

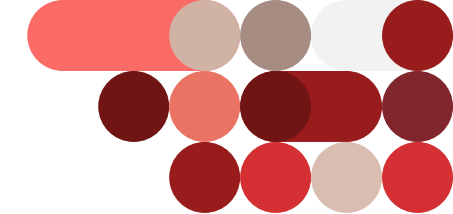
- have zero work-related accidents,
- ensure that all employees are treated fairly and with respect,
- increase employee commitment as measured through eNPS,
- and support gender equality and diversity at every level of the organisation.

Apart from the target of zero work-related accidents, Netel has not set quantified, time-specific and unit-defined targets for the reporting year that meet the definition of the targets under ESRS S1 and MDR-T. Other ambitions in occupational health and safety, engagement and diversity are strategic directions and are monitored through internal KPIs, but are not formally set as ESRS targets.

The work is followed up through key performance indicators for accidents, sick leave, eNPS and the share of women employees. The goals support Netel's long-term strategy to combine safety, skills and commitment with a strong and inclusive corporate culture.



<b>Operations</b>	<b>+</b>
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S1 Own workforce	
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<b>Financial statements</b>	<b>+</b>
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<b>Other information</b>	<b>+</b>



## S1-6 CHARACTERISTICS OF THE UNDERTAKING'S EMPLOYEES

### Number of employees

Continuing operations

	2025	2024
Number of employees	807	773

### Number of employees by country

Continuing operations

	2025	2024
Sweden	319	343
Number of women/men	40/279	38/305
Number of women/men, %	13%/77%	12%/78%
Norway	481	421
Number of women/men	42/439	43/378
Number of women/men, %	9%/91%	10%/90%
Germany	7	9
Number of women/men	2/5	2/7
Number of women/men, %	40%/60%	29%/71%
<b>Total number of women/men</b>	<b>84/723</b>	<b>83/690</b>
Total number of women/men, %	10%/90%	11%/89%

Of senior executives, 20 per cent is female.

### Employee turnover and sick leave

Continuing operations

	2025	2024
No. who left during the year	83	105
Employee turnover, %	10.0%	13.6%
Sick leave, %	4.2%	3.9%

### New employees

Continuing operations

	2025	2024
Number of new employees	162	110

### Parental leave

Continuing operations

	2025	2024
Number on parental leave	24	73

Refers to the number of employees on parental leave in 2025 measured as an average number of full-time equivalents. For the comparative year 2024, the metric referred to the number of persons taking parental leave during the year.

### Number of employees

Continuing operations

	2025	2024
Full-time employees	798	755
Part-time employees	15	18
Number of non-employees	38	44

The information refers to the average number of full-time equivalents. Non-employees refers to consultants who are hired by a Netel company to carry out specific projects.

## S1-7: CHARACTERISTICS OF NON-EMPLOYEES IN THE UNDERTAKING'S OWN WORKFORCE

### Permanent and part-time employees and non-employees

Continuing operations

	2025	2024
Full-time employees	798	755
Part-time employees	15	18
Number of non-employees	38	44

## S1-8: COLLECTIVE BARGAINING COVERAGE AND SOCIAL DIALOGUE

### Number and share of employees covered by collective agreements

Continuing operations

	2025	2024
Number covered by collective agreements	782	721
Share covered by collective agreements, %	97%	93%

The information refers to the average number of full-time equivalents in 2025.

## S1-9: DIVERSITY METRICS

### Age and gender distribution

		2025	2024
age 18-35, share women/men	Number of women/men	26/266	34/239
	Share women/men, %	9%/91%	12%/88%
age 36-50, share women/men	Number of women/men	30/246	25/257
	Share women/men, %	11%/89%	9%/91%
Age 50 and above, share women/men	Number of women/men	28/211	24/194
	Share women/men, %	12%/88%	11%/89%

The information refers to the average number of full-time equivalents.

## S1-10 ADEQUATE WAGES

All employees are paid fair salaries according to prevailing guidelines. Further information about salaries and remuneration can be found in Note 6 of the financial statements.

## S1-14 WORK-RELATED HEALTH

Netel monitors work-related health through key performance indicators for accidents and absenteeism, as well as through regular safety inspections at project sites to identify risks and prevent incidents. During 2025, 589 workplace visits were carried out as part of the systematic work environment management. The number of work-related fatalities amounted to 0 (0), and the number of work-related accidents to 9 (9). The reported number of work-related accidents refers to incidents that resulted in more than one day of absence.

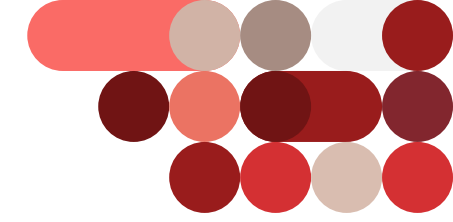
## S1-16 REMUNERATION METRICS (PAY GAP AND TOTAL REMUNERATION))

The difference between the average salary levels among women and men employed (the pay gap) is -2 per cent for Netel's employees in 2025, with female employees receiving a slightly higher salary. The annual remuneration ratio, meaning the relationship between the highest paid person and the median value for total remuneration to all Netel employees, was 7.0 in 2025.

## S1-17 INCIDENTS, COMPLAINTS AND SEVERE HUMAN RIGHTS IMPACTS

Netel did not identify any work-related incidents or reports within its own workforce during the reporting period. Nor were there any reports of human rights violations, such as discrimination, harassment or retaliation. This includes internal reporting channels as well as cases received through the company's whistleblower function.

Operations	+
Governance	+
Sustainability Report	-
General disclosures	
Governance	
General information	
EU Taxonomy	
E1 Climate change	
E2 Pollution	
E5 Resource use and circular economy	
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G1 Business conduct	
Financial statements	+
Other information	+



# G1 Business conduct

Netel conducts its operations with a strong focus on responsibility, transparency and long-term sustainability. For Netel, business conduct means integrating ethical, social and environmental consideration throughout its operations, from project management and purchasing to cooperation with suppliers and partners. Through well-structured processes, clear steering documents and a strong focus on quality, Netel strives to minimise negative impacts, prevent risks and promote a corporate culture of integrity and respect.

Subtopic	Description of Impact, risk and opportunity	Location in the value chain	Time horizon	Reclassification
Corporate culture - Well-structured project management processes to minimise ESG impacts	Netel prepares project plans for quality, environment and work environment to prevent errors, reduce environmental impact and ensure health and safety. Quality means continuously improving processes and achieving set targets.	Upstream, own operations, downstream	Short, medium and long term	Positive impact and financial opportunity
Corporate culture- Challenges in coordinating cultures and processes after acquisitions	Netel's business model is based on business combinations. The differences in cultures and ways of working between companies and countries can make harmonisation difficult, creating risks in the operations.	Upstream, own operations, downstream	Short, medium and long term	Negative impact and financial risk
Corruption and bribery	Netel operates in an industry that is at risk of corruption, for example, through cartels among subcontractors. These risks are counteracted through clear policies, agreements and supplier auditing.	Upstream, own operations, downstream	Short, medium and long term	Negative impact and financial risk
Cyber security	Insufficient data protection or cyberattacks can lead to information leaks, fines and reputational damage. Netel works with strong safety procedures and training to reduce risks and external stakeholders, though these matters are addressed proactively by Netel.	Upstream, own operations, downstream	Short, medium and long term	Negative impact and financial risk

## G1-1 BUSINESS CONDUCT POLICIES AND CORPORATE CULTURE

Netel's Code of Conduct for employees is the basis of the Group's work with business conduct. The Code establishes joint values and guidelines for how business operations are to be run: with respect for the law, ethics, the environment and human rights. It includes all employees, regardless of function or company, and clarifies responsibilities, behaviour and expectations in daily operations.

Netel strives for a corporate culture of responsibility, integrity and respect. In this work, particular attention is paid to the functions that, due to their roles, have a higher exposure to risks related to corruption and undue influence, such as employees in purchasing and procurement, sales and business development, as well as project management and senior management with decision-making mandates. Well-defined decision-making procedures and authorisation manuals, as well as required compliance with the Code of Conduct apply to these roles.

Well-structured project managed processes ensure that quality, the environment and the work environment are considered in every project. The aim is to prevent errors, minimise negative environmental impacts and create a safe work environment.

As a Group that grows through business combinations, Netel places great emphasis on harmonising values, procedures and ways of working across geographical and organisational boundaries. This work on corporate culture is essential for ensuring a shared approach to ethics, leadership and sustainable business.

Netel does not currently have any quantitative or time-bound targets related to ESRS G1. Work in this area is instead governed by the Group's policies, internal controls and the Code of Conduct.

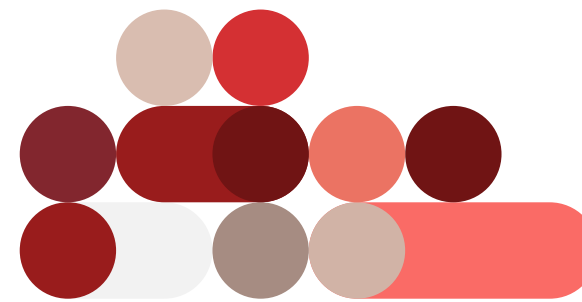
## G1-2 MANAGEMENT OF RELATIONSHIPS WITH SUPPLIERS

Netel works to ensure a sustainable, ethical and robust value chain in line with the Group's Code of Conduct, sustainability policy and anti-corruption policy. Interruptions in the supply chain are minimised through close dialogues and planning with suppliers. Purchases are also coordinated with project management to reduce material waste and increase resource efficiency.

Employees within purchasing are trained in business conduct, sustainability and appropriate supplier relationship management. Suppliers are expected to follow the law, to take action against corruption and undeclared work and to take responsibility for work environments and environmental impact. To the greatest possible extent, Netel prioritises local and certified suppliers with documented sustainability profiles.

Monitoring takes place through regular contact, evaluations and, as necessary, on-site visits. The aim is to create long-term and transparent relationships of trust that contribute to a sustainable value chain.

- Operations +
- Governance +
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- G1 Business conduct
- Financial statements +
- Other information +



**G1-3 PREVENTION AND DETECTION OF CORRUPTION AND BRIBERY**

Netel applies a strict zero tolerance policy regarding bribery, corruption, fraud and money laundering throughout the value chain. The policy is based on international and national regulations pertaining to gifts, bribery and improper gifts.

Employees and partners are not to offer, arrange or accept gifts, trips or other services that could be considered improper. Gifts from suppliers may only be accepted if their value is insignificant. Cash or the equivalent is always prohibited. Netel always pays its own costs during visits, conferences and supplier meetings.

There are measures in place to prevent and detect irregularities, such as internal guidelines, conflict of interest procedures and reporting channels through either managers or the whistleblower function. Netel trains employees in business conduct and the Code of Conduct to ensure understanding and compliance.

**G1-4 INCIDENTS OF CORRUPTION OR BRIBERY**

Netel has zero tolerance for bribery, corruption, fraud and money laundering. Monitoring takes place through the Group's whistleblower function, reporting to HR and management, and through internal controls and legal processes.

No suspected or confirmed incidents of corruption or bribery were identified during the 2025 financial year. No legal actions, fines or sanctions related to corruption or bribery were imposed on the Group.

2025	2024	2023	2022	2021
0	0	0	0	0

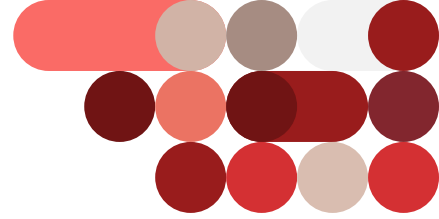
**IT AND CYBER SECURITY**

Netel sees IT and cyber security as a key part of business conduct. A secure digital infrastructure is essential for protecting the company's operations, customers and partners as well as to maintain trust and continuity in business processes.

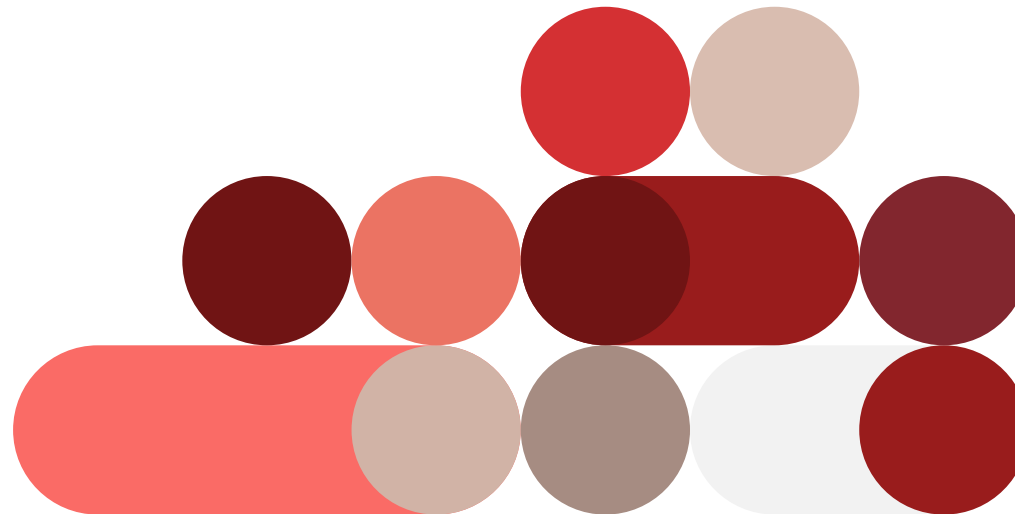
The Group works systematically to prevent, detect and manage cyber threats through technical protection, training and clear procedures. In 2025, Netel continued to develop and modernise its IT environment by introducing new support systems in project management and finance. This work has increased automation, improved data quality and enhanced information security. We continued to strengthen our IT infrastructure and our work on cyber security during the year to ensure a safe and stable digital environment. Cyber security is a key component of our risk management and a strategic priority to protect the company's assets, customer data and business-critical systems.

Cyber security is integrated into Netel's risk management and includes preventative actions as well as incident management. All employees are responsible for following the Group's IT policy and data protection procedures. Our goal is to create a robust and future-proof IT environment that supports the growth of the business and protects our stakeholders. We are continuing to invest in state-of-the-art solutions and partner with cyber security leaders to remain at the forefront of a rapidly changing digital world. Regular updates and training raise information security awareness and reduce the risk of breaches and data leaks.

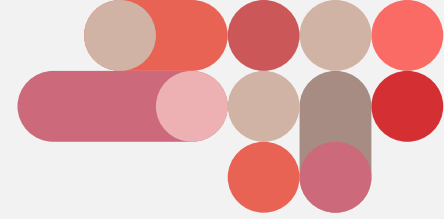
As a part of Netel's long-term digital strategy, the Group also strives to reduce the climate impact of IT operations through energy-efficient solutions and the use of cloud services powered by renewable energy. The IT strategy thus contributes to better security and to Netel's overall sustainability targets.



<b>Operations</b>	<b>+</b>
<b>Governance</b>	<b>+</b>
<b>Sustainability Report</b>	<b>-</b>
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E2 Pollution	
E5 Resource use and circular economy	
S1 Own workforce	
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<b>Financial statements</b>	<b>+</b>
<b>Other information</b>	<b>+</b>



# Financial statements



<b>Operations</b>	+
<b>Governance</b>	+
<b>Sustainability Report</b>	+
<b>Financial statements</b>	+
Financial statements and notes	
Proposed appropriation of profits	
Auditor's report	
Definitions of alternative performance measures	
Quarterly review	
Multi-year review	
<b>Other information</b>	+



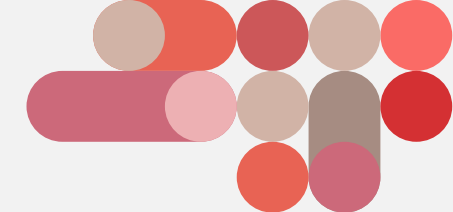
## Consolidated statement of profit or loss

MSEK	Note	1 Jan 2025 -31 Dec 2025	1 Jan 2024 -31 Dec 2024
<i>Continuing operations</i>			
<b>Operating income</b>			
Net sales	2, 3	2,915	3,214
Other operating income		10	31
<b>Total revenue</b>		<b>2,925</b>	<b>3,245</b>
<b>Operating expenses</b>			
Materials and purchased services	0	-1,821	-2,059
Other external expenses	4	-309	-274
Personnel costs	5, 6	-724	-690
Depreciation and amortisation	11, 12, 13, 14, 15, 16	-84	-65
<b>Total operating expenses</b>		<b>-2,938</b>	<b>-3,088</b>
<b>Operating profit (EBIT)</b>		<b>-13</b>	<b>157</b>
Financial income	7	3	6
Financial expenses	7	-81	-83
<b>Net financial items</b>		<b>-78</b>	<b>-77</b>
<b>Earnings before tax</b>		<b>-91</b>	<b>81</b>
Taxes	9, 23	1	-17
<b>Net income continuing operations</b>		<b>-90</b>	<b>64</b>
<i>Discontinued operations</i>			
Net Income discontinued operations, net after tax	36	-27	-111
<b>Earnings for the year</b>		<b>-117</b>	<b>-47</b>
<b>Earnings for the year attributable to</b>			
Parent Company's shareholders		-117	-47
Non-controlling interests		-	-
<b>Earnings per share</b>			
Earnings per share before and after dilution, continuing operations (SEK)	10	-1.86	1.31
Earnings per share before and after dilution including discontinued operations (SEK)	10	-2.42	-0.97
Average number of shares before and after dilution (thousands)		48,512	48,512

## Consolidated statement of comprehensive income

MSEK	Note	1 Jan 2025 -31 Dec 2025	1 Jan 2024 -31 Dec 2024
<b>Earnings for the year</b>		<b>-117</b>	<b>-47</b>
Items that will be reclassified as profit or loss			
Translation differences on translation of foreign operations		-10	-0
Translation differences on translation of discontinuing operations		2	8
<b>Other comprehensive income for the year</b>		<b>-8</b>	<b>8</b>
<b>Comprehensive income for the year</b>		<b>-125</b>	<b>-39</b>
<b>Comprehensive income attributable to:</b>			
- Parent Company's shareholders		-125	-39
- non-controlling interests		-	-
<b>Total comprehensive income for the year</b>		<b>-125</b>	<b>-39</b>

<b>Operations</b>	<b>+</b>
<b>Governance</b>	<b>+</b>
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<b>Other information</b>	<b>+</b>



## Consolidated statement of financial position

MSEK	Note	31 Dec 2025	31 Dec 2024	MSEK	Note	31 Dec 2025	31 Dec 2024
<b>ASSETS</b>				<b>EQUITY AND LIABILITIES</b>			
<b>Non-current assets</b>				<b>Equity</b>			
<b>Intangible assets</b>				Share capital			
Goodwill	11	1,225	1,242	Other contributed capital	22	1	1
Other intangible assets	12	200	202	Reserves	22	1,473	1,472
<b>Total intangible assets</b>		<b>1,425</b>	<b>1,444</b>	Retained earnings including earnings for the year		-21	-13
<b>Property, plant and equipment</b>				<b>Total equity</b>		<b>971</b>	<b>1,095</b>
Lands and buildings	13	5	5	<b>Liabilities</b>			
Plant and machinery	14	51	68	<b>Non-current liabilities</b>			
Equipment, tools, fixtures and fittings	15	7	6	Liabilities to credit institutions	24, 28	884	920
Right-of-use assets	16	134	83	Lease liabilities	24, 28	81	38
<b>Total property, plant and equipment</b>		<b>198</b>	<b>162</b>	Other non-current liabilities	35	12	10
<b>Financial non-current assets</b>				Deferred tax liability	23	60	70
Other financial assets	18	30	15	<b>Total non-current liabilities</b>		<b>1,037</b>	<b>1,038</b>
<b>Total financial non-current assets</b>		<b>30</b>	<b>15</b>	<b>Current liabilities</b>			
<b>Other non-current assets</b>				Liabilities to credit institutions	24, 28	104	8
Deferred tax assets	23	2	7	Lease liabilities	24, 28	50	40
<b>Total non-current assets</b>		<b>1,655</b>	<b>1,628</b>	Accounts payable		298	296
<b>Current assets</b>				Contract liabilities	25	116	132
<b>Inventories</b>				Current tax liabilities		-	-
Raw materials and consumables		5	2	Other liabilities		51	163
<b>Total inventories</b>		<b>5</b>	<b>2</b>	Accrued expenses and deferred income	26	127	117
<b>Current receivables</b>				<b>Total current liabilities</b>		<b>747</b>	<b>756</b>
Accounts receivable	19	478	505	<b>Liabilities attributable to assets held for sale</b>			
Contract assets	20	362	384			-	78
Other receivables		39	105	<b>TOTAL EQUITY AND LIABILITIES</b>			
Prepaid expenses and accrued income	21	11	22			<b>2,755</b>	<b>2,968</b>
<b>Total current receivables</b>		<b>890</b>	<b>1,015</b>				
<b>Cash and cash equivalents</b>							
	35	205	261				
<b>Total cash and cash equivalents</b>		<b>205</b>	<b>261</b>				
<b>Assets held for sale</b>							
	36	-	62				
<b>Total current assets</b>		<b>1,100</b>	<b>1,340</b>				
<b>TOTAL ASSETS</b>		<b>2,755</b>	<b>2,968</b>				

Operations +

Governance +

Sustainability Report +

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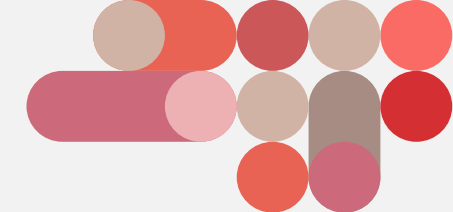
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## Consolidated statement of changes in equity

TSEK	Equity attributable to Parent Company's shareholders				
	Share capital	Other contrib-uted capital	Translation reserve	Retained earnings including earnings for the year	Total equity attributable to Parent Compa-ny's sharehold-ers
<b>Opening equity 1 Jan 2024</b>	<b>746</b>	<b>1,470,810</b>	<b>-20,703</b>	<b>-317,416</b>	<b>1,133,438</b>
Earnings for the year	-	-	-	-46,797	-46,797
Other comprehensive income for the year	-	-	7,573	-	7,573
<b>Comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>7,573</b>	<b>-46,797</b>	<b>-39,224</b>
<i>Transactions with Group owners</i>					
Completed issues	-	881	-	-	881
<b>Total</b>	<b>0</b>	<b>881</b>	<b>-</b>	<b>-</b>	<b>881</b>
<b>Closing equity 31 Dec 2024</b>	<b>746</b>	<b>1,471,691</b>	<b>-13,130</b>	<b>-364,212</b>	<b>1,095,095</b>
<b>Opening equity 1 Jan 2025</b>	<b>746</b>	<b>1,471,691</b>	<b>-13,130</b>	<b>-364,212</b>	<b>1,095,095</b>
Earnings for the year	-	-	-	-117,237	-117,237
Other comprehensive income for the year	-	-	-8,035	-	-8,035
<b>Comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>-8,035</b>	<b>-117,237</b>	<b>-125,272</b>
<i>Transactions with Group owners</i>					
Completed issues	-	977	-	-	977
<b>Total</b>	<b>-</b>	<b>977</b>	<b>-</b>	<b>-</b>	<b>977</b>
<b>Closing equity 31 Dec 2025</b>	<b>746</b>	<b>1,472,668</b>	<b>-21,164</b>	<b>-481,449</b>	<b>970,801</b>

The Annual General Meeting decided in May 2025 to introduce a long-term incentive program, which involves a new issue of options where capital has been contributed. See note 6 for further information.

<b>Operations</b>	<b>+</b>
<b>Governance</b>	<b>+</b>
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<b>Other information</b>	<b>+</b>

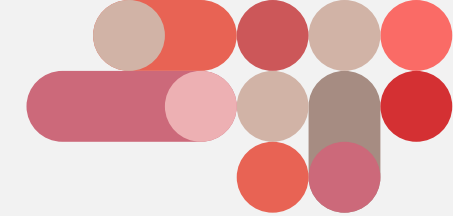
## Consolidated statement of cash flows

MSEK	Note	1 Jan 2025 -31 Dec 2025	1 Jan 2024 -31 Dec 2024
<b>Operating activities</b>			
Operating profit	2	-34	56
Adjustments for non-cash items	27	65	38
Interest received		3	5
Interest paid		-59	-65
Tax paid		-24	-58
<b>Cash flow from operating activities before changes in working capital</b>		<b>-50</b>	<b>-24</b>
<b>Cash flow from changes in working capital</b>			
Changes in inventories		0	2
Change in operating receivables		72	8
Change in operating liabilities		-69	73
<b>Cash flow from operating activities</b>		<b>-46</b>	<b>59</b>
<b>Investing activities</b>			
Acquisition of operations and shares, excluding cash and cash equivalents	35	-2	-124
Acquisition of intangible assets	11, 12	-7	-14
Acquisition of property, plant and equipment	13, 14, 15	-18	-31
Divestment of property, plant and equipment	13, 14, 15	8	4
Acquisition of financial non-current assets	18	-1	2
<b>Cash flow from investing activities</b>		<b>-20</b>	<b>-162</b>
<b>Financing activities</b>			
Completed contributions			
Completed new share issues		-	-
Borrowings	24, 28	97	15
Amortisation of loans	24, 28	-27	-57
Amortisation of lease liabilities	24, 28	-54	-46
<b>Cash flow from financing activities</b>		<b>16</b>	<b>-88</b>
<b>Change in cash and cash equivalents</b>			
Cash and cash equivalents at the beginning of the year		265	446
Exchange rate difference in cash and cash equivalents		-10	11
<b>Cash and cash equivalents at year-end</b>		<b>205</b>	<b>265</b>

## Cash flow from continuing operations

MSEK	Note	1 Jan 2025 -31 Dec 2025	1 Jan 2024 -31 Dec 2024
Cash flow from operating activities		-30	116
Cash flow from investing activities		-17	-160
Cash flow from financing activities		9	-82
<b>Cash flow from continuing operations for the period</b>		<b>-39</b>	<b>-126</b>

<b>Operations</b>	<b>+</b>
<b>Governance</b>	<b>+</b>
<b>Sustainability Report</b>	<b>+</b>
<b>Financial statements</b>	<b>+</b>
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<b>Other information</b>	<b>+</b>



## Income statement for Parent Company

MSEK	Note	1 Jan 2025 -31 Dec 2025	1 Jan 2024 -31 Dec 2024
<b>Operating income</b>			
Net sales		27	27
<b>Total revenue</b>		<b>27</b>	<b>27</b>
<b>Operating expenses</b>			
Other external expenses	4	-17	-6
Personnel costs		-13	-18
<b>Total operating expenses</b>		<b>-30</b>	<b>-25</b>
<b>Operating profit</b>		<b>-3</b>	<b>2</b>
<b>Profit/loss from financial items</b>			
Interest income and similar profit/loss items	7	60	63
Interest expenses and similar profit/loss items	7	-58	-59
<b>Net financial items</b>		<b>2</b>	<b>4</b>
<b>Earnings after financial items</b>		<b>-2</b>	<b>6</b>
Appropriations	8	-9	-5
<b>Earnings before tax</b>		<b>-10</b>	<b>1</b>
Tax on profit for the year	9	0	-
<b>Earnings for the year</b>		<b>-10</b>	<b>1</b>

The Parent Company has no items that are recognised under Other comprehensive income, which is why comprehensive income is the same as earnings for the year.

**Operations** +

**Governance** +

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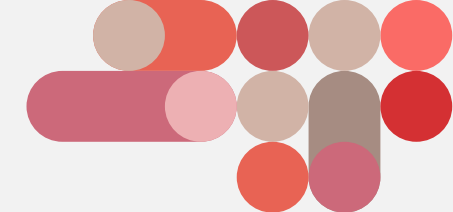
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## Balance sheet for the Parent Company

MSEK	Note	31 Dec 2025	31 Dec 2024	MSEK	Note	31 Dec 2025	31 Dec 2024
<b>ASSETS</b>				<b>EQUITY AND LIABILITIES</b>			
<b>Non-current assets</b>				<b>Equity</b>			
<b>Financial non-current assets</b>				<b>Restricted equity</b>			
Participations in Group companies	17	1,622	1,622	Share capital	22	1	1
Other financial non-current assets		8	8			1	1
<b>Total non-current assets</b>		<b>1,630</b>	<b>1,630</b>	<b>Non-restricted equity</b>			
<b>Current assets</b>				Share premium reserve		1,472	1,472
Receivables from Group companies		772	787	Retained earnings		12	9
Other current receivables		8	3	Earnings for the year		-10	1
Cash and cash equivalents		1	1			<b>1,473</b>	<b>1,482</b>
<b>Total current assets</b>		<b>781</b>	<b>790</b>	<b>Total equity</b>		<b>1,474</b>	<b>1,483</b>
<b>TOTAL ASSETS</b>		<b>2,412</b>	<b>2,420</b>	<b>Untaxed reserves</b>			
				Untaxed reserves	8	22	23
				<b>Total untaxed reserves</b>		<b>22</b>	<b>23</b>
				<b>Non-current liabilities</b>			
				Liabilities to credit institutions	24, 28	868	878
				Other liabilities		10	9
				<b>Total non-current liabilities</b>		<b>878</b>	<b>888</b>
				<b>Current liabilities</b>			
				Liabilities to credit institutions	24, 28	5	8
				Accounts payable		3	0
				Current tax liabilities		-	7
				Liabilities to Group companies		18	5
				Other liabilities		1	2
				Accrued expenses and deferred income	26	11	4
				<b>Total current liabilities</b>		<b>38</b>	<b>27</b>
				<b>TOTAL EQUITY AND LIABILITIES</b>		<b>2,412</b>	<b>2,420</b>

Operations +

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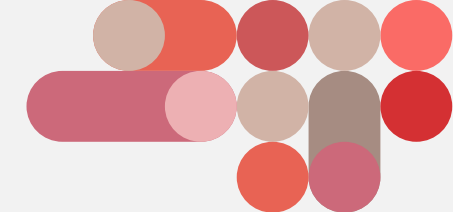
## Statement of changes in equity for Parent Company

TSEK	Share capital	Share premium reserve	Retained earnings including earnings for the year	Total equity
<b>Opening equity 1 Jan 2024</b>	746	1,470,810	8,816	1,480,372
Earnings for the year	-	-	1,471	1,471
Completed issues	-	881	-	881
Completed mergers	-	-	-	-
<b>Total</b>	-	881	1,471	2,352
<b>Closing equity 31 Dec 2024</b>	746	1,471,691	10,287	1,482,724
<b>Opening equity 1 Jan 2025</b>	746	1,471,691	10,287	1,482,724
Earnings for the year	-	-	-10,365	-10,365
Completed issues	-	977	-	977
Completed mergers	-	-	-	-
<b>Total</b>	-	977	-10,365	-9,388
<b>Closing equity 31 Dec 2025</b>	746	1,472,668	-78	1,473,337

## Cash-flow statement for the Parent Company

MSEK	Note	1 Jan 2025 -31 Dec 2025	1 Jan 2024 -31 Dec 2024
<b>Operating activities</b>			
Operating profit	2	-3	2
Adjustments for non-cash items	27	-9	-3
Interest received		0	0
Interest paid		-47	-55
Tax paid		-16	-
<b>Cash flow from operating activities before changes in working capital</b>		<b>-75</b>	<b>-55</b>
<b>Cash flow from changes in working capital</b>			
Change in operating receivables		5	-5
Change in operating liabilities		9	-2
<b>Cash flow from operating activities</b>		<b>-61</b>	<b>-62</b>
<b>Investing activities</b>			
Acquisition of financial non-current assets		0	2
<b>Cash flow from investing activities</b>		<b>0</b>	<b>2</b>
<b>Financing activities</b>			
Completed new share issues	22	-	-
Amortisation of external loans		-4	-53
External borrowings raised	24, 28	-	-
Change in intra-Group loans		65	29
<b>Cash flow from financing activities</b>		<b>61</b>	<b>-23</b>
<b>Change in cash and cash equivalents</b>		<b>0</b>	<b>-83</b>
Cash and cash equivalents at the beginning of the year		1	84
<b>Cash and cash equivalents at year-end</b>		<b>1</b>	<b>1</b>

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# Notes

## Note 1

### General information

This Annual 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 for communication and power networks in Sweden, Norway and Germany within the business areas 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, 145 84 Stockholm.

### The Group’s composition is shown in Note 18.

The consolidated accounts for the year ending December 31, 2025 (including comparative figures) were approved by the Board for publication on March 31, 2026. The consolidated statements of profit or loss, other comprehensive income and financial position, and the Parent Company’s income statement and balance sheet will be adopted at the Annual General Meeting on May 7, 2026.

The consolidated accounts are presented in Swedish kronor (SEK), which is also the Parent Company’s functional currency and the accounting currency.

### Summary of significant accounting policies

The most significant accounting and valuation policies used in the preparation of the financial statements are summarised below. If the Parent Company applies different policies, these areas described under Parent Company below.

### Basis of preparation of the financial statements

The consolidated financial statements and the notes to the accounts have been prepared in accordance with the Swedish Annual Accounts Act, the Swedish Financial Reporting Board’s Recommendation RFR 1 Supplementary Accounting Rules for Groups, and the International Financial Reporting Standards (IFRS) as endorsed by the EU. Assets and liabilities are measured at historical cost, except as regards contingent consideration (measured at fair value through profit or loss) and other securities held as non-current assets in the category of financial assets measured at fair value through profit or loss.

The preparation of statements in compliance with IFRS requires the use of certain critical accounting estimates. It also requires management make certain judgements in when applying the Group’s accounting policies. Those areas that include a high level of judgement, that are complex or such areas where assumptions and estimates are of material importance for the consolidated accounts are stated separately below under “Significant assessment and estimates when applying accounting policies.”

The financial statements have been prepared on the assumption that the Group conducts its operations on a going concern basis.

### Climate change

When preparing the annual accounts, Netel takes into accounts risks and impacts related to climate change. Netel has not identified any material impact on financial assessments and estimates, nor does it currently expect any material climate-related effects in the medium term. However, Netel is aware of the changing risks associated with the climate and will regularly assess these risks and how they affect financial assessments and estimates.

### Amended accounting policies

The IASB has published amendments to IFRSs that are to be applied to financial years beginning on or after January 1, 2025. Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability come into effect for 2025. These amendments are not deemed to have any material impact on the consolidated financial statements.

New or amended standards that have not yet come into effect, including amendments to IFRS 9 and IFRS 7 (from 2026) and IFRS 18 and IFRS 19 (from 2027), will be analysed prior to their effective date. Based on current information, these are not expected to have any material impact on the consolidated financial statements.

### Basis for consolidation

The consolidated accounts include Group companies in which the Group directly or indirectly has a controlling influence by holding 50 per cent of the votes in the Group company or otherwise has a controlling influence. The Group controls an entity when it is exposed to, or has rights to, variable returns from its holdings in the entity and has the ability to affect those returns through its power over the investee. Group companies are included in the consolidated accounts from the date on which the controlling influence is transferred to the Group. They are deconsolidated from the date that control ceases.

All intra-Group transactions and balance-sheet items are eliminated on consolidation, including unrealised gains and losses on transactions between Group companies. If the unrealised losses on intra-Group sales of assets are reversed on consolidation, the underlying asset is tested for impairment based on a Group perspective. Amounts recognised in the financial statements for Group companies have been adjusted when required to ensure compliance with the Group’s accounting policies.

Profit/loss and other comprehensive income for subsidiaries that have been acquired or divested during the year are recognised from the date that the acquisition or divestment was effected, according to what is applicable.

The Group attributes comprehensive income for subsidiaries to the Parent Company’s shareholders and non-controlling interests based on the respective participating interests.

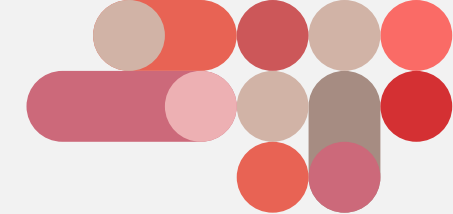
### Business combinations

The Group applies the acquisition method for recognising business combinations. The purchase price of the business combination is measured at fair value at the acquisition date, which is measured as the sum of the fair values at the acquisition date of the assets, liabilities incurred or assumed and equity interest issued in exchange for control over the acquired business. Acquisition-related costs are recognised in profit or loss as incurred. The purchase price also includes the fair value at the acquisition date of the assets or liabilities that are the result of an agreement of contingent consideration. Changes in fair value for a contingent consideration arising from additional information obtained after the acquisition date on facts and circumstances that existed at the acquisition date, qualify as adjustments during the valuation period and are retroactively adjusted, with the corresponding adjustment of goodwill. However, the revaluation period extends a maximum of twelve months from the point of acquisition.

All other changes in the fair value of a contingent consideration classified as an asset or a liability are reported in accordance with the applicable standard. The identifiable acquired assets and assumed liabilities and contingent assets are measured at fair value at the acquisition date.

Contingent liabilities in a business combination are recognised as if they are existing obligations arising from past events and whose fair value can be reliably calculated.

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### Discontinuing operations/discontinued operations

Netel announced on 16 January 2025 that the Board of Directors had decided to initiate a process aimed at selling the Finnish operations. Management decided in the fourth quarter of 2024 to commence preparations for the sale. The Finnish operations were sold on 30 June 2025. On 11 December 2025, Netel sold its operations in the UK.

Operations in Finland and the UK are recognised as discontinued operations in the consolidated statement of profit or loss for 2024 and 2025.

Earnings from the Finnish and UK operations were excluded from the individual rows in the consolidated statement of profit or loss and are instead recognised together under Discontinuing operations/discontinued operations, net after tax, which is attributable in their entirety to the Parent Company's shareholders.

Discontinuing operations and discontinued operations are included in the consolidated statement of cash flows. Additional disclosures on cash flows regarding discontinuing operations and discontinued operations are presented in a note.

In the consolidated statement of financial position as of 31 December 2024, assets and liabilities attributable to the Finnish operations have been reclassified as Assets held for sale and Liabilities attributable to assets held for sale.

### Translation of foreign currency

All foreign Group companies use the local currency of their country as the functional and accounting currency. Upon consolidation, the items in these companies' balance sheets and income statements are remeasured at the balance sheet date rate and the average exchange rate, respectively. In the consolidated accounts, all amounts are translated to SEK. Transactions in foreign currency are converted in each entity to the entity's functional currency at the exchange rates that apply on the transaction date. At each balance sheet date, monetary items in foreign currency are translated at the closing day rate. Non-monetary items, which are measured at fair value in a foreign currency, are translated to the exchange rate on the day when the fair value was determined. Non-monetary items, valued at the historical costs of a foreign currency, are not translated. Exchange rate differences are recognised in profit or loss for the period in which they arise with the exception of transactions attributable to intra-Group financing as a portion of the net investment in foreign operations and for transactions which constitute a hedge and which meet the conditions for hedge accounting of cash flows or of net investments. These exchange rate differences are initially recognised in other comprehensive income.

When preparing the consolidated accounts, foreign Group companies' assets and liabilities are translated to SEK at the closing day rate. Revenue and expense items are translated at the average exchange rate for the period. Any translation differences that arise are recognised in other comprehensive income and transferred to the Group's translation reserve. Upon divestment of a foreign subsidiary, such translation differences are recognised in profit or loss as part of the sales capital gain/loss. Goodwill and fair value adjustments arising from the acquisition of a foreign operations are treated as assets and liabilities in this business and translated at the closing day rate.

### Related parties and related party transactions

Disclosures on related parties are presented in Note 32 Related party transactions. The Group's transactions with related parties, in addition to the disclosures in Note 32, relate only to joint operations and are of limited scope and have been carried out on market terms, see Note 17 and Note 18.

### 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.

### Revenue recognition

Netel is a full-service specialist within critical infrastructure active in Sweden, Norway and Germany. Netel provides Infranet project management services for the construction and maintenance of physical telecom, broadband and power networks. The Group provides everything from planning and design to execution and with supplementary services within service and maintenance. The revenue reported is attributable to these types of projects and services. Revenue is valued on the basis of the compensation specified in contracts with customers excluding VAT. The Group reports revenues when the control of a service is transferred to the customer, which depends on the type of service performed according to the description below.

As a basis for the revenue recognition, there are agreements with customers in which the parties' rights and obligations, payment terms and the commercial meaning have been established and approved by both parties. A change to the contract is reported as a separate agreement in cases where the change relates to distinct services and there is an adjustment in accordance with stand-alone selling prices.

### Construction agreements

The project activities are carried out in the form of Netel entering into a construction agreement with a client. The business model and contractual structures in regard to clients meet the requirements set out for customer agreements. There is a performance obligation that is transferred as projects are completed in a series. The criteria are assessed as met in order to be able to see that the performance obligation is satisfied over time. The agreements with the customer are mainly at a fixed price or, in part, a fixed price through adjustable quantities. A smaller part of the agreements with customers are on a time and materials basis.

### Service and maintenance agreements

Customers receive the benefits of the services rendered as Netel delivers the service, which is why revenue is reported based on the service rendered. Service and maintenance agreements are signed as both framework agreements and individual projects and are generally for between one and five years. The agreements include prices based on both contracted price levels for services rendered and on a time and materials basis.

### General principles for revenue recognition

Revenue is recognised over time by measuring the progress against a complete satisfaction of performance obligations. This is done in accordance with the input method as this best reflects measurement of the progress. The input method reports revenues on the basis of efforts to fulfil performance obligations, where the efforts consist of consumed working hours and expenses incurred to complete the contract.

Payment of services provided is received in accordance with the agreed payment plan or alternatively upon completion, if the accrued revenue exceeds the invoiced amount, a contract asset arises, correspondingly a contractual liability arises if the invoiced amount is greater than the accrued revenue. Normally, the payment terms are 30 days.

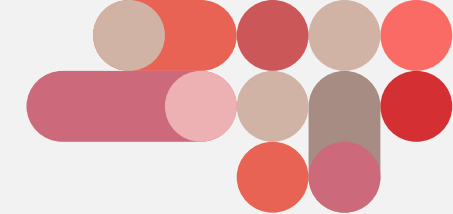
When the outcome of a project cannot reasonably be measured, but Netel expects to be covered for expenses incurred, revenue recognition only takes place with the amount corresponding to the project costs incurred that the client expects to reimburse. Expected losses in their entirety are charged to profit for the period.

### Employee benefits

Remuneration of employees such as salaries and social costs, holiday and paid sick leave, etc. are reported as the employees perform services. Pensions are classified as defined contributions or defined benefit pension plans.

The plans where the company's obligation is limited to the fees the company has agreed to pay are classified as defined contribution pension plans. The size of the employee's pension depends on the fees that the company pays to the plan or to an insurance company and the capital return that the fees provide. Netel's obligations regarding fees to the defined contribution plan are recognised as an expense in earnings for the year at the rate they are earned.

<b>Operations</b>	<b>+</b>
<b>Governance</b>	<b>+</b>
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<b>Other information</b>	<b>+</b>



Defined benefit plans are plans other than defined contribution plans. The Group's ITP 2 plan, financed by an insurance in Alecta, is a multi-employer insurance. Companies must classify a plan that includes several employers as a defined contribution plan and a defined benefit plan based on the terms of the plan. Based on the terms of the ITP 2 plan's commitments for age pension and family pension, both these commitments should be classified as defined benefit commitments, but as there are no prerequisites for reporting an ITP 2 plan that is financed through insurance in Alecta as a defined benefit plan, this plan is reported as a defined contribution plan.

**Financial income and expenses**

Financial income consists of interest income on invested funds, exchange rate gains and other financial income. Interest income is reported as it is earned. Financial expenses refer to interest, fees and other expenses incurred in connection with the raising of interest-bearing liabilities, exchange rate losses and other financial expenses.

Derivatives, to the extent that they are used, are used to hedge the risks of interest and currency exposure to which Netel is exposed. Premium payments for hedging are reported, where applicable, as interest expenses in the period to which they relate.

**Income taxes**

The tax expense in profit or loss comprises deferred tax and current tax that is not recognised in other comprehensive income or directly in equity. Current tax refers to income tax for the current financial year referring to the taxable earnings for the year and that part of previous years' income tax that has not yet been reported. Current tax is valued at the probable amount according to the tax rates and tax rules that apply on the balance sheet date.

Deferred tax is income tax on taxable earnings pertaining to future financial years resulting from former transactions or events. Deferred tax is calculated on temporary differences. A temporary difference exists when the carrying amount of an asset or liability differs from the tax value. Temporary differences are not considered when attributable to investments in subsidiaries, branches, associated companies or joint venture if the company can control the timing of the reversal of the temporary differences and it is not obvious that the temporary difference will be reversed in the foreseeable future. Differences arising from the initial recognition of goodwill or the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, impacts neither tax nor reported profit or loss are not considered as temporary differences.

Deferred tax assets relating to loss carryforwards or other future tax deductions are recognised to the extent that it is probable that the deductions can be offset against future tax surpluses. Deferred tax liabilities attributable to untaxed reserves are not recognised separately. Untaxed reserves are recognised gross in the balance sheet.

**Goodwill**

Goodwill is measured in accordance with the principles of IFRS 3 Business combinations, and represents future economic benefits arising from other assets acquired in a business combination that are not individually identified and separately recognised. Goodwill is measured at cost less accumulated impairment.

Goodwill is not amortised but tested for impairment on an annual basis, or more frequently if events or changes in conditions indicate the risk of a decline in value. Acquired goodwill in connection with business combinations is allocated to cash-generating units or groups of cash-generating units that are expected to benefit from synergies from the acquisition. Each entity or group of units to which goodwill has been allocated corresponds to the lowest level of the Group on which the goodwill in question is monitored in the internal governance, which for Netel is the respective segment, which comprises the country where operations are conducted. Goodwill is measured at cost less accumulated impairment.

**Brand and other intangible assets**

The Netel brand was acquired in connection with the acquisition of Netel Group BC AB and was initially measured at fair value on the acquisition date in accordance with the acquisition method. There is no foreseeable time limit for when the brand would not generate a positive cash flow for the Group, which is why it is recognised as an intangible asset with an indefinite useful life, which means that it is not amortised. The Netel brand is tested annually for impairment.

The fair value of customer relationships is determined based on estimated future cash flows from agreements with existing customers. Customer relationships are recognised at cost less accumulated amortisation and any impairment. The asset is amortised straight-line over the estimated useful life, which amounts to three years.

Technology is recognised at cost less accumulated amortisation and any impairment. The estimated useful life amounts to three years.

Capitalised development costs are recognised at cost less accumulated amortisation and any impairment. The estimated useful life amounts to three to five years.

Intangible assets acquired as part of a business combination are identified and recognised separately from goodwill when they meet the definition of an intangible asset and their fair value can be reliably calculated. The cost of such intangible assets comprise their fair value on the acquisition date.

Subsequently, intangible assets acquired in a business combination are recognised at cost less accumulated amortisation and any accumulated impairment losses in the same way as separately acquired intangible assets.

**Property, plant and equipment**

Property, plant and equipment are recognised at cost less accumulated depreciation and any impairment. Assets are depreciated linearly over the estimated useful life of the assets. The useful life period is reviewed on each balance sheet date. The following useful lives apply:

- Plant and machinery, 3-10 years
- Equipment, tools, fixtures and fittings, 5 years
- Right-of-use assets, 2-6 years

**Depreciation/amortisation of property, plant and equipment and intangible assets**

Brands that have an indefinite useful life are not amortised but tested annually for any impairment. Impairment of goodwill is described under the heading Goodwill above. Other assets are tested for impairment as soon as events or changes in different circumstances indicate that carrying amount value may not be recoverable. If these indications arise, an assessment is made of the asset's recoverable amount, which is the higher of an asset's fair value less selling expenses and the value in use. When assessing the value in use, estimated future cash flows are discounted by a discount factor that takes into account current market assessments of the time value of money and the risks attributable to the asset or cash-generating unit. Impairment takes place at the amount that the asset's carrying amount exceeds the estimated recoverable amount. When assessing the need for impairment, assets are grouped at the lowest levels where there are separately identifiable cash flows (cash-generating units). Impairment is only reversed if there has been a change in the conditions applicable to the calculation when the recoverable amount of the asset was determined in the most recent impairment test. Impairment related to goodwill is not reversed under any circumstances.

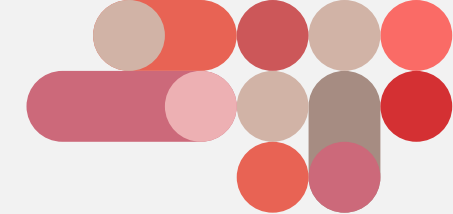
**Leases**

Netel has leases for buildings and premises, cars and machinery and tools. These leases are recognised in the balance sheet except for leases with a term of 12 months or less (short-term leases) and leases of a low value (low-value leases). Netel recognises lease payments in connection with these leases (short-term leases and low-value leases) as an expense linearly over the lease term.

At the start of the lease, the Group assesses whether a contract is a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Upon lease commence-

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<b>Other information</b>	<b>+</b>





ment a right-of-use asset (lease asset) and a lease liability are recognised. The right-of-use asset is depreciated linearly over the estimated useful life, which is deemed to correspond to the lease term. Leases are normally valid for 2-6 years. Lease liabilities are recognised at amortised cost and remeasured when changes in future lease payments are made. The lease liability is initially measured at the present value of the lease payments payable over the lease term, discounted at the rate implicit in the lease if that can be readily determined. If that rate cannot be readily determined, the Group uses the incremental borrowing rate. Netel generally applies the Group's incremental borrowing rate adjusted by a risk premium based on the underlying asset. Interest payments on, and amortisation of, the lease liabilities are recognised in the cash flow. The lease liability is remeasured when changes in future lease payments arise due to a change in index or if Netel changes its estimates regarding purchases, extension or terminations of the lease contract. For lease contracts, Netel makes a qualified assessment as to whether it is reasonably certain that extensions will be used. All leases are assessed individually. All leases are assessed individually. The majority of the extension options are excluded in the lease liability because the Group believes that the assets can be replaced without significant costs or interruption to the business.

The Parent Company applies the exemption in RFR2 from applying IFRS 16 and continues to recognise lease payments as operating expenses.

**Inventories**

Inventories are measured at the lower of cost, calculated at first-in-first-out, and net realisable value. The net realisable value has been calculated as the sales value after deduction for the estimated cost of sale, taking into account obsolescence.

**Financial assets and liabilities – financial instruments**

Financial assets and liabilities are recognised when the Group becomes party to the contractual terms of the financial instrument. Transactions with financial assets are recognised on the transaction date, which is the date on which the Group undertakes to acquire or sell the assets. Financial assets are derecognised from the balance sheet when the rights in the agreement have been realised, expired or when the Group no longer has control over it. The same applies to part of a financial asset. Financial liabilities are derecognised from the balance sheet when the agreed obligation has been fulfilled or otherwise extinguished. Assets and liabilities are offset only when there is a legal right to offset and there is a right and an intention to settle the items on a net basis. Financial instruments recognised in the statement of financial position include cash and cash equivalents, contract assets, accounts receivable and derivatives on the asset side. Accounts payable, liabilities to credit institutions, contract liabilities and derivatives are recognised on the liability side.

**Classification and measurement**

Financial assets are classified based on the business model used to manage the asset and the asset's cash flow characteristics. If the financial asset is held within a business model whose objective is to collect contractual cash flows (hold to collect) and the agreed conditions for the financial asset at specific times give rise to cash flows consisting solely of payments of principal and interest on the principal amount, the asset is recognised at amortised cost.

If the objective of the business model instead is achieved by both collecting contractual cash flows and selling financial assets (hold to collect and sell), and the agreed terms of the financial asset at certain times give rise to cash flows consisting solely of payments of principal and interest on the principal amount, the asset is measured at fair value through other comprehensive income.

All other business models where the purpose is speculation, holdings for trading or where the characteristics of the cash flow excludes other business models, are measured at fair value through profit or loss.

The Group applies the Hold to collect business model for accounts receivable, other receivables and cash and cash equivalents. The Group's financial assets are initially measured at fair value and subsequently at amortised cost using the effective interest method, less expected credit losses. Financial liabilities are measured at fair value through profit or loss if it is a contingent consideration to which IFRS 3 applies,

holdings for trading or if they are initially identified as liabilities at fair value through profit or loss. Other financial liabilities are measured at amortised cost.

**Fair value of financial instruments**

The fair value of financial assets and liabilities traded on an active market is determined with reference to the listed market price. The fair value of other financial assets and liabilities is determined according to generally accepted valuation models such as discounting future cash flows and the use of information taken from current market transactions.

For all financial assets and liabilities, the carrying amount is deemed to be a good approximation of its fair value, unless otherwise specified.

**Amortised cost and the effective interest method**

The amortised cost of a financial asset is the amount at which the financial asset is measured on initial recognition minus the principal, plus the accumulated depreciation using the effective interest method of any difference between that principal and the principal outstanding, adjusted for any impairment. The recognised gross amount of a financial asset is the amortised cost of a financial asset before adjustments for any loss allowances.

The effective interest rate is the rate used when discounting all expected cash flow over the expected duration to result in the initial carrying amount of the financial asset or the financial liability.

**Provisions**

Provisions for legal claims, guarantees and restoration measures are recognised when the Group has a legal or informal obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount has been measured reliably. No provisions are made for future operating losses. Provisions are measured at the present value of the amount expected to be required to settle the obligation. To this, a discount rate before tax is used which reflects a current market assessment of the time-dependent value of money and the risks associated with the provision. The increase in provisions due to the fact that time is lapsed is recognised as interest expense.

**Capital**

Netel defines total capital as equity plus net debt in the balance sheet.

**Hedge accounting**

Netel does not apply hedge accounting.

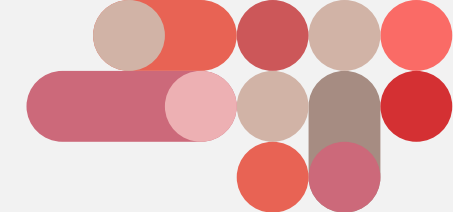
**Judgements and estimates**

When preparing the financial statements, company management and the Board must make judgements and estimates that affect recognised asset and liability items and revenue and expense items, as well as related information about contingent items. These assessments and estimates are based on historical experiences and the various assumptions that management and the Board consider to be reasonable under the current circumstances. The conclusions drawn constitute the basis for decisions concerning the carrying amounts of assets and liabilities, in cases where these cannot be determined without further information from other sources. Actual outcomes may deviate from the judgements and estimates. The estimates and assumptions are reassessed regularly. Changes in estimates and assumptions are recognised in the period in which the change is made and in future periods if these periods are affected. Management believes that the following areas include the most difficult, most subjective or most complicated assessments and estimates that it must make when preparing the financial statements.

Information about assessments and estimates that have the most significant impact on the recognition and measurement of assets, liabilities, revenue and expenses. The outcome of these may deviate considerably. According to management, there is no significant risk for a material adjustment during the coming financial year in relation to carrying amounts.

<b>Operations</b>	<b>+</b>
<b>Governance</b>	<b>+</b>
<b>Sustainability Report</b>	<b>+</b>
<b>Financial statements</b>	<b>+</b>
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## Revenue recognition

The amount of revenue and associated contract assets and contract liabilities that has been recognised reflects the Management Team's best estimate of the outcome and degree of completion of each contract. For complex construction agreements, there is significant uncertainty when estimating the expenses for competition and profitability. Netel recognises revenue in projects over time as they are completed, which is measured by the expenses incurred in relation to total expected expenses at a point in time. The Group has a well-established process for monitoring the degree of completion and the expected total expenses per project. The process manages the monitoring and estimates of the risk of loss that may arise in the projects.

Contract assets at the end of 2025 was MSEK 362 (384) and contract liabilities MSEK 116 (132). For more information regarding construction contracts, refer to Note 20.

## Revenue recognition – construction agreements

For revenue recognition of construction agreements, estimates must be made of the actual degree of completion, estimated expenses for completing the project and follow-ups against forecasts of final outcomes for the project. Unforeseen events may cause the final result of the projects to be both higher or lower than expected. A provision (low allowance) is made for projects in which losses are expected. Expected losses are expensed as soon as they are known, the uncertain part of the expected loss is recognised as a provision.

## Impairment of goodwill and brands, etc.

To test for impairment, the Management Team calculates the recoverable amount of each asset cash-generating unit based on the expected future cash flows and using an appropriate interest rate to discount the cash flow. Uncertainties arise primarily in estimates and assumptions regarding futures cash flows in relation to growth, margins and other related items affecting cash flow as well as when establishing an appropriate discount rate. The Group has a well developed process for assumptions regarding future cash flows per cash-generating unit and uses WACC as a relevant discount rate, specifically for each cash-generating unit.

At the end of 2025, goodwill amounted to MSEK 1,225 (1,242). Brands amounted to MSEK 179 (179). For more information on impairment testing, refer to Note 11.

## Leases

Assumptions on whether or not to exercise the option to extend existing leases have a major impact on the estimated lease asset and lease liabilities. For existing leases, Netel makes a qualified assessment as to whether it is reasonably certain that an additional extension period will be used and estimates the duration of these leases based on expected use within the current business.

## Accounts receivable and contract assets

Netel measures the expected credit losses for financial assets classified at amortised cost including accounts receivable and contract assets. Netel applies the simplified model in calculating expected credit losses on accounts receivable using a matrix where a fixed percentage for a reserve is used depending on the number of days a receivable is outstanding. Management is to make overall estimates to ensure that a reasonable loss allowance is recognised.

Netel defines default as being considered unlikely that the counterparty will meet its commitments due to indicators such as financial difficulties and missed payments, see further under Note 4 (Credit risk). A receivable is written off when no possibilities for additional cash flows are deemed to exist.

At the end of 2025, accounts receivable amounted to MSEK 478 (505) and contract assets to MSEK 362 (384).

## Parent Company's accounting policies

The Annual Report for the Parent Company has been prepared in accordance with the Swedish Annual Accounts Act and the Swedish Financial Reporting Board's RFR 2 Reporting for Legal Entities. Untaxed reserves are recognised in their entirety without being specified as equity or deferred tax. Group contributions received and paid are recognised as appropriations. Participations in subsidiaries and joint ventures are recognised at cost less any impairment. RFR 2 includes exemptions from applying IFRS 9 in legal entities. The impairment requirements in accordance with IFRS 9 are applied without the exemption for financial non-current assets including receivables from Group companies. The Parent Company also applies the exemption regarding IFRS 16 in RFR 2.

## Consolidated companies

The consolidated company Netel GmbH, Frankfurt (Oder)/Germany is exempt from the requirement to prepare, have audited and publish an annual report and a directors' report (Lagebericht) in accordance with the provisions applicable to companies under Chapter 264, Section 3 of the German Commercial Code (Handelsgesetzbuch). For a full list of consolidated companies, see Note 17.

<b>Operations</b>	<b>+</b>
<b>Governance</b>	<b>+</b>
<b>Sustainability Report</b>	<b>+</b>
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<b>Other information</b>	<b>+</b>

## Note 2 Segment reporting

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

Operations in Finland and the UK are recognised as discontinued operations and are not included in the segment reporting. For the comparative year 2024, non-current assets of MSEK 16.2 relating to operations in the UK were not allocated to segments.

<b>MSEK 2025</b>	<b>Infraservices</b>	<b>Power</b>	<b>Telecom</b>	<b>Total Seg- ments</b>	<b>Group-wide items and eliminations</b>	<b>Group total</b>
<i>Continuing operations</i>						
Revenue from external customers	605	989	1,321	2,914	1	2,915
Revenue from other segments	0	0	0	0	0	0
<b>Total revenue</b>	<b>605</b>	<b>989</b>	<b>1,321</b>	<b>2,914</b>	<b>1</b>	<b>2,915</b>
EBITA	-17	-4	21	1	-5	-5
EBITA margin (%)	-2.7%	-0.4%	1.6%	0.0%		-0.2%
Amortisation						-9
Financial items						-78
<b>Earnings before tax</b>						<b>-91</b>
Non-current assets	<b>386</b>	<b>604</b>	<b>633</b>	<b>1,623</b>		<b>1,623</b>

<b>MSEK 2024</b>	<b>Infraservices</b>	<b>Power</b>	<b>Telecom</b>	<b>Total Seg- ments</b>	<b>Group-wide items and eliminations</b>	<b>Group total</b>
<i>Continuing operations</i>						
Revenue from external customers	844	1,005	1,364	3,214	0	3,214
Revenue from other segments	0	0	0	0	0	0
<b>Total revenue</b>	<b>844</b>	<b>1,005</b>	<b>1,364</b>	<b>3,214</b>	<b>0</b>	<b>3,214</b>
EBITA	54	76	26	156	7	164
EBITA margin (%)	6.4%	7.6%	1.9%	4.9%		5.1%
Amortisation						-6
Financial items						-77
<b>Earnings before tax</b>						<b>81</b>
Non-current assets	<b>392</b>	<b>531</b>	<b>667</b>	<b>1,589</b>		<b>1,589</b>

<b>Operations</b>	<b>+</b>
<b>Governance</b>	<b>+</b>
<b>Sustainability Report</b>	<b>+</b>
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### Note 3 Specification of revenue

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 operations in Germany comprise only fibre roll-out and service. In Sweden and Norway, Telecom also encompasses roll-out and service of mobile networks. Operations in Finland and the UK are recognised as discontinued operations.

#### Specification of revenue

MSEK Jan-Dec 2025	Infraservices	Power	Telecom	Total Segments	Discontinued operations	Group total
<b>Business area</b>						
Sweden	605	492	240	1,336		1,336
Norway	0	497	894	1,391		1,391
Finland	0	0	0	0	92	92
Germany	0	0	187	187		187
UK	0	0	0	0	53	53
Group-wide	0	0	0	1	0	1
<b>Revenue from contracts with customers</b>	<b>605</b>	<b>989</b>	<b>1321</b>	<b>2915</b>	<b>145</b>	<b>3,060</b>

#### Type of service

Framework agreement	141	285	1,043	1,468	102	1,570
Projects	464	704	278	1,446	43	1,489
Group-wide	0	0	0	1	0	1
<b>Revenue from contracts with customers</b>	<b>605</b>	<b>989</b>	<b>1,321</b>	<b>2,915</b>	<b>145</b>	<b>3,060</b>

MSEK Jan-Dec 2024	Infraservices	Power	Telecom	Total Segments	Discontinued operations	Group total
<b>Business area</b>						
Sweden	844	653	280	1,777		1,777
Norway	0	352	912	1,264		1,263
Finland	0	0	0	0	241	241
Germany	0	0	174	174		174
UK	0	0	0	0	70	70
Group-wide	0	0	-1	-1		0
<b>Revenue from contracts with customers</b>	<b>844</b>	<b>1,005</b>	<b>1,364</b>	<b>3,214</b>	<b>311</b>	<b>3,524</b>

#### Type of service

Framework agreement	214	246	1095	1,555	272	1,826
Projects	630	759	271	1,660	39	1,700
Group-wide	0	0	-1	-1	0	-1
<b>Revenue from contracts with customers</b>	<b>844</b>	<b>1,005</b>	<b>1,364</b>	<b>3,214</b>	<b>311</b>	<b>3,524</b>

#### Contract assets

	31 Dec 2025	31 Dec 2024
Opening balance	384	-
Changes due to normal operations	-8	-46
Allocated to discontinued operations	-14	-17
<b>Closing balance</b>	<b>362</b>	<b>384</b>

#### Contract liabilities

	31 Dec 2025	31 Dec 2024
Opening balance	132	-
Changes due to normal operations	-14	-7
Allocated to discontinued operations	-1	-12
<b>Closing balance</b>	<b>116</b>	<b>132</b>

#### Revenue recognised for the year

	31 Dec 2025	31 Dec 2024
On the contract liabilities side on 1 January:	132	-
From performance obligations that were satisfied in full or in part in prior periods	-	-

#### Revenue allocated to unsatisfied or partially satisfied performance obligations expected to be recognised as revenue

	31 Dec 2025	31 Dec 2024
Within one year	362	384
After one year	-	-

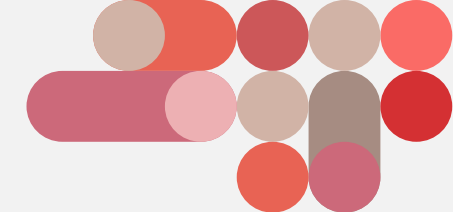
Contract assets comprise accrued revenue to which the company's right is conditional on continued performance in accordance with the contract. When the company's right to payment is unconditional, invoices are issued and the asset is recognised as an account receivable. Contract liabilities are advance payments from customers for which performance obligations have not been satisfied. Contract liabilities are recognised as revenue when the performance obligation of the contract is satisfied (or has been satisfied).

### Note 4 Auditors' fees

MSEK	Group		Parent Company	
	2025	2024	2025	2024
<b>Deloitte AB</b>				
Audit	4	4	0	0
Other services	1	0	-	-
<b>Total</b>	<b>5</b>	<b>4</b>	<b>0</b>	<b>0</b>

Audit assignment refers to the auditor's work on the statutory audit, and auditing activities refers to various types of quality-assurance activities. Other services are such services as are not included in the audit assignment, auditing activities or tax advisory services.

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## Note 5 Average number of employees and gender distribution

Average number of employees, recalculated as full-time employees	Group		Parent Company	
	2025	2024	2025	2024
<b>Infraservices</b>	124	165	-	-
Of whom, women	17	17	-	-
Of whom, women %	14%	10%	-	-
<b>Power</b>	256	213	-	-
Of whom, women	14	13	-	-
Of whom, women %	5%	6%	-	-
<b>Telecom</b>	417	385	-	-
Of whom, women	51	51	-	-
Of whom, women %	12%	13%	-	-
<b>Group functions</b>	10	11	2	2
Of whom, women	2	2	1	1
Of whom, women %	20%	18%	50%	50%
<b>Total</b>	<b>807</b>	<b>774</b>	<b>2</b>	<b>2</b>
<b>Of whom, women</b>	<b>84</b>	<b>83</b>	<b>1</b>	<b>1</b>
<b>Of whom, women %</b>	<b>10%</b>	<b>11%</b>	<b>50%</b>	<b>50%</b>
<b>Discontinuing operations</b>	<b>79</b>	<b>111</b>	-	-
Of whom, women	7	10	-	-
Of whom, women %	9%	9%	-	-

Two of the five members of the Board are women, or 40 per cent.  
Of senior executives, 20 per cent is female.

## Note 6 Employees

**Salaries and remuneration, etc.** Salaries, remuneration, etc. Total salaries, remuneration, social costs and pension costs were paid in the following amounts:

	Group		Parent Company	
	2025	2024	2025	2024
<b>MSEK</b>				
<b>Board and CEO:</b>				
Salaries and remuneration	6	10	6	10
Salaries (subsidiaries abroad)	0	0	0	0
Pension costs	1	1	1	1
Pension costs (subsidiaries abroad)	0	0	0	0
	<b>7</b>	<b>11</b>	<b>7</b>	<b>11</b>
<b>Other employees:</b>				
Salaries and remuneration	552	519	2	3
Pension costs	45	42	0	0
	<b>597</b>	<b>562</b>	<b>3</b>	<b>4</b>
Social costs	119	118	3	4
<b>Total Board and other</b>	<b>723</b>	<b>691</b>	<b>12</b>	<b>19</b>
<b>Discontinued operations</b>	<b>36</b>	<b>40</b>		

The ITP2 insurance is a multi-employer insurance in Alecta, and the premium for the defined benefit retirement and family pension is calculated individually on the basis of such factors as salary, previously earned pension entitlement and estimated remaining period of employment. The collective funding ratio is defined as the market value of Alecta's assets as a percentage of its commitments to policyholders calculated using Alecta's actuarial methods and assumptions, which do not comply with IAS 19. The collective funding ratio is normally permitted to vary between 125 and 175 per cent. If Alecta's collective consolidation level falls below 125 per cent or exceeds 150 per cent, action is to be taken to create the conditions for returning the consolidation level to within the normal range. In the case of low consolidation, one step can be to increase the price of new, and extending existing, benefits. In the case of high consolidation, one alternative can be to reduce premiums. At year-end 2025, Alecta's preliminary surplus in the form of the collective funding ratio was 167 per cent (162). Netel's share of the total contributions for the plan, and the Group's share of the total number of active members in the plan, amount to 0.00823 per cent and 0.00803 per cent, respectively. The corresponding figures for 2024 are 0.00709 per cent and 0.00864 per cent, respectively. The expected fees for 2026 for ITP2 insurance signed with Alecta total TSEK 1,113.

### Long-term incentive programme 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 2024/2027 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 Management Team and certain other key employees of the Group, originally totalling eight persons. The programme includes 750,000 warrants and

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Note 6, cont.

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 per cent 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 per cent 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 the warrants and SEK 1.87 for the synthetic options. The fair value has been calculated using the Black-Scholes model based on the following assumptions:

- share price: SEK 14.76
- subscription price/redemption price: SEK 22.39
- risk-free interest rate: 2.57%
- volatility: 35%
- term: 3 years
- Value cap per synthetic option: SEK 74.63 (equivalent to 500 per cent of the volume-weighted average price over five trading days up to and including 17 May 2024).

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

The Group repurchased 107,000 warrants under LTIP 2024/2027 in 2025. 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 Management 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 per cent 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 per cent 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 fair value was calculated using Black & Scholes based on the following assumptions:

- share price: SEK 10.58
- subscription price/redemption price: SEK 16.51
- risk-free interest rate: 1.98%
- volatility: 40%
- term: 3 years

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

## Remuneration of and other benefits to senior executives

### Principles

Annual fees are paid to the Chairman of the Board and Board members in accordance with a decision of the Annual General Meeting. The Board decides on the terms of employment for the CEO. The CEO decides on remuneration of senior executives. Remuneration of the CEO and other senior executives consists of fixed salary, variable remuneration, other benefits and pension provisions.

### Termination of employment/Severance pay CEO and Management Team

If notice of termination is made by Netel, the notice period may not exceed 12 months for the CEO and six months for the other Management Team members. If a member of the Management Team is given notice, Netel is liable to pay, including severance pay and remuneration under the notice period, the equivalent of maximum 18 months' base salary and other employment benefits. If notice of termination is made by a member of the Executive Team, the notice period may not exceed six months, with no right to severance pay. Full salary and other employment benefits are paid during the notice period, with deduction for salary and other remuneration received from other employment or activities that the employee has during the notice period.

Remuneration of Board, TSEK		2025	2024
Chairman of the Board/Board member*1	Alireza Etemad	686	490
Chairman of the Board*	Hans Petersson	-	187
Board member*	Nina Macpherson	330	385
Board member**	Carl Jakobsson	284	365
Board member**1	Göran Lundgren	475	398
Board member**	Ann-Sofi Danielsson	-	138
Board member**	Therese Lundstedt	359	210
<b>Total</b>		<b>2,135</b>	<b>2,173</b>

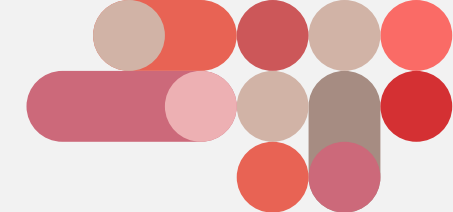
\* Member of the Remuneration Committee \*\* Member of the Audit Committee <sup>1</sup> Members of the Tender Committee

Remuneration of and other benefits to senior executives, TSEK 2025	Base salary	Variable remuneration and other benefits	Pension cost
CEO	3,788	695	1,136
Other members of Management Team (6 members)*	8,185	1,103	1,702
<b>Total</b>	<b>11,973</b>	<b>1,798</b>	<b>2,838</b>

Remuneration of and other benefits to senior executives, TSEK 2024	Base salary	Variable remuneration and other benefits	Pension cost
CEO**	4,750	1,114	1,147
Other members of Management Team (6 members)	8,597	2,076	1,608
<b>Total</b>	<b>13,347</b>	<b>3,190</b>	<b>2,755</b>

\* In November 2025, a new, smaller Management team was formed; prior to this, the Group Management team consisted of six members  
\*\*Includes final salary for outgoing CEO

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## Note 7 Financial income and expenses

MSEK	Group		Parent Company	
	2025	2024	2025	2024
<b>Financial income</b>				
Interest income, other	3	5	0	58
Profit from sales of subsidiaries	0	0	0	-
Remeasurement				
- interest rate hedge derivatives, fair value	-	-	-	-
Exchange rate gains, net	-	1	11	5
<b>Total financial income</b>	<b>3</b>	<b>6</b>	<b>11</b>	<b>63</b>
<b>Financial expenses</b>				
Interest expenses				
- interest-bearing liabilities	-60	-65	-47	-55
- interest rate hedge derivatives, fair value	0	0	-	-
Exchange rate losses, net	-2	-	-	-
Other financial expenses	-20	-18	-11	-4
<b>Total financial expenses</b>	<b>-81</b>	<b>-83</b>	<b>-58</b>	<b>-59</b>
<b>Net financial items</b>	<b>-78</b>	<b>-77</b>	<b>-47</b>	<b>4</b>

## Note 8 Appropriations

MSEK	Parent Company	
	2025	2024
Tax allocation reserve	0	0
Group contributions	-9	-5
<b>Total</b>	<b>-9</b>	<b>-5</b>

## Note 9 Tax on profit for the year

MSEK	Group		Parent Company	
	2025	2024	2025	2024
<b>Current tax</b>				
Current tax on profit for the year	-8	-14	0	0
Current tax, correction previous year	0	-1	0	0
<b>Total</b>	<b>-8</b>	<b>-15</b>	<b>0</b>	<b>0</b>
<b>Deferred tax</b>				
Change in tax loss carryforward	0	0	X	0
Change in temporary differences	0	0	0	0
Untaxed reserves	9	-2	0	0
<b>Total</b>	<b>9</b>	<b>-2</b>	<b>0</b>	<b>0</b>
<b>Total tax</b>	<b>1</b>	<b>-17</b>	<b>0</b>	<b>0</b>

Reconciliation of tax expense for the year	Group		Parent Company	
	2025	2024	2025	2024
Earnings before tax	-91	81	-10	1
Tax rate 20.6%	19	-17	2	0
Adjustment for foreign tax	-3	2	0	0
<b>Tax effect of:</b>				
Non-taxable income	0	0	0	0
Non-deductible expenses	-16	-1	-2	0
Adjustment for tax expenses, acquired companies	0	0	0	0
Previously unrecognised loss carryforwards	-2	0	0	0
Other	-1	2	0	0
<b>Total</b>	<b>-2</b>	<b>-14</b>	<b>0</b>	<b>0</b>

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## Note 10 Earnings per share

MSEK	Group	
	2025	2024
<b>Earnings attributable to ordinary shareholders</b>		
Earnings for the year attributable to Parent Company's shareholders	-117	-47
Earnings per share before and after dilution, continuing operations (SEK)	-1.86	1.31
Earnings per share before and after dilution including discontinuing operations (SEK)	<b>-2.42</b>	<b>-0.97</b>
<b>Number of shares</b>		
Average number of shares before and after dilution	48,512	48,512

## Note 11 Goodwill

MSEK	Group		Parent Company	
	31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024
Opening cost	1,242	1,237	-	-
Acquisition of subsidiaries	0	0	-	-
Exchange rate differences for the year	-16	4	-	-
<b>Closing accumulated cost</b>	<b>1,225</b>	<b>1,242</b>	<b>-</b>	<b>-</b>

### Goodwill and brand specified by cash-generating units

2025	Goodwill	Brands	Growth	Ebita%	WACC
Infraservices	282	37	2%	6,2%	10.4%
Power	486	61	2%	6,9%	8.7%
Telecom	457	81	2%	9,6%	9.6%
	<b>1,225</b>	<b>179</b>			

### Goodwill and brand specified by cash-generating units

2024	Goodwill	Brands	Growth	Ebita%	WACC
Infraservices	282	40	2%	8,0%	10.1%
Power	444	59	2%	8,4%	8.9%
Telecom	516	80	2%	7,0%	8.5%
	<b>1,242</b>	<b>179</b>			

## Impairment testing of goodwill and trademarks

Goodwill and trademarks with indefinite useful lives are tested annually for impairment, or when there is an indication of impairment, in accordance with IAS 36. The testing is performed at the cash-generating unit level to which the assets have been allocated. The recoverable amount is determined by calculating value in use based on projected future cash flows.

The calculations are based on five-year forecasts approved by the Board of Directors. The most significant assumptions relate to growth, EBITA margin, and other factors affecting cash flows. Cash flows beyond the forecast period are extrapolated using a long-term growth rate and an EBITA margin after the five-year period corresponding to the values stated in the table for amounts allocated per cash-generating unit.

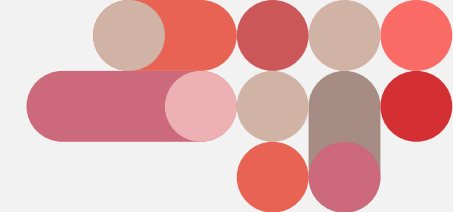
The assumptions are based on historical performance, external market data, and management's assessment of future market and business development. The forecasts are updated and monitored continuously.

As of the balance sheet date, the recoverable amount exceeded the carrying amount by approximately 37% (115%).

The sensitivity analysis, based on the current business plan, shows that the value in use could fall below the carrying amount in the event of a combined adverse change in several key assumptions, a so-called "perfect storm." The recoverable amount would be approximately 4% below the carrying amount if the discount rate increased by one percentage point, the operating margin decreased by 10%, and the long-term growth rate decreased by one percentage point. Management assesses that, based on reasonable assumptions and the business plan underlying the calculations, as well as ongoing monitoring, there is no impairment need as of the balance sheet date.

Climate-related risks have been considered in the assessments and are not deemed to have a material impact on the recoverable amount.

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## Note 12 Other intangible assets

Capitalised development expenditure and similar MSEK	Group		Parent Company	
	31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024
Opening cost	40	31	-	-
Acquisitions for the year	7	14	-	-
Exchange rate differences for the year	-3	0	-	-
Allocated to discontinuing operations	0	-5	-	-
<b>Closing accumulated cost</b>	<b>45</b>	<b>40</b>	-	-
Opening amortisation	-17	-11	-	-
Amortisation for the year	-9	-6	-	-
Amortisation for the year, discontinuing operations	0	-1	-	-
Exchange rate differences for the year	1	0	-	-
Allocated to discontinuing operations	0	1	-	-
<b>Closing accumulated amortisation</b>	<b>-25</b>	<b>-17</b>	-	-
<b>Net carrying amount</b>	<b>20</b>	<b>23</b>	-	-
<b>Brand, customer relationships and technology</b>				
MSEK	Group		Parent Company	
	31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024
Opening cost	267	267	-	-
Acquisitions for the year	-	-	-	-
Exchange rate differences for the year	0	0	-	-
Allocated to discontinuing operations	-	-	-	-
<b>Closing accumulated cost</b>	<b>267</b>	<b>267</b>	-	-
Opening amortisation	-87	-87	-	-
Amortisation for the year	-	-	-	-
Exchange rate differences for the year	0	0	-	-
Allocated to discontinuing operations	-	-	-	-
Closing accumulated amortisation	-87	-87	-	-
<b>Net carrying amount</b>	<b>179</b>	<b>179</b>	-	-
<b>Net carrying amount</b>	<b>179</b>	<b>179</b>	-	-

The net carrying amount above includes the following intangible assets: Brand MSEK 179 (179), Customer relationships MSEK 0 (0), technology MSEK 0 (0). There is no foreseeable time limit for when the brand would not generate a positive cash flow for the Group, which is why no regular amortisation takes place. The Netel brand is impairment tested annually; refer also to accounting policies and Note 11.

## Note 13 Lands and buildings

MSEK	Group		Parent Company	
	31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024
Opening cost	6	6	-	-
Purchases	0	0	-	-
Acquisitions	0	-	-	-
Sales/disposals	-	-	-	-
Reclassification	-	-	-	-
Exchange rate differences for the year	-	-	-	-
Allocated to discontinuing operations	-	-	-	-
<b>Closing accumulated cost</b>	<b>6</b>	<b>6</b>	-	-
Opening depreciation	-1	-1	-	-
Sales/disposals	-	-	-	-
Acquisitions	-	-	-	-
Reclassification	-	-	-	-
Depreciation for the year	0	0	-	-
Exchange rate differences for the year	-	-	-	-
Allocated to discontinuing operations	-	-	-	-
<b>Closing accumulated depreciation</b>	<b>-1</b>	<b>-1</b>	-	-
<b>Net carrying amount</b>	<b>5</b>	<b>5</b>	-	-

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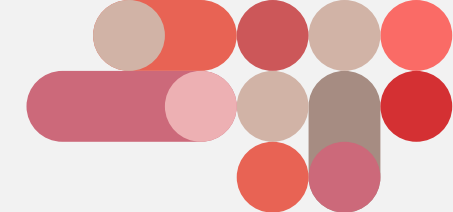
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## Note 14 Plant and machinery

MSEK	Group		Parent Company	
	31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024
Opening cost	140	124	-	-
Purchases	12	28	-	-
Acquisitions	0	0	-	-
Sales/disposals	-8	-14	-	-
Reclassification	0	2	-	-
Exchange rate differences for the year	-2	2	-	-
Allocated to discontinued operations	-23	-2	-	-
<b>Closing accumulated cost</b>	<b>119</b>	<b>140</b>	-	-
Opening depreciation	-73	-65	-	-
Sales/disposals	4	9	-	-
Acquisitions	0	0	-	-
Reclassification	0	-2	-	-
Depreciation for the year	-13	-15	-	-
Depreciation for the year, discontinued operations	-1	0	-	-
Exchange rate differences for the year	1	-1	-	-
Allocated to discontinued operations	14	1	-	-
<b>Closing accumulated depreciation</b>	<b>-68</b>	<b>-73</b>	-	-
<b>Net carrying amount</b>	<b>51</b>	<b>67</b>	-	-
Construction in progress	-	-	-	-
<b>Total</b>	<b>51</b>	<b>67</b>	-	-

## Note 15 Equipment, tools, fixtures and fittings

MSEK	Group		Parent Company	
	31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024
Opening cost	31	46	-	-
Purchases	6	2	-	-
Acquisitions	0	0	-	-
Sales/disposals	0	-14	-	-
Reclassification	0	-2	-	-
Exchange rate differences for the year	-1	0	-	-
Allocated to discontinued operations	-3	0	-	-
<b>Closing accumulated cost</b>	<b>34</b>	<b>31</b>	-	-
Opening depreciation	-25	-38	-	-
Sales/disposals	0	15	-	-
Acquisitions	0	0	-	-
Reclassification	0	2	-	-
Depreciation for the year	-4	-4	-	-
Depreciation for the year, discontinued operations	-1	0	-	-
Exchange rate differences for the year	1	0	-	-
Allocated to discontinued operations	3	0	-	-
<b>Closing accumulated depreciation</b>	<b>-26</b>	<b>-25</b>	-	-
<b>Net carrying amount</b>	<b>7</b>	<b>6</b>	-	-

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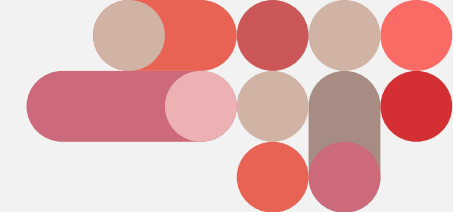
## Note 16 Right-of-use assets

MSEK	31 Dec 2025	31 Dec 2024	Amounts recognised in profit or loss	2025	2024
<b>Accumulated cost</b>					
Opening balance	218	201	Depreciation of right-of-use assets	-60	-52
New acquisitions	83	38	Interest expenses for lease liabilities	-3	-3
Divestments and disposals	-14	-12	Expenses attributable to short-term leases	-1	-0
Exchange rate differences	-9	-1	Expenses attributable to low-value leases	-0	-0
Allocated to discontinuing operations	-6	-8	<b>Total</b>	<b>-64</b>	<b>-55</b>
<b>Closing balance</b>	<b>272</b>	<b>218</b>	<b>Cash outflow for leases recognised under IFRS 16</b>	<b>-63</b>	<b>-55</b>
<b>Accumulated depreciation</b>					
Opening balance	-135	-99	Short-term leases relate to temporary rental of premises, work machines, containers and other. Low-value leases primarily refer to office machinery, vehicles, parking places and other items. On 31 December 2025, the Group did not have any obligations for short-term leases.		
Depreciation for the year	-59	-49	<b>Additional disclosures</b>		
Depreciation for the year, discontinuing operations	-1	-3	For the Netel Group, the majority of right-of-use assets and lease liabilities are related to leases of vehicles and premises. Assumptions on whether or not to exercise the option to extend existing leases have a major impact on the recognised right-of-use assets and lease liabilities. For existing lease contracts, Netel makes a qualified assessment as to whether it is reasonably certain that extensions will be used. As of the balance sheet date, an assessment of current leases did not entail any significant adjustment of the amount of the right-of-use assets. Netel takes the following factors into account as most important in assessing whether the leases will be extended: fees for terminating leases, significant remaining value of capitalised improvement costs of third-party properties, historical lease terms and costs and interruptions in the business required to replace the leased asset. The majority of the extension options are excluded in the lease liability because the Group believes that the assets can be replaced without significant costs or interruption to the business.		
Divestments and disposals	49	11			
Exchange rate differences	5	1			
Allocated to discontinuing operations	4	3			
<b>Closing balance</b>	<b>-137</b>	<b>-135</b>			
<b>Carrying amount</b>	<b>134</b>	<b>83</b>			

Right-of-use assets refer to leased assets in accordance with IFRS 16, which comprise Buildings (rent of premises) of MSEK 54 (30), Vehicles MSEK 73 (48) and Other (tools/machinery) MSEK 7 (4). Depreciation for the year for right-of-use assets for Buildings was MSEK 18 (18), Vehicles MSEK 39 (30), and Other (tools/machinery) MSEK 2 (2). The Group has excluded short-term leases and low-value leases of MSEK 1 (1).

The maturity structure for lease liabilities is presented in Note 25.

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## Note 17 Participations in Group companies

	Parent Company	
	31 Dec 2025	31 Dec 2024
<b>MSEK</b>		
Opening cost	1,622	1,622
Acquisition of participations in Group companies	0	0
Mergers	0	0
Shareholders' contributions	-	-
	<b>1,622</b>	<b>1,622</b>

Company	Corp. Reg. No.	Registered office	Number of shares	Participation
<b>Direct ownership</b>				
Netel Group AB	556914-7548	Stockholm	12,517,894	100%

Company	Corp. Reg. No.	Registered office	Number of shares	Participation
<b>Indirect ownership</b>				
Netel AB	556592-4056	Stockholm	100,000	100%
Netel AS	983096514	Oslo	5,700,000	100%
Nett-Tjenester AS	995627868	Fredrikstad	100	100%
ICT Consulting AB	556961-0826	Stockholm	1,000	100%
Medam AB	556646-7998	Nyköping	5,000	100%
Netel GmbH	HRB18381	Frankfurt (Oder)	25,000	100%
C-E Morberg Anläggning & Energi AB	556784-4138	Strömsholm	1,000	100%
Brogrund Mark AB	556700-6266	Örebro	1,000	100%
Brogrund Entreprenad AB	556854-2301	Örebro	1,000	100%
Oppunda Kraftkonsult AB	556525-2961	Katrineholm	1,000	100%
Svensk Elkraftsentreprenad AB	559096-9712	Norrköping	1,000	100%
JR Markteknik ABJR Markteknik AB	556906-3869	Stockholm	100	100%
Täby Maskin & Uthyrning AB	556918-6231	Stockholm	100	100%
Eltex Entreprenad Sverige AB	556841-3636	Smedjebacken	500	100%
Eltex Kraft & Montage Sverige AB	559263-6681	Smedjebacken	250	100%
Elcenter i Söderköping Aktiebolag	556373-2477	Söderköping	1,000	100%
KMAB Karlskoga Mark AB	556882-2828	Karlskoga	50,000	100%
Bredbyns Schakt AB	556203-0741	Örnsköldsvik	1,000	100%
Elektrotjänst i Katrineholm AB	556209-6486	Katrineholm	5,000	100%

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## Note 18 Other financial assets

MSEK	Group	
	31 Dec 2025	31 Dec 2024
Opening cost	15	13
Acquisitions for the year	15	2
<b>Total</b>	<b>30</b>	<b>15</b>

The Group's other financial assets primarily comprise capital investments.

## Note 19 Accounts receivable

MSEK	Group		Parent Company	
	31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024
Accounts receivable	482	509	0	0
Loss allowance IFRS 9	-4	-4	0	0
<b>Total accounts receivable</b>	<b>478</b>	<b>505</b>	<b>0</b>	<b>0</b>
Age analysis of accounts receivable before deduction for loss allowance				
Not Due	360	361	0	0
1-30 days past due	36	62	0	0
31-90 days past due	1	16	0	0
> 91 days past due	85	70	0	0
<b>Total accounts receivable past due</b>	<b>482</b>	<b>509</b>	<b>0</b>	<b>0</b>
Opening balance, provisions	-4	-5	0	0
Change in loss allowance, accounts receivable	0	0	0	0
<b>Closing balance, loss allowance for credit losses</b>	<b>-4</b>	<b>-4</b>	<b>0</b>	<b>0</b>

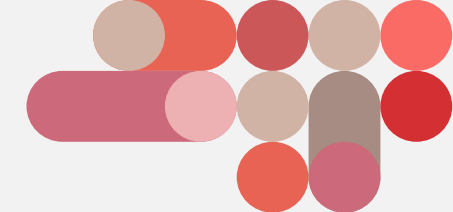
The average credit terms for accounts receivable are 30 days. A credit assessment takes place when an agreement is entered into with a previously unknown customer.

## Note 20 Contract assets

MSEK	Group		Parent Company	
	31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024
Construction contracts	363	385	0	0
Provision, contract assets	-1	-1	0	0
<b>Total contract assets</b>	<b>362</b>	<b>384</b>	<b>0</b>	<b>0</b>
Opening balance	384	447	0	0
Invoicing of opening receivables	-264	-367	0	0
Generated revenue for the year that has not been invoiced	350	349	0	0
Impairment	-85	-	0	0
<i>Discontinued operations</i>				
Invoicing of opening receivables	-18	-21		
Generated revenue for the year that has not been invoiced	14	17		
Impairment	-6	-23		
Allocated to discontinued operations	-14	0		
<b>Total</b>	<b>362</b>	<b>384</b>	<b>0</b>	<b>0</b>
Current	362	384	0	0
Non-current	-	-	0	0
<b>Total</b>	<b>362</b>	<b>384</b>	<b>0</b>	<b>0</b>
Opening balance, provisions	-1	-1	0	0
Change in loss allowance, contract assets	0	0	0	0
<b>Closing balance, loss allowance for credit losses</b>	<b>-1</b>	<b>-1</b>	<b>0</b>	<b>0</b>

Amounts attributable to construction contracts arise in conjunction with projects that have been generated but not invoiced before the balance sheet date. During the year, projects (both started and not started) for which losses were expected, were recognised as an expense of MSEK 6.5 (0). All contract assets as of 31 December 2025 are expected to be settled in 2026.

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## Note 21 Prepaid expenses and accrued income

MSEK	Group		Parent Company	
	31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024
Prepaid rent	3	0	-	-
Accrued revenue, other	2	6	-	-
Other items	7	16	-	-
<b>Total</b>	<b>11</b>	<b>22</b>	<b>-</b>	<b>-</b>

## Note 22 Disclosures on share capital and reserves

	Number of shares	Quota value per share SEK
<b>2025</b>		
Number/value at beginning of year	48,511,873	0.02
Number/value at year-end	48,511,873	0.02
<b>2024</b>		
Number/value at beginning of year	48,511,873	0.02
Number/value at year-end	48,511,873	0.02

Reserves	31 Dec 2025	31 Dec 2024
<b>Translation reserve</b>		
Opening balance	-13	-21
Translation differences for the year	-8	8
<b>Closing balance</b>	<b>-21</b>	<b>-13</b>

### Translation reserve

The translation reserve includes the exchange rate differences that arise on the translation of foreign operations whose financial statements are prepared in a different currency to the currency in which the consolidated financial statements are presented. Internal financing to foreign operations in foreign currencies is also seen as an extended net investment in these foreign operations and exchange rate effects from these positions are recognised in other comprehensive income together with other translation differences for foreign operations.

## Note 23 Deferred tax

MSEK	Group		Parent Company	
	31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024
<b>Deferred tax assets</b>				
Loss carryforwards	-	5	-	-
Unutilised interest deductions	-	-	-	-
Loss allowance accounts receivable/contract assets	1	1	-	-
Deferred tax, right-of-use assets	1	1	-	-
<b>Total</b>	<b>2</b>	<b>7</b>	<b>-</b>	<b>-</b>
<b>Deferred tax liabilities</b>				
Untaxed reserves	20	29	-	-
Temporary differences, intangible assets	38	38	-	-
Other temporary differences	-	3	-	-
<b>Total</b>	<b>58</b>	<b>70</b>	<b>-</b>	<b>-</b>

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## Note 24 Maturity structure for undiscounted liabilities to credit institutions, lease liabilities and other liabilities

TSEK	Group		Parent Company	
	31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024
<i>Liabilities to credit institutions and lease liabilities</i>				
<b>Repayment within one year</b>				
Loans	89	0	-	-
Lease liabilities	52	41	-	-
<b>Total within one year</b>	<b>141</b>	<b>41</b>	-	-
<b>Repayment within two to five years</b>				
Loans	884	920	0	934
Lease liabilities	90	40	-	-
<b>Total within two to five years</b>	<b>974</b>	<b>959</b>	<b>0</b>	<b>934</b>
<b>Repayment after five years</b>				
Loans	0	0	-	-
Lease liabilities	1	1	-	-
<b>Total after five years</b>	<b>1</b>	<b>1</b>	-	-
<b>Total liabilities to credit institutions and lease liabilities</b>	<b>1,116</b>	<b>1,002</b>	<b>0</b>	<b>934</b>
<i>Other liabilities</i>				
Repayment within one year	4	8	-	-
Repayment within two to five years	0	0	-	-
Repayment after five years	0	0	-	-
<b>Total</b>	<b>4</b>	<b>8</b>	<b>0</b>	<b>0</b>
Total amortisation within one year	145	50	-	-
Total amortisation within two to five years	974	959	0	934
Total amortisation after five years	1	1	-	-

The Group has a main revolving facility of MSEK 950 that includes an overdraft facility of MSEK 226 distributed between cash pool accounts in Sweden (MSEK 180) and Norway (MSEK 46), with a term until 30 June 2027, as well as a credit facility of MSEK 250 with a term until 30 June 2027. In 2025, Netel renegotiated and extended the two main credit facilities as communicated on 30 December 2025. Financing and the two main credit facilities that extend until 30 June 2027 include primarily liquidity as a financial covenant at any given time. During the period with the new credit facilities and as per 31 December 2025, Netel had fulfilled its commitments in the aforementioned facility agreement and did not recognise any short-term facilities in relation to its main financing.

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 structured 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.

Overdraft facilities	Group		Parent Company		
	MSEK	31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024
Overdraft facilities granted		226	150	-	-
Of which utilised at balance sheet date		89	-	-	-

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## Note 25 Contract liabilities

MSEK	Group		Parent Company	
	31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024
Construction contracts	116	132	-	-
Opening balance	132	151	-	-
Generated during the year	-132	-136	-	-
Invoiced revenue for the year that has not been generated	116	132	-	-
<i>Discontinued operations</i>				
Generated during the year	-	-14	-	-
Invoiced revenue for the year that has not been generated	-	12	-	-
Allocated to discontinuing operations	-	-12	-	-
<b>Total</b>	<b>116</b>	<b>132</b>	<b>-</b>	<b>-</b>
Current	116	132	-	-
Non-current	-	-	-	-
<b>Total</b>	<b>116</b>	<b>132</b>	<b>-</b>	<b>-</b>

Amounts attributable to construction contracts arise in connection with payment exceeding the accrued revenue reported for a construction agreement. Payment is made according to agreed plans. All contract liabilities as of 31 December 2025 are expected to be settled in 2026.

## Note 26 Accrued expenses

MSEK	Group		Parent Company	
	31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024
Accrued salaries	74	70	3	2
Accrued social security contributions	17	22	1	1
Project-related reserves	15	18	-	-
Other accrued expenses	9	4	-	1
<b>Total</b>	<b>116</b>	<b>114</b>	<b>4</b>	<b>5</b>

Project-related reserves refer to estimated costs for construction projects, less costs that have de facto already been charged to the project in the form of time spent and supplier invoices, taking into account the degree of completion on the closing date.

## Note 27 Adjustments for non-cash items

MSEK	Group		Parent Company	
	31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024
Depreciation	82	72	0	0
Provisions	1	1	1	1
Unrealised exchange rate effects	3	0	-11	-5
Revaluation of contingent considerations	-2	-37	-	-
Other adjustments*	-19	2	1	1
<b>Total</b>	<b>65</b>	<b>38</b>	<b>-10</b>	<b>-3</b>

\*Other adjustments relate to other items, including financial costs beyond interest, which are presented separately. The year 2025 includes financial costs incurred in connection with entering into a new financing agreement.

## Note 28 Reconciliation of liabilities attributable to financing activities

MSEK	Group		Parent Company	
	31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024
Opening balance liabilities to credit institutions	928	960	887	942
Repayment of loans	-27	-57	-4	-53
Raising of new loans	97	15	-	0
<i>Non-cash items</i>				
Acquired liabilities and other liabilities	0	12	-	-1
Translation differences	-11	-5	-11	-5
Dissolution loan arrangement costs	0	3	0	3
<b>Closing balance liabilities to credit institutions</b>	<b>988</b>	<b>928</b>	<b>873</b>	<b>887</b>
Opening balance, lease liabilities	78	96	-	-
Amortisation of lease liabilities	-54	-46	-	-
Allocated to lease liabilities, discontinuing operations	-3	-5	-	-
<i>Non-cash items</i>				
Raising of new lease liabilities	110	33	-	-
<b>Closing balance, lease liabilities</b>	<b>132</b>	<b>78</b>	<b>-</b>	<b>-</b>
<b>Total liabilities from financing activities</b>	<b>1,119</b>	<b>1,006</b>	<b>873</b>	<b>887</b>

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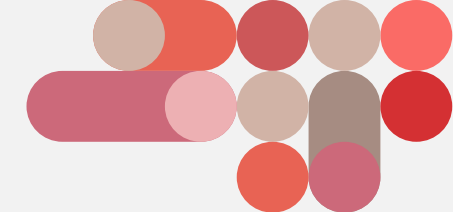
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## Note 29 Pledged assets

MSEK	Group		Parent Company	
	31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024
Pledged assets in subsidiaries/shares in subsidiaries	662	-	1,622	-
Floating charges	70	29	-	-
Pledged internal loans*	976	-	732	-
<b>Total</b>	<b>1,708</b>	<b>29</b>	<b>2,354</b>	-

\*Pledged assets attributable to internal loan pledges refer to the total value of all pledged loans within the Group.

## Note 30 Contingent liabilities

MSEK	Group		Parent Company**	
	31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024
Parent Company guarantees for work performed	83	95	-	-
Bank guarantees provided and other guarantees for work performed* **	171	158	154	-
Guarantees for Group companies	51	243	-	-
<b>Total</b>	<b>305</b>	<b>496</b>	<b>154</b>	-
Of which, discontinued operations	42	89	-	-

\*Pledged assets attributable to bank guarantees and other guarantees for work performed include all guarantees issued via third parties for the benefit of clients during the construction and guarantee period.

\*\*Contingent liabilities for the Parent Company relate to guarantees in existing guarantee frameworks in relation to third-party providers of performance bonds.

## Note 31 Related party transactions

No significant changes took place during the year for the Group or the Parent Company in relationships or transactions with related parties.

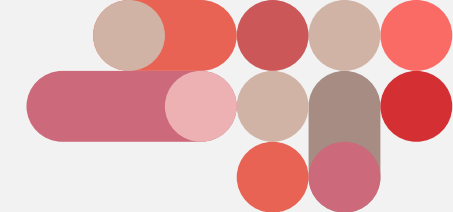
## Note 32 Significant events after the end of the financial year

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

## Note 33 Key performance indicators not defined under IFRS

MSEK unless otherwise stated	2025	2024
Net sales growth (%)	-9.3%	4.5%
Organic net sales growth (%)	-9.3%	4.3%
EBITDA	71	222
EBITDA margin (%)	2.4%	6.9%
EBITA	-5	164
EBITA margin (%)	-0.2%	5.1%
Items affecting comparability	33	18
Adjusted EBITDA	103	240
Adjusted EBITDA margin (%)	3.5%	7.5%
Adjusted EBITA	28	181
Adjusted EBITA margin (%)	1.0%	5.6%
Net debt	786	662
Net debt/adjusted EBITDA R12 (ratio)	7.6	2.8
Equity ratio (%)	35.2%	36.9%
Order backlog	4,157	3,805

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## Note 34 Derivation of key performance indicators not defined by IFRS

MSEK unless otherwise stated	2025	2024	MSEK unless otherwise stated	2025	2024
<b>Organic net sales growth</b>			<b>Adjusted EBITDA margin (%)</b>	<b>3.5%</b>	<b>7.5%</b>
Net sales, previous period	3,214	3,076	<b>Adjusted EBITA</b>		
Acquired net sales	-	4	Net sales	2,915	3,214
Organic net sales	2,915	3,210	Operating profit (EBIT)	-13	157
<b>Total net sales growth (%)</b>	<b>-9.3%</b>	<b>4.5%</b>	Amortisation and impairment of intangible assets	9	6
<b>Organic net sales growth (%)</b>	<b>-9.3%</b>	<b>4.3%</b>	<b>EBITDA</b>	<b>-5</b>	<b>164</b>
<b>Adjusted EBITDA</b>			<b>EBITDA margin (%)</b>	<b>-0.2%</b>	<b>5.1%</b>
Net sales	2,915	3,214	<b>Items affecting comparability</b>		
Operating profit (EBIT)	-13	157	Acquisition-related costs	10	-17
Depreciation and amortisation and impairment of property, plant and equipment and intangible assets	84	65	Restructuring costs	13	24
<b>EBITDA</b>	<b>71</b>	<b>222</b>	Other items affecting comparability	10	10
<b>EBITDA margin (%)</b>	<b>2.4%</b>	<b>6.9%</b>	<b>Total items affecting comparability</b>	<b>33</b>	<b>18</b>
<b>Items affecting comparability</b>			<b>Adjusted EBITA</b>	<b>28</b>	<b>181</b>
Acquisition-related costs	10	-17	<b>Adjusted EBITA margin (%)</b>	<b>1.0%</b>	<b>5.6%</b>
Restructuring costs	13	24	<b>Net Debt/adjusted EBITDA (R12)</b>		
Other items affecting comparability	10	10	Non-current interest-bearing liabilities	968	958
<b>Total items affecting comparability</b>	<b>33</b>	<b>18</b>	Current interest-bearing liabilities	154	49
<b>Adjusted EBITDA</b>	<b>103</b>	<b>240</b>	Total interest-bearing liabilities	1,123	1,006
			Lease liabilities	132	83
			Cash and cash equivalents	205	261
			<b>Net debt</b>	<b>918</b>	<b>745</b>
			<b>Net debt excluding leasing</b>	<b>786</b>	<b>662</b>
			<b>Adjusted EBITDA, R12</b>	<b>103</b>	<b>240</b>
			<b>Net debt excluding leasing/adjusted EBITDA R12 (Ratio)</b>	<b>7.6</b>	<b>2.8</b>
			<b>Equity ratio</b>		
			Total equity (MSEK)	971	1,095
			Total assets (MSEK)	2,755	2,968
			<b>Equity ratio (%)</b>	<b>35.2%</b>	<b>36.9%</b>

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## Note 35 Financial instruments and financial risk management

Netel's financial instruments measured at fair value mainly refer to contingent considerations and fund holdings. 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 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.

MSEK	31 Dec 2025	31 Dec 2024
<b>Fund holdings</b>		
Opening balance	7	6
Business combinations	-	-
Purchases	0	1
Sales	-	-
Change in value recognised in profit or loss	-	-
Translation differences	-	-
<b>Closing balance</b>	<b>7</b>	<b>7</b>

MSEK	31 Dec 2025	31 Dec 2024
<b>Contingent consideration</b>		
Opening balance	2	162
Business combinations	0	0
Paid	0	-124
Change in value recognised in profit or loss	-2	-37
Translation differences	0	1
<b>Closing balance</b>	<b>0</b>	<b>2</b>

MSEK	31 Dec 2025	31 Dec 2024
<b>Other liabilities measured at fair value</b>		
Opening balance	0	-1
Change in recognised liabilities	0	0
Change in value recognised in profit or loss	0	1
Translation differences	-	-
<b>Closing balance</b>	<b>0</b>	<b>0</b>

The financial risks to which Netel is exposed primarily consist of:

- – Financing and liquidity risk regarding capital management
- – Interest risk for liabilities
- – Currency risks related to foreign subsidiaries
- – Credit risk

Netel's Board bears ultimate responsibility for the management, exposure and follow-up of the Group's financial risks. The Board has adopted a policy on how the Group is to manage and control these risks. The finance policy is updated annually or as needed. The Board monitors and evaluates risks and the quality of the financial reporting through the Audit Committee. The Finance Department within the Group is responsible for ensuring the Group's financing and management of cash liquidity, financial assets and financial liabilities. The Board monitors how the Finance Department exercises and monitors risk management and internal control using monthly reporting.

### Financing and liquidity risk

Financing risk refers to the risk that Netel cannot raise sufficient financing at a reasonable cost. Financing risk is managed by Netel signing non-current credit agreements with banks with a high credit rating.

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Note 35, cont.

**Maturity analysis, financial liabilities**

Group 2025, MSEK	Nominal amount	Due 2026	Due 2027-2028	Due 2029-2030	Due >2031
Bank loans	1,075	147	910	18	0
Other non-current liabilities	4	4			-
Liabilities for lease commitments	142	52	67	23	0
<b>Total interest-bearing liabilities</b>	<b>1,221</b>	<b>203</b>	<b>977</b>	<b>40</b>	<b>0</b>
Accounts payable	298	298	-	-	-
<b>Total non-interest-bearing liabilities</b>	<b>298</b>	<b>298</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Maturity analysis, financial liabilities**

Group 2024, MSEK	Nominal amount	Due 2025	Due 2026-2027	Due 2028-2029	Due >2030
Bank loans	1,047	70	945	22	11
Other non-current liabilities	8	8	-	-	-
Liabilities for lease commitments	82	41	33	6	1
<b>Total interest-bearing liabilities</b>	<b>1,137</b>	<b>119</b>	<b>978</b>	<b>28</b>	<b>12</b>
Accounts payable	296	296	-	-	-
<b>Total non-interest-bearing liabilities</b>	<b>296</b>	<b>296</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Cash and cash equivalents – Liquidity risk**

Netel has cash and cash equivalents in banks with high credit ratings. The credit provision is calculated according to the general model with an assumption of low credit risk. Given the short maturity and stable counterparties, the amount is immaterial. Accordingly, liquidity risk refers to the risk that Netel will experience difficulties in fulfilling its payment obligations as a result of insufficient liquidity. Netel continuously and in detail monitors expected inflows and outflows of cash and cash equivalents in the Group and prepares short and long-term liquidity forecasts every month. Available liquidity is presented below.

**Available liquidity**

Group, MSEK	31 Dec 2025	31 Dec 2024
Cash and bank balances	205	261
Unutilised overdraft facilities	137	302
<b>Available liquidity</b>	<b>342</b>	<b>563</b>

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. Maturities of current liabilities are managed using the current cash flow, which includes accounts receivable that at the end of the year amounted to MSEK 478 (505).

**Interest-rate risk**

Interest-rate risk is the risk that changes in the market interest rate will adversely affect the Group's net interest and cash flow. Interest is regularly fixed on parts of the Group's loans, which means that future financial expenses will be affected by changes in market interest rates. In order to reduce this risk, Netel may enter into derivative contracts such as interest rate swaps intended to counteract major fluctuations in the variable interest rate. Netel had no interest rate swaps on 31 December 2025. The average interest rate on outstanding interest-bearing liabilities on 31 December 2025 was as follows:

Average interest rate	2025		2024	
	Liability amount	Average interest	Liability amount	Average interest
Group, MSEK				
Bank loans	988	5.7%	928	6.7%
Other non-current liabilities	4	0.0%	8	0.0%
Lease liabilities	132	2.5%	78	3.6%
<b>Total</b>	<b>1,123</b>		<b>1,015</b>	

A change in the market interest rate of 1 percentage point would mean a change in interest expenses of MSEK +/-10.1 (10.1).

**Currency risk**

Currency risk refers to the risk that fair values and cash flows relating to financial instruments fluctuate when the value of foreign currencies changes. Although Netel operates in Norway and Finland, the business is mainly of a local nature in terms of currency risks since revenue and expenses in the projects are both met in the same currency. The Group is also exposed to the risk of fluctuations in currency when translating foreign subsidiaries. Currency risk is currently not considered to have a material impact on Netel's financial position.

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Note 35, cont.

**Credit risk**

Credit risk refers to the risk of losing money because the counterparty cannot fulfil its obligations. The counterparty risks Netel is primarily exposed to are attributable to balances in bank accounts and outstanding accounts receivable and contract assets.

**Credit risks in financial activities**

To limit the risk of exposure to bank balances, banks with a high credit rating according to the rating institutions Standard & Poors and Moody's are used. Cash and cash equivalents are covered by the general model for calculating loss allowances. The exemption for low credit risk applies to cash and cash equivalents.

**Credit risks in accounts receivable**

The credit risk with regards to accounts receivable and contract assets is managed by diversifying the risk of the types of projects and entering into contracts with known, reliable customers. A large part of the customer stock is concentrated in a smaller number of larger customers, but the assessment is that the risk in concentration to fewer customers is offset by less risk in the customer's ability to pay. The Group's accounts receivable and contract assets are subject to the simplified model for impairment. The expected credit losses for accounts receivable and contract assets are calculated using a provision matrix based on past events, current conditions and forecasts for future financial conditions and the time value of the money, if applicable. The starting point in this method is that the maturity/age intervals create the basis for the risk assessment. For each maturity date interval, receivables are collectively valued and the older the receivable, the greater the probability of default, which is reflected in the calculation. A risk factor is added to the maturity which is done individually in groups of similar credit risk characteristics. These individual groups are made up of Netel's customer types, geography, business area, etc. This risk factor is based not only on historical statistics, but also takes into account current conditions and expectations regarding future conditions.

Contract assets consist of generated revenue in projects that have not been invoiced and are deemed to be in the same risk category as accounts receivable not past due. Expected credit losses amount to the following:

**Expected credit losses**

Group, MSEK	31 Dec 2025	31 Dec 2024
Accounts receivable	-4	-5
Contract assets	-1	-1

For more information, see Note 19 and Note 20.

**Measurement of financial assets and liabilities**

Interest derivatives are measured at fair value through profit and loss. Other financial assets and liabilities are measured at amortised cost.

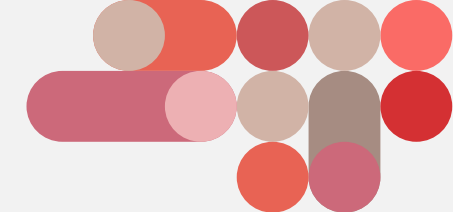
Group, measurement	31 Dec 2025		31 Dec 2024	
	Amortised cost	Fair value through profit or loss	Amortised cost	Fair value through profit or loss
<b>Balance-sheet items, MSEK</b>				
<b>Assets</b>				
Interest derivatives and currency futures (asset)	-	-	-	-
Accounts receivable	478	-	505	-
Other receivables	39	-	105	-
Cash and cash equivalents	205	-	261	-
<b>Liabilities</b>				
Interest derivatives and currency futures (liabilities)	-	0	-	0
Liabilities to credit institutions non-current and current	1,119	-	1,006	-
Other non-current liabilities	0	-	0	-
Accounts payable	296	-	296	-
Other current liabilities	51	-	163	-
Accrued expenses and deferred income	127	-	117	-

**Gains and losses net on financial instrument measured through profit or loss.**

The table below shows the impact of financial instruments on the consolidated income statement.

Group, measurement	31 Dec 2025		31 Dec 2024	
	Amortised cost	Fair value through profit or loss	Amortised cost	Fair value through profit or loss
<b>Balance-sheet items, MSEK</b>				
<b>Net financial items</b>				
Interest income	3	-	5	-
Interest expenses	-60	-	-65	-
Exchange rate differences	-	-	3	-
Unrealised changes in value	-	0	-	0
<b>Total impact on net financial items</b>	<b>-56</b>	<b>0</b>	<b>-57</b>	<b>0</b>

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## Note 36 Discontinued 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 market 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 statement of financial position, 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.

Amounts in MSEK	2025	2024
<b>Net income from discontinued operations</b>		
Net sales	145	311
Other operating income	6	17
<b>Total revenue</b>	<b>151</b>	<b>328</b>
<b>Operating expenses</b>		
Materials and purchased services	-123	-304
Other external expenses	-9	-62
Personnel costs	-36	-56
Depreciation and amortisation	-3	-8
<b>Operating profit (EBIT)</b>	<b>-19</b>	<b>-102</b>
<b>Profit/loss from financial items</b>		
Net financial items	-1	0
<b>Earnings after financial items</b>	<b>-20</b>	<b>-101</b>
Taxes	1	-9
<b>Net income from discontinued operations</b>	<b>-19</b>	<b>-111</b>

Amounts in MSEK	31 Dec 2025	31 Dec 2024
<b>Assets held for sale</b>		
Tangible and intangible assets	-	9
Inventories	-	3
Accounts receivable	-	28
Contract assets	-	17
Cash and cash equivalents	-	4
<b>Total assets held for sale</b>	<b>-</b>	<b>62</b>
<b>Liabilities directly associated with assets held for sale</b>		
Current interest-bearing liabilities	-	-
Accounts payable	-	16
Contract liabilities	-	12
Other liabilities	-	17
Accrued expenses and deferred income	-	33
<b>Total liabilities directly associated with assets held for sale</b>	<b>-</b>	<b>78</b>
<b>Amounts in MSEK</b>	<b>2025</b>	<b>2024</b>
<b>Cash flow from discontinued operations</b>		
Cash flow from operating activities	-16	-57
Cash flow from investing activities	-3	-2
Cash flow from financing activities	7	-7
<b>Cash flow for the period, discontinued operations</b>	<b>-12</b>	<b>-66</b>

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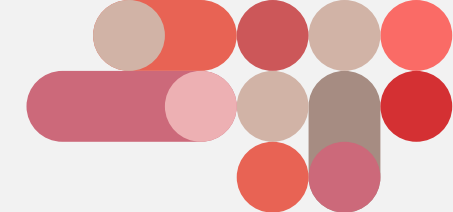
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Amounts in MSEK	Divestment Finland	Divestment UK	Total
<b>Disclosures on divestments of subsidiaries</b>			
<b>Purchase consideration received</b>			
Cash	0	0	0
<b>Total sales price</b>	<b>0</b>	<b>0</b>	<b>0</b>
Carrying amount of net assets sold	-18	18	-0
<b>Gain on sale of subsidiary before reclassification of foreign currency translation reserve</b>	<b>18</b>	<b>-18</b>	<b>0</b>
Reclassification of currency translation reserve	-10	1	-8
<b>Other comprehensive income from discontinuing operations</b>	<b>-10</b>	<b>1</b>	<b>-8</b>
Net income discontinuing operations	7	-26	-19
<b>Total net income discontinued operations, including gains/losses from sales</b>	<b>16</b>	<b>-43</b>	<b>-27</b>

Transaction costs related to the sale of the operations in Finland amounted to MSEK 9 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 the UK amounted to MSEK 0 and are included in the Group's other external expenses for the fourth quarter of 2025.

Amounts in MSEK	Divestment Finland	Divestment UK	Total
<b>Net assets on date of sale</b>			
Tangible and intangible assets	9	16	16
Current receivables	31	29	29
Cash and cash equivalents	2	0	0
<b>Total assets</b>	<b>42</b>	<b>46</b>	<b>46</b>
Current interest-bearing liabilities	14	8	8
Current non-interest-bearing liabilities	46	19	19
<b>Total liabilities</b>	<b>61</b>	<b>28</b>	<b>28</b>
<b>Net assets</b>	<b>-18</b>	<b>18</b>	<b>18</b>

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**Governance** +

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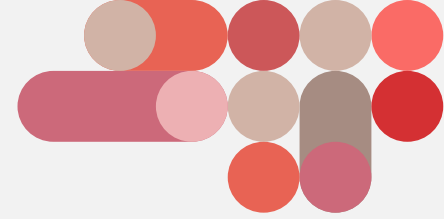
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# Proposed appropriation of profits

TSEK	
The following profits are at the disposal of the Annual General Meeting:	
Share premium reserve	1,472,668
Retained earnings	78
Earnings for the year	-10,365
<b>Total</b>	<b>1,473,337</b>
The Board of Directors proposes that retained earnings be appropriated as follows:	
To be carried forward	1,473,337
<b>Total</b>	<b>1,473,337</b>

For more information about the results and financial position of the Group and Parent Company, see the annual report. The income statements and balance sheets will be presented for approval by the Annual General Meeting on 7 May 2026.

The Board of Directors and CEO certify that the consolidated accounts have been prepared in accordance with the International Financial Reporting Standards (IFRS), as adopted by the EU, and provide a true and fair view of the Group's financial position and results. The annual accounts have been prepared in accordance with generally accepted accounting standards and provide a true and fair view of the Parent Company's financial position and results.

The Directors' Report for the Group and Parent Company provides a true and fair overview of the development of the Group's and Parent Company's business, financial position and results and describes significant risks and uncertainties faced by the Parent Company and the companies included in the Group.

The Annual Report, including the Sustainability Statement, was approved by the Board and dated March 31, 2026.

Stockholm, March 31, 2026

	Alireza Etemad Board member	
Göran Lundgren Board member		Therese Lundstedt Board member
Nina Macpherson Board member		Jeanette Reuterskiöld CEO

Our Auditor's Report and Assurance Report over the Sustainability Statement were submitted on March 31, 2026

Deloitte AB  
Jenny Holmgren  
Authorised Public Accountant

<b>Operations</b>	<b>+</b>
<b>Governance</b>	<b>+</b>
<b>Sustainability Report</b>	<b>+</b>
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<b>Other information</b>	<b>+</b>

## AUDITOR'S REPORT

To the general meeting of the shareholders of Netel Holding AB (publ)  
corporate identity number 559327-6263

### Report on the annual accounts and consolidated accounts

#### OPINIONS

We have audited the annual accounts and consolidated accounts of Netel Holding AB (publ) for the financial year 2025-01-01 - 2025-12-31 with exception for the sustainability report and the corporate governance statement on pages 27-33 and 39-67. The annual accounts and consolidated accounts of the company are included on pages 4, 9-12, 14, 16-23 and 27-102 in this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the parent company as of 31 December 2025 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of 31 December 2025 and their financial performance and cash flow for the year then ended in accordance with IFRS Accounting Standards, as adopted by the EU, and the Annual Accounts Act. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts. Our opinions do not include the sustainability report and the corporate governance statement on pages 27-33 and 39-67.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the group.

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

#### BASIS FOR OPINIONS

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

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

#### KEY AUDIT MATTERS

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

#### Ongoing construction contracts and revenue recognition

Netel recognises revenue over time based on management's assessment of the outcome of the completion rate for each contract. This means that the reported revenue and results recognised for ongoing projects are dependent on assumptions and judgements for items included in the projects. For complex ongoing construction contracts, there is an uncertainty when assessing the costs of completion and profitability. The precision of the revenue recognition requires good processes for calculation, reporting, analysing and forecasting. The significant amounts combined with the critical estimates and judgements made by management mean that this is a key audit matter. Our audit procedures included, but were not limited to:

- Review of the company's accounting principles for revenue recognition
- Review of the company's procedures and internal control related to project and revenue recognition
- Review of a selection of the projects to ensure revenue recognition in the correct period and that there is robust documentation that reflects the estimates and judgements on which revenue recognition is based
- Analytical review of the recorded revenue and review of margin analyses and comparisons to previous reporting periods
- Review of the completeness of the relevant notes in accordance with IFRS

#### Valuation of goodwill

As of December, 31 2025, Netel accounts for goodwill in the consolidated balance sheet amounting to MSEK 1 225. The value of the goodwill is dependent on future income and profitability in the cash-generating units, to which the goodwill refers, and is assessed at least once a year. Management bases its impairment test on several judgements and

estimates such as growth, EBIT development and cost of capital (WACC) as well as other complex circumstances. Incorrect judgements and estimates can have a significant impact on the group's results and financial position. Management has not identified any need for impairment for any cash-generating unit within the group. For further information, please refer to note 11, which described how management has performed the impairment test together with important estimates and judgements. Our audit procedures included, but were not limited to:

- Review and assessment of the group's procedures and model for impairment tests of goodwill and evaluation of the reasonability of judgements and estimates made, that the procedures are consistently applied and that there is integrity in calculations
- Evaluation of the reasonability of the of the identified cash generating units
- Verification of input data in calculations including information from business plans for the forecast period
- Test of head room for each cash-generating unit by performing sensitivity analyses
- Review of the completeness in relevant disclosures to the financial reports. When performing the audit procedures our valuation experts have been involved.

#### OTHER INFORMATION THAN THE ANNUAL ACCOUNTS AND CONSOLIDATED ACCOUNTS

Other information than the annual accounts and consolidated accounts This document also contains other information than the annual accounts and consolidated accounts and is found on pages 1-3, 5-8, 13,15,18, 24-26, 39-67, 108-112. The Board of Directors and the Managing Director are responsible for this other information.

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

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

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other informa-

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tion, we are required to report that fact. We have nothing to report in this regard.

### RESPONSIBILITIES OF THE BOARD OF DIRECTORS AND THE MANAGING DIRECTOR

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

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

The Audit Committee shall, without prejudice to the Board of Directors' responsibilities and tasks in general, among other things oversee the company's financial reporting process.

### AUDITOR'S RESPONSIBILITY

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts and consolidated accounts.

A further description of our responsibilities for the audit of the annual accounts and consolidated accounts is located at the Swedish Inspectorate of Auditors website: [www.revisorsinspektionen.se/revisorsansvar](http://www.revisorsinspektionen.se/revisorsansvar) This description forms part of the auditor's report"

## Report on other legal and regulatory requirements

### OPINIONS

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Directors and the Managing Director of Netel Holding AB (publ) for the financial year 2025-01-01 - 2025-12-31 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit to be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

### BASIS FOR OPINIONS

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

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

### RESPONSIBILITIES OF THE BOARD OF DIRECTORS AND THE MANAGING DIRECTOR

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

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

### AUDITOR'S RESPONSIBILITY

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

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

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

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

A further description of our responsibilities for the audit of the management's administration is located at the Swedish Inspectorate of Auditors website: [www.revisorsinspektionen.se/rn/showdocument/documents/rev\\_dok/revisors\\_ansvar.pdf](http://www.revisorsinspektionen.se/rn/showdocument/documents/rev_dok/revisors_ansvar.pdf). This description forms part of the auditor's report.

## The auditor's examination of the Esef report

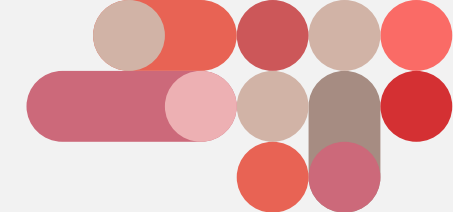
### OPINION

In addition to our audit of the annual accounts and consolidated accounts, we have also examined that the Board of Directors and the Managing Director have prepared the annual accounts and consolidated accounts in a format that enables uniform electronic reporting (the Esef report) pursuant to Chapter 16, Section 4 a of the Swedish Securities Market Act (2007:528) for Netel Holding AB (publ) for the financial year 2025-01-01 - 2025-12-31.

Our examination and our opinion relate only to the statutory requirements.

In our opinion, the Esef report has been prepared in a format that, in all material respects, enables uniform electronic reporting.

Operations	+
Governance	+
Sustainability Report	+
Financial statements	+
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Proposed appropriation of profits	
<input type="radio"/> Auditor's report	
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Quarterly review	
Multi-year review	
Other information	+



## BASIS FOR OPINION

We have performed the examination in accordance with FAR's recommendation RevR 18 Examination of the Esef report. Our responsibility under this recommendation is described in more detail in the Auditors' responsibility section. We are independent of Netel Holding AB (publ) in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

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

## RESPONSIBILITIES OF THE BOARD OF DIRECTORS AND THE MANAGING DIRECTOR

The Board of Directors and the Managing Director are responsible for the preparation of the Esef report in accordance with the Chapter 16, Section 4 a of the Swedish Securities Market Act (2007:528), and for such internal control that the Board of Directors and the Managing Director determine is necessary to prepare the Esef report without material misstatements, whether due to fraud or error.

## AUDITOR'S RESPONSIBILITY

Our responsibility is to obtain reasonable assurance whether the Esef report is in all material respects prepared in a format that meets the requirements of Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), based on the procedures performed.

RevR 18 requires us to plan and execute procedures to achieve reasonable assurance that the Esef report is prepared in a format that meets these requirements.

Reasonable assurance is a high level of assurance, but it is not a guarantee that an engagement carried out according to RevR 18 and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Esef report.

The firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

The examination involves obtaining evidence, through various procedures, that the Esef report has been prepared in a format that enables uniform electronic reporting of the annual accounts and consolidated accounts. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement in the report, whether due to fraud or error. In carrying out this risk assessment, and in order to design audit procedures that are appropriate in the circumstances, the auditor considers those elements of internal control that are relevant to the preparation of the Esef report by the Board of Directors and the Managing Director, but not for the purpose of expressing an opinion on the effectiveness of

those internal controls. The examination also includes an evaluation of the appropriateness and reasonableness of assumptions made by the Board of Directors and the Managing Director.

The procedures mainly include a validation that the Esef report has been prepared in a valid XHTML format and a reconciliation of the Esef report with the audited annual accounts and consolidated accounts.

Furthermore, the procedures also include an assessment of whether the consolidated statement of financial performance, financial position, changes in equity, cash flow and disclosures in the Esef report have been marked with iXBRL in accordance with what follows from the Esef regulation.

## The auditor's examination of the corporate governance statement

The Board of Directors is responsible for that the corporate governance statement on pages 27-33 has been prepared in accordance with the Annual Accounts Act.

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

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

Deloitte AB, was appointed auditor of Netel Holding AB (publ) by the general meeting of the shareholders on the 2025-05-08 and has been the company's auditor since 2010.

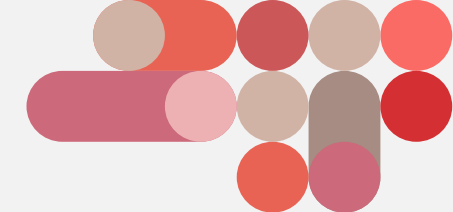
Deloitte AB

Signature on Swedish original

Jenny Holmgren  
Auktoriserad revisor

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

<b>Operations</b>	<b>+</b>
<b>Governance</b>	<b>+</b>
<b>Sustainability Report</b>	<b>+</b>
<b>Financial statements</b>	<b>+</b>
Financial statements and notes	
Proposed appropriation of profits	
<b>Auditor's report</b>	
Definitions of alternative performance measures	
Quarterly review	
Multi-year review	
<b>Other information</b>	<b>+</b>



# Auditor's limited assurance report of Netel Holding AB (publ)'s statutory sustainability statement

To the general meeting of the shareholders of Netel Holding AB (publ),  
corporate identity number 559327-6263

## CONCLUSION

We have conducted a limited assurance engagement of the sustainability statement for Netel Holding AB (publ) for the financial year 2025. The sustainability statement is included on pages 39-67 in this document.

Based on our limited assurance engagement as described in the section Auditor's responsibility, nothing has come to our attention that causes us to believe that the sustainability statement does not, in all material respects, meet the requirements of the Swedish Annual Accounts Act which includes,

- whether the sustainability statement meets the requirements of European Sustainability Reporting Standards (ESRS),
- whether the process the company has carried out to identify reported sustainability information has been conducted as described in the sustainability statement,
- compliance with the reporting requirements of the EU's Green Taxonomy Regulation Article 8 (EU Taxonomy).

## BASIS FOR CONCLUSION

We have conducted the limited assurance engagement in accordance with FAR's recommendation RevR 19 Revisorns översiktliga granskning av den lagstadgade hållbarhetsrapporten. Our responsibility according to this recommendation is further described in the section Auditor's responsibility.

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

## OTHER INFORMATION THAN THE SUSTAINABILITY STATEMENT

This document also contains other information than the sustainability statement and is found on pages 1-38, 68 - 102, 108 - 109. The Board of Directors and the Managing Director are responsible for this other information.

Our conclusion on the sustainability statement does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our limited assurance engagement on the sustainability statement, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the sustainability statement. In this procedure we also take into account our knowledge otherwise obtained in the limited assurance engagement and assess whether the information otherwise appears to be materially misstated.

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

## OTHER MATTERS

Prior year's sustainability statement has not been subject to limited assurance procedures and no review of the comparative figures in the sustainability statement for the year 2025 (financial year) has been performed.

## RESPONSIBILITIES OF THE BOARD OF DIRECTORS AND THE MANAGING DIRECTOR

The Board of Directors and the Managing Director are responsible for the preparation of sustainability statement in accordance with Chapter 6, paragraphs 12-12f of the Swedish Annual Accounts Act, and for such internal control as they determine is necessary to enable the preparation of the sustainability statement that is free from material misstatements, whether due to fraud or error.

## AUDITOR'S RESPONSIBILITY

Our responsibility is to express a conclusion on whether the sustainability statement has been prepared in accordance with Chapter 6, Sections 12-12f of the Swedish Annual Accounts Act based on our review. The limited assurance engagement has been conducted in accordance with FAR's recommendation RevR 19 Revisorns översiktliga granskning av den lagstadgade hållbarhetsrapporten. This recommendation requires that we plan and perform our procedures to obtain limited assurance that the sustainability statement is prepared in accordance with these requirements.

The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. This means that it is not possible for us to obtain such assurance that we become aware of all significant matters that could have been identified if a reasonable assurance engagement had been performed.

Our firm applies ISQM 1 (International Standard on Quality Management), which requires the firm to design, implement and operate a system of quality management, including policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

We are independent of Netel Holding AB AB (publ) in accordance with professional ethics for auditors in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

A limited assurance engagement involves performing procedures to obtain evidence to support the sustainability statement. The auditor selects the procedures to be performed, including assessing the risks of material misstatements in the sustainability statement, whether due to fraud or error. In this risk assessment, the auditor considers the parts of the internal control that are relevant to how the Board of Directors and the Managing Director prepare the sustainability statement, in order to design procedures that are appropriate under the circumstances, but not for the purpose of providing a conclusion on the effectiveness of the entity's internal control. The review consists of making inquiries, primarily of persons responsible for the preparation of the sustainability statement, performing analytical review, and conducting other limited review procedures.

Our review procedures concerning the entity's process for identifying sustainability information to be reported included, but were not limited to:

- Obtain an understanding of the process by:
  - Performing inquiries to understand the sources of the information used by management, and
  - Reviewing the entity's internal documentation of its process
- Evaluate whether the evidence obtained from our procedures about the process implemented by the entity is consistent with the description of the process set out on page 45 in the sustainability statement.

The review procedures with respect to the sustainability statement included but were not limited to the following:

- By inquiries obtain an understanding of the entity's control environment, reporting processes, and information systems relevant to the preparation of its sustainability statement
- Evaluate whether information identified to be material by the entity's process for identifying sustainability information reported, is included in the sustainability statement
- Evaluate whether the structure and the presentation of the sustainability statement is in accordance with the requirements in ESRS
- Perform inquiries of relevant personnel and analytical procedures on selected disclosures in the sustainability statement
- Perform substantive assurance procedures on a sample basis on selected disclosures in the sustainability statement
- Perform inquiries and analytical procedures to evaluate whether

Operations	+
Governance	+
Sustainability Report	+
Financial statements	+
Financial statements and notes	
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Quarterly review	
Multi-year review	
Other information	+

the methods, data and significant assumptions used to make estimates in the sustainability statement are appropriate and applied consistently

The review procedures with respect to the EU Taxonomy included but were not limited to the following:

- Obtain an understanding of the process to identify taxonomy-eligible and taxonomy-aligned economic activities and the corresponding disclosures in the sustainability statement
- Evaluate whether the activities within the EU Taxonomy are consistent to the financial statements and related notes
- Evaluate processes, documentation and assessment of eligibility and alignment with the economic activities and technical screening criteria within the EU Taxonomy
- Evaluate whether the reporting is in accordance with the requirements in EU Taxonomy

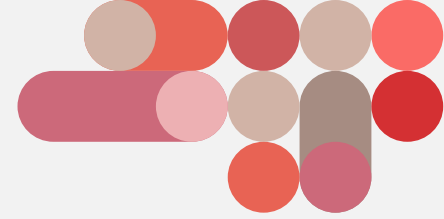
### INHERENT LIMITATIONS

In reporting forward-looking information in accordance with ESRS, the Board of Directors and the Managing Director for Netel Holding AB AB (publ) are required to prepare the forward-looking information on the basis of disclosed assumptions about events that may occur in the future and possible future actions by the entity. The actual outcome is likely to be different since anticipated events frequently do not occur as expected.

Deloitte AB

Signature on Swedish original

Jenny Holmgren  
Authorized public accountant



**Operations** +

**Governance** +

**Sustainability Report** +

**Financial statements** +

Financial statements and notes

Proposed appropriation of profits

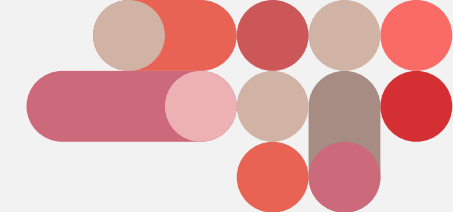
○ Auditor's report

Definitions of alternative performance measures

Quarterly review

Multi-year review

**Other information** +



## Definitions and grounds for using alternative performance measures

Key performance indicators	Definition	Reason for use
EBITA*	Earnings before amortisation of intangible assets	The measure is used to analyse the profitability generated by the underlying operations
EBITA margin*	EBITA as a percentage of net sales	The measure is used to illustrate the underlying operations' profitability
EBITDA*	Earnings before interest, taxes, depreciation and amortisation.	The measure is used to analyse the profitability generated by the underlying operations
EBITDA margin*	EBITDA as a percentage of net sales	The measure is used to illustrate the underlying operations' profitability
Adjusted EBITA*	EBIT before amortisation of intangible assets, adjusted for items affecting comparability	The measure is used to illustrate the underlying operations' underlying profitability
Adjusted EBITA margin*	Adjusted EBITA as a percentage of net sales	The measure is used to illustrate the underlying operations' underlying profitability
Adjusted EBITDA*	Earnings before interest, taxes, depreciation and amortisation, adjusted for items affecting comparability	The measure is used to illustrate the underlying operations' underlying profitability
Adjusted EBITDA margin*	Adjusted EBITDA as a percentage of net sales	The measure 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, 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

Key performance indicators	Definition	Reason for use
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

Operations +

Governance +

Sustainability Report +

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Financial statements and notes

Proposed appropriation of profits

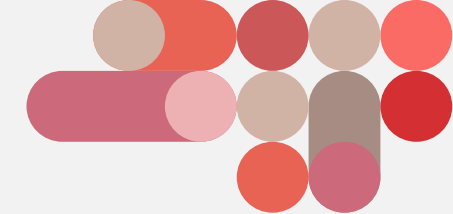
Auditor's report

○ Definitions of alternative performance measures

Quarterly review

Multi-year review

Other information +



## Quarterly review

### Continuing operations

	Q4 2025	Q3 2025	Q2 2025	Q1 2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024		Q4 2025	Q3 2025	Q2 2025	Q1 2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024
<b>Sales, MSEK</b>									<b>EBITDA, MSEK</b>								
Net sales	812	652	775	676	949	781	833	652	Infraservices	-3	-23	6	4	14	14	17	9
Net sales growth (%)	-14%	-16%	-7%	4%	3%	-1%	9%	8%	Power	1	-20	8	7	37	9	20	10
									Telecom	-16	0	33	4	4	19	7	-4
<b>Earnings, MSEK</b>									<b>Other</b>								
EBITDA	-1	-23	58	36	72	59	59	32	Order backlog, MSEK	4,157	3,699	3,933	3,853	3,933	3,454	3,691	3,257
EBITA	-19	-41	39	16	60	43	43	17	Net debt, MSEK	918	973	881	804	745	757	756	738
EBIT (operating profit)	-21	-43	37	14	58	41	42	16	Net debt excl leasing/adjusted EBITDA R12 (ratio)	7.6	5.6	3.3	2.9	2.8	2.9	2.9	2.9
Adjusted EBITDA	20	-17	58	42	71	70	64	34	Average number of FTEs (R12)	785	784	772	764	752	749	749	753
Adjusted EBITA	2	-34	39	22	59	54	49	19	Number of employees at the end of the period, converted to full-time employees	807	796	785	781	773	748	753	750
<b>Margin</b>																	
EBITDA margin	-0.1%	-3.6%	7.5%	5.4%	7.5%	7.6%	7.0%	5.0%									
EBITA margin	-2.3%	-6.2%	5.0%	2.3%	6.3%	5.5%	5.2%	2.6%									
EBIT margin	-2.6%	-6.6%	4.7%	2.0%	6.1%	5.3%	5.0%	2.4%									
Adjusted EBITDA margin	2.4%	-2.6%	7.5%	6.2%	7.5%	9.0%	7.7%	5.3%									
Adjusted EBITA margin	0.2%	-5.3%	5.1%	3.2%	6.3%	6.9%	5.8%	3.0%									
<b>Segments</b>																	
Net sales, MSEK																	
Infraservices	170	134	157	144	238	221	223	163									
Power	272	196	268	252	317	207	277	204									
Telecom	369	322	351	279	393	353	333	285									

- Operations** +

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- Governance** +

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- Sustainability Report** +

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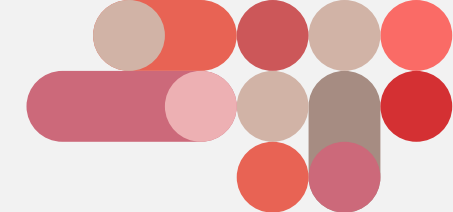
- Financial statements** +

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- Multi-year review

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- Other information** +



## Multi-year review

### Continuing operations

#### Multi-year summary for the Group

MSEK unless otherwise stated	2025	2024	2023	2022	2021
Net sales	2,915	3,214	3,076	2,802	2,148
Earnings after financial items	-91	79	106	176	97
Earnings after financial items, as a percentage of net sales	-3.1%	2.4%	3.3%	6.2%	4.5%
Total assets	2,755	2,968	3,146	3,119	2,133
Equity ratio	35.2%	36.9%	36.0%	35.4%	42.7%

#### Multi-year summary for the Parent Company

MSEK unless otherwise stated	2025	2024	2023	2022	2021
Net sales	27	27	27	20	10
Earnings after financial items	-2	6	-18	4	-37
Total assets	2,412	2,420	2,469	2,440	1,876
Equity ratio	61%	61%	60%	60%	72%

#### Multi-year summary for the Group

	2025	2024	2023	2022	2021
<b>Sales</b>					
Net sales, MSEK	2,915	3,214	3,076	2,802	2,148
Net sales growth	-9%	4%	10%	30%	39%
<b>Earnings, MSEK</b>					
EBITDA	71	222	211	243	162
EBITA	-5	164	148	185	121
EBIT (operating profit)	-13	157	143	182	121
Adjusted EBITDA	103	240	219	264	162
Adjusted EBITA	28	181	155	206	121

#### Multi-year summary for the Group

	2025	2024	2023	2022	2021
<b>Margin</b>					
EBITDA margin	2.4%	6.9%	6.9%	8.7%	7.5%
EBITA margin	-0.2%	5.1%	4.8%	6.6%	5.7%
EBITDA margin	-0.5%	4.9%	4.7%	6.5%	5.6%
Adjusted EBITDA margin	3.5%	7.5%	7.1%	9.4%	7.5%
Adjusted EBITA margin	1.0%	5.6%	5.0%	7.3%	5.7%

#### Segments

Net sales, MSEK	2025	2024	2023	2022	2021
Infraservices	605	844	775	687	292
Power	989	1,005	1,002	671	535
Telecom	1,321	1,364	1,298	1,444	1,321

#### EBITA, MSEK

	2025	2024	2023	2022	2021
Infraservices	-17	54	68	61	12
Power	-4	76	73	41	57
Telecom	21	26	31	86	98

#### Other

	2025	2024	2023	2022	2021
Order backlog, MSEK	4,157	3,805	3,315	3,050	2,919
Net debt, MSEK	918	745	610	722	318
Net debt excl leasing/adjusted EBITDA R12 (ratio)	7.6	2.8	2.3	2.3	1.4
Average number of FTEs (R12)	785	752	746	695	529
Number of employees at the end of the period, converted to full-time employees	807	773	750	695	609

Operations +

Governance +

Sustainability Report +

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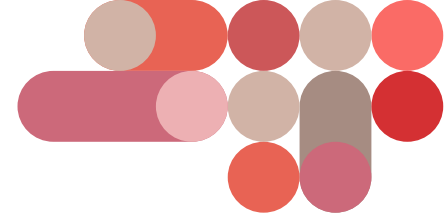
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# 25 years' experience of critical infrastructures

## 2000

Netel is founded by Peab, one of the Nordic region's largest construction companies.

## 2001

Netel is the first company to sign an agreement for expansion of the Swedish 3G mobile communications network. Netel subsequently laid the foundation for a relationship with one of the largest operators in the Nordic region, a relationship that remains stable today.

## 2002

Netel starts operating in Norway and builds a nationwide 2G network for mobile communications.

## 2006

Netel enters the Swedish fixed networks market.

## 2009

Netel expands rapidly during the first decade of 2000, establishing itself as a leading full-service specialist in services for fixed and mobile networks. The company becomes a strong name in the industry and a prominent critical infrastructure contractor.

## 2010

Peab restructures its business and Netel is divested to management. Netel enters the Norwegian fixed networks market.

## 2013

Netel acquires additional capital when Axcel, a Nordic private equity firm, acquires a major shareholding.

Over the next three years, revenue triples to approximately SEK 1.4 billion. Most of the growth is organic. Netel also makes six acquisitions.

## 2015

Mobile and fixed networks operations are established in Finland through the acquisition of Telog.

## 2016

Netel initiates a new growth strategy and starts diversifying its business. The first step is the launch of power operations in Finland. IK Investment Partners acquires Netel to promote continued growth in the Nordic region and expansion in Northern Europe.

## 2017

Netel continues to develop its growth and diversification strategy to become less dependent on the telecom market. The company decides to continue to grow geographically in the power area, to enter the German market and to focus on service offerings and framework agreements. As a consequence of the new strategy, Netel starts its power operations in Sweden and establishes itself in the Norwegian power market through the acquisition of Nett-Tjenester.

## 2018

Operations start in Germany and Netel signs its first German infrastructure contract.

## 2019

Netel signs contracts with another of Germany's largest operators.

## 2021

Netel is listed on Nasdaq Stockholm Mid-Cap Index. A total of six acquisitions - two each in the power and telecom sectors, and two in the new area of district heating, water and sewage.

## 2022

Netel enters the attractive, rapidly growing UK fibre market through two acquisitions, and five acquisitions in Sweden in power, district heating, water and sewage.

## 2023

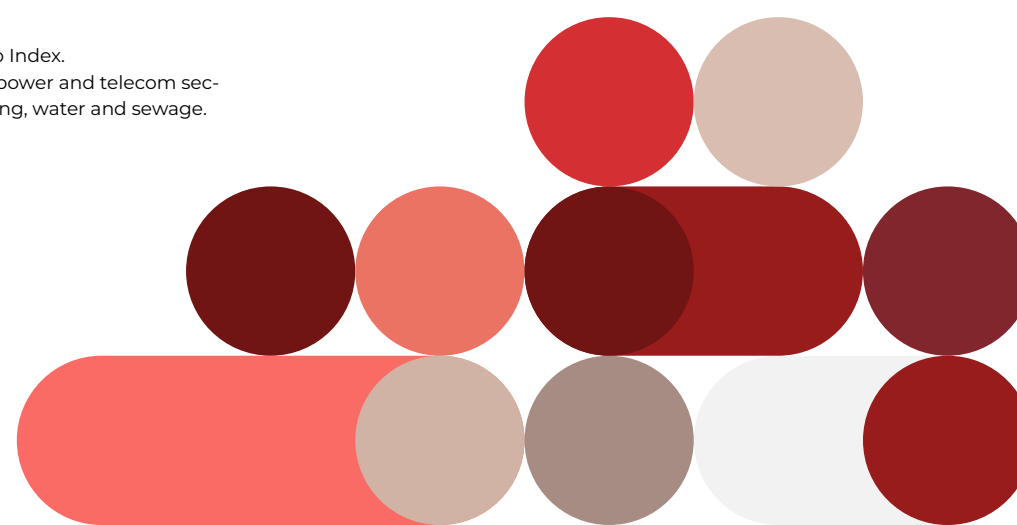
Netel signs significant agreements with, among others, the Swedish Defence Materiel Administration (FMV). Elektrotjänst i Katrineholm is acquired.

## 2024

New customers and expanded cooperation with existing customers. New organisation for increased synergies.

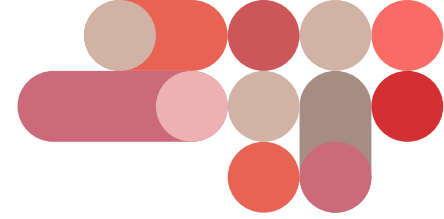
## 2025

25-year anniversary.



Operations	+
Governance	+
Sustainability Report	+
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Other information	+

- Netel's history
- Other information



# Other information

## 2026 Annual General Meeting

Netel's 2026 Annual General Meeting will be held at 11:00 a.m. on Thursday, 7 May, at Tändstickspalatset, Västra Trädgårdsgatan 15, Stockholm, Sweden.

## Financial calendar

### 2026

24 April Interim report January – March

10 July Interim report January – June

21 October Interim report January – September

### 2027

5 February Interim and year-end report 2026

## Financial information

Netel's financial statements and annual reports can be read and downloaded at [netelgroup.com](https://netelgroup.com).

Printed documents can be ordered by email [info@netelgroup.com](mailto:info@netelgroup.com) or by letter to Netel Group, Fågelviksvägen 9, 7 tr, SE-145 84 Stockholm, Sweden.

## IR Contact



**JEANETTE REUTERSKIÖLD,**

**PRESIDENT AND CEO**

Mobile: +46 702 28 03 89

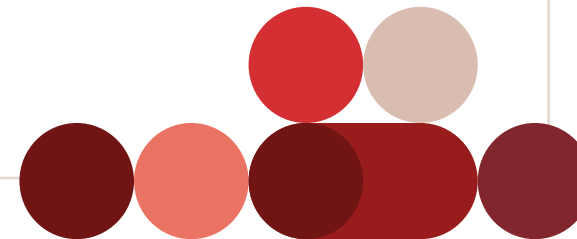
[jeanette.reuterskiold@netel.se](mailto:jeanette.reuterskiold@netel.se)



**FREDRIK HELENIUS, CFO**

Mobile: +46 730 85 52 86

[fredrik.helenius@netel.se](mailto:fredrik.helenius@netel.se)



Operations +

Governance +

Sustainability Report +

Financial statements +

Other information +

Netel's history

Other information