Netel

Q2

Quarter impacted by many projects in start-up phase

Second quarter

Continuing operations[1]

- Net sales decreased 7.7 per cent to MSEK 789 (854)
- Adjusted EBITA amounted to MSEK 41 (48), with an adjusted EBITA margin of 5.2 per cent (5.6)
- EBITA amounted to MSEK 31 (42), with an EBITA margin of 3.9 per cent (5.0)
- Operating profit (EBIT) amounted to MSEK 29 (41), with an operating margin of 3.6 per cent (4.8)
- Profit for the period amounted to MSEK 5 (15)
- Earnings per share for continuing operations before and after dilution declined to SEK 0.11 (0.30)
- Earnings per share including discontinuing operations before and after dilution rose to SEK 0.52 (0.22)
- Cash flow from operating activities declined to MSEK -62 (41)

January-June

Continuing operations[1]

- Net sales decreased 3.1 per cent to MSEK 1,483 (1,530)
- Adjusted EBITA amounted to MSEK 61 (67), with an adjusted EBITA margin of 4.1 per cent (4.4)
- EBITA amounted to MSEK 45 (60), with an EBITA margin of 3.0 per cent (3.9)
- Operating profit (EBIT) amounted to MSEK 41 (57), with an operating margin of 2.7 per cent (3.7)
- Profit for the period amounted to MSEK 1 (12)
- Earnings per share for continuing operations before and after dilution declined to SEK 0.03 (0.25)
- Earnings per share including discontinuing operations before and after dilution rose to SEK 0.35 (0.05)
- Cash flow from operating activities amounted to MSEK -91 (-17)
- Net debt excluding leases increased to MSEK 800 (667) and net debt excluding leases/adjusted EBITDA amounted to 3.4 (2.6)
- The order backlog increased to SEK 4.1 billion (3.8)

Significant events during the second quarter

- Sale of Finnish operations completed on 30 June 2025 and has no significant impact on Netel's financial results and position
- New framework agreement in Power with the Norwegian electricity company Glitre Nett Sør
- New framework agreements in Infraservices with the municipalities of Järfälla and Sigtuna
- Contract with envia TEL, a new customer in Germany, in Telecom
- New contract in Infraservices with Mälarenergi

Significant events after the end of the second quarter

- New framework agreement in Power with E.ON in Sweden

	Apr-Jun		Jan-Jun		R12 Jul-Jun	Full-year
SEK millions	**2025**	**2024**	**2025**	**2024**	**2024/2025**	**2024**
Continuing operations						
Net sales	789	854	1,483	1,530	3,236	3,284
Net sales growth (%)	-7.7%	7.6%	-3.1%	7.5%	-1.7%	3.1%
Adjusted EBITA	41	48	61	67	163	169
Adjusted EBITA margin (%)	5.2%	5.6%	4.1%	4.4%	5.0%	5.2%
EBITA	31	42	45	60	137	152
EBITA margin (%)	3.9%	5.0%	3.0%	3.9%	4.2%	4.6%
EBIT	29	41	41	57	129	145
EBIT margin (%)	3.6%	4.8%	2.7%	3.7%	4.0%	4.4%
Net debt excluding leasing	800	667	800	667	800	662
Net debt excluding leasing/Adjusted EBITDA R12 (	3.4	2.6	3.4	2.6	3.4	2.9

[1] The Finnish operations were divested on June 30 2025 and are reported separately in this report as discontinuing operations.

CEO’s comments

Many projects in start-up phase form the basis for future growth and improved earnings

We took a significant and important step in establishing a stronger Netel with the sale of our Finnish operations that were operating at a loss. We also successfully continued to expand with new and existing customers and into new geographic areas. The high proportion of projects in the start-up phase during the quarter has temporarily had a negative impact on both sales and profitability. However, these projects form the basis for future growth and improved earnings.

We have worked intensively on the sale of our Finnish operations and were able to complete the divestment already in the second quarter. The Finnish operations, and the associated losses and lack of growth, have adversely impacted Netel for several years. The sale has allowed us to focus our resources on our core markets in Sweden and Norway and growth markets in Germany and the UK, and as such represents a very significant step establishing a stronger Netel.

Several projects in start-up phase in the first half of the year

In the second quarter, we continued to have a large proportion of projects in start-up phase across all divisions. However, Telecom has increased its volumes, primarily due to a positive trend in Sweden and Germany. The high proportion of project starts has also negatively impacted profitability since they incur initial costs before we can start deliveries and invoicing. The major contracts that we are now commencing include Elvia’s power stations in Norway, a new framework agreement with Glitre Nett in Norway, an expanded framework agreement with Tele2 in Sweden and fibre networks for UGG and envia Tel in Germany.

The order backlog continued to be strengthened and increased to SEK 4.1 billion, part of which will extend into 2027, but the vast majority comprises volumes to be delivered in 2025 and 2026.

The adjusted EBITA margin amounted to 5.2 per cent (5.6) during the quarter, negatively impacted by the high proportion of projects in start-up phase. The change in the project mix in Power also impacted profitability where the share of high-margin power station projects is lower than previous years.

Performance by the divisions

In Infraservices, sales declined 29.8 per cent in the quarter compared with an unusually strong comparative quarter. It is positive that Infraservices has continued to capture new customers and expanded collaboration with existing ones. Step by step, we are expanding our operations geographically, which combined with our strong local presence, provides us with a competitive edge.

In Power, sales declined 3.5 per cent in the quarter, negatively impacted by project starts in Sweden and the changed project mix. Nevertheless, the power projects that we are now delivering have favourable profitability over time, well in line with or surpassing the Group’s profitability target. Profitability will also be positively impacted by new power station projects that will commence during the year and will enter production phase next year.

In Telecom, sales increased 3.0 per cent during the quarter, driven by a healthy trend in Sweden and Germany. The EBITA margin increased 6.7 per cent (1.8) during the quarter due to higher volumes, a gradually increasing contribution from the margin-enhancing measures carried out in Norway in 2024 as well as one-off effects. The one-off effects comprise the reversal of previous provisions for completed projects.

Cash flow impacted by a high proportion of project starts

Cash flow was also negatively impacted during the quarter by the high proportion of projects in start-up phase. Our cash flow will be positively impacted once we enter the delivery phase of our new projects and can start invoicing. As in previous years, we expect a positive cash conversion at the end of the year as projects are completed with final invoicing in the fourth quarter.

Future outlook

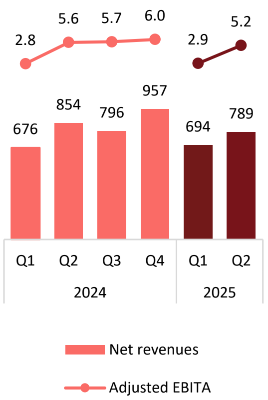
We operate in markets that are driven by the strong critical infrastructure megatrends of electrification, digitalisation and modernisation. Netel holds a strong position in these attractive markets and this, together with our professional and motivated employees, gives me confidence in our ability to deliver on our financial targets and grow profitably.

Jeanette Reuterskiöld
President and CEO

Condensed consolidated financial performance

The Finnish operations are reported as discontinuing operations in this report. Earnings from Finnish operations have been excluded from the individual rows in the consolidated income statement and are recognised as net earnings in profit for the period, discontinuing operations. For more information on the accounting policies and reporting of the income statement, balance sheet and cash flow for discontinuing operations, see the notes Reports of discontinuing operations. Comments in this report refer to continuing operations unless otherwise stated.

Net sales and adjusted EBITA margin, continuing operations



Second quarter

Continuing operations

Net sales

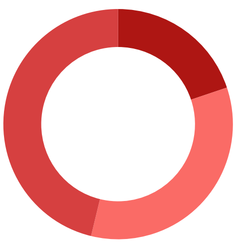
Net sales decreased 7.7 per cent to MSEK 789 (854) in the second quarter due to a continued high proportion of project starts in Infraservices and Power while Telecom contributed with increased sales. Exchange rate effects had a negative impact of 2.6 per cent.

Order bookings were favourable during the quarter and the order backlog increased to MSEK 4,091 (3,761). At the end of the first quarter of 2025, the order backlog amounted to MSEK 4,036.

Earnings

EBITDA decreased 13.6 per cent to MSEK 51 (59), with an EBITDA margin of 6.5 per cent (6.9). EBITA decreased 28.8 per cent to MSEK 31 (42), and the EBITA margin was 3.9 per cent (5.0). Telecom improved profitability as a result of increased volumes while Infraservices and Power negatively impacted profitability primarily due to the high proportion of projects in start-up phase and the product mix in Power.

Net sales per segment, continuing operations



Adjusted EBITDA declined 5.1 per cent to MSEK 61 (64) for the quarter with an increased adjusted EBITDA margin of 7.8 per cent (7.5). Adjusted EBITA declined 15.7 per cent to MSEK 41 (48) and the margin amounted to 5.2 per cent (5.6). Adjustments have been made for items affecting comparability of MSEK 10, of which MSEK 9 pertains to transaction costs in conjunction with the sale of Finnish operations. Other adjustments pertain to restructuring costs and organisational changes.

Depreciation/amortisation and impairment amounted to MSEK -22 (-18).

Net financial items amounted to MSEK -19 (-20) for the quarter. Interest expenses amounted to MSEK -16 (-16), of which MSEK -1 (-1) was attributable to lease liabilities.

Earnings before tax decreased 55.0 per cent to MSEK 9 (21) during the quarter.

Profit after tax decreased 64.2 per cent to MSEK 5 (15). The tax expense amounted to MSEK -4 (-6), leading to an effective tax rate of 43 per cent (29). The higher tax rate is explained by tax adjustments and limitations on interest deductions in 2025.

Net Income discontinuing operations, including capital gains from sales, amounted to MSEK 20 (-4). Profit after tax including discontinuing operations amounted to MSEK 25 (-11).

Cash flow and financial position

Cash flow from operating activities amounted to MSEK -62 (41), with the decrease primarily a result of the high proportion of projects in start-up phase. Including discontinuing operations, cash flow from operating activities amounted to MSEK -61 (38).

During the quarter, cash flow from investing activities for continuing operations was MSEK -1 (-43). In the second quarter of 2024, cash flow from investing activities was impacted by paid contingent considerations. Including discontinuing operations, cash flow from investing activities amounted to MSEK -4 (-43).

Cash flow from financing activities amounted to MSEK 7 (-8) for continuing operations. Including discontinuing operations, cash flow from financing activities amounted to MSEK 7 (-9).

Cash flow for the period amounted to MSEK -56 (-10) for continuing operations. Including discontinuing operations, cash flow for the period amounted to MSEK -58 (-14).

Cash and cash equivalents for continuing operations at the end of the period amounted to MSEK 162, compared with MSEK 218 at the start of the quarter. Unutilised credit facilities totalled MSEK 254 compared with MSEK 277 at the start of the period, which together with cash and cash equivalents means a total of MSEK 416 in available funds compared with MSEK 497 at the start of the period.

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 881 at the end of the quarter compared with MSEK 804 at the start of the quarter. The leverage ratio calculated in accordance with the Group's financial target was a multiple of 3.4 at the end of the period, which is above the capital structure target in the medium term.

Current and non-current interest-bearing liabilities primarily comprise bank financing and lease liabilities. These commitments amounted to MSEK 1,043 at the end of the quarter compared with MSEK 1,023 at the start of the quarter.

Total assets amounted to MSEK 2,808 compared with MSEK 2,839 at the start of the quarter and equity to MSEK 1,113 compared with MSEK 1,078 at the start of the quarter.

January-June

Continuing operations

Net sales

Net sales declined 3.1 per cent to MSEK 1,483 (1,530) during the first half of the year as a result of the high proportion of project starts. Exchange rate effects had a negative impact of 1.9 per cent.

Earnings

EBITDA decreased 6.2 per cent to MSEK 87 (92), with an EBITDA margin of 5.8 per cent (6.0). EBITA decreased 25.3 per cent to MSEK 45 (60), and the EBITA margin was 3.0 per cent (3.9). The margins were negatively impacted by the high proportion of projects in start-up phase and the product mix in Power.

Adjusted EBITDA increased 2.9 per cent to MSEK 103 (100) for the first half of the year with an adjusted EBITDA margin of 6.9 per cent (6.5). Adjusted EBITA decreased 9.8 per cent to MSEK 61 (67), and the adjusted EBITA margin was 4.1 per cent (4.4). Adjustments have been made for items affecting comparability of MSEK 16, of which MSEK 9 pertains to transaction costs in conjunction with the sale of Finnish operations. Other adjustments pertain to restructuring costs and organisational changes.

Depreciation/amortisation and impairment amounted to MSEK -46 (-36). Depreciation was charged with MSEK 5 due to a non-recurring leasing adjustment.

Net financial items amounted to MSEK -36 (-40) for the six-month period. Interest expenses amounted to MSEK -30 (-33), of which MSEK -1 (-2) was attributable to lease liabilities.

Earnings before tax decreased 73.7 per cent to MSEK 4 (17) during the first half of the year.

Profit after tax declined to MSEK 1 (12). The tax expense amounted to MSEK 3 (-5), leading to an effective tax rate of 71 per cent. The higher tax rate is explained by tax adjustments and limitations on interest deductions in 2025.

Net Income discontinuing operations, including capital gains from sales, amounted to MSEK 16 (-10). Profit after tax including discontinuing operations amounted to MSEK 17 (2).

Cash flow

Cash flow from operating activities amounted to MSEK -91 (-17) for continuing operations, with the decrease primarily a result of the high proportion of projects in start-up phase. Including discontinuing operations, cash flow from operating activities amounted to MSEK -91 (-51).

During the six-month period, cash flow from investing activities was MSEK -14 (-80) for continuing operations. In the second half of 2024, cash flow was impacted by paid contingent considerations. Including discontinuing operations, cash flow from investing activities amounted to MSEK -16 (-80).

Cash flow from financing activities amounted to MSEK 16 (-62) for continuing operations. Including discontinuing operations, cash flow from financing activities amounted to MSEK 15 (-63).

Cash flow for the period amounted to MSEK -89 (-159) for continuing operations. Including discontinuing operations, cash flow for the period amounted to MSEK -93 (-195).

Segments

Continuing operations

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

Infraservices division

	Apr-Jun			Jan-Jun			R12 Jul-Jun	Full-year	
MSEK	**2025**	**2024**	**Δ**	**2025**	**2024**	**Δ**	**2024/2025**	**2024**	**Δ**
Continuing operations									
Net Sales	157	223	-29.8%	301	386	-22.0%	760	844	-10.0%
of which									
Sweden	*157*	*223*	*-29.8%*	*301*	*386*	*-22.0%*	*760*	*844*	*-10.0%*
EBITA	6	17	-67.0%	9	26	-63.8%	38	54	-30.4%
EBITA margin	3.6%	7.6%	-4.0	3.1%	6.7%	- 3.6	4.9%	6.4%	-1.4

Net sales declined 29.8 per cent to MSEK 157 (223) in comparison with a strong second quarter 2024. Net sales was impacted by a high proportion of projects in start-up phase and the postponement of expected volumes in framework agreements. During the second quarter, Netel's companies obtained attractive contracts in local markets that continue to be highly competitive, and several new projects were commenced.

In April 2025, a new framework agreement with the municipal company Sigtuna Vatten & Renhållning AB was presented. The agreement includes, among other things, the expansion and modernisation of the water and sewage network in Sigtuna Municipality. The contract runs for three years, with the possibility of extension for up to five years. In April 2025, a new framework agreement with Järfälla Municipality was also announced. The agreement covers land remediation and restoration of areas, including former boat storage sites. The agreement runs for two years with the possibility of a two-year extension. In June 2025, a two-year agreement with Mälarenergi was presented involving the renewal of heating and water systems. The projects will run for two years with a total contract value of approximately MSEK 50. Netel has already established collaborations with Mälarenergi in the power sector. The new projects involve the excavation and installation of culverts for heating and domestic water systems for nearly 400 property owners.

Profitability was impacted by the high proportion of projects in start-up phase and EBITA amounted to MSEK 6 (17), with an EBITA margin of 3.6 per cent (7.6).

Power division

	Apr-Jun			Jan-Jun			R12 Jul-Jun	Full-year	
MSEK	**2025**	**2024**	**Δ**	**2025**	**2024**	**Δ**	**2024/2025**	**2024**	**Δ**
Continuing operations									
Net Sales	268	277	-3.5%	520	481	8.1%	1,044	1,005	3.9%
of which									
Sweden	*148*	*162*	*-8.6%*	*274*	*286*	*-4.2%*	*641*	*653*	*-1.8%*
Norway	*114*	*113*	*0.4%*	*237*	*193*	*22.9%*	*397*	*352*	*12.5%*
EBITA	8	20	-59.3%	15	30	*-50.0%*	61	76	-19.9%
EBITA margin	3.0%	7.2%	-4.2	2.9%	6.3%	-3.4	5.8%	7.6%	-1.7

Net sales declined 3.5 per cent to MSEK 268 (277) in the quarter as a result of the high proportion of projects in start-up phase in Sweden.

In April 2025, a new framework agreement was announced with the Norwegian electricity company Glitre Nett Sør. The agreement with Glitre Nett includes planning and the execution of ground and construction work, as well as high-voltage installations. As a result of the agreement with Glitre Nett, Netel has expanded its presence in Norway with a new organisation in Mandal, in Agder County. The framework agreement has a potential term of four years and lays the foundation for Netel's expansion in Agder. After the end of the quarter, a new five-year framework agreement with E.ON in Sweden was announced with a total value of MSEK 330. The framework agreement covers project contracting in Örebro, Norrköping, Eastern Småland and parts of Norrland.

EBITA declined to MSEK 8 (20) for the quarter and the EBITA margin amounted to 3.0 per cent (7.2) as a result of the high proportion of project starts and the project mix. In previous years, Power has had a greater share of power station projects with high profitability in the project mix.

Telecom division

	Apr-Jun			Jan-Jun			R12 Jul-Jun	Full-year	
MSEK	**2025**	**2024**	**Δ**	**2025**	**2024**	**Δ**	**2024/2025**	**2024**	**Δ**
Continuing operations									
Net Sales	364	354	3.0%	662	663	-0.2%	1,434	1,435	-0.1%
of which									
Sweden	*74*	*67*	*10.4%*	*135*	*131*	*3.0%*	*284*	*280*	*1.4%*
Norway	*213*	*217*	*-2.2%*	*391*	*407*	*-4.0%*	*894*	*910*	*-1.8%*
Germany	*56*	*42*	*33.9%*	*94*	*77*	*21.7%*	*191*	*174*	*9.6%*
UK	*14*	*21*	*-35.5%*	*32*	*46*	*-29.7%*	*56*	*70*	*-19.4%*
EBITA	24	6	*286.4%*	27	2	1,263.4%	39	14	174.9%
EBITA margin	6.7%	1.8%	4.9	4.1%	0.3%	3.8	2.7%	1.0%	1.7

Net sales grew 3.0 per cent to MSEK 364 (354) for the quarter due to a solid performance in Sweden and Germany.

In May 2025, a contract with envia TEL, a new customer is Germany, worth MEUR 19, was announced. envia TEL is a leading telecommunications operator in central Germany and part of the E.ON Group. With this new agreement, Netel gains both a new customer and expands its geographical presence in Germany. The two-year contract gives Netel full responsibility, including planning, installation, documentation and project management for the construction of the fibre network in Erzgebirgskreis, south of Dresden.

EBITA improved 286 per cent to MSEK 24 (6) and the EBITA margin increased to 6.7 per cent (1.8) in the quarter. Higher volumes, a gradually increasing impact from the margin-improving measures carried out in Norway in 2024 and one-off effects had a positive impact. The one-off effects comprise the reversal of previous provisions for completed projects.

Other information

Discontinuing operations

On 30 June 2025, Netel announced the successful completion of the sale of its Finnish operations to a group of private investors. 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 but means that Netel can now focus its resources to the core markets in Sweden and Norway and the growth markets of Germany and the UK. 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. Netel expected at this time to complete the process in 2025.

Significant events after the end of the reporting period

On 7 July 2025, it was announced that Netel's subsidiary Oppunda Kraftkonsult had signed a new five-year framework agreement with E.ON Energidistribution AB with guaranteed volumes totalling MSEK 330.

Employees

The number of employees at the end of the period in continuing operations was 833 (821). The average number of employees in continuing operations amounted to 833 (818) for the second quarter.

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

Financial targets

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

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

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

Dividend policy

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

Long-term incentive programmes (LTIP)

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

LTIP 2024/2027

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

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

The Group has expensed SEK 117,500 in 2025 in accordance with IFRS 2 for share-related remuneration.

LTIP 2025/2028

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

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

The Group has expensed SEK 52,127 in 2025 in accordance with IFRS 2 for share-related remuneration.

Parent Company

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

Risks and uncertainties

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

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

Owners

On 30 June 2025, Netel Holding AB (publ) had 3,513 (3,383) shareholders. The five largest shareholders were Theodor Jeansson Jr (9.69 per cent), Nordnet Pensionsförsäkring (8.21 per cent), Stefan Lindblad (7.31 per cent), Etemad Group AB (7.07 per cent) and Cicero Fonder (4.62 per cent).

There were a total of 48,511,873 shares and votes in Netel on 30 June 2025. All shares are ordinary shares.

Financial statements

Condensed consolidated statement of profit or loss

	Apr-Jun		Jan-Jun		R12 Jul-Jun	Full-year
SEK millions	**2025**	**2024**	**2025**	**2024**	**2024/2025**	**2024**
Continuing operations						
Operating income						
Net sales	789	854	1,483	1,530	3,236	3,284
Other operating income	5	3	8	3	53	48
Total revenue	**794**	**857**	**1,491**	**1,534**	**3,289**	**3,332**
Operating expenses						
Material and purchased services	-473	-550	-865	-957	-2,020	-2,113
Other external expenses	-85	-62	-163	-126	-336	-299
Personnel costs	-185	-186	-376	-358	-724	-706
Depreciation and amortisation	-22	-18	-46	-36	-80	-69
Operating profit/loss (EBIT)	**29**	**41**	**41**	**57**	**129**	**145**
Profit/loss from financial items						
Net financial items	-19	-20	-36	-40	-71	-75
Earnings before tax	**9**	**21**	**4**	**17**	**58**	**70**
Taxes	-4	-6	-3	-5	-10	-12
Net Income continuing operations	**5**	**15**	**1**	**12**	**47**	**58**
Discontinued operations						
Net Income discontinued operations, net after tax	*20*	*-4*	*16*	*-10*	*-80*	*-105*
Earnings for the period	**25**	**11**	**17**	**2**	**-32**	**-47**
Earnings for the period is attributable to						
Parent company's shareholders	25	11	17	2	-32	-47
Non-controlling interests	-	-	-	-	-	-
Earnings per share						
Earnings per share before and after diltution continuing operations (SEK)	0.11	0.30	0.03	0.25	0.98	1.20
Earnings per share before and after diltution including discontinued operations (SEK)	0.52	0.22	0.35	0.05	-0.67	-0.96
after dilution (thousands)	48,512	48,512	48,512	48,512	48,512	48,512

Condensed consolidated statement of comprehensive income

	Apr-Jun		Jan-Jun		R12 Jul-Jun	Full-year
SEK millions	**2025**	**2024**	**2025**	**2024**	**2024/2025**	**2024**
Earnings for the period	25	11	17	2	-32	-47
Other comprehensive income						
Translation differences for the period	19	0	10	7	10	8
Translation differences discontinued operations	-11	-0	-10	1	-11	-0
Other comprehensive income for the period	**8**	**0**	**-0**	**8**	**-1**	**8**
Comprehensive income for the period	**34**	**11**	**17**	**11**	**-33**	**-39**
Comprehensive income for the period is attributable to						
Parent company's shareholders	34	11	17	11	-33	-39
Non-controlling interests	-	-	-	-	-	-

Condensed consolidated statement of financial position

SEK millions	30 Jun 2025	30 Jun 2024	31 Dec 2024
ASSETS			
Non-current assets			
Goodwill	1,232	1,243	1,242
Intangible assets	204	203	202
Property, plant and equipment	162	166	162
Financial non-current assets	27	14	15
Deferred tax assets	7	16	7
Total non-current assets	**1,631**	**1,642**	**1,628**
Current assets			
Inventories	5	8	2
Current receivables	1,009	1,194	1,015
Cash and cash equivalents	162	260	261
Assets held for sale	-	-	62
Total current assets	**1,176**	**1,462**	**1,340**
Total assets	**2,808**	**3,104**	**2,968**
EQUITY AND LIABILITIES			
Equity			
Equity attributable to the parent company's shareholders	1,113	1,145	1,095
Equity attributable to non-controlling interests	-	-	-
Total equity	**1,113**	**1,145**	**1,095**
Non-current interest-bearing liabilities	952	964	958
Non-current non-interest-bearing liabilities	77	94	80
Total non-current liabilities	**1,029**	**1,058**	**1,038**
Current interest-bearing liabilities	92	52	49
Current non-interest-bearing liabilities	574	849	707
Liabilities directly associated with assets held for sale	-	-	78
Total current liabilities	**666**	**901**	**835**
Total equity and liabilities	**2,808**	**3,104**	**2,968**

Condensed consolidated statement of changes in equity

	Equity attributable to the parent company's shareholders						
SEK thousands	**Share capital**	**Other contributed capital**	**Translation reserve**	**Retained earnings including profit/loss for the period**	**Total equity attributable to the parent company's shareholders**	**Non-controlling interest**	**Total equity**
Opening equity 1 Jan 2024	**746**	**1,470,810**	**-20,703**	**-317,415**	**1,133,438**	**-**	**1,133,438**
Profit/loss for the period	-	-	-	2,462	2,462	-	2,462
Other comprehensive income	-	-	8,336	-	8,336	-	8,336
Comprehensive income for the period	**-**	**-**	**8,336**	**2,462**	**10,798**	**-**	**10,798**
Transactions with Group owners							
Completed issues	-	764	-	-	764	-	764
Total	**-**	**764**	**-**	**-**	**764**	**-**	**764**
Closing equity 30 Jun 2024	**746**	**1,471,574**	**-12,367**	**-314,953**	**1,145,000**	**-**	**1,145,000**
Opening equity 1 Jan 2025	**746**	**1,471,691**	**-13,130**	**-364,212**	**1,095,095**	**-**	**1,095,095**
Profit/loss for the period	-	-	-	16,949	16,949	-	16,949
Other comprehensive income	-	-	-90		-90	-	-90
Comprehensive income for the period	**-**	**-**	**-90**	**16,949**	**16,859**	**-**	**16,859**
Transactions with Group owners							
Completed issues	-	839	-	-	839	-	839
Total	**-**	**838**	**-**	**-**	**839**	**-**	**839**
Closing equity 30 Jun 2025	**746**	**1,472,529**	**-13,220**	**-347,263**	**1,112,792**	**-**	**1,112,792**

Condensed consolidated statement of cash flows

	Apr-Jun		Jan-Jun		Full-year
SEK millions	**2025**	**2024**	**2025**	**2024**	**2024**
Operating profit/loss	39	37	47	48	56
Reversal of non-cash items	17	14	37	29	38
Interest received	1	1	2	1	5
Interest paid	-16	-15	-30	-33	-65
Tax paid	-2	-20	-22	-46	-58
Cash flow from operating activities before changes in working capital	**40**	**17**	**33**	**-1**	**-24**
Changes in inventories	-0	0	0	1	2
Changes in operating receivables	-90	-153	-33	-138	8
Changes in operating liabilities	-10	174	-91	87	73
Cash flow from operating activities	**-61**	**38**	**-91**	**-51**	**59**
Acquisition of non-current assets	-1	-11	-14	-19	-42
Acquisition and disposal of subsidiaries	-2	-35	-2	-65	-124
Sale of non-current assets	-0	3	-0	3	4
Cash flow from investing activities	**-4**	**-43**	**-16**	**-80**	**-162**
New share issue	-	-	-	-	-
Amortisation of lease liabilities	-13	-12	-27	-25	-46
Proceeds from current and non-current loans and credits	24	3	49	14	14
Amortisation of current and non-current loans and credits	-4	-	-7	-53	-57
Cash flow from financing activities	**7**	**-9**	**15**	**-63**	**-89**
Cash flow for the period	-58	-14	-93	-195	-192
Cash and cash equivalents at the beginning of the period	220	278	265	446	446
Translation difference in cash and cach equivalents	-0	-3	-10	9	11
Cash and cash equivalents at the end of the period	**162**	**260**	**162**	**260**	**265**

	Apr-Jun		Jan-Jun		Full-year
SEK millions	**2025**	**2024**	**2025**	**2024**	**2024**
Cash flow from continuing operations					
Cash flow from operating activities	-62	41	-91	-17	115
Cash flow from investing activities	-1	-43	-14	-80	-162
Cash flow from financing activities	7	-8	16	-62	-87
Cash flow for the period from continuing operations	**-56**	**-10**	**-89**	**-159**	**-134**

Notes to the financial statements in summary

Key accounting policies

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

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

All amounts in this report are stated in millions of Swedish kronor (MSEK) unless otherwise stated. Differences in rounding off may occur.

Hedging of net investment in foreign operations

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

Warrants

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

Synthetic options

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

Segment reporting

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

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

Earnings per share

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

Estimates and judgements

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

Operating segments

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

Discontinuing operations

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. The sale was completed on 30 June 2025. The Finnish operations are recognised as discontinuing operations in the Group's income statement for 2024 and 2025. Earnings from the Finnish operations have been excluded from the individual rows in the consolidated statement of profit or loss and are instead recognised as net earnings from discontinuing operations, net after tax, which are attributable in their entirety to the Parent Company's shareholders. Discontinuing operations are included in the consolidated statement of cash flows. Additional information on cash flow regarding discontinuing operations is presented in a note. In the statement of financial position as of 31 December 2024, assets and liabilities attributable to discontinuing operations have been reclassified as Assets held for sale and Liabilities attributable to assets held for sale.

Segment reporting

Apr-Jun 2025	Infraservices	Power	Telecom	Total segments	Group-wide	Group total
Continuing operations						
Revenue from external customers	157	268	364	789	-	789
Revenue from other segments	-	-	-	-	-	-
Total revenue	**157**	**268**	**364**	**789**	**-**	**789**
EBITA	**6**	**8**	**24**	**38**	**-7**	**31**

Apr-Jun 2024	Infraservices	Power	Telecom	Total segments	Group-wide	Group total
Continuing operations						
Revenue from external customers	223	277	354	854	0	854
Revenue from other segments	-	-	-	-	-	-
Total revenue	**223**	**277**	**354**	**854**	**0**	**854**
EBITA	**17**	**20**	**6**	**43**	**-1**	**42**

Jan-Jun 2025	Infraservices	Power	Telecom	Total segments	Group-wide	Group total
Continuing operations						
Revenue from external customers	301	520	662	1,483	0	1,483
Revenue from other segments	-	-	-	-	-	-
Total revenue	**301**	**520**	**662**	**1,483**	**0**	**1,483**
EBITA	**9**	**15**	**27**	**51**	**-6**	**45**

Jan-Jun 2024	Infraservices	Power	Telecom	Total segments	Group-wide	Group total
Continuing operations						
Revenue from external customers	386	481	663	1,530	-	1,530
Revenue from other segments	-	-	-	-	-	-
Total revenue	**386**	**481**	**663**	**676**	**-**	**1,530**
EBITA	**26**	**30**	**2**	**58**	**2**	**60**

Revenue from contracts with customers

Currently, the Group only conducts Infraservices in Sweden. Power operations are conducted in Sweden and Norway. Telecom operations are conducted in all four countries: Sweden, Norway, Germany and the UK. Operations in Finland are recognised as discontinuing operations.

Apr-Jun 2025	Infraservices	Power	Telecom	Total segments	Discontinued operations	Group total
Business area						
Sweden	157	148	74	**379**		**379**
Norway	-	114	213	**326**		**326**
Finland	-	-	-	**-**	58	**58**
Germany	-	-	56	**56**		**56**
United Kingdom	-	-	14	**14**		**14**
Group-wide	-	6	8	**14**		**14**
Revenue from contracts with customers	**157**	**268**	**364**	**789**	**58**	**847**
Type of service						
Framework agreement	46	73	285	**404**	35	**440**
Project	111	188	72	**371**	23	**394**
Group-wide	-	6	8	**14**		**14**
Revenue from contracts with customers	**157**	**268**	**365**	**789**	**58**	**847**

Apr-Jun 2024	Infraservices	Power	Telecom	Total segments	Discontinued operations	Group total
Business area						
Sweden	223	162	67	**452**		**452**
Norway	-	113	217	**331**		**331**
Finland	-	-	-	**-**	72	**72**
Germany	-	-	42	**42**		**42**
United Kingdom	-	-	21	**21**		**21**
Group-wide	-	2	6	**8**		**8**
Revenue from contracts with customers	**223**	**277**	**354**	**854**	**72**	**927**
Type of service						
Framework agreement	-	35	277	**311**	72	**383**
Project	223	240	72	**535**	-	**535**
Group-wide	-	2	6	**8**		**8**
Revenue from contracts with customers	**223**	**277**	**354**	**854**	**72**	**927**

Jan-Jun 2025	Infraservices	Power	Telecom	Total segments	Discontinued operations	Group total
Business area						
Sweden	301	274	135	**710**		710
Norway	-	237	391	**628**		628
Finland	-	-	-	**-**	92	92
Germany	-	-	94	**94**		94
United Kingdom	-	-	32	**32**		32
Group-wide	-	9	11	**20**		20
Revenue from contracts with customers	**301**	**520**	**662**	**1,483**	**92**	**1,576**
Type of service						
Framework agreement	90	155	507	**753**	59	811
Project	211	356	144	**711**	34	745
Group-wide	-	9	11	**20**	-	20
Revenue from contracts with customers	**301**	**520**	**662**	**1,483**	**92**	**1,576**

Jan-Jun 2024	Infraservices	Power	Telecom	Total segments	Discontinued operations	Group total
Business area						
Sweden	386	286	131	**803**		**803**
Norway	-	193	407	**600**		**600**
Finland	-	-	-	**-**	111	**111**
Germany	-	-	77	**77**		**77**
United Kingdom	-	-	46	**46**		**46**
Group-wide	-	2	2	**5**		**5**
Revenue from contracts with customers	**386**	**481**	**663**	**1,530**	**111**	**1,641**
Type of service						
Framework agreement	40	100	534	**674**	105	**779**
Project	346	379	127	**852**	6	**858**
Group-wide	-	2	2	**5**		**5**
Revenue from contracts with customers	**386**	**481**	**663**	**1,530**	**111**	**1,641**

Reports of discontinuing operations

On 30 June 2025, Netel announced the successful completion of the sale of its Finnish operations to a group of private investors. Finnish operations have been reported negative net assets in Group's balance sheet, and the purchase price amounted to EUR 1. The sale has no significant impact on Netel's financial results and position but means that Netel can now focus its resources to the core markets in Sweden and Norway and the growth markets of Germany and the UK. 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.

In the tables below, Finnish operations are recognised as discontinuing operations separately from the Group's continuing operations. As a direct consequence of the decision of initiating the process of selling the Finnish operations, Netel has evaluated assessments and assumptions in the operations with the aim of completing the process in 2025. The evaluation has led to adjustments of revenue and costs in relation to risks and opportunities in ongoing projects and the ongoing sales process, which were recognised in profit or loss for the fourth quarter of 2024.

Transaction costs related to the sale amounted to 9 MSEK.

	Apr-Jun		Jan-Jun		R12 Jul-Jun	Full-year
SEK millions	**2025**	**2024**	**2025**	**2024**	**2024/2025**	**2024**
Discontinued operations						
Net sales	58	72	92	111	223	241
Other operating income	-	0	-	0	-0	-
Total revenue	**58**	**72**	**92**	**111**	**223**	**241**
Operating expenses						
Material and purchased services	-52	-60	-76	-91	-235	-250
Other external expenses	15	-3	12	-6	-20	-38
Personnel costs	-10	-12	-21	-21	-41	-40
Depreciation and amortisation	-	-1	-	-2	-1	-3
Operating profit/loss (EBIT)	**12**	**-4**	**8**	**-9**	**-73**	**-90**
Profit/loss from financial items						
Net financial items	-0	-0	-1	-0	-1	-1
Earnings before tax	**11**	**-4**	**7**	**-10**	**-74**	**-91**
Taxes	-0	-	-0	-0	-14	-14
Net Income fom discontinued operations	**11**	**-4**	**7**	**-10**	**-88**	**-105**

SEK millions	Jun 2025
Information on disposal of subsidiary	
Consideration received	
Cash	0
Total selling price	**0**
Carrying amount of net assets sold	-19
Gain on disposal of subsidiary before reclassification of translation reserve	**19**
Reclassification of translation reserve	-10
Net Income fom discontinued operations	7
Total Income discontinued operations including gain on disposal	**16**

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

SEK millions	Jun 2025
Net assets at date of disposal	
Tangible and intangible fixed assets	9
Current receivables	31
Cash	2
Total assets	**42**
Short-term interest-bearing liabilities	14
Short-term non-interest-bearing liabilities	47
Total liabilities	**61**
Net assets	**-19**

SEK millions	30 Jun 2025	31 Dec 2024
Assets held for sale		
Tangible and intangible non-current assets	-	9
Current receivables	-	49
Cash and cash equivalents	-	4
Total assets held for sale	**-**	**62**
Liabilites directly associated with assets held for sale		
Current interest-bearing liabilities	-	2
Current non-interest-bearing liabilities	-	76
Total Liabilites directly associated with assets held for sale	**-**	**78**

	Apr-Jun		Jan-Jun		Full-year
SEK millions	2025	2024	2025	2024	2024
Cash flow from discontinued operations					
Cash flow from operating activities	1	-3	-0	-35	-56
Cash flow from investing activities	-2	-	-2	-	-
Cash flow from financing activities	-1	-1	-1	-1	-2
Cash flow for the period from discontinued operations	**-2**	**-4**	**-4**	**-36**	**-58**

Financial instruments

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

Fair value measurement

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

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

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

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

Fund holdings

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

Contingent consideration

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

The contingent considerations are included in the items Non-current non-interest-bearing liabilities and Current non-interest-bearing liabilities in the amount of MSEK 2 (95). The contingent considerations are found in level 3 of the valuation hierarchy.

Other holdings and liabilities measured at fair value

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

Fund holdings	30 Jun 2025	30 Jun 2024	31 Dec 2024
Opening balance	**7**	**6**	**6**
Investments	0	1	1
Divestments	-	-	-
Change in value recognised through profit or loss	-	-	-
Translation difference	-	-	-
Closing balance	**7**	**6**	**7**

Contingent considiration	30 Jun 2025	30 Jun 2024	31 Dec 2024
Opening balance	**2**	**162**	**162**
Acquisition of subsidiaries and businesses	-	-	-
Paid considirations	-	-65	-124
Change in value recognised through profit or loss	-	-4	-37
Translation difference	-0	1	1
Closing balance	**2**	**95**	**2**

Other liabilities recognised at fair value	30 Jun 2025	30 Jun 2024	31 Dec 2024
Opening balance	**0**	**-1**	**-1**
Changes in recognised liabilities	-	-	-
Change in value recognised through profit or loss	-0	0	1
Translation difference	-	-	-
Closing balance	**-0**	**-0**	**0**

Transactions with related parties

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

Condensed income statement for the Parent Company

	Apr-Jun		Jan-Jun		Full-year
SEK millions	**2025**	**2024**	**2025**	**2024**	**2024**
Operating income					
Net sales	7	7	14	14	27
Other operating income	-	-	-	-	-
Total revenue	**7**	**7**	**14**	**14**	**27**
Operating expenses					
Personnel costs	-3	-6	-7	-10	-18
Other external expenses	-6	-2	-7	-3	-6
Operatin profit (EBIT)	**-2**	**-0**	**0**	**1**	**2**
Net financial items	6	-0	13	-4	4
Earnings after financial items	**4**	**-0**	**13**	**-3**	**6**
Appropriations	-	-	-	-	-5
Earnings before tax	**4**	**-0**	**13**	**-3**	**1**
Taxes	-1	1	-3	0	-
Earnings for the period	**2**	**0**	**10**	**-3**	**1**

Condensed balance for the Parent Company

SEK millions	30 Jun 2025	30 Jun 2024	31 Dec 2024
ASSETS			
Non-current assets			
Shares in subsidiaries	1,622	1,622	1,622
Financial non-current assets	7	4	8
Total non-current assets	**1,630**	**1,627**	**1,630**
Current assets			
Receivables from Group companies	787	769	789
Other current assets	0	3	-
Cash and cash equivalents	0	16	1
Total current assets	**788**	**788**	**790**
Total assets	**2,417**	**2,414**	**2,420**
EQUITY AND LIABILITIES			
Equity			
Share capital	1	1	1
Other equity	1,493	1,477	1,482
Total equity	**1,494**	**1,478**	**1,483**
Total untaxed reserves	**23**	**23**	**23**
Non-current interest-bearing liabilities	874	885	878
Non-current non-interest-bearing liabilities	9	8	9
Total non-current liabilities	**883**	**893**	**888**
Current interest-bearing liabilities	5	10	9
Current non-interest-bearing liabilities	13	11	19
Total current assets	**18**	**20**	**27**
Total equity and liabilities	**2,417**	**2,414**	**2,420**

The Board of Directors and the CEO assure that this report for the second quarter of 2025 provides a fair review of the Group's and the Parent Company's operations, financial position and results and describes the significant risks and uncertainties faced by the Parent Company and the companies included in the Group. The content of this interim report was decided on 11 July 2025.

Stockholm, 11 July 2025

Alireza Etemad Chairman	Carl Jakobsson Board member	Göran Lundgren Board member
Therese Lundstedt Board member	Nina Macpherson Board member	Jeanette Reuterskiöld CEO

This report is unaudited.

Selected financial information

Definitions and a reconciliation of alternative performance measures for Netel Holding AB (publ) are presented here in accordance with the guidelines from the European Securities and Markets Authority (ESMA) regarding the use of alternative performance measures. These guidelines require expanded disclosures regarding the financial measures not defined by IFRS. Alternative performance measures are measures showing historical or future financial results, financial position or cash flows that are not defined by IFRS. Netel Group uses alternative performance measures to monitor and describe the Group's financial position and to provide additional useful information where relevant for the user's understanding of the financial statements. These performance measures are not directly comparable with similar performance measures used by other companies. The performance measures stated below are presented in the interim report.

Alternative performance measures not defined under IFRS

	Apr-Jun		Jan-Jun		Full-year
SEK millions	**2025**	**2024**	**2025**	**2024**	**2024**
Continuing operations					
Net sales growth (%)	-7.7%	7.6%	-3.1%	7.5%	3.1%
Organic sales growth (%)	-7.7%	7.1%	-3.1%	7.2%	2.9%
EBITDA	51	59	87	92	215
EBITDA margin (%)	6.5%	6.9%	5.8%	6.0%	6.5%
EBITA	31	43	45	60	152
EBITA margin (%)	3.9%	5.0%	3.0%	3.9%	4.6%
Items affecting comparability	10	5	16	7	18
Adjusted EBITDA	61	64	103	100	232
Adjusted EBITDA margin (%)	7.8%	7.5%	6.9%	6.5%	7.1%
Adjusted EBITA	41	48	61	67	169
Adjusted EBITA margin (%)	5.2%	5.7%	4.1%	4.4%	5.2%
Net debt	800	667	800	667	662
Net debt/Adjusted EBITDA R12 (Ratio)	3.4	2.6	3.4	2.6	2.9
Equity ratio (%)	39.6%	36.9%	39.6%	36.9%	36.9%
Order backlog	4,091	3,761	4,091	3,761	4,023

Reconciliation of growth in net sales

	Apr-Jun		Jan-Jun		Full-year
SEK millions	**2025**	**2024**	**2025**	**2024**	**2024**
Continuing operations					
Net sales previous period	854	794	1,530	1,424	3,186
Acquired net sales	-	4	-	4	4
Organic net sales	789	850	1,483	1,526	3,280
Total net sales growth (%)	-7.7%	7.6%	-3.1%	7.5%	3.1%
Organic net sales growth (%)	-7.7%	7.1%	-3.1%	7.2%	2.9%

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

	Apr-Jun		Jan-Jun		Full-year
SEK millions	**2025**	**2024**	**2025**	**2024**	**2024**
Continuing operations					
Net sales	789	854	1,483	1,530	3,284
Operating profit/loss (EBIT)	29	41	41	57	145
Depreciation and amortisation of tangible and intangible assets	22	18	46	36	69
EBITDA	**51**	**59**	**87**	**92**	**215**
EBITDA margin (%)	6.5%	6.9%	5.8%	6.0%	6.5%
Items affecting comparability					
Acquisition and disposal-related costs	9	-	9	-	-
Other items affecting comparability	1	5	7	7	18
Total items affecting comparability	**10**	**5**	**16**	**7**	**18**
Adjusted EBITDA	**61**	**64**	**103**	**100**	**232**
Adjusted EBITDA margin (%)	7.8%	7.5%	6.9%	6.5%	7.1%

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

	Apr-Jun		Jan-Jun		Full-year
SEK millions	**2025**	**2024**	**2025**	**2024**	**2024**
Continuing operations					
Net sales	789	854	1,483	1,530	3,284
Operating profit/loss (EBIT)	29	41	41	57	145
Depreciation and amortisation of intangible assets	2	2	4	3	6
EBITA	**31**	**43**	**45**	**60**	**152**
EBITA margin (%)	3.9%	5.0%	3.0%	3.9%	4.6%
Items affecting comparability					
Acquisition and disposal-related costs	9	-	9	-	-
Other items affecting comparability	1	5	7	7	18
Total items affecting comparability	**10**	**5**	**16**	**7**	**18**
Adjusted EBITA	**41**	**48**	**61**	**67**	**169**
Adjusted EBITA margin (%)	5.2%	5.7%	4.1%	4.4%	5.2%

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

SEK millions	30 Jun 2025	30 Jun 2024	31 Dec 2024
Continuing operations			
Non-current interest-bearing liabilities	952	964	958
Current interest-bearing liabilities	92	52	49
Total interest-bearing liabilities	**1,043**	**1,016**	**1,006**
Leasing liabilites	81	89	83
Cash and cash equivalents	162	260	261
Net debt	**881**	**756**	**745**
Net debt excluding leasing	**800**	**667**	**662**
Adjusted EBITDA R12	235	252	232
Net debt exluding leasing liabilites/Adjusted EBITDA R12 (Ratio)	**3.4**	**2.6**	**2.9**

From the first quarter of 2025, net debt is recognised as net debt excluding lease liabilities. Previously, net debt was recognised including lease liabilities. The nature of reporting has changed since net debt excluding lease liabilities reflects Netel's financial targets and provides a more relevant view of indebtedness.

Reconciliation of equity ratio

SEK millions	30 Jun 2025	30 Jun 2024	31 Dec 2024
Total equity	1,113	1,145	1,095
Total assets	2,808	3,104	2,968
Equity ratio (%)	**39.6%**	**36.9%**	**36.9%**

Definitions and reasons for use

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

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

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

Webcast presentation and teleconference

Jeanette Reuterskiöld, President and CEO, and Fredrik Helenius, CFO, will present the interim report on Friday, 11 July at 9:00 a.m. (CEST) in a webcast. Questions may be asked both online and by phone. Presentation material is also available at https://netelgroup.com/en/investors/reports-and-presentations/. The presentation will be held in English.

If you want to participate through the webcast, use the link https://netel-group.events.inderes.com/q2-report-2025. It will be possible to submit written questions during the webcast. If you want to ask questions orally via teleconference, please register through the link https://conference.inderes.com/teleconference/?id=5009323. After registration, you will receive a telephone number and ID to log in to the conference. It will be possible to ask questions orally during the teleconference.

Financial information

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

Calendar

Third quarter 2025	24 October
Fourth quarter 2025	6 February 2026

This information is such that Netel Holding AB (Publ) is obliged to make public in accordance with the EU Market Abuse Regulation and the Swedish Securities Market Act. The information was submitted for publication, through the agency of the contact persons below, on 11 July 2025 at 7:30 a.m. CEST.

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Netel in brief

With 25 years of experience, Netel is a leader in the development and maintenance of critical infrastructure in Infraservices, Power and Telecom in Northern Europe. We are involved in the entire value chain from design, production and maintenance of our customers' facilities. We are dedicated to securing an accessible and reliable future, where technology unites and transforms society. Netel reported net sales of MSEK 3,284 in 2024 and the number of employees in the Group is just over 830. Netel has been listed on Nasdaq Stockholm since 2021. Read more at netelgroup.com.

FOUNDED IN	EMPLOYEES	NET SALES IN 2025 R12M	ADJUSTED EBITA IN 2025 R12M
2000	833	3,236 MSEK	163 MSEK

Netel