



Strong growth of 45.0 per cent with organic growth of 16.1 per cent

First quarter

- Net sales rose 45.0 per cent to MSEK 626 (431), of which organic growth was 16.1 per cent.
- Adjusted EBITA increased 40.0 per cent to MSEK 28 (20) and the adjusted EBITA margin amounted to 4.5 per cent (4.5).
- EBITA increased to MSEK 22 (20) and the EBITA margin amounted to 3.6 per cent (4.7).
- Operating profit (EBIT) increased to MSEK 22 (20) and the operating margin amounted to 3.4 per cent (4.7).
- Profit for the period amounted to MSEK 15 (18).
- Earnings per share before and after dilution amounted to SEK 0.33 (0.55).
- Cash flow from operating activities amounted to MSEK -85 (18).
- Net debt amounted to MSEK 557 (532) and net debt/adjusted EBITDA R12M to 2.4 (3.0).
- The order backlog increased 8.8 per cent to MSEK 3,401 (3,125).

Significant events during and after the first quarter

- Three acquisitions were consolidated during the quarter with total annual sales of MSEK 260 at the time of the acquisitions.
- After the end of the quarter, Netel announced an acquisition with sales of MSEK 63.
- Agreement with EON in Sweden to construct three transformer stations with a total order value of MSEK 55.

SEK millions	Jan-Mar		R12 Apr-Mar	Full-year
	2022	2021	2021/2022	2021
Net sales	626	431	2,612	2,418
Net sales growth (%)	45.0%	10.8%	31.1%	31.1%
Adjusted EBITA	28	20	185	177
Adjusted EBITA margin (%)	4.5%	4.5%	7.1%	7.3%
EBITA	22	20	129	127
EBITA margin (%)	3.6%	4.7%	4.9%	5.2%
EBIT	22	20	127	126
EBIT margin (%)	3.4%	4.7%	4.9%	5.2%
Net debt	557	532	557	318
Net debt/Adjusted EBITDA R12 (Ratio)	2.4	3.0	2.4	1.4

CEO's comments

Strong organic growth and high acquisition level

Netel continued its journey of growth during the quarter and has grown both organically and through acquisitions with high seasonal profitability. Organic growth was driven by the strong macro trends of electrification and digitalisation. We are pursuing an active acquisition strategy and have purchased four companies to date this year. We have a comprehensive list of potential acquisition candidates and are currently focusing on continuing our expansion in Norway and Germany, and entering the UK.

Growth of 45.0 per cent for the first quarter reflects both a strong underlying organic performance and acquisitions. Organic growth amounted to 16.1 per cent for the quarter, mainly driven by the operations in Norway and Germany.

The order intake was high and the order backlog amounted to SEK 3.4 billion at the end of the period, which is a record-breaking level for the first quarter. The higher order backlog was also due to a number of larger and longer framework agreements. Meanwhile, the share of revenue from projects in the quarter increased to 48.9 per cent from 46.4 per cent in the same period last year. Over time, the share of revenue from framework agreements will increase even though it will fluctuate between quarters depending on when the projects are completed.

Solid growth in all business areas

Sales for the Fixed Networks business area rose 57.7 per cent, positively impacted by the growing service business and the cable TV upgrades in Norway as well as Germany's nationwide need to expand its fibre network. Fixed Networks also includes our new Infraservice focus area, comprising operations in district heating, water and sewage and associated civil engineering works. We made our first acquisition in Infraservice in Sweden in 2021, which contributed to the healthy sales trend in Fixed Networks for the quarter. The fixed networks market is affected by the need to maintain and expand the fibre network, particularly in Germany, and the ongoing upgrade of the cable TV network as well as the need to modernise and expand the generally very old heating, water and sewage infrastructure in Europe.

Sales in the Power business area increased 43.8 per cent, positively impacted by both acquisitions in Sweden and organic growth in Norway and Finland. The power market is driven by higher electrification in society and the transition to electric transportation as well as large industries wishing to transition to electricity-based production. More renewable sources of energy, such as solar panels, increase demands for greater flexibility in the power networks, which in turn requires investments in capacity and new technology. In the short term, however, investment sentiment in the Nordic region is affected by changed network regulations that govern the returns our customers receive on their network investments.

Sales in the Mobile business area grew 14.7 per cent in the quarter due to the 5G expansion in Sweden and Norway. The expansion rate may temporarily be affected by such factors as the supply of components and local permit processes.

Stable profitability

Adjusted EBITA increased 40.0 per cent to MSEK 28 (20) and the adjusted EBITA margin was in line with the year-earlier period at 4.5 per cent (4.5). I am pleased with our profitability for the quarter, which can be compared with the adjusted EBITA margin of 2.2 per cent for the first quarter of 2020. Profitability is subject to distinct

seasonal variations and is normally low in the first quarter due to the small number of project completions during the winter in the Nordic region.

We saw a rise in the price of materials during the quarter, which we have generally been able to offset to date, with a few exceptions. The war in Ukraine and continued increases in commodity prices mean that we need to work even more intensively on price compensation to match the timing of higher costs with revenue. The uncertainty in the world also entails a risk that our customers will temporarily wait with placing orders and starting projects.

Active acquisition strategy

Netel's strategy is to grow both organically and through acquisitions. We have an active acquisition strategy whereby we proactively seek out companies that we are interested in buying. The purpose of our acquisitions is to complement the current business or to expand to new customer segments or new geographical markets.

To date this year, we have consolidated three acquisitions with total annual sales of MSEK 260 and after the end of the quarter we announced yet another acquisition with sales of MSEK 63. These four acquisitions were all companies in Sweden, two in Power and two in district heating, water and sewage and associated civil engineering works. With these acquisitions, we are strengthening the company in existing or new areas and also adding new expertise and resources.

We have an attractive list of potential acquisitions and are now primarily focusing on Norway, Germany and the UK, which is a brand new market for us. With our strong financial position and good cash conversion over time, we have the scope to continue making acquisitions.

Future outlook

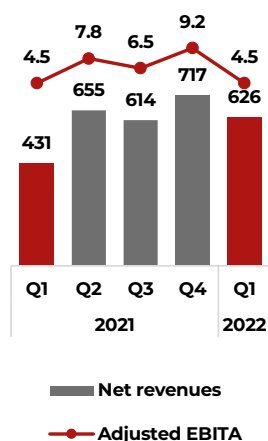
We see a stable underlying market performance, driven by strong megatrends such as electrification and digitalisation and the need to modernise ageing infrastructure. For 20 years, Netel has established a strong position as a leading specialist in critical infrastructures in Northern Europe. Based on a active acquisition strategy, we are adding further skills and expanding to new markets. This means that we are well-positioned to continue to create profitable growth.

Stockholm, 4 May 2022.
Ove Bergkvist
President and CEO



Condensed consolidated financial performance

Net sales
and adjusted EBITA margin



Net sales

Net sales rose 45.0 per cent to MSEK 626 (431) in the first quarter. Organic growth amounted to 16.1 per cent and acquisitions contributed 28.9 per cent.

The order backlog on 31 March 2022 amounted to MSEK 3,401 (3,125), which is a historical record-breaking level for the quarter. The order backlog was MSEK 3,488 at year-end. The continued higher order backlog was primarily due to previously secured framework agreements of larger scale and with longer terms as well as solid order bookings for the first quarter.

Earnings

Adjusted EBITDA increased to MSEK 42 (27) for the quarter and the adjusted EBITDA margin rose to 6.8 per cent (6.3). Adjusted EBITA increased to MSEK 28 (20), corresponding to an adjusted EBITA margin of 4.5 per cent (4.5). Profitability is subject to distinct seasonal variations and is normally low in the first quarter due to the small number of project completions during the winter in the Nordic region. Adjusted EBITDA and adjusted EBITA are calculated excluding acquisition costs of MSEK 6 (0) in the quarter.

EBITDA rose to MSEK 36 (27) with an EBITDA margin of 5.8 per cent (6.3). EBITA amounted to MSEK 22 (20) with an EBITA margin of 3.6 per cent (4.7). The change in margin is mainly due to higher acquisition costs 2022 compared to the same period last year.

Depreciation/amortisation and impairment amounted to MSEK -15 (-7).

Net financial items amounted to MSEK 1 (3) for the quarter. Interest expenses amounted to MSEK -4, of which MSEK -1 was attributable to lease liabilities related to IFRS 16.

Profit before tax amounted to MSEK 22 (23) for the quarter.

Profit after tax amounted to MSEK 15 (18). The effective tax rate was 31 per cent (23), corresponding to MSEK -7 (-5).

Cash flow and financial position

Cash flow from operating activities amounted to MSEK -85 (18). Cash flow from operating activities was impacted by changes in working capital due to seasonal variations and a high production level with many new and ongoing projects, particularly in Germany, Norway and Finland.

Cash flow from investing activities amounted to MSEK -112 (-154) for the quarter, mainly attributable to acquisitions. The item Acquisitions of non-current assets includes MSEK -2 (0) for non-recurring investments in systems for executing the long-term and extensive framework agreements with Telia and Telenor in Norway.

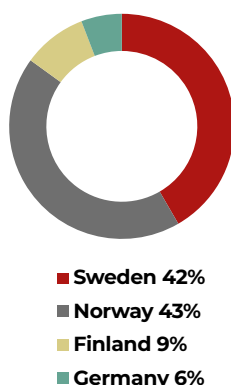
Cash flow from financing activities amounted to MSEK 101 (167), primarily due to completed acquisitions and a high rate of production.

Cash flow for the period was MSEK -95 (32).

Cash and cash equivalents at the end of the period amounted to MSEK 181 (271) compared with the start of the period.

Net debt, which is defined as current and non-current interest-bearing liabilities to credit institutions less cash and cash equivalents and current investments, amounted to MSEK 557 at the end of the period, compared with MSEK 318 at the start of the period. This corresponds to net debt in relation to adjusted EBITDA R12M of a multiple of 2.4. Net debt excluding lease liabilities in relation to adjusted EBITDA R12M corresponds to a multiple of 1.9, which is below the capital structure target for the medium term.

Net sales by segment



Other current and non-current interest-bearing liabilities primarily comprise bank financing and lease liabilities. These commitments amounted to MSEK 739 at the end of the period, compared with MSEK 589 at the start of the year. The increase was mainly attributable to acquisitions.

Unutilised credit facilities amounted to MSEK 125 compared with MSEK 150 at the start of the period.

Total assets amounted to MSEK 2,338 (2,133) compared with the start of the period and equity to MSEK 974 (911) compared with the start of the period.

Segments

Sweden

Net sales grew 83.2 per cent to MSEK 262 (143), mainly due to acquisitions in the Power and Fixed Networks business areas.

In Fixed Networks, the operations in Infraservice acquired in 2021, meaning district heating, water and sewage and associated civil engineering works, contributed to growth. In Infraservice, project starts were impacted by the pandemic and the conflict in Ukraine during the quarter. JR Markteknik and Täby Maskin & Uthyrning were consolidated in the Infraservice business area from January 2022. After the end of the quarter, Netel announced the acquisition of all shares in Karlskoga Mark AB. These acquisitions represent a key building block in Netel's continued investment in the field of district heating, water and sewage and associated civil engineering works.

The operations in Power performed well in the quarter. Eltek Entreprenad Sverige AB and Elcenter i Söderköping Aktiebolag were consolidated in Power from March 2022. Eltek broadens the offering with services for handling higher voltages of up to 400 KV for transformer stations, for example, and Elcenter strengthens the offering with various services including road lighting, solar cells and charging infrastructure.

Mobile reported healthy organic growth for the quarter, driven by the 5G expansion. The organisation was strengthened during the quarter to manage the expected higher level of activity.

Profitability for the quarter was solid. The slightly lower profitability compared with the first quarter of 2021 was due to the anticipated and previously communicated downturn in the fibre market.

Norway

Net sales rose 25.8 per cent to MSEK 273 (217) due to healthy organic growth, mainly in Fixed Networks and Mobile.

The upgrade of the cable TV network contributed to the strong performance in the Fixed Networks business area.

Growth in Power for the quarter was solid.

Mobile grew strongly in the quarter, driven by the 5G expansion. Optimising production in the framework agreements with Telia and Telenor under the service agreements signed earlier in 2021 also continued in the first quarter.

Profitability for the quarter was solid. Earnings in the first quarter of 2022 were charged with expenses related to, for example, more extensive personnel development activities as the pandemic restrictions were lifted. Earnings in the first quarter were also affected by certain fixed costs during the ramp-up of volumes in the new service agreements in Fixed Networks. The comparison with the same period last year

is also affected by the completion of several particularly profitable projects in the first quarter of 2021, which contributed to very high profitability.

Finland

Net sales grew 18.4 per cent to MSEK 58 (49), due to a high level of activity in the Power business area.

The number of requests in fixed networks increased during the quarter compared with the same period in 2021.

Sales in Power increased in the quarter. At the same time, there are signs that projects may be delayed due to new regulations, which would affect operators' investment capabilities.

Mobile reported a stable trend compared with the year-earlier period, mainly as a result of the 5G expansion.

The profitability trend compared with the same period last year was due to increases in the price of materials in individual projects that were not compensated for.

Germany

Net sales rose 76.2 per cent to MSEK 37 (21). The strong performance in Germany was due to the widespread national need to modernise and expand the fixed network.

The organisation was strengthened during the quarter to manage the expected higher level of activity. Volumes expanded by about MSEK 68 with an existing customer in the current geography during the quarter. The permit delay issues that had negatively impacted a major project for a long time were resolved during the quarter, and the rate of delivery increased.

Profitability was solid and in line with the preceding year.

Acquisitions

Three acquisitions were consolidated in the first quarter of 2022:

JR Markteknik AB and Täby Maskin & Uthyrning AB were consolidated from January 2022. The acquisitions represent a key building block in Netel's investment in the field of water and sewage, pipe laying and associated civil engineering works. The companies' total sales in 2020 amounted to MSEK 199 with total EBIT of MSEK 23. The companies' combined number of employees was 50. The acquisitions were for all shares. Based on the authorisation from the Extraordinary General Meeting on 27 August 2021, an offset issue took place on 5 January 2022 in connection with these acquisitions, with the number of shares and votes in Netel increasing by 637,852.

Elcenter i Söderköping Aktiebolag was consolidated from March 2022, which strengthens Netel's offering in power, including road lighting, solar cells and charging infrastructure. The company's sales in 2020/2021 (split financial year) amounted to approximately MSEK 30 with good profitability, better than the Netel Group in 2021. Elcenter i Söderköping has 13 employees. The acquisition was for all shares. Based on the authorisation from the Extraordinary General Meeting on 27 August 2021, an offset issue took place on 11 March 2022 in connection with this acquisition, with the number of shares and votes in Netel increasing by 65,775.

Eltek Entreprenad Sverige AB was consolidated from March 2022, which broadens Netel's offering within power with diversified services for handling higher voltages of up to 400 KV for transformer stations, for

example. The company's sales in 2020 amounted to approximately MSEK 30 with good profitability, better than the Netel Group in 2021.. Eltek Entreprenad Sverige has 13 employees. The acquisition was for all shares. Based on the authorisation from the Extraordinary General Meeting on 27 August 2021, an offset issue took place on 10 March 2022 in connection with this acquisition, with the number of shares and votes in Netel increasing by 89,763.

On 13 April 2022, Netel announced the acquisition of all shares in Karlskoga Mark AB (KMAB). The transaction means that Netel is strengthening its business in water and sewage, district heating and associated civil engineering works as well as broadening its geographic presence in Sweden. KMAB had sales of approximately MSEK 63 in 2021 with twelve employees. KMAB had a higher EBITA margin in 2021 than the Netel Group. Consolidation is expected to take place in May 2022 and KMAB will be included in the Sweden segment in the Infraservice business area. The consideration was paid in cash and through an offset issue of 141,552 shares in Netel Holding.

Other information

Employees

The number of employees at the end of the period was 737 (507). The average number of employees for the period was 719 (422). The increase was mainly attributable to acquisitions.

Financial targets

Revenue growth

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

Margin target

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

Capital structure

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

Dividend policy

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

Parent Company

The Parent Company's net sales amounted to MSEK 7 (0) 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 or changed customer behaviour. Interest rate risk also exists for the Group. For a more detailed description of the risks and uncertainties for the Group and the Parent Company, refer to the 2021 Annual Report.

The pandemic did not have any major impact on the Group's sales or earnings in the first quarter of 2022. However, the timing of certain projects and procurement processes has been affected by the pandemic. Netel is continuing to monitor developments of the pandemic.

Netel is monitoring developments regarding the conflict in Ukraine and is currently unable to assess the effects of sanctions against Russia and the consequences that the conflict could have on the economic situation in Netel's markets. Netel did not have any sales, direct expenses or purchases to or from Russia or Ukraine in the first quarters of 2022 or 2021. The conflict in Ukraine and continued increases in raw material prices mean that Netel is working even more intensively with price compensation to match increased costs with revenues in time. The global uncertainty also entails a risk that customers will temporarily wait to place orders and start projects.

Legal disputes

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

The share

Netel Holding AB (publ) was listed on Nasdaq Stockholm on 15 October 2021 under the ticker NETEL with the ISIN SE0015949433. The share price as of the listing on 15 October 2021 was SEK 48. The closing price on the final day of trading in March was SEK 44.0. The highest price paid in the first quarter was SEK 48.0 and the lowest price paid was SEK 35.95. 1,130,249 shares were traded on Nasdaq Stockholm during the quarter.

On 31 March 2022, Netel Holding AB (publ) had 1,859 shareholders. The five largest shareholders were IK VII fund via Cinnamon International S.à.r.l (49.39 per cent), Nordnet Pensionsförsäkring (8.23 per cent), Carnegie Fonder (4.39 per cent), AP2 (4.36 per cent) and Swedbank Robur Fonder (4.36 per cent).

There were a total of 47,497,061 shares and votes in Netel on 31 March 2022. All shares are ordinary shares.

Financial statements

Condensed consolidated statement of profit or loss

SEK millions	Jan-Mar		R12 Apr-Mar	Full-year
	2022	2021	2021/2022	2021
Operating income				
Net sales	626	431	2,612	2,418
Other operating income	6	0	8	3
Total revenue	632	432	2,620	2,420
Operating expenses				
Material and purchased services	-384	-271	-1,671	-1,558
Other external expenses	-53	-37	-213	-196
Personnel costs	-158	-97	-558	-496
Depreciation and amortisation	-15	-7	-52	-44
Operating profit/loss (EBIT)	22	20	127	126
Profit/loss from financial items				
Net financial items	1	3	-27	-25
Earnings before tax	22	23	100	100
Taxes	-7	-5	-36	-34
Earnings for the period	15	18	64	66
Earnings for the period is attributable to				
Parent company's shareholders	15	18	64	66
Non-controlling interests	-	-	-	-
Earnings per share				
Earnings per share before and after dilution (SEK)*	0.33	0.55	1.87	1.87
Average number of shares before and after dilution (thousands)*	47,315	32,500	39,188	35,535

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

In connection with the Group's listing on the stock exchange on 15 October 2021, a share exchange took place on the basis of an issue in kind, whereby the non-controlling interest exchanged its shares for newly issued ordinary shares in Netel Holding

AB (publ), after which no non-controlling interest exists in the Group since the end of the fourth quarter of 2021. A new share issue was also carried out in connection with the listing of the Group, which together with the issue in kind increased the number of ordinary shares outstanding to 46,703,671. Three offset issues were carried out in the first quarter of 2022 in connection with announced acquisitions. The number of ordinary shares outstanding increased by 793,390 to 47,497,061 at the end of the period.

Condensed consolidated statement of comprehensive income

SEK millions	Jan-Mar		R12 Apr-Mar	Full-year
	2022	2021	2021/2022	2021
Earnings for the period	15	18	64	66
<i>Other comprehensive income</i>				
Translation differences for the period	10	-1	23	11
Other comprehensive income for the period	10	-1	23	11
Comprehensive income for the period	26	17	87	78
Comprehensive income for the period is attributable to				
Parent company's shareholders	26	17	87	78
Non-controlling interests	-	-	-	-

Condensed consolidated statement of financial position

SEK millions	31 Mar 2022	31 Mar 2021	31 Dec 2021
ASSETS			
Non-current assets			
Goodwill	981	803	810
Intangible assets	194	179	193
Property, plant and equipment	168	103	125
Financial non-current assets	8	2	7
Deferred tax assets	14	10	14
Total non-current assets	1,364	1,097	1,149
Current assets			
Inventories	6	7	8
Current receivables	786	521	705
Cash and cash equivalents	181	123	271
Total current assets	974	651	984
Total assets	2,338	1,748	2,133
EQUITY AND LIABILITIES			
Equity			
Equity attributable to the parent company's shareholders	974	658	911
Equity attributable to non-controlling interests	-	-	-
Total equity	974	658	911
Non-current interest-bearing liabilities	667	532	554
Non-current non-interest-bearing liabilities	144	90	101
Total non-current liabilities	811	622	655
Current interest-bearing liabilities	72	123	35
Current non-interest-bearing liabilities	482	345	531
Total current liabilities	554	468	566
Total equity and liabilities	2,338	1,748	2,133

Condensed consolidated statement of changes in equity

SEK thousands	Equity attributable to the parent company's shareholders				Total equity attributable to the parent company's shareholders	Non-controlling interest	Total equity
	Share capital	Other contributed capital	Translation reserve	Retained earnings including profit/loss for the period			
Opening equity 1 Jan 2021	576	582,501	-7,362	27,553	603,268	-	603,268
Profit/loss for the period	-	-	-	17,994	17,994	-	17,994
Other comprehensive income	-	-	-1,227	-	-1,227	-	-1,227
the period	-	-	-1,227	17,994	16,767	-	16,767
<i>Transactions with Group owners</i>							
Completed issues	48	37,452	-	-	37,500	-	37,500
Effects of Group restructuring*	-	-	-	-	-	-	-
Total	48	37,452	-	-	37,500	-	37,500
Closing equity 31 Mar 2021	624	619,953	-8,589	45,547	657,535	-	657,535
Opening equity 1 Jan 2022	719	1,395,693	-405	-484,812	911,195	-	911,195
Profit/loss for the period	-	-	-	15,401	15,401	-	15,401
Other comprehensive income	-	-	10,193	-	10,193	-	10,193
the period	-	-	10,193	15,401	25,594	-	25,594
<i>Transactions with Group owners</i>							
Completed issues	12	36,988	-	-	37,000	-	37,000
Total	12	36,988	-	-	37,000	-	37,000
Closing equity 31 Mar 2022	731	1,432,681	9,788	-469,411	973,788	-	973,788

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

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

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

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

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

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

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

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

Condensed consolidated statement of cash flows

SEK millions	Jan-Mar		Full-year
	2022	2021	2021
Operating profit/loss	22	20	126
Reversal of non-cash items	14	7	43
Interest received	0	0	-
Interest paid	-4	-4	-27
Tax paid	-25	-13	-27
Cash flow from operating activities before changes in working capital	7	10	114
Changes in inventories	2	-2	-3
Changes in operating receivables	6	115	-56
Changes in operating liabilities	-100	-105	59
Cash flow from operating activities	-85	18	114
Acquisition of non-current assets	-3	-1	-28
Acquisition of subsidiaries and businesses	-108	-153	-153
Sale of non-current assets	-	-	-
Cash flow from investing activities	-112	-154	-181
New share issue	-	-	193
Amortisation of lease liabilities	-12	-9	-34
Proceeds from non-current loans and credits	115	176	475
Amortisation of non-current loans and credits	-2	-	-390
Cash flow from financing activities	101	167	244
Cash flow for the period	-95	32	177
Cash and cash equivalents at the beginning of the period	271	90	90
Translation difference in cash and cash equivalents	5	2	5
Cash and cash equivalents at the end of the period	181	123	271

Notes to the financial statements in summary

Key accounting policies

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

Netel Holding AB (publ) applies International Financial Reporting Standards (IFRS) as adopted by the EU. The Group's interim report has been prepared in accordance with IAS 34 Interim Financial Reporting and applicable parts of the Annual Accounts Act (1995:1554). The interim report for the Parent Company has been prepared in accordance with Chapter 9 Interim Reports of the Annual Accounts Act and RFR 2 Reporting for Legal Entities. For the Group and the Parent Company, the same accounting policies, calculation bases and assessments have been applied as in the latest annual report for Netel Holding AB (publ). A more detailed description of the Group's applied accounting policies as well as new and future changes in standards can be found in the latest published annual report. For a complete description of the Group and the Parent Company's applied accounting policies, see Note 1 in the 2021 Annual Report.

In addition to the financial statements and their accompanying notes, disclosures pursuant to IAS 34 are provided in the interim information, which comprise an integral part of this financial report.

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

Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). The CODM is the function responsible for allocating resources and assessing the earnings of the operating segments. In the Group, this function has been identified as the Group CEO. An operating segment is a part of the Group that conducts activities from which it can generate revenue and incur costs and for which independent financial information is available. The Group's division into segments is based on the internal structure of

the Group's business activities, which means that the Group's operations have been divided into four segments: *Sweden, Norway, Finland and Germany*.

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

Earnings per share

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

Estimates and assessments

The preparation of the interim report requires that company management makes assessments and estimates and makes assumptions that affect the application of the accounting policies and the reported amounts of assets, liabilities, revenue and expenses. The actual outcome may differ from these estimates and assessments. The critical assessments and sources of uncertainty in estimates are the same as in the latest published annual report. See Note 1 in the 2021 Annual Report for more information on the Group's estimates and assessments.

Operating segments

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

Other adjustments at Group level are included under Group-wide items and eliminations, for example, transaction costs and other Group-wide costs that are not allocated at segment level. Non-current assets include intangible assets (including goodwill), property, plant and equipment, and right-of-use assets.

Jan-Mar 2022	Sweden	Norway	Finland	Germany	Total segments	Group-wide items and eliminations	Group total
Revenue from external customers	262	273	58	37	629	-4	626
Revenue from other segments	-	-	-	-	-	-	-
Total revenue	262	273	58	37	629	-4	626
EBITA	12	16	-3	3	29	-6	22
Non-current assets	1,063	270	8	3	1,343	-	1,343

Jan-Mar 2021	Sweden	Norway	Finland	Germany	Total segments	Group-wide items and eliminations	Group total
Revenue from external customers	143	218	49	21	431	0	431
Revenue from other segments	-	-	-	-	-	-	-
Total revenue	143	218	49	21	431	0	431
EBITA	8	18	-1	2	26	-5	20
Non-current assets	851	224	8	2	1,085	-	1,085

Revenue from contracts with customers

Jan-Mar 2022	Sweden	Norway	Finland	Germany	Group total
Business area					
Fixed networks	152	143	1	37	333
Power	70	92	44	-	207
Mobile	36	37	13	-	86
Group-wide					0
Revenue from contracts with customers	258	273	58	37	626
Type of service					
Framework agreement	88	175	45	12	320
Project	174	98	13	24	309
Group-wide					-4
Revenue from contracts with customers	262	273	58	37	626
Jan-Mar 2021					
Business area					
Fixed networks	86	103	1	21	212
Power	25	84	35	-	144
Mobile	32	30	13	-	75
Group-wide					0
Revenue from contracts with customers	143	217	49	21	431
Type of service					
Framework agreement	63	134	34	-	231
Project	80	83	15	21	200
Group-wide					1
Revenue from contracts with customers	143	218	49	21	431

Financial instruments

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

Fair value measurement

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

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

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

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

Fund holdings

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

Contingent consideration

For some of the Group's business combinations, there are contingent considerations. The contingent considerations are dependent on the average EBITA for the business combinations over one to three years. The considerations will be settled in cash. The contingent considerations are included in the item Non-current non-interest-bearing liabilities in the amount of MSEK 73 (32). The contingent considerations are found in level 3 of the valuation hierarchy.

Other holdings and liabilities measured at fair value

The Group holds currency futures that are included in the item Current non-interest-bearing liabilities. These currency futures are measured at fair value through indirect calculations from underlying currencies, according to data

received from the counterparty/bank, and thus are found in level 2 of the valuation hierarchy.

Fund holdings	31 Mar 2022	31 Mar 2021	31 Dec 2021
Opening balance	3	-	-
Investments	0	2	3
Divestments	-	-	-
Change in value recognised through profit or loss	-	-	-
Translation difference	-	-	-
Closing balance	4	2	3

Contingent consideration	31 Mar 2022	31 Mar 2021	31 Dec 2021
Opening balance	32	-	-
Acquisition of subsidiaries and businesses	42	32	32
Paid considerations	-	-	-
Change in value recognised through profit or loss	-	-	-
Translation difference	-	-	-
Closing balance	73	32	32

Other liabilities recognised at fair value	31 Mar 2022	31 Mar 2021	31 Dec 2021
Opening balance	0	-	-
Changes in recognised liabilities	-	-	-
Change in value recognised through profit or loss	0	-	0
Translation difference	-	-	-
Closing balance	1	-	0

Business combinations

On 3 January 2022, the Group acquired 100 per cent of the shares and votes in JR Markteknik AB and Täby Maskin & Uthyrning Entreprenad AB ("JR"). The acquisitions represent a key building block in Netel's investment in the field of water and sewage, pipe laying and associated civil engineering works. JR's total sales in 2020 amounted to MSEK 199 with total EBIT of MSEK 23, and the company had 50 employees on the acquisition date. JR is included in the Sweden segment.

On 1 March 2022, the Group acquired 100 per cent of the shares and votes in Eltek Entreprenad Sverige AB and its subsidiary Eltek Kraft & Montage Sverige AB ("Eltek"), which

broadens Netel's offering within power with diversified services for handling higher voltages of up to 400 KV for transformer stations, for example. Eltek's sales in 2020 amounted to approximately MSEK 30 with good profitability. Eltek has 13 employees and is included in the Sweden segment.

On 1 March 2022, the Group acquired 100 per cent of the shares and votes in Elcenter i Söderköping Aktiebolag ("Elcenter"), which strengthens Netel's offering in power, including road lighting, solar cells and charging infrastructure. Elcenter's sales in 2020/2021 (split financial year) amounted

to approximately MSEK 30 with good profitability. Elcenter has 13 employees and is included in the Sweden segment.

On 13 April 2022, Netel announced the acquisition of all shares in Karlskoga Mark AB (KMAB). The transaction means that Netel is strengthening its business in water and sewage, district heating and associated civil engineering works as well

as broadening its geographic presence in Sweden. KMAB had sales of approximately MSEK 63 in 2021 with twelve employees. KMAB had a higher EBITA margin in 2021 than the Netel Group. Consolidation is expected to take place in May 2022 and KMAB will be included in the Sweden segment.

Acquired net assets at acquisition date	JR Fair value	Eltek Fair value	Elcenter Fair value	Total
Intangible assets	-	-	-	-
Property, plant and equipment	11	4	0	15
Right-of-use assets	-	-	-	-
Financial non-current assets	-	-	-	-
Deferred tax assets	-	-	-	-
Inventories	-	-	0	0
Accounts receivables and other receivables	61	5	4	70
Cash and cash equivalents	17	5	5	28
Interest-bearing liabilities	-3	-3	-	-6
Lease liabilities	-	-	-	-
Deferred tax liabilities	-	-1	-1	-1
Accounts payable and other operating liabilities	-59	-3	-4	-65
Identified net assets	27	8	6	40
Goodwill	128	16	18	163
Total consideration	155	24	24	203
<i>The consideration consists of</i>				
Cash	95	13	17	124
Equity instruments	30	4	3	37
Contingent consideration	30	7	5	42
Vendor loan note	-	-	-	-
Total consideration	155	24	24	203

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

Impact of acquisitions on cash and cash equivalents

	JR	Eltek	Elcenter	Total
Cash consideration paid	-95	-13	-17	-124
Cash and cash equivalents acquired	11	1	4	16
Total	-84	-12	-13	-108
Costs related to acquisitions	-3	-1	-1	-5
Total impact on cash and cash equivalents	-86	-13	-14	-113

In connection with the acquisition of JR, goodwill of MSEK 128 arose in the form of a difference between the transferred consideration and the fair value of the acquired net assets. Goodwill mainly refers to human resources. Goodwill is not expected to be tax deductible. Transaction costs related to the acquisition of JR amounted to MSEK 3. The transaction costs were recognised as an expense in profit or loss under Other external expenses.

In connection with the acquisition of Eltek, goodwill of MSEK 16 arose in the form of a difference between the transferred consideration and the fair value of the acquired net assets. Goodwill mainly refers to human resources. Goodwill is not expected to be tax deductible. Transaction costs related to the acquisition of Eltek amounted to MSEK 1. The transaction costs were recognised as an expense in profit or loss under Other external expenses.

In connection with the acquisition of Elcenter, goodwill of MSEK 18 arose in the form of a difference between the transferred consideration and the fair value of the acquired

net assets. Goodwill mainly refers to human resources. Goodwill is not expected to be tax deductible. Transaction costs related to the acquisition of Elcenter amounted to MSEK 1. The transaction costs were recognised as an expense in profit or loss under Other external expenses.

During the first three months of the year, these acquisitions contributed MSEK 74 to the Group's revenue and MSEK 5 to the Group's profit after tax. If the acquisitions had taken place on 1 January 2022, company management estimates that the Group's revenue would have been positively impacted by MSEK 638 and profit for the period positively impacted by MSEK 16.

Transactions with related parties

No significant changes took place in the first quarter of 2022 for the Group or the Parent Company in relationships or transactions with related parties compared to what has been described in Note 31 of the 2021 Annual report for Netel Holding AB (publ).

Management

	31 Mar 2022	31 Mar 2021
Sales of goods and services	-	-
Purchase of goods and services	-	-
Interest income	-	-
Interest expenses	-	-
Receivables (closing)	-	-
Debt (closing)	-	15

Significant events after the balance sheet date

An agreement to acquire all of the shares in Karlskoga Mark AB (KMAB) was signed on 13 April 2022. The transaction means that Netel is strengthening its business in water and sewage, district heating and associated civil engineering works as well as broadening its geographic presence in Sweden. KMAB had sales of approximately MSEK 63 in 2021 with 12 employees. KMAB had a higher EBITA margin in 2021 than the Netel Group. Consolidation is expected to take place in May 2022 and KMAB will be included in the Sweden

segment in the Infraservice business area. The consideration was paid in cash and through an offset issue of 141,552 shares in Netel Holding.

Other than the above, no significant changes have occurred regarding the Group's financial position or financial results after 31 March 2022.

Condensed income statement for the Parent Company

SEK millions	Jan-Mar		Full-year
	2022	2021	2021
Operating income			
Net sales	7	-	10
Other operating income	-	-	-
Total revenue	7	-	10
Operating expenses			
Personnel costs	-2	-	-25
Other external expenses	-0	-	-23
Operating profit (EBIT)	4	-	-38
Net financial items	-3	-	1
Earnings after financial items	1	-	-37
Appropriations	-	-	-
Earnings before tax	1	-	-37
Taxes	-1	-	-
Earnings for the period	1	-	-37

Condensed balance for the Parent Company

SEK millions	31 Mar 2022	31 Mar 2021	31 Dec 2021
ASSETS			
Non-current assets			
Shares in subsidiaries	1,202	-	1,202
Financial non-current assets	7	-	7
Total non-current assets	1,209	-	1,209
Current assets			
Receivables from Group companies	772	-	655
Other current assets	3	-	4
Cash and cash equivalents	17	-	8
Total current assets	793	-	667
Total assets	2,001	-	1,876
EQUITY AND LIABILITIES			
Equity			
Share capital	1	-	1
Other equity	1,396	-	1,358
Total equity	1,397	-	1,359
Untaxed reserves	-	-	-
Total untaxed reserves	-	-	-
Non-current interest-bearing liabilities	565	-	475
Non-current non-interest-bearing liabilities	4	-	4
Total non-current liabilities	569	-	479
Current interest-bearing liabilities	2	-	2
Current non-interest-bearing liabilities	33	-	36
Total current assets	35	-	38
Total equity and liabilities	2,001	-	1,876

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

Stockholm, 4 May 2022

Hans Petersson
Chairman

Göran Lundgren
Board member

Nina Macpherson
Board member

Alireza Etemad
Board member

Carl Jakobsson
Board member

Maria Brunow
Board member

Ove Bergkvist
CEO

This report is unaudited.

Selected financial information

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

Alternative performance measures not defined under IFRS

SEK millions	Jan-Mar		Full-year
	2022	2021	2021
Net sales growth (%)	45.0%	10.9%	31.1%
Organic sales growth (%)	16.1%	3.5%	7.1%
EBITDA	36	27	170
EBITDA margin (%)	5.8%	6.3%	7.0%
EBITA	22	20	127
EBITA margin (%)	3.6%	4.7%	5.2%
Items affecting comparability	6	-0	50
Adjusted EBITDA	42	27	220
Adjusted EBITDA margin (%)	6.8%	6.3%	9.1%
Adjusted EBITA	28	20	177
Adjusted EBITA margin (%)	4.5%	4.5%	7.3%
Net debt	557	532	318
Net debt/Adjusted EBITDA R12 (Ratio)	2.4	3.0	1.4
Equity ratio (%)	41.6%	37.6%	42.7%
Order backlog	3,401	3,125	3,488

Reconciliation of growth in net sales

SEK millions	Jan-Mar		Full-year
	2022	2021	2021
Net sales previous period	431	389	1,845
Acquired net sales	125	29	441
Organic net sales	501	403	1,977
Total net sales growth (%)	45.0%	10.9%	31.1%
Organic net sales growth (%)	16.1%	3.5%	7.1%

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

SEK millions	Jan-Mar		Full-year
	2022	2021	2021
Net sales	626	431	2,418
Operating profit/loss (EBIT)	22	20	126
Depreciation and amortisation of tangible and intangible assets	15	7	44
EBITDA	36	27	170
EBITDA margin (%)	5.8%	6.3%	7.0%
Items affecting comparability			
Listing-related costs	-	-	37
Acquisition-related costs	6	-	8
Other items affecting comparability	-	-0	5
Total items affecting comparability	6	-0	50
Adjusted EBITDA	42	27	220
Adjusted EBITDA margin (%)	6.8%	6.3%	9.1%

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

SEK millions	Jan-Mar		Full-year
	2022	2021	2021
Net sales	626	431	2,418
Operating profit/loss (EBIT)	22	20	126
Depreciation and amortisation of intangible assets	1	-	1
EBITA	22	20	127
EBITA margin (%)	3.6%	4.7%	5.2%
Items affecting comparability			
Listing-related costs	-	-	37
Acquisition-related costs	6	-	8
Other items affecting comparability	-	-0	5
Total items affecting comparability	6	-0	50
Adjusted EBITA	28	20	177
Adjusted EBITA margin (%)	4.5%	4.5%	7.3%

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

SEK millions	31 Mar 2022	31 Mar 2021	31 Dec 2021
Non-current interest-bearing liabilities	667	532	554
Current interest-bearing liabilities	72	123	35
Total interest-bearing liabilities	739	655	589
Cash and cash equivalents	181	123	271
Net debt	557	532	318
Adjusted EBITDA R12	235	178	220
Net debt/Adjusted EBITDA R12 (Ratio)	2.4	3.0	1.4

Reconciliation of equity ratio

SEK millions	31 Mar 2022	31 Mar 2021	31 Dec 2021
Total equity	974	658	911
Total assets	2,338	1,748	2,133
Equity ratio (%)	41.6%	37.6%	42.7%

Definitions and reasons for use

Key performance indicators	Definition	Reason for use
EBITA*	EBIT 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 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 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 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
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
Profit/loss before tax	Profit for the period before tax	The measure is a performance measure defined by IFRS
Earnings per share (SEK)	Earnings per share before and after dilution attributable to holders of ordinary shares in the Parent Company	The measure (before and after dilution) is a performance measure defined by IFRS
Net debt*	Interest-bearing liabilities (current and non-current) less cash and cash equivalents	The measure shows the size of the company's total assets financed via financial liabilities, taking into account cash and cash equivalents and is a component in assessing financial risk
Equity ratio*	Equity as a percentage of total assets	The measure shows the share of the company's total assets financed by the shareholders through equity

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

Webcast presentation and teleconference

Ove Bergkvist, President and CEO, and Peter Andersson, CFO, will present the interim report on Wednesday, 4 May at 9:00 a.m. (CEST) in a webcast. Link to webcast <https://tv.streamfabriken.com/netel-group-q1-2022>. Questions may be asked both online and by phone. Presentation material is also available at <https://netelgroup.com/en/investors/reports-and-presentations/>. The presentation will be held in English.

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Financial information

Previous interim reports and annual reports are available at <https://netelgroup.com/en/investors/reports-and-presentations/>

Financial calendar

Second quarter 2022	25 August
Third quarter 2022	9 November

This information is such that Netel Holding AB (Publ) is obliged to make public in accordance with the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons below, on 4 May 2022 at 7:30 a.m. CEST.

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Netel Group in brief

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

FOUNDED IN

2000

EMPLOYEES 2021

658

NET SALES 2021, MSEK

2,418

ADJUSTED EBITA IN 2021, MSEK

177

netel group

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