Q3 Presentation

24 October 2025

Netel

Agenda

- Our market situation today
- Why profitability was hit in Q3
- Action-plan per Division, cost-saving program
- Indication 2025 & 2026
- Financial performance
- Financing
- Summary

Our strengths

- Markets driven by megatrends
- Strong offering
- Order backlog increased SEK 3.84 billion (3.58)
- Long customer relations
- Successful strategy to expand geographically in Sweden, Norway and Germany
- Successful in winning new customers and expanding to new customer segments with for example FMV, UGG and enviaTel and Glitre Nett
- Closely monitoring our customers investment apetite – decreased investment to come within Telecom, flexible business model

Indication 2025 and 2026

Full year 2025

- Net sales SEK 3 billion
- Adjusted EBITA margin 1.5—2%
- Cash flow expected to be strong in Q4 2025 according to normal seasonality
- Remaining operations 90% of sales – Adjusted EBITA margin 4-5%

Full year 2026

- Growth and margin improvement are expected for the full year 2026 given the savings measures in 2025–2026 and the market conditions Netel sees today
- Order backlog for 2026 per September around SEK 2 billion

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Why profitability was hit in Q3

- Identification of overvalued projects ahead of project completion in three companies acquired in 2021–2022
- Lower volumes of approx SEK 400 million than expected due to our focus on profitability in procurements
- Lower due to increased competition in the Infraservices division
- More projects than expected are still in the start-up phase and the start has been postponed for a number of projects especially within Telecom
- We did not achieve the saving from the new business system and new organisation in Norway that we had anticipated in 2025.

The forecast adjustments have an immediate impact on the income statement through changed revenue recognition and if a write-down of, for example, 2 per cent were to arise, it will at that point affect the previously reported results of the entire project, which can have major consequences in individual quarters even if the projects themselves have a profit margin that is in line with our financial goals.

Example revised estimate margin for project:
Project volume: SEK 200 million
Previous estimate margin: 10%

New lower margin: 8%
New estimate effect at this time: SEK -4 million

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Clear time-bound measures

Our measures to increase profitability in summary:

- Divestment of the UK operation initiated
- Restructuring of companies with profitability problems
- Consolidation of subsidiaries into larger units
- Reduction of levels of management
- Improvement of internal processes and follow-up
- Cost saving program of SEK 40-50 million, SEK 25 million with full effect 2026 and SEK 15-25 million with full effect 2027

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Clear measures in all three divisions

Infraservices

- New management in place with the commission to build an experienced and solid organisation in line with new contracts
- More collaboration between subsidiaries to win larger projects and increase resources efficiency
- Cost save program is already on place
- Improved project management – recruiting more experienced employees
- Strengthened risk control - standardised practices for tendering, follow-up, and forecasting
- Jeanette Reuterskiöld acting head of division

Power

- Contributions in 2026 from recently signed, large framework agreements with E.ON and Vattenfall and Elvia in Norway – increased margins
- New management and better project management in the company with one-off write-downs as well as new wins of contracts with better margins under 2026
- Reducing management levels and streamlining the structure by merging several subsidiaries
- More collaboration between subsidiaries to win larger projects and increase resources efficiency

Telecom

- The savings program of SEK 25 million affects the Norwegian telecom operations by about SEK 15 million. These measures include, among other things, that vacancies are not filled on manager levels and a new organisation from October 2025, adapted to new, more efficient ways of working
- New digital tools, in the Norwegian service organisation, expected to contribute to increased efficiency and profitability
- Jeanette Reuterskiöld acting head of division

Financial performance

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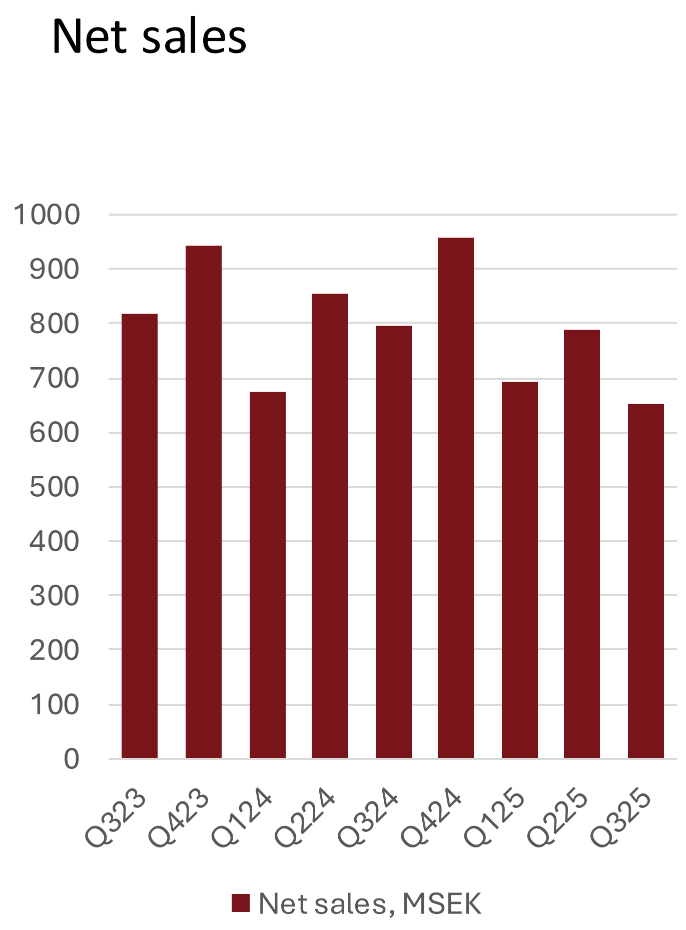
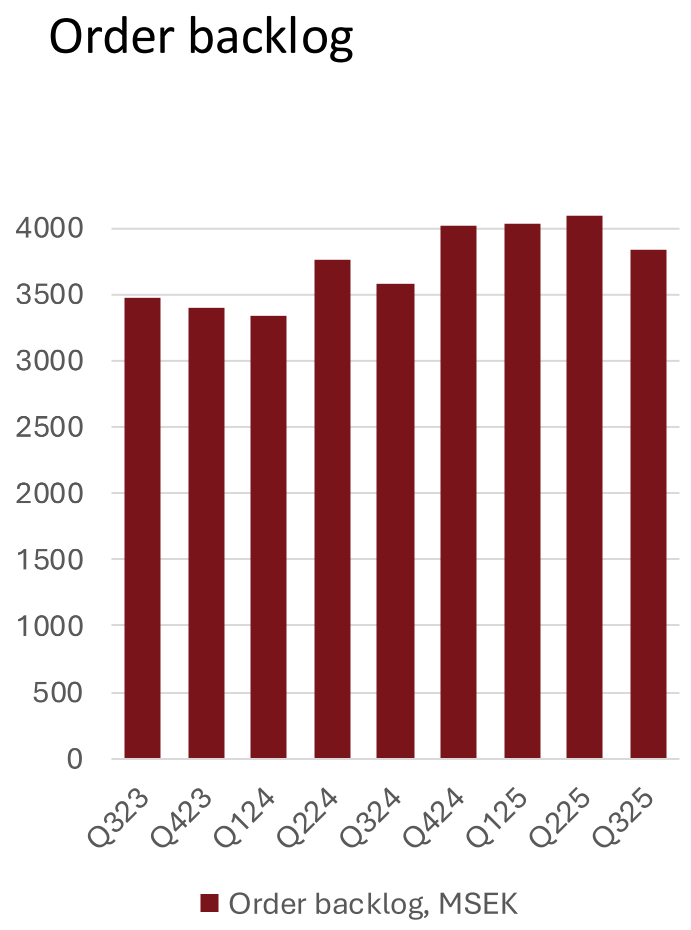
High level of project startups impacted net sales negatively

- Net sales -17.8% to MSEK 654 (796)
  - Good development in Power in Norway with approx. 90% growth in Q3 or 40% growth YTD
- FX effects -2.4%
- Order backlog 3.84 BSEK
  - Solid backlog for 2025 considering guidance on 3 BSEK FY25
  - Approx. 2 BSEK in backlog referring to 2026



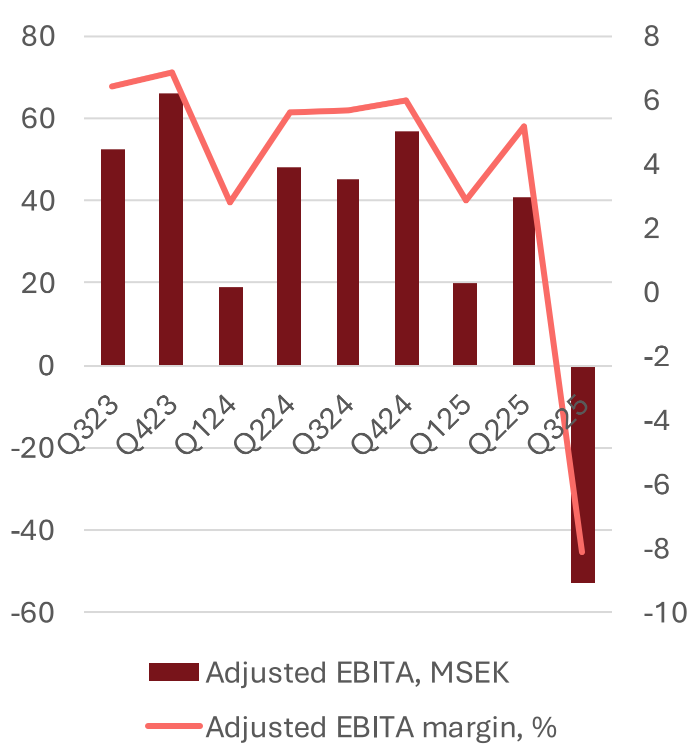


Profitability impacted by write-downs in old projects and lower volumes

- Adjusted EBITA MSEK -53 (45)
  - Q3 write-down accounted for MSEK -59
- Adjusted EBITA margin -8.1% (5.7)
- EPS -1.39 (0.14) SEK

- FY25 guidance 1.5-2.0% Adjusted EBITA
  - Includes Q3 write-downs
  - 4-5% excluding Q3 write-downs

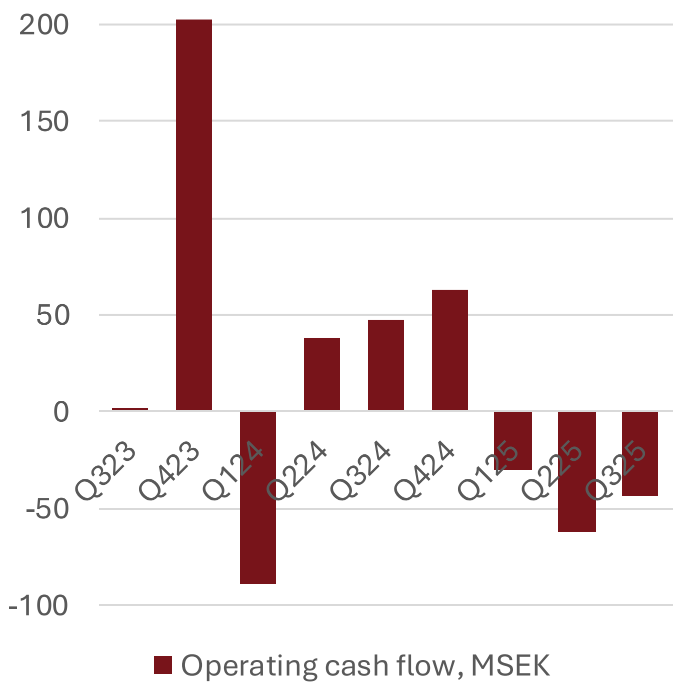
Adjusted EBITA & margin



Cash flow reflecting lower volumes and level of project startups

- Operating cash flow MSEK -44 (61)
- Unutilised credit facilities and cash MSEK 361
- Positive cash flow in Q4 due normal seasonality, i.e. completion of projects and final invoicing

Operating cash flow
Including discontinuing operations

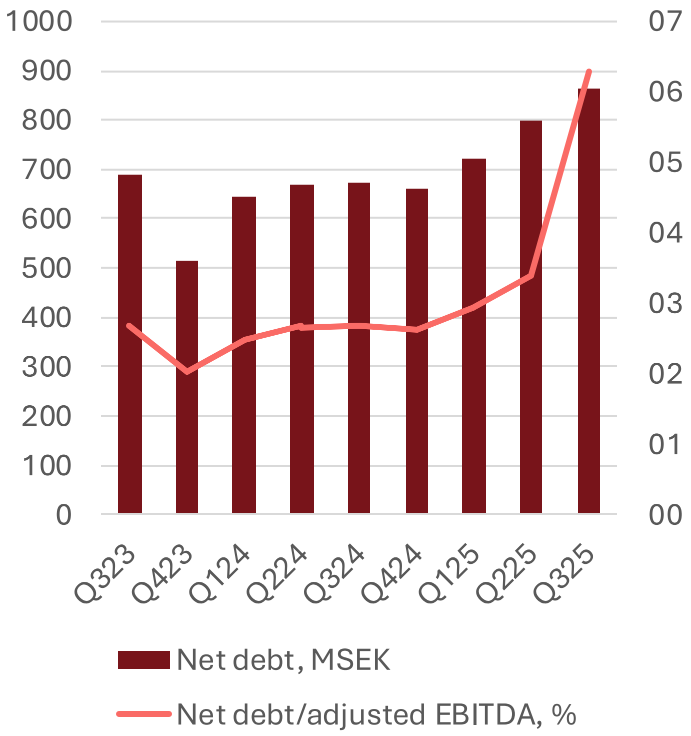


All numbers in the presentation refer to continuing operations unless otherwise stated

Net debt and financing

- Leverage ratio 6.3 – higher than the capital structure target with EBITDA impact from Q3 write-downs
- Financing
  - Waiver received in October 2025, discussions in terms of good faith ongoing
  - Short-term debt in statements end September 2025

Net debt excluding leasing liabilities

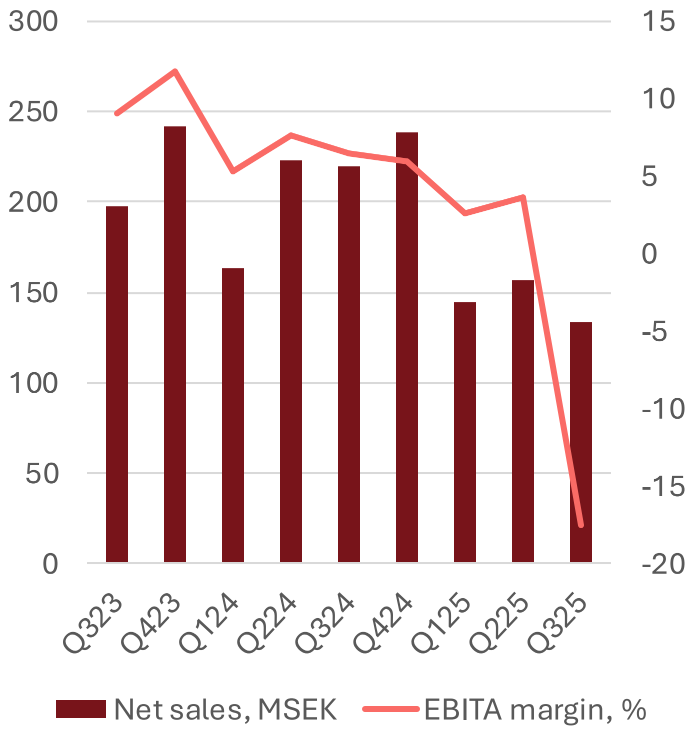


Segment performance

Infraservices

- Net sales -39.3% to MSEK 134
- EBITA MSEK -23
  - Impact of MSEK -19 from write-down of margins in one subsidiary
- EBITA margin -17.5%

Sales & Margin – Q by Q



Sales & Margin

	Q3			12 months		
MSEK	2025	2024	Δ	R12M	2024	Δ
Net sales	134	221	-39.3%	673	844	-20.3%
- Sweden	134	221	-39.3%	673	844	-20.3%
EBITA	-23	14		-0	54	
EBITA margin	-17.5%	6.4%	-23.9	-0.0%	6.4%	-6.4

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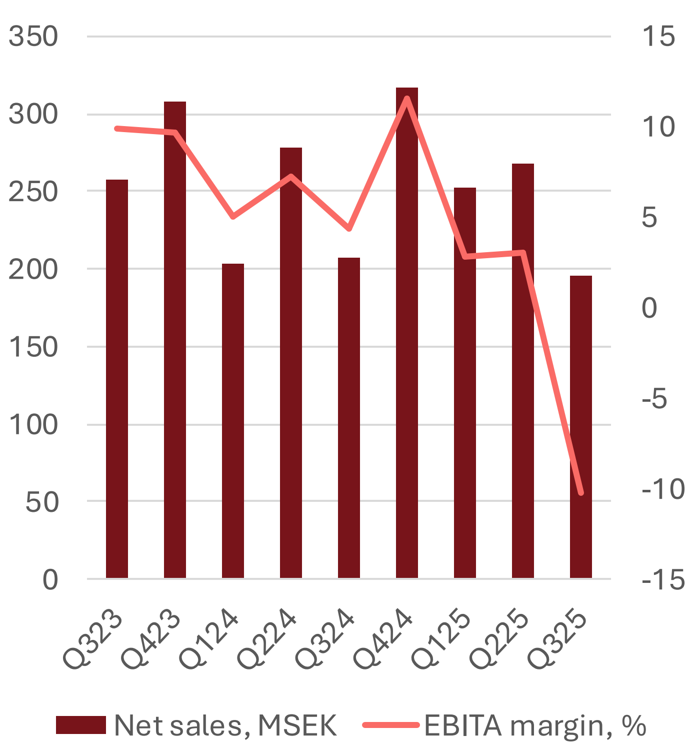
Power

- Net sales -5.0% to MSEK 196
  - Norway with 89.7% growth in Q3 and 39.5% growth YTD
- EBITA MSEK -20
  - Impact of MSEK -21 from write-down of margins in one subsidiary
- EBITA margin -10.2%

Sales & Margin – Q by Q



Sales & Margin

	Q3			12 months		
MSEK	**2025**	**2024**	**Δ**	**R12M**	**2024**	**Δ**
Net sales	196	207	-5.0%	1,034	1,005	2.8%
- Sweden	82	143	-42.5%	580	653	-11.2%
- Norway	121	64	89.7%	454	352	28.7%
EBITA	-20	9		32	76	-58.2%
EBITA margin	-10.2%	4.4%	-14.6	3.1%	7.6%	-4.5

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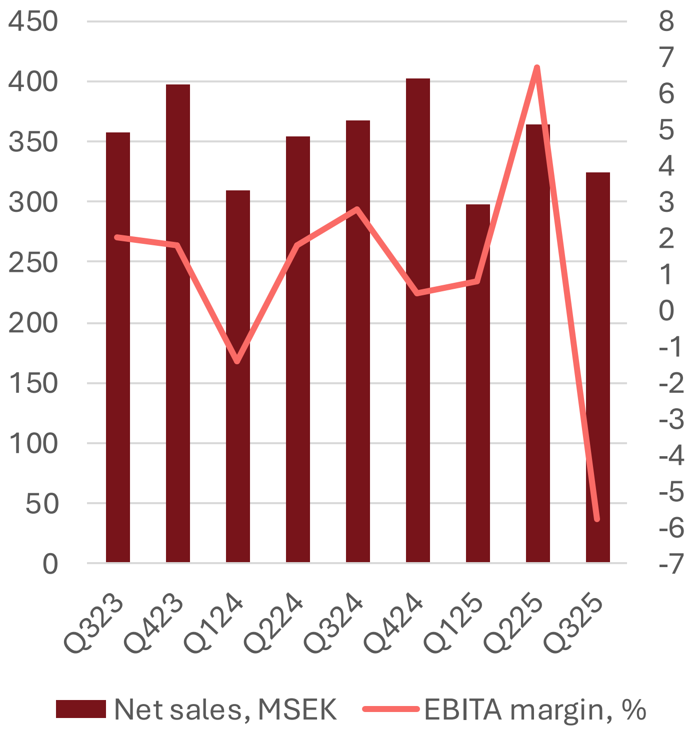
Telecom

- Net sales -12.0% to MSEK 324
- EBITA MSEK -19
  - Impact of MSEK -19 from write-down in the UK
- EBITA margin -5.8%

Sales & Margin – Q by Q



Sales & Margin

	Q3			12 months		
MSEK	**2025**	**2024**	**Δ**	**R12M**	**2024**	**Δ**
Net sales	324	368	-12.0%	1,390	1,435	-3.2%
- Sweden	45	53	-15.4%	276	280	-1.5%
- Norway	233	254	-8.5%	872	910	-4.2%
- Germany	45	47	-2.5%	189	174	8.9%
- UK	2	15	-88.0%	43	70	-38.6%
EBITA	-19	10		10	14	-29.6%
EBITA margin	-5.8%	2.8%	-8.6	0.7%	1.0%	-0.3

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Indication 2025 and 2026

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- Order backlog for 2026 per September around SEK 2 billion

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We are preparing ourselves to face the future

Preparing for the future

- We have made and will have to make tough but necessary decisions and measures
- We have demonstrated that we have a clear plan to improve profitability
- By focusing on increased internal efficiency, improved processes and a strengthened financial position, we are preparing ourselves for the future

Our measures to increase profitability in summary:

- Divestment of the UK operation initiated
- Restructuring of companies with profitability problems
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Q4 2025

6 February 2026

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