

Eltel Group

Interim report January–March 2025

Stockholm, Sweden, 30 April 2025

January–March 2025

- Net sales EUR 169.6 million (176.3), a decrease of 3.8%. Organic growth¹⁾ was 0.6%
- Adjusted EBITDA EUR 7.8 million (3.6)
- Adjusted EBITA²⁾ EUR 0.9 million (-4.0) and adjusted EBITA margin 0.5% (-2.3)
- Adjusted EBITA²⁾ in segments³⁾ EUR 3.7 million (-0.3) and adjusted EBITA margin in segments³⁾ 2.2% (-0.2)
- Items affecting comparability⁴⁾ EUR -0.6 million (-23.2)
- Operating result (EBIT) EUR 0.3 million (-27.2) and EBIT margin 0.2% (-15.4)
- Net result EUR -2.7 million (-30.5)
- Earnings per share EUR -0.02 (-0.20), basic and diluted
- Cash flow from operating activities EUR 17.5 million (-4.9)
- Net debt EUR 103.6 million (114.9)

Significant events during and after the reporting period

- Net sales as well as other financial numbers during the comparable quarter in 2024 included High Voltage Poland.
- During the first quarter, Eltel signed new contracts with a combined value of about EUR 145.7 million (108.4 excluding High Voltage Poland) and the value of the total orderbook⁵⁾ was EUR 1.3 billion. Read more on page 12.
- On 15 January, it was announced that Ingrid Therese Tjøsvold had been appointed new Managing Director for Eltel Norway. Ingrid commenced in the role on 10 February.
- On 6 February, it was announced that Eltel had been selected to construct Finland's second largest solar power plant for Taaleri Energia, valued at EUR 73.5 million.
- On 8 April, it was announced that Lars Nilsson, Managing Director of Eltel Sweden and member of Eltel's Group Management Team, from 16 August will pursue opportunities outside the company.
- On 28 April, it was announced that Eltel has signed a frame agreement with the Norwegian Defence Materiel Administration for installation and material, valued at EUR 8.4 million.

Key figures

EUR million	Jan-Mar 2025	Jan-Mar 2024	Jan-Dec 2024
Net sales	169.6	176.3	828.7
Net sales growth, %	-3.8%	-6.4%	-2.5%
Adjusted EBITDA	7.8	3.6	45.2
Adjusted EBITA ²⁾	0.9	-4.0	10.5
Adjusted EBITA margin, %	0.5%	-2.3%	1.3%
Adjusted EBITA ²⁾ , segments ³⁾	3.7	-0.3	22.6
Adjusted EBITA margin, %, segments ³⁾	2.2%	-0.2%	2.8%
Operating result (EBIT)	0.3	-27.2	-18.0
Net working capital	-76.3	-59.0	-61.3
Net debt	103.6	114.9	114.0
Number of employees, average, FTE	3,992	4,885	4,550

1) Organic growth is adjusted for currency effects.

2) Eltel follows the profitability of segments with adjusted EBITA, which does not include restructuring costs and other items affecting comparability. Please see pages 25–26 for definitions of the key ratios.

3) Adjusted EBITA and margin for segments have been restated in comparative periods according to the new segment structure. See page 24 for more information.

4) See reconciliation of segment results on page 20 for more information.

5) Total orderbook includes the committed order backlog and the best estimate for uncommitted remaining parts of frame agreements until the end of the agreement.

Comments by the CEO

I am happy to report yet another quarter with improved adjusted EBITA, – the seventh in a row YoY. Given the seasonality of our business, Q1 2025 was comparatively strong. We had a positive adjusted EBITA driven by improved gross profit. To me this improvement to EUR 22.2 million (18.5) is proof of our successful strategy execution. We have also made good progress in new business, with 6.0% (2.0%) share of revenue, with improved margins.

In the first quarter, net sales were flat with growth in Sweden and we signed new contracts valued at about EUR 145.7 million (108.4). Of all contracts signed in the first quarter, about 17% of the value relates to new business offerings and we see a steady inflow of new customers.

Also worth highlighting is that our cash flow from operating activities improved by EUR 22.4 million and the net working capital by EUR 17.3 million. The net debt is lower at EUR 103.6 million (114.9) leading to a leverage of 2.1 (3.5).

In Finland we had a strong growth in our green energy transition related business in Power, such as the Taaleri Energia solar park. However, lower volumes in Communication, due to lower customer investment in FTTH, fiber-to-the-home, left net sales on a flat level. Operational and commercial excellence have contributed to a very positive profitability development in both business areas, with an adjusted EBITA margin improving to 2.7% (-0.5).

In Sweden we had a solid growth driven mainly by positive development in public infra within Communication. In Power we saw growth driven by solar, which was offset by lower volumes in the Smart Grids business. Sweden also had a good profitability improvement resulting in a more than doubled adjusted EBITA margin of 2.8% (1.0). The main factors behind the positive profitability development were increasing margins in both Communication and Power.

Net sales in the newly combined segment Denmark & Germany were flat. Communication is still facing a decline in net sales in Denmark whereas Power is growing, especially in BESS (Battery Energy Storage System), which is developing strongly. In Germany net sales increased slightly. The segment showed a strong profitability with an adjusted EBITA margin of 7.9% (4.2), which is attributed to both a favorable business mix and a strong focus on operational excellence.

Norway is still struggling with decreasing net sales. Revenue from a broader customer base was steadily increasing but could not fully compensate for declining volumes in traditional telecommunication. A newly signed contract with the Norwegian Defence Materiel Administration verifies Eltel's role as an important supplier of infrastructure and services critical to society.

Q1 2025 is the best **first** quarter for a long time and with such strong profitability improvement we are off to a good continuation of the year. Executing on our strategy has clearly yielded results. I am confident that by keeping up the transformation of our business with the current speed, we will reach a very solid financial position.

Håkan Dahlström, President and CEO



About Eltel and the Group strategy

Eltel in brief

Eltel is the leading service provider for critical infrastructure that enables renewable energy and high-performing communication networks. Operations are conducted in the Nordic countries, Germany, Poland (a Shared Services Center) and Lithuania within country-based organizations that have full responsibility for their financial results.

Within business area Communication, Eltel establishes networks and supports the societal need for greater digitalization. We provide design, installation, upgrades and service mainly to mobile and fixed communication network owners and operators and increasingly to private and public sector.

Within business area Power, Eltel enables the transition to renewable energy and the electrification of society. We provide maintenance and upgrades to power distribution and transmission, smart grid and turnkey solutions in e-Mobility, solar PV, wind energy and battery energy storage systems.

Eltel's markets are characterized by a high concentration of customers, and competitors offering similar products and services.

Our strategy – towards sustainable profitable growth

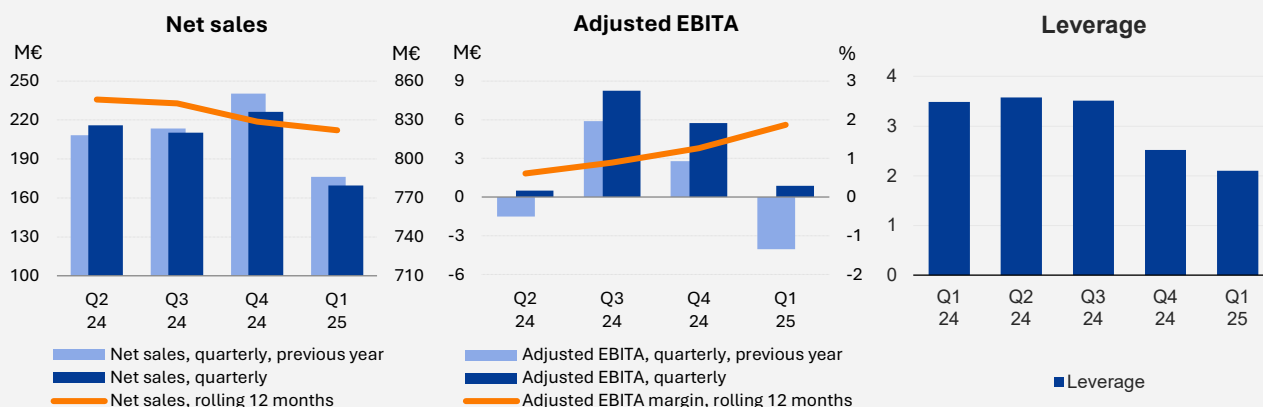
Through our strategy, we build the foundation for investing in sustainable profitable growth. This involves:

- Improve efficiency and profitability of the current business
- Broaden the customer base
- Grow in new and adjacent markets, such as renewable energy and public infrastructure
- Integrate sustainability as part of our offerings and operations
- Develop our concepts and commercial capabilities
- Implement new business models and expand our position in the value chain

The strategy will enable Eltel to continue to develop, grow and invest in order to ensure long-term value creation for the company, its shareholders and society at large.

Eltel's financial targets

Group adjusted EBITA margin	5%
Annual growth	2–4%
Leverage	1.5–2.5x net debt/adjusted EBITDA
Dividend payout	Subject to leverage target



Net sales and earnings Group

EUR million	Jan-Mar 2025	Jan-Mar 2024	Jan-Dec 2024
Net sales	169.6	176.3	828.7
Adjusted EBITDA	7.8	3.6	45.2
Adjusted EBITA	0.9	-4.0	10.5
Items affecting comparability	-0.6	-23.2	-28.5
EBIT	0.3	-27.2	-18.0
Net result	-2.7	-30.5	-29.1
Key ratios			
Net sales growth, %	-3.8%	-6.4%	-2.5%
Organic growth ¹⁾ , % in segments	0.7%	-4.2%	1.5%
Currency translation effect in net sales, MEUR	-0.5	-1.0	0.1
Effect of divestment in net sales, MEUR	-7.3	-	-20.9
Adjusted EBITA margin, %	0.5%	-2.3%	1.3%
Tax rate, %	-31.7%	-1.1%	5.3%
Earnings per share after dilution, EUR	-0.02	-0.20	-0.21

1) Organic growth is adjusted for currency effects and divestments.

January–March 2025

Net sales decreased by 3.8% to EUR 169.6 million (176.3). In segments net sales increased by EUR 0.7 million. Organic net sales in segments, adjusted for currency effects, increased by 0.7%. Net sales increased in Sweden, were flat in Finland and Denmark & Germany, and decreased in Norway.

Adjusted EBITDA was EUR 7.8 million (3.6). Adjusted EBITA increased to EUR 0.9 million (-4.0) and the adjusted EBITA margin was 0.5% (-2.3). Adjusted EBITA in segments was EUR 3.7 million (-0.3) and the margin was 2.2% (-0.2). Adjusted EBITA improved in all segments except Norway.

Items affecting comparability amounted to EUR -0.6 million (-23.2) comprising a restructuring charge in Norway, consisting mainly of personnel related expenses. In 2024 items affecting comparability related to revaluation of the Polish High Voltage business to fair value less cost to sell.

For further information regarding net sales and adjusted EBITA development, refer to the respective sections on the segments.

EBIT amounted to EUR 0.3 million (-27.2).

Net financial expenses amounted to EUR 2.4 million (3.0).

Taxes amounted to EUR -0.6 million (-0.3). The effective tax rate was -31.7% (-1.1).

Net result for the period was EUR -2.7 million (-30.5). Earnings per share were EUR -0.02 (-0.20).

Overview of segments

Net sales

EUR million	Jan-Mar 2025	Jan-Mar 2024	Jan-Dec 2024
Finland	62.1	62.4	357.7
Sweden	53.1	49.8	211.8
Denmark & Germany	30.5	30.4	129.6
Norway	23.3	25.7	114.9
Sum segments	169.1	168.3	814.0
Net sales growth, % in segments	0.4%	-5.1%	1.4%
Organic growth, % in segments	0.7%	-4.2%	1.5%
Group Support Functions	1.9	9.4	24.3
Eliminations	-1.3	-1.5	-9.7
Total net sales	169.6	176.3	828.7
Net sales growth, %	-3.8%	-6.4%	-2.5%
Net sales of High Voltage Poland (divested in Q2 2024)	-	7.3	13.6

Adjusted EBITA

EUR million	Jan-Mar 2025	Jan-Mar 2024	Jan-Dec 2024
Finland	1.7	-0.3	15.7
Sweden	1.5	0.5	6.1
Denmark & Germany	2.4	1.3	6.5
Norway	-1.8	-1.7	-5.7
Sum segments	3.7	-0.3	22.6
Group Support Functions	-2.9	-3.8	-12.2
Total adjusted EBITA	0.9	-4.0	10.5

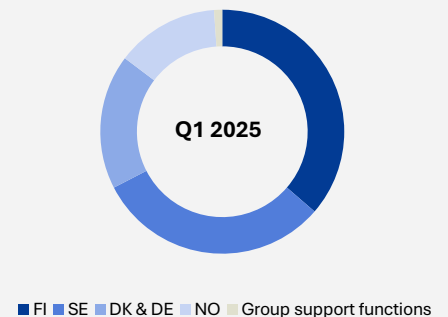
Adjusted EBITA margin

%	Jan-Mar 2025	Jan-Mar 2024	Jan-Dec 2024
Finland	2.7%	-0.5%	4.4%
Sweden	2.8%	1.0%	2.9%
Denmark & Germany	7.9%	4.2%	5.0%
Norway	-7.9%	-6.5%	-4.9%
Sum segments	2.2%	-0.2%	2.8%
Total adjusted EBITA margin, %	0.5%	-2.3%	1.3%

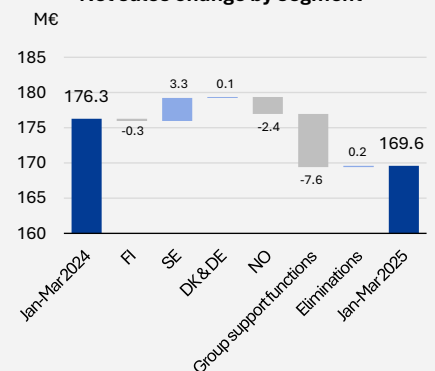
To simplify the operational structure and leverage our Danish management, the segment structure has been updated from 1 January 2025. The operations in Denmark and Germany are presented in one segment named Denmark & Germany. Smart Grids Germany was presented outside segments under Other business until 31 December 2024. Starting from 1 January 2025 the segments are Finland, Sweden, Denmark & Germany and Norway. In Q1 2025, the segments represented 99.7% of the net sales. Management follows segment results by adjusted EBITA, which does not include items affecting comparability.

The Group Support Functions include Group Functions and Lithuania as well as closing activities for Power Transmission International and High Voltage Poland until its divestment in Q2 2024. Group Support Functions is not considered a segment.

Net sales by segment

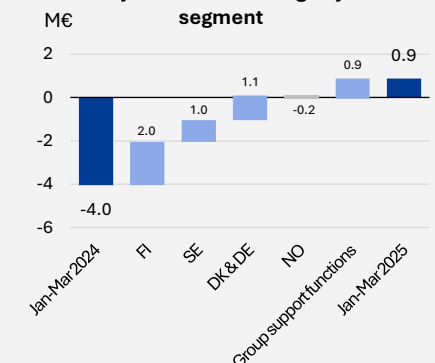


Net sales change by segment



Net sales change in Group Support Functions mainly relates to High Voltage Poland.

Adjusted EBITA change by segment



Net sales and adjusted EBITA – Segments

Finland

EUR million	Jan-Mar 2025	Jan-Mar 2024	Jan-Dec 2024
Net sales	62.1	62.4	357.7
Adjusted EBITA ¹⁾	1.7	-0.3	15.7
Number of employees, average, FTE	1,318	1,492	1,478
Key ratios			
Net sales growth, %	-0.4%	-3.0%	3.8%
Adjusted EBITA margin, %	2.7%	-0.5%	4.4%

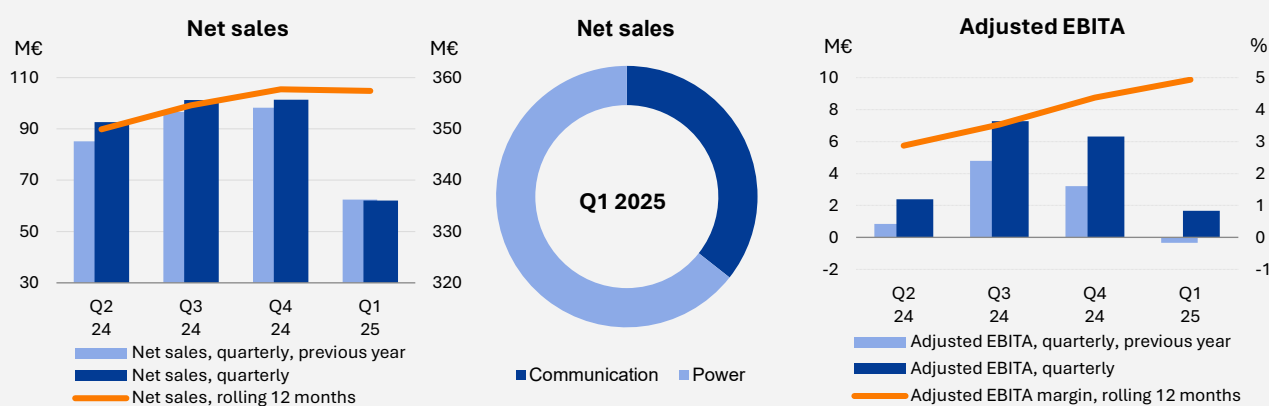
1) Excluding restructuring costs.

January-March 2025

Net sales decreased by EUR 0.3 million, or 0.4%, to EUR 62.1 million (62.4). The decline mainly relates to Communication and lower customer demand for FTTH (fiber-to-the-home). Power, however, had a strong growth as investments in green energy transition were picking up and began to bring in revenue.

Adjusted EBITA improved by EUR 2.0 million to EUR 1.7 million (-0.3). The adjusted EBITA margin was 2.7% (-0.5). Operational and commercial excellence contributed to the positive profitability development, which was attributed to both Communication and Power.

On 6 February, it was announced that Eltel Finland has been selected by Taaleri Energia to construct and maintain the second largest solar park in Finland, with a contract value of EUR 73.5 million.



Sweden

EUR million	Jan-Mar 2025	Jan-Mar 2024	Jan-Dec 2024
Net sales	53.1	49.8	211.8
Adjusted EBITA	1.5	0.5	6.1
Number of employees, average, FTE	962	951	950
Key ratios			
Net sales growth, %	6.5%	2.1%	6.7%
Organic growth ¹⁾ , %	6.5%	2.7%	6.2%
Currency translation effect in net sales, MEUR	0.0	-0.3	1.0
Adjusted EBITA margin, %	2.8%	1.0%	2.9%

1) Adjusted for currency effects.

January-March 2025

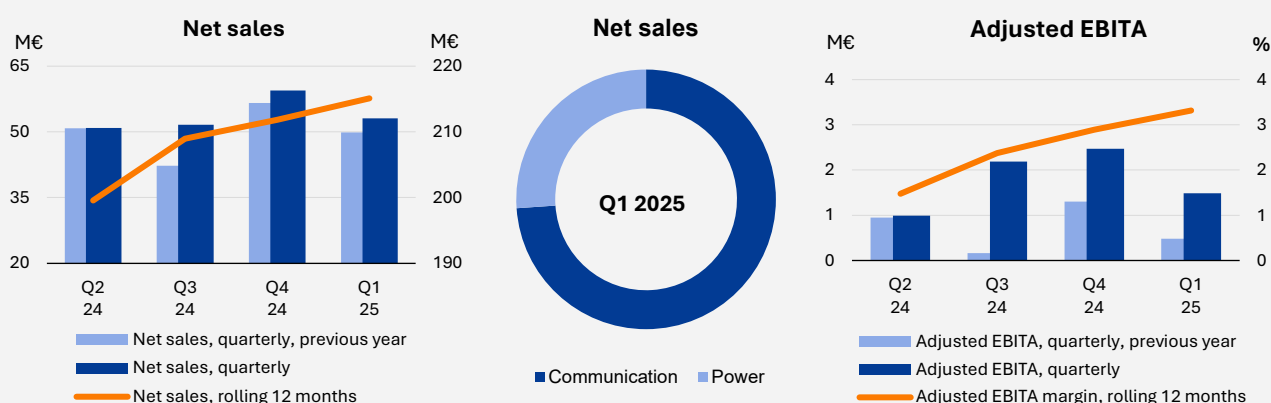
Net sales increased by EUR 3.3 million to EUR 53.1 million (49.8). Growth in local currency was 6.5%. Communication had a good growth driven by public infra. Power had growth in Solar, which was offset by lower volumes in the Smart Grids business.

Adjusted EBITA increased to EUR 1.5 million (0.5). The adjusted EBITA margin was 2.8% (1.0). Both Communication and Power contributed to the improved profitability.

On March 5, it was announced that Eltel and Övik Energi have signed an agreement to upgrade the electricity distribution network. The maximum agreement period is four years and the contract is estimated to be worth approximately EUR 10 million.

On 20 March, it was announced that Eltel and Öresundsbro Konsortiet signed a frame agreement for the upgrade of the Öresund Bridge's fiber network. The agreement is estimated to be worth approximately EUR 2.7 million.

On 8 April, it was announced that Lars Nilsson, Managing Director of Eltel Sweden and member of Eltel's Group Management Team, from 16 August will pursue opportunities outside the company.



Denmark & Germany

EUR million	Jan-Mar 2025	Jan-Mar 2024	Jan-Dec 2024
Net sales	30.5	30.4	129.6
Adjusted EBITA	2.4	1.3	6.5
Number of employees, average, FTE	779	852	829
Key ratios			
Net sales growth, %	0.4%	-4.8%	0.1%
Organic growth ¹⁾ , %	0.5%	-4.7%	0.1%
Currency translation effect in net sales, MEUR	-0.0	-0.0	-0.1
Adjusted EBITA margin, %	7.9%	4.2%	5.0%

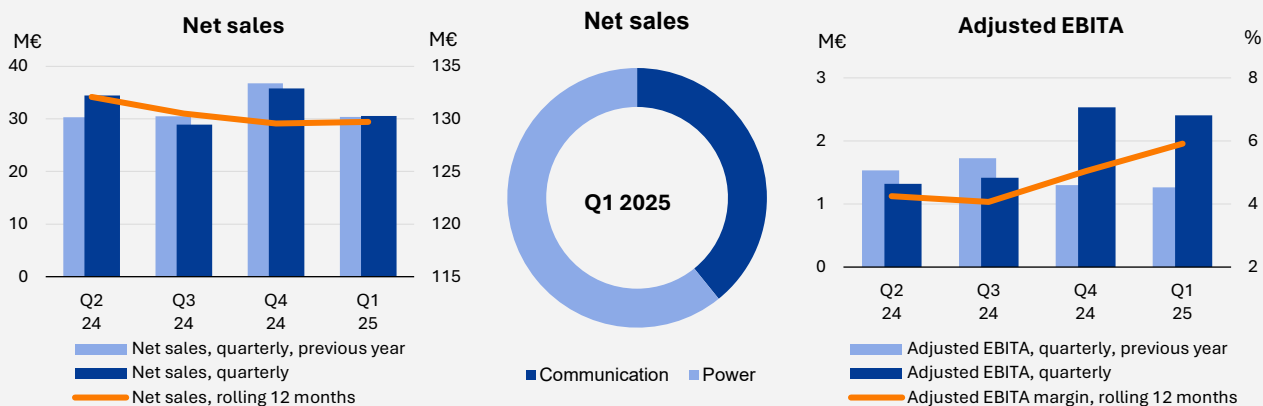
1) Adjusted for currency effects.

January–March 2025

Net sales increased by EUR 0.1 million, or 0.4%, to EUR 30.5 million (30.4). Communication is still facing a decline in net sales in Denmark whereas Power is growing, especially in BESS (Battery Energy Storage System), which is developing strongly. In Germany net sales increased slightly.

Adjusted EBITA was EUR 2.4 million (1.3). The adjusted EBITA margin was 7.9% (4.2). The strong profitability improvement is both a result of a favorable business mix and a strong focus on operational excellence.

To simplify our operational structure and leverage our Danish management, the segment structure has been updated from 1 January 2025. The operations in Denmark and Germany are presented in one segment named Denmark & Germany. Smart Grids Germany was presented outside segments under Other business until 31 December 2024.



Norway

EUR million	Jan-Mar 2025	Jan-Mar 2024	Jan-Dec 2024
Net sales	23.3	25.7	114.9
Adjusted EBITA ¹⁾	-1.8	-1.7	-5.7
Number of employees, average, FTE	601	798	761
Key ratios			
Net sales growth, %	-9.4%	-20.3%	-11.7%
Organic growth ²⁾ , %	-7.4%	-16.6%	-10.3%
Currency translation effect in net sales, MEUR	-0.5	-1.2	-1.7
Adjusted EBITA margin, %	-7.9%	-6.5%	-4.9%

1) Excluding restructuring costs.

2) Adjusted for currency effects.

January–March 2025

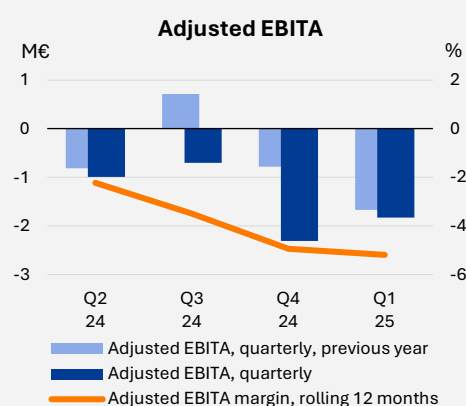
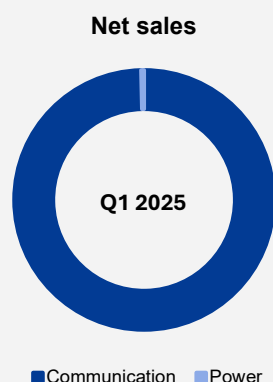
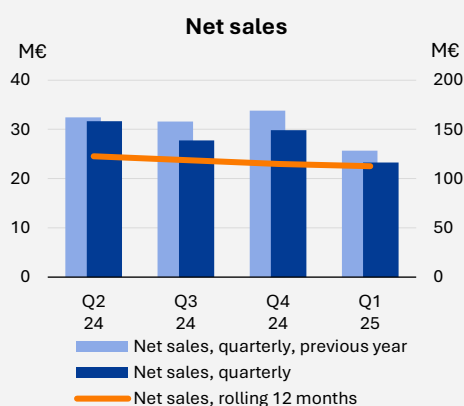
Net sales decreased by EUR 2.4 million, or 9.4%, to EUR 23.3 million (25.7). The currency effect was EUR -0.5 million, growth in local currency was -7.4%. The decline in net sales was due to reduced volumes in Communication, following lower customer investments in 5G and fiber. Activities to broaden customer base are starting to yield revenue, but cannot fully compensate the declining volumes in traditional telecommunication.

Adjusted EBITA decreased by EUR 0.2 million to EUR -1.8 million (-1.7). The adjusted EBITA margin was -7.9% (-6.5), albeit with a slight improvement towards the end of the quarter. The decrease was a result of declining volumes in Communication.

Rightsizing the operations for the future market demands, including a restructuring process with reduction of employees and fleet, continued in Q1. In line with Eltel's strategy, the focus has been, and will continue to be, on margins and profitability rather than volumes. Additional actions have been taken to further reduce costs as well as to enhance operational excellence, both in internal processes and account management.

On 15 January, it was announced that Ingrid Therese Tjøsvold had been appointed new Managing Director for Eltel Norway. Ingrid commenced in the role on 10 February.

On 28 April, it was announced that Eltel has signed a frame agreement with the Norwegian Defence Materiel Administration for installation and material, valued at EUR 8.4 million.



Cash flow

EUR million	Jan-Mar 2025	Jan-Mar 2024	Jan-Dec 2024
EBIT	0.3	-27.2	-18.0
Depreciation and amortization	6.9	7.6	34.7
EBITDA	7.2	-19.6	16.7
Changes in working capital	13.6	-3.8	-2.5
Total financial expenses and taxes	-1.8	-3.5	-13.3
Adjustment for gain/loss on sales of assets and business	-0.1	23.0	22.8
Other	-1.4	-1.1	3.7
Cash flow from operating activities	17.5	-4.9	27.5
Cash flow from investing activities	-1.4	-0.8	-6.6
Cash flow from financing activities	-9.5	-1.4	-24.0
Net change in cash and cash equivalents	6.7	-7.1	-3.1
Cash and cash equivalents at beginning of period	21.3	24.7	24.7
Foreign exchange rate effect	0.4	-0.4	-0.3
Transfer as asset held for sale	-	-0.2	-
Cash and cash equivalents at end of period	28.3	17.0	21.3

Condensed consolidated statement of cash flows is presented on page 16.

January–March 2025

Cash flow from operating activities was EUR 17.5 million (-4.9). Main items included EBITDA EUR 7.2 million (-19.6), adjustment for gain/loss on sale of assets and business EUR -0.1 million (23.0), cash flow from change in net working capital EUR 13.6 million (-3.8), financial items EUR -1.4 million (-3.1) and income taxes EUR -0.4 million (-0.3). Cash flow from financial items and income taxes is impacted by timing differences between income statement and payments.

Cash flow has historically displayed a strong seasonal pattern, with weaker cash flow recorded during the period until the end of the third quarter due to higher production activity. Eltel's net working capital level is also impacted by phasing of projects. These projects, and delays in them, might result in continued tie up of working capital and can create volatility in the net working capital also going forward.

Net cash flow from investing activities was EUR -1.4 million (-0.8) mainly from net capital expenditure on machinery and equipment.

Cash flow from financing activities was EUR -9.5 million (-1.4). Utilization of short-term financing decreased by EUR 2.0 million (increase of 5.5). Amortization of term loan amounted to EUR 1.0 million (1.0) and payments of lease liabilities were EUR 6.5 million (5.8).

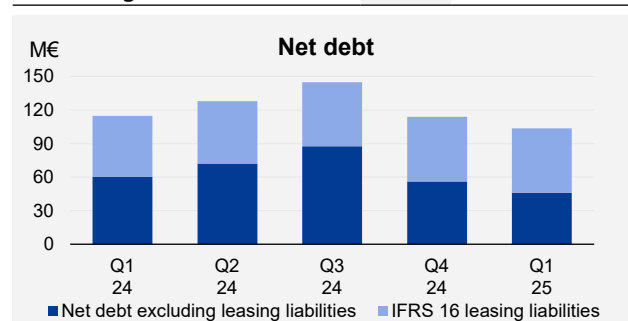
Financial position, cash and cash equivalents

Equity at the end of the period was EUR 192.9 million (190.9) and total assets were EUR 588.1 million (562.5). The equity ratio was 37.1% (37.5).

Interest-bearing liabilities and net debt

EUR million	31 Mar 2025	31 Mar 2024	31 Dec 2024
Interest-bearing debt	73.1	75.6	76.3
Leasing liabilities	58.3	55.5	58.7
Allocation of effective interest to periods	0.5	0.7	0.2
Less cash and cash equivalents	-28.3	-17.0	-21.3
Net debt	103.6	114.9	114.0

EUR million	31 Mar 2025	31 Mar 2024	31 Dec 2024
Non-current interest-bearing debt	13.7	18.5	15.8
Current interest-bearing debt	59.5	57.2	60.5
Total interest-bearing debt	73.1	75.6	76.3
Non-current leasing liabilities	35.4	36.1	36.0
Current leasing liabilities	22.9	19.4	22.7
Total leasing liabilities	58.3	55.5	58.7



Credit facilities

EUR million	31 Mar 2025	Maturity
Term loan, current	5.0	Jun 2025-Mar 2026
Term loan, non-current	14.0	Jan 2027
Revolving credit facility	90.0	Jan 2027
Account overdrafts	15.0	Jan 2027
Total committed credit facilities	124.0	
Commercial paper program	150.0	N/A

Available liquidity reserves, including the committed revolving credit facility, account overdrafts and cash and cash equivalents, amounted to EUR 89.3 million (79.0). Additional to the committed facilities, the Group also has access to short-term debt capital markets via a commercial paper program of EUR 150 million. On 31 March 2025, EUR 10.0 million (9.5) of the commercial paper program and EUR 44.0 million (43.0) of the revolving credit facility were utilized.

Commercial guarantees

On 31 March 2025, the commercial guarantees issued by the banks and other financial institutions on behalf of the Group amounted to EUR 57.7 million (90.5).

Other information

Risks and uncertainty factors

Current market volatility and the unpredictability of customer investment volumes may have a negative impact on Eltel's net sales development, especially in Communication. General global uncertainty may cause delays in investment decisions also in new business where market financing is prevalent.

Eltel performed an impairment test of goodwill showing that there was no impairment in Q4 2024. However, the value of goodwill in country unit Norway was sensitive to impairment. Customer investments in Norway have been lower than previously expected and visibility into the development of the market's demand for Eltel's core offerings has been limited. Restructuring activities were initiated during the third quarter 2024 and their execution continues. Eltel follows any triggering events and impairment tests are conducted in case of any indicators of impairment arise.

Materialization of business risks may lead to breach of leverage covenant under the existing financing agreement. Seasonal variation in Eltel's operations and related working capital build-up may also expose the company to liquidity risk.

For additional information regarding risks and uncertainties, please refer to Eltel's 2024 Annual Report which was published on 26 March 2025 and is available on Eltel's website at www.eltelgroup.com.

Large agreements announced during and after the reporting period

On 6 February, it was announced that Eltel Finland has been selected by Taaleri Energia to construct and maintain the second largest solar park in Finland, with a contract value of EUR 73.5 million.

On 28 April, it was announced that Eltel has signed a frame agreement with the Norwegian Defence Materiel Administration for installation and material, valued at EUR 8.4 million.

Related party transactions

During the quarter, no significant transactions took place between Eltel and related parties.

Seasonality

Eltel's businesses are generally characterized by seasonal patterns and cyclicity of the project business that adds volatility to net sales, adjusted EBITA and cash flow. Seasonality is normally driven by a number of factors, including weather conditions, the timing of customer order placements and completion of work phases. The Eltel Group has historically reported higher revenues and operating profit in the second half of the year. Cash flow has historically displayed a strong seasonal pattern, with weaker cash flow recorded during the period until the end of the third quarter due to higher production activity. At the end of the year, as production volumes decrease as a result of completion of projects, cash flow has normally been stronger. For more details, please refer to quarterly key financial figures for the Group on page 18.

Presentation of the Q1 2025 report

Analysts and media are invited to participate in the Q1 2025 interim report briefing on 30 April 2025 at 10:00 am CEST where Eltel's President and CEO Håkan Dahlström and CFO Tarja Leikas will host a presentation. A combined webcast and teleconference as well as the presentation will be available at www.eltelgroup.com/investors.

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Financial calendar

- Annual General meeting 2025: 13 May 2025
- Half-year report January–June: 24 July 2025
- Interim report January–September: 30 October 2025

This information is information that Eltel AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, at 08:00 CEST on 30 April 2025.

Signature of the President and CEO

Stockholm, Sweden, 30 April 2025

Eltel AB (publ)

Håkan Dahlström, President and CEO

The information in this interim report has not been reviewed by the company's auditors.

Condensed financial information

Condensed consolidated income statement

EUR million	Jan-Mar 2025	Jan-Mar 2024	Jan-Dec 2024
Net sales	169.6	176.3	828.7
Cost of sales	-147.4	-157.7	-736.8
Gross profit	22.2	18.5	91.8
Other income	1.0	1.0	4.3
Selling and administrative expenses	-22.3	-22.7	-88.2
Other expenses ¹⁾	-0.6	-24.0	-25.9
Operating result (EBIT)	0.3	-27.2	-18.0
Financial income	0.1	0.1	1.0
Financial expenses	-2.5	-3.1	-13.7
Net financial expenses	-2.4	-3.0	-12.7
Result before taxes	-2.0	-30.2	-30.7
Taxes	-0.6	-0.3	1.6
Net result	-2.7	-30.5	-29.1
Attributable to:			
Equity holders of the parent	-2.8	-30.5	-29.7
Non-controlling interest	0.1	0.0	0.6
Earnings per share (EPS)			
Basic, EUR	-0.02	-0.20	-0.21
Diluted, EUR	-0.02	-0.20	-0.21

1) In January-March 2024 other expenses include EUR -23.2 million from revaluation of the Polish High Voltage business to fair value less costs to sell. In January-December 2024, other expenses include EUR -23.1 million from divestment of the Polish High Voltage business in Q2 2024.

Condensed consolidated statement of comprehensive income

EUR million	Jan-Mar 2025	Jan-Mar 2024	Jan-Dec 2024
Net profit for the period	-2.7	-30.5	-29.1
Other comprehensive income:			
Items that will not be reclassified to profit and loss			
Revaluation of defined benefit plans, net of tax	-0.7	2.9	3.8
Items that may be subsequently reclassified to profit and loss			
Net investment hedges, net of tax	-	-	-0.1
Currency translation differences	6.9	-5.2	-5.5
Total	6.9	-5.2	-5.6
Other comprehensive income/loss for the period, net of tax	6.2	-2.3	-1.8
Total comprehensive income/loss for the period	3.5	-32.7	-30.9
Total comprehensive income/loss attributable to:			
Equity holders of the parent	3.4	-32.8	-31.5
Non-controlling interest	0.1	0.0	0.6

Condensed consolidated balance sheet

EUR million	31 Mar 2025	31 Mar 2024	31 Dec 2024
ASSETS			
Non-current assets			
Goodwill	254.9	249.1	249.3
Intangible assets	30.5	31.8	30.3
Property, plant and equipment	6.3	7.4	5.9
Right-of-use assets	54.4	53.6	53.5
Deferred tax assets	27.9	24.8	27.2
Financial assets	14.4	14.2	13.4
Total non-current assets	388.5	380.8	379.6
Current assets			
Inventories	22.7	14.6	19.3
Trade and other receivables	148.6	147.4	165.3
Cash and cash equivalents	28.3	17.0	21.3
Total current assets	199.7	179.0	205.8
Assets held for sale ¹⁾	-	2.7	-
TOTAL ASSETS	588.1	562.5	585.4
EQUITY AND LIABILITIES			
Equity			
Equity attributable to shareholders of the parent	159.7	158.2	156.3
Hybrid bond	25.0	25.0	25.0
Non-controlling interest	8.1	7.7	8.0
Total equity	192.9	190.9	189.3
Non-current liabilities			
Interest-bearing debt	13.7	18.5	15.8
Leasing liabilities	35.4	36.1	36.0
Retirement benefit obligations	6.7	5.4	6.6
Deferred tax liabilities	12.0	10.7	10.7
Provisions	5.6	3.4	5.2
Other non-current liabilities ²⁾	16.5	0.1	31.3
Total non-current liabilities	89.9	74.2	105.7
Current liabilities			
Interest-bearing debt	59.5	57.2	60.5
Leasing liabilities	22.9	19.4	22.7
Provisions	3.0	2.7	3.8
Advances received	68.0	53.8	51.4
Trade and other payables	151.9	157.0	152.0
Total current liabilities	305.4	290.1	290.3
Liabilities associated with assets held for sale ¹⁾	-	7.3	-
Total liabilities	395.2	371.6	396.0
TOTAL EQUITY AND LIABILITIES	588.1	562.5	585.4

1) Assets and liabilities held for sale as of 31 March 2024 consist of the Polish High Voltage business.

2) Including non-current portion of the tax deferral in Sweden in Q1 2025 and Q4 2024.

Condensed consolidated statement of cash flows

EUR million	Jan-Mar 2025	Jan-Mar 2024	Jan-Dec 2024
Cash flow from operating activities			
Operating result (EBIT)	0.3	-27.2	-18.0
Adjustments:			
Depreciation and amortization	6.9	7.6	34.7
Gain/loss on sales of assets and business	-0.1	23.0	22.8
Defined benefit pension plans	-1.3	-0.9	2.0
Other non-cash adjustments	-0.1	-0.2	1.8
Cash flow from operations before interests, taxes and changes in working capital	5.7	2.3	43.3
Interest and other financial expenses paid, net	-1.4	-3.1	-12.4
Income taxes received/paid	-0.4	-0.3	-0.9
Total financial expenses and taxes	-1.8	-3.5	-13.3
Changes in working capital:			
Trade and other receivables	20.1	31.5	11.4
Trade and other payables	-3.4	-34.9	-8.6
Inventories	-3.1	-0.4	-5.3
Changes in working capital	13.6	-3.8	-2.5
Net cash from operating activities	17.5	-4.9	27.5
Cash flow from investing activities			
Purchases of property, plant and equipment (PPE) and intangible assets	-1.4	-1.0	-2.4
Proceeds from sale of property, plant and equipment (PPE)	0.1	0.1	0.4
Disposal of business, net of cash disposed of	-	-	-4.6
Net cash from investing activities	-1.4	-0.8	-6.6
Cash flow from financing activities			
Payments of interests for hybrid bond	-	-	-3.4
Proceeds from short-term financial liabilities	9.0	14.5	49.0
Payments of short-term financial liabilities	-11.0	-9.0	-40.1
Payments of financial liabilities, term loans	-1.0	-1.0	-4.0
Payments of lease liabilities	-6.5	-5.8	-25.2
Dividends to non-controlling interest	-	-	-0.2
Change in non-liquid financial assets	0.0	0.0	-0.1
Net cash from financing activities	-9.5	-1.4	-24.0
Net change in cash and cash equivalents	6.7	-7.1	-3.1
Cash and cash equivalents at beginning of period	21.3	24.7	24.7
Foreign exchange rate effect	0.4	-0.4	-0.3
Transfer as assets held for sale	-	-0.2	-
Cash and cash equivalents at end of period	28.3	17.0	21.3

Condensed consolidated statement of changes in equity

EUR million	Equity attributable to shareholders of the parent							Hybrid bond	Non-controlling interest	Total equity
	Share capital	Other paid-in capital	Accumulated losses	Revaluation of defined benefit plans, net of tax	Hedging reserve	Currency translation	Total			
1 Jan 2025	162.0	487.5	-423.7	-28.8	10.8	-51.5	156.3	25.0	8.0	189.3
Total comprehensive income for the period	-	-	-2.8	-0.7	-	6.9	3.4	-	0.1	3.5
Transactions with owners:										
Equity-settled share-based payment	-	-	0.0	-	-	-	0.0	-	-	0.0
Total transaction with owners	-	-	0.0	-	-	-	0.0	-	-	0.0
31 Mar 2025	162.0	487.5	-426.5	-29.5	10.8	-44.6	159.7	25.0	8.1	192.9

EUR million	Equity attributable to shareholders of the parent							Hybrid bond	Non-controlling interest	Total equity
	Share capital	Other paid-in capital	Accumulated losses	Revaluation of defined benefit plans, net of tax	Hedging reserve	Currency translation	Total			
1 Jan 2024	162.0	487.5	-390.8	-32.6	10.9	-45.9	191.0	25.0	7.6	223.6
Total comprehensive income for the period	-	-	-30.5	2.9	-	-5.2	-32.8	-	0.0	-32.7
Transactions with owners:										
Equity-settled share-based payment	-	-	0.0	-	-	-	0.0	-	-	0.0
Total transaction with owners	-	-	0.0	-	-	-	0.0	-	-	0.0
31 Mar 2024	162.0	487.5	-421.3	-29.6	10.9	-51.2	158.2	25.0	7.7	190.9

EUR million	Equity attributable to shareholders of the parent							Hybrid bond	Non-controlling interest	Total equity
	Share capital	Other paid-in capital	Accumulated losses	Revaluation of defined benefit plans, net of tax	Hedging reserve	Currency translation	Total			
1 Jan 2024	162.0	487.5	-390.8	-32.6	10.9	-45.9	191.0	25.0	7.6	223.6
Total comprehensive income for the period	-	-	-29.7	3.8	-0.1	-5.5	-31.5	-	0.6	-30.9
Interests on hybrid bond	-	-	-3.4	-	-	-	-3.4	-	-	-3.4
Transactions with owners:										
Equity-settled share-based payment	-	-	0.2	-	-	-	0.2	-	-	0.2
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-0.2	-0.2
Total transaction with owners	-	-	0.2	-	-	-	0.2	-	-0.2	-0.1
31 Dec 2024	162.0	487.5	-423.7	-28.8	10.8	-51.5	156.3	25.0	8.0	189.3

Key figures

Key figures for the period

EUR million	Jan-Mar 2025	Jan-Mar 2024	Jan-Dec 2024	Rolling 12- mon
Net sales	169.6	176.3	828.7	822.0
Net sales growth, %	-3.8	-6.4	-2.5	-1.9
Adjusted EBITDA	7.8	3.6	45.2	49.4
Adjusted EBITA	0.9	-4.0	10.5	15.4
Adjusted EBITA margin, %	0.5	-2.3	1.3	1.9
Adjusted EBITA, segments ¹⁾	3.7	-0.3	22.6	26.6
Adjusted EBITA margin, %, segments ¹⁾	2.2	-0.2	2.8	3.3
Items affecting comparability	-0.6	-23.2	-28.5	-5.9
EBITDA	7.2	-19.6	16.7	43.5
Operating result (EBIT)	0.3	-27.2	-18.0	9.5
EBIT margin, %	0.2	-15.4	-2.2	1.2
Result after financial items	-2.0	-30.2	-30.7	-2.6
Net result for the period	-2.7	-30.5	-29.1	-1.3
Earnings per share EUR, basic and diluted	-0.02	-0.20	-0.21	-0.03
Return on equity (ROE), % ²⁾	-0.8	-12.8	-16.0	-0.8
Leverage ratio ²⁾	2.1	3.5	2.5	2.1
Net working capital	-76.3	-59.0	-61.3	-76.3
Number of personnel, average, FTE	3,992	4,885	4,550	4,327

Quarterly key figures

EUR million	Jan-Mar 2025	Oct-Dec 2024	Jul-Sep 2024	Apr-Jun 2024	Jan-Mar 2024
Net sales	169.6	226.1	210.3	216.0	176.3
Net sales growth, %	-3.8	-5.9	-1.4	3.8	-6.4
Adjusted EBITDA	7.8	14.2	19.0	8.4	3.6
Adjusted EBITA	0.9	5.7	8.2	0.5	-4.0
Adjusted EBITA margin, %	0.5	2.5	3.9	0.2	-2.3
Adjusted EBITA, segments ¹⁾	3.7	9.0	10.2	3.7	-0.3
Adjusted EBITA margin, %, segments ¹⁾	2.2	4.0	4.9	1.8	-0.2
Items affecting comparability	-0.6	-1.6	-3.8	0.0	-23.2
EBITDA	7.2	12.6	15.2	8.5	-19.6
Operating result (EBIT)	0.3	4.2	4.5	0.5	-27.2
EBIT margin, %	0.2	1.9	2.1	0.2	-15.4
Result after financial items	-2.0	0.9	0.8	-2.3	-30.2
Net result for the period	-2.7	3.9	0.3	-2.7	-30.5
Earnings per share EUR, basic and diluted	-0.02	0.02	-0.01	-0.02	-0.20
Return on equity (ROE), % ²⁾	-0.8	-16.0	-12.9	-12.2	-12.8
Leverage ratio ²⁾	2.1	2.5	3.5	3.6	3.5
Net working capital	-76.3	-61.3	-33.5	-54.3	-59.0
Number of personnel, average, FTE	3,992	4,226	4,372	4,717	4,885

1) Adjusted EBITA and margin for segments have been restated in comparative periods according to the new segment structure. See page 24 for more information.

2) Calculated on a rolling 12-month basis.

Please see pages 25–26 for definitions of the key ratios.

Notes to the condensed consolidated interim financial statements

Accounting principles

This condensed interim report has been prepared in accordance with IAS 34 Interim Financial Reporting and applicable regulations in the Swedish Annual Accounts Act. The accounting principles adopted are the same with those of the Group's and the Parent Company's annual financial statements for the year ended 31 December 2024.

The new IFRS standards and amendments effective for the first time for 2025 financial year did not have any impact on Group's financial statements.

New segment structure

To simplify our operational structure and leverage our Danish management, the segment structure has been updated from 1 January 2025. The operations in Denmark and Germany are presented in one segment named Denmark & Germany. Smart Grids Germany was presented outside segments under Other business until 31 December 2024. The remaining part of the Other business and Group Functions have been combined and named as Group Support Functions. Starting from 1 January 2025 the segments are Finland, Sweden, Denmark & Germany and Norway. The Group Support Functions includes Group Functions and Lithuania as well as closing activities for Power Transmission International and High Voltage Poland until its divestment in Q2 2024.

Net sales by segment

EUR million	Jan-Mar 2025	Jan-Mar 2024	Jan-Dec 2024
Finland	62.1	62.4	357.7
Sweden	53.1	49.8	211.8
Denmark & Germany	30.5	30.4	129.6
Norway	23.3	25.7	114.9
Group Support Functions ¹⁾	1.9	9.4	24.3
Eliminations	-1.3	-1.5	-9.7
Net sales, total	169.6	176.3	828.7

1) Group Support Functions includes Group functions and Lithuania as well as closing activities for Power Transmission International and High Voltage Poland until its divestment in Q2 2024. Group Support Functions is not considered a segment.

Net sales by segment and by business

EUR million		Jan-Mar 2025	Jan-Mar 2024	Jan-Dec 2024
Finland	Communication	22.1	23.2	174.4
	Power	40.0	39.2	183.4
Sweden	Communication	39.3	34.7	159.9
	Power	13.9	15.1	52.0
Denmark & Germany	Communication	12.0	14.1	54.4
	Power	18.6	16.3	75.2
Norway	Communication	23.2	25.6	114.6
	Power	0.1	0.1	0.3
Group Support Functions	Communication	1.9	2.2	10.7
	Power	-	7.3	13.6
	Other operations	-	0.0	0.0
Eliminations		-1.3	-1.5	-9.7
Net sales, total		169.6	176.3	828.7

Internal net sales consist mainly of net sales from Communication in Lithuania, reported in Group Support Functions.

There are no material internal net sales in any of the segments.

Net sales by business

EUR million	Jan-Mar 2025	Jan-Mar 2024	Jan-Dec 2024
Communication	97.3	99.1	505.9
Power	72.3	77.1	322.8
Other operations	-	0.0	0.0
Net sales, total	169.6	176.3	828.7

Net sales by service split

EUR million	Jan-Mar 2025	Jan-Mar 2024	Jan-Dec 2024
Project delivery	48.4	50.5	185.6
Upgrade services	72.4	75.9	401.8
Maintenance	48.7	49.8	241.3
Net sales, total	169.6	176.3	828.7

Reconciliation of segment results

EUR million	Jan-Mar 2025	Jan-Mar 2024	Jan-Dec 2024
Adjusted EBITA by segment			
Finland	1.7	-0.3	15.7
Sweden	1.5	0.5	6.1
Denmark & Germany	2.4	1.3	6.5
Norway	-1.8	-1.7	-5.7
Sum segments	3.7	-0.3	22.6
Group Support Functions	-2.9	-3.8	-12.2
Adjusted EBITA, Group	0.9	-4.0	10.5
Restructuring and resizing	-0.6	-	-5.3
Divestments	-	-23.2	-23.1
Total items affecting comparability in EBITA	-0.6	-23.2	-28.5
Operating result (EBIT)	0.3	-27.2	-18.0
Financial expenses, net	-2.4	-3.0	-12.7
Result before taxes	-2.0	-30.2	-30.7

The January-March 2025 result includes EUR -0.6 million restructuring charge in Norway, recognized in selling and administrative expenses in the income statement. In Q1 2024 the Polish High Voltage business was presented as assets held for sale. The January-March 2024 result included EUR -23.2 million from the revaluation to fair value, recognized in other expenses in the income statement. See page 22 for more information. The January-December 2024 result includes EUR -23.1 million from divestment of the Polish High Voltage business, recognized in other expenses in the income statement and EUR 5.3 million restructuring and resizing charge in Norway and Finland, recognized in selling and administrative expenses in the income statement.

Number of employees by segment

	Jan-Mar 2025	Jan-Mar 2024	Jan-Dec 2024
Finland	1,318	1,492	1,478
Sweden	962	951	950
Denmark & Germany	779	852	829
Norway	601	798	761
Group Support Functions	332	793	531
Total number of employees, average, FTE	3,992	4,885	4,550
Total number of employees, end of period, FTE	3,956	4,846	4,160

Committed order backlog

EUR million	31 Mar 2025	31 Mar 2024	31 Dec 2024
Committed order backlog	516.7	592.0	385.1

Committed order backlog in Eltel is defined as the total value of committed purchase orders received but not yet recognized as net sales. It does not include frame agreements unless a binding purchase order has been received. Committed order backlog is therefore the best measure of unsatisfied performance obligations according to IFRS 15 Revenue from contracts with customers. The currency impact in committed order backlog at 31 March 2025 was EUR 6.8 million. The committed order backlog at 31 December 2024 does not include High Voltage Poland due to the divestment in Q2 2024.

Net working capital and operative capital employed

EUR million	31 Mar 2025	31 Mar 2024	31 Dec 2024
Inventories	22.7	14.6	19.3
Trade and other receivables	148.6	147.4	165.3
Provisions	-8.3	-6.0	-8.4
Advances received	-68.0	-53.8	-51.4
Trade and other payables	-151.9	-157.0	-152.0
Other	-19.4	-4.1	-34.1
Net working capital	-76.3	-59.0	-61.3
Intangible assets excluding acquisition-related allocations	3.8	5.7	4.1
Property, plant and equipment	6.3	7.4	5.9
Right-of-use assets	54.4	53.6	53.5
Restructuring provisions	-0.3	-0.1	-0.5
Operative capital employed	-12.1	7.6	1.7

Provisions

EUR million	31 Mar 2025	31 Mar 2024	31 Dec 2024
Non-current provisions	5.6	3.4	5.2
Current provisions	3.0	2.7	3.8
Total provisions	8.5	6.2	8.9

EUR million	31 Mar 2025	31 Mar 2024	31 Dec 2024
1 Jan	8.9	7.1	7.1
Changes:			
Restructuring provisions	-0.2	-0.2	0.2
Other provisions	-0.2	-0.8	1.6
Balance at the end of reporting period	8.5	6.2	8.9

Contract balances

EUR million	31 Mar 2025	31 Mar 2024	31 Dec 2024
Trade receivables	62.2	61.6	89.6
Contract assets	70.5	66.4	58.9
Total assets related to contracts with customers	132.6	128.1	148.5
Advances received from contracts with customers	63.3	49.1	46.7
Total liabilities related to contracts with customers	63.3	49.1	46.7

Trade receivables and contract assets are included in the trade and other receivable line in the above net working capital table. Advances received from contracts with customers represent contract liabilities.

Deferred taxes

EUR million	31 Mar 2025	31 Mar 2024	31 Dec 2024
Deferred tax assets	27.9	24.8	27.2
Deferred tax liabilities	-12.0	-10.7	-10.7
Net deferred tax assets	15.9	14.0	16.4

In December 2024, gross amount of EUR 22.9 million (20.7) deferred tax assets for losses carried forward was recognized, of which EUR 14.9 million (11.4) related to operations in Sweden. There were no changes in Q1 2025. Deferred tax assets are recognized for tax loss carry forwards to the extent that the utilization against current year taxable profits and future taxable profits is probable. The future taxable profit estimate is based on current business plans approved by management.

Acquisitions, disposals and assets held for sale

Disposal of Polish High Voltage business

In April 2024, Eltel signed an agreement to divest its Polish High Voltage business via sale of 100% of the shares in Eltel Networks Energetyka S.A. and Eltel Networks Engineering S.A. to Mutares SE & Co. KGaA, a listed private equity investor headquartered in Munich, Germany. The transaction was completed on 6 June 2024 following receipt of customary regulatory approval. The transaction had negative cash flow impacts of EUR 4.0 million in the second quarter of 2024 and EUR 0.6 million in the third quarter of 2024. Total negative cash flow impact for January-December 2024 was EUR 4.6 million.

In the first quarter of 2024 the Polish High Voltage business was recognized as asset held for sale, resulting in a negative impact on Group EBIT of EUR 23.2 million. The negative impact on Group EBIT in January-December 2024 was EUR 23.1 million. The negative impacts in 2024 were recognized in other expenses in the income statement.

Assets and liabilities held for sale

EUR million	31 Mar 2025	31 Mar 2024	31 Dec 2024
Assets			
Other assets	-	2.5	-
Cash and cash equivalents	-	0.2	-
Total assets held for sale	-	2.7	-
Liabilities			
Trade and other liabilities	-	7.3	-
Total liabilities held for sale	-	7.3	-

Leasing

Right-of-use assets

EUR million	31 Mar 2025	31 Mar 2024	31 Dec 2024
Buildings	20.2	22.5	19.2
Machinery and equipment	34.2	31.1	34.3
Total	54.4	53.6	53.5

Changes in the right-of-use assets during the period

EUR million	31 Mar 2025	31 Mar 2024	31 Dec 2024
1 Jan	53.5	51.9	51.9
Additions	6.8	10.6	35.9
Depreciations	-5.5	-6.0	-25.5
Impairment losses	-	-	-3.1
Divestments / transfer to asset held for sale	-	-1.1	-1.0
Other	-0.4	-1.9	-4.7
Balance at the end of period	54.4	53.6	53.5

Leasing liabilities

EUR million	31 Mar 2025	31 Mar 2024	31 Dec 2024
Non-current	35.4	36.1	36.0
Current	22.9	19.4	22.7
Total	58.3	55.5	58.7

Financial instruments

Derivative financial instruments	31 Mar 2025		31 Mar 2024		31 Dec 2024	
	Nominal values	Net fair values	Nominal values	Net fair values	Nominal values	Net fair values
EUR million						
Foreign exchange rate derivatives	34.1	0.2	39.7	-0.3	35.5	0.0
Total	34.1	0.2	39.7	-0.3	35.5	0.0

Financial assets recognized at fair value through profit and loss comprise solely derivatives. Fair values of the derivative instruments are based on market values (level 2 observable input information) at balance sheet date.

Fair value of financial instruments measured at cost

The carrying amount of financial assets and financial liabilities is a reasonable approximation of their fair value. Changes in the market interest rates are reflected in the future interest flows of interest-bearing debt within a short period.

Earnings per share

	Jan-Mar 2025	Jan-Mar 2024	Jan-Dec 2024
Net result attributable to equity holders of the parent	-2.8	-30.5	-29.7
Interest on hybrid bond	-0.8	-0.8	-3.4
Net result attributable to ordinary shares	-3.6	-31.4	-33.1
Weighted average number of ordinary shares, basic	156,736,781	156,736,781	156,736,781
Weighted average number of ordinary shares, diluted	156,736,781	156,736,781	156,736,781
Earnings per share EUR, basic	-0.02	-0.20	-0.21
Earnings per share EUR, diluted	-0.02	-0.20	-0.21

New segment structure

To simplify our operational structure and leverage our Danish management, the segment structure has been updated from 1 January 2025. The operations in Denmark and Germany are presented in one segment named Denmark & Germany. Smart Grids Germany was presented outside segments under Other business until 31 December 2024. The remaining part of the Other business and Group Functions has been combined and named as Group Support Functions. Starting from 1 January 2025 the segments are Finland, Sweden, Denmark & Germany and Norway. The Group Support Functions includes Group Functions and Lithuania as well as closing activities for Power Transmission International and High Voltage Poland until its divestment in Q2 2024. Restated figures for 2024 according to the new segment structure are presented below.

Net sales EUR million	Jan-Mar 2024	Apr-Jun 2024	Jul-Sep 2024	Oct-Dec 2024	Jan-Dec 2024
Finland	62.4	92.6	101.3	101.4	357.7
Sweden	49.8	50.9	51.6	59.5	211.8
Denmark & Germany	30.4	34.4	28.9	35.8	129.6
Norway	25.7	31.6	27.8	29.8	114.9
Sum segments	168.3	209.6	209.7	226.5	814.0
Group Support Functions	9.4	9.0	2.9	3.0	24.3
Eliminations	-1.5	-2.5	-2.3	-3.4	-9.7
Total net sales	176.3	216.0	210.3	226.1	828.7

Adjusted EBITA and -margin EUR million	Jan-Mar 2024	Apr-Jun 2024	Jul-Sep 2024	Oct-Dec 2024	Jan-Dec 2024
Finland	-0.3	2.4	7.3	6.3	15.7
Sweden	0.5	1.0	2.2	2.5	6.1
Denmark & Germany	1.3	1.3	1.4	2.5	6.5
Norway	-1.7	-1.0	-0.7	-2.3	-5.7
Sum segments	-0.3	3.7	10.2	9.0	22.6
Group Support Functions	-3.8	-3.2	-1.9	-3.3	-12.2
Total adjusted EBITA	-4.0	0.5	8.2	5.7	10.5
Finland	-0.5%	2.6%	7.2%	6.2%	4.4%
Sweden	1.0%	2.0%	4.2%	4.2%	2.9%
Denmark & Germany	4.2%	3.8%	4.9%	7.1%	5.0%
Norway	-6.5%	-3.1%	-2.5%	-7.7%	-4.9%
Sum segments	-0.2%	1.8%	4.9%	4.0%	2.8%
Total adjusted EBITA margin, %	-2.3%	0.2%	3.9%	2.5%	1.3%

Net sales by segment and by business EUR million		Jan-Mar 2024	Apr-Jun 2024	Jul-Sep 2024	Oct-Dec 2024	Jan-Dec 2024
Finland	Communication	23.2	43.4	55.8	52.0	174.4
	Power	39.2	49.2	45.5	49.4	183.4
Sweden	Communication	34.7	38.8	35.8	50.6	159.9
	Power	15.1	12.1	15.8	8.9	52.0
Denmark & Germany	Communication	14.1	13.8	13.0	13.5	54.4
	Power	16.3	20.6	16.0	22.3	75.2
Norway	Communication	25.6	31.6	27.6	29.8	114.6
	Power	0.1	0.1	0.1	0.0	0.3
Group Support Functions	Communication	2.2	2.6	2.9	3.0	10.7
	Power	7.3	6.3	0.0	0.0	13.6
	Other operations	0.0	0.0	0.0	0.0	0.0
Eliminations		-1.5	-2.5	-2.3	-3.4	-9.7
Net sales, total		176.3	216.0	210.3	226.1	828.7

Number of employees by segment, FTE	Jan-Mar 2024	Apr-Jun 2024	Jul-Sep 2024	Oct-Dec 2024	Jan-Dec 2024
Finland	1,492	1,510	1,492	1,419	1,478
Sweden	951	955	941	955	950
Denmark & Germany	852	843	819	802	829
Norway	798	783	760	705	761
Group Support Functions	793	626	361	345	531
Total number of employees, average, FTE	4,885	4,717	4,372	4,226	4,550
Total number of employees, end of period, FTE	4,846	4,462	4,328	4,160	4,160

Definitions and key ratios

Eltel applies ESMA's (European Securities and Markets Authority) guidelines for alternative performance measures (APM). In addition to the financial measures defined in IFRS, certain key figures, which qualify as alternative performance measures (APMs) are presented to reflect the underlying business performance, facilitate analysis of the Group's development as followed by Group Management and enhance comparability from period to period. The definition of these key figures is presented below and relevant information enabling reconciliations to IFRS measures can be found in connection with relevant parts of the report. These APMs should not be considered as a substitute for measures in accordance with IFRS.

IFRS key ratios

Earnings per share (EPS)	$\frac{\text{Net result attributable to equity holders of the parent} - \text{interest on hybrid bond}}{\text{Weighted average number of ordinary shares}}$
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Alternative performance measures (APMs)

Key Figure	Definition and reason for use	Reference
Adjusted EBITA and -margin	<p>Adjusted EBITA and -margin, % are used by management to measure business and segment profitability and exclude items affecting comparability. Income statement line items below adjusted EBITA are not allocated to segments.</p> <p>Adjusted EBITA: Operating result before acquisition-related amortizations and items affecting comparability</p> <p>Adjusted EBITA margin, %: $\frac{\text{Adjusted EBITA} \times 100}{\text{Net sales}}$</p> <p>Adjusted EBITA and -margin, % for segments represent the sum of segments: Finland, Sweden, Denmark & Germany and Norway.</p>	Reconciliation of segment results
Items affecting comparability	These include capital gains and/or losses and transaction costs related to divestments and acquisitions, restructuring and resizing expenses and other items that according to Eltel's management's assessment are not related to normal business operations.	Reconciliation of segment results
EBITDA and adjusted EBITDA	EBITDA is operating result (EBIT) before depreciations and amortizations. Adjusted EBITDA excludes items affecting comparability. Adjusted EBITDA is used in calculating the leverage ratio.	Cash flow, key figures, quarterly key figures
EBIT margin	<p>Operating result (EBIT) and -margin% are used to measure profitability before interest and taxes.</p> <p>EBIT margin, %: $\frac{\text{EBIT} \times 100}{\text{Net sales}}$</p>	Income statement
Return on equity (ROE), %	<p>Return on equity (ROE), % represents the rate of return that shareholders receive on their investments.</p> <p>Return on equity (ROE), %¹⁾: $\frac{\text{Net result} \times 100}{\text{Total equity (average over the reporting period)}}$ </p>	Income statement and balance sheet

1) Calculated on a rolling 12-month basis.

Key figure	Definition and reason for use	Reference
Operative capital employed	<p>Operative capital employed is the amount of net operating assets the business uses in its operations.</p> <p>Operative capital employed: Net working capital + Intangible assets excluding goodwill and acquisition-related allocations + Property, plant and equipment and Right-of-use assets</p>	Net working capital and operative capital employed
Net debt and leverage ratio	<p>Net debt represents Eltel's indebtedness. It is used to monitor capital structure and financial capacity. It is also used in calculating the leverage ratio. The leverage ratio is defined as covenant in Eltel's financing agreement.</p> <p>Net debt: Interest-bearing debt - cash and cash equivalents</p> <p>Leverage ratio¹⁾: $\frac{\text{Net debt}}{\text{Adjusted EBITDA}}$</p>	Interest-bearing liabilities and net debt
Net working capital	<p>Net working capital is used to follow the amount of capital needed for the business to operate. Used also as a factor to calculate operative capital employed.</p> <p>Net working capital: Net of inventories, trade and other receivables, provisions, advances received and trade and other payables, excluding items in these balance sheet items that are not considered to form part of operative working capital: derivative valuations and income tax liabilities.</p>	Net working capital and operative capital employed
Committed order backlog	<p>Committed order backlog is the total value of committed orders received but not yet recognized as sales. It does not include frame agreements unless a binding purchase order has been received. It is the best measure of unsatisfied performance obligations according to IFRS 15 Revenue from contracts with customer.</p>	

1) Calculated on a rolling 12-month basis.

Parent Company

Eltel AB is the ultimate parent company of Eltel Group. The operational and strategic management functions of Eltel Group are centralized in Eltel AB but it has no operative business activities. Eltel AB owns and governs the shares related to Eltel Group and its risks are mainly attributable to the value and activities of its subsidiaries. The interim report for the parent company is prepared in accordance with the chapter 9, Interim report, in the Swedish Annual Accounts Act.

Parent Company condensed income statement

EUR million	Jan-Mar 2025	Jan-Mar 2024	Jan-Dec 2024
Net sales	-	-	8.3
Administrative expenses	-1.3	-1.9	-9.1
Operating result	-1.3	-1.9	-0.8
Interest and other financial income	5.1	5.2	21.2
Interest and other financial expenses	-0.9	-1.0	-4.2
Net financial items	4.3	4.2	17.0
Result after financial items	3.0	2.3	16.2
Group contributions given	-	-	-16.0
Net result	3.0	2.3	0.2

Parent Company condensed balance sheet

EUR million	31 Mar 2025	31 Mar 2024	31 Dec 2024
ASSETS			
Non-current assets			
Financial assets			
Shares in Group companies	68.3	68.3	68.3
Long-term loans receivable from Group companies	495.8	486.8	490.8
Other financial assets	0.9	-	0.9
Intangible assets	0.2	-	0.0
Non-current assets	565.3	555.1	560.0
Current assets			
Trade and other receivables	0.8	0.3	8.0
Cash pool receivable	4.6	4.4	4.4
Cash and cash equivalents	0.1	0.1	0.1
Current assets	5.5	4.8	12.6
TOTAL ASSETS	570.8	559.9	572.6

EUR million	31 Mar 2025	31 Mar 2024	31 Dec 2024
EQUITY AND LIABILITIES			
Restricted equity			
Share capital	162.0	162.0	162.0
Statutory reserve	0.7	0.7	0.7
Restricted equity	162.6	162.6	162.6
Non-restricted equity			
Retained earnings	278.3	281.4	278.2
Hybrid bond	25.0	25.0	25.0
Net result for the period	3.0	2.3	0.2
Non-restricted equity	306.4	308.6	303.3
Total equity	469.0	471.3	466.0
Non-current liabilities			
Retirement benefit obligation	0.9	-	0.9
Provisions	0.2	-	0.2
Non-current liabilities	1.1	-	1.1
Current liabilities			
Debt	9.8	9.3	9.9
Liabilities to Group companies	89.8	78.5	94.0
Trade and other payables	1.0	0.8	1.6
Current liabilities	100.7	88.6	105.5
Total liabilities	101.8	88.6	106.6
TOTAL EQUITY AND LIABILITIES	570.8	559.9	572.6

Eltel has secured its debt obligations towards the banks by share and intragroup loan pledges and floating charges over certain assets of the Group, all on customary terms and conditions.

Equity

EUR million	1 Jan 2025	Equity-settled share-based payment	Net result	31 Mar 2025
Share capital	162.0	-	-	162.0
Statutory reserve	0.7	-	-	0.7
Non-restricted equity	303.3	0.0	3.0	306.4
Total	466.0	0.0	3.0	469.0

As of 31 March 2025, the total number of registered and outstanding shares of Eltel amounts to 160,585,581, whereof 156,736,781 are ordinary shares and 3,848,800 are class C shares. The number of votes in Eltel amounts to 157,121,661 and the registered share capital amounts to EUR 161,950,203.

Always powered, always connected.

**We make it happen by transforming society
for a sustainable future.**

Eltel AB

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