



# Eltel AB Q1 2025 presentation

30 April 2025



# Today's presenters



Håkan Dahlström  
President and CEO



Tarja Leikas  
CFO

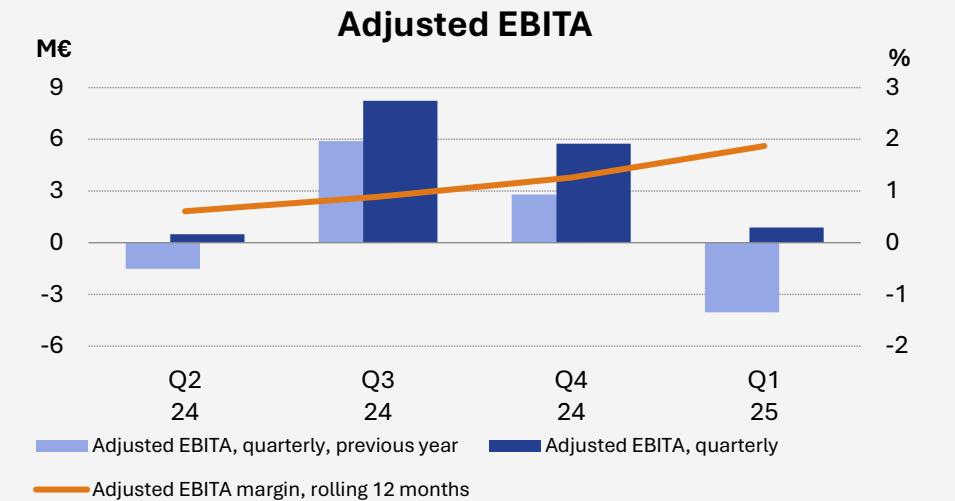
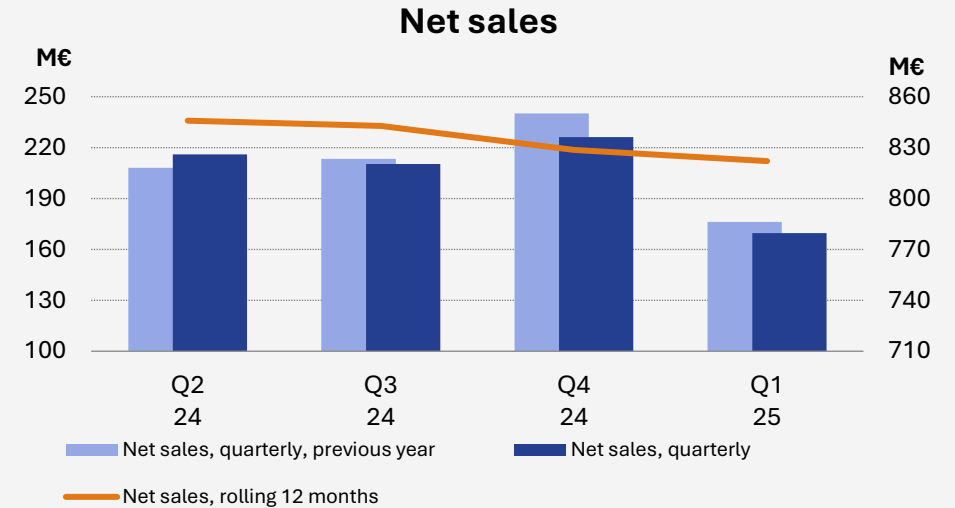


Alexandra Kärnlund  
Communications Director

# Financial highlights Q1 2025

## Strong Q1 with major profitability improvement

- Organic net sales growth was 0.6%
- Gross profit improved by 20% to EUR 22.2 million (18.5)
- LTM Gross Profit improved from EUR 83.8 million to EUR 95.6 million
- The adjusted EBITA improved by EUR 4.9 million
- Seventh consecutive quarter with YoY adjusted EBITA improvement
- NWC improved by EUR 17.3 million to EUR -76.3 million
- Cash flow from operating activities improved by EUR 22.4 million to EUR 17.5 million
- Net debt decreased to EUR 103.6 million (114.9)
- Leverage was 2.1, reaching target



# Operational highlights Q1 2025

## 1. Progress in strategy execution:

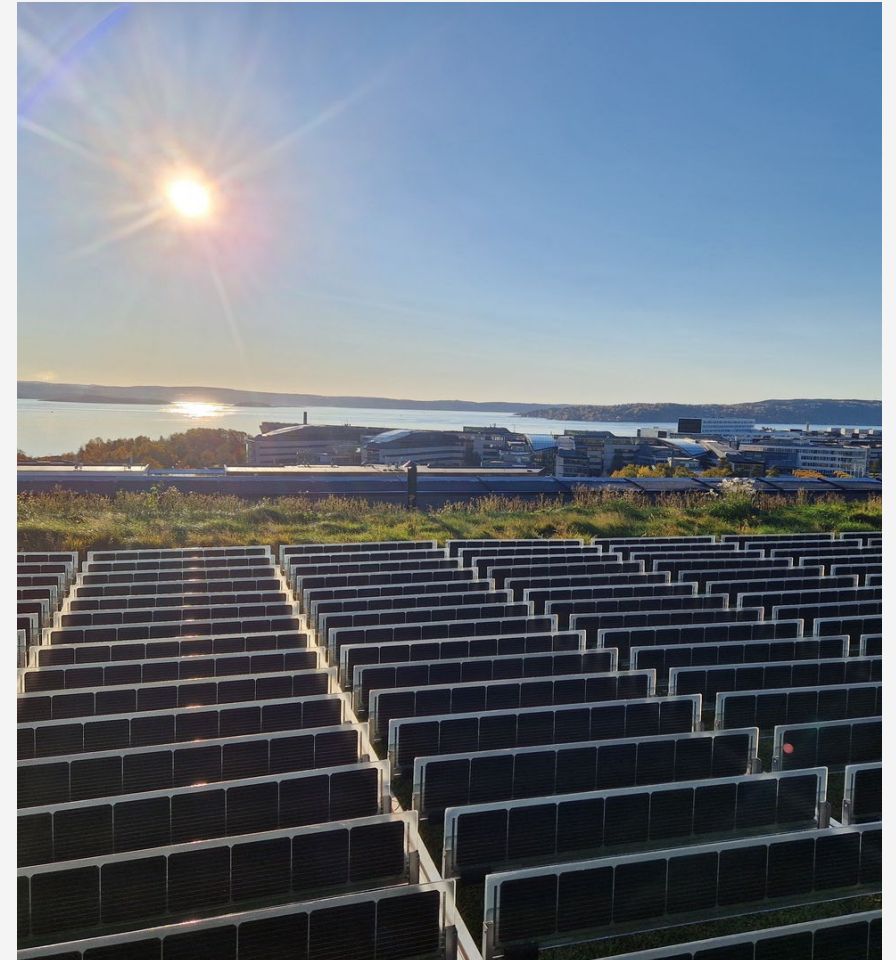
- First solar park in Sweden in production and first solar park in Denmark finalized, and deliveries run according to plan into the second largest (129 MWP) park in Finland
- First BESS (Battery Energy Storage Systems) delivery in Finland completed and third BESS installation in Denmark completed
- Signed frame agreement in e-Mobility in Sweden, as well as several charging stations established within a pilot framework for energy transition company
- Data center business visible in the orderbook
- Broadening of customer base, especially in Public infra

## 2. Important contracts signed also in the “classic business” part of Power

## 3. Good progress in Communication with both new and “classic” customers, with improved margins

## 4. Ingrid Tjøsvold, new MD in Norway, has together with the Norwegian team increased speed of a needed transformation, including:

- Broadening of customer base in Public Infra
- Great focus on operational excellence
- Continuation of resizing activities



Aker Tech House in Oslo, Norway.

# Total Group

## Net sales Q1 2025

- Good progress in new business, share of total increased to 6.0% (2.0%)
- Organic growth was 0.6%
- Previous year net sales included HV Poland, which was divested in Q2 2024

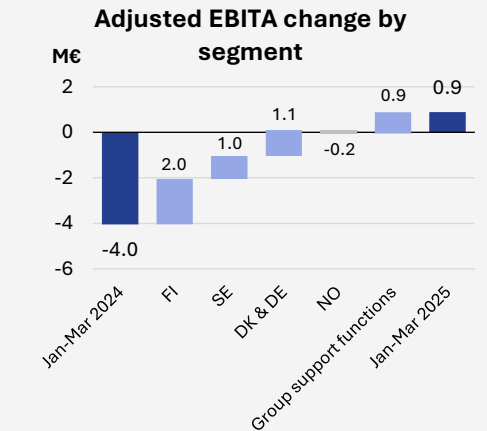
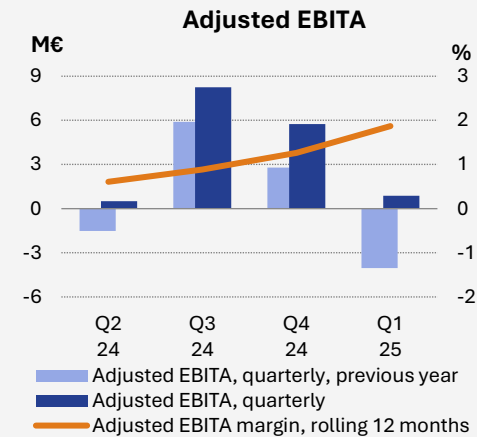
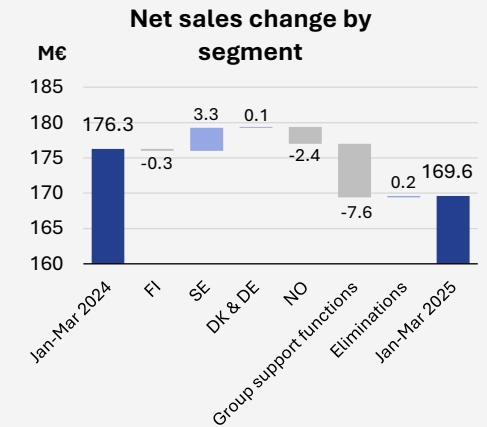
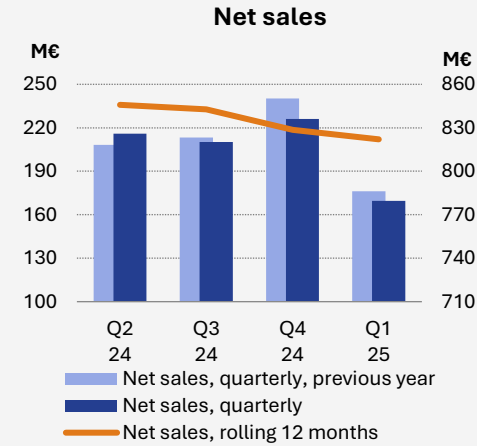
## Adjusted EBITA Q1 2025

- Major profitability improvement
  - Gross profit improved to EUR 22.2 million (18.5)
- Adjusted EBITA improved to EUR 0.9 million (-4.0)
- All segments excluding Norway improving profitability

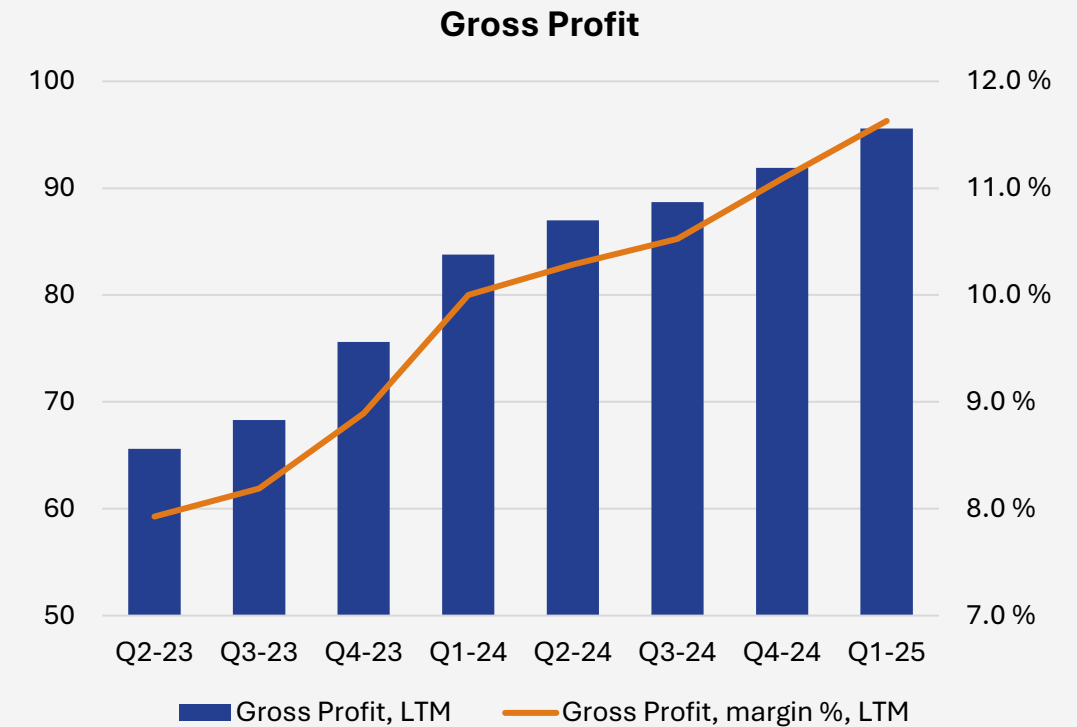
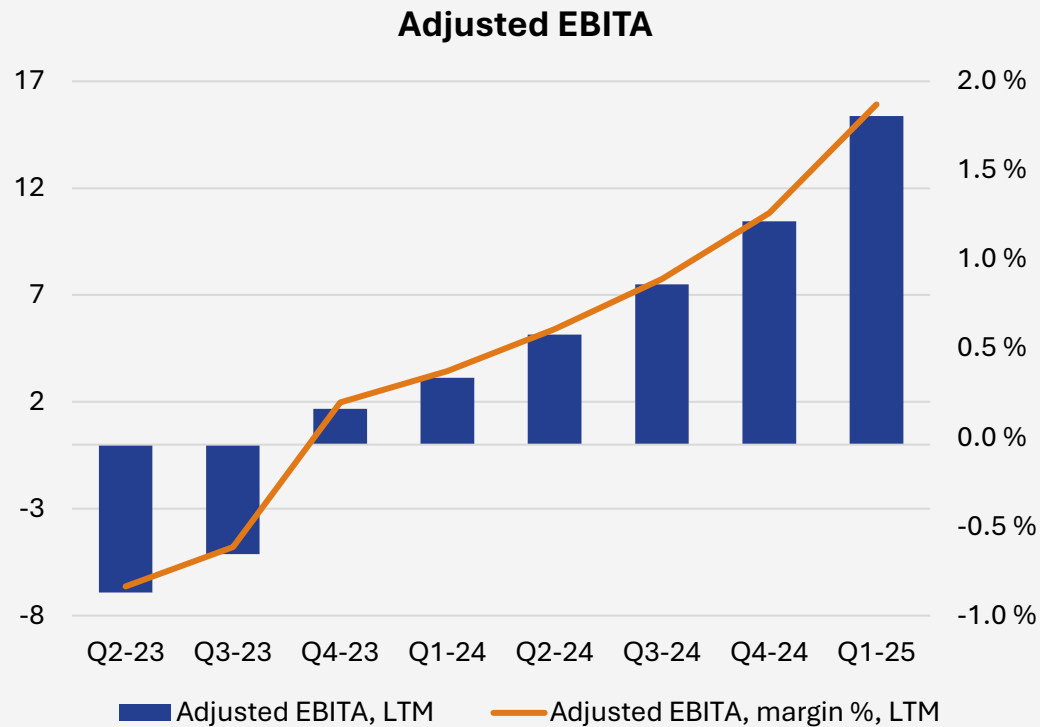
## Items affecting comparability Q1 2025

- Norway restructuring continues with KEUR 600 personnel related costs

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 EBITA	0.9	-4.0	10.5
Adjusted EBITA margin, %	0.5%	-2.3%	1.3%
Number of employees, average, FTE	3,992	4,885	4,550



# Adjusted EBITA and Gross Profit (LTM)



# Finland

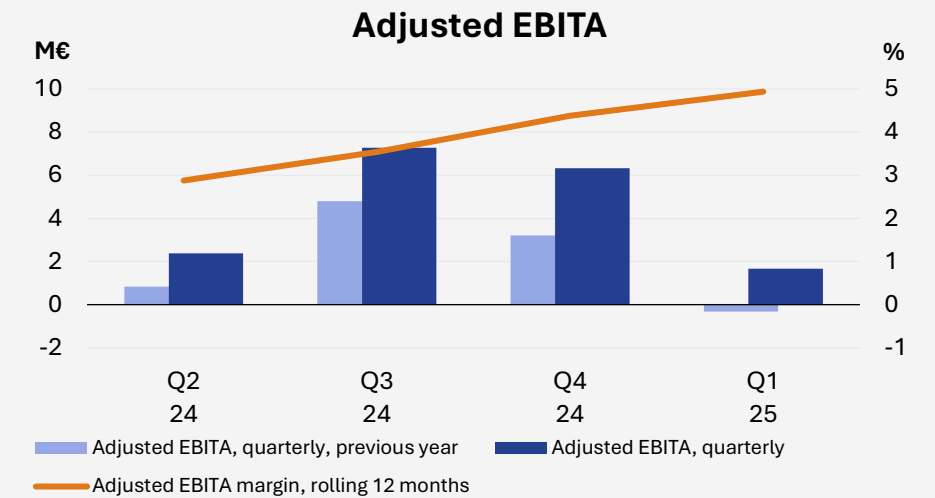
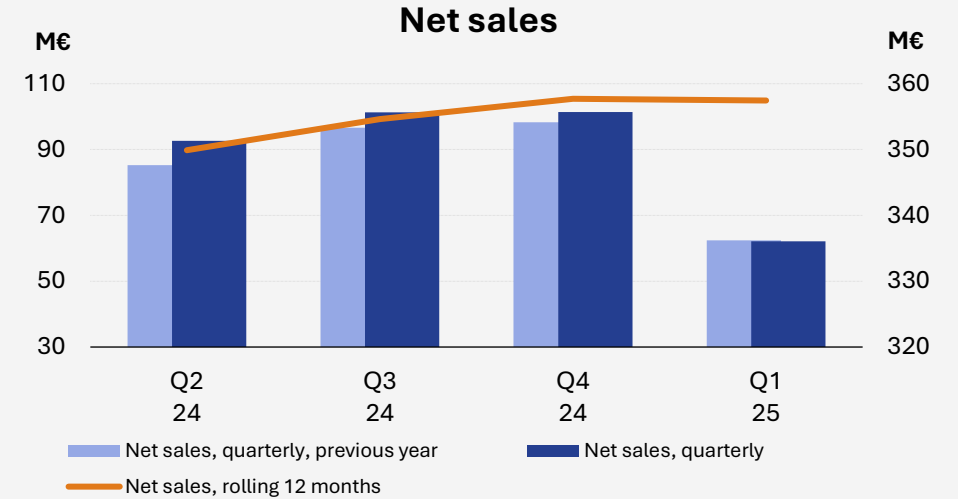
## Net sales Q1 2025

- Net sales decreased by EUR 0.3 million
- The decline mainly in Communication (FTTH)
- Strong growth in green energy transition

## Adjusted EBITA Q1 2025

- Major profitability improvement in both business areas
- Adjusted EBITA EUR 1.7 million (-0.3)
  - Margin 2.7% (-0.5)
- Operational and commercial excellence key to improved result

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



# Sweden

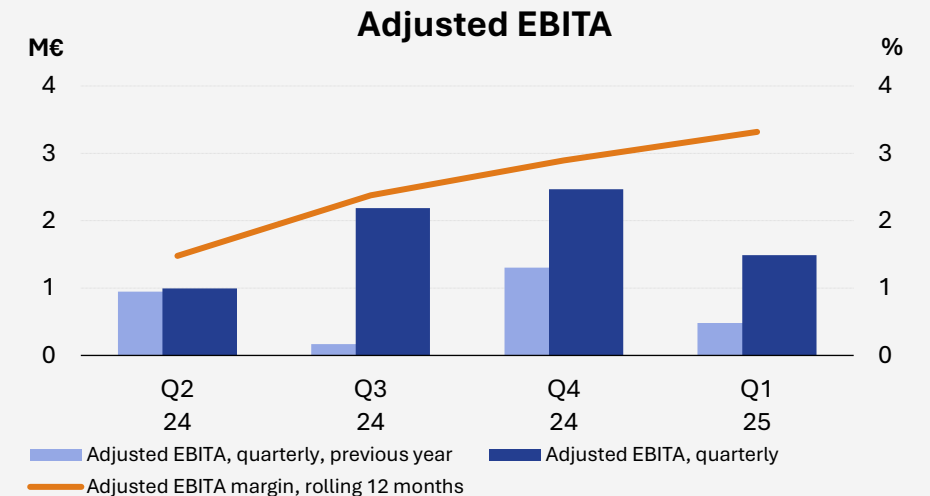
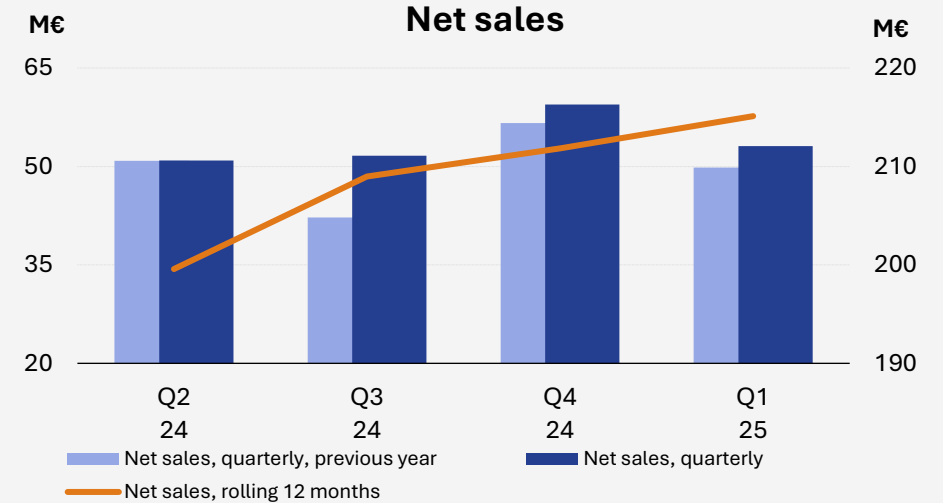
## Net sales Q1 2025

- Solid 6.5% net sales growth
  - Increase of EUR 3.3 million to EUR 53.1 million (49.8)
- Good public infra driven growth in Communication
- Solar growth in in Power

## Adjusted EBITA Q1 2025

- Major profitability improvement, 12<sup>th</sup> consecutive YoY adjusted EBITA improvement quarter
- Adjusted EBITA EUR 1.5 million (0.5)
  - Margin 2.8% (1.0)
- Both Communication and Power improved profitability

EUR million	Jan-Mar 2025	Jan-Mar 2024	Jan-Dec 2024
Net sales	53.1	49.8	211.8
Net sales growth, %	6.5%	2.1%	6.7%
Adjusted EBITA	1.5	0.5	6.1
Adjusted EBITA margin, %	2.8%	1.0%	2.9%
Number of employees, average, FTE	962	951	950



# Denmark & Germany

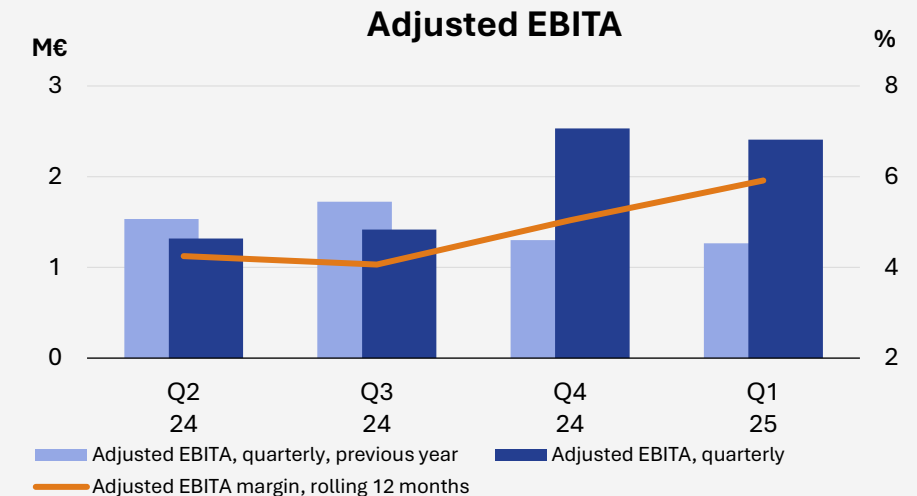
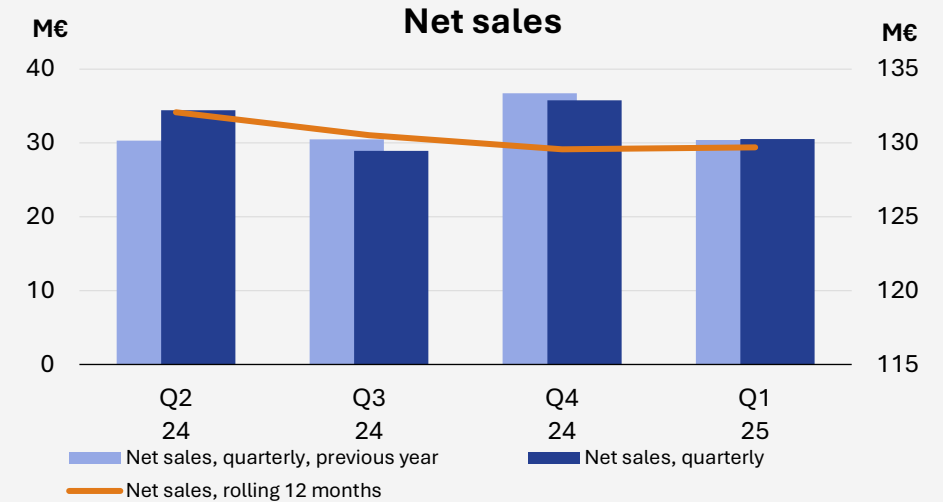
## Net sales Q1 2025

- Net sales increased to EUR 30.5 million (30.4)
- Power growth both in Denmark and Germany
- Communication facing a decline in Denmark

## Adjusted EBITA Q1 2025

- Major profitability improvement
- Adjusted EBITA EUR 2.4 million (1.3)
  - Margin 7.9% (4.2)
- The strong profitability resulting from a favorable business mix and a strong focus on operational excellence

EUR million	Jan-Mar 2025	Jan-Mar 2024	Jan-Dec 2024
Net sales	30.5	30.4	129.6
Net sales growth, %	0.4%	-4.8%	0.1%
Adjusted EBITA	2.4	1.3	6.5
Adjusted EBITA margin, %	7.9%	4.2%	5.0%
Number of employees, average, FTE	779	852	829



# Norway

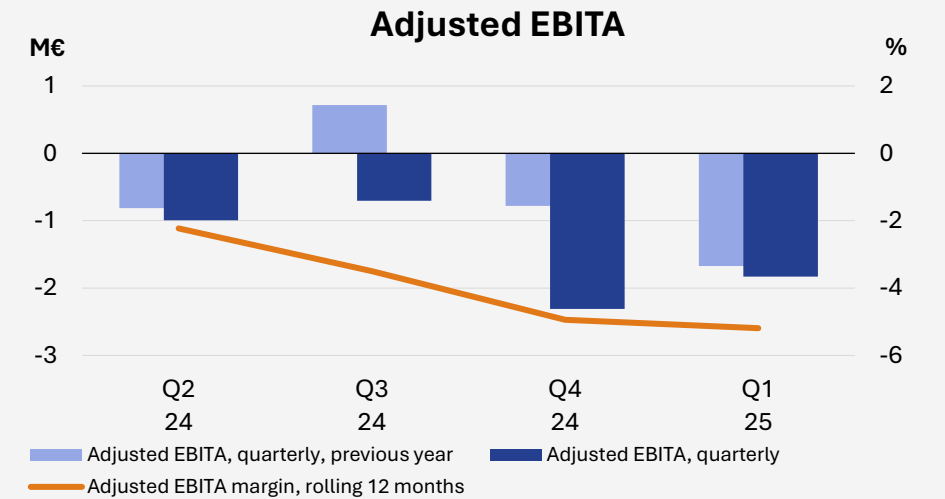
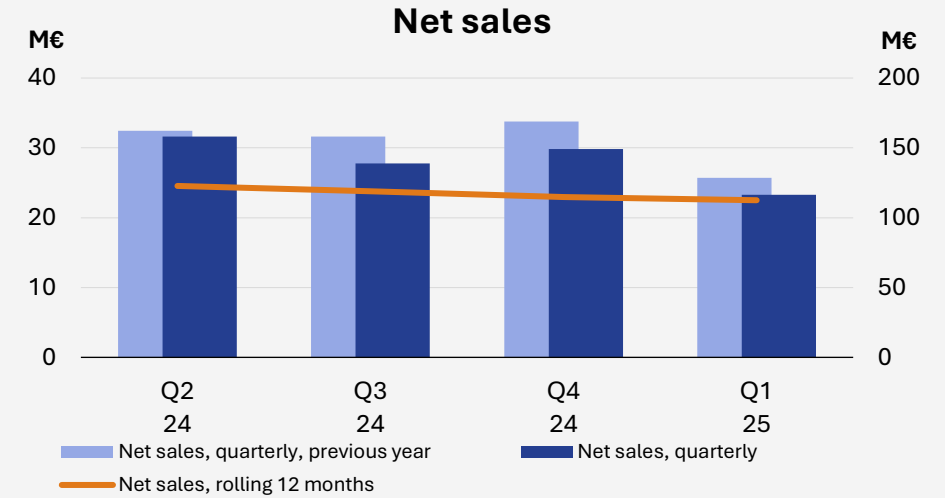
## Net sales Q1 2025

- Net sales decreased by EUR 2.4 million
- Traditional telecommunication investments continued to remain on low level
- Customer base increase continued

## Adjusted EBITA Q1 2025

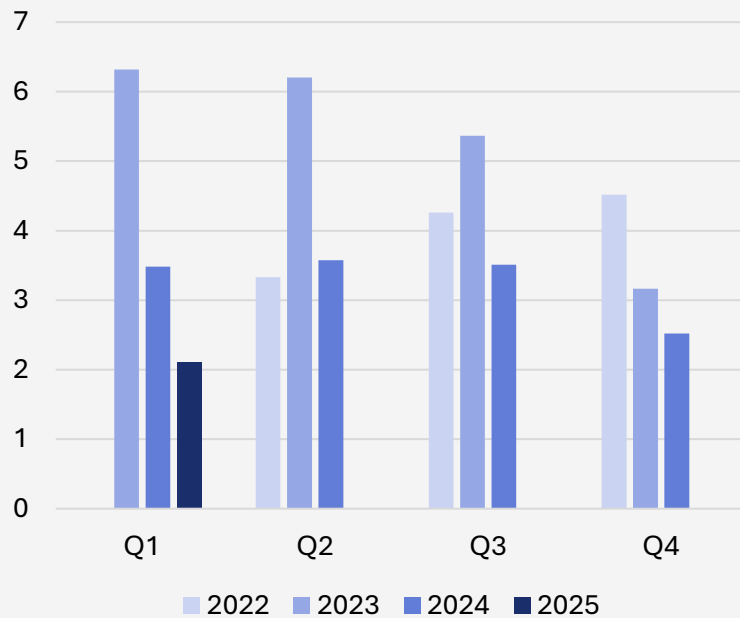
- Adjusted EBITA decreased by EUR 0.2 million
- Slight improvement towards the end of the quarter
- Cost reduction actions, operational excellence enhancement and the restructuring process continued

EUR million	Jan-Mar 2025	Jan-Mar 2024	Jan-Dec 2024
Net sales	23.3	25.7	114.9
Net sales growth, %	-9.4%	-20.3%	-11.7%
Adjusted EBITA	-1.8	-1.7	-5.7
Adjusted EBITA margin, %	-7.9%	-6.5%	-4.9%
Number of employees, average, FTE	601	798	761



# Group balance sheet

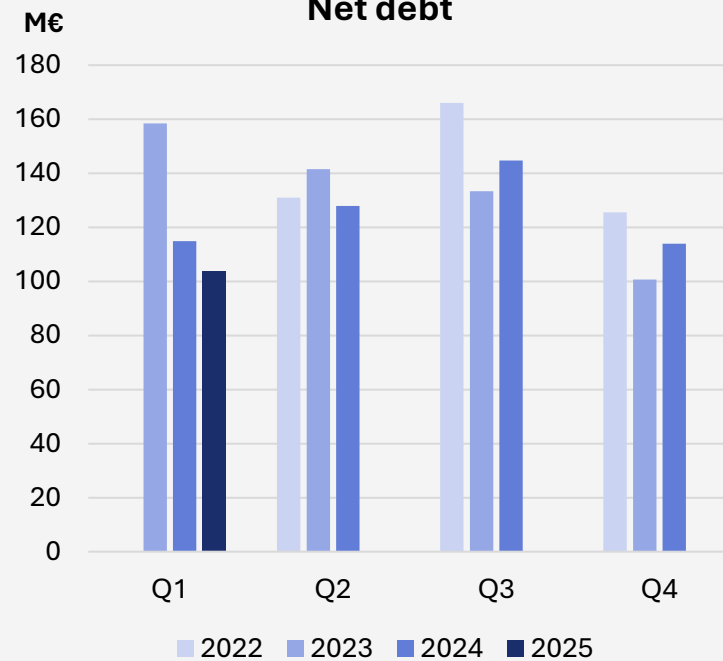
## Leverage



Leverage: Net debt/Adjusted EBITDA. Eltel's leverage target by end of 2025 is 1.5–2.5x net debt/Adjusted EBITDA.

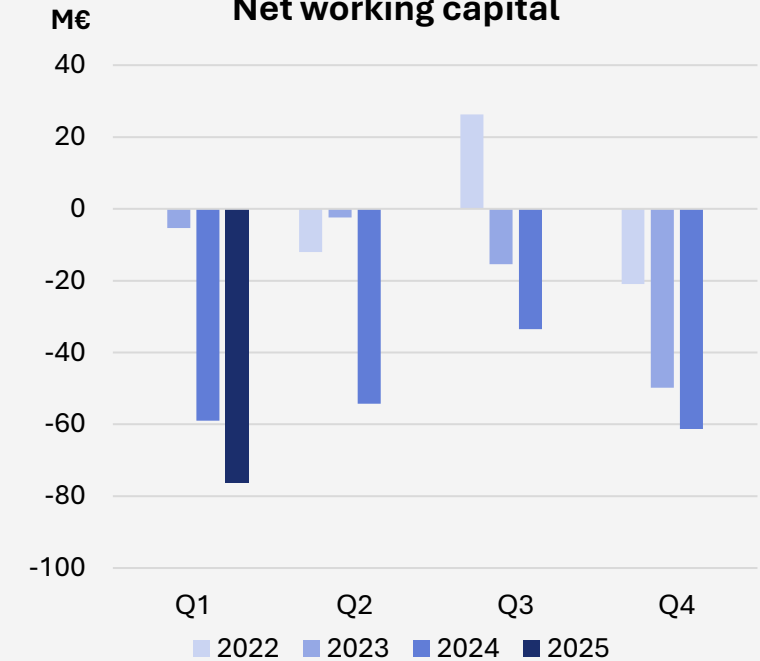
Net debt: Interest bearing debt less cash and cash equivalents.

## Net debt



Net debt: Interest bearing debt less cash and cash equivalents.

## Net working capital



# Eltel Group financial targets

## Profitability

- Group adjusted EBITA margin 5%

## Growth

- Annual growth 2–4%

## Leverage

- 1.5–2.5x net debt/adjusted EBITDA



## Dividend payout

- Subject to leverage target

# Our strategy in short

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



# Progress in strategy execution

## Improved profitability and financial position

- Gross profit improvement YoY: EUR 22.2 million (18.5)
- NWC improvement: EUR -76.3 million (-59.0)
- Leverage at 2.1 (3.5) in Q1, in line with target

## Broadened customer base

- Increased net sales from Public infra
- Signed contracts at a total value of EUR 145.7 million (108.4)
- Orderbook value is approximately EUR 1.3 billion

## Growth in new and adjacent markets

- 6% of net sales from New Business
- 17% of the signed contract value in 2025 related to new business (6%)



# Questions

**Next report**

Q2 2025: 24 July 2025

