

## Interim report 1 January – 30 June 2025

# Q2 2025: Stable revenue and cash flow, further steps towards profitability

### Summary of the second quarter, April – June 2025<sup>1</sup>

#### Group

- Revenue decreased by 2% to SEK 1,088m.
- Gross profit declined by 4%.
- Selling and administrative costs decreased by 6%.
- Operating result amounted to SEK -5m.
- Net finance costs declined to SEK 29m.
- Net profit improved to SEK -51m despite additional foreign exchange losses.
- Net debt decreased to SEK 1,679m.

#### USA

- Market increased by 10%.
- Sales of new equipment and equipment from rental sales increased by 2% in units.
- Total revenue decreased by 4% to SEK 695m (4% increase in USD)
- Gross profit decreased by 14%, mainly due to measures to optimize the balance sheet and improve rental utilization.
- Operating profit decreased by 49% to SEK 26m with operating margin at 3.8%.

#### Germany

- Market declined by 27%.
- New truck sales increased by 53% in units.

- Total revenue increased by 10% to SEK 366m.
- Service and parts sales increased by 6%.
- Selling and administrative costs declined by 8%.
- Operating profit improved to SEK -13m.
- Operating margin amounted to -3.5%.
- Inventory reduced by 53% compared to Q2 2024.

#### Kazakhstan

- Total revenue decreased to SEK 26m on lower equipment sales but higher service and parts sales.
- Operating profit was SEK -1m.
- Total inventory declined by 67% compared to Q2 2024.

**-2%**

Revenue

**-5**

Operating profit, SEK m

**-0.4%**

Operating margin

**-3.51**

Earnings per share, SEK

### Selected key group ratios<sup>2</sup>

SEK m (or as stated)	2025 Q2	2024 Q2	%	2025 6M	2024 6M	%	2024 FY
Revenue	1,088	1,115	-2%	2,294	2,361	-3%	4,880
Gross profit	177	185	-4%	374	404	-7%	755
Operating profit	-5	-4	-23%	9	17	-48%	21
Result for the period	-51	-81	37%	-201	-11	-1.795%	-89
Earnings per share, SEK <sup>3</sup>	-3,51	-5.56	37%	-13.83	-0.73	-1.795%	-6.15
Cash flow from operations	262	270		447	394		340
Net debt (cash)	1,679	1,671		1,679	1,671		1,978
Gross margin, %	16.3%	16.6%	-0.3pp	16.3%	17.1%	-0.8pp	15.5%
Operating margin, %	-0.4%	-0.3%	-0.1pp	0.4%	0.7%	-0.3pp	0.4%
Working capital/LTM Revenue, %	13%	21%	-8.0pp	13%	21%	-8.0pp	23%
Equity/total assets, %	31%	33%	-2.2pp	31%	33%	-2.2pp	30%
Return on capital employed, %	1%	-2%	2.5pp	1%	-2%	2.5pp	1%
Return on equity, %	-19%	-11%	-8.2pp	-19%	-11%	-8.2pp	-6%

<sup>1</sup> Comparison with same period in prior year unless stated otherwise.

<sup>2</sup> Starting from Q1 2025 certain revenue and cost items were reclassified, with some effects on comparable numbers for revenue, gross profit, SG&A and other income. For more details on this effect, please refer to p. 8.

<sup>3</sup> Before dilution.

All amounts are stated in millions of SEK unless stated otherwise. Rounding differences when summing up can occur with +/- SEK 1m. In cases where an underlying number is rounded off to SEK 0m, this is written as 0. Definitions and purposes of the key ratios are presented on pages 21 to 23.

## Stable revenue and cash flow, further steps towards profitability

I took over as CEO in mid-May. Even if I have been long with Ferronordic, it has been exciting to spend time with colleagues, customers and partners in my new role. I am impressed by our teams in all our markets and am even more convinced that we will achieve our strategic and financial objectives - even if I recognize it will take time and efforts to get there.

Despite continued uncertainty in the US and persistent stagnation in Germany, our total sales and cash flow were stable during the quarter. Operating profit, however, was negative at SEK -5m due to lower contribution from the US. This was not because of a softening market, but mainly because of our own measures to improve and grow the business going forward. In Germany, the result improved compared to last year but remained negative. The main priority here is to continue increasing the number of technicians in the workshops to fully meet the demand from our customers. At the same time, we continued to optimize our inventories across the Group – which are now generally balanced – and to reduce debt. Financing costs decreased, positively impacting the net result.

In the US, demand was holding up despite the continued uncertainty, primarily regarding trade policy and taxes. Activity in the infrastructure segment remained high. Customers are generally optimistic and have strong backlogs. The market in our territory increased by 10% during the quarter compared to last year. One uncertainty has been whether the generous tax incentives for investments will remain available. The passage of "The Big Beautiful Bill" confirms that they will, which is good for demand going forward. When it comes to tariffs, the situation seems to change daily. As we understand the situation today, however, we do not foresee that our business is worse affected than others. We are monitoring the development closely.

We continue to develop our US business and are optimistic about the future there. Our market share decreased somewhat though as we added fewer new machines to the rental fleet. However, rental revenue picked up consistently during the quarter as utilization improved. Total revenue in the US declined by 4% in kronor but increased 4% in dollar. Gross profit was negatively affected by a write-down of spare parts by SEK 5m. In addition, we chose to sell certain low-utilization machines from the rental fleet at a loss and instead replace them with machines that we have customers for. This increased revenue by SEK 19m but reduced gross profit by SEK 2m. Gross profit thus declined by 14% compared to last year. Excluding these measures, gross margin was largely in line with the same period last year. Expenses for maintenance of rental equipment and service vehicles were high during the quarter, and we are taking actions to address this. Operating profit declined to SEK 26m, which we are not happy with.

In Germany, the economic situation remained gloomy, although some signs of recovery start to be seen. Customers remain cautious about new investments. The truck market declined by 27% but grew by 14% compared to the previous quarter. We gained market share and increased sales of new trucks by 53% in units. Service and parts sales increased by 6%, which is positive but not enough. Overall, sales increased by 10% in kronor and 12% in euro. Gross margin improved and gross profit rose by 33%. Despite



*"In the US, demand remained strong"*

this, expenses declined. Operating profit was SEK -13m, an improvement of 53%. Inventory levels at the end of the quarter were less than half of what they were a year ago. Debt decreased and we now have considerably lower financing costs.

In Kazakhstan, we struggle with low market activity, especially in the mining sector where many of our larger customers operate. Total revenue decreased by 54%. However, the gross margin improved, and gross profit decreased by 18%. Expenses declined despite severance costs of SEK 1m. Operating profit was SEK -1m.

### Outlook

We remain optimistic about our operations in the US and the long-term opportunities there. We expect activity in the infrastructure sector to remain as the need to maintain and develop American roads and other infrastructure is significant. We see clear opportunities to further develop and expand our US operations going forward.

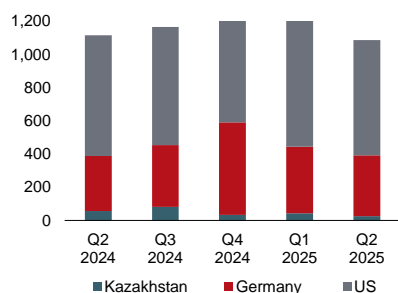
In Germany, truck demand remains low while demand for service and parts is holding up relatively well. When the economy starts to recover, demand for both new trucks and service and parts should increase, too. We must ensure that we have enough capacity in our workshops to fully meet this demand. Meanwhile, we have reduced our cost base, our inventory levels, and our financing costs. Overall, we are also optimistic about our operations in Germany.

Kazakhstan represents a small part of the Group's business, but we see promising opportunities in the market over the longer term.

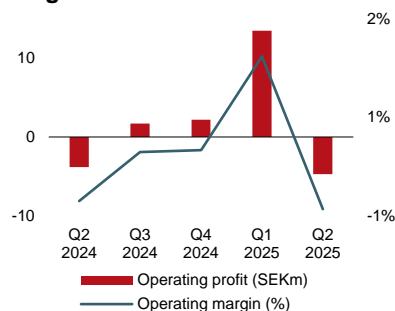
**Henrik Carlborg**  
President and CEO

## Group

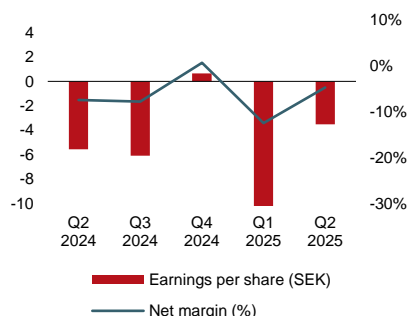
### Revenue by segment (SEKm)



### Operating profit and operating margin



### EPS and net margin



### Revenue

In Q2 2025, the revenue of the Group decreased by 2% to SEK 1,088m (1,115). Sales of equipment and trucks decreased by 8% while service and parts sales increased by 2%. Other revenue, mainly consisting of rental sales, increased by 11%, driven by improved rental utilization in the US.

In 6M 2025, the Group revenue decreased by 3% to SEK 2,294m (2,361). The sales of equipment and trucks decreased by 6%, while sales of service and parts increased by 1%. Other revenue increased by 4%.

### Gross profit and operating profit

In Q2 2025, the gross margin for the Group decreased to 16.3% (16.6). As a result of lower revenue and lower gross margin, gross profit decreased by 4% to SEK 177m (185). Starting from Q1 2025, the gross margin and gross profit were negatively impacted by a reclassification of productive costs in the US from administrative expenses to cost of sales. The reclassification has no impact on operating profit. In Q2 2024, the size of this effect was approximately SEK 17m. For more details, please refer to p. 8 of this report.

Selling and administrative expenses in the quarter decreased by 6% to SEK 181m. As a percentage of revenue, these expenses decreased to 16.6% (17.3). Operating profit for the quarter decreased by 23% to SEK -5m (-4). The operating margin during the quarter decreased from -0.3% to -0.4%.

In 6M 2025, the gross margin decreased to 16.3% (17.1). As a result of lower revenue and lower gross margin, gross profit decreased by 7% to SEK 374m (404). The effects of the reclassification of productive costs in the US operations in 6M 2024 were approximately SEK 30m.

As a percentage of revenue, selling, general and administrative expenses decreased in 6M 2025 to 16.4% (16.5). Operating profit for 6M 2025 decreased by 49% to SEK 9m (17). The operating margin during the quarter decreased from 0.7% to 0.4%.

### Net income

Finance costs (net) during the quarter decreased to SEK -29m (-40), mainly because of lower borrowings, and partly because of repayments, currency effects, as well as lower interest rates. Foreign exchange effects (net) amounted to SEK -15m (-35) in Q2 2025, mainly as the Swedish krona appreciated against the US dollar. The Group has assets denominated in USD and EUR, which are revalued at the exchange rates of the closing date of the reporting period.

The result before income tax for the quarter increased to SEK -49m (-79). The result for the quarter increased to SEK -51m (-81).

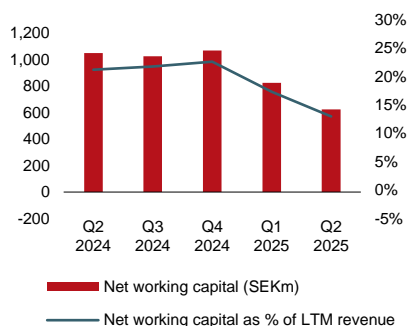
Finance costs (net) in 6M 2025 decreased to SEK -62m (-67). Foreign exchange losses (net) amounted to SEK -145m (60). The result before income tax for 6M 2025 decreased to SEK -197m (10). The result for 6M 2025 decreased to SEK -201m (-11).

### Earnings per share

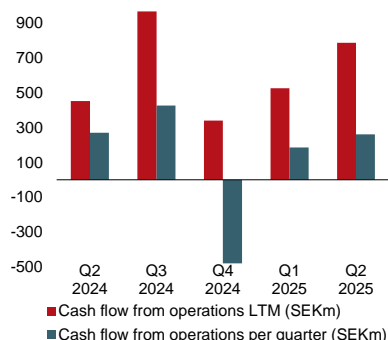
Earnings per share before dilution in Q2 2025 amounted to SEK -3.51 (-5.56).

Earnings per share before dilution in 6M 2025 amounted to SEK -13.83 (-0.73).

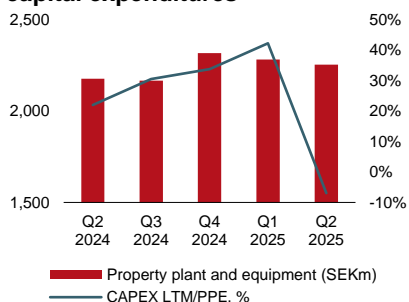
### Net working capital and as % of LTM revenue



### Operating cash flow per quarter and over LTM



### Property, plant and equipment and capital expenditures



### Cash flows

Cash flows from operating activities during the quarter decreased somewhat to SEK 262m (270). Working capital at the end of Q2 2025 was SEK 625m, a decrease of SEK 443m compared SEK 1,068m at the end of 2024, mainly due to lower inventories and receivables in Germany. As a percentage of revenue, working capital decreased to 13% (23% at the end of 2024).

Cash flow from investing activities in the quarter amounted to SEK 26 (-174).

In 6M 2025, cash flows from operating activities increased to SEK 447m (394). Higher cash flows were partly a result of lower inventories and trade receivables.

Cash flows from investing activities during 6M 2025 amounted to SEK 16m (-407).

### Financial position

On 30 June 2025, cash and cash equivalents amounted to SEK 185m, a decrease of SEK 178m compared to the end of 2024. Cash decreased mainly as a result of repayment of loans.

At the end of Q2 2025, interest-bearing liabilities (including lease liabilities and effects of IFRS-16) amounted to SEK 1,864m, a decrease of SEK 476m compared to the end of 2024. The decrease was mainly a result of the repayment of loans but was also due to currency translation effects. The net debt decreased from SEK 1,978m at the end of Q4 2024 to SEK 1,679m at the end of Q2 2025, mainly as a result of lower interest-bearing liabilities.

On 30 June 2025, property, plant and equipment (PP&E) amounted to SEK 2,254m, a decrease of SEK 63m from SEK 2,317m at the end of 2024.

On 30 June 2025, equity amounted to SEK 1,302m (1,499), a decrease of SEK 197m compared to the end of 2024. The decrease was partly a result of currency translation effects and partly because of the of a negative result.

### Parent company

In Q2 2025, the revenue of the Parent Company decreased to SEK 0m (2), mainly due to less equipment sales to subsidiaries but also because no royalty has been charged from subsidiaries in 2025. Administrative expenses decreased by 36% to SEK 11m (18), mainly due to lower bonus accruals in Q2 2025. Operating profit increased to SEK -11m (-15). The result for the quarter decreased to SEK -56m (-6), mainly due to negative foreign exchange effects.

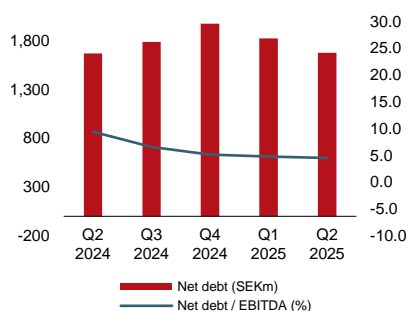
In 6M 2025, the revenue of the Parent company decreased to SEK 0m (8). Administrative expenses decreased by 28% to SEK 29m (40). Operating profit increased to SEK -29m (-36) in 6M 2025. The result for the 6M 2025 decreased to SEK -137m (71), mainly due to negative foreign exchange effects.

### Foreign exchange rates

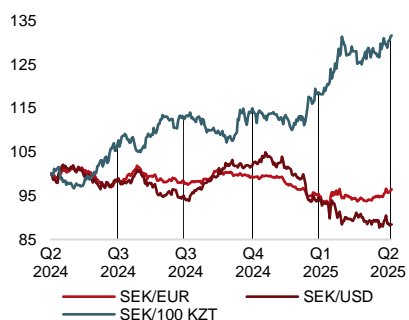
The following foreign exchange rates have been used to translate the 6M 2025 (6M 2024) results to the presentation currency:

- Average rates of SEK/EUR 11.09 (-1,7% vs 11.29) and SEK/USD 10.17 (-3% vs 10.53) have been used to translate the income statements.
- End of period rates of SEK/EUR 11.15 (-2.1% vs 11.39) and SEK/USD 9.51 (-10% vs 10.61) have been used to translate the balance sheet.

### Net debt and net debt/EBITDA



### Currency index last 5 quarters (indexed 1 April 2024)



The Group's currency exposure is mainly to the US dollar (USD) and the euro (EUR), from its US and German operations respectively. The Group also has exposure to the Kazakh tenge (KZT).

### Employees

At the end of Q2 2025, the number of full-time equivalent employees in the Group was 796 (814), of which 372 (355) related to the US, 368 (397) to Germany, 40 (43) to Kazakhstan and 16 (19) occupied group functions.

### Sustainability

In Q2 2025, Ferronordic continued work to build institutional capacity to measure, report and follow up on its sustainability targets internally and as required by the CSRD and the ESRS.

### Risks and uncertainties

Ferronordic is exposed to a number of operational and financial risks. The Group currently operates in the US, Germany and Kazakhstan, which means that the Group has business in two developed markets and in one emerging market. In developed markets, competitive, labor and regulatory pressure can be strong. In the US, the administration has imposed tariffs and has discussed introducing further tariffs and other trade restrictions. This could pose risks to Ferronordic since the US operations rely on imported machines and spare parts. In an emerging market, the institutional and regulatory frameworks can be unstable. The tax and judicial systems are not always transparent or consistent. Corruption can be a problem. Access to funding can be limited, monetary policy unpredictable and the currency unstable. Counterparty and insurance risks are often greater and instruments to manage such risks are either less effective or more expensive. In its position as a service and sales company, between suppliers and customers, Ferronordic is exposed to both supply and demand disruptions and to changes in macroeconomic activity. For more on risks and uncertainties, please refer to Ferronordic's annual report.

### Ferronordic appoints new Board Chairman and CEO

On 14 May 2025, Ferronordic's AGM decided to appoint Lars Corneliusson as executive Chairman. At the same time, the Board of Directors appointed Henrik Carlborg new CEO and President of Ferronordic. Henrik Carlborg has worked at Ferronordic since 2013. He joined as General Counsel and has worked as Business Development Director and Deputy CEO since 2017. Henrik was a driving force behind Ferronordic's expansion into the US and has been primarily responsible for the development of Ferronordic's US operations.

### Events after the reporting period

Other than as mentioned above, there were no significant events after the end of the reporting period.

## Segments

From Q4 2023 Ferronordic recognizes three separate reportable segments: US, Germany and Kazakhstan (see also note 5 on page 18). In the US, equipment and truck sales include sales of new construction equipment mainly from Volvo, Hitachi, Sandvik, Link-Belt Cranes and Bergmann, and used machines. In Germany, equipment and truck sales include sales of new Volvo Trucks and Renault Trucks, Renault light commercial vehicles and used trucks. In Kazakhstan, equipment and truck sales

include sales of new and used construction equipment, used trucks and attachments. Service and parts sales are also referred to as aftermarket sales. Other revenue consists mainly of rental revenue. To show the underlying performance of the operating segments, Ferronordic shows unallocated Group costs and assets separately<sup>1</sup>. These are costs that are incurred and assets that are held for the benefit of the Group as a whole.

	US		Germany		Kazakhstan		Unallocated Group costs <sup>1</sup>		Total	
SEK m (or as stated)	Q2 2025	Q2 2024	Q2 2025	Q2 2024	Q2 2025	Q2 2024	Q2 2025	Q2 2024	Q2 2025	Q2 2024
<b>External revenue</b>	<b>695</b>	<b>727</b>	<b>366</b>	<b>332</b>	<b>26</b>	<b>56</b>			<b>1,088</b>	<b>1,115</b>
Equipment and truck sales	334	365	193	172	10	46			536	583
Service and parts sales	281	286	152	144	17	10			450	440
Other revenue	80	76	21	16	-	-			101	92
Gross profit	121	140	50	38	6	8			177	185
EBITDA	104	131	9	-	-	-	-17	-27	95	104
Operating profit	26	51	-13	-27	-1	-1			13	23
Group costs <sup>1</sup>	-	-	-	-	-	-	-17	-27	-17	-27
Operating profit after group costs	26	51	-13	-27	-1	-1	-17	-27	-5	-4
Finance items (net)									-45	-75
Profit(loss) before tax									-49	-79
<b>Result for the period</b>									<b>-51</b>	<b>-81</b>
Gross margin, %	17.3%	19.2%	13.7%	11.4%	24.0%	13.6%			16.3%	16.6%
Operating margin, %	3.8%	7.1%	-3.5%	-8.2%	-3.6%	-2.3%			-0.4%	-0.3%

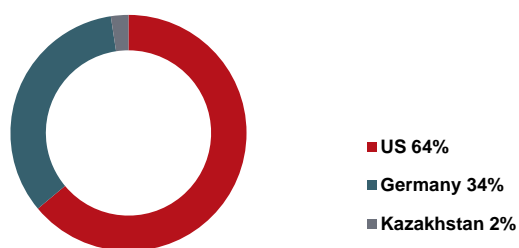
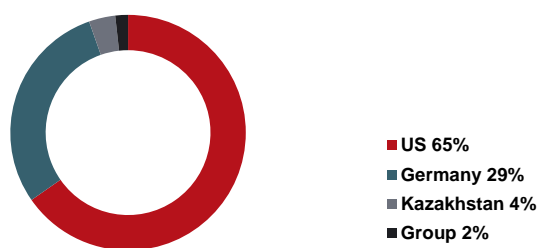
	US		Germany		Kazakhstan		Unallocated Group costs <sup>1</sup>		Total	
SEK m (or as stated)	6M 2025	6M 2024	6M 2025	6M 2024	6M 2025	6M 2024	6M 2025	6M 2024	6M 2025	6M 2024
<b>External revenue</b>	<b>1,458</b>	<b>1,500</b>	<b>768</b>	<b>771</b>	<b>68</b>	<b>90</b>			<b>2,294</b>	<b>2,361</b>
Equipment and truck sales	769	815	414	432	43	65			1,225	1,312
Service and parts sales	564	557	311	306	25	25			901	888
Other revenue	125	128	43	33	-	-			168	161
Gross profit	256	296	106	94	12	13			374	404
EBITDA	199	239	22	5	2	-3	-44	-51	179	190
Operating profit	74	112	-22	-39	1	-5			52	68
Group costs <sup>1</sup>	-	-	-	-	-	-	-44	-51	-44	-51
Operating profit after group costs	74	112	-22	-39	1	-5	-44	-51	9	17
Finance items (net)									-206	-7
Profit(loss) before tax									-197	10
<b>Result for the period</b>									<b>-201</b>	<b>-11</b>
Gross margin, %	17.5%	19.7%	13.8%	12.2%	17.7%	14.9%			16.3%	17.1%
Operating margin, %	5.1%	7.4%	-2.9%	-5.1%	0.8%	-5.2%			0.4%	0.7%

**30 June 2025**

SEK m	US	Germany	Kazakhstan	Group assets <sup>1</sup>	Total
Non-current assets	1,754	837	15	-	2,606
Total assets	2,732	1,227	152	73	4,183

**31 December 2024**

SEK m	US	Germany	Kazakhstan	Group assets <sup>1</sup>	Total
Non-current assets	1,760	923	13	-	2,697
Total assets	3,054	1,458	183	246	4,941

**Segment share of revenue,  
Q2 2025**

**Segment share of total assets,  
30 June 2025**

**30 June 2025**

SEK m	US	Germany	Kazakhstan	Group assets	Total
Property, plant and equipment	1,615	632	6	-	2,254
Real Estate	198	226	-	-	424
Rental Fleet	1,258	290	-	-	1,548
Right-of-use assets	17	42	3	-	62
Other PPE	142	75	3	-	220

**31 December 2024**

SEK m	US	Germany	Kazakhstan	Group assets	Total
Property, plant and equipment	1,600	711	5	-	2,317
Real Estate	227	236	-	-	464
Rental Fleet	1,264	336	-	-	1,599
Right-of-use assets	19	45	-	-	64
Other PPE	90	94	5	-	190

## Changes in the presentation of the income statement of the US segment

In the 2025 financial year, certain revenue and cost items have been reclassified to align the presentation of the income statement for the US segment to Group reporting guidelines.

Revenues related to the recharge of cost of sales and SG&A to customers in the service and parts business were presented in the same line as the corresponding costs in Q2 2024. In Q2 2025, they are recognized in revenue and the corresponding cost in cost of sales and SG&A. Other cost of sales that in Q2 2024 were reported as SG&A have in Q2 2025 been reclassified to cost of sales. Certain

administration fees paid by customers that in Q2 2024 were reported under other income have in Q2 2025 been reclassified to equipment sales.

Column Q2 2024 ADJ in the table below shows the effects of the reclassifications on the Q2 2024 income statement, compared to how the result was presented in the Q2 2024 report, and the effects on the year-on-year comparisons with Q2 2025. Column FY ADJ shows the effects of the reclassifications on the full year 2024 income statement, compared to how the result was presented in the 2024 annual report. The reclassifications affect revenue, gross profit, gross margin, SG&A, other income and operating margin, but have no effect on the operating profit.

The table below shows the US segment's Q2 2024 and FY 2024 results before and after the reclassifications, as well as the differences due to the change in presentation.

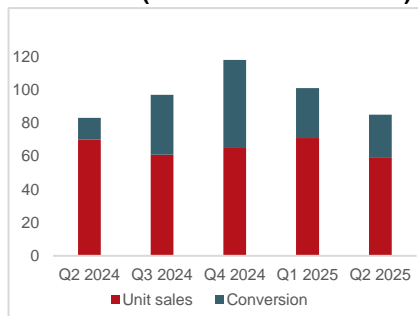
	Q2	Q2	Q2	Q2	Y-o-Y	Y-o-Y	FY	FY	FY
SEK m	2025	2024	ADJ	2024 ADJ	reported	adjusted	2024	ADJ	2024 ADJ
<b>Revenue</b>	<b>695</b>	<b>707</b>	<b>21</b>	<b>727</b>	<b>-2%</b>	<b>-4%</b>	<b>2,813</b>	<b>160</b>	<b>2,973</b>
Equipment and truck sales	334	356	9	365	-6%	-8%	1,550	3	1,553
Service and parts sales	281	275	12	286	2%	-3%	991	157	1,149
Other revenue	80	76	-	76	6%	6%	272	-	272
Cost of sales	-575	-550	-38	-588	4%	-2%	-2,127	-258	-2,385
<b>Gross profit</b>	<b>121</b>	<b>156</b>	<b>-17</b>	<b>139</b>	<b>-23%</b>	<b>-13%</b>	<b>686</b>	<b>-98</b>	<b>588</b>
Selling expenses	-28	-19	-4	-23	47%	21%	-82	-10	-92
General and administrative expenses	-68	-95	28	-67	-28%	1%	-379	108	-271
Other income	1	9	-7	2			8	-	8
Other expenses	1	-1		-1			-3	-	-3
<b>Operating profit</b>	<b>26</b>	<b>51</b>	<b>-</b>	<b>51</b>	<b>-49%</b>	<b>-49%</b>	<b>230</b>	<b>-</b>	<b>230</b>
Gross margin	17.3%	22.1%		19.1%			24.4%		19.8%
Operating margin	3.8%	7.3%		7.0%			8.2%		7.7%

The table below shows the Group's Q2 2024 and FY 2024 results before and after the reclassifications, as well as the differences due to the change in presentation.

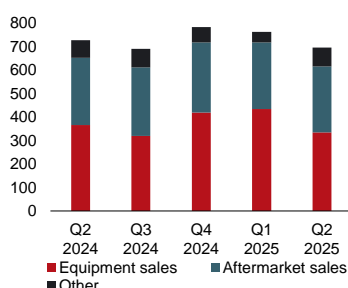
	Q2	Q2	Q2	Q2	Y-o-Y	Y-o-Y	FY	FY	FY
SEK m	2025	2024	ADJ	2024 ADJ	reported	adjusted	2024	ADJ	2024 ADJ
<b>Revenue</b>	<b>1,088</b>	<b>1,095</b>	<b>21</b>	<b>1,115</b>	<b>-1%</b>	<b>-2%</b>	<b>4,720</b>	<b>160</b>	<b>4,880</b>
Equipment and truck sales	536	574	9	583	-6%	-8%	2,710	3	2,713
Service and parts sales	450	429	12	440	5%	2%	1,662	157	1,819
Other revenue	101	92		92	11%	11%	347	-	347
Cost of sales	-911	-893	-38	-930	2%	-2%	-3,867	-258	-4,124
<b>Gross profit</b>	<b>177</b>	<b>202</b>	<b>-17</b>	<b>185</b>	<b>-12%</b>	<b>-4%</b>	<b>853</b>	<b>-98</b>	<b>755</b>
Selling expenses	-64	-59	-4	-63	8%	1%	-239	-10	-249
General and administrative expenses	-117	-157	28	-130	-26%	-10%	-587	108	-479
Other income	1	15	-7	8			8	-	8
Other expenses	-2	-4		-4			-14	-	-14
<b>Operating profit</b>	<b>-5</b>	<b>-4</b>	<b>-</b>	<b>-4</b>	<b>23%</b>	<b>23%</b>	<b>21</b>	<b>-</b>	<b>21</b>
Gross margin	16.3%	18.4%		16.6%			18.1%		15.5%
Operating margin	-0.4%	1.8%		-0.3%			0.4%		0.4%

# USA

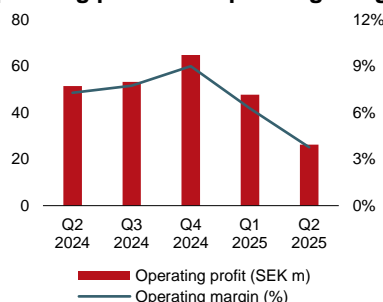
Unit sales (incl. rental conversion)



Revenue by activity (SEKm)



Operating profit and operating margin



## Market and sales

Demand for machines and services was stable during the quarter despite continued uncertainty related to tariffs and tax policy. Activity among customers, many of which operate in areas directly or indirectly related to infrastructure projects, remains high. The market for larger machines (GPE segment) in Ferronordic's sales territory increased by 10% Y-o-Y. Inventory levels in the market have declined, but competition remains intense. When it comes to tariffs, the situation seems to be changing daily. As of now, Ferronordic does not expect its offering and operations to be affected worse than those of its competitors. With regards to tax policy, the uncertainty related to continued tax breaks for investments, etc. should have subsided after the passing of The Big Beautiful Bill in July. During the quarter, Ferronordic sold 59 new units, 22 used units and 26 units were converted to sales from rental. The service and parts business was stable. In the quarter, measures were taken to optimize inventory and rental fleet, partly by selling 17 machines it had struggled to find customers for. This increased equipment revenue by SEK 19m but had an almost SEK 2m negative impact on gross profit. Ferronordic also made an impairment of SEK 5m on certain parts and components in inventory. Equipment inventory and rental fleet have increased but are in line with targeted sales plans.

## Revenue and operating result

Revenue in Q2 2025 amounted to SEK 695m (727) with a gross margin of 17.3% (19.2). In Q2 2025, 48% of revenue was related to sales of new and used equipment and conversions, 40% to service and parts and 12% was related to rental.

Selling, general and administrative expenses increased by 6% compared to Q2 2024 to SEK 96m (90). As a percentage of revenue, these expenses increased to 13.8% (12.4). Operating profit decreased to SEK 26m (51). The operating margin decreased to 3.8% (7.1).

## Cash flows and balance sheet

Working capital at the end of Q2 2025 amounted to SEK 401m, a decrease from SEK 484m at the end of Q1 2025, mainly as inventory and receivables decreased. At the end of Q2 2025, working capital corresponded to 14% of revenue for the last 12 months, compared to 17% at the end of Q1 2025. Cash flows from operating activities during the quarter amounted to SEK 156m (272).

## 6M 2025

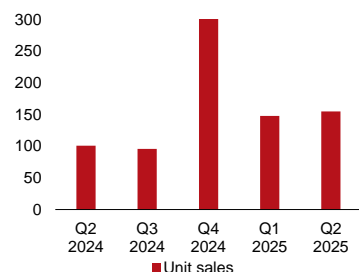
In 6M 2025, revenue in the US amounted to SEK 1,458m (1,500) with a gross margin of 17.5% (19.7). Operating profit amounted to SEK 74m (112) with an operating margin of 5.1% (7.5%).

	2025 Q2	2024 Q2 <sup>1</sup>	% change	2025 6M	2024 6M	% change	2024 FY
New units	59	70	-16%	130	151	-14%	277
Conversion from rental, units	26	13	100%	56	40	40%	129
Used units	22	22	0%	42	41	2%	73
Revenue, SEK m	695	727	-4%	1,458	1,500	-3%	2,973
Gross profit, SEK m	121	140	-14%	256	296	-14%	588
Operating profit, SEK m	26	51	-49%	74	112	-34%	230
Gross margin, %	17.3%	19.2%		17.5%	19.7%		19.8%
Operating margin, %	3.8%	7.1%		5.1%	7.5%		7.7%
Working capital/LTM Revenue, %	14%	15%		14%	15%		21%

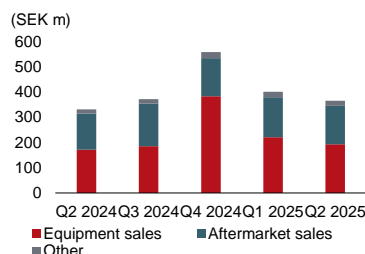
<sup>1</sup> Starting from Q1 2025 certain revenue and cost items were reclassified, with some effects on comparable numbers in for revenue, gross profit, SG&A and other income. For more details on this effect, please refer to p. 8.

# Germany

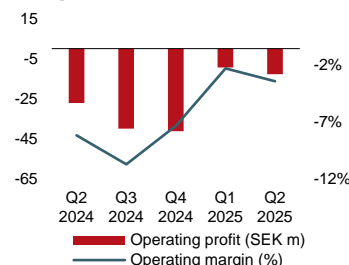
## Unit sales



## Revenue by activity



## Operating profit and operating margin



## Market and sales

The stagnation in the German economy continued during the quarter and is expected to persist for the remainder of the year, potentially followed by return to growth in 2026. The German government has announced plans to invest EUR 500bn on defence, infrastructure and green transition. Meanwhile, the ECB has cut interest rates by a further 25bps. The IFO business climate index and the PMI manufacturing improved slightly in July. Demand for trucks was nevertheless subdued during the quarter as many customers continued to postpone investments. New trucks registered in Germany decreased by 27%. In Ferronordic's sales area, registrations decreased by 38% Y-o-Y and represented approx. 18% of the total German market. While customers are cautious about renewing their fleets, they continue to actively operate and maintain their existing trucks, resulting in continued strong demand for service and parts. Ferronordic's sales of new trucks increased by 53% in units, to 155, and by 32% in kronor to SEK 180m. Inventories at the end of the quarter declined by 53% to SEK 218m, compared to SEK 461m at the end of the second quarter 2024. Service and parts sales increased by 6% to SEK 152m. Demand for service and parts remains strong, and Ferronordic plans to increase the number of qualified technicians to fully meet this demand.

## Revenue and operating result

Revenue in Germany increased by 10% to SEK 366m (332) in Q2 2025. Truck sales increased by 12%. Service and parts sales increased by 6% to SEK 152m. The gross margin increased by 2.3pp to 13.7% (11.4%).

Selling, general and administrative expenses decreased by 8% compared to Q2 2024 to SEK 62m (67). As a percentage of revenue, these expenses decreased to 16.9% (20.1). The operating margin increased to -3.5% (-8.2). The operating result increased to SEK -13m (-27).

## Cash flows and balance sheet

Working capital decreased to SEK 190m during the quarter as inventories and receivables declined while payables increased. Reduction in receivables included receipt of subsidies for electric trucks. As a percentage of revenue during the last 12 months, working capital decreased to 11% compared to 16% at the end of the first quarter. Cash flows from operating activities amounted to SEK 113m (13) in Q2 2025.

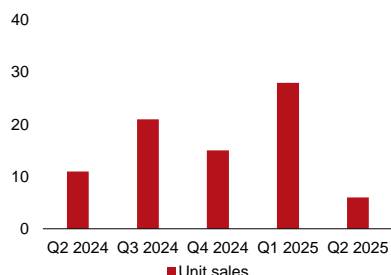
## 6M 2025

In 6M 2025, revenue in Germany remained largely unchanged at SEK 768m (771) with a gross margin of 13.8% (12.2). Operating profit amounted to SEK -22m (-39) with an operating margin of -2.9% (-5.1).

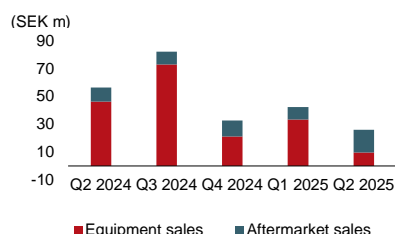
	2025 Q2	2024 Q2	% change	2025 6M	2024 6M	% change	2024 FY
New units	155	101	53%	303	258	17%	671
Used units	36	80	-55%	84	189	-56%	300
Revenue, SEK m	366	332	10%	768	771	0%	1,702
Gross profit, SEK m	50	38	33%	106	94	12%	149
Operating profit, SEK m	-13	-27	53%	-22	-39	43%	-120
Gross margin, %	13.7%	11.4%		13.8%	12.2%		8.7%
Operating margin, %	-3.5%	-8.2%		-2.9%	-5.1%		-7.0%
Working capital/LTM Revenue, %	11%	31%		11%	31%		23%

# Kazakhstan

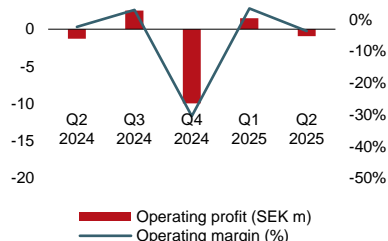
## Unit sales



## Revenue by activity



## Operating profit and operating margin



## Market and sales

Kazakhstan's economy continued to grow during the first six months of the year. Economic growth is expected to continue. Activity in the mining sector, however, where many of Ferronordic's large customers are active, has remained subdued during the year. Ferronordic estimates that the market for larger construction equipment (GPE segment) declined by 27% Y-o-Y during the quarter. Ferronordic has continued to reduce inventory and the stock level is now more balanced. During the quarter, sales of new machines in units decreased to 6 (11). Total inventory declined from SEK 80m at the end of the first quarter to SEK 68m at the end of the second quarter. Service and parts sales increased by 65%. In the quarter, the gross profit was negatively affected by a write down of parts in the amount of SEK 1m. Operating profit was negatively affected by severance cost in the amount of SEK 1m.

## Revenue and operating result

Total revenue in Kazakhstan decreased by 54% to SEK 26m (56). Equipment sales decreased by 79%, while service and parts sales increased by 65%. The gross margin improved to 24% (13.6). Gross profit declined to SEK 6m (8).

Selling, general and administrative expenses decreased by 35% but as a percentage of revenue, these expenses increased to 22.5% (16.1) on lower revenue. The operating result remained unchanged at SEK -1m (-1), implying an operating margin of -3.6% (-2.3).

## Cash flows and balance sheet

Working capital decreased to SEK 89m at the end of Q2 2025, compared to SEK 100m at the end of Q1 2025, as inventory declined more than payables. As a percentage of revenue, working capital was 49% at the end of Q2 2025, compared to 47% at the end of Q1 2025. Cash flows from operating activities increased to SEK 7m (-6).

## 6M 2025

Revenue during 6M 2025 decreased by 24% to SEK 68m (90). The gross margin increased to 17.7% (14.9). Operating profit increased by 111% to SEK 1m (-5). The operating margin improved to 0.8% (-5.2).

	2025 Q2	2024 Q2	% change	2025 6M	2024 6M	% change	2024 FY
New units	6	11	-45%	34	16	113%	52
Used units	5	12	-58%	8	17	-53%	35
Revenue, SEK m	26	56	-54%	68	90	-24%	205
Gross profit, SEK m	6	8	-18%	12	13	-9%	19
Operating profit, SEK m	-1	-1	25%	1	-5	111%	-12
Gross margin, %	24.0%	13.6%		17.7%	14.9%		9%
Operating margin adjusted, %	-3.6%	-2.3%		0.8%	-5.2%		-5.9%
Working capital/LTM Revenue, %	49%	18%		49%	18%		55%

## Condensed consolidated statement of comprehensive income

SEK m	Q2 2025	Q2 2024 <sup>1</sup>	6M 2025	6M 2024 <sup>1</sup>	FY 2024 <sup>1</sup>
<b>Revenue</b>	<b>1,088</b>	<b>1,115</b>	<b>2,294</b>	<b>2,361</b>	<b>4,880</b>
Cost of sales	-911	-930	-1,920	-1,957	-4,124
<b>Gross profit</b>	<b>177</b>	<b>185</b>	<b>374</b>	<b>404</b>	<b>755</b>
Selling expenses	-64	-63	-127	-130	-249
General and administrative expenses	-117	-130	-248	-259	-479
Other income	1	8	14	10	8
Other expenses	-2	-4	-4	-7	-14
<b>Operating profit</b>	<b>-5</b>	<b>-4</b>	<b>9</b>	<b>17</b>	<b>21</b>
Finance income	1	1	6	4	10
Finance costs	-31	-41	-68	-71	-147
Foreign exchange gains/(-losses) (net)	-15	35	-145	60	77
<b>Result before income tax</b>	<b>-49</b>	<b>-79</b>	<b>-197</b>	<b>10</b>	<b>-40</b>
Income tax	-2	-2	-4	-20	-50
<b>Result for the period</b>	<b>-51</b>	<b>-81</b>	<b>-201</b>	<b>-11</b>	<b>-89</b>
<b>Other comprehensive result</b>					
<i>Items that are or may be reclassified to profit or loss:</i>					
Foreign currency translation differences for foreign operations	-19	-21	4	-15	-39
<b>Other comprehensive result for the period, net of tax</b>	<b>-19</b>	<b>-21</b>	<b>4</b>	<b>-15</b>	<b>-39</b>
<b>Total comprehensive result for the period</b>	<b>-70</b>	<b>-102</b>	<b>-197</b>	<b>-26</b>	<b>-128</b>
<b>Earnings per share</b>					
Basic earnings per share (SEK)	-3.51	-5.56	-13.83	-0.73	-6.15
Diluted earnings per share (SEK)	-3.51	-5.56	-13.83	-0.73	-6.15

<sup>1</sup> Prior-year figures have been restated due to a reclassification of certain revenue and cost items. The reclassification had no impact on operating profit or net income. For more details on this effect, please refer to p. 8.

# Condensed consolidated statement of financial position

SEK m	30 Jun 2025	31 Mar 2025	31 Dec 2024	30 Jun 2024
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment	2,254	2,282	2,317	2,177
Intangible assets	223	229	248	241
Deferred tax assets	128	124	132	129
<b>Total non-current assets</b>	<b>2,606</b>	<b>2,636</b>	<b>2,697</b>	<b>2,547</b>
<b>Current assets</b>				
Inventories	967	1,115	1,253	1,466
Trade and other receivables	409	541	617	653
Prepayments	16	16	11	5
Cash and cash equivalents	185	232	363	208
<b>Total current assets</b>	<b>1,577</b>	<b>1,904</b>	<b>2,245</b>	<b>2,331</b>
<b>TOTAL ASSETS</b>	<b>4,183</b>	<b>4,540</b>	<b>4,941</b>	<b>4,879</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Share capital	1	1	1	1
Additional paid in capital	635	635	635	630
Translation reserve	-57	-38	-61	-6
Retained earnings	924	924	1,013	1,013
Result for the period	-201	-150	-89	-11
<b>TOTAL EQUITY</b>	<b>1,302</b>	<b>1,372</b>	<b>1,499</b>	<b>1,627</b>
<b>Non-current liabilities</b>				
Borrowings	833	1,064	958	628
Deferred income	6	6	7	4
Deferred tax liabilities	244	257	281	294
Long-term lease liabilities	33	33	37	49
<b>Total non-current liabilities</b>	<b>1,116</b>	<b>1,360</b>	<b>1,283</b>	<b>976</b>
<b>Current liabilities</b>				
Borrowings	978	939	1,318	1,178
Trade and other payables	758	834	794	1,051
Deferred income	5	7	11	12
Provisions	4	5	8	11
Short-term lease liabilities	21	23	28	23
<b>Total current liabilities</b>	<b>1,765</b>	<b>1,808</b>	<b>2,159</b>	<b>2,276</b>
<b>TOTAL LIABILITIES</b>	<b>2,881</b>	<b>3,168</b>	<b>3,442</b>	<b>3,251</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>4,183</b>	<b>4,540</b>	<b>4,941</b>	<b>4,879</b>

## Condensed consolidated statement of changes in equity

SEK m	Share capital	Additional paid in capital	Translation reserve	Retained earnings	Total equity
<b>Balance 1 January 2025</b>	<b>1</b>	<b>635</b>	<b>-61</b>	<b>924</b>	<b>1,499</b>
<b>Total comprehensive result for the period</b>					
Result for the period	-	-	-	-201	-201
<b>Other comprehensive result</b>					
Foreign exchange differences	-	-	4	-	4
<b>Total comprehensive result for the period</b>	-	-	4	-201	-197
<b>Contribution by and distribution to owners</b>					
Dividends	-	-	-	-	-
<b>Total contributions and distributions</b>	-	-	-	-	-
<b>Balance 30 June 2025</b>	<b>1</b>	<b>635</b>	<b>-57</b>	<b>723</b>	<b>1,302</b>

SEK m	Share capital	Additional paid in capital	Translation reserve	Retained earnings	Total equity
<b>Balance 1 January 2024</b>	<b>1</b>	<b>630</b>	<b>-22</b>	<b>1,013</b>	<b>1,622</b>
<b>Total comprehensive result for the period</b>					
Result for the period	-	-	-	-11	-11
<b>Other comprehensive result</b>					
Foreign exchange differences	-	-	16	-	16
<b>Total comprehensive result for the period</b>	-	-	16	-11	5
<b>Contribution by and distribution to owners</b>					
Dividends	-	-	-	-	-
<b>Total contributions and distributions</b>	-	-	-	-	-
<b>Balance 30 June 2024</b>	<b>1</b>	<b>630</b>	<b>-6</b>	<b>1,002</b>	<b>1,627</b>

## Condensed consolidated statement of cash flows

SEK m	Q2 2025	Q2 2024	6M 2025	6M 2024
<b>Cash flows from operating activities</b>				
Result before income tax	-50	-79	-198	10
Adjustments for:				
Depreciation and amortization	100	107	170	172
(Gain)/loss from impairment of receivables	2	-1	2	-
Finance costs	31	77	68	143
Finance income	-2	-37	-6	-77
Foreign exchange losses/(gains) (net)	16	35	144	-60
<b>Cash flows from operating activities before changes in working capital and provisions</b>	<b>96</b>	<b>101</b>	<b>180</b>	<b>188</b>
Change in inventories	113	206	159	28
Change in trade and other receivables	98	-21	123	-40
Change in prepayments	-	-	-5	-1
Change in trade and other payables	-28	33	62	334
Change in provisions	-2	-7	-4	-1
Change in deferred income	-3	-4	-7	-6
<b>Cash flows from operating activities before interest and tax paid</b>	<b>275</b>	<b>308</b>	<b>507</b>	<b>503</b>
Income tax paid	13	-	-1	-43
Interest paid	-26	-37	-59	-66
<b>Cash flows from operating activities</b>	<b>262</b>	<b>270</b>	<b>447</b>	<b>394</b>
<b>Cash flows from investing activities</b>				
Proceeds from sale of property, plant and equipment	33	7	34	7
Interest received	3	1	7	4
Acquisition of property, plant and equipment	-10	-182	-25	-418
<b>Cash flows from investing activities</b>	<b>26</b>	<b>-174</b>	<b>16</b>	<b>-407</b>
<b>Cash flows from financing activities</b>				
Proceeds from borrowings	21	-	21	-
Repayment of loans	-340	-98	-625	-197
Leasing financing paid	-7	-8	-14	-14
Warrant issue	-	-	-	-
<b>Cash flows from financing activities</b>	<b>-326</b>	<b>-106</b>	<b>-618</b>	<b>-211</b>
<b>Net change in cash and cash equivalents</b>	<b>-38</b>	<b>-10</b>	<b>-155</b>	<b>-224</b>
<b>Cash and cash equivalents at start of the period</b>	<b>232</b>	<b>217</b>	<b>363</b>	<b>426</b>
Effect of exchange rate fluctuations on cash and cash equivalents	-10	1	-24	6
<b>Cash and cash equivalents at end of the period</b>	<b>185</b>	<b>208</b>	<b>185</b>	<b>208</b>

## Parent company income statement

SEK m	Q2 2025	Q2 2024	6M 2025	6M 2024	FY 2024
<b>Revenue</b>	-	2	-	8	3
Cost of sales	-	-	-	-3	-3
<b>Gross profit</b>	-	2	-	4	-
Administrative expenses	-11	-18	-29	-40	-43
Other income	-	-	-	-	1
Other costs	-	-	-	-	-
<b>Operating profit</b>	<b>-11</b>	<b>-15</b>	<b>-29</b>	<b>-36</b>	<b>-42</b>
Finance income	20	39	45	78	141
Finance costs	-6	-13	-15	-23	-43
Foreign exchange gains/(-losses) (net)	-58	-17	-138	62	97
<b>Result after financial items</b>	<b>-56</b>	<b>-7</b>	<b>-137</b>	<b>81</b>	<b>153</b>
Tax allocation reserve	-	0	-	-	-31
<b>Result before income tax</b>	<b>-56</b>	<b>-7</b>	<b>-137</b>	<b>81</b>	<b>122</b>
Income tax	-	1	-	-11	-26
<b>Result for the period</b>	<b>-56</b>	<b>-5</b>	<b>-137</b>	<b>71</b>	<b>96</b>

Total comprehensive result for the period is the same as the Result for the period.

## Parent company balance sheet

SEK m	30 Jun 2025	31 Mar 2025	31 Dec 2024	30 Jun 2024
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment	-	-	-	-
Intangible assets	-	-	-	-
Financial assets				
Holdings in group companies	288	288	288	288
Loans to group companies	1,833	1,905	2,042	54
Deferred tax assets	-	-	-	6
Total financial assets	2,121	2,193	2,330	348
<b>Total non-current assets</b>	<b>2,121</b>	<b>2,193</b>	<b>2,330</b>	<b>348</b>
<b>Current assets</b>				
Trade and other receivables	16	21	22	44
Prepayments	3	-	-	-
Loans to group companies	-	-	-	2,077
Cash and cash equivalents	56	131	205	63
<b>Total current assets</b>	<b>74</b>	<b>151</b>	<b>277</b>	<b>2,183</b>
<b>TOTAL ASSETS</b>	<b>2,195</b>	<b>2,344</b>	<b>2,557</b>	<b>2,532</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Restricted equity				
Share capital	1	1	1	1
Unrestricted equity				
Share premium reserve	640	640	640	640
Retained earnings	1,380	1,380	1,283	1,283
Result for the period	-137	-81	96	71
<b>TOTAL EQUITY</b>	<b>1,884</b>	<b>1,940</b>	<b>2,020</b>	<b>1,995</b>
<b>Untaxed reserves</b>	<b>31</b>	<b>31</b>	<b>31</b>	<b>-</b>
<b>Non-current liabilities</b>				
Borrowings	143	332	413	481
<b>Total non-current liabilities</b>	<b>143</b>	<b>332</b>	<b>413</b>	<b>481</b>
<b>Current liabilities</b>				
Trade and other payables	41	41	37	55
Borrowings	95	-	55	-
<b>Total current liabilities</b>	<b>136</b>	<b>41</b>	<b>92</b>	<b>55</b>
<b>TOTAL LIABILITIES</b>	<b>280</b>	<b>373</b>	<b>506</b>	<b>536</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>2,195</b>	<b>2,344</b>	<b>2,557</b>	<b>2,532</b>

# Notes

## 1. Accounting policies

Ferronordic applies the IFRS® Accounting Standards as adopted by the EU. This report has been prepared in accordance with IAS 34, the Swedish Annual Accounts Act and recommendation RFR 2 (only parent company), issued by the Swedish Sustainability and Financial Reporting Standard Board.

The same accounting and valuation principles were applied in the preparation of this report as in the preparation of the 2024 annual report (regarding the 2024 financial year).

## 2. Determination of fair values

The basis for the determination of fair value of financial assets and liabilities is disclosed in note 5 in the 2024 annual report. The fair values of the Group's financial assets and liabilities approximate their respective carrying amounts.

## 3. Seasonal variations

Ferronordic's revenue and earnings are affected by seasonal variations in the construction industry in the US and in Kazakhstan. In the US business tends to be lower in the summer months. Rental conversion happens mainly in the 4<sup>th</sup> quarter. For Kazakhstan, the first quarter is typically the weakest for sales of machines as activity in construction projects is constrained during the winter months. On the other hand, the demand in aftermarket (sales of service and parts) is usually strong since many customers use the quiet period to service their machines. Demand is typically stronger and relatively even through the rest of the year. In Germany, seasonal trends are less significant.

## 4. Ferronordic AB (publ)

Ferronordic AB (publ) and its subsidiaries are sometimes referred to as the Group or Ferronordic. Ferronordic AB (publ) is also sometimes referred to as the Company. Any mentioning of the Board is a reference to the Board of Directors of Ferronordic AB (publ).

## 5. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker (CODM). The chief operating decision-maker, who is responsible for allocating resources and assessing the financial performance of the operating segments, has been identified as the Group Executive Management Team. The Group recognizes three separate reportable segments: *USA*, *Germany* and *Kazakhstan*. The segments are partly managed separately due to differences in markets, logistics, supply chains, products, customers and marketing strategies. For each segment, management reviews internal reports on at least a monthly basis. US sales are comprised of new and used construction and other equipment, aftermarket sales, rental and other services. Germany's sales are comprised of

new and used trucks, aftermarket sales, rental and other services. Kazakhstan's sales are comprised of new and used construction and other equipment, used trucks, aftermarket sales, rental and other services.

The accounting policies of the segments are the same as described in Note 6 of the annual report 2024. Group overhead costs, such as Group management costs, are allocated between the segments using principles set forth by the CODM. Information regarding the results of each segment is presented on page 6 of this report. The performance of each segment is mainly evaluated based on revenue, gross profit, gross margin, EBITDA, operating profit and operating margin, as included in internal management reports that are reviewed by the Group's Executive Management Team. The Group had no inter-segment revenues during the periods presented.

Information on Group segments is presented in the front part of this report.

## 6. Contingencies

The Parent Company has issued a number of pledged assets, all as security for obligations vis-à-vis suppliers and financial institutions. For more details, please refer to note 26 of the annual report 2024.

## 7. Related party transactions

There have been no significant changes in the relationships or transactions with related parties for the Group or the Parent Company compared with the information disclosed in the 2024 annual report.

## 8. Earnings per share

The calculation of earnings per share is based on the result attributable to the shareholders and is thus calculated as the result for the period divided by the average number of shares outstanding. Dilution can potentially follow from the Group's incentive program for its executive management, which includes warrants. For more information, please refer to Ferronordic's annual report for 2024.

**Result for the period, SEK m**

	<b>2025 Q2</b>	<b>2024 Q2</b>	<b>2025 6M</b>	<b>2024 6M</b>
<b>Result attributable to shareholders, SEK m</b>	<b>-51</b>	<b>-81</b>	<b>-201</b>	<b>-11</b>
Average number of shares during the period before dilution, thousand	14,532	14,532	14,532	14,532
<b>Earnings per share before dilution, SEK</b>	<b>-3.51</b>	<b>-5.56</b>	<b>-13.83</b>	<b>-0.73</b>
Dilution effect	-	-	-	-
Average number of shares during the period after dilution, thousand	14,532	14,532	14,532	14,532
<b>Earnings per share after dilution, SEK</b>	<b>-3.51</b>	<b>-5.56</b>	<b>-13.83</b>	<b>-0.73</b>

**9. Events after the reporting date**

Information regarding events after the reporting date is set out in the front part of this report (p. 6).

# Signatures

The Board of Directors and the Managing Director declare that the report for the second quarter of 2025 provides a true and fair overview of the Group's and the Parent Company's operations, financial position and performance, and describes material risks and uncertainties facing the parent company and the companies in the Group.

Stockholm, 14 August 2025

Lars Corneliusson  
Chairman

Aurore Belfrage  
Director

Annette Brodin Rampe  
Director

Niklas Florén  
Director

Håkan Eriksson  
Director

Peter Zonabend  
Director

Henrik Carlborg  
Managing Director

This report has not been reviewed by the Company's auditors

# Key ratios

## Financial information for individual quarters

The financial information below regarding individual quarters during the period 1 April 2023 – 30 June 2025, is collected from Ferronordic's interim reports for the relevant quarters.

## Key ratios

Certain key ratios in Ferronordic's interim reports are not defined according to IFRS.

The company considers these ratios to provide valuable supplementary information for investors and the company's management as they enable the assessment of relevant trends. Ferronordic's definitions of these measures may differ from other companies' definitions of the same terms. These ratios should therefore be seen as a supplement rather than as a replacement for measures defined according to IFRS. As the amounts in the tables below have been rounded off to SEK m, the calculations do not always add up due to rounding.

## Selected key group ratios

	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
SEK m (or as stated)	2023	2023	2023	2024 <sup>2</sup>	2024 <sup>2</sup>	2024 <sup>2</sup>	2024 <sup>2</sup>	2025	2025
Revenue	674	643	915	1,246	1,115	1,145	1,347	1,206	1,088
Gross profit	84	75	133	219	185	166	185	197	177
Gross margin, %	12.5%	11.7%	14.5%	17.6%	16.6%	14.5%	13.5%	16.3%	16.3%
Operating profit	-10	-28	-62	21	-4	2	2	13	-5
Operating margin, %	-1.5%	-4.4%	-6.8%	1.8%	-0.3%	0.1%	0.2%	1.1%	-0.4%
Result for the period	64	-89	-89	70	-81	-88	9	-150	-51
Earnings per share, SEK <sup>1</sup>	4.41	-6.16	-6.11	4.83	-5.56	-6.07	0.65	-10.32	-3.51
Working capital/LTM Revenue, %	20%	20%	20%	20%	21%	22%	23%	17%	13%
Cash flow from operations	40	-88	147	124	270	427	-480	185	262
Equity/total assets, %	62%	62%	34%	33%	33%	31%	30%	30%	31%
Return on equity, LTM%	23%	-2%	-6%	-2%	-7%	-12%	-6%	-20%	-19%
Return on capital employed, LTM%	11%	-1%	-3%	-2%	-2%	-1%	1%	1%	1%

<sup>1</sup> Before dilution. <sup>2</sup> Prior-year figures have been restated due to a reclassification of certain revenue and cost items. However, this had no impact on operating profit or net income. For more details, please refer to p. 8.

## USA

	Q2	Q3	Dec	Q1	Q2	Q3	Q4	Q1	Q2
SEK m (or as stated)	2023	2023	2023	2024 <sup>2</sup>	2024 <sup>2</sup>	2024 <sup>2</sup>	2024 <sup>2</sup>	2025	2025
Revenue	-	-	308	773	727	690	783	762	695
Gross profit	-	-	82	156	140	144	148	135	121
Gross margin, %	-	-	26.6%	20.2%	19.2%	20.8%	19.0%	17.7%	17.3%
Operating profit	-	-	25	60	51	53	65	48	26
Operating margin, %	-	-	8.0%	8.6%	7.3%	7.7%	9%	6.3%	3.8%
Working capital/LTM Revenue, %	-	-	17%	13% <sup>1</sup>	15% <sup>1</sup>	19% <sup>1</sup>	21%	17%	14%

<sup>1</sup> Based on annualized revenue for Ferronordic's US operations calculated as 9m 2024 / 9 x 12 <sup>2</sup> Prior-year figures have been restated due to a reclassification of certain revenue and cost items. However, this had no impact on operating profit or net income. For more details, please refer to p. 8.

## Germany

	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
SEK m (or as stated)	2023	2023	2023	2024	2024	2024	2024	2025	2025
Revenue	595	574	555	439	332	372	559	402	366
Gross profit	73	66	47	57	38	14	40	56	50
Gross margin, %	12.3%	11.5%	8.4%	12.9%	11.4%	3.7%	7.2%	13.9%	13.7%
Operating profit	2	-16	-62	-12	-27	-40	-41	-9	-13
Operating margin, %	0.3%	-2.8%	-11.1%	-2.7%	-8.2%	-10.7%	-7.3%	-2.3%	-3.5%
Working capital/LTM Revenue, %	21%	22%	26%	30%	31%	27%	23%	16%	11%

## Kazakhstan

	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
SEK m (or as stated)	2023	2023	2023	2024	2024	2024	2024	2025	2025
Revenue	80	69	52	34	56	82	33	42	26
Gross profit	11	9	5	6	8	9	-3	6	6
Gross margin, %	14.4%	13.7%	8.9%	17.1%	13.6%	10.4%	-10.5%	13.9%	24.0%
Operating profit	7	-	-6	-3	-1	3	-10	1	-1
Operating margin, %	8.6%	0.4%	-10.7%	10.2%	-2.3%	3.1%	-30.5%	3.5%	-3.6%
Working capital/LTM Revenue, %	32%	23%	24%	29%	18%	27%	55%	47%	49%

## Net debt

	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
SEK m	2023	2023	2023	2024	2024	2024	2024	2025	2025
Long term borrowings	70	69	671	610	628	999	958	1,064	833
Long term lease liabilities	57	51	59	53	49	34	37	33	33
Short term borrowings	437	428	1,024	1,071	1,178	1,080	1,318	939	978
Short term lease liabilities	24	23	22	26	23	40	28	23	21
<b>Total interest bearing liabilities</b>	<b>588</b>	<b>571</b>	<b>1,776</b>	<b>1,759</b>	<b>1,878</b>	<b>2,153</b>	<b>2,340</b>	2,058	1,864
Cash & cash equivalents	1,127	950	426	217	208	360	363	232	185
Net debt / (cash)	-539	-378	1,349	1,542	1,671	1,792	1,978	1,826	1,679
Net debt / EBITDA (times)	-1.5	-18.4	-214.7	21.0	9.4	6.6	5.2	4.8	4.5

## Working capital

	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
SEK m	2023	2023	2023	2024	2024	2024	2024	2025	2025
Inventory	718	699	1,443	1,687	1,466	1,363	1,253	1,115	967
Trade and other receivables	263	315	630	678	653	496	617	541	409
Prepayments	9	3	6	8	5	12	11	16	16
Trade and other payables	509	470	997	1,283	1,051	827	794	834	758
Deferred income	9	8	8	8	12	10	11	7	5
Provisions	-	-	12	18	11	10	8	5	4
<b>Working capital</b>	<b>472</b>	<b>538</b>	<b>1,063</b>	<b>1,062</b>	<b>1,049</b>	<b>1,026</b>	<b>1,068</b>	<b>825</b>	<b>625</b>
Revenue LTM	2,422	2,653	5,313	5,314	4,938	4,712	4,720	4,754	4,813
Working capital / Revenue (%)	20%	20%	20%	20%	21%	22% <sup>1</sup>	23%	17%	13%

<sup>1</sup> Q1-Q3 2024 based on annualized revenue for Ferronordic's US operations calculated as 9m 2024 / 9 x 12.

## Capital employed

	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
SEK m	2023	2023	2023	2024	2024	2024	2024	2025	2025
Long term interest bearing liabilities	127	120	730	663	677	1,033	1,050	1,097	866
Short term interest bearing liabilities	461	451	1,046	1,096	1,201	1,120	1,291	961	998
Shareholder equity	1,822	1,750	1,622	1,698	1,627	1,483	1,499	1,372	1,302
<b>Capital employed</b>	<b>2,411</b>	<b>2,322</b>	<b>3,397</b>	<b>3,457</b>	<b>3,505</b>	<b>3,636</b>	<b>3,839</b>	<b>3,430</b>	<b>3,166</b>
Average capital employed	2,760	2,974	3,001	3,117	2,958	2,979	3,618	3,443	3,336
EBIT	277	-66	-115	-80	-84	-43	21	14	13
Interest income	17	25	31	29	30	15	10	11	11
Result LTM	293	-41	-84	-51	-53	-29	30	25	24
Return on capital employed (%)	11%	-1%	-3%	-2%	-2%	-1%	1%	1%	1%

## Return on equity

	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
SEK m	2023	2023	2023	2024	2024	2024	2024	2025	2025
Shareholder equity	1,822	1,750	1,622	1,698	1,627	1,483	1,499	1,372	1,302
Average equity	1,781	1,929	1,748	1,792	1,725	1,617	1,560	1,535	1,464
Net result LTM	416	-39	-107	-44	-125	-188	-89	-310	-280
Return on equity (%)	23%	-2%	-6%	-2%	-7%	-12%	-6%	-20%	-19%

## Alternative key ratios not defined by IFRS

**EBITDA:** Operating profit activities excluding depreciation, amortization. Provides a measurement of the result from the ongoing business. In financials before and including 2016, certain write-downs of assets were excluded from EBITDA.

**EBITDA margin:** EBITDA in relation to revenue. Relevant key ratio in evaluating the Group's value creation.

**Net debt / (Net cash):** Interest-bearing liabilities (including lease liabilities) less cash and cash equivalents. Provides a measurement for the Group's net debt position.

**Net debt / EBITDA:** Net debt / (net cash) in relation to EBITDA for the last twelve months. Shows to what extent EBITDA covers net debt. Used to evaluate financial risk.

**New units sold:** Number of new machines and trucks sold. Used to measure and compare number of new units sold during relevant period.

**Operating profit:** Result before financial items and taxes. Provides a measurement of the result from the ongoing business.

**Operating margin:** Operating profit in relation to revenue. Relevant key ratio in evaluating the Group's value creation.

**Revenue growth:** Growth in revenue compared to the same period last year, expressed in percentage. Used for comparison of growth between periods as well as comparisons with the market as a whole and with the company's competitors.

**Gross margin:** Gross profit in relation to revenue. Provides a measurement of the contribution from the ongoing business.

**Capital employed:** Total equity and interest-bearing liabilities. Shows the capital invested in the Group's business.

**Return on capital employed:** Adjusted EBIT plus financial income (for the last twelve months) in relation to capital employed (average during the last twelve months). Shows how effectively the capital employed is used.

**Return on equity:** Net income (for the last twelve months) in relation to shareholders' equity (average during the last twelve months). Net income is calculated before dividends to common shareholders but after dividends to preferred shareholders.

**Working capital:** Current assets excluding cash and cash equivalents, less non-interest bearing current liabilities. Shows the amount of working capital tied up in the ongoing business.

**Working capital/Revenue:** Working capital in relation to revenue during the last twelve months. Shows how effective the working capital is used in the business.

## Abbreviations

Approx.	Approximately
CEO	Chief Executive Officer
EUR	Euro
FY	Full year
IFRS	International Financial Reporting Standards
Q1, Q2, Q3, Q4	First, second, third and fourth quarter
SG&A	Selling expenses, general and administrative cost
SEK	Swedish krona
SEK m	Million Swedish krona
vs	Versus
LTM	Last twelve months
VCE	Volvo Construction Equipment
6M, 9M, 12M	6 months, 9 months, 12 months

# This is Ferronordic

Ferronordic is a service and sales company in the areas of construction equipment and trucks. It is the dealer for Volvo CE in all or parts of nine states in the United States and represents Hitachi, Sandvik, Link-Belt Cranes and Bergmann in all or parts of the same area. Ferronordic is dealer of Volvo Trucks and Renault Trucks in Germany and dealer of Volvo

CE and certain other brands in Kazakhstan. Ferronordic began its operations in 2010 and currently has 37 outlets and approx. 800 employees. Ferronordic's vision is to be the leading service and sales company in its markets. The shares in Ferronordic AB (publ) are listed on Nasdaq Stockholm. [www.ferronordic.com](http://www.ferronordic.com)

## Vision

Ferronordic's vision is to be the leading service and sales company in its markets.

## Mission

The company's mission is to support the leadership and growth of its customers.

## Values

Quality, excellence and respect.

## Strategic objectives

- Leadership in the market for construction equipment and trucks
- Service and parts absorption rate of at least 1.0 x
- Expansion into related business areas
- Geographic expansion
- Industry leading digital service and sales platforms
- Expansion and development of sustainable transport services

## Strategic cornerstones

- Customer centricity
- Great team
- Building on strong brands
- Operational excellence

## Investment case highlights

- Robust and scalable business model
- Strong brand portfolio and OEM relationships
- Sustainability integrated part of business model
- Positioned to benefit from trends in
  - Electrification
  - Infrastructure investment
  - Shared asset models
- Poised for organic growth and bolt-on acquisitions
  - US - Strong market with growth potential
  - Germany - Turnaround that will capture recovery
  - Network, brand and product extension opportunities
- Open for strategic M&A
- Experienced management to execute

## About this report

### Forward-looking statements

Some statements in this report are forward looking and the actual outcomes could be materially different. In addition to the factors explicitly discussed, other factors could have a material effect on the actual outcomes.

### Language

In the event of inconsistency or discrepancy between the English and the Swedish version of this publication, the Swedish version shall prevail.

### Totals and roundings

Totals quoted in tables and statements may not always be the exact sum of the individual items because of rounding differences. The aim is that each line item should correspond to its source and rounding differences may therefore arise.

*This information is information that Ferronordic AB Volvo (publ) is obliged to make public pursuant to the EU Market Abuse Regulation and the Securities Markets Act. The information was submitted for publication, through the agency of the contact person set out below, at 07:30 CEST on 14 August 2025.*

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## Financial calendar

Interim report July – September 2025 – 13 November 2025

### Conference call

A presentation for investors, analysts and media will be held on 14 August 2025 at 10:00 CET and is accessible at [www.ferronordic.com](http://www.ferronordic.com).

To participate via teleconference, please register on the link below.

<https://conference.inderes.com/teleconference/?id=5006327>

To participate via webcast, please use the link below.

<https://ferronordic.events.inderes.com/q2-report-2025>

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## Contacts

### For investors, analysts and media:

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