

Interim report 1 January – 30 June 2025

Stockholm 14 August 2025

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

SECOND QUARTER 2025

- Revenue decreased by 2% to SEK 1,088m (1,115)
- Operating result decreased to SEK -5m (-4)
- Operating margin decreased to -0.4% (-0.3)
- The result for the period increased to SEK -51m (-81)
- Basic earnings per share¹ amounted to SEK -3.51 (-5.56)
- Cash flows from operating activities amounted to SEK 262m (270)

JANUARY - JUNE 2025

- Revenue decreased by 3% to SEK 2,294m (2,361)
- Operating result decreased to SEK 9m (17)
- Operating margin decreased to 0.4% (0.7)
- The result for the period decreased to SEK -201m (-11)
- Basic earnings per share¹ amounted to SEK -13.83 (-0.73)
- Cash flows from operating activities amounted to SEK 447m (394)

SEK m (or as stated)	2025 Q2	2024 Q2 ²	%	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	-49%	21
Result for the period	-51	-81	37%	-201	-11	-1,795%	-89
Earnings per share, SEK ¹	-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%

¹ Before dilution. ² 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 p8 in the report.

Henrik Carlborg, President and CEO, comments:

I took over as CEO in mid-May. It has been exciting to spend time with colleagues, customers and partners in my new role. I am impressed by our teams and am even more convinced that we will achieve our objectives.

Despite uncertainty in the US and persistent stagnation in Germany, our total sales and cash flow were stable. Operating profit was negative at SEK -5 due to lower contribution from the US. Not because of softening markets, but mainly because of our own measures to improve and grow the business going forward. In Germany, the result improved but remained negative. The main priority here is to continue increasing the number of technicians to fully meet the demand from our customers. We also continued to optimize the Group's inventories – which are now generally balanced – and to reduce debt. Financing costs decreased, positively impacting the net result.

In the US, demand was holding, and customers were generally optimistic. The passing of the "The Big Beautiful Bill" in July removed uncertainty on the future of tax incentives for investments, supporting demand going forward. Tariffs remain an uncertainty but currently we do not foresee that they affect us worse than others. The market in our territory increased by 10% in the quarter. Revenue declined by 4% in kronor but increased 4% in dollar. Gross profit was negatively affected by a write-down of parts by SEK 5m, as well as a sale of low-utilization machines from the rental fleet at a SEK 2m loss. Some expenses were also high, and

we are taking action to address this. Operating profit declined to SEK 26m, which we are not happy with.

In Germany, the economy remained gloomy. The truck market declined by 27%. We gained market share and increased sales of new trucks by 53% in units. Service and parts sales increased by 6%, which was positive but not enough. Revenue increased by 10% in kronor and 12% in euro. Gross margin improved and gross profit rose by 33% - but expenses declined. Operating profit was SEK -13m, 53% better than last year.

In Kazakhstan, market activity in the mining segment was low. Revenue decreased by 54% but gross margin improved. Operating result was SEK -1m, including severance costs of SEK 1m.

We remain optimistic about our operations in the US and the long-term opportunities there. We expect activity in the infrastructure sector to remain high. We see opportunities to further develop and expand our operations in the US.

In Germany, demand for trucks remains low while demand for service and parts remains relatively high. We have adjusted our cost base and our inventories and are in a good position for the future.

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



About 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 and Link-Belt in parts of the same area. Ferronordic is dealer of Volvo Trucks, 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

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Financial calendar

Interim report April – June 2025 – 14 August 2025
Interim report July – September 2025 – 13 November 2025

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