

Company Presentation

August 2025

Ferronordic as an investment

- 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

▪ Value creation and dividend potential

▪ Stronger balance sheet

▪ Improving cashflows

▪ Growth and margin

Introduction to Ferronordic



Group

- Founded in 2010
- Listed on Nasdaq Stockholm in 2017



Kazakhstan

- Dealer of Volvo CE in Kazakhstan from January 2019
- Dealer of Mecalac in Kazakhstan from January 2019
- Sales of new and used construction equipment
- Service and technical support



USA

- Rudd Equipment Company is the authorized dealer of Volvo CE in all or parts of nine states in eastern USA
- The company also represents other brands such as Hitachi, Sandvik, Link-Belt Cranes and Bergmann
- Sales of new and used construction and other equipment
- Service and technical support
- Rental business



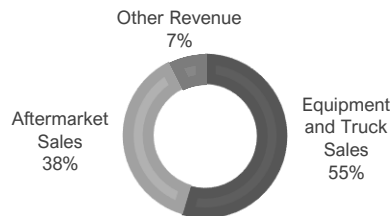
Germany

- Dealer of Volvo and Renault Trucks in parts of Germany from January 2020
- Sales of new and used trucks
- Service and technical support
- Rental business
- Growing electric rental business and sustainable transport solutions

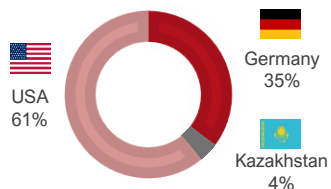
Introduction to Ferronordic

Development			
2010 (Start)	Employees ~160	Revenue (SEKm)¹ 1,184	Outlets 6
Q2 2025	Employees 796	Revenue (SEKm) 4,813	Outlets 37

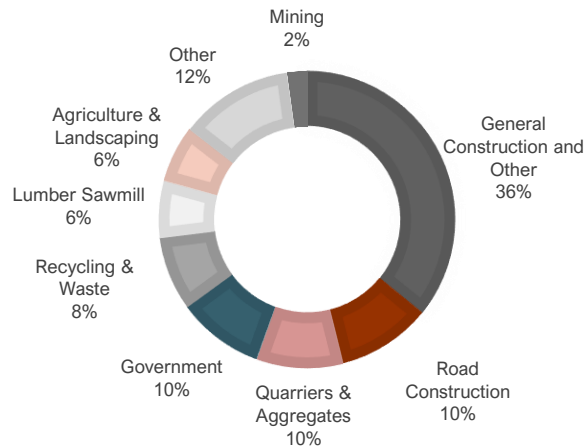
Revenue by activity (LTM)



Revenue by segment (LTM)



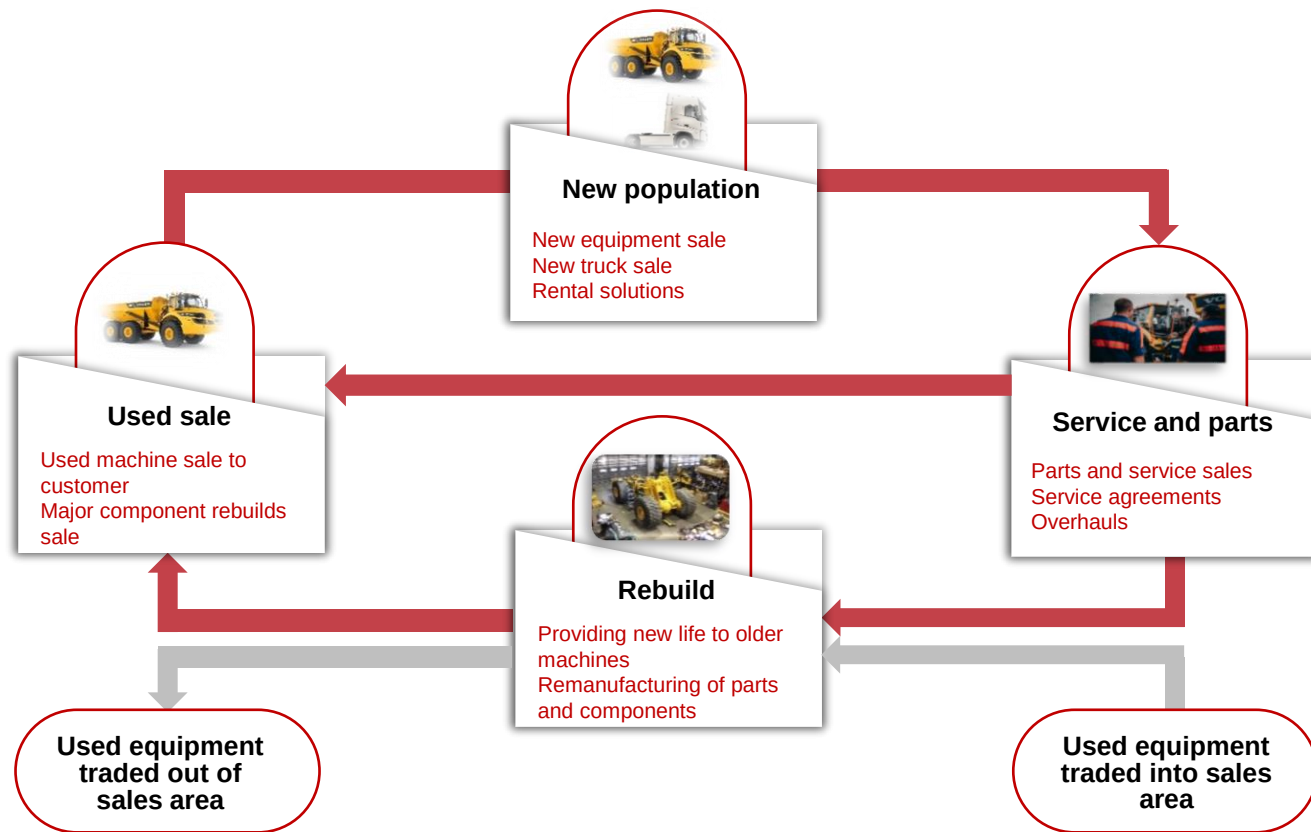
Revenue by industry - US (2024)



1) Annualized last twelve months (LTM).



Business model



Vision, values and strategic cornerstones



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**

**Sustainable
transport services**

**Industry leading digital
service and sales platforms**

Geographic expansion

Strategic cornerstones

Great team

- Work towards common goals
- Take initiative regardless of rank or position
- Fast-paced, dynamic, determined to create value
- Mutual trust, dialogue and openness

Operational excellence

- Safety and sustainability
- Continuous improvement of practices and processes
- Business driven digital service and sales processes
- Close cooperation with manufacturers
- High employee engagement

Customer centricity

- Support customers' growth
- Leading service and product availability
- Tailored customer solutions (including sustainable transport solutions and other business services)

Building on strong brands

- World-leading manufacturers of construction equipment and trucks
- Premium products – highest safety, minimal environmental impact
- Leading brand positions
- Broad & customized solutions

Building on a great team



Experienced
management

Agile sales
teams

Top industry
technicians

Flat & flexible
organization

Building on strong brands



Volvo CE

Since
1985 USA
2019 Kazakhstan

Product range
Full VCE range

Market
USA
Kazakhstan



Volvo Trucks

Since
2020

Product range
Full Volvo Trucks
range

Market
Germany



Renault Trucks

Since
2020

Product range
Full Renault Trucks
range

Market
Germany



Hitachi

Since
1987

Product range
Excavators and
rigid haulers

Market
USA



Link-Belt Cranes

Since
1980s

Product range
Telescopic and
lattice boom cranes

Market
USA



Sandvik

Since
1970s

Product range
Surface
drill rigs

Market
USA



Bergmann

Since
2020

Product range
Compact
haulers

Market
USA



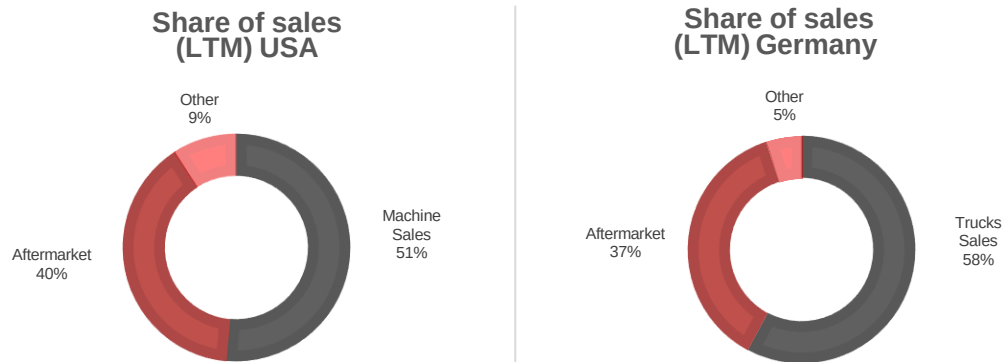
Mecalac

Since
2019

Product range
Backhoe
loaders

Market
Kazakhstan

Aftermarket focus



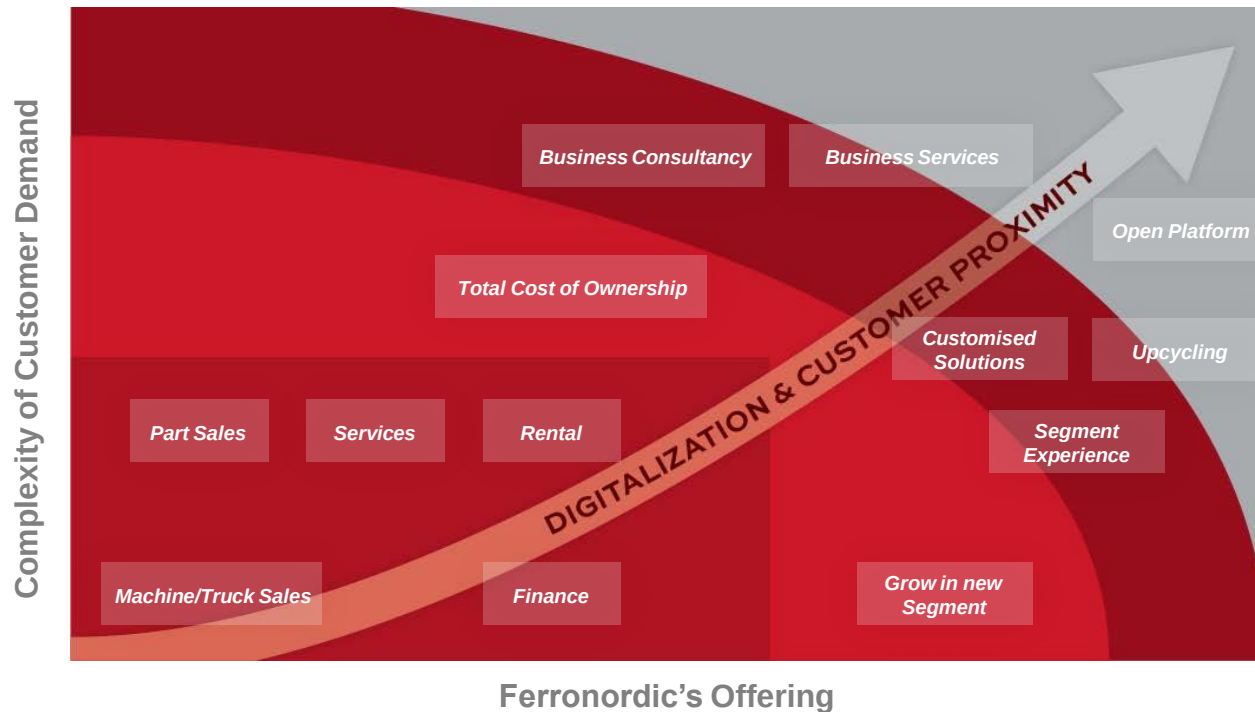
Aftermarket sales

- Proactive customer coverage based on real-time data from the existing machine population
- Proprietary system transforms machine telematic signals (e.g. VCE's CareTrack) into sales leads on the mobile devices of sales and service staff
- Ferronordic's dense service networks across our sales areas in US, Germany and Kazakhstan allow for fast delivery of parts and timely customer support

Offering

- Spare parts delivery
- Telematics - through Care-Track; fuel efficiency control, operator efficiency, fleet management
- Operator training
- Preventive maintenance service
- Planned and unplanned repair
- Overhaul
- Providing new life to older machines
- Diagnostics of machines
- Remanufacturing of vital parts

Moving toward further customer integration



Automatic Lead Generation



Machine data



Rules engine



Sales leads



Sales action



Follow up

Sustainability at Ferronordic

- Double materiality analysis conducted in 2024
- Preparations for European Sustainability Reporting Standards (ESRS) reporting in line with Corporate Sustainability Reporting Directive (CSRD)
- Footprint and impact analysis underway to set sustainability objectives

16 out of 22 workshops in Germany were certified for renewable energy in 2023

In Germany, e-trucks accounted for 1.5% of new truck sales (in units) in 2024

ESG focus areas

Environment

- Helping customers decarbonize
- Driving operational efficiency
- Contributing to a circular economy
- Building the infrastructure

Social

- Focus on health and safety
- Training and development

Key industry trends

Green transition



Important strategy to reduce CO₂ emissions and to transform the mobility industry

Infrastructure investments



Demand for investments driven by need to upgrade existing infrastructure and by new technologies

Equipment-as-a-Service



Business model where trucks and equipment are offered to customers on flexible rental, subscription or pay-per-unit of transportation basis

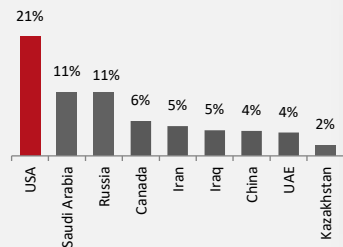
USA

World's second largest market for construction equipment

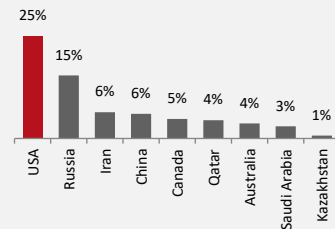
US at a glance

- Population: ~335 million¹
- Area: 9.8 million sq. km
- World's largest economy with 2024 GDP of USD 29tn²
- Accounts for approx. one-fourth of global output, one-tenth of global trade flows, one-fifth of global FDI stock and one-fifth of global energy demand
- The US dollar is the most widely used currency in international transactions and is the world's reserve currency
- Largest producer of oil & gas as well as other commodities
- World's largest gold reserves of 8,133 tonnes³

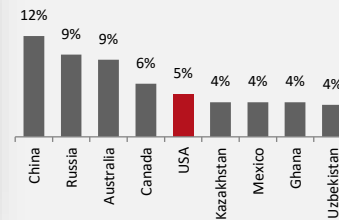
Oil production (% of total)⁴



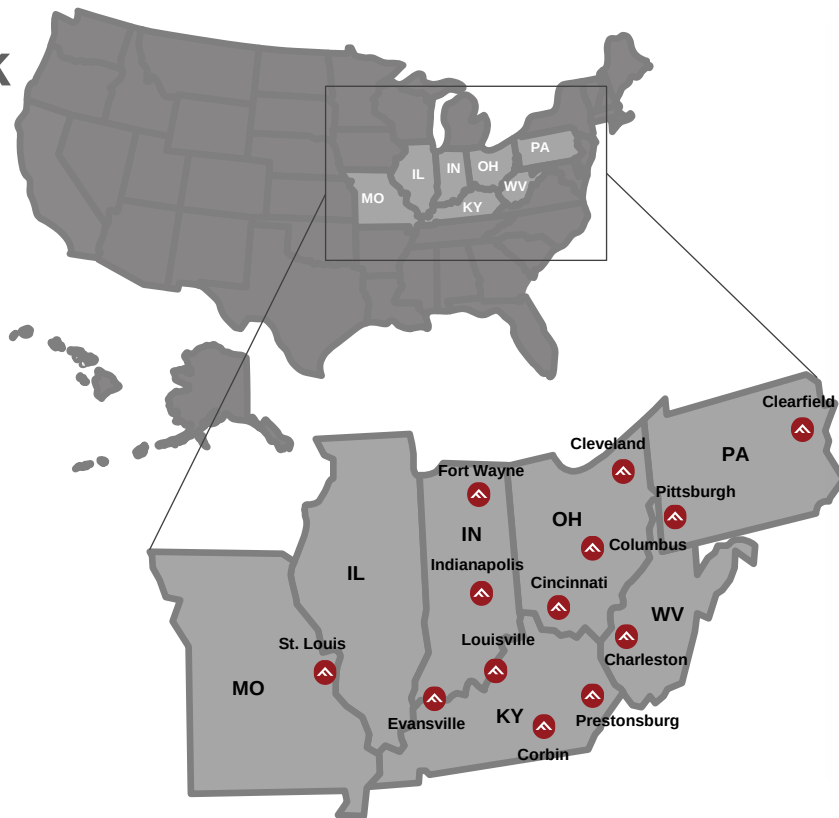
Gas production (% of total)⁴



Gold production (% of total)⁵

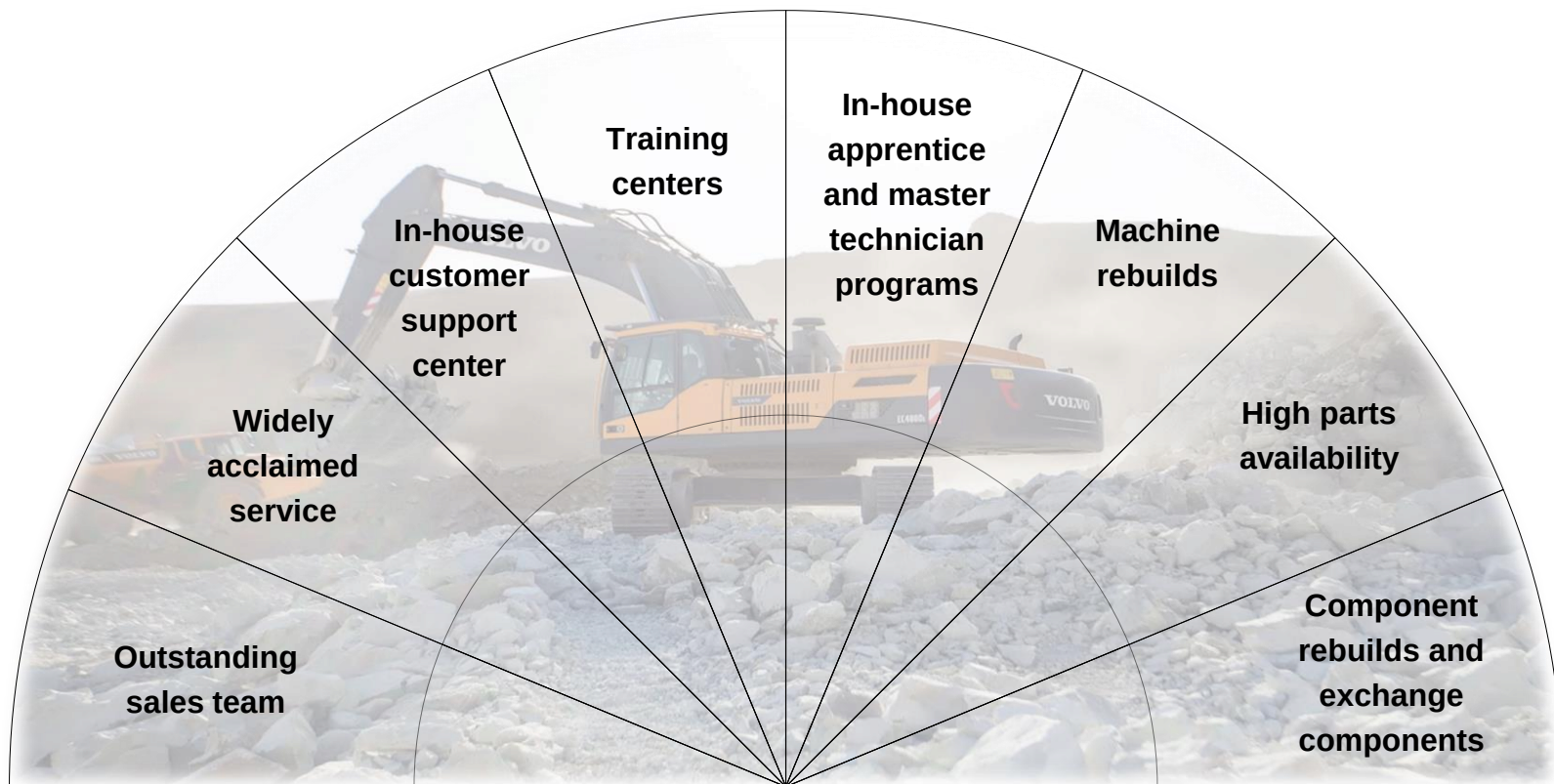


USA Network

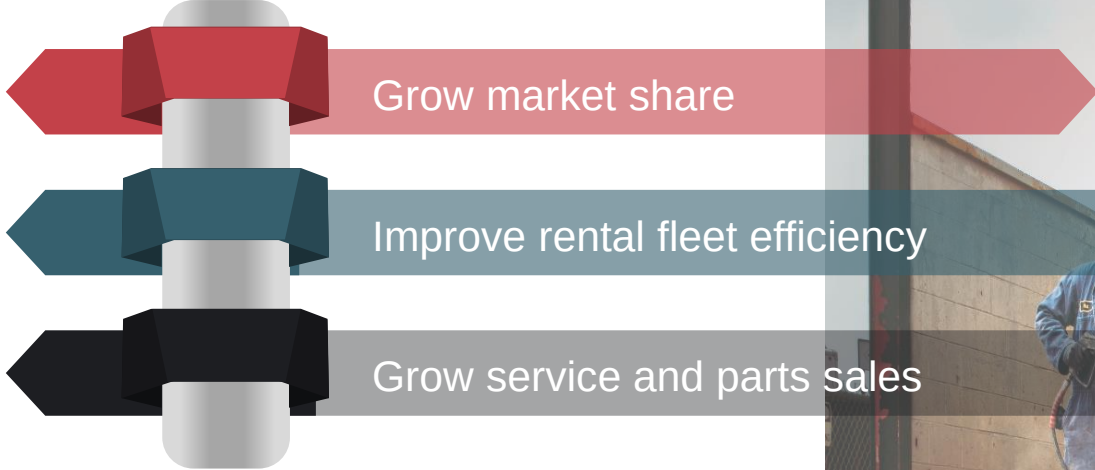


- In November 2023 Ferronordic acquired 100% of the shares in the Rudd Equipment Company
- Rudd is one of the largest distributors of Volvo CE as well as other strong brands such as Hitachi, Sandvik, Link-Belt Cranes and Bergmann
- The company's sales area for Volvo CE covers all or parts of nine states: Kentucky; West Virginia (partly); Ohio; Indiana (partly); Western Pennsylvania; Eastern Missouri; Southern Illinois and several counties in Tennessee and Maryland
- US is the world's second largest market for construction equipment with substantive infrastructure investment programs
- In 2024, the total market for Volvo Construction Equipment products (GPE) in Rudd's sales area amounted to 3,770 units

What makes Rudd special?



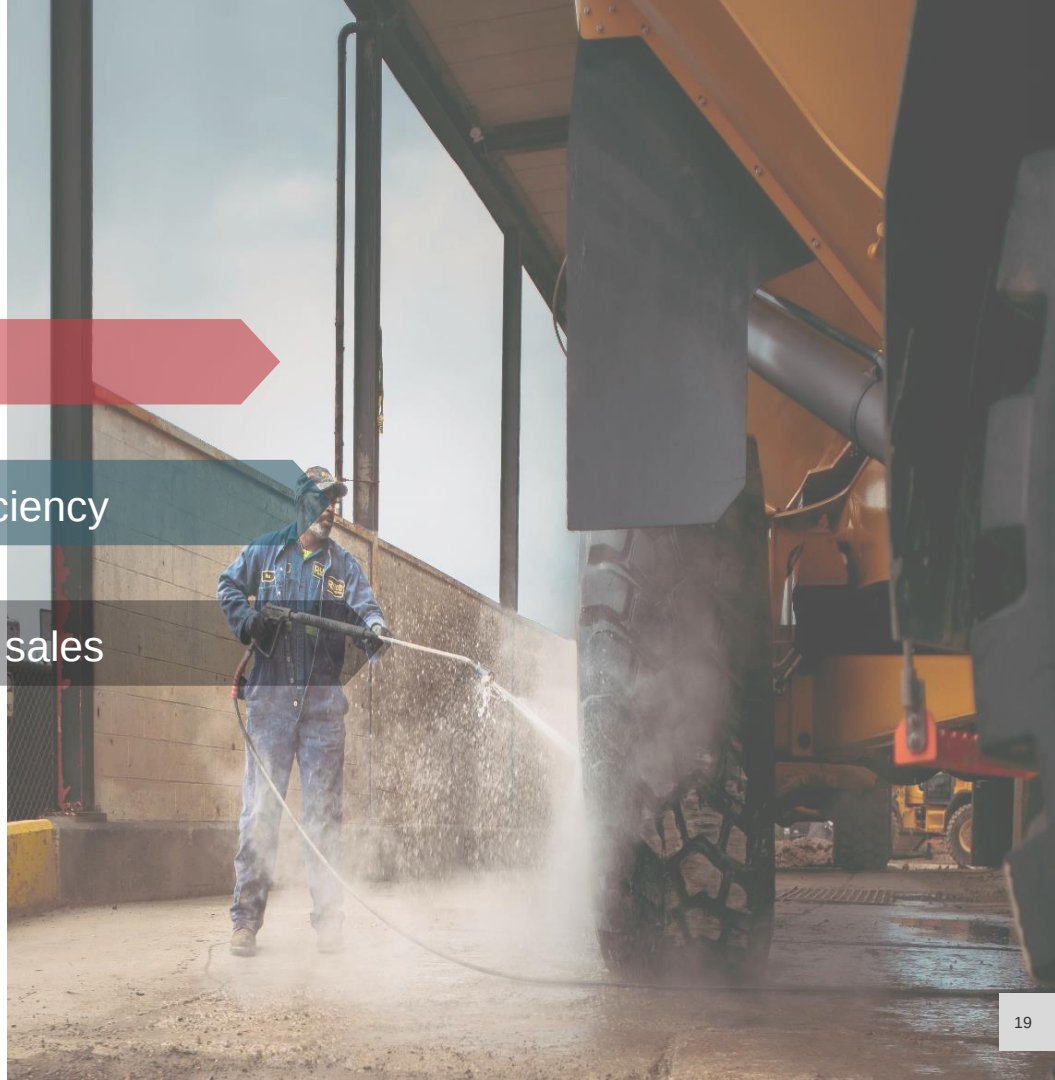
Growth opportunities



Grow market share

Improve rental fleet efficiency

Grow service and parts sales



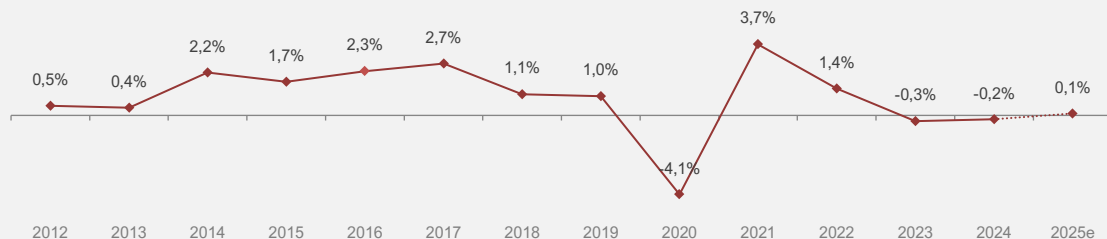
Germany

Europe's largest truck market

Germany at a glance

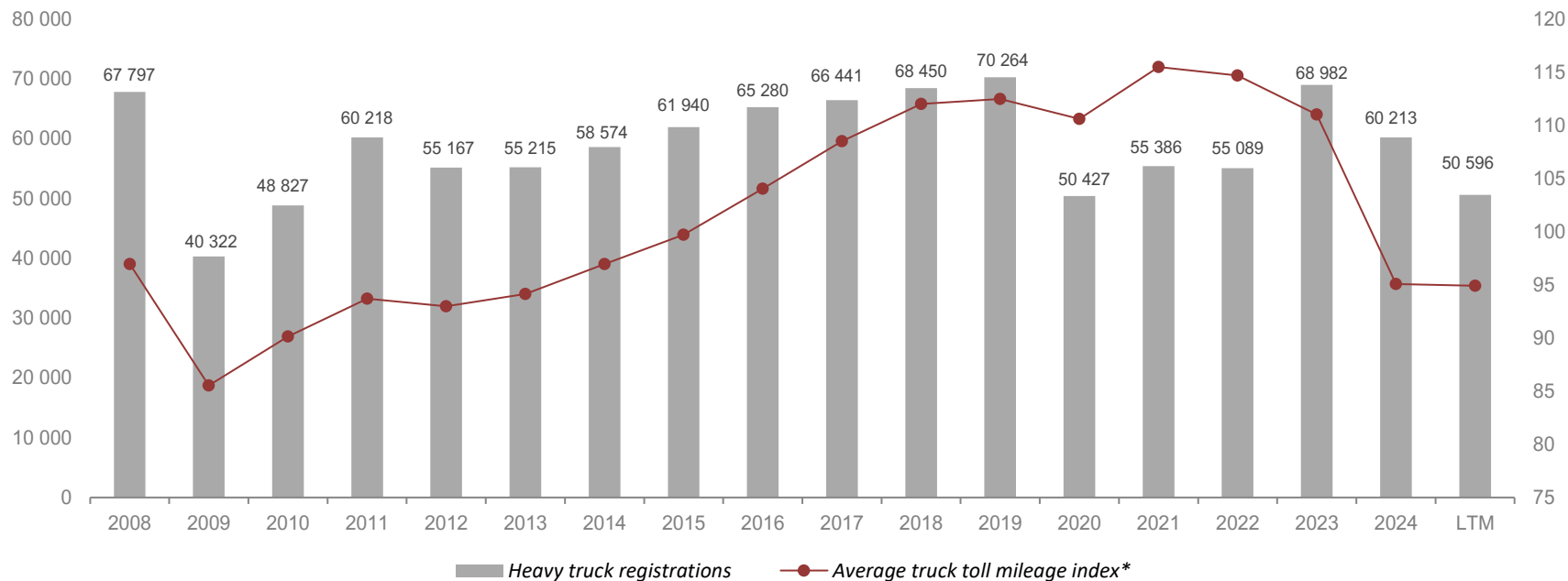
- Population: ~84 million¹
- World's 3rd largest exporter in the world with exports over EUR 1.5tn¹
- World's 3rd largest economy with 2024 GDP of USD 4.7tn²
- Accounts for approx. one-fourth of EU total GDP
- Accounts for approx. one-third of EU total industrial production
- Europe's key logistics hub, shaped by its geographical location, economic strength and advanced infrastructure
- Strong focus on green transition and emobility

German GDP development²



German truck market

Heavy truck registrations in Germany (units)



Sources: Germany registrations data compiled by Volvo Trucks (until June 2025). Federal Statistical Office Germany (Destatis).

* Truck toll mileage index is a fixed base index that traces the development of the mileage of heavy trucks (with four or more axles) on German federal motorways and is calculated from digital process data from the truck toll collection system.

Germany

Network



- Ferronordic expanded to become dealer for Volvo and Renault Trucks in Germany in January 2020
- Germany is Europe's largest trucks market with 60,000 registrations in 2024
- Ferronordic's sales area covers approx. 18% of the German market for heavy trucks
- Expansion of service network and integration of acquired workshops mainly completed
- Professional teams for service, sales and support
- Service organization well positioned for growth
- Potential for substantial increase of market share and population growth

Strategy

1

Expand and improve the dealer network in our sales area

2

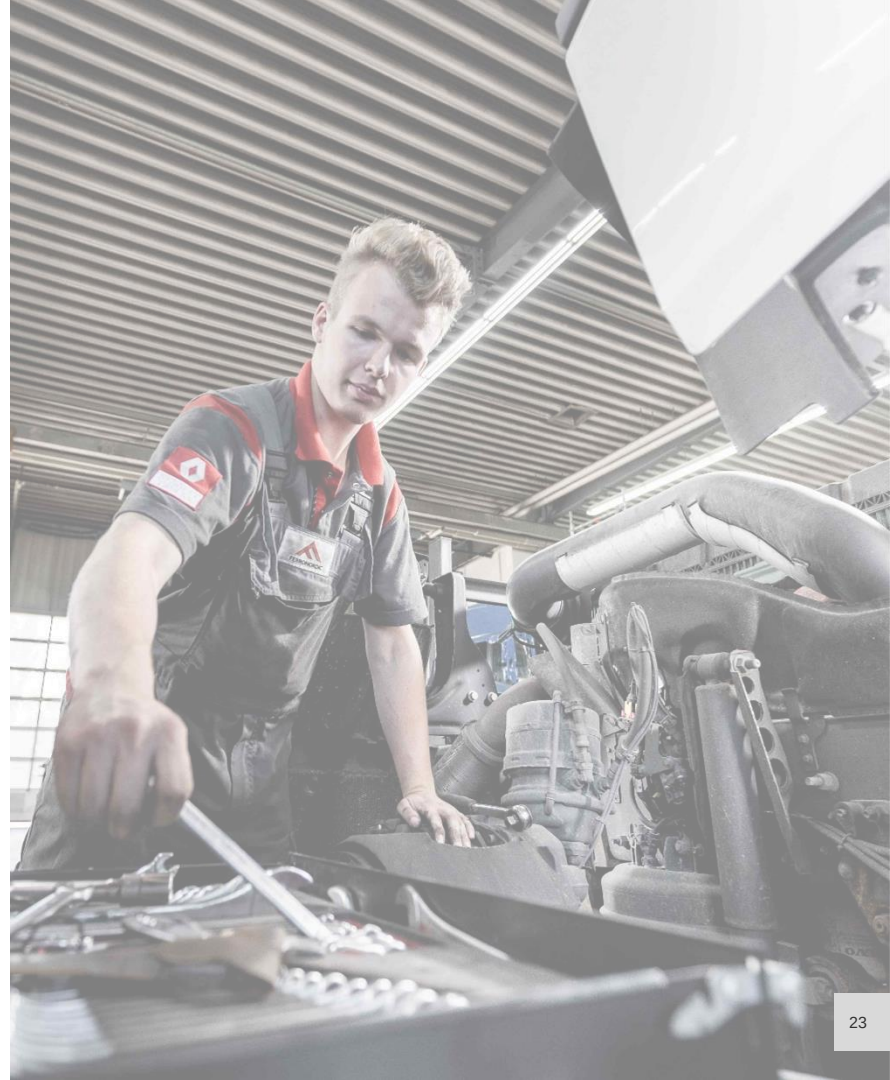
Take full control of service and parts sales in our sales area

3

Grow market share and population

4

Increase efficiency in organization



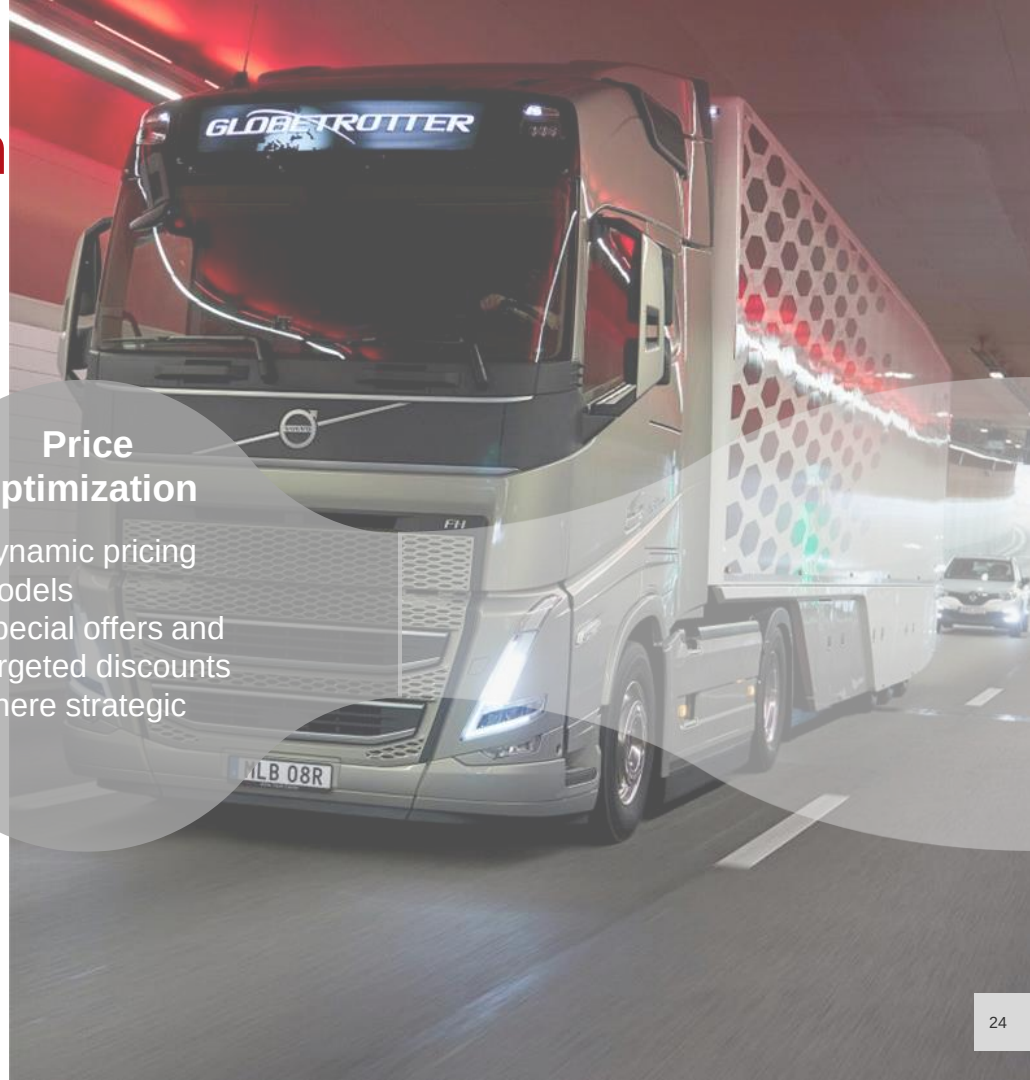
Driving organic growth

Capture the population

- Population analysis
- Service contracts
- Connectivity
- Increasing mechanic productivity and workshop efficiency

Price optimization

- Dynamic pricing models
- Special offers and targeted discounts where strategic



Shift to electric

EU law: Manufacturers must cut CO₂ emissions by 45% by 2030 for new trucks sold in the EU, compared to 2019 levels

We assume at least 20% of all trucks registered in Germany by 2028 will be electric

Volvo Trucks and Renault Trucks have leading market shares in e-trucks in Europe

Shift to electric will help us to grow overall market share

McKinsey: Prices for e-trucks will be lower than today but still 50% higher than today's conventional trucks

Revenue will grow significantly as we sell more electric trucks

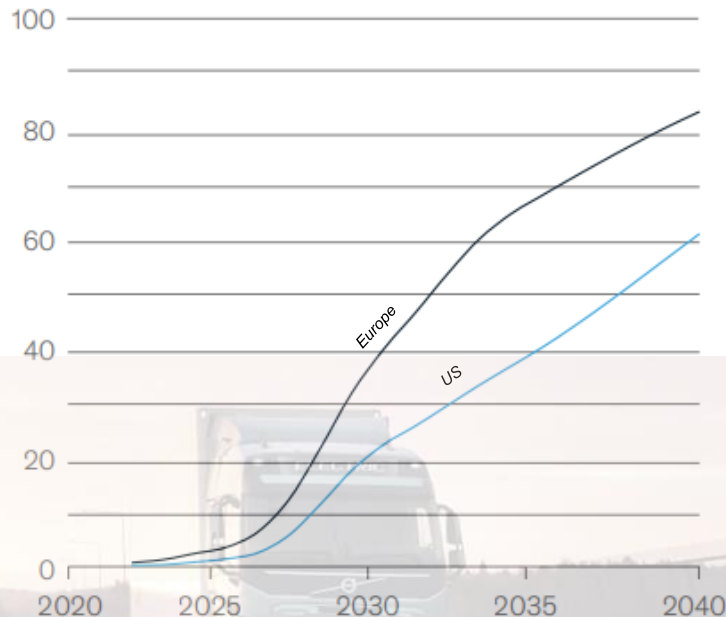
Subscription data: Repair and maintenance cost of e-trucks are similar or higher than for conventional trucks

Potential for service and parts sales should remain stable

Assumption: Transition will generate multiple new opportunities

Thanks to our electric rental fleet, we are well situated to catch new opportunities

Sales, current trajectory, BEV and FCEV¹ sales as % of new-truck sales



1) BEV is battery electric vehicle; FCEV is fuel-cell electric vehicle.
Source: McKinsey, "The bumpy road to zero-emission trucks"

Electric transport opportunity

- In December 2021 we placed our first order of 32 fully electric medium duty trucks from Volvo Trucks and Renault Trucks
- Awarded up to EUR 23 million in government subsidies
- Aim to develop a rental business dedicated to electric trucks
 - Help customers transition to battery electric
 - Become experts in sustainable transport solutions
 - Develop in-house sustainable transport service capabilities
- Fleet of 95 trucks at the end of 2024



Sustainable transport solutions

Market situation

- The customers of our customers increasingly want to and need to procure zero-emission transport solutions
- Logistics companies are reluctant to switch to electric trucks despite potential for lower TCOs and higher profitability

Opportunity

- Fill the gap by providing sustainable transport services to transport buyers
- Use experience of dealer and supplier of contracting services in other markets to become leading service provider
- Leverage knowledge from sustainable transport business to increase sales of electric trucks

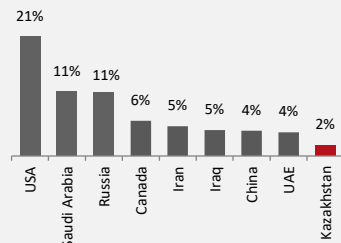
Kazakhstan

Key regional hub

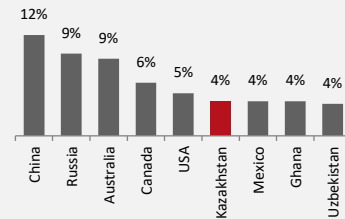
Kazakhstan at a glance

- Population: ~20 million¹
- Area: 2.7 million sq. km¹
- Major transport and logistics hub in the region linking Europe and Asia
- Rich in oil & gas (20-25% of GDP and 60-70% of exports)
- Large producer of gold, copper, zinc and chromium
- Approx. USD 111 billion² in international currency reserves and gold
- Government gross debt/GDP ratio of 25% (2024)⁵

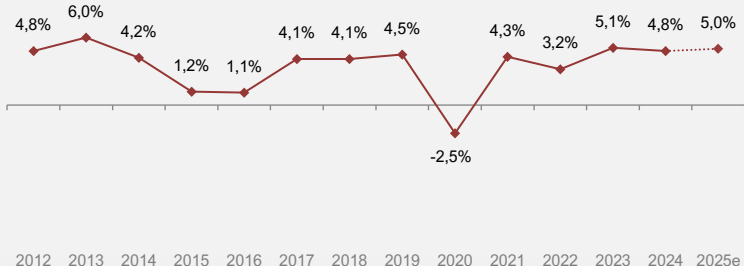
Oil production (% of total)³



Gold production (% of total)⁴



Kazakhstan's GDP development⁵



- Kazakhstan's infrastructure needs are increasing with its expanding economy, growing role as a regional hub and increasing population
- In August 2024, the Kazakh government approved a National Infrastructure Plan until 2029, which includes 204 projects in energy, transport, digital and water infrastructure sectors worth nearly KZT 40t (USD 80b)

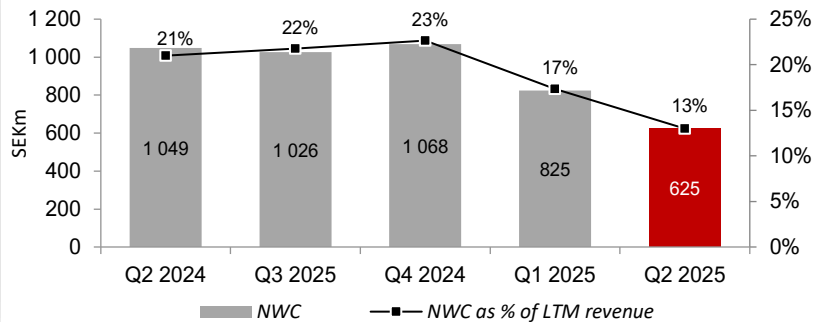
Kazakhstan

Network

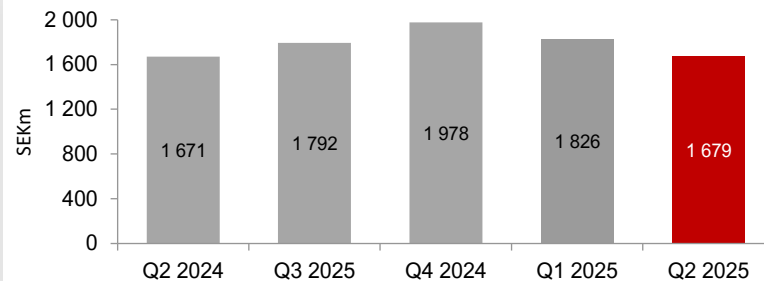


Cash flow & capital allocation

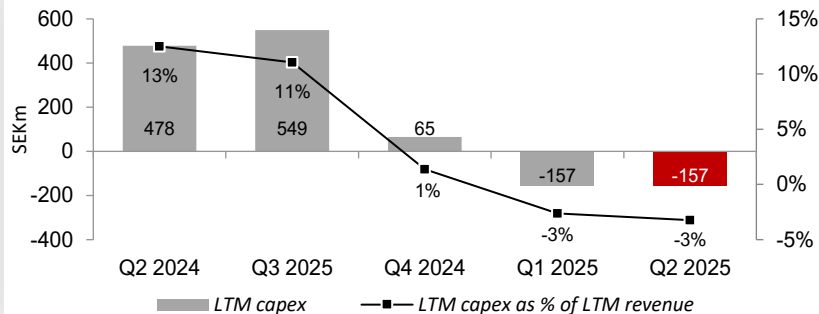
Working Capital Development



Net Debt/(Cash) Development



Capital Expenditure Development



Note: capex in US includes purchase of machines for rental and rental conversions

Financial objectives and dividend policy

KPI	Objective
Revenue	Double the 2024 ¹ revenue in current markets ² over 5 years (in SEK)
Operating margin	Above 6%
Net debt / EBITDA	Below 3 times (over a business cycle)
Dividend policy	The ambition is to pay at least 50% of net income if net debt/EBITDA is less than 1.0 x³, post dividend payment, and to pay at least 25% if net debt/EBITDA is more than 1.0 x³. The Board will take several factors into account when proposing the level of dividend including legal requirements, the articles of association, the Group's expansion opportunities, its financial position and other investment needs.

1) Based on 2 x 6M 2024 revenue

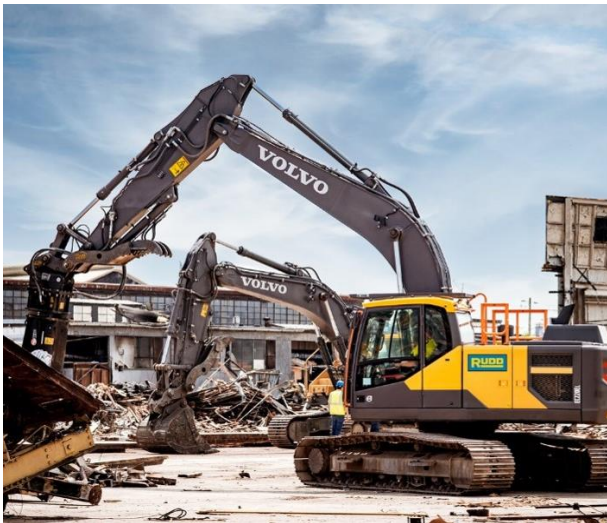
2) Current markets are defined as Ferronordic's current (Q2 2024) sales area in the US, Germany and Kazakhstan. They include expansion to other brands and products and expansion of our network in and directly adjacent to our current area

3) After and including accounting for paying the dividend

Second quarter 2025

August 2025

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



Group and segment highlights:

- Stable sales and cash flows
- Revenue of SEK 1,088m (1,115)
- Cash flows from operating activities at SEK 262m (270)
- Gross profit declined 4% to SEK 177m (185)
- Gross margin largely unchanged at 16.3% (16.6)
- SG&A decreased 6%
- Operating profit SEK -5m (-4)
- Net finance cost decreased 26% to SEK 29m
- Net debt decreased to SEK 1,679m

-2%

Revenue
growth

SEK -5m

Operating profit

0.4%

Operating profit
margin

SEK -3.51

EPS

Q2 2025

Group summary financials¹

Group revenue at SEK 1,088m (-2%)

- US revenue -4% to SEK 695m (+4% in USD)
- German revenue +10% to SEK 366m (+12% in EUR)
- Kazakhstan revenue -54% to SEK 26m (-45% in KZT)

Group operating profit of SEK -5m (-4)

- US operating profit decreased from SEK 51m to SEK 26m
- German operating profit increased from SEK -27m to SEK -13m
- Kazakhstan operating profit unchanged at SEK -1m
- Unallocated group costs decreased from SEK 27m to SEK 17m

Net income increased to SEK -51m (-81) on lower finance costs but continued foreign exchange losses

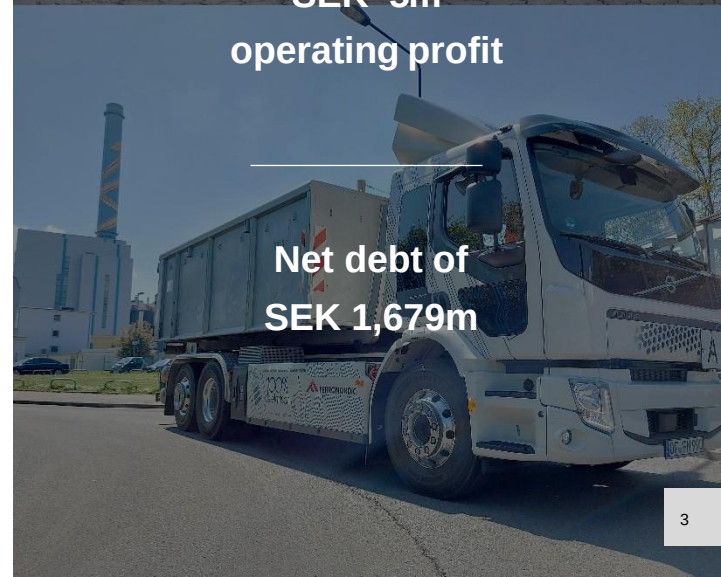
Net debt decreased to SEK 1,679m mainly on loan repayments and currency effects

- 31% equity to total assets
- Book equity of SEK 1,302m as at 30 June 2025

¹ In Q2 2025 certain revenue and cost items have been reclassified, with some effects on comparable numbers in Q2 2024 for revenue, gross profit, SG&A and other income. For more details on this effect, please refer to the slide 14 in this presentation or the note on p8 of the financial report for Q2 2025.



**SEK 1,088m
(-2%) revenue**



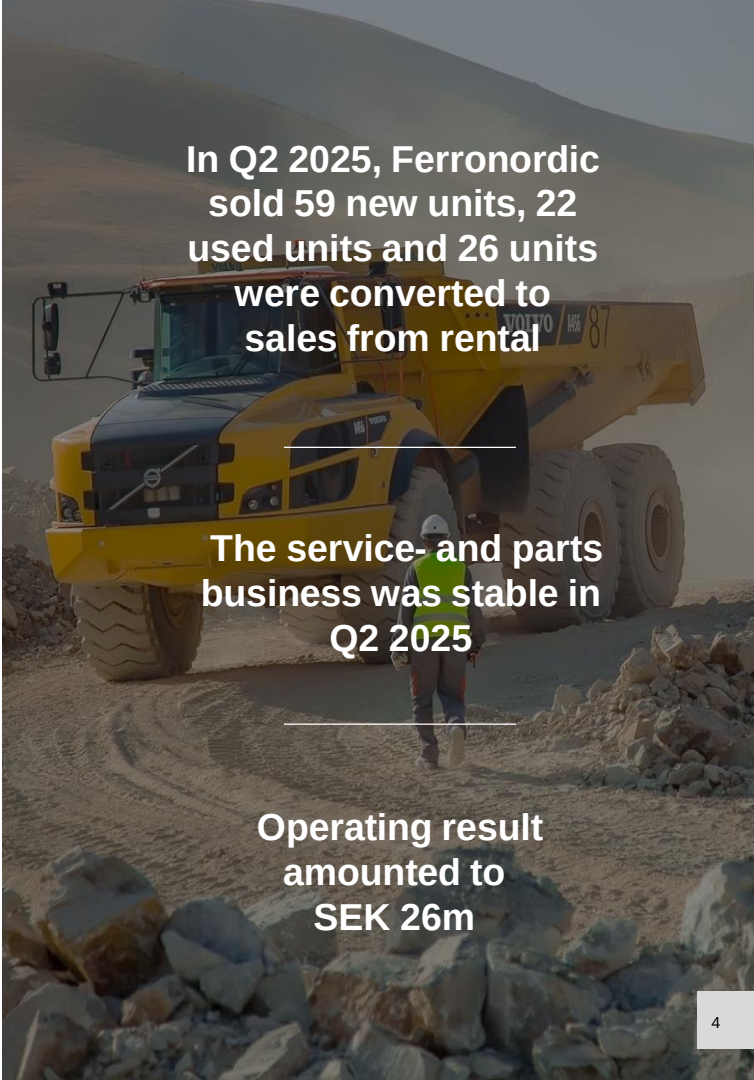
**SEK -5m
operating profit**

**Net debt of
SEK 1,679m**

Q2 2025

US operational highlights¹

- Consistent demand despite uncertainty regarding trade policy and tax
- Activity remains high. Customers are optimistic and have strong backlogs
- Market in Ferronordic's territory increased 10%
- Big Beautiful Bill removed uncertainty on tax incentives for investments
- Ferronordic does not currently foresee that tariffs will affect it worse than others
- Market share decreased somewhat as Ferronordic added fewer new machines to rental fleet
- Rental revenue increased as rental utilization improved
- Stable service and parts sales
- Low-utilization machines sold at loss, increasing revenue by SEK 19m but reducing gross profit by SEK 2m
- SEK 5m inventory impairment on certain parts and components
- Without these effects, gross margin was largely in line with previous year



In Q2 2025, 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 Q2 2025

Operating result amounted to SEK 26m

Q2 2025

Germany operational highlights

- Demand for new and used trucks remained soft as many customers continued to delay new investments
- New trucks registered in Germany decreased by 27%¹
- New trucks registered in Ferronordic's territory decreased by 38% Y-o-Y and represented about 18% of the total market
- Sales of new trucks increased by 53% to 155 in units and by 32% to SEK 180m in revenue
- Customers continue to actively utilize their fleets – resulting in continued demand for service and parts
- Service and parts sales increased by 6% to SEK 152m
- Capacity has increased but the number of technicians should grow further
- Gross margin improved and gross profit increased by 33%. Despite this, expenses declined
- Inventory declined by 53% to SEK 218m at the end Q2 2025 from SEK 461m at the end of Q2 2024
- Lower financing costs

¹ ACEA statistics, based on registrations



New truck sales in
units increased by 53%
to 155 units

Service and parts sales
increased by +6% to
SEK 152m

Inventory declined by
53% to SEK 218m

Q2 2025

Kazakhstan operational highlights

- Economy continued to grow
- Activity in the mining sector, however, where many of Ferronordic's large customers are active, remained low
- Market for larger machines (GPE segment) declined by 27% Y-o-Y
- Equipment sales down 79% Y-o-Y as we sold less new and used machines
- Service and parts sales increased by 65% Y-o-Y
- Gross margin improved
- SEK 1m inventory impairment of parts
- Lower expenses despite 1m SEK restructuring cost
- Inventory reduced to SEK 68m at the end of Q2 2025 compared to 209m at the end of Q2 2024

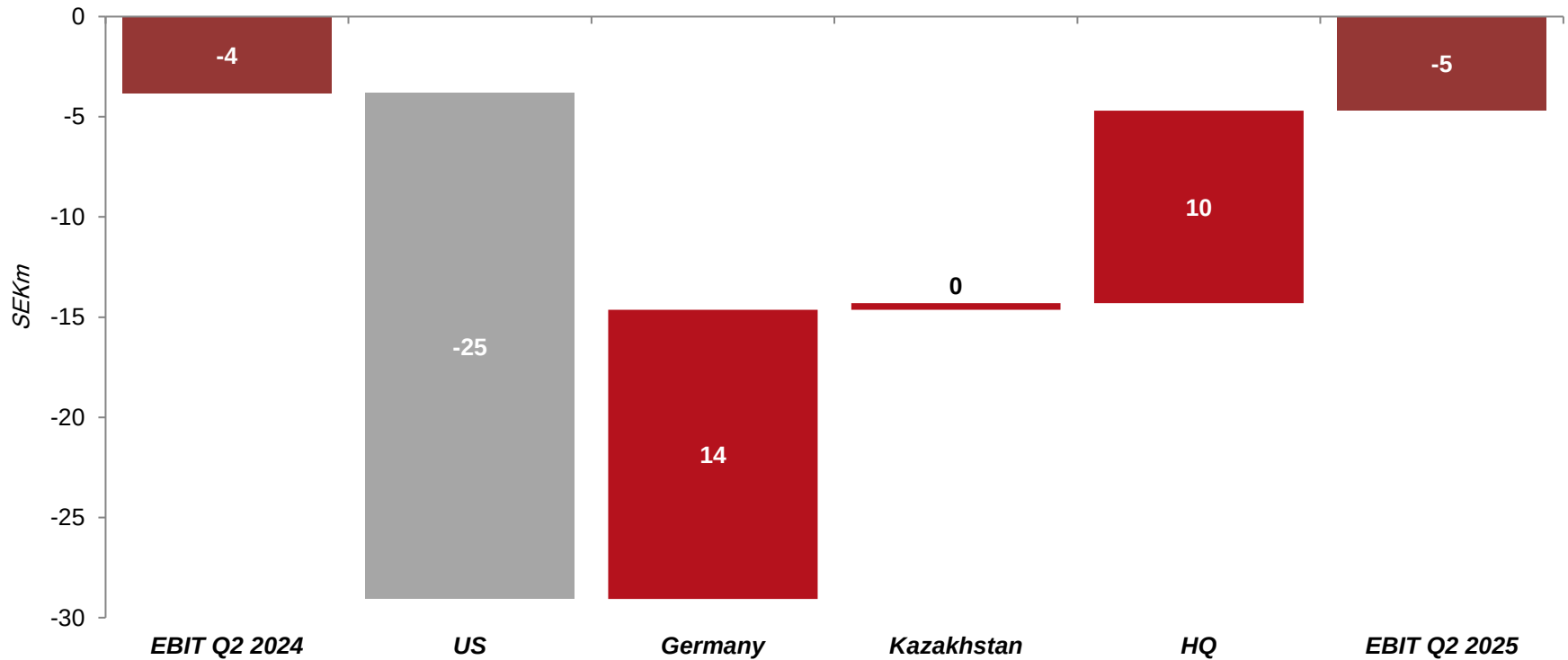


Sales of new machines in units decreased to 6 (11)

Aftermarket sales increased +65% Y-o-Y

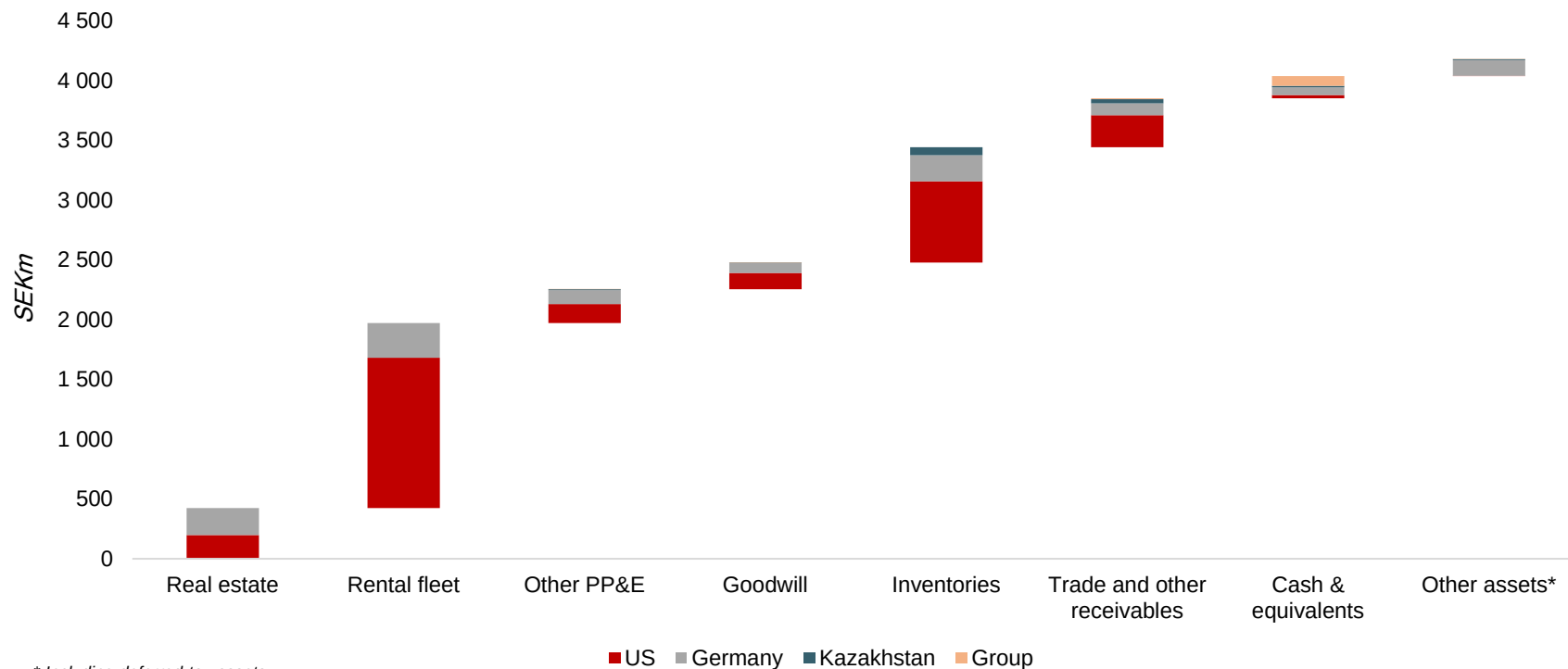
Inventory declined to SEK 68m

Group EBIT Y-o-Y



Group assets by segment

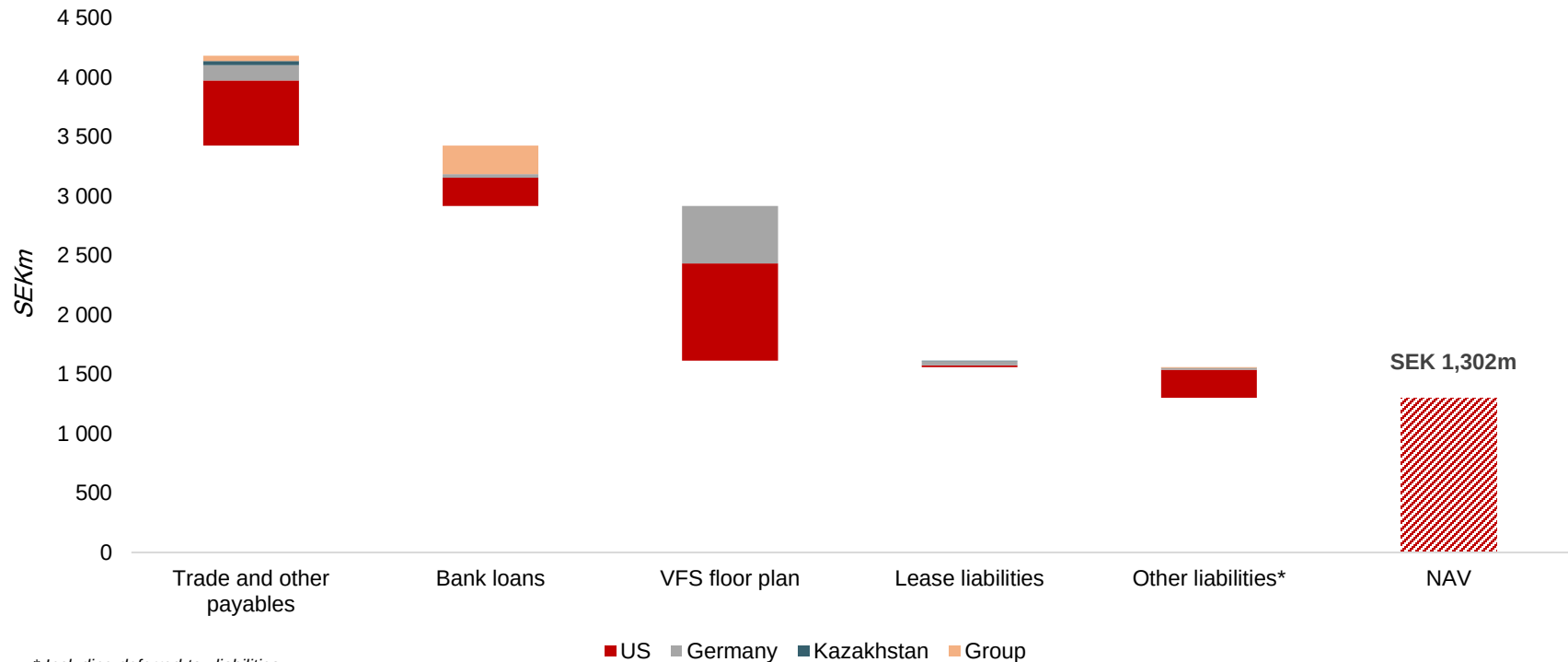
Split by main items and segment as at 30.06.2025



* Including deferred tax assets

Group liabilities by segment

Split by main items and segment as at 30.06.2025



Q2 2025

Income statement

SEK M	Q2 2024	Q2 2024	Q2 2024	Q2 2024	Q2 2025	Q2 2025	Q2 2025	Q2 2025	% change
	Kazakhstan	Germany	US	Group	Kazakhstan	Germany	US	Group	Group
FX (SEK/KZT, EUR/SEK, USD/SEK)	42.68	11.29	10.53		50.40	11.09	10.17		
New units sold	11	101	70	182	6	155	59	220	21%
Revenue	56	332	727	1,115	26	366	695	1,088	-2%
Gross profit	8	38	140	185	6	50	121	177	-4%
% Margin	13.6%	11.4%	19.2%	16.6%	24.0%	13.7%	17.3%	16.3%	-0.3pp
Operating profit*	-1	-27	51	-4	-1	-13	26	-5	23%
% Margin	-2.3%	-8.2%	7.1%	-0.3%	-3.6%	-3.5%	3.8%	-0.4%	-0.1pp
Net result for the period				-81				-51	-37%
EPS				-5.56				-3.51	-37%
EBITDA ¹	0	0	131	104	0	9	104	95	-8%

- Total revenue down 2% to SEK 1,088m
 - 64% US, 34% Germany and 2% KZ
 - 49% equipment and trucks, 41% aftermarket and 9% other
- Gross profit down 4%
- Gross margin largely unchanged at 16.3% (down 0.3pp Y-o-Y) (lower in US but compensated by higher margin in Germany)²
- SG&A decreased -6% to SEK 181m
- As % of revenue, SG&A declined to 16.6% (17.3%)
- Operating margin decreased to -0.4% (-0.3%)
- Operating profit at SEK -5m (-4), mainly on lower US contribution
- Net income of SEK -51m on lower financing cost but continued foreign exchange losses

¹ Group operating profit and EBITDA includes Group costs not allocated on the reporting segments

² In Q2 2025 certain revenue and cost items have been reclassified, with some effects on comparable numbers in Q2 2024 for revenue, gross profit, SG&A and other income. For more details on this effect, please refer to the slide 14 in this presentation or the note on p8 of the financial report for Q2 2025.

Q2 2025

Balance sheet

SEK M	Q2 2024	Q1 2025	US Q2 2025	Q2 2025
<i>FX SEK/EUR</i>	11.39	10.85		11.15
<i>FX SEK/USD</i>	10.61	10.03	9.51	9.51
<i>FX SEK/KZT</i>	44.42	50.07		54.94
Property, plant and equipment	2,177	2,282	1,615	2,254
Cash and cash equivalents	208	232	27	185
Debt	1,806	2,003	1,840	1,811
Finance Leases	72	55	16	53
Net debt / (cash)	1,671	1,826	1,828	1,679
Working capital	1,049	825	401	625
<i>% of Revenue</i>	21%	17%	14%	13%
Shareholders equity	1,627	1,372	90	1,302
Total Assets	4,879	4,540	2,732	4,183
Equity / Assets	33%	30%	3%	31%

- PP&E increased Y-o-Y despite FX, mainly due to addition of rental fleet in the US and e-rental fleet in Germany
- In US, net working capital decreased Q-o-Q from 17% to 14% of LTM revenue as inventory and receivables declined more than payables
- In Germany, net working capital decreased Q-o-Q from 16% to 11% of LTM revenue, mainly as a result of lower receivables, which was partly due to receipt of electric truck subsidies
- In Kazakhstan, net working capital decreased in SEK but increased from 47% to 49% Q-o-Q on lower LTM revenue
- Net debt decreased SEK 146m Q-o-Q to SEK 1,679m
- Equity / assets increased Q-o-Q to 31%

Changes in presentation of US segment

SEK m	Q2 2025	Q2 2024	Q2 ADJ	Q2 2024 ADJ	Y-o-Y reported	Y-o-Y adjusted
Revenue	695	707	21	727	-2%	-4%
Equipment and truck sales	334	356	7	362	-6%	-8%
Service and parts sales	281	275	14	289	2%	-3%
Other revenue	80	76	-	76	6%	6%
Cost of sales	-575	-550	-38	-588	4%	-2%
Gross profit	121	156	-17	139	-23%	-13%
Selling expenses	-28	-19	-4	-23	47%	21%
General and administrative expenses	-68	-95	28	-67	-28%	1%
Other income	1	9	-7	2		
Other expenses	1	-1		-1		
Operating profit	26	51	-	51	-49%	-49%
Gross margin	17.3%	22.1%		19.1%		
Operating margin	3.8%	7.3%		7.0%		

- In 2025, certain revenue and cost items in the income statement for the US segment have been reclassified to align the presentation of the US segment to Group reporting guidelines
- The table shows the Q2 2024 income statement as reported in August 2024 and after the change in presentation and also the difference in column Q2 ADJ.
- The reclassifications affect revenue, gross profit, gross margin, SG&A, other income and operating margin but has no effect on the operating profit

Financial objectives and dividend policy

KPI	Objective	Q2 2025 LTM
Revenue	Double the 2024 ¹ revenue in current markets over 5 years (in SEK)	1.02x <i>2 x 6M 2024 revenue</i>
Operating margin	Above 6%	0.3%
Net debt / EBITDA	Below 3 times <i>(over a business cycle)</i>	4.5 x
Dividend policy	The ambition is to pay at least 50% of net income if net debt/EBITDA is less than 1.0 x², post dividend payment, and to pay at least 25% if net debt/EBITDA is more than 1.0 x². The Board will take several factors into account when proposing the level of dividend including legal requirements, the articles of association, the Group's expansion opportunities, its financial position and other investment needs.	

- 1) Based on 2x 6M 2024 revenue. Current markets are defined as Ferronordic's current (Q2 2024) sales area in the US, Germany and Kazakhstan. They include expansion to other brands and products and expansion of our network in and directly adjacent to our current area
- 2) After and including accounting for paying the dividend

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.



