

Interim report Q1

January–March 2025



Contents

Financial overview	3
CEO's comments	4
Group development	5-9
Business area development	10-13
Financial statements	14-17
Notes	18-21
Quarterly data	22
Alternative key figures	23-24
Definitions	25
Other information	26

Total growth and focus on the right measures

January–March 2025

- Net sales amounted to SEK 523 million (446), corresponding to a growth of 17.3% (72.0). Organic growth amounted to -4.9% (16.3).
- Adjusted EBITDA amounted to SEK 38 million (45), corresponding to a margin of 7.3% (10.1).
- Profit after tax amounted to SEK -118 million (10), generating earnings per share after dilution of SEK -3.04 (0.27).
- Cash flow from operating activities amounted to SEK -8 million (33), with a cash conversion on a rolling 12-month basis of 74.5% (-).

Significant events during the quarter

- Completion of two acquisitions within the HVAC and Infra business areas.
- Withdrawal from two subsidiary acquisitions within the HVAC business area and the Group function.
- Issuing and listing of senior secured bonds worth SEK 1,100 million within a framework of SEK 1,500 million on NASDAQ Transfer Market.

Significant events after the quarter

- Bond was listed on NASDAQ Stockholm on 19 May.
- Completion of two acquisitions within the Infra and HVAC business areas.
- Wilma Emanuelsson has left the Board of Directors.

17,3%

Total growth

7,3%

Adjusted EBITDA margin

956

Average number of employees

Financial overview

Key figures	Jan–Mar 2025	Jan–Mar 2024	Full year 2024
Net revenue	523	446	1,998
Total growth, %	17.3	72.0	52.3
of which organic, %	-4.9	16.3	9.7
EBITDA	31	42	140
EBITDA margin, %	5.9	9.4	7.0
Adjusted EBITDA	38	45	170
Adjusted EBITDA margin, %	7.3	10.1	8.5
Operating profit	12	28	65
Operating margin, %	2.3	6.3	3.3
Profit after tax	-118	10	-54
Cash flow from operating activities	-8	33	16
Equity ratio, %	16.4	25.6	23.3
Order backlog	1,220	886	1,092
Earnings per share before dilution, SEK	-3.08	0.28	-1.45
Earnings per share after dilution, SEK	-3.04	0.27	-1.43
Average number of employees	956	798	907

CEO's comments

The first quarter of the year has been marked by challenges, at a time when the market and the world around us remain both anxious and cautious. The first quarter of 2025 has demonstrated negative organic growth, which is new for us. We are not satisfied with this development, although it can be traced back to measures we have taken to get back on track. We have taken action with increased activity in the market with our customers. During the quarter, two companies were divested back to their management teams. These companies were part of the action plans that were in place, but it was decided that divestment was the best decision for the group. We have continued overall growth for the quarter of approximately 17%.

The market is challenging, and we have had to deal with these challenges during the first three months of the year. The lower margin can be ascribed in part to project write-downs during the quarter, as well as a number of delayed project starts that have had a negative impact on the capacity utilisation rate for personnel. We have initiated two mergers of subsidiaries during the quarter, based on internal requests from the management teams and an evaluation by the senior management. We can see the rationale for this in economies of scale and synergies when the units operate as a single legal entity rather than several.

We are also continuing our internal work to utilise identified synergies. The finance and payroll function is being strengthened within the parent company, in order to provide support to the subsidiaries. We believe that this will both strengthen the quality of reporting and optimise the cost structure for the Group. We had an order backlog of SEK 1,220 million at the end of the quarter, corresponding to an increase of SEK 128 million compared with the end of 2024. This is a result of certain projects being postponed, but more agreements have been signed during the quarter, which is a consequence of increased focus on market development, giving us good hope for strong progress during the remainder of 2025.

Acquisitions

We acquired two companies during the first quarter, one in the HVAC segment and one within Infra. Both companies fit well into our acquisition strategy and will strengthen our existing portfolio of companies within the Group. We remain meticulous in our efforts to identify new companies, with the criterion that they must fit in well with our acquisition strategy. We are witnessing continued strong interest in consolidation within the industry, both among existing players and new parties.

Increased offering to our companies and employees

We have created our own work environment training programme, which is offered to all subsidiaries within the Group and is aimed at safety representatives and individuals in management positions within the organisation. Bringing together managers and safety representatives generates a common understanding as well as specific tools for effective collaboration on work environment issues. This is a further development of the Sparc Academy, where we are continuing to see significant value in training employees who, together, are helping to ensure ongoing forward momentum. We have launched ELSA, a proprietary platform for employee surveys, that enables scalable follow-up and asks questions tailored to both the industry and the Group's specific needs.

Focus going forward

Our most important task is to focus on our own market, our customers, our projects and our employees. There is a great deal going on in the world around us that we need to be aware of, although this has been the case ever since we were founded in 2021. We are now building an organisation that has the right skills for the right roles, that will be able to grow and develop Sparc Group with sustainable growth in profitability, and that meets our own expectations as well as those of our stakeholders and customers. We have conducted a comprehensive analysis of our internal purchasing operations during the quarter. The outcome of this forms the basis for the decisions that have now been made to optimise costs and leverage the synergies and economies of scale we have achieved. We are very hopeful that this will lead to a positive outcome during the current year.

We have great faith and trust to our hybrid model, where our companies run their businesses with their customers and employees, but are supported by Sparc Group through centralised support functions. We are clear that we are not satisfied with where we are at the moment, and that our priority and focus must be to achieve the best possible results. The demands being imposed are continuing to increase, and we are constantly evaluating these to ensure that we can deliver. Our belief is that this model will result in the best progress. We will continue to run our business through our strong local companies, which can adapt quickly to current market demands.



Erik Björklund
Founder & CEO

Group development

Sparc Group AB (publ) is an entrepreneurial group that has acquired companies since its inception in 2021 in order to offer the installation industry's most attractive, comprehensive and sustainable overall offering within HVAC, electrics, telecommunications and data technology, rail infrastructure, as well as locks, alarms and access control systems. The Group is also building a positive, entrepreneurial corporate culture where managers and employees can thrive and develop.

Its growth is based on a common drive for forward momentum, with emphasis on human well-being and development. The Group's vision is to create Sweden's most sustainable workplace in the installation industry, driven by care and commitment.

The market

We are living in historically turbulent times, marked by geopolitical events that are impacting material prices, interest rates and even the Swedish krona. This, in turn, has led to a reduced willingness to invest in all customer segments. The construction and real estate industries have been the hardest hit, ending 2024 with a record number of bankruptcies. Service and maintenance are more predictable in nature, but are nevertheless being affected by the prevailing market situation, which has led in part to a decline in material sales.

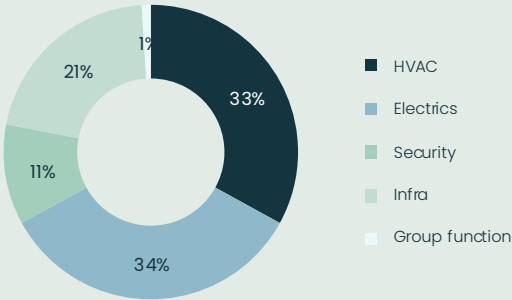
The quarter ended with a positive outlook, with the market demonstrating greater optimism than previously and Sweden as a country reporting strong finances. The strong macro trends in investment within defence, infrastructure and the sustainable energy transition are now providing a positive outlook for the market, and growth is expected to pick up significantly in the second half of 2025 with continued annual growth thereafter. External reports also indicate that project planning and order books are growing in the construction and civil engineering sector, which points towards a positive trend in the installation market.

Net revenue

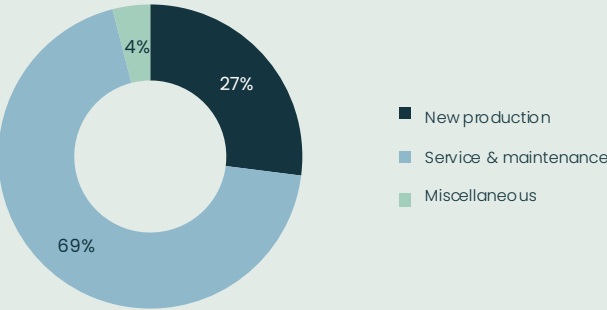
Net sales for the quarter amounted to SEK 523 million (446), an increase of 17.3%. Organic growth amounted to -4.9%.

The Group is still enjoying a period of expansion with a high rate of acquisitions, with the Infra business area accounting for the majority of this increase, with a growth of 60.6%. Despite this, the Group's growth is lower than forecast. This can be seen from its negative organic growth where, of the four business areas, only Electrics reported positive organic growth. The primary reason for this can be attributed to a tougher, more cautious market, which has resulted in projects being postponed and the size and scope of projects being scaled back, together with write-downs in projects.

The Group is focusing on service and maintenance work, which accounts for approximately 70% of net revenue.



Net sales by business area
January–March 2025



Net sales by category
January–March 2025

Results

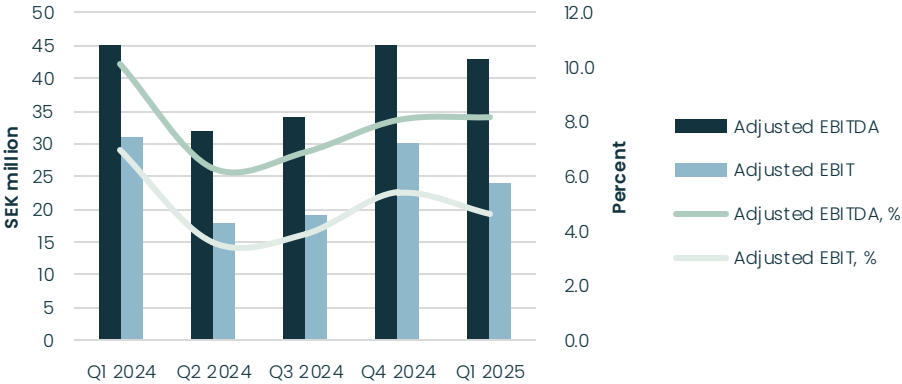
EBITDA for the quarter amounted to SEK 31 million (42), corresponding to an EBITDA margin of 5.9% (9.4). Adjusted EBITDA amounted to SEK 38 million (45), corresponding to a margin of 7.3% (10.1). Items excluded for comparison purposes mainly relate to capital gains of SEK 6 million (-) from the divestment of subsidiaries.

The EBITDA margin has been affected by the current market situation, which has led to reduced material sales, postponed project starts, acceleration costs in projects and write-downs in projects.

EBIT amounted to SEK 12 million (28), corresponding to a margin of 2.3% (6.3). The decrease in EBITDA mainly consists of the amortisation of right-of-use assets of SEK 17 million (12).

Financial items amounted to SEK -171 million (-15), of which the valuation of contingent considerations amounted to SEK -4 million (-2) and interest expenses on external loans amounted to SEK -134 million (-20). One significant effect of interest expenses can be attributed to the refinancing of the previous financing structure.

Tax amounted to SEK 41 million (-3), corresponding to an effective tax rate of 25.8% (23.1). Profit/loss for the period amounted to SEK -118 million (10), corresponding to earnings per share of SEK -3.08 (0.28) before dilution and SEK -3.04 (0.27) after dilution. When comparing the period's results in relation to the same period the previous year, it should be noted that a new capital and financing structure has led to increased net interest income with the aim of contributing to the continued journey of expansion.



Cash flow

Cash flow from operating activities amounted to SEK -8 million (33), of which the change in working capital corresponds to SEK -37 million (19). The Group's working capital varies over the quarters, mainly due to the unpredictability of customer and supplier invoicing.

Cash flow from investing activities amounted to SEK -30 million (-47), of which acquisitions of subsidiaries amounted to SEK -29 million (-62).

Cash flow from financing activities amounted to SEK 145 million (110), of which net change in loans amounted to SEK 243 million (158) and amortisation of lease liabilities amounted to SEK -17 million (-12).

Order backlog

The order backlog at the end of the reporting period amounted to SEK 1,220 million (886), an increase of 38%. The Group's revenue categories and focus on service and maintenance work result in shorter project times and lead times, which means that there is generally little tendency to build up substantial order backlogs. The order backlog may also fluctuate between quarters, due to when tenders are signed and converted into orders.

No significant individual orders were signed during the quarter.

Financial position

Equity at the end of the period amounted to SEK 320 million (369), corresponding to an equity ratio of 16.4% (25.6). Outstanding trade receivables amounted to SEK 249 million (210) and accrued income to SEK 155 million (86). Cash and cash equivalents amounted to SEK 126 million (101).

Interest-bearing liabilities amounted to SEK 1,280 million (781), of which lease liabilities correspond to SEK 134 million (116). The increase in relation to the comparable period can be attributed to changes in financing and capital structure.

The Group's approved credit facility at the end of the period amounted to SEK 150 million (100), of which SEK - million (-) was utilised.

Investments, depreciation/amortisation and impairment losses

The cash flow effect of business acquisitions amounted to SEK -1 million (15), of which SEK 22 million (10) relates to acquired cash and cash equivalents and SEK - million (-9) to relates settled contingent considerations.

The cash flow effect of net investments in fixed assets amounted to SEK -1 million (15).

Amortisation of intangible fixed assets amounted to SEK 1 million (0) during the interim period. Depreciation of tangible fixed assets amounted to SEK 19 million (13) during the interim period, of which depreciation of right-of-use assets amounted to SEK 17 million (12).

There have been no impairment losses during the period.



Employees

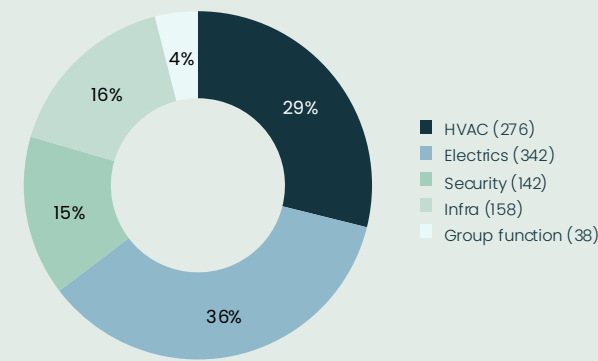
During the quarter, the Group had an average of 956 (798) employees. The increase is mainly attributable to business acquisitions.

The Group has developed its own platform for employee surveys – ELSA. The platform measures engagement, leadership, collaboration and the work environment and will be implemented in all companies in 2025. ELSA provides the Group with more customised and regular monitoring of employee well-being and the work environment, which provides a better basis for development initiatives.

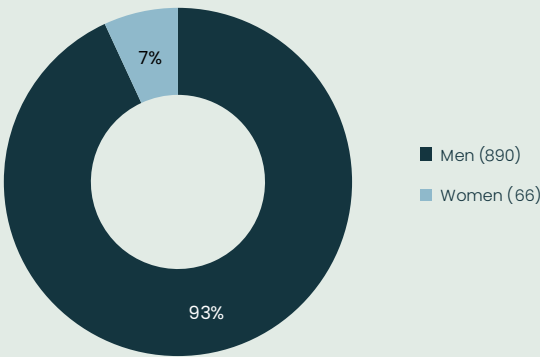
Seasonal variations

Sparc’s operations and the installation industry in general are affected to some extent by seasonal variations in the construction industry, mainly due to vacation periods and the calendar effect of public holidays.

Activity levels are normally lower during the third quarter due to the summer vacation period. The fourth quarter normally sees the highest earnings, as many projects are completed during this period. As a result, the first quarter of the year has lower earnings before new projects are fully up and running.



Employees per business area



Gender distribution in the Group



Sustainability

At a time of uncertainty surrounding upcoming changes to sustainability legislation as well as its scope, Sparc is continuing to work in line with its sustainability strategy and is making preparations to report in accordance with the Corporate Sustainability Reporting Directive (CSRD). As part of the Group's vision and conviction, sustainability work with a focus on improvements is a natural part of our operations. Following its experiences from 2024, Sparc is continuing its work on developing and specifying its sustainability goals and establishing a base year in 2025.

Based on the double materiality assessment, internal work continued during the first part of the year, as did the dialogue with the Group's stakeholders. Contributing to positive development, with a focus on energy-efficient solutions, resilient infrastructure, socially secure and healthy workplaces, as well as responsible entrepreneurship, is a prerequisite for Sparc as a group and for the development of society at large.

Risks and uncertainties

Sparc operates primarily in the Swedish market and runs a hybrid of a decentralised structure, where the subsidiaries and operations are largely autonomous in their respective companies and have a large number of customers and suppliers, as well as central functions that aim to contribute and help the local companies to collaborate both within and across business areas.

The centralised part of the hybrid model is intended to utilise the management structure established in the parent company, Sparc Group AB (publ), and to optimise the synergies and economies of scale that this entails.

The business model limits the aggregated business risks and financial risks. Sparc's earnings and financial position, as well as its strategic position, are affected by a number of internal factors that the Sparc can control, as well as a number of external factors where the ability to influence the course of events is limited.

The most significant risk factors are the economic and market situation, including inflation and interest rates, combined with structural changes and the competitive situation. These affect demand for new production of housing and premises, for example, as well as investments from the public sector and industry. Demand for service and maintenance work is not affected by these risk factors to the same extent.

For further information regarding risks and uncertainties, please refer to the Annual Report.

Parent company

The parent company's net sales amounted to SEK 10 million (8) during the quarter, of which SEK 10 million (7) related to intra-Group revenue. Turnover consisted mainly of costs invoiced by the parent company to the subsidiaries.

The profit/loss after financial items amounted to SEK -157 million (-19), and the profit for the period amounted to SEK -117 million (-20). The increased loss can be attributed to the early settlement of previous financing.

The parent company's external financing consisted of a bond loan of SEK 1,100 million (-) and an overdraft facility of SEK - million (-).



Business Area HVAC

HVAC is a key area in modern society and covers everything from ventilation to sanitation, i.e. air, water and heating. HVAC refers to the technical systems in buildings that are planned, designed and installed, including the products used. In other words, the HVAC business area carries out operations, installations and servicing of ventilation, heating and cooling systems, sanitation, water/sewage and sales of HVAC products.

The market

The first quarter of the year has been more challenging than previously in terms of occupancy rates due to the weak construction market, although there has been a high level of quotation activity. This pattern is reflected in all geographical areas. Investing in industry, conversions and service assignments at both private and public players is a well-implemented and effective strategy.

The geopolitical fluctuations have resulted in significant delays in a number of major projects in the business area, particularly those where the manufacturing industry has been the end customer. The private market remains challenging, despite interest rate cuts in 2024, and this is particularly evident in the heating segment. Overall, private individuals are cautious and are considering their investments very carefully.

As we look ahead to the second quarter of the year, we are able to report a healthy order backlog with a good balance between capacity, demand and expertise. We view the temporary change and improvement in the tax deduction for renovation and maintenance services for private individuals as a driver for increasing the investment appetite in this segment.

Net revenue

Net sales for the quarter amounted to SEK 173 million (165), an increase of 4.3% (145.6). Organic growth amounted to -13.4% (20.0).

The negative organic growth is a result of the challenging market, which has slowed down orders for new projects and additional orders within existing projects. In addition, the decline in sales can be attributed to the divestment of a subsidiary within the business area.

Earnings

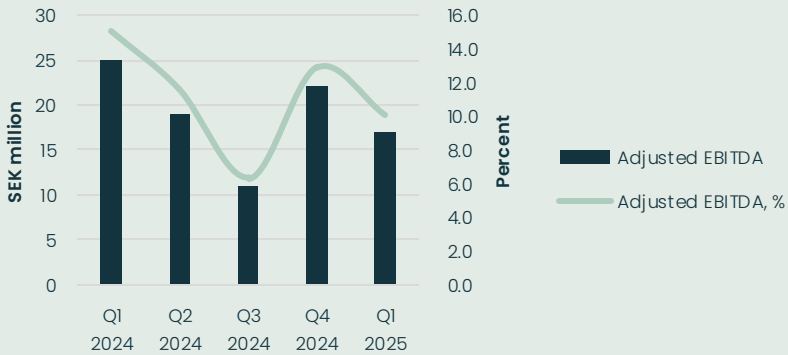
Adjusted EBITDA amounted to SEK 17 million (25), corresponding to a margin of 10.1% (15.1).

In addition to the difficult market, the quarter has been affected by restructuring in a number of units, resulting in sales activities being temporarily suspended. Various cost-cutting measures have been implemented to respond to a cautious market, but given the positive outlook for the coming quarters, staffing levels have essentially been maintained.

Financial overview

Amounts in SEK million	Jan-Mar 2025	Jan-Mar 2024	Full year 2024
Net revenue	173	165	672
Total growth, %	4.3	145.6	60.0
of which organic growth, %	-13.4	20.0	-13.6
Adjusted EBITDA	17	25	77
Adjusted EBITDA margin, %	10.1	15.1	11.5
Operating profit	8	20	5.2
Operating margin, %	4.8	12.3	7.7
Order backlog	204	103	233
Average number of employees	276	223	260

Adjusted EBITDA per quarter



Business Area Electrics

Electrics is made up of businesses offering specialised expertise in a range of segments such as power supply, green energy, car charging and traditional contracting and services. The business area designs, fits and implements all types of electrical and telecoms installations in all types of property, from public and vital societal environments to industry and construction. Renewable energy and energy efficiency play an important role in reducing the use of fossil fuels.

The market

The business area reported a tough start to the quarter, despite positive organic growth. The companies are primarily affected by the prevailing uncertain market situation, where decision-makers in the real estate and construction industries have generally been cautious and hesitant in their decisions, which has prevented most companies from launching assignments and projects. Furthermore, the companies entered a year accompanied by historically high bankruptcy levels in the construction industry.

However, the market is now seeing an upturn in all sectors as the construction market begins to recover, and this will start to have an impact in Q2. The negative trend in January and February has been halted through determined customer development efforts, increased focus on less cyclical markets, framework agreements and smaller projects. There are still challenges to address, but with increased demand, well-planned sales initiatives and the recovery of the market, the business area is optimistic about the future.

Net revenue

Net sales for the quarter amounted to SEK 178 million (146), an increase of 21.6% (69.0). Organic growth amounted to 3.0% (3.2).

Despite a weak market overall, the business area has seen positive organic growth as a result of longer agreement periods and lead times. Planned restructuring measures were implemented in 2024, with some units being downsized in order to shift the focus to smaller but more profitable revenue segments.

Earnings

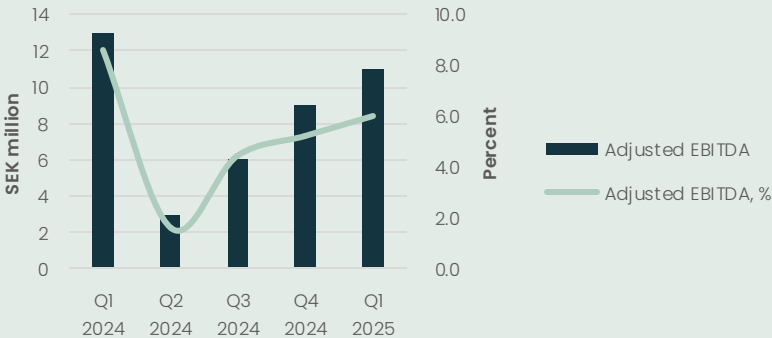
Adjusted EBITDA amounted to SEK 11 million (13), corresponding to a margin of 6.0% (8.6).

The reduced margin is a result of a market where customers who feeling the squeeze have been pushing for faster turnarounds and are more price-sensitive, which in turn has led to project write-downs.

Financial overview

Amounts in SEK million	Jan-Mar 2025	Jan-Mar 2024	Full year 2024
Net revenue	178	146	627
Total growth, %	21.6	69.0	38.6
of which organic growth, %	3.0	3.2	0.0
Adjusted EBITDA	11	13	31
Adjusted EBITDA margin, %	6.0	8.6	4.9
Operating profit	6	8	12
Operating margin, %	3.1	5.7	1.9
Order backlog	376	266	215
Average number of employees	342	297	326

Adjusted EBITDA per quarter



Business Area Security

The Security business area is a vital societal, technical and innovative area that offers products and services relating to burglar alarms, fire alarms, access control systems, CCTV camera surveillance, operation and alarm transmission, security systems and lock solutions. Integrated security systems, where different systems integrate with one another, are becoming more common. A single system can be fully autonomous, operating independently and coordinated with other facilities via a master system.

The market

The business area started the year with a weaker order backlog than normal, after 2024 had ended strongly with a number of completed deals. Despite an awareness of challenges associated with the order backlog, the first quarter of 2025 reported a slower pace as regards new sales and customer deliveries than anticipated. Recruitment has remained difficult, which has been a driving factor in new sales, while customers are less willing to invest in the current market conditions.

The outlook is looking brighter, however, with an increased willingness to invest in the market in general. This, in combination with a number of new recruitments during the quarter that will contribute both quality and knowledge, means that there are significant opportunities for continued development of the business area in the coming periods. The order backlog has strengthened during the quarter, reflecting increased market activity and customer confidence.

Net revenue

Net sales for the quarter amounted to SEK 57 million (60), a decrease of -4.9% (4.9). Organic growth amounted to -4.9% (0.8).

The business area did not carry out any business combinations in 2024, with the result that the organic growth for the quarter corresponds to the change in overall growth. The decline in turnover is a result of lower new sales and installations.

Earnings

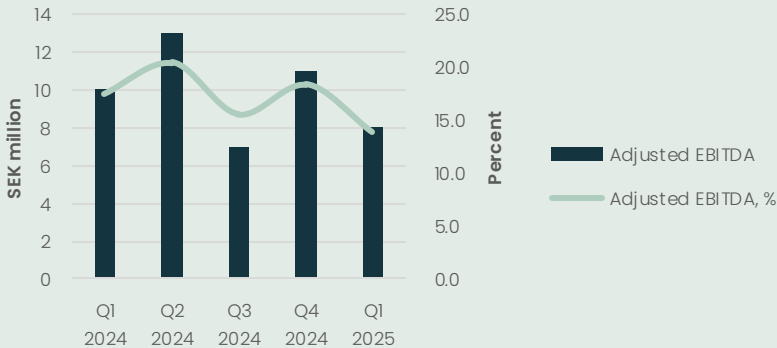
Adjusted EBITDA amounted to SEK 8 million (10), corresponding to a margin of 13.8% (17.4).

In addition to reduced product installations, the lower margin is affected by the upgrading of certain major units in the business area to enable continued growth in future periods, but which have had a negative impact on the quarter in isolation.

Financial overview

Amounts in SEK million	Jan-Mar 2025	Jan-Mar 2024	Full year 2024
Net revenue	57	60	230
Total growth, %	-4.9	4.9	1.7
of which organic growth, %	-4.9	0.8	-1.2
Adjusted EBITDA	8	10	42
Adjusted EBITDA margin, %	13.8	17.4	18.1
Operating profit	4	8	32
Operating margin, %	7.1	13.4	13.9
Order backlog	35	29	28
Average number of employees	142	137	138

Adjusted EBITDA per quarter



Business Area Infra

The Infra business area offers comprehensive services in installation, commissioning, maintenance, emergency services and project management for areas such as power supply for both high and low voltage, rail-bound infrastructure, data centres and server facilities, IT infrastructure, telecommunications and sensitive IT environments. The business also focuses on energy-efficient solutions, as well as operational and security services such as alarms, metering and documentation. Designing, installing and maintaining equipment within these areas ensures that a effective and efficient infrastructure is provided for customers.

The market

Several companies within the business area reported a slower start to the year with a weaker order backlog, but this situation has gradually improved during the quarter. Occupancy rates and customer development remain high, indicating that the business area is in a strong position in the current market. A couple of companies have reported increased price pressure and are working on corrective measures to recoup margin losses.

Customer confidence, together with continued orders from telecom companies and government authorities in general, is generating continued security and providing the business area with an extremely stable and profitable operation. Extensive work is expected to be carried out within infrastructure. This work is not geographically limited, and represents significant potential for future periods.

Net revenue

Net sales for the quarter amounted to SEK 112 million (70), an increase of 60.6% (44.0). Organic growth amounted to -12% (44.0).

The sharp increase in turnover is the result of a number of acquisitions within the business area over the past twelve months. Organic growth is negative, which can be explained by individual projects with significant additional orders during the comparison period.

Earnings

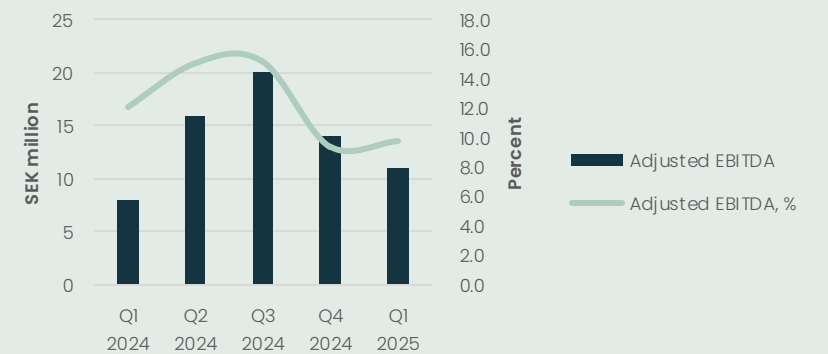
Adjusted EBITDA amounted to SEK 11 million (8), corresponding to a margin of 9.8% (12.0).

The margin is negatively affected by lower occupancy rates and less profitable projects during the period, pending a market turnaround.

Financial overview

Amounts in SEK million	Jan-Mar 2025	Jan-Mar 2024	Full year 2024
Net revenue	112	70	453
Total growth, %	60.6	44.0	148.8
of which organic growth, %	-1.2	44.0	63.8
Adjusted EBITDA	11	8	58
Adjusted EBITDA margin, %	9.8	12.0	12.8
Operating profit	9	6	51
Operating margin, %	7.6	8.3	11.2
Order backlog	606	489	597
Average number of employees	158	101	144

Adjusted EBITDA per quarter



Consolidated income statement in summary

(SEK million)

	Jan-Mar 2025	Jan-Mar 2024	Full year 2024
Net revenue	523	446	1,998
Cost of production	-430	-353	-1,621
Gross profit	93	93	377
Sales and administrative expenses	-77	-68	-321
Miscellaneous	-4	3	9
Total other operating items	-81	-65	-321
Operating profit	12	28	65
Financial items	-171	-15	-102
Profit before tax	-159	13	-37
Tax	41	-3	-17
Profit after tax	-118	10	-54
Total comprehensive income for the period attributable to:			
Parent company shareholders	-118	10	-54
Non-controlling interests	-	-	-
Earnings per share before dilution for the period (SEK)	-3.08	0.28	-1.45
Earnings per share after dilution for the period (SEK)	-3.04	0.27	-1.43

Consolidated statement of comprehensive income in summary

(SEK million)

	Jan-Mar 2025	Jan-Mar 2024	Full year 2024
Profit/loss for the period	-118	10	-54
Translation differences	-	-	-
Other comprehensive income for the period	-	-	-
Comprehensive income for the period	-118	10	-54
Profit/loss for the period attributable to:			
Parent company shareholders	-118	10	-54
Non-controlling interests	-	-	-

Consolidated balance sheet in summary

(SEK million)

	31 March 2025	31 March 2024	31 Dec 2024
ASSETS			
Fixed assets			
<i>Intangible fixed assets</i>			
Goodwill	1,081	778	1,026
Other intangible assets	22	14	21
Total intangible assets	1,103	792	1,047
<i>Tangible fixed assets</i>			
Right-of-use assets	131	113	122
Other tangible fixed assets	30	16	17
Total tangible fixed assets	161	129	139
<i>Financial fixed assets</i>			
Deferred tax assets	42	15	3
Other non-current receivables	-	4	4
Total financial fixed assets	42	19	7
Total fixed assets	1,306	940	1,193
Current assets			
Inventories	46	43	41
Trade receivables	249	210	301
Contract assets	155	86	104
Other receivables	68	61	91
Cash and cash equivalents	126	101	19
Total current assets	644	501	556
TOTAL ASSETS	1,950	1,441	1,749

	31 March 2025	31 March 2024	31 Dec 2024
EQUITY AND LIABILITIES			
Equity	320	369	408
Total equity	320	369	408
Non-current liabilities			
Bond loans	1,100	-	-
Liabilities to credit institutions	2	551	679
Lease liabilities	76	69	69
Other non-current liabilities	2	90	3
Total non-current liabilities	1,180	710	751
Current liabilities			
Bank overdraft facilities	-	-	81
Lease liabilities	58	47	54
Trade payables	167	147	191
Contract liabilities	39	27	42
Other current liabilities	186	141	222
Total current liabilities	450	362	590
TOTAL LIABILITIES	1,630	1,072	1,341
TOTAL EQUITY AND LIABILITIES	1,950	1,441	1,749

Consolidated statement of changes in equity in summary

(SEK million)

	Share capital	Other contributed capital	Other reserves	Retained earnings including profit/loss for the year	Total
Opening equity, 01/01/2025	1	536	-	-129	408
Profit/loss for the period				-118	-118
Other comprehensive income for the period			-		-
Comprehensive income for the period			-	-118	-118
Contributions from and value transfers to owners					
New share issue		30			30
Closing equity, 31/03/2025	1	566	-	-247	320
Opening equity, 01/01/2024	1	408	-	-75	334
Profit/loss for the period				10	10
Other comprehensive income for the period			-		-
Comprehensive income for the period			-	10	10
Contributions from and value transfers to owners					
New share issue		25			25
Closing equity, 31/03/2024	1	433	-	-65	369

Consolidated cash flow statement in summary

(SEK million)

	Jan-Mar 2025	Jan-Mar 2024	Full year 2024
Operating activities			
Operating profit	12	28	65
Adjustment for items not included in cash flow	21	13	73
Financial items	-3	-9	-79
Income tax paid	-1	-18	-23
Changes in working capital	-37	19	-20
Cash flow from operating activities	-8	33	16
Investment activities			
Acquisition of businesses	-29	-62	-234
Miscellaneous	-1	15	11
Cash flow from investing activities	-30	-47	-223
Financing activities			
Net change in loans	243	158	233
Repayment of lease liabilities	-17	-12	-57
Change in overdraft facility	-81	-36	45
Cash flow from financing activities	145	110	221
Cash flow for the period	107	96	14
Cash and cash equivalents at beginning of year	19	5	5
Exchange rate difference in cash and cash equivalents	-	-	-
Cash and cash equivalents at the end of the period	126	101	19

Parent company's income statement in summary

(SEK million)

	Jan–Mar 2025	Jan–Mar 2024	Full year 2024
Net revenue	10	8	30
Operating expenses	–9	–8	–33
Operating profit	1	0	–3
Financial items	–157	–19	–87
Profit after financial items	–156	–19	–90
Group contributions received	–	–	90
Group contributions paid	–	–	–22
Profit before tax	–156	–19	–22
Tax	39	–1	–9
Profit/loss for the period	–117	–20	–31

Parent company's statement of comprehensive income in summary

(SEK million)

	Jan–Mar 2025	Jan–Mar 2024	Full year 2024
Profit/loss for the period	–117	–20	–31
Comprehensive income for the period	–117	–20	–31

Parent company's balance sheet in summary

(SEK million)

	31 March 2025	31 March 2024	31 Dec 2024
ASSETS			
<i>Fixed assets</i>			
Intangible fixed assets	2	1	2
Tangible fixed assets	4	3	4
Deferred tax assets	45	15	5
Other financial fixed assets	1,427	945	1,346
Total fixed assets	1,478	964	1,357
<i>Current assets</i>			
Other receivables	317	171	121
Cash and bank balances	78	–	–
Total current assets	395	171	121
TOTAL ASSETS	1,873	1,135	1,478
EQUITY AND LIABILITIES			
Equity	356	354	448
Total equity	316	354	448
Non-current liabilities	1,100	596	678
Current liabilities	417	185	352
Total liabilities	1,517	781	1,030
TOTAL EQUITY AND LIABILITIES	1,833	1,135	1,478

Notes

Note 1 Accounting policies

This interim report has been prepared for the Group in accordance with IAS 34 Interim Financial Reporting and applicable sections of the Swedish Annual Accounts Act (1995:1554). Disclosures in accordance with IAS 34 Interim Financial Reporting are provided throughout this document. The interim report does not contain all the information and disclosures required in the annual report and should be read in conjunction with the Group's annual report as of 31 December 2024.

The parent company's reporting has been prepared in accordance with the Swedish Annual Accounts Act and the Swedish Financial Reporting Board's recommendation RFR 2, Accounting for legal entities. The accounting policies are the same as those described in the annual report for 2024.

Note 2 Significant estimates and assessments

The management has made a number of estimates and assessments in order to report the most likely outcome. The areas that include a high degree of assessment, which are complex, or areas where assumptions and estimates are of major importance for the consolidated financial statements are set out below. The assessments and judgements are reviewed regularly, and the impact on the carrying amounts is recognised in the income statement.

Estimates and assessments	Area
Revenue recognition related to fixed price projects	Revenue
Valuation of tax loss carryforwards	Tax
Goodwill impairment	Intangible fixed assets
Leases – determination of lease terms for contracts with renewal options	Right-of-use assets
Provision for credit losses	Trade receivables
Valuation of contingent considerations	Financial instruments

Note 3 Fair value

All financial assets and financial liabilities are measured at amortised cost, except for contingent considerations, which are measured at fair value through profit or loss.

In order to value the total purchase consideration of a business acquisition, an assessment of the acquisition's future development is required. The assessment is based on forecasts, which are prepared at the time of acquisition.

Contingent consideration	Jan–Mar 2025
Opening balance	30
Business combinations	7
Adjustment to profit or loss	4
Closing balance	41

Notes

Note 4 Business combinations

The Board, together with the management team, has developed an acquisition strategy and a business plan for the coming years. Upcoming acquisitions will be either add-on acquisitions or platform acquisitions.

We view add-on acquisitions as companies that directly complement an existing unit within the Group and, together with that unit or those units, act as stronger players in a region and are able to utilise the economies of scale and synergies provided.

With platform acquisitions, we are referring to companies that have a good, self-sustaining structure, a size within the framework of the strategy and a desire to establish a broader and stronger presence in the market both organically and through acquisitions. All companies with signed purchase agreements and letters of intent are within the framework of the strategy presented internally.

A total of two subsidiaries and affiliates were acquired during the quarter as part of the Group's continued expansion strategy. Broken down by business area, one was acquired in the HVAC business area and one within Infra.

From the date of acquisition, all the acquired companies have contributed SEK 8 million and SEK 1 million respectively to the Group's revenue and profit before tax during the quarter. If the acquisitions had taken place at the beginning of the financial year, the Group's revenue and profit before tax would have been

SEK 16 million and SEK 4 million respectively. No single acquisition is considered to be of a material nature.

Company acquisitions during the period January–March 2025	Corporate identity no.	Segment	Registered office	Annual turnover (SEK million)	Date	Holding
Miljö-, VVS- & Energicenter i Östergötland AB	556654-8730	HVAC	Motala	32	Jan	100%
Vansta Mark & Transport AB	556751-4764	Infra	Nynäshamn	36	Mar	100%

Acquisition price	Jan–Mar 2025
Purchase price	87
Fair value of assets and liabilities acquired	
Fixed assets	12
Current assets	6
Cash and cash equivalents	22
Deferred taxes	-2
Non-current liabilities	-2
Other current liabilities	-4
Total	32
Goodwill	55

Cash flow effect of acquisitions	Jan–Mar 2025
Purchase consideration at acquisition	-87
Of which contingent consideration	7
Shares issued	30
Cash and cash equivalents acquired	22
Acquisition-related costs	-1
Change in consolidated cash and cash equivalents on acquisition	-29

Notes

Note 5 Revenue breakdown

The Group offers a wide range of products and solutions in the installation industry. A significant part of the Group's revenue comes from contracts for the sale of goods. A table of revenue breakdown is shown below. The Group has no one customer that exceeds 10% of the Group's total turnover.

Revenue by type of customer	Jan–Mar 2025				Jan–Mar 2024			
	New production	Service & maintenance	Miscellaneous	Total	New production	Service & maintenance	Miscellaneous	Total
Public sector	19	62	3	85	28	66	7	101
Repeat corporate customers	110	159	4	273	62	120	15	197
Other corporate customers	6	88	15	109	5	115	4	124
Private individuals	4	52	–	56	7	17	–	24
Total net sales	139	361	23	523	102	318	26	446

Note 6 Segment reporting

Net revenue	Jan–Mar 2025	Jan–Mar 2024	Full year 2024
HVAC	173	165	672
Electrics	178	146	627
Security	57	60	230
Infra	112	70	453
Group function	3	4	16
Internal sales	41	27	143
Elimination	–41	–27	–143
External net sales	523	446	1,998
Operating profit	Jan–Mar 2025	Jan–Mar 2024	Full year 2024
HVAC	8	20	52
Electrics	6	8	12
Security	4	8	32
Infra	9	6	51
Group function	–14	–15	–82
Operating profit	12	28	65
Financial items	–171	–15	–102
Profit before tax	–159	13	–37

Notes

Note 7 Share issues

Time	Transaction	Increase in number of shares	Total number of shares	Increase in share capital, SEK	Total share capital, SEK	Nominal value
January 2025	New share issue	161,048	38,281,197	3,221	765,703	SEK 0.02
March 2025	New share issue	293,642	38,574,839	5,873	771,576	SEK 0.02

Note 8 Transactions with related parties

Apart from remuneration to senior executives, there have been no transactions between the Group and related parties during the period that have had a material impact on the company's position and results.

Quarterly data

Income statement, SEK million	Q1 2025	Q1 2024
Net revenue	523	446
Operating profit	12	28
Operating profit, %	2.3	6.3
Total comprehensive income for the period	-118	10
Balance sheet, SEK million	Q1 2025	Q1 2024
Goodwill	1,081	778
Right-of-use assets	131	113
Other fixed assets	94	49
Current assets	518	400
Cash and cash equivalents	126	101
Total assets	1,950	1,441
Equity	320	369
Bond loans	1,100	-
Lease liabilities	134	116
Other liabilities	396	956
Total equity and liabilities	1,950	1,441
Cash flow, SEK million		
From operating activities	-8	32
From investment activities	-29	-47
From financing activities	145	110
Cash flow for the period	108	95
Key figures		
Average number of employees	956	798
Order backlog, SEK million	1,220	886
Average number of shares before dilution	38,291,945	36,338,314
Average number of shares after dilution	38,808,945	36,855,314
Profit/loss for the period attributable to the parent company's shareholders, SEK million	-118	10
Earnings per share before dilution, SEK	-3.08	0.28
Earnings per share after dilution, SEK	-3.04	0.27

Key figures not defined in accordance with IFRS

The company presents certain financial measures in the interim report that are not defined in accordance with IFRS, but which the company considers provide valuable supplementary information to investors and the company's management as they enable the evaluation of relevant trends. Sparc's definitions of these measures may differ from other companies' definitions of the same concepts. These financial measures should therefore be viewed as a supplement rather than a substitute for measures that are defined in accordance with IFRS. Definitions of measures that are not defined in accordance with IFRS, and are not mentioned elsewhere in the interim report, are presented below. Reconciliation of these measures is set out in the table below.

Performance measures	Q1 2025	Q1 2024
Net revenue	523	446
Operating profit (EBIT)	12	28
<i>EBIT margin, %</i>	2.3	6.3
Depreciation/amortisation and impairment of fixed assets	19	14
Operating profit before depreciation and amortisation (EBITDA)	31	42
<i>EBITDA margin, %</i>	5.9	9.4
Items affecting comparability		
Start-up cost for product development	1	1
Decommissioning costs	6	-
Miscellaneous	-	2
Adjusted operating profit before depreciation and amortisation (EBITDA)	38	45
<i>Adjusted EBITDA margin, %</i>	7.3	10.1
Items affecting comparability		
Goodwill impairment	-	-
Adjusted operating profit (EBIT)	19	31
<i>Adjusted EBIT margin, %</i>	-3.6	7.0

Key figures not defined in accordance with IFRS

Cash conversion	Q1 2025	Q1 2024
Adjusted EBITDA, 12m	149	-
Change in working capital	-37	-
Net investment in fixed assets	-1	-
Operating cash flow	111	-
Cash conversion, %	74.5	-
Equity ratio	Q1 2025	Q1 2024
Equity	280	369
Total assets	1,950	1,441
Equity ratio, %	16.4	25.6

Definitions

Key figures	Definition	Purpose
Gross profit	Net revenue less cost of goods sold	This demonstrates the efficiency of Sparc's operations and, together with EBITDA, provides an overall view of ongoing profit generation and the cost structure.
Gross margin	Gross profit expressed as a percentage of net sales.	Key figures are used to analyse efficiency and value creation.
Operating profit before depreciation and amortisation (EBITDA)	Profit before interest, taxes, depreciation/amortisation and impairment losses.	Key figures are a useful measure for presenting the results generated in operating activities. As operating profit is affected by the amortisation of surplus values linked to the acquisition carried out by Sparc, the Group's management considers that operating profit before depreciation/amortisation (EBITDA) is a fair measure of the Group's earning capacity.
Adjusted EBITDA	EBITDA adjusted for items affecting comparability.	Same definition as EBITDA, but with the addition that the adjustment for items affecting comparability improves the potential for comparability over time by excluding items that are irregular in terms of frequency or size.
Pro forma EBITDA	EBITDA including the results from business combinations, regardless of acquisition date	This key figure shows EBITDA for current operations as if they had always been included in the Group. The aim is to show a comparable earnings trend without the impact of additional acquisitions.
Operating profit (EBIT)	Profit before interest and similar income items and tax.	Sparc considers that operating profit (EBIT) is a useful measure for showing the results generated by its operating activities.
Equity ratio	Equity expressed as a percentage of total assets.	The equity ratio is used to show what proportion of the assets are financed through equity in order to evaluate the company's viability.
Total growth	Increase in sales for the Group compared with the corresponding period last year.	This key figure shows growth in total operations, including business combinations.
Organic growth	Increase in sales from operations in companies that were part of the Group during the corresponding comparison period.	This key figure shows growth in existing operations adjusted for acquisitions, divestments and currency effects over the past 12 months.
Cash conversion	Operating cash flow for a rolling 12 months in relation to adjusted EBITDA for the rolling 12 months.	This key figure shows how effectively the Group manages ongoing investments and working capital.
Order backlog	The value of remaining, non-accrued revenue from ongoing and received orders, as at the end of the period	This key figure provides an indication of secured future income
Earnings per share before dilution	Profit/loss for the period attributable to the parent company's shareholders divided by the average number of outstanding shares	The key figure measures the Group's profitability per share in order to compare with similar investments
Earnings per share after dilution, SEK	Profit/loss for the period attributable to the parent company's shareholders divided by the average number of outstanding shares, taking dilution into account	Same as above, but taking the effect of dilution into account

Other information

Date of upcoming financial information:

29 August 2025

Interim report for the second quarter of 2025
January–June 2025 (Q1–Q2)

28 November 2025

Interim report for the third quarter of 2025
January–September 2025 (Q1–Q3)

The interim report has not been reviewed by the auditors.

This interim report constitutes information that Sparc Group AB (publ) is required to make public under the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person below, at 10.00 a.m. CET on 30 May 2025.

30 May 2025, Gothenburg.



Erik Björklund, Founder & CEO

Phone: +46 70 425 49 37

Email: erikbjorklund@sparcgroup.se



Tomas Aksoy, Head of Finance

Phone: +46 73 533 27 78

Email: tomas.aksoy@sparcgroup.se