Karnell.

Q2

Interim Report

January – June 2026

January - June 2026

Second quarter

- Net sales increased by 35.6% to SEK 584.5 million (431.0), of which organic growth amounted to 17.4%.
- EBITA increased by 59.0% to SEK 100.0 million (62.9), corresponding to a margin of 17.1% (14.6). On an organic basis, EBITA increased by 34.1%
- The quarter was affected by SEK 4.0 million (1.2) in acquisition costs.
- Operating profit (EBIT) amounted to SEK 87.7 million (56.9), an increase of 54.1%.
- Cash flow from operating activities amounted to SEK 62.0 million (20.0).
- Diluted earnings per share amounted to 1.00 (0.68).
- In April, the acquisition of the British company flex7 Ltd. was completed.

January - June

- Net sales increased by 31.8% to SEK 1,041.9 million (790.4), of which organic growth amounted to 16.4%.
- EBITA increased by 64.3% to SEK 166.4 million (101.3), corresponding to a margin of 16.0% (12.8). On an organic basis, EBITA increased by 39.2%.
- The period was affected by SEK 5.3 million (3.2) in acquisition costs.
- Operating profit (EBIT) amounted to SEK 146.5 million (90.5), an increase of 61.9%.
- Cash flow from operating activities amounted to SEK 120.8 million (33.3).
- Diluted earnings per share amounted to 1.49 (1.04).
- Two acquisitions were completed during the period.

Key figures

MSEK	Q2			Jan-Jun			LTM	Jan-Dec
	2026	2025	Δ	2026	2025	Δ	Jul-Jun	2025
Net sales	584.5	431.0	36%	1,041.9	790.4	32%	1,939.0	1,687.6
EBITDA	123.1	84.2	46%	210.5	142.6	48%	387.0	319.1
EBITA	100.0	62.9	59%	166.4	101.3	64%	297.9	232.8
EBITA margin. %	17.1	14.6		16.0	12.8		15.4	13.8
Operating profit (EBIT)	87.7	56.9	54%	146.5	90.5	62%	263.6	207.6
Net profit after tax for the period	55.1	36.8	50%	81.6	56.6	44%	166.5	141.5
Net debt excl. leasing/ EBITDA excl. leasing							1.9	1.2
Cash flow from operating activities	62.0	20.0	210%	120.8	33.3	263%	307.0	219.5
Earnings per share before dilution (SEK)	1.03	0.70	48%	1.53	1.07	43%	3.13	2.67
Earnings per share after dilution (SEK)	1.00	0.68	47%	1.49	1.04	43%	3.03	2.59
Number of employees, closing day	883	733	21%	883	733	21%	883	753
Number of shares outstanding ('000)	53,367	52,921		53,367	52,921		53,367	53,367

The English version of the interim report is a translation of the official Swedish report. In event of any discrepancies, the Swedish version shall prevail.

CEO Comments

The second quarter of 2026 marks a milestone for Karnell. EBITA exceeded SEK 100 million for the first time, and the EBITA margin was 17.1%. The last twelve months' EBITA margin was 15.4%. We have therefore, for the first time, exceeded our financial target of a margin of at least 15 percent over time – a target announced in connection with our initial public offering in March 2024. This is the result of strong underlying performance across the Group's companies and of acquisitions contributing positively to profitability.

Group development

Net sales increased during the second quarter by 35.6% to SEK 584.5 million, of which organic growth accounted for 17.4%. Acquisitions contributed 19.1%, and currency effects had a negative impact of 0.9%. EBITA amounted to SEK 100.0 million, an increase of 59.0%, with an EBITA margin of 17.1%. Growth was broadly based across the Group.

Cash flow from operating activities amounted to SEK 62.0 million for the quarter and SEK 120.8 million for the first half of the year, compared with SEK 20.0 million in the quarter and SEK 33.3 million for the first half of the previous year. This improvement reflects not only the increased profit but also active efforts to smooth out cash flow over the course of the year. Our geographical expansion, which has brought in companies with lower seasonal variation, and the targeted measures we have implemented within the Group have gradually altered the previous pattern, where a large proportion of cash flow was concentrated in the second half of the year. Following two acquisitions completed in 2026, net debt stands at 1.9x, which is in line with our target of not exceeding 2x over time. Strong organic cash flow generation and a debt level within our target range continue to give us the flexibility to act on attractive acquisition opportunities.

Business areas

In Niche production, net sales increased by 31.2% to SEK 279.1 million, and EBITA amounted to SEK 64.5 million, corresponding to an EBITA margin of 23.1%. The strong momentum from Q1 continued into the quarter, partly driven by continued high demand from a single customer at levels we do not consider sustainable in the long term. Otherwise, performance was broadly based, with high organic activity and good cost discipline in most of the companies.

In the Product companies segment, net sales increased by 39.9% to SEK 305.4 million, and EBITA amounted to SEK 50.3 million, corresponding to an EBITA margin of 16.5%. Overall, performance was in line with our plan for the quarter, with strong performance in both sales and profits in most of the companies.

Acquisitions and outlook

During the quarter, we completed the acquisition of flex7 Ltd, a British developer and manufacturer of modular connection and control systems for lighting in commercial and public buildings. flex7 are off to a good start under Karnell's ownership and are developing in line with our expectations.

Current market conditions remain mixed. Our decentralized model, the Group's broad geographical reach and our sector diversification enable us to continue developing our business regardless of short-term economic fluctuations. With strong earnings momentum, a stable financial position and an active acquisition pipeline, we are well positioned to continue creating long-term value through both organic growth and acquisitions.

Petter Moldenius

Chief Executive Officer

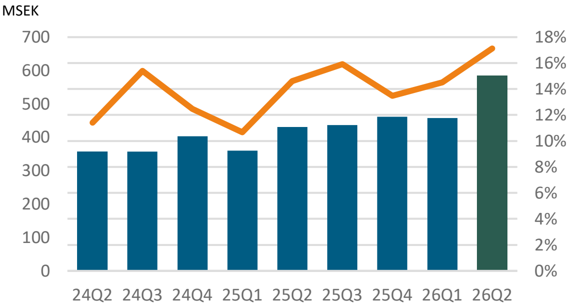
"A strong second quarter with broad-based organic growth, improved margins, and a new acquisition in the UK. For the first time, we have exceeded our financial target of a margin of at least 15 percent."

Group performance

Net sales

Net sales increased by 35.6% in the second quarter compared with the same period last year, to SEK 584.5 million (431.0). Organic revenue growth was 17.4%, acquisitions accounted for 19.1% growth, and currency effects had a negative impact of 0.9%. Both business areas, Niche Production and Product Companies, showed strong growth, driven by organic development and positive contributions from companies acquired in the past year.

Net sales for the first half of the year increased by 31.8% compared with the same period last year and totaled SEK 1,041.9 million (790.4). Organic revenue growth was 16.4%, acquisitions accounted for 17.8% growth, and currency effects had a negative impact of 2.4%.



Net sales and EBITA margin in percent.
During the second quarter, the EBITA margin was 17.1% (14.6).

Profit

EBITA increased by 59.0% in the second quarter to SEK 100.0 million (62.9). Organically, EBITA grew by 34.1%, acquisitions accounted for 26.3%, and FX effects had an impact of -1.5%.

EBITA increased in both business areas, Niche production and Product companies, driven by strong organic growth and recent acquisitions. During the quarter, Karnell's acquisition costs amounted to SEK 4.0 million (1.2). Overall, the Group's EBITA margin was 17.1%.

Operating profit (EBIT) rose by 54.1% compared with the same quarter last year, amounting to SEK 87.7 million (56.9).

Product companies increased EBITA compared with the same quarter last year, driven by organic growth and acquisitions. Acquisitions made over the past year continue to perform in line with expectations and are contributing positively to the business area's performance.

Niche production delivered another quarter of strong organic growth. In addition, growth also came from acquisitions made in the past year. As in Q1, this growth was partly driven by certain projects at one of the Group's companies, but it also reflects a broader increase in demand and stronger margins within the business area compared to the previous year.

For January-June, EBITA increased by 64.3% to SEK 166.4 million (101.3). On an organic basis, EBITA increased by 39.2%, acquisitions accounted for 29.1%, and currency effects had a negative impact of 4.0%. During the first half of the year, the Group incurred transaction costs of SEK 5.3 million (3.2) for completed and terminated acquisitions.

Operating profit (EBIT) increased by 61.9% compared with the same period last year and amounted to SEK 146.5 million (90.5).

The Product Companies increased its EBITA compared to the first half of the previous year, driven by strong organic growth and acquisitions. Acquisitions made in recent year continue to perform as expected and are contributing to the business area's growth.

Niche Production started the year strongly with high organic growth compared to the first half of the previous year. Performance during the first half of the year has been partly driven by certain projects from a single customer at levels which we do not consider sustainable in the long term. At the same time, the growth reflects generally higher demand and strong margins within the business area. In addition, completed acquisitions are contributing to growth.

Net financial items

Net financial items amounted to SEK -14.9 million (-9.2) in the second quarter. Net financial items consisted of interest expenses to credit institutions of SEK -8.6 million (-6.7), interest on lease liabilities of SEK -2.2 million (-2.4), interest income of SEK 0.9 million (1.3), and SEK 2.8 million (0.4) from currency effects. Net financial items for the quarter were affected by the revaluation of Put/call options and earn-outs of SEK -3.6 million (-1.9), as well as other financial items of SEK -4.1 million (0). See Note 5.

January-June, net financial items amounted to SEK -35.6 million (-17.3). Net financial items consist of interest expenses to credit institutions of SEK -13.6 million (-13.7), interest on lease liabilities of SEK -4.2 million (-4.5), interest income of SEK 1.1 million (2.6), and SEK -1.0 million (1.6) from FX effects. Net financial items are also affected by the revaluation of put/call options and earn-outs of SEK -12.6 million (-3.3) and other financial items of SEK -5.3 million (0). See Note 5.

Income tax

For the Group, the weighted tax rate for the second quarter was 24.3% (22.8). The effective tax rate for the quarter was affected by non-deductible fair value revaluations.

For the January-June period, the Group's weighted tax rate was 26.4% (22.8). The effective tax rate is affected by non-deductible fair value revaluations.

Cash flow and financial position

Cash flow

Cash flow from operating activities for the second quarter amounted to SEK 62.0 million (20.0). The increase in cash flow compared with the corresponding quarter of the previous year is primarily attributable to higher earnings, but also to a relative improvement in tied-up working capital.

During the quarter, SEK 12.2 million (9.6) was invested in property, plant and equipment, and SEK 7.7 million (0.5) in intangible assets. One acquisition was completed during the quarter, which affected cash flow by SEK -241.9 million, in addition, retained cash payments and earn-outs related to previous acquisitions totaling SEK -8.8 million were paid out. Cash flow from financing activities amounted to SEK 254.1 million (-82.4), the majority of which relates to loans raised in connection with the aforementioned acquisition.

Cash flow from operating activities for the January-June period amounted to SEK 120.8 million (33.3). Compared with the previous year, earnings increased, but so did capital tied up in both inventory and accounts receivable, which was largely due to organic growth during the year.

During the period, SEK 26.5 million (17.5) was invested in property, plant and equipment, and SEK 8.6 million (1.0) in intangible assets. During the period, two acquisitions were completed, which affected cash flow by SEK -348.6 million; in addition, deferred cash payments and earn-outs totaling SEK -31.3 million related to previous acquisitions were paid. Cash flow from financing activities amounted to SEK 377.6 million (-19.4), the majority of which relates to loans raised in connection with the aforementioned acquisitions.

Financial position

Amounts in parentheses in the Financial Position section refer to corresponding values as of December 31, 2025.

Shareholders' equity at the end of the period amounted to SEK 1,368.9 million (1,234.8).

Total assets amounted to SEK 2,925.8 million (2,226.7), and the equity ratio was 46.8% (55.5).

Non-current liabilities amounted to SEK 743.9 million (340.6) at the end of the period and consisted of corporate loans from credit institutions. The increase is due to loans raised in connection with this year's acquisitions. Other non-current liabilities consisted of put/call options as well as earn-outs totaling SEK 171.2 million (122.8). Long-term lease liabilities amounted to SEK 99.1 million (103.6) and primarily relate to real estate leases. Total non-current liabilities and provisions amounted to SEK 1,160.9 million (659.8) at the end of the period.

Current liabilities consisted of the current portion of corporate loans and overdraft facilities and amounted to SEK 27.4 million (29.7). Current lease liabilities amounted to SEK 45.5 million (40.9), and the current portion of put/call options and earn-outs amounted to SEK 2.0 million (27.4).

Cash and cash equivalents at the end of the period totaled SEK 144.5 million (57.1).

Property, plant and equipment totaled SEK 322.3 million (283.6) at the end of the period. Right-of-use assets totaled SEK 141.5 million (140.9) at the end of the period.

At the end of the period, the Group's goodwill amounted to SEK 1,085.2 million (871.9). Other intangible assets amounted to SEK 454.2 million (255.6) at the end of the period. The increase compared with the start of the year is attributable to acquisitions.

Acquisitions

One acquisition was completed during the second quarter. On April 10, 2026, the acquisition of flex7 Ltd ("flex7") was finalized. The acquisition balance sheet is preliminary, as retroactive adjustments may still be made if they reflect new information regarding the circumstances that existed as of the acquisition date. Further information is provided in Note 3.

Other information

Significant risks and uncertainties

The uncertainties that are primarily expected to affect the Group are as follows:

- **Economic activity** – The general state of the manufacturing sector is expected to have a significant impact on the Group, as most of the companies sell to other manufacturing companies. However, the geographic diversification of sales means that dependence on the economic conditions of any single country is not decisive.
- **Geopolitical unrest** – the ongoing war in Ukraine, the conflict in Iran, and other conflicts have not had any significant impact on the Group's operations. The long-term economic consequences depend on the duration of the war and the measures taken by governments, central banks, and other authorities.

  The increased tariffs imposed and announced by the U.S. have not yet had any direct impact but may affect the Group's companies and financial position. Direct exposure to the U.S. is limited, but indirect and global effects are currently uncertain.
- **Currencies** – The Group is to some extent dependent on the Swedish krona's performance against major currencies, as a portion of its costs is paid in SEK while corresponding sales are denominated in foreign currencies. Consequently, an appreciation of the Swedish krona would affect competitiveness. The primary currency risk consists of translation exposure to the euro (EUR) in the Finnish and Italian subsidiaries and to the British pound (GBP) in the British subsidiaries.
- **Interest rates** – The Group is partially financed through external borrowing. A significant increase in interest rates would therefore increase financial expenses and impair liquidity.

For more information, please refer to the section "Risks and Uncertainties" on page 66 and Note 20 in the 2025 Annual Report.

Personnel

At the end of the period, the Group had 883 employees (733). The change is primarily due to recent acquisitions.

Number of shares

At the end of the period, share capital amounted to SEK 5.3 million (5.3) and the number of shares was 53,367,032 (53,367,032).

Parent company

Operating profit for the second quarter amounted to SEK -13.4 million (-9.2). For the January-June period, operating profit was SEK -26.3 million (-18.4).

Events after the end of the reporting period

No significant events have occurred after the end of the reporting period.

Transactions with related parties

All transactions between Karnell Group AB (publ) and its subsidiaries have been eliminated in the consolidated financial statements. Remuneration to the Board of Directors is disclosed in Note 5 of the 2025 Annual Report.

Financial targets

Karnell's financial targets are set to help drive long-term, sustainable, and profitable growth through the acquisition and development of profitable businesses.

- **EBITA growth** – Average annual EBITA growth shall amount to at least 15% over a business cycle. Growth shall be achieved both organically and through acquisitions.
- **EBITA margin** – The EBITA margin shall be at least 15% in the medium term.
- **Debt/equity ratio** – Net debt excluding leases/EBITDA excluding leases should normally not exceed 2x. This ratio may temporarily exceed this level in connection with acquisitions.
- **Dividend** – Karnell's retained earnings and available cash flows will, in the short term, be reinvested in the business and primarily used for expansion through new acquisitions. In the medium term (3-5 years), Karnell intends to distribute 20-30% of net income for the year.

Business Area – Product companies

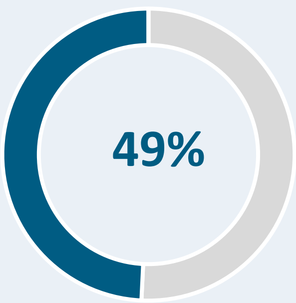
Net sales for the second quarter increased by 39.9% to SEK 305.4 million (218.3). Organic net sales growth was 15.7%; acquisitions accounted for 24.9%, and currency effects amounted to -0.7%. EBITA increased by 56.0% and amounted to SEK 50.3 million (32.3). On an organic basis, EBITA increased by 31.6%, acquisitions accounted for 25.7%, and currency effects amounted to -1.3%.

Developments within Product Companies were largely in line with the business area's plan for the quarter. Most of the companies performed well, driven by organic growth and contributions from recent acquisitions. The acquisitions continue to perform in line with expectations and contribute stable margins.

For the January-June period, net sales increased by 35.3% to SEK 529.4 million (391.3). Organic net sales growth was 10.7%, acquisitions accounted for 26.1%, and currency effects had a negative impact of 1.5%. EBITA increased by 61.2% and amounted to SEK 80.3 million (49.8). Organically, EBITA increased by 24.3%, acquisitions accounted for 39.0%, and currency effects had a negative impact of 2.0%.

The Product Companies business area focuses on B2B industrial technology companies. These are companies that develop products, own the rights to them, and have a unique product offering. The

Share of Group sales



	Q2			Jan-Jun		
MSEK	**2026**	**2025**	**Δ**	**2026**	**2025**	**Δ**
Net sales	305.4	218.3	40%	529.4	391.3	35%
EBITA	50.3	32.3	56%	80.3	49.8	61%
EBITA margin	16.5%	14.8%		15.2%	12.7%	

	R12	Jan-Dec
MSEK	**Jul-Jun**	**2025**
Net sales	1,029.9	891.8
EBITA	164.1	133.6
EBITA margin	15.9%	15.0%

Companies in the business area as of June 30, 2026

K-Vagnen, Autori, WarwickSASCo, Drivex, Lundhalsey, Haco Tellus AB, flex7, SähköJokinen, VEBE, Ojop Sweden, Re-board Technology, Rotomon, Männistö

Business Area – Niche production

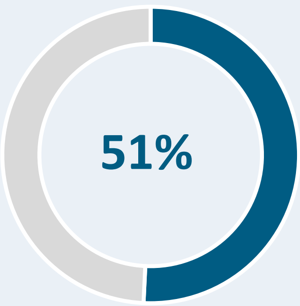
Net sales increased by 31.2% in the second quarter, totaling SEK 279.1 million (212.7). Organic growth amounted to 19.1%. Acquisitions and currency effects contributed 13.1% and -1.0%, respectively. EBITA increased by 54.1% during the quarter, totaling SEK 64.5 million (41.9). Organically, EBITA rose by 35.6%; acquisitions contributed positively by 19.7% and currency effects had a negative impact of -1.2%.

The business area had a strong second quarter, continuing the momentum from the first quarter of the year with both increased net sales and higher margins compared to the corresponding quarter of the previous year. Growth was largely driven by organic development, with strong cost discipline in most of the companies, but was also supported by continued high demand from a single customer at levels not considered sustainable in the long term. In addition, completed acquisitions contributed to this performance.

For the January-June period, net sales increased by 28.4% to SEK 512.4 million (399.0). Organic growth amounted to 22.1%, while acquisitions and currency effects contributed 9.6% and -3.3%. EBITA increased by 57.5% during the period and amounted to SEK 115.3 million (73.2). On an organic basis, EBITA increased by 48.0%; acquisitions contributed positively by 13.8%, and currency effects had a negative impact of -4.4%.

The Niche Production business area focuses on companies that are market leaders in producing products within their niche areas. Our companies often work closely with customers' development departments and add value to the product development process. Niche Production consists of seven business units.

Share of Group sales



	Q2			Jan-Jun		
MSEK	2026	2025	Δ	2026	2025	Δ
Net sales	279.1	212.7	31%	512.4	399.0	28%
EBITA	64.5	41.9	54%	115.3	73.2	57%
EBITA margin	23.1%	19.7%		22.5%	18.3%	

	R12	Jan-Dec
MSEK	Jul-Jun	2025
Net sales	909.1	795.7
EBITA	185.4	143.4
EBITA margin	20.4%	18.0%

Companies in the business area as of June 30, 2026

KL Mechanics

KONEPAJA TIMEKA

SIMFAS

OBA Tradizione futura

Plalite Limited

NE Engineering

Tekniseri

Certification by the Board of Directors and the CEO

The undersigned certify that the interim report provides a fair overview of the Group's and the parent company's operations, financial position, and results, and describes the significant risks and uncertainties facing the parent company and the companies included in the Group.

The report has not been audited by the auditors.

Stockholm, July 17, 2026

Patrik Rignell
Chairman of the Board

Per Nordgren
Board Member

Dajana Mirborn
Board Member

Hans Karlander
Board Member

Helena Nordman-Knutson
Board Member

Lars-Ola Lundkvist
Board Member

Petter Moldenius
CEO

Consolidated income statement in summary

MSEK	Note	Q2 2026	Q2 2025	Jan-Jun 2026	Jan-Jun 2025	LTM Jul-Jun	Jan-Dec 2025
Net sales	2	584.5	431.0	1,041.9	790.4	1,939.0	1,687.6
Other operating revenue		4.7	2.4	7.8	4.8	11.7	8.7
Total income		**589.2**	**433.4**	**1,049.6**	**795.3**	**1,950.7**	**1,696.3**
Change in inventories		6.9	10.6	22.7	19.8	13.5	10.6
Raw materials and consumables		-260.1	-195.3	-465.6	-356.7	-849.8	-740.8
Employee benefits expense		-151.5	-122.7	-279.2	-228.0	-516.1	-464.9
Other external expenses		-61.4	-41.8	-117.0	-87.8	-211.3	-182.0
Depreciation and amortisation of property, plant and equipment		-12.6	-11.0	-24.1	-21.5	-48.3	-45.7
Depreciation and amortisation of right-to-use assets		-10.4	-10.3	-20.0	-19.8	-40.9	-40.7
Depreciation and amortisation of intangible assets		-12.4	-6.0	-19.9	-10.7	-34.3	-25.1
Operating income		**87.7**	**56.9**	**146.5**	**90.5**	**263.6**	**207.6**
Net financial items	5	-14.9	-9.2	-35.6	-17.3	-47.3	-29.1
Profit/loss before tax		**72.8**	**47.7**	**110.9**	**73.2**	**216.2**	**178.6**
Tax on profit/loss for the period		-17.7	-10.9	-29.3	-16.7	-49.7	-37.1
Profit/loss for the period		**55.1**	**36.8**	**81.6**	**56.6**	**166.5**	**141.5**
Earnings per share, SEK							
- before dilution		1.03	0.70	1.53	1.07	3.13	2.67
- after dilution		1.00	0.68	1.49	1.04	3.03	2.59

Consolidated comprehensive income report in summary

MSEK	Q2 2026	Q2 2025	Jan-Jun 2026	Jan-Jun 2025	LTM Jul-Jun	Jan-Dec 2025
Profit/loss for the period	**55.1**	**36.8**	**81.6**	**56.6**	**166.5**	**141.5**
Items that may be reversed to the statement of income						
Translation differences	48.6	-30.0	48.9	-30.0	9.3	-68.6
Other comprehensive income	**48.6**	**-30.0**	**48.9**	**-30.0**	**9.3**	**-68.6**
Total comprehensive income for the year	**103.7**	**6.8**	**130.5**	**26.6**	**175.9**	**72.8**

Summary of the Group's Statement of Financial Position

MSEK	Note	30 Jun 2026	30 Jun 2025	31 Dec 2025
Fixed assets				
Intangible fixed assets	3	1,539.4	1,070.4	1,127.5
Right of use asset		141.5	145.4	140.9
Property plant and equipment		322.3	274.0	283.6
Other financial assets	4	2.5	2.6	3.0
Total non-current assets		**2,005.7**	**1,492.4**	**1,555.0**
Current assets				
Inventories		405.0	326.1	325.1
Accounts receivable	4	326.7	303.1	266.1
Other current receivables		25.7	21.6	14.0
Prepaid expenses and accrued income		18.1	6.8	9.4
Cash and cash equivalents	4	144.5	168.7	57.1
Total current assets		**920.0**	**826.3**	**671.6**
Total assets		**2,925.8**	**2,318.7**	**2,226.7**
Equity		**1,368.9**	**1,179.1**	**1,234.8**
Deferred tax asset		141.5	77.1	88.1
Provisions		5.2	4.9	4.6
Non-current interest-bearing liabilities	4	743.9	344.1	340.6
Other non-current liabilities	4	171.2	114.6	122.8
Non-current leasing liabilities		99.1	104.5	103.6
Total non-current liabilities		**1,160.9**	**645.2**	**659.8**
Current liabilities				
Current interest-bearing liabilities	4	27.4	156.9	29.7
Trade payables	4	143.0	111.4	104.2
Contract liabilities	4	6.7	6.2	3.4
Current tax liabilities		20.5	10.8	9.6
Current leasing liabilities		45.5	44.3	40.9
Other current liabilities		53.1	87.3	63.3
Accrued expenses and prepaid income		99.9	77.5	80.9
Total current liabilities		**396.0**	**494.4**	**332.1**
Total equity and liabilities		**2,925.8**	**2,318.7**	**2,226.7**

Consolidated report on Changes in Equity in summary

MSEK	Share capital	Other contributed capital	Translation reserve	Retained earnings incl. this year's profit/loss	Total equity
Opening balance, equity 1 Jan 2026	5.3	1,002.4	-26.2	253.3	1,234.8
Net profit for the year				81.7	81.7
Other comprehensive income for the year			48.9		48.9
Comprehensive income for the year			**48.9**	**81.7**	**130.5**
Option premiums		5.8			5.8
Repurchase warrants				-2.3	-2.3
Closing balance, equity 30 Jun 2026	**5.3**	**1,008.2**	**22.6**	**332.7**	**1,368.9**

MSEK	Share capital	Other contributed capital	Translation reserve	Retained earnings incl. this year's profit/loss	Total equity
Opening balance, equity 1 Jan 2025	5.3	987.3	42.4	130.0	1,164.9
Net profit for the year				56.6	56.6
Other comprehensive income for the year			-30.0		-30.0
Comprehensive income for the year			**-30.0**	**56.6**	**26.6**
New share issue	-	-		-2.4	-2.4
Option premiums		5.3			5.3
Repurchase warrants				-15.3	-15.3
Closing balance, equity 30 Jun 2025	**5.3**	**992.6**	**12.4**	**168.9**	**1,179.1**

Consolidated cash flow statement in summary

		Q2		Jan-Jun		LTM	Jan-Dec
MSEK	**Note**	**2026**	**2025**	**2026**	**2025**	**Jul-Jun**	**2025**
Operating activities							
Operating profit (EBIT)		87.7	56.9	146.5	90.5	263.6	207.6
Adjustments for non-cash items		36.2	24.5	66.1	51.3	124.4	109.7
Interest received		0.9	1.3	1.1	2.6	2.4	3.9
Interest paid		-10.8	-9.0	-17.8	-18.1	-35.2	-35.6
Paid tax		-16.3	-5.5	-36.2	-18.1	-54.2	-36.0
Cash flow before changes in working capital		**97.7**	**68.3**	**159.7**	**108.3**	**301.0**	**249.7**
Changes in working capital							
Changes in inventories		-19.8	-14.9	-49.1	-29.8	-36.8	-17.5
Changes in trade receivables		-3.5	-38.9	-25.4	-58.1	18.4	-14.4
Change in other operating receivables		-4.1	4.4	-6.7	-2.4	-6.8	-2.5
Change in trade payables		-17.6	-2.9	19.3	9.7	1.7	-7.8
Change in other operating liabilities		9.2	4.1	23.1	5.7	29.6	12.1
Cash flow from changes in working capital		**-35.7**	**-48.3**	**-38.9**	**-75.0**	**6.0**	**-30.1**
Cash flow from operating activities		**62.0**	**20.0**	**120.8**	**33.3**	**307.0**	**219.5**
Investing activities							
Acquisition of subsidiaries		-250.6	-50.5	-379.9	-107.5	-477.6	-205.2
Investments in intangible assets		-7.7	-0.5	-8.6	-1.0	-12.7	-5.1
Investments in property, plant and equipment		-12.2	-9.6	-26.5	-17.5	-60.3	-51.3
Divestments of tangible assets		-	-	-	-	0.2	0.2
Changes in other financial assets		0.0	-0.0	0.8	-0.4	0.6	-0.6
Cash flow from investing activities		**-270.5**	**-60.6**	**-414.2**	**-126.4**	**-549.8**	**-262.0**
Financing activities							
Borrowings		280.0	-	417.3	57.9	492.3	132.9
Loan repayments		-6.4	-78.6	-14.3	-91.4	-97.6	-174.7
Loan repayments, leasing		-10.2	-9.2	-20.2	-18.6	-40.2	-38.6
Change in current credit facility		-10.5	56.1	-3.8	85.7	-142.5	-53.1
Dividends paid to non-controlling interests		-4.1	-2.4	-5.3	-2.4	-7.0	-4.2
New share issue		-	-	-	-	9.9	9.9
Warrants		5.1	-10.0	3.5	-10.0	3.5	-10.0
Cash-settled put/call options		0.0	-38.3	0.0	-40.7	-0.4	-41.1
Cash flow from financing activities		**254.1**	**-82.4**	**377.6**	**-19.4**	**218.0**	**-179.1**
Cash flow for the period		**45.6**	**-123.1**	**84.2**	**-112.5**	**-24.9**	**-221.5**
Cash and cash equivalents at the beginning of the period		**98.1**	**289.7**	**57.1**	**286.3**	**168.7**	**286.3**
Effects of translation differences in cash and cash equivalents		0.8	2.0	3.3	-5.1	0.7	-7.7
Cash and cash equivalents at the end of the period		**144.5**	**168.7**	**144.5**	**168.7**	**144.5**	**57.1**

Summary of the Parent Company's Income Statement

	Q2		Jan-Jun		LTM	Jan-Dec
MSEK	**2026**	**2025**	**2026**	**2025**	**Jul-Jun**	**2025**
Net sales	1.0	0.9	1.9	1.8	3.8	3.7
Other operating revenue	0.8	0.0	0.8	0.0	0.8	0.0
Total income	**1.8**	**0.9**	**2.8**	**1.8**	**4.6**	**3.7**
Operating costs						
Employee benefits expense	-9.2	-8.5	-19.5	-13.7	-31.6	-25.8
Other external expenses	-6.0	-1.5	-9.4	-6.5	-16.1	-13.1
Depreciation of tangible and intangible fixed assets	-0.0	-0.0	-0.1	-0.1	-0.2	-0.1
Other operating expenses	-0.0	-0.0	-0.0	-0.0	-0.0	-0.0
Operating income	**-13.4**	**-9.2**	**-26.3**	**-18.4**	**-43.3**	**-35.4**
Profit/loss from financial items						
Interest income and similar profit/loss items	72.6	20.2	79.0	39.9	100.1	61.0
Interest expenses and similar profit/loss items	-6.5	-6.1	-16.6	-29.4	-28.3	-41.1
Profit/loss after financial items	**52.8**	**4.8**	**36.2**	**-7.8**	**28.5**	**-15.5**
Group contribution received	-	-	-	-	32.8	32.8
Profit/loss before tax	**52.8**	**4.8**	**36.2**	**-7.8**	**61.3**	**17.3**
Tax on profit/loss for the period	-	-	-	-	-	-
Profit/loss after tax	**52.8**	**4.8**	**36.2**	**-7.8**	**61.3**	**17.3**

Profit for the period corresponds to total comprehensive income for the period.

Summary of the Parent Company’s Financial Position

MSEK	30 Jun 2026	30 Jun 2025	31 Dec 2025
Fixed assets			
Intangible fixed assets	0.0	0.1	0.1
Property plant and equipment	0.3	0.1	0.2
Shares in subsidiaries	1,636.9	1,067.8	1,168.6
Non-current receivables from subsidiaries	264.8	329.0	282.9
Total non-current assets	**1,902.0**	**1,397.1**	**1,451.8**
Current assets			
Current receivables from subsidiaries	11.5	5.7	38.5
Other current receivables	0.9	0.9	0.9
Prepaid expenses and accrued income	1.5	0.4	0.7
Cash and cash equivalents	44.1	11.4	0.0
Total current assets	**58.1**	**18.4**	**40.0**
Total assets	**1,960.1**	**1,415.4**	**1,491.9**
Equity			
Restricted equtiy	5.3	5.3	5.3
Non-restricted equity	912.0	837.3	872.3
Total equity	**917.4**	**842.6**	**877.6**
Non-current liabilities			
Liabilities to credit institutions	734.5	332.0	329.1
Other non-current liabilities	146.5	89.6	100.1
Current liabilities			
Liabilities to credit institutions	27.1	104.8	29.5
Liabilities to Group companies	122.1	-	119.4
Trade payables	0.8	1.0	1.2
Other current liabilities	6.0	41.7	29.3
Accrued expenses and prepaid income	5.8	3.9	5.6
Total liabilities	**1,042.7**	**572.8**	**614.2**
Total equity and liabilities	**1,960.1**	**1,415.4**	**1,491.9**

Notes

This quarterly report covers the Swedish parent company Karnell Group AB (publ), corporate identity number 559043-3214, hereinafter referred to as Karnell, with its registered office in Stockholm, Sweden, and its subsidiaries (the consolidated financial statements). The address of the head office is Riddargatan 13D, 114 51 Stockholm. The company's principal business is investment activities.

Note 1. Accounting principles

Karnell's consolidated financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) and related interpretations (IFRIC), as adopted by the EU. The Group's interim report is prepared in accordance with the applicable provisions of the Annual Accounts Act and IAS 34 Interim Financial Reporting. The interim report for the parent company has been prepared in accordance with Chapter 9 of the Annual Accounts Act, "Interim Reports." For the Group and the parent company, the same accounting principles, calculation methods, and estimates have been applied as in the most recent annual report.

A more detailed description of the Group's accounting principles, as well as new and upcoming standards, can be found in the most recently published annual report.

Disclosures in accordance with IAS 34.16A are presented, in addition to the financial statements and their accompanying notes in the interim report, on pages 3-7, which form an integral part of this financial report.

All amounts in this report are stated in millions of Swedish kronor (MSEK) unless otherwise indicated. Rounding may occur in tables and calculations, which means that the total amounts stated are not always the exact sum of the rounded partial amounts.

Note 2. Segment and distribution of net sales

	Q2		Jan-Jun		Jan-Dec
MSEK	2026	2025	2026	2025	2025
Product companies	**305.4**	**218.3**	**529.4**	**391.3**	**891.8**
Sale of products	271.5	198.7	476.2	356.2	823.3
Project sales	26.9	13.4	40.2	24.2	42.0
Sale of services	7.0	6.2	13.0	10.9	26.5
Niche production	**279.1**	**212.7**	**512.4**	**399.0**	**795.7**
Sale of products	279.1	212.7	512.4	399.0	795.7
Central and eliminations	**-**	**0.0**	**-0.0**	**0.1**	**0.6**
Total Group	**584.5**	**431.0**	**1,041.9**	**790.4**	**1,687.6**

Net sales relate to external revenue from contracts with customers. Sales of services and project sales are recognized over time; other revenue is recognized at a single point in time.

Note 2. Segment and distribution of net sales, continued

Net sales by geographic area

MSEK	Q2 2026	Q2 2025	Jan-Jun 2026	Jan-Jun 2025	Jan-Dec 2025
Sweden	110.3	90.9	222.2	191.0	404.5
Finland	262.2	215.7	447.3	378.5	793.8
UK	82.7	41.8	115.3	74.7	160.0
Europe, other	90.1	60.6	171.4	107.5	222.8
Other countries	39.2	22.0	85.7	38.7	106.6
Total	**584.5**	**431.0**	**1,041.9**	**790.4**	**1,687.6**

Net sales are based on the customer's geographic location.

Q2 2026 (MSEK)	Product companies	Niche production	HQ and other	Total Group
Net sales	305.4	279.1	-0.0	584.5
EBITA	50.3	64.5	-14.8	100.0
Depreciation and amortisation of intangible fixed assets				-12.4
Net financial items				-14.9
Profit/loss before tax				**72.8**

Q2 2025 (MSEK)	Product companies	Niche production	HQ and other	Total Group
Net sales	218.3	212.7	0.0	431.0
EBITA	32.3	41.9	-11.2	62.9
Depreciation and amortisation of intangible fixed assets				-6.0
Net financial items				-9.2
Profit/loss before tax				**47.7**

Jan-Jun 2026 (MSEK)	Product companies	Niche production	HQ and other	Total Group
Net sales	529.4	512.4	-0.0	1,041.9
EBITA	80.3	115.3	-29.2	166.4
Depreciation and amortisation of intangible fixed assets				-19.9
Net financial items				-35.6
Profit/loss before tax				**110.9**

Jan-Jun 2025 (MSEK)	Product companies	Niche production	HQ and other	Total Group
Net sales	391.3	399.0	0.1	790.4
EBITA	49.8	73.2	-21.8	101.3
Depreciation and amortisation of intangible fixed assets				-10.7
Net financial items				-17.3
Profit/loss before tax				**73.2**

Note 3. Acquisitions

OBA Tradizione Futura S.R.L

On March 16, 2026[1], Karnell completed the acquisition of OBA Tradizione Futura S.R.L ("OBA Tf"), acquiring a 90.0% stake. The acquisition includes a put/call option conferring the right and obligation to acquire the remaining 10.0% of the shares from the other owners. Consequently, the acquisition is reported as 100% owned with no non-controlling interest. The expected purchase price for the remaining 10.0% is instead recognized as a liability.

OBA Tf, based outside Bologna, Italy, is a niche manufacturer of premium products specializing in solutions for exterior and interior automotive customization. The company has annual sales of approximately EUR 11 million and is part of the Niche Production business area.

The acquired goodwill is attributable to the company's expected future earning capacity and strong customer relationships. No portion of the goodwill is expected to be tax-deductible. Transaction costs for the acquisition amount to approximately SEK 1.3 million and are included in the "Other External Expenses" line item in the consolidated income statement. In addition to the cash consideration, there is also a performance-based contingent additional purchase price that may amount to a maximum of EUR 7.2 million.

The acquisition balance sheet is preliminary, as retroactive adjustments may still be made if they reflect new information regarding the circumstances that existed as of the acquisition date.

1) For the sake of simplicity, OBA Tf has been consolidated as of March 1, 2026. This is not expected to have any material impact on the Group's financial statements.

flex7 Ltd

On April 10, 2026, the acquisition of flex7 Ltd was completed, with 98.0% of the company acquired. The acquisition includes a put/call option conferring the right and obligation to acquire the remaining 2.0% of the shares from the other owners. Consequently, the acquisition is reported as 100% owned with no non-controlling interest. The expected purchase price for the remaining 2.0% is instead recognized as a liability. flex7, based in Twyford, United Kingdom, is a developer and manufacturer of modular connection and control systems for lighting in commercial and public buildings. The company has annual revenue of approximately GBP 9 million and will be included in the Product Companies business area.

The acquired goodwill is attributable to the company's expected future earning capacity and strong customer relationships. No portion of the goodwill is expected to be tax-deductible. Transaction costs for the acquisition amount to approximately SEK 3.2 million, a large portion of which is attributable to transfer tax and are included in the item "Other external expenses" in the consolidated income statement.

The acquisition balance sheet is preliminary, as retroactive adjustments may still be made if they reflect new information regarding the circumstances that existed as of the acquisition date.

1) For simplicity's sake, the consolidation of flex7 has been applied as of April 1, 2026. This is not expected to have any material impact on the Group's financial statements.

Purchase price allocation 2026

MSEK	OBA	flex7	Total
Intangible fixed assets	83.7	114.0	**197.6**
Property plant and equipment	18.6	22.0	**40.6**
Inventories	14.5	12.1	**26.5**
Current receivables	13.8	20.1	**33.9**
Cash and cash equivalents	29.4	33.6	**62.9**
Deffered tax	-23.8	-30.2	**-54.0**
Non-current liabilities	-8.7	-0.3	**-9.1**
Current liabilities	-20.8	-16.4	**-37.3**
Net identifiable assets and liabilities	**106.5**	**154.7**	**261.2**
Cash purchase price	136.1	275.5	**411.6**
Retained amount	7.0	-	**7.0**
Contingent liability	7.9	-	**7.9**
Put/call option	18.5	5.1	**23.6**
Total purchase price	**169.4**	**280.6**	**450.0**
Net assets acquired	106.5	154.7	**261.2**
Goodwill	62.9	125.9	**188.8**
Total net assets acquired and goodwill	**169.4**	**280.6**	**450.0**
Impact on the Group's cash and cash equivalents			
Cash compensation	-136.1	-275.5	**-411.6**
Acquired cash and cash equivalents	29.4	33.6	**62.9**
Net cash and cash equivalents	**-106.7**	**-241.9**	**-348.6**

MSEK	OBA	flex7	Total
Impact after acquisition date included in consolidated earnings			
Net sales	38.4	32.5	**70.9**
Operating profit (EBIT)	11.3	11.2	**22.5**
Impact if the acquisitions were completed on Jan 1			
Net sales	54.8	62.5	**117.3**
Operating profit (EBIT)[1]	11.9	19.1	**30.9**

1) The operating profit for the period prior to the acquisition of Karnell includes one-time items that affect historical comparability.

Note 4. Financial assets and liabilities

30 Jun 2026 (MSEK)	Financial assets and liabilities measured at fair value through profit/loss	Financial assets and liabilities measured at amortised cost	Total fair value
Financial assets			
Non-current receivables	-	0.8	**0.8**
Accounts receivable	-	326.7	**326.7**
Cash and cash equivalents	-	144.5	**144.5**
Total	**-**	**472.0**	**472.0**
Financial liabilities			
Liabilities to credit institutions	-	771.3	**771.3**
Trade payables	-	143.0	**143.0**
Contract liabilities	-	6.7	**6.7**
Contingent liabilities	10.3	-	**10.3**
Put/call options attributable to non-controlling interests	162.9	-	**162.9**
Total	**173.2**	**921.0**	**1,094.2**

30 Jun 2025 (MSEK)	Financial assets and liabilities measured at fair value through profit/loss	Financial assets and liabilities measured at amortised cost	Total fair value
Financial assets			
Non-current receivables	-	1.0	**1.0**
Accounts receivable	-	303.1	**303.1**
Cash and cash equivalents	-	168.7	**168.7**
Total	**-**	**472.8**	**472.8**
Financial liabilities			
Liabilities to credit institutions	-	501.1	**501.1**
Trade payables	-	111.4	**111.4**
Contract liabilities	-	6.2	**6.2**
Contingent liabilities	38.9	-	**38.9**
Put/call options attributable to non-controlling interests	110.2	-	**110.2**
Total	**149.1**	**618.6**	**767.7**

The carrying amount is considered a good approximation of fair value. For the period 2026, there are two items measured at fair value through profit or loss. The fair value of contingent liabilities (earn-outs) has been calculated based on the expected outcome of financial and operational targets for each individual agreement. The estimated expected settlement will vary over time depending on, among other things, the degree of fulfilment of the conditions for the contingent earn-outs and the development of certain exchange rates against the Swedish krona. Contingent liabilities classified as financial liabilities are measured at fair value. The measurement is therefore in accordance with Level 3 of the valuation hierarchy. Significant unobservable input data consists of forecast revenue, a risk-adjusted discount rate and operational targets.

The put/call options relating to non-controlling interests concern put/call options in completed transactions where the selling shareholder retains a certain ownership stake in connection with subsequent transactions and there is an agreement that Karnell shall purchase the remaining holding if the holder of the put/call option chooses to exercise the right to sell. The liability relating to put/call options is usually recognized as non-current. When there is an indication that the holder of a put option wishes to exercise their option, the liability is recognized as current..

The valuation and payment are made in a similar manner as for contingent earn-outs (Level 3 Fair Valuation). The fair value of the call options in respect of non-controlling interests has been calculated by assessing the likely outcome of the financial and operational targets for each individual agreement. The estimated probability of payment will vary over time depending on, among other things, the extent to which conditions for the call/put options have been met, as well as how exchange rates develop

The levels are as follows:

- **Level 1:** Financial instruments are valued based on prices quoted in an active market.
- **Level 2:** Financial instruments are valued based on directly or indirectly observable market data and are not included in Level 1.
- **Level 3:** Financial instruments are valued based on inputs that are not observable in the market.

Reconciliation of put/call options and earn-outs

Changes in put/call options, MSEK	
Opening balance, Jan 1 2026	**122.1**
Additional put/call options	23.6
Settled liabilities during the period	-
Revaluations through profit/loss	14.3
Exchange rate differences	2.9
Closing balance, Jun 30 2026	**162.9**

Changes in earn-outs, MSEK	
Opening balance, Jan 1 2026	**28.1**
Additional earn-outs	7.9
Settled liabilities during the period	-24.2
Revaluations through profit/loss	-1.6
Exchange rate differences	0.1
Closing balance, Jun 30 2026	**10.3**

Note 5. Net financial items

	Q2		Jan-Jun	
MSEK	**2026**	**2025**	**2026**	**2025**
Interest income	0.9	1.3	1.1	2.6
Interest expenses	-8.6	-6.7	-13.6	-13.7
Interest expenses leasing	-2.2	-2.4	-4.2	-4.5
Net interest	**-9.9**	**-7.7**	**-16.7**	**-15.6**
Net exchange rate effects	2.8	0.4	-1.0	1.6
Revaluation of put/call options and earn-outs	-3.6	-1.9	-12.6	-3.3
Other financial items	-4.1	-	-5.3	-
Net financial items	**-14.9**	**-9.2**	**-35.6**	**-17.3**

Key figures - Group

MSEK	Q2 2026	Q2 2025	Jan-Jun 2026	Jan-Jun 2025	LTM Jul-Jun	Jan-Dec 2025
Net sales	584.5	431.0	1,041.9	790.4	1,939.0	1,687.6
EBITDA[1]	123.1	84.2	210.5	142.6	387.0	319.1
EBITA[1]	100.0	62.9	166.4	101.3	297.9	232.8
EBITA margin. %[1]	17.1	14.6	16.0	12.8	15.4	13.8
EBITA growth. %[1]	59.0	54.4	64.3	66.8	-	40.3
Operating profit (EBIT)	87.7	56.9	146.5	90.5	263.6	207.6
EBIT margin. %	15.0	13.2	14.1	11.5	13.6	12.3
Profit/loss before tax	72.8	47.7	110.9	73.2	216.2	178.6
Cash flow from operating activities	62.0	20.0	120.8	33.3	307.0	219.5
Earnings per share before dilution (SEK)	1.03	0.70	1.53	1.07	3.13	2.67
Earnings per share after dilution (SEK)	1.00	0.68	1.49	1.04	3.03	2.59
Return on equity. %[1]	-	-	-	-	13.1	11.8
Return capital employed. %[1]	-	-	-	-	13.6	13.7
Equity ratio. %[1]	46.8	50.9	46.8	50.9	46.8	55.5
Financial net debt[1]	944.5	630.3	944.5	630.3	944.5	608.0
Net debt[1]	771.4	481.2	771.4	481.2	771.4	457.8
Net debt excl. leasing[1]	626.8	332.4	626.8	332.4	626.8	313.3
Financial net debt/EBITDA[1]	-	-	-	-	2.4	1.9
Net debt/EBITDA[1]	-	-	-	-	2.0	1.4
Net debt excl. leasing/EBITDA excl. leasing[1]	-	-	-	-	1.9	1.2
Number of employees, closing day	883	733	883	733	883	753
Average number of shares. before dilution ('000)	53,367	52,921	53,367	52,921	53,183	52,961
Average number of shares. diluted ('000)	55,148	54,330	54,943	54,281	54,993	54,572

1) This key figure is an alternative performance measure in accordance with ESMA guidelines

Net sales and EBITA per quarter

MSEK	Q2 2026	Q1 2026	Q4 2025	Q3 2025	Q2 2025	Q1 2025	Q4 2024	Q3 2024	Q2 2024
Net sales									
Product companies	305.4	224.0	251.5	249.0	218.3	173.0	210.6	171.4	179.1
Niche production	279.1	233.4	209.6	187.1	212.7	186.3	192.2	185.2	178.1
Central and eliminations	-0.0	-0.0	-0.0	0.0	0.0	0.1	0.0	0.0	0.0
Total Group	**584.5**	**457.4**	**461.1**	**436.1**	**431.0**	**359.4**	**402.9**	**356.6**	**357.2**
EBITA									
Product companies	50.3	30.0	37.9	45.9	32.3	17.6	31.8	28.5	24.2
Niche production	64.5	50.7	35.8	34.3	41.9	31.3	26.1	34.7	27.8
Central and eliminations	-14.8	-14.4	-11.6	-10.8	-11.2	-10.6	-7.7	-8.3	-11.2
Total Group	**100.0**	**66.3**	**62.1**	**69.4**	**62.9**	**38.3**	**50.2**	**54.9**	**40.8**
EBITA margin. %									
Product companies	16.5%	13.4%	15.1%	18.4%	14.8%	10.2%	15.1%	16.6%	13.5%
Niche production	23.1%	21.7%	17.1%	18.4%	19.7%	16.8%	13.6%	18.8%	15.6%
Total Group	**17.1%**	**14.5%**	**13.5%**	**15.9%**	**14.6%**	**10.7%**	**12.5%**	**15.4%**	**11.4%**

Definitions

Return on equity:
Net income for the year after tax as a percentage of average equity (opening balance plus closing balance for the period, divided by two). The purpose is to show the return on shareholders' invested capital during the period.

Return on capital employed:
Profit after financial items plus financial expenses as a percentage of average capital employed (opening balance plus closing balance for the period, divided by two). The purpose is to show the business's profitability in relation to its capital employed.

EBITA:
Operating profit before amortization of intangible assets. EBITA complements operating profit. The purpose is to measure the underlying earnings from ongoing operations, excluding amortization and impairment charges on intangible assets.

EBITA margin:
EBITA as a percentage of net sales. The purpose is to show the operational profitability of the business, independent of amortization and impairment charges on intangible assets.

EBITA growth:
Change in EBITA compared to the same period the previous year. The purpose is to analyze earnings growth.

EBITDA:
Operating profit before depreciation and amortization. EBITDA is a supplement to operating profit. The purpose is to measure earnings from ongoing operations, independent of depreciation and amortization.

EBITDA excluding leasing:
Operating profit before depreciation, adjusted for the reclassification of lease expenses in accordance with IFRS 16. EBITDA excluding leases is a supplement to operating profit. The purpose is to measure earnings from ongoing operations, independent of depreciation and adjustments for leases in accordance with IFRS 16.

EBIT margin:
Operating profit (EBIT) as a percentage of net sales. The purpose is to provide an indication of profitability relative to sales.

Financial net debt:
Net debt, plus put/call options and earn-outs. The purpose is to clarify the size of the debt minus current cash and cash equivalents (which, in theory, could be used to repay loans).

Financial net debt/EBITDA:
Financial net debt divided by EBITDA for the most recent 12-month period. This key ratio is relevant for assessing the company's ability to make investments and meet its financial obligations.

Net Sales Growth:
Change in the Group's net sales compared to the prior-year period. The purpose is to show the total growth in net sales for all Group companies that are part of the Group relative to the prior-year period.

Net debt:
Non-current liabilities, long-term lease liabilities, short-term interest-bearing liabilities, and short-term lease liabilities, less cash and cash equivalents. The purpose is to clarify the amount of debt minus current cash and cash equivalents (which, in theory, could be used to repay loans).

Net debt excluding leases:
Non-current interest-bearing liabilities and current interest-bearing liabilities, less cash and cash equivalents. The purpose is to assess the Group's indebtedness without taking lease liabilities into account, as these have a different maturity structure.

Net debt excluding leases/EBITDA excluding leases:
Net debt excluding lease liabilities divided by EBITDA excluding leases for the most recent 12-month period. This key ratio provides an indication of the Group's ability to pay its debts, excluding items related to IFRS 16, leases.

Net debt/EBITDA:
Net debt divided by EBITDA for the most recent 12-month period. This key ratio is relevant for assessing the company's ability to make investments and meet its financial obligations.

Organic EBITA Growth:
Change in EBITA adjusted for currency effects as well as acquired and divested EBITA, compared with the same period the previous year. Acquired companies are included in organic growth from the point in time when they have comparable figures for the current period. The purpose is to analyze the underlying earnings growth in current operations.

Organic net sales growth:
Change in net sales adjusted for currency effects and for net sales from acquired and divested companies, compared with the same period the previous year. Acquired companies are included in organic growth from the point in time when they have comparable figures for the current period. The purpose is to analyze the underlying net sales growth in current operations.

Earnings per share, diluted:
Net income after tax divided by the weighted average number of outstanding shares during the period, plus the number of shares that would have been issued as a result of ongoing incentive programs.

Earnings per share, before dilution:
Net income after tax divided by the weighted average number of outstanding shares during the period.

Equity ratio:
Equity as a percentage of total assets. The purpose is to assess financial risk and shows what proportion of assets is financed by equity.

Capital employed:
Balance sheet total reduced by non-interest-bearing provisions and liabilities. The purpose is to show the capital financed by owners and lenders.

Reconciliation and calculation of alternative performance measures (APM)

Karnell uses financial measures that are not defined in IFRS but are so-called alternative performance measures (APMs). These measures provide the reader with supplementary data and facilitate further analysis of the Group's performance over time. Below are reconciliations and descriptions of the components included in the alternative performance measures used in this report. Reconciliations are performed against the most directly comparable line item, subtotal, or total amount reported in the financial statements for the corresponding period.

EBITDA, EBITA, and Operating profit (EBIT)

	Q2		Jan-Jun		LTM	Jan-Dec
MSEK	**2026**	**2025**	**2026**	**2025**	**Jul-Jun**	**2025**
EBITDA	**123.1**	**84.2**	**210.5**	**142.6**	**387.0**	**319.1**
Depreciation and amortization	-23.0	-21.3	-44.1	-41.3	-89.2	-86.4
EBITA	**100.0**	**62.9**	**166.4**	**101.3**	**297.9**	**232.8**
Depreciation and amortisation of intangible assets	-12.4	-6.0	-19.9	-10.7	-34.3	-25.1
Operating profit (EBIT)	**87.7**	**56.9**	**146.5**	**90.5**	**263.6**	**207.6**

EBITA margin and operating margin

	Q2		Jan-Jun		LTM	Jan-Dec
MSEK	**2026**	**2025**	**2026**	**2025**	**Jul-Jun**	**2025**
Net sales	584.5	431.0	1,041.9	790.4	1,939.0	1,687.6
EBITA	100.0	62.9	166.4	101.3	297.9	232.8
EBITA margin. %	**17.1%**	**14.6%**	**16.0%**	**12.8%**	**15.4%**	**13.8%**
Operating profit (EBIT)	87.7	56.9	146.5	90.5	263.6	207.6
Operating margin. %	**15.0%**	**13.2%**	**14.1%**	**11.5%**	**13.6%**	**12.3%**

Organic net sales growth. %

	Q2				Jan-Jun			
MSEK. %	**2026**		**2025**		**2026**		**2025**	
Growth net sales	153.5	35.6%	73.8	20.7%	251.4	31.8%	147.6	23.0%
Net sales	584.5	-	431.0	-	1,041.9	-	790.4	-
Acquired net sales growth	82.2	19.1%	75.7	21.2%	76.6	17.8%	133.4	20.8%
Net exchange rate effects	-3.8	-0.9%	-6.7	-1.9%	-19.0	-2.4%	-7.3	-1.1%
Organic net sales growth	**75.0**	**17.4%**	**4.9**	**1.4%**	**70.8**	**16.4%**	**21.6**	**3.4%**

Organic EBITA growth. %

MSEK. %	Q2				Jan-Jun			
	2026		2025		2026		2025	
Growth EBITA	37.1	59.0%	22.2	54.4%	65.1	64.3%	40.5	66.8%
EBITA	100.0	-	62.9	-	166.4	-	101.3	-
Acquired EBITA growth	16.6	26.3%	16.6	40.8%	39.7	39.2%	27.7	45.5%
Net exchange rate effects	-0.9	-1.5%	-1.4	-3.4%	-4.1	-4.0%	-1.2	-2.0%
Organic EBITA growth	**21.5**	**34.1%**	**6.9**	**17.0%**	**29.5**	**29.1%**	**14.1**	**23.4%**

Net debt

MSEK	Q2		Jan-Jun		LTM	Jan-Dec
	2026	2025	2026	2025	Jul-Jun	2025
Interest-bearing liabilities	771.3	501.1	771.3	501.1	771.3	370.4
Cash and cash equivalents	144.5	168.7	144.5	168.7	144.5	57.1
Net debt excl. leasing	**626.8**	**332.4**	**626.8**	**332.4**	**626.8**	**313.3**
Lease liabilities	144.6	148.9	144.6	148.9	144.6	144.6
Net debt	**771.4**	**481.2**	**771.4**	**481.2**	**771.4**	**457.8**
Other liabilities	173.2	149.1	173.2	149.1	173.2	150.2
Financial net debt	**944.5**	**630.3**	**944.5**	**630.3**	**944.5**	**608.0**

Leasing impact on EBITDA

MSEK	LTM	Jan-Dec
	Jul-Jun	2025
EBITDA	387.0	319.1
Leasing impact EBITDA	-49.7	-48.1
EBITDA LTM excl. leasing	**337.3**	**271.1**

Net debt/EBITDA

MSEK	LTM	Jan-Dec
	Jul-Jun	2025
Financial net debt/EBITDA	2.4	1.9
Net debt/EBITDA	2.0	1.4
Net debt excl. leasing/EBITDA excl. leasing	1.9	1.2

Return on equity

MSEK	LTM	Jan-Dec
	Jul-Jun	2025
Profit/loss for the period	166.5	141.5
Equity, average	1,274.0	1,199.8
Return on equity	**13.1%**	**11.8%**

Return on capital employed

MSEK	LTM Jul-Jun	Jan-Dec 2025
Profit/loss after financial items	216.2	178.6
Financial expenses (+)	-63.4	-62.5
Profit after financial items plus financial expenses	**279.7**	**241.1**
Balance sheet total, average	2,622.2	2,229.9
Non-interest-bearing liabilities (-), average	451.0	391.4
Non-interest-bearing provisions (-), average	114.3	81.8
Capital employed	**2,056.9**	**1,756.7**
Return on capital employed. %	**13.6%**	**13.7%**

Calendar

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