Interim report Q2: April – June 2026

The Q&A will be held Monday, July 20th at 08:08 CEST.

Questions can be sent in at QA@teqnion.se or live.

Join by clicking here.

Interim report Q2: April – June 2026

TEQ Flash Q2 report 2026

We keep rowing our boat across a choppy sea. Net sales for the quarter were 517.9 (474.5) MSEK, up 9%, and EBITA was 72.9 (53.7) MSEK, up 36%. Organic sales are down 3% due to discontinuing unprofitable business, which also drove organic EBITA up 52%. The Q2 EBITA margin rose to 14.1% (11.3%), free cash flow grew nearly sevenfold to 35.0 (4.5) MSEK, and EPS was up 11%. No rest on the oars, "bam - bam - RO"!

- Johan Steene, original Teqniån

Events during the quarter

- Bolt-on acquisition - Powerair Ltd
- T.E.S.T Ltd was acquired
- Norband Ltd. Oy was acquired

Events after the quarter

- Nothing significant, just everyday grinding.

Teqnion financial development, MSEK	2026 Q2	2025 Q2	Δ%	**2026 YTD**	**2025 YTD**	**Δ%**
FCF excluding acquisitions	35,0	4,5	+678%	54,8	23,0	+138%
EPS (SEK)	2,48	2,24	+11%	4,52	4,37	+3%
Diluted EPS (SEK)	2,48	2,24	+11%	4,52	4,37	+3%
Profit for the period	42,6	38,5	+11%	77,6	75,1	+3%
Profit before taxes	52,2	44,3	+18%	105,2	90,7	+16%
EBITA	72,9	53,7	+36%	140,9	86,7	+63%
EBITA margin (%)	14,1%	11,3%	--	14,2%	9,8%	--
Net sales	517,9	474,5	+9%	992,3	880,8	+13%
Net debt / EBITDA*	--	--	--	1,7	1,9	--
RoE R12* (%)	--	--	--	10,8%	13,5%	--

About Teqnion

Teqnion AB is an industrial group that acquires stable niche companies with good cash flows to develop and own with an eternal horizon. The subsidiaries are managed decentralized with support from the parent company. We operate in numerus industries with leading products, which gives us good resistance to economic fluctuations as well as solid industrial know-how. For us, it is central to focus on profitability and long-term sustainable business relationships.

The company's shares, TEQ is listed on
Nasdaq First North Growth Market.

** When calculations have been based on 12 months, they are only visualized in the YTD columns*

Johan’s thoughts

Hi Teqniåns,

We are in the middle of a summer that mixes drone wars, stock listings of space rockets, and Viking rowers at the football World Cup. Some extraordinary human beings are busy developing groundbreaking technology, others are bombing each other "back to the Middle Ages" and yet some play football while the rest cheer from the stands. All in all, nothing new under the sun…

Four q’s in a row

How's Teqnion doing, you might ask. Under the circumstances, I'd say fairly decently and better than the top line suggests. The underlying pre-tax profit from our subsidiaries is more than double last spring's, and organic EBITA is up 52%. That's what a group pulling itself together looks like. Much is shaking in the world, but we keep climbing. Never satisfied, we push forward.

We have now marched six months in our new company structure, split into the business areas Nord and Väst. The financials validate we’re on the right trajectory. As promised, cash flow is keeping pace at 35.0 (4.5) MSEK, nearly seven times the comparison quarter. EBITA is up 36% and the margin has climbed to 14.1% (11.3%). Organic sales were down 2.8% (-1.0% in local currency and roughly flat +0.3% when excluding the discontinued unprofitable business). We're in the business of making profitable sales. The difference shows and matters. The gain comes from a combination of fine acquisitions and improvements in existing companies, as the Wipeboard waterfalls on page 9 lay out.

Even though we’re still small and therefore somewhat fragile the quality of the group is getting better which is shown in the underlying profitability. Both business areas are moving. Teqnion Nord delivered an EBITA of 41.2 (26.6) MSEK at a margin of 11.3% (7.3%), clear evidence that the operational work in the Swedish companies is paying off. Teqnion Väst grew net sales 37%. Teqnion Väst grew net sales 37%. Väst's margin remains healthy while the comparison quarter benefited from unusually favorable business and accounting items.

Financial pyramid binoculars

Our financial target pyramid, with figures from the trailing twelve months, currently shows a somewhat skewed picture of where we stand in my opinion. The base: STABILITY is stable, with net debt/EBITDA at 1.7 (target below 2.5), leaving plenty of room to keep acquiring. The mid section: PROFITABILITY in the existing portfolio is fair, though it should of course get better, with an EBITA margin of 13.5% (target >9%).

The top cone: Value-creating SHAREHOLDER VALUE in EPS reaches SEK 5.88. We should be above SEK 6.74 (2 x R12 E June 2021) per share to meet the target of doubling EPS every five years. But I'm not worried about this snapshot in time. Underlying operations are delivering better, further acquisitions are in the books, more are coming and we have never had a stronger team. This metric is carrying the burden of past mistakes and the goodwill impairment carried out in the third quarter of last year. I do dare, however, to look ahead on this, a quarter or so, and then the rolling E won't be weighed down by the SEK 73 million from the mentioned impairment. An operational EPS excluding the impairment would instead take the EPS to SEK 10.13, well above the target. However, we will continue to report the unadjusted numbers and let the readers make their judgments. Similarly, the reported ROE of 10.8% would read 17.8%...

Two goals down, still standing

On the 7th of July Argentina was 2-0 down to Egypt with fifteen minutes left. Statistically, it was game over. But it wasn’t. It became the first team in World Cup history to win a knockout match after trailing by two that late. A comeback like that isn't one moment of brilliance from one player (Daniel: although Messi’s last fifteen minutes were nothing but magical), it's an entire team refusing to fold when the scoreboard looks ugly. They dug deep and found that extra gear until the game turned. That's what I see here across Teqnion right now. We've spent a couple of hard years behind on the scoreboard, and the recovery has come from two directions at once.

Johan Steene, CEO Teqnion

The fresh legs matter. We've acquired more companies than ever. The quality of these is higher than ever. But so does everyone else on the pitch! Our coworkers out in the existing subsidiaries have lifted our profitability one shift at a time. Four straight quarters of improvement isn't magic. It's a team that won't quit.

The 🐐's hunting

As we move forward, Daniel's extraordinary company scouting abilities (he is our own GOAT) offer us a continuous parade of fine acquisition candidates. The magic of his doings in the last five years is demonstrated on top of page 9. During the quarter we welcomed Powerair, T.E.S.T and Norband into the group. It's especially fun that we now have employees in Finland, so the business area Teqnion Nord is finally living up to its name. The goal is to acquire a handful of companies per year. Last year it was nine. Where will we end up this year? The jury is still out. Regardless of the number, it's acquired quality profit we're chasing. For the right price. The intention is for acquired companies to be better than the ones we already have in the group. Slowly and methodically, we're growing stronger.

Return of the kākāpō

If you recall the tale of the kākāpō's fate told last summer, it speaks, in a roundabout way, of the importance of maintaining critical capabilities even when the current situation happens to be deceptively easy. Teqnion has clearly been shaken up over the past few years, but we rose to the challenge by utilizing what was available in our business arsenal while building up new capabilities. Most of our deals still happen through a human connection between buyer and seller, but effective data analysis and support from non-human intelligence are becoming increasingly important for getting there efficiently. It's fun that we're performing better and moving faster. We're on the hunt. The last four consecutive quarters of improvement show that we are ready to fly again. We obeyed the rule and didn't become a kākāpō.

In case it hasn't been clear: I'm cautiously optimistic, ambitions fully intact. The sport we're competing in is to create the highest possible return for shareholders over the long term. How big can this get, you might ask? My answer: really big.
We're only at the beginning.

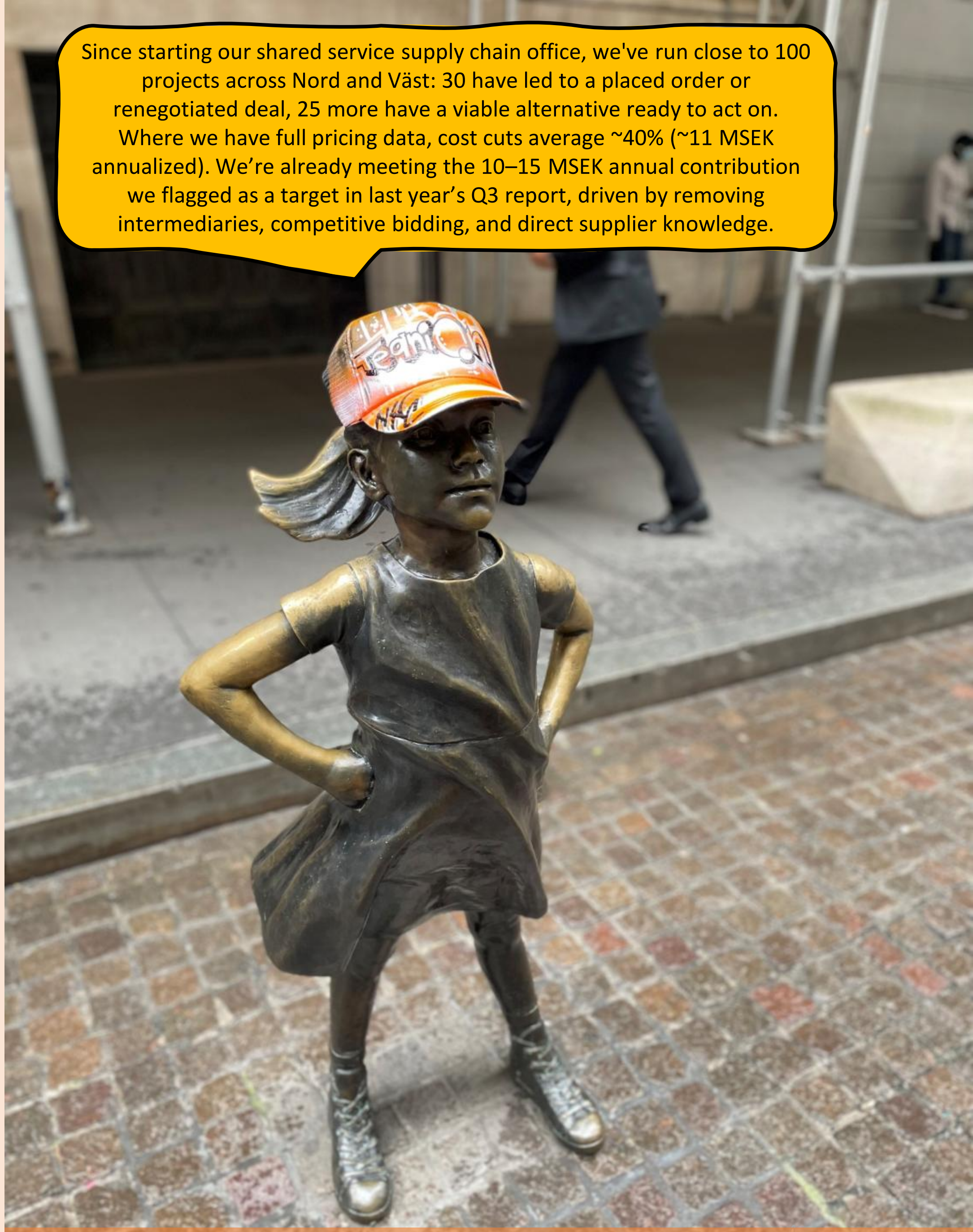
Run far, be nice

Johan Steene

CEO and founder

Teqnion ❤ our subsidiaries

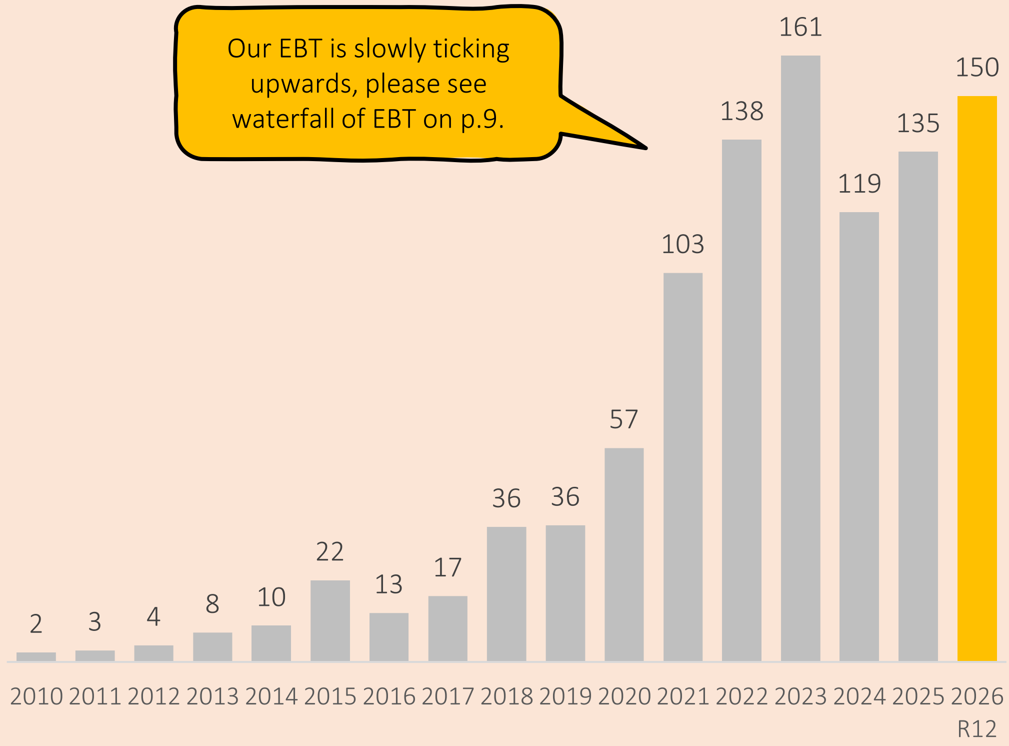
Слава Україні!



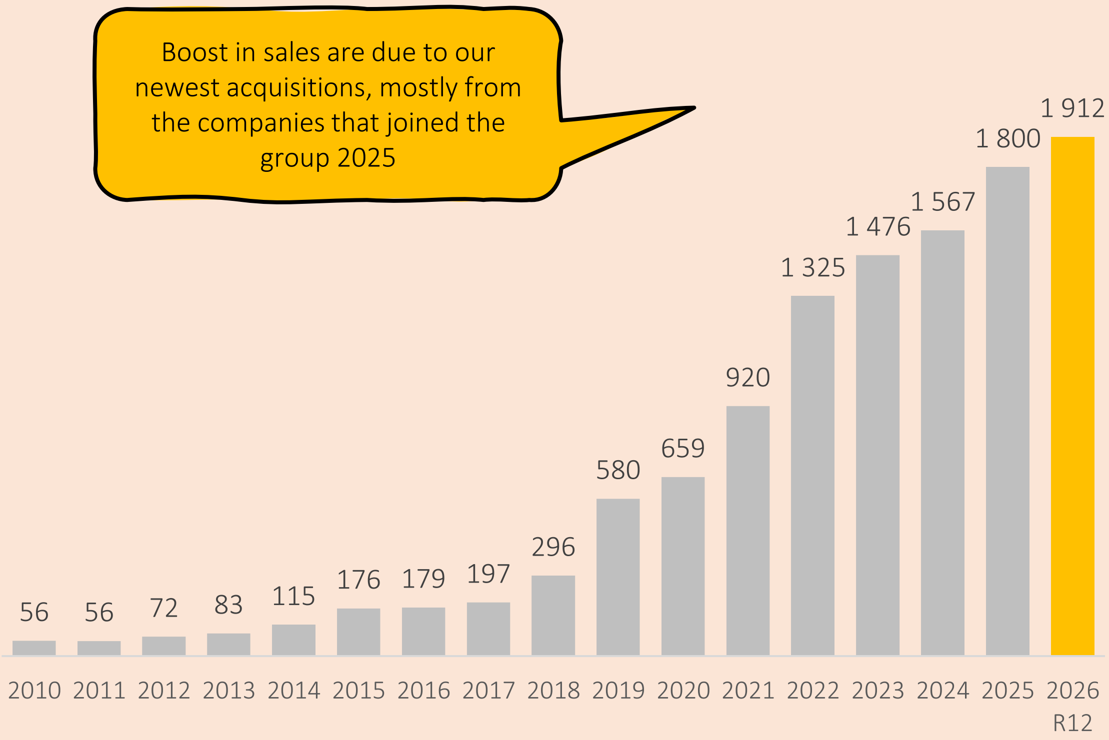
Stand firm. Be brave. Keep it simple.

Financial development for the group (1/2)

Profit before taxes, MSEK



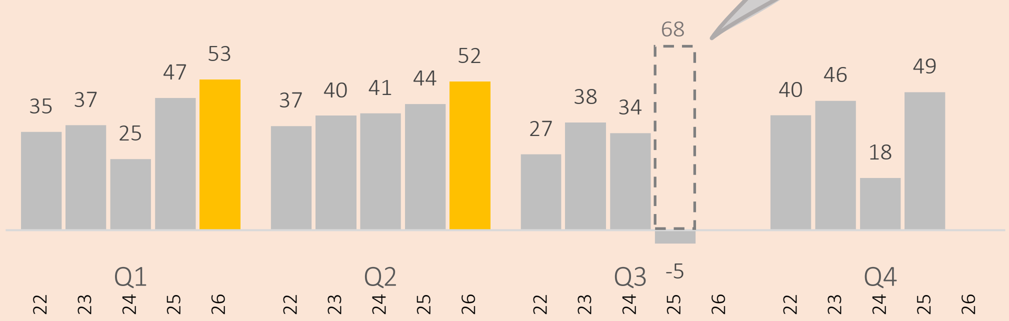
Net sales, MSEK



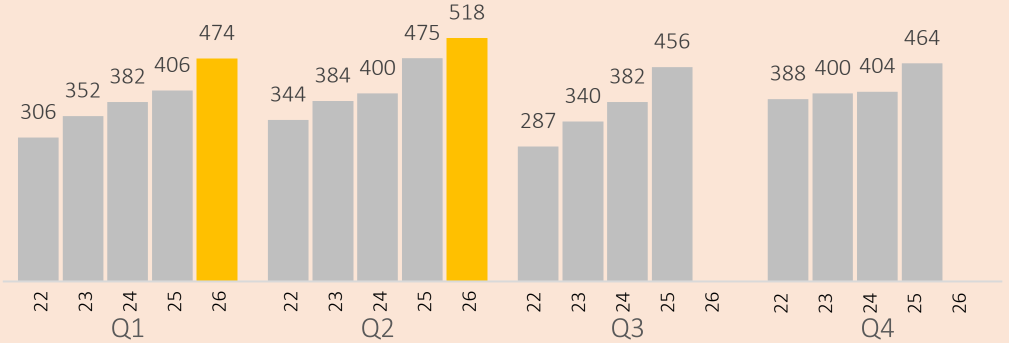
Financial development for the group (2/2)

Goodwill impairment of 73 MSEK in Q3 2025

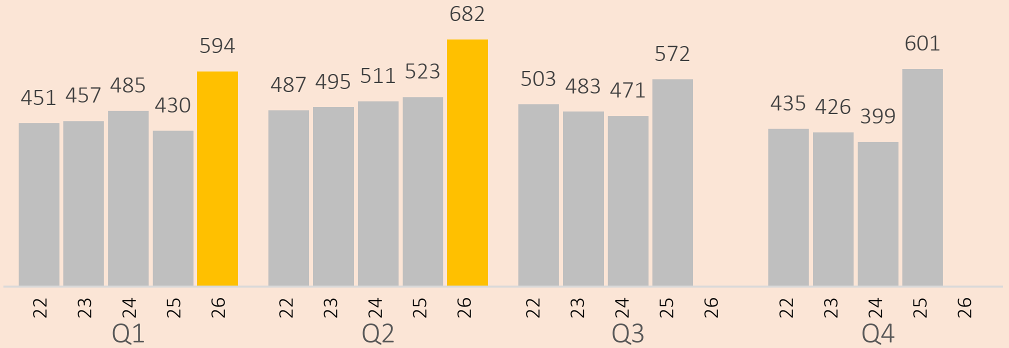
Profit before taxes, MSEK



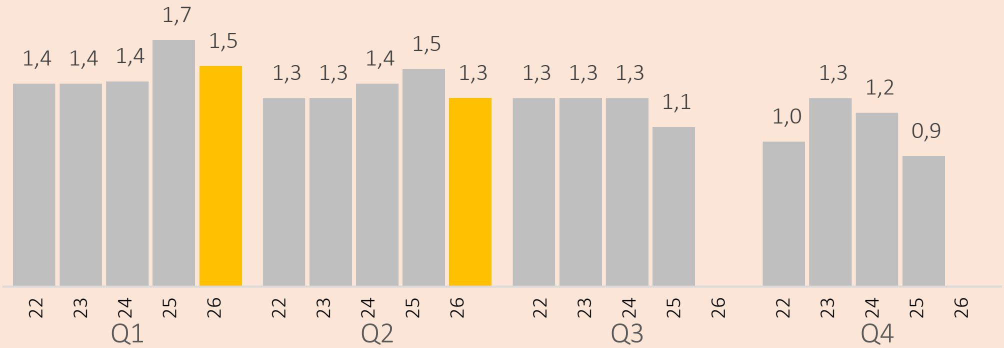
Net sales per quarter, MSEK



Order backlog*, MSEK



Parent company's cost as share of net sales, %



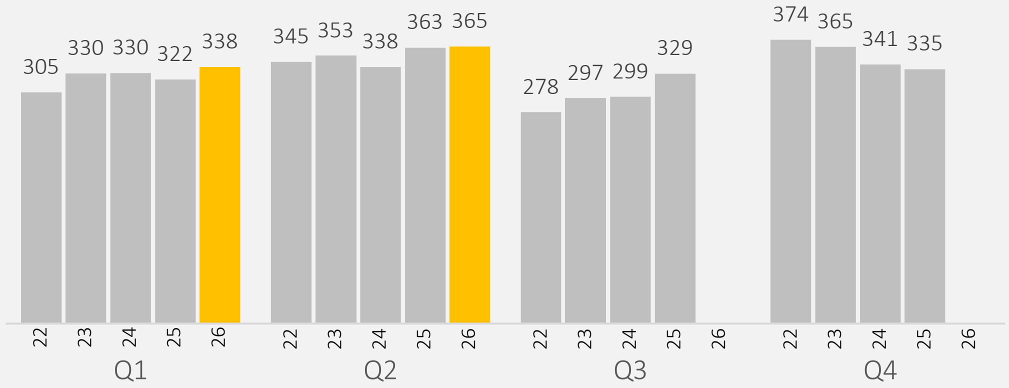
* Order backlog can give a rough indication of future sales but is far from a perfect crystal ball. The operations of our subsidiaries varies greatly – some companies have visibility over a year and some have only spot sales.

Teqnion

Financial development for the business areas

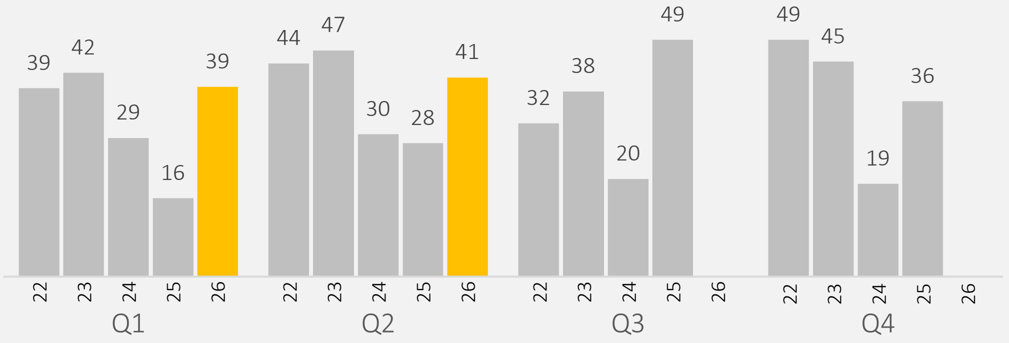
TEQ Nord

Net sales per quarter, MSEK



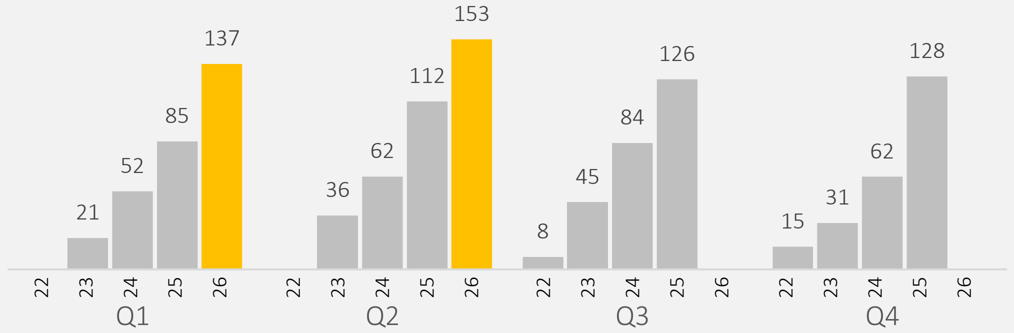
2026 Q2 EBITA%: 11,3%

EBITA, MSEK



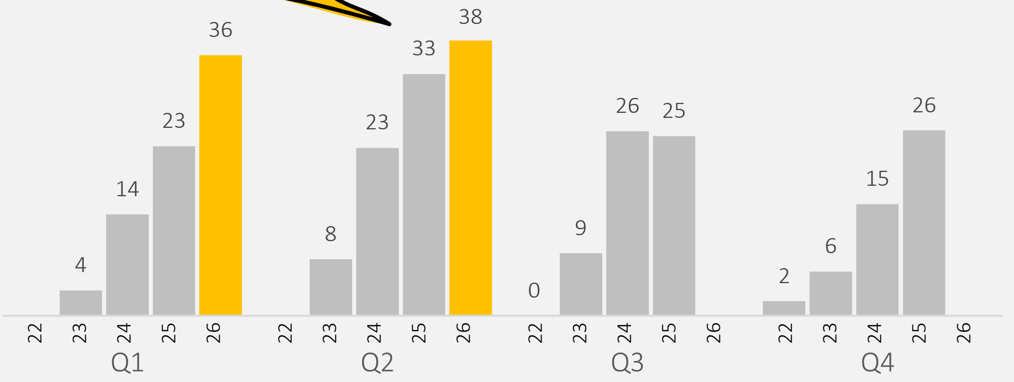
TEQ Väst

Net sales per quarter, MSEK



2026 Q2 EBITA%: 25,1%

EBITA, MSEK



First acquisition in Finland was completed in Q2 2026

Teqnion

Liquidity and debt

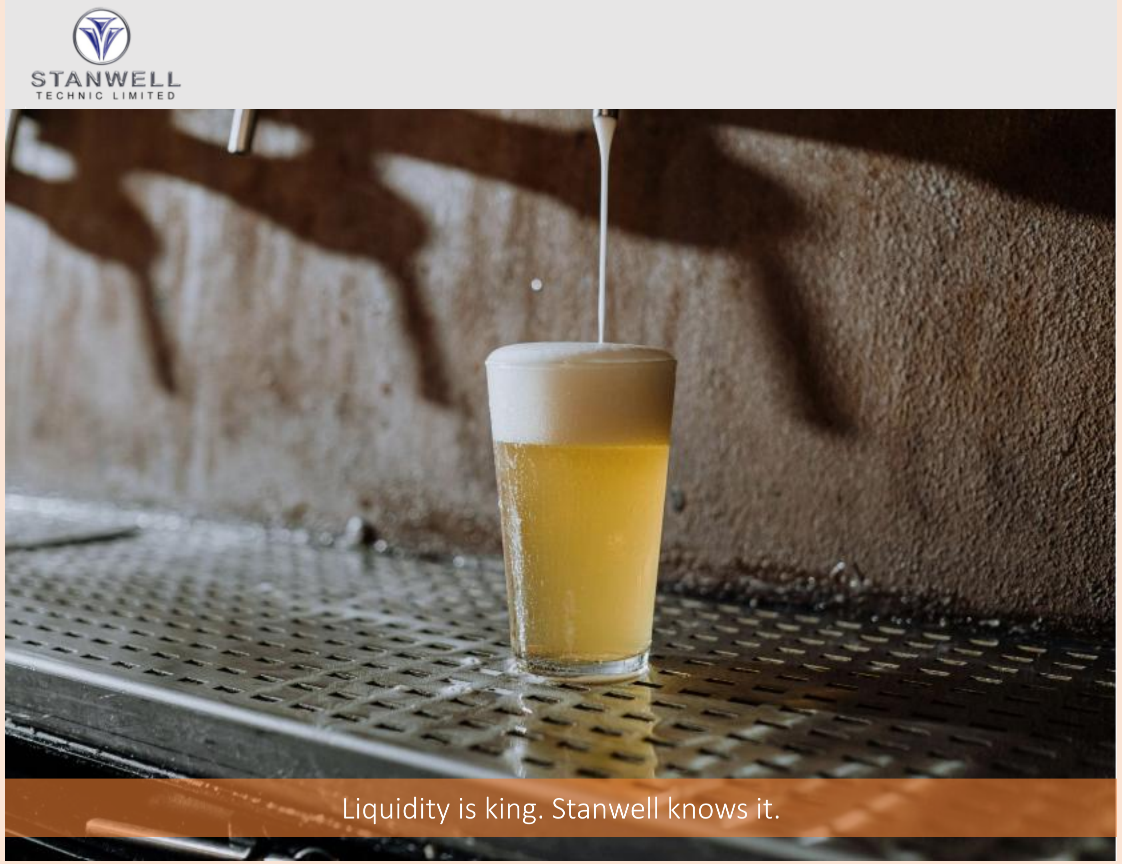
Liquidity and debt

Group in summary MSEK	2026 30 Jun	2025 30 Jun	2025 31 Dec
Liabilities to credit institutions	552,5	398,2	496,0
Lease liabilities	163,4	151,7	146,9
Total interest-bearing liabilities	715,9	549,9	642,9
Cash and cash equivalents	171,5	137,4	209,5
Net debt	544,4	412,5	433,4
Net debt exl. leasing liabilities	380,9	260,8	286,6
Net debt / EBITDA	1,7	1,9	1,6

Comment

Liquidity and debt
Net debt / EBITDA rose marginally to 1.7x at the end of Q2 2026, from 1.6x at year-end 2025. Measured against Q2 2025, however, the ratio improved from 1.9x to 1.7x.

The higher absolute debt level is attributable to the acquisitions completed during the year.



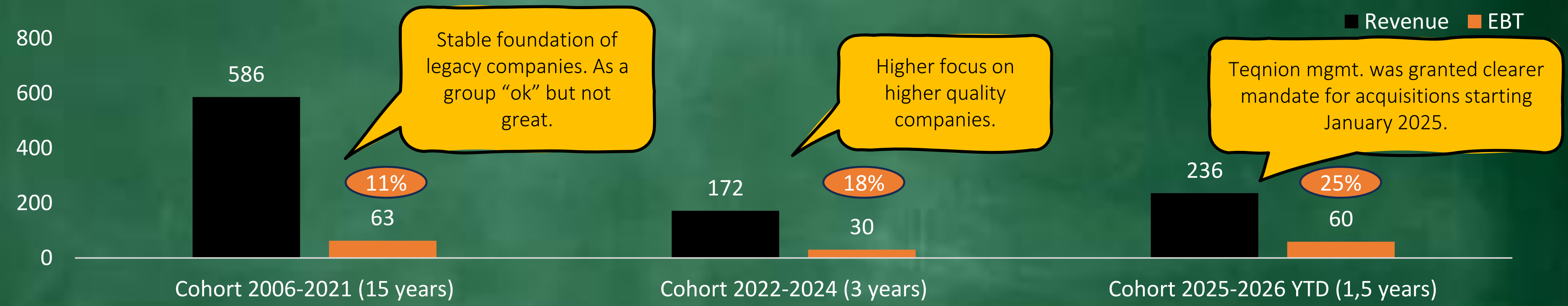
Wipeboard: New thoughts and insights will be presented here each quarter

To be wiped!

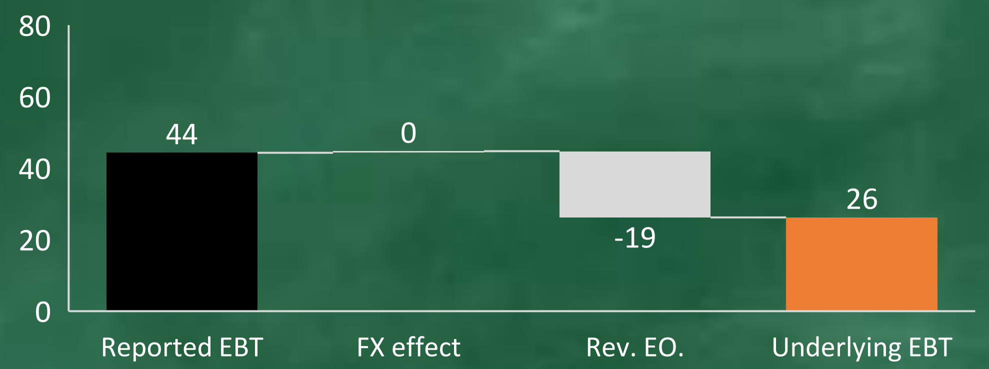
Acquisition quality and pace has picked up recently without adding headcount

Underlying EBT has grown significantly

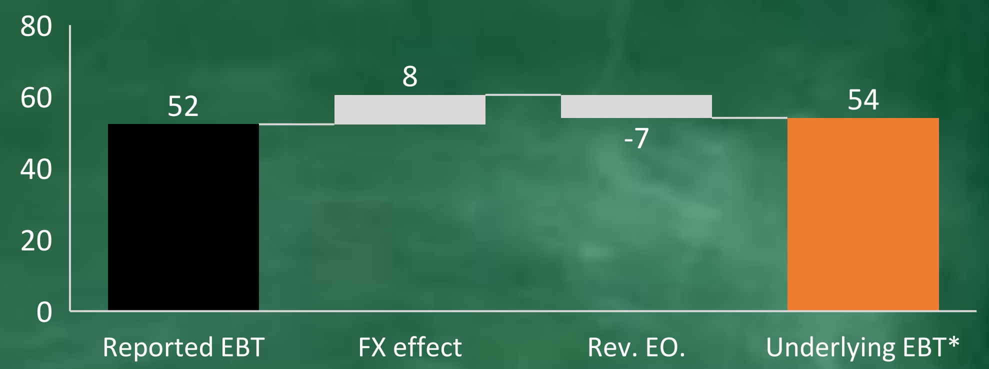
2026 underlying YTD subsidiary financials based on acquired year*



Bridge to true underlying 2025 Q2 EBT, MSEK



Bridge to true underlying 2026 Q2 EBT, MSEK



The underlying EBT excluding FX effects and revaluations of earnouts increased 106% vs Q2 last year.

** As reported as individual subsidiaries. Group costs such as interest costs, OH, amortization and IFRS adjustments are not included. Companies acquired in 2026 does not have full H1 effect.*

Business philosophy and financial targets

Teqnion is always in movement. We always start from people and relationship building when targeting profitable business in well-defined industry niches. The mission is to invest our money today so that we have even more money tomorrow. It is a simple goal that is easy to measure. We keep to what we understand and what is tangible. We don't try to predict how the world will change – we are not smart enough for that. We focus on what will not change including human behavior. We acquire good and specialized companies that are driven by grounded coworkers. During the journey we try to have fun and develop our methods and strengthen our team. If we run astray (which we will continue to do), roll up our sleeves , learn something and continue moving forward.

Our sustainability plan is that Teqnion always should grow. Sustainability for us means that we of course need to take care of the environment and our globe's finite resources at the same time that we shall grow our profits over time. With good profits we can make the right decisions and continuously strengthen our relations with colleagues, customers and suppliers. Teqnion shall always continuously create value for the society so that we can capture part of that value. No mater in which direction and intensity the macro winds are blowing, we move forward.

Teqnion wants to go far. We are only in the beginning of our journey. It is therefore that we guard our culture ferociously. Our leadership team is ridiculously loyal to the company. We are a small team with experience, winner instinct and a never say die attitude.

SURVIVAL ABOVE ANYTHING ELSE. ALWAYS.

As individuals we are always prepared that anything can go south at any moment. This means that we never take risks that we cannot afford to lose. Even if the upside potential in Excel shows an off-the chart RoIC, we would rather closed-lope payment solutions to the most epic EDM festivals rather than predict the bottom of this crypto wave.*

We ensure that we can always be part of the game, no matter the times. In essence: we will never put us in a debt situation that would hinder us from being in the driver's seat.

CREATE VALUE AND CAPTURE VALUE

In order for Teqnion and our subsidiaries to have a clear right of existence we need to create value for our customers and their customers. By loving sales and always focus on customer value we can translate the move of physical products to sales with good margins. By always focusing on customer value creation, a symbiosis is created between us, customers, suppliers and the society where value is created and shared. That is sustainability. Our simple way of measuring our right to exist is our operating margin. Why would we exist if no one wants to pay for our products, services and solutions? We never want to grow for the sake of growing. We only like our topline to go up if it is driven by profit expansion. Teqnion is the anti thesis of Silicon Valley's hyper growth philosophy and our mantra is ”if they come – we build”. The focus on profitability motivates us to really focus on each krona in expense. As the old Swedish saying goes: “varje sparad krona är en tjänad krona”.

CREATE SHAREHOLDER VALUE.

When we have stability and earn good money, which is a state we do what we can to always be in – then we focus wholeheartedly on growing the earnings per share, which is the measure that over time most clearly drives the share price.

In practice, in means that we acquire further profitable industrial product companies with great people, low business risk and wonderful cash flow – at a fair price. The last piece in important. To acquire wonderful business can be both value creating or value destructive, depending entirely on the size of the money pile you give up. We focus on the long-term and leans on the compounding effect of our capital by effectively allocating your capital – we are stewards of it.

We don't work with forecasts or annual targets because we never want to be in a situation we will be forced to make a deal for the sake of making a deal – that creates shortermism. We prefer a time horizon of 5 years in which we want to have doubled our earnings per share. Our ambition is higher and our true time horizon is much longer. We have just left the staring line. Our journey will be long.

This page has been written with the hope to clarify what we prioritize for Teqnion. We invite all on the same wavelength along for our grand adventure.

/TEQ-team

Do not wipe

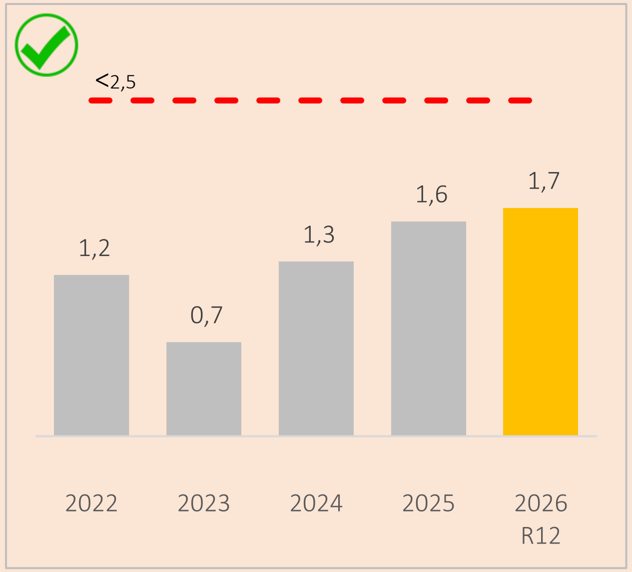
** By the wat… our subsidiary Norband provides the best event organizers around the globe access control and closed lope payment systems.*

Follow-up of financial targets

1. STABILITY

To never risk permanent loss of capital and ensure that we can grow sustainable we believe that we need a financial stability as a basis for everything that we do. This goal should always be in place.

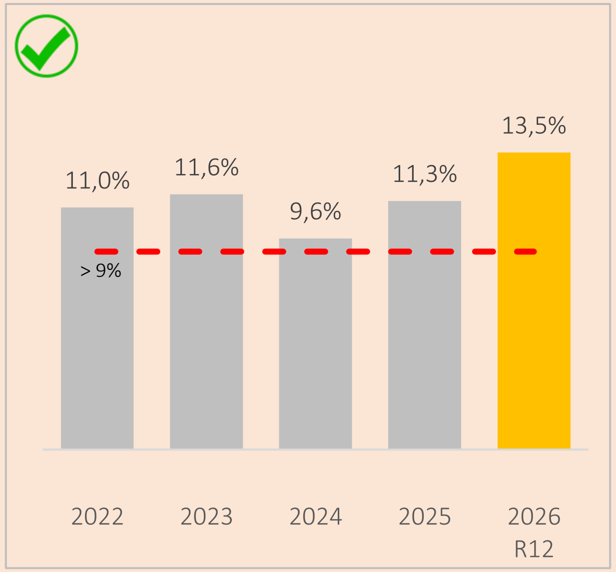
Financial target 1: Net debt / EBITDA < 2,5



2. PROFITABILITY

We always work grittily with our profitability. Focus is to always strive for projects and acquisitions that will help us raise the bar.

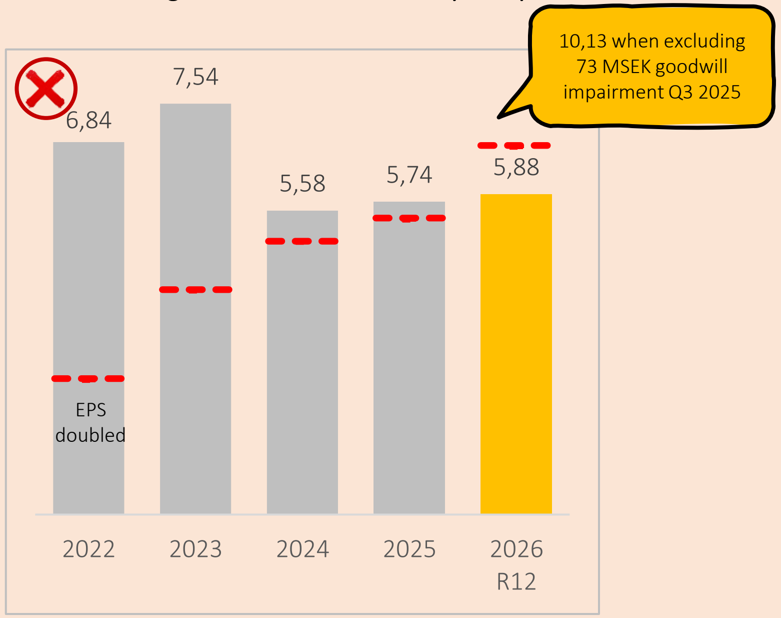
Financial target 2: EBITA margin > 9%



3. SHAREHOLDER VALUE

When target 1. and 2. are in place we put our whole soul into creating long-term shareholder value through increasing the earnings per share. This is primarily achieved through acquiring new niche companies at good valuations.

Financial target 3: > Double EPS every five years*

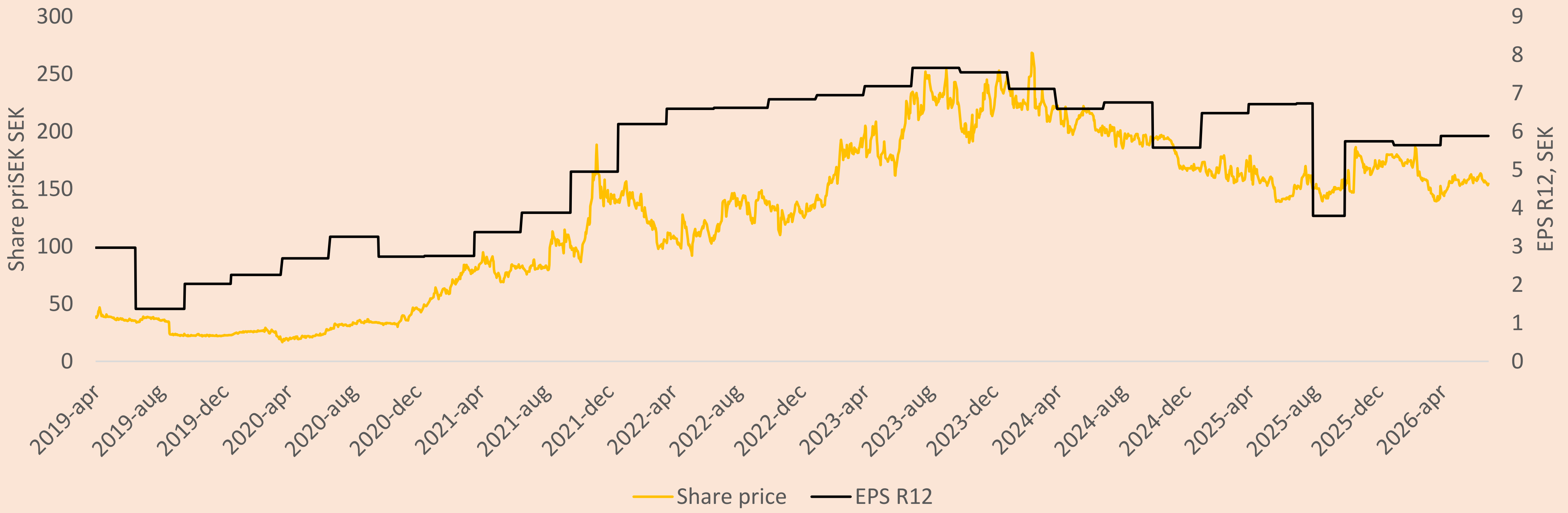


* The red line shows the level of EPS needed per year to double the EPS compared to 5 years ago.

Teqnion

Share price and earnings per share since IPO

Share price (closing price) **and earnings per share** (EPS) **in SEK**



Over the long term, we believe share price follows earnings per share*. That's why growing EPS is our focus. The graph above shows the historical correlation.

* Actually, we believe that share price more closely follows TCFpDSeM&ABPRSISR&D or Total Cash Flow per Diluted Share excluding Mergers and Acquisitions, Borrowing, Principal Repayment, Stock Issue, Share Repurchase and Dividends. But for simplicity, let's track EPS instead…

Teqnion

Our 10 most recent acquisitions

We continuously and tirelessly meet new companies (100-150 per year) but only a few passes all of our screening criteria. Legend has that it is easier to win the Euro jackpot than being acquired by Teqnion. Our pace of acquisition will vary during the year and between the years – we will never acquire a business for the sake of acquiring something. For a deal to be reached, the company needs to show high quality & have a good culture in place. At the same time, we need to agree with the vendor on a price tag that we are both happy with.

Acquisition**	Completion	Business Area	Net sales * (according to press release, MSEK)
Norband Ltd. Oy	2026 June	Nord	40
T.E.S.T Ltd	2026 June	Väst	25
Cambs Compressor Engineering Ltd	2026 February	Väst	30
HT Servo Ltd	2025 September	Väst	60
Birketts Bogmats Ltd	2025 September	Väst	70
Norlin Polymers (UK) Ltd	2025 May	Väst	30
MITAB i Forsbacka AB	2025 April	Nord	65
Edurus Gravstenar AB	2025 March	Nord	45
Thermasolutions International Ltd	2025 March	Väst	35
Merridale Ltd	2025 February	Väst	35

* Note that the net sales according to the press release is the average of the last 3 years. The numbers have been rounded to the nearest 5 MSEK.
**Bolt-ons excluded from this page

Teqnion

TEQ Group Management

Johan Steene
Teqniån since 2006
CEO
Born 1973
M. Sc. Mechanical Engineering, KTH
Outside of Teqnion: runs far
Holdings: 861 905 shares + 14 000 options

Daniel Zhang
Teqniån since 2021
CXO
Born 1989
B. Sc. Business Administration and Economics, SSE
Background: McKinsey, Bain and Textilia
Holdings: 108 000 shares + 0 options

Jonathan Alexandersson
Teqniån since 2024
CFO
Born 1993
M. Sc. Business Administration and Economics, Kau
Background: Authorized Public Accountant from PwC
Holdings: 2 250 shares + 5 000 options

Teqnion consolidated income statement and statement of comprehensive income

MSEK	2026 Q2	2025 Q2	2026 YTD	2025 YTD	2026 R12	2025 Calendar year
Net sales	517,9	474,5	992,3	880,8	1 911,5	1 800,0
Operating costs						
Change in inventories of PIP, finished goods and WIP	1,8	5,7	9,7	9,6	1,3	1,3
Raw materials and consumables & Merchandise	-262,4	-260,8	-511,1	-486,1	-970,6	-945,3
External costs	-46,2	-46,1	-89,7	-88,9	-185,4	-184,7
Employee benefit costs	-128,2	-119,1	-242,1	-219,7	-468,0	-445,7
Depreciation and amortization	-19,1	-18,9	-36,5	-34,3	-146,9	-145,3
Other operating income and expenses	8,3	17,6	17,1	24,2	38,1	45,4
Total operating costs	**-445,9**	**-421,6**	**-852,8**	**-795,6**	**-1 731,4**	**-1 674,3**
Operating profit	**72,0**	**52,9**	**139,5**	**85,1**	**180,0**	**125,7**
Financial income	1,0	2,5	4,2	21,1	26,4	43,4
Financial expenses	-20,9	-11,1	-38,5	-15,5	-56,7	-33,7
Net financial items	**-19,8**	**-8,6**	**-34,3**	**5,6**	**-30,2**	**9,7**
Profit before tax	**52,2**	**44,3**	**105,2**	**90,7**	**149,8**	**135,3**
Income tax	-9,6	-5,8	-27,6	-15,6	-48,8	-36,9
Profit for the period	**42,6**	**38,5**	**77,6**	**75,1**	**101,0**	**98,5**
Other comprehensive income for the period						
Translation differences for the period	23,0	5,6	36,8	-41,8	2,4	-76,2
Total comprehensive income for the period	**65,7**	**44,1**	**114,4**	**33,3**	**103,3**	**22,2**
Owners of the parent	65,6	44,0	114,4	33,3	103,3	22,1
Non-controlling interests	0,1	0,1	0,0	0,0	0,0	0,1

Teqnion

Teqnion consolidated balance sheet

MSEK	2026 30 Jun	2025 30 Jun	2025 31 Dec
Assets			
Non-current assets			
Goodwill	1 112,4	898,8	987,2
Other intangible non-current assets	61,4	34,6	59,9
Buildings and land	27,4	17,9	27,4
Equipment, tools, fixtures and fittings	34,5	38,9	32,5
Right-of-use-assets	160,4	151,4	145,5
Other receivables	0,7	0,4	0,5
Total non-current assets	**1 396,8**	**1 142,0**	**1 253,0**
Current assets			
Inventories	313,1	305,9	292,4
Trade receivables	340,1	276,9	228,2
Tax assets	8,3	18,7	5,7
Accrued revenue	15,0	10,5	10,2
Other receivables	29,3	20,0	28,7
Prepaid expenses and accrued income	24,3	26,1	20,1
Cash and cash equivalents	171,5	137,4	209,5
Total current assets	**901,6**	**795,5**	**794,8**
TOTAL ASSETS	**2 298,4**	**1 937,5**	**2 047,8**

MSEK	2026 30 Jun	2025 30 Jun	2025 31 Dec
Equity			
Share capital	0,9	1,1	0,9
Other capital provided	298,6	289,8	298,2
Translation reserve	-13,8	67,5	-59,5
Retained earnings including profit for the year	697,6	533,9	635,1
Equity attributable to owners of the parents	983,3	892,1	874,7
Non-controlling interests	1,4	1,3	1,4
Total equity	**984,7**	**893,4**	**876,1**
Liabilities			
Non-current liabilities			
Liabilities to credit institutions	552,5	398,2	496,0
Non-current lease liabilities	109,1	106,2	103,0
Deferred tax liabilities	51,1	38,0	49,9
Other non-current financial liabilities	132,3	79,0	124,5
Other provisions	3,7	4,1	3,7
Total non-current liabilities	**848,7**	**625,5**	**777,1**
Current liabilities			
Liabilities to credit institutions	0,0	0,0	0,0
Current lease liabilities	54,4	45,6	43,8
Other current financial liabilities	50,5	75,9	71,1
Trade payables	157,0	140,1	119,5
Tax liabilities	9,2	4,1	0,2
Invoiced revenues not worked-up	10,6	5,3	4,9
Other liabilities	105,8	67,3	74,3
Accrued expenses and deferred income	77,3	80,3	80,7
Total current liabilities	**464,9**	**418,6**	**394,6**
TOTAL EQUITY AND LIABILITIES	**2 298,4**	**1 937,5**	**2 047,8**

Teqnion consolidated statement of changes in equity (condensed)

Attributable to equity holders of the parent company MSEK	2026 30 Jun	2025 30 Jun	2025 31 Dec
Opening equity (1 Jan)	**874,7**	**858,0**	**858,0**
Total comprehensive income for the period	114,4	33,3	22,1
New issues	-	-	-
Transfers within equity	-6,5	-	-6,3
Option premiums	0,7	0,8	0,9
Closing equity	**983,3**	**892,1**	**874,7**
Equity attributable to:			
Owners of the parent	983,3	892,1	874,7
Non-controlling interests	1,4	1,3	1,4
	984,7	**893,4**	**876,1**

Outstanding shares	2026 30 June	2025 30 June	2025 31 Dec
Average number of shares outstanding before dilution YTD	17 165 756	17 165 756	17 165 756
Average number of shares outstanding after dilution YTD	17 165 756	17 166 264	17 166 358
Number of shares outstanding at the end of the period	17 165 756	17 165 756	17 165 756
Average number of shares outstanding before dilution Q2	17 165 756	17 165 756	--
Average number of shares outstanding after dilution Q2	17 165 756	17 166 996	--

Shine bright like a diamond (or a Narva lamp).

Teqnion

Teqnion consolidated cash flow statement (condensed)

MSEK	2026 Q2	2025 Q2	2026 YTD	2025 YTD	2026 R12	2025 Calendar year
Operating profit	72,0	52,9	139,5	85,1	180,0	125,7
Adjustments for non-cash items	13,7	5,9	22,4	5,2	132,9	115,8
Interest and other financial items, net	-8,6	-7,2	-17,0	-13,4	-31,7	-28,1
Paid tax	-15,9	-19,9	-31,1	-38,3	-41,4	-48,6
Change in working capital	-22,9	-22,3	-53,2	-7,0	-26,3	19,8
Cash flow from operating activities	**38,3**	**9,3**	**60,7**	**31,7**	**213,5**	**184,6**
Net capital expenditure in non-current assets	-3,3	-4,8	-5,8	-8,7	-8,6	-11,5
Company acquisitions and divestments	-60,5	-22,0	-113,7	-152,2	-268,4	-306,9
Cash flow from investing activities	**-63,7**	**-26,8**	**-119,6**	**-160,9**	**-277,0**	**-318,4**
Net issues	-	-	-	-	-	-
Option premiums paid	0,6	0,8	0,6	0,8	0,7	0,9
Debt/repayment of debt, net	16,2	7,2	12,6	74,1	95,0	156,5
Dividend paid	-	-	-	-	-	-
Cash flow from financing activities	**16,9**	**8,0**	**13,2**	**74,9**	**95,7**	**157,4**
CASH FLOW FOR THE PERIOD	**-8,6**	**-9,5**	**-45,7**	**-54,3**	**32,1**	**23,5**
Cash and cash equivalents at the start of the period	176,7	146,0	209,5	196,0	137,4	196,0
Exchange differences in cash and cash equivalents	3,4	1,0	7,7	-4,3	2,0	-10,1
Cash and cash equivalents at the end of the period	**171,5**	**137,4**	**171,5**	**137,4**	**171,5**	**209,5**

Teqnion

Parent company income statement and statement of comprehensive income

MSEK	2026 Q2	2025 Q2	2026 YTD	2025 YTD	2026 R12	2025 Calendar year
Net sales	9,2	21,4	33,0	38,2	78,5	83,8
Operating costs						
External costs	-2,6	-2,6	-8,7	-4,4	-20,4	-16,1
Employee benefit costs	-4,5	-5,3	-8,7	-10,3	-26,6	-28,2
Depreciation and amortization	-0,0	-0,0	-0,0	-0,0	-0,1	-0,1
Other operating income and expenses	0,1	0,3	0,2	0,4	8,0	8,3
Total operating costs	**-7,0**	**-7,6**	**-17,3**	**-14,4**	**-39,1**	**-36,2**
Operating profit	**2,1**	**13,7**	**15,7**	**23,8**	**39,4**	**47,6**
Profit from investments in group companies	0,4	15,0	1,0	36,5	0,6	36,1
Financial income	-0,4	-1,0	0,6	18,9	27,5	45,8
Financial expenses	-18,1	-6,0	-33,6	-8,3	-52,3	-26,9
Net financial items	**-18,0**	**8,0**	**-32,1**	**47,1**	**-24,2**	**55,0**
Profit after financial items	**-15,9**	**21,7**	**-16,4**	**70,9**	**15,2**	**102,5**
Appropriations	-	-	-	-	-29,0	-29,0
Group contributions	-	-	-	-	56,3	56,3
Income tax	3,3	-1,2	3,1	-7,1	-9,6	-19,8
Profit for the period	**-12,6**	**20,4**	**-13,3**	**63,8**	**32,9**	**110,0**
Other comprehensive income for the period						
Other comprehensive income	-12,6	20,4	-13,3	63,8	32,9	-
Total comprehensive income for the period	**-12,6**	**20,4**	**-13,3**	**63,8**	**32,9**	**110,0**

Parent company balance sheet

MSEK	2026 30 Jun	2025 30 Jun	2025 31 Dec
Assets			
Non-current assets			
Equipment, tools, fixtures and fittings	0,2	0,1	0,1
Participations in group companies	1 647,1	1 320,7	1 529,6
Other receivables	0,3	0,2	0,3
Total non-current assets	1 647,7	**1 321,0**	1 530,1
Current assets			
Trade receivables	-	-	-
Receivables from group companies	5,1	122,2	84,5
Tax assets	9,7	9,1	-
Other receivables	6,6	3,2	8,5
Prepaid expenses and accrued income	0,7	0,6	0,3
Cash and cash equivalents	40,0	12,2	61,7
Total current assets	62,3	147,4	155,0
TOTAL ASSETS	1 709,9	1 468,4	1 685,1

MSEK	2026 30 Jun	2025 30 Jun	2025 31 Dec
Equity			
Restricted equity	2,2	2,2	2,2
Unrestricted equity	709,9	676,2	722,5
Total equity	**712,1**	**678,4**	**724,7**
Untaxed reserves			
Tax allocation reserves	124,8	95,8	124,8
Total untaxed reserves	**124,8**	**95,8**	**124,8**
Contingencies			
Contingencies for acquired companies	182,8	154,9	195,6
Total contingencies	**182,8**	**154,9**	**195,6**
Liabilities			
Non-current liabilities			
Liabilities to credit institutions	549,9	395,0	492,8
Liabilities to group companies	78,0	120,9	70,6
Total non-current liabilities	**628,0**	**515,8**	**563,3**
Current liabilities			
Liabilities to credit institutions	-	0,0	-
Liabilities to group companies	53,4	14,9	55,6
Trade payables	1,6	0,4	3,2
Tax liabilities	-	-	2,7
Other liabilities	1,7	3,7	3,0
Accrued expenses and deferred income	5,5	4,6	12,1
Total current liabilities	62,2	23,5	76,6
TOTAL EQUITY AND LIABILITIES	1 709,9	1 468,4	1 685,1

Teqnion

Other financial information

Note 1 Reporting principles

Teqnion applies International Financial Reporting Standards (IFRS). This report is created in accordance with IAS 34 and RFR 1. The parent company applies RFR 2. The group and the parent company have the same accounting principles and assumptions for calculations as in the latest annual report. There are no newer by EU adopted IFRS standards or IFRIC statements that are applicable for Teqnion or would have any significant effect on the group's profits or financial position.

All numbers are stated in millions SEK (MSEK) if nothing else is specified. Roundings of numbers occur which can result in that the sum of the parts not always is the same as the total.

For a more detailed description of the accounting principles that have been applied for the group and the parent company in this interim report, please see note 1 in the annual report for 2025.

Note 2 Risks and uncertainty factors

Please review the annual report for 2025. No new material risks or uncertainty factors have been identified since the publication. We're monitoring the Iran war and its effect on markets and prices.

Note 3 Transactions with related parties

Transactions with related parties are described in the annual report for 2025 in note 25. No new types of significant related party transactions have taken place during the period. Transactions with related parties are conducted on an arm's length basis. The parent company's net sales derive from intercompany invoicing of services to its subsidiaries.

Note 4 Financial instruments – fair value accounting

Conditional payments for acquisitions presented as fair value in the balance sheet. Fair value is based on a discounted cash flow model where anticipated payments two years or longer from now have been discounted to present value.

MSEK	2026 30 Jun	2025 30 Jun	2025 31 Dec
Opening book value	195,6	114,6	114,6
Acquisitions during the year	45,4	95,1	174,0
Consideration paid	-50,1	-25,1	-49,5
Reclassified via income statement	-15,8	-23,2	-31,7
Interest expenses	2,3	1,3	3,6
Exchange rate differences	5,4	-7,7	-15,3
Closing book value	**182,8**	**154,9**	**195,6**

The Zlatan of microphone transformers.

Teqnion

Other financial information

Note 5 Business combinations

During 2026 the following acquisition have been completed; Cambs Compressor Engineering Ltd, Powerair Ltd, Theatre and Endoscopy Service Technicians Ltd ("T.E.S.T") and Norband Ltd. Oy.

Cambs, founded in 1992 and based in Cambridgeshire, UK specializes in compressed air systems and solutions for a wide range of industries. They provide system critical products and provide a full suite of services from design to maintenance and compliance. The company has over the last decades enjoyed steady growth and robust margins due to the high level of customer satisfaction, their experienced team and strong & long partnerships with key players within the sector.

Powerair Ltd in Northern Ireland is a supplier of premium air compressors and was founded 1978. Its product range covers compressed air systems along with refrigeration, desiccant, and filtration dryers, breathing air systems, and condensate management. Beyond equipment sales, it generates recurring revenue through maintenance, repair, and parts services designed to minimize customer downtime. The company is acquired as a bolt-on to the Compressed Air Group that includes Avelair (acquired 2024) and Cambs.

T.E.S.T, founded 2006 and based in Stoke-on-Trent, is a UK-based company specialising in decontamination equipment, validation and testing services for clients operating in controlled environments such as healthcare facilities, veterinary practices and universities. The company delivers a comprehensive range of services including equipment manufacture and supply, testing, installation, maintenance and examination. T.E.S.T. has built a strong reputation for quality and reliability, serving an impressive client base that includes the NHS, leading private healthcare providers such as Circle Health and Vanguard Healthcare, as well as universities and veterinary hospitals.

Norband, operating under the brand Nordic Wristbands, is a Helsinki-based company founded in 1994 and specialising in access control, identification, and RFID/NFC products for events worldwide. The company has over 1,000 active customers globally and serves premier events such as Formula 1, Tomorrowland, and various international festival brands, with customers spanning from Asia to North America and from South Africa to the Scandinavian Lapland. The company has grown into one of Europe's leading providers of event access control and closed-loop payment products.

Acquisitions completed in 2026	Completion	Acquired share %	Net Sales, MSEK*
Cambs Compressor Engineering Ltd	17 February 2026	100%	30
PowerAir Ltd**	1 April 2026	100%	15
Theatre and Endoscopy Service Technicians Ltd	1 June 2026	100%	25
Norband Ltd. Oy	2 June 2026	100%	40

**) Average of the last three years before acquisition (rounded)*

***) Bolt-on acquisition*

Note 5 Business combinations

Assets and liabilities acquired in 2026

The acquisitions completed in 2026 have the following effects on the Group's assets and liabilities. The purchase price allocations have not been finalized as the Group has not received finalized information from the acquired entities. Any adjustments in connection with the final acquisition analysis are not expected to have a material impact on the Group's results or financial position.

The assets and liabilities included in the period's acquisitions according to the purchase price allocation are as follows:

Preliminary purchase price allocations	
Fair value	**MSEK**
Intangible assets	--
Tangible fixed assets	2,2
Inventories	6,3
Trade and other receivables	17,4
Cash and cash equivalents	23,7
Provisions	--
Deferred tax	-0,2
Trade and other payables	-16,8
Net identifiable assets	**32,6**
Goodwill	97,9
Considerations	**130,5**
Of which	
paid in cash	85,0
contingent consideration	33,2
deferred payment	12,3

Goodwill is collectively justified by the expected future profitability, the business model, the skills and commitment of the staff, and the organizations' culture of business acumen and drive. The goodwill is not tax deductible.

Contingent consideration is defined per acquisition and divided into two or more parts and is dependent on future results achieved in the respective companies during the period from April 2026 to May 2029 at the latest. All contingent considerations have a fixed maximum level. The fair value of the contingent considerations amounted to 33,2 MSEK at the acquisition dates of the specified acquisitions. Initially, contingent considerations are valued at the probable outcome.

Acquisition-related costs for the year's acquisitions, which are reported under other external costs, amount to 0,9 MSEK.

Impact on the income statement January-June 2026	**MSEK**
Net sales	21,7
EBITA	4,8

Impact on the income statement if the acquisitions been part of the Group from January 1, 2026	**MSEK**
Net sales	46,8
EBITA	12,5

Teqnion

Note 6 Segment information

The Teqnion group is organized under two business areas: Teqnion Nord and Teqnion Väst. Teqnion AB acts as a strategic holding company focused on capital allocation, M&A and governance, while operational activities are managed through regional head offices. Each regional office oversees its respective operating subsidiaries, creating clear accountability, stronger risk separation and a more efficient structure for strategy, reporting and future acquisitions.

Teqnion Nord MSEK	2026 Q2	2025 Q2	Δ%	2026 YTD	2025 YTD	2026 R12	2025 Full year
Net sales	365,0	362,9	0,6%	702,8	684,0	1 368,2	1 349,4
EBITA	41,2	26,6	55,1%	80,5	42,7	166,8	129,0
EBITA margin %	11,3%	7,3%	--	11,5%	6,2%	12,2%	9,6%

Teqnion Väst MSEK	2026 Q2	2025 Q2	Δ%	2026 YTD	2025 YTD	2026 R12	2025 Full year
Net sales	152,9	111,6	37,1%	289,5	196,8	543,2	450,5
EBITA	38,4	33,4	14,9%	74,4	56,8	124,8	107,2
EBITA margin %	25,1%	29,9%	--	25,7%	28,9%	23,0%	23,8%

Net sales MSEK	2026 Q2	2025 Q2	2026 YTD	2025 YTD	2026 R12	2025 Full year
Teqnion Nord	365,0	362,9	702,8	684,0	1 368,2	1 349,4
Teqnion Väst	152,9	111,6	289,5	196,8	543,3	450,6
Central Group Functions	--	--	--	--	--	--
Total	**517,9**	**474,5**	**992,3**	**880,8**	**1 911,5**	**1 800,0**

EBITA MSEK	2026 Q2	2025 Q2	2026 YTD	2025 YTD	2026 R12	2025 Full year
Teqnion Nord	41,2	26,6	80,5	42,7	166,8	129,0
Teqnion Väst	38,4	33,4	74,4	56,8	124,8	107,2
Central Group Functions	-6,7	-6,3	-14,0	-12,8	-34,3	-33,2
Total	**72,9**	**53,7**	**140,9**	**86,7**	**257,3**	**203,1**

EBITA Margin %	2026 Q2	2025 Q2	2026 YTD	2025 YTD	2026 R12	2025 Full year
Teqnion Nord	11,3%	7,3%	11,5%	6,2%	12,2%	9,6%
Teqnion Väst	25,1%	29,9%	25,7%	28,9%	23,0%	23,8%
Central Group Functions	--	--	--	--	--	--
Total	**14,1%**	**11,3%**	**14,2%**	**9,8%**	**13,5%**	**11,3%**

Note that the segment information is including IFRS adjustments such as leasing, revaluation of earnouts, intercompany eliminations etc.

Note 6 Segment information *cont.*

All subsidiaries are domiciled in Sweden, Finland, the UK and Ireland where non-current assets and investments are attributable. The majority of the subsidiaries' customers are located within Europe. No individual customer accounts for more than ten percent of the Group's net sales. Revenue by geographic area is based on where the customer is located.

Net sales by major type of income	TEQ Nord				TEQ Väst				Group			
Amounts in MSEK	2026 Q2	2025 Q2	2026 YTD	2025 YTD	2026 Q2	2025 Q2	2026 YTD	2025 YTD	2026 Q2	2025 Q2	2026 YTD	2025 YTD
Sales of goods	333,2	330,3	650,4	623,6	144,0	104,4	273,6	182,2	477,2	434,7	924,1	805,8
Sales of services	30,6	32,4	50,0	58,2	8,9	7,2	16,0	14,5	39,5	39,6	66,1	72,7
Other	1,1	0,3	2,3	2,2	0,0	-0,1	-0,2	0,1	1,1	0,2	2,1	2,3
Total	**365,0**	**362,9**	**702,8**	**684,0**	**152,9**	**111,6**	**289,5**	**196,7**	**517,9**	**474,5**	**992,3**	**880,8**

Revenue by geographic area	TEQ Nord				TEQ Väst				Group			
Amounts in MSEK	2026 Q2	2025 Q2	2026 YTD	2025 YTD	2026 Q2	2025 Q2	2026 YTD	2025 YTD	2026 Q2	2025 Q2	2026 YTD	2025 YTD
Sweden	286,0	285,4	546,7	530,4	0,0	0,0	0,0	0,1	286,0	285,4	546,7	530,5
EU	44,3	39,4	82,1	74,8	21,2	19,1	38,3	32,6	65,5	58,5	120,4	107,5
United Kingdom	0,9	3,1	1,7	3,1	118,5	82,7	232,0	152,6	119,4	85,8	233,8	155,6
USA	5,5	3,9	10,3	6,2	9,2	7,3	13,7	10,4	14,7	11,2	24,0	16,6
Rest of the world	28,2	31,0	61,9	69,3	4,1	2,5	5,5	1,1	32,3	33,4	67,4	70,4
Total	**365,0**	**362,9**	**702,8**	**684,0**	**152,9**	**111,6**	**289,5**	**196,7**	**517,9**	**474,5**	**992,3**	**880,8**

Space, air, land and sea applications within precision mechatronic equipment and high-performance motion control solutions.

Looking for the next dream team!

Still in the beginning.

CONTACT AD

We love talented entrepreneurs and are constantly on the lookout for more nice companies with great people that want to join kindred spirits and build the best company group on earth. Do you know someone that has a company that could be interesting for us, or have you built one yourself, please contact Daniel (daniel@teqnion.se or +46 721 555 695). If it is interesting enough for a meeting, we will send you a small gift of gratitude for your advice. Our preferred holding period is forever.

WHAT ARE WE LOOKING FOR?

- Stable earnings level of 10-~~30~~ 40 MSEK post tax (real money, we don’t believe in adjusted EBITDA).
- Proven profitability of at least ~~10%~~ 15% on the bottom line (bold forecasts and turn-arounds are not our cup of tea).
- Great return on capital (we want to use cash flow to acquire new nice businesses – not to buy new machines or inventories).
- Product companies that are leaders in a clear niche that do not compete with price.
- Clear moats so that the companies can thrive for the decades to come.
- Driven and ran by grounded individuals that want to continue to develop the company.
- Simple and easy to understand business model. If it is complicated, we walk away…

Definitions

RoE R12	Net profit for the period on a moving 12-month basis divided by average shareholders' equity calculated as the average between opening and closing balance during the period.
FCF excluding acquisitions	Free Cash Flow for the period excluding payments to vendors for company acquisitions and divestments
Change in inventories of PIP, finished goods and WIP	Change in inventories of products in progress, finished goods and work in process
EBITDA	Operating profit before depreciation and amortization.
EBITA	Operating profit before amortization.
EBITA margin	EBITA divided by net sales.
Shareholders equity per share	Shareholder equity, including holdings without controlling influence divided by number of outstanding shares by the end of the period.
Net debt	Interesting bearing liabilities less cash and cash equivalents
Net debt/EBITDA	Net debt by the end of the period divided by EBITDA on rolling 12 months basis.
Organic growth	Changes in net sales excluding acquisitions and divestitures compared to the same period the previous year.
Earnings per share (EPS)	Net profit for the period attributable to owners of the parent divided by the average number of shares outstanding.
Diluted EPS	Net profit for the period attributable to owners of the parent divided by the average number of shares outstanding after dilution.
R12	Rolling 12 months
Parent company's cost as share of net sales	Total cost for the parent company, excluding cost for variable pay and accounting currency effect divided by the group's total net sales.
Contingent earnouts	Payments for acquisitions that will be paid out contingent on that the company performs according to certain pre-determined future goals. The total purchase price including the conditional payments are included in the balance sheet according to purchase price allocation. In the case that the contingent payments become higher or lower than estimated, cost or revenue will be recorded under "other operating income and expenses" in the income statement. This income or cost has no cashflow impact.

Financial calendar

2026 Q1 Interim report	23rd of April 2026 (Thursday)
2026 AGM	23rd of April 2026 (Thursday)
2026 Q2 Interim report (this report)	18th of July 2026 (Saturday)
2026 Q3 Interim report	17th of October 2026 (Saturday)
2026 Year-End report	13th of February 2027 (Saturday)

All reports will be published on Teqnion's website:
www.teqnion.se/investor-relations/finansiella-rapporter/

For more information, please contact

Johan Steene, CEO, 073 333 57 33, johan@teqnion.se
Daniel Zhang, CXO, 0721 555 695, daniel@teqnion.se

To send in questions to the Q&A, please use QA@teqnion.se

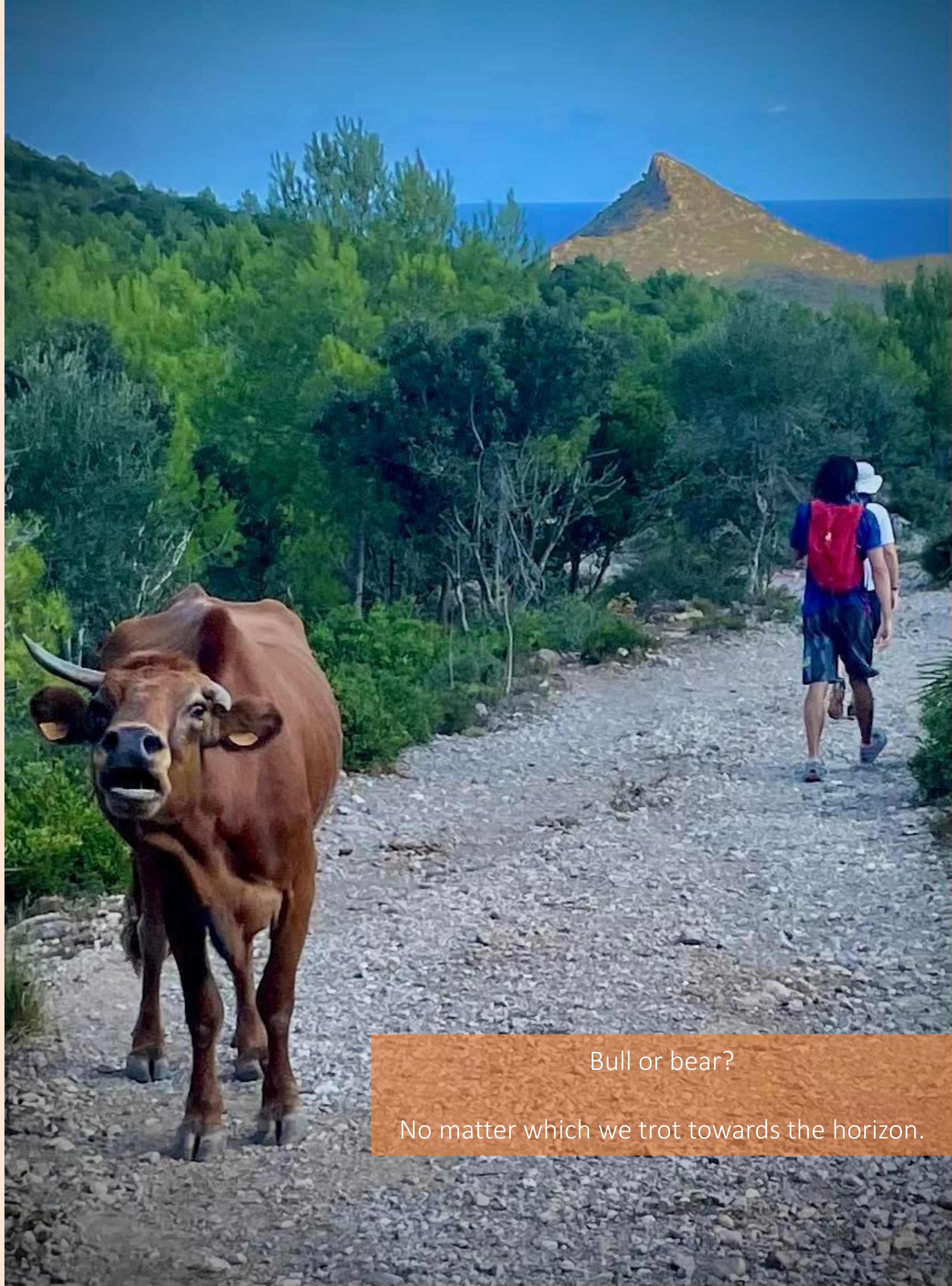
Review

This report has not been reviewed by the company's auditor.

Certified Adviser

Redeye Nordic Growth AB

Psst… On https://www.teqnion.se/investor-relations/presentationer-och-diskussioner/ or via the QR code you can learn a little bit more about Teqnion through different company presentations and interviews in podcasts and text…



Teqnion interim report

Q2: April - June 2026