Interim Report

January – June 2026

Terranor Group

Key figures Q2

1 041
(849)
Revenue, MSEK

23%
(12%)
Revenue growth

27
(17)
Adj. EBITA, MSEK[1]

2.6%
(2.0%)
Adj. EBITA margin

	Apr-Jun			Jan-Jun		
Amounts in kSEK	**2026**	**2025**	**Δ**	**2026**	**2025**	**Δ**
Revenue	1 041 371	848 969	23%	1 946 196	1 584 980	23%
Revenue growth (%)	23%	12%	11 p.p	23%	7%	16 p.p
Items affecting comparability	753	31 551	-98%	6 047	36 033	-83%
Adjusted EBITA [1]	27 240	16 931	61%	47 083	29 141	62%
Adjusted EBITA margin, %	2.6%	2.0%	1 p.p	2.4%	1.8%	1 p.p
Profit before tax	17 820	-21 523	183%	24 524	-20 453	220%
Earnings per share before and after dilution (SEK) [2]	0.70	-0.95	174%	1.06	-0.97	210%
Adjusted operating cash flow	20 017	4 608	334%	-15 344	90 793	-117%
Net debt/LTM adj. EBITDA	-1.97x	-1.51x	0.46x	-	-	-
Order backlog	7 293 709	5 995 430	22%	7 293 709	5 995 430	22%

[1] EBITA adjusted for IPO costs, restructuring costs and other items affecting comparability.

[2] Earnings per share (EPS) has been calculated based on 20 000 000 shares, corresponding to the number of shares in the parent company Terranor Group AB. The same number of shares has been applied for the comparable periods to ensure consistency.

Significant events during the quarter

- Terranor AB won four large public tenders of which three were state contracts for the Swedish Transport Administration:
  - A state contract in Väsby worth 272 MSEK over four years
  - A state contract in South-East Värmland worth 214 MSEK over four years
  - A two-year option for a state contract in Gothenburg valued at 175 MSEK
  - Two municipal operation and maintenance contracts in Falun worth in total 73 MSEK over two years with an option of an additional two years
- Terranor Oy won a municipal contract in Järvenpää worth 116 MSEK over four years
- Terranor A/S won a five-year municipal contract in Ikast-Brande worth 206 MSEK
- Terranor A/S won a municipal contract in Copenhagen worth 115 MSEK over four years, starting at 1 January 2027
- In May 2026, the principal shareholder, Mutares SE & Co. KGaA, sold the remainder of their shares in Terranor Group

Second quarter 2026

- Revenue increased to 1 041.4 MSEK (849.0), an increase of 23 percent (12)
- Adjusted EBITA increased to 27.2 MSEK (16.9), corresponding to an adjusted EBITA margin of 2.6 percent (2.0)
- Adjusted operating cash flow increased to 20.0 MSEK (4.6)
- EBITA increased to 26.5 MSEK (-14.6)
- Operating profit (EBIT) amounted to 24.4 MSEK (-17.2)
- Profit for the quarter increased to 14.1 MSEK (-19.1)
- Earnings per share amounted to 0.70 SEK (-0.95)
- Order backlog increased to 7 293.7 MSEK (5 995.4)

First six months 2026

- Revenue increased to 1 946.2 MSEK (1 585.0), an increase of 23 percent (7)
- Adjusted EBITA increased to 47.1 MSEK (29.1), corresponding to an adjusted EBITA margin of 2.4 percent (1.8)
- Adjusted operating cash flow decreased to -15.3 MSEK (90.8)
- EBITA increased to 41.0 MSEK (-6.9)
- Operating profit (EBIT) amounted to 36.5 MSEK (-12.0)
- Profit for the period increased to 21.2 MSEK (-19.3)
- Earnings per share amounted to 1.06 SEK (-0.97)
- Order backlog increased to 7 293.7 MSEK (5 995.4)

Significant events after the period

- Terranor AB won a four-year municipal contract with Borås worth 44 MSEK

Continued strong growth and improved profitability

The second quarter confirms the positive development we have seen throughout the first half of the year. Revenue increased by 23 percent to 1 041 MSEK (849), while adjusted EBITA increased by 61 percent to 27.2 MSEK (16.9). At the same time, our order backlog increased to a record-high 7.3 billion SEK, providing strong visibility for future activity. The growth was driven not only by the ramp-up of new contracts but also by significantly higher activity across our existing contract portfolio. As winter operations transitioned into the summer season, we saw increasing demand for additional works and improvement measures within existing contracts. This confirms our strategy of combining disciplined tendering with operational excellence and close customer collaboration to create long-term profitable growth.

Operational momentum across the business

Demand for road operations and maintenance remains strong across our markets. Long-term structural drivers, including increasing traffic volumes, ageing infrastructure and growing requirements for maintenance and climate adaptation, continue to support the market. We also see increasing activity beyond the traditional state contract tender cycle, with more municipalities outsourcing road maintenance and growing opportunities in adjacent areas and infrastructure improvement projects.

Sweden continues to strengthen its position

Sweden remains the Group's growth engine and delivered another strong quarter with both higher revenue and improved profitability. New contracts awarded during the 2025 tender season continue to develop according to plan, while the summer season started early, supporting activity levels and operational efficiency. At the same time, we continue to see growing demand for additional works within existing contracts, reflecting both our operational capabilities and our customers' confidence in our delivery. Tender activity also remained high outside the ordinary procurement season, resulting in new contracts in both Falun municipality and Borås Stad. We continue to see attractive opportunities within municipal outsourcing and framework agreements, supporting continued growth in the Swedish market.

Continued operational improvements in Finland

Finland continues to operate in a challenging market characterised by restrained investment levels and price competition. We remain disciplined in our bidding while continuing to improve the profitability of older state contracts through operational measures and cost control. At the same time, we see an encouraging development in the municipal market and secured two strategically located contracts in southern Finland during the quarter. The dialogue regarding our claims related to older state contracts remains ongoing. As previously communicated, we continue to take a prudent approach while awaiting a resolution.

Denmark demonstrating the strength of the new contract portfolio

Following the seasonally weaker first quarter, activity increased significantly as the summer season commenced. The four new state contracts and the Tønder municipal contract have developed according to plan, contributing to both higher revenue and improved profitability. We also continue to see attractive opportunities within municipalities and adjacent infrastructure services. Exemplified by large municipal contracts in Ikast-Brande and Copenhagen that were won during the quarter.

Platform for continued growth

The first half of 2026 demonstrates that our strategy continues to deliver. We are growing both through new contracts and through increased activity within existing ones, while at the same time strengthening profitability. A record-high order backlog and continued disciplined tendering provide a strong foundation for the remainder of the year.

I would like to thank all our employees for their commitment and professionalism. Their expertise, dedication and entrepreneurial mindset are what enable Terranor to continue delivering high-quality services to our customers every day. Together with the trust of our customers and shareholders, they form the foundation for Terranor's continued development.

CEO Terranor Group
Michael Berglin

Terranor at a glance

Financial targets

Growth >8%

Achieve an average annual revenue growth of at least 8% in the medium term

Profitability >5%

Reach an adjusted EBITA margin of more than 5% in the medium term

Leverage <2.5x

Net debt / LTM adjusted EBITDA should not exceed 2.5x

Dividend ≥50%

Target to distribute at least 50% of consolidated net income

Terranor is one of the leading players in road operations and maintenance in the Nordic region. The Company's business concept is to offer a wide range of qualified services in road operation and maintenance to ensure that roads remain accessible and functional all year round.

The business covers both winter road operations and maintenance, with snow removal and friction, and summer maintenance, such as repairs and asphalt work. In addition, Terranor offers services in green area management, road safety and light infrastructure projects.

Terranor is the only major private player specialized in road operations and maintenance in the Nordic region, which provides competitive advantages in the tender procedures. Terranor currently operates in the Swedish, Finnish, and Danish markets, which are characterized by high stability, significant growth drivers, and high barriers to entry. The market for road infrastructure services is stable and generally supported by long-term structural trends.

Terranor's markets

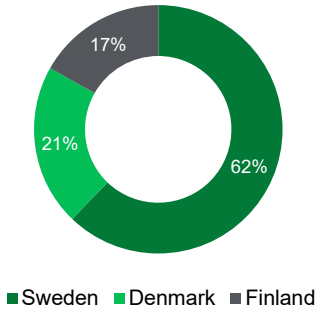
The market in which Terranor operates can be divided into two main areas: road operations and maintenance, together with light infrastructure, light construction, and other adjacent areas such as green construction and maintenance, and standalone temporary road safety services. Terranor has implemented a strategy tailored to the conditions in each geographical market and local area, to better adapt to the specific market conditions in each country and region where it operates.

Road operations and maintenance	Light construction	Green construction and maintenance	Temporary road safety services

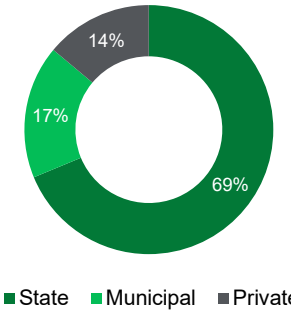
Terranor's customer base

Terranor's customers are found in both the public and private sectors, but the vast majority of Terranor's revenues come from government and municipal clients. The Company works with long-term contracts, in general between four and eight years, which provide stable revenue streams with low risk and good visibility. Terranor's diligent tender strategy has contributed to a revenue growth rate, that by far surpasses the market focusing on profitable contract wins.

Revenue by country as per 2025



Revenue by customer group as per 2025



Group performance

Revenue

Revenue for the second quarter of 2026 amounted to 1 041.4 MSEK (849.0 MSEK), an increase of 23 percent year-on-year. The strong growth was primarily driven by Sweden, where revenue increased 32 percent year-on-year primarily on higher state contract volumes, but also on municipal and other customer segments. Denmark grew 13 percent. Growth was driven by special services and supported by municipal contracts volume, while Finland grew 4 percent, reflecting higher municipal contract volumes.

For the first six months, revenue increased to 1 946.2 MSEK (1 585.0 MSEK), an increase of 23 percent (7 percent). Growth was driven by Sweden, up 34 percent on contracts won during the 2025 tender season and continued high activity across state and municipal contracts, and by Denmark, up 9 percent on the ramp-up of its four new state contracts from January and higher municipal and specialized transport volumes, while Finland's revenue was broadly stable.

Adjusted EBITA

Adjusted EBITA for Q2 2026 amounted to 27.2 MSEK (16.9 MSEK), an increase of 61 percent year-on-year. The adjusted EBITA margin was 2.6 percent (2.0 percent). The improvement reflects higher EBITA contributions in Sweden and in Denmark, led by Sweden on strong revenue growth and margin expansion, together with a lower level of items affecting comparability compared to Q2 2025. Items affecting comparability for the quarter amounted to 0.8 MSEK, primarily relating to legal fees in Finland.

For the first six months, adjusted EBITA amounted to 47.1 MSEK (29.1 MSEK), corresponding to an adjusted EBITA margin of 2.4 percent (1.8 percent). The improvement was led by Sweden, up 60 percent on strong revenue growth and margin expansion, together with higher contributions from Denmark and Finland and a lower level of items affecting comparability, which fell to 6.0 MSEK (36.0 MSEK) for the period, primarily relating to legal fees in Finland.

Operating profit

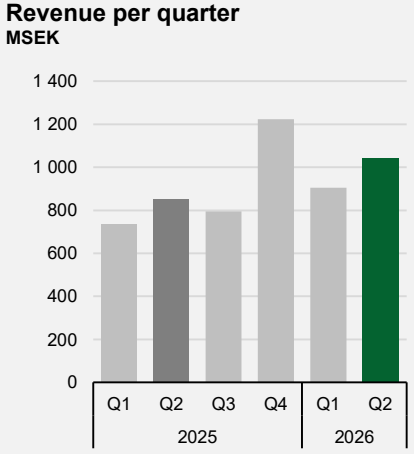
The operating profit for Q2 2026 was 24.4 MSEK (-17.2 MSEK), corresponding to a margin of 2.3 percent (-2.0 percent). The year-on-year improvement reflects the higher adjusted EBITA result and lower items affecting comparability compared to Q2 2025. Amortization of acquisition-related intangibles amounted to 2.1 MSEK (2.5 MSEK).

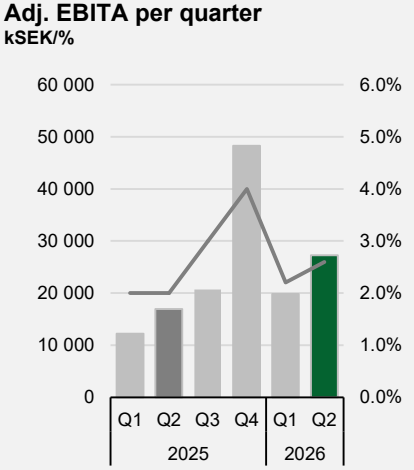
Operating profit (EBIT) for the first six months amounted to 36.5 MSEK (-12.0 MSEK), an increase of 48.5 MSEK, reflecting the higher adjusted EBITA result and a significantly lower level of items affecting comparability, 0,8 MSEK (31,6 MSEK) than in the first half of 2025 that was mostly affected by cost for IPO. Amortization of acquisition-related intangibles for the first six months amounted to 4.5 MSEK (5.1 MSEK).

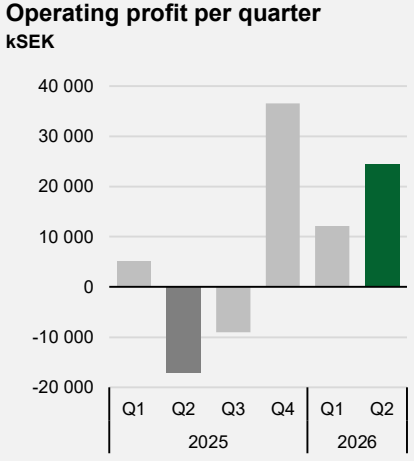
Profit

Profit for Q2 2026 was 14.1 MSEK, compared to a loss of 19.1 MSEK in the same period last year. The improvement was driven primarily by the higher operating profit, partly offset by a tax expense of -3.7 MSEK for the quarter. Net financial costs amounted to -6.6 MSEK (-4.4 MSEK), reflecting higher lease financing costs from the expanded contract base.

Profit for the first six months increased to 21.2 MSEK, compared to a loss of 19.3 MSEK in the same period last year, driven primarily by the higher operating profit and a net tax expense of -3.4 MSEK for the period. Net financial costs amounted to -12.0 MSEK (-8.4 MSEK), reflecting higher lease financing costs.







Financing and Cash Flow

Leverage

Net debt / LTM Adjusted EBITDA (leverage) for Q2 2026 was −1.97x (−1.51x in Q2 2025), compared to −1.50x at year-end 2025. The increase from year-end reflects a build-up in net working capital, primarily trade receivables tracking the strong revenue growth in the quarter and funded via short-term credit facilities, together with higher lease liabilities from new contract mobilisations. Leverage remains comfortably below the Group's financial target of less than 2.5x.

Cash Flow

Cash flow from operating activities for Q2 2026 amounted to −23.7 MSEK (-29.1 MSEK). The year-on-year improvement in underlying profitability was more than offset by a build-up in net working capital, primarily an increase in trade receivables in line with the strong revenue growth in the quarter, partly mitigated by higher trade and other payables.

For the first six months, cash flow from operating activities amounted to -61.6 MSEK (41.0 MSEK), reflecting a build-up in net working capital, primarily higher trade receivables tracking strong revenue growth, together with an invoicing-timing effect versus the prior year.

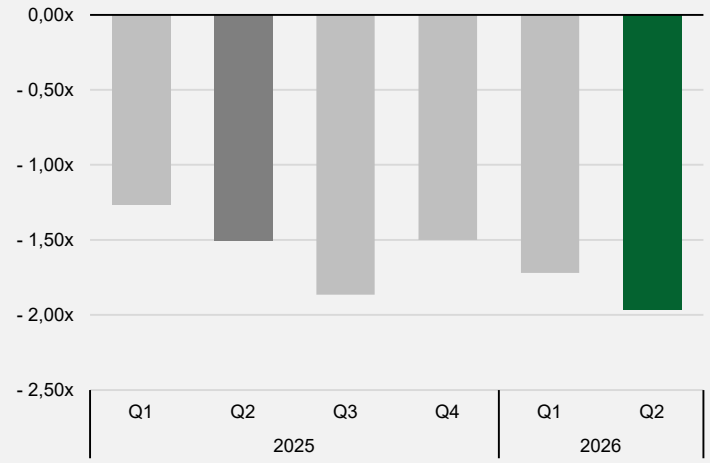
Cash flow from investing activities for the quarter amounted to 17.2 MSEK (−4.5 MSEK), reflecting proceeds of 14.2 MSEK from disposals of property, plant and equipment, in excess of capital expenditure during the quarter. Terranor maintains a disciplined and low capital intensity profile, consistent with its asset-light operating model.

Cash flow from investing activities for the first six months amounted to 18.0 MSEK (-8.4 MSEK), reflecting proceeds from disposals of property, plant and equipment in excess of capital expenditure over the period.

Cash flow from financing activities amounted to −3.4 MSEK (-5.0 MSEK), reflecting scheduled repayments on lease liabilities and a dividend payment of 30.0 MSEK, and net drawdowns on bank credit facilities during the quarter.

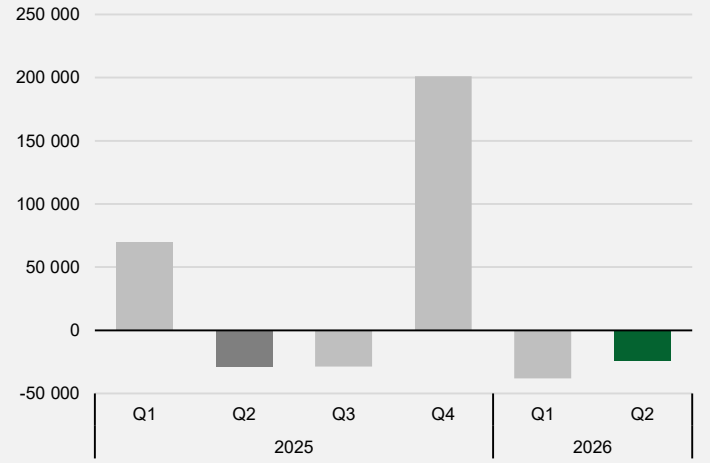
Cash flow from financing activities for the first six months amounted to -10.4 MSEK (-54.1 MSEK), reflecting scheduled lease repayments, net repayments of borrowings, a dividend payment of 30.0 MSEK, and net drawdowns on bank credit facilities over the period.

Leverage ratio per quarter



Cash flow from operating activities per quarter

kSEK



Segment – Sweden

Terranor Sweden continued its strong tender season in Q2 2026, securing new contracts totalling 792 MSEK during the quarter. The segment secured three state contracts for the Swedish Transport Administration, two municipal contracts in Falun, reflecting Terranor's continued success in the Swedish tender market. Combined with new orders secured in Q1 2026, new order intake for the first half of 2026 amounted to approximately 2,083 MSEK. At the end of Q2 2026, the contract backlog reached its highest level in the company's history, providing strong revenue visibility into 2030. Subsequent to the quarter end, Terranor AB was awarded a four-year municipal contract with Borås worth 44 MSEK.

Revenue 668.8 MSEK (506.9)

Revenue in Sweden for Q2 2026 amounted to 668.8 MSEK (506.9 MSEK), an increase of 32 percent year-on-year. The strong revenue growth was driven by new contracts won during the 2025 tender season and continued high activity levels across state and municipal contracts.

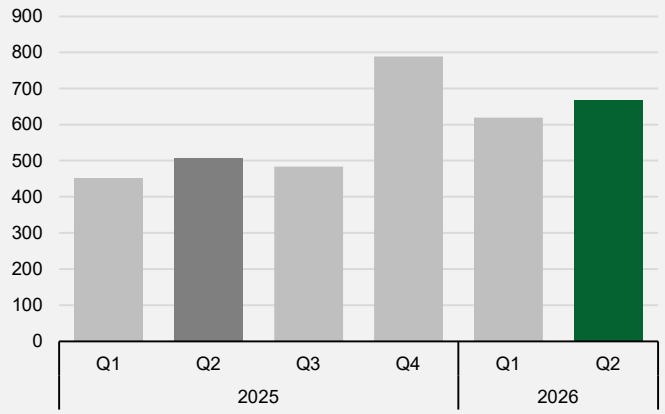
Adjusted EBITA 21.7 MSEK (11.2)

Adjusted EBITA in Sweden amounted to 21.7 MSEK (11.2 MSEK), an increase of 93 percent year-on-year. The adjusted EBITA margin was 3.2 percent (2.2 percent), an improvement of 1.0 percentage points year-on-year, reflecting improved margins in the contract portfolio and increased demand for change and additional works within and alongside the base contracts for state and municipalities.

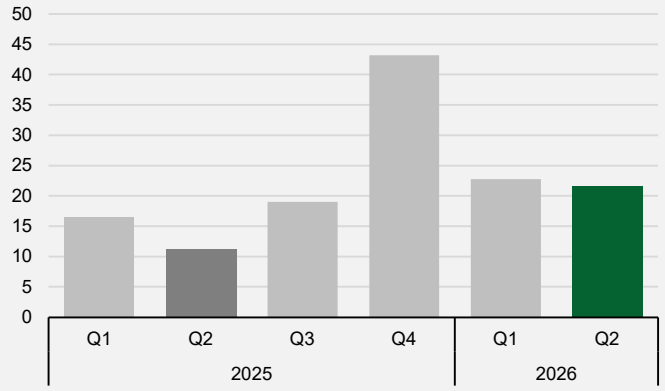
	Apr-Jun		
Amounts in kSEK	**2026**	**2025**	**%**
Revenue	668 756	506 907	32%
Adjusted EBITA	21 654	11 232	93%
Adjusted EBITA margin	3.2%	2.2%	1 p.p

	Jan-Jun		
Amounts in kSEK	**2026**	**2025**	**%**
Revenue	1 287 902	958 274	34%
Adjusted EBITA	44 429	27 836	60%
Adjusted EBITA margin	3.4%	2.9%	1 p.p

Revenue per quarter,
MSEK



Adj. EBITA per quarter
MSEK



Segment – Finland

During the second quarter Terranor Oy secured a new municipal contract in Järvenpää worth 116 MSEK, maintaining its market share. Terranor Oy continues tender season towards municipal and infrastructure tenders with a selective approach. Total new contracts secured for the first half of 2026 amount to approximately 419 MSEK.

Revenue 160.3 MSEK (154.4)

Revenue in Finland for Q2 2026 amounted to 160.3 MSEK (154.4 MSEK), broadly stable year-on-year with a 4 percent increase. Operations continued to experience pressure from state contracts with high material-cost ratios and ceiling-price constraints. This was offset by higher municipal contract volumes and a strong contribution from the completion of a major infrastructure project during the quarter.

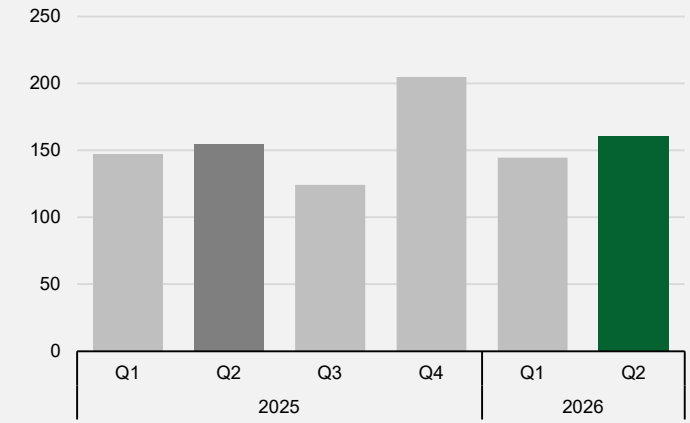
Adjusted EBITA 0.3 MSEK (0.8)

Adjusted EBITA in Finland amounted to 0.3 MSEK (0.8 MSEK), a decline of 0.5 MSEK year-on-year. The adjusted EBITA margin was 0.2 percent (0.5 percent). The decline reflects continued ceiling-price pressure and risk provisions on certain state contracts. Terranor maintains an active yet firm position regarding valid compensation claims on older state contracts, as described earlier. There has been no material new development on the matter during the period.

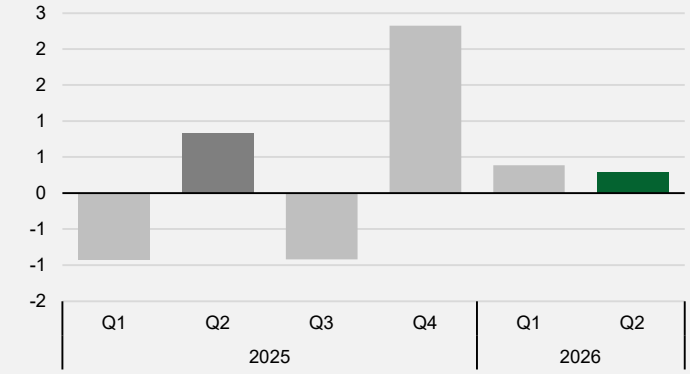
	Apr-Jun		
Amounts in kSEK	**2026**	**2025**	**%**
Revenue	160 262	154 376	4%
Adjusted EBITA	290	831	-65%
Adjusted EBITA margin	0.2%	0.5%	0 p.p

	Jan-Jun		
Amounts in kSEK	**2026**	**2025**	**%**
Revenue	304 823	301 843	1%
Adjusted EBITA	678	-88	870%
Adjusted EBITA margin	0.2%	0.0%	0 p.p

Revenue per quarter,
MSEK



Adj. EBITA per quarter
MSEK



Segment – Denmark

The second quarter was characterised by the continued ramp-up of the four Vejdirektoratet state contracts that commenced at the beginning of the year, as well as the ongoing ramp-up of the Tønder Municipality contract (270 MSEK, won in 2025). Segment secures two new municipal contracts: Ikast-Brande (206 MSEK) and a cleaning contract with the Municipality of Copenhagen (115 MSEK). Total new contracts secured for the first half of 2026 amount to approximately 321 MSEK.

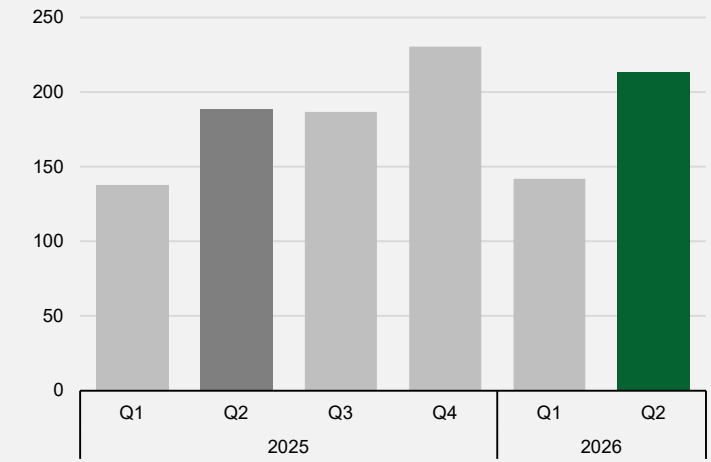
Revenue 213.2 MSEK (188.3)
Revenue in Denmark for Q2 2026 amounted to 213.2 MSEK (188.3 MSEK), an increase of 13 percent year-on-year. Growth was driven by the municipal contracts together with higher activity in the Sweeping and Specialized Transport business areas.

Adjusted EBITA 6.2 MSEK (5.1)
Adjusted EBITA in Denmark amounted to 6.2 MSEK (5.1 MSEK), an improvement of 1.2 MSEK compared to the same period last year. The improvement reflects stronger profitability on state contracts and the continued good development in the overall contract portfolio.

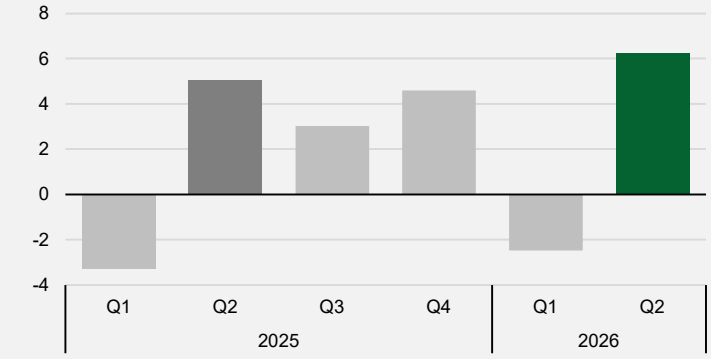
	Apr-Jun		
Amounts in kSEK	**2026**	**2025**	**%**
Revenue	213 202	188 333	13%
Adjusted EBITA	6 234	5 068	23%
Adjusted EBITA margin	2.9%	2.7%	0 p.p

	Jan-Jun		
Amounts in kSEK	**2026**	**2025**	**%**
Revenue	355 154	326 175	9%
Adjusted EBITA	3 762	1 777	112%
Adjusted EBITA margin	1.1%	0.5%	1 p.p

Revenue per quarter,
MSEK



Adj. EBITA per quarter
MSEK



Other information

The Terranor Share

Terranor Group AB (publ)'s share has been listed on Nasdaq First North Premier segment since 30 June 2025. The stock is traded with the ticker or short name TERNOR. Terranor's Certified Adviser is DNB Carnegie Investment Bank AB. The closing price of the Terranor share on the last trading day in the period was SEK 34.50. Average number of outstanding shares for the quarter amounted to 20 000 000 (20 000 000) and for January–June to 20 000 000 (10 250 000). The table below describes Terranor's ownership structure as of 30 June 2026.

Name	Number of shares	Percent
PARETO SECURITIES AS	2 405 956	12,03 %
ARTA HOLDING AS	1 650 000	8,25 %
WHITEROCK CAPITAL AS	1 450 000	7,25 %
UBS AG LONDON BRANCH, W8IMY	1 107 889	5,54 %
CACEIS BANK, LUXEMBOURG BRANCH, W8IMY	920 946	4,6 %
NORDNET LIVSFORSIKRING AS	888 706	4,44 %
FORMICA C/O FASTIGHETS AB JOSEFINA	737 500	3,69 %
NORDNET PENSIONSFÖRSÄKRING AB	696 170	3,48 %
STEN A OLSSONS PENSIONSSTIFTELSE	600 000	3 %
CACEIS BANK, GERMANY BRANCH, W8IMY	531 439	2,66 %
Other public shareholders	8 988 606	45,06 %
Total	20 000 000	

Related Parties

The Group has had costs to Mutares SE & Co. KGaA ("Mutares") of 0.0 MSEK (2.6). The Group has purchased services from Mutares in the form of management fees and other advisory services in 2025. During 2026, the Group has purchased legal services from Board member Håkan Broman amounting to 244 TSEK (0).

Environmental, social and governance

Terranor ensures ethical behaviour, fair working conditions, and compliance through its Code of Conduct, which includes guidelines on business ethics, human rights, anti-corruption, health and safety, environmental responsibility, and against discrimination and harassment. Breaches may result in disciplinary action. Annual salary surveys ensure fair remuneration, and the Group complies with relevant labor laws. No one under 16 is employed, and subcontractors must have union agreements or approval via form UE 2021. During projects, everyone at construction sites wears ID06 and is registered electronically.

The Compliance and Ethics Committee, consisting of supervisors and management representatives from HR, Compliance, and Legal, meets quarterly to uphold high ethical standards and address compliance incidents promptly. Terranor's supplier policy sets sustainability and ethics requirements within the supply chain. The company promotes an inclusive and safe workplace founded on honesty, respect, trust, and progress. It aims for long-term environmental sustainability by complying with laws and regulations, taking preventive measures, and making ongoing improvements. High ethical standards guide employees' decisions, ensuring clarity when raising concerns.

Occupational safety is a priority, aiming for zero accidents through hazard elimination, risk reduction, and continuous training. Regular audits and inspections monitor safety efforts. Terranor's Code of Conduct outlines expectations for ethical behaviour and social responsibility, supported by risk analyses in health and safety.

Parent Company

The parent company undertakes no business activities on its own. Further, the parent company owns and manages the subsidiaries within the group.

Employees

At the end of the period, the Group had 731 (686) employees, out of which 159 (135) are women and 572 (551) are men. The company's operations are based on successful tendering, effective site setup, and profitable contract execution. It uses structured frameworks to ensure ongoing skill development and operational excellence throughout the organization.

Seasonal effects

Terranor is impacted by seasonal variations due to weather conditions. Earnings in the first quarter are normally weaker than the rest of the year.

Significant Risks and Uncertainties

Terranor's results, financial position, and cash flows are affected by a range of external and internal risk factors. The Group's risk management aims to identify, assess, and mitigate these risks as far as practicable. The principal risks and uncertainties faced by the Group have not materially changed from those described in note 3 of the 2025 Annual Report, however an updated assessment is provided below.

Terranor's operations are exposed to macroeconomic factors including inflation, political uncertainty, and changes in energy and material prices. The ongoing conflict in the Middle East has led to rising and volatile energy prices, which may have a potential effect on the overall economic development. In the absolute majority of ongoing contracts Terranor has index adjustments and the Group's current assessment is that this provides adequate protection from significant adverse financial effects in 2026. The group will continue to monitor this closely in order to manage and limit any potential negative effects on its operations.

The Group's financial performance is influenced by weather and seasonal conditions, supply chain reliability, and the ability to execute contracts according to plan. Regulatory compliance across three jurisdictions introduces legal and administrative risk. Contractual obligations carry potential liability if terms are not met. Restructuring activities in certain Swedish subsidiaries and in Finland introduce transitional risk. Through its operations, Terranor is exposed to credit risk, interest rate risk, currency risk, and liquidity risk. The Group's leverage ratio was −1.97x at 30 June 2026, remaining comfortably within its financial target of less than 2.5x. The Group maintains sufficient liquidity to meet its operational and financial commitments.

In Finland, Terranor faces material ceiling price risk in several long-term state contracts.

With reference to previous reporting on these contracts, Terranor Oy has submitted several contractually valid claims for additional compensation referring to pending government contracts awarded during the period 2021–2023. No material development occurred concerning these claims during the reporting period, and the matter remains unresolved, with the claims still pending amicable settlement or resolution by court of law.

Terranor operates under a strictly decentralized business model, whereby each country organization functions as an independent operating unit as well as a separate incorporated entity. Accordingly, the potential financial impact on the Terranor Group from an adverse outcome concerning the aforesaid claims, which we do not anticipate, is considered limited. Outstanding intra-group exposure is restricted to customary performance guarantees relating to the relevant contracts. These guarantees are distributed across 19 contracts with maturities ranging from 2026 to 2030. The guarantees are not callable on demand and may only be exercised in the event the specific Terranor entity is unable to fulfil its contractual obligations as acknowledged by Terranor or a final award by court of law. The parent company's aggregate exposure related to these performance guarantees amounts to approximately 48 MSEK.

Accordingly, the management's assessment of the claims at issue remains unchanged from previous report. Sensitivity analyses are performed on an ongoing basis to assess the potential financial impact on Terranor Oy, which — given the limited parent company exposure described above — is also considered limited for the wider Terranor Group.

Financial statements

Condensed consolidated income statement

		Apr-Jun		Jan-Jun		Jan-Dec
Amounts in kSEK	**Note**	**2026**	**2025**	**2026**	**2025**	**2025**
Revenue	5	1 041 371	848 969	1 946 196	1 584 980	3 602 622
Other operating income		15 268	2 696	22 321	5 357	7 461
Raw materials and consumables used		-722 649	-593 628	-1 359 102	-1 090 110	-2 528 206
Personnel expenses		-185 505	-173 633	-347 177	-306 076	-627 788
Depreciation and amortization		-46 485	-37 633	-90 882	-74 580	-161 180
Other operating expenses		-77 572	-63 921	-134 847	-131 588	-277 428
Operating profit (EBIT)		**24 428**	**-17 150**	**36 509**	**-12 017**	**15 481**
Financial income		103	27	125	124	199
Financial expenses		-6 710	-4 401	-12 110	-8 560	-21 272
Profit before tax		**17 820**	**-21 523**	**24 524**	**-20 453**	**-5 592**
Income tax expense		-3 745	2 445	-3 357	1 128	-17 539
Profit for the period		**14 075**	**-19 079**	**21 166**	**-19 325**	**-23 130**
The profit for the period is entirely attributable to the parent company's shareholders						
Earnings per share						
Earnings per share before and after dilution[1] (SEK)		0.70	-0.95	1.06	-0.97	-1.16

[1] Earnings per share (EPS) has been calculated based on 20 000 000 shares, corresponding to the number of shares in the parent company Terranor Group AB. The same number of shares has been applied for the comparable periods to ensure consistency.

Condensed consolidated statement of comprehensive income

		Apr-Jun		Jan-Jun		Jan-Dec
Amounts in kSEK	**Note**	**2026**	**2025**	**2026**	**2025**	**2025**
Profit for the period		**14 075**	**-19 079**	**21 166**	**-19 325**	**-23 130**
Other comprehensive income						
Items that will be reclassified to profit or loss (net of tax)						
Translation difference		*947*	*2 370*	*1 515*	*-2 910*	*-5 191*
Total other comprehensive income for the period, net of tax		**947**	**2 370**	**1 515**	**-2 910**	**-5 191**
Comprehensive income for the period, net of tax		**15 022**	**-16 709**	**22 682**	**-22 235**	**-28 321**
The profit for the period is entirely attributable to the parent company's shareholders						

Condensed consolidated balance sheet

Amounts in kSEK	30 Jun 2026	30 Jun 2025	31 Dec 2025
ASSETS			
Non-current assets			
Goodwill	18 626	18 626	18 626
Intangible assets	15 338	25 666	18 827
Property, plant and equipment	91 830	115 358	105 441
Right-of-use assets	419 443	282 363	393 552
Deferred tax assets	15 020	26 851	11 711
Other non-current financial assets	4 087	4 163	4 167
Total non-current assets	**564 344**	**473 028**	**552 324**
Current assets			
Inventories	15 831	21 781	30 613
Trade receivables	379 557	293 445	407 068
Other current receivables	381 849	283 181	246 116
Cash and cash equivalents	23 268	22 797	76 734
Total current assets	**800 505**	**621 204**	**760 530**
TOTAL ASSETS	**1 364 849**	**1 094 232**	**1 312 853**

Amounts in kSEK	30 Jun 2026	30 Jun 2025	31 Dec 2025
EQUITY AND LIABILITIES			
Equity			
Share capital	20 000	20 000	20 000
Other contributed capital	47 900	47 900	47 900
Reserves	6 502	7 267	4 986
Retained earnings including profit for the year	106 664	118 803	115 498
Equity attributable to shareholders of the parent company	**181 066**	**193 971**	**188 384**
Total equity	**181 066**	**193 971**	**188 384**
Non-current liabilities			
Liabilities to credit institutions	13 786	20 308	15 561
Lease liabilities	292 039	187 785	270 589
Deferred tax liabilities	14 363	9 357	10 855
Other non-current liabilities	1 616	5 205	7 020
Total non-current liabilities	**321 804**	**222 655**	**304 025**
Current liabilities			
Liabilities to credit institutions	138 771	69 365	32 801
Accounts payables	266 642	204 116	338 560
Income tax liabilities	12 069	6 284	5 806
Lease liabilities	137 087	102 749	131 024
Other current liabilities	300 648	291 330	273 018
Accrued expenses and prepaid income	6 009	3 009	38 482
Provisions	754	754	754
Total current liabilities	**861 979**	**677 607**	**820 444**
TOTAL EQUITY AND LIABILITIES	**1 364 849**	**1 094 232**	**1 312 853**

Condensed consolidated statement of changes in equity

Quarter	Equity attributable to shareholders of the parent company				
Amounts in kSEK	Share capital	Other contributed capital	Reserves	Retained earnings including profit for the period	Total equity
Opening balance 2026-04-01	**20 000**	**47 900**	**5 555**	**122 590**	**196 045**
Profit for the period	-	-	-	14 075	14 075
Other comprehensive income for the period	-	-	947	-	947
Total comprehensive income	**-**	**-**	**947**	**14 075**	**15 022**
Transactions with shareholders					
Dividend	-	-	-	-30 000	-30 000
Total	**-**	**-**	**-**	**-30 000**	**-30 000**
Closing balance 2026-06-30	**20 000**	**47 900**	**6 502**	**106 664**	**181 066**
Opening balance 2025-04-01	**50**	**67 400**	**4 898**	**138 332**	**210 680**
Effect of common control transaction	19 950	-19 500	-	-450	-
Profit for the period	-	-	-	-19 079	-19 079
Other comprehensive income for the period	-	-	2 370	-	2 370
Total comprehensive income	**-**	**-**	**2 370**	**-19 079**	**-16 709**
Closing balance 2025-06-30	**20 000**	**47 900**	**7 267**	**118 803**	**193 971**

Year to date	Equity attributable to shareholders of the parent company				
Amounts in kSEK	Share capital	Other contributed capital	Reserves	Retained earnings including profit for the period	Total equity
Opening balance 2026-01-01	**20 000**	**47 900**	**4 986**	**115 498**	**188 384**
Profit for the period	-	-	-	21 166	21 166
Other comprehensive income for the period	-	-	1 515	-	1 515
Total comprehensive income			**1 515**	**21 166**	**22 681**
Transactions with shareholders					
Dividend	-	-	-	-30 000	-30 000
Total	**-**	**-**	**-**	**-30 000**	**-30 000**
Closing balance 2026-06-30	**20 000**	**47 900**	**6 502**	**106 664**	**181 066**
Opening balance 2025-01-01	**50**	**67 400**	**10 177**	**138 578**	**216 206**
Profit for the period	-	-	-	-19 325	-19 325
Effect of common control transaction	19 950	-19 500	-	-450	-
Other comprehensive income for the period	-	-	-2 910	-	-2 910
Total comprehensive income	**-**	**-**	**-2 910**	**-19 325**	**-22 235**
Transactions with shareholders					
Dividend	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**
Closing balance 2025-06-30	**20 000**	**47 900**	**7 267**	**118 803**	**193 971**

	Equity attributable to shareholders of the parent company				
Amounts in kSEK	**Share capital**	**Other contributed capital**	**Reserves**	**Retained earnings including profit for the period**	**Total equity**
Opening balance 2025-01-01	**50**	**67 400**	**10 177**	**138 578**	**216 206**
Effect of common control transaction	19 950	-19 500	-	50	500
Profit for the period	-	-	-	-23 130	-23 130
Other comprehensive income for the period	-	-	-5 191	-	-5 191
Total comprehensive income			**-5 191**	**-23 130**	**-28 321**
Closing balance 2025-12-31	**20 000**	**47 900**	**4 986**	**115 498**	**188 384**

Condensed consolidated statement of cash flows

	Apr-Jun		Jan-Jun		Jan-Dec
Amounts in kSEK	**2026**	**2025**	**2026**	**2025**	**2025**
Operating activities					
Operating profit (EBIT)	24 428	-17 150	36 509	-12 017	15 481
Adjustment for items not included in cash flow	32 368	37 163	75 675	72 194	156 959
Interest received	103	27	125	124	199
Interest paid	-2 199	-1 371	-3 392	-2 538	-7 190
Income tax paid	-10 071	-6 293	-6 549	-21 226	-29 146
Cash flow from operating activities before changes in working capital	**44 629**	**12 377**	**102 368**	**36 537**	**136 303**
Cash flow from changes in working capital					
Change in inventories	12 868	18 127	14 726	-672	-9 932
Change in trade receivables	-125 385	-53 550	30 760	72 392	-45 184
Change in other operating receivables	-32 512	-67 080	-129 219	-106 088	-66 989
Changes in trade payables	31 546	27 651	-74 255	-27 375	111 077
Changes in other operating payables	45 149	33 342	-5 937	66 208	88 584
Change in working capital	**-68 334**	**-41 510**	**-163 925**	**4 465**	**77 556**
Cash flow from operating activities	**-23 706**	**-29 133**	**-61 558**	**41 002**	**213 858**

	Apr-Jun		Jan-Jun		Jan-Dec
Amounts in kSEK	**2026**	**2025**	**2026**	**2025**	**2025**
Investing activities					
Purchase of intangible assets	-176	-	-680	-	-
Purchase and disposal of property, plant and equipment	17 375	-4 537	18 707	-8 410	-6 535
Cash flow from investing activities	**17 199**	**-4 537**	**18 026**	**-8 410**	**-6 535**
Financing activities					
Change in borrowings	69 834	25 674	102 562	7 711	-33 011
Payment of principal portion of lease liabilities	-38 681	-28 173	-74 200	-56 328	-127 011
Payment of interest for the lease liabilities	-4 511	-3 030	-8 718	-6 022	-14 082
Paid dividend	-30 000	-	-30 000	-	-
New share issue	-	500	-	500	500
Cash flow from financing activities	**-3 358**	**-5 029**	**-10 356**	**-54 139**	**-173 603**
Cash flow for the period	**-9 865**	**-38 699**	**-53 888**	**-21 547**	**33 720**
Cash and cash equivalents at the beginning of the period	32 676	60 590	76 734	45 292	45 292
Exchange differences	458	906	422	-947	-2 278
Cash and cash equivalents at the end of period	**23 268**	**22 797**	**23 268**	**22 797**	**76 734**

A minor adjustment has been made to how translation differences are presented in the cash flow. The comparative figures have been restated, but the effect is deemed to be immaterial.

A minor adjustment has been made in classification of changes in working capital. The comparative figures have been restated. The effect is deemed to be minor.

Note 1 General information

This interim report covers the Swedish parent company Terranor Group AB (publ.), company registration number 559525-3732 and its subsidiaries. The headquarter is located on Björnstigen 85, 170 73, Solna, Sweden. Terranor is a leading operations and maintenance service provider for road infrastructure in the Nordics.

Note 2 Accounting principles

The interim report for the Group has been prepared in compliance with IAS 34 Interim Financial Reporting and applicable sections of the Swedish Annual Accounts Act (1995:1554). The interim report for the parent company was prepared in accordance with the Annual Accounts Act, Chapter 9 Interim Financial Reporting, and recommendation RFR 2 Accounting of Legal Entities issued by the Swedish Financial Accounting Standards Council.

The accounting principles applied in this interim report are consistent with the accounting principles presented in note 2 of the 2025 Annual Report. All amounts are stated in thousands ("kSEK") of Swedish kronor unless otherwise specified. Rounding differences may occur.

Note 3 Significant estimates and judgements

Preparation of the financial statements in accordance with IFRS requires management to make judgements, estimates and assumptions that affect the recognized amounts of assets, liabilities, revenues, and expenses, as well as related disclosures. In applying the Group's accounting principles, management makes various judgments that can significantly affect the amounts reported in the financial statements. The uncertainties in estimates and assumptions relating to future periods may have a significant risk of a significant adjustment to the recognized values of assets and liabilities during the upcoming fiscal year.

Judgments and estimates are continuously evaluated and are based on historical experience and expectations of future events that are considered reasonable under current circumstances. Changes in estimates and judgments are recognized in the period in which the change is made if the change only affects that period, or in the period in which the change is made and future periods if the change affects both the current period and future periods.

The same estimates and judgments have been made in this report as presented in note 3 of the 2025 Annual Report.

Note 4 Operating segments

Terranor operates under a decentralized model where each country functions as a separate component and is monitored individually. Accordingly, the Group's segments consist of the three countries: Sweden, Finland, and Denmark, which also represent the geographical areas in which the Group operates. As a result, no aggregation of segments has been deemed necessary. The Chief Operating Decision Maker (CODM), who in Terranor is the Group CEO, reviews and allocates resources based on the performance measure adjusted EBITA. This performance measure also serves as the segment measure for the Group.

Apr-Jun 2026	Sweden	Finland	Denmark	Total segments	Group functions	Eliminations	Group total
Revenue from external customers	668 756	159 413	213 202	1 041 371	-	-	1 041 371
Inter-segment revenue	-	849	-	849	-	-849	-
Total revenue	**668 756**	**160 262**	**213 202**	**1 042 220**	**-**	**-849**	**1 041 371**
Other operating income	16 892	-	399	17 291	-	-2 023	15 268
Raw materials and consumables used	-484 070	-130 418	-108 161	-722 649	-	-	-722 649
Personnel expenses	-101 906	-17 514	-66 085	-185 505	-	-	-185 505
Depreciation and impairment of property, plant and equipment and right-of-use assets	-25 960	-5 073	-13 391	-44 424	-	-	-44 424
Other operating expenses	-52 058	-7 719	-19 730	-79 507	-938	2 873	-77 572
EBITA	**21 654**	**-462**	**6 234**	**27 426**	**-938**	**1**	**26 489**
Items affecting comparability	-	752	-	752	-	-	752
Adjusted EBITA	**21 654**	**290**	**6 234**	**28 178**	**-938**	**1**	**27 240**
1. Specification of items affecting comparability							
Restructuring costs and other items affecting comparability	-	752	-	752	-	-	752
Total items affecting comparability	**-**	**752**	**-**	**752**	**-**	**-**	**752**

Note 4 Operating segments (cont.)

Apr-Jun 2025	Sweden	Finland	Denmark	Total segments	Group functions	Eliminations	Group total
Revenue from external customers	506 907	153 729	188 333	848 969	-	-	848 969
Inter-segment revenue	-	647	-	647	-	-647	-
Total revenue	**506 907**	**154 376**	**188 333**	**849 616**	**-**	**-647**	**848 969**
Other operating income	4 704	-	-	4 704	-	-2 008	2 696
Raw materials and consumables used	-370 116	-123 323	-100 189	-593 628	-	-	-593 628
Personnel expenses	-93 639	-22 916	-57 078	-173 633	-	-	-173 633
Depreciation and impairment of property, plant and equipment and right-of-use assets	-19 391	-4 716	-10 995	-35 102	-	-	-35 102
Other operating expenses	-42 617	-8 148	-15 611	-66 376	-	2 455	-63 921
EBITA	**-14 151**	**-4 727**	**4 460**	**-14 420**	**-**	**-200**	**-14 619**
Items affecting comparability	25 384	5 558	609	31 551	-	-	31 551
Adjusted EBITA	**11 232**	**831**	**5 068**	**17 131**	**-**	**-200**	**16 931**
1. Specification of items affecting comparability							
Restructuring costs and other items affecting comparability	25 384	5 558	609	31 551	-	-	31 551
Total items affecting comparability	**25 384**	**5 558**	**609**	**31 551**	**-**	**-**	**31 551**

	Apr-Jun		Jan-Jun		Jan-Dec
	2026	2025	2026	2025	2025
Adjusted EBITA	**27 240**	**16 931**	**47 083**	**29 141**	**98 087**
Amortization of intangible assets	-2 060	-2 531	-4 528	-5 125	-10 222
Items affecting comparability	-753	-31 551	-6 047	-36 033	-72 384
Financial income	103	27	125	124	199
Financial expenses	-6 710	-4 401	-12 110	-8 560	-21 272
Result before tax	**17 820**	**-21 523**	**24 524**	**-20 453**	**-5 592**

Note 4 Operating segments (cont.)

Jan-Dec 2025	Sweden	Finland	Denmark	Total segments	Group functions	Eliminations	Group total
Revenue from external customers	2 231 102	628 375	743 145	3 602 622	-	-	3 602 622
Inter-segment revenue	-	2 616	-	2 616	-	-2 616	-
Total revenue	**2 231 102**	**630 991**	**743 145**	**3 605 237**	**-**	**-2 616**	**3 602 622**
Other operating income	13 773	89	-	13 862	-	-6 401	7 461
Raw materials and consumables used	-1 605 356	-509 895	-412 955	-2 528 206	-	-	-2 528 206
Personnel expenses	-339 213	-73 594	-214 981	-627 788	-	-	-627 788
Depreciation and impairment of property, plant and equipment and right-of-use assets	-83 766	-20 813	-46 380	-150 958	-	-	-150 958
Other operating expenses	-188 560	-31 610	-62 007	-282 177	-4 221	8 970	-277 428
EBITA	**27 980**	**-4 831**	**6 822**	**29 971**	**-4 221**	**-48**	**25 703**
Items affecting comparability	61 862	6 148	2 577	70 587	1 796	-	72 384
Adjusted EBITA	**89 842**	**1 316**	**9 400**	**100 559**	**-2 425**	**-48**	**98 087**
1. Specification of items affecting comparability							
Restructuring costs and other items affecting comparability	61 862	6 148	2 577	70 587	1 796	-	72 384
Total items affecting comparability	**61 862**	**6 148**	**2 577**	**70 587**	**1 796**	**-**	**72 384**

Note 5 Revenue

The Group's revenue corresponds to the revenue from contracts with customers and is presented below. In addition to segment reporting (by country), the Group disaggregates its revenue by customer type, which reflects how Terranor monitors its revenue.

Apr-Jun 2026	Sweden	Finland	Denmark	Group total
By type of customer				
State	490 913	120 401	91 640	702 954
Municipalities	90 470	22 850	52 536	165 856
Private sector	87 373	16 162	69 026	172 561
Total revenue	**668 756**	**159 413**	**213 202**	**1 041 371**

Apr-Jun 2025	Sweden	Finland	Denmark	Group total
By type of customer				
State	357 300	133 136	100 320	590 756
Municipalities	85 296	12 683	54 780	152 759
Private sector	64 311	7 910	33 232	105 453
Total revenue	**506 907**	**153 729**	**188 333**	**848 969**

Jan-Dec 2025	Sweden	Finland	Denmark	Group total
By type of customer				
State	1 578 865	542 777	375 946	2 497 589
Municipalities	347 164	56 427	196 241	599 833
Private sector	305 071	29 171	170 957	505 199
Total revenue	**2 231 102**	**628 375**	**743 145**	**3 602 622**

Note 6 Financial instruments

The Group's interest-bearing liabilities are subject to variable interest rates, and the carrying amount is a reasonable approximation of the fair value. For other financial assets and liabilities, the carrying amount is a reasonable approximation of the fair value.

Note 7 Transactions with related parties

The Group had 0 MSEK (2.6 MSEK) of costs related to Mutares. The Group has purchased services from Mutares in the form of management fees and other advisory services.

The Group has purchased legal services from Board member Håkan Broman amounting to 244 kSEK (0 kSEK) during the period.

	Apr-Jun		Jan-Jun		Jan-Dec
Mutares SE & Co.KGaA	**2026**	**2025**	**2026**	**2025**	**2025**
Purchases of goods and services	-	2 612	-	5 565	8 968
Interest expenses	-	-	-	-	-
Total liabilities at end of period	-	1 293	-	1 293	-

Note 8 Significant events after the reporting date

- Terranor AB won a four-year municipal contract with Borås worth 44 MSEK

Income statement, parent company

		Apr-Jun		Jan-Jun		Jan-Dec
Amounts in kSEK	**Note**	**2026**	**2025**	**2026**	**2025**	**2025**
Revenue		-	-	-	-	
Other operating expenses		-938	-	-1 787	-	-4 221
Operating profit (EBIT)		**-938**	**-**	**-1 787**	**-**	**-4 221**
Result from shares in subsidiaries		30 000		30 000		
Financial income		-	-	-	-	-
Financial expenses		-	-	-	-	-
Result after financial items		**29 062**	**-**	**28 213**	**-**	**-4 221**
Income tax expense		368	-	368	-	869
Profit for the period		**29 430**	**-**	**28 581**	**-**	**-3 351**
The profit for the period corresponds to the total comprehensive income for the period.						

Balance sheet, parent company

Amounts in kSEK	30 Jun 2026	30 Jun 2025	31 Dec 2025
ASSETS			
Non-current assets			
Shares in subsidiaries	156 480	156 480	156 480
Deferred tax assets	1 237	-	869
Total non-current assets	**157 717**	**156 480**	**157 349**
Current assets			
Other current assets	214	500	674
Cash and cash equivalents	360	-	275
Total current assets	**574**	**500**	**949**
TOTAL ASSETS	**158 291**	**156 980**	**158 297**

Amounts in kSEK	30 Jun 2026	30 Jun 2025	31 Dec 2025
EQUITY AND LIABILITIES			
Equity			
Share capital	20 000	20 000	20 000
Total restricted equity	**20 000**	**20 000**	**20 000**
Share premium reserve	106 980	136 980	136 980
Retained earnings including profit for the year	25 231	-	-3 351
Total unrestricted equity	**132 211**	**136 980**	**133 629**
Total equity	**152 211**	**156 980**	**153 629**
Current liabilities			
Accounts payable	80	-	221
Other current liabilities to group companies	6 000	-	4 000
Other current non-financial liabilities	-	-	447
Total current liabilities	**6 080**	**-**	**4 668**
TOTAL EQUITY AND LIABILITIES	**158 291**	**156 980**	**158 297**

Statement of changes in equity, parent company

	Equity attributable to shareholders of the parent company			
	Restricted equity	Unrestricted equity		
Amounts in kSEK	Share capital	Share premium reserve	Retained earnings including profit for the period	Total equity
Opening balance 2026-04-01	**20 000**	**136 980**	**-4 200**	**152 780**
Profit/ loss for the period	-	-	29 430	**29 430**
Other comprehensive income	-	-	-	-
Total comprehensive income	**-**	**-**	**29 430**	**29 430**
Transactions with shareholders				
Dividend	-	-30 000	-	-30 000
Total	**-**	**-30 000**	**-**	**-30 000**
Closing balance 2026-06-30	**20 000**	**106 980**	**25 231**	**152 211**

	Equity attributable to shareholders of the parent company			
	Restricted equity	Unrestricted equity		
Amounts in kSEK	Share capital	Share premium reserve	Retained earnings including profit for the period	Total equity
Opening balance 2026-01-01	**20 000**	**136 980**	**-3 351**	**153 629**
				-
Profit/ loss for the period	-	-	28 581	**28 581**
Other comprehensive income	-	-	-	-
Total comprehensive income	**-**	**-**	**28 581**	**28 581**
Transactions with shareholders				
Dividend	-	-30 000	-	**-30 000**
Total	**-**	**-30 000**	**-**	**-30 000**
Closing balance 2026-06-30	**20 000**	**106 980**	**25 231**	**152 211**

	Equity attributable to shareholders of the parent company			
	Restricted equity	Unrestricted equity		
Amounts in kSEK	Share capital	Share premium reserve	Retained earnings including profit for the period	Total equity
Opening balance 2025-04-01	**500**	**-**	**-**	**500**
Profit/ loss for the period	-	-	-	-
Other comprehensive income	-	-	-	-
Total comprehensive income	**-**	**-**	**-**	**-**
Transactions with shareholders				
New share issue	19 500	136 980	-	156 480
Total	**19 500**	**136 980**	**-**	**156 480**
Closing balance 2025-06-30	**20 000**	**136 980**	**-**	**156 980**

	Equity attributable to shareholders of the parent company			
	Restricted equity	Unrestricted equity		
Amounts in kSEK	Share capital	Share premium reserve	Retained earnings including profit for the period	Total equity
Opening balance 2025-03-26	**500**	**-**	**-**	**500**
Profit/ loss for the period	-	-	-	-
Other comprehensive income	-	-	-	-
Total comprehensive income	**-**	**-**	**-**	**-**
Transactions with shareholders				
Contribution-in-kind	19 500	136 980	-	156 480
Total	**19 500**	**136 980**	**-**	**156 480**
Closing balance 2025-06-30	**20 000**	**136 980**	**-**	**156 980**

	Equity attributable to shareholders of the parent company			
	Restricted equity	Unrestricted equity		
Amounts in kSEK	**Share capital**	**Share premium reserve**	**Retained earnings including profit for the period**	**Total equity**
Opening balance 2025-03-26	**500**	**-**	**-**	**500**
Profit/ loss for the period	-	-	-3 351	**-3 351**
Other comprehensive income	-	-	-	-
Total comprehensive income	**-**	**-**	**-3 351**	**-3 351**
Transactions with shareholders				
Contribution-in-kind	19 500	136 980	-	156 480
Total	**19 500**	**136 980**	**-**	**156 480**
Closing balance 2025-12-31	**20 000**	**136 980**	**-3 351**	**153 629**

Cash flow statement, parent company

	Apr-Jun		Jan-Jun		Jan-Dec
Amounts in kSEK	**2026**	**2025**	**2026**	**2025**	**2025**
Current operations					
Operating profit (EBIT)	-938	-	-1 787	-	-4 221
Adjustment for items not included in cash flow		-		-	-226
Dividend received	30 000	-	30 000	-	-
Interest received	-	-	-	-	-
Interest paid	-	-	-	-	-
Income tax paid	-	-	-	-	-
Cash flow from operating activities before changes in working capital	**29 062**	**-**	**28 213**	**-**	**-4 447**
Cash flow from changes in working capital	-	-	-	-	
Changes in operating receivables	558	500	459	-	-
Changes in operating payables	2	-	1 412	-	221
Changes in working capital	**560**	**500**	**1 871**	**-**	**221**
Cash flow from operating activities	**29 622**	**500**	**30 084**	**-**	**-4 226**

	Apr-Jun		Jan-Jun		Jan-Dec
Amounts in kSEK	**2026**	**2025**	**2026**	**2025**	**2025**
Investing activities					
Acquisition of subsidiaries	-	-	-	-	-
Cash flow from investing activities	**-**	**-**	**-**	**-**	**-**
Financing activities					
Increase in borrowings	-	-	-	-	4 000
Dividends paid	-30 000	-	-30 000	-	-
New share issue	-	-	-	500	500
Cash flow from financing activities	**-30 000**	**-**	**-30 000**	**500**	**4 500**
Cash flow for the period	**-378**	**500**	**84**	**500**	**275**
Cash and cash equivalents at the beginning of the period	737	-	275	-	-
Cash and cash equivalents at the end of the period	**359**	**500**	**359**	**500**	**275**

Alternative performance measures

APMs	Unit	Q1 25	Q2 25	Q3 25	Q4 25	Q1 26	Q2 26
Revenue growth (%)	%	2%	12%	10%	29%	23%	23%
EBITDA	kSEK	42 080	20 483	29 323	84 775	56 479	70 912
EBITDA margin (%)	%	5.7%	2.4%	3.7%	6.9%	6.2%	6.8%
Adjusted EBITDA	kSEK	46 562	52 034	56 511	93 938	61 773	71 665
Adjusted EBITDA margin (%)	%	6.3%	6.1%	7.1%	7.7%	6.8%	6.9%
EBITA	kSEK	7 728	-14 619	-6 492	39 086	14 549	26 488
EBITA margin (%)	%	1.0%	-1.7%	-0.8%	3.2%	1.6%	2.5%
Adjusted EBITA	kSEK	12 210	16 931	20 696	48 249	19 843	27 240
Adjusted EBITA margin (%)	%	1.7%	2.0%	2.6%	3.9%	2.2%	2.6%
EBIT	kSEK	5 133	-17 150	-9 060	36 558	12 081	24 428
EBIT margin (%)	%	0.7%	-2.0%	-1.1%	3.0%	1.3%	2.3%
Adjusted EBIT	kSEK	9 615	14 401	18 128	45 721	17 375	25 180
Adjusted EBIT margin (%)	%	1.3%	1.7%	2.3%	3.7%	1.9%	2.4%
Items affecting comparability (IAC)	kSEK	4 482	31 551	27 188	9 163	5 294	753
Net cash/ Net debt	kSEK	-275 465	-357 409	-437 676	-373 240	-455 687	-558 415
Net debt/LTM adjusted EBITDA	x	-1.26	-1.51	-1.86	-1.50	-1.72	-1.97
Net working capital	kSEK	42 058	84 946	137 798	13 292	111 254	180 101
Net working capital/LTM revenue %	%	1.3%	2.6%	4.1%	0.4%	2.9%	4.5%
Capital expenditures	kSEK	-3 873	-4 537	-2 180	4 055	827	17 199
Adjusted operating cash flow	kSEK	86 184	4 608	1 480	222 499	-35 362	20 017
Cash conversion (%)	%	185.1%	8.9%	2.6%	236.9%	-57.2%	27.9%
Capital employed	kSEK	675 509	734 000	823 400	939 466	882 106	995 427
Return on capital employed (%)	%	1.9%	2.5%	2.8%	6.1%	2.4%	3.1%
Return on equity (%)	%	-0.1%	-10.1%	-5.9%	3.8%	3.7%	7.5%
Net debt/Equity (%)	%	-130.8%	-184.3%	-240.7%	-198.1%	-232.4%	-308.4%
Order intake	kSEK	1 239 414	952 956	209 214	399 147	1 589 811*	1 253 751
Order backlog	kSEK	5 293 341	5 995 430	5 876 239	5 442 542	6 591 064*	7 293 709

* Order intake and order backlog for Q1 2026 have been restated and differ from the figures presented in the Q1 2026 interim report.

Calculation formulas for financial performance

Alternative performance measure	Definition	Reason for use of measure
Revenue growth (%)	Revenue for the period compared to revenue for the comparative period.	Used to show the change in revenue between periods.
EBITDA	Operating profit (EBIT) after reversal of depreciation, amortization and impairment losses on tangible and intangible assets and right-of-use assets.	Used to measure operating profitability excluding depreciation, amortization and impairment. Complementary to assessing the operating performance of the business.
EBITDA margin (%)	EBITDA as a percentage of revenue.	Used to measure the development of the profitability ratio from operating activities excluding depreciation, amortization and impairment.
Adjusted EBITDA	EBITDA adjusted for items affecting comparability.	Used to measure the profitability of operating activities (excluding depreciation, amortization and impairment) without the impact of items affecting comparability between periods. Complementary to assessing the adjusted operating profit of the business.
Adjusted EBITDA margin (%)	Adjusted EBITDA as a percentage of revenue.	Used to measure the development of the profitability ratio from operating activities excluding depreciation, amortization and impairment losses without the impact of items affecting comparability between periods.
EBITA	Operating profit (EBIT) after reversal of amortization and impairment of intangible assets related to business combinations.	Used to measure operating profitability excluding amortization and impairment of acquisition-related intangible assets. Complementary to assessing the operating performance of the business.
EBITA margin (%)	EBITA as a percentage of revenue.	Used to measure the development of the profitability ratio from operating activities excluding amortization and impairment losses from acquisition-related intangible assets.
Adjusted EBITA	EBITA adjusted for items affecting comparability.	Used to measure profitability from operating activities, excluding amortization and impairment of acquisition-related intangible assets without the impact of items affecting comparability between periods. Complementary to assessing the adjusted operating profit of the business.
Adjusted EBITA margin (%)	Adjusted EBITA as a percentage of revenue.	Used to measure the development of the profitability ratio from operating activities, excluding amortization and impairment losses from acquisition-related intangible assets, without the impact of items affecting comparability between periods.
Operating profit (EBIT)	Profit for the period after adding back tax on profit for the period and financial expenses and deducting financial income.	Used to measure operational profitability.
Operating margin (%)	Operating profit as a percentage of revenue.	Used to show the operational profitability ratio.
Adjusted EBIT	EBIT adjusted for items affecting comparability.	Used to measure operating profitability without the impact of items affecting comparability between periods.
Adjusted EBIT margin (%)	Adjusted EBIT as a percentage of revenue.	Used to show the operating profitability ratio without the impact of items affecting comparability between periods.
Items affecting comparability	Refers to events that are material in nature and considered important to specify because they are considered to affect comparability between periods.	Used to provide users of the financial statements with an understanding of the Company's performance between periods without the impact of items considered to affect comparability between periods.
Net cash (+) / Net debt (-)	Refers to non-current and current liabilities to credit institutions, non-current other interest-bearing liabilities, non-current and current lease liabilities less cash and cash equivalents.	Used to monitor the evolution of debt and the size of refinancing needs. As cash can be used to pay off debt at short notice, net debt is used as a measure of total debt financing.
Net debt / adjusted EBITDA ratio, rolling twelve months	Net debt divided by adjusted EBITDA rolling 12 months.	Used to demonstrate the Group's ability to repay its financial liabilities related to its operating activities.

Working capital	Current assets consist of current tax receivables (included in other current receivables) and cash and cash equivalents, less current liabilities excluding current tax liabilities, current liabilities to credit institutions, current lease liabilities, and current provisions.	Used to measure the current financial status of the Group.
Working capital / revenue rolling twelve months (%)	Working capital as a percentage of revenue rolling 12 months.	Used to show the Group's working capital over time.
Investment in tangible and intangible assets	Expenditure on acquisitions and investments in the Group's tangible and intangible assets.	Used as a measure of the Group's historical capital expenditure and used as an input to calculate Adjusted operating cash flow and Cash generation.
Adjusted operating cash flow	Adjusted EBITDA less investments in tangible and intangible assets adjusted for changes in inventories, accounts receivable, other current receivables (excluding current tax receivables), accounts payable, other current liabilities, and accrued expenses and prepaid income.	Used to show the underlying cash flow generated from the adjusted operating activities.
Cash generation (%)	Adjusted operating cash flow in relation to adjusted EBITDA.	Used to indicate the ratio of operating profitability from the business without the impact of items affecting comparability between periods, converted to cash flow.
Capital employed	Total assets excluding goodwill and other intangible assets related to operating activities, less non-interest-bearing liabilities and deferred tax liabilities. Non-interest-bearing liabilities comprise other non-current liabilities, current tax liabilities, other current liabilities, accrued expenses and prepaid income and provisions.	Used as a measure to show the Group's capital tied up in operations used to generate revenue.
Average capital employed	Average capital employed refers to the average of the capital employed for the current quarter and the capital employed for the previous four quarters.	Used to understand the Group's return on capital employed, taking into account an average of capital employed.
Return on capital employed (%)	Adjusted EBITA as a percentage of average capital employed.	Used to understand how well the company uses its capital to generate returns.
Average equity	Average equity refers to the average of closing equity for the current quarter and closing equity for the previous four quarters.	Used to understand the Group's return on equity, taking into account an average of equity.
Return on equity (%)	Profit for the period as a percentage of average equity.	Used to measure how effectively shareholders' invested capital is generating returns.
Net debt/equity ratio (%)	Represents net debt as a percentage of equity.	Used to show the relationship between debt and equity.
Order intake	Value of projects obtained, excluding changes in existing projects during the current period.	Order intake provides an indication of revenue development in the short to medium term.
Order backlog	The value at the end of the period of the remaining unearned project income in pending assignments.	The order backlog provides a further indication of the short to medium-term development of revenue.

Reconciliations of APMs

Reconciliation of APMs	Unit	Q1 25	Q2 25	Q3 25	Q4 25	Q1 26	Q2 26
Revenue growth (%)							
Revenue current period	kSEK	736 012	848 969	794 425	1 223 216	904 825	1 041 371
Revenue last period	kSEK	721 264	755 795	722 689	947 180	736 012	848 969
Revenue growth (%)	**%**	**2%**	**12%**	**10%**	**29%**	**23%**	**23%**
EBITDA							
Operating profit (EBIT)	kSEK	5 133	-17 150	-9 060	36 558	12 081	24 428
Depreciation & amortization related to intangible assets, tangible assets and right-of-use assets	kSEK	36 947	37 633	38 383	48 217	44 398	46 485
Impairment related to intangible assets, tangible assets and right-of-use assets	kSEK	-	-	-	-	-	-
EBITDA	**kSEK**	**42 080**	**20 483**	**29 323**	**84 775**	**56 479**	**70 912**
EBITDA margin, %							
EBITDA	kSEK	42 080	20 483	29 323	84 775	56 479	70 912
Revenue	kSEK	736 012	848 969	794 425	1 223 216	904 825	1 041 371
EBITDA margin, %	**%**	**5.7%**	**2.4%**	**3.7%**	**6.9%**	**6.2%**	**6.8%**
Adjusted EBITDA							
EBITDA	kSEK	42 080	20 483	29 323	84 775	56 479	70 912
Items affecting comparability	kSEK	4 482	31 551	27 188	9 163	5 294	753
Adjusted EBITDA	**kSEK**	**46 562**	**52 034**	**56 511**	**93 938**	**61 773**	**71 665**
Adjusted EBITDA margin, %							
Adjusted EBITDA	kSEK	46 562	52 034	56 511	93 938	61 773	71 665
Revenue	kSEK	736 012	848 969	794 425	1 223 216	904 825	1 041 371
Adjusted EBITDA margin, %	**%**	**6.3%**	**6.1%**	**7.1%**	**7.7%**	**6.8%**	**6.9%**
EBITA							
Operating profit (EBIT)	kSEK	5 133	-17 150	-9 060	36 558	12 081	24 428
Amortization of intangible assets	kSEK	2 595	2 531	2 568	2 528	2 468	2 060
Impairment of intangible assets	kSEK	-	-	-	-	-	-
EBITA	**kSEK**	**7 728**	**-14 619**	**-6 492**	**39 086**	**14 549**	**26 488**

Reconciliation of APMs	Unit	Q1 25	Q2 25	Q3 25	Q4 25	Q1 26	Q2 26
EBITA margin, %							
EBITA	kSEK	7 728	-14 619	-6 492	39 086	14 549	26 488
Revenue	kSEK	736 012	848 969	794 425	1 223 216	904 825	1 041 371
EBITA margin, %	**%**	**1.0%**	**-1.7%**	**-0.8%**	**3.2%**	**1.6%**	**2.5%**
Adjusted EBITA							
EBITA	kSEK	7 728	-14 619	-6 492	39 086	14 549	26 488
Items affecting comparability	kSEK	4 482	31 551	27 188	9 163	5 294	753
Adjusted EBITA	**kSEK**	**12 210**	**16 931**	**20 696**	**48 249**	**19 843**	**27 240**
Adjusted EBITA margin, %							
Adjusted EBITA	kSEK	12 210	16 931	20 696	48 249	19 843	27 240
Revenue	kSEK	736 012	848 969	794 425	1 223 216	904 825	1 041 371
Adjusted EBITA margin, %	**%**	**1.7%**	**2.0%**	**2.6%**	**3.9%**	**2.2%**	**2.6%**
EBIT							
Profit for the period	kSEK	-246	-19 079	-11 422	7 617	7 091	14 075
Income taxes	kSEK	1 317	-2 445	-2 802	21 468	-388	3 745
Finance cost	kSEK	4 159	4 401	5 219	7 493	5 399	6 710
Finance income	kSEK	-96	-27	-55	-20	-22	-103
EBIT	**kSEK**	**5 133**	**-17 150**	**-9 060**	**36 558**	**12 081**	**24 428**
EBIT margin, %							
EBIT	kSEK	5 133	-17 150	-9 060	36 558	12 081	24 428
Revenue	kSEK	736 012	848 969	794 425	1 223 216	904 825	1 041 371
EBIT margin, %	**%**	**0.7%**	**-2.0%**	**-1.1%**	**3.0%**	**1.3%**	**2.3%**
Adjusted EBIT							
EBIT	kSEK	5 133	-17 150	-9 060	36 558	12 081	24 428
Items affecting comparability	kSEK	4 482	31 551	27 188	9 163	5 294	753
Adjusted EBIT	**kSEK**	**9 615**	**14 401**	**18 128**	**45 721**	**17 375**	**25 180**

Reconciliation of APMs	Unit	Q1 25	Q2 25	Q3 25	Q4 25	Q1 26	Q2 26
Adjusted EBIT margin, %							
Adjusted EBIT	kSEK	9 615	14 401	18 128	45 721	17 375	25 180
Revenue	kSEK	736 012	848 969	794 425	1 223 216	904 825	1 041 371
Adjusted EBIT margin, %	**%**	**1.3%**	**1.7%**	**2.3%**	**3.7%**	**1.9%**	**2.4%**
Items affecting comparability							
Restructuring costs and one-off expenses	kSEK	4 482	31 551	27 188	9 163	5 294	753
Items affecting comparability	**kSEK**	**4 482**	**31 551**	**27 188**	**9 163**	**5 294**	**753**
Net cash (+)/ Net debt (-)							
Non-current liabilities to credit institutions	kSEK	20 411	20 308	16 091	15 561	14 648	13 786
Current liabilities to credit institutions	kSEK	42 545	69 365	132 196	32 801	67 595	138 771
Non-current Lease liabilities	kSEK	172 331	187 785	199 861	270 589	273 546	292 039
Current Lease liabilities	kSEK	100 769	102 749	107 306	131 024	132 575	137 087
Less: Cash and cash equivalents	kSEK	-60 590	-22 797	-17 779	-76 734	-32 676	-23 268
Net cash (+)/ Net debt (-)	**kSEK**	**-275 465**	**-357 409**	**-437 676**	**-373 240**	**-455 687**	**-558 415**
Net debt/LTM Adjusted EBITDA							
Net debt	kSEK	-275 465	-357 409	-437 676	-373 240	-455 687	-558 415
LTM Adjusted EBITDA	kSEK	218 487	237 221	234 732	249 045	264 256	283 887
Net debt/LTM Adjusted EBITDA	**x**	**-1.26**	**-1.51**	**-1.86**	**-1.50**	**-1.72**	**-1.97**
Net working capital							
Current assets	kSEK	545 954	621 204	678 863	760 530	655 310	800 505
Less: Cash and cash equivalents	kSEK	-60 590	-22 797	-17 779	-76 734	-32 676	-23 268
Less: Income tax receivable	kSEK	-10 537	-15 005	-18 382	-20 444	-18 857	-23 838
Current liabilities	kSEK	-583 009	-677 607	-752 073	-820 444	-704 997	-861 979
Less: Income tax payable	kSEK	6 172	6 284	6 162	5 806	11 550	12 069
Less: Current liabilities to credit institutions	kSEK	42 545	69 365	132 196	32 801	67 595	138 771
Less: Current lease liabilities	kSEK	100 769	102 749	107 306	131 024	132 575	137 087
Less: Current provisions	kSEK	754	754	1 504	754	754	754
Net working capital	**kSEK**	**42 058**	**84 946**	**137 798**	**13 292**	**111 254**	**180 101**
Net working capital/LTM revenue %							
Net working capital	kSEK	42 058	84 946	137 798	13 292	111 254	180 101
LTM revenue	kSEK	3 161 676	3 254 849	3 326 585	3 602 622	3 771 435	3 963 837
Net working capital/LTM revenue %	**%**	**1.3%**	**2.6%**	**4.1%**	**0.4%**	**2.9%**	**4.5%**

Reconciliation of APMs	Unit	Q1 25	Q2 25	Q3 25	Q4 25	Q1 26	Q2 26
Capital expenditures							
Investments in property, plant and equipment	kSEK	-3 873	-4 537	-2 180	4 055	1 331	17 375
Investments in intangible assets	kSEK	0	0	0	0	-504	-176
Capital expenditures	**kSEK**	**-3 873**	**-4 537**	**-2 180**	**4 055**	**827**	**17 199**
Adjusted operating cash flow							
Adjusted EBITDA	kSEK	46 562	52 034	56 511	93 938	61 773	71 665
Investments in property, plant and equipment	kSEK	-3 873	-4 537	-2 180	4 055	1 331	17 375
Investments in intangible assets	kSEK	0	0	0	0	-504	-176
Changes in net working capital	kSEK	43 496	-42 889	-52 851	124 506	-97 962	-68 847
Adjusted operating cash flow	**kSEK**	**86 184**	**4 608**	**1 480**	**222 499**	**-35 362**	**20 017**
Cash conversion %							
Adjusted operating cash flow	kSEK	86 184	4 608	1 480	222 499	-35 362	20 017
Adjusted EBITDA	kSEK	46 562	52 034	56 511	93 938	61 773	71 665
Cash conversion %	**%**	**185.1%**	**8.9%**	**2.6%**	**236.9%**	**-57.2%**	**27.9%**
Capital employed							
Total assets	kSEK	1 000 716	1 094 232	1 163 040	1 312 853	1 205 708	1 364 849
Less: Goodwill	kSEK	18 626	18 626	18 626	18 626	18 626	18 626
Less: Other intangible assets	kSEK	26 401	25 666	23 971	18 827	17 024	15 338
Less: Non-interest bearing liabilities	kSEK	270 443	306 582	288 282	325 080	277 941	321 095
Less: Deferred tax liabilities	kSEK	9 736	9 357	8 760	10 855	10 011	14 363
Capital employed	**kSEK**	**675 509**	**734 000**	**823 400**	**939 466**	**882 106**	**995 427**
Return on capital employed							
Adjusted EBITA	kSEK	12 210	16 931	20 696	48 249	19 843	27 240
Average capital employed	kSEK	657 865	687 970	739 942	789 788	810 896	874 880
Return on capital employed	**%**	**1.9%**	**2.5%**	**2.8%**	**6.1%**	**2.4%**	**3.1%**
Return on equity, %							
Profit for the period	kSEK	-246	-19 079	-11 422	7 617	7 091	14 075
Average equity	kSEK	180 296	188 225	194 606	198 210	194 178	188 256
Return on equity, %	**%**	**-0.1%**	**-10.1%**	**-5.9%**	**3.8%**	**3.7%**	**7.5%**
Net debt/Equity							
Net debt	kSEK	-275 465	-357 409	-437 676	-373 240	-455 687	-558 415
Equity	kSEK	210 680	193 971	181 812	188 384	196 045	181 066
Net debt/Equity, %	**%**	**-130.8%**	**-184.3%**	**-240.7%**	**-198.1%**	**-232.4%**	**-308.4%**

Terranor Group

The Board of Directors and the CEO certify that the interim report gives a true and fair view of the Parent Company's and Group's operations, financial position, and results of operations, and describes material risks and uncertainties facing the Parent Company and the companies included in the Group.

This report has not been reviewed by the Company's auditors.

Stockholm, 25 August, 2026
Terranor Group AB (publ.)

Anders Gustafsson
Chairman of the board

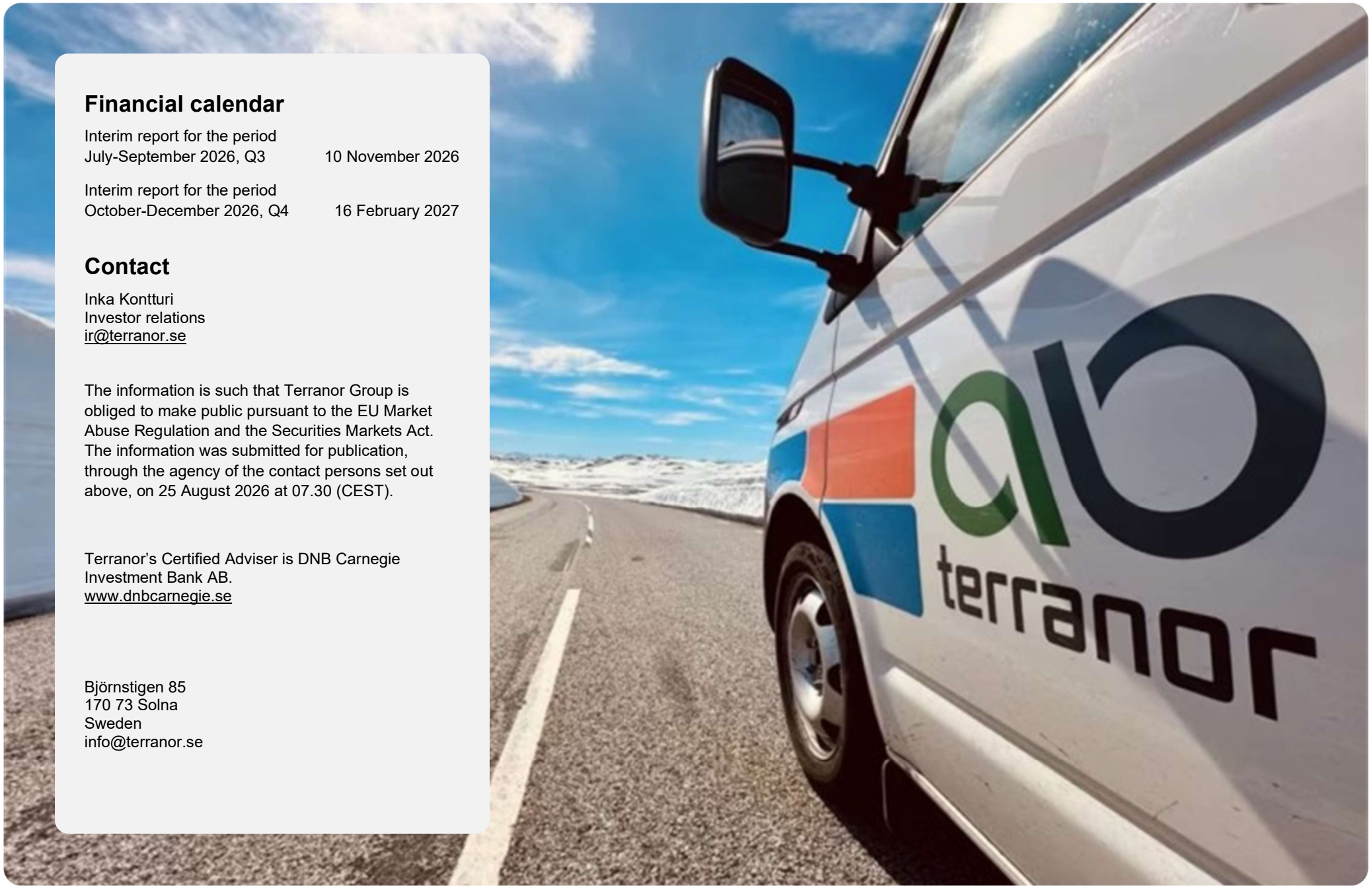
Håkan Broman
Board member

Åse Lagerqvist von Uthmann
Board member

Ole Gabriel Ueland
Board member

Michael Berglin
CEO

Carl Kistenmacher
Board member



Financial calendar

Interim report for the period July-September 2026, Q3	10 November 2026
Interim report for the period October-December 2026, Q4	16 February 2027

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