



Interim Report Q1

JANUARY – MARCH 2026

Cash flow stable – profitability still challenging

First quarter: January - March

- Net sales amounted to SEK 299 million (316)
- Order intake amounted to SEK 270 million (275)
- Order backlog amounted to SEK 1,493 million (1,238)
- Adjusted operating profit (EBITA) amounted to SEK 0 million (-3)
- Adjusted operating margin amounted to 0.1 percent (-0.9)
- Profit after tax amounted to SEK 0 million (-30)
- Adjusted profit after tax amounted to SEK 1 million (-5)
- Earnings per share amounted to SEK -0.03 (-1.31)
- Adjusted earnings per share amounted to SEK 0.01 (-0.24)
- Operating cash flow amounted to SEK 32 million (1)

Events during the quarter and after the end of the quarter

- Viktor Arvidsson, new CFO Balco Group, has taken up his position during the quarter
- Jani Backlund, new CEO of Riikku Rakenteet Oy, has taken up his position during the quarter

MSEK	jan-mar	jan-mar	apr-mar	jan-dec
	2026	2025	2025/26	2025
Net Sales	298,8	315,9	1 278,0	1 295,1
Order intake	270,2	275,0	1 532,3	1 537,1
Order backlog	1 492,9	1 238,0	1 492,9	1 523,3
Adjusted operating profit (EBITA)	0,4	-2,7	18,5	15,4
Adjusted operating margin (EBITA), %	0,1	-0,9	1,4	1,2
Net result for the period	-0,2	-29,6	-5,5	-35,0
Adjusted net result after tax	0,8	-5,1	-5,0	-10,8
Operating cash flow	31,8	1,2	130,2	99,7
Earnings per share, SEK before dilution	-0,03	-1,31	-0,28	-1,55
Earnings per share, SEK after dilution	-0,03	-1,31	-0,28	-1,55
Adjusted earnings per share, SEK, before and after dilution	0,01	-0,24	-0,25	-0,50

"Order intake in line with the comparative quarter, while the order backlog increased by just over 20 percent compared to the same period last year. "

"We are seeing increased activity in the renovation segment, but the turmoil in the outside world may affect developments going forward."

- Camilla Ekdahl, President and CEO

CEO's statement

Order intake and earnings

Order intake in the first quarter was on a par with the corresponding period last year. In the renovation segment, a slight increase was noted, while the new build segment developed weaker. The order backlog at the end of the quarter was just over 20 percent higher than at the same time last year, with growth in both renovation and new build. Order intake in Balco Group should be assessed over a longer period of time, as it may vary from quarter to quarter depending on the timing of larger projects. During the first quarter, no major individual projects were booked. Cash flow continued to develop positively during the quarter.

Net sales decreased by five percent during the quarter, of which the currency effect had a negative impact of two percent. Sales increased in Sweden and Norway, while it decreased in Denmark and Finland as a result of lower order intake last year. Outside the Nordic region, sales increased.

The forecast at the end of last year indicated that the first quarter would be characterised by lower sales and earnings. The subsequent increased uncertainty in the world has delayed improved developments. Profitability improved compared with the corresponding period last year, but remains well below our targets.

The new build segment had a negative impact on profitability during the quarter. At the same time, parts of the renovation segment developed weakly in a number of companies as a result of lower volumes and lowered forecasts for coverage ratio in individual projects.

We have implemented extensive measures, but the continued weak profitability and increased uncertainty in the world mean that work on further cost savings and other structural measures continues.

Market

The level of activity in the renovation segment in Sweden and Norway continues to improve, but is still below the levels before the outbreak of the Ukraine war. There is a significant underlying need for renovation, and we see that projects that have been postponed for several years are becoming increasingly urgent to implement. The need has not disappeared, but only been postponed.

At the same time, customer dialogues and investment decisions are affected by the increased uncertainty in the world. All in all, this means a somewhat fragmented market picture and some uncertainty about future developments.

In Denmark, we do not yet see a clear market turnaround, although order intake in the first quarter increased compared with the previous year. There is activity in the market, but decision-making processes and the time to possible project start-ups are still protracted.

The Finnish new build market remains strained and shows no clear signs of recovery. There are still a large number of unoccupied apartments in the Helsinki area, which has a negative impact on new construction. The forecast for the renovation segment in Finland has been that project activity would increase slightly in 2026, which was partly confirmed in the first quarter.

For other markets outside the Nordic region, the market situation is considered to be in line with previous assessments. In the UK market and in Germany, we continue to see significant potential in the new build segment, at the same time the competition is high, especially in larger projects. In the renovation segment in Germany, we continue to see good potential in the customer segments where we have a strategic focus. Our Finnish glazing from Riikku helps to broaden our offering and strengthens our position by complementing our premium products from Balco.

Outlook

Our assessment is that the trend of an increased level of activity in the renovation market will continue. At the same time, the geopolitical turmoil and its impact on material prices have contributed to a more subdued view of market developments going forward, partly as a result of increased inflation risk and thus the risk of higher interest rates.

The profitability of Balco Group is not yet satisfactory, but the remedial work in the companies that do not achieve our goals continues with further cost adjustments and strengthened project management.

The Board of Directors and management continuously evaluate the company's financial situation in relation to future earnings capacity and cash flow. The outcome for the first quarter is within the covenant levels defined in the waiver received until mid-year.

Camilla Ekdahl

President and CEO

Group development

First quarter: January – March

Net sales amounted to SEK 299 million (316). Organic growth was -3 percent and currency effects were -2 percent. Net sales increased in Sweden and Norway but decreased in Finland and Denmark.

Net sales for the renovation segment decreased to SEK 229 million (236) and net sales for the new build segment decreased to SEK 70 million (79).

Order intake amounted to SEK 270 million (275). Order intake for the renovation segment amounted to SEK 211 million (208) and order intake for the new build segment amounted to SEK 60 million (67).

The order backlog amounted to SEK 1,493 million (1,238). The order backlog for the renovation segment amounted to SEK 1,048 million (991) and the order backlog for the new build segment amounted to SEK 445 million (247).

Adjusted operating profit (EBITA) amounted to SEK 0 million (-3), corresponding to an adjusted operating margin of 0.1 percent (-0.9).

Items affecting comparability of SEK -1 million (-31) were taken in the quarter linked to decided and implemented structural measures in the form of restructuring of the organization.

Net financial items amounted to SEK 2 million (-4), of which SEK -0.4 million (-0.4) relates to interest expenses related to rights of use (leasing) and SEK 8 million (1) is attributable to unrealized currency fluctuations. Interest expenses amounted to SEK -7 million (-5)

Profit after tax amounted to SEK 0 million (-30). Adjusted profit after tax amounted to SEK 1 million (-5). Earnings per share amounted to SEK -0.03 (-1.31). Adjusted earnings per share amounted to SEK 0.01 (-0.24).

Operating cash flow amounted to SEK 32 million (1). The phases of the projects and building permit processes affect the cash flow between the quarters.

Cash flow from operating activities before changes in working capital amounted to SEK -2 million (-25) and cash flow from operating activities after changes in working capital amounted to SEK 20 million (-45).

Cash flow from investing activities amounted to SEK -11 million (-16), of which SEK -1 million (-2) was replacement investments, SEK 0 million (-4) expansion investments and SEK -11 million (-12) reduction of long-term liabilities.

Cash flow from financing activities amounted to SEK -6 million (-19), with the largest item pertaining to changes in leasing.

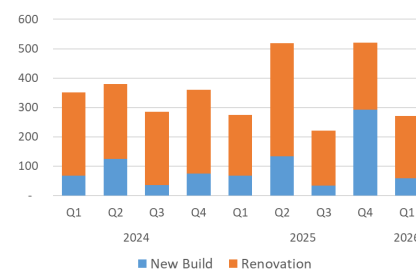
Cash flow for the quarter amounted to SEK 3 million (-81).

Depreciation amounted to SEK -12 million (-12), of which SEK -5 million (-5) relates to depreciation related to rights of use (leasing) and SEK -1 million (-1) relates to depreciation and amortization of acquired intangible assets.

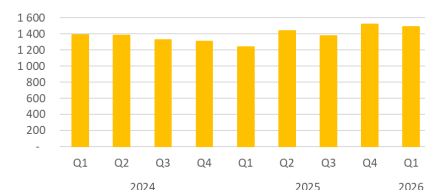
Net sales by geographic market, MSEK

	jan-mar 2026	jan-mar 2025	apr-mar 2025/26	jan-dec 2025
Sweden	138,0	135,7	589,1	586,8
Other Nordics	114,4	142,5	488,1	516,3
Other Europe	46,4	37,6	200,8	192,0
Total net sales	298,8	315,9	1 278,0	1 295,1

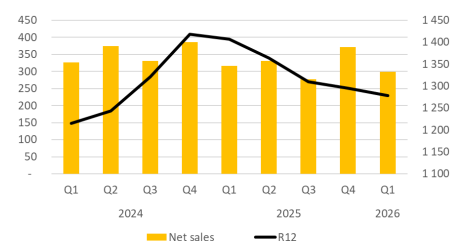
Order intake by segment, MSEK



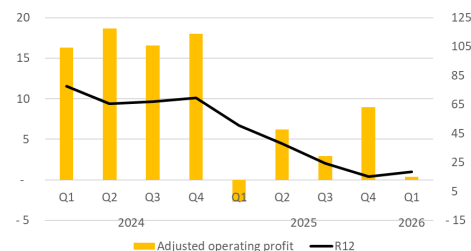
Order backlog, MSEK



Net sales, MSEK



Adjusted operating profit, MSEK



Operating cash flow R12, MSEK



Financial position

Interest-bearing net debt including lease liabilities amounted to SEK 340 million (355). Interest-bearing net debt including lease liabilities in relation to adjusted EBITDA amounted to 5.5 times (3.9).

In December 2025, a waiver was obtained and an amendment to the current credit agreement, whereby the covenant levels were adjusted until June 2026.

The Group's equity amounted to SEK 738 million (757).

The Group's equity/assets ratio was 44 percent (47).

External interest-bearing net debt in relation to EBITDA



	31-Mar 2026	31-Mar 2025	31-Dec 2025
MSEK			
Non-current liabilities to credit institutions	475,1	349,6	475,0
Leasing liabilities non-current	43,2	50,3	43,8
Current liabilities to credit institutions	0,2	0,0	0,2
Leasing liabilities current	19,8	20,0	21,1
Cash and cash equivalents	-198,4	-64,7	-190,0
Interest-bearing net debt incl leasing debt	339,9	355,3	350,2
Interest-bearing net debt incl leasing/EBITDA (12 months), times	5,5 x	3,9 x	6,0 x
Equity/assets ratio %	43,5	47,2	42,5

Personnel

The number of full-time employees in Balco Group amounted to 526 (562) as of the end of March 2026. The decrease is due to restructuring measures implemented during the past year.

Parent company

The Parent Company is headquartered in Växjö and conducts operations directly and through Swedish and foreign subsidiaries. The activities of the Parent Company are mainly focused on strategic development, financial management, corporate governance issues, board work and banking relations.

Shares, share capital and shareholders

As of the end of March 2026, the number of shares in Balco Group AB amounted to 23,021,648 shares, corresponding to a share capital of SEK 138,135,310. The company has one (1) series of shares. Each share entitles the owner to one vote at the general meeting. The number of shareholders was 4,422. The four largest shareholders were Herenco AB, Ringvågen Venture AB, AB Tuna Holding and Swedbank Robur funds.

Net sales by customer category, MSEK

	jan-mar 2026	jan-mar 2025	apr-mar 2025/26	jan-dec 2025
Tenant-owner associations	153,0	200,0	737,9	784,8
Private landlords	22,4	8,5	56,5	42,7
Publicly owned companies	17,1	6,2	41,5	30,6
Construction companies	106,3	101,2	442,1	437,0
Total net sales	298,8	315,9	1 278,0	1 295,1

Development by segment

Renovation

First quarter

Net sales decreased by 3 percent to SEK 229 million (236). The segment accounted for 77 percent (75) of total sales.

Order intake amounted to SEK 211 million (208), corresponding to 78 percent (76) of total order intake.

Adjusted operating profit (EBITA) amounted to SEK 3 million (-5), corresponding to an adjusted operating margin of 1.2 percent (-1.9).

The order backlog amounted to 1,048 (991), corresponding to 70 percent (80) of the total order backlog.

	jan-mar 2026	jan-mar 2025	apr-mar 2025/26	jan-dec 2025
Renovation, MSEK				
Net Sales	228,9	236,4	978,1	985,6
Adjusted operating profit (EBITA)	2,7	-4,6	18,5	11,2
Adjusted operating margin (EBITA), %	1,2	-1,9	1,9	1,1
Order intake	210,6	208,0	1 013,4	1 010,7
Order backlog	1 048,3	991,1	1 048,3	1 059,5

New build

First quarter

Net sales amounted to SEK 70 million (79). The segment accounted for 23 percent (25) of total sales.

Order intake amounted to SEK 60 million (67), corresponding to 22 percent (24) of total order intake.

Adjusted operating profit (EBITA) amounted to SEK -2 million (2), corresponding to an adjusted operating margin of -3.0 percent (2.8).

The order backlog amounted to SEK 445 million (247), corresponding to 30 percent (20) of the total order backlog.

	jan-mar 2026	jan-mar 2025	apr-mar 2025/26	jan-dec 2025
New Build, MSEK				
Net Sales	69,9	79,4	299,9	309,4
Adjusted operating profit (EBITA)	-2,1	2,2	0,7	5,0
Adjusted operating margin (EBITA), %	-3,0	2,8	0,2	1,6
Order intake	59,5	67,0	519,0	526,5
Order backlog	444,6	246,9	444,6	463,8

Operations and segment description

Balco Group is a market leader in the balcony industry and offers a range of services, from development and manufacturing to sale and installation of in-house manufactured open and glazed balcony systems. Balco has a unique method, known as the Balco method, for delivering glazed balconies and balcony solutions. The method involves removing existing balconies and replacing them with new, larger glazed balconies with a lifespan of over 90 years, which provides the market's most economical and sustainable solution.

To offer complete and customized solutions in the balcony industry, Balco Group has several subsidiaries that work together to offer a complete solution in areas such as the manufacture and delivery of balconies, masonry and tile services, technical solutions and façade services such as renovation, window replacement and façade cleaning. Balco Group strives to meet the customer's needs and requirements by offering a combination of specialized services and expertise. Balco Group's offering contributes to increased quality of life, security and value increase for residents in apartment buildings and provides energy savings of up to 30 percent. The Group takes full responsibility for the project and guides the customer through the entire process from project planning to final inspection and service.

Segment - Renovation



Brf Ludvigsberg in Sundsvall, Sweden

The segment includes the replacement and expansion of existing balconies, mainly glazed balconies. The main driver is the pent-up need for renovation and the age profile of the properties. The offer also includes façade renovation.

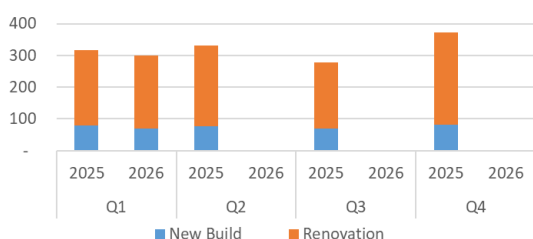
Segment - New Build



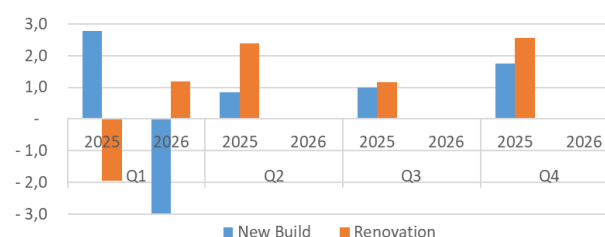
Joseph Lancaster Nursery in London, UK

The segment includes balconies in the construction of multi-dwelling properties and balcony projects in the maritime market. Demand is driven by the pace of new housing production. The offering also includes façade work in new construction.

Sales development by quarter, MSEK



Operating margin per quarter, %



Sustainability

Sustainability is a prerequisite for long-term profitability for Balco Group. By focusing on sustainability, we can create a strong brand, increase customer trust and improve our competitiveness in the long term.

The risk rating according to Sustainalytics was raised/deteriorated marginally to 17.5 (17.2), which means that we are among the 5 percent with the lowest risk rating in our industry "Building Products".

Other information

Seasonality

Balco Group's sales and earnings are partly affected by the timing of orders, seasonal variations and the fact that the general meeting season in tenant-owner associations normally falls in the second and fourth quarters. Furthermore, the Group is positively affected by months with many working days and lack of time off, as well as negatively affected by weather factors where winters with significant snowfall mean increased costs.

Related party transactions

The related parties consist of the Board of Directors, Group Management and the CEO, partly through ownership in Balco and partly through the role of senior executive. The related parties also include the company's largest shareholder, the Hamrin family, which is represented on the Board of Directors by Carl-Mikael Lindholm, and during part of the quarter also Skandrenting, which was represented on the Board of Directors by Johannes Nyberg. Transactions with related parties are carried out on a market basis. For further information, see the Annual Report 2025 on pages 79 and 99.

Incentive program

Balco Group has a long-term incentive program aimed at the company's senior executives and additional key employees, a total of approximately 30 employees. The incentive program comprises a maximum of 230,000 warrants in total, which entitles the holder to subscribe for a maximum of the corresponding number of shares. Balco Group's total cost for the incentive program during the term of the program is expected to amount to approximately SEK 1 million. The program entails a dilution corresponding to approximately 1 percent of the company's total number of shares. The senior executives of Balco have acquired 60,000 warrants amounting to a total value of SEK 248,400. The purpose of the incentive programs is to encourage broad share ownership among Balco Group's employees, facilitate recruitment, retain competent employees and increase motivation to achieve or exceed the company's financial targets. For more information, see the Annual Report 2025 on pages 45, 78 and 113.

Risks and uncertainties

The Group and the Parent Company are exposed to various types of risks through their operations. The risks can be divided into industry- and market-related risks, business-related risks, financial risks, regulatory risks and sustainability risks. Industry- and market-related risks include, among other things, changes in demand as a result of a weaker economy or other macroeconomic changes, changed prices for raw materials that are central to Balco Group's production, and changes in competition or price pressure. Business-related risks include Balco Group's ability to develop and sell new innovative products and solutions, that the Group is able to attract and retain qualified employees, and that Balco Group's profitability is dependent on the results of the individual projects, i.e. the Group's ability to predict, calculate and deliver the projects within set financial frameworks. The financial risks are summarized under currency risk, financing and liquidity risk, credit risk and interest rate risk. Regulatory risks include, among other things, the impact of political decisions on the business, changes in accounting standards, as well as disputes and legal uncertainties. Sustainability-related risks include, for example, changes in the surrounding world and the company's climate impact. Balco Group's risks and uncertainties are described on pages 31–36, 42, 51, 59, 87–88, 91 and 94 of the Annual Report for 2025.

Outlook

Balco Group is one of the few complete balcony suppliers on the market that provides customized and innovative balcony solutions on a turnkey contract. Balco Group is the market leader in the Nordic region and has a challenger position in the other markets where the Group operates. The market is fragmented and growing throughout Northern Europe. The value of the balcony market in the countries where Balco Group is represented is estimated at just over SEK 40 billion.

Our assessment is that the trend of an incipient recovery in the renovation market will continue, however, the geopolitical turmoil and its impact on material prices may have an inhibiting effect. The recovery in the new build segment is expected to take longer.

The profitability of Balco Group is still not satisfactory, which is why new cost-cutting programs are being implemented. The Board of Directors and management continuously evaluate the company's financial situation against future earnings capacity and cash flow. A waiver has been obtained until mid-year with temporarily higher covenants.

Events during the quarter and after the end of the quarter

Viktor Arvidsson, new CFO of Balco Group, and Jani Backlund, new CEO of Riikku Rakenteet Oy, have taken up their positions during the quarter.

Financial targets

Revenue growth

Balco Group's net sales shall grow by 10 percent annually during a business cycle

Profitability

Earnings per share shall grow by 20 percent annually over a business cycle

Capital structure

Interest-bearing net debt shall not exceed 2.5 times operating profit before depreciation and amortisation (EBITDA), other than temporarily

Dividend policy

Balco Group shall distribute 30–50 percent of profit after tax, taking into consideration the needs of Balco Group's long-term growth and prevailing market conditions

The interim report has not been subject to a review according to ISRE 2410 by the company's auditors.

This information is information that Balco Group AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out below, at 13:00 CET on April 27, 2026.

Växjö, 27 April 2026

Camilla Ekdahl
President and CEO

Web conference

A webcasted conference will be held on April 27, 2026 at 14:00 CET where President and CEO Camilla Ekdahl and CFO Viktor Arvidsson will present the report and answer questions.

To follow the webcast and submit written questions, please use this link:
<https://www.finwire.tv/webcast/balco/q1-2026/>

To participate via telephone conference and to be able to ask oral questions, please dial:

Phone: +46 8 5050 0829
PIN: 847 3084 7445 #

For further information, please contact:

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Calendar 2026/2027

Annual General Meeting 2026..... May 5, 2026
Interim Report Jan-Jun 2026..... July 14, 2026
Interim Report Jan-Sep 2026..... October 26, 2026
Year-end report 2026..... February 8, 2027

Consolidated statement of comprehensive income

MSEK	jan-mar	jan-mar	apr-mar	jan-dec
	2026	2025	2025/26	2025
Net sales	298,8	315,9	1 278,0	1 295,1
Production and project costs	-251,0	-310,5	-1 076,1	-1 135,6
Gross profit	47,8	5,3	202,0	159,4
Sales costs	-27,4	-27,7	-105,7	-105,9
Administration costs	-22,2	-22,6	-84,4	-84,8
Other operating income	0,2	9,8	3,3	12,9
Other operating expenses	0,0	0,0	-0,4	-0,4
Operating profit	-1,6	-35,2	14,9	-18,7
Finance income	9,8	2,3	12,2	4,7
Finance costs	-8,3	-6,4	-35,4	-33,5
Result before tax	-0,1	-39,2	-8,3	-47,5
Income tax	-0,1	9,6	2,8	12,5
Net result for the period	-0,2	-29,6	-5,5	-35,0
Net result attributable to parent company's shareholders	-0,7	-30,0	-6,4	-35,8
Net result attributable to non-controlling interest	0,5	0,4	0,9	0,8
Net profit for the period	-0,2	-29,6	-5,5	-35,0
Other comprehensive income				
Items that may later be reclassified to the income statement				
Translation differences when translating foreign operations	2,2	-1,6	-11,0	-14,7
Comprehensive income for the period	2,0	-31,2	-16,5	-49,7
Comprehensive income attributable to parent company's shareholders	1,5	-31,6	-17,4	-50,5
Comprehensive income attributable to non-controlling interest	0,5	0,4	0,9	0,8
Comprehensive income for the period	2,0	-31,2	-16,5	-49,7
Earnings per share, SEK, before dilution	-0,03	-1,31	-0,28	-1,55
Earnings per share, SEK, after dilution	-0,03	-1,31	-0,28	-1,55
Average number of shares before dilution, thousands	23 022	23 022	23 022	23 022
Average number of shares after dilution, thousands	23 022	23 022	23 022	23 022

Consolidated balance sheet in summary

MSEK	31-Mar 2026	31-Mar 2025	31-Dec 2025
ASSETS			
Non-current assets			
Intangible assets			
Goodwill	528,4	512,9	527,9
Other intangible assets	280,7	274,0	279,9
Total intangible assets	809,2	786,9	807,7
Tangible assets			
Right-to-use assets	61,1	68,3	63,0
Property, plant and equipment	204,5	219,6	208,6
Total tangible assets	265,6	288,0	271,6
Financial assets	0,5	1,3	0,5
Deferred tax assets	16,0	8,5	13,9
Total non-current assets	1 091,2	1 084,7	1 093,7
Current assets			
Inventory	63,0	60,5	60,8
Accounts receivables	137,9	157,5	184,4
Contract assets	176,3	222,9	180,5
Other current receivables	48,7	43,6	45,1
Cash and cash equivalents	169,4	23,5	158,1
Total current assets	595,3	508,0	628,9
TOTAL ASSETS	1 686,5	1 592,6	1 722,6
EQUITY AND LIABILITES			
Equity			
Share capital	138,1	138,1	138,1
Other capital contributions	450,8	450,8	450,8
Reserves	5,4	4,9	3,2
Retained earnings, incl. profit for the year	139,7	158,3	140,4
Equity attributable to Parent Company's shareholders	734,0	752,2	732,5
Non-controlling interest	4,2	4,4	3,7
TOTAL Equity	738,2	756,6	736,1
LIABILITIES			
Non-current liabilities			
Liabilities to credit institutions	475,1	349,6	475,0
Leasing liabilities	43,2	50,3	43,8
Other non-current liabilities	1,1	12,9	11,6
Deferred tax liabilities	59,2	64,8	59,0
Total non-current liabilities	578,5	477,6	589,5
Current liabilities			
Liabilities to credit institutions	0,2	0,0	0,2
Leasing liabilities	19,8	20,0	21,1
Contract liabilities	86,6	47,5	103,1
Accounts payables	148,6	143,4	157,6
Other current liabilities	114,6	147,5	115,0
Total current liabilities	369,8	358,4	396,9
TOTAL EQUITY AND LIABILITIES	1 686,5	1 592,6	1 722,6

Consolidated changes in Shareholders' Equity

MSEK	Share Capital	Additional paid-in capital	Reserves	Retained earnings including comprehensive income for the year	Non-controlling interest	Total equity
Opening balance 1 Jan 2025	138,1	450,8	17,9	190,0	4,2	801,1
Comprehensive income for the period						
Profit for the period				-31,7	0,4	-31,3
Other comprehensive income for the period			-13,0		-0,2	-13,2
Total comprehensive income for the period			-13,0	-31,7	0,2	-44,5
Transactions with shareholders:						
Total transactions with Company owners		-0,0				-0,0
Closing balance 31 Mar 2025	138,1	450,8	4,9	158,3	4,4	756,6
Opening balance 1 Jan 2026	138,1	450,8	3,2	140,4	3,7	736,1
Comprehensive income for the period						
Profit for the period				-0,7	0,6	-0,1
Other comprehensive income for the period			2,2			2,2
Total comprehensive income for the period			2,2	-0,7	0,6	2,1
Transactions with shareholders:				0,0	-0,0	-0,0
Total transactions with Company owners						
Closing balance 31 Mar 2026	138,1	450,8	5,4	139,7	4,2	738,2

Consolidated cash flow statement in summary

MSEK	jan-mar 2026	jan-mar 2025	apr-mar 2025/26	jan-dec 2025
Operating activities				
Operating profit (EBIT)	-1,6	-35,2	14,9	-18,7
Adjustment for non-cash items	11,0	20,2	17,3	26,5
Interest received	1,3	0,9	5,0	4,7
Interest paid	-7,8	-6,1	-31,8	-30,1
Income tax paid	-4,6	-5,4	-10,7	-11,5
Cash flow from operating activities before changes in working capital	-1,8	-25,5	-5,3	-14,1
Changes in working capital				
Increase (-)/Decrease (+) in inventories	-2,1	3,2	-2,5	2,8
Increase (-)/Decrease (+) in current assets	50,0	-47,4	62,6	-34,8
Increase (+)/Decrease (-) in current liabilities	-26,5	24,4	25,0	76,0
Cash flow from operating activities	19,6	-45,2	79,8	15,0
Cash flow from investing activities				
Investments in tangible fixed assets	-0,3	-3,8	-9,1	-12,6
Investments in intangible fixed assets	-0,4	-1,3	-3,3	-4,2
Acquisitions of operations	0,0	0,0	-20,6	-20,6
Changes in other non-current assets/liabilities	-10,5	-11,7	-10,5	-11,6
Cash flow from investing activities	-11,2	-16,7	-43,5	-49,1
Cashflow from financing activities				
Changes in bank loans	0,1	-13,4	127,0	113,6
Changes in leasing	-5,7	-5,8	-22,3	-22,4
New warrants issue	0,0	0,0	0,0	0,0
Distributed dividend to non-controlling interest	0,0	0,0	-0,4	-0,4
Cashflow from financing activities	-5,6	-19,1	104,3	90,8
Cash flow for the period	2,8	-81,0	140,6	56,8
Cash and cash equivalents at beginning of the period	158,1	103,1	23,5	103,1
Exchange rate differential cash and cash equivalents	8,5	1,4	5,3	-1,8
Cash and cash equivalents at end of the period	169,4	23,5	169,4	158,1

Key ratios

MSEK	jan-mar	jan-mar	apr-mar	jan-dec
	2026	2025	2025/26	2025
Net sales	298,8	315,9	1 278,0	1 295,1
Order intake	270,2	275,0	1 532,3	1 537,1
Order backlog	1 492,9	1 238,0	1 492,9	1 523,3
Gross profit	47,8	5,3	202,0	159,4
Adjusted Gross Profit	48,8	33,5	198,5	183,1
EBITDA	10,1	-23,5	61,0	27,4
Adjusted EBITDA	11,3	7,7	61,6	58,0
Operating profit (EBITA)	-0,9	-33,8	17,8	-15,2
Adjusted operating profit (EBITA)	0,4	-2,7	18,5	15,4
Operating profit (EBIT)	-1,6	-35,2	14,9	-18,7
Adjusted operating profit (EBIT)	-0,4	-4,0	15,5	11,9
Gross profit margin, %	16,0	1,7	15,8	12,3
Adjusted gross margin, %	16,3	10,6	15,5	14,1
EBITDA-margin, %	3,4	-7,4	4,8	2,1
Adjusted EBITDA-margin, %	3,8	2,4	4,8	4,5
Operating profit margin (EBITA), %	-0,3	-10,7	1,4	-1,2
Adjusted operating profit margin (EBITA), %	0,1	-0,9	1,4	1,2
Operating profit margin (EBIT), %	-0,5	-11,1	1,2	-1,4
Adjusted operating profit margin (EBIT), %	-0,1	-1,3	1,2	0,9
Operating cash flow	31,8	1,2	130,2	99,7
Operating cash conversion, %	280,1	16,2	211,2	171,9
Capital employed, R12	1 698,9	1 139,1	1 698,9	1 180,3
Capital employed, excl goodwill, R12	1 168,9	624,8	1 168,9	654,3
Equity	734,0	752,2	734,0	732,5
Interest-bearing net debt incl leasing debt	339,9	355,3	339,9	350,2
Interest-bearing net debt excl leasing debt	276,9	284,9	276,9	285,3
Interest-bearing net debt incl leasing/Adjusted EBITDA 12 months, times	5,5	3,9	5,5	6,0
Interest-bearing net debt excl leasing/Adjusted EBITDA 12 months, times	7,0	4,0	7,0	7,9
Return on capital employed, % (12 months)	0,9	3,6	0,9	1,0
Return on capital employed, excl goodwill, % (12 months)	1,3	6,6	1,3	1,8
Return on invested capital, % (12 months)	-0,8	-3,6	-0,8	-4,8
Equity/assets ratio, %	43,5	47,2	43,5	42,5
Number of full-time employees on the closing date	526	562	526	513
Average number of shares before dilution, thousands	23 022	23 022	23 022	23 022
Average number of shares after dilution, thousands	23 022	23 022	23 022	23 022
Equity per share, SEK	32	33	32	32
Earnings per share, SEK before dilution	-0,03	-1,31	-0,28	-1,55
Earnings per share, SEK after dilution	-0,03	-1,31	-0,28	-1,55
Adjusted earnings per share, SEK, before and after dilution	0,01	-0,24	-0,25	-0,50

Parent company, income statement in summary

MSEK	jan-mar 2026	jan-mar 2025	apr-mar 2025/26	jan-dec 2025
Net Sales	8,3	6,7	28,4	26,8
Administrative expenses	-6,8	-6,4	-26,5	-26,1
Operating profit	1,4	0,3	1,9	0,8
Interest income and similar profit/loss items	5,1	4,9	15,7	15,5
Interest expenses and similar profit/loss items	-8,4	-4,3	-31,5	-27,4
Dividend / result from group companies	0,0	0,0	-16,0	-16,0
Profit/loss after financial items	-1,9	0,9	-29,9	-27,1
Appropriations	0,0	0,0	-10,8	-10,8
Tax	0,6	-0,2	5,9	5,1
Net profit/loss for the period	-1,3	0,7	-34,8	-32,8

In the Parent Company there are no items that are reported as other comprehensive income, so total comprehensive income is consistent with the profit for the period.

Parent company, balance sheet in summary

MSEK	31-Mar 2026	31-Mar 2025	31-Dec 2025
ASSETS			
Non-current assets			
Financial assets			
Shares in group companies	1 077,5	1 057,0	1 071,7
Other non-current assets	8,4	4,5	8,4
Total non-current assets	1 085,9	1 061,5	1 080,1
Current assets			
Receivables from group companies	178,9	211,1	234,2
Other current receivables	17,6	10,5	14,7
Cash and cash equivalents	167,1	18,4	154,6
Total current assets	363,6	240,0	403,4
TOTAL ASSETS	1 449,5	1 301,5	1 483,5
EQUITY AND LIABILITIES			
Equity			
Restricted equity	138,1	138,1	138,1
Non-restricted equity	663,9	699,9	666,4
Total Equity	802,1	838,1	804,5
LIABILITIES			
Non-current liabilities			
Liabilities to credit institutions	475,0	350,0	475,0
Other non-current liabilities	4,4	14,2	14,9
Total non-current liabilities	479,4	364,2	489,9
Current liabilities			
Liabilities to group companies	144,0	77,5	165,5
Other current liabilities	24,1	21,8	23,6
Total current liabilities	168,1	99,2	189,1
TOTAL EQUITY AND LIABILITIES	1 449,5	1 301,5	1 483,5

Notes

Note 1 Accounting principles

This consolidated interim report has been prepared in accordance with IAS 34 Interim Financial Reporting and applicable provisions of the Annual Accounts Act. The interim report for the Parent Company has been prepared in accordance with RFR 2 and Chapter 9 of the Swedish Annual Accounts Act, Interim Report. For both the Parent Company and the Group, accounting principles and calculation bases have been applied in the same manner as for the Annual Report 2025, which was prepared in accordance with the International Financial Reporting Standards as adopted by the EU and interpretations thereof. The interim information on pages 1–8 forms an integral part of this financial report.

Note 2 Business segments

Balco reports according to the following segments:

Renovation: includes replacement and expansion of existing balconies as well as installation of new balconies on apartment buildings without balconies. The main market driver for the segment is the age profile of the residential property portfolio.

New Build: includes the installation of balconies in conjunction with the construction of apartment buildings and balcony solutions in the maritime area. The segment is mainly driven by the rate of new residential construction.

jan-mar MSEK	Renovation		New Build		Group-wide		Eliminations		Total	
	2026	2025	2026	2025	2026	2025	2026	2025	2026	2025
Net sales - External revenue	228,9	236,4	69,9	79,4	-	-	-	-	298,8	315,9
Net sales - Internal revenue	-	-	-	-	8,3	6,7	-8,3	-6,7	-	-
Total sales	228,9	236,4	69,9	79,4	8,3	6,7	-8,3	-6,7	298,8	315,9
Operating profit (EBIT)	1,0	-30,9	-2,3	-3,7	-0,3	-0,5	-	-	-1,6	-35,2
Depreciation included with	9,9	9,2	1,8	2,4	-	-	-	-	11,7	11,7
of which amortization	0,7	1,3	0,0	0,1	-	-	-	-	0,7	1,3
Items affecting comparison	1,0	25,1	0,2	5,9	-	0,2	-	-	1,2	31,1
Adjusted operating profit (EBITA)	2,7	-4,6	-2,1	2,2	-0,3	-0,3	-	-	0,4	-2,7
Adjusted operating margin	1,2%	-1,9%	-3,0%	2,8%	-	-	-	-	0,1%	-0,9%
Operating profit (EBIT)	1,0	-30,9	-2,3	-3,7	-0,3	-0,5	-	-	-1,6	-35,2
Finance income	-	-	-	-	9,8	2,3	-	-	9,8	2,3
Finance cost	-	-	-	-	-8,3	-6,4	-	-	-8,3	-6,4
Profit before tax	1,0	-30,9	-2,3	-3,7	1,3	-4,6	-	-	-0,1	-39,2

Note 3 Reconciliation with IFRS financial statements

Balco's financial statements include alternative performance measures, which complement the measures that are defined or specified in applicable rules for financial reporting. Alternative performance measures are presented since, as in their context, they provide clearer or more in-depth information than the measures defined in applicable rules for financial reporting. The alternative performance measures are derived from the Company's consolidated financial reporting and are not measured in accordance with IFRS.

	31-mar 2026	31-mar 2025	31-dec 2025
Interest-bearing net debt incl leasing debt			
Non-current interest-bearing liabilities	518,3	399,9	518,9
Current interest-bearing liabilities	20,0	20,0	21,3
Cash and cash equivalents	-198,4	-64,7	-190,0
Interest-bearing net debt incl leasing debt	339,9	355,3	350,2
Adjusted EBITDA (R12)	61,6	90,0	58,0
Interest-bearing net debt/EBITDA (R12), times	5,5 x	3,9 x	6,0 x
Return on capital employed			
Equity	734,0	752,2	732,5
Interest-bearing net debt	339,9	355,3	350,2
Average capital employed	1 125,8	1 161,1	1 113,0
Adjusted operating profit (EBIT), (R12)	15,5	41,3	11,9
Return on capital employed, %	1,4	3,6	1,1
Equity/assets ratio			
Equity attributable to owners of the parent company	734,0	752,2	732,5
Total assets	1 686,5	1 592,6	1 722,6
Equity/assets ratio, %	43,5	47,2	42,5

EK	jan-mar 2026	jan-mar 2025	apr-mar 2025/26	jan-dec 2025
Adjusted operating profit (EBIT)				
Operating profit (EBIT)	-1,6	-35,2	14,9	-18,7
Re-structuring costs	1,2	30,9	-16,8	30,3
Acquisition costs	0,0	0,2	17,5	0,3
Adjusted operating profit (EBIT)	-0,4	-4,0	15,5	11,9
Operating profit (EBITA)				
Operating profit (EBIT)	-1,6	-35,2	14,9	-18,7
Amortization	0,7	1,3	2,9	3,5
Operating profit (EBITA)	-0,9	-33,8	17,8	-15,2
Adjusted operating profit (EBITA)				
Adjusted operating profit (EBIT)	-0,4	-4,0	15,5	11,9
Amortization	0,7	1,3	2,9	3,5
Adjusted operating profit (EBITA)	0,4	-2,7	18,5	15,4
Adjusted net result				
Net result	-0,2	-29,6	-5,5	-35,0
Items affecting comparison after tax	1,0	24,6	0,5	24,2
Adjusted net result	0,8	-5,1	-5,0	-10,8
EBITDA				
Operating profit (EBIT)	-1,6	-35,2	14,9	-18,7
Depreciation and amortization	11,7	11,7	46,1	46,1
EBITDA	10,1	-23,5	61,0	27,4
Adjusted EBITDA				
Adjusted operating profit (EBIT)	-0,4	-4,0	15,5	11,9
Depreciation and amortization	11,7	11,7	46,1	46,1
Adjusted EBITDA	11,3	7,7	61,6	58,0
Investments, excluding expansions investments				
Investments in intangible fixed assets	-0,3	-3,8	-9,1	-12,6
Investments in tangible fixed assets	-0,4	-1,3	-3,3	-4,2
of which expansion investments	0,3	1,7	10,9	12,3
Investments, excluding expansions investments	-0,4	-3,3	-1,6	-4,5
Operating cash flow				
Adjusted EBITDA	11,3	7,7	61,6	58,0
Changes in working capital	20,8	-3,1	70,1	46,2
Investments, excluding expansions investments	-0,4	-3,3	-1,6	-4,5
Operating cash flow	31,8	1,3	130,2	99,7
Net Sales excluding acquisitions				
Net Sales	298,8	315,9	1 278,0	1 295,1
Acquired net sales	0,0	-24,6	0,0	-24,6
Net Sales excluding acquisitions	298,8	291,3	1 278,0	1 270,5
Adjusted earnings per share				
Net result attributable to parent company's shareholders	-0,7	-30,0	-6,4	-35,8
Items affecting comparison after tax	1,0	24,6	0,5	24,2
Adjusted earnings per share	0,01	-0,24	-0,25	-0,50

Alternative performance measures

This interim report contains references to several performance measures. Some of these measures are defined in IFRS, while others are alternative measures and are not reported in accordance with applicable financial reporting frameworks or other legislation. The measures are used by Balco to help both investors and management to analyze its operations. The measures used in this interim report are described below, together with definitions and the reason for their use.

Alternative KPIs	Definition	Purpose
Return on equity	Profit for the period divided by average equity attributable to the parent company's shareholders. The average is calculated as the average of the opening balance and the closing balance for each period.	The measure shows the return generated on the shareholders' capital invested in the company.
Return on capital employed	Adjusted operating profit (EBITA) divided by average capital employed. The average is calculated as the average of the opening balance and the closing balance for each period.	The measure shows the return generated on capital employed and is used by Balco to track the profitability of the business as the measure refers to capital efficiency.
Return on capital employed excluding goodwill	Adjusted operating profit (EBITA) divided by average capital employed excluding goodwill. The average is calculated as the average of the opening balance and the closing balance for each period.	Balco believes that return on capital employed excluding goodwill, together with return on employment, shows an overall picture of Balco's capital efficiency.
Gross profit	Net sales less production and project costs.	Shows efficiency in Balco's operations and together with EBIT provides an overall picture of the ongoing profit generation and cost picture.
Gross margin	Gross profit as a percentage of net sales.	Key figures are used for the analysis of efficiency and value creation.
EBITDA	Profit before interest, tax, depreciation and amortization.	Balco believes that EBITDA is a useful measure to show the profit generated in operating activities and a good measure of cash flow from operating activities.
Interest-bearing net debt in relation to adjusted EBITDA	Interest-bearing external net debt as a share of adjusted EBITDA.	Balco believes that this measure is helpful in demonstrating financial risk and that it is a useful measure for monitoring the company's level of debt.
Adjusted EBITDA	EBITDA adjusted for items affecting comparability. For a reconciliation of adjusted EBITDA with profit for the period.	Balco believes that adjusted EBITDA is a useful measure to show the profit generated in operating activities adjusted for items affecting comparability and primarily uses adjusted EBITDA when calculating the company's operating cash flow and cash conversion.
Adjusted EBITDA margin	Adjusted EBITDA as a share of net sales.	Balco believes that the adjusted EBITDA margin is a useful measure to show the profit generated in operating activities.
Adjusted operating margin (EBIT)	Adjusted operating profit (EBIT) as a share of net sales.	Balco believes that adjusted operating margin (EBIT) is a useful measure to show the profit generated in operating activities after adjusting for non-recurring items.
Adjusted operating profit (EBIT)	Operating profit (EBIT) adjusted for items affecting comparability. For a reconciliation of adjusted operating profit (EBIT) with profit for the period.	Balco therefore considers adjusted operating profit (EBIT) to be a useful measure to show the result generated in operating activities and primarily uses the measure to calculate return on capital employed (see above).
Adjusted operating margin (EBITA)	Adjusted operating profit (EBITA) as a share of net sales.	Balco believes that adjusted operating margin (EBITA) is a useful measure to show the profit generated in operating activities after adjusting for non-recurring items.

Alternative KPIs	Definition	Purpose
Adjusted operating profit (EBITA)	Operating profit (EBITA) adjusted for items affecting comparability. For a reconciliation of adjusted operating profit (EBITA) with profit for the period.	Balco therefore considers adjusted operating profit (EBITA) to be a useful measure to show the profit generated in operating activities and primarily uses the measure to calculate return on capital employed (see above).
Items affecting comparability	Items affecting comparability are significant items that are recognized separately due to their size or frequency, such as restructuring charges, impairments, divestments and acquisition costs.	Balco believes that adjustment for items affecting comparability improves the possibility of comparison over time by excluding items with irregularities in frequency or size. This is to provide a more accurate picture of the underlying operating profit.
Operating cash conversion	Operating cash flow divided by adjusted EBITDA.	Balco considers this to be a good measure for comparing cash flow with operating profit.
Operating cash flow	Adjusted EBITDA increased/decreased with changes in working capital and decreased with investments, excluding expansion investments.	Balco uses operating cash flow to track the development of the business.
Organic growth	Net sales excluding acquired growth in the current period divided by net sales in the corresponding period last year.	Organic growth excludes the effects of changes in the Group's structure, which enables a comparison of net sales over time.
Interest-bearing net debt	Total long- and short-term interest-bearing liabilities reduced by cash and cash equivalents and interest-bearing receivables.	Balco believes that net debt is a useful measure to show the Group's total debt financing.
Working capital	Current assets, excluding cash and cash equivalents and current tax assets, reduced by interest-free current liabilities, excluding current tax liabilities.	This measure shows how much working capital is tied up in the business and can be put in relation to turnover to understand how effectively tied up working capital is used.
Operating margin (EBIT)	Operating profit (EBIT) as a share of net sales.	Balco believes that operating margin (EBIT) together with sales growth and adjusted working capital is a useful measure to track value creation in the business.
Operating profit (EBIT)	Earnings before interest and tax.	Balco believes that operating profit (EBIT) is a useful metric to show the profit generated in operating activities.
Operating margin (EBITA)	Operating profit (EBITA) as a share of net sales.	Balco believes that operating margin (EBITA) together with sales growth and adjusted working capital is a useful measure to track value creation in the business.
Operating profit (EBITA)	Operating profit (EBIT), excluding depreciation and amortization of acquired intangible non-current assets.	Balco's growth strategy includes acquisitions of companies. In order to better illustrate the development of the underlying business, management has chosen to follow EBITA, which is an expression of operating profit before depreciation and amortization of acquired intangible assets.
Equity ratio	Equity divided by total assets.	Balco believes that the equity ratio is a useful measure for the company's survival.
Capital employed	Equity increased with interest-bearing net debt.	Capital employed is used by Balco as a measure of the Group's overall capital efficiency.
Capital employed excluding goodwill	Capital employed minus goodwill.	Capital employed, excluding goodwill, is used together with capital employed by Balco as a measure of the company's capital efficiency.

Balco Group in brief

Balco Group is a market leader in the balcony industry, where we develop, manufacture, sell and take responsibility for the installation of our own bespoke open and glazed balcony systems. The Group's customized products contribute to increased quality of life, security and increased value for the residents of apartment buildings. In addition, Balco Group's standardized glazing systems generates reduced energy consumption.

526 employees

7 markets

1,278 MSEK net sales R12

35,000 sqm total production area

Balco Group was established in 1987 and is a group consisting of producing and selling companies. The Group is the market leader in the Nordic region and operates in a number of markets in Northern Europe. The head office is located in Växjö. A general and distinctive feature of the companies in the Group is a decentralised and efficient sales process that controls the entire value chain – from sales work to installed balconies.

BALCO
GROUP