



Interim Report

January – June 2025
Terranor Group

Listing at NASDAQ First North Growth Market

Terranor Group AB (publ) was listed on Nasdaq First North Growth Market on 30 June 2025. The offering in connection with the listing attracted strong interest from Swedish and international investors as well as the general public in Sweden and the offering was oversubscribed several times. The company's shares trade under the ticker TERNOR.

The listing marks an important milestone in the Group's development and enables continued growth in a stable and socially critical market.

The fact that Terranor Group is now listed is the result of a strong joint effort and together with all parts of the Group, we have built a solid foundation for this step. We now look forward to continuing to grow and develop in a listed environment as the leading player in road maintenance in the Nordic region.

More information is available at www.terrangroup.com.



Key figures Q2

849

(756)
Q2 Revenue, MSEK

12%

(17)
Q2 Revenue growth

17

(7)
Q2 Adj. EBITA, MSEK¹
2%

(1)
Q2 Adj. EBITA margin

Amounts in kSEK	Apr-Jun			Jan-Jun			Jul-Jun	
	2025	2024	%	2025	2024	%	24/25	23/24
Revenue	848 969	755 795	12%	1 584 980	1 477 059	7%	3 254 849	2 968 172
Revenue growth (%)	12	17	-5 p.p.	7	17	-10 p.p.	10	18
Items affecting comparability	31 551	2 004	1 474%	36 033	3 794	850%	45 240	7 531
Adjusted EBITA	16 931	7 422	128%	29 141	14 839	96%	103 802	57 261
Adjusted EBITA margin, %	2%	1%	1 p.p.	2%	1%	1 p.p.	3%	2%
Profit before tax	-21 523	-791	-2 620%	-20 453	-987	-1 972%	27 791	24 198
Earnings per share before and after dilution (SEK)	-0.95	-0.17	-449%	-0.97	-0.17	-455%	2.31	1.66
Adjusted operating cash flow	3 548	-23 959	115%	92 111	31 361	194%	209 142	223 981
Net debt/LMT adj. EBITDA	-1.51x	-1.56x	0.05x	-	-	-	-	-

1 Measured as profitability from operating activities, excluding amortization and impairment of acquisition-related intangible assets without the impact of items affecting comparability between periods. 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 first six months

- Terranor Group AB (publ) was listed on Nasdaq First North Growth Market on 30 June 2025.
- Renewal of four state contracts in Denmark worth 790 MSEK over four years.
- On the 27th of June, Terranor Denmark signed a one-year contract with Ikast Brande municipality for 57 MSEK with the possibility of extension up to a total of 2 years.

Second quarter 2025

- Revenue increased to 849.0 MSEK (755.8)
- EBITA decreased to -14.6 MSEK (5.4)
- Adjusted EBITA increased to 16.9 MSEK (7.4)
- Operating profit (EBIT) decreased to -17.2 MSEK (2.8)
- Profit for the quarter decreased to -19.1 MSEK (-3.5)
- Earnings per share amounted to -0,95 SEK (-0,17)
- Adjusted operating cash flow increased to 3.5 MSEK (-24.0)

First six months 2025

- Revenue increased to 1 585.0 MSEK (1 477.1)
- EBITA decreased to -6.9 MSEK (11.0)
- Adjusted EBITA increased to 29.1 MSEK (14.8)
- Operating profit (EBIT) decreased to -12.0 MSEK (5.8)
- Profit for the period decreased to -19.3 MSEK (-3.5)
- Earnings per share amounted to -0,97 SEK (-0,17)
- Adjusted operating cash flow increased to 92.1 MSEK (31.4)

Significant events after the period

- Stabilization measures were undertaken in the shares of Terranor Group AB (publ). The stabilization period ended 30 July 2025 and the over-allotment option was partly exercised. A total of 285 357 shares were exercised of the over-allotment option.

CEO Review

Solid growth and improved underlying earnings

Terranor continues to grow and improve the underlying profitability. The second quarter showed increased activity with revenues at 849 MSEK (756) primarily driven by new contracts in Sweden and Finland that started in the second half of 2024. Underlying profitability increased to 16.9 MSEK from 7.4 MSEK previous year, corresponding to a margin of 2% (1), reflecting our disciplined tendering strategy, with new contracts won on improved terms, and successful mobilization and delivery in new contracts.

Continuous improvement and strengthened competitiveness

Operations continue to strengthen. With Sweden as the growth engine, where we see that specialization and streamlining of the business increases competitiveness and profitability. Through structured and patient work, Denmark has created the conditions for long-term profitable growth supported by new contract wins, and in Finland we are creating stability with new leadership and an increased focus on municipalities for a broader customer base. After a successful tender season in Sweden in the first quarter we followed up in the second quarter winning four state contracts in Denmark with a minimum volume of 790 MSEK for a period of four year. We were also successful in winning a municipality contract in Denmark, 57 MSEK, thanks to our readiness and willingness to act swiftly on our customer's needs.

“With Sweden as the growth engine, where we see that specialization and streamlining of the business increases competitiveness and profitability”

Focused offering on a growing market

We see a growing demand from our clients for safe, smooth and green roads which is expected to support market growth through 2025 and in the years to come. This allows Terranor to leverage its position as specialized and focused on road operations and maintenance. Providing open and safe roads year-round, while at the same time managing the reinvestment needs, require new collaboration methods and an innovative approach. We will strengthen our efforts to provide complete solutions with high quality and responsiveness to customer needs.

Listed on the stock exchange

June 30 marked the beginning of a new era for Terranor Group when it was successfully listed on Nasdaq First North Growth Market. It was made possible by the efforts of all employees that everyday provide our services and strive for excellence in our operations. Market interest was strong and supportive of a company and a market that are critical for society and in need of a focused and specialized challenger.

Looking forward

Looking forward we will continue the work of specialization and focus on the core business in all three segments. State and municipal customers continue to be our most important partners. With 686 employees across Sweden, Finland, and Denmark, we combine local market knowledge with professionalism, safety, and operational excellence. Together with our competitiveness, entrepreneurial drive, and unique market position, these strengths ensure Terranor remains first in mind in the Nordic road operations and maintenance sector.

CEO Terranor Group
Michael Berglin



“Providing open and safe roads year-round, while at the same time managing the reinvestment needs, require new collaboration methods and an innovative approach”



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 areas of operations

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

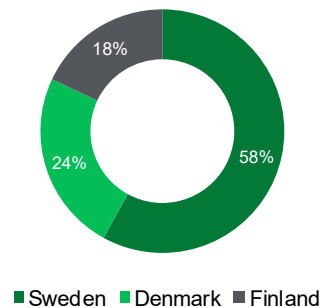
Green construction and maintenance

Temporary road safety services

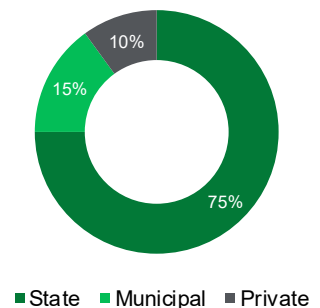
Terranor's customer base

Terranor's customers are found in both the public and private sectors, but the vast majority of Terranor's revenues comes 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 2024



Revenue by customer group as per 2024



Group performance

Revenue

The revenue for the quarter was 849.0 MSEK (755.8 MSEK), representing a 12 percent increase compared to the same period last year. For the first six months of 2025, revenue totalled 1 585.0 MSEK (1 477.1 MSEK), an increase of 7 percent. The increase in both the quarter and period is mainly attributable to new state and municipality contracts obtained in 2024 that commenced in the second half of 2024.

Adjusted EBITA

Adjusted EBITA for the quarter amounted to 16.9 MSEK (7.4), reflecting an increase of 128% compared to the same quarter last year. For the first six months, the adjusted EBITA was 29.1 (14.8), an increase of 96 percent. The adj. EBITA margin was 2 % (1) for the quarter and the period. For the quarter and the period, the increased adj. EBITA and margin are mainly attributable to the start of new profitable contracts. Items affecting comparability include primarily IPO costs, which are anticipated to be slightly above the level indicated in the listing prospectus, as well as IPO-related bonuses and other additional non-recurring costs linked to preparations for operating as a listed company. Similar non-recurring expenses are expected to affect Q3 significantly, after which no additional costs from IPO-related are expected.

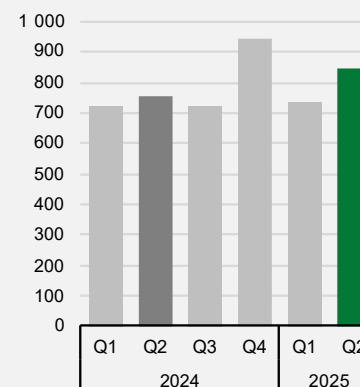
Operating profit

The operating profit for the quarter was -17.1 MSEK (2.8 MSEK). For the first six months, operating profit was -12.0 MSEK (5.8 MSEK). The operating profit increased across all segments for both the quarter and the period, primarily driven by operational improvements. However, results were notably impacted by one-time IPO-related costs during the second quarter.

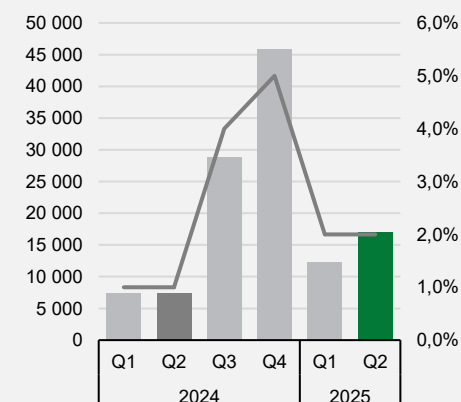
Profit

The profit for the quarter was -19.1 MSEK (-3.5), a decrease of 15.6 MSEK from the same period last year. Apart from the operating profit, as the main driver for both the quarter and the period, the profit was mainly affected positively by the reassessment of deferred tax assets in Sweden.

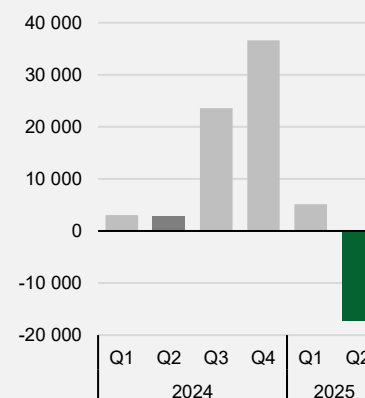
Revenue per quarter
MSEK



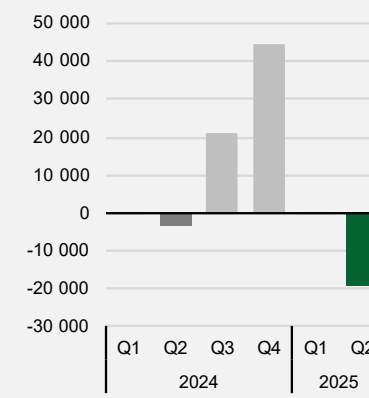
Adj. EBITA per quarter
kSEK/%



Operating profit per quarter
kSEK



Profit per quarter
kSEK



Financing and Cash Flow

Leverage

Leverage, measured as Net debt divided by LTM Adjusted EBITDA, was 1.51x (1.56), remaining stable and comfortably below the target of less than 2.5x. This was achieved through improved adjusted EBITDA, which offset the impact of a higher net debt position.

Cash Flow

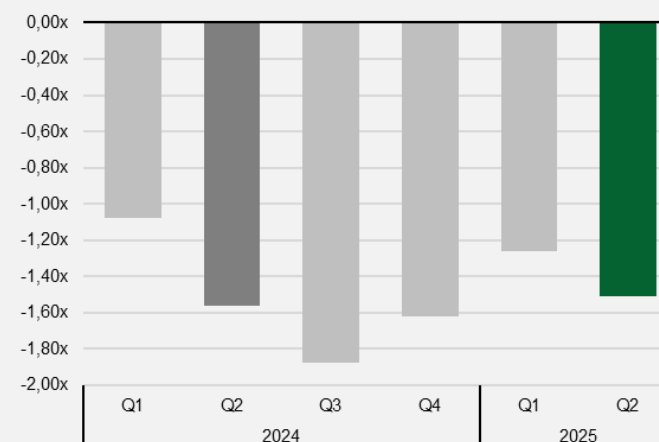
The operating cash flow after changes in net working capital (NWC) for the quarter amounted to -30.2 MSEK (-42.3). During the first six months of 2025, operating cash flow after changes in NWC amounted to 42.6 MSEK (-7.5). The operating cash flow after changes in NWC for both the quarter and the period increased due to higher profitability and improved working capital, even though one-time items had a negative cash impact during the period.

Cash flow from investing activities for the quarter amounted to -5.6 MSEK (-0.1). For the period, cash flow from investing activities amounted to -7.1 MSEK (-1.7). The increase of investing activities for both the quarter and the period results mainly from the purchase of new equipment in connection with the new state contracts.

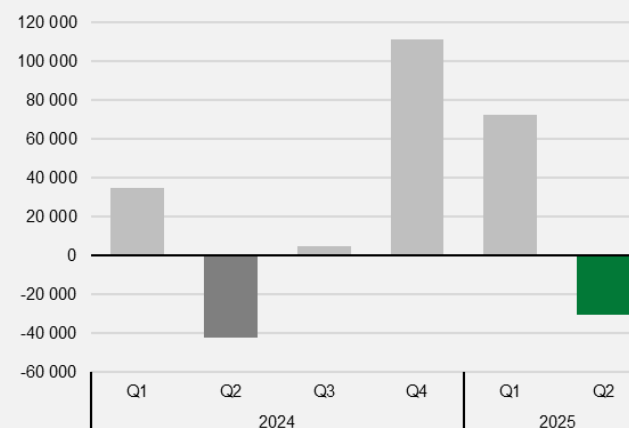
Cash flow from financing activities for the quarter amounted to -2.0 MSEK (13.3). For the period, cash flow from financing activities amounted to -58.0 MSEK (4.6). The change in cash flow from financing activities in the quarter and the period is mainly attributable to a significantly lower level of additional debt.



Leverage per quarter



Cash flow from operating activities per quarter
kSEK



Segments

Sweden

Revenue 506.9 MSEK (426.4)

The revenue increase was driven by the new volume won state and municipality contracts. The existing contract portfolio is performing according to expectations.

Adjusted EBITA 11.2 MSEK (7.7)

Adjusted EBITA increased due to the additional profitability of the new contracts won in 2024. The costs are consistently higher driven by the addition of new contracts.

Amounts in kSEK	Apr-Jun		
	2025	2024	%
Revenue	506 907	426 398	19%
Adjusted EBITA	11 232	7 682	46%
Adjusted EBITA margin	2%	2%	0 p.p.

Finland

Revenue 154.4 MSEK (131.1).

Revenue significantly rose in the reporting period mainly due to new contracts that had started in the 2nd half of 2024.

Adjusted EBITA 0.8 MSEK (-3.3)

Adjusted EBITA increased due to the additional profitability of the new contracts won in 2024. The costs are consistently higher driven by the addition of new contracts.

Amounts in kSEK	Apr-Jun		
	2025	2024	%
Revenue	154 376	131 138	18%
Adjusted EBITA	831	-3 285	125%
Adjusted EBITA margin	1%	-3%	3 p.p.

Denmark

Revenue 188.3 MSEK (198.3).

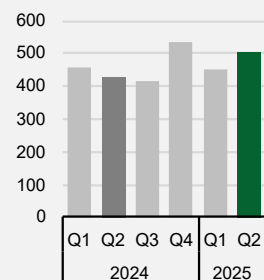
Revenue has slightly decreased, primarily due to the timing of orders in state contracts.

Adjusted EBITA 5.1 MSEK (3.1)

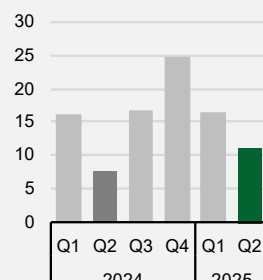
The increase in EBITA was mainly due to improvement in operational efficiency during the corresponding period compared to last year.

Amounts in kSEK	Apr-Jun		
	2025	2024	%
Revenue	188 333	198 259	-5%
Adjusted EBITA	5 068	3 082	64%
Adjusted EBITA margin	3%	2%	1 p.p.

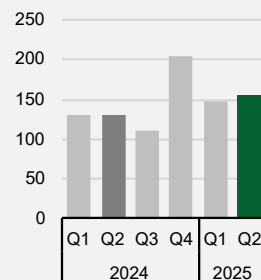
Revenue per quarter
MSEK



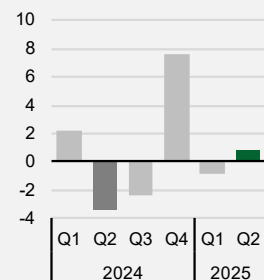
Adj. EBITA per quarter
MSEK



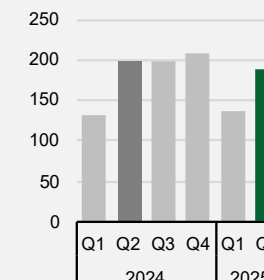
Revenue per quarter
MSEK



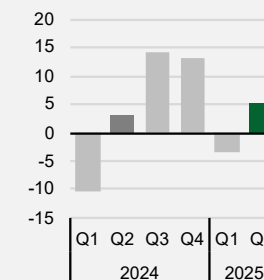
Adj. EBITA per quarter
MSEK



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. The closing price of the Terranor share on the last trading day in the period was SEK 20.00. Average number of outstanding shares for the quarter amounted to 20 000 000 (0) and for January–June to 10 250 000 (0).

Related Parties

The Group have had costs to Mutares SE & Co. KGaA (“Mutares”) of 2.6 MSEK (3.8). The Group has purchased services from Mutares in the form of management fees and other advisory services. There have not been any transactions with the Board of Directors.

Environmental, social and governance

Terranor ensures ethical behavior, 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 behavior 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 686 (559) employees, out of which 135 are women and 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 flow are affected by both external changes and the Group's own actions. The purpose of risk management is to identify and analyse the risks the company faces and, as far as possible, to prevent and limit any potential negative effects. Terranor's operations are influenced by macroeconomic factors such as economic downturns, inflation, political uncertainty, which can reduce demand and affect revenues. Material costs and external disruptions also impact profitability and operations. Terranor relies on a strong supply chain; delays or price increases in materials and logistics pose risks to project execution and cost structure. Weather and seasonal variations significantly influence operational planning and financial performance. Operating in Sweden, Denmark, and Finland, Terranor must comply with various regulations. Misapplication can result in legal disputes, fines, and lost contracts. Regulatory changes can impact competitiveness and operational costs. Terranor faces tax risks across jurisdictions, including surcharges, transfer pricing issues, and tax audits. Contractual obligations carry potential legal risks, with failure to meet terms leading to disputes and contract terminations. Through its operations, Terranor is exposed to various types of financial risks: credit risk, market risks (interest rate risk, currency risk, and other price risk), as well as liquidity risk and refinancing risk. These risks may adversely affect Terranor's financial stability and long-term growth prospects.

Condensed consolidated income statement

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.

		Apr-Jun		Jan-Jun		Jul-Jun	
Amounts in kSEK	Note	2025	2024	2025	2024	24/25	23/24
Profit for the period		-19 079	-3 478	-19 325	-3 479	46 207	33 231
Other comprehensive income							
Items that will be reclassified to profit or loss (net of tax)							
<i>Translation difference</i>		2 370	-937	-2 910	2 054	-2 145	-3 741
income for the period, net of tax		2 370	-937	-2 910	2 054	-2 145	-3 741
Comprehensive income for the period, net of tax		-16 709	-4 415	-22 235	-1 425	44 062	29 491
The profit for the period is entirely attributable to the parent company's shareholders							

The profit for the period is entirely attributable to the parent company's shareholders

Condensed consolidated balance sheet

		30 Jun	31 Dec	
Amounts in kSEK	Note	2025	2024	2024
ASSETS				
Non-current assets				
Goodwill		18 626	-	18 626
Intangible assets		25 666	35 525	30 539
Property, plant and equipment		115 358	63 295	117 538
Right-of-use assets		282 363	221 300	288 166
Deferred tax assets		26 851	456	20 620
Other non-current financial assets		4 163	5 810	12 278
Total non-current assets		473 027	326 385	487 768
Current assets				
Inventories		21 781	7 429	21 380
Trade receivables		293 445	293 714	369 393
Other current receivables		283 181	228 263	166 161
Cash and cash equivalents		22 797	24 829	45 292
Total current assets		621 204	554 236	602 226
TOTAL ASSETS		1 094 232	880 621	1 089 994

Amounts in kSEK	30 Jun	31 Dec	
	2025	2024	2024
EQUITY AND LIABILITIES			
Equity			
Share capital	20 000	50	50
Other contributed capital	47 900	67 400	67 400
Reserves	7 267	9 413	10 177
Retained earnings including profit for the year	118 803	73 046	138 578
Equity attributable to shareholders of the parent company	193 971	149 909	216 206
Total equity	193 971	149 909	216 206
Non-current liabilities			
Liabilities to credit institutions	20 308	-	20 685
Lease liabilities	187 785	147 990	189 302
Deferred tax liabilities	9 357	13 160	6 383
Other non-current liabilities	5 205	6 586	5 494
Total non-current liabilities	222 655	167 735	221 863
Current liabilities			
Liabilities to credit institutions	69 365	44 197	61 544
Accounts payables	204 117	177 371	232 328
Income tax payable	6 284	1 586	21 953
Lease liabilities	102 749	79 597	105 668
Other current liabilities	291 330	254 142	211 280
Accrued expenses and prepaid income	3 009	6 084	18 399
Provisions	754	-	754
Total current liabilities	677 608	562 977	651 925
TOTAL EQUITY AND LIABILITIES	1 094 232	880 621	1 089 994

Condensed consolidated statement of changes in equity

Amounts in kSEK	Equity attributable to shareholders of the parent company				
	Share capital	Other contributed capital	Reserves	Retained earnings including profit for the period	Total equity
Opening balance 2025-04-01	50	67 400	4 898	138 332	210 680
Profit for the period	-	-	-	-19 079	-19 079
Reclassification	19 950	-19 500	-	-450	-
Other comprehensive income for the period	-	-	2 370	-	2 370
Total comprehensive income	19 950	-19 500	2 370	-19 529	-16 709
<i>Transactions with shareholders</i>					
Dividend	-	-	-	-	-
Total	-	-	-	-	-
Closing balance 2025-06-30	20 000	47 900	7 267	118 803	193 971
Opening balance 2024-04-01	50	67 400	10 350	76 524	154 323
Profit for the period	-	-	-	-3 478	-3 478
Other comprehensive income for the period	-	-	-937	-	-937
Total comprehensive income	-	-	-937	-3 478	-4 415
<i>Transactions with shareholders</i>					
Dividend	-	-	-	-	-
Total	-	-	-	-	-
Closing balance 2024-06-30	50	67 400	9 413	73 046	149 909

Amounts in kSEK	Equity attributable to shareholders of the parent company				
	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
Profit for the period	-	-	-	-19 325	-19 325
Reclassification	19 950	-19 500	-	-450	-
Other comprehensive income for the period	-	-	-2 910	-	-2 910
Total comprehensive income	19 950	-19 500	-2 910	-19 775	-22 235
<i>Transactions with shareholders</i>					
Dividend	-	-	-	-	-
Total	-	-	-	-	-
Closing balance 2025-06-30	20 000	47 900	7 267	118 803	193 971
Opening balance 2024-01-01	50	67 400	7 359	76 525	151 334
Profit for the period	-	-	-	-3 479	-3 479
Other comprehensive income for the period	-	-	2 054	-	2 054
Total comprehensive income	-	-	2 054	-3 479	-1 425
<i>Transactions with shareholders</i>					
Dividend	-	-	-	-	-
Total	-	-	-	-	-
Closing balance 2024-06-30	50	67 400	9 413	73 046	149 909

Condensed consolidated statement of cash flow statement

Amounts in kSEK	Apr-Jun		Jan-Jun		Jul-Jun	
	2025	2024	2025	2024	24/25	23/24
Operating activities						
Operating profit (EBIT)	-17 150	2 762	-12 017	5 783	48 136	39 102
Adjustment for items not included in cash flow	2 663	56 494	33 322	10 631	136 238	155 569
Interest received	27	-	124	8	438	-530
Interest paid	-1 371	-1 134	-2 538	-1 974	-9 006	-5 301
Income tax paid	-6 336	-8 109	-23 608	-7 253	-22 923	-17 243
Cash flow from operating activities before changes in working capital	-22 166	50 013	-4 718	7 195	152 882	171 597
Cash flow from changes in working capital						
Change in inventories	17 189	1 684	-400	18 781	-14 351	18 678
Change in operating receivables	-55 539	-45 380	75 948	104 635	5 896	-64 419
Changes in operating payables	30 315	-48 610	-28 212	-138 065	14 543	43 781
Change in working capital	-8 035	-92 307	47 336	-14 649	6 088	-1 960
Cash flow from operating activities	-30 201	-42 292	42 618	-7 454	158 970	169 636

Amounts in kSEK	Apr-Jun		Jan-Jun		Jul-Jun	
	2025	2024	2025	2024	24/25	23/24
Investing activities						
Purchase of intangible assets	-1 796	524	-252	-697	-568	1 717
Purchase of property, plant and equipment	-3 801	-664	-6 839	-994	-28 567	-2 440
Acquisition of subsidiaries	-	-	-	-	-5 000	-
Cash flow from investing activities	-5 597	-140	-7 091	-1 691	-34 135	-723
Financing activities						
Repayment of borrowings	26 716	36 757	7 356	47 401	-4 362	-48 435
Payment of principal portion of lease liabilities	-28 051	-20 137	-56 445	-40 011	-108 583	-77 267
Payment of interest for the lease liabilities	-3 030	-2 419	-6 022	-4 804	-11 777	-9 072
Changes in equity	2 370	-937	-2 910	2 054	-2 145	-39 741
Cash flow from financing activities	-1 995	13 264	-58 021	4 641	-126 867	-174 515
Cash flow for the period	-37 793	-29 168	-22 494	-4 504	-2 032	-5 602
Cash and cash equivalents at the beginning of the period	60 590	53 998	45 292	29 334	24 829	30 432
Cash and cash equivalents at the end of period	22 797	24 829	22 797	24 829	22 797	24 829

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, 179 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 Historical Financial Information for the financial years 2024, 2023, and 2022, which are an integral part of the prospectus. All amounts are stated in millions ("MSEK") or thousands ("kSEK") of Swedish kronor unless otherwise specified. Rounding differences may occur.

Disclosures as required under IAS 34.16A are presented in the financial statements and associated notes in the interim information on pages 16-18, which constitute an integrated part of this financial report.

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 Historical Financial Information for the financial years 2024, 2023, and 2022, which are an integral part of the prospectus.

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 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	-14 419	-	-200	-14 619
Items affecting comparability	25 384	5 558	609	31 551	-	-	31 551
Adjusted EBITA	11 232	831	5 068	17 132	-	-200	16 931
<i>1. Specification of items affecting comparability</i>							
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

Note 4 Operating segments (cont.)

Apr-Jun 2024	Sweden	Finland	Denmark	Total segments	Group functions	Eliminations	Group total
Revenue from external customers	426 398	131 138	198 259	755 795	-	-	755 795
Inter-segment revenue	-	-	-	-	-	-	-
Total revenue	426 398	131 138	198 259	755 794	-	-	755 794
Other operating income	3 299	-	312	3 611	-	-820	2 791
Raw materials and consumables used	-324 559	-110 046	-106 316	-540 921	-	-	-540 921
Personnel expenses	-57 525	-13 944	-59 822	-131 290	-	-	-131 290
Depreciation and impairment of property, plant and equipment and right-of-use assets	-12 381	-2 791	-10 705	-25 877	-	-	-25 877
Other operating expenses	-29 329	-7 667	-18 847	-55 844	-	764	-55 080
EBITA	5 903	-3 310	2 881	5 474	-	-57	5 417
Items affecting comparability	1 779	25	200	2 004	-	-	2 004
Adjusted EBITA	7 682	-3 285	3 082	7 479	-	-57	7 422

1. Specification of items affecting comparability

Restructuring costs and other items affecting comparability	1 779	25	200	2 004	-	-	2 004
Total items affecting comparability	1 779	25	200	2 004	-	-	2 004

	Apr-Jun	
	2025	2024
Adjusted EBITA	16 931	7 422
Amortization of intangible assets	-2 531	-2 655
Items affecting comparability	-31 551	-2 004
Financial income	27	-0
Financial costs	-4 401	-3 553
Result before tax	-21 523	-791

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 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

Apr-Jun 2024	Sweden	Finland	Denmark	Group total
By type of customer				
State	304 285	122 033	111 417	537 735
Municipalities	59 394	7 188	34 032	100 615
Private sector	62 719	1 916	52 810	117 445
Total revenue	426 397	131 138	198 259	755 795

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 2.6 MSEK (3.8) of costs related to Mutares.

The Group has purchased services from Mutares in the form of management fees and other advisory services. Mutares has also provided interest-bearing shareholder loans and the Group has also, for some time, lent money to Mutares at interest. Furthermore, dividends have been paid to Mutares. No transactions have taken place with the members of the Board.

Mutares SE & Co.KGaA	Apr-Jun	
	2025	2024
Purchases of goods and services	2 612	3 788
Interest costs	-	662
Total liabilities at end of period	1 293	3 591

Asteri Facility Solutions AB	Apr-Jun	
	2025	2024
Purchases of goods and services	-	210
Total liabilities at end of period	-	64

Frigoscandia AB	Apr-Jun	
	2025	2024
Purchases of goods and services	-	-189
Total liabilities at end of period	-	-

Note 8 Significant events after the reporting date

Stabilization measures were undertaken in the shares of Terranor Group AB (publ). The stabilization period ended 30 July 2025 and the over-allotment option was partly exercised. A total of 285 357 shares were exercised of the over-allotment option.

Income statement, parent company

Amounts in kSEK	Not	Apr-Jun		Jan-Jun		Jul-Jun	
		2025	2024	2025	2024	24/25	23/24
Revenue		-	-	-	-	-	-
Other operating income		-	-	-	-	-	-
Raw materials and consumables used		-	-	-	-	-	-
Personnel expenses		-	-	-	-	-	-
Depreciation, amortization, and impairment		-	-	-	-	-	-
Other operating expenses		-	-	-	-	-	-
Operating profit (EBIT)		-	-	-	-	-	-
Finance income		-	-	-	-	-	-
Finance costs		-	-	-	-	-	-
Result after financial items		-	-	-	-	-	-
Income tax expense		-	-	-	-	-	-
Profit for the period		-	-	-	-	-	-

The profit for the period is attributable in its entirety to the shareholders of the parent company.

The financial statements for the parent company, Terranor Group AB (publ), are prepared in accordance with the Swedish Annual Accounts Act and RFR 2, Accounting for Legal Entities, issued by the Swedish Corporate Reporting Board. The parent company's financial year began on 28 March 2025, which is why the only activities that have taken place up to and including the end of the reporting period are the registration of share capital in the parent company and a new share issue with a contribution in kind.

Balance sheet, parent company

		30 Jun	31 Dec	
Amounts in kSEK	Note	2025	2024	2024
ASSETS				
Non-current assets				
Intangible assets		-	-	-
Property, plant and equipment		-	-	-
Deferred tax assets		-	-	-
Shares in subsidiaries		156 480	-	-
Other non-current financial assets		-	-	-
Total non-current assets		156 480	-	-
Current assets				
Inventories		-	-	-
Trade receivables		-	-	-
Other current assets		-	-	-
Cash and cash equivalents		500	-	-
Total current assets		500	-	-
TOTAL ASSETS		156 980	-	-

Amounts in kSEK	30 Jun		31 Dec
	2025	2024	2024
EQUITY AND LIABILITIES			
Equity			
Share capital	20 000	-	-
Total restricted equity	20 000		
Share premium reserve	136 980	-	-
Retained earnings including profit for the year	-	-	-
Total unrestricted equity	136 980	-	-
Total equity	156 980		
Non-current liabilities			
Liabilities to credit institutions	-	-	-
Deferred tax liability	-	-	-
Other non-current liabilities	-	-	-
Total non-current liabilities	-	-	-
Current liabilities			
Liabilities to credit institutions	-	-	-
Accounts payable	-	-	-
Income tax payable	-	-	-
Other current liabilities	-	-	-
Accrued expenses and prepaid income	-	-	-
Provisions	-	-	-
Total current liabilities	-	-	-
TOTAL EQUITY AND LIABILITIES	156 980	-	-

Statement of changes in equity, parent company

Amounts in kSEK	Equity attributable to shareholders of the parent company			
	Restricted equity	Unrestricted equity		Total equity
		Share capital	Share premium reserve Retained earnings including profit for the period	
Opening balance 2025-04-01	500	-	-	500
Profit/ loss for the period	-	-	-	-
Other comprehensive income	-	-	-	-
Total comprehensive income	-	-	-	-
<i>Transactions with shareholders</i>				
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
Opening balance 2024-01-01	-	-	-	-
Profit/ loss for the period	-	-	-	-
Other comprehensive income	-	-	-	-
Total comprehensive income	-	-	-	-
<i>Transactions with shareholders</i>				
Dividend	-	-	-	-
Total	-	-	-	-
Closing balance 2024-06-30	-	-	-	-

Condensed statement of cash flow statement, parent company

Amounts in kSEK	Apr-Jun		Jan-Jun		Jul-Jun	
	2025	2024	2025	2024	24/25	23/24
Current operations						
Operating profit (EBIT)	-	-	-	-	-	-
Adjustment for items not included in cash flow	-	-	-	-	-	-
Interest received	-	-	-	-	-	-
Interest paid	-	-	-	-	-	-
Income tax paid	-	-	-	-	-	-
Cash flow from operating activities before changes in working capital	-	-	-	-	-	-
Cash flow from changes in working capital						
Changes in inventories	-	-	-	-	-	-
Changes in operating receivables	500	-	-	-	-	-
Changes in operating payables	-	-	-	-	-	-
Changes in working capital	500	-	-	-	-	-
Cash flow from operating activities	500	-	-	-	-	-

Amounts in kSEK	Apr-Jun		Jan-Jun		Jul-Jun	
	2025	2024	2025	2024	24/25	23/24
Investing activities						
Purchase of intangible assets	-	-	-	-	-	-
Purchase of property, plant and equipment	-	-	-	-	-	-
Acquisition of subsidiaries	-	-	-	-	-	-
Cash flow from investing activities	-	-	-	-	-	-
Financing activities						
Repayment of borrowings	-	-	-	-	-	-
New share issue	-	-	500	-	-	-
Dividends paid	-	-	-	-	-	-
Cash flow from financing activities	-	-	500	-	-	-
Cash flow for the period	500	-	500	-	-	-
Cash and cash equivalents at the beginning of the period	-	-	-	-	-	-
Cash and cash equivalents at the end of the period	500	-	500	-	-	-

Alternative performance measures

APMs	Unit	Q1 24	Q2 24	Q3 24	Q4 24	Q1 25	Q2 25
Revenue growth (%)	%	16%	17%	16%	9%	2%	12%
EBITDA	kSEK	31 231	31 295	56 451	72 967	42 080	20 483
EBITDA margin (%)	%	4%	4%	8%	8%	6%	2%
Adjusted EBITDA	kSEK	33 020	33 299	59 000	79 626	46 562	52 034
Adjusted EBITDA margin (%)	%	5%	4%	8%	8%	6%	6%
EBITA	kSEK	5 628	5 417	26 206	39 247	7 728	-14 619
EBITA margin (%)	%	1%	1%	4%	4%	1%	-2%
Adjusted EBITA	kSEK	7 418	7 422	28 755	45 906	12 210	16 931
Adjusted EBITA margin (%)	%	1%	1%	4%	5%	2%	2%
EBIT	kSEK	3 021	2 762	23 561	36 591	5 133	-17 150
EBIT margin (%)	%	0%	0%	3%	4%	1%	-2%
Adjusted EBIT	kSEK	4 811	4 766	26 110	43 250	9 615	14 401
Adjusted EBIT margin (%)	%	1%	1%	4%	5%	1%	2%
Items affecting comparability (IAC)	kSEK	1 789	2 004	2 549	6 659	4 482	31 551
Net cash/ Net debt	kSEK	-187 879	-246 955	-349 705	-331 907	-275 465	-357 409
Net debt/LTM adjusted EBITDA	x	-1,08	-1,56	-1,88	-1,62	-1,26	-1,51
Net working capital	kSEK	28 884	86 001	148 881	85 553	42 058	84 946
Net working capital/LTM revenue %	%	1%	3%	5%	3%	1%	3%
Capital expenditures	kSEK	-1 551	-140	-3 345	-18 698	-1 494	-5 597
Adjusted operating cash flow	kSEK	55319	-23959	-7225	124255	88563	3548
Cash conversion (%)	%	168%	-72%	-12%	156%	190%	7%
Capital employed	kSEK	583 477	563 539	690 235	776 566	675 509	734 000
Return on capital employed (%)	%	1%	1%	5%	7%	2%	2%
Return on equity (%)	%	0%	-2%	13%	27%	0%	-10%
Net debt/Equity (%)	%	-122%	-165%	-205%	-154%	-131%	-184%
Order intake	kSEK	844 952	790 002	5 094	39 981	1 239 414	952 956

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	Used to measure the current financial status of the Group.

	current liabilities excluding current tax liabilities, current liabilities to credit institutions, current lease liabilities, and current provisions.	
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, including uncompleted projects under own management for sale.	The order backlog provides a further indication of the short to medium-term development of revenue.

Reconciliations of APMs

Reconciliation of APMs	Unit	Q1 24	Q2 24	Q3 24	Q4 24	Q1 25	Q2 25
Revenue growth (%)							
Revenue current period	kSEK	721 264	755 795	722 689	947 180	736 012	848 969
Revenue last period	kSEK	621 698	645 204	620 890	870 222	721 264	755 795
Revenue growth (%)	%	16%	17%	16%	9%	2%	12%
EBITDA							
Operating profit (EBIT)	kSEK	3 021	2 762	23 561	36 591	5 133	-17 150
Depreciation & amortization related to intangible assets, tangible assets and right-of-use assets	kSEK	28 209	28 533	32 890	36 376	36 947	37 633
Impairment related to intangible assets, tangible assets and right-of-use assets	kSEK	-	-	-	-	-	-
EBITDA	kSEK	31 231	31 295	56 451	72 967	42 080	20 483
EBITDA margin, %							
EBITDA	kSEK	31 231	31 295	56 451	72 967	42 080	20 483
Revenue	kSEK	721 264	755 795	722 689	947 180	736 012	848 969
EBITDA margin, %	%	4%	4%	8%	8%	6%	2%
Adjusted EBITDA							
EBITDA	kSEK	31 231	31 295	56 451	72 967	42 080	20 483
Items affecting comparability	kSEK	1 789	2 004	2 549	6 659	4 482	31 551
Adjusted EBITDA	kSEK	33 020	33 299	59 000	79 626	46 562	52 034
Adjusted EBITDA margin, %							
Adjusted EBITDA	kSEK	33 020	33 299	59 000	79 626	46 562	52 034
Revenue	kSEK	721 264	755 795	722 689	947 180	736 012	848 969
Adjusted EBITDA margin, %	%	5%	4%	8%	8%	6%	6%
EBITA							
Operating profit (EBIT)	kSEK	3 021	2 762	23 561	36 591	5 133	-17 150
Amortization of intangible assets	kSEK	2 607	2 655	2 645	2 656	2 595	2 531
Impairment of intangible assets	kSEK	-	-	-	-	-	-
EBITA	kSEK	5 628	5 417	26 206	39 247	7 728	-14 619

Reconciliation of APMs	Unit	Q1 24	Q2 24	Q3 24	Q4 24	Q1 25	Q2 25
EBITA margin, %							
EBITA	kSEK	5 628	5 417	26 206	39 247	7 728	-14 619
Revenue	kSEK	721 264	755 795	722 689	947 180	736 012	848 969
EBITA margin, %	%	1%	1%	4%	4%	1%	-2%
Adjusted EBITA							
EBITA	kSEK	5 628	5 417	26 206	39 247	7 728	-14 619
Items affecting comparability	kSEK	1 789	2 004	2 549	6 659	4 482	31 551
Adjusted EBITA	kSEK	7 418	7 422	28 755	45 906	12 210	16 931
Adjusted EBITA margin, %							
Adjusted EBITA	kSEK	7 418	7 422	28 755	45 906	12 210	16 931
Revenue	kSEK	721 264	755 795	722 689	947 180	736 012	848 969
Adjusted EBITA margin, %	%	1%	1%	4%	5%	2%	2%
EBIT							
Profit for the period	kSEK	-1	-3 478	20 819	44 714	-246	-19 079
Income taxes	kSEK	-195	2 687	-2 151	-15 138	1 317	-2 445
Finance cost	kSEK	3 225	3 553	5 118	7 106	4 159	4 401
Finance income	kSEK	-8	0	-224	-91	-96	-27
EBIT	kSEK	3 021	2 762	23 561	36 591	5 133	-17 150
EBIT margin, %							
EBIT	kSEK	3 021	2 762	23 561	36 591	5 133	-17 150
Revenue	kSEK	721 264	755 795	722 689	947 180	736 012	848 969
EBIT margin, %	%	0%	0%	3%	4%	1%	-2%
Adjusted EBIT							
EBIT	kSEK	3 021	2 762	23 561	36 591	5 133	-17 150
Items affecting comparability	kSEK	1 789	2 004	2 549	6 659	4 482	31 551
Adjusted EBIT	kSEK	4 811	4 766	26 110	43 250	9 615	14 401

Reconciliation of APMs	Unit	Q1 24	Q2 24	Q3 24	Q4 24	Q1 25	Q2 25
Adjusted EBIT margin, %							
Adjusted EBIT	kSEK	4 811	4 766	26 110	43 250	9 615	14 401
Revenue	kSEK	721 264	755 795	722 689	947 180	736 012	848 969
Adjusted EBIT margin, %	%	1%	1%	4%	5%	1%	2%
Items affecting comparability							
Restructuring costs and one-off expenses	kSEK	1 789	2 004	2 549	6 659	4 482	31 551
Items affecting comparability	kSEK	1 789	2 004	2 549	6 659	4 482	31 551
Net cash (+)/ Net debt (-)							
Non-current liabilities to credit institutions	kSEK	-	-	6 177	20 685	20 411	20 308
Current liabilities to credit institutions	kSEK	13 149	44 197	104 101	61 544	42 545	69 365
Non-current Lease liabilities	kSEK	151 035	147 990	158 252	189 302	172 331	187 785
Current Lease liabilities	kSEK	77 693	79 597	90 175	105 668	100 769	102 749
Less: Cash and cash equivalents	kSEK	-53 998	-24 829	-9 000	-45 292	-60 590	-22 797
Net cash (+)/ Net debt (-)	kSEK	-187 879	-246 955	-349 705	-331 907	-275 465	-357 409
Net debt/LTM Adjusted EBITDA							
Net debt	kSEK	-187 879	-246 955	-349 705	-331 907	-275 465	-357 409
LTM Adjusted EBITDA	kSEK	174 706	158 023	185 853	204 945	218 487	237 221
Net debt/LTM Adjusted EBITDA	x	-1,08	-1,56	-1,88	-1,62	-1,26	-1,51
Net working capital							
Current assets	kSEK	521 588	554 236	595 234	602 226	545 954	621 204
Less: Cash and cash equivalents	kSEK	-53 998	-24 829	-9 000	-45 292	-60 590	-22 797
Less: Income tax receivable	kSEK	-1 438	-5 809	-8 376	-9 375	-10 537	-15 005
Current liabilities	kSEK	-529 720	-562 977	-630 411	-651 925	-583 009	-677 607
Less: Income tax payable	kSEK	1 609	1 586	7 159	21 953	6 172	6 284
Less: Current liabilities to credit institutions	kSEK	13 149	44 197	104 101	61 544	42 545	69 365
Less: Current lease liabilities	kSEK	77 693	79 597	90 175	105 668	100 769	102 749
Less: Current provisions	kSEK	-	-	-	754	754	754
Net working capital	kSEK	28 884	86 001	148 881	85 553	42 058	84 946
Net working capital/LTM revenue %							
Net working capital	kSEK	28 884	86 001	148 881	85 553	42 058	84 946
LTM revenue	kSEK	2 857 581	2 968 172	3 069 970	3 146 928	3 161 676	3 254 849
Net working capital/LTM revenue %	%	1%	3%	5%	3%	1%	3%

Reconciliation of APMs	Unit	Q1 24	Q2 24	Q3 24	Q4 24	Q1 25	Q2 25
Capital expenditures							
Investments in property, plant and equipment	kSEK	-330	-664	-3 494	-18 234	-3 038	-3 801
Investments in intangible assets	kSEK	-1 221	524	149	-464	1 544	-1 796
Capital expenditures	kSEK	-1 551	-140	-3 345	-18 698	-1 494	-5 597
Adjusted operating cash flow							
Adjusted EBITDA	kSEK	33 020	33 299	59 000	79 626	46 562	52 034
Investments in property, plant and equipment	kSEK	-330	-664	-3 494	-18 234	-3 038	-3 801
Investments in intangible assets	kSEK	-1 221	524	149	-464	1 544	-1 796
Changes in net working capital	kSEK	23 850	-57 118	-62 880	63 328	43 496	-42 889
Adjusted operating cash flow	kSEK	55 319	-23 959	-7 225	124 255	88 563	3 548
Cash conversion %							
Adjusted operating cash flow	kSEK	55 319	-23 959	-7 225	124 255	88 563	3 548
Adjusted EBITDA	kSEK	33 020	33 299	59 000	79 626	46 562	52 034
Cash conversion %	%	168%	-72%	-12%	156%	190%	7%
Capital employed							
Total assets	kSEK	855 565	880 621	984 024	1 089 994	1 000 716	1 094 232
Less: Goodwill	kSEK	-	-	-	18 626	18 626	18 626
Less: Other intangible assets	kSEK	38 704	35 525	32 731	30 539	26 401	25 666
Less: Non-interest bearing liabilities	kSEK	219 523	268 398	248 505	257 880	270 443	306 582
Less: Deferred tax liabilities	kSEK	13 861	13 160	12 552	6 383	9 736	9 357
Capital employed	kSEK	583 477	563 539	690 235	776 566	675 509	734 000
Return on capital employed							
Adjusted EBITA	kSEK	7 418	7 422	28 755	45 906	12 210	16 931
Average capital employed	kSEK	571 896	599 012	624 676	656 284	657 865	687 970
Return on capital employed	%	1%	1%	5%	7%	2%	2%
Return on equity, %							
Profit for the period	kSEK	-1	-3 478	20 819	44 714	-246	-19 079
Average equity	kSEK	151 208	153 662	156 451	168 426	180 296	188 225
Return on equity, %	%	0%	-2%	13%	27%	0%	-10%
Net debt/Equity							
Net debt	kSEK	-187 879	-246 955	-349 705	-331 907	-275 465	-357 409
Equity	kSEK	154 323	149 909	170 360	216 206	210 680	193 971
Net debt/Equity, %	%	-122%	-165%	-205%	-154%	-131%	-184%

Terranor Group

The Board of Directors certifies 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, 2025
Terranor Group AB (publ.)

Anders Gustafsson
Chairman of the board

Håkan Broman
Board member

Åse Lagerqvist von Uthmann
Board member

Johannes Laumann
Board member

Michael Berglin
CEO

Carl Kistenmacher
Board member

Financial calendar

Interim report for the period January – September 2025, Q3	11 November 2025
Year-end report 2025	17 February 2026
Annual report 2025	21 April 2026
Interim report for the period January – March 2026, Q1	12 May 2026
Annual General Meeting 2026	25 May 2026

Contact

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The information is such that Terranor Group is obliged to make public pursuant to the EU Market Abuse Regulation and the Securities Markets Act. The information was submitted for publication, through the agency of the contact persons set out above, on 26 August 2025 at 08.00 (CEST).

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