

Year-end Report

January – December 2025
Terranor Group



Key figures Q4

1 223

(947)

Revenue, MSEK

29%

(8)

Revenue growth

48

(46)

Adj. EBITA, MSEK¹

4%

(5)

Adj. EBITA margin

Amounts in kSEK	Oct-Dec		Jan-Dec		Δ	
	2025	2024	2025	2024		
Revenue	1 223 216	947 180	29%	3 602 622	3 146 928	14%
Revenue growth (%)	29%	8%	21 p.p.	14%	14%	0 p.p.
Items affecting comparability	9 163	6 659	38%	72 384	13 001	457%
Adjusted EBITA	48 249	45 906	5%	98 087	89 500	10%
Adjusted EBITA margin, %	4%	5%	-1 p.p.	3%	3%	0 p.p.
Profit before tax	29 085	29 576	-2%	-5 592	47 256	-112%
Earnings per share before and after dilution (SEK)	0.38	2.24	-83%	-1.16	3.10	-137%
Adjusted operating cash flow	210 499	124 934	68%	302 771	149 939	102%
Net debt/LMT adj. EBITDA	-1.50x	-1.62x	-0.12x	-	-	-

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 quarter

- Terranor won a public tender with Tonder Municipality in Denmark worth MSEK 270 over four years.
- Terranor won a sweeping contract in Vejle Municipality worth MSEK 36 over four years and was granted an option by the Swedish Transportation Administration for road safety in Southern Sweden worth MSEK 20 running until March 2027.

Fourth quarter 2025

- Revenue growth amounted to 29 percent (8)
- Adjusted EBITA increased to 48.2 MSEK (45.9)
- Adjusted operating cash flow increased to 210.5 MSEK (124.9)
- Revenue increased to 1 223.2 MSEK (947.2)
- EBITA decreased to 39.1 MSEK (39.2)
- Operating profit (EBIT) amounted to 36.6 MSEK (36.6)
- Profit for the quarter decreased to 7.6 MSEK (44.7)
- Earnings per share amounted to 0.38 SEK (2.24)

Full year 2025

- Revenue growth amounted to 14 percent (14)
- Adjusted EBITA increased to 98.1 MSEK (89.5)
- Adjusted operating cash flow increased to 302.8 MSEK (149.9)
- Revenue increased to 3 602.6 MSEK (3 146.9)
- EBITA decreased to 25.7 MSEK (76.5)
- Operating profit (EBIT) decreased to 15.5 MSEK (65.9)
- Profit for the period decreased to -23.1 MSEK (62.1)
- Earnings per share amounted to -1.16 SEK (3.1)
- The Board of Directors proposes a dividend of 1.50 SEK (-) per share

Significant events after the period

- In January 2026, Terranor AB won a contract for road maintenance in Stockholm worth MSEK 33 over two years, a public tender with Skellefteå Municipality worth MSEK 224 over four years and two municipality contracts in Helsingborg worth MSEK 105 over three years. In February 2026, Terranor AB won a collaboration agreement in two phases for road maintenance in Sundsvall with an estimated value of MSEK 540 over six years.

High growth with strengthened underlying profitability

Strong revenue growth and improved cash generation

Terranor concluded 2025 with a strong fourth quarter, confirming the development seen throughout the year. Revenue for the quarter increased to 1,223 MSEK (947), driven by high activity levels across our operations, primarily in Sweden. Adjusted EBITA amounted to 48.2 MSEK (45.9), and cash generation improved significantly, supported by higher activity. Order intake in the fourth quarter amounted to 399 MSEK, with full-year order intake of 2,801 MSEK (1,680). The strong order intake reflects the competitiveness of our offering and supports continued growth and visibility going forward.

We have combined high growth with strengthened underlying profitability and improved cash flow. Together with strong order intake the fourth quarter concludes a year with improvements and increased activity across the business. In a year when significant attention and resources were dedicated to completing a successful IPO this result reflects the collective effort and ability of our organization.

Strong performance in Sweden confirms our strategy

Sweden continues to be the foundation of Terranor's business and the clearest proof that our strategy delivers as intended. All key operational and financial indicators are developing in the right direction.

Road operations and maintenance business performed strongly during the quarter, supported by high activity in state and municipal contracts and favourable winter conditions that enabled extended work and additional assignments. Excluding underperforming subsidiaries Norvia and Infra, the Swedish operations show very strong profitability, which confirms the strength of our contract portfolio and operational execution. Our focus remains on maintaining this performance over time through disciplined execution. At the same time, we remain cautious in our assessment and continue to focus on sustainable performance over time.

The Swedish operations have demonstrated the ability to absorb higher volumes within existing contracts while also winning new ones, thereby increasing market share. This is driven by competent and professional delivery, as well as higher ambitions among our largest customers, who are investing more to secure higher quality outcomes. The performance in the fourth quarter confirms the trend seen throughout the year.

Proactive and transparent approach with focus on long-term improvement in Finland

In Finland, revenue was broadly in line with the previous year, while profitability remained under pressure. Operations were affected by state contracts with high material-cost ratios and ceiling-price mechanisms, as well as reduced extra works compared to last year. The majority of the pressure relates to state contracts awarded during 2021–2023. These contracts run over five years, and the effects are expected to materialise gradually over the period 2026–2028. With management being more operationally involved in the last quarter we have also taken on a more proactive standpoint towards our clients to clarify our interpretation on how prices should be adjusted according to the mechanisms in the contract.

During the year, we continued to restructure the Finnish operations, with a focus on reducing overhead, strengthening cost control, and improving the contract portfolio over time. While the short-term outlook remains challenging, these measures are aimed at creating the conditions for improved profitability in the longer term.

Execution according to plan in Denmark

In Denmark, 2025 developed according to plan. All five expiring state contracts were closed by year-end, with a strong joint focus on ensuring that all commitments were fulfilled with good quality and within the contractual framework. Activity levels were high, although largely within contracted scope and with limited extra works, which affected margins.

Revenue remained at a good level, and profitability developed in line with the contract conditions. With four new state contracts and additional municipal contracts starting in January 2026, Denmark enters a new phase. Under the new contractual framework, we expect profitability to gradually improve during 2026 as activity increases, while acknowledging that the first quarter is traditionally a period of lower activity.

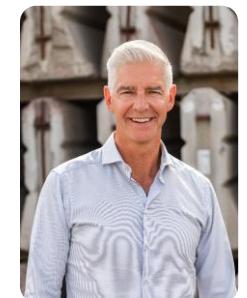
Focused offering in a stable market

Demand for safe and sustainable roads remains strong across our markets. Terranor's specialization in road operations and maintenance, combined with disciplined execution and high-quality delivery, continues to support a strong competitive position.

With the fourth quarter confirming the trends seen throughout 2025, Terranor enters 2026 with strong momentum in the core business, a solid order backlog, and improved cash flow. The actions taken during the year, both operationally and structurally, support continued development in line with our strategy.

I would like to thank all our employees across Sweden, Finland, and Denmark for their professionalism and commitment. Their collective efforts ensure safe and open roads across the Nordic region and form the foundation of Terranor's continued progress.

CEO Terranor Group
Michael Berglin



Terranor at a glance

Financial targets

Growth >8%

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

Profitability >5%

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

Leverage <2.5x

Net debt / LTM adjusted EBITDA should not exceed 2.5x

Dividend ≥50%

Target to distribute at least 50% of consolidated net income

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

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

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

Terranor's markets

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

Road operations and maintenance

Light construction

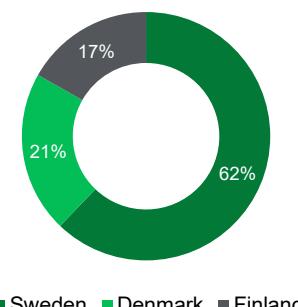
Green construction and maintenance

Temporary road safety services

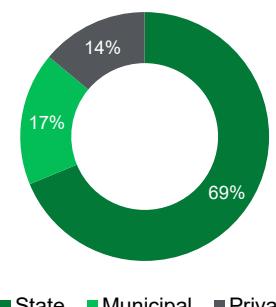
Terranor's customer base

Terranor's customers are found in both the public and private sectors, but the vast majority of Terranor's revenues 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 2025



Revenue by customer group as per 2025



Group performance

Revenue

The revenue for the quarter was 1 223.2 MSEK (947.2 MSEK), representing a 29 percent increase compared to the same period last year. For the full year 2025, revenue totaled 3 602.6 MSEK (3 146.9 MSEK), an increase of 14 percent, which exceeds our annual growth target in the medium term. Growth was driven primarily by increased operational activity in connection with the state contracts and by higher levels of extra works across Sweden and Denmark. Favourable winter conditions prolonged the work season, allowing the teams to finalise extended scope of work. Full-year revenue reached 3 602.6 MSEK (3 146.9 MSEK), up 14 percent, exceeding the Group's medium-term growth target.

Adjusted EBITA

Adjusted EBITA for the quarter amounted to 48.2 MSEK (45.9), reflecting an increase of 5% compared to the same quarter last year. For the full year 2025, the adjusted EBITA was 98.1 (89.5), an increase of 10 percent. The adj. EBITA margin was 4 % (5) for the quarter and 3% (3) the full year 2025, which is below our financial target of 5 % in the medium term. The group's adjusted EBITA is stable for the full year 2025. Items affecting comparability for the quarter amounted to 9.2 MSEK (6.7) and for the full year 2025 72.4 MSEK (13.0), driven by restructuring costs and IPO-related costs.

Operating profit

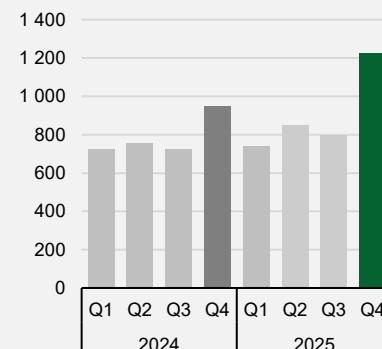
The operating profit for the quarter was 36.6 MSEK (36.6 MSEK). For the full year 2025, operating profit was 15.5 MSEK (65.9 MSEK), due to higher non-recurring items related to the IPO process and lower profitability in specific subsidiaries.

Profit

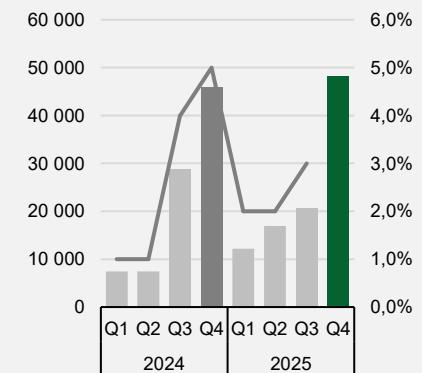
The profit for the quarter was 7.6 MSEK (44.7), a decrease of 37.1 MSEK from the same period last year. A deferred tax income was recognized on losses carried forward in the fourth quarter 2024, which has partly been reversed in the fourth quarter 2025.

For the full year 2025, profit was -23.1 MSEK (62.1). The decrease was mainly due to higher non-recurring items related to IPO process. There was also an increase in tax expense as deferred tax assets on losses carried forward were reversed in 2025.

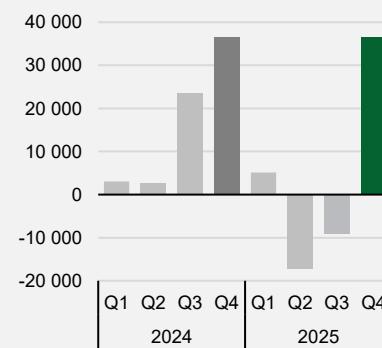
Revenue per quarter
MSEK



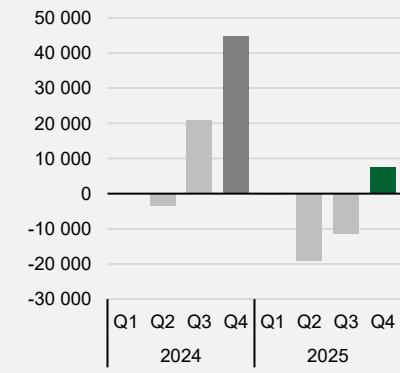
Adj. EBITA per quarter
kSEK/%



Operating profit per quarter
kSEK



Profit per quarter
kSEK



Financing and Cash Flow

Leverage

Leverage ratio, measured as Net debt divided by LTM Adjusted EBITDA, was -1.50x (-1.62), remaining stable and comfortably below the target of less than 2.5x. The improvement compared to last year was driven by stable underlying operating performance, lower net financial debt, and a solid contribution from working-capital optimisation during the fourth quarter. The Group's capital structure remains robust, providing financial flexibility to support ongoing operational initiatives and future investment needs.

Cash Flow

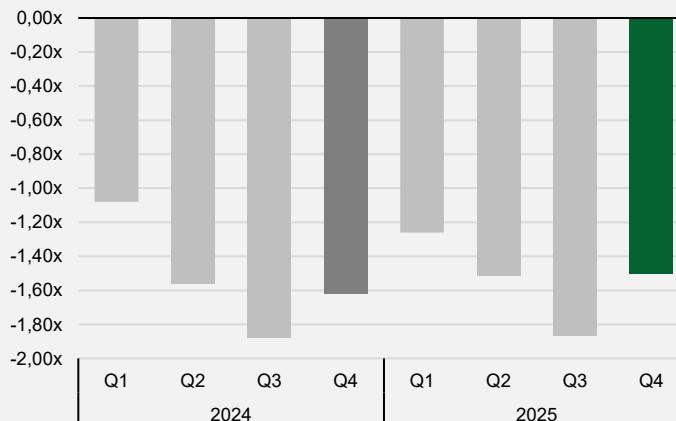
Operating cash flow after changes in working capital was strong in the fourth quarter, amounting to 201.1 MSEK (112.5). The increase was mainly driven by high operational activity in combination with solid earnings and strengthened operational cash management that allowed for a significant release in trade working capital and improved balance between contract assets and liabilities. For the full year, operating cash flow amounted to 213.9 MSEK (110.0), demonstrating consistent improvements in working-capital management across the Group

Cash flow from investing activities for the quarter amounted to 4.1 MSEK (-6.6), driven by lower capital expenditure. For the full year 2025, cash flow from investing activities amounted to -6.5 MSEK (-27.2), reflecting prudent capital allocation and fewer large equipment purchases.

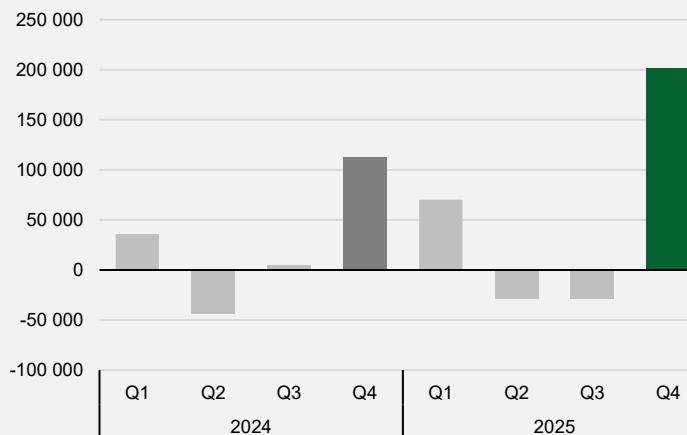
Cash flow from financing activities for the quarter amounted to -144.9 MSEK (-97.4), largely reflecting lease-related payments and reductions in bank liabilities. For the full year 2025, cash flow from financing activities amounted to -173.6 MSEK (-67.8), driven by scheduled lease payments and continued reduction of interest-bearing liabilities.



Leverage ratio per quarter



Cash flow from operating activities per quarter kSEK



Segment – Sweden

Revenue 788.7 MSEK (533.5)

The revenue increase was driven by strong activity in State and Municipality contracts and the completion of substantial amount of extra works toward the year-end. Terranor AB delivered robust volumes supported by favourable weather conditions, which extended the operating season and extra works to be completed.

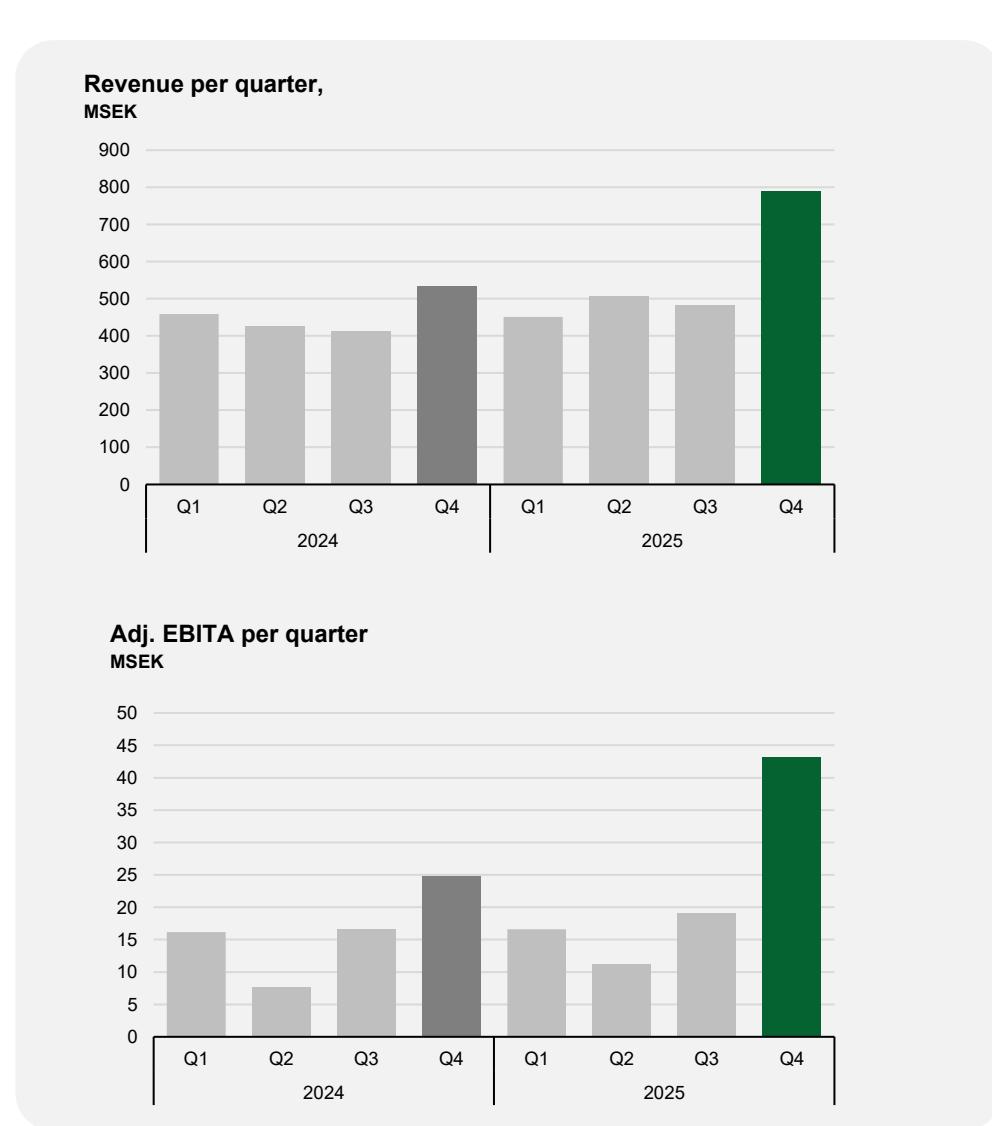
Year-on-year growth amounted to 22%, driven by strong performance in state and municipal contracts. Sweden remained the principal growth engine, supported by solid underlying margin performance in Terranor AB. Losses in Norvia and Infra were the main negative deviations; however, corrective actions have been implemented. A strong volume of additional works, particularly in Q4, helped offset the weaker performance in these subsidiaries.

Adjusted EBITA 43.2 MSEK (24.8)

Adjusted EBITA showed strong underlying performance, supported by robust activity in State and Municipality contracts and the continued momentum in Terranor AB. Terranor AB delivered solid margins throughout the quarter, confirming the strength of its contract portfolio and operational execution. Although Norvia and Infra continued to weigh on profitability, the positive contribution from the core operations in Sweden more than offset part of this impact.

Amounts in kSEK	Oct-Dec		
	2025	2024	%
Revenue	788 683	533 469	48%
Adjusted EBITA	43 189	24 823	74%
Adjusted EBITA margin	5%	5%	0 p.p.

Amounts in kSEK	Jan-Dec		
	2025	2024	%
Revenue	2 231 102	1 832 013	22%
Adjusted EBITA	89 842	65 322	38%
Adjusted EBITA margin	4%	4%	0 p.p.



Segment – Finland

Revenue 204.8 MSEK (205.8)

Revenue was in line with previous year, while operations continued to experience pressure from state contracts with high material-cost ratios and ceiling-price constraints. Increased volume in municipal agreements compensated for the lower volume of extra works. Full year revenue increased by 9% year-on-year. Finland continues to operate under pressure due to unfavourable long-term state-contract economics. Profitability deteriorated significantly year-on-year despite stable revenue, primarily due to risk provisions. Several restructuring initiatives were implemented in 2025.

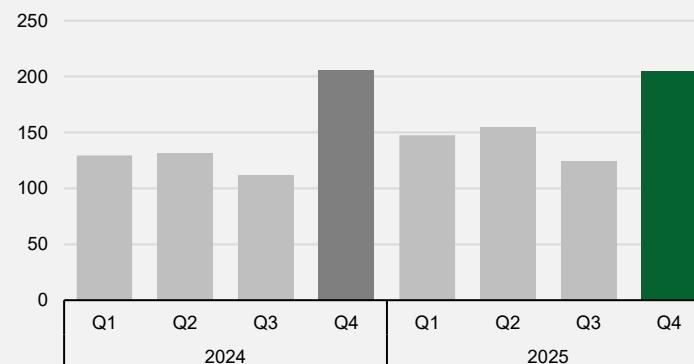
Adjusted EBITA 2.3 MSEK (7.7)

Adjusted EBITA decreased compared mainly due to lower profitability in extra works and risk reservations in state contracts, which led to weaker EBITA contribution year-on-year.

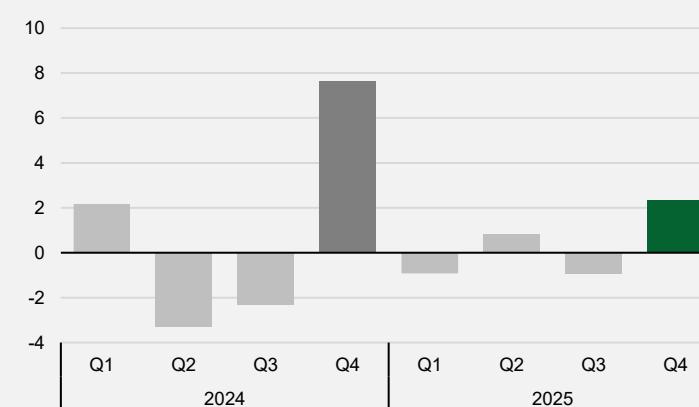
Amounts in kSEK	Oct-Dec		
	2025	2024	%
Revenue	204 827	205 786	-0%
Adjusted EBITA	2 325	7 650	-70%
Adjusted EBITA margin	1%	4%	-3 p.p.

Amounts in kSEK	Jan-Dec		
	2025	2024	%
Revenue	628 375	577 012	9%
Adjusted EBITA	1 316	4 220	-69%
Adjusted EBITA margin	0%	1%	-1 p.p.

Revenue per quarter,
MSEK



Adj. EBITA per quarter
MSEK



Segment – Denmark

Revenue 230.4 MSEK (208.6)

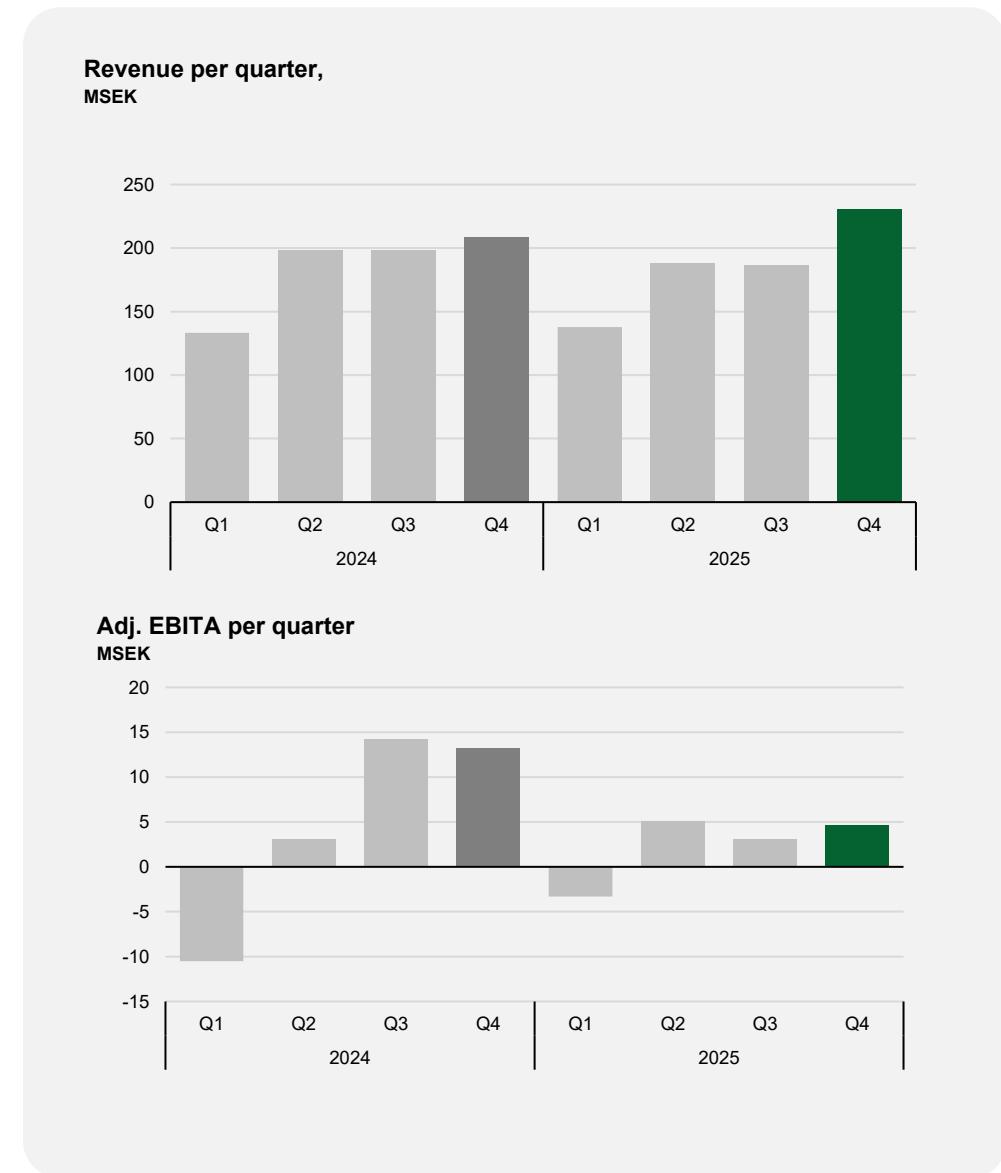
Revenue increased during the quarter, supported by strong activity in sweeping operations, municipality contracts, and year-end volumes related to closing of state contracts. Year-on-year growth was 1%. Denmark delivered stable operational execution, with solid revenue but weaker profitability due to lower margins on ending state contracts and limited volumes of additional works towards year-end 2025. Margin improvement is expected in 2026 as four new state contracts commence under improved conditions.

Adjusted EBITA 4.6 MSEK (13.2)

Adjusted EBITA decreased despite good activity levels and solid revenue performance toward year-end. While operations contributed to higher volumes, profitability was adversely affected by lower margins in ending state-contract due to lack of extra works. As a result, the segment delivered a lower Adjusted EBITA outcome compared to previous year, although operational execution remained stable and the underlying platform is stronger heading into 2026.

Amounts in kSEK	Oct-Dec		
	2025	2024	%
Revenue	230 352	208 588	10%
Adjusted EBITA	4 598	13 215	-65%
Adjusted EBITA margin	2%	6%	-4 p.p.

Amounts in kSEK	Jan-Dec		
	2025	2024	%
Revenue	743 145	737 902	1%
Adjusted EBITA	9 400	19 955	-53%
Adjusted EBITA margin	1%	3%	-2 p.p.



Other information

The Terranor Share

Terranor Group AB (publ)'s share has been listed on Nasdaq First North Premier segment since 30 June 2025. The stock is traded with the ticker or short name TERNOR. Terranor's Certified Adviser is DNB Carnegie Investment Bank AB. The closing price of the Terranor share on the last trading day in the period was SEK 28.40. Average number of outstanding shares for the quarter amounted to 20 000 000 (0) and for January–December to 15 125 000 (0).

Related Parties

The Group have had costs amounting to Mutares SE & Co. KGaA ("Mutares") of 0.6 MSEK (3.3). The Group has purchased services from Mutares in the form of management fees and other advisory services. There have not been any transactions with related parties.

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 682 (611) employees, out of which 139 are women and 543 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.

In Finland, Terranor continues to face material ceiling price risk in several long-term state contracts. Contract period is five years and Terranor currently has affected contracts that expires 2026 to 2029 with a majority of contracts expiring 2027 and 2028. Contracts include pricing mechanisms with a ceiling that due to various conditions and mechanisms will fluctuate over the contract period. If cost is still exceeding the specific ceiling at the time of contract expiration, then this needs to be reimbursed by Terranor.

As cost inflation and higher prices have persisted, several contracts have already significantly surpassed the approved ceiling price level. If Terranor can't compensate for this it represents a significant financial risk, as further cost increases could negatively impact revenue recognition and profitability and potentially eradicate the equity of Terranor Oy. Terranor has several mitigating actions ongoing, including a legal claim towards the clients regarding demands for additional compensation that substantially supersedes the risk mentioned above.

The recognition of these contracts in this report has been carried out in accordance with Note 2 – Accounting Principles, which outlines the estimates and assumptions impacting the reported revenue amounts. The current period's reporting

reflects the required assessments under the Group's accounting principles, including timing and measurement of revenue associated with these contracts. Due to the complexity of these contracts, there is potential for varying interpretations, which may affect the timing and measurement of revenue recognition.

Connected to the above, Terranor Finland is involved in an ongoing legal dispute related to the interpretation and execution of contractual terms, primarily concerning how ceiling prices should be calculated for example in the case of unforeseen events as the war in Ukraine. While the dispute remains unresolved, it has the potential to introduce financial and operational uncertainty depending on the final outcome.

Together, the ceiling price exposure and the pending legal dispute represent significant risk factors for the Finnish operations and the potential range of impact remains broad reflecting uncertainties tied to future cost developments, the resolution of the pending dispute, and potential changes in the interpretation of contract terms. Terranor continues to scope this exposure through scenario modelling, sensitivity analyses, and ongoing contract level reviews to capture both short term and multi year downside risks. Management continues to monitor the situation closely and has taken steps to strengthen internal processes, improve contract governance, and ensure compliance with regulatory and contractual frameworks.

As clarity emerges, the Group will reassess the magnitude and duration of the exposure and will reflect any required adjustments in subsequent reporting periods in accordance with the established accounting principles.

Profitability Pressure: The Group has experienced declining profitability among certain subsidiaries in Sweden. This trend may continue if restructuring efforts do not yield expected results.

Restructuring Risks: Finland and Terranor Norvia AB in Sweden are undergoing restructuring. These changes aim to reduce overhead and improve profitability but may involve transitional inefficiencies or reputational impact.

Financial statements

Condensed consolidated income statement

Amounts in kSEK	Note	Oct-Dec		Jan-Dec	
		2025	2024	2025	2024
Revenue	5	1 223 216	947 180	3 602 622	3 146 928
Other operating income		2 133	582	7 461	5 965
Raw materials and consumables used		-888 886	-674 365	-2 528 206	-2 259 514
Personnel expenses		-172 964	-148 602	-627 788	-517 531
Depreciation, amortization, and impairment		-48 217	-36 376	-161 180	-126 007
Other operating expenses		-78 723	-51 829	-277 428	-183 904
Operating profit (EBIT)		36 558	36 591	15 481	65 936
Finance income	20	91	199	322	
Finance costs		-7 493	-7 106	-21 272	-19 002
Profit before tax		29 085	29 576	-5 592	47 256
Income tax expense		-21 468	15 138	-17 539	14 797
Profit for the period		7 617	44 714	-23 130	62 053

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

Earnings per share

Earnings per share before and after dilution (SEK)

0.38 2.24 -1.16 3.10

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

Condensed consolidated statement of comprehensive income

Amounts in kSEK	Note	Oct-Dec		Jan-Dec	
		2025	2024	2025	2024
Profit for the period		7 617	44 714	-23 130	62 053
Other comprehensive income					
Items that will be reclassified to profit or loss (net of tax)					
<i>Translation difference</i>		-1 544	1 131	-5 191	2 819
<i>income for the period, net of tax</i>		-1 544	1 131	-5 191	2 819
Comprehensive income for the period, net of tax		6 073	45 845	-28 321	64 872
The profit for the period is entirely attributable to the parent company's shareholders					

Condensed consolidated balance sheet

Amounts in kSEK	Note	31 Dec		Amounts in kSEK	31 Dec			
		2025	2024		2025	2024		
ASSETS								
Non-current assets								
Goodwill		18 626	18 626	Share capital	20 000	50		
Intangible assets		18 827	30 539	Other contributed capital	47 900	67 400		
Property, plant and equipment		105 441	117 538	Reserves	4 986	10 177		
Right-of-use assets		393 552	288 166	Retained earnings including profit for the year	115 498	138 578		
Deferred tax assets		11 711	20 620	Equity attributable to shareholders of the parent company	188 384	216 206		
Other non-current financial assets		4 167	12 278					
Total non-current assets		552 324	487 768	Total equity	188 384	216 206		
Current assets								
Inventories		30 613	21 380	Non-current liabilities				
Trade receivables		407 068	369 393	Liabilities to credit institutions	15 561	20 685		
Other current receivables		246 116	166 161	Lease liabilities	270 589	189 302		
Cash and cash equivalents		76 734	45 292	Deferred tax liabilities	10 855	6 383		
Total current assets		760 530	602 226	Other non-current liabilities	7 020	5 494		
TOTAL ASSETS		1 312 853	1 089 994	Total non-current liabilities	304 025	221 863		
Current liabilities								
Liabilities to credit institutions				Liabilities to credit institutions	32 801	61 544		
Accounts payables				Accounts payables	338 560	232 328		
Income tax payable				Income tax payable	5 806	21 953		
Lease liabilities				Lease liabilities	131 024	105 668		
Other current liabilities				Other current liabilities	273 018	211 280		
Accrued expenses and prepaid income				Accrued expenses and prepaid income	38 482	18 399		
Provisions				Provisions	754	754		
Total current liabilities				Total current liabilities	820 444	651 925		
TOTAL EQUITY AND LIABILITIES								
					1 312 853	1 089 994		

Condensed consolidated statement of changes in equity

Amounts in kSEK	Equity attributable to shareholders of the parent company				Total equity
	Share capital	Other contributed capital	Reserves	Retained earnings including profit for the period	
Opening balance 2025-10-01	20 000	47 900	6 530	107 882	182 312
Profit for the period	-	-	-	7 617	7 617
Other comprehensive income for the period	-	-	-1 544	-	-1 544
Total comprehensive income	-	-	-1 544	7 617	6 073
<i>Transactions with shareholders</i>					
Dividend	-	-	-	-	-
Total	-	-	-	-	-
Closing balance 2025-12-31	20 000	47 900	4 986	115 498	188 384
Opening balance 2024-10-01	50	67 400	9 046	93 865	170 360
Profit for the period	-	-	-	44 714	44 714
Other comprehensive income for the period	-	-	1 131	-	1 131
Total comprehensive income	-	-	1 131	44 714	45 845
<i>Transactions with shareholders</i>					
Dividend	-	-	-	-	-
Total	-	-	-	-	-
Closing balance 2024-12-31	50	67 400	10 177	138 578	216 206

Amounts in kSEK	Equity attributable to shareholders of the parent company				Total equity
	Share capital	Other contributed capital	Reserves	Retained earnings including profit for the period	
Opening balance 2025-01-01	50	67 400	10 177	138 578	216 206
Reclassification	19 950	-19 500	-	50	500
Profit for the period	-	-	-	-23 130	-23 130
Other comprehensive income for the period	-	-	-5 191	-	-5 191
Total comprehensive income	-	-	-5 191	-23 130	-28 321
<i>Transactions with shareholders</i>					
Dividend	-	-	-	-	-
Total	-	-	-	-	-
Closing balance 2025-12-31	20 000	47 900	4 986	115 498	188 384
Opening balance 2024-01-01	50	67 400	7 359	76 525	151 334
Profit for the period	-	-	-	62 053	62 053
Other comprehensive income for the period	-	-	2 819	-	2 819
Total comprehensive income	-	-	2 819	62 053	64 872
<i>Transactions with shareholders</i>					
Dividend	-	-	-	-	-
Total	-	-	-	-	-
Closing balance 2024-12-31	50	67 400	10 177	138 578	216 206

Condensed consolidated statement of cash flow statement

Amounts in kSEK	Oct-Dec		Jan-Dec		Amounts in kSEK	Oct-Dec		Jan-Dec	
	2025	2024	2025	2024		2025	2024	2025	2024
Operating activities									
Operating profit (EBIT)	36 558	36 591	15 481	65 936	Purchase of intangible assets	-	-	-	-
Adjustment for items not included in cash flow	166 741	126 516	178 553	113 881	Purchase of property, plant and equipment	4 055	-18 020	-6 535	-22 185
Interest received	20	91	199	322	Proceeds from financial assets	-	11 409	-	-
Interest paid	-2 768	-4 050	-7 190	-8 443	Acquisition of subsidiaries	-	-0	-	-5 000
Income tax paid	-5 705	-3 884	-29 146	-12 564	Cash flow from investing activities	4 055	-6 611	-6 535	-27 185
Cash flow from operating activities before changes in working capital	194 846	155 264	157 898	159 132	Financing activities				
Cash flow from changes in working capital									
Change in inventories	1 563	-2 128	-9 932	5 354	Repayment of borrowings	-99 609	-66 195	-33 011	35 035
Change in operating receivables	-108 270	-83 693	-45 184	39 117	Payment of principal portion of lease liabilities	-40 558	-28 112	-127 011	-92 247
Changes in operating payables	112 920	43 034	111 077	-93 611	Payment of interest for the lease liabilities	-4 725	-3 055	-14 082	-10 559
Change in working capital	6 213	-42 788	55 961	-49 140	New share issue	-	-	500	-
Cash flow from operating activities	201 059	112 476	213 859	109 992	Cash flow from financing activities	-144 892	-97 363	-173 603	-67 771
Cash flow for the period									
Cash and cash equivalents at the beginning of the period					60 222	8 502	33 720	15 035	
Exchange differences					17 779	36 622	45 292	29 334	
Cash and cash equivalents at the end of period					-1 267	168	-2 278	924	
					76 734	45 292	76 734	45 292	

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

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 16-21, 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.

Oct-Dec 2025	Sweden	Finland	Denmark	Total segments	Group functions	Eliminations	Group total
Revenue from external customers	788 683	204 180	230 352	1 223 216	-	-	1 223 216
Inter-segment revenue	-	647	-	647	-	-647	-
Total revenue	788 683	204 827	230 352	1 223 863	-	-647	1 223 216
Other operating income	3 249	89	-	3 338	-	-1 205	2 133
Raw materials and consumables used	-579 555	-170 466	-138 865	-888 886	-	-	-888 886
Personnel expenses	-100 064	-18 882	-54 018	-172 964	-	-	-172 964
Depreciation and impairment of property, plant and equipment and right-of-use assets	-24 730	-6 638	-14 321	-45 689	-	-	-45 689
Other operating expenses	-50 610	-7 619	-20 485	-78 713	-1 861	1 851	-78 723
EBITA	36 973	1 312	2 664	40 949	-1 861	-1	39 086
Items affecting comparability	6 216	1 013	1 934	9 163	-	-	9 163
Adjusted EBITA	43 189	2 325	4 598	50 112	-1 861	-1	48 249
<i>1. Specification of items affecting comparability</i>							
Restructuring costs and other items affecting comparability	6 216	1 013	1 934	9 163	-	-	9 163
Total items affecting comparability	6 216	1 013	1 934	9 163	-	-	9 163

Note 4 Operating segments (cont.)

Oct-Dec 2024	Sweden	Finland	Denmark	Total segments	Group functions	Eliminations	Group total
Revenue from external customers	533 469	205 123	208 588	947 180	-	-	947 180
Inter-segment revenue	-	663	-	663	-	-663	-
Total revenue	533 469	205 786	208 588	947 843	-	-663	947 180
Other operating income	2 368	-	1	2 369	-	-1 787	582
Raw materials and consumables used	-391 070	-168 273	-115 021	-674 364	-	-	-674 364
Personnel expenses	-75 679	-16 560	-56 364	-148 603	-	-	-148 603
Depreciation and impairment of property, plant and equipment and right-of-use assets	-18 060	-4 589	-11 071	-33 720	-	-	-33 720
Other operating expenses	-29 726	-10 816	-13 954	-54 496	-	2 667	-51 829
EBITA	21 302	5 548	12 179	39 029	-	217	39 246
Items affecting comparability	3 522	2 102	1 035	6 659	-	-	6 659
Adjusted EBITA	24 824	7 650	13 214	45 688	-	217	45 905
<i>1. Specification of items affecting comparability</i>							
Restructuring costs and other items affecting comparability	3 522	2 102	1 035	6 659	-	-	6 659
Total items affecting comparability	3 522	2 102	1 035	6 659	-	-	6 659

	Oct-Dec	
	2025	2024
Adjusted EBITA	48 249	45 905
Amortization of intangible assets	-2 528	-2 656
Items affecting comparability	-9 163	-6 659
Financial income	20	91
Financial costs	-7 493	-7 106
Result before tax	29 085	29 576

Note 4 Operating segments (cont.)

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

Note 4 Operating segments (cont.)

Jan-Dec 2024	Sweden	Finland	Denmark	Total segments	Group functions	Eliminations	Group total
Revenue from external customers	1 832 013	577 012	737 902	3 146 928	-	-	3 146 928
Inter-segment revenue	-	1 113	-	1 113	-	-1 113	-
Total revenue	1 832 013	578 125	737 902	3 148 041	-	-1 113	3 146 928
Other operating income	10 048	-	617	10 665	-	-4 700	5 965
Raw materials and consumables used	-1 389 806	-474 613	-395 095	-2 259 514	-	-	-2 259 514
Personnel expenses	-241 234	-56 318	-219 979	-517 531	-	-	-517 531
Depreciation and impairment of property, plant and equipment and right-of-use assets	-58 559	-13 643	-43 242	-115 445	-	-	-115 445
Other operating expenses	-96 461	-31 500	-61 758	-189 720	-	5 816	-183 904
EBITA	56 000	2 050	18 445	76 497	-	3	76 499
Items affecting comparability	9 322	2 169	1 510	13 001	-	-	13 001
Adjusted EBITA	65 322	4 220	19 955	89 497	-	3	89 500
<i>1. Specification of items affecting comparability</i>							
Restructuring costs and other items affecting comparability	9 322	2 169	1 510	13 001	-	-	13 001
Total items affecting comparability	9 322	2 169	1 510	13 001	-	-	13 001

	Jan-Dec	
	2025	2024
Adjusted EBITA	98 087	89 500
Amortization of intangible assets	-10 222	-10 563
Items affecting comparability	-72 384	-13 001
Financial income	199	322
Financial costs	-21 272	-19 002
Result before tax	-5 592	47 256

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.

Oct-Dec 2025	Sweden	Finland	Denmark	Group total
By type of customer				
State	588 508	169 712	108 406	866 627
Municipalities	108 482	27 229	76 870	212 582
Private sector	91 692	7 239	45 076	144 007
Total revenue	788 683	204 180	230 352	1 223 216
Oct-Dec 2024	Sweden	Finland	Denmark	Group total
By type of customer				
State	363 213	177 147	117 204	657 564
Municipalities	101 128	17 833	34 210	153 171
Private sector	69 127	10 143	57 174	136 444
Total revenue	533 469	205 123	208 588	947 180
Jan-Dec 2025	Sweden	Finland	Denmark	Group total
By type of customer				
State	1 578 865	542 777	375 946	2 497 589
Municipalities	347 164	56 427	196 241	599 833
Private sector	305 071	29 171	170 957	505 199
Total revenue	2 231 102	628 375	743 145	3 602 622
Jan-Dec 2024	Sweden	Finland	Denmark	Group total
By type of customer				
State	1 280 806	514 314	427 194	2 222 314
Municipalities	287 275	34 238	128 487	450 000
Private sector	263 933	28 461	182 222	474 616
Total revenue	1 832 013	577 012	737 902	3 146 928

Note 6 Financial instruments

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

Note 7 Transactions with related parties

The Group had 0.6 MSEK (3.3) of costs related to Mutares. The Group has purchased services from Mutares in the form of management fees and other advisory services. No transactions have taken place with the members of the Board.

	Oct-Dec	
	2025	2024
Mutares SE & Co.KGaA		
Purchases of goods and services	599	3 312
Interest costs	-	355
Total liabilities at end of period	-	3 243
	Oct-Dec	
	2025	2024
Asteri Facility Solutions AB		
Purchases of goods and services	-	421
Total liabilities at end of period	-	-
	Jan-Dec	
	2025	2024
Mutares SE & Co.KGaA		
Purchases of goods and services	8 968	14 647
Interest costs	-	1 765
Total liabilities at end of period	-	3 243
	Jan-Dec	
	2025	2024
Asteri Facility Solutions AB		
Purchases of goods and services	-	-
Total liabilities at end of period	-	-

Note 8 Significant events after the reporting date

In January 2026, Terranor AB won a contract for road maintenance in Stockholm worth MSEK 33 over two years, a public tender with Skellefteå Municipality worth MSEK 224 over four years and two municipality contracts in Helsingborg worth MSEK 105 over three years. In February 2026, Terranor AB won a collaboration agreement in two phases for road maintenance in Sundsvall with an estimated value of MSEK 540 over six years.

Income statement, parent company

Amounts in kSEK	Note	Oct-Dec		Mar-Dec	
		2025	2024	2025	2024
Revenue		-	-	-	-
Other operating expenses		-1 861	-	-4 221	-
Operating profit (EBIT)		-1 861	-	-4 221	-
Finance income		-	-	-	-
Finance costs		-	-	-	-
Result after financial items		-1 861	-	-4 221	-
Income tax expense		383	-	869	-
Profit for the period		-1 478	-	-3 351	-

The profit for the period corresponds to the total comprehensive income for the period.

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

Balance sheet, parent company

Amounts in kSEK	Note	31 Dec		
		2025	2024	
ASSETS				
Non-current assets				
Deferred tax assets		869	-	
Shares in subsidiaries		156 480	-	
Total non-current assets		157 349	-	
Current assets				
Other current assets		674	-	
Cash and cash equivalents		275	-	
Total current assets		949	-	
TOTAL ASSETS		158 297	-	

Amounts in kSEK	31 Dec	
	2025	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		-3 351
Total unrestricted equity		133 629
Total equity		153 629
Current liabilities		
Accounts payable		221
Other current liabilities intercompany		4 000
Other current non-financial liabilities		447
Total current liabilities		4 668
TOTAL EQUITY AND LIABILITIES		158 297

Statement of changes in equity, parent company

Amounts in kSEK	Equity attributable to shareholders of the parent company				
	Restricted equity		Unrestricted equity		
	Share capital	Share premium	Retained earnings including profit for the period	Total equity	
Opening balance 2025-10-01	20 000	136 980	-1 873	155 107	
Profit/ loss for the period	-	-	-1 478	-1 478	
Other comprehensive income	-	-	-	-	
Total comprehensive income	-	-	-1 478	-1 478	
<i>Transactions with shareholders</i>					
New share issue	-	-	-	-	
Total	-	-	-	-	
Closing balance 2025-12-31	20 000	136 980	-3 351	153 629	

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

Condensed statement of cash flow statement, parent company

Amounts in kSEK	Oct-Dec		Mar-Dec	
	2025	2024	2025	2024
Current operations				
Operating profit (EBIT)	-1 861	-	-4 221	-
Adjustment for items not included in cash flow	915	-	-226	-
Interest received	-	-	-	-
Interest paid	-	-	-	-
Income tax paid	-	-	-	-
Cash flow from operating activities before changes in working capital	-947	-	-4 447	-
Cash flow from changes in working capital				
Changes in operating receivables	915	-	-	-
Changes in operating payables	-247	-	221	-
Changes in working capital	-247	-	221	-
Cash flow from operating activities	-1 194	-	-4 226	-

Amounts in kSEK	Oct-Dec		Mar-Dec	
	2025	2024	2025	2024
Investing activities				
Acquisition of subsidiaries	-	-	-	-
Cash flow from investing activities				
Financing activities				
Increase in borrow ings			4 000	
New share issue	-	-	500	-
Cash flow from financing activities	-	-	4 500	-
Cash flow for the period	-1 194	-	275	-
Cash and cash equivalents at the beginning of the period	1 467	-	-	-
Cash and cash equivalents at the end of the period	275	-	275	-

Alternative performance measures

APMs	Unit	Q1 24	Q2 24	Q3 24	Q4 24	Q1 25	Q2 25	Q3 25	Q4 25
Revenue growth (%)	%	16%	17%	16%	9%	2%	12%	10%	29%
EBITDA	kSEK	31 231	31 295	56 451	72 967	42 080	20 483	29 323	84 775
EBITDA margin (%)	%	4%	4%	8%	8%	6%	2%	4%	7%
Adjusted EBITDA	kSEK	33 020	33 299	59 000	79 626	46 562	52 034	56 511	93 938
Adjusted EBITDA margin (%)	%	5%	4%	8%	8%	6%	6%	7%	8%
EBITA	kSEK	5 628	5 417	26 206	39 247	7 728	-14 619	-6 492	39 086
EBITA margin (%)	%	1%	1%	4%	4%	1%	-2%	-1%	3%
Adjusted EBITA	kSEK	7 418	7 422	28 755	45 906	12 210	16 931	20 696	48 249
Adjusted EBITA margin (%)	%	1%	1%	4%	5%	2%	2%	3%	4%
EBIT	kSEK	3 021	2 762	23 561	36 591	5 133	-17 150	-9 060	36 558
EBIT margin (%)	%	0%	0%	3%	4%	1%	-2%	-1%	3%
Adjusted EBIT	kSEK	4 811	4 766	26 110	43 250	9 615	14 401	18 128	45 721
Adjusted EBIT margin (%)	%	1%	1%	4%	5%	1%	2%	2%	4%
Items affecting comparability (IAC)	kSEK	1 789	2 004	2 549	6 659	4 482	31 551	27 188	9 163
Net cash/ Net debt	kSEK	-187 879	-246 955	-349 705	-331 907	-275 465	-357 409	-437 676	-373 240
Net debt/LTM adjusted EBITDA	x	-1.08	-1.56	-1.88	-1.62	-1.26	-1.51	-1.86	-1.50
Net working capital	kSEK	28 884	86 001	148 881	85 553	42 058	84 946	137 798	25 292
Net working capital/LTM revenue %	%	1%	3%	5%	3%	1%	3%	4%	1%
Capital expenditures	kSEK	542	-889	-3 564	-18 020	-3 873	-4 537	-2 180	4 055
Adjusted operating cash flow	kSEK	57 161	-24 710	-7 444	124 934	86 184	4 608	1 480	210 499
Cash conversion (%)	%	173%	-74%	-13%	157%	185%	9%	3%	224%
Capital employed	kSEK	583 477	563 539	690 235	776 566	675 509	734 000	823 400	939 466
Return on capital employed (%)	%	1%	1%	5%	7%	2%	2%	3%	6%
Return on equity (%)	%	0%	-2%	13%	27%	0%	-10%	-6%	4%
Net debt/Equity (%)	%	-122%	-165%	-205%	-154%	-131%	-184%	-241%	-198%
Order intake	kSEK	844 952	790 002	5 094	39 981	1 239 414	952 956	209 214	399 147

Calculation formulas for financial performance

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

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

Reconciliations of APMs

Reconciliation of APMs	Unit	Q1 24	Q2 24	Q3 24	Q4 24	Q1 25	Q2 25	Q3 25	Q4 25
Revenue growth (%)									
Revenue current period	kSEK	721 264	755 795	722 689	947 180	736 012	848 969	794 425	1 223 216
Revenue last period	kSEK	621 698	645 204	620 890	870 222	721 264	755 795	722 689	947 180
Revenue growth (%)	%	16%	17%	16%	9%	2%	12%	10%	29%
EBITDA									
Operating profit (EBIT)	kSEK	3 021	2 762	23 561	36 591	5 133	-17 150	-9 060	36 558
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	38 383	48 217
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	29 323	84 775
EBITDA margin, %									
EBITDA	kSEK	31 231	31 295	56 451	72 967	42 080	20 483	29 323	84 775
Revenue	kSEK	721 264	755 795	722 689	947 180	736 012	848 969	794 425	1 223 216
EBITDA margin, %	%	4%	4%	8%	8%	6%	2%	4%	7%
Adjusted EBITDA									
EBITDA	kSEK	31 231	31 295	56 451	72 967	42 080	20 483	29 323	84 775
Items affecting comparability	kSEK	1 789	2 004	2 549	6 659	4 482	31 551	27 188	9 163
Adjusted EBITDA	kSEK	33 020	33 299	59 000	79 626	46 562	52 034	56 511	93 938
Adjusted EBITDA margin, %									
Adjusted EBITDA	kSEK	33 020	33 299	59 000	79 626	46 562	52 034	56 511	93 938
Revenue	kSEK	721 264	755 795	722 689	947 180	736 012	848 969	794 425	1 223 216
Adjusted EBITDA margin, %	%	5%	4%	8%	8%	6%	6%	7%	8%
EBITA									
Operating profit (EBIT)	kSEK	3 021	2 762	23 561	36 591	5 133	-17 150	-9 060	36 558
Amortization of intangible assets	kSEK	2 607	2 655	2 645	2 656	2 595	2 531	2 568	2 528
Impairment of intangible assets	kSEK	-	-	-	-	-	-	-	-
EBITA	kSEK	5 628	5 417	26 206	39 247	7 728	-14 619	-6 492	39 086

Reconciliation of APMs	Unit	Q1 24	Q2 24	Q3 24	Q4 24	Q1 25	Q2 25	Q3 25	Q4 25
EBITA margin, %									
EBITA	kSEK	5 628	5 417	26 206	39 247	7 728	-14 619	-6 492	39 086
Revenue	kSEK	721 264	755 795	722 689	947 180	736 012	848 969	794 425	1 223 216
EBITA margin, %	%	1%	1%	4%	4%	1%	-2%	-1%	3%
Adjusted EBITA									
EBITA	kSEK	5 628	5 417	26 206	39 247	7 728	-14 619	-6 492	39 086
Items affecting comparability	kSEK	1 789	2 004	2 549	6 659	4 482	31 551	27 188	9 163
Adjusted EBITA	kSEK	7 418	7 422	28 755	45 906	12 210	16 931	20 696	48 249
Adjusted EBITA margin, %									
Adjusted EBITA	kSEK	7 418	7 422	28 755	45 906	12 210	16 931	20 696	48 249
Revenue	kSEK	721 264	755 795	722 689	947 180	736 012	848 969	794 425	1 223 216
Adjusted EBITA margin, %	%	1%	1%	4%	5%	2%	2%	3%	4%
EBIT									
Profit for the period	kSEK	-1	-3 478	20 819	44 714	-246	-19 079	-11 422	7 617
Income taxes	kSEK	-195	2 687	-2 151	-15 138	1 317	-2 445	-2 802	21 468
Finance cost	kSEK	3 225	3 553	5 118	7 106	4 159	4 401	5 219	7 493
Finance income	kSEK	-8	0	-224	-91	-96	-27	-55	-20
EBIT	kSEK	3 021	2 762	23 561	36 591	5 133	-17 150	-9 060	36 558
EBIT margin, %									
EBIT	kSEK	3 021	2 762	23 561	36 591	5 133	-17 150	-9 060	36 558
Revenue	kSEK	721 264	755 795	722 689	947 180	736 012	848 969	794 425	1 223 216
EBIT margin, %	%	0%	0%	3%	4%	1%	-2%	-1%	3%
Adjusted EBIT									
EBIT	kSEK	3 021	2 762	23 561	36 591	5 133	-17 150	-9 060	36 558
Items affecting comparability	kSEK	1 789	2 004	2 549	6 659	4 482	31 551	27 188	9 163
Adjusted EBIT	kSEK	4 811	4 766	26 110	43 250	9 615	14 401	18 128	45 721

Reconciliation of APMs	Unit	Q1 24	Q2 24	Q3 24	Q4 24	Q1 25	Q2 25	Q3 25	Q4 25
Adjusted EBIT margin, %									
Adjusted EBIT	kSEK	4 811	4 766	26 110	43 250	9 615	14 401	18 128	45 721
Revenue	kSEK	721 264	755 795	722 689	947 180	736 012	848 969	794 425	1 223 216
Adjusted EBIT margin, %	%	1%	1%	4%	5%	1%	2%	2%	4%
Items affecting comparability									
Restructuring costs and one-off expenses	kSEK	1 789	2 004	2 549	6 659	4 482	31 551	27 188	9 163
Items affecting comparability	kSEK	1 789	2 004	2 549	6 659	4 482	31 551	27 188	9 163
Net cash (+)/ Net debt (-)									
Non-current liabilities to credit institutions	kSEK	-	-	6 177	20 685	20 411	20 308	16 091	15 561
Current liabilities to credit institutions	kSEK	13 149	44 197	104 101	61 544	42 545	69 365	132 196	32 801
Non-current Lease liabilities	kSEK	151 035	147 990	158 252	189 302	172 331	187 785	199 861	270 589
Current Lease liabilities	kSEK	77 693	79 597	90 175	105 668	100 769	102 749	107 306	131 024
Less: Cash and cash equivalents	kSEK	-53 998	-24 829	-9 000	-45 292	-60 590	-22 797	-17 779	-76 734
Net cash (+)/ Net debt (-)	kSEK	-187 879	-246 955	-349 705	-331 907	-275 465	-357 409	-437 676	-373 240
Net debt/LTM Adjusted EBITDA									
Net debt	kSEK	-187 879	-246 955	-349 705	-331 907	-275 465	-357 409	-437 676	-373 240
LTM Adjusted EBITDA	kSEK	174 706	158 023	185 853	204 945	218 487	237 221	234 732	249 045
Net debt/LTM Adjusted EBITDA	x	-1.08	-1.56	-1.88	-1.62	-1.26	-1.51	-1.86	-1.50
Net working capital									
Current assets	kSEK	521 588	554 236	595 234	602 226	545 954	621 204	678 863	760 530
Less: Cash and cash equivalents	kSEK	-53 998	-24 829	-9 000	-45 292	-60 590	-22 797	-17 779	-76 734
Less: Income tax receivable	kSEK	-1 438	-5 809	-8 376	-9 375	-10 537	-15 005	-18 382	-20 444
Current liabilities	kSEK	-529 720	-562 977	-630 411	-651 925	-583 009	-677 607	-752 073	-820 444
Less: Income tax payable	kSEK	1 609	1 586	7 159	21 953	6 172	6 284	6 162	5 806
Less: Current liabilities to credit institutions	kSEK	13 149	44 197	104 101	61 544	42 545	69 365	132 196	32 801
Less: Current lease liabilities	kSEK	77 693	79 597	90 175	105 668	100 769	102 749	107 306	131 024
Less: Current provisions	kSEK	-	-	-	754	754	754	1 504	12 754
Net working capital	kSEK	28 884	86 001	148 881	85 553	42 058	84 946	137 798	25 292
Net working capital/LTM revenue %									
Net working capital	kSEK	28 884	86 001	148 881	85 553	42 058	84 946	137 798	25 292
LTM revenue	kSEK	2 857 581	2 968 172	3 069 970	3 146 928	3 161 676	3 254 849	3 326 585	3 602 622
Net working capital/LTM revenue %	%	1%	3%	5%	3%	1%	3%	4%	1%

Reconciliation of APMs	Unit	Q1 24	Q2 24	Q3 24	Q4 24	Q1 25	Q2 25	Q3 25	Q4 25
Capital expenditures									
Investments in property, plant and equipment	kSEK	291	-891	-3 565	-18 020	-3 873	-4 537	-2 180	4 055
Investments in intangible assets	kSEK	251	2	0	0	0	0	0	0
Capital expenditures	kSEK	542	-889	-3 564	-18 020	-3 873	-4 537	-2 180	4 055
Adjusted operating cash flow									
Adjusted EBITDA	kSEK	33 020	33 299	59 000	79 626	46 562	52 034	56 511	93 938
Investments in property, plant and equipment	kSEK	291	-891	-3 565	-18 020	-3 873	-4 537	-2 180	4 055
Investments in intangible assets	kSEK	0	0	0	0	0	0	0	0
Changes in net working capital	kSEK	23 850	-57 118	-62 880	63 328	43 496	-42 889	-52 851	112 506
Adjusted operating cash flow	kSEK	57 161	-24 710	-7 444	124 934	86 184	4 608	1 480	210 499
Cash conversion %									
Adjusted operating cash flow	kSEK	57 161	-24 710	-7 444	124 934	86 184	4 608	1 480	210 499
Adjusted EBITDA	kSEK	33 020	33 299	59 000	79 626	46 562	52 034	56 511	93 938
Cash conversion %	%	173%	-74%	-13%	157%	185%	9%	3%	224%
Capital employed									
Total assets	kSEK	855 565	880 621	984 024	1 089 994	1 000 716	1 094 232	1 163 040	1 312 853
Less: Goodwill	kSEK	0	0	0	18 626	18 626	18 626	18 626	18 626
Less: Other intangible assets	kSEK	38 704	35 525	32 731	30 539	26 401	25 666	23 971	18 827
Less: Non-interest bearing liabilities	kSEK	219 523	268 398	248 505	257 880	270 443	306 582	288 282	325 080
Less: Deferred tax liabilities	kSEK	13 861	13 160	12 552	6 383	9 736	9 357	8 760	10 855
Capital employed	kSEK	583 477	563 539	690 235	776 566	675 509	734 000	823 400	939 466
Return on capital employed									
Adjusted EBITA	kSEK	7 418	7 422	28 755	45 906	12 210	16 931	20 696	48 249
Average capital employed	kSEK	571 896	599 012	624 676	656 284	657 865	687 970	739 942	789 788
Return on capital employed	%	1%	1%	5%	7%	2%	2%	3%	6%
Return on equity, %									
Profit for the period	kSEK	-1	-3 478	20 819	44 714	-246	-19 079	-11 422	7 617
Average equity	kSEK	151 208	153 662	156 451	168 426	180 296	188 225	194 606	198 210
Return on equity, %	%	0%	-2%	13%	27%	0%	-10%	-6%	4%
Net debt/Equity									
Net debt	kSEK	-187 879	-246 955	-349 705	-331 907	-275 465	-357 409	-437 676	-373 240
Equity	kSEK	154 323	149 909	170 360	216 206	210 680	193 971	181 812	188 384
Net debt/Equity, %	%	-122%	-165%	-205%	-154%	-131%	-184%	-241%	-198%

Terranor Group

The Board of Directors and the CEO 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, 17 February, 2026
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

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
Interim report for the period April – June 2026, Q2	25 August 2026

Contact

Inka Konturi
Investor relations
ir@terranor.se

The information is such that Terranor Group 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 above, on 17 February 2026 at 08.00 (CET).

Terranor's Certified Adviser is DNB Carnegie
Investment Bank AB.
www.dnbcarnegie.se

Björnstigen 85
170 73 Solna
Sweden
info@terranor.se

