



Tegniⁿ Year-End report

Q4: October – December 2025



The Q&A will be held Monday, February 16th at 08:08 CET.

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

Join by clicking [here](#).

Year-End Report 2025

TEQ Flash Year-End Report 2025

Grading time. We've moved from F to D- but the underlying business somehow feels stronger than that grade suggests. Profitability has climbed back to historical levels, which isn't much to write home about. The quarter's net sales are up 15% thanks to acquired companies and EBITA is up 92% boosted by reevaluated earnouts, while organic sales declined 7% and organic EBITA climbed up 60%. For the full year 2025 net sales are up 15% and EBITA is up 36% but organically net sales are down 5% and organic EBITA is down 10%. The quarter's EBITA margin is 10,5% (6,3%) and the margin for the full 2025 is 11,3% (9,6%). Free cash flow is back, up 95% for the quarter and 123% for the year. EPS has increased by 3%. We're on a path towards something better but still digging in the trenches.

- Johan Steene, CEO and founder

Events during the quarter

- Mentioned in Q3: Reward Catering liquidation procedure
- Mentioned in Q3: Goodwill impairment of 73 MSEK

Events after the quarter

- Nothing significant... just everyday grinding...

The Board proposes that no dividend be distributed for the financial year 2025, based on the assessment that Teqnion can generate greater returns by retaining the cash.

Teqnion financial development, MSEK	2025 Q4	2024 Q4	Δ%	2025 Full year	2024 Full year	Δ%
FCF excluding acquisitions	90,3	46,2	+95%	173,1	77,8	+123%
EPS (SEK)	2,67	0,74	+262%	5,74	5,58	+3%
Diluted EPS (SEK)	2,67	0,74	+262%	5,74	5,58	+3%
Profit for the period	45,9	12,7	+262%	98,5	95,8	+3%
Profit before taxes	49,3	18,4	+169%	135,3	118,5	+14%
EBITA	48,6	25,3	+92%	203,1	149,7	+36%
EBITA margin (%)	10,5%	6,3%	--	11,3%	9,6%	--
Net sales	463,6	403,7	+15%	1 800,0	1 567,0	+15%
Net debt / EBITDA R12*	--	--	--	1,6	1,3	--
RoE R12 (%)*	--	--	--	11,3	11,7	--

About Teqnion

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

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

Johan's thoughts

Hi Teqniåns,

We have a real winter with freezing temperatures and snow that stays on the ground. It's bright and crisp and for Teqni the final quarter delivered okay, and cash flow has bumped back. On the other side of the scale, we've been forced to get used to a world marked by horrific dark conflicts, aggression, and uncertainty. I've probably naively hoped that the turbulence was something temporary, a drawn-out parenthesis of unrest in an otherwise positive trajectory toward the future. I've endured it because I believed there was an end waiting. A clearly harmful mindset. Acceptance is better. This is how it is now. Don't focus on how you hope things will turn out later, do what's required to deal with the present. Since the present may last a very long time. The human animal has many flaws and is clearly irrational, but it is resilient. We will reach our goals.

Recap 2025

If you're new to this letter, you might wonder why I only give us a D- in the flash report, whilst showing an increase in EBITA of 92% for the quarter? I'll try to explain myself with a time-lapse from the year's reports (I get sick from repeating myself):

2024 Q4 report: *"F. That is our grade..." "Our real problem is profitability. The quarter's EBITA is down 42%..." "We are in the middle of fixing this, but it is a slow struggle."*

2025 Q1 report: *"...the reported earnings are driven by a strengthened Swedish krona...", "...temporary costs tied to major restructuring efforts are easier to bear when we know they're part of reshaping the business..." "...strengthened free cash flow in the quarter demonstrates the early effects of our ongoing actions..." "...our transformation journey isn't moving fast enough."*

2025 Q2 report: *"...the reported positive result is largely affected by reversed earn-outs which should be disregarded..."*

"We're tightening up how we work and introducing clearer performance metrics..." "Don't become a kākāpō."

2025 Q3 report: *"...the turnaround has been slow, but clear improvements are being shown..." "...because things suddenly are resolved, far from it..." "...we've also made a larger goodwill impairment..." "More work with more improvements is coming."*

And here we are. One year later. It's fair to say I may have sounded like a parrot (not a kākāpō). But the changes are real. They're structural, even if they're not fully efficient yet. The free cash flow tells the story, since it's more than doubled compared to last year. Operationally, the team has made Teqni significantly stronger. With the new platform now in place, we are better positioned to continue improving performance across the group. That's why we moved from an F to a D-.

Strength, growth, and selective improvement

Our new organization, as mentioned in previous reports, is now operational and our upgraded ways of working have continued to create positive momentum in the business. By fixing or removing underperformers and concentrating weight on performing and acquired companies, the trajectory of the group is much more appetizing today than six months ago, even though we still have plenty to repair and adjust. You'll find some numbers to emphasize this on page 9. Now that we have divided the group into two business areas, one in Sweden and one in the UK, these will be presented separately in our quarterly reports going forward. This will bring greater clarity for all Teqniåns. We have grown into a size where the benefits of this structure are very clear, with well-defined areas of responsibility and the right resources in the right place at the right time. This is the structure for a decentralized, acquisition-driven conglomerate in our size.



It is like the winter of 1986 but with a beard.

Those who need local support are allocated resources, and those of us who are meant to push forward can focus fully on that. Business is still done by people, and people need a sense of belonging, encouragement and hope. Happy people do more and do it better. Aim to make as many as possible happy while increasing output.

Happy buyers

When it comes to acquisition activity, it's business as usual. Acquisitions remain our absolute top priority for capital allocation. Daniel, who has provided extensive support to the operating businesses to help us get back on track more quickly, while at the same time pushing through nine acquisitions last year, is now being freed up in the new organization. This gives him greater scope to apply more creativity and focus to corporate acquisitions. And to reiterate how we view our growth path: on average, it's a handful of companies per year, where we aim to acquire businesses with strong cash-flow generation (our raw material), companies that are better than the companies we already own. Jonathan has hectic days, ensuring in between all the year-end closings that we have bank facilities and capital in place to give Daniel the piles of cash he needs to continue grazing on green pastures. It looks solid.

Inspired by history (The good parts only)

We have now established ways of working that create greater predictability across the group. Predictability within one's own organization is the right starting point when making strategic decisions. We find clear examples of this if we read a bit of military history. There we also learn that the greatest deeds have been achieved when officers were appointed based on skill rather than on the surname they carried. Victories come when tasks can be solved without detailed instructions on exactly how to solve them. Daniel has watched the Hollywood film Napoleon and has found a new role model. There's a lot of fun in that... and quite a bit of nonsense. I do buy into Napoleon's "One must change one's tactics every ten years if one wishes to maintain one's superiority" and "Victory belongs to the most persevering".

Stubbornness is a superpower in the right doses though Napoleon perhaps had a bag too much of it. Don't do Russia in winter. In our time, the interval implied by the first quote has become much shorter, but to build something truly large and decentralized requires endurance and an understanding of mission type tactics. Since plans must be adjusted the moment they touch reality, we want motivated and capable coworkers who know how to make decisions at the front line, where things actually happen. It's hard to scale if you live by Bonaparte's: "If you want a thing done well, do it yourself." We prefer colleagues and teams who hold the skillset, understand the "why" and where we're heading. They make better decisions, are happier, more loyal and are far more effective than people who just follow instructions. We must keep that in mind, whilst trying to erase the ending of the Napoleon quote: "Soldiers generally win battles; generals get credit for them".

The board sets capital discipline and financial targets, group management defines intent and its principles, and the subsidiaries choose the path to reach the goals. Easy in theory, right? Clear mission. Shared principles. Local execution. We have now taken major steps toward ensuring predictability within Teqnon. The strategy remains intact, continuous acquisitions and organic earnings growth. In our new setup we have better conditions to reach farther.

A short reminder here at the end about what sport we're competing in... what is Teqnon's purpose? **To create the highest possible return for shareholders over the long term.** Yes, we are motivated. Yes, we are moving forward. And we are only at the beginning. "Ability is nothing without opportunity" as the emperor stated, and now we are armed with both.

Run far, be nice!

Johan Steene

CEO and founder

2025 was a rough and turbulent year and we had to dig deep to build a stronger Teqnon. To our colleagues who fought alongside us and to everyone who believed in us and stayed with us along the way: Thank You!
It truly means everything.

We are just getting started.

Україна



♥ **Happy Valentine's Day**, with a gentle reminder that capitalism saw love this day, nodded approvingly, and said: this will scale nicely. Long-term commitment wins.

House of Tegnon

Acquired 2024 or earlier

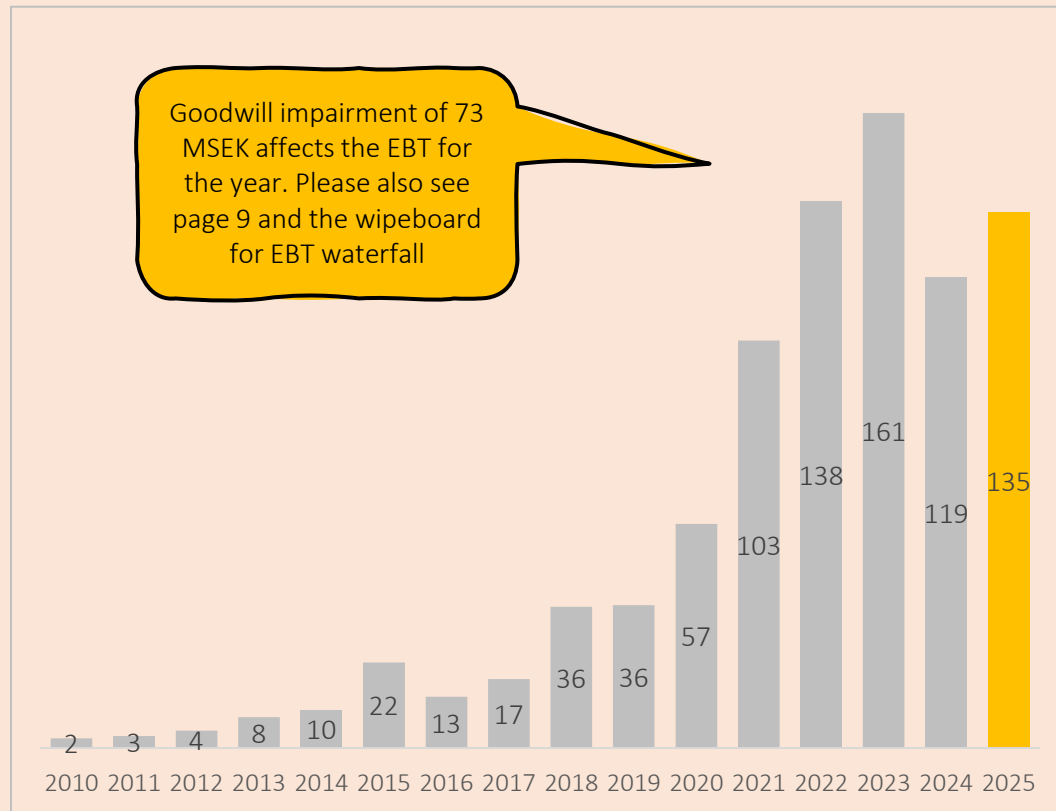


Acquired 2025

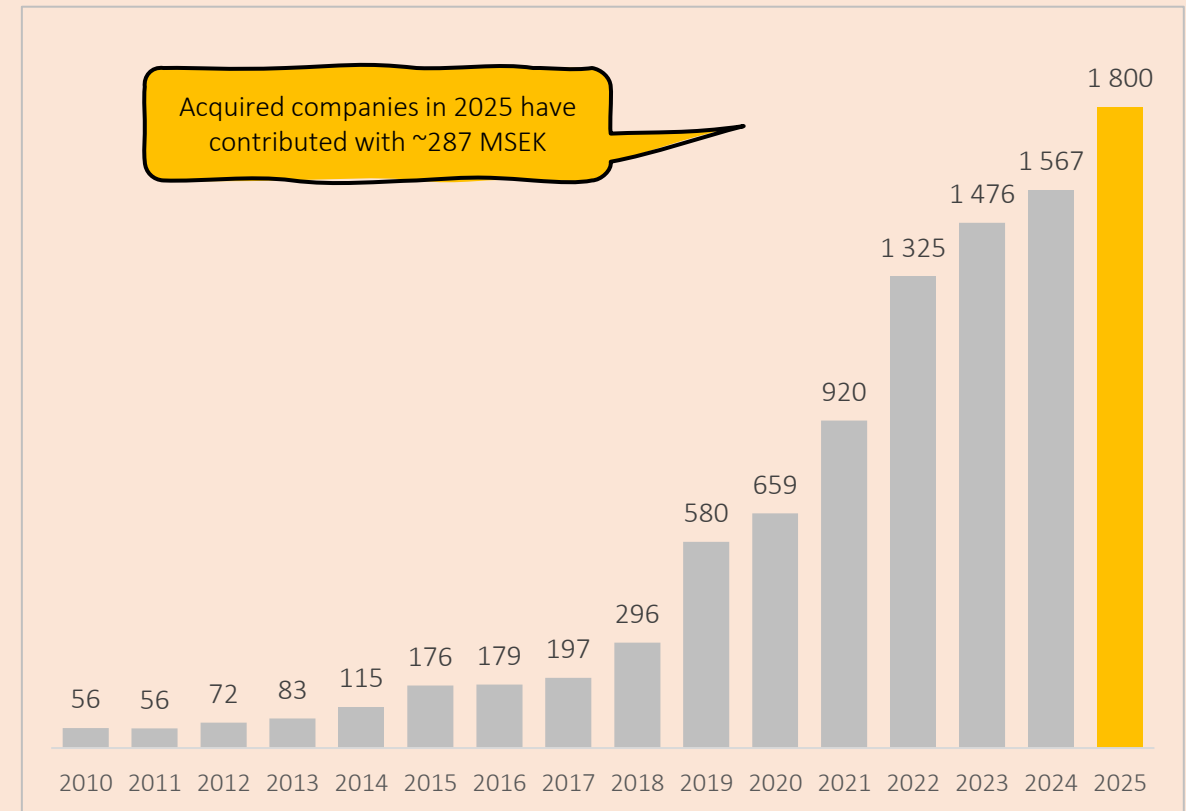


Financial development for the group (1/2)

Profit before taxes, MSEK

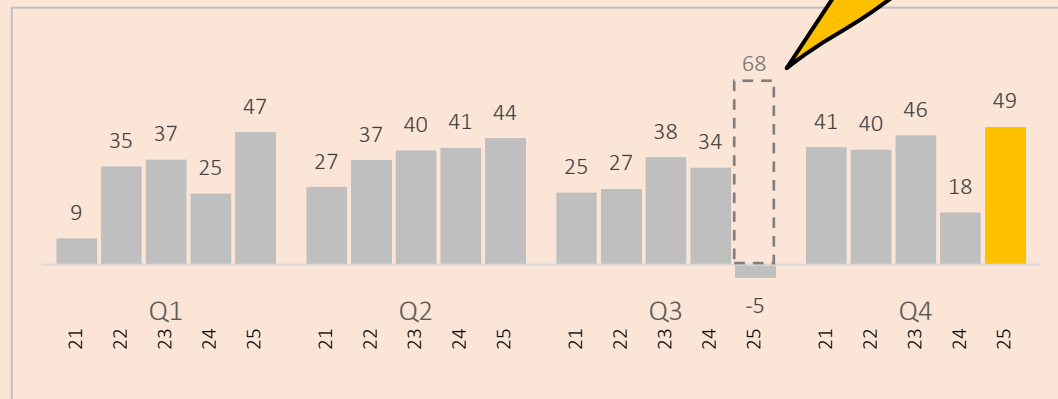


Net sales, MSEK

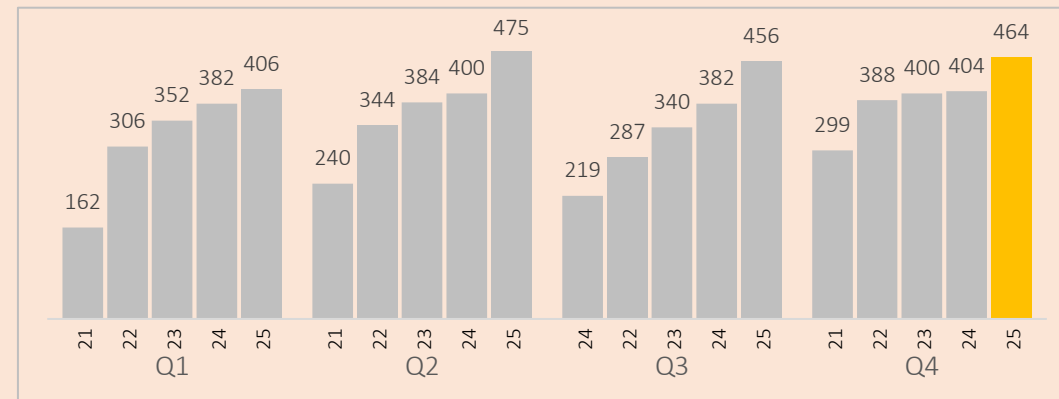


Financial development for the group (2/2)

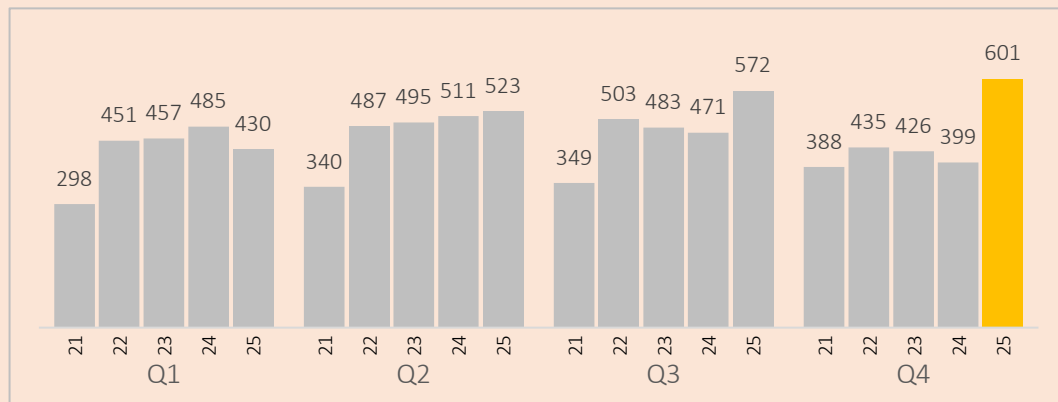
Profit before taxes, MSEK



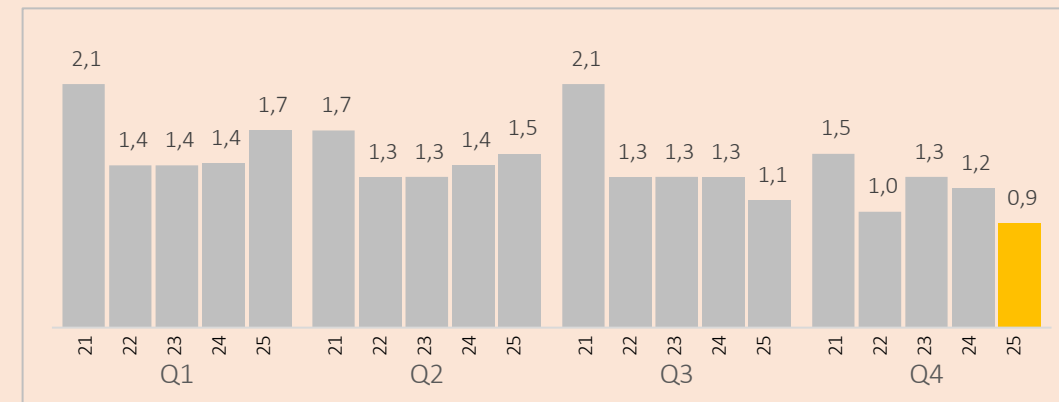
Net sales per quarter, MSEK



Order backlog*, MSEK



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



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

Liquidity and debt

Liquidity and debt

Group in summary MSEK	2025 31 Dec	2024 31 Dec
Liabilities to credit institutions	496,0	302,3
Lease liabilities	146,9	163,9
Total interest-bearing liabilities	642,9	466,2
Cash and cash equivalents	209,5	196,0
Net debt	433,4	270,2
Net debt excl. leasing liabilities	286,6	106,3
Net debt / EBITDA	1,6	1,3

Comment

Liquidity and debt

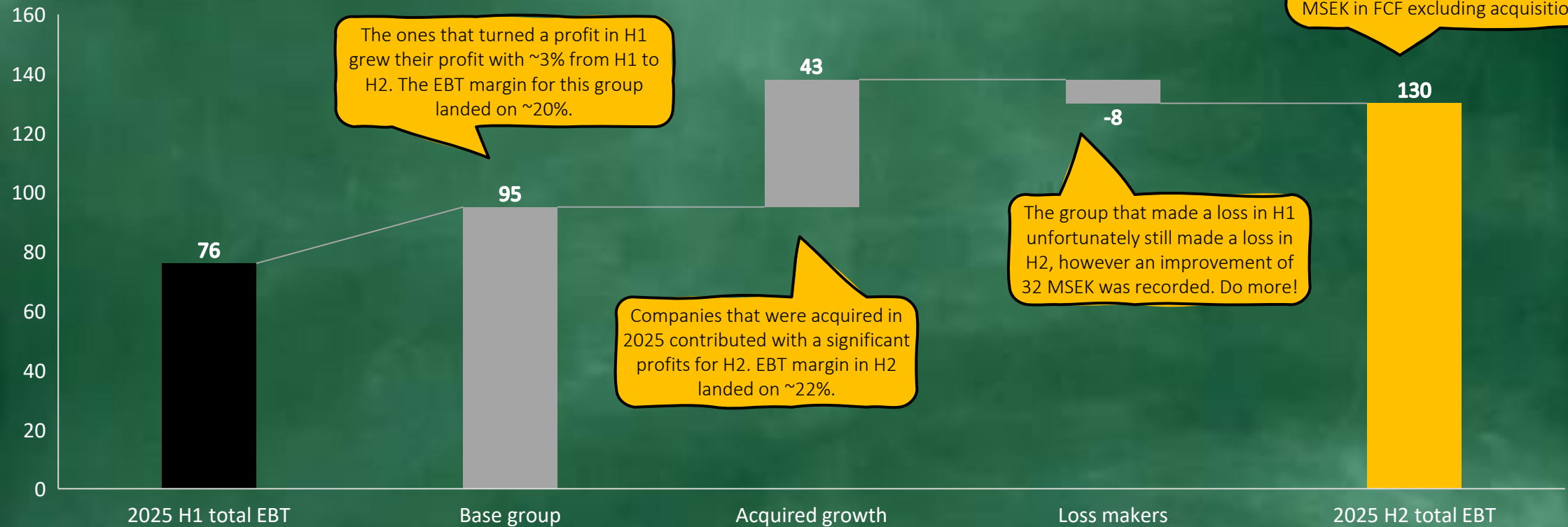
Our net debt has increased during 2025 due to nine acquisitions. The net debt in relation to EBITDA has increased from 1,3 to 1,6 compared to Q4 2024. There is still headroom to our financial target Net debt / EBITDA < 2.5.



To be wiped!

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

2025 H2 EBT breakdown, MSEK



All numbers shown on this page is the underlying EBT as recorded by the subsidiaries in local books, meaning that this is without IFRS accounting such as earnout revaluations, group FX financial net transactions, fair value accounting, parent company overhead costs, etc

As previously communicated, Teqnion has 3 parts (2 engines and 1 brake):

1. Acquisitions: Continue to acquire better and better companies.
2. Companies that perform: this is the bulk and we will support them to grow organically.
3. Companies that don't perform: we are continuing to shrink this part to acceptable levels. We are not there yet but some progress have been made.

Business philosophy and financial targets

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

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

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

SURVIVAL ABOVE ANYTHING ELSE. ALWAYS.

As individuals we are always prepared that anything can go south at any moment. This means that we never take risks that we cannot afford to lose. Even if the upside potential in Excel shows an off-the-chart RoIC, we would rather hardwood bogmats rather than betting on or against a potential AI bubble.*

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

CREATE VALUE AND CAPTURE VALUE

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

CREATE SHAREHOLDER VALUE.

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

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

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

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

/TEQ-team

Do not wipe

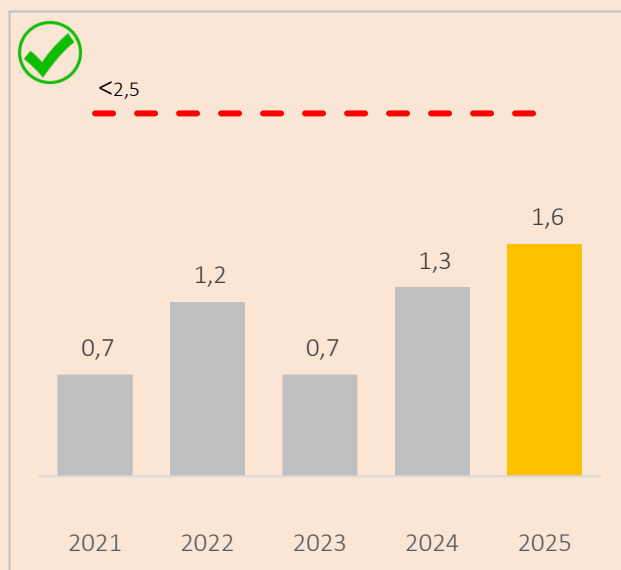
* By the same... our subsidiary Birkett can supply bogmats to any projects in the UK to ensure that the customers can build the infrastructure as productively and safe as possible.

Follow-up of financial targets

1. STABILITY

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

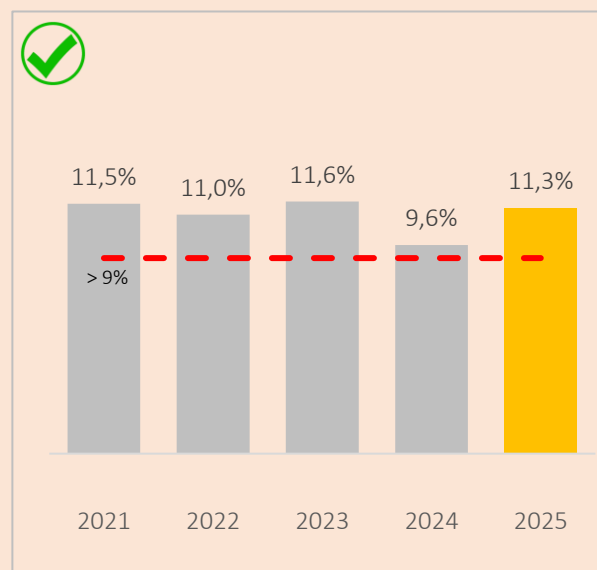
Financial target 1: Net debt / EBITDA < 2,5



2. PROFITABILITY

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

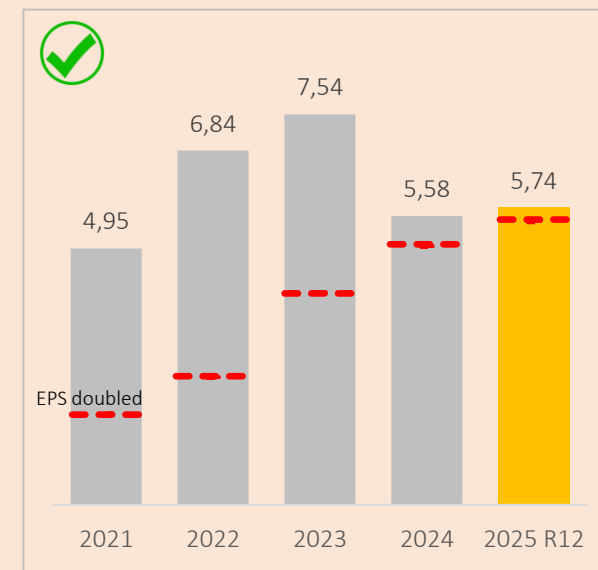
Financial target 2: EBITA margin > 9%



3. SHAREHOLDER VALUE

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

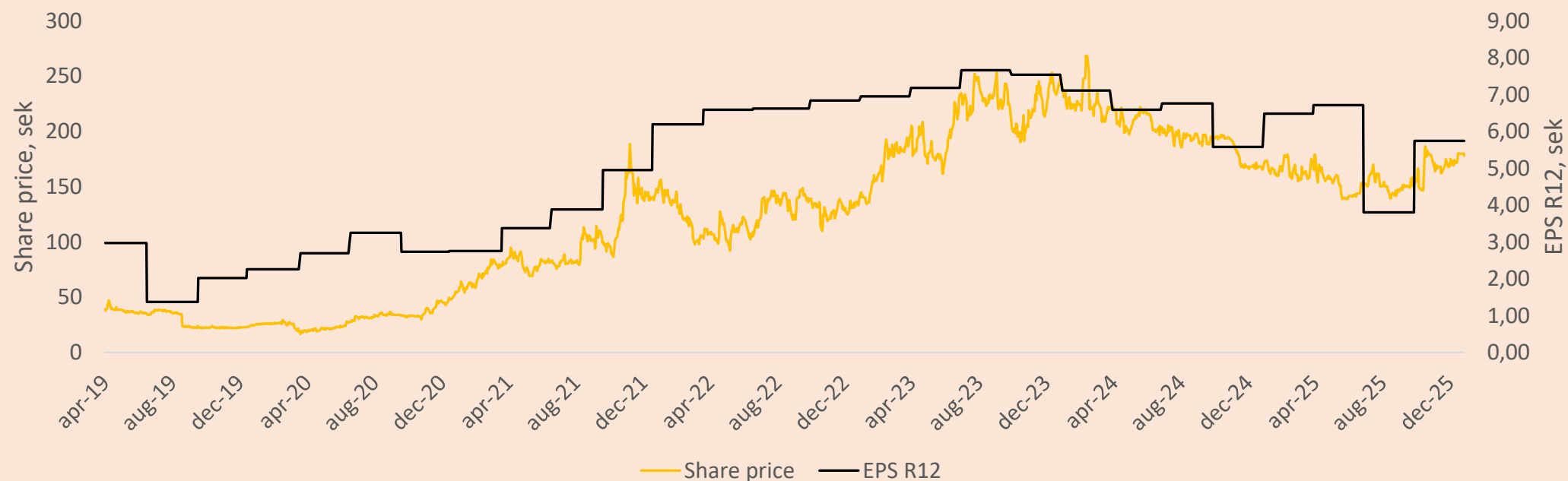
Financial target 3: > Double EPS every five years*



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

Share price and earnings per share since IPO

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



Our conviction is that our share price in the longer perspective will follow our earnings per share*. That is the reason our focus is on increasing the earnings per share. The graph above shows the historical connection.

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

Our 10 most recent acquisitions

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

Acquisition	Completion	Net sales * (according to press release, MSEK)
HT Servo Ltd	2025 September	60
Birketts Bogmats Ltd	2025 September	70
Norlin Polymers (UK) Ltd	2025 May	30
MITAB i Forsbacka AB	2025 April	65
Edurus Gravstenar AB	2025 March	45
Thermasolutions International Ltd	2025 March	35
Merridale Ltd	2025 February	35
Awarded 2U Ltd	2025 February	35
Midlands Special Fasteners Ltd	2025 February	30
UK Lanyard Makers Ltd	2024 July	20

* Note that the net sales according to the press release is the average of the last 3 years. The numbers have been rounded to the nearest 5 MSEK.

Teqnion



TEQ Group Management

**Johan Steene**

Teqniön since 2006
CEO, founder and board member
Born 1973
M. Sc. Mechanical Engineering, KTH
Outside of Teqniön: runs far
Holdings: 861 471 shares + 6 000 options

**Daniel Zhang**

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

**Jonathan Alexandersson**

Teqniön since 2024
Chief Controlling Officer (CCO)
Born 1993
M. Sc. Business Administration and Economics, Kau
Background: Authorized Public Accountant from PwC
Holdings: 2 250 shares + 3 000 options



HT Servo supplying critical components to the Challenger 3 tanks

Tegnon consolidated income statement and statement of comprehensive income

MSEK	2025 Q4	2024 Q4	2025 Calendar year	2024 Calendar year
Net sales	463,6	403,7	1 800,0	1 567,0
Operating costs				
Change in inventories of PIP, finished goods and WIP	-3,0	-13,8	1,3	-7,7
Raw materials and consumables & Merchandise	-236,6	-216,5	-945,3	-854,8
External costs	-50,6	-36,5	-184,7	-136,3
Employee benefit costs	-125,6	-100,8	-445,7	-372,7
Depreciation and amortization	-19,3	-19,2	-145,3	-64,4
Other operating income and expenses	18,4	7,7	45,4	16,4
Total operating costs	-416,7	-379,1	-1 674,3	-1 419,5
Operating profit	46,9	24,6	125,7	147,5
Financial income	12,9	6,2	43,4	10,5
Financial expenses	-10,5	-12,5	-33,7	-39,5
Net financial items	2,4	-6,3	9,7	-29,0
Profit before tax	49,3	18,4	135,3	118,5
Income tax	-3,5	-5,7	-36,9	-22,7
Profit for the period	45,9	12,7	98,5	95,8
Other comprehensive income for the period				
Translation differences for the period	-15,2	11,2	-76,2	25,7
Total comprehensive income for the period	30,6	23,9	22,2	121,4
Owners of the parent	30,6	23,9	21,1	121,3
Non-controlling interests	0,0	0,0	0,1	0,1

Tegnon consolidated balance sheet

MSEK	2025 31 Dec	2024 31 dec
Assets		
Non-current assets		
Goodwill	987,2	731,3
Other intangible non-current assets	59,9	27,9
Buildings and land	27,4	12,8
Equipment, tools, fixtures and fittings	32,5	26,6
Right-of-use-assets	145,5	165,6
Other receivables	0,5	0,4
Total non-current assets	1 253,0	964,5
Current assets		
Inventories	292,4	261,6
Trade receivables	228,2	231,1
Tax assets	5,7	8,7
Accrued revenue	10,2	19,2
Other receivables	28,7	17,6
Prepaid expenses and accrued income	20,1	23,1
Cash and cash equivalents	209,5	196,0
Total current assets	794,8	757,3
TOTAL ASSETS	2 047,8	1 721,8

MSEK	2025 31 Dec	2024 31 dec
Equity		
Share capital	0,9	0,9
Other capital provided	298,2	294,7
Translation reserve	-59,5	16,7
Retained earnings including profit for the year	635,1	545,7
Equity attributable to owners of the parents	874,7	858,0
Non-controlling interests	1,4	1,3
Total equity	876,1	859,3
Liabilities		
Non-current liabilities		
Liabilities to credit institutions	496,0	302,2
Non-current lease liabilities	103,0	116,2
Deferred tax liabilities	49,9	34,3
Other non-current financial liabilities	124,5	30,5
Other provisions	3,7	4,4
Total non-current liabilities	777,1	487,7
Current liabilities		
Liabilities to credit institutions	0,0	0,1
Current lease liabilities	43,8	47,7
Other current financial liabilities	71,1	84,1
Trade payables	119,4	119,5
Tax liabilities	0,2	11,8
Invoiced revenues not worked-up	4,9	6,5
Other liabilities	74,3	45,3
Accrued expenses and deferred income	80,7	58,8
Total current liabilities	394,6	374,8
TOTAL EQUITY AND LIABILITIES	2 047,8	1 721,8

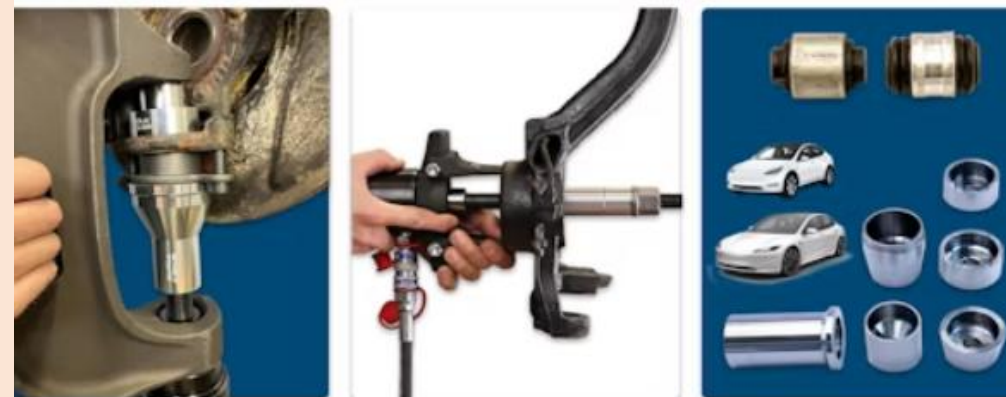
Teqnion consolidated statement of changes in equity

Attributable to equity holders of the parent company	2025	2024
MSEK	31 dec	31 dec
Opening equity (1 Jan)	858,0	733,9
Total comprehensive income for the period	22,1	121,3
New issues	-	2,8
Transfers within equity	-6,3	
Option premiums	0,9	-
Closing equity	874,7	858,0

Equity attributable to:

Owners of the parent	874,7	858,0
Non-controlling interests	1,4	1,3
	876,1	859,3

	2025	2024
Outstanding shares	31 dec	31 dec
Average number of shares outstanding before dilution full year	17 165 756	17 153 696
Average number of shares outstanding after dilution full year	17 166 358	17 160 449
Number of shares outstanding at the end of the year	17 165 756	17 165 756
Average number of shares outstanding before dilution Q4	17 165 756	17 165 756
Average number of shares outstanding after dilution Q4	17 165 756	17 174 117



Some of Wallmek's newly launched innovative tools. Learn more about Wallmek [here](#).

Tegnon consolidated cash flow statement

MSEK	2025 Q4	2024 Q4	2025 Calendar year	2024 Calendar year
Operating profit	46,9	24,6	125,7	147,5
Adjustments for non-cash items	19,4	12,1	115,8	46,9
Interest and other financial items, net	-8,7	-2,3	-28,1	-21,0
Paid tax	2,2	-2,7	-48,6	-51,3
Change in working capital	31,8	16,2	19,8	-25,8
Cash flow from operating activities	91,7	48,0	184,6	96,2
Net capital expenditure in non-current assets	-1,5	-1,8	-11,5	-18,5
Company acquisitions and divestments	-4,9	-8,3	-306,9	-120,7
Cash flow from investing activities	-6,4	-10,1	-318,4	-139,1
Net issues	-	-	-	2,8
Option premiums paid	-	-	0,9	-
Dept/repayment of debt, net	-12,3	-18,9	156,5	28,5
Dividend paid to non-controlling interest	-	-	-	-0,5
Cash flow from financing activities	-12,3	-18,9	157,4	30,8
CASH FLOW FOR THE PERIOD	73,1	19,0	23,5	-12,1
Cash and cash equivalents at the start of the period	139,5	174,0	196,0	199,8
Exchange differences in cash and cash equivalents	-3,1	2,9	-10,1	8,2
Cash and cash equivalents at the end of the period	209,5	196,0	209,5	196,0

Parent company income statement and statement of comprehensive income

MSEK	2025 Q4	2024 Q4	2025 Calendar year	2024 Calendar year
Net sales	23,9	16,5	83,8	56,5
Operating costs				
External costs	-8,6	-1,5	-16,1	-5,4
Employee benefit costs	-12,8	-4,9	-28,2	-19,9
Depreciation and amortization	-0,0	-0,0	-0,1	-0,0
Other operating income and expenses	6,1	-1,0	8,3	-2,1
Total operating costs	-15,4	-7,4	-36,2	-27,4
Operating profit	8,5	9,1	47,6	29,2
Profit from investments in group companies	-9,5	-	36,1	41,9
Financial income	19,3	6,9	45,8	7,2
Financial expenses	-14,3	-12,3	-26,9	-33,4
Net financial items	-4,5	-5,4	55,0	15,8
Profit after financial items	4,0	3,7	102,5	44,9
Appropriations	-29,0	-10,4	-29,0	-10,4
Group contributions	56,3	53,7	56,3	53,7
Income tax	-8,7	-9,9	-19,8	-10,2
Profit for the period	22,5	37,2	110,0	78,1
Other comprehensive income for the period				
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	22,5	37,2	110,0	78,1

Parent company balance sheet

MSEK	2025 31 Dec	2024 31 dec
Assets		
Non-current assets		
Equipment, tools, fixtures and fittings	0,1	0,1
Participations in group companies	1 529,6	1 059,8
Other receivables	0,3	0,2
Receivables from group companies	-	-
Total non-current assets	1 530,1	1 060,1
Current assets		
Trade receivables	-	-
Receivables from group companies	84,5	66,6
Tax assets	-	1,0
Other receivables	8,5	0,0
Prepaid expenses and accrued income	0,3	0,4
Cash and cash equivalents	61,7	103,0
Total current assets	155,0	171,0
TOTAL ASSETS	1 685,1	1 231,1

MSEK	2025 31 Dec	2024 31 dec
Equity		
Restricted equity	2,2	2,2
Unrestricted equity	722,5	611,6
Total equity	724,7	613,7
Untaxed reserves		
Tax allocation reserves	124,8	95,8
Total untaxed reserves	124,8	95,8
Contingencies		
Contingencies for acquired companies	195,6	114,6
Total contingencies	195,6	114,6
Liabilities		
Non-current liabilities		
Liabilities to credit institutions	492,8	298,5
Liabilities to group companies	70,6	62,5
Total non-current liabilities	563,3	361,0
Current liabilities		
Liabilities to credit institutions	-	-
Liabilities to group companies	55,6	36,5
Trade payables	3,2	0,3
Tax liabilities	2,7	-
Other liabilities	3,0	2,6
Accrued expenses and deferred income	12,1	6,7
Total current liabilities	76,6	46,1
TOTAL EQUITY AND LIABILITIES	1 685,1	1 231,1

Other financial information

Note 1 Reporting principles

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

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

For a more detailed description of the accounting principles that have been applied for the group and the parent company in this interim report, please see note 1 in the annual report for 2024.

Note 2 Risks and uncertainty factors

Please review the annual report for 2024. No new material risks or uncertainty factors have been identified since the publication.

Note 3 Transactions with related parties

Transactions with related parties are described in the annual report for 2024 in note 25. No new types of significant related party transactions have taken place during the period.

Note 4 Financial instruments – fair value accounting

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

	2025	2024
MSEK	31 Dec	31 Dec
Opening book value	114,6	120,8
Acquisitions during the year	174,0	46,0
Consideration paid	-49,5	-42,4
Reclassified via income statement	-31,7	-17,8
Interest expenses	3,6	1,6
Exchange rate differences	-15,3	6,4
Closing book value	195,6	114,6



Cellab is providing the hospital labs in Sweden with histology and cytology apparatus and service

Note 5 Business combinations

Acquisitions completed in 2025

During 2025 the following acquisitions have been completed; Midlands Special Fasteners Ltd, Awarded 2U Ltd, Merridale Ltd, Thermasolutions International Ltd, Edurus Gravstenar AB, MITAB i Forsbacka AB, Norlin Polymers (UK) Ltd, Birketts Bogmats Ltd and HT Servo Ltd.

On 4 February 2025, Midlands Special Fasteners Ltd was acquired. Based in Walsall, is as the name suggests focused on supplying special fasteners for challenging applications. MSF was born out of the simple idea of solving customers' difficult challenges when it comes to finding special fasteners no matter if the application is holding together components in outer space, engines in supercars or keeping submarines intact.

On 20 February 2025, Awarded 2U Ltd was acquired. Based in Herefordshire is one of UK's leaders when it comes to providing corporate customers with custom-made awards. The company is handling every step of the process in-house, from design to final production. The success of the company stems from their customer-centric focus, long-proven reliability and creativity.

On 4 March 2025, Merridale Ltd was acquired. The company is one of the UK's leading commercial fueling system providers. They design, manufacture and install complete ranges of fueling equipment from a single pump to a total turnkey package. The Merridale range includes fuel pumps, fuel management systems, tank gauges and ancillaries that are suitable for anyone from small operations to large fleets with multiple depots.

On 21 March 2025, Thermasolutions International Ltd was acquired. The company was founded with the idea of increasing energy efficiency in supermarkets and the retail industry. The company has evolved into a leader in the design and manufacturing of high-quality refrigeration products for supermarkets, hospitality and restaurants. Located in Northamptonshire, the company supply both the UK and international markets.

On 24 March 2025, Edurus Gravstenar AB was acquired. Located in Malung and Stockholm, with roots stemming back to 1999 is the market leader in Sweden within the niche segment of dimensioned stone industry. The company mainly provides headstones, stone figurines and second name engraving to and through funeral homes. The success of the company stems from its reputation of always delivering the right quality at the right time, its operational efficiencies and its understanding of customer needs.

On 2 April 2025, MITAB i Forsbacka AB was acquired. MITAB has been a trusted provider of cremation installations since 1995, supplying advanced furnaces and related equipment across the Nordic region. With deep expertise in design, construction, and installation, MITAB supports both new builds and renovations of crematoriums.

On 28 May 2025, Norlin Polymers (UK) Ltd was acquired. Norlin is a Bolton based specialist compounder of technical polymers for primarily medical device and pharmaceutical applications across Europe. The compounds are all bespoke and mixed to each customers' unique product needs, legal guidelines and regulations, including the FDA.

On 10 September 2025, Birketts Bogmats Ltd was acquired. Birketts Bogmats Ltd is a UK-based, family-run business specialising exclusively in the supply of hardwood timber bog mats. From their depot in Stratford-upon-Avon, they support industries including construction, civil engineering, plant hire, and energy with dependable ground protection and temporary access solutions. With years of experience that stems from 1974 and a strong focus on customer service, Birketts have built a reputation for reliability, straightforward dealings, and consistent product quality. Their hardwood mats are widely used across the UK on infrastructure projects, utilities, and environmentally sensitive sites, ensuring safe and efficient access even in the most challenging ground conditions.

Note 5 Business combinations

On 24 September 2025, HT Servo Ltd was acquired. HT Servo counts many of the UK's leading aerospace and defense companies among its customers, who choose to procure their motion components - from velocity and position transducers to brushed and brushless DC motors, electro-mechanical actuators, and precision gearing systems - thanks to the company's technical expertise, robust and reliable solutions and service-minded team. The company has roots from the 1980's and the current form was established in 2001.

Acquisitions completed in 2025	Completion	Acquired share, %	Net Sales, MSEK*
Midlands Special Fasteners Ltd	4 February 2025	100	30
Awarded 2U Ltd	20 February 2025	100	35
Merridale Ltd	4 March 2025	100	35
Thermasolutions International Ltd	21 March 2025	100	35
Edurus Gravstenar AB	24 March 2025	100	45
Mitab i Forsbacka AB	2 April 2025	100	65
Norlin Polymers (UK) Ltd	28 May 2025	100	30
Birketts Bogmats Ltd	10 Sep 2025	100	70
HT Servo Ltd	24 Sep 2025	100	60
*) Average of the last three years before acquisition (rounded)			

K-FAB

SCANDINAVIA



From left to right: Minjuan (Sourcing office manager, China), Helene (CEO K-FAB), Nina (CEO, NASC) and Lina (supplier to NASC)

Note 5 Business combinations

Assets and liabilities acquired in 2025

The acquisitions completed in 2025 have the following effects on the Group's assets and liabilities. The purchase price allocations have not been finalized as the Group has not received finalized information from the acquired entities. Any adjustments in connection with the final acquisition analysis are not expected to have a material impact on the Group's results or financial position.

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

<i>Preliminary purchase price allocations</i>	
Fair value	MSEK
Intangible assets	35,4
Tangible fixed assets	26,8
Inventories	44,9
Trade and other receivables	64,7
Cash and cash equivalents	131,9
Provisions	0,0
Deferred tax	-12,8
Trade and other payables	-108,2
Net identifiable assets	182,7
Goodwill	379,9
Considerations	562,6
Of which	
paid in cash	388,7
contingent consideration	146,7
deferred payment	27,2

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

Contingent consideration is defined per acquisition and divided into two or more parts and is dependent on future results achieved in the respective companies during the period from February 2025 to August 2028 at the latest. All contingent considerations have a fixed maximum level. The fair value of the contingent considerations amounted to 146,7 MSEK at the acquisition dates of the specified acquisitions. Initially, contingent considerations are valued at the probable outcome.

Acquisition-related costs for the year's acquisitions, which are reported under other external costs, amount to 2,5 MSEK.

Impact on the income statement	
January-December 2025	MSEK
Net sales	287,5
EBITA	67,1

Impact on the income statement if the acquisitions	
been part of the Group from January 1, 2025	MSEK
Net sales	406,3
EBITA	93,6

Looking for the next dream team!

CONTACT AD

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

WHAT ARE WE LOOKING FOR?

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



Definitions

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

Financial calendar

2025 Q1 interim report	23 rd of April 2025 (Wednesday)
2025 AGM	23 rd of April 2025 (Wednesday)
2025 Q2 Interim report	19 th of July 2025 (Saturday)
2025 Q3 Interim report	18 th of October 2025 (Saturday)
2025 Year-End report (this report)	14 th of February 2026 (Saturday)
2025 Annual report	21 st of March 2026 (Saturday)
2026 Q1 Interim report	23 rd of April 2026 (Wednesday)
2026 AGM	23 rd of April 2026 (Wednesday)
2026 Q2 Interim report	18 th of July 2026 (Saturday)
2026 Q3 Interim report	17 th of October 2026 (Saturday)
2026 Year-End report	13 th of February 2027 (Saturday)

All reports will be published on Teqnion's website:

www.teqnion.se/investor-relations/finanssiella-rapporter/

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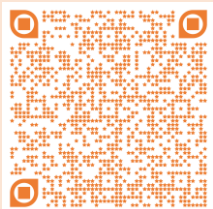
To send in questions to the Q&A, please use QA@teqnion.se

Review

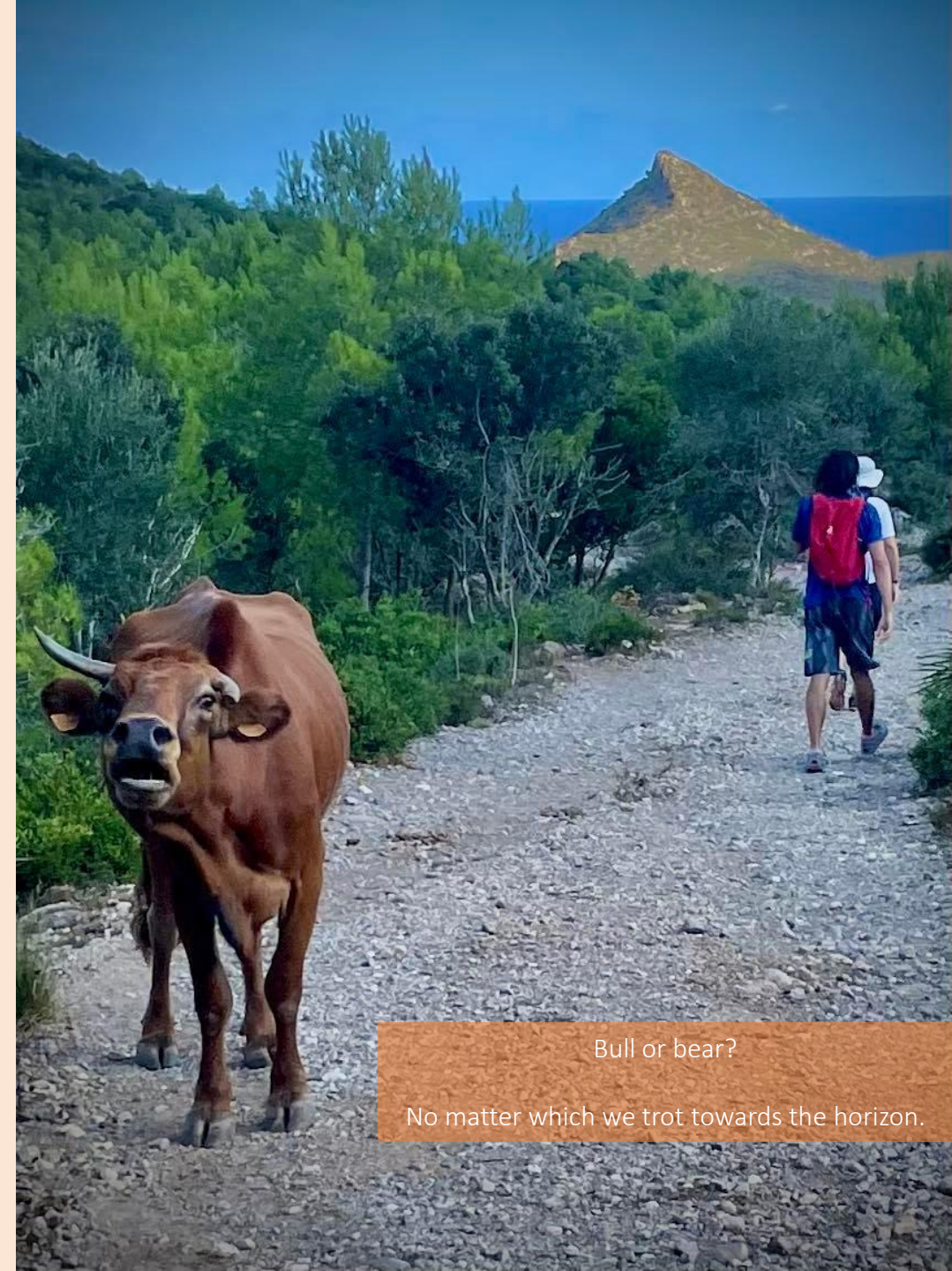
This report has not been reviewed by the company's auditor.

Certified Adviser

Redeye Sweden AB



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



Bull or bear?

No matter which we trot towards the horizon.

Teqnion Year-End Report

Q4: October – December 2025

inno
GUARD

Cellab

ELROND

Only the best for the best...

Karolinska University Hospital in Stockholm, ranked as #1 hospital in Europe according to Newsweek of critical products Innoguard, Cellab and Elrond.