

The Q&A will be held on Monday,  
February 17<sup>th</sup> at 08:08 CET.

Questions can be sent in at  
[QA@teqni.on.se](mailto:QA@teqni.on.se) or live.

Join by clicking [here](#).



**Teqni****n**  
Year-End report

Q4: October – December 2024

# Year-End Report 2024

## TEQ Flash Year-End Report 2024

F. That is our grade for the quarter. The quarter's net sales are on par with 2023, thanks to acquired companies, but organic sales declined by nearly 6%. For the full year net sales are up 6% but down 3% organically. Our real problem is profitability. The quarter's EBITA is down 42% and the quarter's EBITA margin is at 6,3% (10,8%). For the full year 2024, we lost 12% of our beloved EBITA vs 2023, EBITA margin is down to 9,6% (11,6%) and even worse a 26% decrease in EPS. We are in the middle of fixing this, but it is a slow struggle. Before year end, we refinanced our bank agreement with better terms and have a credit line that will sustain our acquisition pipeline for the coming three years. Onward.

- Johan Steene, CEO and founder

## Events during the quarter

- Nothing significant... just everyday grinding.

## Events after the quarter

- Midlands Special Fasteners Ltd was acquired.

The Board proposes that no dividend be distributed for the financial year 2024, based on the assessment that Teqni on can generate greater returns by retaining the cash.

Teqni on financial development, Msek	2024	2023	Δ%	2024	2023	Δ%
	Q4	Q4		Jan-Dec	Jan-Dec	
FCF excluding acquisitions	46,2	81,1	--	77,8	117,9	--
EPS (sek)	0,74	1,93	-62%	5,58	7,54	-26%
Diluted EPS (sek)	0,74	1,93	-62%	5,58	7,51	-26%
Profit for the period	12,7	33,2	-62%	95,8	125,1	-23%
Profit before taxes	18,4	45,5	-60%	118,5	160,5	-26%
EBITA	25,3	43,4	-42%	149,7	170,6	-12%
EBITA margin (%)	6,3	10,8	--	9,6	11,6	--
Net sales	403,7	399,8	+1%	1 567,0	1 475,6	+6%
Net debt / EBITDA	--	--	--	1,3	0,7	--
RoE (%)	--	--	--	11,7	20,4	--

## About Teqni on

Teqni on 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 a vast spectrum 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,

The last quarter of the year generated our worst quarterly result since 2020. With such a miserable performance, we don't even deserve to compete in the game of capitalism, where we want to play at the top. During the quarter, we have continued to implement some major changes within the group to turn the trend right: merging two manufacturing units under one roof, making significant workforce reductions in three struggling companies, renegotiated supplier agreements and installed four new CEOs. CEO-coach Håkan has now temporarily reentered as site manager at the house factory, and I have also stepped in to focus more on struggling companies (the acquisition work will not be negatively affected, more on that below). Still, for 2024 our grade is F. We are out for revenge and we will continue to take action until we are where we need to be. The initiatives we've put in place are starting to gain traction and drive positive change, just not as quickly as an optimist might hope.

## Our true assets

We are providing extra support to our subsidiary CEOs in these tough times. We must harness all the drive and experience within our employees, they are our greatest assets. Every one of our companies can be run profitably. It is the people working there who make that possible, or impossible. The minimum we ask for: do not lose money. Not all decisions we've made will turn out to be good, but change requires decisions, and we are changing.

## Team Acquisition

Before the year ended, we renegotiated better terms with the bank and now have a financing agreement in place that should support our acquisition growth over the next three years. As I focus more on our existing companies, Daniel dedicates a larger portion of his time to acquisitions instead of other group activities, which have been well absorbed by, among others, Patrick, who manages international operations, and Jonathan, who oversees finance activities, both of whom joined the TEQ staff in 2024. Additionally, since the beginning of the year, we have introduced a new way of working within the acquisition team, consisting of Daniel, Jonathan, and me, with a clearer division of responsibilities, freeing up time for other tasks. This approach is much likely to generate a better flow of new high-quality companies into the group. The new structure makes us more efficient, and we will continue delivering on our financial targets.

As previously communicated, our acquisition pace has been aimed at around a handful of companies per year. Over the past three years, we have been around there, though on the south side of a full hand, with four acquisitions in one year, three the next, and another three last year. My sense now is that we will be on the north side of a handful going forward. Most of our near-term acquisitions will likely take place in the UK, where we have many ongoing discussions and even more in the pipeline.

The most reasonable scenario I see now is that, within a few years, Teqniion will have one Scandinavian division and an approximately equally sized division in the UK when it comes to the number of companies. Once that structure is established and proven, we will look to expand into additional geographies.



Rough climb.

### This too shall pass

Most of our acquisitions from the past four years have performed very well. There are a few problem areas, but overall, we see that our acquisition quality has improved as intended. Several of our early acquisitions are also performing, having their best year ever, but the overall results are dragged down by those that have truly underperformed, sadly primarily companies I acquired between 2018 and 2021. Fortunately, we are a brighter team now, and I am no longer driving the acquisition efforts alone. We're still on the way towards something fantastic. The fact that it took an unreasonably long time to address this downturn properly, as I wrote about in the last report, is something we deserve harsh criticism for.

To end on a little more positive note, a few weeks ago, we completed the acquisition of Midlands Special Fasteners Ltd. in Walsall, UK. It is a highly skilled team, and under Mitch's leadership, they are delivering the best fastening solutions for the most demanding applications while generating excellent cash flow.

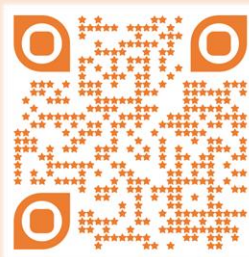
We are a stubborn, growing company group with roughly 500 coworkers who are incredibly skilled at what they do. Our task as management is to motivate and guide them in the right direction towards the goal of creating more value. Value creating makes most people happy. And happy people create more value. We have taken significant measures to improve profitability, the wheels of change are turning but results are slow and the timeline remains uncertain. I ask for your patience. We will carry the lessons from this nosedive with us. I do not want to lose focus and end up this late to the trenches again.

Run far, be nice!

**Johan Steene**  
CEO and founder

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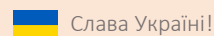
**Teqnion**



Instagram



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Teqnion ❤️ our subsidiaries



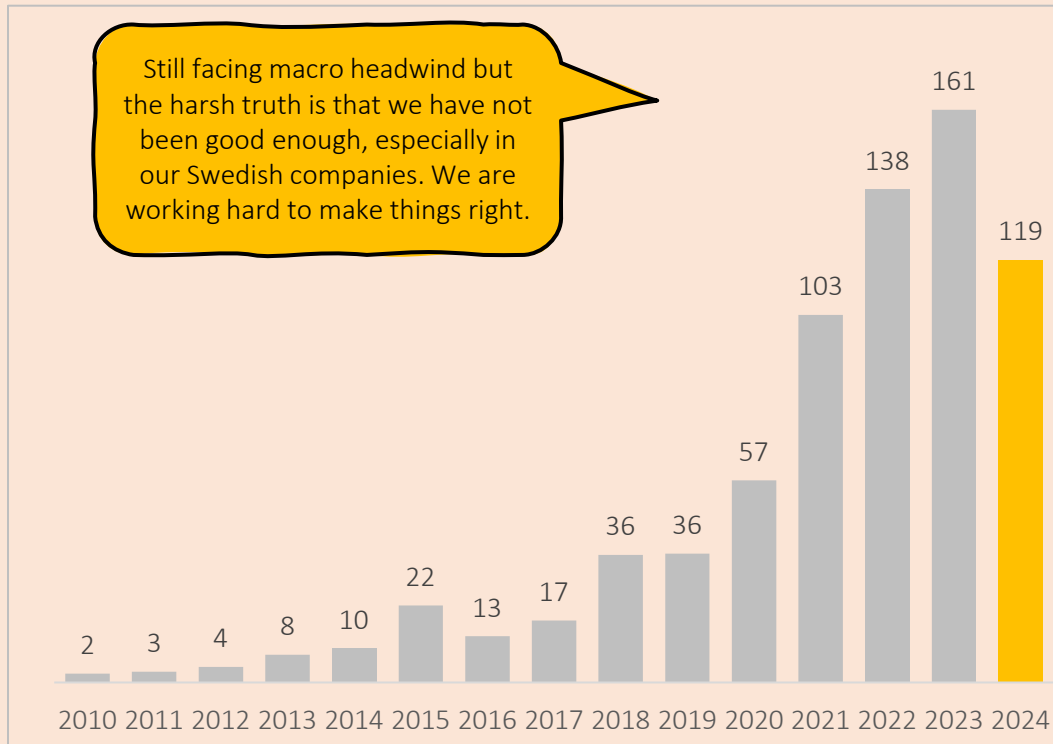
Stand firm. Be brave. Keep it simple.

# House of Teqni

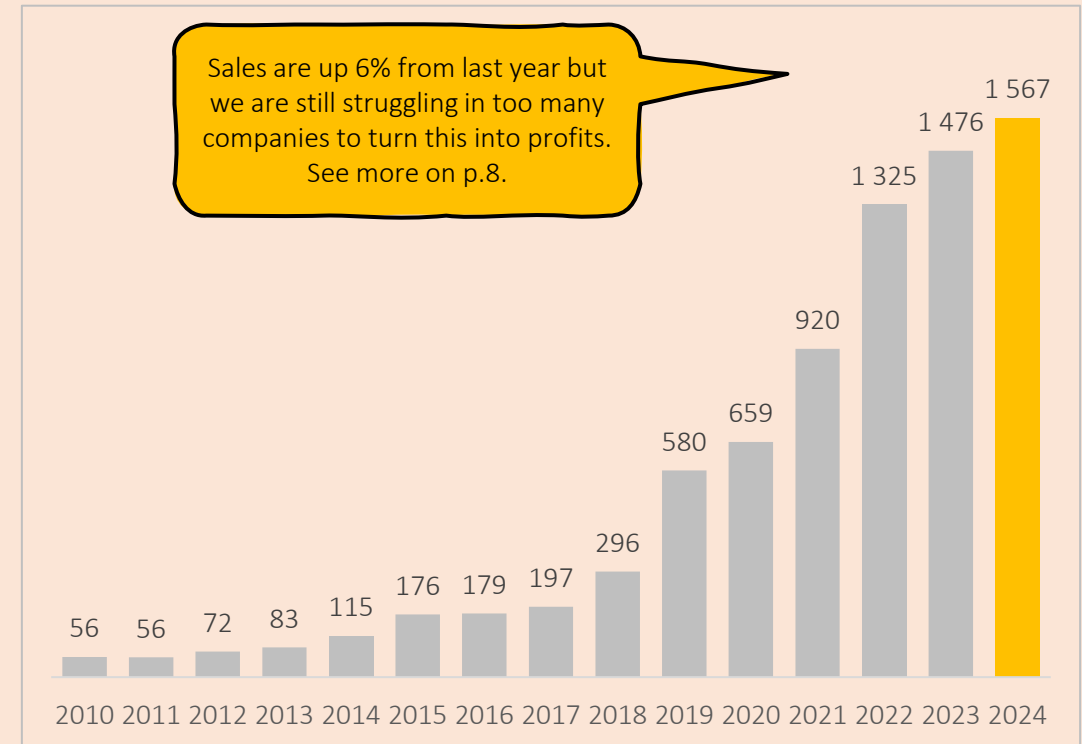


# Financial development for the group (1/2)

## Profit before taxes, Msek

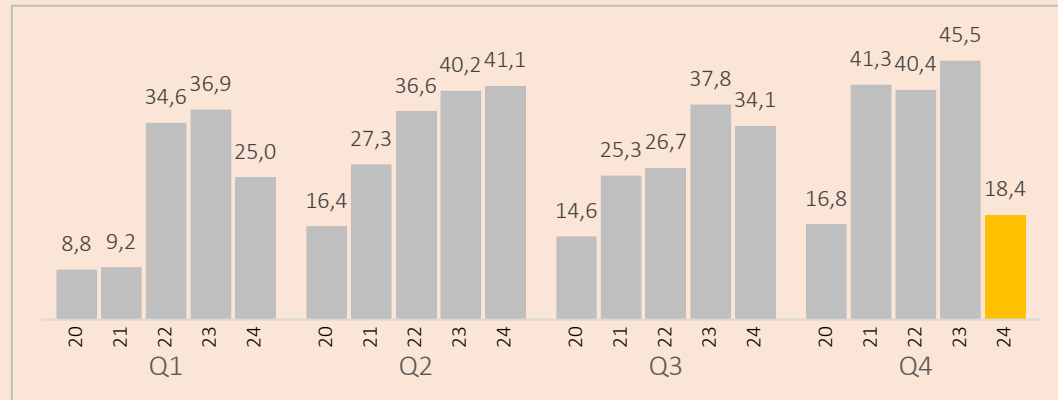


## Net sales, Msek

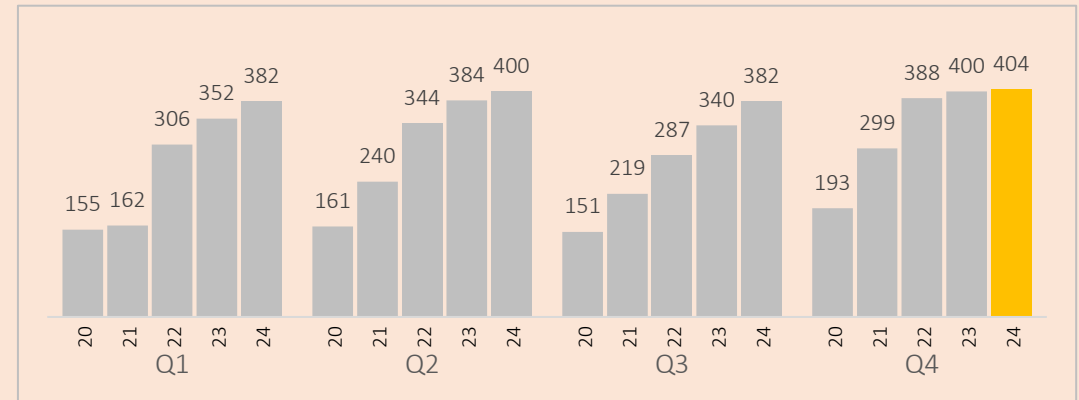


# Financial development for the group (2/2)

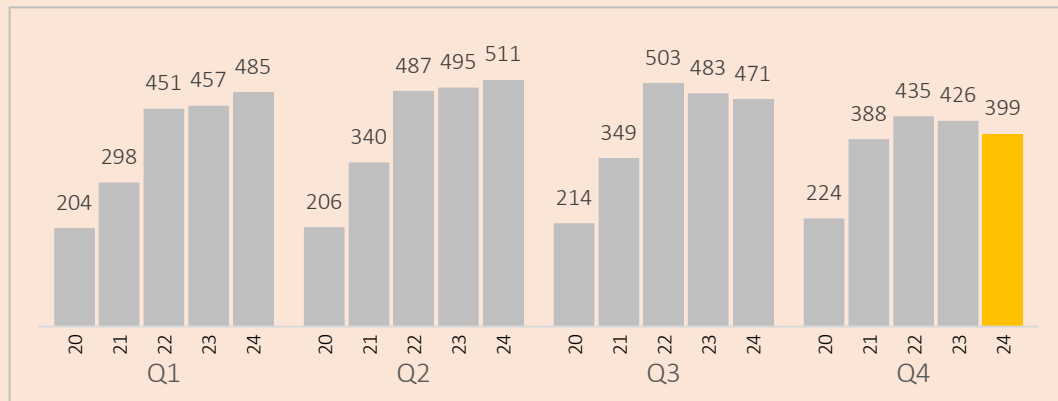
## Profit before taxes, Msek



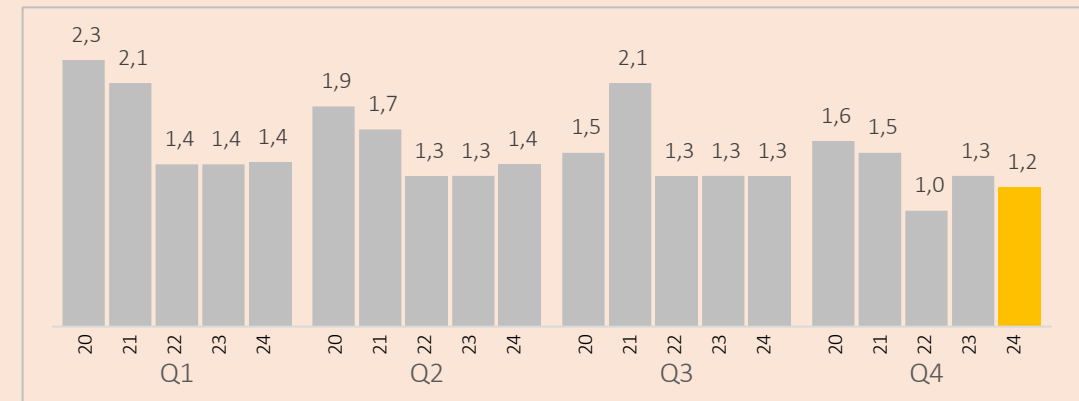
## Net sales per quarter, Msek



## Order backlog\*, Msek



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



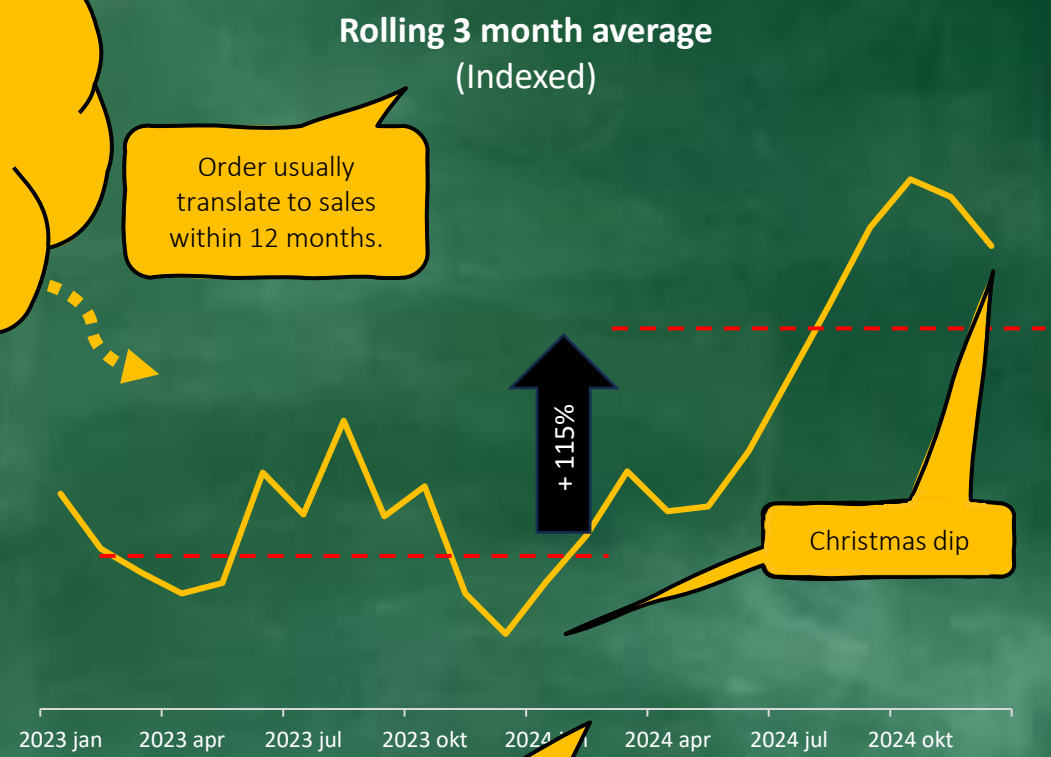
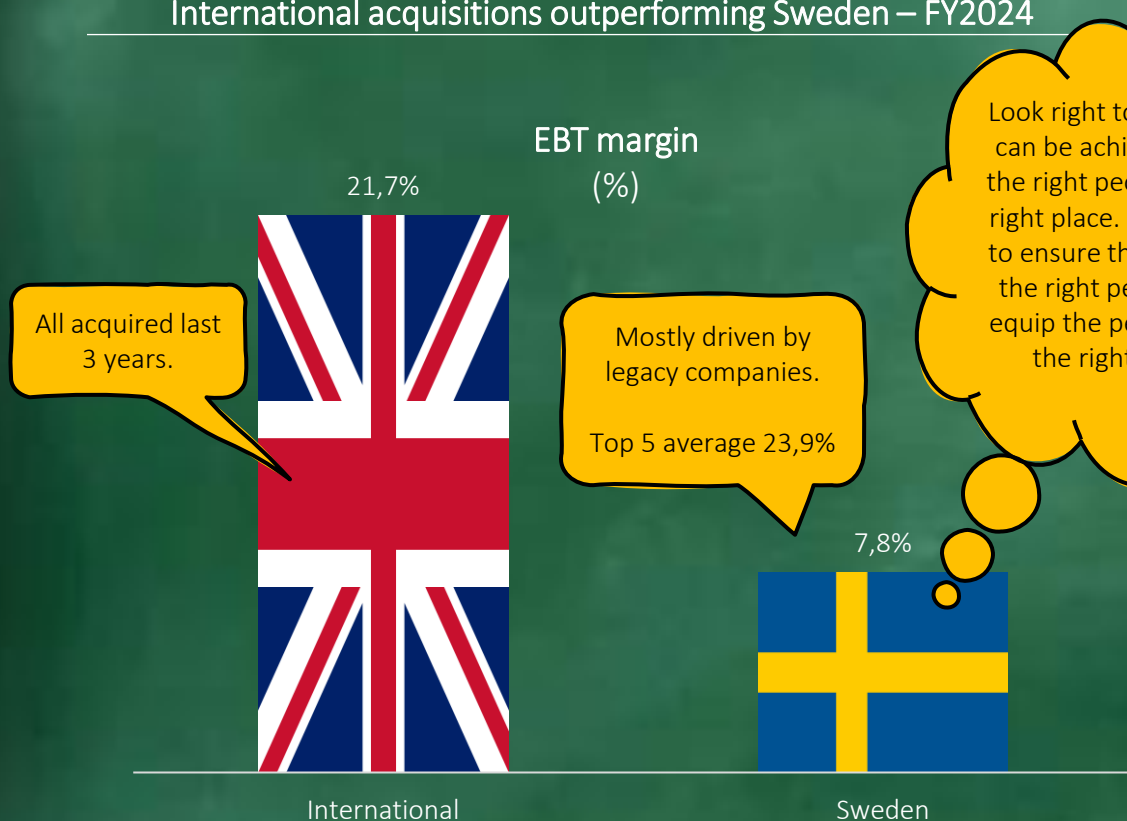
\* Order backlog can give a rough indication of future sales but is far from a perfect crystal ball. An increasing share of our high margin and high ROIC companies have very short backlogs.

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

*To be wiped!*

## International acquisitions outperforming Sweden – FY2024

## Order intake for one anonymous Swedish subsidiary



The 3 big bleeding companies described in Q2 and Q3 (Hem1, Grimstorp and Markis) had a bad Q4 mostly driven by Grimstorp. Our CEO coach, Håkan (previous owner and CEO of Grimstorp) is in operationally to right the ship.

New CEO installed with laser focus on sales. Gross margin expanded at the same time..

During last 3 months 4 additional CEOs have been installed. More to come.



# Business philosophy and financial targets

Teqnilon 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 behavior. 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), we'll roll up our sleeves, learn something and continue moving forward.

Our sustainability plan is that Teqnilon always should grow. Sustainability for us means that we of course need to take care of the environment and our earth'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. Teqnilon shall always create value for the society ensuring that we, in turn, capture a share of that value. No matter in which direction and intensity the macro winds are blowing, we move forward.

Teqnilon 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. Our philosophy is a little like Jeet Kune Do, "Absorb what is useful, discard what is not, add what is uniquely your own."

## **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 prefer to sell special fasteners that hold together power generators rather than trying to figure out macro bets based on US president speeches.\*

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 Teqnilon and our subsidiaries to justify our right of existence we need to create value for our customers and their customers. By loving sales and always focusing on enhancing customer value we can translate the move of physical products to sales with good margins. Following this principle nurtures a symbiotic relationship 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. Teqnilon 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 crucial. To acquire wonderful businesses can either create or destroy value, depending entirely on the size of the money pile you give up. Our focus is on the long-term, relying on the compounding effect of carefully allocating your capital – we serve as its stewards.

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 five 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 platform. Our journey will be long since we're going far, far away...

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

*/TEQ-command*

*Do not wipe*

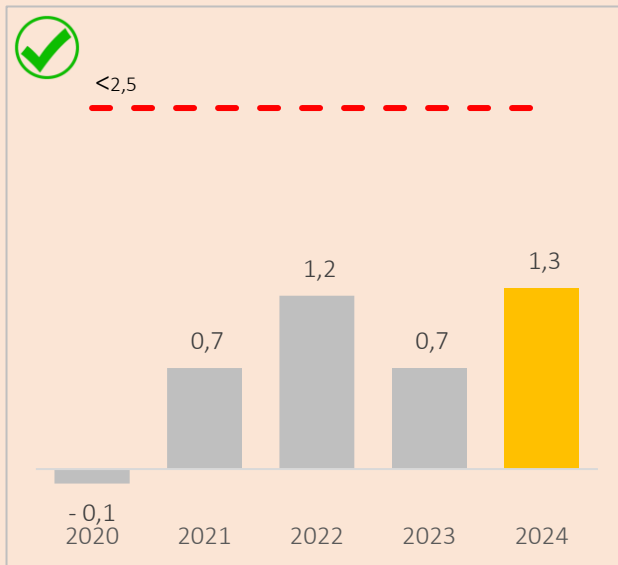
\* By the way... our new subsidiary Midlands Special Fasteners are probably one of the best providers in the world when it comes to special application fasteners...

# Follow-up of financial targets

## 1. STABILITY

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

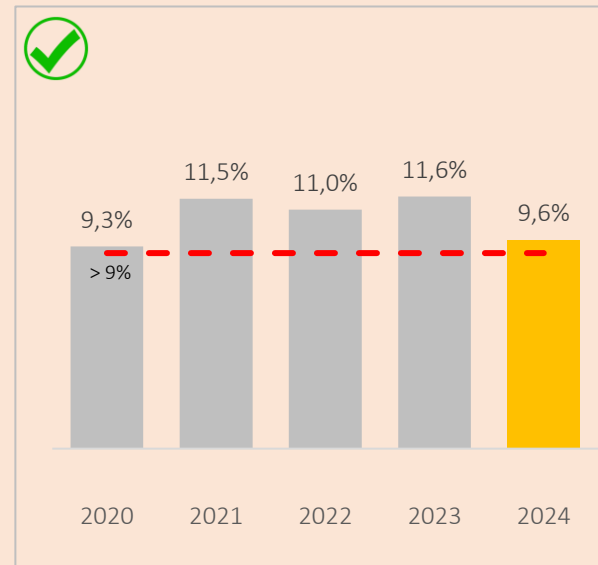
Financial target 1: Net debt / EBITDA < 2,5



## 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.

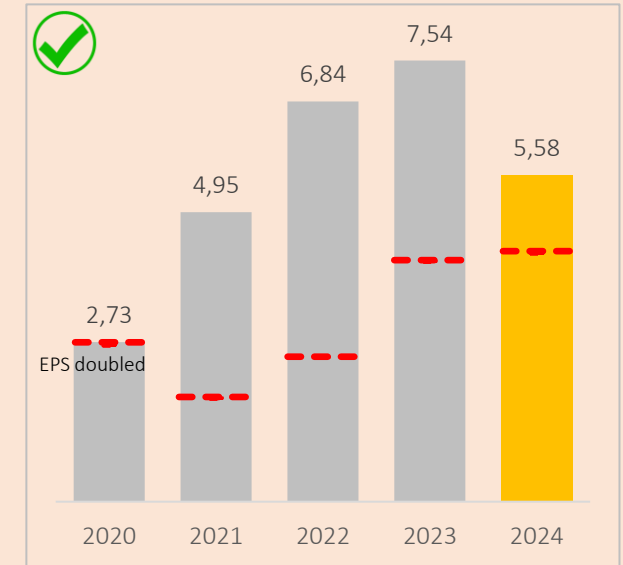
Financial target 2: EBITA margin > 9%



## 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.

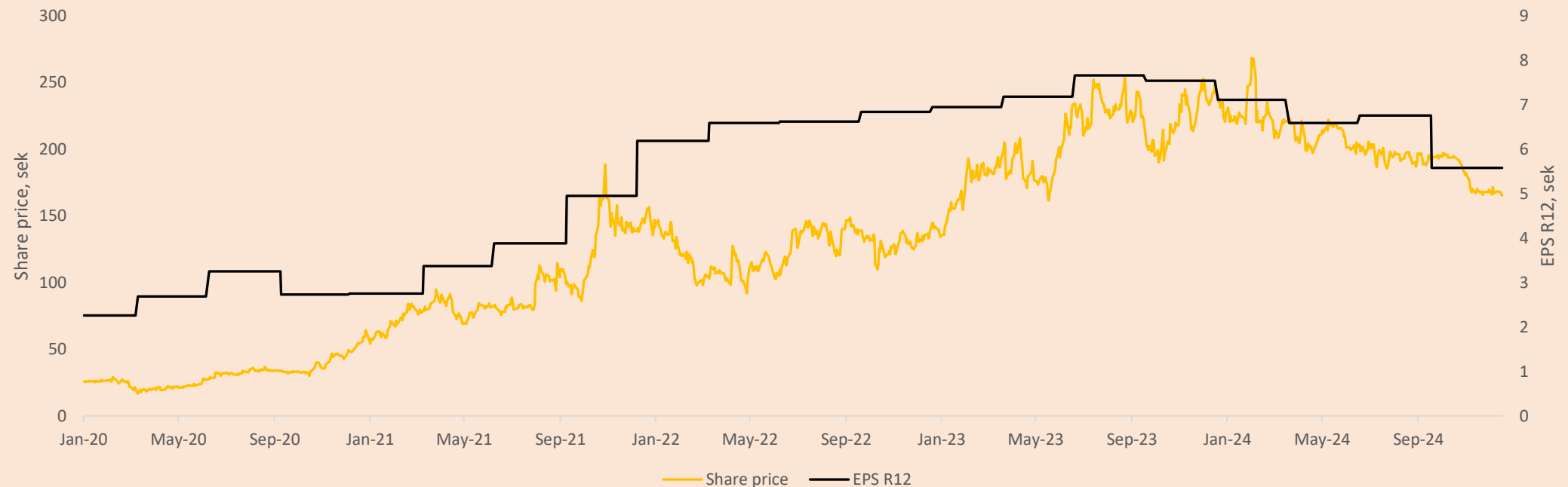
Financial target 3: > Double EPS every five years\*



\* 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 Teqni**n**. 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)
Midlands Special Fasteners Limited	2025 January	28
UK Lanyard Makers Limited	2024 July	18
Avelair Limited	2024 July	41
Nubis Solutions Limited	2024 February	40
Surge Protection Devices Limited	2023 November	20
Schill Reglerteknik Aktiebolag	2023 June	15
Stanwell Group Limited	2023 June	67
Lundahl Transformers AB	2022 October	25
Reward Catering Limited	2022 September	35
Belle Coachworks Holdings Limited	2022 August	40



# TEQ management



**Johan Steene**, joined 2006  
CEO, founder and board member  
Born 1973  
Mechanical engineer, KTH  
Outside of Teqni: runs far  
Holdings: 861 471 shares + 0 options



**Daniel Zhang**, joined 2021  
Deputy CEO, CXO  
Born 1989  
Business & Economics, SSE  
Background: McKinsey, Bain and  
Textilia  
Holdings : 108 000 shares + 0 options



**Anna-Karin Karlsson**, joined 2018  
CEO coach (CSO)  
Born 1973  
Mechanical engineer, KTH  
Background: Senior roles at Alfa Laval  
Holdings: 16 310 shares + 1 000  
options



**Mona Axman**, joined 2018  
CEO coach (COO)  
Born 1973  
Chemical engineer, LTH  
Background: Senior roles at Alfa Laval  
Holdings: 62 642 shares + 3 000  
options



**Håkan Wahlberg**, joined 2021  
CEO coach (CMO)  
Born 1966  
4-year technical high school  
Background: CEO and owner of GBK  
(part of Teqni since 2018)  
Holdings: 0 shares + 0 options



**Patrick Olsson**, joined 2024  
CEO coach (CLO)  
Born 1974  
Mechanical engineer, KTH  
Background: CEO Textilia and COO  
roles at various international  
companies  
Holdings: 995 shares + 0 options



**Maria Johansson**, joined 2008  
Chief Accountant (CAO)  
Born 1976  
4-year technical high school  
Background: Financial and accounting  
roles at various companies  
Holdings : 34 342 shares + 0 options



**Anneli Andersson**, joined 2024  
Accounting expert  
Born 1976  
Accounting from YH education  
Background: Accounting roles at  
various companies  
Holdings: 0 shares + 0 options



**Jonathan Alexandersson**, joined 2024  
Chief Controlling Officer (CCO)  
Born 1993  
Business & Economics, Kau  
Background: Authorized Public  
Accountant at PwC  
Holdings: 850 shares + 0 options

# Teqniion consolidated income statement and statement of comprehensive income

Msek	2024 Q4	2023 Q4	2024 Calendar year	2023 Calendar year
<b>Net sales</b>	403,7	399,8	1 567,0	1 475,6
<b>Operating costs</b>				
Change in inventories of PIP, finished goods and WIP	-13,8	-7,6	-7,7	-8,8
Raw materials and consumables & Merchandise	-216,5	-208,6	-854,8	-795,9
External costs	-36,5	-36,4	-136,3	-117,6
Employee benefit costs	-100,8	-91,4	-372,7	-329,9
Depreciation and amortization	-19,2	-15,5	-64,4	-56,3
Other operating income and expenses	7,7	3,1	16,4	2,6
<b>Total operating costs</b>	<b>-379,1</b>	<b>-356,3</b>	<b>-1 419,5</b>	<b>-1 305,9</b>
<b>Operating profit</b>	<b>24,6</b>	<b>43,5</b>	<b>147,5</b>	<b>169,7</b>
Financial income	6,2	1,2	10,5	4,6
Financial expenses	-12,5	0,8	-39,5	-13,8
<b>Net financial items</b>	<b>-6,3</b>	<b>2,0</b>	<b>-29,0</b>	<b>-9,2</b>
<b>Profit before tax</b>	<b>18,4</b>	<b>45,5</b>	<b>118,5</b>	<b>160,5</b>
Income tax	-5,7	-12,4	-22,7	-35,4
<b>Profit for the period</b>	<b>12,7</b>	<b>33,2</b>	<b>95,8</b>	<b>125,1</b>
<b>Other comprehensive income for the period</b>				
Translation differences for the period	11,2	-14,9	25,7	-11,9
<b>Total comprehensive income for the period</b>	<b>23,9</b>	<b>18,2</b>	<b>121,4</b>	<b>113,3</b>
Owners of the parent	23,9	18,1	121,3	113,1
Non-controlling interests	0,0	0,1	0,1	0,1

# Teqniion consolidated balance sheet

Msek	2024 31 Dec	2023 31 Dec
<b>Assets</b>		
<b>Non-current assets</b>		
Goodwill	731,3	608,7
Other intangible non-current assets	27,9	13,4
Buildings and land	12,8	10,9
Equipment, tools, fixtures and fittings	26,6	22,5
Right-of-use-assets	165,6	147,7
Other receivables	0,4	0,4
<b>Total non-current assets</b>	<b>964,5</b>	<b>803,6</b>
<b>Current assets</b>		
Inventories	261,6	256,9
Trade receivables	231,1	180,0
Tax assets	8,7	8,9
Accrued revenue	19,2	13,1
Other receivables	17,6	14,0
Prepaid expenses and accrued income	23,1	11,8
Cash and cash equivalents	196,0	199,8
<b>Total current assets</b>	<b>757,3</b>	<b>684,6</b>
<b>TOTAL ASSETS</b>	<b>1 721,8</b>	<b>1 488,2</b>

Msek	2024 31 Dec	2023 31 Dec
<b>Equity</b>		
Share capital	0,9	0,9
Other capital provided	294,7	286,1
Translation reserve	16,7	-8,9
Retained earnings including profit for the year	545,7	455,9
Equity attributable to owners of the parents	858,0	733,9
Non-controlling interests	1,3	1,6
<b>Total equity</b>	<b>859,3</b>	<b>735,6</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
Liabilities to credit institutions	302,2	192,3
Non-current lease liabilities	116,2	105,1
Deferred tax liabilities	34,3	33,5
Other non-current financial liabilities	30,5	45,9
Other provisions	4,4	5,0
<b>Total non-current liabilities</b>	<b>487,7</b>	<b>381,8</b>
<b>Current liabilities</b>		
Liabilities to credit institutions	0,1	23,5
Current lease liabilities	47,7	39,9
Derivative instruments	0,0	0,3
Other current financial liabilities	84,1	74,9
Trade payables	119,5	99,9
Tax liabilities	11,8	31,5
Invoiced revenues not worked-up	6,5	0,5
Other liabilities	45,3	37,9
Accrued expenses and deferred income	58,8	62,5
<b>Total current liabilities</b>	<b>374,8</b>	<b>370,8</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1 721,8</b>	<b>1 488,2</b>

# Teqni consolidated statement of changes in equity

Attributable to equity holders of the parent company	2024	2023
Msek	31 Dec	31 Dec
<b>Opening equity (1 Jan)</b>	<b>733,9</b>	<b>443,0</b>
Total comprehensive income for the period	121,3	113,1
New issues <sup>1)</sup>	2,8	177,8
Option premiums	-	-
Dividend	-	-
Acquisition of non-controlling interests	-	-
<b>Closing equity</b>	<b>858,0</b>	<b>733,9</b>
Average number of shares outstanding before dilution YTD	17 153 696	16 564 174
Average number of shares outstanding after dilution YTD	17 160 449	16 635 483
Number of shares outstanding at the end of the period	17 165 756	17 138 486
Average number of shares outstanding before dilution Q4	17 165 756	17 138 486
Average number of shares outstanding after dilution Q4	17 174 117	17 156 078

1) New issue of 27 270 shares in June 2024 from share option program 2021/2024.  
New issue of 142 410 shares in June 2023 from share option program 2020(2023 and 866 366 shares by directed new issue in July 2023.





# Teqni consolidated cash flow statement

Msek	2024	2023	2024	2023
	Q4	Q4	Calendar year	Calendar year
Operating profit	24,6	43,5	147,5	169,7
Adjustments for non-cash items <sup>1)</sup>	12,1	14,2	46,9	57,4
Interest and other financial items, net <sup>2)</sup>	-2,3	-3,4	-21,0	-15,1
Paid tax	-2,7	9,2	-51,3	-23,3
Change in working capital	16,2	20,3	-25,8	-65,0
<b>Cash flow from operating activities</b>	<b>48,0</b>	<b>85,2</b>	<b>96,2</b>	<b>125,2</b>
Net capital expenditure in non-current assets	-1,8	-4,2	-18,5	-7,3
Company acquisitions and divestments	-8,3	-89,7	-120,7	-151,7
<b>Cash flow from investing activities</b>	<b>-10,1</b>	<b>-93,8</b>	<b>-139,1</b>	<b>-159,0</b>
Net issues	-	-	2,8	177,8
Option premiums paid	-	-	-	-
Debt/repayment of debt, net	-18,9	40,4	28,5	8,1
Dividend paid out, non-controlling interests	-	-	-0,5	-
<b>Cash flow from financing activities</b>	<b>-18,9</b>	<b>40,4</b>	<b>30,8</b>	<b>185,9</b>
<b>CASH FLOW FOR THE PERIOD</b>	<b>19,0</b>	<b>31,8</b>	<b>-12,1</b>	<b>152,2</b>
Cash and cash equivalents at the start of the period	174,0	170,8	199,8	47,3
Exchange differences in cash and cash equivalents	2,9	-2,7	8,2	0,4
<b>Cash and cash equivalents at the end of the period</b>	<b>196,0</b>	<b>199,8</b>	<b>196,0</b>	<b>199,8</b>

1) This includes depreciation, provisions, currency revaluations and revaluation of contingent considerations etc.

2) This includes interest fair value accounting of earnouts, interest IFRS 16, interest bank loans etc.

# Parent company income statement

Msek	2024 Q4	2023 Q4	2024 Calendar year	2023 Calendar year
<b>Net sales</b>	16,5	14,1	56,5	49,1
<b>Operating costs</b>				
External costs	-1,5	-1,3	-5,4	-4,8
Employee benefit costs	-4,9	-5,7	-19,9	-22,1
Depreciation and amortization	0,0	0,0	0,0	0,0
Other operating income and expenses	-1,0	0,0	-2,1	0,2
<b>Total operating costs</b>	<b>-7,4</b>	<b>-7,0</b>	<b>-27,4</b>	<b>-26,9</b>
<b>Operating profit</b>	<b>9,1</b>	<b>7,0</b>	<b>29,2</b>	<b>22,3</b>
Profit from investments in group companies	-	-	41,9	5,8
Financial income	6,9	2,7	7,2	5,4
Financial expenses	-12,3	2,7	-33,4	-7,9
<b>Net financial items</b>	<b>-5,4</b>	<b>5,4</b>	<b>15,8</b>	<b>3,2</b>
<b>Profit after financial items</b>	<b>3,7</b>	<b>12,4</b>	<b>44,9</b>	<b>25,5</b>
Appropriations	-10,4	-23,9	-10,4	-23,9
Group contributions	53,7	83,0	53,7	83,0
Income tax	-9,9	-15,8	-10,2	-16,6
<b>Profit for the period</b>	<b>37,2</b>	<b>55,7</b>	<b>78,1</b>	<b>68,0</b>

# Parent company balance sheet

Msek	2024 31 Dec	2023 31 Dec
<b>Assets</b>		
<b>Non-current assets</b>		
Equipment, tools, fixtures and fittings	0,1	0,0
Participations in group companies	1 059,8	917,7
Other receivables	0,2	-
<b>Total non-current assets</b>	<b>1 060,2</b>	<b>917,7</b>
<b>Current assets</b>		
Trade receivables	-	-
Receivables from group companies	66,6	44,6
Tax assets	1,0	-
Other receivables	0,0	0,0
Prepaid expenses and accrued income	0,4	0,2
Cash and cash equivalents	103,0	106,0
<b>Total current assets</b>	<b>171,0</b>	<b>150,8</b>
<b>TOTAL ASSETS</b>	<b>1 231,1</b>	<b>1 068,5</b>

Msek	2024 31 Dec	2023 31 Dec
<b>Equity</b>		
Restricted equity	2,2	2,2
Unrestricted equity	611,6	530,6
<b>Total equity</b>	<b>613,7</b>	<b>532,8</b>
<b>Untaxed reserves</b>		
Tax allocation reserves	95,8	85,5
<b>Total untaxed reserves</b>	<b>95,8</b>	<b>85,5</b>
<b>Contingencies</b>		
Contingencies for acquired companies	114,6	120,8
<b>Total contingencies</b>	<b>114,6</b>	<b>120,8</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
Liabilities to credit institutions	298,5	188,1
Liabilities to group companies	62,5	56,0
<b>Total non-current liabilities</b>	<b>361,0</b>	<b>244,1</b>
<b>Current liabilities</b>		
Liabilities to credit institutions	-	22,3
Liabilities to group companies	36,5	32,3
Trade payables	0,3	0,4
Tax liabilities	-	17,3
Other liabilities	2,6	2,8
Accrued expenses and deferred income	6,7	10,4
<b>Total current liabilities</b>	<b>46,1</b>	<b>85,4</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1 231,1</b>	<b>1 068,5</b>

# Other financial information

## Note 1 Reporting principles

Tegnon 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 Tegnon 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 2023.

## Note 2 Risks and uncertainty factors

Please review the annual report for 2023. No new material risks or uncertainty factors have been identified since the publication.

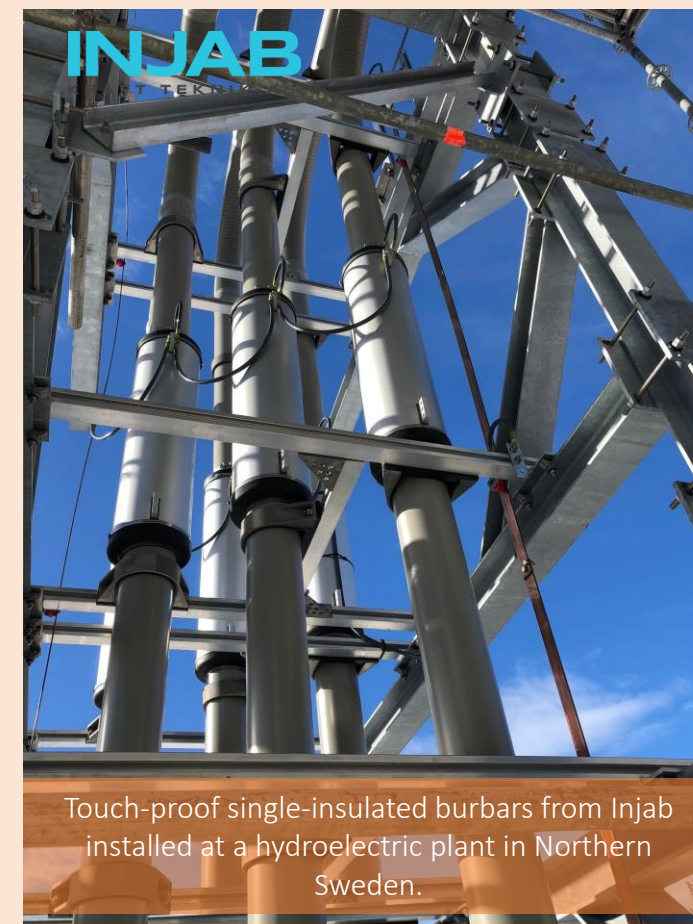
## Note 3 Transactions with related parties

Transactions with related parties are described in the annual report for 2023 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.

	2024	2023
Msek	31 Dec	31 Dec
Opening book value	120,8	103,8
Acquisitions during the year	46,0	78,8
Consideration paid	-42,4	-66,9
Reclassified via income statement	-17,8	4,0
Interest expenses	1,6	1,4
Exchange rate differences	6,4	-0,5
<b>Closing book value<sup>1</sup></b>	<b>114,6</b>	<b>120,8</b>



Touch-proof single-insulated burbars from Injab installed at a hydroelectric plant in Northern Sweden.

1) For explanation of the effects in our group income statement and cash flow statement regarding earnouts, please read our Q1 2024 report and especially page 8.

# 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](mailto: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 5-30 Msek post tax (real money, we don't believe in adjusted EBITDA).
- Proven profitability of at least 10% 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...

# Your new career?

Want to work with us? It is both challenging and fun. We are growing and are constantly looking for new colleagues. Below are some of the vacancies that we have in the group.

The first step in your next adventure start with contacting our Mona!  
([mona.axman@teqnion.se](mailto:mona.axman@teqnion.se))

**Air Target** (Kista) – GM for live firing target indicator sales team

**Wallmek** (Kungälv) – Incoming Goods Inspector

**NASC** (Södertälje) – Light loving salesperson

**Stanwell** (Holmfirth) – Beverage & fluid dispense systems salesmaster

**Elrond** (Huddinge) – Potential equalization and surge protection salesperson

**Inkom** (Kista) – Electromechanical sales engine



# 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**

2024 Q1 interim report	23 <sup>rd</sup> of April 2024 (Tuesday)
2024 AGM	23 <sup>rd</sup> of April 2024 (Tuesday)
2024 Q2 interim report	20 <sup>th</sup> of July 2024 (Saturday)
2024 Q3 interim report (this report)	19 <sup>th</sup> of October 2024 (Saturday)
2024 Year-End report 2024	15 <sup>th</sup> of February 2025 (Saturday)
2024 Annual report	22 <sup>nd</sup> of March 2025 (Saturday)
2025 Q1 interim report	23 <sup>rd</sup> of April 2025 (Wednesday)
2025 AGM	23 <sup>rd</sup> of April 2025 (Wednesday)
2025 Q2 Interim report	19 <sup>th</sup> of July 2025 (Saturday)
2025 Q3 Interim report	18 <sup>th</sup> of October 2025 (Saturday)
2025 Year-End report 2025	14 <sup>th</sup> of February 2026 (Saturday)

All reports will be published on Teqnon's website:

[www.teqnon.se/investor-relations/finanssiella-rapporter/](http://www.teqnon.se/investor-relations/finanssiella-rapporter/)

**For more information, please contact**

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Daniel Zhang, CXO, +46721 555 695, [daniel@teqnon.se](mailto:daniel@teqnon.se)

To send in questions to the Q&A, please use [QA@teqnon.se](mailto:QA@teqnon.se)

**Review**

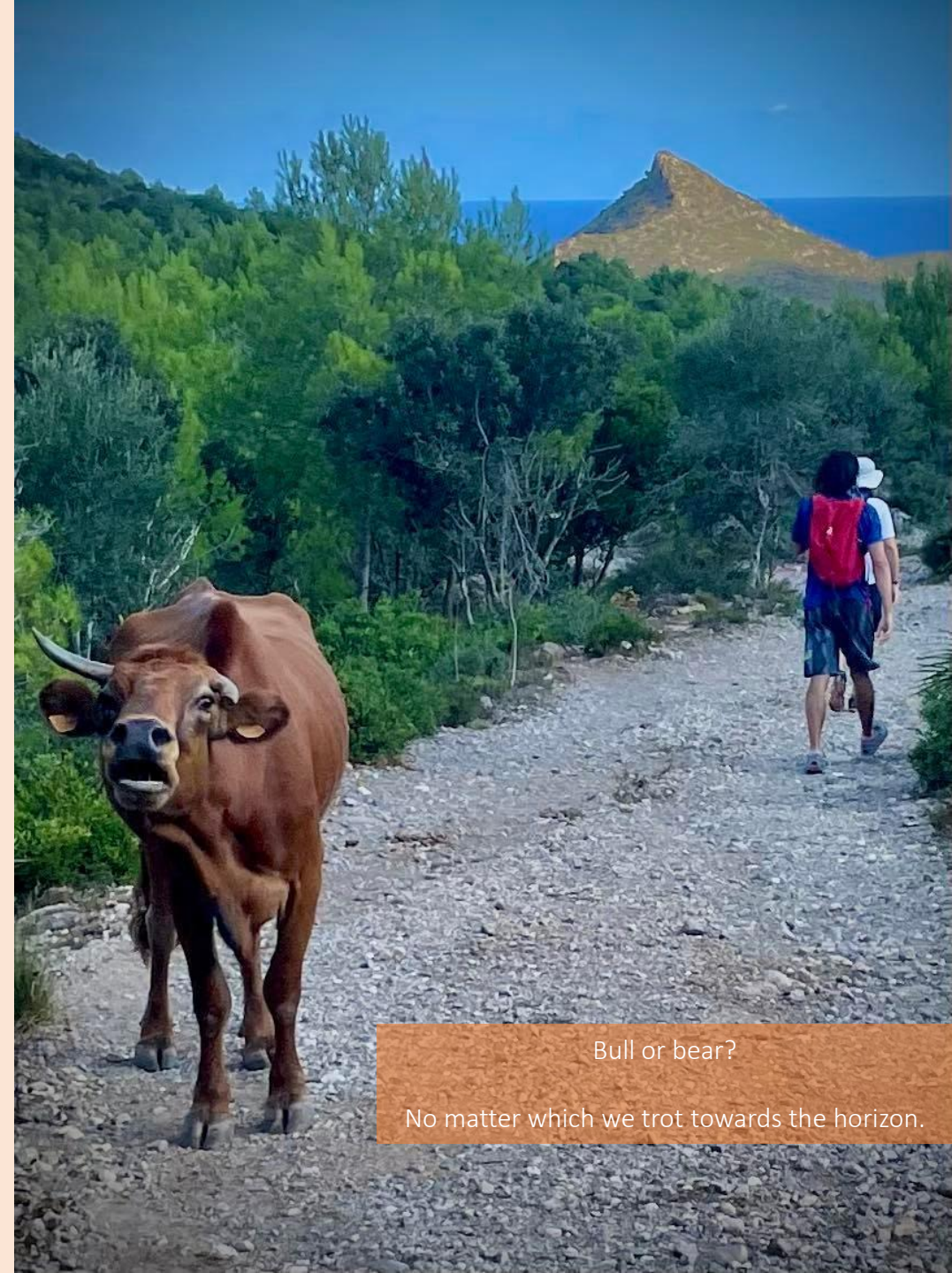
This report has not been reviewed by the company's auditor.

**Certified Adviser**

Redeye AB



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



Bull or bear?

No matter which we trot towards the horizon.



# Teqni Year-End report

Q4: October-December 2024

HEM **1**

This beautiful house became Hem1's first sale of 2025 (signed 17<sup>th</sup> of January). The current tally at the time of this report is 3 (please don't extrapolate). Full year 2024 was 10.

The team is working hard to make it the first of many.

**Teqni**  **n**