

Teqnion AB announces outcome of goodwill impairment test

Teqnion has completed a review of the goodwill reported on the group's balance sheet. The assessment has resulted in a total goodwill impairment charge of 73 MSEK, which will impact the financial results for the third quarter of 2025. Based on the information currently available, no further material impairments are expected.

In accordance with IFRS (IAS 36 Impairment of Assets), Teqnion has performed impairment tests for all cash-generating units. The tests concluded that the carrying amounts of goodwill in two subsidiaries, as previously announced Reward Catering and additionally Hem1, are no longer supported by their expected future cash flows. Consequently, Teqnion will recognize a goodwill impairment charge of 73 MSEK.

This impairment is a non-cash accounting adjustment that does not affect the group's liquidity or operational capacity. However, it will have a negative impact on reported earnings and earnings per share for the third quarter of 2025.

Following the impairment assessment, Teqnion has initiated structural and operational measures in the affected subsidiaries. These initiatives are expected to improve the Group's annual earnings and operating cash flow by approximately 18–24 MSEK on a forward-looking basis, with partial effects anticipated during the fourth quarter of 2025 and full effect expected during 2026.

As previously communicated, Teqnion will continue to take decisive action regarding business units that do not meet the group's profitability standards. These measures are intended to ensure that Teqnion enters 2026 with a stronger cash flow profile and reduced performance drag. The Group remains firmly focused on profitability, capital efficiency, and sustainable long-term value creation.

Teqnion's interim report for Q3 2025 will, as previously announced, be released on 18 October 2025.

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This information is information that Teqnion AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, at 2025-10-10 11:45 CEST.

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 many 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. Teqnion's shares TEQ are traded on the Nasdaq First North Growth Market. Redeye AB is Certified Adviser.