Press release July 18th 2026, 08:08 CET

Interim Report January - June 2026 - Teqnion AB

TEQ Flash Q2 report 2026

We keep rowing our boat across a choppy sea. Net sales for the quarter were 517.9 (474.5) MSEK, up 9%, and EBITA was 72.9 (53.7) MSEK, up 36%. Organic sales are down 3% due to discontinuing unprofitable business, which also drove organic EBITA up 52%. The Q2 EBITA margin rose to 14.1% (11.3%), free cash flow grew nearly sevenfold to 35.0 (4.5) MSEK, and EPS was up 11%. No rest on the oars, "bam - bam - RO"!
- Johan Steene, original Teqniån

Events during the quarter

- Bolt-on acquisition - Powerair Ltd
- T.E.S.T Ltd was acquired
- Norband Ltd. Oy was acquired

Events after the quarter

- Nothing significant, just everyday grinding

Teqnion financial development, MSEK	2026 Q2	2025 Q2	Δ%	2026 YTD	2025 YTD	Δ%
FCF excluding acquisitions	35,0	4,5	+678%	54,8	23,0	+138%
EPS (SEK)	2,48	2,24	+11%	4,52	4,37	+3%
Diluted EPS (SEK)	2,48	2,24	+11%	4,52	4,37	+3%
Profit for the period	42,6	38,5	+11%	77,6	75,1	+3%
Profit before taxes	52,2	44,3	+18%	105,2	90,7	+16%
EBITA	72,9	53,7	+36%	140,9	86,7	+63%
EBITA margin (%)	14,1%	11,3%	--	14,2%	9,8%	--
Net sales	517,9	474,5	+9%	992,3	880,8	+13%
Net debt / EBITDA*	--	--	--	1,7	1,9	--
RoE R12* (%)	--	--	--	10,8%	13,5%	--

** When calculations have been based on 12 months, they are only visualized in the YTD columns*

CEO Letter – *Johan's thoughts*

Hi Teqniåns,

We are in the middle of a summer that mixes drone wars, stock listings of space rockets, and Viking rowers at the football World Cup. Some extraordinary human beings are busy developing groundbreaking technology, others are bombing each other "back to the Middle Ages" and yet some play football while the rest cheer from the stands. All in all, nothing new under the sun…

Four q's in a row

How's Teqnion doing, you might ask. Under the circumstances, I'd say fairly decently and better than the top line suggests. The underlying pre-tax profit from our subsidiaries is more than double last spring's, and organic EBITA is up 52%. That's what a group pulling itself together looks like. Much is shaking in the world, but we keep climbing. Never satisfied, we push forward.

We have now marched six months in our new company structure, split into the business areas Nord and Väst. The financials validate we're on the right trajectory. As promised, cash flow is keeping pace at 35.0 (4.5) MSEK, nearly seven times the comparison quarter. EBITA is up 36% and the margin has climbed to 14.1% (11.3%). Organic sales were down 2.8% (-1.0% in local currency and roughly flat +0.3% when excluding the discontinued unprofitable business). We're in the business of making profitable sales. The difference shows and matters. The gain comes from a combination of fine acquisitions and improvements in existing companies, as the Wipeboard waterfalls on page 9 lay out.

Even though we're still small and therefore somewhat fragile the quality of the group is getting better which is shown in the underlying profitability. Both business areas are moving. Teqnion Nord delivered an EBITA of 41.2 (26.6) MSEK at a margin of 11.3% (7.3%), clear evidence that the operational work in the Swedish companies is paying off. Teqnion Väst grew net sales 37%. Väst's margin remains healthy while the comparison quarter benefited from unusually favorable business and accounting items.

Financial pyramid binoculars

Our financial target pyramid, with figures from the trailing twelve months, currently shows a somewhat skewed picture of where we stand in my opinion. The base: STABILITY is stable, with net debt/EBITDA at 1.7 (target below 2.5), leaving plenty of room to keep acquiring. The mid section: PROFITABILITY in the existing portfolio is fair, though it should of course get better, with an EBITA margin of 13.5% (target >9%).

The top cone: Value-creating SHAREHOLDER VALUE in EPS reaches SEK 5.88. We should be above SEK 6.74 (2 x R12 E June 2021) per share to meet the target of doubling EPS every five years. But I'm not worried about this snapshot in time. Underlying operations are delivering better, further acquisitions are in the books, more are coming and we have never had a stronger team. This metric is carrying the burden of past mistakes and the goodwill impairment carried out in the third quarter of last year. I do dare, however, to look ahead on this, a quarter or so, and then the rolling E won't be weighed down by the SEK 73 million from the mentioned impairment. An operational EPS excluding the impairment would instead take the EPS to SEK 10.13, well above the target. However, we will continue to report the unadjusted numbers and let the readers make their judgments. Similarly, the reported ROE of 10.8% would read 17.8%...

Two goals down, still standing

On the 7th of July Argentina was 2-0 down to Egypt with fifteen minutes left. Statistically, it was game over. But it wasn't. It became the first team in World Cup history to win a knockout match after trailing by two that late. A comeback like that isn't one moment of brilliance from one player (Daniel: although Messi's last fifteen minutes were nothing but magical), it's an entire team refusing to fold when the scoreboard looks ugly. They dug deep and found that extra gear until the game turned. That's what I see here across Teqnion right now. We've spent a couple of hard years behind on the scoreboard, and the recovery has come from two directions at once. The fresh legs matter. We've acquired more companies than ever. The quality of these is higher than ever. But so does everyone else on the pitch! Our coworkers out in the existing subsidiaries have lifted our profitability one shift at a time. Four straight quarters of improvement isn't magic. It's a team that won't quit.

The 🐐's hunting

As we move forward, Daniel's extraordinary company scouting abilities (he is our own GOAT) offer us a continuous parade of fine acquisition candidates. The magic of his doings in the last five years is demonstrated on top of page 9. During the quarter we welcomed Powerair, T.E.S.T and Norband into the group. It's especially fun that we now have employees in Finland, so the business area Teqnion Nord is finally living up to its name. The goal is to acquire a handful of companies per year. Last year it was nine. Where will we end up this year? The jury is still out. Regardless of the number, it's acquired quality profit we're chasing. For the right price. The intention is for acquired companies to be better than the ones we already have in the group. Slowly and methodically, we're growing stronger.

Return of the kākāpō

If you recall the tale of the kākāpō's fate told last summer, it speaks, in a roundabout way, of the importance of maintaining critical capabilities even when the current situation happens to be deceptively easy. Teqnion has clearly been shaken up over the past few years, but we rose to the challenge by utilizing what was available in our business arsenal while building up new capabilities. Most of our deals still happen through a human connection between buyer and seller, but effective data analysis and support from non-human intelligence are becoming increasingly important for getting there efficiently. It's fun that we're performing better and moving faster. We're on the hunt. The last four consecutive quarters of improvement show that we are ready to fly again. We obeyed the rule and didn't become a kākāpō.

In case it hasn't been clear: I'm cautiously optimistic, ambitions fully intact. The sport we're competing in is to ***create the highest possible return for shareholders over the long term***. How big can this get, you might ask? My answer: really big.
We're only at the beginning.

Run far, be nice

Johan Steene
CEO and founder

The report is attached to this press release and is available via the following link:
https://www.teqnion.se/en/investor-relations/financial-reports/

Q&A

You are welcome to ask us questions about the report and anything else you would like to know about Teqnion on Monday, July 20th at 8:08 CET when we open a Teams meeting. We will be present on the screen with Johan Steene and Daniel Zhang.
Warmly welcome!

To participate, please press here or by the Teams meeting ID below.
Meeting ID: 362 546 522 701 126
Passcode: Z499Lu6j
Send in questions to the Q&A session, e-mail: QA@teqnion.se

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The information in this report is such that Teqnon AB is obligated to make public in accordance with the EU Market Abuse Regulation. The information was submitted for publication by the agency of the above contact persons on 18th of July 2026 at 8:08 CET.

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 numerus 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 with the abbreviation TEQ are traded on the Nasdaq First North Growth Market.

Redeye Nordic Growth AB is Certified Adviser.