

Investor Presentation

Q4 2025

February 2026



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Today's presenters

The reputable Group Management Team



Michael Berglin

Group CEO



Inka Kontturi

Group CFO



The quarter at a glance

The Nordic leader in road operations and maintenance

- Strong finish to 2025 with broad-based activity across operations
- Revenue growth of 29% in Q4 and 14% for the full year
- Sweden delivers growth and profitability. All key operational and financial indicators are developing in the right direction
- Improved cash generation (224%) and strong order intake (399 MSEK) confirms operational strength
- Proactive handling of Finland and Denmark transitions according to plan

Q4 2025

1 223

Revenue, MSEK

48

Adj. EBITA, MSEK

4%

Adj. EBITA margin

29%

Revenue growth

FY 2025

3 603

Revenue, MSEK

98

Adj. EBITA, MSEK

3%

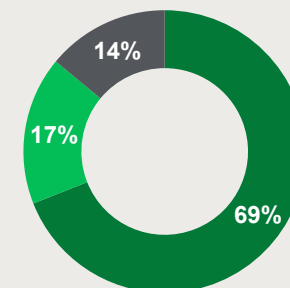
Adj. EBITA margin

14%

Revenue growth

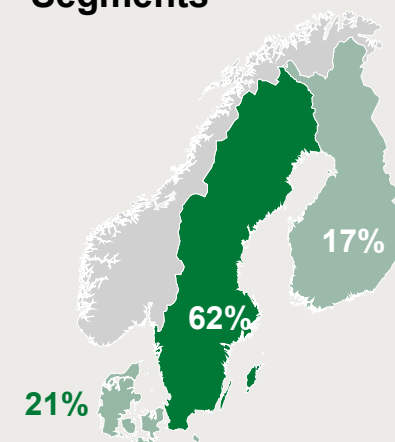
Share of revenue FY2025

Customers



■ State ■ Municipal ■ Private

Segments



Areas of operations

Road operations and maintenance

~ 90%

Light construction

~ 7%

Green construction and maintenance

~ 1%

Temporary road safety services

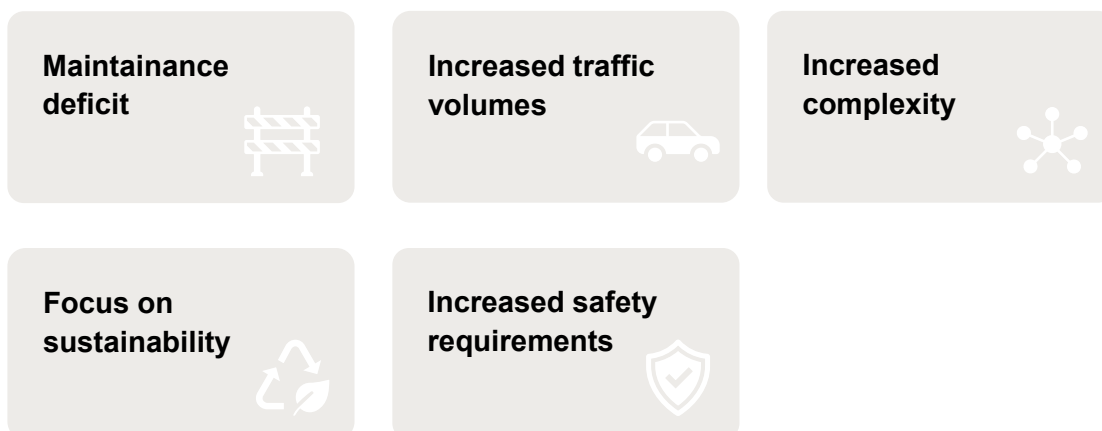
~ 2%

Large, stable Nordic market with high entry barriers

Terranor is tapping into a ~76 SEKbn opportunity

- Well-established in a market with high entry barriers in terms of know-how and human capital
- The market is stable and generally supported by long-term structural trends
- The Swedish government aims to increase funding for O&M by 48% from 2026 onwards to address the maintenance deficit of 45SEKbn
- Long-term contracts, between four and eight years, which provide stable revenue streams with low risk and good visibility
- Diligent tender strategy has contributed to a revenue growth rate that by far surpasses the market focusing on profitable contract wins

Key Market drivers

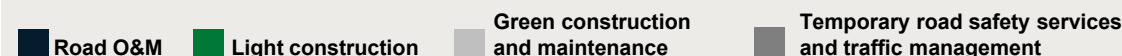


Estimated total addressable market size 2024 (SEKbn)

Sweden, Finland, Denmark

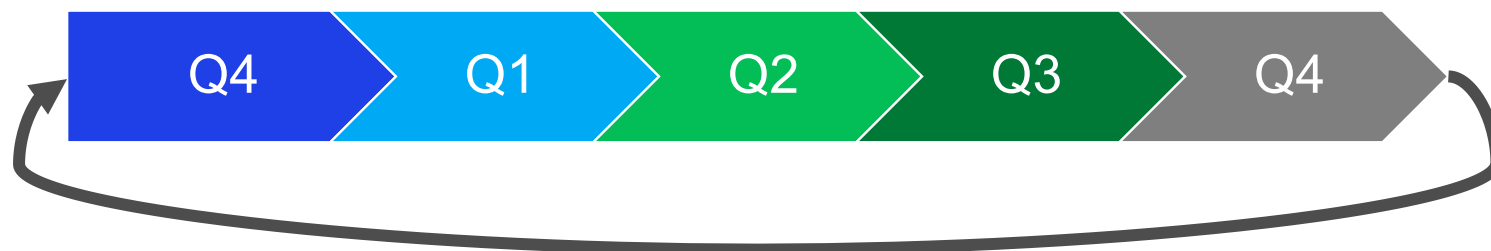


~76 SEKbn



Operational seasonality directly linked to the climate cycle

One maintenance year usually span five quarters, starting in Q4



Winter Season

- Most contracts starts in Q4
- Q1 primarily consists of base contract volumes, with limited variable and extra work. As a result, there is reduced opportunity to influence margins
- Q1 provides stable income through fixed payments

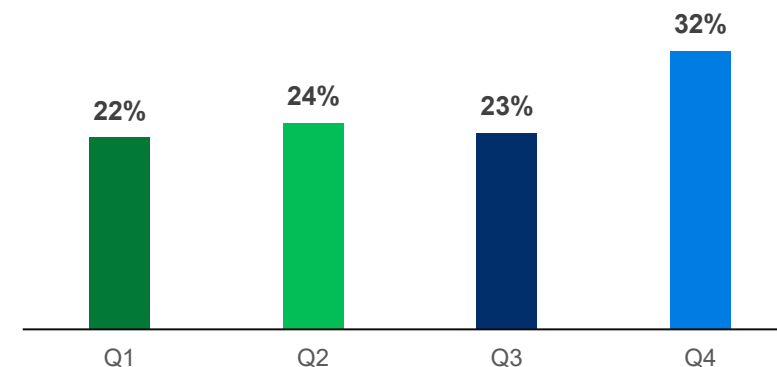
Summer Season

- Summer season typically has more variable price services and more opportunities to influence on margin
- The start of Q3 is impacted by the holiday season, normally resulting in slightly lower revenue compared to Q2
- Margins improve due to performed extra works

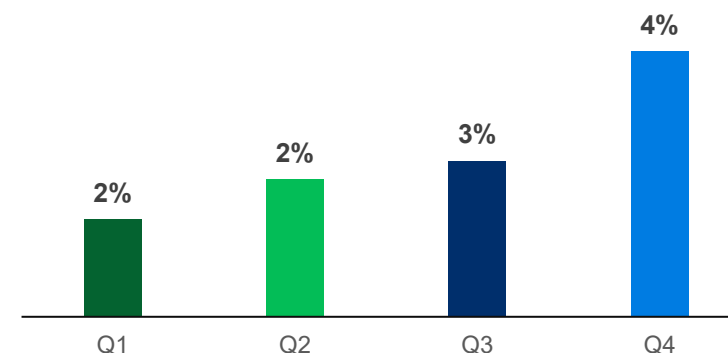
Winter Season

- Finalize extra work for the maintenance year started during prior maintenance year
- The highest volumes on extra works are performed during the second half of the year

Share of annual revenue, average per quarter¹



EBITA margin², average per quarter³



1) Referring to average share of annual revenue for respective quarter between 2023-2025. 2) Adj. EBITA in relation to revenue. 3) Referring to average EBITA margin for respective quarter between 2023-2025.



Solid growth

Diligent tender strategy has contributed to revenue growth that by far surpasses the market

Q4 2025

1 223

Revenue, MSEK

29%

Revenue growth

>8%

Target growth, %

FY 2025

3 603

Revenue, MSEK

14%

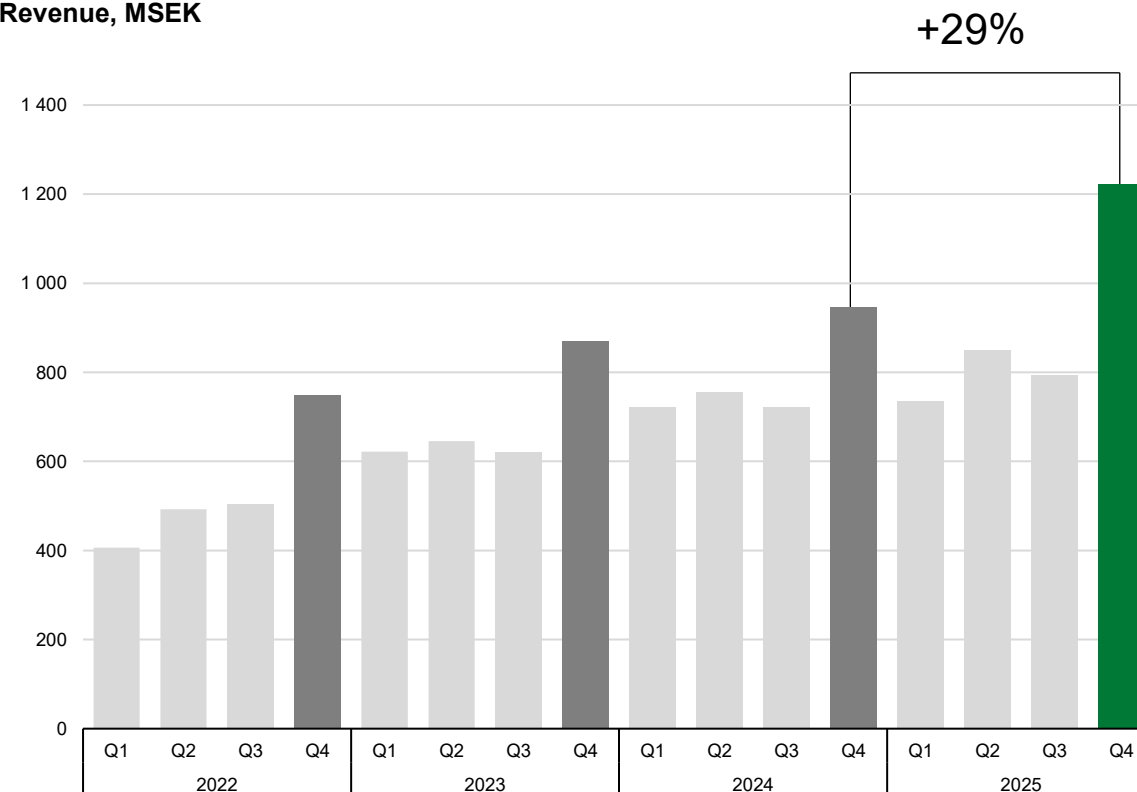
Revenue growth

>8%

Target growth, %

- Revenue of 1,223 MSEK in Q4 (+29%) and full-year revenue of 3,603 MSEK (+14%), exceeding medium-term growth target (>8%). Broad-based growth across operations, not dependent on individual contracts
- Strong order intake of 399 MSEK in Q4 and 2,801 MSEK for the full year (1,680). reflects competitiveness and supports future visibility

Revenue, MSEK





Strong Cash Generation

Strong cash generation confirms underlying cash flow strength

- Strong Q4 operating cash flow of 201 MSEK and 214 MSEK for FY 2025
- Improved cash generation supported by higher activity and strengthened cash management
- IPO-related costs behind us
- Low capex model supports strong cash conversion
- Solid financial position entering 2026

Q4 2025

201

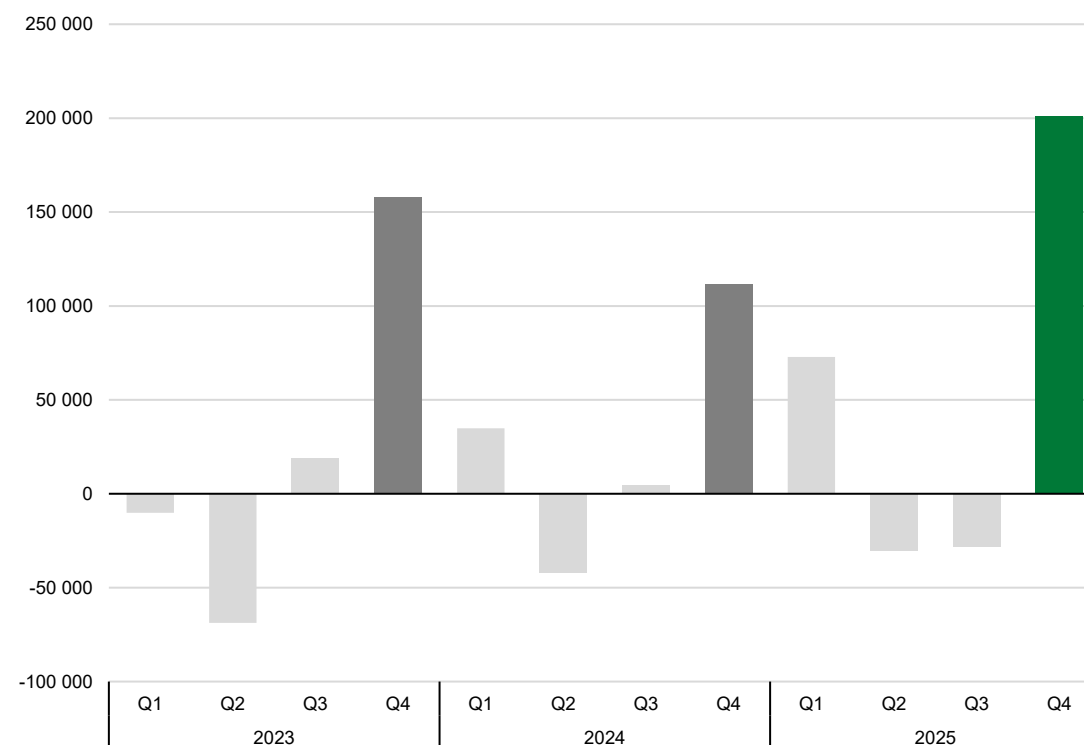
Operating Cash flow, MSEK

FY 2025

214

Operating Cash flow, MSEK

Operating Cash Flow, SEK



Stable underlying earnings

Strong underlying profitability parries restructuring in subsidiaries

Q4 2025

48

Adj. EBITA, MSEK

4%

Adj. EBITA margin

>5%

Target Adj EBITA m.

FY 2025

98

Adj. EBITA, MSEK

3%

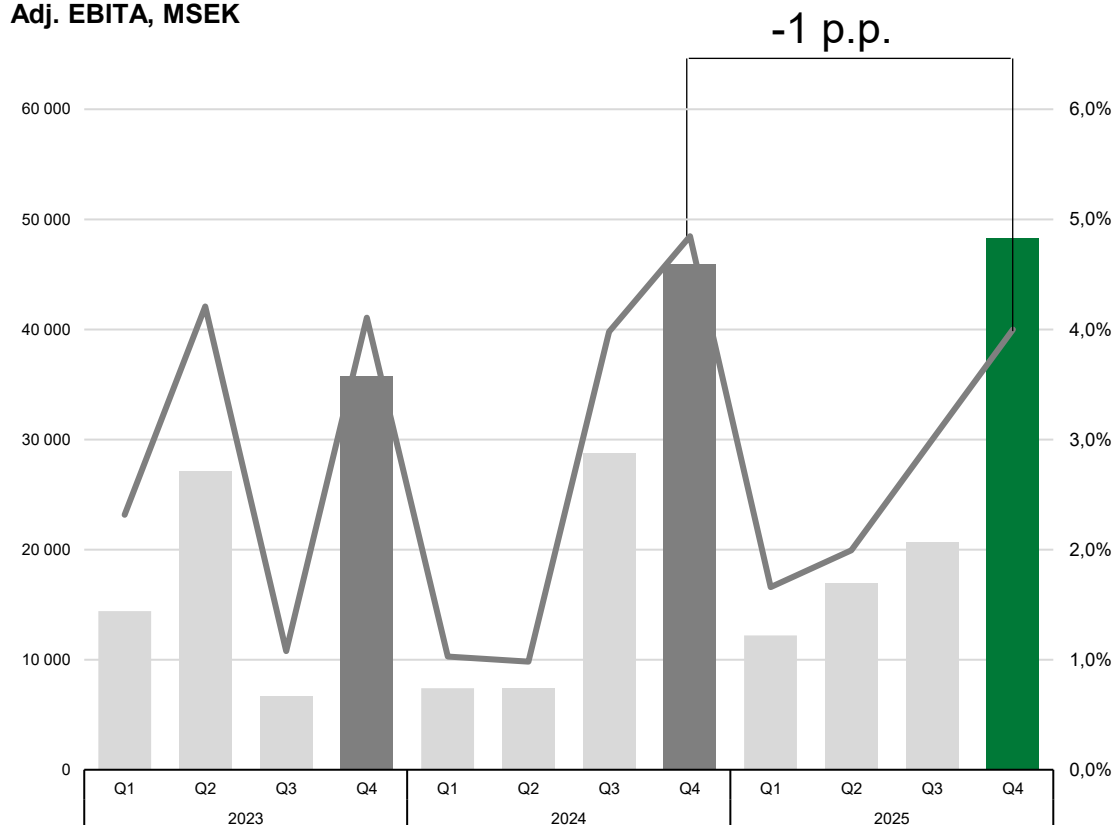
Adj. EBITA margin

>5%

Target Adj EBITA m.

- Strong seasonal profitability from the core business (O&M), especially in Sweden
- Sweden demonstrates strong performance and the capability to absorb higher volumes within existing contracts while also winning new ones
- Ongoing restructuring in Finland and contract transitions in Denmark affect the quarter

Adj. EBITA, MSEK



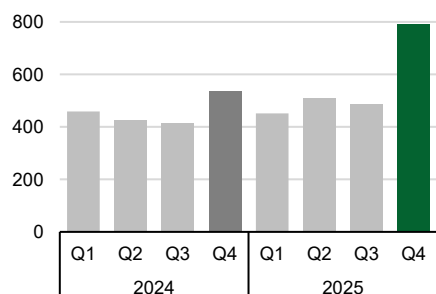
Terranor's segments

Sweden remains as the core growth engine with solid profitability

Sweden

Strong activity and underlying profitability confirm Sweden as the Group's foundation and growth engine

Revenue, MSEK



Q4 2025

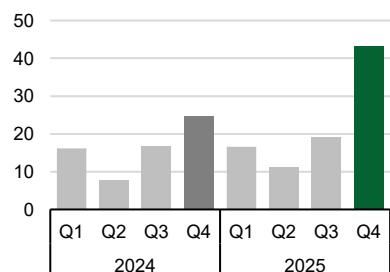
789

Revenue, MSEK

48%

Revenue growth

Adj. EBITA, MSEK



Q4 2025

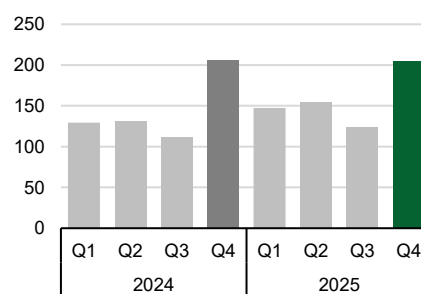
5%

Adj. EBITA margin

Finland

Profitability remains under pressure, with restructuring underway to support long-term improvement

Revenue, MSEK



Q4 2025

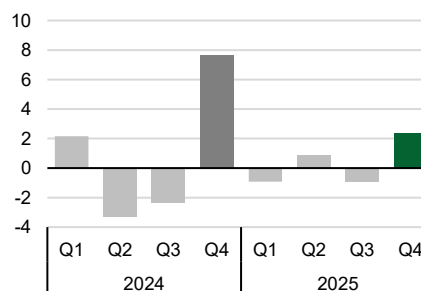
205

Revenue, MSEK

-0%

Revenue growth

Adj. EBITA, MSEK



Q4 2025

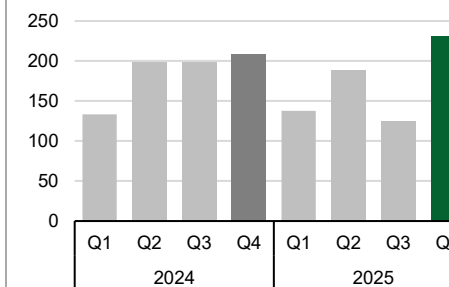
1%

Adj. EBITA margin

Denmark

Contracts were closed according to plan, with new agreements strengthening the outlook for 2026

Revenue, MSEK



Q4 2025

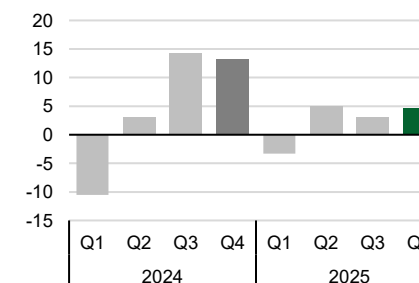
230

Revenue, MSEK

10%

Revenue growth

Adj. EBITA, MSEK



Q4 2025

2%

Adj. EBITA margin



Financial targets

On track to meet ambitious growth and profitability targets

Category	Outcome Q4 2025	Outcome FY 2025	Medium-term financial targets
GROWTH	29% Revenue growth	14% Revenue growth	>8% <i>Achieve an average annual revenue growth of at least 8% in the medium term</i>
PROFITABILITY	4% Adjusted EBITA margin	3% Adjusted EBITA margin	>5% <i>Reach an adjusted EBITA margin of more than 5% in the medium term</i>
DIVIDEND	-	1.50 SEK*	≥50% <i>Target to distribute at least 50% of consolidated net income</i>
Category	Outcome Q4 2025	Outcome FY 2025	Leverage target
LEVERAGE	1.50x <i>Net debt / LTM adjusted EBITDA</i>	-	<2.5x <i>Net debt / LTM adjusted EBITDA should not exceed 2.5</i>

*The Board of Directors proposes a dividend of 1.50 SEK per share for 2025

Why invest in Terranor

Key investment highlights

A highly specialized, Nordic-leading O&M business built for one purpose: Keep the roads open



Resilient >70 SEKbn addressable market with plannable revenues and profit margins



**Mid-term targets:
growth >8%
profitability >5%
leverage <2.5x
dividend ≥50%**



Strongest growth path in the last 3 years among competitors in the industry



An entrepreneurial culture enables innovation and adaptability



Committed management team and Board of Directors



