Investor Presentation

Q2 2026

August 2026

Today’s presenters
The reputable Group Management Team

Michael Berglin

Group CEO

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The quarter at a glance

Continued strong growth and improved profitability

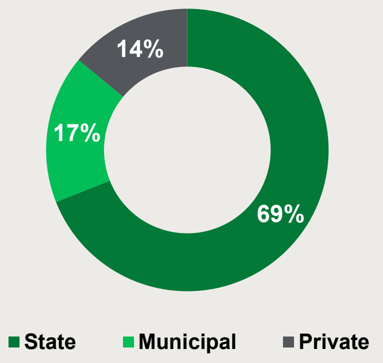
- Strong momentum in Q2 with revenue growth of 23% (12) driven by ramp-up of new contracts and significantly higher activity
- Improved profitability, with an adjusted EBITA margin of 2.6% (2.0), reflecting underlying profitability and continued operational improvements
- Order backlog reached a new all-time high of SEK 7.3bn (6.0)
- Positive development across all segments with new municipal contracts in Finland and the new Danish contract portfolio contributing to higher revenue and improved profitability

Q2 2026

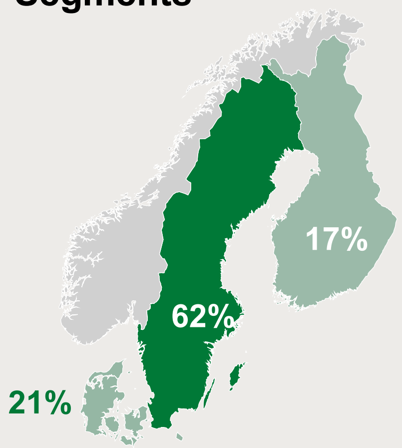
1 041 (849)	**27** (17)	**2.6%** (2.0)	**23%** (12)
Revenue, MSEK	Adj. EBITA, MSEK	Adj. EBITA margin	Revenue growth

Share of revenue FY2025

Customers



Segments



Areas of operations

Road operations and maintenance	Light construction	Green construction and maintenance	Temporary road safety services
~ 90%	~ 7%	~ 1%	~ 2%

Market outlook

Large, stable Nordic market with high entry barriers

- 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
- 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

- **Maintainance deficit**
- **Increased traffic volumes**
- **Increased complexity**
- **Focus on sustainability**
- **Increased safety requirements**

Broad political initiatives expected to drive growth:

- ✓ National plan for transport infrastructure allocating SEK 1 171 bn 2026-2037. Expected increase in road O&M funding of 48% from 2026 onwards to address the maintenance deficit
- ✓ Agreement of infrastructure investments totaling more than SEK 232 bn (DDK 160 bn) through to 2035
- ✓ The Transport 12 Plan includes more than SEK 217 bn (EUR 20 bn) in funding for basic transport infrastructure management in 2026–2037

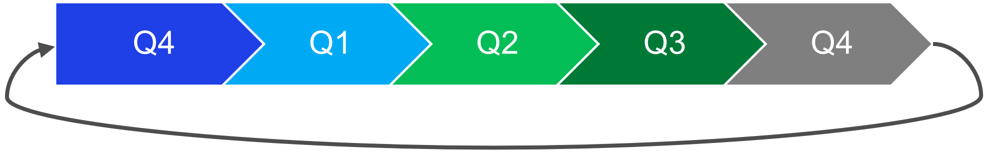
Source: National road authorities, desk research, market-based interviews

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



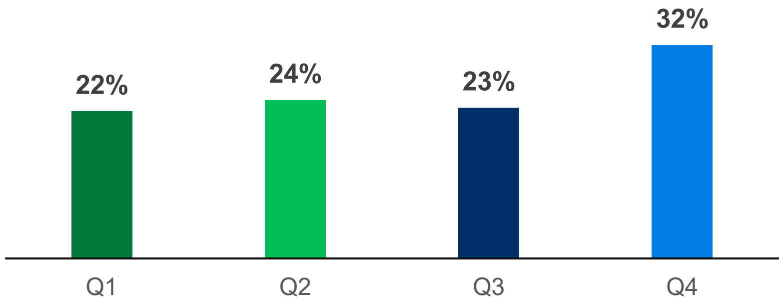
Summer Season

- 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

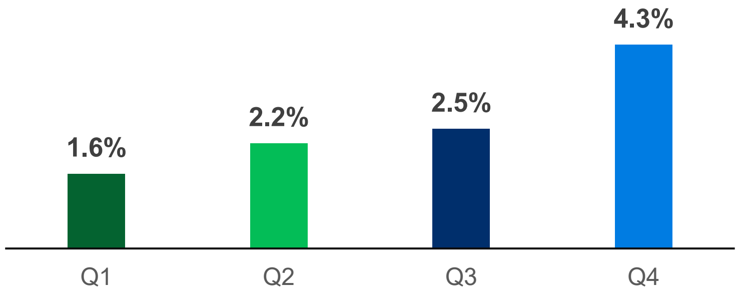
Winter Season

- 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

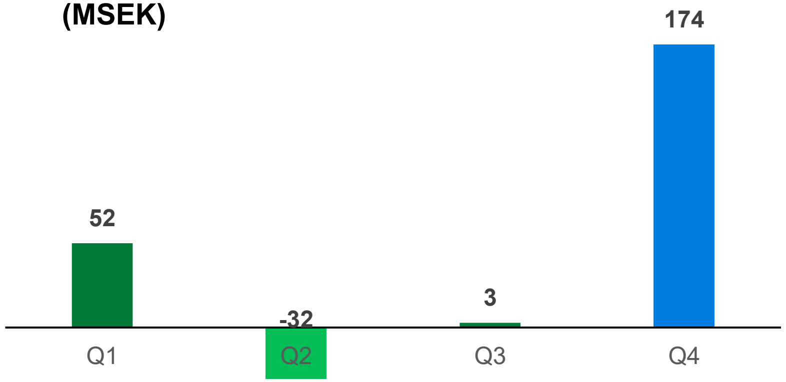
Share of annual revenue, average per quarter[1]



EBITA margin[2], average per quarter[3]



Average adj. operating cash flow per quarter[4] (MSEK)

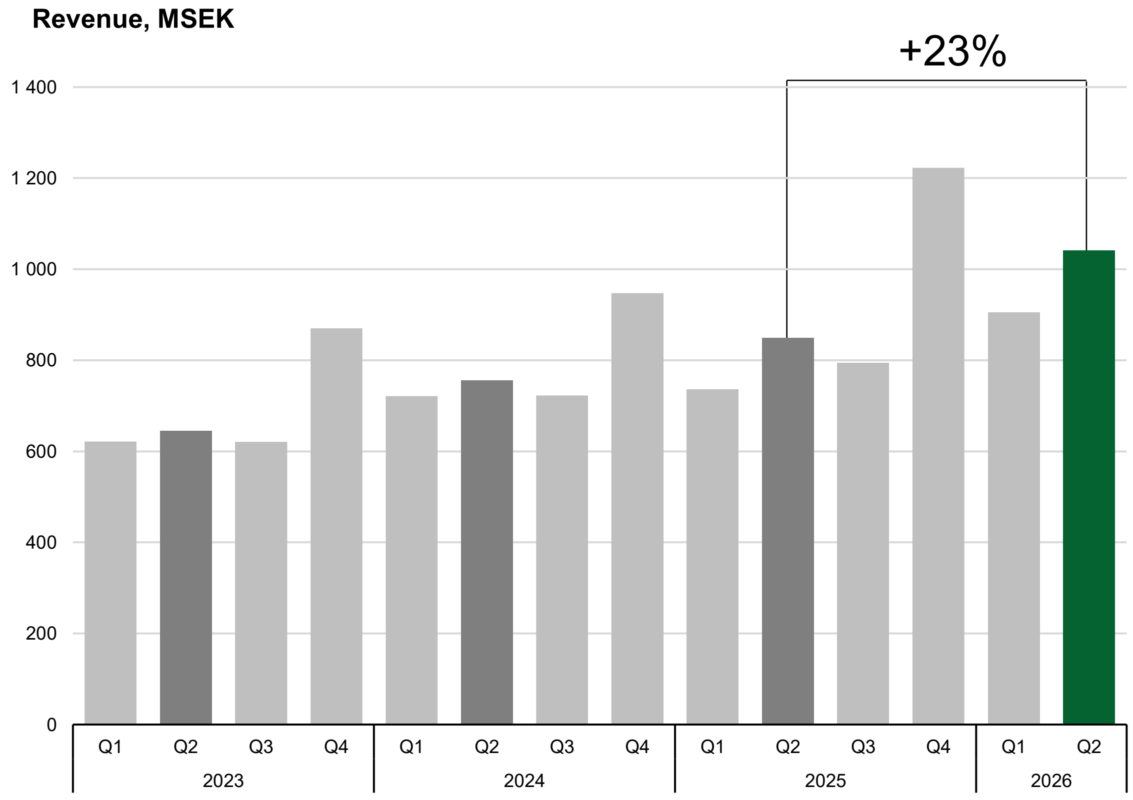


1) Referring to average share of annual revenue for respective quarter between 2023-2025. 2) Adj. EBITA in relation to revenue. 3) Referring to average EBITA margin for respective quarter between 2023-2025. 4)Average adj. operating cash flow per quarter between 2023-2025.

Solid growth

Diligent tender strategy contributed to a strong order intake and significant revenue growth

- Revenue of 1 041 MSEK in Q2 (+23%) exceeding medium-term growth target (>8%)
- Growth driven by ramp-up of new contracts and significantly higher activity across the existing contract portfolio
- Order backlog reached record-high SEK 7.3bn, providing strong visibility for future activity
- Increasing demand for additional works and improvement measures as winter operations transitioned into summer season



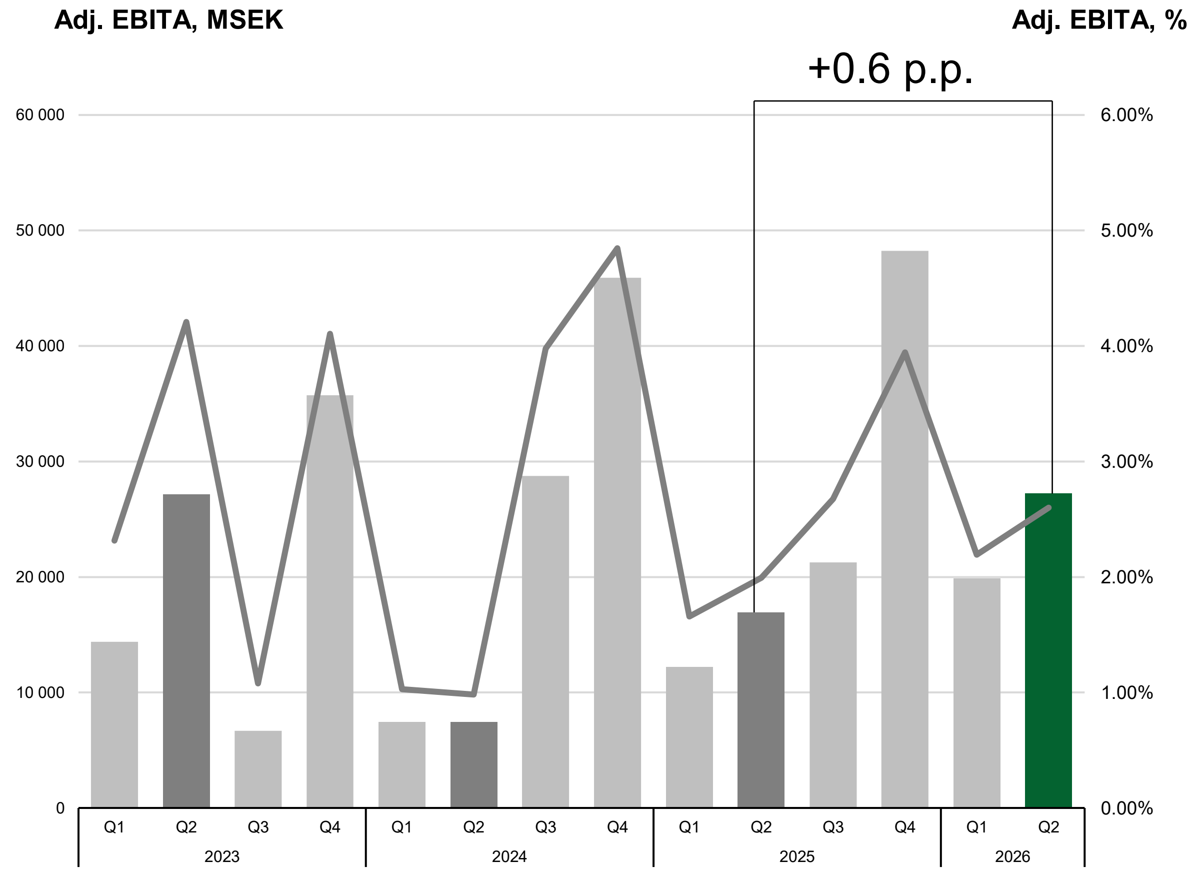
Q2 2026

1 041 (849)	**23%** (12)	**>8%**
Revenue, MSEK	Revenue growth	Target growth, %

Stable underlying earnings

Profitability in line with the seasonal pattern of the business

- Adjusted EBITA increased 61% to 27.2 MSEK (16.9), with an adjusted EBITA margin of 2.6% (2.0)
- Improvement reflects higher EBITA contributions in Sweden and Denmark, led by Sweden on strong revenue growth and margin expansion
- Items affecting comparability amounted to 0.8 MSEK (31.5), primarily relating to legal fees in Finland



Q2 2026

27 (17)	2.6% (2.0)	>5%
Adj. EBITA, MSEK	Adj. EBITA margin	Target Adj EBITA m.

Cash Generation

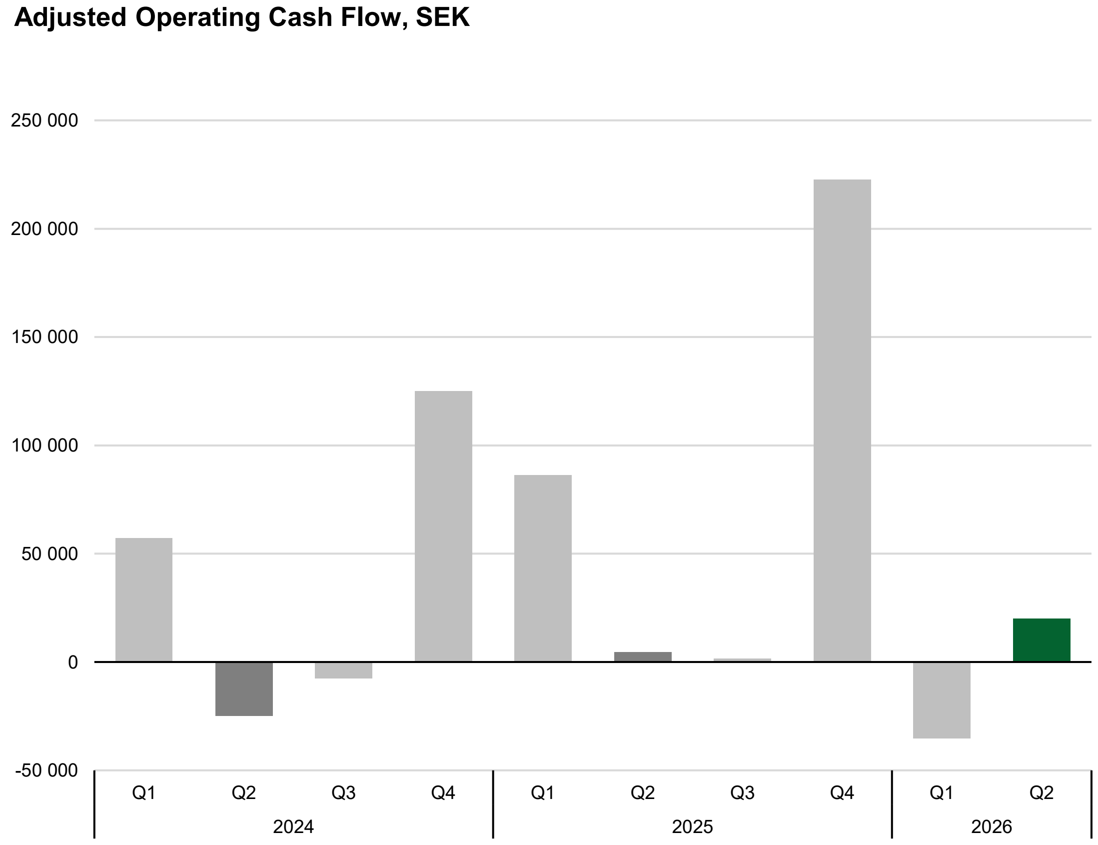
Continued focus on disciplined cash management and a low capital intensity profile

- Adjusted operating cash flow increased to 20.0 MSEK (4.6), supported by stronger underlying profitability
- Cash flow from operating activities was -23.7 MSEK (-29.1) as net working capital increased with strong revenue growth
- Net debt / LTM adjusted EBITDA was -1.97x, comfortably within the <2.5x financial target

Q2 2026

20 **(5)**

Adj. Operating Cash flow, MSEK



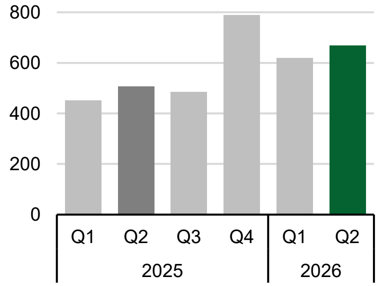
Terranor’s segments

Sweden and Denmark performing above growth targets with solid profitability

Sweden

Strong tender momentum continued, with a record-high backlog providing visibility through 2030.

Revenue, MSEK

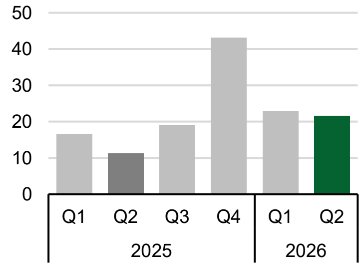


Q2 2026

669 (507)
Revenue, MSEK

32% (19)
Revenue growth

Adj. EBITA, MSEK



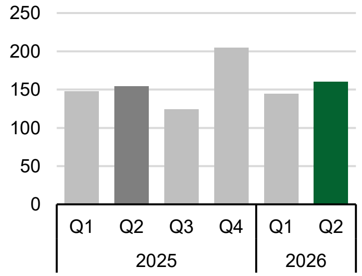
Q2 2026

3.2% (2.2)
Adj. EBITA margin

Finland

Strategic tender activity in Finland, with SEK 419 million in new contracts secured during H1 2026.

Revenue, MSEK

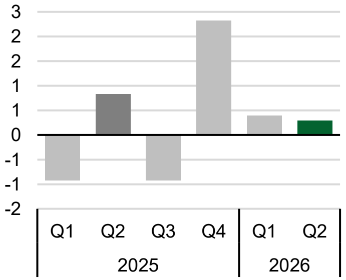


Q2 2026

160 (154)
Revenue, MSEK

4% (18)
Revenue growth

Adj. EBITA, MSEK



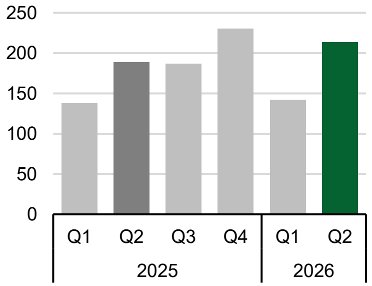
Q2 2026

0.2% (0.5)
Adj. EBITA margin

Denmark

Strong development driven by the ramp-up of new contracts and improved performance across the contract portfolio.

Revenue, MSEK

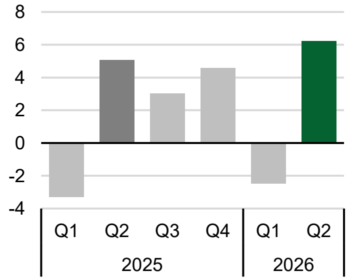


Q2 2026

213 (188)
Revenue, MSEK

13% (-5)
Revenue growth

Adj. EBITA, MSEK



Q2 2026

2.9% (2.7)
Adj. EBITA margin

Financial targets

On track to meet ambitious growth and profitability targets

Category	Outcome LTM Q2 2026	Outcome FY 2025	Medium-term financial targets
GROWTH	**22%** Revenue growth	**14%** Revenue growth	**>8%** *Achieve an average annual revenue growth of at least 8% in the medium term*
PROFITABILITY	**2.9%** Adjusted EBITA margin	**2.7%** Adjusted EBITA margin	**>5%** *Reach an adjusted EBITA margin of more than 5% in the medium term*
DIVIDEND	-	**1.50 SEK**	**≥50%** *Target to distribute at least 50% of consolidated net income*

Category	Outcome Q2 2026	Outcome FY 2025	Leverage target
LEVERAGE	**1.97x** *Net debt / LTM adjusted EBITDA*	**1.50x** *Net debt / LTM adjusted EBITDA*	**<2.5x** *Net debt / LTM adjusted EBITDA should not exceed 2.5*

Why invest in Terranor

Key investment highlights

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

Resilient and growing 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 growth, innovation and adaptability

Committed management team and Board of Directors


terranor