

Q1 2026

INTERIM REPORT JANUARY – MARCH 2026

First-quarter report 2026

First quarter 2026

- Order intake increased 6 per cent to SEK 557 million (524); organic order growth was 10 per cent.
- Net sales increased 21 per cent to SEK 539 million (446); organic net sales growth was 27 per cent.
- Operating profit amounted to SEK 84 million (84) and the operating margin was 15.7 per cent (18.8).
- Profit for the quarter increased 28 per cent to SEK 68 million (53).
- Basic and diluted earnings per share amounted to SEK 0.45 (0.34) and SEK 0.44 (0.34), respectively.

Financial performance indicators for the Group¹

	Q1		Δ%	Jan-Dec
	2026	2025		2025
Order intake, SEK million	557	524	6	1,981
Net sales, SEK million	539	446	21	1,889
Gross profit, SEK million	206	206	0	798
Gross margin, %	38.2	46.1	-	42.3
Operating profit, SEK million	84	84	0	321
Operating margin, %	15.7	18.8	-	17.0
Profit/loss for the period, SEK million	68	53	28	223
Earnings per share, before dilution, SEK	0.45	0.34	32	1.44
Earnings per share, after dilution, SEK	0.44	0.34	32	1.43
Return on capital employed, %	35.1	38.8	-	35.9
Equity/assets ratio, %	54.5	62.1	-	58.5

¹ For more information, see the alternative performance measures and financial definitions section on pages 21-23.

CEO'S comments



We had a positive start to the year with high levels of order intake and net sales, fuelled by continued high activity in the Nordic region and very strong development in Europe.



Strong growth and pressure on margins mark start of year

We had a positive start to the year with high levels of order intake and net sales. Order intake increased organically by 10 per cent to SEK 557 million (524), fuelled by continued high activity in the Nordic region and very strong development in Europe. Net sales increased organically by 27 per cent to SEK 539 million (446). Meanwhile, the gross margin was pressed downward to 38 per cent (46), mainly due to a stronger SEK combined with a less favourable market and product mix. The quarter was also adversely impacted by production ramp-up costs. Operating profit amounted to SEK 84 million (84), corresponding to an operating margin of 16 per cent (19). The increase in net sales was offset by margin pressure and higher operating expenses, mainly related to trade fair and IT-related costs.

Historically high order intake in Europe

The Nordic region continues to perform strong. Order intake amounted to SEK 266 million (231), an organic increase by 18 per cent. Net sales amounted to SEK 247 million (190), up organically by 33 per cent. We expect the digging season to remain strong, driven by a more optimistic market outlook and higher demand for excavators related to infrastructure projects, upgrade needs and residential construction.

Europe delivered a very strong quarter, recording the highest order intake historically for the region: SEK 214 million (202), corresponding to an organic increase of 10 per cent. Net sales amounted to SEK 219 million (182), an organic increase of 26 per cent. The trend demonstrated continued momentum in the region, reflecting growing demand and the increasingly clear impact our offering is having on a large market with low penetration.

The US market is continuing to move sideways in the wake of high tariffs and a generally more turbulent environment. Order intake amounted to SEK 46 million (56), down organically by 12 per cent. Net sales amounted to SEK 41 million (37), up organically by 28 per cent. The increase is primarily driven by price increases that have been implemented.

Asia-Oceania reported weak development for the quarter. This is the result of a flatter trend in our established markets of South Korea and Australia, but mainly because we had no major block orders from Japan during the period. Order intake amounted to SEK 31 million (35), down organically by 5 per cent, and net sales to SEK 32 million (37), down organically by 3 per cent.

Focus in the quarter

We launched a new, more customer-oriented product classification system during the quarter. Instead of basing the model names on

generations, we are clarifying our offering by introducing a performance-based structure – Series 1, 2 and 3. This makes the product range easier to understand and simplifies dialogue on the basis of application, machine size and required functionality. In parallel, we reviewed our prices to ensure that price levels and positioning reflect customer value and the changed cost and currency situation.

We also continued to strengthen our commercial presence through customer-centric activities. CONEXPO/CON-AGG in Las Vegas is the industry's largest trade fair in North America and an important arena for building relationships and demonstrating the practical benefits of tiltrotators. We also arranged a roadshow in Norway in cooperation with Volvo CE, where we demonstrated our solutions and engaged with customers and partners to discuss such issues as productivity, safety and efficiency. In Japan, we inaugurated our office and warehouse. The opening was an opportunity to gather customers and partners and demonstrate our long-term commitment to the market. With a local warehouse, we can also provide faster service and deliveries.

We also launched updated values, developed jointly in the organisation last year. The new values build upon the elements that are already strong in our culture and will ensure a clearer shared direction and create an even better platform for continued growth.

Stepping down as CEO

After 18 years at engcon, of which 15 years as President and CEO, I have, following discussions with the board, agreed to step down from my position. Leaving engcon is, of course, something I do with mixed feelings, but also with great pride in the journey we have shared together. We have built engcon into the world's leading tiltrotator manufacturer, with a 49 per cent market share and a strong brand. We have gone from being distinctly Nordic-based to being represented in 17 markets today. At the same time, we have completed a strong journey of growth while sharply improving profitability. And last but not least, I am proud of engcon's IPO and our progress to Large Cap – an important step that has boosted the company's visibility and created an even stronger platform for the future. Finally, I would like to extend my sincere gratitude to all staff, customers and partners who made this possible. I leave engcon highly confident that we have the right people and culture in place to continue creating value through profitable growth.

Krister Blomgren
President and CEO

Group's financial performance

engcon Group's operations are conducted and reported as a single segment. As further disclosures, order intake and net sales are reported based on the Group's geographic regions: Nordic region, Europe (excl. the Nordic region), the Americas and Asia-Oceania, which includes the rest of the world.

Order intake

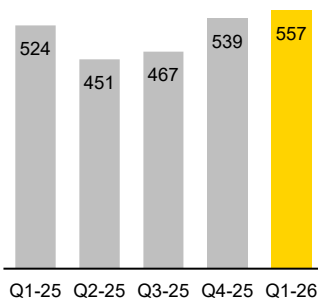
Order intake

Q1

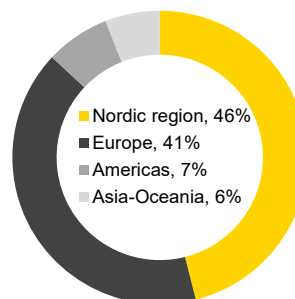
SEK million	2026	Organic	2025	Δ	Δ Organic	Δ% Organic
Nordic region	266	272	231	35	41	18%
Europe	214	223	202	13	21	10%
Americas	46	49	56	-9	-6	-12%
Asia-Oceania	31	33	35	-4	-2	-5%
Total	557	578	524	34	54	10%

Order intake during the quarter amounted to SEK 557 million (524), an increase of 6 per cent (28), and organic order intake growth was 10 per cent (28). The Nordic region and Europe reported a positive order intake for the quarter with the Nordic region accounting for the largest percentage change. The Americas and Asia-Oceania reported a negative trend in order intake.

Order intake by quarter, SEK million



Share of net sales by geographic region in Q1



Net sales

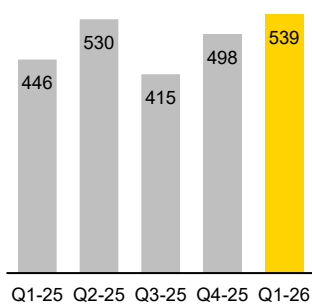
Net sales

Q1

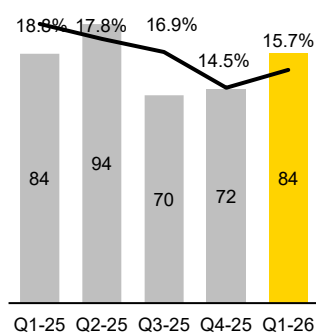
SEK million	2026	Organic	2025	Δ	Δ Organic	Δ % Organic
Nordic region	247	253	190	56	62	33%
Europe	219	229	182	37	47	26%
Americas	41	47	37	4	10	28%
Asia-Oceania	32	36	37	-5	-1	-3%
Total	539	565	446	93	119	27%

Net sales during the quarter amounted to SEK 539 million (446), an increase of 21 per cent (13) and organic net sales growth of 27 per cent (14). Net sales increased in all regions, except for Asia-Oceania. The Nordic region accounted for the largest percentage increase.

Net sales by quarter, SEK million



EBIT SEK million and EBIT margin by quarter



Earnings

	Q1			Jan-Dec
	2026	2025	Δ%	2025
Order intake, SEK million	557	524	6	1,981
Net sales, SEK million	539	446	21	1,889
Gross profit, SEK million	206	206	0	798
Gross margin, %	38.2	46.1	-	42.3
Operating profit, SEK million	84	84	0	321
Operating margin, %	15.7	18.8	-	17.0

First quarter 2026

Gross earnings for the quarter amounted to SEK 206 million (206), an increase of 0 per cent (24). The gross margin amounted to 38.2 per cent (46.1) with the decline primarily attributable to negative currency effects and a less favourable product and market mix, in addition to production ramp-up costs.

Other operating income and costs amounted to SEK 10 million (-10), which included positive currency effects of SEK 8 million (-14) and derivative instruments of SEK 0 million (4).

EBIT for the quarter amounted to SEK 84 million (84), an increase of 0 per cent (40). The operating margin was 15.7 per cent (18.8). The operating margin was impacted by a lower gross margin and increased costs for trade fairs as well as administration costs related mainly to IT.

Net financial items for the quarter amounted to SEK 2 million (-18), which included positive effects from exchange rate differences of SEK 4 million (-15).

Profit before tax for the quarter amounted to SEK 87 million (66).

Income tax for the quarter was SEK -18 million (-12). The effective tax rate amounted to 20.7 per cent (20.0).

Total earnings after tax for the first quarter amounted to SEK 68 million (53).

Investments and depreciation/amortisation

Investments in intangible and tangible assets and right-of-use assets amounted to SEK 10 million (29) for the quarter. The investments were mainly attributable to investments in right-of-use assets and machinery/equipment. Depreciation and amortisation of tangible and intangible assets amounted to SEK 14 million (13) for the quarter.

Cash flow

Cash flow from operating activities amounted to SEK 62 million (13) for the quarter. The year-on-year change is primarily due to positive currency effects and lower tax paid.

Cash flow from investing activities amounted to SEK -7 million (-7) for the quarter. The investments were mainly attributable to machinery/equipment.

Cash flow from financing activities amounted to SEK -30 million (-14) for the quarter. During the quarter, cash flow was impacted by lower utilisation of the bank overdraft facility.

Total cash flow from operations amounted to SEK 25 million (-8) for the quarter.

Financial position and return

	31 Mar 2026	31 Mar 2025	31 Dec 2025
Total borrowing, SEK million	24	30	25
Bank overdraft facilities, SEK million	127	1	151
Total lease liabilities, SEK million	83	99	85
Cash and cash equivalents, SEK million	-73	-105	-42
Net debt (+) / Net cash (-), SEK million	161	24	219
Equity, SEK million	781	767	708
Equity/assets ratio, %	54.5	62.1	58.5
Return on capital employed, %	35.1	38.8	35.9

Inventory amounted to SEK 498 million on 31 March 2026 compared with SEK 477 million on 31 December 2025. Inventory increased primarily due to a ramp-up in response to increased sales. Accounts receivable increased to SEK 416 million on 31 March 2026 compared with SEK 257 million on 31 December 2025. The increase is due to higher sales.

On 31 March 2026, net debt/net cash amounted to SEK 161 million compared with SEK 219 million on 31 December 2025. As per 31 March, SEK 127 million of the bank overdraft facility had been drawn compared with SEK 151 million on 31 December 2025. Equity increased compared with 31 December

2025 and the equity/assets ratio amounted to 54.5 per cent on 31 March 2026 compared with 58.5 per cent on 31 December 2025. The change in net debt/net cash and the equity/assets ratio was attributable to lower utilisation of the bank overdraft facility and higher cash and bank balances. The Group had unutilised credit facilities of SEK 225 million at the end of the period compared with SEK 156 million on 31 December 2025. Including cash and cash equivalents, the Group's unutilised total liquidity amounted to SEK 316 million (412). The Group's existing credit facility amounted to SEK 370 million (321).





Events in the quarter

First quarter

- engcon's new DC3 control system was made compatible with Caterpillar's wheeled excavators.
- As of 1 January 2026, the bank overdraft facility has been expanded by SEK 50 million at unchanged terms.
- During the quarter, we presented the 1-2-3 Series for our tiltrotators, reflecting a performance-based structure.
- In March, we participated at CONEXPO/CON-AGG in Las Vegas, one of the world's largest construction trade shows.
- No other material events took place during the quarter.

Events after the end of the quarter

- On 2 April, the Swedish Patent and Market Court dismissed Rototilt's lawsuit regarding alleged infringement of patented technology against engcon in all material respects. For more information, refer to the section "Lawsuit" on page 8.
- On 10 April, it was announced that Krister Blomgren will leave the role as CEO of engcon effective 30 April. Stig Engström will be the new CEO.
- On 17 April, it was announced that engcon AB had entered into an agreement to acquire all shares not already owned by engcon in the subsidiary engcon Component AB.
- No other material events have taken place after the end of the quarter.

Financial targets, sustainability targets and dividend policy

Net sales growth

- engcon's objective is to exceed the growth in the existing markets through organic growth.

Profitability

- engcon's target is an operating margin (EBIT margin) in excess of 20 per cent measured over a business cycle.

Capital efficiency

- engcon will continue to achieve an industry-leading capital efficiency. Return on capital employed (ROCE) to exceed 40 per cent measured over a business cycle.

Capital structure

- engcon will maintain a strong capital structure supporting further expansive organic growth and dividends to shareholders. Equity/assets ratio to be above 35 per cent.

Dividend policy

- engcon will pay approximately 50 per cent of net profit in dividends. The dividend proposal will consider engcon's long-term development potential, financial position and investment needs.

Sustainability targets

- engcon contributes to climate change mitigation through its products, aiming to enable a reduction in emissions equivalent to 74 Mt CO₂e during the 2021–2030 period. For more information, see the 2025 Annual and Sustainability Report page 27.

Other information

Risks and uncertainties

engcon is, by way of its operations, exposed to various risks that may give rise to variations in earnings and cash flow. Significant risks and uncertainties include industry and market risks, operational risks and financial risks. Risks and uncertainties are consistent with the description contained in the 2025 Annual Report, pages 45-50, with the addition of what is stated below. The Annual Report is available at www.engcongroup.com.

Although the prevailing global situation had some impact on engcon's operations during the period, engcon will be further affected going forward. The uncertainty related to the prevailing external and economic situation with inflation, higher interest rates, currency effects and geopolitical turbulence with increased tariffs and trade restrictions could entail a negative impact for engcon in the form of a decline in demand, a cautious approach to placing orders and supply chain disruptions.

The Board and Group management continue to closely monitor developments and the potential effects these could lead to.

Lawsuit

On 15 September 2025, engcon AB received lawsuits against engcon and its subsidiaries regarding alleged infringement of Rototilt's patent. Rototilt has previously initiated legal proceedings against the same engcon companies for alleged infringement of the same patent. In March 2025, the Swedish Patent and Market Court of Appeal announced that there was no patent infringement by engcon or its subsidiaries and dismissed Rototilt's action. In consultation with experts in the field of patent law engaged by engcon as well as with the company's legal advisors, engcon has assessed that no patent infringement has taken place and in the claim sought that Rototilt's lawsuit be dismissed since the issue has already been subject for examination in the Swedish Patent and Market Court of Appeal. On 2 April 2026, the Swedish Patent and Market Court found that all of Rototilt's claims are covered by the previous judgment's binding effect and therefore dismissed Rototilt's claims for patent infringement and injunctive relief in their entirety. A minor part of Rototilt's action relating to damages and corrective measures for the period after the date of the previous judgment, i.e. after 27 March 2025, has not been dismissed and has not yet been adjudicated. The Patent and Market Court's decision in the above respects may be appealed to the Patent and Market Court of Appeal. This requires leave to appeal.

Employees

The average number of full-time employees at the end of the quarter amounted to 447 (409), of whom 23 per cent (24) were women and 77 per cent (76) men.

Seasonal variations

Seasonal variations have little impact on engcon's operations and diminish successively on account of sales in several markets, which contributes to a more even earnings trend over the course of the year. The fourth quarter typically has less net sales as a result of lower digging in several of engcon's markets. The fourth quarter is

normally characterised by a somewhat higher order intake as an effect of forthcoming price increases.

Share capital and shareholders

The company's registered share capital at 31 March 2026 amounted to SEK 21,347,599, distributed among 35,344,778 Class A shares and 117,138,049 Class B shares. The shares have a quotient value of SEK 0.14 per share. Each Class A share represents ten votes and each Class B share one vote. On 31 March 2026, there were 9,486 shareholders in the company.

The company's largest shareholder on 31 March 2026 was the company's founder, Stig Engström, through the company Ommapo förvaltning AB, which controlled 35.3 per cent of the capital and 67.0 per cent of the votes. The second largest shareholder was Monica Engström, through the company Monen Group AB, which controlled 31.8 per cent of the capital and 22.4 per cent of the votes. Following these, Capital Group, the Second Swedish National Pension Fund, the Fourth Swedish National Pension Fund, C WorldWide Asset Management, Premier Miton Investors, Handelsbanken Fonder, the Third Swedish National Pension Fund and Odin Fonder were engcon's largest shareholders.

As of 13 February 2026, Capital Group flagged that its shareholdings had increased to 5.05 per cent of capital and 1.64 per cent of votes. Capital Group's ownership amounted to 6.56 per cent of the capital and 2.12 per cent of the votes as of 31 March 2026.

For more information about ownership structure, see www.engcongroup.com.

Parent Company

The Parent Company's net sales for the quarter amounted to SEK 6 million (8).

Operating loss for the quarter amounted to SEK -13 million (-14). Profit for the quarter was SEK 3 million (loss: -18).

During the quarter, the Parent Company received a dividend of SEK 11 million (0). Earnings for the quarter were positively impacted by currency effects.

Amounts and dates

Amounts are presented in SEK million unless otherwise indicated. All comparative figures pertain to the same period of the preceding year. Rounding differences may occur.

Signing of the report

The Board of Directors and CEO give their assurance that this interim report provides a true and fair account of the company's and the Group's operations, financial position and earnings, and that it describes the significant risks and uncertainties faced by the company and those companies that form the Group. This interim report has not been reviewed by the company's auditors.

engcon AB

Strömsund, 29 April 2026

Annika Bärema
Chairman

Anna Stålenbring
Board member

Peter Hofvenstam
Board member

Monica Engström
Board member

Stig Engström
Board member

Krister Blomgren
CEO

For more information, please contact:

Krister Blomgren, President and CEO
+46 70 529 92 65
krister.blomgren@engcon.se

Marcus Asplund, CFO
+46 72 601 37 17
marcus.asplund@engcon.se

Anne Vågström,
Head of Investor Relations
+46 76 126 40 84
anne.vagstrom@engcon.se

Audiocast presentation of the interim report

engcon will present the report via
an audiocast on
29 April at 10:00 a.m. CEST.

To participate, use this link:
<https://engcon.events.inderes.com/q1-report-2026>

To participate via a telephone
conference, use the link below:
<https://events.inderes.com/engcon/q1-report-2026/dial-in>

The presentation is available at
www.engcongroup.com.

Financial calendar 2026/2027

Interim Report January–June 2026,
17 July 2026

Interim Report January–September
2026, 29 October 2026

Year-end Report 2026, 16 February 2027

Annual and Sustainability Report 2026,
week beginning 22 March 2027

Financial statements are available in
their entirety at engcon's website
www.engcongroup.com.

Publication

This interim report comprises such information that engcon AB is obligated to publish in accordance with the EU Market Abuse Regulation. This information was published through the auspices of the persons named above on 29 April 2026 at 8.00 a.m. CEST.

Condensed consolidated income statement

SEK million	Q1		Jan-Dec
	2026	2025	2025
Net sales	539	446	1,889
Cost of goods sold	-333	-240	-1,090
Gross profit	206	206	798
Selling costs	-74	-66	-272
Administrative costs	-39	-34	-132
Research and development costs	-17	-13	-55
Other operating income and operating expenses	10	-10	-19
Operating profit	84	84	321
Profit/loss from financial items			
Net financial items	2	-18	-30
Profit/loss before tax	87	66	290
Income tax	-18	-12	-67
Profit/loss for the period	68	53	223
Total profit/loss for the period	68	53	223
Total profit/loss for the period:			
Attributable to:			
Parent Company shareholders	68	51	218
Non-controlling interest	0	2	5
Earnings per share, total (SEK)			
Before dilution	0.45	0.34	1.44
After dilution	0.44	0.34	1.43

Rounding may entail that columns/rows do not tally.

Condensed consolidated statement of comprehensive income

SEK million	Q1		Jan-Dec
	2026	2025	2025
Total profit/loss for the period	68	53	223
Other comprehensive income			
Items that may be reversed to profit or loss:			
Exchange-rate differences upon translation of foreign operations	5	-17	-22
Comprehensive income for the period	73	36	201
Attributable to:			
Parent Company shareholders	73	36	196
Non-controlling interest	0	0	5

Rounding may entail that columns/rows do not tally.

Condensed consolidated balance sheet

SEK million	31 Mar 2026	31 Mar 2025	31 Dec 2025
Assets			
Fixed assets			
Goodwill	22	22	22
Other intangible assets	99	92	98
Right-of-use assets	77	94	81
Property plant and equipment	145	142	145
Other non-current receivables	5	5	5
Derivatives	-	4	-
Deferred tax receivables	11	10	11
Total non-current assets	359	370	363
Current assets			
Inventories	498	405	477
Accounts receivable	416	282	257
Current tax assets	17	18	15
Other receivables	34	31	33
Prepaid expenses and accrued income	37	26	22
Cash and cash equivalents	73	105	42
Total current assets	1,074	867	847
Total assets	1,433	1,236	1,210
Equity and liabilities			
Share capital	21	21	21
Translation reserve	6	6	2
Retained earnings including profit for the year	730	701	662
Equity attributable to Parent Company shareholders	757	728	685
Non-controlling interest	23	39	23
Total equity	781	767	708
Non-current liabilities			
Deferred tax asset	34	27	35
Lease liabilities	54	74	61
Provisions product warranty	8	6	8
Other provisions	1	-	1
Total non-current liabilities	96	108	104
Current liabilities			
Trade payables	173	157	58
Current tax liabilities	15	2	8
Lease liabilities	29	25	24
Borrowings	24	30	25
Overdraft facility	127	1	151
Provisions product warranty	31	23	27
Other liabilities	62	47	43
Accrued expenses and deferred income	96	77	62
Total current liabilities	557	361	398
Total liabilities	653	469	502
Total equity and liabilities	1,433	1,236	1,210

Rounding may entail that columns/rows do not tally.

Condensed consolidated statement of changes in equity

SEK million	Share capital	Translation reserve	Retained earnings including profit for the year	Equity attributable to owners of the parent company	Non- controlling interest	Total equity
Opening balance 1 January 2025	21	23	649	693	39	732
Profit/loss for the period	-	-	51	51	2	53
Other comprehensive income	-	-16	-	-16	-2	-17
Total comprehensive income	-	-16	51	36	-	36
Transactions with shareholders:						
Dividends to shareholders	-	-	-	-	-	-
Closing balance 31 March 2025	21	8	700	728	39	767
Profit/loss for the period	-	-	168	168	2	170
Other comprehensive income	-	-6	-	-6	-	-6
Total comprehensive income	-	-6	168	163	2	166
Transactions with shareholders:						
Dividends to shareholders	-	-	-152	-152	-1	-153
Transactions with shareholders	-	-	-106	-106	-20	-125
Rights issue	-	-	63	63	-	63
Acquisition of own shares	-	-	-12	-12	-	-12
Incentive program	-	-	2	2	-	2
Total comprehensive income	-	-	-208	-204	-20	-225
Closing balance 31 December 2025	21	2	662	685	23	708

SEK million	Share capital	Translation reserve	Retained earnings including profit for the year	Equity attributable to owners of the parent company	Non- controlling interest	Total equity
Opening balance 1 January 2026	21	2	662	685	23	708
Profit/loss for the period	-	-	68	68	0	68
Other comprehensive income	-	5	-	5	-	5
Total comprehensive income	-	5	68	73	0	73
Transactions with shareholders:						
Dividends to shareholders	-	-	-	-	-	-
Total transactions with shareholders	-	-	-	-	-	-
Closing balance 31 March 2026	21	6	730	757	23	781

Rounding may entail that columns/rows do not tally.

Condensed consolidated statement of cash flows

SEK million	Q1		Jan-Dec
	2026	2025	2025
Operating profit	84	84	321
Adjustments for non-cash items:			
Amortisation and depreciation	14	13	55
Other adjustments	9	-23	-15
Net financial items (paid/received interest)	-4	1	-2
Income tax paid	-14	-23	-63
Cash flow from operating activities before changes in working capital	89	52	296
Changes in working capital			
Decrease/increase in inventories	-21	-66	-138
Decrease/increase in trade receivables	-159	-55	-30
Decrease/increase in other receivables	-14	-4	-2
Increase/decrease in trade payables	115	74	-25
Increase/decrease in other liabilities	52	12	-6
Cash flow from operating activities	62	13	95
Investing activities			
Acquisition of intangible assets	-2	-6	-16
Acquisition of tangible assets	-5	-1	-21
Cash flow from (-used in) investing activities	-7	-7	-37
Financing activities			
Change in overdraft facilities	-24	1	151
Loan repayments	-1	-3	-8
Amortisation of lease liabilities	-5	-12	-35
Dividends to shareholders	-	-	-153
Acquisition of own shares	-	-	-12
Acquisition of non-controlling interests	-	-	-63
Cash flow from financing activities	-30	-14	-120
Cash flow for (-used in) the period	25	-8	-62
Cash and cash equivalents at beginning of period	42	132	132
Exchange rate fluctuations in cash and cash equivalents	6	-19	-28
Cash and cash equivalents at end of period	73	105	42

Rounding may entail that columns/rows do not tally.

Condensed Parent Company income statement

SEK million	Q1		Jan-Dec
	2026	2025	2025
Net sales	6	8	34
Cost of goods sold	-1	-	-4
Gross profit	5	8	30
Selling costs	-1	-2	-6
Administrative costs	-15	-16	-60
Research and development costs	-2	-4	-12
Other operating income and operating expenses	-	-	-2
Operating profit	-13	-14	-50
Profit/loss from financial items			
Net financial items	14	-9	51
Income after financial items	1	-23	1
Appropriations	-	-	218
Income tax	2	5	-38
Profit/loss for the period	3	-18	181

Condensed Parent Company balance sheet

SEK million	31 Mar	31 Mar	31 Dec
	2026	2025	2025
Assets			
Fixed assets	332	173	329
Current assets	579	427	610
Total assets	911	600	939
Equity and liabilities			
Equity	399	295	396
Untaxed reserves	221	160	221
Current liabilities	291	145	322
Total liabilities	512	305	543
Total equity and liabilities	911	600	939

Notes to the accounts

NOTE 1. ACCOUNTING POLICIES

engcon's consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) as approved by the EU. This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting and applicable rules in the Swedish Annual Accounts Act. The Parent Company's interim report has been prepared in accordance with the Swedish Annual Accounts Act and Recommendation RFR 2 Financial Reporting for Legal Entities of the Swedish Financial Reporting Board. Disclosures according to IAS 34 are provided in the notes and elsewhere in

the interim report. The accounting policies applied in the preparation of this interim report apply to all periods and correspond with the accounting policies presented in engcon's 2025 Annual Report, Note 2 Accounting policies. No new and revised standards and interpretations that came into force on 1 January 2026 have had any material impact on engcon's financial statements. As of 1 January 2026, the incentive programme is recognised in equity under retained earnings including profit for the year. The incentive programme was previously recognised on a separate line.

NOTE 2. KEY ASSESSMENTS AND ESTIMATES

The preparation of financial statements requires management to make assessments and estimates in addition to the assessments that impact the application of the accounting policies and the recognised amounts of assets, liabilities, revenue and expenses. Actual outcomes may differ from those estimates. The assessments and sources of uncertainty in the estimates correspond with those presented in

the most recent annual report. For more details on key assessments and estimates, refer to Note 3 of the 2025 Annual Report. Engcon could continue to be impacted by the prevailing business environment and macro-economic situation with increasing inflation and interest-rate hikes as well as increased tariffs and other trade restrictions; for more information, refer to page 7 in the Risks and uncertainties section.

NOTE 3. FAIR VALUE OF FINANCIAL INSTRUMENTS

The fair value of the Group's financial instruments, which are measured at fair value on a recurring basis.

Derivatives

At 31 March 2026, the company held derivatives that are measured at Level 2 of the fair value hierarchy through profit or loss, and accordingly there is no receivable or liability, SEK 0 million (4). The measurement method is discounting of

contractual cash flows with interest and currency on the balance sheet date.

No transfers were made between level 1 and level 2 during the current or prior years.

The company is of the opinion that the carrying amount is a reasonable approximation of the fair value of all financial instruments.

NOTE 4. EARNINGS PER SHARE

	Q1		Jan-Dec
	2026	2025	2025
Total:			
Total profit/loss for the period attributable to shareholders of the Parent Company, SEK million	67.9	51.2	218.9
Average number of shares outstanding	152,482,827	151,788,000	152,287,445
Basic earnings per share, SEK	0.45	0.34	1.44
Total profit/loss for the period attributable to shareholders of the Parent Company, SEK million	67.9	51.2	218.9
Average number of shares outstanding	152,958,048	151,788,000	153,082,525
Diluted earnings per share, SEK	0.44	0.34	1.43

The above table shows the number of shares and earnings per share before and after dilution. As of 31 March 2026, holdings of own shares amounted to 119,000. The average number of shares corresponds to the number of shares outstanding at the beginning of the period, adjusted by the number of shares issued or repurchased during the period weighted by the number of days the shares were outstanding in relation to the total number of days in the period.

NOTE 5. SEGMENT REPORTING AND ALLOCATION OF REVENUE

Operating segments are accounted for in a way that is consistent with the internal reports submitted to the chief operating decision maker. Group management and the CEO have been identified as the chief operating decision makers for assessment of the Group's earnings and position, as well as making strategic decisions. Group management and the CEO monitor the financial development in the Group as a unit. Accordingly, only one segment is recognised, which corresponds with the consolidated income statement. The reason that the Group is monitored as a segment is that earnings measures are only monitored at total level, since production and other overall costs are central for the Group and not distributed among the geographic regions. Only the regions' sales and order intake in volume are monitored at a level lower than the operating segment.

Geographic regions

The Group's sales are divided into four geographic regions:

- Nordic region – Sweden, Denmark, Norway and Finland
- Europe – Europe excluding the Nordic region
- Americas – North America and South America
- Asia-Oceania – Japan, South Korea, Australia, New Zealand and Rest of the world

Internal sales are conducted between the production companies and the local sales companies, as well as between the local sales companies. Sales and installations are mainly conducted through dealers and our own local sales companies.

Net sales by geographic region

SEK million	Q1			Jan-Dec
	2026	2025	Δ	2025
Nordic region	247	190	56	774
Europe	219	182	37	771
Americas	41	37	4	202
Asia-Oceania	32	37	-5	140
Total	539	446	93	1,889

Of total net sales for the period, Sweden, where the company is domiciled, accounted for SEK 112 million (69) in the Nordic region and the US accounted for SEK 31 million (29) in the Americas. The net sales above are based on where the customer is domiciled.

NOTE 6. INCENTIVE PROGRAMMES

Warrant programme 2021-2026

In 2021, the Board resolved to introduce a long-term incentive programme in the form of a warrant programme for employees in the engcon Group. The purpose of the programme is to encourage broad-based share ownership amongst the company's employees, facilitate recruitment, maintain competent employees, increase the alignment of interests between the employees and the company's shareholders and increase motivation to reach or exceed the company's financial targets. As of 31 December, 189 (194) engcon employees were participating in the warrant programme. A total of 1,517,880 warrants were issued, of which per den 31 March 2026, 1,081,196 (1,094,785) were subscribed for. The change pertains to the return of warrants in conjunction with termination of employment. Each warrant entitles the holder to subscribe for one share in engcon at an agreed future price. Warrants are conditional on a vesting period of five years. To participate in this programme, employees encompassed by the programme pay a premium that is based on the fair value of allotted warrants that are measured in accordance with the Black & Scholes model. Therefore, for this programme, no cost is recognised during the vesting period since employees have paid the fair value.

Incentive programmes 2025-2028

On 15 May 2025, the Annual General Meeting resolved in accordance with the Board of Director's proposal to implement a new long-term incentive programme (LTIP 2025) in the form of a share-based programme for the CEO of the company, the other members of the Group management and certain other key persons in the engcon Group. The aim of the programme is to link the interest of participants with the interests of shareholders to promote long-term value creation. The

programme is also expected to make it easier for the company to recruit and retain key personnel. The programme means that the participants, up to a maximum of 25, are granted a certain number of performance-based share rights free of charge, which, after three years, provided continued employment and that certain performance targets are met, may entitle the participants to receive a number of Class B shares in the company free of charge. To hedge the delivery of Class B shares under LTIP 2025, the Board of Directors resolved on 15 May on acquisition of own Class B shares and transfer of own shares with the support of the authorisation granted by the Annual General Meeting on 15 May to enable delivery of Class B shares to the participants of the programme, provided the outcome is positive. The maximum number of share rights that can be granted to participants within the framework of LTIP 2025 is 119,000, which were acquired on 10 June 2025 to secure the delivery of shares. As of 31 March 2026, 22 (0) engcon employees are participating in the programme. The company recognises the costs based on the fair value of the share rights at the time of allocation, in accordance with IFRS 2. Costs attributable to LTIP 2025 are accounted for as personnel costs in the income statement over the vesting period. In addition, any participants' outcome will incur costs for social security contributions for engcon that are recognised in accordance with the statements from the Swedish Financial Reporting Board (UFR 7). The size of the social security contributions will be calculated based on the share price development for the Class B share, meaning the fair value on the balance sheet date. In accordance with IFRS 2, the cost for the incentive programme within the engcon Group for the first quarter was SEK 748 thousand (0) excluding social security contributions that are regulated with equity instruments.

NOTE 7. REPURCHASE AND DIVESTMENT OF SHARES

engcon's Board of Directors has been authorised to acquire engcon Class B shares in relation to engcon's share-based long-term incentive programme 2025-2028, which took place on 10 June 2025 with 119,000 shares at a value of SEK 11,514,202.

	A-aktien	B-aktien	Totalt
Number of outstanding shares	35,344,778	117,138,049	152,482,827
of which shares owned by engcon AB		119,000	
Change in the quarter			
Number of own shares 31 December 2025	119,000		
Acquisition (+) / disposal (-) of shares	-		
Number of own shares 31 March 2026	119,000		
Value of acquired (+) / divested (-) shares	11,514,202		

NOTE 8. RELATED-PARTY TRANSACTIONS

The private individual who is the owner of the company Ommapo förvaltning AB, which comprises the principal owner of engcon AB, is the Board member of AB Mähler & Söner and Mähler International AB. engcon has had transactions with these companies. The transactions comprised the purchases of products from engcon totalling SEK 0.6 million (1.6) and sales of products to engcon of SEK 1.1 million (1.6). Ommapo förvaltning AB and Monen Group AB also have an indirect

influence in Drivex AB, which has conducted transactions, mainly comprising purchases of products, with engcon amounting to SEK 0.4 million (1.9). In addition to these transactions, Ommapo förvaltning AB delivered services to engcon AB for SEK 0.3 million (0.4). Other related party transactions also took place involving lesser amounts. All transactions were conducted at market value and pertain to the period.

NOTE 9. EVENTS AFTER THE BALANCE SHEET DATE

- On 2 April, the Swedish Patent and Market Court dismissed Rototilt's lawsuit regarding alleged infringement of patented technology against engcon in all material respects. For more information, refer to the section "Lawsuit" on page 8.
- On 10 April, it was announced that Krister Blomgren will leave the role as CEO of engcon effective 30 April. Stig Engström will be the new CEO.
- On 17 April, it was announced that engcon AB had entered into an agreement to acquire all shares not already owned by engcon in the subsidiary engcon Component AB.
- No other material events have taken place after the end of the quarter.



Quarterly overview

	2026	2025				2024		
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2
Income statement								
Net sales, SEK million	539	498	415	530	446	393	412	450
Gross profit, SEK million	206	200	177	216	206	168	190	202
Gross margin, %	38.2	40.2	42.6	40.7	46.1	42.7	46.1	44.9
Operating profit, SEK million	84	72	70	94	84	63	91	82
Operating margin, %	15.7	14.5	16.9	17.8	18.8	16.0	22.0	18.2
Profit/loss for the period, SEK million	68	48	52	70	53	54	64	62
Balance sheet								
Non-current assets, SEK million	359	363	362	367	370	348	344	346
Other current assets, SEK million	1,002	805	876	838	762	633	720	786
Cash and cash equivalents, SEK million	73	42	42	52	105	132	104	57
Total assets, SEK million	1,433	1,210	1,280	1,257	1,236	1,112	1,168	1,188
Equity, SEK million	781	708	664	616	767	732	672	613
Interest-bearing liabilities, SEK million	234	260	185	220	130	122	123	202
Non-interest-bearing liabilities, SEK million	418	242	431	421	339	258	373	373
Total equity and liabilities, SEK million	1,433	1,210	1,280	1,257	1,236	1,112	1,168	1,188
Cash flow								
Cash flow from operating activities, SEK million	62	20	42	20	13	108	144	32
Cash flow from investing activities, SEK million	-7	-9	-10	-11	-7	-14	-5	-10
Cash flow from financing activities, SEK million	-30	-4	-38	-64	-14	-73	-89	-26
Cash flow for the period, SEK million	25	7	-6	-55	-8	21	50	-4
Key performance indicators								
Order intake, SEK million	557	539	467	451	524	506	367	433
Net sales growth, %	26.7	33.5	4.4	23.3	13.7	26.6	7.7	-12.2
Net debt (+) / Net cash (-), SEK million	161	219	144	168	24	-10	19	146
Net debt/Net cash through EBITDA	0.4	0.6	0.4	0.4	0.1	0.0	0.1	0.6
Equity/assets ratio, %	54.5	58.5	51.9	49.0	62.1	65.8	57.6	51.6
Return on capital employed, %	35.1	35.9	40.0	41.7	38.8	38.3	31.4	27.8
Interest coverage ratio, multiple	15	9	10	11	9	18	15	14
Average number of full-time employees	447	442	436	427	409	379	386	367
Share data								
Basic earnings per share, SEK	0.45	0.32	0.33	0.46	0.34	0.35	0.40	0.37
Diluted earnings per share, SEK	0.44	0.32	0.33	0.45	0.34	0.35	0.40	0.37
Average number of outstanding shares (thousands)	152,483	152,483	152,483	152,093	151,788	151,788	151,788	151,788
Average number of outstanding shares (thousands)	152,958	153,147	153,170	152,693	151,788	151,788	151,788	151,788

Rounding may entail that columns/rows do not tally.

Alternative performance measures and Financial definitions

This interim report contains references to a number of earnings measures (performance measures). Some of these performance measures are defined in IFRS, while others are alternative performance measures that are not recognised in accordance with applicable frameworks for financial reporting or other

legislation. These alternative performance measures comprise a complement to assist investors and company management in analysing the operations. Below is a report on the reconciliation of alternative performance measures and definitions of performance measures with a motivation for their use.

Estimates

	Q1		Jan-Dec
	2026	2025	2025
Equity/asset ratio			
Equity, SEK million	781	767	708
Total assets, SEK million	1,433	1,236	1,210
Equity/assets ratio, %	54.5	62.1	58.5
Gross margin			
Gross profit, SEK million	206	206	798
Net sales, SEK million	539	446	1,889
Gross margin, %	38.2	46.1	42.3
Operating margin			
Operating profit, SEK million	84	84	321
Net sales, SEK million	539	446	1,889
Operating margin, %	15.7	18.8	17.0
Net debt (-) / Net cash (+)			
Non-current borrowing (+), SEK million	-	-	-
Current borrowing (+), SEK million	24	30	25
Non-current lease liabilities (+), SEK million	54	74	61
Current lease liabilities (+), SEK million	29	25	24
Bank overdraft facilities (+), SEK million	127	1	151
Cash and cash equivalents (-), SEK million	-73	-105	-42
Net debt (+) / Net cash (-), SEK million	161	24	219
EBITDA			
Operating profit, RTM, SEK million	312	300	290
Financial income, RTM, SEK million	-12	-19	-7
Interest expenses, RTM, SEK million	23	39	38
Depreciations, RTM, SEK million	56	50	55
EBITDA	378	370	375
Net debt (+) / Net cash (-) / EBITDA			
Net debt (+) / Net cash (-), SEK million	161	24	219
EBITDA, SEK million	378	370	375
Net debt (+) / Net cash (-), SEK million/EBITDA	0.4	0.1	0.6
Interest coverage ratio, multiple			
Operating profit, RTM, SEK million	322	319	321
Financial income, RTM, SEK million	12	19	7
Sum	334	339	328
Interest expenses, RTM, SEK million	23	39	38
Interest coverage ratio, multiple	15	9	9

Estimates (continued)

	Q1		Jan-Dec
	2026	2025	2025
Organic growth in order intake			
Order intake for the current period, SEK million	557	524	1,981
Foreign exchange, SEK million	21	1	71
Order intake, excl foreign exchange, SEK million	578	525	2,052
Order intake for the preceding period, SEK million	524	410	1,716
Change in order intake, SEK million	54	115	336
Change in order intake, %	10.3%	28.0%	19.6%
Net sales and organic net sales growth			
Net sales for the current period, SEK million	539	446	1,889
Foreign exchange, SEK million	26	2	65
Net sales, excl foreign exchange, SEK million	565	448	1,953
Net sales for the preceding period, SEK million	446	394	1,649
Change in organic net sales, SEK million	119	54	304
Change in organic net sales, %	26.7%	13.7%	18.5%
Return on capital employed			
Profit/loss before tax, RTM, SEK million	312	300	290
Interest expenses, RTM, SEK million	23	39	38
Profit/loss before tax plus interest expenses, RTM, SEK million	335	339	328
Capital employed at the beginning of the period, SEK million	896	850	853
Capital employed at the end of the period, SEK million	1,014	896	969
Capital employed, average, SEK million	955	873	911
Return on capital employed, %	35.1	38.8	35.9
Capital employed			
Balance sheet total, SEK million	1,433	1,236	1,210
Less non-interest-bearing liabilities			
Deferred tax liabilities, SEK million	-34	-27	-35
Provisions product warranty and others, SEK million	-40	-30	-36
Accounts payable, SEK million	-173	-157	-58
Current tax liabilities, SEK million	-15	-2	-8
Other liabilities, SEK million	-62	-47	-43
Accrued expenses and deferred income, SEK million	-96	-77	-62
Capital employed, SEK million	1,014	896	969

Rounding may entail that columns/rows do not tally.

Definitions

Key performance indicators	Definitions	Explanation
Return on capital employed	Pre-tax profit plus interest expenses as a percentage of average capital employed, rolling 12 months.	Return on capital employed is a profitability measure used to put earnings in relation to the capital required to conduct operations.
EBITDA	Operating profit before interest and taxes and amortisation of intangible assets and depreciation of non-current assets.	EBITDA is used to facilitate comparisons and assessments of the company's cash flow.
Gross margin	Gross profit divided by net sales.	Gross margin is used to measure product profitability.
Average number of employees	Average number of full-time employees during the reporting period.	Non-financial performance measure.
Net debt (+) / Net cash (-)	Defined as interest-bearing debt minus cash and cash equivalents and certain other financial assets. Interest-bearing debt includes liabilities to credit institutions and lease liabilities.	To ensure that engcon has a stable financing structure and can meet its financial commitments in accordance with its loan agreements.
Net debt (+) / Net cash (-) through EBITDA	Defined as interest-bearing debt minus cash and cash equivalents and certain other financial assets through EBITDA. Interest-bearing debt includes liabilities to credit institutions and lease liabilities.	To ensure that engcon has a stable financing structure and can meet its financial commitments in accordance with its loan agreements.
Order intake	Total order intake during the period calculated in the same way as net sales.	Order intake provides an indication of the current demand for the Group's products and services, which becomes apparent in net sales with varying delays.
Organic net sales growth	Change in net sales as a percentage of net sales during the comparative period in the preceding year for the companies that were part of the Group for the entire comparative period and the current period, excluding exchange-rate effects.	Relevant measure for the assessment of the company's capacity to create growth through volume, price and product/service offering in operating activities.
Organic growth in order intake	Organic growth in order intake is growth in order intake excluding translation effects from exchange rate differences, as well as acquisitions and divestments.	It provides an understanding for the Group's order intake, which is driven by changes in volume, price and product/service offering.
Earnings per share	Earnings per share for the period, in SEK, attributable to the Parent Company shareholders, in relation to the weighted average number of shares before and after dilution.	Performance measures in accordance with IFRS.
Interest coverage ratio	EBIT plus financial income through interest expenses.	To ensure that engcon has a stable financing structure and can meet its financial commitments in accordance with its loan agreements.
Operating profit (EBIT)	Earnings before interest and taxes.	Enables comparisons of profitability regardless of capital structure or tax situation.
Operating margin (EBIT margin)	Operating profit divided by net sales.	The EBIT margin is used to measure operational profitability.
Equity/assets ratio	Equity including non-controlling interests divided by total assets.	A key measurement for the assessment of the company's financial stability.
Capital employed	Total assets less non-interest-bearing liabilities.	Capital employed shows the proportion of the company's assets that are financed by capital requiring returns.

Exchange rates

	Closing rate 31 Mar 2026	Average rate Jan-Mar 2026	Closing rate 31 Mar 2025	Average rate Jan-Mar 2025
1 EUR is equivalent to SEK	10.94	10.69	10.85	11.23
1 DKK is equivalent to SEK	1.46	1.43	1.45	1.51
1 NOK is equivalent to SEK	0.98	0.94	0.95	0.96
1 USD is equivalent to SEK	9.52	9.14	10.03	10.68
1 AUD is equivalent to SEK	6.56	6.36	6.26	6.70
1 PLN is equivalent to SEK	2.55	2.52	2.59	2.67
1 GBP is equivalent to SEK	12.60	12.32	12.99	13.44
1 KRW is equivalent to SEK	0.01	0.01	0.01	0.01
1 CAD is equivalent to SEK	6.83	6.66	6.98	7.44
1 JPY is equivalent to SEK	0.06	0.06	0.07	0.07



About engcon

Business operations

engcon AB is the leading global manufacturer of tiltrotators with associated attachments, which enhance excavators' profitability, effectiveness, flexibility, safety and sustainability. Under our own brand, we offer a unique full-range product suite that transforms an excavator into a tool carrier that can replace several other machines.

engcon focuses on an attractive market niche, where our products contribute to changing the conditions for digging by ensuring the sustainable and responsible use of resources. From the beginning, we have formed close relationships with end users of our products, with the aim of optimising their everyday work.

We address the market through our 15 local sales companies and through an established network of dealers. With about 450 employees, engcon is currently active in 17 markets. The head office is located in Strömsund, in northern Sweden, and this is also the location of our largest production facility. We also have a production plant in Niepruszewo, Poland.

Our mission

To become the leading, independent manufacturer of advanced attachments for excavators worldwide.

Our vision

Change the world of digging.



17
markets



~450
employees



15 local
sales companies



SEK 1.9 billion in net
sales in 2025

CHANGE
THE WORLD OF
DIGGING