

**WE ARE
RELIABLE**

Customer
Focus

Simplicity

Entre-
preneurial
business

Cost
Efficiency

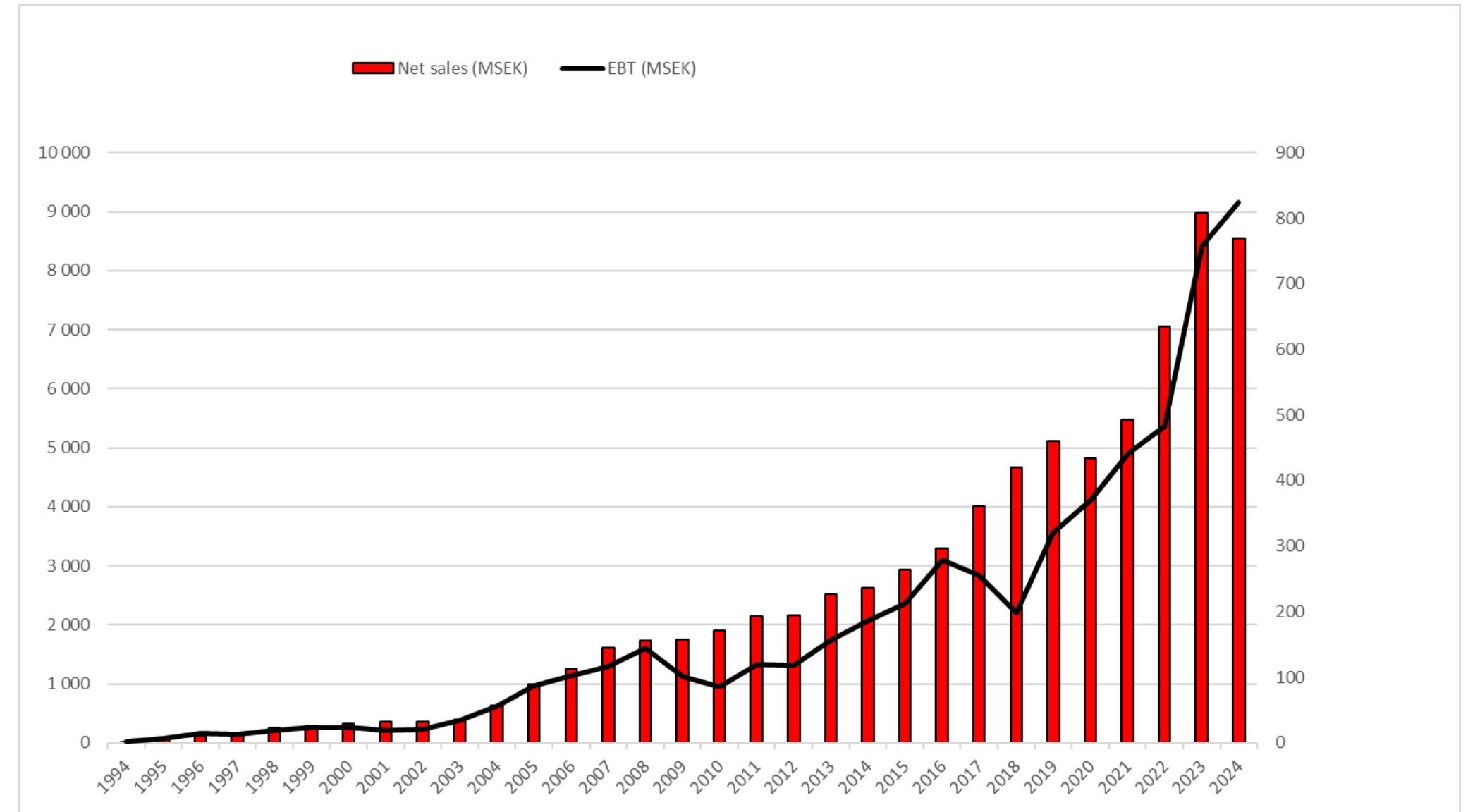
Courage
and
Respect





Why invest in AQ Group

- EPS CAGR 14% over the past 10 years
- Profit every quarter since foundation in 1994
- Exposure to industrial market segments with underlying growth;
 - Electrification
 - Defense
 - Med-Tech
- Long history of acquisitions. 2-4 factories/year
 - Mdexx – factory in Czech Rep. and engineering in Germany
 - Michael Riedel Trafobau – factory in Germany
- Strong balance sheet – net cash position



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AQ Group - Quick facts



8,000 Employees	~8,5bSEK Turnover	7 Business areas	15+ Market segments	Production in 17 countries
+4000 customers globally	Profit every quarter for 30 years	14% EPS CAGR	2-4 acquisitions / year	UN Global compact since 2012

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Third Quarter, Jul-Sep 2025 in brief



- Net sales increased by 8% to SEK 2,114 million (1,949)
- Operating profit (EBIT) increased by 2% to SEK 191 million (188)
- Profit after financial items (EBT) increased by 5% to SEK 187 million (177)
- Profit margin before tax (EBT %) was 8.8% (9.1)
- Profit after tax amounted to SEK 154 million (146)
- Cash flow from operating activities amounted to SEK 322 million (363)
- Earnings per share before dilution amounted to SEK 1.67 (1.60)

Goal >15% growth

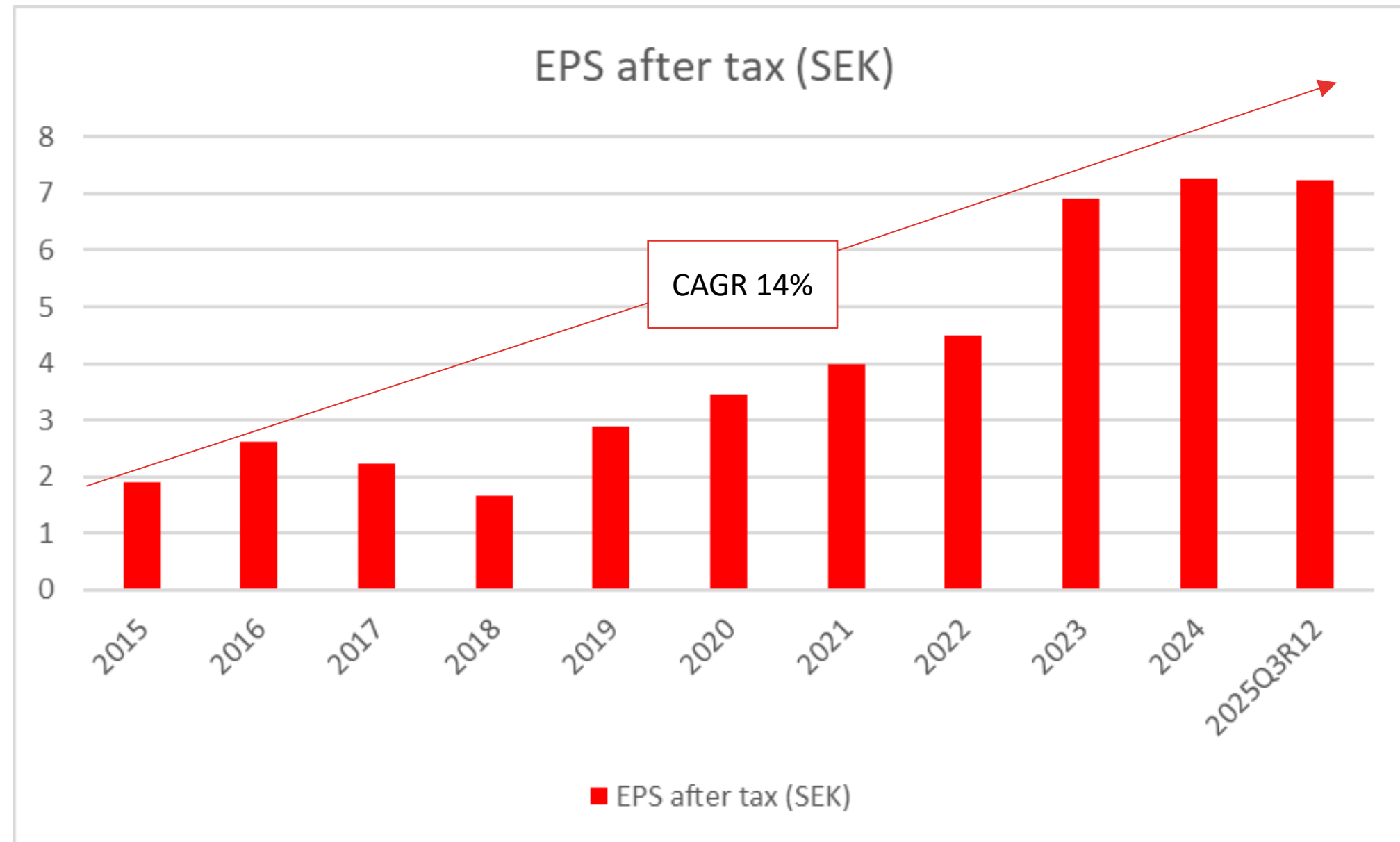
Goal >8% EBT margin

First nine months, Jan-Sep 2025 in brief



- Net sales increased by **5%** to SEK 6,748 million (6,428) Goal >15% growth
- Operating profit (EBIT) decreased by 2% to SEK 624 million (633)
- Profit after financial items (EBT) increased by 1% to SEK 619 million (616)
- Profit margin before tax (EBT %) was **9.2%** (9.6) Goal >8% EBT margin
- Profit after tax amounted to SEK 509 million (511)
- Cash flow from operating activities amounted to SEK 799 million (908)
- Earnings per share before dilution amounted to SEK 5.54 (5.58)
- Equity ratio was 67% (65)

AQ Group EPS Growth and DPS

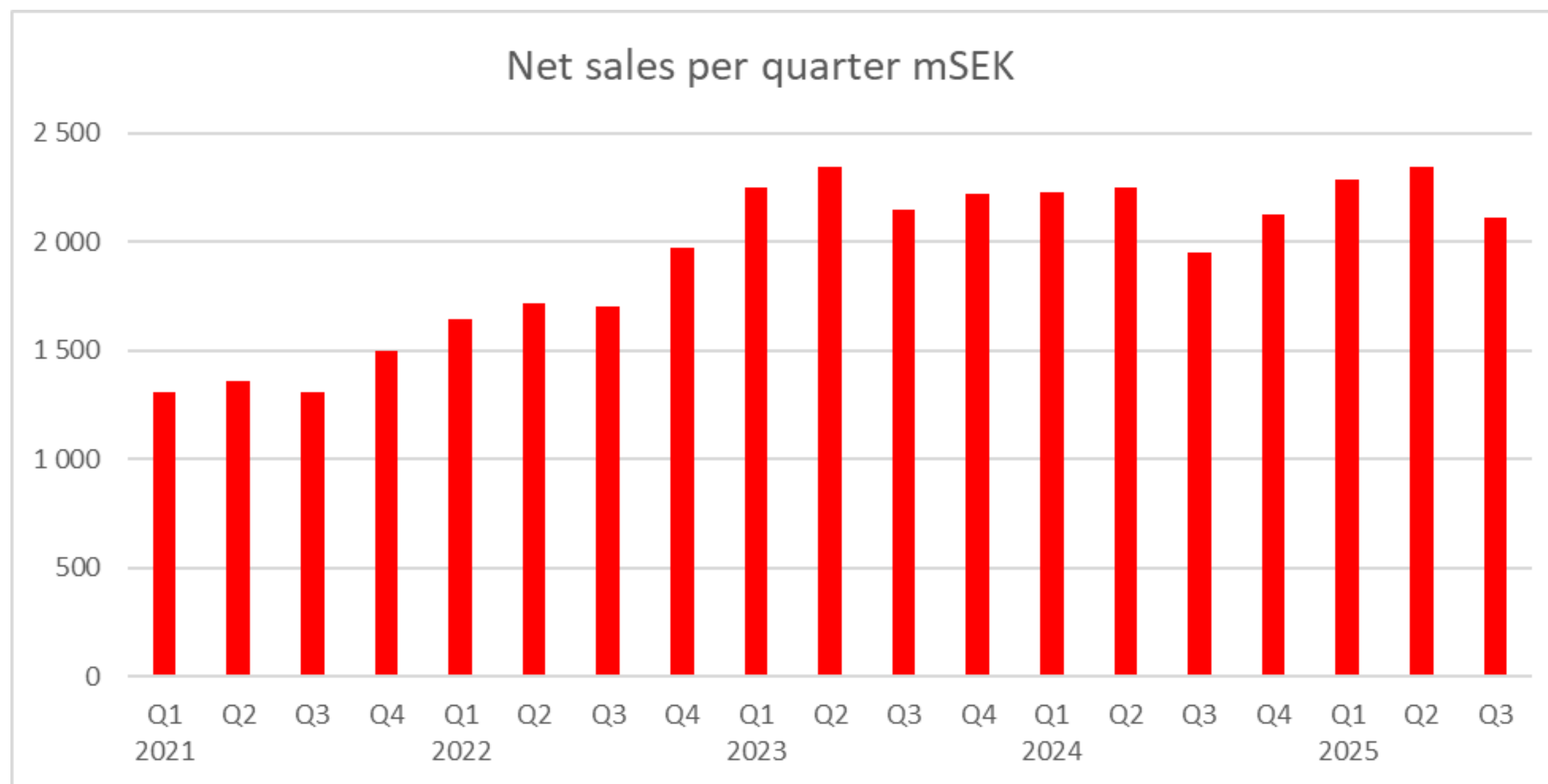


14% CAGR EPS 2015-2025Q3R12

The target is to double EPS every 5 years.

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Net sales development

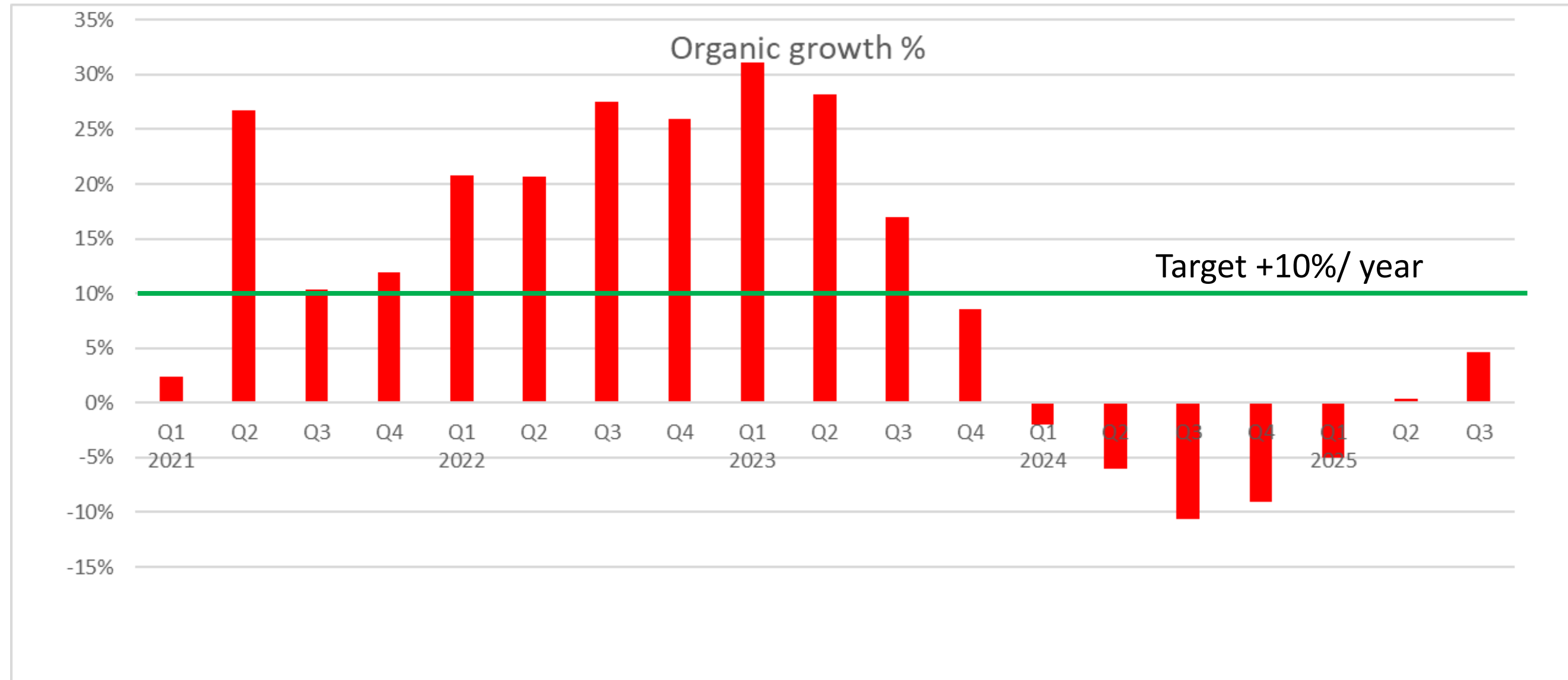


2025 Q3 vs 2024 Q3

Organic growth: +5%
Acquired growth: +7%
Currency effect: -4%
Net sales growth: +8%

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Organic growth



Organic growth was **+4,6%**, below our target of +10%.

Low demand from buses in North America, food equipment and transformers for ships in Europe.

High demand in grid electrification, defense and data centers.

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Recent new customer/project wins



Korridor B HVDC control cabinets 7mEuro



Solar inverter cabinets for 15mEuro/year.



Transformers and inductors in solid state UPS for data centers 15mEuro so far.

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Medium voltage transformers for large data centers

The large power consumption of data centers has resulted in a switch towards using higher voltage levels to reduce power consumption and installation costs.

- Design work started in AQ Germany in 2018
- Customer is a legacy AQ customer with 100+ years of electrification experience
- The end product is a Medium Voltage Solid State UPS for data center. Primary voltages up to 34.5kv.
- AQ produce 2 pcs MV inductive components and 18 pcs LV inductive components to each unit.
- Production facilities
 - Complete unit – Hungary & US, in 2026 also Czech Rep.
 - Inductive components – Hungary, Czech Rep. China, Finland, US
- Investment of 2mEuro in 2025
- Orders on hand 15mEuro
- Application hyperscale medium voltage data center



AQ Trafotek in Estonia moved to new facility



Same cost as previous building but 30% more m2.

Solar panels on the roof that can power a third of the factory's yearly power demand.

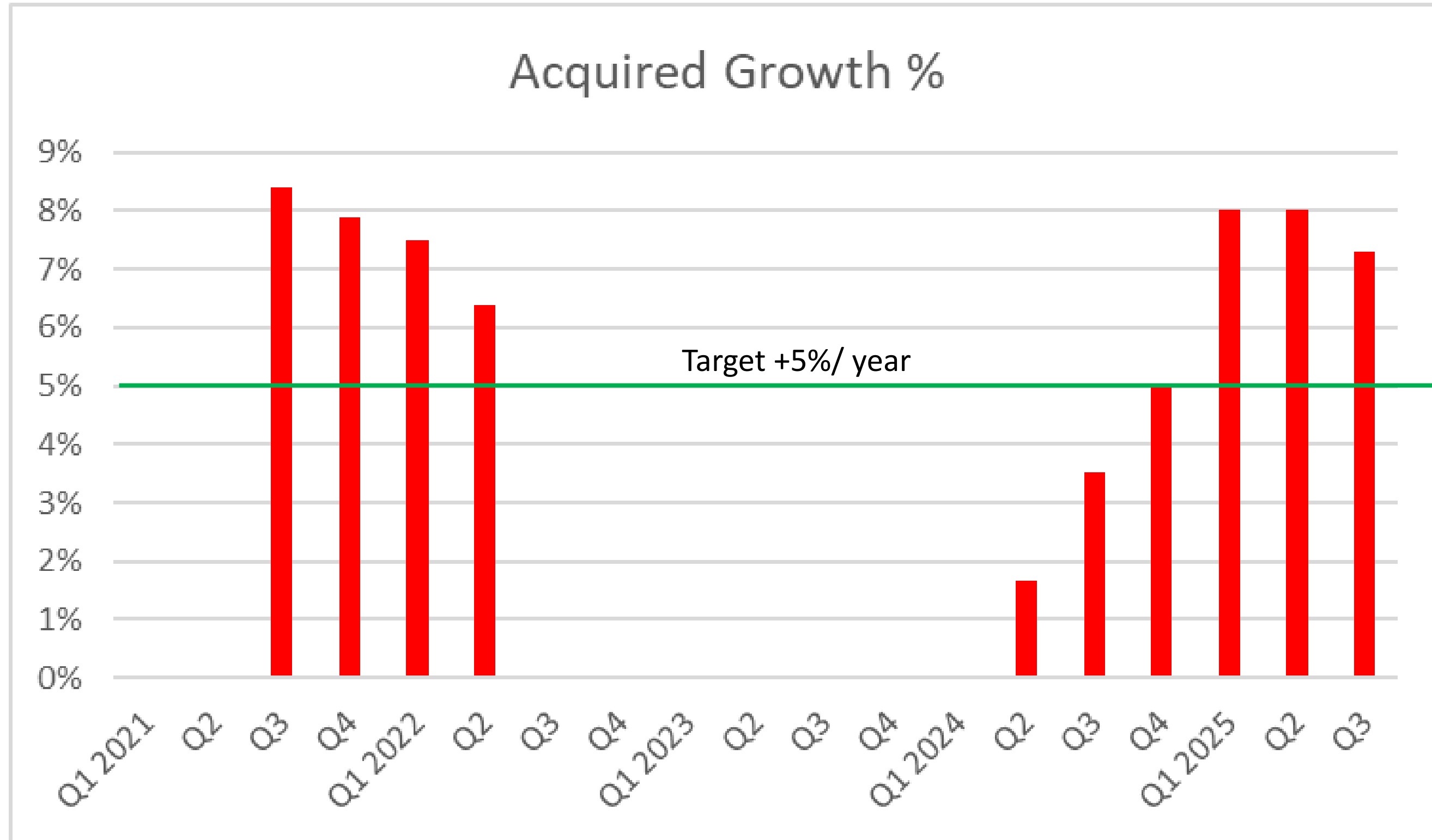
Optimized material flows enable higher output to meet customers increasing demand of transformers and inductors.

We expect good growth for the products that we produce here in the coming years.

Project within budget and without major delivery disturbances.

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Acquired Growth



+7% acquired growth in Q3.

Several targets in evaluation/ negotiation but hard to close at the price level we want.

Targets in defense, electrification and Med-Tech.

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mdexx + update



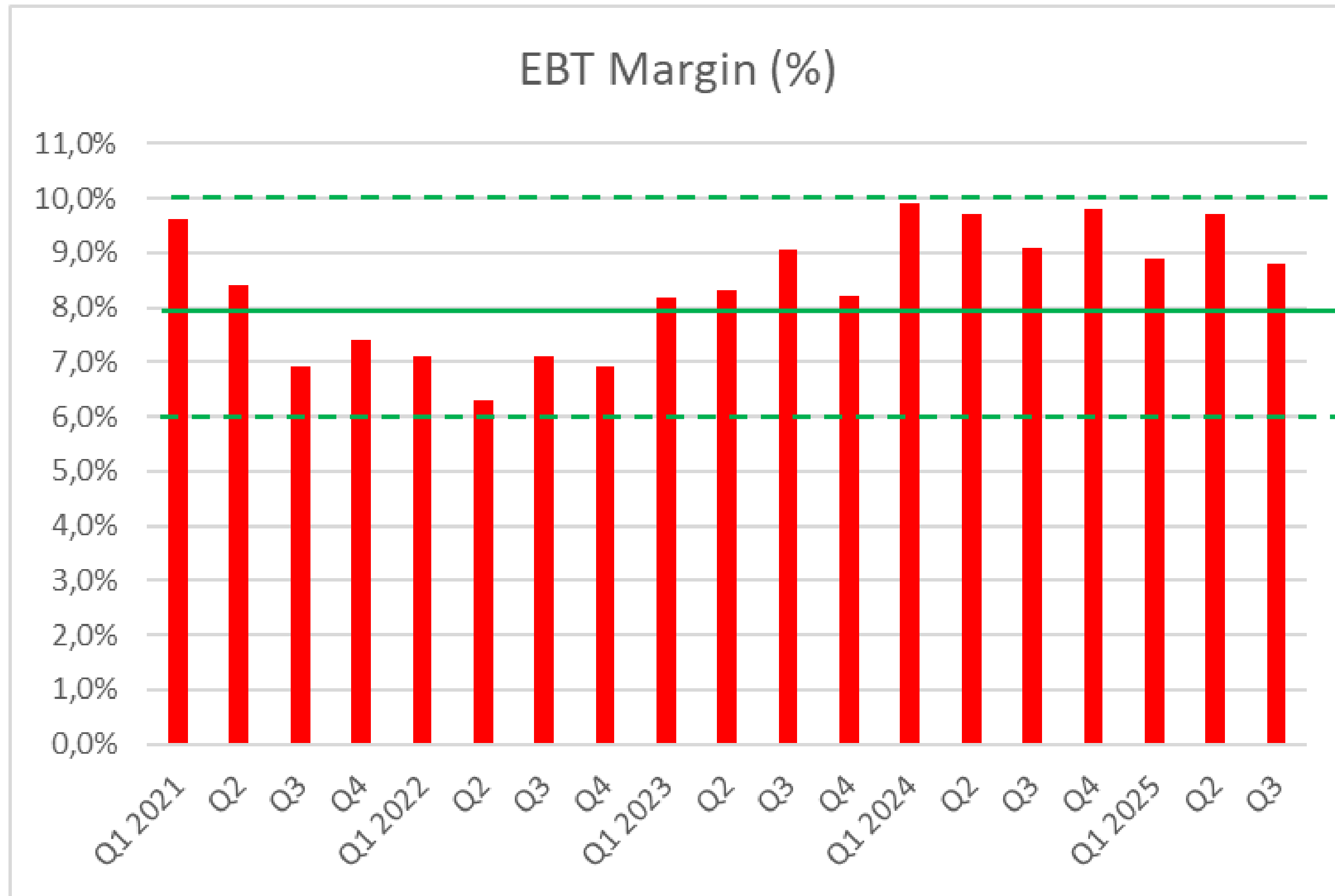
- The total net sales has been lower than anticipated for 2025.
- Personnel costs in mdexx reduced with 10% which has full impact on profit from September.
- Purchasing costs reduced with 2%. Financing costs reduction will fully impact margin with +2% from December.
- mdexx margin in September was break even.
- mdexx name changed to AQ Magnetronics.
- Further productivity improvements ongoing in mdexx Trutnov and Weyhe to be completed by end of Q4.
- New sales of transformers and inductors for data centers started with first deliveries in October.
- Target to reach AQ average margin at end of Q4 still valid but challenging.



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AQ Group EBT margin development



EBT margin in Q3 was 8,8%.
11 consecutive quarters above
EBT target of 8%.

Cost control is good.

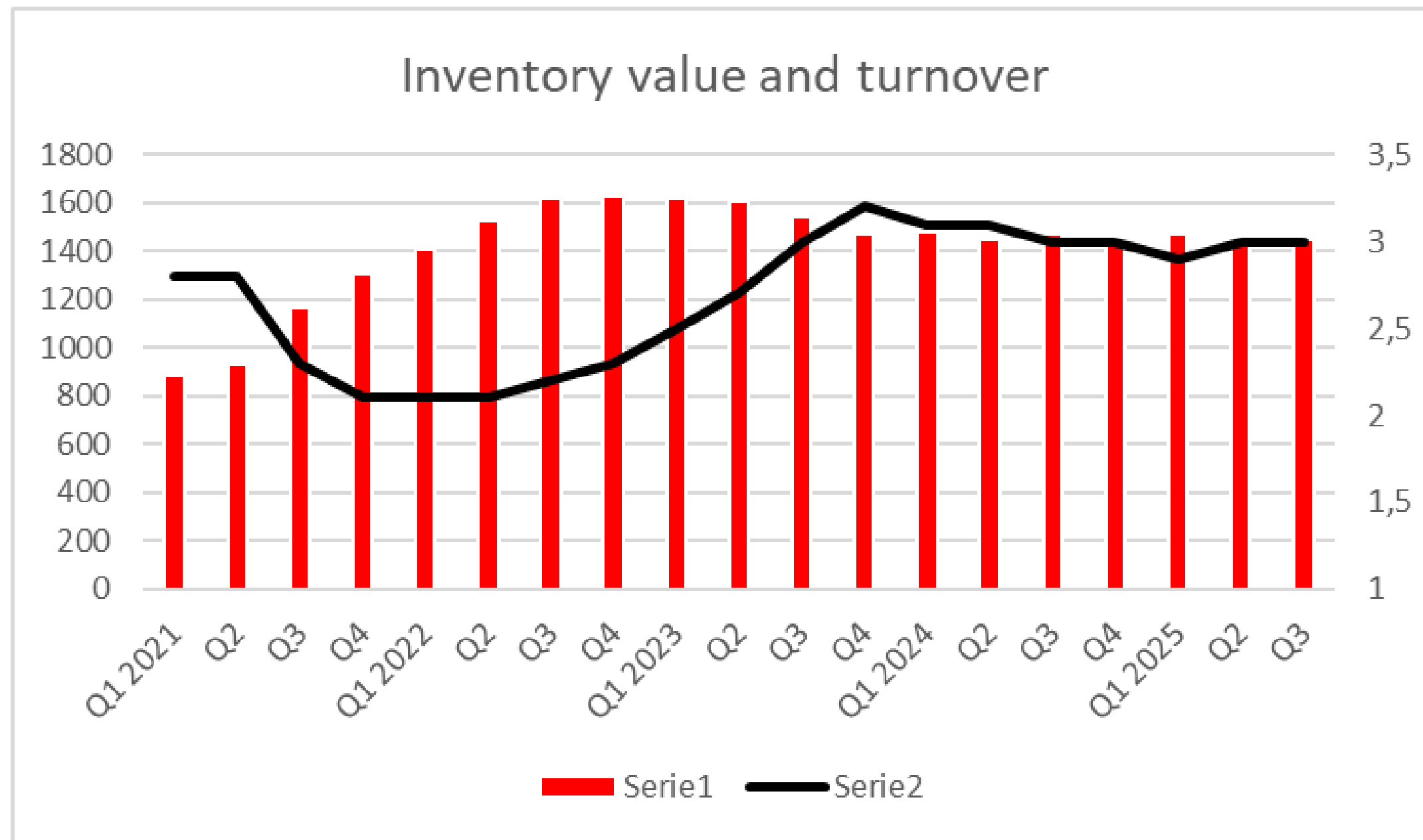
Opportunities to improve
operationally at several of our
production sites.

mdexx dilutes margin with 0,7%
in the quarter. It will improve
sequentially.

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EBT Margin (%) goal is 8%
The margin shall consistently be within 8±2% every quarter.

Inventory value & turnover development



Inventory turnover target is 3.5 turns/year. Currently we are at 3.0. The addition of acquired companies has a negative impact.

Also increased AQ intercompany sales increase work in progress and decrease inventory turnover.

We have done improvements in many sites.

Our improvement project continues with focus on Electric in Bulgaria, Canada, UK, India and Mexico.

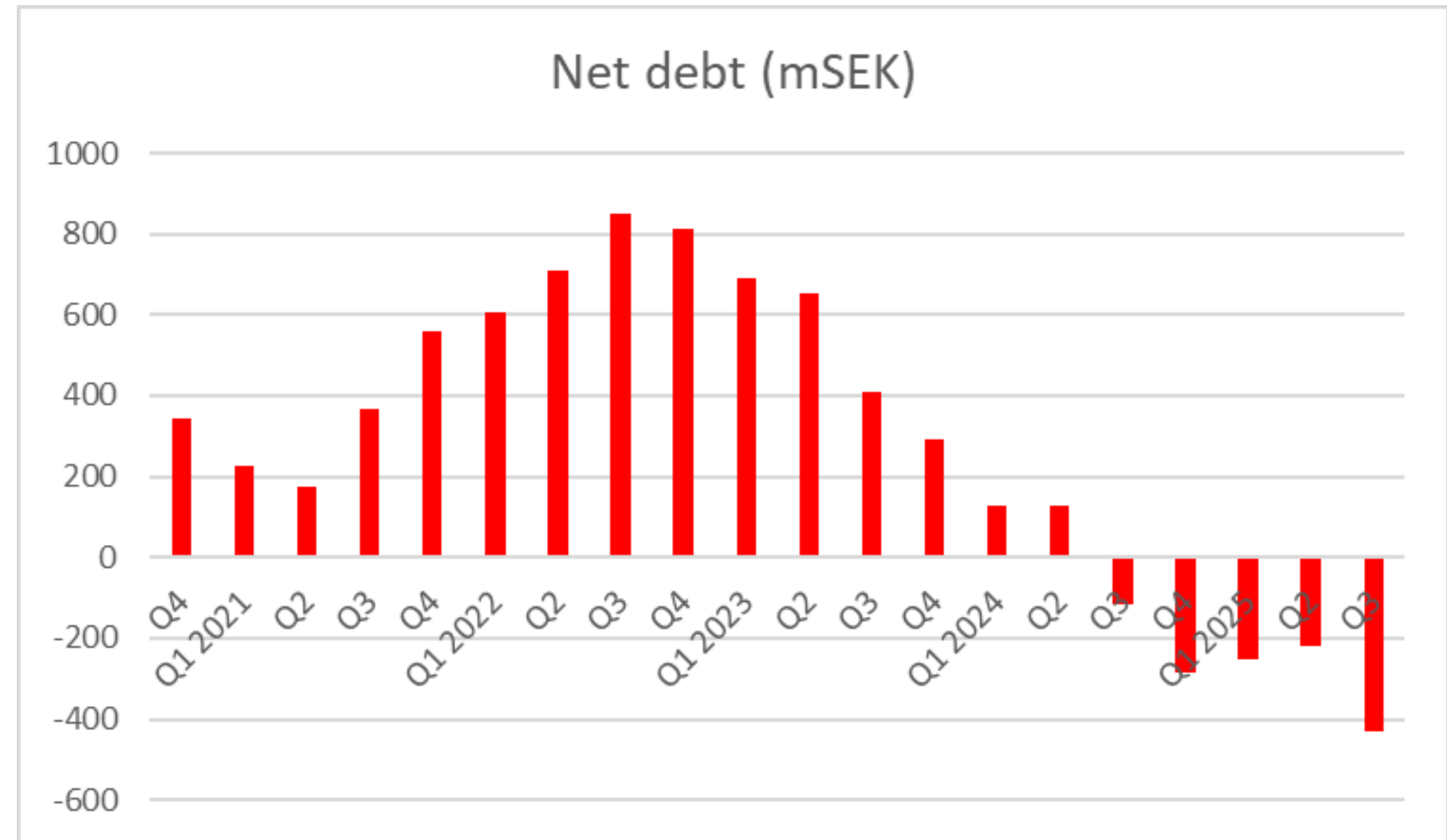
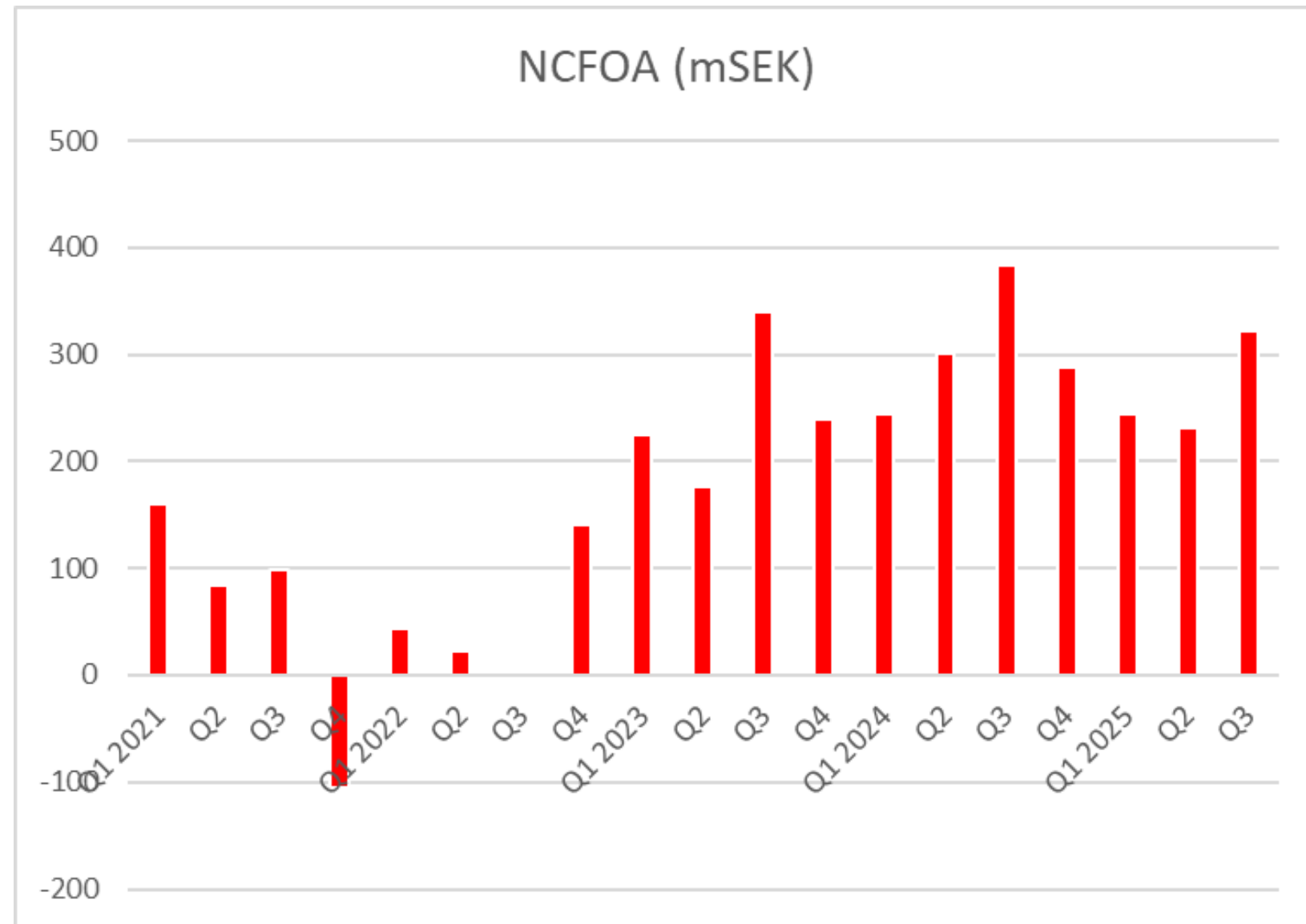
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Inventory turnover:

$$\frac{\text{Raw materials R12} + \text{Goods for resale R12} + \text{Change in Inventories and prod in progress R12}}{\text{Total Inventory YTD}}$$



Net cash from operating activities and Net debt

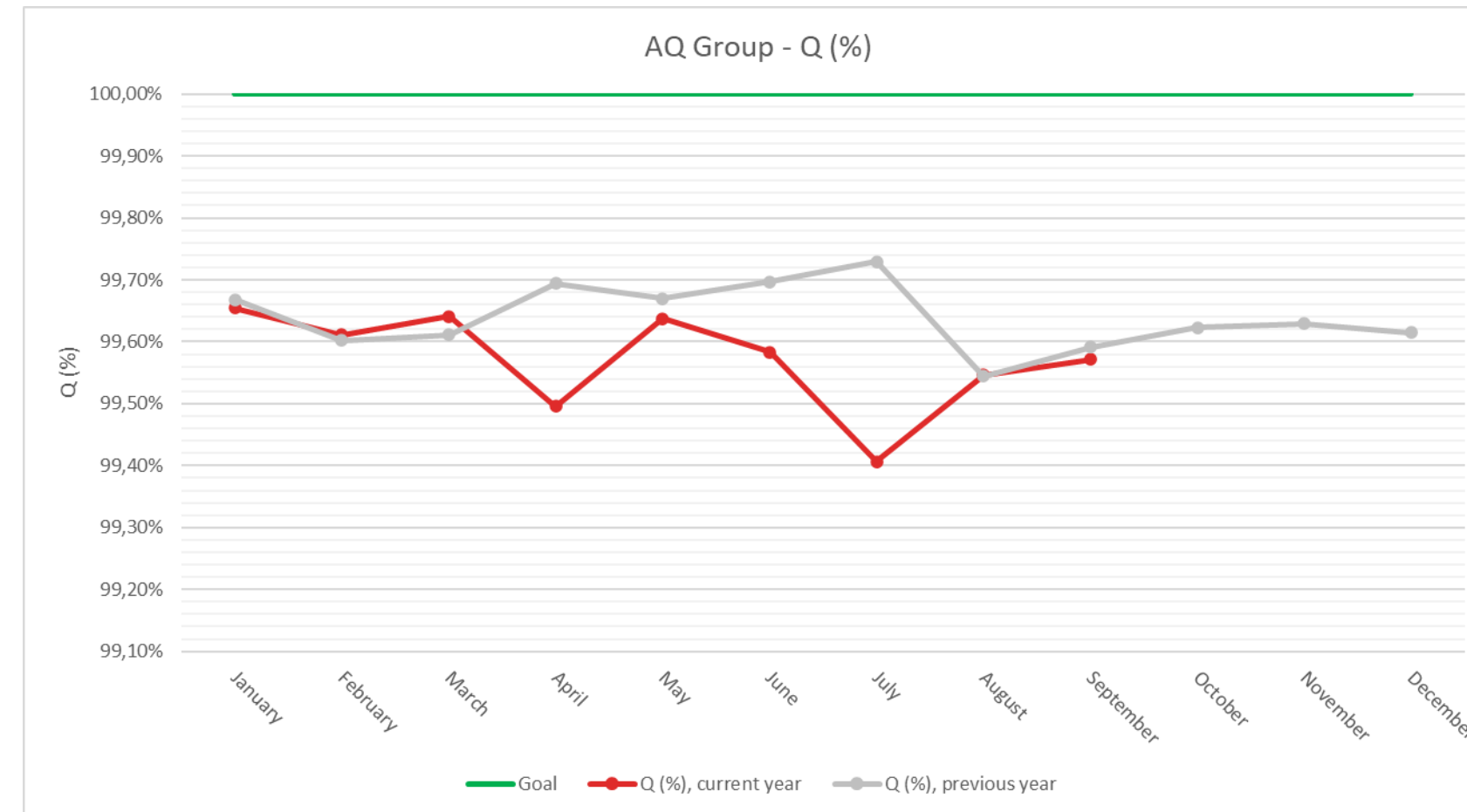
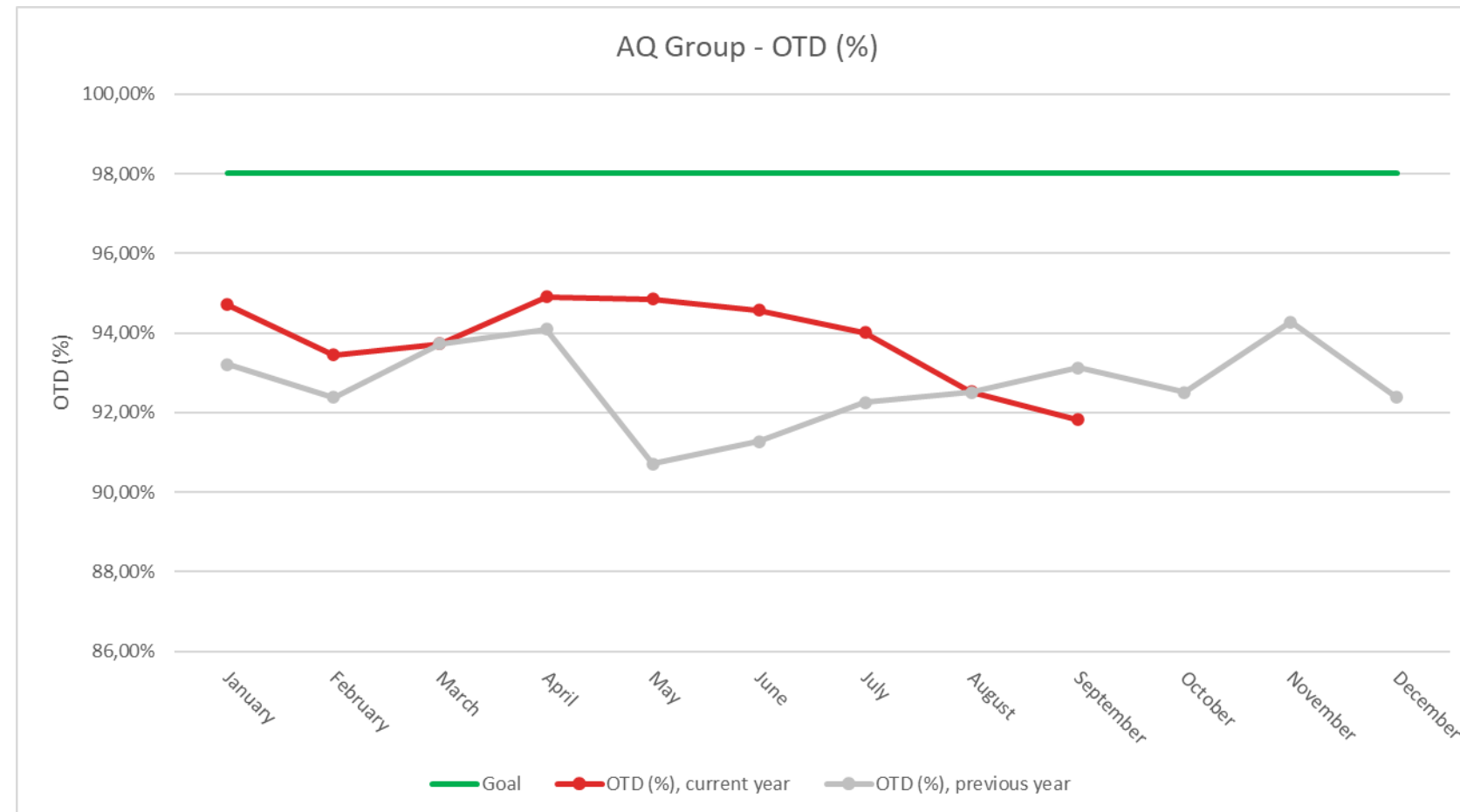


Ok operating cash flow of **322** mSEK in the quarter which results in net cash of 429mSEK. We will see a slight working capital increase in the end of the year since mdexx and Riedel factoring will stop.

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On-time Delivery (OTD) Goal 98%, Quality Goal 100%



Result OTD Q3: **93%** (93%) Result Q% Q3: **99.5%** (99.5%)

Several sites with very high workload and demand. We have capacity constraints in Rockford, JIT Mech, Transformer Solutions(US) and Inductives Hungary.

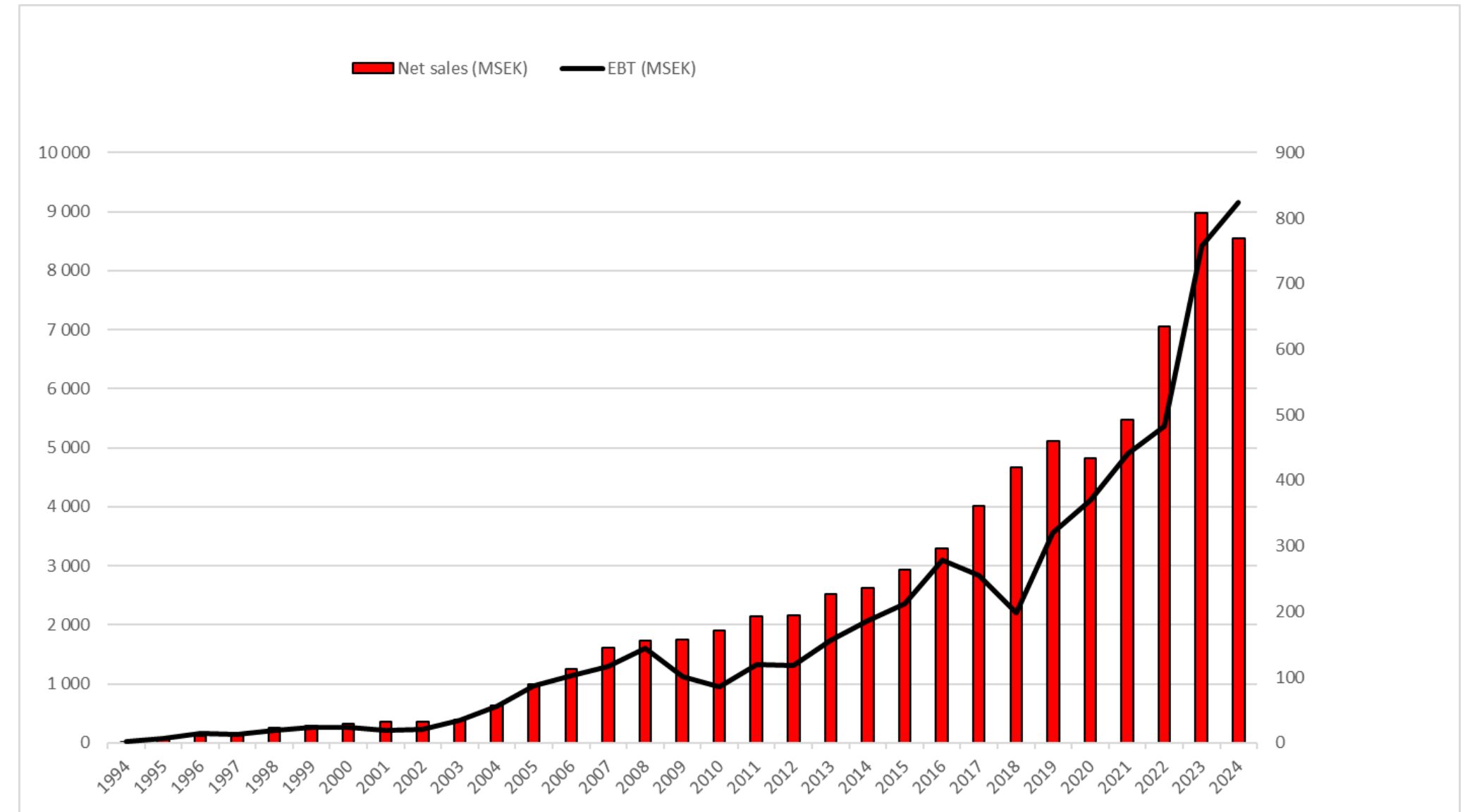
Quality is on a good level but we always want to improve.

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Questions?



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