

Impact Coatings AB (publ)

Interim Report January-March 2026

SEK million	2026 Q1	2025 Q1	2025 Jan-Dec
Net sales	12.7	9.5	47.3
Total revenue	12.6	19.7	73.5
Operating profit	-11.1	-14.2	-45.2
Operating profit after financial items	-11.3	-14.2	-45.6
Cash flow	-19.3	-5.6	4.4
Net cash, end of period	18.3	26.3	37.4
Liquidity ratio	99%	70%	113%
Liquidity ratio, adjusted ¹⁾	99%	132%	113%
Order backlog coating systems at period end ²⁾	0.0	0.0	0.0
Order backlog Coating Services at period end ²⁾	4.5	2.6	10.6

Business Highlights During the First Quarter 2026

No significant events occurred during the period.

Business Highlights After the Period

- Order for an INLINECOATER™ IC500 from HJWAVE, a Korean supplier of radar waveguide antennas for autonomous driving – order value in the EUR 1.5 million range

1) In Q1 2025 included the part of the inventory that was financed by customer pre-payments.

2) Future agreed leasing revenue of SEK 8.8 million over 36 months for a production line leased out by the subsidiary in China is not included in the backlog figures.

CEO Commentary

Increased market activity – system order after the quarter

Following a long period of customers' delayed willingness to invest in systems, we secured – following the end of the quarter – a system order within one of our core segments, confirming that the business discussions we have pursued persistently and purposefully over an extended period are beginning to translate into orders. The development reflects what we have seen in the market – that customers are advancing projects, even if their decision-making takes time.

Stable Q1 – system order after the end of the quarter

Net sales during the first quarter amounted to SEK 12.7 million (9.5). As in previous years, the business was affected by seasonal effects linked to the Chinese New Year, which temporarily reduced activity in China. We also experienced some delay in Coating Services order intake, which affected net sales. This was compensated for by a positive one-off effect of SEK 4.8 million. The one-off effect is a consequence of the sale of metals in inventory to accelerate the transition to the new metals management agreement previously communicated.



Jonas Nilsson, CEO

After focused sales work during the quarter, discussions regarding system deals remained active and after the end of the quarter we received an order for an INLINECOATER™ IC500 systems from HJWAVE, a Korean supplier of waveguide antennas for vehicle radar. The deal brings us a new system customer in the Korean market and broadens our presence in the

electronics segment with applications in the automotive industry.

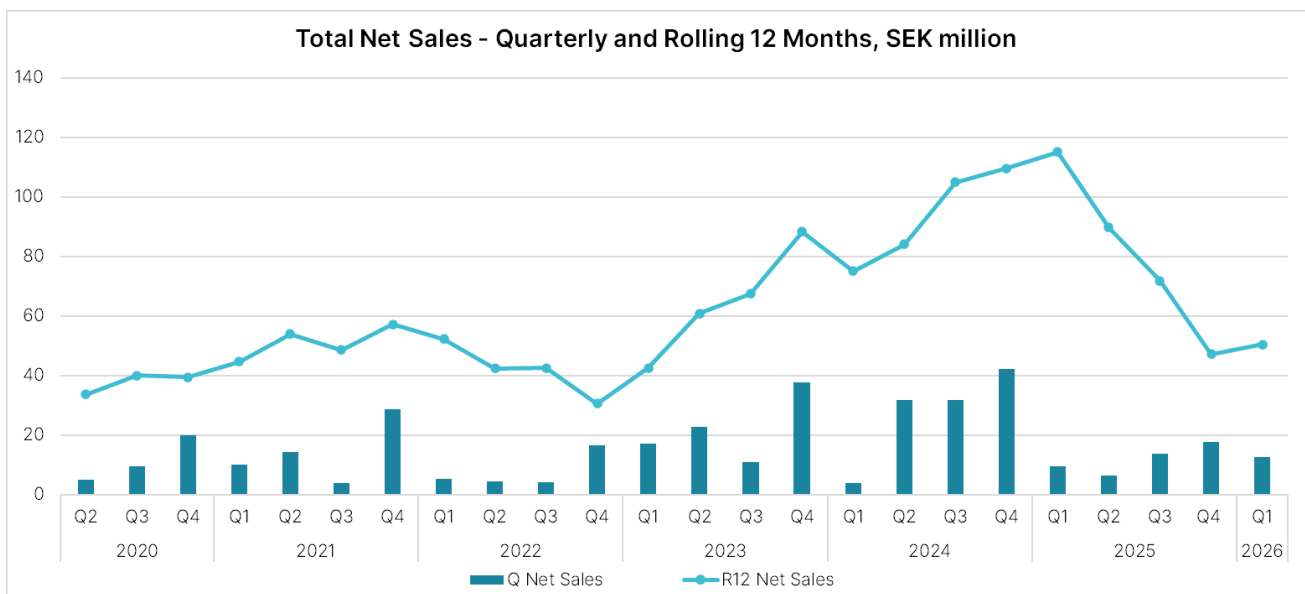
The order confirms the picture of long sales cycles, where external factors have influenced decision-making processes. It is gratifying that we are now beginning to see the results of sustained sales efforts.

We continue to engage in discussions regarding an INLINECOATER system with our long-standing customer LINDBERG in the luxury segment, in line with the letter of intent announced on December 11, 2025.

Expanded customer relationships and development within SOFC/SOEC

The customer base has continued to develop, and we are working to broaden collaboration with existing customers while addressing new application areas. Business development entails consistent hard work with results that can vary greatly between quarters.

Many customer relationships begin with smaller paid test orders, which is a natural step in the qualification process for future volume and system deals. The ongoing activity increases the likelihood both of larger volumes within Coating Services and, ultimately, system sales.



The first quarter saw continued test orders within electrolysis and fuel cell applications from existing customers. After the quarter, we received test orders from two larger, strategically important customers within SOFC and PEM electrolysis. All of these new deals are at an early stage but give us confidence in continued positive developments.

Our work with solid oxide technology, which includes both SOFC and SOEC, continues in line with the strategic direction we established at the end of 2025. Interest in energy-related applications continues to grow, particularly in power supply to data centers where the rapid expansion of AI infrastructure is driving the need for stable and efficient energy solutions. At the same time, there are broader structural drivers linked to the development of energy systems that are strengthening the demand for this type of solution. In this context, solid oxide technology has significant potential. These applications involve long development cycles, but we expect them to provide significant business opportunities in the future.

In PEM electrolysis, we continue our work with iridium oxide coatings. We have several customers who are evaluating the integration of iridium oxide into their production of electrode plates instead of iridium on adjacent membranes. In practice, this means that an additional coating step can be moved to our machine systems, which both streamlines customers' production and increases the value per component.

Cost discipline with a focus on profitability

During the quarter, we implemented additional measures to adapt operations to the current market situation. The workforce in the parent company has now decreased by a total of approximately 42 percent since December 2024. In parallel, measures are being implemented to reduce production costs in the systems business, which will improve margins of future deliveries.

Long-term market growth drivers

The hydrogen market remains in a transitional phase, with China continuing as the driving force. During the quarter, however, we observed that uncertainty surrounding the regulatory framework in China affected investment willingness. Towards the end of the quarter in March, Chinese authorities presented a pilot program that sets the direction for upcoming hydrogen investments within the framework of the new five-year plan, with continued clear support for hydrogen-based solutions. Our view is that this clarity will contribute to increased activity as implementation progresses.

The electrolysis market is consolidating, leading to fewer but more financially resilient players. Those players that continue through the consolidation will have a stronger

basis for investing in production equipment and improved opportunities to attract both private and public financing. Our established presence with the leading electrolysis players in our main markets gives us good opportunities to participate in the growth that follows as the market matures.

Ongoing conflicts and increased geopolitical tensions also affect investment decisions in the short term. At the same time, global developments highlight the vulnerability of today's energy systems, where dependence on transport through strategic bottlenecks and imports of fossil fuels can have significant consequences.

Against this background, the driving forces for energy resilience and energy independence are strengthening, especially in regions with high imports of fossil fuels, for example East Asia. Interest is increasing in technologies that enable flexible and local energy production, where different types of energy carriers may be necessary depending on availability and needs. This strengthens the long-term relevance of stand-alone energy solutions, including systems using PEM and solid oxide technology.

Outlook

Development during the quarter was in line with the strategy we have set forth, where our focus is on broadening the customer base, increasing test volumes and converting customer relationships into volume and system deals within our four main segments: energy, automotive, electronics and luxury products.

The system order secured after the end of the quarter is the result of the measures taken and the focus that has characterized the business over the past year. The completed share issue, which both strengthened our financial position and helped us continue developing the business, has been a prerequisite for this work.

We are now continuing to develop business opportunities within energy-related applications, with a strong focus on solid oxide technology, where we see growing market interest. In parallel, Coating Services contributes a stable revenue base, mainly from existing customers in PEM electrolysis and PEM fuel cells, while also providing a platform for developing new customer relationships for future system business.

Together with the lower cost level and measures to strengthen system margins, we have improved the conditions for reaching profitability as business volumes increase.

Jonas Nilsson, CEO

Financial Result

FIRST QUARTER 2026

Group net sales for the quarter amounted to SEK 12.7 million (9.5). The figure includes revenues from Coating Services of SEK 11.7 million (5.6), of which SEK 4.8 million relates to the sale of metals in inventory, and aftermarket sales of SEK 1.0 million (3.9). No Coating System revenue was recognized during the period (0).

The subsidiary in China generated SEK 1.2 million (1.1) of Coating Services revenue and SEK 0.4 million (2.8) of aftermarket sales.

Total revenue amounted to SEK 12.6 million (19.7). The difference between net sales and total revenue is explained by capitalized work for own account of SEK -0.4 million (1.9), changes in work in progress of SEK 0.0 million (8.1), and other operating income of SEK 0.2 million (0.2).

Operating expenses, excluding raw materials and consumables, amounted to SEK -19.8 million (-23.6). The decrease is primarily attributable to lower personnel expenses amounting to SEK -12.6 million (-15.8), clearly reflecting the effects of the cost-saving measures implemented. Other external expenses also decreased, totalling SEK -4.9 million (-6.0), mainly due to reduced consultancy fees, travel expenses, and costs for consumables. The efficiency and cost-saving initiatives initiated in Q4 2024 continue. Depreciation increased to SEK -2.3 million (-1.8).

Foreign exchange gain was SEK 0.9 million (-0.8), a result of exchange rate changes in SEK against EUR and USD, as well as CNY against EUR and USD. The financial net was SEK -0.2 million (0).

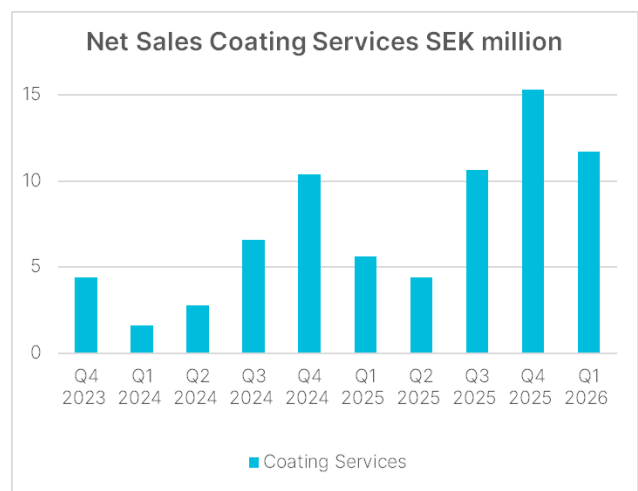
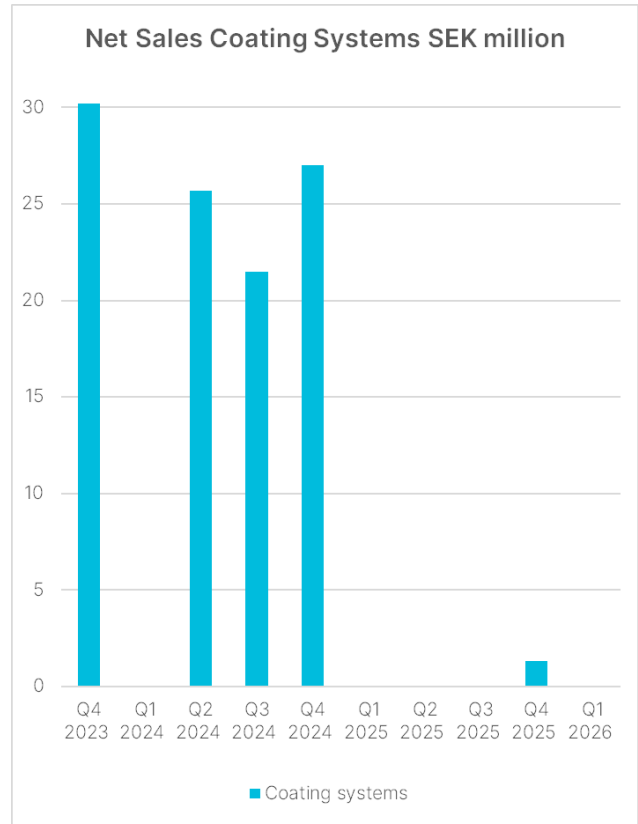
Net income after financial items was SEK -11.3 million (-14.2).

Net income for the period was negatively affected by a decrease of the capitalization of development costs amounting to SEK -0.4 million (1.9).

Financial position and liquidity

The Group's cash and cash equivalents amounted to SEK 18.3 million (26.3) at the end of the period. The liquidity ratio was 99% (70%). Interest-bearing liabilities totalled SEK 23.1 million (0) at the end of the period.

Cash flow from operations amounted to SEK -14.4 million (-3.2). Of this, SEK -9.1 million relates to cash flow from operating activities before changes in working capital. Decreased prepayments from customers and payments of trade payables, including costs related to the rights issue, contributed to negative



changes in working capital. A reduction in inventory, mainly due to sales of precious metals of SEK 4.8 million, had a positive impact on cash flow.

Cash flow from investing activities amounted to SEK 0.1 million (-2.4). Investments in machinery and equipment had a negative cash flow impact of SEK -0.3 million, while cash flow from intangible assets was SEK 0.4 million.

Cash flow from financing activities amounted to SEK -5.0 million (0), due to the repayment of a short-term loan in the parent company. Total cash flow for the period amounted to SEK -19.3 million (-5.6).

The Board of Directors and management assess, based on the business plan and forecasts, that the company has sufficient financing for its operations for the coming 12 months.

Order backlog

The order backlog for coating systems was at the end of the period EUR 0 million (0), corresponding to SEK 0 million (0) based on the period-end exchange rate.

The order backlog for Coating Services was at the end of the period SEK 4.5 million (2.6) based on the period-end exchange rate.

The order backlog for aftermarket sales is not reported.

In the Chinese subsidiary there is a customer leasing agreement for a coating production line that covers 60 months starting from April 2024 and with an addition for an upgrade from July 2025. The remaining contract period amounts to 36 months and has a total value of SEK 8.8 million calculated with the exchange rate at the end of the period. This amount is not included in the above order backlogs.

Personnel

The average number of employees during the quarter was 49 (63). The number of full-time equivalents (FTE) at the end of the period was 47 (61). The reduction in headcount is attributable to the parent company.

Transactions with related parties

Of the parent company's total purchases and sales, SEK 0 million (0) of the purchases and SEK 0.1 million (0.6) of the sales refer to the subsidiary in China for the period. There are no interest-bearing receivables or liabilities between the parent company and the subsidiary. Transactions with related parties are priced according to market terms.

Business Highlights During the First Quarter

No significant events occurred during the period.

Business Highlights After the Period

On April 10, the company announced via a press release that it had received an order for an INLINECOATER™ IC500 from a Korean supplier of radar waveguide antennas for autonomous driving. The INLINECOATER™ PVD system will be used to apply conductive metal coatings to injection-molded plastic antennas.

The Korean customer is HJWAVE, a manufacturer and supplier of RF products in the millimeter-wave band, including 77 GHz 3D waveguide antennas for automotive radar.

The system delivery is scheduled to take place in the third quarter of 2026. The order value is in the EUR 1.5 million range.



INLINECOATER™ IC500

Other Information

AUDIT AND ACCOUNTING POLICIES

The report has been prepared in accordance with the Annual Accounts Act and with the application of the Swedish Accounting Standards Board's general advice BFNAR 2012: 1 Annual Report and consolidated accounts (K3).

This interim report has not been subject to auditor review.

Principles for consolidated accounting

The accounting principles are unchanged from those mentioned in the annual report for 2025.

UPCOMING FINANCIAL EVENTS

Interim Report for the second quarter 2026	August 21, 2026
Interim Report for the third quarter 2026	October 21, 2026
Year-end report for 2026	February 12, 2027

ANNUAL GENERAL MEETING OF SHAREHOLDER

The Annual General Meeting will be held in Linköping on Wednesday, May 20, 2026.

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Consolidated Income Statement - Impact Coatings Group

<i>(All amounts in SEK million)</i>	Jan-Mar 2026	Jan-Mar 2025	Jan-Dec 2025
Net sales	12.7	9.5	47.3
Capitalized work for own account	-0.4	1.9	3.3
Change in inventories of finished goods and work in progress	0.0	8.1	15.3
Other operating income	0.2	0.2	7.7
Total revenue	12.6	19.7	73.5
Raw materials	-4.8	-9.5	-28.2
Gross profit	7.8	10.2	45.4
Gross margin %	62%	52%	62%
Other external costs	-4.9	-6.0	-23.9
Personnel costs	-12.6	-15.8	-56.9
Write off and depreciation of tangible and intangible assets	-2.3	-1.8	-8.2
Exchange rate gain / loss	0.9	-0.8	-1.5
Other operating expenses	0.0	0.0	0.0
Operating profit	-11.1	-14.2	-45.2
Interest income and similar items	-0.2	0.0	-0.4
Operating profit after financial items	-11.3	-14.2	-45.6
Taxes	0.0	0.0	-0.3
Net income for the period	-11.3	-14.2	-45.9
Earnings per share (kr)	-0.11	-0.16	-0.52
Average shares outstanding during the period	105 219 343	87 486 713	87 972 538 ¹⁾
Shares outstanding at period end	105 219 343	87 486 713	105 219 343

¹⁾ Share issuance of 17,732,630 shares, subscribed December 12, and registered December 22, 2025.

Consolidated Balance Sheet - Impact Coatings Group

<i>(All amounts in SEK million)</i>	2026-03-31	2025-03-31	2025-12-31
Assets			
Long term assets			
Intangible assets	6.2	5.7	6.8
Machines and technical equipment	51.9	40.4	51.4
Assets under construction	0.0	16.2	0.3
Deferred tax assets	0.2	0.5	0.2
Long-term receivables	9.9	16.3	9.9
Total fixed assets	68.2	79.0	68.6
Short term assets			
Raw materials	51.0	85.4	54.7
Work in progress	22.8	18.8	21.7
Short term receivables	22.3	27.4	23.5
Cash and liquid assets			
Unrestricted cash	14.5	23.6	33.6
Restricted cash	3.8	2.7	3.8
Total short term assets	114.4	157.8	137.4
Total assets	182.6	236.9	206.0
Shareholder equity and liabilities			
Shareholder equity	145.1	164.6	154.5
Long term liabilities	0.2	0.0	0.7
Pre-payment from customers	3.9	47.8	7.9
Short-term liabilities	33.4	24.5	42.9
Total shareholder equity and liabilities	182.6	236.9	206.0

Consolidated Changes in Shareholder Equity - Impact Coatings Group

<i>(All amounts in SEK million)</i>	2026-03-31	2025-03-31	2025-12-31
Opening balance	154.5	182.7	182.7
Share issuance / warrants (after emission costs)	0.0	0.0	23.5
Period result	-11.3	-14.2	-45.9
Translation difference	1.9	-3.9	-5.8
Closing balance	145.1	164.6	154.5

Consolidated Statement of Cash Flows - Impact Coatings Group

<i>(All amounts in SEK million)</i>	Jan-Mar 2026	Jan-Mar 2025	Jan-Dec 2025
Operating profit after depreciation	-11.1	-14.2	-45.2
Financial items (net)	-0.2	0.0	-0.4
Adjustments for non cash items	2.3	2.5	7.6
Cash flow from operations before change in working capital	-9.1	-11.7	-38.0
Change in working capital	-5.3	8.5	-1.8
Cash flow from operations	-14.4	-3.2	-39.8
Cash flow from investing activities	0.1	-2.4	-7.8
Rights issue	0.0	0.0	26.6
Rights issue costs paid	0.0	0.0	-3.2
Proceeds from borrowings	0.0	0.0	28.7
Repayment of borrowings	-5.0	0.0	0.0
Cash flow from financing activities	-5.0	0.0	52.1
Cash flow for the period	-19.3	-5.6	4.4
Liquid assets, opening balance	37.4	32.5	32.5
Translations differences	0.1	-0.6	0.6
Liquid assets, ending balance	18.3	26.3	37.4
Liquidity ratio, %	99%	70%	113%
Liquidity ratio, adjusted, % ¹⁾	99%	132%	113%

¹⁾ In Q1 2025 included the part of the inventory that was financed by customer pre-payments.

Income Statement - Parent Company

<i>(All amounts in SEK million)</i>	Jan-Mar 2026	Jan-Mar 2025	Jan-Dec 2025
Net sales	11.5	6.2	31.2
Capitalized work for own account	-0.4	1.7	3.3
Change in inventories of finished goods and work in progress	0.0	8.3	15.3
Other operating income	0.0	0.2	0.9
Total revenue	11.1	16.4	50.7
Raw materials	-4.3	-8.8	-19.0
Gross profit	6.8	7.5	31.7
Gross margin %	61%	46%	63%
Other external costs	-4.1	-4.6	-34.1
Personnel costs	-9.9	-13.2	-45.3
Write off and depreciation of tangible and intangible assets	-1.5	-1.2	-5.4
Exchange rate gain / loss	-0.1	0.4	2.1
Other operating expenses	0.0	0.0	0.0
Operating profit	-8.8	-11.1	-50.9
Interest income and similar items	0.0	0.0	0.0
Operating profit after financial items	-8.8	-11.1	-50.9
Taxes	0.0	0.0	0.0
Net income for the period	-8.8	-11.1	-50.9

Balance Sheet - Parent Company

<i>(All amounts in SEK million)</i>	2026-03-31	2025-03-31	2025-12-31
Assets			
Long term assets			
Intangible assets	5.7	5.1	6.2
Machines and technical equipment	27.2	23.2	28.0
Assets under construction	0.0	0.3	0.3
Financial assets			
Shares in subsidiary	41.6	41.6	41.6
Total long term assets	74.5	70.2	76.1
Short term assets			
Raw materials	41.0	75.7	45.4
Work in progress	22.8	27.2	21.7
Short term receivables	7.6	17.5	9.1
Intercompany receivables	26.4	45.4	26.0
Cash and liquid assets			
Unrestricted cash	12.5	17.4	28.3
Restricted cash	2.7	2.7	3.8
Total short term assets	113.0	186.0	134.4
Total assets	187.5	256.2	210.4
Shareholder equity and liabilities			
Shareholder equity	161.1	186.4	170.1
Pre-payment from customers	3.9	47.8	7.9
Short-term liabilities	8.6	20.8	18.5
Intercompany payables	13.9	1.1	13.9
Total shareholder equity and liabilities	187.5	256.2	210.4

Summary of Financial Development

Below is a summary of the financial development of Impact Coatings AB (publ) for the full years 2022-2025 and of the group's consolidated financial development for the period January-March 2026.

All figures related to the operating years 2022-2025 are based on material from officially published annual reports.

<i>(All amounts in SEK million)</i>		2026	2025	2024	2023	2022
		Jan-Mar	Jan-Dec	Jan-Dec	Jan-Dec	Jan-Dec
Net sales		12.7	47.3	109.9	98.4	32.0
Revenue		12.6	73.5	102.4	89.0	57.0
Operating profit		-11.1	-45.2	-31.3	-33.9	-47.0
Result after financial items (net)		-11.3	-45.6	-30.1	-32.0	-47.0
Operating margin	%	Neg	Neg	Neg	Neg	Neg
Intangible assets		6.2	6.8	4.2	2.1	0.4
Tangible assets		51.9	51.7	61.5	54.3	33.5
Long term assets		10.1	10.1	16.8	0.0	0.0
Inventory		73.8	76.5	102.3	80.5	41.0
Pre payment from customers		3.9	7.9	57.2	52.4	20.1
Short term assets		22.3	23.5	52.0	25.8	16.2
Cash and liquid assets		18.3	37.4	32.5	119.8	61.4
Shareholder equity		145.1	154.5	182.7	209.5	113.9
Long term liabilities		0.2	0.7	0.0	0.0	0.0
Short term liabilities		33.4	42.9	29.3	20.5	18.6
Total assets		182.6	206.0	269.2	282.5	152.6
Return on assets	%	Neg	Neg	Neg	Neg	Neg
Return on equity		Neg	Neg	Neg	Neg	Neg
Equity/asset ratio	%	79	75	68	74	75
Debt ratio	times	0.2	0.2	0	0	0
Interest coverage ratio		Neg	Neg	Neg	Neg	Neg
Liquidity ratio	%	99	113	95	200	201
Liquidity ratio, adjusted	%	99	113	155	275	
Employees		49	58	61	56	45
Investments						
Intangible assets		-0.4	3.3	2.4	1.8	0.0
Tangible assets		0.3	4.6	14.5	25.4	25.9
Earnings per share	SEK	-0.11	-0.52	-0.34	-0.41	-0.83
Average shares outstanding during the period		105 219 343	87 972 538 ¹⁾	87 486 713	78 857 887 ²⁾	56 609 051
Shares outstanding at period end		105 219 343	105 219 343	87 486 713	87 486 713	56 609 051

¹⁾ Share issuance of 17,732,630 shares, subscribed December 12, 2025, and registered December 22, 2025.

²⁾ Share issuance of 30,877,662 shares, subscribed March 23, 2023, and registered April 12, 2023.

Definition of terms:

Operating margin	Operating profit after financial items divided by revenue
Shareholder equity	Summary of share capital, restricted reserves and non-restricted equity
Return on assets	Operating profit before interest divided by average capital employed
Return on equity	Net income after tax divided by average shareholder equity
Equity / assets ratio	Shareholder equity divided by balance sheet total
Debt ratio	Interest bearing debts divided by shareholder equity
Interest coverage ratio	Operating profit before interest expenses divided by interest expenses
Earnings per share	Net income after tax divided by average number of shares
Liquidity ratio	Cash and short-term assets excl. inventory divided by short term liabilities
Liquidity ratio, adjusted	Liquidity ratio adjusted by the part of inventory that has been financed by customer pre-payments