BOARD REPORT AND FINANCIAL STATEMENTS 2025

VALMET AUTOMOTIVE GROUP

VALMET AUTOMOTIVE

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BOARD OF DIRECTORS' REPORT

GENERAL

Valmet Automotive Group ("Group") is an international contract manufacturer and system supplier serving automotive, defense and other technology industries. The Group provides contract manufacturing and engineering services as well as roof and kinematic systems for automotive and other customers.

Founded in 1968 and headquartered in Uusikaupunki, Finland, Valmet Automotive Group is one of the leading vehicle contract manufacturers in the world and one of the largest European manufacturers of convertible roof and kinematic systems, such as active aerodynamic systems and charging flaps. In response to structural changes in the European automotive industry — including electrification, increasing competition and supply chain volatility — the Group is expanding beyond traditional automotive manufacturing into defense and high-technology industrial solutions to diversify its business and support long-term growth.

A significant ownership and financing arrangement took place in August 2025, when the IONCOR battery systems business was divested and the Finnish State became the majority owner of the Group, with Pontos Oy continuing as a minority shareholder. These developments support the Group's strategic development toward sustainable growth, industrial resilience and new technology-driven business opportunities.

GROUP STRUCTURE

Valmet Automotive Plc is the parent company of Valmet Automotive Group, which includes directly owned subsidiaries in Germany and Poland. The Group operates through two business areas: Valmet Automotive ("VA") and Roof & Kinematic Systems ("RKS"), reflecting the current ownership and operational structure. VA comprises the contract manufacturing and engineering business in Finland, while RKS focuses on roof and kinematic systems and operates in Germany and Poland.

Following the divestment of the IONCOR battery systems, IONCOR business is included in this report only as discontinued operations.

At the end of 2025, after the ownership changes during the year, the Finnish State held 79% and Pontos Oy held 21% of Valmet Automotive Plc shares. There were no changes in the Group's legal structure during 2024.

OPERATING ENVIRONMENT

In 2025, the Group operated primarily within the automotive industry, which continued to face significant challenges in Europe, including overcapacity, geopolitical uncertainty and intensifying competition, particularly from Chinese OEMs. European light vehicle production levels remained below 2019 levels, prompting manufacturers to streamline production capacity in Europe.

Although supply chain disruptions eased compared to prior years, the industry faced significant cost-side pressures with elevated energy, labour, and raw material costs. At the same time, manufacturers continued to absorb substantial capital expenditure requirements related to electrification, software development, and compliance with increasingly stringent environmental and safety regulations. Global trade dynamics further shaped the competitive landscape, requiring the European OEMs to navigate both intensified competition and evolving trade policies.

In response, Valmet Automotive Group is broadening its industrial focus and diversifying revenue streams while maintaining its core strengths in premium manufacturing solutions and engineering excellence. While the automotive sector remains a key pillar in the Group's strategy, expansion to other industry sectors is aimed to broaden and diversify the operating environment significantly.

In the defense sector, elevated geopolitical tensions and regional conflicts have reinforced defense capabilities as a strategic priority. As a result, the European and NATO member state defense industries are experiencing strong demand, supported by long-term procurement plans, growing order backlogs, and policy support. At the same time, the sector faces challenges related to scaling production capacity, securing skilled labour and navigating complex regulatory frameworks.

Looking ahead, the automotive suppliers anticipate growth driven by electrification, sustainability, and technological advancements while remaining vigilant about continued market volatility, regulatory change and competitive pressure. Strategic partnerships and a focus on software-defined vehicles are expected to play key roles in navigating the future automotive landscape.[1]

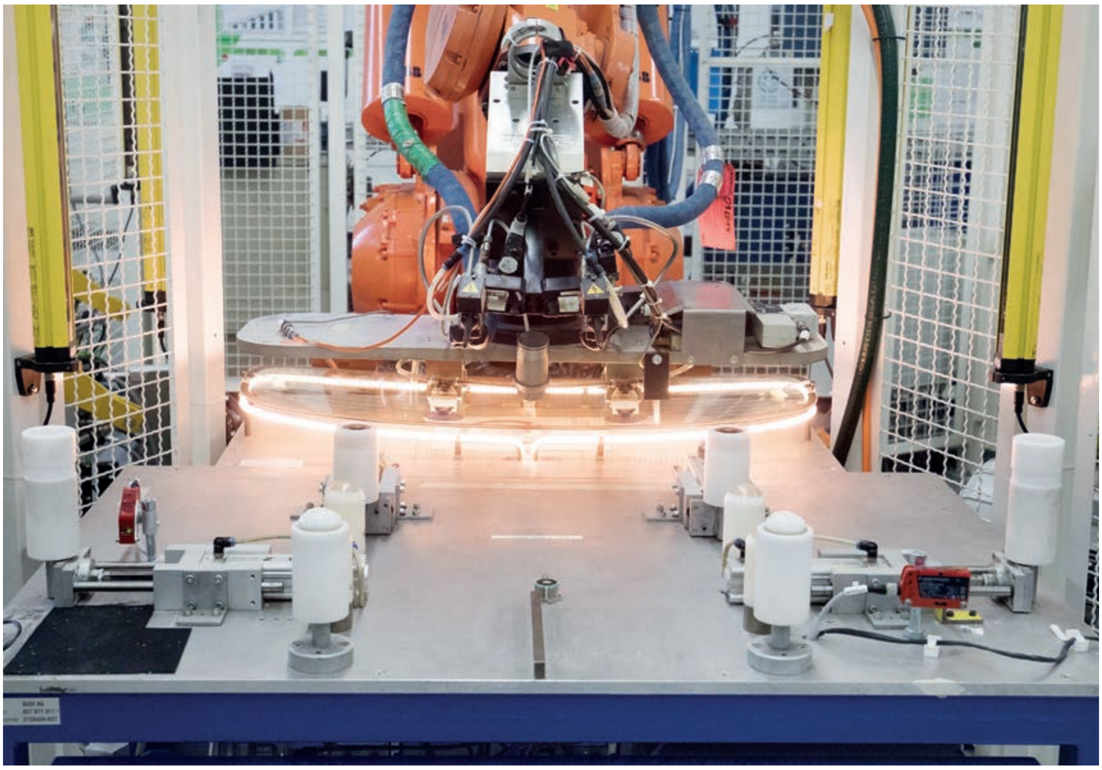
EVENTS WITHIN THE FINANCIAL YEAR

The most significant development during the year related to the ownership and financing arrangements following the strategic change initiated in November 2023. The objective of this strategic shift has been to increase the independence of the business areas and to expand the contract manufacturing business into new industries, thereby strengthening the Group's long-term competitiveness and business diversification.

In line with this strategy, Valmet Automotive expanded its offering to include the manufacturing of armoured vehicles and military components. In late 2025, the company agreed to collaborate with two Finnish defense sector operators, Patria and Sisu Auto, with work commencing immediately with both partners. Entry into these sectors supports the diversification of the Group's business base and provides a more stable foundation for future business development.

In the RKS business area, 2025 marked the first full year of a key serial production program for the convertible roof system launched in 2024, together with the first large-scale production program of an active aerodynamic system and active charging

[1] S&P 2026 Automotive Supplier Outlook



flaps. Towards the end of the year, RKS also secured a new customer for a convertible roof project, in line with its strategy to broaden the customer base.

Supporting RKS's strategic growth plans, a new high-tech manufacturing and logistics extension at the Żary plant in Poland was completed in 2025. The extension significantly increases its manufacturing capacity, enhances responsiveness to customer demand, and provides additional opportunities to support upcoming projects.

The Group continued to strengthen a proactive safety culture across its operations, achieving strong safety performance throughout the year. In February 2025, the Uusikaupunki plant achieved one full year without any lost-time accidents, demonstrating the tangible impact of the Group's Safety First principles in daily operations.

During the year, the Group also implemented measures to adjust operations in response to a lower order backlog, or delays in confirming new customer contracts. In RKS, the restructuring program of the development site in Germany was initiated at the end of 2024. The program was completed in April 2025 and it resulted in a headcount reduction of 46 employees.

At Valmet Automotive, long-term production contracts ended in November 2025. Due to the resulting temporary reduction in workload, change negotiations were initiated to align operations and cost structure with current demand, improve profitability and competitiveness, and safeguard the ability to execute its strategy. The negotiations concluded in November 2025, resulting in 230 terminations and 770 temporary layoffs until further notice.

SALES AND OPERATING PROFIT

The consolidated financial statements have been prepared in accordance with IFRS Accounting Standards effective as of January 1, 2025. There were no new or amended IFRS accounting principles in 2025 which would have had a material impact on the Group's financial statements. The Group reports its gross sales[2] as an alternative performance measure (non-IFRS) to provide a complete picture of the size of the business and the related balance sheet items in comparison to sales values.

During the financial year, the Group's gross sales amounted to EUR 984,3 (803,3 restated) million, an increase of 22,5 % compared to the previous year. The net sales were EUR 325,5 (251,9 restated) million, which was 29,3 % higher than the year earlier. Net sales increased in both VA and RKS business areas. In VA, the increase was driven by higher prices, increased volumes and more favorable mix of existing products. In RKS, the net sales growth reflected the first full year of sales of a convertible roof system launched in late 2024 as well as the ramp-up of first large-scale active aerodynamic system and charging flaps production.

Comparable operating profit, excluding items affecting comparability, amounted to EUR 16,2 (-20,1 restated) million or 5,0 % (-8,0 %) of net sales. The improvement was driven by higher contribution margin resulting from increased sales in both VA and RKS business areas. In the previous year, profitability was negatively affected by lower production volumes and unfavorable sales mix in VA as well as lower sales during development phase on large-scale products in RKS prior to full-scale production in 2025.

Items affecting comparability amounted to EUR -5,8 (-8,1 restated) million during the financial year. They included general restructuring measures in VA business area. These measures were undertaken to adjust operations to the decline in automotive markets and transitions in contract manufacturing agreements. Restructuring also related to the implementation of the new strategy and operating model. In the comparison year, items affecting comparability related to general restructuring measures both in VA and RKS.

The Group's reported operating profit amounted to EUR 10,4 (-28,2 restated) million, corresponding to 3,2 % (-11,2 %) of net sales.

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[2] Gross sales are presented as an alternative performance measure. It is defined as total (gross) sales including both net sales and sales of customer-directed materials and parts. Customer-directed materials and parts are materials that are purchased from the principal or from suppliers selected by the principal at prices negotiated by the principal. Reporting gross sales gives an accurate picture of the magnitude of the business and adds comparability vs. competitors. In addition, it leads to consistency between the profit and loss statement vs. the balance sheet and cash flow as customer-directed materials are already reflected on the balance sheet and cash flow statement.

CASH FLOW AND FINANCING

The Group's cash flow after investments amounted to EUR 44,7 (29,5) million, of which continuing operations accounted for EUR 46,4 (1,1) million and discontinued operations EUR -1,7 (28,3) million. The improvement in continuing operations was primarily driven by higher profitability and net proceeds from the IONCOR divestment, offset partly by unfavorable working capital development related to the end of contract manufacturing contracts. Net cash from IONCOR divestment amounted to EUR 23,2 million. Investment cash flow for continuing operations was EUR -3,1 (-12,3 restated) million.

During the financial year, the Group completed ownership and financing arrangement including new equity and loan financing, which significantly strengthened its financial position and extended the maturity profile of its debt.

As part of the arrangements, the EUR 100 million working capital financing facility originally granted in 2021 by Finnvera, a specialized financing company owned by the State of Finland and guaranteed by the European Investment Bank's Pan-European Guarantee Fund was renegotiated. The agreement was extended with partial re-payment of the loan in August 2025. The term of the loan is until October 2030. The outstanding loan amount was EUR 88,2 million (100,0) at year-end 2025.

In addition, Valmet Automotive Plc entered into a EUR 45,0 million agreement to settle certain supplier liabilities. The arrangement bears interest and is fully repaid by October 2029.

Following the ownership changes during the year, Valmet Automotive Plc received new equity totaling EUR 37,5 million.

The Group's RKS business area has an overdraft facility and guarantee limit with a total nominal amount of approx. EUR 20 million. The arrangement also includes a lease limit of approx. EUR 2,8 million, bringing the total value to approx. EUR 22,8 million. The term of the financial arrangement is until October 2026 and it includes customary covenants, securities and assignments. Utilization of the overdraft facility at the end of 2025 was EUR 0,0 (4,6) million.

Lease financing is used for acquisition of facilities, machinery and equipment. Lease liabilities totaled EUR 11,9 (32,4) million at year-end. During the year, RKS entered into a new lease agreement of approx. EUR 9 million relating to its building expansion.

FINANCIAL POSITION AND INVESTMENTS

The Group's consolidated balance sheet totaled EUR 270,2 (582,0) million at year-end. The decrease compared with the previous year primarily reflects the IONCOR divestment and the changes in Valmet Automotive operations. The divestment significantly reduced property, plant and equipment as well as net working capital and other items. The end of contract manufacturing contracts also contributed to significantly lower working capital levels.

At the end of the financial year, the Group's equity was EUR 46,8 (-19,9) million. The improvement was mainly driven by the divestment gain of EUR 33,7 million and the EUR 37,5 million equity injection during the year.

During 2024, the Group's EUR 20,0 million hybrid capital instrument, classified as equity, was converted into the fund for invested unrestricted equity.

Gross investments in fixed assets in continuing operations totaled EUR 3,1 (12,3 restated) million. Investments were mainly replacement investments in both business areas.

PERSONNEL

During the financial year, the average number of active employees[3] in the Group was 1 411 (1 594 restated). The total amount of wages and salaries was EUR 71,7 (68,1 restated) million.

Employees by country, end of period	**31.12.2025**	**31.12.2024**
Finland	548	1 006
Other countries	395	475
Discontinued operations	-	1 338
Total	**943**	**2 819**

The number of employees at the end of 2025 was significantly lower than the previous year, primarily due to the divestment of IONCOR. In addition, employee headcount declined in the VA and RKS businesses as challenging market conditions necessitated workforce adjustments, including terminations and furloughs.

[3] Employees excluding external employees, temporary layoffs and other temporary personnel absences

RESEARCH AND DEVELOPMENT

In 2025, the total R&D related cash spending amounted to EUR 5,5 (6,7 restated) million, covering R&D costs expensed and carried forward in continuing operations, including also costs related to technical development work carried out as part of system supply customer projects in RKS.

In the Valmet Automotive business area, there are smaller-scale research activities, while most development work is closely integrated into customer projects and therefore usually financed by customers.

The RKS business area develops convertible roof and active charging flaps and spoiler systems as a system supplier. The spoiler systems developed by RKS play a significant role in improving aero efficiency, supporting the optimization of the range of electric cars, resource efficiency and sustainability objectives.

In 2025, Roof and Kinematic Systems was awarded the Grand Innovation Award in Germany for the development of the front bow (Dachkappe) for a convertible roof system. The solution was created through close collaboration between the Roof & Kinematic Systems business and its customer and parts supplier. The recognition highlights how strong development partnerships and cross-company teamwork enable complex, lightweight and more sustainable solutions.

RKS has an IPR portfolio that included 119 (134) patent families at the end of 2025.

NON-FINANCIAL INFORMATION

Valmet Automotive Group publishes an annual Group Sustainability Report. The 2025 voluntary report is prepared based on the European Sustainability Reporting Standards (ESRS)[4] under the EU Corporate Sustainability Reporting Directive (CSRD) but does not constitute a complete Sustainability Statement as defined by the CSRD and the Finnish Accounting Act.

Strategy and governance

Our strategic sustainability areas aim to ensure a resilient business while strengthening integrity, dignity and environmental responsibility. These efforts support our role as a manufacturing partner to our customers by enabling progress toward their sustainability objectives, while also positioning us to respond to evolving regulatory standards and support long-term value creation. Valmet Automotive Group's adaptable service and product portfolio, combined with active management of emissions and social aspects in its operations, supports business resilience and the Group's ability to respond to opportunities arising from the low-carbon transition.

The Board of Directors oversees sustainability and climate-related strategies, targets, risks and performance on a regular basis. The Audit Committee supports the Board by overseeing sustainability reporting and compliance. The CEO-led Sustainability Steering Group meets quarterly to drive strategic integration and monitors progress against Board-approved objectives, while day-to-day implementation and performance monitoring are embedded across the Group under Management responsibility.

Climate and environment

Since 2020, the Group has reduced CO_2 emissions from its own operations (Scopes 1 and 2) by more than 90%, driven by improved energy efficiency and the replacement of fossil fuels with renewable energy. All manufacturing sites operate certified environmental management systems in accordance with ISO 14001, supporting systematic management of circular economy practices, pollution prevention and broader environmental responsibilities.

The Group achieved a B score in the global CDP Climate questionnaire for 2024, and its climate targets have been approved by the Science Based Targets initiative. The targets include a 90% reduction in absolute Scope 1 and 2 emissions and a 25% reduction in absolute Scope 3 emissions by 2030, compared to a 2022 baseline. Unavoidable remaining emissions from own operations (Scope 1 and 2) are compensated through investments in Gold Standard-verified climate projects.

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[4] EFRAG November 2025 draft

Social

Employees are central to the Group's operations. A proactive safety culture is supported by annual safety targets, including Lost Time Injury Frequency (LTIF), as well as ISO 45001–certified occupational health and safety management systems at all manufacturing sites. Employee perspectives are monitored through regular employee surveys, providing management with insights into work environment, organizational culture and engagement. In addition, regular feedback and annual target-setting processes are in place for all employees.

The Group is committed to respecting internationally recognized human and labour rights and aligns its policies and processes with the UN Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises and the International Labour Organization (ILO) conventions. These principles are extended to the supply chain through the Supplier Code of Conduct, which sets requirements for labour standards, human rights, environmental management and responsible business conduct.

Business conduct

Valmet Automotive Group's Code of Conduct, Supplier Code of Conduct and related policies establish a common framework for legal compliance, responsible business conduct and the management of sustainability-related risks across the Group and its value chain. These principles are embedded in day-to-day operations and supported by training, compliance processes, reporting practices and accessible whistleblowing channels. The control environment is further supported by certified management systems as listed below.

AREA	EXTERNAL CERTIFICATIONS
Group-wide	ISO 27001 Information Security Quality Management
Valmet Automotive (VA)	IATF 16949 Quality Management (Uusikaupunki) ISO 14001 Environmental Management (Uusikaupunki) ISO 45001 Occupational Health & Safety Management (Uusikaupunki)
Roof and Kinematic Systems (RKS)	IATF 16949 Quality Management (Zary and Osnabrück) ISO 9001 Quality Management (Zary and Osnabrück) ISO 14001 Environmental Management (Zary and Osnabrück) ISO 45001 Occupational Health & Safety Management (Zary) BREEAM Sustainable Buildings certificate (Zary plant extension)

Sustainability-related risks

Sustainability-related risks across Valmet Automotive Groups operations and value chain are identified, assessed and addressed regularly, with significant risks integrated into the Group's enterprise risk management process. Strategic, operational, sustainability and related financial risks are evaluated using a standardized methodology based on severity, likelihood and effectiveness of controls, and the results inform risk mitigation actions and management decision-making.

GENERAL MEETINGS OF SHAREHOLDERS, BOARD OF DIRECTORS AND AUDITORS

The Annual General Meeting of Valmet Automotive Plc was held on May 5, 2025. Extraordinary General Meetings were held on August 29, 2025 and October 13, 2025. The Annual General Meeting approved that no dividend would be paid, and that no funds would be distributed from the reserve of invested unrestricted capital. It also adopted the financial statements and the consolidated financial statements for the 2024 financial year. The meeting granted discharge from liability to the CEO and the Board of Directors for the 2024 financial year.

The Annual General Meeting elected the following board members: Philip-Christian Eller, Sven Ennerst, Kari Heinistö, Timo Kokkila and Jarkko Sairanen, whereas the Extraordinary General Meeting of August 29, 2025 re-elected Sven Ennerst, Kari Heinistö and Timo Kokkila, while electing Sinikka Mustakari and Jari Vähäpesola as new board members. The Extraordinary General Meeting of August 29, 2025 further elected Kari Heinistö to continue as Chair of the Board. The Extraordinary General Meeting of October 13, 2025 supplemented the board composition by electing Pekka Kuusniemi and Riitta Palomäki as new board members. Additionally, the Board decided to re-establish the Audit Committee and to elect Riitta Palomäki to act as Chair of the Committee.

As at the end of 2025, the Board consisted of seven members, namely Sven Ennerst, Kari Heinistö (Chair), Timo Kokkila, Pekka Kuusniemi, Sinikka Mustakari, Riitta Palomäki and Jari Vähäpesola.

The Extraordinary General Meeting of August 29, 2025 confirmed a monthly compensation of EUR 5,000 for the Chair of the Board and EUR 2,500 for each ordinary Board Member. Additionally, each member will be paid EUR 600 per each attended Board or Committee meeting. Each Committee Chair who is not the Board Chair, is, however, paid EUR 1,000 per attended committee meeting. If a Board or Committee meeting takes place outside the country of residence of a Board member, and physical participation is required, a meeting compensation of EUR 1,200 will be paid.

The Annual General Meeting elected the authorized public accounting firm Ernst & Young Oy as the company’s auditor and Susanna Saariluoma acts as the auditor with principal responsibility.

MANAGEMENT

As of December 31, 2025, the Group has the following management boards, replacing the earlier Valmet Automotive's Group Management Office:

Valmet Automotive Management Board

Pasi Rannus, CEO

Juha Torniainen, CFO

Juhani Pitkänen, Group General Counsel

Matti Räsänen, VP Sales Automotive

Antti Havola, VP Sales Defense

Sami Linden, VP Sales Technologies

Katja Laaksonen, VP Strategy & Marketing

Antero Karhu, VP Operations

RKS Management Board

Pasi Rannus, CEO

Juha Torniainen, CFO

Juhani Pitkänen, Group General Counsel

Remigiusz Grzeskowiak, Senior Vice President, Roof & Kinematic Systems

Michael Niessen, VP Project Management and Development

Jacek Janik, Director Finance

SHARES AND PROFIT DISTRIBUTION PROPOSAL

Share capital and shares

On December 31, 2025, and on December 31, 2024, Valmet Automotive Plc share capital was EUR 10,932 thousand. The total number of shares at the end of December 2025 was 53 986 778 (40 168 883) shares. Valmet Automotive Plc has one class of shares with no nominal value. Each share entitles the holder to equal voting and dividend rights.

Directed share issue 2025

The Extraordinary General Meeting of August 29, 2025 decided to authorize the Board to issue 13,817,895 new shares in a directed share issue to Pontos Oy and a Finnish State holding company Gov Holding Oy, deviating from of the shareholders' pre-emptive rights to issued shares in accordance with the terms and conditions of the shareholders' resolution. The Board decided to use this authorization and, as a result, Gov Holding Oy subscribed for 12,896,702 shares and Pontos Oy 921,193 shares for a subscription price of approximately 2.71 euros per share. Total proceeds amounted to EUR 37,5 million.

Directed share issue 2024

Valmet Automotive Plc issued 4 242 356 new shares in a directed share issue to the Finnish Industry Investment Ltd ("Tesi"), without consideration, deviating from of the shareholders' pre-emptive rights to issued shares in accordance with the terms and conditions of the shareholders' resolution.

Treasury shares

There were no treasury shares as of either of December 31, 2025 or December 31, 2024.

Shareholder structure

Valmet Automotive's shareholding changed in August 2025 in a series of transactions. The Finnish State and Pontos Oy first acquired CATL's shareholding, while each of the Finnish State and Pontos Oy subscribed for new shares. As a result of such transactions, the Company had four shareholders at the end of December 2025, namely Pontos Oy 5,953,539 shares (11%), the Finnish State through the Prime Minister's Office 18,060,251 shares (33,5%), Gov Holding Oy 12,896,702 shares (23,9%) and Speva Holding Oy 17,076,286 shares (31,6%). Gov Holding Oy is a company fully controlled by the Finnish State while Speva Holding Oy is jointly owned by the Finnish State and Pontos Oy. The Finnish State's combined direct and indirect ownership was 79% whereas Pontos Oy's combined direct and indirect ownership amounted to 21%.

At the end of 2024 the Company had three shareholders: Tesi 44,96 %, Pontos Group 34,40 % and CATL 20,64 %.

Profit distribution proposal

As of December 31, 2025, Valmet Automotive Plc had distributable funds amounting to EUR 36 916 879,29 of which the net loss for the financial year was EUR -9 623 556,73. The Board of Directors proposes to the Annual General Meeting that no dividend be distributed for the financial year and that the loss for the financial year be carried forward in retained earnings.

KEY FIGURES

	Group		Parent (FAS)	
	2025	Restated 2024	2025	2024
Economic indicators, MEUR, continuing operations				
Gross sales	984,3	803,3	828,9	693,5
Net sales	325,5	251,9	170,2	142,1
EBITDA	44,3	5,0	21,1	7,7
EBITDA, % of net sales	13,6 %	2,0 %	12,4 %	5,5 %
Comparable EBITDA	50,0	13,1	28,2	12,7
Comparable EBITDA, % of net sales	15,4 %	5,2 %	16,6 %	8,9 %
Items affecting comparability in EBITDA	-5,8	-8,1	-7,1	-4,9
Operating profit	10,4	-28,2	-4,1	-20,9
Operating profit, % of net sales	3,2 %	-11,2 %	-2,4 %	-14,7 %
Comparable Operating profit	16,2	-20,1	3,0	-16,0
Comparable Operating profit, % of net sales	5,0 %	-8,0 %	1,7 %	-11,3 %
Items affecting comparability in Operating profit	-5,8	-8,1	-7,1	-4,9
Net income	-1,0	-36,5	-9,6	-18,1
Net income, % of net sales	-0,3 %	-14,5 %	-5,7 %	-12,7 %
Free cash flow before interest and taxes	52,4	10,0	51,0	5,1
Headcount (active), average	1 411	1 594	981	1 097
Headcount (active), end of period	943	1 481	548	1 006

	Group		Parent (FAS)	
Economic indicators, MEUR, total	2025	2024	2025	2024
Net working capital	-30,9	-154,7	-39,9	-78,3
Return on equity (ROE) %	212,7	-387,3	-23,5	-50,1
Equity ratio %	17,6	-3,8	22,4	9,3

The Group's key economic indicators are mainly presented for continuing operations. Balance sheet-based indicators are an exception as the opening balances are not restated, consequently, their comparability is limited.

Calculation of key figures[5]

Free cash flow before interest and taxes (continuing operations)	Net cash flows from/ (used in) operating activities minus investments for tangible and intangible assets from continuing operations plus taxes and interests from continuing operations
Net working capital	Inventories plus accounts receivable plus other non-IB receivables minus accounts payable minus other non-IB liabilities
Return on equity (ROE), %	$\frac{\text{Net income (loss)}}{\text{Equity (average during the year)}}$
Equity ratio, %	$\frac{\text{Total equity}}{\text{Balance sheet total minus contract liabilities}}$
Items affecting comparability (continuing operations)	These items are relevant to an understanding of the underlying comparable financial performance due to their nature or frequency of occurrence. Items consist of continuing operations restructuring costs, unusual write-downs and provisions, and other impairments classified due to their nature or frequency. Restructuring costs are charges associated with activities planned by management that significantly change either the scope of the business or the manner in which it is conducted.
Comparable operating profit (continuing operations)	Operating profit from continuing operations adjusted by items affecting comparability.
Comparable EBITDA (continuing operations)	EBITDA from continuing operations adjusted by items affecting comparability, excluding depreciation, amortization and impairment.

[5] In all relevant ratios the hybrid capital is counted as equity and the ratios are not adjusted by the unrecognized accrued interest to the hybrid capital.

GOING CONCERN PRINCIPLE

The financial statements have been prepared on a going concern basis. The Board of Directors and the CEO are responsible for assessing the parent company's and the Group's ability to continue as a going concern.

When assessing the Group's ability to continue as a going concern, the following uncertainties were considered relevant:

- Customer contracts in Valmet Automotive ended as scheduled in November 2025. Although some new contracts with new customers have already been secured, they are currently limited in scope and not adequate to cover the fixed cost base over the longer-term. Effective cost control during the transition period is therefore critical and requires continuous monitoring.
- Negotiations with potential new automotive and non-automotive customers are ongoing. In order to launch and execute development and manufacturing phases of some of the new customer contracts, the Group may need some additional financing for the development expenses and investments in the long-term.

In its going concern assessment, the management has taken into account the successful ownership and financing arrangements completed in 2025, which strengthened Valmet Automotive's financial position and secured near-term liquidity during the transition towards new industries and customer contracts.

Based on this assessment, the Board of Directors and the CEO conclude that the Group has adequate liquidity to meet its committed obligations during the next 12 months and therefore continues as a going concern.

ESTIMATE ABOUT THE SHORT-TERM PROSPECTS, MOST SIGNIFICANT RISKS AND UNCERTAINTIES

The Group is exposed to risks arising from changes in the operating environment that may adversely affect its business operations and financial performance.

Geoeconomic developments continue to influence the operating environment of the automotive industry. Key risks include supply chain disruptions, regulatory developments and intensifying global competition, particularly from China. Commodity and component price volatility — especially in rare earth metals — remains sensitive to trade policy uncertainty in the United States, supply restrictions from China, tensions in the Middle East, and potential semiconductor supply disruptions linked to the U.S. and Taiwan.[6]

Global trade continues to be shaped by geopolitical tensions, industrial policy developments and uneven economic growth, contributing to increasing regionalization of supply chains, particularly across the U.S., China and the European Union.[7] Political decisions relating to trade relations, customs duties, regulation and consumer subsidies may affect market demand, cost structures and supply chain stability in the automotive sector.

Automotive manufacturing is energy intensive, and material changes in energy prices or availability may affect production costs and supply chains. Inflation in raw materials, components and labour may particularly impact the system supply business, while the impact on contract manufacturing is generally more limited.

Valmet Automotive's future development depends on its ability to secure new automotive contract manufacturing agreements. The automotive industry is highly competitive and faces challenges, such as overcapacity and geopolitical uncertainty. Failure to secure new vehicle contract manufacturing agreements may lead to underutilization of production capacity, which could have an adverse impact on operational performance, cash flow and long-term competitiveness.

Valmet Automotive's strategy includes expanding into industries beyond traditional automotive manufacturing. Diversification into new sectors involves inherent risks, including uncertainty in securing customer contracts from new industry segments or lower than expected volumes. Furthermore, entry into new sectors may involve unfamiliar operational structures, new capability requirements and execution risks, including the availability of required competencies and talent. At the same time, the transition may create challenges in maintaining existing core competencies, operational continuity and personnel engagement, particularly in an environment requiring strict cost control and efficiency measures. Failure to balance diversification, cost discipline and retention of key expertise — or an inability to adequately control costs during the transition — could adversely affect operational

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[6] S&P Global 2026 Automotive Analyst Outlook

[7] WEF Global Value Chains Outlook 2026

performance, profitability and long-term competitiveness.

RKS business area operates as a system supplier, which typically offers development, engineering and manufacturing services in comparison to contract manufacturer whose delivery is mainly related to manufacturing, resulting in different risks and liabilities. As such, RKS is exposed to risks related to product liability, warranty claims, after sales, product recalls, lawsuits and claims.

RKS has a broad customer base which reduces single-customer dependency. While demand for convertible roofs is expected to remain stable, growth is anticipated in active spoiler systems and charging flaps. Key risks in RKS relate to securing new contracts, new contract development, meeting production start schedules and achieving efficiency targets, maintaining order volumes, supply chain reliability, and preserving competitive margins.

Automotive contracts typically allow volume flexibility which may result in a need to adjust resources. Customers regularly submit demand forecasts, which will enable the Group to respond timely to these changes. In some cases, customers also have the contractual obligation of compensation for lower than agreed production volumes.

Defense industry customers may have limited familiarity with contract manufacturing practices, which can lead to delays in new production start-ups and volume growth. Furthermore, the political decision making required to scale up defense capacities in Europe may take longer than expected, potentially slowing down the pace of new business development.

Credit risk is managed through strict credit policies and advance payments where appropriate. Both business areas require sufficient liquidity to support growth opportunities and fund working capital. Liquidity is safeguarded in VA and RKS through active receivables monitoring, maintaining adequate liquid assets, careful assessment of financial counterparties, and consideration of liquidity when negotiating customer and supplier payment terms.

In some programs, part of the engineering sales price is received from the customer only during the production phase. The Group's financial resources are assumed to be sufficient to cover a part of the financing needs of this type of project, but at the same time Valmet Automotive actively works to ensure that the financial needs of the project are structured in a way that balances resources and risk-taking capacity between the Group and its customers.

SIGNIFICANT SUBSEQUENT EVENTS

On February 10, 2026, it was announced that Valmet Automotive and Jeti Industries have signed a preliminary agreement for serial production of modular electric buses at the Uusikaupunki plant. The production on electric buses aligns with the plan to offer advanced industrial serial production expertise to other industries alongside car manufacturing. The collaboration between Valmet Automotive and Jeti would mark the first time that electric buses for city and regional transport are produced in the Nordic countries in a modern automotive plant based on a contract manufacturing model.

March 11, 2026

Valmet Automotive Plc
Board of Directors

ALTERNATIVE PERFORMANCE MEASURE, GROSS SALES

	Notes	1 Jan - 31 Dec 2025 €000	Restated 1 Jan - 31 Dec 2024 €000
Gross sales[1]		**984 329**	**803 302**
Customer-directed materials		-658 787	-551 451
Net sales	3	**325 542**	**251 852**

[1] Gross sales are presented as a non-IFRS alternative performance measure. It is defined as total (gross) sales including both net sales and sales of customer-directed material and parts, which are material and parts purchased from the principal or from suppliers selected by the principal, at prices negotiated by the principal.

CONSOLIDATED FINANCIAL STATEMENTS (IFRS)

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

	Notes	1 Jan - 31 Dec 2025 €000	Restated 1 Jan - 31 Dec 2024 €000
Continuing operations			
Net sales	3	**325 542**	**251 852**
Other operating income	5	5 891	2 772
Changes in inventories of finished goods and work in progress		871	2 233
Raw materials and consumables used		-151 744	-119 572
Depreciation and amortization	15	-33 849	-33 209
Personnel expenses	6	-85 660	-80 509
Other operating expenses	5	-50 647	-51 758
Total expenses		-321 030	-282 815
Operating profit		**10 403**	**-28 191**
Finance income and costs	8	-7 980	-8 537
Profit before taxes		**2 423**	**-36 728**
Income taxes	9	-3 427	193
Net income from continuing operations		**-1 003**	**-36 534**
Discontinued operations			
Loss before tax from discontinued operations		-4 342	-57 435
Profit before tax for the period from sale of discontinued operations		33 652	-
Income taxes related to discontinued operations		320	10 949
Net income from discontinued operations	10.2	**29 630**	**-46 485**
Net income		**28 627**	**-83 020**
Profit attributable to:			
Equity holders of the parent		**28 627**	**-83 020**

The notes are an integral part of the consolidated financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	1 Jan - 31 Dec 2025	1 Jan - 31 Dec 2024
	€000	€000
Net income	**28 627**	**-83 020**
Other comprehensive income:		
Exchange differences on translation of foreign operations, continuing operations	562	350
Exchange differences on translation of foreign operations, discontinued operations	40	-12
Net other comprehensive income to be reclassified to profitor loss in subsequent periods	**602**	**337**
Total comprehensive income for the period, net of tax	**29 229**	**-82 683**
Attributable to:		
Equity holders of the parent	**29 229**	**-82 683**

The notes are an integral part of the consolidated financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION, ASSETS

		31 December 2025	31 December 2024
Assets	**Notes**	**€000**	**€000**
Non-current assets			
Intangible assets	13	16 226	53 866
Property, plant and equipment	11,12	90 248	214 064
Non-current financial assets	17	77	78
Contract assets	3	12 026	17 405
Deferred tax assets	9.2	11 684	22 618
		130 261	**308 031**
Current assets			
Inventories	16	12 420	92 450
Trade receivables	17.5	9 737	42 581
Contract assets	3	5 466	10 134
Other current assets	17.5	4 262	79 881
Cash and cash equivalents	17.4	108 023	48 969
		139 909	**274 015**
Total assets		**270 170**	**582 046**

The notes are an integral part of the consolidated financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION, SHAREHOLDERS' EQUITY AND LIABILITIES

Equity and liabilities	Notes	31 December 2025 €000	31 December 2024 €000
Share capital	17.8	10 932	10 932
Other capital reserves	17.8	7 086	7 086
Translation differences	17.8	-1 195	-1 797
Fund for invested unrestricted equity	17.8	145 932	108 432
Retained Earnings		-115 933	-144 560
Total equity		**46 821**	**-19 907**
Non-current liabilities			
Interest bearing loans and borrowings	11, 17.7	143 023	24 575
Net employee defined benefit liabilities	7	2 622	3 861
Provisions	18	4 463	11 299
Contract liabilities (incl. related financing component)	3	1 366	17 075
Deferred tax liabilities	9.2	1 420	3 836
Non-current accruals		354	433
		153 248	**61 080**
Current liabilities			
Interest bearing loans and borrowings	11, 17.7	2 094	112 443
Trade payables	17.6	11 084	260 846
Provisions	18	8 176	21 547
Contract liabilities (incl. related financing component)	3	2 860	37 736
Other current liabilities and accruals	17.6	44 202	108 176
Income tax payable		1 685	127
		70 101	**540 874**
Total liabilities		**223 349**	**601 954**
Total equity and liabilities		**270 170**	**582 046**

The notes are an integral part of the consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended December 31, 2025

	Attributable to the equity holders of the parent						
€000	**Share capital (Note 17.8)**	**Fund for invested unrestricted equity (Note 17.8)**	**Other capital reserves (Note 17.8)**	**Hybrid capital (Note 17.8)**	**Retained earnings**	**Foreign currency translation reserve (Note 17.8)**	**Total equity**
At 31 December 2024	**10 932**	**108 432**	**7 086**	**-**	**-144 561**	**-1 797**	**-19 908**
Profit for the period continuing operations	-	-	-	-	-1 003	-	-1 003
Profit for the period discontinued operations	-	-	-	-	29 630	-	29 630
Other compehensive income continuing operations	-	-	-	-	-	562	562
Other compehensive income discontinued operations	-	-	-	-	-	40	40
Total comprehensive income	-	-	-	-	28 627	602	29 229
Equity increase	-	37 500	-	-	-	-	37 500
At 31 December 2025	**10 932**	**145 932**	**7 086**	**-**	**-115 934**	**-1 195**	**46 821**

For the year ended December 31, 2024

	Attributable to the equity holders of the parent						
€000	**Share capital (Note 17.8)**	**Fund for invested unrestricted equity (Note 17.8)**	**Other capital reserves (Note 17.8)**	**Hybrid capital (Note 17.8)**	**Retained earnings**	**Foreign currency translation reserve (Note 17.8)**	**Total equity**
At 31 December 2023	**10 932**	**88 432**	**7 086**	**20 000**	**-61 541**	**-2 135**	**62 775**
Profit for the period continuing operations	-	-	-	-	-36 534	-	-36 534
Profit for the period discontinuing operations	-	-	-	-	-46 485	-	-46 485
Other compehensive income continuing operations	-	-	-	-	-	350	350
Other compehensive income discontinued operations	-	-	-	-	-	-12	-12
Total comprehensive income	-	-	-	-	-83 020	337	-82 683
Conversion of Hybrid capital	-	20 000	-	-20 000	-	-	-
At 31 December 2024	**10 932**	**108 432**	**7 086**	**-**	**-144 561**	**-1 797**	**-19 908**

The notes are an integral part of the consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

	Notes	2025	Restated 2024
Operating activities			
Operating profit		10 403	-28 191
Adjustments to reconcile profit before tax to net cash flows:			
Depreciation and impairment of property, plant and equipment		29 605	31 208
Amortization and impairment of intangible assets		4 243	2 001
Other non-cash items*		-17 184	-14 150
Change in working capital:			
Change in trade and other receivables (+/–)		37 164	9 636
Change in inventories (+/–)		35 871	-1 261
Change in trade and other payables (+/–)		-70 906	18 901
Change in provisions (+/–)		3 107	4 081
Finance cost paid		-6 539	-8 632
Finance income received		641	1 142
Income tax paid		-71	-1 338
Net cash flows from/ (used in) operating activities, continuing operations		**26 336**	**13 397**
Net cash flows from/(used in) operating activities, discontinued operations	10.2	7 226	35 319
Net cash flows from/ (used in) operating activities		**33 562**	**48 716**
Investing activities			
Investments for tangible and intangible assets		-3 109	-12 260
Disposal of subsidiary less cash disposed	10.2	23 174	-
Net cash flows from/ (used in) investing activities, continuing operations		**20 065**	**-12 260**
Net cash flows from/(used in) investing activities, discontinued operations	10.2	-8 916	-6 986
Net cash flows from/ (used in) investing activities		**11 149**	**-19 246**
Financing activities			
Increase in loans		-	4 365
Repayment of loans		-16 401	-
Increase in equity		37 500	-
Change in restricted cash		-	20
Lease payments		-2 757	-2 792
Net cash flow from/ (used in) financing activities, continuing operations		**18 342**	**1 592**
Net cash flows from/(used in) financing activities, discontinued operations	10.2	-4 049	-5 250
Net cash flows from/ (used in) financing activities		**14 293**	**-3 658**
Net increase in cash and cash equivalents		**59 004**	**25 813**
Net foreign exchange difference		50	189
Cash and cash equivalents at 1 January	17.4	48 969	22 967
Cash and cash equivalents at 31 December	17.4	**108 023**	**48 969**

*Consists mainly of non-cash revenue recognition of customer advances received (contract liabilities), partly offset by related cost recognition (contract assets).

The notes are an integral part of the consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (IFRS)

1 ACCOUNTING PRINCIPLES FOR THE CONSOLIDATED FINANCIAL STATEMENTS

1.1 GENERAL

GENERAL INFORMATION

The consolidated financial statements of Valmet Automotive Plc and its subsidiaries for the year ended 31 December 2025 were authorised for issue in accordance with a resolution of the Board of Directors on March 11, 2026. The financial statements will be presented to the Annual General Meeting for approval.

Valmet Automotive Group ("Group") provides manufacturing solutions and advanced kinematic solutions. The Group operates through two business areas – Valmet Automotive ("VA") and Roof & Kinematic Systems ("RKS"). VA focuses on contract manufacturing and industrialization services for a widening range of industries, including automotive, defense and other technology manufacturers. RKS operates as a system supplier of convertible roof and kinematic systems, including electric vehicle charging flaps and active spoilers.

The Group's parent company is Valmet Automotive Plc. The Group comprises the parent company and its directly owned subsidiaries located in Germany and Poland.

In August 2025, the Group completed a significant ownership and financing arrangement under which the IONCOR battery systems business was divested. In connection with this transaction, the Finnish State became the majority owner of the Group, while Pontos Group remained a minority shareholder.

The divested IONCOR battery systems business is presented as a discontinued operation in the consolidated financial statements. Its results are shown separately from continuing operations in the consolidated statement of profit or loss, and comparative information has been restated where required. Cash flows attributable to the discontinued operation are disclosed separately in the consolidated statement of cash flows.

BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES

The consolidated financial statements, prepared in accordance with the IFRS Accounting Standards as adopted by the EU include the financial statements of Valmet Automotive Plc and its subsidiaries.

The financial statements are prepared under the historical cost convention, except as disclosed in the accounting principles.

The Group has elected to report expenses by nature within the statement of profit or loss, and to present two statements, a statement of profit or loss and a statement of other comprehensive income, rather than a single statement of comprehensive income combining the two elements.

The consolidated financial statements are presented in euro, which is the functional and reporting currency of the parent company. Financial information is presented in thousands of euro (€000), except when otherwise indicated.

CONSOLIDATION PRINCIPLES

The consolidated financial statements comprise the financial statements of the Group as of 31 December 2025 including comparative period 2024, with restated statement of profit and loss.

Subsidiaries are companies in which the Group owns, directly or indirectly through subsidiaries, over 50 per cent of the voting rights or in which it is in a position to govern the financial and operating policies of the entity. Subsidiaries have been listed in Note 10.

All intercompany transactions, balances and gains or losses on transactions between subsidiaries are eliminated as part of the consolidation process.

If the Group loses control over a subsidiary, it derecognises the related assets, liabilities, non-controlling interest and other components of equity while any resultant gain or loss is recognised in the consolidated profit or loss statement. Any investment retained is recognised at fair value.

Associated companies are consolidated by the equity method. Under the equity method, the share of profits and losses of associated companies is presented separately in the consolidated statements of income.

FOREIGN CURRENCY TRANSACTIONS AND TRANSLATION

Transactions in foreign currency are recorded at the exchange rate prevailing on the date of the transaction. Open receivables and liabilities denominated in foreign currency at the end of the financial period are translated using the exchange rate of the balance sheet date and the resulting foreign exchange gains and losses are recognised in the income statement.

The income statements of subsidiaries with a functional currency different from the reporting currency are translated into euro at the average exchange rates for the financial year and the balance sheets are translated at the exchange rate of the balance sheet date. This exchange rate difference is recorded through Other Comprehensive Income/Expense (OCI) in the cumulative translation adjustment line item in equity. The translation differences arising from subsidiary net investments and long-term subsidiary loans without agreed settlement dates are recognised through the OCI to the cumulative translation adjustments under equity.

MATERIAL ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Group's consolidated financial statements requires management to make judgements and estimates that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities.

Assumptions, estimates and judgements are based on management's historical experience, best knowledge about the events and other factors, such as expectations of future events, which can be considered feasible. Changes in estimates are applied prospectively. The actual amounts may differ significantly from the estimates used in the financial statements. Possible changes in estimates and assumptions are recognised in the financial period in which the estimate or assumption is changed.

Material accounting judgments, estimates and assumptions made by management are described in the relevant notes.

FINANCIAL RISK MANAGEMENT

Financial risks and exposures are managed, reported and mitigated centrally by the Group Treasury under annually reviewed written policies approved by the Board of Directors. Group Treasury evaluates and hedges or otherwise manages financial risks in close co-operation with business areas and legal units. These risks include the Group's principal credit and counterparty, commodity price, translation, currency, interest rate and liquidity risks, which are outlined in more depth in Note 17. Group Treasury manages centrally external funding and is responsible for the management of financial assets and liabilities and appropriate hedging measures. The objective of financial risk management is to minimize potential adverse effects on the Group's financial performance.

1.2 GOING CONCERN PRINCIPLE

The financial statements have been prepared on a going concern basis. The Board of Directors and the CEO are responsible for assessing the parent company's and the Group's ability to continue as a going concern.

When assessing the Group's ability to continue as a going concern, the following uncertainties were considered relevant:

- Customer contracts in Valmet Automotive ended as scheduled in November 2025. Although some new contracts with new customers have already been secured, they are currently limited in scope and not adequate to cover the fixed cost base over the longer-term. Effective cost control during the transition period is therefore critical and requires continuous monitoring.

- Negotiations with potential new automotive and non-automotive customers are ongoing. In order to launch and execute development and manufacturing phases of some of the new customer contracts, the Group may need some additional financing for the development expenses and investments in the long-term.

In its going concern assessment, the management has taken into account the successful ownership and financing arrangements completed in 2025, which strengthened Valmet Automotive's financial position and secured near-term liquidity during the transition towards new industries and customer contracts.

Based on this assessment, the Board of Directors and the CEO conclude that the Group has adequate liquidity to meet its committed obligations during the next 12 months and therefore continues as a going concern.

1.3 ALTERNATIVE PERFORMANCE MEASURES

The financial statement contains non-IFRS financial alternative performance measures which are not recognised measures of financial performance under IFRS. These measures may not be comparable to measures used by other companies under the same or similar names, as the precise contents are subject to each company circumstances and management judgment of which items are not part of the underlying operations and related performance.

The alternative performance measures should not be read in isolation from the corresponding IFRS measures.

Gross sales are presented as an alternative performance measure, and it is defined as total (gross) sales including both net sales and sales of customer-directed material and parts. Customer-directed material and parts are purchased from the principal or from suppliers selected by the principal and at prices negotiated by the principal. They are sold to the principal without adding a margin. Reporting gross sales gives an accurate picture of the size of the business and adds comparability to competitors. In addition, it leads to consistency between the profit and loss statement vs. the balance sheet and cash flow as customer-directed materials are reflected on the balance sheet and cash flow statement.

Comparable EBIT and **comparable EBITDA** are presented as alternative performance measures to reflect the underlying business performance and to improve comparability between financial periods. Items affecting comparability consist of restructuring costs, unusual write-downs and provisions, and other impairments classified due to their nature or frequency. Restructuring costs are charges associated with activities planned by management that significantly change either the scope of the business or the manner in which it is conducted.

Items affecting comparability are disclosed in Note 4.

1.4 CHANGES IN IFRS STANDARDS

The financial statements do not early adopt standards or amendments before their effective date. The standards applied in these financial statements are those that were effective for annual periods beginning on or after 1 January 2025.

CHANGES IN IFRS STANDARDS AND IFRIC INTERPRETATIONS INTO EFFECT IN 2025

The minor changes in IFRS Standards and IFRIC interpretations that took effect in 2025 did not have any significant impact on the result or the statement of financial position of the Group or on the presentation of the financial statements. They are not expected to significantly affect the next financial period January 1 – December 31, 2026.

CHANGES IN IFRS STANDARDS AND IFRIC INTERPRETATIONS NOT YET ADOPTED

The adoption of IFRS 18 “Presentation and disclosure in financial statements” will change the presentation of financial statements for the Group starting from the financial year beginning 1st of January 2027. The Group has begun to analyse the effect of the standard to the presentation of the financial statements during 2025.

The minor changes in IFRS 7 “Financial Instruments: Disclosures” and IFRS 9 “Financial Instruments” in contracts referencing nature-dependent electricity and other issues will be analysed during 2026.

Other new IFRS standards, amendments to standards and IFRIC interpretations effective on or after January 1, 2026 may have some impact on the presentation of the Group financial statements, however, they are not expected to have a material impact on the Group financial statements.

2 OPERATING ENVIRONMENT IMPACT TO BUSINESS ACTIVITY AND UNDERLYING PERFORMANCE

The Group is exposed to risks arising from changes in the operating environment. The current geoeconomic environment includes economic stagnation in key markets, regulatory pressures, commodity and component price volatility and availability risks, unpredictable trade policies, and weakened consumer confidence in major EU markets. These factors increase uncertainty and may adversely affect business operations and financial performance.

To leverage its engineering and manufacturing capabilities, Valmet Automotive is expanding beyond car assembly into new industries such as automotive-related technologies, defense, and high-tech manufacturing. These initiatives may involve additional risks, learning curves, and ramp-up costs before generating positive cash flow.

The Group has assessed the potential financial reporting impacts of operating environment uncertainties. Materialization of these risks could adversely affect sales, profitability, cash flows, and financial position. Lower customer demand may reduce orders and net sales, while supply chain pressures may increase costs and affect production, profitability, and cash flow.

3 REVENUE FROM CONTRACTS WITH CUSTOMERS

ACCOUNTING PRINCIPLES

The Group recognises revenue in net sales when it has satisfied a performance obligation by transferring the control of the promised goods and services to the customer. The transfer of control takes place when the customer has the ability to direct the use of, and obtain substantially all of the remaining benefits from, the goods or services. The Group identifies the contract with the customer, various performance obligations of the contract and allocates the transaction price to these performance obligations.

Revenue is recognised in two categories, depicting the timing of revenue recognition: over time and at point of time.

When the control of the produced good and rendered services is transferred over time to the customer, revenue is recognised over time. The Group transfers control over time when:

- it produces goods with no alternative use and the Group has an irrevocable right to payment (including a reasonable margin) for the work completed to date (e.g., long engineering contracts); or
- it creates goods which are controlled by the customer as the goods are created or enhanced (e.g., work done on customer owned vehicles); or
- the customer simultaneously receives and consumes the benefits provided by the Group (e.g., work done at the customer or in customer design systems).

When none of the criteria stated above have been met, revenue is recognised at a point in time, which is when the control passes to the customer and the business has the right to payment, for example, on delivery.

Contractual compensations based on customer agreements are recognized as revenue when agreed with the customer, and when the corresponding performance obligation is satisfied.

For each performance obligation recognised over time, the Group recognises revenue using an input method, based on costs incurred. Revenue and attributable margin are calculated by reference to reliable estimates of transaction price and total expected costs. Changes to total estimated contract costs and losses, if any, are recognised in the period in which they are determined. Expected contract loss is expensed immediately when it becomes evident.

Unfinished contracts are presented in the balance sheet as contract assets and received payments as contract liabilities. The contract assets and liabilities are offset by individual contract, and the difference is presented either as an asset or a liability in the balance sheet. Contract assets and liabilities are derecognised when the contract has been fully satisfied and invoiced. In addition, the contract assets are assessed for impairment as of the reporting date.

SIGNIFICANT MANAGEMENT ESTIMATES AND JUDGMENT

The management has made judgments about determining distinct goods and services to define the promised performance obligations, and which contracts form a single commercial objective in complex contract packages. These judgments significantly affect determination of amount and timing of revenue.

Revenue recognition over time requires determination of a completion stage, which is based on actual cost incurred in proportion of the total estimated cost of the project (cost-to-cost basis). Total project cost estimates are based on project forecasts, which take into account changes in the estimated revenue, costs and profit, together with the planned delivery schedule. Project forecasts are updated and approved regularly.

Total project cost estimates might change, e.g., because of changes in the underlying project cost structures, which may ultimately affect the revenue recognised. Therefore, the over time recognition method is not applied for recognising sales commitments before a defined threshold is achieved or where the final outcome of the project and related cost structure cannot be established reliably.

Assessing the contract assets for impairment requires management estimates and judgement related to the timing of the cash flows in the industrialisation and production phase, as well as volumes and profitability of the underlying programs.

Revenue recognised by timing category in 2025 and 2024 is summarized in the table below.

	2025	Restated 2024
	€000	**€000**
Performance obligations satisfied at point in time	317 593	241 525
Performance obligations satisfied over time	5 400	8 636
Interest revenue from significant financing component	2 549	1 690
Total revenue	**325 542**	**251 852**

The contract assets and liabilities on December 31, 2025 and December 31, 2024 are presented below. The table presents the net effects of individual contracts.

	31.12.2025	31.12.2024
Contract assets and liabilities	**€000**	**€000**
Contract assets		
Contract assets	17 492	27 540
Total	17 492	27 540
Non-current	12 026	17 405
Current	5 466	10 134
	17 492	**27 540**
Contract liabilities		
Contract liabilities	7 753	80 265
Contract assets	-3 527	-33 308
Total	4 226	46 956
Non-current	1 366	13 630
Current	2 860	33 326
	4 226	46 956
Contract liabilities from significant financing component		
Non-current interest liability	-	3 445
Current interest liability	-	4 410
	-	7 854
Contract liability including significant financing component		
Non-current	1 366	17 075
Current	2 860	37 736
	4 226	**54 811**

From the EUR 80,3 million contract liability balance at the beginning of 2025, EUR 31,3 million was recognised as revenue in continuing operations during 2025. The year-end 2025 contract liability balance amounted to EUR 7,8 million and related fully to the RKS business area after the IONCOR divestment and the ending of VA manufacturing contracts.

REVENUE STREAMS

The Group has identified several revenue streams within the categories of over time and at point of time satisfied performance obligations. These revenue streams reflect the performance obligations and timing of satisfaction of such performance obligations, and the allocation of related transaction price.

The Group's revenue streams are summarized below:

Revenue stream	Description	Business line	Revenue recognised
Contract manufacturing	Manufacturing assembly services and logistics	Valmet Automotive	At a point in time
Product sales	Roofs, spare parts, production parts and other	Valmet Automotive, Roof & Kinematic Systems	At a point in time
Engineering services	Design and development work, concept work, supplier tooling procurement	Valmet Automotive, Roof & Kinematic Systems	Over time
Industrialisation (not recognised separately)	Services related to subsequent contract manufacturing or production	Valmet Automotive, Roof & Kinematic Systems	Part of contract manufacturing or product sales
Short and/or small contracts	Small or short engineering or other projects	Valmet Automotive, Roof & Kinematic Systems	At a point in time

The revenue recognition method varies depending on terms and conditions agreed with each customer. Many contracts are agreements, which cover the entire chain of activities performed for the customer. For example, contract manufacturing agreements typically cover the preparation phase for production, called industrialisation, as well as the assembly work and logistics. In system supplier business, contracts may have several parts, starting from design and development engineering of the product, and moving to industrialisation work and model specific tooling procurement for the customer, product and spare parts sales. If the customer has given firm commitment to part of the frame agreement deliveries only, the contract revenues will be recognised separately for that firm commitment part only. When the customer commitment covers the entire framework agreement, or large parts of it, it may be that such contracts are considered as one contract entity, even if the customer would place purchase orders in stages.

Contract manufacturing revenues are recognised when control for the assembly service done is transferred, which takes place at the delivery of the vehicles. The sales price is composed of the contract manufacturing revenue and customer-directed material. Customer-directed material and parts are purchased from the principal or from suppliers selected by the principal at prices negotiated by the principal. They are sold to the principal without adding a margin and are included in gross sales but excluded from net sales.

Product sales revenue from sale of products such as roofs and spare parts is recognised when control for the goods is transferred at the delivery of goods. When there is pre-production industrialisation required, it is recognised with the product.

Contract manufacturing and product sales are paid after each delivery.

Large contract manufacturing agreements may include significant advance payments to prepare production and supply the necessary product specific equipment and tools. These advance payments agreed with the principal may be considered to generate a significant time value of money and as such may be considered to contain a significant financing component. In such cases, financing cost is accounted for as interest expense and liability is presented. The influence of the significant finance component is recorded in gross and net sales. Over the contract lifetime there is no net profit impact.

In engineering contracts, the customer receives simultaneously the benefits provided and the Group the right to payment for the performance completed, and the corresponding revenue will be recognised over time. The progress is measured by the input method. The contract payments are made either at delivery or by milestones during the service performance and they typically follow the transfer of control of performance obligations to be satisfied.

Compensation received from customers for changes in sales volumes, production periods or other contractual terms are recorded as gross and net sales when the corresponding performance obligation is satisfied.

Industrialisation, which is not an independent revenue stream, includes pre-production activities and manufacturing engineering work required to get the production lines and facilities ready for production. Such work is typically sold as part of contract manufacturing or roof systems supplier contracts. Industrialization cannot be considered as a separate deliverable i.e., distinct performance obligation but is part of the product sale or contract manufacturing. Revenue recognition commences at start of production and revenue is recognised with product deliveries at a point in time.

4 ITEMS AFFECTING COMPARABILITY

Comparable operating profit and EBITDA are presented to exclude items affecting comparability in order to give an understanding of the underlying comparable financial performance.

	2025	Restated 2024
	€000	**€000**
Comparable Operating profit	**16 157**	**-20 091**
Restructuring costs	-5 184	-5 090
Advisory costs	-570	-3 010
Total items affecting comparability	**-5 754**	**-8 100**
Operating profit	**10 403**	**-28 191**
Comparable EBITDA	**50 006**	**13 118**
Restructuring costs	-5 184	-5 090
Advisory costs	-570	-3 010
Total items affecting comparability	**-5 754**	**-8 100**
EBITDA	**44 252**	**5 018**

Items affecting comparability include general restructuring measures in both business areas. The general restructuring measures were executed in order to adjust to the decline in automotive markets and transitions in contract manufacturing agreements.

5 OTHER OPERATING INCOME AND EXPENSES

Accounting principles

Other operating expenses are recorded on their respective cost type accounts unless they are considered as adjustments to income.

Government grants are recognised when there is reasonable assurance that the grant will be received, and all attached conditions are complied with.

When the grant relates to an expense item, it is recognised as income on a systematic basis over the period during which the costs related to the grant are incurred and expensed. When a grant relates to an asset, it is recorded as a deduction of the related asset.

Research costs and expenses are expensed as incurred. Development costs are normally expensed when incurred. They only can be capitalised, when certain economic and technical feasibility criteria conditions are fully met.

Other operating income

	2025	Restated 2024
	€000	**€000**
Rental income	157	25
Goverment grants	848	78
Compensation from suppliers	2 197	1 420
Other income	2 689	610
Total	**5 891**	**2 772**

Government grants are mainly related to Business Finland projects. Compensation from suppliers consists of amounts received or receivable from suppliers, for example due to quality related issues. Other income includes mainly proceeds from scrap metal sales as well as transitional services and other charges to IONCOR Oy.

Other operating expenses

	2025	Restated 2024
	€000	**€000**
Property, operating and maintenance costs	-12 044	-12 830
External services	-15 338	-15 766
ICT expenses	-7 967	-7 890
Machinery and equipment expenses	-3 262	-4 081
Other personnel expenses	-2 872	-2 112
Insurance expenses	-1 770	-2 517
Travel expenses	-980	-1 306
Other expenses	-6 414	-5 256
Total other operating expenses	**-50 647**	**-51 758**

Research and development cost

Total research and development activities include general research and development expenses, own development projects capitalised and other development activities as part of customer projects.

Other development activities consist of costs related to technical development work carried out in RKS as part of system supply customer projects where costs are either expensed or capitalized as contract assets. The amounts for the reporting periods are detailed below.

Research and development costs	**2025**	**Restated 2024**
	€000	**€000**
R&D external cost	-682	-67
R&D salaries	-1 659	-138
Research and development costs	**-2 341**	**-205**
Other development activities, customer projects, expensed	-2 102	-4 701
Other development activities, customer projects, capitalized	-1 092	-1 810
Other development activities	**-3 194**	**-6 511**
Total R&D	**-5 535**	**-6 716**

Auditor fees

The fees to the statutory auditor are presented in the table below.

	2025	**Restated 2024**
	€000	**€000**
Auditing	-393	-387
Tax advisory	-26	-23
Other services	-28	-66
Total	**-447**	**-476**

6 EMPLOYEE BENEFITS AND NUMBER OF PERSONNEL

6.1 SUMMARY

ACCOUNTING PRINCIPLES

Personnel benefits and related social security costs and pension contributions are expensed in the period the work has been performed.

Pension and other defined benefit plans are detailed in Note 7.

	2025	Restated 2024
	€000	**€000**
Wages and salaries	-71 538	-68 158
Share based employee benefit (Note 6.2)	-	439
Other long term employee benefits (Note 7)	-173	-425
Social security costs	-4 129	-3 494
Pension costs defined contribution	-9 821	-8 872
Total employee benefits expense	**-85 660**	**-80 509**

	2025	Restated 2024
Number of employees, active, average*	1 411	1 594

*Number of active employees excludes external workforce and temporarily laid off personnel and other temporary absences.

6.2 SHARE-BASED EMPLOYEE BENEFITS

ACCOUNTING PRINCIPLES

When there are incentive arrangements which require cash payments to be made based on the price of a deemed share or synthetic instrument, they are accounted for as cash-settled share-based payment plans. The initial fair value of such plans at the grant date is calculated using estimates of the valuation of the synthetic options. The grant-date fair value of the liability is recognized over the vesting period. At the end of each financial year the fair value of the recognized liability is remeasured. Remeasurement applies to the recognized portion through the vesting date. Any cancellations are recognised immediately in the income statement.

SIGNIFICANT MANAGEMENT ESTIMATES AND JUDGMENTS

Valuation of the synthetic options is determined from the advice of external advisors who carry out valuation annually, using several assumptions such as the discount rate, expected future cash flows, peer group share valuation and other factors. Many of these assumptions also require management judgment. As a result, the liability recorded on the balance sheet is sensitive to changes.

The Group's a cash-settled share-based incentive plan, which was established in 2021, was terminated in August 2025 without any impact on the profit and loss or the balance sheet. The plan liability was EUR 0,0 million on 31 December 2024.

7 PENSION AND OTHER DEFINED BENEFIT PLANS

ACCOUNTING PRINCIPLES

Pension plans are classified as defined contribution and defined benefit plans. Under a defined contribution scheme, the Group makes payments to separate insurance companies or independent funds. The Group has no legal or constructive obligation to make further payments if the payment recipient does not have sufficient assets to pay the post-employment benefits. All arrangements not meeting these conditions are defined benefit schemes.

Most schemes, including the Finnish TyEL scheme, are defined contribution plans where the Group makes payments to separate entities managing the assets. Payments made to defined contribution pension schemes are recorded through profit or loss in the accounting period the charge applies to.

In Finland, employees earn an additional benefit, payable after a certain number of service years is completed, following the rules of the long-service benefit plan. The cost of providing long-service benefits is charged to profit and loss concurrently with the service rendered by the personnel. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the income statement.

SIGNIFICANT MANAGEMENT ESTIMATES AND JUDGMENTS

Defined long-service benefit plan cost is determined based on annual valuations performed by qualified actuaries, who calculate the obligation using several assumptions, such as the discount rate, salary increases and other actuarial factors. Many of these assumptions also require management judgment. In addition, management judgment of personnel turnover is required. As a result, the liability recorded on the balance sheet is sensitive to changes.

In Finland, qualified employees earn an additional benefit following the rules of the long-service benefit plan. The employer has promised a certain amount of benefit after given years of service time according to the rules of the long-service benefit plan. The benefits are based on the promised amount of money after ten-year service time. The promised benefit increases when the employment has lasted 15, 20 and 25 years. Benefit payments continue until retirement or resignation and are paid to the employees once a year or monthly.

The long-service benefit liability is presented in the table below.

	2025	**2024**
	€000	**€000**
1 January	**3 861**	**3 480**
Service cost	188	194
Net interest	60	82
Curtailments	-305	-142
Actuarial changes on obligation	230	292
Other changes	31	87
Sub-total included in profit or loss	**205**	**512**
Benefits paid	-506	-504
Discontinued operations	-937	373
31 December	**2 623**	**3 861**

The discount rate has been determined using Bloomberg € EU Corporate AA+, AA, AA-yield curve, taking the estimated durations of the benefit obligations into consideration. The discount rate was 2,9 % for the year ended December 31, 2025 (2,7 % for the year ended December 31, 2024).

8 FINANCE INCOME AND COSTS

ACCOUNTING PRINCIPLES

Financing costs are charged to the income statement during the financial period in which they incur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Losses from sales of shareholdings are recorded in financing costs and gains from such sales are recorded in financing income.

The Group has elected to classify interest received and paid as cash flows from operating activities.

Finance income	2025	Restated 2024
	€000	€000
Dividend received	30	5
Foreign exchange gains	101	253
Interest income	472	883
Net gain on financial instruments at fair value	37	-
Total finance income	**641**	**1 142**

Finance costs	2025	Restated 2024
	€000	€000
Interest on debt and borrowings	-5 799	-7 411
Interest on lease liabilities	-486	-218
Interest on significant financing component	-532	-1 171
Other interest	-1 371	-26
Total interest expense	**-8 187**	**-8 826**
Foreign exchange losses	-	-53
Other finance expense	-433	-799
Total finance costs	**-8 621**	**-9 678**

9 INCOME TAXES

9.1 INCOME TAX EXPENSE

ACCOUNTING PRINCIPLES

Income taxes in the consolidated statement of profit and loss consist of taxes on the taxable income of the Group companies for the current period and changes in deferred taxes. The statement of comprehensive income includes taxes on items presented in the statement of comprehensive income.

Current taxes include estimated taxes corresponding to the Group companies' taxable results for the financial year, and adjustments to taxes for previous years. Income tax receivables and payables are recognised at the expected amounts to be recovered from or paid to the tax authorities.

Deferred taxes are calculated based on temporary differences between financial reporting and the taxation calculated with enacted tax rates effective for the future years.

SIGNIFICANT MANAGEMENT ESTIMATES AND JUDGMENTS

The Group assesses the probability that the local taxation authority or authorities, should the treatment be for cross-border transaction, will accept any tax treatment recorded in the accounts. Tax treatment is only recorded, when it is concluded that it is probable the tax treatment will be accepted by the relevant tax authority or authorities.

Significant management judgement is required to consider the probability that the tax treatment proposed can be recognised, taking into account the likelihood that the relevant tax authorities will accept the planned tax treatment. In the event that actual tax authority acceptance would not be obtained, the tax payable needs to be adjusted in coming financial years.

The major components of income tax expense for the years ended December 31, 2025 and December 31, 2024 are as follows:

	2025	Restated 2024
Consolidated statement of profit or loss	**€000**	**€000**
Current year income taxes	-2 652	-541
Previous year income taxes	794	126
Current income taxes	**-1 857**	**-415**
Other temporary differences deferred tax assets	-1 678	-478
Other temporary differences deferred tax liabilities	109	1 087
Deferred taxes	**-1 569**	**609**
Income taxes in statement of profit or loss, continuing operations	**-3 427**	**193**

Reconciliation of tax expense and the accounting profit or loss, continuing operations, multiplied by Finland's 2025 and 2024 statutory tax rate is presented below.

	2025	Restated 2024
	€000	**€000**
Accounting profit before income tax, continuing operations	2 423	-36 728
At Finland's statutory income tax rate of 20%	-485	7 346
Previous year income taxes	794	126
Tax exempt income	6	1
Non-recorded taxable income	-	-3 070
Non-deductible expenses	-565	-562
Deferred taxes for previously unrecognised temporary differences	31	50
Deferred taxes for previously recognised temporary differences	-2 432	-1 034
Unrecognised tax losses	-847	-2 650
Difference between Finnish and foreign tax rates	72	-13
Income taxes reported in the statement of profit or loss, continuing operations	**-3 427**	**194**
Effective income tax rate %	**N/A**	**N/A**

9.2 DEFERRED TAX ASSETS AND LIABILITIES

ACCOUNTING PRINCIPLES

Deferred tax liabilities or assets are calculated based on temporary differences between financial reporting and the taxation calculated with enacted tax rates effective for the future years. The deferred tax liabilities are recognised in the balance sheet in full, and the deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised.

SIGNIFICANT MANAGEMENT ESTIMATES AND JUDGMENTS

The Group estimates income tax in each country it operates. This process involves estimating the actual current tax exposure together with assessing temporary differences resulting from differing treatment of items, such as deferred revenue and cost reserves, for tax and accounting purposes. These differences result in deferred tax assets and liabilities, which may be recorded in the consolidated balance sheet. The likelihood for the recovery of deferred tax assets from future taxable income is assessed, and to the extent the recovery is not considered likely the deferred asset is not recorded.

Significant management judgement is required to determine the provisions for deferred tax assets that can be recognised, taking into account the likely timing and the level of future taxable profits together with future tax management strategies. In the event that actual results differ from these estimates, the deferred tax assets need to be adjusted in coming financial years. The final outcome may also be affected by future changes in tax laws applicable in the jurisdictions where the Group operates.

Deferred tax assets and liabilities are presented in the tables below.

2025 Deferred tax assets	1.1.2025	Recognised in income statement	Discontinued operations	Translation differences	31.12.2025
Employment related	908	-76	-187	2	646
Property, plant and equipment	6 175	418	-365	-	6 228
Confirmed losses	6 996	-2 432	-4 564	-	-
Leases	142	31	-114	0	60
Provisions	5 192	1 248	-3 400	13	3 052
Revenue recognition	3 121	-812	-634	6	1 681
Other temporary differences	84	-55	-13	1	18
Total	22 619	-1 678	-9 277	20	11 684

2025 Deferred tax liabilities	1.1.2025	Recognised in income statement	Discontinued operations	Translation differences	31.12.2025
Property, plant and equipment	2 511	-63	-1 028	0	1 420
Fair value adjustment	424	0	-424	-	-
Revenue recognition	901	-45	-856	1	-
Total	3 836	-109	-2 308	1	1 420

2024 Deferred tax assets	1.1.2024	Recognised in income statement	Discontinued operations	Translation differences	31.12.2024
Employment related	870	35	-	3	908
Property, plant and equipment	5 590	586	-	-	6 175
Confirmed losses	3 466	3 530	-	-	6 996
Leases	152	-9	-	-	142
Provisions	3 828	1 343	-	20	5 192
Revenue recognition	3 782	-662	-	2	3 121
Other temporary differences	411	-333	-	6	84
Total	18 099	4 489	-	30	22 618

2024 Deferred tax liabilities	1.1.2024	Recognised in income statement	Discontinued operations	Translation differences	31.12.2024
Property, plant and equipment	7 816	-5 310	-	6	2 511
Fair value adjustment	622	-198	-	-	424
Revenue recognition	2 429	-1 527	-	-1	901
Total	10 866	-7 035	-	5	3 836

Management has assessed all subsidiary tax losses for deferred asset recognition. Analysis was done by company. As of December 31, 2025, the Group had tax losses amounting to EUR 40,9 (36,1 restated) million. Of the tax losses, EUR 24,8 (25,0 restated) million is available indefinitely for offsetting against future taxable profits of the companies in which the losses arose while EUR 16,1 (11,0 restated) million has an expiration date of ten years from the loss-making years of 2023-2025. As of year-end 2025, deferred tax assets have not been recognized in respect of these losses. If the Group would be able to recognize all unrecognized tax assets, the profit would increase by EUR 10,8 million.

At December 31, 2024, the Group had recognized a deferred tax asset from tax losses amounting to EUR 2,4 million (restated).

10 SUBSIDIARIES

10.1 INFORMATION ABOUT SUBSIDIARIES

The consolidated financial statements of the Group include the following companies:

Name	Principal activities	Country of incorporation	% equity interest as of 31.12.2025 Group	Parent
Parent company				
Valmet Automotive Plc	Manufacturing solutions for automotive and other industries; group services	Finland		
Subsidiaries				
Valmet Automotive GmbH	Roof and Kinematic Systems	Germany	100%	100%
Valmet Automotive Sp. z o.o.	Roof and Kinematic Systems	Poland	100%	100%
Valmet Automotive Management GmbH	Non-operating	Germany	100%	100%

10.2 ACQUISITIONS AND DISPOSALS

ACCOUNTING PRINCIPLES

Investments in subsidiaries are accounted for using the acquisition method and measured at fair value at the date of acquisition. The difference, if any, between the consideration transferred and the fair value of net assets obtained is recognized as goodwill. Subsidiaries acquired during the financial period are included in the consolidated financial statements from the date the control is obtained, and divested subsidiaries until the date the control is lost. When control is lost, all assets and liabilities related to the disposed subsidiary are derecognized and presented as a single amount in the statement of the profit and loss comprising the total of the post-tax profit or loss of discontinued operations and the gain or loss recognised on the disposal of the assets. The comparative period statement of the profit and loss, the statement of cash flows, and the respective disclosures is restated to exclude the divested subsidiaries.

SIGNIFICANT MANAGEMENT ESTIMATES AND JUDGMENT

In business combinations, the measurement of fair value of the acquired net assets is based on market value of similar assets (tangible assets), or an estimate of expected cash flows and returns (intangible assets). The valuation is prepared by an external advisor. Management judgment is necessary for expected cash flow calculations, and changes in circumstances may have significant influence in those estimates.

The Group did not make any acquisitions of subsidiaries in 2025 or 2024. In 2025 Group divested its battery business in 2025. In 2024 there were no disposals.

Disposal of IONCOR battery systems business

In August 2025, Valmet Automotive Plc entered into agreements to sell its IONCOR battery systems business to IC Holding Oy (entity owned by the Finnish State), Varma Mutual Pension Insurance Company and Pontos Oy. The effective date of the sale was August 29, 2025. The disposal comprised IONCOR Oy with its subsidiaries in Germany and Poland.

The divestment of the IONCOR battery systems business was undertaken as part of the Group's strategic repositioning to focus on automotive contract manufacturing and system supply while supporting an expansion into other industrial sectors beyond traditional automotive manufacturing. The transaction also reflects the Group's objective to simplify its business structure and enhance financial and operational flexibility in a changing automotive industry environment.

The IONCOR battery systems business has been classified as a discontinued operation. Its results are presented separately from continuing operations in the consolidated statement of profit or loss, and comparative information for 2024 has been restated accordingly.

Net assets disposed	2025
	€000
Non-current assets	135 518
Current assets	106 302
Other non-current liabilities	-41 781
Current liabilities	-199 303
Translation differences	41
Net assets disposed	**777**

Gain recognized on disposal	2025
	€000
Sale proceeds	35 000
Net assets disposed	-777
Cost to sell	-570
Gain on sale of discontinued operations	**33 652**

Net cash flow from the sale of disposed business	2025
	€000
Sale proceeds	35 000
Less cash disposed	-11 826
Net cash flow from disposal	**23 174**

Net result from the disposed business	2025	2024
	€000	€000
Revenues	121 429	259 555
Expenses	-125 771	-316 990
Loss before taxes	**-4 342**	**-57 435**
Income tax expense	320	10 949
Loss for the year	**-4 022**	**-46 485**
Gain on disposal	33 652	-
Profit/(loss) for the year from discontinued operations	**29 630**	**-46 485**

Net cash flows related to the disposed business	2025	2024
	€000	€000
Operating cash flow	**7 226**	**35 319**
Investing cash flow related to disposed operations	-8 916	-6 986
Investing cash flow related to disposal	23 174	-
Total investing cash flow	**14 258**	**-6 986**
Financing cash flow	**-4 049**	**-5 250**
Net cash flow	**17 435**	**23 083**

Financing cash flow consists mainly of repayment of lease liabilities.

11 LEASES

ACCOUNTING PRINCIPLES

The Group assesses whether a contract is or contains a lease based on the definition of a lease. A contract is or contains a lease if the contract conveys the right to control the use of an identified asset for a specified period of time in exchange for consideration.

The Group has chosen to apply the IFRS 16 accounting standard to tangible assets only, applying the exemption allowed in the standard.

As a lessee, the Group recognises a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments.

Leases are capitalized at the inception of the lease at the lower of the fair value of the leased right-of-use asset or the present value of the minimum lease payments. Property, plant and equipment acquired under leases are depreciated over the useful life of the asset or over the lease contract period, if shorter. Each lease payment is allocated between repayment of the lease liability and finance charges, in such a way that a constant interest rate on the outstanding balance is achieved. Lease obligations, net of finance charges, are included in interest bearing liabilities, divided to short-term and long-term liabilities, as appropriate. Interest element is charged to profit and loss over the lease period.

The Group has elected to apply the exemption regarding short-term and low-value leases, which are expensed when incurred, and they are not recorded in assets and liabilities. Short-term leases are leases with a lease term of maximum 12 months, and without a purchase option. Low-value leases are leases, in which the value of an individual asset does not exceed 5,000 euro, when new.

The Group has elected to apply the practical expedient of IFRS16 not to separate non-lease components from the actual lease components of the lease contract. Identified non-lease components cover any payments for services, which are part of a lease contract, such as general maintenance charges. All material non-lease components are analyzed to identify their contents to classify them appropriately. Services, which could be supplied separately, such as leased property cleaning, machine maintenance, and utilities are not considered to be part of the lease, and they are expensed.

The lease payments are discounted by the interest rate implicit in the lease if that can be determined. Otherwise, the lessee incremental borrowing rates reflecting entity-specific factors, country and lease term are applied to all lease contracts when calculating the present value of lease liability and interest expense.

When the Group is a lessor, the Group classifies the lease as finance lease or operating lease by analysing the right-of-use terms transferred to the lessee. When the Group has transferred substantially all the risks and rewards of ownership of an asset subject to a lease, the lease is treated as a finance lease. Assets held under finance leases are recognised as receivables at an amount equal to the net investment in the lease. Other leases are treated as operating leases, with payments recognised as income on a straight-line basis over the lease term.

Sub-leases in which the Group is both lessee and lessor are treated as different contracts. When the sub-lease term covers practically all remaining head lease term, the head lease right-of-use asset will be derecognised and treated as a lease receivable.

RIGHT-OF-USE ASSETS

Right-of-use assets under lease contracts and included in property, plant and equipment are detailed in the table below. The Group's lease arrangements consist of lease contracts for property, machinery and equipment located primarily on Group company premises as well as company vehicles.

	Buildings and constructions	Machinery and equipment	Total
	€000	€000	€000
Cost			
At 1 January 2025	47 543	6 666	54 209
Additions	11 572	1 345	12 917
Disposals	-3 243	-3 089	-6 332
Discontinued operations	-41 516	-2 618	-44 134
Exchange differences	72	6	79
At 31 December 2025	**14 428**	**2 310**	**16 738**
Depreciation and impairment			
At 1 January 2025	-19 607	-2 755	-22 362
Depreciation charge for the year	-5 206	-1 763	-6 969
Disposals	2 540	1 985	4 525
Discontinued operations	18 223	1 338	19 561
Exchange differences	-2	-2	-5
At 31 December 2025	**-4 053**	**-1 197**	**-5 250**
Net book value 1 January 2025	**27 936**	**3 911**	**31 847**
Net book value 31 December 2025	**10 375**	**1 113**	**11 488**
Cost			
At 1 January 2024	47 083	7 780	54 863
Additions	1 852	4 750	6 602
Disposals	-1 394	-5 874	-7 268
Exchange differences	1	10	11
At 31 December 2024	**47 543**	**6 666**	**54 209**
Depreciation and impairment			
At 1 January 2024	-14 214	-5 791	-20 006
Depreciation charge for the year	-6 420	-2 233	-8 653
Disposals	1 028	5 275	6 303
Exchange differences	-1	-5	-6
At 31 December 2024	**-19 607**	**-2 755**	**-22 362**
Net book value 1 January 2024	**32 869**	**1 988**	**34 857**
Net book value 31 December 2024	**27 936**	**3 911**	**31 847**

The increase in buildings in 2025 consists mainly of a new building lease agreement for the RKS Zary factory.

LEASE LIABILITIES

Changes in lease liabilities, excluding expensed short-term and low value leases, are detailed below:

	2025	2024
	€000	€000
At 1 January	**32 386**	**34 726**
Additions	12 917	6 602
Disposals	-1 829	-980
Payments	-2 757	-2 792
Discontinued operations	-28 862	-5 175
Exchange differences	75	5
At 31 December	**11 929**	**32 386**

LEASE CASH FLOWS

Lease payments and expensed short term and low value leases are presented below:

	2025	Restated 2024
	€000	€000
Lease payments	-3 243	-3 010
of which liability	-2 757	-2 792
of which interest	-486	-218
Expenses related to short term leases	-501	-626
Expenses related to low value assets	-56	-325
Total Payments	**-3 800**	**-3 961**

OPERATING LEASE COMMITMENTS

Commitments consist of payments related to leases of low value assets and short-term leases. As of December 31, 2025 and 2024 operating lease commitments were as follows:

	2025	2024
	€000	€000
Within one year	133	486
After one year but no more than five years	283	460
More than five years	47	46
	463	**993**

12 PROPERTY, PLANT AND EQUIPMENT

ACCOUNTING PRINCIPLES

Property, plant and equipment are stated on the balance sheet at cost, net of accumulated depreciation and accumulated impairment losses, if any.

Improvement costs related to an asset are included in the carrying value of such asset or recognised as a separate asset, as appropriate, only when the future economic benefits associated with the costs are probable and the related costs can be separated from normal maintenance costs. All other repair and maintenance costs are recognised in profit or loss as incurred.

Leased right-of-use assets are recognised at the commencement date of the lease at cost.

12.1 PROPERTY, PLANT AND EQUIPMENT, TOTAL

	Land and water areas	Buildings & constructions	Machinery & equipment	Fixed assets under construction	Total
	€000	€000	€000	€000	€000
Cost					
At 1 January 2025	5 164	139 944	501 365	9 759	656 232
Additions	-	11 572	1 345	3 539	16 456
Disposals	-	-3 366	-29 443	-1 113	-33 922
Reclassifications	-	1 329	3 768	-5 097	-
Discontinued operations	-326	-66 148	-169 273	-2 790	-238 537
Exchange differences	2	173	304	49	527
At 31 December 2025	**4 840**	**83 503**	**308 065**	**4 348**	**400 757**
Depreciation and impairment					
At 1 January 2025	-	-48 378	-393 790	-	-442 168
Depreciation and impairment	-	-9 185	-41 972	-1 092	-52 249
Disposals	-	2 663	28 299	1 092	32 055
Discontinued operations	-	19 456	132 611	-	152 067
Exchange differences	-	-34	-179	-	-213
At 31 December 2025	**-**	**-35 477**	**-275 030**	**-**	**-310 509**
Net book value 1 January 2025	**5 164**	**91 566**	**107 575**	**9 759**	**214 064**
Net book value 31 December 2025	**4 840**	**48 026**	**33 035**	**4 348**	**90 249**
Cost					
At 1 January 2024	5 217	140 775	487 137	24 797	657 926
Additions	-	1 852	4 754	6 751	13 357
Disposals	-59	-4 569	-8 700	-2 271	-15 599
Reclassifications	-	1 769	17 868	-19 637	-
Exchange differences	7	116	304	120	547
At 31 December 2024	**5 164**	**139 944**	**501 365**	**9 759**	**656 232**
Depreciation and impairment					
At 1 January 2024	-	-42 051	-322 536	-	-364 587
Depreciation and impairment	-	-10 727	-78 274	-2 190	-91 191
Disposals	-	4 432	7 210	2 190	13 831
Exchange differences	-	-31	-190	-	-221
At 31 December 2024	**-**	**-48 378**	**-393 790**	**-**	**-442 168**
Net book value 1 January 2024	**5 217**	**98 724**	**164 601**	**24 797**	**293 339**
Net book value 31 December 2024	**5 164**	**91 566**	**107 575**	**9 759**	**214 065**

At the end of 2025, the Group had contractual commitments amounting to EUR 1,0 (3,8) million for the acquisition of fixed assets.

12.2 PROPERTY, PLANT AND EQUIPMENT EXCLUDING RIGHT-OF-USE ASSETS

	Land and water areas	Buildings & constructions	Machinery & equipment	Fixed assets under construction	Total
	€000	**€000**	**€000**	**€000**	**€000**
Cost					
At 1 January 2025	5 164	92 401	494 699	9 759	602 023
Additions	-	-	-	3 539	3 539
Disposals	-	-123	-26 354	-1 113	-27 590
Reclassifications	-	1 329	3 768	-5 097	-
Discontinued operations	-326	-24 632	-166 655	-2 790	-194 404
Exchange differences	2	101	297	49	449
At 31 December 2025	**4 840**	**69 075**	**305 756**	**4 347**	**384 019**
Depreciation and impairment					
At 1 January 2025	-	-28 771	-391 035	-	-419 806
Depreciation and impairment	-	-3 978	-40 209	-1 092	-45 279
Disposals	-	123	26 315	1 092	27 530
Discontinued operations	-	1 233	131 273	-	132 506
Exchange differences	-	-31	-177	-	-208
At 31 December 2025	**-**	**-31 424**	**-273 834**	**-**	**-305 258**
Net book value 1 January 2025	**5 164**	**63 630**	**103 664**	**9 759**	**182 218**
Net book value 31 December 2025	**4 840**	**37 651**	**31 922**	**4 347**	**78 761**
Cost					
At 1 January 2024	5 217	93 692	479 358	24 797	603 064
Additions	-	0	4	6 751	6 755
Disposals	-59	-3 175	-2 826	-2 271	-8 331
Reclassifications	-	1 769	17 868	-19 637	0
Exchange differences	7	115	294	120	536
At 31 December 2024	**5 164**	**92 401**	**494 699**	**9 759**	**602 023**
Depreciation and impairment					
At 1 January 2024	-	-27 837	-316 744	-	-344 581
Depreciation and impairment	-	-4 307	-76 041	-2 190	-82 538
Disposals	-	3 403	1 935	2 190	7 528
Exchange differences	-	-30	-185	-	-215
At 31 December 2024	**-**	**-28 771**	**-391 035**	**-**	**-419 806**
Net book value 1 January 2024	**5 217**	**65 855**	**162 613**	**24 797**	**258 482**
Net book value 31 December 2024	**5 164**	**63 630**	**103 664**	**9 759**	**182 218**

13 INTANGIBLE ASSETS

13.1 INTANGIBLE ASSETS, TOTAL

ACCOUNTING PRINCIPLES

The Group's intangible assets comprise mainly of goodwill, development costs, customer relations, patents, licenses and software. They are stated at historical cost less accumulated amortization and impairment losses, if any. When a grant is received related to an asset, it is recorded as a deduction of the related asset.

Development activities are an integral part of customer projects where technical development is carried out in close co-operation with customers. The related expenditures are typically expensed. However, development expenditures are capitalised when certain criteria related to economic and technical conditions are met and it is expected that the asset will generate future economic benefits. Capitalised development costs are included in intangible assets and carried at cost less any accumulated amortization and accumulated impairment losses. Amortization over the period of expected future benefits of the asset is started when the development is complete, and the asset is available for use.

	Good-will	Development costs	Customer relationships	Other intangible rights	Intangible asset under construction	Total
	€000	**€000**	**€000**	**€000**	**€000**	**€000**
Cost						
At 1 January 2025	8 741	15 770	6 581	27 742	22 129	80 963
Additions	-	8 007	-	0	722	8 729
Disposals	-	-	-	-1 682	-3 090	-4 772
Reclassifications	-	-	-	919	-919	-
Discontinued operations	-8 741	-23 777	-6 581	-9 640	-4 678	-44 677
Exchange differences	-	-	-	20	55	75
At 31 December 2025	**-**	**-**	**-**	**17 359**	**14 219**	**31 577**
Amortization and impairment						
At 1 January 2025	-	-	-5 168	-21 930	-	-27 098
Amortization and impairment	-	-834	-440	-2 120	-3 066	-6 461
Disposals	-	-	-	1 548	3 066	4 614
Discontinued operations		834		7 155		13 598
Exchange differences	-	-	-	-4	-	-4
At 31 December 2025	**-**	**-**	**-**	**-15 352**	**-**	**-15 352**
Net book value 1 January 2025	**8 741**	**15 770**	**1 413**	**5 812**	**22 129**	**53 865**
Net book value 31 December 2025	**-**	**-**	**-**	**2 007**	**14 219**	**16 226**
Cost						
At 1 January 2024	8 741	9 790	6 581	33 004	15 465	73 581
Additions	-	5 980	-	55	7 968	14 003
Disposals	-	-	-	-6 321	-299	-6 620
Reclassifications	-	-	-	1 000	-1 000	0
Exchange differences	-	-	-	4	-5	-1
At 31 December 2024	**8 741**	**15 770**	**6 581**	**27 742**	**22 129**	**80 963**
Amortization and impairment						
At 1 January 2024	-	-	-4 508	-24 126	-	-28 634
Amortization and impairment	-	-	-660	-4 079	-299	-5 038
Disposals	-	-	-	6 279	299	6 578
Exchange differences	-	-	-	-3	-	-3
At 31 December 2024	**-**	**-**	**-5 168**	**-21 930**	**0**	**-27 098**
Net book value 1 January 2024	**8 741**	**9 790**	**2 073**	**8 878**	**15 465**	**44 947**
Net book value 31 December 2024	**8 741**	**15 770**	**1 413**	**5 812**	**22 129**	**53 865**

Development costs related fully to discontinued operations and were presented net of subsidies received. At year-end 2024, gross development asset was EUR 20,9 million, subsidy EUR 5,1 million and net development asset EUR 15,8 million.

13.2 GOODWILL

ACCOUNTING PRINCIPLES

Acquisitions are accounted for using the acquisition method. Goodwill represents the excess of acquisition cost over the fair values of identified acquired assets and liabilities of acquired companies.

Goodwill represents typically the value of the acquired market share, business knowledge and the synergies obtained in connection with the acquisition. The carrying amount of goodwill is tested for impairment at least annually.

Goodwill is allocated to cash-generating units (CGUs), which are identified as business areas of the Group. Initial goodwill calculation is prepared at the acquisition date book values with fair value adjustments of acquired assets and related deferred tax adjustments.

If a CGU is disposed entirely, the corresponding goodwill is totally derecognised. If a CGU is disposed partly, the corresponding goodwill is allocated to the remaining business calculating the value of the acquired market share, business knowledge and the synergies obtained in connection with the acquisition for the other Group businesses, and any excess goodwill is derecognised.

As of 31.12.2025 there was no goodwill remaining on the Group's balance sheet. At the end of 2024, the carrying amount of goodwill was EUR 8,7 million and it was allocated solely to the divested IONCOR business area. The goodwill was included in the net assets transferred in connection with the sale of the IONCOR business.

Goodwill impairment testing is detailed in Note 14.2.

14 IMPAIRMENT TESTING

14.1 TESTING OF NON-FINANCIAL ASSETS

ACCOUNTING PRINCIPLES

At each reporting date, the Group assesses whether there is an indication that an asset may be impaired. When the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account.

When there is an indication that previously recognised impairment losses no longer exist or have decreased, the Group estimates the asset's recoverable amount, and previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised.

SIGNIFICANT MANAGEMENT ESTIMATES AND JUDGMENTS

The carrying values of property, plant and equipment and intangible assets, subject to depreciation and amortization are reviewed for impairment whenever there are indications that their carrying values could exceed their value in use or disposal value if disposal is considered as a possible option.

The valuation is inherently judgmental and highly susceptible to change from period to period because it requires the Group to make assumptions about future supply and demand related to its individual business units, future sales prices and achievable cost savings. The value of the benefits and savings expected from the efficiency improvement programs are inherently subjective. The cash flows are derived from the budget for the foreseeable future and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the unit being tested. The recoverable amount is sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. The fair value of is determined using a derived weighted average cost of capital as the rate to discount estimated future cash flows. This rate may not be indicative of actual rates obtained in the market.

In 2025, the Group recognized impairment losses of EUR 1,1 (2,2) million on tangible assets (see Note 12) and EUR 3,1 (0,3) million on intangible assets (see Note 13.1).

14.2 TESTING OF GOODWILL

ACCOUNTING PRINCIPLES

The Group assesses the carrying amount of goodwill annually or more frequently if any indication of impairment exists on business unit level at which goodwill is monitored for internal purposes. The carrying value of goodwill is tested with the CGU's value in use or CGU's fair value less costs of disposal, when appropriate. In assessing the value in use amount, estimated future cash flows are discounted to their present value. Cash flow estimates are based on operative managerial estimates. The discount rate is a nominal rate, which is based on the weighted average cost of capital (WACC) for the main currency area in the location of the CGU. The nominal discount rate reflects the market assessment for the time-value of money and for the risk specific in the business.

The value in use calculations for the CGU specific cash flow projections are based on financial estimates prepared by the management. The cash flows are derived from the current year's last quarter estimate, the following year's budget and the approved strategy for the following five years, beyond which cash flows are calculated using the terminal value method. Forecast period is six years given the long-term nature of customer contracts. The terminal growth rate used is based on the management's judgment regarding the average long-term growth. Cash flows include only normal maintenance investments and exclude any potential investments that enhance the CGUs performance and acquisitions.

Any impairment loss of goodwill is recognised immediately as an expense and is not subsequently reversed.

SIGNIFICANT MANAGEMENT ESTIMATES AND JUDGEMENT

Upon initial acquisition the Group applies available market values to determine the fair values of acquired net assets. However, when this is not possible, the valuation is based on past performance of such an asset and expected future cash generating capacity, which requires management to make estimates and assumptions of the future performance and use of such assets.

The business growth, price and cost development assumptions embedded in the CGU specific cash flow projections are based on management assessments of the market demand and environment, which are examined against external information sources. Value in use calculations are sensitive to changes between periods, as they require management to make assumptions about future supply and demand related to its individual business units, future sales prices, margins and achievable cost savings over time. Such assumptions are subjective by nature and require management judgment.

The Group conducted value in use impairment testing of the divested IONCOR business area CGU goodwill during December 2024. No goodwill impairment losses were recognised based on the impairment test.

15 DEPRECIATION AND AMORTIZATION

ACCOUNTING PRINCIPLES

Tangible assets are stated at historical cost, less accumulated depreciation and impairment loss, if any. Tangible assets of acquisitions are measured at fair value on acquisition date.

Depreciation is calculated on a straight-line basis over the expected useful lives of the assets as follows:

Improvements to land areas:	10 years
Buildings and structures:	5-40 years
Machinery and equipment:	3-10 years

Leased right-of-use assets' useful lifetimes are adjusted by expected lease periods and use of purchase option at the end of the lease period.

Land areas are not depreciated.

The Group reviews residual values and useful lives of property, plant and equipment for impairment whenever events and changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Impairment of property, plant and equipment and capital gains and losses on their disposal are included in other operating income and expenses.

Depreciation of property, plant and equipment ceases when an item is classified as a non-current asset held for sale.

Amortization of intangible assets with a definite useful life is calculated over the expected economic lives of the assets, which is 3-10 years.

Any intangible assets with indefinite useful lives are not amortized but tested annually for impairment. See Note 14 for impairment testing.

The consolidated depreciation and amortization charges include the impact from the assets acquired in business combinations and measured at fair value.

	2025	Restated 2024
Depreciation and amortization	**€000**	**€000**
Intangible assets	-4 243	-2 001
Buildings and structures	-4 786	-4 461
Machinery and equipment	-24 820	-26 747
Total	**-33 849**	**-33 209**

16 INVENTORIES

ACCOUNTING PRINCIPLES

Inventories are valued at the lower of cost and net realisable value. Purchase, transport and processing costs incurred in bringing each product to its present location and condition are included in inventory costs. The costs of finished goods and work-in-progress include direct materials and labour and allocable proportion of production overheads based on the normal operating capacity but excluding borrowing costs. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Finished goods and production material inventories are shown net of a provision for obsolete and slow-moving inventories. A provision is established, and a corresponding charge is taken to profit and loss in the period in which the loss occurs, when obsolescence and related factors are assessed.

When not expensed, spare parts related to production equipment with low value or a normal operating cycle less than 12 months are recorded in inventory.

SIGNIFICANT MANAGEMENT ESTIMATES AND JUDGMENTS

The Group policy maintains a provision for slow-moving and obsolete inventory based on the best estimate of such amounts at the balance sheet date. The estimates are made in consideration of the composition and age of the inventory compared to anticipated future needs. Given the typically short turnover times, typically only minor allowances are considered necessary.

	2025	2024
	€000	**€000**
Raw materials (at cost)	8 765	61 375
Work in process (at cost)	2 262	7 510
Finished goods (at cost or net realisable value)	1 393	21 996
Spare parts related to production equipment and machines	-	1 568
Total inventories at the lower of cost and net realisable value	**12 420**	**92 450**

In 2025, write-downs of obsolete and excess inventory amounted to EUR 1,0 (0,3 restated) million.

At the end of 2024, all inventories included customer-directed material inventories. At the end of 2025, there were no customer-directed material inventories.

17 FINANCIAL INSTRUMENTS

17.1 FINANCIAL RISK MANAGEMENT

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Valmet Automotive is exposed in its business operations to various business and financial risks. The objective of the Group's financial risk management is to minimize the uncertainty which the changes in financial markets cause to its financial performance.

Financial risk management is carried out by the Group Treasury in co-operation with group companies under policies approved by the Board of Directors. Responsibilities between the Group Treasury and group companies are defined in the Group's Treasury Policy. In addition, the Group's Treasury Policy defines main principles and methods for financial risk management, cash and liquidity management and funding arrangements.

MARKET RISK

Market risk is the risk that the fair value or future cash flows arising from financial instruments will fluctuate because of changes in market prices or market conditions. Market risk comprises three types of risk: interest rate risk, foreign exchange risk and other price risk, such as equity price risk and commodity risk.

Interest rate risk

Interest rate risk arises when changes in market interest rates and interest margins impact financing costs, returns on financial investments and the valuation of interest-bearing balance sheet items. The Group's external loans have a variable interest rate of Euribor 3 or 6 months, exposing the Group to interest rate risk. The average maturity of the external loans is 3,5 years.

Foreign exchange risk

Valmet Automotive operates mainly in the euro zone and has limited exposure on changes in foreign exchange rates. Financial risk arising from the changing currency rates is largely mitigated either contractually or using financial derivatives. Majority of transactions is denominated in Euro, as such foreign currency transaction risk is not significant.

Translation or equity exposure

Foreign exchange translation exposure arises when the equity of a subsidiary is denominated in currency other than the functional currency of the parent company. The major translation exposure of the Group is in PLN. The Group does not hedge any of its equity exposure.

Commodity risk

The Group is affected by the price volatility of certain raw materials and components and supplies including energy. Contract manufacturing parts and materials are covered by the customer agreements, and the Group does not carry material commodity or logistics price risk. The Group may also enter into fixed price commodity agreements based on business considerations to limit the effects of fluctuating commodity prices.

CREDIT AND COUNTERPARTY RISK

Credit risk is the risk that a customer, supplier or financial counterparty would not meet its obligations under a financial instrument or customer or supplier contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities and from its financing activities, including deposits or financial investments with banks and financial institutions, foreign exchange transactions and other financial instruments. Customer credit risk is assessed low, as practically all major customers are large automotive groups with good credit ratings. Credit risk from balances with banks and financial institutions is managed by the Group's treasury department in accordance with the Group's policy.

The maximum credit risk equals the carrying value of trade and other receivables, and contract assets of revenue recognised but not yet billed. The credit quality is evaluated both on the basis of aging of the trade receivables and also on the basis of customer specific analysis. The corresponding expected lifetime credit loss allowance and the aging structure of trade receivables are presented in Note 17.5. The Group's maximum exposure relating to financial guarantees is presented in Note 19.

LIQUIDITY AND REFINANCING RISK

The Group safeguards its liquidity with continuous monitoring of receivables, maintaining sufficient cash and liquid assets and considering its financial counterparties based on their creditworthiness. Group Treasury oversees bank account structures and monitors cash balances and operating unit liquidity forecasts and manages the overall liquidity position.

Liquidity considerations are taken into account when negotiating payment terms with customers and suppliers. Liquidity, cash flow generation and financing requirements are also considered when negotiating new customer contracts. Customer advance payments for investment and development costs are targeted to take place before related cash outflows. The cash flow profiles of customer projects are continuously monitored.

CAPITAL STRUCTURE MANAGEMENT

The objectives of capital structure management are to maintain the long-term capital structure in a level that safeguards the ongoing business operations and optimizes the cost of capital. Due to nature of its business, the Group may have significant investment programs, which can have a temporary effect on the capital structure because of increased loan or customer advance payment funding needs.

The capital structure is assessed on a regular basis by the Board of Directors. Equity ratio and long-term Debt-to-Equity -ratio have been identified as key financial indicators.

In some cases, customer advances are considered as significant financing components where interest is calculated at the incremental borrowing rate, refer to Note 3.

17.2 FINANCIAL ASSETS AND LIABILITIES

ACCOUNTING PRINCIPLES

Financial assets

The Group's financial assets are measured at fair value at initial recognition at trade date and are classified as subsequently measured at amortised cost or fair value through profit or loss. The classification is based on the contractual cash flow characteristics of the financial asset and the Group's business model for managing the instruments.

Amortized cost

Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are classified at amortised cost. Any gains or losses from these financial assets are recognized in profit or loss when the asset is derecognized, modified or impaired.

Financial assets at fair value through profit and loss

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss.

The Group values equity investments and short-term investments in equity instruments at fair value through profit and loss. In addition, this category applies to derivatives when hedge accounting is not applied.

Derecognition of financial assets

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset have expired or the rights to the cash flows together with substantially all risks and rewards have transferred.

Financial liabilities

The Group recognises a financial liability in its statement of financial position when, and only when, the entity becomes party to the contractual provision of the instrument. The Group recognises a financial liability at fair value at initial recognition at trade date and the liability is classified as subsequently measured at amortised cost or fair value through profit or loss.

At amortized cost

The Group's financial liabilities classified at amortized cost are initially recognized at fair value less any related transaction cost and are subsequently measured using the Effective Interest Rate (EIR) method.

Amortised cost is calculated by taking into account any fees or other costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit or loss.

Financial liabilities at fair value through profit and loss

Financial liabilities measured at fair value through profit and loss include financial liabilities held for trading and financial liabilities designated upon initial recognition at fair value through profit and loss.

This category applies to derivatives when hedge accounting is not applied.

De-recognition of financial liabilities

Financial liabilities are derecognised when they are extinguished, that is when the obligation specified in the contract is discharged, cancelled or expires.

SUMMARY

The Group's financial assets at amortized cost include cash and cash equivalents, trade receivables, accrued income on manufacturing materials and loan receivables, while financial assets at fair value includes the Group's equity investments and short-term investments in equity instruments. The Group's financial liabilities at amortized cost consist of interest-bearing loans, trade payables and accruals on manufacturing materials. Trade receivables and payables include customer-directed material sales and purchases.

A summary of financial instruments is presented below.

2025	At amortised cost €000	At fair value through P&L €000	Total €000
NON-CURRENT FINANCIAL ASSETS			
Equity investments	-	77	**77**
Total	-	**77**	**77**
CURRENT FINANCIAL ASSETS			
Trade receivables	9 737	-	**9 737**
Accrued income on manufacturing materials	621	-	**621**
Cash and cash equivalents	47 984	60 037	**108 021**
Total	**58 342**	**60 037**	**118 379**
NON-CURRENT FINANCIAL LIABILITIES			
Interest bearing loans and borrowings	143 023	-	**143 023**
Total	**143 023**	-	**143 023**
CURRENT FINANCIAL LIABILITIES			
Interest bearing loans and borrowings	2 094	-	**2 094**
Trade payables	11 084	-	**11 084**
Accruals on manufacturing materials	22 536	-	**22 536**
Total	**35 713**	-	**35 713**

2024	At amortised cost €000	At fair value through P&L €000	Total €000
NON-CURRENT FINANCIAL ASSETS			
Equity investments	-	78	**78**
Total	**-**	**78**	**78**
CURRENT FINANCIAL ASSETS			
Trade receivables	42 581	-	**42 581**
Accrued income on manufacturing materials	42 581	-	**42 581**
Cash and cash equivalents	48 969	-	**48 969**
Total	**93 690**	**-**	**93 690**
NON-CURRENT FINANCIAL LIABILITIES			
Interest bearing loans and borrowings	24 575	-	**24 575**
Total	**24 575**	**-**	**24 575**
CURRENT FINANCIAL LIABILITIES			
Interest bearing loans and borrowings	112 443	-	**112 443**
Trade payables	260 846	-	**260 846**
Accruals on manufacturing materials	68 674	-	**68 674**
Total	**441 963**	**-**	**441 963**

17.3 FAIR VALUE MEASUREMENT

ACCOUNTING PRINCIPLES

The Group measures financial instruments at fair value at each balance sheet date.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1: The fair value of these assets or liabilities is based on available quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2: The fair value of these assets or liabilities is based on valuation techniques, for which the lowest level input that is significant to the fair value measurement and it is directly or indirectly observable. The inputs for the valuation are based on quoted or other readily available source.

Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable and require independent consideration and judgement from the valuation perspective.

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Aside from this note, additional fair value related disclosures, including the valuation methods, significant estimates and assumptions are also provided in Note 17.2.

The following tables provide the fair value measurement hierarchy of the Group's assets and liabilities. There have been no transfers between level 1, level 2 and level 3 during the period. There were no differences between fair values and carrying amounts of other financial assets and liabilities.

Fair value hierarchy at December 31, 2025:

	Total	Level 1	Level 2	Level 3
	€000	**€000**	**€000**	**€000**
Assets measured at fair value:				
Financial assets at fair value through profit and loss	60 114	60 037	-	77
Total	**60 114**	**60 037**	**-**	**77**

Fair value hierarchy at December 31, 2024:

	Total	Level 1	Level 2	Level 3
	€000	**€000**	**€000**	**€000**
Assets measured at fair value:				
Financial assets at fair value through profit and loss	78	-	-	78
Total	**78**	**-**	**-**	**78**

Financial instruments in level 3 fair value include non-current equity investments.

	2025	2024
Non-current equity investments	**€000**	**€000**
At 1 January	**78**	**78**
Disposals	-1	-
At 31 December	**77**	**78**
Total current	-	-
Total non-current	**77**	**78**

17.4 CASH AND RESTRICTED BANK ACCOUNTS

ACCOUNTING PRINCIPLES

Cash and cash equivalents consist of cash in banks and short-term deposits with a maturity of three months or less, which are subject to an insignificant risk of changes in value.

Cash equivalents also comprise investments in short-term fixed income funds that are managed as part of the Group's liquidity management in accordance with the Group's Treasury Policy, provided that they are readily convertible to cash and subject to insignificant risk of changes in value. They are classified as financial assets at fair value through profit or loss.

Restricted bank accounts related to given guarantees, which may be interest bearing, are reported in other receivables.

The Group's cash and restricted bank accounts are presented below.

	2025	2024
	€000	**€000**
Cash in banks	47 984	48 968
Short-term investments	60 037	-
Cash and cash equivalents in Cash Flow	**108 023**	**48 969**
Restricted bank accounts	**-**	**75**

17.5 TRADE AND OTHER RECEIVABLES

ACCOUNTING PRINCIPLE

Trade receivables are recognised at original invoice amount to customers and reported in the balance sheet, net of expected credit loss allowance.

Trade receivables, contract assets and lease receivables are subject to expected credit loss impairment allowance adjustments.

Trade receivables are assessed at each reporting date to determine whether there is evidence of impairment applying the expected credit loss model. In assessing the expected lifetime credit loss, the Group uses both historical information on credit losses and forward-looking information that is available without undue cost or effort. The Group considers evidence of impairment for trade receivables at a collective level by customer group. The customer groups are determined by grouping customers that have similar risk characteristics.

Significant increases in credit risk are reflected in the impairment allowance and are recognised in profit and loss. If the estimated credit risk subsequently decreases, the previously recognised increase in impairment allowance is recognised in profit and loss.

When the Group considers that it has no reasonable expectations of recovering a trade receivable, the relevant amounts are written off.

Impairment allowance is recognised in the statement of financial position as part of the carrying amount of trade receivables. Changes in allowance together with final bad debts are reported under other operating income and expenses.

Trade receivables are non-interest bearing. Applied payment terms are customary in the industry and market area and are generally on terms of 10 to 60 days.

The aging analysis of trade receivables is as follows:

	2025	Impaired	Net	2024	Impaired	Net
	€000	€000	€000	€000	€000	€000
Not past due	6 372	-3	6 368	32 298	-8	32 289
Past due						
< 30 days	3 043	-3	3 040	8 043	-10	8 033
30-60 days	77	0	77	1 667	-3	1 663
61-90 days	208	0	208	139	-2	137
> 90 days	168	-124	44	580	-121	459
Total	**9 868**	**-130**	**9 738**	**42 727**	**-146**	**42 581**

Trade receivables include receivables related to customer-directed materials.

Expected credit loss allowance is presented below.

	2025	2024
	€000	€000
Impairment allowance		
Opening balance 1.1	-146	-98
Released	-	2
Recognized	-49	-49
Discontinued operations	65	-
Balance at 31 December	**-130**	**-146**

OTHER CURRENT ASSETS

Details of other current assets are presented in the table below. From other current assets, the accrued income on manufacturing materials is classified as financial assets as its nature is similar to trade receivables.

	2025	2024
	€000	€000
Other current assets		
Prepayments and accrued income	1 346	70 726
Accrued income on manufacturing materials	621	2 140
VAT-receivables	1 791	5 206
Loan arrangement fee	-	250
Other S-T receivables	503	1 558
Total	**4 261**	**79 881**

17.6 TRADE AND OTHER PAYABLES

ACCOUNTING PRINCIPLE

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Applied trade payable payment terms are customary in the industry. Trade payables are classified as current liabilities if payment is due within 12 months or less. If not, they are presented as non-current liabilities.

Trade payables and accruals include liabilities related to customer-directed materials.

From other current liabilities and accruals, accruals on customer-directed manufacturing materials have been classified as financial liabilities as their nature is similar to trade payables.

	2025	2024
	€000	**€000**
Trade payables	**11 084**	**260 846**
Other current liabilities and accruals		
Employment benefit related liabilities	2 660	4 525
Other current liabilities	28	24
Total	2 688	4 549
Employment benefit related accruals	10 861	20 685
Accruals on manufacturing materials	22 536	68 674
Other accruals	8 117	14 268
Total	41 514	103 627
Total	**44 202**	**108 176**

17.7 LOANS AND BORROWINGS

SUMMARY

	2025	2024
	€000	€000
Current interest-bearing loans and borrowings		
Obligations under lease contracts	2 094	7 811
Loans	-	104 632
Total current	**2 094**	**112 443**
Non-current interest-bearing loans and borrowings		
Obligations under lease contracts	9 835	24 575
Loans	133 188	-
Total non-current	**143 023**	**24 575**
Total interest-bearing loans and borrowings	**145 117**	**137 018**
Cash and cash equivalents	**-108 023**	**-48 969**
Net debt	**37 094**	**88 048**

CHANGES

Changes in loans are presented in the table below.

Changes in lease liabilities are presented in Note 11.

	2025	2024
	€000	€000
At 1 January	**104 632**	**100 000**
Increase in loans	44 951	4 365
Repayment of loans	-16 401	-
Other changes	7	267
At 31 December	**133 188**	**104 632**
Of which current	-	*104 632*
Of which non-current	*133 188*	-

FINANCING AGREEMENTS

In December 2021, an agreement for a EUR 100 million working capital financing facility was signed with Finnvera and guaranteed by the European Investment Bank's Pan-European Guarantee Fund. The facility was fully utilized at the end of 2024.This agreement was extended with partial re-payment of the loan in August 2025 and the outstanding loan amount was EUR 88,2 million at the end of 2025. The term of the loan is until October 2030, average maturity is 3,8 years and there are no financial covenants in the loan.

In addition, Valmet Automotive Plc entered into a 45,0 million agreement in August 2025 to settle certain supplier liabilities. The agreement bears interest and it has an average maturity of 3,0 years with the final installment due in October 2029. There are no financial covenants associated with the arrangement.

In the last quarter of 2024, the Group's RKS business area entered into a new overdraft facility and guarantee limit with a total nominal amount of approximately EUR 20 million. The arrangement also includes a lease limit of approx. EUR 2,8 million, increasing the total value to approx. EUR 22,8 million. The term of the financial arrangement is until October 2026 and it includes customary securities, assignments and restrictions. The utilization of the overdraft facility at the end of 2025 was EUR 0,0 (4,6) million.

The RKS overdraft facility and guarantee limit includes certain financial covenant requirements for the performance and financial stability and following covenants are reviewed annually based on the audited local financial statements of the VA Poland Sp. z o.o.:

1) EBITDA-margin must be at least 2,5%
2) Capital ratio (as defined by the bank) cannot be lower than 40%

The covenant requirements are met in 2025 based on the local financial statements (unaudited at the time of Group Financial Statement preparation).

Lease financing is used for acquisition of facilities, machinery and equipment.

MATURITY PROFILE

The table below summarises the maturity profile of the Group's interest-bearing liabilities and trade payables based on contractual undiscounted payments.

Year ended 31 December 2025	**On demand**	**Less than 3 months**	**3 to 12 months**	**1 to 5 years**	**> 5 years**	**Total**
	€000	**€000**	**€000**	**€000**	**€000**	**€000**
Interest-bearing loans and borrowings	-	3 516	3 948	157 643	-	165 107
Lease liabilities	-	560	1 974	5 254	7 991	15 779
Trade payables	1 494	9 579	11	-	-	11 084
Accruals on manufacturing materials	-	22 536	-	-	-	22 536
	1 494	**36 191**	**5 933**	**162 897**	**7 991**	**214 506**

Year ended 31 December 2024	**On demand**	**Less than 3 months**	**3 to 12 months**	**1 to 5 years**	**> 5 years**	**Total**
	€000	**€000**	**€000**	**€000**	**€000**	**€000**
Interest-bearing loans and borrowings	-	-	106 609	4 637	-	111 246
Lease liabilities	-	1 287	7 629	22 669	2 235	33 820
Trade payables	126 844	134 011	-	-	-	260 856
Accruals on manufacturing materials	-	68 674	-	-	-	68 674
	126 844	**203 971**	**114 238**	**27 306**	**2 235**	**474 596**

17.8 EQUITY

ACCOUNTING PRINCIPLES

Equity and capital reserves

Equity consists of share capital, other capital reserves, exchange differences on translation of foreign operations, fund for invested unrestricted equity, hybrid capital and retained earnings.

Reserve for invested non-restricted equity

The reserve for invested non-restricted equity contains the other equity-related investments and share subscription prices to the extent not to be credited to the share capital.

Exchange differences on translation of foreign operations

Exchange differences relating to the translation of the results and net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency euro are recognised in other comprehensive income and accumulated in the equity.

Hybrid capital instruments

Hybrid capital is initially recognised at fair value less transaction costs and subsequently the capital is measured at cost. If interest is paid to the hybrid capital, it is charged to equity.

SUMMARY

	Number of shares	Share capital €000	Share premium €000	Funds invested for unrestricted equity €000	Other capital reserves €000	Hybrid capital €000	Total €000
At 1 January 2024	**35 926 527**	**10 932**	**1 704**	**88 432**	**5 382**	**20 000**	**126 450**
Share issue	4 242 356						
Conversion of Hybrid capital				20 000		-20 000	**0**
At 31 December 2024	**40 168 883**	**10 932**	**1 704**	**108 432**	**5 382**	**0**	**126 450**
Share issue	13 817 895			37 500			37 500
At 31 December 2025	**53 986 778**	**10 932**	**1 704**	**145 932**	**5 382**	**0**	**163 950**

SHARES

At the beginning of 2025, the number of shares was 40 168 883. During 2025 Valmet Automotive Plc issued 13 817 895 new shares in a directed share issue to Pontos Oy and a Finnish State holding company Gov Holding Oy, with consideration, deviating from the shareholders' pre-emptive subscription rights in accordance with the shareholders' resolution. The share issue generated cash proceeds of EUR 37,5 million. At the end of 2025, the number of shares was 53 986 778.

During 2024 Valmet Automotive Plc issued 4 242 356 new shares in a directed share issue to Tesi, without consideration, also deviating from the shareholders' pre-emptive rights to issued shares in accordance with the shareholders' resolution.

HYBRID CAPITAL INSTRUMENTS

The Group issued a EUR 20 million hybrid capital on 24 April 2020, an instrument classified as equity in the financial statements. The hybrid capital was converted into equity during 2024. The accrued interest was EUR 15,4 million at the time of the conversion. This interest was not recognised in the accounts and it was declared as void at the time of the hybrid capital conversion.

PROFIT DISTRIBUTION

There were no dividend payments or other distributions for the financial year ended 31.12.2025 and 31.12.2024.

18 PROVISIONS

ACCOUNTING PRINCIPLES

Provisions are recognised when the Group has a present obligation as a result of a past event, and it is probable that an outflow of resources is required to settle the obligation and a reliable estimate of the amount of the obligation can be made.

Provisions, for which settlement is expected to occur more than one year after the initial recognition, are discounted to their present value and adjusted in subsequent closings for the time effect.

A provision for restructuring costs is recognised only after management has developed and approved a detailed plan and started the implementation of the plan or communicated the plan. Employee termination benefits are recognised after the representatives of employees or individual employees have been informed of the intended measures in detail and the related compensation packages can be reliably measured. Restructuring costs are booked to the expense group to which they by nature belong, e.g., termination payments are entered in personnel expenses.

Provisions for warranties cover the estimated costs to repair or replace products still under warranty on the balance sheet date. The Group provides warranty usually for 3 to 5 years, in line with the industry practice. Provision for warranty is calculated based on historical experience. A liability is recognised at the time the product is sold.

Provisions for loss-making contracts are recognised in the period in which they are determined.

SIGNIFICANT MANAGEMENT ESTIMATES AND JUDGMENTS

Provision amounts to be recorded are based on management judgement and are the best estimate of the cost required to settle the obligations at the reporting date. Provisions are reviewed on a regular basis, and when necessary, adjusted to reflect the current best estimate. The actual costs may differ from the estimated costs.

The most significant provisions based on estimates are warranty provisions. Warranty provisions include estimated costs for repair work during warranty periods.

	Warranty provision	Restructuring provision	Loss contracts	Other provision	Total
	€000	**€000**	**€000**	**€000**	**€000**
At 1 January 2025	**16 039**	**5 714**	**11 092**	**-**	**32 846**
Arising during the year	1 220	6 494	2 616	-	**10 330**
Utilised		-3 913	-197	-	**-4 695**
Released		-1 310	-	-	**-2 772**
Discontinued operations		-386	-11 092	-	**-23 109**
Foreign exchange differences	37	-	2	-	**39**
At 31 December 2025	**3 619**	**6 599**	**2 421**	**-**	**12 639**
At 1 January 2024	**12 875**	**703**	**-**	**189**	**13 767**
Arising during the year	6 195	6 686	11 092	-	**23 973**
Utilised		-1 327	-	-117	**-2 331**
Released		-348	-	-76	**-2 607**
Foreign exchange differences	40	-	-	3	**43**
At 31 December 2024	**16 039**	**5 714**	**11 092**	**-**	**32 844**
Non-current	2 418	660	1 385	-	**4 463**
Current	1 202	5 939	1 036	-	**8 176**

19 OTHER COMMITMENTS AND CONTINGENCIES

There are no commitments or contingent liabilities recorded in the accounts.

The Group has common fixed price supply agreements, which do not require recognition in the accounts.

	31.12.2025	31.12.2024
	€000	**€000**
Mortgages and pledges	637 436	637 265
Guarantees	5 051	24 900
Pledge on insurance contracts	59 288	58 650
Other	431	1 317
Total	**702 206**	**722 132**

The majority of mortgages and pledges at the end of 2025 and 2024 are related to the working capital financing facility granted by Finnvera. The amounts also include mortgages and pledges, guarantees and pledge on insurance proceeds at Valmet Automotive Sp. z o.o. (RKS) related to its overdraft facility.

There is no ongoing litigation that is likely to result in significant liability.

20 RELATED PARTY TRANSACTIONS

ACCOUNTING PRINCIPLES

Related parties of the Group comprise its shareholders that have control or significant influence over the Group, members of the Board of Directors, the Chief Executive Officer and other key management personnel, as well as their close family members. Related parties also include entities that are controlled or jointly controlled by such persons, or over which they exercise significant influence.

A related party transaction is a transfer of resources, services or obligations or any other contractual relationship between the Group and its related party, regardless of whether a price is charged.

TRANSACTIONS

The Group's transactions with related parties are detailed below.

		Expenses	Accrued expenses
		€000	€000
Key management personnel	31.12.2025	242	-
	31.12.2024	337	-
Entity with significant influence over the Group	31.12.2025	-	-
	31.12.2024	284	94

The Group has a consulting agreement with one Board member. No payments were made under this agreement in 2025.

KEY MANAGEMENT COMPENSATION

The key management includes the Board of Directors and the Group Management Office (GMO) until end of September 2025. As of October 1, 2025, the GMO was replaced with Valmet Automotive and RKS management boards.

The remuneration paid or payable to key management based on the work performed consists of the following:

	2025	2024
	€000	€000
Salaries and other short-term employee benefits	-1 612	-1 676
Share based benefit	-	439
Other long-term employee benefits	-225	-117
Total compensation	**-1 837**	**-1 354**

In addition, the Board of Directors' compensation amounted to EUR 190 thousand in 2025 and EUR 295 thousand in 2024.

21 EVENTS AFTER THE REPORTING PERIOD

On February 10, 2026, it was announced that Valmet Automotive and Jeti Industries have signed a preliminary agreement for serial production of modular electric buses at the Uusikaupunki plant. The production on electric buses aligns with the plan to offer advanced industrial serial production expertise to other industries alongside car manufacturing. The collaboration between Valmet Automotive and Jeti would mark the first time that electric buses for city and regional transport are produced in the Nordic countries in a modern automotive plant based on a contract manufacturing model.

FINANCIAL STATEMENTS OF THE PARENT COMPANY (FAS)

INCOME STATEMENT OF THE PARENT COMPANY

	1 Jan - 31 Dec 2025	1 Jan - 31 Dec 2024
	EUR	EUR
Gross sales*	**828 948 968,54**	**693 502 456,76**
Customer directed materials	-658 787 097,23	-551 450 630,19
Net sales	**170 161 871,31**	**142 051 826,57**
Change in inventories of finished goods and in work in progress	-709 112,59	384 176,49
Other operating income	7 611 686,60	12 236 959,26
Materials and services	-61 025 744,04	-55 395 001,50
Personnel expenses	-63 801 187,22	-58 458 933,98
Depreciation and impairment	-25 192 505,90	-28 681 153,17
Other operating expenses	-31 137 116,16	-33 070 002,99
Total expenses	-181 156 553,32	-175 605 091,64
Operating profit	**-4 092 108,00**	**-20 932 129,32**
Finance income and expenses	-6 849 033,08	-350 081,20
Loss before appropriations and taxes	**-10 941 141,08**	**-21 282 210,52**
Change in cumulative accelerated depreciation	295 035,36	4 311 971,51
Change in deferred taxes	1 022 548,99	-997 752,44
Income taxes	-	-134 953,19
Loss for the financial year	**-9 623 556,73**	**-18 102 944,64**

*Gross sales are defined as total (gross) sales including both net sales and sales of customer-directed materials and parts. Customer-directed materials and parts are materials that are purchased from the principal or from suppliers selected by the principal at prices negotiated by the principal.

BALANCE SHEET OF THE PARENT COMPANY

	31 December 2025	31 December 2024
Assets	**EUR**	**EUR**
Non-current assets		
Intangible assets		
Intangible assets	439 333,46	237 324,13
Other capitalized long term expenditure	1 511 695,69	2 033 848,39
Assets under construction	12 079 461,49	12 764 173,65
	14 030 490,64	**15 035 346,17**
Property, plant and equipment		
Land and water areas	4 759 290,81	4 759 290,81
Buildings	32 296 973,89	34 837 850,88
Machinery and equipment	19 965 751,04	38 769 508,29
Other tangible assets	1 196 369,97	1 458 180,36
Assets under construction	209 896,17	1 451 995,49
	58 428 281,88	**81 276 825,83**
Investments		
Shares in group companies	53 767 824,26	89 127 117,32
Other shares and participations	77 152,56	77 993,50
	53 844 976,82	**89 205 110,82**
Non-current assets total	**126 303 749,34**	**185 517 282,82**
Current assets		
Inventories		
Materials and supplies	259 924,02	32 240 743,44
Work in progress	16 780,94	5 081 740,90
Finished products	83 448,66	83 448,66
	360 153,62	**37 405 933,00**
Long-term receivables		
Loan receivables from group companies	8 063 574,00	8 063 574,00
Deferred tax asset	7 763 195,69	6 740 646,70
	15 826 769,69	**14 804 220,70**
Short-term receivables		
Accounts receivable	3 398 553,65	22 856 269,51
Receivables from group companies	172 025,57	5 290 978,08
Other receivables	675 241,34	661 552,27
Prepayments and accrued income	1 759 886,77	13 994 658,07
	6 005 707,33	**42 803 457,93**
Bank and cash	**98 158 120,47**	**26 599 991,55**
Current assets total	**120 350 751,11**	**121 613 603,18**
Total Assets	**246 654 500,45**	**307 130 886,00**

BALANCE SHEET OF THE PARENT COMPANY

	31 December 2025	31 December 2024
Shareholders' equity and liabilities	**EUR**	**EUR**
Shareholders' equity		
Share capital	10 932 215,22	10 932 215,22
Share premium reserve	1 704 135,55	1 704 135,55
Revaluation reserve	5 382 013,65	5 382 013,65
Reserve for invested unresticted equity	146 340 723,19	108 840 723,19
Retained earnings	-99 800 287,17	-81 697 342,53
Profit for the financial year	-9 623 556,73	-18 102 944,64
	54 935 243,71	**27 058 800,44**
Appropriations		
Cumulative accelerated depreciation	372 318,39	667 353,75
	372 318,39	**667 353,75**
Provisions		
Other provisions	9 478 214,06	6 748 683,99
	9 478 214,06	**6 748 683,99**
Liabilities		
Non-current liabilities		
Loans from financial institutions	88 237 502,83	-
Other liabilities	44 950 626,25	-
Accrued expenses	280 181,93	132 936,00
Deferred tax liability	1 345 503,41	1 345 503,41
	134 813 814,42	**1 478 439,41**
Current liabilities		
Loans from financial institutions	-	100 000 000,00
Advances received	-	11 464 008,30
Trade payables	6 692 306,46	115 308 224,59
Liabilities to group companies	1 119 828,42	2 217 009,76
Other liabilities	1 368 258,34	1 325 452,32
Accrued expenses	37 874 516,65	40 862 913,44
	47 054 909,87	**271 177 608,41**
Total liabilities	**181 868 724,29**	**272 656 047,82**
Total shareholders' equity and liabilities	**246 654 500,45**	**307 130 886,00**

CASH FLOW STATEMENT OF THE PARENT COMPANY

	2025	2024
	EUR	EUR
Operating activities		
Operating profit (loss)	**-4 092 108,00**	**-20 932 129,32**
Adjustments		
Depreciation and impairments	25 192 505,90	28 681 153,17
Other non-cash adjustments	-8 219 305,01	-15 431 739,03
Change in net working capital		
Inventory, increase (-) / decrease (+)	37 045 779,38	-2 918 927,95
Short term receivables, increase (-) / decrease (+)	36 600 278,06	7 996 514,06
Short term liabilities, increase (+) / decrease (-)	-69 180 550,28	21 034 398,32
Finance income and expenses, taxes	-4 885 612,47	-2 113 922,52
Net cash flows from operating activities	**12 460 987,58**	**16 315 346,73**
Investing activities		
Acquisitions of fixed assets, net	-1 339 106,42	-10 020 221,61
Fixed assets sales	4 638,02	179 107,16
Shares and participations, net	35 000 000,00	-3 499 997,67
Increase (-) / decrease (+) in loans, non-current assets	-	30 297 382,81
Net cash flows from investing activities	**33 665 531,60**	**16 956 270,69**
Net cash flows before financing activities	**46 126 519,18**	**33 271 617,42**
Financing activities		
Reserve for invested unresticted equity	37 500 000,00	-
Increase (+) / decrease (-) in loan liabilities	-12 068 390,26	-27 501 481,95
Net cash flows from financing activities	**25 431 609,74**	**-27 501 481,95**
Net cash flow after financing activities	**71 558 128,92**	**5 770 135,47**
Cash and cash equivalents at the beginning of year	26 599 991,55	20 829 856,08
Cash and cash equivalents at 31 December	**98 158 120,47**	**26 599 991,55**

NOTES TO THE PARENT COMPANY FINANCIAL STATEMENTS (FAS)

1. ACCOUNTING PRINCIPLES

Basis of preparation

The domicile of the parent company is Uusikaupunki, Finland. The parent company financial statements have been prepared in accordance with the Finnish Accounting Standards (FAS).

Foreign currency translation

Receivables and payables in foreign currency are converted into Euros at the exchange rates of the European Central Bank for the balance sheet date. Exchange gains and losses related to fixed assets are treated as adjustments to the acquisition cost of fixed assets.

Fixed assets and depreciation

Fixed assets are mainly stated at original purchase prices. Depreciation and amortization are made on a straight-line basis. The buildings and land areas also include revaluations.

Depreciation time according to expected useful lives of the assets:

Intangible assets	3 - 10 years
Improvements of land areas	10 years
Buildings and structures	20 years
Machinery and equipment	3 - 10 years

Inventories

Inventories are valued at the original purchase price or at the lower of cost or market. Indirect production costs are also included to the work in progress inventory value.

Receivables

Receivables are booked at nominal value or at their estimated realizable value if lower.

Deferred tax assets and liabilities

Deferred tax liabilities or assets are calculated based on temporary differences between financial reporting and the taxation calculated with enacted tax rates effective for the future years. The deferred tax liabilities are recognised in the balance sheet in full, and the deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Revenue recognition based on the percentage of completion

Revenue on long-term contracts is recognised based on the Percentage of Completion (POC) Method. A project lasting more than one year is considered a long-term contract. Percentage of completion is calculated based on costs incurred to date in relation to total estimated project costs (cost-to-cost method).

Material purchases

Customer directed material for manufacturing is included in gross sales but excluded from net sales. All the materials are included in inventory, accounts payable, accruals and accounts receivable in the balance sheet. Gross sales are defined as total (gross) sales including both net sales and sales of customer-directed materials and parts. Customer-directed materials and parts are materials that are purchased from the principal or from suppliers selected by the principal at prices negotiated by the principal.

2. NOTES OF THE INCOME STATEMENT

	2025	2024
Net sales	**EUR**	**EUR**
By Business area		
Vehicle contract manufacturing	168 990 622,76	142 051 826,57
Engineering services	1 171 248,55	-
Total net sales	**170 161 871,31**	**142 051 826,57**
By Market area		
Finland	804 853,04	2 509 177,07
Germany	169 296 225,42	139 520 455,14
Others	60 792,85	22 194,36
Total net sales	**170 161 871,31**	**142 051 826,57**
Specification of net sales		
POC sales	-	729 781,96
Other sales	170 161 871,31	141 322 044,61
Total net sales	**170 161 871,31**	**142 051 826,57**
Other operating income		
Royalties from group companies	-	148 996,34
Other income from group companies	3 212 643,03	10 687 619,21
Government grants	848 324,02	78 190,12
Compensation from suppliers	1 362 344,53	1 128 242,76
Other income	2 188 375,02	193 910,83
Total operating income	**7 611 686,60**	**12 236 959,26**
Materials and services		
Materials	-59 872 909,55	-54 311 496,90
External services	-1 152 834,49	-1 083 504,60
Total materials and services	**-61 025 744,04**	**-55 395 001,50**
Personnel expenses		
Wages and salaries	-53 204 273,01	-49 286 241,52
Pension insurances	-8 378 198,11	-7 622 250,62
Other indirect employee costs	-2 218 716,10	-1 550 441,84
Total personnel expenses	**-63 801 187,22**	**-58 458 933,98**
Compensation to the Board of Directors	**190 000,00**	**295 250,00**
The average number of personnel	981	1 097

Pension liabilities

The pension responsibility for personnel is covered by a pension insurance agreement with an external insurance company.

	2025	2024
	EUR	EUR
Depreciation and write-down of fixed assets		
Intangible rights	-139 224,77	-114 529,44
Other capitalized long-term expenditure	-1 605 808,61	-1 529 980,38
Improvements of land areas	-261 810,39	-267 177,56
Buildings	-4 006 461,91	-4 120 960,95
Machinery and equipment	-19 179 200,22	-22 648 504,84
Total depreciation and write-down of fixed assets	**-25 192 505,90**	**-28 681 153,17**

Other operating expenses		
Property, operating and maintenance costs	-7 883 112,82	-8 743 384,68
Research and development expenses	-122 417,94	-28 000,00
External services	-5 847 306,72	-7 435 149,49
ICT expenses	-8 030 937,06	-6 989 048,86
Machinery and equipment expenses and leases	-3 322 287,47	-4 236 034,17
Other personnel expenses	-2 647 921,88	-1 736 371,13
Other operating expenses	-3 283 132,27	-3 902 014,66
Total other operating expenses	**-31 137 116,16**	**-33 070 002,99**

Services rendered by statutory auditors		
Audit services	-280 001,00	-237 907,60
Other services	-28 040,00	-66 100,89
Total services rendered by statutory auditors	**-308 041,00**	**-304 008,49**

	2025	2024
	EUR	EUR
Finance income		
Dividend income	29 963,12	5 054,27
Interest income	472 243,51	880 486,36
Interest income from group companies	383 543,88	2 384 628,85
Gain from foreign exchange	10,85	253 291,33
Other finance income	37 386,11	-
Other finance income from group companies	-	4 436 891,23
Total finance income	**923 147,47**	**7 960 352,04**
Finance cost		
Interest expenses	-7 083 971,56	-7 437 005,30
Interest expenses to group companies	-20 542,27	-613 183,66
Other finance expenses	-308 373,66	-260 244,28
Total finance cost	**-7 412 887,49**	**-8 310 433,24**
Losses from sale of subsidiary	**-359 293,06**	**-**
Total finance income and expenses	**-6 849 033,08**	**-350 081,20**

Appropriations		
Change in accelerated depreciation	295 035,36	4 311 971,51
of which profit for the financial year	*236 028,29*	*3 449 577,21*
of which deferred tax liability	*59 007,07*	*862 394,30*
Total	**295 035,36**	**4 311 971,51**

Income taxes		
Previous year taxes	-	-134 953,19
Change in deferred taxes	1 022 548,99	-997 752,44
Total	**1 022 548,99**	**-1 132 705,63**

3. NOTES OF BALANCE SHEET

	2025	2024
Non-current assets	**EUR**	**EUR**
Intangible assets		
Intangible rights		
Historical purchase price 1.1	3 805 445,15	9 030 230,60
Additions	342 211,50	86 503,41
Disposals	-238 289,23	-5 369 770,90
Reclassifications	500,00	58 482,04
Total cost 31.12.	**3 909 867,42**	**3 805 445,15**
Accumulated depreciation 1.1	3 568 121,02	8 783 388,16
Depreciation charge of the year	139 224,77	114 529,44
Disposals	-236 811,83	-5 329 796,58
Accumulated depreciation 31.12	**3 470 533,96**	**3 568 121,02**
Book value 31.12	**439 333,46**	**237 324,13**
Other capitalised long-term expenditure		
Historical purchase price 1.1	16 650 106,26	16 203 418,06
Additions	157 276,52	185 587,96
Disposals	-133 638,41	-
Reclassifications	304 376,39	261 100,24
Total cost 31.12.	**16 978 120,76**	**16 650 106,26**
Accumulated depreciation 1.1	14 616 257,87	13 086 277,49
Depreciation charge of the year	983 805,61	1 529 980,38
Disposals	-133 638,41	-
Accumulated depreciation 31.12	**15 466 425,07**	**14 616 257,87**
Book value 31.12	**1 511 695,69**	**2 033 848,39**
Assets under construction		
Historical purchase price 1.1	12 764 173,65	14 902 952,47
Additions	242 167,23	7 205 712,25
Disposals	-622 003,00	-9 024 908,79
Reclassifications	-304 876,39	-319 582,28
Total cost 31.12.	**12 079 461,49**	**12 764 173,65**
Book value 31.12	**12 079 461,49**	**12 764 173,65**

	2025	2024
Property, plant and equipment	**EUR**	**EUR**
Land- and water areas		
Historical purchase price 1.1	4 591 102,88	4 591 102,88
Total cost 31.12.	**4 591 102,88**	**4 591 102,88**
Accumulated revaluation 1.1.	168 187,93	168 187,93
Revaluation 31.12.	**168 187,93**	**168 187,93**
Book value 31.12	**4 759 290,81**	**4 759 290,81**

Buildings and constructions		
Historical purchase price 1.1	54 285 263,78	78 499 802,95
Additions	336 763,87	874 385,74
Disposals	-123 364,20	-25 776 311,02
Reclassifications	52 782,99	687 386,11
Total cost 31.12.	**54 551 446,44**	**54 285 263,78**
Revaluation 1.1	6 559 329,13	6 559 329,13
Revaluation 31.12	**6 559 329,13**	**6 559 329,13**
Accumulated depreciation 1.1	26 006 742,03	25 289 250,86
Depreciation charge of the year	2 851 691,79	4 120 960,95
Disposals	-44 632,14	-3 403 469,78
Accumulated depreciation 31.12	**28 813 801,68**	**26 006 742,03**
Book value 31.12	**32 296 973,89**	**34 837 850,88**

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	2025	2024
	EUR	EUR
Machinery and equipment		
Historical purchase price 1.1	282 392 889,60	280 286 419,72
Additions	273 352,61	1 533 721,68
Disposals	-22 704 584,07	-405 314,66
Reclassifications	102 090,36	978 062,86
Total cost 31.12.	**260 063 748,50**	**282 392 889,60**
Accumulated depreciation 1.1	243 623 381,31	221 186 175,62
Depreciation charge of the year	19 123 166,22	22 647 982,50
Disposals	-22 648 550,07	-210 776,81
Accumulated depreciation 31.12	**240 097 997,46**	**243 623 381,31**
Book value 31.12	**19 965 751,04**	**38 769 508,29**
Other tangible assets		
Historical purchase price 1.1	2 750 556,07	2 793 871,27
Additions	-	-
Disposals	-	-43 315,20
Reclassifications	-	-
Total cost 31.12.	**2 750 556,07**	**2 750 556,07**
Accumulated depreciation 1.1	1 292 375,71	1 031 695,43
Depreciation charge of the year	261 810,39	267 177,56
Disposals	-	-6 497,28
Accumulated depreciation 31.12	**1 554 186,10**	**1 292 375,71**
Book value 31.12	**1 196 369,97**	**1 458 180,36**
Assets under construction		
Historical purchase price 1.1	1 451 995,49	2 910 470,00
Additions	8 368,46	206 974,46
Disposals	-1 095 594,43	-
Reclassifications	-154 873,35	-1 665 448,97
Total cost 31.12.	**209 896,17**	**1 451 995,49**
Book value 31.12	**209 896,17**	**1 451 995,49**

		2025	2024
		EUR	**EUR**
Investments			
Shares and participations	**Share-%**		
Group companies			
Valmet Automotive GmbH	100	22 658 000,00	22 658 000,00
Ioncor Oy	0/100	-	35 359 293,06
Valmet Automotive Sp. z o.o.	100	31 084 824,26	31 084 824,26
Valmet Automotive Management GmbH	100	25 000,00	25 000,00
Total Group companies		**53 767 824,26**	**89 127 117,32**
Other shares			
Other shareholdings total		77 152,56	77 993,50
Total other shares		**77 152,56**	**77 993,50**
Total shares and participations		**53 844 976,82**	**89 205 110,82**

	2025	2024
	EUR	EUR
Other short-term receivables		
VAT receivables	608 120,82	582 221,95
Salary and travel advances	6 435,25	10 981,16
Other receivables	60 685,27	68 349,16
Total other short-term receivables	**675 241,34**	**661 552,27**
Accrued income and prepaid expenses		
Short-term		
Accrued income	1 642 062,14	13 186 618,12
Loan arrangement fee	-	250 000,00
Other accrued income and prepaid expenses	117 824,63	558 039,95
Total short-term	**1 759 886,77**	**13 994 658,07**
Total accrued income and prepaid expenses	**1 759 886,77**	**13 994 658,07**
Receivables from group companies		
Long-term		
Loans receivable	8 063 574,00	8 063 574,00
Total long-term	**8 063 574,00**	**8 063 574,00**
Short-term		
Accounts receivable	80 665,28	4 508 094,63
Accrued income	91 360,29	782 883,45
Total short-term	**172 025,57**	**5 290 978,08**
Total receivables from group companies	**8 235 599,57**	**13 354 552,08**
Bank and cash		
Cash	38 120 734,36	26 599 991,55
Short-term financial investments	60 037 386,11	-
Total bank and cash	**98 158 120,47**	**26 599 991,55**

	2025	2024
	EUR	EUR
Shareholders' equity		
Equity		
Shareholders' equity 1.1.	10 932 215,22	10 932 215,22
Shareholders' equity 31.12.	10 932 215,22	10 932 215,22
Additional paid-in capital 1.1.	1 704 135,55	1 704 135,55
Additional paid-in capital 31.12.	1 704 135,55	1 704 135,55
Revaluation reserve 1.1.	5 382 013,65	5 382 013,65
Revaluation reserve 31.12.	5 382 013,65	5 382 013,65
Total restricted equity	**18 018 364,42**	**18 018 364,42**
Unrestricted equity		
Reserve for invested unrestricted equity 1.1.		88 840 723,19
Reserve for invested unrestricted equity 31.12.	146 340 723,19	108 840 723,19
Retained earnings 1.1.	-99 800 287,17	-81 697 342,53
Retained earnings 31.12.	-99 800 287,17	-81 697 342,53
Net income for the year	-9 623 556,73	-18 102 944,64
Total unrestricted equity	**36 916 879,29**	**9 040 436,02**
Total shareholders' equity	**54 935 243,71**	**27 058 800,44**

During the financial year, a capital contribution amounting to EUR 37,5 million was made to the reserve for invested unrestricted equity.

Distributable funds		
Retained earnings	-99 800 287,17	-81 697 342,53
Net income for the year	-9 623 556,73	-18 102 944,64
Reserve for invested unrestricted equity	146 340 723,19	108 840 723,19
Total distributable funds	**36 916 879,29**	**9 040 436,02**

Appropriations		
Cumulative accelerated depreciation	372 318,39	667 353,75
of which shareholders equity	*297 854,71*	*533 883,00*
of which deferred tax liability	*74 463,68*	*133 470,75*
Total appropriations	**372 318,39**	**667 353,75**

	2025	2024
	EUR	EUR
Provisions		
Provision for restructuring, personnel	6 496 950,90	2 328 403,47
Long-service benefit	2 622 347,22	2 923 971,12
Warranty reserves	358 915,94	1 496 309,40
Total provisions	**9 478 214,06**	**6 748 683,99**
Advances received		
Other advances	-	11 464 008,30
Total advances received	**0,00**	**11 464 008,30**
Liabilities to group companies		
Short-term liabilities		
Accounts payable	46 686,31	407 107,39
Other short-term liabilities	1 073 142,11	1 809 902,37
Short-term liabilities total	**1 119 828,42**	**2 217 009,76**
Total liabilities to group companies	**1 119 828,42**	**2 217 009,76**
Other short-term liablities		
Witholding taxes and social security expenses	1 361 673,41	1 307 963,11
Other short-term liabilities	6 584,93	17 489,21
Total other short-term liablities	**1 368 258,34**	**1 325 452,32**
Accruals		
Wages and salaries including social security expenses	10 483 509,40	9 280 000,30
Accruals on manufacturing materials	22 917 428,94	28 634 929,17
Other accruals	4 753 760,24	3 080 919,97
Total accruals	**38 154 698,58**	**40 995 849,44**

4. OTHER NOTES

Other notes	2025 EUR	2024 EUR
Deferred taxes		
Deferred tax liabilities		
Revaluations of fixed assets	1 345 503,41	1 345 503,41
Total deferred taxes	**1 345 503,41**	**1 345 503,41**
Deferred tax asset		
Fixed assets (depreciation)	5 867 552,88	5 390 909,90
Accruals	1 895 642,81	1 349 736,80
Total deferred tax asset	**7 763 195,69**	**6 740 646,70**
Total deferred taxes	**6 417 692,28**	**5 395 143,29**
Mortgages and lease contracts		
Lease and rental contracts (Excluding VAT)		
Due within one year	1 160 141,98	1 795 546,90
Due between 1 and 2 years	474 127,13	550 233,02
Due between 2 and 3 years	81 746,36	138 304,85
Due more than 3 years	4 847,50	-
Total lease and rental contracts	**1 720 862,97**	**2 484 084,77**
Other commitments		
Solar energy sourcing contract	430 972,00	462 700,00
Total other commitments	**430 972,00**	**462 700,00**
Other mortgages and pledges		
Mortgages and pledges	593 257 383,00	593 277 471,00
Other guarantees on behalf of group companies	3 338 585,70	6 960 365,49
Total other mortgages and pledges	**596 595 968,70**	**600 237 836,49**

SIGNATURES FOR BOARD OF DIRECTORS' REPORT AND FINANCIAL STATEMENTS

Helsinki, March 11, 2026

KARI HEINISTÖ
Kari Heinistö
Chairman

TIMO KOKKILA
Timo Kokkila
Member

SVEN ENNERST
Sven Ennerst
Member

SINIKKA MUSTAKARI
Sinikka Mustakari
Member

PEKKA KUUSNIEMI
Pekka Kuusniemi
Member

RIITTA PALOMÄKI
Riitta Palomäki
Member

JARI VÄHÄPESOLA
Jari Vähäpesola
Member

PASI RANNUS
Pasi Rannus
Chief Executive Officer

A report on the audit performed has been issued on the date indicated by the electronic signature.

Ernst & Young Oy
Authorized Public Accountant Firm

SUSANNA SAARILUOMA
Susanna Saariluoma
Authorized Public Accountant


VALMET AUTOMOTIVE