

INCAP GROUP

Half-year report

January-June 2025

Content

Key figures.....	3
Outlook for 2025.....	4
CEO's comments.....	5
Business environment.....	6
Financial performance.....	6
April–June 2025.....	6
January–June 2025.....	6
Balance sheet and financing.....	7
Investments.....	7
Research and development.....	8
Personnel.....	8
Management and organisation.....	8
Sustainability.....	8
Annual General Meeting 2025.....	9
Board of Directors and auditor.....	10
Shares and shareholders.....	10
Flagging notifications.....	11
Share-based incentives.....	11
Risk management.....	12
Short-term risks and uncertainties.....	12
Significant events after the end of the period.....	13
Strategy and targets.....	13
Financial reporting in 2025.....	13
Accounting principles for the half-year report.....	14
Consolidated statement of comprehensive income.....	14
Consolidated balance sheet.....	15
Consolidated cash flow statement.....	16
Consolidated statement of changes in equity.....	17
Group key figures and contingent liabilities.....	18
Reconciliation of alternative performance measures.....	19
Calculation of key figures.....	21

Incap Group's half-year report for January–June 2025 (unaudited)

April–June 2025 highlights

- Revenue for the second quarter of 2025 amounted to EUR 55.3 million (4–6/2024: EUR 57.6 million). Year-on-year decrease was 4.1%.
- Adjusted operating profit (EBIT) was EUR 6.3 million (EUR 7.0 million) or 11.5% of revenue (12.1%). Year-on-year decrease was 9.3%.
- Operating profit (EBIT) was EUR 6.0 million (EUR 6.8 million) or 10.8% of revenue (11.7%). Year-on-year decrease was 11.9%.
- Net profit for the period was EUR 0.9 million (EUR 5.1 million).
- Earnings per share were EUR 0.03 (EUR 0.17).

January–June 2025 highlights

- Revenue amounted to EUR 107.5 million (EUR 109.0 million). Year-on-year decrease was 1.4%.
- Adjusted operating profit (EBIT) was EUR 12.3 million (EUR 13.2 million) or 11.5% of revenue (12.1%). Year-on-year decrease was 6.3%.
- Operating profit (EBIT) was EUR 11.7 million (EUR 12.7 million) or 10.9% of revenue (11.7%). Year-on-year decrease was 8.4%.
- Net profit for the period was EUR 4.7 million (EUR 10.0 million).
- Earnings per share were EUR 0.16 (EUR 0.34).

Unless otherwise stated, the comparison figures refer to the corresponding period in 2024. This half-year report is unaudited.

Key figures

EUR million	4–6/25	4–6/24	Change	1–3/25	Change	1–6/25	1–6/24	Change	1–12/24
Revenue	55.3	57.6	-4.1%	52.2	5.9%	107.5	109.0	-1.4%	230.1
Non-recurring items	0.2	0.1	190.2%	0.1	59.8%	0.4	0.2	156.4%	0.4
Operating profit (EBIT)	6.0	6.8	-11.9%	5.7	4.1%	11.7	12.7	-8.4%	29.2
EBIT, % of revenue	10.8%	11.7%		11.0%		10.9%	11.7%		12.7%
Adjusted operating profit (EBIT)*	6.3	7.0	-9.3%	5.9	7.9%	12.3	13.2	-6.3%	30.1
Adjusted EBIT*, % of revenue	11.5%	12.1%		11.2%		11.5%	12.1%		13.1%
Net profit for the period	0.9	5.1	-82.8%	3.8	-76.9%	4.7	10.0	-53.5%	22.7
Equity ratio	66.2%	63.0%		65.9%		66.2%	63.0%		63.8%
Net gearing	-27.2%	-5.9%		-23.1%		-27.2%	-5.9%		-30.8%

*Adjusted operating profit (EBIT) is an alternative performance measure. Adjusted EBIT excludes non-recurring items and purchase price allocation amortisation. Adjusted EBIT provides comparable information between different financial years on operating profit.

Outlook for 2025

Incap updated its outlook on 22 July 2025. Incap estimates that its revenue for 2025 will be EUR 210–230 million and operating profit (EBIT) will be EUR 23–29 million. The estimate is impacted by the weakened US dollar and Indian rupee exchange rates as well as uncertainties related to US tariffs and other actions and policies of the US administration, due to which some customers have postponed their projects.

The estimates are given provided that unexpected events impacting Incap's business environment do not occur, for example, in the availability of components.

Previously Incap estimated that its revenue and operating profit (EBIT) in 2025 would be higher than in 2024.

CEO's comments

As anticipated, the year started on a cautious note, with some improvement in our second-quarter revenue and EBIT. However, we adjusted our outlook due to the weak US dollar and Indian rupee exchange rates. We had expected the market to gain clarity regarding the US tariffs and other policies of the new US administration by now, but this has not happened, and some customers are delaying their projects.

In the first half of the year, our revenue and EBIT were somewhat below last year's levels, impacted by the weaker US dollar and Indian rupee, as well as some delayed customer projects. However, in the second quarter, our revenue reached EUR 55.3 million, marking a 4% decrease from the previous year but a 6% increase from the first quarter of this year. Our EBIT stood at EUR 6 million in the second quarter, representing 10.8% of the revenue.

During the second quarter, we continued to focus on customer collaboration and operational excellence. We completed several audits to uphold our quality certifications. Additionally, Incap UK received JOSCAR Zero accreditation, further bolstering our credentials in the defence and aerospace sector. Throughout the first half of the year, we initiated new cross-factory projects aimed at sharing best practices and strengthening our operational capabilities.

We also made progress with our sustainability initiatives in the second quarter, developing our Climate Transition Plan with a roadmap and

targets for reducing emissions in our operations and value chain. We are actively exploring opportunities to increase the share of renewable energy consumption and reduce CO2 emissions, whether through installing solar panels on our premises or collaborating with our existing energy providers for more sustainable solutions.

Looking ahead, we expect the uncertainty in the global market to persist, particularly around tariffs, taxes, and geopolitical developments. We are closely monitoring the situation and will respond agilely. I am confident in our ability to navigate these challenges with our efficient operating model and continued close cooperation with our customers to optimize manufacturing costs.

I want to extend my heartfelt thanks to all our employees whose dedication and teamwork continue to drive our progress and success as we work toward achieving our goals. We will continue to focus on delivering strong results and long-term value to our shareholders. Our financial position remains solid, and we will continue to pursue M&A opportunities that align with our strategic objectives. With a clear long-term vision, we remain committed to driving growth both organically and through carefully considered mergers and acquisitions.

Otto Pukk, President and CEO of Incap Corporation

Business environment

The overall demand and market activity in the electronics manufacturing services (EMS) industry continued at a good level despite the geopolitical tensions and the uncertainty caused by the US administration. The general inflation and cost of manufacturing continued to increase. Incap works closely with its suppliers and customers to keep adequate inventory levels to mitigate the risks.

In the electronics manufacturing services industry, customers continue to be very price-conscious and expect that their manufacturing partners continuously increase their efficiency and stay competitive. Incap sees that the ability to quickly adapt to changes is a key success factor in the electronics industry today and in the

future. That ability is necessary in developing and implementing new products, production methods and ideas. The company estimates long-term market developments to be positive, as electronics are increasingly used in new types of products such as light vehicles and other everyday items.

In the longer term, the growth in electronics manufacturing services is driven by the growing use of electronics supported by megatrends within energy, technology, industrial, medical, defence and transportation sectors, including smart grids, renewable energy and off-grid applications, e-mobility, IoT as well as AI among others. The EMS industry is highly fragmented and offers potential for consolidation.

Financial performance

April–June 2025

In April–June 2025, revenue decreased 4.1% year on year and amounted to EUR 55.3 million (EUR 57.6 million). Revenue grew 5.9% quarter on quarter. Revenue was negatively impacted by foreign exchange rate fluctuations amounting to EUR -2.7 million (EUR 0.2 million).

April–June operating profit (EBIT) decreased 11.9% year on year and amounted to EUR 6.0 million (EUR 6.8 million). EBIT was negatively impacted by foreign exchange rate fluctuations amounting to EUR -0.3 million (EUR 0.0 million). Adjusted operating profit (EBIT) was EUR 6.3 million (EUR 7.0 million). Year-on-year decrease was 9.3%. Adjusted operating profit margin was 11.5% (12.1%). In April–June 2025, Incap did not record any material credit losses or inventory write-offs.

Financial income amounted to EUR 1.0 million (EUR 0.2 million) and financial expenses amounted to EUR 2.6 million (EUR 0.1 million). Both financial income and expenses increased, mainly due to foreign exchange gains or losses related to fluctuations in the US dollar and the Indian rupee.

Net profit for the period decreased 82.8% year on year and totalled EUR 0.9 million (EUR 5.1 million). The net profit of the period was particularly affected by a EUR 2.5 million withholding tax arising from intra-group dividend distribution to the parent company. Earnings per share were EUR 0.03 (EUR 0.17).

January–June 2025

In January–June 2025, revenue decreased 1.4% year on year and amounted to EUR 107.5 million (EUR 109.0 million). Revenue decreased 11.2% compared to the second half of 2024. Revenue was negatively impacted by foreign exchange rate fluctuations amounting to EUR -2.5 million (EUR 0.5 million).

In the first half of 2025, four biggest customers contributed to 61.4% (52.6%) of revenue. Out of the total customer base in the January-June 2025, 17 customers (20) exceeded EUR 1 million revenue.

January–June operating profit (EBIT) decreased 8.4% year on year and amounted to EUR 11.7

million (EUR 12.7 million). EBIT was negatively impacted by foreign exchange rate fluctuations amounting to EUR -0.3 million (EUR 0.0 million). Adjusted operating profit (EBIT) was EUR 12.3 million (EUR 13.2 million). Year-on-year decrease was 6.3%. Adjusted operating profit margin was 11.5% (12.1%). In January–June 2025, Incap did not record any material credit losses or inventory write-offs.

Personnel expenses were EUR 15.0 million (EUR 15.6 million). Other operating expenses were EUR 7.2 million (EUR 5.8 million) of which

EUR 1.5 million (EUR 0.9 million) related to contract workers.

Depreciation and amortisation were EUR 3.0 million (EUR 2.8 million).

Financial income was EUR 2.3 million (EUR 1.5 million) and financial expenses were EUR 4.7 million (EUR 1.4 million).

Net profit for the period decreased by 53.5% year on year and totalled EUR 4.7 million (EUR 10.0 million). Earnings per share were EUR 0.16 (EUR 0.34).

Balance sheet and financing

Total assets in the balance sheet on 30 June 2025 stood at EUR 199.3 million (EUR 194.5 million). The Group's equity at the end of the reporting period was EUR 128.5 million (EUR 119.2 million).

Liabilities decreased from the comparison period to EUR 70.8 million (EUR 75.4 million). EUR 29.5 million thereof (EUR 32.8 million) were interest-bearing liabilities. Interest-bearing net debt was EUR -34.9 million (EUR -7.0 million).

The Group's non-current interest-bearing liabilities amounted to EUR 26.0 million (EUR 29.5 million) and non-current non-interest-bearing liabilities to EUR 4.2 million (EUR 2.9 million). Current interest-bearing liabilities were EUR 3.5 million (EUR 3.3 million). Non-current interest-bearing liabilities included a loan of EUR 20.0 million (EUR 22.0 million) granted by the company's Finnish bank.

The main covenants of the Group's loans include equity ratio and the Group's interest-bearing debt in relation to EBITDA, and their status is reviewed every six months. In the review on 30 June 2025, the target level of interest-bearing debt in relation to EBITDA was below 3.0 and that of the equity ratio over 30%. The company met these covenants as the actual figure for interest-bearing debt/EBITDA on the review date was 0.9 and the equity ratio 66.2%.

With regards to the loans granted by the Indian bank, the company is committed to follow ordinary covenants and the bank's general loan conditions.

At the end of June 2025, the company's financial position remained strong. Equity ratio increased to 66.2% (63.0%), and net gearing was -27.2% (-5.9%).

The Group's cash position during the reporting period was good. On 30 June 2025, the Group's cash and cash equivalents totalled EUR 64.4 million (EUR 39.8 million) and the company had unutilised credit lines amounting to EUR 8.0 million (EUR 8.0 million).

Cash flow from operating activities was EUR 2.2 million (EUR 3.2 million). Cash flow from operating activities was affected negatively by the decrease of payables and EUR 2.5 million withholding tax related to internal dividend. The Group's quick ratio was 2.7 (2.1), and current ratio was 3.8 (3.5).

Inventory at end of June 2025 totalled EUR 57.7 million (EUR 69.2 million). Inventory decreased during the first six months of the year compared to the situation in June 2024.

Investments

In January–June 2025, Incap's factory-related investment cash flow totalled EUR 3.4 million (EUR 2.1 million). The investments mainly

consist of new SMT line upgrade and installation of two vertical storage systems in Incap UK, SMT production equipment investment in Incap US,

Incap Estonia's new x-ray system, upgrade of the PCBA washing technology in Incap Slovakia and

SMT line investment and installation of solar panels in Incap India.

Research and development

The development of services and products takes place during the ordinary course of business and is accounted for as an operating expense.

Personnel

On 30 June 2025, the number of personnel in Incap Group was 2,595 of which 1,610 were contract workers (2,270 of which 1,244 were contract workers). Of the personnel, 72.0% (66.6%) worked in India, 5.1% (5.6%) in Estonia, 11.7% (14.6%) in Slovakia, 6.3% (7.8%) in the

United Kingdom, 4.7% (5.4%) in the United States and 0.2% (0.1%) in Finland. At the end of June, 631 of Incap's personnel were women (588) and 1,964 were men (1,682). The average number of personnel in January–June was 2,472 (1,990).

Management and organisation

At the end of June 2025, Incap's Management Team consisted of President & CEO, Otto Pukk; CFO Antti Pynnönen; Director of Operations, India and Sales APAC and Managing Director of Incap India, Murthy Munipalli; Director of Operations, Estonia, and Managing Director of Incap Estonia, Margus Jakobson; Director of Operations, Slovakia, and Managing Director of Incap Slovakia Miroslav Michalik; Director of Operations, UK, and Managing Director of Incap

UK Jamie Maughan and Director of Operations, US, and Managing Director of Incap US David Spehar.

The Group has manufacturing operations in India, Estonia, Slovakia, the United Kingdom and United States, and sourcing operations in Hong Kong. Finance and administration, sourcing, sales, IT and communications are centrally coordinated by the headquarters in Finland.

Sustainability

As a globally operating electronics manufacturing services company and a growing organisation, for Incap, sustainable operations are a must in achieving its goals. Acting in a responsible and trustful way is an integral part of Incap's mission, strategy and operations.

In April 2025, Incap published its first CSRD (Corporate Sustainability Reporting Directive) compliant Annual and Sustainability Report, to comply with the new standards. In parallel, Incap implemented its updated Sustainability

Programme and followed its progress towards sustainability targets set for 2025 in five main material topics, following the CSRD and ESRS (European Sustainability Reporting Standards) framework.

Climate change

In the first half of the year, Incap began producing renewable energy through newly installed solar panels in India. At the same time, all other Incap units implemented measures to increase their share of renewable energy in line

with set targets. Workshops held across teams led to the finalisation of Incap's Climate Transition Plan, developed in accordance with the Science Based Targets initiative (SBTi) methodology and accompanied by emission reduction targets.

Resource use and circular economy

Incap achieved and surpassed the group's target for recovery of waste during the first half of the year while also exceeding the set level for the recovery of the hazardous waste. To reach these targets, Incap's business units worked closely with their partners for finding additional solutions for the waste management. No environmental non-compliance cases were reported during the first half of the year while several audits regarding environmental standards were carried out in the units.

Own workforce

Employee satisfaction initiatives in the first half of 2025 included survey reviews, drafting and executing action plans. In the first half-year period group's employee turnover remained below the target level of 10%. All units continued Code of Conduct training for new employees. Safety remained a priority, supported by training, audits, and risk assessments. Two recordable injuries and two lost days were reported during first half of the year. ISO 45001 coverage remained consistent in other units, while Incap US is working toward certification and following OSHA regulation in the meantime. Teams also continued developing their equal pay policies. Training hours varied by site, with structured

plans in place. One discrimination case took place in the first half of the year and was promptly addressed.

Workers in the value chain

Incap reported zero severe human rights violation cases among workers in the value chain in the first half of 2025. To support this outcome, targeted actions were taken across business units - Incap's Supplier Code of Conduct and information on Policy of Conflict Minerals were embedded into agreements and shared with customers. Suppliers were asked to submit annual conflict mineral reports, which were compiled for customer use. In addition, ethics discussion was integrated to supplier and customer onboarding, relevant policies were made available online, and supplier assessments and audits were carried out.

Business conduct

In the first half of the year, business units implemented targeted actions to strengthen customer relationships and service quality, to support reaching the NPS target set for 2025. Units focused, among other things, on improving quality-related processes, customer specific engagement and visits of major clients. Investments were made to improve production oversight and train the staff, while also improving new technologies. To contribute to the target related to supporting the local communities, several sponsorship projects were supported in the locations where Incap's business units operate.

Annual General Meeting 2025

The Annual General Meeting of Incap Corporation held on 8 May 2025 approved the annual accounts for the financial period 1 January–31 December 2024 and resolved to discharge the members of the Board of Directors and the President and CEO from liability.

The Annual General Meeting resolved in accordance with the proposal of the Board of Directors that no dividend will be paid for the financial year 2024.

The Annual General Meeting authorised the Board of Directors to decide to issue new shares

either against payment or without payment. The authorisation was given to a maximum quantity of 2,943,721 new shares which represent approximately 10 per cent of the total number of shares in the company at the date of the notice to the Annual General Meeting.

The new shares may be issued to the company's shareholders in proportion to their current shareholdings in the company or deviating from the shareholders' pre-emptive right through one or more directed share issues, if the company has a weighty financial reason to do so, such as developing the company's equity structure,

implementing corporate transactions or other restructuring measures aimed at developing the company's business, financing of investments and business operations or using the shares as a part of the company's incentive systems. The Board of Directors would decide upon terms and scope related to share issues.

Based on the authorisation, the Board of Directors can, pursuant to chapter 10, section 1, of the Finnish Limited Liability Companies Act, also decide on issuing other special rights, either against payment or without payment, entitling to new shares of the company. The subscription price of the new shares can be recorded partly or

fully in the invested unrestricted equity reserves or in equity in accordance with the decision of the Board of Directors. The Board of Directors is further entitled to decide on conditions regarding the issuance of shares as well as the issuance of other special rights entitling to shares.

The authorisations are valid for one year from the resolution by the Annual General Meeting.

The resolutions of the Annual General Meeting are available in full on the company's website at <https://incapcorp.com/annual-general-meeting-2025/>.

Board of Directors and auditor

The Annual General Meeting held on 8 May 2025 resolved that the number of members of the Board of Directors is four (4). The Annual General Meeting re-elected the present members of the Board of Directors Julianna Borsos, Kaisa Kokkonen, Carl-Gustaf von Troil and Ville Vuori as members of the Board of Directors.

In its constitutive meeting after the Annual General Meeting, the Board of Directors elected Ville Vuori as the Chairman of the Board. The Board of Directors also decided to establish two Committees, an Audit Committee and a Remuneration Committee. The Board of Directors appointed Kaisa Kokkonen as the Chairman and Julianna Borsos as a member of the Audit Committee. Ville Vuori was appointed

as Chairman and Carl-Gustaf von Troil as a member of the Remuneration Committee.

The Annual General Meeting re-elected PricewaterhouseCoopers Oy, a company of Authorised Public Accountants, as the auditor of the company. PricewaterhouseCoopers Oy has announced that the principally responsible auditor will be Ms. Maria Grönroos (APA). The Annual General Meeting also re-elected PricewaterhouseCoopers Oy to act as the authorised sustainability auditor of the company. PricewaterhouseCoopers Oy has indicated that Maria Grönroos (Authorized Sustainability Auditor, KRT) will serve as the authorised sustainability auditor with principal responsibility.

Shares and shareholders

Incap Corporation has one series of shares.

The number of shares of the company on 30 June 2025 was 29,437,214 (30 June 2024: 29,437,214).

In January–June 2025, the share price varied between EUR 9.35 and EUR 12.50 (EUR 6.70 and 12.81). The closing price on 30 June 2025 was EUR 11.04 (28 June 2024: EUR 11.86). The company's market capitalisation on 30 June was EUR 325.0 million (EUR 349.1 million).

At the end of June 2025, the company had 7,530 shareholders (6,920). Nominee-registered owners held 29.3% (27.0%) and foreign owners 10.0% (7.1%) of all shares. The company does not hold any treasury shares.

At the end of June 2025, the members of Incap Corporation's Board of Directors and the President and CEO and their related parties owned a total of 2,122,531 shares or 7.2% of the company's shares outstanding (2,123,031 shares or 7.2% of the company's shares outstanding).

Largest shareholders on 30 June 2025

	Number of shares	Holding, %
Oy Etra Invest Ab	5,686,665	19.32
Nordea Life Assurance Finland Ltd	1,861,585	6.32
Joensuun Kauppa ja Kone Oy	1,545,070	5.25
Ilmarinen Mutual Pension Insurance Company	1,231,630	4.18
Sp-Fund Management Company	639,324	2.17
Elo Mutual Pension Insurance Company	465,000	1.58
Etola Group Oy	450,000	1.53
Oy Pontia Finance Ab	386,465	1.31
Etola Erkki Olavi	380,000	1.29
Danske Invest Finnish Equity Fund	255,659	0.87
10 largest shareholders in total	12,901,398	43.83

Flagging notifications

In January–June 2025, Incap Corporation did not receive any shareholder announcements in accordance with Section 10 of Chapter 9 of the Securities Market Act.

Share-based incentives

The Board of Directors of Incap Corporation decided on 25 April 2025 to establish a new share-based incentive plan for the Group's key employees. The CEO, Group Management team and other key members of Incap Group form the target group of the incentive plan. The aim is to align the objectives of the shareholders and key employees for increasing the value of the Company in the long-term, to retain the key employees at the company, and to offer them competitive reward plan based on earning and accumulating the company's shares.

In the plan, the target group is given an opportunity to earn Incap Corporation shares based on performance. The Board of Directors decides on the plan's performance criteria and targets to be set for each criterion at the beginning of each performance period. The potential rewards based on the plan will be paid after the end of each performance period.

The performance period of the new incentive plan is 2025–2027 and the rewards are based on the Group's cumulative operating profit (EBIT). The rewards to be paid on the basis of the performance period 2025–2027 correspond to the value of an approximate maximum total of 139,188 Incap Corporation shares, including also the proportion to be paid in cash.

The rewards will be paid partly in the company's shares and partly in cash. The cash proportion of the reward is intended to cover taxes and statutory social security contributions arising from the reward to a participant. In general, no reward is paid if the participant's employment or director contract terminates before the reward payment.

A member of the target group is obliged to hold 50 per cent of the received net reward shares, until the total value of the member's shareholding in Incap Corporation equals to 50 per cent of their annual base salary of the preceding year. Such number of Incap Corporation shares must

be held as long as the position held by the member in the company is part of the target group.

In addition, Incap Corporation has another long-term incentive plan established in 2022. Key terms and conditions of the incentive plan are available at Incap's website.

Risk management

The objective of Incap's risk management is to mitigate risks by continuously acquiring information, and by assessing and managing the opportunities, threats, and potential risks present in the company's operations to ensure that the company achieves its goals and secures the continuity of its operations.

The Risk Management Policy approved by the Board of Incap Corporation classifies the most common risks as strategic risks (business risks), operational risks, financial risks, reputational risks and hazard risks.

The company regularly reviews its insurance policies as part of its risk management system.

Short-term risks and uncertainties

Risks related to the company's business operations and sector are divided based on their timeframe into short-term risks and strategic risks and classified into five categories described below.

Incap publishes information about its sustainability related short, medium, and long-term risks in its Board of Directors' report.

Strategic risks

Demand for Incap's services and the company's financial position are affected by global economic trends and the fluctuation among customer industries.

Dependence on largest customers can have major impact on the company's business. Other strategic risks include fluctuating industry trends between insourcing and outsourcing electronics manufacturing as well as emerging new competition. Electronics manufacturing services is a highly competitive industry with continuous pressure on cost level management.

Cyber attacks and disruptions in information systems may result in interruptions of production, increasing IT costs and financial losses.

Operational risks

Supply chain disruptions or geopolitical issues may cause delays in deliveries or shortages of materials and components.

Financial risks

The financial position of the company is good and the sufficiency of financing and working capital does not pose a significant risk.

Changes in exchange rates between various currencies and the Euro may have a negative impact on Incap's revenue, equity ratio, result and financial position. Incap aims to hedge open foreign exchange positions with forward contracts. The main currencies used in Incap's operations are Euro, Indian rupee, British pound and US dollar.

Incap Group makes provisions for uncertain tax positions based on expert evaluation. There are uncertain tax positions related to the Group services invoiced from the Indian subsidiary for which a provision has been made.

Reputational risks

Reputational risks may arise from for instance violations of ethical guidelines and can lead to legal costs and reduce trust of the company's stakeholders.

Hazard risks

Global health crises can disrupt the company's operations, supply chains, and workforce availability.

Geopolitical tensions and armed conflicts can affect global supply chains, markets, and economic stability.

Geopolitical tensions continued in Europe in the first half of 2025. Incap has no business operations and no direct or indirect customers or suppliers in Russia, Belarus or Ukraine.

Significant events after the end of the period

On 11 July 2025, the Board of Directors of Incap Corporation resolved to issue a total of 10,413 new shares on a directed share issue without payment to implement the share reward payments under Incap Corporation's Performance Share Plan 2022-2026. The resolution on the share issue is based on the authorisation granted by the Annual General Meeting held on 8 May 2025.

Following the registration of the new shares, the total number of shares in the company will be 29,447,627 shares.

On 22 July 2025, Incap updated its outlook for 2025. Incap estimates that its revenue for 2025 will be EUR 210–230 million and operating profit (EBIT) will be EUR 23–29 million.

Strategy and targets

Incap's growth strategy is based on its entrepreneurial and customer-driven culture, flexible operational model and its deep-rooted cost management mindset. The company wants to drive industry consolidation, benefiting from the growth potential of the industry while

maintaining its cost efficiency and long-term profitability in a sustainable way. To continue its strong track record, the company is focusing on three strategic cornerstones: growth, profitability and operational excellence.

Financial reporting in 2025

In 2025, Incap will publish the following financial reports:

- Business review for January–September 24 October 2025

In Helsinki, 25 July 2025

INCAP CORPORATION
Board of Directors

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Accounting principles for the half-year report

This half-year report has been prepared in accordance with international financial reporting standards (IFRS) - IAS 34 Interim Financial Reporting standard. When preparing the report, the same principles have been used as in the

2024 financial statements. Unless otherwise stated, the comparison figures refer to the same period in the previous year. This half-year report is unaudited.

Consolidated statement of comprehensive income

(EUR thousands)	1-6/2025	1-6/2024	1-12/2024
REVENUE	107,501	109,007	230,056
Other operating income	342	213	1,631
Change in inventories of finished goods	2,154	-3,524	-4,616
Raw materials and consumables used	-73,202	-68,722	-148,046
Personnel expenses	-15,004	-15,617	-31,263
Depreciation and amortisation	-2,957	-2,766	-5,628
Other operating expenses	-7,156	-5,842	-12,947
OPERATING PROFIT	11,677	12,749	29,186
Financial income	2,348	1,485	3,717
Financial expenses	-4,663	-1,412	-2,825
PROFIT BEFORE TAX	9,362	12,822	30,078
Income tax expenses	-4,706	-2,812	-7,351
PROFIT FOR THE PERIOD	4,656	10,010	22,727
Earnings per share, EUR	0.16	0.34	0.77

OTHER COMPREHENSIVE INCOME	1-6/2025	1-6/2024	1-12/2024
Items that will not be transferred to P&L (revaluation of employee benefits)	0	0	-2
Items that may be recognised in profit or loss at a later date:			
Translation differences from foreign units	-9,430	2,150	2,804
Other comprehensive income, net	-9,430	2,150	2,802
TOTAL COMPREHENSIVE INCOME	-4,774	12,160	25,529
Attributable to:			
Shareholders of the parent company	-4,774	12,160	25,529

Consolidated balance sheet

(EUR thousands)	30 June 2025	30 June 2024	31 Dec 2024
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	23,691	22,301	24,313
Right-of-use assets	5,917	7,454	6,626
Goodwill	8,320	8,452	8,621
Other intangible assets	5,067	5,555	5,518
Other financial assets	4	4	4
Deferred tax assets	932	1,165	997
Other receivables	384	410	416
TOTAL NON-CURRENT ASSETS	44,315	45,341	46,495
CURRENT ASSETS			
Inventories	57,676	69,246	61,403
Trade and other receivables	32,842	40,176	34,749
Cash and cash equivalents	64,428	39,786	72,172
TOTAL CURRENT ASSETS	154,945	149,208	168,325
TOTAL ASSETS	199,261	194,548	214,820
EQUITY AND LIABILITIES			
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT COMPANY			
Share capital	1,000	1,000	1,000
Reserve for invested unrestricted equity	23,657	23,795	23,844
Exchange differences	-14,457	-5,681	-5,027
Retained earnings	118,252	100,057	113,152
TOTAL EQUITY	128,453	119,171	132,968
NON-CURRENT LIABILITIES			
Borrowings	20,671	22,572	21,611
Lease liabilities	5,055	6,620	5,424
Deferred tax liabilities	1,506	1,240	1,703
Employee benefit obligations	252	292	307
Deferred income	1,071	0	1,205
Other liabilities	1,619	1,619	1,619
TOTAL NON-CURRENT LIABILITIES	30,173	32,343	31,869
CURRENT LIABILITIES			
Trade and other payables	36,592	39,231	45,464
Borrowings	2,287	2,252	2,233
Lease liabilities	1,238	1,032	1,679
Employee benefit obligations	50	56	56

Other liabilities	467	464	550
TOTAL CURRENT LIABILITIES	40,635	43,035	49,983
TOTAL LIABILITIES	70,808	75,377	81,852
TOTAL EQUITY AND LIABILITIES	199,261	194,548	214,820

Consolidated cash flow statement

(EUR thousands)	1–6/2025	1–6/2024	1–12/2024
Cash flow from operating activities			
Operating profit	11,677	12,749	29,186
Adjustments to operating profit	4,266	3,336	5,681
Change in working capital			
Change in current receivables	-748	-15,031	-8,896
Change in inventories	-2,592	3,895	13,201
Change in current liabilities	-4,188	2,315	8,419
Interest and charges paid	-983	-1,012	-2,084
Interest received	85	332	1,087
Paid tax and tax refund	-5,288	-3,361	-7,958
Cash flow from operating activities	2,229	3,224	38,636
Cash flow from investing activities			
Capital expenditure on tangible and intangible assets	-3,441	-2,079	-5,589
Proceeds from sales of tangible and intangible assets	26	3	1
Proceeds from insurance claims	0	0	1,767
Acquisition of a subsidiary less cash acquired	0	-2,802	-2,888
Cash flow from investing activities	-3,415	-4,878	-6,710
Cash flow from financing activities			
Drawdown of loans	256	0	174
Repayments of borrowings	-1,203	-1,116	-2,288
Right-of-use asset payments	-1,024	-814	-1,641
Cash flow from financing activities	-1,971	-1,930	-3,755
Change in cash and cash equivalents	-3,157	-3,584	28,172
Cash and cash equivalents at beginning of period	72,172	42,550	42,550
Effect of changes in exchange rates	-4,587	819	1,451
Cash and cash equivalents at end of period	64,428	39,786	72,172

Consolidated statement of changes in equity

(EUR thousands)	Share capital	Unrestricted equity reserve	Translation differences	Retained earnings	Total equity
Equity on 1 January 2025	1,000	23,844	-5,027	113,152	132,968
Profit for the period				4,656	4,656
Other comprehensive income			-9,430		-9,430
Total comprehensive income			-9,430	4,656	-4,774
Other changes				814	814
Transactions with owners					
Capital investments		-186			-186
Employee share schemes – value of employee services				-369	-369
Equity on 30 June 2025	1,000	23,657	-14,457	118,252	128,453
Equity on 1 January 2024	1,000	23,745	-7,831	89,846	106,760
Profit for the period				10,010	10,010
Other comprehensive income			2,150		2,150
Total comprehensive income			2,150	10,010	12,160
Other changes					
Transactions with owners					
Capital investments		50			50
Employee share schemes – value of employee services				201	201
Equity on 30 June 2024	1,000	23,795	-5,681	100,057	119,171

Group key figures and contingent liabilities

	1-6/2025	1-6/2024	1-12/2024
Revenue, EUR million	107.5	109.0	230.1
Operating profit/loss, EUR million	11.7	12.7	29.2
% of revenue	10.9	11.7	12.7
Profit/loss before taxes, EUR million	9.4	12.8	30.1
% of revenue	8.7	11.8	13.1
Return on investment (ROI), %	17.4	19.4	21.6
Return on equity (ROE), %	7.1	17.7	19.0
Equity ratio, %	66.2	63.0	63.8
Net gearing, %	-27.2	-5.9	-30.8
Interest-bearing net debt, EUR million	-34.9	-7.0	-40.9
Quick ratio	2.7	2.1	2.4
Current ratio	3.8	3.5	3.4
Average number of shares during the report period, adjusted for share issues	29,437,214	29,437,214	29,437,214
Earnings per share (EPS), EUR	0.16	0.34	0.77
Equity per share, EUR	4.36	4.05	4.52
Dividend per share, EUR	0.00	0.00	0.00
Dividend out of profit, %	0.0	0.0	0.0
P/E ratio	69.8	34.9	13.3
Trend in share price			
Minimum price during the period, EUR	9.35	6.70	6.70
Maximum price during the period, EUR	12.50	12.81	13.39
Mean price during the period, EUR	10.62	9.17	9.90
Closing price at the end of the period, EUR	11.04	11.86	10.24
Total market capitalisation, EUR million	325.0	349.1	301.4
Trade volume, number of shares	5,226,151	4,600,412	8,410,277
Trade volume, %	17.8	15.6	28.6
Investments, EUR million	3.4	4.9	6.7
% of revenue	3.2	4.5	2.9
Average number of employees including contractors	2,472	1,990	2,242
Personnel at the end of period including contractors	2,595	2,270	2,554
CONTINGENT LIABILITIES, EUR million			
FOR OWN LIABILITIES			
Mortgages and pledges	20.1	24.4	20.1
Off-balance sheet liabilities	0.1	0.1	0.1
Transactions with related parties			
The company has no transactions with related parties.			

Reconciliation of alternative performance measures

Return on investment, %

EUR thousand	1–6/2025	1–6/2024	1–12/2024
Net profit/loss for the period	4,656	10,010	22,727
Comparable net profit/loss for the period	9,312	20,020	
Financial expenses	4,663	1,412	2,825
Comparable financial expenses	9,326	2,825	
Income taxes	4,706	2,812	7,351
Comparable income taxes	9,413	5,623	
Profit/loss for the period	28,051	28,468	32,903
Equity	128,453	119,171	132,968
Non-current interest-bearing financing loans	25,977	29,483	27,342
Current interest-bearing financing loans	3,525	3,284	3,912
Capital employed	157,995	151,938	164,222
Capital employed average at the end of the reporting period and the end of previous financial year	161,089	146,516	152,658
Return on investment, %	17.4	19.4	21.6

Return on equity, %

EUR thousand	1–6/2025	1–6/2024	1–12/2024
Net profit/loss for the period	4,656	10,010	22,727
Comparable net profit/loss for the period	9,312	20,020	
Equity	128,453	119,171	132,968
Equity average at the end of the reporting period and the end of previous financial year	130,711	112,965	119,864
Return on equity, %	7.1	17.7	19.0

Equity ratio, %

EUR thousand	1–6/2025	1–6/2024	1–12/2024
Equity	128,453	119,171	132,968
Balance sheet total	199,261	194,548	214,820
Advances received	-5,165	-5,240	-6,295
Equity ratio, %	66.2	63.0	63.8

Net gearing, %

EUR thousand	1–6/2025	1–6/2024	1–12/2024
Interest-bearing net debt	-34,926	-7,018	-40,918
Equity	128,453	119,171	132,805
Net gearing, %	-27.2	-5.9	-30.8

Interest-bearing net debt

EUR thousand	1-6/2025	1-6/2024	1-12/2024
Non-current interest-bearing debt	25,977	29,483	27,342
Current interest-bearing debt	3,525	3,284	3,912
Interest-bearing debt	29,502	32,767	31,254
Cash and bank accounts	-64,428	-39,786	-72,172
Interest-bearing net debt	-34,926	-7,018	-40,918

Current assets

EUR thousand	1-6/2025	1-6/2024	1-12/2024
Current receivables	32,842	40,176	34,749
Cash and bank accounts	64,428	39,786	72,172
Current assets	97,270	79,962	106,922

Quick ratio

EUR thousand	1-6/2025	1-6/2024	1-12/2024
Current assets	97,270	79,962	106,922
Short term liabilities	40,635	43,035	49,983
Advances received	-5,165	-5,240	-6,295
Current liabilities	35,470	37,795	43,688
Quick ratio	2.7	2.1	2.4

Current ratio

EUR thousand	1-6/2025	1-6/2024	1-12/2024
Current assets	97,270	79,962	106,922
Inventories	57,676	69,246	61,403
Short term liabilities	40,635	43,035	49,983
Current liabilities	40,635	43,035	49,983
Current ratio	3.8	3.5	3.4

Investments

EUR thousand	1-6/2025	1-6/2024	1-12/2024
Capital expenditure on tangible and intangible assets	3,441	2,079	5,620
Investments	3,441	2,079	5,620

Adjusted operating profit

EUR thousand	1–6/2025	1–6/2024	1–12/2024
Operating profit	11,677	12,749	29,186
Non-recurring costs	388	151	364
Purchase price allocation (PPA) amortisation	282	278	560
Adjusted operating profit	12,347	13,179	30,110

Calculation of key figures

Alternative performance measure	Calculation	Purpose
Comparable net profit/loss for the period	Half-year net profit/loss x 2	The measure is used for providing comparability to full-year figures.
Comparable financial expenses	Half-year financial expenses x 2	The measure is used for providing comparability to full-year figures.
Comparable income taxes	Half-year income taxes x 2	The measure is used for providing comparability to full-year figures.
Return on investment, %	100 x (Net profit/loss + financial expenses + taxes) / (Equity + interest-bearing debt (average at the end of the reporting period and the end of previous financial year))	The measure provides information on return on investment.
Return on equity, %	100 x Net profit/loss / Equity (average at the end of the reporting period and the end of previous financial year)	The measure provides information on return on equity.
Equity ratio, %	100 x Equity / (Balance sheet total - advances received)	The measure indicates how much of the Group's assets have been financed with debt.
Net gearing, %	100 x Interest-bearing net debt / Equity	The measure indicates the Group's indebtedness.
Interest-bearing net debt	Interest-bearing debt - cash and bank accounts	The measure indicates the total amount of the Group's external debt funding.
Current assets	Current receivables + cash and bank accounts	The component used for calculating Quick ratio illustrates the assets required for covering the Group's current expenses.
Quick ratio	Current assets / (Short-term liabilities – short-term advances received)	The measure provides information on the company's liquidity.
Current ratio	Current assets + inventories / Short-term liabilities	The measure provides information on the company's liquidity.
Investments	Cash flow from VAT-exclusive working capital acquisitions without deduction of investment subsidies. Additions of right-of-use assets in consolidated balance	The measure provides information on cash flow from investments.

sheet are not included in investments.

Adjusted operating profit

Operating profit before non-recurring costs and purchase price allocation (PPA) amortisation

The measure indicates operating profit less expenses related to the acquisition.

Other performance measure Calculation

Earnings per share

Net profit/loss for the period / Average number of shares during the period, adjusted for share issues.

Equity per share

Equity / Number of shares at the end of the period, adjusted for share issues.

Dividend per share

Dividend for the accounting period / Number of shares on the balance sheet date, adjusted for share issues.

Dividend out of profit

100 x dividend per share / Earnings per share.

Total market capitalisation

Closing price for the period x number of shares available for public trading.

Average number of employees

Average of personnel numbers calculated at the end of each month



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