

Koskisen Corporation

Interim report

1 January–31 March 2025

Koskisen's profitability improved – sawmill production at a record-high level

January–March 2025 in brief

- Revenue increased and amounted to EUR 86.3 (63.7) million.
- EBITDA increased and amounted to EUR 9.4 (5.5) million.
- The EBITDA margin was 10.9 per cent (8.7).
- Adjusted EBITDA amounted to EUR 9.5 (5.5) million.
- The adjusted EBITDA margin was 11.0 per cent (8.7).
- Operating profit amounted to EUR 6.2 (3.1) million and was 7.2 per cent (4.9) of revenue.
- The profit for the financial period amounted to EUR 4.2 (2.3) million.
- Basic earnings per share were EUR 0.18 (0.10).

The figures in brackets refer to the comparison period, i.e. the corresponding period in the previous year, unless specified otherwise.

Profit guidance for 2025 unchanged (published on 17 February 2025)

Koskisen Group's revenue for 2025 is expected to grow from the level of 2024. The adjusted EBITDA margin is expected to be 7–11 per cent.

Key figures

EUR million	1-3 2025	1-3 2024	Change, %	1-12 2024
Revenue	86.3	63.7	35.4	282.3
EBITDA	9.4	5.5	69.8	24.2
EBITDA margin, %	10.9	8.7		8.6
Adjusted EBITDA	9.5	5.5	71.6	24.3
Adjusted EBITDA margin, %	11.0	8.7		8.6
Operating profit (EBIT)	6.2	3.1	99.2	13.0
Operating profit (EBIT) margin, %	7.2	4.9		4.6
Profit for the period	4.2	2.3	85.4	8.3
Basic earnings per share, EUR	0.18	0.10		0.36
Diluted earnings per share, EUR	0.18	0.10		0.36
Gross investments	3.6	4.5		22.2
Equity per share, EUR	6.7	6.5		6.5
Return on capital employed (ROCE), %	7.5	8.1		6.1
Working capital, end of period	58.7	49.7		45.9
Net cash flow from operating activities	-1.2	-5.5		14.0
Equity ratio, %	54.9	55.6		54.0
Gearing, %	18.3	5.3		15.4

CEO Jukka Pahta:

Koskisen Group's first-quarter profitability improved year-on-year, with adjusted EBITDA amounting to EUR 9.5 (5.5) million. The adjusted EBITDA margin was 11.0 per cent (8.7). The year started very strongly, as our revenue grew and profitability improved clearly year-on-year. This is already the fourth consecutive quarter with revenue growth compared to the corresponding period.

Market uncertainty continued and even increased due to the unpredictable US trade policy. Koskisen has little trade with the USA, so the direct impacts were minor. Indirect impacts, on the other hand, are very difficult to assess as the situation is constantly changing. In Europe, on the other hand, there was a positive vibe: Germany announced significant investments in infrastructure, energy production and defence. Their spill-over effects might extend widely geographically and across different industries.

The profitability of the Sawn Timber Industry segment improved substantially during the first quarter year-on-year, with EBITDA amounting to EUR 5.4 (0.7) million. Sawmill production reached an all-time quarterly record, which is also clearly reflected in production and cost efficiency. In addition to strong production, deliveries increased significantly year-on-year, while sawn timber prices increased slightly.

The new log yard was commissioned in February, which further supports the improvement in raw material efficiency in sawmill production. The full-scale deployment of the new log yard will take place during the second quarter of the year, when the cost benefits and emission reductions in logistics will become fully visible. Supporting the growth of the Sawn Timber industry segment continues: an approximately four-kilometre-long district heating connection pipe will be built between the plant areas in Järvelä. This will cover the increased energy consumption of the Sawn Timber Industry segment, improve energy efficiency and make it possible to increase sawmill production from the current level of 400,000 m³.

Wood procurement was carried out according to plan. Wood reserves remained at a good level, and wood stocks increased towards the end of the quarter. This guarantees us security of supply until the summer holiday season and, at the same time, flexibility in purchasing raw materials for subsequent months as the price level is very high. The current raw material price is not sustainable from the point of view of the profitability of the industry. The demand for energy fractions in the review period was lower than normal due to the short and warm winter, but their prices remained stable.

Profitability of the Panel Industry segment decreased year-on-year, with EBITDA amounting to EUR 4.5 (5.3) million. Profitability was burdened by the increase in wood raw material and general production costs. Early in the year, production of plywood and chipboard was slightly restricted. Thereafter, there has been a slight increase in the demand for plywood in all main applications. The demand for chipboard remains weak as the recovery in construction is delayed. On the positive side, however, the prices of panel products have remained stable.

The ramp-up of the new production plant for the Kore business in Skwierzyna, Poland, was completed as planned; we will continue to establish production and the operating model and thereby optimise the cost level and profitability. The ongoing investment programme in domestic plywood and chipboard production has progressed as planned, with equipment installations scheduled for the second half of the year. The total value of the investments for 2025 is approximately EUR 12 million.

In March, we announced the acquisition of Iisveden Metsä Oy's business. The acquisition is a key part of our sustainable growth strategy. The Annual General Meeting of Iisveden Metsä approved the transaction in March and the competition authorities in Finland and Estonia in April. Integration planning is well underway. We expect the acquisition to be completed as planned during the second quarter. Once completed, the acquisition of Iisveden Metsä will support the growth targets of both businesses: it will directly increase the revenue of the Sawn Timber Industry segment by approximately one-third and ensure the availability of raw materials and enable organic growth in the Panel Industry segment.

Market situation

Softwood sawn timber

Continued economic uncertainty and the resulting sustained low level of construction activity have affected the demand for softwood sawn timber. The delivery prices of softwood logs remained high compared to the market price of sawn timber. The stock situation of softwood logs remained good, and wood stocks increased towards the end of the quarter. The delivery prices of pulpwood remained at the same level as at the end of last year. Forest energy delivery prices remained stable.

Birch plywood and chipboard

The weak economic situation in Central Europe continued to be reflected in the market demand for plywood products. The slowdown in construction continues to affect the recovery of demand for chipboard. The availability of Finnish birch logs has remained good, which has been reflected in the levels of reserves and inventories being higher than at the corresponding time last year.

Economic development

January–March 2025

Consolidated revenue increased in January–March and amounted to EUR 86.3 (63.7) million. The growth in revenue was mainly due to the Sawn Timber Industry segment's higher delivery volumes and slightly stronger end product selling prices when compared to the reference period.

Adjusted EBITDA improved and amounted to EUR 9.5 (5.5) million. The improvement in EBITDA was due to increased delivery volumes in the Sawn Timber Industry segment, slightly higher sawn timber prices than in the comparison period and the continued satisfactory market situation in energy wood deliveries.

Operating profit came to EUR 6.2 (3.1) million. Depreciation, amortisation and impairment amounted to EUR 3.2 (2.4) million. Profit before income tax amounted to EUR 5.3 (2.8) million, and income tax for the period amounted to EUR 1.1 (0.5) million. The profit for the financial period came to EUR 4.2 (2.3) million and earnings per share were EUR 0.18 (0.10).

Balance sheet, cash flow and financing

At the end of the review period, Koskisen's equity ratio was 54.9 (55.6) per cent, and gearing was 18.3 (5.3) per cent.

Cash flow from operating activities for January–March amounted to EUR -1.2 (-5.5) million. The effect of the change in working capital was EUR -9.2 (-11.9) million. The most significant change in working capital was the increase in trade receivables, which reflects increased sawmill volumes and the positive development of sawn timber sales prices. Trade payables, on the other hand, decreased slightly from the turn of the year, mainly due to the slightly lower volume of timber trade. Cash flow from financing activities amounted to EUR -3.2 (-1.2) million, and the recognition of the entire financing of the sawmill investment on the balance sheet was reflected in an increase in loan repayments and leasing payments. Cash flow from investing activities amounted to EUR -3.6 (-3.6) million.

Interest-bearing liabilities at the end of the period amounted to EUR 63.7 (64.0) million. Of the interest-bearing liabilities, EUR 32.5 (25.5) million are lease liabilities and EUR 31.2 (38.5) million are loans from financial institutions. Liquid assets totalled EUR 35.6 (56.1) million.

Interest-bearing net liabilities amounted to EUR 28.1 (7.9) million.

Koskisen's liquidity has remained strong. At the end of the review period, available liquidity amounted to EUR 35.6 (56.1) million, comprising cash and cash equivalents of EUR 24.0 (25.4) million, deposits of EUR 0.0 (20.0) million, and current financial assets at fair value through profit or loss in the amount of EUR 11.6 (10.7) million, the most significant of which was a capital redemption contract. In addition, the company has an unused account limit of EUR 7.2 million.

Investments

Gross investments in tangible and intangible assets in January–March amounted to EUR 3.6 (4.5) million. These were largely related to the construction of the new log yard, which was commissioned during the period.

Sawn Timber Industry

The main products of the Sawn Timber Industry segment are traditional sawn timber, refined planed timber and painted cladding products. In wood procurement, the most important types of wood are softwood and birch logs. Bioenergy from logging residues and plant by-products is produced in Koskisen's leased plants and other nearby heat and power plants.

EUR million	1–3 2025	1–3 2024	Change, %	1–12 2024
Revenue (external)	48.7	29.0	68.0	139.7
EBITDA	5.4	0.7	722.6	7.2
EBITDA, %	11.0	2.3		5.2
Personnel at the end of the period	178	167	6.6	178
Deliveries of sawn timber and processed products, 1,000 m ³	101.7	49.5	105.4	300.9

Financial and operational development in January–March

Revenue increased to EUR 48.7 (29.0) million. Revenue increased due to sawn timber prices increasing slightly year-on-year and delivery volumes increasing significantly. The increase in revenue from the comparison period is also partly attributable to the industrial action in the first quarter of 2024, the effect of which postponed export deliveries agreed for the first quarter to the second quarter of 2024.

EBITDA improved to EUR 5.4 (0.7) million. The improvement in EBITDA was due to increased delivery volumes and slightly higher sawn timber prices. The improved operating rate of the new sawmill continued to support profitability. The EBITDA margin was 11.0 (2.3) per cent.

There was no significant change in the demand for sawn timber when compared to the corresponding period last year. Construction activity remained at a low level.

The delivery prices of softwood logs remained high, posing a challenge to the profitability of the Sawn Timber Industry segment. In wood sourcing, raw material reserves and inventories were at a good level, and raw material supply was in line with plans. The volumes of forest energy deliveries were lower than expected due to the warm winter, although the price level remained stable.

The new log yard was commissioned at the end of February. Following the completion of the new log yard, all sawn timber operations are located in the same industrial area. Eliminating the need to transport logs from the old log yard reduces transport costs and carbon dioxide emissions from transportation.

Koskisen agreed to acquire the business operations of Iisveden Metsä Oy in early March. Consolidating the sawn timber operations facilitates creating even more value for customers: market-specific product concepts can be allocated better and centralised to the most suitable production plant. Iisveden Metsä's procurement area is a very good geographical fit for Koskisen's current procurement area. As a result of the acquisition, Koskisen's annual wood procurement volume will increase to approximately 1,900,000 m³ (of which Iisveden Metsä's share is approximately 400,000 m³) and sawing capacity to approximately 540,000 m³ (of which Iisveden Metsä's share is approximately 140,000 m³).

Panel Industry

The main products of the Panel Industry segment are birch plywood, chipboard, thin plywood and veneer. The Kore brand produces interior solutions for various commercial vehicles.

EUR million	1–3 2025	1–3 2024	Change, %	1–12 2024
Revenue (external)	37.6	34.7	8.2	142.4
EBITDA	4.5	5.3	-13.7	17.7
EBITDA, %	12.1	15.2		12.4
Personnel at the end of the period	689	643	7.2	682
Deliveries of panel products (excl. Kore), 1,000 m ³	32.1	31.7	1.5	123.7

Financial and operational development in January–March

Revenue increased to EUR 37.6 (34.7) million. Revenue increased year-on-year due to the increased delivery volumes of the Kore business and birch plywood. The increase in revenue from the comparison period is also partly attributable to the industrial action in the first quarter of 2024, the effect of which postponed export deliveries agreed for the first quarter to the second quarter of 2024.

EBITDA declined to EUR 4.5 (5.3) million. The decline in EBITDA was attributable to increased wood raw material costs and general production costs. Production of birch plywood and chipboard was restricted as planned to reflect demand. The EBITDA margin was 12.1 (15.2) per cent.

Demand for birch plywood products remained moderate, particularly due to the continued challenging market in Central Europe. Demand for chipboard continued to be affected by the weak construction cycle. The volumes of the Kore business developed as planned and were clearly stronger compared to the comparison period due to increased demand and new customer accounts.

The ramp-up of the new production plant for the Kore business in Skwierzyna, Poland, was completed as planned. To establish production and the operating model and thereby optimise the cost level and profitability will continue.

The Panel Industry segment's investment programme concerning production in Järvelä started as planned. Equipment deliveries and installations will take place during the second half of the year. The investments to be made in 2025 will focus on, for example, the automation and modernisation of drying, coating and puttying. The total value of the investments to be carried out in 2025 is approximately EUR 12 million. The key objective of the investment programme is to improve the productivity, quality and yield of plywood production.

The birch raw material situation strengthened during the quarter. Raw material reserves and stocks were significantly higher than in the comparison period.

Strategy

Financial targets

Koskisen has set the following long-term financial targets extending over the business cycle, which the company aims to achieve by the end of 2027:

Growth	Revenue of EUR 500 million, including both organic and inorganic growth.
Profitability	Adjusted EBITDA margin averaging 15 per cent over the cycle.
Balance sheet	Maintaining a strong balance sheet.
Dividend policy	Attractive dividend of at least one-third of the net profit each year.

Market

Sustainability-related themes will open up new growth opportunities in Koskisen's relevant markets. The green transition and related regulations are the primary drivers of growth for timber products. Even though there is currently a lot of political debate about the green transition and related regulation, the drivers of the green transition still exist. A significant part of Koskisen's sawn timber is used in construction. Birch plywood, in turn, is widely used as a raw material in commercial and transport vehicles, as well as various construction and interior decoration solutions. In addition to being used in construction, approximately half of Koskisen's chipboard products are used in furniture and furnishings.

The global demand for softwood sawn timber is expected to grow by an average of 1.9 per cent per year. Demand in the birch plywood market, on the other hand, is expected to grow globally by 2.3 per cent per year. (Source: AFRY market research)

On the path to sustainable growth

The core priorities of Koskisen's growth strategy are to 1) create value for customers, 2) develop the existing operations and 3) take bold steps forward.

Value creation for customers is achieved through high-quality and customised products, customer-oriented services and innovative solutions. The development of the company's existing operations is focused on enhancing competitiveness and differentiation, product development and the effective implementation of new initiatives. Taking bold steps forward includes investments and potential acquisitions.

The strategy, published in spring 2024, supports Koskisen's previously set ambitious goal of achieving a growth leap by the end of 2027. The in-depth strategy work provides the company with a clear direction for achieving this sustainable growth.

One of the key drivers of growth is the new sawmill and the development of the activities that are closely related to it. The new sawmill is the heart of the company's integrated and synergistic business. Increasing sawmill production volumes will also ensure the availability of wood raw material for the needs of the Panel Industry segment through increased wood sourcing volumes and the side streams of sawmill production.

Growth in both the Sawn Timber Industry segment and the Panel Industry segment will be achieved primarily through higher volumes, new wood-based products and the expansion of customer relationships. Naturally, the company will invest in the continuous development of its operations.

The market for the wood products produced by Koskisen is large in scale and ever-growing, driven by the green transition, urbanisation as well as the development of commerce and transport. Wood products that bind carbon for a long time are a key part of a more sustainable circular bioeconomy.

Koskisen helps its customers succeed, mitigate climate change and adapt to the future through its products and services. Further developing the sustainability of the company's operations and value chain through goal-driven sustainability efforts is also a key aspect of the strategy.

Sustainable development

In its strategy, Koskisen is committed to promoting the green transition throughout the value chain, from raw material sourcing to final products. The most important sustainability measures at Koskisen are primarily related to the material and raw material efficiency of its own operations and production, minimising emissions, as well as products made from renewable raw materials that bind carbon for a long time.

In raw material procurement, Koskisen invests in forest use that takes biodiversity into account. Product development emphasises material efficiency, examples of which include utilising the company's own by-products as raw material in production and energy production, and fossil-free raw materials. In recent years, Koskisen has invested heavily in the use of renewable energy.

Koskisen has a sustainability programme that is based on the results of the double materiality assessment and material sustainability topics. The key focus areas of the programme are as follows: 1) wise use of natural resources and promotion of biodiversity, 2) climate change mitigation and adaptation to the future, 3) investments in sustainable circular bioeconomy solutions, and 4) development of occupational safety, well-being at work and competence.

Koskisen's sustainability programme is published in full on the company's website at <https://koskisen.fi/en/sustainability/sustainabilityprogramme>. The achievement of the targets will be monitored through the indicators set for them.

Koskisen has published a sustainability statement as part of the Board of Directors' report for 2024. The sustainability statement has been prepared in accordance with the European Sustainability Reporting Standards (ESRS). PricewaterhouseCoopers Oy has verified the report at a limited assurance level.

Personnel

The Koskisen Group had an average of 945 (878) employees in January–March 2025 and 941 (881) employees at the end of March. The increase in the head count was mainly related to the growth of the Panel Industry segment's Kore business.

Short-term risks and uncertainties

The Group's most significant short-term risks are related to the availability of raw materials and the management of price changes, negative changes in the general geopolitical and trade policy situation, the general weakening of the market situation and its effect on market demand, the solvency of customers and the purchasing power of consumers, the delivery capability of suppliers and service providers, the seasonality of operations, changes in business areas and customer relationships, and the continued development of the ramp-up of the new sawmill. More information on Koskisen Corporation's risks and uncertainties is provided in the Annual Report 2024.

Shares and ownership

Koskisen's share capital amounts to EUR 1,512,000. On 31 March 2025, the total number of issued shares was 23,025,159 and the total number of outstanding shares was 23,024,073. The company has one series of shares. One share carries one vote at the general meeting. The shares have no nominal value. The company's shares have been listed on Nasdaq Helsinki Oy as of 1 December 2022.

On 21 March 2025, Koskisen Corporation's Board of Directors decided on a free directed share issue for the payment of share rewards under the company's long-term performance-based incentive programme for 2022–2026 (earning period 2022–2024). A total of 70,376 new shares were issued free of charge in the directed share issue to seven persons covered by the incentive programme in accordance with the terms of the programme. The rewards to be paid under the incentive programme to each participating person were paid in shares and cash. The cash component covers the tax costs related to the shares. The total number of shares in Koskisen Corporation after the registration of new shares is 23,095,535 shares. The new shares issued, totalling 70,376 shares, were registered in the Trade Register on 4 April 2025. Koskisen Corporation's Board of Directors decided on the free directed share issue on the basis of an authorisation granted by the Annual General Meeting on 16 May 2024.

Treasury shares

The company holds 1,086 treasury shares.

Share price and turnover

A total of 157,085 of the company's shares were traded on the Helsinki Stock Exchange between 1 January and 31 March 2025, corresponding to 0.7 per cent of the total number of shares. The highest share price was EUR 7.60 and the lowest EUR 6.66. The average price of the shares traded was EUR 7.13. The share turnover was EUR 1,120,051. At the end of the review period, the market capitalisation of the company was EUR 160,715,610.

Annual General Meeting 2025

The Annual General Meeting of Koskisen Corporation will take place in Kärkölä on 15 May 2025.

The Board of Directors proposes to the Annual General Meeting to be held on 15 May 2025 that a dividend of EUR 0.12 per share be paid.

Events following the review period

On 10 April 2025, Koskisen Corporation's Board of Directors decided on a new share-based incentive programme for its key personnel for 2025–2029. The incentive programme consists of three three-year earning periods: 2025–2027, 2026–2028 and 2027–2029. The company's Board of Directors also resolved on the criteria and targets, as well as the participating key employees, for the first earning period of the share-based incentive programme. Currently, a total of approximately 30 people are eligible to participate in the earning period 2025–2027 of the share-based incentive programme, including the Group's CEO and members of the Executive Board.

In the share-based incentive programme, the potential receipt and amount of the reward is based on the growth of revenue in accordance with Koskisen's growth strategy, cumulative adjusted EBITDA and the reduction of emissions caused by the company's own operations (Scope 1 and 2) between 1 January 2025 and 31 December 2027 and the person's ongoing employment.

In the first earning period of the incentive programme, key employees participating in the incentive programme may earn up to a total of 420,000 shares less a cash component required to cover the taxes and any other tax-like levies resulting from the share reward, after which the remaining net reward will be paid in shares.

Helsinki, 9 May 2025

Board of Directors of Koskisen Corporation

Financial information

Part corresponding to IAS 34

Consolidated statement of comprehensive income

EUR thousand	Note	1 Jan–31 Mar 2025	1 Jan–31 Mar 2024	1 Jan–31 Dec 2024
Revenue	2	86,256	63,701	282,262
Other operating income	3	589	466	2,022
Changes in inventories of finished goods and work in progress		-117	5,278	5,151
Change in fair value of forest assets		-2	-86	324
Materials and services		-52,064	-41,765	-174,749
Employee benefit expenses		-13,189	-11,954	-47,913
Depreciation, amortisation and impairments		-3,170	-2,409	-11,169
Other operating expenses	3	-12,058	-10,097	-42,904
Operating profit (loss)		6,244	3,135	13,023
Finance income	6	974	799	3,638
Finance costs	6	-1,929	-1,165	-6,689
Finance costs, net		-955	-365	-3,051
Profit (loss) before income tax		5,289	2,770	9,972
Income tax expense		-1,107	-514	-1,684
Profit (loss) for the period		4,182	2,256	8,288
Other comprehensive income				
Items that may be reclassified to profit or loss				
Translation differences		75	21	47
Other comprehensive income for the period, net of tax		75	21	47
Total comprehensive income for the period		4,257	2,277	8,335
Profit (loss) for the period attributable to:				
Owners of the parent company		4,182	2,256	8,288
Profit (loss) for the period		4,182	2,256	8,288
Total comprehensive income for the period attributable to:				
Owners of the parent company		4,257	2,277	8,335
Total comprehensive income		4,257	2,277	8,335
Earnings per share for profit attributable to the ordinary equity holders of the parent company:				
Basic earnings per share, EUR	5	0.18	0.10	0.36
Diluted earnings per share, EUR	5	0.18	0.10	0.36

The consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

Consolidated balance sheet

EUR thousand	Note	31 Mar 2025	31 Mar 2024	31 Dec 2024
ASSETS				
Non-current assets				
Property, plant and equipment	4	113,178	100,525	111,540
Forest assets		3,913	3,514	3,915
Right-of-use assets		33,486	26,159	34,043
Intangible assets		950	1,224	1,036
Financial assets at fair value through profit or loss	6	14	918	14
Other receivables		10	6	10
Deferred tax assets		44	112	37
Total non-current assets		151,595	132,458	150,595
Current assets				
Inventories		52,117	45,294	49,227
Trade receivables	6	31,114	27,234	23,835
Other receivables		10,376	7,842	9,536
Financial assets at fair value through profit or loss	6	11,567	10,711	11,513
Income tax receivables		77	951	74
Deposits	6	-	20,000	-
Cash and cash equivalents	6	23,989	25,426	31,823
Total current assets		129,240	137,458	126,008
Assets held for sale		447	-	447
TOTAL ASSETS		281,282	269,916	277,050
EQUITY AND LIABILITIES				
Equity				
Share capital	5	1,512	1,512	1,512
Legal reserve		16	16	16
Reserve for invested unrestricted equity	5	73,843	73,843	73,843
Treasury shares	5	-3	-3	-3
Cumulative translation difference		267	165	192
Retained earnings		73,867	71,912	65,240
Profit (loss) for the period		4,182	2,256	8,288
Total equity attributable to owners of the parent company		153,684	149,700	149,086
Total equity		153,684	149,700	149,086
Liabilities				
Non-current liabilities				
Borrowings	6	23,211	30,535	24,731
Lease liabilities	6	29,344	22,472	29,465
Other long-term employee benefits		3,198	3,202	3,117
Other payables		14	-	14
Deferred tax liabilities		7,707	5,885	7,162
Provisions		141	140	150
Total non-current liabilities		63,614	62,234	64,639
Current liabilities				
Borrowings	6	8,039	7,937	8,041
Lease liabilities	6	3,110	3,058	4,024
Derivative liabilities		-	27	141
Advances received		1,339	812	983
Trade payables	6	26,835	23,548	29,211
Trade payables, payment system	6	6,774	6,313	6,470
Other payables		17,704	16,259	14,300
Income tax liabilities		95	-	65
Provisions		89	27	89
Total current liabilities		63,985	57,982	63,325
Total liabilities		127,598	120,216	127,964
TOTAL EQUITY AND LIABILITIES		281,282	269,916	277,050

The consolidated balance sheet should be read in conjunction with the accompanying notes.

Consolidated statement of changes in equity

Attributable to owners of the parent company

EUR thousand	Share capital	Legal reserve	Reserve for invested unrestricted equity	Treasury shares	Cumulative translation difference	Retained earnings	Total equity attributable to owners of the parent company	Total equity
Equity at 1 Jan 2025	1,512	16	73,843	-3	192	73,527	149,086	149,086
Profit (loss) for the period	-	-	-	-	-	4,182	4,182	4,182
Other comprehensive income for the period								
Cumulative translation difference	-	-	-	-	75	-	75	75
Total comprehensive income	-	-	-	-	75	4,182	4,257	4,257
Transactions with owners:								
Share-based payments	-	-	-	-	-	340	340	340
Total transactions with owners	-	-	-	-	-	340	340	340
Equity at 31 Mar 2025	1,512	16	73,843	-3	267	78,049	153,684	153,684

Attributable to owners of the parent company

EUR thousand	Share capital	Legal reserve	Reserve for invested unrestricted equity	Treasury shares	Cumulative translation difference	Retained earnings	Total equity attributable to owners of the parent company	Total equity
Equity at 1 Jan 2024	1,512	16	73,843	-3	144	71,717	147,229	147,229
Profit (loss) for the period	-	-	-	-	-	2,256	2,256	2,256
Other comprehensive income for the period								
Cumulative translation difference	-	-	-	-	21	-	21	21
Total comprehensive income	-	-	-	-	21	2,256	2,277	2,277
Transactions with owners:								
Share-based payments	-	-	-	-	-	195	195	195
Total transactions with owners	-	-	-	-	-	195	195	195
Equity at 31 Mar 2024	1,512	16	73,843	-3	165	74,168	149,700	149,700

Attributable to owners of the parent company

EUR thousand	Share capital	Legal reserve	Reserve for invested unrestricted equity	Treasury shares	Cumulative translation difference	Retained earnings	Total equity attributable to owners of the parent company	Total equity
Equity at 1 Jan 2024	1,512	16	73,843	-3	144	71,717	147,229	147,229
Profit (loss) for the period	-	-	-	-	-	8,288	8,288	8,288
Other comprehensive income for the period								
Cumulative translation difference	-	-	-	-	47	-	47	47
Total comprehensive income	-	-	-	-	47	8,288	8,335	8,335
Transactions with owners:								
Dividend distribution	-	-	-	-	-	-7,368	-7,368	-7,368
Share-based payments	-	-	-	-	-	890	890	890
Total transactions with owners	-	-	-	-	-	-6,478	-6,478	-6,478
Equity at 31 Dec 2024	1,512	16	73,843	-3	192	73,527	149,086	149,086

The consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

Consolidated statement of cash flows

EUR thousand	Note	1 Jan–31 Mar 2025	1 Jan–31 Mar 2024	1 Jan–31 Dec 2024
Cash flow from operating activities				
Profit (loss) for the period		4,182	2,256	8,288
Adjustments:				
Depreciation, amortisation and impairment		3,170	2,409	11,169
Change in the fair value of the forest assets		2	86	-323
Gains and losses from sale of non-current assets	3	-8	-	23
Interest and other finance income and costs	6	955	365	3,051
Income taxes		1,107	514	1,684
Change in other long-term employee benefits		56	54	-104
Share-based payments		340	195	890
Other adjustments		-3	-7	-4
Adjustments total		5,620	3,617	16,386
Changes in net working capital:				
Change in trade and other receivables		-8,174	-1,468	-184
Change in trade and other payables		1,784	-2,684	1,305
Change in inventories		-2,839	-7,741	-11,656
Utilised provisions		-9	-18	53
Interest received		202	529	1,836
Interest paid		-1,245	-681	-4,389
Other financial items received		149	213	810
Arrangement fees and other financing costs paid		-282	-20	-150
Income taxes paid		-541	527	1,653
Net cash flow from operating activities		-1,153	-5,470	13,953
Cash flow from investing activities				
Purchases of property, plant and equipment and intangible assets	4	-3,560	-3,634	-20,760
Proceeds from sale of non-current assets		8	-	511
Repayment of deposits		-	-	20,000
Net cash flow from investing activities		-3,552	-3,634	-249
Cash flow from financing activities				
Repayment of borrowings	6	-1,629	-	-6,639
Repayments of lease liabilities	6	-1,526	-1,247	-3,657
Dividends paid		-	-	-7,368
Net cash flow from financing activities		-3,155	-1,247	-17,664
Net change in cash and cash equivalents		-7,860	-10,352	-3,960
Cash and cash equivalents at the beginning of the period		31,823	35,771	35,771
Effects of exchange rate changes on cash and cash equivalents		26	7	12
Cash and cash equivalents at the end of the period		23,989	25,426	31,823

The consolidated statement of cash flows should be read in conjunction with the accompanying notes.

Notes to the Interim report

1. General information and basis of preparation

The group's interim financial information concerning Koskisen Corporation and its subsidiaries (Koskisen, the group) has been prepared in accordance with IAS 34 Interim Financial Reporting standard and the preparation principles presented in the group's 2024 financial statements. The reforms and annual improvements to the IFRS standards that entered into force on 1 January 2025 do not have a significant impact on the figures presented. The interim financial information does not include all the supplementary information presented in the consolidated financial statements for the period ended 31 December 2024, and the interim information must be read together with the consolidated financial statements.

The preparation of interim information requires management to use estimates and exercise judgements, which have an impact on the application of the accounting policies and the amounts of assets, liabilities, income and expenses presented. The actual results may differ from these estimates. When preparing the interim data, the significant accounting estimates, and judgment-based decisions made by the management are the same as those applied in the consolidated financial statements prepared for the financial year ended 31 December 2024.

All amounts presented have been rounded, and therefore the sum of individual figures may deviate from the presented total figure.

The Interim report is unaudited.

2. Segment information and revenue

Revenue by segments

EUR thousand	1 Jan–31 Mar 2025			1 Jan–31 Mar 2024			1 Jan–31 Dec 2024		
	External	Internal	Total	External	Internal	Total	External	Internal	Total
Panel industry	37,570	1	37,571	34,717	1	34,717	142,433	21	142,454
Sawn timber industry	48,666	7,889	56,554	28,964	6,978	35,942	139,737	27,946	167,683
Segments total	86,236	7,890	94,125	63,681	6,978	70,659	282,171	27,967	310,137
Other	20	179	199	20	215	235	92	780	871
Elimination of internal sales	-	-8,069	-8,069	-	-7,194	-7,194	-	-28,746	-28,746
Total	86,256	-	86,256	63,701	-	63,701	282,262	-	282,262

Revenue by geographical areas

EUR thousand	1 Jan–31 Mar 2025	1 Jan–31 Mar 2024	1 Jan–31 Dec 2024
Finland	34,534	29,993	111,595
Japan	8,848	2,790	23,990
Germany	5,865	4,593	24,098
Poland	4,898	2,805	15,465
Other EU-countries	22,406	17,900	76,556
Other countries	9,705	5,620	30,559
Total	86,256	63,701	282,262

EBITDA by segments

EUR thousand	1 Jan–31 Mar 2025	1 Jan–31 Mar 2024	1 Jan–31 Dec 2024
Panel Industry	4,549	5,274	17,681
Sawn Timber Industry	5,372	653	7,205
Segments total	9,921	5,927	24,886
Other ¹	-507	-383	-693
Total	9,414	5,545	24,193

¹ Includes the fully owned subsidiary Kosava-Kiinteistöt Oy, which provides real estate management services to the parent company, as well as part of the group's centralised operations that are not allocated to segments.

Reconciliation of EBITDA to operating profit (loss)

EUR thousand	1 Jan–31 Mar 2025	1 Jan–31 Mar 2024	1 Jan–31 Dec 2024
EBITDA	9,414	5,545	24,193
Depreciation, amortisation and impairments	-3,170	-2,409	-11,169
Operating profit (loss)	6,244	3,135	13,023

3. Other operating income and expenses

Other operating income

EUR thousand	1 Jan–31 Mar 2025	1 Jan–31 Mar 2024	1 Jan–31 Dec 2024
Sale of emission allowances	384	310	1,294
Firewood sales to forest owners	48	86	237
Lease income	32	26	110
Compensations received	21	2	35
Grants received	19	-	184
Gains on disposal of property, plant and equipment	8	-	53
Other	76	43	109
Total	589	466	2,022

Other operating expenses

EUR thousand	1 Jan–31 Mar 2025	1 Jan–31 Mar 2024	1 Jan–31 Dec 2024
Sales freight and forwarding	-7,192	-5,699	-24,127
IT expenses	-1,031	-947	-4,169
Maintenance of property	-923	-814	-3,793
Consulting and administrative services	-569	-587	-2,170
Administrative expenses	-564	-450	-1,794
Personnel related expenses	-501	-424	-1,722
Sales commissions	-245	-124	-664
Travel expenses	-243	-245	-1,067
Lease expenses	-229	-202	-885
Marketing expenses	-120	-196	-603
Research and development expenses	-67	-127	-301
Other expenses ¹	-373	-283	-1,609
	-12,058	-10,097	-42,904

¹ Other expenses include, for example expenses related to machines, equipment and vehicles.

4. Property, plant and equipment

EUR thousand	Land	Buildings and structures	Machinery and equipment	Other tangible assets	Advance payments and construction in progress	Total
Cost at 1 Jan 2025	2,727	83,766	113,342	6,825	15,576	222,235
Translation differences	2	46	25	3	4	81
Additions	-	187	1,504	948	921	3,559
Reclassifications	-	2,077	5,392	6,049	-13,519	-
Cost at 31 Mar 2025	2,730	86,076	120,263	13,824	2,982	225,875
Accumulated depreciation and impairment at 1 Jan 2025	-	-41,174	-65,479	-4,042	-	-110,695
Translation differences	-	-12	-8	-1	-	-21
Depreciation	-	-570	-1,296	-115	-	-1,980
Accumulated depreciation and impairment at 31 Mar 2025	-	-41,756	-66,782	-4,158	-	-112,696
Carrying value at 1 Jan 2025	2,727	42,591	47,863	2,783	15,576	111,540
Carrying value at 31 Mar 2025	2,730	44,320	53,481	9,666	2,982	113,178

Gross investments for property, plant and equipment amounted to EUR 3.6 (4.5) million during January to March. These were largely related to the construction of the new log yard, which was commissioned during the period.

EUR thousand	Land	Buildings and structures	Machinery and equipment	Other tangible assets	Advance payments and construction in progress	Total
Cost at 1 Jan 2024	2,714	82,158	102,648	7,446	18,004	212,970
Translation differences	1	12	6	0	1	20
Additions	-	41	12	-	4,484	4,536
Disposals	-	-	-	-	-6	-6
Reclassifications	-	163	226	-	-388	-
Cost at 31 Mar 2024	2,715	82,374	102,891	7,446	22,095	217,520
Accumulated depreciation and impairment at 1 Jan 2024	-	-40,130	-71,096	-4,235	-	-115,462
Translation differences	-	-3	-2	-0	-	-5
Depreciation	-	-518	-905	-105	-	-1,528
Accumulated depreciation and impairment at 31 Mar 2024	-	-40,651	-72,003	-4,340	-	-116,994
Carrying value at 1 Jan 2024	2,714	42,028	31,551	3,211	18,004	97,508
Carrying value at 31 Mar 2024	2,715	41,723	30,887	3,106	22,095	100,525

EUR thousand	Land	Buildings and structures	Machinery and equipment	Other tangible assets	Advance payments and construction in progress	Total
Cost at 1 Jan 2024	2,714	82,158	102,648	7,446	18,004	212,970
Translation differences	2	31	15	1	2	51
Additions	12	1,870	6,283	24	13,981	22,169
Disposals	-	-1,121	-7,468	-677	-140	-9,406
Reclassifications	-	828	15,399	31	-16,272	-13
Reclassification to assets held for sale	-	-	-3,536	-	-	-3,536
Cost at 31 Dec 2024	2,727	83,766	113,342	6,825	15,576	222,235
Accumulated depreciation and impairment at 1 Jan 2024	-	-40,130	-71,096	-4,235	-	-115,462
Translation differences	-	-7	-4	-1	-	-12
Depreciation	-	-2,157	-4,247	-415	-	-6,818
Accumulated depreciation of disposals and reclassifications	-	1,120	7,062	609	-	8,790
Reclassification to assets held for sale	-	-	2,807	-	-	2,807
Accumulated depreciation and impairment at 31 Dec 2024	-	-41,174	-65,479	-4,042	-	-110,695
Carrying value at 1 Jan 2024	2,714	42,028	31,551	3,211	18,004	97,508
Carrying value at 31 Dec 2024	2,727	42,591	47,863	2,783	15,576	111,540

5. Equity and earnings per share

EUR thousand	Total number of shares outstanding (pcs)	Treasury shares (pcs)	Total number of issued shares (pcs)	Share capital	Reserve for invested unrestricted equity
1 Jan 2024	23,010,573	1,086	23,011,659	1,512	73,843
Directed share issue without consideration, management	13,500	-	13,500	-	-
31 Dec 2024	23,024,073	1,086	23,025,159	1,512	73,843
31 Mar 2025	23,024,073	1,086	23,025,159	1,512	73,843

Koskisen Corporation has one series of shares, and all shares are equally entitled to dividends. One share carries one vote at the general meeting. The shares do not have a nominal value. The Koskisen Corporation shares are listed on the Nasdaq Helsinki stock exchange. The shares are included in the book-entry system maintained by Euroclear Finland Ltd. The trading code is KOSKI and the ISIN code is FI4000533005.

On 21 March 2025, Koskisen Corporation's Board of Directors decided on a free directed share issue for the payment of share rewards under the company's long-term performance-based incentive programme for 2022–2026 (earning period 2022–2024). A total of 70,376 new shares were issued free of charge in a directed share issue to seven persons covered by the incentive programme in accordance with the terms of the programme. The rewards paid under the incentive programme to each participating person were paid in shares and cash. The cash component covers the tax costs related to the shares. The total number of shares in Koskisen Corporation after the registration of new shares is 23 095 535 shares. The total of 70,376 shares issued in the free directed share issue were registered in the Finnish Trade Register on 4 April 2025. Koskisen Corporation's Board of Directors decided on the free directed share issue on the basis of an authorisation granted by the Annual General Meeting on 16 May 2024.

EUR	1 Jan–31 Mar 2025	1 Jan–31 Mar 2024	1 Jan–31 Dec 2024
Earning per share			
Profit (loss) for the period attributable to the owners of the parent company (EUR)	4,181,868	2,255,800	8,287,597
Weighted average number of shares outstanding during the period	23,024,073	23,015,320	23,021,352
Diluted weighted average number of shares outstanding during the period	23,275,321	23,178,576	23,290,168
Basic earnings per share (EUR)	0.18	0.10	0.36
Diluted earnings per share (EUR)	0.18	0.10	0.36

6. Financial assets and liabilities

		31 Mar 2025	31 Mar 2024	31 Dec 2024
EUR thousand	Fair value hierarchy level	Carrying value	Carrying value	Carrying value
Financial assets measured at amortised cost				
Trade receivables	-	31,114	27,234	23,835
Deposits ¹	-	-	20,000	-
Cash and cash equivalents	-	23,989	25,426	31,823
Total financial assets measured at amortised cost		55,103	72,660	55,658
Financial assets measured at fair value through profit or loss				
Capital redemption contracts	1	11,329	10,711	11,236
Derivatives	2	239	904	277
Other assets measured at fair value through profit or loss	3	14	14	14
Total financial assets measured at fair value through profit or loss		11,581	11,629	11,526
Financial liabilities measured at amortised cost				
Loans from financial institutions	2	31,250	38,472	32,772
Lease liabilities	-	32,454	25,529	33,489
Trade payables	-	26,835	23,548	29,211
Trade payables, payment system	-	6,774	6,313	6,470
Total financial liabilities measured at amortised cost		97,312	93,863	101,943
Financial liabilities measured at fair value through profit or loss				
Derivative liabilities	2	-	27	141
Total financial liabilities measured at fair value through profit or loss		-	27	141

¹ Time deposits with a maturity of over three months

The fair value of the loans from financial institutions has been determined by discounting the future cash flows at the estimated market interest rate at the time of reporting. The company has estimated that the contractual interest rate of the loans is reasonably close to the market interest rate and has not made an adjustment to the discount rate at which the fair values are determined, in which case the fair values of the loans correspond to their nominal value. Since the company's loans from financial institutions have variable interest rates, the change in market interest rates during the period has been directly reflected in the group's interest expenses and has therefore not affected the fair value of the loans.

The fair value of derivatives is estimated based on the present value of future cash flows, using market prices on the valuation date, and the fair value of capital redemption contracts is estimated on the basis of counterparty quotes. Changes in the fair value of derivatives and capital redemption contracts are recognised in financial income and costs, which are detailed below.

The fair value hierarchy levels are given in the table above.

Koskisen's loans from financial institutions contain covenants. The covenants were fulfilled during the presented periods and are expected to be fulfilled during the financial year.

Changes in financial liabilities

The change in financial liabilities during the period is mainly due to loan repayments.

The table below shows the maturity of the financial liabilities.

EUR thousand	Q2-Q4						Total contractual cash flows	Carrying amount
	2025	2026	2027	2028	2029	2030-		
31 Mar 2025								
Loans from financial institutions	7,695	12,243	5,602	3,381	2,610	2,804	34,334	31,250
Lease liabilities	4,349	4,849	4,545	4,401	3,870	23,447	45,460	32,454
Trade payables	26,835	-	-	-	-	-	26,835	26,835
Trade payables, payment system ¹	6,840	-	-	-	-	-	6,840	6,774
Total	45,719	17,092	10,146	7,783	6,479	26,251	113,470	97,312

EUR thousand	Q2-Q4						Total contractual cash flows	Carrying amount
	2024	2025	2026	2027	2028	2029-		
31 Mar 2024								
Loans from financial institutions	8,280	9,686	14,376	3,564	3,434	5,467	44,806	38,472
Lease liabilities	5,182	3,653	2,966	2,662	2,544	23,666	40,673	25,529
Derivative liabilities	27	-	-	-	-	-	27	27
Trade payables	23,548	-	-	-	-	-	23,548	23,548
Trade payables, payment system ¹	6,381	-	-	-	-	-	6,381	6,313
Total	43,419	13,339	17,342	6,225	5,977	29,133	115,436	93,890

EUR thousand	Q2-Q4						Total contractual cash flows	Carrying amount
	2025	2026	2027	2028	2029	2030-		
31 Dec 2024								
Loans from financial institutions	9,521	12,334	5,670	3,426	2,633	2,815	36,399	32,772
Lease liabilities	6,347	4,763	4,494	4,369	3,840	23,389	47,202	33,489
Derivative liabilities	141	-	-	-	-	-	141	141
Trade payables	29,211	-	-	-	-	-	29,211	29,211
Trade payables, payment system ¹	6,639	-	-	-	-	-	6,639	6,470
Total	51,859	17,097	10,164	7,795	6,473	26,204	119,592	102,084

¹ Trade payables under the payment system are payable on demand, so the company reports them as short-term debt. Accumulated interest and interest for the 45 days notice period have been added to the contractual cash flows of these.

Interest rate risk management

Koskisen's loans from financial institutions expose the group to cash flow interest rate risk. There have been no changes in Koskisen's interest rate risk hedging policy, but the group's management constantly evaluates the magnitude of open risk and the need for additional hedging. Koskisen has interest rate swaps with a total nominal value of EUR 20 million. The changes in the fair value of the interest rate swaps offset the income state effects of the loan's interest rate changes, protecting the group from interest rate risk, even though the swaps are not one-to-one with the group's loans from financial institutions. The interest rate swap agreements are valid until 2025.

Finance income and costs

EUR thousand	1 Jan–31 Mar 2025	1 Jan–31 Mar 2024	1 Jan–31 Dec 2024
Finance income			
Interest income	152	415	1,414
Gains on interest rate derivatives	102	207	769
Foreign exchange gains	284	87	754
Gains on capital redemption contracts	93	86	611
Gains on foreign currency derivatives	343	4	89
Other finance income	-	-	1
Total	974	799	3,638
Finance costs			
Interest expenses from borrowings	-558	-462	-2,617
Interest expenses from lease liabilities	-602	-500	-2,209
Losses on interest rate derivatives	-138	-	-615
Foreign exchange losses	-568	-42	-593
Losses on foreign currency derivatives	-14	-103	-450
Other finance costs	-49	-58	-206
Total	-1,929	-1,165	-6,689
Finance income and costs total	-955	-365	-3,051

7. Contingent liabilities and liability commitments

EUR thousand	31 Mar 2025	31 Mar 2024	31 Dec 2024
Liabilities for which collaterals have been given			
Loans from financial institutions	15,500	20,500	15,500
Account and guarantee limits in use at the balance sheet date			
Account limit	-	-	-
Guarantee limit	83	83	83
Mortgages			
Real estate mortgages	307,200	307,200	307,200
Company mortgages	181,551	181,551	181,551
Guarantees			
Advance payment, delivery, etc. guarantees	83	83	83

Koskisen has committed to a total of EUR 8.6 million in payments related to investments. The commitments are mainly related to the investment programme in plywood production which was launched at the end of year 2024.

Calculation formulas for key figures

Items affecting comparability are unusual material items outside the ordinary course of business that relate to (i) costs related to reorganisations, (ii) impairment charges, (iii) the gain or loss from the sale of businesses or significant fixed assets and (iv) costs related to the Listing. Items affecting comparability is presented to reflect the underlying business performance of Koskisen and to enhance comparability between periods. Koskisen believes that items affecting comparability provide meaningful supplemental information by excluding items outside the ordinary course of business that reduce comparability between periods.

EBITDA = Operating profit (loss) + Depreciation, amortisation and impairments

EBITDA is an indicator used to measure Koskisen's performance.

EBITDA margin, per cent =
$$\frac{\text{EBITDA}}{\text{Revenue}} \times 100$$

EBITDA margin is an indicator used to measure Koskisen's performance.

Adjusted EBITDA = EBITDA + Items affecting comparability

Adjusted EBITDA is an indicator used to measure Koskisen's performance. Adjusted EBITDA is presented in addition to EBITDA to reflect the underlying business performance and to enhance comparability between periods. Koskisen believes that adjusted EBITDA provides meaningful supplemental information by excluding items outside the ordinary course of business that reduce comparability between periods.

Adjusted EBITDA margin, per cent =
$$\frac{\text{Adjusted EBITDA}}{\text{Revenue}} \times 100$$

Adjusted EBITDA margin is an indicator used to measure Koskisen's performance. Adjusted EBITDA margin is presented in addition to EBITDA margin to reflect the underlying business performance and to enhance comparability between periods. Koskisen believes that adjusted EBITDA margin provides meaningful supplemental information by excluding items outside the ordinary course of business that reduce comparability between periods.

EBIT margin, per cent =
$$\frac{\text{Operating profit (loss)}}{\text{Revenue}} \times 100$$

EBIT margin is an indicator used to measure Koskisen's performance.

Adjusted EBIT = Operating profit (loss) + Items affecting comparability

Adjusted EBIT is an indicator used to measure Koskisen's performance. Adjusted EBIT is presented in addition to operating profit (loss) to reflect the underlying business performance and to enhance comparability between periods. Koskisen believes that adjusted EBIT provides meaningful supplemental information by excluding items outside the ordinary course of business that reduce comparability between periods.

$$\text{Adjusted EBIT margin, per cent} = \frac{\text{Adjusted EBIT}}{\text{Revenue}} \times 100$$

Adjusted EBIT margin is an indicator used to measure Koskisen's performance. Adjusted EBIT margin is presented in addition to EBIT margin to reflect the underlying business performance and to enhance comparability between periods. Koskisen believes that adjusted EBIT margin provides meaningful supplemental information by excluding items outside the ordinary course of business that reduce comparability between periods.

$$\text{Basic earnings per share, EUR} = \frac{\text{Profit (loss) for the period attributable to owners of the parent company}}{\text{Weighted average number of ordinary Shares outstanding during the period}}$$

Basic earnings per Share reflects the distribution of Koskisen's results to its shareholders.

$$\text{Diluted earnings per share, EUR} = \frac{\text{Profit (loss) for the period attributable to owners of the parent company}}{\text{Weighted average number of ordinary Shares outstanding during the period + Weighted average number of all dilutive instruments potentially to be converted into Shares}}$$

Diluted earnings per share reflects the distribution of Koskisen's results to its shareholders.

$$\text{Capital employed} = \text{Total assets} - \text{Current liabilities}$$

Capital employed reflects the capital tied to Koskisen's operations and it is used to calculate return on capital employed.

$$\text{Liquid assets} = \text{Current financial assets at fair value through profit or loss} + \text{Deposits} + \text{Cash and cash equivalents}$$

Liquid assets reflects the amount of cash and other assets that are readily convertible to cash.

Net debt = Borrowings + Lease liabilities - Liquid assets

Net debt is an indicator used to assess Koskisen's total external debt financing.

Net debt/EBITDA, ratio =
$$\frac{\text{Net debt}}{\text{EBITDA (last 12 months)}} \times 100$$

Net debt/EBITDA is an indicator used to assess the level of Koskisen's financial risk and the level of Koskisen's indebtedness.

Working capital = Inventories + Trade receivables + Other receivables - Advances received - Trade payables - Trade payables, payment system

Working capital is an indicator used to monitor the level of direct net working capital tied to Koskisen's operations.

Equity ratio, per cent =
$$\frac{\text{Total equity}}{\text{Total assets - Advances received}} \times 100$$

Equity ratio measures Koskisen's solvency and ability to meet its liabilities in the long term.

Gearing, per cent =
$$\frac{\text{Net debt}}{\text{Total equity}} \times 100$$

Gearing is a measure used to assess Koskisen's financial leverage.

Return on capital employed, per cent =
$$\frac{\text{Operating profit (loss) (last 12 months)}}{\text{Capital employed (average for the last 12 months)}} \times 100$$

Return on capital employed reflects the return of capital tied to Koskisen's operations.

Reconciliation of Alternative Performance Measures

The following table sets forth a reconciliation of the Alternative Performance Measures as at the dates and for the periods indicated:

EUR thousand	1 Jan–31 Mar 2025	1 Jan–31 Mar 2024	1 Jan–31 Dec 2024
Items affecting comparability			
Costs related to reorganisations	98	-	154
The gain (-) or loss (+) from sale of businesses or significant fixed assets	-	-	-48
Items affecting comparability	98	-	105
EBITDA			
Operating profit (loss)	6,244	3,135	13,023
Depreciation, amortisation and impairments	3,170	2,409	11,169
EBITDA	9,414	5,545	24,193
EBITDA margin, per cent			
EBITDA	9,414	5,545	24,193
Revenue	86,256	63,701	282,262
EBITDA margin, per cent	10.9 %	8.7 %	8.6 %
Adjusted EBITDA			
Operating profit (loss)	6,244	3,135	13,023
Depreciation, amortisation and impairments	3,170	2,409	11,169
Items affecting comparability	98	-	105
Adjusted EBITDA	9,512	5,545	24,298
Adjusted EBITDA margin, per cent			
Adjusted EBITDA	9,512	5,545	24,298
Revenue	86,256	63,701	282,262
Adjusted EBITDA margin, per cent	11.0 %	8.7 %	8.6 %