

INCAP GROUP

Business review

January–September 2026

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Incap Group's business review for January–September 2026 (unaudited)

July–September 2026 highlights

- Revenue amounted to EUR 80.7 million (7–9/2025: EUR 51.8 million). Year-on-year increase was 56.0%, driven by the acquisition of Lacon Group and the increasing demand from the defence customers.
- Revenue increased also organically 18.0% and was impacted positively by both existing and new customer projects.
- Comparable EBITA amounted to EUR 8.6 million (EUR 5.8 million) or 10.7% of revenue (11.1%). Year-on-year increase was 50.3%.
- Operating profit (EBIT) amounted to EUR 7.9 million (EUR 6.7 million) or 9.7% of revenue (13.0%). Year-on-year increase was 17.1%.
- Net profit was EUR 6.9 million (EUR 4.3 million). Year-on-year increase was 61.8%, impacted positively by a reassessment of the acquisition related earn-out.
- Earnings per share were EUR 0.23 (EUR 0.14). Year-on-year increase was 61.9%.

January–September 2026 highlights

- Revenue amounted to EUR 210.9 million (1–9/2025: EUR 159.3 million). Year-on-year increase was 32.4%. Growth was driven by the acquisition of Lacon Group and the increasing demand from the defence customers.
- Revenue increased organically 4.6%, impacted positively by both existing and new customer projects and negatively by foreign exchange rates.
- Comparable EBITA amounted to EUR 20.3 million (EUR 18.1 million) or 9.6% of revenue (11.4%). Year-on-year increase was 12.4%.
- Operating profit (EBIT) remained on previous year's level and amounted to EUR 18.4 million (EUR 18.4 million) or 8.7% of revenue (11.5%). Last year, EBIT was positively impacted by one-off insurance proceedings, personnel-related accrual reversal, and lower purchase price allocation amortisation.
- Net profit was EUR 13.6 million (EUR 8.9 million). Year-on-year increase was 52.8%, impacted positively by a reassessment of the acquisition related earn-out, decreased foreign exchange losses in financial expenses and a decrease of internal dividend related withholding tax.
- Earnings per share were EUR 0.46 (EUR 0.30). Year-on-year increase was 53.1%.

The consolidation of the Lacon Group following the acquisition on 20 February 2026 contributed to the more significant movements in the balances compared to 2025. Unless otherwise stated, the comparison figures refer to the corresponding period in 2025. This business review is unaudited.

Key figures

EUR million	7–9/26	7–9/25	Change	4–6/26	Change	1–9/26	1–9/25	Change	1–12/25
Revenue	80.7	51.8	56.0%	74.2	8.9%	210.9	159.3	32.4%	214.6
Comparable EBITA*	8.6	5.8	50.3%	6.5	32.1%	20.3	18.1	12.4%	26.1
Comparable EBITA, % of revenue	10.7%	11.1%		8.8%		9.6%	11.4%		12.1%
Operating profit (EBIT)	7.9	6.7	17.1%	5.8	36.4%	18.4	18.4	0.0%	25.3
EBIT, % of revenue	9.7%	13.0%		7.8%		8.7%	11.5%		11.8%
Net profit	6.9	4.3	61.8%	2.9	139.4%	13.6	8.9	52.8%	14.0
Equity ratio	54.8%	67.2%		53.9%		54.8%	67.2%		67.9%
Net gearing	10.3%	-29.4%		6.4%		10.3%	-29.4%		-39.0%

*Comparable EBITA is an alternative performance measure. Comparable EBITA excludes non-recurring items and purchase price allocation amortisation. Comparable EBITA provides comparable information between different financial years on EBITA.

Outlook for 2026

Incap estimates that its revenue in 2026 will be clearly higher than in 2025, amounting to EUR 270–290 million. Incap estimates its comparable EBITA will be higher than in 2025, amounting to EUR 26–29 million.

The estimates are given provided that unexpected events impacting Incap's business environment do not occur.

CEO's comments

I would like to thank our employees for their hard work and commitment during the quarter, as well as our customers, shareholders and other stakeholders for their continued trust and support.

The third quarter was a strong quarter for Incap, with revenue reaching an all-time high of EUR 80.7 million (EUR 51.8 million). Growth was driven by the acquisition of Lacon Group and the increasing demand of the defence customers. Revenue grew by 18% organically, driven by contributions from both existing and new customers, reflecting the strength of our sales teams and customer relationships.

Comparable EBITA reached EUR 8.6 million, increasing both year-on-year and quarter-on-quarter due to higher volumes. As a percentage of revenue, the comparable EBITA was 10.7% (11.1%). It is encouraging to see profitability at this level.

Earnings per share improved to EUR 0.23 (EUR 0.14). The development was supported by our strong financial performance during the quarter and a positive impact from certain financial items. Furthermore, the continued share buyback program contributed slightly to the increase in the earnings per share.

Market conditions continued to vary across regions and customer segments. We remain focused on expanding our sales pipeline and see good customer activity and opportunities across the group, particularly in areas such as industrial

automation, data centre-related power applications, as well as defence.

The competitive environment in India remains intense, with continued pressure on pricing. Our largest customer is diversifying its supplier base, which we expect will put pressure on our volumes going forward. At the same time, new large customer accounts in India, particularly within data center applications, are being ramped up. This is expected to balance the impact.

Component and printed circuit board (PCB) availability remained challenging during the quarter. Thanks to the efforts of our teams and close cooperation with customers and suppliers, we were able to manage the situation and continue supporting our customers. At the same time, higher production volumes increased net working capital, which impacted cash flow from operating activities.

Looking ahead, our strong order intake has continued, supporting our expectations for a strong fourth quarter. We continue to focus on profitable organic growth, disciplined execution, and creating shareholder value.

We look forward to presenting our updated strategy at the Capital Markets Day on 17 November. The strategy builds on the strengths of our business, Incap's increased scale and provides the framework for our continued growth and value creation.

Otto Pukk, President and CEO of Incap Corporation

Financial performance

July–September 2026

In July–September 2026, revenue increased 56.0% year-on-year and amounted to EUR 80.7 million (EUR 51.8 million). Revenue growth was driven by the acquisition of Lacon Group and the increasing demand of the defence customers. Revenue increased organically 18.0% and was impacted positively by both existing and new customer projects.

Comparable EBITA amounted to EUR 8.6 million (EUR 5.8 million). Comparable EBITA margin was 10.7% (11.1%) of revenue. Operating profit (EBIT) increased 17.1% year-on-year and amounted to EUR 7.9 million (EUR 6.7 million). Both comparable EBITA and EBIT were

positively impacted by the acquisition, as well as both existing and new customer projects.

EBIT in Q3 2025 was impacted by one-off net insurance proceeds of EUR 1.5 million.

In July–September 2026, Incap did not record any material credit losses or inventory write-offs.

Net profit increased 61.8% year-on-year and totalled EUR 6.9 million (EUR 4.3 million). Net profit was positively impacted by the EUR 1.2 million reassessment of the acquisition-related earn-out. Earnings per share were EUR 0.23 (EUR 0.14).

January–September 2026

In January–September 2026, revenue increased 32.4% year-on-year and amounted to EUR 210.9 million (EUR 159.3 million). Growth was driven by the acquisition of Lacon Group and the increasing demand of the defence customers. Revenue increased organically 4.6%, impacted positively by both existing and new customer projects and negatively by foreign exchange rates.

Comparable EBITA amounted to EUR 20.3 million (EUR 18.1 million). Comparable EBITA margin was 9.6% (11.4%) of revenue.

EBIT remained on previous year's level and amounted to EUR 18.4 million (EUR 18.4 million), though EBIT in January–September 2025 was positively impacted by one-off net insurance proceedings, personnel-related accrual reversal, and lower purchase price allocation amortisation.

In January–September 2026, Incap did not record any material credit losses or inventory write-offs.

Depreciation and amortisation amounted to EUR 7.6 million (EUR 4.5 million). As a result of the acquisition, both the depreciation of fixed assets and purchase price allocation amortisation increased.

Net profit increased 52.8% year-on-year and totalled EUR 13.6 million (EUR 8.9 million). Net profit was positively impacted by reassessment of acquisition-related earn-out of EUR 1.2 million in financial income and decreased foreign exchange losses in financial expenses, amounting to EUR 3.3 million (EUR 5.7 million). The internal dividend withholding taxes decreased to EUR 1.0 million (EUR 2.5 million). Earnings per share were EUR 0.46 (EUR 0.30).

Balance sheet and financing

Total assets in the Group's balance sheet on 30 September 2026 stood at EUR 274.3 million (EUR 199.7 million). The Group's equity was EUR 146.6 million (EUR 130.8 million). The year-on-year increase in the balance sheet was primarily driven by the acquisition completed in February 2026.

Liabilities were EUR 127.7 million (EUR 69.0 million). EUR 59.5 million thereof (EUR 28.7 million) were interest-bearing liabilities. Interest-

bearing net debt was EUR 15.1 million (EUR -38.5 million).

The Group's non-current interest-bearing liabilities amounted to EUR 52.1 million (EUR 25.3 million) and non-current non-interest-bearing liabilities to EUR 8.9 million (EUR 4.1 million). The non-current interest-bearing liabilities included loans of EUR 43.5 million (EUR 22.6 million) granted by the company's two

Finnish banks. The increase was due to a new loan related to the acquisition. Current interest-bearing liabilities were EUR 7.4 million (EUR 3.3 million).

At the end of September 2026, the company's financial position was strong. Equity ratio was 54.8% (67.2%), and net gearing was 10.3% (-29.4%).

The Group's cash position was good. At the end of September 2026, the Group's cash and cash equivalents totalled EUR 44.4 million (EUR 67.2 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 -5.8 million (EUR 8.2 million). Cash flow from operating activities was impacted by growth in net working capital items in line with higher production volumes. Cash flow from financing activities includes the repurchase of own shares amounting to EUR 1.8 million.

The Group's quick ratio was 1.5 (2.8), and current ratio was 2.7 (4.0).

Inventory at end of September 2026 totalled EUR 90.1 million (EUR 59.3 million). The majority of the increase is attributable to the inventory levels of the acquired business.

Management and organisation

At the end of September 2026, Incap's Management Team consisted of President and CEO, Otto Pukk; President Asia Pacific, Murthy Munipalli; President Europe, Ralf Hasler; Chief Financial Officer, Antti Pynnönen; and Chief Corporate Affairs Officer, Helena Maripuu.

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

Shares

On 5 August 2026, Incap announced that it initiates a share buyback programme of up to EUR 15 million based on the authorisation given by the Annual General Meeting held on 20 May 2026. The share repurchases started on 6 August 2026 and will end by 15 April 2027 at the latest. The shares will be repurchased for the purpose of developing the company's capital structure.

The maximum number of shares to be repurchased is 1,471,860 shares, corresponding to approximately 5% of the total number of the

company shares. The shares will be repurchased using the company's unrestricted equity through public trading on Nasdaq Helsinki. The price for the shares will be based on the price prevailing on the market on the day of the repurchase in public trading. The repurchased shares will be cancelled on a monthly basis.

By the end of September 2026, Incap had repurchased a total of 224,133 and cancelled 192,860 treasury shares. The total number of shares in the company at the end of September 2026 was 29,254,767.

Significant events after the end of the reporting period

After the reporting period, on 27 October 2026, Incap cancelled 72,286 treasury shares in line with the decision of the Board of Directors. The cancelled shares were repurchased under the share buyback programme announced on 5 August 2026. Following the cancellation, Incap

holds 17,000 treasury shares including the shares repurchased by 26 October 2026. Prior to the cancellation, the total number of shares in the company was 29,254,767. Following the cancellation, the total number of shares in the company is 29,182,481.

Financial reporting in 2027

Incap will publish its financial reporting schedule for 2027 in December 2026.

In Helsinki, 29 October 2026

INCAP CORPORATION

Board of Directors

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Accounting principles for the business review

This business review has been prepared in accordance with IFRS recognition and measurement principles, although not all requirements of the IAS 34 Interim Financial Reporting standard have been followed. When

preparing the review, the same principles have been used as in the 2025 financial statements. Unless otherwise stated, the comparison figures refer to the same period in the previous year. This business review is unaudited.

Consolidated statement of comprehensive income

(EUR thousands)	1–9/2026	1–9/2025	1–12/2025
REVENUE	210,946	159,280	214,592
Other operating income	566	2,098	2,364
Change in inventories of finished goods and work in progress	2,904	4,341	2,722
Raw materials and consumables used	-136,457	-109,720	-143,216
Personnel expenses	-38,292	-22,028	-29,642
Depreciation and amortisation	-7,572	-4,457	-5,980
Other operating expenses	-13,695	-11,120	-15,546
OPERATING PROFIT	18,399	18,393	25,294
Financial income	3,658	2,608	3,374
Financial expenses	-3,339	-5,651	-6,356
PROFIT BEFORE TAX	18,718	15,350	22,311
Income tax	-5,100*	-6,441*	-8,342
PROFIT FOR THE PERIOD	13,618	8,910	13,969
Earnings per share, EUR	0.46	0.30	0.47

*The net profit was affected by a EUR 1.0 million (EUR 2.5 million) withholding tax arising from intra-group dividend distribution to the parent company.

OTHER COMPREHENSIVE INCOME	1–9/2026	1–9/2025	1–12/2025
Items that will not be transferred to P&L	-	-	-
Items that may be recognised in profit or loss at a later date:			
Translation differences from foreign units	-1,448	-10,766	-11,550
Other comprehensive income, net	-1,448	-10,766	-11,550
TOTAL COMPREHENSIVE INCOME	12,170	-1,856	2,419
Attributable to:			
Shareholders of the parent company	12,170	-1,856	2,419

Consolidated balance sheet

(EUR thousands)	30 Sep 2026	30 Sep 2025	31 Dec 2025
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	29,645	23,408	26,163
Right-of-use assets	8,159	5,447	5,066
Goodwill	30,886	8,185	8,184
Other intangible assets	22,335	4,850	4,685
Other financial assets	4	4	4
Deferred tax assets	746	727	673
Other receivables	418	364	377
TOTAL NON-CURRENT ASSETS	92,193	42,985	45,153
CURRENT ASSETS			
Inventories	90,127	59,317	52,101
Trade and other receivables	45,866	29,101	27,765
Tax receivables	1,714	1,147	1,782
Cash and cash equivalents	44,434	67,158	80,755
TOTAL CURRENT ASSETS	182,141	156,723	162,403
TOTAL ASSETS	274,334	199,707	207,557
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	23,703	23,653	23,652
Exchange differences	-18,026	-15,793	-16,577
Retained earnings	139,939	121,897	127,160
TOTAL EQUITY	146,616	130,758	135,235
NON-CURRENT LIABILITIES			
Borrowings	44,033	20,221	19,593
Lease liabilities	7,594	4,848	3,767
Deferred tax liabilities	6,938	1,462	2,068
Employee benefit obligations	502	264	420
Deferred income	-	-	335
Other liabilities	2,004	2,591	1,693
TOTAL NON-CURRENT LIABILITIES	61,070	29,387	27,876
CURRENT LIABILITIES			
Trade and other payables	55,763	35,325	39,378
Borrowings	6,359	2,352	2,286
Lease liabilities	1,040	983	1,806
Employee benefit obligations	46	48	47

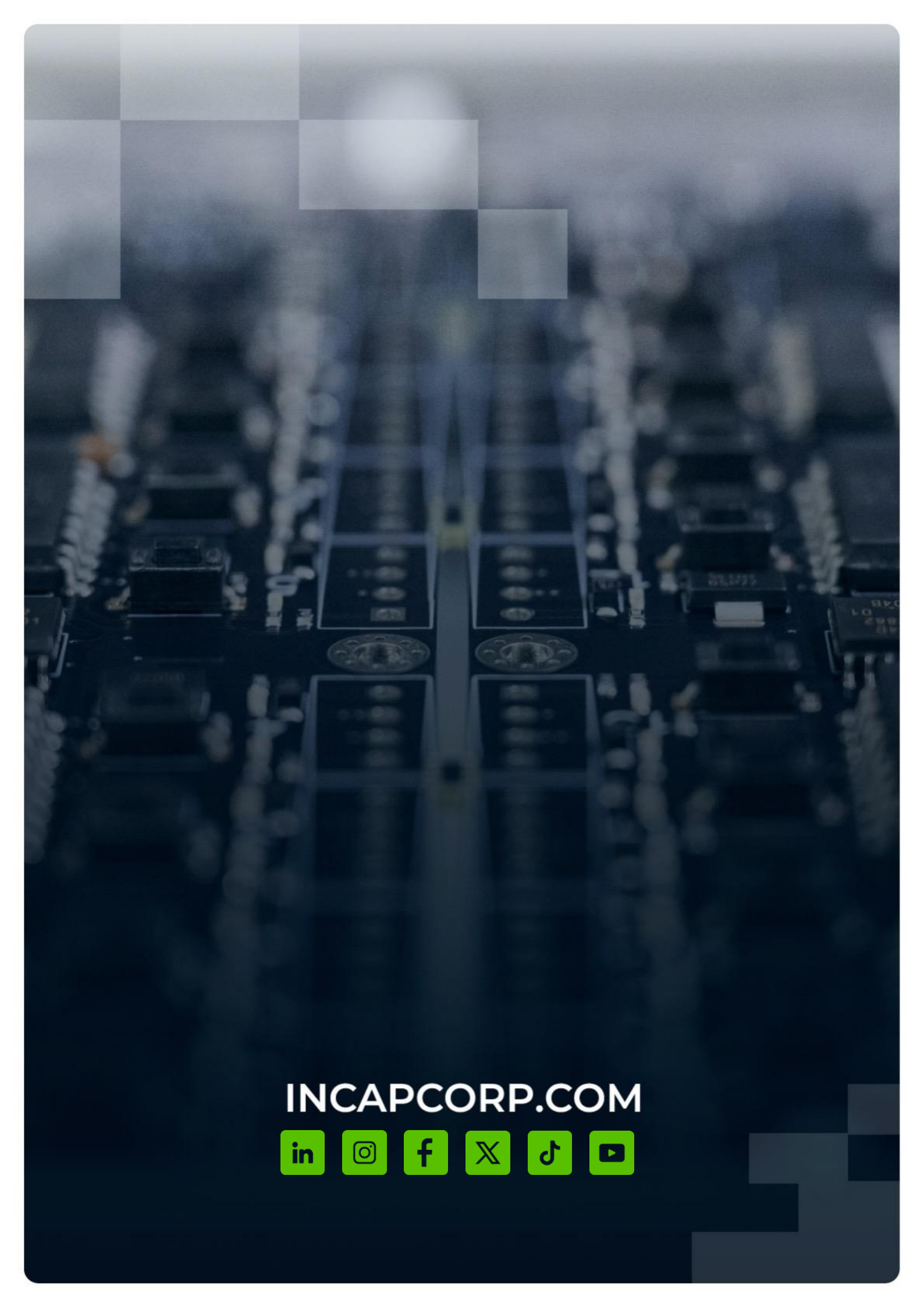
Tax liabilities	1,271	384	401
Other liabilities	2,169	471	528
TOTAL CURRENT LIABILITIES	66,648	39,563	44,446
TOTAL LIABILITIES	127,718	68,950	72,322
TOTAL EQUITY AND LIABILITIES	274,334	199,707	207,557

Consolidated cash flow statement

(EUR thousands)	1-9/2026	1-9/2025	1-12/2025
Cash flow from operating activities			
Operating profit	18,399	18,393	25,294
Adjustments to operating profit	6,352	6,340	8,811
Change in working capital			
Change in current receivables	-13,975	1,478	2,508
Change in inventories	-18,885	-5,946	245
Change in current liabilities	8,321	-4,099	-394
Interest and charges paid	-2,039	-1,634	-1,892
Interest received	453	103	579
Paid tax and tax refund	-4,377	-6,439	-8,142
Cash flow from operating activities	-5,751	8,196	27,007
Cash flow from investing activities			
Capital expenditure on tangible and intangible assets	-3,807	-4,825	-8,747
Proceeds from sales of tangible and intangible assets	8	215	190
Proceeds from insurance claims	-	-	-
Acquisition of a subsidiary less cash acquired	-52,297	-	-
Cash flow from investing activities	-56,095	-4,610	-8,557
Cash flow from financing activities			
Drawdown of borrowings	30,048	302	303
Repayments of borrowings	-2,036	-1,635	-2,265
Lease liability payments	-2,208	-1,398	-1,802
Repurchase of own shares	-1,781	-	-
Cash flow from financing activities	24,024	-2,731	-3,764
Change in cash and cash equivalents	-37,822	854	14,686
Cash and cash equivalents at beginning of period	80,755	72,172	72,172
Effect of changes in exchange rates	1,502	-5,869	-6,103
Cash and cash equivalents at end of period	44,434	67,157	80,755

Consolidated statement of changes in equity

(EUR thousands)	Share capital	Unrestricted equity reserve	Translation differences	Retained earnings	Total equity
Equity on 1 January 2026	1,000	23,652	-16,577	127,160	135,235
Profit for the period				13,618	13,618
Other comprehensive income			-1,448		-1,448
Total comprehensive income			-1,448	13,618	12,170
Other changes				-1,756	-1,756
Transactions with the owners					
Capital investments		51			51
Employee share schemes – value of employee services				916	916
Equity on 30 September 2026	1,000	23,703	-18,026	139,939	146,616
Equity on 1 January 2025	1,000	23,844	-5,027	113,152	132,968
Profit for the period				8,910	8,910
Other comprehensive income			-10,766		-10,766
Total comprehensive income			-10,766	8,910	-1,856
Other changes				-10	-10
Transactions with the owners					
Capital investments		-191			-191
Employee share schemes – value of employee services				-154	-154
Equity on 30 September 2025	1,000	23,653	-15,793	121,897	130,758



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