

INCAP GROUP

FINANCIAL STATEMENTS RELEASE

JANUARY-DECEMBER 2024

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Incap Group's financial statements release for January–December 2024 (unaudited)

October–December 2024 highlights

- Revenue for the fourth quarter 2024 amounted to EUR 59.3 million (10–12/2023: EUR 42.4 million). Year-on-year increase was 39.7%. Excluding the impact of the company's largest customer, revenue was 7% lower due to seasonal variations.
- Operating profit (EBIT) was EUR 8.6 million (EUR 3.7 million) or 14.4% of revenue (8.7 %). Year-on-year increase was 132.0%.
- Adjusted operating profit (EBIT) was EUR 8.9 million (EUR 4.4 million) or 14.9% of revenue (10.4%). Year-on-year increase was 100.6%.
- Net profit for the period was EUR 7.8 million (EUR 1.3 million).

January–December 2024 highlights

- Revenue amounted to EUR 230.1 million (1–12/2023: EUR 221.6 million). Year-on-year increase was 3.8%. Excluding the impact of the company's largest customer, revenue grew 15.2%.
- Operating profit (EBIT) was EUR 29.2 million (EUR 28.2 million) or 12.7% of revenue (12.7%). Year-on-year increase was 3.4%.
- Adjusted operating profit (EBIT) was EUR 30.1 million (EUR 30.6 million) or 13.1% of revenue (13.8%). Year-on-year decrease was 1.5%.
- Net profit for the period was EUR 22.7 million (EUR 19.8 million).
- Earnings per share were EUR 0.77 (EUR 0.68).
- Incap is focusing on organic and inorganic growth and the company has a clear plan for potential acquisitions. Therefore, the Board of Directors of Incap Corporation proposes to the Annual General Meeting that no dividend be paid for the financial year 2024.

Unless otherwise stated, the comparison figures refer to the corresponding period in 2023. This financial statements release is unaudited.

Key figures

EUR million	10-12 2024	10-12 2023	Change	7-9 2024	Change	1-12 2024	1-12 2023	Change
Revenue	59.3	42.4	39.7%	61.8	-4.0%	230.1	221.6	3.8%
Non-recurring items	0.2	0.2	-14.5%	0.1	100.2%	0.4	1.1	-65.9%
Operating profit (EBIT)	8.6	3.7	132.0%	7.9	8.6%	29.2	28.2	3.4%
EBIT, % of revenue	14.4%	8.7%		12.8%		12.7%	12.7%	
Adjusted operating profit (EBIT)*	8.9	4.4	100.6%	8.1	9.4%	30.1	30.6	-1.5%
Adjusted EBIT*, % of revenue	14.9%	10.4%		13.1%		13.1%	13.8%	
Net profit for the period	7.8	1.3	479.7%	4.9	57.2%	22.7	19.8	14.7%
Equity ratio	63.8%	60.6%		63.2%		63.8%	60.6%	
Net Gearing	-30.8%	-7.7%		-8.4%		-30.8%	-7.7%	

*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 estimates that the company's revenue and operating profit (EBIT) in 2025 will be higher than in 2024.

The company expects a somewhat cautious start for the year 2025, as the market is anticipating the impact of the changes related to tariffs, taxes and

geopolitical challenges, mostly linked to the new US administration.

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

CEO's comments

2024 was a successful year for Incap, with our performance aligning well with our plans. We have effectively navigated through the challenges of the previous years and have now reached a new normal with our largest customer's destocking exercise finalized. While many of our peers faced similar challenges in 2024 as we did in 2023, we had already overcome them and continued to grow our EBIT quarter-to-quarter, as anticipated. I want to extend my gratitude to our team for their dedication and hard work, which led to these great results.

Our revenue in 2024 was EUR 230.1 million, with the fourth quarter contributing EUR 59.3 million. Our 2024 results were driven by new customer acquisitions, increased sales to existing ones, and cross-selling opportunities from our acquisitions. The successful integration and strong performance of Incap US, along with Incap India's newest factory ramping up its production capacity, were significant contributors to the increase in revenue. We continuously improved our efficiency and invested in the latest technology, such as advanced SMT machinery in Slovakia and UK. We maintained good customer dialogue by for example organising events in Slovakia and Estonia, and our teams participated in various cooperation events, trade shows, and training sessions.

Our fourth quarter EBIT was EUR 8.6 million, representing 14.4% of revenue, and our full-year 2024 EBIT was EUR 29.2 million, or 12.7% of revenue. We achieved approximately 40% higher revenue and 132% higher profitability compared to the same period in previous year mainly thanks to the higher production volumes in Incap India. These figures highlight our successful operational model and agility. Furthermore, we have been focusing on our global cooperation and driving synergies between different units at Incap, to benefit our customers and enhance client engagement.

Throughout 2024, we continued to advance our commitment to sustainable business practices. We have prepared for CSRD reporting and are ready to comply with the new standards. In parallel, we updated our Sustainability Programme and set targets for 2025. Significant investments were made to support our goals, including the installation of solar panels at Incap India and improvements in energy efficiency across all units.

Looking ahead, we expect a somewhat cautious start for the year 2025, as the market is anticipating the impact of the changes related to tariffs, taxes and geopolitical challenges, mostly linked to the new US administration. However, we estimate that our revenue and operating profit for 2025 will be higher than in 2024. As a growth company with a strong long-term strategy, we are committed to both organic growth and growth through M&A. To achieve our organic growth targets, we have invested in our production facilities and the latest technologies, enabling us to serve modern industries and businesses effectively.

Despite the market uncertainties, we remain optimistic about the future while closely monitoring these developments and their impacts. We have not been significantly impacted by the slower economy in the Nordic electronics manufacturing industry, as we operate only one factory in the region and have a limited exposure to the Nordic market. Therefore, our diverse global customer base enables us to continue growing and we see significant opportunities in various geographies, which support our positive outlook for the future.

We are confident in our ability to continue delivering strong results and creating value for our shareholders. Our financial position remains solid, and we will keep pursuing opportunities that align with our goals.

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. The general inflation and cost of manufacturing continued to increase, while the component availability has started to improve. 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 that long-term market development will be positive because electronics is 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 with megatrends such as digitalisation. The increasing need for sustainable energy solutions, medical equipment, emerging 5G and IoT ecosystems, defence industry and the proliferation of electric vehicles contribute to the demand growth. Population growth and aging population will also create opportunities in for instance health care technology. The EMS industry is highly fragmented and offers potential for consolidation.

Financial performance

October–December 2024

In October–December 2024, revenue increased 39.7% year on year and amounted to EUR 59.3 million (EUR 42.4 million). The increase was largely due to higher revenue from the largest customer, which reduced its inventory levels in the comparison period.

October–December operating profit (EBIT) increased 132.0% year on year and amounted to EUR 8.6 million (EUR 3.7 million). Adjusted operating profit (EBIT) was EUR 8.9 million (EUR 4.4 million). Year-on-year increase was 100.6%. Adjusted operating profit

margin was 14.9% (10.4%). In October–December 2024, Incap did not record any material credit losses. In October–December 2024 Incap cancelled EUR 0.9 million of provisions for inventory write-offs (in October–December 2023, provisions were recorded for EUR 0.3 million). In October–December 2024 depreciation and amortisation were EUR 1.4 million (EUR 1.4 million).

Net profit for the period increased 479.7% year on year and totalled EUR 7.8 million (EUR 1.3 million).

January–December 2024

In January–December 2024, revenue increased 3.8% year on year and amounted to EUR 230.1 million (EUR 221.6 million). Revenue was positively impacted by Incap's units in Europe and India, effective sales work to existing and new customers, and the successful acquisition in the US in July 2023. Other operating income was EUR 1.6 million (EUR 0.4 million) and it consisted mainly of government incentives in India, such as investment and export subsidies.

January–December operating profit (EBIT) increased 3.4% year on year and amounted to EUR 29.2 million (EUR 28.2 million). Adjusted operating profit (EBIT) was EUR 30.1 million (EUR 30.6 million). Year-on-year decrease was 1.5%. Adjusted operating profit margin was 13.1% (13.8%). In January–December 2024, Incap did not record any material credit losses or inventory write-offs.

In 2024, personnel expenses were EUR 31.3 million (EUR 24.0 million) and majority of the increase is explained by the US acquisition and headcount

increase in Slovakia. Other operating expenses were EUR 12.9 million (EUR 12.0 million) of which EUR 2.7 million (EUR 2.8 million) related to contract workers, and depreciation and amortisation were EUR 5.6 million (EUR 4.6 million).

Balance sheet and financing

Total assets in the balance sheet on 31 December 2024 stood at EUR 214.8 million (EUR 182.3 million). The Group's equity at the end of the financial period was EUR 133.0 million (EUR 106.8 million).

Liabilities increased from the comparison period to EUR 81.9 million (EUR 75.6 million). EUR 31.3 million (EUR 34.3 million) thereof were interest-bearing liabilities. Interest-bearing liabilities decreased from the previous year due to the repayment of loans and lease liabilities. Interest-bearing net debt was EUR -40.9 million (EUR -8.2 million).

The Group's non-current interest-bearing liabilities amounted to EUR 27.3 million (EUR 30.5 million) and non-current non-interest-bearing liabilities to EUR 4.5 million (EUR 2.9 million). Out of the non-current interest-bearing liabilities, a loan of EUR 21 million (EUR 23 million) granted by the company's Finnish bank is related to the acquisition. During Q4 2024 Incap hedged the corresponding group internal acquisition related USD loan receivable. The loan amounted to EUR 21.8 million (USD 22.9 million) on 31 December 2024. Current interest-bearing liabilities were EUR 3.9 million (EUR 3.9 million).

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 31 December 2024, the

Net profit for the period increased 14.7% year on year and totalled EUR 22.7 million (EUR 19.8 million). Earnings per share were EUR 0.77 (EUR 0.68).

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 63.8%.

At the end of 2024, the company's financial position was strong. Equity ratio increased to 63.8% (60.6%). Net gearing was -30.8% (-7.7%).

The Group's cash position during the reporting period was very strong. On 31 December 2024, the Group's cash and cash equivalents totalled EUR 72.2 million (EUR 42.6 million) and the company had unutilised credit lines amounting to EUR 8.0 million (EUR 8.0 million).

The Group's quick ratio was 2.4 (1.8), and the current ratio was 3.4 (3.3).

Inventory at end of 2024 totalled EUR 61.4 million (EUR 71.0 million). Inventory decreased clearly during the year, which was mainly due to improved material availability and therefore improved planning of material utilization. Increase of trade receivables and trade payables was mainly due to higher volumes compared to previous year. Change in inventories had a positive impact on the cash position.

Investments

In 2024, Incap's factory-related investment cash flow totalled EUR 5.6 million (EUR 6.9 million). The investments consisted mainly of a new SMT line upgrade and new roof installation in Incap UK, new

SMT line in Incap Slovakia, a production machinery investment in Incap US, as well as IT investments, including an IT infrastructure update, a new ERP system in Incap Slovakia and cyber security systems.

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

At the end of 2024, the number of personnel in Incap Group was 2,554 of which 1,522 were contract workers (1,733 of which 777 were contract workers). Of the personnel, 69.7% (57.8%) worked in India, 5.0% (7.6%) in Estonia, 13.3% (18.5%) in Slovakia, 6.7% (9.9%) in the United Kingdom, 5.2% (6.1%) in the United States and 0.1% (0.1%) in Finland.

At the end of the year, 628 or 24.6% of Incap's personnel were women (541 or 31.2%) and 1,926 or

75.4% were men (1,192 or 68.8%). The average age of the personnel was 32 years (36). The average number of personnel during the year was 2,242 (2,261). The number of permanent personnel totaled 900 (833), and the number of fixed-term contracts was 1,654 (900).

Management and organisation

At the end of December 2024, Incap's Management Team consisted of President & CEO, Otto Pukk; Director of Operations, India and Sales APAC, Murthy Munipalli; Director of Operations, Estonia, Margus Jakobson; Director of Operations, Slovakia, Miroslav Michalik; Director of Operations, U.K., Jamie Maughan; Director of Operations, U.S., David Spehar and CFO Antti Pynnönen.

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 corporate office in Finland.

Sustainability

For Incap, sustainability means that the company exceeds legal requirements and takes into account the needs and expectations of its stakeholders. Through systematic development, Incap aims to increase the positive impact of its operations and minimize the negative effects. Incap's sustainability programme covers social, environmental and governance-related sustainability including the most material themes and the indicators set to monitor them.

Incap acts as a responsible member of society. In its operations, the company complies with international agreements for human rights as well as on employees' and children's rights. As a basis for its sustainability programme, the company has a Code

of Conduct that concerns all its employees and major suppliers. The implementation of sustainability actions is supported by the company's quality assurance and environmental management systems.

Social responsibility is at the heart of Incap's corporate culture and strategy. The company emphasizes the well-being of its employees and fair and ethical behaviour towards all stakeholders. Incap's main stakeholders include the company's customers, employees, suppliers, and owners. The company also acts responsibly towards the inhabitants and actors in close proximity to its factories. The company's personnel policy is based on equality between genders, nationalities and ethnic groups.

Incap is committed to contributing to the fight against climate change and acting in an environmentally responsible manner. The most significant environmental impacts of Incap's own operations arise from carbon dioxide emissions from energy consumption and production waste. The company strives to promote sustainable development by improving the efficiency of its production and by constantly taking into account and minimizing the environmental impact of its operations.

Highlights for January–December 2024: Incap made significant investments to support its environmental goals, including the installation of solar panels at Incap India and improvements in energy efficiency across other units.

Incap strives to improve energy efficiency and the share of renewable energy use in its operations. As part of this development, a roof installation project at Incap's UK factory was completed in spring 2024.

The roof of the factory was renewed and prepared to support solar panels in the future. The new roof is designed to improve energy efficiency and create a more comfortable working environment.

In December, the Karnataka State Pollution Control Board (KSPCB) awarded Incap's Indian factory an Environmental Responsibility Award. This award is in recognition of Incap India's achievements in implementing sustainable practices in its factory premises. In India, Incap also installed solar panels.

Throughout 2024, Incap prepared for CSRD compliance with the ESRS reporting. The company also updated its Sustainability Program and set targets for 2025.

Read more about Incap's sustainability work in the company's Annual Report for 2024, which will be published in week 16/2025. The Sustainability Statement will be published as part of the Board of Directors' Report.

Certified management systems

The Incap Group has the following management systems in place to ensure high quality, environmental compliance, employee health and safety and to reduce the associated risks. Through ISO certification, Incap monitors the effectiveness of these systems:

- ISO 9001:2015 International quality management system
- ISO 45001:2018 Occupational health and safety management system
- ISO 14001:2015 Environmental management system
- ISO 13485:2016 Medical device quality management system

Annual General Meeting 2024

The Annual General Meeting of Incap Corporation held on 10 May 2024 approved the annual accounts for the financial period 1 January–31 December 2023 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 by the Board of Directors that no dividend will be paid for the financial year 2023.

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 mergers

and acquisitions 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 authorisation is 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/>.

Board of Directors and auditor

The Annual General Meeting held on 10 May 2024 resolved that the number of members of the Board of Directors is four (4). The General Meeting re-elected the present members of the Board, 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. Kaisa Kokkonen was elected as the Chairman and Julianna Borsos as member of the Audit Committee. Ville

Vuori was elected Chairman and Carl-Gustaf von Troil as member of the Remuneration Committee.

The General Meeting re-elected PricewaterhouseCoopers Oy, a company of Authorised Public Accountants, as the company's auditor, who have indicated that Maria Grönroos, Authorised Public Accountant, will serve as the principally responsible auditor. The Annual General Meeting also 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.

Corporate governance

Incap Corporation complies with the Corporate Governance Code of Securities Market Association. The company will publish a Corporate Governance statement in compliance with the Securities Market Act as a separate document in connection with the publication of the Report of the Board of Directors

and the Annual Report in week 16/2025. The report will also be available at the company's website.

The Corporate Governance Code of Securities Market Association is publicly available at the website of Securities Market Association at www.cgfinland.fi.

Shares and shareholders

Incap Corporation has one series of shares. The number of shares of the company on 31 December 2024 was 29,437,214 (31 December 2023: 29,437,214).

In 2024, the share price varied between EUR 6.70 and EUR 13.39 (EUR 5.80 and 22.05). The closing price on 31 December 2024 was EUR 10.24 (31 December 2023: EUR 7.75). The company's market capitalisation on 31 December 2024 was EUR 301.4 million (EUR 228.1 million).

At the end 2024, the company had 7,427 shareholders (7,429). Nominee-registered owners held 27.2% (25.0%) and foreign owners 7.3% (7.1%) of all shares. The company does not hold any treasury shares.

At the end of 2024, the members of Incap Corporation's Board of Directors and the President and CEO and their related parties owned a total of 2,212,793 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 31 December 2024

	Number of shares	Holding, %
Erkki Etola and controlled entities	6,636,665	22.55
Nordea Life Assurance Finland Ltd	1,861,077	6.32
Kyösti Kakkonen's controlled entities	1,789,341	6.08
Ilmarinen Mutual Pension Insurance Company	1,231,630	4.18
Sp-Fund Management Company	639,324	2.17
Handelsbanken Fonder	603,086	2.05
Danske Invest	507,680	1.72
Elo Mutual Pension Insurance Company	396,000	1.35
Kari Kakkonen	390,525	1.33
Oy Pontia Finance Ab	386,465	1.31
10 largest shareholders in total	14,441,793	49.06

Flagging notifications

In 2024, 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 8 May 2024 on the share-based incentive plan's new performance period 2024–2026, where the rewards are based on the group's cumulative operating profit (EBIT). During the performance period 2024–2026, the CEO and other Incap Management Team members form the target group

of the incentive plan. The rewards to be paid on the basis of the performance period 2024–2026 correspond to the value of an approximate maximum total of 56,267 Incap Corporation shares, also including 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.

The Incap Management Team member is obliged to hold 50% of the received net reward shares, until the total value of the Management Team member's shareholding in Incap Corporation equals to 50% of

their annual base salary of the preceding year. Respectively, the CEO is obliged to hold 50% of the received net reward shares, until the CEO's shareholding in Incap Corporation equals to 100% of the CEO's annual base salary of the preceding year. Such number of Incap Corporation shares must be held as long as the membership in the Management Team or the position as the CEO continues.

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 significant impact on the company's business. In 2024, four biggest customers contributed to 58.5% (58.1%) of revenue. Out of the total customer base in 2024, 33 customers (26) exceeded EUR 1 million revenue.

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 2024. 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

There were no significant events after the reporting period.

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. To continue its strong track record, the company is focusing on three strategic cornerstones: growth, profitability and operational excellence.

Board of Directors' proposal for measures related to profit

The parent company's profit for the financial period totals EUR 7,083,097.98. The parent company's distributable assets total EUR 56,100,805.49. Incap is focusing on organic and inorganic growth and the

company has a clear plan for potential acquisitions. Therefore, the Board of Directors of Incap Corporation proposes to the Annual General Meeting that no dividend be paid for the financial year 2024.

Annual General Meeting 2025

The Annual General Meeting of Incap Corporation is scheduled to be held on 8 May 2025 in Helsinki. The

notice to the Annual General Meeting will be published at a later date.

Publication of the Annual Report 2024

The Annual Report consists of the Board of Directors' report, including the Sustainability Statement, and the Financial Statements for the financial period 1 January–31 December 2024. At the same time with the Annual Report, Incap will also publish the

Corporate Governance Statement and the Remuneration Report. The reports will be published during week 16/2025 on the company's website at www.incapcorp.com.

Financial reporting in 2025

In 2025, Incap will publish the following financial reports:

- Business review for January–March 25 April 2025
- Half-year report for January–June 25 July 2025
- Business review for January–September 24 October 2025

In Helsinki, 28 February 2025

INCAP CORPORATION

Board of Directors

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Distribution:

Nasdaq Helsinki Ltd.

Principal media

www.incapcorp.com

Accounting principles for the financial statements

This financial statements release has been prepared in accordance with international financial reporting standards (IFRS) - IAS 34 Interim Financial Reporting standard. When preparing the release, the same principles have been used as in the 2023 financial

statements. Unless otherwise stated, the comparison figures refer to the same period in the previous year. In this financial statements release, the figures for 2024 are unaudited.

Consolidated statement of comprehensive income

(EUR thousands)	7-12/2024	7-12/2023	1-12/2024	1-12/2023
REVENUE	121,049	92,476	230,056	221,591
Other operating income	1,418	165	1,631	423
Change in inventories of finished goods	-1,093	1,800	-4,616	-5,148
Raw materials and consumables used	-79,325	-62,585	-148,046	-148,029
Personnel expenses	-15,646	-14,469	-31,263	-24,029
Depreciation and amortisation	-2,862	-2,624	-5,628	-4,623
Other operating expenses	-7,105	-5,348	-12,947	-11,969
OPERATING PROFIT	16,437	9,415	29,186	28,216
Financial income	2,232	142	3,717	944
Financial expenses	-1,412	-1,425	-2,825	-2,738
PROFIT BEFORE TAX	17,257	8,133	30,078	26,422
Income tax expenses	-4,539	-2,372	-7,351	-6,602
PROFIT FOR THE PERIOD	12,717	5,761	22,727	19,820
Earnings per share, EUR	0.43	0.20	0.77	0.68

OTHER COMPREHENSIVE INCOME	7-12/2024	7-12/2023	1-12/2024	1-12/2023
Items that will not be transferred to P&L (revaluation of employee benefits)	-2	3	-2	-23
Items that may be recognised in profit or loss at a later date:				
Translation differences from foreign units	654	-1,951	2,804	-2,344
Other comprehensive income, net	652	-1,949	2,802	-2,367
TOTAL COMPREHENSIVE INCOME	13,369	3,812	25,529	17,453
Attributable to:				
Shareholders of the parent company	13,369	3,812	25,529	17,453

Consolidated balance sheet

(EUR thousands)	31 Dec 2024	31 Dec 2023
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	24,313	21,625
Right-of-use assets	6,626	8,089
Goodwill	8,621	8,237
Other intangible assets	5,518	5,503
Other financial assets	4	4
Deferred tax assets	997	1,012
Other receivables	416	443
TOTAL NON-CURRENT ASSETS	46,495	44,914
CURRENT ASSETS		
Inventories	61,403	71,022
Trade and other receivables	34,749	23,864
Cash and cash equivalents	72,172	42,550
TOTAL CURRENT ASSETS	168,325	137,435
TOTAL ASSETS	214,820	182,349
EQUITY AND LIABILITIES		
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT COMPANY		
Share capital	1,000	1,000
Reserve for invested unrestricted equity	23,844	23,745
Exchange differences	-5,027	-7,831
Retained earnings	113,152	89,846
TOTAL EQUITY	132,968	106,760
NON-CURRENT LIABILITIES		
Borrowings	21,611	23,643
Lease liabilities	5,424	6,556
Deferred tax liabilities	1,703	1,302
Employee benefit obligations	307	261
Other liabilities	2,824	1,619
TOTAL NON-CURRENT LIABILITIES	31,869	33,381
CURRENT LIABILITIES		
Trade and other payables	45,464	37,789
Borrowings	2,233	2,271
Lease liabilities	1,679	1,603
Employee benefit obligations	56	54

Other liabilities	550	491
TOTAL CURRENT LIABILITIES	49,983	42,208
TOTAL LIABILITIES	81,852	75,589
TOTAL EQUITY AND LIABILITIES	214,820	182,349

Consolidated cash flow statement

(EUR thousands)	1-12/2024	1-12/2023
Cash flow from operating activities		
Operating profit	29,186	28,216
Adjustments to operating profit	5,681	5,107
Change in working capital		
Change in current receivables	-8,896	17,928
Change in inventories	13,201	25,911
Change in current liabilities	8,419	-23,184
Interest and charges paid	-2,084	-1,109
Interest received	1,087	162
Paid tax and tax refund	-7,958	-8,382
Cash flow from operating activities	38,636	44,650
Cash flow from investing activities		
Capital expenditure on tangible and intangible assets	-5,622	-6,875
Proceeds from sales of tangible and intangible assets	1	52
Proceeds from insurance claims	1,767	0
Acquisition of a subsidiary less cash acquired	-2,888	-12,478
Cash flow from investing activities	-6,710	-19,301
Cash flow from financing activities		
Drawdown of loans	174	27,445
Repayments of borrowings	-2,288	-15,853
Right-of-use asset payments	-1,641	-1,506
Cash flow from financing activities	-3,755	10,086
Change in cash and cash equivalents	28,172	35,435
Cash and cash equivalents at beginning of period	42,550	7,559
Effect of changes in exchange rates	1,451	-443
Cash and cash equivalents at end of period	72,172	42,550

Consolidated statement of changes in equity

(EUR thousands)	Share capital	Unrestricted equity reserve	Translation differences	Retained earnings	Total equity
Equity on 1 January 2024	1,000	23,745	-7,831	89,846	106,760
Profit for the period				22,727	22,727
Other comprehensive income			2,804	-2	2,802
Total comprehensive income			2,804	22,725	25,529
Other changes				92	92
Transactions with owners					
Capital investments ¹⁾		99			99
Employee share schemes – value of employee services				488	488
Equity on 31 December 2024	1,000	23,844	-5,027	113,152	132,968
Equity on 1 January 2023	1,000	22,184	-5,487	69,728	87,426
Profit for the period				19,820	19,820
Other comprehensive income			-2,344	-23	-2,367
Total comprehensive income			-2,344	19,797	17,453
Other changes				22	22
Transactions with owners					
Capital investments ¹⁾		1,560			1,560
Employee share schemes – value of employee services				299	299
Equity on 31 December 2023	1,000	23,745	-7,831	89,846	106,760

¹⁾ Related to fixed share payment as part of the acquisition of Pennatronics Inc.

Group key figures and contingent liabilities

	1–12/2024	1–12/2023
Revenue, EUR million	230.1	221.6
Operating profit/loss, EUR million	29.2	28.2
% of revenue	12.7	12.7
Profit/loss before taxes, EUR million	30.1	26.4
% of revenue	13.1	11.9
Return on investment (ROI), %	21.6	23.3
Return on equity (ROE), %	19.0	20.4
Equity ratio, %	63.8	60.6
Net gearing, %	-30.8	-7.7
Interest-bearing net debt, EUR million	-40.9	-8.2
Quick ratio	2.4	1.8
Current ratio	3.4	3.3
Average number of shares during the report period, adjusted for share issues*	29,437,214	29,361,025
Earnings per share (EPS), EUR	0.77	0.68
Equity per share, EUR	4.52	3.63
Dividend per share, EUR	0.00	0.00
Dividend out of profit, %	0.0	0.0
P/E ratio	13.3	11.5
Trend in share price		
Minimum price during the period, EUR	6.70	5.80
Maximum price during the period, EUR	13.39	22.05
Mean price during the period, EUR	9.90	11.43
Closing price at the end of the period, EUR	10.24	7.75
Total market capitalisation, EUR million	301.4	228.1
Trade volume, number of shares	8,410,277	20,833,267
Trade volume, %	28.6	70.8
Investments, EUR million	6.7	19.4
% of revenue	2.9	8.7
Average number of employees including contractors	2,242	2,261
Personnel at the end of period including contractors	2,554	1,733
CONTINGENT LIABILITIES, EUR million		
FOR OWN LIABILITIES		
Mortgages and pledges	20.1	24.4
Off-balance sheet liabilities	0.1	0.1
Transactions with related parties		
The company has no transactions with related parties.		

*) Number of shares grew due to the payment of Pennatronics Inc. in InCap's shares.

Key figures by half-year period

	1-12/2024	1-12/2023	7-12/2024	7-12/2023	1-6/2024	1-6/2023
Revenue, EUR million	230.1	221.6	121.1	92.5	109.0	129.1
Operating profit, EUR million	29.2	28.2	16.4	9.4	12.7	18.8
Share of revenue, %	12.7	12.7	13.6	10.2	11.7	14.6
Profit before tax, EUR million	30.1	26.4	17.3	8.1	12.8	18.3
Share of revenue, %	13.1	11.9	14.3	8.8	11.8	14.2
Return on investment (ROI), %	21.6	23.3	24.5	15.3	19.4	35.0
Return on equity (ROE), %	19.0	20.4	21.2	11.9	17.7	29.8
Equity ratio, %	63.8	60.6	63.8	60,6	63.0	65.1
Net gearing, %	-30.8	-7.7	-30.8	-7.7	-5.9	-1.6
Interest-bearing net debt, EUR million	-40.9	-8.2	-40.9	-8.2	-7.0	-1.6
Average number of shares in period	29,437,214	29,361,025	29,437,214	29,437,214	29,437,214	29,284,835
Earnings per share, EUR	0.77	0.68	0.43	0.20	0.34	0.48
Equity per share, EUR	4.52	3.63	4.52	3.63	4.05	3.46
Investments, EUR million	6,7	19.4	1.8	14.3	4.9	5.1
Share of revenue, %	2,9	8.7	1.5	15.5	4.5	3.9
Average number of employees including contractors	2,242	2,261	2,495	1,971	1,990	2,552

Reconciliation of alternative performance measures

Return on investment, %

EUR thousand	1-12/2024	1-12/2023
Net profit/loss for the period	22,727	19,820
Financial expenses	2,825	2,738
Income taxes	7,351	6,602
Profit/loss for the period	32,903	29,160
Equity	132,968	106,760
Non-current interest-bearing financing loans	27,342	30,460
Current interest-bearing financing loans	3,912	3,874
Capital employed	164,222	141,094
Capital employed average at the end of the reporting period and the end of previous financial year	152,658	124,981
Return on investment, %	21.6	23.3

Return on equity, %

EUR thousand	1-12/2024	1-12/2023
Net profit/loss for the period	22,727	19,820
Equity	132,968	106,760
Equity average at the end of the reporting period and the end of previous financial year	119,864	97,093
Return on equity, %	19.0	20.4

Equity ratio, %

EUR thousand	1-12/2024	1-12/2023
Equity	132,968	106,760
Balance sheet total	214,820	182,349
Advances received	-6,295	-6,188
Equity ratio, %	63.8	60.6

Net gearing, %

EUR thousand	1-12/2024	1-12/2023
Interest-bearing net debt	-40,918	-8,216
Equity	132,805	106,760
Net gearing, %	-30.8	-7.7

Interest-bearing net debt

EUR thousand	1-12/2024	1-12/2023
Non-current interest-bearing debt	27,342	30,460
Current interest-bearing debt	3,912	3,874
Interest-bearing debt	31,254	34,334
Cash and bank accounts	-72,172	-42,550
Interest-bearing net debt	-40,918	-8,216

Current assets

EUR thousand	1-12/2024	1-12/2023
Current receivables	34,749	23,864
Cash and bank accounts	72,172	42,550
Current assets	106,922	66,414

Quick ratio

EUR thousand	1-12/2024	1-12/2023
Current assets	106,922	66,414
Short term liabilities	49,983	42,208
Advances received	-6,295	-6,188
Current liabilities	43,688	36,020
Quick ratio	2.4	1.8

Current ratio

EUR thousand	1-12/2024	1-12/2023
Current assets	106,922	66,414
Inventories	61,403	71,022
Short term liabilities	49,983	42,208
Current liabilities	49,983	42,208
Current ratio	3.4	3.3

Investments

EUR thousand	1-12/2024	1-12/2023
Capital expenditure on tangible and intangible assets	5,620	6,875
Investments	5,620	6,875

Adjusted operating profit

EUR thousand	1–12/2024	1–12/2023
Operating profit	29,186	28,216
Non-recurring costs	364	1,068
Purchase price allocation (PPA) amortisation	560	1,298
Adjusted operating profit	30,110	30,582

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, %	$100 \times (\text{Net profit/loss} + \text{financial expenses} + \text{taxes}) / (\text{Equity} + \text{interest-bearing debt (average at the end of the reporting period and the end of previous financial year)})$	The measure provides information on return on investment.
Return on equity, %	$100 \times \text{Net profit/loss} / \text{Equity (average at the end of the reporting period and the end of previous financial year)}$	The measure provides information on return on equity.
Equity ratio, %	$100 \times \text{Equity} / (\text{Balance sheet total} - \text{advances received})$	The measure indicates how much of the Group's assets have been financed with debt.
Net gearing, %	$100 \times \text{Interest-bearing net debt} / \text{Equity}$	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	$\text{Current assets} / (\text{Short-term liabilities} - \text{short-term advances received})$	The measure provides information on the company's liquidity.
Current ratio	$\text{Current assets} + \text{inventories} / \text{Short-term liabilities}$	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	The measure provides information on cash flow from investments.

balance 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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