



Lamor Corporation Plc Business Review

January–March 2026

First quarter challenging as anticipated – cost savings progressing as planned

Lamor's revenue and result in January–March were, as anticipated, at a lower level than in the comparison period. During the review period, the company transitioned to a new global operating model and the cost-savings programme progressed as planned. After the review period, in April–May, supplementary installations relating to possible exceptional situations have continued at the Kilpilahti circular oil plant in close cooperation with the safety authority. The aim is to start the production ramp-up by the end of June.

January–March 2026 in brief

- Revenue was EUR 14.3 million (19.0)
- EBIT was EUR -0.4 million (1.6)
- Adjusted EBIT was EUR -0.3 million (1.7)
- Net cash flow from operating activities was EUR -0.7 million (-5.6)
- Earnings per share (basic) was EUR -0.06 (0.00)
- Net working capital was EUR 35.1 million (55.8)
- Orders received was EUR 8.3 million (27.6)

The figures in brackets refer to the comparison period, which is the same period the previous year, unless otherwise stated.

CEO Fred Larsen's review

The first quarter of 2026 was financially modest for Lamor and in line with our earlier expectations that both revenue and operating profit will be clearly weighted towards the second half of the year. Revenue in the first quarter was EUR 14.3 million and operating profit was slightly negative. Order intake and order backlog were below the comparison period, reflecting in particular the long sales cycles of large and medium-sized service projects and customers' postponed investment decisions in a challenging macroeconomic environment. Geopolitical risks and conflicts increase demand for Lamor's high-level expertise and services, but ongoing conflicts not only delay customer decision-making but also directly affect Lamor's ability to grow sales while a conflict is ongoing.

To improve our efficiency and profitability, we transitioned during the reporting period to a new global operating model which replaced the previous regional structure. The model enables flexible scaling of operations in line with business development and supports the sharpening of sales. At the end of March, the company's change negotiations in Finland concluded, and the cost saving measures also include organizational changes globally. Our goal is to achieve the previously announced cost savings of approximately EUR 8 million in both variable and fixed costs by the end of 2026 compared to the 2024 level. By the end of March, the measures were progressing as planned.

Despite the challenging first quarter, we see that the potential outlook for Lamor's businesses directly related to security of supply and comprehensive security remains strong from a market-demand perspective.

In the Middle East, we see significant potential as the situation stabilizes. Safety, however, always is the priority, and this principle guides everything we do. Satellite images show oil contamination along the coasts of all Gulf countries, which will require extensive clean-up operations. Historically, Lamor has received significant orders after conflicts have settled.

At the same time, the risks of a major oil accident in the Baltic Sea and the Gulf of Finland have never been higher. We are in continuous dialogue with the Finnish Border Guard and other key stakeholders regarding preparedness. The Arctic region and the United States are also areas we are following closely. We see opportunities to participate in the development and outfitting of icebreakers acquired by the United States. In Latin America, we see potential particularly in long-term service projects.

Strategically, 2026 is a turning point for Lamor, as we lay the foundation for future growth. The Kilpilahti circular oil production plant is the largest investment in the company's history, and during the first quarter the focus was on the preparations for the ramp-up of the first production line. After the review period, work has continued together with the Finnish safety authority, and supplementary installations relating to possible exceptional situations are still ongoing. The aim is to start the production ramp-up by the end of June. The Kilpilahti plant is a nationally significant and pioneering project. Lamor offers an industrial and commercial solution in which plastic waste is utilized as raw material for industry, while at the same time supporting Finland in achieving the European Union's target of recycling at least 50 per cent of plastic waste.

We see significant long-term value-creation potential in the chemical recycling of plastics and in certified circular oil, and we are progressing systematically with the commercialisation of the concept in Europe and on globally developing circular oil markets. At the same time, we are evaluating options for scaling the business and financing the required investments together with potential partners. Our longer-term goal is to sell a majority of the ownership of the plastic-recycling plant. Our objective is to commercialise the concept and roll it out globally.

In the company's traditional businesses in environmental protection and in soil remediation and restoration, long-term market drivers remain strong. Tightening environmental requirements, growing environmental risks and geopolitical uncertainty support demand, but in the short term

customers' decision-making is cautious and the timing of projects is difficult to predict. Lamor has identified significant opportunities, particularly in equipment sales and medium-sized service agreements, in all of its markets.

Our guidance for 2026 is unchanged. We estimate revenue to be between EUR 80 and 92 million and adjusted operating profit to be at the previous year's level or higher. We expect adjusted operating profit to be at approximately zero in the first half of the year and to improve clearly in the second half as a result of measures aimed at improving sales, margins and efficiency.

We believe that the strategic and operational measures already implemented and currently underway lay the foundation for a stronger, more profitable and more resilient Lamor. The long-term growth outlook is attractive, and our goal is to create sustainable value for our customers, our personnel and our shareholders, also in a changing operating environment.

Fred Larsen

CEO, Lamor Corporation Plc

Financial overview

Group revenue for the review period was EUR 14.3 million (19.0). The decline compared to the comparison period was 24.9%. The ongoing soil-remediation project in Kuwait, equipment deliveries to Europe and soil-remediation and service projects in South America were the most significant individual projects affecting revenue in January–March. The revenue recognized from the Kuwait soil-remediation project in the first quarter was EUR 4.3 million (4.2).

Adjusted operating profit (Adj. EBIT) was EUR -0.3 million (1.7) and -2.0% of the period's revenue (9.1%). Operating profit below the comparison period was mainly due to the anticipated lower revenue level. In the first quarter, the company's fixed costs were one million euros lower than in the comparison period. Profitability will be improved through the efficiency measures continued by the company during the first quarter, which have included personnel reductions, savings in the use of external services and the improvement of general cost efficiency. Overall, the company is targeting annualized cost savings of EUR 8 million by the end of 2026 compared to the 2024 level.

The value of new orders received during the review period was EUR 8.3 million (27.6). The most significant orders were an environmental-protection-technology order of approximately EUR 2.5 million to Kazakhstan, and in addition the company received orders of approximately one million euros from the United Arab Emirates and from Peru.

Lamor's senior green bond maturing in the third quarter of 2026, as well as the senior secured debt facility, include customary covenant provisions relating, among other things, to the company's gearing and equity ratio. Under the covenant terms, the ratio of the company's senior net debt to adjusted EBITDA must be below 3.5 for the duration of the financing agreements. The equity ratio must remain above 30.0 per cent throughout the validity of the agreements. The covenants are reviewed on a quarterly basis. The company did not comply with the covenant provision describing the ratio of net debt to adjusted EBITDA. The non-compliance has been agreed with the lenders and they have waived their right to invoke the relevant non-compliance.

The company continues to actively engage in financing negotiations to refinance its loans and to secure additional financing to complete the investment in the plastic-recycling plant. As the company stated in its 2025 annual report published on 30 March 2026, material uncertainties remain regarding the outcome of the financing negotiations (in particular concerning the refinancing of Lamor's green bond), which may give rise to significant doubt about the company's ability to continue as a going concern. If the financing terms can be agreed with the lenders, the Board of Directors' and the CEO's assessment remains that Lamor Corporation Plc has sufficient liquidity to meet its commitments over the next 12 months in accordance with the going-concern principle. The company will communicate separately on the matter once a resolution has been reached in the financing negotiations.

Key figures

EUR thousand (unless otherwise noted)	1-3/2026	1-3/2025	1-12/2025
Revenue	14,283	19,026	90,243
EBITDA	305	2,301	9,478
EBITDA margin %	2.1%	12.1%	10.5%
Adjusted EBITDA	432	2,410	9,821
Adjusted EBITDA margin %	3.0%	12.7%	10.9%
Operating profit or loss (EBIT)	-413	1,611	6,197
Operating profit (EBIT) margin %	-2.9%	8.5%	6.9%
Adjusted operating Profit (EBIT)	-286	1,725	6,545
Adjusted operating Profit (EBIT) margin %	-2.0%	9.1%	7.3%
Profit (loss) for the review period	-1,539	155	-3,434
Earnings per share, EPS (basic), euros	-0.06	0.00	-0.13
Earnings per share, EPS (diluted), euros	-0.06	0.00	-0.13
Return on equity (ROE) %	-2.8%	0.2%	-5.7%
Return on investment (ROI) %	-0.4%	1.3%	5.3%
Equity ratio %	33.7%	37.6%	35.4%
Net gearing %	100.9%	82.0%	86.2%
Net working capital	35,141	55,760	35,858
Orders received	8,312	27,577	77,513
Order backlog	60,365	98,895	65,012
Number of employees at the end of period	567	729	552
Number of employees on average	557	653	590

Outlook for 2026

The long-term demand for Lamor's target markets is supported by tightened environmental requirements and growing environmental risks, which steer investments into environmental protection, soil remediation and restoration, and circular-economy solutions. In addition, according to management, Lamor's broad offering, strong references and the company's extensive global network support the company's long-term growth.

The company has identified significant opportunities in equipment sales and medium-sized service agreements in all of its markets. In the short term, however, economic uncertainty continues to affect customers' decision-making, and the sales cycles of medium-sized and large service projects are long, which creates uncertainty regarding the timing of new orders.

In 2026, Lamor focuses on the start-up of its first circular oil production line in Kilpilahti and on the commercialisation of the company's chemical-plastic-recycling concept in Europe and more broadly on the globally developing circular oil markets, which the company estimates to have significant value-creation potential for shareholders. Lamor is currently evaluating the optimal way to commercialise and scale the circular oil concept with partners, leveraging the company's global network in more than 100 countries. The company is also assessing different options for financing the additional investments required to expand circular oil production.

Lamor strongly supports the profitable growth of the company's other businesses in environmental protection and in soil remediation and restoration. At the same time, the company is determinedly improving the efficiency of these businesses and is targeting the full implementation of the planned efficiency measures during the year. To ensure this, Lamor transitioned to a global operating model that enables flexible scaling of operations in line with business development in all situations.

Guidance for 2026 (Unchanged)

- Revenue is expected to be EUR 80–92 million (2025: EUR 90.2 million)
- Adjusted operating profit is expected to be at or above the previous year's level (2025: EUR 6.5 million)

Assumptions (Updated 29.5.2026)

The company estimates that both revenue and profitability will be weighted towards the second half of the year. Adjusted operating profit is estimated to be at approximately zero in the first half of the year. The company estimates that measures aimed at improving sales, margins and efficiency will clearly support revenue and profitability in the second half of the year. Revenue recognised from the ongoing soil-remediation project in Kuwait is expected to be at a lower level than in 2025.

The ramp-up of circular oil production is expected to commence by the end of June, provided that the final inspection by the Finnish Safety and Chemicals Agency (Tukes) takes place on the planned timetable. This timing delay does not have a significant impact on the Group's revenue or operating profit for this year. Revenue from circular oil is expected to increase gradually towards the end of the year as the quality of the product improves and volumes grow.

Events after the reporting period

Lamor Corporation Plc's Annual General Meeting was held on 20 April 2026 as a hybrid meeting in accordance with Chapter 5, Section 16(2) of the Finnish Companies Act. The General Meeting supported all proposals made to the General Meeting by the Board of Directors and by the Shareholders' Nomination Board.

The General Meeting adopted the financial statements for 2025 and resolved that no dividend will be paid, granted discharge from liability to the members of the Board of Directors and the CEO, and approved the 2025 remuneration report for governing bodies in an advisory vote.

The General Meeting resolved to elect five members to the Board of Directors and re-elected Nina Ehrnrooth, Kaisa Lipponen, Timo Rantanen and Mika Ståhlberg, and elected Ari Virtanen as a new member. The remuneration of the Board members was resolved to remain unchanged. A Board member is recommended to acquire the company's shares from the market at the price formed in public trading with 40 per cent of the Board member's gross annual fee, until the member directly or indirectly owns shares in the company corresponding to twice the value of the gross annual fee payable to the member.

Audit firm Ernst & Young Oy was elected as the company's auditor and as the sustainability-reporting assurance provider, with Authorised Public Accountant and Authorised Sustainability Auditor Mikko Ryttilähti continuing as the principal auditor and as the responsible assurance provider for sustainability reporting.

The resolutions of the General Meeting and the meeting minutes are available in their entirety on the company's website.

Authorisations granted to the Board of Directors by the Annual General Meeting

The General Meeting resolved to authorise the Board of Directors to decide on the issuance of new shares or shares held by the company on the terms determined in the resolution. The number of shares to be issued under the authorisation may total a maximum of 2,500,000 shares, corresponding to approximately 9 per cent of all of the company's shares at the time of the proposal.

The General Meeting resolved to authorise the Board of Directors to decide on the acquisition of the company's own shares on the terms determined in the resolution, such that the number of own shares to be acquired may total a maximum of 2,500,000 shares.

The General Meeting resolved to authorise the Board of Directors to decide on the issuance of shares as well as on the issuance of option rights and other special rights entitling to shares referred to in Chapter 10 of the Finnish Companies Act on the terms determined in the resolution, such that the aggregate maximum number of shares to be issued directly under the authorisation and of shares that may be subscribed for under the option rights and other special rights granted is 300,000 shares, corresponding to approximately one (1) per cent of all of the company's shares at the time of the proposal.

The authorisations are valid until the end of the next Annual General Meeting, but no longer than until 30 June 2027.

Organisation of the Board of Directors

At the Board of Directors' organizational meeting on 20 April 2026, Mika Ståhlberg was elected to continue as Chair. The composition of the committees was resolved as follows: Audit Committee: Chair Timo Rantanen, members Kaisa Lipponen, Mika Ståhlberg and Ari Virtanen; Remuneration Committee: Chair Nina Ehrnrooth, members Kaisa Lipponen and Ari Virtanen.

Update of the disclosure policy and the financial calendar

Lamor announced in a stock exchange release on 29 April 2026 that the company is updating its disclosure policy and updating its financial calendar with respect to the first and third quarters. In February, as part of the company's efficiency programme, Lamor decided to move to semi-annual reporting in the 2026 reporting period starting from the financial year that began on 1 January 2026. In addition, the company will publish more concise business reviews for the first and third quarters. The purpose of the business reviews is to ensure that investors and other stakeholders regularly receive information on the Group's financial development also for the first and third quarters.

Financial calendar for 2026

In 2026, Lamor will publish financial reports as follows:

- Business review January–March on 29 May 2026
- Half-year report January–June 2026 on 28 July 2026
- Business review January–September 2026 on 6 November 2026

Basis of preparation

This business review is not an interim report in accordance with IAS 34 *Interim Financial Reporting*. However, the accounting policies applied are consistent with those applied in the consolidated financial statements for 2025.

The company complies with the half-yearly reporting in accordance with the Securities Markets Act, in addition to which the company publishes business reviews for the first three and nine months of the year. The business reviews present key information on the Group's financial performance.

The figures in the business review are unaudited.

Porvoo, 29 May 2026
Lamor Corporation Plc
Board of Directors

Further enquiries

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Formulas of key figures

Key figure	Calculation formula
EBITDA	= Operating profit + depreciation and amortisation
EBITDA %	= $\frac{\text{Operating profit + depreciation and amortisation}}{\text{Revenue}} \times 100$
Adjusted EBITDA	= Reported EBITDA + restructuring income/expense + gains or losses related to sale of businesses or non-current assets outside normal course of business + indemnity payments/income + transaction costs related to business combinations + costs from listing on security market
Adjusted (EBITDA) %	= $\frac{\text{Reported EBITDA + restructuring profit/costs + sales profit/- loss of tangible assets related to business combinations or other than day-to-day business + profits/costs from compensation for damages + transaction costs related to business combinations + costs from listing on security market}}{\text{Revenue}} \times 100$
Operating Profit (EBIT)	= Profit for the financial year before financing periods and taxes
Operating Profit (EBIT) margin %	= $\frac{\text{Operating profit}}{\text{Revenue}} \times 100$
Adjusted Operating Profit (EBIT)	= Reported EBIT + goodwill impairment charges and depreciation of allocations related to business combinations + restructuring income/expense + gains or losses related to sale of businesses or non-current assets outside normal course of business + indemnity payments/income + transaction costs related to business combinations + costs from listing on security market
Adjusted Operating Profit (EBIT) %	= $\frac{\text{Reported EBIT + goodwill impairment charges and depreciation of allocations related to business combinations + restructuring income/expense + gains or losses related to sale of businesses or non-current assets outside normal course of business + indemnity payments/income + transaction costs related to business combinations + costs from listing on security market}}{\text{Revenue}} \times 100$
Earnings per share (EPS), basic, euros	= $\frac{\text{Profit for the financial year attributable for shareholders of the company}}{\text{Weighted average number of shares outstanding during the period}} \times 100$
Earnings per share (EPS), diluted, euros	= $\frac{\text{Profit for the financial year attributable for shareholders of the company}}{\text{Weighted average number of shares outstanding during the period, including potential shares}} \times 100$
Equity ratio %	= $\frac{\text{Shareholders' equity}}{\text{Balance sheet total – advances received}} \times 100$

$$\text{Return on equity (ROE) \%} = \frac{\text{Profit for the period}}{\text{Average shareholder's equity}} \times 100$$

$$\text{Return on investment (ROI) \%} = \frac{\text{Profit before taxes + financial income and expenses}}{\text{Average shareholder's equity + average interest-bearing loans and borrowings}} \times 100$$

$$\text{Net gearing, \%} = \frac{\text{Non-current interest-bearing liabilities + Non-current lease liabilities + Current interest-bearing liabilities + Current lease liabilities - Cash and cash equivalents - Other rights of ownership under Current and non-current investments}}{\text{Shareholders' equity}} \times 100$$

$$\text{Net working capital} = \text{Inventories + Current non-interest-bearing receivables - Current non-interest-bearing liabilities, excluding provisions}$$

$$\text{Orders received} = \text{The total value of customer orders received during the period.}$$

$$\text{Orders backlog} = \text{Total value of customer orders to be delivered in the future}$$

$$\text{Average number of employees} = \text{Average number of personnel at the end of the previous financial year and at the end of the calendar month of each reporting period}$$