

# **Koskisen Corporation**

Financial Statements Release

1 January–31 December 2024

# Koskisen's revenue increased – Increased delivery volumes and the strengthening of prices year-on-year in Sawn Timber Industry

## October–December 2024 in brief

- Revenue increased and amounted to EUR 73.0 (68.7) million.
- EBITDA increased and amounted to EUR 5.6 (5.3) million.
- The EBITDA margin was 7.7 per cent (7.6).
- Adjusted EBITDA amounted to EUR 5.7 (5.5) million.
- The adjusted EBITDA margin was 7.8 per cent (8.0).
- Operating profit amounted to EUR 2.5 (3.0) million and was 3.5 per cent (4.4) of revenue.
- The profit for the financial period amounted to EUR 1.5 (2.6) million.
- Basic earnings per share were EUR 0.07 (0.11).

## January–December 2024 in brief

- Revenue increased and amounted to EUR 282.3 (271.3) million.
- EBITDA decreased and amounted to EUR 24.2 (33.0) million.
- The EBITDA margin was 8.6 per cent (12.2).
- Adjusted EBITDA amounted to EUR 24.3 (33.1) million.
- The adjusted EBITDA margin was 8.6 per cent (12.2).
- Operating profit amounted to EUR 13.0 (24.4) million, representing 4.6 per cent (9.0) of revenue.
- The profit for the financial period amounted to EUR 8.3 (20.2) million.
- Basic earnings per share were EUR 0.36 (0.88).

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

## Dividend proposal

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

## Profit guidance for 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                             | 10–12<br>2024 | 10–12<br>2023 | Change,<br>% | 1–12<br>2024 | 1–12<br>2023 | Change,<br>% |
|---|---------------|---------------|--------------|--------------|--------------|--------------|
| Revenue                                 | 73.0          | 68.7          | 6.2          | 282.3        | 271.3        | 4.1          |
| EBITDA                                  | 5.6           | 5.3           | 7.6          | 24.2         | 33.0         | -26.7        |
| EBITDA margin, %                        | 7.7           | 7.6           |              | 8.6          | 12.2         |              |
| Adjusted EBITDA                         | 5.7           | 5.5           | 3.9          | 24.3         | 33.1         | -26.7        |
| Adjusted EBITDA margin, %               | 7.8           | 8.0           |              | 8.6          | 12.2         |              |
| Operating profit (EBIT)                 | 2.5           | 3.0           | -14.8        | 13.0         | 24.4         | -46.6        |
| Operating profit (EBIT) margin, %       | 3.5           | 4.4           |              | 4.6          | 9.0          |              |
| Profit for the period                   | 1.5           | 2.6           | -40.0        | 8.3          | 20.2         | -59.0        |
| Basic earnings per share, EUR           | 0.07          | 0.11          |              | 0.36         | 0.88         |              |
| Diluted earnings per share, EUR         | 0.07          | 0.11          |              | 0.36         | 0.87         |              |
| Gross investments                       | 5.0           | 12.8          |              | 22.2         | 32.1         |              |
| Equity per share, EUR                   |               |               |              | 6.5          | 6.4          |              |
| Return on capital employed (ROCE), %    |               |               |              | 6.1          | 12.1         |              |
| Working capital, end of period          |               |               |              | 45.9         | 37.9         |              |
| Net cash flow from operating activities |               |               |              | 14.0         | 14.9         |              |
| Equity ratio, %                         |               |               |              | 54.0         | 54.8         |              |
| Gearing, %                              |               |               |              | 15.4         | -1.8         |              |

## CEO Jukka Pahta:

Koskisen Group's fourth-quarter profitability improved year-on-year, with adjusted EBITDA amounting to EUR 5.7 (5.5) million. The adjusted EBITDA margin was 7.8 per cent (8.0). Achieved in a challenging market situation, the result can be considered to be good.

There were hardly any positive signs visible in the operating environment: the recovery in construction was yet to be seen, and the economic situation in the important Central European market, especially Germany, remained weak. Despite this, our result in 2024 were in line with the profit guidance provided at the beginning of the year.

In the last quarter, the profitability of the Sawn Timber Industry segment improved substantially year-on-year, with EBITDA amounting to EUR 3.3 (1.0) million. Production volumes increased from the third quarter and we were able to maintain the average annual production level of 400,000 m<sup>3</sup> set for the new investment. Shift-specific production is still below target and its development continues. The price level of sawn timber remained at the same level as in previous quarters, but the very high raw material price continued to burden profitability.

The capacity and test runs of the new log yard were carried out in January. The transport of sawn logs from the old log yard will end fully by the end of February. Locating Sawn Timber Industry's operations on the same plot improves the efficiency and productivity of sawn timber production and significantly reduces logistics costs and carbon dioxide emissions caused by transport. Overall, the new sawmill and related operations are among the most efficient units in the industry.

Wood procurement was carried out as planned. Wood reserves and inventories were slightly higher than normal at the turn of the year, which was reflected in committed working capital. This guarantees us security of supply, but also flexibility in the purchase of raw materials. Demand for energy fractions was lower than normal due to the warm early winter, but their prices remained stable.

The profitability of the Panel Industry segment decreased year-on-year, with EBITDA amounting to EUR 2.5 (4.7) million. Profitability has been impaired in particular by the high price of raw materials. Profitability was also affected by the ramp-up of the new production unit of the Kore business in Poland, stock-take differences in spareparts inventory and write-downs on accounts receivable. The weak situation in construction was particularly reflected in the demand for chipboard, and production was restricted through temporary layoffs. The order book in plywood remained stable during the second half of the year, albeit lower than in the first half of the year. The prices of panel products remained stable.

The investment in the Kore business proceeded as planned and the ramp-up of production to industrial scale began. The investment supports the expansion of Kore's product range into new end-uses and the expansion of the current market area. After the ramp-up phase, Skwierzyna will focus on stabilising production and optimising efficiency between the two Polish units, Toporow and Skwierzyna.

We launched a comprehensive investment programme in plywood production in the Panel Industry business in Järvelä. The investment programme will run until the end of Koskisen's strategy period, i.e. 2027. The first phase of the investment programme will be carried out in 2025 and the total value of the related investments will be approximately EUR 12 million. The main objective of the investment program is to improve the productivity, quality, and yield of plywood production through automation. This is how we will continue to create sustainable growth, and the focus of development investments in our own operations will shift to the Panel Industry segment in 2025.

## 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, considering the market price of sawn timber. The reserves of softwood logs remained good.

### *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 continued to be good, which has been reflected in the levels of reserves and inventories being higher than at the corresponding time last year. The price level of energy wood has remained stable. The delivery prices of pulpwood were slightly increasing.

## Economic development

### October–December 2024

Consolidated revenue for October–December increased and amounted to EUR 73.0 (68.7) 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 5.7 (5.5) million. The improvement in EBITDA was due to the increased delivery volumes of Sawn Timber Industry, slightly higher sawn timber prices than in the comparison period and the market situation in energy wood deliveries remaining strong.

Operating profit came to EUR 2.5 (3.0) million. Depreciation, amortisation and impairment amounted to EUR 2.9 (2.3) million. Profit before income tax amounted to EUR 1.5 (2.8) million, and income tax for the period amounted to EUR 0.0 (0.2) million. The profit for the financial period came to EUR 1.5 (2.6) million and earnings per share were EUR 0.07 (0.11).

### January–December 2024

Consolidated revenue increased in January–December and amounted to EUR 282.3 (271.3) million. The growth in revenue was mainly due to the Sawn Timber Industry segment's improved delivery volumes and slightly higher end product selling prices when compared to the reference period.

Adjusted EBITDA declined to EUR 24.3 (33.1) million. The decrease in EBITDA was mainly due to decreased delivery volumes in the Panel Industry segment and the increased costs of wood raw material.

Operating profit came to EUR 13.0 (24.4) million. Depreciation, amortisation and impairment amounted to EUR 11.2 (8.6) million. Profit before income tax amounted to EUR 10.0 (24.1) million and income tax for the period to EUR 1.7 (3.8) million. The profit for the financial period came to EUR 8.3 (20.2) million and earnings per share were EUR 0.36 (0.88).

## Balance sheet, cash flow and financing

At the end of the review period, Koskisen's equity ratio was 54.0 (54.8) per cent, and gearing was 15.4 (-1.8) per cent.

Cash flow from operating activities for January–December amounted to EUR 14.0 (14.9) million. The effect of the change in working capital was EUR -10.5 (-11.9) million. The most significant item in the change in working capital was the increase in inventories, which reflects increased sawmill volumes and increased timber prices. Trade payables increased mainly due to the increased volume of timber trade. Cash flow from financing activities amounted to EUR -17.7 (-17.6) million, the largest item being the dividend payment in the spring. The inclusion of the entire financing of the sawmill investment in the balance sheet was also reflected as an increase in loan repayments. Cash flow from investment activities was EUR -0.2 (-36.2) million, of which cash flow from tangible and intangible assets was EUR -20.2 (-16.0) million and 20,0 (15,0) from repayments of deposits.

Interest-bearing liabilities at the end of the period amounted to EUR 66.3 (63.7) million, and liquid assets totalled EUR 43.3 (66.4) million. Interest-bearing net liabilities amounted to EUR 22.9 (-2.7) million.

Koskisen's liquidity has remained strong. At the end of the review period, available liquidity amounted to EUR 43.3 (66.4) million, comprising cash and cash equivalents of EUR 31.8 (35.8) 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 11.5 (10.6) 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 for October–December amounted to EUR 5.0 (12.8) million and for January–December to EUR 22.2 (32.1) million. The investments were related to the construction of the new log yard, the channel dryer, the renewal of the beginning of the second planing mill and the new sawmill, among other things. At the end of the period, advance payments and work in progress included EUR 13.1 million related to the construction of the new log yard.

## 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  | 10–12<br>2024 | 10–12<br>2023 | Change,<br>% | 1–12<br>2024 | 1–12<br>2023 | Change,<br>% |
|--|---------------|---------------|--------------|--------------|--------------|--------------|
| Revenue (external)   | 39.8          | 35.8          | 11.2         | 139.7        | 122.4        | 14.2         |
| EBITDA   | 3.3           | 1.0           | 242.4        | 7.2          | 3.3          | 119.0        |
| EBITDA, %  | 8.4           | 2.7           |              | 5.2          | 2.7          |              |
| Personnel at the end of the period                                     | 178           | 173           | 2.9          | 178          | 173          | 2.9          |
| Deliveries of sawn timber and processed products, 1,000 m <sup>3</sup> | 81.3          | 78.3          | 3.8          | 300.9        | 277.6        | 8.4          |

### Financial and operational development in October–December

Revenue increased and amounted to EUR 39.8 (35.8) million. Revenue growth was driven by slightly stronger sawn timber prices when compared to the reference period and slightly increased delivery volumes.

EBITDA improved and amounted to EUR 3.3 (1.0) million. The improvement in EBITDA was due to increased delivery volumes, slightly higher sawn timber prices than in the comparison period and the continued strong market situation in energy wood deliveries. The improved operating rate of the new sawmill supported profitability. The production shutdown in Sawn Timber Industry at the turn of the year was approximately two weeks. The EBITDA margin was 8.4 per cent (2.7).

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. Inventory levels remained low in industry.

Construction of the new log yard progressed according to plan. The log yard test runs began in December and continued in early 2025. The new log yard will be fully operational by the end of February. Ending the transport of logs from the old log yard will reduce transport costs and decrease carbon dioxide emissions caused by transport.

The delivery prices of softwood logs continued to be 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. In bioenergy deliveries, volumes were lower than anticipated due to the warm early winter.

### Financial and operational development in January–December

Revenue increased and amounted to EUR 139.7 (122.4) million.

EBITDA improved substantially and amounted to EUR 7.2 (3.3) million.

The slowdown in the construction sector was strongly visible in the modest demand in the Sawn Timber Industry segment. Inventory levels remained moderate in spite of sawn timber production turning to growth towards the end of the year. The price level of sawn timber increased in spring 2024 and remained at a higher level than in the comparison period for the rest of the year.

The direct strike concerning production activities in the early part of the year had a minor impact on sawmill production. During the indirect strikes concerning the supply chain, we did not need to restrict production, but a significant proportion of customer deliveries were delayed due to the ports being closed. The last of the deliveries postponed from the first quarter were sent to customers in June.

## 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  | 10–12<br>2024 | 10–12<br>2023 | Change,<br>% | 1–12<br>2024 | 1–12<br>2023 | Change,<br>% |
|--|---------------|---------------|--------------|--------------|--------------|--------------|
| Revenue (external)   | 33.2          | 32.9          | 0.8          | 142.4        | 148.8        | -4.3         |
| EBITDA   | 2.5           | 4.7           | -45.6        | 17.7         | 29.3         | -39.6        |
| EBITDA, %  | 7.6           | 14.1          |              | 12.4         | 19.7         |              |
| Personnel at the end of the period                                 | 682           | 638           | 6.9          | 682          | 638          | 6.9          |
| Deliveries of panel products (excl. Kore),<br>1,000 m <sup>3</sup> | 28.0          | 27.9          | 0.3          | 123.7        | 132.5        | -6.6         |

### Financial and operational development in October–December

Revenue remained at the same level as in the comparison period and amounted to EUR 33.2 (32.9) million.

EBITDA declined and amounted to EUR 2.5 (4.7) million. The decline in EBITDA was mainly due to increased wood raw material costs. Profitability was also weighed down by the ramp-up of the new production unit of the Kore business in Poland, stock-take differences in spareparts inventory and write-downs on certain accounts receivable. In the Panel Industry segment, production shutdowns at the turn of the year varied from two to three weeks by product category. The EBITDA margin was 7.6 per cent (14.1).

The demand for birch plywood products remained moderate. Demand for chipboard remained at a satisfactory level, although the slowdown in construction continues to affect the recovery of demand. Chipboard production was reduced from time to time by means of temporary layoffs, as planned. In the Kore business, demand strengthened year-on-year, even though it levelled off towards the end of the year.

A comprehensive investment programme was launched in the plywood production of the Panel Industry segment in Järvelä, extending until the end of Koskisen's strategy period, i.e. 2027. The first phase of the investment programme will be carried out in 2025 and the total value of the related investments will be approximately EUR 12 million.

The investment in the production unit of the Kore business established in Skwierzyna, Poland in the autumn progressed according to plan. Full production readiness was achieved at the end of the year. At the same time, the ramp-up of production to reach industrial scale was initiated.

The situation concerning birch raw material remained good. At the end of the quarter, raw material reserves and inventories were at a higher level than in the comparison period.

### Financial and operational development in January–December

Revenue decreased and amounted to EUR 142.4 (148.8) million.

EBITDA decreased to EUR 17.7 (29.3) million.

The demand for higher value-added products remained strong through to the summer, but the prolonged uncertainty in key markets began to be reflected in a weakening order backlog at the end of the third quarter. The slowdown in the construction sector was reflected in the demand for chipboard in particular. Earlier in the year, investments to increase transport capacity were on the rise, but demand in the automotive industry levelled off after the summer.

The direct strike concerning the company's own production activities in the early part of the year resulted in a few lost days of production for the Panel Industry segment. During the indirect strikes concerning the supply



chain, production continued as planned, but some additional costs were incurred from the use of alternative logistics solutions.

## 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:

|                        |  |
|------------------------|--|
| <b>Growth</b>          | Revenue of EUR 500 million, including both organic and inorganic growth. |
| <b>Profitability</b>   | Adjusted EBITDA margin averaging 15 per cent over the cycle.             |
| <b>Balance sheet</b>   | Maintaining a strong balance sheet.                                      |
| <b>Dividend policy</b> | 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. Although there is currently a lot of political debate surrounding the green transition and related regulation, the drivers of the green transition still remain. A significant part of Koskisen's sawn timber is used in construction, binding carbon for a long time. Birch plywood, in turn, is widely used as a renewable 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, for which wood is a responsible, sustainable and increasingly sought-after material.

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.

### *On the path to sustainable growth*

On 14 May 2024, Koskisen published its updated strategic growth paths and related actions for the strategy period 2024–2027. The core priorities of the 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 specified strategy 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.

The key sustainability targets to be achieved by 2027 were incorporated into Koskisen's strategy. They are as follows: 1) We implement biodiversity measures in the forest environment, 2) We reduce CO<sub>2</sub> emissions in our own activities and our value chain, 3) We make wise use of wood, down to the last particle of sawdust, 4) We promote a safe work environment, and 5) We support well-being at work and competence development. Further targets related to sustainable development have been specified in the Group's sustainability programme. The achievement of the targets will be monitored through the indicators set for them.

## Personnel

The Koskisen Group had an average of 948 (888) employees in October–December 2024 and 943 (883) employees at the end of December. The increase in personnel was mainly related to the expansion of the Kore business in the Panel Industry segment.

## 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 geo- and trade-political 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 labour market situation, 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 on pages 83–86 of the Annual Report 2023 and in note 3 to the financial statements, starting from page 115.

## Shares and ownership

Koskisen's share capital amounts to EUR 1,512,000. On 31 December 2024, 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.

### *Treasury shares*

The company holds 1,086 treasury shares.

### *Share price and turnover*

A total of 2,026,672 of the company's shares were traded on the Helsinki Stock Exchange between 1 January and 31 December 2024, corresponding to 8.8 per cent of the total number of shares. The highest share price was EUR 7.98 and the lowest EUR 5.94. The average price of the shares traded was EUR 6.39. The share turnover was EUR 12,952,718. At the end of the review period, the market capitalisation of the company was EUR 160,255,107.

## Sustainability and reporting of non-financial indicators

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 the sustainable use of forests. 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.

Wood products bind carbon for decades. Koskisen's carbon handprint, which illustrates its positive emissions impacts, was more than twice as large as its carbon footprint, which reflects its negative emissions impacts, in 2023. Koskisen reported on its efforts related to sustainability themes and its key sustainability indicators in its Sustainability Review 2023.

On 27 June 2024, Koskisen published a comprehensive sustainability programme that is based on the results of a 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 company has prepared for reporting in compliance with the Corporate Sustainability Reporting Directive (CSRD) during the past financial year. In addition to ensuring the regulatory compliance of reporting, the ongoing preparations support the achievement of Koskisen's strategic objectives and sustainability management.

## **Annual General Meeting 2024**

The Annual General Meeting of Koskisen Corporation was held in Helsinki on 16 May 2024. The Annual General Meeting adopted the financial statements and the consolidated financial statements and discharged the members of the Board of Directors and the CEO from liability for the financial year 2023. The Annual General Meeting approved the remuneration report for the financial year 2023.

### *Resolution on the use of the profit shown on the balance sheet*

The Annual General Meeting decided that a dividend of EUR 0.32 per share be paid based on the adopted balance sheet for the financial year 2023 and that the profit be recorded in retained earnings. The record date for the payment of the dividend was 20 May 2024, and the dividend was paid on 27 May 2024.

### *Remuneration of the members of the Board of Directors*

The Annual General Meeting decided that the remuneration of the Board of Directors would be kept unchanged as follows: the remuneration of the Chairman of the Board of Directors shall be EUR 5,000 per month and the other members EUR 2,500 per month. The remuneration of the Chairman of the Audit Committee shall be EUR 3,500 per month.

In addition, the Chairman of the Board of Directors shall be paid a meeting fee of EUR 1,000 per meeting and the other members a fee of EUR 500 per meeting. Equivalent meeting fees shall also be paid for the meetings of the Board of Directors' committees. No fee shall be paid for decisions made without convening a meeting.

Compensation for expenses shall be paid in accordance with the company's valid travel policy.

### *Composition of the Board of Directors*

The Annual General Meeting confirmed the number of members of the Board of Directors as six (6).

Pekka Kuusniemi, Kari Koskinen, Eva Wathén, Kalle Reponen, Hanna Masala and Hanna Sievinen were re-elected to the Board of Directors of Koskisen Corporation.

Pekka Kuusniemi was elected as the Chairman of the Board of Directors.

### *Election of the auditor and the auditor's remuneration*

The Annual General Meeting decided to re-elect the authorised public accountant firm PricewaterhouseCoopers Oy as the company's auditor. PricewaterhouseCoopers Oy has indicated that it will appoint Markku Launis, Authorised Public Accountant, as the principally responsible auditor of the company. PricewaterhouseCoopers Oy also serves as Koskisen's sustainability reporting auditor for the financial period 2024. The Annual General Meeting decided to pay the auditor's fees according to an invoice approved by the company.

### *Authorisations granted to the Board of Directors*

The Annual General Meeting decided to grant to the Board of Directors the authorisations described in the notice to the Annual General Meeting with regard to authorising the Board of Directors to resolve on the repurchase of company's own shares and authorising the Board of Directors to resolve on a share issue and the granting of options and other special rights entitling to shares as referred to in Chapter 10, Section 1 of the Finnish Companies Act. The authorisations are valid until 30 June 2025.

### *Minutes of the Annual General Meeting*

The minutes of the Annual General Meeting are available on the company's website at [koskisen.fi/agm2024](https://koskisen.fi/agm2024).

### *The organisational meeting of the Board of Directors*

In the organisational meeting held after the Annual General Meeting, the Board of Directors elected Hanna Sievinen as its Vice Chairman.

The following persons were elected as members of the Board of Directors' Audit Committee: Hanna Sievinen as Chairman and Hanna Masala and Eva Wathén as members.

### **Events following the review period**

The company had no significant events after the period.

### **Board of Directors' proposal for the distribution of profits**

The parent company's distributable funds as at 31 December 2024 were EUR 116,244,890.16.

The Board of Directors proposes to the Annual General Meeting that a dividend of EUR 0.12 be paid for each outstanding share for the financial year 2024.

Helsinki, 17 February 2025

Board of Directors of Koskisen Corporation

## Financial information

Part corresponding to IAS 34

### Consolidated statement of comprehensive income

| EUR thousand  | Note | Oct 1 - Dec<br>31, 2024 | Oct 1 - Dec<br>31, 2023 | Jan 1 - Dec<br>31, 2024 | Jan 1 - Dec<br>31, 2023 |
|---|------|-------------------------|-------------------------|-------------------------|-------------------------|
| <b>Revenue</b>  | 2    | <b>72,978</b>           | <b>68,702</b>           | <b>282,262</b>          | <b>271,275</b>          |
| Other operating income  | 3    | 562                     | 1,380                   | 2,022                   | 4,050                   |
| Changes in inventories of finished goods and work in progress   |      | 2,268                   | -2,323                  | 5,151                   | 922                     |
| Change in fair value of forest assets   |      | 257                     | 613                     | 324                     | 870                     |
| Materials and services  |      | -46,960                 | -40,488                 | -174,749                | -156,769                |
| Employee benefit expenses   |      | -11,844                 | -11,578                 | -47,913                 | -46,890                 |
| Depreciation, amortisation and impairments  |      | -3,100                  | -2,259                  | -11,169                 | -8,607                  |
| Other operating expenses  |      | -11,612                 | -11,054                 | -42,904                 | -40,455                 |
| <b>Operating profit (loss)</b>  |      | <b>2,550</b>            | <b>2,992</b>            | <b>13,023</b>           | <b>24,396</b>           |
| Finance income  | 9    | 1,107                   | 1,578                   | 3,638                   | 4,573                   |
| Finance costs   | 9    | -2,114                  | -1,767                  | -6,689                  | -4,910                  |
| Finance costs, net  |      | <b>-1,007</b>           | <b>-190</b>             | <b>-3,051</b>           | <b>-337</b>             |
| <b>Profit (loss) before income tax</b>  |      | <b>1,543</b>            | <b>2,802</b>            | <b>9,972</b>            | <b>24,059</b>           |
| Income tax expense  | 6    | -220                    | -220                    | -1,684                  | -3,829                  |
| <b>Profit (loss) for the period</b>   |      | <b>1,549</b>            | <b>2,583</b>            | <b>8,288</b>            | <b>20,230</b>           |
| <b>Other comprehensive income</b>   |      |                         |                         |                         |                         |
| <b>Items that may be reclassified to profit or loss</b>   |      |                         |                         |                         |                         |
| Translation differences   |      | 4                       | 352                     | 47                      | 335                     |
| <b>Other comprehensive income for the period, net of tax</b>  |      | <b>4</b>                | <b>352</b>              | <b>47</b>               | <b>335</b>              |
| <b>Total comprehensive income for the period</b>  |      | <b>1,553</b>            | <b>2,935</b>            | <b>8,335</b>            | <b>20,565</b>           |
| <b>Profit (loss) for the period attributable to:</b>  |      |                         |                         |                         |                         |
| Owners of the parent company  |      | 1,549                   | 2,583                   | 8,288                   | 20,230                  |
| <b>Profit (loss) for the period</b>   |      | <b>1,549</b>            | <b>2,583</b>            | <b>8,288</b>            | <b>20,230</b>           |
| <b>Total comprehensive income for the period attributable to:</b>                                       |      |                         |                         |                         |                         |
| Owners of the parent company  |      | 1,553                   | 2,935                   | 8,335                   | 20,565                  |
| <b>Total comprehensive income</b>   |      | <b>1,553</b>            | <b>2,935</b>            | <b>8,335</b>            | <b>20,565</b>           |
| <b>Earnings per share for profit attributable to the ordinary equity holders of the parent company:</b> |      |                         |                         |                         |                         |
| Basic earnings per share, EUR   | 8    | 0.07                    | 0.11                    | 0.36                    | 0.88                    |
| Diluted earnings per share, EUR   | 8    | 0.07                    | 0.11                    | 0.36                    | 0.87                    |

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

## Consolidated balance sheet

| EUR thousand   | Note | Dec 31, 2024   | Dec 31, 2023   |
|--|------|----------------|----------------|
| <b>ASSETS</b>  |      |                |                |
| <b>Non-current assets</b>  |      |                |                |
| Property, plant and equipment                                    | 5    | 111,540        | 97,508         |
| Forest assets  |      | 3,915          | 3,599          |
| Right-of-use assets  |      | 34,043         | 26,159         |
| Intangible assets  |      | 1,036          | 1,308          |
| Financial assets at fair value through profit or loss            | 9    | 14             | 960            |
| Other receivables  |      | 10             | 11             |
| Deferred tax assets  |      | 37             | 88             |
| <b>Total non-current assets</b>                                  |      | <b>150,595</b> | <b>129,634</b> |
| <b>Current assets</b>  |      |                |                |
| Inventories  | 6    | 49,227         | 37,544         |
| Trade receivables  | 9    | 23,835         | 23,365         |
| Other receivables  |      | 9,536          | 10,427         |
| Financial assets at fair value through profit or loss            | 9    | 11,513         | 10,625         |
| Income tax receivables   |      | 74             | 1,839          |
| Deposits   | 9    | -              | 20,000         |
| Cash and cash equivalents  | 9    | 31,823         | 35,771         |
| <b>Total current assets</b>                                      |      | <b>126,008</b> | <b>139,571</b> |
| Assets held for sale   | 7    | 447            | -              |
| <b>TOTAL ASSETS</b>  |      | <b>277,050</b> | <b>269,205</b> |
| <b>EQUITY AND LIABILITIES</b>                                    |      |                |                |
| <b>Equity</b>  |      |                |                |
| Share capital  | 8    | 1,512          | 1,512          |
| Legal reserve  |      | 16             | 16             |
| Reserve for invested unrestricted equity                         | 8    | 73,843         | 73,843         |
| Treasury shares  | 8    | -3             | -3             |
| Cumulative translation difference                                |      | 192            | 144            |
| Retained earnings  |      | 65,240         | 51,487         |
| Profit (loss) for the period                                     |      | 8,288          | 20,230         |
| <b>Total equity attributable to owners of the parent company</b> |      | <b>149,086</b> | <b>147,229</b> |
| <b>Total equity</b>  |      | <b>149,086</b> | <b>147,229</b> |
| <b>Liabilities</b>   |      |                |                |
| <b>Non-current liabilities</b>                                   |      |                |                |
| Borrowings   | 9    | 24,731         | 31,310         |
| Lease liabilities  | 9    | 29,465         | 23,857         |
| Other long-term employee benefits                                |      | 3,117          | 3,124          |
| Other payables   |      | 14             | -              |
| Deferred tax liabilities   |      | 7,162          | 5,697          |
| Provisions   |      | 150            | 150            |
| <b>Total non-current liabilities</b>                             |      | <b>64,639</b>  | <b>64,138</b>  |
| <b>Current liabilities</b>                                       |      |                |                |
| Borrowings   | 9    | 8,041          | 6,401          |
| Lease liabilities  | 9    | 4,024          | 2,132          |
| Derivative liabilities   |      | 141            | -              |
| Advances received  |      | 983            | 639            |
| Trade payables   | 9    | 29,211         | 25,411         |
| Trade payables, payment system                                   | 9    | 6,470          | 7,396          |
| Other payables   |      | 14,300         | 15,811         |
| Income tax liabilities   |      | 65             | 13             |
| Provisions   |      | 89             | 35             |
| <b>Total current liabilities</b>                                 |      | <b>63,325</b>  | <b>57,838</b>  |
| <b>Total liabilities</b>   |      | <b>127,964</b> | <b>121,976</b> |
| <b>TOTAL EQUITY AND LIABILITIES</b>                              |      | <b>277,050</b> | <b>269,205</b> |

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

## Consolidated statement of changes in equity

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

| EUR thousand                                     | Attributable to owners of the parent company |               |  |                 |                                   |                   | Total equity attributable to owners of the parent company | Total equity   |
|--|--|---------------|--|-----------------|-----------------------------------|-------------------|---|----------------|
|  | Share capital                                | Legal reserve | Reserve for invested unrestricted equity | Treasury shares | Cumulative translation difference | Retained earnings |   |                |
| Equity at Jan 1, 2023                            | 1,512  | 16            | 73,843                                   | -               | -191                              | 60,631            | 135,811   | 135,811        |
| Profit (loss) for the period                     | -  | -             | -  | -               | -                                 | 20,230            | 20,230  | 20,230         |
| <b>Other comprehensive income for the period</b> |  |               |  |                 |                                   |                   |   |                |
| Cumulative translation difference                | -  | -             | -  | -               | 335                               | -                 | 335   | 335            |
| <b>Total comprehensive income</b>                | -  | -             | -  | -               | 335                               | 20,230            | 20,565  | 20,565         |
| <b>Transactions with owners:</b>                 |  |               |  |                 |                                   |                   |   |                |
| Osingonjako                                      | -  | -             | -  | -               | -                                 | -9,895            | -9,895  | -9,895         |
| Share-based payments                             | -  | -             | -  | -               | -                                 | 751               | 751   | 751            |
| Acquisition of treasury shares                   | -  | -             | -  | -3              | -                                 | -                 | -3  | -3             |
| <b>Total transactions with owners</b>            | -  | -             | -  | -3              | -                                 | -9,144            | -9,148  | -9,148         |
| <b>Equity at Dec 31, 2023</b>                    | <b>1,512</b>                                 | <b>16</b>     | <b>73,843</b>                            | <b>-3</b>       | <b>144</b>                        | <b>71,717</b>     | <b>147,229</b>  | <b>147,229</b> |

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

## Consolidated statement of cash flows

| EUR thousand  | Note | Oct 1 - Dec<br>31, 2024 | Oct 1 - Dec<br>31, 2023 | Jan 1 - Dec<br>31, 2024 | Jan 1 - Dec<br>31, 2023 |
|---|------|-------------------------|-------------------------|-------------------------|-------------------------|
| <b>Cash flow from operating activities</b>                          |      |                         |                         |                         |                         |
| <b>Profit (loss) for the period</b>                                 |      | <b>1,549</b>            | <b>2,583</b>            | <b>8,288</b>            | <b>20,230</b>           |
| <b>Adjustments:</b>   |      |                         |                         |                         |                         |
| Depreciation, amortisation and impairment                           |      | 3,100                   | 2,259                   | 11,169                  | 8,607                   |
| Change in the fair value of the forest assets                       |      | -257                    | -613                    | -323                    | -870                    |
| Gains and losses from sale of non-current assets                    | 3    | 70                      | -59                     | 23                      | -328                    |
| Interest and other finance income and costs                         | 8    | 1,007                   | 190                     | 3,051                   | 337                     |
| Income taxes  |      | -6                      | 220                     | 1,684                   | 3,829                   |
| Change in other long-term employee benefits                         |      | -266                    | -166                    | -104                    | -6                      |
| Share-based payments  |      | 196                     | 262                     | 890                     | 751                     |
| Other adjustments   |      | 10                      | 143                     | -4                      | 134                     |
| <b>Adjustments total</b>  |      | <b>3,854</b>            | <b>2,237</b>            | <b>16,386</b>           | <b>12,454</b>           |
| Changes in net working capital:                                     |      |                         |                         |                         |                         |
| Change in trade and other receivables                               |      | 9,834                   | 3,091                   | -184                    | 1,079                   |
| Change in trade and other payables                                  |      | 747                     | -954                    | 1,305                   | -9,722                  |
| Change in inventories   |      | -8,169                  | -538                    | -11,656                 | -3,266                  |
| Utilised provisions   |      | 61                      | 50                      | 53                      | 68                      |
| Interest received   |      | 444                     | 506                     | 1,836                   | 1,417                   |
| Interest paid   |      | -1,166                  | -1,634                  | -4,389                  | -4,106                  |
| Other financial items received                                      |      | 187                     | 7                       | 810                     | 390                     |
| Arrangement fees and other financing costs paid                     |      | 60                      | -123                    | -150                    | -201                    |
| Income taxes paid   |      | 1,106                   | 1,675                   | 1,653                   | -3,408                  |
| <b>Net cash flow from operating activities</b>                      |      | <b>8,508</b>            | <b>6,900</b>            | <b>13,953</b>           | <b>14,936</b>           |
| <b>Cash flow from investing activities</b>                          |      |                         |                         |                         |                         |
| Purchases of property, plant and equipment and intangible assets    | 5    | -5,457                  | -5,573                  | -20,760                 | -17,067                 |
| Proceeds from sale of non-current assets                            |      | 50                      | 78                      | 511                     | 1,023                   |
| Payments for financial assets at fair value through profit or loss  |      | -                       | -                       | -                       | -10,000                 |
| Proceeds from financial assets at fair value through profit or loss |      | -                       | -                       | -                       | 9,892                   |
| Investments in deposits   |      | -                       | -                       | -                       | -35,000                 |
| Repayment of deposits   |      | -                       | -                       | 20,000                  | 15,000                  |
| <b>Net cash from investing activities</b>                           |      | <b>-5,407</b>           | <b>-5,494</b>           | <b>-249</b>             | <b>-36,152</b>          |
| <b>Cash flow from financing activities</b>                          |      |                         |                         |                         |                         |
| Acquisition of treasury shares                                      | 7    | -                       | -                       | -                       | -3                      |
| Repayment of borrowings   | 8    | -2,515                  | -2,500                  | -6,639                  | -4,500                  |
| Repayments of lease liabilities                                     | 8    | -284                    | -555                    | -3,657                  | -3,165                  |
| Dividends paid  |      | -                       | -                       | -7,368                  | -9,895                  |
| <b>Net cash from financing activities</b>                           |      | <b>-2,799</b>           | <b>-3,055</b>           | <b>-17,664</b>          | <b>-17,563</b>          |
| <b>Net change in cash and cash equivalents</b>                      |      |                         |                         |                         |                         |
| Cash and cash equivalents at the beginning of the period            |      | 31,517                  | 37,350                  | 35,771                  | 74,527                  |
| Effects of exchange rate changes on cash and cash equivalents       |      | 3                       | -                       | 12                      | 24                      |
| <b>Cash and cash equivalents at the end of period</b>               |      | <b>31,823</b>           | <b>35,700</b>           | <b>31,823</b>           | <b>35,771</b>           |

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



## Notes to the Financial Statements Release

### 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 2023 financial statements. The reforms and annual improvements to the IFRS standards that entered into force on 1 January 2024 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 2023, 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 2023.

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

The 2024 figures in the financial statement release are unaudited. The figures for 2023 have been audited.

### 2. Segment information and revenue

#### Revenue by segments

| EUR thousand                  | Oct 1 - Dec 31, 2024 |              |               | Oct 1 - Dec 31, 2023 |              |               | Jan 1 - Dec 31, 2024 |               |                | Jan 1 - Dec 31, 2023 |               |                |
|-------------------------------|----------------------|--------------|---------------|----------------------|--------------|---------------|----------------------|---------------|----------------|----------------------|---------------|----------------|
|                               | External             | Internal     | Total         | External             | Internal     | Total         | External             | Internal      | Total          | External             | Internal      | Total          |
| Panel industry                | 33,180               | 5            | 33,186        | 32,918               | 4            | 32,922        | 142,433              | 21            | 142,454        | 148,786              | 9             | 148,795        |
| Sawn timber industry          | 39,773               | 6,685        | 46,458        | 35,757               | 6,178        | 41,935        | 139,737              | 27,946        | 167,683        | 122,400              | 24,823        | 147,223        |
| <b>Segments total</b>         | <b>72,953</b>        | <b>6,691</b> | <b>79,644</b> | <b>68,675</b>        | <b>6,182</b> | <b>74,857</b> | <b>282,171</b>       | <b>27,967</b> | <b>310,137</b> | <b>271,186</b>       | <b>24,832</b> | <b>296,018</b> |
| Other                         | 26                   | 214          | 239           | 27                   | 137          | 164           | 92                   | 780           | 871            | 89                   | 577           | 666            |
| Elimination of internal sales |                      | -6,904       | -6,904        |                      | -6,319       | -6,319        |                      | -28,746       | -28,746        |                      | -25,410       | -25,410        |
| <b>Total</b>                  | <b>72,978</b>        | <b>-</b>     | <b>72,978</b> | <b>68,702</b>        | <b>-</b>     | <b>68,702</b> | <b>282,262</b>       | <b>-</b>      | <b>282,262</b> | <b>271,275</b>       | <b>-</b>      | <b>271,275</b> |

#### Revenue by geographical areas

| EUR thousand       | Oct 1 - Dec 31, 2024 | Oct 1 - Dec 31, 2023 | Jan 1 - Dec 31, 2024 | Jan 1 - Dec 31, 2023 |
|--------------------|----------------------|----------------------|----------------------|----------------------|
| Finland            | 29,243               | 29,660               | 111,595              | 111,206              |
| Germany            | 4,568                | 4,377                | 24,098               | 20,320               |
| Japan              | 7,984                | 6,426                | 23,990               | 21,116               |
| Poland             | 3,909                | 2,718                | 15,465               | 11,556               |
| Other EU-countries | 19,345               | 17,674               | 76,556               | 75,419               |
| Other countries    | 7,930                | 7,846                | 30,559               | 31,658               |
| <b>Total</b>       | <b>72,978</b>        | <b>68,702</b>        | <b>282,262</b>       | <b>271,275</b>       |

## EBITDA by segments

| EUR thousand          | Oct 1 - Dec 31,<br>2024 | Oct 1 - Dec 31,<br>2023 | Jan 1 - Dec 31,<br>2024 | Jan 1 - Dec 31,<br>2023 |
|-----------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| Panel Industry        | 2,529                   | 4,650                   | 17,681                  | 29,282                  |
| Sawn Timber Industry  | 3,324                   | 978                     | 7,205                   | 3,274                   |
| <b>Segments total</b> | <b>5,853</b>            | <b>5,628</b>            | <b>24,886</b>           | <b>32,556</b>           |
| Other <sup>1)</sup>   | -204                    | 2,381                   | -693                    | 3,204                   |
| Eliminations          | -                       | -2,757                  | -                       | -2,757                  |
| <b>Total</b>          | <b>5,649</b>            | <b>5,252</b>            | <b>24,193</b>           | <b>33,003</b>           |

<sup>1)</sup> 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                               | Oct 1 - Dec 31,<br>2024 | Oct 1 - Dec 31,<br>2023 | Jan 1 - Dec 31,<br>2024 | Jan 1 - Dec 31,<br>2023 |
|--|-------------------------|-------------------------|-------------------------|-------------------------|
| EBITDA                                     | 5,649                   | 5,252                   | 24,193                  | 33,003                  |
| Depreciation, amortisation and impairments | -3,100                  | -2,259                  | -11,169                 | -8,607                  |
| <b>Operating profit (loss)</b>             | <b>2,550</b>            | <b>2,992</b>            | <b>13,023</b>           | <b>24,396</b>           |

## 3. Other operating income and expenses

### Other operating income

| EUR thousand                                       | Oct 1 - Dec 31,<br>2024 | Oct 1 - Dec 31,<br>2023 | Jan 1 - Dec 31,<br>2024 | Jan 1 - Dec 31,<br>2023 |
|--|-------------------------|-------------------------|-------------------------|-------------------------|
| Sale of emission allowances                        | 310                     | 769                     | 1,294                   | 2,385                   |
| Firewood sales to forest owners                    | 71                      | 50                      | 237                     | 263                     |
| Grants received                                    | 128                     | 174                     | 184                     | 294                     |
| Lease income                                       | 35                      | 35                      | 110                     | 93                      |
| Gains on disposal of property, plant and equipment | -                       | 78                      | 53                      | 484                     |
| Compensations received                             | 12                      | 20                      | 35                      | 106                     |
| Realisation of electricity hedges                  | -                       | 220                     | -                       | 220                     |
| Other  | 6                       | 32                      | 109                     | 205                     |
| <b>Total</b>                                       | <b>562</b>              | <b>1,380</b>            | <b>2,022</b>            | <b>4,050</b>            |

## Other operating expenses

| EUR thousand                           | Oct 1 - Dec 31,<br>2024 | Oct 1 - Dec 31,<br>2023 | Jan 1 - Dec 31,<br>2024 | Jan 1 - Dec 31,<br>2023 |
|--|-------------------------|-------------------------|-------------------------|-------------------------|
| Sales freight and forwarding           | -6,409                  | -6,058                  | -24,127                 | -22,237                 |
| IT expenses                            | -1,175                  | -1,197                  | -4,169                  | -3,954                  |
| Maintenance of property                | -1,137                  | -894                    | -3,793                  | -3,528                  |
| Consulting and administrative services | -443                    | -521                    | -1,963                  | -1,431                  |
| Administrative expenses                | -396                    | -243                    | -1,794                  | -1,595                  |
| Personnel related expenses             | -479                    | -429                    | -1,722                  | -1,972                  |
| Travel expenses                        | -325                    | -254                    | -1,067                  | -1,003                  |
| Lease expenses                         | -239                    | -252                    | -885                    | -809                    |
| Sales commissions                      | -173                    | -152                    | -664                    | -656                    |
| Marketing expenses                     | -108                    | -240                    | -603                    | -732                    |
| R&D expenses                           | -122                    | -234                    | -442                    | -640                    |
| Other expenses <sup>1)</sup>           | -606                    | -581                    | -1,675                  | -1,898                  |
|  | <b>-11,612</b>          | <b>-11,054</b>          | <b>-42,904</b>          | <b>-40,455</b>          |

<sup>1)</sup> Other expenses include, for example expenses related to machines, equipment and vehicles, as well as losses on disposal of fixed assets.

## 4. Share-based incentive plans

On 25 April 2022, the Board of Directors of Koskisen Corporation decided on a share-based incentive program in place for its key employees for the years 2022 to 2026. The incentive program consists of three three year earning periods, which are from 2022 to 2024, from 2023 to 2025 and from 2024 to 2026.

On 13 May 2024, the Board of Directors resolved on the criteria and targets as well as the key employees eligible for the incentive program for the third earning period. The potential receipt and amount of the reward is based, in alignment with the growth strategy, on increase in net sales and accumulated adjusted EBITDA from 1 January 2024 to 31 December 2026 and the person's continued employment with the company.

The Board of Directors of Koskisen Corporation decided on 27 June 2024 to add new participants to the earning period 2024–2026, after which the maximum number of participants will be 25. After the change, the maximum number of shares to be distributed for the earning period is a total of 331.000 gross shares. In addition, the Board of Directors decided to add one participant to the earning period 2022–2024, after which the total number of participants will be seven participants. After the change, the maximum number of shares to be distributed for the earning period is a total of 156.000 gross shares.

## 5. Property, plant and equipment

| EUR thousand   | Land         | Buildings and structures | Machinery and equipment | Other tangible assets | Advance payments and construction in progress | Total           |
|--|--------------|--------------------------|-------------------------|-----------------------|---|-----------------|
| <b>Cost at Jan 1, 2024</b>                                     | <b>2,714</b> | <b>82,158</b>            | <b>102,648</b>          | <b>7,446</b>          | <b>18,004</b>                                 | <b>212,970</b>  |
| 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          |
| Translation differences  | 2            | 31                       | 15                      | 1                     | 2   | 51              |
| <b>Cost at Dec 31, 2024</b>                                    | <b>2,727</b> | <b>83,766</b>            | <b>113,342</b>          | <b>6,825</b>          | <b>15,576</b>                                 | <b>222,235</b>  |
| <b>Accumulated depreciation and impairment at Jan 1, 2024</b>  | -            | <b>-40,130</b>           | <b>-71,096</b>          | <b>-4,235</b>         | -   | <b>-115,462</b> |
| 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                       | -            | -                        | 3,039                   | -                     | -   | 3,039           |
| Impairment   | -            | -                        | -232                    | -                     | -   | -232            |
| Translation differences  | -            | -7                       | -4                      | -1                    | -   | -12             |
| <b>Accumulated depreciation and impairment at Dec 31, 2024</b> | -            | <b>-41,174</b>           | <b>-65,479</b>          | <b>-4,042</b>         | -   | <b>-110,695</b> |
| <b>Carrying value at Jan 1, 2024</b>                           | <b>2,714</b> | <b>42,028</b>            | <b>31,551</b>           | <b>3,211</b>          | <b>18,004</b>                                 | <b>97,508</b>   |
| <b>Carrying value at Dec 31, 2024</b>                          | <b>2,727</b> | <b>42,591</b>            | <b>47,863</b>           | <b>2,783</b>          | <b>15,576</b>                                 | <b>111,540</b>  |

Gross investments for property, plant and equipment amounted to EUR 22.2 (31.7) million during January to December. The investments were related to the construction of the new log yard, the channel dryer, the renewal of the beginning of the second planing mill, and the new sawmill, among other things. At the end of the period, advance payments and work in progress includes EUR 13.1 million related to the construction of the new log yard.

| EUR thousand   | Land         | Buildings and structures | Machinery and equipment | Other tangible assets | Advance payments and construction in progress | Total           |
|--|--------------|--------------------------|-------------------------|-----------------------|---|-----------------|
| <b>Cost at Jan 1, 2023</b>                                     | <b>2,734</b> | <b>61,241</b>            | <b>95,078</b>           | <b>6,061</b>          | <b>26,741</b>                                 | <b>191,854</b>  |
| Additions  | 33           | 7,648                    | 8,604                   | 120                   | 15,303  | 31,708          |
| Disposals  | -61          | -1,613                   | -3,738                  | -825                  | -4  | -6,241          |
| Reclassifications  | -            | 14,738                   | 2,688                   | 2,085                 | -24,044                                       | -4,533          |
| Translation differences  | 8            | 144                      | 16                      | 5                     | 8   | 182             |
| <b>Cost at Dec 31, 2023</b>                                    | <b>2,714</b> | <b>82,158</b>            | <b>102,648</b>          | <b>7,446</b>          | <b>18,004</b>                                 | <b>212,970</b>  |
| <b>Accumulated depreciation and impairment at Jan 1, 2023</b>  | <b>-</b>     | <b>-39,870</b>           | <b>-71,297</b>          | <b>-4,412</b>         | <b>-</b>                                      | <b>-115,579</b> |
| Depreciation   | -            | -1,503                   | -3,523                  | -358                  | -   | -5,385          |
| Accumulated depreciation of disposals and reclassifications    | -            | 1,272                    | 3,738                   | 538                   | -   | 5,548           |
| Impairment   | -            | -                        | -35                     | -                     | -   | -35             |
| Translation differences  | -            | -28                      | 21                      | -3                    | -   | -10             |
| <b>Accumulated depreciation and impairment at Dec 31, 2023</b> | <b>-</b>     | <b>-40,130</b>           | <b>-71,096</b>          | <b>-4,235</b>         | <b>-</b>                                      | <b>-115,462</b> |
| <b>Carrying value at Jan 1, 2023</b>                           | <b>2,734</b> | <b>21,370</b>            | <b>23,781</b>           | <b>1,650</b>          | <b>26,741</b>                                 | <b>76,275</b>   |
| <b>Carrying value at Dec 31, 2023</b>                          | <b>2,714</b> | <b>42,028</b>            | <b>31,551</b>           | <b>3,211</b>          | <b>18,004</b>                                 | <b>97,508</b>   |

## 6. Inventory

| EUR thousand     | 31.12.2024    | 31.12.2023    |
|------------------|---------------|---------------|
| Raw materials    | 29,060        | 22,534        |
| Work in progress | 4,981         | 4,824         |
| Finished goods   | 15,186        | 10,185        |
| <b>Total</b>     | <b>49,227</b> | <b>37,544</b> |

Write-downs of slow-moving inventories to net realisable value amounted to EUR 249 thousand in 2024 (2023: EUR 288 thousand). These were recognised as an expense during the financial year and included in changes in inventories in the statement of comprehensive income. The Group reversed EUR 288 thousand of a previous inventory write-down in 2024, based on the Group's assessment of the net realisable values (2023: EUR 98 thousand). The amount reversed has been included in changes in inventories in the statement of comprehensive income.

## 7. Assets held for sale

| EUR thousand                  | 31.12.2024 | 31.12.2023 |
|-------------------------------|------------|------------|
| Property, plant and equipment | 447        | -          |
| <b>Total</b>                  | <b>447</b> | <b>-</b>   |

The machines and equipment of the decommissioned old sawmill have been classified as assets held for sale during the period. A sales contract has been made for these, according to which they will be dismantled and transferred to the new owner during years 2024 and 2025, and ownership will be transferred in accordance with the agreed payment schedule.

An asset or disposal group is classified as held for sale if its carrying amount will be recovered principally through a sale transaction rather than through continuing use of the asset. For this to be the case, the asset or disposal group must be available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such assets or disposal groups and its sale must be highly probable. These assets, or the assets and liabilities in the disposal group, are presented separately in the consolidated balance sheet and are valued at the lower of its carrying amount and fair value less costs to sell. Depreciation is not performed on long-term assets classified as held for sale or being part of a disposal group classified as held for sale.

## 8. 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 |
|--|--|-----------------------|-------------------------------------|---------------|--|
| Jan 1, 2023  | 23,002,659                               | -                     | 23,002,659                          | 1,512         | 73,843                                   |
| Directed share issue without consideration, management | 9,000                                    | -                     | 9,000                               | -             | -  |
| Acquisition of treasury shares                         | -1,086                                   | 1,086                 | -                                   | -             | -  |
| Dec 31, 2023   | 23,010,573                               | 1,086                 | 23,011,659                          | 1,512         | 73,843                                   |
| Directed share issue without consideration, management | 13,500                                   | -                     | 13,500                              | -             | -  |
| <b>Dec 31, 2024</b>                                    | <b>23,024,073</b>                        | <b>1,086</b>          | <b>23,025,159</b>                   | <b>1,512</b>  | <b>73,843</b>                            |

Koskisen Corporation has one series of shares and all shares are equally entitled to dividends. One share carries one vote at the general meeting.

On 16 February 2024 Koskisen Corporation's Board of Directors decided on a free share issue directed to the company's CEO and CFO as part of management remuneration based on the authorisation given by the annual general meeting on 11 May, 2023. The issued shares were registered in the trade register on 28 February 2024. The total number of shares increased to 23,025,159 shares when the CEO and CFO were given 13,500 new shares. The value of the second instalment of the reward related to the completion of the listing to Koskisen's CEO corresponds to 18,000 shares, half of which was paid in cash to cover the withholding tax. The value of the second installment of the reward to Koskisen's CFO corresponds to 9,000 shares, half of which was paid in cash to cover the withholding tax.

|   | Oct 1 - Dec<br>31, 2024 | Oct 1 - Dec<br>31, 2023 | Jan 1 - Dec<br>31, 2024 | Jan 1 - Dec<br>31, 2023 |
|---|-------------------------|-------------------------|-------------------------|-------------------------|
| <b>Earning per share</b>  |                         |                         |                         |                         |
| Profit (loss) for the period attributable to the owners of the parent company (EUR) | 1,548,744               | 2,582,672               | 8,287,597               | 20,230,125              |
| Weighted average number of shares outstanding during the period                     | 23,024,073              | 23,010,573              | 23,021,352              | 23,010,189              |
| Diluted weighted average number of shares outstanding during the period             | 23,287,448              | 23,182,346              | 23,290,168              | 23,182,729              |
| <b>Basic earnings per share (EUR)</b>   | <b>0.07</b>             | <b>0.11</b>             | <b>0.36</b>             | <b>0.88</b>             |
| <b>Diluted earnings per share (EUR)</b>   | <b>0.07</b>             | <b>0.11</b>             | <b>0.36</b>             | <b>0.87</b>             |

## 9. Financial assets and liabilities

| EUR thousand   | Fair value<br>hierarchy<br>level | Dec 31, 2024   | Dec 31, 2023   |
|--|----------------------------------|----------------|----------------|
|  |                                  | Carrying value | Carrying value |
| <b>Financial assets measured at amortised cost</b>                               |                                  |                |                |
| Trade receivables  | -                                | 23,835         | 23,365         |
| Deposits <sup>1)</sup>   | -                                | -              | 20,000         |
| Cash and cash equivalents  | -                                | 31,823         | 35,771         |
| <b>Total financial assets measured at amortised cost</b>                         |                                  | <b>55,658</b>  | <b>79,136</b>  |
| <b>Financial assets measured at fair value through profit or loss</b>            |                                  |                |                |
| Capital redemption contracts   | 1                                | 11,236         | 10,625         |
| Derivatives  | 2                                | 277            | 947            |
| Other assets measured at fair value through profit or loss                       | 3                                | 14             | 14             |
| <b>Total financial assets measured at fair value through profit or loss</b>      |                                  | <b>11,526</b>  | <b>11,585</b>  |
| <b>Financial liabilities measured at amortised cost</b>                          |                                  |                |                |
| Loans from financial institutions  | 2                                | 32,772         | 37,711         |
| Lease liabilities  | -                                | 33,489         | 25,989         |
| Trade payables   | -                                | 29,211         | 25,411         |
| Trade payables, payment system   | -                                | 6,470          | 7,396          |
| <b>Total financial liabilities measured at amortised cost</b>                    |                                  | <b>101,943</b> | <b>96,507</b>  |
| <b>Financial liabilities measured at fair value through profit or loss</b>       |                                  |                |                |
| Derivative liabilities   | 2                                | 141            | -              |
| <b>Total financial liabilities measured at fair value through profit or loss</b> |                                  | <b>141</b>     | <b>-</b>       |

<sup>1)</sup> 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 rise 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 that have been fulfilled in the presented periods.

### 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                                 | 2025          | 2026          | 2027         | 2028         | 2029         | 2030-         | Total contractual cash flows | Carrying amount |
|--|---------------|---------------|--------------|--------------|--------------|---------------|------------------------------|-----------------|
| <b>Dec 31, 2024</b>                          |               |               |              |              |              |               |                              |                 |
| Loans from financial institutions            | 9,521         | 14,646        | 3,567        | 3,426        | 2,633        | 2,815         | 36,608                       | 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 <sup>1)</sup> | 6,639         | -             | -            | -            | -            | -             | 6,639                        | 6,470           |
| <b>Total</b>                                 | <b>51,859</b> | <b>19,409</b> | <b>8,062</b> | <b>7,795</b> | <b>6,473</b> | <b>26,204</b> | <b>119,801</b>               | <b>102,084</b>  |

| EUR thousand                                 | 2024          | 2025          | 2026          | 2027         | 2028         | 2028-         | Total contractual cash flows | Carrying amount |
|--|---------------|---------------|---------------|--------------|--------------|---------------|------------------------------|-----------------|
| <b>Dec 31, 2023</b>                          |               |               |               |              |              |               |                              |                 |
| Loans from financial institutions            | 7,877         | 9,237         | 13,993        | 3,246        | 3,180        | 5,086         | 42,619                       | 37,711          |
| Lease liabilities                            | 4,979         | 3,523         | 2,848         | 2,565        | 2,458        | 23,472        | 39,846                       | 25,989          |
| Derivative liabilities                       | -             | -             | -             | -            | -            | -             | -                            | -               |
| Trade payables                               | 25,411        | -             | -             | -            | -            | -             | 25,411                       | 25,411          |
| Trade payables, payment system <sup>1)</sup> | 7,437         | -             | -             | -            | -            | -             | 7,437                        | 7,396           |
| <b>Total</b>                                 | <b>45,704</b> | <b>12,759</b> | <b>16,841</b> | <b>5,811</b> | <b>5,639</b> | <b>28,559</b> | <b>115,313</b>               | <b>96,507</b>   |

<sup>1)</sup>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 30 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                                    | Oct 1 - Dec 31,<br>2024 | Oct 1 - Dec 31,<br>2023 | Jan 1 - Dec 31,<br>2024 | Jan 1 - Dec 31,<br>2023 |
|---|-------------------------|-------------------------|-------------------------|-------------------------|
| <b>Finance income</b>                           |                         |                         |                         |                         |
| Interest income                                 | 373                     | 709                     | 1,414                   | 2,299                   |
| Gains on interest rate derivatives              | 162                     | 234                     | 769                     | 606                     |
| Foreign exchange gains                          | 476                     | 85                      | 754                     | 879                     |
| Gains on capital redemption contracts           | 116                     | 485                     | 611                     | 625                     |
| Gains on foreign currency derivatives           | -21                     | 65                      | 89                      | 162                     |
| Other finance income                            | 1                       | -0                      | 1                       | 3                       |
| <b>Total</b>                                    | <b>1,107</b>            | <b>1,578</b>            | <b>3,638</b>            | <b>4,573</b>            |
| <b>Finance costs</b>                            |                         |                         |                         |                         |
| Interest expenses from borrowings <sup>1)</sup> | -674                    | -528                    | -2,617                  | -934                    |
| Interest expenses from lease liabilities        | -613                    | -510                    | -2,209                  | -2,079                  |
| Losses on interest rate derivatives             | -186                    | -496                    | -615                    | -554                    |
| Foreign exchange losses                         | -220                    | -340                    | -593                    | -961                    |
| Losses on foreign currency derivatives          | -376                    | 158                     | -450                    | -175                    |
| Other finance costs                             | -45                     | -51                     | -206                    | -206                    |
| <b>Total</b>                                    | <b>-2,114</b>           | <b>-1,767</b>           | <b>-6,689</b>           | <b>-4,910</b>           |
| <b>Finance income and costs total</b>           | <b>-1,007</b>           | <b>-190</b>             | <b>-3,051</b>           | <b>-337</b>             |

<sup>1)</sup>Interest expenses from borrowings are capitalised fully for the sawmill investment for the period 1 January – 30 June 2023.

## 10. Contingent liabilities and liability commitments

| EUR thousand   | Dec 31, 2024 | Dec 31, 2023 |
|--|--------------|--------------|
| <b>Liabilities for which collaterals have been given</b>             |              |              |
| Loans from financial institutions                                    | 15,500       | 20,500       |
| <b>Account and guarantee limits in use at the balance sheet date</b> |              |              |
| Account limit  | -            | -            |
| Guarantee limit  | 83           | 83           |
| <b>Mortgages</b>   |              |              |
| Real estate mortgages  | 307,200      | 307,200      |
| Company mortgages  | 181,551      | 181,551      |
| <b>Guarantees</b>  |              |              |
| Advance payment, delivery, etc. guarantees                           | 83           | 83           |

Koskisen has committed to a total of EUR 9.5 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 the year, and the new log yard in Järvelä.

## 11. Related party transactions

| EUR thousand                                      | Oct 1 - Dec 31, 2024 | Oct 1 - Dec 31, 2023 | Jan 1 - Dec 31, 2024 | Jan 1 - Dec 31, 2023 |
|---|----------------------|----------------------|----------------------|----------------------|
| Income from sale of property, plant and equipment | -                    | 81                   | -                    | 881                  |
| Purchases of materials and supplies               | -88                  | -                    | -88                  |                      |
| Rent expense                                      | -                    | -4                   | -3                   | -4                   |
| <b>Total</b>                                      | <b>-88</b>           | <b>77</b>            | <b>-90</b>           | <b>877</b>           |

During the financial period, the company purchased wood from a member of the Board of Directors belonging to the company's related parties. During the comparative financial year, the company sold a property with movables and two cars to a member of the Board of Directors belonging to the company's related parties.

### 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.

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

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

$$\text{Adjusted EBIT} = \text{Operating profit (loss)} + \text{Items affecting comparability}$$

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 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.

Capital employed = Total assets - Current liabilities

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

Liquid assets = Current financial assets at fair value through profit or loss + Deposits + 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.

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

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:

| <b>EUR thousand</b>  | <b>Oct 1 - Dec 31, 2024</b> | <b>Oct 1 - Dec 31, 2023</b> | <b>Jan 1 - Dec 31, 2024</b> | <b>Jan 1 - Dec 31, 2023</b> |
|--|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| <b>Items affecting comparability</b>   |                             |                             |                             |                             |
| Costs related to reorganisations   | 64                          | 294                         | 154                         | 326                         |
| The gain (-) or loss (+) from sale of businesses or significant fixed assets | -                           | -81                         | -48                         | -190                        |
| <b>Items affecting comparability</b>   | <b>64</b>                   | <b>214</b>                  | <b>105</b>                  | <b>137</b>                  |

| <b>EUR thousand</b>                        | <b>Oct 1 - Dec 31, 2024</b> | <b>Oct 1 - Dec 31, 2023</b> | <b>Jan 1 - Dec 31, 2024</b> | <b>Jan 1 - Dec 31, 2023</b> |
|--|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| <b>EBITDA</b>                              |                             |                             |                             |                             |
| Operating profit (loss)                    | 2,550                       | 2,992                       | 13,023                      | 24,396                      |
| Depreciation, amortisation and impairments | 3,100                       | 2,259                       | 11,169                      | 8,607                       |
| <b>EBITDA</b>                              | <b>5,649</b>                | <b>5,252</b>                | <b>24,193</b>               | <b>33,003</b>               |

| <b>EUR thousand</b>            | <b>Oct 1 - Dec 31, 2024</b> | <b>Oct 1 - Dec 31, 2023</b> | <b>Jan 1 - Dec 31, 2024</b> | <b>Jan 1 - Dec 31, 2023</b> |
|--------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| <b>EBITDA margin, per cent</b> |                             |                             |                             |                             |
| EBITDA                         | 5,649                       | 5,252                       | 24,193                      | 33,003                      |
| Revenue                        | 72,978                      | 68,702                      | 282,262                     | 271,275                     |
| <b>EBITDA margin, per cent</b> | <b>7.7 %</b>                | <b>7.6 %</b>                | <b>8.6 %</b>                | <b>12.2 %</b>               |

| <b>EUR thousand</b>                        | <b>Oct 1 - Dec 31, 2024</b> | <b>Oct 1 - Dec 31, 2023</b> | <b>Jan 1 - Dec 31, 2024</b> | <b>Jan 1 - Dec 31, 2023</b> |
|--|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| <b>Adjusted EBITDA</b>                     |                             |                             |                             |                             |
| Operating profit (loss)                    | 2,550                       | 2,992                       | 13,023                      | 24,396                      |
| Depreciation, amortisation and impairments | 3,100                       | 2,259                       | 11,169                      | 8,607                       |
| Items affecting comparability              | 64                          | 214                         | 105                         | 137                         |
| <b>Adjusted EBITDA</b>                     | <b>5,714</b>                | <b>5,466</b>                | <b>24,298</b>               | <b>33,140</b>               |

| <b>EUR thousand</b>                     | <b>Oct 1 - Dec 31, 2024</b> | <b>Oct 1 - Dec 31, 2023</b> | <b>Jan 1 - Dec 31, 2024</b> | <b>Jan 1 - Dec 31, 2023</b> |
|---|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| <b>Adjusted EBITDA margin, per cent</b> |                             |                             |                             |                             |
| Adjusted EBITDA                         | 5,714                       | 5,466                       | 24,298                      | 33,140                      |
| Revenue                                 | 72,978                      | 68,702                      | 282,262                     | 271,275                     |
| <b>Adjusted EBITDA margin, per cent</b> | <b>7.8 %</b>                | <b>8.0 %</b>                | <b>8.6 %</b>                | <b>12.2 %</b>               |