



PROVENTIA GROUP CORPORATION

BUSINESS REVIEW

JANUARY-MARCH 2026

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NET SALES INCREASED AS EXPECTED

January-March 2026 in brief

- The Group's net sales increased by 12.3% from the previous year to EUR 13.6 (12.2) million
- The operating profit was EUR 1.6 (1.8) million
- The operating profit rate was 11.4% (14.6%)
- The profit for the period was EUR 1.1 (1.4) million
- Earnings per share (undiluted) were EUR 0.07 (0.09)

The figures in brackets refer to the same period in the previous year.

PRESIDENT AND CEO JARI LOTVONEN:

The year 2026 started as expected. Net sales for January–March increased by 12.3% compared to the corresponding period. Production volumes among agricultural machinery manufacturers remained at a low level, while strong demand from the mining industry continued after the turn of the year. The operating profit margin declined from 14.6% in the corresponding period to 11.4%. The decline in profitability was mainly attributable to changes in the relative shares of different product groups in total net sales, as well as investments in future growth.

Product development continued to be active in the first quarter. In response to record-high development project backlog, personnel resources were strengthened through internal arrangements, recruitment, and external expert resources. Some ongoing product development projects related to emission control systems are progressing gradually toward serial production during the current year, while newer projects are expected to move into production mainly during 2027-2030. In addition, the company continued development projects for larger engine power classes as well as for electric powertrains, which strengthen the company's long-term growth potential.

During the review period, Proventia established a subsidiary in Texas, United States. The establishment of the subsidiary supports existing customer relationships and provides basis for expanding operations in a strategically important market. The subsidiary will begin operations as a sales company during the current year and, in line with the company's objectives, may later expand into a production unit.

Despite increasing geopolitical tensions, the company's confidence in its growth outlook has strengthened. Progress in several strategically important customer relationships and new product development projects supports the company's business outlook.

KEY FIGURES

EUR 1,000	1-3/2026	1-3/2025	1-12/2025
Net sales	13,646	12,155	47,426
Change in net sales, %	12.3%	15.9%	13.1%
Operating profit	1,562	1,779	5,717
Operating profit, %	11.4%	14.6%	12.1%
Earnings per share (EPS), undiluted, EUR	0.07	0.09	0.26
Earnings per share (EPS), diluted, EUR	0.06	0.08	0.25
Return on equity (ROE), %	8.0%	11.0%	9.3%
Equity ratio, %	57.9%	67.5%	59.1%
Return on capital employed (ROCE), %	10.2%	13.9%	11.8%
Interest-bearing liabilities	7,016	3,645	7,173
Net debt	248	-7,404	68
Investments	477	1,060	1,853

The formulae used to calculate the key figures are shown on page 7.

In December 2024, Proventia's Board of Directors made a strategic decision to classify the Test Solutions business as an asset held for sale in accordance with IFRS. In June 2025, the Board decided to discontinue the Test Solutions business by the end of 2025. The discontinuation decision was implemented as planned during the financial year 2025. Proventia reports the Test Solutions business for the year 2025 as discontinued operations in accordance with IFRS reporting practices. Unless otherwise stated, the figures reported in this business review pertain to continuing operations.

NET SALES

The group's net sales in January–March 2026 were EUR 13.6 (12.2) million, showing an increase of 12.3% (15.9%). In January–March, Europe accounted for 91.5% (95.7%) of total net sales.

NET SALES BY MARKET AREA

EUR 1,000	1-3/2026	1-3/2025	Change, %	1-12/2025
Europe	12,491	11,627	7.4%	44,491
Other continents	1,155	527	119.0%	2,934
Total	13,646	12,155	12.3%	47,426

PERFORMANCE AND FINANCIAL POSITION

In January–March 2026, the operating profit was EUR 1.6 (1.8) million, representing 11.4% (14.6%) of net sales. The profit for the period was EUR 1.1 (1.4) million. Undiluted earnings per share were EUR 0.07 (0.09), while diluted earnings per share were EUR 0.06 (0.08).

In January–March 2026, cash flow from operating activities was EUR 0.5 (1.6) million. The group's liquid assets at the end of March 2026 stood at EUR 5.6 (5.9), million. In addition, the company held EUR 1.1 (5.1) million in other short-term financial assets. Interest-bearing liabilities including lease liabilities totalled EUR 7.0 (3.6) million at the end of the review period.

ANNUAL GENERAL MEETING

Proventia Group Corporation's Annual General Meeting was held on 15 April 2026. Proventia Group Corporation's distributable funds as of 31 December 2025 were EUR 19,933,773.28. According to the Board of Directors' proposal, the Annual General Meeting decided that the profit for the period of EUR 13,343.88 be transferred to retained earnings, and that a dividend of EUR 0.30 per share be distributed from retained earnings, totaling EUR 4,963,821.90, with the total number of shares being 16,546,073. The dividend payment date was 24 April 2026.

Harri Suutari (chairperson), Lauri Antila (vice chairperson), Tommi Salunen, Johnny Pehkonen, Kalle Kekkonen, Erja Sankari and Cary Collar were re-elected members of the Board of Directors.

EVENTS AFTER REVIEW PERIOD

Kari Laurikka has been appointed as Director, Operations and a member of Proventia's Management Team as of 18.5.2026. In the future, Kari Laurikka will be responsible for the company's operational activities and their development in accordance with the strategy. He joins Proventia from Kempower Oyj, where he has worked as Head of Operations Excellence. At the same time, Tomi Palovaara will leave the Management Team and move on to other positions within the company.

After the reporting period, the company received a tax refund of EUR 0.7 million relating to adjustments of taxation for prior financial years. The refund will be recognised in profit in the second quarter.

After the review period, one of Proventia's battery cell suppliers, Morrow Batteries, filed for bankruptcy. Morrow Batteries' bankruptcy filing is not expected to have any impact on Proventia's current customer deliveries. For new orders, Proventia may, if necessary, source cells from alternative suppliers. Proventia's battery systems are not dependent on any single cell manufacturer.

GUIDANCE FOR 2026 (UNCHANGED)

Net sales and the operating profit are expected to increase in 2026 from the 2025 level. In 2025, net sales were EUR 47.4 million, and the operating profit was EUR 5.7 million.

ACCOUNTING PRINCIPLES

Proventia Group prepared financial statements for 2025 in accordance with the International Financial Reporting Standards (IFRS). Business review figures apply the same calculation principles as the annual accounts dated 31 December 2025. The figures presented have been rounded from exact figures. The figures indicated in the business review are unaudited.

CONSOLIDATED INCOME STATEMENT

EUR 1,000	1-3/2026	1-3/2025	1-12/2025
Net sales	13,646	12,155	47,426
Other operating income	54	30	79
Materials and services	-7,268	-6,360	-25,086
Employee benefit expenses	-2,719	-2,270	-9,420
Depreciation and impairment	-1,007	-826	-3,438
Other operating expenses	-1,143	-949	-3,844
Operating profit	1,562	1,779	5,717
Financial income	3	83	357
Financial expenses	-148	-47	-394
Profit before tax	1,418	1,815	5,680
Income tax	-317	-398	-1,358
Profit for the period from continuing operations	1,102	1,416	4,322
Profit/loss for the period from discontinued operations	0	35	-2,156
Profit for the period	1,102	1,451	2,166
Profit attributable to owners of the parent company	1,102	1,451	2,166
Earnings per share calculated on profit attributable to owners of the parent company			
Undiluted earnings per share, EUR	0.07	0.09	0.13
Diluted earnings per share, EUR	0.06	0.08	0.12
Undiluted earnings per share, continuing operations, EUR	0.07	0.09	0.26
Diluted earnings per share, continuing operations, EUR	0.06	0.08	0.25

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

EUR 1,000	1-3/2026	1-3/2025	1-12/2025
Profit for the period	1,102	1,451	2,166
Items of other comprehensive income			
Items that may be reclassified to profit or loss at a later date			
Translation differences from foreign units	-27	55	81
Other items of comprehensive income for the period, total	-27	55	81
Comprehensive income for the period	1,075	1,506	2,247
Comprehensive income for the period attributable to owners of the parent company	1,075	1,506	2,247

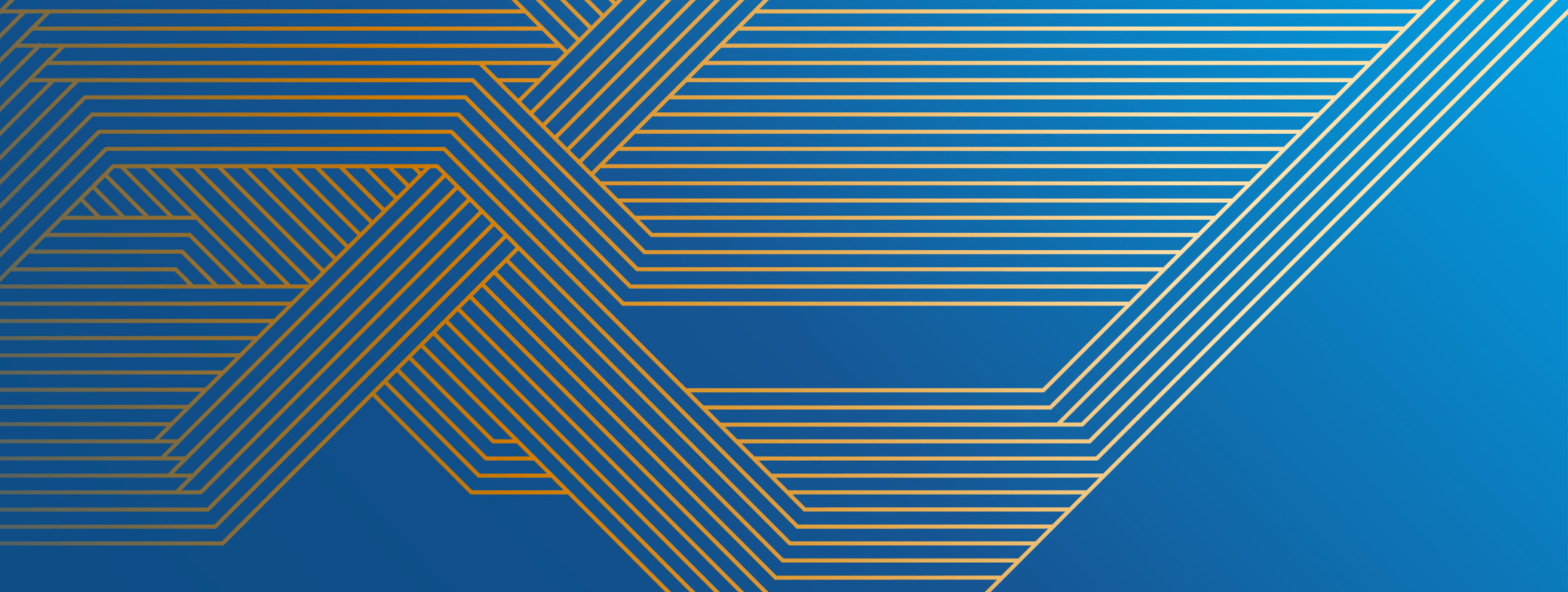
CONSOLIDATED BALANCE SHEET

EUR 1,000	Mar 31, 2026	Mar 31, 2025	Dec 31, 2025
ASSETS			
Non-current assets			
Intangible assets	4,373	3,818	3,858
Property, plant and equipment	4,547	5,063	5,235
Right-of-use assets	6,916	3,343	7,095
Non-current receivables	50	26	50
Deferred tax assets	150	153	154
Total non-current assets	16,036	12,404	16,392
Current assets			
Inventories	8,389	7,794	8,103
Sales receivables	8,031	6,527	4,898
Other receivables	1,175	706	689
Contract assets	1,064	449	949
Accrued income	525	760	1,307
Other financial assets	1,136	5,111	1,133
Cash and cash equivalents	5,632	5,939	5,973
Total current assets	25,951	27,285	23,053
Assets held for sale	0	2,063	0
TOTAL ASSETS	41,987	41,752	39,444

EUR 1,000	Mar 31, 2026	Mar 31, 2025	Dec 31, 2025
SHAREHOLDER'S EQUITY AND LIABILITIES			
Share capital	1,090	1,090	1,090
Invested unrestricted equity reserve	2,616	7,420	2,616
Translation differences	181	11	37
Retained earnings	18,085	16,230	16,262
Profit for the period	1,102	1,451	2,170
Shareholders' equity, total	23,074	26,202	22,176
Non-current liabilities			
Lease liabilities	5,913	2,324	6,022
Provisions	1,818	480	1,434
Total non-current liabilities	7,731	2,804	7,456
Current liabilities			
Financial liabilities	0	60	0
Lease liabilities	1,103	1,061	1,151
Contract liabilities	2,127	1,341	1,907
Trade payables	4,286	4,941	3,355
Other liabilities	990	408	1,014
Deferred income	2,676	1,601	2,385
Total current liabilities	11,182	9,412	9,812
Liabilities directly associated with the assets held for sale	0	3,333	0
Total liabilities	18,913	15,550	17,269
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	41,987	41,752	39,444

KEY FIGURE CALCULATION FORMULAS

Key figure	Definition	Purpose of use
Operating profit, %	Operating profit as a percentage of net sales	The operating profit rate is an indicator of the Group's performance.
Return on equity (ROE), % (including discontinued operations)	$\frac{\text{Profit before taxes - income taxes (last 12 months)}}{\text{Average shareholders' equity during the period}} \times 100$	Return on equity, equity ratio, return on capital employed, interest-bearing liabilities and net debt are indicators of the Group's ability to acquire funding and clear its debts, and they also illustrate the level of risks associated with funding and help to monitor the level of capital used in the Group's business activities.
Equity ratio, % (including discontinued operations)	$\frac{\text{Shareholders' equity}}{\text{Balance sheet total - contract liabilities}} \times 100$	
Return on capital employed (ROCE), % (including discontinued operations)	$\frac{\text{Profit before taxes + financial expenses (last 12 months)}}{\text{Average shareholders' equity during the period + average interest-bearing liabilities during the period}} \times 100$	
Interest-bearing liabilities (including discontinued operations)	Total long-term and short-term loans from financial institutions + Lease liabilities	
Net debt (including discontinued operations)	Total long-term and short-term loans from financial institutions + Lease liabilities - Cash and cash equivalents	
Investments (including discontinued operations)	Investments in tangible and intangible assets in accordance with the cash flow statement	Investments represent the cash flow required for the company's investments.



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