PROVENTIA GROUP CORPORATION

HALF-YEAR FINANCIAL REPORT

JANUARY–JUNE 2026

PROVENTIA

PROVENTIA GROUP CORPORATION'S HALF-YEAR FINANCIAL REPORT JANUARY–JUNE 2026

STRONG GROWTH IN NET SALES AND PROFITABILITY

April–June 2026 in brief

- The Group's net sales increased by 22.5% from the previous year to EUR 15.2 (12.4) million
- The operating profit was EUR 2.4 (1.6) million
- The operating profit rate was 15.8% (13.2%)
- The profit for the period was EUR 2.6 (1.0) million
- Earnings per share (undiluted) were EUR 0.16 (0.06)

January–June 2026 in brief

- The Group's net sales increased by 17.4% from the previous year to EUR 28.8 (24.6) million
- The operating profit was EUR 4.0 (3.4) million
- The operating profit rate was 13.7% (13.9%)
- The profit for the period was EUR 3.7 (2.4) million
- Earnings per share (undiluted) were EUR 0.23 (0.15)
- The group had 204 (173) employees at the end of June

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

PRESIDENT AND CEO JARI LOTVONEN:

Strong growth in net sales continued during the second quarter of 2026. Net sales for April–June increased by 22.5% compared to the corresponding period last year and amounted to EUR 15.2 million (EUR 12.4 million). Operating profit increased to EUR 2.4 million (EUR 1.6 million), with an operating profit margin of 15.8% (13.2%). Net sales growth and improved profitability were driven in particular by the start of serial production of a new product in autumn 2025 and favorable market conditions in the mining industry. Production volumes among agricultural and forestry machinery manufacturers generally remained at a moderate level.

Net sales for January–June increased by 17.4% year-on-year to EUR 28.8 million (EUR 24.6 million), while the operating profit margin remained at the level of the comparison period. We expect net sales growth to continue but to slow down during the second half of the year. In addition to moderate demand in the agricultural and forestry machinery sector, our customers' holiday periods will also affect demand.

Our development project backlog remains very strong, and customer demand for new development projects is at a record level. During the review period, we progressed as planned in customer-specific development projects and continued investments in the development of emission control systems for larger engine power classes. Potential applications for larger engines include generators used in data centers and grid stabilization, and demand for these generators is expected to grow.

During the review period, we delivered the first lithium iron phosphate (LFP) battery systems to a customer. These first customer deliveries represent a significant milestone in the development of our Electric Powertrain product family and demonstrate the commercial potential of our LFP battery systems. The bankruptcy filing announced in May by our battery cell supplier Morrow Batteries has had no impact on Proventia's customer deliveries.

Throughout the review period, we strengthened our R&D and production resources and further developed our organizational capabilities to respond to growing customer demand. This was reflected in higher personnel expenses and other operating expenses.

The strong business performance during the first half of the year, our record-high development project backlog, and the commercial progress of the Electric Powertrain product family support the execution of our strategy and the achievement of our long-term growth objectives.

KEY FIGURES

EUR 1,000	4-6/2026	4-6/2025	1-6/2026	1-6/2025	1-12/2025
Net sales	15,191	12,402	28,837	24,557	47,426
Change in net sales, %	22.5%	6.3%	17.4%	10.8%	13.1%
Operating profit	2,400	1,632	3,962	3,411	5,717
Operating profit, %	15.8%	13.2%	13.7%	13.9%	12.1%
Earnings per share (EPS), undiluted, EUR	0.16	0.06	0.23	0.15	0.26
Earnings per share (EPS), diluted, EUR	0.15	0.06	0.21	0.14	0.25
Return on equity (ROE), %	21.4%	6.6%	21.4%	6.6%	9.3%
Equity ratio, %	53.1%	66.2%	53.1%	66.2%	59.1%
Return on capital employed (ROCE), %	18.5%	10.6%	18.5%	10.6%	11.8%
Interest-bearing liabilities	6,774	3,246	6,774	3,246	7,173
Net debt	2,851	-2,153	2,851	-2,153	68
Investments	1,153	239	1,630	1,299	1,853

The formulae used to calculate the key figures are shown on page 9.

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 half-year financial report pertain to continuing operations.

NET SALES

The group's net sales in January–June 2026 were EUR 28.8 (24.6) million, showing an increase of 17.4% (10.8%). In January-June, Europe accounted for 91.4% (94.0%) of total net sales.

NET SALES BY MARKET AREA

EUR 1,000	4-6/2026	4-6/2025	Change, %	1-6/2026	1-6/2025	Change, %	1-12/2025
Europe	13,853	11,455	20.9%	26,343	23,082	14.1%	44,491
Other continents	1,339	947	41.4%	2,494	1,475	69.1%	2,934
Total	**15,191**	**12,402**	**22.5%**	**28,837**	**24,557**	**17.4%**	**47,426**

PERFORMANCE AND FINANCIAL POSITION

In January–June 2026, the operating profit was EUR 4.0 (3.4) million, representing 13.7% (13.9%) of net sales. The profit for the period was EUR 3.7 (2.4) million. Undiluted earnings per share were EUR 0.23 (0.15), while diluted earnings per share were EUR 0.21 (0.14).

During the second quarter, the company received a tax refund of EUR 0.7 million relating to adjustments of taxation for prior financial years. The tax refund has been recognized within income tax expense in the income statement.

In January–June 2026, cash flow from operating activities was EUR 3.9 (2.1) million. The group's liquid assets at the end of June 2026 stood at EUR 3.9 (4.3) million. In addition, the company held EUR 0.0 (1.1) million in other short-term financial assets. The company's revolving credit facility was increased in June 2026 from EUR 4.0 million to EUR 7.0 million. As of 30 June 2026, EUR 0.0 million (0.0) of the facility was utilized. Interest-bearing liabilities including lease liabilities totaled EUR 6.8 (3.2) million at the end of the review period.

RESEARCH AND DEVELOPMENT

R&D expenses for January-June totaled EUR 2.4 (2.0) million, representing 8.2% (8.3%) of net sales. Of these expenses EUR 0.6 (0.7) million was capitalized on the balance sheet as development expenses. R&D expenses recognized through profit or loss totaled EUR 1.7 (1.4) million.

PERSONNEL

At the end of June 2026, Proventia had 204 (173) employees. Of these, 115 (101) worked in Finland and 89 (72) in the Czech Republic.

CHANGES IN THE MANAGEMENT TEAM

Kari Laurikka joined Proventia as Director, Operations and a member of the Management Team on 18 May 2026. Laurikka is responsible for the company's operations and their development in line with the company's strategy.

Proventia’s Management Team as of 18 May 2026 is as follows:
- Jari Lotvonen, President & CEO
- Tommi Aarnio, CFO
- Petri Saari, Vice President, Sales
- Arno Amberla, Director, Technology
- Kari Laurikka, Director, Operations
- Kaisu Kivioja, Director, Development, HR & ICT
- Sanna Raatikainen, General Counsel

IMPLEMENTING THE STRATEGY

The company’s strategy progressed as planned during the first half of the year. Growth in both production volumes and the development project backlog reinforced confidence in our strategic direction, and we continued to invest in product development and international expansion. We strengthened our organization through recruitment to support future growth. We also advanced our international expansion by establishing a subsidiary in Texas, United States. We will continue to execute our strategy as planned during the second half of the year.

SHORT-TERM RISKS AND UNCERTAINTIES

There continue to be significant differences in market conditions across Proventia’s customer segments, which may result in fluctuations in demand during the second half of the year. A recovery in demand in the Finnish industrial sector and disruptions in global component supply chains may create challenges in component availability, which could affect customer delivery schedules. Otherwise, there have been no changes to the key short-term risks and uncertainties presented in the Company’s 2025 Financial Statements.

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 its financial statements for 2025 in accordance with the International Financial Reporting Standards (IFRS). The figures presented in the half-year financial report have been prepared using the same accounting policies as those applied in the financial statements as at 31 December 2025. Reported amounts have been rounded from exact figures, and the information presented in this report is unaudited.

CONSOLIDATED INCOME STATEMENT

EUR 1,000	4-6/2026	4-6/2025	1-6/2026	1-6/2025	1-12/2025
Net sales	15,191	12,402	28,837	24,557	47,426
Other operating income	33	7	87	37	79
Materials and services	-7,694	-6,645	-14,962	-13,006	-25,086
Employee benefit expenses	-2,850	-2,351	-5,569	-4,621	-9,420
Depreciation and impairment	-985	-876	-1,992	-1,702	-3,438
Other operating expenses	-1,296	-905	-2,439	-1,854	-3,844
Operating profit	**2,400**	**1,632**	**3,962**	**3,411**	**5,717**
Financial income	61	56	65	139	357
Financial expenses	7	-114	-141	-161	-394
Profit before tax	**2,468**	**1,574**	**3,886**	**3,389**	**5,680**
Income tax	169	-567	-148	-965	-1,358
Profit for the period from continuing operations	**2,637**	**1,007**	**3,738**	**2,423**	**4,322**
Profit/loss for the period from discontinued operations	0	-1,158	0	-1,123	-2,156
Profit for the period	**2,637**	**-151**	**3,738**	**1,300**	**2,166**
Profit attributable to owners of the parent company	**2,637**	**-151**	**3,738**	**1,300**	**2,166**
Earnings per share calculated on profit attributable to owners of the parent company					
Undiluted earnings per share, EUR	0.16	-0.01	0.23	0.08	0.13
Diluted earnings per share, EUR	0.15	-0.01	0.21	0.07	0.12
Undiluted earnings per share, continuing operations, EUR	0.16	0.06	0.23	0.15	0.26
Diluted earnings per share, continuing operations, EUR	0.15	0.06	0.21	0.14	0.25

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

EUR 1,000	4-6/2026	4-6/2025	1-6/2026	1-6/2025	1-12/2025
Profit for the period	**2,637**	**-151**	**3,738**	1,300	**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	26	5	-1	59	81
Other items of comprehensive income for the period, total	**26**	**5**	**-1**	**59**	**81**
Comprehensive income for the period	**2,662**	**-147**	**3,737**	**1,360**	**2,247**
Comprehensive income for the period attributable to owners of the parent company	**2,662**	**-147**	**3,737**	**1,360**	**2,247**

CONSOLIDATED BALANCE SHEET

EUR 1,000	Jun 30, 2026	Jun 30, 2025	Dec 31, 2025
ASSETS			
Non-current assets			
Intangible assets	4,509	4,126	3,858
Property, plant and equipment	4,844	5,086	5,235
Right-of-use assets	6,651	3,009	7,095
Non-current receivables	38	160	50
Deferred tax assets	156	32	154
Total non-current assets	**16,198**	**12,413**	**16,392**
Current assets			
Inventories	9,138	6,749	8,103
Sales receivables	8,137	5,919	4,898
Other receivables	969	864	689
Contract assets	1,500	1,256	949
Accrued income	860	934	1,307
Other financial assets	0	1,118	1,133
Cash and cash equivalents	3,923	4,281	5,973
Total current assets	**24,527**	**21,122**	**23,053**
Assets held for sale	0	1,331	0
TOTAL ASSETS	**40,725**	**34,866**	**39,444**

EUR 1,000	Jun 30, 2026	Jun 30, 2025	Dec 31, 2025
SHAREHOLDER'S EQUITY AND LIABILITIES			
Share capital	1,090	1,090	1,090
Invested unrestricted equity reserve	2,683	2,548	2,616
Translation differences	206	15	37
Retained earnings	13,130	16,248	16,262
Profit for the period	3,738	1,300	2,170
Shareholders' equity, total	**20,847**	**21,202**	**22,176**
Non-current liabilities			
Lease liabilities	5,644	2,117	6,022
Provisions	1,821	487	1,434
Total non-current liabilities	**7,465**	**2,604**	**7,456**
Current liabilities			
Lease liabilities	1,130	995	1,151
Contract liabilities	1,706	1,777	1,907
Trade payables	5,428	3,736	3,355
Other liabilities	874	873	1,014
Deferred income	3,274	1,667	2,385
Total current liabilities	**12,413**	**9,048**	**9,812**
Liabilities directly associated with the assets held for sale	0	2,013	0
Total liabilities	**19,878**	**13,664**	**17,269**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**40,725**	**34,866**	**39,444**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

EUR 1,000	Share capital	Invested unrestricted equity reserve	Translation differences	Retained earnings	Shareholders' equity total
Shareholders' equity, Dec 31, 2025	**1,090**	**2,616**	**37**	**18,433**	**22,176**
Correction of prior period errors			171	-355	**-185**
Shareholders' equity, Jan 1, 2026	**1,090**	**2,616**	**207**	**18,077**	**21,991**
Profit for the period				3,738	**3,738**
Translation differences			-1		**-1**
Total items of comprehensive income for the financial year after taxes	**0**	**0**	**-1**	**3,738**	**3,737**
Share issue		67			**67**
Share-based payments				16	**16**
Dividend				-4,964	**-4,964**
Transactions with owners	**0**	**67**	**0**	**-4,948**	**-4,881**
Shareholders' equity, June 30, 2026	**1,090**	**2,683**	**206**	**16,868**	**20,847**

EUR 1,000	Share capital	Invested unrestricted equity reserve	Translation differences	Retained earnings	Shareholders' equity total
Shareholders' equity, Jan 1, 2025	**1,090**	**7,377**	**-44**	**16,212**	**24,636**
Profit for the period				1,300	**1,300**
Translation differences			59		**59**
Total items of comprehensive income for the financial year after taxes	**0**	**0**	**59**	**1,300**	**1,360**
Share issue		72			**72**
Share-based payments				36	**36**
Dividend / equity repayment		-4,901			**-4,901**
Transactions with owners	**0**	**-4,829**	**0**	**36**	**-4,794**
Shareholders' equity, June 30, 2025	**1,090**	**2,548**	**15**	**17,548**	**21,202**

EUR 1,000	Share capital	Invested unrestricted equity reserve	Translation differences	Retained earnings	Shareholders' equity total
Shareholders' equity, Jan 1, 2025	**1,090**	**7,377**	**-44**	**16,212**	**24,636**
Profit for the period				2,170	**2,170**
Translation differences			81		**81**
Total items of comprehensive income for the financial year after taxes	**0**	**0**	**81**	**2,170**	**2,251**
Share issue		140			**140**
Share-based payments				50	**50**
Dividend / equity repayment		-4,901			**-4,901**
Transactions with owners	**0**	**-4,762**	**0**	**50**	**-4,712**
Shareholders' equity, Dec 31, 2025	**1,090**	**2,616**	**37**	**18,433**	**22,176**

CONSOLIDATED CASH FLOW STATEMENT

EUR 1,000	1-6/2026	1-6/2025	1–12/2025
Cash flow from operating activities			
Profit for the period	3,738	1,300	2,166
Adjustments			
Depreciation and impairment	1,992	1,937	4,722
Financial income and expenses	76	22	37
Income tax	148	684	819
Other adjustment items	218	-293	474
Changes in working capital			
Increase/decrease in trade and other receivables	-3,612	-2,226	-296
Increase/decrease in inventories	-1,035	1,930	399
Increase/decrease in trade and other payables	2,172	-96	-1,384
Interest and other financial expenses paid	-141	-153	-383
Interest received	65	129	342
Income taxes paid	301	-1,162	-1,061
Cash flow from operating activities	**3,922**	**2,073**	**5,834**
Cash flow from investing activities			
Investments in tangible and intangible assets	-1,630	-1,299	-1,853
Investments in financial instruments	1,133	3,948	3,934
Cash flow from investing activities	**-498**	**2,649**	**2,081**

EUR 1,000	1-6/2026	1-6/2025	1–12/2025
Cash flow from financing activities			
Repayment of financial liabilities	0	-150	-150
Payments based on lease liabilities	-577	-681	-2,248
Dividend	-4,964	-4,901	-4,901
Share issue	67	72	140
Cash flow from financing activities	**-5,474**	**-5,660**	**-7,160**
Changes in cash and cash equivalents, increase (+)/decrease (-)	**-2,050**	**-938**	**755**
Cash and cash equivalents at the beginning of the period	5,973	5,219	5,219
Cash and cash equivalents at the end of the period	**3,923**	**4,281**	**5,973**

OTHER ADJUSTMENT ITEMS IN CASH FLOW STATEMENT

EUR 1,000	1-6/2026	1-6/2025	1–12/2025
Equity adjustment items as of January 1, 2026	-185	0	0
Change in translation differences	-1	59	85
Share-based payments	16	36	50
Change in provisions	387	-388	339
Total	**218**	**-293**	**474**

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)	$\frac{\text{Profit before taxes + financial expenses (last12 months)}}{\text{Average shareholders' equity during the period + average interest-bearing liabilities during the period}} \times 100$	
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.

The interim period balance sheet calculations of the key figures for return on equity (ROE, ROCE) use the rolling amount from the last twelve months.

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