



**Half-Year Financial Report
1 January - 30 June 2025**

Neova's half-year report January-June 2025

Growing media business continued to develop positively.

April-June 2025 in brief:

- The Group's net sales amounted to EUR 142.9 million (EUR 137.6 million).
- EBITDA was EUR 15.2 million (EUR 15.9 million), or 10.7 % (11.5 %) of net sales
- Comparable EBITDA was EUR 15.3 million (15.6). EBITDA included a total of non-recurring items EUR -0.1 million (EUR 0.4 million).
- Operating profit was EUR 6.6 million (EUR 5.7 million), or 4.6 % (4.1 %) of net sales, including EUR -0.3 million (EUR 0.4 million) in non-recurring items.
- Free cash flow before taxes was EUR 18.3 million (EUR 21.0 million).

January-June 2025 in brief:

- The Group's net sales amounted to EUR 286.5 million (EUR 292.9 million).
- EBITDA was EUR 39.8 million (EUR 42.8 million), or 13.9% (14.6%) of net sales. EBITDA included a total of EUR -0.3 million (EUR -1.0 million) of non-recurring items relating to efficiency improvement measures.
- Comparable EBITDA was EUR 40.2 million (EUR 43.8 million).
- Operating profit was EUR 24.5 million (EUR 27.0 million), or 8.6% (9.2%) of net sales, including EUR -0.5 million (EUR -1.0 million) in non-recurring items relating to efficiency improvement measures.
- Free cash flow before taxes was EUR 3.3 million (EUR 43.9 million).
- Gross investments totalled EUR 14.0 million (EUR 15.5 million).
- Earnings per share were EUR 639.54 (EUR 702.02).
- The ratio of interest-bearing net debt to EBITDA was 3.1 (2.4)
- Return on invested capital (% , previous 12 months): 2.6 (2.8)

Figures in brackets to the corresponding period in 2024 unless otherwise stated.

Pekka Tennilä, CEO, comments:

Neova's net sales and operating profit increased in the second quarter of the year. However, Neova's result for the first half of the year fell short of the comparison period, as the mild winter reduced the demand for fuels during the first months of the year.

The growth of the Group's larger division, Kekkilä-BVB, accelerated from the first quarter, and also its operating profit improved. In addition to the increase in net sales, this was driven by the cost-saving programs we implemented in previous years. Kekkilä-BVB's net sales grew especially in Materials business area, as well as in Central Europe and Sweden.

In the first half of the year, we took big steps in increasing the amount of circular raw materials in our portfolio. In January, we introduced the reed canary grass to the market, which we cultivate in old peat production areas in Finland. In June, we opened our first wood fibre production line at our Grubbenvorst production facility in the Netherlands. With the help of wood fibre, we can, for example, increase the air capacity of our substrates and at the same time reduce the amount of peat.

As expected, Neova Terra's net sales fell short of the first half of last year due to declining demand for energy peat. The mild winter also had a negative impact on the demand for wood pellets. In addition, we closed the Vilppula pellet plant in the spring. On the other hand, the demand for horticultural peat in the export markets remained strong and increased compared to the comparison period. The decline in net sales reduced operating profit.

Neova Terra's new businesses are developing according to plan. The maintenance break of the Ilomantsi activated carbon plant started in June. Thanks to the investments made during the break, the nitrogen emissions of the plant will reduce even further going forward. Successful product testing of biostimulants in cooperation with farmers continued in South America, among others.

The development of solar and wind power projects continued, and we expect to receive the first project-specific building permits after the summer holiday season. In addition, we announced in June that we had started planning for a solar power plant with a nominal output of approximately 240 megawatts in the former Ropolansuo peat production area in Mikkeli.

Due to the rainy early summer, the season's peat harvesting started slowly, but the long hot spell in the middle of summer has helped us to increase the pace of harvesting.

Uncertainties in the global economy will continue to affect the outlook in the second half of the year, which makes it difficult to predict the development of the market environment. Although situations can change quickly, I believe that the positive development of the growing media business will continue in the second half of the year and the Group's result will improve compared to last year.

And while looking ahead to the second half of the year, we need to strengthen our safety culture even further. I am not satisfied with the current trend in our safety statistics, so we must pay closer attention to our processes at every stage to ensure a safe workplace for everyone."

Market environment

The global economic outlook is becoming increasingly challenging with many uncertainties. Substantial increases in barriers to trade, geopolitical tensions, tighter financial conditions, weaker business and consumer confidence and heightened policy uncertainty are projected to have adverse impacts on growth. Higher trade costs are expected to push inflation up further, although the impact will be partially offset by weaker commodity prices.

The global growing media market is expected to grow, influenced by consumer preferences, technological advancements, and regulatory frameworks. The global growing media market for professional growing is driven by the rising demand for fruits and vegetables, increased health awareness and the need for organic growing. However, challenges such as the shortage of skilled professionals and high initial investment costs may restrain market growth. Europe's fertilizer market have faced a crisis due to rising commodity prices, with fertilizer prices reaching historic highs in early 2025. The hobby garden soil market is projected to grow but potential leveling off in some areas. The growth is driven by increasing popularity of gardening as a hobby and a source of fresh produce, as well as the rising demand for organic and sustainable gardening practices. Regionally, America and Asia are expected to see significant growth due to the increasing popularity of growing in controlled environments. Europe is anticipated to witness moderate growth. Demand for growing media is expected to continue grow, and a wide selection of other raw materials like coir and wood fiber are needed along peat to fulfill the growing demand.

The global peat market is going through change due to the proliferation of demand and the growth of eco-friendliness awareness. The European peat market is expected to develop modestly characterized by a mix of growth and decline. Environmental concerns, regulatory actions, depletion of peatlands, and the emergence of alternatives to peat-based products restrict growth. The usage of energy peat in Finland has significantly decreased, being in 2024 only one-third of the 2019 level. However, energy peat plays a role as a security-of-supply fuel and regionally balances the availability of wood biomass. The share of combustion-based heat production has markedly decreased in Finland in recent years as heat production has become more electrified. The electrification of heat production is likely to permanently change the fuel market for heat production.

In the Nordic countries, the first three months of the year were warmer than usual, leading to a decrease in heating demand and to a temporary oversupply situation of energy wood. However, the balance of supply and demand for wood biomass is expected to remain tight due to import sanctions on wood from Russia and Belarus.

The biostimulant market size has grown rapidly in recent years and is projected to continue expanding. The expansion of the market is a response to concerns such as soil degradation, water scarcity, climate change, and the need for high crop yields. The global activated carbon market is projected to continue growing, driven by environmental regulations and increasing demand for water purification, air filtration, and mercury emission reduction.

Financial development

Net sales

Net sales by division

EUR million	4-6/2025	4-6/2024	Change	1-6/2025	1-6/2024	Change	2024
Kekkilä-BVB	115.9	107.8	7.5 %	213.5	200.3	6.6 %	319.4
Neova Terra	38.2	41.1	-7.1 %	96.6	114.7	-15.8 %	189.5
Other and eliminations	-11.2	-11.3		-23.6	-22.1		-39.8
Total	142.9	137.6	3.8 %	286.5	292.9	-2.2 %	469.0

April-June

The Group's net sales on the second quarter increased by 4 percent to EUR 142.9 million (EUR 137.6 million). Kekkilä-BVB's net sales developed positively. Net sales increased in Europe and decreased in North and South America and Asia. Measured by net sales, the top three countries were Finland, the Netherlands and Germany.

The Kekkilä-BVB division's net sales increased by 8 percent compared to previous year and was EUR 115.9 million (EUR 107.8 million). Net sales increased from previous year in Retail and Materials businesses, especially due to recovery of Central Europe market which was negatively impacted by rainy spring and early summer of the previous year.

The Neova Terra division's net sales decreased by 7 percent and was EUR 38.2 million (EUR 41.1 million). Net sales' development was supported by good demand in the horticultural peat market, where volumes and net sales increased from previous year, partially offsetting the decline in fuel sales.

January-June

The Group's net sales on the first half year decreased by 2 percent to EUR 286.5 million (EUR 292.9 million). Net sales decreased in Europe and North and South America due to lower volumes, and increased in Africa and Asia. Measured by net sales, the top three countries were Finland, the Netherlands and Germany.

The Kekkilä-BVB division's net sales increased by 7 percent and was EUR 213.5 million (EUR 200.3 million). Net sales increased in consumer, materials and landscaping businesses compared to previous year.

The Neova Terra division's net sales decreased by 16 percent and was EUR 96.6 million (EUR 114.7 million). The beginning of the year were milder than normal, leading to decreased demand for fuels which has been partly offset by favourable development of the horticultural peat market during the beginning of the year.

Result and profitability

Comparable EBITDA by division

EUR million	4-6/2025	4-6/2024	Change	1-6/2025	1-6/2024	Change	2024
Kekkilä-BVB	12.0	11.3	6.3 %	28.2	27.3	3.5 %	32.2
Neova Terra	3.2	4.8	-34.0 %	12.3	18.3	-32.4 %	27.7
Other and eliminations	0.1	-0.6		-0.4	-1.7		-3.0
Total	15.3	15.6	-1.5 %	40.2	43.8	-8.2 %	56.9

April-June

The Group's comparable EBITDA, excluding non-recurring items arising from restructuring measures, decreased by 1 percent to EUR 15.3 million (EUR 15.6 million). EBITDA decreased compared to the previous year amounting to EUR 15.2 million (EUR 15.9 million), or 10.7 (11.5) percent of net sales.

The Kekkilä-BVB division's comparable EBITDA amounted to EUR 12.0 million (EUR 11.3 million) and was 10.4 (10.5) percent of the division's net sales. Profitability increased from previous year due to higher sales for the period.

The Neova Terra division's comparable EBITDA amounted to EUR 3.2 million (EUR 4.8 million) and was 8.4 (11.8) percent of the division's net sales. Profitability decreased from previous year due to lower sales volumes.

January-June

The Group's comparable EBITDA, excluding non-recurring costs arising from restructuring measures, decreased by 8 percent to EUR 40.2 million (EUR 43.8 million). EBITDA decreased compared to the previous year amounting to EUR 39.8 million (EUR 42.8 million), or 13.9 (14.6) percent of net sales.

The Kekkilä-BVB division's comparable EBITDA amounted to EUR 28.2 million (EUR 27.3 million) and was 13.2 (13.6) percent of the division's net sales. Profit increased from the previous year due to higher sales and the impact of cost efficiency programs' productivity and efficiency improvement activities.

The Neova Terra division's comparable EBITDA amounted to EUR 12.3 million (EUR 18.3 million) and was 12.8 (15.9) percent of the division's net sales. Profitability decreased from previous year due to lower sales volumes.

Comparable operating profit by division

EUR million	4-6/2025	4-6/2024	Change	1-6/2025	1-6/2024	Change	2024
Kekkilä-BVB	7.6	6.2	22.3 %	19.1	17.3	10.3 %	12.8
Neova Terra	-0.5	0.2	-362.6 %	6.9	13.1	-47.2 %	16.8
Other and eliminations	-0.2	-1.0		-1.0	-2.5		-4.5
Total	6.8	5.3	28.0 %	25.0	28.0	-10.4 %	25.0

April-June

The Group's comparable operating profit was EUR 6.8 million (EUR 5.3 million) or 4.8 (3.8) percent of net sales. Group's operating profit was in second quarter EUR 6.6 million (EUR 5.7 million) or 4.6 (4.1) percent of net sales.

The Kekkilä-BVB division's comparable operating profit amounted to EUR 7.6 million (EUR 6.2 million) and was 6.5 (5.7) percent of the division's net sales. The Neova Terra division's comparable operating profit amounted to EUR -0.5 million (EUR 0.2 million) and was -1.3 (0.4) percent of the division's net sales.

January-June

The Group's comparable operating profit was EUR 25.0 million (EUR 28.0 million) or 8.7 (9.6) percent of net sales. Group's operating profit was EUR 24.5 million (EUR 27.0 million) or 8.6 (9.2) percent of net sales.

The Kekkilä-BVB division's comparable operating profit amounted to EUR 19.1 million (EUR 17.3 million) and was 9.0 (8.7) percent of the division's net sales. The Neova Terra division's comparable operating profit amounted to EUR 6.9 million (EUR 13.1 million) and was 7.2 (11.4) percent of the division's net sales.

The Group's result for the period was EUR 19.2 million (EUR 21.0 million). Earnings per share were EUR 639.54 (EUR 702.02).

Cash flow, investments and financing

The Group's free cash flow before taxes during the second quarter was EUR 18.3 million (EUR 21.0 million). Gross investments were EUR 5.4 million (EUR 9.8 million).

The Group's free cash flow before taxes in January-June was EUR 3.3 million (EUR 43.9 million). The change in working capital affected the cash flow by EUR -27.5 million (EUR 13.7 million). Gross investments January-June 2025 amounted to EUR 14.0 million (EUR 15.5 million), or 87.8% (91.5%) of the amount of depreciation.

Interest-bearing net debt at the end of June amounted to EUR 144.0 million (EUR 107.3 million). The ratio of interest-bearing net debt to EBITDA (net debt/EBITDA) was 3.1 (2.4) on 30 June 2025. Of the Group's interest-bearing debt, 41% is covered by a covenant related to the company's equity ratio. The terms of the covenant were met at the end of the review period.

The equity ratio at the end of June was 48.5% (43.5%) and the gearing ratio was 51.1% (34.7%). The balance sheet total was EUR 584.4 million (EUR 713.8 million). Net financing items were EUR -4.2 million (EUR -3.4 million), or -1.5% (-1.2%) of net sales.

Personnel

In January-June 2025 the Group employed an average of 787 (839) employees. At the end of the review period, the number of employees was 808 (841).

Number of employees by average	1-6/2025	1-6/2024	1-12/2024
Kekkilä-BVB	559	563	558
Neova Terra	204	232	222
Other and eliminations	23	44	36
Total	787	839	817

Reporting segments

Neova's reporting segments consist of the Group divisions: Kekkilä-BVB; Neova Terra; and Other and eliminations.

The Kekkilä-BVB division includes Kekkilä-BVB's four business areas, Central Europe, Global, Nordics and Materials.

The Neova Terra division includes Real Estate Development and Renewable Energy business; Peat and New Materials business; Novactor, responsible for the activated carbon business; and Neova Agro, responsible for developing new business.

The Other and eliminations include the Group's unallocated shared services and Group management and eliminations between business segments.

Kekkilä-BVB

Kekkilä-BVB is Europe's leading producer of growing media suitable for professional and amateur use. Its product range also includes solutions for home gardeners and landscapers. Materials is responsible for the sales of animal bedding and horticultural peat to customers outside the Group. Kekkilä-BVB's other businesses are recycling and composting. Kekkilä-BVB provides products and services in more than 100 countries worldwide.

Net sales for second quarter increased by 8% to EUR 115.9 million (EUR 107.8 million). The comparable EBITDA was EUR 12.0 million (EUR 11.3 million) or 10.4% (10.5%) of net sales. The reported EBITDA was EUR 12.0 million (EUR 12.6 million) and the operating profit was EUR 7.6 million (EUR 7.5 million). Gross investments were EUR 3.3 million (EUR 6.1 million). The operating profit included non-recurring items of EUR 0.0 million (EUR 1.3 million) relating to sales of businesses and efficiency improvement measures.

Net sales in the second quarter grew especially in consumer and Materials businesses compared to same period last year. Central European consumer market has recovered well from the rainy spring last year. In Nordics, the consumer market in Sweden performed better than Finland. Instability in Global economy and politics impacted negatively to the net sales of Global business area.

Net sales for January-June increased by 7% to EUR 213.5 million (EUR 200.3 million). The comparable EBITDA was EUR 28.2 million (EUR 27.3 million) or 13.2% (13.6%) of net sales. The reported EBITDA was EUR 27.9 million (EUR 27.3 million) and the operating profit was EUR 18.9 million (EUR 17.4 million). Gross investments were EUR 8.8 million (EUR 10.2 million). The operating profit included non-recurring items of EUR -0.3 million (EUR 0.0 million) relating to sales of businesses and efficiency improvement measures. Kekkilä-BVB completed the sale of its closed Georgsdorf site in Germany to Agricon Group in the first quarter.

Net sales in January-June grew in other geographical business areas than the Global business area, where the good sales growth at the beginning of the year has slowed down due to global economic uncertainty. The growth in comparable operating profit in January-June was due to higher sales volumes and increased sales.

Kekkilä-BVB Group has been updating its business processes and implementing a new ERP system since September 2023. The launch of the new system will start in autumn 2025.

Kekkilä-BVB	4-6/2025	4-6/2024	Change	1-6/2025	1-6/2024	Change	2024
Net sales (EUR million)	115.9	107.8	8%	213.5	200.3	7%	319.4
EBITDA (EUR million)	12.0	12.6	-5%	27.9	27.3	2%	26.2
Operating profit (EUR million)	7.6	7.5	1%	18.9	17.4	9%	4.4
Investments (EUR million)	3.3	6.1	-46%	8.8	10.2	-13%	23.2
Number of employees	565	555	2%	559	563	-1%	558

Neova Terra

The Neova Terra division is responsible for Neova Group's business solutions supporting food and energy security of supply in Finland, Sweden and Estonia. The division supplies its customers with growing media raw materials based on peat, moss and reed canary grass, as well as bedding peat, local peat and biofuels for energy production, and activated carbon. The division manages the company's land and real estate property and is responsible for developing Neova's solar and wind power projects and new businesses, utilising the Group's peat and other resources by refining and commercialising them for new applications.

Net sales for the second quarter was EUR 38.2 million (EUR 41.1 million). The EBITDA for the period was EUR 3.2 million (EUR 4.8 million) the operating profit was EUR -0.7 million (EUR 0.2 million). Gross investments totalled EUR 2.1 million (EUR 3.7 million). The operating profit included non-recurring items in the amount of EUR -0.2 million (EUR 0.0 million).

Net sales for January-June amounted to EUR 96.6 million (EUR 114.7 million). The EBITDA was EUR 12.3 million (EUR 18.3 million) and the operating profit was EUR 6.7 million (EUR 13.1 million). Gross investment totalled EUR 5.1 million (EUR 4.9 million). The operating profit included non-recurring items in the amount of EUR -0.2 million (EUR 0.0 million).

Neova Terra's net sales in the second quarter decreased compared to the previous year, as the sales volumes of energy peat and pellets remained lower than in the previous year. As a result of the decline in the volumes of energy peat and pellets, the result was lower than in the previous year.

In the Peat and New Materials business, sales of horticultural peat and bedding peat developed favorably, partially compensating for the decline in sales of energy peat. Good sales price development and successful cost management had a positive impact on profitability. Rainy weather hampered peat harvesting in Finland and Estonia in May and June, which is why production volumes are lower than in the previous year.

In the Real Estate Development and Renewable Energy business, pellet delivery and production volumes decreased after the closure of the Vilppula plant at the end of April. The conversion of the areas that had been removed from peat production into solar and wind farms proceeded according to the project plans.

Sales at Novactor's activated carbon plant in Ilomantsi increased compared to the previous year. Measures to improve the efficiency of the production process improved profitability. In connection with the summer maintenance shutdown, process efficiency of production of different activated carbon fractions will be further developed.

The commercialisation of Neova Agro's animal feed and biostimulant business is progressing as planned. The reception of animal feed marketed under the brand name ProHumi, which is delivered through Hankkija, has been good in Finland. The sales, registration and testing of the biostimulant, which is marketed under the brand name NeoCore, is underway in several countries. Feedback on the commercial tests of new soil conditioner products has been positive.

Neova Terra	4-6/2025	4-6/2024	Change	1-6/2025	1-6/2024	Change	2024
Net sales (EUR million)	38.2	41.1	-7%	96.6	114.7	-16%	189.5
EBITDA (EUR million)	3.2	4.8	-34%	12.3	18.3	-32%	27.1
Operating profit (EUR million)	-0.7	0.2	-467%	6.7	13.1	-49%	15.6
Investments (EUR million)	2.1	3.7	-44%	5.1	4.9	5%	15.1
Number of employees	209	234	-11%	204	232	-12%	222

Other and eliminations

Other and eliminations include Neova Group's unallocated shared services and Group management and eliminations between business segments.

The impact of the Other and eliminations segment on the operating profit in April-June was EUR -0.3 million (EUR -2.0 million). The operating profit included non-recurring items of EUR -0.1 million (EUR -1.0 million).

The operating profit for January-June amounted to EUR -1.1 million (EUR -3.5 million). The operating profit included non-recurring items of EUR -0.1 million (EUR -1.0 million).

Other and eliminations	4-6/2025	4-6/2024	Change	1-6/2025	1-6/2024	Change	2024
Net sales (EUR million)	-11.2	-11.3	1%	-23.6	-22.1	-7%	-39.8
Operating profit (EUR million)	-0.3	-2.0	84%	-1.1	-3.5	69%	-6.1
Investments (EUR million)	0.0	0.0	-106%	0.0	0.5	-96%	0.5
Number of employees	24	45	-47%	23	44	-48%	36

Sustainability

The sustainability work at Neova Group is guided by a sustainability strategy. We have set medium-term and long-term targets and themes for three areas of sustainability: environmental responsibility; social responsibility; and economic responsibility. Sustainability strategies and programmes are systematically implemented in each business in accordance with customer needs and the UN Sustainable Development Goals.

The role of peat as a raw material is significant for society. To minimise the harmful environmental impacts of our operations, we are implementing our Green Factory concept, which allows us to carry out tangible measures to reduce greenhouse gas emissions. It also promotes natural biodiversity, supports the circular economy and takes the sustainable use of water into account. The Green Factory concept encourages factory management and personnel to actively participate in the implementation of the responsibility programme's targets. The key actions and development areas of our operations have been taken into account when defining the targets. We have updated the Green Factory action plans for all businesses. Furthermore, we use third-party Responsibly Produced Peat (RPP) certification as an indicator for the sustainability of our peat production. In 2025, we have received RPP certification for 4 new production areas. Currently, 9,700 hectares of our areas have RPP certification. The target coverage is 11,500 hectares by the end of 2025. RPP certifications will continue in 2025, with our goal being 15 RPP inspections for new areas to be certified.

Our target for the safety of the Group's personnel is zero accidents. Unfortunately during the first half year, the accident frequency increased. We analyse the root causes of each accident and develop our operations accordingly to prevent accidents more effectively in the future. From the beginning of 2025, accidents that occurred to our contractors have also been included in the accident frequency for Kekkilä-BVB. For Neova Terra, the number of accidents occurring to contractors is monitored, and a plan has been developed to increase contractors' safety awareness. Key factors for the low accident rate are safety training and risk assessment, as well as active and open communication, reporting and investigation of safety issues, including accidents.

KPI	1-6/2025	1-6/2024	12/2024
Accident frequency R12 (rolling 12 months): All accidents (MTR)	10.5	6.6	9.7
Accident frequency R12 (rolling 12 months): Accidents leading to lost time (LTA1)	7.0	1.3	4.7

The Group's certified management system covers the ISO 9001 quality system, ISO 14001 environmental system, and ISO 45001 occupational health and safety system. The certified management system helps us coordinate and manage our operations to satisfy customer and stakeholder requirements and regulatory obligations, as well as focus on the continuous improvement, profitability and efficiency of our operations.

Short-term business risks and market uncertainties

Neova is exposed, both directly and indirectly through its subsidiaries and associates, to several financial, operational, strategic, security and sustainability risks that may affect the company's growth and financial performance, reputation and its ability to meet its sustainability objectives.

Risks related to horticultural peat

The most significant threats to the horticultural peat business include restrictions on the use of peat in growing media, more negative attitudes towards the use of peat in the retail sector and possible changes in legislation concerning peat.

To manage these risks, it is essential to provide transparent information on the environmental impacts of the use of peat and for the industry to actively produce and share objective information and emphasise peat's role in greenhouse farming and global food production. The active promotion of recycling solutions and responsible peat production methods, as well as the restoration of peat production areas, play a very important role in the general acceptability of the use of peat.

Risks in the activated carbon business

The most significant risk related to the activated carbon business concerns the steady operation of the first production facility in Ilomantsi. This involves mechanical, functional and end product quality risks.

Neova's peat-based raw material for activated carbon, sold under the Novactor brand, also involves an approval risk related to the non-fossil requirement. However, the production facility in Ilomantsi is capable to use also other raw materials for the production of activated carbon.

Market risks

Neova's businesses are subject to significant market risks related to end product demand, as well as the prices and availability of raw materials. The demand for wood-based raw materials has grown in the international markets as customers seek environmentally friendly alternatives. Imports of wood-based raw materials from outside of Europe have also increased. As the market grows, the availability of appropriately priced raw material in relation to the price of the end product plays a key role in ensuring competitiveness.

The increase in material costs will affect Neova Group's profitability in the short term, as a significant proportion of our customer agreements are long-term, which means that increases in material costs will be reflected in customer prices with a delay.

The increase in logistics expenses has a significant impact on Neova Group's competitiveness and profitability, as we transport our products over long distances in our global business. Rising logistics expenses will also have a significant effect on fuel deliveries over short distances.

In the longer term, the demand for energy peat will continue to decrease. The development of the prices of emission allowances and energy peat taxation have a highly significant impact on the demand for energy peat used in heat production. The high emission allowance prices in recent years and the taxation of energy peat have led to a situation where not only energy wood but also pulpwood is replacing energy peat in energy production.

The declining demand for peat also affects the measurement of Neova's peat assets on the balance sheet. The value is assessed regularly by means of impairment testing and, in line with its strategy, the Group seeks to create higher value-added uses for its peat assets. Examples of higher value-added uses of peat include growing media, activated carbon, animal feed and biostimulant-based products.

Weather risks

Weather is a risk that has extensive effects on Neova's businesses. In winter, the temperature affects the customers' fuel requirements. In spring, the weather conditions also determine the timing of the peak season in the gardening trade, which affects the profit development for the full year.

During summer, the effects of the weather concern mainly the production volumes and quality of peat. Both a too rainy weather and a too hot dry weather can disturb harvesting or cause quality issues.

Damage risks

Damage risks include occupational safety risk, property risk, interruption risk and environmental risk. Neova aims to prevent damage risks through proactive risk management measures and by reacting quickly to any observed hazards. Risks that cannot be managed by the company's own actions are insured where possible. The goal is to continuously promote a positive culture of occupational safety and asset protection throughout the organisation. Extensive investments in changing the organisation's safety culture are already being reflected in a reduced number of accidents and lower accident frequency, as well as an increase in safety observations and related improvement measures throughout Neova Group.

Political and geopolitical risks

The continuation of the war in Ukraine has increased geopolitical risks, which may have an impact on the Group's operating environment. Potential restrictions on international trade may restrict our operating conditions in various regions. If this risk were to materialise, it would have a significant impact on Kekkilä-BVB's business in particular. Neova complies with the sanctions imposed against Russia and, accordingly, sales to Russia and Belarus, and raw material purchases from Russia and Belarus, have been discontinued. Neova does not have own industrial operations in the Russian, Belarussian or Ukrainian markets.

Geopolitical tensions often give rise to tightening trade policies, including increasing tariffs and other hindrances of international trade.

Financing and commodity risks

The company's main financial risks are currency risk, interest rate risk and liquidity risk. Neova has cash flows and assets denominated in currencies other than the euro, which exposes the Group to exchange rate fluctuations. The currency risk arises mainly from the Group's internal lending and commercial transactions in currencies other than the Group's home currencies. The most significant currency risk is related to the exchange rate between the euro and the Swedish krona due to Neova having extensive operations in Sweden. The Group actively hedges against currency risks. The Group does not apply hedge accounting to currency derivatives. Finnish companies use hedging against the electricity price risk using electricity derivatives, to which cash flow hedge calculation is applied.

The company manages its financing risk and maintains liquidity by balancing the proportional share of short-term and long-term loans and the repayment schedules of long-term loans. In addition, the risk related to the availability and price of financing is managed by diversifying fundraising between different banks and financial instruments. The Group treasury, guided by the financial policy approved by the Board of Directors, is responsible for identifying and managing financial risks. The Group's risk management tools include currency derivatives, currency swaps, foreign currency loans and commodity derivatives.

Natural seasonal fluctuation in activities

Kekkilä-BVB's business is sensitive to seasonal fluctuations, with consumer demand peaking in spring and early summer. Demand in the professional grower segment remains more stable, continuing into the autumn. Growing media raw material sales are more stable throughout the year.

The varying seasonal demand for heating brings significant seasonal variation to Neova Terra's business. Demand for energy fuel fluctuates significantly during the year, and the January–March quarter is usually the most significant heating season in our operating countries.

The success of the peat harvesting season in summer plays a central role with regard to raw material reserves for the next year. The peat harvesting season falls almost entirely into the second and third quarters of the year and introduces significant cyclicity to business. In 2025, the harvesting in May–June was hampered by the rainy weather.

Resolutions by the annual General Meeting

Neova Oy's Annual General Meeting was held in Helsinki on 26 March 2025. The AGM adopted the financial statements for the financial year 2024, discussed the remuneration report for the financial year 2024, and discharged the members of the Supervisory Board, the Board of Directors and the CEO from liability. The AGM approved the Board proposal to distribute a dividend of EUR 1,165 per share for the financial year January 1 – 31 December 2024, which corresponds to a total amount of EUR 34,950,000.

The AGM decided that the number of Board members be confirmed as six (6). The AGM decided that Stefan Damlin, Jari-Pekka Punkari, Dick Hordijk and Panu Routila will continue as members of the Board of Directors, and Karoliina Joensuu and Riikka Timonen were elected as new members. Panu Routila will serve as the Chair of the Board of Directors.

The AGM decided that Harri Hietala, Janne Jukkola, Antti Kangas, Jari Koskela, Janne Laine, Piritta Rantanen and Eerikki Viljanen will continue as members of the Supervisory Board. Mika Härkönen, Pasi Kivisaari and Marianne Munkki were elected as new members. Antti Kangas continues as Chair of the Supervisory Board and Mika Härkönen was elected as the Vice Chair.

The audit firm PricewaterhouseCoopers Oy was elected as auditor, with Panu Vänskä, Authorised Public Accountant, appointed as the principal auditor. The AGM decided, in accordance with the proposal of the Board of Directors, to elect PricewaterhouseCoopers Oy as the verifier for CSRD sustainability reporting. The election is conditional on CSRD reporting obligations applying to company at the time of reporting in 2025

The AGM confirmed the remuneration of the Chair of the Board, the Chair of the Audit Committee of the Board and the board members. The Chair's monthly remuneration is EUR 3,000, the Chair's of the Audit Committee monthly remuneration is EUR 1,900 and the member's monthly remuneration is EUR 1,750. A meeting fee of EUR 600 is paid to each member of the Board of Directors for meetings, and in addition, board members who live elsewhere than in Finland are paid an additional meeting fee of EUR 600 for attendance meetings held in Finland. The meeting fee is paid for the meetings of the board and its committees and working groups.

The AGM confirmed the meeting fee of the Chair of the Supervisory Board at EUR 800, the meeting fee of the Vice Chair at EUR 600 and the meeting fee of the members at EUR 500 per meeting. It was decided to pay the auditor's fee according to a reasonable invoice.

The owners have elected Maija Strandberg (Chair) and Rami Vuola as members of the Shareholders' Nomination Board. No separate remuneration is paid to the members of the Nomination Board.

At an Extraordinary General Meeting on 4 June 2025, the shareholders appointed Kristiina Michelsson as a new member to the Board of Directors of Neova Oy. After the decision, Neova Oy's Board of Directors has seven (7) members: Stefan Damlin, Dick Hordijk, Karoliina Joensuu, Kristiina Michelsson, Jari-Pekka Punkari, Panu Routila and Riikka Timonen. Panu Routila will serve as the Chair of the Board of Directors.

Events after the review period

There were no significant events after the review period.

Outlook for 2025

The megatrends of urbanisation, climate change and sustainable production are in many ways beneficial for Neova, and the company believes them to support positive development of the company's businesses.

During the current financial period, Kekkilä-BVB will focus on sales growth as well as improving profitability. The efficiency programs of the past two years have created a good foundation for improving profitability and competitiveness of Kekkilä-BVB.

For Neova Terra, the demand for energy peat as a fuel is expected to continue to decrease. The demand for horticultural peat is expected to grow along the growing media market itself. The company will continue the commercialisation of new businesses, and the commercialisation of the first new peat-based innovations is proceeding as planned.

Key uncertainty factors affecting the outlook include the success of the growing media sales season and peat production season. International conflicts and unstable world politics also cause uncertainty in the operating environment. These factors may have an indirect effect on demand and financial development.

Vantaa, 15 August 2025

Neova Oy

Board of Directors

For further information, please contact:

- Pekka Tennilä, CEO, tel. +358 40 821 5302
- Hannu Nyman, CFO, tel. +358 50 306 9913
- Susanna Inkinen, Chief Communications & Sustainability Officer, tel. +358 50 530 6245

1. Interim Report Tables

Basic information

Neova Oy (Business ID 0174817-6) is a Finnish limited liability company domiciled in Jyväskylä at the registered address Yrjönkatu 42, PO Box 22, 40101 Jyväskylä, Finland. Neova Oy and its subsidiaries constitute Neova Group (hereinafter referred to as “Neova” or “the Group”).

Basis of preparation

This unaudited interim report has been prepared in accordance with IAS 34. This interim report should be read with the consolidated financial statements prepared for the financial year that ended on 31 December 2024 which was prepared in accordance with the same accounting and measurement principles. The accounting principles applied in the preparation of this interim report are the same as the accounting principles applied in the consolidated financial statements, with the exception of new and amended standards.

The Group has applied new standards and interpretations published by the IASB that are to be applied for the first time in reporting periods starting on or after 1 January 2025. The new standards and interpretations do not have a significant impact on the Group’s profit, financial position or the presentation of the interim report.

The figures presented in this interim report are shown in millions of euros unless otherwise specified. Individual figures and sums in the tables are rounded to the nearest million, which may lead to rounding differences in the totalled rows and columns.

Use of estimates and the management’s judgment

When preparing the financial statements, the Group’s management has to make estimates and assumptions concerning the future, which affect the amounts of assets and liabilities on the balance sheet, the reporting of contingent assets and liabilities in the notes to the financial statements, and the amounts of income and expenses reported for the financial period. The management may also need to exercise judgement in applying the accounting principles used in the preparation of the financial statements. This particularly concerns situations in which the IFRS standards currently in effect include alternative methods of recognition, measurement or presentation.

The estimates and assumptions are based on the previous experience of the Group’s management and other factors, and they also include reasonable expectations concerning future events. The estimates and assumptions used are continuously reviewed. The Group monitors changes in estimates and assumptions, and the factors influencing estimates and assumptions, by using several internal and external sources of information. Potential changes to estimates and assumptions are taken into account in the financial periods during which the estimate or assumption changes.

The most significant components for which management discretion has been applied concern the amounts of reserves, impairment testing and the assumptions used therein, determining the terms of leases, and determining the fair values of the financial assets and debts.

Key exchange rates used in the consolidated financial interim report

		Average rate	Average rate	Closing rate	Closing rate
		1-6/2025	1-6/2024	6/2025	6/2024
SEK	Swedish krona	11.096	11.391	11.146	11.359

Consolidated key figures

EUR million	4-6/2025	4-6/2024	1-6/2025	1-6/2024	1-12/2024
Net sales	142.9	137.6	286.5	292.9	469.0
Operating profit (EBIT)	6.6	5.7	24.5	27.0	14.0
% of net sales	4.6	4.1	8.6	9.2	3.0
Operating profit (EBIT) before impairment	6.8	6.3	24.7	27.7	16.9
% of net sales	4.7	4.6	8.6	9.4	3.6
Result for the period	4.2	1.0	19.2	21.0	8.8
EBITDA	15.2	15.9	39.8	42.8	48.8
+/- Change in working capital	6.6	14.7	-27.5	13.7	23.3
-net investments	3.6	9.6	9.0	12.7	27.1
Free cash flow before taxes	18.3	21.0	3.3	43.9	45.1
Gross investments	5.4	9.8	14.0	15.5	38.7
Return on invested capital %*			2.6	2.8	3.2
Return on invested capital % before impairment			2.0	2.4	2.6
Return on equity %*			2.4	2.9	2.9
Total assets			584.4	713.8	599.7
Total equity			281.6	309.4	296.6
Interest-bearing net debt			144.0	107.3	129.0
Equity-to-assets ratio %			48.5	43.5	49.8
Interest-bearing net debt/EBITDA			3.1	2.4	2.6
Gearing %			51.1	34.7	43.5
Average number of employees			787	839	817

*) Previous 12 months

Condensed consolidated statement of income

EUR million	4-6/2025	4-6/2024	1-6/2025	1-6/2024	1-12/2024
NET SALES	142.9	137.6	286.5	292.9	469.0
Other income	1.1	1.1	1.7	3.0	12.5
Share of profit (loss) of associates and joint ventures	-0.4	0.1	0.8	1.8	2.7
Operating expenses	-128.7	-122.8	-248.3	-253.1	-432.7
Depreciation and amortisation	-8.1	-9.6	-15.9	-17.0	-34.6
Impairments	-0.2	-0.7	-0.2	-0.7	-2.9
OPERATING PROFIT	6.6	5.7	24.5	27.0	14.0
Financial income	0.4	4.6	3.5	8.1	11.5
Financial expenses	-2.7	-6.8	-7.7	-11.5	-17.3
PROFIT/LOSS BEFORE TAXES	4.2	3.5	20.3	23.6	8.2
Income tax expense	0.0	-2.5	-1.1	-2.6	0.6
PROFIT/LOSS FOR THE PERIOD	4.2	1.0	19.2	21.0	8.8
OTHER COMPREHENSIVE INCOME NET OF TAX:					
Items that will not be reclassified to profit or loss:					
Remeasurements on defined benefit plans	0.0	0.0	0.0	0.0	-0.3
Item that may be reclassified subsequently to profit or loss:					
Cash flow hedges	0.3	0.1	0.2	-0.2	0.0
Translation differences	-0.8	0.3	0.6	-0.5	-0.7
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	3.7	1.5	20.0	20.3	7.7
Profit attributable to:					
Owners of the parent	4.1	1.0	19.2	21.1	8.6
Non-controlling interests	0.1	0.0	0.0	-0.1	0.1
	4.2	1.0	19.2	21.0	8.8
Total comprehensive income attributable to:					
Owners of the parent	3.8	1.4	20.0	20.3	7.6
Non-controlling interests	-0.1	0.0	0.0	0.1	0.1
	3.7	1.5	20.0	20.3	7.7
 Earnings per share, EUR	 138	 33	 640	 702	 288
 No. of shares	 30,000	 30,000	 30,000	 30,000	 30,000

Condensed consolidated balance sheet

EUR million	30.6.2025	30.6.2024	31.12.2024
ASSETS			
NON-CURRENT ASSETS			
Goodwill	31.4	31.5	31.3
Other intangible assets	40.6	39.1	39.6
Property, plant and equipment	241.6	237.0	248.9
Investments	24.7	23.7	24.8
Other receivables	3.4	3.3	3.5
Deferred tax assets	6.5	1.4	6.1
TOTAL NON-CURRENT ASSETS	348.3	336.0	354.2
CURRENT ASSETS			
Inventories	107.5	105.1	120.4
Trade receivables and other receivables	97.2	92.8	72.5
Income tax assets	5.5	5.6	7.1
Other financial assets	18.2	134.8	35.2
Other securities	0.0	25.7	3.0
Cash and cash equivalents	7.7	13.8	6.5
TOTAL CURRENT ASSETS	236.1	377.8	244.6
ASSET HELD FOR SALE	0.0	0.0	0.9
TOTAL ASSETS	584.4	713.8	599.7
EQUITY AND LIABILITIES			
EQUITY			
Equity attributable to equity owners of the parent company	281.2	309.1	296.1
Non-controlling interests	0.4	0.3	0.5
TOTAL EQUITY	281.6	309.4	296.6
NON-CURRENT LIABILITIES			
Deferred tax liabilities	11.2	7.3	11.0
Interest-bearing liabilities	164.3	173.0	167.7
Other non-current liabilities	0.4	0.4	0.8
Provisions	16.3	13.1	16.4
Pension liabilities	4.2	4.1	4.3
TOTAL NON-CURRENT LIABILITIES	196.3	197.8	200.3
CURRENT LIABILITIES			
Interest-bearing liabilities	8.8	111.8	9.1
Trade payables and other payables	97.1	92.2	93.0
Income tax liabilities	0.5	2.6	0.8
TOTAL CURRENT LIABILITIES	106.4	206.6	102.9
TOTAL EQUITY AND LIABILITIES	584.4	713.8	599.7

Condensed consolidated cash flow statement

EUR million	1-6/2025	1-6/2024	1-12/2024
<u>Cash flow from operating activities</u>			
Profit/loss for the period	19.2	21.0	8.8
Adjustments to the result for the period	20.7	22.4	35.5
Change in working capital	-27.2	12.0	22.1
Cash generated from operations	12.7	55.5	66.4
Interest received from operating activities	0.2	0.2	1.1
Interest paid from operating activities	-5.5	-6.5	-12.7
Other financial items from operating activities	0.5	0.5	2.8
Taxes paid on operating activities	-0.2	-2.4	-2.9
Cash flow from operating activities	7.7	47.4	54.7
<u>Cash flow from investing activities</u>			
Capital expenditures	-13.5	-15.4	-33.4
Proceeds from disposal of tangible and intangible assets	5.8	4.3	14.3
Disposal of subsidiaries, net of cash	0.0	0.0	3.3
Purchase of equity accounted investments	-0.4	0.0	0.0
Other investments	0.0	-6.3	0.0
Proceeds from disposal of other investments	20.0	0.0	116.0
Changes in loan receivables	0.0	0.0	-1.1
Dividends received	1.3	1.5	1.5
Cash flow from investing activities	13.2	-15.9	100.7
Cash flow before financing	20.9	31.4	155.4
<u>Cash flow from financing activities</u>			
Increase (+) / decrease (-) in current debt	-0.7	-43.1	-144.4
Proceeds from non-current debt	0.0	28.7	75.0
Repayment of non-current debt	0.0	0.0	-75.1
Change in non-current debt and other financing items	0.0	28.7	-0.1
Repayments of lease liabilities	-3.9	-4.8	-5.9
Dividends paid	-15.1	-4.0	-4.0
Cash flow from financing activities	-19.6	-23.2	-154.5
Net increase (+) / decrease (-) in cash and cash equivalents	1.3	8.2	0.9
Cash and cash equivalents at the beginning of the period	6.5	5.5	5.5
Net increase(+) / decrease (-) in cash and cash equivalents	1.3	8.2	0.9
Effect of changes in exchange rates	-0.1	0.0	0.0
Cash and cash equivalents at the end of the period	7.7	13.8	6.5

Consolidated statement of changes in equity

Attributable to owners of the parent company

EUR million	Share capital	Other reserves	Translation differences	Retained earnings	Total	Non-controlling interests	Total equity
Total equity, 1 January 2025	50.5	29.8	-7.5	223.4	296.1	0.5	296.6
Result for the period				19.2	19.2	0.0	19.2
<u>Other comprehensive income:</u>							
Cash flow hedges		0.2			0.2		0.2
Translation differences			0.6		0.6		0.6
Total comprehensive income for the		0.2	0.6	19.2	20.0	0.0	20.0
Transactions with owners							
Dividends paid				-35.0	-35.0	-0.1	-35.0
Total equity, 30 June 2025	50.5	30.0	-6.9	207.6	281.2	0.4	281.6

Attributable to owners of the parent company

EUR million	Share capital	Other reserves	Translation differences	Retained earnings	Total	Non-controlling interests	Total equity
Total equity, 1 January 2024	50.5	29.8	-6.8	219.4	292.8	0.3	293.1
Result for the period				21.1	21.1	-0.1	21.0
<u>Other comprehensive income:</u>							
Cash flow hedges		-0.2			-0.2		-0.2
Translation differences			-0.5		-0.5		-0.5
Total comprehensive income for the		-0.2	-0.5	21.1	20.3	-0.1	20.3
Transactions with owners							
Dividends paid				-4.0	-4.0		-4.0
Total equity, 30 June 2024	50.5	29.6	-7.2	236.4	309.0	0.3	309.4

Attributable to owners of the parent company

EUR million	Share capital	Other reserves	Translation differences	Retained earnings	Total	Non-controlling interests	Total equity
Total equity, 1 January 2024	50.5	29.8	-6.8	219.4	292.8	0.3	293.1
Result for the period				8.6	8.6	0.1	8.8
<u>Other comprehensive income:</u>							
Remeasurements on defined benefit plans				-0.3	-0.3		-0.3
Cash flow hedges		-0.0			-0.0		-0.0
Translation differences			-0.7		-0.7		-0.7
Total comprehensive income for the		-0.0	-0.7	8.3	7.6	0.1	7.8
Transactions with owners							
Dividends paid				-4.0	-4.0		-4.0
Other changes		0.0		-0.3	-0.2	0.0	-0.2
Total equity, 31 December 2024	50.5	29.8	-7.5	223.4	296.1	0.5	296.6

2. Net sales

Net sales by category, external

EUR million	4-6/2025	4-6/2024	1-6/2025	1-6/2024	2024
Products	139.2	135.0	280.4	287.7	457.9
Kekkilä-BVB	111.9	104.5	206.4	194.6	307.4
Neova Terra	36.7	39.4	93.9	111.0	181.3
Other and eliminations	-9.4	-8.9	-19.9	-17.8	-30.8
Services	3.7	2.6	6.1	5.2	11.1
Kekkilä-BVB	4.1	3.3	7.3	5.7	11.8
Neova Terra	1.2	0.8	2.3	2.2	4.4
Other and eliminations	-1.7	-1.5	-3.6	-2.7	-5.1
Total	142.8	137.6	286.4	292.9	469.0

Net sales by operating segment

EUR million	4-6/2025	4-6/2024	1-6/2025	1-6/2024	2024
External net sales	142.9	137.6	286.5	292.9	469.0
Kekkilä-BVB	113.8	106.2	209.6	197.4	313.3
Neova Terra	28.9	31.4	76.9	95.3	155.8
Other and eliminations	0.0	0.0	0.0	-3.2	0.0
Internal net sales	0.0	0.0	0.0	0.0	0.0
Kekkilä-BVB	2.0	1.5	3.9	2.8	6.1
Neova Terra	8.3	8.8	19.7	17.8	33.7
Other and eliminations	-10.2	-10.3	-23.6	-20.5	-39.8
Total	142.9	137.6	286.5	292.9	469.0

Net sales by region

EUR million	4-6/2025	4-6/2024	1-6/2025	1-6/2024	2024
Finland	30.8	33.3	74.0	93.9	150.8
Other Nordic countries	24.9	20.7	40.0	37.4	57.3
Rest of Europe	73.0	66.1	142.0	130.7	194.1
America	5.5	6.0	10.6	11.0	24.6
Other	8.7	11.5	19.9	19.9	42.3
Total	142.9	137.6	286.5	292.9	469.0

3. Segment information

Neova's reporting segments are Kekkilä-BVB, Neova Terra, and Other and eliminations. The segments' performance is assessed regularly by the senior operative decision maker to evaluate performance and allocate resources. The operating segments are reported consistently in the manner they are reported to the senior operative decision maker. The senior operative decision maker who is responsible for allocating resources to the operating segments and assessing their results is the Group's Chief Executive Officer, with the Board of Directors.

Net sales

EUR million	4-6/2025	4-6/2024	1-6/2025	1-6/2024	2024
Kekkilä-BVB	115.9	107.8	213.5	200.3	319.4
Neova Terra	38.2	41.1	96.6	114.7	189.5
Other and eliminations	-11.2	-11.3	-23.6	-22.1	-39.8
Total	142.9	137.6	286.5	292.9	469.0

Operating profit

EUR million	4-6/2025	4-6/2024	1-6/2025	1-6/2024	2024
Kekkilä-BVB	7.6	7.5	18.9	17.4	4.4
Neova Terra	-0.7	0.2	6.7	13.1	15.6
Other and eliminations	-0.3	-2.0	-1.1	-3.5	-6.1
Total	6.6	5.7	24.5	27.0	14.0

Items affecting comparability (operating profit)

EUR million	4-6/2025	4-6/2024	1-6/2025	1-6/2024	2024
Kekkilä-BVB	0.0	1.3	-0.3	0.0	-8.3
Neova Terra	-0.2	0.0	-0.2	0.0	-1.2
Other and eliminations	-0.1	-1.0	-0.1	-1.0	-1.5
Total	-0.3	0.4	-0.5	-1.0	-11.1

Comparable operating profit

EUR million	4-6/2025	4-6/2024	1-6/2025	1-6/2024	2024
Kekkilä-BVB	7.6	6.2	19.1	17.3	12.8
Neova Terra	-0.5	0.2	6.9	13.1	16.8
Other and eliminations	-0.2	-1.0	-1.0	-2.5	-4.5
Total	6.8	5.3	25.0	28.0	25.0

EBITDA

EUR million	4-6/2025	4-6/2024	1-6/2025	1-6/2024	2024
Kekkilä-BVB	12.0	12.6	27.9	27.3	26.2
Neova Terra	3.2	4.8	12.3	18.3	27.1
Other and eliminations	0.0	-1.6	-0.5	-2.7	-4.5
Total	15.3	15.9	39.8	42.8	48.8

Items affecting comparability (EBITDA)

EUR million	4-6/2025	4-6/2024	1-6/2025	1-6/2024	2024
Kekkilä-BVB	0.0	1.3	-0.3	0.0	-6.0
Neova Terra	0.0	0.0	0.0	0.0	-0.6
Other and eliminations	-0.1	-1.0	-0.1	-1.0	-1.5
Total	-0.1	0.4	-0.3	-1.0	-8.1

Comparable EBITDA

EUR million	4-6/2025	4-6/2024	1-6/2025	1-6/2024	2024
Kekkilä-BVB	12.0	11.3	28.2	27.3	32.2
Neova Terra	3.2	4.8	12.3	18.3	27.7
Other and eliminations	0.1	-0.6	-0.4	-1.7	-3.0
Total	15.3	15.6	40.2	43.8	56.9

Total assets

EUR million	1-6/2025	1-6/2024	2024
Kekkilä-BVB	354.9	332.9	321.3
Neova Terra	284.0	311.5	303.7
Other and eliminations	-54.5	69.4	-25.3
Total	584.4	713.8	599.7

Total liabilities

EUR million	1-6/2025	1-6/2024	2024
Kekkilä-BVB	223.0	196.6	203.8
Neova Terra	158.1	171.2	164.3
Other and eliminations	-78.4	36.5	-65.0
Total	302.7	404.4	303.1

Depreciation and amortisation

EUR million	4-6/2025	4-6/2024	1-6/2025	1-6/2024	2024
Kekkilä-BVB	4.6	5.2	9.2	10.0	21.9
Neova Terra	3.4	4.7	6.3	6.8	14.0
Other and eliminations	0.3	0.4	0.7	0.8	1.6
Total	8.3	10.3	16.1	17.6	37.5

Investments

EUR million	1-6/2025	1-6/2024	2024
Kekkilä-BVB	8.8	10.2	23.2
Neova Terra	5.1	4.9	15.1
Other and eliminations	0.0	0.5	0.5
Total	13.9	15.5	38.7

Neova discloses comparable performance indicators to improve comparability between periods. Certain income and expense items are presented as items affecting comparability when they have a significant effect on the consolidated income statement. Items affecting comparability include income and expenses arising from the restructuring of Neova's operations, income and expenses that are not related to the Group's normal business operations such as impairment losses, and costs related to acquisitions and business combinations. A reconciliation calculation between the comparable operating result and the operating result is presented in the table below.

Items affecting comparability

EUR million	4-6/2025	4-6/2024	1-6/2025	1-6/2024	2024
Comparable profit/loss for the period	4.5	0.6	19.7	22.0	19.8
Items affecting comparability					
Gains/losses on disposals	0.0	0.0	0.0	0.0	0.7
Inventory measurement gains/losses	0.0	0.0	0.0	0.0	0.0
Impairments	0.0	0.0	0.0	0.0	0.0
Restructuring	-0.1	-0.3	-0.3	-1.6	-8.6
Other items	0.0	0.7	0.0	0.7	-0.2
Items affecting comparability in EBITDA	-0.1	0.4	-0.3	-1.0	-8.1
Gains/losses on disposals	0.0	0.0	0.0	0.0	0.7
Impairments	-0.2	0.0	-0.2	0.0	-2.9
Restructuring	-0.1	-0.3	-0.3	-1.6	-8.6
Other items	0.0	0.7	0.0	0.7	-0.2
Items affecting comparability in operating profit	-0.3	0.4	-0.5	-1.0	-11.1
Items affecting comparability total	-0.3	0.4	-0.5	-1.0	-11.1
Profit/loss for the period	4.2	1.0	19.2	21.0	8.8

4. Fair values of financial assets and liabilities

EUR Million	30 June 2025			30 June 2024			31 December 2024		
	Positive fair value	Negative fair value	Net fair value	Positive fair value	Negative fair value	Net fair value	Positive fair value	Negative fair value	Net fair value
Currency derivatives, no hedge accounting									
Current	0.2	0.0	0.1	0.4	-0.1	0.3	0.0	-0.1	-0.1
Electricity derivatives, hedge accounting									
Non-current	0.0	-0.3	-0.3	0.0	-0.3	-0.3	0.0	-0.2	-0.2
Current	0.0	-0.3	-0.3	0.2	0.0	0.2	0.0	-0.6	-0.6
Fund investments	18.2	0.0	18.2	134.8	0.0	134.8	35.2	0.0	35.2
Total financial instruments	18.4	-0.6	17.8	135.5	-0.4	135.0	35.2	-0.9	34.4

5. Derivatives

Nominal values of derivative agreements

EUR million	30 June 2025	30 June 2024	31 December 2024
Nominal value of currency derivatives	38.9	39.6	40.0
Nominal value of electricity derivatives	2.8	3.5	3.4
Short-term	41.7	43.1	43.4

Fair value hierarchy levels

Neova determines and presents the fair value classification of financial instruments in accordance with the following hierarchy:

- Level 1. Financial instruments for which is a publicly quoted market price in active markets
- Level 2. Instruments whose valuation uses directly observable market prices.
- Level 3. Instruments with no direct market prices available for measurement.

No classification changes have been made between the levels of the fair value hierarchy.

Level 2 includes derivatives and fund investments

	30 June 2025				30 June 2024				31 December 2024			
EUR million	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Assets measured at fair value												
Available-for-sale financial assets												
Available-for-sale investments	0.0	18.2	0.0	18.2	0.0	134.8	0.0	134.8	0.0	35.2	0.0	35.2
Financial assets measured at fair value through profit or loss – held for trading												
Derivatives - no hedge accounting	0.0	0.2	0.0	0.2	0.0	0.4	0.0	0.4	0.0	0.0	0.0	0.0
Derivatives - hedge accounting	0.0	0.0	0.0	0.0	0.0	0.2	0.0	0.2	0.0	0.0	0.0	0.0
Total	0.0	18.4	0.0	18.4	0.0	135.5	0.0	135.5	0.0	35.2	0.0	35.2
Liabilities measured at fair value												
Available-for-sale financial liabilities												
Available-for-sale investments	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Financial assets measured at fair value through profit or loss – held for trading												
Derivatives - no hedge accounting	0.0	0.0	0.0	0.0	0.0	-0.1	0.0	-0.1	0.0	-0.1	0.0	-0.1
Derivatives - hedge accounting	0.0	-0.5	0.0	-0.5	0.0	-0.3	0.0	-0.3	0.0	-0.8	0.0	-0.8
Total	0.0	-0.6	0.0	-0.6	0.0	-0.4	0.0	-0.4	0.0	-0.9	0.0	-0.9

6. Contingent liabilities

EUR million	30 June 2025	30 June 2024	31 December 2025
Liabilities for own commitments			
Guarantees	5.0	4.2	5.2
Contingent liabilities on behalf of group companies			
Guarantees	5.0	5.6	5.1
Contingent liabilities on behalf of others			
Guarantees	9.5	20.6	12.5

Contingent commitments on behalf of external companies are bank guarantees given by Neova Oy on behalf of Laania Oy as collateral for commercial guarantee liabilities and withdrawn loans, and they correspond to Neova Oy's 45% shareholding in the company.

Interest-bearing receivables			
Non-current receivables from others	3.2	3.2	3.2
Total	3.2	3.2	3.2

Long-term interest-bearing receivables consist of a shareholder loan granted to Jyväskylän Voima Oy in 2006.

7. Acquisitions and disposals

Neova did not have any acquisitions or disposals in January-June 2025 or 2024.

8. Quarterly segment information

Net sales	Q2/2025	Q1/2025	Q4/2024	Q3/2024	Q2/2024	Q1/2024	2024
Kekkilä-BVB	115.9	97.6	56.8	62.3	107.8	92.5	319.4
Neova Terra	38.2	58.4	49.9	24.9	41.1	73.6	189.5
Other and eliminations	-11.2	-12.4	-10.3	-7.4	-11.3	-10.9	-39.8
Total	142.9	143.6	96.3	79.8	137.6	155.3	469.0

Operating profit	Q2/2025	Q1/2025	Q4/2024	Q3/2024	Q2/2024	Q1/2024	2024
Kekkilä-BVB	7.6	11.3	-4.4	-8.5	7.5	9.9	4.4
Neova Terra	-0.7	7.4	5.4	-3.0	0.2	13.0	15.6
Other and eliminations	-0.3	-0.8	-1.8	-0.8	-2.0	-1.5	-6.1
Total	6.6	17.9	-0.8	-12.2	5.7	21.3	14.0

Items affecting comparability in operating profit	Q2/2025	Q1/2025	Q4/2024	Q3/2024	Q2/2024	Q1/2024	2024
Kekkilä-BVB	0.0	-0.3	-2.1	-6.2	1.3	-1.3	-8.3
Neova Terra	-0.2	0.0	0.0	-1.2	0.0	0.0	-1.2
Other and eliminations	-0.1	0.0	-0.2	-0.3	-1.0	0.0	-1.5
Total	-0.3	-0.3	-2.4	-7.7	0.4	-1.3	-11.1

Comparable operating profit	Q2/2025	Q1/2025	Q4/2024	Q3/2024	Q2/2024	Q1/2024	2024
Kekkilä-BVB	7.6	11.6	-2.3	-2.3	6.2	11.2	12.8
Neova Terra	-0.5	7.4	5.4	-1.8	0.2	13.0	16.8
Other and eliminations	-0.2	-0.8	-1.5	-0.5	-1.0	-1.5	-4.5
Total	6.8	18.2	1.5	-4.5	5.3	22.6	25.0

EBITDA	Q2/2025	Q1/2025	Q4/2024	Q3/2024	Q2/2024	Q1/2024	2024
Kekkilä-BVB	12.0	15.9	2.3	-3.4	12.6	14.6	26.2
Neova Terra	3.2	9.2	8.2	0.6	4.8	13.4	27.1
Other and eliminations	0.0	-0.5	-1.4	-0.4	-1.6	-1.1	-4.5
Total	15.3	24.6	9.1	-3.2	15.9	27.0	48.8

Items affecting comparability (EBITDA)	Q2/2025	Q1/2025	Q4/2024	Q3/2024	Q2/2024	Q1/2024	2024
Kekkilä-BVB	0.0	-0.3	0.1	-6.1	1.3	-1.3	-6.0
Neova Terra	0.0	0.0	0.0	-0.6	0.0	0.0	-0.6
Other and eliminations	-0.1	0.0	-0.2	-0.3	-1.0	0.0	-1.5
Total	-0.1	-0.3	-0.1	-7.0	0.4	-1.3	-8.1

Comparable EBITDA	Q2/2025	Q1/2025	Q4/2024	Q3/2024	Q2/2024	Q1/2024	2024
Kekkilä-BVB	12.0	16.2	2.2	2.7	11.3	15.9	32.2
Neova Terra	3.2	9.2	8.2	1.2	4.8	13.4	27.7
Other and eliminations	0.1	-0.5	-1.2	-0.1	-0.6	-1.1	-3.0
Total	15.3	24.9	9.3	3.9	15.6	28.3	56.9

Total assets	Q2/2025	Q1/2025	Q4/2024	Q3/2024	Q2/2024	Q1/2024	2024
Kekkilä-BVB	354.9	369.5	321.3	322.9	332.9	337.0	321.3
Neova Terra	284.0	293.8	303.7	275.7	311.5	315.8	303.7
Other and eliminations	-54.5	-60.8	-25.3	115.4	69.4	63.7	-25.3
Total	584.4	602.6	599.7	714.0	713.8	716.5	599.7

Total liabilities	Q2/2025	Q1/2025	Q4/2024	Q3/2024	Q2/2024	Q1/2024	2024
Kekkilä-BVB	223.0	243.1	203.8	196.2	196.6	205.2	203.8
Neova Terra	158.1	161.6	164.3	128.5	171.2	171.9	164.3
Other and eliminations	-78.4	-80.6	-65.0	92.5	36.5	27.4	-65.0
Total	302.7	324.1	303.1	417.3	404.4	404.6	303.1

Investments	Q2/2025	Q1/2025	Q4/2024	Q3/2024	Q2/2024	Q1/2024	2024
Kekkilä-BVB	3.3	5.5	6.5	6.6	6.1	4.0	23.2
Neova Terra	2.1	3.1	7.0	3.2	3.7	1.2	15.1
Other and eliminations	0.0	0.0	0.0	0.0	0.0	0.4	0.5
Total	5.4	8.6	13.5	9.7	9.8	5.7	38.7

Depreciation and amortisation	Q2/2025	Q1/2025	Q4/2024	Q3/2024	Q2/2024	Q1/2024	2024
Kekkilä-BVB	4.6	4.6	6.7	5.2	5.2	4.8	21.9
Neova Terra	3.4	2.9	3.4	3.7	4.7	2.1	14.0
Other and eliminations	0.3	0.3	0.4	0.4	0.4	0.4	1.6
Total	8.3	7.8	10.5	9.4	10.3	7.3	37.5