Business review 1 January - 30 September 2026

The increase in the cost level impacted on Neova's result.

July-September 2026 in brief:

- The Group’s net sales amounted to EUR 88.7 million (EUR 81.7 million).
- EBITDA was EUR 6.1 million (EUR 2.1 million), or 6.9% (2.5%) of net sales. EBITDA included a total of EUR 3.2 million (EUR 0.0 million) of non-recurring items.
- Comparable EBITDA was EUR 2.9 million (EUR 2.1 million).
- Operating profit was EUR -2.3 million (EUR -7.2 million), or -2.6% (-8.9%) of net sales, including EUR 3.2 million (EUR 0.0 million) of non-recurring items.
- Free cash flow before taxes was EUR 6.5 million (EUR 8.2 million).

January-September 2026 in brief:

- The Group’s net sales amounted to EUR 379.3 million (EUR 368.2 million).
- EBITDA was EUR 35.3 million (EUR 41.9 million), or 9.3% (11.4%) of net sales. EBITDA included a total of EUR 1.1 million (EUR -0.3 million) of non-recurring items.
- Comparable EBITDA was EUR 34.2 million (EUR 42.3 million).
- Operating profit was EUR 10.1 million (EUR 17.3 million), or 2.7% (4.7%) of net sales, including EUR -1.9 million (EUR -0.5 million) of non-recurring items.
- Free cash flow before taxes was EUR 13.1 million (EUR 11.5 million).
- Gross investments totalled EUR 18.4 million (EUR 20.9 million).
- Earnings per share were EUR 94.82 (EUR 356.66).
- The ratio of interest-bearing net debt to EBITDA was 4.0 (3.2)
- Return on invested capital (%, previous 12 months): -2.4 (3.7).

Figures in brackets to the corresponding period in 2025 unless otherwise stated.

Key figures

EUR million	7-9/2026	7-9/2025	1-9/2026	1-9/2025	1-12/2025
Net sales	88.7	81.7	379.3	368.2	472.7
EBITDA	6.1	2.1	35.3	41.9	52.2
Comparable EBITDA	2.9	2.1	34.2	42.3	50.0
Operating profit (EBIT)	-2.3	-7.2	10.1	17.3	-3.2
Comparable operating profit (EBIT)	-5.5	-7.2	11.9	17.8	19.4
Profit for the period	-4.2	-8.6	2.6	10.6	-11.4
Free cash flow before taxes	6.5	8.2	13.1	11.5	4.7
Pre-tax return on invested capital, %			-2.4	3.7	-0.7
Equity ratio, %			45.8	49.5	46.4
Interest-bearing net debt/EBITDA			4.0	3.2	3.3
Average number of personnel			804	792	791

Pekka Tennilä, CEO, comments:

“In the third quarter, Neova's net sales continued to grow. Our profitability also improved in comparison to the last year, which was impacted by the factors related to the deployment of Kekkilä-BVB's new ERP system. This year, we have mitigated the cost pressures caused by the war in Iran, which levelled slightly off in the third quarter.

Kekkilä-BVB's net sales growth was driven by the business areas Global and Materials. Demand for growing media has remained strong in the professional grower segment outside Europe. Food production in controlled environment is growing globally, and we believe that this trend will continue to support the demand for growing media in the future as growers invest in more resource-efficient production methods. The situation is more challenging in the European market. Rising costs and weakened consumer purchasing power are reflected in both professional growers and the consumer segment. The retail season was weaker than we expected. On the other hand, the landscaping market is relatively stable in both Central Europe and the Nordic countries.

We have invested in developing new products for professional growers in recent years, and Kekkilä Professional's new product portfolio will be introduced to the market gradually during the winter. The new portfolio gives our customers the opportunity to explore our new raw materials, such as wood fibre and Phalaris fibre (reed canary grass). We have brought these raw materials already in BVB Substrates’ tailormade products, which optimise growth performance.

Neova Terra's peat harvesting season in Finland, Sweden and Estonia was a success in line with our expectations. This gives us a good basis for responding to our customers' needs in the coming season as well.

The development of our solar and wind power projects continues, but the planning and permitting processes are slower than expected and will have some impact on the progress of the projects. We will continue to plan the repair work at Novactor's activated carbon production facility and to develop the export market for Neova Agro's products.”

Condensed consolidated statement of income

EUR million	7-9/2026	7-9/2025	1-9/2026	1-9/2025	1-12/2025
NET SALES	88.7	81.7	379.3	368.2	472.7
Other income	5.0	0.9	11.8	2.6	8.0
Share of profit (loss) of associates and joint ventures	-0.5	-0.6	0.2	0.2	1.1
Operating expenses	-87.6	-80.6	-355.7	-328.9	-428.5
Depreciation and amortisation	-7.9	-8.7	-22.5	-24.6	-31.7
Impairments	0.0	0.0	-3.0	-0.2	-24.8
OPERATING PROFIT	**-2.3**	**-7.2**	**10.1**	**17.3**	**-3.2**
Financial income	1.0	3.0	3.7	6.5	8.2
Financial expenses	-2.7	-4.9	-10.3	-12.6	-16.1
PROFIT/LOSS BEFORE TAXES	**-3.9**	**-9.1**	**3.5**	**11.2**	**-11.1**
Income tax expense	-0.2	0.6	-0.9	-0.6	-0.3
PROFIT/LOSS FOR THE PERIOD	**-4.2**	**-8.6**	**2.6**	**10.6**	**-11.4**
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	0.0
Item that may be reclassified subsequently to profit or loss:					
Cash flow hedges	0.0	0.4	0.0	0.7	0.7
Translation differences	-0.5	0.2	-1.2	0.8	1.4
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**-4.7**	**-7.9**	**1.5**	**12.1**	**-9.3**
Profit attributable to:					
Owners of the parent	-4.1	-8.5	2.8	10.7	-11.5
Non-controlling interests	-0.1	-0.1	-0.2	-0.1	0.1
	-4.2	-8.6	2.6	10.6	-11.4
Total comprehensive income attributable to:					
Owners of the parent	-4.6	-7.8	1.7	12.2	-9.4
Non-controlling interests	-0.1	-0.1	-0.2	-0.1	0.1
	-4.7	-7.9	1.5	12.1	-9.3
Earnings per share, EUR	-136	-283	95	357	-382
No. of shares	30,000	30,000	30,000	30,000	30,000

Condensed consolidated balance sheet

EUR million	30.9.2026	30.9.2025	31.12.2025
ASSETS			
NON-CURRENT ASSETS			
Goodwill	31.3	31.4	31.5
Other intangible assets	36.3	40.5	39.2
Property, plant and equipment	220.7	241.6	220.8
Investments	24.9	24.3	25.5
Other receivables	3.4	3.5	3.4
Deferred tax assets	2.9	6.8	1.9
TOTAL NON-CURRENT ASSETS	**319.5**	**348.1**	**322.3**
CURRENT ASSETS			
Inventories	125.4	126.4	131.3
Trade receivables and other receivables	75.6	68.8	82.8
Income tax assets	8.4	7.3	7.3
Other securities	5.0	0.0	0.0
Cash and cash equivalents	11.4	6.0	2.7
TOTAL CURRENT ASSETS	**225.9**	**208.5**	**224.1**
TOTAL ASSETS	**545.4**	**556.6**	**546.5**
EQUITY AND LIABILITIES			
EQUITY			
Equity attributable to equity owners of the parent company	248.5	273.4	251.7
Non-controlling interests	0.3	0.4	0.5
TOTAL EQUITY	**248.8**	**273.7**	**252.3**
NON-CURRENT LIABILITIES			
Deferred tax liabilities	6.2	11.1	6.4
Interest-bearing liabilities	115.7	162.8	162.1
Other non-current liabilities	0.1	0.2	0.1
Provisions	15.4	15.1	15.6
Pension liabilities	3.9	4.2	4.1
TOTAL NON-CURRENT LIABILITIES	**141.3**	**193.3**	**188.2**
CURRENT LIABILITIES			
Interest-bearing liabilities	84.5	8.8	15.9
Trade payables and other payables	68.3	80.4	89.4
Income tax liabilities	2.5	0.5	0.5
TOTAL CURRENT LIABILITIES	**155.3**	**89.6**	**105.9**
TOTAL EQUITY AND LIABILITIES	**545.4**	**556.6**	**546.5**