



# Financial Statements Bulletin

1 January – 30 December 2024

Fortaco Group Holdco Plc



**FORTACO**

## Financial Statements Bulletin January–December 2024

Unaudited, IFRS

### Declining net sales and profitability driven by weak market fundamentals

#### Financial highlights: October–December 2024

##### Reported financials

*Note: Comparison figures do not include Buisard Cabins for the time period prior to the acquisition on 24 October 2023.*

- Order intake was EUR 76.0 (70.2\*) million.
- Net sales were EUR 76.4 (101.9) million.
- Recurring EBITDA was EUR 3.9 (5.0) million, i.e. 5.1 (4.9) per cent of net sales.
- EBITDA was EUR -0.3 (2.5) million, i.e. -0.4 (2.5) per cent of net sales.

##### Financials excluding divested businesses

*Note: The financials presented below are based on the “New Fortaco” scope, i.e. excluding the marine, energy and heavy project businesses in Jászberény, Hungary and Kalajoki & Sepänkylä, Finland, which have been divested during 2024. Comparison figures include Buisard Cabins impact as if it had been part of Fortaco whole October–December 2023.*

- Order intake was EUR 76.0 (64.0\*) million.
- Net sales were EUR 76.4 (99.9) million. The decrease in net sales was due to declining market demand.
- Recurring EBITDA was EUR 4.0 (7.3) million, i.e. 5.2 (7.4) per cent of net sales.
- EBITDA was EUR 1.1 (5.1) million, i.e. 1.4 (5.1) per cent of net sales.

\*) Excluding order intake for MauserCABS and Buisard Cabins

## Financial highlights: January–December 2024

### Reported financials

*Note: Figures for MauserCABS are included in comparison figures from September 2023 onwards. Figures for Buisard Cabins are included in comparison figures from 24 October 2023 onwards.*

- Order intake was EUR 351.8 (330.2\*) million.
- Net sales were EUR 356.5 (373.8) million.
- Recurring EBITDA was EUR 18.6 (24.4) million, i.e. 5.2 (6.5) per cent of net sales.
- EBITDA was EUR 7.6 (17.3) million, i.e. 2.1 (4.6) per cent of net sales.

### Financials excluding divested businesses

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- Order intake was EUR 334.4 (305.2\*) million.
- Net sales were EUR 337.8 (428.7) million. The decrease in net sales was due to declining market demand.
- Recurring EBITDA was EUR 20.3 (36.1) million, i.e. 6.0 (8.4) per cent of net sales.
- EBITDA was EUR 9.8 (29.6) million, i.e. 2.9 (6.9) per cent of net sales.

\*) Excluding order intake for MauserCABS and Buisard Cabins

## Operational highlights

- In February 2024, Fortaco announced having started a strategic evaluation of its marine, energy, and heavy project businesses, as these businesses are no longer considered strategic. The strategic evaluation was completed during the third quarter of 2024.
- In March 2024, Fortaco successfully placed a subsequent bond issue of EUR 25.0 million and received an equity injection of EUR 10 million from One Equity Partners, the company's main owner.
- In May 2024, the first part of the strategic review was completed with the sale of the company's heavy project business in Jászberény, Hungary, to Cyclus GmbH and Ask US Management s.r.o. The transaction was completed on 28 June 2024.

- On 22 July 2024, Fortaco announced having signed an agreement to sell its business site in Kalajoki and Sepänkylä in Finland focused on marine and energy business to Componenta, an international technology company and a Finnish contract manufacturer of metal components. The transaction was completed on 1 October 2024.
- On 4 November 2024, Fortaco announced that Lars Hellberg, President and CEO and member of the Board of Directors of the company, had decided to retire and that the Board of Directors had appointed Mika Mahlberg as Chief Operating Officer (COO) as of 1 November 2024 and as interim CEO as of 1 January 2025. At the same time, it was announced that Lars Hellberg would be appointed as a member of Fortaco's Supervisory Board as of 3 January 2025. After the financial year, Mika Mahlberg was appointed President and CEO and member of the Board of Directors as of 3 January 2025.

## Key figures

### Fortaco Group key financials

EUR million unless otherwise noted	10–12/24	10–12/23	1–12/24	1–12/23
Net sales	76.4	101.9	356.5	373.8
EBITDA	-0.3	2.5	7.6	17.3
% of net sales	-0.4%	2.5%	2.1%	4.6%
EBITA	-4.3	-1.5	-7.4	5.0
% of net sales	-5.6%	-1.5%	-2.1%	1.3%
Non-recurring items	4.2	2.5	11.1	7.1
Recurring EBITDA	3.9	5.0	18.6	24.4
% of net sales	5.1%	4.9%	5.2%	6.5%
Recurring EBITA	-0.1	1.0	3.7	12.2
% of net sales	-0.1%	1.0%	1.0%	3.3%
<b>Balance sheet ratios</b>				
Return on Capital Employed % (ROCE)	-0.1%	2.1%	1.6%	5.7%
Equity ratio %	12.7%	24.8%	12.7%	24.8%
Net debt	150.0	91.2	150.0	91.2
Net gearing %	384.9%	119.9%	384.9%	119.9%
Net debt / last 12 months recurring EBITDA	8.1x	3.7x	8.1x	3.7x

Note: A retrospective correction has been made to exclude impairment costs from EBITA and recurring EBITA impacting all presented periods in the above table.

Financials include MauserCABS since September 2023 and Buisard Cabins since 24 October 2023.

## Guidance for 2025

Fortaco does not provide guidance for the financial year 2025.

## President & CEO Mika Mahlberg's comments

The year 2024 was challenging for Fortaco due to continued market headwind. In most of our market segments, order intake decreased clearly from 2023 due to general uncertainty in the market as well as high interest rates impacting end customers' willingness to invest.

Our comparable net sales for the full year decreased by 21 per cent from the previous year to EUR 338 (429) million. Our comparable net sales for the fourth quarter decreased by 23 per cent to EUR 76 (100) million.

Our comparable recurring EBITDA for 2024 amounted to EUR 20.3 (36.1) million or 6.0 (8.7) per cent of net sales. EBITDA weakened primarily due to decreased net sales and postponement in ramping up a certain new investment and low profitability of a certain lately acquired business. In addition, the company had a significant amount of non-recurring items related to, among other things, the strategic evaluation of our marine, energy, and heavy project businesses, our profitability improvement programme, and growth-focused investments we made in 2024. These non-recurring items also burdened our cash flow. We foresee substantially lower amount of non-recurring items in 2025. After having completed the structural organic investments in Poland, Estonia and Slovakia, we foresee getting back to a normalised level of investments enabling further increasing productivity and maintenance of our asset base.

## Our customers trust our quality and delivery accuracy

Regardless of the decline in net sales and lower profitability, I am happy that our delivery accuracy and our quality have remained on a high level, for which we have received positive feedback from our customers. The dip in volume has had different impacts on different business units, and in some business sites, earnings capacity developed positively despite the decreased volumes.

## Profitability improvement continues

In early 2024, we launched an extensive business and margin improvement programme targeting reductions in fixed costs, improved pricing and volumes as well as EBITDA and working capital, and other improvements in profitability and cash flow.

In June, we sold our heavy project business in Jászberény, Hungary, to Cyclus GmbH and Ask US Management s.r.o, and in October, our marine industry and energy businesses located in Kalajoki and Sepänkylä, Finland, were sold to Componenta. With these divestments, we finalised the strategic evaluation of our marine, energy and heavy project businesses announced in February 2024.

During the last quarter of the year, we further intensified our profitability improvement programme due to the market situation, which continued to be challenging. The intensified Fortaco 25 programme did not yet impact our result for 2024; the impact of the additional measures will become visible as the year 2025 progresses. Relying on our strong main owner, we will continue our efforts to improve Fortaco's profitability in 2025. Additionally, we and our main owner are assessing options to further improve our liquidity and strengthen our capital structure.

## Sustainable development programme

In 2024, we have prepared Fortaco Group's climate programme and prepared for EU's corporate sustainability reporting (CSRD). We also expanded our Zero Emissions product portfolio and took a major step towards the role of an integrated solution provider by expanding our operations into integrated thermal management (ITM). We are active in the green transition, and one of our strategic targets is to make the heavy off-highway industry emission-free. Our customers continue to show increasing interest in sustainability matters.

## We expect the market to remain weak

We expect the market demand to remain weak at least till the latter part of the second half of 2025 except for certain market segments such as the mining and defence industries. We are focusing on improving the earnings capacity and profitability of our current business. We continue to be committed to our strategy and have expanded our customer base in line with our strategy while making use of our entire offering for our customers. We are now primarily focusing on improving our profitability during the current market downturn. We are therefore for the time being only very selectively engaging in M&A activities.

## Trust in the future

I have now been the President & CEO of Fortaco for two months. The industry the company operates in is already familiar to me, and I look forward to working together with our customers and developing new business opportunities for Fortaco's future success. Heavy off-highway equipment manufacturers want more and more to rely on business partners in the production of different cabins and steel structures or assembly operation as they improve the efficiency of their own production. When the market eventually turns towards growth, Fortaco will be well-positioned to grow alongside its customers.

My predecessor Lars Hellberg retired on 1 January 2025 and became a member of Fortaco's Supervisory Board, participating in the company's strategic initiatives. I want to thank Lars for his commitment and excellent work in steering Fortaco for the past 11 years. The company has established its position as the European technology leader in off-highway vehicle cabins and steel structure components.

My warmest thanks to our customers and our owner for the trust they have shown us and for the entire Fortaco personnel for their efforts in the challenging year 2024.

Mika Mahlberg  
President & CEO

## Operating environment and market overview

During the financial year 2024, our business environment was characterised by challenging market conditions in most market segments. Order intake and net sales decreased clearly from 2023 due to decreased customer demand driven by general uncertainty in the market, as well as high interest rates impacting the end customer's willingness to invest.

There were big variations in demand development in the different industry segments that Fortaco serves. The industries most impacted by negative market development were the construction and agriculture segments. The development in the container handling and material handling segments was also clearly negative, whereas the business environment in the mining and defence segments was flatter. During 2024, the forestry segment continued to be favourable for Fortaco, driven by customer-specific reasons. Generally, Fortaco continued to win new business from existing and new customers, which is expected to contribute positively to future net sales.

The price of the company's main input material, steel, continued to decline during 2024. Fortaco generally transfers the change of steel prices to customer prices. Concerning the costs of other inputs, the development was generally rather stable after a few years of a high cost inflation. In some operating countries, salary inflation continued above historical average levels.



## Fortaco Group's financial performance

### October–December 2024

In the fourth quarter, Fortaco Group's order intake was EUR 76.0 (70.2\*) million. Net sales decreased 25 per cent year on year and amounted to EUR 76.4 (101.9) million. Net sales decreased due to lower market demand.

The Group's recurring EBITDA was EUR 3.9 (5.0) million or 5.1 (4.9) per cent of net sales. The decrease was primarily driven by declining volume.

Non-recurring items during the review period totalled EUR 4.2 (2.5) million. The amount of non-recurring items was primarily driven by external costs related to the performance improvement programme, losses during the ramp-up of the new Gliwice operation and restructuring costs. EBITDA was EUR -0.3 (2.5) million or -0.4 (2.5) per cent of net sales. EBITA was EUR -4.3 (-1.5) million or -5.6 (1.5) per cent of net sales. Net income was EUR -10.7 (-9.6) million. Earnings per share were EUR -10.7 (-9.6).

\*) Excluding order intake for MauserCABS and Buisard Cabins

### January–December 2024

In 2024, Fortaco Group's order intake was EUR 351.8 (330.2\*) million. The increase in order intake were solely attributable to the acquisitions of Buisard and MauserCABS at the end of 2023, and comparable growth was negative due to the weaker market. Net sales decreased 5 per cent year on year and amounted to EUR 356.5 (373.8) million. Net sales decreased due to declining market during 2024 as well as due to the divestments carried out during the year. Acquisitions of Buisard and MauserCABS executed towards end of 2023 were contributing clearly positive to the net sales in 2024.

The Group's recurring EBITDA was EUR 18.6 (24.4) million or 5.2 (6.5) per cent of net sales, a decrease of -24 per cent from the comparison period. The decrease in recurring EBITDA was driven by lower volume.

Non-recurring items impacting EBITDA during the financial year totalled EUR 11.1 (7.1) million. The amount of non-recurring items was driven by losses during the ramp-up of the new Gliwice operation, external costs of the performance improvement programme, divestment costs, M&A project costs as well as restructuring costs. EBITDA was EUR 7.6 (17.3) million or 2.1 (4.6) per cent of net sales.

EBITA for the financial year 2024 was EUR -7.4 (5.0) million or -2.1 (1.3) per cent of net sales. The decrease in EBITA was driven by lower recurring EBITDA as well as increased amount of non-recurring items. Net income was EUR -48.5 (-19.9) million. Net income included impairments related to the divestments amounting to EUR -11.3 million and translation differences related to divestment of EUR -3.1 million. Earnings per share were EUR -48.5 (-19.9).

Excluding the businesses divested during 2024, net sales for the financial year 2024 were EUR 337.8 (428.7) million. Recurring EBITDA was EUR 20.3 (36.1) million, i.e. 6.0 (8.4) per cent of net sales and EBITDA was EUR 9.8 (29.6) million, i.e. 2.9 (6.9) per cent of net sales. Comparison figures in the brackets refer to the same scope of business in 2023, i.e. including the full year impact of Buisard and MauserCABS and excluding the impact of businesses divested during 2024. The decrease in comparable net sales and recurring EBITDA was driven by declining market. The decrease in EBITDA was driven by declining market as well as increased amount of non-recurring items.

On 31 December 2024, the consolidated balance sheet amounted to EUR 306.3 (306.6) million. Cash and cash equivalents amounted to EUR 32.0 (32.4) million. Equity ratio was 12.7 (24.8) per cent, including the subordinated shareholder loan of EUR 6.4 (5.0) million treated as equity-like instrument. Net gearing was 384.9 (119.9) per cent.

\*) Excluding order intake for MauserCABS and Buisard Cabins

## Financing

On 31 December 2024, Fortaco Group had a senior secured bond outstanding totalling EUR 127.5 million. As of 31 December 2024, the IFRS net principal in the balance sheet equalled EUR 122.7 million. In addition to the bond, the Group's debt financing consists of local term loans, leasing debt, a super senior revolving credit facility, as well as earn-out liability. On 31 December 2024, total gross debt (IFRS) totalled EUR 182.5 million. EUR 4.0 million of super senior facility was in use, and EUR 3.5 million was not used but available as liquidity reserve. The total super senior credit facility agreed during the financial year was EUR 7.5 million. In December 2024, Fortaco Group received a waiver from its super senior revolving credit facility provider, when it comes to the envisaged covenant breach of the leverage ratio covenant at year end 2024. According to the waiver, the lender waives all its rights arising from the envisaged covenant breach, and Fortaco can continue to use the facility normally.

During the financial year, Fortaco raised EUR 25 million additional senior secured bonds, which, in accordance with the terms and conditions, were listed on the corporate bond list of Nasdaq Helsinki. In connection with raising additional bonds, Fortaco also sold its own bonds in the amount of EUR 3.6 million to the markets. Additionally, during the financial year, Fortaco Group received a EUR 0.9 million long-term shareholder loan from the sole shareholder of the company, OEP 81 B.V. The loan is subordinated to the bond financing. The funds are related to the acquisition of MauserCABS in September 2023 and were used to finalise the local investment programme. On 31 December 2024, the total principal of subordinated shareholder loans was EUR 6.4 million. The loan carries PIK interest. On 31 December 2024, Fortaco had a cash balance of EUR 32.0 million. Net debt was EUR 150.0 million.

Subsequent to the divestment of its operations in Hungary in June 2024, and as agreed in the divestment agreement, Fortaco granted financing totalling EUR 4.5 million for the divested company. The financing has an interest rate of 5 per cent with seven years maturity (bullet loan). Additionally, Fortaco bought machinery to be used in the operations in Hungary with total value of EUR 2.1 million, out of which EUR 0.7 million was already paid by the year end 2024, and EUR 1.4 million will be paid during 2025. The machinery will be repaid in ten years.

On 31 December 2024, investments in equity consisted of EUR 105.2 million (EUR 95.2 million). The increase in invested equity during the financial year originated from an equity injection from the company's sole shareholder in connection with a bond tap issue carried out in March 2024. On 31 December 2024, the book value of equity was EUR 32.5 (71.1) million, including non-controlling interest. The Group applies a non-recourse based factoring programme. On 31 December 2024, 78 per cent of all receivables had been sold based on the programme, and credit risk was transferred to the buyer.



## Changes in the Group structure

During the financial year, Fortaco Group divested its legal entity Fortaco Zrt in Hungary and the company has not been part of Fortaco as of 30 June 2024.

On 1 October 2024, Fortaco sold its marine and energy business in Kalajoki and Sepänkylä in Finland to Componenta, an international technology company and a Finnish contract manufacturer of metal components. The unit has not been part of Fortaco Group as of 1 October 2024.

Additionally, Fortaco bought the remaining shares in Fortaco JL Sp. z o.o., increasing its ownership to 100 per cent.

## Personnel and management

During the financial year, average number of personnel employed was 2,627. On 31 December 2024, the number of personnel was 2,327. Total salary cost was EUR 103.9 million, including all employee benefit expenses.

### Group Leadership Team

On 31 December 2024, Fortaco Group's Leadership Team members were Lars Hellberg, President & CEO; Mika Mahlberg, COO; Kimmo Raunio, Senior Executive Vice President & CFO; Agnieszka Koziara, Senior Vice President People & HR; Gustav Svärd, Senior Vice President, Group Sourcing & IT; Mikael Persson, Customer & Business Development; and Rafal Sornek, Senior Vice President, Technology & Zero Emissions.

During the financial year, Gustav Svärd joined the Group Leadership Team on 7 October 2024, and Mika Mahlberg on 1 November 2024. Krzysztof Michel left the Leadership Team on 2 September 2024.

After the financial year, Mika Mahlberg was appointed President & CEO of Fortaco Group as of 1 January 2025.

### Board of Directors

The Board of Directors is responsible for making decisions required by the provisions of the Finnish Companies Act. The Board of Directors makes all necessary resolutions in accordance with the instructions given by the Supervisory Board on matters which belong within the competence of the Board of Directors according to the Finnish Companies Act, but which have been addressed to the Supervisory Board under the Rules of Procedure. On 31 December 2024, the members of the Board of Directors were Chairman Lars Hellberg and deputy member Kimmo Raunio.

After the financial year, the company announced that Lars Hellberg had been appointed as a member of the company's Supervisory Board as of 3 January 2025, and his position as a member of the company's Board of Directors ended on the same day. Mika Mahlberg was appointed as a member of the Board of Directors of Fortaco Group Holdco Plc as of 3 January 2025.

## Supervisory Board

The Supervisory Board's role is to oversee the management of the company and it directs Fortaco Group's business to generate the greatest possible added value on the capital invested. On 31 December 2024, the members of the Supervisory Board were Panu Routila, Chairman, and Members of the Board Markus Sjöholm, Marc Lindhorst, and Sebastian Schatton. David Pfeifer has served as Board Observer since 14 October 2024. Mona Henning was a member of the Supervisory Board until 11 July 2024.

As of 3 January 2025, the members of the Supervisory Board have been Panu Routila, Chairman, and Lars Hellberg, Marc Lindhorst, Sebastian Schatton and Markus Sjöholm as members.

## Shares and shareholders

The parent company of Fortaco, Fortaco Group Holdco Plc, has one type of share with one vote per share. The company has in total, 1,000 shares, and all shares carry an equal right to dividends and company assets. On 31 December 2024, 100 per cent of the shares in Fortaco Group Holdco Plc were owned by OEP 81 B.V., which is a fund managed by One Equity Partners.

## Annual General Meeting and Board authorisations

Fortaco Group's Annual General Meeting was held on 13 June 2024. The General Meeting adopted the financial statements and the consolidated financial statements and discharged the members of the Board of Directors and the CEO from liability for the financial year 2023. The General Meeting approved the remuneration policy for governing bodies.

## Treatment of profit shown on the balance sheet

The General Meeting resolved that the result of the financial year be transferred to the profit and loss account for the previous years and that no dividend be distributed.

## Number of members of the Supervisory Board, their election and remuneration

It was resolved that the number of ordinary members of the Supervisory Board of Directors shall be five. Panu Routila (Chair), Marc Lindhorst, Markus Sjöholm, Sebastian Schatton and Mona Henning were elected in the Supervisory Board of the company.

It was resolved that the members of the Supervisory Board shall be remunerated as follows:

- Panu Routila shall be paid an annual fee of EUR 52,800 in monthly instalments and
- Markus Sjöholm shall be paid an annual fee of EUR 40,000 in monthly instalments.

Other members of the Supervisory Board are not remunerated.

Mona Henning left the Supervisory Board on 11 July 2024.

## Number of members of the Board of Directors, their election and remuneration

It was resolved that the number of members of the Board of Directors shall be one ordinary member and one deputy member. It was resolved to re-elect Lars Hellberg as ordinary member (Chair) and Kimmo Raunio as deputy member of the Board of Directors.

It was resolved that the members of the Board of Directors shall not be remunerated.

## Election of auditor

It was resolved to re-elect Authorized Public Accountant Firm Ernst & Young Oy as the auditor of the company, responsible auditor being certified public accountant Anders Svénnas.

## Remuneration of the auditor

It was resolved that the auditor shall be paid reasonable remuneration in accordance with the invoice approved by the company.

## Risks and uncertainties

Fortaco follows and categorises its risks based on the following categories, under which each individual risk is evaluated based on probability and business impact:

- Strategic risks
- Financial risks
- Operational risks
- Cyber- and technological risks
- Regulatory risks

Fortaco seeks to protect itself against risk in these categories by utilizing the Fortaco Group Risk Management approach, which is based on three lines of defence—governing body, management, and internal audit—combined with proper analysis and reporting tools. A broader description of the company's risk management practices is available on the company's website.

Direct impacts stemming from the crisis in Ukraine are and have been very limited for Fortaco. Fortaco does not have and has not had any net sales in either Russia or Ukraine. Also, customers' exposure to orders from Russia and Ukraine has been limited, with a few exceptions. However, the crisis has resulted in increasing geopolitical tensions and uncertainty about the development of the global economy, and has fuelled overall inflation, resulting in increased risk related to overall market demand and costs of production. Also, the availability of key commodities, such as electricity, may still be negatively impacted.

Fortaco operates in a sector which, to a large extent, is affected by macroeconomic factors. Economic downturns and the uncertainty of the international financial markets have adverse impacts on the global economy and may cause a decreased demand for Fortaco's products and services.

Fortaco is currently undergoing a period of several strategic investments taking place in Slovakia, Poland, and Estonia. The investment programs request continued availability of financing and cash-flows so that investments can be properly implemented. As part of the overall financing structure, Fortaco is selling its receivables based on a non-recourse basis factoring program. Continued availability of such financing is imperative for the Fortaco Group. Also, continued good payment terms from suppliers and availability of credit risk limits from credit insurance companies are imperative to secure the cash flow generation.

Other key risks which might negatively impact Fortaco are, for example, the availability of employees, security of systems and devices, inflationary cost environment, risks related to the extensive business development agenda, and the overall economic uncertainties that currently exist.

More information on the identified key risks is available in the bond prospectus materials published in 2024 and available on the company's website.

## Events after the review period

As announced on 4 November 2024, Lars Hellberg, former President & CEO of Fortaco Group, retired on 1 January 2025, and Mika Mahlberg started as the new President & CEO on the same day. Connected to this change, Lars Hellberg was nominated as a member of the Supervisory Board as of 3 January 2025, and stepped down simultaneously from his Board of Directors position. Mika Mahlberg was nominated to be a member of the Board of Directors as of 3 January 2025 onwards. As of 3 January 2025, the members of Fortaco's Supervisory have been Panu Routila (Chairman), Lars Hellberg, Marc Lindhorst, Sebastian Schatton, and Markus Sjöholm.

## Financial reporting in 2025

In 2025, Fortaco publishes the following financial reports:

Business Review January–March 2025 on Wednesday 28 May 2025

Half-Year Review January–June 2025 on Friday 29 August 2025

Business Review January–September 2025 on Wednesday 26 November 2025

Fortaco Group Holdco Plc  
Board of Directors

## Further information

Mika Mahlberg, President & CEO	+358 40 548 3353	mika.mahlberg@fortacogroup.com
Kimmo Raunio, Senior Executive Vice President & CFO	+358 40 593 6854	kimmo.raunio@fortacogroup.com

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## Fortaco Group

Fortaco is the leading strategic partner in Europe to the heavy off-highway equipment and marine industries, providing premium offerings, like zero-emission solutions and technology, vehicle cabins, steel fabrications, and assemblies. Fortaco Group has operations in multiple European and Asian business sites and technology hubs, which support our global customers. [www.fortacogroup.com](https://www.fortacogroup.com)

## Financial information

Unless otherwise stated, comparison figures in brackets refer to the corresponding period of the previous year.

### Part corresponding to IAS 34

## Consolidated statement of comprehensive income

1,000 EUR	Note	1.10.– 31.12.2024	1.10.– 31.12.2023	1.1.–31.12.2024	1.1.–31.12.2023
<b>NET SALES</b>		<b>76,418</b>	<b>101,872</b>	<b>356,471</b>	<b>373,838</b>
Other operating income		1,772	889	2,994	1,942
Work performed for own purposes and capitalised		118	93	469	659
Materials and services		-42,780	-61,103	-205,670	-232,158
Employee benefit expenses		-23,313	-25,835	-103,889	-85,997
Other operating expenses		-12,503	-13,400	-42,804	-40,975
Depreciation, amortisation and impairments		-5,730	-5,434	-31,740	-16,349
<b>OPERATING PROFIT (LOSS)</b>		<b>-6,018</b>	<b>-2,918</b>	<b>-24,187</b>	<b>959</b>
Finance income		1,518	688	3,214	3,400
Finance costs		-5,699	-6,067	-27,455	-19,892
Share of profit accounted for using the equity method			106		557
Loss from investments in associates			-657		-657
<b>PROFIT (LOSS) BEFORE INCOME TAX</b>		<b>-10,199</b>	<b>-8,849</b>	<b>-48,428</b>	<b>-15,632</b>
Income tax		-515	-754	-111	-4,277
<b>PROFIT (LOSS) FOR THE PERIOD</b>		<b>-10,714</b>	<b>-9,062</b>	<b>-48,538</b>	<b>-19,909</b>
<b>Other comprehensive income</b>					
<b>Items that will never be reclassified to profit or loss</b>					
Actuarial gains / losses from defined benefit plans		-55		-55	
<b>Total items that will never be reclassified to profit or loss, net of tax</b>		<b>-55</b>		<b>-55</b>	
<b>Items that may be subsequently reclassified to profit or loss</b>					
Translation differences		-2,597	1,410	215	1,865
<b>Total items that may be subsequently reclassified to profit or loss, net of tax</b>		<b>-2,597</b>	<b>1,410</b>	<b>215</b>	<b>1,865</b>
<b>Other comprehensive income, net of tax</b>		<b>-2,652</b>	<b>1,410</b>	<b>160</b>	<b>1,865</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>		<b>-13,367</b>	<b>-8,192</b>	<b>-48,378</b>	<b>-18,043</b>

**Profit (loss) for the period attributable to**

Owners of the parent company	-10,714	-9,604	-48,536	-19,928
Non-controlling interests		2	-3	19

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Profit (loss) for the period	-10,714	-9,602	-48,538	-19,909
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**Total comprehensive income for the period attributable to**

Owners of the parent company	-13,442	-8,201	-48,377	-18,070
Non-controlling interests		8	-2	27

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Total comprehensive income for the period	-13,442	-8,192	-48,378	18,043
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**Earnings per share for profit attributable to the ordinary equity holders of the parent company, EUR**

Earnings per share, basic and diluted, EUR	7	-10,7	-9,6	-48,5	-19,9
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## Consolidated statement of financial position

1,000 EUR	Note	31.12.2024	31.12.2023
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Intangible assets	5	47,043	51,088
Goodwill	5	20,976	20,976
Property, plant and equipment	4	87,028	98,358
Right-of-use assets	6	47,152	12,367
Investments accounted for using the equity method			
Trade, other receivables and financial assets	8	5,682	1,988
Receivables from defined benefit plan		681	629
Deferred tax assets		4,805	5,118
<b>TOTAL NON-CURRENT ASSETS</b>		<b>213,366</b>	<b>190,525</b>
<b>CURRENT ASSETS</b>			
Inventories		37,683	50,137
Trade and other receivables	8	20,480	30,599
Contract assets			1,479
Income tax assets		1,695	1,461
Cash and cash equivalents	8	32,034	32,420
<b>TOTAL CURRENT ASSETS</b>		<b>91,892</b>	<b>116,096</b>
<b>ASSETS HELD FOR SALE</b>	10	<b>1,000</b>	<b>0</b>
<b>TOTAL ASSETS</b>		<b>306,258</b>	<b>306,621</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity attributable to owners of the parent company</b>			
Share capital	7	80	80
Invested unrestricted equity capital	7	105,178	95,178
Translation differences		2,741	2,527
Retained earnings		-75,467	-26,757
<b>Total equity attributable to owners of the parent company</b>		<b>32,531</b>	<b>71,028</b>
<b>Non-controlling interests</b>			<b>103</b>
<b>TOTAL EQUITY</b>		<b>32,531</b>	<b>71,131</b>
<b>NON-CURRENT LIABILITIES</b>			
Deferred tax liabilities		17,895	18,495
Borrowings	8	128,769	101,013
Borrowings from related parties	8	6,441	5,000
Other liabilities	8	5,372	5,485
Lease liabilities	8	37,175	8,807
Provisions		1,494	1,272
Liabilities from defined benefit plan		3,003	3,674
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>200,149</b>	<b>143,746</b>

## CURRENT LIABILITIES

Borrowings	8	5,439	6,352
Trade and other payables	8	59,496	79,529
Lease liabilities	8	7,581	4,020
Provisions		860	1,141
Contract liabilities		0	208
Income tax liabilities		203	495

## TOTAL CURRENT LIABILITIES

**73,578 91,744**

## LIABILITIES DIRECTLY ASSOCIATED WITH THE ASSETS HELD FOR SALE

10

## TOTAL LIABILITIES

**273,728 235,490**

## TOTAL EQUITY AND LIABILITIES

**306,258 306,621**

## Consolidated statement of cash flow

1,000 EUR	1.10.–31.12.2024	1.10.–31.12.2023	1.1.–31.12.2024	1.1.–31.12.2023
<b>Cash flow from operating activities</b>				
<b>PROFIT (LOSS) FOR THE PERIOD</b>	<b>-10,714</b>	<b>-9,602</b>	<b>-48,538</b>	<b>-19,909</b>
Depreciation, amortisation and impairments	5,730	5,434	31,740	16,349
Gains and losses on sale of property, plant and equipment and other non-current assets	-497	32	439	134
Share of profit accounted for using the equity method		551		100
Financial income and expenses	4,164	4,978	24,333	16,542
Income tax	515	754	111	4,277
Other adjustments	-766	527	904	835
<b>Change in working capital</b>				
Increase / decrease in inventories	2,610	9,235	5,957	7,562
Increase / decrease in trade and other receivables	6,783	8,894	8,143	10,232
Increase / decrease in interest free trade payables	-4,143	-10,981	-16,433	-17,259
Change in provisions	-100	151	4	249
Interest paid	-3,240	-3,729	-16,907	-11,542
Interest received	72	231	27	294
Other financial items	137	-1,691	-3,832	-4,346
Income tax paid	-448	-1,227	-958	-1,719
<b>Total cash flow from operating activities</b>	<b>103</b>	<b>3,558</b>	<b>-15,010</b>	<b>1,798</b>
<b>Cash flow from investing activities</b>				
Investments in property, plant and equipment and intangible assets	-5,106	-9,313	-15,604	-16,076
Disposal of property, plant and equipment and intangible assets	1,072	137	2,322	392
Acquisition of subsidiaries reduced with the cash and cash equivalents at the acquisition moment	-10	4,383	74	-29,591
Disposal of subsidiaries increased with the cash and cash equivalents at the acquisition moment			-321	
Used collateral deposit		7,585	50	12,985
Dividends received				731
<b>Total cash flow from investing activities</b>	<b>-4,044</b>	<b>2,792</b>	<b>-13,480</b>	<b>-31,558</b>

## Cash flow from financing activities

Proceeds from issue of share capital			10,000	9,000
Proceeds from loans	2,893	7,310	39,456	38,866
Repayments from current loans	-4,877	-7,546	-7,863	-8,827
Repayments of non-current borrowings	304		-1,193	-2,041
Repayments of leasing liabilities	-2,062	-370	-7,877	-3,493
Granted loans	-1,500		-4,500	
<b>Total cash flow from financing activities</b>	<b>-5,242</b>	<b>135</b>	<b>28,023</b>	<b>33,505</b>
<b>Change in cash and cash equivalents</b>	<b>-9,184</b>	<b>6,486</b>	<b>-467</b>	<b>3,745</b>
Cash and cash equivalents at the beginning of the period	<b>41,331</b>	<b>25,424</b>	<b>32,420</b>	<b>28,182</b>
Effects of exchange rate changes on cash and cash equivalents	-113	510	81	493
<b>Cash and cash equivalent at the end of the period</b>	<b>32,034</b>	<b>32,420</b>	<b>32,034</b>	<b>32,420</b>

## Consolidated statement of changes in equity

Attributable to owners of the parent company 31.12.2024							
1,000 EUR	Share capital	Invested unrestricted equity reserve	Translation differences	Profit (loss) for period	Total	Non-controlling interests	Total equity
<b>EQUITY 1.1.2024</b>	<b>80</b>	<b>95,178</b>	<b>2,527</b>	<b>-26,757</b>	<b>71,028</b>	<b>103</b>	<b>71,131</b>
<b>Comprehensive income</b>							
Profit/loss for the period				-48,536	-48,536	-3	-48,538
Translation differences			214		214	1	215
Actuarial gains/losses from defined benefit plans				-55	-55		-55
<b>TOTAL COMPREHENSIVE INCOME</b>			<b>214</b>	<b>-48,591</b>	<b>-48,377</b>	<b>-2</b>	<b>-48,378</b>
<b>Transactions with shareholders</b>							
Investments		10,000			10,000		10,000
Changes in subsidiary ownership shares				-120	-120	-102	-222
<b>Changes in equity total</b>			<b>214</b>	<b>-48,711</b>	<b>-38,497</b>	<b>-103</b>	<b>-38,600</b>
<b>TOTAL EQUITY 31.12.2024</b>	<b>80</b>	<b>105,178</b>	<b>2,741</b>	<b>-75,467</b>	<b>32,531</b>		<b>32,531</b>

Attributable to owners of the parent company 31.12.2023							
1,000 EUR	Share capital	Invested unrestricted equity reserve	Translation differences	Profit (loss) for period	Total	Non-controlling interests	Total equity
<b>EQUITY 1.1.2023</b>	<b>80</b>	<b>61,920</b>	<b>669</b>	<b>-6,829</b>	<b>55,840</b>	<b>82</b>	<b>55,922</b>
<b>Comprehensive income</b>							
Profit/loss for the period				-19,928	-19,928	19	-19,909
Translation differences			1,858		1,858	8	1,866
<b>TOTAL COMPREHENSIVE INCOME</b>			<b>1,858</b>	<b>-19,928</b>	<b>-18,070</b>	<b>27</b>	<b>-18,043</b>
<b>Transactions with shareholders</b>							
Transactions with non-controlling interests						-5	-5
Investments		33,258			33,258		33,258
<b>Changes in equity total</b>		<b>33,258</b>	<b>1,858</b>	<b>-19,928</b>	<b>15,188</b>	<b>22</b>	<b>15,210</b>
<b>TOTAL EQUITY 31.12.2023</b>	<b>80</b>	<b>95,178</b>	<b>2,527</b>	<b>-26,757</b>	<b>71,028</b>	<b>103</b>	<b>71,131</b>

## Notes to the financial statements

### 1. General information and basis of preparation

The Group's interim financial information concerning Fortaco Group Holdco Plc and its subsidiaries (Fortaco, the Group) has been prepared in accordance with the IAS 34 Interim Financial Reporting standard and the preparation principles presented in the Group's 2023 financial statements. The reforms and annual improvements to the IFRS standards that entered into force on 1 January 2024 do not have a significant impact on the figures presented.

The interim financial information does not include all the supplementary information presented in the consolidated financial statements for the period ended 31 December 2023, and the interim information must be read together with the consolidated financial statements. The preparation of interim information requires management to use estimates and exercise judgements, which have an impact on the application of the accounting policies and the amounts of assets, liabilities, income and expenses presented. The actual results may differ from these estimates. When preparing the interim data, the significant accounting estimates and judgment-based decisions made by the management, are the same as those applied in the consolidated financial statements prepared for the financial year ended 31 December 2023.

Except for the above-mentioned changes, the accounting principles applied in this financial statements bulletin are the same as those applied in the consolidated financial statements for the year ended 31 December 2023.

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

This financial statements bulletin is unaudited.

### 2. Sale of heavy products project business

In February 2024, Fortaco announced having begun a strategic evaluation of its marine, energy and heavy project businesses.

On 10 May 2024, as a part of the evaluation, Fortaco announced having signed an agreement to sell its heavy products project business in Jászberény, Hungary. In 2023, Fortaco Zrt. had net sales of EUR 23 million, and the business was clearly loss-making. The company employs 250 people. The sales of Fortaco Zrt. was completed on 28 June 2024.

As another part of the strategic evaluation, on 4 July 2024, Fortaco announced that Fortaco Group Holdco Plc's subsidiary, Fortaco Oy, had signed an agreement to sell its marine and energy business in Kalajoki and Sepänkylä in Finland to Componenta, an international technology company and a Finnish contract manufacturer of metal components. The total purchase price is approximately EUR 2.8 million. The business transaction was completed on 1 October 2024, and the related real estate transaction is expected to be completed during the second half of 2025.

These transactions are described in Note 10 Business Disposals.

### 3. Revenue and segment information

Fortaco has only one reportable segment, and the figures for the reportable segment are consistent with those of the Group. Significant operational decisions are made by the Fortaco Leadership Team which is Fortaco's chief operative decision maker (CODM). Due to the business model, nature of operations, and governance structure of Fortaco, the operating segments are aggregated as one reportable segment.



## Net sales divided by geographical area

1,000 EUR	10–12/2024	10–12/2023	1–12/2024	1–12/2023
Finland	20,370	26,014	87,412	102,724
Poland	18,720	22,901	84,183	114,394
Estonia	12,938	16,501	58,676	75,518
France	11,465	10,381	53,675	10,381
Austria	06,053	12,361	35,270	16,458
Slovakia	05,255	6,408	23,813	26,917
Hungary	00,000	4,393	8,542	22,469
Serbia	1,616	2,914	4,900	4,977
<b>Total</b>	<b>76,418</b>	<b>101,872</b>	<b>356,471</b>	<b>373,838</b>

## 4. Property, plant, and equipment

1,000 EUR	Land and water	Buildings and structures	Machinery and equipment	Other tangible assets	Advance payments and work in progress	Total
<b>Cost 1.1.2024</b>	<b>2,796</b>	<b>45,953</b>	<b>43,914</b>	<b>1,975</b>	<b>13,424</b>	<b>108,063</b>
Translation differences	-3	-5	92		20	104
Additions	458	447	613	374	16,721	18,613
Business disposals	-191	-6,253	-19,546		-578	-26,568
Disposals	-117	-706	-2,070	-137	-59	-3,089
Reclassifications	148	38,139	75,742	4,783	-19,370	99,442
Reclassification to non-current HFS assets	-125	-2,154				-2,279
<b>Cost 31.12.2024</b>	<b>2,966</b>	<b>75,421</b>	<b>98,745</b>	<b>6,994</b>	<b>10,158</b>	<b>194,284</b>
Accumulated amortisation and impairment 1.1.2024	-8	-3,070	-6,450	-176		-9,704
Translation differences		-2	-53			-55
Accumulated amortisation on business disposals	2	3,419	15,485			18,906
Accumulated depreciation on disposals	-90	-24,521	-78,062	-4,626		-107,299
Reclassification to non-current HFS liabilities		820				820
Amortisation		-3,810	-5,593	-506		-9,909
Impairment	-63		48			-14
<b>Accumulated amortisation and impairment 31.12.2024</b>	<b>-159</b>	<b>27,164</b>	<b>-74,624</b>	<b>-5,308</b>		<b>-107,256</b>
<b>Carrying amount 1.1.2024</b>	<b>2,789</b>	<b>42,883</b>	<b>37,464</b>	<b>1,799</b>	<b>13,424</b>	<b>98,358</b>
<b>Carrying amount 31.12.2024</b>	<b>2,807</b>	<b>48,257</b>	<b>24,121</b>	<b>1,686</b>	<b>10,158</b>	<b>87,028</b>

1,000 EUR	Land and water	Buildings and structures	Machinery and equipment	Other tangible assets	Advance payments and work in progress	Total
<b>Cost 1.1.2023</b>	<b>1,229</b>	<b>31,021</b>	<b>31,490</b>	<b>12</b>	<b>2,216</b>	<b>65,967</b>
Business combinations	1,024	13,949	5,462	1,806	3,725	25,966
Translation differences	19	383	956		145	1,504
Additions	523	64	567	75	16,194	17,423
Disposals		-254	-2,521			-2,775
Reclassifications		791	7,960	83	-8,857	-23
<b>Cost 31.12.2023</b>	<b>2,796</b>	<b>45,953</b>	<b>43,914</b>	<b>1,975</b>	<b>13,424</b>	<b>108,063</b>
Cumulative amortisation and impairment 1.1.2023	-5	-828	-2,273			-3,105
Translation differences		-11	-54			-65
Cumulative depreciation on disposals		222	1,989			2,210
Amortisation		-2,454	-6,207	-176		-8,837
Impairment	-3		96			93
<b>Cumulative amortisation and impairment 31.12.2023</b>	<b>-8</b>	<b>-3,070</b>	<b>-6,450</b>	<b>-176</b>		<b>-9,704</b>
Carrying amount 1.1.2023	1,226	30,193	29,216	12	2,216	62,863
<b>Carrying amount 31.12.2023</b>	<b>2,789</b>	<b>42,883</b>	<b>37,464</b>	<b>1,799</b>	<b>13,424</b>	<b>98,358</b>

## 5. Intangible assets

1,000 EUR	Development costs	Customer relationships	Brand	Technology	Other intangible assets and advance payments	Goodwill	Total
<b>Cost 1.1.2024</b>	<b>864</b>	<b>31,438</b>	<b>14,624</b>	<b>5,884</b>	<b>3,620</b>	<b>20,976</b>	<b>77,407</b>
Translation differences	5				4		9
Business disposals					-602		-602
Additions					1,523		1,523
Disposals					-22		-22
Reclassifications	82				3,000	23,895	26,978
Reclassification to asset held for sale					-75		-75
<b>Cost 31.12.2024</b>	<b>952</b>	<b>31,438</b>	<b>14,624</b>	<b>5,884</b>	<b>7,449</b>	<b>44,871</b>	<b>105,218</b>
Cumulative amortisation and impairment 1.1.2024	-171	-2,307	-1,861	-196	-808		-5,343
Translation differences	-2						-2
Cumulative depreciation on business disposals					524		524
Cumulative depreciation on disposals	-82				-2,978	-23,895	-26,955
Amortisation	-138	-2,156	-2,034	-588	-506		-5,423
<b>Cumulative amortisation and impairment 31.12.2024</b>	<b>-393</b>	<b>-4,463</b>	<b>-3,895</b>	<b>-784</b>	<b>-3,768</b>	<b>-23,895</b>	<b>-37,199</b>
Carrying amount 1.1.2024	693	29,131	12,764	5,687	2,813	20,976	72,065
<b>Carrying amount 31.12.2024</b>	<b>559</b>	<b>26,976</b>	<b>10,729</b>	<b>5,099</b>	<b>3,681</b>	<b>20,976</b>	<b>68,019</b>

1,000 EUR	Development costs	Customer relationships	Brand	Technology	Other intangible assets and advance payments	Goodwill	Total
<b>Cost 1.1.2023</b>	<b>833</b>	<b>24,137</b>	<b>12,173</b>		<b>1,366</b>	<b>304</b>	<b>38,813</b>
Business combinations		7,302	2,451	5,884	381	20,672	36,690
Translation differences	25				16		41
Additions					1,825		1,825
Disposals					-1		-1
Reclassifications	6				33		39
<b>Cost 31.12.2023</b>	<b>864</b>	<b>31,439</b>	<b>14,624</b>	<b>5,884</b>	<b>3,620</b>	<b>20,976</b>	<b>77,407</b>
Cumulative amortisation and impairment 1.1.2023	-33	-536	-406		-189		-1,165
Translation differences	-4				-4		-9
Cumulative depreciation on disposals					1		1
Amortisation	-134	-1,771	-1,455	-196	-615		-4,170
<b>Cumulative amortisation and impairment 31.12.2023</b>	<b>-171</b>	<b>-2,307</b>	<b>-1,861</b>	<b>-196</b>	<b>-808</b>		<b>-5,343</b>
Carrying amount 1.1.2023	800	23,601	11,767		1,177	304	37,649
<b>Carrying amount 31.12.2023</b>	<b>693</b>	<b>29,132</b>	<b>12,764</b>	<b>5,687</b>	<b>2,812</b>	<b>20,976</b>	<b>72,065</b>

## 6. Leases

1,000 EUR	Buildings and structures	Machinery and equipment	Total
<b>Cost 1.1.2024</b>	<b>13,566</b>	<b>2,854</b>	<b>16,420</b>
Translation differences	115	92	207
Business acquisitions			
Additions	20,656	10,429	31,084
Business disposals		-511	-511
Disposals	-683	-446	-1,129
Reclassifications	7,290	13,753	21,043
<b>Cost 31.12.2024</b>	<b>40,943</b>	<b>26,171</b>	<b>67,114</b>
Accumulated amortisation and impairment 1.1.2024	-3,063	-989	-4,053
Translation differences	-44	-10	-54
Business disposals		265	265
Accumulated depreciation of deductions and transfers	-7,290	-3,791	-11,080
Amortisation	-3,109	-1,931	-5,040
<b>Accumulated amortisation and impairment 31.12.2024</b>	<b>-13,507</b>	<b>-6,456</b>	<b>-19,963</b>
<b>Carrying amount 1.1.2024</b>	<b>10,502</b>	<b>1,865</b>	<b>12,367</b>
<b>Carrying amount 31.12.2024</b>	<b>27,437</b>	<b>19,715</b>	<b>47,152</b>

1,000 EUR	Buildings and structures	Machinery and equipment	Total
<b>Cost 1.1.2023</b>	<b>5,669</b>	<b>1,664</b>	<b>7,333</b>
Translation differences	206	72	278
Business combinations	24	682	706
Additions	7,670	575	8,246
Disposals	-4	-139	-143
<b>Cost 31.12.2023</b>	<b>13,566</b>	<b>2,854</b>	<b>16,420</b>
Cumulative amortisation and impairment 1.1.2023	-637	-218	-855
Translation differences	-72	-22	-94
Amortisation	-2,355	-749	-3,104
Cumulative amortisation and impairment 31.12.2023	-3,063	-989	-4,053
<b>Carrying amount 1.1.2023</b>	<b>5,033</b>	<b>1,446</b>	<b>6,479</b>
<b>Carrying amount 31.12.2023</b>	<b>10,502</b>	<b>1,865</b>	<b>12,367</b>

## 7. Equity and earnings per share

Fortaco Group has issued a total of 1,000 ordinary shares. The company has a registered share capital of EUR 80,000 which is fully paid. The sole shareholder of the company is OEP 81 B.V.

### Equity

1,000 EUR	31.12.2024	31.12.2023
Share capital	80	80
Invested unrestricted equity reserve	105,178	95,178
Translation differences	2,741	2,527
Accumulated earnings	-26,932	-6,829
Profit (loss) for period	-48,536	-19,928
<b>Attributable to owners of the company</b>	<b>32,531</b>	<b>71,028</b>
Non-controlling interests		103
<b>Total equity</b>	<b>32,531</b>	<b>71,131</b>

During the reporting period, Fortaco did not have instruments with a diluting impact on earnings per share.

### Earnings per share, basic and diluted

1,000 EUR	1.1.-31.12.2024	1.1.-31.12.2023
Profit/loss attributable to shareholders of the company	-48,536	-19,928
Number of shares issued	1,000	1,000
Earnings per share, basic, EUR	-48.5	-19.9

## 8. Financial assets and liabilities

1,000 EUR	Level	31.12.2024 Carrying amount	31.12.2023 Carrying amount
<b>Financial assets measured at amortized cost</b>			
Loan receivables	2	4,049	
Trade receivables	-	11,127	22,050
Security deposits	-	497	116
Cash and cash equivalents	-	32,034	32,420
Other receivables	2	147	
<b>Financial assets measured at amortized cost total</b>		<b>47,853</b>	<b>54,586</b>
<b>Fair value through other comprehensive income</b>			
Other investments	2	3	9
<b>Fair value through other comprehensive income total</b>		<b>3</b>	<b>9</b>
<b>Financial liabilities measured at amortized cost</b>			
Senior bond	1	122,743	93,194
Floating rate borrowings	2	7,200	4,762
Fixed rate borrowings	2	2,339	3,518
Loans from related parties	2	6,441	5,000
Lease liabilities*	-	44,756	12,827
Trade payables	-	38,917	56,311
Other interest bearing liabilities	2	1,991	5,889
<b>Financial liabilities measured at amortized cost total</b>		<b>224,387</b>	<b>181,502</b>
<b>Fair value through profit and loss</b>			
Contingent considerations	3	3,491	3,285
<b>Fair value through profit and loss total</b>		<b>3,491</b>	<b>3,285</b>

\*) the classification of the lease liabilities has been adjusted from the comparison period

The financial assets include EUR 4.0 million of loan receivables from the Group's former subsidiary Steel Construction Partners (formerly Fortaco Zrt) divested during the financial year 2024 and EUR 0.1 million of other receivables related to machinery investments done in behalf of Steel Construction Partners Zrt. The loan is maturing on 1 July 2031. The receivables related to the machinery investments are maturing in 10 years from the issuance of invoices for the receivables.

On 31 December 2024, the total fair value of the senior bond was EUR 123.0 million (31.12.2023: EUR 96.4 million), including the subsequent bond issue of EUR 25.0 million placed in March 2024. The fair value of the subsequent issue on 31 December 2024 was EUR 24.1 million. The senior bond fair value is estimated based on the market price on the valuation date. The bond is traded on Nasdaq Helsinki and on the Open Market (Freiverkehr) of the Frankfurt Stock Exchange. Further information on the bond is available on Fortaco's investor website, on Nasdaq Helsinki and on Frankfurt Stock Exchange.

Loans from related parties included a 6.4 MEUR subordinated shareholder loan from the owner of Fortaco Group.

The Group's financing agreements are subject to certain financial covenants and other restrictions. These include, for example, restrictions on the use of other financial instruments outside the scope of the senior bond issued by the Group, and certain financial covenants relating to local financing agreements of the Group's subsidiaries. These are specified further below. In addition, the senior bond contains restrictions on additional financial indebtedness in the event of acquisitions and any additional issuances of the bond. Furthermore, the terms of the Group's senior bond restrict the distribution of dividends by the Group. In addition, the Group is obliged to publish financial information in accordance with the rules of Nasdaq Helsinki.

Floating rate borrowings include EUR 3.2 million of secured bank loans related to the Group's subsidiaries in Estonia. The total amount of EUR 3.2 million consists of two loans: Linda Properties OÜ EUR 2.8 million and Fortaco Estonia OÜ EUR 0.5 million. Linda Properties OÜ's loans were refinanced during the first half of 2024. The maturity date of the refinanced loan is 31 March 2027. These loans are subject to the following covenants:

#### **Linda Properties OÜ secured bank loan EUR 2.8 million**

- Debt service coverage of at least 1.05x, calculated as the ratio of rolling 12-months EBITDA to rolling 12-months debt service. The debt service coverage ratio on 31 December 2024 was 1.24x (2023: 0.83x).
- Total cash balance of at least 3-months debt service. The ratio of total cash balance and one month debt service on 31 December 2024 was 7.7x (2023: 5.2x).
- In addition the margin of the loan is subject to changes depending on the total Group net debt to EBITDA ratio. If the ratio is >4.5x the margin is 3.9 per cent, if the ratio is >3.0x but ≤4.5x the margin is 3.5 per cent, if the ratio is >2.5x but ≤3.0x the margin is 3.2 per cent and if the ratio is <2.5x the margin is 2.9 per cent. On 31 December the ratio was >4.5x.

These covenants are tested quarterly, at 31 March, 30 June, 31 October and 31 December. The Group met the covenants during the financial year 2024. Due to the refinancing of the loans, the first testing of these covenants was done on 30 June 2024. The Group has no indication that it will have difficulty complying with these covenants.

#### **Fortaco Estonia OÜ EUR secured bank loan 0.5 million**

- Debt service coverage of at least 1.40x, calculated as the ratio of rolling 12-months EBITDA to rolling 12-months debt service. The debt service coverage ratio on 31 December 2024 was 1.85x (2023: 6.83x).
- Net debt to EBITDA of less than 3.5x. On 31 December 2024 the ratio was 0.76x (2023: 0.09x).
- Debt service coverage ratio including intra-group items of at least 1.20x. On 31 December 2024 the ratio was 1.85x (2023: 1.82x)

These covenants are tested quarterly, at 31 March, 30 June, 31 October and 31 December. The Group met the covenants during the financial year 2024. The Group has no indication that it will have difficulty complying with these covenants.

During the financial year 2024, the Group entered into a super senior revolving credit facility agreement. The total available facility is EUR 7.5 million, of which on 31 December 2024 EUR 4.0 million was utilised. The maturity date for the facility is in June 2025. The utilised facilities are presented in floating rate borrowings. The credit facility is subject to the following covenants:



## **Super senior credit facility agreement EUR 7.5 million**

Provided that there is any outstanding loans:

- Equity ratio of at least 18%, calculated ratio as the total equity (including any Shareholder Debt) to the total assets of the Group, including several adjustments.
- Leverage ratio lower than 4.25x, the as the ratio of net interest bearing debt to EBITDA, including several adjustments.
- In addition, the Group is subject to similar restrictions within the super senior credit facility agreement on financial indebtedness as within the senior bond agreement

The first testing date of these covenants was 31 December 2024. The Equity Ratio on 31 December 2024 was 19%. The Group received a waiver from the creditor on 19 December 2024, valid until 29 June 2025, for the envisaged breach of the leverage ratio on 31 December 2024. According to the waiver, the lender waives all its rights arising from the envisaged covenant breach, and Fortaco can continue to use the facility normally. The Group has no indication that it will have difficulty complying with the equity ratio covenant.

During the financial year 2023, the Group entered into new financing agreements related to expansion investments in Estonia and Poland. These included a new factory lease agreement in Estonia, which has a purchase option, and 15-year factory lease agreement in Gliwice, Poland. In addition to the factory lease agreement, the Group entered into a EUR 16.0 million financing facility agreement related to Gliwice machinery purchases. The Gliwice facility was handed over to the Group in the second half of 2024. The Gliwice facility lease agreement is treated in accordance with IFRS 16 standards. The lease payment are EUR 2.4 million annually and the lease liability on 31 December 2024 was EUR 15.6 million.

On 31 December 2024 lease liabilities included EUR 8.6 million of financing facilities related to the machinery purchases for the Gliwice factory. The loans are subject to the following covenants:

## **Fortaco Polska Sp. z o.o. machinery funding EUR 8.6 million**

- Debt service coverage of at least 1.20x, calculated as the ratio of 12-months EBITDA to 12-months debt service of leases recognized on the balance sheet. The first testing will be done after the financial year 2025.
- Ratio of financial liabilities to EBITDA of less than 3.0x. The first testing will be done after the financial year 2025.
- Equity ratio of at least 10% after the financial year 2025 and 25% on the following financial years.

The Group estimates that it will have potentially difficulties complying with these covenants during the financial year 2025, due to some temporary delays in the ramp-up of production operations. The sole impact of possible breach in the covenants is a temporary 0.5 p.p. increase in the margin of loans until the breach has been resolved. The Group estimates this will be a temporary breach of the covenant requirements.

Contingent considerations are treated in accordance with the IFRS 9 standard and classified as financial liabilities. They are recognised in fair value through profit and loss. The change in fair value is recognised through profit and loss. The value of contingent consideration in dependant on the company's business development between 2023 and 2025.

## Fair value hierarchy

Fortaco Group uses valuation methods which are appropriate for the circumstances and for which there is enough information available to designate fair value, so that significant observable data about inputs is maximised and other inputs minimised. All financial assets and liabilities measured at fair value, or for which the fair value is presented in the notes, will be designated to fair value hierarchy levels specified below based on the inputs from the lowest level, which are relevant for the whole valuation situations.

### Level 1

Inputs for identical assets and liabilities are quoted prices (without adjustments) in active markets. Quoted prices are directly available from identical publicly listed markets, instrument brokers, or financial supervisory authority.

### Level 2

Concerning fair valuation methods, where inputs are observable for the asset or liability, either directly or indirectly: inputs are easily observable from publicly listed markets, instrument brokers, or financial supervisory authority. Level 2 instruments are recognized at carrying amount on 31 December.

### Level 3

Concerning fair valuation methods where the most significant valuation inputs are unobservable: when the fair valuation of a financial instrument cannot be determined for identical assets or liabilities from observable inputs in active markets, the fair value is designated by valuation methods (for example using a valuation based on cash flow discounting method). Assumptions are reflected in the inputs, such as liquidity risk, credit risk, and volatility. Changes to these assumptions may have an effect on the fair valuation of the financial instrument.

For recurring assets and liabilities Fortaco specifies the changes between hierarchy levels by reevaluating the categorisation (based on the Level 3 input data, which is significant for entire valuation purposes) at the end of each reporting period.

## Maturity of financial liabilities 31.12.2024

1000 EUR	On demand	Less than 3 months	3 to 12 months	1 to 3 years	4 to 5 years	Over 5 years	Total contractual cash flows	Book value
Senior bond				127,500			127,500	122,743
Loans from related parties				6,441			6,441	6,441
Other loans		528	6,331	4,308	302		11,468	11,529
Lease liabilities*		2,355	11,110	26,658	8,781	21,083	69,987	44,756
Interest liabilities		47	3,507	28,421	32	1	32,007	2,735
Trade payables	491	38,174	252				38,917	38,917
Other liabilities			247	1,631			1,878	1,878
<b>Total</b>	<b>491</b>	<b>41,104</b>	<b>21,448</b>	<b>194,959</b>	<b>9,114</b>	<b>21,084</b>	<b>288,199</b>	<b>229,000</b>

\*) The classification of the lease liabilities has been adjusted from the comparison period

## Maturity of financial liabilities 31.12.2023

1,000 EUR	On demand	Less than 3 months	3 to 12 months	1 to 3 years	4 to 5 years	Over 5 years	Total contractual cash flows	Book value
Senior bond					98,904		98,904	93,194
Loans from related parties					5,000		5,000	5,000
Other loans		1,020	5,840	4,366	2,367	577	14,170	14,170
Leasing liability		840	3,774	4,587	4,182		13,383	12,827
Interest liabilities		71	11,561	17,284	11,503	20	40,440	2,262
Trade payables	7,431	44,015	4,865				56,311	56,311
Other liabilities	2	7	518	1,329	870		2,725	2,725
<b>Total</b>	<b>7,433</b>	<b>45,953</b>	<b>26,557</b>	<b>27,566</b>	<b>122,826</b>	<b>597</b>	<b>230,932</b>	<b>186,490</b>

## 9. Contingent liabilities and liability commitments

### Operating lease commitments, Fortaco Group as lessor

1,000 EUR	31.12.2024	31.12.2023
Within one year	50	333
After one year but no more than five years	0	749
<b>Total</b>	<b>50</b>	<b>1,082</b>

### Commitments, collaterals, and mortgages

1,000 EUR	31.12.2024	31.12.2023
Other receivables given as collateral deposit	497	116

### Other financial commitments and guarantees

1,000 EUR	31.12.2024	31.12.2023
Guarantees given to the Group companies	6,740	8,830
Guarantees	68,048	53,475
Collaterals	52,492	52,492
<b>Total</b>	<b>127,280</b>	<b>114,797</b>

### Interest-bearing loans and given collaterals

1,000 EUR	31.12.2024	31.12.2023
Senior bond	127,500	98,904
Interest bearing loans and borrowings	7,200	4,762
<b>Total</b>	<b>134,700</b>	<b>103,666</b>
Business & real estate mortgages	265,760	292,018*
Pledged IC loan receivables	138,357	127,499
Pledged shareholder loans	6,441	5,000
<b>Total</b>	<b>410,558</b>	<b>424,517</b>

\*) The 2023 figures have been amended since the publication of the Financial Statements.

## 10. Business disposals

In February 2024, Fortaco announced having begun a strategic evaluation of its marine, energy and heavy project businesses.

On 28 June 2024, Fortaco sold its Hungarian subsidiary Fortaco Zrt. The transaction follows the company's announcement on the sale on 10 May 2024, and the release issued in February 2024, in which Fortaco announced having begun the strategic evaluation of its marine, energy and heavy project businesses.

Fortaco Zrt. was classified as assets held for sale on 31 March 2024. In the fair value measurement carried out within the Group, the write-down of the company's non-current assets totalled EUR 6.8 million, in addition to an impairment of EUR 2.8 million on inventories. The sales price was one euro.

The transaction is also conditional on a loan to be granted to the company immediately after the transaction, consisting of two tranches. The first is a bullet loan for seven years with an annual interest rate of 5 per cent. The second part consists of machinery and equipment to be supplied by Fortaco for a total amount of EUR 2 million, with a repayment period of 10 years. The table below summarises the assets and liabilities derecognised from Fortaco's balance sheet in connection with the sale, and the realised sales loss.

### Fortaco Zrt., sales loss calculation

1,000 EUR

Inventories	-1,416
Trade and other receivables	-3,244
Cash	-318
Other liabilities	167
Non-current provisions	221
Current provisions	33
Trade and other payables	3,474
<b>Net assets</b>	<b>-1,083</b>
Sales price, receivable in cash	0
<b>Total consideration</b>	<b>0</b>
<b>Translation differences</b>	<b>-3,106</b>
<b>Sales loss</b>	<b>-4,189</b>
Sales price, received in cash	0
Cash and cash equivalents sold	318
<b>Cash flow impact</b>	<b>-318</b>

## Assets held for sale

On 4 July 2024, Fortaco announced that Fortaco Group Holdco Plc's subsidiary, Fortaco Oy, had signed an agreement to sell its marine and energy business in Kalajoki and Sepänkylä in Finland to Componenta, an international technology company and a Finnish contract manufacturer of metal components. The total purchase price is approximately 2.8 million euros. The business transaction was completed on October 1, 2024, and the related real estate transaction is expected to be completed during H2/2025. The transaction is part of the strategic evaluation of Fortaco's marine, energy, and heavy project businesses announced on 28 February 2024.

In 2023, the net sales of the Business Site Kalajoki & Sepänkylä were approximately EUR 9.6 million and EBITDA approximately EUR -1.6 million. In January–June 2024, the net sales of the Business Site were approximately EUR 7.0 million and EBITDA approximately EUR 25 thousand. The Business Site employs in total about 60 people. All personnel will be transferred to Componenta with existing terms and conditions.

In the fair value determination performed within the Group, the company's assets were valued at the transfer price, and the impairment of the company's long-term assets amounted to a total of EUR 1.8 million. The table below presents a summary of the short-term assets classified as held for sale and the related liabilities classified as held for sale.

### Fortaco Oy, sales profit calculation

#### 1,000 EUR

Inventory	1,800
Employee related provisions	-385
<b>Net assets</b>	<b>1,415</b>

Purchase price, received in cash	1,415
<b>Total consideration</b>	<b>1,415</b>

<b>Profit</b>	<b>0</b>
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Purchase price, received in cash	1,415
Cash and cash equivalents	0
<b>Cash flow impact</b>	<b>1,415</b>

### Assets held for sale and related liabilities 31.12.2024

1,000 EUR	Carrying amount 31.12.2024
<b>ASSETS</b>	
<b>Current assets</b>	
Intangible assets	75
Tangible assets	925
<b>Total non-current assets</b>	<b>1,000</b>
<b>Assets held for sale</b>	<b>1,000</b>
<b>LIABILITIES</b>	
<b>Liabilities held for sale</b>	<b>0</b>

## 11. Significant events after the reporting period

As announced on November 4, 2024, Lars Hellberg, former President & CEO of Fortaco Group, retired on January 1, 2025, and Mika Mahlberg started as the new President & CEO on the same day. Connected to this change, Lars Hellberg was nominated as a Supervisory Board member to begin January 3, 2025, and stepped down simultaneously from his Board of Directors membership. Mika Mahlberg was nominated to be a member of the Board of Directors from January 3, 2025 onwards. Beginning January 3, 2025, Fortaco's Supervisory Board consisted of Panu Routila (Chairman of the Supervisory Board), Lars Hellberg, Marc Lindhorst, Sebastian Schatton, and Markus Sjöholm.

## 12. Structure of the Group

During the financial year, Fortaco Group divested its legal entity Fortaco Zrt in Hungary and the company has not been part of Fortaco as of 30 June 2024.

On 1 October 2024, Fortaco sold its marine and energy business in Kalajoki and Sepänkylä in Finland to Componenta, an international technology company and a Finnish contract manufacturer of metal components. The unit has not been part of Fortaco Group as of 1 October 2024.

Additionally, Fortaco bought the remaining shares in Fortaco JL Sp. z o.o., increasing its ownership to 100 per cent.



## Formulas of alternative performance measures

EBITDA	Operating profit + depreciation + amortisation + impairments
EBITA	Operating profit + amortisation + impairments
Recurring EBITDA	Operating profit + depreciation + amortisation + impairments +/- non-recurring items
Recurring EBITA	Operating profit + amortisation + impairments +/- non-recurring items
Non-recurring items	Certain costs or income not related to the ordinary course of business, including restructuring costs, strategic development projects and transaction costs
Return of Capital Employed % (ROCE)	Recurring EBITA (annualised) / (total assets – current liabilities)
Equity ratio	(Equity + subordinated shareholder loans) / total assets
Net debt	Current and non-current interest-bearing liabilities + M&A liabilities - total liquidity
Net gearing	Net gearing = net debt / (total equity + subordinated shareholder loans)

## Reconciliation of Alternative Performance Measures

The following table sets forth a reconciliation of the Alternative Performance Measures as of the dates and for the periods indicated.

### Reconciliation of recurring EBITDA and recurring EBITA

MEUR	10-12/24	10-12/23	01-12/24	1-12/23
EBIT	-6.0	-2.9	-24.2	1.0
Amortisation and impairments	1.8	1.4	16.8	4.1
<b>EBITA</b>	<b>-4.3</b>	<b>-1.5</b>	<b>-7.4</b>	<b>5.0</b>
Depreciation	4.0	4.0	14.9	12.3
<b>EBITDA</b>	<b>-0.3</b>	<b>2.5</b>	<b>7.6</b>	<b>17.3</b>
<b>Non-recurring items</b>				
Transaction costs	0.7	1.5	2.9	2.9
Other non-recurring items	3.5	1.0	8.1	4.2
<b>Non-recurring items, total</b>	<b>4.2</b>	<b>2.5</b>	<b>11.1</b>	<b>7.1</b>
<b>Recurring EBITDA</b>	<b>3.9</b>	<b>5.0</b>	<b>18.6</b>	<b>24.4</b>
<b>Recurring EBITA</b>	<b>-0.1</b>	<b>1.0</b>	<b>3.7</b>	<b>12.2</b>

Note: A retrospective correction has been made to exclude impairment costs from EBITA and Recurring EBITA impacting all presented periods in above table.

Financials include MauserCABS since September 2023 and Buisard since 24 October 2023.