

INTERIM REPORT

Q1/2025

AGENDA



Safety and Sustainability

Operational and Financial Performance in Q1/2025

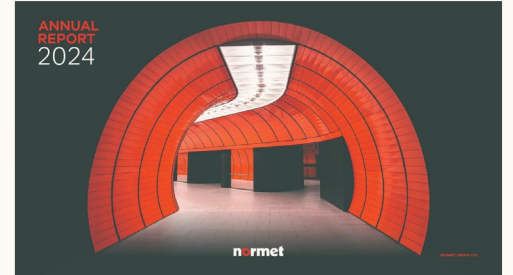
SECURING A SAFE AND SUSTAINABLE FUTURE

Normet's ambition is to achieve "zero harm" through helping our customers to build and operate the safest places underground. Safety is one of the top priorities across mining, tunnelling and civil construction industries and for our customers – we strive to make positive safety contributions wherever we operate.

Normet has continued actions to improve safety performance and concluded the reporting period with a Lost Time Injury Frequency Rate (LTIFR) of 1.7 (Q1/2024: 2.4). The LTIFR calculation methodology has been changed, effective January 1, 2025, to include hours worked by Normet contingent workers whereas previously they were excluded. This change is in line with normal industry standards.

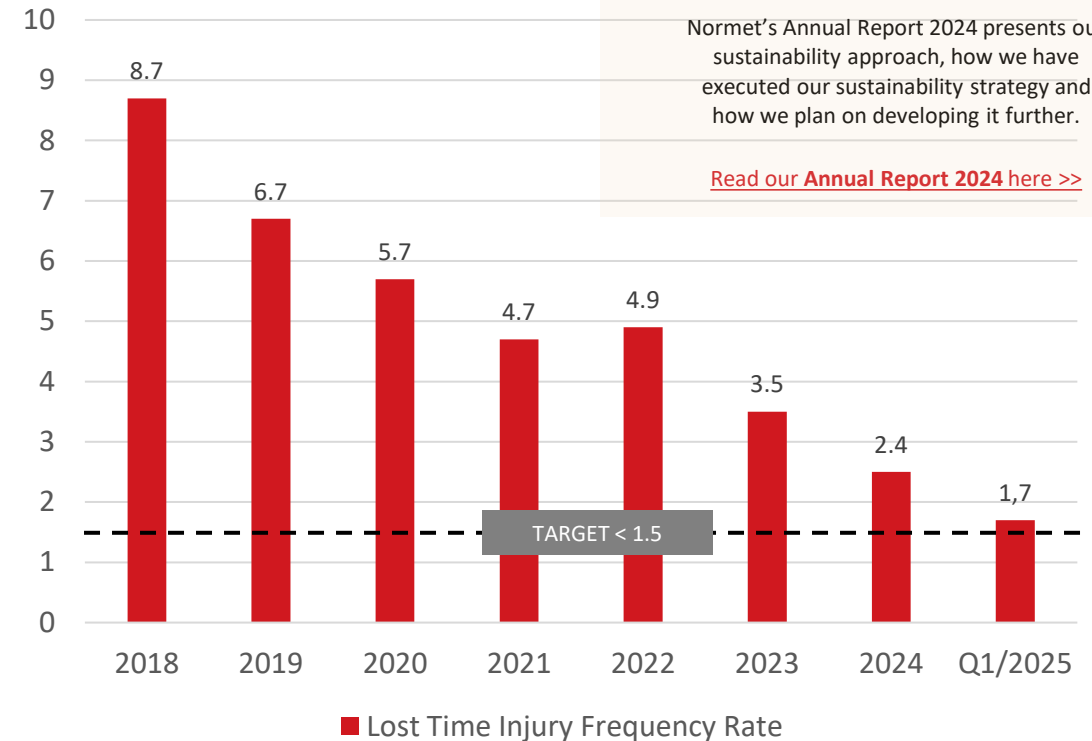
We recorded one lost time injury this quarter compared with two in Q1/2024 and our positive intervention index improved to 2.2 this quarter from 1.54 in Q1/2024.

Key safety themes in the quarter included a refocus on driving and travel safety.



Normet's Annual Report 2024 presents our sustainability approach, how we have executed our sustainability strategy and how we plan on developing it further.

[Read our Annual Report 2024 here >>](#)



Calculated per 1,000,000 hours worked; rolling 12 months. 2024 acquisition Lekatech Oy and contingent workers included in the figures from January 1, 2025.



OPERATIONAL AND FINANCIAL PERFORMANCE Q1/2025

MAIN HIGHLIGHTS IN Q1/2025

MAJOR ORDERS

Normet experienced a significant increase in mobile equipment market activity levels across all Sales Areas. We expect to make announcements related to several significant orders in Q2.

We are also pleased to have secured 3+1 year contract extension of a prominent site service agreement where we maintain and support a fleet of Normet diesel- and battery-powered underground vehicles.

There was positive progress across several markets, namely Europe, Nordics and Africa in securing new orders for the range of Normet XRock® stationary breakers and boom assemblies including systems that include XRock® automation.

OPERATIONS

January saw the introduction of a fourth Business Line, BL New Businesses into our operating model. New Businesses, headed by SVP Kari Hämäläinen will focus on the growth and development of new businesses including Aliva and Normet XRock®.

Normet's new entity in Botswana is now operational and actively supporting local customers across several exciting underground mining projects.

INNOVATION AND TECHNOLOGY

To maintain Normet's position as a technology leader and to enhance our innovation capabilities, we established a new Technology Function in Q1. This new Function is headed by VP Olli Mylläri and their initial priorities will focus around technological development and research covering the fields of automation, electrification, control systems, connectivity, analytics, and other software domains.

In Q1, we have reached the milestone of 1,000 connected equipment! This is a remarkable achievement and a testament to the hard work and dedication of everyone involved over the past three years. Connectivity provides the opportunity for Normet to considerably enhance our customer service levels and optimize the safe, efficient and productive operation of Normet equipment.

PRESIDENT AND CEO COMMENT



PERFORMANCE

Whilst we experienced a positive improvement in market demand, especially for our mobile equipment, our sales development was very disappointing and significantly behind our plan. Slower delivery of mobile equipment in Q1 is the main contributor to the lower sales however other Business Lines were also softer than expected. We do expect a strong pick up as the year progresses in equipment sales and given the strong momentum in mining and attractive metal prices, a stronger remainder of the year in Services, consumables and Breakers.

Profitability across all Business Lines were impacted by lower volumes and negative FX and is far below our expectations.

Operative NWC improved resulting in positive cash flow in the quarter. On a year-on-year basis, the improvement in NWC was primarily driven by inventory reductions in all Business Lines, particularly in the Equipment Business Line.

Our immediate short-term focus is on translating more equipment opportunities into orders and improving our sales development and profitability.

OUTLOOK

Demand for Normet's products and expertise, customer process improvements, services and consumables is expected to remain high.

We have seen strong conversion of pipeline opportunities into firm orders in the early part of Q2 which gives us confidence in the outlook for a much stronger remainder of the year.

ED SANTAMARIA
President and CEO

KEY FIGURES

	Jan-Mar 2025	Jan-Mar 2024	2024
Order intake, MEUR	112	112	454
Net sales , MEUR	100	113	482
EBITDA , MEUR	8	17	79
EBITDA %	7,9 %	15,2 %	16,4 %
EBITA , MEUR	4	13	61
EBITA %	3,8 %	11,4 %	12,7 %
Operating profit , MEUR	2	11	53
Operating profit %	2,4 %	9,8 %	11,1 %
Comparable EBITA , MEUR	4	14	63
Comparable EBITA %	4,1 %	12,1 %	13,2 %
Comparable Operating profit , MEUR	3	12	56
Comparable Operating profit %	2,6 %	10,5 %	11,6 %
Net profit , MEUR	0	4	41
Net profit %	-0,1 %	4,0 %	8,5 %
Total assets , MEUR	498	500	503
Interest-bearing net liabilities	119	130	126
Number of personnel (12-month rolling average)	1 834	1 823	1 827
Return on equity %	20,1 %	18,8 %	23,2 %
Gearing %	59,8 %	76,4 %	62,8 %
Equity to asset ratio %	41,3 %	35,4 %	41,0 %

Order intake 0% at MEUR 112. New orders remained on the comparison period level. Equipment had a strong start in APAC. Eastern hemisphere being performing stronger in Services.

Net sales stood at MEUR 100, a -11% y-o-y decline. This was primarily driven by slow start in business line Equipment being 35% lower than on the comparison period. The net sales accumulation in Equipment is significantly leaning towards the latter part of the year. The net sales in GCCT declined also by 17%. Services y-o-y development was levelled. In the period especially Services and Equipment top lines were heavily burdened by the unrealized currency translation losses.

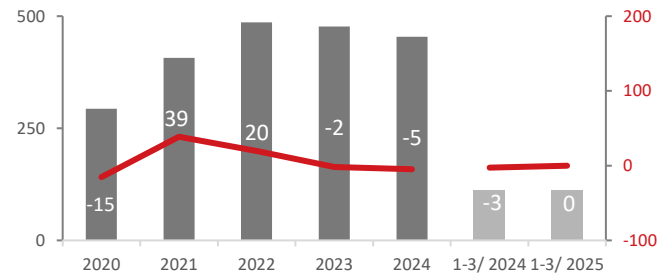
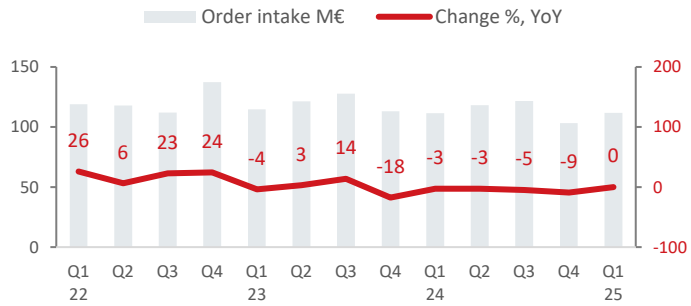
Comparable Operating profit 2.6% (10.5%) and MEUR 3 (12). Currency translation losses impacted all the business lines. In addition, the profitability in Equipment was affected by the low delivery volumes during the period. Eliminating the currency effect Services performed at the similar level to comparison period. In GCCT low delivery volumes burdened the profitability.

Net profit -0.1% (4.0%) and MEUR 0 (4).

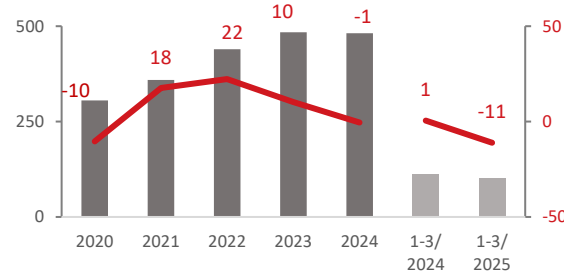
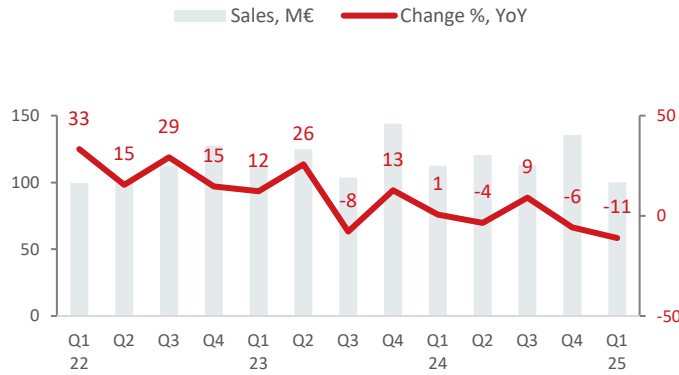
Gearing 59.8% (76.4%) improved from year ago and from the year end 2024.

KEY FIGURES

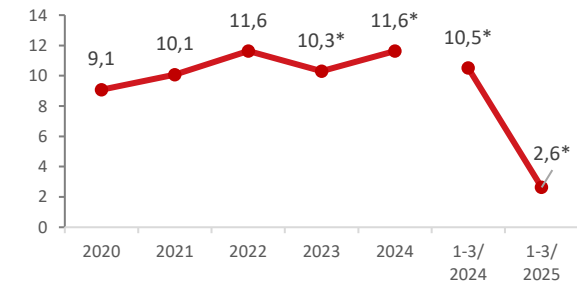
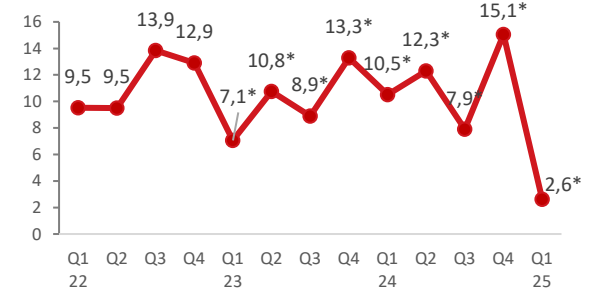
ORDER INTAKE



NET SALES



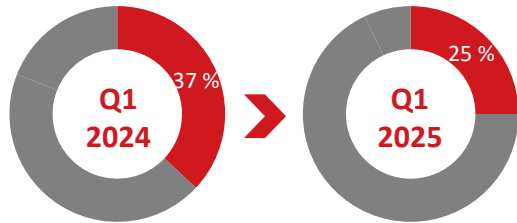
COMPARABLE OPERATING PROFIT %*



*Comparable Operating Profit % (excluding the items affecting comparability). Note that periods prior to financial year 2023 are not fully comparable.

BUSINESS LINE PERFORMANCE Q1/2025

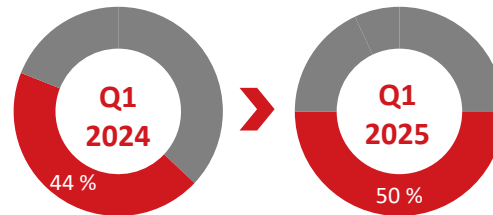
EQUIPMENT, net sales



Share of Group net sales

- Net sales decreased y-o-y by -35%*
- Proposal activity on record high level in mining segment.
- Normet has expanded its global spraying equipment offering with the all new Spraymec 4100 and the global launch of the Spraymec 5100. Both products will be produced at our Center Of Excellence India.

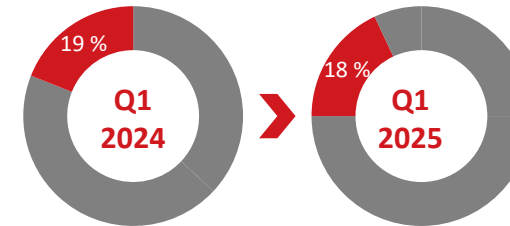
SERVICES, net sales



Share of Group net sales

- Net sales decreased y-o-y by -3%*
- Solid performance in existing recurring revenue contracts.
- New multi-year extended scope service contract signed in Eurasia.
- Strong start of the year in DRC.

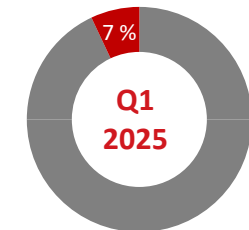
GCCT, net sales



Share of Group net sales

- Net sales decreased y-o-y by -17%
- Mining segment continued to outperform the target in North America.
- Strong Australian chemical sales, the first signs of turnaround in Indian mega infrastructure projects.

New Businesses, net sales



Share of Group net sales

- Solid start of the year for our Aliva range in challenging construction market environment.
- Several new orders secured in Africa, Nordics and Canada for Xrock systems.
- Discussions initiated for industrial partnership in open pit segment with Xrock.

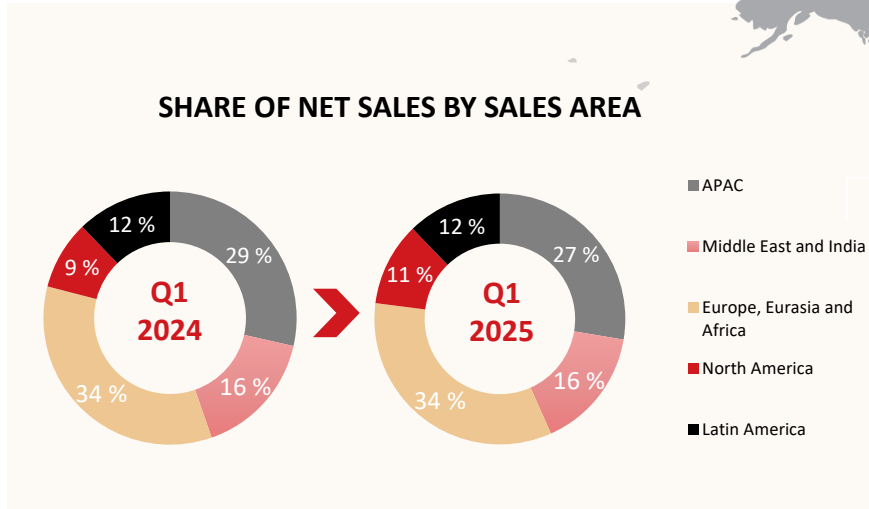
* New Businesses has been separated as its own Business Line as of January 1, 2025. Comparison period has not been restated. In full year 2024, 8% of Equipment's and 7% of Services' net sales consisted of New Businesses products.

BUSINESS LINE DEVELOPMENT – NET SALES (MEUR)

(External Net sales)	Q1 2025	Q1 2024	Change %	2024
EQUIPMENT	25	39*	-35%*	182
SERVICES	50	51*	-3%*	215
GCCT	18	22	-17%	86
NEW BUSINESSES	7			
GROUP TOTAL	100	113	-11%	482

* Comparison effected by separating New Businesses as its own Business Line as of January 1, 2025. Comparison period has not been restated.

GEOGRAPHICAL REACH IS A KEY DIFFERENTIATING FACTOR



NORMET AMERICAS
SALT LAKE CITY (USA)

NORMET FINLAND
ESPOO (FINLAND)

NORMET CHINA
SHANGHAI (CHINA)

NORMET INDIA
NOIDA (INDIA)

NORMET CHILE
SANTIAGO (CHILE)

NORMET SOUTH AFRICA
JOHANNESBURG (SOUTH AFRICA)

NORMET ASIA-PACIFIC
ADELAIDE (AUSTRALIA)

NORTH AMERICA
Canada
Mexico
USA

SOUTH AMERICA
Brazil
Chile
Peru

EUROPE
Austria
Finland
France
Sweden
Switzerland
United Kingdom

AFRICA
Botswana
Democratic Republic of Congo
Ghana
South Africa
Zambia

MIDDLE EAST
Qatar

EURASIA
Kazakhstan
Mongolia
Uzbekistan

INDIA
CHINA

APAC
Australia
Hong Kong
Indonesia
Japan
Singapore
Taiwan

KEY FINANCIALS INTERIM REPORT Q1/2025

(IFRS, UNAUDITED)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

EUR thousand	1.1. - 31.3.2025	1.1. - 31.3.2024	Change%	1.1. - 31.12.2024
NET SALES	100 061	112 542	-11 %	481 843
Materials, supplies and subcontracting	-46 563	-51 087	-9 %	-227 747
Personnel cost	-30 378	-29 863	2 %	-114 842
Depreciation and impairments	-5 553	-6 055	-8 %	-25 605
Other operating expenses and income, net	-15 172	-14 523	4 %	-60 217
Operating profit	2 395	11 014	-78 %	53 431
Financing income	1 450	1 306	11 %	5 050
Financing expenses	-4 432	-6 057	-27 %	-16 522
Share of profit/loss accounted for using the equity method	511	-200	-355 %	416
PROFIT/LOSS BEFORE TAX	-76	6 063	-101 %	42 375
Tax on income from operations	17	-1 576	-101 %	-1 376
PROFIT/LOSS FOR THE PERIOD	-58	4 486	-101 %	40 998
OTHER COMPREHENSIVE INCOME				
Items that will not be reclassified to profit or loss				
Remeasurement of defined benefit plan	0	0		-823
Items that may be reclassified subsequently to profit or loss				
Exchange differences on translating foreign operations	-1 215	-7	17255 %	-4 966
Net investment hedging	0	0		1 710
Other comprehensive income for the period, net of tax	-1 215	-7	17255 %	-4 079
Total comprehensive income	-1 273	4 480	-128 %	36 919
Profit attributable to:				
Owners of the parent company	-275	4 254	-106 %	40 567
Non-controlling interests in net income	217	232	-6 %	432
	-58	4 486	-101 %	40 998
Total comprehensive income attributable to:				
Owners of the parent company	-1 442	4 248	-134 %	36 830
Non-controlling interests	169	232	-27 %	90
	-1 273	4 480	-128 %	36 919

CONSOLIDATED BALANCE SHEET

EUR thousand	1.1. - 31.3.2025	1.1. - 31.3.2024	1.1. - 31.12.2024
ASSETS			
NON-CURRENT ASSETS			
Intangible assets	34 392	29 174	34 723
Goodwill	44 790	35 386	44 853
Property, plant, equipment	47 818	48 258	47 026
Right-of-use assets	18 637	20 427	20 444
Investments accounted for using the equity method	5 090	5 135	4 479
Other non-current financial assets	53	365	53
Non-current trade and other receivables	2 816	3 330	3 206
Deferred tax asset	24 706	18 070	24 354
NON-CURRENT ASSETS	178 301	160 144	179 138
CURRENT ASSETS			
Inventories	163 856	184 884	159 676
Trade receivables and other receivables	106 906	113 602	118 954
Tax Receivable, income tax	2 545	4 456	3 124
Cash and cash equivalents	46 230	36 986	42 031
CURRENT ASSETS	319 537	339 928	323 784
ASSETS	497 838	500 073	502 922
EQUITY AND LIABILITIES			
Owners of the parent company			
Share capital	3 423	3 423	3 423
Share premium	3 350	3 350	3 350
Unrestricted equity reserve	6 758	3 013	6 758
Hybrid bond	29 693	29 693	29 693
Reserves	618	311	618
Translation differences	-11 403	-8 524	-10 236
Retained earnings	160 479	135 441	160 785
Owners of the parent company	192 919	166 707	194 392
Non-controlling interests	6 053	3 036	5 884
EQUITY	198 971	169 743	200 275

EUR thousand	1.1. - 31.3.2025	1.1. - 31.3.2024	1.1. - 31.12.2024
NON-CURRENT LIABILITIES			
Non-current liabilities, interest-bearing	153 530	156 369	155 499
Non-current interest-free liabilities	7 532	14 854	8 086
Non-current provisions	2 351	1 057	2 263
Liabilities from defined benefit plan	2 097	1 318	2 122
Deferred tax liability	5 140	5 615	5 054
NON-CURRENT LIABILITIES	170 651	179 214	173 023
CURRENT LIABILITIES			
Current interest-bearing liabilities	9 538	10 180	10 152
Trade Payables and Other Liabilities	114 254	125 588	107 380
Tax liability, income tax	3 672	13 701	11 020
Current provisions	752	1 647	1 072
CURRENT LIABILITIES	128 216	151 116	129 623
Liabilities	298 867	330 330	302 647
EQUITY AND LIABILITIES	497 838	500 073	502 922

CONSOLIDATED STATEMENT OF CASH FLOWS

EUR Thousand	1.1.-31.3.2025	1.1.-31.3.2024	1.1.-31.12.2024
Cash flow from operating activities			
Profit for the period	-58	4 486	40 998
Depreciation, amortisation and impairment	5 553	6 055	24 919
Gains and losses of disposals of fixed assets	-299	0	0
Share of profit/loss accounted for using equity method	-511	726	-2 586
Unrealised foreign exchange gains and losses	3 325	200	-416
Financial income and expenses	1 684	4 092	3 306
Other items without cash flow impact	1 027	4 751	11 472
Taxes	-17	1 576	1 376
Change in provisions	-139	2 561	240
Other adjustments	0	-832	0
Operating income before change in net working capital	10 565	23 617	79 311
Change in inventories	-9 597	-10 446	15 403
Change in interest-free current receivables	10 718	2 117	-4 868
Change in interest-free current liabilities	6 782	6 828	-13 801
Change in net working capital	7 903	-1 502	-3 266
Financial expense	-2 554	-4 537	-11 689
Financial income	399	420	1 371
Income taxes paid	-7 526	-4 124	-9 624
Net cash from operating activities	8 787	13 874	56 103

EUR Thousand	1.1.-31.3.2025	1.1.-31.3.2024	1.1. - 31.12.2024
Cash flow from investing activities			
Purchase of tangible and intangible assets	-2 237	-4 849	-22 670
Proceeds from sale of tangible and intangible assets	668	137	5 291
Acquisition of a subsidiary and business acquisitions, net of cash acquired	0	0	-8 017
Net cash used in investing activities	-1 569	-4 712	-25 396
Cash flow from financing activities			
Share issue	0	0	155
Proceeds from loans	139 531	0	21 285
Loan repayments	-140 262	-7 729	-31 000
Repayment of lease liabilities	-1 753	-1 576	-6 751
Hybrid bond interest and expenses	0	0	-2 775
Dividends paid	-10	0	-6 189
Net cash from financing activities	-2 494	-9 305	-25 275
Change in cash and cash equivalents, increase (+) / decrease (-)	4 723	-233	5 432
Cash and cash equivalents, at beginning	42 031	37 084	37 085
Change in cash and cash equivalents, increase (+) / decrease (-)	4 723	-233	5 432
Effects of exchange rate fluctuations on cash held	-524	135	-486
Cash and cash equivalents, at end	46 230	36 986	42 031

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

EUR thousand	Share capital	Share premium	Paid in capital	Hybrid bond	Reserves	Translation difference	Retained earnings	Total	Non-controlling interest	Total equity
Balance at January 1, 2025	3 423	3 350	6 758	29 693	618	-10 236	160 785	194 392	5 884	200 275
Dividend paid to equity holders							-10	-10	0	-10
Other changes							-21	-21	0	-21
Profit for the period							-275	-275	217	-58
Other comprehensive income						-1 167	0	-1 167	-48	-1 215
Total comprehensive income	0	0	0	0	0	-1 167	-275	-1 442	169	-1 273
Balance at March 31, 2025	3 423	3 350	6 758	29 693	618	-11 403	160 479	192 919	6 053	198 971

EUR thousand	Share capital	Share premium	Paid in capital	Hybrid bond	Reserves	Translation difference	Retained earnings	Total	Non-controlling interest	Total equity
Balance at January 1, 2024	3 423	3 350	3 013	29 693	316	-7 928	130 618	162 486	2 795	165 281
Other changes					-5	-596	575	-26	9	-17
Profit for the period							4 254	4 254	232	4 486
Other comprehensive income							-7	-7	0	-7
Total comprehensive income	0	0	0	0	0	0	4 248	4 248	232	4 480
Balance at March 31, 2024	3 423	3 350	3 013	29 693	311	-8 524	135 441	166 707	3 036	169 743

NOTES TO INTERIM REPORT

BASIS OF PREPARATION

This unaudited and condensed consolidated financial statement information of Normet Group has been prepared in accordance with IAS 34 “Interim Financial Reporting” and it should be read in conjunction with the consolidated financial statements for 2024 prepared in accordance with IFRS as published by the IASB and adopted by the EU. The same accounting policies, methods of computation and applications of judgment are followed in this financial statement information as was followed in the consolidated financial statements for 2024. This financial report was authorized for issue by management on April 30, 2025. Percentages and figures presented herein may include rounding differences and therefore may not add up precisely to the totals presented and may vary from previously published financial information.

ACCOUNTING ESTIMATES AND JUDGEMENTS

IFRS requires management to make estimates and judgements that affect the reported amounts. The most significant accounting estimates and judgements made by management relate to customer contracts, impairment of goodwill, valuation of inventories and trade receivables, provisions and deferred tax assets and liabilities. Although these estimates are based on the management’s best knowledge of current events and actions, the actual results may differ from the estimates used in the financial statements.

NEW ACCOUNTING STANDARDS

Normet Group has applied the revised IFRS Standards that have been effective since January 1, 2025. These amendments have not had a material impact on the reported figures.

NOTES TO INTERIM REPORT

MATERIAL DEBT INSTRUMENTS

In May 2023, Normet Group Ltd. issued capital securities in the amount of EUR 30.0 million. The hybrid bond bear interest at a fixed interest rate of 9.25 per cent until the reset date of June 19, 2025 and thereafter, at a floating interest rate as described in the terms and conditions of the hybrid bond. The hybrid bond does not have a specified maturity date, but the Company is entitled to redeem them for the first time on June 19, 2025, and thereafter, on each interest payment date.

In January 2025, to refinance existing loans, Normet Group Oy signed a new three-year financing agreement totaling EUR 200 million, with an option to extend its maturity by 1-2 years depending on the facility. This arrangement replaced the former EUR 200 million facility agreement which was paid back at the same time. The covenants and the covenant levels remained unchanged from the previous agreement. As of March 31, 2025, the Group has approximately EUR 60 million of undrawn credit facility at its disposal.

The company's borrowing arrangements include security instruments and covenants. The company's borrowing arrangements also involve pledge restrictions. At the end of the reporting period, the Group has interest-bearing liabilities amounting to EUR 140 million whose conditions included covenants which are based on the Group's net liabilities/EBITDA and the Group's equity ratio. The covenants are tested on a quarterly basis.

The fair values of financial assets and liabilities are materially consistent with their carrying amounts. For this reason, they are not presented separately in the report.

NOTES TO INTERIM REPORT

ACQUISITIONS

Acquisitions 2025

There has not been any acquisitions during 2025.

Acquisitions 2024

Acquired unit	Business unit	Acquisition type	Acquisition period	Number of employees
Lekatech Oy	All	Share	August	13

ACQUIRED NET ASSETS AND GOODWILL

	31.3.2025	31.12.2024
Intangible assets	0	3 950
Tangible assets	0	576
Inventories	0	58
Trade and other receivables	0	392
Cash and cash equivalents	0	303
Total assets	0	5 279
Trade payables	0	33
Loans	0	855
Deferred tax liabilities	0	550
Other liabilities	0	339
Total liabilities	0	1 776
Net assets	0	3 503
Acquisition cost paid in cash during the fiscal period	0	7 702
Holdback, to be paid during future fiscal years	0	2 542
Fair value of previously held equity interest **	0	2 491
Goodwill	0	9 232

**Fair value adjustment of previous ownership amounts to EUR 1,3 million

NOTES TO INTERIM REPORT

PERSONNEL

	31.3.2025	31.3.2024	31.12.2024
Personnel, 12 months rolling average	1 834	1 823	1 827

Return on Equity %	=	$\frac{\text{Net Profit, 12-month average}}{\text{Average Total Equity}}$
Equity to Asset Ratio %	=	$\frac{\text{Total Equity}}{\text{Total Assets}}$
Interest-bearing net liabilities	=	Non-current interest-bearing liabilities + Current interest-bearing liabilities ./. Cash and cash equivalents
Gearing	=	$\frac{\text{Interest-bearing net liabilities}}{\text{Total Equity}}$
EBITA	=	Operating result ./. Amortization of intangible assets
EBITDA	=	Operating result ./. Amortization of intangible assets and depreciations
Comparable adjusted EBITA	=	Operating result before interest, tax and amortization ./. Items affecting comparability
Comparable Operating result	=	Operating result ./. Items affecting comparability
Cash conversion %	=	$\frac{\text{Net cash from operating activities}}{\text{EBITDA}}$

NOTES TO INTERIM REPORT

ALTERNATIVE PERFORMANCE MEASURES

Normet uses and discloses the following alternative performance measures (APM) to better illustrate the operative development of its business.

Items affecting comparability (IAC)

Certain income and expenses are presented as items affecting comparability when they have significant impact on the consolidated statement of income. Items affecting comparability consist of income and expenses, which result from restructuring activities aiming to adjust the capacity of Normet's operations. They may also include other income and expenses incurred outside Normet's normal course of business, such as impairment charges, M&A related costs (e.g. acquisitions, liquidations), settlements recognized as a result of legal proceedings with third parties or unforeseen obligations from earlier discontinued businesses.

EUR thousand	31.3.2025	31.3.2024	31.12.2024
Operating profit (EBIT)	2 395	11 014	53 431
Amortization of intangible assets	1 440	1 816	7 476
Impairments of intangible assets	0	0	442
EBITA	3 835	12 830	61 349
Transactions costs from business combinations	0	1 040	181
Impairments	0	0	244
Restructuring costs	0	822	1 559
Other	237	0	167
Comparable EBITA	4 072	13 652	63 499
Amortization of intangible assets	-1 440	-1 816	-7 476
Comparable EBIT	2 632	11 836	56 023
Operating profit (EBIT)	2 395	11 014	53 431
Amortization and impairment of intangible assets	1 440	1 816	7 918
Depreciations	4 113	4 239	17 687
EBITDA	7 948	17 069	79 036

