

PONSSE'S INTERIM REPORT FOR 1 JANUARY – 30 JUNE 2025

April-June:

- Net sales amounted to EUR 172.3 (188.0) million
- Operating profit totalled EUR 7.4 (-0.6) million, equalling 4.3 (-0.3) per cent of net sales

January-June:

- Net sales amounted to EUR 357.7 (357.7) million
- Operating profit totalled EUR 20.6 (0.6) million, equalling 5.7 (0.2) per cent of net sales
- Net result was EUR 16.1 (-11.7) million
- Earnings per share were EUR 0.58 (-0.42)
- Order books stood at EUR 192.5 (210.4) million at the end of the period under review
- Cash flow from business operations was EUR 4.6 (25.4) million
- Equity ratio was 60.1 (52.8) per cent at the end of the period under review
- The company's euro-denominated operating profit is estimated to be slightly higher in 2025 than in 2024 (EUR 36.8 million)

PRESIDENT AND CEO JUHO NUMMELA:

The forest machine market performed reasonably well in the second quarter. Our order intake totalled EUR 177.2 million. The order flow for new machines was ultimately slightly weaker than during the first quarter. At the end of the period, the company's order books stood at EUR 192.5 (210.4) million.

Persisting uncertainty in tariff policies and the challenging geopolitical situation continued to affect market dynamics. Uncertainty continued, and the forest machine market was slightly calmer than usual. It is hoped that the trade agreement signed between the EU and the United States after the second quarter will help stabilise the situation and reduce uncertainty. Among the markets, Finland and Sweden performed well, with additional support from major Central European markets, driven by renewed momentum in Germany and France.

Our net sales decreased slightly, amounting to EUR 172.3 (188.0) million in the second quarter. A year-on-year decline in new machine deliveries had a negative impact on net sales. The sales of used machines grew slightly, and net sales from maintenance services remained at a good level, supported by our customers' reasonably good workload situation. Ponsse's technology company Epec was on a growth path during the past quarter.

Our operating profit was reasonable during the second quarter, and our relative profitability was 4.3 (-0.3) per cent. The operating profit fell short of the targets due to lower-than-expected net sales. Active measures to reduce costs progressed as planned.

Cash flow in the review period was EUR 4.6 (25.4) million. Stock levels have increased slightly since the turn of the year in terms of both used and new machines. The company's solvency remained very good. Ponsse's self-sufficiency continued to develop favourably.

Ponsse is currently celebrating its 55-year history with an anniversary tour that started in Finland in early 2025. The tour has continued in the United States and Central Europe throughout the summer,

and we are particularly excited about the upcoming autumn events celebrating the 55th anniversary. Together with our customers, we are celebrating the first 55 years of Ponsse in more than ten countries around the world throughout the year.

NET SALES

Consolidated net sales for the period under review amounted to EUR 357.7 (357.7) million, which is the same as in the comparison period. International business operations accounted for 75.7 (72.8) per cent of net sales.

Net sales were regionally distributed as follows: Nordic countries and the Baltics 45.5 (47.5) per cent, Central and Southern Europe 23.7 (22.5) per cent, North America 14.3 (13.1) per cent, South America 14.3 (14.4) per cent and Asia, Australia and Africa 2.2 (2.5) per cent.

PROFIT PERFORMANCE

The operating profit amounted to EUR 20.6 (0.6) million. The operating profit equalled 5.7 (0.2) per cent of net sales for the period under review. The impact on profit of the Brazilian Full Service contract for the period under review was EUR -2.6 million. There is a provision of EUR 10.6 million on the Group's balance sheet for a loss-making contract. The contract is fixed-term and will expire at the end of 2026. In the comparison period the operating profit included an expense of EUR 18.6 million related to the Brazilian Full service contract, of which the impact of realized loss was EUR 8.4 million and the change in the provision related to the fulfilment of contractual obligations amounted to EUR 10.2 million.

Consolidated return on capital employed (ROCE) stood at 10.8 (-2.4) per cent.

Staff costs for the period under review totalled EUR 62.8 (58.0) million. Other operating expenses stood at EUR 41.1 (55.6) million. The cost impact of the loss-making Full Service contract of the Brazilian subsidiary is included in other operating expenses. The net total of financial income and expenses amounted to EUR -0.4 (-8.4) million. Exchange rate gains and losses due to currency rate fluctuations were recognised under financial items, having a net impact of EUR 0.5 (-6.1) million. During the period under review, EUR 0.3 million of revaluation profits on interest rate swaps were recognised in the result. The parent company's receivables from subsidiaries stood at EUR 140.6 (144.1) million net. Receivables from subsidiaries mainly consist of trade receivables.

Result for the period under review totalled EUR 16.1 (-11.7) million. Diluted and undiluted earnings per share (EPS) came to EUR 0.58 (-0.42).

STATEMENT OF FINANCIAL POSITION AND FINANCING ACTIVITIES

At the end of the period under review, the total consolidated statements of financial position amounted to EUR 541.7 (568.5) million. Inventories stood at EUR 236.9 (240.7) million. Trade receivables totalled EUR 51.2 (62.2) million, while cash and cash equivalents stood at EUR 46.2 (53.9) million. The EUR 3 million receivable related to sale of all Ponsse's shares in its Russian subsidiary, OOO Ponsse matured in March 2025. The payment period for the receivable has been extended to December 2025. Group shareholders' equity stood at EUR 323.4 (298.9) million and parent company shareholders' equity (FAS) at EUR 304.6 (293.0) million. The amount of interest-bearing liabilities was

EUR 68.3 (102.7) million. The company has ensured its liquidity by credit facility limits and commercial paper programs. Group's loans from financial institutions are non-collateral bank loans without financial covenants. Consolidated net liabilities totalled EUR 22.1 (48.8) million, and the debt-equity ratio (net gearing) was 6.8 (16.3) per cent. The equity ratio stood at 60.1 (52.8) per cent at the end of the period under review.

Cash flow from operating activities amounted to EUR 4.6 (25.4) million. Cash flow from investment activities came to EUR -9.8 (-11.0) million.

ORDER INTAKE AND ORDER BOOKS

Order intake for the period under review totalled EUR 361.7 (336.0) million, while period-end order books were valued at EUR 192.5 (210.4) million.

DISTRIBUTION NETWORK

With focus on sales and maintenance, the organisation is divided into five market areas: 1) Nordic countries and the Baltics; 2) Central and Southern Europe; 3) South America; 4) North America; and 5) Asia, Australia and Africa.

R&D AND CAPITAL EXPENDITURE

Group's R&D expenses during the period under review totalled EUR 12.6 (12.3) million, of which EUR 3.9 (5.1) million was capitalised.

Investments during the period under review totalled EUR 9.9 (11.3) million. In addition to capitalised R&D expenses, they consisted of investments in buildings and ordinary investments in machinery and equipment.

PERSONNEL

The Group had an average staff of 2,055 (2,113) during the period under review and employed 2,101 (2,112) people at the end of the period.

SHARE-BASED INCENTIVE PLANS

The Board of Directors of Ponsse Plc approved two new Ponsse Group's share-based incentive plans for the Group's CEO and key employees in 2023. A stock exchange release regarding the incentive plans was published on 3 March 2023. The aim of the new plans is to align the objectives of the shareholders and plan participants for increasing the value of the company in the long-term, to retain the participants at the company and to offer them competitive reward schemes that are based on earning and accumulating the company's shares. The Board of Directors of Ponsse Plc decided on new performance periods of share-based incentive plans in April 2025 and published a stock exchange release about them on 25 April 2025.

The CEO Performance-Based Share Ownership Plan

The CEO plan consists of five performance periods, calendar years 2023, 2023-2024, 2023-2025, 2024-2026 and 2025-2027. A restriction period is included in performance periods 2023 and 2023-2024, which begins from the reward payment and ends on 31 December 2025. The matching reward will be paid by the end of May 2024, 2025 and 2026. The matching shares delivered as a matching reward cannot be transferred during a restriction period that will end on 31 December 2025, 31 December 2026 and 31 December 2027. The performance-based reward will be paid by the end of May after the end of each performance period.

In year 2025, a total of 5,301 shares worth EUR 145,155 were paid for the 2024 performance period, with a cost impact of EUR 0.3 million for the company. A stock exchange release concerning these was issued on 30 June 2025.

During the performance period 2025-2027 of the CEO Performance-Based Share Ownership Plan, the rewards are based on the group's operating result, revenue, personnel satisfaction and injury frequency (LTIF). The amount of rewards to be paid based on the performance period 2025-2027 will correspond to an approximate maximum total of 50,000 Ponsse Plc shares, including also the portion to be paid in cash (gross reward). The matching shares delivered as a matching reward cannot be transferred during a restriction period that will end on 31 December 2027. The performance-based reward will be paid by the end of May 2028.

The payment of rewards under both the conditional and performance-based shareholding plans requires that the person's employment relationship continues.

Key Employee Performance-Based Matching Share Plan

The key employees' plan consists of three performance periods, each lasting for three calendar years: 2023–2025, 2024–2026 and 2025–2027. The prerequisite for participating in the performance period and receiving the reward is that the key employee participating in the plan acquires shares in the company at the beginning of the performance period. Ponsse delivers matching shares for the performance period in a 2:1 ratio: the key employee receives one (1) additional share for every two (2) shares they have acquired. The conditional reward will be paid in 2023, 2024 and 2025 after the acquisition of the investment shares and confirmation of the reward, as soon as practically possible. Shares received as conditional rewards may not be transferred during the restriction periods ending on 31 December 2025, 31 December 2026 and 31 December 2027. The performance-based reward will be paid by the end of May following the end of each performance period. The portion of the maximum reward to be paid to a participant is determined based on the achievement of the targets set for the earning criteria in relation to the investment made by the participant. The target group includes key employees, including the members of the Group Management Team, with the exception of the CEO.

The rewards for the 2023–2025 performance period of the key employees' matching share plan are based on the Group's operating result, net sales and employee satisfaction. The accident frequency rate has been added to the terms of the 2024–2026 and 2025–2027 performance periods. The rewards to be paid for the 2025–2027 performance period are estimated to correspond to no more than 60,000 Ponsse Plc shares (net reward). In addition, the company will pay the taxes and statutory social security contributions incurred by the participants in connection with the payment of the rewards. During the period under review, the costs related to the 2023–2025, 2024–2026 and 2025–2027 performance periods of the share based incentive plans amounted to a total of EUR 0.5 million.

For the performance periods that started in 2023, 2024 and 2025, the total cost impact of the share-

based incentive plans for the CEO and key employees is estimated to be around EUR 4.6 million for 2023–2027.

SHARE PERFORMANCE

The company's registered share capital consists of 28,000,000 shares. The trading volume of Ponsse Plc shares for 1 January – 30 June 2025 totalled 457,078, accounting for 1.63 per cent of the total number of shares. Share turnover amounted to EUR 11.5 million, with the period's lowest and highest share prices amounting to EUR 19.55 and EUR 30.00, respectively.

At the end of the period, shares closed at EUR 27.10, and market capitalisation totalled EUR 758.8 million.

At the end of the period under review, the company held 4,635 treasury shares.

ANNUAL GENERAL MEETING

A separate release was issued on 8 April 2025 regarding the authorizations given to the Board of Directors and other resolutions at the AGM.

SUSTAINABILITY

Ponsse has determined key sustainability targets for its business operations. Their implementation is promoted through annual function-specific targets and measures as part of the company's strategy process. Ponsse works to improve its people's well-being, create innovative sustainable solutions that respect nature, develop its operations without burdening nature, and be a reliable partner that values community.

During the second quarter, Ponsse carried out a climate risk assessment to identify risks and opportunities caused by climate change for its business operations, covering both transition and physical risks. In connection with the assessment, the company drew up climate scenarios for the first time, in accordance with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). Based on the climate scenario analysis, material risks related to the company's industry and areas of operation were identified and assessed, and the potential impacts of different climate-related development pathways on the company's and our customers' business operations were examined.

At the end of the second quarter, Ponsse published its first separate Code of Conduct for dealers and contractual service partners, along with related training. The guidelines are based on the company's Code of Conduct, which was updated at the beginning of the year. The Code of Conduct applies to all employees of the Group and, where applicable, to people, companies and entities outside Ponsse when they work with Ponsse or on Ponsse's behalf.

Ponsse Finland's non-discrimination plan and the related measures were discussed in the Group's cooperation management team. Key measures in the review period included diversity training, which was targeted at employees in production and human resources in particular. This training will continue in the second half of the year, targeted at the company's management and supervisors. The company made significant progress in safety, and its accident frequency rate (LTIF) was 7.4 (12.3) at the end of

the review period. The most important measures to promote safety work included the introduction of the Foundations of Safety operating model and training globally. Active monitoring and communication regarding safety have further reinforced the safety culture.

In addition, training was provided to production personnel on how to improve waste recycling and reduce the amount of waste generated. The training was based on updated waste management guidelines introduced in the second quarter. The implementation of these guidelines began in the company's production and maintenance service operations in Finland. The guidelines will be extended to Ponsse's country organisations during the second half of the year.

In the second quarter, Ponsse introduced an ESG system to support sustainability data management and sustainability reporting. The system will also enable automated carbon dioxide emission calculations in the future.

The Carbon Disclosure Project (CDP) awarded Ponsse a D rating for Water Security reporting and a C rating for Climate Change reporting (on a scale from A to D-). The results show that the company recognises the impacts of climate change and water use on its business operations and takes their significance into account.

KPI	Long-term goal	Result H1/2025	Result H1/2024	Change, %
Lost Time Injury Frequency (LTIF)	LTIF 0	7.4	12.3	-39.8%
Employee experience (eNPS) (on a scale from -100 to 100)	eNPS > 40	32	3	967%
Voluntary employee turnover, %	< 7%	9.8%	6.1%	n/a

RISK MANAGEMENT

Our risk management is based on the company's values and strategic and financial goals. The purpose of risk management is to support the company's strategic objectives and to secure its financial development and the continuity of its business. Ponsse's management conducts an annual risk assessment that includes the sustainability risks and opportunities impacting the company's business. Within them, aspects related to climate change, biodiversity, and resource efficiency together with digitalisation and technological development are emphasised.

The purpose of risk management is to identify, assess, and monitor business-related risks that may impact the realisation of the company's strategic and financial objectives or the continuity of business. This information is used to decide what measures will be required to prevent risks and respond to current risks.

Risk management is part of the company's daily business and has been incorporated into its management system. Risk management is directed by the risk management policy approved by the Board of Directors.

A risk is any event that may prevent the company from achieving its objectives or threatens the continuity of business. A risk may also be a positive event, in which case the risk is treated as an opportunity. Each risk is assessed on the basis of its impact and probability. The company's risk management methods include the avoidance, mitigation, and transfer of risk. Risks may also be

managed by controlling and minimising their impacts.

SHORT-TERM RISK MANAGEMENT

The most significant short-term risks are related to the global geopolitical situation, relatively weak economic development and uncertainty about the development of the interest rates on financing. The geopolitical situation is also reflected in trade policy through possible special tariffs and protectionism. Financial market disruptions, sanctions and growing cybersecurity threats are adding to the uncertainty. The risks in the financial market may increase fluctuations in developing countries' foreign exchange markets, and continued instability of the global economy and growing financial costs may also reduce the demand for forest machines.

In this challenging situation, Ponsse's strong financial position is important. In terms of financing, Ponsse has carried out all measures necessary to ensure business continuity, and its financing situation is regularly assessed. The key objective of the company's financial risk management is to ensure liquidity and manage interest rate and currency risks. The company's financial position and liquidity have remained strong as a result of binding credit limit facilities agreed with several financial institutions. The impact of interest rate risks is reduced by means of credit linked to different reference rates, as well as interest rate swaps. The risk of currency rate fluctuations is partly mitigated through derivative contracts.

The parent company monitors the changes in the Group's internal and external trade receivables and the associated risk of impairment. The company has long-term and extensive service contracts, which may involve operational risks.

Changes taking place in the fiscal and customs legislation in countries to which Ponsse exports may hamper the company's export trade or reduce its profitability. Global supply chain disruptions can make it more difficult to manage PONSSE forest machine production schedules, in addition to tying up more capital in the company's supply chain and increasing the risks related to working capital management.

Ponsse has strengthened cybersecurity by further specifying its software update policy and user manuals. The ability to detect and respond to abnormal activity in data networks has been improved, and the company's digital services are regularly tested for cyberattacks in cooperation with an expert partner. The implementation of the NIS2 Directive on cybersecurity has proceeded on schedule.

OUTLOOK FOR THE FUTURE

The company's euro-denominated operating profit is estimated to be slightly higher in 2025 than in 2024 (EUR 36.8 million).

Economic uncertainty is expected to continue and affect demand for forest machinery. The current operating environment is reflected by trade policy, the geopolitical situation and economic uncertainty in the countries where we operate.

We will invest in customer relations, focus on strong customer service and improve our efficiency by introducing consistent and cost-effective practices in line with our new operating model. Our investments will continue, with a deliberate focus on new products and digital services, the service network, the Vieremä factory and sustainability.

The status of the Full Service contract of Ponsse's Brazilian country-organisation is under close scrutiny.

EVENTS AFTER THE PERIOD

There are no other known events after the end of the reporting period that would require either adjustments to the information presented for the period under review or disclosure of additional information.

PONSSE GROUP

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (EUR 1,000)

	1-6/25	1-6/24	1-12/24
NET SALES	357,739	357,673	750,427
Increase (+)/decrease (-) in inventories of finished goods and work in progress	22,625	12,153	-4,782
Other operating income	4,799	3,343	7,689
Raw materials and services	-243,215	-241,253	-475,554
Expenditure on employment-related benefits	-62,750	-58,048	-110,199
Depreciation and amortisation	-17,521	-17,708	-36,033
Other operating expenses	-41,111	-55,553	-94,793
OPERATING PROFIT	20,566	607	36,755
Share of results of associated companies	-135	200	135
Financial income and expenses	-424	-8,373	-15,420
RESULT BEFORE TAXES	20,007	-7,566	21,470
Income taxes	-3,867	-4,149	-8,964
NET RESULT FOR THE PERIOD	16,140	-11,715	12,506
OTHER ITEMS INCLUDED IN TOTAL COMPREHENSIVE RESULT			
Translation differences related to foreign units	-6,123	4,232	7,792
TOTAL COMPREHENSIVE RESULT FOR THE PERIOD	10,016	-7,483	20,298
Diluted and undiluted earnings per share	0.58	-0.42	0.45

	4-6/25	4-6/24
NET SALES	172,313	188,014
Increase (+)/decrease (-) in inventories of finished goods and work in progress	21,443	5,175
Other operating income	1,156	1,681
Raw materials and services	-126,447	-122,834
Expenditure on employment-related benefits	-33,078	-30,212
Depreciation and amortisation	-8,714	-8,981
Other operating expenses	-19,314	-33,483
OPERATING PROFIT	7,361	-640
Share of results of associated companies	-108	80
Financial income and expenses	-2,223	-4,591
RESULT BEFORE TAXES	5,030	-5,151
Income taxes	-3,257	-3,125
NET RESULT FOR THE PERIOD	1,774	-8,276
OTHER ITEMS INCLUDED IN TOTAL COMPREHENSIVE RESULT		
Translation differences related to foreign units	-3,328	3,246
TOTAL COMPREHENSIVE RESULT FOR THE PERIOD	-1,555	-5,030
Diluted and undiluted earnings per share	0.06	-0.30

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (EUR 1,000)

	30 Jun 25	30 Jun 24	31 Dec 24
ASSETS			
NON-CURRENT ASSETS			
Intangible assets	45,267	51,337	48,177
Goodwill	6,577	6,668	6,535
Property, plant and equipment	110,587	116,616	116,183
Financial assets	376	375	378
Investments in associated companies	786	1,073	1,007
Non-current receivables	708	224	297
Deferred tax assets	9,671	9,294	8,759
TOTAL NON-CURRENT ASSETS	173,973	185,586	181,336
CURRENT ASSETS			
Inventories	236,930	240,724	219,123
Trade receivables	51,244	62,240	54,107
Income tax receivables	2,953	937	1,042
Other current receivables	30,482	25,162	23,868
Cash and cash equivalents	46,159	53,860	83,590
TOTAL CURRENT ASSETS	367,767	382,922	381,730
TOTAL ASSETS	541,741	568,508	563,066
SHAREHOLDERS' EQUITY AND LIABILITIES			
SHAREHOLDERS' EQUITY			
Share capital	7,000	7,000	7,000
Other reserves	4,125	3,892	3,824
Translation differences	17,371	19,934	23,494
Treasury shares	-122	-476	-47
Retained earnings	294,985	268,528	292,922
EQUITY OWNED BY PARENT COMPANY SHAREHOLDERS	323,358	298,878	327,193
NON-CURRENT LIABILITIES			
Interest-bearing liabilities	62,574	66,888	63,914
Deferred tax liabilities	1,064	-568	1,167
Other non-current liabilities	5,146	6,238	5,147
TOTAL NON-CURRENT LIABILITIES	68,784	72,558	70,228
CURRENT LIABILITIES			
Interest-bearing liabilities	5,709	35,813	23,017
Provisions	16,670	24,916	19,238
Tax liabilities for the period	62	3,167	1,569
Trade creditors and other current liabilities	127,157	133,176	121,821
TOTAL CURRENT LIABILITIES	149,599	197,072	165,645
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	541,741	568,508	563,066

CONSOLIDATED STATEMENT OF CASH FLOWS (EUR 1,000)

	1-6/25	1-6/24	1-12/24
CASH FLOWS FROM OPERATING ACTIVITIES			
Net result for the period	16,140	-11,715	12,506
Adjustments:			
Financial income and expenses	424	8,373	15,420
Change in provisions	-2,606	11 151	6,746
Share of the result of associated companies	135	-200	-135
Depreciation and amortisation	17,521	17,708	36,033
Income taxes	3,867	4,149	8,964
Other adjustments	852	-3,094	-1,749
Cash flow before changes in working capital	36,333	26,372	77,785
Change in working capital:			
Change in trade receivables and other receivables	-4,260	11,405	16,945
Change in inventories	-24,534	2,115	22,741
Change in trade creditors and other liabilities	8,235	-5,800	-17,181
Interest received	152	190	1,705
Interest paid	-1,375	-2,558	-4,922
Other financial items	-1,635	-1,841	-3,292
Income taxes paid	-8,335	-4,436	-8,780
NET CASH FLOWS FROM OPERATING ACTIVITIES (A)	4,580	25,445	85,001
CASH FLOWS USED IN INVESTING ACTIVITIES			
Investments in tangible and intangible assets	-9,855	-11,307	-21,591
Proceeds from sale of tangible and intangible assets	45	309	562
NET CASH FLOWS USED IN INVESTMENT ACTIVITIES (B)	-9,810	-10,998	-21,029
CASH FLOWS FROM FINANCING ACTIVITIES			
Withdrawal of current loans	0	10,000	35,000
Repayment of current loans	-16,672	-26,903	-68,745
Repayment of finance lease liabilities	-2,656	-2,568	-5,712
Dividends paid	-13,990	-15,400	-15,400
NET CASH FLOWS FROM FINANCING ACTIVITIES (C)	-33,317	-34,871	-54,857
Change in cash and cash equivalents (A+B+C)	-38,547	-20,424	9,115
Cash and cash equivalents on 1 Jan	83,590	74,002	74,002
Impact of exchange rate changes	1,117	281	473
Cash and cash equivalents on 30 Jun/31 Dec	46,159	53,860	83,590

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (EUR 1,000)

A = Share capital
B = Other reserves
C = Translation differences
D = Treasury shares
E = Retained earnings
F = Total shareholders' equity

	EQUITY OWNED BY PARENT COMPANY SHAREHOLDERS					
	A	B	C	D	E	F
SHAREHOLDERS' EQUITY						
1 JAN 2025	7,000	3,824	23,494	-47	292,922	327,193
Comprehensive result:						
Net result for the period					16,140	16,140
Other items included in total comprehensive result:						
Translation differences			-6,123			-6,123
Total comprehensive result for the period			-6,123		16,140	10,017
Direct entries to retained earnings					-87	-87
Transactions with shareholders						
Share Plan		301				301
Dividend distribution					-13,990	-13,990
Treasury shares, change *)				-75		-75
Transactions with shareholders in total		301		-75	-13,990	-13,764
SHAREHOLDERS' EQUITY						
30 JUN 2025	7,000	4,125	17,371	-122	294,985	323,358
SHAREHOLDERS' EQUITY						
1 JAN 2024	7,000	3,460	15,702	-463	296,101	321,799
Comprehensive result:						
Net result for the period					-11,715	-11,715
Other items included in total comprehensive result:						
Translation differences			4,232			4,232
Total comprehensive result for the period			4,232		-11,715	-7,483
Direct entries to retained earnings					-457	-457
Transactions with shareholders						
Share Plan						
Dividend distribution					-15,400	-15,400
Treasury shares, change		432		-13		419
Transactions with shareholders in total		432		-13	-15,400	-14,981
SHAREHOLDERS' EQUITY						
30 JUN 2024	7,000	3,892	19,934	-476	268,528	298,879

*) Treasury shares procured for incentive schemes

NOTES TO THE RELEASE FOR THE HALF-YEAR REPORT

The stock exchange release for the half-year report has been prepared observing the recognition and valuation principles of IFRS, and the requirements of IAS 34 have been complied with. The half-year report has been prepared applying the same accounting principles as for the annual financial statements dated 31 December 2024, except for the IAS/IFRS standard and interpretation changes that entered into force on 1 January 2025. These standard and interpretation changes did not have a material impact on the half-year report.

The figures presented in the stock release have not been audited.

The figures presented in the stock release have been rounded and may therefore differ from those given in the official financial statements.

Pillar II legislation entered into force in Finland on 1 January 2024. Ponsse applies the exception of IAS 12 not to record or report deferred tax liabilities or receivables related to taxes paid on the basis of Pillar II. Ponsse has assessed possible Pillar II income tax expenses considering the OECD's Safe Harbour assumptions and transition regulations. Pillar II legislation had no impact on income taxes in the reporting period. Ponsse estimates that the jurisdiction to which possible Pillar II additional taxes will apply in the future is Uruguay.

The company monitors changes in customs policy and continues to analyse the impact of import duties.

This communication includes future-oriented statements that are based on the assumptions currently made by the company's management and its current decisions and plans. Although the management believes that the future expectations are well founded, there is no certainty that these expectations will prove to be correct. This is why the results may significantly deviate from the assumptions included in the future-oriented statements as a result of, among other things, changes in the economy, markets, competitive conditions, legislation or currency exchange rates.

1. SEGMENT INFORMATION (EUR 1,000)

The operating segments are based on a geographical division of market areas, and they are defined based on the reporting used by the Group's top operational decision-maker. As a result of the new operating model, the Group has changed its segmentation and the change in reporting structure has affected Ponsse's financial reporting from the second quarter of 2024 onwards.

OPERATING SEGMENTS

	Nordic countries and the Baltics	Central and Southern Europe	North America	South America	Asia, and Australia and Africa	Total
1-6/2025						
Net sales of the segment	242,431	87,152	52,699	51,412	8,200	441,894
Revenues between segments	-79,633	-2,430	-1,680	-259	-154	-84,155
NET SALES FROM EXTERNAL CUSTOMERS	162,799	84,723	51,019	51,152	8,046	357,739
Operating result of the segment	2,323	6,170	3,524	8,468	106	20,591
Unallocated items						-25
OPERATING RESULT	2,323	6,170	3,524	8,468	106	20,566

DEPRECIATION AND AMORTISATION	14,399	568	580	1,921	54	17,521
	Nordic countries and the Baltics	Central and Southern Europe	North America	South America	Asia, Australia and Africa	Total
1-6/2024						
Net sales of the segment	245,886	82,216	48,176	52,230	9,017	437,525
Revenues between segments	-75,912	-1,864	-1,336	-667	-73	-79,852
NET SALES FROM EXTERNAL CUSTOMERS	169,974	80,352	46,840	51,563	8,944	357,673
Operating result of the segment	6,855	7,405	1,299	-14,889	189	859
Unallocated items						-252
OPERATING RESULT	6,855	7,405	1,299	-14,889	189	607
DEPRECIATION AND AMORTISATION	14,444	494	551	2,136	83	17,708

2. LEASING COMMITMENTS (EUR 1,000)	30 Jun 25 2,027	30 Jun 24 1,150	31 Dec 24 1,977
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3. CONTINGENT LIABILITIES (EUR 1,000)	30 Jun 25	30 Jun 24	31 Dec 24
Guarantees given on behalf of others	2	0	2
Responsibility of checking the VAT deductions made on real property investments	7,739	5,088	8,419
Other commitments	294	230	193
TOTAL	8,035	5,317	8,615

4. PROVISIONS (EUR 1,000)	Guarantee provision	Other provisions	Total
1 January 2025	5,620	13,618	19,238
Provisions added	1,104	2,600	3,704
Provisions cancelled	-674	-5,577	-6,251
Exchange rate difference	0	-20	-20
30 June 2025	6,050	10,621	16,670

The Group has recognized a provision in the item of other provisions based on a Full Service contract entered into by the Brazilian subsidiary as the fulfilment of the contractual obligations is estimated to generate expenses that exceed the expected economic benefits obtained from the agreement. The provision has been measured based on the best possible estimate of the expenses arising from the fulfilment of the obligations on the closing date.

5. DIVIDENDS PAID (EUR 1,000)	30 Jun 25	30 Jun 24
Dividends per share EUR 0.50 (EUR 0.55)	13,990	15,400

6. PROPERTY, PLANT AND EQUIPMENT (EUR 1,000)	1-6/25	1-6/24
Increase	10,851	12,826
Decrease	-16,676	-13,057
TOTAL	-5,825	-231

7. RELATED PARTY TRANSACTIONS	1-6/25	1-6/24
Management's employment-related benefits (EUR 1,000)		
Salaries and other short-term employment-related benefits	2,835	2,381
Benefits paid upon termination of employment	0	0
Pension liabilities, statutory and voluntary pension security	656	562
Compensation of the members of the Board of Directors	142	141

KEY FIGURES AND RATIOS	30 Jun 25	30 Jun 24	31 Dec 24
R&D expenditure, MEUR	12.6	12.3	24.6
Capital expenditure, MEUR	9.9	11.3	21.6
as % of net sales	2.8	3.2	2.9
Average number of employees	2,055	2,113	2,083
Order books, MEUR	192.5	210.4	188.6
Equity ratio, %	60.1	52.8	58.7
Diluted and undiluted earnings per share (EUR)	0.58	-0.42	0.45
Equity per share (EUR)	11.55	10.67	11.69
Order intake, MEUR	361.7	336.0	706.9

FORMULAE FOR FINANCIAL INDICATORS

Return on capital employed, %:

Result before taxes + financial expenses

Shareholder's equity + interest-bearing financial liabilities (average during the year) * 100

Average number of employees:

Average of the number of personnel at the end of each month. The calculation has been adjusted for part-time employees.

Net gearing, %:

Interest-bearing financial liabilities – cash and cash equivalents

Shareholders' equity * 100

Equity ratio, %:

Shareholders' equity + Non-controlling interests

Balance sheet total - advance payments received * 100

Earnings per share:

Net result for the period - Non-controlling interests

Average number of shares during the accounting period, adjusted for share issues

Equity per share:

Shareholders' equity

Number of shares on the balance sheet date, adjusted for share issues

Order intake:

Net sales for the period + Change in order books during the period

Vieremä, 12 August 2025

PONSSE PLC

Juho Nummela
President and CEO

FURTHER INFORMATION

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Ponsse Plc is a company specialising in the sales, manufacture, servicing and technology of cut-to-length method forest machines and is driven by genuine interest in its customers and their business. Ponsse develops and manufactures sustainable and innovative harvesting solutions based on customers' needs.

The company was established by forest machine entrepreneur Einari Vidgren in 1970, and it has been a leader in timber harvesting solutions based on the cut-to-length method ever since. Ponsse is headquartered in Vieremä, Finland. The company's shares are quoted on the Nasdaq Nordic list.