Half Year Financial Review

January 1 – June 30, 2025

Valmet's Half Year Financial Review January 1 – June 30, 2025

Strong organic growth in orders received and the new 'Lead the Way' strategy launched in the second quarter

Figures in brackets, unless otherwise stated, refer to the comparison period, i.e., the same period of the previous year.

April–June 2025: Orders received increased

- Orders received increased to EUR 1,520 million (EUR 1,283 million).
  - Orders received increased in all three segments.
  - Orders received increased in China, North America and EMEA (Europe, Middle East and Africa), remained at the previous year's level in South America, and decreased in Asia-Pacific.
- Net sales decreased 6 percent to EUR 1,241 million (EUR 1,324 million).
  - Net sales increased in the Automation segment, remained at the previous year's level in the Services segment, and decreased in the Process Technologies segment.
- Comparable earnings before interest, taxes and amortization (Comparable EBITA) remained at the previous year's level and amounted to EUR 143 million (EUR 141 million).
  - Comparable EBITA increased in the Automation segment, remained at the previous year's level in the Services segment, and decreased in the Process Technologies segment.
- Comparable EBITA margin was 11.5 percent (10.6%).
- Earnings per share (EPS) was EUR 0.15 (EUR 0.31). Adjusted EPS was EUR 0.23 (EUR 0.43). The decrease in both EPS and adjusted EPS was mainly related to restructuring expenses of the operating model renewal.
- Items affecting comparability amounted to EUR -62 million (EUR -9 million) and were mainly related to restructuring expenses of the operating model renewal.
- Cash flow provided by operating activities totaled EUR 79 million (EUR 128 million).

January–June 2025: Comparable EBITA margin increased, while net sales remained at the previous year's level

- Orders received increased 22 percent to EUR 2,852 million (EUR 2,333 million).
  - Orders received increased in all three segments.
  - Orders received increased in China and North America, remained at the previous year's level in EMEA and decreased in Asia-Pacific and South America.
- Net sales remained at the previous year's level and amounted to EUR 2,426 million (EUR 2,536 million).
  - Net sales increased in the Automation segment, remained at the previous year's level in the Services segment, and decreased in the Process Technologies segment.
- Comparable EBITA remained at the previous year's level and amounted to EUR 265 million (EUR 262 million).
  - Comparable EBITA increased in the Services and Automation segments and decreased in the Process Technologies segment.
- Comparable EBITA margin was 10.9 percent (10.3%).

- EPS was EUR 0.48 (EUR 0.62). Adjusted EPS was EUR 0.64 (EUR 0.84). The decrease in both EPS and adjusted EPS was mainly related to restructuring expenses of the operating model renewal.
- Items affecting comparability amounted to EUR -70 million (EUR -16 million) and were mainly related to restructuring expenses of the operating model renewal.
- Cash flow provided by operating activities totaled EUR 297 million (EUR 267 million).

Guidance for 2025 unchanged

Valmet reiterates its guidance issued on February 13, 2025, in which Valmet estimates that net sales in 2025 will remain at the previous year's level in comparison with 2024 (EUR 5,359 million) and Comparable EBITA in 2025 will remain at the previous year's level in comparison with 2024 (EUR 609 million).

Short-term market outlook

The short-term market outlook is given for July–December 2025 compared with April–June 2025. It is Valmet's estimate of the customer activity and should not be interpreted as guidance for Valmet's orders received.

The short-term market outlook is presented in accordance with Valmet's new financial reporting structure, that came to effect on July 1, 2025. Valmet will change its financial reporting structure in its January–September 2025 Interim Review. In the new financial reporting structure, Valmet consists of two reportable segments: Biomaterial Solutions and Services, and Process Performance Solutions.

Biomaterial Solutions and Services

Uncertainty related to global economic outlook remains high and may impact customers' decision making, capacity utilization rates and profitability levels.

Valmet estimates that the customer activity in biomaterial services will decrease slightly.

It is typical that customers' large investment decisions can have a significant impact on the overall market activity in the short-term.

Process Performance Solutions

Valmet estimates that the customer activity will remain stable. However, uncertainty related to global economic outlook remains high.

President and CEO Thomas Hinnerskov: New 'Lead the Way' strategy launched and strong growth in orders received

"In the second quarter, we made a confident move toward our next phase of growth by launching our new strategy, ‘Lead the Way’, and setting ambitious 2030 financial targets. This strategy is designed to accelerate growth, sharpen our cost competitiveness, and build a culture of accountability and high performance. Our new financial targets reflect a clear step change in ambition, and we now have a focused strategy to reach them.

A major milestone was the implementation of our new operating model on July 1. It simplifies our structure, reinforces local accountability, and enables faster decision-making. Going forward, we will operate through two segments – each with a distinct strategic mission and aligned financial reporting. The segments are *Biomaterial Solutions and Services*; and *Process Performance Solutions*.

I’ve had the opportunity to meet with customers since the strategy launch, and the feedback has been encouraging. Our purpose to transform industries towards a regenerative tomorrow and our lifecycle approach have resonated well.

Operationally, the second quarter was strong in terms of orders received. Automation segment (Process Performance Solutions) delivered across the board, with growth in orders, net sales, and profitability. Process Technologies and Services segments (Biomaterial Solutions and Services) also achieved strong order growth, including a 10 percent organic increase in Services orders, although profitability in Process Technologies declined due to lower net sales.

While net sales and Comparable EBITA remained at the previous year’s level during H1/25, we are confident that the actions we are taking – including the new operating model – will support our performance and competitiveness going forward. We remain committed to executing our strategy with discipline and creating long-term value for our customers and shareholders."

New strategy ‘Lead the Way’ and 2030 financial targets

On June 4, 2025, in connection with its Capital Markets Day, we announced our new strategy, ‘Lead the Way’, and published our new 2030 financial targets.

The new strategy is designed to create an accountable high-performance culture and accelerate the growth trajectory towards bolder targets with increased cost competitiveness. During the strategy renewal we defined our purpose as ‘Transforming industries towards a regenerative tomorrow’. Valmet’s new Strategy ‘Lead the Way’ is based on four strategic fundamentals: Customer success, Lifecycle commitment, Global competitiveness, and Accountability.

These strategic fundamentals are being reinforced by Valmet's operating model renewal, announced on March 31, 2025, and effective since July 1, 2025. The new operating model allows us to operate with strong business areas close to customers, providing integrated expertise in services and technology with a lifecycle approach. A newly formed Global Supply unit for manufacturing and procurement will centrally drive operational excellence and ensure cost competitiveness.

Valmet’s new 2030 financial targets reflect a step change in ambition. Valmet's financial targets are the following (previous targets in brackets):

- Organic net sales growth (CAGR) over the cycle of 5% (previously: over two times the market growth or exceed market growth)
- Comparable EBITA margin of 15% (previously: 12–14%)
- Comparable return on capital employed before taxes (Comparable ROCE) of 20% (previously: at least 15%)
- Gearing below 50% (new target)

New reporting structure

On June 4, 2025, Valmet announced that to reflect the new strategy and operating model, Valmet changes its reporting structure, effective since July 1, 2025. Valmet will change its financial reporting structure to correspond to the new operating model in its January–September 2025 Interim Review.

In the new financial reporting structure, Valmet consists of two reportable segments: Biomaterial Solutions and Services, and Process Performance Solutions.

The two segments are comprised of business areas as follows:

Biomaterial Solutions and Services segment consists of three business areas:

- Pulp, Energy and Circularity
- Packaging and Paper
- Tissue

Process Performance Solutions segment consists of two business areas:

- Flow Control
- Automation Solutions

For both reportable segments, Valmet will report orders received, net sales and profitability (EBITA and comparable EBITA), as well as amortization and items affecting comparability. Valmet will also report orders received and net sales for services included in the Biomaterial Solutions and Services segment to maintain visibility to this strategically important part of the business. For each business area, Valmet will report orders received, net sales and personnel.

Valmet will continue to report orders received, net sales and personnel for the five geographical areas: North America, Latin America (previously South America), EMEA, China and Asia-Pacific.

Key figures[1]

EUR million, or as indicated	Q2/2025	Q2/2024	Change	Q1–Q2/ 2025	Q1–Q2/ 2024	Change
Orders received	**1,520**	1,283	19%	**2,852**	2,333	22%
Order backlog[2]				**4,711**	3,828	23%
Net sales	**1,241**	1,324	-6%	**2,426**	2,536	-4%
Comparable EBITA	**143**	141	2%	**265**	262	1%
% of net sales	**11.5%**	10.6%		**10.9%**	10.3%	
EBITA	**81**	132	-39%	**194**	245	-21%
% of net sales	**6.5%**	9.9%		**8.0%**	9.7%	
Operating profit (EBIT)	**57**	103	-45%	**146**	189	-23%
% of net sales	**4.6%**	7.8%		**6.0%**	7.5%	
Profit before taxes	**41**	84	-52%	**115**	157	-27%
Profit for the period	**28**	58	-52%	**89**	114	-22%
Earnings per share, EUR	**0.15**	0.31	-51%	**0.48**	0.62	-22%
Adjusted earnings per share, EUR	**0.23**	0.43	-47%	**0.64**	0.84	-24%
Equity per share, EUR[2]				**12.87**	13.21	-3%
Cash flow provided by operating activities	**79**	128	-38%	**297**	267	11%
Cash flow after investing activities	**48**	-14		**243**	95	>100%
Comparable return on capital employed (Comparable ROCE) before taxes (LTM)				**13.1%**	13.6%	
Return on capital employed (ROCE) before taxes (LTM)				**10.4%**	12.8%	
Return on equity (ROE) (LTM)				**10.6%**	12.5%	
Net debt to EBITDA[3] ratio				**1.60**	1.63	
Gearing[2]				**42%**	45%	
Equity to assets ratio[2]				**41%**	40%	

[1] *The calculation of key figures is presented on section 'Formulas for calculation of indicators'.*
[2] *At end of period.*
[3] *Last twelve months' EBITDA*
LTM = Last twelve months.

Segment key figures

Orders received, EUR million	**Q2/2025**	Q2/2024	Change	**Q1–Q2/ 2025**	Q1–Q2/ 2024	Change
Services	**534**	497	7%	**1,102**	1,024	8%
Automation	**376**	352	7%	**782**	681	15%
Flow Control	*206*	*195*	*5%*	*421*	*389*	*8%*
Automation Systems	*170*	*157*	*9%*	*362*	*291*	*24%*
Process Technologies	**611**	434	41%	**968**	628	54%
Pulp and Energy	*240*	*187*	*28%*	*475*	*243*	*95%*
Paper	*371*	*247*	*50%*	*493*	*385*	*28%*
Total	**1,520**	1,283	19%	**2,852**	2,333	22%

Net sales, EUR million	**Q2/2025**	Q2/2024	Change	**Q1–Q2/ 2025**	Q1–Q2/ 2024	Change
Services	**460**	473	-3%	**893**	880	1%
Automation	**372**	351	6%	**711**	659	8%
Flow Control	*196*	*201*	*-2%*	*388*	*389*	*0%*
Automation Systems	*176*	*150*	*17%*	*323*	*271*	*19%*
Process Technologies	**409**	500	-18%	**822**	997	-18%
Pulp and Energy	*228*	*221*	*3%*	*406*	*447*	*-9%*
Paper	*181*	*279*	*-35%*	*416*	*550*	*-24%*
Total	**1,241**	1,324	-6%	**2,426**	2,536	-4%

Comparable EBITA, EUR million	**Q2/2025**	Q2/2024	Change	**Q1–Q2/ 2025**	Q1–Q2/ 2024	Change
Services	**83**	80	4%	**159**	140	14%
Automation	**66**	58	15%	**121**	109	11%
Process Technologies	**4**	15	-74%	**10**	36	-72%
Other	**-10**	-12	-17%	**-26**	-23	13%
Total	**143**	141	2%	**265**	262	1%

Comparable EBITA, % of net sales	**Q2/2025**	Q2/2024		**Q1–Q2/ 2025**	Q1–Q2/ 2024	
Services	**18.1%**	16.9%		**17.8%**	15.9%	
Automation	**17.8%**	16.5%		**17.0%**	16.5%	
Process Technologies	**1.0%**	3.0%		**1.2%**	3.6%	
Total	**11.5%**	10.6%		**10.9%**	10.3%	

EBITA, EUR million	**Q2/2025**	Q2/2024	Change	**Q1–Q2/ 2025**	Q1–Q2/ 2024	Change
Services	**63**	78	-19%	**139**	134	4%
Automation	**53**	58	-8%	**107**	107	-1%
Process Technologies	**-13**	9		**-8**	31	
Other	**-22**	-13	69%	**-43**	-27	60%
Total	**81**	132	-39%	**194**	245	-21%

News conference and webcast for analysts, investors and media

Valmet will arrange a news conference in English as a live webcast at https://valmet.videosync.fi/q2-2025 on Wednesday, July 23, 2025, at 10:00 a.m. Finnish time (EEST). President and CEO Thomas Hinnerskov and CFO Katri Hokkanen will be presenting the results.

Recording of the webcast will be available shortly after the event on the same website.

It is possible to take part in the news conference through a conference call by registering through the link below:

https://player.videosync.fi/valmet/q2-2025/dial-in

After the registration you will be provided phone numbers and a conference ID to access the conference. If you wish to ask a question during the conference, please dial *5 to enter the question queue.

The event is held in English.

Valmet's Half Year Financial Review January 1 – June 30, 2025

Orders received increased in all segments in Q2/2025

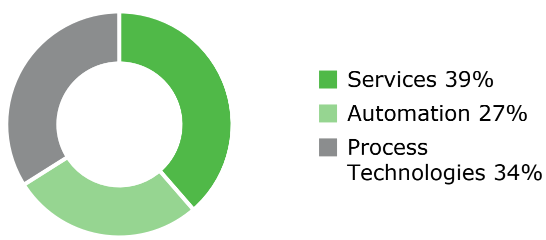
Orders received, EUR million	**Q2/2025**	Q2/2024	Change	**Q1–Q2/ 2025**	Q1–Q2/ 2024	Change
Services	**534**	497	7%	**1,102**	1,024	8%
Automation	**376**	352	7%	**782**	681	15%
Flow Control	*206*	*195*	*5%*	*421*	*389*	*8%*
Automation Systems	*170*	*157*	*9%*	*362*	*291*	*24%*
Process Technologies	**611**	434	41%	**968**	628	54%
Pulp and Energy	*240*	*187*	*28%*	*475*	*243*	*95%*
Paper	*371*	*247*	*50%*	*493*	*385*	*28%*
Total	**1,520**	1,283	19%	**2,852**	2,333	22%

Orders received, comparable foreign exchange rates, EUR million[1]	**Q2/2025**	Q2/2024	Change	**Q1–Q2/ 2025**	Q1–Q2/ 2024	Change
Services	**549**	497	10%	**1,120**	1,024	9%
Automation	**390**	352	11%	**792**	681	16%
Flow Control	*215*	*195*	*10%*	*427*	*389*	*10%*
Automation Systems	*175*	*157*	*12%*	*365*	*291*	*25%*
Process Technologies	**617**	434	42%	**979**	628	56%
Pulp and Energy	*244*	*187*	*31%*	*485*	*243*	*99%*
Paper	*373*	*247*	*51%*	*494*	*385*	*28%*
Total	**1,556**	1,283	21%	**2,892**	2,333	24%

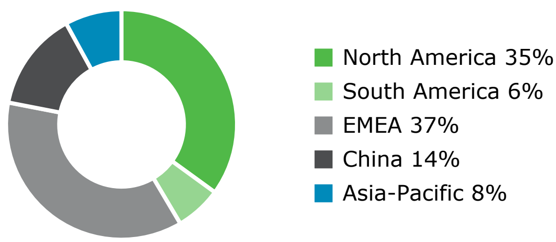
[1] *Indicative only. January–June 2025 orders received in euro calculated by applying January–June 2024 average exchange rates to the functional currency orders received values reported by entities.*

Orders received, EUR million	**Q2/2025**	Q2/2024	Change	**Q1–Q2/ 2025**	Q1–Q2/ 2024	Change
North America	**446**	309	44%	**999**	600	67%
South America	**99**	103	-5%	**185**	199	-7%
EMEA	**575**	511	13%	**1,042**	994	5%
China	**294**	106	>100%	**399**	199	100%
Asia-Pacific	**107**	254	-58%	**227**	341	-33%
Total	**1,520**	1,283	19%	**2,852**	2,333	22%

Orders received by segment, Q1–Q2/2025



Orders received by area, Q1–Q2/2025



April–June 2025: Orders received increased to EUR 1.5 billion with several notable orders

Orders received increased to EUR 1,520 million (EUR 1,283 million) in April–June. Orders received increased in all three segments. Orders received increased in China, North America and EMEA, remained at the previous year's level in South America, and decreased in Asia-Pacific. Measured by orders received, the top three countries were the USA, China and Sweden, which together accounted for 52 percent of total orders received.

Changes in foreign exchange rates compared to the exchange rates for the corresponding period in 2024 decreased orders received by approximately EUR 36 million in April–June.

During April–June, Valmet received several orders, including

- a biomass boiler and flue gas handling to a customer in Sweden,
- key pulp mill technology including cooking and fiberline, a recovery boiler, and ash crystallization to a new pulp production line to a customer in China,
- a biomass boiler and flue gas cleaning system to a customer in Spain,
- a Valmet DNA distributed control system to a bio-based process plant in Portugal,
- a new tissue line to a customer in Poland,
- an additive feeding system upgrade to a containerboard line in Hungary, and
- a Valmet DNA energy management solution which will be integrated with the existing Valmet DNA system to a customer in Finland.

January–June 2025: Orders received increased in all three segments

Orders received increased 22 percent to EUR 2,852 million (EUR 2,333 million) in January–June. Orders received increased in all three segments.

Orders received increased in China and North America, remained at the previous year's level in EMEA and decreased in Asia-Pacific and South America. Measured by orders received, the top three countries were the USA, China and Canada, which together accounted for 46 percent of total orders received.

Changes in foreign exchange rates compared to the exchange rates for the corresponding period in 2024 decreased orders received by approximately EUR 39 million during the first half of 2025.

In addition to the above-mentioned, during the first half of 2025, Valmet received the following notables orders:

- a large recovery boiler order,
- a new bleach plant, and an evaporation and wash plant rebuild to India,
- a three-year service agreement to secure the availability and performance of a paper machine line in the United Kingdom,
- orders for the new Valmet DNAe Distributed Control System to a pulp mill in Canada and to a power plant in Finland,
- an order for two winders to a paper machine in China,
- an order for a complete IQ Quality Management System package to North America,
- an order for a replacement roll to Germany,
- an order for a high-capacity winder to Malaysia,
- a tissue production line to a customer in Turkey, and
- a major paper machine rebuild to a customer in North America.

Order backlog amounted to EUR 4.7 billion

Order backlog, EUR million	**As at June 30, 2025**	As at June 30, 2024	Change	As at March 31, 2025
Total	**4,711**	3,828	23%	4,574

Order backlog amounted to EUR 4,711 million at the end of the reporting period, which is at the same level as at the end of March 2025 and 23 percent higher than at the end of June 2024. Approximately 25 percent of the order backlog relates to the Services segment, 15 percent to the Automation segment, and 60 percent to the Process Technologies segment (at the end of June 2024, 30%, 20% and 50% respectively). Approximately EUR 2.3 billion of the order backlog is currently expected to be realized as net sales during 2025 (at the end of Q2/2024, EUR 2.3 billion was expected to be realized as net sales during 2024).

Net sales decreased in Q2/2025

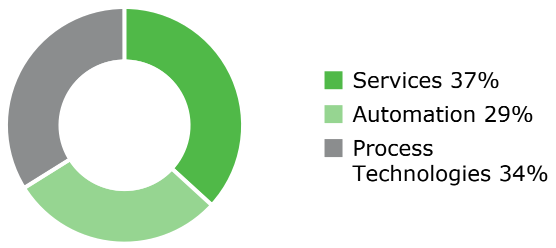
Net sales, EUR million	**Q2/2025**	Q2/2024	Change	**Q1–Q2/ 2025**	Q1–Q2/ 2024	Change
Services	**460**	473	-3%	**893**	880	1%
Automation	**372**	351	6%	**711**	659	8%
Flow Control	*196*	*201*	*-2%*	*388*	*389*	*0%*
Automation Systems	*176*	*150*	*17%*	*323*	*271*	*19%*
Process Technologies	**409**	500	-18%	**822**	997	-18%
Pulp and Energy	*228*	*221*	*3%*	*406*	*447*	*-9%*
Paper	*181*	*279*	*-35%*	*416*	*550*	*-24%*
Total	**1,241**	1,324	-6%	**2,426**	2,536	-4%

Net sales, comparable foreign exchange rates, EUR million[1]	**Q2/2025**	Q2/2024	Change	**Q1–Q2/ 2025**	Q1–Q2/ 2024	Change
Services	**475**	473	0%	**907**	880	3%
Automation	**383**	351	9%	**718**	659	9%
Flow Control	*204*	*201*	*1%*	*393*	*389*	*1%*
Automation Systems	*180*	*150*	*20%*	*326*	*271*	*20%*
Process Technologies	**415**	500	-17%	**829**	997	-17%
Pulp and Energy	*231*	*221*	*4%*	*411*	*447*	*-8%*
Paper	*184*	*279*	*-34%*	*418*	*550*	*-24%*
Total	**1,273**	1,324	-4%	**2,454**	2,536	-3%

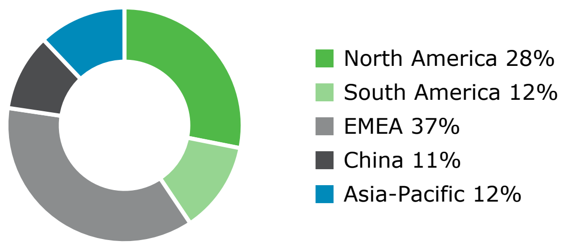
[1] *Indicative only. January–June 2025 net sales in euro calculated by applying January–June 2024 average exchange rates to the functional currency net sales values reported by entities.*

Net sales, EUR million	**Q2/2025**	Q2/2024	Change	**Q1–Q2/ 2025**	Q1–Q2/ 2024	Change
North America	**343**	399	-14%	**682**	708	-4%
South America	**172**	96	79%	**303**	204	48%
EMEA	**455**	491	-7%	**891**	943	-5%
China	**124**	178	-30%	**257**	325	-21%
Asia-Pacific	**147**	160	-8%	**292**	356	-18%
Total	**1,241**	1,324	-6%	**2,426**	2,536	-4%

Net sales by segment, Q1–Q2/2025



Net sales by area, Q1–Q2/2025



April–June 2025: Net sales decreased

Net sales decreased 6 percent to EUR 1,241 million (EUR 1,324 million) in April–June. Net sales increased in the Automation segment, remained at the previous year's level in the Services segment, and decreased in the Process Technologies segment.

Net sales increased in South America, and decreased in China, North America, Asia-Pacific and EMEA. Measured by net sales, the top three countries were the USA, Brazil and China, which together accounted for 44 percent of total net sales.

Changes in foreign exchange rates compared to the exchange rates for the corresponding period in 2024 decreased net sales by approximately EUR 32 million in April–June.

January–June 2025: Net sales increased in Automation, remained at the previous year's level in Services, and decreased in Process Technologies

Net sales remained at the previous year’s level and amounted to EUR 2,426 million (EUR 2,536 million) during the first half of 2025. Net sales increased in the Automation segment, remained at the previous year's level in the Services segment, and decreased in the Process Technologies segment.

Net sales increased in South America, remained at the previous year's level in North America, and decreased in China, Asia-Pacific and EMEA. Measured by net sales, the top three countries were the USA, China and Brazil, which together accounted for 44 percent of total net sales.

Changes in foreign exchange rates compared to the exchange rates for the corresponding period in 2024 decreased net sales by approximately EUR 28 million during the first half of 2025.

Organic growth[1]

	Orders received		Net Sales	
	Q2	**Q1–Q2**	**Q2**	**Q1–Q2**
2024, EUR million	1,283	2,333	1,324	2,536
Organic growth	21%	22%	-4%	-5%
Mergers and acquisitions	0%	2%	0%	2%
Changes in foreign exchange rates[2]	-3%	-2%	-2%	-1%
Total change	19%	22%	-6%	-4%
2025, EUR million	**1,520**	**2,852**	**1,241**	**2,426**

[1] *Indicative only.*

[2] *Q2/25 and Q1–Q2/2025 orders received and net sales in euro calculated by applying Q2/24 and Q1–Q2/2024 average exchange rates to the functional currency orders received and net sales values reported by entities.*

Organically, Valmet's orders received increased 21 percent and net sales decreased 4 percent in April–June. In January–June, Valmet's orders received increased organically by 22 percent while net sales decreased organically by 5 percent.

Valmet completed the acquisition of Process Gas Chromatography business from Siemens (now Analyzer Products and Integration) on April 2, 2024. Valmet also closed the agreement to acquire majority shares in FactoryPal, an undertaking of Körber, on August 1, 2024, and completed the acquisition of Demuth, a provider of wood handling technology and services on August 2, 2024. In April–June, the acquisitions did not have an impact on Valmet's orders received or net sales. In January–June, the acquisitions increased Valmet's orders received and net sales by 2 percent.

Changes in foreign exchange rates compared to the exchange rates for the corresponding period in 2024 decreased orders received by 3 percent and decreased net sales by 2 percent in April–June. In January–June, the exchange rate changes decreased Valmet's orders received by 2 percent and decreased net sales by 1 percent. In April–June, foreign exchange rate impacts were mainly due to US Dollar, Brazilian Real and Swedish Krona. In January-June, foreign exchange rate impacts were mainly due to Brazilian Real, Canadian Dollar and Swedish Krona.

Comparable EBITA amounted to EUR 143 million and Comparable EBITA margin increased to 11.5 percent in Q2/2025

Comparable EBITA, EUR million	Q2/2025	Q2/2024	Change	Q1–Q2/ 2025	Q1–Q2/ 2024	Change
Services	**83**	80	4%	**159**	140	14%
Automation	**66**	58	15%	**121**	109	11%
Process Technologies	**4**	15	-74%	**10**	36	-72%
Other	**-10**	-12	-17%	**-26**	-23	13%
Total	**143**	141	2%	**265**	262	1%

Comparable EBITA, % of net sales	Q2/2025	Q2/2024		Q1–Q2/ 2025	Q1–Q2/ 2024	
Services	**18.1%**	16.9%		**17.8%**	15.9%	
Automation	**17.8%**	16.5%		**17.0%**	16.5%	
Process Technologies	**1.0%**	3.0%		**1.2%**	3.6%	
Total	**11.5%**	10.6%		**10.9%**	10.3%	

April–June 2025: Comparable EBITA increased in Automation, remained at the previous year's level in Services, and decreased in Process Technologies

Comparable earnings before interest, taxes and amortization (Comparable EBITA) remained at the previous year’s level and amounted to EUR 143 million in April–June, corresponding to 11.5 percent of net sales (EUR 141 million and 10.6%). Items affecting comparability amounted to EUR -62 million (EUR -9 million), and were mainly related to restructuring expenses of the operating model renewal.

Comparable EBITA of the Services segment remained at the previous year’s level and amounted to EUR 83 million in April–June, corresponding to 18.1 percent of the segment's net sales (EUR 80 million and 16.9%). The margin improvement was supported by stronger execution and improved commercial effectiveness.

Comparable EBITA of the Automation segment increased to EUR 66 million (EUR 58 million) in April–June. Comparable EBITA margin was 17.8 percent (16.5%). Comparable EBITA increased, supported by higher net sales.

Comparable EBITA of the Process Technologies segment decreased to EUR 4 million in April–June, corresponding to 1.0 percent of the segment's net sales (EUR 15 million and 3.0%). Comparable EBITA was impacted by lower net sales.

January–June 2025: Comparable EBITA increased in Services and in Automation, and decreased in Process Technologies

In the first half of the year, Valmet's Comparable EBITA remained at the previous year’s level and amounted to EUR 265 million, corresponding to 10.9 percent of net sales (EUR 262 million and 10.3%). Items affecting comparability amounted to EUR -70 million (EUR -16 million) and were mainly related to restructuring expenses of the operating model renewal.

Comparable EBITA of the Services segment increased to EUR 159 million in the first half of the year, corresponding to 17.8 percent of the segment's net sales (EUR 140 million and

15.9%). The margin improvement was supported by stronger execution and improved commercial effectiveness.

Comparable EBITA of the Automation segment increased to EUR 121 million in the first half of the year, corresponding to 17.0 percent of the segment's net sales (EUR 109 million and 16.5%). Comparable EBITA increased, supported by higher net sales.

Comparable EBITA of the Process Technologies segment decreased to EUR 10 million in the first half of the year, corresponding to 1.2 percent of the segment's net sales (EUR 36 million and 3.6%). Comparable EBITA was impacted by lower net sales.

Operating profit

Operating profit (EBIT) in April–June was EUR 57 million, i.e., 4.6 percent of net sales (EUR 103 million and 7.8%). The decrease was mainly due to restructuring expenses related to the operating model renewal.

Operating profit in the first half of the year was EUR 146 million, i.e., 6.0 percent of net sales (EUR 189 million and 7.5%). The decrease was mainly due to restructuring expenses related to the operating model renewal.

Net financial income and expenses

Net financial income and expenses in April–June were EUR -16 million (EUR -19 million).

In the first half of the year, net financial income and expenses amounted to EUR -32 million (EUR -32 million).

Profit before taxes and Earnings per share

Profit before taxes for April–June was EUR 41 million (EUR 84 million). The profit attributable to owners of the parent in April–June was EUR 28 million (EUR 58 million), corresponding to earnings per share (EPS) of EUR 0.15 (EUR 0.31). Adjusted EPS was EUR 0.23 (EUR 0.43). The decrease in both EPS and adjusted EPS was mainly related to restructuring expenses of the operating model renewal.

In the first half of the year, profit before taxes was EUR 115 million (EUR 157 million). The profit attributable to owners of the parent was EUR 89 million (EUR 114 million), corresponding to an EPS of EUR 0.48 (EUR 0.62). Adjusted EPS was EUR 0.64 (EUR 0.84). The decrease in both EPS and adjusted EPS was mainly related to restructuring expenses of the operating model renewal.

Return on capital employed (ROCE) and Return on equity (ROE)

For the twelve months preceding June 30, 2025, comparable return on capital employed (comparable ROCE) before taxes was 13.1 percent (13.6%) and return on capital employed (ROCE) before taxes 10.4 percent (12.8%). Return on equity (ROE) for the corresponding period was 10.6 percent (12.5%).

Segments and business lines

Services

Orders received in Services segment continued strong

Services segment	Q2/2025	Q2/2024	Change	Q1–Q2/ 2025	Q1–Q2/ 2024	Change
Orders received (EUR million)	**534**	497	7%	**1,102**	1,024	8%
Net sales (EUR million)	**460**	473	-3%	**893**	880	1%
Comparable EBITA (EUR million)	**83**	80	4%	**159**	140	14%
Comparable EBITA, %	**18.1%**	16.9%		**17.8%**	15.9%	
Personnel (end of period)				**6,693**	6,541	2%

In April–June, orders received by the Services segment increased 7 percent to EUR 534 million (EUR 497 million). Services accounted for 35 percent (39%) of Valmet's orders received. Orders received increased in EMEA and China, remained at the previous year's level in North America and Asia-Pacific and decreased in South America. Orders received increased in mill improvements and field services; and remained at the previous year's level in consumables and performance parts. Changes in foreign exchange rates compared to the exchange rates for the corresponding period in 2024 decreased orders received by approximately EUR 15 million.

In the first half of the year, orders received by the Services segment increased 8 percent to EUR 1,102 million (EUR 1,024 million). Services accounted for 39 percent (44%) of Valmet's orders received. Orders received increased in Asia-Pacific, EMEA and China and remained at the previous year's level in North America and South America. Orders received increased in mill improvements and field services and in consumables and performance parts. Changes in foreign exchange rates compared to the exchange rates for the corresponding period in 2024 decreased orders received by approximately EUR 19 million.

Net sales for the Services segment remained at the previous year's level and amounted to EUR 460 million (EUR 473 million) in April–June, corresponding to 37 percent (36%) of Valmet's net sales. Changes in foreign exchange rates compared to the exchange rates for the corresponding period in 2024 decreased net sales by approximately EUR 15 million.

In the first half of the year, net sales for the Services segment remained at the previous year's level and amounted to EUR 893 million (EUR 880 million), corresponding to 37 percent (35%) of Valmet's net sales. Changes in foreign exchange rates compared to the exchange rates for the corresponding period in 2024 decreased net sales by approximately EUR 14 million.

Comparable EBITA of the Services segment remained at the previous year's level and amounted to EUR 83 million in April–June, corresponding to 18.1 percent of the segment's net sales (EUR 80 million and 16.9%). The margin improvement was supported by stronger execution and improved commercial effectiveness. The margin improvement was supported by stronger execution and improved commercial effectiveness.

In the first half of the year, comparable EBITA of the Services segment increased to EUR 159 million, corresponding to 17.8 percent of the segment's net sales (EUR 140 million and 15.9%). The margin improvement was supported by stronger execution and improved commercial effectiveness.

Automation

Strong performance by the Automation segment

Automation segment	**Q2/2025**	Q2/2024	Change	**Q1–Q2/ 2025**	Q1–Q2/ 2024	Change
Orders received (EUR million)	**376**	352	7%	**782**	681	15%
Net sales (EUR million)	**372**	351	6%	**711**	659	8%
Comparable EBITA (EUR million)	**66**	58	15%	**121**	109	11%
Comparable EBITA, %	**17.8%**	16.5%		**17.0%**	16.5%	
Personnel (end of period)				**5,493**	5,519	0%

In April–June, orders received by the Automation segment increased 7 percent to EUR 376 million (EUR 352 million). Automation accounted for 25 percent (27%) of Valmet's orders received. Changes in foreign exchange rates compared to the exchange rates for the corresponding period in 2024 decreased orders received by approximately EUR 14 million.

In the first half of the year, orders received by the Automation segment increased 15 percent to EUR 782 million (EUR 681 million). Automation segment accounted for 27 percent (29%) of Valmet’s orders received. Changes in foreign exchange rates compared to the exchange rates for the corresponding period in 2024 decreased orders received by approximately EUR 10 million.

Net sales for the Automation segment increased 6 percent to EUR 372 million (EUR 351 million) in April–June, corresponding to 30 percent (26%) of Valmet’s net sales. Changes in foreign exchange rates compared to the exchange rates for the corresponding period in 2024 decreased net sales by approximately EUR 11 million.

In the first half of the year, net sales for the Automation segment increased 8 percent to EUR 711 million (EUR 659 million), corresponding to 29 percent (26%) of Valmet’s net sales. Changes in foreign exchange rates compared to the exchange rates for the corresponding period in 2024 decreased net sales by approximately EUR 8 million.

Comparable EBITA of the Automation segment increased to EUR 66 million (EUR 58 million) in April–June, supported by higher net sales. Comparable EBITA margin was 17.8 percent (16.5%).

In the first half of the year, Comparable EBITA of the Automation segment increased to EUR 121 million, corresponding to 17.0 percent of the segment's net sales (EUR 109 million and 16.5%).

Flow Control business line	**Q2/2025**	Q2/2024	Change	**Q1–Q2/ 2025**	Q1–Q2/ 2024	Change
Orders received (EUR million)	**206**	195	5%	**421**	389	8%
Net sales (EUR million)	**196**	201	-2%	**388**	389	0%
Personnel (end of period)				**2,891**	2,898	0%

In April–June, orders received by the Flow Control business line increased 5 percent to EUR 206 million (EUR 195 million). Flow Control accounted for 14 percent (15%) of Valmet's orders received. Orders received increased in China and North America, remained at the previous year's level in South America and EMEA and decreased in Asia-Pacific. Orders received increased in Valve controls & Actuators and MRO (Maintenance and Repair Operations) & Services and decreased in Projects.

In the first half of the year, orders received by the Flow Control business line increased 8 percent to EUR 421 million (EUR 389 million) and accounted for 15 percent (17%) of Valmet's orders received. Orders received increased in China, North America and EMEA, remained at the previous year's level in South America and decreased in Asia-Pacific. Orders received increased in MRO (Maintenance and Repair Operations) & Services and Valve controls & Actuators and decreased in Projects.

Net sales for the Flow Control business line remained at the previous year’s level and amounted to EUR 196 million (EUR 201 million) in April–June, corresponding to 16 percent (15%) of Valmet’s net sales.

In the first half of the year, net sales for the Flow Control business line remained at the previous year’s level and amounted to EUR 388 million (EUR 389 million), corresponding to 16 percent (15%) of Valmet’s net sales.

Automation Systems business line	**Q2/2025**	Q2/2024	Change	**Q1–Q2/ 2025**	Q1–Q2/ 2024	Change
Orders received (EUR million)	**170**	157	9%	**362**	291	24%
Net sales (EUR million)	**176**	150	17%	**323**	271	19%
Personnel (end of period)				**2,602**	2,621	-1%

In April–June, orders received by the Automation Systems business line increased 9 percent to EUR 170 million (EUR 157 million). They accounted for 11 percent (12%) of Valmet's orders received. Orders received of Analyzer Products and Integration (the acquired Process Gas Chromatography business from Siemens), which was integrated into Valmet on April 2, 2024, amounted to EUR 37 million (EUR 22 million). Orders received increased in energy and process, and remained at the previous year's level in pulp and paper. Orders received increased in North America and China, remained at the previous year's level in South America and decreased in Asia-Pacific and EMEA.

In the first half of the year, orders received by the Automation Systems business line increased 24 percent to EUR 362 million (EUR 291 million). Automation Systems accounted for 13 percent (12%) of Valmet's orders received. Orders received increased in North America, China and EMEA, remained at the previous year's level in South America and decreased in Asia-Pacific. Orders received increased in energy and process and in pulp and paper. Orders received of Analyzer Products and Integration (the acquired Process Gas Chromatography business from Siemens), which was integrated into Valmet on April 2, 2024, amounted to EUR 70 million (EUR 22 million).

Net sales for the Automation Systems business line increased 17 percent to EUR 176 million (EUR 150 million) in April–June, corresponding to 14 percent (11%) of Valmet's net sales. Net sales of Analyzer Products and Integration (the acquired Process Gas Chromatography business from Siemens), which was integrated into Valmet on April 2, 2024, amounted to EUR 36 million (EUR 19 million).

In the first half of the year, net sales for the Automation Systems business line increased 19 percent to EUR 323 million (EUR 271 million), corresponding to 13 percent (11%) of Valmet's net sales. Net sales of Analyzer Products and Integration (the acquired Process Gas Chromatography business from Siemens), which was integrated into Valmet on April 2, 2024, amounted to EUR 72 million (EUR 19 million).

Process Technologies

Orders received increased, while net sales and Comparable EBITA decreased

Process Technologies segment	**Q2/2025**	Q2/2024	Change	**Q1–Q2/ 2025**	Q1–Q2/ 2024	Change
Orders received (EUR million)	**611**	434	41%	**968**	628	54%
Net sales (EUR million)	**409**	500	-18%	**822**	997	-18%
Comparable EBITA (EUR million)	**4**	15	-74%	**10**	36	-72%
Comparable EBITA, %	**1.0%**	3.0%		**1.2%**	3.6%	
Personnel (end of period)				**6,454**	6,567	-2%

In April–June, orders received by the Process Technologies segment increased to EUR 611 million (EUR 434 million). Process Technologies accounted for 40 percent (34%) of Valmet's orders received. Changes in foreign exchange rates compared to the exchange rates for the corresponding period in 2024 decreased orders received by approximately EUR 7 million.

In the first half of the year, orders received by the Process Technologies segment increased 54 percent to EUR 968 million (EUR 628 million) and accounted for 34 percent (27%) of Valmet's orders received. Changes in foreign exchange rates compared to the exchange rates for the corresponding period in 2024 decreased orders received by approximately EUR 10 million.

Net sales for the Process Technologies segment decreased 18 percent to EUR 409 million (EUR 500 million) in April–June, corresponding to 33 percent (38%) of Valmet's net sales. Changes in foreign exchange rates compared to the exchange rates for the corresponding period in 2024 decreased net sales by approximately EUR 6 million.

In the first half of the year, net sales for the Process Technologies segment decreased 18 percent to EUR 822 million (EUR 997 million), corresponding to 34 percent (39%) of Valmet's net sales. Changes in foreign exchange rates compared to the exchange rates for the corresponding period in 2024 decreased net sales by approximately EUR 7 million.

Comparable EBITA of the Process Technologies segment decreased to EUR 4 million in April–June, corresponding to 1.0 percent of the segment's net sales (EUR 15 million and 3.0%). Comparable EBITA was impacted by lower net sales.

In the first half of the year, comparable EBITA of the Process Technologies segment decreased to EUR 10 million, corresponding to 1.2 percent of the segment's net sales (EUR 36 million and 3.6%). Comparable EBITA was impacted by lower net sales.

Pulp and Energy business line	**Q2/2025**	Q2/2024	Change	**Q1–Q2/ 2025**	Q1–Q2/ 2024	Change
Orders received (EUR million)	**240**	187	28%	**475**	243	95%
Net sales (EUR million)	**228**	221	3%	**406**	447	-9%
Personnel (end of period)				**2,139**	1,894	13%

In April–June, orders received by the Pulp and Energy business line increased to EUR 240 million (EUR 187 million). Pulp and Energy accounted for 16 percent (15%) of Valmet's orders received.

In the first half of the year, orders received by the Pulp and Energy business line increased 95 percent to EUR 475 million (EUR 243 million). Pulp and Energy accounted for 17 percent (10%) of all orders received. Orders received increased in North America, China, South America and EMEA and decreased in Asia-Pacific. Orders received increased in both Pulp and Energy.

Net sales for the Pulp and Energy business line remained at the previous year's level and amounted to 228 million (EUR 221 million) in April–June, corresponding to 18 percent (17%) of Valmet's net sales.

In the first half of the year, net sales for the Pulp and Energy business line decreased 9 percent to EUR 406 million (EUR 447 million), corresponding to 17 percent (18%) of Valmet's net sales.

The increase in personnel is mainly due to the acquisition of Demuth, a provider of wood handling technology and services, on August 2, 2024.

Paper business line	**Q2/2025**	Q2/2024	Change	**Q1–Q2/ 2025**	Q1–Q2/ 2024	Change
Orders received (EUR million)	**371**	247	50%	**493**	385	28%
Net sales (EUR million)	**181**	279	-35%	**416**	550	-24%
Personnel (end of period)				**4,316**	4,673	-8%

In April–June, orders received by the Paper business line increased 50 percent to EUR 371 million (EUR 247 million). Paper business line accounted for 24 percent (19%) of Valmet's orders received.

In the first half of the year, orders received by the Paper business line increased 28 percent to EUR 493 million (EUR 385 million) and accounted for 17 percent (16%) of all orders received. Orders received increased in China and North America and decreased in South America, Asia-Pacific and EMEA. Orders received increased in Small and Medium size Machines, Tissue and Board and Paper and decreased in Stock preparation and Recycled fiber.

Net sales for the Paper business line decreased 35 percent to EUR 181 million (EUR 279 million) in April–June, corresponding to 15 percent (21%) of Valmet's net sales.

In the first half of the year, net sales for the Paper business line decreased 24 percent to EUR 416 million (EUR 550 million), corresponding to 17 percent (22%) of Valmet's net sales.

The decrease in Paper business line's personnel is mainly due to change negotiations in the Paper Mills business unit in Finland in 2024.

Cash flow and financing

Cash flow provided by operating activities amounted to EUR 79 million (EUR 128 million) in April–June and EUR 297 million (EUR 267 million) in January–June. The change in net working capital had a less favorable impact on the cash flow provided by operating activities during April–June 2025 than in the comparison period. Change in net working capital in the statement of cash flows was EUR 7 million (EUR 35 million) in April–June and EUR 73 million (EUR 82 million) in January–June.

Net working capital amounted to EUR -139 million (EUR 27 million) at the end of the reporting period. Net working capital includes EUR 123 million dividend liability. In the recent years, Valmet's net working capital profile has changed due to increased portion of Services and Automation business, which typically ties up more net working capital than capital business. Payment schedules of large long-term projects have a significant impact on net working capital development.

Cash flow after investing activities totaled EUR 48 million (EUR -14 million) in April–June and EUR 243 million (EUR 95 million) in January–June.

In compliance with the resolution of the Annual General Meeting, on April 8, 2025, Valmet paid out the first installment of dividend for year 2024, EUR 125 million, corresponding to EUR 0.68 per share. The second installment, EUR 0.67 per share and in total EUR 123 million, will be paid on October 7, 2025.

At the end of June, net debt to EBITDA ratio was 1.60 (1.63) and gearing 42 percent (45%). Equity to assets ratio was 41 percent (40%). Interest-bearing liabilities amounted to EUR 1,494 million (EUR 1,740 million), and net interest-bearing liabilities totaled EUR 992 million (EUR 1,094 million) at the end of the reporting period.

The average interest rate of Valmet's total debt was 3.6 percent and average maturity of non-current debt including current installments was 3.1 years at the end of June. Lease liabilities have been excluded from calculation of these two key performance indicators.

Valmet’s liquidity was strong at the end of the reporting period, with cash and cash equivalents amounting to EUR 485 million (EUR 640 million) and other interest-bearing assets totaling EUR 18 million (EUR 6 million).

Valmet announced on May 15, 2025, that it has signed a new agreement for a EUR 450 million committed multi-currency revolving credit facility. The facility has a tenor of five years with two one-year extension options subject to the lenders' approval. The new facility refinances the earlier EUR 300 million revolving credit facility dated October 2021. As a reflection of Valmet’s growth and global presence, the facility size has been increased and enhanced with multi-currency capability. The facility was undrawn at the end of the reporting period. Liquidity was additionally secured by an uncommitted commercial paper program worth of EUR 300 million, of which EUR 50 million was outstanding at the end of the reporting period.

Capital expenditure

Gross capital expenditure (excluding business combinations and right-of-use assets) totaled EUR 33 million (EUR 28 million) in April–June, of which maintenance investments were EUR 8 million (EUR 9 million).

In the first half of the year, gross capital expenditure (excluding business combinations and right-of-use assets) totaled EUR 57 million (EUR 58 million), of which maintenance investments amounted to EUR 16 million (EUR 22 million).

Acquisitions and divestitures

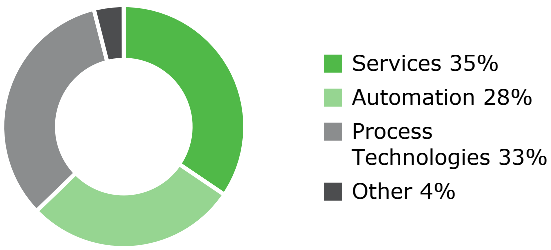
Valmet made no acquisitions or divestitures during January–June 2025.

Personnel

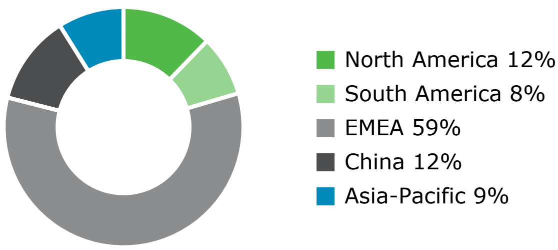
Personnel	**As at June 30, 2025**	As at June 30, 2024	Change	As at March 31, 2025
Services	**6,693**	6,541	2%	6,571
Automation	**5,493**	5,519	0%	5,451
Flow Control	*2,891*	*2,898*	*0%*	*2,865*
Automation Systems	*2,602*	*2,621*	*-1%*	*2,586*
Process Technologies	**6,454**	6,567	-2%	6,447
Pulp and Energy	*2,139*	*1,894*	*13%*	*2,125*
Paper	*4,316*	*4,673*	*-8%*	*4,322*
Other	**772**	807	-4%	763
Total	**19,412**	19,434	0%	19,232

Personnel	As at June 30, 2025	As at June 30, 2024	Change	As at March 31, 2025
North America	**2,380**	2,489	-4%	2,496
South America	**1,588**	1,168	36%	1,555
EMEA	**11,366**	11,614	-2%	11,068
China	**2,348**	2,445	-4%	2,382
Asia-Pacific	**1,730**	1,718	1%	1,731
Total	**19,412**	19,434	0%	19,232

Personnel by segment as at June 30, 2025



Personnel by area as at June 30, 2025



During the first half of the year, Valmet employed an average of 19,305 people (19,188). The number of personnel at the end of June was 19,412 (19,434). Personnel expenses totaled EUR 725 million (EUR 699 million) in January–June, of which wages, salaries and remuneration amounted to EUR 568 million (EUR 551 million).

Structural changes

On March 31, 2025, Valmet announced plans to renew its operating model. The related change negotiations have been concluded in most countries and for over 90% of white collar employees. The change negotiations continue in five countries and the people affected will be known later in 2025.

Separately from the change negotiations related to operating model renewal, Valmet held new change negotiations in Finland within the Paper business line concerning temporary layoffs during the second quarter due to a decrease in workload and the need to improve profitability.

On June 4, 2025, Valmet announced its new strategy 'Lead the Way' and confirmed the new operating model to become effective on July 1, 2025.

Valmet estimates that the corresponding annual cost savings would be approximately EUR 80 million, with full run-rate achieved by the beginning of 2026.

Since July 1, 2025, Valmet consists of two reportable segments: Biomaterial Solutions and Services, and Process Performance Solutions. Biomaterial Solutions and Services segment consists of three business areas: Pulp, Energy and Circularity; Packaging and Paper; and Tissue. Strategic mission for the segment is Advancing circularity. Process Performance Solutions segment consists of two business areas: Automation Solutions and Flow Control. Strategic mission for the segment is Unlocking resource efficiency.

Valmet has also established a Global Supply organization, which targets EUR 100 million of cost efficiencies by optimizing procurement, logistics, and manufacturing activities across the full Biomaterial Solutions and Services segment.

Changes in Valmet's Executive Team

On March 31, 2025, Valmet announced plans to renew its operating model, which became effective on July 1, 2025. The organizational changes affected the structure and composition of the Executive Team of Valmet. As a result, the new Executive Leadership Team as of July 1, 2025, consists of the following members:

- Thomas Hinnerskov, President and CEO
- Katri Hokkanen, CFO
- Petri Rasinmäki, EVP Packaging and Paper, and interim EVP Tissue
- Sami Riekkola, EVP Pulp, Energy and Circularity
- Emilia Torttila-Miettinen, EVP Automation Solutions
- Simo Sääskilahti, EVP Flow Control
- Celso Tacla, EVP Latin America
- Xiangdong Zhu, EVP China Chair
- Aki Niemi, EVP Global Supply
- Anu Pires, EVP People, Communications and Culture
- Olli Hänninen, EVP Strategy and Transformation
- Rasmus Oksala, EVP Legal, and General Counsel

Executive Vice President Tissue will be announced and appointed at a later stage.

Business model and value creation

Valmet is a leading global developer and supplier of process technologies, automation and services for the pulp, paper and energy industries. With our automation systems and flow control solutions we serve an even wider base of process industries.

Our strong technology offering includes pulp mills, tissue, board and paper production lines, air emission control solutions, and power plants for bioenergy production. Our services, automation systems and flow control solutions improve production performance and increase the environmental efficiency and cost-effectiveness of Valmet's customers' production processes, while ensuring safe and reliable operations. Our product and service portfolio consists of productivity-enhancing services, plant upgrades and rebuilds, cost-effective new equipment and solutions for optimizing energy and raw material use, and technologies increasing the value of our customers' end products. Valmet's technologies maximize the value of renewable raw materials, while minimizing their environmental impact.

Valmet's business model relies on a range of key intangible resources that enable long-term value creation for its stakeholders. These include, for example, intellectual property, brand reputation, technological expertise, and customer relationships and references. Valmet holds a robust portfolio of intellectual assets, including approximately 1,500 patented inventions. Valmet employs more than 19,000 employees globally, whose expertise and experience play a key role in value creation.

Progress in sustainability

During the second quarter 2025 Valmet's focus was on renewing sustainability approach aligned with company's new strategy, 'Lead the Way', which puts sustainability in the center of Valmet's operations through a dual mission of advancing circularity in the Biomaterial Solutions and Services and unlocking resource efficiency in Process Performance Solutions. The new purpose of 'transforming industries towards a regenerative tomorrow' reflects Valmet's ambition and commitment to sustainability.

The sustainability governance model has been furthermore developed during the second quarter and in the new operating model Sustainability is part of the newly established Strategy and Transformation function.

Environment

Valmet advanced further in executing its Climate Program during the second quarter and continued climate engagement with suppliers, according to the plan. At the end of June 2025 around 300 suppliers had been engaged.

The implementation of Beyond Circularity, the Valmet-led R&D program and ecosystem, has progressed successfully. The program aims to develop process technologies, automation, and services that create value by utilizing renewable and recycled materials. By the end of the second quarter of 2025, the ecosystem had expanded to include over 310 partners collaborating on 41 projects, co-funded by Business Finland and the European Union. Internally, Valmet is actively fostering innovation through nearly 60 ongoing research and development projects directly linked to the program.

During the second quarter Valmet received the best A score in the 2024 CDP Supplier Engagement Assessment (SEA). CDP SEA evaluates companies' performance in value chain engagement and scope 3 targets.

Social

At the end of June 2025, the lost time incident frequency rate (LTIF) for Valmet's own workforce was 1.6 (1.7) and for subcontractors was 1.8 (2.9). Throughout the year, HSE events have been organized for customer installation projects initiated in 2025, reinforcing safety commitment and collaboration between Valmet and its subcontractors. In addition, Valmet's HSE induction training was renewed in March and 42 percent of employees had refreshed their understanding of the Life Saving Rules and Minimum Safety Standards by the end of the second quarter.

Psychological safety has been a key focus at Valmet during the first half of 2025, supporting collaboration, performance, and transformation across the organization. Approximately 25 percent of our employees have participated in psychological safety sessions. Creating an environment where people feel safe to speak up, share ideas, and take risks is essential for innovation, teamwork, and continuous improvement. For Valmet, this investment helps empower individuals to contribute to the company's long-term success.

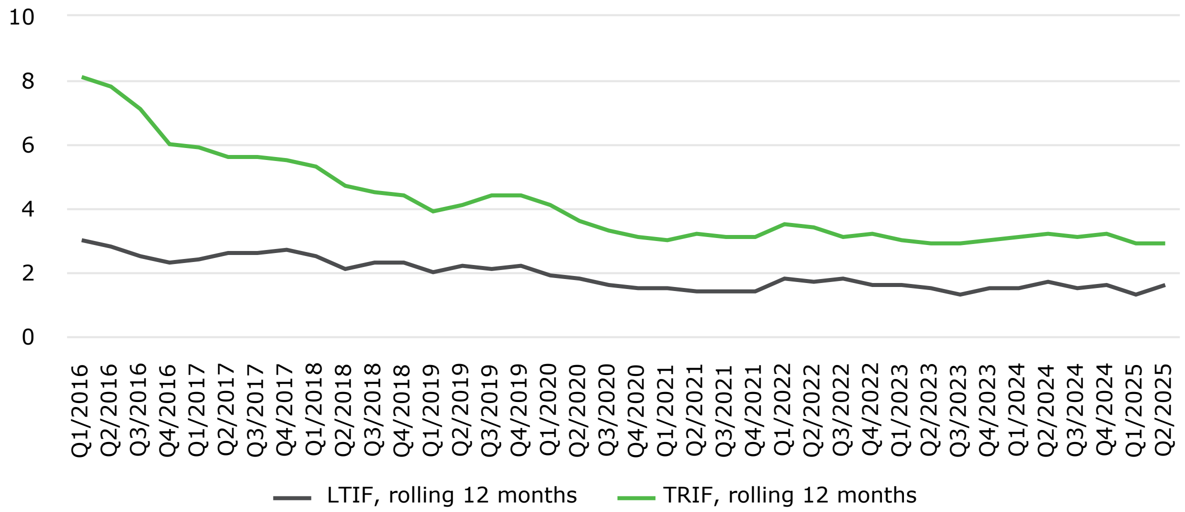
Valmet's global social responsibility program continues in 2025 through six local projects in the Asia-Pacific, EMEA, South America, China, and North America areas, including new partnerships. Some projects are selected through employee voting, which increases involvement and internal engagement.

Governance

A new Supplier Code of Conduct was introduced in February 2025. It replaces the Sustainable Supply Chain policy and reflects Valmet's commitment to upholding the highest standards of integrity, sustainability, and ethical conduct across its global operations. The new Supplier Code of Conduct has been given top priority, and its implementation will proceed throughout the year. Implementation of the Supplier Code of Conduct has continued, and we target to reach 75 percent coverage of spend by the end of 2025.

A key component in Valmet's Sustainable Supply chain process is sustainability audits. By June 30, 2025, 27 supplier sustainability audits had been conducted in China, North America, South America, Asia-Pacific, and EMEA. The target for the entire year is to conduct a minimum of 40 supplier audits. Furthermore, during the second quarter Valmet conducted heightened due diligence assessments for high-risk suppliers as planned.

Lost time incident frequency (LTIF)[1] and total recordable incident frequency (TRIF)[2], own workforce[3]



[1] LTIF reflects the number of injuries resulting in an absence of at least one work day per million hours worked.
[2] LTIF + medical treatment and restricted work cases.
[3] Own workforce refers to employees and leased workforce.

Lawsuits and claims

On October 15, 2024, Valmet announced that Metsä Fibre Oy has filed a request for arbitration against Valmet Technologies Oy, which is a subsidiary of Valmet. The arbitration concerns Metsä Fibre's bioproduct mill in Kemi, Finland, which came into operation as planned on September 20, 2023.

Valmet Technologies Oy disputes the claims brought by Metsä Fibre and will also actively pursue claims of its own against Metsä Fibre. Metsä Fibre's monetary claims put forward after Statement of Claim amount to approximately EUR 48.7 million. In addition, Metsä Fibre has also reserved the right to present certain other claims based on contractual relationships between Metsä Fibre and other parties, which are still unresolved. Estimation of the total amount of such claims is not included in the Statement of Claim.

Valmet’s management does not expect to the best of its current understanding any material adverse impacts on its operations or financial position due to this arbitration. This assessment takes into account the grounds currently presented, provisions made, insurance coverage in force, and the extent of Valmet’s total business activities.

Several lawsuits, claims and disputes based on various grounds are pending against Valmet in various countries, including product liability lawsuits and claims as well as legal disputes related to Valmet’s deliveries. Valmet is also a plaintiff in several lawsuits. Although some of the claims are substantial, Valmet’s management does not expect to the best of its present understanding that the outcome of these lawsuits, claims and disputes will have a material adverse effect on Valmet in view of the grounds currently presented for them, provisions made, insurance coverage in force and the extent of Valmet’s total business activities.

Corporate Governance Statement and Remuneration Report

Valmet has published a Corporate Governance Statement and a Remuneration Report for 2024, which comply with the recommendations of the Finnish Corporate Governance Code for listed companies. These reports also cover other central areas of corporate governance, and they have been published on Valmet’s website, separately from the Report of the Board of Directors, at www.valmet.com/governance.

Shares and shareholders

Share capital, number of shares and shareholders

	As at June 30, 2025	As at June 30, 2024
Share capital, EUR	**140,000,000**	140,000,000
Number of shares	**184,529,605**	184,529,605
Treasury shares	**317,852**	361,400
Shares outstanding	**184,211,753**	184,168,205
Market capitalization, EUR million	**4,848**	4,925
Number of shareholders	**103,663**	103,357

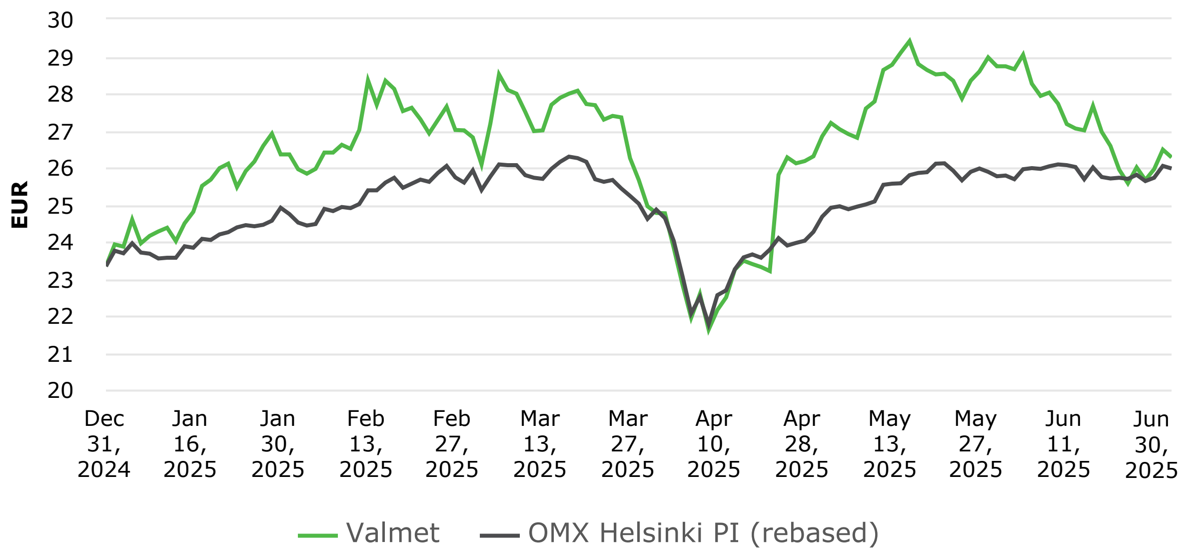
Trading of shares

Trading of Valmet shares on Nasdaq Helsinki	**January 1 – June 30, 2025**	January 1 – June 30, 2024
Number of shares traded	**49,536,650**	61,981,891
Total value, EUR million	**1,304**	1,558
High, EUR	**30.05**	27.82
Low, EUR	**21.00**	22.82
Volume-weighted average price, EUR	**25.44**	25.14
Closing price on the final day of trading, EUR	**26.27**	26.69

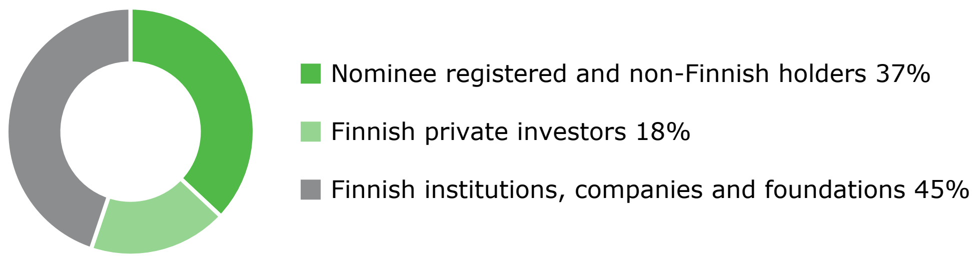
The closing price of Valmet’s share on the final day of trading for the reporting period, June 30, 2025, was EUR 26.27, i.e., 13 percent higher than the closing price on the last day of trading in 2024 (EUR 23.33 on December 30, 2024).

In addition to Nasdaq Helsinki Ltd, Valmet's shares are also traded on other marketplaces, such as CBOE DXE, Turquoise, BATS, Frankfurt and Chi-X. A total of approximately 26 million Valmet shares were traded on these five alternative marketplaces in January–June (Source: www.valmet.com/investors/valmet-share/trading-volumes/).

Development of Valmet's share price, December 31, 2024 – June 30, 2025



Ownership structure as at June 30, 2025



Flagging notifications

During the review period, Valmet received the following flagging notification referred to in the Securities Market Act:

			% of shares and voting rights		
Transaction date	**Shareholder**	**Threshold**	**Direct**	**Through financial instruments**	**Total, %**
February 14, 2025	Swedbank Robur Fonder AB	Below 5%	4.77%	-	4.77%

More information on flagging notifications can be found at www.valmet.com/flagging-notifications.

Board authorizations regarding shares

Valmet Oyj’s Annual General Meeting on March 26, 2025, authorized Valmet’s Board of Directors to resolve on the repurchase of a maximum number of 9,200,000 of the Company’s own shares in one or several tranches. This corresponds to approximately 5.0 percent of all the shares in the Company. The Company's own shares may be repurchased otherwise than in proportion to the shareholdings of the shareholders (directed repurchase). The Company's own shares may be repurchased using the unrestricted equity of the Company at a price formed on a regulated market on the official list of Nasdaq Helsinki Ltd on the date of the repurchase or at a price otherwise formed on the market. The Board of Directors resolves how the own shares will be repurchased. Own shares can be repurchased also by using derivatives.

The Company's own shares may be repurchased for reasons of developing the Company's capital structure, financing or carrying out acquisitions, investments or other business transactions, or for the shares to be used as part of the Company's incentive schemes, however so that a maximum of 755,000 shares may be repurchased to be used as part of the Company's incentive schemes, which corresponds to approximately 0.4 percent of all the shares in the Company.

The Board of Directors resolves on all other terms related to the repurchasing of the Company's own shares.

Valmet Oyj’s Annual General Meeting 2025 also authorized Valmet’s Board of Directors to decide on the issuance of shares and the issuance of special rights entitling to shares pursuant to Chapter 10, Section 1 of the Finnish Companies Act in one or several tranches. The issuance of shares may be carried out by offering new shares or by transferring treasury shares held by Valmet. Based on this authorization, the Board of Directors may also resolve on a directed share issue in deviation from the shareholders’ pre-emptive rights and on the granting of special rights subject to the conditions mentioned in the Finnish Companies Act. Based on this authorization, a maximum number of 18,500,000 shares may be issued, corresponding to approximately 10.0 percent of all the shares in Valmet. The new shares and treasury shares may be issued for consideration or without consideration.

The Board of Directors resolves on all other terms of the issuance of shares and special rights entitling to shares pursuant to Chapter 10, Section 1 of the Finnish Companies Act. The Board of Directors may use this authorization, for example, for reasons of developing the Company’s capital structure, in financing or carrying out acquisitions, investments or other business transactions, or for the shares to be used as part of the Company's incentive schemes, however so that the Board of Directors may issue a maximum of 755,000 shares to be used in incentive schemes, which corresponds to approximately 0.4 percent of all the shares in the Company.

The authorizations shall remain in force until the close of the next Annual General Meeting, and they cancel the corresponding authorizations granted by the Annual General Meeting 2024.

The Board of Directors of Valmet decided in its meeting on December 18, 2024, to use the authorization granted by the Annual General Meeting 2024 to repurchase the Company's own shares. Based on the authorization, the Board decided to initiate a fixed-term share buy-back program for the purpose of acquiring the Company's own shares to meet part of the obligations arising from the LTI Plans and the Restricted Pool incentive. The share acquisitions began on February 14, 2025, and ended on February 19, 2025. The number of shares acquired was 115,000 and the total purchase price paid for the shares was EUR 3.2 million. The shares were acquired at market price in public trading on Nasdaq Helsinki Ltd.

Based on the authorization granted by the Annual General Meeting 2024, Valmet’s Board of Directors decided in December 2024 on a directed share issue related to the reward payment of Valmet’s share-based long-term incentive plans for the periods 2022–2024 and 2024. In the share issue on March 14, 2025, a total of 161,915 Valmet’s treasury shares were conveyed without consideration to the participants of the plans, in accordance with the terms and conditions of the plans.

Share-based incentive plans

Valmet’s share-based incentive plans are part of the total compensation offered for Valmet’s key personnel. The aim of the plans is to align the interests of the shareholders and the key employees to increase the value of Valmet in the long run, to commit the executives and key employees to achieving the Company’s strategic targets, to retain the key employees to the Company, and to offer them a competitive reward plan based on holding the Company's shares. As a rule, no reward is paid if the key employee’s employment or service at Valmet ends before the reward payment. Any shares to be potentially awarded are, or have been, acquired through public trading, and therefore the incentive plans have no diluting effect on the share value.

Long-term incentive plans 2022–2024, 2023–2025 and 2024–2026: Performance Share Plan and Deferred Share Plan

In its meeting on December 17, 2020, the Board of Directors of Valmet Oyj decided on share-based long-term incentive plans, Performance Share Plan and Deferred Share Plan, for Valmet's key employees. The Board of Directors decided on a continuation of the share-based long-term incentive plans (LTI plans) yearly.

The Performance Share Plan was directed to the Executive Team members. The Performance Share Plans include a three-year performance period parallel to a one-year performance period. Valmet's Board of Directors decided on the predefined performance measures and targets in the beginning of each performance period.

The Deferred Share Plan was directed to other key employees in management positions and management talents. It had a one-year performance period. The predefined performance measures and targets were decided by Valmet’s Board of Directors and were aligned with the targets of the Performance Share Plan. The Deferred Share Plan was directed to approximately 200 participants, of which approximately 150 are key employees in management positions, and approximately 50 are management talents.

Share-based incentive plan 2025–2027: Performance Share Plan

The Board of Directors of Valmet Oyj decided in December 2024 on establishment of a new long-term share incentive plan, Performance Share Plan, for Valmet's executives and selected key employees. The new Performance Share Plan consists of annually commencing performance share plans, with a three-year performance period, within which its participants have the opportunity to earn shares of the Company based on achievement of the performance measures. The performance measures and their target ranges are set separately for each commencing plan.

The Performance Share Plan is directed to Executive Team members and approximately 200 other key employees and management talents based on nomination. The potentially earned share reward, which will be paid in spring 2028, represents a gross reward from which the applicable payroll tax is withheld, and the remaining net balance is paid to the participants in shares.

Restricted Share Pool

As part of total remuneration, for example for retention purposes, the Board of Directors decided on an additional incentive element in December 2018, the Restricted Share Pool, from which shares can be granted to selected key employees. Restricted pools are annually commencing, and the commencement of a future restricted pool is subject to separate approval by the Board of Directors. In 2025, 100,000 shares and in addition the shares unallocated from the Performance Share Plan 2025–2027 can be allocated to possible participants of the Restricted Share Pool. As a rule, the restriction period for these shares is three years, after which the potentially granted share rewards are paid in Company shares. Plan nominations as well as detailed terms of allocation will be proposed by the President and CEO to the Chair of the Board of Directors for approval. A precondition for the payment of the share reward based on the Restricted Share Pool is that Valmet's Comparable EBITA exceeds a threshold value and that the employment relationship of the individual participant with Valmet continues until the payment date of the reward.

	Long-term incentive plans 2022–2024		**Long-term incentive plans 2023–2025**	
Plan name	Performance Share Plan and Deferred Share Plan	Performance Share Plan	Performance Share Plan and Deferred Share Plan	Performance Share Plan
Performance period	2022	2022–2024	2023	2023–2025
Incentive based on	Comparable EBITA as a percentage of net sales, and orders received growth in the stable business	ESG Index, targets linked to implementing Valmet's Climate Program and Sustainability Agenda	Comparable EBITA as a percentage of net sales, and orders received growth of the stable business	Development of a valuation multiple of Valmet's share in comparison to peer group
Reward payment	In spring 2023	In spring 2025	In spring 2024	In spring 2026
Participants				
Performance Share Plan	14	11	15	13
Deferred Share Plan	114		119	
Total gross number of shares earned	Approximately 176,000 shares	Approximately 29,000 shares	Approximately 152,000 shares.	Approximately 48,000 shares.

	Long-term incentive plans 2024–2026		Long-term incentive plan 2025–2027
Plan name	Deferred share plan	Performance Share Plan	Performance Share Plan
Performance period	2024	2024, 2024–2026	2025–2027
Incentive based on	Comparable EBITA as a percentage of net sales, and orders received growth of the stable business	Comparable EBITA as a percentage of net sales, and orders received growth of the stable business Development of a valuation multiple of Valmet's share in comparison to peer group	Comparable EBITA, organic orders received growth (%) of the stable business, and ESG index
Reward payment	In spring 2025	In spring 2027	In spring 2028
Participants			
Performance Share Plan		17	147
Deferred Share Plan	192		n.a.
Total gross number of shares earned	Approximately 237,000 shares.	Approximately 201,000 shares.	As at June 30, 2025, a total of approximately 536,000 shares were allotted to the participants.

Both the Performance Share Plan and the Restricted Share Pool include a recommendation for the members of Valmet's Executive Team to own and hold an amount of Company shares equaling their gross annual base salary (100 percent ownership recommendation). Further, each member of Valmet's Executive Team is expected to retain in their ownership at least half of the shares received under the share-based incentive plans of the Company, until the value of their share ownership corresponds to at least their gross annual base salary. Management shareholding is presented on Valmet's website at www.valmet.com/investors/shareholders/management-shareholding.

The Board of Directors of Valmet decided in its meeting on December 18, 2024, to use the authorization granted by the Annual General Meeting 2024 to repurchase the Company's own shares. Based on the authorization, the Board decided to initiate a fixed-term share buy-back program for the purpose of acquiring the Company's own shares to meet part of the obligations arising from the LTI Plans and the Restricted Pool incentive. The share acquisitions began on February 14, 2025, and ended on February 19, 2025. The number of shares acquired was 115,000 and the total purchase price paid for the shares was EUR 3.2 million. The shares were acquired at market price in public trading on Nasdaq Helsinki Ltd.

Based on the authorization granted by the Annual General Meeting 2024, Valmet's Board of Directors decided in December 2024 on a directed share issue related to the reward payment of Valmet's share-based long-term incentive plans for the periods 2022–2024 and 2024. In the share issue on March 14, 2025, a total of 161,915 Valmet's treasury shares were conveyed without consideration to the participants of the plans, in accordance with the terms and conditions of the plans.

At the end of the reporting period, the Company held 317,852 treasury shares related to the share-based incentive programs.

More information about share-based incentive plans can be found in Valmet's Remuneration Report, which is available at www.valmet.com/governance.

Resolutions of Valmet's Annual General Meeting

Valmet's Annual General Meeting 2025 was held in Helsinki on March 26, 2025. The Annual General Meeting adopted the Financial Statements for 2024 and discharged the members of the Board of Directors and the President and CEO from liability for the financial year 2024. The Annual General Meeting adopted the remuneration report for governing bodies, for which the decision is advisory. The Annual General Meeting authorized the Board of Directors to decide on the repurchase of the Company's own shares and on the issuance of shares and special rights entitling to shares.

The Annual General Meeting decided to pay a dividend of EUR 1.35 per share for the financial year which ended on December 31, 2024. The dividend was decided to be paid in two installments. The first installment of EUR 0.68 per share was paid on April 8, 2025, to shareholders who on the dividend record date March 28, 2025, were registered in the Company's shareholders' register held by Euroclear Finland Oy. The second installment of EUR 0.67 per share will be paid to shareholders who on the dividend record date are registered in the Company's shareholders' register held by Euroclear Finland Oy. The dividend record date and payment date shall be resolved by the Board of Directors in its meeting preliminary scheduled for September 25, 2025. The dividend record date for the second installment would then be September 29, 2025 and the dividend payment date October 7, 2025.

The Annual General Meeting confirmed the number of Board members as eight and appointed Pekka Vauramo as the new Chair of Valmet Oyj's Board and Annika Paasikivi as the new Vice Chair. Anu Hämäläinen, Pekka Kemppainen, Annareetta Lumme-Timonen and Monika Maurer were re-elected as Board members, and Bernd Eikens and Jonas Gustavsson were elected as new Board members. The term of office of the members of the Board of Directors expires at the close of the Annual General Meeting 2026.

PricewaterhouseCoopers Oy was re-elected as the Company's auditor for a term expiring at the end of the Annual General Meeting 2026. Pasi Karppinen, Authorised Public Accountant, will act as the responsible auditor. PricewaterhouseCoopers Oy will also carry out the assurance of the Company's sustainability reporting.

Valmet published a stock exchange release on March 26, 2025, concerning the resolutions of the Annual General Meeting and the organizing meeting of the Board of Directors. The stock exchange release and meeting materials can be viewed on Valmet's website at www.valmet.com/investors/governance/annual-general-meeting.

Risks and business uncertainties

Valmet's operations are affected by various strategic, financial, operational and hazard risks. Valmet takes measures to exploit emerging opportunities and to limit the adverse effects of potential threats. In the annual risk assessment, Valmet's risk management identified the most significant threats and opportunities being global and key market area economic cycles, customer industry cycles and project operations related risks. The assessment of risks related to sustainable development holds an important role in risk management. If such threats materialized, they could have material adverse effects on Valmet's business, financial situation and operating result, or on the value of shares and other securities.

The objective of Valmet's risk management is to ensure the implementation of an effective and successful strategy for achieving both long- and short-term goals. The task of Valmet's management is to regulate risk appetite. In assessing risks, Valmet takes into consideration the probability of the risks and their estimated impact on net sales or financial results. Valmet’s management estimates that the Company’s overall risk level is currently manageable in proportion to the scope of its operations and the practical measures available for managing these risks.

Financial uncertainty in the global economy, coupled with fluctuations in exchange rates, higher interest rates and tightening financial market regulations may have an adverse effect on the availability and price of financing from banks and capital markets and could reduce the investment appetite of Valmet’s customers. If economic growth slows down significantly, the markets for Valmet’s products may shrink, which may lead to, for example, tougher price competition. Valmet estimates that the high proportion of business derived from the Services and Automation segments and the geographical diversification will reduce the possible negative effects that market uncertainties may have.

If global economic growth weakens, it might have adverse effects on new projects under negotiation or on projects in the order backlog. Some projects may be postponed, suspended, or canceled. In the case of long-term delivery projects, initial customer advance payments are typically 10–30 percent of the value of the project, and customers make progress payments as the project is implemented. This significantly decreases the risks and financing requirements related to Valmet’s projects. Valmet continually assesses its customers’ creditworthiness and their ability to meet their obligations. As a rule, Valmet does not finance customer projects.

Of the financial risks that affect Valmet’s profit, currency exchange rate and interest rate risks are among the most substantial. Exchange rate changes can affect Valmet’s business, although the wide geographical scope of the Company’s operations reduces the impact of any individual currency. Economic insecurity typically increases exchange rate fluctuations and can impact interest rates as well. Valmet hedges its currency exposures linked to firm delivery and purchase agreements. The interest rate risks are managed through balancing the ratio between fixed and floating interest rates and duration of interest-bearing debt and interest-bearing financial assets. Additionally, Valmet may use derivative instruments to mitigate the risks.

Changes in legislation and the way authorities interpret regulation, for example regarding taxation, can also have an impact on Valmet’s financials.

Large fluctuations in energy prices can affect the global economy. These fluctuations can also affect Valmet and its customers.

Issues with component availability and logistics may have adverse effects on Valmet's business.

Changes in labor costs and the prices of raw materials and components can affect Valmet’s profitability. Valmet’s goal is to offset inflation through increased productivity and price increases. It is possible, however, that tough competition in some product categories will make it difficult to pass on cost increases to product prices. On the other hand, some of Valmet’s customers are raw material producers and their ability to operate and invest may be enhanced by strengthening commodity prices and hampered by declining commodity prices.

There may be changes in the competitive situation of Valmet’s individual businesses, such as the emergence of new, cost-effective competition in the markets. Valmet can safeguard its market position by developing its products and services, through excellent customer service and local presence.

To ensure high quality in both production and services, it is important to sustain a high level of competence and talent availability. This includes, for example, maintaining efficient recruitment programs, utilization of existing talent and sharing knowledge globally.

Through acquisitions, Valmet may become exposed to risks associated with new markets and business environments. The actual acquisition process also includes risks. Other risks associated with acquisitions include, but are not limited to, integration of the acquired business, increased financial risk exposure, retention of key personnel and achieving the targets set for the acquired business.

Valmet's operations, products and services rely largely on data networks, software and digital solutions. Any malfunctions and cybersecurity breaches in such networks, software and solutions as well as potential failures in information system development projects may adversely affect Valmet's business and financial position and lead to reputational damage.

Potential collective disputes and labor and union strikes remain a risk to Valmet's operations as they might have impact on the supply chain, business operations and customer deliveries by increasing the likelihood of interruptions. Valmet's operations are dispersed all around the world, Valmet has a global customer base and our suppliers operate in several countries. This mitigates the overall impacts of risks to Valmet, should there be any disruptions in some isolated country or case.

Epidemic outbreaks and potential pandemics remain a risk to Valmet's operations. Pandemics might have an impact on customers' investment activity, the supply chain and business operations by increasing the likelihood of interruptions. Valmet's operations are dispersed all around the world, Valmet has a global customer base and our suppliers operate in several countries. This mitigates the overall impacts of risks to Valmet, should there be any disruptions in some isolated country or case.

Management of project business risks important

An important part of Valmet's business consists of projects. Pulp business projects in particular can be large, thus project-specific risk management is crucial. Key risks related to projects are project cost estimation, scheduling, project risk management, quality and performance risks, and materials management risks. Risk analysis shall, as a minimum, take place for all significant project quotations. The work concerning threat and opportunity assessment continues during the execution phase of the project. Risk management is based on careful planning and continuous, systematic monitoring and evaluation. Project risks are managed by improving and continuously developing project management processes and the related systems.

Availability of financing crucial

Securing the continuity of Valmet's operations requires sufficient available funding under all circumstances. Valmet estimates that its liquid cash assets and committed credit limits are sufficient to secure its immediate liquidity and to ensure the flexibility of financing. The average maturity of Valmet's non-current debt (including current installments, excluding lease liabilities) is 3.1 years. Loan facilities include customary covenants, and Valmet is in clear compliance with the covenants at the balance sheet date.

Net working capital and capital expenditure levels have a key impact on the adequacy of Valmet's financing. Setting aside investments into the renewal of the ERP system, Valmet does not expect any significant increase in annual capital expenditure and estimates that it is well-positioned to keep capital expenditure approximately at the level of total depreciation.

As at June 30, 2025, Valmet had EUR 1,799 million (EUR 1,773 million) of goodwill on its statement of financial position. Valmet assesses the carrying value of its goodwill for impairment annually, or more frequently if facts and circumstances indicate that carrying value may not be recoverable. Valmet has not identified any indications of impairment during the reporting period. The principles used for impairment testing are presented in the financial statements.

Valmet has a strong balance sheet and liquidity. In order to diversify and mitigate the financial credit risk, funds are held with several financially-sound banks. Valmet is carefully evaluating counterparty risk and selecting only counterparties with high creditworthiness. Valmet's project business is typically cash positive, as the customers pay us advance and progress payments. Around half of Valmet's business consists of services and automation, where single orders are small. Furthermore, Valmet has hundreds of customers around the globe, which gives a natural hedge.

Geopolitics

The war in Ukraine causes significant risks and uncertainties to the markets affecting the entire global economic environment and financial markets. The conflict in the Middle East causes supply chain issues and can increase transport costs and durations. If the conflicts are further prolonged or enlarged, there could be additional adverse impacts on Valmet's operations, customer investment activity, project deliveries, availability and prices in the supply chain and availability of financing for both Valmet and its customers.

Changes in political narratives, the return of geopolitics, and the increase in protectionist and more political regulatory measures, such as tariffs, anti-competitive uses of product and market regulations, standards and administrative requirements, and weaponization of environmental and climate policies, can cause uncertainty in customers' willingness to invest and affect Valmet's operations. These changes, along with the associated uncertainty, can have impacts, particularly on trade between major trade areas.

The commenced trade war causes significant uncertainty in world economy and the financial markets. Valmet is closely monitoring the impact and development of the U.S. tariffs and potential retaliatory tariffs from other countries, and taking proactive measures to mitigate any potential disruptions to our supply chain and cost structure. Valmet has global operations and a large footprint also in the USA, which partly mitigates any potential direct impacts from tariffs. Valmet's service and automation deliveries to the USA are largely performed by the local organization. In the project business, Valmet has no major US competitor. Going forward, the Global Supply unit plays a key role in optimizing procurement and production.

Events after the reporting period

On July 10, 2025, Valmet announced the composition of its Nomination Board. According to Valmet Oyj's Annual General Meeting's decision, Valmet's Nomination Board consists of the representatives of Valmet's four largest shareholders as of July 1, 2025, and the Chair of the Board of Directors as an expert member. Should a shareholder not wish to exercise his/her nomination right, the right shall be transferred to the next largest shareholder who otherwise would not be entitled to nominate a member.

Based on the shareholder register of Euroclear on July 1, 2025, Valmet Oyj's largest shareholders represented in the Nomination Board are Oras Invest Oy, Solidium Oy, Varma Mutual Pension Insurance Company and Ilmarinen Mutual Pension Insurance Company. The following persons have been nominated as their representatives to Valmet’s Nomination Board:

- Markus Melkko, President and CEO, Oras Invest Oy
- Toni Nurmi, Investment Manager, Solidium Oy
- Markus Aho, Chief Investment Officer, Varma Mutual Pension Insurance Company
- Mikko Mursula, Deputy CEO, Investments, Ilmarinen Mutual Pension Insurance Company

There have been no other subsequent events after the reporting period that required recognition or disclosure.

Guidance for 2025 unchanged

Valmet reiterates its guidance issued on February 13, 2025, in which Valmet estimates that net sales in 2025 will remain at the previous year's level in comparison with 2024 (EUR 5,359 million) and Comparable EBITA in 2025 will remain at the previous year's level in comparison with 2024 (EUR 609 million).

General economic outlook according to OECD

Recent and substantial increases in policy uncertainties regarding trade barriers, tighter financial conditions, and weakened business and consumer confidences have elevated the risk for a softening of the global economy. Rising trade costs and trade barriers such as tariffs are likely to fuel inflation, although it may be partly offset by softer commodity prices. Key concerns for the development of the global economic outlook include further escalations or sudden shifts in trade policies, more cautious consumer behavior and continued repricing of risk in the financial markets.

Global GDP growth is revised to slow from 3.2% in 2024, to 2.9% in 2025 and 2.9% in 2026. Global GDP growth projections are based on the assumption of trade tariff rates as of mid-May 2025. Significant risks in the outlook remain. Further fragmentation of the global economy is a key concern. Higher and broader increases in trade barriers would hit growth around the world and add to inflation. More persistent and higher-than-expected inflation could prompt more restrictive monetary policy and could give rise to disruptive repricing in financial markets. On the upside, a more stable policy environment would reduce uncertainty, and agreements that lower tariffs from current levels and more ambitious structural policy reforms as well as the reignition of global investment initiatives could strengthen growth.

(OECD Economic Outlook, June 2025)

Short-term market outlook

The short-term market outlook is given for July–December 2025 compared with April–June 2025. It is Valmet's estimate of the customer activity and should not be interpreted as guidance for Valmet's orders received.

The short-term market outlook is presented in accordance with Valmet's new financial reporting structure, that came to effect on July 1, 2025. Valmet will change its financial reporting structure in its January–September 2025 Interim Review. In the new financial reporting structure, Valmet consists of two reportable segments: Biomaterial Solutions and Services, and Process Performance Solutions.

Biomaterial Solutions and Services

Uncertainty related to global economic outlook remains high and may impact customers' decision making, capacity utilization rates and profitability levels.

Valmet estimates that the customer activity in biomaterial services will decrease slightly.

It is typical that customers' large investment decisions can have a significant impact on the overall market activity in the short-term.

Process Performance Solutions

Valmet estimates that the customer activity will remain stable. However, uncertainty related to global economic outlook remains high.

In Espoo, Finland, on July 22, 2025

Valmet's Board of Directors

Consolidated statement of income

EUR million	Q2/2025	Q2/2024	Q1–Q2/ 2025	Q1–Q2/ 2024
Net sales	**1,241**	1,324	**2,426**	2,536
Cost of goods sold	**-890**	-961	**-1,733**	-1,837
Gross profit	**351**	362	**692**	699
Selling, general and administrative expenses	**-290**	-258	**-537**	-503
Other operating income and expenses, net	**-6**	-3	**-11**	-6
Share in profits and losses of associated companies, operative investments	**1**	1	**1**	—
Operating profit	**57**	103	**146**	189
Financial income and expenses, net	**-16**	-19	**-32**	-32
Profit before taxes	**41**	84	**115**	157
Income taxes	**-12**	-26	**-26**	-43
Profit for the period	**28**	58	**89**	114
Attributable to:				
Owners of the parent	**28**	58	**89**	114
Non-controlling interests	**—**	—	**—**	1
Profit for the period	**28**	58	**89**	114
Earnings per share attributable to owners of the parent:				
Earnings per share, EUR	**0.15**	0.31	**0.48**	0.62
Diluted earnings per share, EUR	**0.15**	0.31	**0.48**	0.62

Consolidated statement of comprehensive income

EUR million	Q2/2025	Q2/2024	Q1–Q2/ 2025	Q1–Q2/ 2024
Profit for the period	**28**	58	**89**	114
Items that may be reclassified to profit or loss:				
Gains and losses on cash flow hedges	**-8**	2	**5**	2
Change in fair value reserve	**-1**	—	**-1**	1
Currency translation on subsidiary net investments	**-63**	-1	**-75**	-1
Share of other comprehensive income of associated companies accounted for using equity method	**-1**	—	**-1**	—
Income tax relating to items that may be reclassified	**2**	—	**-1**	-1
Total items that may be reclassified to profit or loss	**-71**	—	**-73**	1
Items that will not be reclassified to profit or loss:				
Remeasurement of defined benefit plans	**-6**	-8	**-1**	3
Income tax relating to items that will not be reclassified	**1**	1	**—**	-1
Total items that will not be reclassified to profit or loss	**-5**	-6	**—**	2
Other comprehensive income for the period	**-76**	-6	**-74**	3
Total comprehensive income for the period	**-48**	52	**15**	118
Attributable to:				
Owners of the parent	**-48**	52	**16**	117
Non-controlling interests	**—**	—	**-1**	1
Total comprehensive income for the period	**-48**	52	**15**	118

Consolidated statement of financial position

Assets

EUR million	**As at June 30, 2025**	As at June 30, 2024	As at December 31, 2024
Non-current assets			
Intangible assets			
Goodwill	**1,799**	1,773	1,808
Other intangible assets	**1,079**	1,166	1,127
Total intangible assets	**2,878**	2,939	2,934
Property, plant and equipment			
Land and water areas	**38**	41	40
Buildings and structures	**159**	160	163
Machinery and equipment	**277**	275	283
Right-of-use assets	**182**	149	156
Assets under construction	**89**	93	83
Total property, plant and equipment	**744**	717	726
Other non-current assets			
Investments in associated companies	**17**	16	17
Non-current financial assets	**48**	27	40
Deferred tax assets	**102**	91	94
Non-current income tax receivables	**41**	36	39
Other non-current assets	**36**	21	37
Total other non-current assets	**244**	191	228
Total non-current assets	**3,867**	3,847	3,888
Current assets			
Inventories			
Materials and supplies	**205**	251	206
Work in progress	**480**	503	396
Finished products	**281**	314	301
Total inventories	**966**	1,068	903
Receivables and other current assets			
Trade receivables	**712**	821	862
Amounts due from customers under revenue contracts	**349**	405	344
Other current financial assets	**72**	24	62
Income tax receivables	**81**	100	64
Other current assets	**212**	222	226
Cash and cash equivalents	**485**	640	482
Total receivables and other current assets	**1,911**	2,212	2,041
Total current assets	**2,877**	3,279	2,944
Total assets	**6,744**	7,127	6,832

Consolidated statement of financial position

Equity and liabilities

EUR million	As at June 30, 2025	As at June 30, 2024	As at December 31, 2024
Equity			
Share capital	**140**	140	140
Reserve for invested unrestricted equity	**1,379**	1,375	1,375
Cumulative translation adjustments	**-115**	-43	-40
Hedge and other reserves	**-2**	2	-6
Retained earnings	**969**	959	1,137
Equity attributable to owners of the parent	**2,371**	2,433	2,607
Non-controlling interests	**7**	7	7
Total equity	**2,378**	2,440	2,614
Liabilities			
Non-current liabilities			
Non-current debt	**1,141**	1,387	1,272
Non-current lease liabilities	**136**	103	107
Employee benefit liabilities	**160**	150	157
Non-current provisions	**36**	36	28
Other non-current liabilities	**13**	8	13
Deferred tax liabilities	**267**	302	284
Total non-current liabilities	**1,753**	1,986	1,862
Current liabilities			
Current debt	**171**	206	115
Current lease liabilities	**47**	44	50
Trade payables	**414**	498	460
Current provisions	**200**	145	162
Amounts due to customers under revenue contracts	**940**	1,009	904
Other current financial liabilities	**78**	25	31
Income tax liabilities	**89**	85	75
Other current liabilities	**674**	690	559
Total current liabilities	**2,612**	2,701	2,356
Total liabilities	**4,366**	4,687	4,218
Total equity and liabilities	**6,744**	7,127	6,832

Consolidated statement of cash flows

EUR million	Q2/2025	Q2/2024	Q1–Q2/ 2025	Q1–Q2/ 2024
Cash flows from operating activities				
Profit for the period	**27**	58	**88**	114
Adjustments				
Depreciation and amortization	**52**	55	**106**	110
Change in provisions[1]	**36**	-7	**42**	-29
Financial income and expenses	**16**	19	**32**	32
Income taxes	**12**	26	**26**	43
Other non-cash items	**-7**	7	**12**	18
Change in net working capital	**7**	35	**73**	82
Net interests paid	**-16**	-17	**-27**	-23
Income taxes paid	**-48**	-48	**-55**	-81
Net cash provided by (+) / used in (-) operating activities	**79**	128	**297**	267
Cash flows from investing activities				
Capital expenditure on fixed assets	**-33**	-28	**-57**	-58
Proceeds from sale of fixed assets	**2**	1	**2**	1
Business combinations, net of cash acquired and loans repaid	**-1**	-115	**1**	-115
Net cash provided by (+) / used in (-) investing activities	**-32**	-142	**-54**	-171
Cash flows from financing activities				
Repurchase of own shares	**—**	—	**-3**	-3
Dividends paid	**-125**	-125	**-125**	-125
Proceeds from non-current debt	**—**	125	**—**	325
Repayments of current portion of non-current debt	**-100**	—	**-127**	-36
Repayments of lease liabilities	**-16**	-12	**-32**	-25
Net proceeds from (+) / repayments of (-) current debt	**51**	-87	**53**	-38
Financial investments	**33**	13	**12**	17
Net cash provided by (+) / used in (-) financing activities	**-157**	-87	**-222**	116
Net increase (+) / decrease (-) in cash and cash equivalents	**-109**	-100	**20**	211
Effect of changes in exchange rates on cash and cash equivalents	**-14**	-2	**-18**	-3
Cash and cash equivalents at beginning of period	**607**	742	**482**	432
Cash and cash equivalents at end of the period	**485**	640	**485**	640

[1] *Includes in 2025 EUR 52 million addition to restructuring provision relating to the change negotiations for operating model renewal.*

Consolidated statement of changes in equity

EUR million	Share capital	Reserve for invested unrestricted equity	Cumulative translation adjustments	Hedge and other reserves	Retained earnings	**Equity attributable to owners of the parent**	Non-controlling interests	**Total equity**
Balance at January 1, 2025	**140**	**1,375**	**-40**	**-6**	**1,137**	**2,607**	**7**	**2,614**
Profit for the period	—	—	—	—	89	**89**	—	**89**
Other comprehensive income for the period	—	—	-75	3	-2	**-73**	—	**-74**
Total comprehensive income for the period	—	—	-75	3	88	**16**	-1	**15**
Transactions with owners in their capacity as owners								
Dividends	—	—	—	—	-249	**-249**	—	**-249**
Repurchase of own shares	—	—	—	—	-3	**-3**	—	**-3**
Share-based payments, net of tax	—	4	—	—	-4	**1**	—	**1**
Balance at June 30, 2025	**140**	**1,379**	**-115**	**-2**	**969**	**2,371**	**7**	**2,378**
Balance at January 1, 2024	140	1,372	-42	-1	1,096	2,565	6	2,572
Profit for the period	—	—	—	—	114	114	1	114
Other comprehensive income for the period	—	—	-1	3	2	3	—	3
Total comprehensive income for the period	—	—	-1	3	116	117	1	118
Transactions with owners in their capacity as owners								
Dividends	—	—	—	—	-249	-249	—	-249
Repurchase of own shares	—	—	—	—	-3	-3	—	-3
Share-based payments, net of tax	—	3	—	—	-1	2	—	2
Balance at June 30, 2024	140	1,375	-43	2	959	2,433	7	2,440

Basis of preparation

General information

Valmet Oyj (the "Company" or the "parent company") and its subsidiaries (together "Valmet", "Valmet Group" or the "Group") form a global developer and supplier of technologies, automation and services for the pulp, paper and energy industries.

Valmet Oyj is domiciled in Helsinki, and its registered address is Keilasatama 5, 02150 Espoo, Finland. The Company's shares are listed on Nasdaq Helsinki Ltd.

These condensed consolidated interim financial statements were approved by the Board of Directors on July 22, 2025.

Basis of presentation

These condensed consolidated interim financial statements for the six months ended June 30, 2025, have been prepared in accordance with IAS 34 – Interim financial reporting and in conformity with IFRS Accounting Standards as adopted by the European Union. The financial information presented in these condensed consolidated interim financial statements has not been audited. These condensed consolidated interim financial statements should be read in conjunction with the Group's annual consolidated financial statements for the year ended December 31, 2024, which have been prepared in accordance with IFRS.

Valmet Group has applied new standards and interpretations published by IASB that are effective for the first time for financial reporting periods commencing on January 1, 2025. These standards and interpretations did not have a material impact on the results or financial position of the Group, or the presentation of these condensed consolidated interim financial statements.

Except for the above, the accounting policies applied in the preparation of these condensed consolidated interim financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended December 31, 2024.

In these condensed consolidated interim financial statements, the figures are presented in million euros subject to rounding, which may cause some rounding inaccuracies in aggregate column and row totals.

Key exchange rates

	Average rates		**Period-end rates**	
	Q1–Q2/2025	Q1–Q2/2024	**Q2/2025**	Q2/2024
USD (US dollar)	**1.0920**	1.0828	**1.1720**	1.0705
SEK (Swedish krona)	**11.1374**	11.3768	**11.1465**	11.3595
CNY (Chinese yuan)	**7.9086**	7.8038	**8.3970**	7.7748

Business combinations

Acquisition of the Process Gas Chromatography business from Siemens

The acquisition of the Process Gas Chromatography & Integration business from Siemens AG, announced on July 17, 2023, was completed on April 2, 2024. The business combination accounting was finalized on March 31, 2025, and no material changes were made to the provisional amounts recognized as at December 31, 2024. The final goodwill recognized was EUR 29 million.

Acquisitions of the FactoryPal and Demuth

Valmet and Körber have on August 1, 2024, closed the agreement for Valmet to acquire majority shares in FactoryPal GmbH, an undertaking of Körber. Following the transaction, Valmet owns 75.1 percent of the shares in the company. The business combination accounting was finalized on June 30, 2025, and no material changes were made to the provisional amounts recognized as at December 31, 2024.

On August 2, 2024, Valmet completed the acquisition of Demuth in Brazil. The business combination accounting was finalized on June 30, 2025, and no material changes were made to the provisional amounts recognized as at December 31, 2024.

Reportable segments and geographic information

The Group’s Chief Operating Decision Maker (CODM) is the President and CEO of Valmet. Valmet has three operating segments and three reportable segments for financial reporting purposes: Services, Automation and Process Technologies. Corporate functions are presented as Other.

The Services segment provides customers with flexible and fit-for-purpose services throughout the lifecycle to improve process performance, reliability and to extend product lifetime. The Automation segment delivers automation solutions ranging from single measurements to mill- or plant-wide process automation systems, and mission-critical flow control technologies and services for the process industries. The Process Technologies segment provides technology solutions for pulp and energy production, as well as for biomass conversion and emission control, and complete production lines, machine rebuilds and process components for board, tissue and paper production.

The financial reporting structure reflects Valmet’s operational model, and is aligned with the way the CODM evaluates the operational performance of the segments and allocates resources. One key indicator of performance reviewed by the CODM is Earnings before interest, taxes and amortization (EBITA). Performance is also assessed through Comparable EBITA, i.e., with EBITA excluding certain items of income and expense that reduce the comparability of Valmet's performance from one period to another. The alternative performance measures of EBITA and Comparable EBITA, are published by Valmet as part of regulated financial information to enable users of the financial information to prepare more meaningful analysis on Valmet’s performance. Items affecting comparability consist of income and expenses arising from activities that amend the capacity of Valmet’s operations. Items include restructuring costs, gains or losses on sale of businesses or non-current assets, transaction costs related to business combinations, and income and expenses incurred outside Valmet’s normal course of business, such as impairment charges and income and expenses recorded as a result of settlement payments to/from third parties (e.g., penalties incurred as a result of tax audits or settlements to closed lawsuits), and share in profits and losses of associated companies.

Orders received, EUR million	Q1–Q2/ 2025	Q1–Q2/ 2024	Change	2024
Services	**1,102**	1,024	8%	1,915
Automation	**782**	681	15%	1,446
Process Technologies	**968**	628	54%	2,477
Total	**2,852**	2,333	22%	5,837

Net sales, EUR million	Q1–Q2/ 2025	Q1–Q2/ 2024	Change	2024
Services	**893**	880	1%	1,900
Automation	**711**	659	8%	1,437
Process Technologies	**822**	997	-18%	2,023
Total	**2,426**	2,536	-4%	5,359

Comparable EBITA, EUR million	Q1–Q2/ 2025	Q1–Q2/ 2024	Change	2024
Services	**159**	140	14%	331
Automation	**121**	109	11%	255
Process Technologies	**10**	36	-72%	73
Other	**-26**	-23	13%	-49
Total	**265**	262	1%	609

Comparable EBITA, % of net sales	Q1–Q2/ 2025	Q1–Q2/ 2024	2024
Services	**17.8%**	15.9%	17.4%
Automation	**17.0%**	16.5%	17.7%
Process Technologies	**1.2%**	3.6%	3.6%
Total	**10.9%**	10.3%	11.4%

EBITA, EUR million	Q1–Q2/ 2025	Q1–Q2/ 2024	Change	2024
Services	**139**	134	4%	322
Automation	**107**	107	-1%	248
Process Technologies	**-8**	31		42
Other	**-43**	-27	60%	-56
Total	**194**	245	-21%	557

EBITA, % of net sales	Q1–Q2/ 2025	Q1–Q2/ 2024	2024
Services	**15.6%**	15.2%	17.0%
Automation	**15.0%**	16.3%	17.2%
Process Technologies	**-1.0%**	3.1%	2.1%
Total	**8.0%**	9.7%	10.4%

Items affecting comparability, EUR million	Q1–Q2/ 2025	Q1–Q2/ 2024	2024
Services	**-20**	-6	-9
Automation	**-14**	-1	-7
Process Technologies	**-18**	-5	-30
Other	**-17**	-4	-7
Total	**-70**	-16	-53

Amortization, EUR million	Q1–Q2/ 2025	Q1–Q2/ 2024	Change	2024
Services	**-7**	-13	-47%	-22
Automation	**-27**	-26	5%	-54
Process Technologies	**-4**	-8	-47%	-15
Other	**-9**	-9	8%	-18
Total	**-48**	-56	-14%	-108

Reconciliation between Comparable EBITA, EBITA and Operating profit

EUR million	Q2/2025	Q2/2024	Q1–Q2/ 2025	Q1–Q2/ 2024
Comparable EBITA	**143**	141	**265**	262
Items affecting comparability in cost of sales				
Expenses related to capacity adjustments[1]	**-21**	-1	**-22**	-1
Expensing of fair value adjustments recognized in business combinations	**—**	-6	**-2**	-12
Other items affecting comparability	**—**	1	**-1**	—
Items affecting comparability in selling, general and administrative expenses				
Expenses related to capacity adjustments[1]	**-40**	-1	**-43**	-2
Expenses related to acquisitions	**—**	-1	**—**	-1
Other items affecting comparability	**-1**	-2	**-2**	-4
Items affecting comparability in other operating income and expenses				
Income and expenses related to capacity adjustments	**—**	—	**—**	—
Expenses related to acquisitions	**—**	—	**—**	—
Other items affecting comparability	**—**	—	**-3**	3
Items affecting comparability in share in profits and losses of associated companies, operative investments				
Other items affecting comparability	**1**	1	**1**	—
EBITA	**81**	132	**194**	245
Amortization included in cost of sales				
Other intangibles	**—**	—	**—**	-1
Amortization included in selling, general and administrative expenses				
Intangibles recognized in business combinations	**-18**	-23	**-36**	-44
Other intangibles	**-6**	-5	**-11**	-11
Operating profit	**57**	103	**146**	189

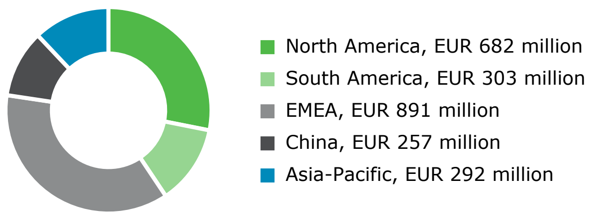
[1] *Includes in 2025 EUR 63 million restructuring costs due to change negotiations and strategy renewal costs related to Valmet's operating model renewal.*

Entity-wide information

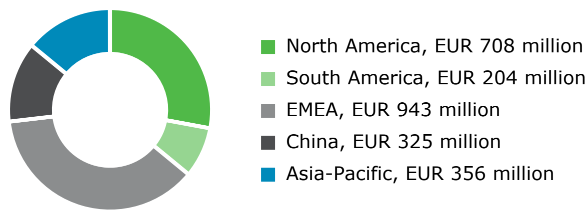
Valmet has operations globally in approximately 40 countries. Measured by net sales, the top three countries in January–June 2025 were the USA, China and Brazil, which together accounted for 44 percent of total net sales. In January–June 2024, the top three countries were the USA, China and Finland, which together accounted for 44 percent of total net sales. Net sales for Finland (the country of domicile) amounted EUR 138 million in January–June 2025 (EUR 203 million).

Net sales by destination:

Q1–Q2/2025: EUR 2,426 million



Q1–Q2/2024: EUR 2,536 million



Gross capital expenditure (excluding business combinations and right-of-use assets) by location:

EUR million	North America	South America	EMEA	China	Asia-Pacific	Total
Q1–Q2/2025	**11**	**2**	**35**	**4**	**4**	**57**
Q1–Q2/2024	5	—	40	10	2	58

Revenue

Valmet’s revenue is reported on and monitored by management in business line, segment and area dimension. Paper, and Pulp and Energy business lines’ revenue is derived from large long-term projects, for which revenue is mostly recognized over time based on the cost-to-cost method. Service business line’s revenue arises from a large volume of short-term contracts with relatively low individual value, for which revenue is mainly recognized at a point in time. Flow Control business line's valves equipment sales are recognized at a point in time. Automation business line’s revenue consists of long-term contracts and short-term service contracts. The nature of long-term contracts, and therefore also the revenue recognition method, is similar to process technologies projects although with average contract values being lower. Revenue for short-term service contracts is recognized at a point in time. The nature of revenue in each area in any given reporting period is driven by volume and size of ongoing projects.

Net sales by business lines:

EUR million	Q2/2025	Q2/2024	Q1–Q2/ 2025	Q1–Q2/ 2024
Services	**460**	473	**893**	880
Flow Control	**196**	201	**388**	389
Automation Systems	**176**	150	**323**	271
Pulp and Energy	**228**	221	**406**	447
Paper	**181**	279	**416**	550
Total	**1,241**	1,324	**2,426**	2,536

Timing of revenue recognition:

EUR million	Q2/2025	Q2/2024	Q1–Q2/ 2025	Q1–Q2/ 2024
Performance obligations satisfied at a point in time	**704**	737	**1,380**	1,375
Performance obligations satisfied over time	**538**	586	**1,046**	1,161
Total	**1,241**	1,324	**2,426**	2,536

In order to mitigate credit risk and compensate for contract costs incurred upfront, Valmet regularly requires advance payments from its customers. During the reporting period Valmet had not entered into any material contracts where the period between when Valmet transfers a promised good or service to a customer and when the customer pays for that good or service will be one year or more. Neither were there any ongoing projects from previous reporting periods for which the former would apply.

The creditworthiness of a customer is verified before entering into a contract. However, if a risk of non-payment arises after contract inception, the probability of collection of consideration is re-evaluated and if assessed improbable, recognition of revenue is discontinued. An allowance for non-collectability of open receivables and contract assets is established as concluded appropriate.

Valmet receives payments from customers based on invoicing schedules as set out in the customer contracts. Changes in contract assets and liabilities are due to Valmet’s performance under the contracts. Amounts due from customers under revenue contracts primarily relate to Valmet’s right to consideration for work completed but not yet invoiced at the reporting date. These assets are transferred to trade receivables when right to consideration becomes unconditional, which is typically at the time when Valmet has contractual right to issue an invoice. Significant part of amounts due to customers relate to advance consideration received from customers in long-term capital contracts for which revenue is recognized over time. These amounts are recognized as revenue as (or when) Valmet performs under the contracts.

Following tables provide specification of movements in amounts due from customers under revenue contracts and amounts due to customers under revenue contracts over the reporting period. Revenue recognized in the period also includes revenue recognized related to performance obligations satisfied in previous periods, the amount of which however is insignificant.

Amounts due from customers under revenue contracts:

EUR million	Q1–Q2/ 2025	Q1–Q2/ 2024	2024
Carrying value at beginning of the period	**344**	475	475
Translation differences	**-2**	-3	-3
Acquired in business combinations	**—**	2	2
Revenue recognized in the period	**328**	351	733
Transfers to trade receivables	**-322**	-420	-864
Carrying value at end of the period	**349**	405	344

Amounts due to customers under revenue contracts:

EUR million	Q1–Q2/ 2025	Q1–Q2/ 2024	2024
Carrying value at beginning of the period	**904**	1,151	1,151
Translation differences	**-34**	—	18
Acquired in business combinations	**—**	15	15
Revenue recognized in the period	**-1,182**	-1,318	-2,752
Consideration invoiced and/or received	**1,251**	1,160	2,471
Carrying value at end of the period	**940**	1,009	904

EUR million	As at June 30, 2025	As at June 30, 2024	As at December 31, 2024
Amounts due to customers under revenue contracts for which revenue is recognized			
Point in time	**337**	369	321
Over time	**602**	640	583
Carrying value at end of the period	**940**	1,009	904

Valmet typically issues contractual product warranties under which it guarantees the mechanical functioning of equipment delivered during the agreed warranty period. Valmet does not issue service-type warranties.

As at June 30, 2025, Valmet had no costs to obtain or fulfill contracts capitalized under IFRS 15.

The aggregate amount of transaction price allocated to unsatisfied or partially satisfied performance obligations as at June 30, 2025, was EUR 4,711 million (EUR 3,828 million).

Net working capital

Payment schedules of large long-term projects have a significant impact on net working capital development. Net working capital does not include non-operative items such as taxes, interest-bearing assets and liabilities, or other items related to funding of the Group's operations.

EUR million	As at June 30, 2025	As at June 30, 2024	As at December 31, 2024	Impact to cash flows Q1–Q2/ 2025
Assets included in net working capital				
Non-current trade receivables	**19**	7	22	**3**
Other non-current assets	**36**	21	37	**1**
Inventories	**966**	1,068	903	**-63**
Trade receivables	**712**	821	862	**150**
Amounts due from customers under revenue contracts	**349**	405	344	**-4**
Derivative financial instruments (assets)	**71**	23	31	**-40**
Other receivables	**214**	223	232	**18**
Liabilities included in net working capital				
Employee benefits	**-160**	-150	-157	**3**
Provisions	**-237**	-180	-190	**47**
Other non-current non-interest-bearing liabilities	**-1**	-1	-1	**—**
Trade payables	**-414**	-498	-460	**-47**
Amounts due to customers under revenue contracts	**-940**	-1,009	-904	**36**
Derivative financial instruments (liabilities)	**-90**	-32	-43	**47**
Other current liabilities	**-664**	-673	-542	**122**
Total net working capital	**-139**	27	134	**273**
Effect of changes in foreign exchange rates				**-19**
Remeasurement of defined benefit plans				**1**
Change in allowance for doubtful receivables and inventory obsolescence provision				**-7**
Change in provisions				**-42**
Dividend liability (non-cash net working capital change in Q1-Q2)				**-123**
Acquired in business combinations				**-9**
Change in net working capital in the Consolidated statement of cash flows				**73**

Intangible assets and property, plant and equipment

Intangible assets

EUR million	Q1–Q2/2025	Q1–Q2/2024	2024
Carrying value at beginning of the period	**2,934**	2,877	2,877
Translation differences	**-24**	7	13
Capital expenditure	**9**	13	24
Acquired in business combinations	**8**	100	133
Amortization	**-48**	-56	-108
Impairment losses	**-2**	-3	-5
Other changes	**1**	—	1
Carrying value at end of the period	**2,878**	2,939	2,934

Property, plant and equipment (excluding right-of-use assets)

EUR million	Q1–Q2/2025	Q1–Q2/2024	2024
Carrying value at beginning of the period	**569**	553	553
Translation differences	**-20**	-1	1
Capital expenditure	**48**	44	83
Acquired in business combinations	**—**	5	6
Depreciation	**-32**	-31	-63
Impairment losses	**-1**	—	-8
Other changes	**-2**	-1	-2
Carrying value at end of the period	**563**	568	569

Leases

Right-of-use assets

EUR million	Q1–Q2/2025	Q1–Q2/2024	2024
Carrying value at beginning of the period	**156**	145	145
Translation differences	**-6**	1	2
Additions	**69**	30	53
Acquired in business combinations	**—**	4	11
Depreciation	**-26**	-23	-48
Other changes	**-12**	-8	-6
Carrying value at end of the period	**182**	149	156

Financial instruments

Derivative financial instruments

As at June 30, 2025	**Notional amount**	**Fair value, assets**	**Fair value, liabilities**	**Fair value, net**
Forward exchange contracts[1]	**4,007**	**67**	**-82**	**-15**
Interest rate swaps[1]	**670**	**3**	**-6**	**-3**
Electricity forward contracts[2]	**184**	**—**	**-1**	**—**
Nickel forward contracts[3]	**746**	**—**	**-2**	**-2**
Steel scrap forward contracts[3]	**661**	**—**	**—**	**—**

As at June 30, 2024	Notional amount	Fair value, assets	Fair value, liabilities	Fair value, net
Forward exchange contracts[1]	3,156	18	-29	-11
Interest rate swaps[1]	650	6	-2	3
Electricity forward contracts[2]	138	—	-1	-1
Nickel forward contracts[3]	438	—	—	—
Steel scrap forward contracts[3]	1,053	—	—	—

[1] *Notional amount and fair values in EUR million.*
[2] *Notional amount in GWh and fair values in EUR million.*
[3] *Notional amount in metric tons and fair values in EUR million.*

The notional amounts give an indication of the volume of derivative contracts entered into, but do not provide an indication of the exposure to risk.

Classification of financial assets and liabilities:

EUR million	As at June 30, 2025	As at June 30, 2024
Non-current financial assets		
Equity investments at fair value through other comprehensive income	**8**	9
Equity investments at fair value through profit or loss	**2**	2
Trade receivables at amortized cost	**19**	7
Derivative financial instruments at fair value through profit or loss	**—**	—
Derivative financial instruments qualified for hedge accounting	**18**	9
Carrying value at end of the period	**48**	27
Current financial assets		
Interest-bearing financial assets at fair value through other comprehensive income	**18**	6
Non-interest-bearing financial assets at amortized cost	**2**	3
Trade receivables at amortized cost	**712**	821
Derivative financial instruments at fair value through profit or loss	**10**	4
Derivative financial instruments qualified for hedge accounting	**43**	11
Cash and cash equivalents at amortized cost	**485**	640
Carrying value at end of the period	**1,269**	1,485

EUR million	As at June 30, 2025	As at June 30, 2024
Non-current financial liabilities		
Loans from financial institutions at amortized cost	**939**	1,188
Bonds at amortized cost[1]	**202**	199
Lease liabilities at amortized cost	**136**	103
Derivative financial instruments at fair value through profit or loss	**—**	—
Derivative financial instruments qualified for hedge accounting	**12**	7
Carrying value at end of the period	**1,288**	1,497
Current financial liabilities		
Loans from financial institutions at amortized cost	**99**	181
Lease liabilities at amortized cost	**47**	44
Interest-bearing liabilities at amortized cost	**72**	25
Trade payables at amortized cost	**414**	498
Derivative financial instruments at fair value through profit or loss	**25**	6
Derivative financial instruments qualified for hedge accounting	**53**	19
Carrying value at end of the period	**710**	773

[1] *The bonds have been measured at amortized cost, adjusted by the fair value to the extent that fair value hedge accounting is applied.*

For those financial assets and liabilities, which have been recognized at fair value in the Consolidated statement of financial position, the measurement hierarchy and valuation methods described below have been applied.

Level 1

Quoted unadjusted prices at reporting date in active markets. Valmet level 1 financial instruments include equity investments classified as financial assets at fair value through other comprehensive income.

Level 2

The fair value of financial instruments in Level 2 is determined using valuation techniques. These techniques utilize observable market data readily and regularly available. Valmet level 2 financial instruments include over-the-counter (OTC) derivatives classified as financial assets and liabilities at fair value through profit or loss or derivatives qualified for hedge accounting and all other financial assets and liabilities except for equity investments.

Level 3

A financial instrument is categorized into Level 3 if the calculation of the fair value cannot be based on observable market data. Valmet level 3 financial instruments include equity investments classified as financial assets at fair value through profit or loss.

Provisions

EUR million	**Q1–Q2/2025**	Q1–Q2/2024	2024
Carrying value at beginning of the period	**190**	211	211
Translation differences	**-2**	-2	-3
Additions charged to profit or loss[1]	**101**	51	132
Acquired in business combinations	**6**	2	2
Provisions used	**-42**	-55	-101
Unused provisions reversed	**-17**	-26	-50
Carrying value at end of the period	**237**	180	190
Non-current	**36**	36	28
Current	**200**	145	162

[1] *Additions charged to profit and loss includes a restructuring provision of EUR 52 million relating to the change negotiations for operating model renewal.*

Contingencies and commitments

EUR million	**As at June 30, 2025**	As at June 30, 2024	As at December 31, 2024
Guarantees on behalf of Valmet Group	**1,070**	1,078	1,100

The most significant commitments and contingencies of Valmet relate to guarantees provided by Valmet Oyj, its subsidiaries and financial institutions to customers and suppliers in the ordinary course of business, as disclosed in the above table.

On October 15, 2024, Valmet announced that Metsä Fibre Oy has filed a request for arbitration against Valmet Technologies Oy, which is a subsidiary of Valmet. The arbitration concerns Metsä Fibre’s bioproduct mill in Kemi, Finland, which came into operation as planned on September 20, 2023.

Valmet Technologies Oy disputes the claims brought by Metsä Fibre and will also actively pursue claims of its own against Metsä Fibre. Metsä Fibre’s monetary claims put forward after Statement of Claim amount to approximately EUR 48.7 million. In addition, Metsä Fibre has also reserved the right to present certain other claims based on contractual relationships between Metsä Fibre and other parties, which are still unresolved. Estimation of the total amount of such claims is not included in the Statement of Claim.

Valmet's management does not expect to the best of its current understanding any material adverse impacts on its operations or financial position due to this arbitration. This assessment takes into account the grounds currently presented, provisions made, insurance coverage in force, and the extent of Valmet's total business activities.

Several lawsuits, claims and disputes based on various grounds are pending against Valmet in various countries, including product liability lawsuits and claims as well as legal disputes related to Valmet's deliveries. Valmet is also a plaintiff in several lawsuits. Although some of the claims are substantial, Valmet's management does not expect to the best of its present understanding that the outcome of these lawsuits, claims and disputes will have a material adverse effect on Valmet in view of the grounds currently presented for them, provisions made, insurance coverage in force and the extent of Valmet's total business activities.

Events after the reporting period

There have been no subsequent events after the review period that required recognition or disclosure.

Key indicators

	Q1–Q2/2025	Q1–Q2/2024
Comparable return on capital employed (Comparable ROCE) before taxes (LTM), %	**13.1%**	13.6%
Return on capital employed (ROCE) before taxes (LTM), %	**10.4%**	12.8%
Return on equity (ROE) (LTM), %	**10.6%**	12.5%
Net debt to EBITDA[1] ratio	**1.60**	1.63
Gearing, end of period, %	**42%**	45%
Equity to assets ratio, end of period, %	**41%**	40%
Capital employed, end of period, EUR million	**3,873**	4,180
Interest-bearing liabilities, end of period, EUR million	**1,494**	1,740
Net interest-bearing liabilities, end of period, EUR million	**992**	1,094
Earnings per share, EUR	**0.48**	0.62
Diluted earnings per share, EUR	**0.48**	0.62
Adjusted earnings per share, EUR	**0.64**	0.84
Equity per share, end of period, EUR	**12.87**	13.21
Number of outstanding shares, end of period	**184,211,753**	184,168,205
Average number of outstanding shares	**184,177,525**	184,150,616
Average number of diluted shares	**184,177,525**	184,150,616

[1] *Last twelve months EBITDA*

Formulas for calculation of indicators

In addition to financial performance indicators as defined by IFRS, Valmet publishes certain other widely used measures of performance that can be derived from figures in the Consolidated statement of income and Consolidated statement of financial position, as well as notes thereto. The formulas for calculation of these alternative performance measures are presented below. Some of the alternative performance measures are calculated on a last twelve months basis (LTM).

Comparable gross profit (GP):
Gross profit +/- items affecting comparability in cost of sales

Comparable selling, general and administrative (SG&A) expenses:
Selling, general and administrative expenses +/- items affecting comparability in selling, general and administrative expenses

EBITA:
Operating profit + amortization

Comparable EBITA[1]:
Operating profit + amortization +/- items affecting comparability

Earnings per share:

$$\frac{\text{Profit attributable to shareholders of the Company}}{\text{Average number of shares outstanding during period}}$$

Diluted earnings per share:

$$\frac{\text{Profit attributable to shareholders of the Company}}{\text{Average number of diluted shares during period}}$$

Adjusted earnings per share[1]:

$$\frac{\text{Profit attributable to shareholders of the Company - expensing of fair value adjustments recognized in business combinations, net of tax}}{\text{Average number of shares outstanding during period}}$$

Equity per share:

$$\frac{\text{Equity attributable to owners of the parent}}{\text{Number of outstanding shares at end of period}}$$

Return on equity (ROE), % (LTM):

$$\frac{\text{Profit for the period}}{\text{Total equity (average for period)}} \times 100$$

Return on capital employed (ROCE) before taxes, % (LTM):

$$\frac{\text{Profit before taxes + interest and other financial expenses}}{\text{Total equity + interest-bearing liabilities (average for period)}} \times 100$$

Comparable return on capital employed (ROCE) before taxes, % (LTM):

$$\frac{\text{Profit before taxes + interest and other financial expenses +/- items affecting comparability}}{\text{Total equity + interest-bearing liabilities (average for period)}} \times 100$$

Equity to assets ratio, %:

$$\frac{\text{Total equity}}{\text{Balance sheet total - amounts due to customers under revenue contracts}} \times 100$$

Gearing, %:

$$\frac{\text{Net interest-bearing liabilities}}{\text{Total equity}} \times 100$$

Net interest-bearing liabilities:
Non-current debt + non-current lease liabilities + current debt + current lease liabilities - cash and cash equivalents - other interest-bearing assets

Net debt to EBITDA ratio:

$$\frac{\text{Net interest-bearing liabilities}}{\text{Operating profit + amortization + depreciation (LTM)}}$$

[1] *Alternative performance measure also calculated on a last twelve months basis.*

Quarterly information

EUR million, or as indicated	Q2/2025	Q1/2025	Q4/2024	Q3/2024	Q2/2024
Orders received	**1,520**	1,332	2,463	1,041	1,283
Order backlog[1]	**4,711**	4,574	4,452	3,536	3,828
Net sales	**1,241**	1,184	1,528	1,295	1,324
Comparable gross profit	**373**	344	428	373	368
% of net sales	**30.1%**	29.0%	28.0%	28.8%	27.8%
Comparable SG&A expenses	**-248**	-244	-247	-241	-254
% of net sales	**-20.0%**	-20.6%	-16.1%	-18.6%	-19.2%
Comparable EBITA	**143**	121	192	156	141
% of net sales	**11.5%**	10.2%	12.6%	12.0%	10.6%
Operating profit (EBIT)	**57**	89	150	109	103
% of net sales	**4.6%**	7.5%	9.8%	8.4%	7.8%
Profit before taxes	**41**	74	134	92	84
% of net sales	**3.3%**	6.2%	8.7%	7.1%	6.4%
Profit for the period	**28**	61	98	68	58
% of net sales	**2.3%**	5.1%	6.4%	5.2%	4.4%
Earnings per share, EUR	**0.15**	0.33	0.53	0.37	0.31
Adjusted earnings per share, EUR	**0.23**	0.41	0.60	0.49	0.43
Expensing of fair value adjustments recognized in business combinations, net of tax	**-14**	-14	-12	-22	-22
Amortization	**-24**	-24	-23	-29	-29
Depreciation, property, plant and equipment (excl. right-of-use assets)	**-16**	-16	-16	-16	-16
Depreciation, right-of-use assets	**-12**	-14	-13	-12	-11
Depreciation, total	**-28**	-31	-29	-28	-26
Items affecting comparability:					
in cost of goods sold	**-22**	-2	-9	-9	-6
in selling, general and administrative expenses	**-41**	-3	-7	-2	-4
in other operating income and expenses, net	**—**	-3	-4	-7	—
in share in profits and losses of associated companies, operative investments	**1**	—	1	1	1
Total items affecting comparability	**-62**	-8	-19	-17	-9
Cash flow provided by operating activities	**79**	217	178	110	128
Cash flow after investing activities	**48**	195	151	69	-14
Gross capital expenditure (excl. business combinations and right-of-use assets)	**-33**	-24	-30	-20	-28
Business combinations, net of cash acquired and loans repaid	**-1**	1	1	-21	-115
Research and development expenses, net	**-32**	-32	-31	-28	-31
% of net sales	**-2.6%**	-2.7%	-2.0%	-2.2%	-2.4%

[1] *At end of period.*

Quarterly segment information

Orders received, EUR million	**Q2/2025**	Q1/2025	Q4/2024	Q3/2024	Q2/2024
Services	**534**	568	479	412	497
Automation	**376**	406	443	322	352
Process Technologies	**611**	358	1,541	307	434
Total	**1,520**	1,332	2,463	1,041	1,283

Net sales, EUR million	**Q2/2025**	Q1/2025	Q4/2024	Q3/2024	Q2/2024
Services	**460**	433	567	453	473
Automation	**372**	339	424	354	351
Process Technologies	**409**	413	537	488	500
Total	**1,241**	1,184	1,528	1,295	1,324

Comparable EBITA, EUR million	**Q2/2025**	Q1/2025	Q4/2024	Q3/2024	Q2/2024
Services	**83**	76	112	79	80
Automation	**66**	55	81	65	58
Process Technologies	**4**	6	15	22	15
Other	**-10**	-16	-17	-10	-12
Total	**143**	121	192	156	141

Comparable EBITA, % of net sales	**Q2/2025**	Q1/2025	Q4/2024	Q3/2024	Q2/2024
Services	**18.1%**	17.6%	19.8%	17.4%	16.9%
Automation	**17.8%**	16.2%	19.1%	18.3%	16.5%
Process Technologies	**1.0%**	1.5%	2.8%	4.4%	3.0%
Total	**11.5%**	10.2%	12.6%	12.0%	10.6%

EBITA, EUR million	**Q2/2025**	Q1/2025	Q4/2024	Q3/2024	Q2/2024
Services	**63**	76	113	75	78
Automation	**53**	54	76	64	58
Process Technologies	**-13**	4	3	8	9
Other	**-22**	-21	-19	-10	-13
Total	**81**	113	173	138	132

EBITA, % of net sales	**Q2/2025**	Q1/2025	Q4/2024	Q3/2024	Q2/2024
Services	**13.7%**	17.5%	20.0%	16.6%	16.4%
Automation	**14.2%**	16.0%	17.9%	18.2%	16.4%
Process Technologies	**-3.1%**	1.0%	0.5%	1.7%	1.9%
Total	**6.5%**	9.6%	11.3%	10.7%	9.9%

Items affecting comparability, EUR million	**Q2/2025**	Q1/2025	Q4/2024	Q3/2024	Q2/2024
Services	**-20**	—	1	-4	-2
Automation	**-14**	-1	-5	—	—
Process Technologies	**-17**	-2	-12	-13	-6
Other	**-12**	-5	-3	—	-1
Total	**-62**	-8	-19	-17	-9

Amortization, EUR million	**Q2/2025**	Q1/2025	Q4/2024	Q3/2024	Q2/2024
Services	**-3**	-3	-3	-6	-6
Automation	**-14**	-14	-14	-14	-14
Process Technologies	**-2**	-2	-2	-4	-4
Other	**-5**	-5	-5	-4	-4
Total	**-24**	-24	-23	-29	-29

Additional information

On June 4, 2025, Valmet announced that to reflect the new strategy and operating model, Valmet changes its reporting structure, effective since July 1, 2025. Valmet will change its financial reporting structure to correspond to the new operating model in its January–September 2025 Interim Review.

In the new financial reporting structure, Valmet consists of two reportable segments: Biomaterial Solutions and Services, and Process Performance Solutions.

The two segments are comprised of business areas as follows:

Biomaterial Solutions and Services segment consists of three business areas:

- Pulp, Energy and Circularity
- Packaging and Paper
- Tissue

Process Performance Solutions segment consists of two business areas:

- Flow Control
- Automation Solutions

For both reportable segments, Valmet will report orders received, net sales and profitability (EBITA and comparable EBITA), as well as amortization and items affecting comparability. Valmet will also report orders received and net sales for services included in the Biomaterial Solutions and Services segment to maintain visibility to this strategically important part of the business. For each business area, Valmet will report orders received, net sales and personnel.

Valmet will continue to report orders received, net sales and personnel for the five geographical areas: North America, Latin America (previously South America), EMEA, China and Asia-Pacific.

Following tables show financial information with the new reporting structure on an unaudited basis for the first six months of 2025 and for the second quarter of 2025.

Orders received, EUR million	**Q2/2025**	Q2/2024	Change	**Q1–Q2/ 2025**	Q1–Q2/ 2024	Change
Biomaterial Solutions and Services	**1,144**	930	23%	**2,070**	1,653	25%
Pulp, Energy and Circularity	*444*	*367*	*21%*	*908*	*625*	*45%*
Packaging and Paper	*457*	*402*	*14%*	*797*	*700*	*14%*
Tissue	*244*	*162*	*51%*	*365*	*328*	*11%*
Of which service	*534*	*497*	*7%*	*1,102*	*1,024*	*8%*
Process Performance Solutions	**376**	352	7%	**782**	681	15%
Flow Control	*206*	*195*	*5%*	*421*	*389*	*8%*
Automation Solutions	*170*	*157*	*9%*	*362*	*291*	*24%*
Total	**1,520**	1,283	19%	**2,852**	2,333	22%

Net sales, EUR million	**Q2/2025**	Q2/2024	Change	**Q1–Q2/ 2025**	Q1–Q2/ 2024	Change
Biomaterial Solutions and Services	**869**	973	-11%	**1,715**	1,877	-9%
Pulp, Energy and Circularity	*401*	*386*	*4%*	*740*	*753*	*-2%*
Packaging and Paper	*362*	*443*	*-18%*	*749*	*856*	*-13%*
Tissue	*106*	*144*	*-26%*	*226*	*269*	*-16%*
Of which service	*460*	*473*	*-3%*	*893*	*880*	*1%*
Process Performance Solutions	**372**	351	6%	**711**	659	8%
Flow Control	*196*	*201*	*-2%*	*388*	*389*	*—%*
Automation Solutions	*176*	*150*	*17%*	*323*	*271*	*19%*
Total	**1,241**	1,324	-6%	**2,426**	2,536	-4%

Comparable EBITA, EUR million	**Q2/2025**	Q2/2024	Change	**Q1–Q2/ 2025**	Q1–Q2/ 2024	Change
Biomaterial Solutions and Services	**87**	95	-8%	**169**	175	-3%
Process Performance Solutions	**66**	58	15%	**121**	109	11%
Other	**-10**	-12	-17%	**-26**	-23	13%
Total	**143**	140	2%	**265**	262	1%

Comparable EBITA, % of net sales	**Q2/2025**	Q2/2024		**Q1–Q2/ 2025**	Q1–Q2/ 2024	
Biomaterial Solutions and Services	**10.0%**	9.8%		**9.9%**	9.3%	
Process Performance Solutions	**17.8%**	16.5%		**17.0%**	16.5%	
Total	**11.5%**	10.6%		**10.9%**	10.3%	

EBITA, EUR million	**Q2/2025**	Q2/2024	Change	**Q1–Q2/ 2025**	Q1–Q2/ 2024	Change
Biomaterial Solutions and Services	**50**	87	-43%	**131**	165	-21%
Process Performance Solutions	**53**	58	-8%	**107**	107	-1%
Other	**-22**	-13	69%	**-43**	-27	59%
Total	**81**	132	-39%	**194**	245	-21%

EBITA, % of net sales	**Q2/2025**	Q2/2024		**Q1–Q2/ 2025**	Q1–Q2/ 2024	
Biomaterial Solutions and Services	**5.8%**	9.0%		**7.6%**	8.8%	
Process Performance Solutions	**14.2%**	16.4%		**15.0%**	16.3%	
Total	**6.5%**	9.9%		**8.0%**	9.7%	

Items affecting comparability, EUR million	**Q2/2025**	Q2/2024		**Q1–Q2/ 2025**	Q1–Q2/ 2024	
Biomaterial Solutions and Services	**-37**	-8		**-39**	-11	
Process Performance Solutions	**-14**	—		**-14**	-1	
Other	**-12**	-1		**-17**	-4	
Total	**-62**	-9		**-70**	-16	

Amortization, EUR million	**Q2/2025**	Q2/2024	Change	**Q1–Q2/ 2025**	Q1–Q2/ 2024	Change
Biomaterial Solutions and Services	**-6**	-11	-45%	**-11**	-21	-48%
Process Performance Solutions	**-14**	-14	—%	**-27**	-26	5%
Other	**-5**	-4	25%	**-9**	-9	—%
Total	**-24**	-29	-17%	**-48**	-56	-14%

Valmet's financial reporting in 2025

October 29, 2025 - Interim Review for January-September 2025

Valmet Oyj
Keilasatama 5 / PO BOX 11
FI-02150 ESPOO, Finland
www.valmet.com/investors
ir@valmet.com