Financial Statements Review

January 1 – December 31, 2025

'Lead the Way' strategy delivered first results: Comparable EBITA margin increased to 11.9 percent in 2025

October–December 2025: Comparable EBITA margin reached an all-time high: 13.3 percent

- Orders received decreased 48 percent to EUR 1,281 million (EUR 2,463 million). Organically orders received decreased 46 percent. The decrease mainly reflects the comparison period during which a landmark pulp mill order valued at over EUR 1 billion was recorded.
- Net sales remained at the previous year's level at EUR 1,477 million (EUR 1,528 million).
- Comparable EBITA remained at the previous year's level at EUR 196 million (EUR 192 million).
- Comparable EBITA margin increased to 13.3 percent (12.6%) due to cost savings related to the operating model renewal.
- Earnings per share (EPS) increased to EUR 0.57 (EUR 0.53). The increase in EPS is mainly related to lower SG&A costs.
- Adjusted EPS increased to EUR 0.64 (EUR 0.60).

January–December 2025: Comparable EBITA margin increased to 11.9 percent

- Orders received decreased 11 percent to EUR 5,216 million (EUR 5,837 million). Organically orders received decreased 9 percent.
- Net sales remained at the previous year's level at EUR 5,197 million (EUR 5,359 million).
- Comparable EBITA remained at the previous year's level at EUR 620 million (EUR 609 million).
- Comparable EBITA margin was 11.9 percent (11.4%). The margin increased due to cost savings related to the operating model renewal.
- EPS was EUR 1.52 (EUR 1.52). Adjusted EPS was EUR 1.82 (EUR 1.93).
- Cash flow provided by operating activities totaled EUR 581 million (EUR 554 million).

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

Key figures[1]

EUR million, or as indicated	Q4/2025	Q4/2024	Change	2025	2024	Change
Orders received	**1,281**	2,463	-48%	**5,216**	5,837	-11%
Order backlog[2]				**4,306**	4,452	-3%
Net sales	**1,477**	1,528	-3%	**5,197**	5,359	-3%
Comparable EBITA	**196**	192	2%	**620**	609	2%
% of net sales	**13.3%**	12.6%	0.7 pp	**11.9%**	11.4%	0.6 pp
EBITA	**191**	173	10%	**534**	557	-4%
Profit for the period	**105**	98	6%	**279**	281	0%
Earnings per share, EUR	**0.57**	0.53	7%	**1.52**	1.52	0%
Adjusted earnings per share, EUR	**0.64**	0.60	8%	**1.82**	1.93	-6%
Cash flow provided by operating activities	**189**	178	7%	**581**	554	5%
Comparable ROCE[3]				**13.0%**	12.7%	0.2 pp
ROCE[3]				**10.9%**	11.4%	-0.5 pp
Net debt to EBITDA ratio				**1.40**	1.55	-10%
Gearing[2]				**35%**	39%	-4.6 pp

1 The calculation of key figures is presented on section 'Formulas for calculation of indicators'.
2 At end of period.
3 Return on capital employed before taxes.

Dividend proposal

The Board of Directors proposes to the Annual General Meeting, which is planned to be held on March 25, 2026, a dividend of EUR 1.35 per share for 2025. The proposed dividend equals 89 percent of the net result and it would be paid in two installments.

Guidance for 2026

Valmet estimates that net sales in 2026 will remain at the previous year's level in comparison with 2025 (EUR 5,197 million) and Comparable EBITA in 2026 will remain at the previous year's level or increase in comparison with 2025 (EUR 620 million).

Short-term market outlook (January–June 2026)

Valmet's short-term market outlook covers the period January–June 2026, compared with October–December 2025.

It reflects Valmet's estimate of the expected growth rate of its key markets, based on ongoing discussions with customers and other market information.

The outlook describes underlying market trends, excluding the normal seasonal variation in Valmet's business. It should not be interpreted as guidance for Valmet's own orders received.

Process Performance Solutions

Valmet notes that the market environment in Process Performance Solutions softened in October-December. Valmet does not expect further softening from this level and anticipates the market to stabilize and improve modestly from the weaker Q4 level during the first half of 2026.

Biomaterial Solutions and Services

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

Valmet expects the biomaterial services market to remain soft in the coming quarters.

It is typical that large individual investment decisions by customers can influence the overall market significantly within a single quarter.

Segment key figures

Orders received, EUR million	**Q4/2025**	Q4/2024	Change	**2025**	2024	Change
Process Performance Solutions	**372**	443	-16%	**1,500**	1,446	4%
Biomaterial Solutions and Services	**908**	2,020	-55%	**3,716**	4,392	-15%
of which biomaterial services	*439*	*479*	*-8%*	*1,948*	*1,915*	*2%*
Total	**1,281**	2,463	-48%	**5,216**	5,837	-11%

Net sales, EUR million	**Q4/2025**	Q4/2024	Change	**2025**	2024	Change
Process Performance Solutions	**410**	424	-3%	**1,481**	1,437	3%
Biomaterial Solutions and Services	**1,067**	1,104	-3%	**3,716**	3,922	-5%
of which biomaterial services	*511*	*567*	*-10%*	*1,856*	*1,900*	*-2%*
Total	**1,477**	1,528	-3%	**5,197**	5,359	-3%

Comparable EBITA, EUR million	**Q4/2025**	Q4/2024	Change	**2025**	2024	Change
Process Performance Solutions	**90**	81	11%	**290**	255	14%
Biomaterial Solutions and Services	**123**	128	-3%	**381**	403	-5%
Other	**-16**	-17	-2%	**-51**	-49	4%
Total	**196**	192	2%	**620**	609	2%

Comparable EBITA, % of net sales	**Q4/2025**	Q4/2024	Change	**2025**	2024	Change
Process Performance Solutions	**21.9%**	19.1%	2.8 pp	**19.6%**	17.7%	1.8 pp
Biomaterial Solutions and Services	**11.6%**	11.6%	0.0 pp	**10.3%**	10.3 %	0.0 pp
Total	**13.3%**	12.6%	0.7 pp	**11.9%**	11.4%	0.6 pp

EBITA, EUR million	**Q4/2025**	Q4/2024	Change	**2025**	2024	Change
Process Performance Solutions	**92**	76	21%	**279**	248	13%
Biomaterial Solutions and Services	**118**	116	1%	**323**	364	-11%
Other	**-18**	-19	-6%	**-68**	-56	22%
Total	**191**	173	10%	**534**	557	-4%

‘Lead the Way’: Delivering results in 2025 and fundamentally improving execution going forward

“

The record performance reflects the early and bold choices we made under our ‘Lead the Way’ strategy to renew our operating model.”

“Valmet closed the year with record profitability in the fourth quarter, as the Comparable EBITA margin reached an all-time high of 13.3 percent. For the full year, Comparable EBITA margin improved to 11.9 percent, with net sales and profitability in line with our guidance despite a subdued environment. The record performance reflects the early and bold choices we made under our ‘Lead the Way’ strategy to renew our operating model, ahead of the market slowdown in the second half of the year.

Process Performance Solutions delivered another very strong year with a 21.9 percent margin in the fourth quarter and 19.6 percent for the full year. Biomaterial Solutions and Services maintained stable margins at 11.6 percent in the fourth quarter and 10.3 percent for the full year and secured important wins despite overcapacity and a weak global economy. As communicated at our Capital Markets Day, 2026 will include targeted investments to support the next phase of growth, and margins in Process Performance Solutions may ease slightly from these record levels but will remain solid.

Orders in the fourth quarter were lower year-on-year due to the exceptionally strong comparison period, but we continued to win strategically important projects, including our largest-ever energy order in Berlin. These strengthen our installed base and long-term service opportunities. Our EUR 4.3 billion order backlog provides good visibility for 2026, with EUR 3.1 billion expected to convert into net sales.

Cash flow remained strong with EUR 581 million for the year, and our balance sheet is solid with gearing at 35 percent. The Board will propose a dividend of EUR 1.35 which is consistent with our policy and unchanged from last year.

A key strategic milestone was the announced acquisition of Severn Group in the fourth quarter. Severn brings leading severe-service valve technologies, a high-quality installed base, and strong customer relationships. This combination expands our addressable market, strengthens our Flow Control platform and supports growth beyond our traditional biomaterials core.

Looking ahead, market environment in the Process Performance Solutions market is expected to stabilize and improve modestly in the first half of 2026, after softening in the fourth quarter. In Biomaterial Solutions and Services, persistent macro-economic uncertainty continues to weigh on customers’ utilization rates and investment decisions, and we expect the market to remain soft in the coming quarters. Against this market backdrop, our guidance for 2026 is for net sales to remain at the 2025 level, while Comparable EBITA is expected to remain at the same level or improve.

‘Lead the Way’ is now being embedded across Valmet: our more focused strategy, simpler operating model, lifecycle approach and the creation of Global Supply unit - targeting EUR 100 million of structural savings by 2030 - are fundamentally improving how we execute. Together with the Severn acquisition, these actions strengthen Valmet’s position in creating long-lasting value for customers and shareholders.”

Thomas Hinnerskov
President and CEO

News conference and webcast for analysts, investors and media

Valmet will host a results webcast in English as a live webcast at https://valmet.events.inderes.com/q4-2025 on Friday, February 6, 2026, at 10:00 a.m. Finnish time (EET). 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 address.

Participants may also join the news conference via a conference call by registering at:

https://events.inderes.com/valmet/q4-2025/dial-in
After the registration you will receive dial-in details and a conference ID. To ask a question during the call, please dial #5 on your telephone keypad.

The event is held in English.

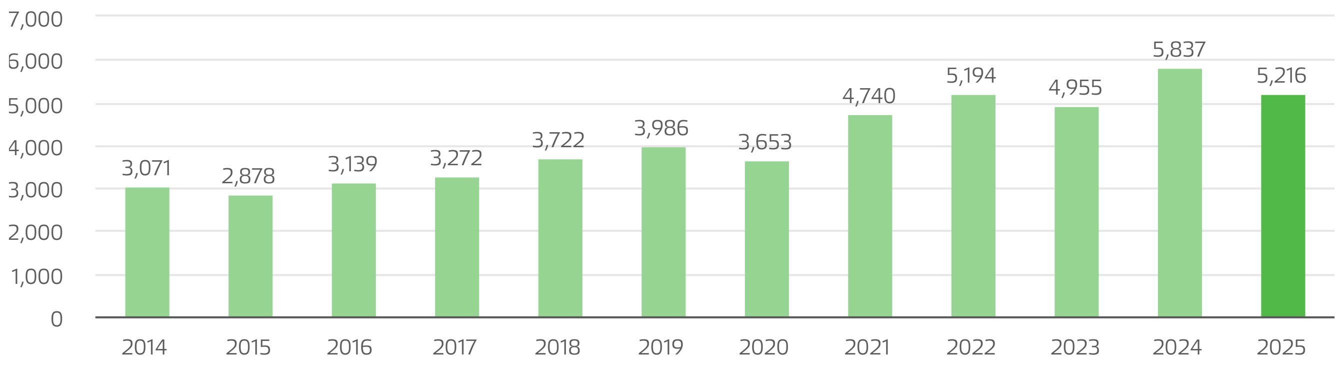
Valmet's Financial Statements Review January 1 – December 31, 2025

Orders received

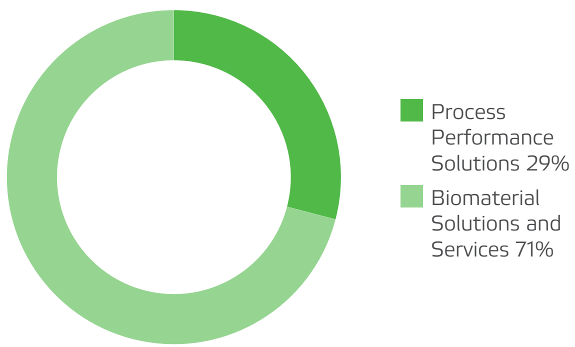
Orders received, EUR million	Q4/2025	Q4/2024	Change	Organic[1]	2025	2024	Change	Organic[1]
Process Performance Solutions	**372**	443	-16%	-12%	**1,500**	1,446	4%	4%
Biomaterial Solutions and Services	**908**	2,020	-55%	-54%	**3,716**	4,392	-15%	-14%
of which biomaterial services	*439*	*479*	*-8%*	-5%	*1,948*	*1,915*	*2%*	4%
Total	**1,281**	2,463	-48%	-46%	**5,216**	5,837	-11%	-9%

1 Organic growth in orders received. Indicative only. The impacts from foreign currency fluctuations are calculated by translating the current-year period's reported key figures into euro amounts using the exchange rates in effect for the comparable period in the previous year.

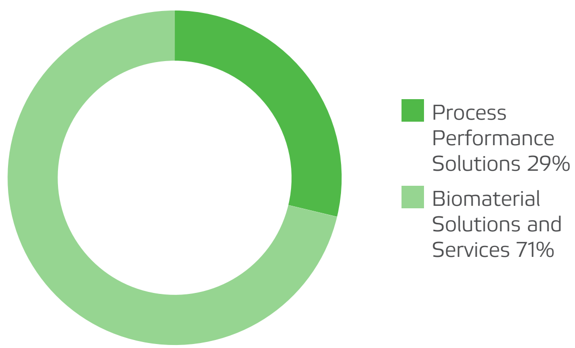
Long-term development of orders received (EUR million)



Orders received by segment, Q4/2025



Orders received by segment, 2025



Orders received in Q4/2025

Orders received decreased 48 percent to EUR 1,281 million (EUR 2,463 million). The decrease mainly reflects the comparison period, during which a landmark pulp mill order valued at over EUR 1 billion was recorded.

Orders received decreased in both segments.

Organically orders received decreased 46 percent.

In October–December 2025, Valmet received several notable orders, including:

- advanced process analytical solutions to Dow's Path2Zero project, supporting net-zero emissions goals for ethylene cracking,
- Valmet's largest-ever energy order for BEW's biomass power plant in Berlin, including extensive service agreements,
- waste-to-energy boiler, flue gas treatment and automation system for Cheng Loong Corporation's (CLC) Houli paper mill in Taiwan,
- an automated Valmet Distributed Control System (DCS) for Helen Ltd's Patola air-to-water heat pump plant, which will be the largest in the world when completed,
- a boiler fuel conversion from coal to biomass for Fortum Zabrze combined heat and power (CHP) plant in Poland,
- a third Advantage DCT tissue line to support Faderco Group to take tissue production to next level.

Orders received in 2025

Orders received decreased 11 percent to EUR 5,216 million (EUR 5,837 million) in the financial year 2025,

Orders received remained at the previous year's level in the Process Performance Solutions segment and decreased in the Biomaterial Solutions and Services segment.

Organically orders received decreased 9 percent.

In addition to the aforementioned, in the financial year 2025, Valmet received the following notable orders:

- state-of-the-art tissue line to Sofidel America, which is the largest full-scope tissue delivery in Valmet's history,
- a Valmet DNA distributed control system to a bio-based process plant in Portugal,
- a mission-critical automation solution for a hydrogen fuel cell power facility in South Korea,
- strategic agreement to deliver valve services to Petrobras in Brazil,
- 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,
- advanced, mission-critical automation for the new Polarstern, a next-generation polar research vessel, and
- a biomass boiler and flue gas handling equipment to Kraftringen Energi in Sweden for advancing circularity.

Order backlog

Order backlog, EUR million	**As at December 31, 2025**	As at December 31, 2024	Change	As at September 30, 2025
Total	**4,306**	4,452	-3%	4,526

Order backlog amounted to EUR 4,306 million at the end of the reporting period, which is 5 percent lower than at the end of September 2025 and at the same level as at the end of December 2024.

Approximately 15 percent of the order backlog is from Process Performance Solutions, while 85 percent is from Biomaterial Solutions and Services (at the end of December 2024, 15% and 85%).

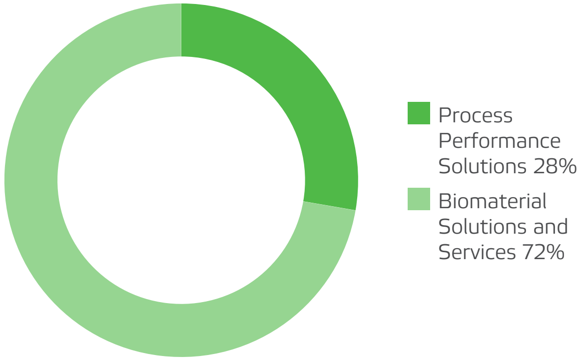
Approximately EUR 3.1 billion of the order backlog is currently expected to be realized as net sales during 2026 (at the end of 2024, approximately EUR 3.1 billion was expected to be realized during 2025).

Net sales

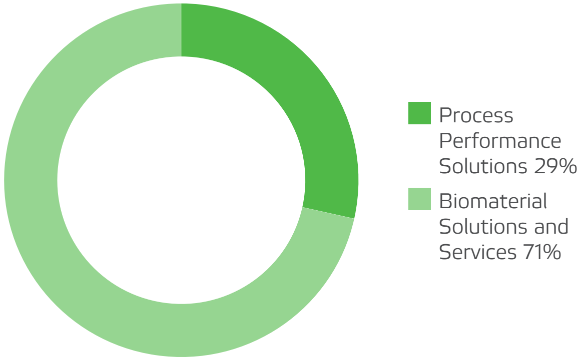
Net sales, EUR million	Q4/2025	Q4/2024	Change	Organic[1]	2025	2024	Change	Organic[1]
Process Performance Solutions	**410**	424	-3%	1%	**1,481**	1,437	3%	3%
Biomaterial Solutions and Services	**1,067**	1,104	-3%	-1%	**3,716**	3,922	-5%	-4%
of which biomaterial services	*511*	*567*	*-10%*	*-7%*	*1,856*	*1,900*	*-2%*	*-1%*
Total	**1,477**	1,528	-3%	-1%	**5,197**	5,359	-3%	-2%

1 Organic growth in net sales. Indicative only. The impacts from foreign currency fluctuations are calculated by translating the current-year period's reported key figures into euro amounts using the exchange rates in effect for the comparable period in the previous year.

Net sales by segment, Q4/2025



Net sales by segment, 2025



Net sales in Q4/2025

Net sales in October–December remained at the previous year's level at EUR 1,477 million (EUR 1,528 million). Net sales remained at the previous year's level in both segments.

Organically net sales remained at the previous year's level.

Net sales in 2025

Net sales in the financial year 2025 remained at the previous year's level at EUR 5,197 million (EUR 5,359 million). Net sales remained at the previous year's level in the Process Performance Solutions segment and decreased in the Biomaterial Solutions and Services segment.

Organically net sales remained at the previous year's level.

Organic growth

	Orders received		Net Sales	
	Q4	Q1–Q4	Q4	Q1–Q4
Organic growth[1]	-46%	-9%	-1%	-2%
Mergers and acquisitions	0%	1%	0%	1%
Changes in foreign exchange rates[2]	-2%	-2%	-3%	-2%
Total change	-48%	-11%	-3%	-3%

1 Indicative only.
2 The impacts from foreign currency fluctuations are calculated by translating the current-year period's reported key figures into euro amounts using the exchange rates in effect for the comparable period in the previous year.

Organic growth in Q4/2025

Organically orders received decreased 46 percent and net sales remained at the previous year's level in October–December.

The decrease mainly reflects the comparison period, during which a landmark pulp mill order valued at over EUR 1 billion was recorded.

Acquisitions completed in earlier periods did not impact the comparability of orders received or net sales in the fourth quarter.

Changes in foreign exchange rates compared to the exchange rates for the corresponding period in 2024 decreased orders received by 2 percent and net sales by 3 percent. Foreign exchange rate impacts on orders received and to net sales were mainly due to US dollar, Swedish krona, and Chinese yuan.

Organic growth in 2025

In the financial year 2025 Valmet's orders received decreased organically by 9 percent while net sales decreased organically by 2 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. The acquisitions increased Valmet's orders received and net sales by 1 percent.

Foreign exchange rate changes decreased Valmet's orders received by 2 percent and net sales by 2 percent. Foreign exchange rate impacts on orders received were mainly due to US dollar, Brazilian real and Canadian dollar, and the impacts on net sales were mainly due to US dollar, Brazilian real and Swedish krona.

Comparable EBITA

Comparable EBITA, EUR million	Q4/2025	Q4/2024	Change	2025	2024	Change
Process Performance Solutions	**90**	81	11%	**290**	255	14%
% of net sales	**21.9%**	19.1%	2.8 pp	**19.6%**	17.7%	1.8 pp
Biomaterial Solutions and Services	**123**	128	-3%	**381**	403	-5%
% of net sales	**11.6%**	11.6%	0.0 pp	**10.3%**	10.3%	0.0 pp
Other	**-16**	-17	-2%	**-51**	-49	4%
Total	**196**	192	2%	**620**	609	2%
% of net sales	**13.3%**	12.6%	0.7 pp	**11.9%**	11.4%	0.6 pp

Comparable EBITA in Q4/2025

In October–December comparable EBITA remained at the previous year's level at EUR 196 million, corresponding to 13.3 percent of net sales (EUR 192 million and 12.6%). The margin increase was supported by cost savings from the operating model renewal.

Items affecting comparability amounted to EUR -6 million (EUR -19 million) in the fourth quarter.

Comparable EBITA of the Process Performance Solutions segment increased to EUR 90 million (EUR 81 million). Comparable EBITA margin was 21.9 percent (19.1%). The margin was supported by solid commercial execution, operating model efficiencies and disciplined cost control.

Comparable EBITA of the Biomaterial Solutions and Services segment remained at the previous year's level at EUR 123 million, corresponding to 11.6 percent of the segment's net sales (EUR 128 million and 11.6%). Biomaterial services' net sales decreased, but operating model efficiencies supported the margin development of the segment.

Comparable EBITA in 2025

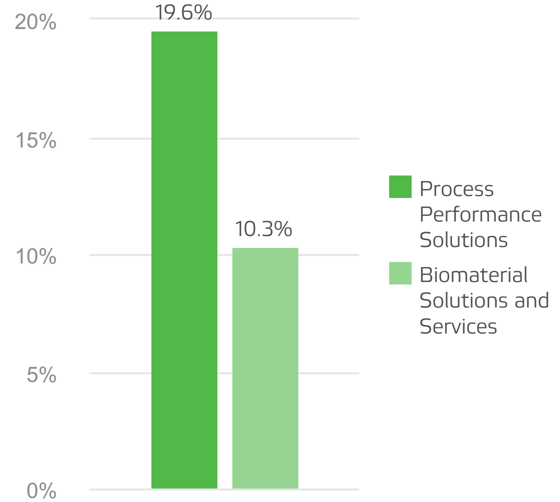
In the financial year 2025 Valmet's Comparable EBITA remained at the previous year's level at EUR 620 million, corresponding to 11.9 percent of net sales (EUR 609 million and 11.4%). The margin increase was supported by cost savings from the operating model renewal.

Items affecting comparability amounted to EUR -85 million (EUR -53 million) in 2025. The change was mainly related to restructuring expenses of the operating model renewal.

Comparable EBITA of the Process Performance Solutions segment increased 14 percent to EUR 290 million, corresponding to 19.6 percent of the segment's net sales (EUR 255 million and 17.7%). The increase in margin was driven by solid commercial execution, operating model efficiencies, and improved performance in the acquired operations following their integration into Valmet.

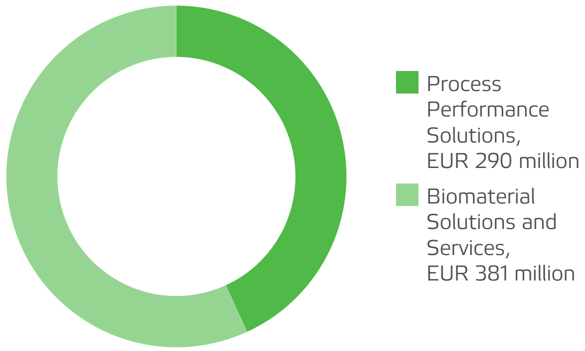
Comparable EBITA of the Biomaterial Solutions and Services segment decreased to EUR 381 million, corresponding to 10.3 percent of the segment's net sales (EUR 403 million and 10.3 percent). Comparable EBITA decreased due to lower net sales, but operating model efficiencies supported the margin development of the segment.

Comparable EBITA margin, 2025



Comparable EBITA, 2025 (million EUR)

(excl. Other)



Segments and business areas

Process Performance Solutions segment

Process Performance Solutions delivers flow control technologies and automation systems ranging from individual measurements to full plant-wide solutions, complemented by lifecycle services. It serves a global customer base of broad range of industries with mission-critical solutions that enhance resource efficiency, operational reliability, and financial performance. Its strategic mission is to unlock resource efficiency, with a target EBITA margin of 20% by 2030.

Process Performance Solutions	**Q4/2025**	Q4/2024	Change	**2025**	2024	Change
Orders received (EUR million)	**372**	443	-16%	**1,500**	1,446	4%
Flow Control	182	185	-2%	798	763	5%
Automation Solutions	190	258	-26%	702	683	3%
Net sales (EUR million)	**410**	424	-3%	**1,481**	1,437	3%
Flow Control	204	206	-1%	788	791	0%
Automation Solutions	206	217	-5%	694	646	7%
Comparable EBITA (EUR million)	**90**	81	11%	**290**	255	14%
Comparable EBITA, %	**21.9%**	19.1%	2.8 pp	**19.6%**	17.7%	1.8 pp

Q4/2025

Orders received by the Process Performance Solutions segment decreased 16 percent (organically -12%) to EUR 372 million (EUR 443 million). Orders received remained at the previous year's level in Flow Control and decreased in Automation Solutions.

The decrease in Automations Solutions' orders received mainly reflects the comparison period, during which a landmark pulp mill order was recorded.

Net sales for the segment remained at the previous year's level (organically +1%) at EUR 410 million (EUR 424 million). Net sales remained at the previous year's level in Flow Control and decreased in Automation Solutions.

Comparable EBITA of the segment increased to EUR 90 million (EUR 81 million). Comparable EBITA margin increased to 21.9 percent (19.1%). The margin was supported by solid commercial execution, operating model efficiencies and disciplined cost control.

The comparable EBITA of the segment corresponded to 46 percent of Valmet's comparable EBITA (42%).

2025

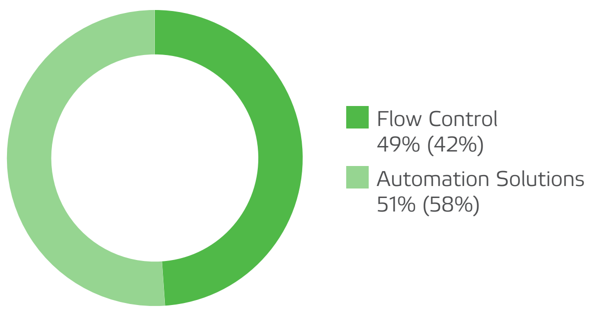
Orders received by the Process Performance Solutions segment remained at the previous year's level (organically +4%) and amounted to EUR 1,500 million (EUR 1,446 million) in the financial year 2025. Orders received remained at the previous year's level in both Flow Control and Automation Solutions. Orders received of Analyzer Products and Integration (which was integrated into Valmet on April 2, 2024), amounted to EUR 144 million (EUR 93 million).

Net sales for the segment remained at the previous year's level (organically +3%) at EUR 1,481 million (EUR 1,437 million) in 2025. Net sales increased in Automation Solutions and remained at the previous year's level in Flow Control.

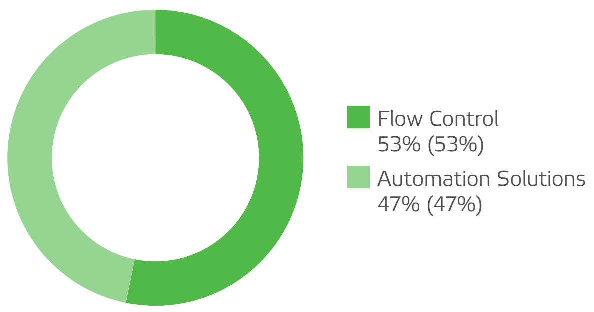
Comparable EBITA of the segment increased to EUR 290 million, corresponding to 19.6 percent of the segment's net sales (EUR 255 million and 17.7%). The increase in margin was driven by solid commercial execution, operating model efficiencies, and improved performance in the acquired operations following their integration into Valmet.

The comparable EBITA of the segment corresponded to 47 percent of Valmet's comparable EBITA (42%).

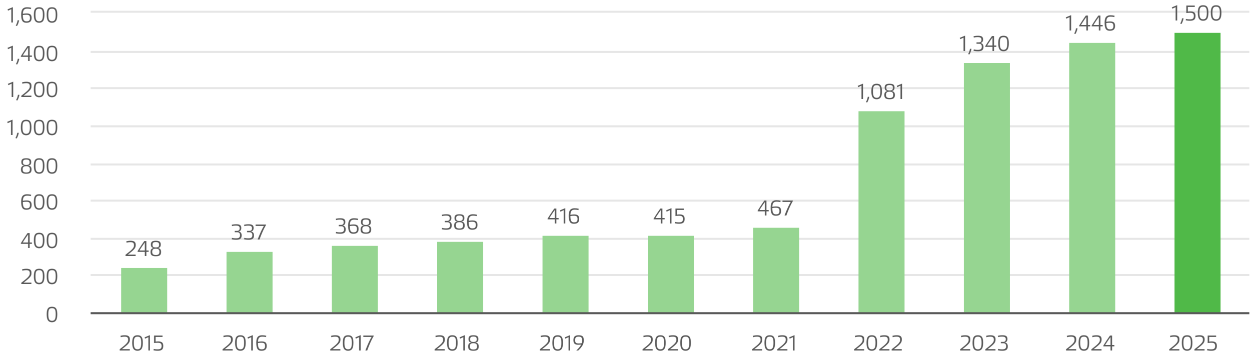
Orders received by Business area, Q4/2025



Orders received by Business area, 2025



Long-term development of orders received (EUR million)



Biomaterial Solutions and Services segment

Biomaterial Solutions and Services serves global producers across the pulp, paper, packaging, tissue, and bioenergy industries. It provides complete production lines and key process islands, complemented by a full range of lifecycle services. These solutions enable improvements in fiber yield, energy and water efficiency, emissions, and operational uptime. Its strategic mission is to advance circularity, with a target EBITA margin of 14% by 2030.

Biomaterial Solutions and Services	Q4/2025	Q4/2024	Change	2025	2024	Change
Orders received (EUR million)	**908**	2,020	-55%	**3,716**	4,392	-15%
Pulp, Energy and Circularity	466	1,328	-65%	1,536	2,250	-32%
Packaging and Paper	270	418	-35%	1,368	1,462	-6%
Tissue	172	274	-37%	812	679	20%
of which biomaterial services	*439*	*479*	*-8%*	*1,948*	*1,915*	*2%*
Net sales (EUR million)	**1,067**	1,104	-3%	**3,716**	3,922	-5%
Pulp, Energy and Circularity	505	434	16%	1,610	1,541	5%
Packaging and Paper	390	484	-20%	1,483	1,793	-17%
Tissue	173	186	-7%	622	588	6%
of which biomaterial services	*511*	*567*	*-10%*	*1,856*	*1,900*	*-2%*
Comparable EBITA (EUR million)	**123**	128	-3%	**381**	403	-5%
Comparable EBITA, %	**11.6%**	11.6%	0.0 pp	**10.3%**	10.3%	0.0 pp

Q4/2025

Orders received by the Biomaterial Solutions and Services segment decreased 55 percent (organically -54%) to EUR 908 million (EUR 2,020 million). The decrease mainly reflects the comparison period, during which a landmark pulp mill order valued at over EUR 1 billion was recorded.

Orders received in biomaterial services decreased 8 percent (-5% organically) to EUR 439 million (EUR 479 million). Orders received decreased in all three business areas.

Net sales for the segment remained at the previous year's level (organically -1%) at EUR 1,067 million (EUR 1,104 million).

Net sales in biomaterial services decreased 10 percent (organically -7%) to EUR 511 million (EUR 567 million).

Comparable EBITA of the segment remained at the previous year's level at EUR 123 million, corresponding to 11.6 percent of the segment's net sales (EUR 128 million and 11.6%). Biomaterial services' net sales decreased, but operating model efficiencies supported the margin development of the segment.

The comparable EBITA of the segment corresponded to 63 percent of Valmet's comparable EBITA (67%).

2025

Orders received in the financial year 2025 by the Biomaterial Solutions and Services segment decreased 15 percent (organically -14%) to EUR 3,716 million (EUR 4,392 million).

Orders received increased in the Tissue business area and decreased in the Pulp, Energy and Circularity and Packaging and Paper business areas. Orders received in biomaterial services remained at the previous year's level (organically +4%) at EUR 1,948 million (EUR 1,915 million).

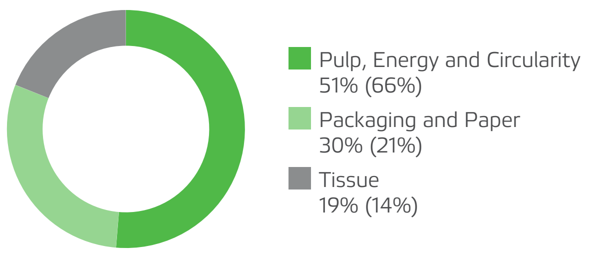
Net sales for the segment decreased 5 percent (organically -4%) and amounted to EUR 3,716 million (EUR 3,922 million).

Net sales in biomaterial services remained at the previous year's level (organically -1%) at EUR 1,856 million (EUR 1,900 million).

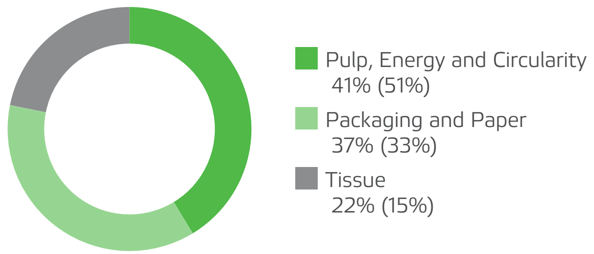
The comparable EBITA of the segment decreased to EUR 381 million, corresponding to 10.3 percent of the segment's net sales (EUR 403 million and 10.3%). Comparable EBITA decreased due to lower net sales, but operating model efficiencies supported the margin development of the segment.

The comparable EBITA of the segment corresponded to 61 percent of Valmet's comparable EBITA (66%).

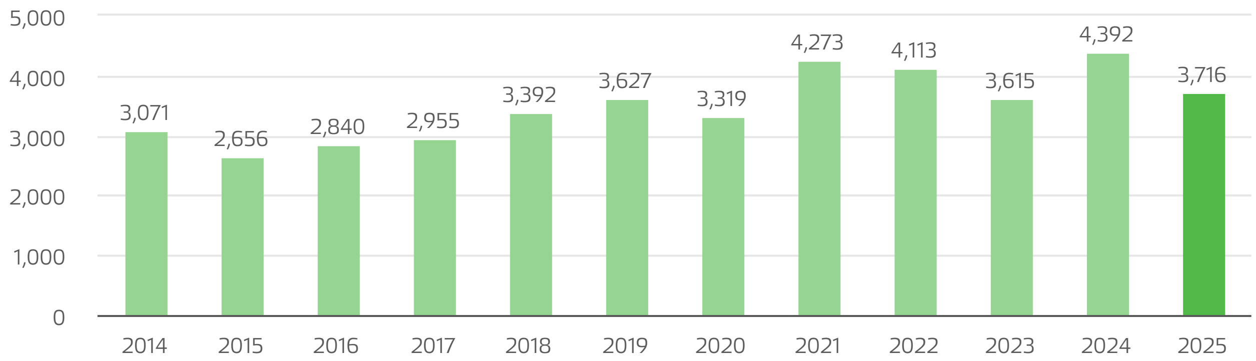
Orders received by Business area, Q4/2025



Orders received by Business area, 2025



Long-term development of orders received (EUR million)



2014–2023 figures have not been restated to reflect the new segment reporting structure which Valmet implemented as of July 1, 2025.

Operating profit

Operating profit (EBIT) in October–December was EUR 167 million corresponding to 11.3 percent of net sales (EUR 150 million and 9.8%). The increase in October–December was mainly driven by lower SG&A costs.

Operating profit for the financial year 2025 was EUR 438 million corresponding to 8.4 percent of net sales (EUR 449 million and 8.4%).

Net financial income and expenses

Net financial income and expenses in October–December were EUR -17 million (EUR -16 million).

In the financial year 2025, net financial income and expenses amounted to EUR -62 million (EUR -65 million).

Profit before taxes and earnings per share

Profit before taxes for October–December was EUR 149 million (EUR 134 million). Profit attributable to owners of the parent in October–December was EUR 105 million (EUR 98 million), with EPS at EUR 0.57 (EUR 0.53) and adjusted EPS at EUR 0.64 (EUR 0.60). The increase in EPS is mainly related to lower SG&A costs.

Profit before taxes for the financial year 2025 was EUR 376 million (EUR 383 million), profit attributable to owners of the parent was EUR 280 million (EUR 280 million), EPS was EUR 1.52 (EUR 1.52), and adjusted EPS was EUR 1.82 (EUR 1.93).

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

In 2025 comparable return on capital employed (comparable ROCE) before taxes was 13.0 percent (12.7%) and return on capital employed (ROCE) before taxes 10.9 percent (11.4%). Return on equity (ROE) for the corresponding period was 10.7 percent (10.8%).

Cash flow and financing

Operating cash flow

Cash flow provided by operating activities amounted to EUR 189 million (EUR 178 million) in October–December and EUR 581 million (EUR 554 million) in the financial year 2025.

Comparable cash conversion ratio remained at a good level at 94 percent (91%) in 2025, in-line with Valmet's long-term average. Valmet's average comparable cash conversion ratio 2015–2024 was 92 percent.

Cash conversion ratio—calculated from the reported EBITA—was 109 percent (100%) in the financial year. Valmet's average cash conversion ratio 2015–2024 was 96 percent.

Net working capital

Net working capital amounted to EUR 29 million (EUR 134 million) at the end of the reporting period.

The change in net working capital in the statement of cash flows was EUR 18 million (EUR 6 million) in October–December and EUR 39 million (EUR 61 million) in the financial year 2025.

Cash flow after investing activities

Cash flow after investing activities totaled 170 million (EUR 151 million) in the fourth quarter and EUR 483 million (EUR 316 million) in the financial year 2025. The increase in 2025 compared to the previous year mainly reflects the acquisition-related cash outflows recorded in 2024, which reduced cash flow after investing activities in that year.

Dividends paid in 2025

In compliance with the resolution of the Annual General Meeting, Valmet paid the first installment of dividend for 2024 on April 8, 2025, totaling EUR 125 million, or EUR 0.68 per share. The second installment of EUR 0.67 per share, totaling EUR 123 million, was paid on October 7, 2025.

Valmet’s dividend policy is to pay out at least 50% of the profit for the period as dividend. The dividend payout ratio for 2024 was 89%.

Debt, gearing and liquidity

At the end of December, net debt to EBITDA ratio was 1.40 (1.55), gearing 35 percent (39%), and equity-to-assets ratio was 45 percent (44%).

Interest-bearing liabilities amounted to EUR 1,461 million (EUR 1,544 million), and net interest-bearing liabilities totaled EUR 904 million (EUR 1,032 million) at the end of the reporting period.

On December 12, 2025, Valmet completed its first Schuldschein loan transaction, amounting to EUR 375 million. The transaction strengthens Valmet’s long-term debt structure, diversifies funding sources and broadens Valmet’s debt investor base. The loan consists of 11 tranches with both fixed and floating interest rate structures and offers a diversified maturity profile of three, five, seven and ten years, with an average maturity of nearly six years. At the end of the reporting period, EUR 281 million of the Schuldschein loan transaction was outstanding.

The average interest rate of Valmet's total debt was 3.4 percent (4.0%) and average maturity of non-current debt including current installments was 3.3 years (3.4) at the end of December. 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 535 million (EUR 482 million) and other interest-bearing assets totaling EUR 22 million (EUR 30 million). Valmet's liquidity was secured with a committed multi-currency revolving credit facility of EUR 450 million, which was undrawn at the end of the reporting period. Liquidity was additionally secured by an uncommitted commercial paper program worth EUR 300 million, of which EUR 10 million was outstanding at the end of the reporting period.

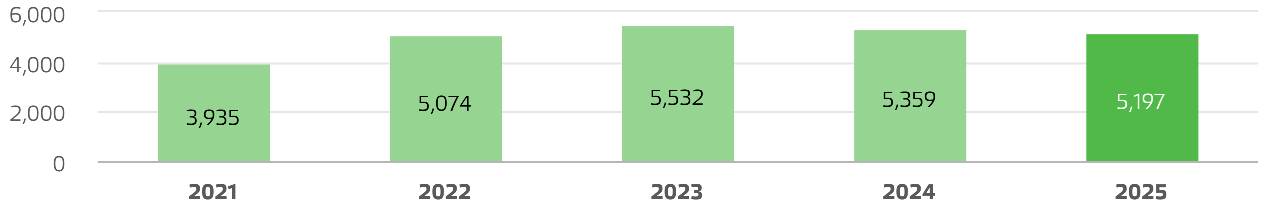
Valmet's financial targets

Valmet's 2030 financial targets were published on June 4, 2025 and are the following:

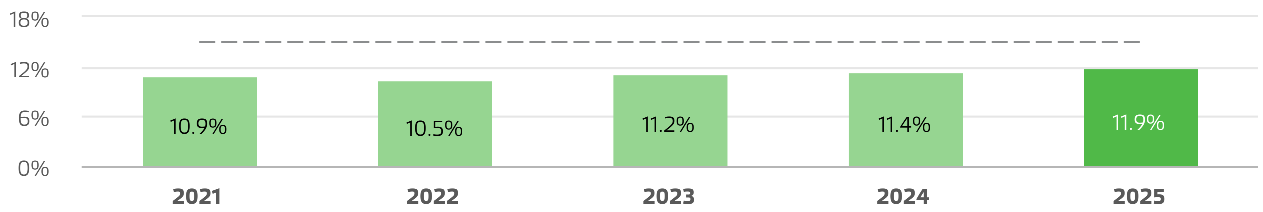
- Organic net sales growth (CAGR) over the cycle of 5%
- Comparable EBITA margin of 15%
- Comparable return on capital employed before taxes (Comparable ROCE) of 20%
- Gearing below 50%

Long-term development of key financial indicators

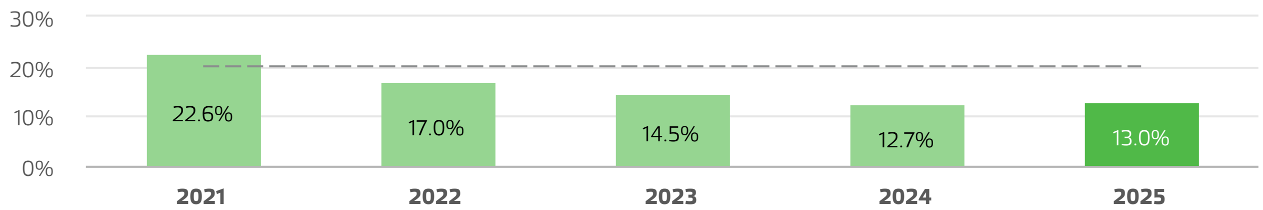
Net sales (EUR million)



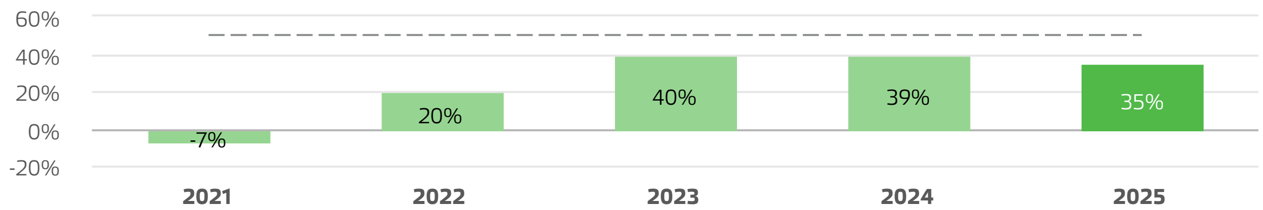
Comparable EBITA % of net sales



Comparable return on capital employed before taxes (Comparable ROCE)



Gearing at end of period, %



Capital expenditure

Gross capital expenditure (excluding business combinations and right-of-use assets) totaled EUR 22 million (EUR 30 million) in October–December.

In the financial year 2025, gross capital expenditure (excluding business combinations and right-of-use assets) totaled EUR 103 million (EUR 107 million), and represented 2.0 percent (2.0%) of net sales.

Acquisitions and divestitures

Valmet made no acquisitions or divestitures during the financial year 2025.

On December 22 Valmet announced it has entered into an agreement to acquire Severn Group, a well-established industrial valve company, from Bluewater, a UK-based private equity firm. Severn serves process industries globally and delivers specialized flow control solutions across the most demanding applications. The acquisition is estimated to be completed during the second quarter of 2026, subject to customary closing conditions. When completed the acquisition will strengthen Valmet's Process Performance Solutions segment and Flow Control business area. Severn's net sales in 2025 are estimated to amount to approximately EUR 215 million, with an EBITDA margin of around 16 percent

Research and development

Valmet's research and development (R&D) expenses in 2025 amounted to EUR 126 million, i.e. 2.4 percent of net sales (EUR 123 million and 2.3%). Research and development work is carried out predominantly in Finland and Sweden, within the business areas' R&D organizations and pilot facilities. In addition, research and development takes place within a network of customers, suppliers, research institutes and universities. In the end of 2025, R&D employed 542 (564) people.

Valmet's R&D work is based on customers' needs, such as improving production and resource efficiency, maximizing the value of raw materials, providing new revenue streams, and developing new innovations and technologies.

Valmet develops competitive, leading production and automation technologies and services. To enhance raw material, water and energy efficiency in its customers' production processes, Valmet combines digitalization, process technology, flow control, automation systems and services. Valmet also develops solutions for replacing fossil materials with renewable ones and for producing new high-value end products.

Structural changes

On March 31, 2025, Valmet announced plans to renew its operating model and on June 4, 2025, announced its new strategy 'Lead the Way' and confirmed the new operating model to become effective on July 1, 2025. Valmet estimated that the corresponding annual gross cost savings would be approximately EUR 80 million, with full run-rate achieved by the beginning of 2026.

By the end of the year, the company realized approximately EUR 35 million in related cost savings, including approximately EUR 20 million in the fourth quarter and the targeted annual cost savings run-rate was reached. The associated change negotiations have been concluded in all countries.

Since July 1, 2025, Valmet consists of two reportable segments: Process Performance Solutions, and Biomaterial Solutions and Services. In addition, Valmet established a Global Supply unit, which targets EUR 100 million of cost efficiencies by 2030 by optimizing procurement, logistics, and manufacturing activities across the Biomaterial Solutions and Services segment.

Changes in Valmet's Executive Leadership Team

In 2025, Valmet renewed its operating model to reinforce accountability, and high performance. The new organizational structure and Executive Leadership Team became effective on July 1, 2025.

On July 23, 2025, Valmet announced the appointment of Jon Jested-Rask as Executive Vice President, Tissue Business Area, effective August 1, 2025. With this appointment, the new Executive Leadership Team was fully established.

Valmet's Executive Leadership Team, as of December 31, 2025, consists of the following members:

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

Personnel

The number of personnel at the end of December was 18,487 (19,310). The decrease mainly reflects the operating model renewal.

During the financial year 2025, Valmet employed an average of 18,982 people (19,297).

Personnel expenses totaled EUR 1,395 million (EUR 1,393 million) in the financial year 2025, of which wages, salaries and remuneration amounted to EUR 1,101 million (EUR 1,101 million).

The number of personnel at the end of September has been updated after the previous reporting period due to the operating model renewal process. This did not affect personnel expenses.

Personnel	As at December 31, 2025	As at December 31, 2024	Change	As at September 30, 2025
North America	**2,316**	2,474	-6%	2,321
Latin America	**1,630**	1,542	6%	1,631
EMEA	**10,565**	11,188	-6%	10,638
China	**2,283**	2,388	-4%	2,283
Asia-Pacific	**1,693**	1,718	-1%	1,691
Total	**18,487**	19,310	-4%	18,564

Geographical areas

Orders received

Measured by orders received, the top three countries in the fourth quarter of 2025 were the USA, Germany and Brazil, which together accounted for 46 percent of total orders received.

Measured by orders received, the top three countries in the financial year 2025 were the USA, China and Germany, which together accounted for 44 percent of total orders received.

Orders received, EUR million	Q4/2025	Q4/2024	Change	2025	2024	Change
North America	**345**	460	-25%	**1,685**	1,311	29%
Latin America	**103**	1,239	-92%	**472**	1,638	-71%
EMEA	**623**	434	44%	**2,026**	1,735	17%
China	**87**	70	24%	**613**	418	47%
Asia-Pacific	**123**	260	-53%	**420**	735	-43%
Total	**1,281**	2,463	-48%	**5,216**	5,837	-11%

Net sales

Measured by net sales, the top three countries in the fourth quarter of 2025 were the USA, Brazil and China, which together accounted for 48 percent of total net sales.

In the financial year 2025, the top three countries were the USA, Brazil and China, which together accounted for 46 percent of total net sales.

Net sales, EUR million	Q4/2025	Q4/2024	Change	2025	2024	Change
North America	**350**	398	-12%	**1,341**	1,390	-4%
Latin America	**309**	174	78%	**866**	545	59%
EMEA	**526**	602	-13%	**1,876**	2,033	-8%
China	**152**	203	-25%	**540**	723	-25%
Asia-Pacific	**139**	151	-8%	**574**	668	-14%
Total	**1,477**	1,528	-3%	**5,197**	5,359	-3%

Progress in sustainability

During the fourth quarter of 2025 the focus continued to be on renewing Valmet’s sustainability approach aligned with Valmet’s new strategy, ‘Lead the Way’, which puts sustainability in the center of Valmet’s operations through a dual mission of unlocking resource efficiency in Process Performance Solutions and advancing circularity in the Biomass Solutions and Services. 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 fourth quarter. In the new operating model, Sustainability Excellence is part of the newly established Strategy and Transformation function and in every Business area’s Strategy and Business development function. This integration supports stronger alignment between business strategy, transformation, and sustainability, ensuring a more holistic and impactful approach going forward. During the fourth quarter Valmet’s sustainability governance was further strengthened by establishing a sustainability due diligence compliance committee and by further developing due diligence frameworks.

In November 2025, Valmet was awarded a Gold Medal in the EcoVadis sustainability assessment, placing the company among the top 5 percent of more than 150,000 companies assessed worldwide. EcoVadis evaluates companies across four categories: environment, labor and human rights, ethics, and sustainable procurement. Valmet’s overall score was 82/100, six points higher than the previous year. The result places the company among the top two percent of all companies assessed by EcoVadis worldwide.

Environment

Valmet's new Climate Transition Plan was finalized in December 2025. The transition plan outlines Valmet’s pathway toward net zero and introduces new climate targets and decarbonization levers to reduce greenhouse gas (GHG) emissions across its value chain and own operations. Valmet aims for net zero in its own operations by 2040 and the whole value chain by 2050. During the fourth quarter, Valmet also created a Climate and Nature Policy Statement.

Valmet advanced further in executing its Climate Program during the fourth quarter and continued climate engagement with suppliers, according to the plan. At the end of December 2025, around 360 suppliers had been engaged. The implementation of Beyond Circularity, the Valmet-led R&D program and ecosystem to accelerate the green transition, continued successfully to closure. The ecosystem has grown to include more than 370 partners collaborating on 47 projects, co-funded by Business Finland and the European Union. By the end of the program in 2025, Valmet has actively driven innovation through more than 100 internal R&D projects directly linked to the program.

Social

At the end of December 2025, the lost time incident frequency rate (LTIF) for Valmet’s own workforce was 1.7 (1.6) and for subcontractors was 2.1 (2.4). 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 85 percent of employees refreshed their understanding of the Life Saving Rules and Minimum Safety Standards by the end of the fourth quarter.

In 2025, Valmet conducted a global survey of all employees and subcontractors to gain insight into our safety culture, well-being, and areas for continuous improvement. The feedback from the survey has directly influenced a renewed HSE strategy. We also aligned the new HSE strategy with Valmet’s new strategy. “Lead the Way to Zero Harm” is our vision to reach a world-class health, safety, and environmental performance in Valmet by 2030. The new HSE strategy is driven by four key pillars: Leadership, Risk Management, Process Excellence and Innovation, and Engagement and Learning.

In October, Valmet conducted a second Change Pulse Survey to understand how change is being experienced across the organization. The feedback and findings are used to help identify what works and where the company can still improve.

During the fourth quarter Valmet’s Human rights policy statement was updated with strengthened commitment and improved due diligence framework. Valmet’s global social responsibility program continued throughout 2025 with six local projects in the Asia-Pacific, EMEA, Latin America, China, and North America. During the fourth quarter the focus of the program was renewed to focus even more on programs close to our customers, with strong link to Valmet’s business and on programs that are linked to Valmet’s sustainability impacts. While selecting the program participants for 2026, one new partnership was established.

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 has proceeded throughout the year. Implementation of the Supplier Code of Conduct has continued, reaching 77 percent coverage of spend by the end of the fourth quarter, out of the target of 75 percent coverage of spend that was set for the year.

A key component in Valmet’s Sustainable Supply chain process is sustainability audits. The target for the entire year was to conduct a minimum of 40 supplier audits and by December 31, 2025, the target was achieved as 57 supplier sustainability audits had been conducted in China, North America, Latin America, Asia-Pacific, and EMEA. Furthermore, during the fourth quarter Valmet conducted heightened due diligence assessments for high-risk suppliers as planned.

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 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 December 31	
	2025	2024
Share capital, EUR	140,000,000	140,000,000
Number of shares	184,529,605	184,529,605
Treasury shares	297,175	364,258
Shares outstanding	184,232,430	184,165,347
Market capitalization, EUR million	5,228	4,305
Number of shareholders	103,259	105,217

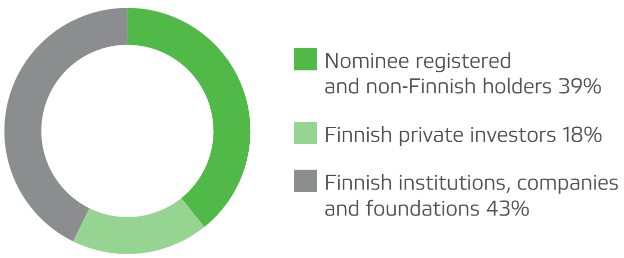
Trading of shares

Trading of Valmet shares on Nasdaq Helsinki	January 1–December 31	
	2025	2024
Number of shares traded	85,571,314	108,778,549
Total value, EUR million	2,335	2,723
High, EUR	32.15	30.11
Low, EUR	21.00	21.37
Volume-weighted average price, EUR	27.27	25.04
Closing price on the final day of trading, EUR	28.33	23.33

The closing price of Valmet's share on the final day of trading for the reporting period, December 30, 2025, was EUR 28.33, i.e., 21 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 46 million Valmet shares were traded on these five alternative marketplaces in 2025 (Source: www.valmet.com/investors/valmet-share/trading-volumes/).

Ownership structure as at December 31, 2025



Source: Euroclear Finland Oy

At the end of the reporting period Valmet had 103,259 shareholders according to Euroclear Finland Oy. 43 percent of Valmet's shares were held by Finnish institutions, companies, and foundations; 39 percent by nominee registered non-Finnish holders, and 18 percent by Finnish private investors.

Flagging notifications

In the financial year 2025 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.

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 was paid on October 7, 2025, to shareholders who on the dividend record date September 29, 2025, were registered in the Company's shareholders' register held by Euroclear Finland Oy.

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.

Board authorizations regarding shares

At Valmet's AGM 2025, the Board of Directors was authorized to repurchase up to 9.2 million shares (approximately 5% of all shares) and to issue up to 18.5 million shares (approximately 10% of all shares), including special rights and directed issues. Shares may be repurchased or issued for capital structure management, financing, execution of acquisitions and investments or carrying out other business transactions, and share-based incentives (however, up to 755,000 shares for incentives, corresponding to 0.4% of all shares).

Validity of the authorizations

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 2025.

Use of AGM authorizations

Under the AGM 2024 authorization, Valmet repurchased 115,000 of the Company's own shares for EUR 3.2 million in February 2025 to cover share-based incentive obligations.

On March 14, 2025, a total of 161,915 treasury shares were transferred without consideration to participants in Valmet's long-term incentive plans for the periods 2022–2024 and 2024, and on August 14, 2025, an additional 23,989 shares were transferred for the period 2024.

At the end of the reporting period, the Company held 297,175 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.

Risks and business uncertainties

Valmet's operations are affected by various risks. Valmet actively seeks to capitalize on emerging opportunities while mitigating the potential adverse impacts of identified threats. As part of its annual risk assessment, Valmet has identified the most significant risks arising from global and key market area economic cycles, including geopolitical developments, customer industry dynamics, and risks associated with project operations. Further information on Valmet's risk management process is available in the Corporate Governance Statement.

The assessment of risks related to sustainability plays an important role in the risk management process. Further details of Valmet's material sustainability matters and related impacts, risks, and opportunities are available in Valmet's Sustainability Statement.

Strategic risks

Financial uncertainty in the global economy, coupled with exchange rate fluctuations and tightening financial market regulations, may affect customers' financing availability and investment appetite. If economic growth slows significantly, the markets for Valmet's products may shrink, which may lead to, for example, tougher price competition. Competitive pressures are addressed through product development, customer service, and local presence.

Valmet's strong presence in selected businesses, combined with geographical diversification, helps mitigate the potential negative effects of market uncertainties. A weakening global economy could also adversely affect new projects under negotiation or those already in the order backlog. Valmet manages project risk through advance and progress payments, continuous assessment of customer creditworthiness, and a general policy of not financing customer projects.

Geopolitical conflicts pose significant risks to global markets, supply chains, and transport logistics. 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.

Rising protectionism, shifting political narratives, and regulatory changes—such as tariffs and potential retaliatory measures—create uncertainty in global trade and customer investment decisions. The ongoing trade war further contributes to economic and financial market instability.

To mitigate risks arising from the geopolitical landscape, Valmet continuously monitors global developments and evaluates their potential implications for its operations. The company also implements proactive measures, including strengthening supply chain resilience, managing cost impacts, and regularly assessing regional dependencies to ensure business continuity and reduce exposure. In addition, Valmet's broad local presence helps reduce direct tariff exposure.

Valmet may pursue growth by acquiring businesses to strengthen its technology offering and market position. Acquisitions and divestments involve risks related to valuation, cultural and organizational integration, alignment of processes and systems, and the realization of expected synergies. Challenges in integrating acquired operations or technologies may impact business performance, delay benefits, or increase costs. Valmet mitigates these risks through structured M&A processes, thorough due-diligence assessments, and disciplined integration planning and execution.

Financial risks

Currency exchange rate and interest rate risks are Valmet's most substantial financial risks. Economic insecurity typically increases exchange rate fluctuations and may impact interest rates as well. Valmet hedges its currency exposures linked to binding delivery and purchase agreements. The interest rate risks are managed by balancing the ratio of fixed and floating interest rates and duration of interest-bearing debt and interest-bearing financial assets. Additionally, Valmet uses derivative instruments to mitigate these risks.

Changes in legislation or regulatory interpretation, particularly in taxation, may influence financial outcomes. Valmet monitors these developments closely.

Valmet maintains a strong balance sheet, sufficient liquidity, and committed credit facilities to secure operational continuity. Capital expenditure and net working capital levels are closely monitored.

Valmet carries a significant goodwill balance, which is tested for impairment annually or more frequently if needed. No indications of impairment were identified during the reporting period.

To mitigate credit risk, Valmet diversifies its financial holdings across reputable banks and selects counterparties based on high creditworthiness.

Compliance and regulatory risks

Operating in multiple jurisdictions with evolving legislation and shifting regulatory interpretations exposes Valmet to compliance and regulatory risks that may impact the company's operations, technologies, and financial performance. These risks include emerging energy- and climate-related regulation, such as carbon-pricing mechanisms. Valmet manages compliance and regulatory risks through established compliance frameworks, ongoing monitoring, and proactive employee training.

Operational risks

Valmet's business involves projects, and the company faces execution risks such as cost estimation, scheduling, quality, and materials management, especially in large pulp projects. These risks are mitigated through risk analysis, systematic monitoring during execution, and continuous development of project management processes and systems.

Supply chain disruptions, component availability, and logistics challenges may adversely affect Valmet's business. These issues are mitigated by effective supply and supply chain management.

Changes in labor costs and raw material prices can impact profitability. In addition, large fluctuations in energy prices can affect the global economy and have implications for Valmet and its customers. While the company aims to offset inflation through productivity improvements and pricing strategies, strong competition may limit its ability to pass on cost increases to customers.

Cybersecurity breaches, unauthorized access, or failures in handling personal or customer data may negatively impact Valmet's operations, financial performance, or reputation and may lead to non-compliance with data-protection legislation such as the GDPR. Major system outages, malfunctions, failures in system development projects, or disruptions at critical cloud and service providers may also interrupt operations, delay project deliveries, or reduce internal efficiency. Valmet mitigates these risks through established cybersecurity controls, data-protection practices, business-continuity planning, redundant IT infrastructure, and monitoring of key suppliers and service providers.

Valmet's ability to execute projects and deliver advanced automation and process technologies relies on access to a highly skilled and committed workforce. Competition for talent in certain areas remains intense, and challenges in attracting, developing, and retaining critical competencies may impact operational performance and future growth. Labor market disruptions, including strikes or shortages in key regions, may affect project schedules or supply chain continuity. Valmet mitigates these risks through proactive talent development, succession planning, continuous competence renewal, and strong occupational safety practices to ensure a safe, motivated, and resilient workforce.

Events after the reporting period

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

Guidance for 2026

Valmet estimates that net sales in 2026 will remain at the previous year's level in comparison with 2025 (EUR 5,197 million) and Comparable EBITA in 2026 will remain at the previous year's level or increase in comparison with 2025 (EUR 620 million).

General economic outlook according to OECD

The global economy proved to be more resilient than expected in 2025. The resilience was supported by improved financial conditions, rising AI-related investment and trade, and macroeconomic policies. However underlying fragilities exist. Labor markets are showing first signs of weakening despite the OECD unemployment rate being steady at 4.9 percent, with job vacancies falling below their 2019 average in many countries. Risk in the economic outlook relate especially to prospects of future trade barriers, sharp repricing of the financial markets, potentially amplified by stresses in leveraged non-bank financial institutions and lingering fiscal concerns, which may tighten financial conditions and increase bond yields and weigh on economic growth.

Global GDP growth is projected to ease from 3.2% in 2025 to 2.9% in 2026 and to 3.1% in 2027.

Near-term activity is expected to soften as higher effective tariff rates gradually feed through economies, which can weigh on investment and trade, amid persistent geopolitical and policy uncertainty. Growth is expected to firm again later in 2026 as the impacts of tariffs are projected to fade and lower inflation could support demand. Consumer inflation in G20 countries is projected to ease from 3.4% in 2025 to 2.8% in 2026 and 2.5% in 2027. Emerging markets in Asian economies are seen as the key contributors to global GDP growth in the coming years.

(OECD Economic Outlook,Volume 2025, Issue 2, December 2025)

Short-term market outlook (January–June 2026)

Valmet's short-term market outlook covers the period January–June 2026, compared with October–December 2025.

It reflects Valmet's estimate of the expected growth rate of its key markets, based on ongoing discussions with customers and other market information.

The outlook describes underlying market trends, excluding the normal seasonal variation in Valmet's business. It should not be interpreted as guidance for Valmet's own orders received.

Process Performance Solutions

Valmet notes that the market environment in Process Performance Solutions softened in October-December. Valmet does not expect further softening from this level and anticipates the market to stabilize and improve modestly from the weaker Q4 level during the first half of 2026.

Biomaterial Solutions and Services

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

Valmet expects the biomaterial services market to remain soft in the coming quarters.

It is typical that large individual investment decisions by customers can influence the overall market significantly within a single quarter.

Board of Director's proposal for the distribution of profit

Valmet Oyj's distributable funds on December 31, 2025, totaled EUR 1,625,144,488.08 of which the net profit for the year 2025 was EUR 284,767,437.27 (according to Finnish Generally Accepted Accounting Standards).

The Board of Directors proposes to the Annual General Meeting that a dividend of EUR 1.35 per share be paid based on the statement of financial position to be adopted for the financial year which ended on December 31, 2025, and the remaining part of profit be retained and carried further in the Company's unrestricted equity.

The dividend shall be paid in two installments. The first installment of EUR 0.68. per share shall be paid to shareholders who on the dividend record date of March 27, 2026, are registered in the Company's shareholders' register held by Euroclear Finland Ltd. The dividend shall be paid on April 9, 2026. The second installment of EUR 0.67 per share shall be paid in October 2026. The second installment shall be paid to shareholders who on the dividend record date are registered in the Company's shareholders' register held by Euroclear Finland Ltd. The payment date of the second installment shall be resolved by the Board of Directors in its meeting preliminarily scheduled for September 29, 2026. The dividend record date for the second installment would then be October 1, 2026, and the dividend payment date October 7, 2026.

All the shares in the Company are entitled to a dividend except for treasury shares held by the Company on the dividend record date.

Publishing of Valmet's Financial Statements 2025

The Financial Statements 2025, which include the financial statements, the consolidated financial statements, the Report of the Board of Directors and the Auditor's Report, will be published and available on Valmet's website at www.valmet.com/investors/reports-and-presentations/ on February 27, 2026, at the latest.

In Espoo, Finland, on February 5, 2026

Valmet's Board of Directors

Financials

Consolidated statement of income

EUR million	Q4/2025	Q4/2024	2025	2024
Net sales	**1,477**	1,528	**5,197**	5,359
Cost of goods sold	**-1,073**	-1,109	**-3,750**	-3,878
Gross profit	**404**	419	**1,447**	1,481
Selling, general and administrative expenses	**-231**	-254	**-986**	-1,000
Other operating income and expenses, net	**-8**	-16	**-28**	-34
Share in profits and losses of associated companies, operative investments	**2**	1	**5**	2
Operating profit	**167**	150	**438**	449
Financial income and expenses, net	**-17**	-16	**-62**	-65
Profit before taxes	**149**	134	**376**	383
Income taxes	**-45**	-35	**-96**	-103
Profit for the period	**105**	98	**279**	281
Attributable to:				
Owners of the parent	**105**	98	**280**	280
Non-controlling interests	**—**	—	**—**	1
Profit for the period	**105**	98	**279**	281
Earnings per share attributable to owners of the parent:				
Earnings per share, EUR	**0.57**	0.53	**1.52**	1.52
Diluted earnings per share, EUR	**0.57**	0.53	**1.52**	1.52

Consolidated statement of comprehensive income

EUR million	Q4/2025	Q4/2024	2025	2024
Profit for the period	**105**	98	**279**	281
Items that may be reclassified to profit or loss:				
Gains and losses on cash flow hedges	**7**	-12	**15**	-8
Change in fair value reserve	**1**	—	**—**	1
Currency translation on subsidiary net investments	**3**	29	**-73**	2
Share of other comprehensive income of associated companies accounted for using equity method	**—**	—	**-1**	—
Income tax relating to items that may be reclassified	**-2**	2	**-3**	1
Total items that may be reclassified to profit or loss	**9**	20	**-61**	-3
Items that will not be reclassified to profit or loss:				
Remeasurement of defined benefit plans	**6**	21	**8**	13
Income tax relating to items that will not be reclassified	**-1**	-5	**-1**	-3
Total items that will not be reclassified to profit or loss	**5**	16	**6**	10
Other comprehensive income for the period	**14**	36	**-55**	6
Total comprehensive income for the period	**118**	135	**225**	287
Attributable to:				
Owners of the parent	**118**	134	**225**	286
Non-controlling interests	**—**	—	**—**	1
Total comprehensive income for the period	**118**	135	**225**	287

Consolidated statement of financial position

Assets

EUR million	As at December 31, 2025	As at December 31, 2024
Non-current assets		
Intangible assets		
Goodwill	**1,800**	1,808
Other intangible assets	**1,040**	1,127
Total intangible assets	**2,840**	2,934
Property, plant and equipment		
Land and water areas	**38**	40
Buildings and structures	**164**	163
Machinery and equipment	**292**	283
Right-of-use assets	**171**	156
Assets under construction	**75**	83
Total property, plant and equipment	**740**	726
Other non-current assets		
Investments in associated companies	**19**	17
Non-current financial assets	**35**	40
Deferred tax assets	**96**	94
Non-current income tax receivables	**6**	39
Other non-current assets	**46**	37
Total other non-current assets	**203**	228
Total non-current assets	**3,782**	3,888
Current assets		
Inventories		
Materials and supplies	**213**	206
Work in progress	**377**	396
Finished products	**294**	301
Total inventories	**884**	903
Receivables and other current assets		
Trade receivables	**769**	862
Amounts due from customers under revenue contracts	**327**	344
Other current financial assets	**82**	62
Income tax receivables	**67**	64
Other current assets	**189**	226
Cash and cash equivalents	**535**	482
Total receivables and other current assets	**1,968**	2,041
Total current assets	**2,852**	2,944
Total assets	**6,634**	6,832

Equity and liabilities

EUR million	As at December 31, 2025	As at December 31, 2024
Equity		
Share capital	**140**	140
Reserve for invested unrestricted equity	**1,380**	1,375
Cumulative translation adjustments	**-112**	-40
Hedge and other reserves	**8**	-6
Retained earnings	**1,168**	1,137
Equity attributable to owners of the parent	**2,584**	2,607
Non-controlling interests	**6**	7
Total equity	**2,590**	2,614
Liabilities		
Non-current liabilities		
Non-current debt	**1,153**	1,272
Non-current lease liabilities	**128**	107
Employee benefit liabilities	**156**	157
Non-current provisions	**20**	28
Other non-current liabilities	**7**	13
Deferred tax liabilities	**246**	284
Total non-current liabilities	**1,710**	1,862
Current liabilities		
Current debt	**132**	115
Current lease liabilities	**48**	50
Trade payables	**500**	460
Current provisions	**192**	162
Amounts due to customers under revenue contracts	**855**	904
Other current financial liabilities	**41**	31
Income tax liabilities	**58**	75
Other current liabilities	**508**	559
Total current liabilities	**2,334**	2,356
Total liabilities	**4,044**	4,218
Total equity and liabilities	**6,634**	6,832

Consolidated statement of cash flows

EUR million	Q4/2025	Q4/2024	2025	2024
Cash flows from operating activities				
Profit for the period	**105**	98	**279**	281
Adjustments				
Depreciation and amortization	**52**	52	**209**	219
Change in provisions[1]	**-4**	9	**17**	-18
Financial income and expenses	**17**	16	**62**	65
Income taxes	**45**	35	**96**	103
Other non-cash items	**14**	-4	**52**	31
Change in net working capital	**18**	6	**39**	61
Net interests paid	**-17**	-24	**-49**	-53
Income taxes paid	**-41**	-12	**-125**	-134
Net cash provided by (+) / used in (-) operating activities	**189**	178	**581**	554
Cash flows from investing activities				
Capital expenditure on fixed assets	**-22**	-30	**-103**	-107
Proceeds from sale of fixed assets	**—**	1	**3**	2
Business combinations, net of cash acquired and loans repaid	**—**	1	**1**	-135
Investments in associated companies	**2**	2	**2**	2
Net cash provided by (+) / used in (-) investing activities	**-20**	-26	**-97**	-238
Cash flows from financing activities				
Repurchase of own shares	**—**	—	**-3**	-3
Dividends paid	**-124**	-123	**-249**	-249
Proceeds from non-current debt	**281**	50	**281**	375
Repayments of current portion of non-current debt	**-263**	-250	**-394**	-290
Repayments of lease liabilities	**-12**	-14	**-57**	-52
Net proceeds from (+) / repayments of (-) current debt	**9**	-6	**16**	-42
Financial investments	**-7**	-19	**7**	-7
Net cash provided by (+) / used in (-) financing activities	**-116**	-363	**-401**	-268
Net increase (+) / decrease (-) in cash and cash equivalents	**53**	-211	**83**	48
Effect of changes in exchange rates on cash and cash equivalents	**2**	14	**-30**	3
Cash and cash equivalents at beginning of period	**479**	679	**482**	432
Cash and cash equivalents at end of the period	**535**	482	**535**	482

1 Change in provisions excluding items acquired in business combinations includes in 2025 a EUR 52 million addition in restructuring provision relating to the change negotiations of the operating model renewal out of which EUR 31 million has been used during 2025.

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	—	—	—	—	280	**280**	—	**279**
Other comprehensive income for the period	—	—	-73	13	5	**-55**	—	**-55**
Total comprehensive income for the period	—	—	-73	13	285	**225**	—	**225**
Transactions with owners in their capacity as owners								
Dividends	—	—	—	—	-249	**-249**	-1	**-249**
Repurchase of own shares	—	—	—	—	-3	**-3**	—	**-3**
Share-based payments, net of tax	—	5	—	—	-1	**4**	—	**4**
Balance at December 31, 2025	**140**	**1,380**	**-112**	**8**	**1,168**	**2,584**	**6**	**2,590**
Balance at January 1, 2024	140	1,372	-42	-1	1,096	2,565	6	2,572
Profit for the period	—	—	—	—	280	280	1	281
Other comprehensive income for the period	—	—	2	-6	10	6	—	6
Total comprehensive income for the period	—	—	2	-6	290	286	1	287
Transactions with owners in their capacity as owners								
Dividends	—	—	—	—	-249	-249	-1	-249
Repurchase of own shares	—	—	—	—	-3	-3	—	-3
Share-based payments, net of tax	—	3	—	—	3	6	—	6
Non-controlling interest on acquisition of subsidiary	—	—	—	—	—	—	1	1
Balance at December 31, 2024	140	1,375	-40	-6	1,137	2,607	7	2,614

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, flow control solutions, and services for the process 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 February 5, 2026.

Basis of presentation

These condensed consolidated interim financial statements for the twelve months ended December 31, 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	
	2025	2024	**2025**	2024
USD (US dollar)	**1.1243**	1.0826	**1.1750**	1.0389
SEK (Swedish krona)	**11.0728**	11.4226	**10.8215**	11.4590
CNY (Chinese yuan)	**8.0693**	7.7793	**8.2262**	7.5833

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.

Acquisition of FactoryPal

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.

Acquisition of Demuth

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

Valmet has changed its operating model and reporting structure on July 1, 2025. As a result, Valmet has two operating segments and two reportable segments for financial reporting purposes: Process Performance Solutions and Biomaterial Solutions and Services. Corporate functions are presented as Other. Process Performance Solutions segment was previously reported as Automation segment. Biomaterial Solutions and Services segment was previously reported as two segments: Services segment and Process Technologies segment.The comparative figures have been restated accordingly to reflect the new segment structure.

The Process Performance Solutions segment delivers flow control technologies and automation systems ranging from individual measurements to full plant-wide solutions, complemented by lifecycle services. The segment serves a global customer base of broad range of industries with mission-critical solutions that enhance resource efficiency, operational reliability, and financial performance. The Biomaterial Solutions and Services segment serves global producers across the pulp, paper, packaging, tissue and bioenergy industries. The segment provides complete production lines and key process islands, complemented by a full range of lifecycle services. These solutions enable improvements in fiber yield, energy and water efficiency, emissions, and operational uptime.

The financial reporting structure reflects Valmet's operational model, and is aligned with the way the Group's Chief Operating Decision Maker (CODM), the President and CEO of Valmet, 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	**2025**	2024	Change
Process Performance Solutions	**1,500**	1,446	4%
Biomaterial Solutions and Services	**3,716**	4,392	-15%
Total	**5,216**	5,837	-11%

Net sales, EUR million	**2025**	2024	Change
Process Performance Solutions	**1,481**	1,437	3%
Biomaterial Solutions and Services	**3,716**	3,922	-5%
Total	**5,197**	5,359	-3%

Comparable EBITA, EUR million	**2025**	2024	Change
Process Performance Solutions	**290**	255	14%
Biomaterial Solutions and Services	**381**	403	-5%
Other	**-51**	-49	4%
Total	**620**	609	2%

Comparable EBITA, % of net sales	**2025**	2024
Process Performance Solutions	**19.6%**	17.7%
Biomaterial Solutions and Services	**10.3%**	10.3%
Total	**11.9%**	11.4%

EBITA, EUR million	**2025**	2024	Change
Process Performance Solutions	**279**	248	13%
Biomaterial Solutions and Services	**323**	364	-11%
Other	**-68**	-56	22%
Total	**534**	557	-4%

EBITA, % of net sales	**2025**	2024
Process Performance Solutions	**18.8%**	17.2%
Biomaterial Solutions and Services	**8.7%**	9.3%
Total	**10.3%**	10.4%

Items affecting comparability, EUR million	**2025**	2024
Process Performance Solutions	**-11**	-7
Biomaterial Solutions and Services	**-58**	-39
Other	**-17**	-7
Total	**-85**	-53

Amortization, EUR million	**2025**	2024	Change
Process Performance Solutions	**-55**	-54	2%
Biomaterial Solutions and Services	**-22**	-36	-39%
Other	**-19**	-18	8%
Total	**-96**	-108	-11%

Reconciliation between Comparable EBITA, EBITA and Operating profit

EUR million	Q4/2025	Q4/2024	2025	2024
Comparable EBITA	**196**	192	**620**	609
Items affecting comparability in cost of sales				
Income and expenses related to capacity adjustments[1]	**-1**	-7	**-22**	-11
Expensing of fair value adjustments recognized in business combinations	**—**	2	**-2**	-16
Other items affecting comparability[2]	**-1**	-4	**-7**	-4
Items affecting comparability in selling, general and administrative expenses				
Income and expenses related to capacity adjustments[1]	**1**	-4	**-43**	-7
Expenses related to acquisitions	**-2**	-2	**-2**	-3
Other items affecting comparability[2]	**-1**	-1	**-5**	-6
Items affecting comparability in other operating income and expenses				
Income and expenses related to capacity adjustments	**—**	—	**—**	-7
Expenses related to acquisitions	**—**	—	**—**	—
Other items affecting comparability[2]	**-3**	-4	**-10**	—
Items affecting comparability in share in profits and losses of associated companies, operative investments				
Other items affecting comparability	**2**	1	**5**	2
EBITA	**191**	173	**534**	557
Amortization included in cost of sales				
Other intangibles	**—**	—	**-1**	-1
Amortization included in selling, general and administrative expenses				
Intangibles recognized in business combinations	**-18**	-17	**-72**	-84
Other intangibles	**-6**	-6	**-23**	-22
Operating profit	**167**	150	**438**	449

1 Includes in 2025 EUR 61 million restructuring costs due to change negotiations and strategy renewal costs related to Valmet's operating model renewal.
2 Includes in 2025 a settlement agreement in the Biomaterial Solutions and Services segment, following a delivery made earlier. The delivery required corrective actions and led to a commercial dispute, which has been resolved.

Entity-wide information

Valmet has operations globally in approximately 40 countries. Measured by net sales, the top three countries in the financial year of 2025 were the USA, Brazil and China, which together accounted for 46 percent of total net sales. In the financial year of 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 306 million in the financial year of 2025 (EUR 417 million).

Net sales by destination:

2025: EUR 5,197 million

2024: EUR 5,359 million

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

EUR million	North America	Latin America	EMEA	China	Asia-Pacific	Total
2025	**14**	**5**	**61**	**15**	**8**	**103**
2024	8	4	73	17	5	107

Revenue

Valmet's revenue is reported and monitored by management, by segment, business area and geographical area. Flow Control business area's valves equipment sales are recognized at a point in time. Automation Solutions business area's revenue consists of long-term contracts and short-term service contracts. Revenue for long-term contracts is recognized over time based on the cost-to-cost method. For the projects that do not meet the over time revenue recognition criteria, revenue is recognized at a point in time. Revenue for short-term service contracts is recognized at a point in time. Pulp, Energy and Circularity, Packaging and Paper, and Tissue business areas' revenue is derived from both large long-term projects, for which revenue is mostly recognized over time based on the cost-to-cost method and a large volume of short-term service contracts with relatively low individual value, for which revenue is mainly recognized at a point in time. These short-term service contracts include smaller maintenance, improvements and rebuilds. Sale of spare parts and consumables is recognized at a point in time. The nature of revenue in each geographical area in any given reporting period is driven by volume and size of ongoing projects.

Net sales by business areas:

EUR million	Q4/2025	Q4/2024	2025	2024
Flow Control	**204**	206	**788**	791
Automation Solutions	**206**	217	**694**	646
Pulp, Energy and Circularity	**505**	434	**1,610**	1,541
Packaging and Paper	**390**	484	**1,483**	1,793
Tissue	**173**	186	**622**	588
Total	**1,477**	1,528	**5,197**	5,359

Timing of revenue recognition:

EUR million	Q4/2025	Q4/2024	2025	2024
Performance obligations satisfied at a point in time	**775**	888	**2,901**	3,006
Performance obligations satisfied over time	**702**	640	**2,296**	2,353
Total	**1,477**	1,528	**5,197**	5,359

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	2025	2024
Carrying value at beginning of the period	**344**	475
Translation differences	**1**	-3
Acquired in business combinations	**—**	2
Revenue recognized in the period	**936**	733
Transfers to trade receivables	**-954**	-864
Carrying value at end of the period	**327**	344

Amounts due to customers under revenue contracts:

EUR million	2025	2024
Carrying value at beginning of the period	**904**	1,151
Translation differences	**-29**	18
Acquired in business combinations	**—**	15
Revenue recognized in the period	**-2,579**	-2,752
Consideration invoiced and/or received	**2,559**	2,471
Carrying value at end of the period	**855**	904

EUR million	As at December 31, 2025	As at December 31, 2024
Amounts due to customers under revenue contracts for which revenue is recognized		
Point in time	**339**	321
Over time	**516**	583
Carrying value at end of the period	**855**	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 December 31, 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 December 31, 2025, was EUR 4,306 million (EUR 4,452 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 December 31, 2025	As at December 31, 2024	Impact to cash flows 2025
Assets included in net working capital			
Non-current trade receivables	**16**	22	**5**
Other non-current assets	**46**	37	**-9**
Inventories	**884**	903	**19**
Trade receivables	**769**	862	**93**
Amounts due from customers under revenue contracts	**327**	344	**17**
Derivative financial instruments (assets)	**63**	31	**-32**
Other receivables	**190**	232	**42**
Liabilities included in net working capital			
Employee benefits	**-156**	-157	**-1**
Provisions	**-212**	-190	**22**
Other non-current non-interest-bearing liabilities	**-1**	-1	**—**
Trade payables	**-500**	-460	**40**
Amounts due to customers under revenue contracts	**-855**	-904	**-49**
Derivative financial instruments (liabilities)	**-47**	-43	**4**
Other current liabilities	**-495**	-542	**-47**
Total net working capital	**29**	134	**104**
Effect of changes in foreign exchange rates			**-31**
Remeasurement of defined benefit plans			**10**
Change in allowance for doubtful receivables and inventory obsolescence provision			**-18**
Change in provisions			**-17**
Acquired in business combinations			**-9**
Change in net working capital in the Consolidated statement of cash flows			**39**

Intangible assets and property, plant and equipment

Intangible assets

EUR million	2025	2024
Carrying value at beginning of the period	**2,934**	2,877
Translation differences	**-22**	13
Capital expenditure	**18**	24
Acquired in business combinations	**8**	133
Amortization	**-96**	-108
Impairment losses	**-3**	-5
Other changes	**1**	1
Carrying value at end of the period	**2,840**	2,934

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

EUR million	2025	2024
Carrying value at beginning of the period	**569**	553
Translation differences	**-18**	1
Capital expenditure	**85**	83
Acquired in business combinations	**—**	6
Depreciation	**-64**	-63
Impairment losses	**-2**	-8
Other changes	**-2**	-2
Carrying value at end of the period	**568**	569

Leases

Right-of-use assets

EUR million	2025	2024
Carrying value at beginning of the period	**156**	145
Translation differences	**-5**	2
Additions	**82**	53
Acquired in business combinations	**—**	11
Depreciation	**-49**	-48
Other changes	**-14**	-6
Carrying value at end of the period	**171**	156

Financial instruments

Derivative financial instruments

As at December 31, 2025	2025 Notional amount	2025 Fair value, assets	2025 Fair value, liabilities	2025 Fair value, net	2024 Notional amount	2024 Fair value, assets	2024 Fair value, liabilities	2024 Fair value, net
Forward exchange contracts[1]	4,327	60	-44	16	3,553	26	-35	-9
Foreign exchange options[1]								
Bought					150	—	—	—
Interest rate swaps[1]	710	3	-3	—	650	4	-6	-2
Electricity forward contracts[2]	184	—	—	—	160	—	-1	-1
Nickel forward contracts[3]	402	—	—	—	1,483	—	-1	-1
Steel scrap forward contracts[3]	829	—	—	—	1,303	—	—	—

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	2025 At amortized cost	2025 At fair value through other comprehensive income	2025 At fair value through profit and loss	2025 Carrying value	2024 At amortized cost	2024 At fair value through other comprehensive income	2024 At fair value through profit and loss	2024 Carrying value	Fair value level
Non-current financial assets									
Equity investments		9	2	**11**		10	2	12	**1,3**
Trade receivables	16			**16**	22			22	
Derivative financial instruments		7	—	**7**		6	—	6	**2**
Total	**16**	**16**	**3**	**35**	22	16	3	40	
Current financial assets									
Interest-bearing financial assets		22		**22**		30		30	**2**
Non-interest-bearing financial assets	3			**3**	8			8	
Trade receivables	769			**769**	862			862	
Derivative financial instruments		47	9	**56**		15	9	24	**2**
Cash and cash equivalents	535			**535**	482			482	
Total	**1,308**	**69**	**9**	**1,386**	1,352	45	9	1,406	
Non-current financial liabilities									
Loans from financial institutions	953			**953**	1,071			1,071	
Bonds[1]	201			**201**	202			202	
Lease liabilities	128			**128**	107			107	
Derivative financial instruments		6	—	**6**		12	—	12	**2**
Total	**1,281**	**6**	**—**	**1,287**	1,379	12	—	1,392	
Current financial liabilities									
Loans from financial institutions	99			**99**	94			94	
Lease liabilities	48			**48**	50			50	
Interest-bearing liabilities	33			**33**	20			20	
Trade payables	500			**500**	460			460	
Derivative financial instruments		31	10	**41**		24	7	31	**2**
Total	**680**	**31**	**10**	**721**	625	24	7	656	

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	2025	2024
Carrying value at beginning of the period	**190**	211
Translation differences	**-1**	-3
Additions charged to profit or loss[1]	**190**	132
Acquired in business combinations	**6**	2
Provisions used[1]	**-129**	-101
Unused provisions reversed	**-44**	-50
Carrying value at end of the period	**212**	190
Non-current	**20**	28
Current	**192**	162

1 Additions charged to profit and loss includes in 2025 a restructuring provision of EUR 52 million relating to the change negotiations for operating model renewal out of which provisions used totals to EUR 31 million.

Contingencies and commitments

EUR million	As at December 31, 2025	As at December 31, 2024
Guarantees on behalf of Valmet Group	**1,029**	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 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

	2025	2024
Comparable return on capital employed (Comparable ROCE) before taxes (LTM), %	**13.0%**	12.7%
Return on capital employed (ROCE) before taxes (LTM), %	**10.9%**	11.4%
Return on equity (ROE) (LTM), %	**10.7%**	10.8%
Net debt to EBITDA[1] ratio	**1.40**	1.55
Gearing, end of period, %	**35%**	39%
Equity to assets ratio, end of period, %	**45%**	44%
Capital employed, end of period, EUR million	**4,051**	4,158
Interest-bearing liabilities, end of period, EUR million	**1,461**	1,544
Net interest-bearing liabilities, end of period, EUR million	**904**	1,032
Cash conversion ratio (LTM), %	**109%**	100%
Comparable cash conversion ratio (LTM), %	**94%**	91%
Earnings per share, EUR	**1.52**	1.52
Diluted earnings per share, EUR	**1.52**	1.52
Adjusted earnings per share, EUR	**1.82**	1.93
Equity per share, end of period, EUR	**14.03**	14.15
Number of outstanding shares, end of period	**184,232,430**	184,165,347
Average number of outstanding shares	**184,203,699**	184,159,071
Average number of diluted shares	**184,203,699**	184,159,071

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]:

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

1 Alternative performance measure also calculated on a last twelve months basis

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:

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

Cash conversion ratio, % (LTM):

$$\frac{\text{Cash flows from operating activities}}{\text{EBITA}} \times 100$$

Comparable cash conversion ratio, % (LTM):

$$\frac{\text{Cash flows from operating activities}}{\text{Comparable EBITA}} \times 100$$

Quarterly information

EUR million, or as indicated	Q4/2025	Q3/2025	Q2/2025	Q1/2025	Q4/2024
Orders received	**1,281**	1,083	1,520	1,332	2,463
Order backlog[1]	**4,306**	4,526	4,711	4,574	4,452
Net sales	**1,477**	1,295	1,241	1,184	1,528
Comparable gross profit	**406**	355	373	344	428
% of net sales	**27.5%**	27.4%	30.1%	29.0%	28.0%
Comparable SG&A expenses	**-229**	-215	-248	-244	-247
% of net sales	**-15.5%**	-16.6%	-20.0%	-20.6%	-16.1%
Comparable EBITA	**196**	159	143	121	192
% of net sales	**13.3%**	12.3%	11.5%	10.2%	12.6%
Operating profit (EBIT)	**167**	125	57	89	150
% of net sales	**11.3%**	9.7%	4.6%	7.5%	9.8%
Profit before taxes	**149**	112	41	74	134
% of net sales	**10.1%**	8.6%	3.3%	6.2%	8.7%
Profit for the period	**105**	86	28	61	98
% of net sales	**7.1%**	6.6%	2.3%	5.1%	6.4%
Earnings per share, EUR	**0.57**	0.46	0.15	0.33	0.53
Adjusted earnings per share, EUR	**0.64**	0.54	0.23	0.41	0.60
Expensing of fair value adjustments recognized in business combinations, net of tax	**-14**	-14	-14	-14	-12
Amortization	**-24**	-24	-24	-24	-23
Depreciation, property, plant and equipment (excl. right-of-use assets)	**-16**	-16	-16	-16	-16
Depreciation, right-of-use assets	**-11**	-12	-12	-14	-13
Depreciation, total	**-28**	-27	-28	-31	-29
Items affecting comparability:					
in cost of goods sold	**-2**	-4	-22	-2	-9
in selling, general and administrative expenses	**-2**	-3	-41	-3	-7
in other operating income and expenses, net	**-3**	-4	—	-3	-4
in share in profits and losses of associated companies, operative investments	**2**	1	1	—	1
Total items affecting comparability	**-6**	-10	-62	-8	-19
Cash flow provided by operating activities	**189**	94	79	217	178
Cash flow after investing activities	**170**	71	48	195	151
Gross capital expenditure (excl. business combinations and right-of-use assets)	**-22**	-24	-33	-24	-30
Business combinations, net of cash acquired and loans repaid	**—**	—	-1	1	1
Research and development expenses, net	**-34**	-29	-32	-32	-31
% of net sales	**-2.3%**	-2.3%	-2.6%	-2.7%	-2.0%

1 At end of period.

Quarterly segment information

Orders received, EUR million	Q4/2025	Q3/2025	Q2/2025	Q1/2025	Q4/2024
Process Performance Solutions	**372**	345	376	406	443
Biomaterial Solutions and Services	**908**	738	1,144	926	2,020
Total	**1,281**	1,083	1,520	1,332	2,463

Net sales, EUR million	Q4/2025	Q3/2025	Q2/2025	Q1/2025	Q4/2024
Process Performance Solutions	**410**	361	372	339	424
Biomaterial Solutions and Services	**1,067**	934	869	846	1,104
Total	**1,477**	1,295	1,241	1,184	1,528

Comparable EBITA, EUR million	Q4/2025	Q3/2025	Q2/2025	Q1/2025	Q4/2024
Process Performance Solutions	**90**	79	66	55	81
Biomaterial Solutions and Services	**123**	89	87	82	128
Other	**-16**	-9	-10	-16	-17
Total	**196**	159	143	121	192

Comparable EBITA, % of net sales	Q4/2025	Q3/2025	Q2/2025	Q1/2025	Q4/2024
Process Performance Solutions	**21.9%**	21.9%	17.8%	16.2%	19.1%
Biomaterial Solutions and Services	**11.6%**	9.5%	10.0%	9.7%	11.6%
Total	**13.3%**	12.3%	11.5%	10.2%	12.6%

EBITA, EUR million	Q4/2025	Q3/2025	Q2/2025	Q1/2025	Q4/2024
Process Performance Solutions	**92**	81	53	54	76
Biomaterial Solutions and Services	**118**	75	50	80	116
Other	**-18**	-7	-22	-21	-19
Total	**191**	149	81	113	173

EBITA, % of net sales	Q4/2025	Q3/2025	Q2/2025	Q1/2025	Q4/2024
Process Performance Solutions	**22.4%**	22.4%	14.2%	16.0%	17.9%
Biomaterial Solutions and Services	**11.0%**	8.0%	5.8%	9.5%	10.5%
Total	**12.9%**	11.5%	6.5%	9.6%	11.3%

Items affecting comparability, EUR million	Q4/2025	Q3/2025	Q2/2025	Q1/2025	Q4/2024
Process Performance Solutions	**2**	2	-14	-1	-5
Biomaterial Solutions and Services	**-6**	-13	-37	-2	-12
Other	**-2**	2	-12	-5	-3
Total	**-6**	-10	-62	-8	-19

Amortization, EUR million	Q4/2025	Q3/2025	Q2/2025	Q1/2025	Q4/2024
Process Performance Solutions	**-14**	-14	-14	-14	-14
Biomaterial Solutions and Services	**-5**	-5	-6	-6	-5
Other	**-5**	-5	-5	-5	-5
Total	**-24**	-24	-24	-24	-23

Valmet's Financial reporting in 2026

April 28, 2026 – Interim Review for January-March 2026

July 24, 2026 – Half Year Financial Review for January-June 2026

October 28, 2026 – Interim Review January-September 2026

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