Fortaco Group Holdco Plc’s Half-Year Review January–June 2026: Market strengthened clearly during the first half, strategic divestment supports the vehicle cabin business

Fortaco Group Holdco Plc’s Half-Year Review 28 August 2026 at 3:00 p.m. EEST

This release is a summary of Fortaco Group Holdco Plc’s Half-Year Review for January–June 2026. The full release is attached and available on our website at https://investors.fortacogroup.com.

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

Financial highlights

April–June 2026

- Order intake was EUR 103.7 (97.8) million.
- Net sales were EUR 103.4 (89.1) million. Net sales increased due to gradual strengthening of the market.
- Recurring EBITDA was EUR 7.1 (4.7) million, i.e. 6.9 (5.3) per cent of net sales. Development costs impacting EBITDA in Gliwice, Poland, amounted to EUR 2.4 million. Recurring EBITDA excluding Gliwice development costs amounted to EUR 9.5 million, i.e. 9.2 per cent of net sales.
- EBITDA was EUR 6.7 (3.8) million, i.e. 6.5 (4.3) per cent of net sales.

January–June 2026

- Order intake was EUR 205.3 (191.1) million.
- Net sales were EUR 204.9 (171.4) million. Net sales growth was due to gradual improvement of the market situation.
- Recurring EBITDA was EUR 12.8 (5.9) million, i.e. 6.2 (3.4) per cent of net sales. Development costs impacting EBITDA in Gliwice, Poland, amounted to EUR 4.4 million. Recurring EBITDA excluding Gliwice development costs amounted to EUR 17.2 million, i.e. 8.4 per cent of net sales.
- EBITDA was EUR 12.1 (4.1) million, i.e. 5.9 (2.4) per cent of net sales.

Presentation of the Steel Fabrication and Assembly businesses as Discontinued Operations

On 15 July 2026, Fortaco announced that it had signed an agreement to sell its steel fabrication and assembly businesses in Finland, Estonia and Poland to HANZA Group. The divestment comprises the steel fabrication businesses in Estonia and Poland and the assembly business in Finland. The transaction is expected to be completed during the fourth quarter of 2026.

Fortaco has assessed that the arrangement meets the classification criteria of IFRS 5 Non-current Assets Held for Sale and Discontinued Operations at the end of the reporting period. Accordingly, the assets and liabilities included in the disposal group are presented separately in the consolidated statement of financial position as assets held for sale and liabilities directly associated with assets held for sale.

As the planned disposal represents a major line of business for the Group and forms part of a strategic plan to exit this business area, the disposal group is presented as a discontinued operation in accordance with IFRS 5. The result of the discontinued operation is presented as a single amount, net of tax, separately from continuing operations in the consolidated statement of profit or loss, and comparative income statement information has been restated accordingly. Comparative balance sheet information has not been restated.

The adjusted financial information presented in this report is unaudited.

Operational highlights

- The profitability improvement program F26 was launched at the beginning of 2026 to further improve internal efficiencies as well as operational performance. The good work done during 2025, new actions in H1-2026, and market recovery brought significant year-on-year profitability improvement. The program will continue throughout the year and extend to 2027.

- In January 2026, Fortaco received a letter and a EUR 2 million claim invoice from its former factoring partner. The Group terminated the sale of receivables agreement in 2025 due to the partner's numerous and continuous breaches of contract. Fortaco has disputed the invoice received, and discussions with the partner are ongoing. Since all claims have been contested, the Group has not made any provisions related to the matter.

- On 29 January 2026, Fortaco announced that the company's Senior Executive Vice President & CFO Kimmo Raunio had announced his resignation. His last date of employment was 30 April 2026. The recruitment process for the new CFO is ongoing. Heikki Saarinen is acting as interim CFO.

- On 24 February 2026, Fortaco revised its financial guidance for 2026 and withdrew the long-term financial outlook for 2027 that it had published on 2 April 2025.

- On 2 March 2026, Fortaco Group Holdco Plc's sole shareholder OEP 81 B.V. decided to amend the remuneration of the members of the Supervisory Board Markus Sjöholm and Lars Hellberg. Markus Sjöholm and Lars Hellberg shall each be paid an annual fee of EUR 55,000 for their duties as members of the Supervisory Board. It was further decided that Markus Sjöholm and Lars Hellberg shall be reimbursed for expenses related to the work of the Supervisory Board in accordance with the terms of the remuneration agreements. The change in remuneration entered into force retroactively as of 1 January 2026. The remuneration of other members of the Supervisory Board remained unchanged.

- On 4 March 2026, Heikki Saarinen, M.Sc. (Econ.), was appointed interim CFO and member of the Group Leadership Team of Fortaco as of 1 April 2026.

- On 4 May 2026, Jure Mikolčić (M.Sc. Economics) was appointed Fortaco's President & CEO. He started in the role on 1 August 2026. Fortaco's former President & CEO, Mika Mahlberg, continued in his role until 31 July 2026.

- Order intake remained strong, supported by the continued gradual recovery in market conditions during the reporting period.

Key figures

Fortaco Group's key financials*

EUR million unless otherwise noted	4–6/26	4–6/25	1–6/26	1–6/25	01–12/25	Last 12 months
Net sales	103.4	89.1	204.9	171.4	348.2	381.8
EBITDA	6.7	3.8	12.1	4.1	15.8	23.8
% of net sales	6.5%	4.3%	5.9%	2.4%	4.5%	6.2%
EBITA	2.4	-0.3	3.5	-4.0	-0.8	6.7
% of net sales	2.3%	-0.4%	1.7%	-2.3%	-0.2%	1.7%
Non-recurring items	0.4	0.9	0.7	1.8	2.7	1.6
Recurring EBITDA	7.1	4.7	12.8	5.9	18.5	25.4
% of net sales	6.9%	5.3%	6.2%	3.4%	5.3%	6.7%
Recurring EBITA	2.7	0.6	4.1	-2.2	1.9	8.3
% of net sales	2.6%	0.6%	2.0%	-1.3%	0.5%	2.2%
Financial position						
Return on Capital Employed% (ROCE)	4.8%	1.0%	3.6%	-1.9%	0.8%	3.6%

Equity ratio%	8.8%	12.8%	8.8%	12.8%	10.9%	8.8%
Net debt	153.7	134.6	153.7	134.6	153.9	153.7
Net gearing%	551.1%	333.5%	551.1%	333.5%	461.9%	551.1%
Net debt / last 12 months recurring EBITDA	6.0x	10.0x	6.0x	10.0x	8.3x	6.0x

*The key figures presented in the table include continuing operations and discontinued operations.

Guidance for 2026

Fortaco does not have a guidance for 2026.

On 15 July 2026, Fortaco withdrew its previous guidance due to the divestment of steel fabrication and assembly operations and announced that the company will provide updated guidance for 2026 after the completion of the transaction, which is expected to take place in the fourth quarter of 2026.

President & CEO Jure Mikolčić's comments

The second quarter of 2026 was a good one for Fortaco. The market remained favourable, and net sales were up 16 per cent amounting to EUR 103.4 (89.1) million. Order intake also increased, and the situation in the Middle East did not have a significant impact on demand. At the end of the reporting period, our order book amounted to EUR 76.5 (76.1) million.

Profitability improved substantially from the comparison period. Recurring EBITDA grew 51 per cent to EUR 7.1 (4.7) million, or 6.9 (5.3) per cent of net sales.

Work to improve profitability continues

The implementation of our profitability improvement program Fortaco 26 proceeded as planned during the second quarter. The program is gradually bringing results, and we have succeeded in maintaining our high quality and delivery reliability. Our systematic work to advance operational efficiency continues at all our factories, and the program will extend to 2027. The development of Gliwice operations continues, and we expect it to weigh on our results throughout 2026. Gliwice will operate as a standalone business site in Fortaco Group.

Supporting customers in the green transition

In the second quarter, Fortaco advanced its sustainability agenda through both strategic development and customer-facing innovation. We conducted the update of our Double Materiality Assessment (DMA), strengthening the foundation for reporting and future sustainability priorities. We also launched a blockchain-based GreenSteel Portal, enabling delivery of products with verified Guarantee of Origin certification.

Impacts of the Middle East conflict

Due to the conflict in the Middle East, visibility into our customers' purchasing behaviour remains limited. We are closely monitoring possible indirect impacts on our customers' end markets through diesel and fertilizer prices. Rising energy and logistics costs may increase our production and material costs. However, in the medium term, customers are likely to redirect their supply chains more towards Europe instead of China and other Asian countries.

New strategic direction

After the review period, on 15 July 2026, we announced a major strategic decision: Fortaco will focus on the vehicle cabin business and sell steel fabrication and assembly operations in Finland, Estonia and Poland to HANZA. The closing of the transaction, which is subject to customary closing conditions and approvals, is expected to take place in the fourth quarter of 2026. The divestment will provide Fortaco with the prerequisites to build a more focused international vehicle cabin company and to reinforce our cabin operations. The rapidly evolving market offers attractive growth opportunities in vehicle cabins globally, and we aim to grow both organically and through selected M&A.

Looking at the second quarter figures of Fortaco's continuing operations, i.e. excluding the operations to be divested, and excluding the development costs of Gliwice, net sales grew 10 per cent year on year and totalled EUR 54.1 (49.4) million. Corresponding recurring EBITDA totalled EUR 2.1 (2.1) million.

First impressions as the President & CEO

I am stepping in as the President & CEO at a very interesting stage of Fortaco's journey. During the first weeks I have visited our business sites and am impressed by the know-how and commitment of our people. My priority now is to meet with our customers, but equally important is to ensure a smooth transition for our employees moving to HANZA. Fortaco is committed to making sure that our customers keep receiving first-class service during the process.

Events after the review period

On 15 July 2026, Fortaco announced that it had signed an agreement to sell steel fabrication and assembly operations in Finland, Estonia and Poland to HANZA Group, a Sweden-based global contract manufacturer. The divestment sharpens Fortaco's strategic focus and enables it to fully concentrate on and reinforce its vehicle cabin operations as an international cabin company with attractive growth opportunities both in Europe and beyond. Closing of the transaction is subject to customary closing conditions, regulatory approvals and reaching an agreement on terms with certain of Fortaco's financial stakeholders. The transaction is expected to take place in the fourth quarter of 2026. Due to the transaction, Fortaco withdrew its previous guidance and will provide updated guidance for 2026 after the completion of the transaction.

On 31 July 2026, Fortaco announced that it would initiate a written procedure with respect to its senior secured bonds. In order for the Group to be able to complete the steel fabrication and assembly disposal, certain amendments to the finance documents in relation to the bonds were required, as well as certain consents to various restrictions under the finance documents and release of transaction security and guarantees. The issuer will use part of the initial purchase price for a mandatory partial redemption of the bonds in connection with closing. Additionally, certain earn-out payments may be made to the Group pursuant to the share and business purchase agreement. If and to the extent any such earn-out payments become payable, part of such earn-out payments received will be applied towards mandatory partial redemptions of the bonds. The largest holders of bonds, in aggregate representing approximately 60 per cent of the outstanding nominal amount of bonds, had indicated their support for the proposed amendments.

On 2 August 2026, Fortaco Group Holdco Plc's sole shareholder OEP 81 B.V. resolved to elect President & CEO Jure Mikolčić as the sole ordinary member of the board of directors of the company, replacing Mika Mahlberg. Fortaco's board of directors now consists of Jure Mikolčić as the ordinary member and Heikki Saarinen as the deputy member.

On 17 August 2026, Fortaco announced that it had successfully completed the written procedure that was initiated on 31 July 2026 in relation to the company's outstanding senior secured bonds. The amendments came into effect on 17 August 2026.

Financial reporting in 2026

In 2026, Fortaco will publish the following financial reviews:
Business Review January–September 2026 on Friday 27 November 2026

Fortaco Group Holdco Plc
Board of Directors

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