

Tornator Oyj

Financial statements and Board of Directors' report
1 January – 31 December 2025



Tornator Oyj
Company ID: 0162807-8
Domicile: Imatra, Finland

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Tornator Oyj Board of Directors' report

Revenue and Profit

The Group's revenue totalled EUR 232.2 million (213.0), an increase of +9.0%. Timber delivery volumes remained at the level of the comparison period, but higher prices supported revenue growth. Changes in market interest rates, inflation, or Russia's war of aggression in Ukraine did not have significant negative impacts on the company's operations.

The majority of net sales, EUR 211.6 million or 91.1%, was attributable to timber sales (192.8 million, 90.5%). Silviculture service revenue grew 11.6% to EUR 19.0 million (17.0). Sales of land areas and plots amounted to EUR 1.6 million (3.2). Other operating income of EUR 6.1 million (7.6) included land lease and usage fees, conservation compensations, sales of soil resources and realized or expected earn-out payments from sold wind power projects.

Operating profit at fair value was EUR 298.4 million (189.9), and the profit for the financial year EUR 217.2 million (132.5). The fair value of forest assets increased significantly more than in the comparison period, contributing to the higher operating profit. The change in fair value of biological assets increased operating profit by +129.8 million (+35.2), and the positive fair value change in financial instruments increased profit by +0.8 million (-6.0) before taxes. In addition to biological assets, changes in the fair value of land were recognised in other comprehensive income through the revaluation reserve at -71.3 million (+12.1).

The Tornator Group includes the parent company Tornator Oyj and its subsidiaries Tornator Eesti Oü (100%) and, in Romania, SC Tornator SRL (100%) and Oituz Private Forest District SRL (100%)

Key figures

The official key figures for the Group and the parent company were calculated according to the International Financial Reporting Standards (IFRS).

		2025	2024	2023
Net sales, € million	The Group	232.2	213.0	194.9
	Parent	215.5	195.3	172.7
Operating profit, € million	The Group	298.4	189.9	442.9
	Parent	297.7	152.0	389.8
Operating profit, % of net sales	The Group	128.5	89.2	227.2
	Parent	138.1	77.8	225.7
Profit for the period, € million	The Group	217.2	132.5	340.6
	Parent	218.4	96.9	299.5
Return on equity, %	The Group	9.5	6.0	16.5
	Parent	10.5	4.8	15.5
Return on capital employed, %	The Group	9.1	6.3	15.3
Equity ratio, %	The Group	58.4	59.8	60.1
Average personnel	The Group	191	188	189

Comparable key figures

In addition to the official key figures presented above, the Tornator Group uses alternative performance measures that are comparable between years, thus better describing the success of operations. The comparable key figures have been calculated without fair value changes and apply to the whole Group.

	2025	2024	2023
Net sales, € million	232.2	213.0	194.9
Operative operating profit, € million	168.4	154.1	141.8
Operative operating profit, %	72.5	72.4	72.8
Comparable net profit, € million	114.4	103.2	96.7
Comparable return on equity, %	5.0	4.7	4.7
Comparable return on capital employed, %	5.3	5.2	5.0

The key figures are calculated as follows:

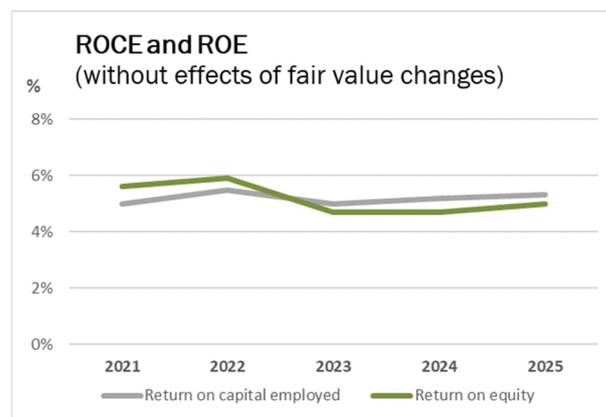
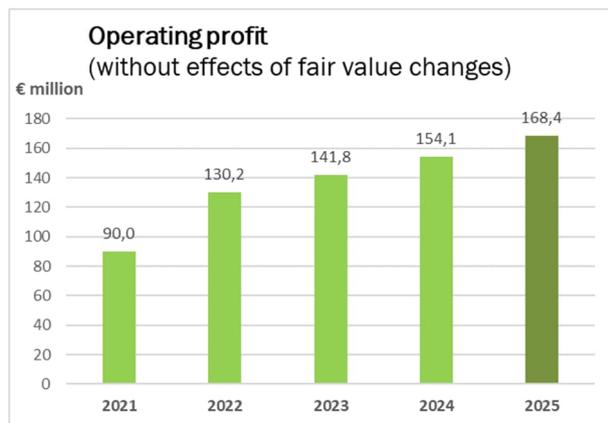
Operating profit, official	298.4
- Change in fair value of biological assets	-129,8
- Change in the fair value of provisions and receivables from additional wind power sales prices	-0,2
= Adjusted operating profit, comparable	168.4
Profit for the period, official	217.2
- Change in fair value of biological assets	-129,8
- Change in the fair value of provisions and receivables from additional wind power sales prices	-0,2
- Change in fair value of financial instruments	-0,8
- Share of deferred taxes in above items	+28,0
= Profit for the period, comparable	114.4

$$\text{Return on equity, \%} = \frac{\text{Profit for the period}}{\text{Equity on average}} \times 100$$

$$\text{Return on capital employed, \%} = \frac{\text{Operating profit + interest income}}{\text{Balance sheet total – Interest-free liabilities on average}} \times 100$$

$$\text{Equity ratio, \%} = \frac{\text{Equity}}{\text{Balance sheet total}} \times 100$$

Distribution of turnover and non-current assets by country



In addition to the group-level figures, Tornator reports to the Chief operating decision maker the turnover, other operating income, operating expenses, and the net operating profit by country. The country-specific calculation and reconciliation to the official operating profit are presented below. Balance sheet items are not reported to the chief operating decision maker with the same level of detail, so they are presented separately for Finland and combined for Estonia and Romania.

1 Jan - 31 Dec EUR thousand	Finland	Estonia	Romania	Group internal eliminations and adjustments	Group total
Turnover	215,529.7	11,420.6	5,257.9	0.0	232,208.2
Other operative income	5,076.0	773.3	339.5	-552.3	5,636.6
Operative costs	-61,491.0	-5,452.9	-3,101.5	586.9	-69,458.5
Operating profit	159,114.6	6,741.0	2,496.0	34.6	168,386.2
Fair value items in operating profit	138,539.1	-8,590.9	41.8	0.0	129,990.0
Operating profit (IFRS)	297,653.7	-1,849.9	2,537.8	34.6	298,376.2

1 Jan - 31 Dec EUR thousand	Finland	Estonia	Romania	Group internal eliminations and adjustments	Group total
Turnover	195,280.1	12,974.4	4,759.8	0.0	213,014.4
Other operative income	5,020.1	1,000.7	341.4	-474.1	5,888.2
Operative costs	-56,622.9	-5,075.9	-3,581.9	506.4	-64,774.3
Operating profit	143,677.4	8,899.3	1,519.4	32.3	154,128.3
Fair value items in operating profit	8,312.8	27,096.0	331.1	0.0	35,739.8
Operating profit (IFRS)	151,990.2	35,995.2	1,850.5	32.3	189,868.2

	31 Dec 2025		31 Dec 2024	
Forest assets:	1 000 euro	%	1 000 euro	%
Finland	3,503,359.2	92.1	3,278,296.5	91.2
Romania and Estonia	301,172.5	7.9	316,608.2	8.8
Total	3,804,531.7	100.0	3,594,904.7	100.0
Non-current Assets:	1 000 euro	%	1 000 euro	%
Finland	3,542,457.1	92.1	3,315,715.2	91.2
Romania and Estonia	305,038.3	7.9	320,416.1	8.8
Total	3,847,495.5	100.0	3,636,131.3	100.0

The non-current assets presented above include all other non-current assets of the group except for financial instruments, deferred tax assets, and assets related to post-employment benefit plans.

Effects of the war in Ukraine

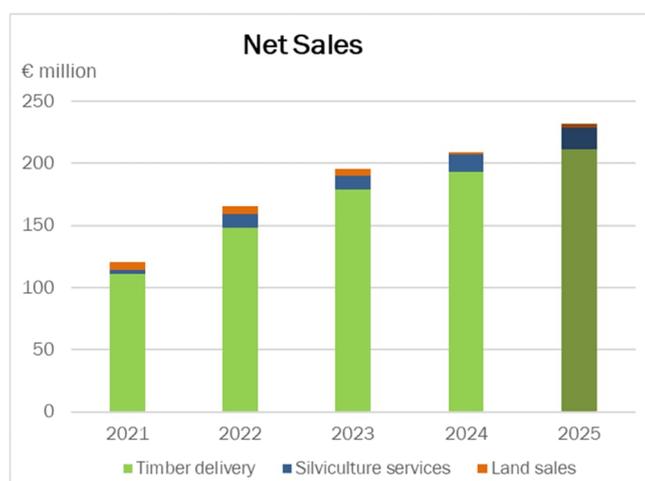
Russia's war of aggression in Ukraine and the resulting general economic uncertainty did not have any significant negative impact on the company's profit, balance sheet or cash flows. Tornator's revenue and operational operating profit reached historically high levels during the review period. Operating cash flow was also strong. The company has not seen an increase in credit losses, nor have its financial risks grown or the value of its assets declined. Through our Romanian subsidiary, we have facilitated aid deliveries to Ukrainians affected by Russia's invasion, and we will continue this support for as long as necessary.

Notable events during the period under review

Tornator performed exceptionally well during the year, both in its operational activities and in the execution of strategic initiatives.

In the core business, timber sales and deliveries, results exceeded expectations. Strong demand increased market prices for timber. Deliveries to our main customer, Stora Enso, in Finland amounted to approximately EUR 191.3 million (169.0), representing around 90% (88%) of the Group's timber delivery revenue. Timber sales to the main customer are based on a long-term, market-driven framework agreement.

In the silviculture services business, operations were carried out as planned, and revenue increased to EUR 19.0 million, up +11.6% from the comparison year (including Finland and Romania)



The fair value of Tornator's forest assets increased during the 2025 financial year due to both new acquisitions and positive value changes. The total value of the Group's forest assets increased by approximately EUR 210 million during the period (139). The value of the parent company's forest assets rose by about EUR 225 million (97), of which the impact of net acquisitions was approximately EUR 167 million (92). In Estonia and Romania, the fair value of forest assets decreased by a total of around EUR 15 million. The annual fair value update of biological assets (growing stock) in all countries improved the Group's operating profit by EUR 130 million in total (35). Changes in the fair value of land (revaluation) amounted to a total negative impact of EUR 87 million (+12). The forest valuation model is described in more detail in the notes to the financial statements.

The new total value of the Group's forest assets in the financial statements was approximately EUR 3,805 million (3,595), including both growing stock and land. The figures include the impacts of harvesting, acquisitions and disposals of forest land. Tornator owns approximately 819,000 hectares of forest in Finland, Estonia and Romania (783,000).

Tornator's equity ratio remained high at 58.4% (59.8%), and liquidity stayed strong throughout the year. The loan covenant binding the company (LTV, loan-to-value) was met with a safe margin.

The company continued to invest in new forest land acquisitions. In Finland, Tornator purchased more than 35,000 hectares of forest.

In Estonia and Romania, the company continued the responsible management of its forest holdings and the development of its sustainable business. All Group forests are double-certified (PEFC™, FSC®).

Tornator continued to implement its climate and biodiversity programs. The content and objectives of these programs are available on the company's website.

In line with its sustainability program, Tornator restored peatlands, conducted controlled burnings and established new nature conservation areas on a total of approximately 740 hectares of its land. The company continued major conservation initiatives, including projects under the Metso and Helmi habitat programs.

At Tornator Oyj's Annual General Meeting on 6 March 2025, it was decided to distribute a dividend of EUR 14.0 per share, totaling EUR 70 million, in accordance with the Board's proposal.

Risk Management

The aim of Tornator's risk management is to ensure the company's long-term profitable operations and to create opportunities for controlled risk-taking in line with its strategy. The foundation is a systematic identification and analysis of all material risks.

Tornator's risks are divided into three main categories: strategic risks, operational risks and financial risks. Examples of each category are described below:

Strategic Risks

Fluctuation in timber demand naturally poses a risk for a forestry company. However, this risk has decreased as the use of wood has increased and diversified—and many new innovations are yet to emerge. Due to new investments in the forest industry and the halt of Russian wood imports, timber

Lisence codes: Finland FSC-C123368, Estonia FSC-C132610, Romania FSC-C132426

demand has grown in all the company's operating countries. Tornator has also secured strong demand by certifying all its forests.

Timber price volatility is a significant risk factor for Tornator's profitability. If timber prices decline, Tornator can temporarily increase the sale of cutting rights and/or the sale of plots and forest parcels. However, the objective is to follow a sustainable harvesting plan and thereby optimise long-term annual cash flows.

Risks related to the quantity and quality of raw wood material are managed through long-term forest resource planning and by directing harvesting according to forest structure and age class distribution. To verify growth estimates, the company uses MOTTI growth models developed by the Natural Resources Institute Finland (Luke) based on their latest research. These models are applied in preparing long-term harvesting plans (over 30 years).

The market transaction-based forest valuation method used in Finland may, in sudden market changes, lead to larger and faster fair value adjustments than the future cash flow-based valuation models used in Estonia and Romania.

Changes in current certification criteria may reduce forest use opportunities and cause income losses for Tornator unless full compensation has been agreed upon. The most recent definition of Finland's national FSC® criteria was completed in 2023, and Tornator participated actively in the process. The updated criteria have not caused significant income losses for the company.

Acquiring forests carries risks, and the success of an investment often becomes evident only after a long time. While advanced technology is used to assess wood resources and forest structure, some judgement calls are still required. Clear criteria have been defined for pricing, but pricing and the underlying assessments may affect the long-term return of acquisitions.

Tornator monitors the economic cycle when planning plot sales. An economic downturn may reduce demand for recreational building sites and temporarily reduce income. Risks associated with wind and solar power development investments are managed by conducting thorough preliminary studies, selecting reputable partners, diversifying projects geographically across Finland and ensuring meticulous project planning. Tornator does not participate in the construction or ownership of wind or solar power production; instead, it sells its project share before construction and remains as a land lessor.

Environmental risks related to forest resource utilization are managed through compliance with environmental legislation and certification criteria. Risks are addressed through training and onboarding, and minimized through careful planning and high-quality operational execution.

Political risks include major new legislation or other restrictions on operations. Examples include public debate in Finland on forest use acceptability or EU-level discussions on restricting forestry practices. The role of forests in biodiversity protection has gained increasing attention. Expanding forest ownership abroad may also expose the company to political risks. Effective risk management relies on cooperation with authorities, educational institutions and various organizations, as well as active participation in public dialogue. Tornator's involvement in research and carbon accounting initiatives is also part of proactive risk management. The company follows open communication, emphasizing the overall positive sustainability of its forestry operations and other corporate values.

Tornator aims to continue expanding operations beyond Finland into countries where growth opportunities are deemed profitable. Geographic expansion is both a tool for risk management and a source of risk. Compared to Finland, Estonia and Romania rank lower in corruption indices. Tornator integrates economic, social and environmental responsibility deeply into its operations, guided by a common Code of Conduct in all operating countries. Expansion risks are also mitigated by selecting knowledgeable partners and reliable customers and by balancing long- and short-term timber sales contracts. The company conducts internal audits in all countries, and a whistleblowing channel is in place across the Group.

Attracting and retaining skilled personnel is also a risk in forestry. Tornator has prepared for the retirement of forest workers by signing new entrepreneur agreements and increasing mechanized work. For salaried personnel, the company collaborates with educational institutions and undertakes proactive recruitment. Risks are also mitigated through active HR management and employee development. Due to the war, workers from Ukraine have not been available for forest management contracting. Future reconstruction efforts may cause labour shortages in Tornator's operating countries if forestry workers relocate to Ukraine.

Operational Risks

The company has operational processes, approved by the Board of Directors and executive management, to manage internal business risks. An increasing share of operational work is carried out by external contractors, which introduces challenges for operational control, for example regarding environmental damage and occupational safety. The expansion of silviculture services business to cover the whole of Finland has increased Tornator's risks, partly due to the larger number of contractors. Supervision is being strengthened through training and digital tools.

Climate change–driven natural damages pose an increasing risk to forest assets. Tornator benefits from its large ownership base, geographical diversity, good forest health and growth conditions, as well as the preventive measures required by Finnish forest damage legislation—all of which serve as natural risk mitigation factors. In addition, the company has forest insurance in Finland, sized to cover losses from a very large catastrophic event. Outside Finland, Tornator has not considered forest insurance to be economically viable due to the absence of functioning forest insurance markets in those countries. Another risk relates to potential cyberattacks targeting the company's IT systems. This risk is mitigated through advanced protection technologies and by ensuring proper user guidance and training.

Financial Risks

The significant amount of debt capital on the company's balance sheet creates a risk that Tornator manages with particular focus. Good access to capital markets enables successful refinancing of debt. The company adjusts its loan portfolio according to market conditions so that future debt maturities are spread across several years and as far into the future as possible. Tornator has diversified its funding sources by issuing bank loans and bonds maturing in different years. The company has prepared for changes in market interest rates through derivative contracts. Interest rate hedging reduces the interest rate risk related to loans. Liquidity management is based on advance payments and up-to-date cash planning. The company also has a commercial paper program in place to optimize its cash needs. Cash reserves are placed in bank deposits and short-term liquid, high-credit-quality funds.

Customer risk is managed through advance payments based on sales agreements.

Material Events After the Financial Year

There were no material events after the financial year.

Estimate of future development

Global megatrends such as climate change and population growth are expected to continue strengthening long-term demand for sustainably produced renewable wood raw material. However, timber demand and harvesting volumes may face temporary pressure if international political tensions escalate. Weaker-than-expected global economic development could lead to reduced production in the forest industry and potentially have negative effects on timber delivery volumes and the company's revenue.

In the company's own forests, silvicultural work will continue according to the normal annual plan, and the fertilisation program will be implemented as scheduled. In addition, Tornator will carry out forest

management work nationwide for Stora Enso's silviculture service customers. Market conditions for forest estate transactions are expected to remain similar to the comparison year. Wind and solar power projects will be advanced whenever possible.

The company expects its debt-servicing ability and earnings to remain stable.

Research and Development

The company made strong investments in improving the availability and quality of forest inventory data. Development efforts also continued in harvesting quality, biodiversity management and the company's information systems. A particular focus was the launch of the enterprise resource planning (ERP) system upgrade project and the development of quality within the contracting process.

Personnel and Salaries

The average number of personnel remained at the same level as in the comparison year. In addition to regular salaries, the company has a performance-based incentive system. In 2025, performance bonuses paid for the year 2024 amounted to an average of 7.1% of base salaries (in 2024, 7.0% was paid for the year 2023).

	2025	2024	2023
Average number of personnel during the period	191	188	189
Remuneration for the period, € million	12.5	11.3	11.0

Environment

Tornator has an environmental program whose objectives and outcomes are reviewed annually. The framework for the company's environmental management is provided by forest and environmental legislation, as well as the PEFC and FSC certification systems. Compliance with certification criteria is audited annually by an external evaluator. In 2025, Tornator moved from PEFC group certification to its own company-specific certificate. In addition, the company follows the forestry practice recommendations which are co-ordinated by Tapio Oy and ordered by Ministry of Agriculture and Forestry of Finland.

Tornator has an ambitious biodiversity program for 2021–2030. The measures under the biodiversity program support not only the status of threatened forest species and habitats, but also ecosystem services, water protection, game management and climate change mitigation.

Sustainability Reporting and EU Taxonomy

Following regulatory changes that entered into force in 2025, the Tornator Group is no longer required to prepare a CSRD-compliant sustainability report or to report on taxonomy eligibility. Tornator will therefore not produce these reports, and previously published EU taxonomy information has been omitted from the 2025 Annual Report. The removal of the sustainability reporting obligation does not affect Tornator's practical work. We will continue to focus on sustainable and responsible forestry and report on our concrete actions in, for example, the Annual Report, and in the annual reports of our climate and biodiversity programs, as well as in other communications.

Company Organisation, Management and Auditor

Until 6 March 2025, the company's Board of Directors consisted of Chair Esko Torsti, Vice Chair Hanna Kaskela, and members Seppo Toikka and Tuomas Virtala.

At the Annual General Meeting on 6 March 2025, the following individuals were elected as ordinary Board members and their personal deputy members, to serve until the next Annual General Meeting:

<u>Ordinary member</u>	<u>Deputy member</u>
Hanna Kaskela	Sampsä Ratia
Tuomas Virtala	Erkko Rynnänen
Pauli Torikka	Jari Suvanto
Esko Torsti	Pekka Ahlajärvi

At its organising meeting on 6 March 2025, the Board elected Esko Torsti as Chair and Hanna Kaskela as Vice Chair. The Oversight Committee, which supervises agreements between the company and the shareholder, elected Hanna Kaskela as Chair, with Esko Torsti and Tuomas Virtala as members and Pauli Torikka as deputy member. The Board elected Esko Torsti, Hanna Kaskela and Tuomas Virtala to the Remuneration Committee.

Henrik Nieminen served as CEO. His deputy is Business Director Ari Karhapää.

The Management Team consisted of CEO Henrik Nieminen, CFO and Finance Director Antti Siirtola, Business Director Ari Karhapää, Real Estate Director Juha Mäki, Development and Operations Director Heikki Penttinen, and HR, Communications and Sustainability Director Outi Nevalainen.

At the Annual General Meeting on 6 March 2025, PricewaterhouseCoopers Oy was elected as auditor, with APA (KHT) Panu Vänskä as the principal auditor.

Number of Shares

The parent company's share capital of EUR 51,836,213.00 is divided into 5,000,000 shares, all of which carry equal rights. The company's Articles of Association include a redemption clause under which other shareholders have the right to redeem shares if ownership changes.

Handling of profit

The parent company's distributable funds amount to EUR 1,992,235,848.86, including the profit for the financial year of EUR 218,354,778.26.

The Board of Directors of Tornator Oyj proposes to the Annual General Meeting that a dividend of EUR 14.40 per share be distributed, totalling EUR 72,000,000.00. The remaining portion will be retained in equity. The dividend is planned to be paid on 26 March 2026, with the record date on 20 March 2026.

Shareholders at 31 December 2025

Shareholder	Ownership %
Stora Enso Oyj	41.00%
Ilmarinen Mutual Pension Insurance Company	23.13%
Varma Mutual Pension Insurance Company	16.41%
OP Life Assurance Company Ltd	6.25%
OP-Metsänomistaja Special Investment Fund	5.00%
OP Pension Fund	2.08%
Veritas Pension Insurance	2.50%
Pohjola Insurance Ltd	1.04%
Finnair Pension Fund	0.99%
Riffu Oy	0.75%
Danilostock Oy	0.75%
Finnair Oyj	0.10%
Total	100.00%

In January 2026, a small share transaction took place involving certain shareholders listed in the company's shareholder register as of 31 December 2025.

Voting Rights of Shares

According to the Articles of Association, a shareholder may vote at the General Meeting with no more than twenty (20) percent of the total voting rights produced by all company shares, including the voting rights of companies within the same group as the shareholder, as well as their pension funds and foundations.

Tornator Oyj's statement on corporate governance is presented in a separate report on the company's website: www.tornator.fi/en/corporate-governance-statement/

Consolidated financial statements

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MAIN CALCULATIONS OF THE CONSOLIDATED FINANCIAL STATEMENTS

Consolidated Income Statement

EUR thousand	Note	1 Jan - 31 Dec 2025	1 Jan - 31 Dec 2024
Net sales	6,23	232,208.2	213,014.4
Other operating income	24	6,133.7	7,576.3
Change in the fair value of biological assets	10	129,794.6	35,190.5
Change in inventories of finished goods and work in progress	12	-755.4	-1,087.1
Materials and services	25	-43,320.2	-41,098.7
Personnel expenses	26	-12,505.8	-11,341.2
Depreciation and amortisation	27	-3,807.4	-3,419.2
Other operating expenses	28	-9,371.5	-8,966.8
Operating profit		298,376.2	189,868.2
Financial income	29	8,471.5	12,104.4
Financial expenses	29	-35,516.5	-39,502.2
Change in the fair value of financial instruments	11, 14	757.2	-5,982.0
Net financial items		-26,287.8	-33,379.8
Profit before tax		272,088.4	156,488.4
Income Taxes	30	-27,143.4	-23,865.0
Change in deferred taxes	17	-27,718.3	-133.4
Profit for the period		217,226.7	132,490.0
Distribution: To shareholders of the parent company		217,226.7	132,490.0
Consolidated statement of comprehensive income			
Profit for the period		217,226.7	132,490.0
Other comprehensive income for the period after taxes:			
<i>Items not recognised later through profit and loss</i>			
Revaluation of forest land	10	-71,272.2	12,110.5
Items derived from the redefinition of net defined benefit costs (or asset items)	20	8.0	36.8
<i>Items that may later be recognised through profit and loss</i>			
Translation difference	16, 30	-934.2	9.6
Comprehensive income for the period total		145,028.3	144,646.9
Distribution: To shareholders of the parent company		145,028.3	144,646.9

The notes on pages 18–61 are an integral part of the financial statements



Consolidated Balance Sheet

EUR thousand	Note	31 Dec 2025	31 Dec 2024
ASSETS			
Non-current assets			
Forest assets		3,804,531.7	3,594,904.7
Biological assets	10	3,535,330.1	3,256,747.3
Land areas	10	269,201.6	338,157.4
Other property, plant and equipment	8	19,585.9	17,966.8
Intangible assets	7	2,141.2	2,617.8
Right-of-use assets	9	1,893.2	1,570.5
Derivatives	11	30,184.9	29,475.4
Other investments	14	111.2	111.2
Non-current receivables	13	19,232.2	18,960.3
Non-current assets total		3,877,680.3	3,665,606.7
Current assets			
Inventories	12	51.5	64.1
Accounts receivable	13	47 610.9	43 464.5
Other receivables	13	905.8	1 945.9
Cash and cash equivalents	15	96 739.4	86 566.3
Current assets total		145 307.6	132 040.7
TOTAL ASSETS		4 022 988.0	3 797 647.4
EQUITY AND LIABILITIES			
Equity attributable to shareholders of the parent company			
Share capital	16	50,000.0	50,000.0
Other equity		2,274,940.6	2,199,912.4
Total equity		2,324,940.6	2,249,912.4
Liabilities			
Non-current liabilities			
Deferred tax liabilities	17	469,785.2	458,191.0
Financial liabilities	18	746,386.6	946,750.0
Lease liabilities	19	1,686.2	1,408.9
Other non-current liabilities	20	60.0	77.0
Non-current liabilities total		1,217,918.0	1,406,426.9
Current liabilities			
Financial liabilities	18	389,526.3	61,596.7
Accounts payable and other payables	22	73,901.1	61,430.7
Income tax liabilities	30	3,105.4	5,052.2
Lease liabilities	19	345.9	279.7
Provisions	21	13,250.5	12,948.9
Current liabilities total		480,129.3	141,308.1
Total liabilities		1,698,047.3	1,547,735.0
TOTAL EQUITY AND LIABILITIES		4,022,988.0	3,797,647.4

The notes on pages 18–61 are an integral part of the financial statements



Statement of changes in equity

EUR thousand	Note	Share capital	Share premium	Translation difference	Revaluation reserve	Retained earnings	Total equity
Equity on 1 Jan 2024	16	50,000.0	29,995.2	-11,012.2	154,336.4	1,951,946.1	2,175,265.5
Comprehensive income							
Profit for the period						132,490.0	132,490.0
Other items of comprehensive income (after taxes)							
Revaluation of land areas	10				12,110.5		12,110.5
Items derived from the redefinition of net defined benefit liability (or asset items)	20					36.8	36.8
Translation difference	16,30			9.6			9.6
Comprehensive income for the period				9.6	12,110.5	132,526.8	144,646.9
Transactions with shareholders							
Dividends paid	31					-70,000.0	-70,000.0
Total transactions with shareholders						-70,000.0	-70,000.0
Equity on 31 Dec 2024		50,000.0	29,995.2	-11,002.7	166,447.0	2,014,472.9	2,249,912.4

EUR thousand	Note	Share capital	Share premium	Translation difference	Revaluation reserve	Retained earnings	Total equity
Equity on 1 Jan 2025	16	50,000.0	29,995.2	-11,002.7	166,447.0	2,014,472.9	2,249,912.4
Comprehensive income							
Profit for the period						217,226.7	217,226.7
Other items of comprehensive income (after taxes)							
Revaluation of land areas	10				-71,272.2		-71,272.2
Items derived from the redefinition of net defined benefit liability (or asset items)	20					8.0	8.0
Translation difference	16,30			-934.2			-934.2
Comprehensive income for the period				-934.2	-71,272.2	217,234.7	145,028.2
Transactions with shareholders							
Dividends paid	31					-70,000.0	-70,000.0
Total transactions with shareholders						-70,000.0	-70,000.0
Equity on 31 Dec 2025		50,000.0	29,995.2	-11,936.9	95,174.7	2,161,707.6	2,324,940.6

The notes on pages 18–61 are an integral part of the financial statements



Consolidated cash flow statement

EUR thousand	1 Jan - 31 Dec 2025	1 Jan - 31 Dec 2024
Cash flow from operating activities		
Cash receipts from transactions in forestry	236,277.8	210,598.3
Cash receipts from transactions in land sales	2,451.3	11,743.0
Cash receipts from other operating income	6,149.7	6,457.6
Cash paid to suppliers and employees	-62,878.1	-58,473.6
Cash flow from operating activities before financial items and taxes	182,000.7	170,325.3
Interest paid, interest-bearing debt	-28,439.8	-32,565.0
Other financial expenses paid	-6,903.8	-7,087.7
Interest received	4,536.1	5,286.4
Interest received, derivatives	3 750.9	6 332.6
Income taxes paid	-29 089.0	-20 641.9
Cash flow from operating activities	125 854.9	121 649.8
Cash flow from investing activities		
Investments in biological assets	-150,177.2	-83,311.6
Investments in tangible assets, forestland	-18,561.2	-10,296.9
Investments in other tangible and intangible assets	-4,628.8	-5,010.0
Proceeds from sale of money market investments		30,566.8
Cash flow from investing activities	-173,367.3	-68,051.7
Cash flow from financing activities		
Withdrawal of long-term loans	200,000.0	300,000.0
Repayment of long-term loans	-50,000.0	-200,000.2
Repayments of short-term loans	-21,858.3	-37,174.0
Repayment of lease liabilities	-374.1	-358.9
Dividends paid	-70,000.0	-70,000.0
Cash flow from financing activities	57,767.6	-7,533.1
Net increase/decrease in cash and cash equivalents	10,255.3	46,064.9
Cash and cash equivalents at beginning of period	86,566.3	40,500.2
Effect of exchange rate changes on cash and cash equivalents	-82.2	1.2
Cash and cash equivalents at the end of the period	96,739.4	86,566.3

The notes on pages 18–61 are an integral part of the financial statements



1 Notes to consolidated financial statements

General information

Tornator Oyj is a Finnish limited liability company (business ID: 0162807-8), which operates under the laws of the State of Finland. The Group's domicile is in Imatra and its head office is Einonkatu 6, 55100 Imatra. A copy of the Group's consolidated financial statements is available on Tornator Oyj's website: www.tornator.fi/en/

Tornator Oyj (Tornator or the Company) and its subsidiaries (together the Group or Tornator Group) is the leading group specializing in sustainable forestry in Europe. The core business of Tornator Group is wood production and sale of cutting rights. The company also provides silviculture services, sells land and buys forestland. Tornator Group's main market area is Finland, but it also owns forestland in Romania and Estonia. The areas are divided as follows: Finland about 742,000 (706,000), Estonia 65,000 (65,000) and Romania 12,000 (12,000) hectares. The Group's average number of employees during the financial year was 191 (188).

The Board of Directors of Tornator Oyj has in its meeting on 3 February 2026 approved these Financial Statements for publication. According to the Finnish Limited Liability Companies Act, the Annual General Meeting has the right to approve or reject or amend the financial statements.

The figures presented in these financial statements are rounded, so the totals may differ from the amounts calculated from individual figures.

2 Summary of material accounting principles

The material accounting policies applied in the preparation of financial information concerning the Group are described below and in Note 3. These accounting principles have been applied for all years presented, unless otherwise stated below.

Accounting basis

The Group's financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) and have been prepared in accordance with the IAS and IFRS accounting standards as well as SIC and IFRIC interpretations effective as of 31 December 2025. International accounting standards refer to standards and interpretations adopted in the EU in accordance with the procedure laid down in the Finnish Accounting Act and the regulations issued under it in EU Regulation (EC) No 1606/2002. The notes to the consolidated financial statements also comply with the requirements of Finnish accounting and corporate legislation supplementing the IFRS regulations.

The consolidated financial statements have been prepared on the basis of original acquisition costs, with the exception of financial assets and liabilities recorded at fair value through profit or loss, as well as forest assets, which are measured at fair value. Financial statements are presented in thousands of euros, unless otherwise stated. The company's functional currency is the euro.

The preparation of the consolidated financial statements in accordance with IFRS requires the use of certain estimates and assumptions. The use of these assumptions and estimates affects the assets and liabilities reported in the financial statements on the balance sheet date, the presentation of contingent assets and liabilities in the notes, and the income and expenses reported for the financial year. These estimates are based on the management's best knowledge of the events and therefore the final actual results may differ from the estimates made. The areas that have required the use of greater judgement and the areas where



judgement has the greatest impact on the figures presented in the financial statements are presented in Note 5.

Application of the new and revised IFRS standards

The following new or revised IFRS accounting standards have been adopted in these consolidated financial statements as of 1 January 2025. Their adoption has not had an impact on the notes or reported amounts presented in these financial statements:

Amendments to IAS 21: Lack of Exchangeability

The changes affect an entity that has transactions or operations in a foreign currency that is not exchangeable into another currency for the purpose specified at the valuation date and add application guidance to determine when a currency is exchangeable.

3 Accounting principles applied in the preparation of the consolidated financial statements

Subsidiaries

The consolidated financial statements include companies in which the group has control. Control arises when a group, by being a participant in an entity, is exposed to or entitled to the entity's variable income and is able to influence this return by exercising its authority over the entity. The Group's mutual shareholding has been eliminated using the acquisition method. The consideration transferred and the identifiable assets and liabilities assumed by the acquired entity have been measured at fair value at the time of acquisition. Acquisition-related expenses, excluding costs arising from the issuance of debt or equity securities, have been expensed. The amount by which the acquisition cost exceeds the Group's share of the fair value of the acquired identifiable net assets is recognised as goodwill. If the acquisition cost is less than the net assets of the acquired subsidiary, the difference is recorded directly in the income statement.

Subsidiaries are consolidated as of the date on which control is transferred to the group and divested subsidiaries until the date on which control ceases. Intra-group transactions, receivables and liabilities as well as unrealised gains are eliminated in the preparation of the consolidated financial statements. Unrealised losses are not eliminated if the loss is due to impairment. The accounting policies of the subsidiaries have been changed, if necessary, to correspond to the Group's accounting policies. Since the acquisitions of subsidiaries have not met the definition of a business, they have been treated as acquisitions of assets.

The consolidated financial statements include the financial information of the parent company Tornator Oyj and its 100% owned subsidiaries. The following subsidiaries have been consolidated in the consolidated financial statements:

- Tornator Eesti Oü
- SC Tornator SRL
- Oituz Private Forest District SRL

Segment reporting

Tornator does not have two business areas that account for more than 10% of the Group's figures. Operational segments are defined and reported in a manner consistent with the internal reporting provided to chief operational decision-makers. In addition to Group-level figures, Tornator reports to the chief operational decision-maker net sales, other operating income, operating expenses and net operative operating profit by operating country. Balance sheet items are not reported to the chief operative decision-maker with similar accuracy.



Conversion of items denominated in foreign currencies

(a) Functional Currency and Presentation Currency

Items included in the financial statements of Group companies are measured in the currency of the economic environment in which the company principally operates (the "functional currency"). The consolidated financial statements are presented in the Euro currency, which is the company's functional and presentation currency.

(b) Transactions and balances

Transactions denominated in foreign currencies are converted into the functional currency at the exchange rates on the transaction completion dates or, if the items have been revalued, at the valuation date. Exchange gains and losses arising from transaction fees and the conversion of assets and liabilities denominated in foreign currencies at the exchange rate on the balance sheet date are recognised in the income statement, except in the case of qualifying cash flow or net investment hedges, in which case they are recognised in equity.

Foreign exchange gains and losses related to loans and cash and cash equivalents are presented in the income statement under "financial income or expenses". All other exchange rate gains and losses are presented in the income statement under the item "Other operating expenses/income".

(c) Group companies

The income statements and balance sheets of Group companies that use a functional currency other than the Group's presentation currency (none of which operate in a hyperinflationary country) are converted into the presentation currency as follows. The rates quoted by or calculated from the European Central Bank are used as exchange rates:

- a) the assets and liabilities of each reported balance sheet are converted at the exchange rate on the relevant balance sheet date;
- b) the income and expense items in each income statement are translated at the average exchange rates for the period (or at the closing dates of transactions if the average exchange rate does not reasonably close to the same result); and
- c) Any resulting exchange rate differences are recognised in translation differences in equity.

Exchange rate differences arising from the translation of net investments in foreign assets and from loans and other foreign currency instruments designated as hedges for such net investments are recognised in equity as translation differences in the preparation of the consolidated financial statements. When a foreign unit is partially divested or sold, the exchange rate differences recognised in equity are recognised in the income statement as part of the capital gain or loss.

Property, plant and equipment

Property, plant and equipment are measured at their original cost less depreciation and amortization. The acquisition cost includes the costs directly arising from the acquisition. Expenses incurred later are included in the carrying amount of the asset or recognised as a separate asset only if it is probable that the future economic benefit related to the asset will benefit the Group and the acquisition cost of the asset can be reliably determined. Other repair and maintenance costs are recognised in profit or loss for the period in which they have been realised. The residual values and useful lives of assets are reviewed at least annually on the balance sheet date.

The assets will be depreciated on a straight-line basis within the following estimated useful lives:

Buildings	7–20 years
Machinery and equipment	3–5 years
Roads and ditches	10 years



Intangible assets

The Group's intangible assets are ICT software and other intangible assets. ICT software is valued at cost less depreciation and impairment. They will be depreciated within the estimated useful life of 3–10 years. Other intangible assets are measured at acquisition cost less impairment.

Impairment of tangible and intangible assets

On each balance sheet date, the Group assesses whether there are indications that the value of an asset has been impaired. If there are any indications, the recoverable amount of the asset in question is estimated. In addition, the recoverable amount is assessed annually for the following assets, regardless of whether there are indications of impairment: goodwill, intangible assets with an unlimited useful life, and intangible assets in progress. The impairment requirement is examined at the level of cash-generating units, i.e. at the lowest unit level that is largely independent of other units and whose cash flows are separable from other cash flows.

The recoverable amount is the fair value of the asset less the costs of the sale or the higher value in use. Value in use refers to the estimated future net cash flows available from the asset or cash-generating unit in question, discounted to their present value. The discount rate is the pre-tax rate that reflects the market's view of the time value of money and the specific risks associated with the asset.

An impairment loss is recognised when the carrying amount of an asset is greater than the recoverable amount. The impairment loss is recognised immediately in the income statement. When an impairment loss is recognised, the useful life of the asset subject to depreciation is reassessed. An impairment loss recognised on an asset is reversed in the event of a change in the estimates used to determine the recoverable amount of the asset. However, the impairment loss is not reversed more than what the asset's carrying amount would be without the recognition of the impairment loss.

Forest assets

Tornator's forest assets are defined as growing trees, which are classified as biological assets and associated bare land area. Biological assets are recognised and measured at fair value in accordance with IAS 41 Agriculture, and forest land is recognised in accordance with IAS 16 Property, Plant and Equipment using the revaluation method.

In the revaluation of land area, the fair value of the land is compared to the acquisition cost of the land, which has been determined by allocating 11% of the original acquisition cost of forest assets to bare land and the remaining 89% to biological assets. The same allocation principle is also used in the cash flow statement, where the acquisition cost of forest assets is divided into bare land area and biological assets.

Changes in the fair value of biological assets are recognised in the income statement. Changes in the fair value of land area, less deferred tax liabilities, are recognised in the revaluation reserve in equity through other comprehensive income. If the fair value of the land area is lower than the acquisition cost, the difference is recognised in the income statement as impairment and any reversals of impairment recognised in previous years are also recognised in the income statement.

For more information on the value of forest assets, see Note 10 Forest assets.

Forest assets in Finland

Forest assets located in Finland are recorded at fair value and valued using a forestland market-based method. The valuation method is based on forest estate transactions made in the areas where Tornator's forests are located. The total value of forest assets is determined by the standing stock of Tornator's forests in a certain area and the market prices realised in the area. Realised market prices refer to the purchase price paid per cubic metre of forest in representative forest estate transactions.



Information related to forest asset transactions is available from several market sources. Market transaction data can be considered as input data supported by the market. Some adjustments are made to the input data reflecting market conditions using non-verifiable input data, which is why the input data is classified at level 3 of the fair value hierarchy. Further information on the judgement applied in the valuation is presented in Note 5 Accounting policies requiring management's judgement and valuation uncertainties.

The total value of forest assets located in Finland is divided into biological assets and bare land. The allocation of the total fair value of forest assets is based on a yield-based approach, in which the present values of expected net cash flows are calculated for both biological assets and bare land. The discount rate is determined as the interest rate at which the present value of the combined cash flows of biological assets and bare land corresponds to the total value of the forest assets determined on the basis of market transaction prices. The discount rate used in the valuation of biological assets and bare land is estimated to be the same, as the nature and timing of the cash flows are similar.

The valuation of biological assets is based on continuous operations and sustainable forest management, which also takes into account environmental and other restrictions. The fair value of biological assets is calculated on the basis of future net cash flows, i.e. based on sustainable forest management and taking into account the growth potential of the growing stock. The cash flow model takes into account the cash flows related to the existing growing stock during one rotation period, which is estimated to be 75 years in Finland. Annual harvesting in accordance with a long-term harvesting plan based on projected tree growth are reported for the corresponding period with forecast prices prepared by an external assessor. The long-term harvesting plan in Finland is based on the MOTTI growth models updated by the Natural Resources Institute Finland based on the latest research results. The development of real wood prices after the forecast period (10 years) provided by the external assessor is assumed to be +/-0.

Bare land is measured at fair value using the revaluation method defined in IAS 16. The fair value of bare land is calculated using a yield-based approach. Cash flows take into account net cash flows related to both future generations of trees and income related to other land areas, such as hunting rights, land rental income and the sale of soil materials.

Forest assets in Estonia and Romania

The fair value of Tornator's forest assets in Estonia and Romania is determined using a yield-based approach. The valuation of biological assets is based on continuous operations and sustainable forest management, which also takes into account environmental and other restrictions. The fair value of biological assets is calculated on the basis of future net cash flows, i.e. based on sustainable forest management and taking into account the growth potential of the growing stock. The cash flow model takes into account the cash flows related to the existing growing stock over a single rotation period, which is estimated to be 70 years in Estonia and 120 years in Romania. Annual harvesting in accordance with the long-term harvesting plan based on projected tree growth are multiplied by the forecast prices prepared for the corresponding period.

The discount rate used in the valuation has been determined using the Group's weighted average cost of capital (WACC), which means that the return on capital requirement is based on the use of the capital asset pricing model and, if necessary, country-specific country risk assessments. Further information on the determination and parameters of the discount rate is presented in Note 5 Accounting policies and estimates subject to management judgement.

The bare land is measured at fair value using the revaluation method in accordance with the IAS 16 standard. The fair value of land is calculated using a yield-based approach. Cash flows take into account both net cash flows related to tree generations to be planted in the future and income related to other land areas, such as hunting rights, land rental income and the sale of soil materials.



Leases

Group lessee

The Group handles leases as follows:

- (a) Right-of-use assets and lease liabilities are recognised in the consolidated balance sheet. These are measured at the present value of future lease payments at initial recognition, the right-of-use asset adjusted for the amount of prepaid or accrued leases in accordance with IFRS 16.C8(b)(ii);
- (b) Depreciation of right-of-use assets and interest on lease liabilities are recognised in the consolidated income statement.
- (c) In the Group's cash flow statement, the total amount of cash payments is divided into equity (presented as part of cash flows from financing activities) and interest (presented as part of cash flows from operating activities).
- (d) Lease payments for leases classified as low-value or short-term are recognised as an expense for the financial year.

Incentives related to the lease (such as a lease-free period) are recognised as part of the valuation of fixed assets and lease liabilities. Expenses for low-value and short-term leases are recognised in the income statement as an expense for the financial year.

The leases recorded in the Group's right-of-use assets consist of office leases and leased cars. Some office rents are treated as short-term leases. Lease agreements of low value include the rental of office equipment and company bikes.

For more information on right-of-use assets, see Note 9 and on lease liabilities in Note 19.

Right-of-use assets are tested for impairment in accordance with IAS 36.

Group as lessor

Assets leased under leases other than finance leases are included in property, plant and equipment on the balance sheet. The assets leased by the company are land areas and are not depreciated. Rental income is recognised in the income statement in equal instalments during the lease period.

Inventories

Inventories are valued at the lower of acquisition cost or net realisable value. The acquisition cost is determined using the weighted average cost formula. The acquisition cost includes direct purchase costs minus VAT. The net realisable value is the estimated sales price obtained in the ordinary course of business, minus the costs of the sale.

Inventories include wood raw material for sale as well as seedlings, seeds and fertilisers. In addition, the Group will transfer the land to be sold to inventories.

Accounts receivable

Accounts receivable are initially measured at the transaction price and later at amortised cost using the effective interest rate method and less any credit loss provision. Credit losses are recognised in accordance with expected credit losses. With regard to accounts receivables, the Group follows a simplified procedure, according to which expected credit losses are recognised as an expense in the income statement on the basis of probable life-cycle credit losses. In practice, no credit losses are incurred in Tornator's business, so no expected credit losses have been recorded.



Financial assets and liabilities

Financial assets

The Group's financial assets are classified into the following categories: financial assets recognised at fair value through profit or loss and financial assets recognised at amortised cost. The classification is based on the purpose of the financial assets and the characteristics of the contractual cash flows at the time of the initial acquisition.

Financial assets are measured at amortised cost when the business model aims to retain these investments and collect all contractual cash flows, and when the contractual cash flows of the instrument consist exclusively of principal and interest payments. Other financial assets are recognised and measured at fair value in the Group through profit. Derivatives and the estimated present values of additional purchase price payments from sold wind power projects and are treated as financial assets measured at fair value. Payments for derivative contracts are recorded in the income statement in financial income and changes in fair value without the impact of accrued interest are recorded in the income statement item Change in the fair value of financial instruments. Interest-bearing receivables are money market investments in bank deposits and fixed income funds. Other investments are equity investments in unlisted shares.

Financial assets are recognised in the balance sheet when the Group becomes a party to the instrument's terms and conditions. Financial assets are derecognised when the Group has lost its contractual right to cash flows or when it has transferred a significant part of its risks and returns outside the Group.

Financial liabilities

The Group's financial liabilities are classified into the following categories: financial liabilities recognised at fair value through profit or loss and financial liabilities recognised at amortised cost using the effective interest method. Financial liabilities recognised at fair value through profit or loss are derivative liabilities. Payments for derivative contracts are recognised in the income statement in the same item as interest expenses on interest-bearing liabilities, and changes in fair value without the impact of accrued interest are recognised in the income statement as changes in the fair value of financial instruments. Financial liabilities measured at amortised cost are initially recognised at fair value. Transaction costs have been included in the original carrying amount of financial liabilities. Interest and transaction expenses are accrued in the income statement using the effective interest method. Financial liabilities are included in long-term and short-term liabilities and they can be interest-bearing or non-interest-bearing. Interest-bearing liabilities include liabilities arising from the treasury function: bonds, bank loans, commercial papers and any bank account limits in use.

A financial liability is de-recognised from the balance sheet when an obligation specified in the contract has been performed, cancelled or has expired.

Financial assets and liabilities are non-current when they have a maturity of more than 12 months and short-term when they have a maturity of less than 12 months.

Borrowing costs

Borrowing costs are expensed in the financial year in which they are incurred.

Derivative contracts

Tornator uses derivative contracts to hedge against interest rate risk.

Derivative contracts are initially recognised at fair value on the date on which the Group becomes a party to the contract and are subsequently measured at fair value. Gains and losses arising from fair value are recognised in profit or loss.

Derivatives are defined as non-current assets or liabilities if the contract matures after more than 12 months. Otherwise, derivatives are presented in current assets or liabilities.



Cash and cash equivalents

Cash and cash equivalents are measured on the balance sheet at cost corresponding to their fair value. In the cash flow statement and balance sheet, cash and cash equivalents consist of cash, money in bank accounts and bank deposits that can be withdrawn on demand.

Share capital

The share capital consists exclusively of ordinary shares. The costs directly arising from the issuance of the new shares, less tax, will be recognised in equity to reduce the consideration received from the issue.

Dividends

The dividend payable to the Group's shareholders will be recognised for the period in which the Annual General Meeting has approved the dividend.

Income Taxes

The tax expense in the income statement consists of tax based on taxable income for the financial year and deferred tax. Correspondingly, the tax impact related to items recognised directly in equity is recognised as part of equity by means of an extensive income statement. The tax based on taxable income for the accounting period is calculated on the basis of the taxable income in force in each country. The tax is adjusted for any taxes related to previous financial years.

Deferred taxes are calculated on the basis of any temporary differences between the book value and the taxable value. Deferred taxes have been calculated using the tax rate that has been enacted or the approved amount has been reported by the balance sheet date. Deferred tax assets are recognised to the extent that it is probable that taxable income will arise in the future against which the temporary difference can be utilised.

However, a deferred tax liability is not recognised in the case of an asset or liability that is originally entered in the accounts, and it is not a business combination, and the recognition of such an asset or liability item does not affect the accounting result or taxable income at the time of the transaction. Deferred tax is not recognised on the retained earnings of subsidiaries to the extent that the difference is not likely to be resolved in the foreseeable future.

Deferred tax assets and liabilities are deducted from each other when the Group has a legally enforceable right to offset tax assets and liabilities based on taxable income for the period against each other, and when the deferred tax assets and liabilities are related to income taxes collected by the same taxpayer either from the same taxpayer or from different taxpayers, when the receivables and liabilities are to be realised on a net basis.

Employee benefits

Pension liabilities

The Group's pension plans are mainly classified as defined contribution plans. In a defined contribution pension plan, the company pays fixed contributions to the plan. The company has no legal or actual obligation to pay additional contributions if the recipient of the contributions does not have sufficient funds to pay the pension benefits earned by employees for current or previous periods. In a defined contribution pension plan, payments made to the plans are recognised in the income statement for the period to which the debit relates.

The obligations of the Group's defined benefit pension plans have been calculated separately for each plan using the method based on the anticipated defined benefit unit. Pension expenses are expensed over the service period of a person on the basis of calculations made by authorized actuaries. When calculating the present value of the pension obligation, the discount rate is the market yield on high-quality bonds issued by companies or the interest rate on treasury bills. The maturity of the bonds and treasury bills corresponds



essentially to the maturity of the calculated pension liability. The assets included in the pension plan, measured at fair value on the balance sheet date, are deducted from the present value of the pension obligation recognised in the balance sheet. The net liability (or asset) of the defined benefit pension plan is recognised in the balance sheet.

The performance-based expenditure for the period (pension expenditure) and the net interest on the net debt of the defined benefit plan are recognised in profit or loss and presented in employee benefit expenses in the Personnel expenses category. Items arising from the remeasurement of a defined benefit net liability (or asset) (e.g. actuarial gains and losses and return on plan assets) are recognised in other comprehensive income in the financial year in which they are incurred.

Costs based on past performance are expensed through profit or loss earlier than the following dates: either when the arrangement is changed or reduced or when the Group recognises the related restructuring costs or termination benefits.

Accounts payable

Accounts payable are initially measured at fair value and then measured at amortised cost using the effective interest method.

Provisions

A provision is recognised when the company has incurred an obligation based on previous events that the company will have to pay in the future, and the amount of which can be reliably estimated. The amount of the provision is recorded as the best estimate of the present value of future obligations. The change in provisions is recognised in the income statement under the item in which the expenses related to the provision are recorded.

Revenue recognition

The Group's net sales consist of the sale of cutting rights, plots and forest plots, as well as forest services. Sales revenue is recognised in such a way that it represents the goods and services supplied to the customer as an amount of money that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The recognition of revenue does not involve significant consideration, uncertainties or future obligations.

Sale of cutting rights:

Sale of cutting rights is mainly based on multi-year timber trade agreements, which include agreements on timber trade volumes and the price determination mechanism, among other things. Turnover is recorded from the sold cutting rights when the customer has cut the trees in the cutting right area they have purchased. As a rule, this is verified by signing a measurement certificate of cutting. When selling cutting rights, the buyer typically has 2-3 years to carry out the cutting. Cash flow is secured by an advance payment arrangement that covers more than 90% of the Group's wood deliveries. In the arrangement, the buyer pays 90% of the estimated value of the cutting right within 12 months of the sale of the cutting right. If the buyer cuts the site before the advance payments have accrued, the buyer is obligated to pay the difference between the full sales price and any advance payments made on the next agreed advance payment date, which is no later than 3 months after the cutting. Receivables related to the sale of cutting rights are presented in accounts receivables and advance payments received in other liabilities

Sale of plots and forestland:

Proceeds from the sale of plots and forest plots are recognised when the Group has irrevocably sold these rights to the customer, the collection of receivables has been reliably ensured and the seller is not left with any significant risks and benefits related to the ownership of the rights or allotments, nor does it have a managerial role or effective control over the sold assets.



Other services:

Silviculture services are mostly sold under contracts that last multiple years and define the content of the services and the pricing mechanism applied. Service sales are recorded as revenue for the financial period during which the service is performed. The payment for services is made once the service provided has been accepted and invoiced. The payment term is typically 14 days.

Operating profit

IAS 1 Presentation of Financial Statements does not define the concept of operating profit. The Group has defined it as follows: operating profit is the net amount formed when other operating income is added to net sales, materials and services are deducted adjusted for changes in inventories of finished and work-in-progress products and costs arising from manufacturing for own use, personnel expenses, depreciation and amortization as well as reversal of impairment, other operating expenses and expenses arising from changes in the fair value of biological assets and cuttings income or expenses. All income statement items other than those mentioned above are presented below operating profit. Exchange rate differences and changes in the fair values of derivatives are included in operating profit if they arise from items related to business operations; otherwise, they have been recorded in financial items.

Interest and dividends

Interest income is recognised using the effective interest method and dividend income when the right to dividend has arisen.

New or revised accounting standards to be applied at a later date

On the date on which these financial statements have been accepted for publication, the Group has not adopted the following new and revised IFRS accounting standards, which have been published but have not yet entered into force.

- **Amendments to IFRS 9 and IFRS 7 – Targeted improvements:** The amendments specified the requirements for the recognition and derecognition of certain financial assets and liabilities, clarified and increased the assessment of the composition of cash flows, increased the disclosure requirements for certain instruments where cash flows may change, for example due to the achievement of ESG targets, and updated the disclosure requirements for equity instruments classified at fair value, among other things, to be recognised through other comprehensive income
- **IFRS 18 *Presentation and Disclosure in Financial Statements*:** The new standard will change the presentation of the income statement in particular in terms of structure and mandatory subtotals, and will bring with it a requirement to present notes to the key performance measures defined by management. IFRS 18 replaces the current IAS 1 standard and will enter into force for financial years beginning on or after 1 January 2027. Tornator is actively evaluating the impact of the new standard
- **IFRS 19 *Subsidiaries without Public Accountability*:** The new standard will make it easier for subsidiaries that are not listed and whose parent company prepares consolidated financial statements in accordance with IFRS.
- **Amendments to IFRS 9 and IFRS 7 – Natural Power Sources:** In long-term renewable power purchase agreements (PPAs) the source of production is often dependent on uncontrolled natural conditions, and in relation to these agreements, the IASB has made changes to the IFRS 9 "own use" exemption and hedge accounting requirements and added targeted disclosure requirements to IFRS 7.



- Annual improvements 2025: The annual improvements apply to the following standards:
 - IFRS 1 First Adoption of IFRS Standards
 - IFRS 7 *Financial Instruments: Information to be Presented in the Financial Statements and Related Application Guidance*
 - IFRS 9 *Financial Instruments*
 - IFRS 10 *Consolidated Financial Statements*
 - IAS 7 *Cash Flow Statements*

With the exception of the new IFRS 18 standard, the management does not expect the adoption of the above-listed standards to have a material impact on the Group's financial statements in the coming periods.

4 Financial risk management

Risk management principles and process

The Group is exposed to a number of financial risks in its operations, including the effects of changes in market interest rates and exchange rates. The key principle of the Group's risk management is the unpredictability of the financial markets and the aim to minimise any adverse effects on the Group's result. Risk management is carried out by the financial management in accordance with the general principles approved by the Board of Directors.

All financial transactions that the Group is involved in are governed by the Group's financial policy. The policy, as well as any future amendments, revisions or additions to it, enter into force upon approval by the Board of Directors. Any guidelines or similar instructions on the use of financial instruments must be consistent with the overarching financial policy. The Group's policy for managing risks associated with financial services contains more detailed instructions that enter into force upon signature by the Group's chief financial officer. The most significant finance market risks are described in greater detail below.

Currency risk

The Group's companies operate mainly in their functional currencies and there is no material foreign exchange transaction risk in the Group.

The Group has net foreign investments and is thus exposed to the risks that arise when investments in foreign currencies are converted into the functional currency of the parent company. At present, the Group does not hedge against exchange rate risk.

Sensitivity analysis: RON/EUR exchange rate change +/-20% affects the Group's income statement and equity as follows:

EUR million	+20 %	-20 %
Net sales	1,3	-0,9
Profit for the period	0,5	-0,3
Equity (translation difference)	9,7	-6,5

The impact of exchange rate differences recognised in profit or loss on the Group's result has been negligible, at most tens of thousands of euros on an annual basis.

Interest rate risk

The long-term objective of Tornator's interest rate risk management is to protect the company's balance sheet from the impact of changes in market interest rates. In practice, this means balancing and stabilising the fair value changes related to both forest assets and loan obligations so that the net impact of the changes



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on equity is within the range agreed in the risk management policy. In addition, the cash flow of floating rate loans is hedged against a possible rise in interest rates.

The interest rate risk related to the value of the Group's forest assets is still caused by the fair value calculation model of Estonian and Romanian forests, in which very long future cash flows are discounted to the present. Changes in the discount rate (WACC) have a significant impact on the fair value of forests. The effects of the discount rate are also described in the accounting principles for forest assets and in Note 10 Forest assets.

The interest rate risk related to the Group's loan obligations is mainly caused by interest-bearing liabilities, the nominal values of which are presented in the table below:

EUR million	2025	2024
<i>Fixed-rate interest-bearing liabilities</i>		
Bonds	750.0	750.0
<i>Variable rate interest-bearing liabilities</i>		
Bank loans	350.0	200.0
Commercial paper	40.0	62.0
Total interest-bearing liabilities	1,140.0	1,012.0

The Group has hedged against interest rate risk by entering into non-speculative interest rate derivatives with financial institutions with high credit ratings. All of the Group's derivative contracts have been concluded through the parent company. The interest rate hedging strategy is approved by the Group's Board of Directors and implemented by the Group's treasury management.

Some of the Group's potential short-term money market investments expose its cash flow to interest rate risk, but the impact is not significant in its entirety. The Group's income and operating cash flows are largely independent of fluctuations in market interest rates. The Group is mainly exposed to interest rate risk in terms of variable interest rates and is considered to be mainly related to interest-bearing liabilities. In accordance with the principles of risk management, the Group must hedge at least 50% of the loan portfolio against fluctuations in market interest rates. On the balance sheet date 81 % of interest-bearing liabilities had a fixed interest rate or had been converted into a fixed rate with the help of interest rate derivatives. In this review, the interest rate cap options have been considered to be fixed-rate because they protect the company against a rise in market interest rates, and commercial papers have a variable interest rate because their maturities are short and they will largely be renewed in accordance with the interest rate level prevailing at the time of maturity. The average maturity of debt on the balance sheet date is 3.6 years. The Group may take out a loan at either a fixed rate or a floating rate and use interest rate swaps or ordinary interest rate options to achieve the objective in accordance with its financing principles.

The Group has prepared for future loan refinancing and hedging of their interest rate risk by entering into long-term interest rate derivative contracts with financial institutions. These strategic interest rate hedging also protect the discount rate used in the calculation of the fair value of forest assets, i.e. implement the above-mentioned long-term balance sheet stabilisation for forest assets located in countries where the discount rate is not determined on the basis of market transactions.

At the end of 2025, Tornator's interest rate derivative contracts consist of interest rate cap options totalling EUR 170 million, with an average interest rate cap level of 0.2%. The interest rate cap options expire in 2033. The company has no payment obligations related to the interest rate cap option agreements.

Based on loans and interest rate derivatives, the Group paid an average net interest of approximately 2.4% (2.9%).



EUR thousand	2025	2024
Gains (+) and losses (-) recognised through income statement from changes in the fair value of interest rate derivatives	757.2	-5,982.0

A change in the yield curve of +/- 1 percentage point would affect the income statement and balance sheet items as follows. The calculation takes into account the impact of interest rate derivatives:

EUR thousand	+1 percentage point	-1 percentage point
To income statement		
Interest costs	-1,900	1,900
Change in fair value of derivatives	9,265	-9,773
To shareholders' equity, after taxes	5,892	-6,298

Liquidity risk

The Group strives to continuously assess and monitor the amount of financing required for its business operations in order to ensure that the Group has sufficient liquid assets and committed credit facilities to finance its operations and to repay maturing loans. The Group's Financing Guidelines define the target amount of the liquidity buffer for both cash and other liquid assets. Furthermore, the Code of Conduct specifies that a liquid investment is a short-term interest fund that invests in banks and companies with a credit rating in the EU area, from which the funds can be redeemed within 24 hours. The availability and flexibility of financing is guaranteed under the terms of the long-term timber trade agreement regarding the timing of timber sales and advance payments during the year.

The following table presents the maturity analysis. The figures are undiscounted and include interest payments as well as principal repayments and repayments. For derivatives, undiscounted cash flows at the interest rate level at the reporting date are presented. A negative sign means a receivable and a positive cash flow on the balance sheet.

In addition to cash and cash equivalents, Tornator Oyj has a revolving credit facility of EUR 200 million, which was fully undrawn on the balance sheet date. The facility and the shares drawn from it will mature in 2029.

In order to secure the repayment of the bond maturing in autumn 2026, Tornator has agreed on a bank loan of EUR 250 million, which can be drawn for the repayment of the bond and is fully undrawn on the balance sheet date. If the loan is drawn, it will mature in 2029.



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31 Dec 2025									
EUR million	Note	Balance sheet value	Cash flow	2026	2027	2028	2029	2030	2031+
Financial liabilities									
Bonds		747.5	862.7	370.7	16.3	16.3	16.3	16.3	426.7
Bank loans		348.0	394.2	10.1	10.7	161.2	6.1	206.1	
Commercial paper		39.7	40.0	40.0					
Subsidiaries' loans		0.7	0.7	0.7					
Total financial liabilities	18	1,135.9	1,297.7	421.5	27.0	177.6	22.4	222.4	426.7
Accounts payable	22	2.1	2.1	2.1					
Derivative instruments									
Interest rate derivatives	11	-30.2	-25.0	-3.3	-3.3	-3.3	-3.3	-3.3	-8.3

31 Dec 2024									
EUR million	Note	Balance sheet value	Cash flow	2025	2026	2027	2028	2029	2030+
Financial liabilities									
Bonds		746.9	883.4	20.7	370.7	16.3	16.3	16.3	443.0
Bank loans		199.2	224.1	6.9	56.9	5.2	155.2		
Commercial paper		61.6	62.0	62.0					
Subsidiaries' loans		0.7	0.7	0.7					
Total financial liabilities	18	1 008.4	1 170.3	90.3	427.6	21.5	171.5	16.3	443.0
Accounts payables	22	2.5	2.5	2.5					
Derivative instruments									
Interest rate derivatives	11	-29.5	-40.8	-4.8	-4.8	-4.8	-4.8	-4.8	-16.8

Credit risk

The Group's operating method defines the creditworthiness requirements and investment principles of customers, investment transactions and counterparties to derivative contracts. Credit risk management and credit control are centralised to the Group's treasury management. Credit is only granted to customers who have an impeccable credit history. For individual significant transactions, the Group always requests sufficient collateral from the counterparty. The Group enters into derivative contracts and transactions only with counterparties with a credit rating of at least A.

A large part of the Group's receivables are receivables from Stora Enso related to wood trade, and on the other hand, Stora Enso pays advance payments related to wood trade, so as a whole and taking into account Stora Enso's creditworthiness, these receivables are not subject to material credit risk in the management's assessment. With respect to receivables from other counterparties, the Group does not have a material credit risk concentration, as the receivables consist of several items. During the financial year, the Group has not had any significant credit losses recognised through profit or loss.



Capital management

The aim of the Group's capital management (equity vs. liabilities) is to support the business, ensure normal operating conditions and increase shareholder value with the aim of achieving the best possible return. An optimal capital structure also ensures lower capital costs. From the point of view of the capital structure, the key items are equity and interest-bearing liabilities. The key figures to be monitored are the equity ratio, net gearing and the Loan-to-value ratio, i.e. the ratio of secured liabilities to the value of forest assets pledged as collateral for liabilities. The equity ratio target is 50% and the upper limit of the Loan-to-value ratio in the covenant terms is 70%.

The Group's equity ratios, gearing and loan-to-value ratios were as follows:

EUR million	2025	2024
Interest-bearing debt	1,135.9	1,008.4
Interest-bearing receivables	0.0	0.0
Cash and cash equivalents	96.7	86.6
Net liabilities	1,039.2	921.9
Total equity	2,324.9	2,249.9
Gearing	44.7%	41.0%
Equity ratio	58.4%	59.8%
Loan-to-value covenant	57.6%	47.9%
Secured liabilities, EUR million	1,550.0	1,150.0
Value of pledged forest assets, EUR million	2,689.3	2,399.2

The company has complied with the terms and conditions of its loans.

5 Accounting principles and estimation-related uncertainties requiring management judgement

Forest assets

The most material item that requires management discretion is related to the assumptions used in the valuation of forest assets. IAS 41 Agriculture requires that biological assets, such as growing stock, are recognised at fair value less selling expenses. The fair value of biological assets is calculated on the basis of future net cash flows, i.e. based on sustainable silviculture and taking into account the growth potential of the growing stock. Discounted cash flows require estimates of growth, harvesting, sales price, costs and discount rates. When determining the value of biological assets, the company's management must make accurate estimates of future price levels and sales and cost prospects. Forest assets must also be analysed regularly in order to estimate the amount of timber that can be harvested and the current growth rate of the forest.

Forest assets located in Finland

The fair value of forest assets located in Finland is determined using a market-based approach, which is based on forest estate transactions made in the areas where Tornator's forests are located. Market prices between different regions vary significantly, and the definition of areas relevant to market transactions used in valuation involves judgement. The valuation of forest assets is based on Tornator's own forest estate purchases as well as detailed transaction data and price statistics provided by external market information providers. The valuation takes into account the location, price level and volume of growing stock of forest assets. Changes in transaction prices and the volume development of growing trees have an impact on the value of forest assets, Tornator applies weighted three-year average market transaction prices, which are considered to contain a sufficient number of transactions and are estimated to be representative of market conditions on the reporting date.



The value of forest assets is allocated to biological assets and forest land. The allocation of the total fair value of forest assets is based on a yield-based approach, in which the present values of expected net cash flows are calculated for both biological assets and land. The discount rate is defined as the rate at which the valuation based on market transaction prices corresponds to the present value of the combined cash flows of biological assets and land. The net cash flows of each component include estimates of future harvesting volumes, sales price levels and cost developments. More detailed information is presented in Note 10 (Forest assets).

Forest assets located in Estonia and Romania

Instead of the aforementioned market transaction-based method, Estonian and Romanian forest assets are valued using a revenue-based method. As for biological assets, the items that require management judgement are largely similar to the ones mentioned in the section regarding Finnish forest assets. Judgement is also required for defining the discount rate used. The discount rate is determined using the Group's weighted average cost of capital (WACC), in which the return requirement of capital is based on the capital asset pricing model and country-specific risk assessments performed. The risk assessments are performed if necessary. The discount rate is revised based on a pre-established calculation model. However, changes to the discount rate are only applied if a single component is subject to a significant long-term change. In 2025, the Group's WACC used as the basis for forest valuation was 3.50% (2024: 3.50%). The discount rate includes the return requirement for equity and borrowing costs. Effect of inflation (assumption for 2025 and 2024: 2.0%) is also considered in order to determine the real discount rate. When calculating the discount rate, the equity return component is assigned a weighting of 50% (2024: 50%). In calculating the equity return component, a minimum rule is applied in determining the risk-free interest used in WACC calculation. This means that five-year rolling average is still used as the risk-free interest rate, but if the spot rate is higher than the rolling average, the spot rate will be used. In 2024 and 2025, the spot rate was higher and thus the risk-free interest applied was 2.59% (2.26%). In 2025, the risk premium on equity calculated by an external valuer was 3.00% (3.00%). The risk premium is calculated based on the realised excess returns of forestry between the years 1995 and 2025. When calculating the discount rate, the interest rate component of debt is assigned a weighting of 50% (2024: 50%), in accordance with the target set in company strategy and the value corresponds to the hedged interest rate of long-term loans (estimated as 4.0% over time; 2024 estimate: 4.0%). A fluctuation range of +/-0.25% is applied to the discount rate. This means that the discount rate is only adjusted if it fluctuates by an amount greater than +/-0.25% point. The discount rate derived from the Group's average cost of capital amounted to 3.50% (3.50%) and 5.50% (5.50%) for Estonian and Romanian forest assets, respectively. The discount rate applied in Romania reflects the interest increase in local currency (RON) in comparison to EUR during the comparison period. The discount rate used for valuing Finnish forest assets, calculated based on market transaction prices and cash flows from biological assets and land area, (real, after-tax) amounted to 3.33% (2024: 3.08%).

The principles of forest valuation are presented in the accounting principle for forest assets, and the valuation for the past financial year is presented in Note 10.

Purchase price receivables from wind power

Tornator has sold wind power projects for which it contractually expects to receive additional purchase price payments at the latest when the investment decision for the wind power project is made. Thus, there is significant uncertainty regarding the realisation of the receivable. The amount of the additional purchase price may be determined on different basis. It may depend on the production capacity or actual value (sales price) of the wind farms to be built at the time of the investment decision. Additional purchase price receivables have been recorded for several projects, and the probability and timing of the implementation of the projects have been assessed according to the progress of the projects. The fair value of the receivable is determined as the present value of the expected cash flows. The applied discount rate is 5%. During the 2025 financial year, the investment environment for wind power in Finland continued to be weak, as in the previous year. The prevailing investment environment was also taken into account in the management's estimates of the fair values of the agreed additional purchase prices in the financial statements on 31 December 2025. Compared to the 2024 balance sheet date, the changes were not significant, but mainly the



possible implementation dates of the projects were estimated and mainly slightly postponed. One new project cooperation agreement was signed at the end of 2025 and as a result, the fair value of wind power additional purchase price receivables increased and a small positive change in fair value for the financial year 2025 was recognised in other operating income.

6 Operating segments

The Group's core business is the production of wood and the sale of cutting rights to stands marked for harvesting. The cutting sites contain normal cutting methods and timber species. The sale of cutting rights accounted for 91.1% of net sales (90.5% in 2024). The Group's business operations are managed and monitored by country in terms of the income statement and as a single entity in terms of the balance sheet. In addition to Group-level figures, Tornator reports to the chief operational decision-maker the net sales, other operating income, operating expenses and net operative operating profit by operating country. A country-by-country calculation and reconciliation with the official operating profit is presented below. The balance sheet items are not reported to the chief operative decision-maker with similar accuracy, so they are presented separately for Finland and combined for Estonia and Romania.

Stora Enso is significant as an individual customer. Transactions with Stora Enso are described in Note 32 Related party transactions.

1 Jan - 31 Dec 2025					
EUR thousand	Finland	Estonia	Romania	Group internal eliminations and adjustments	Group total
Turnover	215,529.7	11,420.6	5,257.9	0.0	232,208.2
Other operative income	5,076.0	773.3	339.5	-552.3	5,636.6
Operative costs	-61,491.0	-5,452.9	-3,101.5	586.9	-69,458.5
Operating profit	159,114.6	6,741.0	2,496.0	34.6	168,386.2
Fair value items operating profit	138,539.1	-8,590.9	41.8	0.0	129,990.0
Operating profit (IFRS)	297,653.7	-1,849.9	2,537.8	34.6	298,376.2

1 Jan - 31 Dec 2024					
EUR thousand	Finland	Estonia	Romania	Group internal eliminations and adjustments	Group total
Turnover	195,280.1	12,974.4	4,759.8	0.0	213,014.4
Other operative income	5,020.1	1,000.7	341.4	-474.1	5,888.2
Operative costs	-56,622.9	-5,075.9	-3,581.9	506.4	-64,774.3
Operating profit	143,677.4	8,899.3	1,519.4	32.3	154,128.3
Fair value items operating profit	8,312.8	27,096.0	331.1	0.0	35,739.8
Operating profit (IFRS)	151,990.2	35,995.2	1,850.5	32.3	189,868.2



	31 Dec 2025		31 Dec 2024	
	EUR thousand	%	EUR thousand	%
Forest assets:				
Finland	3,503,359.2	92.1	3,278,296.5	91.2
Romania and Estonia	301,172.5	7.9	316,608.2	8.8
Total	3,804,531.7	100.0	3,594,904.7	100.0
Non-current assets:	1,000,euro	%	1,000,euro	%
Finland	3,542,457.1	92.1	3,315,715.2	91.2
Romania and Estonia	305,038.3	7.9	320,416.1	8.8
Total	3,847,495.5	100.0	3,636,131.3	100.0

The non-current assets presented above include all non-current assets of the Group other than financial instruments, deferred tax assets and assets related to post-employment benefit arrangements.

7 Intangible assets

31 Dec 2025			
EUR thousand	ICT software	Other intangible rights	Total
Acquisition cost 1 Jan 2025	12,785.5	82.1	12,867.6
Translation difference	-43.0		-43.0
Increases	454.6		454.6
Decreases			
Acquisition cost 31 Dec 2025	13,197.1	82.1	13,279.2
Accrued depreciation and impairment			
Accrued depreciation and impairment on 1 Jan 2025	-10,167.7	-82.1	-10,249.8
Depreciation and amortisation	-888.2		-888.2
Accrued depreciation and impairment on 31 Dec 2025	-11,055.9	-82.1	-11,138.0
Book value 31 Dec 2025	2,141.2		2,141.2
Book value 1 Jan 2025	2,617.8		2,617.8

31 Dec 2024			
EUR thousand	ICT software	Other intangible rights	Total
Acquisition cost 1 Jan 2024	11,763.8	82.1	11,845.9
Translation difference	-29.9		-29.9
Increases	1,051.6		1,051.6
Decreases			
Acquisition cost 31 Dec 2024	12,785.5	82.1	12,867.6
Accrued depreciation and impairment			
Accrued depreciation and impairment on 1 Jan 2024	-9,432.7	-82.1	-9,514.8
Depreciation and amortisation	-735.0		-735.0
Accrued depreciation and impairment on 31 Dec 2024	-10,167.7	-82.1	-10,249.8
Book value 31 Dec.2024	2,617.8		2,617.8
Book value 1 Jan 2024	2,331.1		2,331.1



8 Property, plant and equipment

31 Dec 2025					
EUR thousand	Buildings	Machinery and equipment	Roads and ditches	Purchases in progress	Total
Acquisition cost 1 Jan 2025	1,857.9	3,216.3	45,513.0	3,085.9	53,673.1
Translation difference	-13.0	62.2	-45.3	-6.4	-2.4
Increases	31.7	116.7	2,724.6	4,328.8	7,201.9
Decreases		-48.9		-3,007.2	-3,056.1
Acquisition cost 31 Dec.2025	1,876.6	3,346.3	48,192.4	4,401.1	57,816.5
Accrued depreciation and impairment					
Accrued depreciation and impairment on 1 Jan 2025	-896.1	-2,850.1	-31,960.0		-35,706.2
Depreciation and amortisation	-87.2	-12.7	-2,424.4		-2,524.3
Accrued depreciation and impairment on 31 Dec 2025	-983.3	-2,862.8	-34,384.4		-38,230.5
Book value 31 Dec 2025	893.3	483.5	13,808.0	4,401.1	19,585.9
Book value 1 Jan2025	961.8	366.2	13,553.0	3,085.9	17,966.8

31 Dec 2024					
EUR thousand	Buildings	Machinery and equipment	Roads and ditches	Purchases in progress	Total
Acquisition cost 1 Jan 2024	1,770.6	3,225.2	41,476.4	3,419.8	49,892.0
Translation difference	3.2	0.1	0.5	0.1	3.9
Increases	84.1	132.5	4,036.1	4,627.0	8,879.6
Decreases		-141.5		-4,961.0	-5,102.4
Acquisition cost 31 Dec 2024	1,857.9	3,216.3	45,513.0	3,085.9	53,673.1
Accrued depreciation and impairment					
Accrued depreciation and impairment on 1 Jan 2024	-811.2	-2,887.8	-29,887.0		-33,586.0
Depreciation and amortisation	-84.9	37.7	-2,073.1		-2,120.2
Accrued depreciation and impairment 31 Dec 2024	-896.1	-2,850.1	-31,960.0		-35,706.2
Book value 31 Dec 2024	961.8	366.2	13,553.0	3,085.9	17,966.8
Book value 1 Jan 2024	959.4	337.4	11,589.4	3,419.8	16,306.0



9 Right-of-use assets

31 Dec 2025			
EUR thousand	Office space	Machinery and equipment	Right-of-use assets, total
Acquisition cost 1 Jan 2025	2,317.5	1,438.1	3,755.6
Increases	333.6	488.4	822.0
Decreases	0	-104.3	-104.3
Acquisition cost 31 Dec 2025	2,651.1	1,822.2	4,473.3
Accrued depreciation and impairment			
Accrued depreciation and impairment on 1 Jan 2025	-1,039.8	-1,145.4	-2,185.1
Depreciation and amortisation	-145.2	-249.8	-394.9
Accrued depreciation and amortisation on 31 Dec 2025	-1,184.9	-1,395.1	-2,580.1
Book value 31 Dec 2025	1,466.2	427.1	1,893.3

31 Dec 2024

EUR thousand	Office space	Machinery and equipment	Right-of-use assets, total
Acquisition cost 1 Jan 2024	2,254.5	1,375.6	3,630.1
Increases	87.4	77.4	164.8
Decreases	-24.4	-14.8	-39.2
Acquisition cost 31 Dec 2024	2,317.5	1,438.1	3,755.6
Accrued depreciation and impairment			
Accrued depreciation and impairment on 1 Jan 2024	-900.4	-910.9	-1,811.3
Depreciation and amortisation	-139.4	-234.4	-373.8
Accrued depreciation and impairment on 31 Dec 2024	-1,039.8	-1,145.4	-2,185.1
Book value 31 Dec 2024	1,277.7	292.8	1,570.5

The Group's right-of-use assets consist of leased office space and leased cars. With regard to office leases valid until further notice, the Group has assessed the likelihood of the continuation and duration of the lease agreement on a case-by-case basis. In the case of leased cars, the renewal of expiring contracts is considered on a case-by-case basis.

The depreciation and financial expense recognised in the income statement for right-of-use assets and the items recognised in the income statement for short-term and low-value leases are as follows and together reflect the total cash flow paid from leases:

Income statement items	2025	2024
Depreciation	394.9	373.8
Financial expenses	94.4	80.8
Expenses from short-term lease contracts	281.9	290.9
Expenses from low value lease contracts	32.8	35.1

For more information on lease liabilities related to right-of-use assets, see Note 19



10 Forest assets

The value of forest assets consists of growing stock and the value of the bare land areas.

The determination of the fair value of forest assets is described in the accounting policies and in Note 5 Accounting policies requiring management's judgement and uncertainties related to estimates.

EUR thousand	Biological assets		Land areas		Total forest assets	
	31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024
Value at the beginning of the period	3,256,747.3	3,139,184.4	338,157.4	316,358.3	3,594,904.7	3,455,542.7
Harvesting	-187,848.0	-140,290.5	0.0	0.0	-187,848.0	-140,290.5
Change in fair value of biological assets and growth	317,642.6	175,481.0			317,642.6	175,481.0
Change in Income statement	129,794.6	35,190.5	0.0	0.0	129,794.6	35,190.5
Revaluation of land areas, other comprehensive income	0.0	0.0	-87,345.3	11,618.2	-87,345.3	11,618.2
Purchases	150,177.2	83,327.6	18,561.2	10,298.9	168,738.5	93,626.5
Sales	-663.4	-963.1	-82.0	-119.0	-745.4	-1,082.1
Translation difference	-725.6	7.9	-89.7	1.0	-815.3	8.9
Value at the end of the period	3,535,330.1	3,256,747.3	269,201.6	338,157.4	3,804,531.7	3,594,904.7

The total value of Finland's forest assets has been determined at the regional level. The value used to determine the total value, €/m³, for standing stock on forest land, varies between regions. In addition to forest land, standing stock can be found on poorly productive and wasteland, but standing stock other than on forest land are not taken into account in the valuation calculation. The total value of Tornator's forest assets in Finland by region is formed as follows (31 Dec 2024 situation as comparative data):

Value of forest assets by region 31 Dec 2025	Standing stock on forest land, 1,000 m ³	Market Transaction Value, €/m ³	Number of forest estate transactions used in valuation	Total value EUR thousand
North Karelia	31,112	47.53	895	1,478,669
North Savo	14,661	48.64	567	713,072
South Savo	8,217	56.47	438	464,005
South Karelia	5,324	52.94	210	281,849
Kainuu	4,891	34.95	416	170,940
North Ostrobothnia	4,336	34.83	743	151,020
Lapland	2,212	26.98	356	59,671
Kymenlaakso	1,201	52.82	148	63,433
Central Finland	1,325	51.34	430	68,053
Uusimaa	610	58.13	44	35,456
Päijät-Häme	215	57.95	101	12,447
Kanta-Häme	27	57.96	55	1,547
South Ostrobothnia	29	44.38	278	1,309
Pirkanmaa	15	52.49	264	776
Central Ostrobothnia	29	37.91	117	1,113
Total	74,205			3,503,359



Value of forest assets by region 31 Dec 2024	Standing stock on forest land, 1,000 m3	Market Transaction Value. €/m3	Number of forest estate transactions used in valuation	Total value, EUR thousand
North Karelia	30,079	45.23	923	1,360,330
North Savo	14,294	48.46	552	692,617
South Savo	7,951	56.72	379	450,994
South Karelia	5,392	52.49	209	283,035
Kainuu	4,088	34.20	400	139,815
North Ostrobothnia	3,793	32.89	644	124,767
Lapland	2,146	26.24	267	56,310
Kymenlaakso	1,132	51.82	125	58,678
Central Finland	1,120	50.79	321	56,890
Uusimaa	600	63.83	28	38,303
Päijät-Häme	195	59.72	71	11,650
Kanta-Häme	32	65.80	40	2,131
South Ostrobothnia	33	42.66	164	1,419
Pirkanmaa	17	50.75	159	857
Central Ostrobothnia	14	36.62	107	498
Total	70,887			3,278,296

The change in the total value of forest assets in the financial years 2024 and 2025 is due to both the purchases of new forests and the positive change in the value of existing forest assets. In 2025, new forest holdings were purchased for approximately EUR 169 million (2024: 94). Biological assets (standing stock) are measured at fair value and bare land is valued using the revaluation method. Tornator allocates the total value of forest assets to biological assets and bare land as described in the accounting principles (Note 3). In the financial year 2025, changes in the estimated cash flows of biological assets and bare land were more biological asset dominant than in the comparison period, which led to a positive change in the fair value of biological assets and a negative change in the fair value of the bare land.

If the bare land had been valued at acquisition cost, its book value would have been as follows:

EUR thousand	31 Dec 2025	31 Dec 2024
Acquisition cost at the beginning of the period	134,592.9	124,412.0
Translation difference	-89.7	1.0
Increases	18,561.2	10,298.9
Decreases	-82.0	-119.0
Acquisition cost at the end of the period	152,982.4	134,592.9
Land revaluation at the beginning of the period	203,564.5	191,946.3
Land area revaluation during the period	-87,345.3	11,618.2
Land revaluation at the end of the period	116,219.2	203,564.5
Book value based on the revaluation method at the end of the period	269,201.6	338,157.4



Value of forest assets and physical quantities by country 31 Dec 2025

	Finland	Estonia	Romania	Group total
Value of forest assets, EUR thousand	3,503,359	257,481	43,691	3,804,532
Total area, hectares	741,685	65,339	11,973	818,997
Standing stock, m ³	75,267,175	6,620,359	4,554,000	86,441,534
Harvesting, m ³	2,875,000	223,202	102,500	3,200,702
Growth, m ³	3,338,000	322,549	144,000	3,804,549

Value of forest assets and physical quantities by country 31 Dec 2024

	Finland	Estonia	Romania	Group total
Value of forest assets, EUR 1.000	3,278,296	272,243	44,365	3,594,905
Total area, hectares	706,094	65,229	11,973	783,296
Standing stock, m ³	72,146,000	6,608,015	4,510,000	83,264,015
Harvesting, m ³	2,874,000	260,681	82,000	3,216,681
Growth, m ³	3,206,000	318,000	144,000	3,620,000

The most significant factors affecting changes in the fair value of forest assets in Finnish forests are changes in the prices of forest estate transactions and the amount of standing timber. An average change of one euro in forest estate transaction prices would affect the fair value of forest assets by EUR +/- 74 million. A change in standing timber of +/- 1 million cubic metres would affect the fair value of forest assets by an average of +/- EUR 47 million.

For Estonian and Romanian forests, the effects of the most significant assumptions on the fair value of biological assets are as follows:

Assumption	Estonia	Romania
Change in the discount rate +/- 1% point	-39 / +56 MEUR	-6 / +9 MEUR
Change in sales price +/- 10%	+ / -25 MEUR	+ / -7 MEUR

11 Derivatives

The Group uses interest rate swaps and interest rate options to hedge against fluctuations in the market interest rate. At present, all valid contracts are treated as items at fair value through profit or loss. The contracts will expire later than after 5 years.

Nominal values of interest rate derivatives 31.12.

EUR thousand	31 Dec 2025	31 Dec 2024
Interest rate swaps		
Interest rate options, purchased	170,000	170,000
Total nominal values of derivatives	170,000	170,000



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Fair values of interest rate derivatives 31 December:

EUR thousand	2025			2024 Net
	Assets	Liabilities	Net	
Interest rate swaps				
Interest rate options, purchased	30,184.9		30,184.9	29,475.4
Total nominal values of derivatives	30,184.9		30,184.9	29,475.4

Breakdown of the change in fair value of interest rate derivatives during the financial period:

EUR thousand	31 Dec 2025	31 Dec 2024
Derivatives at the beginning of the period	29,475.4	35,516.3
Changes		
Income statement:		
Interest rate swaps, change in fair value		
Interest rate options, change in fair value	757.2	-5,981.5
Share of change in accrued interest*	-47.7	-59.4
Effect in income statement	709.5	-6,040.9
Total changes	709.5	-6,040.9
Derivates at the end of the period	30,184.9	29,475.4

* In the income statement as part of interest expenses.

The change in the fair value of interest rate derivatives recorded in the income statement has increased the result by EUR 757.2 thousand (decreased EUR 5.981.5 thousand).

For more information on the maturities and interest rates of interest rate derivatives, see Note 4 Financial risks.

12 Inventories

EUR thousand	2025	2024
Other inventories	51.5	64.1
Total	51.5	64.1

Inventories mainly consist of fertilizer and wood raw material inventories as well as buildings held for sale. The Group has not recognised any impairment losses on inventories in 2025 or 2024. The change in inventories of EUR -755.4 thousand (EUR -1.087.1 thousand) recognised in the income statement during the financial year consists of a change in fertiliser and wood raw material stocks and the book values of sold land areas transferred to inventories.



13 Accounts and other receivables

Other receivables consist of the following items:

Other receivables, non-current	2025	2024
Valued at fair value through income statement		
Additional purchase prices of wind power transactions	19,232.2	18,960.3
Total	19,232.2	18,960.3
Other receivables, current	2025	2024
Valued at amortised cost		
Other receivables	490.4	338.4
Accrued income	302.8	1,607.5
Valued at fair value through income statement		
Additional purchase prices for wind power transactions	112.6	0.0
Total	905.8	1,945.9

Other receivables mainly consist of the estimated present value of additional purchase price receivables from divested wind power projects. The determination of the fair value of a receivable is described in Note 5. The division into long-term and short-term receivables is based on whether the additional purchase price payment is expected to be made within 12 months or later. Realised additional purchase price payments and changes in the fair value of receivables related to the progress of the projects have been recognised in other operating income. The most significant factors affecting changes in the fair value of wind power additional purchase price receivables are:

- Implementation of projects. The fair values of individual projects are between EUR 1.1 million and EUR 7.3 million
- The actual output (power) of the projects. +/- 10% change in the nominal output of the actual wind farm affects the fair value of the receivable +/- EUR 1.9 million
- Discount rate. A change in the discount rate of +/- 1 percentage point affects the fair value of the receivable by EUR +/- 0.5 million.

The additional purchase price receivable of wind power projects has changed as follows:

EUR thousand	2025	2024
Receivables at the beginning of the period	18,960.3	17,384.9
Increases from new and progressed projects	1,058.8	0.0
Other updates to the fair value of projects	-561.7	1,688.0
Fair value change in the income statement	497.1	1,688.0
Payments from receivables recognised as income in earlier periods	-112.6	-112.6
Receivables at the end of the period	19,344.8	18,960.3

Trade receivables are mainly receivables related to the transfer of wood recorded in turnover. The carrying amount of accounts receivables and other receivables corresponds to their fair value. Accounts receivables do not involve significant credit risk and the proportion of overdue receivables is low. The balance sheet values of accounts receivables best reflect the amount of money that is the maximum amount of credit risk in the event that the other parties to the contract are unable to meet their obligations related to the receivables. The fair values of receivables are presented in Note 37.



EUR thousand	2025	2024
Accounts receivables	47,610.9	43,464.5
Maturity breakdown of accounts receivable		
Not matured	47,550.1	43,162.5
matured for less than 3 months	45.7	280.4
matured for over 3 months – less than 6 months	4.1	21.6
matured for over 6 months	11.0	0.0

14 Investments

The investments are classified at amortized cost or fair value through the income statement

Investments, non-current

EUR thousand	2025	2024
Value at the beginning of the financial period	111.2	111.2
+ Increases / - decreases		
Value at the end of the financial period	111.2	111.2

Non-current investments include unlisted shares that are not expected to be sold in the near future. They are classified at fair value through the income statement as valuable.

Investments, current

Current investments are money market investments in money market funds and bank deposits. Fund investments are valued at fair value and bank deposits at amortised cost. At the end of the financial year 2025, Tornator had no money market investments.

Fund investments

EUR thousand	2025	2024
Value at the beginning of the period	0.0	567.3
+Increases / decreases		-566.8
Changes in fair value		-0.5
Value at the end of the period	0.0	0.0

Bank deposits

EUR thousand	2025	2024
Value at the beginning of the period	0.0	30,000.0
+ Increases / - decreases		-30,000.0
Value at the end of the period	0.0	0.0

The fair values of the investments are presented in Note 37. No impairment losses have been allocated to the investments.



15 Cash and cash equivalents

EUR thousand	2025	2024
Cash and bank accounts (cash and cash equivalents in the cash flow statement)	96,739.4	86,566.3
Total	96,739.4	86,566.3

There are no significant credit risk concentrations associated with cash and cash equivalents. The balance sheet values best reflect the amount of money that is the maximum amount of credit risk in the event that the other parties to the contract are unable to meet their obligations in relation to the claims. The fair values of cash and cash equivalents are presented in Note 37.

In addition to cash and cash equivalents, Tornator Oyj has a revolving credit facility of EUR 200 million, which was fully undrawn on the balance sheet date. The facility and the shares drawn from it will mature in 2029.

16 Share capital and share premium fund

Tornator shares have been issued in one class. All shares grant their holder equal rights to dividends. The company shares are subject to a redemption clause specified in its Articles of Association, according to which other shareholders have a redemption right if company shares change hands. The shares have no nominal value. Tornator Oyj currently has a total of 5 million shares.

	2025		2024	
	Group	Parent	Group	Parent
Number of shares on 1 Jan	5,000,000	5,000,000	5,000,000	5,000,000
Number of shares on 31 Dec	5,000,000	5,000,000	5,000,000	5,000,000
Share capital (EUR thousand) on 1 Jan	50,000.00	51,836.20	50,000.00	51,836.20
Share capital (EUR thousand) on 31 Dec	50,000.00	51,836.20	50,000.00	51,836.20
Share premium fund (EUR thousand) on 1 Jan	29,995.20	0	29,995.20	0
Share premium fund (EUR thousand) on 31 Dec	29,995.20	0	29,995.20	0

All issued shares have been paid in full.

An amount corresponding to the nominal value of the company's shares has been recorded in the share capital when the parent company was established.

Share premium

The difference between the nominal value of the shares and the subscription price of the shares has been entered in the share premium fund in cases where the share subscriptions have been decided under the old Limited Liability Companies Act (29.9.1978/734).

Handling of profit

The parent company's distributable funds amount to EUR 1,992,235,848.86, including profit for the period EUR 218,354,778,26. The revaluation reserve is restricted equity and is therefore not included in distributable funds.

Translation differences

The Group has subsidiaries in Estonia and Romania. In Romania, the share capital is denominated in the local currency (RON), so the Group's euro-denominated equity is exposed to changes in exchange rates. The change in the share price is recorded in the Group's translation differences in equity.



The change in exchange rates +/- 20% against the euro affects the Group's equity (EUR million):

+20 %	-20 %
+9.7	-6.5

17 Deferred tax assets and liabilities

Deferred taxes have been recorded for all temporary differences. The changes in deferred taxes during the financial year are as follows:

EUR thousand	Note	1 Jan.2025	Posted to the income statement	Posted in other comprehensive income items	31 Dec 2025
Deferred tax assets:					
Temporary differences					
Reforestation provision	21	2,436.3	75.4		2,511.7
Sale of land	22	1,662.4			1,662.4
Recognition of defined benefit plans	20	15.4	-1.4	-2.0	12.0
Total deferred tax assets		4,114.1	74.0	-2.0	4,186.1
Deferred tax liabilities:					
Temporary differences:					
Measurement of financial liabilities at amortised cost	18	790.1	103.0		893.2
Measurement of biological assets at fair value	10	424,397.3	27,689.3		452,086.6
Revaluation of land areas	10	37,117.6		-16,126.0	20,991.5
Total deferred tax liabilities		462,305.1	27,792.3	-16,126.0	473,971.3

EUR thousand	Note	1.1.2024	Posted to the income statement	Posted in other comprehensive income items	31 Dec 2024
Deferred tax assets:					
Temporary differences					
Reforestation provision	21	2,217.0	219.3		2,436.3
Sale of land	22		1,662.4		1,662.4
Recognition of defined benefit plans	20	29.6	5.0	-19.2	15.4
Total deferred tax assets		2,246.6	1,886.7	-19.2	4,114.1
Deferred tax liabilities:					
Temporary differences:					
Measurement of financial liabilities at amortised cost	18	363.1	427.0		790.1
Measurement of biological assets at fair value	10	422,814.3	1,583.1		424,397.3
Revaluation of land areas	10	37,610.0		-492.4	37,117.6
Total deferred tax liabilities		460,787.3	2,010.1	-492.4	462,305.1



In the financial year 2024, the deferred tax asset recognised through profit or loss from the sale of land is related to a land sale transaction in which Tornator sold land for a data centre project. The transaction is subject to such conditions that the transaction has not been recognised as income in the income statement, but in taxation the transaction has been recognised as income for 2024. The deferred tax asset is derecognised from the balance sheet when the transaction is recognised as revenue.

Deferred tax assets and liabilities are netted when the entity has a legally enforceable right to set off the recognised items against each other and the deferred taxes are related to the same tax recipient.

EUR thousand	2025	2024
Total deferred tax assets	4,186.1	4,114.1
Offset against deferred tax liability	4,186.1	4,114.1
Deferred tax assets on the balance sheet	0.0	0.0
Total deferred tax liabilities	473,971.3	462,305.1
Offset against deferred tax assets	-4,186.1	-4,114.1
Deferred tax liabilities on the balance sheet	469,785.2	458,191.0

Deferred tax assets

EUR thousand	2025	2024
Deferred tax assets that expire after 12 months	4,186.1	4,114.1
Deferred tax assets that expire within 12 months		

Deferred tax liabilities

EUR thousand	2025	2024
Deferred tax liabilities that expire after 12 months	473,971.3	462,305.1
Deferred tax liabilities that expire within 12 months		

Deferred tax liabilities have not been recognised from the subsidiaries' retained earnings. The Estonian subsidiary's retained earnings are EUR 183.8 million, and no deferred tax liability (EUR 40.4 million) has been recognised on them, as no retained earnings will be distributed as dividends during the foreseeable period.

18 Interest-bearing liabilities

EUR thousand	2025	2024
Non-current interest-bearing liabilities		
Bonds	397,722.0	746,878.3
Loans from financial institutions	348,664.6	199,871.7
Total non-current interest-bearing liabilities	746,386.6	946,750.0
Current interest-bearing liabilities		
Bonds	349,787.9	0.0
Loans from financial institutions	22.8	22.8
Commercial papers	39,715.6	61,573.9
Total current interest-bearing liabilities	389,526.3	61,596.7
Total interest-bearing liabilities	1,135,912.9	1,008,346.7



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Bonds have a fixed interest rate and loans from financial institutions have a variable interest rate. In commercial papers, the interest rate is fixed, but the maturities are short. Current financial liabilities will be renewed as they mature, if necessary, i.e. they will not have a significant impact on the Group's short-term cash flows. Part of the interest expense on variable-rate loans has been converted into fixed using interest rate derivatives. For more information on the nominal values and interest rates of derivatives, see Note 4 Financial risk management.

The main terms and conditions of Tornator's Bonds are as follows:

Bond	Year of Issuance	Maturity	Nominal value, EUR Million	Coupon rate
Green Bond 2026	2020	2026	350	1.250 %
Green Bond 2031	2024	2031	300	3.750 %
Private Placement 2031	2023	2031	50	4.972 %
Private Placement 2035	2023	2035	50	5.188 %

Bonds and loans from financial institutions include a total of EUR -4.5 million (EUR -4.0 million) of arrangement fee accruals.

The Group's forest assets serve as collateral for interest-bearing liabilities, excl. commercial papers that are unsecured. See Note 10 Forest assets and 35 Other collateral provided on own behalf.

Below is the maturity of interest-bearing liabilities in accordance with the balance sheet value. The timing of principal and interest payments on interest-bearing liabilities is presented in Note 4 under liquidity risk.

Maturity distribution 31 Dec 2025

EUR thousand	
2026	389,526.3
2027	
2028	149,839.3
2029	
2030	198,185.0
2031+	398,362.3
Total	1,135,912.9

Maturity distribution 31 Dec 2024

EUR thousand	
2025	62,297.4
2026	398,929.4
2027	-
2028	149,775.0
2029	-
2030+	397,344.9
Total	1,008,346.7

In addition to cash and cash equivalents, Tornator Oyj has a revolving credit facility of EUR 200 million, which is fully undrawn down on the balance sheet date. The facility and the shares drawn from it will mature in 2029.



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In order to secure the repayment of the bond maturing in autumn 2026, Tornator has agreed on a bank loan of EUR 250 million, which can be drawn for the repayment of the bond and is fully undrawn on the balance sheet date. If the loan is drawn, it will mature in 2029.

Reconciliation of changes in liabilities arising from financing activities:

EUR thousand	1 Jan 2025	Cash flow from financing activities	Financial expenses	Increase and Decrease	31 Dec 2025
Bonds	746,878.3		631.6	-	747,509.9
Loans from financial institutions	199,894.5	150,000.0	-1,207.1	-	348,687.4
Commercial papers	61,573.9	-21,858.3		-	39,715.6
Total interest-bearing liabilities	1,008,346.7	128,141.7	-575.5	-	1,135,912.9
Lease liabilities	1,688.6	-374.1		717.6	2,032.1
Total financial liabilities	1,010,035.3	127,767.6	-575.5	717.6	1,137,945.0

EUR thousand	1 Jan 2024	Cash flow from financing activities	Financial expenses	Increase and Decrease	31 Dec 2024
Bonds	448,841.7	300,000.0	-1,963.5	-	746,878.3
Loans from financial institutions	400,140.1	-200,000.2	-245.4	-	199,894.5
Commercial papers	98,747.9	-37,174.0		-	61,573.9
Total interest-bearing liabilities	947,729.8	62,825.8	-2,208.9	-	1,008,346.7
Lease liabilities	1,921.8	-358.9		125.7	1,688.6
Total financial liabilities	949,651.6	62,466.9	-2,208.9	125.7	1,010,035.3

The Group's bonds have a fixed interest rate and bank loans and commercial papers have a floating interest rate. Variable-rate loans are priced every 1–9 months.

Weighted averages of effective interest rates on financial liabilities. The average takes into account the impact of interest rate derivatives. For more information on interest rate derivatives, see Note 4 Financial risk management.

Average interest rate	2025	2024
Financial liabilities, incl. interest-bearing liabilities and derivatives	2.4 %	2.9 %

19 Lease liabilities

EUR thousand	2025	2024
Lease liabilities at the beginning of the period	1,688.6	1,921.8
Increases	822.0	164.8
Decreases	-104.4	-38.4
Repayment of lease liabilities	-374.1	-359.5
Lease liabilities at the end of the period	2,032.1	1,688.6
Current lease liabilities	345.9	279.7
Non-current lease liabilities	1,686.2	1,408.9

Income statement entries related to leases are presented in Note 9 Right-of-use assets.



Maturity of lease payments is as follows:

Year	Total payments
2026	430.9
2027	367.8
2028	301.5
2029	217.9
2030	188.3
2031+	919.7
Total	2,426.2

On 31 December 2025, the Group's lease liabilities for short-term leases are EUR 25 thousand.

On 31 December 2025, the Group's lease liabilities for lease agreements of low value are EUR 52 thousand.

20 Pension obligations

Pension plans are classified as defined benefit and defined contribution plans. Payments made to defined contribution pension plans are recognised in the income statement for the period to which the debit relates.

The Group has defined benefit pension plans in Finland. The schemes are based on the average final salary and the persons participating in them receive a supplementary pension in addition to the mandatory old-age pension. The amount of the pension benefit at the time of retirement is determined on the basis of certain factors, such as salary and years of employment. Pensions are adjusted in accordance with the retail price index. The pension arrangements have been taken care of by a life insurance company. The Group has partially funded arrangements. The funds under the plan will be managed by the life insurance company in accordance with local laws and practices.

The net defined benefit debt in the balance sheet is determined as follows:

EUR thousand	2025	2024
Present value of funded obligations	948.0	1,006.0
Fair value of plan assets	-888.0	-929.0
Net balance sheet liability	60.0	77.0



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Net defined benefit debt has changed during the financial year as follows:

EUR thousand		Present value of liability	Fair value of plan assets	Total
	1 Jan 2025	1,006	929	77
Current service costs		-	-	0
Interest loss or gain		31	29	2
Previous service costs and losses from fulfilled obligations		-	-	-
		31	29	2
Amount booked in personnel costs of the income statement				
<i>Re-defined items:</i>				
Profit form assets included in the plan, apart from items included in interest loss or gain (±)			-22	22
Actuarial profit (-) or loss (+) from changes in demographic assumptions		-	-	-
Actuarial profit (-) or loss (+) from changes in financial assumptions		-28	-	-28
Experience-based profit (-) or loss (+)		-4	-	-4
Changes in the maximum amount of an asset item, apart from the amount included in interest losses (±)		-	-	-
Total amount of re-defined items		-32	-22	10
<i>Payments:</i>				
From employers (+)			9	-9
From plan members (+)				-
<i>Payments from plans:</i>				
Benefits paid (-)		-57	-57	0
Settlements		0	0	0
	31 Dec 2025	948	888	60

EUR thousand		Present value of liability	Fair value of plan assets	Total
	1.1.2024	1,002	854	148
Current service costs		-	-	-
Interest loss or gain		40	35	5
Previous service costs and losses from fulfilled obligations		-	-	-
		40	35	5
Amount booked in personnel costs of the income statement				
<i>Re-defined items:</i>				
Profit form assets included in the plan, apart from items included in interest loss or gain (±)			70	-70
Actuarial profit (-) or loss (+) from changes in demographic assumptions		-	-	-
Actuarial profit (-) or loss (+) from changes in financial assumptions		43	-	43
Experience-based profit (-) or loss (+)		-19	-	-19
Changes in the maximum amount of an asset item, apart from the amount included in interest losses (±)		-	-	-
Total amount of re-defined items		24	70	-46



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Payments:

From employers (+)		30	-30
From plan members (+)			-

Payments from plans:

Benefits paid (-)	-60	-60	0
Settlements	0	0	0

	31 Dec 2024	1,006	929	77
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Sensitivity analysis of the defined benefit pension obligations

The following table illustrates the impact of various factors on the defined benefit obligation, fair value of assets, net debt and pension expenditure for the financial year 2025. The analysis has been carried out using the same calculation principles as the pension calculations.

EUR thousand	Defined benefit obligation	Fair value of plan assets	Net liabilities	Service cost	Net interest
Discount rate 3.50 %	948	888	60	0	2
Discount rate +0.50 %	905	848	57	0	2
Discount rate -0.50 %	995	931	65	0	2
Change %					
Discount rate 3.50 %	0 %	0 %	0 %	0 %	0 %
Discount rate +0.50 %	-5 %	-5 %	-6 %	0 %	7 %
Discount rate -0.50 %	5 %	5 %	7 %	0 %	-8 %
EUR thousand					
Change in pension benefit 2.20%	948	888	60	0	2
Change in pension benefit +0.50%	991	888	103	0	3
Change in pension benefit -0.50%	909	888	21	0	1
Change %					
Change in pension benefit 2.20%	0 %	0 %	0 %	0 %	0 %
Change in pension benefit +0.50%	5 %	0 %	70 %	0 %	74 %
Change in pension benefit -0.50%	-4 %	0 %	-66 %	0 %	-69 %

The change in mortality, which would increase the life expectancy by 1 year, would increase the net pension liability by EUR 5.0 thousand (8.2%).



Fair value of plan assets

Payments paid to the insurance company and accrued by the balance sheet date are considered to be assets included in the plan. The assets are part of the insurance company's investment assets and their management is the responsibility of the insurance company. Therefore, it is not possible to present a breakdown of the assets included in the plan by asset group. The actual return on the proceeds of the plan was EUR 7 thousand in 2025 (EUR 105 thousand in 2024).

The key actuarial assumptions:

	2025	2024
Discount rate %	3.50 %	3.20 %
Future employee pension increases %	2.20 %	2.20 %
Inflation	2.00 %	2.00 %
Average remaining service years	0	0
Obligation duration	10	10
Mortality table	Gompertz	Gompertz

The Group expects to pay EUR 58 thousand for defined benefit pension plans in the financial year 2026.

The weighted average duration of the pension obligation is 10 years. The assumed maturity analysis of undiscounted pension obligations on 31 December 2025 is:

EUR thousand	Less than a year	1 - 5 years	5 - 10 years	10 - 15 years	More than 15 years	Total
Pension obligations	58	264	319	291	437	1,369

21 Provisions

EUR thousand	2025	2024
Reforestation provision at the beginning of period	12,948.9	11,810.1
Provision change (increase is a cost in the income statement)	301.7	1,138.7
Reforestation provision at the end of period	13,250.5	12,948.9

The reforestation provision recognised in the balance sheet consists of the estimated present value of the cash flows related to the regeneration of open areas arising from the statutory reforestation obligation at the reporting date. The euro amount of the provision presented in the balance sheet has been calculated as the product of open areas (hectares) and the average regeneration cost (€/hectare). The open areas on which the provision is based are mainly renewed during the year after they were created, when they are removed from the areas on which the calculation is based, but correspondingly, new open areas are constantly being created as a result of cuttings. Consequently, the figures presented are undiscounted. At Tornator, the amount of reforestation reservation is monitored at the overall level and the change is reported as a net amount. At the end of 2025, there were 17.800 ha (17.900 ha) of open areas.



22 Accounts payable and other payables

EUR thousand	2025	2024
Accounts payable	2,054.0	2,480.3
Advance payments received	34,262.1	24,411.5
Refund liability	8,500.0	8,500.0
<i>Accrued liabilities:</i>		
Personnel related accruals	3,114.7	2,738.7
Interest accruals	6,539.6	5,098.0
Other accruals	795.1	577.8
Accrued liabilities and deferred income total	10,449.4	8,414.5
Other liabilities	18,635.7	17,624.4
Account payable and other payables total	73,901.1	61,430.7

The refund liability is related to a land sale transaction in which Tornator sold land for a data center project, but the completion of the transaction is conditional on the fulfilment of the official permits and various rights required for the construction of the data center. Upon completion of the transaction, the refund liability presented herein will be recognised in net sales.

Other liabilities mainly consist of VAT liabilities.

The fair value of accounts payable is presented in Note 37.

23 Distribution of net sales

EUR thousand	2025	2024
Sale of cutting rights	211,589.7	192,761.9
Sale of holiday plots and forest plots	1,631.3	3,243.0
Sale of silviculture services	18,987.2	17,009.4
Total	232,208.2	213,014.4

The sale of cutting rights and silviculture services is mainly based on multi-year contracts. Real estate sales are always single events. Revenue recognition takes place when the trees that were the subject of the cutting right have been felled, the property has been sold or the service has been performed. There are no uncertainties or transaction prices related to the amounts recognised as income at a later date. In the balance sheet, receivables related to net sales are presented in accounts receivables and advance payments to future net sales are presented in liabilities. Stora Enso is the single most significant customer. Transactions with Stora Enso are described in more detail in Note 32 Related party transactions.

24 Other operating income

EUR thousand	2025	2024
Sale of soil resources	599.0	668.5
Land area rents	3,084.0	2,422.8
Compensation for nature conservation	585.9	1,686.2
Other income*	1,367.8	2,798.8
Total	5,636.6	7,576.3



*Others include income from actual and estimated future payments related to the sale of wind power projects totalling approximately EUR 0.5 million (1.7). The agreements contain conditions that affect the amount of the final additional purchase price to be paid in other respects. Otherwise Other consists of several items that are not individually material.

25 Materials and services

EUR thousand	2025	2024
Products and services		
Purchases	7,279.0	6,491.1
External services	35,739.4	33,468.8
Change in provisions	301.7	1,138.7
Total	43,320.2	41,098.7

Purchases mainly consist of seeds, seedlings and fertilizers.

External services mainly consist of services by forest machine contractors.

Reforestation provision is the change in provision booked due to obligation of renewing forests

26 Personnel expenses

EUR thousand	Note	2025	2024
Wages		10,218.8	9,539.8
Pension costs - defined contribution arrangements		1,603.8	1,259.7
Pension costs - defined benefit arrangements	20	-7.1	-24.2
Social security costs		690.2	565.8
Total		12,505.8	11,341.2

27 Depreciation and amortisation expense and impairments

EUR thousand	Note	2025	2024
Depreciation and amortisation on fixed assets			
Buildings	8	87.2	84.9
Machinery and equipment	8	12.7	152.4
Roads and ditches	8	2,424.4	2,073.1
Right-of-use assets	9	394.9	373.8
ICT software	7	888.2	735.0
Total depreciation and amortisation		3,807.4	3,419.2

28 Other operating expenses

EUR thousand	2025	2024
ICT expenses	2,644.4	2,525.0
Travel expenses	1,319.4	1,172.4
Other services	821.3	1,012.6
Other expenses *	4,586.5	4,256.9
Total	9,371.5	8,966.8

* Other expenses consist of several items that are not individually material.



29 Financial income and expenses

EUR thousand	Note	2025	2024
Income from derivatives		3,703.2	6,273.2
Other financial income		4,768.3	5,831.2
Interest expenses from interest bearing liabilities		-29,881.46	-34,192.55
Other financial expenses		-5,540.6	-5,228.9
Change in fair value of financial instruments	11.14	757.2	-5,982.0
Interest expenses from leases	9	-94.4	-80.8
Financial items - net		-26,287.8	-33,379.8

30 Income Taxes

Income taxes and deferred tax assets and tax liabilities have been calculated using the tax rate of 20% in Finland and 16% in Romania, while the tax rate in Estonia is 0%. Deferred taxes and their changes are presented in Note 17.

The Group's tax expense for the financial years 2024 and 2025 was as follows:

EUR thousand	2025	2024
Income Taxes	27,143.4	23,865.0
Change in deferred taxes	27,718.3	133.4
Total taxes in the income statement	54,861.7	23,998.4
Profit/Loss before taxes	272,088.4	156,488.4
Tax based on Finnish legal tax rate (20%)	54,417.7	31,297.7
Differences in tax rate between Finnish and foreign entities, income tax	358.8	-7,370.4
Tax-free income and non-deductible expenses	94.9	93.0
The amount of deferred tax expense (income) relating to the origination and reversal of temporary differences	0.2	2.1
Tax expense/income related to prior years	-12.6	-24.1
Other differences	2.7	0.0
Total tax expenses	54,861.7	23,998.4
Effective tax rate	20.2 %	15.3 %



Taxes related to other comprehensive income:

EUR thousand	2025			2024		
	Before tax	Tax effect	After tax	Before tax	Tax effect	After tax
Revaluation of land areas	-87,345.3	16,073.1	-71,272.2	13,686.1	393.9	12,110.5
Items derived from the re- definition of net defined benefit liabilities	9.6	-1.6	8.0	44.2	-7.4	36.8
Translation difference	-934.2		-934.2	9.6		9.6

31 Dividends

Dividends paid in 2025 amounted to EUR 70.0 million (EUR 14.00 per share).

The Board of Directors has proposed that a dividend of EUR 72.0 million (EUR 14.40 per share) be paid on the basis of the result for 2025. The liability arising from the proposed dividend has not been recognised in these financial statements.

32 Transactions involving related parties

The following business transactions were carried out with related parties:

EUR thousand	31 Dec 2025	31 Dec 2024
Total compensation received by key personnel in the management group	1,656.0	1,428.1
The total sum is divided into the following groups:		
Short-term employee benefits	1,206.8	1,192.3
Post-employment benefits	449.2	252.0
Other long-term benefits		
Benefits paid on dismissal		
Share-based payments		
Remuneration paid to the Board of Directors	107.7	91.0

The Stora Enso Group owns 41% of the shares in the parent company, which gives Stora Enso considerable influence in the Group. The following transactions were carried out with Stora Enso:

EUR thousand	31 Dec 2025	31 Dec 2024
Sales	220,281.9	197,401.6
Purchases	613.6	740.2
Receivables	45,264.3	41,762.3
Liabilities	33,852.8	23,352.6

During the financial year, the company sold a parcel of land to Board member Seppo Toikka for EUR 4.000.

Related party transactions have been carried out on the same terms and conditions as transactions between independent parties.



33 Auditor's fees

EUR thousand	2025	2024
Auditing	320.9	301.1
Audit-related services	0.0	0.0
Tax services	0.0	0.0
Other services	9.3	24.2

PricewaterhouseCoopers Oy acted as the Group's auditor for the financial year 2025.

34 Subsidiaries

Subsidiaries 31 Dec 2025:

Company Name	The Group's Ownership	Domicile
Tornator Eesti Oü	100 %	Estonia
SC Tornator SRL	100 %	Romania
Oituz Private Forest District SRL	100 %	Romania

35 Other collateral pledged by the Group on its own behalf

The Group has pledged forest assets located in Finland as collateral for debts (Note 18). A total of EUR 2.689.3 million has been pledged in land and biological assets as collateral for the debts, (EUR 2.399.2 million). Pledged forest assets are valued in accordance with the collateral terms using the discounted cash flow method, and therefore there were no changes in the determination of the collateral value of Finnish forests. In addition to forest assets, the pledge also covers possible insurance compensation for forest damage. Such reimbursements were not made in the past financial year or in the comparison period. In addition, the Group has agreed on a limit of EUR 2 million with a financial institution to ensure the aftermath of soil extraction and to cover the rental deposits. This revolving credit facility has been used in the amount of EUR 295.9 thousand (EUR 280.5 thousand).

36 Legal proceedings

The Group did not have any pending legal proceedings during the financial year.



37 Classification of financial assets and liabilities

31 Dec 2025

Financial assets

EUR thousand	Amortised cost	Fair value through income statement	Book value	Fair value
Non-current				
Unlisted shares		111	111	111
Additional purchase prices of wind power transactions		19,232	19,232	19,232
Total		19,343	19,343	19,343
Current				
Accounts receivable	47,611		47,611	47,611
Derivatives		30,185	30,185	30,185
Cash and cash equivalents	96,739		96,739	96,739
Total	144,350	30,185	174,535	174,535

Financial liabilities

EUR thousand	Amortised cost	Fair value through income statement	Book value	Fair value
Long-term				
Interest-bearing debt	746,387		746,387	761,011
Total	746,387	0	746,387	761,011
Short-term				
Interest-bearing debt	389,526		389,526	385,888
Accounts payable	2,054		2,054	2,054
Total	391,580	0	391,580	387,942

31 Dec 2024

Financial assets

EUR thousand	Amortised cost	Fair value through income statement	Book value	Fair value
Non-current				
Unlisted shares		111	111	111
Additional purchase price of wind power transactions		18,960	18,960	18,960
Total		19,072	19,072	19,072
Current				
Accounts receivable	43,464		43,464	43,464
Derivatives		29,475	29,475	29,475
Cash and cash equivalents	86,566		86,566	86,566
Total	130,031	29,475	159,506	159,506



Financial liabilities

EUR thousand	Amortised cost	Fair value through income statement	Book value	Fair value
Non-current				
Interest-bearing debt	946,773		946,773	953,062
Total	946,773	0	946,773	953,062
Current				
Interest-bearing debt	61,597		61,597	61,597
Accounts payable	2,480		2,480	2,480
Total	64,077	0	64,077	64,077

The following price quotations, assumptions and valuation models have been used to determine the fair values of financial assets and liabilities presented in the table:

Derivatives

The fair values of interest rate derivatives have been determined using the counterparty's price quotation, which has been compared with market interest rates and other market information on the balance sheet date. Fair values correspond to the present value of cash flows, i.e. the prices that the Group would have to pay or would receive if it were to cancel the derivative contract.

Investments in unlisted equities

Investments in unlisted shares consist of Finnish unlisted shares and they are valued at fair value. The fair value of unlisted equity investments has been considered to be the acquisition cost because their fair value could not be reliably determined using valuation methods.

Accounts receivable

The original carrying amount of accounts receivable corresponds to their fair value, as the effect of discounting is not material, taking into account the maturity of the receivable.

Additional purchase prices for wind power

The fair value of the additional purchase prices of wind power has been determined on the basis of contractually determined additional purchase prices and estimates made by the company's management on each balance sheet date (probability and timing of the implementation of the projects). For more information on the assessment made by the management, see Note 5.

Financial liabilities

For interest-bearing liabilities, the fair value of variable-rate loans is determined on the basis of the nominal value of the loan and the interest accrued on the balance sheet date, i.e. the fair value is based on the input data of level 3 in the fair value hierarchy. The fair value of the bond is based on the market price quotation on the balance sheet date, which can be considered as level 2 input, as the market is not completely liquid.



Accounts payable and advance payments received

The initial book value of accounts payable and received advance payments correspond to their fair value, as the effect of discounting is not significant due to the maturity of the liabilities.

38 Fair value hierarchy of assets and liabilities valued at fair value

31 Dec 2025						
EUR thousand	Note	Level 1	Level 2	Level 3	Total	
Assets						
Forest assets	10			3,804,531.7	3,804,531.7	
Receivables						
Additional purchase price from wind power transactions	5, 13			19,232.2	19,232.2	
Derivatives	4.11		30,184.9		30,184.9	
Investments						
Unlisted shares	14			111.2	111.2	
Total assets			30,184.9	3,823,875.1	3,854,060.0	

31 Dec 2024						
EUR thousand	Note	Level 1	Level 2	Level 3	Total	
Assets						
Forest assets	10			3,594,904.7	3,594,904.7	
Receivables						
Additional purchase price from wind power transactions	5, 13			18,960.3	18,960.3	
Derivatives	4.11		29,475.4		29,475.4	
Investments						
Unlisted shares	14			111.2	111.2	
Total assets			29,475.4	3,613,976.2	3,643,451.6	

During the past financial year, there were no transfers between levels 1 and 2 of the fair value hierarchy, or to or from level 3. The Group's policy is that any changes in the grouping of items recognised at fair value are made at the end of the reporting period.

Level 1 fair values of the hierarchy are based on quoted prices of similar assets or liabilities in an active market.

The fair values of Level 2 instruments are largely based on input data other than the quoted prices included in Level 1, but on data that can be observed either directly (i.e. in prices) or indirectly (i.e. derived from prices). In determining the fair value of these instruments, the Group uses generally accepted valuation models, the input data of which, however, is largely based on verifiable market data. The fair value of derivatives is determined as the present value of the cash flows of the contracts.



The fair values of Level 3 instruments, on the other hand, are based on input data on the asset or liability, which is not based on observable market information, but to a significant extent on management's estimates and their use in generally accepted valuation models. The determination of the fair value of forest assets is described in accounting policies and notes 5 and 10, and changes in value are presented in Note 10. Receivables measured at fair value are receivables from divested wind power projects. The valuation of these is described in the accounting policies and Note 5, and changes in value are presented in Note 13. The fair value of unlisted shares cannot be reliably determined using valuation methods.

39 Notable events after the closing date

In January 2026, a small share transaction was made with Tornator's shares, in which the parties were certain shareholders registered in the company's share register on 31 December 2025. Apart from this transaction and the dividend proposal (Note 31), the Group has not had any other significant events after the balance sheet date.



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Income Statement

EUR thousand	Note	1 Jan - 31 Dec 2025	1 Jan - 31 Dec 2024
Net sales	6,23	215,529.7	195,280.1
Other operating income	24	5,573.0	6,708.2
Change in the fair value of biological assets	10	138,419.1	7,721.3
Change in inventories of finished goods and work in progress	12	-386.4	-955.9
Materials and services	25	-39,742.9	-37,435.7
Personnel expenses	26	-10,544.2	-9,466.6
Depreciation and amortisation	27	-3,164.5	-2,761.4
Other operating expenses	28	-8,030.1	-7,099.8
Operating profit		297,653.7	151,990.2
Financial income	29	9,739.2	14,059.6
Financial expenses	29	-35,475.2	-39,477.0
Change in the fair value of financial instruments	11,14	757.2	-5,982.0
Net financial items		-24,978.8	-31,399.3
Profit before tax		272,674.9	120,590.8
Income taxes	30	-26,608.6	-23,608.8
Change in deferred taxes	17	-27,711.6	-80.4
Profit for the period		218,354.8	96,901.6
Distribution: To shareholders of the parent company		218,354.8	96,901.6
Statement of comprehensive income			
Profit for the period		218,354.8	96,901.6
Other comprehensive income for the period after taxes:			
<i>Items not recognised later through profit and loss</i>			
Revaluation of land areas	10	-64,356.2	-1,969.5
Items derived from the redefinition of net defined benefit liability (or asset items)	20	8.0	36.8
Comprehensive income for the period total		154,006.5	94,968.9
Distribution: For the owners of the parent company		154,006.5	94,968.9

The notes on pages 68–106 are an essential part of the financial statements



Balance Sheet

EUR thousand	Note	31 Dec 2025	31 Dec 2024
ASSETS			
Non-current assets			
Forest assets		3,503,359.2	3,278,296.5
Biological assets	10	3,263,376.9	2,976,248.7
Land area	10	239,982.3	302,047.8
Other property, plant and equipment	8	16,817.4	15,089.7
Intangible assets	7	1,717.6	2,237.4
Right-of-use assets	9	1,219.5	1,020.0
Derivatives	11	30,184.9	29,475.4
Investments in Group companies	31	118,370.2	138,370.2
Other investments	14	111.2	111.2
Non-current receivables	13	19,232.2	18,960.3
Non-current assets total		3,691,012.3	3,483,560.8
Current assets			
Inventories	12	0.0	10.0
Accounts receivable	13	46,218.6	43,141.2
Other receivables	13	865.5	1,937.0
Cash and cash equivalents	15	92,764.5	82,892.5
Total current assets		139,848.6	127,980.6
Total assets		3,830,860.9	3,611,541.4
EQUITY AND LIABILITIES			
Equity attributable to owners of the parent company			
Share capital	16	51,836.2	51,836.2
Other equity		2,076,118.0	1,992,111.4
Total equity		2,127,954.2	2,043,947.6
Liabilities			
Non-current liabilities			
Deferred tax liabilities	17	468,144.6	456,520.1
Financial liabilities	18	745,746.3	946,049.3
Lease liabilities	19	1,169.4	990.2
Pension liabilities	20	60.0	77.0
Total non-current liabilities		1,215,120.3	1,403,636.6
Current liabilities			
Financial liabilities	18	389,503.5	61,573.9
Accounts payable and other payables	22	82,583.9	85,038.3
Income tax liabilities	30	2,997.2	5,056.9
Lease liabilities	19	143.2	106.7
Provisions	21	12,558.5	12,181.4
Total current liabilities		487,786.4	163,957.2
Total liabilities		1,702,906.7	1,567,593.8
Total equity and liabilities		3,830,860.9	3,611,541.4

The notes on pages 68–106 are an essential part of the financial statements



Statement of changes in equity

EUR thousand	Note	Share capital	Share premium	Revaluation reserve	Retained earnings	Total equity
Equity 1 Jan 2024	16	51,836.2	4,076.1	150,207.8	1,812,858.7	2,018,978.8
Comprehensive income						
Profit for the period					96,901.6	96,901.6
<i>Other items of comprehensive income (after taxes)</i>						
Revaluation of land areas	10			-1,969.5		-1,969.5
Items derived from the re-definition of net defined benefit costs (or asset items)	20				36.8	36.8
Comprehensive income for the period				-1,969.5	96,938.4	94,968.9
Transactions with shareholders						
Dividends paid	31				-70,000.0	-70,000.0
Total transactions with shareholders					-70,000.0	-70,000.0
Equity 31 Dec 2024		51,836.2	4,076.1	148,238.3	1,839,797.1	2,043,947.6

EUR thousand	Note	Share capital	Share premium	Revaluation reserve	Retained earnings	Total equity
Equity 1 Jan 2025	16	51,836.2	4,076.1	148,238.3	1,839,797.1	2,043,947.6
Comprehensive income						
Profit for the period					218,354.8	218,354.8
<i>Other items of comprehensive income (after taxes)</i>						
Revaluation of land areas	10			-64,356.2		-64,356.2
Items derived from the re-definition of net defined benefit costs (or asset items)	20				8.0	8.0
Comprehensive income for the period				-64,356.2	218,362.8	154,006.5
Transactions with shareholders						
Dividends paid	31				-70,000.0	-70,000.0
Total transactions with shareholders					-70,000.0	-70,000.0
Equity 31 Dec 2025		51,836.2	4,076.1	83,882.1	1,988,159.9	2,127,954.2

The notes on pages 68–106 are an essential part of the financial statements



Cash flow statement

EUR thousand	1 Jan - 31 Dec 2025	1 Jan - 31 Dec 2024
Cash flow from operating activities		
Cash receipts from transactions in forestry	221,205.5	194,208.5
Cash receipts from transactions in land sales	1,873.1	10,968.8
Cash receipts from other operating income	5,552.6	5,333.0
Cash paid to suppliers and employees	-57,048.4	-51,018.3
Cash flow from operating activities before financial items and taxes	171,582.9	159,492.0
Interest paid, interest-bearing debt	-28,439.8	-32,565.0
Other financial expenses	-6,053.7	-7,372.2
Interest received	4,536.1	5,286.4
Interest received, derivatives	3,750.9	6,332.6
Income taxes	-28,668.2	-20,385.4
Cash flow from operating activities	116,708.0	110,788.4
Cash flow from investing activities		
Investments in biological assets	-149,044.1	-82,906.0
Investments in tangible assets, forestland	-18,421.2	-10,246.8
Investments in other tangible and intangible assets	-4,219.7	-4,759.6
Proceeds from sale of money market funds	0.0	30,566.8
Dividends and capital returns from Group companies	21,500.0	2,500.0
Cash flow from investing activities	-150,185.0	-64,845.5
Cash flow from financing activities		
Withdrawal of long-term loans	200,000.0	300,000.0
Repayment of long-term loans	-50,000.0	-200,000.0
Withdrawal of short-term loans	0.0	8,983.2
Repayment of short-term loans	-36,514.5	-37,174.0
Repayment of leasing liabilities	-136.4	-117.3
Dividends paid	-70,000.0	-70,000.0
Cash flow from financing activities	43,349.1	1,691.8
Net increase/decrease in cash and cash equivalents	9,872.1	47,634.7
Cash and cash equivalents at beginning of period	82,892.5	35,257.8
Cash and cash equivalents at end of period	92,764.5	82,892.5

The notes on pages 68–106 are an essential part of the financial statements



1 Notes to the financial statements

General information

Tornator Oyj is a Finnish limited liability company (business ID: 0162807-8), that operates under the laws of the State of Finland. The company's domicile is in Imatra and its head office address is Einonkatu 6, 55100 Imatra. A copy of the financial statements is available on Tornator Oyj's website: www.tornator.fi/en/

Tornator Oyj is one of Finland's largest forest owners. The core business of Tornator is wood production and sale of cutting rights. The company also provides silviculture services, sells land for recreational use and buys forest properties. At the end of 2025, the company owned approximately 742,000 hectares of forest assets (2024: 706,000). The average number of employees in the company during the financial year was 140 (135).

The Board of Directors of Tornator Oyj has in its meeting on 3 February 2026 approved these Financial Statements for publication. According to the Finnish Limited Liability Companies Act, the Annual General Meeting has the right to approve or reject or amend the financial statements.

The figures presented in these financial statements are rounded, so the totals may differ from the amounts calculated from individual figures.

2 Summary of the material accounting principles

Tornator Oyj is the parent company of Tornator Group.

Accounting basis

The company's financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) and have been prepared in accordance with the IAS and IFRS accounting standards as well as SIC and IFRIC interpretations effective as of 31 December 2025. International accounting standards refer to standards and interpretations adopted in the EU in accordance with the procedure laid down in the Finnish Accounting Act and the regulations issued under it in EU Regulation (EC) No 1606/2002. The notes to the financial statements also comply with the requirements of Finnish accounting and corporate legislation supplementing the IFRS regulations.

The financial statements have been prepared on the basis of original acquisition costs, with the exception of financial assets and liabilities recognised at fair value through profit or loss and forest assets, which are measured at fair value. Financial statements are presented in thousands of euros, unless otherwise stated. The company's functional currency is the euro.

Preparing financial statements in accordance with IFRS requires the use of certain estimates and assumptions. The use of these assumptions and estimates affects the assets and liabilities reported in the financial statements on the balance sheet date, the presentation of contingent assets and liabilities in the notes, and the income and expenses reported for the financial year. These estimates are based on the management's best knowledge of the events and therefore the final actual results may differ from the estimates made. The areas that have required the use of greater judgement and the areas where judgement has the greatest impact on the figures presented in the financial statements are presented in Note 5.

Application of the new and revised IFRS standards

The following new or revised amendments have been adopted in these financial statements: revised IFRS accounting standards as of 1 January 2025. Their adoption has not had an impact on the notes or reported amounts presented in these financial statements:



Amendments to IAS 21: Lack of Exchangeability

The changes affect an entity that has transactions or operations in a foreign currency that is not exchangeable into another currency for the purpose specified at the valuation date and add application guidance to determine when a currency is exchangeable.

3 Accounting principles of the financial statements

Segment reporting

Tornator does not have two business areas that account for more than 10% of the company's figures. Operational segments are defined and reported in a manner consistent with the internal reporting provided to senior operational decision-makers. Tornator reports to the chief operative decision-maker the net sales, other operating income, operating expenses and net operative operating profit. The balance sheet items are reported to the chief operative decision-maker as a single entity.

Conversion of line items denominated in foreign currencies

(a) Functional Currency and Presentation Currency

The company's functional and presentation currency is the euro.

(b) Transactions and balances

Transactions denominated in foreign currencies are converted into the functional currency at the exchange rates on the transaction completion dates or, if the items have been revalued, at the valuation date. Exchange gains and losses arising from transaction fees and the conversion of assets and liabilities denominated in foreign currencies at the exchange rate on the balance sheet date are recognised in the income statement, except in the case of qualifying cash flow or net investment hedges, in which case they are recognised in equity.

Foreign exchange gains and losses related to loans and cash and cash equivalents are presented in the income statement under "financial income or expenses". All other exchange rate gains and losses are presented in the income statement under the item "Other operating expenses/income".

Property, plant and equipment

Property, plant and equipment are measured at their original cost less depreciation and amortization. The acquisition cost includes the costs directly arising from the acquisition. Expenses incurred later are included in the carrying amount of the asset or recognised as a separate asset only if it is probable that the future economic benefit related to the asset will benefit the company and the acquisition cost of the asset can be reliably determined. Other repair and maintenance costs are recognised in profit or loss for the period in which they have been realised. The residual values and useful lives of assets are reviewed at least annually on the balance sheet date.

The assets will be depreciated on a straight-line basis within the following estimated useful lives:

Buildings	7–20 years
Machinery and equipment	3–5 years
Roads and ditches	10 years

Intangible assets

Intangible assets are ICT software and other intangible rights. ICT software is valued at cost less depreciation



and impairment. They will be depreciated within the estimated useful life of 3–10 years. Other intangible assets are measured at cost, less impairment.

Impairment of tangible and intangible assets

On each balance sheet date, the company assesses whether there are indications that the value of an asset has been impaired. If there are any indications, the recoverable amount of the asset in question is estimated. In addition, the recoverable amount is assessed annually for the following assets, regardless of whether there are indications of impairment: goodwill, intangible assets with an unlimited useful life, and intangible assets in progress. The impairment requirement is examined at the level of cash-generating units, i.e. at the lowest unit level that is largely independent of other units and whose cash flows are separable from other cash flows.

The recoverable amount is the fair value of the asset less the costs of the sale or the higher value in use. Value in use refers to the estimated future net cash flows available from the asset or cash-generating unit in question, discounted to their present value. The discount rate is the pre-tax rate that reflects the market's view of the time value of money and the specific risks associated with the asset.

An impairment loss is recognised when the carrying amount of an asset is greater than the recoverable amount. The impairment loss is recognised immediately in the income statement. When an impairment loss is recognized, the useful life of the asset subject to depreciation is reassessed. An impairment loss recognised on an asset is reversed in the event of a change in the estimates used to determine the recoverable amount of the asset. However, the impairment loss is not reversed more than what the asset's carrying amount would be without the recognition of the impairment loss.

Subsidiary shares

Investments in subsidiary shares have been treated in the parent company's separate financial statements based on acquisition cost. The subsidiaries have the same financial year as the parent company. If the value of the subsidiary shares is found to have decreased, the difference between the acquisition cost and the reduced value is recognised as impairment.

Forest assets

Tornator's forest assets are defined as growing stock, which are classified as biological assets and associated bare land area. Biological assets are recognised and measured at fair value in accordance with IAS 41 Agriculture, and bare land is recognised in accordance with IAS 16 Property, Plant and Equipment using the revaluation method.

In the revaluation of bare land, the fair value of the land is compared to the acquisition cost of the land, which has been determined by allocating 11% of the original acquisition cost of forest assets to bare land and the remaining 89% to biological assets. The same allocation is also used in the cash flow calculation, where the acquisition cost of forest assets is divided into bare land and biological assets.

Changes in the fair value of biological assets are recognised in the income statement. Changes in the fair value of bare land, less deferred tax liabilities, are recognised in the revaluation reserve for equity through other comprehensive income. If the fair value of bare land is lower than the acquisition cost, the difference is recognised in the income statement as impairment.

For more information on the value of forest assets, see Note 10 Forest assets.

Forest assets located in Finland are recorded at fair value and valued using a forestland market-based method. The valuation method is based on forest estate transactions made in the areas where Tornator's forests are located. The total value of forest assets is determined by the standing stock of Tornator's forests in a certain area and the market prices realised in the area. Realised market prices refer to the purchase price paid per cubic metre of forest in representative forest estate transactions.



Information related to forest asset transactions is available from several market sources. Market transaction data can be considered as input data supported by the market. Some adjustments are made to the input data reflecting market conditions using non-verifiable input data, which is why the input data is classified at level 3 of the fair value hierarchy. Further information on the judgement applied in the valuation is presented in Note 5 Accounting policies requiring management's judgement and valuation uncertainties.

The total value of forest assets located in Finland is divided into biological assets and bare land. The allocation of the total fair value of forest assets is based on a yield-based approach, in which the present values of expected net cash flows are calculated for both biological assets and bare land. The discount rate is determined as the interest rate at which the present value of the combined cash flows of biological assets and bare land corresponds to the total value of the forest assets determined on the basis of market transaction prices. The discount rate used in the valuation of biological assets and bare land is estimated to be the same, as the nature and timing of the cash flows are similar.

The valuation of biological assets is based on continuous operations and sustainable forest management, which also takes into account environmental and other restrictions. The fair value of biological assets is calculated on the basis of future net cash flows, i.e. based on sustainable forest management and taking into account the growth potential of the growing stock. The cash flow model takes into account the cash flows related to the existing growing stock during one rotation period, which is estimated to be 75 years in Finland. Annual harvesting in accordance with a long-term harvesting plan based on projected tree growth are reported for the corresponding period with forecast prices prepared by an external assessor. The long-term harvesting plan in Finland is based on the MOTTI growth models updated by the Natural Resources Institute Finland based on the latest research results. The development of real wood prices after the forecast period (10 years) provided by the external assessor is assumed to be +/-0.

Bare land is measured at fair value using the revaluation method defined in IAS 16. The fair value of bare land is calculated using a yield-based approach. Cash flows take into account net cash flows related to both future generations of trees and income related to other land areas, such as hunting rights, land rental income and the sale of soil materials.

Leases

Company as Lessee

The company processes lease agreements as follows:

- (a) Right-of-use assets and lease liabilities are recognised in the balance sheet. These are measured at the present value of future lease payments at initial recognition, the right-of-use asset adjusted for the amount of prepaid or accrued leases in accordance with IFRS 16.C8(b)(ii);
- (b) Depreciation of right-of-use assets and interest on lease liabilities are recorded in the income statement.
- (c) In the cash flow statement, the total amount of cash payments is divided into equity (presented as part of cash flows from financing activities) and interest (presented as part of cash flows from operating activities).
- (d) Lease payments for leases classified as low-value or short-term are recognised as an expense for the financial year

Incentives related to the lease (such as a lease-free period) are recognised as part of the valuation of fixed assets and lease liabilities.

The leases recorded in the company's right-of-use assets consist of office leases and leased cars. Some office rents are treated as short-term leases. Lease agreements of low value include the rental of office equipment and company bikes.

Right-of-use assets are tested for impairment in accordance with IAS 36.



Company as lessor

Assets leased under leases other than finance leases are included in property, plant and equipment on the balance sheet. The assets leased by the company are land areas and are not depreciated. Rental income is recognised in the income statement in equal instalments during the lease period.

Inventories

Inventories are measured at the lower of acquisition cost or net realisable value. The acquisition cost is determined using the weighted average price method. The acquisition cost includes direct purchase costs minus value added tax. The net realisable value is the estimated sales price obtained in the ordinary course of business, minus the costs of the sale.

Inventories include wood raw material for sale as well as seedlings, seeds and fertilisers. In addition, the company will transfer the land to be sold as inventories.

Accounts receivable

Accounts receivable are initially measured at the transaction price and later at amortised cost using the effective interest rate method and less any credit loss provision. Credit losses are recognised in accordance with expected credit losses. With regard to accounts receivable, the company follows a simplified procedure, according to which expected credit losses are recognised as an expense in the income statement on the basis of probable credit losses during the life cycle. In practice, no credit losses are incurred in Tornator's business, so no expected credit losses have been recorded.

Financial assets and liabilities

Financial assets

The company's financial assets are classified into the following groups: financial assets recognised at fair value through profit or loss and financial assets recognised at amortised cost. The classification is based on the purpose of the financial assets and the characteristics of the contractual cash flows at the time of the initial acquisition.

Financial assets are measured at amortised cost when the business model aims to retain these investments and collect all contractual cash flows, and when the contractual cash flows of the instrument consist exclusively of principal and interest payments. Other financial assets are recognised and measured at fair value in the Group through profit. Derivatives and the estimated present values of additional purchase price payments from sold wind power projects and are treated as financial assets measured at fair value. Payments for derivative contracts are recorded in the income statement in financial income and changes in fair value without the impact of accrued interest are recorded in the income statement item Change in the fair value of financial instruments. Interest-bearing receivables are money market investments in bank deposits and fixed income funds. Other investments are equity investments in unlisted shares.

Financial assets are recognised in the balance sheet when the company becomes a party to the terms and conditions of the instrument. Financial assets are derecognised when the company has lost its contractual right to cash flows or when it has transferred a significant part of its risks and returns outside the company.

Financial liabilities

The company's financial liabilities are classified into the following categories: financial liabilities recognised at fair value through profit or loss and financial liabilities recognised at amortised cost using the effective interest method. Financial liabilities recognised at fair value through profit or loss are derivative liabilities. Payments for derivative contracts are recognised in the income statement in the same item as interest expenses on interest-bearing liabilities, and changes in fair value without the impact of accrued interest are



recognised in the income statement as changes in the fair value of financial instruments. Financial liabilities measured at amortised cost are initially recognised at fair value. Transaction costs have been included in the original carrying amount of financial liabilities. Interest and transaction expenses are accrued in the income statement using the effective interest method. Financial liabilities are included in long-term and short-term liabilities and they can be interest-bearing or non-interest-bearing. Interest-bearing liabilities include liabilities arising from the treasury function: bonds, bank loans, commercial papers and any bank account limits in use.

A financial liability is derecognised from the balance sheet when an obligation specified in the contract has been fulfilled, cancelled or it has expired.

Financial assets and liabilities are non-current when they have a maturity of more than 12 months and short-term when they have a maturity of less than 12 months

Borrowing costs

Borrowing costs are expensed in the financial year in which they are incurred.

Derivative contracts

The company uses derivative contracts to hedge against interest rate risk.

Derivative contracts are initially recognised at fair value on the date on which the company becomes a party to the contract and are subsequently measured at fair value. Gains and losses arising from fair value are recognised in profit or loss.

Derivatives are defined as non-current assets or liabilities if the contract matures after more than 12 months. Otherwise, derivatives are presented in current assets or liabilities.

Cash and cash equivalents

Cash and cash equivalents are measured on the balance sheet at cost corresponding to their fair value. In the cash flow statement and balance sheet, cash and cash equivalents consist of cash, money in bank accounts and bank deposits that can be withdrawn on demand.

Share capital

The share capital consists exclusively of ordinary shares. The costs directly arising from the issuance of the new shares, minus tax, will be recognised in equity to reduce the consideration received from the issue.

Dividends

The dividend payable to the company's shareholders will be recognised for the period in which the Annual General Meeting has approved the dividend.

Income Taxes

The tax expense in the income statement consists of tax based on taxable income for the financial year and deferred tax. Correspondingly, the tax impact related to items recognised directly in equity is recognised as part of equity by means of an extensive income statement. The tax based on taxable income for the accounting period is calculated on the basis of the taxable income in force in each country. The tax is adjusted for any taxes related to previous financial years.

Deferred taxes are calculated on the basis of any temporary differences between the book value and the taxable value. Deferred taxes have been calculated using the tax rate that has been enacted or the approved amount has been reported by the balance sheet date. Deferred tax assets are recognised to the extent that it is probable that taxable income will arise in the future against which the temporary difference can be utilised.



However, deferred tax liability is not recognised in the case of an asset or liability that is originally entered in the accounts, and it is not a business combination, and the recognition of such an asset or liability item does not affect the accounting result or taxable income at the time of the transaction. Deferred tax is not recognised on the retained earnings of subsidiaries to the extent that the difference is not likely to be resolved in the foreseeable future.

Deferred tax assets and liabilities are deducted from each other when the company has a legally enforceable right to offset the tax assets and liabilities based on the taxable income of the period against each other, and when the deferred tax assets and liabilities are related to income taxes collected by the same taxpayer either from the same taxpayer or from different taxpayers, when the receivables and liabilities are to be realised on a net basis.

Employee benefits

Pension liabilities

The company's pension plans are mainly classified as defined contribution plans. In a defined contribution pension plan, the company pays fixed contributions to the plan. The company has no legal or actual obligation to pay additional contributions if the recipient of the contributions does not have sufficient funds to pay the pension benefits earned by employees for current or previous periods. In a defined contribution pension plan, payments made to the plans are recognised in the income statement for the period to which the debit relates.

The obligations of the company's defined benefit pension plans have been calculated separately for each plan using a method based on the anticipated defined benefit unit. Pension expenses are expensed over the service period of a person on the basis of calculations made by authorized actuaries. When calculating the present value of the pension obligation, the discount rate is the market yield on high-quality bonds issued by companies or the interest rate on treasury bills. The maturity of the bonds and treasury bills corresponds essentially to the maturity of the calculated pension liability. The assets included in the pension plan, measured at fair value on the balance sheet date, are deducted from the present value of the pension obligation recognised in the balance sheet. The net liability (or asset) of the defined benefit pension plan is recognised in the balance sheet.

The performance-based expenditure for the period (pension expenditure) and the net interest on the net debt of the defined benefit plan are recognised in profit or loss and presented in employee benefit expenses in the Personnel expenses category. Items arising from the rereasurement of a defined benefit net liability (or asset) (e.g. actuarial gains and losses and return on plan assets) are recognised in other comprehensive income in the financial year in which they arise.

Expenses based on past performance are recognised as expenses in profit or loss earlier than the following dates: either when the arrangement is changed or reduced or when the company recognises the related restructuring costs or benefits related to the termination of employment.

Accounts payable

Accounts payable are initially measured at fair value and then measured at amortised cost using the effective interest method.

Provisions

A provision is recognised when the company has incurred an obligation based on previous events that the company will have to pay in the future, and the amount of which can be reliably estimated. The amount of the provision is recorded as the best estimate of the present value of future obligations. The change in provisions is recognised in the income statement under the item in which the expenses related to the provision are recorded.



Revenue recognition

The company's revenue consists of the sale of cutting rights, plots and forest plots, as well as silviculture services. Proceeds from sales are recorded in such a way that they represent the goods and services supplied to the customer as an amount of money that reflects the consideration to which the company expects to be entitled in exchange for those goods or services. The recognition of revenue does not involve significant consideration, uncertainties or future obligations.

Sale of cutting rights:

Sale of cutting rights is mainly based on multi-year timber sales agreements, which include agreements on timber trade volumes and the price determination mechanism, among other things. Net sales is recorded from the sold cutting rights when the customer has felled the trees in the cutting right area they have purchased. As a rule, this is verified by signing a measurement certificate of cutting. When selling cutting rights, the buyer typically has 2–3 years to carry out the cutting. Cash flow is secured by an advance payment arrangement that covers more than 95% of the company's wood deliveries. In the arrangement, the buyer pays 90% of the estimated value of the cutting right within 12 months of the sale of the cutting right. If the buyer cuts the site before the advance payments have accrued, the buyer is obligated to pay the difference between the full sales price and any advance payments made on the next agreed advance payment date, which is no later than 3 months after the cutting. Receivables related to the sale of cutting rights are presented in accounts receivable and advance payments received in other liabilities.

Sale of plots and forestland:

Proceeds from the sale of plots and forestland are recognised when the company has irrevocably sold these rights to the customer, the collection of receivables has been reliably ensured and the seller is not left with any significant risks and rewards related to the ownership of the rights or allotments, nor does it have a managerial role or effective control over the sold assets.

Other services:

The sale of silviculture services is mainly based on multi-year agreements in which the content of the services and the determination of the price have been agreed. The sale of services is recognised as revenue for the financial year during which the service is performed. In the case of services, payment is made when the service performed has been approved and invoiced. The payment period is typically 14 days.

Operating profit

IAS 1 Presentation of Financial Statements does not define the concept of operating profit. The company has defined it as follows: operating profit is the net amount formed when other operating income is added to the net sales, materials and services are deducted adjusted for changes in inventories of finished and work-in-progress products and costs incurred from manufacturing for own use, personnel expenses, depreciation and impairment, as well as other operating expenses and income or expenses arising from changes in the fair value of biological assets and logging. All income statement items other than those mentioned above are presented below operating profit. Exchange rate differences and changes in the fair values of derivatives are included in operating profit if they arise from items related to business operations; otherwise, they have been recorded in financial items.

Interest and dividends

Interest income is recognised using the effective interest method and dividend income when the right to dividend has arisen.



New or revised accounting standards to be applied at a later date

On the date on which these financial statements have been accepted for publication, the Group has not adopted the following new and revised IFRS accounting standards, which have been published but have not yet entered into force.

- Amendments to IFRS 9 and IFRS 7 – Targeted improvements: The amendments specified the requirements for the recognition and derecognition of certain financial assets and liabilities, clarified and increased the assessment of the composition of cash flows, increased the disclosure requirements for certain instruments where cash flows may change, for example due to the achievement of ESG targets, and updated the disclosure requirements for equity instruments classified at fair value, among other things, to be recognised through other comprehensive income
- IFRS 18 *Presentation and Disclosure in Financial Statements*: The new standard will change the presentation of the income statement in particular in terms of structure and mandatory subtotals, and will bring with it a requirement to present notes to the key performance measures defined by management. IFRS 18 replaces the current IAS 1 standard and will enter into force for financial years beginning on or after 1 January 2027. Tornator is actively evaluating the impact of the new standard
- IFRS 19 *Subsidiaries without Public Accountability*: The new standard will make it easier for subsidiaries that are not listed and whose parent company prepares consolidated financial statements in accordance with IFRS.
- Amendments to IFRS 9 and IFRS 7 – Natural Power Sources: In long-term renewable power purchase agreements (PPAs) the source of production is often dependent on uncontrolled natural conditions, and in relation to these agreements, the IASB has made changes to the IFRS 9 "own use" exemption and hedge accounting requirements and added targeted disclosure requirements to IFRS 7.
- Annual improvements 2025: The annual improvements apply to the following standards:
 - IFRS 1 First Adoption of IFRS Standards
 - IFRS 7 *Financial Instruments: Information to be Presented in the Financial Statements* and Related Application Guidance
 - IFRS 9 *Financial Instruments*
 - IFRS 10 *Consolidated Financial Statements*
 - IAS 7 *Cash Flow Statements*

With the exception of the new IFRS 18 standard, the management does not expect the adoption of the above-listed standards to have a material impact on the Group's financial statements in the coming periods.

4 Financial risk management

Risk management principles and process

The company is exposed to a number of financial risks in its operations, including the effects of changes in market interest rates and exchange rates. The key principle of the company's risk management is the unpredictability of the financial markets and the aim to minimise possible adverse effects on the company's result. Risk management is carried out by the financial management in accordance with the general principles approved by the Board of Directors.

All financial transactions that the Group is involved in are governed by the Group's financial policy. The policy, as well as any future amendments, revisions or additions to it, enter into force upon approval by the Board of Directors. Any guidelines or similar instructions on the use of financial instruments must be consistent with the overarching financial policy. The Group's policy for managing risks associated with financial services



contains more detailed instructions that enter into force upon signature by the Group's chief financial officer. The most significant finance market risks are described in greater detail below.

Currency risk

The company operates mainly in its functional currency and does not incur material foreign exchange transaction risk.

The parent company has net foreign investments and is thus exposed to the risks that arise when investments in foreign currencies are converted into the parent company's functional currency. At the moment, the parent company does not hedge against foreign exchange risk.

Interest rate risk

The long-term objective of Tornator's interest rate risk management is to protect the company's balance sheet from the impact of changes in market interest rates. In practice, this means balancing and stabilising the fair value changes related to both forest assets and loan obligations so that the net impact of the changes on equity is within the range agreed in the risk management policy. In addition, the cash flow of floating rate loans is hedged against a possible rise in interest rates.

The interest rate risk related to the company's loan obligations is mainly caused by interest-bearing liabilities, the nominal values of which are presented in the following table:

EUR million	2025	2024
<i>Fixed-rate interest-bearing liabilities</i>		
Bonds	750.0	750.0
<i>Variable rate interest-bearing liabilities</i>		
Bank loans	350.0	200.0
Commercial papers	40.0	62.0
Total interest-bearing liabilities	1,140.0	1,012.0

The company has hedged against interest rate risk by entering into non-speculative interest rate derivatives with financial institutions with high credit ratings. All of the Group's derivative contracts have been concluded through the parent company. The interest rate hedging strategy is approved by the Group's Board of Directors and implemented by the Group's treasury management.

Some of the company's short-term money market investments expose its cash flow to interest rate risk, but the impact is not significant in its entirety. The company's income and operating cash flows are largely independent of fluctuations in market interest rates. The company is mainly exposed to interest rate risk in terms of variable interest rates and it is considered to be mainly related to interest-bearing liabilities. In accordance with the principles of risk management, the Group companies must hedge at least 50% of the loan portfolio against fluctuations in market interest rates. On the balance sheet date 81 % of interest-bearing liabilities had a fixed interest rate or had been converted into a fixed rate with the help of interest rate derivatives. In this review, the interest rate cap options have been considered to be fixed-rate because they protect the company against a rise in market interest rates, and commercial papers have a variable interest rate because their maturities are short and they will largely be renewed in accordance with the interest rate level prevailing at the time of maturity. The average maturity of debt on the balance sheet date is 3.6 years. The Group may take out a loan at either a fixed rate or a floating rate and use interest rate swaps or ordinary interest rate options to achieve the objective in accordance with its financing principles.

The company has prepared for future refinancing of loans and for hedging their interest rate risk by entering into long-term interest rate derivative contracts with financial institutions. These strategic interest rate hedges also protect the discount rate used in the calculation of the fair value of forest assets, i.e. implement the above-mentioned long-term balance sheet stabilisation for forest assets located in countries where the



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discount rate is not determined on the basis of market transactions.

At the end of 2025, Tornator's interest rate derivative contracts consist of interest rate cap options totaling EUR 170 million, with an average interest rate cap level of 0.2%. The interest rate cap options expire in 2033. The company has no payment obligations related to the interest rate cap option agreements.

Based on loans and interest rate derivatives, the company paid an average net interest of approximately 2.4% (2.9%)

EUR thousand	2025	2024
Gains (+) and losses recognised through profit or loss due to changes in the fair value of (-) interest rate derivatives	757.2	-5,982.0

A change in the yield curve of +/- 1 percentage point would affect the income statement and balance sheet items as follows. The calculation considers the impact of interest rate derivatives:

EUR thousand	+1 %	-1 %
To income statement		
Interest costs	-1,900	1,900
Change in fair value of derivatives	9,265	-9,773
To shareholders' equity, after taxes	5,892	-6,298

Liquidity risk

Tornator strives to continuously assess and monitor the amount of financing required for its business operations to ensure that the company has sufficient liquid assets and committed credit facilities to finance operations and repay maturing loans. The Group's Financing Guidelines define the target amount of the liquidity buffer for both cash and other liquid assets. Furthermore, the Code of Conduct specifies that a liquid investment is a short-term interest fund that invests in banks and companies with a credit rating in the EU area, from which the funds can be redeemed within 24 hours. The availability and flexibility of financing is guaranteed under the terms of the long-term timber trade agreement regarding the timing of timber sales and advance payments during the year.

The following table presents the maturity analysis. The figures are undiscounted and include interest payments as well as principal repayments and repayments. For derivatives, undiscounted cash flows at the interest rate level at the reporting date are presented. A negative sign means a receivable and a positive cash flow on the balance sheet.

In addition to cash and cash equivalents, Tornator Oyj has a revolving credit facility of EUR 200 million, which was fully undrawn on the balance sheet date. The facility and the shares drawn from it will mature in 2029.

In order to secure the repayment of the bond maturing in autumn 2026, Tornator has agreed on a bank loan of EUR 250 million, which can be drawn for the repayment of the bond and is fully undrawn on the balance sheet date. If the loan is drawn, it will mature in 2029.



31 Dec 2025									
EUR million	Note	Balance sheet value	Cash flow	2026	2027	2028	2029	2030	2031+
Financial liabilities									
Bonds		747.5	862.7	370.7	16.3	16.3	16.3	16.3	426.7
Bank loans		348.0	394.2	10.1	10.7	161.2	6.1	206.1	
Commercial papers		39.7	40.0	40.0					
Total financial liabilities	18	1,135.2	1,297.0	420.8	27.0	177.6	22.4	222.4	426.7
Accounts payable	22	1.6	1.6	1.6					
Derivative instruments									
Interest rate derivatives	11	-30.2	-25.0	-3.3	-3.3	-3.3	-3.3	-3.3	-8.3

31 Dec 2024									
EUR million	Note	Balance sheet value	Cash flow	2025	2026	2027	2028	2029	2030+
Financial liabilities									
Bonds		746.9	883.4	20.7	370.7	16.3	16.3	16.3	443.0
Bank loans		199.2	224.1	6.9	56.9	5.2	155.2		
Commercial papers		61.6	62.0	62.0					
Total financial liabilities	18	1,007.6	1,169.6	89.6	427.6	21.5	171.5	16.3	443.0
Accounts payable	22	2.2	2.2	2.2					
Derivative instruments									
Interest rate derivatives	11	-29.5	-40.8	-4.8	-4.8	-4.8	-4.8	-4.8	-16.8

Credit risk

The company's operating method defines the creditworthiness requirements and investment principles of customers, investment transactions and counterparties to derivative contracts. Credit risk management and credit control are centralised to the company's financial management. Credit is only granted to customers who have an impeccable credit history. For individual significant transactions, the company always requests sufficient collateral from the counterparty. The Company enters into derivative contracts and enters into investment transactions only with counterparties with a credit rating of at least A.

A large part of the company's receivables are receivables from Stora Enso related to wood trade, and on the other hand, Stora Enso pays advance payments related to timber purchases, so assessed as a whole and taking into account Stora Enso's creditworthiness, these receivables are not subject to material credit risk in the management's assessment. With regard to receivables from other counterparties, the company does not have a material credit risk concentration, as the receivables consist of several items. During the financial year, the company has not had any significant credit losses recognised in profit or loss.



Capital management

The purpose of the company's capital management (equity vs. liabilities) is to support the business, ensure normal operating conditions and increase shareholder value with the aim of achieving the best possible return. An optimal capital structure also ensures lower capital costs. From the point of view of the capital structure, the key items are equity and interest-bearing liabilities. The key figures to be monitored are the equity ratio, net gearing and the Loan-to-value ratio, i.e. the ratio of secured liabilities to the value of forest assets pledged as collateral for liabilities. The equity ratio target is 50% and the upper limit of the Loan-to-value ratio in the covenant terms is 70%.

The company's equity ratios, gearing and loan-to-value ratios were as follows:

EUR million	2025	2024
Interest-bearing debt	1,135.2	1,007.7
Cash and cash equivalents	92.8	82.9
Net liabilities	1,042.5	924.8
Total equity	2,128.0	2,043.9
Gearing	49.0,%	45.2,%
Equity ratio	56.1,%	57.0,%
Loan-to-value covenant	57.6,%	47.9,%
Secured liabilities	1,550.0	1,150.0
Value of pledged forest assets	2,689.3	2,399.2

The company has complied with the terms and conditions of its loans.

5 Accounting principles and valuation uncertainties requiring management's judgement

Forest assets

The most material item that requires management judgement is related to the assumptions used in the valuation of forest assets. IAS 41 Agriculture requires that biological assets, such as growing stock, are recognised at fair value less sales expenses. The fair value of biological assets is calculated on the basis of future net cash flows, i.e. based on sustainable forest management and taking into account the growth potential of the growing stock. Discounted cash flows require estimates of growth, harvesting, sales price, costs and discount rates. When determining the value of biological assets, the company's management must make accurate estimates of future price levels and sales and cost prospects. The forest must also be analysed regularly in order to estimate the amount of timber that can be harvested and the current growth rate of the forest.

The fair value of forest assets is determined using a market-based approach based on forest estate transactions in the areas where Tornator's forests are located. Market prices between different regions vary significantly, and the definition of areas relevant to market transactions used in valuation involves judgement. The valuation of forest assets is based on Tornator's own forest estate purchases as well as detailed transaction data and price statistics provided by external market information providers. The valuation takes into account the location, price level and volume of growing stock of forest assets. Changes in transaction prices and the volume development of growing trees have an impact on the value of forest assets. Tornator applies weighted three-year average market transaction prices, which are considered to contain a sufficient number of transactions and are estimated to be representative of market conditions on the reporting date.

The value of forest assets is allocated to biological assets and forest land. The allocation of the total fair value of forest assets is based on a yield-based approach, in which the present values of expected net cash



flows are calculated for both biological assets and land. The discount rate is defined as the rate at which the valuation based on market transaction prices corresponds to the present value of the combined cash flows of biological assets and land. The net cash flows of each component include estimates of future harvesting volumes, sales price levels and cost developments. More detailed information is presented in Note 10 (Forest assets).

Additional purchase price receivables for wind power

Tornator has sold wind power projects for which it contractually expects to receive additional purchase price payments at the latest when the investment decision for the wind power project is made. Thus, there is significant uncertainty regarding the realisation of the receivable. The amount of the additional purchase price may be determined on different basis. It may depend on the production capacity or actual value (sales price) of the wind farms to be built at the time of the investment decision. Additional purchase price receivables have been recorded for several projects, and the probability and timing of the implementation of the projects have been assessed according to the progress of the projects. The fair value of the receivable is determined as the present value of the expected cash flows. The applied discount rate is 5%. During the 2025 financial year, the investment environment for wind power in Finland continued to be weak, as in the previous year. The prevailing investment environment was also taken into account in the management's estimates of the fair values of the agreed additional purchase prices in the financial statements on 31 December 2025. Compared to the 2024 balance sheet date, the changes were not significant, but mainly the possible implementation dates of the projects were estimated and mainly slightly postponed. One new project cooperation agreement was signed at the end of 2025 and as a result, the fair value of wind power additional purchase price receivables increased and a small positive change in fair value for the financial year 2025 was recognised in other operating income.

6 Operating segments

The company's core business is the production of wood and the sale of cutting rights to stands marked for harvesting. The stands contain normal cutting methods and timber species. The sale of cutting rights accounted for 91.1% of net sales (90.6% in 2024). The company operates only in Finland. The business is managed and monitored so that the company reports to the chief operative decision-maker, in addition to the Group figures, the parent company's net turnover, other operating income, operating expenses and, as a net of these, operative operating profit. The calculation of operative operating profit and its reconciliation with the official operating profit is presented below.

Stora Enso is significant as an individual customer. Transactions with Stora Enso are described in Note 32 Related party transactions

EUR thousand	2025	2024
Net sales	215,529.7	195,280.1
Other operating income	5,076.0	5,020.1
Operating costs	-61,491.0	-56,622.9
Operating profit	159,114.6	143,677.4
Fair value items in operating profit	138,539.1	8,312.8
Operating profit (IFRS)	297,653.7	151,990.2



7 Intangible assets

31 Dec 2025			
EUR thousand	ICT software	Other intangible rights	Total
Acquisition cost 1 January 2025	11,467.9	82.1	11,550.0
Increases	282.6		282.6
Decreases			
Acquisition cost 31 Dec 2025	11,750.5	82.1	11,832.6
Accrued depreciation and impairment			
Accrued depreciation and impairment on 1 January 2025	-9,230.5	-82.1	-9,312.6
Depreciation and amortisation	-802.4		-802.4
Accrued depreciation and impairment on 31 Dec 2025	-10,032.8	-82.1	-10,114.9
Book value 31 Dec 2025	1,717.6	0.0	1,717.6
Book value 1 Jan 2025	2,237.4	0.0	2,237.4

31 Dec 2024			
EUR thousand	ICT software	Other intangible rights	Total
Acquisition cost 1 January 2024	10,553.9	82.1	10,636.0
Increases	914.0		914.0
Decreases			
Acquisition cost 31 Dec 2024	11,467.9	82.1	11,550.0
Accrued depreciation and impairment			
Accrued depreciation and impairment on 1 January 2024	-8,574.3	-82.1	-8,656.4
Depreciation and amortisation	-656.1		-656.1
Accrued depreciation and impairment on 31 Dec 2024	-9,230.5	-82.1	-9,312.6
Book value 31 Dec 2024	2,237.4	0.0	2,237.4
Book value 1 January 2024	1,979.6	0.0	1,979.6

8 Property, plant and equipment

31 Dec 2025					
EUR thousand	Buildings	Machinery and equipment	Roads and ditches	Purchases in progress	Total
Acquisition cost 1 January 2025	769.0	1,774.9	44,618.2	2,820.5	49,982.7
Increases		49.8	2,724.6	4,169.9	6,944.3
Decreases				-3,007.2	-3,007.2
Acquisition cost 31 Dec 2025	769.0	1,824.8	47,342.9	3,983.2	53,919.9
Accrued depreciation and impairment					
Accrued depreciation and impairment on 1 January 2025	-348.5	-1,586.3	-32,958.3		34,893.0
Depreciation and amortisation	-31.5	-71.4	-2,106.6		-2,209.5
Accrued depreciation and impairment on 31 Dec 2025	-380.0	-1,657.7	-35,064.9		37,102.5
Book value 31 Dec 2025	389.1	167.1	12,278.0	3,983.2	16,817.4
Book value 1 Jan 2025	420.6	188.7	11,659.9	2,820.5	15,089.7



31 Dec 2024

EUR thousand	Buildings	Machinery and equipment	Roads and ditches	Purchases in progress	Total
Acquisition cost 1 January 2024	758.1	1,644.5	40,582.2	3,152.4	46,137.1
Increases	10.9	130.4	4,036.1	4,629.1	8,806.6
Decreases				-4,961.0	-4,961.0
Acquisition cost 31 Dec 2024	769.0	1,774.9	44,618.2	2,820.5	49,982.7
Accrued depreciation and impairment					
Accrued depreciation and impairment on 1 January 2024	-317.5	-1,547.8	-31,053.5		-
Depreciation and amortisation	-31.0	-38.5	-1,904.8		-1,974.3
Accrued depreciation and impairment on 31 Dec 2024	-348.5	-1,586.3	-32,958.3		-
Book value 31 Dec 2024	420.6	188.7	11,659.9	2,820.5	15,089.7
Book value 1 January 2024	440.6	96.7	9,528.6	3,152.4	13,218.3

9 Right-of-use assets

31 Dec 2025			
EUR thousand	Office space	Machinery and equipment	Right-of-use assets, total
Acquisition cost 1 January 2025	1,820.8	191.6	2,012.4
Increases	262.7	89.4	352.1
Decreases	0.0		0.0
Acquisition cost 31 Dec 2025	2,083.5	281.1	2,364.5
Accrued depreciation and impairment			
Accrued depreciation and impairment on 1 January 2025	-835.6	-156.8	-992.4
Depreciation and amortisation	-110.7	-41.9	-152.6
Accrued depreciation and impairment on 31 Dec 2025	-946.4	-198.7	-1,145.1
Book value 31 Dec 2025	1,137.1	82.4	1,219.5

31 Dec 2024			
EUR thousand	Office space	Machinery and equipment	Right-of-use assets, total
Acquisition cost 1 January 2024	1,761.8	153.9	1,915.6
Increases	83.4	37.8	121.2
Decreases	-24.4		-24.4
Acquisition cost 31 Dec 2024	1,820.8	191.6	2,012.4
Accrued depreciation and impairment			
Accrued depreciation and impairment on 1 January 2024	-732.2	-129.2	-861.4
Depreciation and amortisation	-103.4	-27.6	-131.0
Accrued depreciation and impairment on 31 Dec 2024	-835.6	-156.8	-992.4
Book value 31 Dec 2024	985.1	34.9	1,020.0



The company's right-of-use assets consist of leased office space and leased cars. With regard to office leases valid until further notice, the company has assessed on a case-by-case basis the likelihood of the continuation and duration of the lease agreement. In the case of leased cars, the renewal of expiring contracts is considered on a case-by-case basis.

The depreciation and financial expense recognised in the income statement for right-of-use assets and the items recognised in the income statement for short-term and low-value leases are as follows and together reflect the total cash flow paid from leases:

Income statement items, EUR thousand	2025	2024
Depreciation	152.7	131.0
Financial expenses	55.2	47.8
Expenses from short-term lease contracts	394.6	242.8
Expenses from low value lease contracts	32.8	35.1

10 Forest assets

The value of forest assets consists of growing stock and the value of the bare land areas.

The determination of the fair value of forest assets is described in the accounting principles and in Note 5) Accounting principles requiring management's judgement and uncertainties related to estimates.

EUR thousand	Biological assets		Land areas		Total forest assets	
	31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024
Value at the beginning of the period	2,976,248.7	2,886,467.7	302,047.8	294,367.4	3,278,296.5	3,180,835.2
Harvesting	-174,455.0	-135,365.4			-174,455.0	-135,365.4
Change in fair value of biological assets and growth	312,874.1	143,086.7			312,874.1	143,086.7
Change in Income statement	138,419.1	7,721.3	0.0	0.0	138,419.1	7,721.3
Revaluation of land areas, comprehensive income			-80,445.3	-2,461.8	-80,445.3	-2,461.8
Increases	149,044.1	82,906.0	18,421.2	10,246.8	167,465.3	93,152.8
Decreases	-335.0	-846.3	-41.4	-104.6	-376.4	-950.9
Value at the end of the period	3,263,376.9	2,976,248.7	239,982.3	302,047.8	3,503,359.2	3,278,296.5

The total value of Finland's forest assets has been determined at the regional level. The value used to determine the total value, €/m³ for standing trees on forest land, varies between regions. In addition to forest land, standing trees can be found on poorly productive and wasteland, but standing trees other than standing trees on forest land are not taken into account in the valuation calculation. The total value of Tornator's forest assets in Finland by region is formed as follows (31 Dec 2024 situation as comparative data):



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Value of forest assets by region 31 Dec 2025	Standing stock on forest land. 1,000 m ³	Market transaction value, €/m ³	Number of forest estate transactions used in valuation	Total value, EUR thousand
North Karelia	31,112	47.53	895	1,478,669
North Savo	14,661	48.64	567	713,072
South Savo	8,217	56.47	438	464,005
South Karelia	5,324	52.94	210	281,849
Kainuu	4,891	34.95	416	170,940
North Ostrobothnia	4,336	34.83	743	151,020
Lapland	2,212	26.98	356	59,671
Kymenlaakso	1,201	52.82	148	63,433
Central Finland	1,325	51.34	430	68,053
Uusimaa	610	58.13	44	35,456
Päijät-Häme	215	57.95	101	12,447
Kanta-Häme	27	57.96	55	1,547
South Ostrobothnia	29	44.38	278	1,309
Pirkanmaa	15	52.49	264	776
Central Ostrobothnia	29	37.91	117	1,113
Total	74,205			3,503,359

Value of forest assets by region 31 Dec 2024	Standing stock on forest land. 1,000 m ³	Market Transaction Value, €/m ³	Number of forest estate transactions used in valuation	Total value, EUR thousand
North Karelia	30,079	45.23	923	1,360,330
North Savo	14,294	48.46	552	692,617
South Savo	7,951	56.72	379	450,994
South Karelia	5,392	52.49	209	283,035
Kainuu	4,088	34.20	400	139,815
North Ostrobothnia	3,793	32.89	644	124,767
Lapland	2,146	26.24	267	56,310
Kymenlaakso	1,132	51.82	125	58,678
Central Finland	1,120	50.79	321	56,890
Uusimaa	600	63.83	28	38,303
Päijät-Häme	195	59.72	71	11,650
Kanta-Häme	32	65.80	40	2,131
South Ostrobothnia	33	42.66	164	1,419
Pirkanmaa	17	50.75	159	857
Central Ostrobothnia	14	36.62	107	498
Total	70,887			3,278,296

The change in the total value of forest assets in the financial years 2024 and 2025 is due to both the purchases of new forests and the positive change in the value of existing forest assets. In 2025, new forest holdings were purchased for approximately EUR 167 million (2024: 93). Biological assets (standing stock) are measured at fair value and bare land is valued using the revaluation method. Tornator allocates the total value of forest assets to biological assets and bare land as described in the accounting principles (Note 3). In the financial year 2025, changes in the estimated cash flows of biological assets and bare



land were more biological asset dominant than in the comparison period, which led to a positive change in the fair value of biological assets and a negative change in the fair value of the bare land.

If the land had been valued at acquisition cost, its book value would have been as follows:

EUR thousand	31 Dec 2025	31 Dec 2024
Acquisition cost at the beginning of the period	116,749.9	106,607.7
Increases	18,421.2	10,246.8
Decreases	-41.4	-104.6
Acquisition cost at the end of the period	135,129.7	116,749.9
Land area revaluation at the beginning of the period	185,298.0	187,759.8
Change in land area revaluation during the period	-80,445.3	-2,461.8
Land area revaluation at the end of the period	104,852.6	185,298.0
Book value based on revaluation method at the end of the period	239,982.3	302,047.8

Value and physical quantities of forest assets

	31 Dec 2025	31 Dec 2024
Value of forest assets, EUR thousand	3,503,359	3,278,296
Total area, hectares	741,685	706,094
Standing stock, m ³	75,267,175	72,146,000
Harvesting, m ³	2,875,000	2,874,000
Growth, m ³	3,338,000	3,206,000

The most significant factors affecting changes in the fair value of forest assets are changes in the transaction prices of forest holdings and the amount of standing timber. An average change of one euro in forest estate transaction prices would affect the fair value of forest assets by EUR +/- 74 million. A change in growing stock of +/- 1 million cubic metres would affect the fair value of forest assets by an average of +/- EUR 47 million.

11 Derivatives

Tornator uses interest rate swaps and interest rate options to hedge against fluctuations in market interest rates. At the moment, all valid contracts are treated as items at fair value through profit or loss.

The swaps will expire later than after 5 years.

Nominal values of interest rate derivatives on 31 December.

EUR thousand	31 Dec 2025	31 Dec 2024
Interest rate options, purchased	170,000	170,000
Total nominal amounts of derivatives	170,000	170,000

Fair values of interest rate derivatives on 31 December.

EUR thousand	2025			2024
	Assets	Liabilities	Net	Net
Interest rate options, purchased	30,184.9		30,184.9	29,475.4
Total fair values of derivatives	30,184.9		30,184.9	29,475.4



Distribution of the change in the fair value of interest rate derivatives during the financial year:

EUR thousand	31 Dec 2025	31 Dec 2024
Derivates at the beginning of the period	29,475.4	35,516.3
Changes		
Income statement:		
Interest rate options, fair value change	757.2	-5,981.5
Portion of the change in accrued interest*	-47.7	-59.4
Effect in income statement	709.5	-6,040.9
Changes in total	709.5	-6,040.9
Derivates at the end of the period	30,184.9	29,475.4

* In the income statement as part of interest expenses.

The change in the fair value of interest rate derivatives recorded in the income statement has increased the result by EUR 757.2 thousand (decreased the result by EUR 5,981.5 thousand).

For more information on the maturities and interest rates of interest rate derivatives, see Note 4) Financial risks.

12 Inventories

EUR thousand	2025	2024
Inventories	0.0	10.0
Total	0.0	10.0

Inventories consist of buildings available for sale. At the end of 2025, there were no such buildings. The company has not recognised any impairment losses on inventories in 2025 or 2024. The change in inventories of EUR -386.4 thousand (EUR -955.9 thousand) recognised in the income statement during the financial year consists of the above-mentioned change in inventories, as well as the book values of sold land areas transferred to inventories.

13 Accounts receivable and other receivables

Other receivables, non-current	2025	2024
Valued at fair value through income statement		
Additional purchase price of wind power transactions	19,232.2	18,960.3
Total	19,232.2	18,960.3

Other receivables, current	2025	2024
Valued at amortised cost		
Other receivables	317.4	225.4
Accrued income	274.1	1 568.1
Receivables from Group companies	161.5	143.5
Valued at fair value through income statement		
Additional purchase price of wind power transactions	112.6	0.0
Total	865.5	1,937.0



The book value of accounts receivable and other receivables corresponds to their fair value. The receivables do not involve significant credit risk. The balance sheet values best reflect the amount of money that is the maximum amount of credit risk in the event that the other parties to the contract are unable to meet their obligations in relation to the claims. The fair values of receivables are presented in Note 37.

Other receivables mainly consist of the estimated present value of additional purchase price receivables from divested wind power projects. The determination of the fair value of a receivable is described in Note 5. The division into long-term and short-term receivables is based on whether the additional purchase price payment is expected to be made within 12 months or later. Realised additional purchase price payments have been recognised in other operating income, and changes in the fair value of receivables related to the progress of projects have been recognised in other operating income or expenses. The most significant factors affecting changes in the fair value of wind power additional purchase price receivables are:

- Implementation of projects. The fair values of individual projects are between EUR 1.1 million and EUR 7.3 million
- The actual effectiveness of the project, +/- 10% change in the nominal output of the actual wind farm affects the fair value of the receivable +/- EUR 1.9 million
- Discount rate. A change in the discount rate of +/- 1 percentage point affects the fair value of the receivable by EUR +/- 0.5 million.

The additional purchase price receivable of wind power projects has changed as follows:

EUR thousand	2025	2024
Receivables at the beginning of period	18,960.3	17,384.9
Increases from new and progressed projects	1,058.8	0.0
Other fair value updates	-561.7	1,688.0
Fair value change in the income statement	497.1	1,688.0
Payments from receivables recognised as income in earlier periods	-112.6	-112.6
Receivables at the end of the period	19,344.8	18,960.3

Accounts receivable mainly consist of receivables related to the transfer of timber recognised in turnover. The carrying amount of accounts receivable and other receivables corresponds to their fair value. Accounts receivable do not involve significant credit risk and the proportion of overdue receivables is low. The balance sheet values of accounts receivable best reflect the amount of money that is the maximum amount of credit risk in the event that the other parties to the contract are unable to meet their obligations related to the receivables. The fair values of receivables are presented in Note 37.

EUR thousand	2025	2024
Accounts receivable	46,218.6	43,141.2
Maturity breakdown of accounts receivable		
Not matured	46,157.8	42,839.2
matured for less than 3 months	45.7	280.4
matured for over 3 months – less than 6 months	4.1	21.6
matured for over 6 months	11.0	0.0



14 Investments

The investments are classified at amortized cost or at fair value through the income statement
Investments, non-current:

EUR thousand	2025	2024
Value at the beginning of the financial year	111.2	111.2
+Increases / -Decreases	-	-
Value at the end of the financial year	111.2	111.2

Non-current investments include unlisted shares that are not expected to be sold anytime soon. They are classified at fair value through the income statement as valuable.

Investments, current:

Current investments are money market investments in fixed income funds and bank deposits. Fund investments are valued at fair value and bank deposits at amortised cost. At the end of the financial year 2025, Tornator had no money market investments.

Fund investments

EUR thousand	2025	2024
Value at the beginning of the financial period	0.0	567.3
+Increases / -Decreases	0.0	-567.3
Value at the end of the financial period	0.0	0.0

Bank deposits

EUR thousand	2025	2024
Value at the beginning of the financial period	0.0	30,000.0
+Increases / -Decreases	0.0	-30,000.0
Value at the end of the financial period	0.0	0.0

The fair values of the investments are presented in Note 37. No impairment losses have been allocated to the investments.

15 Cash and cash equivalents

EUR thousand	2025	2024
Cash and bank accounts (cash and cash equivalents in the cash flow statement)	92,764.5	82,892.5
Total	92,764.5	82,892.5

There are no significant credit risk concentrations associated with cash and cash equivalents. The balance sheet values best reflect the amount of money that is the maximum amount of credit risk in the event that the other parties to the contract are unable to meet their obligations in relation to the claims. The fair values of cash and cash equivalents are presented in Note 37.

In addition to cash and cash equivalents, Tornator Oyj has a revolving credit facility of EUR 200 million, which was fully undrawn on the balance sheet date. The facility and the shares drawn from it will mature in 2029.



16 Share capital

Tornator Oyj has one series of shares in which all shares entitle the owner to the same dividend. The company's shares are subject to the redemption clause of the Articles of Association according to which other shareholders have a redemption right if there is a change in the ownership of the company's share. The shares have no nominal value. Tornator Oyj has 5 million shares.

	2025	2024
Number of shares (pcs) 1 Jan	5,000,000	5,000,000
Number of shares (pcs) 31 Dec	5,000,000	5,000,000
Share capital (EUR thousand) 1 Jan	51,836.20	51,836.20
Share capital (EUR thousand) 31 Dec	51,836.20	51,836.20

All issued shares have been paid.

An amount corresponding to the nominal value of the company's shares has been recorded in the share capital when the parent company was established.

The parent company's distributable funds amount to EUR 1,992,235,848.86, including profit for the financial year of EUR 218,354,778.26. The revaluation reserve is restricted equity and is therefore not included in distributable funds.

17 Deferred tax assets and deferred tax liabilities

EUR thousand	Note	1 Jan 2025	Recognised through income statement	Recognised in other comprehensive income	31 Dec 2025
Deferred tax assets:					
Temporary differences					
Reforestation provision	21	2,436.3	75.4		2,511.7
Sale of land	22	1,662.4			1,662.4
Recognition of defined benefit pension plans	20	15.4	-1.4	-2.0	12.0
Total deferred tax assets		4,114.1	74.0	-2.0	4,186.1
Deferred tax liabilities:					
Temporary differences:					
Measurement of financial liabilities at amortised cost	18	790.1	103.0		893.2
Measurement of biological assets at fair value	10	422,784.4	27,682.6		450,467.0
Revaluation of land areas	10	37,059.6		-16,089.1	20,970.5
Deferred tax liabilities, total		460,634.1	27,785.6	-16,089.1	472,330.7



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EUR thousand	Note	1 Jan 2025	Recognised through income statement	Recognised in other comprehensive income	31 Dec 2024
Deferred tax assets:					
Temporary differences					
Reforestation provision	21	2,217.0	219.3		2,436.3
Sale of land	22		1,662.4		1,662.4
Recognition of defined benefit pension plans	20	29.6	5.0	-19.2	15.4
Total deferred tax assets		2,246.6	1,886.7	-19.2	4,114.1
Deferred tax liabilities:					
Temporary differences:					
Measurement of financial liabilities at amortised cost	18	363.1	427.0		790.1
Measurement of biological assets at fair value	10	421,254.3	1,530.1		422,784.4
Revaluation of land areas	10	37,552.0		-492.4	37,059.6
Deferred tax liabilities, total		459,169.4	1,957.1	-492.4	460,634.1

In the financial year 2024, the deferred tax asset recognised through profit or loss from the sale of land is related to a land transaction in which Tornator sold land for a data centre project. The transaction is subject to such conditions that the transaction has not been recognised as income in the accounts, but in taxation the transaction has been recognised as income for 2024. The deferred tax asset is derecognised from the balance sheet when the transaction is recognised as revenue.

Deferred taxes have been recorded for all temporary differences. The changes in deferred taxes during the financial year are as follows:

Deferred tax assets and liabilities are netted when the entity has a legally enforceable right to set off the recognised items against each other and the deferred taxes are related to the same tax recipient.

EUR thousand	2025	2024
Total deferred tax assets	4,186.1	4,114.1
Offset against deferred tax liability	4,186.1	4,114.1
Deferred tax assets on the balance sheet		
Deferred tax liabilities, total	472,330.7	460,634.1
Offset against deferred tax assets	-4,186.1	-4,114.1
Deferred tax liabilities on the balance sheet	468,144.6	456,520.1

Deferred tax assets

EUR thousand	2025	2024
Deferred tax assets that expire after 12 months	4,186.1	4,114.1
Deferred tax assets that expire within 12 months		



Deferred tax liabilities

EUR thousand	2025	2024
Deferred tax liabilities that expire after 12 months	472,330.7	460,634.1
Deferred tax liabilities that expire within 12 months		

18 Financial liabilities

EUR thousand	2025	2024
Non-current interest-bearing liabilities		
Bonds	397,722.0	746,878.3
Loans from financial institutions	348,024.3	199,171.0
Total Non-current interest-bearing liabilities	745,746.3	946,049.3
Current interest-bearing liabilities		
Bonds	349,787.9	
Commercial papers	39,715.6	61,573.9
Total current interest-bearing liabilities	389,503.5	61,573.9
Total interest-bearing liabilities	1,135,249.8	1,007,623.2

Bonds have a fixed interest rate and loans from financial institutions have a variable interest rate. In commercial papers, the interest rate is fixed, but the maturities are short. Current financial liabilities will be renewed as they mature, if necessary, i.e. they will not have a significant impact on the Group's short-term cash flows. Part of the interest expense on variable-rate loans has been converted into fixed using interest rate derivatives. For more information on the nominal values and interest rates of derivatives, see Note 4 Financial risk management.

The main terms and conditions of the Tornator's bonds are as follows:

Bond	Issue Year	Maturity year	Nominal value. EUR million	Coupon rate
Green Bond 2026	2020	2026	350	1.250 %
Green Bond 2031	2024	2031	300	3.750 %
Private Placement 2031	2023	2031	50	4.972 %
Private Placement 2035	2023	2035	50	5.188 %

Bonds and loans from financial institutions include a total of EUR -4.5 million (EUR -4.0 million) of arrangement fee accruals.

The company's forest assets serve as collateral for financial liabilities. See appendices 10 Forest assets and 35 Other collateral provided on own behalf.

Below is the maturity of interest-bearing liabilities in accordance with the balance sheet value. The timing of interest-bearing liabilities and interest payments is presented in Note 4 under liquidity risk.



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Maturity distribution 31 Dec 2025

EUR thousand	2025
2026	389,503.5
2027	-
2028	149,839.3
2029	-
2030	198,185.0
2031+	397,722.0
Total	1,135,249.8

Maturity distribution 31 Dec 2024

EUR thousand	2024
2025	61,573.9
2026	398,929.4
2027	-
2028	149,775.0
2029	-
2030+	397,344.9
Total	1,007,623.2

In addition to cash and cash equivalents, Tornator Oyj has a revolving credit facility of EUR 200 million, which is fully undrawn down on the balance sheet date. The facility and the shares drawn from it will mature in 2029.

In order to secure the repayment of the bond maturing in autumn 2026, Tornator has agreed on a bank loan of EUR 250 million, which can be drawn for the repayment of the bond and is fully undrawn on the balance sheet date. If the loan is drawn, it will mature in 2029.

Reconciliation of the change in liabilities arising from the financing activities:

EUR thousand	1 Jan 2025	Cash flow from financing activities	Financial expenses	Increases and decreases	31 Dec 2025
Bonds	746,878.3		631.6		747,509.9
Loans from financial institutions	199,171.0	150,000.0	-1,146.7		348,024.3
Commercial papers	61,573.9	-21,858.3			39,715.6
Total	1,007,623.2	128,141.7	-515.1		1,135,249.8
Lease liabilities	1,097.0	-136.4		352.0	1,312.7
Total financial liabilities	1,008,720.2	128,005.4	-515.1	352.0	1,136,562.5

EUR thousand	1 Jan 2024	Cash flow from financing activities	Financial expenses	Increases and decreases	31 Dec 2024
Bonds	448,841.7	300,000.0	-1,963.5	-	746,878.3
Loans from financial institutions	399,342.7	-200,000.0	-171.7	-	199,171.0
Commercial papers	98,747.9	-37,174.0		-	61,573.9
Total	946,932.4	62,826.0	-2,135.2		1,007,623.2
Lease liabilities	1,117.5	-117.3		96.8	1,097.0
Total financial liabilities	948,049.8	62,708.7	-2,135.2	96.8	1,008,720.2



The company's bonds have a fixed interest rate and bank loans and commercial papers have a floating interest rate. The negative item recognised in interest expenses describes the issue of an instrument at an underprice, which is accrued as an expense during the instrument's maturity. The company's financial loans have a variable interest rate and the pricing of the loans takes place every 1–6 months.

Weighted averages of effective interest rates on financial liabilities. The average takes into account the impact of interest rate derivatives. For more information on interest rate derivatives, see Note 4 Financial risk management.

Average interest rate	2025	2024
Financial liabilities, incl. interest-bearing liabilities and derivatives	2.4 %	2.9 %

19 Lease liabilities

EUR thousand	2025	2024
Lease liabilities at the beginning of the period	1,097.0	1,117.5
Increases	352.2	121.2
Decreases	0.0	-24.4
Repayment of loan	-136.4	-117.3
Lease liability at the end of the period	1,312.6	1,097.0
Current lease liabilities	143.2	106.7
Non-current lease liabilities	1,169.4	990.1

Income statement entries related to leases are presented in Note 9 Right-of-use assets.

Maturity of lease payments 31 Dec 2025, EUR thousand:

Year	Total payments
2026	143.2
2027	142.1
2028	111.6
2029	114.2
2030	119.3
2031+	682.2
Total	1,312.6

On 31 Dec 2025, the company's lease liabilities for short-term lease agreements amount to EUR 19 thousand.

On 31 Dec 2025, the company's lease liabilities for low-value lease agreements amount to EUR 52 thousand.

20 Pension obligations

Pension plans are classified as defined benefit and defined contribution plans. Payments made to defined contribution pension plans are recognised in the income statement for the period to which the debit relates.

The company has defined benefit pension plans in Finland. The schemes are based on the average final salary and the persons participating in them receive a supplementary pension in addition to the mandatory old-age pension. The amount of the pension benefit at the time of retirement is determined on the basis



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of certain factors, such as salary and years of employment. Pensions are adjusted in accordance with the retail price index. The pension arrangements have been taken care of by a life insurance company. The company has partially funded arrangements. The funds under the plan will be managed by the life insurance company in accordance with local laws and practices.

The net defined benefit debt in the balance sheet is determined as follows:

EUR thousand	2025	2024
Present value of funded obligations	948.0	1,006.0
Fair value of plan assets	-888.0	-929.0
Net balance sheet liability	60.0	77.0

Net defined benefit debt has changed during the financial year as follows:

EUR thousand	Present value of liability	Fair value of plan assets	Total
1 Jan 2025	1,006	929	77
Current service costs	-	-	0
Interest loss or gain	31	29	2
Previous service costs and losses from fulfilled obligations	-	-	-
Amount booked in personnel costs of the income statement	31	29	2
<i>Re-defined items:</i>			
Profit from assets included in the plan, apart from items included in interest loss or gain (±)	-	-22	22
Actuarial profit (-) or loss (+) from changes in demographic assumptions	-	-	-
Actuarial profit (-) or loss (+) from changes in financial assumptions	-28	-	-28
Experience-based profit (-) or loss (+)	-4	-	-4
Changes in the maximum amount of an asset item, apart from the amount included in interest losses (±)	-	-	-
Total amount of re-defined items	-32	-22	10
<i>Payments:</i>			
From employers (+)	-	9	-9
From plan members (+)	-	-	-
<i>Payments from plans:</i>			
Benefits paid (-)	-57	-57	0
Settlements	0	0	0
31 Dec 2025	948	888	60



	1 Jan 2024	1,002	854	148
Current service costs		-	-	-
Interest loss or gain		40	35	5
Previous service costs and losses from fulfilled obligations		-	-	-
Amount booked in personnel costs of the income statement		40	35	5
<i>Re-defined items:</i>				
Profit from assets included in the plan, apart from items included in interest loss or gain (±)			70	-70
Actuarial profit (-) or loss (+) from changes in demographic assumptions		-	-	-
Actuarial profit (-) or loss (+) from changes in financial assumptions		43	-	43
Experience-based profit (-) or loss (+)		-19	-	-19
Changes in the maximum amount of an asset item, apart from the amount included in interest losses (±)		-	-	-
Total amount of re-defined items		24	70	-46
<i>Payments:</i>				
From employers (+)			30	-30
From plan members (+)				-
<i>Payments from plans:</i>				
Benefits paid (-)		-60	-60	0
Settlements		0	0	0
	31 Dec 2024	1,006	929	77

Sensitivity analysis of the defined benefit pension obligation

The following table illustrates the impact of various factors on the defined benefit obligation, fair value of assets, net debt and pension expenditure for the financial year 2025. The analysis has been carried out using the same calculation principles as the pension calculations.

EUR thousand	Defined benefit obligation	Fair value of plan assets	Net liabilities	Service cost	Net interest
Discount rate 3.50 %	948	888	60	0	2
Discount rate +0.50 %	905	848	57	0	2
Discount rate -0.50 %	995	931	65	0	2
<i>Change %</i>					
Discount rate 3.50 %	0 %	0 %	0 %	0 %	0 %
Discount rate +0.50 %	-5 %	-5 %	-6 %	0 %	7 %
Discount rate -0.50 %	5 %	5 %	7 %	0 %	-8 %



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EUR thousand					
Change in pension benefit 2.20%	948	888	60	0	2
Change in pension benefit +0.50%	991	888	103	0	3
Change in pension benefit -0.50%	909	888	21	0	1
Change %					
Change in pension benefit 2.20%	0 %	0 %	0 %	0 %	0 %
Change in pension benefit +0.50%	5 %	0 %	70 %	0 %	74 %
Change in pension benefit -0.50%	-4 %	0 %	-66 %	0 %	-69 %

The change in mortality, which would increase the life expectancy by 1 year, would increase the net pension liability by EUR 5.0 thousand (8.2%).

Fair value of plan assets

Payments paid to the insurance company and accrued by the balance sheet date are considered to be assets included in the plan. The assets are part of the insurance company's investment assets and their management is the responsibility of the insurance company. Therefore, it is not possible to present a breakdown of the assets included in the plan by asset group. The actual return on the proceeds of the plan was EUR 7 thousand in 2025 (EUR 105 thousand in 2024).

Key actuarial assumptions:

	2025	2024
Discount rate %	3.50 %	3.20 %
Future employee pension increases %	2.20 %	2.20 %
Inflation	2.00 %	2.00 %
Average remaining service years	0	0
Obligation duration	10	10
Mortality table	Gompertz	Gompertz

The company expects to pay EUR 58 thousand for defined benefit pension plans in the financial year 2026.

The weighted average duration of the pension obligation is 10 years. The assumed maturity analysis of undiscounted pension obligations on 31 December 2025 is:

	Less than a year	1–5 years	5–10 years	10–15 years	Over 15 years	Total
Pension liabilities	58	264	319	291	437	1,369

21 Provisions

EUR thousand	2025	2024
Reforestation provision at the beginning of period	12,181.4	11,084.9
Provision change (increase is a cost in the income statement)	-377.1	-1,096.6
Reforestation provision at the end of period	12,558.5	12,181.4



The reforestation provision recognised in the balance sheet consists of the estimated present value of the cash flows related to the regeneration of open areas arising from the statutory reforestation obligation at the reporting date. The euro amount of the provision presented in the balance sheet has been calculated as the product of open areas (hectares) and the average regeneration cost (€/hectare). The open areas on which the provision is based are mainly renewed during the year after they were created, when they are removed from the areas on which the calculation is based, but correspondingly, new open areas are constantly being created as a result of cuttings. Consequently, the figures presented are undiscounted. At Tornator, the amount of reforestation reservation is monitored at the overall level and the change is reported as a net amount. At the end of 2025, there were 16,600 hectares (16,500 hectares) of open areas.

22 Accounts payable and other payables

EUR thousand	2025	2024
Accounts payable	1,615.3	2,179.4
Advance payments received	30,926.1	21,119.7
Refund liability	8,500.0	8,500.0
<i>Accrued liabilities:</i>		
Personnel related accruals	2,842.4	2,508.3
Interest accruals	6,539.6	5,098.0
Other accruals	795.1	577.8
Accrued liabilities and deferred income total	10,177.1	8,184.1
Liabilities to Group companies	13,544.5	28,218.7
Other liabilities	17,820.9	16,836.3
Accounts payable and other payables total	82,583.9	85,038.3

The refund liability is related to a land sale transaction in which Tornator sold land for a data center project, but the completion of the transaction is conditional on the fulfilment of the official permits and various rights required for the construction of the data center. Upon completion of the transaction, the refund liability presented herein will be recognised in net sales.

Other liabilities mainly consist of VAT liabilities. Liabilities to companies in the same group consist of the balances of the unit accounts belonging to the group's cash pool.

The fair value of accounts payables is presented in Note 37.

23 Breakdown of net sales

EUR thousand	2025	2024
Sale of cutting rights	196,410.9	176,887.0
Sale of holiday plots and forest plots	1,053.1	2,468.8
Sales of silviculture services	18,065.6	15,924.3
Total	215,529.7	195,280.1

The sale of cutting rights and silviculture services is mainly based on multi-year contracts. Real estate sales are always single events. Revenue recognition takes place when the trees that were the subject of the cutting right have been felled, the property has been sold or the service has been performed. There are no uncertainties or transaction prices related to the amounts recognised as income at a later date. In the balance sheet, receivables related to net sales are presented in accounts receivable and advance payments to future net sales are presented in liabilities. Stora Enso is the single most significant customer. Transactions with Stora Enso are described in more detail in Note 32 Related party transactions.



24 Other operating income

EUR thousand	2025	2024
Group internal income	552.3	474.1
Sale of soil resources	599.0	668.5
Land area rents	2,639.1	2,103.3
Compensation for nature conservation	585.9	1,048.0
Other income*	1,196.8	2,414.3
Total	5,573.0	6,708.2

*Others include income from actual and estimated future payments related to the sale of wind power projects totalling approximately EUR 0.5 million (1.7). The agreements contain conditions that affect the amount of the final additional purchase price to be paid. Otherwise, Other consists of several items that are not individually material.

25 Materials and services

EUR thousand	2025	2024
Products and services		
Purchases	6,569.0	5,762.9
External services	32,796.8	30,576.3
Provisions	377.1	1,096.6
Total	39,742.9	37,435.7

The purchases are mainly seedlings, seeds and fertilizers.

External services mainly consist of services by machine contractors.

The change in the provision consists of a change in the provision recorded in the forest regeneration obligation.

26 Personnel expenses

EUR thousand	Note	2025	2024
Wages		8,681.6	8,071.2
Pension costs - defined contribution arrangements		1,603.8	1,259.7
Pension costs - defined benefit arrangements	20	-7.1	-24.2
Social security costs		265.8	159.8
Total		10,544.2	9,466.6

27 Depreciation and amortisation expense and impairments

EUR thousand	Note	2025	2024
Depreciation and amortisation on fixed assets			
Buildings	8	31.5	31.0
Machinery and equipment	8	71.4	38.5
Roads and ditches	8	2,106.6	1,904.8
Right-of-use assets	9	152.7	131.0
Computer software	7	802.4	656.1
Total depreciation and amortisation		3,164.5	2,761.4



28 Other operating costs

EUR thousand	2025	2024
ICT expenses	2,164.9	1,976.3
Travel expenses	1,227.0	1,079.3
Other services	598.5	663.4
Other expenses *	4,039.7	3,380.7
Total	8,030.1	7,099.8

* Other expenses consist of several items that are not individually material.

29 Financial income and expenses

EUR thousand	2025	2024
Dividends from Group companies	1,500.0	2,500.0
Income from derivatives	3,703.2	6,273.2
Other financial income	4,536.1	5,286.4
Interest expenses on interest-bearing liabilities	-29,881.5	-34,192.5
Other financial expenses	-5,538.6	-5,236.7
Change in the fair value of financial instruments	757.2	-5,982.0
Interest expenses from leases	-55.2	-47.8
Financial items – net	-24,978.8	-31,399.3

30 Income taxes

The company's tax expense for the financial years 2024 and 2025 was as follows:

EUR thousand	2025	2024
Income taxes	26,608.6	23,608.8
Change in deferred taxes	27,711.6	80.4
Total taxes in income statement	54,320.1	23,689.3
Profit/Loss before taxes	272,674.9	120,590.8
Tax based on Finnish legal tax rate (20%)	54,535.0	24,118.2
Tax-free income and non-deductible expenses	-205.1	-407.0
The amount of deferred tax expense (income) relating to the origination and reversal of temporary differences	0.2	-2.1
Tax expense/income related to prior years	-12.6	-24.1
Other differences	2.7	0.0
Total tax expense	54,320.1	23,689.3
Effective tax rate	19.9 %	19.6 %



Taxes related to other comprehensive income:

EUR thousand	2025			2024		
	Before tax	Tax effect	After tax	Before tax	Tax effect	After tax
Revaluation of land areas	-80,445.3	16,089.1	-64,356.2	-2,363.3	393.9	-1,969.5
Items derived from the re-definition of net defined benefit liabilities	9.6	-1.6	8.0	44.2	-7.4	36.8

31 Dividends

Dividends paid in 2025 amounted to EUR 70 million (EUR 14.0 per share).

The Board of Directors has proposed that a dividend of EUR 72.0 million (EUR 14.40 per share) be paid on the basis of the result for 2025. The liability arising from the proposed dividend has not been recognised in these financial statements.

32 Related party transactions

The following business transactions were carried out with related parties:

Employee benefits for management:

EUR thousand	31 Dec 2025	31 Dec 2024
Total compensation received by key personnel in the management group	1,656.0	1,428.1
The total sum is divided into the following groups:		
Short-term employee benefits	1,206.8	1,192.3
Post-employment benefits	449.2	252.0
Other long-term benefits		
Benefits paid on dismissal		
Share-based payments		
Remuneration paid to the Board of Directors	107.7	91.0

The following transactions were carried out with the subsidiaries:

EUR thousand	31 Dec 2025	31 Dec 2024
Sales	552.3	474.1
Purchases	33.6	0.0
Receivables	161.5	143.5
Liabilities *	13,706.0	28,218.7

* Liabilities consist mainly of the balances of unit accounts in the Group's cash pool.



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The Stora Enso Group owns 41% of the parent company's shares, which gives Stora Enso considerable influence in the company. The following transactions were carried out with Stora Enso:

EUR thousand	31 Dec 2025	31 Dec 2024
Sales	209,911.3	185,276.2
Purchases	579.8	727.3
Receivables	44,499.1	41,485.1
Debts	30,564.6	20,365.5

During the financial year, the company sold a parcel of land to Board member Seppo Toikka for EUR 4.000.

Related party transactions have been carried out on the same terms and conditions as transactions between independent parties.

33 Auditors' fees

	2025	2024
Auditing	284.5	277.1
Audit-related services	0.0	0.0
Tax services	0.0	0.0
Other services	0.0	24.2

In 2025, PricewaterhouseCoopers Oy acted as the auditor.

34 Subsidiaries and associated companies

Tornator Oyj is the parent company of the Tornator Group. The Group consists of the following companies as of 31 December 2025:

Company Name	The Group's Ownership	Domicile
SC Tornator SRL	100 %	Romania
Tornator Eesti Oü	100 %	Estonia
Oituz Private Forest District SRL	100 %	Romania

35 Other collateral granted for own behalf

The company has pledged forest assets located in Finland as collateral for its debts (Note 18). A total of EUR 2,689.3 million has been pledged in land and biological assets as collateral for the debts, (EUR 2,399.2 million). Pledged forest assets are valued in accordance with the collateral terms using the discounted cash flow method, and therefore there were no changes in the determination of the collateral value of Finnish forests. In addition to forest assets, the pledge also covers possible insurance compensation for forest damage. Such reimbursements were not made in the past financial year or in the comparison period. In addition, the company has agreed on a limit of EUR 2 million with a financial institution to ensure the follow-up work of soil extraction and to cover the rental deposits. This revolving credit facility has been used in the amount of EUR 295.9 thousand (EUR 280.5 thousand).

36 Legal proceedings

The company had no pending legal proceedings during the financial period.



37 Classification of financial assets and liabilities

31 Dec 2025

Financial assets

EUR thousand	Amortised cost	Fair value through income statement	Book value	Fair value
Non-current				
Unlisted shares		111	111	111
Additional purchase price of wind power transactions		19,232	19,232	19,232
Total		19,343	19,343	19,343
Current				
Accounts receivable	46,219		46,219	46,219
Derivatives		30,185	30,185	30,185
Cash and cash equivalents	92,765		92,765	92,765
Total	138,983	30,185	169,168	169,168

Financial liabilities

EUR thousand	Amortised cost	Fair value through income statement	Book value	Fair value
Non-current				
Interest-bearing debt	746,896		746,896	760,371
Total	746,896	0	746,896	760,371
Current				
Interest-bearing debt	389,504		389,504	385,866
Trade payables	1,615		1,615	1,615
Total	391,119	0	391,119	387,481

31 Dec 2024

Financial assets

EUR thousand	Amortised cost	Fair value through income statement	Book value	Fair value
Non-current				
Unlisted shares		111	111	111
Additional purchase price of wind power transactions		18,960	18,960	18,960
Total		19,072	19,072	19,072
Current				
Accounts receivable	43,141		43,141	43,141
Derivatives		29,475	29,475	29,475
Cash and cash equivalents	82,892		82,892	82,892
Total	126,034	29,475	155,509	155,509



Financial liabilities

EUR thousand	Amortised cost	Fair value through income statement	Book value	Fair value
Non-current				
Interest-bearing debt	946,049		946,049	952,339
Total	946,049	0	946,049	952,339
Current				
Interest-bearing debt	61,574		61,574	61,574
Trade payables	2,179		2,179	2,179
Total	63,753	0	63,753	63,753

The following price quotations, assumptions and valuation models have been used to determine the fair values of financial assets and liabilities presented in the table:

Derivatives

The fair values of interest rate derivatives have been determined using the counterparty's price quotation, which has been compared with market interest rates and other market information on the balance sheet date. The fair values correspond to the present value of the cash flows, i.e. the prices that the company would have to pay or would receive if it were to cancel the derivative contract.

Investments in unlisted equities

Investments in unlisted shares consist of Finnish unlisted shares and they are valued at fair value. The fair value of unlisted equity investments has been considered to be the acquisition cost because their fair value could not be reliably determined using valuation methods.

Accounts receivable

The original carrying amount of accounts receivable corresponds to their fair value, as the effect of discounting is not material, taking into account the maturity of the receivables.

Additional purchase prices from wind power

The fair value of the additional purchase prices of wind power has been determined on the basis of contractually determined additional purchase prices and estimates made by the company's management on each balance sheet date (probability and timing of the implementation of the projects). For more information on the assessment made by the management, see Note 5.

Financial liabilities

For interest-bearing liabilities, the fair value of variable-rate loans is determined on the basis of the nominal value of the loan and the interest accrued on the balance sheet date. The fair value of the bond is based on the market price quotation on the balance sheet date.

Accounts payable

The original carrying amount of accounts payable corresponds to their fair value, as the effect of discounting is not material considering the maturity of the liabilities.



38 Fair value hierarchy of assets and liabilities measured at fair value

31 Dec 2025					
EUR thousand	Note	Level 1	Level 2	Level 3	Total
Assets					
Forest assets	10			3,503,359.2	3,503,359.2
Receivables					
Additional purchase price from wind power transactions	5, 13			19,232.2	19,232.2
Derivatives	4,11		30,184.9		30,184.9
Investments					
Unlisted shares	14			111.2	111.2
Total assets		0.0	30,184.9	3,522,702.6	3,552,887.5

31 Dec 2024					
EUR thousand	Note	Level 1	Level 2	Level 3	Total
Assets					
Forest assets	10			3,278,296.5	3,278,296.5
Receivables					
Additional purchase price from wind power transactions	5, 13			18,960.3	18,960.3
Derivatives	4,11		29,475.4		29,475.4
Investments					
Unlisted shares	14			111.2	111.2
Total assets		0.0	29,475.4	3,297,368.0	3,326,843.4

During the past financial year, there were no transfers between levels 1 and 2 of the fair value hierarchy, or to or from level 3. The Group's policy is that any changes in the grouping of items recognised at fair value are made at the end of the reporting period.

Level 1 fair values of the hierarchy are based on quoted prices of similar assets or liabilities in an active market.

The fair values of Level 2 instruments are largely based on input data other than the quoted prices included in Level 1, but on data that can be observed either directly (i.e. in prices) or indirectly (i.e. derived from prices). In determining the fair value of these instruments, the company uses generally accepted valuation models, the input data of which, however, is largely based on verifiable market data. The fair value of derivatives is determined as the present value of the cash flows of the contracts.

The fair values of Level 3 instruments, on the other hand, are based on input data on the asset or liability, which is not based on observable market information, but to a significant extent on management's estimates and their use in generally accepted valuation models. The determination of the fair value of forest assets is described in the accounting principles and in notes 5) and 10) and changes in value are presented in note



10. Receivables measured at fair value are receivables from divested wind power projects. The valuation of these is described in the accounting policies and Note 5) and changes in value are presented in Note 13. The fair value of unlisted shares cannot be reliably determined using valuation methods.

39 Essential post-balance sheet date events

In January 2026, a small share transaction was made with Tornator's shares, in which the parties were certain shareholders registered in the company's share register on 31 December 2025. Apart from this transaction and the dividend proposal (Note 31), the company has not had any other significant events after the balance sheet date.



SIGNATURES TO THE FINANCIAL STATEMENTS AND BOARD OF DIRECTORS' REPORT

These financial statements are prepared in accordance with the applicable accounting standards and give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group and of the companies included in the consolidated financial statements.

The Board of Directors' report includes a fair review of the development and performance of the Group and of the companies included in the consolidated financial statements, together with a description of the principal risks and uncertainties and the financial position of the Company.

Financial statements have been signed electronically.

Helsinki, 3 February 2026

Esko Torsti
Chairman of the Board

Hanna Kaskela
Member of the Board

Pauli Torikka
Member of the Board

Tuomas Virtala
Member of the Board

Henrik Nieminen
Chief Executive Officer

AUDITOR'S NOTE

A report on the audit performed has been issued today.

Helsinki, 3 February 2026

PricewaterhouseCoopers Oy
Authorised Public accountants

Panu Vänskä
Authorised Public Accountant