



**Q3/2024**

**KH Group Plc  
Business Review**

January–September 2024

1 November 2024

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## KH Group's structure and reporting practices

KH Group Plc is a Nordic conglomerate operating in the business areas of KH-Koneet, Indoor Group and Nordic Rescue Group. We are a leading supplier of construction and earth-moving equipment, furniture and interior decoration retailer as well as rescue vehicle manufacturer. The aim of our strategy is to create an industrial group focused on the KH-Koneet business. Other business areas will be further developed and then divested in line with the Group's investment strategy.

KH Group did not previously consolidate the data of its subsidiaries into Group-level calculations line item by line item, but recognised investments in the companies at fair value through profit and loss. Starting from 1 May 2023, the Group has consolidated its subsidiaries into the income statement and balance sheet line item by line item. For the financial period 2024, the change in consolidation only influences the comparison figures. More information on the change in accounting principles and its significant effects on the figures reported for the comparison period is provided in the tables section.

The following unaudited pro forma financial figures have been prepared for illustrative purposes only. The pro forma figures aim to illustrate the comparable result of the segments and the Group if the change in investment entity status had taken place on 1 January 2023, and the companies that were part of the group structure on 30 September 2024 had been consolidated into the income statement line item by line item for the periods 1 January–31 December 2023 and 1 January–30 September 2024.

The unaudited pro forma figures are based on the subsidiaries' audited financial statements for the financial year 2023 and on unaudited accounting figures for the periods 1 January–30 September 2023 and 1 January–30 September 2024.

The segment and consolidated income statement comments have been prepared on the basis of pro forma figures, unless otherwise stated. The section "Pro forma financial information" presents more detailed accounting principles and reconciliation calculations between reported and pro forma figures. KH Group has not drawn up pro forma figures for balance sheet and cash flow items.

## MODERATE PROFITABILITY IN A DEMANDING MARKET

### KH Group, July–September 2024, pro forma

- Net sales amounted to EUR 85.7 (91.1) million.
- Operating profit was EUR 3.3 (4.1) million.
- The net sales of KH-Koneet were slightly better than in the comparison period and operating profit remained nearly unchanged from the comparison period.
- Indoor Group's net sales and operating profit were below the level of the comparison period.
- NRG's net sales and operating profit were below the level of the comparison period.
- KH Group divested its holdings in HTJ.

### KH Group, January–September 2024, reported IFRS

- Net sales amounted to EUR 253.2 (161.0) million. The figure for the comparison period includes net sales accumulated in May–September 2023 and HTJ is classified as a discontinued operation retroactively.
- Operating profit was EUR 0.8 (-17.5) million.
- Net profit for the period was EUR -3.3 (-12.1) million.
- Earnings per share (undiluted and diluted) were EUR -0.02 (-0.15).

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- Equity per share at the end of the review period was EUR 1.30 (1.39).
- Return on equity for rolling 12 months was -7.1% (-14.5%).
- The Group's cash and cash equivalents amounted to EUR 11.6 million at the end of the review period
- Gearing at the end of the review period was 195.6% (195.4%).
- Gearing excluding lease liabilities was 120.6% (115.1%).

## Consolidated key figures, IFRS

EUR million	7-9/2024	7-9/2023	1-9/2024	1-9/2023	1-12/2023
Net sales	85.7	93.8	253.2	161.0	252.5
EBITDA	11.3	1.5	27.3	-2.5	7.6
EBITDA %	13.2%	1.6%	10.8%	-1.5%	3.0%
Operating profit (EBIT)	2.6	-7.6	0.8	-17.5	-16.3
Operating profit (EBIT) %	3.1%	-8.1%	0.3%	-10.8%	-6.5%
Return on equity, %, rolling 12 months	-7.1%	-14.5%	-7.1%	-14.5%	-17.5%
Gearing, %	195.6%	195.4%	195.6%	195.4%	195.4%
Gearing, excluding lease liabilities, %	120.6%	115.1%	120.6%	115.1%	116.7%
Equity ratio, %	24.4%	22.8%	24.4%	22.8%	23.2%
Earnings per share, EUR, undiluted	0.05	-0.06	-0.02	-0.15	-0.18
Personnel, average	886	1,326	886	1,326	1,237

## CEO Ville Nikulainen:

"Our consolidated pro forma net sales and operating profit declined year-on-year. KH-Koneet's net sales increased moderately and operating profit was nearly at the same level as in the comparison period, which means that the market share increased in a declining market. For Indoor Group, the general market uncertainty, the increase to the general value-added tax rate in Finland and the deployment of a new ERP system in spring 2024 had a negative impact on net sales and operating profit.

On 15 August 2024, KH Group announced the launch of an extensive operating model reform programme aimed at improving the group company Indoor Group's profitability. The reform includes development initiatives to stabilise Indoor Group's financial situation in the challenging furniture industry market environment. The company aims for an annual operating profit improvement of at least EUR 10 million by the end of 2026. Based on current information, a significant part of the targeted profitability improvement is estimated to be realised already during 2025. KH Group published a stock exchange release on 10 October 2024 concerning the reform of Indoor Group's operating model and change negotiations.

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Nordic Rescue Group's pro forma net sales and operating profit decreased year-on-year during the seasonally weaker quarter. The demand for rescue vehicles in Sweden has remained at a good level but, in Finland, the budgeting phase of the wellbeing services counties has slowed down the accrual of new orders during autumn 2024.

In the fourth quarter, the business areas will focus on securing net sales and operating profit as well as improving the efficiency of working capital. KH Group's change in strategy is progressing according to plan.

On 9 August 2024, the company updated its earlier guidance on net sales and operating profit for 2024. The calculation of the guidance is based on Indoor Group's lower than expected net sales and operating profit in both the first and second half of 2024. According to the updated guidance, the company estimates, with the current Group structure, to reach pro forma net sales of EUR 340–360 million and operating profit of EUR 4–7 million in 2024."

## Financial performance

### KH Group

#### Pro forma key figures

The accounting principles applied in preparing the pro forma figures and the reconciliation of pro forma figures with the reported figures are presented later in the report under “Pro forma financial figures”.

EUR million	7-9/2024	7-9/2023	1-9/2024	1-9/2023	1-12/2023
Net sales	85.7	91.1	253.2	278.3	376.9
<b>Pro forma EBITDA <sup>(1)</sup></b>	<b>11.4</b>	<b>12.5</b>	<b>27.3</b>	<b>29.4</b>	<b>42.0</b>
EBITDA %	13.3%	13.7%	10.8%	10.6%	11.2%
<b>Pro forma operating profit (EBIT)</b>	<b>3.3</b>	<b>4.1</b>	<b>2.6</b>	<b>5.0</b>	<b>9.1</b>
Operating profit (EBIT) %	3.9%	4.5%	1.0%	1.8%	2.4%
<b>Pro forma profit before taxes</b>	<b>0.9</b>	<b>2.0</b>	<b>-4.9</b>	<b>-2.8</b>	<b>-2.7</b>

(1) EBITDA = operating profit + depreciation and amortisation

#### KH Group, July–September, pro forma

KH Group's pro forma net sales amounted to EUR 85.7 (91.1) million, representing a year-on-year decrease of 5.9%. Net sales increased in KH-Koneet and decreased in Indoor Group and Nordic Rescue Group. Operating profit for the review period came to EUR 3.3 (4.1) million. KH-Koneet and Indoor Group posted a positive operating profit, while Nordic Rescue Group reported zero operating profit. The parent company's share of the operating profit for the review period was EUR -0.4 (-0.8) million. The parent company's expenses decreased year-on-year due to savings in operating expenses and the fact that costs relating to the strategy project were reported for the comparison period.

#### KH Group, January–September, pro forma

KH Group's net sales decreased by 9.0% to EUR 253.2 (278.3) million. Net sales increased in Nordic Rescue Group, but decreased in KH-Koneet and Indoor Group. Operating profit was positive for KH-Koneet and Nordic Rescue Group, and negative for Indoor Group. The parent company's share of the operating profit for the review period was EUR -1.4 (-2.2) million. The factors contributing to the parent company's decreased operating expenses included the strategy change project under way in the comparison period and savings in fixed expenses.

## Segments

### KH-Koneet

#### Pro forma key figures

The accounting principles applied in preparing the pro forma figures and reconciliations with the reported figures are presented below in the report under “Pro forma financial information”.

EUR million	7-9/2024	7-9/2023	1-9/2024	1-9/2023	1-12/2023
Net sales	33.6	32.3	104.0	113.2	152.3
<b>Pro forma EBITDA <sup>(1)</sup></b>	<b>5.0</b>	<b>5.0</b>	<b>12.8</b>	<b>14.4</b>	<b>20.5</b>
EBITDA %	15.0%	15.5%	12.3%	12.7%	13.4%
<b>Pro forma operating profit (EBIT)</b>	<b>1.9</b>	<b>2.0</b>	<b>3.5</b>	<b>5.8</b>	<b>9.0</b>
Operating profit (EBIT) %	5.7%	6.3%	3.4%	5.2%	5.9%

*(1) EBITDA = operating profit + depreciation and amortisation. The most significant difference between the previously reported FAS EBITDA and pro forma EBITDA is the treatment of leases in accordance with IFRS 16.*

*KH-Koneet is one of the leading construction and earth-moving machinery suppliers in the Nordic countries. The company sells and rents out a comprehensive range of machinery, equipment and services for needs related to earthworks, property maintenance and material handling. The brands represented by KH-Koneet include Kobelco, Kramer, Wacker Neuson and Yanmar.*

The market environment for KH-Koneet remained slow in the third quarter in both Finland and Sweden. Machine sales have been influenced by the cautious approach taken by customers in both the building construction segment and the infrastructure construction segment with regard to making investment decisions. The demand for leased machinery has remained at a moderate level, and the outlook for that business has remained stable in the current uncertain economic conditions. The availability of machines has remained good and changes in their purchase prices have been moderate in 2024. KH-Koneet has been able to increase its relative market share as, for the majority of its main brands, delivery volumes in 2024 have been in line with the comparison period.

KH-Koneet's pro forma net sales increased by 4.0% from the comparison period in July–September, supported by the moderate growth of machine leasing. Pro forma operating profit for the third quarter remained nearly on a par with the comparison period at EUR 1.9 (2.0) million. Inventories totalled EUR 67.6 million at the end of September, which is EUR 1.2 million higher than in the comparison period. Sales margins in both operating countries have remained at the same level as in the comparison period.

In line with its strategy, the company is investing in the future. During the year, it has increased the fleet of equipment available for lease, and KH-Koneet also expanded by opening a new customer service centre in Jyväskylä. A similar service center in Luleå, Sweden, will be opened in November. The opening of the Luleå location represents a significant step in the company's expansion into Northern Sweden.

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## Indoor Group

### Pro forma key figures

The accounting principles applied in preparing the pro forma figures and the reconciliation of pro forma figures with the reported figures are presented later in the report under “Pro forma financial figures”. Indoor Group reports its figures according to IFRS, and the pro forma figures presented in this financial review correspond to the figures reported by the company.

EUR million	7-9/2024	7-9/2023	1-9/2024	1-9/2023	1-12/2023
Net sales	46.0	50.6	120.9	138.2	186.3
<b>Pro forma EBITDA <sup>(1)</sup></b>	<b>6.6</b>	<b>7.8</b>	<b>13.7</b>	<b>15.7</b>	<b>21.8</b>
EBITDA %	14.4%	15.4%	11.4%	11.4%	11.7%
<b>Pro forma operating profit (EBIT)</b>	<b>1.8</b>	<b>2.6</b>	<b>-1.2</b>	<b>0.5</b>	<b>1.0</b>
Operating profit (EBIT) %	3.8%	5.1%	-1.0%	0.3%	0.6%

(1) EBITDA = operating profit + depreciation and amortisation

*Indoor Group's Asko and Sotka chains are among Finland's best-known home furniture and interior decoration retailers. In addition to the retail chains, the Group includes the furniture factory Insofa. Asko and Sotka have approximately 80 physical stores as well as online stores in Finland. Operations in Estonia were discontinued at the beginning of 2024.*

Indoor Group's market environment remains very challenging. The development of consumer purchasing power has been weak, and consumption behaviour remains cautious, which has had a negative impact on Indoor Group's demand. Asko's total sales decreased slightly during the review period, but Asko's online store sales saw positive development. Sotka's sales development has been negative. Indoor Group has continued to carry out efficiency improvement measures by seeking cost savings, among other things.

The company's pro forma net sales declined by 9.1% in July–September, while pro forma operating profit decreased by EUR 0.8 million year-on-year. The weak sales have been compensated for by lower fixed costs. Indoor Group's fixed costs decreased by more than 15% year-on-year due to factors such as the part-time temporary layoffs started in June, the lower costs of the ERP system renewal project when compared to the corresponding period last year, and other cost savings. The production use of the ERP system began in the Sotka chain in March 2024 and in the Asko chain in May 2024.

As the company's financial performance was weaker than expected, it did not meet the financial covenants of its financing agreement as of September 2024. After the end of the review period, Indoor Group received the consent of the financing provider to deviate from the covenant terms of the financing agreement. Indoor Group has continued to negotiate with the financing provider after the review period to adapt its financing to better reflect the current situation and prospects of the company.

During the remainder of the year, the company will continue to implement measures aimed at improving profitability. On 15 August 2024, KH Group announced the launch of an extensive operating model reform programme aimed at improving the group company Indoor Group's profitability. In order to implement the planned changes aimed at improving the efficiency of the operating model, Indoor Group commenced change negotiations in accordance with the Act on Co-operation within Undertakings on 21 October 2024.

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## Nordic Rescue Group

### Pro forma key figures

The accounting principles applied in preparing the pro forma figures and reconciliations with the reported figures are presented below in the report under “Pro forma financial information”.

EUR million	7-9/2024	7-9/2023	1-9/2024	1-9/2023	1-12/2023
Net sales	6.1	8.2	28.3	26.9	38.3
<b>Pro forma EBITDA <sup>(1)</sup></b>	<b>0.1</b>	<b>0.4</b>	<b>2.1</b>	<b>1.4</b>	<b>2.5</b>
EBITDA %	2.3%	5.4%	7.3%	5.4%	6.6%
<b>Pro forma operating profit (EBIT)</b>	<b>0.0</b>	<b>0.3</b>	<b>1.6</b>	<b>1.0</b>	<b>1.9</b>
Operating profit (EBIT) %	-0.1%	3.5%	5.6%	3.7%	5.0%

*(1) EBITDA = operating profit + depreciation and amortisation. The most significant difference between the previously reported FAS EBITDA and pro forma EBITDA is the treatment of leases in accordance with IFRS 16.*

*Nordic Rescue Group is a leading rescue vehicle supplier in the Nordic countries. The company operates in Finland under the name Saurus and in Sweden under the name Sala Brand.*

The rescue vehicle business developed mainly as expected in the third quarter. The production capacity for 2024 has already been fully sold previously and, supported by the volume, production efficiency was at a good level. Sales as a whole developed positively, although there are differences between countries. In Sweden, market demand has been good and Sala Brand has steadily won customer orders. In Finland, the budgeting phase of the wellbeing services counties has slowed down the accrual of new orders when compared to the previous year. On the whole, NRG’s order book has remained at a good level. The order book at the end of September was higher than in June.

Net sales for July–September came to EUR 6.1 million, which was lower than in the comparison period due to low customer deliveries. The net sales of the after-sales maintenance business were also lower than in the comparison period. Operating profit decreased year-on-year due to the low level of net sales. Pro forma net sales and operating profit for January–September were higher than in the previous year.

During the review period, KH Group and other NRG shareholders made an additional investment of EUR 1.0 million in total in accordance with the financing agreement concluded in spring 2023. KH Group’s share of the additional investment is EUR 0.5 million. The estimated remaining share of Vema Lift’s estate to be distributed to NRG has remained unchanged at approximately EUR 1.0 million, and it is expected to be transferred to NRG by the end of 2024.

## HTJ

In June 2024, KH Group Plc, together with the other shareholders of the construction management company HTJ Holding Oy (HTJ), agreed on the sale of the company’s shares to XPartners Finland Holding Oy, which is part of the XPartners Group. The transaction was completed in July 2024. The debt-free value of the transaction was EUR 23.0 million, with KH Group’s final share amounting to EUR 13.1 million. The capital gain recognised on the transaction for Q3 is EUR 2.6 million. HTJ has been presented as a discontinued operation during the review period and the 2023 comparison periods have been adjusted accordingly with regard to the income statement. For more information, see the notes on discontinued operations in the table section.



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## Financial position and cash flow

KH Group's balance sheet total on 30 September 2024 was EUR 321.5 (366.1) million. The equity ratio was 24.4% (22.8%) and gearing was 195.6% (195.4%). Gearing excluding lease liabilities was 120.6% (115.1%).

At the beginning of the review period, the parent company had a credit facility of EUR 2.45 million and a bank loan of EUR 4.4 million available for its use. The bank loan was repaid in July using the cash obtained from the divestment of HTJ. Following the repayment of the loan, the Group's parent company has no loans from financial institutions. The Group's cash and cash equivalents totalled EUR 11.6 million at the end of the review period.

KH-Koneet and NRG met the financial covenants of their financing agreements in September 2024. Indoor Group did not meet the financial covenants of its financing agreement but, after the end of the review period, the company received a waiver from the financing provider to deviate from the covenant terms of the financing agreement. Indoor Group has continued to negotiate with the financing provider after the review period to adapt its financing to better reflect the current situation and prospects of the company.

In the review period, net cash flow from operating activities amounted to EUR 0.6 (21.5) million, net cash flow from investing activities to EUR 11.6 (27.9) million and net cash flow from financing activities to EUR -11.7 (-32.3) million. Due to the change in the reporting structure, the figures are not comparable. Cash flow from investing activities mainly consists of a real estate sale transaction in Estonia and the proceeds from the divestment of HTJ. During the review period, the net cash flow generated by the Group was EUR 0.5 million.

## Personnel

Personnel, average	30 September 2024	30 September 2023	31 December 2023
KH-Koneet	209	201	201
Indoor Group <sup>(1)</sup>	559	795	702
Nordic Rescue Group	114	105	111
HTJ	-	220	217
Parent company	4	5	6
<b>Group, total</b>	<b>886</b>	<b>1,326</b>	<b>1,237</b>

<sup>(1)</sup> For Indoor Group, the FTE figure is used due to the large number of part-time employees.

## The most significant near-term business risks

The goal of KH Group's risk management is the comprehensive and proactive management of risks. The company aims to detect and identify factors that may have a negative impact on the achievement of the company's goals in a long or short term and to take necessary measures to manage these factors. Risk management at the Group's business level plays a key role in risk management, as risk management is mainly organised as part of business operations. KH Group's management promotes and monitors the risk management of the businesses through active group-level steering and participation in the board work of the group companies.

The company's Board of Directors confirms the company's strategy and action plan, which defines goals related to the development of the business areas and future exits, among other things. The Board of Directors makes decisions on business area exits and oversees the implementation of operations. Due to the nature of the company's operations and the change in strategy, a significant proportion of KH Group's material risks are related to the company's business areas, their activities, and exits.

The company risk of the business areas of, among other things, risks associated with market and competitive situations, strategic risks, operational risks and financial risks, with the material risks including, for instance, liquidity and interest rate risks. At the end of the review period, KH Group had three business areas, all of which are of significant size. It cannot be guaranteed that the business areas or sectors that are within the scope of KH Group's structure will develop as expected in the future. The financial results of the business areas have a direct effect on KH Group's result. Changes in the operations of a single business area may have a material negative impact on KH Group's business operations, financial position, results or future outlook. Pandemics and inflation, which has accelerated in recent times, may also have significant direct and indirect impacts on the development of the business areas and, consequently, on KH Group.

KH Group's most significant strategic risks are related to exiting the business areas and the timing of those exits, which may have a material impact on the execution of the ongoing change in strategy. The company's structure makes the flexible timing of exits possible but, to optimise return on equity, the company aims to time exits to coincide with circumstances in which KH Group considers the value creation that was planned for the business area in advance to have realised and the market situation to be favourable for the exit. As the operating environments of the business areas and the M&A market vary, it cannot be guaranteed that conditions favourable for an exit and a favourable M&A market situation coincide. The company seeks to manage this risk through proactive exit planning that models different options.

KH Group's operational risks include, for instance, dependence on the parent company's and business areas' key personnel's competence and input. The company's key personnel play a central role in the establishment, implementation and management of the company's strategy. Measures with which the company tries to protect itself from the key personnel risk include incentive schemes, among other things.

Liquidity risk is the most significant financial risk that KH Group is exposed to. The management of liquidity risk ensures that the company has sufficient funds to make any payments falling due and for potential additional capitalisation of the business areas in line with the company's value creation strategy.

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The war in Ukraine and the resulting sanctions are not expected to have significant direct impacts on KH Group under the current circumstances. However, the prolongation or expansion of the war may have potentially significant indirect negative impacts on KH Group through unfavourable developments in financial and capital markets, a decline in the overall economic outlook or a deterioration in the operating conditions of KH Group's business areas, for instance. KH Group has no business operations in Ukraine, Russia or Belarus.

## Events after the review period

During the current year, Indoor will continue to implement measures aimed at improving profitability. KH Group published a press release on 10 October 2024 concerning the reform of the operating model and change negotiations.

## Future outlook

KH Group's medium-term objective is to become an industrial group built around the KH-Koneet business and to divest other business areas in line with previous strategy. At the same time, active developments will continue regarding other business areas. Exit planning and the assessment of exit opportunities for the other business areas will also continue.

In the 2023 Financial Statements Release published on 21 March 2024, the company estimated net sales of EUR 400–420 million and operating profit of EUR 14–16 million for 2024. The guidance did not include the operating profit of approximately EUR 3.7 million from Indoor Group's real estate sale transaction in Estonia, which the company announced later on the same day.

The company updated its earlier guidance on net sales and operating profit for 2024 on 30 April 2024. KH Group estimated, with the then Group structure, to reach net sales of EUR 400–420 million and operating profit of EUR 12–16 million in 2024, including the capital gain from Indoor Group's Estonian real estate sale transaction.

On 7 June 2024, the company updated its previously issued guidance in connection with the divestment of HTJ. Following the effects of the divestment, KH Group's pro forma guidance for 2024 is as follows: net sales of EUR 370–390 million and operating profit of EUR 9–13 million including the capital gain from Indoor's property sale in Estonia. The guidance has thus been updated only by removing HTJ's pro forma figures' share of the net sales and operating profit for the financial period. Going forward, HTJ's result for the financial period 2024 and the Group's capital gain will be reported as discontinued operations.

On 9 August 2024, the company updated its earlier guidance on net sales and operating profit for 2024. According to the updated guidance, with the current Group structure, the company estimates pro forma net sales for 2024 to be EUR 340–360 million and operating profit to be EUR 4–7 million.

Helsinki, 1 November 2024  
KH Group Plc  
Board of Directors

January–September 2024

## Pro forma financial figures

The following unaudited pro forma financial figures have been prepared for illustrative purposes only. The pro forma figures aim to illustrate the comparable result of the segments and the Group if the change in investment entity status had taken place on 1 January 2023, and the companies that were part of the group structure on 30 September 2024 had been consolidated into the income statement line item by line item for the periods 1 January–31 December 2023 and 1 January–30 September 2024.

The unaudited pro forma figures are based on the subsidiaries' audited financial statements for the financial year 2023 and on unaudited accounting figures for the periods 1 January–30 September 2023 and 1 January–30 September 2024.

The presented pro forma figures include comparable net sales, EBITDA, operating profit and profit before taxes for the consolidated group and segments. The consolidated figures include the subsidiaries' transactions as if the consolidation had commenced on 1 January 2024. Intra-group transactions have been eliminated. The pro forma information does not show HTJ's business sold in 2024 or the Logistikas business sold in 2023. The historical financial figures of Indoor Group and KH Group Plc were previously drawn up in compliance with the IFRS standards. The historical financial figures of KH-Koneet, Nordic Rescue Group and HTJ were drawn up in compliance with the Finnish Accounting Standards ("FAS"). In the pro forma figures, the FAS accounting figures for the subsidiaries have been adjusted to be in line with IFRS principles, the parent company's fair value entries have been reversed, and the effect of discontinued operations has been adjusted for as follows:

- The HTJ business sold in 2024 and the Logistikas business sold in 2023 have been eliminated from net sales.
- EBITDA has been adjusted to eliminate the discontinued operations, fair value changes of the parent company's investments in subsidiaries, and lease expenses recognised in FAS accounting, which are not recognised in EBITDA in accordance with IFRS 16.
- Operating profit has been adjusted to eliminate discontinued operations, the parent company's fair value entries, and FAS lease expenses. Depreciation of leases in accordance with IFRS 16 has been added to operating profit.
- Profit before taxes has been adjusted to eliminate discontinued operations, the parent company's fair value entries, and FAS lease expenses. IFRS 16 depreciation and interest expenses according to IFRS 16 have been added to profit before taxes.

## Pro forma income statements

EUR million	Pro forma 7-9/2024	Pro forma 7-9/2023	Pro forma 1-9/2024	Pro forma 1-9/2023	Pro forma 1-12/2023
<b>Net sales</b>					
KH-Koneet	33.6	32.3	104.0	113.2	152.3
Indoor Group	46.0	50.6	120.9	138.2	186.3
Nordic Rescue Group	6.1	8.2	28.3	26.9	38.3
Non-allocated	0.0	0.0	0.0	0.0	0.0
<b>Group</b>	<b>85.7</b>	<b>91.1</b>	<b>253.2</b>	<b>278.3</b>	<b>376.9</b>

# Q3/2024 Business Review

January–September 2024

EUR million	Pro forma 7-9/2024	Pro forma 7-9/2023	Pro forma 1-9/2024	Pro forma 1-9/2023	Pro forma 1-12/2023
<b>EBITDA</b>					
KH-Koneet	5.0	5.0	12.8	14.4	20.5
Indoor Group	6.6	7.8	13.7	15.7	21.8
Nordic Rescue Group	0.1	0.4	2.1	1.4	2.5
Non-allocated	-0.4	-0.7	-1.3	-2.2	-2.7
<b>Group</b>	<b>11.4</b>	<b>12.5</b>	<b>27.3</b>	<b>29.4</b>	<b>42.0</b>
<b>EBITDA %</b>					
KH-Koneet	15.0%	15.5%	12.3%	12.7%	13.4%
Indoor Group	14.4%	15.4%	11.4%	11.4%	11.7%
Nordic Rescue Group	2.3%	5.4%	7.3%	5.4%	6.6%
Non-allocated	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Group</b>	<b>13.3%</b>	<b>13.7%</b>	<b>10.8%</b>	<b>10.6%</b>	<b>11.2%</b>
<b>Depreciation</b>					
KH-Koneet	-3.1	-3.0	-9.3	-8.5	-11.5
Indoor Group	-4.9	-5.2	-14.9	-15.3	-20.7
Nordic Rescue Group	-0.1	-0.2	-0.5	-0.5	-0.6
Non-allocated	0.0	-0.0	0.0	-0.1	-0.1
<b>Group</b>	<b>-8.1</b>	<b>-8.4</b>	<b>-24.7</b>	<b>-24.3</b>	<b>-32.9</b>
<b>Operating profit (EBIT)</b>					
KH-Koneet	1.9	2.0	3.5	5.8	9.0
Indoor Group	1.8	2.6	-1.2	0.5	1.0
Nordic Rescue Group	0.0	0.3	1.6	1.0	1.9
Non-allocated	-0.4	-0.8	-1.3	-2.2	-2.9
<b>Group</b>	<b>3.3</b>	<b>4.1</b>	<b>2.6</b>	<b>5.0</b>	<b>9.1</b>
<b>Operating profit (EBIT) %</b>					
KH-Koneet	5.7%	6.3%	3.4%	5.2%	5.9%
Indoor Group	3.8%	5.1%	-1.0%	0.3%	0.6%
Nordic Rescue Group	-0.1%	3.5%	5.6%	3.7%	5.0%
Non-allocated	0.0%	-	0.0%	0.0%	0.0%
<b>Group</b>	<b>3.9%</b>	<b>4.5%</b>	<b>1.0%</b>	<b>1.8%</b>	<b>2.4%</b>

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EUR million	Pro forma 7-9/2024	Pro forma 7-9/2023	Pro forma 1-9/2024	Pro forma 1-9/2023	Pro forma 1-12/2023
<b>Financial items, net</b>					
KH-Koneet	-1.0	-0.6	-3.1	-2.7	-3.2
Indoor Group	-1.0	-1.1	-3.3	-3.3	-4.4
Nordic Rescue Group	-0.4	-0.2	-0.9	-0.9	-1.3
Non-allocated	0.0	-0.2	-0.1	-0.4	-2.4
<b>Group</b>	<b>-2.4</b>	<b>-2.1</b>	<b>-7.5</b>	<b>-7.4</b>	<b>-11.3</b>
<b>Profit before taxes</b>					
KH-Koneet	0.9	1.4	0.4	2.6	5.3
Indoor Group	0.7	1.5	-4.5	-2.9	-3.4
Nordic Rescue Group	-0.4	0.1	0.7	0.1	0.6
Non-allocated	-0.3	-1.0	-1.4	-2.7	-5.3
<b>Group</b>	<b>0.9</b>	<b>2.0</b>	<b>-4.9</b>	<b>-2.8</b>	<b>-2.7</b>

## Tables

### Accounting principles

This unaudited interim report has been prepared in compliance with the IAS 34 Interim Financial Reporting standard.

The preparation of consolidated financial statements in accordance with the IFRS requires the use of management estimates and assumptions, which affects the amounts of assets and liabilities on the balance sheet, as well as income and expenses. Although the estimates are based on the management's best current knowledge, it is possible that the actual outcomes differ from the estimates and assumptions used.

The consolidated financial statements are drawn up in euros, which is the company's operating currency and the reporting currency of the company and the Group. All figures are presented in millions of euros (EUR million) and rounded to the nearest EUR 0.1 million. Consequently, the sum of individual figures may deviate from the presented amounts.

### Change of investment entity status and commencing the consolidation of subsidiaries

Until the financial statements for 2022 and the business review for the first quarter of 2023, KH Group prepared its consolidated reports as an IFRS 10 investment entity whose investments in subsidiaries were treated as financial instruments and measured at fair value through profit and loss. On 4 May 2023, in accordance with the proposal of the Board of Directors, the Annual General Meeting resolved to change the company name and line of business and amend the Articles of Association to be in line with the change in strategy from private equity investment company into a conglomerate announced on 15 December 2022.

KH Group deems that it ceased to be an investment entity on 1 May 2023 and, from that date onwards, has consolidated its subsidiaries into the consolidated financial statements by applying the IFRS 3 acquisition method

of accounting. The date on which the investment entity status changed, 1 May 2023, is considered to be the acquisition date of the subsidiaries in accordance with IFRS 3. The fair value of the subsidiary on the acquisition date is deemed to represent the assumed consideration paid when determining the goodwill arising from the acquisition. The accounting principles are described in more detail in the note “Business combinations”.

The material effects of the change in investment entity status on the consolidated income statement, consolidated balance sheet and consolidated cash flow are described below.

### ***Consolidated income statement***

The consolidated income statement for the comparison period 1–12/2023 includes both the period 1–4/2023, during which the parent company, as an investment entity, recognised its investments at fair value through profit and loss, and the period 5–12/2023, during which the subsidiaries were consolidated line item by line item in accordance with the acquisition cost method.

### ***Consolidated balance sheet***

After the date on which the investment entity status changed, subsidiaries have been consolidated into the consolidated balance sheet line item by line item in accordance with the acquisition cost method, and the parent company’s investments previously recognised at fair value through profit and loss have been eliminated as shares in subsidiaries. A non-controlling interest was also created in consolidated equity in connection with the change of investment entity status.

### ***Consolidated cash flow statement***

The consolidated cash flow statement for the comparison period 1–12/2023 includes both the comparison period 1–4/2023, during which the cash flow statement consisted of the parent company’s cash flow, and the comparison period 5–12/2023, during which the subsidiaries were consolidated line item by line item. The subsidiaries’ cash and cash equivalents on 1 May 2023 were included in cash flow from investing activities, as the change in the consolidation principle is treated as an IFRS 3 acquisition without paid cash consideration.

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## Consolidated income statement, IFRS

The comparison data in the 2023 income statements has been updated due to HTJ's reclassification as a discontinued operation.

EUR million	7-9/2024	7-9/2023	1-9/2024	1-9/2023	1-12/2023
<b>Net sales</b>	<b>85.7</b>	<b>93.8</b>	<b>253.2</b>	<b>161.0</b>	<b>252.5</b>
Other operating income	0.6	0.9	5.9	1.5	2.6
Materials and services	-55.4	-71.5	-166.6	-125.1	-183.8
Personnel expenses	-12.0	-12.8	-40.0	-22.3	-36.8
Other operating expenses	-7.6	-8.9	-25.3	-15.4	-24.7
Unrealised changes in fair values of investment	0.0	0.0	0.0	-2.2	-2.2
Depreciation, amortisation and impairment	-8.7	-9.1	-26.4	-15.0	-23.9
<b>Operating profit/loss</b>	<b>2.6</b>	<b>-7.6</b>	<b>0.8</b>	<b>-17.5</b>	<b>-16.3</b>
Financial income	0.3	0.4	0.6	0.7	1.2
Financial expenses	-2.6	-2.3	-8.0	-5.3	-9.7
<b>Profit before taxes</b>	<b>0.3</b>	<b>-9.6</b>	<b>-6.5</b>	<b>-22.1</b>	<b>-24.8</b>
Income taxes	-0.1	2.4	0.3	4.4	4.5
<b>Profit from continuing operations</b>	<b>0.2</b>	<b>-7.2</b>	<b>-6.2</b>	<b>-17.7</b>	<b>-20.3</b>
Profit from discontinued operations	2.6	0.4	2.8	5.6	5.9
<b>Net profit for the period</b>	<b>2.8</b>	<b>-6.8</b>	<b>-3.3</b>	<b>-12.1</b>	<b>-14.4</b>
<b>Distribution of the net profit for the period:</b>					
Parent company shareholders	2.9	-3.6	-1.3	-9.0	-10.4
Non-controlling interest	0.0	-3.2	-2.0	-3.1	-3.9
<b>Earnings per share</b>					
Continuing operations, €					
Undiluted and diluted	0.0	-0.07	-0.07	-0.25	-0.28
Discontinued operations, €					
Undiluted and diluted	0.05	0.01	0.05	0.10	0.10
Continuing and discontinued operations, €					
Diluted and undiluted	0.05	-0.06	-0.02	-0.15	-0.18

## Consolidated statement of comprehensive income, IFRS

EUR million	7-9/2024	7-9/2023	1-9/2024	1-9/2023	1-12/2023
<b>Net profit for the period</b>	<b>2.8</b>	<b>-6.8</b>	<b>-3.3</b>	<b>-12.1</b>	<b>-14.4</b>
<b>Comprehensive income items that may be later recognised through profit and loss</b>					
Translation differences	0.1	0.1	-0.2	0.0	-0.0
<b>Items not transferred to profit or loss:</b>					
Defined-benefit pensions	0.0	0.0	0.0	0.0	-0.1
<b>Other comprehensive income after taxes for the financial period</b>	<b>0.1</b>	<b>0.1</b>	<b>-0.2</b>	<b>0.0</b>	<b>-0.2</b>



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<b>Consolidated statement of comprehensive income, total</b>	<b>2.9</b>	<b>-6.8</b>	<b>-3.5</b>	<b>-12.1</b>	<b>-14.5</b>
<b>Distribution</b>					
Parent company shareholders	3.0	-3.6	-1.5	-8.9	-10.5
Non-controlling interest	0.0	-3.2	-2.0	-3.2	-4.0

## Consolidated balance sheet, IFRS

EUR million	30 September 2024	30 September 2023	31 December 2023
<b>Assets</b>			
<b>Non-current assets</b>			
Goodwill	25.1	37.7	39.9
Intangible assets	57.4	64.9	63.8
Tangible assets	45.0	9.3	41.4
Right-of-use assets	55.3	98.7	61.8
Investments at fair value through profit and loss	0.0	0.0	-
Other financial assets	0.2	0.8	0.7
Deferred tax assets	6.1	5.8	5.3
<b>Non-current assets, total</b>	<b>189.0</b>	<b>217.1</b>	<b>212.9</b>
<b>Current assets</b>			
Inventories	99.5	103.4	100.0
Trade receivables	16.9	20.3	19.3
Accrued income and other receivables	4.5	6.0	4.4
Cash and cash equivalents	11.6	19.4	11.1
<b>Current assets, total</b>	<b>132.5</b>	<b>149.0</b>	<b>134.8</b>
Non-current assets held for sale	-	-	-
<b>Assets, total</b>	<b>321.5</b>	<b>366.1</b>	<b>347.7</b>
<b>Shareholders' equity and liabilities</b>			
<b>Equity attributable to equity holders of the parent company</b>			
Share capital	15.2	15.2	15.2
Reserve for invested unrestricted equity	12.9	12.9	12.9
Translation differences	-0.2	0.0	-
Retained earnings	45.3	48.1	46.6
<b>Equity attributable to the owners of the parent company</b>	<b>73.1</b>	<b>76.2</b>	<b>74.6</b>
Non-controlling interest	2.6	4.8	4.7
<b>Total equity</b>	<b>75.8</b>	<b>81.0</b>	<b>79.3</b>
<b>Non-current liabilities</b>			
Interest-bearing financial liabilities	25.1	35.5	40.5
Financial liabilities for rental equipment	29.3	25.7	24.4
Lease liabilities	35.1	43.1	40.7
Other non-current financial liabilities	0.0	2.1	3.4
Provisions	0.1	0.1	0.1

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Pension obligations	0.2	0.2	0.2
Deferred tax liabilities	11.3	13.3	12.7
<b>Non-current liabilities, total</b>	<b>101.0</b>	<b>120.1</b>	<b>121.9</b>
<b>Current liabilities</b>			
Interest-bearing financial liabilities	37.3	42.8	29.6
Financial liabilities for rental equipment	11.2	8.6	9.1
Lease liabilities	21.7	21.9	21.7
Advances received	10.5	10.7	5.8
Trade and other liabilities	64.0	81.0	80.4
<b>Current liabilities, total</b>	<b>144.7</b>	<b>165.0</b>	<b>146.6</b>
Liabilities relating to non-current assets held for sale	-	-	-
<b>Liabilities, total</b>	<b>245.7</b>	<b>285.1</b>	<b>268.4</b>
<b>Shareholders' equity and liabilities, total</b>	<b>321.5</b>	<b>366.1</b>	<b>347.7</b>

## Consolidated cash flow statement, IFRS

EUR million	1-9/2024	1-9/2023	7-9/2024	7-9/2023	1-12/2023
<b>Net cash flow from operating activities</b>	<b>0.6</b>	<b>21.5</b>	<b>10.5</b>	<b>12.9</b>	<b>22.7</b>
<b>Net cash flow from investing activities</b>	<b>11.6</b>	<b>27.9</b>	<b>11.2</b>	<b>-0.2</b>	<b>26.9</b>
<b>Net cash flow from financing activities</b>	<b>-11.7</b>	<b>-32.3</b>	<b>-14.1</b>	<b>-19.7</b>	<b>-40.7</b>
<b>Change in cash and cash equivalents</b>	<b>0.5</b>	<b>17.1</b>	<b>7.5</b>	<b>-7.0</b>	<b>8.9</b>
Cash and cash equivalents at the beginning of the period	11.1	2.2	4.1	26.4	2.2
<b>Cash and cash equivalents at the end of the period</b>	<b>11.6</b>	<b>19.4</b>	<b>11.6</b>	<b>19.4</b>	<b>11.1</b>

## Discontinued operations

In June 2024, KH Group Plc, together with the other shareholders of the construction management company HTJ Holding Oy (HTJ), agreed on the sale of the company's shares to XPartners Finland Holding Oy, which is part of the XPartners Group. The transaction was completed in July 2024. The debt-free value of the transaction was EUR 23.0 million, with KH Group's final share amounting to EUR 13.1 million. The capital gain recognised on the transaction was EUR 2.6 million.

Continuing and discontinued operations are presented separately in the consolidated income statement. Comparative information has been adjusted accordingly in the income statement.

EUR million	1-9/2024
<b>Income items of discontinued operations</b>	
Net sales	12.8
EBIT	0.7
Financial items	-0.4

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Taxes	-0.2
<b>Net profit/loss</b>	<b>0.2</b>
<b>Capital gain</b>	<b>2.6</b>
<b>Result of discontinued operations, total</b>	<b>2.8</b>
<b>EUR million</b>	<b>1-9/2024</b>
<b>Effect on consolidated cash flow</b>	
Cash flow from operating activities	0.1
Cash flow from investing activities	0.0
Cash flow from financing activities	-1.0
<b>Cash flows, total</b>	<b>-0.8</b>

## Segment reporting and revenue

KH Group previously had only one operating segment, which was investment activity. Following the change in the company's strategy and the cessation of its investment entity status, the segments were redefined effective from 1 May 2023.

The segments KH-Koneet, Indoor Group and Nordic Rescue Group were formed on 1 May 2023 when the investment entity status changed. The parent company's share is included in the Non-allocated column.

Continuing operations 1-9/2024	KH-Koneet	Indoor Group	Nordic Rescue Group	Non-allocated	Internal items	Group
<b>EUR million</b>						
<b>Net sales</b>	104.0	120.9	28.3	0.0	0.0	253.2
Net sales share, %	41.1%	47.8%	11.2%	0.0%		100.0%
<b>EBITDA</b>	<b>12.8</b>	<b>13.7</b>	<b>2.1</b>	<b>-1.4</b>	<b>0.0</b>	<b>27.3</b>
Depreciation	-9.9	-15.6	-0.9	0.0		-26.4
<b>Operating profit (EBIT)</b>	<b>2.9</b>	<b>-1.9</b>	<b>1.1</b>	<b>-1.4</b>	<b>0.0</b>	<b>0.8</b>
Financial items, net	-3.2	-3.5	-0.9	0.2		-7.4
<b>Profit before taxes</b>	<b>-0.2</b>	<b>-5.4</b>	<b>0.2</b>	<b>-1.1</b>	<b>0.0</b>	<b>-6.5</b>
Comparable EBITDA <sup>(1)</sup>	12.8	13.7	2.1	-1.4	0.0	27.3
Comparable EBIT <sup>(1)</sup>	3.5	-1.2	1.6	-1.4	0.0	2.6
<b>Assets, 30 September 2024</b>	<b>141.9</b>	<b>142.6</b>	<b>21.9</b>	<b>19.4</b>	<b>-4.4</b>	<b>321.5</b>
<b>Interest-bearing net debt, 30 September 2024</b>	<b>74.0</b>	<b>71.7</b>	<b>13.8</b>	<b>-11.3</b>	<b>0.0</b>	<b>148.2</b>

<sup>1)</sup> More information on the comparable key figures is presented later in the sections "Alternative performance measures" and "Reconciliation of key figures".

## Off-balance sheet liabilities and loan covenants

Business mortgages, EUR million	30 September 2024	31 December 2023
KH-Koneet	47.3	47.3
Indoor Group	65.5	65.5
HTJ	-	10.0
Nordic Rescue Group	19.1	19.1
Parent company	-	-
<b>Group, total</b>	<b>131.9</b>	<b>141.9</b>

Indoor Group did not meet the financial covenants of its financing agreement in September 2024, nor did it meet the covenants in the comparison period in September 2023. Therefore, the company's loans for both reporting periods are presented as current liabilities.

## Alternative Performance Measures

KH Group adheres to the guidelines issued by the European Securities and Markets Authority (ESMA) concerning Alternative Performance Measures (APM) when reporting certain other widely used performance measures in addition to IFRS performance measures. The accounting principles for these alternative performance measures are not defined in the IFRS standards. Consequently, they may not be fully comparable with the alternative performance measures presented by other companies.

KH Group believes that presenting alternative performance measures provides the users of the financial statements with better insight into the Group's financial performance, profitability and financial position. Comparable EBITDA and comparable operating profit (EBIT) are used to follow the profitability of the business in order to improve comparability between periods. Other alternative performance measures used by the company include return on equity (%), return on capital employed (%), gearing (%) (including lease liabilities and excluding lease liabilities) and equity ratio (%) and equity per share. All of the alternative performance measures and their comparison figures are calculated consistently between reporting periods unless otherwise mentioned.

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## The Group's key indicators

EUR million	1-9/2024	1-9/2023	1-12/2023
Net sales	253.2	161.0	252.5
EBITDA	27.3	-2.5	7.6
EBITDA %	10.8%	-1.5%	3.0%
Comparable EBITDA	27.3	16.2	28.1
Comparable EBITDA %	10.8%	10.0%	11.1%
Operating profit (EBIT)	0.8	-17.5	-16.3
Operating profit (EBIT) %	0.3%	-10.8%	-6.5%
Comparable operating profit (EBIT)	2.6	1.9	6.0
Comparable EBIT %	1.0%	1.2%	2.4%
Return on equity, %, rolling 12 months	-7.1%	-14.5%	-17.5%
Return on capital employed, %, rolling 12 months	5.8%	-10.4%	-3.9%
Gearing, %	195.6%	195.4%	195.4%
Gearing, excluding lease liabilities, %	120.6%	115.1%	116.7%
Equity ratio, %	24.4%	22.8%	23.2%
Personnel, average	886	1,326	1,237
Earnings per share, EUR, undiluted	-0.02	-0.15	-0.18
Earnings per share, EUR, diluted	-0.02	-0.15	-0.18
Shareholders' equity per share, EUR	1.30	1.39	1.36
Lowest share price, EUR	0.52	0.84	0.73
Highest share price, EUR	0.89	1.21	1.21
Share price at the end of the period, EUR	0.63	0.86	0.81
Market capitalisation at the end of the period, EUR million	36.6	49.9	47.3
Number of shares at the end of the period, 1,000	58,079	58,079	58,079
Average number of shares, undiluted, 1,000	58,079	58,079	58,079
Average number of shares, diluted, 1,000	58,079	58,079	58,079

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## Reconciliation of key indicators

EUR million	1-9/2024	1-9/2023	1-12/2023
<b>Operating profit</b>	<b>0.8</b>	<b>-17.5</b>	<b>-16.3</b>
Depreciation, amortisation and impairment	-26.4	-15.0	-23.9
<b>EBITDA</b>	<b>27.3</b>	<b>-2.5</b>	<b>7.6</b>
Items affecting comparability (EBITDA)			
Adjustment of the fair value of inventories	0.0	-18.6	20.6
<b>Comparable EBITDA</b>	<b>27.3</b>	<b>16.2</b>	<b>28.1</b>
Depreciation, amortisation and impairment	-26.4	-15.0	-23.9
Items affecting comparability (EBIT)			
Depreciation of intangible assets arising from acquisitions	-1.7	-0.7	1.7
<b>Comparable operating profit (EBIT)</b>	<b>2.6</b>	<b>1.9</b>	<b>6.0</b>
Profit before taxes, rolling 12 months	2.0	-23.7	-16.3
Financial expenses, rolling 12 months	-12.4	-5.4	-9.7
Equity at the beginning of the period	81.0	86.5	85.1
Interest-bearing liabilities, including lease liabilities, at the beginning of the period	177.6	10.2	10.0
Equity at the end of the period	75.8	81.0	79.3
Interest-bearing liabilities, including lease liabilities, at the end of the period	159.8	177.6	166.0
<b>Return on capital employed (ROCE), %</b>	<b>5.8%</b>	<b>-10.3%</b>	<b>-3.9%</b>
Net profit for the period, rolling 12 months	-5.6	-12.1	-14.4
Equity at the beginning of the period	81.0	86.5	85.1
Equity at the end of the period	75.8	81.0	79.3
<b>Return on equity (ROE), %</b>	<b>-7.1%</b>	<b>-14.5%</b>	<b>-17.5%</b>
Total equity	75.8	81.0	79.3
Balance sheet total	321.5	366.1	347.7
Advances received	-10.5	-10.7	-5.8
<b>Equity ratio, %</b>	<b>24.4%</b>	<b>22.8%</b>	<b>23.2%</b>
Interest-bearing liabilities, including lease liabilities	159.8	177.6	166.0
Cash and cash equivalents	-11.6	-19.4	-11.1
<b>Interest-bearing net liabilities</b>	<b>148.2</b>	<b>158.2</b>	<b>154.9</b>
Lease liabilities	-56.8	-65.0	-62.4
<b>Interest-bearing net liabilities, excluding lease liabilities</b>	<b>91.3</b>	<b>93.2</b>	<b>92.5</b>
Total equity	75.8	81.0	79.3
<b>Gearing, %</b>	<b>195.6%</b>	<b>195.4%</b>	<b>195.4%</b>
<b>Gearing, excluding lease liabilities, %</b>	<b>120.6%</b>	<b>115.1%</b>	<b>116.7%</b>

Alternative Performance Measure	Calculation formula	Purpose
<b>Comparable EBITDA</b>	Comparable operating profit (EBIT) + Depreciation, amortisation and impairment	Adjusted EBITDA is considered to provide a comparable view of the operating result as compared to previous periods.
<b>EBITDA</b>	EBIT + Depreciation, amortisation and impairment	EBITDA is considered to provide an operative view of the business results.
<b>Comparable operating profit (EBIT)</b>	Operating profit - Items affecting comparability	Comparable operating profit EBIT is considered to provide a comparable view of the operating result as compared to previous periods.
<b>Equity ratio, %</b>	Total equity / (Balance sheet total - advances received) x 100	The equity ratio provides information on the debt financing used by the Group to finance its assets.
<b>Interest-bearing liabilities</b>	Loans from financial institutions + Lease liabilities + Other financial liabilities	The component is used in the calculation of gearing.
<b>Interest-bearing net liabilities</b>	Interest-bearing liabilities - Cash and cash equivalents	Interest-bearing net liabilities illustrate the total amount of the Group's external debt financing.
<b>Gearing, %</b>	Interest-bearing net liabilities / Total equity x 100	Gearing indicates the ratio of interest-bearing net debt to equity. It illustrates the company's capital structure.
<b>Return on equity, %</b>	Net profit for the period (rolling 12 months) / Total equity (average) x 100	The return on equity (ROE) percentage indicates how much return the company is able to generate on the equity invested in it by its owners.
<b>Return on capital employed, %</b>	(Profit before taxes + financial expenses) (rolling 12 months) / (Balance sheet total - non-interest-bearing liabilities) (average) x 100	The return on capital employed (ROCE) percentage indicates how much return the company is able to generate before taxes with the invested equity and financial liabilities in it.
<b>Equity per share</b>	Total equity / Number of shares at the end of the period	Equity per share indicates the amount of equity per share.

## **KH Group's financial disclosures in 2025**

Financial Statements Release for 2024: 21 March 2025

Annual Report 2024: week 13

Business Review January–March: 6 May 2025

Half-Year Report January–June: 15 August 2025

Business Review January–September: 31 October 2025

KH Group Plc is a Nordic conglomerate operating in the business areas of KH-Koneet, Indoor Group and Nordic Rescue Group. We are a leading supplier of construction and earth-moving equipment, furniture and interior decoration retailer as well as rescue vehicle manufacturer. The objective of our strategy is to create an industrial group around the business of KH-Koneet. KH Group's share is listed on Nasdaq Helsinki.