



**LASSILA & TIKANOJA**

**Financial Statements Release  
January–December 2025**

## OPERATIONS AS AN INDEPENDENT LISTED COMPANY BEGAN, SOLID PERFORMANCE CONTINUED

*The financial information presented in this Financial Statements Release is based on actual figures as at 31 December 2025 for the statement of financial position, and on carve-out financial information for other financial information and comparative periods. The carve-out financial information does not necessarily reflect what the combined results of operations, financial position or cash flows would have been had Lassila & Tikanoja operated as an independent legal group and prepared separate consolidated financial information for the periods presented. Nor does the carve-out financial information necessarily indicate the future results of operations, financial position or cash flows of Lassila & Tikanoja.*

Unless otherwise mentioned, the figures in brackets refer to the corresponding period in the previous year.

### October–December 2025 highlights

- Net sales were EUR 111.2 million (105.4). Net sales grew by 5.5%.
- Adjusted EBITA was EUR 9.0 million (10.2), which was 8.1% (9.7) of net sales.
- Adjusted EBITA for Circular Economy business<sup>1</sup> was EUR 9.6 million (10.3), or 8.6% (9.8) of net sales.
- Operating profit was EUR 4.2 million (8.7), which was 3.8% (8.2) of net sales.
- Earnings per share was EUR 0.08 (0.17).
- Net cash flow from operating activities after investments was EUR 25.7 million (13.7).

### January–December 2025 highlights

- Net sales were EUR 426.6 million (423.9). Net sales grew by 0.7%.
- Adjusted EBITA was EUR 40.6 million (44.4), which was 9.5% (10.5) of net sales.
- Adjusted EBITA for Circular Economy business<sup>1</sup> was EUR 42.1 million (44.7), or 9.9% (10.5) of net sales.
- Operating profit was EUR 34.2 million (40.5), which was 8.0% (9.5) of net sales.
- Earnings per share was EUR 0.67 (0.83).
- Net cash flow from operating activities after investments was EUR 41.4 million (34.3).
- The Board of Directors proposes a dividend of EUR 0.42 per share.

<sup>1</sup> Comparable, previously reported Circular Economy business on a carve-out basis

### Outlook for the year 2026

In 2026, net sales are estimated to be EUR 420–450 million and adjusted EBITA EUR 38–44 million. In 2025, the company's net sales amounted to EUR 426.6 million and adjusted EBITA was EUR 40.6 million (on a carve-out basis).

### PRESIDENT AND CEO EERO HAUTANIEMI:

"Lassila & Tikanoja plc was demerged on 31 December 2025 into two separate listed companies: the New Lassila & Tikanoja Plc and Luotea Plc. The listing of Lassila & Tikanoja's circular economy business as an independent publicly listed company marks a significant milestone. Throughout its history, the company has demonstrated an ability to renew itself, respond to changes in society and the market, and seize new opportunities with confidence. As an independent company, Lassila & Tikanoja will focus fully on developing and growing its circular economy services, as well as meeting the increasing demand from customers and society for resource-efficient circular solutions. The

company has a strong foundation, skilled personnel, and a clear strategy for creating sustainable long-term value for its shareholders.

Net sales for 2025 were EUR 426.6 million (423.9), an increase of 0.7 per cent compared to the previous year. In the Waste Management and Recycling service area, the challenging economic environment and the decline in waste material volumes affected net sales throughout the financial year. Net sales in the service area decreased by 1.8 per cent to EUR 278.1 million, although the business acquisition completed in June supported the growth of the pallet business throughout the second half of the year. In the Hazardous Waste and Remediation service area, net sales increased by 12.0 per cent to EUR 73.0 million, driven by a strong project pipeline in remediation and stable demand in hazardous waste. Net sales in Industrial Services and Water Treatment were in line with the previous year at EUR 81.3 million.

Carve-out-based adjusted EBITA was EUR 40.6 million (44.4). Relative profitability remained at a good level, although the recession in the Finnish economy affected profitability development throughout the year. Efficiency measures implemented during the period helped adjust service production costs to lower volumes. Profitability for the year was burdened by approximately EUR 1 million in additional costs related to the implementation of the new ERP system, as well as the start of amortisation related to the system renewal investment, which had a negative impact of approximately EUR 1.1 million.

Cash flow improved compared to the previous year. Cash flow developed positively particularly in the final quarter of the year. Cash flow from operating activities after investments in January–December was EUR 41.4 million (34.3). The impact of acquisitions on cash flow from operating activities after investments was EUR -11.1 million (-1.5).

In 2025, L&T continued the determined execution of its growth strategy. In June, L&T acquired the pallet business of Stena Recycling Oy. The acquisition strengthens L&T's service offering and supports the growth of its circular economy business in line with the company's strategy. In December, L&T acquired the entire share capital of Viemärihuolto Reinikka Oy in Finland, and in Sweden the company expanded its process cleaning business by acquiring RecondConcept i Ånge AB. Viemärihuolto Reinikka Oy provides sewer maintenance services in the Central Ostrobothnia region. The acquisition of RecondConcept strengthens L&T's chemical cleaning, process industry, and energy sector services. The combined annual net sales of the acquisitions completed during the financial year amount to approximately EUR 13 million.

In December, Lassila & Tikanoja announced that it will invest in plastics recycling in Merikarvia. With the new independent plastics recycling plant, L&T's plastics recycling capacity in Merikarvia will increase by approximately 1.5 times.

L&T's sustainability performance remained strong during the review period. The company continued its determined efforts to minimise its own climate impact. The company's carbon footprint (Scope 1–2) decreased by 18% compared to the reference period. Emissions from its own operations have halved five years ahead of schedule. The reduction in the carbon footprint was driven by expanding the use of renewable fuels and investing in low-emission equipment. The recycling rate of non-hazardous waste rose to 61.8% (60.7), supported by higher pallet and plastic volumes, even though material

volumes in construction and municipal sectors were weighed down by the challenging economic environment. Safety performance also continued to improve. The accident frequency rate decreased, and the number of proactive safety actions reached a record-high level.”

## Key Figures

Key Figures (EUR m)	10-12/ 2025	10-12/ 2024	Change %	1-12/ 2025	1-12/ 2024	Change %
Net sales	111.2	105.4	5.5	426.6	423.9	0.7
Adjusted EBITDA	20.3	20.8	-2.7	84.3	86.0	-2.0
Adjusted EBITDA, %	18.2	19.8		19.8	20.3	
EBITDA	16.0	19.7	-18.9	79.8	83.8	-4.8
EBITDA, %	14.4	18.7		18.7	19.8	
Adjusted EBITA	9.0	10.2	-11.9	40.6	44.4	-8.6
Adjusted EBITA, %	8.1	9.7		9.5	10.5	
Operating profit	4.2	8.7	-51.6	34.2	40.5	-15.4
Result for the period	3.2	6.5	-51.3	25.7	31.5	-18.4
Earnings per share (EUR) <sup>1</sup>	0.08	0.17	-51.3	0.67	0.83	-18.4
Net cash flow from operating activities after investments	25.7	13.7	88.6	41.4	34.3	20.8
Net cash flow from operating activities after investments per share (EUR)	0.67	0.36	88.6	1.08	0.90	20.8
Gross capital expenditure	16.5	7.7	113.7	41.7	36.1	15.3
Dividend per share (EUR) <sup>2</sup>				0.42	n/a	
Payout ratio, % <sup>2</sup>				62.4	n/a	
Capital employed				360.4	321.4	12.1
Return on capital employed, % (ROCE)				10.6	13.7	
Return on equity, % (ROE)				12.1	n/a	
Net interest-bearing liabilities				150.2	67.4	122.8
Net interest-bearing debt / Adjusted EBITDA				1.8x	n/a	
Equity ratio, %				35.0	n/a	
Gearing, %				86.9	n/a	
Average number of employees in full-time equivalents				1,907	1,875	1.7
Total number of full-time and part-time employees at period-end				2,236	2,219	0.8

<sup>1</sup> All periods are calculated based on the number of shares at the date of the demerger 31 December 2025.

<sup>2</sup> Proposal by the Board of Directors

Differences between the actual figures and the carve-out principles affect the presentation of certain key figures. Key figures calculated based on equity, interest-bearing liabilities, and interest-bearing net debt are presented only as at 31 December 2025, because the information for earlier periods, which is presented on a carve-out basis, does not reflect the capital and financing structure of Lassila & Tikanoja.

## GROUP NET SALES AND FINANCIAL PERFORMANCE

### October–December

Net sales for the final quarter were EUR 111.2 million (105.4), an increase of 5.5% year-on-year. Organic growth in net sales was 2.5%. The Waste Management and Recycling service area's net sales remained close to the comparison period level at EUR 69.6 million (70.4). The Hazardous Waste and Remediation service area's net sales grew to EUR 23.9 million (16.7), supported by remediation projects. Net sales in Industrial Services and Water Treatment were in line with the comparison period at EUR 19.9 million (19.8).

Adjusted EBITA was EUR 9.0 million (10.2), representing 8.1% (9.7) of net sales. Adjusted EBITA for the Circular Economy business was EUR 9.6 million (10.3), or 8.6% (9.8) of net sales.

Operating profit was EUR 4.2 million (8.7), representing 3.8% (8.2) of net sales. Operating profit included EUR 4.3 million in items affecting comparability. Operating profit was weakened by a EUR 1.3 million fair value adjustment related to the deferred consideration for the acquisition of Sand & Vattenbläst i Tyringe AB ("SVB"). Operating profit was further reduced by expenses totalling EUR 2.9 million in items affecting comparability, mainly related to the preparation of the partial demerger and business acquisitions. Earnings per share were EUR 0.08 (0.17).

Net financial expenses for the final quarter decreased to EUR -1.0 million (-1.5). The share of the profit from the joint venture Laania Oy totalled EUR 0.9 million (0.9) in the final quarter.

### January–December

Net sales for 2025 were EUR 426.6 million (423.9), an increase of 0.7% year-on-year. Organic decrease in net sales was 1.0%. Net sales in the Waste Management and Recycling service area declined by 1.8% and amounted to EUR 278.1 million (283.1). The challenging economic environment and the decrease in waste management material volumes affected net sales development throughout the financial year. On the other hand, net sales were supported by growth in the pallet business following the acquisition completed in June. Net sales in the Hazardous Waste and Remediation service area increased by 12.0% to EUR 73.0 million (65.2). In remediation, net sales grew due to a strong project pipeline, while demand in hazardous waste remained stable. Net sales in Industrial Services and Water Treatment were in line with the comparison period at EUR 81.3 million (81.3).

Adjusted EBITA was EUR 40.6 million (44.4), representing 9.5% (10.5) of net sales. Adjusted EBITA for the Circular Economy business was EUR 42.1 million (44.7), corresponding to 9.9% (10.5) of net sales. Relative profitability remained at a good level, although the recession in the Finnish economy affected profitability development throughout the financial year. The challenging economic situation particularly affected waste management volumes. Although the company strengthened its position in municipal contracts and producer responsibility organisations compared to the previous year, net sales declined in other customer segments. Efficiency measures implemented during the period helped adjust service production costs to lower volumes. Profitability for the year was burdened by approximately EUR 1 million in additional costs related to the implementation of the new ERP system, as well as the start of amortisation related to the system renewal investment, which had a negative earnings impact of approximately EUR 1.1 million.

Operating profit was EUR 34.2 million (40.5), representing 8.0% (9.5) of net sales.

Operating profit included EUR 4.5 million in items affecting comparability. Operating profit was improved by a EUR 0.9 million fair value adjustment related to the deferred consideration for the acquisition of Sand & Vattenbläst i Tyringe AB (“SVB”). Operating profit was reduced by expenses totalling EUR 5.4 million in items affecting comparability, mainly related to the preparation of the partial demerger and business acquisitions. Earnings per share were EUR 0.67 (0.83).

Lassila & Tikanoja completed three acquisitions in 2025. In June, L&T acquired the pallet business of Stena Recycling Oy, which has generated annual net sales of approximately EUR 10 million. The acquisition strengthens L&T’s service offering and supports the growth of the circular economy business in line with the strategy. Lassila & Tikanoja acquired the shares of Viemärihuolto Reinikka Oy on 1 December 2025. Viemärihuolto Reinikka Oy provides sewer maintenance services in Central Ostrobothnia, employs 10 people, and had net sales of approximately EUR 2 million in 2024. The acquisition strengthens L&T’s local service network as well as sewer maintenance services for industrial, SME, and private customers in the Kokkola area. In Sweden, Lassila & Tikanoja expanded its process cleaning business by acquiring RecondConcept i Ånge AB on 1 December 2025. The acquisition strengthens L&T’s chemical cleaning and process and energy industry services. In the previous financial year, RecondConcept had net sales of approximately EUR 1.2 million and employed 7 people.

In December, Lassila & Tikanoja announced that it will invest in plastics recycling in Merikarvia. A property lease agreement with the municipality enables the expansion of L&T’s plastics recycling operations. At the same time, L&T is purchasing plastic-processing equipment from a bankruptcy estate of a company that previously operated at the site. In addition to the lease agreement and the equipment purchase, L&T is investing more than one million euros in modernising the industrial facility and developing the processing lines. With the new independent plastics recycling plant, L&T’s plastics recycling capacity in Merikarvia will increase by approximately 1.5 times.

Net financial expenses for the financial year were EUR -4.6 million (-4.7). The share of the profit of the joint venture Laania Oy was EUR 1.9 million (3.2). Laania’s results were burdened by an exceptionally warm spring, which reduced demand for energy wood.

## FINANCING

In 2025, net cash flow from operating activities amounted to EUR 73.4 million (74.0). A total of EUR 0.3 million in working capital was tied up during the financial year (EUR 1.5 million released). Net cash flow from operating activities after investments totalled EUR 41.4 million (34.3). Net cash flow from operating activities after investments for the financial year was supported by lower operative investments than in the comparison period and reduced by acquisitions, which had an impact of EUR 11.1 million (1.5).

At the end of the financial year, interest-bearing liabilities amounted to EUR 187.6 million. Net interest-bearing liabilities totalled EUR 150.2 million. The average interest rate on long-term loans, excluding lease liabilities, was 3.2%.

External loans of the company have not been included in the carve-out financial information for the comparative period. As part of the financing arrangements, the EUR 75 million unsecured notes, the EUR 35 million and EUR 15 million term loans, and the EUR 40 million revolving credit facility were transferred to Lassila & Tikanoja in the demerger. At the end of the review period, the committed EUR 40 million revolving credit facility was fully unused.

The unsecured notes will mature in the second quarter of 2028 and bear fixed annual interest at the rate of 3.375 per cent. The notes are linked to sustainability targets, which include reducing the company's own greenhouse gas emissions (Scope 1 and 2) and reducing subcontractors' fuel usage in transportation (Scope 3).

The EUR 35 million and EUR 15 million term loans as well as the EUR 40 million revolving credit facility will mature in the second quarter of 2028, with a two-year extension option included in the agreements. The financing arrangements include following financial covenants: equity ratio and the net debt to EBITDA ratio. Compliance with the covenant terms is monitored on a quarterly basis.

On 19 February 2026, Lassila & Tikanoja Plc entered into an agreement for a EUR 100 million domestic commercial paper program. Under the program, the company may issue commercial papers with maturities of less than one year. The financing arrangement broadens Lassila & Tikanoja Plc's financing base and ensures the Group's normal working capital financing. The program was arranged by Danske Bank A/S, Finland Branch, Nordea Bank Plc, and OP Corporate Bank Plc.

Net financial expenses totalled EUR -4.6 million (-4.7). Net financial expenses were 1.1% (1.1) of net sales.

The equity ratio was 35.0% and gearing was 86.9%. Net debt / adjusted EBITDA was 1.8x. The Group's total equity amounted to EUR 172.8 million. Cash and cash equivalents at the balance sheet date totalled EUR 37.4 million.

## **CAPITAL EXPENDITURE**

Gross capital expenditure for the financial year totalled EUR 41.7 million (36.1). Operative capital expenditure excluding acquisitions amounted to EUR 29.2 million (34.3). The capital expenditure consisted primarily of machine and equipment purchases, as well as investments in information systems. Acquisitions accounted for approximately EUR 12.5 million (1.8) of the gross capital expenditure.

## **SUSTAINABILITY**

L&T's sustainability performance remained strong during the review period. The company continued its determined efforts to minimise its own climate impact. The company's carbon footprint (Scope 1–2) decreased by 18% year-on-year. Emissions from the company's own operations have now halved five years ahead of the target schedule (Scope 1–2, relative to the 2018 baseline). The reduction in the

carbon footprint was driven by the expanded use of renewable fuels and investments in low-emission equipment. The share of renewable diesel and fuel oil increased to 38% of total liquid fuel consumption. Of the investments made in heavy vehicles and machinery, 38% were directed towards low-emission gas-powered or electric equipment.

The recycling rate of non-hazardous waste rose to 61.8% (60.7), supported by higher volumes of pallets and plastics. Overall, material volumes in construction and municipal sectors were weighed down by the challenging economic environment. Safety performance also continued to develop positively. The accident frequency rate improved, and the number of proactive safety actions reached a record-high level.

### Progress towards sustainability targets

Indicator	2025	2024	Target	Target to be achieved by
<b>ENVIRONMENTAL RESPONSIBILITY</b>				
Carbon handprint (tCO <sub>2e</sub> ) i.e. emissions prevented	-378,000	-436,000	growth faster than net sales	
Carbon footprint (tCO <sub>2e</sub> ) Scope 1 & 2	19,900	24,400	net zero	2045
Recycling rate of material flows managed by L&T (%)	61.8	60.7		
<b>SOCIAL RESPONSIBILITY</b>				
Total recordable incident frequency (TRIF)	21.8	24.1	15.0	2030
Sickness-related absences (%)	5.2	5.2	4.0	2030

### PERSONNEL

In 2025, the average number of employees converted into full-time equivalents was 1,907 (1,875). At the end of the review period, L&T had a total of 2,236 (2,219) full-time and part-time employees.

Number of employees at period-end	2025	2024
Group	2 236	2 219
Finland	2 133	2 123
Sweden	103	96

## SHARES AND SHARE CAPITAL

### Traded volume and price

Trading in the Lassila & Tikanoja Plc's shares commenced on the official list of Nasdaq Helsinki Ltd on 2 January 2026, following the completion of the partial demerger of Lassila & Tikanoja plc (currently Luotea Plc) on 31 December 2025.

### Own shares

At the end of the financial year, the company held no own shares.

### Share capital and number of shares

The company's registered share capital amounts to EUR 80,000 and the number of outstanding shares was 38,211,724 at the end of the financial year.

### Share-based incentive plans

The purpose of the Lassila & Tikanoja's long-term incentive plans is to commit their participants to the long-term interests and to enhance the shareholder value, as well as to offer a competitive, ownership-based reward scheme. The company has the following share-based incentive plan under which share rewards remain to be paid on the balance sheet date:

Performance-based share incentive plan 2023–2027, which includes three-year performance periods 2023–2025, 2024–2026 and 2025–2027. During the performance periods, performance is measured based on the criteria set by the demerged company (old Lassila & Tikanoja, currently Luotea Plc). The rewards payable based on the performance periods will be paid no later than five months after the end of the performance period in a combination of shares and cash.

According to the demerger plan, the Board of Directors of the former Lassila & Tikanoja have resolved on the effects of the demerger on the Performance Share Plan's performance periods in accordance with the terms of the Performance Share Plan. For the 2023–2025 performance period of the Performance Share Plan, the result is calculated as per the number of the former Lassila & Tikanoja's shares and confirmed in euros. The reward amount earned in euros is converted into shares of the Performance Share Plan participant's employer company at the time of payment.

The New Lassila & Tikanoja intends to continue the former Lassila & Tikanoja's existing Performance Share Plan on substantially the same terms, but with the amendment that the rewards will be in the new Lassila & Tikanoja's shares instead of the former Lassila & Tikanoja's shares and the rewards payable, as expressed in number of the new Lassila & Tikanoja shares, will be adjusted accordingly. The rewards payable under the current Performance Share Plan for the performance periods 2024–2026 and 2025–2027 will be converted into shares in the new Lassila & Tikanoja based on the formation of the price of the new Lassila & Tikanoja's shares after the listing.

Following the completion of the demerger, the Board of Directors of the New Lassila & Tikanoja will resolve on the details of the New Lassila & Tikanoja's share-based incentive plans.

### **Shareholders**

At the end of the financial year, the company had 24,234 shareholders. Nominee-registered holdings accounted for 13.2% of the total number of shares.

### **Flagging notifications**

The company did not receive notifications pursuant to chapter 9, section 5 of the Securities Markets Act during the review period.

### **Authorisations for the Board of Directors**

The Extraordinary General Meeting of the former Lassila & Tikanoja plc (currently Luotea Plc), which was held on 4 December 2025, resolved as part of the demerger resolution and conditional upon the completion of the demerger, on authorising the Board of Directors of the New Lassila & Tikanoja to the repurchase of the company's own shares using the company's unrestricted equity. In addition, the Extraordinary General Meeting authorised the Board of Directors to decide on a share issue and the issuance of special rights entitling their holders to shares.

The Board of Directors is authorised to purchase a maximum of 2,000,000 company shares (5.2% of the total number of shares). The authorisation is valid until the conclusion of the first Annual General Meeting held by the New Lassila & Tikanoja following the completion of the demerger.

The Board of Directors is authorised to decide on the issuance of new shares or shares which may be held by the company through a share issue and/or issuance of option rights or other special rights conferring entitlement to shares, referred to in Chapter 10, Section 1 of the Finnish Companies Act, so that under the authorisation, a maximum of 2,000,000 shares (5.2% of the total number of shares) may be issued and/or conveyed. The authorisation is valid until the conclusion of the first Annual General Meeting held by the New Lassila & Tikanoja following the completion of the demerger.

### **RESOLUTIONS BY THE EXTRAORDINARY GENERAL MEETING**

The Extraordinary General Meeting of the former Lassila & Tikanoja plc (currently Luotea Plc), which was held on 4 December 2025, resolved on the partial demerger of Lassila & Tikanoja and, as part of the demerger resolution and conditional upon the completion of the demerger, on the establishment of a new independent company to be named Lassila & Tikanoja (the "New Lassila & Tikanoja"), the composition of the Board of Directors of the New Lassila & Tikanoja, authorising the Board of Directors of the New Lassila & Tikanoja to issue shares and special rights entitling to shares in the New Lassila & Tikanoja and to decide on repurchase of the New Lassila & Tikanoja's own shares and on acceptance as pledge of the New Lassila & Tikanoja's own shares. The Extraordinary General Meeting resolved, conditional upon the completion of the demerger, on the remuneration of the Board of Directors, the election and remuneration of the auditor and the verifier of the New Lassila &

Tikanoja's sustainability report and the establishment of the Shareholders' Nomination Board of the New Lassila & Tikanoja and adopted the remuneration policy of the New Lassila & Tikanoja.

As part of the demerger resolution and conditional upon the completion of the demerger, the Extraordinary General Meeting confirmed the number of members of the Board of Directors of the New Lassila & Tikanoja as five (5). Jukka Leinonen was elected as Chair of the Board of Directors, Sakari Lassila as Vice Chair of the Board of Directors, and Tuija Kalpala, Teemu Kangas-Kärki and Anna-Maria Tuominen-Reini as members of the Board of Directors of the New Lassila & Tikanoja.

Conditional upon the completion of the demerger, the Extraordinary General Meeting elected PricewaterhouseCoopers Oy, Authorised Public Accountants, as the New Lassila & Tikanoja's auditor. PricewaterhouseCoopers Oy has informed the Company that Samuli Perälä, Authorised Public Accountant, would act as the New Lassila & Tikanoja's auditor with principal responsibility. Conditional upon the completion of the demerger, the Extraordinary General Meeting elected PricewaterhouseCoopers Oy, Authorised Sustainability Audit Firm, as the verifier of the New Lassila & Tikanoja's sustainability report. PricewaterhouseCoopers Oy has informed the Company that Samuli Perälä, Authorised Sustainability Auditor, would act as the principal verifier of the New Lassila & Tikanoja's sustainability report.

The resolutions of the Extraordinary General Meeting were announced in more detail in a stock exchange release by Luotea Plc on 4 December 2025.

## **BOARD OF DIRECTORS**

The members of Lassila & Tikanoja Plc's Board of Directors are Tuija Kalpala, Teemu Kangas-Kärki, Sakari Lassila, Jukka Leinonen and Anna-Maria Tuominen-Reini. The former Lassila & Tikanoja plc's Extraordinary General Meeting held on 4 December 2025 elected Jukka Leinonen as the Chairman of the Board and Sakari Lassila as the Vice Chairman.

In its constitutive meeting held on 2 January 2026, the Board of Directors elected the members of the Audit Committee and the Personnel and Sustainability Committee from amongst its members. Teemu Kangas-Kärki (Chairman), Sakari Lassila and Anna-Maria Tuominen-Reini were elected to the Audit Committee. Jukka Leinonen (Chairman), Sakari Lassila and Tuija Kalpala were elected to the Personnel and Sustainability Committee.

## **EVENTS AFTER THE REVIEW PERIOD**

Lassila & Tikanoja Plc announced on 2 January 2026, that in 2026 it will disclose financial information as follows:

- Financial Statements Release 2025: Friday 27 February 2026 at 8.00 am
- Interim Report January – March: Wednesday 6 May 2026 at 8.00 am
- Half-year Financial Report January – June: Thursday 6 August 2026 at 8.00 am
- Interim Report January – September: Wednesday 28 October 2026 at 8.00 am

Lassila & Tikanoja Plc's Annual Report 2025 will be published on the Group's website at [www.lt.fi/en](http://www.lt.fi/en) during week 15. The Annual General Meeting is tentatively scheduled for Tuesday 28 April 2026. The Board of Directors will decide on the summoning of the meeting at a later date.

The company announced the composition of Lassila & Tikanoja Plc's Nomination Board on 29 January 2026. Lassila & Tikanoja Plc's three largest shareholders, who are entitled to appoint a representative to Lassila & Tikanoja Plc's Shareholders' Nomination Board are the first groups of shareholders (Evald and Hilda Nissi Foundation and Bergholm Heikki), the second group of shareholders (Chemec Oy, CH-Polymers Oy, Maijala Eeva, Maijala Investment Oy, Maijala Juhani, Maijala Juuso, Maijala Miikka, Maijala Mikko, Maijala Roope and Maijala Tuula) and Nordea Funds Ltd (through 11 funds managed by it).

The following persons have been appointed as their representatives in Lassila & Tikanoja's Nomination Board: Juhani Lassila, Miikka Maijala and Josefin Degerholm. The Chairman of Lassila & Tikanoja Plc's Board of Directors, Jukka Leinonen, acts as the fourth member of the Nomination Board. The Chairman of the Nomination Board is Juhani Lassila.

Lassila & Tikanoja Plc received a notification from Protector Forsikring ASA on 30 January 2026, according to which its shareholding in Lassila & Tikanoja decreased below 5 per cent on 29 January 2026.

Lassila & Tikanoja Plc announced on 16 February 2026, that a member of Lassila & Tikanoja Plc's Group Executive Board, Hilppa Rautpalo (Senior Vice President, Legal, HR and EHSQ), has announced her decision to leave the company to take up a new position outside the organization by August 2026 at the latest.

Lassila & Tikanoja announced on 26 February 2026 Lassila & Tikanoja's Shareholders' Nomination Board proposals for the 2026 Annual General Meeting.

The Shareholders' Nomination Board proposes the Board of Directors to have five (5) members. The Nomination Board proposes that all of the current members, Tuija Kalpala, Teemu Kangas-Kärki, Sakari Lassila, Jukka Leinonen and Anna-Maria Tuominen-Reini be re-elected to the Board of Directors. In addition, the Nomination Board proposes that Jukka Leinonen be re-elected as Chairman of the Board of Directors and Sakari Lassila as Vice Chairman.

The Shareholders' Nomination Board proposes that the remuneration of the members of the Board of Directors be as follows:

- chairman, EUR 70,000 per year (2025: EUR 70,000);
- vice chairman, EUR 47,000 per year (2025: EUR 47,000);
- members, EUR 35,000 per year (2025: EUR 35,000);

However, if a member of the Board of Directors were to serve as the chairman of the Audit Committee or the Personnel and Sustainability Committee, and not simultaneously serve as the chairman or vice chairman of the Board of Directors, their annual remuneration will be EUR 47,000.

Lassila & Tikanoja announced on 27 February 2026 that the Company will launch a share repurchase programme for share-based incentive schemes and remuneration of the Board of Directors. The Board of Directors of Lassila & Tikanoja Plc has decided to exercise the authorisation granted by the Extraordinary General Meeting held on 4 December 2025 to repurchase the Company's own shares. The repurchase of shares will commence at the earliest on 2 March 2026 and end at the latest on 28 April 2026. The maximum number of shares to be repurchased is 150,000, representing approximately 0.39 per cent of all shares in Lassila & Tikanoja Plc.

Lassila & Tikanoja announced on 27 February 2026 that the company's Board of Directors has decided to establish a new long-term share-based incentive scheme for the Group's key employees. The aim of the new scheme is to align the objectives of the Company, shareholders and key employees to increase the value of the Company in the long term, to strengthen the commitment of key employees to the Company and to offer them a competitive reward plan that is based on earning and accumulating the Company's shares as well as on appreciation of the share price.

The Performance Share Plan 2026–2030 comprises three (3) three-year (3) performance periods, covering the calendar years 2026–2028, 2027–2029 and 2028–2030. In the plan, a participant has the opportunity to earn Lassila & Tikanoja Plc shares based on the achievement of performance criteria. The Board of Directors decides on the performance criteria of the plan and the performance levels to be set for each performance criterion at the beginning of a performance period. The potential rewards based on the plan will be paid after the end of each performance period. During the performance period 2026–2028, the earning of rewards is based on the following performance criteria:

- Return on capital employed (ROCE) (30 %) during the period 2026–2028;
- Revenue growth (30 %) during the period 2026–2028;
- Total shareholder return (rTSR) (30 %) during the period 2026–2028;
- Reduction of the carbon footprint (ESG) (10 %) during the period 2026–2028.

The rewards to be paid based on the performance period 2026–2028 correspond to the value of approximately 218,677 Lassila & Tikanoja Plc shares in maximum total, also including the portion to be paid in cash. The target group of the Performance Share Plan during the performance period 2026–2028 consists of approximately 25 key employees, including the Group's President and CEO and the Group Executive Board.

## NEAR-TERM RISKS AND UNCERTAINTIES

General economic uncertainty may affect the level of economic activity among customers, which may reduce the demand for L&T's services.

Lassila & Tikanoja's business is susceptible to economic fluctuations and changing market conditions and variations in the industries of L&T's customers may affect the demand for L&T's services and solutions.

Lassila & Tikanoja's business lines are competitive, and increased competition or failure in reacting to competitive situations may result in L&T losing market position.

Lassila & Tikanoja's business is sensitive to fluctuations in the pricing and supply of materials, raw materials, and capital goods.

The Finnish Waste Act was amended in July 2021. Under the reforms to the Waste Act, municipalities take on a larger role in organising the collection of packaging materials and biowaste from housing properties. As a consequence of the reform, L&T's direct customer agreements with housing properties on the separate collection of packaging waste and biowaste were transferred to municipalities for competitive bidding gradually between 1 July 2022 and 1 July 2025. L&T estimates that, as a result of municipalisation, approximately EUR 100 million of the Finnish waste management market will be moved out of the scope of free competition between 2024 and 2028. L&T participates in the competitive tendering of municipal contracts and is a significant operator in municipal contracts. Nevertheless, L&T estimates that the overall impact of the change will be negative for the company.

Lassila & Tikanoja may become liable for environmental damages, which could result in significant costs and reputational harm.

The company has several ERP system roll-outs under way. Temporary additional costs arising from system deployments and establishing the operating model may weigh down the company's result.

Lassila & Tikanoja's merger and acquisition activities expose L&T to various risks that may have a material adverse effect on its business operations.

Lassila & Tikanoja operates in a labour-intensive industry and failures in recruiting skilled personnel, losing senior managers or key employees or other disruptions in the availability or work capacity of personnel may adversely affect L&T's business, and it may fail in recruiting and retaining people with the required skill set.

Lassila & Tikanoja's operations and services rely largely on data networks and digital solutions, and any malfunctions in and breaches or attacks targeting such networks and solutions as well as potential failures in information system development projects as well as lack of adequate data processing agreements may adversely affect the business and financial position of L&T and lead to reputational damage.

The geopolitical situation involves continued uncertainty due to Russia's war of aggression and the U.S. customs policy. The indirect impacts on overall economic activity in Finland and Sweden may have a negative impact on net sales and profit.

## PROPOSAL FOR THE DISTRIBUTION OF PROFITS

According to the Financial Statements, Lassila & Tikanoja Plc's unrestricted equity amounts to EUR 42,316,205.58, with the profit for the period representing EUR 16,366,364.95 of this total. There were no substantial changes in the financial position of the company after the end of the period, and the solvency test referred to in Chapter 13, Section 2 of the Companies Act does not affect the amount of distributable profits.

The Board of Directors proposes to the Annual General Meeting that a dividend of EUR 0.42 per share be paid for the financial year 2025. The Board of Directors proposes that the dividend be paid in two instalments. The first instalment of EUR 0.21 per share would be paid in May 2026 and the second instalment of EUR 0.21 per share in October 2026.

On the day the proposal for the distribution of profit was made, the number of shares entitling to dividend was 38,211,724, which means the total amount of the dividend would be EUR 16,048,924.08. The Group's earnings per share amounted to EUR 0.67.

Lassila & Tikanoja's Annual Report, which includes the Report by the Board of Directors and the financial statements for 2025, will be published during week 15 at <https://www.lt.fi/en/>. The Annual General Meeting is tentatively scheduled for Tuesday 28 April 2026. The Board of Directors will decide on the summoning of the meeting at a later date.

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# Key figures of the Group

## Key figures

In EUR million, unless otherwise indicated	10-12/2025 Carve-out	10-12/2024 Carve-out	1-12/2025 Carve-out	1-12/2024 Carve-out
Net sales	111.2	105.4	426.6	423.9
Net sales growth, %	5.5	n/a	0.7	0.4
Adjusted EBITDA	20.3	20.8	84.3	86.0
Adjusted EBITDA margin, %	18.2	19.8	19.8	20.3
EBITDA	16.0	19.7	79.8	83.8
EBITDA margin, %	14.4	18.7	18.7	19.8
Adjusted EBITA	9.0	10.2	40.6	44.4
Adjusted EBITA margin, %	8.1	9.7	9.5	10.5
Operating profit	4.2	8.7	34.2	40.5
Result for the period	3.2	6.5	25.7	31.5
Earnings per share, EUR <sup>1</sup>	0.08	0.17	0.67	0.83
Net cash flow from operating activities after investments	25.7	13.7	41.4	34.3
Net cash flow from operating activities after investments per share, EUR	0.67	0.36	1.08	0.90
Gross capital expenditure	16.5	7.7	41.7	36.1
Equity / share, EUR <sup>1</sup>			4.5	n/a
Dividend/share, EUR <sup>2</sup>			0.42	n/a
Payout ratio, % <sup>2</sup>			62.4	n/a
Capital employed <sup>3</sup>			360.4	321.4
Return on capital employed, % (ROCE)			10.6	13.7
Return on equity, % (ROE)			12.1	n/a
Net interest-bearing liabilities <sup>3</sup>			150.2	67.4
Net debt / Adjusted EBITDA (rolling 12 months)			1.8x	n/a
Equity ratio, % <sup>3</sup>			35.0	n/a
Gearing, % <sup>3</sup>			86.9	n/a
Average number of employees in full-time equivalents (FTEs)			1,907	1,875
Number of employees at the end of the period			2,236	2,219
Share issue-adjusted number of shares, 1,000 shares				
average during the period			38,212	n/a
at the end of the period			38,212	n/a
average during the period, diluted			38,320	n/a

<sup>1</sup> All periods are calculated based on the number of shares at the date of the demerger 31 December 2025.

<sup>2</sup> Proposal by the Board of Directors

<sup>3</sup> The key figure of year 2025 is based on actual figures.

Differences between the actual figures and the carve-out principles affect the presentation of certain key performance indicators. Key figures based on equity, interest-bearing liabilities and net interest-bearing liabilities are presented only as at 31 December 2025, as the information for earlier periods prepared on a carve-out basis does not reflect the capital and financing structure of Lassila & Tikanoja. For the calculation of key figures based on the number of shares, the number of shares at the date of demerger, 31 December 2025, has been applied for all periods.

## Reconciliation of alternative performance measures

The company discloses certain other widely used performance measures that can for the most part be derived from the income statement and balance sheet. The formulas for these performance measures are provided in the section Calculation of key figures. In the company's view, these measures clarify the result of operations and financial position based on the income statement and balance sheet.

### EBITDA and Adjusted EBITDA to operating profit

MEUR	10-12/2025 Carve-out	10-12/2024 Carve-out	1-12/2025 Carve-out	1-12/2024 Carve-out
Operating profit	4.2	8.7	34.2	40.5
+ Depreciation, amortisation and impairment	11.8	11.1	45.5	43.4
<b>EBITDA</b>	<b>16.0</b>	<b>19.7</b>	<b>79.8</b>	<b>83.8</b>
Items affecting comparability:				
- Expenses arising from business restructurings	2.9	0.3	4.8	0.8
- Items related to the acquisition of business activities	1.4	0.7	-0.6	1.3
- Other items	-0.1	-	0.3	-
Items affecting comparability total <sup>1</sup>	4.3	1.1	4.5	2.2
<b>Adjusted EBITDA</b>	<b>20.3</b>	<b>20.8</b>	<b>84.3</b>	<b>86.0</b>

### Adjusted EBITA to operating profit

MEUR	10-12/2025 Carve-out	10-12/2024 Carve-out	1-12/2025 Carve-out	1-12/2024 Carve-out
Operating profit	4.2	8.7	34.2	40.5
+ Amortisation of purchase price allocations to intangible assets from acquisitions	0.5	0.4	1.9	1.8
Items affecting comparability:				
- Expenses arising from business restructurings	2.9	0.3	4.8	0.8
- Items related to the acquisition of business activities	1.4	0.7	-0.6	1.3
- Other items	-0.1	-	0.3	-
Items affecting comparability total <sup>1</sup>	4.3	1.1	4.5	2.2
<b>Adjusted EBITA</b>	<b>9.0</b>	<b>10.2</b>	<b>40.6</b>	<b>44.4</b>

<sup>1</sup>In 2025, the items affecting comparability include expenses relating to the demerger totalling EUR 4.7 million.

### Return on capital employed, % (ROCE)

MEUR	1-12/2025 Carve-out	1-12/2024 Carve-out
Capital employed, average at the end of the reporting period and the end of the comparison period	340.9	318.9
Operating profit	34.2	40.5
+ Financial income	0.2	0.1
+ Share of result of joint ventures	1.9	3.2
<b>Return on capital employed (MEUR)</b>	<b>36.3</b>	<b>43.7</b>
<b>Return on capital employed, %</b>	<b>10.6</b>	<b>13.7</b>

## Return on equity, % (ROE)

MEUR	1-12/2025 Carve-out
Result for the period (rolling 12 months)	25.7
Equity (average at end of the reporting period and end of the comparison period)	212.5
Return on equity, % (ROE)	12.1

## Net interest-bearing liabilities<sup>1</sup>

MEUR	31.12.2025	31.12.2024 Carve-out
Borrowings	125.0	0.3
Lease liabilities	48.6	45.2
Non-current interest-bearing liabilities	173.6	45.5
Lease liabilities	13.8	11.7
Cash pool liabilities to related parties	-	11.6
Borrowings	0.2	0.5
Current interest-bearing liabilities	13.9	23.8
Total interest-bearing liabilities	187.6	69.4
Cash pool receivables from related parties	-	0.1
Cash and cash equivalents	37.4	1.9
Net interest-bearing liabilities	150.2	67.4

<sup>1</sup> In connection with the demerger, loans and cash and cash equivalents were transferred from Luotea (formerly Lassila & Tikanoja) to Lassila & Tikanoja. Further information is provided in note 9 to the Financial Statements Release, Financial assets and liabilities.

## Gearing, %

	31.12.2025
Net interest-bearing liabilities, MEUR	150.2
Equity, MEUR	172.8
Gearing, %	86.9

## Gross capital expenditure reconciliation

MEUR	10-12/2025 Carve-out	10-12/2024 Carve-out	1-12/2025 Carve-out	1-12/2024 Carve-out
Intangible assets of acquired businesses	4.2	-0.0	11.5	1.5
Property, plant and equipment of acquired businesses	0.6	-0.0	1.0	0.4
Other additions to intangible assets	1.0	2.1	2.4	9.3
Other additions to property, plant and equipment	7.9	7.2	21.2	28.7
- adjustments <sup>1</sup>	-0.8	-1.5	-3.4	-4.2
Acquisition of heavy rental equipment included in right-of-use assets	3.6	-	9.1	0.5
<b>Gross capital expenditure</b>	<b>16.5</b>	<b>7.7</b>	<b>41.7</b>	<b>36.1</b>

<sup>1</sup>The structural additions related to environmental provisions and the equipment additions related to presses and balers leased from the financing company, as well as equipment additions arising from the redemption of heavy metal rental equipment.

## Net debt / Adjusted EBITDA (rolling 12 months)

MEUR	1-12/2025 Carve-out
Net interest-bearing liabilities	150.2
Adjusted EBITDA (rolling 12 months)	84.3
<b>Net debt / Adjusted EBITDA (rolling 12 months)</b>	<b>1.8x</b>

## Equity ratio, %

MEUR	1-12/2025 Carve-out
Equity	172.8
Statement of financial position total	509.7
Advances received	-16.1
<b>Total</b>	<b>493.7</b>
<b>Equity ratio, %</b>	<b>35.0</b>

## Key figures by quarter

In EUR million, unless otherwise indicated	10-12/2025 Carve-out	7-9/2025 Carve-out	4-6/2025 Carve-out	1-3/2025 Carve-out	10-12/2024 Carve-out
Net sales	111.2	116.1	109.9	89.4	105.4
Adjusted EBITDA	20.3	27.1	24.2	12.8	20.8
Adjusted EBITDA margin, %	18.2	23.3	22.0	14.3	19.8
EBITDA	16.0	26.1	23.6	14.0	19.7
EBITDA margin, %	14.4	22.5	21.5	15.7	18.7
Adjusted EBITA	9.0	15.7	13.3	2.6	10.2
Adjusted EBITA margin, %	8.1	13.5	12.1	2.9	9.7
Operating profit	4.2	14.2	12.3	3.5	8.7
Result for the period	3.2	10.1	8.4	4.0	6.5
Earnings per share, EUR <sup>1</sup>	0.08	0.26	0.22	0.11	0.17

<sup>1</sup> All periods are calculated based on the number of shares at the date of the demerger 31 December 2025.

## Calculation of key figures

Key figure	Definition
Earnings per share (EUR)	Result for the period attributable to the equity holders of the parent company / adjusted average basic number of shares
Diluted earnings per share (EUR)	Result for the period attributable to the equity holders of the parent company / adjusted average diluted number of shares
Equity per share (EUR)	Equity attributable to the equity holders of the parent company / adjusted basic number of shares at the balance sheet date
Dividend per share	Dividend for the financial year / Adjusted basic number of shares at the balance sheet date
Payout ratio, %	Dividend per share / earnings per share x 100
Operating profit	Operating profit as presented in the income statement.
EBITDA	Operating profit excluding depreciation, amortisation and impairment.
EBITDA margin, %	EBITDA as a percentage of net sales.
Items affecting comparability	Substantial costs arising from business restructurings or acquisitions, gains and losses from divestments and costs arising from the discontinuation of businesses as well as other material items outside ordinary course of business.
Adjusted EBITDA	EBITDA adjusted for items affecting comparability.
Adjusted EBITDA margin, %	Adjusted EBITDA as a percentage of net sales.
Adjusted EBITA	Operating profit excluding amortisation and impairments of acquisition-related intangible assets, adjusted for items affecting comparability.
Adjusted EBITA margin, %	Adjusted EBITA as a percentage of net sales.
Net cash flow from operating activities after investments	Net cash flow from operating activities according to the combined cash flow statement, less net cash flow from investing activities as presented in the cash flow statement.
Net cash flow from operating activities after investments per share, EUR	Net cash flow from operating activities after investments per share, EUR / adjusted average basic number of shares
Interest-bearing liabilities	Borrowings + lease liabilities + cash pool liabilities to related parties
Capital employed	Equity + interest-bearing liabilities
Return on capital employed, % (ROCE)	(Operating profit + financial income + share of the result of joint ventures, rolling 12 months) / (equity + interest-bearing liabilities ((average of the end of the reporting period and at the end of the comparison period))

<b>Key figure</b>	<b>Definition</b>
Gross capital expenditure	Investments in intangible assets, acquisitions of heavy rental equipment included in right-of- use assets, and investments in property, plant and equipment, excluding additions to constructions related to environmental provisions, excluding additions of equipment related to compactors and balers leased from finance companies, as well as respective assets acquired through business combinations.
Return on equity, % (ROE)	Result for the period (rolling 12 months) / invested equity (average at end of the reporting period and end of the comparison period)
Net interest-bearing liabilities	Interest-bearing liabilities - cash-pool receivables from related parties - cash and cash equivalents
Net debt / Adjusted EBITDA	Net interest-bearing liabilities / adjusted EBITDA (rolling 12 months)
Gearing, %	Net interest-bearing liabilities / Equity
Equity ratio, %	Equity / (statement of financial position total - advances received)
Average number of employees in full-time equivalents (FTEs)	Average number of full-time equivalent employees during the reporting period.
Number of employees at the end of the period	Number of employees at the end of the review period, total full-time and part-time employees.

# Primary financial statements

## Combined income statement

MEUR	10-12/2025 Carve-out	10-12/2024 Carve-out	1-12/2025 Carve-out	1-12/2024 Carve-out	Note
<b>Net sales</b>	111.2	105.4	426.6	423.9	3, 4
Other operating income	-0.6	1.1	3.4	2.7	
Materials and services	-36.5	-32.0	-126.2	-123.6	3
Employee benefit expenses	-35.5	-34.9	-141.9	-140.3	3
Other operating expenses	-22.5	-19.8	-82.2	-78.8	3
Depreciation, amortisation and impairment	-11.8	-11.1	-45.5	-43.4	6
<b>Operating profit</b>	4.2	8.7	34.2	40.5	3, 4
Financial income	0.1	0.1	0.2	0.1	
Financial expenses	-1.1	-1.5	-4.9	-4.9	
Exchange rate differences (net)	0.1	-0.0	0.1	-0.0	
Financial income and expenses	-1.0	-1.5	-4.6	-4.7	
Share of the result of joint ventures	0.9	0.9	1.9	3.2	
<b>Result before taxes</b>	4.1	8.1	31.6	38.9	
Income taxes	-0.9	-1.5	-5.8	-7.4	
<b>Result for the period</b>	3.2	6.5	25.7	31.5	
<b>Attributable to:</b>					
Equity holders of the parent company	3.2	6.5	25.7	31.5	
<b>Earnings per share for result attributable to the equity holders of the parent company, EUR:</b>					
Basic <sup>1</sup>	0.08	0.17	0.67	0.83	
Diluted <sup>1</sup>	0.08	0.17	0.67	0.82	

## Combined statement of comprehensive income

MEUR	10-12/2025 Carve-out	10-12/2024 Carve-out	1-12/2025 Carve-out	1-12/2024 Carve-out	Note
<b>Result for the period</b>	3.2	6.5	25.7	31.5	
<b>Other comprehensive income, net of tax</b>					
Items that may be reclassified to profit or loss					
Currency translation differences	0.2	-0.1	0.5	-0.3	
<b>Other comprehensive income, total</b>	0.2	-0.1	0.5	-0.3	
<b>Total comprehensive income, after tax</b>	3.4	6.4	26.3	31.2	
<b>Attributable to:</b>					
Equity holders of Lassila & Tikanoja	3.4	6.4	26.3	31.2	

<sup>1</sup> All periods are calculated based on the number of shares at the date of the demerger 31 December 2025.

## Consolidated statement of financial position

MEUR	31 Dec 2024	
	31 Dec 2025	Carve-out Note
<b>ASSETS</b>		
<b>Non-current assets</b>		
Goodwill	125.7	118.8 6
Other intangible assets	38.2	35.1 6
<b>Total intangible assets</b>	<b>163.8</b>	<b>153.9</b>
Right-of-use assets	60.1	54.8 6
Other property, plant and equipment	150.9	155.3 6
<b>Total property, plant and equipment</b>	<b>211.0</b>	<b>210.1</b>
Shares in joint ventures	19.2	18.9
Other shares and holdings	0.1	0.1
Other non-current receivables	0.4	0.4 9
<b>Total other non-current assets</b>	<b>19.8</b>	<b>19.5</b>
<b>Total non-current assets</b>	<b>394.6</b>	<b>383.4</b>
<b>Current assets</b>		
Inventories	9.9	9.2
Trade receivables	51.5	49.4 9
Contract assets	12.3	7.2
Income tax receivables	-	0.0
Cash-pool receivables from related parties	-	0.1 9, 10
Other current receivables	4.1	1.7 9
Cash and cash equivalents	37.4	1.9 9
<b>Total current assets</b>	<b>115.2</b>	<b>69.6</b>
<b>Total assets</b>	<b>509.7</b>	<b>453.0</b>

## Consolidated statement of financial position

MEUR	31 Dec 2024		
	31 Dec 2025	Carve-out Note	
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity attributable to the equity holders of the parent company			
Share capital	0.1	-	
Translation reserve	-0.2	-0.7	
Invested unrestricted equity reserve	19.0	-	
Invested equity	-	252.8	
Retained earnings	154.0	-	
<b>Total Equity</b>	<b>172.8</b>	<b>252.1</b>	
<b>Liabilities</b>			
Non-current liabilities			
Deferred tax liabilities	22.4	21.7	
Pension liabilities	0.1	0.1	
Provisions	6.3	6.3	8
Borrowings	125.0	0.3	9
Lease liabilities	48.6	45.2	9
Other liabilities	7.0	13.4	9
<b>Total non-current liabilities</b>	<b>209.5</b>	<b>87.0</b>	
Current liabilities			
Borrowings	0.2	0.5	9
Cash-pool liabilities to related parties	-	11.6	9, 10
Lease liabilities	13.8	11.7	9
Trade and other payables	108.0	89.4	9
Income tax liabilities	5.3	0.1	
Provisions	0.3	0.6	8
<b>Total current liabilities</b>	<b>127.4</b>	<b>113.9</b>	
<b>Total liabilities</b>	<b>336.9</b>	<b>200.9</b>	
<b>Total equity and liabilities</b>	<b>509.7</b>	<b>453.0</b>	

## Combined statement of cash flows

MEUR	1-12/2025 Carve-out	1-12/2024 Carve-out	Note
<b>Cash flows from operating activities</b>			
Result for the period	25.7	31.5	
Adjustments			
Income taxes	5.8	7.4	
Depreciation, amortisation and impairment	45.5	43.4	6
Financial income and expenses	4.6	4.7	
Gains and losses on sale of tangible and intangible assets	-0.2	-0.7	
Share of result of joint ventures	-1.9	-3.2	
Provisions	-0.8	-0.2	8
Other adjustments	-0.5	1.1	
Net cash generated from operating activities before change in working capital	78.4	84.0	
Change in working capital			
Change in trade and other receivables	-8.8	7.0	9
Change in inventories	-0.2	-1.5	
Change in trade and other payables	8.7	-3.9	9
Change in working capital	-0.3	1.5	
Interest and other financial expenses paid	-4.7	-4.7	
Interest and other financial income received	0.2	0.1	
Income taxes paid	-0.1	-6.9	
<b>Net cash from operating activities</b>	73.4	74.0	
<b>Cash flows from investing activities</b>			
Acquisitions of subsidiaries and businesses, net of cash acquired	-11.1	-1.5	5
Purchases of intangible assets and property, plant and equipment	-22.8	-41.2	
Proceeds from sale of intangible assets and property, plant and equipment	0.3	1.1	
Dividends received from joint venture	1.6	1.8	10
Dividends received from other non-current investments	0.0	0.0	
<b>Net cash from investing activities</b>	-32.0	-39.8	
<b>Net cash from operating and investing activities</b>	41.4	34.3	
<b>Cash flows from financing activities</b>			
Cash pool financing with the former Lassila & Tikanoja	-11.6	10.5	9, 10
Equity financing with the former Lassila & Tikanoja, net	20.5	-30.7	
Repayments of long-term borrowings	-0.9	-0.6	9
Repayments of lease liabilities	-13.7	-13.9	
<b>Net cash from financing activities</b>	-5.7	-34.8	
<b>Net change in cash and cash equivalents</b>	35.7	-0.5	
Cash and cash equivalents at the beginning of the period	1.9	2.4	
Effect of changes in foreign exchange rates	-0.2	-0.0	
<b>Cash and cash equivalents at the end of the period</b>	37.4	1.9	9

## Consolidated statement of changes in equity

MEUR	Invested equity and retained earnings	Share capital	Currency translation differences	Invested unrestricted equity reserve	Retained earnings	Total equity
<b>Invested equity on 1 January 2024</b>	251.9	-	-0.4	-	-	251.4
Result for the period	31.5					31.5
Translation difference			-0.3			-0.3
Total comprehensive income	31.5	-	-0.3	-	-	31.2
Share-based benefits	0.2					0.2
Equity transactions with the former Lassila & Tikanoja Group	-30.7					-30.7
<b>Invested equity on 31 December 2024</b>	252.8	-	-0.7	-	-	252.1
<b>Invested equity on 1 January 2025</b>	252.8	-	-0.7	-	-	252.1
Result for the period	25.7					25.7
Translation difference			0.5			0.5
Total comprehensive income	25.7	-	0.5	-	-	26.3
Share-based benefits	0.4					0.4
Equity transactions with the former Lassila & Tikanoja Group	20.5					20.5
Demerger	-299.5	0.1		19.0	154.0	-126.4
<b>Equity on 31 December 2025</b>	-	0.1	-0.2	19.0	154.0	172.8

In the demerger, and in accordance with the Demerger Plan, Luotea's (the former Lassila & Tikanoja) financing arrangements transferred to Lassila & Tikanoja comprised a EUR 75 million bond, term loans of EUR 35 million and EUR 15 million, as well as the related accrued interest liabilities. These items have not been included in the company's comparative period carve-out financial information. As a result, at the demerger date of 31 December 2025, the company's equity decreased and the amount of liabilities increased.

# Notes

## 1. Background

Lassila & Tikanoja Plc was incorporated through the partial demerger of Luotea Oyj (formerly Lassila & Tikanoja plc), which was completed on 31 December 2025. Trading in the Company's shares commenced on 2 January 2026 on the official list of Nasdaq Helsinki under the trading symbol LASTIK. Lassila & Tikanoja Plc (Business ID 3555336-9) is a Finnish public limited company domiciled in Helsinki, Finland, with its registered address at Valimotie 16, FI-00380 Helsinki, Finland.

## 2. Basis of preparation

This Financial Statements Release has been prepared in compliance with the IAS 34 Interim Financial Reporting standard. The financial information presented in this Financial Statement Release is based on actual figures as at 31 December 2025 for the statement of financial position, and on carve-out financial information for other financial information and comparative periods. The carve-out principles are consistent with those applied in the carve-out financial statements as at and for the financial years ended 31 December 2024, 31 December 2023, and 31 December 2022. Amendments to IFRS Accounting Standards effective from 1 January 2025 have not had a material impact on this Financial Statements Release.

Differences between actual figures and the carve-out principles affect the presentation of certain key figures. Key figures based on equity, interest-bearing liabilities and net interest-bearing liabilities are presented only as at 31 December 2025, as the carve-out financial information for prior periods does not reflect the capital and financing structure of Lassila & Tikanoja. In calculating per-share key figures, the number of shares outstanding at the date of the demerger, 31 December 2025, has been used for all periods presented.

The Group's financial information should be read in conjunction with the carve-out financial statements of Lassila & Tikanoja as at and for the financial years ended 31 December 2024, 31 December 2023, and 31 December 2022, which are included in the demerger and listing prospectus dated 20 November 2025.

The carve-out financial information does not necessarily reflect what the combined results of operations, financial position or cash flows would have been had Lassila & Tikanoja operated as an independent legal group and prepared separate consolidated financial information for the periods presented. Nor does the carve-out financial information necessarily indicate the future results of operations, financial position or cash flows of Lassila & Tikanoja.

The information in this Financial Statements Release is presented in millions of euros unless otherwise stated. All figures have been rounded and, accordingly, the sum of individual figures may differ from the totals presented.

This Financial Statements Release is unaudited.

## **Critical judgements by Management**

In preparing the financial statements and the carve-out financial information, the management of Lassila & Tikanoja is required to make estimates and assumptions about the future, the outcomes of which may differ from those estimates and assumptions. In addition, the management must also exercise judgement when making decisions regarding the selection and application of carve-out principles.

Judgement-based decisions particularly concern cases where the applicable IFRS Accounting Standards provide alternative methods for recognition, measurement, or presentation.

The estimates and assumptions requiring management judgement have been used in the following sections: Application of the carve-out principles, revenue recognition, provisions, goodwill impairment testing, right-of-use assets and lease liabilities as well as business acquisitions. More information on the estimates and assumptions requiring management judgement is included in the notes to the carve-out financial statements as at and for the financial years ended 31 December 2024, 31 December 2023, and 31 December 2022.

### 3. Segment information

#### Operating segments

Lassila & Tikanoja has one operating and reportable segment, consisting of items related to the Circular Economy business. The chief operating decision-maker is the Chief Executive Officer of the company. Until the demerger, the Chief Executive Officer of the former Lassila & Tikanoja (currently Luotea) acted as the chief operating decision-maker. The item "Unallocated items and eliminations" includes the portion of the former Lassila & Tikanoja's group administration income and expenses allocated to the New Lassila & Tikanoja, which have not been assigned to segments. These income and expenses include items common to the entire Group, such as group management costs and costs arising from operating as a listed company.

10-12/2025, MEUR	Circular Economy Business	Unallocated items and eliminations	Lassila & Tikanoja
External net sales	111.2		111.2
Inter-division net sales	0.0	-0.0	-
Net sales	111.2	-0.0	111.2
Materials and services	-36.5	-	-36.5
Employee benefit expenses	-33.4	-2.1	-35.5
Other operating expenses	-22.0	-0.5	-22.5
Operating profit	7.1	-2.9	4.2
Items affecting comparability <sup>1</sup>	2.0	2.3	
Adjusted EBITA	9.6	-0.6	
Financial income and expenses			-1.0
Share of the result of joint ventures			0.9
Result before taxes			4.1
Income taxes			-0.9
Result for the period			3.2
Capital employed	351.0	9.4	
Gross capital expenditure	15.6	0.9	
Depreciation, amortisation and impairment	11.6	0.2	11.8

10-12/2024, MEUR	Circular Economy Business	Unallocated items and eliminations	Lassila & Tikanoja
External net sales	105.4		105.4
Inter-division net sales	0.0	-0.0	-
Net sales	105.4	-0.0	105.4
Materials and services	-32.0	-	-32.0
Employee benefit expenses	-33.7	-1.2	-34.9
Other operating expenses	-20.7	0.9	-19.8
Operating profit	8.9	-0.2	8.7
Items affecting comparability <sup>1</sup>	1.0	0.1	
Adjusted EBITA	10.3	-0.1	
Financial income and expenses			-1.5
Share of the result of joint ventures			0.9
Result before taxes			8.1
Income taxes			-1.5
Result for the period			6.5
Capital employed	299.7	21.7	
Gross capital expenditure	7.7	0.1	
Depreciation, amortisation and impairment	11.0	0.1	11.1

<b>1-12/2025, MEUR</b>	<b>Circular Economy Business</b>	<b>Unallocated items and eliminations</b>	<b>Lassila &amp; Tikanoja</b>
External net sales	426.6		426.6
Inter-division net sales	0.1	-0.1	-
Net sales	426.7	-0.1	426.6
Materials and services	-126.2	0.0	-126.2
Employee benefit expenses	-135.1	-6.8	-141.9
Other operating expenses	-83.4	1.2	-82.2
Operating profit	40.4	-6.2	34.2
Items affecting comparability <sup>1</sup>	-0.2	4.7	
Adjusted EBITA	42.1	-1.5	
Financial income and expenses			-4.6
Share of the result of joint ventures			1.9
Result before taxes			31.6
Income taxes			-5.8
Result for the period			25.7
Capital employed	351.0	9.4	
Gross capital expenditure	40.3	1.4	
Depreciation, amortisation and impairment	45.1	0.5	45.5

<b>1-12/2024, MEUR</b>	<b>Circular Economy Business</b>	<b>Unallocated items and eliminations</b>	<b>Lassila &amp; Tikanoja</b>
External net sales	423.9	-	423.9
Inter-division net sales	0.1	-0.1	-
Net sales	424.0	-0.1	423.9
Materials and services	-123.6	-	-123.6
Employee benefit expenses	-135.3	-5.1	-140.3
Other operating expenses	-82.9	4.1	-78.8
Operating profit	41.2	-0.8	40.5
Items affecting comparability <sup>1</sup>	1.6	0.6	
Adjusted EBITA	44.7	-0.2	
Financial income and expenses			-4.7
Share of the result of joint ventures			3.2
Result before taxes			38.9
Income taxes			-7.4
Result for the period			31.5
Capital employed	299.7	21.7	
Gross capital expenditure	35.9	0.3	
Depreciation, amortisation and impairment	43.1	0.3	43.4

<sup>1</sup> Items affecting comparability mainly include expenses related to business acquisitions, including changes in the fair value of the deferred consideration related to the acquisition of Sand & Vattenbläst i Tyringe AB ("SVB"), as well as expenses related to business restructurings. In 2025, the items affecting comparability include expenses relating to the demerger totalling EUR 4.7 million. Further information on the valuation of the deferred consideration related to SVB is presented in note 9. Financial assets and liabilities.

## 4. Net sales

### Disaggregation of revenue

Net sales consist of services for which revenue is recognised over time, products for which revenue is recognised at a point in time as well as lease income. Services for which revenue is recognised over time include sales revenue from long-term service agreements, separately ordered services and the project business. Services for which revenue is recognised at a point in time include revenue from the sale of equipment and materials.

MEUR	10-12/2025 Carve-out	10-12/2024 Carve-out	1-12/2025 Carve-out	1-12/2024 Carve-out
Long-term service agreements	70.1	71.4	282.1	289.4
Separately ordered services	21.6	17.2	74.7	66.0
Project business	3.1	1.9	10.2	9.9
Sales of equipment and materials	15.6	13.9	56.2	55.1
Lease income	0.8	0.9	3.4	3.5
<b>Total net sales</b>	<b>111.2</b>	<b>105.4</b>	<b>426.6</b>	<b>423.9</b>

### Net sales by service area

The service offering of Lassila & Tikanoja's business is divided into the following three business lines: Waste management and recycling, Hazardous waste and remediation and Industrial services and water treatment.

The waste management and recycling business line consists of nationwide waste collection and recycling services. Collection services cover all waste fractions generated from companies' operations, such as plastics, construction and confidential waste. In addition to corporate waste management, Lassila & Tikanoja produces collection and logistics services to, among others, municipalities and the public sector.

The hazardous waste and remediation business line includes comprehensive hazardous waste collection and recycling services, as well as remediation services, such as the remediation of contaminated soil, reception and utilisation of side streams and construction of waste management areas.

The industrial services and water treatment business line consists of support services for industry and production facilities, such as process equipment cleaning and sewer maintenance services, as well as water treatment services. These services ensure customer's process continuity and efficiency.

MEUR	10-12/2025 Carve-out	10-12/2024 Carve-out	1-12/2025 Carve-out	1-12/2024 Carve-out
Waste management and recycling	69.6	70.4	278.1	283.1
Hazardous waste and remediation	23.9	16.7	73.0	65.2
Industrial and water	19.9	19.8	81.3	81.3
Net sales between service areas	-2.1	-1.6	-5.9	-5.8
<b>Total net sales</b>	<b>111.2</b>	<b>105.4</b>	<b>426.6</b>	<b>423.9</b>

## 5. Business acquisitions

### Business acquisitions 2025

On June 2, 2025, Lassila & Tikanoja Plc's subsidiary L&T Ympäristöpalvelut Oy acquired the pallet business of Stena Recycling Oy. The annual net sales of the business have been approximately EUR 10 million. The acquisition strengthens Lassila & Tikanoja's service offering and supports the growth of its circular economy business in line with L&T's growth strategy. As a result of the business acquisition, Lassila & Tikanoja's pallet business will employ just over 30 people across four locations. In the fair value measurement, intangible assets based on customer relationships amounting to EUR 3.7 million and goodwill amounting to EUR 3.4 million were identified. Goodwill is primarily based on a broader service network, a stronger service offering, and future development prospects. The goodwill is tax-deductible.

On 1 December 2025, Lassila & Tikanoja Plc's subsidiary L&T Teollisuuspalvelut Oy acquired the entire share capital of Viemärihuolto Reinikka Oy. In the fair value measurement, intangible assets based on customer relationships amounting to EUR 0.9 million and goodwill amounting to EUR 1.4 million were identified. The goodwill is primarily based on a broader service network, a strengthened service offering and future growth prospects.

On 1 December 2025, Lassila & Tikanoja Plc's Swedish subsidiary Sand & Vattenbläst i Tyringe AB (SVB) acquired the entire share capital of RecondConcept i Ånge AB, a company providing process-cleaning services in Sweden. In the fair value measurement, intangible assets based on customer relationships amounting to EUR 0.4 million and goodwill amounting to EUR 1.6 million were identified. The goodwill is primarily based on a strengthened service offering and future growth prospects. In connection with the transaction, Lassila & Tikanoja recognised a EUR 1.1 million contingent consideration (earn-out) within non-current liabilities. The contingent consideration is measured at fair value and is based on the development of RecondConcept i Ånge AB's EBITDA in 2026 and 2027.

In the reporting period, the business acquisitions had a EUR 7.1 million impact on Lassila & Tikanoja's net sales and EUR 0.3 million on operating profit. If the acquisitions had been completed on 1 January 2025, Lassila & Tikanoja's net sales would have been approximately EUR 434.6 million and operating profit approximately EUR 35.1 million. In the reporting period, transaction costs totalling EUR 0.3 million (in 2024: 0.3) related to the acquisitions were recognised in other operating expenses.

### Business acquisitions 2024

On 1 February 2024, Lassila & Tikanoja acquired all of the shares of PF Industriservice AB, a company that provides process cleaning services in Sweden. Through the acquisition, Lassila & Tikanoja's process cleaning services business expanded to the Gävleborg area in Sweden. In the fair value measurement, intangible assets based on customer relationships with a value of EUR 0.7 million, as well as goodwill with a value of EUR 0.8 million were identified. The goodwill is mainly based on the regional position of the acquired business and its future development prospects.

On 1 July 2024, Lassila & Tikanoja's subsidiary L&T Ympäristöpalvelut Oy acquired the rest 60 per cent of the shares of Suomen Keräystuote Oy. Previously Suomen Keräystuote Oy was an associated company, of which Lassila & Tikanoja's ownership was 40 per cent. The transaction did not have a significant impact on Lassila & Tikanoja's figures.

In 2024, business acquisitions had a EUR 2.6 million impact on Lassila & Tikanoja's net sales for the financial period and EUR 0.2 million on operating profit. If the acquisitions in 2024 had been completed on 1 January 2024, Lassila & Tikanoja's net sales would have been approximately EUR 424.0 million and operating profit approximately EUR 40.5 million. In 2024, expenses totalling EUR 0.1 million related to the acquisitions were recognised in the income statement.

<b>Business acquisitions, fair value total, MEUR</b>	<b>1-12/2025</b>	<b>1-12/2024</b>
Intangible assets	5.1	0.7
Property, plant and equipment	1.0	0.4
Right-of-use assets	1.0	0.1
Inventories	0.5	-
Receivables	0.6	0.2
Cash and cash equivalents	0.8	0.5
<b>Total assets</b>	<b>9.0</b>	<b>1.9</b>
Lease liabilities	0.9	0.1
Other liabilities	1.1	0.2
Deferred tax liabilities	0.3	0.2
<b>Total liabilities</b>	<b>2.3</b>	<b>0.6</b>
Net assets acquired	6.7	1.2
Total consideration	13.0	2.1
Goodwill	6.4	0.8
Impact on cash flow:		
Total consideration	-13.0	-2.1
Contingent consideration	1.1	-
Consideration paid in cash	-11.9	-2.1
Cash and cash equivalents of the acquired company	0.8	0.5
<b>Total impact on cash flow</b>	<b>-11.1</b>	<b>-1.6</b>

The acquisition calculations for 2025 are preliminary. The fair value of net assets acquired from the acquisitions completed in December will be finalised during the first half of 2026. The figures for such acquired businesses, that are not material to the Group when considered separately, are stated in aggregate.

## 6. Intangible and tangible assets

### Changes in goodwill

MEUR	31 Dec 2025	31 Dec 2024, Carve-out
Carrying amount at the beginning of the period	118.8	118.2
Business acquisitions	6.4	0.8
Exchange differences	0.5	-0.3
Carrying amount at the end of the period	125.7	118.8

### Changes in other intangible assets

MEUR	31 Dec 2025	31 Dec 2024, Carve-out
Carrying amount at the beginning of the period	35.1	28.6
Business acquisitions	5.1	0.7
Other capital expenditure	2.4	9.3
Disposals	0.3	-0.0
Amortisation and impairment	-4.9	-3.4
Exchange differences	0.2	-0.1
Carrying amount at the end of the period	38.2	35.1

### Changes in property, plant and equipment

MEUR	31 Dec 2025	31 Dec 2024, Carve-out
Carrying amount at the beginning of the period	155.3	153.1
Business acquisitions	1.0	0.4
Other capital expenditure	21.2	28.7
Disposals	-0.3	-1.3
Depreciation and impairment	-26.7	-25.5
Exchange differences	0.4	-0.2
Carrying amount at the end of the period	150.9	155.3

### Changes in right-of-use assets

MEUR	31 Dec 2025	31 Dec 2024, Carve-out
Carrying amount at the beginning of the period	54.8	60.7
Business acquisitions	1.0	0.1
Other capital expenditure	21.4	12.4
Disposals	-3.2	-3.9
Depreciation and impairment	-14.0	-14.5
Exchange differences	0.1	-0.0
Carrying amount at the end of the period	60.1	54.8

Capital expenditure for intangible assets is mainly related to information systems. Capital expenditure for property, plant and equipment and right-of-use assets are mainly related to machine and equipment purchases. No impairments were recognised during the reporting period or the comparative period.

## 7. Capital commitments

MEUR	31 Dec 2025	31 Dec 2024, Carve-out
Intangible assets	0.1	0.1
Tangible assets	9.0	8.6
Total	9.1	8.6

Capital commitments are mainly related to information systems and machine and equipment purchases.

## 8. Provisions

### Obligations covered by environmental provisions

The Group has leased site that it uses as landfill from the city of Kotka. In Varkaus the Group uses a site for intermediate storing, processing and final disposal of contaminated soil. At the expiry of the leases or at the discontinuation of operations, the Group is responsible for site restoration comprising landscaping and post-closure environmental monitoring called for in the terms and conditions of environmental permits.

The Munaistenmetsä landfill site in Uusikaupunki serves as a final disposal area for municipal waste, contaminated soil and industrial by-products.

The material recycling centre in the landfill area in Oulu receives, processes and recovers various types of waste and side streams, such as industrial waste, contaminated soil, construction and demolition waste as well as municipal waste.

The landfill area in Pori receives and processes gypsum, construction and demolition waste as well as contaminated soil and other smaller items. The new environmental permit became legally valid in December 2025. The new environmental permit covers the applied-for new reception and processing operations for both non-hazardous and hazardous waste. Construction of the hazardous waste operations will commence in spring 2026.

### Other provisions

Other provisions consist mainly of provisions for restructuring as well as restoration provisions for leased premises.

### Provisions in the statement of financial position

MEUR	31 Dec 2025	31 Dec 2024, Carve-out
Non-current provisions	6.3	6.3
Current provisions	0.3	0.6
<b>Total</b>	<b>6.6</b>	<b>6.9</b>

### Changes in provisions

MEUR	Environmental provisions	Other provisions	Total
Provisions at 1 Jan 2025	6.3	0.6	6.9
Additions	0.5	0.2	0.7
Used during the period	-0.4	-0.5	-0.8
Effect of discounting	-0.1	-	-0.1
<b>Provisions at 31 Dec 2025</b>	<b>6.3</b>	<b>0.3</b>	<b>6.6</b>

MEUR	Environmental provisions	Other provisions	Total
Provisions at 1 Jan 2024	7.2	0.1	7.2
Additions	0.6	0.6	1.2
Used during the period	-0.4	-0.1	-0.5
Effect of discounting	-1.0	-	-1.0
<b>Provisions at 31 Dec 2024</b>	<b>6.3</b>	<b>0.6</b>	<b>6.9</b>

## 9. Financial assets and liabilities

### Financial assets and liabilities by category

31 Dec 2025, MEUR	Amortised cost	Fair value through profit or loss	Carrying amounts by balance sheet item	Fair value hierarchy level
<b>Non-current financial assets</b>				
Other shares and holdings		0.1	0.1	3
Other receivables	0.3		0.3	
<b>Current financial assets</b>				
Trade and other receivables	51.5		51.5	
Cash and cash equivalents	37.4		37.4	
<b>Total financial assets</b>	<b>89.1</b>	<b>0.1</b>	<b>89.3</b>	
<b>Non-current financial liabilities</b>				
Borrowings	125.0		125.0	2
Lease liabilities	48.6		48.6	
Contingent consideration		1.1	1.1	3
<b>Current financial liabilities</b>				
Borrowings	0.2		0.2	2
Lease liabilities	13.8		13.8	
Interest liabilities	1.7		1.7	
Deferred consideration		6.2	6.2	3
Trade and other payables	39.0		39.0	
<b>Total financial liabilities</b>	<b>228.3</b>	<b>7.3</b>	<b>235.7</b>	

31 Dec 2024, Carve-out, MEUR	Amortised cost	Fair value through profit or loss	Carrying amounts by balance sheet item	Fair value hierarchy level
<b>Non-current financial assets</b>				
Other shares and holdings		0.1	0.1	3
Other receivables	0.3		0.3	
<b>Current financial assets</b>				
Trade and other receivables	49.6		49.6	
Cash pool receivables from related parties	0.1		0.1	
Cash and cash equivalents	1.9		1.9	
<b>Total financial assets</b>	<b>51.9</b>	<b>0.1</b>	<b>52.0</b>	
<b>Non-current financial liabilities</b>				
Borrowings	0.3		0.3	2
Lease liabilities	45.2		45.2	
Deferred consideration		6.7	6.7	3
<b>Current financial liabilities</b>				
Borrowings	0.5		0.5	2
Cash pool liabilities to related parties	11.6		11.6	
Lease liabilities	11.7		11.7	
Trade and other payables	35.2		35.2	
<b>Total financial liabilities</b>	<b>104.6</b>	<b>6.7</b>	<b>111.3</b>	

Trade and other receivables do not include tax receivables and accruals, and trade and other payables do not include statutory liabilities (e.g. tax liabilities), accrued expenses and deferred income. The fair values of balance sheet items measured at amortised cost do not differ significantly from the carrying amounts of the balance sheet items.

In accordance with the Demerger Plan and the loan terms, the following Luotea's financing arrangements were transferred to Lassila & Tikanoja as part of the demerger: EUR 75 million unsecured notes, EUR 35 million and EUR 15 million term loans, and a EUR 40 million revolving credit facility. These external loans have not been included in comparative carve-out financial information of the company.

The unsecured notes will mature in the second quarter of 2028 and bear fixed annual interest at the rate of 3.375 per cent. The notes are linked to sustainability targets, which include reducing the company's own greenhouse gas emissions (Scope 1 and 2) and decreasing subcontractors' fuel usage in transportation (Scope 3).

The EUR 35 million and EUR 15 million term loans as well as the EUR 40 million revolving credit facility will mature in the second quarter of 2028, with a two-year extension option included in the agreements. At the balance sheet date, the revolving credit facility was unused. The financing arrangements include following financial covenants: equity ratio and net debt to EBITDA ratio. Compliance with the covenant terms is monitored on a quarterly basis.

### Reconciliation of financial liabilities measured at fair value according to the level 3

MEUR	1-12/2025	1-12/2024
Carrying amount 1 Jan	6.7	5.9
Additions during the period	1.1	-
Change in fair value	-0.9	1.0
Exchange differences	0.4	-0.2
Carrying amount 31 Dec	7.3	6.7

Deferred consideration is related to the acquisition of 70 per cent share of Sand & Vattenbläst i Tyringe AB ("SVB") that offers process cleaning services in Sweden. The acquisition took place on 1 February 2022. SVB is consolidated with 100 per cent share in Lassila & Tikanoja and, in connection with the arrangement, Lassila & Tikanoja has recognised in financial liabilities an estimate of the deferred consideration for the acquisition. The deferred consideration relates to the acquisition of non-controlling interest and is measured at fair value, which is reflected in the present value of the estimated liability. The valuation of the deferred consideration is based on the shareholder agreement and is affected by the acquired company's balance sheet structure and EBITDA of year 2025. The deferred consideration is expected to be paid during the first half of 2026.

Addition in 2025 is related to the acquisition of RecondConcept i Ånge AB in December 2025. In connection with the transaction, Lassila & Tikanoja recognised a EUR 1.1 million contingent consideration (earn-out) within non-current liabilities. The contingent consideration is measured at fair value and is based on the development of RecondConcept i Ånge AB's EBITDA in 2026 and 2027.

There were no changes in financial assets measured at fair value according to the level 3 during the financial year or the comparative period.

## Maturity of financial liabilities

The following table shows Lassila & Tikanoja's financial liabilities classified according to contractual maturity dates at the balance sheet date. The figures shown are undiscounted contractual cash flows.

MEUR 31 December 2025	Carrying amount	Contractual cash flows	1-12/2026	1-12/2027	1-12/2028	1-12/2029	2030 and later
Borrowings	125.2	125.0	0.0	-	125.0	-	-
Interest liabilities <sup>1</sup>	1.7	11.3	4.0	4.0	3.3	-	-
Lease liabilities	62.4	65.8	14.8	12.1	8.1	7.6	23.3
Deferred and contingent	7.3	7.3	6.2	-	1.1	-	-
Trade and other payables	39.0	39.0	39.0	-	-	-	-
<b>Total</b>	<b>235.7</b>	<b>248.5</b>	<b>64.0</b>	<b>16.1</b>	<b>137.5</b>	<b>7.6</b>	<b>23.3</b>

<sup>1</sup> Contractual cash flows include future interest payments of the borrowings.

## 10. Related-party transactions

Related parties of Lassila & Tikanoja comprise the Group's subsidiaries, the associated company (Suomen Keräystuote Oy until 1 July 2024), the joint venture (Laania Oy) as well as L&T Sickness Fund, which was established on 31 December 2025 in the partial demerger of the former L&T Sickness Fund (currently Luotea Sickness Fund). Related parties also include the key management personnel of the Lassila & Tikanoja Group (members of the Board of Directors, the President and CEO and members of the Group Executive Board) and their close family members and entities over which they exercise control.

Until the date of the demerger, the related parties of the New Lassila & Tikanoja also included the former Lassila & Tikanoja plc and the former Lassila & Tikanoja Group's subsidiaries that did not belong to the New Lassila & Tikanoja, the key management personnel of the former Lassila & Tikanoja Group and their close family members and entities over which they exercise control, as well as the former L&T Sickness Fund. The contributions paid by the New Lassila & Tikanoja companies to the former L&T Sickness Fund during the reporting period amounted to EUR 0.5 million (0.5).

No loans were granted and no guarantees nor other securities given to persons belonging to the related parties of Lassila & Tikanoja.

### Transactions with the former Lassila & Tikanoja Group

Until the date of the demerger, the New Lassila & Tikanoja's related parties included the former Lassila & Tikanoja plc and the former Lassila & Tikanoja's subsidiaries other than the New Lassila & Tikanoja entities. The New Lassila & Tikanoja's business transactions with the former Lassila & Tikanoja Group until the date of the demerger are presented in the following table. Transactions with the former Lassila & Tikanoja are conducted at arm's length prices.

MEUR	10-12/2025	10-12/2024	2025	2024
Net sales	0.6	0.5	1.0	1.0
Purchases of materials and services	0.0	-0.1	-0.2	-0.2
Other operating expenses	-0.1	-0.2	-0.5	-0.8
Financial income	0.0	0.0	0.1	0.1
Financial expenses	-0.4	-0.3	-2.1	-1.7
Cash pool receivables			-	0.1
Trade and other receivables			-	0.3
Cash pool liabilities			-	11.6
Trade and other payables			-	0.1

Sales by Lassila & Tikanoja to companies belonging to the former Lassila & Tikanoja Group consist of items typical of ordinary business operations, such as subcontracting services and sales of materials and supplies. Purchases and other operating expenses mainly comprise subcontracting service fees and other service purchases. Financial income and expenses consist of interest related to cash pool receivables and liabilities. Trade and other receivables as well as trade and other payables consist of items arising from ordinary business operations.

### Transactions with the joint venture

Lassila & Tikanoja's business transactions with Laania Oy are presented in the following table. The former Lassila & Tikanoja plc has also provided guarantees for Laania's financing arrangements. These guarantees have been allocated to the New Lassila & Tikanoja in the carve-out financial information. In the final quarter of 2025, the guarantees for Laania's financing arrangements provided by the former Lassila & Tikanoja were released. In 2025, Laania paid dividends totalling EUR 1.6 million (1.8) to the New Lassila & Tikanoja.

MEUR	2025	2024
Net sales, carve-out	2.7	3.1
Purchases of materials and services, carve-out	-0.8	-0.9
Trade and other receivables	0.0	0.0

## 11. Commitments and contingent liabilities

MEUR	31 Dec 2025	31.12.2024 Carve-out
<b>Collaterals for own commitments</b>		
Mortgages on rights of tenancy <sup>1</sup>	0.2	0.2
Company mortgages	0.5	0.5
Other securities	0.0	0.0
Bank guarantees required for environmental permits	26.2	25.0
Other bank guarantees	7.8	5.7
<b>Liabilities on behalf of the joint venture</b>		
Bank guarantees	-	16.5
<b>Future lease payments</b>		
Within one year	0.3	0.0
Over one year	0.2	0.0

<sup>1</sup> Figures of the comparison period have been adjusted.

Lassila & Tikanoja has a 55% holding in Laania Oy, a joint venture established on 1 July 2022 together with Neova. The amount of the liabilities on behalf of the joint venture is disclosed as Lassila & Tikanoja's share of the maximum amount of liability, in relation to Lassila & Tikanoja's holding. In the final quarter of 2025, the guarantees provided for Laania's financing arrangements were released.

Future lease payments consist of minimum leasing commitments related to lease agreements for low-value assets, to which Lassila & Tikanoja has elected to apply recognition exemption permitted by IFRS 16.

Lassila & Tikanoja is involved in a few disputes related to the ordinary business operations, the outcomes of which are not expected to have a material impact on Lassila & Tikanoja's financial position.

Helsinki 26 February 2026

LASSILA & TIKANOJA PLC

Board of Directors  
Eero Hautaniemi  
President and CEO

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Lassila & Tikanoja is a leading Nordic circular economy company committed to unleashing the potential of circularity together with its customers and partners. Our services include waste management and recycling, hazardous waste and remediation services as well as industrial services and water treatment. Our goal is to strengthen an efficient infrastructure in society and promote the sustainable use of materials by transforming waste streams into valuable raw materials. L&T employs approximately 2,300 people in Finland and Sweden and is listed on Nasdaq Helsinki.

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