

THE SECOND SUPPLEMENT DOCUMENT TO GEORG FISCHER LTD.'S TENDER OFFER DOCUMENT DATED JUNE 22, 2023, RELATING TO THE VOLUNTARY PUBLIC TENDER OFFER FOR ALL ISSUED AND OUTSTANDING SHARES IN UPONOR CORPORATION

October 25, 2023

THE TENDER OFFER IS NOT BEING MADE, DIRECTLY OR INDIRECTLY, IN OR INTO AUSTRALIA, CANADA, HONG KONG, JAPAN, NEW ZEALAND OR SOUTH AFRICA AND THE TENDER OFFER DOCUMENT AND THIS SUPPLEMENT DOCUMENT AND ANY AND ALL MATERIALS RELATED THERETO SHOULD NOT BE SENT IN OR INTO AUSTRALIA, CANADA, HONG KONG, JAPAN, NEW ZEALAND OR SOUTH AFRICA (INCLUDING BY USE OF, OR BY ANY MEANS OR INSTRUMENTALITY, FOR EXAMPLE, E-MAIL, POST, FACSIMILE TRANSMISSION, TELEPHONE OR INTERNET, OF INTERSTATE OR FOREIGN COMMERCE, OR ANY FACILITIES OF A NATIONAL SECURITIES EXCHANGE), AND THE TENDER OFFER CANNOT BE ACCEPTED, DIRECTLY OR INDIRECTLY, OR BY ANY SUCH USE, MEANS OR INSTRUMENTALITY, IN OR FROM WITHIN AUSTRALIA, CANADA, HONG KONG, JAPAN, NEW ZEALAND OR SOUTH AFRICA.

On June 12, 2023, Georg Fischer Ltd. (the “**Offeror**” or “**GF**”) announced a voluntary recommended public cash tender offer to purchase all issued and outstanding shares in Uponor Corporation (“**Uponor**”) that are not owned by Uponor or any of its subsidiaries (the “**Tender Offer**”). The Offeror has published a tender offer document dated June 22, 2023, and the first supplement document to the tender offer document dated July 25, 2023, concerning the Tender Offer (the tender offer document, as supplemented from time to time, the “**Tender Offer Document**”).

Supplements to the Tender Offer Document

The Offeror supplements the Tender Offer Document, in accordance with Chapter 11, Section 11, Subsection 4 of the Finnish Securities Markets Act (746/2012, as amended, Fi: *arvopaperimarkkinalaki*), with the following information in this document (the “**Supplement Document**”):

As described in the Tender Offer Document, the completion of the Tender Offer is subject to the fulfilment of certain customary conditions to completion in accordance with the terms and conditions of the Tender Offer, or waiver by the Offeror of such conditions on or by the date of the Offeror’s announcement of the final result of the Tender Offer. These conditions include, among others, the receipt of necessary approvals by competition and other regulatory authorities.

The Offeror announced on October 20, 2023, that it has received an unconditional merger control clearance from the European Commission regarding the Tender Offer (the “**Offeror’s Release**”), and therefore the condition to completion of the Tender Offer concerning the receipt of necessary approvals by competition and other regulatory authorities has been fulfilled. The Offeror supplements the Tender Offer Document with the Offeror’s Release, which is added to the Tender Offer Document as Annex F. The Tender Offer is still subject to the fulfilment of certain other customary conditions to completion set out in the Tender Offer Document.

In addition, Uponor published an interim report for the first three quarters of 2023 (the “**Interim Report**”) on October 25, 2023. The Offeror supplements the Tender Offer Document with the Interim Report, which is added to the Tender Offer Document as Annex G.

As a result of the above, the Offeror supplements the following sections of the Tender Offer Document, as follows:

Section “*Background and Objectives—Regulatory Approvals*” of the Tender Offer Document is amended by replacing the following strikethrough passages with the passages that are underlined and set in bold:

On October 20, 2023, the Offeror received an unconditional merger control clearance from the European Commission regarding the Tender Offer. Furthermore, the applicable waiting period under the U.S. Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, expired in the United States at 11:59 p.m. ET on July 18, 2023. Therefore, the condition to completion of the Tender Offer concerning the receipt of necessary approvals by competition and other regulatory authorities has been fulfilled. ~~The Offeror will, as soon as practically possible, make all submissions, notifications and filings (or, where applicable, draft notifications) required to obtain all necessary regulatory approvals, permits, clearances and consents, including without limitation approvals required under applicable foreign direct investment laws and merger control clearances (or, where applicable, the expiry of relevant waiting periods) required under applicable competition laws or other laws in any jurisdiction for the completion of the Tender Offer.~~

~~Based on currently available information, the Offeror expects to obtain such necessary regulatory approvals, permits, clearances and consents and to complete the Tender Offer during the fourth quarter of 2023. The Offeror will use its reasonable best efforts to obtain such regulatory approvals. However, the length and outcome of the regulatory clearance process is not within the control of the Offeror, and there can be no assurances that clearance~~

~~will be obtained within the estimated timeframe, or at all. However, the Offeror does not anticipate that there would be any material substantive issues with respect to obtaining any such regulatory approvals.~~

Section “*Presentation of Uponor—Financial Information*” of the Tender Offer Document is amended by including the passages that are underlined and set in bold:

The unaudited interim report published by Uponor as at and for the nine months ended September 30, 2023, the unaudited interim report published by Uponor as at and for the six months ended June 30, 2023, ~~the unaudited interim report published by Uponor as at and for the three months ended March 31, 2023, and the audited consolidated financial statements and the report of the Board of Directors published by Uponor as at and for the year ended December 31, 2022, are included in this Tender Offer Document. See “*Annex A: Financial Information of Uponor,*” “*Annex E: The unaudited Half-Year Financial Report for the First Half-Year of 2023 published by Uponor on July 20, 2023*” and “*Annex G: The unaudited Interim Report for the first three quarters of 2023 published by Uponor on October 25, 2023.*”~~

Availability of Documents

GF published the first supplement document on July 25, 2023. The Finnish language version of the Tender Offer Document is available, and the Finnish language version of this Supplement Document is available as of October 25, 2023, on the internet at goingforward-movingwater.georgfischer.com/fi. The English language translation of the Tender Offer Document is available, and the English language translation of this Supplement Document is available as of October 25, 2023, on the internet at goingforward-movingwater.georgfischer.com/en.

The Finnish Financial Supervisory Authority has approved the Finnish language version of this Supplement Document but is not responsible for the accuracy of the information presented therein. The journal number of such approval is FIVA/2023/1909.

Information for Shareholders of Uponor in the United States

The Tender Offer is made for the issued and outstanding Shares in Uponor, which is domiciled in Finland, and is subject to Finnish disclosure and procedural requirements. The Tender Offer is made in the United States in compliance with Section 14(e) of the U.S. Securities Exchange Act of 1934, as amended (the “**Exchange Act**”) and the applicable rules and regulations promulgated thereunder, including Section 14(e) and Regulation 14E under the Exchange Act, subject to any exemptions or relief therefrom, if applicable, including the exemption provided by Rule 14d-1(d) under the Exchange Act applicable to “Tier II” tender offers, and otherwise in accordance with the disclosure and procedural requirements of Finnish law, including with respect to the Tender Offer timetable, settlement procedures, withdrawal, waiver of conditions and timing of payments, which are different from those of the United States. In particular, the financial statements and financial information included in this Tender Offer Document have been prepared in accordance with the applicable accounting standards in Finland and Switzerland, which may not be comparable to the financial statements or financial information of U.S. companies. Shareholders in the United States are advised that the Shares are not listed on a U.S. securities exchange and that Uponor is not subject to the periodic reporting requirements of the Exchange Act and is not required to, and does not, file any reports with the U.S. Securities and Exchange Commission (the “**SEC**”) thereunder.

The Tender Offer is made to Uponor’s shareholders resident in the United States on the same terms and conditions as those made to all other shareholders of Uponor to whom an offer is made. Any information documents, including this Tender Offer Document, are being disseminated to U.S. shareholders on a basis comparable to the method that such documents are provided to Uponor’s other shareholders.

To the extent permissible under applicable law or regulations, the Offeror and its affiliates or its brokers and its broker’s affiliates (acting as agents for the Offeror or its affiliates, as applicable) may from time to time and during the pendency of the Tender Offer, and other than pursuant to the Tender Offer and combination, directly or indirectly, purchase or arrange to purchase, the Shares or any securities that are convertible into, exchangeable for or exercisable for such Shares, outside the United States. These purchases may occur either in the open market at prevailing prices or in private transactions at negotiated prices. To the extent information about such purchases or arrangements to purchase is made public in Finland, such information will be disclosed by means of a stock exchange or press release or other means reasonably calculated to inform U.S. shareholders of Uponor of such information. In addition, the financial advisers to the Offeror may also engage in ordinary course trading activities in securities of Uponor, which may include purchases or arrangements to purchase such securities. To the extent required in Finland, any information about such purchases will be made public in Finland in the manner required by Finnish law. The consideration in the Tender Offer must be increased to match any consideration paid outside of the Tender Offer.

Neither the SEC nor any U.S. state securities commission has approved or disapproved the Tender Offer, passed upon the merits or fairness of the Tender Offer, or passed any comment upon the adequacy, accuracy or completeness of this Tender Offer Document. Any representation to the contrary is a criminal offence in the United States.

The receipt of cash pursuant to the Tender Offer by a U.S. holder of Shares may be a taxable transaction for U.S. federal income tax purposes and under applicable U.S. state and local, as well as foreign and other, tax laws. Each holder of Shares is urged to consult its independent professional adviser immediately regarding the tax consequences of accepting the Tender Offer.

It may be difficult for Uponor's shareholders to enforce their rights and any claims they may have arising under the U.S. federal securities laws since the Offeror and Uponor are located in non-U.S. jurisdictions and some or all of their respective officers and directors may be residents of non-U.S. jurisdictions. Uponor's shareholders may not be able to sue the Offeror or Uponor or their respective officers or directors in a non-U.S. court for violations of the U.S. federal securities laws. It may be difficult to compel the Offeror and Uponor and their respective affiliates to subject themselves to a U.S. court's judgment.

GF's Tender Offer for All Shares in Uponor Cleared by the European Commission – All Relevant Regulatory Approvals for the Completion Received

GF, Press Release, October 20, 2023, 5.00 p.m. EET

NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY, IN OR INTO AUSTRALIA, CANADA, HONG KONG, JAPAN, NEW ZEALAND OR SOUTH AFRICA OR IN ANY OTHER JURISDICTION IN WHICH THIS TENDER OFFER WOULD BE PROHIBITED BY APPLICABLE LAW.

GF announces that the European Commission has granted an unconditional merger clearance regarding the Tender Offer. The approval is an important milestone and further enhances the certainty for the completion the Tender Offer, which would accelerate GF's strategy towards leadership in water and flow solutions.

As previously announced, Georg Fischer Ltd. (“GF” or the “Offeror”) and Uponor Corporation (“Uponor” or the “Company”) have entered into a combination agreement pursuant to which the Offeror has made a voluntary recommended public cash tender offer for all the issued and outstanding shares in Uponor (the “Shares” or, individually, a “Share”) that are not held by Uponor or any of its subsidiaries (the “Tender Offer”) at a price of EUR 28.50 per share (as adjusted as a result of Uponor’s dividend payment as of September 12, 2023) for each Share validly tendered in the Tender Offer (the “Offer Price”). The offer period for the Tender Offer commenced on June 26, 2023, at 9:30 a.m. (Finnish time) and will expire on October 31, 2023, at 4:00 p.m. (Finnish time), unless the offer period is further extended, or any extended offer period is discontinued as described in the terms and conditions of the Tender Offer.

The Offeror announces that it has today received an unconditional merger control clearance from the European Commission regarding the Tender Offer. Furthermore, as announced by the Offeror on July 19, 2023, the applicable waiting period under the U.S. Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, expired in the United States at 11:59 p.m. ET on July 18, 2023. Therefore, the Offeror confirms that the condition to completion of the Tender Offer concerning the receipt of necessary approvals by competition and other regulatory authorities has been fulfilled.

The completion of the Tender Offer is still subject to the fulfilment of certain customary conditions to completion set out in the tender offer document, including the valid acceptance of the Tender Offer with respect to the Shares representing, together with the Shares otherwise held by the Offeror and any of its subsidiaries, more than 50 percent of the Shares and voting rights in Uponor, or waiver by the Offeror of such conditions on or by the date of the Offeror’s announcement of the final result of the Tender Offer.

The Offeror will supplement the tender offer document to reflect the information contained in this release, as applicable, and will publish a supplement document once it has been approved by the Finnish Financial Supervisory Authority.

The Offeror will announce the preliminary result of the Tender Offer on or about November 1, 2023, and the final result of the Tender Offer on or about November 6, 2023. If the Tender Offer is completed, the Offer Price will be paid to each shareholder of Uponor who has validly accepted, and not validly withdrawn, the Tender Offer in accordance with the terms and conditions of the Tender Offer. The schedule for the payment of the Offer Price will be confirmed in connection with the announcement of the preliminary result of the Tender Offer.

Information about the Tender Offer is made available at <https://goingforward-movingwater.georgfischer.com>.

For administrative questions regarding the Tender Offer, please contact your bank or nominee where you have your Shares registered.

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About GF

With its three divisions GF Piping Systems, GF Casting Solutions, and GF Machining Solutions, GF offers products and solutions that enable the safe transport of liquids and gases, as well as lightweight casting components and high-precision manufacturing technologies. As a sustainability and innovation leader, GF has strived to achieve profitable growth while offering superior value to its customers for more than 200 years. Founded in 1802, GF is headquartered in Switzerland and present in 34 countries with 138 companies, 60 of which are production companies with 83 facilities. For the year ended December 31, 2022, GF's 15,207 employees worldwide generated sales of EUR 4.1 billion (CHF 4.0 billion).

About Uponor

Uponor is a leading global provider of solutions that efficiently and effectively move water through cities, buildings, and homes. Uponor helps customers in residential and commercial construction, municipalities, and utilities, be more productive – and continuously find new ways to conserve, manage and provide water responsibly, unlocking its potential to provide comfort, health, and efficiency. Uponor's safe drinking water, energy-efficient radiant heating and cooling systems, and reliable infrastructure solutions are sold in more than 80 countries. Uponor employs approximately 3,750 professionals in 26 countries in Europe and North America. In 2022, Uponor's net sales totaled approximately EUR 1.4 billion. Uponor is based in Finland and listed on Nasdaq Helsinki.

Important Information

THIS RELEASE MAY NOT BE RELEASED OR OTHERWISE DISTRIBUTED, IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY, IN OR INTO AUSTRALIA, CANADA, HONG KONG, JAPAN, NEW ZEALAND OR SOUTH AFRICA OR IN ANY OTHER JURISDICTION IN WHICH THE TENDER OFFER WOULD BE PROHIBITED BY APPLICABLE LAW.

THIS RELEASE IS NOT A TENDER OFFER DOCUMENT AND AS SUCH DOES NOT CONSTITUTE AN OFFER OR INVITATION TO MAKE A SALES OFFER. IN PARTICULAR, THIS RELEASE IS NOT AN OFFER TO BUY OR THE SOLICITATION OF AN OFFER TO SELL ANY SECURITIES DESCRIBED HEREIN, AND IS NOT AN EXTENSION OF THE TENDER OFFER, IN AUSTRALIA, CANADA, HONG KONG, JAPAN, NEW ZEALAND OR SOUTH AFRICA. INVESTORS SHALL ACCEPT THE TENDER OFFER FOR THE SHARES ONLY ON THE BASIS OF THE INFORMATION PROVIDED IN A TENDER OFFER DOCUMENT. OFFERS WILL NOT BE MADE DIRECTLY OR INDIRECTLY IN ANY JURISDICTION WHERE EITHER THE TENDER OFFER OR ACCEPTANCE THEREOF IS PROHIBITED BY APPLICABLE LAW OR WHERE ANY TENDER OFFER DOCUMENT OR REGISTRATION OR OTHER REQUIREMENTS WOULD APPLY IN ADDITION TO THOSE UNDERTAKEN IN FINLAND.

THE TENDER OFFER IS NOT BEING MADE DIRECTLY OR INDIRECTLY IN ANY JURISDICTION WHERE PROHIBITED BY APPLICABLE LAW AND, WHEN PUBLISHED, THE TENDER OFFER DOCUMENT AND RELATED ACCEPTANCE FORMS WILL NOT AND MAY NOT BE DISTRIBUTED, FORWARDED OR TRANSMITTED INTO OR FROM ANY JURISDICTION WHERE PROHIBITED BY APPLICABLE LAW.

THIS RELEASE HAS BEEN PREPARED IN COMPLIANCE WITH FINNISH LAW, THE RULES OF NASDAQ HELSINKI AND THE HELSINKI TAKEOVER CODE AND THE INFORMATION DISCLOSED MAY NOT BE THE SAME AS THAT WHICH WOULD HAVE BEEN DISCLOSED IF THIS RELEASE HAD BEEN PREPARED IN ACCORDANCE WITH THE LAWS OF JURISDICTIONS OUTSIDE OF FINLAND.

Information for Shareholders of Uponor in the United States

The Tender Offer is made for the issued and outstanding shares in Uponor, which is domiciled in Finland, and is subject to Finnish disclosure and procedural requirements. The Tender Offer is made in the United States in compliance with Section 14(e) of the U.S. Securities Exchange Act of 1934, as amended (the "**Exchange Act**") and the applicable rules and regulations promulgated thereunder, including Regulation 14E (in each case, subject to any exemptions or relief therefrom, if applicable) and otherwise in accordance with the disclosure and procedural requirements of Finnish law, including with respect to the Tender Offer timetable, settlement procedures, withdrawal, waiver of conditions and timing of payments, which are different from those of the United States. Shareholders in the United States are advised that the Shares are not listed on a U.S. securities exchange and that Uponor is not subject to the periodic reporting requirements of the Exchange Act and is not required to, and does not, file any reports with the U.S. Securities and Exchange Commission (the "**SEC**") thereunder.

The Tender Offer is made to Uponor's shareholders resident in the United States on the same terms and conditions as those made to all other shareholders of Uponor to whom an offer is made. Any information documents, including this release, are being disseminated to U.S. shareholders on a basis comparable to the method that such documents are provided to Uponor's other shareholders.

To the extent permissible under applicable law or regulations, including Rule 14e-5 under the Exchange Act, the Offeror and its affiliates or its brokers and its broker's affiliates (acting as agents for the Offeror or its affiliates, as applicable) may from time to time after the date of this release and during the pendency of the Tender Offer, and other than pursuant to the Tender Offer and combination, directly or indirectly, purchase or arrange to purchase, the Shares or any securities that are convertible into, exchangeable for or exercisable for such Shares. These purchases may occur either in the open market at prevailing prices or in private transactions at negotiated prices. To the extent information about such purchases or arrangements to purchase is made public in Finland, such information will be disclosed by means of a stock exchange or press release or other means reasonably calculated to inform U.S. shareholders of Uponor of such information. In addition, the financial advisers to the Offeror may also engage in ordinary course trading activities in securities of Uponor, which may include purchases or arrangements to purchase such securities. To the extent required in Finland, any information about such purchases will be made public in Finland in the manner required by Finnish law.

Neither the SEC nor any U.S. state securities commission has approved or disapproved the Tender Offer, passed upon the merits or fairness of the Tender Offer, or passed any comment upon the adequacy, accuracy or completeness of this release. Any representation to the contrary is a criminal offence in the United States.

The receipt of cash pursuant to the Tender Offer by a U.S. holder of Shares may be a taxable transaction for U.S. federal income tax purposes and under applicable U.S. state and local, as well as foreign and other, tax laws. Each holder of Shares is urged to consult its independent professional adviser immediately regarding the tax consequences of accepting the Tender Offer.

It may be difficult for Uponor's shareholders to enforce their rights and any claims they may have arising under the U.S. federal securities laws since the Offeror and Uponor are located in non-U.S. jurisdictions and some or all of their respective officers and directors may be residents of non-U.S. jurisdictions. Uponor's shareholders may not be able to sue the Offeror or Uponor or their respective officers or directors in a non-U.S. court for violations of the U.S. federal securities laws. It may be difficult to compel the Offeror and Uponor and their respective affiliates to subject themselves to a U.S. court's judgment.

Forward-looking Statements

This release contains statements that, to the extent they are not historical facts, constitute "forward-looking statements." Forward-looking statements include statements concerning plans, expectations, projections, objectives, targets, goals, strategies, future events, future revenues or performance, capital expenditures, financing needs, plans or intentions relating to acquisitions, competitive strengths and weaknesses, plans or goals relating to financial position, future operations and development, business strategy and the trends in the industries and the political and legal environment and other information that is not historical information. In some instances, they can be identified by the use of forward-looking terminology, including the terms "believes," "intends," "may," "will" or "should" or, in each case, their negative or variations on comparable terminology. By their very nature, forward-looking statements involve inherent risks, uncertainties and assumptions, both general and specific, and risks exist that the predictions, forecasts, projections and other forward-looking statements will not be achieved. Given these risks, uncertainties and assumptions, investors are cautioned not to place undue reliance on such forward-looking statements. Any forward-looking statements contained herein speak only as at the date of this release.

Disclaimer

UBS AG is authorized and regulated by the Financial Market Supervisory Authority in Switzerland. It is authorized by the Prudential Regulation Authority and subject to regulation by the Financial Conduct Authority and limited regulation by the Prudential Regulation Authority in the United Kingdom. UBS AG is acting exclusively for the Offeror and no one else in connection with the Tender Offer or the matters referred to in this document, will not regard any other person (whether or not a recipient of this document) as its client in relation to the Tender Offer and will not be responsible to anyone other than the Offeror for providing the protections afforded to its clients or for providing advice in relation to the Tender Offer or any other transaction or arrangement referred to in this document.

SEB, which is under the supervision of the Swedish Financial Supervisory Authority (*Finansinspektionen*) in cooperation with the FIN-FSA, is acting as local financial adviser to the Offeror and no one else in connection with the Tender Offer and as arranger in relation to the Tender Offer, will not regard any other person than the Offeror as its client in relation to the Tender Offer and will not be responsible to anyone other than the Offeror for providing protection afforded to clients of SEB or for providing advice in relation to the Tender Offer.

Nordea Bank Abp, which is under the supervision of the European Central Bank together with the Finnish Financial Supervisory Authority, is acting as financial adviser to Uponor and no one else in connection with the Tender Offer and the matters set out in this announcement. Neither Nordea Bank Abp nor its affiliates will regard any other person as its client in relation to the Tender Offer and the matters set out in this announcement and will not be responsible to anyone other than Uponor for providing the protection afforded to clients of Nordea Bank Abp, nor for providing advice in relation to the Tender Offer or the other matters referred to in this announcement.

Goldman Sachs International, which is authorized in the United Kingdom by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority, is acting as financial adviser to Uponor and no-one else in connection with this announcement. Neither Goldman Sachs International nor its affiliates, nor their respective partners, directors, officers, employees or agents are responsible to anyone other than Uponor for providing the protections afforded to clients of Goldman Sachs International or for providing advice in connection with any matters referred to in this announcement.

**The unaudited Interim Report for
the first three quarters of 2023 published by Uponor on October 25, 2023**

Uponor

Moving > Water

Continuous strong margin in a volatile market



Q3

Uponor Corporation
Interim Report
January–September
2023

Continuous strong margin in a volatile market

July–September 2023 in brief

- Net sales were €298.5 (364.0) million, a decrease of -18.0% or -16.0% in constant currency terms.
- Operating profit was €32.8 (44.4) million or 11.0% (12.2) of net sales.
- Comparable operating profit was €36.1 (44.9) million or 12.1% (12.3) of net sales.
- Earnings per share were €0.29 (0.40).

January–September 2023 in brief

- Net sales were €943.4 (1,109.7) million, a decrease of -15.0% or -12.9% in constant currency terms.
- Operating profit was €117.8 (134.0) million or 12.5% (12.1) of net sales.
- Comparable operating profit was €122.9 (142.6) million or 13.0% (12.9) of net sales.
- Earnings per share were €1.01 (1.19).

Guidance statement for 2023 (unchanged)

Due to structural changes, Uponor expects its net sales, excluding the impacts of currencies, to be between €1,250 and €1,350 million in 2023, and its comparable operating profit margin to be at or above 11%.

Short-term market outlook

Uponor expects that construction markets will remain soft overall, especially in the new housing segment, in the fourth quarter of the year. While long-term demand drivers remain intact, elevated mortgage interest rates, a general environment of uncertainty and geopolitical conflicts are expected to continue to constrain the initiation of new construction projects and, to a lesser extent, investments in renovation projects in the near-term. Spending on civil engineering projects in the Nordics will be comparatively more stable overall, continuing at the same low level.

Michael Rauterkus, President and CEO, comments:



“In the third quarter of 2023, we continued to deliver on our ambition to build margin resilience under volatile market conditions. The third quarter saw us achieve a strong comparable operating profit margin of 12.1% (12.3%). Our net sales adjusted for structural changes decreased by 14.7%, affected by soft overall market demand. We continue to see the benefits of our ongoing transformation and new operating model. I would like to thank the Uponor team, whose dedication and hard work in driving our transformation and financial performance has delivered again strong profitability in demanding times.

Building Solutions – North America achieved yet again a great result, exceeding the previous year's comparable operating margin level supported by robust operational performance and cost initiatives. Net sales were at the same level as the previous year in USD terms driven by strong demand generation activities and price discipline.

Uponor Infra continued to deliver on its strategy to focus on the profitable core. While net sales declined due to lower market activity, the comparable operating profit margin exceeded the previous year's level supported by a favourable product and channel mix.

In Building Solutions – Europe, the comparable operating margin was negatively impacted by lower sales volumes due to continued slow underlying market activity in our key European markets. However, there were some signs of stabilisation visible in the order book development towards the end of the quarter. The ongoing transformation of the division has accelerated further, and I am pleased to welcome Jonas Brennwald to Uponor's Executive Committee to lead the next phase of our transformation in Europe as our new President of the Building Solutions – Europe division.

Our commitment to sustainability was recognized during the quarter as Uponor was awarded a Gold level rating for the first time by EcoVadis. In line with our People First agenda, I was also pleased to see our safety performance continued to improve. Our lost time injury frequency rate, LTIF, for the first nine months of the year was 3.2 (9.2).

The execution of our Transformation programme remains on track. Several reorganizations have taken place to support our company's transformation towards becoming a leaner and more resilient company. The transformation actions implemented so far within the programme are expected to generate annualised savings of €19.6 million of the total targeted €30 million cost savings by the end of 2024.

As part of our transformation, we are also bolstering our innovation and technological capabilities to better capture global growth opportunities and respond to customer needs. Through our newly introduced global Category Management Structure, based on our product categories Water, Energy, Installation and Infrastructure, we have great opportunity for driving innovation and long-term product strategies to implement in close collaboration with R&D. Redefining how this works within Uponor is an important part of our growth and innovation strategy, and I am very pleased to welcome Charlotta Persfell to Uponor as our new Chief Marketing Officer to ensure alignment of divisional Marketing teams and the global category structure, as well as to strengthen our brand.

The building blocks for accelerating the execution of our growth strategy through innovation are now in place. We are dedicated to responding to the growing long-term need for energy-efficient heating and cooling systems as well as systems for safe and clean water. We are turning our innovation focus towards adding more intelligence to our products enabling smart water delivery, heating and cooling, keeping people in their comfort zone, saving energy, and money, thereby enabling affordable sustainable housing.

For the remainder of 2023, we are prepared for continued high market volatility and a soft demand picture, especially in Europe, impacted by volatile interest rates and the effects of inflation.

Looking ahead, backed by our robust strategic plan, the improved resilience of our business model and healthy balance sheet, we are well equipped to achieve our strategic targets. We continue to focus firmly on our profitable core, executing our transformation and delivering value to our customers through leading the change in sustainable water solutions."

Key figures

| M€ | 7-9/2023 | 7-9/2022 | Change | 1-9/2023 | 1-9/2022 | Change | 1-12/2022 |
|--------------------------------|----------|----------|---------|----------|----------|---------|-----------|
| Net sales | 298.5 | 364.0 | -18.0% | 943.4 | 1,109.7 | -15.0% | 1,386.2 |
| Operating expenses | 253.8 | 306.2 | -17.1% | 802.4 | 936.4 | -14.3% | 1,197.7 |
| Depreciation and impairments | 12.7 | 13.7 | -7.2% | 38.6 | 39.7 | -2.8% | 54.5 |
| Operating profit | 32.8 | 44.4 | -26.2% | 117.8 | 134.0 | -12.1% | 135.5 |
| Operating profit, % | 11.0 | 12.2 | -9.9% | 12.5 | 12.1 | +3.4% | 9.8 |
| Comparable operating profit | 36.1 | 44.9 | -19.7% | 122.9 | 142.6 | -13.8% | 153.7 |
| Comparable operating profit, % | 12.1 | 12.3 | -2.1% | 13.0 | 12.9 | +1.4% | 11.1 |
| Financial income and expenses | -0.2 | 1.3 | -114.0% | -4.1 | 0.7 | -691.0% | -1.0 |
| Profit before taxes | 32.7 | 45.8 | -28.7% | 113.8 | 134.9 | -15.6% | 134.9 |
| Profit for the period | 22.9 | 33.1 | -30.8% | 80.5 | 95.9 | -16.1% | 97.5 |
| Earnings per share | 0.29 | 0.40 | -26.8% | 1.01 | 1.19 | -15.1% | 1.21 |

| | 30 Sep 2023 | 30 Sep 2022 | Change | 31 Dec 2022 |
|-------------------------------|----------------|----------------|--------|----------------|
| Net working capital, M€ | 131.5 | 180.9 | -27.3% | 164.5 |
| Net-interest bearing debt, M€ | 56.8 | 55.2 | +2.9% | 48.5 |
| Solvency, % | 49.8 | 53.4 | -6.7% | 55.2 |
| Gearing, % | 11.9 | 9.9 | +19.1% | 9.1 |
| Return on investment, % | 25.0 | 29.1 | -14.2% | 22.2 |

Uponor Corporation's financial calendar 2024

| | |
|-------------|-------------------------------------|
| 16 Feb 2024 | Financial Statements 2023 Bulletin |
| 13 Mar 2024 | Annual General Meeting 2024 |
| 19 Apr 2024 | Interim Report 1-3/2024 |
| 18 Jul 2024 | Half-Year Financial Report 1-6/2024 |
| 23 Oct 2024 | Interim Report 1-9/2024 |

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UPONOR CORPORATION INTERIM REPORT JANUARY–SEPTEMBER 2023

Financial review July–September 2023
Market development

Construction markets in the Group continued to be negatively impacted by increased borrowing rates, with builders scaling back the initiation of new residential projects significantly compared to last year. Within Uponor's core geographies, the tentative recovery witnessed during Q2 in the U.S. appeared to stall, while the demand environment in Europe grew progressively darker throughout the summer.

In North America, residential mortgage rates continued to rise in the U.S., reaching a 20-year high in September. Having both improved throughout the first half of the year, housing starts slowed during the summer and homebuilder confidence weakened markedly as the quarter came to a close. On a more positive note, construction spending increased in key non-residential segments, such as lodging, offices, and healthcare. In Canada, housing starts began the quarter at a very high rate but slowed as the quarter progressed.

In Europe, the German market for new residential buildings weakened dramatically during the summer months. Builder confidence decreased to levels last seen in the period after the financial crisis, as home prices fell and residential building permits were issued for a third fewer homes than a year earlier. The industry was supported somewhat by steadier activity in renovation and commercial projects, but these segments also showed signs of weakening. In the Nordic region, construction activity slowed further, especially within the residential segment, as builders and investors reacted to falling real estate prices and increased mortgage rates by scaling back new projects. Civil engineering activity softened in the Nordic region as a whole but remained more robust than other segments. Markets in Southwest Europe were comparatively more stable but remain subdued overall.

Net sales

Uponor Group's net sales for the third quarter of the year reached €298.5 (364.0) million, a decrease of -18.0% or -14.7% adjusted for structural changes in Uponor Infra. The organic net sales growth was -13.6%. Lower overall market activity impacted net sales negatively especially in Building Solutions Europe but also in Uponor Infra. Net sales remained close to last year's level in Building Solutions – North America in USD terms supported by strong demand generation activities.

Negative net currency impact was €7.5 million, bringing the growth without currency impact to -16.0%. Biggest currency impact came from SEK, USD and CAD.

Breakdown of net sales by division (July–September):

| M€ | 7–9/2023 | 7–9/2022 | Change |
|--|----------|----------|--------|
| Building Solutions – Europe | 107.0 | 141.2 | -24.2% |
| Building Solutions – North America | 130.9 | 140.5 | -6.8% |
| (Building Solutions – North America (M\$)) | 141.7 | 141.2 | +0.4% |
| Uponor Infra | 61.4 | 83.9 | -26.8% |
| Eliminations | -0.9 | -1.6 | |
| Total | 298.5 | 364.0 | -18.0% |

Measured in terms of reported net sales, and their respective share of Group net sales, the 10 largest countries were as follows: the U.S. 38.3% (34.4), Germany 10.0% (11.0), Sweden 9.9% (11.1), Finland 8.0% (9.8), Canada 5.6% (4.3), Poland 4.0% (3.6), the Netherlands 3.3% (3.3), Denmark 3.2% (4.0), Spain 2.4% (1.9), and Norway 2.1% (2.7).

Results and profitability

Uponor's gross profit in the third quarter of the year was €121.2 (132.5) million. The gross profit margin was 40.6% (36.4) and the comparable gross profit margin was 40.7% (36.4).

The operating profit in the third quarter of 2023 was €32.8 (44.4) million with an operating profit margin of 11.0% (12.2). Pricing discipline and effective cost management as well as a favourable product mix contributed positively to the profitability development. The comparable operating profit was €36.1 (44.9) million and the comparable operating profit margin was 12.1% (12.3). The total negative net effect of items affecting comparability was €3.3 (0.5) million of which €-0.6 million related to Uponor's ongoing Transformation programme and €-2.5 million related to strategic projects.

Operating profit by division (July–September):

| M€ | 7–9/2023 | 7–9/2022 | Change |
|--|----------|----------|--------|
| Building Solutions – Europe | 4.6 | 13.7 | -66.2% |
| Building Solutions – North America | 24.9 | 23.2 | +7.2% |
| (Building Solutions – North America (M\$)) | 27.0 | 23.2 | +16.4% |
| Uponor Infra | 8.8 | 8.9 | -1.5% |
| Others | -5.3 | -1.3 | |
| Eliminations | -0.3 | -0.2 | |
| Total | 32.8 | 44.4 | -26.2% |

Comparable operating profit by division (July–September):

| M€ | 7–9/2023 | 7–9/2022 | Change |
|--|----------|----------|--------|
| Building Solutions – Europe | 5.5 | 14.3 | -61.6% |
| Building Solutions – North America | 25.3 | 23.2 | +9.1% |
| (Building Solutions – North America (M\$)) | 27.4 | 23.2 | +18.5% |
| Uponor Infra | 8.5 | 8.9 | -4.9% |
| Others | -1.7 | -1.3 | |
| Eliminations | -1.5 | -0.2 | |
| Total | 36.1 | 44.9 | -19.7% |

Uponor's net financial income and expenses were €-0.2 (1.3) million. In the third quarter of 2023, net currency exchange differences totalled €0.5 (2.0) million.

The share of the result in associated companies was €0.1 (0.1) million.

Uponor's profit before taxes for July–September was €32.7 (45.8) million. The tax expense was €9.8 (12.7) million.

Profit for the period in the third quarter of 2023 was €22.9 (33.1) million.

Return on equity was 18.0% (24.8). Return on investment was 21.3% (29.2). Return on investment, adjusted for items affecting comparability, was 23.4% (29.5).

Earnings per share were €0.29 (0.40). Equity per share was €6.58 (6.60). For other share-specific information, please see the Tables section.

Cash flow

Cash flow from operations was €81.2 (59.4) million in July–September 2023. Cash flow increase from comparison period was mainly due to change in net working capital. Cash flow before financing was €77.2 (49.0) million.

Capital expenditure

Gross investment in fixed assets totalled €5.1 (10.8) million. Depreciation and impairments were €12.7 (13.7) million. Net investments totalled €4.0 (10.5) million. Uponor's investments in the third quarter of 2023 were related to maintenance and efficiency improvements.

Innovations, research and development

In July–September 2023, total research and development expenses were €5.5 (5.9) million, representing 1.9% (1.6) of the Group's net sales.

Financial review January–September 2023

Net sales

Uponor Group's net sales for the nine months of 2023 reached €943.4 (1,109.7) million, a decrease of -15.0% or -12.4% adjusted for structural changes in Uponor Infra. Negative net currency impact was €22.7 million, bringing the growth without currency impact to -12.9%. Biggest currency impact came from USD, CAD, SEK and NOK. The organic net sales growth was -11.5%. Net sales remained close to last year's level in Building Solutions – North America but decreased in Building Solutions – Europe and Uponor Infra.

Breakdown of net sales by division (January–September):

| M€ | 1–9/2023 | 1–9/2022 | Change |
|--|----------|----------|--------|
| Building Solutions – Europe | 388.5 | 479.5 | -19.0% |
| Building Solutions – North America | 377.0 | 389.2 | -3.1% |
| (Building Solutions – North America (M\$)) | 407.7 | 411.0 | -0.8% |
| Uponor Infra | 181.1 | 245.6 | -26.3% |
| Eliminations | -3.2 | -4.7 | |
| Total | 943.4 | 1,109.7 | -15.0% |

Measured in terms of reported net sales, and their respective share of Group net sales, the 10 largest countries were as follows: the U.S. 34.9% (30.8), Germany 11.1% (11.1), Sweden 9.9% (9.9), Finland 8.2% (10.0), Canada 5.1% (4.4), the Netherlands 4.3% (4.2), Poland 3.3% (3.9), Denmark 3.1% (4.3), Spain 3.0% (2.7) and Austria 2.3% (2.4).

Results and profitability

Uponor's gross profit in January–September was €377.2 (412.0) million. The gross profit margin was 40.0% (37.1).

The operating profit in January–September of 2023 was €117.8 (134.0) million with an operating profit margin of 12.5% (12.1). The comparable operating profit was €122.9 (142.6) million. The total negative net effect of items affecting comparability was €5.2 (8.6) million, of which €12.4 million is related to the divestment of Uponor Infra's district energy business, €-3.7 million related to the sale of the Russian operation, €-7.8 million related to Uponor's ongoing transformation programme and €-4.6 million related to strategic projects. The comparable operating profit margin was 13.0% (12.9). Lower sales volumes weighed on the profitability. Price discipline and cost efficiency measures supported profitability.

Operating profit by division (January–September):

| M€ | 1–9/2023 | 1–9/2022 | Change |
|--|----------|----------|--------|
| Building Solutions – Europe | 27.9 | 50.9 | -45.2% |
| Building Solutions – North America | 71.2 | 70.7 | +0.7% |
| (Building Solutions – North America (M\$)) | 77.0 | 74.6 | +3.1% |
| Uponor Infra | 27.4 | 18.1 | +51.6% |
| Others | -10.2 | -6.4 | |
| Eliminations | 1.5 | 0.7 | |
| Total | 117.8 | 134.0 | -12.1% |

Comparable operating profit by division (January–September):

| M€ | 1–9/2023 | 1–9/2022 | Change |
|--|----------|----------|--------|
| Building Solutions – Europe | 37.3 | 59.0 | -36.8% |
| Building Solutions – North America | 72.3 | 70.7 | +2.3% |
| (Building Solutions – North America (M\$)) | 78.2 | 74.6 | +4.8% |
| Uponor Infra | 16.0 | 18.2 | -11.9% |
| Others | -4.4 | -6.0 | |
| Eliminations | 1.6 | 0.7 | |
| Total | 122.9 | 142.6 | -13.8% |

Uponor's net financial income and expenses were €-4.1 (0.7) million. In January–September 2023, net currency exchange differences totalled €-2.2 (3.2) million.

The share of the result in associated companies and joint ventures was €0.1 (0.2) million.

Uponor's profit before taxes for January–September was €113.8 (134.9) million. The tax expense was €33.3 (38.9) million.

Profit for the period in January–September was €80.5 (95.9) million.

Return on equity was 21.2% (24.6). Return on investment was 25.0% (29.1). Return on investment, adjusted for items affecting comparability, was 26.2% (30.9).

Earnings per share were €1.01 (1.19). Equity per share was €6.58 (6.60). For other share-specific information, please see the Tables section.

Cash flow

Cash flow from operations increased from comparison period and was €127.9 (60.8) million. Cash flow increase was mainly driven by lower change in net working capital. The increase of net working capital in comparison period was due to increased raw material prices impacting inventory levels. Cash flow before financing was €138.9 (26.5) million.

Cash flow from financing and thus cash flow for the January–September period included the two instalments of dividend payment, paid in March and September, totalling €50.2 (48.7) million.

Capital expenditure

Gross investment in fixed assets totalled €17.4 (35.4) million. Depreciation and impairments were €38.6 (39.7) million. Net investments totalled €13.8 (34.8) million. Uponor's investments in January–September of 2023 were mainly related to maintenance and efficiency improvements.

Innovations, research and development

In January–September 2023, total research and development expenses were €19.0 million (17.2), representing 2.0% (1.6) of the Group's net sales.

Financial position

Uponor has two bilateral long-term loans of €40 million and €30 million, both of which will mature in January 2026. As back-up funding arrangements, Uponor has three €50 million committed bilateral revolving credit facilities in force, totalling €150 million maturing in 2025–2027 none of which were used during the reporting period. The revolving credit facilities have success KPIs that are tied to Uponor's greenhouse gas reduction targets.

For short-term funding needs, Uponor's main source of funding is its domestic commercial paper programme, totalling €150 million, of which €20 million was outstanding at the end of the reporting period. Available cash pool limits granted by Uponor's key banks amounted to €35.0 million, none of which was in use on the balance sheet date. At the end of September 2023, Uponor had €81.1 (53.5) million in cash and cash equivalents.

Net interest-bearing liabilities were €56.8 (55.2) million. The solvency ratio was 49.8% (53.4) and gearing was 11.9% (9.9), with a four-quarter rolling gearing of 7.9% (11.9), below the range of 40–80% set in the company's financial targets.

Strategy execution and transformation

Uponor Group's profitable growth strategy centres around maximizing the core, a step-change in innovation, a People First agenda to drive an engaged, performance-based culture and leading the construction industry towards net zero while at the same time improving the resiliency of the company.

Our strategy execution progressed as planned during the third quarter. In line with our strategy to Maximize the Core, the newly introduced concept of global product category management (Water systems, Energy systems, Installation systems and Infra systems) was further developed and aligned with how the divisional Marketing functions will support and drive this model forward. The new Category Structure supports our global growth strategy and ensures we are running the company through a systematic 4 C approach (Customers, Channels, Categories, Countries) in all geographies. As part of our transformation, we are also bolstering our innovation and technological capabilities to better capture global growth opportunities and respond to customer needs. Through the global Category Management Structure, we have great opportunity for driving innovation and long-term product strategies to implement in close collaboration with R&D. Redefining how this works within Uponor is an important part of our growth and innovation strategy. In the quarter, Uponor appointed Charlotta Persfell as Chief Marketing Officer, effective 23 October 2023, to ensure alignment of divisional Marketing teams and the global category structure, as well as to strengthen our brand. The building blocks for accelerating the execution of our growth strategy through innovation are now in place. We are turning our innovation focus towards adding more intelligence to our products enabling smart water delivery, heating and cooling, keeping people in their comfort zone, saving energy, and money, thereby enabling affordable sustainable housing.

In the quarter, strong momentum was maintained in the execution of Uponor's Transformation programme. Big steps have been taken throughout the organisation improving the company's operational excellence. In particular, in Building Solutions – Europe, Uponor introduced a new organizational structure for its commercial organization with centralized marketing and customer service organization and re-balanced its sales area

organizations. The actions implemented by the end of September 2023 are expected to generate annualized savings of €19.6 million with a headcount reduction of 282.

The transformation programme 2023-2024 aims at creating a new Uponor operating model that will result in a leaner, more efficient, and resilient organization, while also producing expected annual cost savings of around €30 million with an estimated net reduction of up to 400 jobs globally. The programme includes investing into future growth through innovation and R&D, simplifying organizational structures, rationalizing product portfolios, enhancing factory utilization, enhancing procurement partnerships, and driving globally harmonized processes and systems.

Personnel and occupational safety

Uponor's safety performance improved and the accident frequency (LTIF, accidents per million working hours) for the first nine months of the year was 3.2 (2022: 9.2, according to harmonised LTIF calculation method across all divisions).

At the end of September, the Uponor Group had 3,601 (4,195) employees, in full-time-equivalent (FTE) terms. The decrease in the number of employees is related to the ongoing Uponor-wide Transformation programme, the sale of Uponor Infra's district energy business as well as workforce reductions due to weakened market conditions. The average number of employees (FTE) for January–September was 3,761 (4,255).

Review by business division

Building Solutions – Europe

The Building Solutions – Europe division serves the European market with drinking water delivery, heating and cooling solutions, prefabricated solutions, control systems, pre-insulated pipes and manifolds. The division has production in Finland, Sweden, Germany and Poland.

| M€ | 7-9/ 2023 | 7-9/ 2022 | Change | 1-9/ 2023 | 1-9/ 2022 | Change | 1-12/ 2022 |
|---------------------------------------|--------------|--------------|--------|--------------|--------------|--------|---------------|
| Net sales | 107.0 | 141.2 | -24.2% | 388.5 | 479.5 | -19.0% | 599.2 |
| Operating profit | 4.6 | 13.7 | -66.2% | 27.9 | 50.9 | -45.2% | 44.0 |
| Operating profit margin, % | 4.3 | 9.7 | | 7.2 | 10.6 | | 7.3 |
| Comparable operating profit | 5.5 | 14.3 | -61.6% | 37.3 | 59.0 | -36.8% | 58.3 |
| Comparable operating profit margin, % | 5.1 | 10.1 | | 9.6 | 12.3 | | 9.7 |
| Personnel, average | | | | 1,996 | 2,206 | -210 | 2,192 |

July–September

Building Solutions – Europe's net sales were €107.0 (141.2) million, a decrease of -24.2%. In Building Solutions – Europe, net sales decreased due to low demand in our key European markets and especially in the Nordic countries. Signs of stabilisation were visible in the order book development towards end of the quarter.

Building Solutions – Europe's comparable operating profit was €5.5 (14.3) million. The comparable operating margin was negatively impacted by lower sales volumes. Actions taken as part of Uponor's Group-wide Transformation programme, as well as other cost reduction measures, contributed positively to the operating profit, but were not sufficient to fully offset the negative impact of lower sales volumes.

January–September

Building Solutions – Europe's net sales were €388.5 (479.5) million, a decrease of -19.0%. The decline in net sales was driven by lower overall underlying demand across all key European markets and wholesalers destocking their inventories. Price discipline contributed to net sales.

Building Solutions – Europe's operating profit was €27.9 (50.9) million, a decrease of -45.2%. The comparable operating profit decreased to €37.3 (59.0) million impacted by lower sales volumes. Execution of profitability improvement actions and the ongoing implementation of new operating model as part of Uponor's Group-wide Transformation programme supported division's performance.

Building Solutions – North America

The Building Solutions - North America division serves local markets with PEX plumbing, radiant heating and cooling, hydronic distribution, pre-insulated pipe and fire sprinkler systems. The division has production in the United States.

| M€ | 7-9/ 2023 | 7-9/ 2022 | Change | 1-9 / 2023 | 1-9 / 2022 | Change | 1-12/ 2022 |
|---------------------------------------|--------------|--------------|--------|---------------|---------------|--------|---------------|
| Net sales | 130.9 | 140.5 | -6.8% | 377.0 | 389.2 | -3.1% | 479.8 |
| Operating profit | 24.9 | 23.2 | +7.2% | 71.2 | 70.7 | +0.7% | 77.5 |
| Operating profit margin, % | 19.0 | 16.5 | | 18.9 | 18.2 | | 16.2 |
| Comparable operating profit | 25.3 | 23.2 | +9.1% | 72.3 | 70.7 | +2.3% | 77.9 |
| Comparable operating profit margin, % | 19.4 | 16.5 | | 19.2 | 18.2 | | 16.2 |
| Personnel, average | | | | 885 | 1,051 | -166 | 1,036 |

July–September

Building Solutions – North America's net sales were €130.9 (140.5) million, a decrease of -6.8% in euro terms or in USD terms an increase of 0.4%. Net sales benefitted from continued strong demand generation activities across the U.S. and Canada. Ongoing price discipline contributed also positively to net sales.

Building Solutions – North America's operating profit was €24.9 (23.2) million, an increase of 7.2% in euro terms and 16.4% in USD. Robust operational performance and cost savings initiatives were key contributors to the strong operating profit performance.

January–September

Building Solutions – North America's net sales were €377.0 (389.2) million, a decrease of -3.1% in euro terms or a decrease of -0.8% in USD. Strong demand generation activities and price discipline helped to mostly offset broader market declines.

Building Solutions – North America's operating profit was €71.2 (70.7) million, an increase of 0.7% in euro terms or 3.1% in USD. Cost savings initiatives, taken early in the year as part of Uponor's Transformation programme, along with continued focus on operational efficiency contributed positively to the operating profit.

Uponor Infra

Uponor Infra serves the Baltic Sea area with sewer and storm, pressure pipe systems, design solutions and project services for municipalities, utilities and industry. The division has production in Finland, Sweden, and Poland.

| M€ | 7-9/ 2023 | 7-9/ 2022 | Change | 1-9 / 2023 | 1-9 / 2022 | Change | 1-12/ 2022 |
|---------------------------------------|--------------|--------------|--------|---------------|---------------|--------|---------------|
| Net sales | 61.4 | 83.9 | -26.8% | 181.1 | 245.6 | -26.3% | 312.8 |
| Operating profit | 8.8 | 8.9 | -1.5% | 27.4 | 18.1 | +51.6% | 23.1 |
| Operating profit margin, % | 14.3 | 10.6 | | 15.1 | 7.4 | | 7.4 |
| Comparable operating profit | 8.5 | 8.9 | -4.9% | 16.0 | 18.2 | -11.9% | 23.4 |
| Comparable operating profit margin, % | 13.8 | 10.6 | | 8.9 | 7.4 | | 7.5 |
| Personnel, average | | | | 749 | 861 | -112 | 850 |

July–September

Uponor Infra's net sales were €61.4 (83.9) million, a decrease of -26.8% or -11.8% adjusted for structural changes. Lower overall market demand in the Nordic countries and Poland impacted negatively on net sales. The impact of structural changes on net sales was -€14.2 million including the divestment of Uponor's District Energy business (annual net sales of €40 million) and the closure of the factory in Middelfart, Denmark.

During the quarter, Uponor completed the acquisition of full ownership of Uponor Infra Oy from KWH Group following the receipt of relevant authority approvals.

Uponor Infra's operating profit was €8.8 (8.9) million. Despite the decrease in sales volumes, the comparable operating profit margin continued to improve strongly, supported by a favourable product and channel mix.

January–September

Uponor Infra's net sales were €181.1 (245.6) million, a decrease of -26.3% or -14.9% adjusted for structural changes. Lower overall market demand impacted negatively on net sales. The impact of structural changes on net sales was -€32.7 million including the divestment of Uponor's District Energy business (annual net sales of €40 million) and the closure of the factory in Middelfart, Denmark.

Uponor Infra's operating profit was €27.4 (18.1) million, an increase of 51.6%. The comparable operating profit margin improved due to an improved product mix, reduced input cost and execution of the ongoing Group-wide transformation programme.

Share capital and shareholders

In January–September 2023, Uponor's share turnover on Nasdaq Helsinki was 20.6 (15.3) million shares, totalling €500.2 (257.1) million. The share quotation at the end of September was €28.44 (13.48), and the market capitalisation of the shares was €2,082 (987) million.

At the end September, there were a total of 14,571 (21,690) shareholders. Foreign shareholding in Uponor accounted for 46.6 (28.8) per cent of all shareholdings in the company at the end of the reporting period.

Uponor Corporation's share capital amounts to €146,446,888 and the number of shares totals 73,206,944. There were no changes in the share capital and the number of shares during the reporting period.

Treasury shares

At the end of September, Uponor held 373,685 (530,950) of its own shares, representing approximately 0.5 (0.7) per cent of the company's shares and voting rights.

Flagging Notifications

On 18 July 2023, Uponor Corporation received a notification of a change in shareholding in accordance with Chapter 9, Section 5 of the Securities Market Act. According to the notification, holdings of Georg Fischer AG (Schaffhausen, Switzerland) in shares of Uponor Corporation had gone above the threshold of 5% on 17 July 2023 and is 4,173,876 shares representing 5.70% of the share capital and votes in the company.

Public tender offers for the shares in Uponor Corporation

On 17 April 2023, Uponor noted the announcement by Aliaxis S.A. regarding a non-binding intention to make a potential offer to acquire all shares in Uponor at an indicative price of €25.00 per share. On 26 April 2023, Uponor announced that the Board had unanimously decided to reject Aliaxis non-binding intention as the indicated offer price of €25.00 per share did not in the Board's opinion reflect the company's value and long-term prospects and was therefore not in the best interest of its shareholders.

On 16 May 2023, Uponor announced that subsequent to the Board's rejection of Aliaxis non-binding Intention, the Board had received indications of interest from other parties in relation to potential strategic transactions and was assessing whether such approaches could result in outcomes that would be in the best interest of the shareholders of Uponor. On 22 May 2023 Aliaxis announced a public tender offer (through a subsidiary Unari Holding Oy) to acquire all shares in Uponor at an offer price of €25.75 per share, which represented a 3.0% increase to their initial offer price. On the same day, the Board of Uponor unanimously decided to reject Aliaxis' public tender offer and concluded that the offer price included in the tender offer was insufficient.

On 12 June 2023, Georg Fischer Ltd. (GF) and Uponor Corporation announced entering into a combination agreement pursuant to which the GF would make a voluntary recommended public all-cash tender offer for all the issued and outstanding shares that are not held by Uponor or any of its subsidiaries at a price of €28.85 per share. GF initiated the tender offer for all the shares in Uponor on 26 June 2023.

Following GF's competing public tender offer, Aliaxis S.A. announced on 14 June 2023 withdrawing its public tender offer for Uponor.

On 19 July 2023, Uponor noted that Georg Fischer announced that the expiration of the Hart-Scott-Rodino waiting period in the United States occurred on 18 July 2023 at 11:59 p.m. ET. The expiration of the waiting period in the U.S. is an important milestone in the tender offer and, consequently, with respect to regulatory approvals.

On 31 August 2023, GF's tender offer period was extended to expire on 31 October 2023, at 4:00 p.m. (Finnish time).

As of 12 September 2023, GF adjusted the tender offer price to €28.50 per share following the second instalment of Uponor's dividend €0.35 for the fiscal year 2022.

Resolutions of the Annual General Meeting 2023

Uponor Corporation's Annual General Meeting was held in Helsinki on 17 March 2023. The general meeting approved the financial statements, considered the remuneration report, and discharged the members of the Board of Directors and the company's President & CEO from liability for the financial year 2022. The general meeting approved the Board of Directors proposal of €0.69 per share for the financial year 2022. The first instalment of €0.34 per share was paid on 28 March 2023 and the second instalment of €0.35 per share was paid on 20 September 2023.

The general meeting approved the authorisation for the Board of Directors to resolve on the repurchase of a maximum of 7,200,000 of the company's own shares amounting in total to approximately 9.8 per cent of the total number of shares in the company at the date of the general meeting. These shares will be bought back using funds from unrestricted equity. The general meeting further approved the authorisation for the Board of Directors to resolve on issuing a maximum of 7,200,000 new shares or transferring the company's own shares, amounting in total to approximately 9.8 per cent of the total number of shares in the company. The Board of Directors is authorised to resolve on all terms of the issuance of shares. These authorisations are valid until the end of the next annual general meeting, however, no longer than 18 months from the date of the general meeting.

The general meeting re-elected Annika Paasikivi, Johan Falk, Markus Lengauer, Michael G. Marchi and Susanne Skippari as Members of the Board. Hans Sohlström and Katja Keitaanniemi were elected as new members. Annika Paasikivi was elected as the Chair of the Board of Directors. In its organising meeting, the Board of Directors elected Markus Lengauer as Deputy Chair of the Board. Katja Keitaanniemi was elected as Chair and Michael G. Marchi and Hans Sohlström were elected as members of the Audit Committee. Paasikivi was elected as Chair and Susanne Skippari as member of the Personnel and Remuneration Committee. KPMG Oy Ab, a company of Authorised Public Accountants, was re-elected as the auditor of the company for the following term of office.

Further details about the Annual General Meeting are available at <https://www.uponorgroup.com/en-en/investors/governance/agm-2023>.

Significant events during the period

On 19 July 2023, due to structural changes and Uponor's robust financial performance in the first half of 2023, Uponor revised its full-year 2023 guidance. Uponor expects its comparable operating profit margin in 2023 to be at or above 11% (previously above 10%). Furthermore, due to the divestment of Uponor's District Energy business (approximately €40 million in annual net sales) and the closure of factory in Denmark, Uponor adjusted downwards its full-year 2023 net sales guidance range to €1,250–1,350 million (previously €1,300–1,400 million.)

On 31 August 2023, following the receipt of all relevant authority approvals Uponor completed acquisition of full ownership of Uponor Infra Oy from KWH Group and paid the acquisition price of approximately €60 million to KWH Group.

On 29 September 2023, Uponor announced that a total of 27,587 of Uponor Corporation's treasury shares were conveyed on 28 September 2023 without consideration to two key employees from the performance period 2020–2022 in accordance with the terms and conditions of the share-based incentive plan. The directed share issue is based on an authorization given by the Annual General Meeting held on 15 March 2022. Uponor announced in a stock exchange release published on 15 February 2023 that the conveyance of the shares will be executed in two sets. The first set of shares were transferred on 20 February 2023 in accordance with the terms and conditions of the 2020–2022 share-based incentive plan.

Significant events after the period

On 15 October 2023, Uponor Corporation received a notification of a change in shareholding in accordance with Chapter 9, Section 5 of the Securities Market Act. According to the notification, holdings of Georg Fischer AG (Schaffhausen, Switzerland) in shares of Uponor Corporation had gone above the threshold of 10% on 13 October 2023 and is 7,336,068 shares representing 10.02% of the share capital and votes in the company.

On 20 October 2023, Uponor noted GF's announcement regarding the European Commission that had granted an unconditional merger clearance regarding the Tender Offer. The approval is an important milestone and further enhances the certainty for the completion the Tender Offer.

On 25 October 2023, Uponor announced the appointment of Jonas Brennwald (b. 1968, Swedish and Swiss citizen, B.Sc. Marketing) as new President of the Building Solutions – Europe division and a member of the Executive Committee as of 1 January 2024. He will be based in Frankfurt, Germany, and report to Michael Rauterkus, President and CEO, Uponor Corporation.

Short-term risks and uncertainties

Uponor is exposed to risks and uncertainties which may have a negative impact on Uponor's operations, performance, financial position and sources of capital. For example, the following risks could potentially have an impact on Uponor's business:

The outlook for 2023 continues to be volatile with many uncertainties related to the general economic development with high inflation, labour shortages, rising mortgage rates notably in North America, the impacts of the geopolitical turmoil and current energy crisis in Europe.

The prices of raw materials used in the manufacture of Uponor's products are susceptible to change, driven by several market factors including petrochemical and metal product price fluctuations, supply capacity and market demand, among others. Uponor aims to pass most of the effects of such fluctuations onto its selling prices with a reasonable delay.

Uponor is subject to risks related to macroeconomic and geopolitical conditions. Political uncertainties may cause serious disruption and additional trade barriers to Uponor's operations or supply chain and thus affect e.g., the company's sales and credit risk. Economic downturns may increase trade customers' payment problems and Uponor may need to recognize impairment of trade receivables. The credit risk of customers is mitigated by having well-developed practices for customer credit risk management including the use of credit insurance where applicable.

Demand for Uponor's products depends on business cycles in the construction sector. Uponor mitigates this risk by distributing its business to two main geographical areas: Europe and North America. In addition, Uponor has three business areas: water and plumbing solutions, indoor climate solutions and infrastructure solutions. Uponor's products are used in both new construction projects and renovation projects, and in the latter the demand is usually more stable than in the more cyclical new construction. Management uses scenario planning to identify and manage actions to handle potential economic downturns.

Compliance with laws and regulations is top priority within Uponor. Non-compliance with legislation and regulations may lead to fines as well as reputational and business risk to Uponor. Uponor can be exposed to different judicial proceedings. Two product-related lawsuits with class allegations filed in the autumn of 2021 remain pending against Uponor and a third lawsuit with similar class allegations was filed in Q2 2023 in the United States. Uponor has been successful thus far in its defence of the cases, which are essentially identical, but they remain in their early stages. As such, it remains uncertain what impact, if any, the cases will have on Uponor. In September 2022, the Finnish Competition and Consumer Authority (FCCA) proposed that the Market Court would impose competition infringement fines to its subsidiaries Uponor Infra Oy (€8.5 million) and Uponor Suomi Oy (€5 million) concerning alleged violations of the Competition Act. Market Court hearings

were held during Q2, but no ruling has yet been issued. Uponor deems the claims to be without foundation, and no provisions have been made to the proposed fines.

Uponor has 14 manufacturing facilities in Europe and North America, which exposes the company to possible environmental risks. Uponor mitigates environmental risks by means of training and implementing ISO 14001, ISO 9001 and ISO 50001 processes and certifications in its manufacturing facilities. As Uponor's manufacturing facilities are located inland and further away from areas which are more exposed to extreme weather conditions, the company has no material physical risks related to climate change.

The international nature of its operations exposes the company to currency risks associated with various currencies. Approximately 60% of Uponor's net sales were generated in currencies other than the euro. Correspondingly, a major part of expenses associated with these net sales were also denominated in the same local currencies, markedly decreasing the associated currency risks.

Uponor's operations and services rely heavily on different software and data networks. Cybercrime, malfunctions or other security related breaches having an impact to Uponor's core systems or sensitive data may result adversely in Uponor's business and financial positions as well as lead to reputational damage.

A more detailed risk analysis can be found from www.uponorgroup.com > Investors > Uponor as an investment.

Long-term financial targets

Net sales: > 4% annual organic growth
Profitability: > 12% comparable operating margin
Capital structure: gearing 40–80%
Dividend: growing

The financial targets are linked to managements' STI and LTI programs.

ESG targets by 2027

75% reduction in greenhouse gas emission in own operations compared to the 2019 level
20% reduction in greenhouse gas emissions in supply chain compared to the 2019 level
Net-zero by 2040
A sustainable alternative for 50% of the portfolio
40% both male and female in Top 50 management positions
Top tier engagement scores
Zero accident ambition
Collaboration with top 25 customers to strengthen impact
Impactful social programs in all business divisions

The ESG targets are linked to managements' STI and LTI programs.

Helsinki, 25 October 2023

Uponor Corporation
Board of Directors

Table part

This interim financial report has been compiled in accordance with the IAS 34 reporting standard and it is unaudited. The figures in brackets are the reference figures for the equivalent period in 2022. All figures presented have been rounded and consequently, the sum of individual figures might differ from the presented total figure. The change percentages reported have been calculated from the exact figures and not from the rounded figures published in the interim report.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

| M€ | 1-9/2023 | 1-9/2022 | 7-9/2023 | 7-9/2022 | 1-12/2022 |
|---|--------------|--------------|-------------|-------------|--------------|
| Net sales | 943.4 | 1,109.7 | 298.5 | 364.0 | 1,386.2 |
| Cost of goods sold | 566.2 | 697.7 | 177.3 | 231.4 | 882.3 |
| Gross profit | 377.2 | 412.0 | 121.2 | 132.5 | 503.9 |
| Other operating income | 15.3 | 0.5 | 0.9 | 0.3 | 1.5 |
| Dispatching and warehousing expenses | 27.1 | 28.5 | 8.5 | 9.7 | 38.3 |
| Sales and marketing expenses | 161.4 | 165.4 | 53.2 | 54.1 | 213.2 |
| Administration expenses | 61.8 | 60.5 | 22.1 | 18.0 | 83.3 |
| Other operating expenses | 24.5 | 24.2 | 5.5 | 6.6 | 35.2 |
| Operating profit | 117.8 | 134.0 | 32.8 | 44.4 | 135.5 |
| Financial expenses, net | 4.1 | -0.7 | 0.2 | -1.3 | 1.0 |
| Share of results in associated companies and joint ventures | 0.1 | 0.2 | 0.1 | 0.1 | 0.4 |
| Profit before taxes | 113.8 | 134.9 | 32.7 | 45.8 | 134.9 |
| Income taxes | 33.3 | 38.9 | 9.8 | 12.7 | 37.4 |
| Profit for period | 80.5 | 95.9 | 22.9 | 33.1 | 97.5 |
| Other comprehensive income | | | | | |
| Items that will not be reclassified subsequently to profit or loss | | | | | |
| Re-measurements on defined benefit pensions, net of taxes | - | - | - | - | 2.4 |
| Items that may be reclassified subsequently to profit or loss | | | | | |
| Translation differences | 3.7 | 15.2 | 4.2 | 7.2 | -1.7 |
| Cash flow hedges, net of taxes | -6.1 | 11.4 | -1.6 | 3.4 | 4.3 |
| Other comprehensive income for the period, net of taxes | -2.4 | 26.6 | 2.7 | 10.5 | 5.0 |
| Total comprehensive income for the period | 78.1 | 122.5 | 25.5 | 43.6 | 102.5 |
| Profit/loss for the period attributable to | | | | | |
| - Equity holders of parent company | 73.3 | 86.3 | 21.4 | 29.2 | 88.0 |
| - Non-controlling interest | 7.1 | 9.7 | 1.4 | 3.8 | 9.5 |
| Total comprehensive income for the period attributable for | | | | | |
| - Equity holders of parent company | 71.6 | 113.9 | 23.9 | 40.2 | 94.6 |
| - Non-controlling interest | 6.5 | 8.7 | 1.6 | 3.4 | 7.9 |
| Earnings per share, € | 1.01 | 1.19 | 0.29 | 0.40 | 1.21 |
| Diluted earnings per share, € | 1.01 | 1.19 | 0.29 | 0.40 | 1.21 |

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

| M€ | 30 Sep 2023 | 30 Sep 2022 | 31 Dec 2022 |
|---|--------------|----------------|--------------|
| Assets | | | |
| Non-current assets | | | |
| Property, plant and equipment | 294.5 | 306.7 | 304.7 |
| Intangible assets | 107.8 | 111.7 | 111.1 |
| Investments in associates and joint ventures | 0.5 | 0.4 | 0.5 |
| Other securities and non-current receivables | 2.6 | 10.3 | 4.0 |
| Deferred tax assets | 23.1 | 16.4 | 17.8 |
| Total non-current assets | 428.5 | 445.4 | 438.1 |
| Current assets | | | |
| Inventories | 190.7 | 240.0 | 220.3 |
| Accounts receivable | 230.3 | 250.3 | 176.7 |
| Other receivables | 33.1 | 40.5 | 67.8 |
| Cash and cash equivalents | 81.1 | 53.5 | 65.5 |
| Total current assets | 535.3 | 584.2 | 530.3 |
| Assets held for sale | - | 10.9 | 1.5 |
| Total assets | 963.8 | 1,040.5 | 969.8 |
| Equity and liabilities | | | |
| Equity | | | |
| Equity attributable to the owners of the parent company | 479.4 | 480.0 | 460.7 |
| Non-controlling interest | - | 74.7 | 73.9 |
| Total equity | 479.4 | 554.8 | 534.7 |
| Non-current liabilities | | | |
| Interest-bearing liabilities | 107.3 | 97.6 | 103.2 |
| Deferred tax liability | 4.6 | 7.7 | 7.4 |
| Provisions | 37.2 | 31.0 | 30.9 |
| Employee benefits and other liabilities | 14.6 | 19.0 | 14.8 |
| Total non-current liabilities | 163.8 | 155.3 | 156.3 |
| Current liabilities | | | |
| Interest-bearing liabilities | 30.6 | 11.0 | 10.8 |
| Provisions | 23.7 | 21.3 | 21.0 |
| Accounts payable | 81.0 | 97.9 | 93.7 |
| Other liabilities | 185.4 | 197.4 | 152.2 |
| Total current liabilities | 320.6 | 327.6 | 277.7 |
| Liabilities related to assets held for sale | - | 2.9 | 1.1 |
| Total equity and liabilities | 963.8 | 1,040.5 | 969.8 |

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW

| M€ | 1-9/2023 | 1-9/2022 | 1-12/2022 |
|--|---------------|--------------|--------------|
| Cash flow from operations | | | |
| Net cash from operations | 145.9 | 172.0 | 193.1 |
| Change in net working capital | 11.6 | -76.8 | -54.5 |
| Income taxes paid | -28.4 | -32.4 | -48.7 |
| Interest paid | -3.9 | -2.3 | -2.8 |
| Interest received | 2.8 | 0.4 | 1.2 |
| Cash flow from operations | 127.9 | 60.8 | 88.4 |
| Cash flow from investments | | | |
| Disposals of subsidiaries and businesses | 24.5 | - | - |
| Purchase of fixed assets | -17.4 | -35.4 | -50.5 |
| Proceeds from sale of fixed assets | 3.6 | 0.6 | 0.9 |
| Loans granted and repaid | -0.0 | 0.0 | 0.1 |
| Dividends received | 0.2 | 0.4 | 0.5 |
| Cash flow from investments | 10.9 | -34.4 | -49.1 |
| Cash flow from financing | | | |
| Borrowings of debt | - | 0.3 | 0.3 |
| Repayment of debt | -0.0 | -4.3 | -4.3 |
| Change in other short-term loan | 19.8 | 0.0 | 0.0 |
| Dividends paid | -73.5 | -51.4 | -51.4 |
| Acquisition of NCI | -60.0 | - | - |
| Payment of lease liabilities | -9.6 | -10.0 | -13.2 |
| Cash flow from financing | -123.4 | -65.5 | -68.6 |
| Conversion differences for cash and cash equivalents | 0.1 | 2.3 | 0.1 |
| Change in cash and cash equivalents | 15.6 | -36.7 | -29.2 |
| Cash and cash equivalents at 1 January | 65.5 | 98.1 | 98.1 |
| Cash classified as assets held for sale | - | -8.0 | -3.4 |
| Cash and cash equivalents at end of period | 81.1 | 53.5 | 65.5 |
| Changes according to balance sheet | 15.6 | -36.7 | -29.2 |

STATEMENT OF CHANGES IN EQUITY

| M€ | A | B | C | D | E | F | G | H | I |
|---|-------|------|------|------|-------|-------|-------|-------|-------|
| Balance at 1 Jan 2023 | 146.4 | 50.2 | 7.8 | -6.7 | -11.0 | 274.0 | 460.7 | 73.9 | 534.7 |
| Profit for the period | | | | | | 73.3 | 73.3 | 7.1 | 80.5 |
| Other comprehensive income for the period | | | -6.1 | 4.4 | | 0.0 | -1.7 | -1.0 | -2.7 |
| Dividend (€0.69 per share) | | | | | | -50.2 | -50.2 | | -50.2 |
| Dividend paid to non-controlling interest | | | | | | | | -23.3 | -23.3 |
| Share-based incentive plan | | | | | 2.9 | -2.5 | 0.4 | | 0.4 |
| Acquisition of NCI | | | | | | -3.1 | -3.1 | -56.9 | -60.0 |
| Balance at 30 Sep 2023 | 146.4 | 50.2 | 1.7 | -2.3 | -8.1 | 291.5 | 479.4 | 0.0 | 479.4 |
| Balance at 1 Jan 2022 | 146.4 | 50.2 | 3.5 | -6.6 | -12.0 | 233.2 | 414.6 | 68.7 | 483.4 |
| Profit for the period | | | | | | 86.3 | 86.3 | 9.7 | 95.9 |
| Other comprehensive income for the period | | | 11.4 | 16.2 | | 0.0 | 27.6 | -1.0 | 26.6 |
| Dividend (€0.67 per share) | | | | | | -48.7 | -48.7 | | -48.7 |
| Dividend paid to non-controlling interest | | | | | | | | -2.7 | -2.7 |
| Share-based incentive plan | | | | | 1.0 | -0.7 | 0.3 | | 0.3 |
| Balance at 30 Sep 2022 | 146.4 | 50.2 | 14.9 | 9.6 | -11.0 | 270.0 | 480.1 | 74.7 | 554.8 |

*) Includes a €-14.3 (-14.3) million effective part of net investment hedging at the end of period.

A – Share capital

B – Share premium

C – Other reserves

D* – Translation reserve

E – Treasury shares

F – Retained earnings

G – Equity attributable to owners of the parent company

H – Non-controlling interest

I – Total equity

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

ACCOUNTING PRINCIPLES

The interim report has been prepared in compliance with International Financial Reporting Standards (IFRS) as adopted by the EU and IAS 34 Interim Financial Reporting. In its interim report reports, Uponor Group follows the same principles as in the annual financial statements for 2022.

PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

| M€ | 30 Sep 2023 | 30 Sep 2022 | 31 Dec 2022 |
|-------------------------------------|-------------|-------------|-------------|
| Gross investment | 17.4 | 35.4 | 50.5 |
| - % of net sales | 1.8 | 3.2 | 3.6 |
| Book value of disposed fixed assets | 3.6 | 0.6 | 1.0 |
| Depreciation and impairments | 38.6 | 39.7 | 54.5 |

PERSONNEL

| | 1-9/2023 | 1-9/2022 | 1-12/2022 |
|----------------------------------|----------|----------|-----------|
| Converted to full time employees | | | |
| Average | 3,761 | 4,255 | 4,214 |
| At the end of the period | 3,601 | 4,195 | 4,055 |

OWN SHARES

| | 30 Sep 2023 | 30 Sep 2022 | 31 Dec 2022 |
|---|-------------|-------------|-------------|
| Own shares held by the company, pcs | 373,685 | 530,950 | 530,950 |
| - of share capital, % | 0.5 | 0.7 | 0.7 |
| - of voting rights, % | 0.5 | 0.7 | 0.7 |
| Accounted par value of own shares held by the company, M€ | 0.7 | 1.1 | 1.1 |

| Division information | 1-9/2023 | | | 1-9/2022 | | |
|------------------------------------|--------------|----------|--------------|----------------|----------|----------------|
| | External | Internal | Total | External | Internal | Total |
| M€ | | | | | | |
| Net sales by division | | | | | | |
| Building Solutions – Europe | 386.7 | 1.8 | 388.5 | 477.0 | 2.6 | 479.5 |
| Building Solutions – North America | 377.0 | - | 377.0 | 389.2 | - | 389.2 |
| Uponor Infra | 179.8 | 1.4 | 181.1 | 243.5 | 2.1 | 245.6 |
| Eliminations | - | -3.2 | -3.2 | - | -4.7 | -4.7 |
| Total | 943.4 | - | 943.4 | 1,109.7 | - | 1,109.7 |

| Division information | 7-9/2023 | | | 7-9/2022 | | |
|------------------------------------|--------------|----------|--------------|--------------|----------|--------------|
| | External | Internal | Total | External | Internal | Total |
| M€ | | | | | | |
| Net sales by division | | | | | | |
| Building Solutions – Europe | 106.5 | 0.6 | 107.0 | 140.3 | 0.9 | 141.2 |
| Building Solutions – North America | 130.9 | - | 130.9 | 140.5 | - | 140.5 |
| Uponor Infra | 61.1 | 0.3 | 61.4 | 83.2 | 0.7 | 83.9 |
| Eliminations | - | -0.9 | -0.9 | - | -1.6 | -1.6 |
| Total | 298.5 | - | 298.5 | 364.0 | - | 364.0 |

| Division information | 1-12/2022 | | |
|------------------------------------|----------------|----------|----------------|
| | External | Internal | Total |
| M€ | | | |
| Net sales by division | | | |
| Building Solutions – Europe | 596.2 | 3.0 | 599.2 |
| Building Solutions – North America | 479.8 | - | 479.8 |
| Uponor Infra | 310.2 | 2.6 | 312.8 |
| Eliminations | - | -5.6 | -5.6 |
| Total | 1,386.2 | - | 1,386.2 |

| M€ | 1-9/2023 | 1-9/2022 | 7-9/2023 | 7-9/2022 | 1-12/2022 |
|-------------------------------------|--------------|--------------|-------------|-------------|--------------|
| Operating profit by division | | | | | |
| Building Solutions – Europe | 27.9 | 50.9 | 4.6 | 13.7 | 44.0 |
| Building Solutions – North America | 71.2 | 70.7 | 24.9 | 23.2 | 77.5 |
| Uponor Infra | 27.4 | 18.1 | 8.8 | 8.9 | 23.1 |
| Others | -10.2 | -6.4 | -5.3 | -1.3 | -8.2 |
| Eliminations | 1.5 | 0.7 | -0.3 | -0.2 | -0.9 |
| Total | 117.8 | 134.0 | 32.8 | 44.4 | 135.5 |

| M€ | 1-9/2023 | 1-9/2022 | 1-12/2022 |
|--|-------------|-------------|-------------|
| Division depreciation and impairments | | | |
| Building Solutions – Europe | 15.5 | 16.4 | 22.7 |
| Building Solutions – North America | 15.2 | 14.4 | 19.5 |
| Uponor Infra | 6.9 | 7.8 | 10.7 |
| Others | 1.0 | 1.1 | 1.6 |
| Eliminations | - | - | - |
| Total | 38.6 | 39.7 | 54.5 |

| | | | |
|------------------------------------|-------------|-------------|-------------|
| Division investments | | | |
| Building Solutions – Europe | 5.2 | 9.7 | 13.4 |
| Building Solutions – North America | 6.5 | 19.0 | 25.7 |
| Uponor Infra | 4.0 | 4.5 | 8.3 |
| Others | 1.7 | 2.1 | 3.1 |
| Eliminations | - | - | - |
| Total | 17.4 | 35.4 | 50.5 |

| M€ | 30 Sep 2023 | 30 Sep 2022 | 31 Dec 2022 |
|------------------------------------|--------------|----------------|--------------|
| Division assets | | | |
| Building Solutions – Europe | 460.7 | 531.4 | 514.5 |
| Building Solutions – North America | 406.0 | 401.2 | 355.0 |
| Uponor Infra | 181.0 | 227.5 | 205.1 |
| Others | 379.9 | 392.6 | 390.2 |
| Eliminations | -463.7 | -512.1 | -494.9 |
| Total | 963.8 | 1,040.5 | 969.8 |

| | | | |
|------------------------------------|--------------|--------------|--------------|
| Division liabilities | | | |
| Building Solutions – Europe | 376.0 | 379.2 | 384.3 |
| Building Solutions – North America | 231.9 | 253.2 | 234.0 |
| Uponor Infra | 61.4 | 80.3 | 54.1 |
| Others | 300.8 | 298.7 | 279.6 |
| Eliminations | -485.7 | -528.6 | -517.9 |
| Total | 484.4 | 482.9 | 434.0 |

| | 1-9/2023 | 1-9/2022 | 1-12/2022 |
|------------------------------------|--------------|--------------|--------------|
| Division personnel, average | | | |
| Building Solutions – Europe | 1,996 | 2,206 | 2,192 |
| Building Solutions – North America | 885 | 1,051 | 1,036 |
| Uponor Infra | 749 | 861 | 850 |
| Others | 133 | 137 | 136 |
| Total | 3,761 | 4,255 | 4,214 |

| Reconciliation | | | |
|---|--------------|--------------|--------------|
| M€ | 1-9/2023 | 1-9/2022 | 1-12/2022 |
| Operating profit by division | | | |
| Total result for reportable divisions | 126.5 | 139.7 | 144.6 |
| Others | -10.2 | -6.4 | -8.2 |
| Eliminations | 1.5 | 0.7 | -0.9 |
| Operating profit | 117.8 | 134.0 | 135.5 |
| Financial expenses, net | 4.1 | -0.7 | 1.0 |
| Share of results in associated companies and joint ventures | 0.1 | 0.2 | 0.4 |
| Profit before taxes | 113.8 | 134.9 | 134.9 |

REVENUE FROM CONTRACT WITH CUSTOMERS

The Group disaggregates revenue recognised from contracts with customers into categories that depict how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic factors. Set out below is the disaggregation of the Group's revenue from contract with customers, including reconciliation of the revenue:

| M€ | 1-9/2023 | | | 1-9/2022 | | |
|---|---------------|-----------------------|--------------|----------------|-----------------------|----------------|
| | Sale of goods | Rendering of services | Total | Sale of goods | Rendering of services | Total |
| Revenue from contract with customers by division | | | | | | |
| Building Solutions – Europe | 383.7 | 3.0 | 386.7 | 471.3 | 5.7 | 477.0 |
| Building Solutions – North America | 377.0 | - | 377.0 | 389.2 | - | 389.2 |
| Uponor Infra | 171.7 | 8.1 | 179.8 | 226.3 | 17.2 | 243.5 |
| External customer, total | 932.3 | 11.1 | 943.4 | 1,086.8 | 22.9 | 1,109.7 |
| Internal | 3.2 | | 3.2 | 4.7 | | 4.7 |
| Total | 935.5 | 11.1 | 946.6 | 1,091.5 | 22.9 | 1,114.4 |
| Eliminations | -3.2 | | -3.2 | -4.7 | | -4.7 |
| Total revenue from contracts with customer | 932.3 | 11.1 | 943.4 | 1,086.8 | 22.9 | 1,109.7 |

| M€ | 7-9/2023 | | | 7-9/2022 | | |
|---|---------------|-----------------------|--------------|---------------|-----------------------|--------------|
| | Sale of goods | Rendering of services | Total | Sale of goods | Rendering of services | Total |
| Revenue from contract with customers by division | | | | | | |
| Building Solutions – Europe | 105.9 | 0.6 | 106.5 | 138.5 | 1.8 | 140.3 |
| Building Solutions – North America | 130.9 | - | 130.9 | 140.5 | - | 140.5 |
| Uponor Infra | 58.4 | 2.7 | 61.1 | 74.6 | 8.6 | 83.2 |
| External customer, total | 295.1 | 3.3 | 298.5 | 353.7 | 10.3 | 364.0 |
| Internal | 0.9 | | 0.9 | 1.6 | | 1.6 |
| Total | 296.0 | 3.3 | 299.3 | 355.3 | 10.3 | 365.6 |
| Eliminations | -0.9 | | -0.9 | -1.6 | | -1.6 |
| Total revenue from contracts with customer | 295.1 | 3.3 | 298.5 | 353.7 | 10.3 | 364.0 |

| M€ | 1-12/2022 | | |
|---|----------------|-----------------------|----------------|
| | Sale of goods | Rendering of services | Total |
| Revenue from contract with customers by division | | | |
| Building Solutions – Europe | 588.8 | 7.4 | 596.2 |
| Building Solutions – North America | 479.8 | - | 479.8 |
| Uponor Infra | 289.3 | 20.9 | 310.2 |
| External customer, total | 1,357.8 | 28.3 | 1,386.2 |
| Internal | 5.6 | | 5.6 |
| Total | 1,363.5 | 28.3 | 1,391.8 |
| Eliminations | -5.6 | | -5.6 |
| Total revenue from contracts with customer | 1,357.8 | 28.3 | 1,386.2 |

COMMITMENTS

| M€ | 30 Sep 2023 | 30 Sep 2022 | 31 Dec 2022 |
|--|-------------|-------------|-------------|
| Commitments of purchase PPE (Property, plant, equipment) | 8.3 | 8.2 | 4.0 |
| - on own behalf | | | |
| Mortgages issued | 0.9 | 0.9 | 0.9 |
| Guarantees issued | 0.2 | 0.3 | 0.2 |
| - on behalf of a subsidiary | | | |
| Guarantees issued | 11.7 | 13.1 | 12.7 |
| Letter of Comfort commitments undertaken on behalf of subsidiaries are not included in the above figures | | | |
| Mortgages issued | 0.9 | 0.9 | 0.9 |
| Guarantees issued | 11.9 | 13.3 | 12.8 |
| Total | 12.8 | 14.3 | 13.8 |

FINANCIAL ASSETS AND LIABILITIES BY MEASUREMENT CATEGORY

| M€ | IFRS 7 Fair value hierarchy level | 30 Sep 2023 | 30 Sep 2022 | 31 Dec 2022 |
|--|-----------------------------------|----------------|----------------|----------------|
| Non-current financial assets | | | | |
| Fair value through other comprehensive income | | | | |
| Electricity derivatives | 1 | 0.2 | 3.4 | 1.6 |
| Amortised cost | | | | |
| Other non-current receivables | | 0.8 | 5.1 | 0.8 |
| Other shares and holdings | | 1.6 | 1.7 | 1.6 |
| Current financial assets | | | | |
| Fair value through other comprehensive income | | | | |
| Electricity derivatives | 1 | 0.3 | 11.7 | 6.3 |
| Fair value through profit or loss | | | | |
| Other derivative contracts | 2 | 3.5 | 5.5 | 5.9 |
| Amortised cost | | | | |
| Accounts receivable and other receivables | | 250.4 | 269.8 | 219.5 |
| Cash and cash equivalents | | 81.1 | 53.5 | 65.5 |
| Financial assets total | | 338.0 | 350.8 | 301.1 |
| Non-current financial liabilities | | | | |
| Fair value through other comprehensive income | | | | |
| Electricity derivatives | 1 | 0.1 | - | - |
| Amortised cost | | | | |
| Interest bearing liabilities | | 107.3 | 97.6 | 103.2 |
| Current financial liabilities | | | | |
| Fair value through other comprehensive income | | | | |
| Electricity derivatives | 1 | 0.2 | - | - |
| Other derivative contracts | 2 | - | 0.0 | 0.0 |
| Fair value through the profit or loss | | | | |
| Other derivative contracts | 2 | 2.2 | 4.7 | 2.2 |
| Amortised cost | | | | |
| Interest bearing liabilities | | 30.6 | 11.0 | 10.8 |
| Accounts payable and other liabilities | | 143.1 | 156.4 | 147.3 |
| Financial liabilities total | | 283.5 | 269.7 | 263.4 |

The carrying value of financial assets and liabilities is considered to correspond to their fair value. The Group's financial instruments are classified according to IFRS 7 fair value hierarchies. Uponor applies the hierarchy as follows:

- The fair value of electricity derivatives is measured based on Nord Pool power exchange prices. (Hierarchy 1)
- The fair value of currency forward agreements is measured based on price information from common markets and commonly used valuation methods. (Hierarchy 2)

KEY FIGURES

| | 1-9/2023 | 1-9/2022 | 1-12/2022 |
|----------------------------------|----------|----------|-----------|
| Earnings per share, € | 1.01 | 1.19 | 1.21 |
| Operating profit, % | 12.5 | 12.1 | 9.8 |
| Return on equity, % (p.a.) | 21.2 | 24.6 | 19.1 |
| Return on investment, % (p.a.) | 25.0 | 29.1 | 22.2 |
| Solvency ratio, % | 49.8 | 53.4 | 55.2 |
| Gearing, % | 11.9 | 9.9 | 9.1 |
| Gearing, % rolling 4 quarters | 7.9 | 11.9 | 13.1 |
| Net interest-bearing liabilities | 56.8 | 55.2 | 48.5 |
| Equity per share, € | 6.58 | 6.60 | 6.34 |
| - diluted | 6.58 | 6.60 | 6.34 |
| Trading price of shares | | | |
| - low, € | 15.85 | 12.29 | 12.29 |
| - high, € | 30.68 | 21.74 | 21.74 |
| - average, € | 24.24 | 16.82 | 16.25 |
| Shares traded | | | |
| - 1,000 pcs | 20,630 | 15,325 | 20,549 |
| - M€ | 500.2 | 257.1 | 333.2 |

QUARTERLY DATA

| | 7-9/ 2023 | 4-6/ 2023 | 1-3/ 2023 | 10-12/ 2022 | 7-9/ 2022 | 4-6/ 2022 | 1-3/ 2022 |
|--|--------------|--------------|--------------|----------------|--------------|--------------|--------------|
| Net sales, M€ | 298.5 | 315.6 | 329.4 | 276.5 | 364.0 | 396.2 | 349.5 |
| - Building Solutions – Europe | 107.0 | 131.6 | 149.8 | 119.7 | 141.2 | 175.9 | 162.4 |
| - Building Solutions – North America | 130.9 | 121.4 | 124.7 | 90.6 | 140.5 | 125.3 | 123.4 |
| Building Solutions – North America, \$ | 141.7 | 131.7 | 134.3 | 92.7 | 141.2 | 132.2 | 137.6 |
| - Uponor Infra | 61.4 | 63.5 | 56.1 | 67.2 | 83.9 | 96.3 | 65.4 |
| Gross profit, M€ | 121.2 | 125.8 | 130.2 | 92.0 | 132.5 | 145.7 | 133.7 |
| - Gross profit, % | 40.6 | 39.9 | 39.5 | 33.3 | 36.4 | 36.8 | 38.3 |
| Operating profit, M€ | 32.8 | 35.5 | 49.5 | 1.4 | 44.4 | 42.8 | 46.8 |
| - Building Solutions – Europe | 4.6 | 9.6 | 13.7 | -7.0 | 13.7 | 16.9 | 20.3 |
| - Building Solutions – North America | 24.9 | 23.8 | 22.4 | 6.8 | 23.2 | 23.2 | 24.3 |
| Building Solutions – North America, \$ | 27.0 | 25.8 | 24.2 | 6.7 | 23.2 | 24.4 | 27.1 |
| - Uponor Infra | 8.8 | 6.5 | 12.1 | 5.1 | 8.9 | 7.5 | 1.6 |
| - Others | -5.3 | -3.5 | -1.5 | -1.8 | -1.3 | -3.3 | -1.7 |
| Operating profit, % of net sales | 11.0 | 11.2 | 15.0 | 0.5 | 12.2 | 10.8 | 13.4 |
| - Building Solutions – Europe | 4.3 | 7.3 | 9.1 | -5.8 | 9.7 | 9.6 | 12.5 |
| - Building Solutions – North America | 19.0 | 19.6 | 18.0 | 7.2 | 16.4 | 18.5 | 19.7 |
| - Uponor Infra | 14.3 | 10.2 | 21.6 | 7.6 | 10.6 | 7.8 | 2.5 |
| Profit for the period, M€ | 22.9 | 23.5 | 34.1 | 1.5 | 33.1 | 29.6 | 33.3 |
| Balance sheet total, M€ | 963.8 | 1,035.5 | 990.3 | 969.8 | 1,040.5 | 1,040.8 | 967.2 |
| Earnings per share, € | 0.29 | 0.29 | 0.43 | 0.02 | 0.40 | 0.34 | 0.45 |
| Equity per share, € | 6.58 | 6.28 | 5.99 | 6.34 | 6.60 | 6.05 | 5.51 |
| Market value of share capital, M€ | 2,082.0 | 2,096.6 | 1,246.7 | 1,216.0 | 986.8 | 964.1 | 1,343.3 |
| Return on investment, % (p.a.) | 25.0 | 25.3 | 30.7 | 22.2 | 29.1 | 29.8 | 31.8 |
| Net interest-bearing liabilities at the end of the period, M€ | 56.8 | 20.4 | 35.9 | 48.5 | 55.2 | 77.0 | 85.9 |
| Gearing, % | 11.9 | 3.8 | 7.0 | 9.1 | 9.9 | 15.1 | 18.4 |
| Gearing, % rolling 4 quarters | 7.9 | 7.5 | 10.3 | 13.1 | 11.9 | 8.0 | 4.0 |
| Gross investment, M€ | 5.1 | 7.1 | 5.2 | 15.1 | 10.8 | 14.5 | 10.2 |
| - % of net sales | 1.7 | 2.2 | 1.6 | 5.5 | 3.0 | 3.6 | 2.9 |

ITEMS AFFECTING COMPARABILITY AND RECONCILIATIONS TO IFRS

Uponor provides comparable operating profit and comparable gross profit in order to provide useful and comparable information of its operative business performance. Comparable operating or gross profit excludes items affecting comparability (IAC). Items affecting comparability are exceptional transactions that are unrelated to normal business operations. Such items often include issues such as capital gains and losses, additional costs arising from site closures and other restructuring, additional write-downs, or reversals of write-downs, expenses due to accidents and disasters, environmental matters, legal proceedings and changes in regulation.

| | 7-9/ 2023 | 4-6/ 2023 | 1-3/ 2023 | 10-12/ 2022 | 7-9/ 2022 | 4-6/ 2022 | 1-3/ 2022 |
|---|--------------|--------------|--------------|----------------|--------------|--------------|--------------|
| Items affecting comparability | | | | | | | |
| Restructuring charges | -3.3 | -5.9 | 4.0 | -9.6 | -0.5 | -7.7 | -0.4 |
| Capital gains and losses on sale of non-current assets | - | - | - | - | - | - | - |
| Total items affecting comparability in operating profit | -3.3 | -5.9 | 4.0 | -9.6 | -0.5 | -7.7 | -0.4 |
| Items affecting comparability, total | -3.3 | -5.9 | 4.0 | -9.6 | -0.5 | -7.7 | -0.4 |
| Comparable gross profit | | | | | | | |
| Gross profit | 121.2 | 125.8 | 130.2 | 92.0 | 132.5 | 145.7 | 133.7 |
| Less: Items affecting comparability in gross profit | -0.4 | -1.5 | -1.7 | -1.0 | 0.0 | -0.2 | -0.1 |
| Comparable gross profit | 121.6 | 127.3 | 131.9 | 93.0 | 132.5 | 146.0 | 133.8 |
| % of sales | 40.7 | 40.3 | 40.1 | 33.6 | 36.4 | 36.8 | 38.3 |
| Comparable operating profit | | | | | | | |
| Operating profit | 32.8 | 35.5 | 49.5 | 1.4 | 44.4 | 42.8 | 46.8 |
| Less: Items affecting comparability in operating profit | -3.3 | -5.9 | 4.0 | -9.6 | -0.5 | -7.7 | -0.4 |
| Comparable operating profit | 36.1 | 41.4 | 45.5 | 11.0 | 44.9 | 50.5 | 47.2 |
| % of sales | 12.1 | 13.1 | 13.8 | 4.0 | 12.3 | 12.7 | 13.5 |
| Comparable operating profit by division | | | | | | | |
| Building Solutions – Europe | | | | | | | |
| Operating profit | 4.6 | 9.6 | 13.7 | -7.0 | 13.7 | 16.9 | 20.3 |
| Less: Items affecting comparability in operating profit | -0.8 | -3.3 | -5.3 | -6.3 | -0.5 | -7.2 | -0.3 |
| Comparable operating profit | 5.5 | 12.9 | 19.0 | -0.7 | 14.3 | 24.2 | 20.6 |
| % of sales | 5.1 | 9.8 | 12.6 | -0.6 | 10.1 | 13.7 | 12.7 |
| Building Solutions – North America | | | | | | | |
| Operating profit | 24.9 | 23.8 | 22.4 | 6.8 | 23.2 | 23.2 | 24.3 |
| Less: Items affecting comparability in operating profit | -0.4 | -0.2 | -0.5 | -0.4 | - | 0.0 | 0.0 |
| Comparable operating profit | 25.3 | 24.0 | 23.0 | 7.2 | 23.2 | 23.2 | 24.3 |
| % of sales | 19.4 | 19.8 | 18.4 | 8.0 | 16.5 | 18.5 | 19.7 |
| Uponor Infra | | | | | | | |
| Operating profit | 8.8 | 6.5 | 12.1 | 5.1 | 8.9 | 7.5 | 1.6 |
| Less: Items affecting comparability in operating profit | 0.3 | 0.0 | 11.0 | -0.1 | 0.0 | -0.1 | - |
| Comparable operating profit | 8.5 | 6.4 | 1.1 | 5.2 | 8.9 | 7.7 | 1.6 |
| % of sales | 13.8 | 10.1 | 2.0 | 7.8 | 10.6 | 8.0 | 2.5 |
| Others | | | | | | | |
| Operating profit | -5.3 | -3.5 | -1.5 | -1.8 | -1.3 | -3.3 | -1.7 |
| Less: Items affecting comparability in operating profit | -3.5 | -2.1 | -0.2 | -1.2 | 0.0 | -0.3 | -0.1 |
| Comparable operating profit | -1.7 | -1.4 | -1.3 | -0.7 | -1.3 | -3.1 | -1.7 |
| % of sales | na | na | na | na | na | na | na |

DEFINITIONS OF KEY RATIOS

Return on Equity (ROE), %

$$= \frac{\text{Profit before taxes} - \text{taxes}}{\text{Total equity, average}} \times 100$$

Return on Investment (ROI), %

$$= \frac{\text{Profit before taxes} + \text{interest and other financing costs}}{\text{Balance sheet total} - \text{non-interest-bearing liabilities, average}} \times 100$$

Solvency, %

$$= \frac{\text{Total equity}}{\text{Balance sheet total} - \text{advance payments received}} \times 100$$

Gearing, %

$$= \frac{\text{Net interest-bearing liabilities}}{\text{Total equity}} \times 100$$

Net interest-bearing liabilities

$$= \text{Interest-bearing liabilities} - \text{cash and cash equivalents excluding restricted cash}$$

Earnings per share (EPS)

$$= \frac{\text{Profit for the period attributable to equity holders of the parent company}}{\text{Average number of shares adjusted for share issue in financial period excluding treasury shares}}$$

Equity per share ratio

$$= \frac{\text{Equity attributable to the owners of the parent company}}{\text{Number of shares adjusted for share issue at end of year}}$$

Average share price

$$= \frac{\text{Total value of shares traded (€)}}{\text{Total number of shares traded}}$$

Gross profit margin, %

$$= \frac{\text{Gross profit}}{\text{Net sales}} \times 100$$

Operating profit margin, %

$$= \frac{\text{Operating profit}}{\text{Net sales}} \times 100$$

Comparable gross profit

$$= \text{Gross profit} - \text{items affecting comparability}$$

$$\begin{array}{l} \text{Comparable gross profit margin} \\ = \frac{\text{Gross profit – items affecting comparability}}{\text{Net sales}} \quad \times 100 \end{array}$$

$$\begin{array}{l} \text{Comparable operating profit} \\ = \text{Operating profit – items affecting comparability} \end{array}$$

$$\begin{array}{l} \text{Comparable operating profit margin} \\ = \frac{\text{Operating profit – items affecting comparability}}{\text{Net sales}} \quad \times 100 \end{array}$$