Tornator

Tornator Oyj

Half-year report, 1 January – 30 June 2026

Tornator had a steady first half of the year – revenue exceeded EUR 100 million and more than 12 thousand hectares of new forest were acquired

Half-year report – Stock exchange release, *28 August 2026 at 8.00 am*

SUMMARY 1 JAN – 30 JUN 2026 (1 JAN – 30 JUN 2025)

- Net Sales amounted to EUR 102.7 million (104.5), slightly below the previous year's level. Timber deliveries were in line with plan, but the price level of delivered timber declined somewhat from the record-high levels of the previous year. The long-term framework agreement for wood trade mitigated the impact of changes in market prices and brings stability to operations
- Operative operating profit was slightly less than in the previous year, totalling €72.5 million (74.3). Reported IFRS operating profit was €70.8 million (84.4).
- The company implemented its growth vision and continued to purchase forest properties in Finland. More than 12,000 hectares of new forest were acquired, with total investments of nearly €60 million.
- IFRS profit for the period at fair value was €44.9 million (57.7). The change in the fair value of interest rate instruments was €-1.6 million (-0.5) before taxes. The change in the fair value of biological assets was €-4.0 million before taxes (+5.6).
- Comparable return on equity was 4.1% (4.4) and return on equity at fair value was 3.9% (5.1). The equity ratio was 57.7% (59.2).
- The company decided to discontinue its own forestry worker operations; due to retirements, the share of the company's own forestry workers in silviculture works had decreased to below 5%. Going forward, all silviculture work will be carried out by our contractor network. The aim of the change is to simplify the business model and result in improved productivity.
- As part of its ambitious biodiversity programme, the company restored 201 hectares of peatlands and carried out controlled burning on 11 hectares of forest.

Key figures (consolidated)

	H1/2026	H1/2025	Change, %
Net sales, € million	102.7	104.5	-2 %
Operating profit (IFRS), € million	70.8	84.4	-16 %
Operating profit, %	68.9	80.8	-15 %
Profit for the period (IFRS), € million	44.9	57.7	-22 %
Return on equity, %	3.9	5.1	-24 %
Return on capital employed, %	4.4	5.5	-20 %
Equity ratio, %	57.7	59.2	-3 %
Average number of personnel	183	192	-5 %

The key figures are calculated according to the International Financial Reporting Standards (IFRS).

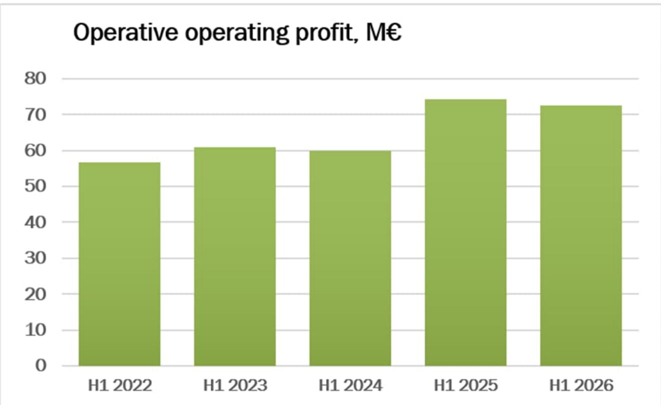
Comparable key figures

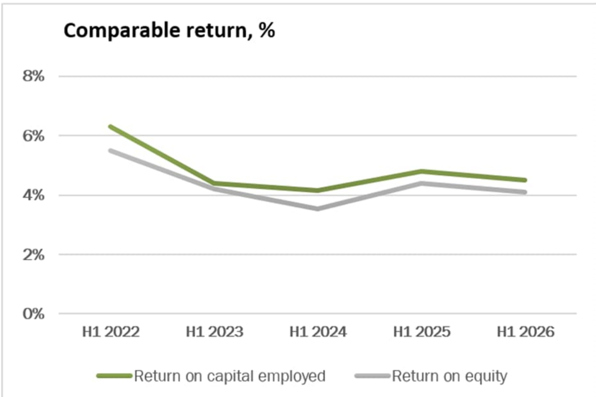
	H1/2026	H1/2025	Change, %
Net sales, € million	102.7	104.5	-2 %
Operative operating profit, € million	72.5	74.3	-2 %
Operative operating profit, %	70.6	71.2	-1 %
Comparable net profit, € million	47.4	49.8	-5 %
Comparable return on equity, %	4.1	4.4	-7 %
Comparable return on capital employed, %	4.5	4.8	-6 %

In addition to official key figures calculated in accordance with the IFRS, Tornator Group uses key figures that are calculated without changes in fair value. The figures are comparable between years and therefore better describe the success of the company's operations. The figures are calculated as follows (€ million):

Operating profit, IFRS	**70.8**
- Change in fair value of biological assets in the income statement (-4.0)	4.0
- Change in fair value of provisions and receivables from additional wind power sales prices (+2.3)	-2,3
= Operative operating profit, comparable	**72,5**

Profit for the period, IFRS	**44.9**
- Change in fair value of biological assets in the income statement (-4.0)	4.0
- Change in fair value of provisions and receivables from additional wind power sales prices (+2.3)	-2,3
- Change in fair value of financial instruments (-1.6)	+1,6
- Share of taxes of above-mentioned items (0.8)	-0,8
= Comparable net profit	**47.4**





CEO Henrik Nieminen:

The first half of 2026 was a period of steady performance for Tornator in an unstable operating environment. Unrest in the Middle East further increased geopolitical uncertainty and had negative impacts on demand of forest industry products. In Finland, wood trade volumes were lower than usual, and the market price of pulpwood in particular was clearly below the peak prices of the previous year. The pricing mechanism in the long-term framework agreement for wood trade dampened the impact of market price fluctuations on the company's revenue. The market situation in the forest industry remained challenging, particularly in pulp, board and paper products, while the forest property market remained active despite a decline in purchases by funds. Our long-term operating model, strong balance sheet and strategic partnerships supported our good performance even in an uncertain market environment.

Tornator's wood deliveries in Finland were satisfactory, and we were largely able to offset the impacts of the short winter season through active planning and close cooperation with our main customer, Stora Enso. In silviculture services, we achieved slight growth, and the longer-term potential in this business area is evident. In Estonia, business developed according to plan, and in Romania, demand for wood exceeded expectations. Overall, our operations were stable, but achieving the budget targets will require strong performance also in the second half of the year, particularly due to the decline in the pulpwood price.

We continued the determined implementation of our growth strategy by acquiring more than 12,000 hectares of forest land in Finland, with total investments of nearly €60 million. These investments demonstrate our strong confidence in the long-term outlook of the Finnish forest sector. Growing our forest assets is a key part of our Vision 2035 target of managing one million hectares by 2035.

In terms of financing, the company's position remained strong. Predictable cash flow and committed financing agreements supported business continuity, the implementation of investments and the advancement of strategic objectives. In financial management, the emphasis was on predictability, cost efficiency and ensuring sufficient financial flexibility in a changing market and interest rate environment. During a roadshow to the Nordic countries and Central Europe, we updated debt investors on the company's current situation and future outlook.

Interest in Tornator's land areas for the development of renewable energy, data centres and energy infrastructure continued to grow. During the review period, we prepared several projects related to the leasing or sale of land areas. We see renewable energy and other land-use business as a major opportunity to complement value creation from forestry in the long term. After the review period, in August, we signed a significant cooperation agreement with the energy company Fortum. Together, we aim to promote wind power opportunities in Eastern Finland and thereby improve the vitality of the region.

Digitalisation and productivity development progressed according to plan. The renewal of the enterprise resource planning system was implemented in a controlled manner, piloting of the new team model for the planning process began, and the implementation of the development programme aimed at improving productivity continued. At the same time, we continued to invest in the use of data, remote sensing and artificial intelligence in developing our business.

The most significant organisational change during the review period related to the controlled winding down of Tornator's own forestry worker operations. Due to retirements, the share of the company's own forestry workers in silviculture operations had decreased to below 5%. We concluded the change negotiations under the Finnish Co-operation Act responsibly, supporting our personnel, and after the current forest management season, forest management work will be carried out entirely through the contractor network. The aim of the change is to simplify business model and result in improved productivity.

The operating environment was characterised by regulatory initiatives at both EU and national level. The Regulation on Deforestation-free Products, the Nature Restoration Regulation, biodiversity targets and changes in forest legislation increase requirements for the entire sector. From Tornator's perspective, long-term sustainability work, double-certified forests and strong expertise provide a solid foundation for responding to growing sustainability requirements. Our joint project with WWF Finland, *Vesiviisas metsä*, creates new opportunities for developing the water impacts of forestry at catchment area level. Clear streams and lakes are on the target list of Tornator's 10-year biodiversity programme.

The 2025–2027 strategy period has progressed positively. The cornerstones of our strategy – Quality, Added Value and Nature – were concretely reflected in our activities during the first half of the year. Our "people at the centre" objective was realised through strong investments in employee involvement, well-being at work, competence development and day-to-day leadership. The strategy was put into practice by listening to employees, strengthening managerial work and building a safe, responsible and inspiring operating culture.

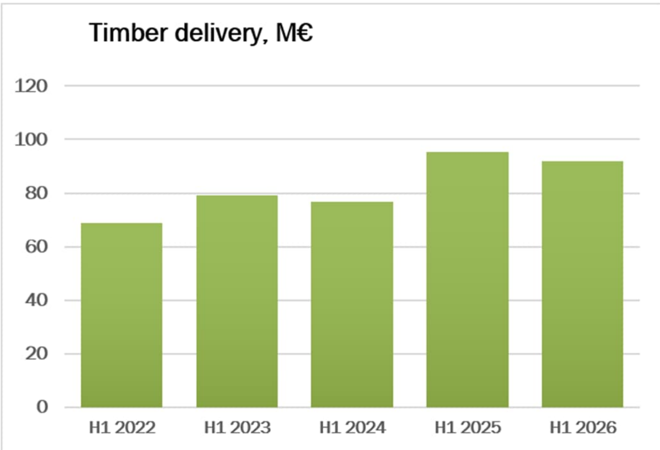
The outlook for the rest of the year is cautiously positive. We expect demand for wood to strengthen, growth in forest assets to continue actively, and renewable energy projects to open up new opportunities for value creation. We will continue the determined implementation of our strategy towards the objectives of Vision 2035. Our strong financial position, responsible way of operating and skilled personnel create a stable foundation for sustainable growth and long-term value creation also in the years ahead.

Impacts of the war in Ukraine and unrest in the Middle East

The general economic uncertainty caused by Russia's war of aggression and unrest in the Middle East has not had any significant negative impacts on the company's result, balance sheet or cash flows. Tornator's revenue and operating profit were at a historically high level during the review period. Cash flow from business operations also remained strong. The company's credit losses have not increased, financing risks have not grown, and the value of assets has not decreased. The contractors used by Tornator have found replacement labour for Ukrainian seasonal workers, so forest management measures have not been jeopardised. Through our Romanian subsidiary, we have enabled aid transports to Ukrainians suffering from Russia's war of aggression, and we will continue this support for as long as necessary.

Material events during the review period

Wood deliveries were realised as planned, amounting to approximately 1.6 million cubic metres (1.6) and €91.8 million (95.5). Market demand and prices for wood raw material were under temporary pressure, but the demand and price outlook for the rest of the year is improving. Thanks to good customer cooperation, wood harvesting proceeded steadily, and the forest management services business continued on its growth path.



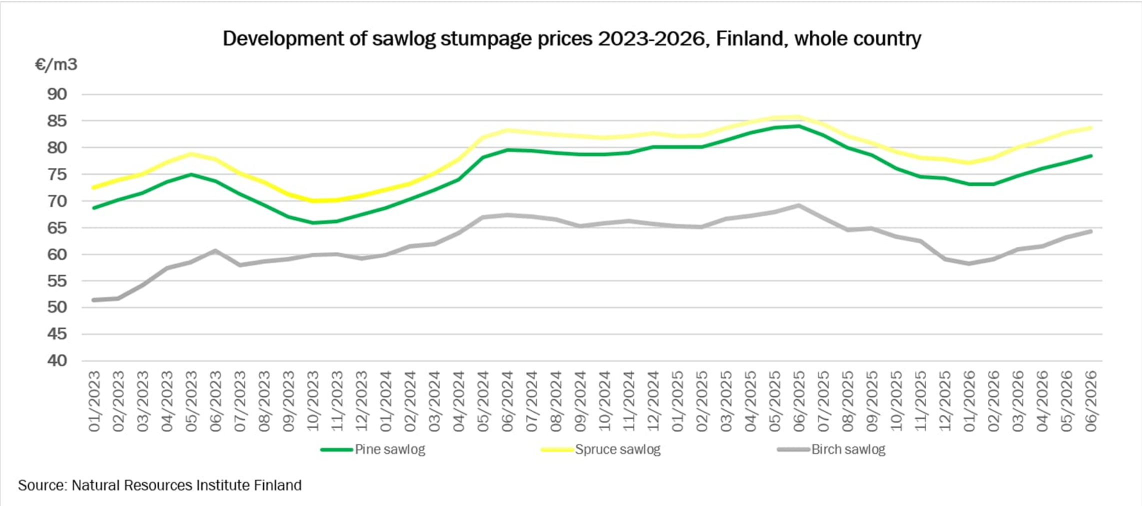
Revenue from silviculture services increased to €8.8 million (8.1). Land sales generated revenue of €2.1 million (0.9) for the Group. Other income amounted to €3.7 million (4.2).

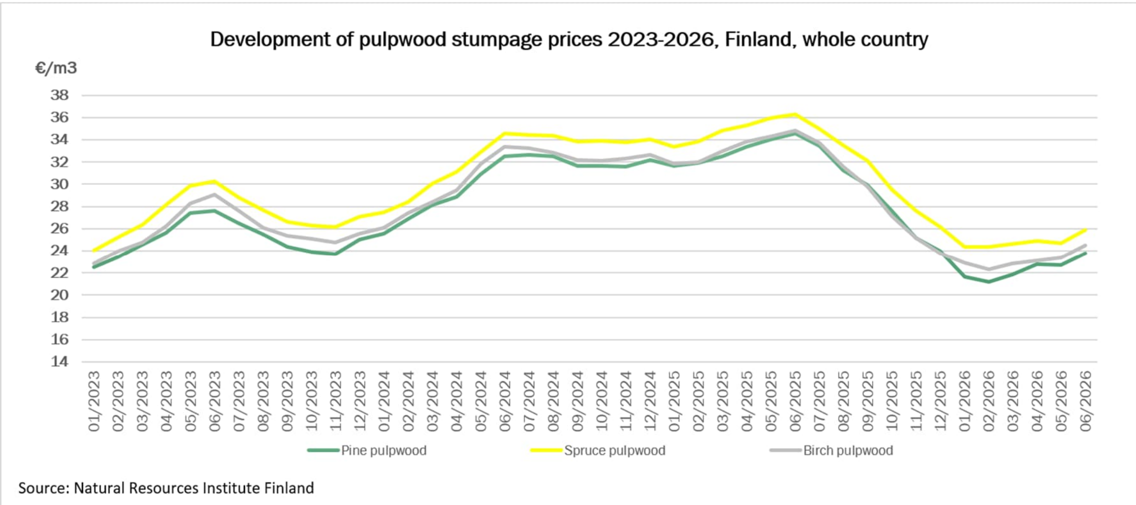
We completed change negotiations under the Finnish Co-operation Act concerning the restructuring of our own forestry worker operations. As a result of the negotiations, eight forestry worker positions were terminated. The remaining forestry workers (17 people) have left or will leave the company through voluntary resignation packages or retirement arrangements. Going forward, all silviculture work will be carried out entirely through the contractor network.

The profit impact of changes in the fair value of interest rate instruments was €-1.6 million (-0.5) from the beginning of the year. At the end of June, the fair value of interest rate derivatives was positive by €28.7 million in total (31 December 2025: +30.2). The fair value of forests at the end of June was €3,848.3 million (31 December 2025: €3,804.5).

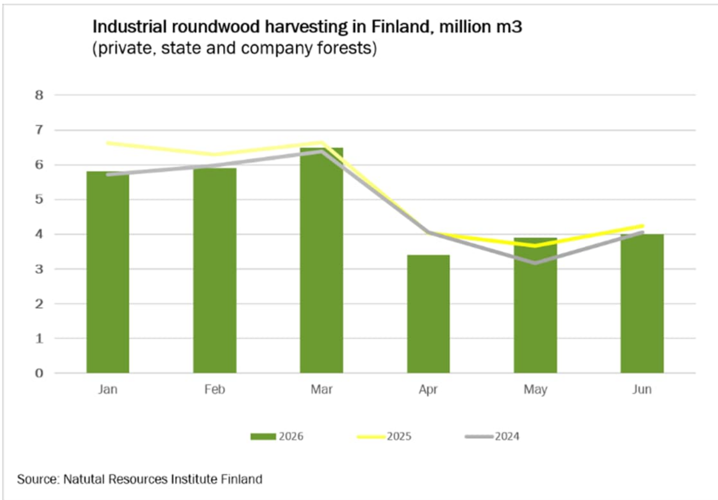
Operating environment

In their economic reviews published in June 2026, the Natural Resources Institute Finland (Luke) and Pellervo Economic Research (PTT) estimated that the forest sector situation would improve slowly. The outlook for the forest industry remains challenging, and no major leap in growth is expected. According to the forecast, demand in the domestic wood market will remain reasonable, but the market is no longer as tight as in recent years. The strong upward phase in stumpage prices appears to have ended, and particularly for pulpwood prices, the "new normal" is likely to be higher than at the beginning of the year, but clearly below the peak prices of 2025. Compared with 2025, the average price of logs in January–June was approximately 7% lower, while the price of pulpwood was slightly less than 30% lower.





Industrial wood harvesting in Finland totalled approximately 29.5 million cubic metres in January–June. The volume of removals was slightly lower than in the corresponding period in 2025 (31.5 million m^3).



Demand for holiday plots was modest. For forest properties, supply remained below demand, and there were no major changes in price levels.

In Estonia, the price level of wood increased slightly from the level at the end of the previous year. Price levels in the forest property market remained high.

In Romania, the market price level of wood increased, supported by good demand. The forest property market was quiet.

Finance

The Group's financing position remained good, and cash flow from operations before financial items and taxes was €29.3 million (42.0).

The Group's net finance costs in January–June were €-15.8 million (-13.3). Tornator's interest-bearing debt amounted to €1,170.3 million (31 December 2025: 1,135.9), of which long-term debt accounted for €746.8 million (31 December 2025: 746.4) and short-term debt for €423.5 million (31 December 2025: 389.5).

During the review period, the net cash flow impact of the company's investments was €-60.4 million (-60.9). Cash flow from financing activities was €-38.3 million (-35.3). Liquid financial assets and cash and cash equivalents on 30 June 2026 amounted to €8.9 million (31 December 2025: 96.7). The company has a bank account overdraft facility of €10 million. In addition, the company has a committed revolving credit facility of €200 million, which was fully available for drawdown on the reporting date. Of Tornator's €300 million commercial paper programme, €74 million was in use on the reporting date.

Estimate of probable future development

Tornator estimates that its cash flow and debt-servicing capacity will remain stable and strong for the rest of the year.

The forest industry's earnings development is expected to improve slowly. Demand for wood is expected to increase from the beginning of the year, and market prices for wood are assumed to rise moderately in the short term. In the company's own forests, silviculture work will continue in line with a normal operating year, and the fertilisation programme will be implemented as planned. In addition, Tornator carries out silviculture work nationwide for Stora Enso's forest service customers. The situation in the forest property market is expected to remain similar to the comparison year. Wind and solar power projects will be advanced where possible.

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

Decisions of the Annual General Meeting

At Tornator Oyj's Annual General Meeting on 9 March 2026, it was decided to distribute a dividend in accordance with the Board of Directors' proposal, €14.4 per share, totalling €72.0 million. The Annual General Meeting approved the financial statements for the financial year 2025 and discharged the members of the Board of Directors and the CEO from liability. In addition, it was decided to reappoint PricewaterhouseCoopers as the company's auditor.

The Annual General Meeting decided to establish a Shareholders' Nomination Board for the company to prepare proposals concerning the composition, members and remuneration of the Board of Directors. The Nomination Board consists of four ordinary members appointed by the company's four largest shareholders. In addition, the Chair of the Board of Directors participates in the meetings of the Nomination Board as an expert member. The right to appoint members is determined annually based on the shareholder register at the end of May. The Annual General Meeting approved the charter of the Nomination Board.

The AGM elected the following members and deputy members to the new Board of Directors:

Ordinary member	Deputy member
Hanna Kaskela	Sampsa Ratia
Tuomas Virtala	Erkko Ryynänen
Pauli Torikka	Jari Suvanto
Esko Torsti	Pekka Ahlajärvi

Organisation of the Board of Directors

On 9 March 2026, the new board elected Esko Torsti as the chairperson and Hanna Kaskela as the deputy chairperson. Tuomas Virtala was elected as a member of the Remuneration Committee in addition to the aforementioned two persons. The committee reports to the board. Hanna Kaskela was elected as the chairperson of the Oversight Committee, while Esko Torsti and Tuomas Virtala were elected as members and Pauli Torikka as a deputy member.

The minutes of the Annual General Meeting are available in full on the company's website at https://www.tornator.fi/en/investors-3/

Notable events after the end of the reporting period

In August 2026, Tornator and Fortum signed a cooperation agreement to develop wind power opportunities in Eastern Finland.

On 30 July 2026, the Finnish Food Authority announced that preliminary tests had confirmed African swine fever (ASF) in wild boars found dead in Virolahti. This is the first ASF case detected in Finland. The authorities immediately launched measures to prevent the spread of the disease and established an infected zone in the area. As a precautionary measure, Tornator has temporarily suspended the work of its own personnel and contractors within the restricted area designated by the authorities. The objective is to ensure that the company's operations do not contribute to the spread of the disease to new areas. Any additional measures will be communicated separately based on orders and recommendations issued by the authorities.

Shareholders, 30 June 2026

Shareholder	%
Stora Enso Oyj	41.00 %
Ilmarinen Mutual Pension Insurance Company	23.13 %
Varma Mutual Pension Insurance Company	16.41 %
OP Life Assurance Company Ltd	6.47 %
OP-Metsänomistaja Special Investment Fund	5.00 %
Veritas Pension Insurance	2.50 %
Pohjola Insurance Ltd	1.48 %
OP Pension Fund	1.42 %
Finnair Pension Fund	0.99 %
Danilostock Oy	0.75 %
Riffu Oy	0.75 %
Finnair Oyj	0.10 %
Total	**100.00 %**

For further information, please contact:

Chief Executive Officer (CEO) Henrik Nieminen, tel. +358 40 869 7613

Chief Financial Officer (CFO) Antti Siirtola, tel. +358 40 773 0975

www.tornator.fi/en

Tornator is a leader in sustainable forestry in Europe. It owns forests in Finland, Estonia and Romania. In 2025, the group's turnover was approximately €232 million, and the balance sheet value was about €4.0 billion. The group has around 190 employees. Tornator's own employees, and other companies and their employees working on its forestland, add up to around 1,600 person-years of employment. The owners of the parent company are Finnish, mainly institutional investors. Tornator's mission is to generate sustainable wellbeing from forests.

Tables – Condensed half-year financial statements and notes

Condensed Consolidated Income Statement

EUR thousand	30 Jun 2026 (unaudited)	30 Jun 2025 (unaudited)	31 Dec 2025 (audited)
Net sales	**102,659**	**104,464**	**232,208**
Other operating income	3,706	4,178	6,134
Change in fair value of biological assets and harvesting	-4,036	5,556	129,795
Change in inventories of finished goods and work in progress	-536	-467	-755
Materials and services	-17,140	-16,658	-43,320
Personnel expenses	-6,670	-6,119	-12,506
Depreciation and amortisation	-1,940	-1,855	-3,807
Other operating expenses	-5,278	-4,724	-9,372
Operating profit	**70,766**	**84,375**	**298,376**
Financial income	4,746	4,774	8,472
Financial expenses	-18,989	-17,641	-35,517
Change in fair value of financial instruments	-1,561	-455	757
Net financial items	**-15,804**	**-13,322**	**-26,288**
Profit before tax	**54,963**	**71,052**	**272,088**
Income taxes	-10,848	-12,021	-27,143
Change in deferred taxes	793	-1,311	-27,718
Profit for the period	**44,907**	**57,720**	**217,227**
Distribution:			
To shareholders of the parent company	**44,907**	**57,720**	**217,227**
Consolidated statement of comprehensive income			
Profit for the period	**44,907**	**57,720**	**217,227**
Other comprehensive income for the period after taxes:			
Items not recognised later through profit and loss			
Other items of comprehensive income (after taxes)			8
Items that may later be recognised through profit and loss			
Translation difference	-1,105	-749	-934
Revaluation of forest land	-7,423	4,067	-71,272
Comprehensive income for the period total	**36,380**	**61,038**	**145,028**
Distribution:			
To shareholders of the parent company	**36,380**	**61,038**	**145,028**

Condensed consolidated balance sheet

EUR thousand	30 Jun 2026 (unaudited)	30 Jun 2025 (unaudited)	31 Dec 2025 (audited)
ASSETS			
Non-current assets			
Forest assets	3,848,302	3,664,299	3,804,532
Biological assets	3,582,100	3,314,595	3,535,330
Bare land	266,202	349,704	269,202
Other property, plant and equipment	19,980	17,614	19,586
Intangible assets	1,742	2,169	2,141
Right-of-use assets	1,710	1,736	1,893
Derivatives	28,654	28,962	30,185
Other investments	111	111	111
Non-current receivables	19,326	19,298	19,232
Non-current assets total	**3,919,826**	**3,734,190**	**3,877,680**
Current assets			
Inventories	68	51	51
Accounts receivable and other receivables	69,920	67,464	48,517
Cash and cash equivalents	8,931	14,029	96,739
Current assets total	**78,918**	**81,544**	**145,308**
Total assets	**3,998,744**	**3,815,734**	**4,022,988**
EQUITY AND LIABILITIES			
Equity attributable to shareholders of the parent company			
Share capital	50,000	50,000	50,000
Other equity	2,239,320	2,190,950	2,274,941
Total equity	**2,289,320**	**2,240,950**	**2,324,941**
Liabilities			
Non-current liabilities			
Deferred tax liabilities	467,137	460,466	469,785
Financial liabilities	746,825	897,685	746,387
Lease liabilities	1,533	1,584	1,686
Other non-current liabilities	60	77	60
Non-current liabilities total	**1,215,555**	**1,359,813**	**1,217,918**
Current liabilities			
Financial liabilities	423,499	145,901	389,526
Accounts payable and other payables	58,743	57,382	73,901
Income tax liabilities	45	1,813	3,105
Lease liabilities	324	279	346
Provisions	11,257	9,598	13,251
Current liabilities total	**493,868**	**214,971**	**480,129**
Total liabilities	**1,709,423**	**1,574,784**	**1,698,047**
Total equity and liabilities	**3,998,744**	**3,815,734**	**4,022,988**

Statement of changes in equity

EUR thousand	Share capital	Share premium	Translation difference	Revaluation reserve	Retained earnings	Total equity
Equity 1 January 2026	50,000	29,995	-11,937	95,175	2,161,708	2,324,941
Comprehensive income						
Profit for the period					44,907	44,907
Other items of comprehensive income (after taxes)						
Revaluation of forest land				-7,423		-7,423
Translation difference			-1,105			-1,105
Comprehensive income for the period			-1,105	-7,423	44,907	36,380
Transactions with shareholders						
Dividends paid					-72,000	-72,000
Total transactions with shareholders					-72,000	-72,000
Equity 30 June 2026 (unaudited)	50,000	29,995	-13,041	87,752	2,134,615	2,289,320
Equity 1 January 2025	50,000	29,995	-11,003	166,447	2,014,473	2,249,912
Comprehensive income						
Profit for the period					57,720	57,720
Other items of comprehensive income (after taxes)						
Revaluation of forest land				4,067		4,067
Translation difference			-749			-749
Comprehensive income for the period			-749	4,067	57,720	61,038
Transactions with shareholders						
Dividends paid					-70,000	-70,000
Total transactions with shareholders					-70,000	-70,000
Equity 30 June 2025 (unaudited)	50,000	29,995	-11,752	170,514	2,002,193	2,240,950
Equity 1 January 2025	50,000	29,995	-11,003	166,447	2,014,473	2,249,912
Comprehensive income						
Profit for the period					217,227	217,227
Other items of comprehensive income (after taxes)						
Revaluation of forest land				-71,272		-71,272
Items derived from the redefinition of net defined benefit liability (or asset items)					8	8
Translation difference			-934			-934
Comprehensive income for the period			-934	-71,272	217,235	145,028
Transactions with shareholders						
Dividends paid					-70,000	-70,000
Total transactions with shareholders					-70,000	-70,000
Equity on 31 December 2025	50,000	29,995	-11,937	95,175	2,161,708	2,324,941

Condensed statement of cash flows

EUR thousand	1 Jan - 30 Jun 2026	1 Jan - 30 Jun 2025	1 Jan – 31 Dec 2025
Cash flow from operating activities			
Cash receipts from transactions in forestry	70,435	79,034	236,278
Cash receipts from transactions in land sales	2,050	1,684	2,451
Cash receipts from other operating income	1,629	3,603	6,150
Cash paid to suppliers and employees	-44,806	-42,302	-62,878
Cash flow from operating activities before financial items and taxes	**29,309**	**42,019**	**182,001**
Interest paid, interest-bearing debt	-5,748	-4,310	-28,440
Other financial expenses	-3 213	-3 447	-6 904
Interest received, operating activities	2,835	2,559	4,536
Interest received, derivatives	1,710	2,131	3,751
Income taxes	-13,907	-15,253	-29,089
Cash flow from operating activities	**10 985**	**23 698**	**125 855**
Cash flow from investing activities			
Investments in forest assets, biological assets	-52,109	-53,318	-150,177
Investments in forest assets, bare land	-6,440	-6,590	-18,561
Investments in other tangible and intangible assets	-1,836	-948	-4,629
Cash flow from investing activities	**-60,386**	**-60,857**	**-173,367**
Cash flow from financing activities			
Withdrawal of long-term loans			200,000
Repayment of long-term loans			-50,000
Withdrawal of short-term loans	33,845	34,836	
Repayment of short-term loans			-21,858
Repayment of leasing liabilities	-175	-160	-374
Dividends paid	-72,000	-70,000	-70,000
Cash flow from financing activities	**-38,330**	**-35,324**	**57,768**
Net increase/decrease in cash and cash equivalents	**-87,730**	**-72,482**	**10,255**
Cash and cash equivalents at beginning of period	96,739	86,566	86,566
Effect of exchange rate changes on cash and cash equivalents	-78	-55	-82
Cash and cash equivalents at end of period	8,931	14,029	96,739

Notes to the half-year report

General Information

Tornator Oyj (Tornator or the company) with its subsidiaries (together, the Group) is a leading company specialised in sustainable forest management in Europe. Tornator's main business is wood production and the sale of cutting rights. It also provides forest management and silviculture services, sells land for recreational use and buys forestland. The Group's main market is Finland, but it also owns forestland in Estonia and Romania. All Tornator Group's forests are FSC® certified. Forestland is split between countries as follows: Finland 753 000 (31 December 2025: 742 000), Estonia 65 000 (65 000) and Romania 12 000 (12 000) hectares. Average number of personnel during the financial period was 183 (192).

The Group's Half-year financial report for the six months ended 30 June 2026 has been prepared in accordance with the international financial reporting standard IAS 34 Interim Financial Reporting. The half-year report should be read in conjunction with the annual financial statements for the year ended 31 December 2025, which have been prepared in accordance with the International Financial Reporting Standards, IFRS.

The accounting policies adopted are consistent with those of the previous financial year, except for new IFRS standards which have been adopted for financial periods beginning on or after 1 January 2026. Annual amendments to IFRS have had no effects on the preparation of the Half-year report for the period ended 30 June 2026.

The preparation of the Half-year report requires management to make certain estimates and assumptions. Making of these assumptions and estimates has an impact on the assets and liabilities reported on the balance sheet date, the presentation of contingent assets and liabilities in the notes and the income and expenses reported for the half-year period. These estimates are based on the management's best knowledge of the events; thus, the final actual results may differ from the estimates made.

In preparing the Half-year report, the significant judgements made by management in applying the accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 December 2025.

The amounts presented in this half-year report are rounded, so the sums of individual amounts may differ from the total amounts reported.

Operating segments

The Group's main business is wood production and the sale of cutting rights to planned harvesting sites covering normal felling methods and wood assortments. The Group's operations are managed and monitored as a whole, and the Group only has one operating segment. Therefore, operating segment information is not presented as it would re-present the income statement and the balance sheet.

Timber delivery represented 89.4% of total revenues (91.4 % 1 Jan - 30 June 2025).

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

1 Jan - 30 Jun 2026 EUR thousand	Finland	Estonia	Romania	Group internal eliminations	Group total
Turnover	94,693	4,806	3,161	0	102,659
Other operative income	2,917	479	194	-164	3,425
Operative costs	-29,612	-3,468	-1,159	682	-33,557
Operating profit	**67,998**	**1,817**	**2,196**	**518**	**72,528**
Fair value items in operating profit	-2,708	1,399	-452	0	-1,761
Operating profit (IFRS)	**65,289**	**3,216**	**1,744**	**518**	**70,766**

1 Jan - 30 Jun 2025 EUR thousand	Finland	Estonia	Romania	Group internal eliminations	Group total
Turnover	97,396	4,852	2,216	0	104,464
Other operative income	2,749	415	130	-242	3,053
Operative costs	-28,836	-3,075	-1,521	257	-33,175
Operating profit	**71,309**	**2,192**	**825**	**16**	**74,342**
Fair value items in operating profit	7,515	1,783	735	0	10,033
Operating profit (IFRS)	**78,824**	**3,974**	**1,561**	**16**	**84,375**

1 Jan - 31 Dec 2025 EUR thousand	Finland	Estonia	Romania	Group internal eliminations	Group total
Turnover	215,530	11,421	5,258	0	232,208
Other operative income	5,076	773	340	-552	5,637
Operative costs	-61,491	-5,453	-3,101	587	-69,459
Operating profit	**159,115**	**6,741**	**2,496**	**35**	**168,386**
Fair value items in operating profit	138,539	-8,591	42	0	129,990
Operating profit (IFRS)	**297,654**	**-1,850**	**2,538**	**35**	**298,376**

	30 Jun 2026		30 Jun 2025		31 Dec 2025	
Forest assets:	EUR thousand	%	EUR thousand	%	EUR thousand	%
Finland	3,547,398	92.4	3,345,970	91.3	3,503,359	92.1
Romania and Estonia	300,904	7.6	318,329	8.7	301,173	7.9
Total	**3,848,302**	**100.0**	**3,664,299**	**100.0**	**3,804,532**	**100.0**

Forest assets

The value of forest assets comprises growing stock (biological assets) and the value of the land area.

	Biological assets		
EUR thousand	30 Jun 2026	30 Jun 2025	31 Dec 2025
Value at the beginning of the period	3,535,330	3,256,747	3,256,747
Harvesting	-95,776	-93,436	-187,848
Change in fair value of biological assets and growth	91,740	98,993	317,643
Change in Income statement	-4,036	5,557	129,795
Purchases	52,109	53,266	150,177
Sales	-477	-407	-663
Translation difference	-827	-567	-726
Value at the end of the period	3,582,100	3,314,595	3,535,330

	Land area		
EUR thousand	30 Jun 2026	30 Jun 2025	31 Dec 2025
Value at the beginning of the period	269,202	338,157	338,157
Change in Income statement			
Revaluation of land areas, other comprehensive income	-9,279	5,084	-87,345
Purchases	6,440	6,583	18,561
Sales	-59	-50	-82
Translation difference	-102	-70	-90
Value at the end of the period	266,202	349,704	269,202

	Total forest assets		
EUR thousand	30 Jun 2026	30 Jun 2025	31 Dec 2025
Value at the beginning of the period	3,804,532	3,594,905	3,594,905
Harvesting	-95,776	-93,436	-187,848
Change in fair value of biological assets and growth	91,740	98,993	317,643
Change in Income statement	-4,036	5,557	129,795
Revaluation of land areas, other comprehensive income	-9,279	5,084	-87,345
Purchases	58,549	59,850	168,738
Sales	-536	-458	-745
Translation difference	-929	-638	-815
Value at the end of the period	3,848,302	3,664,299	3,804,532

Property, Plant and Equipment

EUR thousand	Buildings	Machinery and equipment	Roads and ditches	Purchases in progress	Total
Acquisition cost at 1 January 2026	**1,877**	**3,346**	**48,192**	**4,401**	**57,816**
Translation difference	-14	61	-44	-9	-5
Increases	135	129	334	1,625	2,223
Decreases		-17		-522	-539
Acquisition cost at 30 June 2026	**1,998**	**3,519**	**48,483**	**5,496**	**59,495**
Accrued depreciation and impairment					
Accrued depreciation and impairment at 1 January 2026	-983	-2,863	-34,384		-38,231
Depreciation and amortisation expense and impairments	-3	-133	-1,149		-1,285
Accrued depreciation and impairment at 30 June 2026	**-986**	**-2,996**	**-35,533**		**-39,515**
Book value at 30 June 2026	**1,011**	**524**	**12,950**	**5,496**	**19,980**
Book value at 1 January 2026	893	484	13,808	4,401	19,586

EUR thousand	Buildings	Machinery and equipment	Roads and ditches	Purchases in progress	Total
Acquisition cost at 1 January 2025	**1,858**	**3,216**	**45,513**	**3,086**	**53,673**
Translation difference	-11	6	-39	-5	-49
Increases	9	86	734	885	1,714
Decreases		-14		-761	-775
Acquisition cost at 30 June 2025	**1,855**	**3,295**	**46,208**	**3,205**	**54,563**
Accrued depreciation and impairment					
Accrued depreciation and impairment at 1 January 2025	-896	-2,850	-31,960		-35,706
Depreciation and amortisation expense and impairments	-42	-74	-1,127		-1,243
Accrued depreciation and impairment at 30 June 2025	**-939**	**-2,924**	**-33,087**		**-36,950**
Book value at 30 June 2025	**917**	**370**	**13,122**	**3,205**	**17,614**
Book value at 1 January 2025	962	366	13,553	3,086	17,967

EUR thousand	Buildings	Machinery and equipment	Roads and ditches	Purchases in progress	Total
Acquisition cost at 1 January 2025	**1,858**	**3,216**	**45,513**	**3,086**	**53,673**
Translation difference	-13	62	-45	-6	-2
Increases	32	117	2,725	4,329	7,202
Decreases		-49		-3,007	-3,056
Acquisition cost at 31 December 2025	**1,877**	**3,346**	**48,192**	**4,401**	**57,816**
Accrued depreciation and impairment					
Accrued depreciation and impairment at 1 January 2025	-896	-2,850	-31,960		-35,706
Depreciation and amortisation expense and impairments	-87	-13	-2,424		-2,524
Accrued depreciation and impairment at 31 December 2025	**-983**	**-2,863**	**-34,384**		**-38,231**
Book value at 31 December 2025	**893**	**484**	**13,808**	**4,401**	**19,586**
Book value at 1 January 2025	962	366	13,553	3,086	17,967

Intangible assets

EUR thousand	ICT software	Other intangible rights	Total
Acquisition cost at 1 January 2026	**13,197**	**82**	**13,279**
Translation difference	-30		-30
Increases	103		103
Decreases			
Acquisition cost at 30 June 2026	**13,270**	**82**	**13,352**
Accrued depreciation and impairment			
Accrued depreciation and impairment at 1 January 2026	-11,056	-82	-11,138
Depreciation and amortization expense and impairments	-472		-472
Accrued depreciation and impairment at 30 June 2026	**-11,527**	**-82**	**-11,610**
Book value at 30 June 2026	**1,742**		**1,742**
Book value at 1 January 2026	2,141		2,141

EUR thousand	ICT software	Other intangible rights	Total
Acquisition cost at 1 January 2025	**12,786**	**82**	**12,868**
Translation difference	-23		-23
Increases	18		18
Decreases			
Acquisition cost at 30 June 2025	**12,781**	**82**	**12,863**
Accrued depreciation and impairment			
Accrued depreciation and impairment at 1 January 2025	-10,168	-82	-10,250
Depreciation and amortization expense and impairments	-444		-444
Accrued depreciation and impairment at 30 June 2025	**-10,612**	**-82**	**-10,694**
Book value at 30 June 2025	**2,169**		**2,169**
Book value at 1 January 2025	2,618		2,618

EUR thousand	ICT software	Other intangible rights	Total
Acquisition cost at 1 January 2025	**12,786**	**82**	**12,868**
Translation difference	-43		-43
Increases	455		455
Decreases			
Acquisition cost at 31 December 2025	**13,197**	**82**	**13,279**
Accrued depreciation and impairment			
Accrued depreciation and impairment at 1 January 2025	-10,168	-82	-10,250
Depreciation and amortization expense and impairments	-888		-888
Accrued depreciation and impairment at 31 December 2025	**-11,056**	**-82**	**-11,138**
Book value at 31 December 2025	**2,141**		**2,141**
Book value at 1 January 2025	2,618		2,618

Right-of-use assets

EUR thousand	Office space	Machinery and equipment	Right-of-use assets, total
Acquisition cost on 1 January 2026	**2,651**	**1,822**	**4,473**
Increases			
Decreases			
Acquisition cost on 30 June 2026	**2,651**	**1,822**	**4,473**
Accrued depreciation and impairment			
Accrued depreciation and impairment on 1 January 2026	-1,185	-1,395	-2,580
Depreciation expense and impairment	-68	-116	-184
Accrued depreciation and impairment on 30 June 2026	**-1,253**	**-1,511**	**-2,764**
Book value at 30 June 2026	**1,398**	**312**	**1,710**

EUR thousand	Office space	Machinery and equipment	Right-of-use assets, total
Acquisition cost at 1 January 2025	**2,317**	**1,438**	**3,756**
Increases	225	109	334
Decreases			
Acquisition cost on 30 June 2025	**2,542**	**1,547**	**4,090**
Accrued depreciation and impairment			
Accrued depreciation and impairment on 1 January 2025	-1,040	-1,145	-2,185
Depreciation expense and impairment	-71	-97	-168
Accrued depreciation and impairment on 30 June 2025	**-1,111**	**-1,242**	**-2,353**
Book value on 30 June 2025	**1,432**	**305**	**1,736**

EUR thousand	Office space	Machinery and equipment	Right-of-use assets, total
Acquisition cost on 1 January 2025	**2,317**	**1,438**	**3,756**
Increases	334	488	822
Decreases		-104	-104
Acquisition cost on 31 December 2025	**2,651**	**1,822**	**4,473**
Accrued depreciation and impairment			
Accrued depreciation and impairment on 1 January 2025	-1,040	-1,145	-2,185
Depreciation expense and impairment	-145	-250	-395
Accrued depreciation and impairment on 31 December 2025	**-1,185**	**-1,395**	**-2,580**
Book value on 31 December 2025	**1,466**	**427**	**1,893**

Financial liabilities

EUR thousand	1 January 2026	Cash flow from financing activities	Financial expenses	Increase and decrease	30 June 2026
Bonds	747,510		316		747,826
Loans from financial institutions	348,687		227		348,914
Commercial paper	39,716	33,845			73,561
Total	**1,135,913**	**33,845**	**543**		**1,170,301**
Lease liabilities	2,032	-175			**1,857**
Financial liabilities total	**1,137,945**	**33,670**	**543**		**1,172,158**

EUR thousand	1 January 2025	Cash flow from financing activities	Financial expenses	Increase and decrease	30 June 2025
Bonds	746,878		316		747,194
Loans from financial institutions	199,895		87		199,982
Commercial paper	61,574	34,836			96,410
Total	**1,008,347**	**34,836**	**403**		**1,043,586**
Lease liabilities	1,689	-160		334	**1,863**
Financial liabilities total	**1,010,035**	**34,676**	**403**	**334**	**1,045,448**

EUR thousand	1 January 2025	Cash flow from financing activities	Financial expenses	Increase and decrease	31 December 2025
Bonds	746,878		632	-	747,510
Loans from financial institutions	199,895	150,000	-1,207	-	348,687
Commercial paper	61,574	-21,858		-	39,716
Total	**1,008,347**	**128,142**	**-576**	**-**	**1,135,913**
Lease liabilities	1,689	-374		718	**2,032**
Financial liabilities total	**1,010,035**	**127,768**	**-576**	**718**	**1,137,945**

Lease Liabilities

EUR thousand	30 June 2026	30 June 2025	31 December 2025
Non-current	1,533	1,584	1,686
Current	324	279	346
Total	**1,858**	**1,863**	**2,032**

Derivatives

Tornator uses interest rate swaps and interest rate options to hedge against fluctuations in market interest rates. Currently, all valid derivative contracts are interest rate options which are recognised as items at fair value through profit or loss.

Fair value of derivatives

EUR thousand	30 June 2026			30 June 2025	31 December 2025
	Assets	Liabilities	Net	Net	Net
Interest rate options	28,654		28,654	28,962	30,185
Total fair values of derivatives	**28,654**		**28,654**	**28,962**	**30,185**

Nominal value of derivatives

EUR thousand	30 June 2026	30 June 2025	31 December 2025
Interest rate options	170,000	170,000	170,000
Total nominal values of derivatives	**170,000**	**170,000**	**170,000**

Change in fair value of interest rate derivatives during the reporting period

EUR thousand	30 June 2026	30 June 2025	31 December 2025
Derivatives at the beginning of the period	**30,185**	**29,475**	**29,475**
Changes			
Income statement:			
Interest rate options, fair value change	-1,561	-455	757
Portion of the change in accrued interest*	30	-58	-48
Effect in income statement (changes in total)	**-1,531**	**-513**	**710**
Derivatives at the end of the period	**28,654**	**28,962**	**30,185**

* Included in financial expenses in the income statement

Book values and fair values of financial assets and liabilities by category at 30 June 2026

EUR thousand	Amortised cost	Fair value through income statement	Book value	Fair value
Non-current				
Unlisted shares		111	111	111
Derivatives		28,654	28,654	28,654
Additional purchase price of wind power transactions		19,326	19,326	19,326
Total		48,091	48,091	48,091
Current				
Accounts receivable	67,065		67,065	67,065
Additional purchase price of wind power transactions		819	819	819
Cash and cash equivalents	8,931		8,931	8,931
Total	75,996	819	76,815	76,815

Financial liabilities

EUR thousand	Amortised cost	Fair value through income statement	Book value	Fair value
Non-current				
Interest-bearing debt	746,825		746,825	759,154
Total	746,825	0	746,825	759,154
Current				
Current portion of long-term interest-bearing debt				
Interest-bearing debt	423,499		423,499	421,928
Accounts payable	6,044		6,044	6,044
Total	429,543	0	429,543	427,972

Book values and fair values of financial assets and liabilities by category at 30 June 2025

Financial assets

EUR thousand	Amortised cost	Fair value through income statement	Book value	Fair value
Non-current				
Unlisted shares		111	111	111
Derivatives		28,962	28,962	28,962
Additional purchase price receivable of wind power transactions		19,298	19,298	19,298
Total		48,371	48,371	48,371
Current				
Accounts receivable	66,056		66,056	66,056
Cash and cash equivalents	14,029		14,029	14,029
Total	80,085		80,085	80,085

Financial liabilities

EUR thousand	Amortised cost	Fair value through income statement	Book value	Fair value
Non-current				
Interest-bearing debt	897,685		897,685	901,522
Total	897,685		897,685	901,522
Current				
Interest-bearing debt	145,901		145,901	146,531
Accounts payable	5,915		5,915	5,915
Total	151,816		151,816	152,446

Book values and fair values of financial assets and liabilities by category at 31 December 2025

Financial assets

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

Financial liabilities

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

Fair value hierarchy of assets and liabilities valued at fair value

The fair values for level 1 are based on the quoted prices of similar assets or liabilities in active markets.

The fair values for level 2 instruments, in turn, are based largely on input data other than quoted prices used for level 1. The used information is, however, observable from the market either directly (i.e. as prices) or indirectly (i.e. derived from prices). The Group generally determines the fair value of these instruments using generally accepted valuation models, utilising input data that is largely based on verifiable market data. The fair value of derivatives has been determined as the present value of cash flows arising from the respective contracts.

The fair values of level 3 instruments are calculated based on the input data regarding the asset or liability. This input data is not based on verifiable market data, but rather rests largely on management estimates and utilising these estimates using generally accepted valuation models.

The determination of fair values is described in more detail in the Financial statements. During the reporting period, there were no transfers made between fair value hierarchy levels 1 and 2, nor to or away from level 3. The principle of the group is that any changes in the classification of items to be recorded at fair value are made at the end of the reporting period

30 June 2026 EUR thousand	Level 1	Level 2	Level 3	Total
Assets				
Forest assets			3,848,303	3,848,303
Receivables				
Additional purchase price of wind power transactions			19,326	19,326
Derivatives		28,654		28,962
Investments				
Unlisted shares			111	111
Total assets		**28,654**	**3,867,740**	**3,896,394**

30 June 2025 EUR thousand	Level 1	Level 2	Level 3	Total
Assets				
Forest assets			3,664,299	3,664,299
Receivables				
Additional purchase price of wind power transactions			19,298	19,298
Derivatives		28,962		28,962
Investments				
Unlisted shares			111	111
Total assets		28,962	3,683,709	3,712,671

31 December 2025

EUR thousand	Level 1	Level 2	Level 3	Total
Assets				
Forest assets			3,804,532	3,804,532
Receivables				
Additional purchase price of wind power transactions			19,232	19,232
Derivatives		30,185		30,185
Investments				
Unlisted shares			111	111
Investments in money market funds				
Total assets		**30,185**	**3,823,875**	**3,854,060**

Related party transactions

The following transactions were carried out with related parties:
Stora Enso Group owns 41% of the parent company Tornator's shares, which gives Stora Enso significant influence within the Group. The following transactions were carried out with Stora Enso:

EUR thousand	30 Jun 2026	30 Jun 2025	31 Dec 2025
Sales	94,584	97,781	220,282
Purchases	2	1	614
Receivables	64,530	63,723	45,264
Liabilities	23,042	22,016	33,853

Related party transactions occurred under the same terms and conditions as transactions between unrelated parties.

Employment benefits of management

EUR thousand	30 Jun 2026	30 Jun 2025	31 Dec 2025
Total paid remuneration for management team	1,143	1,071	1,444
Total amount was divided to following items			
Short term employment benefits	730	692	1,192
Post-employment benefits	413	379	252
Other long term employment benefits			
Board remuneration	54	46	91

Other collateral pledged by the Group on its own behalf

The group has pledged forest assets located in Finland as collateral for debts and has agreed with a financial institution on a limit to cover rental deposits and to verify soil remediation, which has been used as follows:

	30 Jun 2026	30 Jun 2025	31 Dec 2025
Pledged land-areas and biological assets, m€	2,689	2,399	2,689
Bank guarantee limit, 1000 euro	297	253	252

At 30 June 2026 Tornator's lease liabilities from short-term lease contracts amount to EUR 22 thousand.
At 30 June 2026 Tornator's lease liabilities from low-value lease contracts amount to EUR 65 thousand.