

HARVIA PLC

HALF-YEAR FINANCIAL REVIEW

JANUARY–JUNE 2023

HARVIA

Sauna & Spa

Healing with heat

HARVIA H1 2023: SOLID PROFITABILITY MAINTAINED, CHALLENGING MARKET CONDITIONS CONTINUED TO IMPACT REVENUE

HIGHLIGHTS OF THE REVIEW PERIOD

APRIL–JUNE 2023:

- Revenue decreased by 22.3% to EUR 35.8 million (46.0). At comparable exchange rates, revenue decreased by 21.3% to EUR 36.2 million. Organic revenue growth was -17.8%.
- Operating profit was EUR 7.8 million (8.7), making up 21.9% (19.0) of the revenue.
- Adjusted operating profit reached EUR 8.0 million (8.8), making up 22.3% (19.1) of the revenue. At comparable exchange rates, the adjusted operating profit was EUR 8.2 million (22.6% of the revenue).
- Operating free cash flow amounted to EUR 9.1 million (2.1) and cash conversion was 96.1% (19.8).

JANUARY–JUNE 2023:

- Revenue decreased by 20.3% to EUR 77.2 million (96.8). At comparable exchange rates, revenue decreased by 20.3% to EUR 77.2 million. Organic revenue growth was -17.0%.
- Operating profit was EUR 17.0 million (20.8), making up 22.1% (21.5) of the revenue.
- Adjusted operating profit reached EUR 17.3 million (20.9), making up 22.4% (21.6) of the revenue. At comparable exchange rates, the adjusted operating profit was EUR 17.4 million (22.5% of the revenue).
- Operating free cash flow amounted to EUR 20.8 million (9.1) and cash conversion was 102.2% (37.5). The change in net working capital increased the operating free cash flow and cash conversion.
- Net debt amounted to EUR 45.8 million (47.2) and leverage, calculated as net debt divided by 12 months' adjusted EBITDA, was 1.2 (0.9).
- Equity ratio was 46.3% (44.4).
- Earnings per share were EUR 0.62 (0.89).
- On 28 March 2023, the Board of Directors of Harvia plc appointed Matias Järnefelt as Harvia's CEO. Järnefelt started in his position on 1 June 2023.

KEY FIGURES

EUR million	4-6/2023	4-6/2022	Change	1-6/2023	1-6/2022	Change	1-12/2022
Revenue	35.8	46.0	-22.3%	77.2	96.8	-20.3%	172.4
EBITDA	9.4	10.4	-9.5%	20.1	24.1	-16.4%	41.2
% of revenue	26.2%	22.5%		26.1%	24.9%		23.9%
Items affecting comparability *	0.1	0.1	109.6%	0.2	0.1	217.4%	1.8
Adjusted EBITDA **	9.5	10.4	-8.8%	20.4	24.1	-15.7%	42.9
% of revenue	26.6%	22.7%		26.4%	24.9%		24.9%
Operating profit	7.8	8.7	-10.2%	17.0	20.8	-18.1%	34.7
% of revenue	21.9%	19.0%		22.1%	21.5%		20.1 %
Adjusted operating profit **	8.0	8.8	-9.3%	17.3	20.9	-17.4%	36.5
% of revenue	22.3 %	19.1 %		22.4%	21.6%		21.1%
Basic EPS (EUR)	0.28	0.40	-28.4%	0.62	0.89	-30.6%	1.45
Operating free cash flow	9.1	2.1	341.7%	20.8	9.1	129.7%	34.0
Cash conversion	96.1%	19.8%		102.2%	37.5%		79.1%
Investments in tangible and intangible assets	-0.9	-1.2	-25.8%	-1.2	-2.1	-45.0%	-3.6
Net debt	45.8	47.2	-2.9%	45.8	47.2	-2.9%	54.5
Leverage	1.2	0.9		1.2	0.9		1.3
Net working capital	36.5	55.8	-34.7%	36.5	55.8	-34.7%	45.3
Adjusted return on capital employed (ROCE)	47.7%	80.9%		47.7%	80.9%		54.5%
Equity ratio	46.3%	44.4%		46.3%	44.4%		47.3%
Number of employees at end of period	619	821	-24.6%	619	821	-24.6%	633

* Consists of items outside the ordinary course of business, relating to the Group's strategic development projects, acquisitions, business divestments, restructuring and loss on sale of fixed assets, and affecting comparability.

** Adjusted by items affecting comparability.

FINANCIAL TARGETS AND OUTLOOK

The company has set long-term targets related to growth, profitability and leverage. Harvia targets an average annual revenue growth of more than 5%, an adjusted operating profit margin exceeding 20% and a net debt/adjusted EBITDA between 1.5x–2.5x in the long term. The future impacts of changes in IFRS reporting standards have been excluded in the net debt/adjusted EBITDA ratio target.

Harvia does not publish a short-term outlook.

Harvia's dividend policy is to pay a regularly increasing dividend with a bi-annual payout.

MATIAS JÄRNEFELT, CEO:

In the second quarter of 2023, Harvia again showed great ability to maintain solid profitability and high cash flow in challenging and mixed market conditions. Our sales performance continued to be weakened by low consumer confidence, elevated inflation and high interest rates in several key markets.

In the second quarter of 2023, our revenue reached EUR 35.8 million, showing a decline of 22.3% compared to last year.

The market conditions and our sales performance continued to differ significantly between market areas also in the second quarter. In Europe, low consumer confidence, elevated inflation, high interest rates and the resulting caution in discretionary spending had a negative impact on our sales especially in the DACH region, and there was decline also in Finland and Scandinavia. The impact was felt across product categories, even though the sales of steam generators and heater stones showed better resilience. Additionally, we have seen some signs of sauna and spa market seasonality moving towards the pre-pandemic pattern where the demand is slightly lower during summer and higher in the first and last quarter of the year.

In North America, Harvia delivered solid growth as the overall market continued on a growth trajectory. The strong North American sales performance supported the entire Group's sauna sales. The demand in Other markets was on a healthy level, but compared to second quarter last year, our sales result there was negatively affected by the complete exit from Russia, as well as lower project invoicing especially in the Middle East and Africa. However, our work to accelerate sales in many Asian markets, including increasing our footprint in Japan through a joint venture, progressed well and according to our plans.

The second quarter's adjusted operating profit reached EUR 8.0 million, decreasing 9.3% from last year and amounting to 22.3% of revenue. Once again, we succeeded well in adjusting our operations, costs, and pricing to the prevailing market environment without compromising our service level. While inflation remained elevated in the second quarter, we witnessed some easing of cost pressure in certain key materials and components. Our actions in net working capital management together with a moderate investment level contributed positively to Harvia's operating free cash flow, which was strong at EUR 9.1 million in the second quarter. All this reflects the excellent work done by team Harvia and our partners, for which I would like to express my thanks and appreciation.

Going forward, and in addition to all current actions, we will continue to increase our growth efforts especially in the strong North American market, as well as in Asia and other emerging markets. While the market conditions in the DACH region and more widely in Europe do not yet show clear signs of recovery, there are areas where we can act to further strengthen our position. In addition, we will continue to monitor closely the developments in market demand and cost levels and will adjust our pricing, operations, and cost structure in an agile manner also in the future.

We will remain fully focused on Harvia's strategic cornerstones of geographical expansion, increasing the average purchase value and systematic improvement of productivity. Our long-term financial targets are unchanged. We will continue to seek organic growth through our sales activities and progress in our innovation pipeline. We will continue actively identifying and evaluating strategic opportunities on the M&A front. Looking to the future, I feel confident that Harvia will continue to strengthen its position as the number one player in the attractive sauna and spa industry.



MARKET REVIEW

According to Harvia's estimate, there are approximately 18 million saunas in the world. This large sauna base provides significant business arising from the replacement of saunas and sauna heaters. Historically, the sauna and spa market has grown annually by an average of 5%. Due to the stable demand that arises from the need to replace sauna heaters regularly, the sauna and spa market has been traditionally resilient to economic downturns. This is true especially for the more mature sauna markets.

During the COVID-19 induced lockdowns prior to 2022, the sauna and spa market enjoyed growth significantly above its historical average. The growth was fueled by increasing awareness of the health benefits of sauna and the home improvement boom boosted by the pandemic. This so-called advance demand was driven by the increased demand for new saunas and equipment, and to a lesser extent by the replacement demand. The pandemic-driven advance demand faded away in the second quarter of 2022 as pandemic restrictions in key markets were lifted, but the increasing awareness of sauna and its health benefits have continued also after the pandemic. In 2023, there have been signs of return to pre-pandemic seasonality where the sauna and spa market witnesses slightly stronger demand in the early and late part of the year and lower during the summer months.

Starting from February 2022, the Russian invasion of Ukraine has directly impacted Russia, Ukraine, and adjacent markets as well as indirectly especially the European sauna and spa market through high economic uncertainty, elevated inflation and eroded consumer confidence. The indirect impact was felt first and heaviest in the lower segment of electric heaters in Germany, but towards the end of 2022, it spread also to the professional and premium segments. In the second quarter of 2023, the low consumer confidence and resulting weaker demand continued to affect the sauna and spa market most heavily in the DACH region, but the impacts were visible throughout Europe. This was true also for Finland and Scandinavia where demand has traditionally been very resilient in economic downturns.

Outside Europe, especially in North America and Asia, the sauna and spa market has continued growing, even if the growth pace has settled from the pandemic-fueled pace. The strong growth in North America has been heavily supported by the growing awareness of sauna and its health benefits as well as strong consumer confidence and economic conditions. The demand in emerging market areas continues to be skewed towards more high-end products, especially compared to Finland. The increase in the popularity of sauna, low but increasing sauna penetration, and resilient high-end demand continue to support market growth in the more emerging sauna and spa markets.

According to the management's estimate, Harvia's share of the sauna and spa market has increased during the last few years. In 2022, Harvia's share of the sauna and spa market was estimated to be 5%. The company's share of the sauna heater and sauna component market is estimated to be over 20%. The company's management estimates that Harvia has the leading position in the global sauna and spa market.

REVENUE

Starting from the first quarter of 2023, Harvia has reported its revenue by market area and by product group in accordance with the tables below.

REVENUE BY MARKET AREA

EUR thousand	4-6/2023	4-6/2022	Change	1-6/2023	1-6/2022	Change	2022
Finland	7,752	10,380	-25.3%	17,458	22,079	-20.9%	36,414
Scandinavia	1,912	2,618	-26.9%	3,829	4,701	-18.6%	9,530
Germany	3,694	6,423	-42.5%	8,329	14,991	-44.4%	26,109
Other European countries	9,786	11,963	-18.2%	21,086	25,349	-16.8%	46,405
North America	10,301	8,949	15.1%	21,399	18,536	15.4%	36,112
Other countries*	2,333	5,692	-59.0%	5,062	11,192	-54.8%	17,838
Total	35,779	46,024	-22.3%	77,163	96,848	-20.3%	172,408

* The largest of which: Middle East and Africa and Asia. Other countries includes also Russia. There was no revenue in Russia in the reporting period, but the revenue was EUR 2,601 thousand in 4-6/2022, EUR 4,942 thousand in 1-6/2022 and EUR 7,454 in 1-12/2022.

REVENUE BY PRODUCT GROUP

EUR thousand	4-6/2023	4-6/2022	Change	1-6/2023	1-6/2022	Change	2022
Heating equipment *	18,390	24,199	-24.0%	42,525	52,816	-19.5%	93,719
Saunas and Scandinavian hot tubs	11,078	13,377	-17.2%	21,652	26,901	-19.5%	47,950
Steam generators	1,129	1,226	-7.9%	2,288	2,756	-17.0%	4,989
Accessories and heater stones	1,856	2,032	-8.7%	3,970	4,465	-11.1%	8,187
Spare parts and services	3,326	5,189	-35.9%	6,728	9,910	-32.1%	17,564
Total	35,779	46,024	-22.3%	77,163	96,848	-20.3%	172,408

* Sauna heaters, control units, IR components

APRIL-JUNE 2023

The Group's revenue decreased in April-June by 22.3% to EUR 35.8 million (46.0). At comparable exchange rates, revenue decreased by 21.3% to EUR 36.2 million. Organic revenue growth was -17.8%. Revenue increased in North America but decreased compared to the previous year in all other market areas, especially in Germany. Revenue in Other countries fell, driven mainly by the exit from Russia in 2022 but to some extent also by the decline in project invoicing in the Middle East and Africa. However, sales in Asia and Pacific countries grew.

Revenue decreased in all product groups in April-June. The revenue from saunas grew in North America and Asia but decreased in all other market areas. The revenue from Scandinavian hot tubs decreased significantly, especially in Finland, Other European Countries and Scandinavia, whereas sales developed positively in North America and Asia. Sauna heater revenue grew in North America but decreased in other market areas, especially in Germany and Finland. The revenue of steam generators grew in Other European countries, but decreased in other market areas. The revenue from heater stones and accessories grew in North America and Finland but decreased in other market areas. Sales of spare parts and services decreased significantly to comparison period due to both general market development and the exit from Russia in 2022.

JANUARY–JUNE 2023

The Group's revenue decreased in January–June by 20.3% to EUR 77.2 million (96.8). At comparable exchange rates, revenue decreased by 20.3% to EUR 77.2 million. Organic revenue growth was -17.0%. Revenue increased in North America but decreased compared to the previous year in all other market areas, especially in Germany. Revenue in Other countries fell, driven mainly by the exit from Russia in 2022 but to some extent also by the decline in project invoicing in the Middle East and Africa. However, sales in Asia and Pacific countries grew.

Revenue decreased in all product groups in January–June. The revenue from saunas grew in North America as well as in Asia and Pacific countries, but decreased elsewhere. The revenue of Scandinavian hot tubs decreased significantly especially in Finland, while demand in Other European countries remained more stable. Sauna heater revenue increased in North America but decreased in other market areas, especially in Germany. Energy-driven consumer preferences supported the sales of wood-burning heaters in the beginning of the year. The revenue development of steam generators was affected especially by the exit from Russia, while sales in Other European countries developed positively. Revenue from heater stones and accessories grew in North America and in Asia and Pacific countries, but declined elsewhere along with the general downward trend of sales. Sales of spare parts and services decreased to comparison period due to both general market development and the exit from Russia in 2022.

RESULT

APRIL–JUNE 2023

Operating profit for April–June decreased to EUR 7.8 million (8.7) and the operating profit margin increased to 21.9% (19.0). The operating profit included EUR 0.1 million (0.1) of items affecting comparability, mainly related to business transactions and restructuring. Changes in exchange rates weakened the operating profit by approximately EUR 0.2 million, which was caused mainly by the weakening of the U.S. dollar.

Adjusted operating profit decreased to EUR 8.0 million (8.8) and the adjusted operating profit margin increased to 22.3% (19.1). The net financial items for April–June were EUR -0.9 million (1.0). In the comparison period, the net financial items were positive due to the change in the fair value of the interest rate swap. The value of the swap contract increases when interest rates are expected to rise.

Profit before taxes was EUR 7.0 million (9.8). The Group's taxes amounted to EUR -1.7 million (-2.0).

The result for April–June was EUR 5.3 million (7.8) and undiluted earnings per share were EUR 0.28 (0.40).

JANUARY–JUNE 2023

Operating profit for January–June decreased to EUR 17.0 million (20.8) and the operating profit margin was 22.1% (21.5). The operating profit included EUR 0.2 million (0.1) of items affecting comparability, mainly related to acquisitions and restructuring. Changes in exchange rates weakened the operating profit by approximately EUR 0.1 million, which was caused mainly by the value changes of the U.S. dollar.

Adjusted operating profit decreased to EUR 17.3 million (20.9) and the adjusted operating profit margin was 22.4% (21.6). The net finance costs for the review period were EUR -1.8 million (1.8). In the comparison period, the net financial items were positive due to the change in the fair value of the interest rate swap.

Profit before taxes was EUR 15.3 million (22.6). The Group's taxes amounted to EUR -3.7 million (-5.2).

The result for January–June was EUR 11.6 million (17.4) and undiluted earnings per share were EUR 0.62 (0.89).

FINANCIAL POSITION AND CASH FLOW

Balance sheet total at the end of June 2023 was EUR 209.5 million (30 June 2022: 217.1), of which equity accounted for EUR 96.6 million (95.1).

At the end of June 2023, the company's net debt amounted to EUR 45.8 million (47.2). Loans from credit institutions were EUR 75.4 million (60.4) and lease liabilities were EUR 2.1 million (2.8). Cash and cash equivalents at the end of the review period amounted to EUR 31.7 million (16.0). Leverage was 1.2 (0.9) at the end of the review period.

Equity ratio was 46.3% (44.4) at the end of the review period. The adjusted return on capital employed (ROCE) was 47.7% (80.9).

In January–June, Harvia's operating free cash flow was EUR 20.8 million (9.1) and cash conversion was 102.2% (37.5).

INVESTMENTS, RESEARCH AND PRODUCT DEVELOPMENT

Harvia Group's investments in tangible and intangible assets in January–June amounted to EUR 1.2 million (2.1). During the review period, Harvia made only minor investments to maintain and improve its factories. Harvia improved its energy efficiency in several factories and increased automation in its factories in the USA and Germany. In addition, Harvia upgraded air conditioning and lighting to improve working conditions at the factories in Muurame and the USA.

The Group's research and development expenditure recognized as expenses amounted to EUR 1.1 million (1.2). In 2023, Harvia is focusing on its strategic priorities: increasing the average purchase value by launching new products especially in the sauna category, expanding geographically by getting approvals for products in new markets, and improving productivity by focusing on quality, increasing automation and improving the efficiency of production processes. In addition, Harvia continues to improve its customer satisfaction to be able to serve its customers in the best possible way.

ACQUISITIONS AND DIVESTMENTS

On 10 March 2023, Harvia announced that it had received the necessary approvals from Russian authorities to close the divestment of its ownership in EOS Group's Russian operations. On 7 November 2022, Harvia had signed an agreement to sell its 80.0% shareholding of EOS Russia to Mr. Vasilij Sosnov. The company has not been consolidated in the Harvia Group figures as of November 2022.

On 7 March 2023, Harvia Plc and Bergman Ltd signed a letter of intent to create a joint venture in Japan with the mission to become a substantial local player in the attractive and growing Japanese sauna and spa market. Harvia will own 51% and Bergman 49% of the company. The cooperation to establish the joint venture progressed according to plans during the second quarter of 2023. The objective is to establish the joint venture later this year.

CORPORATE RESPONSIBILITY

Sustainability is a part of everyday life at Harvia – the company's operations and products have been developed sustainably already for over 70 years, as Harvia has developed from a traditional sauna and heater manufacturer into a leading player in the international sauna and spa market.

Harvia has a sustainability program based on four commitments: Good and Healthy Living, Responsible Experience and Enjoyment, Minimizing the Ecological Footprint and maintaining a Safe and Warm Community, which includes employees, partners, customers and other stakeholders. Harvia's corporate responsibility and the commitments were presented in more detail in the Annual Report 2022.

For 2023, Harvia has made a sustainability plan according to its commitments. The company follows its sustainability targets with various KPIs, and management remuneration is tied to the company's sustainability targets. In 2023, Harvia has already improved group-wide work safety reporting, launched new wellbeing at work projects, taken actions to reduce energy consumption at its factories, and decreased its transportation carbon footprint by paying for more sustainable marine fuels.

PERSONNEL

The number of personnel employed by the Group at the end of June 2023 was 619 (821) and averaged 621 (829) in January–June. Of the personnel at the end of June, 262 (322) worked in Finland, 114 (157) in Germany, 75 (136) in Romania, 69 (64) in the United States, 60 (64) in China and Hong Kong, 31 (41) in Austria, 6 (9) in Estonia, and 2 (2) in Sweden.

The decrease in the number of personnel at the end of June compared to the previous year was mainly due to personnel reductions after change negotiations in Finland and restructuring in other countries in 2022. In addition, the exit from Russia in 2022 has impacted the personnel figures. In the comparison period, Harvia employed 26 people in Russia.

SHARES AND SHAREHOLDERS

Harvia's registered share capital is EUR 80,000 and at the end of June 2023, the company had 18,694,236 (18,694,236) fully paid shares. The share trading volume in January–June was EUR 106.4 million (494.5) and 4,881,668 shares (13,092,039). The share's volume weighted average price during the review period was EUR 21.79 (29.64), the highest price was EUR 25.96 (33.22) and the lowest EUR 17.41 (26.54). The closing price of the share at the end of June 2023 was EUR 23.10 (27.06). The market value of the share capital on 30 June 2023 was EUR 431.8 million (505.7) including treasury shares. At the end of June 2023, Harvia Plc held a total of 9,637 own shares, corresponding to 0.05% of the total number of shares.

At the end of June, the number of registered shareholders was 43,945 (45,586), including nominee registers. At the end of the review period, nominee-registered and direct foreign shareholders held 43.0% (40.8) of the company's shares. The ten largest shareholders held a total of 20.7% (20.6) of Harvia's shares and votes at the end of June 2023.

GOVERNANCE

On 28 March 2023, the Board of Directors of Harvia appointed Matias Järnefelt as Harvia's new CEO. On 17 November 2022, Harvia had announced that Tapio Pajuharju, CEO of Harvia Plc, had resigned from his position. Pajuharju continued in his role until 31 May 2023, and Järnefelt started in his position on 1 June 2023.

The Annual General Meeting of Harvia, held on 20 April 2023, approved the financial statements and discharged the members of the Board of Directors and the company's CEO from liability for the financial year 2022. The Annual General Meeting approved in an advisory decision the remuneration report for the governing bodies.

The Annual General Meeting approved the Board of Directors' proposal that EUR 0.64 per share be paid as dividend and that the remainder of the distributable funds be transferred to shareholders' equity. The dividend is paid in two installments. The first installment, EUR 0.32 per share, was paid to shareholders who were registered in the shareholders' register maintained by Euroclear Finland Ltd on the record date of the dividend of 24 April 2023. This installment of the dividend was paid on 2 May 2023. The second installment, EUR 0.32 per share, will be paid on 30 October 2023. The record date of the dividend date would then be 23 October 2023.

The Annual General Meeting resolved that the Board of Directors consists of six members. Olli Liitola, Anders Holmén, Hille Korhonen and Heiner Olbrich were re-elected to the Board of Directors and Markus Lengauer and Catharina Stackelberg-Hammarén were elected as new members of the Board of Directors. Authorized Public Accounting firm PricewaterhouseCoopers Oy was elected as the Auditor of the company and Markku Katajisto, Authorized Public Accountant, will act as the Responsible Auditor.

The Board of Directors was authorized to resolve on the repurchase of a maximum of 934,711 shares in the company in one or several tranches. The maximum number of shares to be repurchased represents approximately 5% of all the shares in the company on the date of the Annual General Meeting. The authorization may be used for the purposes of the company's share-based incentive systems and other matters decided by the Board of Directors. The authorization is valid until the closing of the next Annual General Meeting, but no longer than until 30 June 2024.

Olli Liitola was elected Chair and Heiner Olbrich Vice Chair of the Board of Directors at the Board of Directors' organizing meeting on 20 April 2023. The Board of Directors elected from among its members Hille Korhonen (Chair), Anders Holmén and Heiner Olbrich as members of the Audit Committee.

The full resolutions by the Annual General Meeting as well as the decisions by the organizational meeting of the Board of Directors have been published in stock exchange releases on 20 April 2023.

On 3 May 2023, The Board of Directors of Harvia Plc decided on a directed share issue without consideration for the payment of rewards earned under the company's share-based incentive program. The share payments concerned the performance period 2020–2022 of the company's share-based incentive program launched in 2020. In the share issue conducted on 30 May 2023, 9,109 own shares held by the company were transferred without consideration to the key employees participating in the share-based incentive program in accordance with the program-specific terms and conditions. On same day, based on the decision of the General Meeting, Harvia Oyj transferred a total of 2,328 own shares possessed by the company to members of the Board of Directors of Harvia Oyj as part of the Board's remuneration. After the transfer of shares as part of the board remuneration and the shares transferred at the same time under the incentive program, the company holds a total of 9,637 own shares.

The Board of Directors of Harvia Plc decided on 26 June 2023 to continue the Long-term Performance Share Plan for the management team and other key employees for the performance period 2023–2025. In the performance period 2023–2025, the plan has 16 participants at most and the targets for the performance period relate to the company's total shareholder return, revenue growth, CO₂ emissions and EBIT margin. The maximum number of Harvia Plc shares to be paid based on the performance period 2023–2025 is 61,600. This number of shares represents the gross earning, from which the withholding of tax and possible other applicable contributions are deducted and the remaining net amount is paid in shares. However, the company has the right to pay the reward fully in cash under certain circumstances. Potential rewards from the performance period 2023–2025 will be paid out during spring 2026.

RISKS AND UNCERTAINTIES

General economic, social and political conditions impact Harvia's operating environment. Economic uncertainty in Finland, Europe, North America or more widely across the globe can affect the company's business in many ways and make accurate predictions and planning of future business more difficult than usual. Harvia is familiar with operating successfully in an environment shaped by changing market conditions, but the full impact of all changes in different markets is difficult to foresee, as the situation is in constant change.

Changes in consumer confidence and the resulting demand implications impact directly Harvia's business. Especially in the direct-to-consumer market, deteriorating consumer confidence can result in individual consumers postponing investments in new saunas and components, and to a lesser extent, in postponing replacement demand. In addition, the availability of energy and energy prices may impact consumer confidence and the frequency of sauna usage.

The Russian invasion of Ukraine has impacted Harvia directly and indirectly. The direct impact relates to Russia, Ukraine and the adjacent markets. The indirect impact of the war in the market has been visible in the higher raw material prices, increased inflation, reduced consumer confidence and increased energy prices. Related energy saving measures were notable especially in Europe between fall 2022 and spring 2023. Harvia suspended its operations in Russia at the beginning of March 2022 due to the war in Ukraine and completed its exit from Russia by selling its 80% share in EOS Russia in November 2022. The transaction was closed in March 2023 after receiving relevant approvals from Russian authorities. Developments related to the war and its impacts as well as other geopolitical events can further affect Harvia either directly or indirectly.

The increase in cyber threats worldwide alongside the growing dependency on digital infrastructure cause risks to Harvia's business and its critical data. While the Group continuously takes actions to prepare for these risks and protect its digital infrastructure, operations and people against them, cyber threats in many forms can potentially affect Harvia. This could occur either directly by disrupting or endangering Harvia's daily operations or compromising data or indirectly through attacking Harvia's suppliers or customers, and thus can potentially result in financial, operational or reputational damage to the company.

The self-sufficiency of the Group's manufacturing process, the backup supplier system for materials and the widely dispersed customer base balance potential strategic risks. Production is based on the company's own design and patents, and these are used to manage potential operational risks. Damage risks are covered with insurances where possible, and their coverage is assessed annually together with the insurance company.

The Group's loans consist of long-term liabilities. The loans include covenants, which in unfavorable business conditions may require new financing negotiations with the bank. The company protects itself from interest risks arising from bank loans with interest rate swaps amounting to EUR 36.5 million.

Harvia has business operations in several countries. Harvia is exposed to transaction and translation risks mainly relating to the U.S. dollar. Exchange rate risks have thus far not been significant for the Group, and Harvia has not protected itself from these risks with currency derivatives.

The principles of Harvia's financing risk management were described in the Consolidated Financial Statements 2022 and the general principles of risk management on the company's website at www.harviagroup.com.

EVENTS AFTER THE REVIEW PERIOD

Harvia had no significant events after the reporting period.

FINANCIAL RELEASES IN 2023

Harvia will publish its interim reports in 2023 as follows:

2 November 2023, January–September 2023 interim report

MUURAME, 9 AUGUST 2023

HARVIA PLC
Board of Directors

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PRESS CONFERENCE ON FINANCIAL RESULTS

Harvia will hold a webcast for analysts, investors and media on 10 August 2023 at 11:00 a.m. EEST. The conference will be held in English. Harvia's CEO Matias Järnefelt and CFO Ari Vesterinen will host the event. The webcast can be followed at <https://harvia.videosync.fi/2023-08-10-q2results>.

A recording of the webcast will be available later on the company's website <https://harviagroup.com/investor-relations/>.

HARVIA PLC HALF-YEAR FINANCIAL REVIEW JANUARY–JUNE 2023

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

EUR thousand	Note	4-6/2023	4-6/2022	1-6/2023	1-6/2022	1-12/2022
Revenue	2.1	35,779	46,024	77,163	96,848	172,408
Other operating income		133	158	235	262	734
Materials and services		-12,538	-19,092	-28,455	-40,246	-70,150
Employee benefit expenses		-7,395	-8,250	-14,857	-16,636	-30,832
Other operating expenses	2.2	-6,594	-8,466	-13,953	-16,154	-30,036
Depreciation and amortization		-1,544	-1,643	-3,094	-3,259	-6,494
Impairment of assets of the sold subsidiary*						-952
Operating profit		7,841	8,732	17,040	20,815	34,678
Share in profits and losses of associated companies		-167	62	-232	85	26
Finance income		203	893	931	1,243	2,394
Finance costs		-916	-856	-2,444	-1,612	-3,553
Changes in fair values		5	945	-42	2,063	3,243
Financial items		-874	1,045	-1,787	1,779	2,110
Profit before income taxes		6,967	9,778	15,252	22,594	36,788
Income taxes		-1,650	-2,007	-3,674	-5,164	-8,719
Profit for the period		5,316	7,770	11,579	17,430	28,068
Attributable to:						
Owners of the parent		5,312	7,412	11,572	16,660	27,080
Non-controlling interests**		4	359	7	770	988
Other comprehensive income						
Items that may be reclassified to profit or loss in subsequent periods:						
Translation differences		-805	2,175	-1,582	2,406	326
Items that will not be reclassified to profit or loss:						
Actuarial gains and losses						598
Other comprehensive income, net of tax		-805	2,175	-1,582	2,406	925
Total comprehensive income		4,511	9,945	9,997	19,836	28,993
Attributable to:						
Owners of the parent		4,507	9,587	9,991	19,066	28,005
Non-controlling interests**		4	359	7	770	988
Earnings per share for profit attributable to the owners of the parent:						
Basic EPS (EUR)	2.3	0.28	0.40	0.62	0.89	1.45
Diluted EPS (EUR)	2.3	0.29	0.39	0.62	0.89	1.44

* Includes the fair value consideration of sold assets and translation differences related to EOS Russia disposal

** Kirami AB non-controlling interests

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

EUR thousand	Note	30-Jun-2023	30-Jun-2022	31-Dec-2022
ASSETS				
Non-current assets				
Intangible assets		9,595	11,964	10,463
Goodwill		73,419	73,817	73,438
Property, plant and equipment		26,174	28,235	27,098
Right-of-use assets*		1,859	2,491	2,144
Investments in associated companies		495	811	727
Derivative financial instruments		3,202	1,578	3,243
Deferred tax assets		1,373	1,576	1,367
Total non-current assets		116,115	120,474	118,481
Current assets				
Inventories	3	40,649	55,029	45,324
Trade and other receivables	3	19,700	25,465	18,674
Income tax receivables		1,320	159	1,010
Cash and cash equivalents	4	31,726	16,009	25,310
Total current asset		93,394	96,661	90,318
Total assets		209,510	217,135	208,799
EQUITY AND LIABILITIES				
Equity				
Share capital		80	80	80
Other reserves		32,099	31,810	33,426
Retained earnings		51,816	42,293	36,687
Profit for the period		11,572	16,660	27,080
Equity attributable to owners of the parent		95,567	90,844	97,273
Non-controlling interests		1,079	4,284	1,072
Total equity		96,646	95,128	98,345
Liabilities				
Non-current liabilities				
Loans from credit institutions	4	75,412	56,390	75,389
Lease liabilities	4	1,629	2,198	1,848
Deferred tax liabilities		1,420	2,030	1,673
Employee benefit obligations		1,897	2,595	1,897
Other non-current liabilities**		3,781	22,435	3,609
Provisions		296	352	331
Total non-current liabilities		84,435	86,000	84,747
Current liabilities				
Loans from credit institutions	4	12	4,041	2,028
Lease liabilities	4	470	565	574
Employee benefit obligations		174	188	174
Income tax liabilities		3,634	6,240	3,960
Trade and other payables	3	23,881	24,660	18,679
Provisions		258	313	292
Total current liabilities		28,430	36,007	25,707
Total liabilities		112,864	122,007	110,454
Total equity and liabilities		209,510	217,135	208,799

* Previously "leased assets"

** Other non-current liabilities include minority redemption liabilities and purchase price liabilities resulting from acquisitions. The minority share of German EOS Group was acquired at the end of July 2022.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

EUR thousand	Share capital	Invested unrestricted equity reserve	Translation differences	Retained earnings	Equity attributable to owners of the parent	Non-controlling interests	Total
Equity at 1 January 2022	80	32,047	539	47,886	80,552	3,598	84,149
Share-based incentive plan		281			281		281
Dividend distribution				-5,593	-5,593	-83	-5,676
Revaluation of minority redemption liability		-1,710			-1,710		-1,710
Share-based payments		-1,752			-1,752		-1,752
Total transactions with shareholders		-3,181		-5,593	-8,774	-83	-8,857
Profit for the period				16,660	16,660	770	17,430
Other comprehensive income			2,406		2,406		2,406
Total comprehensive income			2,406	16,660	19,066	770	19,836
Equity at 30 June 2022	80	28,866	2,944	58,953	90,844	4,284	95,128
Equity at 1 January 2022	80	32,047	539	47,886	80,552	3,598	84,149
Share-based incentive plan		557			557		557
Dividend distribution				-11,200	-11,200	-127	-11,327
Revaluation of minority redemption liabilities		1,516			1,516		1,516
Redemption of the share of non-controlling interest						-3,387	-3,387
Repurchase of own shares		-313			-313		-313
Share-based payments		-1,844			-1,844		-1,844
Total transactions with shareholders		-83		-11,200	-11,283	-3,514	-14,798
Profit for the period				27,080	27,080	988	28,068
Actuarial gains and losses		598			598		598
Other comprehensive income			326		326		326
Total comprehensive income		598	326	27,080	28,005	988	28,993
Equity at 31 December 2022	80	32,562	865	63,766	97,273	1,072	98,345
Equity at 1 January 2023	80	32,562	865	63,766	97,273	1,072	98,345
Share-based incentive plan		414			414		414
Dividend distribution				-11,951	-11,951		-11,951
Share-based payments		-160			-160		-160
Total transactions with shareholders		254		-11,951	-11,697		-11,697
Profit for the period				11,572	11,572	7	11,579
Other comprehensive income			-1,582		-1,582		-1,582
Total comprehensive income			-1,582	11,572	9,991	7	9,997
Equity at 30 June 2023	80	32,815	-717	63,387	95,567	1,079	96,646

CONSOLIDATED STATEMENT OF CASH FLOWS

EUR thousand	Note	4-6/2023	4-6/2022	1-6/2023	1-6/2022	1-12/2022
Cash flows from operating activities						
Profit before taxes		6,966	9,777	15,252	22,594	36,788
Adjustments						
Depreciation and amortization		1,544	1,643	3,094	3,259	7,446
Finance income and finance costs		874	-1,045	1,787	-1,779	-2,110
Other adjustments		245	-1,554	267	-1,467	311
Cash flows before changes in working capital		9,630	8,821	20,401	22,607	42,436
Change in working capital						
Increase (-) / decrease (+) in trade and other receivables	3	624	2,640	-2,494	-3,276	495
Increase (-) / decrease (+) in inventories	3	365	-2,173	4,702	-7,546	-852
Increase (+) / decrease (-) in trade and other payables	3	-496	-7,668	-599	-2,151	-5,014
Cash flows from operating activities before financial items and taxes		10,122	1,619	22,009	9,633	37,065
Interest and other finance costs paid		-25	-11	-95	-40	-39
Interest and other finance income received		49	42	80	51	6
Income taxes paid/received		-2,387	-1,588	-4,569	-5,923	-12,697
Net cash from operating activities		7,759	63	17,425	3,721	24,335
Cash flows from investing activities						
Purchases of tangible and intangible assets		-867	-1,168	-1,163	-2,115	-3,587
Sale of tangible and intangible assets		89	42	89	42	48
Proceeds from sale of subsidiaries, net of cash						104
Net cash from investing activities		-778	-1,126	-1,074	-2,073	-3,435
Cash flows from financing activities						
Acquisition of treasury shares						-312
Transactions with non-controlling interests						-19,000
Proceeds from non-current loans	4.1					19,000
Repayment of non-current liabilities	4.1	2	-4	2	-8	-101
Proceeds from current loans	4.1		4,044		4,044	2,000
Repayment of current liabilities	4.1	-9	-4	-2,015	-48	-17
Repayment of lease liabilities		-236	-83	-461	-176	-518
Interest and other finance costs paid	4.1	-690	24	-1,096	-87	-1,022
Dividends paid		-5,975	-5,593	-5,975	-5,676	-11,327
Net cash from financing activities		-6,909	-1,615	-9,546	-1,952	-11,297
Net change in cash and cash equivalents		73	-2,679	6,806	-303	9,604
Cash and cash equivalents at beginning of period		31,908	17,820	25,310	15,488	15,488
Exchange gains/losses on cash and cash equivalents		-255	868	-390	824	218
Cash and cash equivalents at end of period		31,726	16,009	31,726	16,009	25,310

NOTES TO THE GROUP'S HALF-YEAR FINANCIAL REVIEW 2023

1. BASIS OF PREPARATION

Basis of preparation

Harvia's interim information has been prepared in compliance with the IAS 34 Interim Financial Reporting standard. Interim information does not contain all the notes presented in the Consolidated Financial Statements 2022 and should therefore be read in conjunction with the Consolidated Financial Statements 2022 prepared in accordance with IFRS. The same accounting principles have been applied to the interim information as to the consolidated financial statements.

Harvia's Board of Directors has approved this Half-year Report in its meeting on 9 August 2023. The figures in this half-year report are not audited. The figures have been rounded, and consequently, the sum of individual figures may deviate from the presented sum figure.

Accounting estimates and management judgements made in preparation of the interim information

The preparation of interim information requires management to make accounting estimates and judgements as well as assumptions that affect the application of the preparation principles and the accounting estimates on assets, liabilities, income and expenses. Actual results may differ from previously made estimates and judgements. Estimates and judgements are reviewed regularly. Changes in estimates are presented in the period during which the change occurs, if the change only affects one period. If it affects both the period under review and following periods, the changes are presented in the period under review and following periods.

The significant management judgements and accounting estimates concerning key uncertainty factors in connection with the preparation of this interim information are identical to those that were applied in the Consolidated Financial Statements for 2022.

2. GROUP PERFORMANCE

2.1 GROUP REVENUE

Harvia follows its revenue at the product group level. The Group's product and service offerings have been divided into five groups: heating equipment, saunas and Scandinavian hot tubs, steam generators, accessories and heater stones, and spare parts and services. Each product group includes products suitable for different customer categories to meet different customer needs. The largest customer category of the Group consists of retailers and wholesale customers who sell products to builders or end customers.

Revenue by market area

EUR thousand	4-6/2023	4-6/2022	Change	1-6/2023	1-6/2022	Change	2022
Finland	7,752	10,380	-25.3%	17,458	22,079	-20.9%	36,414
Scandinavia	1,912	2,618	-26.9%	3,829	4,701	-18.6%	9,530
Germany	3,694	6,423	-42.5%	8,329	14,991	-44.4%	26,109
Other European countries	9,786	11,963	-18.2%	21,086	25,349	-16.8%	46,405
North America	10,301	8,949	15.1%	21,399	18,536	15.4%	36,112
Other countries*	2,333	5,692	-59.0%	5,062	11,192	-54.8%	17,838
Total	35,779	46,024	-22.3%	77,163	96,848	-20.3%	172,408

* The largest of which: Middle East and Africa and Asia. Other countries includes also Russia. There was no revenue in Russia in the reporting period, but the revenue was EUR 2,601 thousand in 4-6/2022, EUR 4,942 thousand in 1-6/2022 and EUR 7,454 in 1-12/2022.

Revenue by product groups

EUR thousand	4-6/2023	4-6/2022	Change	1-6/2023	1-6/2022	Change	2022
Heating equipment * Saunas and Scandinavian hot tubs	18,390	24,199	-24.0%	42,525	52,816	-19.5%	93,719
Steam generators	1,129	1,226	-7.9%	2,288	2,756	-17.0%	4,989
Accessories and heater stones	1,856	2,032	-8.7%	3,970	4,465	-11.1%	8,187
Spare parts and services	3,326	5,189	-35.9%	6,728	9,910	-32.1%	17,564
Total	35,779	46,024	-22.3%	77,163	96,848	-20.3%	172,408

* Sauna heaters, control units, IR components

2.2 OPERATING EXPENSES

Other operating expenses for the period 1 January – 30 June 2023 include items affecting comparability of EUR 218 thousand (69) that are related to the Group's strategic development projects, acquisitions, divestments or loss on sales of fixed assets, restructuring and affect the comparability between the different periods. Further information on these items is given in Appendix 1 Key figures and calculation of key figures.

2.3 EARNINGS PER SHARE

Basic earnings per share are calculated by dividing the profit for the period attributable to the owners of the parent company by the weighted average number of shares outstanding during the financial period. Diluted earnings per share are calculated on the same basis as basic earnings per share, but they take into consideration the effects associated with any obligations of the parent company arising from a possible share issue in the future.

EUR thousand	4-6/2023	4-6/2022	1-6/2023	1-6/2022	1-12/2022
Profit for the period attributable to the owners of the parent company, EUR thousand	5,312	7,412	11,572	16,660	27,080
Weighted average number of shares outstanding during the financial period, '000	18,682	18,668	18,680	18,656	18,672
Basic earnings per share, EUR	0.28	0.40	0.62	0.89	1.45
Share-based long-term incentive plan	70	149	67	152	167
Weighted average number of shares outstanding during the year, diluted, '000	18,753	18,818	18,748	18,807	18,839
Diluted earnings per share, EUR	0.28	0.39	0.62	0.89	1.44

3. NET WORKING CAPITAL

EUR thousand	30-Jun-2023	30-Jun-2022	31-Dec-2022
Net working capital			
Inventories	40,649	55,029	45,324
Trade receivables	17,054	21,854	16,408
Other receivables	2,646	3,610	2,266
Trade payables	-8,830	-10,970	-8,737
Other payables	-15,051	-13,690	-9,942
Total	36,467	55,834	45,319
Change in net working capital in the statement of financial position	-8,852	13,902	3,388
Items not taken into account in change in net working capital in the statement of cash flows and the effect of which is included elsewhere in the statement of cash flows*	7,243	-929	1,983
Change in net working capital in the statement of cash flows	-1,608	12,973	5,371

* The most significant items are related to finance costs, unrealized exchange rate gains and losses, acquisitions and investments.

4. NET DEBT

Interest-bearing net debt

EUR thousand	30-Jun-2023	30-Jun-2022	31-Dec-2022
Interest-bearing debt	75,424	60,430	77,417
Lease liabilities	2,098	2,763	2,421
Less cash and cash equivalents	-31,726	-16,009	-25,310
Net debt	45,797	47,185	54,529

Harvia has term loans totaling EUR 75,500 thousand and a revolving credit limit of EUR 8,000 thousand. The term loans mature in two installments. The term loan amounting to EUR 39,000 thousand and the revolving credit limit of EUR 8,000 thousand mature in December 2024, and the term loan amounting to EUR 36,500 thousand matures in December 2026.

The nominal interest of the loans is tied to Euribor, and its margin is tied to the Group's net debt / adjusted EBITDA ratio.

4.1 DERIVATIVES

Harvia has an interest swap contract with a nominal value of EUR 36,500 thousand. The interest rate swap contract matures on 15 December 2026. In 2023, Harvia is starting to benefit from the contract due to the risen interest rates.

5. OTHER NOTES

5.1 RELATED PARTY TRANSACTIONS

Transactions with related parties have been made on an arm's length basis.

EUR thousand	1-6/2023	1-6/2022	2022
Sales	49	0	7
Purchases	7	1	1

APPENDIX 1: KEY FIGURES AND CALCULATION OF KEY FIGURES

EUR thousand	4-6/2023	4-6/2022	1-6/2023	1-6/2022	1-12/2022
Key statement of comprehensive income indicators					
Revenue	35,779	46,024	77,163	96,848	172,408
EBITDA	9,385	10,375	20,134	24,073	41,173
% of revenue	26.2	22.5	26.1	24.9	23.9
Adjusted EBITDA	9,522	10,440	20,352	24,142	42,947
% of revenue	26.6	22.7	26.4	24.9	24.9
Operating profit	7,841	8,732	17,040	20,815	34,678
% of revenue	21.9	19.0	22.1	21.5	20.1
Adjusted operating profit	7,977	8,798	17,258	20,883	36,452
% of revenue	22.3	19.1	22.4	21.6	21.1
Adjusted profit before income taxes	7,103	9,843	15,470	22,663	38,562
Basic EPS (EUR)	0.28	0.40	0.62	0.89	1.45
Diluted EPS (EUR)	0.28	0.39	0.62	0.89	1.44
Key cash flow indicators					
Cash flow from operating activities	7,759	63	17,425	3,721	24,335
Operating free cash flow	9,147	2,071	20,797	9,054	33,989
Cash conversion	96.1 %	19.8 %	102.2 %	37.5 %	79.1 %
Investments in tangible and intangible assets	-867	-1,168	-1,163	-2,115	-3,587
Key balance sheet indicators					
Net debt	45,797	47,185	45,797	47,185	54,529
Leverage	1.2	0.9	1.2	0.9	1.3
Net working capital	36,467	55,834	36,467	55,834	45,319
Capital employed excluding goodwill	68,759	54,145	68,759	54,145	66,836
Adjusted return on capital employed (ROCE)	47.7%	80.9%	47.7%	80.9%	54.5%
Equity ratio	46.3%	44.4%	46.3%	44.4%	47.3%
Number of employees at end of period	619	821	619	821	633
Average number of employees during the period	620	829	621	829	768

RECONCILIATION OF CERTAIN KEY FIGURES AND CALCULATION OF KEY FIGURES

Harvia presents alternative performance measures as additional information to measures presented in the consolidated statement of comprehensive income, consolidated statement of financial position and consolidated statement of cash flows prepared in accordance with IFRS. In Harvia's view, alternative performance measures provide the management, investors, securities market analysts and other parties with significant additional information related to the Company's results from operations, financial position and cash flows and are widely used by analysts, investors and other parties.

The company presents its adjusted operating profit, adjusted EBITDA, adjusted return on capital employed (ROCE), operating free cash flow and cash conversion, which have been adjusted for material items outside the ordinary course of business, to improve comparability between periods.

Alternative performance measures should not be viewed in isolation or as a substitute to the measures under IFRS. All companies do not calculate alternative performance measures in a uniform way, and therefore the alternative performance measures presented in this report may not be comparable with similarly named measures presented by other companies.

Alternative performance measures are unaudited except for operating profit, net cash from operating activities, investments in tangible and intangible assets, net working capital and net debt in 2022.

EUR thousand	4-6/2023	4-6/2022	1-6/2023	1-6/2022	1-12/2022
Operating profit	7,841	8,732	17,040	20,815	34,678
Depreciation and amortization	1,544	1,643	3,094	3,259	6,494
EBITDA	9,385	10,375	20,134	24,073	41,173
Items affecting comparability					
Business transactions related expenses	19	47	87	50	1,105
Restructuring expenses	117	18	131	18	622
Total items affecting comparability	137	65	218	69	1,774
Adjusted EBITDA	9,522	10,440	20,352	24,142	42,947
Depreciation and amortization	-1,544	-1,643	-3,094	-3,259	-6,494
Adjusted operating profit	7,977	8,798	17,258	20,883	36,452
Finance costs, net	-874	1,045	-1,787	1,779	2,110
Adjusted profit before income taxes	7,103	9,843	15,470	22,663	38,562

CALCULATION OF KEY FIGURES

Key figure	Definition
Operating profit	Profit before income taxes, finance income and finance costs.
EBITDA	Operating profit before depreciation and amortization
Items affecting comparability	Material items outside the ordinary course of business, which relate to i) costs related to the listing ii) strategic development projects, iii) acquisition and integration related expenses, iv) restructuring expenses and v) net gains or losses on sale of assets and grants received.
Adjusted operating profit	Operating profit before items affecting comparability.
Adjusted EBITDA	EBITDA before items affecting comparability.
Adjusted profit before income taxes	Profit before income taxes excluding items affecting comparability.
Earnings per share, undiluted	Profit for the period attributable to the owners of the parent divided by weighted average number of shares outstanding.
Earnings per share, diluted	Profit for the period attributable to the owners of the parent divided by weighted average number of shares outstanding, taking into consideration the effects associated with any parent company's obligations regarding the possible share issue in the future.
Net debt	Lease liabilities and current and non-current loans from credit institutions less cash and cash equivalents.
Leverage	Net debt divided by adjusted EBITDA (12 months).
Net working capital	Inventories, trade and other receivables less trade and other payables.
Capital employed excluding goodwill	Total equity and net debt less goodwill.
Adjusted return on capital employed (ROCE)	Adjusted operating profit (12 months) divided by average capital employed excluding goodwill.
Operating free cash flow	Adjusted EBITDA added/subtracted by the change in net working capital in consolidated statement of cash flows less investments in tangible and intangible assets.
Cash conversion	Operating free cash flow divided by adjusted EBITDA.
Equity ratio	Total equity divided by total assets less advances received.

A photograph of two women sitting on a dark wicker patio set in front of a dark wooden building. The woman on the left is wearing a grey and white checkered bathrobe, and the woman on the right is wearing a pink and white checkered bathrobe. They are both smiling and looking at each other. A red rectangular box is overlaid on the image, containing the Harvia logo and contact information.

HARVIA

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