



Lassila & Tikanoja plc
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Lassila & Tikanoja plc: Interim Report 1 January–30 September 2025

SIGNIFICANT PROFITABILITY IMPROVEMENT IN FACILITY SERVICES BUSINESSES, STABLE PERFORMANCE IN CIRCULAR ECONOMY BUSINESS

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

- Net sales for the third quarter were EUR 199.5 million (192.3). Net sales increased by 3.8%.
- Adjusted operating profit for the third quarter was EUR 20.1 million (20.0), representing 10.1% (10.4) of net sales. Operating profit was EUR 18.2 million (18.9), representing 9.1% (9.8) of net sales. Earnings per share were EUR 0.33 (0.35)
- Net sales for January–September were EUR 571.4 million (576.5). Net sales decreased by 0.9%.
- Adjusted operating profit for January–September was EUR 37.7 million (32.7) and operating profit was EUR 34.9 million (28.2).
- Net cash flow from operating activities after investments for January–September totalled EUR 11.4 million (12.2).
- Earnings per share for January–September were EUR 0.63 (0.51) and net cash flow from operating activities after investments per share was EUR 0.30 (0.32).
- On 15 October 2025, the Company specified its outlook for the year 2025 regarding adjusted operating profit. As a result of solid performance in the beginning of 2025, and particularly due to improved adjusted operating profit in Facility Services Finland and Facility Services Sweden, adjusted operating profit is estimated to be EUR 44 – 48 million in 2025.
- The preparation for the partial demerger, initiated in December 2024, progressed as planned during the review period. On 7 August 2025, the Board of Directors of Lassila & Tikanoja plc approved a demerger plan to separate the circular economy business operations into a new publicly listed company.

Outlook for the year 2025 (specified on 15 October 2025)

Net sales in 2025 are estimated to be at the same level as in the previous year, and adjusted operating profit is estimated to be EUR 44 – 48 million.

PRESIDENT AND CEO EERO HAUTANIEMI:

“Net sales for January–September of 2025 totalled EUR 571.4 million (576.5). Adjusted operating profit was EUR 37.7 million (32.7). Adjusted operating profit improved significantly in Facility Services Businesses. In the Circular Economy Business, adjusted operating profit declined slightly compared to the previous year.

In Circular Economy Business, relative profitability remained almost at the level of the comparison period, although the challenging economic cycle affected demand throughout the review period. Especially in the construction industry customer segment, the demand for recycling and waste management services decreased compared to the comparison period. In the hazardous waste business line, both net sales and profitability remained at a good level. In process cleaning, net sales increased slightly from the strong comparison period due to an especially active third quarter. The annual maintenance breaks in the industrial sector were carried out as planned, and project resourcing was mostly successful. In the environmental construction business, net sales

grew driven by a strong project portfolio. The efficiency measures helped to adjust the costs of service production of the whole division to the current market situation.

In Facility Services businesses, profitability improved in both Finland and Sweden. In Facility Services Finland, the decrease in net sales was affected by planned optimisation of the customer portfolio as well as a mild winter. The demand for digital services, such as data-driven cleaning services and AI-assisted energy efficiency services, remained strong. Measures to streamline the cost structure and efficiency of the operations continued, leading to a clear improvement in the division's operating profit. Profitability improved compared to the comparison period especially in property maintenance business. In Facility Services Sweden, net sales increased due to new customer contracts and the strengthening of the Swedish krona. The division's operating loss decreased as expected. Measures to simplify operating models and adjust the cost level continued. The adjusted operating result for the division was positive in the third quarter.

L&T's sustainability performance remained strong during the review period. The company's carbon footprint (Scope 1–2) decreased by 19% compared to the reference period. The reduction in carbon footprint was driven by the expanded use of renewable fuels and investments in low-emission fleet. Customer satisfaction (NPS) reached an all-time high of 41. In addition, the total recordable incident frequency decreased compared to the comparison period.

In December 2024, the company initiated the planning of the possible separation of its circular economy businesses and facility services businesses into two independent listed companies. The plan is to separate the circular economy businesses into a newly listed company through a partial demerger of Lassila & Tikanoja plc. It is expected that the separation of the circular economy and facility services businesses could increase shareholder value by enabling both businesses to pursue their own strategies and growth opportunities more effectively. The preparation of the partial demerger progressed as planned during the review period, and on 7 August 2025, the Board of Directors of Lassila & Tikanoja plc approved the demerger plan to separate the circular economy business into a new publicly listed company. The demerger is subject to approval by an Extraordinary General Meeting of the company, which will be held on 4 December 2025. The planned effective date of the demerger is 31 December 2025.”

GROUP NET SALES AND FINANCIAL PERFORMANCE

July–September

Net sales for the third quarter totalled EUR 199.5 million (192.3), representing a year-on-year increase of 3.8%. The organic increase in net sales was 2.2%. Adjusted operating profit was EUR 20.1 million (20.0), representing 10.1% (10.4) of net sales. Operating profit was EUR 18.2 million (18.9), representing 9.1% (9.8) of net sales. Operating profit included items affecting comparability totalling EUR 2.0 million consisting mainly of expenses arising from the preparation of the partial demerger, expenses related to business acquisitions as well as expenses related to the ongoing efficiency programme. Earnings per share were EUR 0.33 (0.35).

Net sales increased in Circular Economy Business and Facility Services Sweden and decreased in Facility Services Finland. Adjusted operating profit improved in Facility Services Sweden, remained at the same level as the comparison period in Facility Services Finland and declined in Circular Economy Business. Operating profit improved in Facility Services Sweden, remained at the same level as the comparison period in Facility Services Finland and declined in Circular Economy Business.

Net financial expenses decreased to EUR -2.0 million (-2.2) in the third quarter. The result of the third quarter was negatively affected by the decline of the share of the profit of the joint venture Laania Oy to EUR -0.2 million (0.2).

January–September

Net sales for January–September totalled EUR 571.4 million (576.5), representing a year-on-year decrease of 0.9%. The organic decrease in net sales was 1.6%. Adjusted operating profit was EUR 37.7 million (32.7), representing 6.6% (5.7) of net sales. Operating profit was EUR 34.9 million (28.2), representing 6.1% (4.9) of net sales. Operating profit included items affecting comparability totalling EUR 2.8 million. Operating profit was increased by a change of EUR 2.2 million in the fair value of the deferred consideration related to the acquisition of Sand & Vattenbläst i Tyringe AB (“SVB”) as well as a release of a provision totalling EUR 0.9 million related to Facility Services Sweden’s onerous contracts. Operating profit was decreased by costs affecting comparability totalling EUR 5.9 million consisting mainly of expenses arising from the preparation of the partial demerger, expenses related to business acquisitions as well as expenses related to the ongoing efficiency programme. Earnings per share were EUR 0.63 (0.51).

Net sales increased in Facility Services Sweden, remained at the same level as the comparison period in Circular Economy Business and decreased in Facility Services Finland. Adjusted operating profit improved in Facility Services Finland and Sweden and declined in Circular Economy Business. Operating profit improved in all divisions.

Net financial expenses decreased to EUR -5.8 million (-6.2). The share of the profit of the joint venture Laania Oy amounted to EUR 1.0 million (2.3). The result of the joint venture Laania was negatively affected by an exceptionally warm spring, which weakened demand for energy wood.

Financial summary

	7-9/2025	7-9/2024	Change %	1-9/2025	1-9/2024	Change %	1-12/2024
Net sales, EUR million	199.5	192.3	3.8	571.4	576.5	-0.9	770.7
Adjusted operating profit, EUR million	20.1	20.0	0.8	37.7	32.7	15.5	43.2
Adjusted operating margin, %	10.1	10.4		6.6	5.7		5.6
Operating profit, EUR million	18.2	18.9	-3.9	34.9	28.2	23.6	9.8
Operating margin, %	9.1	9.8		6.1	4.9		1.3
Adjusted EBITDA, EUR million	34.9	33.7	3.5	80.3	74.3	8.0	99.1
Adjusted EBITDA, %	17.5	17.5		14.1	12.9		12.9
EBITDA, EUR million	33.0	32.7	0.8	77.4	69.9	10.8	89.0
EBITDA, %	16.5	17.0		13.6	12.1		11.5
Earnings per share, EUR	0.33	0.35	-5.8	0.63	0.51	23.1	-0.05
Net cash flow from operating activities after investments per share, EUR	0.23	0.42		0.30	0.32		1.07
Return on equity (ROE), %				15.1	11.3		-0.8
Capital employed, EUR million ¹				421.9	440.3	-4.2	396.1
Return on capital employed (ROCE), % ¹				4.4	9.0		3.3
Equity ratio, % ¹				35.2	36.7		35.4
Gearing, % ¹				78.9	77.3		73.2

¹ The figure for the January–September of 2024 has been adjusted. The adjustment relates to the correction of an error made in the 2024 financial statements concerning the figures for 2023. More information about the error correction is presented in the 2024 consolidated financial statements.

NET SALES AND OPERATING PROFIT BY DIVISION

Circular Economy Business

July–September

The net sales of the Circular Economy Business for the third quarter were EUR 116.1 million (110.4). Adjusted operating profit was EUR 15.1 million (16.4). Operating profit was EUR 15.0 million (16.2).

January–September

The net sales of the Circular Economy Business for January–September were EUR 315.5 million (318.6). Adjusted operating profit was EUR 31.1 million (33.0). Operating profit was EUR 33.3 million (32.4). Operating profit was increased by a change of EUR 2.2 million in the fair value of the deferred consideration related to the acquisition of Sand & Vattenbläst i Tyringe AB (“SVB”). The change in the fair value is due to the increase of SVB’s net interest-bearing liabilities as well as the decline in SVB’s EBITDA forecast for year 2025.

In Circular Economy Business, relative profitability remained at the level of the comparison period, although the challenging economic cycle affected demand throughout the review period. Especially in the construction industry customer segment, the demand for recycling and waste management services decreased compared to the comparison period. In the hazardous waste business line, both net sales and profitability remained at a good level. In process cleaning, net sales increased slightly from the strong comparison period due to an especially active third quarter. The annual maintenance breaks in the industrial sector were carried out as planned, and project resourcing was mostly successful. In the environmental construction business, net sales grew driven by a strong project portfolio, but the weak economic situation in the Finnish construction market was reflected in a decrease in the volumes of material flows delivered to material treatment centres. The efficiency measures helped to adjust the costs of service production of the whole division to the current market situation.

In May 2025, a two-year environmental construction project was launched for Boliden Harjavalta. As part of the construction project, L&T is expanding Boliden Harjavalta’s current landfill site, which processes copper and nickel. The extensive expansion project involves building over 16 hectares of new landfill site.

On June 2, 2025, Lassila & Tikanoja acquired the pallet business of Stena Recycling Oy. The annual net sales of the business have been approximately EUR 10 million. The acquisition strengthens L&T’s service offering and supports the growth of its circular economy business in line with strategy. As a result of the business acquisition, the pallet business will employ just over 30 people across four locations.

A major system renewal has been underway in the circular economy business, including the replacement of the enterprise resource planning (ERP) system. The deployment phase of the project continued during the review period. Additional costs related to the deployment in January–September 2025 amounted to approximately EUR 0.8 million. The total investment in system projects initiated in 2018 amounted to approximately EUR 19.1 million by the end of 2024. The amortisation of the system renewal investment commenced during the second quarter of 2025. Amortisation related to the system renewal recognised in the result for January–September amounted to EUR 0.6 million.

Facility Services Finland

July–September

The Facility Services Finland division’s net sales for the third quarter totalled EUR 54.9 million (57.4). Adjusted operating profit was EUR 4.8 million (4.9). Operating profit was EUR 4.8 million (4.9).

January–September

The Facility Services Finland division’s net sales for January–September totalled EUR 170.2 million (179.2). Adjusted operating profit was EUR 11.1 million (6.8). Operating profit was EUR 11.1 million (6.8).

In Facility Services Finland, the decrease in net sales was affected by planned optimisation of the customer portfolio as well as a mild winter. The demand for digital services, such as data-driven cleaning services and AI-assisted energy efficiency services, remained strong. Measures to streamline the cost structure and efficiency of the operations continued, leading to a clear improvement in the division's operating profit. Profitability improved compared to the comparison period especially in property maintenance business. Profitability remained at a good level in the cleaning services business.

Facility Services Sweden

July–September

The net sales of Facility Services Sweden increased to EUR 29.1 million (25.2) in the third quarter of 2025. Adjusted operating result was EUR 0.1 million (-1.5). Operating result was EUR -0.3 million (-1.5). Operating result before the amortisation of purchase price allocations of acquisitions was EUR 0.1 million (-1.1). Operating result was weakened by costs affecting comparability totalling EUR 0.4 million consisting mainly of expenses related to the ongoing litigation.

January–September

The net sales of Facility Services Sweden increased to EUR 87.3 million (80.9) in January–September. Adjusted operating result was EUR -2.9 million (-6.0). Operating result was EUR -3.1 million (-6.1). Operating result before the amortisation of purchase price allocations of acquisitions was EUR -2.1 million (-5.1). Operating result was increased by a release of a provision totalling EUR 0.9 million related to onerous contracts. Operating result was weakened by costs affecting comparability totalling EUR 1.0 million consisting mainly of expenses related to the ongoing efficiency programme as well as litigation.

In Facility Services Sweden, net sales increased due to new customer contracts and the strengthening of the Swedish krona. The division's operating loss decreased as expected. Measures to simplify operating models and adjust the cost level continued. In January – September, the profitability improved in the cleaning services as well as in the technical services both in the public and commercial sectors. The adjusted operating result for the division was positive in the third quarter.

FINANCING

In January–September 2025, net cash flow from operating activities totalled EUR 32.1 million (44.1). Net cash flow from operating activities after investments totalled EUR 11.4 million (12.2). Net cash flow from operating activities after investments for the review period was improved by positive development in profitability as well as decrease in operational investments year-on-year. During the review period, a total of EUR 28.5 million in working capital was tied up (12.7 tied up). The working capital tie-up in January–September was affected by the project-oriented nature of the environmental construction business, the timing of invoicing for annual maintenance in process cleaning towards the end of the quarter, and billing delays caused by the implementation phase of a system renewal. Net cash flow from operating activities after investments for the review period was reduced by acquisitions, which had an impact of EUR 8.0 million (1.5).

At the end of the review period, interest-bearing liabilities amounted to EUR 206.1 million (209.1). Net interest-bearing liabilities totalled EUR 170.2 million (178.8). The average interest rate on long-term loans, excluding lease liabilities, was 3.2% (3.8%).

On 27 June 2025, Lassila & Tikanoja plc entered into unsecured financing arrangements consisting of a EUR 35 million term loan and a EUR 15 million term loan and revolving credit facilities agreement with OP Corporate Bank Plc. On 30 June 2025, the company drew a total of EUR 40 million in term loans from these facilities and simultaneously repaid a EUR 40 million bank loan. In addition, the company signed a EUR 40 million revolving credit facility agreement with Danske

Bank A/S, Finland Branch. Through these financing arrangements, Lassila & Tikanoja Plc restructured its long-term debt financing that was due to mature during 2026.

The agreement for a EUR 35 million fixed-term loan concluded with OP Corporate Bank plc also included an uncommitted accordion facility option. Utilising this option, Lassila & Tikanoja drew a EUR 15 million fixed-term loan on 16 September 2025. In accordance with its terms, the drawn loan was automatically converted into part of the EUR 35 million fixed-term loan.

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

The company has planned a partial demerger in which its Circular Economy business is separated into a new publicly listed company and in connection to that the agreement with OP Corporate Bank Plc concerning the EUR 35 million term loan also included a EUR 80 million bridge facility. The bridge facility was arranged to back up the outstanding EUR 75 million unsecured notes, for the redemption and/or repayment of notes to the extent that noteholders exercise their early redemption rights due to the partial demerger.

On 7 August 2025, Lassila & Tikanoja announced the initiation of a written procedure concerning its EUR 75 million sustainability-linked bond maturing in 2028, carrying a fixed annual coupon of 3.375 per cent. The purpose of the procedure was to obtain the necessary consents, waivers and decisions to amend the terms and conditions of the bond in connection with the partial demerger announced on the same date. Under the proposed demerger, all assets, liabilities and obligations of Lassila & Tikanoja relating to or primarily serving its circular economy business will be transferred to a newly established independent company, to be named Lassila & Tikanoja Plc (the "Receiving Company"). According to the proposal, all obligations and liabilities of the issuer arising from or relating to the bonds will be transferred exclusively to the Receiving Company, which will become the new issuer of the bonds.

On 29 August 2025, Lassila & Tikanoja announced that the required majority of bondholders participating in the written procedure had voted in favour of the proposal, and the proposal was thereby approved. 100 per cent of the votes cast supported the proposal, representing 99 per cent of the outstanding bonds. Following the approval of the proposal through the written procedure, Lassila & Tikanoja cancelled the EUR 80 million bridge loan in September 2025.

Of the EUR 100.0 million commercial paper programme, EUR 10.0 million was in use at the end of the review period (20.0). The account limit totalling EUR 10.0 million and the committed credit limit totalling EUR 50.0 million were not in use (the account limit totalling EUR 10.0 million and the committed credit limit totalling EUR 40.0 million were not in use in the comparison period).

Net financial expenses totalled EUR -5.8 million (-6.2). The effect of the discounting of environmental provisions decreased net financial expenses by EUR 0.3 million in the comparison period. The effect of exchange rate changes on net financial expenses was 0.1 million (-0.0). Net financial expenses were 1.0% (1.1) of net sales.

The equity ratio was 35.2% (36.7) and the gearing ratio was 78.9% (77.3). The Group's total equity amounted to EUR 215.8 million (231.1). Equity was reduced by dividends of EUR 19.1 million distributed for the financial year 2024, which were paid to shareholders on 7 April 2025, in accordance with the decision of the Annual General Meeting held on 27 March 2025. Translation differences caused by changes in the exchange rate of the Swedish krona affected equity by EUR 1.1 million. Cash and cash equivalents at the balance sheet date totalled EUR 35.9 million (30.4).

EFFICIENCY PROGRAMME

Lassila & Tikanoja renewed its operating model in 2024. Continuing the operating model work, the company launched an efficiency programme aiming for improved performance at the beginning of 2025, encompassing both the circular economy and facility services businesses. The efficiency programme aims for an annual performance improvement of at least EUR 8 million by the end of 2026 compared to the 2023 level, including the impact on the annual cost level of having two separate listed companies. During the review period, the measures of the efficiency programme progressed as planned. In January–September 2025, the Group's comparable fixed costs decreased by approximately EUR 3 million compared to January–September 2024, due to the measures implemented under the efficiency improvement programme. The realised costs for the review period were increased by approximately EUR 0.8 million in deployment expenses related to the system renewal.

DIVIDEND DISTRIBUTION

The Annual General Meeting held on 27 March 2025 resolved that a dividend of EUR 0.50 per share, totalling EUR 19.1 million, be paid on the basis of the balance sheet that was adopted for the financial year 2024. The dividend was paid to shareholders on 7 April 2025.

CAPITAL EXPENDITURE

Gross capital expenditure for the review period totalled EUR 26.1 million (29.7). The capital expenditure consisted primarily of machine and equipment purchases, as well as investments in information systems. Acquisitions accounted for approximately EUR 8 million (2) of the gross capital expenditure.

SUSTAINABILITY

L&T's sustainability performance remained strong during the review period. Customer satisfaction (NPS) reached a record-high level of 41. The company's carbon footprint (Scope 1–2) decreased by 19% compared to the comparison period. The reduction in carbon footprint was driven by the expanded use of renewable fuels and investments in low-emission fleet. The share of renewable diesel and heating oil in total liquid fuel consumption was 28%. Total recordable incident frequency declined compared to the comparison period and was 17 (19).

Progress towards sustainability targets

Indicator	1–9/2025	1–9/2024	2024	Target	Target to be achieved by
ENVIRONMENTAL RESPONSIBILITY					
Carbon handprint (tCO ₂ e) i.e. emissions prevented ¹	-276,000	-322,000	-438,000	growth faster than net sales	
Carbon footprint (tCO ₂ e) Scope 1&2 ¹	16,700	20,700	27,200	net zero	2045
SOCIAL RESPONSIBILITY					
Total recordable incident frequency ¹	17	19	19	15	2030
Sickness-related absences (%)	4.8	4.7	5.0	4	2030

¹ Figures for January–September of 2024 have been adjusted.

PERSONNEL

In January-September, the average number of employees converted into full-time equivalents was 5,762 (6,180). At the end of the review period, L&T had a total of 7,516 (7,726) full-time and part-time employees.

Number of employees at the end of the review period	1-9/2025	1-9/2024	2024
Group	7,516	7,726	7,441
Finland	6,280	6,475	6,313
Sweden	1,236	1,251	1,128
Circular Economy Business	2,282	2,276	2,168
Facility Services Finland	3,982	4,196	4,140
Facility Services Sweden	1,142	1,149	1,032
Group administration and other	110	105	101

SHARES AND SHARE CAPITAL

Traded volume and price

The volume of trading in L&T's shares during the review period was 4.4 million shares, which represents 11.6% (16.5) of the average number of outstanding shares. The value of trading was EUR 40.6 million (56.8). The highest share price was EUR 10.50 and the lowest EUR 7.70. The closing price was EUR 10.44. At the end of the review period, the market capitalisation excluding the shares held by the company was EUR 398.9 million (339.5).

Own shares

At the end of the period, the company held 587,150 of its own shares, representing 1.5% of all shares and votes. On 26 February 2025, the company transferred 8,399 of its own shares to nine key personnel covered by the Group's share-based incentive scheme. The transferred shares represent the share-based portion of the reward payable under the 2024 share-based incentive scheme. On 5 May 2025, the company transferred 14,392 of its own shares to members of the Board of Directors as part of their remuneration.

Share capital and number of shares

The company's registered share capital amounts to EUR 19,399,437 and the number of outstanding shares was 38,211,724 at the end of the review period. The average number of shares excluding the shares held by the company was 38,177,985.

Shareholders

At the end of the financial year, the company had 24,406 (24,932) shareholders. Nominee-registered holdings accounted for 13.4% (14.0) of the total number of shares.

Flagging notifications

Lassila & Tikanoja received a notification from Nordea Funds Ltd on 31 January 2025, according to which its voting rights in Lassila & Tikanoja increased above 5 percent on 30 January 2025.

Nordea Funds Ltd's direct holding in Lassila & Tikanoja is 1,912,244 shares, which is 4.93% of Lassila & Tikanoja's total shares and votes increased to 1,946,154, which is 5.02% of total voting rights.

Lassila & Tikanoja received a notification from Nordea Funds Ltd on 17 March 2025, according to which its voting rights in Lassila & Tikanoja decreased below 5 percent on 14 March 2025. Nordea Funds Ltd's direct holding in Lassila & Tikanoja is less than 5% of Lassila & Tikanoja's total shares and votes decreased below 5% of total voting rights.

Lassila & Tikanoja received a notification from Nordea Funds Ltd on 7 April 2025, according to which its voting rights in Lassila & Tikanoja increased to 5 percent on 4 April 2025. Nordea Funds Ltd's direct holding in Lassila & Tikanoja is 1,911,570.00 shares, which is 4.92% of Lassila & Tikanoja's total shares and votes increased to 1,942,180.00, which is 5% of total voting rights.

Lassila & Tikanoja received a notification from Nordea Funds Ltd on 19 May 2025, according to which its voting rights in Lassila & Tikanoja decreased below 5 percent on 16 May 2025. Nordea Funds Ltd's direct holding in Lassila & Tikanoja is less than 5% of Lassila & Tikanoja's total shares and votes decreased below 5% of total voting rights.

Lassila & Tikanoja received a notification from Nordea Funds Ltd on 1 September 2025, according to which its voting rights in Lassila & Tikanoja increased over 5 percent on 29 August 2025. Nordea Funds' direct holding in Lassila & Tikanoja increased to 1 951 870 shares and 1 982 480 votes, which is 5.03% of Lassila & Tikanoja's total shares and 5.11% of total voting rights.

Authorisations for the Board of Directors

The Annual General Meeting held on 27 March 2025 authorised Lassila & Tikanoja plc's Board of Directors to decide on the repurchase of the company's own shares using the company's unrestricted equity. In addition, the Annual General Meeting authorised the Board of Directors to decide on a share issue and the issuance of special rights entitling their holders to shares.

The Board of Directors is authorised to purchase a maximum of 2,000,000 company shares (5.2% of the total number of shares). The repurchase authorisation is effective for 18 months.

The Board of Directors is authorised to decide on the issuance of new shares or shares which may be held by the company through a share issue and/or issuance of option rights or other special rights conferring entitlement to shares, referred to in Chapter 10, Section 1 of the Finnish Companies Act, so that under the authorisation, a maximum of 2,000,000 shares (5.2% of the total number of shares) may be issued and/or conveyed. The authorisation is effective for 18 months.

RESOLUTIONS BY THE ANNUAL GENERAL MEETING

The Annual General Meeting of Lassila & Tikanoja plc, which was held on 27 March 2025, adopted the financial statements and consolidated financial statements for the financial year 2024, discharged the members of the Board of Directors and the President and CEO from liability and adopted the Remuneration Report for the Company's governing bodies. The Annual General Meeting resolved on the use of the profit shown on the balance sheet and the payment of dividend, the amendment of the Articles of Association of the Company, the composition and remuneration of the Board of Directors, the election and remuneration of the Auditor, the election of the Sustainability Reporting Assurance Provider and authorising the Board of Directors to decide on the repurchase of the Company's own shares and on a share issue and the issuance of special rights entitling to shares.

The Annual General Meeting resolved that a dividend of EUR 0.50 per share be paid on the basis of the balance sheet adopted for the financial year 2024. It was decided that the dividend be paid on 7 April 2025.

The Annual General Meeting resolved, in accordance with the Board's proposal, to amend the Articles 4, 16 and 13 of the Company's Articles of Association as follows:

- Article 4 is amended so that the Board of Directors may consist of no less than three (3) and no more than eight (8) members, instead of the previous no more than seven (7) members.
- Article 6 is amended so that in addition to the auditor, the Company shall have a sustainability reporting assurance provider.
- Article 13 is amended so that the assurance report on sustainability reporting shall be presented at the Annual General Meeting and the Annual General Meeting shall elect a sustainability reporting assurance provider, in addition to the issues specified in the previous Article 13 of the Articles of Association.

The Annual General Meeting confirmed the number of members of the Board of Directors as eight (8) in accordance with the proposal of the Shareholders' Nomination Board. Teemu Kangas-Kärki, Sakari Lassila, Jukka Leinonen, Juuso Maijala, Anni Ronkainen, and Pasi Tolppanen were re-elected and Tuija Kalpala as well as Anna-Maria Tuominen-Reini were elected as new members to the Board until the end of the following Annual General Meeting. Jukka Leinonen was elected as the Chairman of the Board and Sakari Lassila was elected as the Vice Chairman.

The Annual General Meeting elected PricewaterhouseCoopers Oy, Authorised Public Accountants, as the auditor of the Company until the close of the next Annual General Meeting. PricewaterhouseCoopers Oy has announced that it will name Samuli Perälä, Authorised Public Accountant, as the auditor with principal responsibility.

The Annual General Meeting elected PricewaterhouseCoopers Oy, Authorised Sustainability Audit Firm, as the sustainability reporting assurance provider of the Company until the close of the next Annual General Meeting. PricewaterhouseCoopers Oy has announced that it will name Samuli Perälä, Authorised Sustainability Auditor, as the responsible authorised sustainability auditor.

The resolutions of the Annual General Meeting were announced in more detail in a stock exchange release on 27 March 2025.

BOARD OF DIRECTORS

The members of Lassila & Tikanoja plc's Board of Directors are Tuija Kalpala, Teemu Kangas-Kärki, Sakari Lassila, Jukka Leinonen, Juuso Maijala, Anni Ronkainen, Pasi Tolppanen and Anna-Maria Tuominen-Reini. Lassila & Tikanoja plc's Annual General Meeting held on 27 March 2025 elected Jukka Leinonen as the Chairman of the Board and Sakari Lassila as the Vice Chairman.

In its constitutive meeting held after the Annual General Meeting, the Board of Directors elected the members of the Audit Committee and the Personnel and Sustainability Committee from amongst its members. Teemu Kangas-Kärki (Chairman), Sakari Lassila, Tuija Kalpala and Anna-Maria Tuominen-Reini were elected to the Audit Committee. Jukka Leinonen (Chairman), Juuso Maijala, Pasi Tolppanen and Anni Ronkainen were elected to the Personnel and Sustainability Committee.

The company announced the composition of Lassila & Tikanoja plc's Nomination Board on 23 September 2025. Lassila & Tikanoja plc's three largest shareholders, who are entitled to appoint a representative to Lassila & Tikanoja plc's Shareholders' Nomination Board in 2025, are a group of shareholders (Chemec Oy, CH-Polymers Oy, Maijala Eeva, Maijala Investment Oy, Maijala Juhani, Maijala Juuso, Maijala Miikka, Maijala Mikko, Maijala Roope and Maijala Tuula), the Evald and Hilda Nissi Foundation and Protector Forsikring ASA. These shareholders have appointed Miikka Maijala, Juhani Lassila and Dag Marius Nereng as their representatives in Lassila & Tikanoja's Nomination Board. The Chairman of Lassila & Tikanoja plc's Board of Directors, Jukka Leinonen, acts as the fourth member of the Nomination Board. The Chairman of the Nomination Board is Miikka Maijala.

PARTIAL DEMERGER

On 13 December 2024, the company announced, that the Board of Directors of Lassila & Tikanoja plc has decided to initiate the planning of the possible separation of its circular economy businesses Environmental and Industrial Services and facility services businesses into two independent listed companies. The plan is to separate the circular economy businesses into a newly listed company through a partial demerger of Lassila & Tikanoja plc.

According to the Board of Directors' preliminary assessment, the separation of the circular economy and facility services businesses could increase shareholder value by enabling both businesses to pursue their own strategies and growth opportunities more effectively.

On 9 June 2025, the company announced, that as part of the plan announced on 13 December 2024 to separate Lassila & Tikanoja plc's Circular Economy business into a new publicly listed company through a partial demerger of Lassila & Tikanoja ("Demerger"), the Board of Directors proposes that Eero Hautaniemi be appointed as the CEO of the independent Circular Economy business, should the partial demerger be executed. Simultaneously, the Board of Directors of Lassila & Tikanoja proposes that Antti Niitynpää be appointed as the CEO of the Facility Services business remaining following the Demerger, subject to the completion of the Demerger.

Eero Hautaniemi has served as the CEO of Lassila & Tikanoja and as a member of the Lassila & Tikanoja's Group Executive Board since 2019 and, according to the proposal, will continue in his current position as the CEO of Lassila & Tikanoja until the completion of the contemplated Demerger, in connection with which the appointments relating to the Demerger will come into effect. Antti Niitynpää has served as the Senior Vice President of Facility Services at Lassila & Tikanoja since 2021 and has over 10 years of experience in leadership positions within the company's facility services. Prior to that, he held several leadership positions at ISS companies for over 10 years.

The Board of Directors of Lassila & Tikanoja plc additionally proposes that M.Sc. (Econ.) Joni Sorsanen be appointed as the CFO of the independent Circular Economy business and M.Sc. (Econ.) Mika Stirrkinen be appointed as the CFO of the Facility Services business, should the partial demerger be executed. Joni Sorsanen has served as the CFO of the Lassila & Tikanoja Group and as a member of the Group Executive Board since 2024 and, according to the proposal, will continue in his current position until the completion of the contemplated Demerger, in connection with which the appointments regarding the Demerger will come into effect. Mika Stirrkinen has over 20 years of experience in financial management, including serving as the CFO of Finnair.

On 7 August 2025, the Board of Directors of Lassila & Tikanoja plc approved the demerger plan to separate the circular economy business into a new publicly listed company. Further information on the demerger plan will be provided in a separate stock exchange release. The demerger is

subject to approval by an Extraordinary General Meeting of the company, which will be held on 4 December 2025. The planned effective date of the demerger is 31 December 2025.

EVENTS AFTER THE REVIEW PERIOD

On 10 October 2025, Lassila & Tikanoja published a notice of an Extraordinary General Meeting to be held on Thursday, December 4, 2025, starting at 4:00 PM (Finnish time) at Valkea Talo, Ilkantie 4, Haaga, 00400 Helsinki. The agenda of the General Meeting includes the approval of the demerger plan announced by the company on 7 August 2025, and the decision on the partial demerger. Detailed information on the matters to be discussed at the General Meeting has been provided in a stock exchange release dated October 10, 2025.

On 15 October 2025, Lassila & Tikanoja revised its outlook for the year 2025. Lassila & Tikanoja's business operations have continued to develop favourably despite the challenging market environment. As a result of solid performance in the beginning of 2025, and particularly due to improved adjusted operating profit in Facility Services Finland and Facility Services Sweden, the Company revised its guidance for 2025 in respect of adjusted operating profit. The updated outlook for year 2025 is: "Net sales in 2025 are estimated to be at the same level as in the previous year, and adjusted operating profit is estimated to be EUR 44 – 48 million." The previously stated outlook for year 2025 was: "Net sales in 2025 are estimated to be at the same level as in the previous year, and adjusted operating profit is estimated to be at the same level or better compared to the previous year."

NEAR-TERM RISKS AND UNCERTAINTIES

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

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

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

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

The Finnish Waste Act was amended in July 2021. Under the reforms to the Waste Act, municipalities take on a larger role in organising the collection of packaging materials and biowaste from housing properties. As a consequence of the reform, L&T's direct customer agreements with housing properties on the separate collection of packaging waste and biowaste were transferred to municipalities for competitive bidding gradually between 1 July 2022 and 1 July 2025. L&T estimates that, as a result of municipalisation, approximately EUR 30 million of the Finnish waste management market will be moved out of the scope of free competition between 2024 and 2026. L&T participates in the competitive tendering of municipal contracts and is a significant operator in municipal contracts. Nevertheless, L&T estimates that the overall impact of the change will be negative for the company.

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

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

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

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

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

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

Lassila & Tikanoja announced in December 2024 that the company's Board of Directors has decided to initiate the planning for the separation of the company's circular economy businesses, i.e., Environmental and Industrial services, and facility services businesses into two independent listed companies, with the circular economy businesses being separated into a new listed company. The planning and related measures for the partial demerger may include risks related to, for example, the retention of skilled personnel, customer relationships, costs, and the execution of potential transactions.

The Group company Lassila & Tikanoja FM AB is a claimant and a defendant in legal proceedings in Sweden concerning unpaid receivables invoiced from a former customer of L&T. In June 2022, Lassila & Tikanoja FM AB took legal action in the District Court of Solna against the former customer company of L&T, demanding payment for unpaid receivables. At the end of the review period, the amount of receivables on the company's balance sheet was approximately EUR 0.7 million. The former L&T customer company in question has rejected Lassila & Tikanoja FM AB's claims and the payment obligation, and brought a counterclaim demanding compensation totalling approximately SEK 144 million from Lassila & Tikanoja FM AB. The dispute is still pending. Lassila & Tikanoja considers the counterclaim to be without merit and has not recognised any provisions in relation to it.

More detailed information on Lassila & Tikanoja's risks and risk management is provided in the 2024 Annual Review and in the Report by the Board of Directors and the consolidated financial statements.

Interim Report 1 January - 30 September 2025: Tables

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Key figures of the Group

Key figures

	7-9/2025	7-9/2024	1-9/2025	1-9/2024	1-12/2024
Earnings per share, EUR	0.33	0.35	0.63	0.51	-0.05
Diluted earnings per share, EUR	0.33	0.35	0.63	0.51	-0.05
Net cash flow from operating activities after investments per share, EUR	0.23	0.42	0.30	0.32	1.07
Adjusted operating profit, MEUR	20.1	20.0	37.7	32.7	43.2
Operating profit, MEUR	18.2	18.9	34.9	28.2	9.8
Adjusted EBITDA, MEUR	34.9	33.7	80.3	74.3	99.1
EBITDA, MEUR	33.0	32.7	77.4	69.9	89.0
Gross capital expenditure, MEUR	6.2	8.0	26.1	29.7	37.5
Equity per share, EUR ¹			5.65	6.05	5.48
Return on equity (ROE), %			15.1	11.3	-0.8
Capital employed, MEUR ¹			421.9	440.3	396.1
Return on capital employed (ROCE), % ¹			4.4	9.0	3.3
Equity ratio, % ¹			35.2	36.7	35.4
Gearing, % ¹			78.9	77.3	73.2
Net interest-bearing liabilities, MEUR			170.2	178.8	153.0
Average number of employees in full-time equivalents			5,762	6,180	5,980
Total number of full-time and part-time employees at end of the period			7,516	7,726	7,441
Number of outstanding shares adjusted for issues, 1,000 shares					
average during the period			38,178	38,161	38,164
at the end of the period			38,212	38,189	38,189
average during the period, diluted			38,363	38,256	38,268

¹The figure for the January-September of 2024 has been adjusted. The adjustment relates to the correction of an error made in the 2024 financial statements concerning the figures for 2023. More information about the error correction is presented in the 2024 consolidated financial statements.

Reconciliation of alternative performance measures

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

RECONCILIATION OF ADJUSTED OPERATING PROFIT TO OPERATING PROFIT

MEUR	7-9/2025	7-9/2024	1-9/2025	1-9/2024	1-12/2024
Operating profit	18.2	18.9	34.9	28.2	9.8
Items affecting comparability:					
- costs arising from business restructurings	1.2	0.8	3.3	3.9	4.6
- items arising from acquisitions	0.2	0.3	-2.0	0.6	1.3
- impairment of goodwill	-	-	-	-	23.3
- other items ¹	0.5	-	1.5	-	4.1
Adjusted operating profit	20.1	20.0	37.7	32.7	43.2

¹ Other items in 2025 consist mainly of costs related to the ongoing efficiency programme as well as a reversal of a provision related to Facility Services Sweden's onerous contracts. Other items in 2024 consist mainly of provisions relating to Facility Services Sweden's onerous contracts and disputes.

RECONCILIATION OF ADJUSTED EBITDA TO OPERATING PROFIT

MEUR	7-9/2025	7-9/2024	1-9/2025	1-9/2024	1-12/2024
Operating profit	18.2	18.9	34.9	28.2	9.8
+ Depreciation, amortisation and impairment	14.8	13.8	42.5	41.6	79.2
EBITDA	33.0	32.7	77.4	69.9	89.0
Items affecting comparability:					
- costs arising from business restructurings	1.2	0.8	3.3	3.9	4.6
- costs arising from acquisitions	0.2	0.3	-2.0	0.6	1.3
- other items ¹	0.5	-	1.5	-	4.1
Adjusted EBITDA	34.9	33.7	80.3	74.3	99.1

¹ Other items in 2025 consist mainly of costs related to the ongoing efficiency programme as well as a reversal of a provision related to Facility Services Sweden's onerous contracts. Other items in 2024 consist mainly of provisions relating to Facility Services Sweden's onerous contracts and disputes.

RECONCILIATION OF GROSS CAPITAL EXPENDITURE

MEUR	7-9/2025	7-9/2024	1-9/2025	1-9/2024	1-12/2024
Intangible and tangible assets from business acquisitions	-	0.0	8.6	2.0	2.0
- increases of right-of-use assets excl. heavy vehicles from business acquisitions	-	-0.0	-1.0	-0.1	-0.1
Other increases to intangible and tangible assets	9.4	10.9	27.9	45.1	59.2
- increases of right-of-use assets excl. heavy vehicles	-2.6	-1.4	-6.9	-14.6	-19.4
- other adjustments	-0.6	-1.5	-2.6	-2.7	-4.2
Gross capital expenditure	6.2	8.0	26.1	29.7	37.5

RETURN ON CAPITAL EMPLOYED (ROCE), %, BY SEGMENT

	30 Sep 2025	30 Sep 2024	31 Dec 2024
Circular Economy Business			
Capital employed (MEUR), average of the end of the period and the end of the comparison period	313.4	303.3	300.0
Operating profit (rolling 12 months)	42.2	39.3	41.2
+ financial income (rolling 12 months)	0.2	0.1	0.1
Return on capital employed, MEUR	42.4	39.4	41.4
Return on capital employed (ROCE), %	13.5	13.0	13.8
Facility Services Finland			
Capital employed (MEUR), average of the end of the period and the end of the comparison period	19.1	24.9	19.4
Operating profit (rolling 12 months)	13.7	7.9	9.4
+ financial income (rolling 12 months)	0.6	0.6	0.6
Return on capital employed, MEUR	14.3	8.4	10.0
Return on capital employed (ROCE), %	74.8	33.8	51.4
Facility Services Sweden			
Capital employed (MEUR), average of the end of the period and the end of the comparison period	45.2	59.0	44.9
Operating profit (rolling 12 months) ¹	-32.1	-7.0	-35.1
+ financial income (rolling 12 months)	0.1	0.1	0.1
Return on capital employed, MEUR	-32.0	-6.9	-34.9
Return on capital employed (ROCE), %	-70.8	-11.7	-77.9

¹ Includes impairment of goodwill totalling EUR 23.3 million recognised in December 2024.

Calculation of key figures

Earnings per share: result for the period attributable to the equity holders of the parent company / adjusted average basic number of shares

Diluted earnings per share: result for the period attributable to the equity holders of the parent company / adjusted average diluted number of shares

Net cash flow from operating activities after investments/share: Net cash flow from operating and investing activities / adjusted average basic number of shares

Market capitalization: Basic number of shares at the balance sheet date excluding treasury shares x closing price of the financial period

Adjusted operating profit: operating profit +/- items affecting comparability

Items affecting comparability: substantial costs arising from business restructurings or acquisitions, gains and losses from divestments and costs arising from the discontinuation of businesses as well as other material items outside ordinary course of business

EBITDA: operating profit + depreciation, amortisation and impairment

Adjusted EBITDA: EBITDA +/- items affecting comparability excluding depreciation, amortisation and impairment

Equity per share: equity attributable to the equity holders of the parent company / adjusted basic number of shares at the balance sheet date

Return on equity, % (ROE): (result for the period / equity (average)) x 100

Capital employed: equity + interest-bearing financial liabilities

Return on capital employed, % (ROCE): (operating profit + financial income + share of result in associated companies and joint ventures, rolling 12 months) / equity + Interest bearing financial liabilities (average of the end of the period and at the end of the comparison period) x 100

Equity ratio, %: equity / (total equity and liabilities - advances received) x 100

Gearing, %: net interest-bearing liabilities / equity x 100

Net interest-bearing liabilities: interest-bearing liabilities - cash and cash equivalents

Gross capital expenditure: Investments in intangible and tangible assets excluding right-of-use assets and other adjustments, including leased heavy vehicles and assets acquired through acquisitions

Organic growth, %: (Net sales for the reporting period - net sales from business acquisitions during previous 12 months - net sales for the comparative period + net sales from divestments during previous 12 months) / (net sales for the comparative period - net sales from divestments during previous 12 months) x 100

Primary financial statements

Consolidated income statement

MEUR	7-9/2025	7-9/2024	1-9/2025	1-9/2024	1-12/2024	Note
Net sales	199.5	192.3	571.4	576.5	770.7	2, 3, 4
Other operating income	0.4	0.5	4.6	2.9	4.6	
Materials and services	-57.1	-54.6	-160.5	-168.6	-228.2	2
Employee benefit expenses	-83.6	-80.2	-257.1	-257.2	-342.7	2
Other operating expenses	-26.2	-25.3	-81.0	-83.8	-115.5	2
Depreciation, amortisation and impairment	-14.8	-13.8	-42.5	-41.6	-55.9	2, 6
Impairment of goodwill	-	-	-	-	-23.3	2, 6
Operating profit	18.2	18.9	34.9	28.2	9.8	2, 3, 4
Financial income	0.1	0.2	0.4	0.5	0.8	
Financial expenses	-2.1	-2.4	-6.3	-6.8	-9.3	
Exchange rate differences (net)	0.0	0.0	0.1	-0.0	-0.0	
Financial income and expenses	-2.0	-2.2	-5.8	-6.2	-8.6	
Share of the result of associated companies and joint ventures	-0.2	0.2	1.0	2.3	3.2	
Result before taxes	15.9	16.9	30.1	24.3	4.4	
Income taxes	-3.4	-3.6	-5.9	-4.7	-6.1	
Result for the period	12.5	13.3	24.1	19.6	-1.7	
Attributable to:						
Equity holders of the company	12.5	13.3	24.1	19.6	-1.7	
Earnings per share attributable to the equity holders of the parent company:						
Earnings per share, EUR	0.33	0.35	0.63	0.51	-0.05	
Diluted earnings per share, EUR	0.33	0.35	0.63	0.51	-0.05	

Consolidated statement of comprehensive income

MEUR	7-9/2025	7-9/2024	1-9/2025	1-9/2024	1-12/2024
Result for the period	12.5	13.3	24.1	19.6	-1.7
Other comprehensive income, net of tax					
Items not to be recognised through profit or loss					
Items arising from re-measurement of defined benefit plans	-	-	-	-	-0.0
Items not to be recognised through profit or loss, total	-	-	-	-	-0.0
Items potentially to be recognised through profit or loss					
Currency translation differences	0.2	0.3	1.1	-1.2	-2.1
Items potentially to be recognised through profit or loss, total	0.2	0.3	1.1	-1.2	-2.1
Other comprehensive income, total	0.2	0.3	1.1	-1.2	-2.1
Total comprehensive income, after tax	12.8	13.6	25.2	18.4	-3.8
Attributable to:					
Equity holders of the company	12.8	13.6	25.2	18.4	-3.8

Consolidated statement of financial position

MEUR	30 Sep 2025	30 Sep 2024	31 Dec 2024	Note
ASSETS				
Non-current assets				
Intangible assets				
Goodwill	161.1	180.9	157.0	6
Other intangible assets	42.6	41.7	42.2	6
	203.6	222.5	199.2	
Tangible assets ¹	155.6	166.1	164.3	6
Right-of-use assets	63.5	71.3	69.1	6
	219.1	237.4	233.4	
Other non-current assets				
Shares in associated companies and joint ventures	18.3	18.1	18.9	
Other shares and holdings	0.2	0.2	0.2	
Deferred tax assets	3.6	4.9	2.0	
Other receivables	0.9	1.0	1.0	9
	23.0	24.2	22.0	
Total non-current assets	445.8	484.1	454.7	
Current assets				
Inventories	11.1	9.1	9.2	
Trade receivables ²	97.2	93.5	86.5	9
Contract assets ²	29.7	20.3	16.1	
Income tax receivables	0.7	1.3	0.3	
Other receivables	8.4	7.0	7.1	9
Cash and cash equivalents	35.9	30.4	33.9	9
Total current assets	183.1	161.5	153.2	
Total assets	628.8	645.6	607.9	

¹The figure for the 30 September 2024 has been adjusted. The adjustment relates to the correction of an error made in the 2024 financial statements concerning the figures for 2023. More information about the error correction is presented in the 2024 consolidated financial statements.

² The Company redefined the presentation of contract assets in the final quarter of 2024 and adjusted contract assets and trade receivables for prior quarters of year 2024 accordingly.

Consolidated statement of financial position

MEUR	30 Sep 2025	30 Sep 2024	31 Dec 2024	Note
EQUITY AND LIABILITIES				
Equity				
Equity attributable to the equity holders of the parent company				
Share capital	19.4	19.4	19.4	
Translation reserve	-12.4	-12.7	-13.5	
Invested unrestricted equity reserve	0.6	0.6	0.6	
Retained earnings ¹	208.2	223.8	202.7	
Total equity¹	215.8	231.1	209.2	
Liabilities				
Non-current liabilities				
Deferred tax liabilities ¹	26.9	27.6	26.6	
Retirement benefit obligations	1.0	1.1	1.1	
Provisions	8.5	6.7	9.0	8
Borrowings	129.7	115.0	115.1	9
Lease liabilities	49.6	54.8	53.2	9
Other liabilities	6.0	12.7	13.4	9
	221.8	217.9	218.4	
Current liabilities				
Borrowings	10.5	20.7	0.5	9
Lease liabilities	16.3	18.6	18.1	9
Trade and other payables	160.6	153.0	158.8	9
Income tax liabilities	2.1	2.9	0.3	
Provisions	1.6	1.3	2.5	8
	191.2	196.5	180.3	
Total liabilities	413.0	414.4	398.7	
Total equity and liabilities	628.8	645.6	607.9	

¹The figure for the 30 September 2024 has been adjusted. The adjustment relates to the correction of an error made in the 2024 financial statements concerning the figures for 2023. More information about the error correction is presented in the 2024 consolidated financial statements.

Consolidated statement of cash flows

MEUR	1-9/2025	1-9/2024	1-12/2024	Note
Cash flow from operating activities				
Result for the period	24.1	19.6	-1.7	
Adjustments				
Income taxes	5.9	4.7	6.1	
Depreciation, amortisation and impairment	42.5	41.6	79.2	2, 6
Financial income and expenses	5.8	6.2	8.6	
Gains and losses on sale of tangible and intangible assets	-0.4	-1.0	-1.3	
Share of result of associated companies and joint ventures	-1.0	-2.3	-3.2	
Provisions	-1.9	0.2	3.6	8
Other adjustments	-1.7	0.4	1.2	
Net cash generated from operating activities before change in working capital	73.5	69.4	92.5	
Change in working capital				
Change in trade and other receivables	-24.4	4.0	14.6	9
Change in inventories	-1.4	-1.3	-1.4	
Change in trade and other payables	-2.6	-15.4	-9.9	9
Change in working capital	-28.5	-12.7	3.2	
Interest and other financial expenses paid	-7.5	-8.3	-9.2	
Interest and other financial income received	0.4	0.5	0.8	
Income taxes paid	-5.8	-4.8	-5.9	
Net cash from operating activities	32.1	44.1	81.4	
Cash flow from investing activities				
Acquisition of subsidiaries and businesses, net of cash acquired	-8.0	-1.5	-1.5	5
Purchases of tangible and intangible assets	-15.6	-33.5	-42.7	
Proceeds from the sale of tangible and intangible assets	1.4	1.3	1.9	
Dividends received from joint venture	1.6	1.8	1.8	10
Dividends received from other non-current investments	0.0	0.0	0.0	
Net cash from investing activities	-20.7	-31.9	-40.5	
Net cash flow from operating activities after investments	11.4	12.2	40.8	
Cash flow from financing activities				
Proceeds from short-term borrowings	30.0	60.0	60.0	9
Repayments of short-term borrowings	-20.0	-40.0	-60.0	9
Proceeds from long-term borrowings	55.0	-	-	9
Repayments of long-term borrowings	-40.4	-0.5	-0.6	9
Repayments of lease liabilities	-15.0	-15.5	-20.4	9
Dividends paid	-19.1	-18.7	-18.7	
Net cash from financing activities	-9.4	-14.6	-39.7	
Net change in cash and cash equivalents	1.9	-2.4	1.1	
Cash and cash equivalents at the beginning of the period	33.9	32.9	32.9	9
Effect of changes in foreign exchange rates	0.1	-0.1	-0.1	
Cash and cash equivalents at the end of the period	35.9	30.4	33.9	9

Consolidated statement of changes in equity

MEUR	Share capital	Translation reserve	Invested unrestricted equity reserve	Retained earnings	Total equity
Equity 1 January 2025	19.4	-13.5	0.6	202.7	209.2
Total comprehensive income					
Result for the period				24.1	24.1
Other comprehensive income		1.1		-	1.1
Total comprehensive income	-	1.1	-	24.1	25.2
Transactions with shareholders					
Share-based benefits				0.5	0.5
Dividends paid				-19.1	-19.1
Returned dividends				0.0	0.0
Transactions with shareholders, total	-	-	-	-18.6	-18.6
Equity 30 September 2025	19.4	-12.4	0.6	208.2	215.8
Equity 1 January 2024¹	19.4	-11.5	0.6	222.8	231.3
Total comprehensive income					
Result for the period				19.6	19.6
Other comprehensive income		-1.2		-	-1.2
Total comprehensive income	-	-1.2	-	19.6	18.4
Transactions with shareholders					
Share-based benefits				0.1	0.1
Dividends paid				-18.7	-18.7
Returned dividends				0.0	0.0
Transactions with shareholders, total	-	-	-	-18.5	-18.5
Equity 30 September 2024¹	19.4	-12.7	0.6	223.8	231.1

¹The figure for the 30 September 2024 has been adjusted. The adjustment relates to the correction of an error made in the 2024 financial statements concerning the figures for 2023. More information about the error correction is presented in the 2024 consolidated financial statements.

Notes

1. Accounting policies

This Interim Report is in compliance with the IAS 34 Interim Financial Reporting standard. The Interim Report has been prepared with application of the IFRS standards and interpretations in effect on 31 December 2024 and the new and amended standards and interpretations entered into force on 1 January 2025. The information presented in this Interim Report has not been audited.

In December 2024, the company discovered a computational error in calculating depreciation on compactors and balers rented to customers by Environmental Services division. The error resulted in an understatement of depreciation recognised for 2023, and a corresponding overstatement of property, plant and equipment on the financial position. In connection with the preparation of the financial statements for 2024, the error was corrected by restating the figures for year 2023. The correction of the error impacted the opening balances for tangible assets, retained earnings and deferred tax liabilities of year 2024. The comparison figures of this Interim Report have been adjusted accordingly. More information about the error correction is presented in the 2024 consolidated financial statements.

The Company redefined the presentation of contract assets in the final quarter of 2024 and adjusted contract assets and trade receivables for prior quarters of year 2024 accordingly.

On 13 December 2024, Lassila & Tikanoja announced, that starting from January 1, 2025, the company has three reportable segments: Circular Economy Business, which consists of the former Environmental Services and Industrial Services divisions, as well as Facility Services Finland and Facility Services Sweden. The segment information in this Interim Report is presented according to the new reporting segment structure. The comparison figures according to the new structure were published on 24 April 2025 with a separate stock exchange release. The presentation format of the segment information has been updated for the January–September Interim Report.

More detailed information on accounting policies is presented in the consolidated financial statements of Lassila & Tikanoja plc as of 31 December 2024.

2. Segment information

MEUR	7-9/2025	7-9/2024	Change %	1-9/2025	1-9/2024	Change %	1-12/2024
Net sales							
Circular Economy Business	116.1	110.4	5.1	315.5	318.6	-1.0	424.0
Facility Services Finland	54.9	57.4	-4.4	170.2	179.2	-5.0	238.0
Facility Services Sweden	29.1	25.2	15.7	87.3	80.9	8.0	111.9
Interdivisional net sales	-0.5	-0.7		-1.6	-2.1		-3.1
The Group total	199.5	192.3	3.8	571.4	576.5	-0.9	770.7
Operating profit							
Circular Economy Business	15.0	16.2	-7.4	33.3	32.4	3.0	41.2
Facility Services Finland	4.8	4.9	-1.6	11.1	6.8	63.8	9.4
Facility Services Sweden ¹	-0.3	-1.5	82.3	-3.1	-6.1	49.2	-35.1
Group administration and other	-1.4	-0.7		-6.4	-4.8		-5.7
The Group total	18.2	18.9	-3.9	34.9	28.2	23.6	9.8
Adjusted operating profit							
Circular Economy Business	15.1	16.4	-7.8	31.1	33.0	-5.6	42.8
Facility Services Finland	4.8	4.9	-1.6	11.1	6.8	63.8	9.6
Facility Services Sweden	0.1	-1.5		-2.9	-6.0	51.3	-7.5
Group administration and other	0.1	0.1		-1.5	-1.0		-1.6
The Group total	20.1	20.0	0.8	37.7	32.7	15.5	43.2
EBITDA							
Circular Economy Business	26.5	26.9	-1.6	66.8	64.7	3.2	84.7
Facility Services Finland	5.9	6.6	-11.1	15.0	11.8	26.8	16.2
Facility Services Sweden	0.9	-0.4		0.7	-2.5		-7.0
Group administration and other	-0.3	-0.5		-5.0	-4.2		-4.9
The Group total	33.0	32.7	0.8	77.4	69.9	10.8	89.0
Adjusted EBITDA							
Circular Economy Business	26.6	27.1	-1.9	64.6	65.3	-1.1	86.3
Facility Services Finland	5.9	6.6	-11.1	15.0	11.8	26.8	16.4
Facility Services Sweden	1.3	-0.4		0.8	-2.5		-2.8
Group administration and other	1.1	0.3		-0.1	-0.4		-0.8
The Group total	34.9	33.7	3.5	80.3	74.3	8.0	99.1
%							
	7-9/2025	7-9/2024		1-9/2025	1-9/2024		1-12/2024
Operating margin							
Circular Economy Business	12.9	14.6		10.6	10.2		9.7
Facility Services Finland	8.8	8.6		6.5	3.8		3.9
Facility Services Sweden ¹	-0.9	-5.8		-3.5	-7.5		-31.3
The Group total	9.1	9.8		6.1	4.9		1.3
Adjusted operating margin							
Circular Economy Business	13.0	14.8		9.9	10.3		10.1
Facility Services Finland	8.8	8.6		6.5	3.8		4.0
Facility Services Sweden	0.4	-5.8		-3.4	-7.5		-6.7
The Group total	10.1	10.4		6.6	5.7		5.6

Other segment information

MEUR	7-9/2025	7-9/2024	1-9/2025	1-9/2024	1-12/2024
Materials and services					
Circular Economy Business	34.7	31.9	89.7	91.7	123.6
Facility Services Finland	9.3	11.7	32.3	40.5	52.5
Facility Services Sweden	13.2	11.3	39.1	37.1	53.3
Group administration and other	-0.2	-0.2	-0.5	-0.7	-1.3
The Group total	57.1	54.6	160.5	168.6	228.2
Employee benefit expenses					
Circular Economy Business	34.9	32.5	101.7	101.6	135.3
Facility Services Finland	33.1	33.0	103.7	106.7	142.5
Facility Services Sweden	13.2	12.4	43.6	40.9	54.3
Group administration and other	2.4	2.2	8.1	8.0	10.7
The Group total	83.6	80.2	257.1	257.2	342.7
Other operating expenses					
Circular Economy Business	20.3	19.4	61.4	62.2	82.9
Facility Services Finland	6.5	6.2	19.6	20.5	27.5
Facility Services Sweden	1.8	2.0	4.2	6.4	12.5
Group administration and other	-2.4	-2.2	-4.2	-5.3	-7.5
The Group total	26.2	25.3	81.0	83.8	115.5
Depreciation, amortisation and impairment					
Circular Economy Business	11.5	10.8	33.5	32.4	43.4
Facility Services Finland	1.0	1.7	3.9	5.1	6.8
Facility Services Sweden ¹	1.2	1.1	3.7	3.6	28.1
Group administration and other	1.0	0.2	1.4	0.6	0.9
The Group total	14.8	13.8	42.5	41.6	79.2
Items affecting comparability					
Circular Economy Business	0.1	0.2	-2.2	0.6	1.6
Facility Services Finland	-	-	-	-	0.2
Facility Services Sweden ¹	0.4	-	0.1	0.0	27.5
Group administration and other	1.4	0.8	4.9	3.8	4.1
The Group total	2.0	1.0	2.8	4.5	33.4

MEUR	7-9/2025	7-9/2024	1-9/2025	1-9/2024	1-12/2024
Gross capital expenditure					
Circular Economy Business	5.8	7.3	24.7	28.2	35.9
Facility Services Finland	0.2	0.6	0.7	1.1	1.1
Facility Services Sweden	0.0	0.0	0.1	0.1	0.1
Group administration and other	0.2	0.0	0.5	0.3	0.4
The Group total	6.2	8.0	26.1	29.7	37.5
Capital employed					
Circular Economy Business			317.4	309.3	299.7
Facility Services Finland			16.1	22.2	17.0
Facility Services Sweden			31.6	58.7	29.9
Group administration and other			56.8	50.1	49.5
The Group total ²			421.9	440.3	396.1
%					
			1-9/2025	1-9/2024	1-12/2024
Return on capital employed (ROCE)					
Circular Economy Business			13.5	13.0	13.8
Facility Services Finland			74.8	33.8	51.4
Facility Services Sweden			-70.8	-11.7	-77.9
The Group total ²			4.4	9.0	3.3

¹ The figure for year 2024 includes impairment of goodwill allocated to Facility Services Sweden totalling EUR 23.3 million.

²The figure for January-September of 2024 has been adjusted. The adjustment relates to the correction of an error made in the 2024 financial statements concerning the figures for 2023. More information about the error correction is presented in the 2024 consolidated financial statements.

3. Segment information by quarter

MEUR	7-9/2025	4-6/2025	1-3/2025	10-12/2024	7-9/2024
Net sales					
Circular Economy Business	116.1	109.9	89.5	105.4	110.4
Facility Services Finland	54.9	57.0	58.3	58.8	57.4
Facility Services Sweden	29.1	29.9	28.3	31.0	25.2
Interdivisional net sales	-0.5	-0.5	-0.6	-1.0	-0.7
The Group total	199.5	196.3	175.5	194.2	192.3
Operating profit					
Circular Economy Business	15.0	14.2	4.1	8.9	16.2
Facility Services Finland	4.8	4.1	2.1	2.6	4.9
Facility Services Sweden	-0.3	-1.4	-1.5	-29.0	-1.5
Group administration and other	-1.4	-4.0	-1.1	-0.9	-0.7
The Group total	18.2	13.0	3.7	-18.4	18.9
Adjusted operating profit					
Circular Economy Business	15.1	13.5	2.5	9.9	16.4
Facility Services Finland	4.8	4.1	2.1	2.8	4.9
Facility Services Sweden	0.1	-1.6	-1.5	-1.5	-1.5
Group administration and other	0.1	-1.1	-0.5	-0.6	0.1
The Group total	20.1	14.9	2.7	10.5	20.0
EBITDA					
Circular Economy Business	26.5	25.6	14.7	20.0	26.9
Facility Services Finland	5.9	5.5	3.6	4.3	6.6
Facility Services Sweden	0.9	-0.1	-0.2	-4.5	-0.4
Group administration and other	-0.3	-3.8	-0.9	-0.7	-0.5
The Group total	33.0	27.3	17.2	19.1	32.7
Adjusted EBITDA					
Circular Economy Business	26.6	24.9	13.1	20.9	27.1
Facility Services Finland	5.9	5.5	3.6	4.5	6.6
Facility Services Sweden	1.3	-0.3	-0.2	-0.3	-0.4
Group administration and other	1.1	-0.9	-0.3	-0.4	0.3
The Group total	34.9	29.2	16.2	24.8	33.7
Operating margin, %					
Circular Economy Business	12.9	13.0	4.6	8.4	14.6
Facility Services Finland	8.8	7.2	3.7	4.4	8.6
Facility Services Sweden	-0.9	-4.6	-5.1	-93.5	-5.8
The Group total	9.1	6.6	2.1	-9.5	9.8
Adjusted operating margin, %					
Circular Economy Business	13.0	12.3	2.8	9.4	14.8
Facility Services Finland	8.8	7.2	3.7	4.7	8.6
Facility Services Sweden	0.4	-5.4	-5.1	-4.8	-5.8
The Group total	10.1	7.6	1.5	5.4	10.4

4. Disaggregation of revenue

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

Starting from January 1, 2025, Lassila & Tikanoja has three reportable segments: Circular Economy Business, which consists of the former Environmental Services and Industrial Services divisions, as well as Facility Services Finland and Facility Services Sweden. The disaggregation of revenue of 2024 presented below has been adjusted according to the new reporting segment structure.

7-9/2025, MEUR	Long-term service agreements	Separately ordered services	Project business	Sales of equipment and materials	Lease income	Total net sales
Circular Economy Business	75.0	21.2	3.7	15.4	0.9	116.1
Facility Services Finland	40.5	13.5	0.8			54.9
Facility Services Sweden	12.2	16.0	0.9			29.1
Total	127.7	50.7	5.3	15.4	0.9	200.0
Interdivision						-0.5
External net sales, total						199.5

7-9/2024, MEUR	Long-term service agreements	Separately ordered services	Project business	Sales of equipment and materials	Lease income	Total net sales
Circular Economy Business	75.6	17.1	3.5	13.4	0.9	110.4
Facility Services Finland	40.7	15.0	1.7			57.4
Facility Services Sweden	11.2	13.4	0.6			25.2
Total	127.5	45.4	5.8	13.4	0.9	193.0
Interdivision						-0.7
External net sales, total						192.3

1-9/2025, MEUR	Long-term service agreements	Separately ordered services	Project business	Sales of equipment and materials	Lease income	Total net sales
Circular Economy Business	212.1	53.1	7.1	40.6	2.6	315.5
Facility Services Finland	126.4	39.6	4.2			170.2
Facility Services Sweden	37.0	47.2	3.1			87.3
Total	375.5	139.9	14.4	40.6	2.6	573.0
Interdivisional sales						-1.6
External net sales, total						571.4

1-9/2024, MEUR	Long-term service agreements	Separately ordered services	Project business	Sales of equipment and materials	Lease income	Total net sales
Circular Economy Business	218.1	48.8	7.9	41.2	2.7	318.6
Facility Services Finland	127.0	46.9	5.2			179.2
Facility Services Sweden	35.0	44.1	1.8			80.9
Total	380.0	139.8	15.0	41.2	2.7	578.6
Interdivisional sales						-2.1
External net sales, total						576.5

1-12/2024, MEUR	Long-term service agreements	Separately ordered services	Project business	Sales of equipment and materials	Lease income	Total net sales
Circular Economy Business	289.5	66.0	9.9	55.1	3.5	424.0
Facility Services Finland	169.3	62.1	6.6			238.0
Facility Services Sweden	46.0	62.0	3.8			111.9
Total	504.8	190.1	20.3	55.1	3.5	773.9
Interdivisional sales						-3.1
External net sales, total						770.7

5. Business acquisitions

Business acquisitions 2025

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

In the reporting period, the business acquisition had an EUR 3.9 million million impact on L&T's net sales and EUR 0.5million on operating profit. If the acquisition had been completed on 1 January 2025, L&T's net sales during the reporting period would have been approximately EUR 576.4 million and operating profit approximately EUR 35.2million. In the reporting period, transaction costs totalling EUR 0.1 million (0.2) related to the acquisition were recognised in other operating expenses.

Business acquisitions 2024

On 1 February 2024, Lassila & Tikanoja's Industrial Services division acquired all of the shares of PF Industriservice AB, a company that provides process cleaning services in Sweden. Through the acquisition, L&T's Industrial Services division's process cleaning services business expands to the Gävleborg area in Sweden. In the fair value measurement, intangible assets based on customer relationships with a value of EUR 0.7 million, as well as goodwill with a value of EUR 0.8 million were identified. Goodwill is mainly based on the regional position of the acquired business and its future development prospects.

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

In 2024, business acquisitions had an EUR 2.6 million million impact on the Group's net sales for the financial period and EUR 0.2 million on operating profit. If the acquisitions in 2024 had been completed on 1 January 2024, the Groups net sales would have been approximately EUR 770.8 million and operating profit approximately EUR 9.8 million. In 2024, expenses totalling EUR 0.1 million (-) related to the acquisitions were recognised in the income statement.

Business acquisitions, fair value total, MEUR	1-9/2025	1-9/2024	1-12/2024
Intangible assets	3.8	0.7	0.7
Tangible assets	0.4	0.4	0.4
Right-of-use assets	0.9	0.1	0.1
Inventories	0.5	-	-
Receivables	-	0.2	0.2
Cash and cash equivalents	-	0.5	0.5
Total assets	5.6	1.9	1.9
Other liabilities	1.0	0.4	0.4
Deferred tax liabilities	-	0.2	0.2
Total liabilities	1.0	0.6	0.6
Net assets acquired	4.6	1.2	1.2
Total consideration	8.0	2.1	2.1
Goodwill	3.4	0.8	0.8
Impact on cash flow:			
Consideration paid in cash	-8.0	-2.1	-2.1
Cash and cash equivalents of the acquired company	-	0.5	0.5
Total impact on cash flow	-8.0	-1.6	-1.6

The figures for such acquired businesses, that are not material to the Group when considered separately, are stated in aggregate.

6. Intangible and tangible assets

Changes in goodwill

MEUR	1-9/2025	1-9/2024	1-12/2024
Carrying amount at the beginning of the period	157.0	180.8	180.8
Business acquisitions	3.4	0.8	0.8
Impairments	-	-	-23.3
Exchange differences	0.7	-0.8	-1.3
Carrying amount at the end of the period	161.1	180.9	157.0

Changes in other intangible assets

MEUR	1-9/2025	1-9/2024	1-12/2024
Carrying amount at the beginning of the period	42.2	38.2	38.2
Business acquisitions	3.8	0.7	0.7
Other capital expenditure	1.6	7.5	9.7
Disposals	-0.1	-0.0	-0.0
Amortisation and impairment	-5.3	-4.5	-6.0
Exchange differences	0.3	-0.2	-0.3
Carrying amount at the end of the period	42.6	41.7	42.2

Changes in tangible assets

MEUR	1-9/2025	1-9/2024	1-12/2024
Carrying amount at the beginning of the period ¹	164.3	164.9	164.9
Business acquisitions	0.4	0.4	0.4
Other capital expenditure	14.0	22.5	29.7
Disposals	-1.2	-0.4	-1.6
Depreciation and impairment	-22.1	-21.1	-28.8
Exchange differences	0.3	-0.1	-0.2
Carrying amount at the end of the period ¹	155.6	166.1	164.3

¹ The figure for the January-September of 2024 has been adjusted. The adjustment relates to the correction of an error made in the 2024 financial statements concerning the figures for 2023. More information about the error correction is presented in the 2024 consolidated financial statements.

Changes in right-of-use assets

MEUR	1-9/2025	1-9/2024	1-12/2024
Carrying amount at the beginning of the period	69.1	76.0	76.0
Business acquisitions	1.0	0.1	0.1
Other capital expenditure	12.3	15.1	19.9
Disposals	-4.0	-3.8	-5.6
Depreciation and impairment	-15.2	-16.0	-21.1
Exchange differences	0.3	-0.2	-0.3
Carrying amount at the end of the period	63.5	71.3	69.1

7. Capital commitments

MEUR	30 Sep 2025	30 Sep 2024	31 Dec 2024
Intangible assets	-	1.3	0.1
Tangible assets	8.6	8.7	8.6
Total	8.6	10.0	8.6

Capital commitments for intangible assets are mainly related to information systems. Capital commitments for tangible assets are mainly related to machine and equipment purchases.

8. Provisions

Obligations covered by environmental provisions

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

The Munaistenmetsä landfill site in Uusikaupunki serves as a final disposal area for municipal waste, contaminated soil and industrial by-products. The hazardous waste landfill area, in accordance with the new environmental permit, is now in production use and has begun receiving waste.

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

The landfill area in Pori receives and processes gypsum, construction and demolition waste as well as contaminated soil and other smaller items. The application prepared for the new environmental permit is under review by the Regional State Administrative Agency. A decision on the environmental permit is expected by the end of 2025. The application seeks extensive reception and handling operations for both non-hazardous and hazardous waste.

Provisions in the statement of financial position

MEUR	30 Sep 2025	30 Sep 2024	31 Dec 2024
Non-current provisions	8.5	6.7	9.0
Current provisions	1.6	1.3	2.5
Total	10.2	8.0	11.5

Changes in provisions

MEUR	Environmental provisions	Onerous contracts	Other provisions	Total
Provisions 1 Jan 2025	6.3	3.3	1.9	11.5
Additions	0.5	-	0.7	1.3
Used	-0.2	-0.3	-1.1	-1.5
Reversals	-	-0.9	-0.1	-0.9
Effect of discounting	-0.1	-0.1	-	-0.2
Effect of exchange rate changes	-	0.1	0.0	0.1
Provisions 30 Sep 2025	6.5	2.1	1.5	10.2

MEUR	Environmental provisions	Onerous contracts	Other provisions	Total
Provisions at 1 Jan 2024	7.2	-	0.9	8.1
Additions	-	-	0.7	0.7
Used	-0.2	-	-0.3	-0.5
Effect of discounting	-0.3	-	-	-0.3
Provisions 30 Sep 2024	6.7	-	1.3	8.0

9. Financial assets and liabilities by category

30 September 2025, MEUR	Amortised costs	Fair value through profit or loss	Carrying amounts by balance sheet item	Fair value hierarchy level
Non-current financial assets				
Other receivables	0.9		0.9	
Current financial assets				
Trade and other receivables	97.3		97.3	
Cash and cash equivalents	35.9		35.9	
Total financial assets	134.0	-	134.0	
Non-current financial liabilities				
Borrowings	129.7		129.7	2
Lease liabilities	49.6		49.6	
Current financial liabilities				
Borrowings	10.5		10.5	2
Lease liabilities	16.3		16.3	
Interest liabilities	1.0		1.0	
Trade and other payables	55.6		55.6	
Deferred consideration		4.8	4.8	3
Total financial liabilities	262.6	4.8	267.4	

30 September 2024, MEUR	Amortised costs	Fair value through profit or loss	Carrying amounts by balance sheet item	Fair value hierarchy level
Non-current financial assets				
Other receivables	0.9		0.9	
Current financial assets				
Trade and other receivables	93.5		93.5	
Cash and cash equivalents	30.4		30.4	
Total financial assets	124.8	-	124.8	
Non-current financial liabilities				
Borrowings	115.0		115.0	2
Lease liabilities	54.8		54.8	
Deferred consideration		6.2	6.2	3
Current financial liabilities				
Borrowings	20.7		20.7	2
Lease liabilities	18.6		18.6	
Interest liabilities	1.0		1.0	
Trade and other payables	57.9		57.9	
Total financial liabilities	268.1	6.2	274.2	

The fair values of the balance sheet items measured at amortised cost do not significantly differ from the carrying amounts.

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

MEUR	1-9/2025	1-9/2024	1-12/2024
Carrying amount at the beginning of the period	6.7	5.9	5.9
Change in fair value	-2.2	0.3	1.0
Exchange differences	0.2	-0.1	-0.2
Carrying amount at the end of the period	4.8	6.2	6.7

Deferred consideration is related to the acquisition of 70 per cent share of Sand & Vattenbläst i Tyringe AB ("SVB") that offers process cleaning services in Sweden. The acquisition took place on 1 February 2022. SVB is consolidated with 100 per cent share in the Group and, in connection with the arrangement, L&T has recognised in financial liabilities an estimate of the deferred consideration for the acquisition. The deferred consideration relates to the acquisition of non-controlling interest and is measured at fair value, which is reflected in the present value of the estimated liability. It will mature on 1 February 2026 at the earliest.

The valuation of the deferred consideration is based on the shareholder agreement and is affected by the acquired company's balance sheet structure and EBITDA forecast for 2025.

10. Related party transactions

The related parties of the Lassila & Tikanoja Group are the senior management (members of the Board of Directors, President and CEO of the Lassila & Tikanoja plc and the other members of the Group Executive Board) and the immediate family of the senior management and companies controlled by the aforementioned persons, the Group's subsidiaries, the associated company (Suomen Keräystuote Oy until 1 July 2024), the joint venture (Laania Oy) and the L&T sickness fund.

The contributions paid by the group companies to the L&T sickness fund during the reporting period amounted to EUR 0.8 million (0.7). The Group has transactions between the group companies in the ordinary course of business. The Group's transactions with Laania Oy are presented in the following table. In addition, the Group has provided guarantees for Laania's financing arrangements, which are specified in note 11. In 2025, Laania paid dividends totalling EUR 1.6 million (1.8) to Lassila & Tikanoja. The Group has no significant transactions with other related parties.

Business transactions with the joint venture

MEUR	1-9/2025	1-9/2024	1-12/2024
Net sales	2.3	2.6	3.1
Purchases of materials and services	-0.6	-0.7	-0.9
Trade- and other receivables	0.0	0.1	0.0
Trade payables and other liabilities	0.0	-	-

11. Commitments and contingent liabilities

MEUR	30 Sep 2025	30 Sep 2024	31 Dec 2024
Securities for own commitments			
Mortgages on rights of tenancy	0.2	0.2	0.2
Company mortgages	0.5	0.5	0.5
Other securities	0.0	0.0	0.0
Bank guarantees required for environmental permits	27.3	25.2	25.0
Other bank guarantees	9.8	7.7	7.1
Mortgages under own control			
Company mortgages	-	0.2	0.2
Liabilities on behalf of the joint venture			
Account limit	-	2.8	-
Bank guarantees	16.5	16.5	16.5
Term loan facility guarantee	-	11.0	-
Revolving credit facility	-	5.5	-

¹ Figures of the comparison period have been adjusted.

The Group has a 55% holding in Laania Oy, a joint venture established on 1 July 2022 together with Neova. The amount of the liabilities on behalf of the joint venture is disclosed as the Group's share of the maximum amount of liability, in relation to the Group's holding.

The Group company Lassila & Tikanoja FM AB is a claimant and a defendant in legal proceedings in Sweden concerning unpaid receivables invoiced from a former customer of the Group. In June 2022, Lassila & Tikanoja FM AB took legal action in the District Court of Solna against the former customer company of L&T, demanding payment for unpaid receivables. After taking into account the recognised impairments, the carrying amount of the receivables on the Company's balance sheet was approximately EUR 0.7 million at the balance sheet date. The former L&T customer company in question has rejected Lassila & Tikanoja FM AB's claims and the payment obligation, and brought a counterclaim demanding compensation totalling approximately SEK 144 million from Lassila & Tikanoja FM AB. The dispute is still pending. L&T considers the counterclaim to be without merit and has not recognised any provisions relating to it.

Helsinki, 28 October 2025

LASSILA & TIKANOJA PLC
Board of Directors

Eero Hautaniemi
President and CEO

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Lassila & Tikanoja is a service company that is putting the circular economy into practice. Together with our customers, we keep materials, manufacturing sites and properties in productive use for as long as possible and we enhance the use of raw materials and energy. This is to create more value with the circular economy for our customers, personnel and society in a broader sense. Achieving this also means growth in value for our shareholders. Our objective is to continuously grow our actions' carbon handprint, our positive effect on the climate. We assume our social responsibility by looking after the work ability of our personnel as well as offering jobs to those who are struggling to find employment, for example. With operations in Finland and Sweden, L&T employs approximately 7,400 people. Net sales in 2024 amounted to EUR 770.7 million. L&T is listed on Nasdaq Helsinki.