

# President and CEO's review

Annual General Meeting 2026

Thomas Hinnerskov  
President and CEO



**We are Valmet**



# Executive Leadership Team



**Thomas Hinnerskov**  
President and CEO



**Katri Hokkanen**  
CFO



**Anu Pires**  
EVP People,  
Communications and Culture



**Rasmus Oksala**  
EVP Legal, and General Counsel



**Olli Hänninen**  
EVP Strategy and Transformation



**Jon Jested-Rask**  
EVP Tissue



**Petri Rasinmäki**  
EVP Packaging and Paper



**Sami Riekkola**  
EVP Pulp, Energy and  
Circularity



**Simo Säaskilahti**  
EVP Flow Control



**Emilia Torttila-Miettinen**  
EVP Automation Solutions



**Aki Niemi**  
EVP Global Supply



**Celso Tacla**  
EVP Latin America



**Xiangdong Zhu**  
EVP China Chair

# Global technology leader with true international presence



**18,500**  
employees



# Global customer base

**Process Performance Solutions**  
Automation Solutions & Flow Control

**Biomaterial Solutions and Services**  
Pulp, Packaging and Paper, Tissue, Energy, Circularity

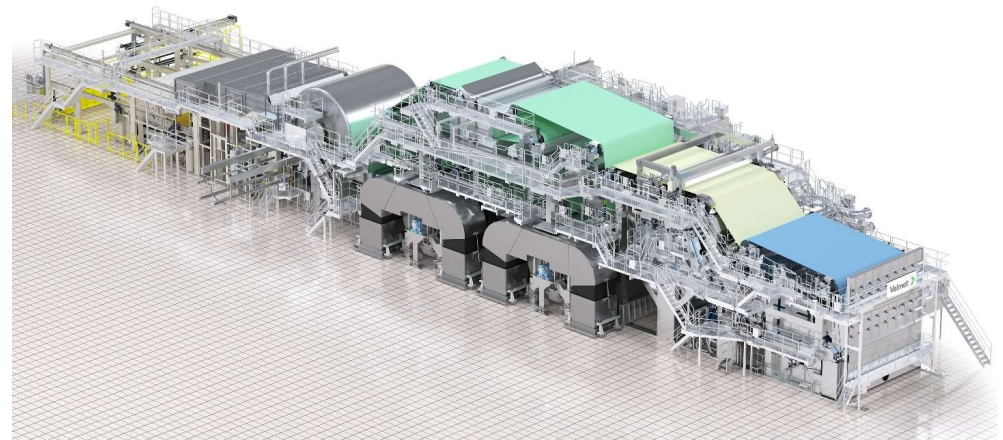


## Landmark customer cases



### Mission-critical automation for the new Polarstern, next-generation polar research vessel

- Demonstrates the versatility and reliability of Valmet's automation in mission-critical marine and research platforms – in the most extreme environments on Earth



### State-of-the-art tissue line for Sofidel for growing demand of ultra-premium tissue products

- Expands North American installed base, unlocking recurring lifecycle revenue, and strengthens Valmet's leadership in ultra-premium tissue segment

# Valmet's 2025 in brief



# Valmet's 2025 financial performance

EUR million	2025	2024	Change
Orders received	5,216	5,837	-11 %
Order backlog <sup>1</sup>	4,306	4,452	-3 %
Net sales	5,197	5,359	-3 %
Comparable EBITA	620	609	2 %
% of net sales	11.9 %	11.4 %	0.6 pp
EBITA	534	557	-4 %
Operating profit (EBIT)	438	449	-2 %
Profit before taxes	376	383	-2 %
Adjusted earnings per share, EUR <sup>2</sup>	1.82	1.93	-6 %
Earnings per share, EUR	1.52	1.52	0 %
Comparable ROCE <sup>3</sup>	13.0 %	12.7 %	0.2 pp
Cash flow from operating activities	581	554	5 %
Net debt to EBITDA ratio	1.40	1.55	-10 %
Gearing <sup>1</sup>	35 %	39 %	-4.6 pp

Items affecting comparability: EUR -6 million in Q4/2025 (EUR -19 million in Q4/2024) and EUR -85 million in 2025 (EUR -53 million in 2024).

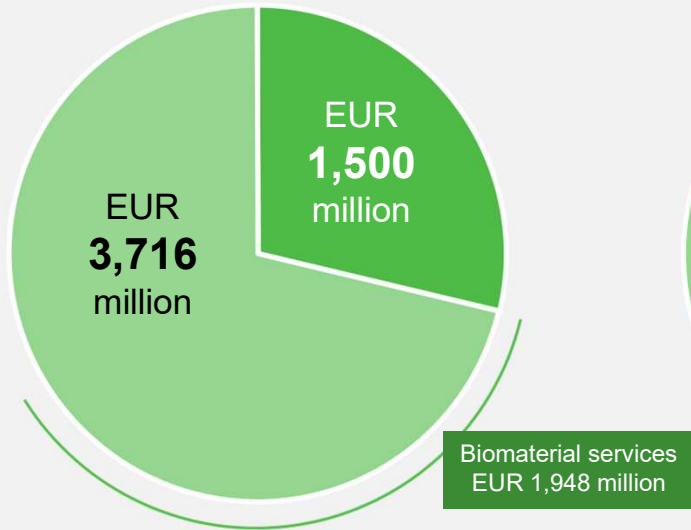
1. At end of period

2. Adjusted earnings per share excludes the impact of fair value adjustments arising from business combinations, net of tax

3. Comparable return on capital employed (ROCE) before taxes

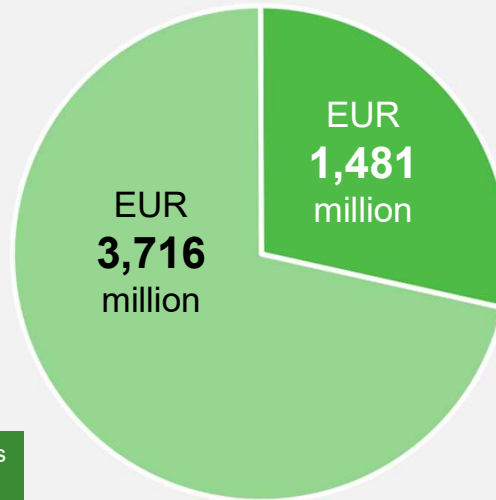
# Valmet in 2025

**Orders received**



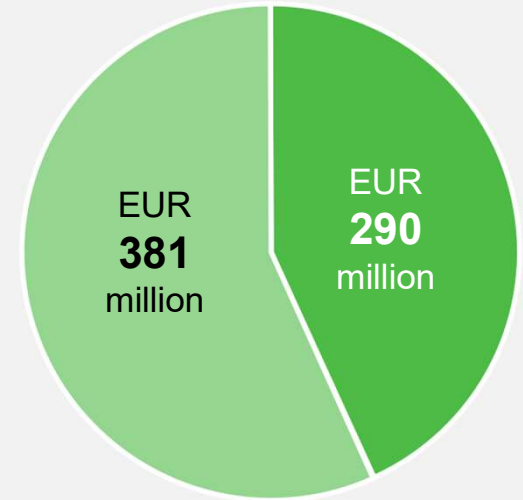
- Process Performance Solutions
- Biomaterial Solutions and Services

**Net sales**



- Process Performance Solutions
- Biomaterial Solutions and Services

**Comparable EBITA (excl. Other)**



- Process Performance Solutions
- Biomaterial Solutions and Services

**Orders received**  
EUR 5,216 million

**Net sales**  
EUR 5,197 million

**Comparable EBITA**  
EUR 620 million

**Comparable EBITA margin**  
11.9%

**Order backlog**  
EUR 4,306 million

**Employees**  
18,487

# Consolidated Statement of Income

EUR million	Note	2025	2024
Net sales	2, 3	5,197	5,359
Cost of goods sold	4, 5, 7, 14	-3,750	-3,878
<b>Gross profit</b>		<b>1,447</b>	1,481
Selling, general and administrative expenses	4, 5, 14, 19	-986	-1,000
Other operating income	20	25	25
Other operating expenses	20	-53	-59
Share in profits and losses of associated companies	23	5	2
<b>Operating profit</b>		<b>438</b>	449
Financial income	10	18	24
Financial expenses	10	-80	-90
<b>Profit before taxes</b>		<b>376</b>	383
Current tax expense		-138	-119
Deferred taxes		42	17
<b>Income taxes, total</b>	17	<b>-96</b>	-103
<b>Profit for the period</b>		<b>279</b>	281
<b>Attributable to:</b>			
Owners of the parent		280	280
Non-controlling interests		—	1
<b>Profit for the period</b>		<b>279</b>	281
<b>Earnings per share attributable to owners of the parent:</b>			
Earnings per share, EUR		1.52	1.52
Diluted earnings per share, EUR		1.52	1.52

# Consolidated Statement of Financial Position

## Assets

EUR million	Note	As at December 31,	
		2025	2024
<b>Non-current assets</b>			
<b>Intangible assets</b>			
Goodwill		1,800	1,808
Other intangible assets		1,040	1,127
<b>Total intangible assets</b>	4	<b>2,840</b>	2,934
<b>Property, plant and equipment</b>			
Land and water areas		38	40
Buildings and structures		164	163
Machinery and equipment		292	283
Right-of-use assets		171	156
Assets under construction		75	83
<b>Total property, plant and equipment</b>	4, 5	<b>740</b>	726
<b>Other non-current assets</b>			
Investments in associated companies	23	19	17
Non-current financial assets	8, 9	35	40
Deferred tax assets	17	96	94
Non-current income tax receivables	17	6	39
Other non-current assets		46	37
<b>Total other non-current assets</b>		<b>203</b>	228
<b>Total non-current assets</b>		<b>3,782</b>	3,888
<b>Current assets</b>			
<b>Inventories</b>			
Materials and supplies		213	206
Work in progress		377	396
Finished products		294	301
<b>Total inventories</b>	7	<b>884</b>	903
<b>Receivables and other current assets</b>			
Trade receivables	8	769	862
Amounts due from customers under revenue contracts	3	327	344
Other current financial assets	8, 9	82	62
Income tax receivables		67	64
Other current assets	12	189	226
Cash and cash equivalents	8	535	482
<b>Total receivables and other current assets</b>		<b>1,968</b>	2,041
<b>Total current assets</b>		<b>2,852</b>	2,944
<b>Total assets</b>		<b>6,634</b>	6,832

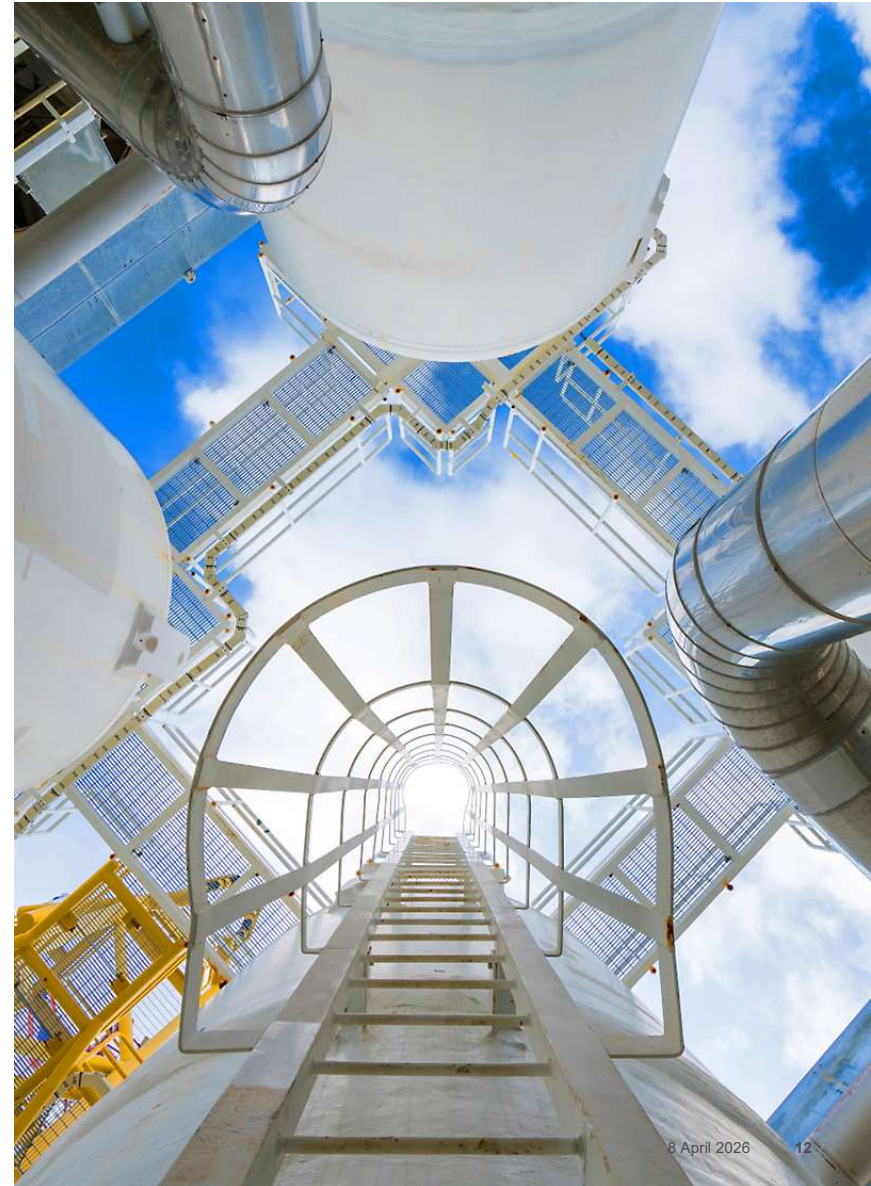
## Equity and liabilities

EUR million	Note	As at December 31,	
		2025	2024
<b>Equity</b>			
Share capital		140	140
Reserve for invested unrestricted equity		1,380	1,375
Cumulative translation adjustments		-112	-40
Hedge and other reserves		8	-6
Retained earnings		1,168	1,137
<b>Equity attributable to owners of the parent</b>	18	<b>2,584</b>	2,607
<b>Non-controlling interests</b>		<b>6</b>	7
<b>Total equity</b>		<b>2,590</b>	2,614
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Non-current debt	8	1,153	1,272
Non-current lease liabilities	5, 8	128	107
Employee benefit liabilities		156	157
Non-current provisions		20	28
Other non-current liabilities	8, 9	7	13
Deferred tax liabilities	17	246	284
<b>Total non-current liabilities</b>		<b>1,710</b>	1,862
<b>Current liabilities</b>			
Current debt	8	132	115
Current lease liabilities	5, 8	48	50
Trade payables	8	500	460
Current provisions		192	162
Amounts due to customers under revenue contracts	3	855	904
Other current financial liabilities	8, 9	41	31
Income tax liabilities		58	75
Other current liabilities	13	508	559
<b>Total current liabilities</b>		<b>2,334</b>	2,356
<b>Total liabilities</b>		<b>4,044</b>	4,218
<b>Total equity and liabilities</b>		<b>6,634</b>	6,832

# Severn to strengthen Valmet's market position in mission-critical valve and valve automation solutions

## Valmet to acquire Severn Group

- Leading severe service valve technologies, high-quality installed base and strong customer relationships globally
- An excellent strategic fit to Valmet
- Supports growth outside Valmet's traditional biomaterials core
- Strengthens Flow Control's position and market share in refining and chemicals, energy and gases and metals and mining
- The transaction is valued at USD 480 million on a cash and debt-free basis
- The acquisition is estimated to be completed during Q2/2026



# Valmet's climate targets



Upstream

**50%**

Share of spend from suppliers with aligned climate targets by 2030

2024 baseline 9%

Own operations

**60%**

Emission reduction in own operations by 2030

2024 baseline 68,000 tCO<sub>2</sub>e

Own operations

**Net-zero**

by 2040

Downstream

**60%**

Share of sales from net-zero and circular economy aligned solutions and services by 2040

2024 baseline 23%

Value chain net-zero ambition by 2050

# Dividend proposal



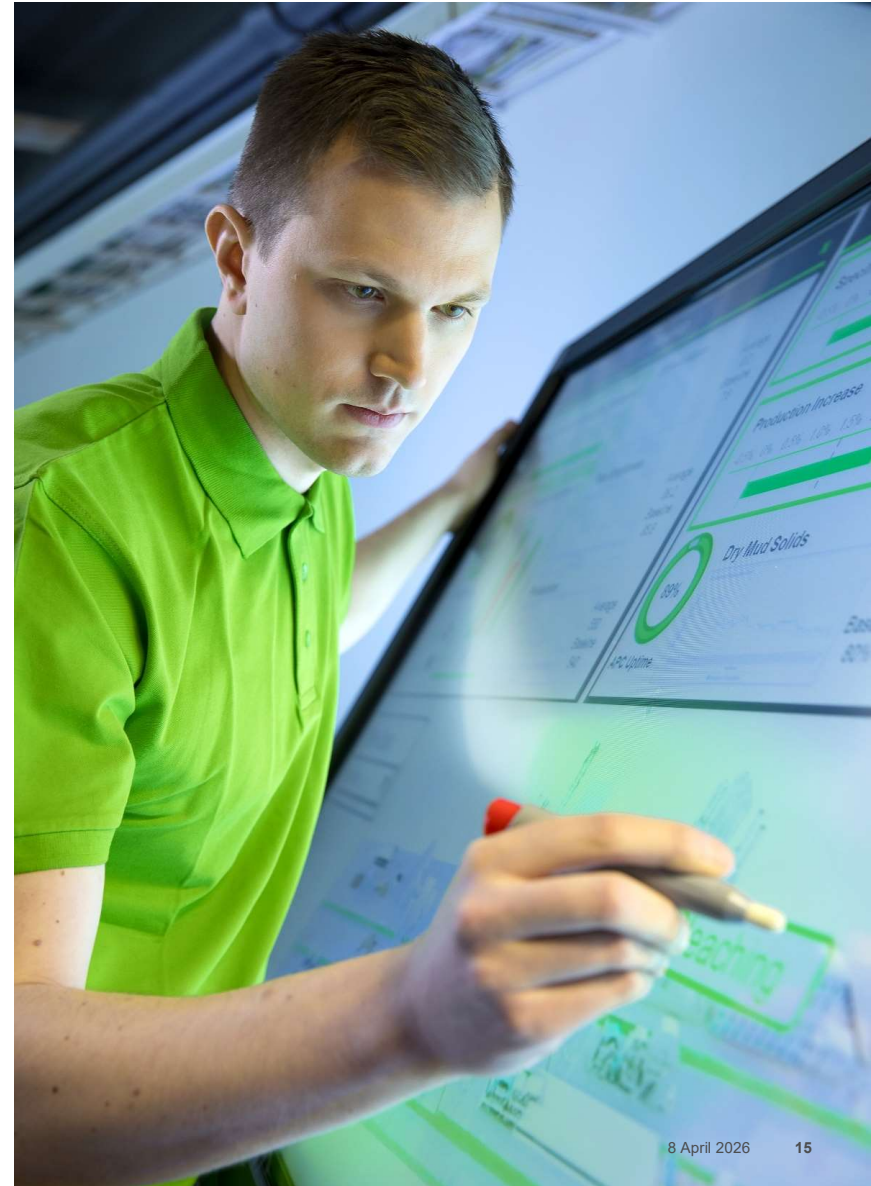
# Dividend proposal

## Dividend policy

- Dividend payout at least 50% of net profit

## Board of Directors' proposal to the Annual General Meeting

- EUR 1.35 dividend per share, which represents 89% payout ratio
- The dividend shall be paid in two installments



# Lead the Way strategy – a defining moment for Valmet



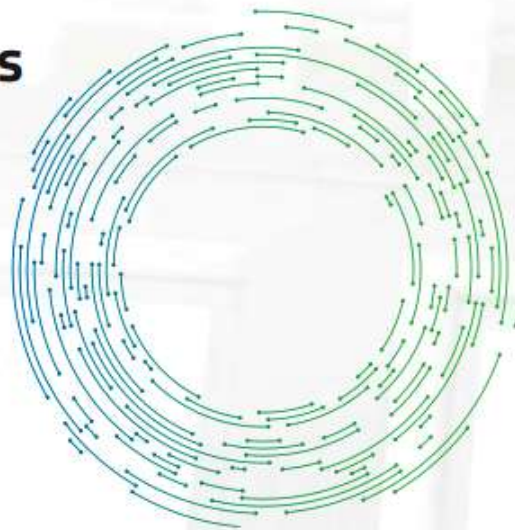
**LEAD THE WAY**

# Transforming industries towards a regenerative tomorrow

## BIOMATERIAL SOLUTIONS & SERVICES

### ADVANCING CIRCULARITY

- > Seamless lifecycle approach to grow in services and technology
- > Continuous innovation with customers, leading the way towards circularity
- > Relentless drive for product cost competitiveness



## PROCESS PERFORMANCE SOLUTIONS

### UNLOCKING RESOURCE EFFICIENCY

- > Leading lifecycle value, reliability and customer experience
- > Customer-focused innovation and strategic portfolio expansion
- > Growth in high-quality technologies and digital capabilities in mission-critical solutions

### STRATEGY FUNDAMENTALS

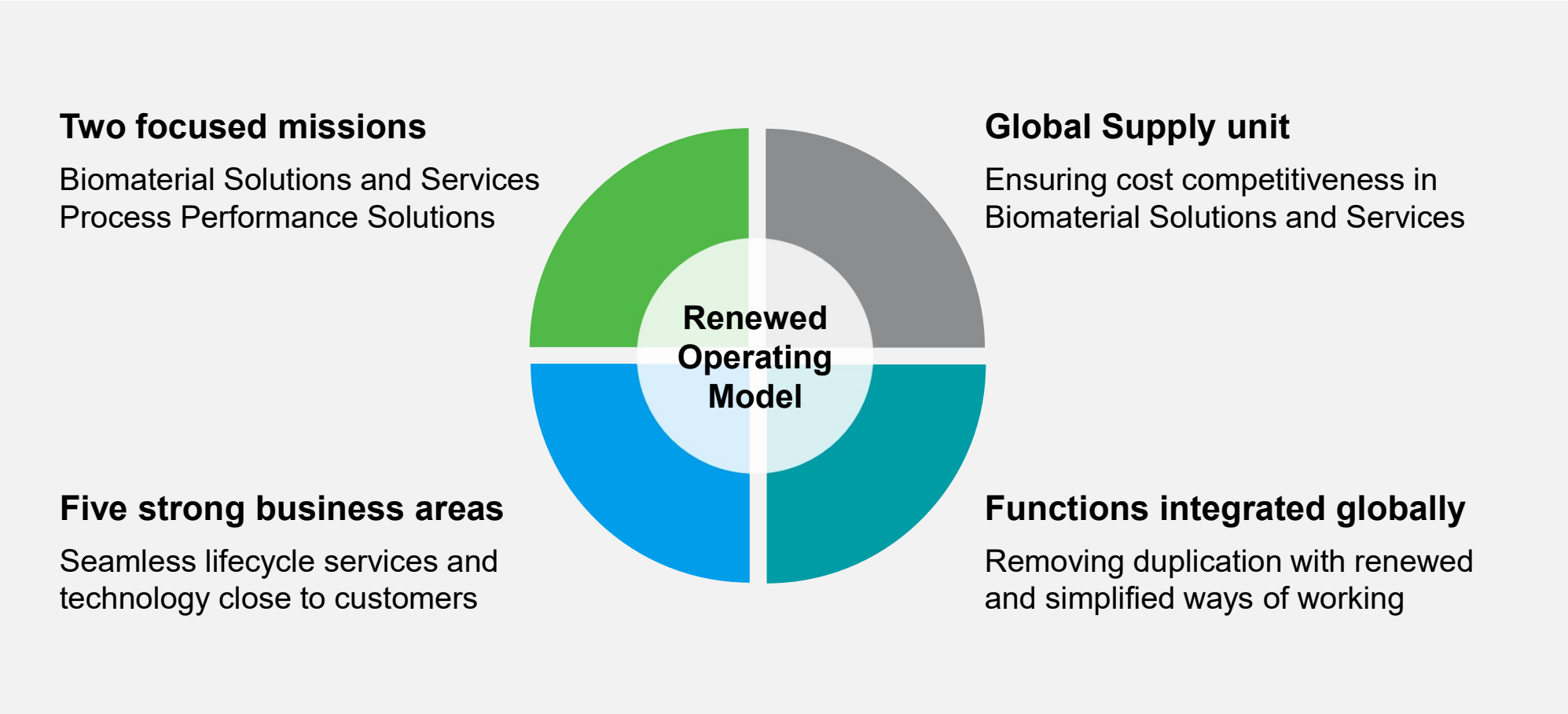
Customer success   Lifecycle commitment   Global competitiveness   Accountability

### VALUES

Customers   Excellence   Renewal   People



# Our renewed operating model is simpler and stronger



Our new **Lead the Way** strategy delivers a strong value proposition



➤ **Lead the Way**

➤ **Strong fundamentals**

➤ **Renewed operating model**

**5%**

Organic growth  
CAGR over  
the cycle

**15%**

Comparable  
EBITA margin

**20%**

Comparable  
ROCE

# Guidance for 2026



## Guidance for 2026

Valmet estimates that net sales in 2026 will remain at the previous year's level in comparison with 2025 (EUR 5,197 million) and Comparable EBITA in 2026 will remain at the previous year's level or increase in comparison with 2025 (EUR 620 million).



