Valmet improves the performance of industrial assets across the lifecycle

Valmet Roadshow presentation Q2/2026

Valmet in brief: A global platform for growth

Key figures for 2025

EUR 5,197m
Net sales

EUR 620m
Comparable EBITA

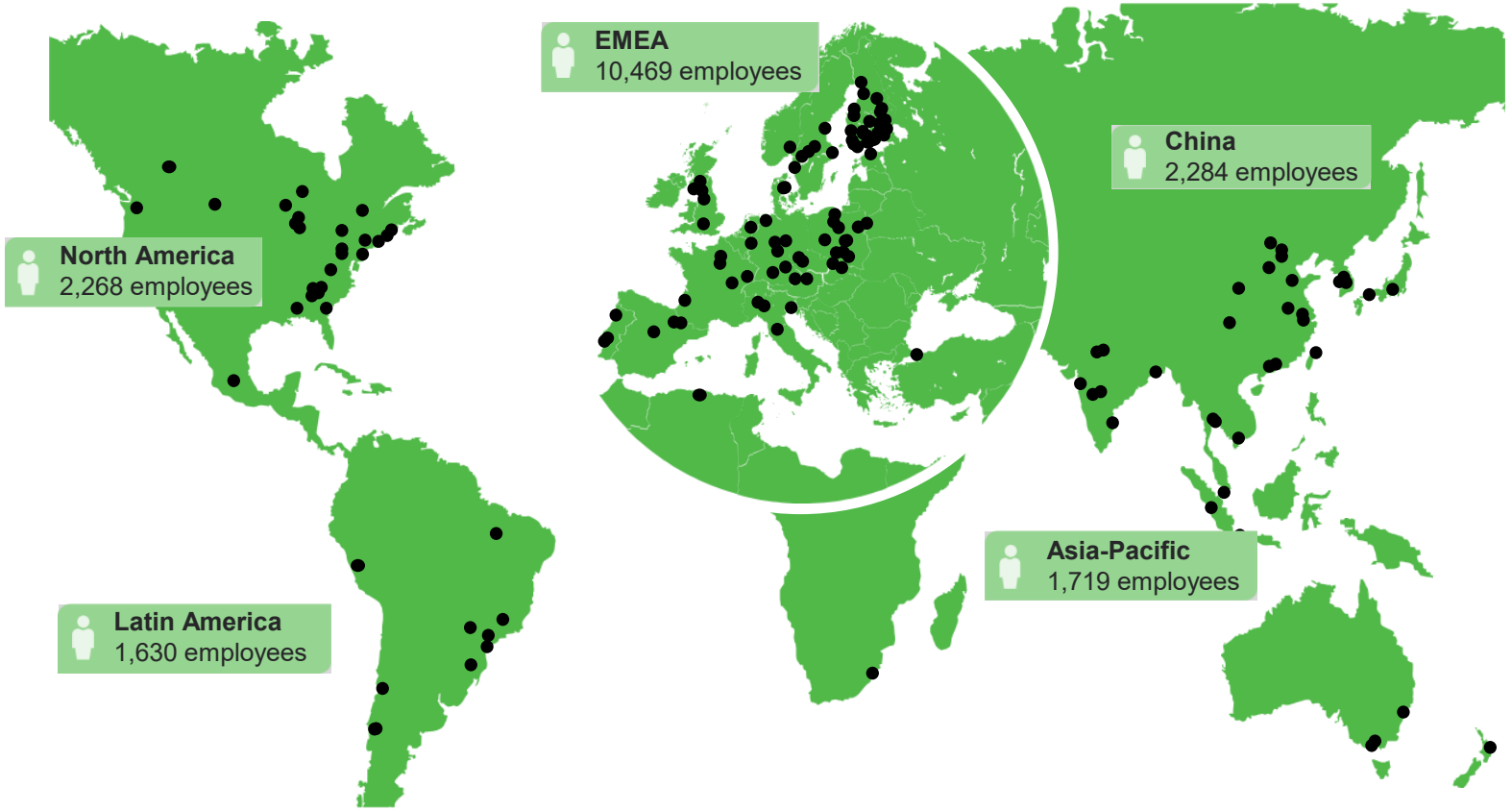
11.9%
Comparable EBITA margin

18,500
Employees globally

>120
Sales countries

225 years
of industrial history

Valmet's global presence



>110
service centers

>70
production units

>30
R&D centers

Valmet improves the performance of industrial assets across the lifecycle

WE HELP CUSTOMERS TO:

- Run their operations more reliably
- Produce more efficiently
- Use fewer resources
- Operate with less manual effort

Delivered through lifecycle services, upgrades and automation

WHAT THIS MEANS FOR VALMET

- **Drives recurring, lifecycle demand** across our global installed base
- **Reduces dependency** on large capital projects

2030 TARGETS

5%
Organic growth

15%
Comparable EBITA

20%
ROCE

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Market leader serving customers in global process industries

Net sales
EUR 3,716 million

Comparable EBITA
10.3%

Biomaterial Solutions and Services

Over **one-third** of global paper & board production runs through Valmet machines

#1-2 market position in new greenfield projects globally

~21% market share in services

Net sales
EUR 1,481 million

Comparable EBITA
19.6%

Process Performance Solutions

Strong positions in a diversified portfolio of customer industries globally

Pulp & paper

Refining & chemicals

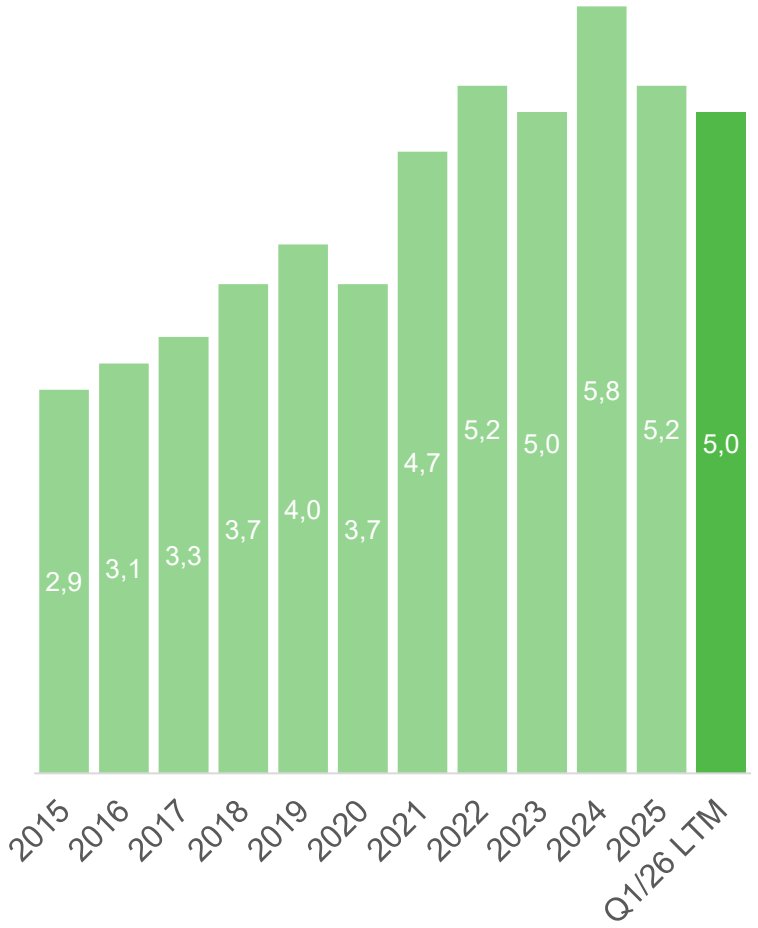
Metals & mining

Marine

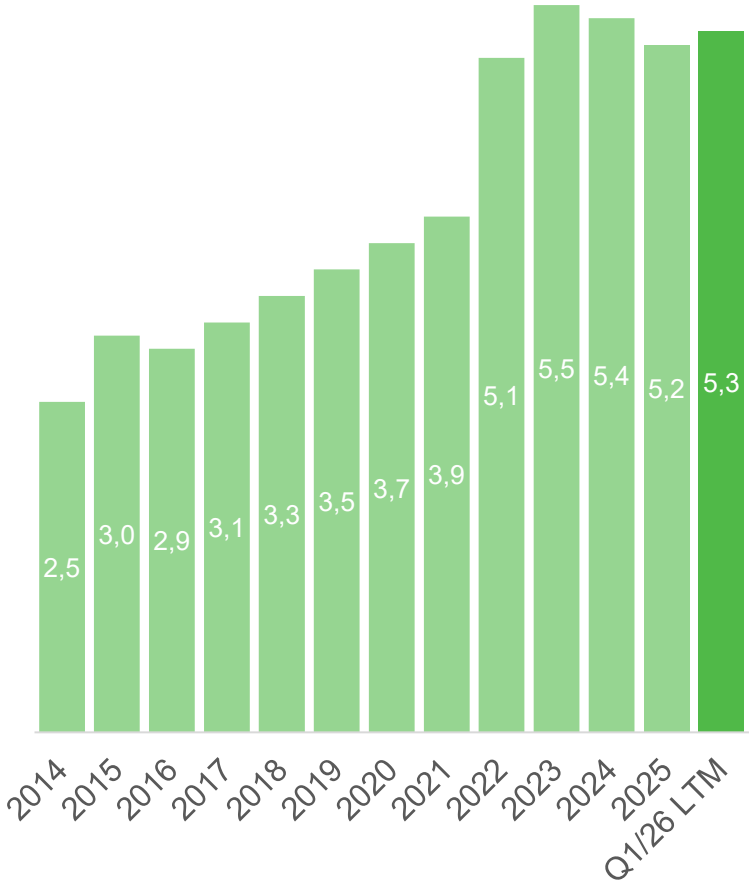
Energy

Proven track-record of growth in volumes and profitability

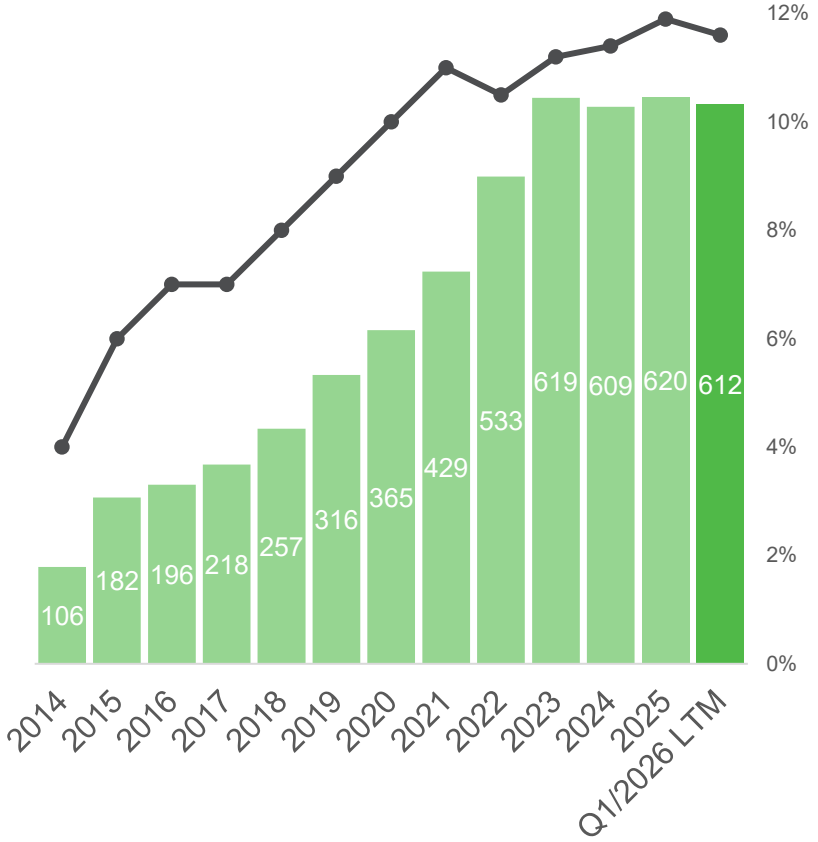
Orders received (EUR billion)



Net sales (EUR billion)



Comparable EBITA
(EUR million and % of net sales)

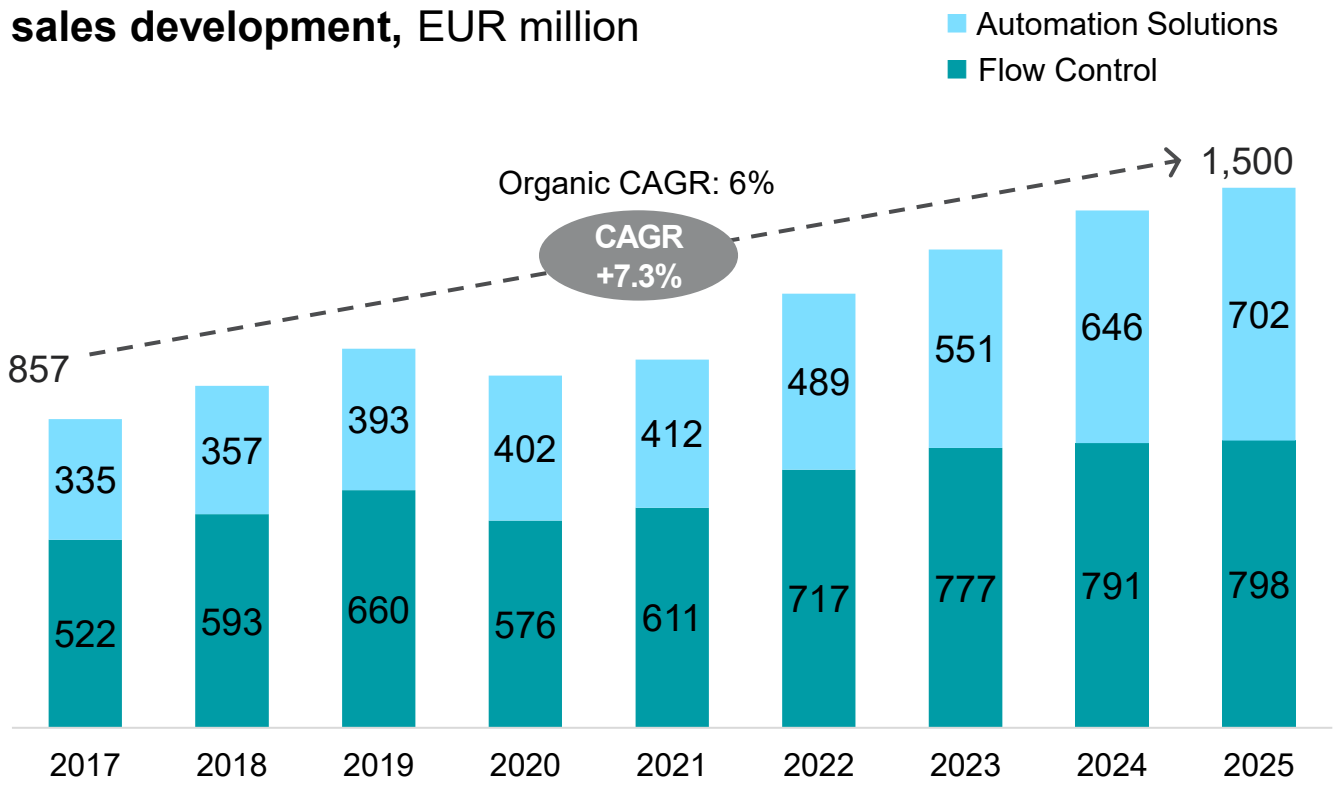


LTM = Last twelve months

Process Performance Solutions – Strong growth and profitability record

Responsible for ~50% of Valmet's comparable EBITA

Net sales development, EUR million



Market growth during period
~2–3% p.a.

Comparable EBITA,% **17.7%** **19.6%**

Systematic portfolio expansion and continuous investment into technology and digitalization

Major technology releases:

Valmet DNAe, April 2024
Valmet Mill-Wide Optimization, March 2023

Acquisitions:

Flow Control

Rotex actuation 2018
Flowrox 2021
Severn Group – expected Q2/2026

Automation Solutions

NovaTech Process Automation 2023
Siemens Gas Chromatography 2024

LTM = Last twelve months

STRATEGY 2030

Lead the Way will take Valmet to a new level of performance

Differentiated, competitive businesses…

World-leading **technology**

Vast **installed base** built over decades

Strong **customer references and trust**

Best people in the industry

… elevated to next level of performance

More focused, bolder strategy

- Four strong fundamentals
- Fewer, more ambitious strategic initiatives
- Disciplined capital allocation focusing on ROCE and competitiveness

Renewed operating model

- Simplified structure
- Cost competitiveness
- Digitally-driven customer lifecycle focus

Evolved culture

- Role clarity
- Empowerment
- Accountability

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Appendix

Strategy

Lead the Way
Transforming industries towards a regenerative tomorrow

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

Biomaterial Solutions and 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

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Lead the Way strategy aims to reshape mindset and culture..

Technology first	→	**Customer success first**
Separated projects and services	→	**Lifecycle-centered approach**
Matrixed and complex	→	**Accountable and empowered**
Continuous improvement	→	**Bold multi-year targets**
100+ initiatives based on Must-Wins	→	**3–5 strategic initiatives per business area**
Accounting focus	→	**Financial performance**

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We have strong market positions globally

Biomaterial solutions

Board and Tissue

Market position

#1

Pulp and Energy

Market position

Pulp	Energy
#1-2	**#1–3**

Biomaterial services

Market position

#1–2

Process Performance Solutions

Flow Control

Market position

Pulp and paper	Renewable energy & gases
#1	**#1–2**
Metals and mining	Refining & Chemicals
#5–10	**#5–10**

Automation Solutions

Market position

Pulp and paper	Energy and process
#1	**#2–4**

2030 financial targets reflect a step change in ambition

5%

Organic net sales growth (CAGR) over the cycle

15%

Comparable EBITA margin

20%

Comparable ROCE

<50%

Gearing

© Valmet

LTM = Last twelve months

Clear capital allocation priorities supporting long-term value creation

1 Organic growth
Funding organic growth, focusing on ROCE and competitiveness

2 Strategic M&A
Selective value-creating M&A

3 Dividend policy
Dividend payout at least 50% of profit for the period

4 Share buybacks
Additional capital distributed to shareholders based on balance sheet strength and capital allocation needs

Biomaterials Solutions and Services

Organic mandate:
Grow services and drive cost competitiveness

M&A potential:
Limited, mainly in Biomaterial Services

Process Performance Solutions

Organic mandate:
Accelerate growth

M&A potential:
High, mainly on bolt-on acquisitions with focus on opportunities outside P&P industry

P&P = Pulp and Paper

Global Supply plays a key role in our efficiency initiatives

- From local, fragmented operations to a globally optimized supply model

Facts on Global Supply

- 4,432 employees
- 21,000 suppliers
- 37 production sites

Global Supply enables Valmet to:

Win market share
Faster delivery, better service, stronger competitiveness

Improve profitability
Structural cost base improvement

Increase predictability
More stable margins across cycles through optimized footprint

We are making a step-change in **cost competitiveness**

EUR **100** million

Structural cost efficiency opportunity by 2030

Margin improvement

Investment in growth

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Valmet has a clear plan to deliver the targeted EUR 100 million savings

Execution is under way

Procurement

- Shift to cost-competitive countries
- **TODAY** ~80% in EMEA and North America
- **TODAY** 21,000 suppliers → Consolidation

Footprint

- Optimization of production footprint **TODAY** 37 sites
- Capacity consolidation
- Decisions made asset-by-asset based on financial returns

Capability

- Global Supply organization centralized **SINCE JULY 2025**
- Faster decision-making and execution
- Dual sourcing and supply resilience

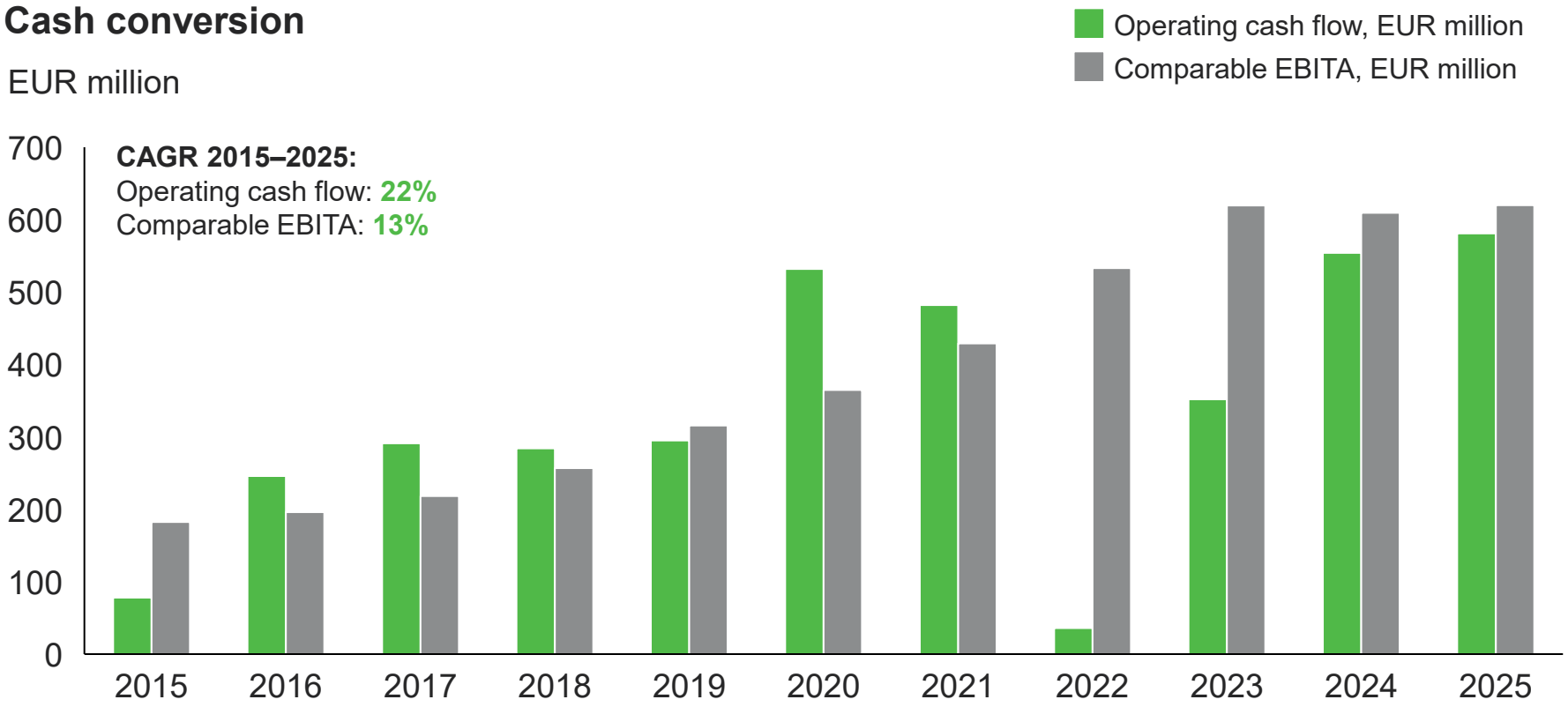
Execution started:

- **~EUR 20m run-rate savings by 2027**
- **Initial footprint actions in Sweden and Poland**

Strong cash conversion track record with growing operating cash flow

Cash conversion

EUR million



Cash conversion ratio:

2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
43%	**126%**	**133%**	**111%**	**93%**	**146%**	**112%**	**7%**	**57%**	**91%**	**94%**

Average cash conversion L10Y 2015–2025:

92%

With EBITA (unadjusted): **96%**

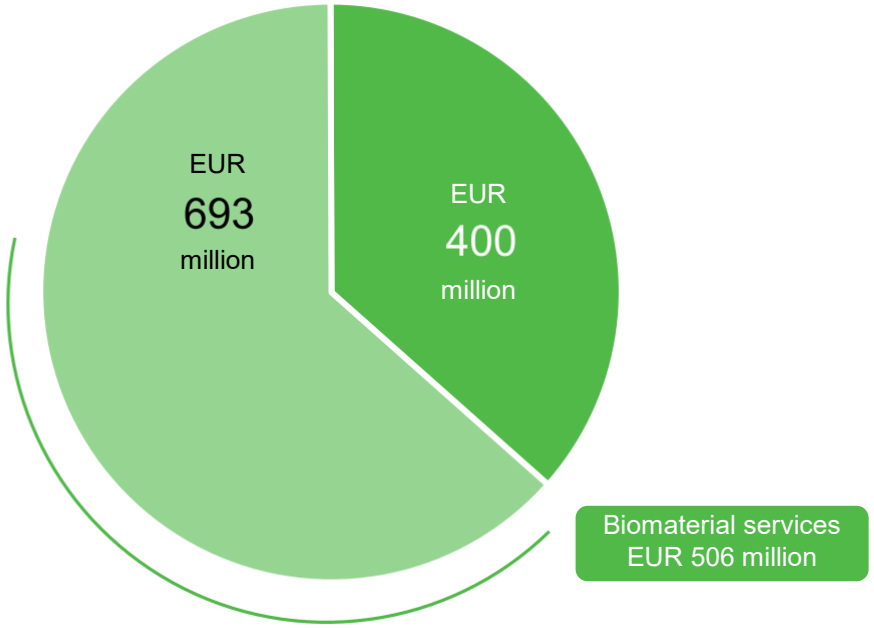
With EBITDA: **79%**

Cash conversion calculated as Operating cash flow / Comparable EBITA

Valmet in Q1/2026

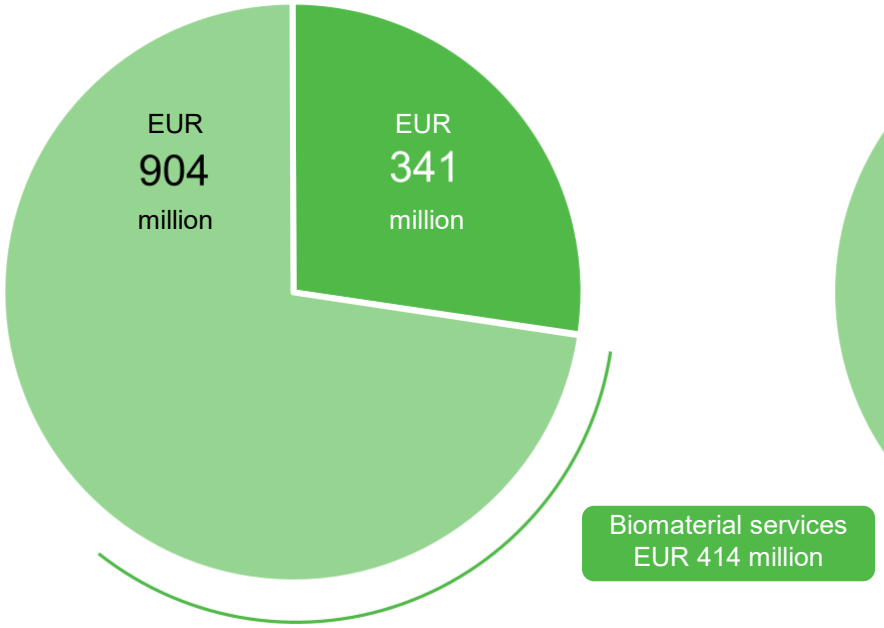
Valmet in Q1/2026

Orders received



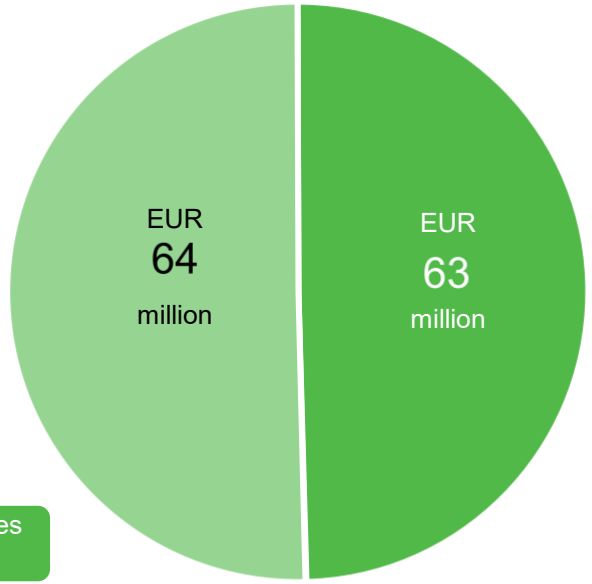
- Process Performance Solutions
- Biomaterial Solutions and Services

Net sales



- Process Performance Solutions
- Biomaterial Solutions and Services

Comparable EBITA (excl. Other)

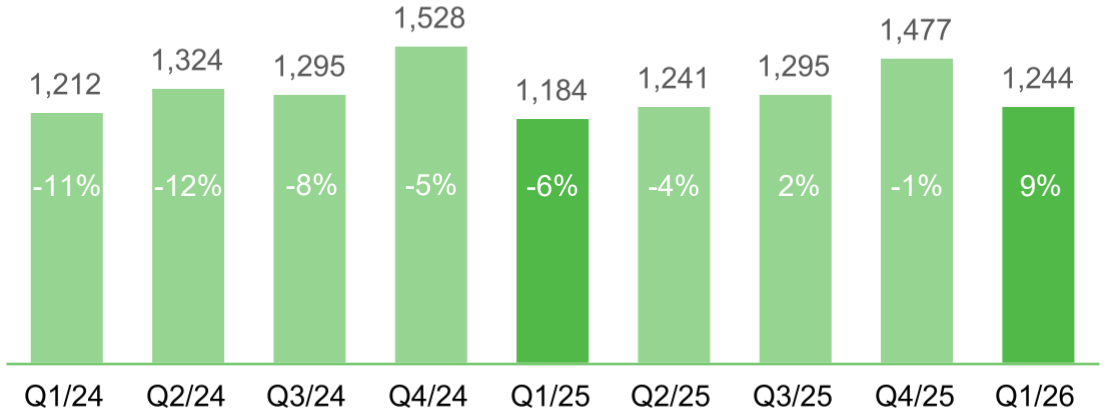


- Process Performance Solutions
- Biomaterial Solutions and Services

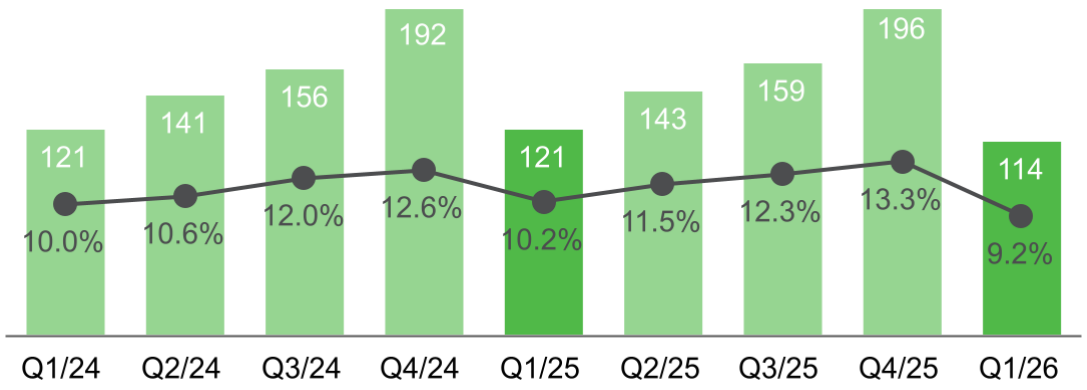
Orders received	Net sales	Comparable EBITA	Comparable EBITA margin	Order backlog	Employees
EUR 1,092 million	EUR 1,244 million	EUR 114 million	9.2%	EUR 4,200 million	18,370

Net sales and Comparable EBITA

Net sales (EUR million and organic growth y/y)



Comparable EBITA (EUR million and % of net sales)



Net sales increased 9% organically

- Net sales were EUR 60 million higher than in Q1/25
- Approximately EUR 44 million negative FX impact
- Organic net sales 9% higher than Q1/2025
- Strong development in both segments

Comparable EBITA and margin decreased

- Comparable EBITA was EUR 114 million and margin 9.2%
- Sales mix for the period reflected a higher share of revenue from large projects and smaller mill improvement projects
- Despite higher net sales and cost savings from the operating model renewal, profitability decreased due to lower gross profit margin

Process Performance Solutions: Q1 margin supported by cost savings

Q1 2026 performance

Orders received increased 4% organically

- Similar organic growth in both Automation Solutions and Flow Control

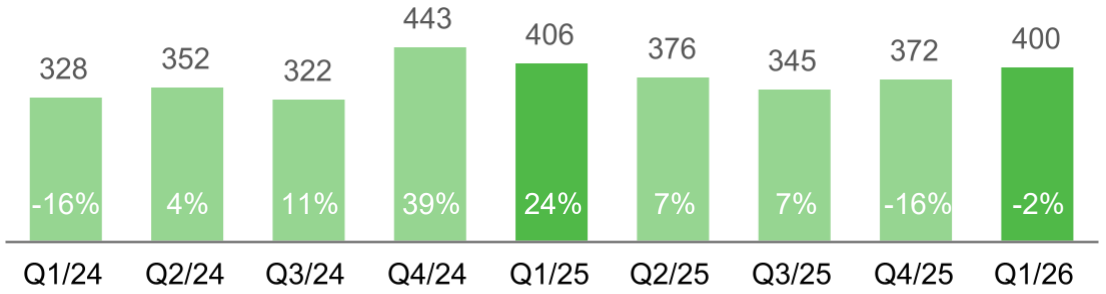
Net sales increased 7% organically

- Organic growth was 6% in Flow Control and 7% in Automation Solutions

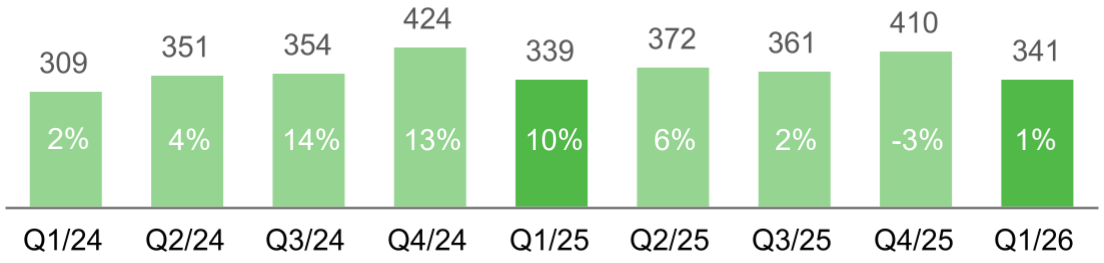
Comparable EBITA increased

- Comparable EBITA increased to EUR 63 million and margin to 18.5%
- The improvement was driven by cost savings related to the operating model renewal and further supported by elevated product margins during the period

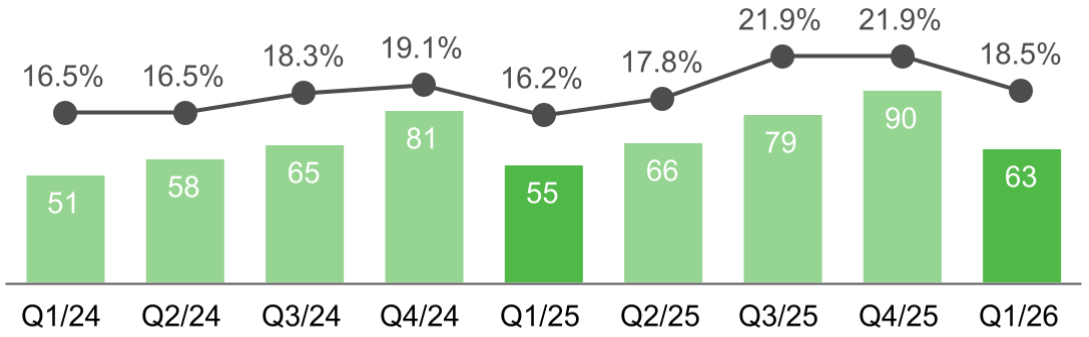
Orders received (EUR million and growth y/y)



Net sales (EUR million and growth y/y)



Comparable EBITA (EUR million and % of net sales)



Biomaterial Solutions and Services: Profitability impacted by sales mix

Q1 2026 performance

Orders received decreased mainly due to capital project timing

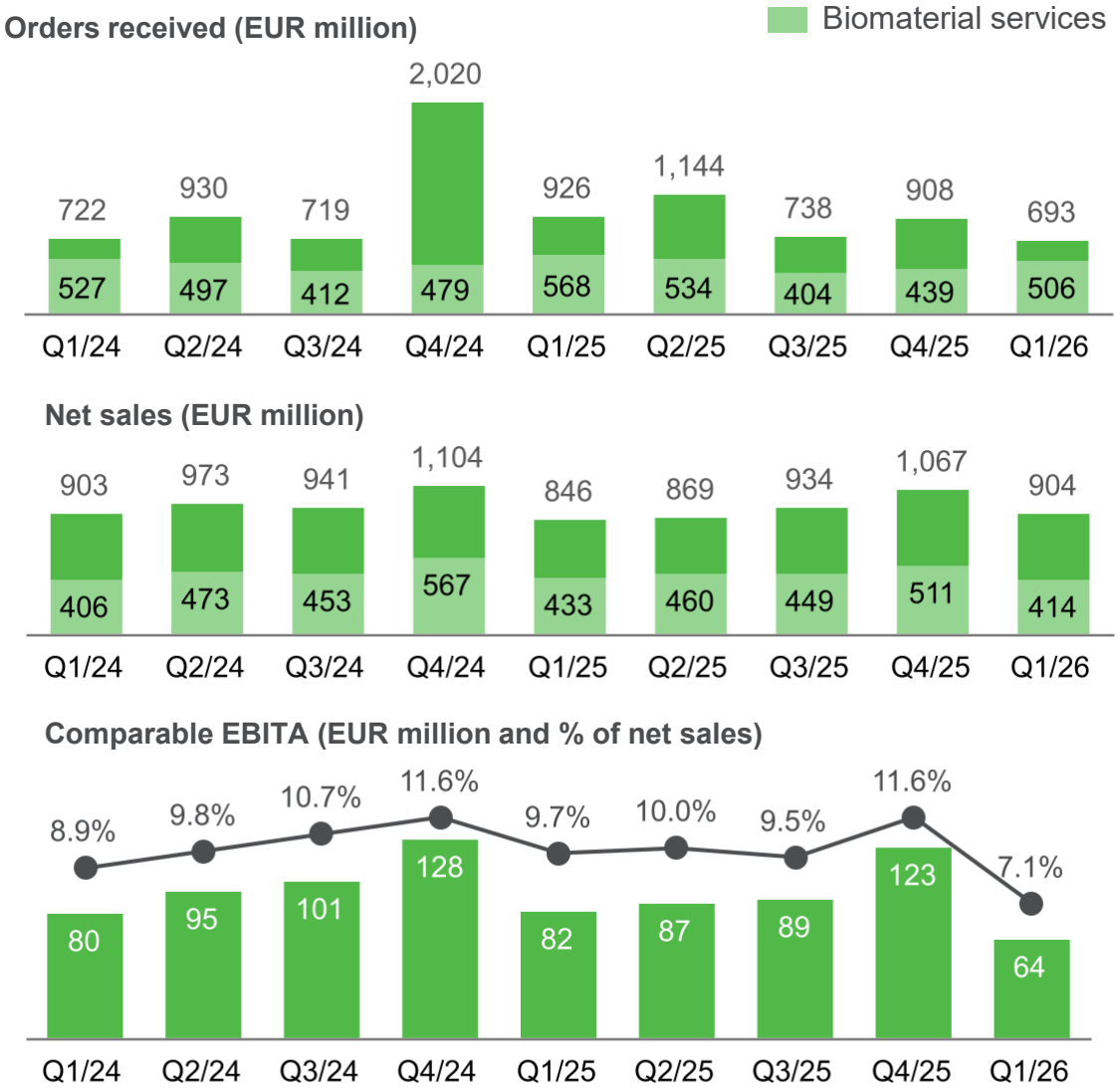
- Service orders decreased -7% organically
- The decrease in orders received mainly reflects lower orders in Pulp, Energy and Circularity, which recorded a large order in the comparison quarter

Net sales increased organically by 10%

- Net sales increased to EUR 904 million
- Net sales increase was supported by a higher share of revenue from large projects and smaller mill improvements

Comparable EBITA and margin decreased

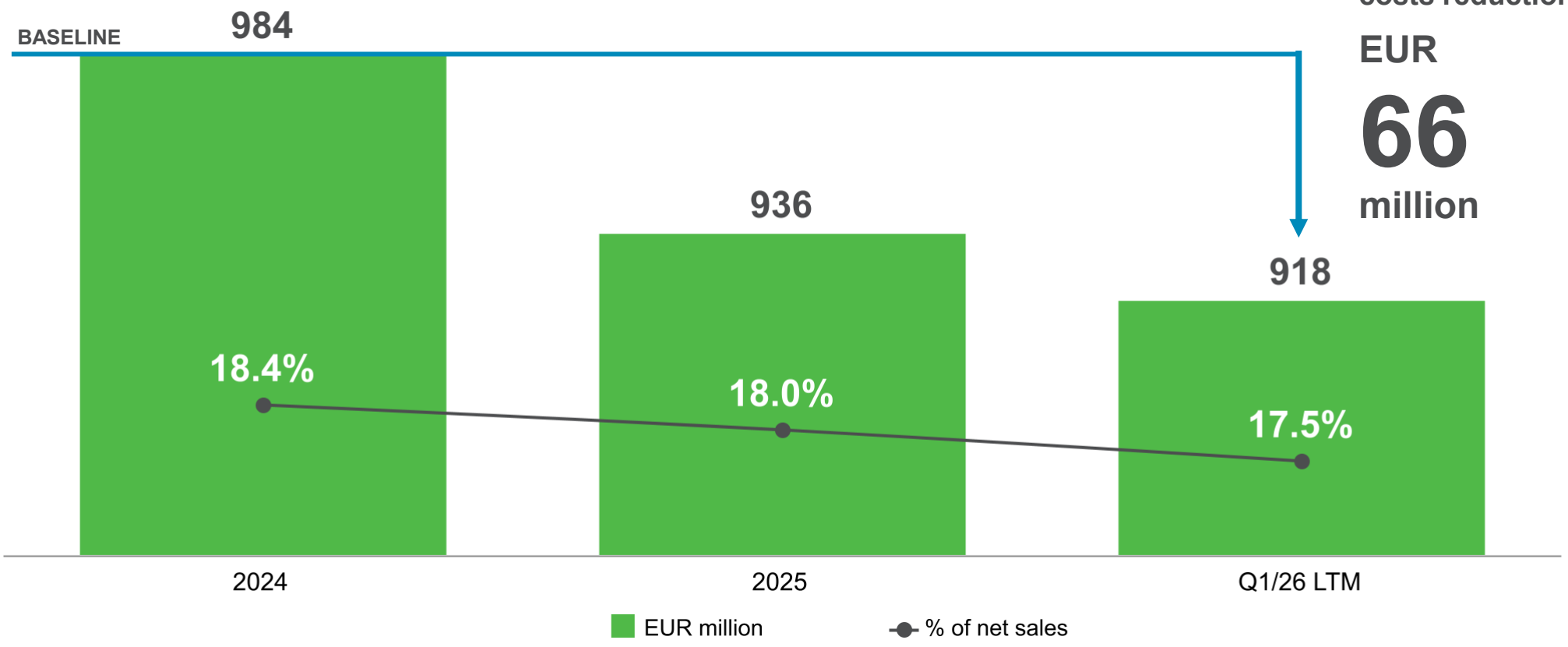
- Comparable EBITA amounted to EUR 64 million and margin was 7.1%
- Sales mix for the period reflected a higher share of revenue from large projects and smaller mill improvement projects
- Profitability declined despite higher net sales and cost savings from the operating model renewal, driven by a lower gross profit margin



Comparable SG&A reflects operating model renewal

Comparable SG&A expenses

EUR million and % of net sales



Comparable SG&A costs reduction

EUR

66

million

LTM = Last twelve months

Guidance and short-term market outlook

Guidance for 2026

Guidance

Valmet reiterates its guidance issued on February 6, 2026, in which 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).

Short-term market outlook for April 2026 - September 2026

Process Performance Solutions

Valmet estimates that the market for Process Performance Solutions has returned to low year-over-year growth following the weaker market conditions seen in late 2025.

At the same time, uncertainty related to geopolitical situation and the global economic outlook has increased, which reduces short-term market visibility.

Biomaterial Solutions and Services

Valmet estimates that market conditions in Biomaterial Solutions and Services will improve slightly over the next six months, mainly reflecting a recovery from very low capital project activity in early 2026.

The biomaterial services market is expected to remain soft in the coming quarters.

Uncertainty related to the geopolitical situation and the global economic outlook has increased, which reduces short-term market visibility.

The short-term market outlook is given for April 2026 – September 2026 compared with January–March 2026. Valmet’s estimate of the expected growth rate of its key markets, based on ongoing discussions with customers and other market information. The outlook excludes normal seasonal variation in Valmet’s business and should not be interpreted as guidance for Valmet’s own orders received.

Process Performance Solutions

Valmet

Process Performance Solutions: Mission-critical solutions in customers' core processes

Mission-critical solutions
with strong service business based on large installed base and captive business model

Diversified and attractive portfolio
of customer industries with strong positions

Unique leadership position in P&P
providing solid base and development environment

© Valmet

P&P = Pulp and Paper

Strong positions across diverse industries with 3% annual market growth

Process Performance Solutions market size	**EUR 16 billion** Automation Solutions	**EUR 15 billion** Flow Control

Customer industry	**Pulp & Paper**	**Marine & Other Process**	**Refining & Chemicals**	**Energy & Gases**	**Metals & Mining**
Automation Solutions market positions	**#1–2** in full portfolio of systems and products	**#1–2** in cruise market, niche player in other DCS	**#1** in gas chromatography, niche player in DCS	**#1–2** in gas chromatography, **#1** WTE & BioE DCS	Niche player in DCS
Flow Control market positions	**#1**	Niche player in other process industries	**#5–7**	**#1–2** in industrial gases	**#4–6**

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WTE = Waste to Energy BioE=Bioenergy

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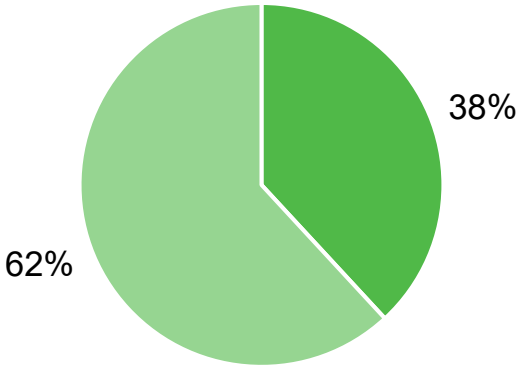
Process Performance Solutions segment in 2025

Orders received
EUR 1,500 million

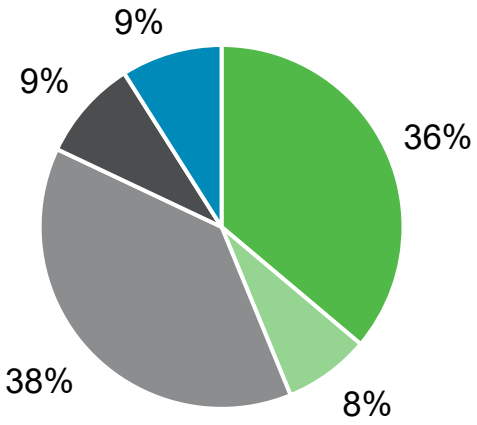
Net sales
EUR 1,481 million

Orders received by industry



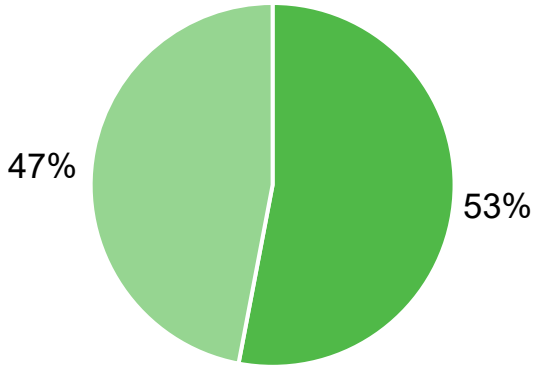
- Pulp and Paper
- Other Process Industries

Orders received by area



- North America
- Latin America
- EMEA
- China
- Asia-Pacific

Orders received by products



- Flow Control
- Automation Solutions

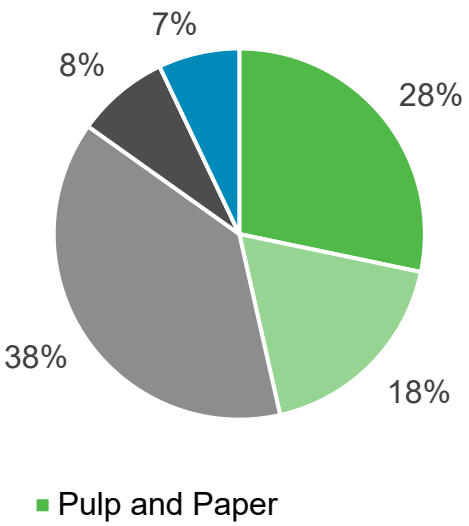
Flow Control business area in 2025

Orders received
EUR 798 million

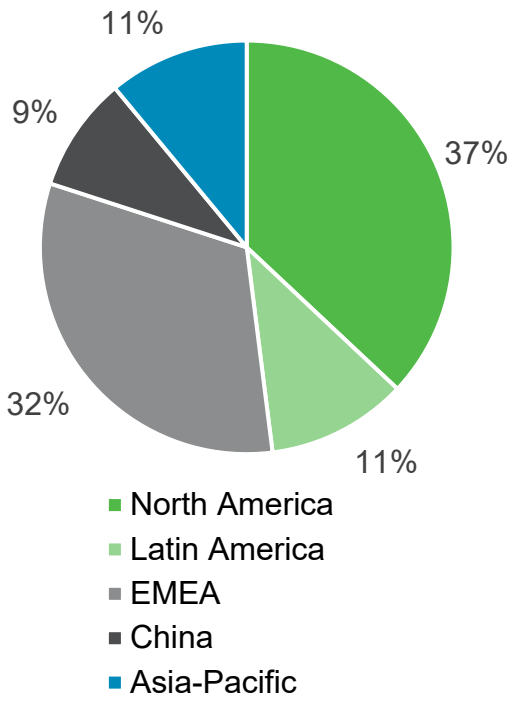
Net sales
EUR 788 million

Market Position
#1 Pulp and Paper
#5-7 Refining and Chemicals
#1-2 Industrial gases

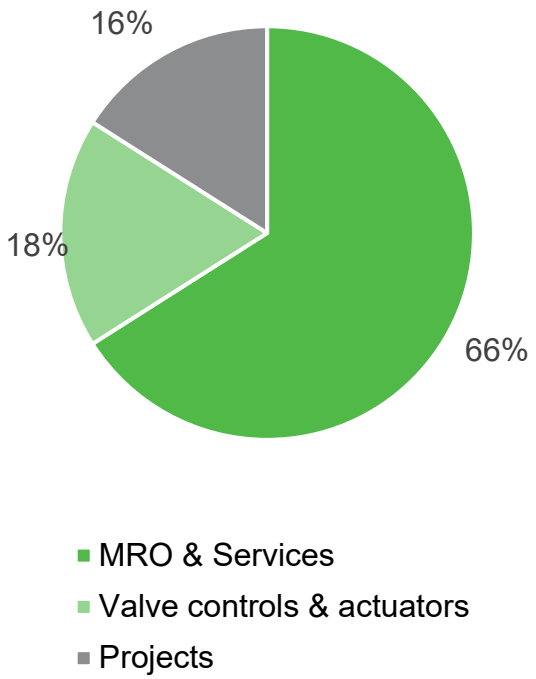
Orders received by industry



Orders received by area



Orders received by products



Automation Solutions business area in 2025

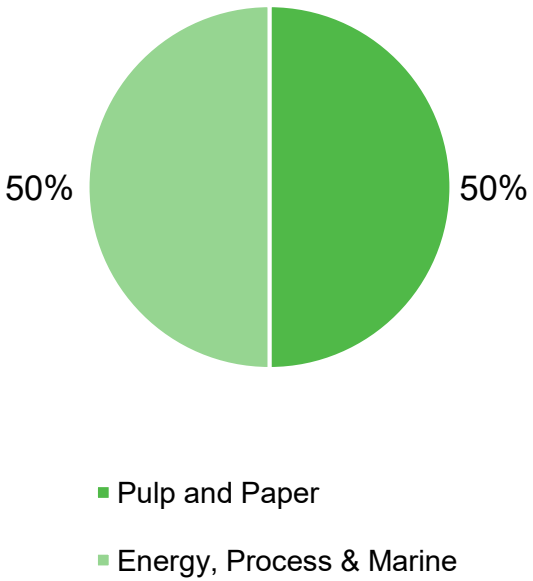
Orders received
EUR 702 million

Net sales
EUR 694 million

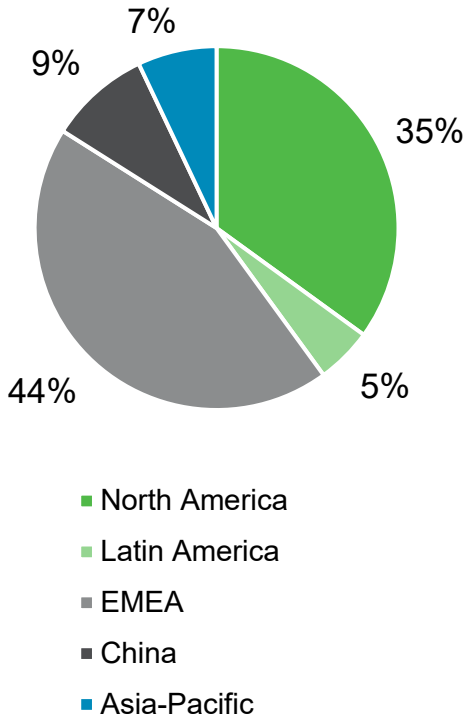
Market Position
#1-2 Pulp and Paper
#2-4 Energy and Process*
#1-2 Analyzer Prod. & Integr.*

* In target market

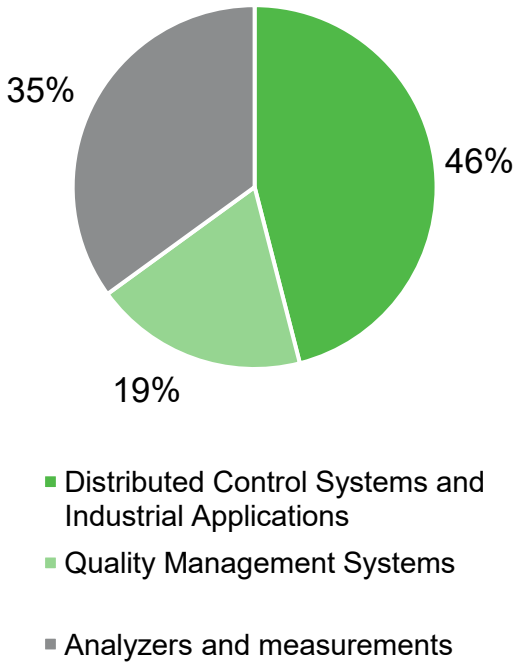
Orders received by industry



Orders received by area



Orders received by products



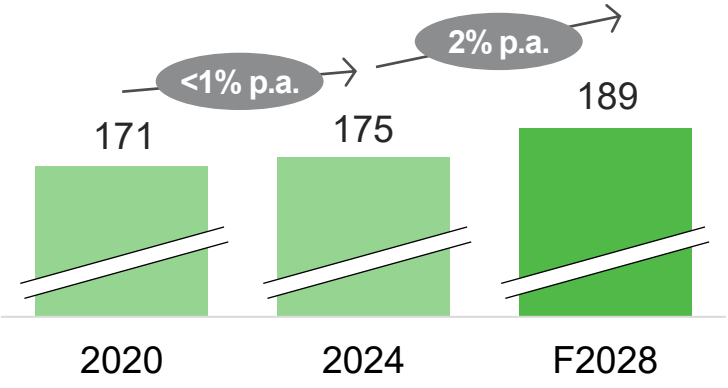
New installments and competitor replacements 48% | Service 52%

Biomaterial Solutions and Services

Valmet

Growing demand increases the need for our Biomaterial Solutions and Services

Global pulp demand, Mt

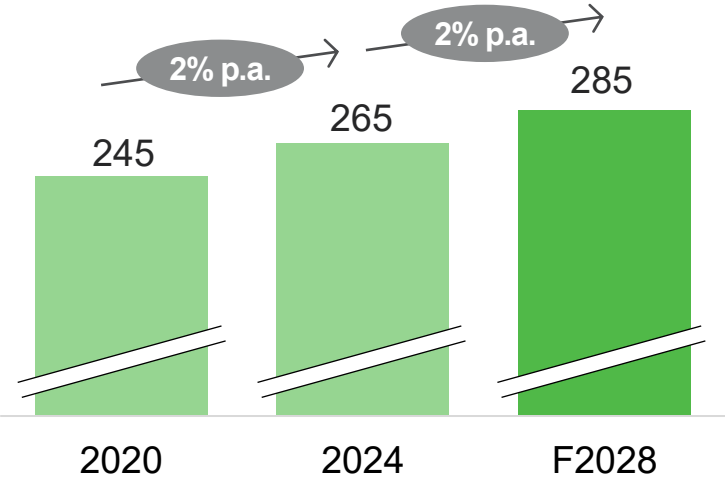


Pulp demand growth accelerating

Capacity investments in China, Latin America and APAC

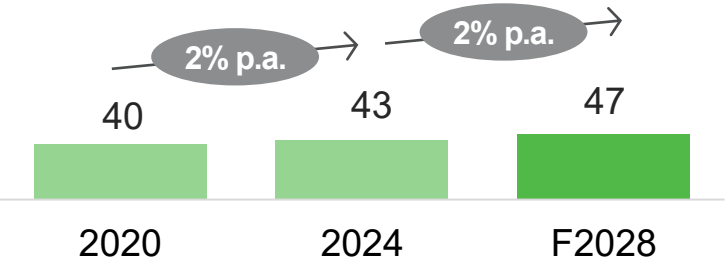
Rebuilds and optimization of existing assets e.g., in North America

Global board demand, Mt



Positive long-term demand outlook, despite overcapacity in EMEA and China

Global tissue demand, Mt



Demand growth and market sentiment strong across regions

Demand growth drives services across all markets

© Valmet

Source: Fastmarkets RISI, Numera Analytics

Valmet

Valmet is well positioned to capture underlying market growth

Pulp, Energy and Circularity

Pulp

#1–2
market position

Energy

#1–3
market position

Circularity

Strong
innovation
track record

Packaging and Paper

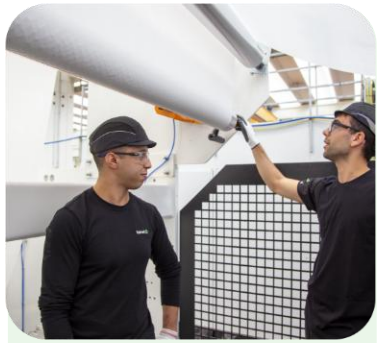
Board

#1
market position

Paper

#1
market position

Tissue



Tissue

#1
market position

Services

#1–2 across markets

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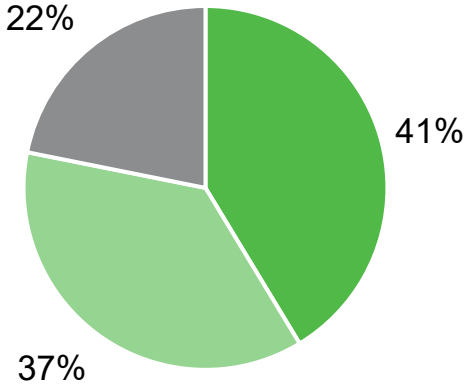
Biomaterial Solutions and Services segment in 2025

Orders received
EUR 3,716 million

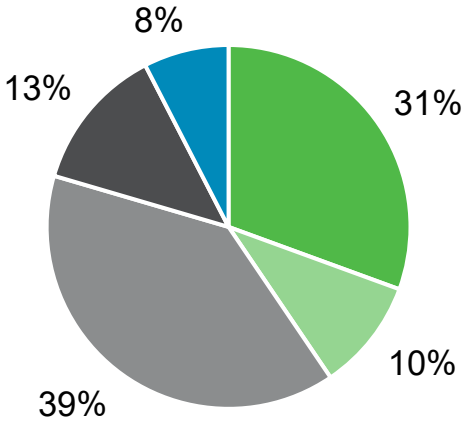
Net sales
EUR 3,716 million

Orders received by BA



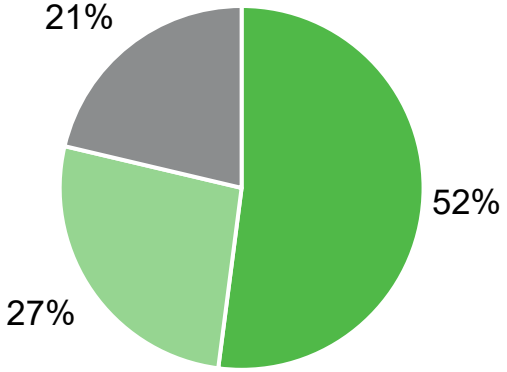
- Pulp, Energy and Circularity
- Packaging and Paper
- Tissue

Orders received by area



- North America
- Latin America
- EMEA
- China
- Asia-Pacific

Orders received by scope



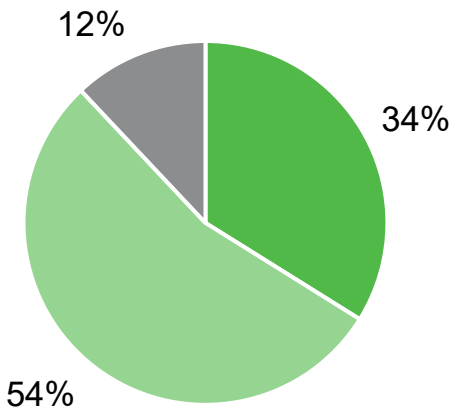
- Biomaterial services
- New installments
- Rebuilds, islands and single products

Biomaterial services in 2025

Orders received
EUR 1,948 million

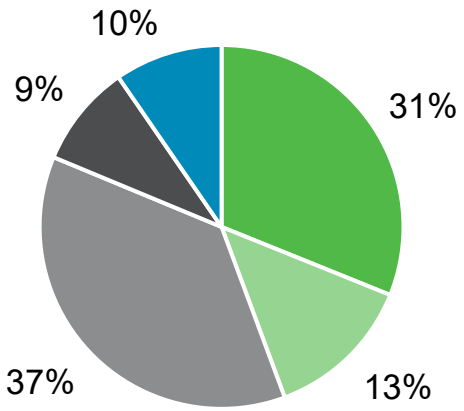
Net sales
EUR 1,856 million

Orders received by BA



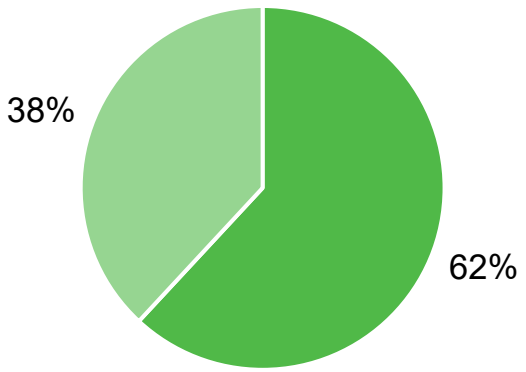
- Pulp, Energy and Circularity
- Packaging and Paper
- Tissue

Orders received by area



- North America
- Latin America
- EMEA
- China
- Asia-Pacific

Orders received by scope



- Consumables and performance parts
- Mill improvements and Field services

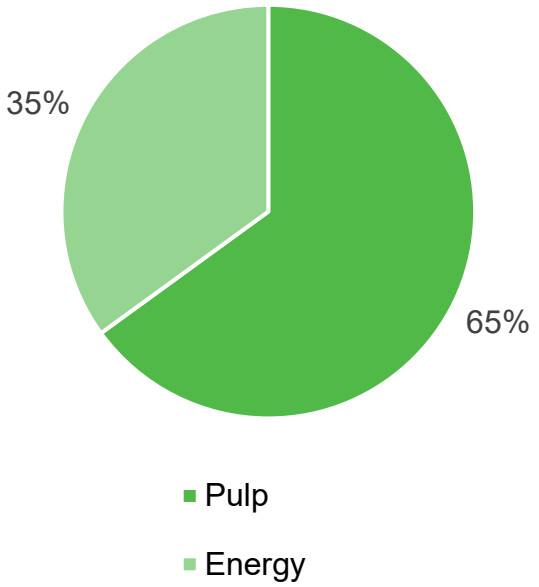
Pulp, Energy and Circularity business area in 2025

Orders received
EUR 1,536 million

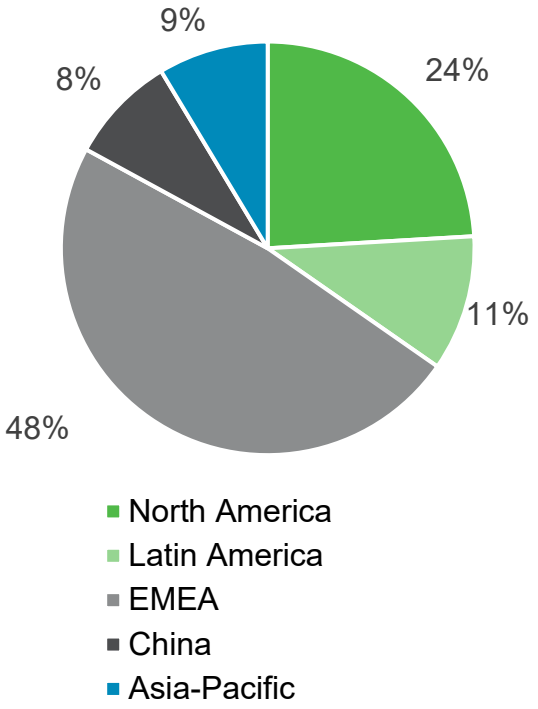
Net sales
EUR 1,610 million

Market Position
#1-2 Pulp
#1-3 Energy

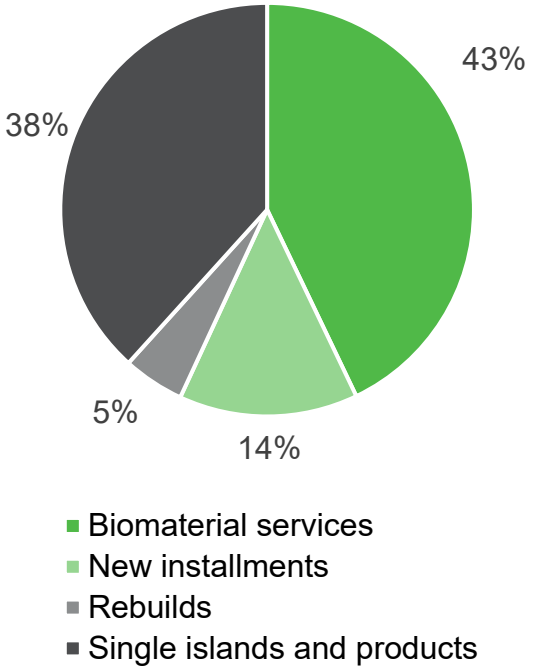
Orders received by industry



Orders received by area



Orders received by scope



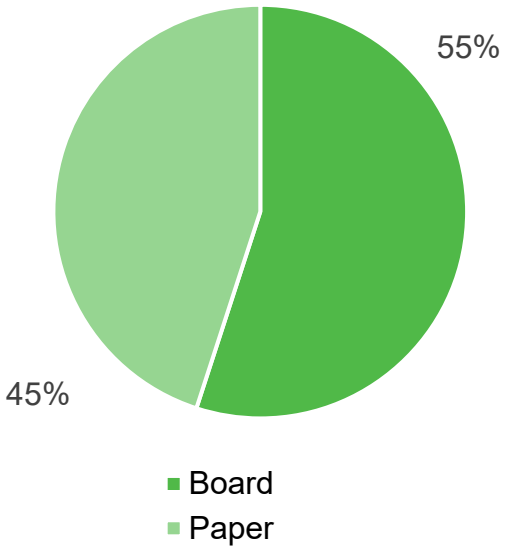
Packaging and Paper business area in 2025

Orders received
EUR 1,368 million

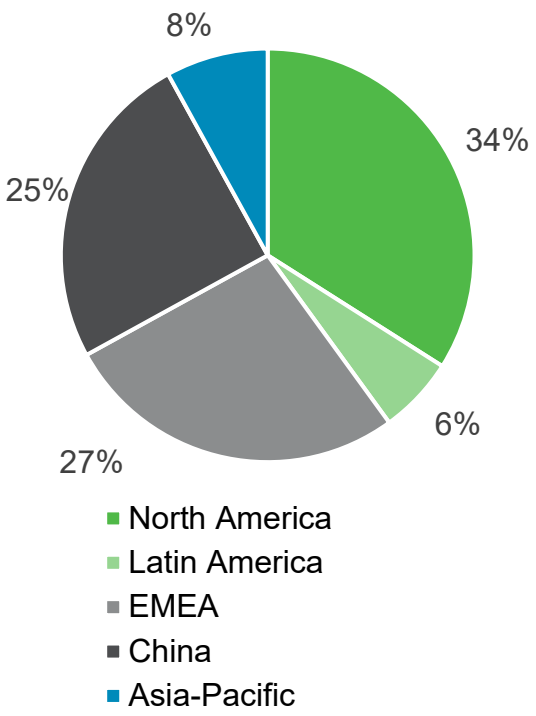
Net sales
EUR 1,483 million

Market Position
#1-2 Board and Paper

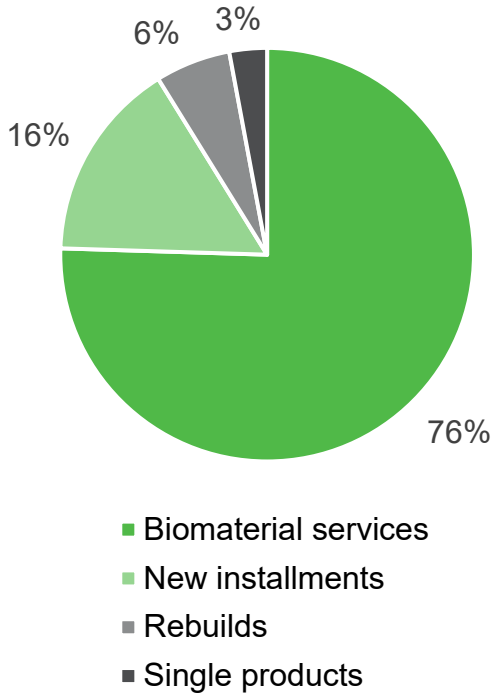
Orders received by industry



Orders received by area



Orders received by scope



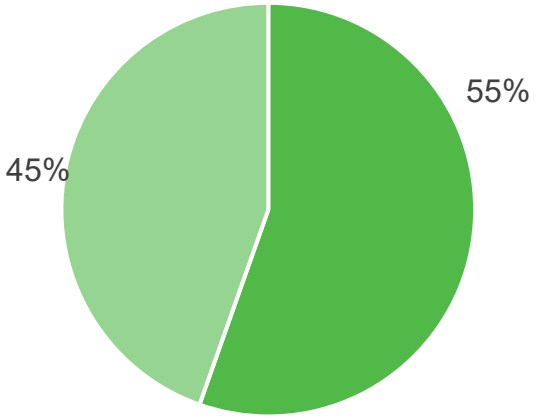
Tissue business area in 2025

Orders received
EUR 812 million

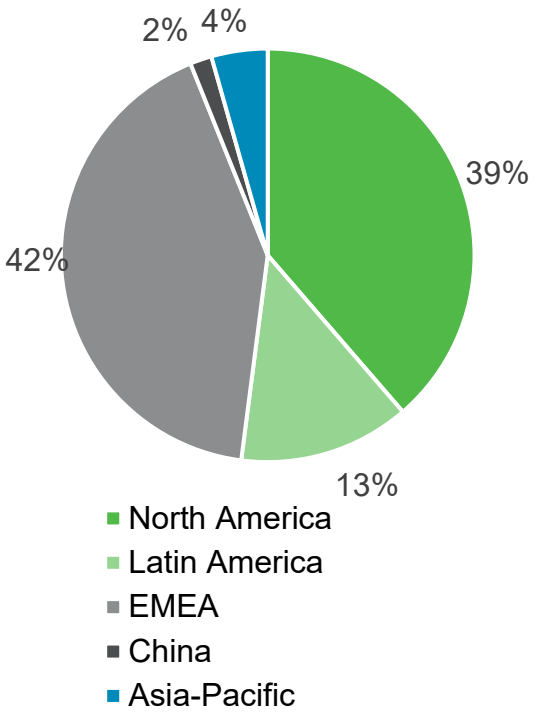
Net sales
EUR 622 million

Market Position
#1 Tissue

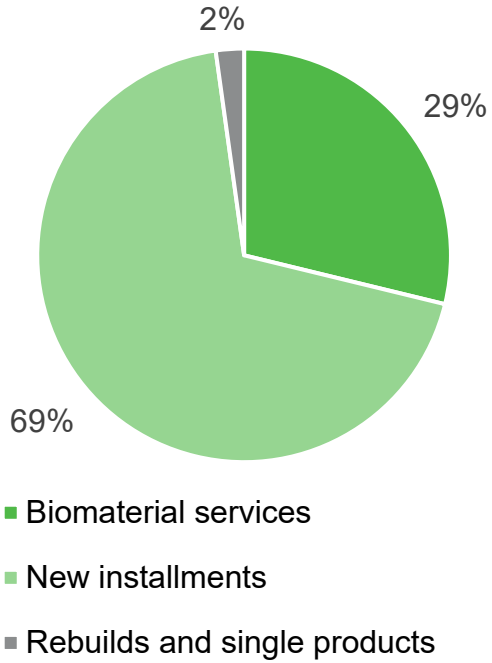
Orders received by category



Orders received by area



Orders received by scope



Tissue mills: Production of jumbo parent tissue rolls
Tissue converting: Converting lines turning parent rolls into final consumer products like toilet paper, towel rolls, napkins, etc.

Valmet