

Half Year Financial Report

January – June 2025

Reka Industrial Plc



Reka Industrial Plc: Volumes increased and profitability improved

Reka Industrial Plc's half year financial report January–June 2025

April–June 2025

- The Rubber segment's turnover was EUR 8.4 (EUR 7.3) million
- The Rubber segment's EBITDA was EUR 1.1 (EUR 0.2) million
- The Group's turnover was EUR 8.4 (EUR 7.3) million
- The Group's EBITDA was EUR 0.9 (EUR -0.1) million
- The Group's result was EUR 0.7 (EUR -0.2) million

January–June 2025

- The Rubber segment's turnover was EUR 16.3 (EUR 14.7) million
- The Rubber segment's EBITDA was EUR 2.0 (EUR 0.4) million
- The Group's turnover was EUR 16.3 (EUR 14.7) million
- The Group's EBITDA was EUR 1.4 (EUR -0.1) million
- The Group's result for the period was EUR 0.9 (EUR -0.2) million
- The Group's financial assets are invested in low-risk instruments
- M&A arrangements were actively reviewed

The half year financial report is unaudited. Figures in brackets refer to the same period a year earlier, unless otherwise stated.

President and CEO Sari Tulander:

Reka Industrial's industrial business consists of Reka Rubber Ltd, the Rubber segment. Reka Rubber is one of the leading manufacturers of industrial rubber products in Northern Europe.

At the beginning of the year, some customers reported an increase in volumes, but the US announcement of tariffs has slightly changed the customers' needs. So far, the changes have only affected some individual

products. For some customers, volumes are still at the same level as last year or lower than last year. Overall, volumes are expected to be higher than last year also in the second half of the year. However, the tariffs and their impact on our customers are not yet fully clear.

In the beginning of the year, Reka Rubber's volumes increased compared to the same period last year. In the second quarter, turnover was EUR 8.4 (7.3) million and EBITDA EUR 1.1 (0.2) million. The turnover for the first half of the year 2025 was EUR 16.3 (14.7) million and EBITDA EUR 2.0 (0.4) million. We invest in sales. We are also focusing on improving productivity and cost efficiency as well as strengthening the conditions for future growth by developing our product offering and production technology. The aim is to reflect the cost increases in sales prices as quickly as possible.

Reka Industrial's strategy is to increase shareholder value through M&A arrangements. Reka Industrial has strong industrial manufacturing and international expertise and an entrepreneurial approach. Financial assets are mainly invested in low-risk instruments. At the end of June 2025, the group's cash and cash equivalents and other financial assets amounted to EUR 25.9 million.

MAJOR EVENTS DURING THE FINANCIAL PERIOD

The Board of Directors of Reka Industrial Plc prepared a set of criteria for the next stages of the strategy work in spring 2024. The Board of Directors evaluated several companies. However, there was a limited number of potential companies that met the criteria, and in the end, no transaction was completed. On January 8, 2025 the company published a notice to the Extraordinary General Meeting, which was held on January 30, 2025. The Extraordinary General Meeting confirmed the number of members in the new board as four and elected Markku Rentto as chairperson, Riitta Mynttinen as deputy chairperson and Matti Copeland and Riku Kytömäki as members of the Board.

Reka Rubber Ltd, a subsidiary of Reka Industrial, launched in February 2025 an energy project to improve the energy efficiency of the Aura factory and

convert the energy used in steam-powered production processes into CO2-free energy. The energy used in other production processes at the Aura factory has already been CO2-free in the past.

The power-to-heat thermal storage solution will enable Reka Rubber to eliminate oil from its production processes at the Aura factory, and the thermal storage will also serve as the factory's primary source of heating energy. After commissioning, it will be determined whether other forms of energy are needed in addition to the thermal storage (5 MWh storage capacity) selected for heating the buildings.

The total investment in the energy project is approximately EUR 1.35 million and Business Finland has granted the project a 20 per cent energy subsidy. In addition to the thermal storage, the investment includes, among other things, the construction of foundations for the thermal storage, the renewal of the steam pipeline, the update of the control system, and the introduction of the necessary connections to the power-to-heat thermal storage building. The preparations will start this year, and the new thermal storage will be commissioned early next year.

KEY FIGURES

	1-6/2025	1-6/2024	1-12/2024
Turnover, EUR million	16.3	14.7	27.2
EBITDA, EUR million	1.4	-0.1	0.4
Operating profit, %	4.7	-5.1	-3.2
Result for the period, EUR million	0.9	-0.2	0.4
Earnings per share	0.16	-0.04	0.07
Net cash provided by operating activities, EUR million	1.1	-0.4	0.9
IAS 19 corrected ROI, %	5.8	0.8	2.6
IAS 19 corrected Equity ratio, %	70.7	72.9	73.4

Reka Industrial presents alternative key figures so that the effects of IAS 19 recognition of defined benefit pension liabilities are eliminated from the result and balance sheet items of the key figures.

The entries of the IAS 19 defined benefit plan in the income statement are presented below the operating result as a separate item. In this way, the development of Reka Industrial's operational business can be better monitored.

TURNOVER AND OPERATING RESULT

The Group's turnover was EUR 16.3 million (EUR 14.7 million). EBITDA was EUR 1.4 million (EUR -0.1 million) and operating result was EUR 0.8 million (EUR -0.7 million). The result for the review period was EUR 0.9 million (EUR -0.2 million).

BALANCE SHEET AND FINANCING

The balance sheet total at the end of the review period was EUR 63.1 million. On 31 December 2024 the balance sheet totalled at EUR 59.3 million.

At the end of the review period, the Group's cash and cash equivalents totalled at EUR 25.9 million (EUR 26.4 million on 31 December 2024). Other cash equivalents are invested mainly in low-risk instruments and short-term deposits.

At the end of the review period, the Group's interest-bearing liabilities were EUR 7.1 million (EUR 6.3 million on 31 December 2024), of which other than finance lease liabilities were EUR 2.1 million (EUR 1.0 million on 31 December 2024).

SUSTAINABILITY

Reka Industrial boosts sustainability in the development of its business and everyday work. The aims of the sustainability work are formed according to the UN Global Compact initiative and Reka Industrial has chosen five initiatives of 17 that are most important to its business.

Reka Industrial's goal is to take into account the needs and wishes of all its stakeholders and actively promote the sustainable development according to these needs. The company takes care of its personnel's working conditions and develops the competence of its personnel. The company is a long-term responsible business partner to its customers and representatives of its delivery chain. Reka Industrial follows highly ethical rules, which it requires also from its business partners.

Reka Rubber promotes its shared goals with Reka Industrial and is part of the chemical industry's Responsible Care programme which key themes are sustainable use of natural resources and sustainability of production and products. Reka Rubber assesses its level of sustainability through the EcoVadis system which is an independent and international sustainability assessment system. EcoVadis reviews company's labour practices, ethics, environmental responsibility and sustainable supply chain. The sustainability work is also supported by an ISO 14001 certified environmental management system and ISO 9001 certified quality management system. Reka Rubber has the required environmental permits.

For Reka Rubber, climate actions means reducing emissions and improving energy efficiency in the company's own operations. At the same time, the aim is to influence factors affecting air quality. Reka Rubber has calculated the carbon footprint of its own operations, which it strives to reduce by consuming emission-free electricity and improving energy efficiency of its own operations. Both Reka Rubber's factories use CO₂ -free electricity. In February 2025, Reka Rubber launched an energy project to improve the energy efficiency of the Aura factory and convert the energy used in steam-powered production processes to CO₂ -free. The energy used in other production processes at the Aura factory has already been CO₂ -free. Solar panels have been installed at the factory in Aura and at both factories, the lightning is gradually replaced by LED lights.

The essential factor is also the rubber raw material, its efficient use and production waste. The Rubber segment strives to reduce the amount of rubber waste in proportion to production tonnes through material selection, process development and technical supports and enhancing the utilization of waste.

SEGMENTS

Reka Industrial's industrial business consists of Reka Rubber Ltd's business and there is one segment, the Rubber segment.

Rubber segment

In the first half year of 2025, the Rubber segment's turnover was EUR 16.3 million (EUR 14.7 million). EBITDA was EUR 2.0 million (EUR 0.4 million). For some customers, volumes have been clearly higher than last year. The effects of tariffs are being analyzed based on updated information and changes in market demand.

	4-6/2025	4-6/2024	1-6/2025	1-6/2024	1-12/2024
Turnover, EUR million	8.4	7.3	16.3	14.7	27.2
EBITDA, EUR million	1.1	0.2	2.0	0.4	1.4

The new extrusion line, ordered to increase the volume of black hose products and costing approximately EUR 1.3 million, has been delivered to the factory and will be commissioned in the autumn. The power-to-heat thermal storage solution ordered at the beginning of the year, will be delivered in 2026. In addition, to improve the productivity and efficiency of the manufacturing of molded products, a medium-sized injection press has been ordered, and the delivery is expected to take place at the turn of the year.

INVESTMENTS

During the review period the investments totalled to EUR 1.7 (1.0) million of which the investments to Rubber segment were EUR 1.7 (0.8) million.

PERSONNEL

In January-June 2025 the Group employed an average of 270 (300) people.

ANNUAL GENERAL MEETING AND THE AUTHORISATION OF THE BOARD OF DIRECTORS

The Annual General Meeting of Reka Industrial Plc was held on 24 April, 2025, in Hyvinkää.

The AGM approved the financial accounts for the 2024 accounting period and granted the Company's Board and the Managing Director discharge from liability for the 2024 accounting period.

The AGM resolved, that for the financial year 2024 a dividend of EUR 0.07 per share will be paid.

The AGM decided to approve the company's 2024 remuneration report. According to the Companies Act, the decision is advisory.

The AGM approved the proposed annual remuneration of EUR 27,000 for the members of the Board of Directors and EUR 50,000 for the chairperson of the Board. Circa 40 per cent of the annual remunerations will be paid with the shares of the company. Transfer to the shares is made by using the average share price of Reka Industrial Plc's B-share in May 2025 and the shares will be handed over in June 2025. The AGM approved that the members of the Board are compensated for their travel expenses in accordance with company's travel rule.

The AGM resolved that the auditors' fees be paid as per invoice approved by the company.

The AGM approved, in accordance with the shareholders' proposal, that the number of members of the Board shall be four (4) and elected the following persons to the Board: Markku Rentto, chairperson; Riitta Mynttinen, deputy chairperson and Matti Copeland and Riku Kytömäki as members of the Board. No deputy members were elected.

The AGM elected, in accordance with the shareholders' proposal, Authorized Public Accountants KPMG Ltd, with Authorized Public Accountant Jonne Ahokas as responsible auditor, as the Company's auditor for a term that expires at the end of the Annual General Meeting of 2026.

The AGM authorized, in accordance with the Board of Director's proposal, the Board of Directors to decide on the acquisition of the Company's own shares with assets from the Company's unrestricted equity. The shares will be acquired through trading arranged by Nasdaq Helsinki in accordance with its rules, and the consideration to be paid for the shares to be acquired must be based on market price. The Company may acquire B class shares directly by a contractual trade, provided that the number of class B shares to be acquired via contractual trade is at least 15,000 and that the consideration to be paid for the shares is equal to the prevailing market price in Nasdaq Helsinki at the time of the acquisition. When carrying out acquisitions of the Company's own shares, derivatives, stock lending and other agreements customary to the capital markets may be entered into within the limits set by law and regulations.

The authorization entitles the Board of Directors to also decide on a directed acquisition in a proportion other than that of the shares held by the shareholders, provided the Company has a weighty reason for this as defined in the Finnish Companies Act.

The maximum number of class B shares to be acquired may not exceed a total of 588,076. The amount corresponds to approximately 9.77 per cent of all the shares in the Company and in total 10,0 per cent of the Company's class B shares.

The Board of Directors is entitled to decide on all other matters pertaining to acquiring of the Company's own shares.

The authorization is proposed to remain in force until the next Annual General Meeting, however not later than October 24, 2026. The authorization replaces the authorization given by the previous Annual General Meeting on April 23, 2024, to repurchase and pledge the company's own shares.

In accordance with the Board's proposal, the Annual General Meeting authorized the Board to decide on handover of own shares. The amount of shares to be handed over in total can be maximum 588,076 B shares, which corresponds to approximately 9.77 per cent of all the shares of the Company and in total 10.0 per cent of the Company's class B shares, depending on the situation on the date of the notice. The authorization entitles the Board of Directors to decide on all other conditions for the handover of shares, including the right to deviate from the shareholders' pre-emptive subscription right.

The authorization is valid until the next Annual General Meeting. The authorization replaces the authorization given by the previous Annual General Meeting on April 23, 2024, for the handover of own shares.

SHARES AND SHARE CAPITAL

Reka Industrial Plc's share capital is divided into A and B-shares. The total share capital of all the company's shares at the end of June 2025 was EUR 24,081,440 and the number of the shares 6,020,360. The total number of shares includes 24,525 B-shares held by Reka Industrial Plc. The holding represents 0.4 % of the company's share capital and 0.3 % of the votes. The company held no A-shares. Reka Industrial Plc's B-shares (REKA) are listed on the exchange list of NASDAQ Helsinki.

<u>Company shares</u>	<u>30.6.2025</u>	<u>30.6.2024</u>
Company share capital (EUR)	24,081,440	24,081,440
A-shares (20 votes per share)	139,600	139,600
B-shares (1 vote per share)	5,880,760	5,880,760
Total	6,020,360	6,020,360
B-shares held by the company	24,525	37,150

On January–June 2025, a total of 685,413 (2,137,239) of the company's B shares were traded on NASDAQ Helsinki Ltd, representing 11.7 % (36.3) of the total number of the shares. At the end of trading on June 2025 the share price

was EUR 4.00 (5.08) and the average share price for the review period was EUR 5.00 (7.28). The lowest quotation in January–June was EUR 3.92 (4.89) with the highest being EUR 6.32 (9.48). The company's market capitalisation was valued at EUR 24.1 million (30.7) on June 30, 2025.

ACQUISITION AND TRANSFER OF THE COMPANY'S OWN SHARES

On June 30, 2025, the company held a total of 24,525 own B-shares. Reka Industrial Plc did not exercise its authorization to acquire the company's own shares.

Reka Industrial Plc has used the authorization to transfer treasury B-shares against or without payment. At the review period January–June 2025 Reka Industrial Plc has paid remuneration to the Board of Directors with shares, totalling to 12,625 shares.

GROUP STRUCTURE AND SHAREHOLDERS

Reka Industrial Plc is the parent company of the Group, whose actual business company is Reka Rubber Ltd. Reka Industrial Plc is domiciled in Hyvinkää.

At the end of the review period, Reka Industrial had 12,135 shareholders (12,122). The largest shareholder, Reka Ltd, held 50.2 percent (50.2) of the shares and 65.4 percent (65.4) of the votes. Reka Industrial Plc is therefore part of the Reka Group. Reka Ltd is domiciled in Juupajoki.

At the end of June, the combined holding of the ten largest shareholders was 54.0 percent (54.9) of the shares and 68.6 percent (68.6) of the votes.

The members of the Board of Directors, the Managing Director and the CFO directly and through their controlled corporations owned and controlled on June 30, 2025 a total of 2,954,305 (2,943,653) of Reka Industrial's B shares.

RISKS AND UNCERTAINTY FACTORS

The financial situation in the euro area and political uncertainties may have an effect on the purchase amounts and the launch of new projects of the customers in the Rubber segment. The increase in the price and availability of energy may directly and indirectly affect the market.

Financial risks and the related protection measures are described in more detail in the notes to the Financial Statements 2024. The company's future risk factors are related to the investment activities and the development of its industrial business segments.

The Reka Industrial Group belongs to the Reka Pension Fund for the companies located in Finland. According to current legislation, the pension fund must have at least 150 employed members. Reka Cables Ltd, previously part of the group, was transferred out of the Reka Pension Fund at the end of March 2025. After the transfer of Reka Cables Ltd out of Reka Pension Fund, Reka Pension Fund was left with less than 150 employed members.

If the number of working members of the Reka Pension Fund does not increase above 150 over the next 2 years, with a possible additional one year if authorized, the pension fund may be dissolved in 2028. If the Reka Pension Fund is dissolved, the IAS 19 accounting for the pension fund (IAS 19 pension receivable EUR 6.5 million on June 30, 2025) will cease and the guaranteed capital investments (EUR 8.0 million) in the Reka Rubber sub-group may suffer an investment loss to the extent that the investment is not recovered. The Board of Directors of the Group and the parent company and Reka Pension Fund believe that the number of members will increase and the required limit of 150 employees will be met.

MAJOR EVENTS AFTER THE REVIEW PERIOD

To support the growth of molded products, the company has decided to order a new medium-sized injection molding machine. The delivery is estimated to

take place in early 2026. The machine is similar to the injection molding machine ordered earlier this year.

NEAR-TERM OUTLOOK

The Rubber segment continues to improve productivity and profitability, while creating more conditions for future growth. Investments will be continued for long-term growth, which is supported by our investments in production technology that has lower emissions and consumes fewer natural resources.

The EBITDA in 2025 is expected to be better than in the previous year.

The company's financial assets are mainly invested in low-risk instruments and short-term deposits.

In Hyvinkää 7 August 2025

Reka Industrial Plc
Board of Directors

Further information:
Sari Tulander, President and CEO, tel. +358 44 044 1015

Consolidated income statement (IFRS)

EUR 1,000	1/1-30/6/2025	1/1-30/6/2024
Turnover	16,328	14,678
Change in inventories of finished products and production in progress	34	-140
Other operating income	97	117
Materials and services	-7,570	-7,139
Personnel expenses	-5,142	-5,373
Depreciation and impairment	-650	-610
Other operating expenses	-2,325	-2,282
	-15,556	-15,427
Operating result	772	-749
Financial income	876	869
Financial expenses	-358	-355
IAS 19 defined benefit plans	-54	4
Result before taxes	1,235	-231
Taxes	-293	-2
Result for the period	942	-233
Profit or loss attributable to		
Shareholders of the parent	942	-233
	942	-233
Earnings per share attributable to the shareholders of the parent		
before dilution, EUR	0.16	-0.05
after dilution, EUR	0.16	-0.05
Number of shares	5,995,835	5,983,210

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (IFRS)

EUR 1,000	1/1-30/6/2025	1/1-30/6/2024
Result for the period	942	-233
Other comprehensive items that may subsequently reclassified to statement of income		
Translation differences related to foreign units	17	3
Total	17	3
Other comprehensive items that are not subsequently reclassified to statement of income		
Items related to remeasurements of net defined benefit liability	879	470
Taxes of items that are not subsequently reclassified to statement of income	-176	-94
Total	703	376
Total comprehensive income	1,662	145
Total comprehensive income attributable to		
Shareholders of the parent	1,662	145
	1,662	145

Consolidated balance sheet (IFRS)

EUR 1,000	30/6/2025	30/6/2024	31/12/2024	EUR 1,000	30/6/2025	30/6/2024	31/12/2024
ASSETS				SHAREHOLDERS' EQUITY AND LIABILITIES			
Non-current assets				Shareholders' equity			
Other intangible assets	2,052	2,441	2,241	Share capital	24,081	24,081	24,081
Tangible assets	5,115	3,801	3,944	Premium fund	66	66	66
Right-of-use assets	2,653	2,738	2,906	Reserve fund	1,221	1,221	1,221
Other shares and holdings	0	766	766	Own shares	-46	-136	-136
Guarantee capital investment	8,000	8,000	8,000	Translation differences	52	16	36
IAS19 pension receivable	6,473	6,966	5,662	Retained profit	18,527	17,712	17,328
Deferred tax assets	2,002	1,850	1,937	Other unrestricted equity	436	436	436
Total non-current assets	26,295	26,562	25,456	Total shareholders' equity	44,338	43,396	43,032
Current assets				Non-current liabilities			
Inventories	4,138	3,649	3,751	Deferred tax liabilities	2,336	2,223	2,119
Sales receivables and other receivables	6,613	4,730	3,494	Provisions	1,918	2,040	1,909
Tax receivables from the profit for the financial year	222	303	267	Financial liabilities	58	0	0
Other cash equivalents	24,726	26,226	26,150	Lease liabilities	4,360	4,675	4,664
Cash and cash equivalents	1,148	466	213	Other liabilities	127	114	29
Total current assets	36,846	35,374	33,875	Current liabilities			
Total assets	63,141	61,936	59,331	Tax liabilities from the profit	264	181	24
				Provisions	2,394	2,389	2,394
				Financial liabilities	2,011	1,676	950
				Lease liabilities	678	530	666
				Accounts payable and other liabilities	4,656	4,712	3,545
				Total liabilities	18,803	18,540	16,300
				Total shareholders' equity and liabilities	63,141	61,936	59,331

Consolidated statement of changes in shareholders' equity (IFRS)

EUR 1,000	Share capital	Premium fund	Reserve fund	Own shares	Translation differences	Other un-restricted equity	Retained profit	Total shareholders' equity
Shareholders' equity 31/12/2023	24,081	66	1,221	-136	14	436	29,523	55,205
Comprehensive income								
Result for the period							418	418
Other comprehensive items								
Items related to remeasurements of net defined benefit liability							-828	-828
Taxes of net defined liability							166	166
Total							-662	-662
Translation differences					22			22
Total					22		0	22
Total comprehensive income					22		-244	-222
Other change							16	16
Transactions with the owners								
Dividends paid/return of capital							-11,966	-11,966
Total transactions with the owners							-11,966	-11,966
Shareholders' equity 31/12/2024	24,081	66	1,221	-136	36	436	17,328	43,032

EUR 1,000	Share capital	Premium fund	Reserve fund	Own shares	Translation differences	Other un-restricted equity	Retained profit	Total shareholders' equity
Shareholders' equity 31/12/2024	24,081	66	1,221	-136	36	436	17,328	43,032
Comprehensive income								
Result for the period							942	942
Other comprehensive items								
Items related to remeasurements of net defined benefit liability							879	879
Taxes of net defined liability							-176	-176
Total							703	703
Translation differences					17			17
Total					17		0	17
Total comprehensive income					17		1,645	1,662
Other change							11	11
Transactions with the owners								
Dividends paid							-419	-419
Payments by own shares				90			-38	52
Total transactions with the owners				90			-456	-366
Shareholders' equity 30/6/2026	24,081	66	1,221	-46	53	436	18,527	44,338

Consolidated cash flow statement (IFRS)

EUR 1,000	1/1-30/6/2025	1/1-30/6/2024
Cash flows from operating activities		
Payments received from operating activities	14,716	13,010
Payments paid on operating activities	-14,222	-13,678
Paid interests and other financial expenses	-178	-308
Interests received and other financial incomes	754	844
Direct taxes paid	-18	-226
Net cash provided by operating activities	1,053	-358
Cash flows from investments		
Investments in tangible assets	-1,639	-347
Sales of tangible assets	0	23
Sales of other assets	766	0
Granted loans	-1,000	0
Net cash provided by investing activities	-1,872	-324
Cash flows from financing activities		
Increase in loans	1,401	1,011
Decrease in loans	-348	-21
Payments of finance lease activities	-305	-100
Dividends paid/Return of capital	-419	-11,966
Net cash provided by financing activities	329	-11,077
Change in cash and cash equivalents at the end of the period	-491	-11,758
Cash and cash equivalents at the beginning of the period	26,363	38,449
Exchange rate differences	-1	0
Cash and cash equivalents at the end of the period	25,873	26,692

Notes

ACCOUNTING POLICIES

This unaudited interim report has been prepared in accordance with IAS 34 requirements for interim reports. This interim report has been prepared in accordance with the same principles as the financial statements for 2024. The Group has adopted following new or amended IAS/IFRS standards and interpretations effective from January 1, 2025, but these do not have essential effect on the financial statements.

SUSTAINABILITY

Reka Industrial boosts sustainability in the development of its business and everyday work. The aims of the sustainability work are formed according to the UN Global Compact initiative and Reka Industrial has chosen five initiatives of 17 that are most important to its business.

Reka Industrial's goal is to take into account the needs and wishes of all its stakeholders and actively promote the sustainable development according to these needs. The company takes care of its personnel's working conditions and develops the competence of its personnel. The company is a long-term responsible business partner to its customers and representatives of its delivery chain. Reka Industrial follows highly ethical rules, which it requires also from its business partners.

Reka Rubber promotes its shared goals with Reka Industrial and is part of the chemical industry's Responsible Care programme which key themes are sustainable use of natural resources and sustainability of production and products. Reka Rubber assesses its level of sustainability through the EcoVadis system which is an independent and international sustainability assessment system.

EcoVadis reviews company's labour practices, ethics, environmental responsibility and sustainable supply chain. The sustainability work is also supported by an ISO 14001 certified environmental management system and ISO 9001 certified quality management system. Reka Rubber has the required environmental permits.

For Reka Rubber, climate actions means reducing emissions and improving energy efficiency in the company's own operations. At the same time, the aim is to influence factors affecting air quality. Reka Rubber has calculated the carbon footprint of its own operations, which it strives to reduce by consuming emission-free electricity and improving energy efficiency of its own operations. Both Reka Rubber's factories use CO₂-free electricity. In February 2025, Reka Rubber launched an energy project to improve the energy efficiency of the Aura factory and convert the energy used in steam-powered production processes to CO₂-free. The energy used in other production processes at the Aura factory has already been CO₂-free. Solar panels have been installed at the factory in Aura and at both factories, the lightning is gradually replaced by LED lights.

The essential factor is also the rubber raw material, its efficient use and production waste. The Rubber segment strives to reduce the amount of rubber waste in proportion to production tonnes through material selection, process development and technical supports and enhancing the utilization of waste.

SEGMENTS

Reka Industrial's industrial business consists of Reka Rubber Ltd's business and there is one segment, the Rubber segment. All other operations are categorised to Other operations and eliminations.

30/6/2025

EUR 1,000	Rubber	Eliminations and other operations	Group
Turnover	16,328	0	16,328
EBITDA	2,009	-587	1,422
Unallocated items		-481	-481
Result before taxes			1,235
Result for the period			942
Assets			
Segment's assets	25,460	37,681	63,141
Total assets	25,460	37,681	63,141
Liabilities			
Segment's liabilities	13,678	5,125	18,803
Total liabilities	13,678	5,125	18,803
Assets - Liabilities	11,782	32,556	44,338
Investments	1,671	25	1,696
Depreciations		650	650

30/6/2024

EUR 1,000	Rubber	Eliminations and other operations	Group
Turnover	14,678	0	14,678
EBITDA	377	-516	-139
Unallocated items		-95	-95
Result before taxes			-231
Result for the period			-233
Assets			
Segment's assets	19,641	42,295	61,936
Total assets	19,641	42,295	61,936
Liabilities			
Segment's liabilities	10,951	7,590	18,540
Total liabilities	10,951	7,590	18,540
Assets - Liabilities	8,691	34,705	43,396
Investments	827	113	940
Depreciations		610	610

**Rubber segment's turn-
over by product group,
EUR million**

	1-6/2025	1-6/2024
Moulded	5.7	4.8
Hoses	9.1	8.3
Other	1.5	1.6
Total	16.3	14.7

**Rubber segment's turn-
over by sales area, EUR
million**

	1-6/2025	1-6/2024
EU-countries	13.9	13.0
Non-EU-countries	2.4	1.6
Total	16.3	14.7

Taken all market areas into account, the largest customer group's share of the Group's turnover was 27.3 %. The percentage shows that the volumes of the largest customer group have increased and are growing, while the volumes of some other larger customers are still at last year's level or lower than the previous year. Other individual customers' share of the Group's turnover accounted for less than 10 %.

OTHER OPERATING INCOME

EUR 1,000	1-6/2025	1-6/2024
Gains on the sale of fixed assets	0	1
Subsidies received	0	10
Rental income	91	79
Other income	6	27
Total	97	117

Gains on the sales of fixed assets consist of sales of machinery and equipment.

OTHER OPERATING EXPENSES

EUR 1,000	1-6/2025	1-6/2024
Short-term variable compensation	-127	-192
Other variable compensation	-27	-26
Rental expenses total	-152	-218
Machinery and property maintenance costs	-654	-724
Sales and marketing expenses	-244	-300
Voluntary personnel expenses	-305	-306
Other expenses	-971	-734
Total	-2,325	-2,282

CHANGES IN NON-CURRENT ASSETS

EUR 1,000	1-6/2025	1-6/2024
Book value at the beginning of the period	6,850	6,505
Investments	1,696	940
Decrease	-352	-368
Depreciation	-486	-407
Translation differences	60	-132
Book value at the end of the period	7,768	6,538

FINANCIAL ASSETS

EUR 1,000	Positive current values	Negative current values	Current net values 30/6/25	Current net values 31/12/24	Nominal values 30/6/25	Nominal values 31/12/24
Investments						
Mandatum - funds	13,507		13,507	14,161	12,101	13,000
Lähi-Tapiola - funds	5,787		5,787	5,643	5,000	5,000
Aristoi -funds	5,431		5,431	5,347	5,000	5,000
Money market deposits	0		0	1,000	0	1,000
Total	24,726		24,726	26,150	22,101	24,000

Investments included in financial assets have been valued using third-party market value reports (hierarchy level 2).

Funds are interest investments related to corporate loans and short-term interests.

Aristoi -financial management is an investment portfolio including money market deposits, investments in bonds (companies and state) and other commodities.

Withdrawal from the funds is possible within 2 banking days.

FINANCIAL LIABILITIES

EUR 1,000	30/06/2025	30/06/2024
Long-term financial liabilities valued at allocated acquisition cost		
Lease liabilities	4,360	4,675
Other loans	58	0
Total	4,418	4,675

EUR 1,000	30/6/2025	30/6/2024
Short-term financial liabilities valued at allocated acquisition cost		
Bank loans	2,011	1,664
Factoring liability	0	12
Lease liabilities	678	530
Total	2,689	2,206

CONTINGENT LIABILITIES AND COMMITMENTS

EUR 1,000	30/6/2025	31/12/2024
Loans from financial institutions	2,011	950
Granted business mortgages	1,800	1,800
Granted real estate mortgages	4,667	4,667
Guarantees and payment commitments	80	0

The amount of corporate mortgages on June 30, 2025 was EUR 1.8 million (EUR 1.8 million on December 31, 2024). All corporate mortgages are held by the company.

INVESTMENT COMMITMENTS

On June 30, 2025, the investment commitments for tangible assets amounted to EUR 0.4 million (EUR 1.0 million on June 30, 2024).

RELATED-PARTY EVENTS

The Group's related parties include the subsidiaries and associated companies, other companies belonging to the Reka Group, Reka Pension Fund, the Group's Board of Directors and their close family members as well as management group and their close family members. Also related parties include companies, that have ownership connection through the owner who has significant decision power, or that belong to the related-party companies via the management or board members. Reka Industrial's management group consists of Managing Director and CFO.

Reka Industrial Plc, and therefore also the Reka Industrial Group, belong to the Reka Group. Reka Ltd has a 50.16 percent holding of shares and a 65.36 percent holding of votes.

Related-party transactions

Transactions with the Reka Group:

1 000 euroa	1-6/2025	1-6/2024
Other purchases	-150	-150
Interest revenue	11	0
Loan receivables	1,000	0
Sales receivables and other receivables at the end of the period	11	151

Reka Industrial Plc participated with EUR 1.0 million in an investment made by the Reka Group, in which a secured loan was provided to an external party. Since the arrangement was made through Reka Ltd, EUR 1.0 million has been presented as a related party transaction and is shown in the table above as a loan receivable and interest income. Reka Ltd has also provided additional collateral to the company in the arrangement. This is a short-term investment that will be returned to Reka Industrial during August 2025.

The Reka Industrial Group uses the Reka Group level finance and supporting systems as well as related licenses and virtual servers.

Transactions with the Reka Pension fund:

EUR 1,000	1-6/2025	1-6/2024
Paid pension expenses	-300	-357
Rental expenses	-291	-289
Financial income	158	160
Guarantee capital investment	8,000	8,000
Other receivables at the end of the period	27	26

Reka Group's pension insurances were transferred into Reka Pension Fund on 31 December 2015. Because of the transfer, pension liabilities of Reka Industrial Group have been processed in IFRS through benefit-based calculation.

On June 30, 2025 Reka Rubber sub-group had a total of EUR 8.0 million of guarantee capital investments in Reka Pension Fund. The interest on the guarantee capital investment is 4 % p.a.

Guarantee capital investment is a strategic investment in the Reka Pension fund and it supports Reka Pension fund's solvency. Investment is long-term investment because the repayment depends on Reka Pension fund's solvency. If Reka Pension fund would be dissolved and at the time of dissolution the pension fund's solvency will not be sufficient to repay the guarantee capital investments, an investment loss will arise to the extent that the investment could not be recovered. According to current legislation Reka Pension fund needs to have at least 150 working members.

Reka Cables Ltd, previously part of the group, was transferred out of the Reka Pension fund at the end of March 2025. After the transfer of Reka Cables Ltd out of Reka Pension Fund, Reka Pension Fund was left with less than 150 employed members. If the number of working members of Reka Pension fund does not increase over 150 persons during the next 2 years, possibly with an additional 1 year if receiving official permit, may the pension fund be dissolved in 2028.

If Reka Pension fund would be dissolved, the IAS 19 entries related to the pension fund will be removed (IAS 19 pension receivable EUR 6.5 million on June 30, 2025). The view of the Board of the Group and the parent company and Reka Pension fund is that the number of members will increase and the required limit of 150 working people will be met. In the interim report on June 30, 2025 (as in Financial statements on December 31, 2024), an expense provision of EUR 2.3 million has been taken into account in case the development of Reka Pension fund's membership does not develop favorably and thus the guarantee capital investment would be subject to a write-down risk in 2028.

Transactions with other related parties:

EUR 1,000	1-6/2025	1-6/2024
Rental incomes	8	7
Other purchases	23	65
Other liabilities at the end of the period	6	0

Other related parties consist of companies that have an ownership relationship through the owner who has significant decision power, or that belong to the related-party companies via the management or board members or their close family members.

The Group has no other significant transactions, receivables or liabilities or guarantees with related parties.

CALCULATION OF KEY FINANCIAL INDICATORS

IAS 19 corrected Return on investment (ROI), %

IAS 19 corrected result before taxes + interest and other financial expenses

[Balance sheet total – obligatory provisions and non-interest-bearing liabilities excluding effects of IAS 19 bookings] (average)

IAS 19 corrected Equity ratio, %

Shareholders' equity + non-controlling interest excluding effects of IAS 19 bookings

Balance sheet total – advances received excluding effects of IAS 19 bookings

Earnings per share (EPS), EUR

Profit for the period attributable to equity holders of the parent

Numbers of shares adjusted for share issues (average)

Operating profit

The net amount formed when from the net sales are deducted the purchase costs adjusted by the change in the stocks of non-finished and finished goods Reka Industrial Plc | Financial Statements and Board of Directors' Report 5 as well as expenses for production for personal use. Also deducted from the net sales are expenses arising from employee benefits without IAS 19 defined benefit pension arrangements related items, depreciation, amortization and any impairment losses. Other operating incomes and expenses are also taken into account.

EBITDA

The net amount that is formed when depreciation and any impairment losses are added to the operating.

All comments in this report that do not refer to actual facts are future estimates. Such estimates include expectations concerning market trends, growth and profitability as well as statements including the words "believe", "assume" or "will be" or a similar expression. Since these estimates are based on current plans and estimates, they involve risks and uncertainty factors that may cause the actual results to differ substantially from current statements. Among other things, such factors include 1) operating conditions, such as continued success in production and the ensuing efficiency benefits, availability and cost of production inputs, demand for new products and changes in circumstances affecting the acquisition of capital under acceptable conditions; 2) sector-specific circumstances, such as the intensity of demand for products, the competition, current and future market prices for the Group's products and related pricing pressures, the financial situation of the Group's customers and competitors and competitors' possible new products; and 3) the general economic situation, such as economic growth in the Group's main market areas and change in exchange rates and interest rates.



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