Tamturbo Plc
Half-yearly report
January-June 2025

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Tamturbo

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TAMTURBO OYJ HALF-YEARLY REPORT 1.1. – 30.6.2025

(UNAUDITED)

Figures in parentheses refer to the corresponding period of the previous year, unless otherwise stated.

This half-yearly report is available in the company's website News section on address www.tamturbo.com/news/

BUILDING SOLID GROUND FOR LONG-TERM GROWTH

January-June 2025 shortly:

- Net sales decreased by 15% to 2.6 million euros (comparison period January-June 2024 turnover was 3.1 million euros)
- The company received new orders for 3.1 million euros. Order intake increased by 9% compared to the corresponding period of the previous year.
- Order backlog at the end of June was 3.4 million euros, which is 1.8 million less than at the end of the comparison period.
- EBITDA was -2.9 million euros (-3.5)
- The net result was -4.2 million euros (-3.9)

CEO Igor Nagaev:

"In the first half of 2025, Tamturbo's order intake has continued its upward trajectory, in line with our strategic objectives to broaden both our market and geographic footprint. During this period, our active project pipeline expanded by approximately 30 percent compared to the same timeframe in 2024, demonstrating strong momentum as we execute our growth strategy.

We're seeing more projects in numbers across all regions, but our level of conversion to purchase orders (PO) is behind compared to last year. North America now represents roughly 50 percent of all active projects, while EMEA contributes around 22 percent, and the remainder is evenly distributed across Asia and other markets. Importantly, more than 60 percent of our new orders come from existing customers re-selecting our equipment – clear evidence of the high satisfaction and trust in the reliability and performance of our Touch-Free™ compressors and energy-recovery solutions. Sales are not yet at the required levels. The Company is working hard to change that direction.

Following the close of the reporting period, we have several projects ongoing in the United States, India, and Asia with a new account, one of the world's largest, most recognized consumer goods Fortune Global 500 companies. This milestone further reinforces our long-term growth path and underscores the global scalability of our technology, with deployment potential across thousands of production facilities in our existing customer base.

Throughout the first half of 2025, we continued investing in margin enhancement. Product cost optimization initiatives and increased manufacturing efficiency have already enabled year-on-year improvement in unit profitability. With economies of scale, process streamlining, and rigorous control of operating costs and pricing discipline, we remain confident in our ability to further improve profitability while supporting global expansion.

We also entered the year on the back of a €22 million financing round led by prominent Finnish and international anchor investors, designed to accelerate our international growth and support strategic expansion, particularly in North America.
This capital strengthens our ability to scale, innovate, and deliver long-term value to our customers and shareholders.

Looking ahead, we remain committed to delivering sustainable, high-performance solutions and to reinforcing Tamturbo's reputation as a trusted partner to leading industrial enterprises worldwide. With a continuously growing customer base and compelling technology advantage, we are confident in our continued success and the realization of our strategic goals.

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Key figures

	1-6/2025 (*	1-6/2024 (*	1-12/2024
Net sales, thousand euros	2 638	3 106	8 017
Change in net sales %	-15 %	14 %	-2 %
EBITDA, thousand euros	-2 930	-3 467	-5 650
EBIT, thousand euros	-3 223	-3 718	-6 173
Net profit, thousand euros	-4 236	-3 888	-6 587
Cash flow operations, thousand euros	-5 010	-3 191	-7 158
Cash in hand and at banks, thousand euros	8 288	1 029	10 841
Equity ratio	66 %	37 %	71 %
Order backlog, thousand euros	3 402	5 243	5 031
Order intake, thousand euros	3 136	2 886	6 786
Net Gearing %	41 %	-51 %	53 %
Earnings per share, euro	-0,10	-0,18	-0,28

(* unaudited

Sales

Tamturbo's net sales for the first half of the year were 2.6 million euros and decreased by 15% from the turnover for the first half of 2024 (3.1). Net sales in the first half of the year were weaker due to delays for almost all current projects in Europe and Middle East. Similarly, uncertainty regarding potential import tariffs imposed by the USA delayed customers' decisions to invest in the USA.

New orders received during the first half of the year totaled EUR 3.1 million. The order intake increased by 9% compared to the same period last year. The total value of the company's order backlog at the end of June was EUR 3.4 million, which was down EUR 1.8 million from the end of the comparison period.

Operating result and profitability

The Group's EBITDA for the review period improved from the previous year and was EUR -2.9 million (-3.5). Profitability was improved by manufacturing-related efficiency improvements, gross margin which was 615 thousand euros (388), and lower other operational costs. The Group's operating result for the review period improved from the previous year and was EUR -3.2 million (-3.7).

In the reporting period, we continued our investments in improving product margins, as a result of which we have succeeded in improving the unit profitability of our products from a year ago. Our target is to continue to improve profitability by reducing product

costs through volume advantages and cost optimization, making manufacturing and customer project processes more efficient, while maintaining strict control of operating costs and customer pricing.

Cash flow and financing

The cash flow from the operations for the first half of the year was EUR -5.0 million (-3.1). Items impacting it were change in stock -813 thousand (-430), change in receivables -1,5 million euros (1,8), change in advances 1,5 million euros (-485), and change in liabilities -512 thousand euros (-342).

Financial items and taxes paid -1,5 million euros (-313) and financial items and taxes received 459 thousand euros (143), and the financing cash flow was EUR 2.5 million (2.8).

The Company organized a directed share issue in December during the financial year 2024, which ended during the review period on January 16, 2025. In the directed share issue, 20,800,000 shares were subscribed for at a price of EUR 1/share, with which the Company raised gross funds of EUR 20.8 million from new investors, of which EUR 7,0 million was used to purchase its own shares from Sulzer AG.

Short-term loans were repaid by 176 thousand euros (60 thousand). The Company's interest-bearing liabilities were EUR 2.6 million (2.9) at the end of the first half of the year. At the end of the half year, the company's liquid assets exceeded the interest-bearing loans, and the net gearing ratio was 41% (-51%). At the beginning of the review period the company had cash assets of 10.8 million euros (2.1). At the end of the review period, the company had cash assets of 8.3 million euros (1.0).

Product development and investments

Product development expenses during the first half of the year totaled 601 thousand euros, which is a decrease of 13% from the first half of 2024 (692). A total of EUR 23 thousand (55) was capitalized in the balance sheet of the half-year's product development costs, and the total amount of capitalized product development costs was EUR 4.1 million (4.4) at the end of the half-year.

In the first half of the year, capitalizations for fixed assets and other long-term expenses were 20 thousand euros (165 thousand euros in the comparison period).

Personnel

At the end of June 2025, Tamturbo employed a total of 48 people (51), of which 1 (0) was part-time. Of the personnel, 44 (47) worked in Finland and 4 in the United States (2). Personnel expenses for the first half of the year totaled EUR 2.2 million (2.3).

Tamturbo's business and operating environment

Compressed air is a key part of industrial manufacturing processes and is widely used, for example, as a driving media for machines, devices and automation, and for moving materials related to production processes in various ways. Clean and oil-free compressed air is also essential in many industrial sectors.

Tamturbo offers its customers a new generation of compressor solutions for cleaner, more energy-efficient and almost maintenance-free compressed air production. Tamturbo's Touch-Free™ technology is 100 percent oil-free. Tamturbo's current and potential new customers include the world's leading industrial companies that want to utilize oil-free compressed air in their production processes without the extensive costs of filtration and air purification and significantly low maintenance.

Implementation of the strategy

The industrial world is undergoing an unprecedented change towards more environmentally sustainable operations. Increasingly more customers see Tamturbo's compressors as an efficient and reliable way to simultaneously reduce both CO_2 emissions and Total Cost of Ownership. The compressors designed by Tamturbo are 100% oil-free, more energy efficient than traditional technology, and almost completely maintenance-free, which enables significant environmental and cost savings for our customers. Our compressors are the best source in the markets for completely oil-free air – there is not a single drop of oil in the compressed air, nor in the entire compressor structure, which brings additional benefits to the environment, costs, and occupational safety.

At the same time, rising energy prices and growing concern about climate change significantly increase the superiority of Tamturbo's solutions compared to traditional industrial compressor technologies. Our innovative energy recovery systems continue to increase our competitive advantage and the demand for our solutions.

Tamturbo's strong growth is driven by the opening of new large multinational key customer relationships and growing organically within these customers. Our global customers typically have dozens or even hundreds of factories around the world. Each factory has several compressors in its installed base, so the business potential of even one customer is significant. Tamturbo's current customers already have more than

1,500 factories worldwide, where thousands of compressors are installed. Tamturbo's goal is to replace as many of these as possible with our completely oil-free compressors that save costs and the environment.

In addition to the huge business potential, global customers are also the best and most demanding customer references, which lowers the threshold for other new customers to invest in Tamturbo's solutions.

Sales to different factories of the global customers are carried out through Tamturbo's own sales organization or a local sales partner, and each customer is supported by an active and service-oriented partner who knows and understands the customer's needs and operating environment.

Our core markets in the US and Europe remain key to our growth, and we will continue to strengthen our presence in these regions. During the reporting period we were also able to expand our geographic footprint in Asia and South America.

Executive team

There have been three changes in Tamturbo's management team. The contract of Brecht Vanlee, the business director, ended, Juho Ojuva was appointed as the director responsible for after-sales marketing, and Olli Seppälä was appointed as the director responsible for sales support. At the end of the review period, Tamturbo Plc's management team consisted of the following individuals: Igor Nagaev, CEO; Tommi Holopainen, CFO; Juho Ojuva, Director of After-Sales Marketing; Olli Seppälä, Director of Sales Support Operations; Hannu Heinonen, VP Americas; Heli Malinen, Director of Marketing; Antti Kaura, Chief Operating Officer.

Shares and shareholders

The Company organized a directed share issue in December during the financial year 2024, which ended during the review period on January 16, 2025. In the directed share issue, 20,800,000 shares were subscribed for at a price of EUR 1/share, with which the Company raised gross funds of EUR 20.8 million from new investors, which were used to purchase its own shares from Sulzer AG. The number of shares acquired was 4,647,784 and their acquisition price was a total of EUR 7,021,676, or approximately EUR 1.51 per share. The acquisition price was based on an agreement between the Company and Sulzer AG. The acquired shares have now been cancelled

The number of shares in the Company at the end of the review period was 41,029,252 shares and there was a total of 1,556 shareholders. The total number of options is

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195,558, of which 64,165 are held by the previous management and 131,393 by Springvest's agents.

The company held an Annual General Meeting on 18 March 2025 and a second Extraordinary General Meeting on 5 May 2025, both in Tampere. The minutes of the meetings can be found on the company's website www.tamturbo.com.

Short-term risks and uncertainties

Tamturbo's management constantly maps the risks related to the group's global business and uses various internal and external tools and routines to manage and reduce risks. The ability to identify, analyze and manage risks is crucial for effective business management.

General economic development can affect the company's operating environment negatively.

Due to the nature of the business, Tamturbo may be subject to compensation claims, of which the final solution cannot be predicted. However, based on current information, there are no claims that are expected to have a material impact on the Group's financial position.

The delivery times for the components the company needs are sometimes long, and there may be difficulties in obtaining certain components from time to time, which can affect the business. Due to the ongoing war in Eastern Europe and financial market instability, there has also been increased uncertainty in each country, which may affect our ability to deliver.

A significant part of the company's turnover comes from the sale of investment-type equipment, whose delivery duration is typically 6-21 months. There may be delays to project schedules that can significantly affect the company's committed working capital and thus the cash situation.

As a significant part of Tamturbo's business is allocated in United States, the new tariffs policy applied on production in the EU will have a negative impact on the Company's profitability, for the deals concluded earlier but still to be delivered to customers.

The company is exposed to exchange rate risks because the Company currently has no arrangements in place to protect itself from exchange rate fluctuations. Tamturbo's main business and cash flow reporting currency is the euro, but Tamturbo also conducts

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business in other currencies. The most significant foreign currency that Tamturbo is currently exposed to is the US dollar.

Tamturbo's organization is relatively small, so the importance of an individual employee to the Company's operations is relatively large. The company's future development essentially depends on the professionalism, experience and commitment of the management and other key personnel. Such persons leaving the company may have a short-term negative effect on the company. Although the company has a good reputation as an innovative technology company and has succeeded in recruiting qualified employees in the past, there is no guarantee about the company's future capabilities to recruit new skilled employees to the desired extent. Failure to recruit and engage key personnel may have a material adverse effect on the Company's business, business results, financial position, future prospects and/or the value of securities.

Tamturbo will possibly need more external funding to implement its strategy and grow its business, and it is not certain that it will receive funding on favorable terms or at all.

The other risks of the company and its business are described in more detail in the prospectus related to the rights issue carried out in spring 2024, which can be found on Tamturbo's website www.tamturbo.com.

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ACCOUNTING PRINCIPLES

This unaudited half-yearly report for the period 1.1.-30.6.2025 has been prepared according to Finnish Accounting Standards (FAS).

Consolidated Income Statement

	1.1.-30.6.2025	1.1.-30.6.2024	1.1.-31.12.2024
NET SALES	**2 638 079,08**	**3 105 587,15**	**8 016 644,67**
Change in the inventory of finished goods and work in progress	414 316,77	703 674,00	-53 719,28
Manufacturing for own use	22 608,51	54 551,90	396 860,55
Other operating income	844,25	2 184,08	2 530,11
Materials and services			
Raw materials and consumables			
Purchases during the financial year	-2 803 248,44	-2 884 479,16	-6 622 689,21
Change in inventories	398 496,13	-274 042,92	-64 994,68
External services	-33 240,16	-18 953,59	-46 212,18
	-2 437 992,47	-3 177 475,67	-6 733 896,07
Personnel expenses			
Wages and salaries	-1 889 060,48	-1 960 818,01	-3 636 885,11
Pension expenses	-258 001,48	-277 342,81	-504 676,73
Other personnel expenses	-96 686,59	-62 233,35	-126 366,53
	-2 243 748,55	-2 300 394,17	-4 267 928,37
Depreciation and amortization			
Depreciation according to plan	-293 457,24	-251 083,86	-522 984,95
	-293 457,24	-251 083,86	-522 984,95
Other operating expenses	-1 323 645,56	-1 855 014,17	-3 010 134,75
OPERATING LOSS	**-3 222 995,21**	**-3 717 970,74**	**-6 172 628,09**
Financial income and expenses			
Other interest and financial income			
From others	458 731,79	142 699,27	357 360,08
Interest and other financial expenses			
To others	-1 471 343,70	-312 616,77	-772 022,04
	-1 012 611,91	-169 917,50	-414 661,96
LOSS BEFORE APPROPRIATIONS AND TAXES	**-4 235 607,12**	**-3 887 888,24**	**-6 587 290,05**
LOSS FOR THE FINANCIAL YEAR	**-4 235 607,12**	**-3 887 888,24**	**-6 587 290,05**

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Consolidated Balance Sheet

ASSETS	30/06/2025	30/06/2024	31/12/2024
NON-CURRENT ASSETS			
Intangible assets			
Development costs	4 076 080,86	4 418 260,34	4 286 145,39
Other intangible assets	41 995,94	54 414,62	48 205,28
Intangible assets total	4 118 076,80	4 472 674,96	4 334 350,67
Tangible assets			
Machinery and equipment	577 155,96	346 391,09	611 321,36
Machinery and equipment	577 155,96	346 391,09	611 321,36
NON-CURRENT ASSETS TOTAL	**4 695 232,76**	**4 819 066,05**	**4 945 672,03**
CURRENT ASSETS			
Raw materials and consumables	1 918 285,09	1 310 740,72	1 519 788,96
Work in progress	570 163,53	334 628,23	167 629,26
Finished products	27 449,70	606 061,51	15 667,20
Inventories total	2 515 898,32	2 251 430,46	1 703 085,42
Short-term receivables			
Trade receivables	4 597 755,17	1 133 683,41	3 230 793,70
Other receivables	269 437,56	760 122,56	167 831,09
Prepayments and accrued income	152 781,59	119 528,05	160 775,28
Short-term receivables total	5 019 974,32	2 013 334,02	3 559 400,07
Cash in hand and at banks	8 287 607,36	1 029 370,90	10 841 192,51
CURRENT ASSETS TOTAL	**15 823 480,00**	**5 294 135,38**	**16 103 678,00**
TOTAL ASSETS	**20 518 712,76**	**10 113 201,43**	**21 049 350,03**

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Consolidated Balance Sheet

EQUITY AND LIABILITIES	30/06/2025	30/06/2024	31/12/2024
EQUITY			
Share capital	81 000,00	81 000,00	81 000,00
Share issue	0,00	0,00	12 212 177,00
Invested unrestricted equity fund	54 772 350,63	38 193 054,11	39 907 105,11
Retained earnings (loss)	-37 313 270,78	-30 613 233,80	-30 613 233,80
Translation differences	253 291,28	-48668,65	-112741,17
Loss for the financial year	-4 235 607,12	-3 887 888,24	-6 587 290,05
TOTAL EQUITY	**13 557 764,01**	**3 724 263,42**	**14 887 017,09**
PROVISIONS			
Other provisions	101 330,56	106 335,00	105 831,74
Total provisions	101 330,56	106 335,00	105 831,74
LIABILITIES			
Long-term liabilities			
Loans from credit institutions	2 383 742,00	2 588 511,00	2 266 242,00
Total long-term liabilities	2 383 742,00	2 588 511,00	2 266 242,00
Short-term liabilities			
Loans from credit institutions	218 225,00	234 589,00	512 058,00
Advances received	1 535 821,89	379 967,53	44 819,14
Accounts payable	1 015 289,62	1 665 768,85	1 524 544,10
Other liabilities	83 292,95	98 671,95	118 125,39
Accrued liabilities	1 623 246,72	1 315 094,67	1 590 712,59
Total short-term liabilities	4 475 876,19	3 694 092,01	3 790 259,20
TOTAL LIABILITIES	**6 859 618,19**	**6 282 603,01**	**6 056 501,20**
TOTAL EQUITY AND LIABILITIES	**20 518 712,76**	**10 113 201,43**	**21 049 350,03**

Calculation of key figures

Change in net sales, % = (Net sales - Previous financial year's net sales) / Previous financial year's net sales x 100

EBITDA, EUR = Earnings before interest, taxes, depreciation and amortisation

EBIT, EUR = Earnings before interest and taxes

Net Profit , EUR = Total revenues - total expenses

Equity ratio, % = Total equity / (Total assets - Advance payments) x 100

Order backlog, = Received legally binding orders from external customers not yet delivered to customer

Order intake, = Received legally binding orders from external customers during the period

Net Gearing, % = (Interest-bearing liabilities - Cash and cash equivalents) / Equity x 100

Earnings per share, EUR = Profit for the reporting period / Weighted average number of shares outstanding

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Tamturbo Plc
Board of Directors

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CFO, Tommi Holopainen, tel. +358 50 400 3235

Release distribution:

Tamturbo Plc shareholders
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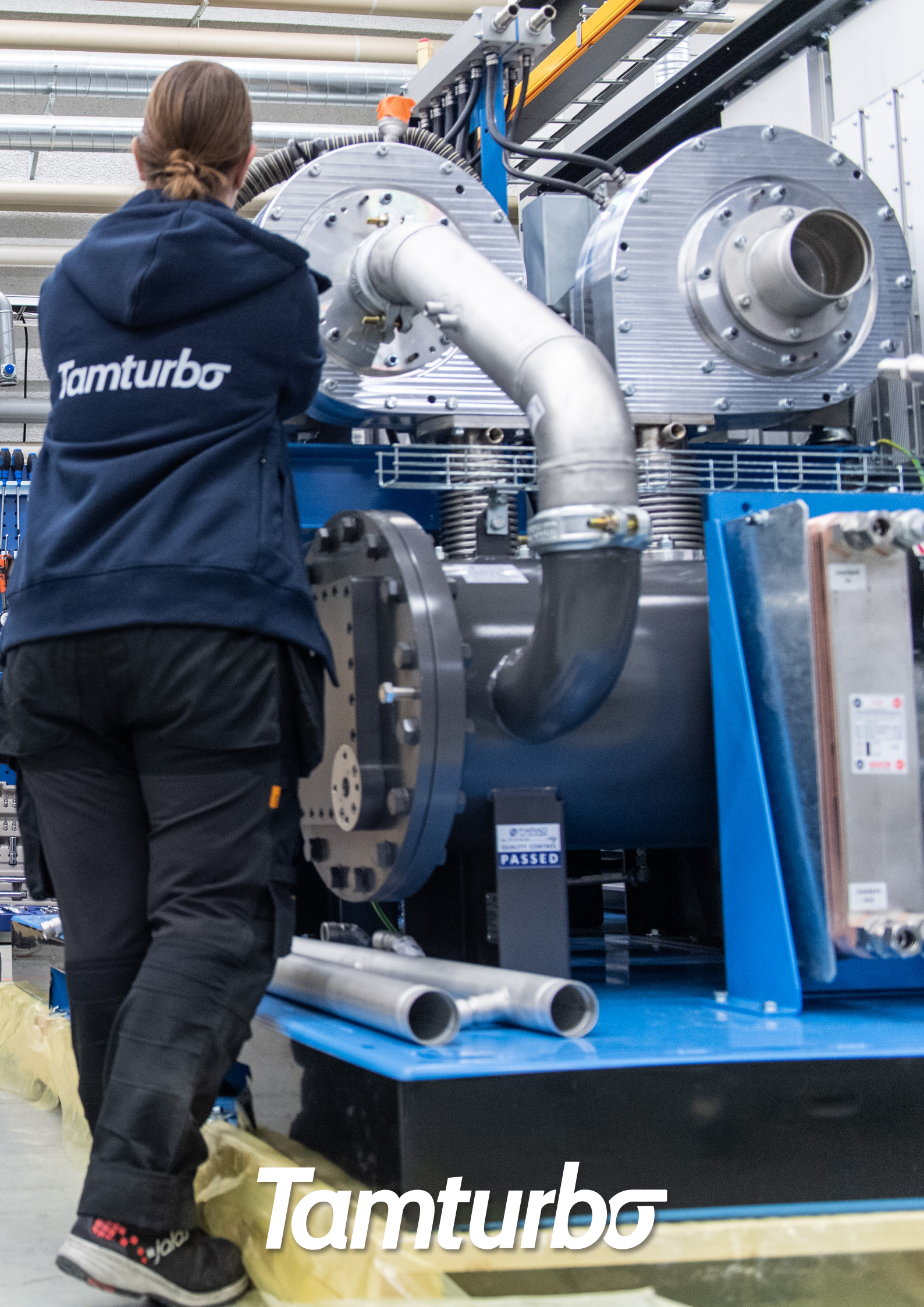

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