



Annual Report

2024

Auroora Group

AUROORA

Auroora 2024

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Auroora – a Finnish serial acquirer

Auroora was founded with the vision to foster Finnish ownership in a long-term and sustainable manner.

We strive to be a permanent owner of great companies, developing and growing them sustainably across economic cycles and over decades.

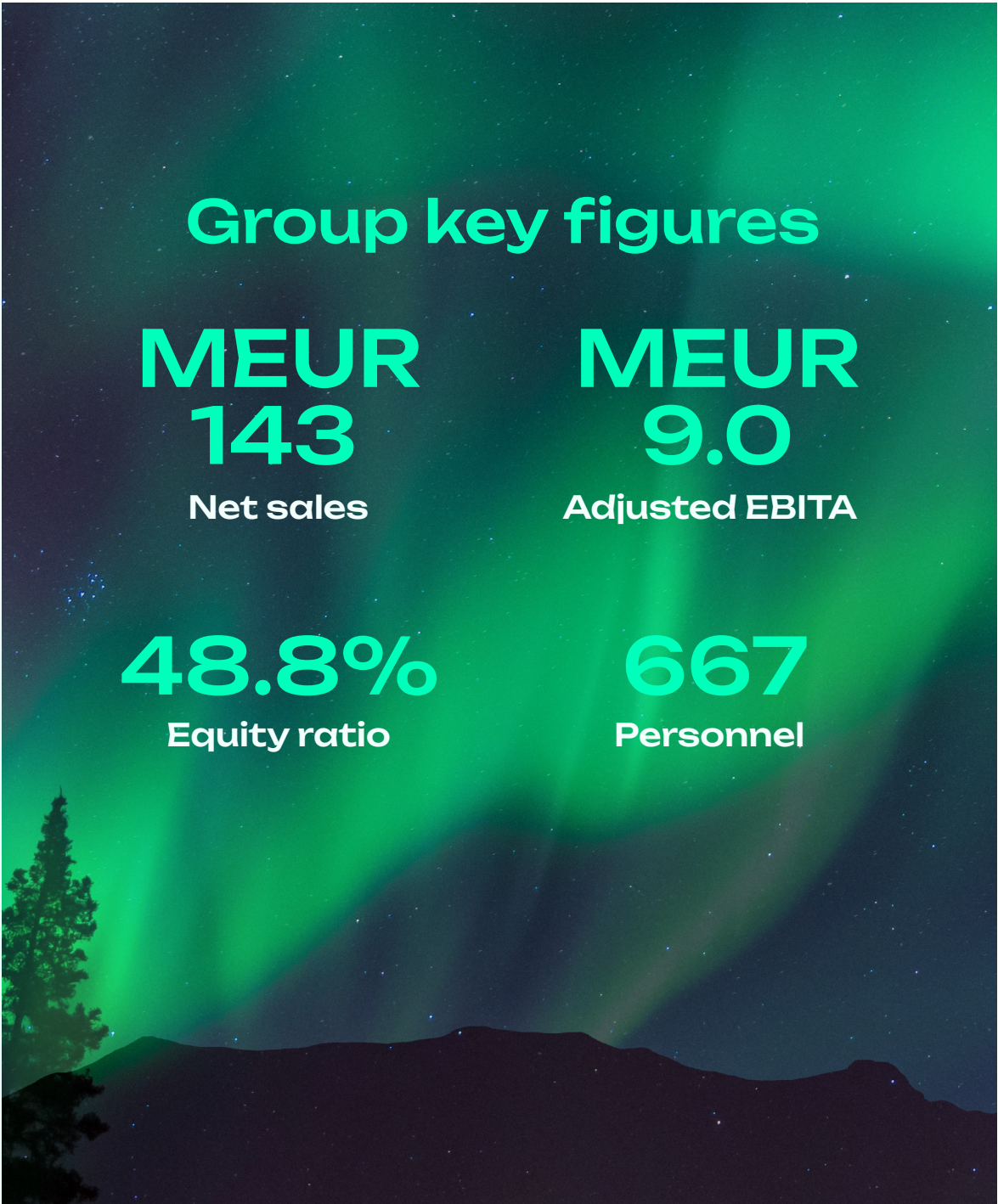
Our growth strategy combines organic expansion with the strategic reinvestment of cash flows into new industry-leading SMEs within our selected segments.

Auroora is the best home for companies, the most trusted partner for entrepreneurs, and an attractive investment opportunity for investors.

Key figures

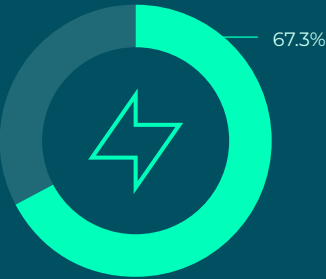
EUR million	2024	2023*	Change %
Net sales	142.6	121.0	17.9%
Operating profit	3.9	1.9	107.7%
Operating profit, %	2.7%	1.5%	
Adjusted EBITA	9.0	5.9	51.9%
Adjusted EBITA, %	6.3%	4.9%	
EBITA	8.0	4.9	63.9%
EBITA,%	5.6%	4.0%	
Adjusted operating profit	4.9	2.9	67.3%
Adjusted operating profit, %	3.4%	2.4%	
Net cash flow from operating activities	16.9	2.3	636.5%
Equity ratio, %	48.8%	48.7%	
Interest-bearing net debt**	14.5	17.1	-14.8%
Net debt / adjusted EBITDA (LTM)	1.4	2.8	-49.9%
Return on capital employed (ROCE), %	10.9%	8.5%	
Personnel at the end of the period***	667	507	

* Figures for 2023 are presented as Pro forma figures, with the differences in accounting policies taken into account.
 ** Net debt adjusted for lease liabilities.
 *** Converted to full-time equivalent (FTE).



Segments

Share of consolidated net sales in 2024



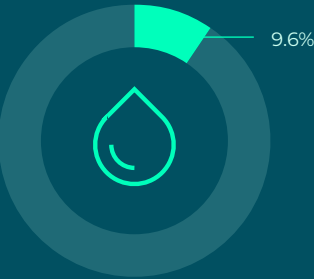
Electrification and Automation

Our companies are pioneers in developing new energy-efficient technologies and integrated smart electrical systems and networks in collaboration with their partners, enabling the maximising of energy efficiency.

Our businesses:

- ARNON Oy Custom Electrics Manufacturing
- ARNON Oy Engineered Power Systems
- TKF Power Quality Oy
- Sähkölandia Oy
- BTB Transformers Ab (as of c. 4/2025)

Share of consolidated net sales in 2024



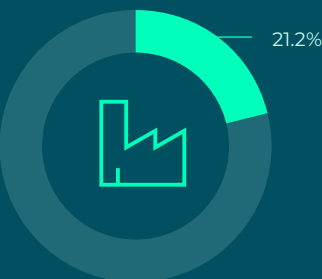
Clean Water and Environmental Technology

Our companies are leaders in water purification technology and related services, with the goal of significantly reducing environmental impact.

Our businesses:

- Operon Group Oy
- Solid Water Oy
- Vestelli Oy
- Avalon Nordic Oy
- Smartel Electronics

Share of consolidated net sales in 2024



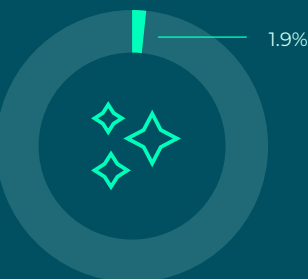
Industrial Products and Services

Our companies' strong engineering and industrial expertise is a key asset, reflected in the high-quality industrial products and specialised services they provide to global markets.

Our businesses:

- FENTEC Oy
- CWP Coloured Wood Products Oy
- Pur-ait Oy (as of 10 January 2025)
- Suomen Vuokrakontti Oy
- Telatek Service Oy
- HTT High Tech Technology Oy

Share of consolidated net sales in 2024



Other operations

Auroora's other significant holdings.

Our businesses:

- EV Training Oy
- Pusatec Oy
- Parent company of the Group



A year of successful acquisitions and profitable growth

For Auroora, 2024 was above all a year of successful acquisitions. The company's M&A engine was in excellent shape, and through acquisitions, we welcomed five strong and highly profitable companies into the Auroora family. At the same time, we developed our existing companies, making them even more competitive. This growth-driven development will continue.

Growth through acquisitions and organically

Auroora's profitability improved not only through acquisitions but also organically. Our 2024 revenue increased by 18% from the previous year, reaching EUR 142.6 million. At the same time, our profitability improved significantly, with adjusted EBITA for the year at EUR 9.0 million, or 6.3% of net sales. Operating cash flow was EUR 16.9 million.

Our LTM (Last Twelve Months) net sales reflects the success of our acquisitions, as it grew 26.7% to EUR 159.6 million in 2024. LTM figures include acquired businesses as if they had been owned for a full 12 months at the reporting date. Similarly, LTM EBITA increased by 94.6% to EUR 11.9 million, highlighting the strong profitability of our new companies.

The Electrification and Automation segment showed particularly strong organic growth and profitability improvements across all companies. As a serial acquirer, Auroora's success relies on supporting and developing its existing companies while welcoming new ones.

2024 was also a year of building corporate capabilities and preparing for significant future growth. We restructured the Group to align with our new strategy, transitioned to IFRS reporting, and implemented world-class reporting systems. In sustainability, we conducted a double materiality assessment and prepared for

EU Corporate Sustainability Reporting Directive (CSRD) compliance.

The EUR 7.0 million investment from Varma Mutual Pension Insurance Company in summer 2024 strengthened Auroora's financial position and cash flow, increasing capacity for new acquisitions. It is great to see Finnish institutional investors recognising the value creation potential of the serial acquirer business model.

Electrification advances regardless of macroeconomic conditions

For some of our companies, the economic environment was challenging, but overall, 2024 was a successful year. While there is always room for improvement, our business model is resilient—despite macroeconomic headwinds, we continued to grow without setbacks. Our strong balance sheet enables long-term execution of our growth strategy.

Our key growth drivers are the electrification of society and the clean transition. This trend continues to progress, despite occasional fluctuations. Our Electrification and Automation segment is at the forefront of this transition, but many opportunities also exist in Clean Water and Environmental Technology, where

moderate but steady growth is supported by long-term contracts. The Industrial Products and Services segment contributes to our customers' environmental efficiency, for example, by extending the lifecycle of machinery and equipment through maintenance services.

Growth at home and abroad

The **Electrification and Automation** segment strives to strengthen its foothold in Sweden and Norway, and in 2024, companies in the segment strengthened their position in both countries. The substation construction market remained strong, and all segment companies achieved profitable growth.

The **Clean Water and Environmental Technology** segment focused on developing its service business and strengthening resources. Additionally, the segment continued to commercialise digital solutions. Progress was also made toward quality certification for all segment companies.

The **Industrial Products and Services** segment grew significantly through acquisitions, bringing new expertise to Auroora. The product companies grew through strong international demand and by building reseller networks worldwide. Growth was further driven by increasing demand for our solutions in defense and national resilience.

Picking up speed

One of the key themes for 2025 is enhancing AI capabilities. This company-wide initiative began in summer 2024 with leadership network workshops. Management teams across Auroora's companies are diving deep into the world of AI and sharing insights to discover AI-driven business opportunities. Some companies are already engaging in experimental AI development projects and drafting preliminary strategies, and the goal is for every Auroora company to develop its own AI strategy. This collaborative development showcases the synergies Auroora provides to its portfolio companies.

In 2025, Auroora has major acquisitions planned. We are building international growth through both acquisitions and organic expansion. Our deal flow is strong, and we expect to complete at least as many acquisitions as last year. To support this, we are strengthening our finance team and continue to explore strategic funding options for future growth.

The success of 2024 demonstrated that the serial acquirer model works and benefits both investors and portfolio companies. Our acquisition model is effective and continuously improving, while our companies grow organically both in Finland and internationally. I want to thank our investors,

customers, partners, and all employees across Auroora's companies for the year. Your efforts ensured that Auroora remained on a strong growth path, even in a challenging economic environment. Together, we will make 2025 an even greater success.

Antti Rauhala
CEO
Auroora Group

Highlights of the year

Spring

- Auroora acquired CWP Coloured Wood Products, a manufacturer of dyed veneer materials specialising in environmentally friendly, through-dyeing processes for birch veneer. CWP enhances the Industrial Products and Services segment's expertise, with nearly all of its products sold to export markets worldwide.
- Telatek Service joined Auroora's Industrial Products and Services segment. Focused on specialised industrial maintenance, Telatek serves customers in the energy, mining, base metals, oil refining, forest, marine, and defence industries. This acquisition strengthens Auroora's position as a strategic partner for industrial maintenance clients in Finland.

Summer

- Auroora and Varma Mutual Pension Insurance Company signed an agreement under which Varma invested EUR 7.0 million in Auroora through a directed share issue. Varma's participation reinforced Auroora's balance sheet, providing flexibility for larger corporate transactions.
- Auroora acquired Solifix Oy, a company offering services related to pressure equipment piping, steel structures, and mechanical maintenance for energy, paper, and chemical industry clients. Solifix became part of HTT High Tech Technology Oy within the Industrial Products and Services segment, strengthening HTT's market position in the Pirkanmaa region in Finland and introducing forest industry clients to its client base.

Autumn

- Auroora acquired Suomen Vuokrakontti Oy, a provider of versatile container solutions for storage, cold storage, modular spaces, and various defence applications. Suomen Vuokrakontti expands the Industrial Products and Services segment. Shortly after the acquisition, the Finnish Defence Forces Logistics Command and Suomen Vuokrakontti signed a EUR 14.7 million framework agreement for maritime and explosive storage containers.

Winter

- Avalon Nordic Oy joined Vestelli and Auroora Yhtiöt, creating Finland's leading provider of comprehensive solutions for wastewater systems in rural areas. This acquisition supports Auroora's goal of building a strong Nordic environmental technology hub focused on water treatment solutions.
- Auroora enhanced its readiness for future growth. The company transitioned to IFRS reporting and upgraded its reporting systems. Auroora also conducted a double materiality assessment and advanced the preparation for its sustainability programme, strengthening compliance with the EU's Corporate Sustainability Reporting Directive (CSRD) and the integration of sustainability into its business. Additionally, Auroora restructured its organisation to align with its new strategy, merging intermediate companies into the parent company and subsidiaries. In the summer, Puhdas Group, a company specialising in industrial cleaning services, was sold.

Growth drivers

The demand for Auroora’s companies’ products and services is driven by the megatrends of sustainability transition and digitalisation, which accelerate the shift towards more sustainable and technologically advanced solutions. Based on these trends, we have identified six key growth drivers that guide Auroora’s strategy and the long-term development of our portfolio companies.

1. Energy transition	2. Digitalisation	3. Clean water
The global shift towards renewable and sustainable energy sources is crucial for mitigating climate change and reducing emissions. The energy industry is undergoing rapid transformation, creating growth opportunities in clean technology and green investments.	Digital transformation continues to reshape business models and operational processes, accelerating the development of AI, automation, and data-driven decision-making. Organisations that embrace digital innovation gain a competitive edge in efficiency and customer experience.	Access to clean and safe water is an increasing global challenge due to population growth and environmental degradation. Innovative solutions in water purification, recycling, and sustainable water management are critical for securing future resources.
4. Bioeconomy	5. Comprehensive security	6. Responsible industry
The bioeconomy utilises biological resources for energy, food, and material production, supporting circular economy principles and sustainable growth. The development of renewable biomaterials offers environmentally sustainable solutions.	With increasing digitalisation and geopolitical risks, the comprehensive security of IT systems, businesses, and entire societies is becoming more critical. Comprehensive security includes both cybersecurity and the protection of physical infrastructure. The growing need to safeguard critical infrastructure—such as energy grids, logistics networks, and telecommunications—requires strong data security solutions, sustainable supply chains, and innovations in security technology.	Recent geopolitical turbulence has caused industrial companies to evaluate their partnerships, operations, supply chains, and the origins of their raw materials and products. Sustainable supply chains, efficiency and energy efficiency improvements in industrial processes, and high-quality solutions for global markets are highlighted in the future development of manufacturing companies.

Strategy and business model

Building active Finnish ownership and sustainable growth

Auroora is a Finnish serial acquirer whose strategy is based on permanent ownership and a diversified business model. The company has grown rapidly in recent years, achieving growth both organically and through continuous acquisitions, which are a key part of its strategy.

According to Auroora's operating model, Group companies are managed entrepreneurially, maintaining significant autonomy in operational leadership and local decision-making. After acquisitions, companies retain their names, brands, employees, and strategies, while becoming part of Auroora.

We support our subsidiaries by building strong boards and by developing leadership, governance, performance, and technological capabilities, among other things. We operate close to our companies, providing financial resources and expertise to drive international growth. Auroora's leadership team has strong industrial expertise and broad experience in the three selected business segments.

We create shareholder value by reinvesting our cash flow in a diversified manner in new cash-generating SMEs and our existing businesses, generating high returns. Our goal is to become a market leader in all our segments in the Nordics while being a challenger in other markets. We aim for increasingly profitable growth by acquiring multiple SMEs annually that align with our corporate strategy.

Auroora acquires small and medium-sized Finnish companies that are targeting international growth or operating in domestic markets. Additionally, Auroora's core platform companies may conduct add-on acquisitions abroad to complement and strengthen their business.

Key acquisition criteria

Strategic fit with selected segments

Acquired companies must complement and reinforce Auroora's existing business segments.

Business sustainability

The company must have long-term cash flow generation capability.

ROCE (Return on capital employed)

The company must meet Auroora's required return on capital, even as it scales.

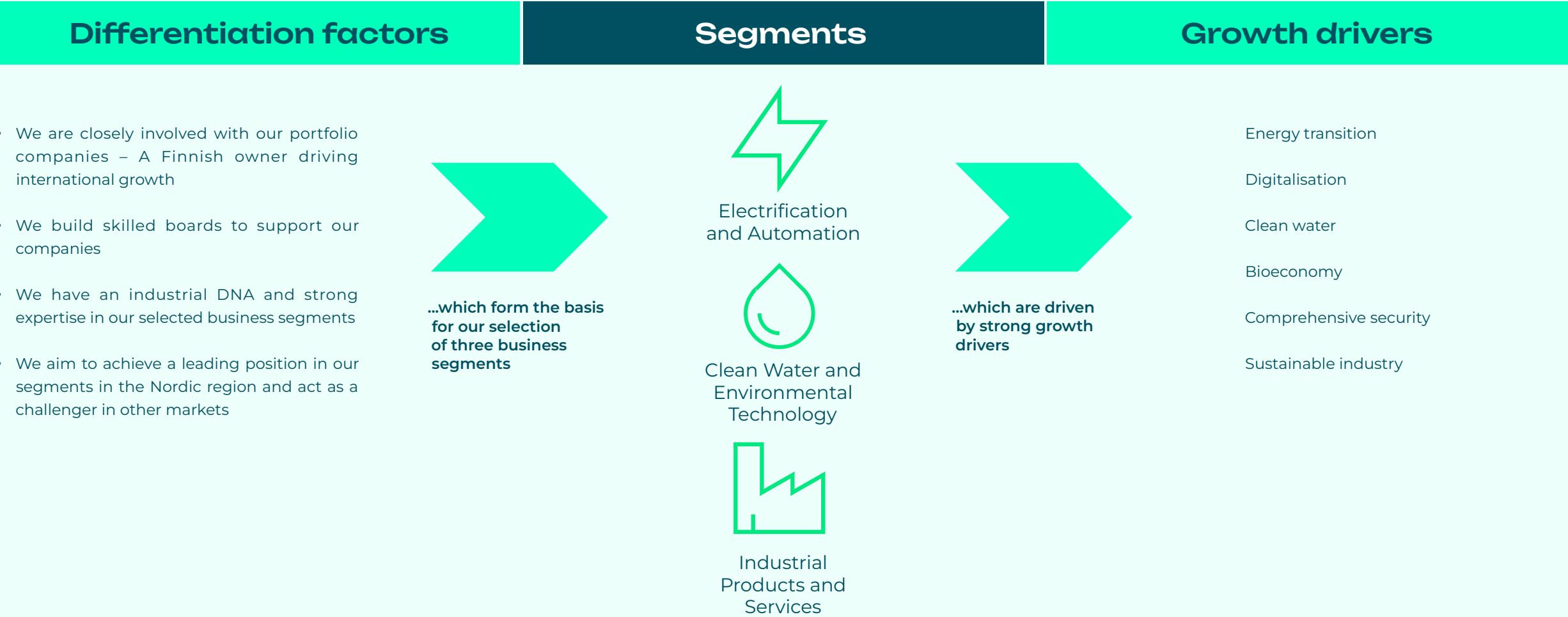
EBITA margin

The company must meet profitability targets set by Auroora.

Valuation

Through valuation, we ensure that we reach our return on capital requirements also in acquisitions.

Strategic choices



How we create value – Auroora’s business model

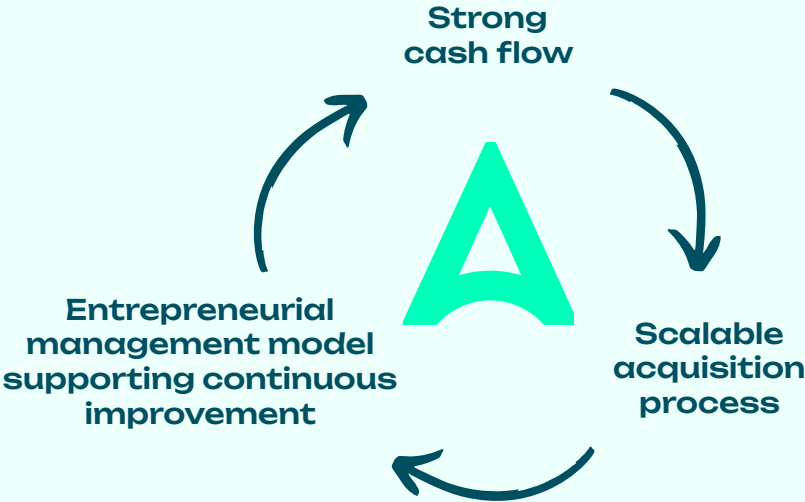


Engine of our growth

- Continuous acquisitions
- Organic growth

Fuel for our growth

- Cash flow generated by our companies
- Leveraging our strong group balance sheet to accelerate growth



More than the sum of our portfolio companies

- We are a Nordic growth platform for our portfolio companies
- Our growth platform provides synergies for our companies
- We are actively involved in the sustainable development of our companies within our focus segments
- Our expertise in acquisitions and business segments ensures increasing returns on capital
- A risk-diversified business model

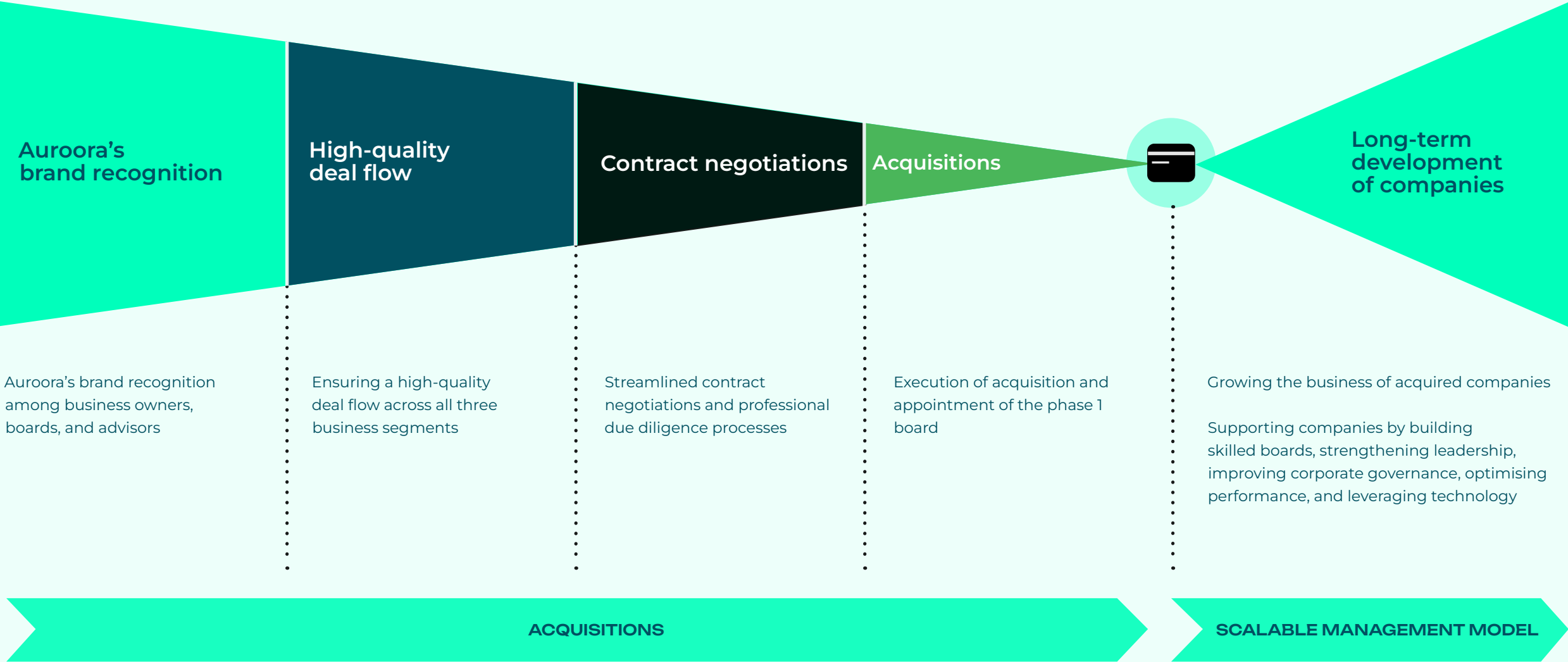
Creating shareholder value

- We invest our cash flow diversely with high returns on capital, allocating it to new cash-generating SMEs as well as our existing companies

Compound interest effect

- Generates increasing returns on reinvested capital

Acquisitions and a scalable leadership model



Benefits of the serial acquirer model

For Auroora's shareholders

- Investing in high-quality companies provides predictable and stable returns.
- Unique opportunity to invest in smaller, unlisted companies.
- The serial acquirer model diversifies investor risk.
- Scalable acquirer expertise and industry diversity further balance risks.
- Group companies benefit from shared expertise.

For acquired companies

- Being part of Auroora's community provides security and peace of mind in a rapidly changing world.
- Companies benefit from peer support and knowledge sharing through our leadership network, helping them develop and succeed.
- Diverse career paths enable professional growth.
- Companies retain their independence, ensuring that effective processes and models remain in use, while gaining access to support and best practices for further development.



Auroora's operating model

Ownership strategy



Committed ownership

Auroora is a long-term owner who is proud of its portfolio companies. The support and guidance of the Group's entrepreneurial experts enables the growth and development of the companies, supported by strong networks and a strategic location in the heart of industrial Finland.



Independent companies and brands

Auroora's companies operate independently but benefit from being part of a community. Auroora provides long-term support and guidance, tailored to each company's needs.



Responsible value creation and high-quality leadership

The successful cooperation between the Group and its companies is built on strong board work and a development-oriented approach. Our governance does not follow a one-size-fits-all model—instead, each board is structured to best support the company's business goals.



Strong cash flow

The unique industry expertise in Auroora's portfolio strengthens its profitability and creates preconditions for good cash flow. The serial acquirer model ensures that acquired companies and their entrepreneurs continue their legacy in a stable and profitable manner.

Building capabilities for strong growth

In 2024, Auroora made significant investments in capability and readiness for substantial future growth. While Auroora's companies operate independently, the Group's role is to provide support and best practices for growth and development.

We strengthened and enhanced internal resources and processes to ensure they meet the needs of a larger Group. We transitioned to IFRS reporting and implemented world-class reporting systems.

During the year, we reorganised the Group's structure in line with the new strategy. Intermediate companies were merged into the parent company and subsidiaries, while Puhdas Group, which provides cleaning services for corporations, was sold.

In sustainability, we conducted a double materiality assessment and advanced the development of our sustainability programme. These efforts prepared us for compliance with the EU Corporate Sustainability Reporting Directive (CSRD) while strengthening the integration of sustainability into Auroora's business operations.

Case: Gaining a competitive edge with AI

In 2024, Auroora launched an AI leadership development programme within its executive network to enhance the AI capabilities of its companies.

The initiative began with a leadership network gathering in June, where CEOs and board chairpersons from Auroora's companies collaboratively explored AI applications in industrial environments. The work continued in November with a focus on leveraging AI in marketing.

In 2025, the development of AI capabilities will progress through an AI leadership programme conducted with an external partner. This programme will ensure that all Auroora company leaders have a strategic understanding of AI and its opportunities, help companies identify true business value, and provide tools for recognising concrete opportunities and leading AI-driven projects.

Some companies have already begun experimental development and preliminary AI strategy planning, and the goal is for every Auroora company to develop its own AI strategy.

Auroora's business operations

Auroora pursues growth through three segments, all aimed at sustainable value creation and sustainable solutions in line with Group strategy. These segments are Electrification and Automation, Clean Water and Environmental Technology, and Industrial Products and Services. Auroora's other significant holdings and corporate functions are included in the Other Operations category.



Electrification and Automation

The segment includes the following companies:



ARNON manufactures electrical and automation systems as complete solutions for industrial customers. ARNON's main segments include marine, mining, and energy industries, as well as industrial equipment manufacturers. The company employs 300 experts across six locations in three countries: Finland, Sweden, and Poland.
www.arnon.fi



Sähkölandia specialises in the design and construction of substations, delivering complex substation projects with strong expertise, in line with customer requirements and with exceptionally high delivery reliability. Its services include substation design, renovations, and new substation construction. Acting as a general contractor, Sähkölandia executes turnkey substation projects from design to installation and commissioning. The company's customers include major network companies, industrial operators, and power plants across Finland.
www.sahkolandia.fi



TKF Power Quality is a power factor correction specialist, providing comprehensive power quality services for industrial, construction, property maintenance, and electrical contracting companies, as well as equipment manufacturers and grid operators. The company has extensive expertise in power quality solutions built on years of experience.
www.tkf.fi



BTB Transformers buys, sells, and supplies transformers, reactors, and other electrical components globally through a broad international partner network. In addition, the company offers maintenance and consulting services related to its products. Founded in 2005, BTB Transformers is headquartered in Pietarsaari, Finland.
www.btbtransformers.com

The companies in the Electrification and Automation segment are actively engaged in the clean transition and the global electrification megatrend. Auroora’s innovative companies develop new technologies and integrated smart electrical systems and networks in collaboration with their partners to improve customers’ energy efficiency and reduce their carbon footprint.

Electrification and the clean transition are key global megatrends driving the market. Among Auroora’s segments, these trends have the strongest impact on the Electrification and Automation segment. In 2024, the substation construction market performed well, although overall market growth in the segment saw a slight slowdown over the year.

In the long term, the segment strategy has aimed to establish a stronger foothold in the Swedish and Norwegian markets. Last year, Auroora’s companies strengthened their position in both countries.

Efficiency and organic growth

In 2024, Electrification and Automation remained Auroora’s largest segment. The focus for the year was on building capabilities for future growth. No new acquisitions were made, but the segment grew its net sales organically

by 2.0%, reaching EUR 96.7 million (EUR 94.8 million). Despite increasing market competition, every company within the segment experienced growth.

ARNON restructured its operations into two business units: CEM (Custom Electric Manufacturing) and EPS (Engineered Power Systems). Additionally, the company reorganised its Swedish operations, significantly improving manageability, production planning, information flow, and transparency. The resulting operational efficiency gains were also reflected in the company’s financial performance. ARNON conducted extensive research to identify potential acquisition targets to further strengthen Auroora’s Electrification and Automation business. In February 2024, ARNON received a Bronze EcoVadis sustainability rating, demonstrating its strong commitment to sustainability.

The power quality market experienced increased demand, and **TKF Power Quality** grew its net sales by more than 50%. As electrification continues and the share of wind and solar power increases, the need for power quality solutions and services is expected to grow even further.

Operating in the Finnish market, **Sähkölandia** secured new contracts, including projects in Naantali and Simo. The company aims for strong organic growth, and in 2024, preparations for expansion were actively implemented.

Eye on Sweden

After the reporting period, in March 2025, Auroora significantly expanded its Electrification and Automation portfolio by signing an agreement to acquire 100% of the shares of **BTB Transformers Ab**, a specialist in transformers, reactors, and other electrical components. BTB Transformers has experienced strong growth in recent years, reaching net sales of EUR 21.6 million in 2024. The company perfectly complements Auroora’s Electrification and Automation segment, balancing the segment’s overall portfolio.

Auroora’s Electrification and Automation segment aims to continue expanding in the Swedish market. In addition to organic growth, Auroora is constantly evaluating potential acquisition opportunities. The competitive landscape in Sweden is more fragmented compared to Finland, meaning that ARNON and BTB Transformers are already significant players in the market, capable of leveraging their scale advantage.



Clean Water and Environmental Technology

The segment includes the following companies:



Operon Finland provides municipalities and industry with operation, maintenance, and expert services for water and wastewater treatment plants. Through its subsidiary **Suomen Ekolannoite Oy**, the company also manages the processing of sewage sludge and industrial sidestreams, producing recycled nutrients for e.g. agriculture and landscaping. www.operongroup.fi

Operon International Ltd focuses on project management and technology delivery for international water purification and treatment solutions, partially supported by public sector funding, particularly in emerging markets. www.operongroup.fi



Solid Water is a Finnish cleantech company specialising in the manufacturing of water and wastewater treatment equipment and water utility contracting. It offers products for wastewater and clean water treatment, including equipment delivery, process solutions, maintenance, and spare parts. The company also provides customised solutions for enhancing and modernising existing facilities. Its customers include industrial and municipal organisations. www.solidwater.fi



Vestelli and its subsidiary **Avalon Nordic** provide wastewater solutions for sparsely populated areas and small-scale industrial treatment systems, including maintenance and support services. Both companies are recognised for their expertise in wastewater management, development of advanced treatment methods, and high-quality products. Their customers include private consumers, businesses, associations, municipalities, and government entities. In other Nordic countries, the companies operate through distributors. www.vestelli.fi
www.avalonnordic.fi



Smartel Technologies manufactures liquid level alarm systems and remote monitoring devices. Its expertise includes monitoring sewer water levels and other liquid levels, low-energy wireless alarm transmission, and related IoT services. Smartel's customers include private consumers, businesses, municipalities, and government entities. The company operates as part of Vestelli Group. www.smartel.fi

The goal of **Auroora’s Clean Water and Environmental Technology segment** is to significantly reduce the environmental footprint of customer companies. Auroora’s companies are leaders in water treatment technologies and related services, with the ambition of becoming the leading provider of water and sludge treatment services and equipment in the Nordic region.

Building sustainable growth

In 2024, the segment focused on defining its future strategy and establishing the conditions for growth and profitability. Significant efforts were made to enhance collaboration between companies by, for example, leveraging expertise across organisational boundaries.

The market environment was challenging, but future renovation needs in the water sector remain substantial both in Finland and internationally, creating opportunities for growth in the project and equipment businesses.

Vestelli achieved strong growth and solid results despite the market conditions. At the turn of 2023 and 2024, Vestelli acquired Pipelife’s products, which were integrated into its portfolio at the beginning of the year. In December, Vestelli expanded further by acquiring Avalon Nordic. Together, these companies now form Finland’s

most comprehensive, leading wastewater system provider for sparsely populated areas. The acquisition also strengthened the segment’s service business, as a significant portion of Avalon Nordic’s net sales comes from maintenance contracts.

In service businesses, **Operon Finland** delivered a stable performance and signed a long-term contract with Lapinlahden Vesi Oy for the operation, maintenance, and servicing of wastewater treatment plants in Suoniemi and Varpaisjärvi, as well as wastewater and stormwater pumping stations in the municipality. The contract also defines a framework for operational development, aiming to improve cost and energy efficiency and reduce environmental impacts. This agreement extends a collaboration that began in 2007.

In sludge treatment and recycled nutrients, **Suomen Ekolannoite**, part of Operon Group, expanded its cooperation with Helsinki Region Environmental Services HSY in the Metsäpirtti soil production process. The company also collaborated with Luke (Natural Resources Institute Finland) on a research project, which confirmed that SEL circular fertiliser, made from sewage sludge, is a safe organic recycled nutrient that can be used as a substitute for fossil-based fertilisers in cereal crop cultivation.

In the project and equipment business, **Solid Water** developed a growth-focused strategy and

development programme, launching projects to enhance product competitiveness and strengthening its management team with two new hires. The stagnation in the construction sector affected demand and pricing in Solid Water’s project and equipment businesses, but the company’s order backlog showed positive development by year-end.

Auroora continued working toward quality certification across the segment. In 2024, Solid Water achieved ISO 9001 certification, aligning with other Operon Group companies.

Operon International continued investments in international water treatment projects in Africa and Asia, with several projects progressing in a promising way.

Digital water treatment analytics solutions were further developed in operational services. **Smartel Technologies**, part of Vestelli Group, launched an oil separator alarm product at the end of the year and developed a new-generation LoRaWAN-based smart alarm system, which will be commercially available in 2025.

Capabilities at the core

In 2025, the segment’s strategy will be implemented by systematically building capabilities across different businesses and companies and by making growth investments

to prepare for future expansion and the recovery of the construction sector. The beginning of the year is expected to remain challenging in terms of demand. We are actively exploring acquisition opportunities that align with our portfolio.

With the Lapinlahti contract, Operon’s contract portfolio in the service business, including options, has grown to almost 40 million euros.

Industrial Products and Services

The segment includes the following companies:



FENTEC enhances its customers' businesses with the FENTEC Vending Solution™, a real-time inventory-based vending system enabling unmanned sales, rental, and lending services through self-service stations. This data-driven solution optimises and automates operations while reducing waste and resource needs across various supply chain stages. FENTEC's innovative technology solutions serve multiple industries, including technical wholesale, industrial sectors, logistics, healthcare, and defence.
www.fentec.fi



CWP Coloured Wood Products specialises in environmentally friendly through-dyeing of birch veneer. The company's dyed veneer can be used as structural veneer or as a decorative highlight in various products. CWP's technical birch veneer is suitable for furniture, interior walls, and ceilings, while its laminated blanks are used for gunstocks, sports equipment, and small decorative items.
www.cwp.fi



Suomen Vuokrakontti is Finland's leading provider of modified container solutions, with over 40 years of experience. The company offers a wide range of solutions, from simple single-unit storage containers to complex multi-unit systems. Suomen Vuokrakontti provides solutions for storage, cold storage, modular spaces, and various defence applications.
www.vuokrakontti.fi



Telatek Service is a leading Finnish provider of specialised industrial maintenance services. Its core services include mechanical maintenance (coating and on-site machining), installation, quality assurance, and workshop services. Operating throughout Finland and internationally, Telatek specialises in refurbishing large components and working in demanding conditions. The company's mission is to extend the lifecycle of customers' machinery and equipment.
www.telatek.fi



Pur-ait is Finland's leading supplier of high-quality fencing and gate solutions, specialising in industrial, sports, infrastructure, and residential applications. Known for its customised solutions, Pur-ait combines functionality and durability. The company's production facilities are located in Finland.
www.purait.fi



HTT High Tech Technology is a highly skilled industrial service company offering solutions for domestic and international customers in the energy, machinery, industrial, and marine sectors. The company specialises in pressure equipment welding and installation, machinery and equipment installations, maintenance and servicing, power plant maintenance/overhauls, and installation supervision.
www.httech.fi

The Industrial Products and Services segment consists of niche companies at the forefront of their industries. Their strong engineering and industrial expertise is a key asset, ensuring demand for their high-quality industrial products and specialised services even in challenging economic conditions. In addition to strengthening existing competencies, the companies continuously build new capabilities.

Profitable growth

In 2024, the Industrial Products and Services segment was Auroora’s fastest-growing segment, both in percentage and absolute terms. The segment expanded significantly, acquiring several highly profitable companies during the year. Alongside acquisitions, the strategy focused on building capabilities and growth potential. Companies undertook multiple efficiency and resource optimisation projects, defined acquisition criteria, and identified future directions.

Growth was particularly strong in container solutions, an area with synergies across multiple Auroora companies. **Suomen Vuokrakontti Oy**, acquired in September, is at the centre of this development, but mobility and modularity are becoming increasingly important factors in the customer needs of other Auroora companies, as well. Through its container strategy, Auroora now offers broader and more technically

advanced solutions for industrial applications, comprehensive security, defence, and critical infrastructure.

FENTEC achieved strong results in international markets in 2024. The company became the first in the world to develop innovative solutions for enhancing fire safety and real-time monitoring of chemical vending, storage, and lithium-ion battery charging. FENTEC’s smart fire protection cabinet and smart charging cabinet are patent-pending internationally.

CWP continued its automation project in 2024. Over the past five years, the company has actively invested in production automation to meet demand, significantly reducing costs by decreasing reliance on temporary labour. In addition to cost efficiency, automation ensures consistent product quality and improves occupational safety, as industrial robots and automated feeders replace previously manual tasks.

Telatek saw continued strong demand, resulting in record-high net sales and profitability. The company started the planning of its strategy, with international expansion as one of its key focus areas.

HTT focused on building capabilities for growth and enhancing business processes. Organisational changes during the year strengthened leadership capacity to meet

increasing competition. In 2024, HTT completed its first acquisition under its M&A strategy.

Competition intensified particularly in industrial services in 2024, and the somewhat weak demand reflected broader economic conditions. However, in the second half of the year, significant orders were secured, with impacts expected to materialise in 2025.

Expanding to international markets

In 2025, the industrial product and service market will vary for the different companies in the segment. However, an increasing number of requests for proposals and other key indicators suggest that market activity is picking up. Thanks to the groundwork laid in 2024, Auroora companies are well-positioned for the upcoming market shift.

Strategic efforts within the segment continue. **FENTEC** continues to invest heavily in product development and expanding its international reseller network. The company is already operating in Italy, Croatia, Norway, and France, with ongoing negotiations with potential resellers in multiple countries. **CWP** is planning new segment expansions, and **Telatek** is exploring internationalisation opportunities. In

industrial maintenance services, the key focus is on building long-term strategic partnerships.

After the reporting period, in January 2025, Auroora acquired the business operations of **Pur-ait Oy**, a company known for fencing and gate solutions. This acquisition strengthens Auroora’s position as a critical infrastructure provider and expands its comprehensive security sector offerings.

The world wants containers – mobility and modularity are increasingly important

Other operations

Other operations include:

EV Training Oy has a strong position in Finland's training course market. The company offers high-quality preparatory courses for students. www.ekonomivalmennus.com

Pusatec Oy specialises in the design and manufacturing of systems for public transport, payment systems, smart storage solutions, and advanced access control systems. Its customers include public transport authorities, operators, municipalities, spas, public swimming pools, hospitals, and educational institutions. Pusatec has been a trusted and versatile provider for both the public and private sectors for over two decades. www.pusatec.fi

The Group's parent company is responsible for Auroora's Group strategy and acquisitions and plays an active role in developing Group companies and their strategies. Additionally, the parent company supports the Group companies by e.g. building strong boards, arranging financing, and facilitating a leadership network to share best practices and learning from each other.

EV Training had a successful year, both in terms of delivering high-quality training to customers and in financial performance. The company's strategic focus was on continuously improving the quality of training programmes and expanding the preparatory course offering. In 2024, the market developed as expected, and EV Training maintained its clear market leadership. Overall, demand remained stable.

One of the year's most significant achievements was the further improvement of our learning environments, reinforcing the company's position as an industry leader and laying a strong foundation for future development.

Pusatec had an exceptionally strong year in 2024, reaching record-high net sales and excellent profitability. The strategy focused on successful execution of large projects and exploring new business opportunities.

Advanced solutions for public transport, payment systems, access control, and smart storage were successfully delivered to public transport authorities, operators, municipalities, spas, public swimming pools, hospitals, and educational institutions, supported by a growing market. The share of recurring billing



in the company's net sales continued to grow and now accounts for more than half of the company's net sales.

In 2025, Pusatec will continue the systematic execution of its strategy and pursue identified expansion opportunities.

Sustainability

Sustainability is at the core of Auroora's business and strategy and a prerequisite for long-term value creation. Through its business operations, Auroora actively promotes the green transition and electrification, ensures the availability of clean water and prevents pollution of waterways. Auroora's companies help the industry to operate more sustainably and encourage the use of innovations to ensure energy and resource efficiency.

Introduction

In 2024, Auroora Group began preparing for reporting in accordance with the Corporate Sustainability Reporting Directive (CSRD) and the Finnish Accounting Act, which will, according to current understanding, apply to the Group from the reporting year 2025 onwards.

Auroora conducted a double materiality assessment in line with the directive and based on the results, identified the material sustainability topics related to its operations and value chain that it will focus on in the coming years.

As part of its preparation for statutory reporting, Auroora has also wanted to take its first steps toward reporting in accordance with the European Sustainability Reporting Standards (ESRS). This sustainability report does not yet fully meet all ESRS requirements; however, its content partially follows the structure and data requirements of the ESRS reporting standards.

The sustainability reporting covers the calendar year 2024 (1 January – 31 December 2024). Thus, the reporting period is aligned with the company's financial reporting.

General basis for the preparation of the sustainability report

The scope of this sustainability report is the same as for Financial Statements 2024, covering Auroora Group's legal entities in the end of the year 2024. The entities included are: Auroora Yhtiöt Oy, ARNON Oy, ARNON AB, ARNON Sp. z o.o., TKF Power Quality Oy, Sähkölandia Oy, Operon Group Oy, Operon Finland Oy, Solid Water Oy, Operon International Ltd, Suomen Ekolannoite Oy, Vestelli Oy, Vestelli Sverige AB, Avalon Nordic Oy, FENTEC Oy, HTT High Tech Technology Oy, Solifix Oy, CWP Coloured Wood Products Oy, Telatek Service Oy, Suomen Vuokrakontti Oy, and EV Training Oy. No entities have been excluded from the reporting.

This report includes information on Auroora's material impacts, risks, and opportunities through its direct and indirect business relationships in the upstream and downstream value chain according to the outcome of the double materiality assessment. The inclusion of the value chain information is clearly stated in connection with the specific topic.

In this report, Auroora has used the time horizons applied in the ESRS standards. Short term refers to the upcoming financial year, medium term to the following 1–5 years, and long term to a time span exceeding 5 years.

The greenhouse gas emission metrics cover Scope 1 and Scope 2 emissions. Calculations are primarily based on directly measured consumption data and emission factors obtained from suppliers. In some cases, estimated data is used, for example, when precise consumption data is not available. The calculation methods and accuracy of the metrics are described in more detail in the Greenhouse gas emissions section of this report.

The role of the administrative, management, and supervisory bodies in managing sustainability

The administrative, management, and supervisory bodies of Auroora Group are the

Board of Directors and the CEO. Auroora's Board of Directors sets group-level sustainability targets and approves group-wide policies. It approves the results of the double materiality assessment and regularly monitors the progress of sustainability work.

The Group's CEO has overall responsibility for the implementation of the Group's sustainability programme and reports on its progress to the Board of Directors. The CEO is also responsible for ensuring the necessary internal and external resources and expertise. Auroora's Management Team monitors the progress of sustainability issues with the help of group-level strategic targets and supporting metrics. These have been defined in the group-wide sustainability programme, which will be taken into use in 2025.

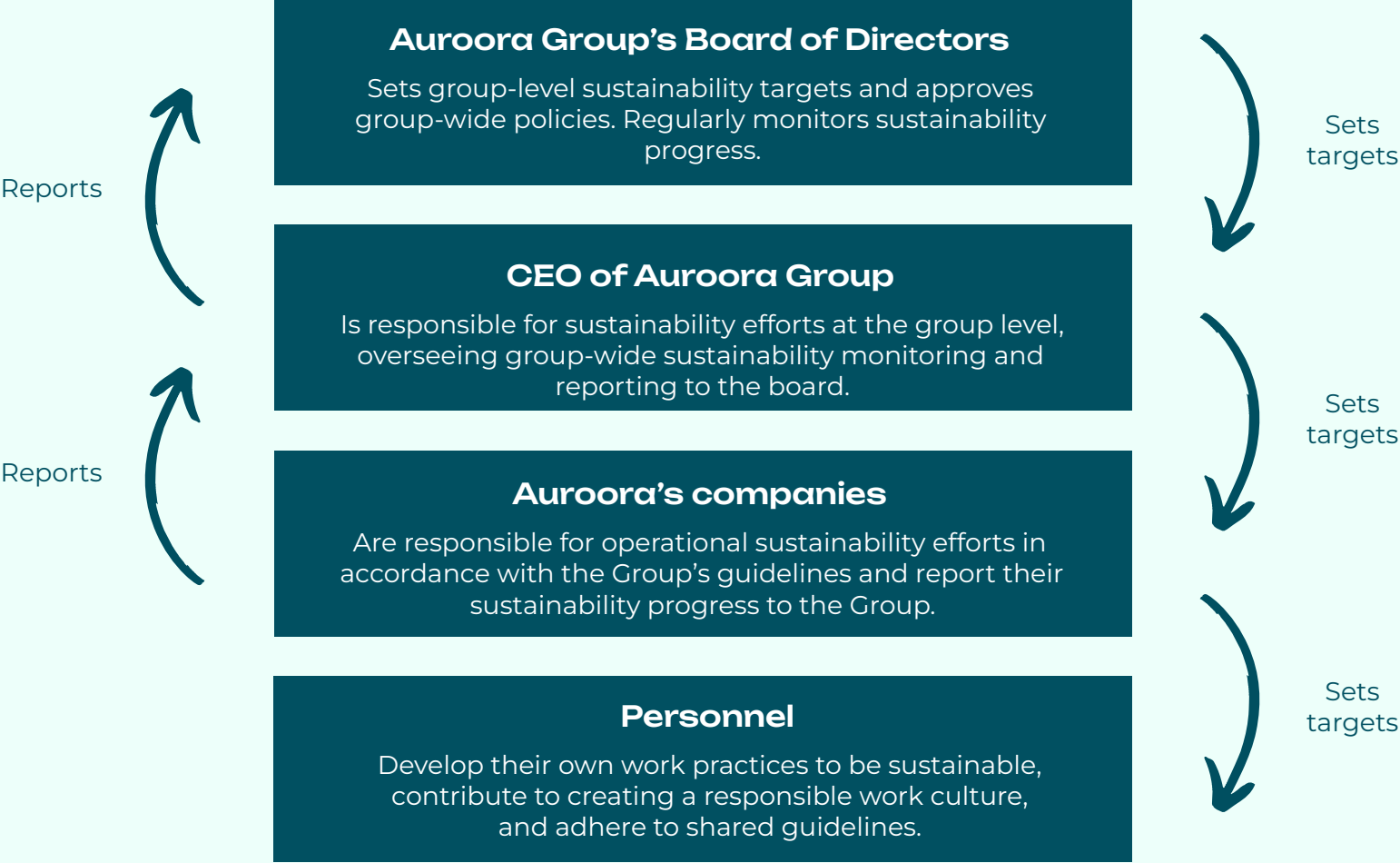
Auroora's companies implement the sustainability programme in accordance with the Group's guidelines and report on sustainability development to the Group at least annually. The Group supports the subsidiaries in the sustainability issues that are material for all subsidiaries and are reported on at group level.

Auroora's business model is based on a decentralised organisation, and practical

sustainability work takes place mainly in subsidiaries and under the guidance of their boards. The CEO of each company has operational responsibility for sustainability work. The subsidiaries may, on their own initiative, supplement the group-level guidelines with their own guidelines and programmes that contain stricter and more specified requirements than the group-wide guidelines.

In a decentralised business model, subsidiaries are responsible for their own risks. This reduces centralised risks and enables a quick response to local market changes. The Group monitors and assesses risks on a regular basis, with a particular emphasis on market and supplier dependencies, financial and environmental risks, as well as changes in the regulatory environment and reputational risks. Sustainability and responsibility are part of risk management, reducing the impact of environmental and social risks.

Sustainability management at Auroora



Board and management diversity and their sustainability expertise

On 31 December 2024, the Board of Directors of Auroora Group consisted of Pekka Tammela (Chairman) and members Reetta Keränen, Harri Lamminen, Risto Lehtimäki, and Ville Voipio. One of the five members of the Board is a woman (20% women, with a gender ratio of 0.25). 80% of the members of the Board of Directors are independent of the company and its major shareholders. The expertise of the Board of Directors supports the company's current and future business operations and enables the achievement of strategic goals. In addition, the Board of Directors has strong sustainability expertise which supports the implementation of both the company's business strategy and sustainability programme.

At the end of 2024, Auroora's Management Team consisted of seven executive management members with extensive experience in the Group's business areas and markets. The Management Team consisted of CEO Antti Rauhala and interim CFO Marko Tulus, Business Director Joonas Linna, Business Director Jukka Marttila, Business Director Petri Antila, Business

Director Sami Savolainen, and Administrative Manager Ritva Mäenpää. To strengthen its sustainability expertise, Auroora's Management Team has made use of external experts and trained in various sustainability themes and the requirements of the CSRD Directive.

Sustainability issues addressed by the Board and management 2024

According to Auroora's management system, the Group Management Team meets monthly after the completion of financial reporting. Correspondingly, the Board of Directors convenes monthly about one week after the Management Team meeting. In addition, additional meetings are held if necessary. In accordance with the annual clock, sustainability issues are on the agenda of the Management Team and the Board of Directors at least twice a year. Sustainability risks are discussed annually as part of the Group's overall risk management.

In 2024, the Management Team and the Board of Directors addressed the following sustainability-related issues:

- approval of the 2023 Sustainability Review
- risk assessment and approval (incl. sustainability risks)

- status reports on the double materiality assessment project
- deciding on material topics based on company-specific thresholds.

Integration of sustainability-related performance into incentive schemes

At Auroora, the main components of remuneration consist of a base salary as well as short-term and long-term incentives. The short-term incentive programme is company-specific and is approved by the Board of each Auroora company. Short-term incentives are based on achieving the company's financial targets and personal objectives.

Additionally, Auroora's Board may decide on long-term incentives, such as share-based rewards or stock options, specifically designed to encourage participants to achieve the Group's long-term strategic objectives. Sustainability-related metrics have not yet been incorporated into the Group's incentive programmes.

Risk management over sustainability reporting

Auroora's companies collect sustainability data (environmental, social, governance) with the help of the Group's guidelines and templates. The data compiled into a common template is delivered to the Parent company, which is responsible for the Group's sustainability reporting. This process ensures consistent and comprehensive data collection and reporting across the Group.

The collection of sustainability data and targets set at the group level help subsidiaries to develop sustainable practices that support the Group's broader sustainability goals. This aligns sustainability activities within the Group, improves the transparency and accountability of the subsidiaries, strengthens their reputation in sustainability issues, and thus attracts investors and customers who value sustainable operations.

Sustainability in Auroora’s strategy and business model

The purpose of Auroora’s business is to build active Finnish ownership and sustainable growth. The growth is built in three strategic business segments, each of which contributes to sustainable development and the achievement of customers’ sustainability goals.

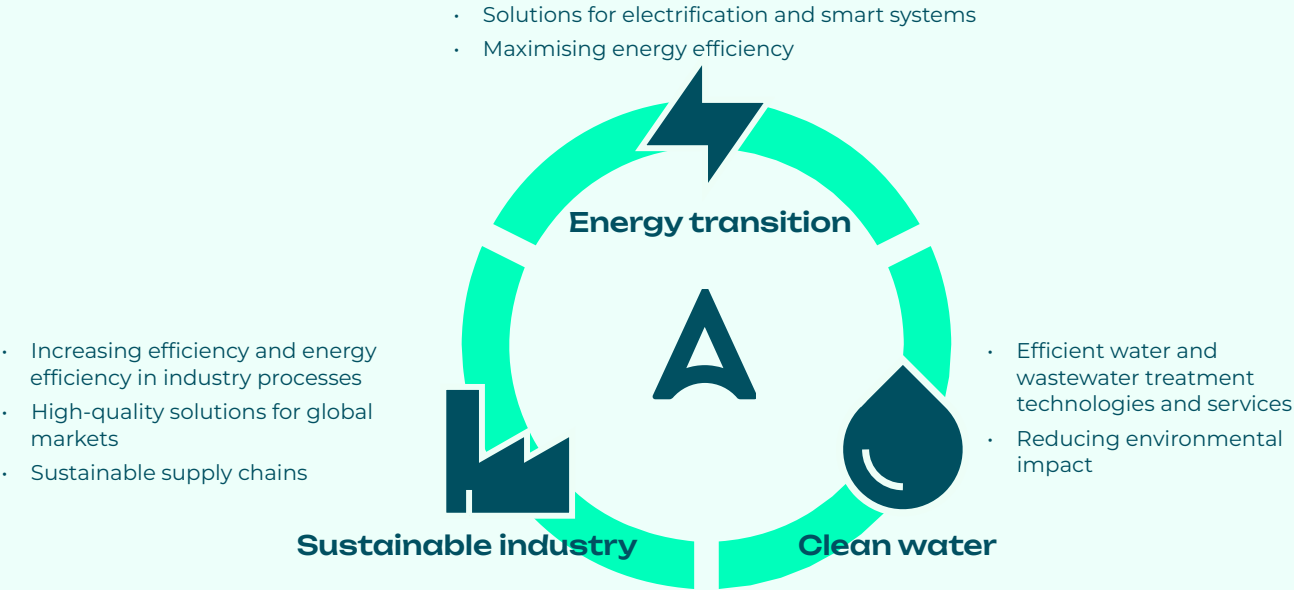
Auroora’s business segments are based on the megatrends of the sustainability transformation and digitalisation. They contribute to the transition towards more sustainable and technologically advanced solutions. Based on these phenomena, the Group has identified six most significant growth drivers that guide Auroora’s strategy and the companies’ long-term development. You can read more about these on page 8 of this report.

The most significant impact of Auroora’s operations is created through the products, services and jobs offered by its subsidiaries. Auroora’s companies offer solutions for electrification and smart systems and maximise energy efficiency. Efficient water and wastewater treatment technologies and services promote access to clean water and help reduce environmental impact. In addition,

Auroora helps the industry to operate more sustainably by increasing (energy) efficiency and providing high-quality solutions based on sustainable supply chains to the global market. Auroora’s segments and their companies are presented in more detail on pages 17-22 of this report.

In 2024, Auroora’s net sales was 143 million euros. The Group employed a total of 688 people, of whom 636 worked in Finland, 5 in Sweden, and 47 in Poland. The company’s business model and value creation are presented on page 11 of this report.

Auroora strives for impact across all three segments



New sustainability programme guides sustainability work

In line with its strategy, Auroora focuses on the development of business segments that support sustainable development and the continuous creation of positive impact. The key sustainability themes of Auroora’s own operations are related to reducing climate impacts, creating safe workplaces, and maintaining ethical operations.

Auroora has defined a group-level sustainability programme based on the company’s double materiality assessment carried out in 2024. In accordance with the programme, to be implemented from 2025 onwards, the company will continue to work systematically to reduce climate impacts, improve the occupational safety of its personnel, and establish sustainable business practices.

Auroora’s sustainability programme

ESRS Standard	Topic	Targets	Metrics	Management at group level
E1 Climate change	Climate change mitigation	Commitment to the Paris Agreement’s 1.5°C target	Total emissions (Scopes 1, 2, 3)	Environmental policy, transition plan
		CO ₂ e emissions reduction target: -50% by the end of 2030		
		Net Zero by 2050		
		Annual expansion of scope 3 calculation coverage		
		Increasing the share of renewable energy annually	Share of renewable energy in total energy consumption	
S1 Own workforce	Working conditions: Occupational health and safety	Zero accidents / improvement of incident frequency rate	Occupational accidents (quantity), Lost Time Incident Frequency (LTIF)	HR policy (incl. occupational safety management principles)
		Expanding the coverage of the ISO 45001 certified occupational health and safety system	Coverage (% of Group personnel)	
S3 Affected communities	Communities’ economic, social, and cultural rights: Water and sanitation	Improving water treatment and sanitation		
		Increasing the volume of treated water/scale of operations	Population equivalent – number of people covered by operations, water treatment, and sold wastewater systems	
		Reducing the environmental impact of water treatment	To be specified	
G1 Business conduct	Corporate culture	Common Code of Conduct to which all companies are committed		Code of Conduct
		100% of Group companies committed to the Code of Conduct	Percentage of Group companies committed to the Code of Conduct (%)	

Stakeholder interests and views on sustainability

In accordance with its Code of Conduct, Auroora strives to be a trusted partner and actively promotes sustainable development in society. The Group seeks to understand the expectations of its stakeholders and engage in open dialogue with various parties.

In 2024, Auroora actively involved its stakeholders in the double materiality assessment process. In addition, interaction took place through various events, meetings, and communication channels, among other things. Representatives of Auroora’s Management Team and Board of Directors participated in the double materiality assessment, and as part of the approval process of material topics, stakeholder views on sustainability issues were presented to both bodies.

Stakeholder engagement

Stakeholders	Engagement	Important themes for stakeholders	Impact to business model and strategy
Own personnel	• Personnel surveys (incl. materiality assessment) • Staff events • Whistleblowing channel • Development discussions • Occupational safety observations and occupational safety and health • Internal communication • Well-being at work programmes	• Employee well-being and satisfaction • Competence development • Health and safety • Equality • Fair and open corporate culture	• Leadership development • Development of occupational safety practices • Code of Conduct • Employer image
Customers	• Customer surveys and interviews (incl. materiality assessment) • Customer events and meetings • Social media • Customer service and support services	• Product safety and quality • Environmental impact • Responsible supply chain • Information and data security • Customer experience • Ethical conduct	• Responsible marketing • Customer-oriented product development • Strong brand • Competitiveness
Shareholders	• General Meetings • Owner communications • Investor meetings • Financial and sustainability reports	• Responsible, productive, and safe ownership • Sustainable growth • Company reputation • Good governance • Risk management	• Code of Conduct and other principles related to good governance • Long-term value creation • Stable economy • Operational efficiency • Investor confidence

Stakeholders	Engagement	Important themes for stakeholders	Impact to business model and strategy
Auroora's companies	• Leadership network • Board work • Materiality assessment • Strategy processes	• Responsible, productive and safe owner • Company reputation • Business development • Synergies	• Code of Conduct and other principles related to good governance • A common strategy • Consistent sustainability practices • Efficiency and synergy benefits
Suppliers	• Bilateral meetings • Supplier audits • Whistleblowing channel • Materiality assessment	• Ethical sourcing • Supply chain sustainability • Shared sustainability goals	• Supplier sustainability assessment • Security of supply • Reputation management
Partners	• Bilateral meetings • Whistleblowing channel • Events, seminars, and panels • Materiality assessment • Development projects	• Transparency of operations • Sustainability	• Financial and sustainability reporting • Responsible operations • New business opportunities
Media	• Press releases • Personal contacts • Interviews • Media meetings	• Transparency of operations • Sustainability communications • Up-to-date and correct information	• Financial and sustainability reporting • Sustainable operations • Open communication • Company reputation • Stakeholder trust

Our sustainability work is based on the UN Global Compact principles, the International Labour Organization (ILO) fundamental principles and rights at work, and the UN Sustainable Development Goals (SDGs).



Ensuring access to affordable, reliable, sustainable, and modern energy for all



Ensuring availability and sustainable management of water and sanitation for all



Building resilient infrastructure, promoting inclusive and sustainable industrialisation, and fostering innovation

Auroora’s double materiality assessment process

The assessment process for Auroora’s double materiality was carried out in autumn 2024 in accordance with the requirements of the ESRS standards. Auroora conducted a double materiality assessment to determine the Group’s actual or potential negative or positive material impacts on people or the

environment, as well as financial risks and opportunities related to sustainability in the short, medium, or long term. The process was carried out together with an external partner.



Description of Auroora’s double materiality assessment process

The double materiality assessment started in September 2024 by outlining the context of Auroora’s business. The purpose of this phase was to increase understanding of the sustainability issues that are central to Auroora’s business by examining the requirements of industry-specific reporting standards and the current state of sustainability work. In addition, interviews with internal experts were conducted to describe Auroora’s value chains and outline their impacts.

To prioritise sustainability topics and better understand stakeholder expectations, Auroora collected both qualitative and quantitative feedback from external and internal stakeholders during the process. Stakeholders provided additional information from their perspective on the key sustainability impacts, risks, and opportunities related to Auroora’s business for the assessment of impacts and financial materiality. The stakeholder interviews were attended by investors, financiers, analysts, suppliers, and customers, as well as a member of the Group’s Board of Directors who has in-depth knowledge of sustainability issues. In

addition, the sustainability emphases of peer companies were examined.

As a result of background studies, stakeholder interviews, an employee survey, and a comparison of peers, a long list of potential impacts, risks, and opportunities was identified, the materiality of which was assessed in accordance with the guidelines of the ESRS standards.

- Negative impacts were scored based on severity, which was a combination of the scale, scope, and irremediability of the impact, and its likelihood. The severity of the negative impact on human rights was prioritised over the likelihood.
- Positive impacts were scored based on their scale, scope, and likelihood.
- Financial materiality was assessed on the basis of the financial significance and probability of the risk/opportunity.

The assessment took into account both Auroora Group’s own and its companies operations, as well as upstream and downstream operations in the value chain. The impacts were examined and prioritised through expert workshops, in-depth discussions, and an assessment process utilising a digital tool. The business risks and opportunities related to the identified sustainability impacts and dependencies were assessed in an expert workshop using Auroora’s existing risk management model.

The most material sustainability topics were identified and prioritised according to materiality. The impact and financial risk and opportunity assessments were then combined to define thresholds for material topics. Finally, the process was documented, and Auroora’s Management Team and Board of Directors approved the material topics. In the future, Auroora’s Management Team will assess annually whether the double materiality assessment needs to be updated.

In the future, risks related to Auroora’s sustainability, including climate risks, will be assessed as part of the Group’s risk management process. Sustainability is strategically important to Auroora, so special attention is paid to sustainability-related risks.

Material sustainability matters for Auroora

In the double materiality assessment, sustainability matters in accordance with the ESRS standards were considered material if there was at least one identified impact, risk, or opportunity that exceeded the defined threshold from the perspective of impact materiality, financial materiality, or both. Sustainability matters that did not include identified impacts, risks, or opportunities, or where all assessed impacts, risks, or opportunities were below the threshold values, were assessed as non-material.

Aurooras’s material sustainability matters aligned with ESRS standards

Environment					Social responsibility				Governance
E1 Climate change	E2 Pollution	E3 Water and marine resources	E4 Biodiversity and ecosystems	E5 Circular economy	S1 Own workforce	S2 Workers in the value chain	S3 Affected communities	S4 Consumers and end-users	G1 Business conduct
Climate change adaptation	Pollution of air	Water consumption	Direct impact drivers of biodiversity loss	Resources inflows, including resource use	Working conditions	Working conditions	Communities’ economic, social, and cultural rights	Information-related impacts	Corporate culture
Climate change mitigation	Pollution of soil	Water withdrawals	Impacts on the state of species	Resource outflows related to products and services	Equal treatment and opportunities for all	Equal treatment and opportunities for all	Communities’ civil and political rights	Personal safety of consumers	Protection of whistleblowers
Energy	Pollution of water	Water discharges	Impacts on the extent and condition of ecosystems	Waste	Other work-related rights	Other work-related rights	Particular rights of indigenous communities	Social inclusion of consumers	Animal welfare
	Pollution of living organisms and food resources	Water discharges in the ocean	Impacts and dependencies on ecosystem services		S1 and S2 : Working conditions - Secure employment, working time, adequate wages - Social dialogue, freedom of association, collective bargaining - Work-life balance - Health and safety Equal treatment and opportunities for all - Gender equality and equal pay - Training and skills development - Employment and inclusion of persons with disabilities - Measures against violence and harassment in the workplace - Diversity Other work-related rights - Child labour - Forced labour - Adequate housing - Privacy				Political engagement and lobbying activities
	Substances of concern and very high concern	Extraction and use of marine resources							Management of relationships with suppliers including payment practices
	Microplastics								Corruption and bribery

Material

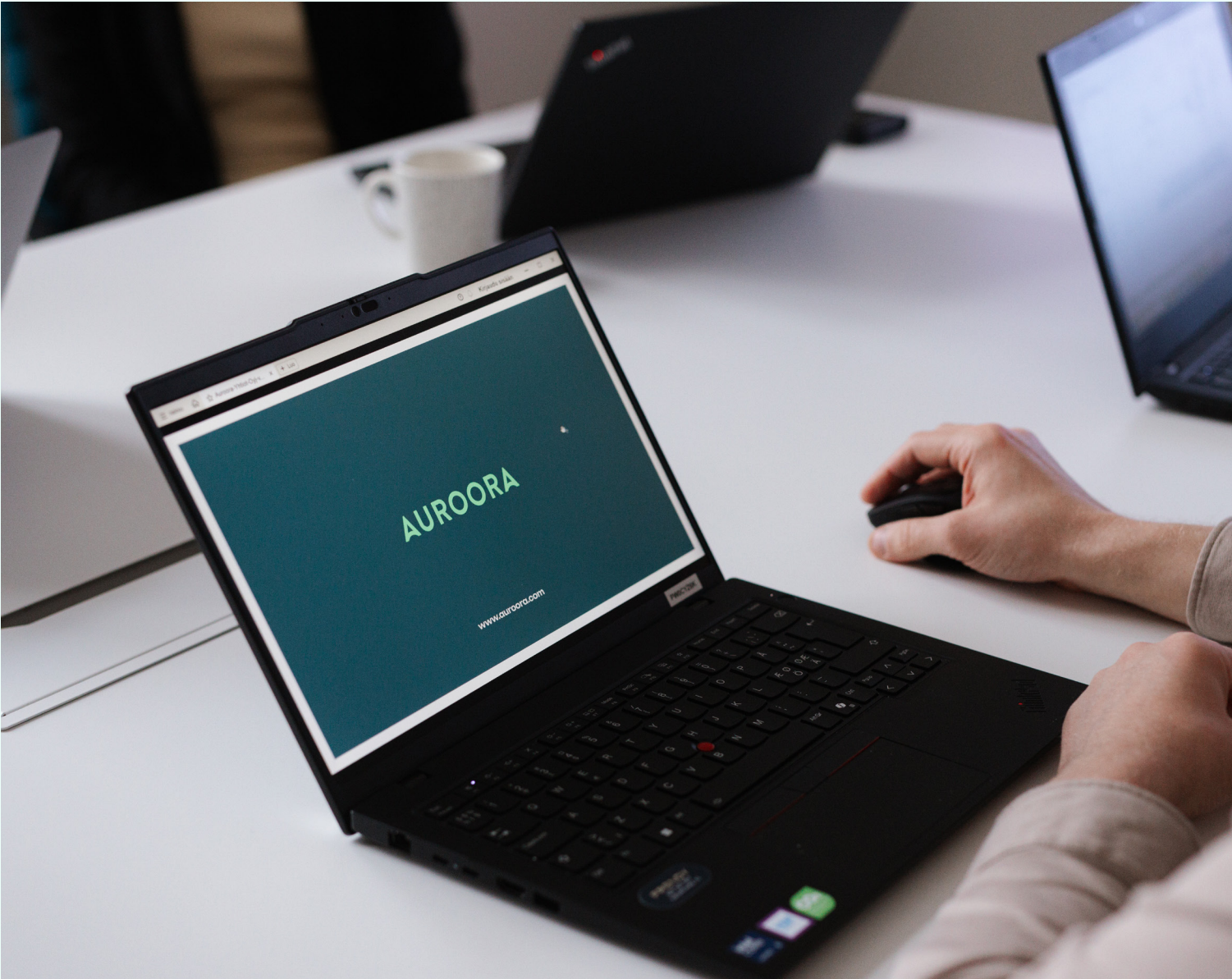
Not material

Material impacts, risks, and opportunities

Based on the double materiality assessment, Auroora identified a total of 13 material sustainability-related impacts, risks, or opportunities classified according to the ESRS standards, which occur either in the company’s own operations, or in the upstream or downstream value chain in the short, medium, or long term.

The material impacts, risks, and opportunities served as the basis for defining Auroora’s group-level sustainability programme. The new sustainability programme, which includes long-term and short-term targets and indicators describing their progress, is presented on page 29 of this report.

In this sustainability report, Auroora focuses on reporting on sustainability topics related to impacts, risks, and opportunities that are considered material. The ESRS standards included (partly) in this report are E1 Climate change, S1 Own workforce, S3 Affected communities, and G1 Business conduct.



Auroora’s material impacts, risks and opportunities

ESRS Standard	Topic	Impact (- or + or both)	Risk or opportunity	Where in the value chain does the impact occur?	Time horizon	Management at group level
E1 Climate change	Climate change mitigation	Negative impact: Emissions from own operations and value chain		Upstream (product manufacturing, logistics), own operations	1-10	Environmental policy, transition plan
E1 Climate change	Climate change mitigation	Positive impact in the value chain: Reduction of customers' emissions	Opportunity: Customers' energy efficiency targets, increased automation and electrification, or transition to renewable energy	Downstream (customers)	1-10	Group strategy
E1 Climate change	Energy	Negative impact: Energy consumption of own operations		Own operations	1-10	Environmental policy, transition plan
S1 Own workforce	Working conditions: Secure employment	Positive impact: Fair working conditions and collective agreement coverage	Risk: Challenges in workforce availability and rising cost levels	Own operations	1-10	HR policy
S1 Own workforce	Working conditions: Occupational health and safety	Potential negative impact: Serious workplace accident or occupational disease	Risk: Workplace accidents and disability risks (early retirement) may increase costs	Own operations	1-10	HR policy (incl. occupational safety management principles)
		Positive impact: Strong safety practices and occupational healthcare				
S3 Affected communities	Communities' economic, social, and cultural rights: Water and sanitation	Positive impact in the value chain: Improvement of water treatment and sanitation	Opportunity: Growing demand for water expertise creates business opportunities	Downstream (customers, communities)	5-10 (significance increasing)	Group strategy
		Decreasing the negative impact in the value chain: reducing the environmental impact of water treatment				
G1 Business conduct	Corporate culture	Positive impact: A common Code of Conduct to which all companies are committed		Own operations, upstream, downstream	1-10	Code of Conduct

Reducing climate impacts across operations

Auroora is systematically working to reduce its climate impact. In 2023, the company initiated an assessment of its climate impact by mapping emissions from its own operations (Scope 1) and purchased energy (Scope 2). In 2024, the company expanded its emissions accounting to partially cover value chain emissions (Scope 3).

Auroora will refine its emissions reduction roadmap and action plan during 2025 and develop its climate transition plan, which will, according to current legislation, be disclosed in the CSRD (Corporate Sustainability Reporting Directive) aligned sustainability report published in 2026.

Material climate-related impacts, risks, and opportunities

Climate-related impacts, risks, and opportunities have been analysed in the double materiality assessment over the short, medium, and long term. Climate change was identified as a material topic for Auroora, both in terms of its own operations and its value chain. Climate

change mitigation and energy were recognised as material subtopics.

Negative impacts

- Greenhouse gas emissions from Auroora's own operations and the upstream value chain (product manufacturing and logistics) constitute a negative impact related to climate change mitigation.
- A negative impact was also identified in relation to the company's own energy consumption.

Positive impacts and business opportunities

- In the downstream value chain, Auroora's operations have a positive impact on reducing customers' emissions. This creates business opportunities, particularly in supporting customers' energy efficiency goals, promoting automation and electrification, and facilitating the transition to renewable energy.

Climate-related impacts are expected to materialise over a 1 to 10-year timeframe. The double materiality assessment did not identify financial risks related to climate change mitigation or energy.

Climate change mitigation is central to Auroora's business strategy. Auroora aims to reduce emissions from its own operations and value chain while improving energy efficiency. At the same time, the company helps its customers lower their carbon footprint by providing sustainable solutions.

The company continuously monitors and develops its actions to ensure that its business model supports the transition to a low-carbon economy. The assessment of the climate resilience of Auroora's strategy and business model will be further refined in connection with the development of the company's transition plan.

Guiding principles for climate action

Auroora's sustainability programme defines climate-related targets, metrics, and group-level management practices related to climate change. The programme addresses both climate change mitigation and energy consumption. As part of the implementation of the sustainability programme, Auroora will develop a more detailed environmental policy and a climate

transition plan to guide the management of the identified material climate-related impacts.

Auroora complies with all environmental laws and regulations applicable to its operations and is committed to continuous improvement. The Group encourages its subsidiaries to adopt a systematic approach to environmental management in line with the ISO 14001 standard, which is already at least partly implemented in nearly all Group companies. In addition, Auroora's Code of Conduct includes a commitment to considering environmental impacts.

Climate action

Approximately 80% of Auroora's total Scope 1 and Scope 2 emissions originate from Operon Group's operations, highlighting the company's role and responsibility in reducing emissions while also presenting the greatest potential to positively impact the Group's overall emissions.

The majority of Operon's – and consequently Auroora's – direct emissions is associated with the wastewater treatment process, where organic matter decomposes biologically. These treatment processes release nitrogen

compound breakdown products produced by microbes, as well as methane formed under anaerobic conditions. In addition to these volatile emissions, further emissions arise from the energy production required for the treatment processes.

Reducing direct emissions from wastewater treatment is challenging and requires innovative solutions to prevent volatile emissions from being released into the air or to improve the efficient utilisation of organic matter in sewage sludge. Additionally, measures such as improving energy efficiency and sourcing green electricity can significantly reduce emissions from the treatment process. Beyond process-related emissions, Operon Group has significant potential to reduce emissions from electricity consumption and fuel used in vehicles. This emphasises the opportunities to enhance energy efficiency, transition to renewable energy sources, and adopt low-emission vehicles.

Operon Group has long been working to reduce emissions. Renewable transport fuels have been introduced, and electricity consumption has been successfully reduced through operational improvement measures. In 2021, initiatives were launched at two key electricity consumption sites to improve energy efficiency by reviewing process conditions and operational practices. When considering the load treated at the wastewater treatment plants in 2021 and 2024 in relation to electricity consumption, an 11%

improvement was achieved in the energy efficiency indicator kWh/COD kg (with site-specific improvements ranging from 7% to 16%). At both sites, projects are currently being prepared to implement process technology improvements aimed at further enhancing energy efficiency in collaboration with customers.

Scope 3 emissions accounting was initiated on a limited scale in 2024. As a result, measures to reduce value chain emissions will be defined in the coming years based on the insights gained from the calculations.

Climate targets

Auroora is committed to reducing its climate impact in line with its sustainability programme and has set a net-zero emissions target by 2050. As an interim target, the company aims to reduce greenhouse gas emissions by 50% by the end of 2030 compared to the 2023 baseline. The baseline has been defined according to the company structure in 2023. Auroora's emissions reduction targets are aligned with the Paris Agreement's 1.5°C goal.

Auroora also seeks to increase the share of renewable energy annually, supporting the achievement of its emissions reduction targets. The company is expanding the scope of its Scope 3 emissions accounting and enhancing emissions calculation processes in collaboration

with its supply chain to ensure the accuracy of reporting and the effectiveness of emissions reduction measures.

To ensure the effective implementation of emissions reduction targets, Auroora will refine its emissions reduction roadmap and action plan in 2025, defining concrete responsibilities and measures. Furthermore, the net-zero pathway will be updated based on more detailed Scope 3 data, enabling more precise targeting of emissions reduction efforts across the value chain.

Energy consumption and mix

Auroora is reporting the Group's energy consumption for the first time starting from 2024. The Clean Water and Environmental Technology segment accounts for the majority of the company's total energy consumption. In 2024, total energy consumption was 24,228 MWh, of which the Clean Water and Environmental Technology segment represented 71.4% (17,301 MWh). The Industrial Products and Services segment accounted for 14.7%, while the Electrification and Automation segment covered the remaining 13.9%.

Energy consumption from fossil sources amounted to 52.8% of the company's total energy consumption in 2024, while renewable energy sources accounted for 47.2%. Operon

Group's share of Auroora's total renewable energy consumption was 84%.

In the Clean Water and Environmental Technology segment, energy consumption can be influenced particularly in municipal water facilities managed by Operon, where the company has the opportunity to enhance energy efficiency in municipalities. As part of these efforts, Operon will conduct internal audits to develop energy efficiency measures at both the water treatment plants it operates and other facilities. Additionally, in collaboration with municipalities, the energy use of these facilities can be gradually transitioned towards renewable energy sources.

Auroora is exploring opportunities to reduce dependence on fossil energy sources and increase the use of renewable energy, including the potential role of own energy production in this transition. The solar panel system in use at one of ARNON's units is one example of a solution already implemented. Additionally, Auroora is assessing opportunities to prioritise zero-emission electricity, utilise bio-based energy sources, and support a gradual transition to renewable energy.

Greenhouse gas emissions

Auroora's emissions calculation covers emissions from its own operations (Scope 1) and purchased

energy (Scope 2), as well as partially from its value chain (Scope 3). However, calculating emissions across the value chain has proven challenging, and coverage remains limited at this stage. Scope 3 category 1 (Purchased goods and services) has been identified as the largest emissions source, but the data currently available does not yet provide an accurate representation of the total emissions. Auroora is planning measures to improve the coverage of value chain emissions accounting in the coming years.

Auroora’s direct (Scope 1) emissions amounted to 5,954 tCO₂e in 2024 (2023: 5,626 tCO₂e). The indirect (Scope 2) emissions from purchased energy, calculated using the location-based method, were 1,248 tCO₂e (2023: 954 tCO₂e), whereas the market-based Scope 2 emissions were 4,852 tCO₂e (2023: 3,611 tCO₂e). The difference between location-based and market-based calculations is due to the use of the residual mix in the market-based calculation.

Greenhouse gas emissions have increased compared to the previous year, particularly in terms of market-based emissions from purchased electricity. The increase in emissions is partly due to higher purchased electricity consumption by Operon, as well as changes in the group structure resulting from Auroora’s growth through new acquisitions. In 2024, the calculation includes companies that were not part of the 2023 assessment, which

has contributed to the reported increase in emissions.

The majority of Auroora’s greenhouse gas emissions originate from the Clean Water and Environmental Technology segment, particularly from Operon’s operations. In 2024, Operon accounted for approximately 80% of Auroora’s total Scope 1 and Scope 2 emissions.



	Auroora total	Segments 2024		
Energy consumption and mix	2024	Clean Water and Environmental Technology	Electrification and Automation	Industrial Products and Services
Fuel consumption from coal and coal products (MWh)	0	0	0	0
Fuel consumption from crude oil and petroleum products (MWh)	2,127	1,567	487	73
Fuel consumption from natural gas (MWh)	1,391	0	0	1,391
Fuel consumption from other fossil sources (MWh)	0	0	0	0
Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources (MWh)	9,282	6,104	1,716	1,462
Total fossil energy consumption (MWh)	12,800	7,671	2,203	2,926
Share of fossil sources in total energy consumption (%)	52.8%	44.3%	65.5%	82.1%
Consumption from nuclear sources (MWh)	1,060	788	134	138
Share of consumption from nuclear sources in total energy consumption (%)	4.4%	4.6%	4.0%	3.9%
Fuel consumption from renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.) (MWh)	1,373	1,214	143	16
Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources (MWh)	8,986	7,628	873	484
The consumption of self-generated non-fuel renewable energy (MWh)	10	0	10	0
Total renewable energy consumption (MWh)	11,428	9,630	1,160	638
Share of renewable sources in total energy consumption (%)	47.2%	55.7%	34.5%	17.9%
Total energy consumption (MWh)	24,228	17,301	3,363	3,564

Accounting principles

In the calculation of energy consumption, an energy source is classified as fossil-based unless its renewability can be reliably verified. This also applies to energy sources that contain both fossil

and renewable components. For electricity, if the origin of electricity has not been confirmed, residual mix has been used in the calculations.

The fuel consumption of vehicles has been converted into energy consumption based

on the calorific value of the fuel, and the same method has been applied to other fuels. The energy consumption of buildings has generally been estimated in cases where premises have been rented. In these cases, district heating has

been assumed as the heating method, and its energy mix has been determined based on the emission factors provided by the local district heating provider.

	Auroora total		Segments 2024		
Scope 1 and Scope 2 GHG emissions	2024	2023	Clean Water and Environmental Technology	Electrification and Automation	Industrial Products and Services
Scope 1 GHG emissions (tCO ₂ eq)	5,954	5,626	5,437	125	392
Fuel consumption in buildings (tCO ₂ eq)	14	11	0	14	0
Fuel consumption in vehicles (tCO ₂ eq)	793	691	543	111	140
Direct process emissions (tCO ₂ eq)	5,146	4,924	4,894	0	252
Scope 2 GHG emissions (location-based) (tCO ₂ eq)	1,248	954	900	232	117
Scope 2 GHG emissions (market-based) (tCO ₂ eq)	4,852	3,611	3,621	650	581
Purchased electricity (location-based) (tCO ₂ eq)	726	501	558	87	81
Purchased electricity (market-based) (tCO ₂ eq)	4,330	3,158	3,279	506	545
Purchased heating/cooling (tCO ₂ eq)	522	453	342	144	35
Total Scope 1 and 2 GHG emissions (location-based) (tCO ₂ eq)	7,202	6,580	6,337	357	508
Total Scope 1 and 2 GHG emissions (market-based) (tCO ₂ eq)	10,806	9,237	9,058	776	972

Accounting principles

The reported Scope 1 and Scope 2 emissions are measured according to minimum boundaries of the GHG Protocol. GHG emissions of CO₂, CH₄, N₂O, HFC, PCF, SF₆, and NF₃ are intended to be considered.

Auroora has applied an operational control approach in the calculation of greenhouse gas emissions. The emissions calculation includes Operon Group and its subsidiaries, Vestelli Oy, Avalon Nordic Oy, ARNON Oy, Sähkölandia Oy,

FENTEC Oy, CWP Coloured Wood Products Oy, HTT High Tech Technology Oy, Telatek Service Oy, Suomen Vuokrakontti Oy, and EV Training Oy.

Scope 1 emissions include fuel consumption in buildings and vehicles as well as direct process emissions. Emissions have primarily been calculated based on actual consumption data. CO₂ emissions from welding gases are included in Scope 1 emissions when the company purchases and uses the gases in its own production processes. Emissions from

owned and leased vehicles are included in the calculations based on vehicle usage. Gas consumption primarily consists of propane used for oxy-fuel cutting and forklifts, as well as liquefied petroleum gas (LPG) used in veneer drying lines. The emission factors used are determined by fuel type and are primarily based on supplier-provided data.

Scope 2 emissions include purchased electricity, heating, and cooling. Supplier-specific emission factors have been used whenever available. At

the national or regional level, the emission factors used are primarily based on data from national statistical offices and energy authorities. In cases where energy consumption is included in rental agreements and no precise consumption data is available, energy use has been estimated based on floor area or volume. If no Guarantee of Origin (GoO) has been obtained for electricity, residual mix has been applied in the calculation.

Well-being, competence and motivation at work

A happy / thriving, skilled and motivated workforce is a key factor in Auroora's success. Auroora aims to ensure safe and fair working conditions, support skills development, and promote diversity and equality throughout the Group. Auroora establishes shared guidelines and supports responsible human resource management, but individual companies have the freedom and responsibility to develop their own practices to enhance employee well-being and competence.

Material impacts, risks, and opportunities related to Auroora's own workforce

In 2024, Auroora's management and employees participated in a double materiality assessment to identify material impacts, risks, and opportunities related to the Group's workforce. The assessment identified several potential

impacts affecting Auroora's employees. Among them, one possible negative impact and two existing positive impacts were identified as material. It was also noted that employees in certain Auroora companies and specific job roles are at higher risk of experiencing harmful impacts.

Potential negative impacts

- Occupational health and safety: Risk of serious workplace accidents or work-related illnesses. Employees working in maintenance, electrical substation contracting, or industrial production are at a higher risk of workplace accidents or exposure to hazards such as chemicals, welding fumes, or electrical dangers. The potential negative impacts vary across Auroora's different companies. The risk increases in situations with high employee turnover, reliance on temporary workers, or limited safety training. Additionally, the increasing prevalence of mental health issues poses occupational health risks, even among employees in expert roles.

Positive impacts

- Statutory rights and compensation: Fair working conditions and collective agreement coverage. The majority of Auroora's employees are based in Finland and are covered by collective agreements.
- Occupational health and safety: Comprehensive and effective workplace safety practices are a priority within Auroora's companies. Auroora's employees are covered by extensive occupational healthcare services.

The double materiality assessment identified potential business risks related to occupational safety, workforce availability challenges, and the potential rising costs associated with these factors.

Business risks

- Workplace hazards and accidents: Workplace accidents and disability risks can increase costs, for example, through healthcare expenses, legal fees, or early retirement.
- Workforce availability challenges and rising cost levels: Difficulties in finding skilled

workers may lead to increased wages, which in turn raises overall costs.

The management of occupational safety risks has been integrated into Auroora's group-level sustainability programme through shared principles, targets, and regularly monitored indicators. Effective risk management requires strict safety protocols and continuous employee training. Several Auroora companies have implemented an ISO-certified occupational health and safety management system (ISO 45001) or, at a minimum, safety practices based on equivalent principles. The Group monitors the coverage of occupational safety systems and encourages its companies to adopt a systematic approach.

Auroora’s workforce

At the end of 2024, Auroora Group employed 688 professionals, of whom approximately 83% were male. The majority of employees (89%) had permanent employment contracts, and 86% were covered by collective agreements. The majority of Auroora’s workforce (92%) was employed in Finland. Additionally, ARNON employed 47 people in Poland, and Auroora’s companies in Sweden employed five people. The largest employee groups consisted of technicians and production workers.

Occupational health and safety is a shared priority across all Auroora companies. However, identified risks, workplace hazards, and accidents particularly affect employees working in production, industrial maintenance, and

electrical substation contracting. The specific occupational safety risks vary across Auroora’s business areas. For example, at Operon, they may be related to chemical handling, while at HTT, the primary concern is exposure to welding fumes. In Sähkölandia, employees may face electrical hazards.

These risks may also apply to non-employee workers, such as subcontractors and temporary workers, depending on their roles and the nature of their employment. In 2024, Auroora’s companies primarily used temporary labour to manage peak workloads in production, industrial maintenance, office, and warehouse work.

Employee head count by gender

Gender	Number of employees
Male	569
Female	119
Other	0
Not disclosed	0
Total Employees	688

In the sustainability report, employee figures are based on the number of employees with an employment contract at the end of the financial year on 31 December 2024.

Employee head count by country

Country	Number of employees (head count)
Finland	636
Sweden	5
Poland	47
Total	688

Employees by contract type, broken down by gender	Female	Male	Other	Not disclosed	Total
Number of employees	119	569			688
Number of permanent employees	93	514			607
Number of temporary employees	26	55			81
Number of non-guaranteed hours employeeest	16	34			50
Number of full-time employees	99	521			620
Number of part-time employees	9	9			18

Employees by contract type, broken down by region	Finland	Sweden	Poland	Total
Number of full-time employees	570	5	46	621
Number of part-time employees	66		1	67

Policies related to own workforce

Auroora’s Code of Conduct covers the material impacts, risks, and opportunities related to fair working conditions, occupational health, and safety.

Auroora Group’s Code of Conduct includes the following principles related to employees:

- We comply with laws and internal guidelines.
- We ensure health and safety.
- We respect human rights.
- We engage in open collaboration with stakeholders.
- We encourage transparency in addressing concerns.
- We maintain zero tolerance for corruption.

These principles support employee health and safety, uphold workers’ rights and labour standards, and ensure compliance with relevant regulations. The Auroora Group Board of Directors approved the Code of Conduct in February 2024.

Auroora emphasises the importance of legal and regulatory compliance and requires the same commitment from all its companies. The Code of Conduct applies to all Auroora employees, regardless of their position or employment type.

Auroora’s CEO and Management Team are responsible for developing and communicating group-wide policies and principles, while subsidiary CEOs are responsible for implementing these policies within their respective companies. Additionally, the CEOs oversee occupational safety and preventive measures related to workplace risks.

Occupational safety is an integral part of Auroora’s daily management. All Auroora companies must comply with local laws and regulations on workplace safety. The Group also encourages its subsidiaries to maintain a systematic occupational safety approach in line with the ISO 45001 standard. In 2024, most Auroora companies complied with these requirements, and some had ISO-certified safety management systems.

Employees are included in Auroora’s risk management framework, and the group-level risk management plan addresses occupational health and safety risks as well as workforce availability challenges. A skilled workforce is critical to Auroora’s business success. Risks related to the availability and retention of skilled employees could have a significant impact on Auroora’s financial performance and position. While subsidiaries follow Auroora’s Group-wide risk management policy, each company is responsible for managing its own risks in accordance with its governance framework.

As part of the group-level sustainability programme, Auroora will develop a unified HR policy, incorporating group-wide occupational safety management principles.

Commitment to human rights

Auroora is committed to the UN Guiding Principles on Business and Human Rights and aligns its operations with the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work as outlined in its Code of Conduct.

Auroora complies with national laws while respecting international human rights standards. In cases where national laws and international human rights norms conflict, Auroora will prioritise national laws while striving to uphold internationally recognised human rights principles. Human rights considerations are embedded in all operations, and the same commitment is expected from business partners.

Auroora upholds equality and non-discrimination. All individuals are treated fairly, equitably, and impartially, and any form of discrimination based on gender, skin colour, nationality, ethnicity, age, marital status, religion, belief, political opinion, sexual orientation, or any other personal characteristic is strictly prohibited.

Auroora follows internationally recognised fair employment practices and labour laws, including freedom of association, collective bargaining, and the prohibition of child labour and forced labour. Any violations of human rights, including physical or mental violence and sexual harassment, are strictly prohibited.

All Auroora employees have a duty to report any observed violations. Employees are regularly consulted based on each company’s practices and have the opportunity to raise concerns or provide feedback on working conditions through their direct supervisor, employee surveys, or the company’s confidential whistleblowing channel.

Processes for engaging with own workforce

Auroora’s Code of Conduct includes principles for fair and transparent communication. The Group encourages its companies to engage in open and transparent dialogue with personnel through various communication channels. Auroora communicates reliably, fairly, transparently, and in a timely manner, ensuring that no individual or group is given preferential treatment. The goal is to maintain effective communication with employees and other stakeholders.

The Group also encourages its subsidiaries to engage with employees regularly. Within Auroora's companies, the ultimate responsibility for employee engagement and utilising its outcomes lies with the CEO of each subsidiary.

The resources allocated to employee dialogue vary across subsidiaries. The largest companies have dedicated HR managers who support CEOs in this work. Additionally, dialogue involves designated employee representatives, occupational safety and co-determination committees, and their members.

Each Auroora Group company has its own processes for collecting employee feedback, such as:

- Employee and team development discussions
- Daily management and team meetings
- Employee surveys
- Whistleblowing channel
- Occupational safety and co-determination committees

Feedback is documented, and the results are communicated to employees through various channels, such as:

- Regular meetings
- Employee events and information sessions
- Employee newsletters
- Intranet

Processes to remediate negative impacts and channels for own workforce to raise concerns

Auroora's employees are required to be familiar with the Group's Code of Conduct. Every employee is responsible for actively preventing misconduct and reporting any potential violations. The Group provides employees with clear channels to raise concerns quickly and fairly.

Misconduct or violations can be reported to a direct supervisor, HR managers, or anonymously via Auroora's whistleblowing channel. Additionally, subsidiaries may have their own internal reporting mechanisms.

Reports may concern working conditions, harassment, discrimination, or other workplace-related issues. All reports are handled promptly and confidentially by designated Auroora representatives. The number and nature of reports received are monitored to ensure the effectiveness of corrective actions.

Taking action on material impacts and pursuing material opportunities

Auroora is committed to complying with national legislation, international standards, and collective agreements to ensure fair and equitable working conditions for its employees. Auroora and its subsidiaries respect freedom of association and the right to collective bargaining. Human rights considerations are embedded in the company's Code of Conduct. Since Auroora's companies primarily operate in Finland, the risk of child labour or forced labour is not significant. This risk is also considered low in Sweden and Poland, where ARNON and Vestelli operate under local labour laws and employment practices.

Occupational health and safety

Employee well-being and workplace safety are top priorities for all Auroora companies.

Within Auroora Group, occupational health arrangements and safety processes are the responsibility of subsidiaries. Each subsidiary must ensure compliance with legal requirements and promote a safe and healthy work environment.

Auroora aims to provide a safe and inspiring work environment for all employees while minimising

workplace accidents. This is achieved through supporting employee well-being and health and by continuously improving workplace safety and working conditions. Employee health is safeguarded through comprehensive occupational healthcare services.

Potential workplace hazards are proactively managed through effective risk assessment. Workplace accidents are prevented through risk evaluations, safety observations, and reporting of near-miss incidents. The objective of Auroora's safety efforts is to ensure that employees feel safe every day, with the long-term goal of achieving zero workplace accidents.

Raising awareness and knowledge about health and safety is a key aspect of hazard and risk reduction. The Group encourages its companies to implement systematic occupational safety practices in line with the ISO 45001 standard. Adhering to recognised occupational safety standards is already standard practice in most Auroora companies. The Group is committed to further developing preventive measures to reduce accidents and promoting the exchange of best practices among its companies.

Auroora's employees must be aware of the requirements of their roles and have the opportunity to consult their supervisor in uncertain situations. Supervisors are responsible for ensuring that employees receive proper onboarding and that all necessary instructions are available.

All employees are required to address any concerns they observe, including those related to occupational health and safety. Concerns should first be reported to the employee's direct supervisor or their superior. In Auroora's companies, various systems and applications are used for collecting occupational safety observations. These observations are regularly reviewed with both employees and management to ensure continuous improvement in workplace safety.

Additionally, a confidential whistleblowing channel is in place for employees to report any observed issues.

Challenges in workforce availability

Auroora actively works to enhance its company image and employer brand through marketing efforts to ensure a steady supply of skilled employees. In addition to traditional recruitment channels, the company utilises direct search and collaborates with partners such as staffing agencies to attract talent.

Auroora's subsidiaries also collaborate with educational institutions, offering internships, thesis opportunities, and apprenticeships whenever possible. A notable example of this commitment is the new master's programme in water technology launched in Mikkeli in autumn 2023 by LUT University, which is conducted in close cooperation with the industry, including Auroora Group company Operon.

Targets related to managing material negative impacts, risks, and opportunities

In 2024, Auroora did not have group-wide targets or metrics for managing adverse impacts. However, starting in 2025, the company will actively monitor the number of workplace accidents and accident frequency rate. The goal is continuous improvement in accident frequency, with the long-term objective of achieving zero accidents. Auroora also encourages its companies to systematise occupational safety practices and adopt a standardised occupational health and safety management system. From 2025 onwards, the goal is to expand the coverage of ISO 45001 certified occupational safety systems.

In 2024, Auroora's companies recorded a total of 11 lost-time workplace accidents. Additionally, there were 33 workplace accidents that did not result in lost time.

In 2024, 14 Auroora companies were at least partially following an ISO 45001-compliant occupational health and safety management system, of which 9 were officially ISO 45001 certified. In total, 65% of Auroora's workforce was covered by ISO 45001 certification.

Adequate wages

Auroora Group and Auroora companies pay all their employees fair wages in accordance with national laws and collective agreements. The collective agreements applied and observed in Finland and Sweden define minimum wages that take into account national and social conditions.

There is no uniform salary model among the Auroora companies, which are responsible for setting their own basic salary scales. The companies take into account external wage

market data and collective agreements when creating their remuneration systems. To ensure a fair level of pay, data from employers' associations and the statistical offices of Finland and Sweden are used, among others.

Social protection

All Auroora employees working in Finland and Sweden are covered by social security. This is mainly through the countries' pension, disability, and unemployment insurance policies. Both the employer and the employee contribute to the costs through statutory contributions.

Health and safety	2024
Coverage of the health and safety management system	
Percentage of own workers in headcount who are covered by the preventive occupational healthcare (%)	91%
Percentage of own workers in headcount who are covered by ISO 45001 standard (%)	65%
Health and safety metrics of employees	
Number of recordable work-related accidents	44
Number of fatalities as a result of work-related injuries and work-related ill health	0

The health and safety data are based on information provided by the Group companies. Companies use safety reporting tools to collect data on accidents, near misses, and safety observations.

The percentage of own workforce covered by the preventive occupational health/safety management system is calculated based on the number of employees.

Percentage of employees covered by collective bargaining agreements	Employees covered by collective bargaining (%)
Year	
2024	86%

Collective bargaining coverage and social dialogue

	Collective bargaining coverage	Collective bargaining coverage	Social dialogue
Coverage Rate	Employees – EEA	Employees – Non-EEA	Workplace representation (EEA only)
0-19%			
20-39%			
40-59%			
60-79%			
80-100%	Finland		Finland

The data on Auroora Group personnel's coverage is based on information provided by the companies' management. The percentage of employees covered by collective agreements is calculated using the following formula: number of employees covered by collective agreements / number of employees x 100.



Securing the supply of clean water and promoting sanitation

The demand for clean water is closely linked to global megatrends, such as population growth, urbanisation, industrialisation, and environmental awareness. Companies and communities are increasingly striving for sustainability and responsibility, which is reflected in efforts to reduce water consumption and improve wastewater treatment.

Water management is also becoming an integral part of the circular economy, supporting the recovery and utilisation of nutrients from wastewater. Additionally, regulations and aging water treatment infrastructure create pressure to modernise existing facilities and invest in new technologies. Digitalisation can enhance wastewater treatment efficiency, which is crucial for environmental protection and resource conservation.

Material impacts, risks, and opportunities

The companies in Auroora's Clean Water and Environmental Technology segment play a

key role in ensuring access to clean water and promoting sanitation. This positive impact on communities was also recognised in Auroora's double materiality assessment in 2024. By providing advanced water utility operating services with the help of the life cycle model it has developed, Auroora is also able to effectively reduce the environmental impact of its downstream value chain, i.e. its' customers' wastewater treatment plants.

Moreover, business opportunities were identified in response to the growing demand for water expertise. These opportunities will become even more significant in the long term as water infrastructure ages, sanitation improves in developing countries, and water scarcity increases.

Impact of Auroora's companies in securing the supply of clean water and promoting sanitation:

- Operon focuses on wastewater collection and treatment through its life cycle model. This model covers the design of water treatment processes, the operation phase of plants and the utilisation of side streams in wastewater treatment. The company aims to reduce the

environmental footprint of water treatment and improve the quality of water released back into nature.

- Through Operon's export projects, entire cities or areas can be connected to a sewer network and wastewater treatment facilities.
- Vestelli and Avalon develop and manufacture wastewater systems that ensure the supply of clean and affordable drinking water and reduce the number of people affected by water scarcity. Additionally, these companies contribute to the protection and restoration of water bodies.
- Operon, Vestelli, and Avalon all implement structural improvements, such as separate and combined sewers, which enhance resource efficiency and ensure the effectiveness of wastewater treatment. These improvements also help prevent untreated wastewater and stormwater from entering nature during flood situations, thereby reducing groundwater contamination and the need for purification.

Currently, Auroora's and its value chain's identified positive impacts primarily affect

those communities whose water treatment facility is operated by Operon. In 2024, Operon was responsible for the operations of 9 water treatment plants in Finland, treating a wastewater load corresponding to a total of approximately 250,000 people.

In addition, the wastewater treatment systems supplied by Vestelli and Avalon purify wastewater in rural areas outside the municipal sewer network. These systems are used in detached and terraced houses, holiday homes, and summer cottages. Furthermore, in 2024, larger systems were delivered to sites such as camp centres, campsites, and small-scale industrial facilities. Altogether, the systems supplied in 2024 treat the wastewater of approximately 20,000 people.

In the future, the scope of these impacts will expand to developing countries as Operon's export projects are launched. At the moment, projects based on Finnish water expertise are being planned in, for example, Asia and Africa.

Policies related to water treatment and the promotion of sanitation

To enhance wastewater treatment efficiency and reduce its environmental impact, Operon implements its water treatment operations based on a lifecycle model it has developed. The core idea of the lifecycle model is that the growing environmental handprint of Operon’s operations is reflected in a decreasing environmental footprint for customers and in its own operations. In this model, environmental data is made measurable through digitalisation. Once the data is measurable and monitored, it can also be optimised. By optimising plant operations, energy and chemical use can be improved, and the environmental impact of the process can be minimised, for example, by reducing harmful substances such as nitrogen and phosphorus in discharged water.

Auroora’s Code of Conduct guides the Group’s approach to environmental management. Auroora is committed to complying with environmental and product safety laws and strives to understand and minimise the impact of its operations on air, climate, water, soil, and biodiversity. The Group aims to be a leader in sustainable practices and actively works to reduce the environmental burden of its

operations and services. Auroora’s objective is to decrease its negative environmental footprint while increasing its positive environmental handprint. The Group identifies and manages environmental risks and opportunities and integrates environmental considerations into product and service development.

Operon’s concrete measures to reduce environmental impacts are described in the company’s ISO 14001 certificate.

Community engagement

Auroora emphasises local collaboration in its Code of Conduct, recognising the significance of its operations for surrounding communities. The Group seeks to support their economic, environmental, and social development while minimising negative impacts. Auroora is committed to transparency and actively engages with local communities in various projects and initiatives.

Auroora has not defined a group-level operating model for engaging with the communities where it operates water treatment plants. Interaction with the customer, i.e. the owner of the water utility and personnel of the plant, is continuous, but engagement models for interacting with residents within the plant’s operational area are determined on a case-by-case basis.



Actions to ensure access to clean water and promote sanitation

In Finland, Operon provides operation services for the needs of municipal and industrial water utilities. These services include daily plant operation and on-call services, staff training, plant management, and expert consultancy.

A key objective in Operon's plant operations is to leave the facility in better condition than it was at the start of operations. The company operates responsibly and in a solution-oriented way, always striving for the best possible cost and quality efficiency. Additionally, Operon aims to continuously reduce the environmental impact of wastewater treatment.

A fundamental aspect of reducing environmental impact is understanding it. Operon's data-driven and digitalisation-based OperonWay operating model helps identify measures to improve energy efficiency and reduce chemical usage. It also enables the optimisation of processes, leading to lower concentrations of harmful substances (e.g. nitrogen and phosphorus) in discharge waters.

The visualisation views of the first pilot plants operating according to the OperonWay operating model were completed at the end

of 2024 and will be deployed during the first quarter of 2025. These views support both process optimisation and enable concrete environmental footprint measurements.

In international projects, Operon's role is to create consortia and comprehensive projects based on Finnish expertise, aimed at developing and building water treatment infrastructure in developing countries. The demand for Finnish water expertise is growing, and several export projects were launched in 2024. However, these projects have not yet progressed to the implementation phase.

Targets related to ensuring access to clean water and promoting sanitation

As part of its sustainability programme, Auroora has set a goal of improving water purification and sanitation. The progress of this goal will be measured using two indicators: the expansion of operational coverage (the so-called population equivalent) and the reduction of the environmental impact of water treatment.

In 2024, the scope of Auroora's/Operon's water treatment operations, including wastewater treatment and solid wastewater systems,

covered approximately 270,000 Finns. Concrete measurement results related to environmental impacts will be reported in 2025.

Commitment to good governance and an ethical culture

As part of its double materiality assessment, Auroora evaluated its own operations and value chain to identify material impacts, risks, and opportunities related to its business. The material positive impact identified was ethical corporate culture, embodied in Auroora's shared Code of Conduct.

Code of Conduct lays the foundation for ethical business practices

Auroora is committed to ethical and sustainable business practices and expects the same from all its subsidiaries. All employees of Auroora and its companies, as well as customers, suppliers, and other business partners, are required to adhere to Auroora's Code of Conduct, applicable legislation, and internationally recognised good business practices.

Auroora's Code of Conduct defines the Group's ethical principles and operating practices, which are based on laws, international agreements, and regulations. These principles guide how individuals within the Group interact with one

The Code of Conduct is an essential part of Auroora's risk management



We comply with laws and internal guidelines



We take care of health and safety



We respect human rights



We take care of environmental impacts and product safety



We protect the Group's assets



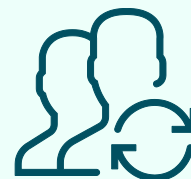
Zero tolerance for corruption



We avoid conflicts of interest



We handle personal data appropriately



We engage in open cooperation with stakeholders



We encourage transparency in addressing concerns

another, conduct business, protect assets, and engage with the wider world. The purpose of the Code is to ensure that ethical and sustainable decisions are made within Auroora.

Auroora’s Board of Directors has approved the Code of Conduct. The Group’s Management Team reviews it regularly and proposes amendments when necessary, subject to approval by the Board. The Management Team and the leadership of Auroora’s companies are responsible for overseeing compliance with the ethical guidelines.

Anti-corruption and bribery

Corruption and bribery in any form are strictly prohibited and against Auroora’s ethical principles. The Group maintains a zero-tolerance policy towards corruption and bribery, as outlined in its Code of Conduct. However, as business operations are primarily conducted in Finland, the risks have been assessed as low.

Corporate culture

Auroora provides its subsidiaries with industry expertise, support, and guidance for business development while allowing them to operate independently. The Group’s strategy, goals, and policies create alignment on priorities and provide clear direction for all its companies and employees. Auroora is committed to the long-term development of the Group companies and takes pride in them.

Auroora Group consists of diverse companies, yet shared principles apply to all employees regardless of company, position, or type of employment. The corporate culture is built on collaboration between companies. The Group values diversity in backgrounds, perspectives, education, and experience among its employees.

Auroora strives to offer a safe and inspiring work environment for all employees. The company supports employee well-being and health while continuously improving workplace safety and working conditions. A positive corporate culture is created by employees acting fairly, fostering a pleasant and motivating work atmosphere, and promptly addressing any concerns.

Auroora does not tolerate discrimination or harassment in any form. The company upholds international principles and laws for fair labour practices, including freedom of association, collective bargaining, and the prohibition of child and forced labour. Any human rights violations, including mental and physical abuse, are strictly prohibited.

Auroora’s operations support sustainable development, and the company continuously develops its sustainability efforts. The next steps for 2025 include increasing the number of companies committed to the Code of Conduct and establishing and implementing environmental and HR policies.

Protection of whistleblowers

The principles for whistleblower protection are outlined in Auroora’s Code of Conduct. Auroora has a confidential and anonymous whistleblowing channel through which employees, subcontractors, or other stakeholders can report any observed misconduct or violation. The whistleblowing channel operates through an external service provider, Falcony.

All reports are taken seriously and investigated according to defined procedures. Reports are handled confidentially, and individuals involved in the alleged misconduct do not participate in the investigation.

Employees who raise concerns will not face retaliation. If an employee reports an issue in good faith, honestly, and with integrity, they will not suffer negative consequences, even if the report turns out to be unfounded.

Whistleblower reports are reviewed by the Group’s Management Team.

Mechanisms for identifying, reporting, and investigating concerns

Auroora encourages its employees and stakeholders to raise concerns, report potential violations, and address any breaches of the Code of Conduct or good business practices.

Employees, subcontractors, and other stakeholders can submit anonymous and confidential reports through Auroora’s whistleblowing channel, which is accessible internally and externally via the Group’s website. Some Auroora companies also have their own whistleblowing channels.

All reports are reviewed by designated personnel, and appropriate actions are taken based on the findings. In 2024, a few reports were received, none of which were classified as critical.

Governance

Management Team



Antti Rauhala

MSc (Econ.), Certified Board Member
(b. 1973, Finnish)

CEO of the Group
Member of the Management Team since 2023

Key work experience:

Over 25 years of experience in various leadership positions including CEO of Pikespo Invest Oy Ltd., CFO and Deputy CEO of the Bronto Skylift Group, and VP Operations and Finance of UPM's RFID business.

Participated in approximately 55 corporate acquisitions.

Auroora Group shares:
80,251 shares



Marko Tulus

MSc (Econ.)
(b. 1968, Finnish)

Interim CFO of the Group
Member of the Management Team since 2024

Key work experience:

Over 25 years of experience in various international business leadership roles, including CFO of the Eckerö Group and CFO of Sandvik Group's China operations and Supply Chain division. He has also served as CEO, Production Director, and Marketing Director for Asia at Sandvik Group's China operations.

Participated in approximately 20 corporate acquisitions.



Joona Linna

Certified Board Member/
Chairperson
(b. 1986, Finnish)

Business Director of the Group
Member of the Management Team since 2024

Key work experience:

Over 15 years of experience in business leadership and development, including 10 years as CEO and founding owner of Vestelli Oy. Actively involved in various corporate boards over the past decade.

Participated in approximately 10 corporate acquisitions.

Auroora Group shares:
15,484 shares



Jukka Marttila

MSc (Econ.)
(b. 1968, Finnish)

Business Director of the Group
Member of the Management Team since 2023

Key work experience:

Over 30 years of experience as CFO and management team member of mid-sized companies (e.g., Nokian Capacitors Oy, Fastems Oy, and Roima Intelligence Oy), as well as Investment Director at Pikespo Invest Oy Ltd. Additionally, he has served as Business and Production Director at Capacitors.

Participated in approximately 35 corporate acquisitions.

Auroora Group shares:
30,417 shares



Petri Antila

Engineer-MBA, Certified Board Member/Chairperson
(b. 1971, Finnish)

Business Director of the Group
Member of the Management Team since 2023

Key work experience:

Over 10 years of experience in business leadership and development. Previously served as Investment Director at Pikespo Invest Oy Ltd., CEO and owner of Oricopa Oy, and at Patria Oyj, among others.

Participated in approximately 50 corporate acquisitions.

Auroora Group shares:
38,109 shares



Sami Savolainen

MSc (Econ.)
(b. 1993, Finnish)

Business Director of the Group
Member of the Management Team since 2023

Key work experience:

Several years of experience in various corporate acquisition roles at Pikespo Invest Oy Ltd., PJ Maa Partners Oy, and Deloitte Finland.

Participated in approximately 35 corporate acquisitions.

Auroora Group shares:
6,581 shares



Ritva Mäenpää

HSO
(b. 1967, Finnish)

Group Administration Manager
Member of the Management Team since 2023

Key work experience:

Over 30 years of experience in various marketing and administrative roles in Pirkanmaa-based companies, including Pikespo Invest Oy Ltd., UPM's RFID business, Petersonwalki Oy, and Elematic Oyj.

Participated in approximately 25 corporate acquisitions.

Auroora Group shares:
2,552 shares

The shareholdings include the company's shares directly and indirectly owned by the members of the Management Team and their potential controlling entities. Auroora Yhtiöt announced on 10 March 2025 that Ville Peltonen (MSc in Economics) has been appointed as Chief Financial Officer of Auroora Yhtiöt Oyj. Peltonen will start his role during summer 2025, no later than the beginning of August. At the same time, interim CFO Marko Tulus will move to the role of Project Director at Auroora Yhtiöt.

Board of Directors



Pekka Tammela

MSc (Econ.), Certified Board Member/
Chairperson
(b. 1962, Finnish)

Chairman of the Board since 2021
Member of the Board since 2020

Key work experience:

Partner, PJ Maa Oy (since 2006)
Partner, Korona Invest Oy (2016–2020)
CFO, Panostaja Oyj (2002–2006)
Senior Manager, Pricewaterhouse-
Coopers Oy (1990–2000)

Other board memberships:

Member: Revenio Group Oyj, Trimaster
Oy
Chairman: Moodi Oy (parent company of
SNT-Group Oy)

Previously served as Chairman and
Board Member in various companies,
including Normiopaste Oy and
Vaihtolavacom Oy.

Participated in over 200 corporate
acquisitions.

Auroora Group shares: 16,961 shares



Reetta Keränen

BBA, MBA, Certified Board Member/
Chairperson
(b. 1983, Finnish)

Board Member since 2021

Key work experience:

Co-founder, strategist & business designer,
Kolmas Persoona Oy (since 2010)
Co-founder, business leader (2003–2007),
CEO (2007–2010), Sivupersoona Oy

Other board memberships:

Member: Lecklé United Oy, Kolmas
Persoona Oy
Chairwoman: OAC Finland Oy
Supervisory Board Member: Tampere
Seudun Osuuspankki

Previously served as Chairwoman of the
Board in Sivupersoona Oy, Joiku of Life
Oy and Future Board ry, as Vice Chair in
Hallituspartnerit ry, and as Board
Member in Sahera KotiPuhtaaksi Oy.

Participated in approximately 15
corporate acquisitions.

Auroora Group shares: 2,200 shares



Harri Lamminen

Electrical Engineer
(b. 1963, Finnish)

Board Member since 2023

Key work experience:

Co-founder, CEO of ARNON Oy (2003–
2022)

Other board memberships:

Member: ARNON Oy
Chairman: Creolight Oy
Member: Finnish Baseball Federation
(Pesäpalloliitto)

Participated in approximately 25
corporate acquisitions.

Auroora Group shares: 177,721 shares



Risto Lehtimäki

MSc (Eng.), Industrial Engineering and
Management
(b. 1965, Finnish)

Board Member since 2022

Key work experience:

Investor and professional board
member (since 2012)
SVP, Marketing and Communications,
Metso Oyj (2002–2012)
Various international leadership roles,
Metso Oyj and Valmet Oyj (1991–2002)

Other board memberships:

Member: Jouka Oy, Henkilöstövuokraus-
yhtiö Kipinä Oy, Lean Group Oy,
Pallas Air Oyj, Kaito Insight Oy
Chairman: Novacast Oy, Satron Group Oy
Supervisory Board Member: AS Nova
Vita Klinik
Member: Tampere Chamber of
Commerce's Industry Committee

Participated in approximately 30
corporate acquisitions.

Auroora Group shares: 24,825 shares



Ville Voipio

MSc (Eng.), Doctor of Science
(Technology)
(b. 1974, Finnish)

Board Member since 2024

Key work experience:

Professor of Practice, Turku School of
Economics (since 2022)
Adjunct Professor, Tampere University
(since 2013)
Strategy Director, Simap Oy (2021–2024)
CTO, Si-Tecno Oy (2014–2020)
CEO, K-Patents Oy (2012–2013)
CEO, Janesko Oy (2008–2013)

Other board memberships:

Chairman: Vaisala Oyj, Teknologiateollisuus
ry, Simap Oy, The Solubility Company Oy
Member: Directors' Institute Finland, The
Finnish Family Firms Association, Climate
Leadership Coalition, EK (Confederation of
Finnish Industries), Invited individual
member, EURAMET Research Council

Previously served as Board Member at
K-Patents Oy and Weisell Foundation

Participated in approximately 20
corporate acquisitions.

Auroora Group shares: 1,196 shares

The shareholdings include the company's shares directly and indirectly owned by the members of the Management Team and their potential controlling entities.

Report of the Board of
Directors and Financial
Statements

2024

Auroora Group

AUROORA

Report of the Board of Directors 2024

This report of the Board of Directors describes Auroora Group's financial performance for the years 2024 and 2023, using both IFRS figures and pro forma figures. Additionally, the company reports certain alternative performance measures, such as LTM (Last Twelve Months) figures, which include acquired businesses as if they had been owned for 12 months at the reporting date. The calculation methods for pro forma figures and alternative performance measures can be found at the end of the report. The 2024 Financial Statements have been prepared according to IFRS. Figures in parentheses refer to the corresponding period of the previous year unless stated otherwise.

Year 2024 in brief

The year 2024 was, above all, a year of successful acquisitions for Auroora. The company's acquisition engine was in excellent shape. Through acquisitions, Auroora added five strong and highly profitable companies to its portfolio. At the same time, existing companies were developed to become even more competitive.

Auroora's profitability improved not only through acquisitions but also organically. The reported net sales for 2024 grew by 18% from the previous year to EUR 142.6 million. At the same time, profitability improved: the full-year

adjusted EBITA increased by 51.9% to EUR 9.0 million, or 6.3% of the net sales. Cash flow from operating activities was EUR 16.9 million.

The company's LTM net sales reflected the success of acquisitions, growing by 26.7% to EUR 159.8 million in 2024. LTM net sales includes acquired businesses as if they had been owned for 12 months. Similarly, the LTM EBITA increased by 94.6% to EUR 11.9 million, demonstrating the strong profitability of new acquisitions.

The Electrification and Automation segment saw significant organic growth and improved profitability across all its companies. As a serial acquirer, it is important for Auroora to support and develop its existing companies while also acquiring new ones.

The year 2024 was also characterised by building capabilities and readiness for significant future growth. Auroora restructured its organisation to better align with the new strategy. The company also transitioned to IFRS reporting and implemented world-class reporting systems. In terms of sustainability, Auroora conducted a double materiality assessment and prepared for compliance with the EU Corporate Sustainability Reporting Directive (CSRD).

The EUR 7.0 million investment from Varma Mutual Pension Insurance Company in Auroora in mid-2024 strengthened the company's financial position and cash flow, providing flexibility for larger acquisitions.

Operating environment and business development

The demand for Auroora's products and services is supported by the sustainability and digitalisation megatrends, which drive the transition towards more sustainable and technologically advanced solutions.

The most important growth driver for Auroora is society's electrification and clean energy transition. This trend continues despite occasional fluctuations. The Electrification and Automation segment is at the forefront of this transition, but there are also plenty of opportunities in the Clean Water and Environmental Technology segment, where growth is moderate but steady and supported by long-term contracts. The Industrial Products and Services segment contributes to environmental efficiency by extending the lifespan of machinery and equipment through maintenance services, among other things.

The **Electrification and Automation** segment aims to strengthen its position in Sweden and Norway, and in 2024, its companies gained a stronger foothold in both countries. The demand for substation construction remained strong, and all companies in the segment grew profitably.

In the **Clean Water and Environmental Technology** segment, companies focused on developing their service business and strengthening their resources. Additionally, efforts continued in the commercialisation of digital solutions. Progress was also made towards certification for all companies in the segment.

The **Industrial Products and Services** segment grew significantly through acquisitions, adding valuable new expertise to Auroora. Product companies in the segment expanded due to strong international demand and the development of global reseller networks. Growth was also driven by the needs of the security sector and an offering that supports security of supply.

Strategy and business model

Auroora is a Finnish serial acquirer whose strategy is based on long-term ownership and a decentralised business model. The company has grown rapidly in recent years, achieving growth both organically and through continuous acquisitions, which are a key part of its strategy.

In Auroora's operating model, subsidiaries are managed entrepreneurially, with significant autonomy in operational management and local decision-making. After acquisitions, companies continue to operate under their

own name, brand, personnel, and strategy as part of Auroora.

Auroora supports Group companies by building strong boards and developing leadership, corporate governance, performance, and technology utilisation, among other things. The company remains closely involved with its subsidiaries, providing financial resources and expertise to drive international growth. Auroora’s leadership team has a strong industrial background and broad expertise in its three business segments.

Auroora creates shareholder value by reinvesting its cash flow into high-return acquisitions of new small and medium-sized enterprises (SMEs) and further developing its existing companies. Auroora aims to achieve market leadership in all its segments in the Nordic countries while operating as a challenger in other markets. The company’s goal is to continuously improve its profitability while acquiring multiple new SMEs annually that fit its strategy.

Key figures

EUR million	2024	2023*	Change %
Net sales	142.6	121.0	17.9%
Operating profit	3.9	1.9	107.7%
Operating profit, %	2.7%	1.5%	
Adjusted EBITA	9.0	5.9	51.9%
Adjusted EBITA, %	6.3%	4.9%	
EBITA	8.0	4.9	63.9%
EBITA, %	5.6%	4.0%	
Adjusted operating profit	4.9	2.9	67.3%
Adjusted operating profit, %	3.4%	2.4%	
Net cash flow from operating activities	16.9	2.3	636.5%
Equity ratio, %	48.8%	48.7%	
Interest-bearing net debt**	14.5	17.1	-14.8%
Net debt / adjusted EBITDA (LTM)	1.4	2.8	-49.9%
Return on capital employed (ROCE), %	10.9%	8.5%	
Personnel at the end of the period***	667	507	

* Figures for 2023 are presented as Pro forma figures, with the differences in accounting policies taken into account.

** Net debt adjusted for lease liabilities.

*** Converted to full-time equivalent (FTE).

Financial review

Net sales by segment

EUR million	2024	2023	change %
Electrification and Automation	96.7	94.8	2.0%
Clean Water and Environmental Technology	13.7	17.7	-22.5%
Industrial Products and Services	30.5	8.9	244.1%
Segments total	140.9	121.4	16.1%
Other operations	2.7	2.2	20.9%
Eliminations	-1.0	-2.6	-
Group total	142.6	121.0	17.9%

Auroora has three reportable segments: Electrification and Automation, Clean Water and Environmental Technology, and Industrial Products and Services. Other Operations include the Group's minority interests and corporate functions.

Net sales and profitability

Auroora Yhtiöt Oyj's net sales for the financial year 1 January–31 December 2024 increased by 17.9% compared to the previous year, reaching EUR 142.6 million (EUR 121.0 million in 2023). Organic net sales, excluding acquisitions, remained at

the previous year's level. The last twelve months' net sales (LTM) was EUR 159.8 million (EUR 126.1 million). Growth was driven primarily by strong organic expansion and acquisitions in the Electrification and Automation segment.

The Group's adjusted EBITDA for January–December 2024 was EUR 12.5 million (EUR 8.3 million), representing 8.7% (6.9%) of the net sales. EBITDA was EUR 11.4 million (EUR 7.2 million), or 8.0% (6.0%) of net sales. Adjusted EBITA increased to EUR 9.0 million (EUR 5.9 million), or 6.3% (4.9%) of the net sales, while EBITA was EUR 8.0 million (EUR 4.9 million), or 5.6% (4.0%) of the net sales. The last twelve months'

adjusted EBITA (LTM) was EUR 11.9 million (EUR 6.1 million). Profitability improved mainly due to the strong performance of acquired companies and increased productivity in the Electrification and Automation segment.

The Group's adjusted operating profit increased by 67.3% from the previous year to EUR 4.9 million (EUR 2.9 million), representing 3.4% (2.4%) of the net sales. This improvement was primarily driven by the enhanced profitability of the Electrification and Automation segment.

The Group's operating profit increased by 107.7% to EUR 3.9 million (EUR 1.9 million), accounting

for 2.7% (1.5%) of the net sales. The operating profit includes net non-recurring items amounting to EUR 1.0 million (EUR 1.1 million).

In 2024, items affecting operating profit comparability included EUR 0.1 million in restructuring costs related to the Electrification and Automation segment. Non-recurring costs consisted of expenses related to the IFRS reporting system and IFRS conversion project (EUR 0.6 million) and non-recurring adjustments related to previous acquisitions (EUR 0.3 million).

Items affecting operating profit comparability

EUR million	2024	2023
Restructuring costs	0.1	0.6
Non-recurring costs	0.9	0.5
Total items affecting operating profit comparability	1.0	1.1

Segments

The **Electrification and Automation** segment's net sales grew by 2%, reaching EUR 96.7 million (EUR 94.8 million in 2023), supported by the positive development of all three segment companies. Adjusted EBITA was EUR 6.4 million (EUR 4.5 million).

The **Clean Water and Environmental Technology** segment's net sales decreased by 22.5% to EUR 13.7 million (EUR 17.7 million). Adjusted EBITA was EUR 0.0 million (EUR 0.9 million).

The **Industrial Products and Services** segment experienced significant acquisition-driven growth of 244.1%, with net sales reaching EUR 30.5 million (EUR 8.9 million). Adjusted EBITA was EUR 2.4 million (EUR 0.4 million).

Segment expenses included EUR 0.8 million in administrative service charges from the parent company.

Balance sheet, financing, and investments

Auroora Yhtiöt Oyj's total assets as of 31 December 2024 amounted to EUR 133.1 million (EUR 114.7 million in 2023). The Group's total equity at the end of the reporting period was EUR 62.8 million (EUR 52.5 million). The Group's net debt at year-end was EUR 22.7 million (EUR 25.6 million), including lease liabilities. Net debt excluding lease liabilities was EUR 14.5 million. The Group's equity ratio stood at 48.8% (48.7%). Net debt to adjusted EBITDA (LTM) ratio improved to 1.4 (2.8 in 2023).

Cash flow from operating activities during the review period was EUR 16.9 million (EUR 2.3 million in 2023). This was significantly influenced by strong profitability of the existing companies in the Electrification and Automation segment, the robust performance of newly acquired companies, and a reduction in relative net working capital, which released cash reserves. Cash flow from investing activities was EUR -20.8 million (EUR 0.1 million), primarily consisting of acquisitions. The Group's cash and cash equivalents at the end of the financial year on 31 December 2024 amounted to EUR 12.5 million (EUR 5.1 million).

In September 2024, Varma Mutual Pension Insurance Company invested EUR 7.0 million in

Auroora, strengthening the company's financial position and cash flow. Varma's participation provided the company with flexibility for large-scale acquisitions.

Additionally, in March 2024, the company strengthened its financing by securing a EUR 10.5 million business loan.

Shares and share capital

The company has a single share class, where each share entitles its holder to one vote at the General Meeting. As of 31 December 2024, the total number of outstanding shares was 1,126,170. There are no voting restrictions or limitations attached to the shares. The company's shares have no nominal value. All shares confer equal rights to dividends and other distributions of the company's assets, including in the event of liquidation.

As of 31 December 2024, the company held a total of 121,708 of its own shares, representing 10.8% of all shares and voting rights.

Ten largest shareholders

The ten largest shareholders of the company as of 31 December 2024 were:

Shareholder	Shares	% of voting rights
Pirkanmaa Investment Group Oy	417,836	37.10%
Harri Lamminen	137,242	12.19%
Varma Mutual Pension Insurance Company	111,660	9.92%
Starhammar Oy	80,957	7.19%
PIMA Capital Oy	43,164	3.83%
Kalle Haapaniemi	39,979	3.55%
Jyri Koivisto	35,595	3.16%
Boxware Oy	19,141	1.70%
Reima Pyy	18,478	1.64%
Kostyantyn Pyvovarov	16,446	1.46%
Other shareholders	205,672	18.26%
Total	1,126,170	100.00%

Management shareholdings

As of 31 December 2024, the members of Auroora's Board of Directors and Management Team owned a total of 455,719 shares in Auroora, representing approximately 40.47% of the company's shares and voting rights. These holdings include personal ownership as well as shares owned by close associates and controlled entities.

Name	Shares
Board of Directors	
Pekka Tammela	76,383
Reetta Keränen	2,200
Harri Lamminen	177,721
Risto Lehtimäki	24,825
Ville Voipio	1,196
Management Team	
Antti Rauhala	80,251
Petri Antila	38,109
Joona Linna	15,484
Jukka Marttila	30,417
Ritva Mäenpää	2,552
Sami Savolainen	6,581
Total	455,719

Governance

Board of Directors

As of 31 December 2024, the Board of Directors of Auroora Yhtiöt Oyj comprised Pekka Tammela (Chairman) and members Reetta Keränen, Harri Lamminen, Risto Lehtimäki, and Ville Voipio.

Management Team

The CEO of Auroora Yhtiöt Oyj is Antti Rauhala. As of 31 December 2024, the other members of the Management Team were Interim CFO Marko Tulus, Business Director Joona Linna, Business Director Jukka Marttila, Business Director Petri Antila, Business Director Sami Savolainen, and Administrative Manager Ritva Mäenpää.

Auditors

The company's auditor is Moore Idman Oy, with certified public accountant Antti Niemistö serving as the principal auditor.

General Meetings in 2024

Annual General Meeting

The Annual General Meeting on 23 April 2024 approved the company's financial statements and granted discharge from liability to the Board of Directors and the CEO for the financial year 1 January–31 December 2024.

The AGM resolved that the Board shall consist of five members and elected Reetta Keränen, Harri Lamminen, Risto Lehtimäki, Ville Voipio, and Pekka Tammela as Board members. In its

subsequent organisational meeting, the Board elected Pekka Tammela as Chairman. The AGM decided that the Chairman of the Board shall receive an annual remuneration of EUR 30,000, while other Board members would receive EUR 15,000 annually. Additionally, a meeting fee of EUR 400 was approved for each Board meeting attended.

The AGM resolved to reappoint Moore Idman Oy as the company's auditor, with CPA Antti Niemistö as the principal auditor.

The AGM decided, in accordance with the Board's proposal, that no dividend be distributed for the financial year 2024.

The AGM authorised the Board to issue up to 175,000 shares through share issues or by granting special rights entitling to shares as defined in Chapter 10, Section 1 of the Finnish Companies Act (including option rights) in one or multiple tranches. The authorisation grants the Board the right to decide on all terms related to the issuance of shares and special rights and the transfer of shares, including the right to deviate from shareholders' pre-emptive subscription rights (directed share issue). The authorisation covers both new share issues and the transfer of any treasury shares held by the company. The authorisation is valid until 30 June 2025 and replaces the previous authorisation granted by the Extraordinary General Meeting on 12 May 2023.

Extraordinary General Meeting

The Extraordinary General Meeting on 17 December 2024 resolved to join the book-entry system and authorised the Board to determine the registration period.

The EGM approved amendments to the company's Articles of Association in connection with joining the book-entry system. Under the revised rules, the company's shares are registered in the book-entry system. The EGM also determined that the notice to a General Meeting must be sent to shareholders no earlier than three months and no later than three weeks before the meeting, but at least one week before the record date. Additionally, the redemption clause related to entering redemption rights in the shareholder register, any interim certificates, and subscription right certificates was removed.

The EGM approved the demerger plans signed by the Board on 9 July 2024, under which Marlind Oy and ARA Equity Solutions Oy will demerge into Auroora Yhtiöt Oyj and other companies. The EGM also approved a merger plan under which SPS Fiscus Oy, Starhammar Oy, Pirkanmaa Investment Group Oy, and PIMA Capital Oy will merge into Auroora Yhtiöt Oyj.

The EGM authorised the Board to issue up to 125,000 shares through share issues or by granting special rights entitling to shares as defined in Chapter 10, Section 1 of the Finnish Companies Act (including option rights) in one

or multiple tranches. The authorisation grants the Board the right to decide on all terms related to the issuance of shares and special rights, and the transfer of shares, including the right to deviate from shareholders' pre-emptive subscription rights (directed share issue). The authorisation covers both new share issues, and the transfer of any treasury shares held by the company. The authorisation is valid until 30 June 2025 and replaces the authorisation granted by the AGM on 23 April 2024.

Risks and risk management

The Management Team of Auroora Group is responsible for risk management and its implementation across the Group. The Boards of Directors of the subsidiaries are responsible for risk management and its execution within their respective companies. Risk management within the subsidiaries follows the Group's risk management policy.

The Group seeks to mitigate risks by employing appropriate control methods and processes, including investments in cybersecurity, backup systems, and internal auditing. Due to the nature of Auroora's business model, risks are spread across various businesses and companies. Efforts are made to isolate risks to individual companies, reducing their potential impact on the entire Group.

Risk management processes are reviewed regularly and updated as needed to align with changing conditions. Auroora's most significant strategic and operational risks are related to the market environment and the general economic uncertainty caused by the war in Ukraine, and its potential impacts on the business operations of Auroora's subsidiaries.

Auroora's business model is based on acquisitions. Mergers and acquisitions always involve uncertainty and risks, concerning for

instance the availability of attractive acquisition targets at the right price, the success of integration efforts, and the retention of key personnel within the acquired companies.

Skilled personnel are critical to Auroora's business operations. Risks related to the availability and retention of competent employees could have a significant impact on Auroora's financial performance and position if realised.

Legal matters

Auroora Group is not involved in any disputes or legal proceedings that the Board considers having a material impact on the Group's financial position.

Sustainability

At Auroora, sustainable business operations are at the core of the company's strategy and a prerequisite for long-term value creation. Auroora helps its customers operate more sustainably while striving to reduce its own climate and environmental impact. The most significant impact of Auroora's operations arises from the products, services, and employment provided by its subsidiaries. Through their business activities, the subsidiaries support sustainable energy production and access to clean water while helping customers operate more sustainably. In the coming years, the company will focus on developing business segments that support sustainable development and creating continuous positive impacts in line with its strategy.

In 2024, Auroora conducted a double materiality assessment in accordance with the European Corporate Sustainability Reporting Directive (CSRD) and defined the key focus areas of its group-level sustainability programme. The sustainability programme focuses on positive business impacts as well as reducing the company's own climate impacts, creating safe workplaces, and maintaining ethical business practices and corporate culture.

Auroora systematically works to reduce its climate impact. The company began assessing its climate impact in 2023 by mapping emissions

from its own operations (Scope 1) and purchased energy (Scope 2). During 2024, the emissions calculation was expanded to partially cover value chain emissions (Scope 3).

As part of its sustainability programme, the company is committed to the 1.5-degree target of the Paris Climate Agreement and has set a net-zero emissions target by 2050. As an interim goal, Auroora aims to reduce greenhouse gas emissions by 50% by the end of 2030 compared to 2023 levels. The baseline has been defined according to the 2023 company structure.

Auroora aims to increase the share of renewable energy annually, supporting its emission reduction targets. The company is expanding the scope of its Scope 3 emissions calculations and improving its emissions accounting processes in collaboration with its supply chain. This ensures the accuracy of reporting and the effectiveness of emission reduction measures.

To ensure the effective implementation of its emission reduction targets, Auroora will refine its emissions reduction roadmap and action plan in 2025, defining clear responsibilities and measures. Additionally, the net-zero pathway will be updated based on refined Scope 3 data to target emission reduction efforts across the entire value chain in a more impactful way.

Auroora is committed to providing a safe and inspiring work environment for all employees while minimising workplace accidents. The

company promotes employee well-being and health and continuously improves workplace health and safety. The goal is for all employees to return home safely every day and for the company to operate with zero workplace accidents. In 2024, Auroora recorded 11 workplace accidents leading to absence. There were also 33 non-absence workplace incidents.

In 2025, the Group will establish a unified HR policy, including principles for occupational safety management. Auroora also aims to expand the coverage of its ISO 45001-certified occupational health and safety management system. In 2024, 14 Auroora companies followed the ISO 45001 standard at least partially, with nine of them fully certified. The certification covered 65% of Auroora's workforce.

The Auroora Board of Directors and Group CEO are responsible for the company's sustainability efforts. Sustainability targets applicable to all Auroora companies are set at the group level, with the Board approving group-wide policies and objectives. The Group CEO is responsible for group-level sustainability monitoring and reporting to the Board.

The Group supports its subsidiaries in key sustainability matters that are relevant to all subsidiaries and will be reported at the group level. However, as Auroora operates under a decentralised business model, practical sustainability work is primarily carried out by

the subsidiaries under the guidance of their respective boards. Each subsidiary's CEO holds operational responsibility for sustainability work, and subsidiaries report their progress to the Group at least annually.

Auroora ensures the accountability of its own operations through its management system and by adhering strictly to good governance principles. The company has established ethical guidelines outlined in its Code of Conduct, which all subsidiaries are expected to comply with. By the end of 2024, 100 % Auroora companies had implemented the Code of Conduct as part of their daily operations.

The Code of Conduct sets the minimum standard for all Auroora companies. Every employee is expected to be familiar with and adhere to these principles and to report any misconduct they observe. Auroora also operates a confidential whistleblowing channel for reporting misconduct.

Bribery and corruption are strictly prohibited, and Auroora does not tolerate discrimination or harassment in any form. The company upholds international principles of fair work and labour laws, including freedom of association, collective bargaining, and the prohibition of child and forced labour. All human rights violations, including mental and physical violence, are strictly forbidden.

As part of its preparation for the CSRD-mandated sustainability reporting from the 2025 financial year onwards, Auroora voluntarily publishes a sustainability report aligned in part with the European Sustainability Reporting Standards. This report provides insights into the company's sustainability efforts in 2024.

Board's proposal for distribution of profit

The distributable funds of the parent company as of 31 December 2024 amounted to EUR 45.9 million (33.7), of which the net profit for the financial year was EUR 1.5 million (-0.6). The Board of Directors proposes to the General Meeting that no dividend be distributed for the financial year 2024.

Events after the reporting period

On 16 January 2025, Auroora announced the acquisition of the business operations of Pur-ait Oy, known for its fencing and gate solutions. The acquisition strengthens Auroora's position as a provider of critical infrastructure security. This acquisition is part of Auroora Yhtiöt's long-term strategy, which focuses on acquiring and owning high-quality Finnish companies and developing their business operations.

On 10 March 2025 Auroora announced that Ville Peltonen (MSc in Economics) has been appointed as Chief Financial Officer of Auroora Yhtiöt Oyj. Peltonen will start his role during summer 2025, no later than the beginning of August. At the same time, interim CFO Marko Tulus will move to the role of Project Director at Auroora Yhtiöt.

On 21 March 2025, Auroora announced the signing of an agreement to acquire the entire share capital of BTB Transformers Ab, an international specialist in transformer solutions. BTB Transformers purchases, sells, and supplies transformers, reactors, and other electrical components. Additionally, the company offers maintenance and consulting services related to its products. This acquisition strengthens Auroora Yhtiöt's electrification and automation offering.

Calculation of key figures

Key figure	Calculation formula
Items affecting comparability	Non-recurring expenses, restructuring costs, and amortisation related to the allocation of acquisition costs
Last twelve months (LTM)	Acquired businesses as if they had been owned for 12 months at the reporting date
Rolling 12 months (R12)	The last 12-month period, unadjusted
EBITA	Operating profit + amortisation
Adjusted EBITA	EBITA + non-recurring adjustments affecting comparability
Adjusted EBITA (LTM)	EBITA (LTM) + non-recurring adjustments affecting comparability
Adjusted operating profit	Operating profit + non-recurring adjustments affecting comparability
Equity ratio, %	$\text{Equity} / (\text{total assets} - \text{advances received}) \times 100$
Net debt	Interest-bearing liabilities - interest-bearing receivables - cash and cash equivalents
Net debt excluding lease liabilities	Interest-bearing liabilities - interest-bearing receivables - cash and cash equivalents - lease liabilities
Net debt to adjusted EBITDA ratio	$\text{Net debt} / \text{adjusted EBITDA (LTM)} - \text{lease liabilities (LTM)} \times 100$
Return on capital employed (ROCE), %	$\text{Adjusted EBITA (R12)} / (\text{equity (R12)} + \text{net debt (R12)})$
Adjusted EBITA per share, EUR	Adjusted EBITA / number of outstanding shares
Earnings per share, EUR	Net profit for the period / number of outstanding shares

Pro forma key figures

2023										
(MEUR)	Continuing operations IFRS	Discontinued operations IFRS	IFRS total	FAS pro forma	Discontinued operations	Estimated IFRS impact	FAS pro forma + estimated IFRS impact	Pro forma unadjusted	Adjustments	Pro forma adjusted
	3-12/2023	3-12/2023	3-12/2023	1-2/2023 i)	1-2/2023	1-2/2023 ii)	1-2/2023	1-12/2023	1-12/2023 iii)	1-12/2023 iii)
NET SALES	114.1	-8.5	105.6	16.7	-1.4	0.0	15.3	121.0	0.0	121.0
EBITDA	7.0	-0.8	6.2	0.8	-0.1	0.3	1.0	7.2	0.0	7.2
EBITDA %	6.1%		5.9%				6.8%	6.0%		6.0%
EBITDA, adjusted	7.0	-0.8	6.2	0.8	-0.1	0.3	1.0	7.2	1.1	8.3
EBITDA %, adjusted	6.1%		5.9%				6.8%	6.0%		6.9%
EBITA	4.8	-0.5	4.3	0.6	-0.1	0.0	0.6	4.9	0.0	4.9
EBITA %	4.2%		4.1%				3.8%	4.0%		4.0%
EBITA, adjusted	4.8	-0.5	4.3	0.6	-0.1	0.0	0.6	4.9	1.1	5.9
EBITA-%, adjuated	4.2%		4.1%				3.8%	4.0%		4.9%
OPERATING PROFIT	2.0	-0.4	1.6	0.2	-0.1	0.0	0.2	1.9	0.0	1.9
OPERATING PROFIT, %	1.7%		1.6%				1.4%	1.5%		1.5%
OPERATING PROFIT, adjusted	2.0	-0.4	1.6	0.2	-0.1	0.0	0.2	1.9	1.1	2.9
OPERATING PROFIT %, adjusted	1.7%		1.6%				1.4%	1.5%		2.4%
PROFIT FOR THE FINANCIAL PERIOD	-0.4	0.2	-0.2	0.2	-0.0	0.0	0.2	-0.0	1.1	1.1
PROFIT FOR THE FINANCIAL PERIOD, %	-0.3%		-0.2%				1.0%	0.0%		0.9%

2024					
(MEUR)	Continuing operations IFRS	Discontinued operations IFRS	IFRS total	Adjustments	Adjusted
	1-12/2024	1-12/2024	1-12/2024	1-12/2024	1-12/2024
NET SALES	146.9	-4.3	142.6	0.0	142.6
EBITDA	11.6	-0.2	11.4	0.0	11.4
EBITDA %	7.9%		8.0%		8.0%
EBITDA, adjusted	11.6	-0.2	11.4	1.0	12.5
EBITDA %, adjusted	7.9%		8.0%		8.7%
EBITA	8.1	-0.2	8.0	0.0	8.0
EBITA %	5.5%		5.6%		5.6%
EBITA, adjusted	8.1	-0.2	8.0	1.0	9.0
EBITA-%, adjusted	5.5%		5.6%		6.3%
OPERATING PROFIT	4.0	-0.1	3.9	0.0	3.9
OPERATING PROFIT, %	2.7%		2.7%		2.7%
OPERATING PROFIT, adjusted	4.0	-0.1	3.9	1.0	4.9
OPERATION PROFIT %, adjusted	2.7%		2.7%		3.4%
PROFIT FOR THE FINANCIAL PERIOD	0.5	0.6	1.1	1.0	2.1
PROFIT FOR THE FINANCIAL PERIOD, %	0.3%		0.8%		1.5%

i) The income statement data for the reporting period 1-2/2023 is based on the Group's FAS-based consolidated income statement.

ii) The key IFRS accounting adjustments considered:

- EBITDA – lease payments (IFRS 16) (+340 kEUR)
- EBITA – depreciation, lease liabilities (IFRS 16) (-325 kEUR)
- EBIT – goodwill amortisation (IFRS 22; FAS) (+391 kEUR), business acquisition amortisation (IFRS 3) (-396 kEUR)

iii) Non-recurring adjustments affecting comparability (restructuring costs in the Electrification segment, the Group reporting system, and the IFRS conversion project, as well as write-downs related to previous business acquisitions).

iiii) The comparable pro forma result for the reporting period 1-12/2023 is based on the EU Prospectus Regulation (2019/980) presentation format.

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Consolidated statement of comprehensive income

EUR thousand	Note	1 Jan - 31 Dec 2024	1 Jan - 31 Dec 2023
Net sales	4	142,618	105,635
Other operating income	5	435	266
Changes in inventories of finished goods and work in progress	4	-493	-1,609
Production for own use		-	-
Materials and services	6	-83,898	-68,107
Employee benefit expenses	7	-34,931	-22,193
Depreciation, amortisation and impairments	8	-7,552	-4,565
Other operating expenses	9	-12,497	-7,953
Share of profits in associates	23	178	170
Operating profit (loss)		3,860	1,644
Finance income	10	472	588
Finance costs	10	-3,524	-2,774
Finance costs - net		-3,052	-2,186
Profit (loss) before income tax		808	-542
Income tax expense	11	-328	-30
Profit (loss) from continuing operations		480	-572
Profit (loss) from discontinued operations		601	198
Profit (loss) for the period		1,081	-374

EUR thousand	Note	1 Jan - 31 Dec 2024	1 Jan - 31 Dec 2023
Other comprehensive income			
Items that may be reclassified to profit or loss			
Translation differences		5	58
Items that may be reclassified to profit or loss, total		5	58
Other comprehensive income for the period, net of tax		5	58
Total comprehensive income for the period		1,086	-317
Profit (loss) for the period attributable to			
Owners of the parent		752	-563
Non-controlling interests		329	189
Profit (loss) for the period		1,081	-374
Total comprehensive income for the period attributable to			
Owners of the parent		757	-506
Non-controlling interests		329	189
Total comprehensive income for the period		1,086	-317

The consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

Earnings per share attributable to the parent company's shareholders for the financial year	18		
Income from continuing operations		0.90	-0.85
Income from discontinued operations		-0.08	0.10
Undiluted and diluted in total		0.82	-0.74

Consolidated statement of financial position

EUR thousand	Note	31 Dec 2024	31 Dec 2023	1 Jan 2023
Assets				
Non-current assets				
Other intangible assets	12	29,519	26,181	-
Goodwill	12	42,276	36,400	-
Property, plant and equipment	13	5,716	2,353	-
Right-of-use assets	14	7,996	7,551	-
Investments accounted for using the equity method	23	1,919	1,873	-
Financial assets at fair value through profit or loss	19	414	462	23,676
Other receivables	16	42	24	790
Total non-current assets		87,882	74,844	24,466
Current assets				
Inventories	15	16,309	16,939	-
Trade and other receivables	16, 20	15,720	17,481	198
Income tax receivables	11	735	272	-
Cash and cash equivalents	19	12,467	5,148	4,036
Total current assets		45,232	39,839	4,234
Total assets		133,115	114,683	28,700

EUR thousand	Note	31 Dec 2024	31 Dec 2023	1 Jan 2023
Equity and liabilities				
Equity				
Share capital		864	864	864
Reserve for invested unrestricted equity		41,862	31,162	6,029
Translation differences		63	58	-
Retained earnings (loss)		15,576	16,139	17,966
Profit (loss) for the period		752	-563	-
Total equity attributable to owners of the parent company		59,116	47,659	24,859
Non-controlling interests		3 645	4 837	-
Total equity	17	62,760	52,496	24,859

EUR thousand	Note	31 Dec 2024	31 Dec 2023	1 Jan 2023
Liabilities				
Non-current liabilities				
Borrowings	19	21,561	18,719	-
Lease liabilities	19	5,246	5,361	-
Deferred tax liabilities	11	5,287	4,634	3,193
Derivative financial instruments	19	14	-	-
Other non-current employee benefits	7	1,389	942	-
Provisions	22	25	40	-
Other non-current liabilities		2,167	-	-
Total non-current liabilities		35,688	29,696	3,193
Current liabilities				
Borrowings	19	5,454	4,336	-
Lease liabilities	19	2,942	2,309	-
Advances received	21	4,393	3,766	-
Trade and other payables	21	21,298	21,892	648
Income tax payables	11	578	188	-
Total current liabilities		34,666	32,491	648
Total liabilities		70,354	62,187	3,841
Total equity and liabilities		133,115	114,683	28,700

The consolidated balance sheet should be read in conjunction with the accompanying notes.

Consolidated statement of changes in equity

		Equity attributable to owners of the parent company						
EUR thousand	Note	Share capital	Reserve for invested unrestricted equity	Translation differences	Retained earnings	Total equity attributable to owners of the parent company	Non-controlling interests	Total equity
Equity on 1 Jan 2024	17	864	31,162	58	15,576	47,659	4,837	52,496
Profit (loss) for the period					752	752	329	1,081
Other comprehensive income				5		5		5
Total comprehensive income for the period		-	-	5	752	757	329	1,086
Transactions with shareholders								
Share issue			10,700			10,700		10,700
Distribution of dividend						-	-75	-75
Sale of subsidiaries						-	-1,447	-1,447
Total transactions with shareholders		-	10,700	-	-	10,700	-1,522	9,178
Equity on 31 Dec 2024		864	41,862	63	16,328	59,116	3,645	62,760

		Equity attributable to owners of the parent company						
EUR thousand	Note	Share capital	Reserve for invested unrestricted equity	Translation differences	Retained earnings	Total equity attributable to owners of the parent company	Non-controlling interests	Total equity
Equity on 31 Dec 2022 (FAS)	17	864	6,029		5,195	12,087		12,087
Impact of IFRS transition					12,772	12,772		12,772
Equity on 1 Jan 2023 (IFRS)		864	6,029	-	17,966	24,859	-	24,859
Profit (loss) for the period					-563	-563	189	-374
Other comprehensive income				58		,58,		58
Total comprehensive income for the period		-	-	58	-563	-506	189	-317
Transactions with shareholders								
End of investment entity status	1.1					-	5,393	5,393
Investments			25,132			25,132		25,132
Distribution of dividend					-2,096	-2,096		-2,096
Transactions with non-controlling interest holders					269	269	-745	-476
Total transactions with shareholders		-	25,132	-	-1,827	23,306	4,648	27,954
Equity on 31 Dec 2023		864	31,162	58	15,576	47,659	4,837	52,496

The consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

Consolidated statement of cash flow

EUR thousand	Note	1 Jan – 31 Dec 2024	1 Jan – 31 Dec 2023
Cash flow from operating activities			
Profit (loss) for the financial year		1,081	-374
Adjustments:			
Depreciation and impairments	8	7,669	4,980
Finance costs - net	10	3,103	2,308
Income taxes	11	354	62
Other adjustments		-202	539
Total adjustments		10,923	7,890
Change in trade and other receivables		9,474	-4,647
Change in trade and other payables		-3,899	3,709
Change in inventories		2,923	-785
Change in net working capital		8,498	-1,722
Interest and other finance costs paid		-3,113	-2,451
Interest received		466	569
Dividends received		132	132
Income taxes paid		-1,127	-1,769
Net cash flow from operating activities		16,861	2,274

EUR thousand	Note	1 Jan – 31 Dec 2024	1 Jan – 31 Dec 2023
Cash flow from investing activities			
Investments in tangible assets	13	-1,262	-937
Investments in intangible assets	12	-728	-490
Acquisitions of subsidiaries, net of cash acquired	2	-19,352	1,327
Investments in associates and other investments			-209
Proceeds from the sale of tangible and intangible assets		348	
Disposal of subsidiaries, net of cash disposed		215	81
Loans granted			-450
Repayments of loan receivables			808
Lease deposits paid		0	-4
Net cash flow from investing activities		-20,782	126

EUR thousand	Note	1 Jan – 31 Dec 2024	1 Jan – 31 Dec 2023
Cash flow from financing activities			
Proceeds from borrowings		10,710	14,082
Repayments of borrowings		-7,307	-11,759
Repayments of long-term borrowings			
Dividends paid	17	-75	-2,096
Repayments of lease liabilities	19	-2,789	-1,896
Share issues		10,700	364
Net cash flow from financing activities		11,240	-1,305
Net cash flows from operating, investing, and financing activities		7,318	1,095
Net change in cash and cash equivalents		7,318	1,095
Cash and cash equivalents at 1 Jan		5,148	4,036
Effect of exchange rate changes		1	17
Cash and cash equivalents at 31 Dec		12,467	5,148

The consolidated cash flow statement should be read in conjunction with the accompanying notes.

Notes to the consolidated Financial Statements

1. General information and basis of preparation of the Financial Statements

1.1. Basic information about the Group

Auroora Yhtiöt Oyj ('Auroora' or the parent company) (formerly Pikespo Invest Oy until 20 February 2023) is a Finnish limited company with the Business ID 0588514-3. The company's registered office is in Tampere, and its registered address is Keskustori 7 A 3, 33100 Tampere.

Auroora is a serial acquirer that creates shareholder value by investing the cash flow generated by its subsidiaries into new, well-performing, cash-generating, industry-leading small and medium-sized enterprises (SMEs) in selected segments. The main segments are Electrification and Automation, Clean Water and Environmental Technology, and Industrial Products and Services.

Auroora implemented a strategic transformation by deciding at the General Meeting held on 20 February 2023 to transition its operations from a private equity firm to a serial acquirer. In connection with this, a merger agreement was executed, under which Auroora acquired additional shares in its investment targets.

The shareholders' agreement was renewed as part of the transactions. At the same time, the company's name was changed to Auroora Yhtiöt Oyj. Prior to the strategic change, Auroora presented its investments in companies as a single line item, valuing them at fair value through profit or loss. Following the strategic transformation and the merger agreement, Auroora has consolidated its subsidiaries line by line in the income statement and balance sheet.

The Board of Directors of Auroora Yhtiöt Oyj approved these Consolidated Financial Statements for publication on 24 March 2025. The General Meeting has the right to amend the Financial Statements and republish them.

1.2. Basis of preparation

Auroora's Consolidated Financial Statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union, and they comply with the IAS and IFRS standards in force as of 31 December 2024, as well as the related SIC and IFRIC interpretations. The notes to the Consolidated Financial Statements also comply with the requirements of Finnish accounting and corporate legislation, which supplement the IFRS regulations.

Auroora is publishing its first Consolidated Financial Statements prepared in accordance with IFRS for the financial year ending 31 December 2024, along with comparative information for the financial year ending 31 December 2023. In these Consolidated Financial Statements, the Group applies IFRS 1 First-time Adoption of International Financial Reporting Standards, with the transition date to IFRS set as 1 January 2023. Previously, the company applied the Finnish Accounting Standards (FAS). The transition to IFRS is described in Note 28: First-time Adoption of IFRS.

Auroora's investments were measured at fair value until 20 February 2023. The Consolidated Financial Statements have been prepared based on original acquisition costs, unless otherwise stated in the accounting policies. Derivative instruments have been measured at fair value.

The Consolidated Financial Statements are presented in thousands of euros. The figures in the Financial Statements have been rounded, which may result in minor discrepancies between the sum of individual figures and the reported total. Comparative information is presented in brackets following the figures for the financial year.

Change in investment entity status and commencement of subsidiary consolidation

Prior to the amendment of its Articles of Association, Auroora was classified as an investment entity, with its investments accounted for as financial instruments and measured at fair value through profit or loss. On 20 February 2023, the General Meeting of Auroora Yhtiöt Oyj resolved, in accordance with the Board's proposal, to change the company's name, business sector, and Articles of Association, thereby transforming its operations from a private equity firm into a serial acquirer. In connection with this change, a merger agreement was executed, under which Auroora acquired additional shares in its invested companies. Auroora ceased to be classified as an investment entity on 20 February 2023 and, from this date onwards, has consolidated its subsidiaries in the Consolidated Financial Statements using the acquisition method in accordance with IFRS 3. The date of the change in investment entity status, 20 February 2023, is considered the acquisition date under IFRS 3. The fair value of the acquired subsidiaries at the acquisition date represents the consideration transferred when determining the goodwill arising from the acquisition. The applied accounting policies are described in more detail in Note 2: Business Combinations.

The key impacts of the change from investment entity status on the Group's profit and loss, balance sheet, and cash flow are outlined below.

Consolidated income statement

The consolidated income statement for the financial year 2023 includes both the period from January to February 2023, during which the parent company, as an investment entity, recognised its investments at fair value through profit or loss, and the period from March to December 2023, during which subsidiaries have been consolidated into the Group line by line using the acquisition method. There were no significant changes in the fair value of investments during the period from January to February 2023.

Consolidated balance sheet

Following the date of change in investment entity status, subsidiaries have been consolidated into the consolidated balance sheet line by line using the acquisition method, and investments previously measured at fair value through profit or loss in the parent company have been eliminated as subsidiary shares. The assets and liabilities of the subsidiaries at the commencement of consolidation are described in more detail in Note 2: Business Combinations. As a result of the change in investment entity status, a non-controlling interest has also arisen in the Group's equity.

Consolidated cash flow statement

The consolidated cash flow statement for the

financial year 2023 includes both the period from January to February 2023, when the cash flow statement comprised only the parent company's cash flows, and the period from March to December 2023, when subsidiaries have been consolidated line by line. The cash balances of subsidiaries at the end of the investment entity status are included in investing cash flows, as the change in consolidation principle is treated as an acquisition under IFRS 3.

Key judgement-based decisions

Based on the company's previous business sector, the subsequent decision by the General Meeting to change its operations, as well as the executed merger agreement and the renewed shareholders' agreement, Auroora's management classified the company as an investment entity under IFRS 10, with its holdings measured at fair value until 20 February 2023. After this date, the company no longer monitors its holdings in accordance with the fair value measurement principle applied to investment activities, and the holdings are considered long-term investments.

1.3. Translation of foreign currency items

Functional and presentation currency

The financial statements of each entity within the Group include items measured in the currency of the economic environment in which the respective entity primarily operates

(functional currency). The Consolidated Financial Statements are presented in euros, which is the company's functional and presentation currency.

Foreign currency transactions and balances

Foreign currency transactions are converted into the functional currency using the exchange rates prevailing on the transaction date. Foreign exchange gains and losses arising from the recognition of such transactions and from the translation of foreign currency monetary assets and liabilities at the balance sheet date are recognised in profit or loss. Foreign exchange gains and losses related to ordinary business operations, as well as those associated with financial items, are presented net under finance costs in the comprehensive income statement.

Group companies

The income statements and balance sheets of Group entities that use a functional currency different from the presentation currency are translated into the presentation currency. Assets and liabilities in each balance sheet are translated at the exchange rate prevailing on the balance sheet date. Income and expenses in each statement of comprehensive income are translated at the average exchange rates for the period. Any resulting exchange differences are recognised in other comprehensive income.

When preparing the Consolidated Financial Statements, exchange differences arising from the translation of net investments in foreign

entities are recognised in other comprehensive income. When a foreign entity is disposed of, the related exchange differences are reclassified to profit or loss as part of the gain or loss on disposal.

Fair value adjustments arising from the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and are translated at the exchange rate prevailing on the balance sheet date.

1.4. New and amended standards applicable in future financial years

*IFRS 18 Presentation and Disclosure in Financial Statements**

(Effective for reporting periods beginning on or after 1 January 2027; early application permitted)

The most significant changes relate to the structure of the income statement and the subtotals presented therein. Net sales and expenses will be categorised into the following income statement sections: operating, investing, financing, discontinued operations, and tax. The Financial Statements will also include disclosures on certain performance measures defined by management, which are currently presented outside the Financial Statements. The standard also provides more detailed criteria for aggregation and disaggregation of information, applicable to both the primary Financial Statements and the notes to the

Note	Key estimates and judgement-based decisions
1.2. Basis of preparation	Investment entity status under IFRS 10 and its termination
4. Segment information and net sales	Classification of leases as a lessor
11. Income taxes	Deferred tax assets from losses
2. Business acquisitions	Fair values of acquired assets (customer relationships, trademarks, and technology)
12. Intangible assets	Goodwill impairment testing
13. Leases	Determination of lease term
13. Leases	Determination of incremental borrowing rate
21. Provisions	Estimation of the amount and timing of a provision

Financial Statements. IFRS 18 replaces IAS 1 Presentation of Financial Statements.

*Annual Improvements to International Financial Reporting Standards (Volume 11)**

(Effective for reporting periods beginning on or after 1 January 2026)

The annual improvements clarify the following standards: IFRS 1, IFRS 7, IFRS 9, IFRS 10, and IAS 7.

Auroora will assess the impact of IFRS 18 Presentation and Disclosure in Financial Statements on Financial Statement presentation during 2025. The Group will apply the standard from its effective date, 1 January 2027. Other new standards, amendments, or interpretations issued by the time of the Financial Statements

and effective from 1 January 2025 or later are not expected to have a significant impact on Auroora's Financial Statements.

*= This standard had not yet been endorsed by the EU as of 31 December 2024.

1.5. Key estimates and judgement-based decisions

The preparation of Financial Statements in accordance with IFRS requires management to make accounting estimates and judgement-based decisions that affect the amounts of assets and liabilities presented in the Financial Statements, as well as the net sales and expenses reported for the financial year. These estimates and judgements are based

on management's best knowledge, past experience, and expectations of future events. The actual outcomes of events based on these estimates and judgements may differ from those anticipated. Additionally, management must exercise judgement in applying the accounting policies used in the Financial Statements. The key estimates and judgement-based decisions are presented in the following notes:

2. Business acquisitions

Auroora considers that it ceased to be an investment entity on 20 February 2023. From that date onwards, subsidiaries have been consolidated into the Consolidated Financial Statements using the acquisition method in accordance with IFRS 3. At the same time, Auroora acquired additional shares in its existing investments. The following subsidiaries were accounted for under IFRS 3 upon the termination of its investment entity status:

ARNON Oy

ARNON Oy provides industrial automation and electrification services, covering product development, design, manufacturing, and assembly. Its services include sensor, instrumentation, and electrification solutions, as well as automation systems and remote connections to cloud-based services. Its main segments include maritime, mining, energy, and industrial applications. The ARNON Oy Group consists of the parent company and its

subsidiaries: **TKF Power Quality Oy**, **ARNON Sp. z.o.o.**, and **ARNON AB**. ARNON Oy is part of Auroora's Automation and Electrification segment.

Sähkölandia Oy

Sähkölandia Oy is an energy sector company specialising in substation contracting. Its customers include electricity distribution companies, power producers, and industrial operators. Sähkölandia Oy is part of Auroora's Automation and Electrification segment.

FENTEC Group Oy

FENTEC Group Oy enhances operational efficiency through real-time inventory solutions and comprehensive RFID systems. Its products and services cater to industries such as manufacturing, logistics, supply chains, healthcare, and service businesses. The FENTEC Group includes the parent company and its subsidiary, **FENTEC Oy**. FENTEC Group Oy is part of Auroora's Industrial Products and Services segment.

Operon Group Oy

Operon Group Oy is a water sector company focusing on wastewater treatment and environmental technology. Its clients include municipalities, industrial enterprises, and facilities. Operon offers operational and maintenance services, sludge treatment and recycling, as well as water treatment plant technologies and process solutions. The Operon Group includes the parent company

and its subsidiaries: **Operon International Ltd Oy** (formerly **Aquazone Oy**), **Solid Water Oy**, **Operon Finland Oy**, and **Suomen Ekolannoite Oy**. Operon Group Oy is part of Auroora’s Clean Water and Environmental Technology segment.

Vestelli Group Oy

Vestelli Group Oy provides wastewater solutions, liquid level alarm devices, and related IoT services. The Vestelli Group consists of the parent company and its subsidiaries: Vestelli Oy and Vestelli Sverige AB. Vestelli Group Oy is part of Auroora’s Clean Water and Environmental Technology segment.

EV Training Oy

EV Training’s operational company, EV-Valmennus Oy, offers entrance exam preparation courses for business schools, universities of applied sciences, and psychology programmes. Approximately 70% of the courses are conducted online. EV Training Oy is part of Auroora’s Other Operations segment.

Puhdas Group Oy

Puhdas Group Oy provides cleaning services, including construction site cleaning, stairwell cleaning, office cleaning, window and floor washing, and other related services in the Turku and Helsinki regions. The Puhdas Group consists of the parent company and its subsidiaries: Cleantime Oy, Real Clean Finland Oy, and Timra Siivouspalvelut Oy (as of 1 June 2023).

Acquisitions in 2023

Timra Siivouspalvelut Oy

On 1 June 2023, Puhdas Group Oy, a subsidiary of Auroora, acquired the entire share capital of Timra Siivouspalvelut Oy. This acquisition strengthened Puhdas Group’s position in property sector cleaning services.

HTT High Tech Technology Oy

Auroora acquired HTT High Tech Technology Oy (‘HTT’), an industrial services company. HTT serves domestic and international clients in the energy, machinery, industrial, and maritime sectors. Its expertise includes pressure equipment welding and installation, machinery and equipment installations, maintenance and servicing, power plant overhauls, and installation supervision. This acquisition strengthened Auroora’s Industrial Products and Services segment. HTT has been consolidated into the Group as of 1 July 2023. HTT High Tech Technology Oy is part of the Industrial Products and Services segment.

Acquisition costs for subsidiaries acquired:

EUR thousand	31 Dec 2024	ARNON	Other acquisitions 2023	31 Dec 2023 total
Fair value of the investment less unrealised deferred tax	-	6,358	12,269	18,627
Paid in cash	20,790		3,785	3,785
Issued shares		12,579	12,250	24,828
Contingent consideration	2,059		50	50
Total consideration	22,849	18,937	28,354	47,291

FENTEC Group Oy

In September 2023, Auroora acquired an additional 20% stake in FENTEC Group Oy, increasing the Group’s ownership in the subsidiary to 80%.

Acquisitions in 2024

CWP Coloured Wood Products Oy

In March 2024, Auroora acquired the entire share capital of CWP Coloured Wood Products Oy (‘CWP’). CWP specialises in environmentally friendly methods of through-colouring birch veneer. The acquisition supports Auroora’s strategy of acquiring high-quality SMEs and developing them through long-term ownership. This transaction strengthens Auroora’s Industrial Products and Services segment.

Solifix Oy

In March 2024, HTT High Tech Technology Oy, a subsidiary of Auroora Yhtiöt Oyj, acquired the entire share capital of Solifix Oy, an industrial services provider.

Telatek Service Oy

In June 2024, Auroora acquired the entire share capital of Telatek Service Oy (‘Telatek’). Telatek is a specialist company focused on demanding maintenance services and operates across five locations in Finland. This acquisition strengthens Auroora’s Industrial Products and Services segment and reinforces the Group’s position as a strategic partner for industrial maintenance clients in Finland.

YO-Valmennus Oy

In June 2024, EV Training Oy, a subsidiary of Auroora Yhtiöt Oyj, acquired the entire share capital of YO-Valmennus Oy. YO-Valmennus Oy provides coaching services for upper secondary school students.

Suomen Vuokrakontti Oy

In September 2024, Auroora acquired the entire share capital of Suomen Vuokrakontti Oy. The company specialises in customised container solutions for demanding applications. This

acquisition strengthens Auroora’s Industrial Products and Services segment.

Avalon Nordic Oy

In December 2024, Vestelli Oy, a subsidiary of Auroora Yhtiöt Oyj, acquired the entire share capital of Avalon Nordic Oy. Avalon Nordic is an environmental technology company operating in the Nordic region, offering comprehensive solutions in wastewater treatment and clean water and environmental technology. This acquisition strengthens Auroora’s Clean Water and Environmental Technology segment.

Acquisition costs

At the time Auroora ceased to be an investment company, the fair value of the subsidiaries consolidated under IFRS 3 was considered to represent the assumed consideration transferred. Simultaneously, Auroora acquired additional shares in its existing investments. As consideration for the additional shares, a total of 481,731 shares in Auroora Yhtiöt Oyj were issued at a price of EUR 51.54 per share, amounting to EUR 24,828 thousand. Of these, 244,056 shares and EUR 12,579 thousand were related to the acquisition of ARNON Oy. The valuations were based on confirmed forecasts for the current financial year, the budget for the following year, and long-term projections, incorporating company presentations and management interviews. The valuations were primarily conducted by third parties using the discounted cash flow (DCF) method, supplemented by the comparable

Net assets of acquired subsidiaries:

EUR thousand	31 Dec 2024	ARNON	Other acquisitions 2023	31 Dec 2023 total
Intangible assets	266	866	914	1,780
Customer relationships	6,249	9,690	8,785	18,475
Trademarks	1,428	4,036	3,450	7,487
Technology	-	-	390	390
Tangible fixed assets	3,952	197	2,159	2,356
Right-of-use assets	1,924	6,015	1,878	7,893
Investments accounted for using the equity method	-	-	51	51
Financial assets measured at fair value through profit or loss	4	-	2	2
Deferred tax assets	450	242	1,675	1,917
Inventories	2,857	16,230	728	16,959
Trade and other receivables	8,742	4,364	8,120	12,484
Cash and cash equivalents	1,437	574	5,338	5,913
Total assets	27,309	42,215	33,491	75,706
Loans	2,348	4,099	16,727	20,825
Lease liabilities	1,924	6,015	1,878	7,893
Deferred tax liabilities	2,013	2,906	4,127	7,033
Other long-term employee benefits	325	609	193	802
Provisions	-	-	250	250
Advance payments received	172	1,533	1,344	2,877
Income tax liabilities	319	-	-	-
Trade and other payables	5,544	12,453	7,105	19,558
Total liabilities	12,644	27,616	31,623	59,239
Acquired identifiable net assets	14,665	14,599	1,868	16,467

company analysis. The exchange ratio applied was the average of the valuations from different parties.

The acquisitions in 2024 were primarily executed in cash, without conditional purchase prices. However, the acquisition of Suomen Vuokrakontti Oy included a conditional purchase price. This earn-out is determined based on the cumulative EBITDA for the years 2024–2026 and was estimated at EUR 3,000 thousand at the time of acquisition. Its discounted value at the acquisition date, EUR 2,059 thousand, was added to the total purchase price.

The goodwill arising from the acquisitions of subsidiaries:

EUR thousand	31 Dec 2024	ARNON	Other acquisitions in 2023	31 Dec 2023 total
Total consideration	22,849	18,937	28,354	47,291
Fair value of the non-controlling interest	-	0	5,577	5,577
Fair value of the acquired net assets	14,665	14,599	1,868	16,467
Goodwill	8,184	4,338	32,063	36,401

The fair value of non-controlling interests was determined based on completed transactions. Goodwill consists of employee expertise, synergies between portfolio companies, and expected future net sales from customer relationships. Goodwill is not tax-deductible.

Acquisition costs of subsidiary shares:

In 2023, Auroora acquired an additional 20% interest in FENTEC Oy, increasing the Group’s ownership in the subsidiary to 80%. The acquisition was treated as a transaction between owners. The purchase price paid for the shares was EUR 800 thousand.

EUR thousand	31 Dec 2024	31 Dec 2023
Carrying amount of the acquired non-controlling interest	-	869
Total consideration	-	800
Reduction of the parent company's equity attributable to its owners	0	-69

Goodwill consists of the expertise of the personnel, synergies between portfolio companies, and the expected future net sales from customer relationships. Goodwill is not tax-deductible.

Acquired receivables

The carrying amount of acquired trade receivables was substantially equal to their fair value and amounted to EUR 8,719 thousand (31 December 2023: EUR 11,140 thousand).

Net sales and profit impact

The acquired businesses generated net sales of EUR 16,168 thousand and operating profit of EUR 1,101 thousand for the period from 1 January to 31 December 2024, after consolidation into the Group (2023: net sales EUR 114,120 thousand and operating profit EUR 1,996 thousand, including subsidiaries that were treated under IFRS 3 following the termination of their investment entity status).

Net sales would have been EUR 33,317 thousand (2023: EUR 141,311 thousand) and operating profit EUR 3,307 thousand (2023: EUR 2,165 thousand) if the acquisition had taken place on 1 January 2024. These amounts are calculated using the subsidiaries' results, adjusted for the following factors:

- differences in accounting policies between the Group and the subsidiary, and
- additional depreciation and tax effects that would have been recorded if intangible assets had been measured at fair value from 1 January 2024.

Acquisition-related costs

Acquisition-related expenses were recognised as costs when incurred and are presented in

Consideration – cash flow

EUR thousand	31 Dec 2024	ARNON	Other acquisitions in 2023	31 Dec 2023 total
Cash paid less acquired cash equivalents				
Cash consideration	20,790	0	4,585*	4,585
Less: acquired amounts				
Cash equivalents	-1,437	-574	-5,,338	-5,913
Total acquired amounts	19,353	-574	-753	-1,327
Net cash flow - investments	-19,353	574	753	1,327

*Also includes the acquisition cost for the acquisition of the additional stake in FENTEC Oy

the income statement under other operating expenses, except for costs directly related to the issuance of equity instruments, which are deducted from equity. Acquisition-related expenses of EUR 469 thousand (31 December 2023: EUR 558 thousand) have been recognised in the income statement for 2024.

Accounting policies

In a business combination, the identifiable assets acquired and the identifiable liabilities and contingent liabilities assumed are initially measured at their fair value at the acquisition date, with a few exceptions. The non-controlling interest in the acquired company is recognised at fair value or at the amount corresponding

to the non-controlling interest's share of the acquired company's identifiable net assets. A decision is made on a case-by-case basis.

Key judgements

Fair values of acquired assets (customer relationships, trademarks, and technology)

In a business combination, the acquired net assets are measured at fair value. Auroora's management has exercised judgment in determining the fair value of identifiable intangible assets at the acquisition date and in determining the economic useful life of those assets. Auroora's business acquisitions have recognised customer relationships, trademarks, and technology. The value of these assets was

primarily determined based on estimated future cash flows. Management believes that the estimates and assumptions used are sufficiently appropriate for determining the fair values.

3. Discontinued operations and divestments

Discontinued operations

Puhdas Group was classified as a discontinued operation in spring 2024. Auroora signed an agreement on 4 June 2024 for the sale of Puhdas Group's cleaning services business to the Swedish company Reledon.

Auroora's ownership stake in the shares of the Puhdas Group sub-group was 39.5%, and the sale price of the shares was EUR 1,196 thousand.

In the Group's income statement, continuing and discontinued operations are presented separately. The comparative information in the income statement has been adjusted accordingly. The result of the discontinued operation for the period 1 January to 31 December 2024 includes a gain on the sale of EUR 424 thousand and a result of EUR 176 thousand from the discontinued operation.

EUR thousand	1 Jan – 31 Dec 2024	1 Jan – 31 Dec 2023
Net sales	4,305	8,485
Other operating income	26	10
Operating expenses	-4,128	-8,266
Operating income	203	229
Income tax expense	-26	-32
Operating income after taxes	176	198
Sales profit from discontinued operations	424	-
Profit (loss) from discontinued operations after taxes	601	198

Impact of sales on consolidated balance sheet

EUR thousand	31 Dec 2024
Intangible assets	3,353
Property, plant, and equipment	1,143
Shares, holdings, and long-term receivables	18
Inventories	127
Trade and other receivables	1,225
Cash and cash equivalents	982
Borrowings	-1,724
Lease liabilities	-618
Deferred tax liabilities	-210
Trade and other payables	-2,076
Assets and liabilities, net	2,220
Non-controlling interest in net assets	1,447
Parent company owners' share of net assets	773
Cash consideration received	1,196
Disposed cash funds	-982
Net cash flow	215

Discontinued operations and groups of assets held for sale

Non-current assets or groups of assets held for sale are classified as held for sale if the carrying amount of the assets is expected to be recovered primarily through their sale, and the sale is considered highly probable. They are measured at the lower of carrying amount or fair value less costs to sell.

Assets classified as held for sale are presented separately from other assets in the balance sheet. Liabilities associated with assets classified as held for sale are presented separately from other liabilities in the balance sheet. No depreciation is made on assets after their classification as held for sale. The recognition of interest and other expenses related to liabilities within the group of assets held for sale continues.

A discontinued operation is a part of the company that has been disposed of or classified as held for sale, represents a separate major business or geographical area of operations, and is part of a single coordinated plan to dispose of that business area. The results of discontinued operations are presented separately in the income statement. The comparative income statement is adjusted to reflect the presentation for the reporting period.

4. Segment information and net sales

Auroora previously had only one operating segment, investment activities. Following the company's strategic change and the termination of its investment entity status, the segments were redefined in February 2023. Auroora's operating segments, and also its reporting segments, are Electrification and Automation, Clean Water and Environmental Technology, and Industrial Products and Services.

Auroora's chief operating decision maker (CODM) is the Board of Directors. The Board is responsible for allocating resources to the business operations and assessing their performance. The Board reviews net sales and EBITA figures by business segment when allocating resources.

Below is a description of Auroora's reportable segments:

- Electrification and Automation: development of new energy-efficient technologies and integrated smart electrical systems and grids
- Clean Water and Environmental Technology: water purification technology and related services.
- Industrial Products and Services: industrial products and specialised services

In the Group, the performance of segments is evaluated based on segment net sales from external customers and EBITA. The same accounting policies and measurement principles as in the Consolidated Financial Statements are applied in segment reporting. Transactions between segments are conducted at market prices. Other operations include the parent company, associates, and the EV Training sub-group figures.

In 2024 and 2023, Auroora had no external customers whose net sales contributed more than 10% of the Group's total net sales.

The Group generates net sales from the transfer of goods and services from key product lines over time and at a specific point in time.

Net sales and EBITA from external customers by segment

	Net sales		EBITA	
EUR thousand	1 Jan – 31 Dec 2024	1 Jan – 31 Dec 2023	1 Jan – 31 Dec 2024	1 Jan – 31 Dec 2023
Electrification and Automation	96,680	81,077	6,248	3,279
Clean Water and Environmental Technology	13,741	15,069	-267	946
Industrial Products and Services	30,466	8,253	2,394	396
Total segments continuing operations	140,887	104,399	8,374	4,621
Other operations	2,701	1,692	-389	-330
Eliminations	-970	-456		
Total continuing operations	142,618	105,635	7,985	4,291

EBITA reconciliation to operating profit

EUR thousand	1 Jan – 31 Dec 2024	1 Jan – 31 Dec 2023
EBITA	7,985	4,291
Impairment	-4,124	-2,647
Operating profit	3,860	1,644

Net sales from external customers is presented below, classified by geographical region:

EUR thousand	1 Jan – 31 Dec 2024	1 Jan – 31 Dec 2023
Finland	137,238	101,285
Sweden	3,094	2,505
Poland	2,286	1,845
Total continuing operations	142,618	105,635

Contract-based assets and liabilities

The consolidated balance sheet includes the following contract-based assets and liabilities:

EUR thousand	31 Dec 2024	31 Dec 2023	1 Jan 2023
Contract assets	4,017	4,489	-
Contract liabilities	6,647	3,765	-

Net sales includes EUR 3,765 thousand in sales income that was included in contract liabilities at the beginning of the period.

EUR thousand	Net sales recognition timing	1 Jan – 31 Dec 2024	1 Jan – 31 Dec 2023
Electrification and Automation	Over time	14,901	12,245
Clean Water and Environmental Technology	Over time	10,621	13,008
Industrial Products and Services	Over time	23,155	4,595
Other operations	Over time	1,815	1,237
Total		50,492	31,085
Electrification and Automation	At a specific point in time	81,779	68,832
Clean Water and Environmental Technology	At a specific point in time	3,093	2,061
Industrial Products and Services	At a specific point in time	7,254	3,658
Total		92,125	74,551
Total continuing operations		142,618	105,635

Accounting policies

The company follows the five-step model for revenue recognition outlined in IFRS 15 Revenue from Contracts with Customers, which involves the following steps:

- Identifying the contract
- Identifying the performance obligations
- Determining the transaction price
- Allocating the transaction price to the performance obligations
- Recognising revenue at a point in time or over time

Revenue from the sale of goods is recognised at a point in time. Control of the goods passes to the customer at a single point in time, typically when the customer gains ownership or physical control of the goods, when the customer has accepted the goods, or when Auroora has the right to payment.

For services provided by Auroora, the customer simultaneously receives and consumes the benefits as Auroora delivers the service. Revenue from services is recognised over time.

Auroora has projects where an asset is created that has no alternative use for Auroora, and Auroora has the right to receive payment for the work performed up to the review date. Such projects are recognised over time. The most significant of these are at Sähkölandia Oy and Solid Water Oy and Operon International Oy, which are subsidiaries of Operon Group Oy. The revenue recognition for Sähkölandia Oy is based on input costs.

Revenue from customer contracts is recognised to the extent that the company expects to receive from the customer, adjusted for taxes. Variable consideration, such as discounts, included in a customer contract is estimated and recognised in revenue only to the extent that it is highly probable that a significant reversal of the recognised revenue will not occur. The amount of variable consideration is estimated at the end of each reporting period. If a contract includes more than one performance obligation, the consideration included in the contract is allocated to the performance obligations based on their standalone selling prices. Auroora does not have significant warranty obligations.

In Auroora’s customer contracts, the time between the transfer of goods or services to the customer and the receipt of payment is less than 12 months. Auroora has decided to apply the practical expedient not to adjust revenue for the effects of financing components. Any advance payments received from customers are recognised in the balance sheet as advances received (contract liabilities).

For sales commissions incurred, Auroora applies the practical expedient and recognises the expenses when they are incurred, as the associated asset would be expensed within one year.

Leases – lessor

A significant part of Suomen Vuokrakontti Oy’s business is leasing. Suomen Vuokrakontti Oy leases containers and classifies all its lease agreements as operating leases, as the agreements do not transfer a significant portion of the risks and rewards of ownership to the customer.

Key judgements

The business acquired by Auroora in 2024, Suomen Vuokrakontti Oy, involves the sale and leasing of containers. The lease agreements of Suomen Vuokrakontti Oy are classified as operating leases, as the risks and rewards inherent in ownership largely remain with Suomen Vuokrakontti. Revenue from leasing activities is presented under the line “Net sales” in the Group’s consolidated income statement, as leasing is the core business of the company.

5. Other operating income

EUR thousand	1 Jan – 31 Dec 2024	1 Jan – 31 Dec 2023
Damages received	-	100
Grants received	230	8
Sales profit from tangible fixed assets	8	-
Other	197	158
Total	435	266

Accounting policies

Public grants

Public grants are recognised in the profit and loss for the periods in which the expenses they are intended to cover are recognised, provided it is reasonably certain that the conditions related to the grants will be met and the grants will be received. Public grants related to the acquisition of tangible fixed assets are deducted from the acquisition cost of the asset. The impact on profit is recognised as reduced depreciation on the acquired asset.

6. Materials and services

EUR thousand	1 Jan – 31 Dec 2024	1 Jan – 31 Dec 2023
Purchases during the financial year	-72,058	-62,680
Change in current assets	-3,511	2,004
External services	-8,329	-7,431
Total	-83,898	-68,107

Material purchases include, for example, electrical and automation products, and external services consist of industrial services purchased to meet customer needs.

7. Employee benefits expenses

The Auroora Group has an average of 652 employees (793), across a total of 3 countries. The number of employees is based on the total amount of labour converted into full-time equivalents. Below are the employee benefits granted. Employee benefits granted to members of the executive team, CEOs, and board members are disclosed in Note 23, Related parties.

EUR thousand	1 Jan – 31 Dec 2024	1 Jan – 31 Dec 2023
Salaries and wages	-28,539	-18,117
Pension costs – contribution-based schemes	-4,897	-3,081
Statutory personnel add-ons	-1,410	-878
Other long-term employee benefits – service bonus	-85	-117
Total	-34,931	-22,193

Other long-term employee benefits consist of service anniversary bonuses. The costs of the arrangement are determined using actuarial calculations. An actuary performs the valuation of the arrangement on a regular basis using a method based on the anticipated benefit units. This method ensures that the costs related to the arrangement are recognised in the profit and loss to spread the expenses evenly over the employee's career. Auroora Group presents the employment-related costs arising from benefit-based obligations under employee benefits expenses, with the net interest shown under finance costs.

Average number of employees during the financial year

	31 Dec 2024	31 Dec 2023
Electrification and Automation	329	322
Clean Water and Environmental Technology	61	53
Industrial Products and Services	251	107
Other	11	14
Total	652	496

Number of employees at the end of the financial year

	31 Dec 2024	31 Dec 2023
Electrification and Automation	317	328
Clean Water and Environmental Technology	60	54
Industrial Products and Services	278	109
Other	12	16
Total	667	507

Further information on executive remuneration is provided in Note 23. Related parties.

Accounting policies

Short-term employee benefits are recognised as an expense in the period in which the related work is performed. A liability is recognised when the Group has a legal and constructive obligation related to the employment based on the performance, and when the obligation can be reliably measured.

Defined contribution pension schemes

Auroora only has defined contribution pension schemes in the areas in which it operates. Under defined contribution schemes, contributions are paid to an insurance company or other similar entity, after which the Group has no further payment obligations. Contributions to defined contribution schemes are recognised as an expense in the income statement for the period in which the charge relates.

Service anniversary bonus

Auroora Group pays service anniversary bonuses to its production employees based on collective bargaining agreements. The scheme is treated as a long-term employee benefit scheme in accordance with IAS 19 Employee Benefits, and revaluation-related items, including actuarial gains and losses, are immediately recognised in the consolidated balance sheet for the period, through the statement of comprehensive income, as they arise.

Costs based on prior service are recognised as an expense either when the arrangement is modified or curtailed, or when the restructuring costs or termination benefits related to the arrangement are recognised, whichever is earlier. The net interest is calculated using the discount rate for the net liability or asset in the defined benefit scheme. The Group recognises the changes in the service cost and net interest in the employee benefits expenses and the net interest costs or income in finance costs.

The obligations and associated service costs for the service anniversary bonus are calculated using an expected benefit unit method, discounting the estimated future cash flows at a discount rate based on the yield curve of euro-denominated corporate bonds rated AA, reflecting the duration of the liability.

8. Depreciation and impairments

Depreciation and impairments by category

Property, plant, and equipment

EUR thousand	1 Jan – 31 Dec 2024	1 Jan – 31 Dec 2023
Buildings and structures	-59	-12
Machinery and equipment	-932	-338
Total	-992	-349

Right-of-use assets

EUR thousand	1 Jan – 31 Dec 2024	1 Jan – 31 Dec 2023
Buildings and structures	-2,145	-1,421
Machinery and equipment	-146	-91
Other tangible fixed assets	-144	-57
Total	-2,436	-1,569

Intangible assets

EUR thousand	1 Jan – 31 Dec 2024	1 Jan – 31 Dec 2023
Development costs	-460	-304
Customer relationships	-1,987	-1,174
Trademarks	-1,179	-851
Technology	-78	-65
Intangible rights	-352	-246
Other intangible assets	-68	-6
Total	-4,124	-2,647
Total depreciation	-7,552	-4,565

Accounting policies

Depreciation is recognised in the Group's statement of comprehensive income as straight-line depreciation over the estimated useful life of tangible and intangible assets. Right-of-use assets are depreciated over the economic useful life or, if shorter, the lease term.

9. Other operating expenses

EUR thousand	1 Jan – 31 Dec 2024	1 Jan – 31 Dec 2023
Premises expenses	-1,044	-766
Machinery, equipment, and vehicle expenses	-895	-599
Information technology expenses	-1,351	-850
Travel expenses	-3,706	-1,794
Voluntary personnel expenses	-1,445	-789
Marketing and sales expenses	-845	-1,091
Research and development expenses	-153	-213
Administrative services	-357	-310
Other external services	-1,970	-859
Other business expenses	-731	-682
Total	-12,497	-7,953

The fees paid to the auditor appointed by the General Meeting for statutory auditing of the Group for the financial years included in the Financial Statements are presented in the table below:

EUR thousand	1 Jan – 31 Dec 2024	1 Jan – 31 Dec 2023
Moore Idman		
Audit	-96	-59
Tax and legal advisory	-	-3
Other services	-34	-1
Total	-130	-62

EUR thousand	1 Jan – 31 Dec 2024	1 Jan – 31 Dec 2023
Other audit firms		
Audit	-22	-16
Tax and legal advisory	-	-
Other services	-	-
Total	-22	-16

Accounting policies

Research expenses are recognised as an expense in the Group's statement of comprehensive income under other operating expenses when they are incurred. Development costs are recognised as an expense if they do not meet the criteria for capitalising internally generated intangible assets. If they do meet the criteria, they are capitalised as intangible assets on the balance sheet and amortised over their estimated useful life. Development costs previously recognised as expenses are not reclassified as assets in subsequent periods.

10. Finance income and expenses

Interest income and other finance income

EUR thousand	1 Jan – 31 Dec 2024	1 Jan – 31 Dec 2023
Realised foreign exchange gains on foreign currency-denominated items	119	289
Interest income	197	260
Other finance income	157	40
Total	472	588

Finance expenses

EUR thousand	1 Jan – 31 Dec 2024	1 Jan – 31 Dec 2023
Interest expenses on loans	-1,386	-924
Interest expenses on lease liabilities	-367	-297
Interest expenses on factoring liabilities	-897	-884
Other interest expenses	-141	-88
Realised foreign exchange losses on foreign currency-denominated items	-141	-159
Unrealised foreign exchange losses	-137	
Other finance expenses	-456	-423
Total	-3,524	-2,774

Other interest expenses include a cost of EUR 37 thousand (2023: EUR 23 thousand) related to employee benefits and EUR 108 thousand (2023: EUR 0 thousand) related to the discounting of additional purchase consideration. Other financial expenses include costs from factoring agreements of EUR 10 thousand (2023: EUR 7 thousand), costs arising from changes in the fair value of derivatives of EUR 14 thousand (2023: EUR 0 thousand), and other financial expenses of EUR 432 thousand (2023: EUR 416 thousand), including the largest item, an impairment of loan receivables amounting to EUR 170 thousand.

11. Income taxes

The income tax expense includes income tax based on the taxable income for the period and deferred taxes.

EUR thousand	1 Jan – 31 Dec 2024	1 Jan – 31 Dec 2023
Taxes based on taxable profit for the period	-1,025	-695
Taxes related to previous financial years	-28	-19
Total taxes based on taxable profit for the period	-1,053	-714
Change in deferred tax assets	194	-20
Change in deferred tax liabilities	505	672
Change in deferred taxes	699	651
Income taxes	-355	-62
Distribution of income taxes		
Profit from continuing operations	-328	-30
Profit from discontinued operations	-26	-32

The difference between the Finnish statutory tax rate (20%) income taxes and the income taxes recorded in the statement of comprehensive income is reconciled as follows:

EUR thousand	1 Jan – 31 Dec 2024	1 Jan – 31 Dec 2023
Profit before taxes from continuing operations	808	-542
Profit before taxes from discontinued operations	203	229
	1,011	-313
Taxes calculated at Finland’s tax rate of 20%	-202	63
Effect of differing tax rates in foreign subsidiaries	-11	-7
Effect of non-deductible expenses for tax purposes	-149	-31
Effect of tax-exempt income		13
Utilisation of previously unrecognised deferred tax assets from losses	137	133
Share of profit from associates and joint ventures	36	34
Effect of unrecognised deferred tax assets from losses	-281	-253
Adjustments related to previous financial years	-28	-19
Other items	14	8
Income taxes	-355	-6

Deferred tax assets and liabilities 2024

EUR thousand	1 Jan 2024	Recognised in profit or loss	Translation differences	Sale of commercial operations	Business combinations	31 Dec 2024
Deferred tax assets						
Leases	1,534	-281			385	1,638
Provision for credit losses	52	-40				12
Tax losses		129				129
Service bonus	188	24			65	278
Inventories	120					120
Derivative financial instruments		3				3
Other	5	-26	1			-20
Total	1,899	-191	1	0	450	2,159
Offsetting of deferred taxes	-1,899					-2,159
Total	0	-191	1	0	450	0

EUR thousand	1 Jan 2024	Recognised in profit or loss	Translation differences	Sale of commercial operations	Business combinations	31 Dec 2024
Deferred tax liabilities						
Accumulated depreciation difference	26	64				91
Intangible assets	4,825	-658		-210	1,628	5,585
Investments	171					171
Leases	1,510	-296			385	1,599
Total	6,533	-889	0	-210	2,012	7,446
Offsetting of deferred taxes	-1,899					-2,159
Total	4,634	-889	0	-210	2,012	5,287

Deferred tax assets and liabilities 2023

EUR thousand	1 Jan 2023	Recognised in profit or loss	Translation differences	Change in consolidation principle	Business combinations	31 Dec 2023
Deferred tax assets						
Leases		-45			1,579	1,534
Provision for credit losses		52				52
Service bonus		28			160	188
Inventories					120	120
Other		-55	2		58	5
Total	0	-20	2	0	1,917	1,899
Offsetting of deferred taxes						-1,899
Total	0	-20	2	0	1,917	0

The most significant temporary differences between accounting and taxation are related to customer relationships and trademarks recognised from business acquisitions. Acquisitions are described in Note 2. Business acquisitions. The Group has recognised tax losses, from which a deferred tax asset of EUR 129 thousand (31 December 2023: EUR 0) has been recorded.

EUR thousand	1 Jan 2023	Recognised in profit or loss	Translation differences	Change in consolidation principle	Business combinations	31 Dec 2023
Deferred tax liabilities						
Accumulated depreciation difference		3			23	26
Intangible assets		-445			5,270	4,825
Inventories		-161			161	0
Investments	3,193			-3,022		171
Leases		-68			1,579	1,510
Other						0
Total	3,193	-672	0	-3,022	7,033	6,533
Offsetting of deferred taxes						-1,899
Total	3,193	-672	0	-3,022	7,033	4,634

	Unused losses		Recognised deferred tax assets		Unrecognised deferred tax assets	
EUR thousand	2024	2023	2024	2023	2024	2023
Expires in 0 to 3 years		-	-	-	-	-
Expires in 4 to 7 years	74	93	15	-	-	19
Expires in 8 to 10 years	571	901	114	-	-	180
Total	645	993	129	-	-	199

Accounting policies

Income taxes

The income tax expense or benefit for the period is presented as the tax payable based on each country's income tax rate on the taxable income for the period, adjusted for changes in deferred tax assets and liabilities arising from temporary differences. Taxes based on taxable income are calculated using the applicable tax rates in the countries where the Group operates. Taxes are recognised in the income statement, unless they relate to other comprehensive income items or directly to equity. In such cases, the tax is recognised in other comprehensive income or directly in equity. Deferred tax assets and liabilities based on taxable income are offset when there is a legal right to offset current tax assets and liabilities and when the settlement is intended to occur on a net basis, or when the asset and liability are intended to be realised simultaneously.

Deferred taxes

Deferred taxes are recognised for temporary differences between the carrying amounts of assets and liabilities in the Consolidated Financial Statements and their tax bases. Deferred tax assets and liabilities are determined using the tax rates (and laws) enacted or substantively enacted by the end of the reporting period, which are expected to apply when the deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets and liabilities are offset when there is a legal right to offset current tax assets and liabilities, and the deferred taxes relate to the same tax authority, either for the same taxpayer or for different taxpayers, when the asset and liability are intended to be realised simultaneously.

Estimates and management judgement – recognition of deferred tax assets from losses

The recognition of deferred tax assets is based on management's forecasts and assessments of whether the company will have sufficient taxable income in the future. The estimates used in the calculation are based on the latest management forecast at the reporting date and assumptions that are consistent with those used elsewhere in the Financial Statements. Deferred tax assets are recognised to the extent that it is probable that they will be utilised against future taxable income.

112. Intangible assets and goodwill

12.1. Intangible assets

2024

EUR thousand	Goodwill	Trademarks	Customer relationships	Technology	Development costs	Intangible rights	Other intangible assets	Total
Acquisition cost 1 Jan	36,401	7,487	18,474	390	1,378	862	389	65,380
Business combinations	8,183	1,428	6,249	,	,	266		16,126
Additions					544	81	103	728
Disposals	-2,308	-332	-905		-111		-13	-3,668
Transfers between items						,	,	0
Currency differences						,	,	0
Acquisition cost 31 Dec	42,276	8,582	23,818	390	1,811	1,209	480	78,556
Accumulated depreciation and impairment 1 Jan	0	-906	-1,269	-65	-304	-239	-15	-2,799
Amortisation for the financial year		-1,195	-2,015	-78	-460	-354	-68	-4,170
Disposals		72	123				3	198
Transfers between items								0
Currency differences								0
Impairment								0
Accumulated amortisation and impairment 31 Dec	0	-2,029	-3,161	-144	-764	-593	-80	-6,771
Carrying amount 1 Jan	36,401	6,580	17,205	325	1,074	622	374	62,581
Carrying amount 31 Dec	42,276	6,553	20,656	247	1,047	616	400	71,795

2023

EUR thousand	Goodwill	Trademarks	Customer relationships	Technology	Development expenditure	Intangible rights	Other intangible assets	Total
Acquisition cost 1 Jan	0	0	0	0	0	0	0	0
Business combinations	36,401	7,487	18,474	390	957	748	77	64,533
Additions					421	114	312	847
Acquisition cost 31 Dec	36,401	7,487	18,474	390	1,378	862	389	65,380
Accumulated amortisation and impairment 1 Jan	0	0	0	0	0	0	0	0
Amortisation for the financial year		-906	-1,269	-65	-304	-239	-13	-2,797
Impairment							-2	-2
Accumulated amortisation and impairment 31 Dec	0	-906	-1,269	-65	-304	-239	-15	-2,799
Carrying amount 1 Jan	0				0	0	0	0
Carrying amount 31 Dec	36,401	6,580	17,205	325	1,074	622	374	62,581

Other intangible assets consist mainly of intangible rights and patents. See Note 2. Business acquisitions for more information on business acquisitions.

Accounting policies

Goodwill

Goodwill arises during the acquisition of subsidiaries when the consideration transferred exceeds the fair value of the acquired net assets. Goodwill is recognised as an intangible asset on the balance sheet at acquisition cost, less accumulated impairment losses. Goodwill is not amortised, but it is tested for impairment annually or more frequently if events or changes in circumstances indicate that the goodwill may be impaired.

Trademarks, order backlog, customer relationships, and technology

In business combinations, acquired trademarks, order backlog, customer contracts and relationships, and technology are recognised at fair value at the acquisition date. As their useful life is finite, they are recognised on the balance sheet at acquisition cost, less accumulated amortisation and impairment losses.

Development costs

Development costs directly attributable to the design, testing, and implementation of identifiable and unique assets under the control of the Group are recognised on the balance sheet as intangible assets if the following criteria are met:

- The completion of the intangible asset is technically feasible, so that it can be used or sold.

- The Group intends to complete the intangible asset and either use it or sell it.
- The Group is able to use or sell the intangible asset.
- The Group can demonstrate how the intangible asset will generate probable future economic benefits.
- The Group has sufficient technical, financial, and other resources to complete the development and use or sell the intangible asset.
- The Group can reliably measure the expenses directly attributable to the development phase of the intangible asset.

Direct costs are capitalised as development costs, including direct staff costs related to development, an appropriate portion of related overheads, and direct purchases.

Capitalised development costs are recognised on the balance sheet as intangible assets at acquisition cost, less accumulated amortisation and impairment losses. Amortisation begins when the asset is available for use.

Intangible rights and other intangible assets

Intangible rights and other intangible assets are recognised on the balance sheet at acquisition cost, less accumulated amortisation and impairment losses.

Impairment

Goodwill, as well as intangible assets with an indefinite useful life, are not amortised but are subject to impairment testing at least annually. The Group does not have intangible assets with an indefinite useful life, except for goodwill. These assets are tested for impairment annually, or more frequently if events or changes in circumstances indicate potential impairment. Other intangible assets and property, plant, and equipment are tested for impairment whenever events or changes in circumstances suggest that the carrying amount may not be recoverable.

The amount by which the carrying amount of an asset exceeds the recoverable amount is recognised as an impairment loss. The recoverable amount is the higher of an asset's fair value less costs to sell, or its value in use, whichever is greater. Assets are grouped for impairment testing at the lowest levels where cash flows are largely independent of those from other assets or asset groups (cash-generating units).

At the end of each reporting period, it is necessary to assess whether any impairment losses previously recognised for an asset, except for goodwill, should be reversed. Impairment losses recognised for goodwill are never reversed in subsequent periods.

Amortisation periods:

The amortisation periods for the Group's intangible assets are as follows:

- Trademarks: 4–10 years
- Customer relationships: 4–16 years
- Technology: 5 years
- Development costs: 5–10 years
- Intangible rights: 5–10 years
- Other intangible assets: 5–10 years

12.2. Impairment testing of goodwill

Management monitors goodwill at the level of the businesses described in Note 4, which also correspond to the cash-generating units for impairment testing. Auroora's business segments are Electrical and Automation, Clean Water and Environmental Technology, Industrial Products and Services, and Other operations. The Group performs annual testing to determine whether the underlying assumptions of goodwill remain valid and whether the projected cash flows can be generated. Impairment testing of goodwill was carried out for all testing periods. The impairment test assesses the recoverable cash flows based on value in use. The cash flow forecasts used in the calculations are based on management's approved budget and the forecast for the next four years. The period following the forecast period is defined by

extrapolating the cash flows using a perpetuity growth rate assumption of 1.5–2.0 percent, in line with the European Central Bank’s medium-term inflation target. During the impairment testing, the Group analysed the sensitivity of the results to changes in key assumptions. The test results were most sensitive to changes in operating profit forecasts (EBIT forecasts) and discount rates. According to management’s assessment, no reasonably possible change in the discount rate or return level would result in the carrying amounts of the tested goodwill exceeding the recoverable cash flows in any of the tested business segments.

A sensitivity analysis was conducted for the cash-generating units, testing the key assumptions used in the calculations. The assumptions in the test included the discount rate (WACC) and the EBIT percentage used in the terminal value calculation, which was based on actual performance. The sensitivity analysis calculated the thresholds at which the value in use would be equal to the carrying amount by altering individual key assumptions.

Based on the testing, the value in use of the Clean Water and Environmental Technology segment would be at the carrying amount level if the EBIT percentage decreased by 0.5 percentage points or if the discount rate increased by 0.6 percentage points. For other cash-generating units, no reasonably possible change in the key assumptions would cause

Assumptions used in the value in use calculations at the time of testing:

EUR thousand	Goodwill	Residual value period growth %	Operating profit %	WACC, before taxes	WACC, after tax
31 Dec 2023					
Automation and Electrification	10,309	2.0%	3.2%	13.6%	10.8%
Clean Water and Environmental Technologies	10,206	2.0%	5.4%	13.6%	10.8%
Industrial Products and Services	6,772	2.0%	2.2%	13.6%	10.8%
Other operations	9,113	2.0%	7.4%	14.3%	11.5%
Total	36,400				
31 Dec 2024					
Automation and Electrification	10,309	2.0%	9.6%	12.0%	9.6%
Clean Water and Environmental Technologies	10,298	2.0%	12.4%	12.0%	9.6%
Industrial Products and Services	14,849	2.0%	15.6%	12.0%	9.6%
Other operations	6,820	2.0%	61.6%	12.8%	10.3%
Total	42,276				

the carrying amount of the cash-generating unit to exceed its value in use.

Key judgements and estimates

Impairment testing

The Group’s management has assessed the useful economic life of customer relationships recognised from business acquisitions. These useful lives are reviewed at each reporting date and adjusted if necessary.

The possible impairment of tangible assets is tested when there are indications that the carrying value of any asset may be impaired (assessed at least at the end of each reporting period). The impairment test is based on calculations that determine the recoverable amounts of the cash-generating units. The recoverable amount of a cash-generating unit is its fair value less the costs of disposal or its value in use, whichever is higher. The value-in-use calculations are based on discounted cash

flows that the asset is expected to generate.

Below are the key estimates and assumptions related to the value-in-use calculations and acquisition:

- Forecasting of future cash flows – These are based on the most recent management-approved five-year forecasts and reflect expectations regarding sales net sales growth, business costs, operating margin ratio (EBITDA percentage), investments,

and cash flows, based on past experience and management's expectations of market changes in the future.

- Discount rates applied to the cash flows – The pre-tax discount rates used are the weighted average cost of capital, determined based on market data available at the reporting date, and adjusted for specific risks of the cash-generating unit. The tax-adjusted discount rate is converted to a pre-tax rate for each cash-generating unit, based on the applicable tax rate where the unit operates.
- Expected long-term growth rates – Cash flows beyond the five-year period are extrapolated using estimated growth rates. These growth rates are based on the expected long-term performance of each cash-generating unit in its respective market and correspond to the average long-term growth rates of the energy solutions market.

Estimates and judgements may change as economic and operational conditions evolve. Consequently, actual cash flows may differ from the forecasts, leading to potential changes in impairment losses recognised in future periods.

The carrying value of goodwill is reduced if its carrying amount exceeds the estimated recoverable amount. An impairment loss is recognised in the income statement if the carrying amount of a cash-generating unit exceeds its recoverable amount. Impairment

losses on goodwill are not reversed in subsequent periods.

Other intangible assets are tested by assessing the recoverable amount of each individual asset or, if this is not possible, the recoverable amount of the cash-generating unit to which the asset belongs. Cash-generating units are the lowest level at which assets are grouped and that generate separately identifiable cash inflows.

Auroora's management has assessed that it is unlikely that any change in the key assumptions would result in the carrying amount of a cash-generating unit exceeding its recoverable amount.

13. Property, plant, and equipment

2024

EUR thousand	Land areas	Buildings and structures	Machinery and equipment	Advances and incomplete purchases	Total
Acquisition cost 1 Jan	16	185	2,629	49	2,878
Business combinations		271	3,451	230	3,952
Additions		15	877	302	1,194
Disposals			-770	-163	-933
Transfers between items			204	-204	0
Currency differences		0	-1		-1
Acquisition cost 31 Dec	16	471	6,389	214	7,090
Accumulated depreciation and impairment 1 Jan	0	-12	-514	0	-525
Depreciation for the financial year		-59	-965		-1,025
Disposals			176		176
Transfers between items					0
Currency differences					0
Impairment					0
Accumulated depreciation and impairment 31 Dec	0	-71	-1,303	0	-1,374
Carrying amount 1 Jan	16	173	2,115	49	2,353
Carrying amount 31 Dec	16	400	5,086	214	5,716

2023

EUR thousand	Land areas	Buildings and structures	Machinery and equipment	Advances and incomplete purchases	Total
Acquisition cost 1 Jan					
Business combinations	16	185	2,008	148	2,356
Additions			474	49	523
Disposals		0	-3		-3
Transfers between items			148	-148	0
Currency differences		0	2		2
Acquisition cost 31 Dec	16	185	2,629	49	2,878
Accumulated depreciation and impairment 1 Jan					
Depreciation for the financial year		-11	-495		-507
Impairment		0	-18		-18
Accumulated depreciation and impairment 31 Dec	0	-12	-514	0	-525
Carrying amount 1 Jan	0	0	0	0	0
Carrying amount 31 Dec	16	173	2,115	49	2,353

Fixed assets include, among other things, production machinery and equipment and assets related to premises. Machinery and equipment included EUR 996 thousand of containers for rent at 31 December 2024.

Accounting policies

Land areas are recorded at acquisition cost as tangible fixed assets. Other tangible fixed assets are recorded at acquisition cost, less accumulated depreciation and any potential impairment losses. Acquisition cost includes expenses directly attributable to the acquisition of the items. Depreciation is calculated using the straight-line method over the estimated useful life of the asset.

Estimated useful lives of tangible fixed assets:

- Buildings and structures: 20–30 years
- Machinery and equipment: 5–15 years

Residual values and useful lives are reviewed at the end of each reporting period and adjusted if necessary. The carrying value of an asset is immediately written down to its recoverable amount if the carrying value exceeds its estimated recoverable amount. Gains and losses on sales are determined by comparing the sale proceeds with the carrying value and are recorded in the statement of comprehensive income.

Impairment

Assets not classified as financial assets are tested for impairment whenever events or changes in circumstances indicate that the carrying value of the asset may not be recoverable. An impairment loss is recognised for the amount by which the carrying value of the asset exceeds its recoverable amount. The recoverable amount is the asset’s fair value less the costs to sell, or its value in use, whichever is higher. Assets are tested at the cash-generating unit (CGU) level, which is the lowest level at which there are identifiable cash flows that are largely independent of cash flows from other assets or asset groups.

At the end of each reporting period, management must assess whether the impairment of an asset that is not a financial asset should be reversed.

14. Lease agreements

The lease agreements include, among other things, office premises, vehicles, and production machinery. The following amounts related to lease agreements are presented in the balance sheet:

EUR thousand	31 Dec 2024	31 Dec 2023	1 Jan 2023
Right-of-use assets			
Machinery and equipment	773	739	0
Buildings	7,223	6,812	0
Total	7,996	7,551	0

EUR thousand	31 Dec 2024	31 Dec 2023	1 Jan 2023
Lease liabilities			
Non-current	5,246	5,361	0
Current	2,942	2,309	0
Total	8,188	7,669	0

The additions to right-of-use assets in the financial year 2024 were EUR 3,567 (2023: 9,328) thousand. The income statement includes the following amounts related to lease agreements:

EUR thousand	1 Jan–31 Dec 2024	1 Jan–31 Dec 2023
Depreciation of right-of-use assets	-2,436	-1,569
Interest expenses	-367	-325
Lease expenses for low-value assets*	23	73

* included in Other operating expenses

EUR thousand	1 Jan–31 Dec 2024	1 Jan–31 Dec 2023
Total cash outflow from leases during the financial year	-2,789	-1,896

The maturity of lease liabilities is presented in Note 20, Financial risks and capital management.

Accounting policies

Auroora assesses at the inception of the agreement whether the arrangement contains a lease. An agreement is considered a lease, or includes a lease, if it grants the right to control the use of a specified asset for a period of time in exchange for consideration. Auroora recognises a right-of-use asset and a corresponding lease liability at the commencement date of the lease, when Auroora is the lessee. The commencement date is the moment when the leased asset is made available for use by the lessee.

Auroora measures the lease liability at the commencement date by discounting the expected future lease payments to their present value. The lease liability includes fixed payments, payments based on an index or other price levels, amounts related to residual value guarantees expected to be payable by the Group, and the exercise price of purchase options, if the exercise of the option is reasonably certain. Penalty payments for terminating the lease are included in the lease liability valuation if the lease term reflects the Group's use of the termination option.

Auroora discounts lease payments using the internal interest rate of the lease. If this rate cannot be easily determined, the lessee's incremental borrowing rate is used, which is the rate that the Group would have to pay to borrow, over a similar period and with similar

collateral, the funds needed to acquire an asset of similar value to the right-of-use asset in a similar economic environment. The interest expense on the lease liability is presented in the operating cash flows.

After the commencement date of the lease, the lease liability is measured using the effective interest rate method at amortised cost. The lease liability is remeasured when there is a change in lease payments, for example, as a result of index changes, when the use of options in the agreement is reassessed, or to account for other changes to the lease agreement.

Right-of-use assets are measured at cost, which includes the original amount of the lease liability, any lease payments made before the commencement date, initial direct costs, and restoration costs. Depreciation of right-of-use assets is generally done on a straight-line basis over the asset's useful life or the shorter lease term. If the Group is reasonably certain that the purchase option will be exercised, the depreciation period for the right-of-use asset uses the asset's useful life.

Auroora applies the exemptions for low-value assets and short-term leases. A short-term lease is a lease with a term of 12 months or less. Low-value assets include, for example, ICT equipment. Payments for these leases are recognised as an expense on a straight-line basis. Auroora does not separate non-lease components from lease

components in lease agreements for office spaces, residential properties, and vehicles.

Key judgements

Determining the lease term

Auroora assesses the lease term on a contract-by-contract basis, considering the contractual obligations, financial incentives, and the nature of the asset. The Group's leases include fixed-term leases and leases that are open-ended.

If the contract includes a fixed lease term without options for renewal or termination, the lease term is determined based on the fixed lease period. Renewal options (or periods following termination options) are included in the lease term only if it is reasonably certain that the lease will be extended (or not terminated).

If the lease term is not explicitly stated in the contract, or if the contract is open-ended without further notice, management assesses the enforceable lease term based on the contract terms and reasonable certainty. If the contract does not involve significant penalties and the lease term is not clearly stated or is open-ended, the Group determines the lease term on a contract-by-contract basis, taking into account the Group's need for the asset and its strategic planning period, which is 3 years.

The lease term is reassessed if a significant event or change in circumstances occurs.

Determining the incremental borrowing rate

The incremental borrowing rate is determined based on recent third-party financing agreements, adjusted to reflect the lease term, the credit risk of the lease agreements, the leased asset, and changes in financing terms and the operating environment following the obtaining of third-party financing.

15. Inventory

EUR thousand	31 Dec 2024	31 Dec 2023	1 Jan 2023
Raw materials	9,975	12,956	0
Work in progress	3,692	3,417	0
Finished products	1,784	553	0
Advance payments	858	13	0
Total	16,309	16,939	0

During the financial year, Auroora has recognised an expense for the acquisition cost of inventory amounting to EUR -84,237 thousand (2023: EUR -68,826 thousand). The expense is presented under the “Materials and services” item in the income statement.

Accounting policies

Inventory is valued at the lower of cost or net realisable value. The acquisition cost is determined either using the FIFO (first-in, first-out) method or the weighted average cost method, depending on the nature of the inventory. The acquisition cost of materials and supplies includes the purchase price and transportation costs. Work in progress includes direct wages and other social costs, as well as a proportion of general overheads related to the work in progress. The net realisable value refers to the estimated selling price in the ordinary course of business, less estimated costs necessary to complete the sale.

16. Trade and other receivables

EUR thousand	31 Dec 2024	31 Dec 2023	1 Jan 2023
Long-term receivables			
Other receivables	24	24	790
Total long-term receivables	24	24	790

EUR thousand	31 Dec 2024	31 Dec 2023	1 Jan 2023
Other receivables			
Trade receivables	10,821	11,302	25
Accrued revenue (PoC)	3,438	4,610	
VAT receivables	175	284	
Tax receivables	64	214	
Rental deposits	97	78	
Interest receivables	5	19	
Other receivables	1,120	973	173
Total other receivables	15,720	17,481	198

Other receivables include prepaid expenses and accrued income.

Auroora has factoring arrangements under which it has sold its receivables in exchange for cash. Receivables with credit risk are fully recognised in the balance sheet. Receivables where the risks are considered to have been completely transferred away from the company have been derecognised from the balance sheet. Accounts receivable included EUR 3,505 thousand of factored receivables as of 31 December 2024 (31 December 2023: EUR 1,539 thousand). Accounts receivable derecognised from the balance sheet amounted to EUR 6,044 thousand as of 31 December 2024 (31 December 2023: EUR 6,089 thousand).

The calculation of the allowance for doubtful accounts on trade receivables is described in Note 20, Financial risks and capital management.

17. Equity

EUR thousand	Number of shares	Share capital (thousand euros)	Reserve for invested unrestricted equity	Total
1 January 2023	469,919	864	6,029	6,893
Share exchange 24 February 2023	481,731	-	24,828	24,828
Share issue 13 July 2023	5,438	-	304	304
31 December 2023	957,088	864	31,162	32,025
Share issue 3 June 2024	22,332		1,400	1,400
Share issue 30 June 2024	111,660		7,000	7,000
Share issue 3 July 2024	15,949		1,000	1,000
Share issue 30 August 2024	19,141		1,200	1,200
Share issue 13 December 2024	1,600		100	100
31 December 2024	1,126,170	864	41,862	42,725

Share capital

The total number of outstanding shares of Auroora Yhtiöt Oyj is 1,127,770 (31 December 2023: 957,088) shares. The company has one class of shares, with each share carrying one vote at the general meeting. There are no voting restrictions or voting caps attached to the shares. The shares have no nominal value. All shares provide equal rights to dividends and other distributions of the company's assets, including in the event of liquidation.

As of 31 December 2024, the company held a total of 121,708 (31 December 2023: 121,708) shares in Auroora Group, representing 10.8% of the company's total shares and voting rights.

Reserve for invested unrestricted equity

The reserve for invested unrestricted equity includes the subscription price of shares in accordance with the Finnish Companies Act, unless the company has explicitly decided otherwise.

On 24 February 2023, the company carried out a share exchange arrangement in which non-controlling shareholders transferred their shares to the company in exchange for 481,731 new shares. The total amount of the share exchange was EUR 24,828 thousand, which was recorded in the reserve for invested unrestricted equity.

Additionally, on 24 September 2023, a directed share issue of 5,438 shares was executed in connection with an acquisition. The total amount of the share issue was EUR 304 thousand, which was recorded in the reserve for invested unrestricted equity.

On 3 June 2024, the company carried out a directed share issue of 22,332 shares in connection with an acquisition. The total amount of the share issue was EUR 1,400 thousand, which was recorded in the reserve for invested unrestricted equity.

On 30 June 2024, the company carried out a directed share issue of 111,660 shares to an institutional investor to finance future acquisitions. The total

amount of the share issue was EUR 7,000 thousand, which was recorded in the reserve for invested unrestricted equity.

On 3 July 2024, the company carried out a directed share issue of 15,949 shares to key personnel. The total amount of the share issue was EUR 1,200 thousand, which was recorded in the reserve for invested unrestricted equity.

On 30 August 2024, the company carried out a directed share issue of 19,141 shares in connection with an acquisition. The total amount of the share issue was EUR 1,200 thousand, which was recorded in the reserve for invested unrestricted equity.

On 13 December 2024, the company carried out a directed share issue of 1,600 shares in connection with an acquisition. The total amount of the share issue was EUR 100 thousand, which was recorded in the reserve for invested unrestricted equity.

The value of the Auroora shares used in the share issues is considered to reflect the market price. The price has been determined based on valuations made by external parties and comparable values in connection with the merger agreement of 2023 and the directed share issue to investors in 2024.

Foreign exchange differences

Exchange differences arising from the translation of the financial statements of foreign subsidiaries are recognised in other comprehensive income and accumulated in a separate equity reserve. The accumulated amount is transferred to profit or loss when the net investment is disposed of.

18. Earnings per share

EUR thousand	2024	2023
Basic earnings per share		
Profit attributable to owners of the parent		
from continuing operations thousand euros	830	-641
from discontinued operations, thousand euros	-78	78
	752	-563
Weighted average number of shares outstanding during the year, pcs	919,017	758,946
Basic earnings per share (EUR)		
From continuing operations	0.90	-0.85
From discontinued operations	-0.08	0.10
Total	0.82	-0.74

The company had no arrangements in place that would have a dilutive effect

19. Financial assets and liabilities

Classification of financial assets and liabilities by category:

EUR thousand	Fair value hierarchy level	31 Dec 2024	31 Dec 2023	1 Jan 2023
Financial assets measured at amortised cost				
Trade receivables		10,821	11,302	25
Other receivables		1,243	1,572	134
Cash and cash equivalents		12,467	5,148	4,036
Total financial assets measured at amortised cost		24,531	23,658	4,195
Financial assets measured at fair value through profit or loss				
Investments	3	414	462	23,676
Total financial assets measured at fair value through profit or loss		414	462	23,676
Financial liabilities measured at amortised cost				
Loans from financial institutions	2	27,015	23,055	-
Lease liabilities		8,188	7,669	-
Trade payables		11,523	13,983	70
Financial liabilities measured at amortised cost – total		46,726	44,708	70
Financial liabilities measured at fair value through profit or loss				
Derivative instruments	1	14	-	-
Total financial liabilities measured at fair value through profit or loss		51,964	48,883	80

The hierarchy levels are as follows:

Level 1: The fair value of financial instruments traded in active markets (such as publicly quoted derivatives and stocks) is based on the quoted market prices at the reporting date. The market price of financial assets held by the Group is the current purchase quote. These instruments are classified as Level 1.

Level 2: The fair value of financial instruments not traded in active markets is determined using valuation techniques that make maximum use of observable market data and minimal use of entity-specific estimates. If all significant inputs required for the fair value of the instrument are observable, the instrument is classified as Level 2.

Level 3: If one or more significant inputs are not based on observable market data, the instrument is classified as Level 3. This applies to unlisted shares.

Reconciliation of financial liabilities:

EUR thousand	Loans	Lease liabilities	Total
1 January 2023	0	0	0
Cash flows from financing			
Loan drawdowns	14,082		14,082
Loan repayments	-11,759	-1,897	-13,656
Other changes			
Business combinations	20,825	7,893	28,718
New lease contracts		1,435	1,435
Other adjustments	-93	239	146
31 December 2023	23,055	7,670	30,725
Cash flows from financing			
Loan drawdowns	10,711		10,711
Loan repayments	-7,307	-2,789	-10,096
Other changes			
Business combinations	2,348	1,924	4,271
Sold subsidiaries	-1,724	-604	-2,329
New lease contracts		1,643	1,643
Other adjustments	-67	345	278
31 December 2024	27,015	8,188	35,203

The Group's exposure to various risks related to financial instruments is discussed in Note 20, Financial risks and capital management. The maximum exposure to credit risk at the end of the reporting period is the carrying amount of each of the aforementioned financial asset classes.

Accounting policies

The Group's financial assets consist of trade receivables, other receivables, and cash and cash equivalents. Trade receivables and cash and cash equivalents are classified as financial assets measured at amortised cost, as they are used to collect contractual cash flows that represent only payments of principal and interest. Interest income from these financial assets is included in finance income using the effective interest method.

Financial assets are derecognised from the balance sheet when the rights to the cash flows from the financial assets have expired or been transferred and the Group has substantially transferred the risks and rewards of ownership. Any gain or loss on derecognition is recognised directly in the statement of comprehensive income and presented under other operating expenses or income.

Trade receivables

Trade receivables are amounts owed by customers for goods sold or services rendered in the ordinary course of business. They typically become due within 14–30 days, and therefore, they are all classified as short-term. Trade receivables are initially recognised at the gross amount of the receivable, unless they contain significant financing components, in which case they are recognised at fair value. The Group holds trade receivables with the intention of collecting the contractual cash flows and, therefore, measures them at amortised cost using the effective interest method. The Group's principles for impairment and the calculation of the allowance for credit losses are presented in Note 20, Financial risks and capital management.

Due to the short-term nature of trade receivables, their carrying amount is considered to be the same as their fair value.

Cash and cash equivalents

The cash and cash equivalents presented in the balance sheet and cash flow statement consist of bank deposits and cash on hand. Any utilised credit facilities are presented as short-term liabilities. Credit facilities are part of liquidity management. Liquidity risk and its management are described in Note 20, Financial risks and capital management.

Impairment of financial assets

For trade receivables and receivables based on contracts, Auroora applies the simplified approach under IFRS 9, where expected lifetime losses are recognised from the initial recognition of the receivables.

To determine expected credit losses, trade receivables are grouped based on aging. Expected losses are based on the actual outcome for the comparative period. Historical losses are adjusted to reflect current and forward-looking macroeconomic information that affects customers' ability to pay receivables. Factors to consider include, among others, customers' past payment behaviour, available forecasts, and their potential impact on customers' credit ratings and payment behaviour, as well as any security or credit insurance in place.

Receivables are derecognised from the balance sheet as final credit losses when their payment can no longer be reasonably expected. Signs that payment can no longer be reasonably expected include unsuccessful collection efforts, bankruptcy filings, etc.

Credit risk related to financial assets, credit risk management, and the allowance matrix for trade receivables are presented in Note 20, Financial risks and capital management.

Loans

Loans are initially recognised at fair value, less any transaction costs incurred. Loans are subsequently measured at amortised cost.

Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Group's comprehensive income statement during the loan term using the effective interest rate method. Payments made for loan arrangements are recognised as transaction costs of the loan to the extent that it is probable that part or all of the arrangement will be drawn. In this case, the payment is deferred until the drawdown occurs. Payments made for loan arrangements are recognised as prepayments for liquidity services and amortised over the duration of the related arrangement, to the extent that it is probable that part or all of the arrangement will be drawn.

Loans are derecognised from the balance sheet when the obligation specified in the agreement is discharged, cancelled, or expires. The difference between the carrying amount of the terminated or transferred financial liability and the consideration paid, including any transferred non-cash assets and liabilities assumed, is recognised in the income statement as other income or finance costs.

Loans are classified as short-term liabilities unless the Group has an unconditional right to defer the settlement of the liability for at least 12 months after the reporting period.

Trade payables

Trade payables are liabilities for goods and services delivered to the Group before the end of the financial period that remain unpaid. The amounts are unsecured and are usually paid

within 14–30 days of recognition. Trade payables are presented as short-term liabilities, unless the payment is due more than 12 months after the end of the reporting period. They are initially recognised at fair value and subsequently measured at amortised cost using the effective interest rate method. Given their short maturity, the carrying amount of trade payables is considered to approximate their fair value.

Derivative instruments

Auroora has an interest rate swap to hedge against interest rate risk related to the financing arrangements made for the Group's operations. Derivatives are initially recognised at fair value on the date the Group becomes a party to the contract and subsequently remeasured at fair value at the end of each reporting period. The resulting realised and unrealised changes in fair value are recognised in profit or loss in the period in which they arise, as Auroora does not apply hedge accounting. Changes in fair values are presented as finance items. The fair value of derivatives is estimated based on the present value of future cash flows using market prices on the valuation date.

Derivatives are classified in the balance sheet as either long- or short-term financial assets or financial liabilities, depending on the maturity of the instrument. An interest rate swap was entered into during the financial year 2024, and as of 31 December 2024, the nominal value of the swap was EUR 7,000 thousand, with a fair value change recognised of EUR -14 thousand.

20. Financial risks and capital management

Financial risks are classified into credit risk, which includes business-related credit risk and financial credit risk, liquidity risk, and market risk, which includes currency risk and interest rate risk. The Group's management of financial risks is the responsibility of the Group's Chief Financial Officer in accordance with Auroora's financial policy. The Group's financial policy has been approved by Auroora's Board of Directors. The objective of financial operations is to ensure continuous sufficient financing and to identify, assess, and manage financial risks.

20.1. Credit risk

Credit risk arises from cash and cash equivalents, financial assets measured at fair value through profit or loss, and trade receivables. The Group's credit risks or counterparty risks materialise when a customer or other counterparty is unable to meet its obligations to the Group.

Auroora applies the expected credit loss model to trade receivables when assessing impairment losses on uncertain receivables, as trade receivables do not contain a significant financing component. To determine lifetime expected credit losses, trade receivables are grouped based on aging categories and are valued based on historical losses adjusted for forecasts and individual receivable assessments. The final impairment loss is recognised when

insolvency or bankruptcy is confirmed, or when it otherwise becomes evident that the customer will not be able to meet their payment obligations. Changes in impairment losses for uncertain trade receivables and final impairment losses are recognised in the income statement under other operating expenses in the Group’s comprehensive income statement. Under credit management principles, the quality of receivables is assessed based on individual customer analysis. The creditworthiness of counterparties is regularly evaluated, and necessary actions are considered on a case-by-case basis if significant changes in the counterparty’s creditworthiness occur. Customer-related credit risks are managed through payment terms and credit monitoring. Credit risk is assessed both through the aging of receivables and customer-specific credit risk analyses. The provision for credit losses on trade receivables is recognised based on the credit risk evaluation. The Group mitigates credit risks related to credit losses through factoring finance, effective credit control, and credit insurance.

Auroora is also exposed to counterparty risks related to significant liquid funds and financial investments held with financial institutions. Financial investments are made only with counterparties of high credit quality. Although cash and cash equivalents are also subject to impairment requirements under IFRS 9, the recognised impairment loss was immaterial.

Credit loss provision

EUR thousand	Not due	< 30 days	30-60 days	61-90 days	Over 90 days	Total
31 December 2024						
Expected credit loss rate	0.26%	0.47%	1.67%	7.11%	11.96%	
Gross trade receivables	8,345	2,116	124	28	207	10,821
Credit loss provision	-22	-10	-2	-2	-25	-60
Net trade receivables	8,299	2,106	122	26	183	10,736

EUR thousand	Not due	< 30 days	30-60 days	61-90 days	Over 90 days	Total
31 December 2023						
Expected credit loss rate	0.3%	0.6%	5.0%	19.0%	100%	
Gross trade receivables	10,673	566	9	0	55	11,302
Credit loss provision	-32	-4	0	0	-55	-90
Net trade receivables	10,641	563	8	0	0	11,212

EUR thousand	Not due	< 30 days	30-60 days	61-90 days	Over 90 days	Total
1 January 2023						
Expected credit loss rate	0.30%	0.62%	5.01%	19.05%	100%	
Gross trade receivables	25					25
Credit loss provision	0					0
Net trade receivables	25	0	0	0	0	25

Reconciliation of credit loss provision

EUR thousand	2024	2023
Credit loss provision at 1 January	-90	0
Increase in credit loss provision recognised in profit or loss	-60	-90
Receivables written off during the financial year	50	
Reversal of unused amount	40	
Credit loss provision at 31 December	-60	-90

20.2. Liquidity risk

Operating cash flow is Auroora’s primary source of financing. External financing and cash management are centrally managed by Auroora’s CEO and CFO in accordance with the Group’s financial policy.

Auroora ensures continuous sufficient liquidity through efficient cash management and by maintaining adequate available committed and uncommitted credit facilities. Refinancing risk is managed with a sufficiently long loan portfolio. The Group’s current credit facility agreements include committed credit lines totalling EUR 12.1 million as of 31 December 2024 (31 December 2023: EUR 12.4 million, 1 January 2023: EUR 12.4 million).

At the end of 2024, Auroora’s financing was secured through existing committed credit arrangements, cash and cash equivalents, and financial investments. The Group had a total of EUR 12.5 million in cash and cash equivalents as of 31 December 2024 (31 December 2023: EUR 5.1 million, 1 January 2023: EUR 4.0 million).

Committed credit facilities and long-term loans include financial covenants, which are described in the section on capital management below.

Maturity of financial liabilities

EUR thousand	2025	2026	2027	2028	2029	2030	Total contractual cash flows	Carrying amount
31 December 2024								
Loans from financial institutions	4,651	4,597	4,127	9,375	1,569	2,353	26,671	25,506
Instalment liabilities	221	214	127	49	24	0	635	607
Lease liabilities	3,007	2,567	2,138	973	259	0	8,944	8,188
Factoring liabilities	814						814	814
Trade payables	11,523						11,523	11,523
Total	20,004	7,167	6,206	9,984	1,782	2,250	47,394	46,638

EUR thousand	2024	2025	2026	2027	2028	2029	Total contractual cash flows	Carrying amount
31 December 2023								
Loans from financial institutions	4,106	3,757	3,708	2,975	7,899	0	22,445	21,202
Instalment liabilities	287	233	194	103	24	2	843	797
Lease liabilities	2,347	2,131	1,881	1,510	568	91	8,528	7,669
Factoring liabilities	1,057						1,057	673
Trade payables	13,983						13,983	13,983
Total	21,536	5,900	5,567	4,418	8,052	93	45,567	44,324

As of the IFRS transition date on 1 January 2023, the parent company, Auroora Group, had no financial liabilities. Therefore, a maturity analysis is not presented for this date.

20.3. Market risk

Foreign exchange risk

Auroora’s headquarters is in Finland, and the Group also has foreign subsidiaries in Sweden and Poland. The Group is exposed to both transactional and translational foreign exchange risks. The Group’s business operations and financial results are affected by exchange rate fluctuations between its reporting currency, the euro, and other currencies, such as the US dollar (USD), Swedish krona (SEK), and Polish zloty (PLN). The level of foreign exchange risk varies over time, depending on net sales, costs, and the predominant currencies used in transactions across different markets. Significant exchange rate fluctuations may also impact Auroora’s competitive position and associated pricing pressures by affecting its competitors.

The majority of Auroora’s net sales and earnings are denominated in the functional currencies of its subsidiaries, so the Group’s exposure to foreign exchange risks other than USD risk is minimal. In addition, Auroora is exposed to risks related to customer liquidity and payment discipline, which may impact cash flow or lead to credit losses. The Group became exposed to USD risk in late 2024 following the acquisition of a subsidiary conducting business in USD. The Group has no realised foreign exchange risks and has hedged its USD currency risk with derivatives.

As the Group includes entities with functional currencies other than the euro, its equity is subject to exchange rate fluctuations. Exchange rate-related changes in equity are recognised in the consolidated financial statements as translation differences. The Group does not hedge this risk.

Interest rate risk

Auroora borrows funds from financial institutions, and the interest rates on these loans are based on variable market rates, exposing the Group to potential increases in financing costs (cash flow interest rate risk). Auroora entered into an interest rate swap agreement in late 2024. This hedge covers 26% (2023: 0%) of the exposure to market rate fluctuations on outstanding variable-rate loans.

The following sensitivity table includes both variable-rate loans and interest rate swap agreements.

EUR thousand	2024	2023
Interest rates – increase of one percentage point	-200	-231
Interest rates – decrease of one percentage point	200	231

20.4. Capital management

Auroora’s objective in capital management is to ensure the Group’s ability to continue its operations. To maintain or adjust its capital structure, the Group may issue new shares, seek debt financing, or modify the execution of planned growth investments.

The Group’s management monitors capital based on the net gearing ratio. Net debt includes interest-bearing liabilities less cash and cash equivalents. Interest-bearing liabilities comprise the Group’s loans from financial institutions, lease liabilities, factoring liabilities, and hire purchase liabilities.

Net gearing ratio

EUR thousand	31 Dec 2024	31 Dec 2023
Cash and cash equivalents	12,467	5,148
Interest-bearing financial liabilities	35,203	30,725
Net debt	22,735	25,577
Net gearing ratio:	36.2%	48.7%

The Group's cash flow from operating activities for the financial year ended 31 December 2024 was EUR 16.9 million (31 December 2023: EUR 2.3 million), while cash flow used for investments was EUR 20.8 million (31 December 2023: EUR 0.1 million in proceeds). The Group's cash and cash equivalents amounted to EUR 12.5 million as of 31 December 2024 (31 December 2023: EUR 5.1 million). The Group's liquidity is monitored regularly, and both short- and long-term financing needs are forecasted to ensure that the Group always has sufficient cash reserves to meet its obligations. Management monitors cash flow forecasts based on expected cash inflows and outflows. The Group has access to committed credit facilities.

Loans from financial institutions include covenant terms. These covenants are reviewed every six months using two key financial ratios: the equity ratio and interest-bearing net debt. EBITDA is calculated using the method published by the Finnish Association for Business Analysis, where EBITDA = operating profit + depreciation + impairments. The EBITDA calculation is based on pro forma figures. Interest-bearing net debt is calculated as interest-bearing liabilities – (interest-bearing receivables + cash and cash equivalents).

Covenant terms

31 Dec 2024	Condition	Actual
Equity ratio	=/> 35.0%	48.8%
Net interest-bearing debt / adjusted EBITDA	=/< 3.3	1.42

21. Trade payables and other liabilities

EUR thousand	31 Dec 2024	31 Dec 2023	1 Jan 2023
Trade payables	11,523	13,983	70
Accrued employee expenses	6,396	5,965	42
Withholding tax liability	721	322	17
VAT liabilities	1,320	465	
Income tax liabilities	419	409	519
Interest liabilities	66	92	
Other liabilities	109	88	0
Other accruals	743	569	0
Total	21,298	21,892	648

22. Provisions

EUR thousand	Warranty provisions
1 January 2023	
Additions	40
31 December 2023	40
Reversals of unused provisions	-15
31 December 2024	25

The provision covers estimated warranty claims for sold products that remain under warranty at the end of the reporting period.

Accounting policies

A provision is recognised when the Group has a present legal or constructive obligation as a result of a past event, it is probable that settling the obligation will require an outflow of resources from the Group, and the amount of the obligation can be reliably estimated. Provisions are not recognised for future business losses. Provisions are measured at the present value of the estimated costs required to settle the obligation at the reporting date, based on management's best estimate. Provisions are classified as current liabilities if they are expected to be settled within 12 months of the reporting date. Otherwise, they are presented as non-current liabilities.

Key estimates and assumptions

Assessment of the amount and timing of the provision

Evaluating the financial impact of a past event requires management's judgement. Expected costs are estimated based on past expenses and knowledge of similar events. The amounts of provisions are reviewed periodically and adjusted if necessary to reflect management's best estimate at the end of the reporting period. Actual expenses may differ from the estimates.

23. Group structure

The Group's subsidiaries as at 31 December 2024 are presented in the following table:

The Puhdas Group sub-group was sold in June 2024. See also Note 3: Discontinued Operations and Business Disposals. Pikespo Power Oy was merged into Auroora Yhtiöt Oy on 30 June 2024. Puhdas Group Oy and its subsidiaries — Cleantime Oy, Real Clean Finland Oy, and Timra Siivouspalvelut Oy — were sold to the Swedish company Reledon on 4 June 2024. FENTEC Group Oy was merged into FENTEC Oy on 31 December 2024. EV-Valmennus Oy and Suomen YO-valmennus Oy were merged into EV Training Oy on 31 December 2024. Vestelli Group Oy was merged into Auroora Yhtiöt Oy on 31 December 2024.

*) Puhdas Group Oy sub-group is consolidated as a subsidiary of the Auroora Yhtiöt Oy Group, as Auroora Yhtiöt Oy has the de facto right to appoint or dismiss the majority of the Board of Directors, which directs the sub-group's key operations.

		Group's ownership share %		
Subsidiary	Domicile	31 Dec 2024	31 Dec 2023	1 Jan 2023
ARNON Oy	Tampere	100.00%	100.00%	37.40%
TKF Power Quality Oy	Tampere	100.00%	100.00%	37.40%
ARNON Sp. z.o.o	Wejherowo	100.00%	100.00%	37.40%
ARNON AB	Tukholma	100.00%	100.00%	37.40%
Pikespo Power Oy	Tampere	0.00%	100.00%	46.10%
Sähkölandia Oy	Lempäälä	100.00%	100.00%	46.10%
Vestelli Group Oy	Tampere	0.00%	100.00%	40.00%
Vestelli Oy	Tampere	100.00%	100.00%	40.00%
Vestelli Sverige AB	Norrköping	100.00%	100.00%	40.00%
Avalon Nordic Oy	Vaasa	100.00%		
Operon Group Oy	Mikkeli	100.00%	100.00%	45.00%
Operon Finland Oy	Helsinki	100.00%	100.00%	45.00%
Suomen Ekolannoite Oy	Mikkeli	100.00%	100.00%	45.00%
Operon International Ltd Oy	Mikkeli	100.00%	100.00%	45.00%
Solid Water Oy	Seinäjoki	100.00%	100.00%	45.00%
HTT High Tech Technology Oy	Helsinki	100.00%	100.00%	
Solifix Oy	Valkeakoski	100.00%		
FENTEC Group Oy	Tampere	0.00%	80.00%	45.00%
FENTEC Oy	Tampere	80.00%	100.00%	45.00%
EV Training Oy	Tampere	53.16%	53.16%	46.10%
EV-Valmennus Oy	Oulu	0.00%	53.16%	46.10%
Suomen YO-valmennus Oy	Oulu	0.00%		
Puhdas Group Oy *)	Tampere	0.00%	39.50%	39.50%
Cleantime Oy	Tuusula	0.00%	39.50%	39.50%
Real Clean Finland Oy	Kaarina	0.00%	39.50%	39.50%
Timra Siivouspalvelut Oy	Helsinki	0.00%	39.50%	
Telatek Service Oy	Raahe	100.00%		
CWP Coloured Wood Products Oy	Imatra	100.00%		
Suomen Vuokrakontti Oy	Helsinki	100.00%		

		Group ownership share %		
Subsidiary	Domicile	31 Dec 2024	31 Dec 2023	1 Jan 2023
Associates				
Pusatec Oy	Naantali	12.57%	12.57%	12.57%
Paine Group Oy	Kouvola	20.00%	20.00%	20.00%
Joint operations				
Sahalahden Esikäsittelylaitos Oy	Kangasala	18.00%	18.00%	18.00%
Haapaveden Ympäristöpalvelut Oy	Haapavesi	40.50%	40.50%	40.50%

The associated companies Pusatec Oy and Paine Group Oy are consolidated using the equity method. The share of profit for the financial year, corresponding to the ownership interest, is recorded above operating profit. Auroora Yhtiöt Oyj is represented on the board of Pusatec Oy, which grants Auroora significant influence.

Sahalahden Esikäsittelylaitos Oy and Haapaveden Ympäristöpalvelut Oy are classified as joint operations, as Auroora has no rights to assets or obligations for liabilities beyond its investment in the company. Joint control is based on an agreement.

Below is a summary of the financial information of the associated companies and joint operations. The figures presented correspond to those reported in the financial statements of the respective associated companies and joint operations, rather than Auroora’s share.

EUR thousand	Assets	Liabilities	Net sales	Profit (loss) for the financial year
2024				
Pusatec Oy	3,808	502	6,030	1,419
2023				
Pusatec Oy	3,658	661	6,010	1,633
1 Jan 2023				
Pusatec Oy	2,961	548	4,876	1,375

Investments in associates:

EUR thousand	2024	2023
Carrying amount at 1 Jan	1,873	0
Business combinations	-	1,703
Additions		-
Reductions	-132	-
Share of profit for the financial year	178	170
Carrying amount at 31 Dec	1,919	1,873

Transactions with associates and joint ventures:

EUR thousand	1 Jan – 31 Dec 2024	1 Jan – 31 Dec 2023
Sale of goods and services	2,521	2,497
Dividend income	132	132

Outstanding balances with associates and joint ventures:

EUR thousand	31 Dec 2024	31 Dec 2023	1 Jan 2023
Trade and other receivables	261	264	24

Accounting policies

Subsidiaries

Subsidiaries are entities over which the Group has control. The Group is considered to have control over an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to influence those returns through its power over the entity’s operations. Subsidiaries are fully consolidated into the Group’s Financial Statements from the date on which control is obtained. Consolidation ceases when control is lost.

Intra-group transactions, including internal receivables, liabilities, income, and expenses, as well as unrealised gains, are eliminated. Unrealised losses are also eliminated unless they indicate an impairment of the transferred asset.

Associated companies

Associates are companies in which the Group has significant influence, but neither control nor joint control. This is typically based on share ownership that provides 20%–50% of the voting rights.

Investments in associates are initially recognised at cost and subsequently accounted for using the equity method.

The Group’s share of post-acquisition profits or losses is recognised in the income statement, while its share of other comprehensive income changes after acquisition is recorded in other comprehensive income. The carrying amount of the investment is adjusted accordingly.

If the Group’s share of an associate’s losses exceeds the carrying amount of the investment, no further losses are recognised unless the Group has legal or constructive obligations related to the associate or has made payments on behalf of the associate. The Group’s proportionate share of the associate’s profit or loss is calculated based on its ownership interest and is reported in the consolidated income statement as part of operating profit.

At the end of each reporting period, an assessment is made to determine whether there is objective evidence that the value of an investment in an associate has been impaired.

Joint operations

Joint operations are business arrangements where the company has joint control with another party based on a contractual agreement. In a joint operation, the company has rights to the assets and obligations for the liabilities of the arrangement. The company recognises its share of assets, liabilities, net sales, and expenses in the Financial Statements accordingly.

24. Related party transactions

Auroora’s related parties include members of the Board of Directors, the CEO, members of the executive Management Team, and shareholders with significant influence over the company. Related parties also include close family members of these individuals and entities where the aforementioned persons have control or joint control.

Auroora’s subsidiaries, associates, and joint ventures are described in Note 23 – Group structure.

Salaries and fees of executive management and Board members

EUR thousand	1 Jan – 31 Dec 2024	1 Jan – 31 Dec 2023
CEO		
Salaries, fees, and other short-term employee benefits	158	131
Pension expenses – defined contribution plans	28	24
Total	186	155
Management Team		
Salaries, fees, and other short-term employee benefits	450	284
Pension expenses – defined contribution plans	81	51
Total	531	335
EUR thousand	1 Jan – 31 Dec 2024	1 Jan – 31 Dec 2023
Board members		
Pekka Tammela	31	13
Reetta Keränen	17	7
Harri Lamminen	17	7
Risto Lehtimäki	17	7
Ville Voipio	14	
Total	95	33
Total compensation of management and Board of Directors	726	522

Shareholdings of key management

EUR thousand	31 Dec 2024	31 Dec 2023
Board of Directors, CEO, and Executive Management		
Ordinary shares (pcs)	396,297	392,576
Ownership share (%)	35.1%	41.0%
Total number of outstanding shares (pcs)	1,126,170	957,088

Transactions with related parties

EUR thousand	1 Jan – 31 Dec 2024	1 Jan – 31 Dec 2023
Sale of goods and services	-	-
Purchase of goods and services	39	109

EUR thousand	31 Dec 2024	31 Dec 2023	1 Jan 2023
Trade receivables and other receivables	-	-	-
Trade payables and other liabilities	-	8	-

25. Contingent liabilities and commitments

EUR thousand	31 Dec 2024	31 Dec 2023
Liabilities secured by collateral		
Loans from financial institutions	4,012	6,405
Factoring debt	814	1,057
Credit and guarantee limits available on the balance sheet date		
Credit limits	89	400
Group guarantee limit	10,000	10,000
Instalment financing limit	2,000	2,000
Provided collateral		
Real estate mortgages	0	176
Business mortgages	13,055	13,752
Contract guarantees	218	214
Cash pledges (e.g., securities)		4,118
Pledging of funds as a warranty guarantee		148
Factoring receivables	3,505	1,400

Disputes and legal proceedings

The Group's management is not aware of any ongoing disputes or legal proceedings that could have a significant impact on the company's financial position.

Accounting policies

A contingent liability is a potential obligation arising from past events, the existence of which will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events that are not entirely within the Group's control. An existing obligation is classified as a contingent liability if it is not probable that settling the obligation would require an outflow of resources from the entity, or if the amount of the obligation cannot be sufficiently reliably estimated.

	31 Dec 2024			31 Dec 2023		
EUR thousand	Within one year	Later	Total	Within one year	Later	Total
Off-balance sheet commitments						
Instalment-based acquired equipment	221	386	607	291	438	729
VAT liability for real estate investment	0	2	2	14	2	16

26. First-time adoption of IFRS standards

Auroora will publish its first Consolidated Financial Statements prepared in accordance with IFRS standards for the financial year ending 31 December 2024, along with comparative figures for the financial year ending 31 December 2023. In these Consolidated Financial Statements, Auroora applies IFRS 1 – First-time Adoption of International Financial Reporting Standards, with a transition date of

1 January 2023. Previously, Auroora followed Finnish Accounting Standards (FAS). The tables below present the impact of IFRS adoption on the consolidated statement of comprehensive income for the financial year ending 31 December 2023, as well as on the consolidated balance sheet under Finnish Accounting Standards (FAS) as of 1 January 2023 and 31 December 2023.

Group opening balance sheet as at 1 January 2023

EUR thousand	FAS	Reclassifications	FAS adjustments	Class 1	Class 2	Class 3	Class 4	Class 5	IFRS
Assets									
Non-current assets									
Goodwill	0	-	-		-	-	-	-	0
Other intangible assets	0	-	-		-	-	-	-	0
Property, plant and equipment	0	-	-		-	-	-	-	0
Right-of-use assets	0	-	-		-	-	-	-	0
Investments accounted for using the equity method	0	-	-		-	-	-	-	0
Financial assets at fair value through profit or loss	7,711	-	-	15,965	-	-	-	-	23,676
Deferred tax assets	0	-	-		-	-	-	-	0
Other receivables	790	-	-		-	-	-	-	790
Total non-current assets	8,501	0	0	15,965	0	0	0	0	24,466
Current assets									
Inventories	0	-	-	-	-	-	-	-	-
Trade and other receivables	198	-	-	-	-	-	-	-	198
Income tax receivables	0	-	-	-	-	-	-	-	-
Derivative financial instruments	0	-	-	-	-	-	-	-	-
Cash and cash equivalents	4,036	-	-	-	-	-	-	-	4,036
Total current assets	4,234	0	0	0	0	0	0	0	4,234
Total assets	12,735	0	0	15,965	0	0	0	0	28,700

EUR thousand	FAS	Reclassifications	FAS adjustments	Class 1	Class 2	Class 3	Class 4	Class 5	IFRS
Equity and liabilities									
Equity									
Share capital	864	-	-	-	-	-	-	-	864
Reserve for invested unrestricted equity	6,029	-	-	-	-	-	-	-	6,029
Translation differences	0	-	-	-	-	-	-	-	0
Retained earnings (loss)	4	5,191	-	12,772	-	-	-	-	17,966
Profit (loss) for the period	5,191	-5,191	-	-	-	-	-	-	0
Total equity attributable to owners of the parent company	12,087	0	0	12,772	0	0	0	0	24,859
Non-controlling interests	0	-	-	-	-	-	-	-	0
Total equity	12,087	0	0	12,772	0	0	0	0	24,859
Liabilities									
Non-current liabilities									
Borrowings	0	-	-	-	-	-	-	-	0
Lease liabilities	0	-	-	-	-	-	-	-	0
Deferred tax liabilities	0	-	-	3 193	-	-	-	-	3 193
Employee benefit obligations	0	-	-	-	-	-	-	-	0
Provisions	0	-	-	-	-	-	-	-	0
Total non-current liabilities	0	0	0	3,193	0	0	0	0	3,193
Current liabilities									
Borrowings	0	-	-	-	-	-	-	-	0
Lease liabilities	0	-	-	-	-	-	-	-	0
Advances received	0	-	-	-	-	-	-	-	0
Trade and other payables	648	-	-	-	-	-	-	-	648
Income tax payables	0	-	-	-	-	-	-	-	0
Provisions	0	-	-	-	-	-	-	-	0
Total current liabilities	648	0	0	0	0	0	0	0	648
Total liabilities	648	0	0	3,193	0	0	0	0	3,841
Total equity and liabilities	12,735	0	0	15,965	0	0	0	0	28,700

Consolidated statement of comprehensive income 1 Jan 2023–31 Dec 2023

EUR thousand	FAS	Reclassifications	FAS adjustments	Class 2	Class 3	Class 4	Class 5	IFRS
Net sales	131,169	-	-17,049	-	-	-	-8,485,	105,635
Other operating income	314	-	-38	-	-	-	-10,	266
Changes in inventories of finished goods and work in progress	112	-	-916	-	-805,	-	-	-1,609
Production for own use	669	-595	-74	-	-	-	-	0
Materials and services	-80,134	176	10,840		292	-	719	-68,107
Employee benefit expenses	-32,860	260	4,394	-	-	-	6,013	-22,193
Depreciation, amortisation and impairments	-3,807	-	289	-1,689	-2,240	2,466	416	-4,565
Other operating expenses	-12,077	159	2,031	1,893	-565	-	606	-7,953
Share of profits in associates	163	-	-29	-	-	-	35	170
Operating profit (loss)	3,550	-	-553	203	-3,317	2,466	-706	1,644
Finance income	311	1,000	-22	-	-	-	10	1,300
Finance costs	-2,490	-1,000	241	-325	-	-	89	-3,486
Finance costs, net	-2,179	-	219	-325	-	0	99	-2,186
Profit (loss) before income tax	1,371	-	-334	-122	-3,317	2,466	-607	-542
Income tax expense	-862	-	148	24	548	-	112	-30
Non-controlling interest	-291	192	99	-	-	-	-	0
Profit (loss) from continuing operations	218	192	-87	-98	-2,769	2,466	-495	-572
Profit (loss) from discontinued operations	0						198	198
Profit (loss) for the period	218	192	-87	-98	-2,769	2,466	-298	-374

EUR thousand	FAS	Reclassifications	FAS adjustments	Class 2	Class 3	Class 4	Class 5	IFRS
Other comprehensive income								
Items that may be reclassified to profit or loss								
Translation differences		58	-	-	-	-	-	58
Items that may be reclassified to profit or loss, total		58	-	-	-	-	-	58
Total comprehensive income for the period	276	276	-87	-98	-2,769	2,466	-298	-317
Profit (loss) for the period attributable to								
Owners of the parent	218	0	35	-90	-2,623	2,123	-226	-563
Non-controlling interests	0	192	-122	-7	-146	344	-71	189
Profit (loss) for the period	218	192	-87	-98	-2,769	2,466	-298	-374
Total comprehensive income for the period attributable to								
Owners of the parent	276	0	35	-90	-2,623	2,123	-226	-506
Non-controlling interests	0	192	-122	-7	-146	344	-71	189
Total comprehensive income for the period	276	192	-87	-98	-2,769	2,466	-298	-317

Consolidated balance sheet 31 December 2023

EUR thousand	FAS	Reclassifications	FAS adjustments	Class 1	Class 2	Class 3	Class 4	Class 5	IFRS
Assets									
Non-current assets									
Goodwill	39,832	-	-57		0	-5,106	2,466	-737	36,400
Intangible assets	2,070	-	-12		0	24,124	-	-	26,181
Property, plant and equipment	2,353	-	-0		-	-	-	-	2,353
Right-of-use assets	-	-	-		7 551	-	0	-	7,551
Investments accounted for using the equity method	1,020	-10	7	856	0	-	-	-	1,873
Financial assets at fair value through profit or loss	452	10	-		-	-	-	-	462
Deferred tax assets	-	-	-357		24	,280,	0	52	-0
Other receivables	24	-	-		-	-	-	-	24
Total non-current assets	45,752	-	-419	856	7,576	19,298	2,466	-684	74,844
Current assets									
Inventories	17,539	-	-		-	-600,	-	-	16,939
Trade and other receivables	18,017	-272	-4		-	-	-	-260	17,481
Income tax receivables	-	272	-		-	-	-	-	272
Derivative financial instruments	-	-	-		-	-	-	-	-
Cash and cash equivalents	5,148	-	-		-	-	-	-	5,148
Total current assets	40,703	-	-4	-	-	-600	-	-260	39,839
Total assets	86,455	-	-423	856	7,576	18,698	2,466	-945	114,683

EUR thousand	FAS	Reclassifications	FAS adjustments	Class 1	Class 2	Class 3	Class 4	Class 5	IFRS
Equity and liabilities									
Equity									
Share capital	864	-	-		-	-	-	-	864
Reserve for invested unrestricted equity	31,162	-	-		-	-	-	-	31,162
Translation differences	-	41	17		-		-	-	58
Retained earnings (loss)	3,139	-41	29	685	-90	12,058	-	269	16,049
Profit (loss) for the period	218	0	70			-2,623	2,123	-262	-473
Total equity attributable to owners of the parent company	35,383	0	116	685	-90	9,435	2,123	7	47,659
Non-controlling interests	2,145	-	-216		-7	3,636	344	-1,064	4,837
Total equity	37,528	-	-100	685	-98	13,071	2,466	-1,057	52,496
Liabilities									
Non-current liabilities									
Borrowings	18,719	-	-		-	-	-	-	18,719
Lease liabilities	-	-	-		5,361	-		-	5,361
Deferred tax liabilities	25	-	-359	171	0	4,825	-	-28	4,634
	0	-	0		0	802		140	942
Derivative financial instruments	0	-	0		0	-	-	-	-
Provisions	0	-	40		0	-	-	-	40
Total non-current liabilities	18,744	-	-319	171	5,361	5,627	-	112	29,696
Current liabilities									
Borrowings	4,336	-	-		-	-	0	-	4,336
Lease liabilities	-	-	-		2 309	-		-	2,309
Advances received	3,766	-	-		-	-	-	-	3,766
Trade and other payables	22,080	-188	-4		4	-	0	-	21,892
Income tax payables	-	188	-		-	-	-	-	188
Provisions	-	-	-		-	-	-	-	-
Total current liabilities	30,182	-	-4	-	2,313	-	-	-	32,491
Total liabilities	48,927	-	-323	171	7,673	5,627	-	112	62,187
Total equity and liabilities	86,455	-	-423	856	7,576	18,698	2,466	-945	114,683

The following section summarises the impact of the adoption of IFRS on the Auroora Group's statement of comprehensive income and consolidated balance sheet.

Reclassifications

In the IFRS balance sheet at 31 December 2023, balance sheet items related to income taxes have been reclassified to be presented as separate line items under assets and liabilities. Income tax assets of EUR 272 thousand have been reclassified from trade and other receivables to income tax assets and income tax payables of EUR 188 thousand from trade and other payables to income tax payables. Reclassification of EUR 10 thousand between investments accounted for using the equity method and financial assets at fair value through profit or loss. Reclassification of EUR 41 thousand between retained earnings and translation differences.

FAS restatements

After Auroora Companies ceased to be an investment company, the Group's subsidiaries have been consolidated into the Auroora Group from the date of termination of the investment company status. The IFRS income statement has been restated accordingly for the subsidiaries' income statements consolidated in the FAS consolidated income statement for the period from 1 January 2023 until the date of the end of the investment company status. The effects of this restatement are shown in

the bridging statement of comprehensive income for the year 2023 in the column Error corrections in the consolidated statement of comprehensive income. The adjustment to the income statement was EUR -16,709 thousand for net sales, EUR -636 thousand for operating profit, EUR 222 thousand for net financial expenses, EUR -414 thousand for profit (loss) before tax, EUR 141 thousand for income tax, EUR 99 thousand for non-controlling interests, and EUR -174 thousand for profit for the year. The adjustment for goodwill amortisation for sub-groups was EUR -185 thousand, for intangible assets EUR -9 thousand, for property, plant, and equipment EUR -7 thousand, for accruals EUR -11 thousand, and the corresponding adjustment for these to retained earnings EUR -211 thousand.

The IFRS transition has corrected errors in the treatment of exchange differences identified in FAS Group accounting. The effect of the correction of these errors in the IFRS statement of comprehensive income for 2023 is a correction of EUR -341 thousand in net sales, EUR -5 thousand in operating profit, EUR -3 thousand in net financial expenses, and EUR 6 thousand in taxes for the period. Correspondingly, the balance sheet adjustments were EUR -3 thousand for intangible assets, EUR 7 thousand for property, plant and equipment, EUR 7 thousand for accruals, EUR -2 thousand for deferred tax liabilities, EUR -4 thousand for trade payables. This resulted in an adjustment

of EUR 17 thousand to translation differences, EUR 1 thousand to retained earnings, and a corresponding adjustment of EUR -1 thousand to non-controlling interests.

The IFRS transition has corrected a guarantee provision of EUR 40 thousand in other operating expenses in the IFRS income statement for 2023, which is presented in the IFRS balance sheet under non-current provisions.

The non-controlling interests' share of 121 thousand euros of dividends paid has been adjusted in the 2023 IFRS balance sheet between retained earnings and non-controlling interests.

Amortisation of goodwill arising from the acquisition of the HTT High Tech Technology subsidiary acquired in 2023 has been adjusted by EUR 128 thousand. The income statement shows a reversal of amortisation of EUR 128 thousand and a corresponding adjustment of goodwill in the balance sheet.

The share of the result of the joint venture in the 2023 IFRS income statement has been corrected by EUR 35 thousand and the corresponding amount has been adjusted for investments accounted for using the equity method in the balance sheet. The adjustment also increased non-controlling interests by EUR 4 thousand and decreased retained earnings by EUR -4 thousand.

Category 1 - Fair value measurement of investments

On 20 February 2023, Auroora Group changed its activity from a private equity investment company to a serial acquirer by decision of the General Meeting of Shareholders. Following the decision, Auroora will apply the cost method of IFRS 3 Business Combinations and will consolidate its subsidiaries in its Consolidated Financial Statements in accordance with IFRS 10 Consolidated Financial Statements. The fair values at the date of acquisition of the subsidiaries constitute the cost of acquisition, which has determined the goodwill arising from the acquisitions.

In the opening IFRS balance sheet on 1 January 2023, Auroora recognised a fair value increase of EUR 15,965 thousand in financial assets at fair value through profit or loss and a resulting deferred tax liability of EUR 3,193 thousand for the change in fair value of the Auroora Companies' subsidiary shares and a corresponding adjustment to retained earnings of EUR -12,772 thousand.

In the IFRS balance sheet on 31 December 2023, Auroora recognised a fair value allocation of EUR 856 thousand to investments accounted for using the equity method, with a resulting deferred tax liability of EUR 171 thousand and a corresponding adjustment to retained earnings of EUR -685 thousand.

Category 2 - Leases

As a result of the adoption of IFRS 16 Leases, most leases are recognised in the balance sheet. Auroora has applied the relief allowed by the standard not to recognise low value and short-term leases. Under the standard, the right to use the leased asset and a financial liability corresponding to the payment of rentals are recognised in the balance sheet. Under the leases, the right-of-use assets and the corresponding lease liability are measured at the present value of the minimum lease payments outstanding at the date of transition.

Under FAS, leases are recorded as other operating expenses on a straight-line basis over the lease term, and lease payments subsequent to the end of the fiscal year are presented as off-balance sheet liabilities. In IFRS financial statements, rental expenses are adjusted from other operating expenses to amortisation of the lease liability and interest expense. Depreciation is charged on the right-of-use assets recognised in the balance sheet.

In the opening IFRS balance sheet at 1 January 2023, the parent company Auroora Group does not have any leases applicable under IFRS 16 Leases. Leases under IFRS 16 have been identified in the cost calculations of subsidiaries prepared in accordance with IFRS 3 Business Combinations, the effects of which are described in more detail in Note 2 Acquisitions.

In the IFRS balance sheet at 31 December 2023, the amount of concession assets and lease liabilities amounted to EUR 7,511 thousand and EUR 7,669 thousand respectively. In 2023, depreciation of concession assets amounted to EUR -1,689 thousand, a decrease in other operating expenses of EUR 1,893 thousand and an increase in financial expenses of EUR -325 thousand. Adjustments resulted in the recognition of a change in deferred tax assets of EUR 24 thousand.

Category 3 - Consolidation of businesses

Auroora applies IFRS 3 Business Combinations to all its subsidiary holdings at the date of transition to IFRS. Acquisitions are accounted for using the acquisition method. The consideration transferred and the acquiree's identifiable assets and liabilities assumed are measured at their fair values at the acquisition date. Acquisition-related costs, such as professional fees, are expensed in the periods in which the costs are incurred and the services are received. Acquisition-related costs are included in other operating expenses. The cost of goodwill is the amount by which the cost of the subsidiary exceeds the net fair value of the identifiable assets and liabilities acquired.

The goodwill of the Auroora Group FAS Group balance sheet at 31 December 2023 was adjusted

by EUR -5.106 thousand in the IFRS transition. In connection with the application of IFRS 3, intangible assets were identified; customer relationships, trademarks, and technology, totalling 24,124 thousand euros, of which a deferred tax liability of 4,825 thousand euros was recognised. An impairment loss of EUR 600 thousand was recognised on acquired inventories and service annuities were identified in the collective agreements of the acquired companies to be treated in accordance with IAS 19. The revaluation of the long-service bonuses resulted in the recognition of an additional liability of EUR 802 thousand in the opening balance sheets of the acquired companies and, as a result, a deferred tax asset of EUR 280 thousand.

Changes in inventories of EUR -513 thousand, amortisation of intangible assets of EUR -2,240 thousand and changes in deferred taxes of EUR 548 thousand were recognised in the income statement. Acquisition-related costs were recognised in the income statement under other operating expenses for EUR -564 thousand.

Category 4 - Cancellation of goodwill amortisation

After the date of transition, IFRS 3 applies and goodwill is no longer amortised. In the comparison period 2023, amortisation charged

under FAS has been reversed in the amount of EUR 2,466 thousand. Instead, the Group performs an impairment test of goodwill in accordance with IAS 36. As a result of the impairment test, no impairment of goodwill has been recognised for the comparative period of 31 December 2023. For further information on the impairment test performed, see Note 11.2.

Category 5 - Other corrections

Credit loss provision

Auroora has applied the simplified approach to the treatment of expected credit losses on trade receivables prescribed by IFRS 9, whereby a deduction is recognised for all trade receivables over their entire life based on expected credit losses. Impairment losses on trade receivables are recognised as an expense in other operating expenses. In the IFRS balance sheet on 31 December 2023, an allowance for credit losses of EUR 260 thousand was recognised in the income statement under other operating expenses and deducted from trade receivables in the balance sheet. From this provision, a deferred tax asset of EUR 52 thousand was recognised in the balance sheet and in the income statement as a change in deferred taxes.

Service bonus

Auroora Group grants service bonuses to its production employees in accordance with collective labour agreements. The arrangement is subject to IAS 19 – Employee Benefits, under

which service bonuses are treated as a long-term employee benefit plan.

The obligations and related service costs of service bonuses are remeasured using the projected unit credit method, discounting estimated future cash flows. Actuarial gains and losses arising from remeasurement are recognised directly in the consolidated balance sheet through other comprehensive income in the period they arise. The net liability or asset resulting from the remeasurement of the defined benefit plan is recorded in the balance sheet. Changes in the net liability from employee benefits are recognised as an expense in the income statement, while the net interest cost or income from discounting is recorded under net finance costs.

As of 31 December 2023, an amount of EUR 140 thousand was recognised as a non-current liability in the IFRS balance sheet, and an expense of EUR -117 thousand was recorded under staff costs in the income statement. A deferred tax asset of EUR 28 thousand was recognised in the balance sheet and as a change in deferred taxes in the income statement due to the resulting temporary difference.

Acquisitions of non-controlling interests

An adjustment of EUR -737 thousand was recorded as a goodwill adjustment related to the additional acquisition of shares in the subsidiary Fentec Oy. Additionally, EUR -13 thousand in acquisition-related expenses was recognised

under other operating expenses in the income statement. As a result of the acquisition, an adjustment of EUR 269 thousand was made to retained earnings, while the non-controlling interests were reduced by EUR -993 thousand.

Furthermore, an adjustment of EUR -70 thousand was made to non-controlling interests in the IFRS balance sheet as of 31 December 2023, reflecting changes in profit attributable to non-controlling interests in the income statement.

Classification of discontinued operations

Auroora sold the Puhdas Group sub-group in June 2024. As a result, the 2023 comparative period income statement presents Puhdas Group as a discontinued operation. In accordance with IFRS 5 – Non-current Assets Held for Sale and Discontinued Operations, Puhdas Group’s profit for the financial year is reported as a single line item in the statement of comprehensive income. Adjustments related to discontinued operations for the period 1 January – 31 December 2023 are presented at the line-item level under Other adjustments in the statement of comprehensive income. The profit of Puhdas Group, as consolidated into the Group during the period 1 March – 31 December 2023, was EUR 198 thousand, while the gain on the sale of the sub-group amounted to EUR 424 thousand. Further details on the impact of discontinued operations on the income

statement are provided in Note 3: Discontinued operations and divestments.

Impact of IFRS conversion on the cash flow statement

The most significant impact of the IFRS transition on the cash flow statement relates to the presentation of lease liability repayments as part of financing cash flows. Under IFRS, lease liability repayments are reported within financing cash flows, whereas in the FAS financial statements, payments related to lease agreements were included in operating cash flows.

27. Events after the accounting period

On 16 January 2025, Auroora Group reinforced its role as a provider of critical infrastructure by acquiring the business operations of Pur-ait Oy, a company renowned for its fencing and gate solutions. This acquisition is part of Auroora Group’s long-term strategy, which focuses on acquiring, owning, and developing high-quality Finnish businesses. Pur-ait Oy is Finland’s leading provider of high-quality security and access control solutions, specialising in the design and manufacture of fences, sliding gates, barriers, and control systems.

On 20 March 2025, Auroora announced that it had signed a share purchase agreement for the acquisition of the entire share capital of BTB Transformers Ab, an international specialist

in transformer solutions. BTB Transformers buys, sells, and supplies transformers, reactors, and other electrical components, in addition to offering maintenance and consultancy services related to its products. The acquisition strengthens Auroora Yhtiöt’s electrification and automation offering.

In January 2025, the company’s Board of Directors approved and communicated the implementation of a share-based incentive programme for Auroora’s management for the year 2025.

Parent company income statement

EUR	1 Jan 2024 – 31 Dec 2024	1 Jan 2023 – 31 Dec 2023
Net sales	892,525.75	458,391.00
Other operating income	1,335,337.74	0.00
Personnel expenses		
Wages and salaries	-757,931.04	-558,627.55
Indirect personnel expenses		
Pension costs	-116,130.01	-96,350.64
Other personnel costs	-13,811.35	-12,483.46
Personnel expenses total	-887,872.40	-667,461.65
Depreciation and impairment		
Depreciation in accordance with the plan	-2,920.00	0.00
Total depreciation and amortisation	-2,920.00	0.00
Other operating expenses	-1,080,514.89	-343,778.02
Profit (loss) for the period	256,556.20	-552,848.67
Financial income and expenses		
Income from shares in Group companies	84,964.56	0.00
Income from shares in holding companies	132,000.00	132,000.00
Other interest and financial revenue		
From Group companies	347,669.52	340,020.19
From others	108,678.32	32,578.48
Interest and other finance expenses		
To Group companies	-2,737.31	0.00
To others	-1,080,491.64	-509,036.39
Total financial income and expenses	-409,916.55	-4,437.72

EUR	1 Jan 2024 – 31 Dec 2024	1 Jan 2023 – 31 Dec 2023
Profit before appropriations and taxes	-153,360.35	-557,286.39
Year-end allocations		
Group contributions		
Group contributions received	1,660,000.00	0.00
Income taxes		
Taxes for the financial year and previous years	0.00	-420.00
Profit (loss) for the financial year	1,506,639.65	-557,706.39

Parent company balance sheet

EUR	31 Dec 2024	31 Dec 2023
Assets		
Non-current assets		
Intangible assets		
Intangible rights	11,680.00	0.00
Goodwill	1,561,029.22	0.00
Intangible assets total	1,572,709.22	0.00
Investments		
Shares in Group companies	59,755,173.07	36,329,625.13
Shares in associates	938,784.00	938,784.00
Other shares and holdings	440,168.89	440,168.89
Other receivables	20,006.23	0.00
Investments total	61,154,132.19	37,708,578.02
Non-current assets total	62,726,841.41	37,708,578.02
Current assets		
Non-current receivables		
Receivables from Group companies	2,839,166.77	5,705,000.06
Other receivables	3,658.00	3,658.00
Non-current receivables total	2,842,824.77	5,708,658.06
Current receivables		
Trade receivables	502.00	992.00
Receivables from Group companies	5,897,237.60	4,181,357.18
Other receivables	623.14	371,450.00
Accrued income	11,192.18	35,217.22
Current receivables total	5,909,554.92	4,589,016.40
Cash and cash equivalents	6,014,719.73	660,162.62
Current assets total	14,767,099.42	10,957,837.08
Assets total	77,493,940.83	48,666,415.10

EUR	31 Dec 2024	31 Dec 2023
Equity and liabilities		
Equity		
Share capital	863,666.00	863,666.00
Other reserves (Ltd)		
Reserve for invested non-restricted equity (Ltd)	41,861,578.77	31,161,524.19
Retained earnings (losses)	2,540,988.50	3,098,694.89
Profit for the period (loss)	1,506,639.65	-557,706.39
Total equity	46,772,872.92	34,566,178.69
Liabilities		
Non-current liabilities		
Loans from credit institutions	18,375,000.00	11,475,000.00
Non-current liabilities total	18,375,000.00	11,475,000.00
Current liabilities		
Loans from credit institutions	2,850,000.00	1,350,000.00
Trade payables	207,075.34	111,892.36
Liabilities to Group companies	9,044,877.81	920,130.34
Other payables	63,701.93	100,880.81
Accruals and deferred income	180,412.83	142,332.90
Current liabilities total	12,346,067.91	2,625,236.41
Liabilities total	30,721,067.91	14,100,236.41
Equity and liabilities total	77,493,940.83	48,666,415.10

Notes to the parent company Financial Statements

Accounting principles for the Financial Statements

The Financial Statements have been prepared in accordance with the small enterprise provisions of the Decree on the Information to Be Presented in the Financial Statements of Small and Micro-Undertakings (PMA).

Principles and methods used for the valuation and accrual of non-current and current assets

Intangible rights

Capitalised software licences classified as intangible rights are amortised on a straight-line basis over their useful life of 5 years.

Extraordinary items

Other operating income includes a merger gain of EUR 677,357.29 related to the merger of Pikespo Power Oy, as well as a gain on sale of shares amounting to EUR 657,980.45 during the financial year.

The company also received a group contribution of EUR 1,660,000.00 from ARNON Oy during the financial year.

EUR	31 Dec 2024	31 Dec 2023
Non-current loans		
Total non-current liabilities falling due after more than five years	2,250,000.00	6,075,000.00

Guarantees given and off-balance sheet commitments

The company's loans include covenant terms. The agreed special terms relate to the company's solvency and liquidity. Breach of the covenants may lead to higher financing costs or early repayment of loans. According to the company's management, the covenants have been met and are monitored regularly

Auroora Yhtiöt Oy Group uses a cash pool arrangement. Auroora Yhtiöt Oy holds the main cash pool account, with a balance of EUR 1,196,736.02. Subsidiaries' member account balances are classified as intragroup receivables or liabilities. The balances of the cash pool member/main accounts are

pledged as part of the Group's cash pool arrangement.

As of the balance sheet date, Auroora Yhtiöt Oy had intragroup liabilities related to cash pool member accounts of EUR 7,762,756.83 and receivables of EUR 2,966,189.36.

EUR	31 Dec 2024	31 Dec 2023
Total off-balance sheet financial commitments		
Total commitments	65,928.38	108,344.00
Lease liabilities incl. VAT	65,928.38	108,344.00
Receivables from Group companies		
Other receivables	4,715,028.92	2,085,661.58
Loan receivables	3,619,166.73	7,335,000.02
Trade receivables	402,208.72	465,695.64
Guarantees given on behalf of Group companies	100,000.00	0.00
Liabilities to Group companies		
Other liabilities	9,044,877.81	920,130.34
Transactions with related parties		
The company's net sales includes EUR 886,225.75 in management service charges invoiced from subsidiaries. These transactions were carried out on arm's length terms.		
Personnel		
Average number of employees during the financial year	7.00	5.00

EUR	31 Dec 2024	31 Dec 2023
Changes in equity		
Share capital at the beginning of the financial year	863,666.00	863,666.00
Share capital at the end of the financial year	863,666.00	863,666.00
Total restricted equity at year-end	863,666.00	863,666.00
Reserve for invested unrestricted equity at the beginning of the financial year	31,161,524.19	6,029,124.29
Share issue	10,700,054.58	25,132,399.90
Dividend from unrestricted equity		0.00
Reserve for invested unrestricted equity at the end of the financial year	41,861,578.77	31,161,524.19
Retained earnings at the beginning of the financial year – opening balance	3,098,694.89	3,672.74
Transfers from previous year's profit/loss – opening balance	-557,706.39	5,190,860.89
Dividends distributed for the financial year	0.00	-2,095,838.74
Retained earnings at the end of the financial year	2,540,988.50	3,098,694.89
Profit for the financial year	1,506,639.65	-557,706.39
Total unrestricted equity at the end of the financial year	45,909,206.92	33,702,512.69
Total equity	46,772,872.92	34,566,178.69

EUR	31 Dec 2024	31 Dec 2023
Calculation of distributable unrestricted equity according to the Finnish companies act (chapter 13, section 5)		
Total distributable equity	45,909,206.92	33,702,512.69
Reserve for invested unrestricted equity	41,861,578.77	31,161,524.19
Retained earnings	2,540,988.50	3,098,694.89
Profit for the financial year	1,506,639.65	-557,706.39

Parent company list of accounting records and documentation

Accounting records, document types, and their storage method

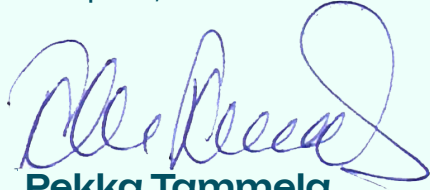
Financial Statements
Financial Statements and Balance Sheet Specifications
Chart of accounts and balance listings
Account-Specific Income Statement
Account-Specific Balance Sheet
Chart of Accounts

Accounting ledgers	
General ledgers	
Purchase ledger	
Payroll ledger	
Supporting documents	
Automatic closing entries	1-2
Accruals	1-239
System-generated entries	1-12
Other documents	1-427
Sales invoices	1-56
Sales receipts	1-53
Purchase invoices	1-602
Purchase payments	1-360
Payroll	1-75
Bank transactions	1-306
Imported transactions	1-4

Data storage and archiving in the electronic archive is carried out in accordance with the general guideline issued by the Accounting Board of the Ministry of Trade and Industry.

Signatures for the Financial Statements and Annual Report

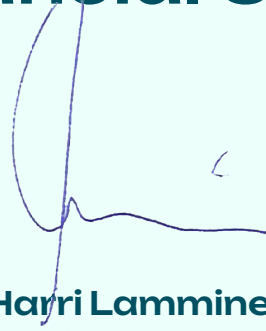
Tampere, 24 March 2025



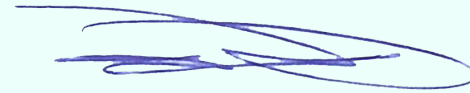
Pekka Tammela
Chairman



Reetta Keränen
Board Member



Harri Lamminen
Board Member



Risto Lehtimäki
Board Member



Ville Voipio
Board Member



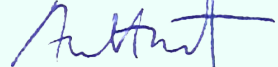
Antti Rauhala
CEO

Auditor's note

An Auditor's Report on the performed audit has been issued today.

Tampere, 24 March 2025

Moore Idman Oy, Audit Firm



Antti Niemistö
Authorised Public Accountant (APA)

AUDITOR'S REPORT

(Translation of the Finnish original)

To the General Meeting of Auroora Group

Opinion

We have audited the Financial Statements of Auroora Group (0588514-3) for the financial year 1 January 2024–31 December 2024. The Financial Statements include the consolidated balance sheet, comprehensive income statement, statement of changes in equity, cash flow statement, and notes, including significant accounting policies and other explanatory information, as well as the parent company's balance sheet, income statement, and notes.

In our opinion:

- The Consolidated Financial Statements give a true and fair view of the Group's financial position, financial performance, and cash flows in accordance with the International Financial Reporting Standards (IFRS) as adopted by the EU.
- The Financial Statements give a true and fair view of the parent company's financial performance and financial position in accordance with the applicable statutory requirements and financial reporting regulations in force in Finland.

Basis for opinion

We conducted our audit in accordance with good auditing practice observed in Finland. Our responsibilities under these standards are further described in the section 'Auditor's Responsibilities for the Audit of the Financial Statements'. We are independent of the company in accordance with the ethical requirements applicable in Finland to our audit, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Board of Directors and the CEO for the Financial Statements

The Board of Directors and the CEO are responsible for preparing the Financial Statements in such a way that the Consolidated Financial Statements provide a true and fair view in accordance with the IFRS as adopted by the EU, and that the financial statements of the parent company provide a true and fair view in accordance with the statutory requirements and financial reporting regulations in force in Finland. They are also responsible for such

internal control as they deem necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

When preparing the Financial Statements, the Board of Directors and the CEO are required to assess the ability of the parent company and the Group to continue as a going concern. Where applicable, they must disclose matters related to the going concern assumption and prepare the Financial Statements on that basis, unless the parent company or the Group intends to liquidate or cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Statements

Our objective is to obtain reasonable assurance as to whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but does not guarantee that a material misstatement will always be detected in an audit conducted in accordance with good auditing practice. Misstatements may arise from fraud or error and

are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions that users make based on the Financial Statements.

An audit in accordance with good auditing practice requires us to exercise professional judgement and maintain professional scepticism throughout the audit. Additionally, we:

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the Board of Directors' and the CEO's use of the going concern basis of accounting and, based on the audit evidence obtained, determine whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the Financial Statements, including all disclosures, and assess whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.
- Plan and perform the Group audit to obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business units within the Group, as a

basis for our audit opinion on the consolidated financial statements. We are responsible for directing, supervising, and reviewing the audit work performed for the Group audit. We assume sole responsibility for our audit opinion.

We communicate with the governing bodies regarding, among other matters, the planned scope and timing of the audit, as well as significant audit findings, including any material deficiencies in internal control that we identify during the audit.

Other reporting obligations

Other information

The Board of Directors and the CEO are responsible for other information. Other information comprises the report of the Board of Directors and the information included in the annual report, but it does not include the Financial Statements or our auditor's report relating to them. We have received the report of the Board of Directors before the date of this auditor's report, and we expect to receive the annual report after that date. Our audit opinion on the Financial Statements does not cover other information.

Our duty is to read the other information identified above in connection with our audit of the Financial Statements and, in doing so,

consider whether it is materially inconsistent with the Financial Statements or with the knowledge we obtained during the audit, or otherwise appears to be materially misstated. In relation to the report of the Board of Directors, our responsibility is also to assess whether it has been prepared in accordance with the applicable regulations.

In our opinion, the information in the report of the Board of Directors is consistent with the Financial Statements, and the report of the Board of Directors has been prepared in accordance with the applicable regulations.

If, based on the work we have performed on the other information obtained before the date of this auditor's report, we conclude that there is a material misstatement in that other information, we are required to report this. We have nothing to report in this regard.

Tampere, 24 March 2025
Moore Idman Oy,
Audit Firm

Antti Niemistö
Authorised Public Accountant (APA)

AUROORA

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