



Nurminen Logistics ▶▶▶

**Financial statements
and report on operations**

2024

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The Board's Report on Operations

Despite the challenging operating environment and geopolitical uncertainties in 2024, we successfully continued to grow the international railway business and improve profitability. We opened new container train routes in Sweden and acquired the Swedish rail logistics company Essinge Rail AB. The acquisition was part of our international growth strategy, which focuses on customer-oriented rail transport.

The good growth prospects of our international railway business are supported by our extensive and well-functioning service network as well as the EU Corporate Sustainability Reporting Directive, which requires companies to take action to reduce the Scope 3 emissions in their supply chains in order to achieve climate targets.

Net sales for 2024, EUR 104.8 million, decreased by 18.1% year-on-year. The decline in net sales was due to a security threat to the Suez Canal that we announced in the summer, which resulted in the loss of significant customer volume through the canal. Despite this, we were able to achieve a strong result and improve our comparable relative profitability, with a comparable net operating result of EUR 19.1 million, or 18.2% of net sales. The comparable net result attributable to the equity holders of the parent company improved significantly. Our good profitability is the result of careful cost management, strong operational efficiency in the railway business and adapting the entire Group's operations to market conditions.

In 2024, we laid the foundation for future growth by investing heavily in the development of new international railway services and the partnership network. In addition, we started the integration processes related to acquisitions. Our successful financial performance is reflected in our strong financial indicators: gearing excluding IFRS 16 items was 35.3%, interest-bearing net liabilities relative to EBITDA excluding IFRS 16 items was 0.59 and the equity ratio was 40.7%. In 2024, we achieved a high return on equity of 30%.

The management and operating efficiency of our subsidiary, North Rail Oy, are among those of the world's leading railway operators when it comes to measuring the locomotive utilisation rate, resource efficiency and customer satisfaction. We can see that there is also growing demand for this competence internationally.

In 2024, we also completed the licensing processes related to the deliveries of energy raw materials to the Finnish and Swedish markets, but the financial targets set for the service have not yet been achieved.

The net sales for the fourth quarter of 2024 amounted to EUR 22.9 million and the comparable net operating result was EUR 3.7 million. The railway business developed positively during the financial period, but the Cargo business was encumbered by the weak development of Finnish foreign trade. The lack of customer volumes due to the shutdown of the Suez Canal had a negative impact on the Baltic operations.

We are seeking growth especially in rail transport in the FMCG product groups, where we believe that the delivery terms will change as large retail chains move freight to rail transport to an increasing extent, accelerated by the EU's Corporate Sustainability Reporting Directive. The company's dependence on the development of the Finnish economy will decrease and we will be able to join the clearly larger and stronger Swedish market. We have also started rail transport from Gothenburg to Haparanda and from there to Finland, which is important for the future of Finnish exports and imports. This transport connection brings security of supply and cost competitiveness to customers and safeguards security of supply during exceptional times in Finland.

The company has a strong market position, unique railway expertise and an extensive route network, strong customer understanding and efficient, high-quality customer service. Our competitive advantages enable us to further increase shareholder value and strengthen our market position. Although the uncertainties related to the geopolitical situation and the economy may have a negative impact on the development of our business, we enter 2025 with a positive growth mindset.

I would like to warmly express my gratitude to our dedicated employees for their excellent work input and thank our customers for their valuable support and trust.

Market situation and future outlook

Nurminen Logistics estimates that the development of the logistics market relevant to the Group will strengthen in 2025, and the measures taken by the company and the operations consolidated in 2024 will facilitate the positive development of the Group's business in 2025.

We believe that the demand for rail freight will increase in the Group's target market, which is supported by the increase in the importance of environmental values in decision-making driven by stricter regulation. Falling interest rates and the improved availability of financing are supporting customer demand for goods and capital goods, which, in its part, supports the demand for Nurminen Logistics' services.

Nurminen Logistics has maintained its ability to quickly start direct rail transport between China and Finland to serve the Nordic and Central European markets. There are clear signs of a growing need for the service on the market, due to the significant competitive advantage it offers.

Nurminen Logistics is now strongly investing in railway services internationally, seeking clear growth. The Group's long-term agreements with several customers ensure stable profitability for the next few years.

Nurminen Logistics provides a completely new kind of customer insight as a railway company, combining its terminal and multimodal expertise with customer needs. A strong balance sheet structure and positive cash flow enable organic growth projects and acquisitions.

Business review

We implemented our international growth strategy by acquiring Essinge Rail AB in Sweden at the end of 2024. This made the company a significant railway logistics operator in the growing freight traffic between Central Europe and Sweden. In addition, we opened new container train routes in Sweden from Umeå and Haparanda to Gothenburg to serve Nordic and international industrial, technological and trade companies.

With the acquisition and the start of container train services in Sweden, we are creating the foundation for future growth. Thanks to our extensive clientele, strong expertise, European terminal network and available wagon pool, we can quickly and capital-efficiently accelerate and scale the growth of our business. With these investments, we are also enabling the transport of significant volumes to a larger market area, and maintaining the preparedness to start rail transport between the Nordic countries and China in response to an identified need.

The low ebb of the Finnish economy was reflected in declining volumes in the Cargo business. We responded to this by implementing efficiency improvement measures in Finland. The results of these measures will be reflected in improvements in the Cargo and Forwarding businesses, as we expect the Finnish market to remain subdued at least in the early part of 2025. In 2024, the cash flow from operating activities remained strong at EUR 11.9 million.

We reorganised the Group's balance sheet and raised new loans in the amount of EUR 21.1 million, while repaying existing long-term loans in the amount of EUR 17.3 million. The Group's equity ratio remained good at 40.7% (41.8%), net gearing was 71.7% (77.6%) and interest-bearing net liabilities relative to EBITDA were 1.19. Return on equity was 30.0% (66.5%).

Net sales and operating profit were lower than in 2023 due to geopolitical challenges that affected operations in the Baltic countries and a slight decline in the net sales of Cargo and Multimodal due to a decrease in demand, which was attributable to the economic situation. Relative comparable profitability improved.

The Railway business, which is the main focus area of Nurminen's strategy, continued to grow strongly and profitably and now accounts for one-third of the Group's net sales.

In 2024, the net sales of the railway operations was EUR 34.1 million (26.8) and the share of the Group's net sales was 33% (21%).

The profitability of the Multimodal Forwarding business improved, and its net sales amounted to EUR 6.5 million (9.8). The Multimodal Forwarding business accounted for 6% (7%) of the Group's net sales.

In the Cargo business, net sales and profitability declined and net sales amounted to EUR 17.4 million (19.2). The Cargo business accounts for 17% (15%) of the Group's net sales.

The net sales and profitability of the Baltic operations declined and net sales were EUR 46.8 million (74.8). The Baltic operations account for 45% (57%) of the Group's net sales.

Financial position and balance sheet

Cash flow from operating activities amounted to EUR +11.9 million. January–June accounted for EUR +8.2 million and July–December for EUR +3.6 million of the cash flow from operating activities. The change in working capital had an impact of EUR -3.9 million on the cash flow from operating activities. Cash flow from investments was EUR 3.2 million. The cash flow from net investments was affected by the proceeds from the divestment of Koy Satamakaari, investments in information systems and digitalisation and payments related to acquired businesses.

Cash flow from financing activities was EUR -11.6 million, with the most significant items being a total of EUR 21.1 million of proceeds from non-current borrowings and EUR -17.3 million of repayment of non-current borrowings.

At the end of the review period, cash and cash equivalents amounted to EUR 16.3 million. Cash and cash equivalents attributable to the Baltic operations amount to EUR 5.0 million.

The measurement of the assets in the financial statements is based on the going concern assumption and market prices, and the assets do not involve a risk of write-downs at the time of closing the accounts. The Group management estimates that the cash flow will cover the current business needs and liabilities for the next 12 months.

The Group's interest-bearing debt excluding IFRS 16 liabilities amounted to EUR 14.6 million. The liabilities according to IFRS 16 amounted to EUR 15.0 million and relate to business premises leased by the company's business units.

The Group's current interest-bearing liabilities of the Group, a total of EUR 10.7 million, consist of a liability of EUR 5.0 million related to a business acquisition, bank loans, and IFRS lease liabilities of EUR 2.6 million. Short-term financial liabilities include EUR 3.1 million of loans taken from financial institutions and EUR 5.0 million of liabilities related to the acquisition of Essinge Rail AB. Non-current interest-bearing liabilities are EUR 35.1 million, EUR 20.0 million of which consists of long-term debt and EUR 12.4 million is related to IFRS 16 lease liabilities.

Non-current financial liabilities amount to EUR 22.7 million, EUR 2.8 million of which relates to non-current purchase price debt for Essinge Rail AB. Long-term loans include a loan of EUR 1.6 million taken out by Nurminen Logistics Plc from Finnvera, a loan of EUR 2.2 million taken out by Nurminen Logistics Plc from Ilmarinen, a loan of EUR 4.5 million taken out by Nurminen Logistics Plc from Danske Bank and a loan of EUR 12.0 million taken out by North Rail Oy from Hoplon Opportunities Fund II SCSp.

The Group's equity amounted to EUR 41.2 million at the end of the year, while it was EUR 45.9 million at the end of the previous financial period. The equity ratio remained at a good level at 40.7% (41.8%). The balance sheet total was EUR 101.5 million (113.8).

Capital Expenditure

The Group's gross capital expenditure during the review period amounted to EUR 2.0 million (1.1), accounting for 1.9% (0.9%) of net sales. Depreciation totalled EUR 5.4 million (EUR 5.3 million), or 5.2% (4.2%) of net sales. Amortisation of right-of-use assets associated with IFRS 16 amounted to EUR 1.3 million (0.9) during the review period.

Group Structure

The Group comprises the parent company, Nurminen Logistics Plc, as well as the following subsidiaries and associated companies, owned directly or indirectly by the parent (ownership, %): Nurminen Logistics Services Oy (100%), Nurminen Logistics Services AB (100%), Kiinteistö Oy Kotkan Siikasaarentie 78 (100%), Kiinteistö Oy Luumäen Suoanttilantie 101 (100%), Kiinteistö Oy Vainikkalan Huolintatie 13 (100%), North Rail Holding Oy (79.8%), North Rail Oy (79.8%), Pelkolan Terminaali Oy (20%), OOO Nurminen Logistics (100%) (liquidation in progress), Nurminen Maritime Latvia SIA (51%), Nurminen Maritime UAB (51%), Essinge Rail AB (100%), ILP Group Logistics Oy (100%).

Personnel and Management

At the end of the review period, the Group's number of personnel stood at 178, compared to 186 on 31 December 2023. The number of employees working abroad was 43.

Personnel expenses in 2024 totalled EUR 13.2 million (EUR 13.6 million).

Joonas Louho, VP, Cargo & Development and ICT, left the company on 25 November 2024.

On 31 December 2024, the Management Team consisted of the following members: Olli Pohjanvirta, President and CEO; Kai Simberg, CFO; Marjut Linnajärvi, VP Sales and VP International Railway Operations; Toni Mäkelä, CEO of North Rail Oy; and Suvi Kulmala, VP, Human Resources.

Niklas Nordström was appointed CFO of Nurminen Logistics and a member of the Management Team as of 1 January 2025. Kai Simberg served as the company's CFO until 31 December 2024, after which he retired.

Management transactions

On 30 December 2024, Nurminen Logistics Plc announced President and CEO and Board member Olli Pohjanvirta's transfer notification concerning 120,000 shares.

On 18 December 2024, Nurminen Logistics announced the transfer notification of JN Uljas Oy, which is controlled by Board member Juha Nurminen, concerning 314,202 shares.

On 18 December 2024, Nurminen Logistics announced Board member Juha Nurminen's transfer notification concerning 314,202 shares.

On 1 October 2024, Nurminen Logistics announced the transfer notifications of JN Uljas Oy, controlled by Board member Juha Nurminen, concerning 370,874 shares.

On 1 October 2024, Nurminen Logistics announced Board member Juha Nurminen's transfer notification concerning 370,874 shares.

On 23 July 2024, Nurminen Logistics announced Board member Juha Nurminen's transfer notification concerning 14,218 shares.

On 23 July 2024, Nurminen Logistics announced Board member Erja Sankari's receipt notification concerning 14,218 shares.

On 23 July 2024, Nurminen Logistics announced President and CEO Olli Pohjanvirta's receipt notification concerning 14,219 shares.

On 23 July 2024, Nurminen Logistics announced Board member Karri Koskela's transfer notification concerning 14,218 shares.

On 23 July 2024, Nurminen Logistics announced Board member Irmeli Rytönen's receipt notification concerning 28,436 shares.

On 26 June 2024, Nurminen Logistics announced the transfer notification of JN Uljas Oy, controlled by Board member Juha Nurminen, concerning 188,235 shares.

On 26 June 2024, Nurminen Logistics announced Board member Juha Nurminen's acquisition notification concerning 188,235 shares.

On 27 February 2024, Nurminen Logistics announced the receipt of 42,194 shares by a related party of Board member Juha Nurminen.

On 8 January 2024, Nurminen Logistics announced Board member Juha Nurminen's transfer notification concerning 84,388 shares.

Flagging notifications

Nurminen Logistics did not receive any flagging notifications during the financial year.

All notifications are disclosed as stock exchange releases and are available on Nurminen Logistics' website at www.nurminenlogistics.com.

Shares and shareholders

Nurminen Logistics Plc's share has been quoted on the main list of Nasdaq Helsinki Ltd under the current company name since 1 January 2008. The total number of Nurminen Logistics Plc's registered shares on 31 December 2024 was 78,213,164 and the registered share capital was EUR 4,214,521. The company has one share class and all the shares carry equal rights in the company. The company name was Kasola Plc until 31 December 2007. The company was listed on the Helsinki Stock Exchange in 1987.

Largest shareholders 31 December 2024

	Number of shares Pcs	% of shares and votes
Suka Invest Oy	12,608,419	16.12
Ilmarinen Mutual Pension Insurance Company	11,655,795	14.90
Nurminen Juha Matti	7,016,049	8.97
K. Hartwall Invest Oy Ab	6,462,585	8.26
Avant Tecno Oy	5,739,375	7.34
Railcap Oy	2,910,574	3.72
Verman Group Oy	2,524,297	3.23
JN Uljas Oy	1,843,083	2.36
Relander Pär-Gustaf	1,757,686	2.25
Pohjanvirta Olli Mikael	1,336,500	1.71
Ten largest shareholders total	53,854,363	68.86
Nominee-registered	2,362,630	3.02
Others	21,996,171	28.12
Total	78,213,164	100

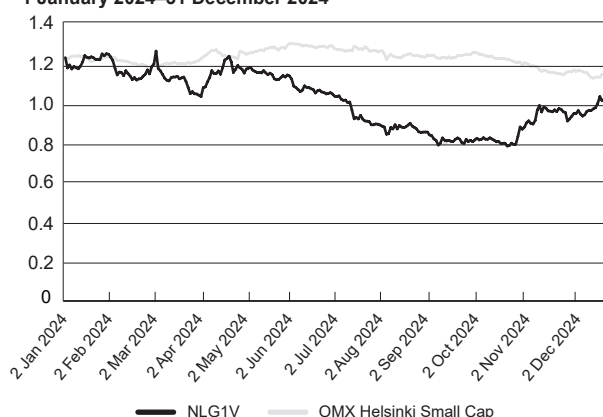
Shareholders by type 31 December 2024

	Number of shares Pcs	% of total shares and votes
Private companies	36,177,541	47.7%
Financial and insurance institutions	3,398,042	4.5%
Public sector organisations	11,655,795	15.4%
Households	24,379,759	32.1%
Non-profit organisations	1,932	0%
Foreign	237,465	0.3%
Nominee-registered	2,362,630	
Total	78,213,164	100%

The trading volume of Nurminen Logistics Plc's shares was 14,076,734 during the period from 1 January to 31 December 2024, representing 18.0% of the total number of shares. The value of the turnover was EUR 14,692,000. The lowest price during the period was EUR 0.77 per share and the highest EUR 1.38 per share. The closing price for the period was EUR 1.05 per share and the market value of the entire share capital was EUR 82,124 thousand at the end of the period. At the end of the 2024, the company had 6,738 shareholders. At the end of 2023, the company had 5,585 shareholders.

At the end of 2024, the company held 0 of its own shares.

Nurminen Logistics' share price development
1 January 2024–31 December 2024



According to the register of shareholders at 31 December 2024, the Board of Directors (including ownership of controlled entities) held 18.1% of Nurminen Logistics shares. In addition to CEO Olli Pohjanvirta, Marjut Linnajärvi and Toni Mäkelä, from the company's Management Team, owned shares in the company on 31 December 2024.

Board of Directors	Number of pcs	% of shares and votes
Juha Nurminen	7,016,049	9.0
JN Uljas Oy	1,843,083	2.4
Total	8,859,132	11.3
Olli Pohjanvirta	1,336,500	1.7
Railcap Ltd	2,910,574	3.7
VGK Invest Oy	648,000	0.8
Total	4,895,074	6.3
Irmeli Rytkönen	251,611	0.3
Karri Koskela	61,689	0.1
Erja Sankari	61,689	0.1
Total	14,129,195	18.1

Dividend policy

On 25 September 2023, the company's Board of Directors defined the company's long-term financial targets for 2023–2025. According to the targets, Nurminen Logistics Plc aims to distribute an annually growing dividend in euros.

Arrangements Related to Ownership and Exercise of Voting Rights

No shareholder agreements related to holdings in Nurminen Logistics Plc and the exercise of voting rights have been brought to the company's attention with the exception of the announcement that was published in the stock exchange release of 28 December 2008. According to the announcement, the members of the Board of Directors and Executive Board have undertaken not to sell or otherwise transfer shares in John Nurminen Ltd owned by them on this date and the company's shares received as demerger consideration in conjunction with the demerger of John Nurminen Ltd, without prior written consent from the company's Board of Directors.

Decisions made by the Annual General Meeting of Shareholders

Nurminen Logistics Plc's Annual General Meeting held on 17 April 2024 passed the following decisions:

Adoption of the annual accounts and discharge from liability

The General Meeting confirmed the company's financial statements, reviewed the remuneration report of the governance bodies and discharged those accountable from liability for the financial year 1 January 2023–31 December 2023.

Payment of dividend

In accordance with the proposal by the Board of Directors, the General Meeting decided that the profit from the financial period ending on 31 December 2023 will be transferred to retained earnings. In addition, the General Meeting authorised the Board of Directors to decide at their discretion on the repayment of equity from the reserve for invested unrestricted equity, at most EUR 4,687,671, if the company's financial position allows.

Composition and remuneration of the Board of Directors

The General Meeting resolved that the Board of Directors is composed of five members. The General Meeting re-elected the following members to the Board of Directors: Irmeli Rytkönen, Olli Pohjanvirta, Juha Nurminen, Erja Sankari and Karri Koskela.

The General Meeting resolved that, for the members of the Board elected at the Annual General Meeting for the term expiring at the close of the Annual General Meeting in 2025, the annual remuneration will be paid as follows: annual remuneration of EUR 60,000 for the Chairman of the Board of Directors and EUR 30,000 for the other members of the Board of Directors.

In addition, a meeting fee of EUR 1,500 per meeting for the Board and Board Committee meetings is paid to the Chairman of the Board of Directors, and EUR 1,000 to the other members of the Board per meeting of the Board and Board Committee. Of the annual remuneration, 50 per cent will be paid in Nurminen Logistics Plc's shares and the rest in cash. A member of the Board of Directors may not dispose of shares received as annual remuneration before a period of three years has elapsed from receiving such shares.

Authorising the Board of Directors to decide on the issue of shares as well as the issuance of options and other special rights entitling to shares

The Annual General Meeting authorised the Board to decide on the issue of shares and/or special rights entitling to shares as referred to in chapter 10, section 1 of the Finnish Limited Liability Companies Act.

Based on the authorisation, the Board of Directors is entitled to issue or transfer, either by one or several resolutions, shares and/or special rights up to a maximum equivalent of 15,000,000 new shares so that aforesaid shares and/or special rights could be used, for example, for the financing of company and business acquisitions or for financing other business arrangements and investments, for the expansion of the ownership structure, paying of remuneration of the Board members and/or for the creating incentives for, or encouraging commitment in, personnel.

The authorisation entitles the Board of Directors to decide on the share issue with or without payment. The authorisation for deciding on a share issue without payment also includes the right to decide on the share issue for the company itself, so that the authorisation may be used in such a way that in total no more than one-tenth (1/10) of all shares in the company may from time to time be held by the company and its subsidiaries.

The authorisation includes the Board of Director's right to decide on all other terms and conditions of the share issues and the issues of special rights. The authorisation entitles the Board of Directors to decide on share issues, issues of option rights and other special rights entitling to shares in every way to the same extent as could be decided by the General Meeting, including the Board of Director's right to decide on directed share issues and/or issue of special rights.

The authorisation remains valid until the end of the Annual General Meeting of 2025, but no longer than until 30 June 2025. The authorisation revokes any previous share issue authorisations currently valid.

Auditor

Ernst & Young Oy was elected auditor of the company for the term ending at the close of the Annual General Meeting 2025.

Environmental Factors

Nurminen Logistics seeks environmentally friendly and efficient transport solutions as part of the development of its services. Research shows that the container train to China is the most ecological method of transporting goods between China and Europe.

All services provided by the company in Finland are covered by a certified environmental management system that meets the requirements of the ISO 14001:2004 standard.

Long-term financial objectives

The company's Board of Directors has defined the Group's long-term financial targets for 2023–2025 based on the Group's updated strategy confirmed in 2023: EBIT % over 13%, equity ratio over 40%, Gearing under 80%, net debt / EBITDA under 2 and growing euro-denominated dividends.

The economic goals for 2023–2025 have been defined taking into account the sustainable growth of shareholder value. In addition, the domestic and international growth prospects of the railway business in Finland and readiness for acquisitions in Finland and abroad have been taken into account.

Financial guidance 2025

The Group estimates that its net sales and comparable operating result for 2025 will increase compared to 2024. The projected growth of net sales and operating result is based on the growth of railway operations in the Group's market areas, the shipping of energy raw material, the improved profitability of the Cargo business, and net sales derived from the businesses consolidated during the financial year 2024.

Short-Term Risks And Uncertainties

The weakening of the European economy from the current situation, the labour market disputes in Finland and the continuation of the war in Ukraine may have a negative impact on the demand for the Group's services and, thereby, results. Should Finland's, China's or Sweden's foreign trade decrease further, it will have impacts on the demand for services. In the railway business, food supply-related fertilisers critical to the world or metals required for the green transition being subjected to sanctions would have a negative impact on the railway business in the EU.

The Group does not see that risks related to climate change, such as extreme weather events, would affect Nurminen Logistics' business.

More detailed information about the risk information of the Group can be found on the Investors page on Nurminen Logistics' website at <https://www.nurminenlogistics.com/investors/>.

Events After the Financial Year

Nurminen Logistics announced on January 9, 2025, a directed share issue in which 2,339,756 new shares were registered in the trade register and issued to the sellers of Essinge Rail Ab as part of the purchase price payment. After the registration of the new shares, the total number of the Company's shares is 80,552,920.

No other significant events occurred after the financial year.

Board of Directors' proposal for profit distribution

On 31 December 2024, the parent company's distributable equity is EUR 33,345,927.62, of which the profit for the period amounted to EUR 5,815,713.27.

The Board of Directors proposes to the Annual General Meeting repayment of equity from the reserve for invested unrestricted equity, at most EUR 0.06 per each outstanding share. In addition, the Board of Directors proposes that the Annual General Meeting authorise the Board of Directors to decide on the date of payment and the final amount of the capital repayment.

The remaining distributable assets will be retained in unrestricted equity.

Corporate Governance Statement

The Corporate Governance Statement of Nurminen Logistics Plc will be published on 13 March 2025 on the company's website at <https://nurminenlogistics.com/investors/>.

Board and Audit Committee Meetings

The Board of Directors convened 18 times in 2024. The Audit Committee had five meetings.

Bridge calculation of comparable operating profit

EUR 1,000	1–12/2024	1–12/2023
Operating profit	19,293	33,091
Non-recurring expenses related to containers and wagons	1,016	210
Impairment losses due to the end of the legal proceedings related to the property in Luumäki	117	
Personnel-related restructuring costs	282	153
Non-recurring expenses related to M&A transactions	422	297
Proceeds from the sale of Kiinteistöosakeyhtiö Satamakaari 24	-2,033	
Gain from the bargain purchase of ILP Group Logistics Oy	-40	
Revenue recognition of the advantageous North Rail Oy transaction		-12,269
Comparable adjusted operating profit	19,057	21,482

Comparable adjusted operating profit is an alternative performance measure referred to by the European Securities and Markets Authority (ESMA).

Group's key figures

	2022	2023	2024
Net sales, EUR 1,000	122,511	127,951	104,766
Change in net sales, %	-13.3%	4.4%	-18.1%
Operating result (EBIT) EUR 1,000	3,408	33,091	19,293
% of net sales	2.8%	25.9%	18.4%
Result before taxes, EUR 1,000	1,925	29,342	16,211
% of net sales	1.6%	22.9%	15.5%
Result for the financial year, EUR 1,000	1,472	23,273	13,070
% of net sales	1.2%	18.2%	12.5%
Return on equity (ROE), %	5.9%	66.5%	30.0%
Return on investment (ROI), %	6.9%	42.8%	21.4%
Equity ratio, %	34.7%	41.8%	40.7%
Gearing, %	119.8%	77.6%	71.7%
Gearing % excluding IFRS 16	80.0%	56.5%	35.3%
Interest-bearing net debt, EUR 1,000	28,928	35,599	29,526
Interest-bearing net debt excluding IFRS 16, EUR 1,000	19,431	25,989	14,563
Interest-bearing net debt/EBITDA (12-month, rolling)	4.65	0.93	1.19
Gross investment on fixed assets, EUR 1,000	422	1,121	1,995
% of net sales	0.3%	0.9%	1.9%
Balance sheet total, EUR 1,000	69,678	113,771	101,546
Average number of employees	141	196	178
Wages and salaries paid, EUR 1,000	8,262	13,571	13,218
Share key figures			
Earnings per share (EPS), EUR, undiluted	-0.01	0.18	0.09
Earnings per share (EPS), EUR, diluted	-0.01	0.18	0.09
Equity per share, EUR	0.17	0.35	0.42
Dividend per share, EUR	0.00	0.00*	0.00*
Dividend to earnings ratio, %	0.0%	0.0%	0.0%
Effective dividend yield, %	0.0%	0.0%	0.0%
Repayment of equity per share, EUR	0.00	0.00	0.06
Price per earnings (P/E)	-60	-60	11.67
Number of shares adjusted for share issue (diluted), weighted average	77,961,285	78,076,485	78,165,952
Number of shares adjusted for share issue (diluted), at end of financial year	78,036,392	78,127,855	78,213,164
Number of shares adjusted for share issue (undiluted), weighted average	77,863,691	78,076,485	78,165,952
Number of shares adjusted for share issue (undiluted), at end of financial year	78,036,392	78,127,855	78,213,164

* The Board of Directors proposes to the Annual General Meeting repayment of equity from the reserve for invested unrestricted equity, at most EUR 0.06 per each outstanding share.

Share price development

Share price development			
– highest price	2.07	1.26	1.38
– lowest price	0.56	0.60	0.77
– average price	0.99	0.91	1.02
– closing share price at balance sheet date	0.60	1.26	1.05
Market capitalisation, MEUR	46.9	98.1	82.1
Number of shares traded	11,002,725	12,770,526	14,076,734
Shares traded, % of total number of shares	14.1%	16.3%	18.0%
Number of shareholders	4,791	5,585	6,738

Calculation of key figures

Return on equity (%) =	$\frac{\text{Result for the period}}{\text{Equity (average of beginning and end of financial year)}} \times 100$
Capital employed =	Balance sheet total – non-interest-bearing liabilities
Return on capital employed (%) =	$\frac{\text{Result for the year before taxes + interests and other financial expenses}}{\text{Capital employed (average of beginning and end of financial year)}} \times 100$
Equity ratio (%) =	$\frac{\text{Equity}}{\text{Balance sheet total – advances received}} \times 100$
Gearing (%) =	$\frac{\text{Interest-bearing liabilities – cash and cash equivalents}}{\text{Equity}} \times 100$
Gearing (%) excluding IFRS 16 =	$\frac{\text{Interest-bearing liabilities excluding IFRS 16 - cash and cash equivalents}}{\text{Equity excluding IFRS 16 effect on equity (depreciation, rental expense and interest expense)}} \times 100$
Interest-bearing net debt =	Interest-bearing liabilities – long-term interest bearing receivables – cash and cash equivalents
Interest-bearing net debt excluding IFRS 16 =	Interest-bearing liabilities excluding IFRS 16 – long-term interest bearing receivables – cash and cash equivalents
Interest-bearing net debt / EBITDA (12 months, rolling) =	$\frac{\text{Interest bearing debt – cash and cash equivalents}}{\text{EBITDA (12 months, rolling)}}$
Earnings per share (EPS) =	$\frac{\text{Result attributable to equity holders of the parent company}}{\text{Weighted average number of outstanding ordinary shares}}$
Equity/share =	$\frac{\text{Equity attributable to equity holders of the parent company}}{\text{Undiluted number of shares outstanding at the end of the financial year}}$
Dividend to earnings ratio, % =	$\frac{\text{Dividend per share}}{\text{Earnings per share}} \times 100$
Effective dividend yield, % =	$\frac{\text{Dividend per share}}{\text{Adjusted share price at the end of the financial year}} \times 100$
Price per earnings (P/E) =	$\frac{\text{Share price at the end of the financial year}}{\text{Earnings per share}}$
Dividend per share =	$\frac{\text{Dividend payable for the period}}{\text{Share-issue adjusted number of shares – own shares}}$

Consolidated statement of comprehensive income, IFRS

EUR, 1,000	Note	1 Jan–31 Dec 2024	1 Jan–31 Dec 2023
NET SALES	2	104,766	127,951
Other operating income	3	2,160	12,505
Use of materials and supplies	4	-59,322	-79,506
Employee benefit expenses	5	-13,218	-13,571
Depreciation, amortisation and impairment losses	6	-5,420	-5,341
Other operating expenses	4	-9,673	-8,947
OPERATING RESULT		19,293	33,091
Financial income	7	654	427
Financial expenses	7	-3,649	-4,170
Share of profit of equity-accounted investees	16	-87	-5
Total financial income and expenses and share of profit of equity-accounted investees		-3,082	-3,749
RESULT BEFORE INCOME TAX		16,211	29,342
Income taxes	8	-3,140	-6,069
RESULT FOR THE PERIOD		13,070	23,273
OTHER COMPREHENSIVE INCOME			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods			
Re-measurement of defined benefit schemes	23	4	-28
Other comprehensive income to be reclassified to profit or loss in subsequent periods:			
Translation differences		67	-12
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		13,141	23,233
Result attributable to			
Equity holders of the parent company		7,100	14,329
Non-controlling interest		5,970	8,944
Total comprehensive income attributable to			
Equity holders of the parent company		7,171	14,289
Non-controlling interest		5,970	8,944
Earnings per share calculated from result attributable to equity holders of the parent company			
Earnings per share, undiluted, EUR	9	0.09	0.18
Earnings per share, diluted, EUR	9	0.09	0.18

Consolidated statement of financial position, IFRS

EUR, 1,000	Note	31 December 2024	31 December 2023
ASSETS			
Non-current assets			
Property, plant and equipment	11	36,329	67,983
Right-of-use assets	11,13	14,678	9,171
Goodwill	12,15	7,356	899
Other intangible assets	12	6,192	1,275
Investments in equity-accounted investees	16	84	171
Non-current receivables	17	71	996
Deferred tax assets	18	5,422	7,471
Non-current assets		70,131	87,966
Current assets			
Inventories		1,146	1,094
Trade and other receivables	19	12,861	11,897
Income tax receivables		1,110	-
Cash and cash equivalents	20	16,297	12,814
Current assets		31,414	25,805
TOTAL ASSETS		101,546	113,771
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the parent company			
Share capital	21	4,215	4,215
Share premium reserve		86	86
Legal reserve		2,376	2,376
Reserve for invested unrestricted equity		33,174	35,591
Translation differences		49	-18
Retained earnings		-7,345	-14,752
Equity attributable to equity holders of the parent company		32,555	27,498
Non-controlling interests	10	8,598	18,395
Total equity		41,153	45,894
LIABILITIES			
Non-current liabilities			
Deferred tax liabilities	18	1,633	2,790
Other liabilities	23	23	54
Financial liabilities	24,30	22,739	18,172
Lease liabilities	13,25	12,374	9,001
Non-current liabilities		36,770	30,017
Current liabilities			
Income tax payables		1,164	106
Financial liabilities	24,30	8,122	20,631
Lease liabilities	13,25	2,589	609
Trade payables and other liabilities	25	11,748	16,514
Current liabilities, total		23,623	37,860
Liabilities, total		60,393	67,877
EQUITY AND LIABILITIES, TOTAL		101,546	113,771

Consolidated cash flow statement, IFRS

EUR, 1,000	Note	1 Jan–31 Dec 2024	1 Jan–31 Dec 2023
Cash flow from operating activities			
PROFIT/LOSS FOR THE FINANCIAL PERIOD		13,070	23,273
Adjustments:			
Depreciation, amortisation and impairment losses	6	5,420	5,341
Unrealised foreign exchange gains (-) and losses (+)		-33	2
Other income (-) and expenses (+), non cash		-1,858	-12,151
Adjustments to financial income (-) or expenses (+)	7	2,995	3,743
Adjustments to income tax expense	8	3,140	6,069
Other adjustments		87	-
Cash flow before changes in working capital		22,822	26,277
Changes in working capital:			
Increase (-) / decrease (+) in inventories		-52	208
Increase (-) / decrease (+) in non-interest bearing current receivables		2,860	-1,118
Increase (+) / decrease (-) in non-interest bearing current payables		-6,736	4,678
Net cash from operating activities before financial items and taxes		18,895	30,045
Interest paid		-3,363	-3,213
Interest received		67	39
Other financial items		-481	-234
Income taxes paid		-3,250	-1,264
Cash flow from operating activities		11,868	25,373
Cash flow from investing activities			
Purchases of property, plant and equipment and intangible assets		-1,981	-1,121
Acquisitions of subsidiaries, net of cash acquired	30	-6,553	4,247
Disposal of a subsidiary, net of cash disposed of	30	10,801	-
Purchase of / proceeds from other investments		975	-616
Cash flow from investing activities		3,242	2,510
Cash flow from financing activities			
Change in credit limit		-2,652	2,187
Proceeds from non-current borrowings		21,132	15,000
Repayment of non-current borrowings		-17,343	-35,985
Repayment of equity		-4,691	-
Repayment of lease liabilities		-1,159	-791
Dividends paid / repayments of equity to minority shareholders		-6,927	-2,609
Business transactions with non-controlling interests		0	1,000
Cash flow from financing activities		-11,639	-21,199
Change in cash and cash equivalents		3,471	6,684
Cash and cash equivalents at the beginning of the year		12,814	6,141
Net increase/decrease in cash and cash equivalent		3,471	6,684
Translation differences of net increase/decrease in cash and cash equivalents		12	-10
Cash and cash equivalents at the end of the period		16,297	12,814

Consolidated statement of changes in equity, IFRS

		Equity attributable to equity holders of the parent company								
EUR, 1,000		Share capital	Share premium reserve	Legal reserve	Reserve for invested unrestricted equity	Translation differences	Retained earnings	Total	Non-controlling interest	Total equity
1-12/2024	Note									
Equity on 1 Jan 2024		4,215	86	2,376	35,591	-18	-14,752	27,498	18,395	45,894
Comprehensive income										
Result for the period							7,100	7,100	5,970	13,070
Other comprehensive income										
Re-measurement of defined benefit schemes	23						4	4		4
Translation difference						67		67		67
Total comprehensive income for the period						67	7,104	7,171	5,970	13,141
Business transactions with shareholders										
Repayment of equity					-4,691			-4,691		-4,691
Share remuneration	22						303	303		303
Issue of shares as consideration for a business combination	30				2,274			2,274		2,274
Disposal of a subsidiary	30								-8,841	-8,841
Dividend distribution	10								-6,927	-6,927
Total business transactions with shareholders					-2,417		303	-2,114	-15,768	-17,882
Equity on 31 Dec 2024		4,215	86	2,376	33,174	49	-7,345	32,555	8,598	41,153

		Equity attributable to equity holders of the parent company								
EUR, 1,000		Share capital	Share premium reserve	Legal reserve	Reserve for invested unrestricted equity	Translation differences	Retained earnings	Total	Non-controlling interest	Total equity
1-12/2023	Note									
Equity on 1 Jan 2023		4,215	86	2,376	35,591	-6	-29,368	12,894	11,253	24,147
Comprehensive income										
Result for the period							14,329	14,329	8,944	23,273
Other comprehensive income										
Re-measurement of defined benefit schemes	23						-28	-28		-28
Translation differences						-12		-12		-12
Total comprehensive income for the period						-12	14,301	14,289	8,944	23,233
Business transactions with shareholders										
Share remuneration	22						124	124		124
Other changes							191	191	808	999
Dividend distribution	10								-2,609	-2,609
Total business transactions with shareholders							315	315	-1,801	-1,487
Equity on 31 Dec 2023		4,215	86	2,376	35,591	-18	-14,752	27,498	18,395	45,894

Notes to the consolidated financial statements, IFRS

1. Accounting principles for the consolidated financial statements

Basic information about the Group

The business idea of Nurminen Logistics is to provide and produce high-quality and customer competitiveness increasing logistics services in Finland and regular international railway line services. The Group's parent company is Nurminen Logistics Plc. The parent company is domiciled in Helsinki, Finland, and its registered address is Satamakaari 24, 00980 Helsinki, Finland. The parent company is listed on NASDAQ OMX Helsinki Stock Exchange.

Copies of the consolidated financial statements are available on the internet at www.nurminenlogistics.com. The consolidated financial statements were authorised for issue by the Board of Directors on 12 March 2025. According to the Finnish Limited Liability Companies Act, shareholders have the right to approve or reject the financial statements in the Annual General Meeting held after the publication of the financial statements. The Annual General Meeting also has the right to decide to amend the financial statements.

Basis of preparation

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) approved in European Union, in accordance with the IAS and IFRS standards and SIC and IFRIC interpretations effective on 31 December 2024. International Financial Reporting Standards are standards and interpretations adopted for application in the European Union in accordance with the procedure laid down in regulation (EC) No 1606/2002 of the European Parliament and Council. The notes to the consolidated financial statements are also in accordance with the Finnish legislation on accounting and entities complementing the IFRS.

The consolidated financial statements are prepared for the calendar year, which is also the financial year of the parent company and Group companies.

The consolidated financial statements have been prepared on the historical cost basis except for the financial assets and financial liabilities measured at fair value through profit or loss.

The financial statements are presented in thousands of euro and the figures are rounded off to the nearest thousand, so the sum of individually presented figures can deviate from the disclosed sums.

Application of new and revised IFRS standards

The Group has applied the following amendments as of 1 January 2024:

- Amendments to IAS 1 – Classification of Liabilities as Current or Non-current, effective from 1 January 2024. The amendments clarified how an entity classifies debt and other financial liabilities as current or non-current by clarifying, for example, what the right to postpone settling

the debt at the end of the reporting period if it meets the defined conditions on the reporting date means. The probability of the Group exercising its right to postpone does not affect the classification of a liability as current or non-current, effective from 1 January 2024. The amendments were applied retrospectively and had no effect on the consolidated financial statements.

Other new or revised standards or interpretations or annual improvements to standards which became effective for the reporting period that began on 1 January 2024 did not have a significant impact on the consolidated financial statements of Nurminen Logistics.

Principles of Consolidation

Subsidiaries

The consolidated financial statements include the financial statements of Nurminen Logistics Plc and those of all its subsidiaries. The subsidiaries are entities controlled by the parent company. Nurminen Logistics Plc controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and can affect those returns through its power over the investee. Subsidiaries acquired are included in the consolidated financial statements from the acquisition date that control commences until the date that control ceases.

Acquired subsidiaries are accounted for by using the acquisition method. The consideration transferred, identifiable assets and liabilities assumed of the acquired entity and are measured at their fair values at the acquisition date. Goodwill arising on an acquisition is recognised as the excess of the aggregate of the consideration transferred, the amount of any non-controlling interests and previously held equity interests in the acquiree, over the Group's share of the fair value of the net assets acquired at the acquisition date.

The consideration transferred includes any assets transferred by the acquirer, liabilities incurred by the acquirer to former owners of the acquiree and the equity interests issued by the acquirer, measured at fair value. Any contingent consideration related to the business combination is measured at fair value at the acquisition date and it is classified as either liability or equity. Contingent consideration classified as liability is remeasured at its fair value at each balance sheet date and the subsequent changes to fair value are recognised in profit or loss. Contingent consideration classified as equity is not subsequently remeasured. The consideration transferred does not include any transactions accounted for separately from the acquisition, which are treated in conjunction with the acquisition in profit or loss. All acquisition-related costs, with the exception for costs to issue debt or equity securities, are expensed in the periods in which costs are incurred and services rendered.

All intra-group transactions, receivables and liabilities as well as unrealised gains and profit distribution are eliminated in the consolidation. Non-controlling interests are presented as a separate item under equity.

Non-controlling interests

Any non-controlling interest in the acquiree is measured on an acquisition-by-acquisition basis, either at fair value or at the non-controlling

interest's proportionate share of the acquiree's identifiable net assets. Changes in the parent company's ownership interest in a subsidiary are accounted for as equity transactions if the parent company retains control over the subsidiary.

The result for the financial year and items recognised in other comprehensive income are allocated to the equity holders of the parent company and non-controlling interests. Total comprehensive income is allocated to the equity holders of the parent company and non-controlling interests, even if that results in a deficit balance, unless non-controlling interests have an exemption not to meet obligations which exceed non-controlling interests' investment. Equity attributable to the non-controlling interest is presented separately under equity in the consolidated balance sheet.

Associates

Associates are companies in which the Group has significant influence. Significant influence generally arises when the Group holds 20 to 50 per cent of a company's voting power or the Group otherwise has significant influence but not power to govern the financial and operating policies of an entity. Associates are consolidated using the equity method. When the Group's share of an associate's losses exceeds the carrying amount of the interest, the interest is recognised at zero value in the balance sheet and recognition of further losses is discontinued, except to the extent that the Group has committed to settle the associate's obligations. Investment in an associate includes goodwill arisen on acquisition. Unrealised gains resulting from transactions between the Group and the associate are eliminated to the extent of the interest in the associate. The Group's share of an associate's result for the financial year is disclosed separately after financial items in the consolidated statement of comprehensive income.

Foreign Currency Transactions

Items included in the financial statements of each subsidiary in the Group are determined using the currency reflecting the primary economic environment of that subsidiary ("the functional currency"). The consolidated financial statements are prepared in euro which is the functional and presentation currency of the parent company and the presentation currency of the consolidated financial statements.

Foreign currency transactions of the Group companies are translated into functional currencies using the exchange rates prevailing at the transaction date. Monetary assets and liabilities denominated in foreign currency are translated using the balance sheet date exchange rates and non-monetary assets and liabilities that are measured at historical cost are translated using the transaction date exchange rates. Gains and losses arising from the translation are recognised in the consolidated statement of comprehensive income.

In the preparation of consolidated financial statements, income and expenses for the income statements and for the statements of comprehensive income of those foreign Group companies whose functional currency is not euro, are translated into euro by using the average exchange rate for the financial year and the balance sheets are translated at the exchange rate at the balance sheet date. Translation differences arising from such translation are recognised in equity. Retranslating the result and the total comprehensive income for the financial year using different exchange rates for the statement of comprehensive income and for the balance sheet causes a translation difference recognised in

Group's equity, the change in this translation difference is recognised under other comprehensive income. Respectively, foreign currency differences arising from the elimination of the costs of foreign subsidiaries, and from the retranslation of post-combination equity components in subsequent periods, are recognised in other comprehensive income. When a foreign operation is sold or is otherwise disposed of, in part or in full, the accumulated foreign currency differences are recognised in the statement of comprehensive income as part of the gain or loss on sale for the disposed part.

Property, plant and equipment

Items of property, plant and equipment are carried at historical cost less accumulated depreciation and impairment losses. The cost includes all expenditure directly attributable to the acquisition of the asset. The borrowing costs directly attributable to the acquisition or construction of an asset that necessarily takes a substantial period to get ready for its intended use or sale, are capitalised as part of the carrying amount of the asset. Subsequent costs are recognised in the carrying amount of the item only if it is probable that future economic benefits associated with the asset will flow to the Group and its cost can be measured reliably. Other repair and maintenance costs are expensed as incurred.

Property, plant and equipment are depreciated using the straight-line method over their estimated useful lives, which are the following:

Buildings	30–40 years
Transport equipment	5–8 years
Machinery and equipment	3–10 years
Locomotives	30 years
Locomotive parts	5–12 years
ICT equipment	3 years
Software	5–10 years

Land is not depreciated.

Recognition of depreciation on an item of property, plant and equipment is discontinued when the item is classified as held for sale in accordance with IFRS 5 standard. Non-current assets held for sale are measured at the lower of carrying amount and fair value less costs to sell. Gains and losses on the disposal of assets are reported as the difference between selling price and carrying amount, and the gains and losses are included in other operating income and expenses in the income statement.

Useful lives and residual values are reviewed at every balance sheet date. Changes in the future economic benefits to be received from the items of property, plant and equipment are accounted for by adjusting the useful lives and residual values of the items in question. Gains and losses arising from sale and disposal of property, plant and equipment are included in other operating income or in other operating expenses.

Intangible assets

Goodwill

Goodwill arising on business combinations is recognised as the excess of the aggregate of the consideration transferred, the amount of non-controlling interest in the acquiree and the value of any previously held equity interest over the fair value of the acquired net assets.

Goodwill is not amortised but it is tested at least annually for impairment. Goodwill is carried at historical cost less accumulated impairment losses.

Research and development costs

Research costs are expensed in the financial year in which they are incurred. Development costs are capitalised when certain criteria are met.

Other intangible assets

An intangible asset is recognised in the balance sheet only if its cost can be measured reliably and it is probable that the expected future economic benefits that are attributable to the asset will flow to the Group.

An intangible asset is measured at historical cost less amortisation and any impairment losses. Group's intangible assets include mainly IT software which is amortised on a straight-line basis over 5 to 7 years.

Impairment of Intangible Assets and Property, Plant and Equipment

The Group assesses, at every balance sheet date, if there are any indications of impairment of property, plant and equipment or intangible assets. In case such indications exist, the asset's recoverable amount is estimated. If the carrying amount of an asset exceeds its recoverable amount, the impairment loss is recognised in the income statement. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

As to goodwill, the recoverable amount is estimated at least annually irrespective of whether indications of impairment exist. Impairment is assessed at a cash-generating unit level, i.e. at the lowest level for which there are separately identifiable, mainly independent cash flows. In impairment testing of goodwill, the recoverable amount is based on value in use, i.e. on the estimated discounted future net cash flows.

At the recognition of the impairment loss the asset's useful life is re-estimated. The recognised impairment loss is reversed if the estimates used to determine the asset's recoverable amount have changed. The reversal of the impairment loss shall not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset. An impairment loss on goodwill is never reversed.

Application of IFRS 9

Impairment policies are based on expected credit loss models. Impairment models apply to cash and cash equivalents, such as rental, sales and factoring receivables and loan receivables.

Financial instruments

Financial assets

Financial assets of Nurminen Logistics are classified according to IFRS 9 into the following categories: financial assets at amortised cost and financial assets at fair value through profit or loss. The classification of financial assets is made at initial recognition of financial assets and is based on the business model applied by the company for the holding of financial assets and the nature of contractual cash flows.

Measurement of a financial asset at amortised cost requires the contractual cash flows to consist solely of interest and the repayment of principal (the so-called SPPI criterion). Compliance with the SPPI criterion is assessed on a per-instrument basis. If the SPPI criterion is not met, financial assets are measured at fair value through profit or loss.

Financial assets are classified as current assets if they have a maturity of less than 12 months and are expected to be disposed of within 12 months. Otherwise, the item is presented as non-current assets. Transaction costs are included in the original carrying amount of the financial assets in the case of an item measured at amortised cost. Purchases and sales of financial instruments are recognised on the settlement date. The fair values of financial instruments are determined using discounted cash flows.

Financial assets at amortised cost

An item of financial assets is measured at amortised cost if the business model requires the collection of fixed or predetermined cash flows. They consist of repayments of capital and interest on capital and arise when the Group provides loans or provides products and services directly to debtors. If an item of financial assets does not meet the above conditions, it is measured at fair value. The Group typically recognises rental, factoring and trade receivables as well as loan receivables at amortised cost.

Credit risk assessment of financial assets

In accordance with IFRS 9, Nurminen Logistics recognises expected credit losses on cash classified at amortised cost. According to this model, expected loan losses based on an individual counterparty default risk assessment. The Group uses a simplified method for recognising credit losses permitted by the standard, in which case the Group recognises the expected credit loss over the life of the contract. The change in expected credit losses recorded at each reporting date reflects the change in the credit risk of the financial assets from the initial recognition. A credit loss transaction is no longer required to record a credit loss. Recognising the amount of expected credit loss and a proactive provision for impairment is based on the management's best estimate of future credit losses. Customer receivables and the related credit loss risk are actively monitored by the company, and decisions on measures to secure the receivables are made, if necessary. When the amount of provision for credit loss is estimated on a case-by-case basis, any collateral or insurance, the customer's financial position and previous payment behaviour are taken into consideration.

Financial assets are derecognised when the Group loses its contractual right to receive cash flows or when it has transferred a significant part of the risks and rewards of ownership. An impairment loss is recognised immediately in profit or loss, depending on the item, either in other operating expenses or in financial items.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and bank accounts as well as highly liquid investments with original maturities of three months or less at the acquisition date.

Financial liabilities

The financial liabilities of Nurminen Logistics are classified to the following categories: financial liabilities at fair value through profit or loss and financial liabilities measured at amortised cost (other financial liabilities). The former category includes derivatives entered into by the Group, to which hedge accounting is not applied and that are not financial guarantee contracts. They are classified as held-for-trading instruments. The financial liabilities in this category are initially measured at fair value and are subsequently re-measured at their fair values. Gains and losses arising from derivatives' fair value changes, both unrealised and realised, are recognised in profit or loss in the period in which they occur. Fair values are determined by discounting the instruments' cash flows.

Other financial liabilities are measured at fair value upon initial recognition. Transaction costs are included in the original carrying amount. Subsequently other financial liabilities are measured at amortised cost using the effective interest rate method.

A financial liability is classified as current if the Group does not have an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period. A financial liability (or part of the liability) is not derecognised until the liability has ceased to exist, that is, when the obligation identified in a contract has been fulfilled or cancelled or is no longer effective.

Revenue recognition principles – adaptation of IFRS 15

The company's revenue consists mainly of forwarding services, railway transport and terminal services. The company also receives income from short- and long-term warehousing services. Revenue is recognised as goods are assigned to customer or service is concluded: as performance obligations are met and customer obtains the goods or services within the performance obligation. Revenue is recognised with the same price that the company expects to be entitled to, with sales taxes and other possible compensations deducted from the price. The prices for company's services are fixed and generally contain no variable components.

The Baltic subsidiaries act as freight brokers, and net sales are recognised when the performance obligation has been fulfilled, i.e. the services have been performed.

Revenue recognition principles have been described below:

Railway services

The company provides international railway transport services with various types of wagons in which the goods are delivered to destination. The contract price of trains or containers en route at the end of the reporting period is recognised as revenue over time, corresponding to the time en route on the closing date relative to the total delivery time. The recognition principles applies to rail transport offered by international railway operations and North Rail Oy. The service is a singular contract obligation, which includes transport service to the destination, and the contract price is allocated in full to that obligation.

The principle of revenue recognition is based on the IFRS 15 criterion that the performance obligation is fulfilled over time when performing a transport service.

Forwarding

Forwarding service agreement consists of actions necessary for importing, exporting and customs duties. As whole they compile the performance obligation towards customer, which is usually concluded within a month from the signing of the agreement. The company recognises revenue from agreement price when the delivery orders connected to import or export have been received and authority over the goods is transferred to customer or other party. The entire contract price is allocated to a single performance obligation.

Terminal services

Terminal services consist of handling of goods at the arrival or departure of goods. The definite content of service is defined at contract level. Terminal service agreement is an entity to which the contract price is allocated. The contract price is recognised when the work on handling goods has been completed.

Warehousing services

Warehousing services consist of renting space from terminal or terminal area for short or long term holding of goods. The warehousing agreement is an entity to which the contract price is allocated. Profits from warehousing services are recognised over the time during the lease period for which the customer benefits from the service. Lease income is processed according to IFRS 15 standard when the customer is not given control over the leased space.

Contractual amounts recognised on the balance sheet

Trade receivables

Trade receivable is a transaction price to which the company has an unconditional right

Trade receivables are non-interest bearing and are typically from 14 to 60 days, corresponding to the average payment terms.

Contract assets or contract liabilities

Due to the nature of the business, the company does not have contract assets or contract liabilities.

Employee benefits

Pension arrangements

The pension arrangements of Nurminen Logistics have been classified as defined contribution plans.

Payments to defined contribution plans are recognised as an expense in the income statement in the period to which they relate. In defined contribution plans the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligation to pay further amounts in case the separate entity receiving the contributions fails to pay out the pension benefits.

Defined benefit pension plans are insured by a life insurance company, and in addition to the old-age pension benefit, the additional pension insurance covers any survivor's pension benefit and burial grant benefit. Additional defined benefit pension obligations are measured based on calculations by independent actuaries. According to the measurement

principles, assets are measured at fair value on the closing date, costs according to the calculation method and recognised in profit or loss, in addition interest is recognised in financial items and actuarial gains and losses caused by the remeasurement of the defined benefit net debt in comprehensive income, and these items will not subsequently be reclassified in profit or loss. The defined benefit pension plan is described in more detail in Note 23.

Share-based payments

Starting from 2022, Nurminen Logistics has two share-based incentive programmes for the company's key personnel: Performance Share Plan 2022–2026 and Restricted Share Plan 2022–2026, and starting from 2023, the CEO Performance Share plan 2023–2027. More details on the share-based incentive schemes are presented in Note 22.

The rewards will be paid partly in Nurminen Logistics shares and partly in cash. The cash proportions of the rewards are intended for covering taxes and tax-related expenses arising from the rewards to the participants. In general, no reward is paid if the participant's employment or director contract terminates before the reward payment.

The amount of remuneration paid based on the share-based incentive scheme will be cut if the maximum value for remuneration paid for the earning periods 2022–2024 set by the Board of Directors is reached.

The Nurminen Logistics Management Team member is obliged to hold 50 per cent of the received net reward shares, until the total value of the Management Team member's shareholding in Nurminen Logistics equals to 50 per cent of their annual base salary of the preceding year. Respectively, the CEO is obliged to hold 50 per cent of the received net reward shares, until CEO's shareholding in Nurminen Logistics equals to 100 per cent of the CEO's annual base salary of the preceding year. Such number of Nurminen Logistics shares must be held as long as the membership in the Management Team or the position as the CEO continues.

Share-based transactions paid in cash include arrangements in which the company has granted the persons a right to future cash payments by granting them a right to shares that can be redeemed at the request of either the company or the employee. A liability resulting from such an arrangement is measured at fair value at the end of each reporting period and on the day of settling the debt, and changes in fair value are recognised in profit or loss for the period in question. The benefits granted in the scheme are measured at fair value upon granting and expensed in the income statement over the vesting period.

Income taxes

The income tax expense in the statement of comprehensive income comprises the current tax, adjustments to previous periods' taxes as well as changes in deferred taxes. Income taxes are recognised in profit or loss except when they relate to other comprehensive income or equity, while income taxes are recognised within the respective items. Current tax is calculated based on taxable income using tax rates enacted in each country.

Deferred tax assets and deferred tax liabilities are calculated for temporary differences between the amounts of assets and liabilities used for taxation purposes and the carrying amounts for financial reporting purposes under IFRS. The principal temporary differences arise from finan-

cial instruments measured at fair value through profit or loss and depreciation related to component accounting. Deferred taxes are measured at the tax rate that has been enacted or substantially enacted by the reporting date.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax liabilities are recognised in the statement of financial position in full.

Tangible Assets and Leases

IFRS 16 requires lessees to recognise all leases in the balance sheet on a right-of-use basis. Leased assets are treated during the lease term on the same basis as owner-occupied assets and the right-of-use assets recognised for them on the balance sheet are amortised based on the defined lease term. The debt based on the present value of the rent is reduced as the rent is paid. The group's right-of-use assets are comprised of the IFRS 16 lease liabilities concerning land and water areas, buildings and machinery and equipment.

Because of its industry and business model, Nurminen Logistics primarily is the lessee in the contracts. The company primarily applies the standard to leases on land areas, premises and terminal properties, as well as terminal machinery and equipment. In determining the term of a lease, the company has exercised discretion in estimating the probability of exercising the extension options of leases and included the terms covered by the option in the term of the lease, if exercising the option is reasonably certain.

Leases are distinguished from service contracts using a control model. When the arrangement includes a specific asset that is under the control of the customer, it is a lease. The contract is recognised in the balance sheet as a non-current asset and a liability arising therefrom. Service contracts are recognised as an expense in the income statement.

Lease liabilities

At the commencement date of the agreement, Nurminen Logistics values the lease liability at the present value of the rent outstanding at that date. Payments include fixed rentals and residual value guarantees less any available lease incentives. The company considers lease termination charges as part of the lease payments if it has considered the option to terminate during the lease term. VAT is not included in the amount of the lease liability and management and maintenance fees and other payments of a service nature are generally treated as an expense that cannot be capitalised in the balance sheet. Interest expenses are recognised through profit or loss over the term of the lease and the right-of-use asset is amortised using the straight-line method over the term of the lease.

Rents are discounted using the company's estimated incremental borrowing rate. The standard defines the incremental borrowing rate as the interest that the lessee would have to pay on borrowing for the same period and with similar collateral to acquire the asset at the cost of the underlying asset.

Right-of-use assets

Nurminen Logistics records the lease at the commencement date of the lease, i.e. the date on which the lessor transfers the asset to the control of the company. The property, plant and equipment are measured at cost

less accumulated depreciation and impairment losses and adjusted for any subsequent revaluation of the lease liability. The original cost equals the original lease liability. The right-of-use assets are subject to impairment testing.

Application of facilitations and significant assumptions:

Nurminen Logistics does not treat short-term leases of less than 12 months or low value assets as property, plant and equipment, but recognises the resulting rental expense in the income statement. Contracts of minor value primarily include IT and office hardware, company cars and small office spaces. Fixed-term leases are dealt with by the company within the term of a non-cancellable lease term and are subject to any subsequent option periods when the company has reasonable assurance that they will be exercised. The management exercises discretion in assessing the term of leases valid until further notice, which is based on the company's strategic situation and market conditions, as well as the costs that would be incurred if the leased commodity was replaced by another commodity.

Leases in which Nurminen Logistics is the lessor are operating leases and are recognised in the income statement on a straight-line basis over the lease term.

The remaining liabilities for leases that do not include property, plant and equipment assets and lease liabilities are disclosed in Note 27 as off-balance sheet liabilities.

Operating profit

The operating profit is the total of sales and other operating income from which expenses for material and services, employee benefits and other operating expenses as well as depreciation, amortisation and impairment losses on non-current assets are subtracted. Foreign currency differences arising from working capital items are included in the operating result, whereas foreign currency differences from financial assets and financial liabilities are included in financial income and expenses.

Accounting policies requiring management discretion and key uncertainties associated with estimates

The preparation of IFRS financial statements requires the company's management to make certain estimates and assumptions and discretion in the application of accounting principles. The estimates and assumptions made affect the reported amounts of assets and liabilities in the balance sheet as well as the income and expenses in the income statement.

In business combinations fair values of the items of property, plant and equipment and intangible assets are estimated and the depreciation and amortisation periods for the assets are determined. The determination of fair value of intangible assets is based on estimates about future cash flows to be generated by these assets.

Goodwill is tested for impairment annually. Management's judgment must be used in determining the cash-generating units for goodwill testing. The recoverable amounts of the cash-generating units are determined based on value in use. The preparation of these calculations requires use of estimates. In calculation of value in use estimates are made about

future cash flows and discount rate to be used. Estimates are based on budgets and forecasts, which contain some degree of uncertainty.

Business acquisitions may result in an advantageous deal when the net amount of identifiable assets acquired and liabilities assumed at the time of acquisition is greater than the consideration given. The gain on the advantageous deal is recognised through profit or loss at the acquisition date.

The recognition and measurement of deferred taxes requires the company's management to make estimates, especially in the case of a deferred tax asset recognised based on the Group companies' losses or another temporary difference for which a deferred tax asset is recognised. Due to uncertainty regarding use of confirmed losses, the Group recognises deferred tax assets in the consolidated balance sheet by the principle of prudence.

Property, plant and equipment as well as intangible assets are reviewed annually as to whether any indications exist that these assets might be impaired. If indications exist, the asset's recoverable amount is estimated.

Items of property, plant and equipment as well as intangible assets are depreciated and amortised over their estimated useful lives. The useful lives are reviewed regularly. With regard to non-current assets held for sale, the management regularly reviews whether the criteria of IFRS 5 for probability of divestment of the asset within a 12-month period from classifying these assets as non-current assets held for sale are not met. If indications exist, the asset is derecognised from non-current assets held for sale.

Estimates made in preparing the financial statements are based on the management's best view and the information available at the balance sheet date. Estimates and assumptions are based on experience and other factors that are considered the best view in measuring such assets and liabilities, whose values cannot be derived from other sources. The estimates concerning the future are based on assumptions that are regarded as the most probable at the balance sheet date relating to the expected development of the financial environment of Nurminen Logistics and assumptions about the development of sales and cost level. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed continuously. The realisation of estimates and assumptions and the changes in underlying factors are reviewed regularly by using both external and internal sources of information. Revisions to accounting estimates are recognised in the period in which the estimates are revised if the revision affects only the period in question. If the revision to accounting estimate affects both the period in which the estimate is revised and future periods, the revision is recognised respectively in the period in question and in future periods.

New and revised standards and interpretations

The International Accounting Standards Board has announced the following new or revised standards and interpretations, which the Group has not yet adopted but which are estimated to have an impact on the Group's financial statements. The Group will apply each standard and interpretation as of its effective date or, if the effective date is some other date than the first day of the accounting period, as of the beginning of the financial year following the effective date. The following new standards

and amendments to existing standards are effective for financial years starting on or after 1 January 2025:

- Lack of Exchangeability – Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates, effective from 1 January 2025. The amendments determine how the company should assess whether a currency is exchangeable to another currency and how it should determine the exchange rate for those currencies that are not exchangeable. Nurminen Logistics only conducts business in exchangeable currencies, so the change is not expected to have an impact on the consolidated financial statements.

- Amendments to the Classification and Measurement of Financial Instruments - Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures, effective from 1 January 2026. The new requirements are applied retrospectively and the effects of the amendments are recognised through profit and loss on the opening balance sheet. The changes clarify the derecognition of financial liabilities. The amendments also include an alternative accounting policy to derecognise a financial liability before the settlement date when the payment of the financial liability is made using an electronic payment system and when certain other criteria are met. The amendments clarify how to assess the characteristics of contractual cash flows of financial assets that are ESG-linked or have similar contingent characteristics. The amendments clarify how financial assets without a right of return and instruments contractually bound to them are treated. The amendments require disclosure of additional information on financial assets and liabilities whose contractual terms refer to a contingent event (including ESG-linked) and equity instruments classified at fair value through other comprehensive income.

The amendments have no material impact on Nurminen Logistics' notes on the fair value of other equity instruments measured through comprehensive income.

- IFRS 18 Presentation and Disclosure in Financial Statements, effective from 1 January 2027. The standard is applied retrospectively.

The new IFRS 18 standard introduces new requirements for the presentation of the income statement. The company must classify all income and expenses in the income statement into one of five categories: operating, investing, financing, income taxes and discontinued operations, the first three of which are new categories. In addition, IFRS 18 requires the following subtotals and totals to be presented in the income statement: operating profit or loss, profit before financing and income tax, and profit or loss.

IFRS 18 also requires the presentation of new management-defined performance measures (MPM) in the financial statements. The management-defined performance measures (MPMs) are defined as a subtotal of income and expenses that the entity uses in public communications outside financial statements. The standard requires the company to present information on all performance measures defined by management in a single note.

The new standard also introduces changes to the application of IAS 7 Statement of Cash Flows. In the indirect cash flow statement, the operating cash flow begins with the item operating profit or loss. The new

standard also removes the option that allowed classifying interest and dividend cash flows.

In addition, several other IFRS accounting standards will be amended. An assessment of the impacts of the changes in the new standard on Nurminen Logistics' income statement, cash flow statement and notes is under way.

The adoption of the standard listed above or other new or revised standards effective on or after 1 January 2025 is not expected to have a significant impact on Nurminen Logistics Plc's financial statements in subsequent periods.

War in Ukraine and the geopolitical situation

A weakening in world trade from the current situation as a consequence of the war in Ukraine may have a negative impact on the demand for the Group's services and thereby result. In addition, in the railway business, food supply-related fertilisers critical to the world or metals required for the green transition being subjected to sanctions due to the war in Ukraine might have a negative impact on the business of North Rail Oy.

As Russia's war of aggression continues in Ukraine, the demand for the Trans-Caspian route bypassing Russia has stabilised. In addition, the situation in the Red Sea, which remained tight and continued during the financial year, has increased the demand for direct rail transport between Europe and Asia.

Geopolitical factors, such as the war in the Middle East, increase the need for alternative and safe transport routes for companies. Nurminen Logistics continuously and actively develops the routes to solve customers' logistical needs in changing conditions.

Risks related to climate change

The Group does not see that risks related to climate change, such as extreme weather events, would affect Nurminen Logistics' business.

Auditing

The Group's interim reports and financial statements release for the 2024 financial year are unaudited.

2. Net sales and revenue recognition principles

The effects of the IFRS 15 standard are described in the section on accounting principles.

IFRS 15: recognition of sales income when the performance obligation has been satisfied

EUR 1,000	1 Jan–31 Dec 2024	1 Jan–31 Dec 2023
Recognised over time	4,586	5,330
Recognised at a specific time	100,181	122,621
Revenue from contracts with customers	104,766	127,951

In 2024, net sales were distributed geographically between Finland, the Baltics and Sweden.

Information on geographical areas

2024 (EUR 1,000)	Finland	Russia	Baltic countries	Sweden	Total
Net sales	57,451		46,822	493	104,766
Non-current assets	56,621	13	599	12,899	70,131

2023 (EUR 1,000)	Finland	Russia	Baltic countries	Sweden	Total
Net sales	53,316		74,636		127,951
Non-current assets	87,135	15	816		87,966

The Railway business accounts for EUR 34.1 million (26.8), or 33% (21%) of the Group's net sales.

The Multimodal Forwarding business accounts for EUR 6.5 million (9.8), or 6% (7%) of the Group's net sales.

The Cargo business accounts for EUR 17.4 million (19.2), or 17% (15%) of the Group's net sales.

The Baltic operations account for EUR 46.8 million (74.8), or 45% (57%) of the Group's net sales.

Information on biggest customers

Group income from Global Transport and Logistics Pte. in 2024 was EUR 17,749 thousand, or 17% of the Group's net sales. In 2024, the Group did not receive more than 10% of the net sales from other individual customers. In 2023, the Group's income from Global Transport and Logistics Pte. was EUR 27,612 thousand, or 22% of the Group's net sales. In 2023, the Group did not receive more than 10% of the net sales from other individual customers.

3. Other operating income

EUR 1,000	2024	2023
Gains from sale of property, plant and equipment	2,047	0
Rental income	0	14
Gain from the bargain purchase	40	12,269
Other items	73	221
Total	2,160	12,505

The gains on the sale of property, plant and equipment include the gain on the sale of Koy Helsingin Satamakaari 24. For more information, see Note 30.

4. Operating expenses

EUR 1,000	2024	2023
Use of materials and supplies	59,322	79,506
Expenses relating to short term or low value leases	1,423	1,552
Administrative expenses	5,827	5,231
Other cost items	2,424	2,165
Total other operating expenses	9,673	8,947

The repayments of lease liabilities in the cash flow from financing activities amounted to EUR 1,159 thousand in 2024 and EUR 791 thousand in 2023.

Auditor fees

EUR 1,000	2024	2023
Auditing	353	241
Other services	20	56
Total	373	297

5. Employee benefit expenses

EUR 1,000	2024	2023
Salaries and fees	10,901	11,320
Pension expenses, defined contribution plans	1,586	1,620
Pension expenses, defined benefit plans	-27	-37
Other social security costs	456	544
Share-based payments	303	124
Total	13,218	13,571

Information on the management remuneration is presented in Note 29. Related party transactions.

Information on the share-based payments is presented in Note 22. Share-based payments.

Personnel of the Group during the year on average

	2024	2023
Total	178	196

6. Depreciation, amortisation and impairment losses**Depreciation and amortisation by asset category:**

EUR 1,000	2024	2023
Intangible assets		
Intangible rights	6	6
Other capitalised long-term expenditure	384	362
Impairment losses		2
Total	390	370
Property, plant and equipment		
Buildings	890	1,581
Machinery and equipment	2,807	2,424
Other tangible assets	18	34
Total	3,716	4,039
Amortisation of right-of-use assets (IFRS 16)	1,314	932
Total	5,420	5,341

7. Financial income and expenses

EUR 1,000	2024	2023
Financial income		
Interest income	72	37
Exchange rate gains	371	390
Proceeds from other investments	211	
Total financial income	654	427
Financial expenses		
Interest expenses	2,577	3,172
Exchange rate losses	280	468
Financial expenses on lease liabilities (IFRS 16)	494	321
Other financial expenses	297	209
Total financial expenses	3,649	4,170

Items above the operating profit include exchange rate differences totalling EUR 45 thousand in 2024 and EUR -189 thousand in 2023. Other financial expenses for 2024 include transaction costs of EUR 40 thousand amortised using the effective interest rate method (2023: 0).

8. Income taxes

The income tax expense in the statement of comprehensive income consists of the following:

EUR 1,000	2024	2023
Current tax expense	-2,985	-1,334
Deferred taxes, net	-156	-4,735
Total	-3,140	-6,069

The reconciliation between the income tax expense recognised in the consolidated statement of comprehensive income and the taxes calculated using the Finnish corporate tax rate (20.0%):

EUR 1,000	2024	2023
Result before income tax	16,211	29,342
Corporate tax rate	20%	20%
Income tax calculated using the Finnish corporate tax rate	-3,242	-5,868
Adjustments		
Effect of tax rates used in foreign subsidiaries	-1,129	1,755
Unrecognised deferred tax assets on losses	-229	-755
Tax-exempt income	8	2,454
Non-deductible expenses	-296	-42
Use of previously unrecognised tax losses	713	284
Recognised deferred tax assets on losses	-833	-1,192
Deferred tax liabilities from undistributed earnings	1,925	-2,790
Other differences	-57	85
Total adjustments	102	-200
Income tax expense in the income statement	-3,140	-6,069

9. Earnings per share

	2024	2023
Result attributable to the equity holders of the parent company (EUR 1,000)	7,100	14,329
Weighted average number of shares, undiluted	78,165,952	78,076,485
Earnings per share, undiluted, EUR	0.09	0.18
Result attributable to the equity holders of the parent company (EUR 1,000)	7,100	14,329
Weighted average number of shares, diluted	78,165,952	78,076,485
Earnings per share, diluted, EUR	0.09	0.18

10. Subsidiaries and associates

The companies belonging to the Nurminen Logistics Group are the following:

Subsidiaries	Domicile	Ownership (%)	Share of votes (%)
Nurminen Logistics Services Oy	Finland	100.0%	100.0%
North Rail Oy	Finland	79.8%	79.8%
North Rail Holding Oy	Finland	79.8%	79.8%
Kiinteistö Oy Kotkan Siikasaarentie 78	Finland	100.0%	100.0%
Kiinteistö Oy Luumäen Suoanttilantie 101	Finland	100.0%	100.0%
Kiinteistö Oy Vainikkalan Huolintatie 13	Finland	100.0%	100.0%
OOO Nurminen Logistics	Russia	100.0%	100.0%
Nurminen Maritime Latvia SIA	Latvia	51.0%	51.0%
Nurminen Maritime UAB	Lithuania	51.0%	51.0%
Nurminen Logistics Services AB	Sweden	100%	100%
ILP-Group Logistics Oy	Finland	100%	100%
Essinge Rail AB	Sweden	100%	100%

Associates and joint ventures	Domicile	Ownership (%)	Share of votes (%)
Pelkolan Terminaali Oy	Finland	20.0%	20.0%

During the financial year, the company established the Swedish subsidiary Nurminen Logistics Services AB.

At the end of the financial year, the Group has four subsidiaries with material non-controlling interests. Kiinteistö Oy Helsingin Satamakaari 24, in which the company had a holding of 51%, was sold during the financial year 2024. The changes in the Group structure during the financial year are presented in more detail in Note 30. Acquisitions and divested businesses.

The following is summarised financial information for the subsidiaries with material non-controlling interests. The information is before intra-Group eliminations. The Group has recognised deferred tax liabilities of EUR 865 thousand from undistributed earnings of subsidiaries (2023: EUR 2,790 thousand).

EUR 1,000	2024					2023				
	North Rail	Nurminen Maritime Latvia SIA	Nurminen Maritime UAB	Kiinteistö Oy Helsingin Satamakaari 24	Total	North Rail	Nurminen Maritime Latvia SIA	Nurminen Maritime UAB	Kiinteistö Oy Helsingin Satamakaari 24	Total
Summary of comprehensive income statement										
Net sales	27,678	28,657	18,816	2,172	77,324	22,145	50,241	24,241	2,806	99,433
Profit before taxes	9,383	5,943	3,257	641	19,224	17,385	10,513	4,950	79	32,926
Income taxes	933	869	183	94	2,078	839	3,075	1,055	-16	4,954
Comprehensive income	8,450	5,074	3,074	548	17,146	16,546	7,438	3,894	95	27,972
Total comprehensive income attributable to NCI	1,707	2,487	1,508	268	5,970	3,342	3,646	1,910	46	8,944
Summary of balance sheets										
Current assets	10,780	3,930	3,811		18,521	2,859	12,751	5,123	90	20,822
Non-current assets	32,435	443	156		33,034	35,453	615	202	38,461	74,730
Current liabilities	2,433	735	1,059		4,227	17,744	3,251	922	1,183	23,100
Non-current liabilities	11,787	865	90		12,743	22	2,497	450	19,698	22,668
Net assets	28,996	2,772	2,818		34,585	20,545	7,617	3,952	17,670	49,784
Equity attributable to NCI	5,857	1,359	1,382		8,598	4,150	3,734	1,938	8,573	18,395
Summary of cash flows										
Cash flow from operating activities	6,030	5,349	2,484	1,440	15,303	13,733	8,306	4,580	1,268	27,888
Cash flow from investing activities	-5,080	-2	-20	-84	-5,187	4,213	-510	-265	-14	3,424
Cash flow from financing activities	5,738	-9,960	-4,257	-807	-9,285	-17,182	-2,097	-3,283	-2,348	-24,910
Net increase/decrease in cash and cash equivalents	6,687	-4,613	-1,792	550	831	764	5,700	1,032	-1,094	6,403
Dividends paid to NCI during the year		4,863	2,064		6,927		1,010	1,600		2,610

11. Property, plant and equipment

EUR 1,000	Land and bodies of water	Land and bodies of water, IFRS 16	Buildings	Buildings, IFRS 16	Machinery and equipment	Machinery and equipment, IFRS 16	Other tangible assets	Prepayments and acquisitions in progress	Total
2024									
Cost at 1 January	247	8,978	47,222	8,273	53,755	2,693	909	23	122,100
Additions from business acquisitions	15	23	898	95	460		259		1,750
Additions				12,363	239	792	5	294	13,692
Transfers between asset categories			60		222		15	-299	-3
Deductions from business divestments		-6,996	-36,305	-349	-1,143		-265	-10	-45,067
Disposals						-264			-264
Translation differences	0	0	4	0	2		1		8
Cost at 31 December	262	2,006	11,879	20,382	53,535	3,222	923	8	92,216
Accumulated depreciation and impairment losses at 1 January		-1,033	-13,855	-7,829	-19,527	-1,913	-791		-44,947
Depreciation for the period		-161	-890	-716	-2,807	-437	-18		-5,030
Accumulated depreciation for disposals and transfers		851	6,329	41	1,119	264	164		8,768
Translation differences		0	0						0
Accumulated depreciation and impairment losses at 31 December		-342	-8,417	-8,503	-21,216	-2,086	-645		-41,209
Carrying amount at 1 Jan 2024	247	7,945	33,367	444	34,228	781	118	23	77,153
Carrying amount at 31 Dec 2024	262	1,664	3,462	11,879	32,319	1,135	278	8	51,007
Kiinteistö Oy Helsingin Satamakaari 24 was consolidated into the Group in accordance with IAS 16 Property, Plant and Equipment. The company was sold during the financial year 2024, see Note 30.									
2023									
Cost at 1 January	247	8,978	47,163	8,081	17,385	1,961	904	203	84,922
Additions from business acquisitions					35,775				35,775
Additions			5	191	569	735	5	-39	1,466
Transfers between asset categories			54		87			-141	
Disposals					-60	-2			-63
Cost at 31 December	247	8,978	47,222	8,273	53,755	2,693	909	23	122,100
Accumulated depreciation and impairment losses at 1 January		-727	-12,274	-7,720	-17,120	-1,395	-757		-39,993
Depreciation for the period		-306	-1,581	-109	-2,424	-517	-34		-4,971
Accumulated depreciation for disposals and transfers					17				17
Accumulated depreciation and impairment losses at 31 December		-1,033	-13,855	-7,829	-19,527	-1,913	-791		-44,947
Carrying amount at 1 Jan 2023	247	8,251	34,889	362	265	566	147	203	44,928
Carrying amount at 31 Dec 2023	247	7,945	33,367	444	34,228	781	118	23	77,153

12. Intangible assets

EUR 1,000	Customer relationships	Goodwill	Intangible rights	Other intangible assets	Advance payments for intangible assets	Total
2024						
Cost at 1 January		6,171	864	6,016	363	13,414
Additions from business acquisitions	3,756	6,425		94		10,275
Additions				14	1,424	1,438
Transfers between asset categories			3	62	-62	3
Translation differences	18	31			-2	47
Cost at 31 December	3,774	12,628	867	6,186	1,722	25,177
Accumulated depreciation and impairment losses at 1 January		-5,271	-844	-5,123		-11,239
Depreciation for the period			-6	-384		-390
Accumulated depreciation and impairment losses at 31 December		-5,271	-850	-5,507		-11,629
Carrying amount at 1 Jan 2024		899	19	893	363	2,175
Carrying amount at 31 Dec 2024	3,774	7,356	16	679	1,722	13,548

The increases in advance payments for intangible assets include EUR 1,018 thousand in development expenses, the amortisation of which will begin in 2025.

2023

Cost at 1 January		6,171	863	5,669		12,703
Additions from business acquisitions				86		86
Additions			1	179	572	752
Disposals				0	-127	-127
Transfers between asset categories				82	-82	
Cost at 31 December		6,171	864	6,016	363	13,414
Accumulated depreciation and impairment losses at 1 January		-5,271	-839	-4,758		-10,869
Depreciation for the period			-6	-362		-368
Impairment losses				-2		-2
Accumulated depreciation and impairment losses at 31 December		-5,271	-844	-5,123		-11,239
Carrying amount at 1 Jan 2023		899	24	911		1,834
Carrying amount at 31 Dec 2023		899	19	893	363	2,175

Information on goodwill impairment testing is provided in Note 15. Impairment of assets.

13. Leases

In consolidated statement of comprehensive income

EUR 1,000	2024	2023
Payments for short-term or low value leases	-2,910	-2,317
Depreciation, amortisation and impairment losses	-1,314	-932
Operating profit	-4,224	-3,249
Financial expenses	-494	-321
Profit for the financial period	-4,718	-3,570

Payments for short-term or low value leases include container rents of EUR 755 thousand (2023: EUR 965 thousand).

In consolidated statement of financial position

EUR 1,000	Land and bodies of water	Buildings	Machinery and equipment	Right-of-use assets total
Assets				
2024				
Cost at 1 January	8,978	8,273	2,694	19,945
Additions from business acquisitions	23	95		119
Additions		12,363	792	13,154
Deductions from business divestments	-6,996	-349		-7,345
Disposals			-264	-264
Translation differences	0	0		1
Cost at 31 December	2,006	20,382	3,222	25,610
Accumulated depreciation at 1 January	-1,033	-7,829	-1,913	-10,774
Accumulated depreciation for disposals	851	41	264	1,156
Depreciation for the period	-161	-716	-437	-1,314
Translation differences	0	0		0
Accumulated depreciation at 31 December	-342	-8,503	-2,086	-10,932
Carrying amount at 1 Jan 2024	7,945	444	781	9,171
Carrying amount at 31 Dec 2024	1,664	11,879	1,135	14,678
2023				
Cost at 1 January	8,978	8,081	1,961	19,021
Additions		191	735	926
Disposals			-2	-2
Cost at 31 December	8,978	8,273	2,694	19,945
Accumulated depreciation at 1 January	-727	-7,720	-1,396	-9,842
Depreciation for the period	-306	-109	-517	-932
Accumulated depreciation at 31 December	-1,033	-7,829	-1,913	-10,774
Carrying amount at 1 Jan 2023	8,251	362	566	9,179
Carrying amount at 31 Dec 2023	7,945	444	781	9,171

EUR 1,000	2024	2023
Liabilities		
1 January	9,610	9,497
Additions	13,273	907
Disposals	-7,919	-794
31 December	14,963	9,610
Non-current lease liabilities	12,374	9,001
Current lease liabilities	2,589	609
Total	14,963	9,610

The maturity breakdown of lease liabilities is presented in Note 26.

Impact of leases on the Group's cash flows The impact on cash flows does not include lease payments for short-term and low-value leases, which are presented under 'In consolidated statement of comprehensive income'.

Net cash flow from operating activities	-494	-321
Cash flow from financing activities	-1,159	-791
Increase (+) / decrease (-) in cash and cash equivalents	-1,653	-1,112

14. Carrying amounts of financial assets and financial liabilities by category

EUR 1,000	Note	Assets measured at amortised cost	Financial assets at fair value	Liabilities measured at amortised cost	Financial liabilities at fair value	Carrying amounts in the balance sheet
2024						
Financial assets and liabilities according to IFRS 9						
Long-term financial assets						
Non-current receivables	17	52	19			71
Short-term financial assets						
Trade and other receivables	19	12,861				12,861
Cash and cash equivalents	20	16,297				16,297
Long-term financial liabilities						
Interest-bearing liabilities				19,970		19,970
IFRS 16 lease liabilities	13			12,374		12,374
Contingent consideration	30				2,769	2,769
Short-term financial liabilities						
Interest-bearing liabilities				6,133		6,133
IFRS 16 lease liabilities	13			2,589		2,589
Trade payables	25			5,339		5,339
Contingent consideration	30				1,989	1,989

Nurminen Logistics Plc has a credit limit amounting to a maximum of EUR 3 million in Danske Bank A/S. The limit was not in use on 31 December 2024. In the financial statements on 31 December 2023, the Group companies had credit limits amounting to a maximum of EUR 3 million in Oma Säästöpankki. Of these, EUR 2,652 thousand was used.

Non-current interest-bearing liabilities as at 31 December 2024 includes transaction costs of EUR -909 thousand amortised using the effective interest rate method (31 December 2023: 0).

EUR 1,000	Note	Assets measured at amortised cost	Financial assets at fair value	Financial liabilities at amortised cost	Financial liabilities at fair value	Carrying amounts in the balance sheet
2023						
Financial assets and liabilities according to IFRS 9						
Long-term financial assets						
Non-current receivables	17	44	952			996
Short-term financial assets						
Trade and other receivables	19	11,897				11,897
Cash and cash equivalents	20	12,814				12,814
Long-term financial liabilities						
Interest-bearing liabilities				18,172		18,172
IFRS 16 lease liabilities	13			9,001		9,001
Short-term financial liabilities						
Interest-bearing liabilities				20,631		20,631
IFRS 16 lease liabilities	13			609		609
Trade payables	25			6,151		6,151

After initial recognition, the Group's cash and cash equivalents are classified as financial assets and liabilities at fair value through profit or loss or at amortised cost. Financial assets at fair value are measured at level 1 of the fair value hierarchy. Financial liabilities at fair value are measured at level 3 of the fair value hierarchy. The fair value of the contingent consideration has been calculated by discounting the item using the company-specific discount rate.

The following levels are used in measuring fair values:

Level 1: Fair value is determined based on quotations from the market.

Level 2: Fair value is determined using valuation techniques. Fair value means the value that can be determined from the market value of parts of a financial instrument or similar financial instruments; or a value that can be determined using valuation models and methods generally accepted in the financial markets, if the market value can be reliably determined using them.

Level 3: Fair value is determined using valuation techniques in which the factors used have a significant effect on the recorded fair value and these factors are not based on observable market data.

15. Impairment of assets

Goodwill is tested for impairment annually, and if indications of impairment exist. The recoverable amount in the impairment testing calculations is determined based on value in use.

An impairment loss is recognised if the carrying amount of the assets allocated to a cash-generating unit, including goodwill, is higher than the unit's recoverable amount. The recoverable amount of each cash-generating unit is determined by discounting the estimated future cash flows of the unit.

Goodwill is allocated for cash generating units (CGUs) for impairment testing. In 2024, Nurminen Logistics Plc Group had three cash-generating units (CGUs): Finnish and Baltic business (49% minority) and business carried out by Essinge Rail AB, acquired at the end of the financial year. Goodwill is allocated to business operations in Finland and Sweden. Essinge Rail AB's cash flow has not been tested for impairment, as the company was consolidated in December and the cost estimate is preliminary at the end of the financial year.

EUR 1,000	Business in Finland		Business in Sweden	
	2024	2023	2024	2023
Goodwill	899	899	6,457	

Signals on possible depreciation of assets are regularly observed from information sources within and outside the Group. Such signals can be, for example, unexpected deviations from key assumptions in Group reporting. In addition to this the signals can be changes in competition or other circumstances in the market, or new regulations or concessions that have an impact on various business fields.

Impairment test calculations on cash flow are based budgets and strategic forecasts accepted by management from the previous five years. For the time period after this forecast period (terminal value) estimated cash flows have been defined by using long term growth forecasts. Essential assumptions having an impact on defining values in use are connected to the development of net sales and profitability, and to weighted average cost of capital (WACC) used in discounting cash flows.

For the five-year time period the cash flow has been estimated to develop according to the company's medium-term net sales and profitability goals. Sales increase and profitability level development have been estimated based on businesses recent development and general forecasts. Terminal value is based on 1% growth in cash flow. The cash flow forecast is based on turnover and profitability forecasts made for each business sector, which are based on the budget for the year 2025 and long-term strategy approved by management. These are affected by market development in Finland and neighbouring regions, planned growth in regular railway line service between Finland and China and actions to improve profitability in the company.

The discount rate is based on industry average WACC after tax. The discount rate used is 8.81%. Discount rate and impairment test calculation take into account market risks and capital intensity. The cost for equity affecting on WACC is consistent with the Group's long-term targets. Net sales in the Finnish business were EUR 57.5 million in 2024. The net sales are expected to increase, in particular due to international cargo train traffic and North Rail Oy in 2025. The estimated annual increase in net sales (CAGR) over the years 2025–2029 averages 2.2%. The forecast average increase in net sales per year over the years 2025–2029 is 2.2%. The operating margin for the underlying business is expected to be above the Group's long-term target throughout the estimation period. (The company's long-term target is above 13%). Tax rate of 20% has been used.

CGU net sales and operating result 2024–2029	Actual Finland		Forecast (Finland)				
	2024	2025	2026	2027	2028	2029	2029 Terminal value
Net sales	57,451	76,065	77,752	79,480	81,249	83,060	83,891
Operating result	10,308	13,668	14,378	15,109	15,862	20,365	20,593

Sensitivity analysis when one component changes:

The management estimates that the most sensitive judgements relate to changes in terminal growth, profitability and WACC.

Forecast period 2025–2029	Change	Impact of change on recoverable amount
• Terminal growth 1%	Terminal growth -1%-point i.e. terminal growth 0%	EUR -16.3 million
• WACC 8.81%	WACC +1 %-point i.e. WACC 9.81%	EUR -22.4 million
• Average EBIT 20.5% and EBITDA 26.1%	EBITDA decrease 1%-point i.e. average EBITDA 25.1%	EUR -9.5 million

Based on the sensitivity analyses, the management evaluates that above mentioned essential judgements would not cause a situation in which the carrying amount of cash generating units would exceed the recoverable amount, and this would not cause impairment loss on goodwill in fiscal year 2024. The cash flow estimate was 3.9 times the CGU's assets employed.

16. Investments in equity-accounted investees

EUR 1,000	2024	2023
At 1 January	171	176
Share of profit/loss for the year	-87	-5
At 31 December	84	171

The equity-accounted investees (listed below) are not material for the Group.

	Registered office	Ownership (%)
Pelkolan Terminaali Oy	Finland	20.0%

The financial statements for the joint venture have been composed according to FAS, and they have been consolidated into Group accounts using the equity method. If the financial statements would be composed according to IFRS, the consolidation would not be substantially different from consolidation according to FAS.

17. Non-current receivables

EUR 1,000	2024	2023
Financial assets at fair value through profit or loss	19	952
Other receivables	52	44
Total	71	996

18. Deferred tax assets and liabilities

EUR 1,000	1 January 2024	Recogni- sed in the income statement	Recognised in the balance sheet	Exchange rate differences	31 December 2024
Movements in deferred taxes during 2024					
Deferred tax assets:					
Losses of Group companies from previous financial years	5,895	-1,248			4,647
Lease liabilities	1,873	-237	1,316		2,952
From pension provisions	11	-5	-1		5
Intangible and tangible assets	1,497	-597		-2	898
Other items		36	34		70
Total	9,276	-2,050	1,349	-2	8,572
Netting of deferred taxes	-1,804				-3,150
Deferred tax assets net	7,471	-2,050	1,349	-2	5,422
Deferred tax liabilities:					
Intangible and tangible assets	1,805	-170	2,059	-2	3,692
Transaction costs of financial instruments		182			182
Retained earnings of subsidiaries	2,790	-1,925			865
Other items		18	26		45
Total	4,594	-1,895	2,086	-2	4,783
Netting of deferred taxes	-1,804				-3,150
Deferred tax liabilities net	2,790	-1,895	2,086	-2	1,633

EUR 1,000	1 January 2023	Recogni- sed in the income statement	Recognised in the balance sheet	Exchange rate differences	31 December 2023
Movements in deferred taxes during 2023					
Deferred tax assets:					
Losses of Group companies from previous financial years	6,672	-2,031	1,254		5,895
Lease liabilities	1,851	-154	176		1,873
From pension provisions	11	-7	7		11
Intangible and tangible assets	177	73	1,243	5	1,497
Total	8,711	-2,119	2,679	5	9,276
Netting of deferred taxes	-1,803				-1,804
Deferred tax assets net	6,908	-2,119	2,679	5	7,471
Deferred tax liabilities:					
Tangible assets	1,804	-175	176		1,805
Retained earnings of subsidiaries		2,790			2,790
Total	1,804	2,615	176		4,594
Netting of deferred taxes	-1,803				-1,804
Deferred tax liabilities net	0	2,615	176		2,790

EUR 1,000	2024	2023
Deferred taxes		
Confirmed losses of Group companies for which no deferred tax assets have been recognised.	18,673	17,190
The confirmed losses will expire in 2025–2030 or later.		
Off-balance sheet deferred tax assets from losses in prior periods	3,735	3,438

The deferred tax assets include an item of EUR 4,124 thousand associated with unused tax losses of Nurminen Logistics Plc and Nurminen Logistics Services Oy. Measures taken in 2023 to lighten the cost structure, together with the acquisition of North Rail Oy, facilitate positive development of the operating result starting from 2024. The company's management assesses based on the strategy figures and comprehensive supplementary materials that the deferred tax assets recorded in the consolidated statement of financial position will likely be used, and according to the management's estimate, the recognised deferred tax assets will be used by the end of 2027. In addition, the management estimates that the deferred tax assets not recognised in the balance sheet will be used by the end of 2027. EUR 4,606 thousand of losses expired in 2024, of which EUR 691 thousand had been recognised as deferred tax assets in the financial statements for 2023. In addition, deferred tax assets of EUR 480 thousand were written down during the financial year.

Sensitivity analysis when one component changes:

Forecast period 2025–2029	Change	Impact of change on recoverable amount
Average forecast period profit before tax is 10% less than estimated	Profit before taxes 90% of forecast	The use of balance sheet deferred tax assets is postponed by two years. The use of off-balance sheet deferred tax assets is postponed by two years.
Average forecast period profit before tax is 15% less than estimated	Profit before taxes 85% of forecast	The use of balance sheet deferred tax assets is postponed by three years. The use of off-balance sheet deferred tax assets is postponed by three years.
Average forecast period profit before tax is 20% less than estimated	Profit before taxes 80% of forecast	The use of balance sheet deferred tax assets is postponed by three years. The use of off-balance sheet deferred tax assets is postponed by three years.

Expiration of deferred tax assets:

EUR 1,000	2025	2026	2027	2028	2029	2030	2031	2032	Later	Total
Deferred tax assets	521	735	347	709	1,051	761			523	4,647

19. Trade and other receivables

EUR 1,000	2024	2023
Trade receivables	10,204	9,005
Prepayments and accrued income	1,800	2,484
VAT receivables	612	313
Other receivables	245	95
Total	12,861	11,897

The company has recognised a provision for bad debts in 2024 amounting to EUR 18,538 (EUR 26,346 in 2023).

Trade and other receivables in currencies

EUR	10,677	9,136
USD	505	2,760
SEK	1,663	
NOK	16	
	12,861	11,896

The carrying amounts of current receivables best represent the maximum exposure to credit risk, excluding fair value of any collaterals, in the case other party to an agreement fail to discharge an obligation concerning financial instruments. The receivables do not contain any significant concentrations of credit risk. The carrying amounts of trade and other current receivables are in essentially equivalent to their fair values.

20. Cash and cash equivalents

EUR 1,000	2024	2023
Cash and bank balances	16,297	12,814
Cash and cash equivalents in the balance sheet	16,297	12,814

Cash and cash equivalents in the cash flow statement equal to the cash and cash equivalents in the balance sheet.

21. Information about equity

The Board members of the parent company review the capital structure and gearing of the Group on regular basis. The mid- to long-term target for gearing has been set to less than 100. The Board of the parent company may take measures if development of the gearing is unfavourable. Gearing calculated from the consolidated statement of financial position was 71.7% at the end of 2024 and 77.6% at the end of 2023. Equity management covers both equity and interest-bearing liabilities. The aim is to secure business continuity and cost of capital.

	Number of shares	Equity, EUR thousand	Share premium reserve, EUR thousand	Legal reserve, thousands of euro	Reserve for invested unrestricted equity, EUR thousand
1 January 2022	77,194,190	4,215	86	2,376	36,838
Directed free share issue in February 2022 ¹⁾	774,386				
Repayment of equity in April 2022 ²⁾					-740
Directed free share issue in July 2022 ³⁾	133,078				
Repayment of equity in September 2022 ⁴⁾					-507
31 December 2022	78,101,654	4,215	86	2,376	35,591
Directed free share issue in June 2023 ⁵⁾	26,201				
31 December 2023	78,127,855	4,215	86	2,376	35,591
Repayment of equity in May 2024 ⁶⁾					-1,563
Directed free share issue in July 2024 ⁷⁾	85,309				
Repayment of equity in November 2024 ⁸⁾					-3,129
Directed share issue in December 2024 ⁹⁾	2,339,756				2,274
31 December 2024	80,552,920	4,215	86	2,376	33,174

- 1) Directed free share issue in February 2022.
- 2) Repayment of equity in April 2022.
- 3) Directed free share issue in July 2022.
- 4) Repayment of equity in September 2022.
- 5) Directed free share issue in June 2023.
- 6) Repayment of equity in May 2024.
- 7) Directed free share issue in July 2024.
- 8) Repayment of equity in November 2024.
- 9) Directed share issue to the sellers of Essinge Rail AB as part of the purchase price payment. Since the share issue was carried out in order to complete the acquisition, there was a compelling financial reason for directing the share issue. The new shares were registered in the Finnish Trade Register on 9 January 2025.

The company's shares have no nominal value.

The maximum share capital of the company is EUR 4,215 thousand.

The company did not hold any of its own shares on 31 December 2024.

Reserves included in equity

Share premium reserve

The share premium reserve comprises both share issue gains that arose in the years 1997–2006, less transaction costs, as well as gains from sales of own shares.

Legal reserve

The share issue gains accrued from those share issues carried out before the entry into force of the amended Finnish Limited Liability Companies Act on 1 September 2006 have been recognised in the legal reserve.

Reserve for invested unrestricted equity

Comprises the share issue gains that have arisen from the directed share issues.

22. Share-based remuneration

According to the resolution of the Annual General Meeting, 50 per cent of the annual remuneration of the members of the Board will be paid in the company's shares in 2024. The share of Board members' share awards recognised as an expense in the income statement was EUR 90 thousand in 2024. The number of shares transferred to the Board members was 85,309 based on the price on the payment date of 23 July 2024.

On 4 July 2022, the Board of Directors of Nurminen Logistics Plc decided to create two new share-based incentive programmes for the company's key personnel: a performance-based share bonus plan 2022–2026 and a share bonus plan to encourage commitment 2022–2026.

The aim of the programmes is to harmonise the goals of key personnel and the shareholders of Nurminen Logistics Plc and, thus, increase the company's value in the long term, promote economic and efficient performance, as well as encourage commitment of key personnel to the company by offering them a competitive, performance-based earnings opportunity.

Performance Share Plan 2022–2026

The Performance Share Plan 2022–2026 consists of three performance periods, covering the financial years of 2022–2024, 2023–2025 and 2024–2026 respectively.

In the plan, the target group is given an opportunity to earn Nurminen Logistics shares based on achieving performance targets set by the Board of Directors. The Board of Directors decides on the plan's performance criteria and targets to be set for each criterion at the beginning of a performance period. The potential rewards based on the plan will be paid after the end of each performance period.

During the performance period 2022–2024, the following performance criteria are used as the basis for the reward:

- Total Shareholder Return (TSR), weight 50%
- Operative Cash Flow and Change in Net Working Capital, weight 50%
- employee satisfaction (eNPS), a variable that can vary between 0.9 and 1.1.

The gross rewards to be paid on the basis of the performance period 2022–2024 correspond to the value of an approximate maximum total of 500,000 shares of Nurminen Logistics Plc. The Board of Directors has approved approximately 10 key employees as eligible for participating in the performance period 2022–2024.

Earning period 2023–2025 of the Performance Share Plan 2022–2026

On 21 November 2023, the company's Board of Directors decided on a new earning period for the plan, covering the financial years 2023–2025.

The target group of the plan during the earning period 2023–2025 includes the company's CEO and all members of the Management Team. In the earning period 2023–2025, the rewards are based on the total shareholder return (TSR) on Nurminen Logistics Plc's share and the ratio of net debt to EBITDA at the end of the financial year 2025.

The gross bonuses to be paid for the earning period are equal to a maximum total of 376,000 Nurminen Logistics Plc shares, including the cash share. Any rewards for the earning period 2023–2025 will be paid by the end of May 2026, partly in Nurminen Logistics Plc shares and partly in cash. The cash share is intended to cover the taxes and statutory social security contributions resulting to the participant from the remuneration.

The amount of remuneration paid based on the plan will be cut if the maximum value for remuneration paid for the earning period 2023–2025 set by the Board of Directors is reached.

Earning period 2024–2026 of the Performance Share Plan 2022–2026

On 30 May 2024, the company's Board of Directors decided on a new earning period for the plan, covering the financial years 2024–2026.

The target group of the plan during the earning period 2024–2026 includes the company's CEO and all members of the Management Team. In the earning period 2024–2026, the rewards are based on the total shareholder return (TSR) on Nurminen Logistics Plc's share and the ratio of net debt to EBITDA at the end of the financial year 2026.

The gross bonuses to be paid for the earning period are equal to a maximum total of 376,000 Nurminen Logistics Plc shares, including the cash share. Any rewards for the earning period 2024–2026 will be paid by the end of May 2027, partly in Nurminen Logistics Plc shares and partly in cash. The cash share is intended to cover the taxes and statutory social security contributions resulting to the participant from the remuneration.

The amount of remuneration paid based on the plan will be cut if the maximum value for remuneration paid for the earning period 2023–2025 set by the Board of Directors is reached.

Restricted Share Plan 2022–2026

The Restricted Share Plan is intended to be used as a tool in specific situations seen necessary by the Board of Directors, for example ensuring retention of key talents, attracting new talent or other specific situations determined by the Board.

The reward from the Restricted Share Plan 2022–2026 is based on a valid employment or director contract and the continuity of the employment or service. The plan is intended for selected key employees only, based on the decision by the Board of Directors.

The rewards to be earned on the basis of the plan will be paid by the end of May 2024, 2025 or 2026 but in any event a minimum twelve (12) months after the determination of the Reward.

The gross rewards to be allocated during 2022–2026 on the basis of the restricted share plan correspond to the value of maximum 500,000 Nurminen Logistics Plc shares.

CEO Performance Share Plan

On 21 November 2023, the Board of Directors of Nurminen Logistics Plc resolved to establish a new Performance Share Plan for the CEO of the company. The purpose of the plan is to align the objectives of the company's shareholders and the CEO for increasing the value of the company in the long term.

The CEO Performance Share Plan consists of one earning period, which begins on 21 November 2023 and ends at the end of May 2028.

In the plan, the CEO has an opportunity to earn Nurminen Logistics Plc shares as a reward based on the Total Shareholder Return (TSR) of the company. The potential rewards from the plan will be paid in three instalments during the financial years 2026–2028.

The value of the gross rewards to be paid on the basis of the plan corresponds to an approximate maximum total of 608,000 Nurminen Logistics Plc shares, also including the proportion to be paid in cash. The potential rewards from the plan will be paid partly in Nurminen Logistics Plc shares and partly in cash. The cash proportion of the reward is intended to cover taxes and statutory social security contributions arising from the reward to the CEO.

The assumptions used in the accounting entries for the share-based remuneration plan are described in the following tables:

Plan	CEO Performance Share Plan	Performance Share Plan	Performance Share Plan	Performance Share Plan	Restricted Plan 2022–2026
Instrument	Instalments 2023–2025	Plan 2022–2024	Plan 2023–2025	Plan 2024–2026	Payment 2025
Granting dates	21 November 2023	4 July 2022	21 November 2023	30 May 2024	6 June 2023
Fair value of the share reward at the time of granting, EUR	0.79	0.69	0.79	0.54	1.07
Share price at the time of granting, EUR	0.92	0.77	0.92	1.14	1.11
Share price limit of the reward, EUR	3.00	3.00	3.00	3.00	3.00
Maximum number of shares paid	608,000	500,000	376,000	376,000	60,000
Share price at the end of the financial year	1.05	1.05	1.05	1.05	1.05
Earning period start date	21 November 2023	4 July 2022	21 November 2023	30 May 2024	6 June 2023
Earning period end date	31 May 2027–31 May 2028	31 May 2025	31 May 2026	31 May 2027	31 May 2025
Number of persons in the plan	1	3	5	5	7
Changes during the financial year					
Number of share rewards at the beginning of the year	608,000	256,000	376,000		60,000
Granted				376,000	
Lost		40,000	40,000	40,000	
Number of share rewards at the end of the year	608,000	216,000	336,000	336,000	60,000

The value of the share at the time of granting, or the fair value of the share, is defined as follows: the value of the share at the time of granting is the share price of the granting date less estimated dividends paid during the earning period.

The expense included in the income statement is specified in the following table:

EUR 1,000	2024	2023
Cost impact of share-based payments, paid in shares	213	30

The expense to be recognised in the 2025–2028 financial years was estimated on 31 December 2024 to be approximately EUR 367 thousand. The actual amount may differ from the estimate. The taxes payable on behalf of employees are estimated to be approximately EUR 235 thousand for the ongoing programmes.

23. Defined benefit pension plans

Characteristics of the defined benefit pension plan

The employer has promised an additional pension benefit to a group of employees. The additional pension arrangements result from a prior acquisition. In order to fulfil its promise, the employer has taken out additional pension insurance policies from a life insurance company. The arrangement is closed to new employees, and it covers 24 persons, none of whom are members of the Management Team. In addition to the old-age pension benefit, the additional pension insurance policies include any survivor's pension benefit and burial insurance.

The insurance company collects insurance premiums annually from the employer. The insurance premium is primarily comprised of index increases paid on the earned benefits. The benefits paid after retirement are annually increased by the TyEL index specified in the insurance policies. The insurance company indemnifies the paid pensions with its own, yield-based index, and any deficit compared to the paid TyEL index is charged to the employer as an "index difference charge". In addition, the pension premium includes a management expense component to cover the insurance company's expenses for managing the plans.

Depending on the insurance policy, 3.5% or a lower interest rate is used in calculating the insurance premiums.

Risks relating to defined benefit plans

Changes in the yield expectations of bonds: In the employer's IFRS financial statements disclosures, in deviation from the national practice, the obligation resulting from the pension promise is measured at market values. The pension obligation recognised for the additional pension insurance policies in the IFRS financial statements depends on the yield expectations of bonds issued by reputable companies at the closing date. If the yield expectation decreases, the pension obligation calculated according to IAS 19 increases. Because the employer is not liable for the investment risk, an increase in the yield expectation also affects the value of the assets corresponding to the pension obligation, determined under the principles of IAS 19. The value of the assets increases when the yield expectation decreases, which offsets the increase in the pension obligation.

Inflation risk: The risk of inflation is taken into consideration in calculating the pension obligation. Inflation is an estimate of the long-term change in consumer prices. The inflation assumption used in the calculation is market-based, and its horizon must correspond with the average duration of the pension obligation. In accordance with the insurance policies, the pensions paid in the plan are tied to the TyEL index, changes in which depend on actual inflation (80%) and general wage index (20%). The employer is liable for the difference between the TyEL index and the index rebate granted by the insurance company. High inflation results in an increase in the pension obligation and thereby additional expenses for the employer.

Mortality risk: If the pension benefit recipient's actual lifetime is higher than expected, the insurance company covers the resulting risk. The Gompertz mortality model, used in the statutory pension system, is used in the IFRS calculations. Any change in the mortality model used by the insurance company will only be reflected in the employer's future insurance premiums.

Other risks: When a person with a paid-up policy retires, the final amount of the pension is revised, and this might result in additional costs to the employer. Moreover, in these cases where the benefits are tied to the TyEL index, index increases between the granting of a paid-up policy and start of the pension for which the employer is liable will only be charged in the year the pension is granted.

Uncertainty of future cash flows: A sensitivity analysis as of the end of the reporting period is disclosed in IFRS reporting for each significant actuarial assumption, indicating how somewhat possible changes in the actuarial assumption would have affected the defined benefit pension obligation during the year. The pension obligation of the sensitivity analysis is calculated using the projected unit credit method. The sensitivity analysis only takes into consideration the impact of changes in actuarial assumptions on the pension obligation and corresponding assets so that a change in the assumptions does not have an effect on the insurance premiums paid during the year and taken into consideration in assets

Defined benefit obligations

EUR 1,000	2024	2023
Expense through profit or loss from defined benefit plans		
Net interest (+expense/-income)	2	2
Expense through profit or loss from defined benefit plans	2	2
Re-measurement of the defined benefit pension plan		
Changes in financial assumptions	13	-22
Yield of the assets included in the plan, excluding items relating to net interest	-13	53
Empirical changes	-5	3
Recognised in comprehensive income, total remeasurement effect	-5	34
In statement of financial position		
Current value of defined benefit obligations transferred to reserves	439	491
Fair value of plan assets	-416	-437
Net defined benefit debt	23	54
Changes in the fair value of plan assets		
Assets at 1 January	437	469
Interest income	16	15
Yield of assets, excluding interest income included in net interest expense	13	-3
Employer's contributions	27	37
Benefits paid	-77	-81
Assets at 31 December	416	437

Change in the current value of the plan obligation	2024	2023
Obligation at 1 January	491	524
Interest expense	18	17
Changes resulting from actuarial assumptions	8	32
Benefits paid	-77	-81
Obligation at 31 December	439	491
The estimated payments to defined benefit plans amount to EUR 6 thousand in 2025.		
Key actuarial assumptions	2024	2023
Discount rate, %	3.0%	3.9%
Future pay increase, %	0.0%	0.0%
Insurance company's customer rebate, %	0.0%	0.0%
Increase in benefits, %	2.1%	2.6%
Inflation, %	1.9%	2.4%

Sensitivity analysis of significant actuarial assumptions

Possible changes in certain significant actuarial assumptions, should the other variables remain unchanged, would have had the following effect on the defined benefit obligation:

Assumptions	Change in assumption	2024	2023
Discount rate	0.50% increase	-13	-15
	0.50% decrease	14	16
Increase in benefits	0.50% increase	12	14
	0.50% decrease	-11	-13

- an increase/decrease of 0.50% in the discount rate would result in a 3.0%/3.3% decrease/increase in the defined benefit obligation

- an increase/decrease of 0.50% in the benefit increase assumption would result in a 2.8%/2.6% increase/decrease in the defined benefit pension obligation

The sensitivity analysis presented above might not necessarily give a true view of the actual impacts of the changes. Should several assumptions change simultaneously, the combined effect of these changes might not be the same as the sum of individual changes. If the changes in the assumptions differ from the amounts described above, the effect on the defined benefit obligation will not necessarily be linear.

EUR 1,000	2024	2023
Maturity distribution of non-discounted pension liability		
During the next 12 months	78	86
1–5 years	190	220
5–10 years	126	148
Over 10 years	159	219
Total	553	673

The average duration of the defined benefit obligation was 6 years at the end of the reporting period.

24. Interest-bearing liabilities

EUR 1,000	2024	2023
Interest-bearing net liabilities		
Non-current interest-bearing liabilities	35,113	27,173
Current interest-bearing liabilities	10,711	21,240
Interest-bearing liabilities, total	45,824	48,413
Cash and cash equivalents	16,297	12,814
Interest-bearing net liabilities, total	29,527	35,599
Interest-bearing liabilities in currencies		
EUR	38,065	48,413
SEK	7,759	

25. Trade payables and other liabilities

EUR 1,000	2024	2023
Current		
Trade payables	5,339	6,151
Advances received	502	3,881
Other liabilities	633	573
Accrued expenses	5,275	5,909
Total trade payables and other liabilities	11,748	16,514
Trade payables and other liabilities in currencies		
EUR	9,989	15,831
SEK	1,220	7
NOK		71
USD	539	592
CHF		12
	11,748	16,514
Non-current		
Other liabilities	23	54
Non-current liabilities, total	23	54

The most significant items under accrued expense consist of operational accrued expenses of EUR 1,489 thousand in 2024 (EUR 1,493 thousand in 2023) and accrued personnel expenses of EUR 2,705 thousand in 2024 (EUR 2,630 thousand in 2023).

26. Financial Risk Management

The goal of the Group's risk management is to minimise the harmful effects of changes in the financial markets on the Group's result and equity. The policy for managing financial risks is based on the main principles approved by the Board of Directors. The company's finance department is responsible for daily risk management within the limits set by the Board.

Currency risk

Currency risk arises from foreign currency imports and exports, from the financing of foreign subsidiaries and from the translation of subsidiaries' equity in foreign currency.

The Group manages the currency risk inherent in cash flows by keeping foreign currency income and expense cash flows in the same currency, and by matching them simultaneously to the extent possible. If matching is not possible, part of an open exposure may be hedged.

Foreign currency transaction risk exposure can be hedged if its countervalue exceeds EUR 500 thousand. Exposures greater than EUR 2 million are hedged 50–110%. Foreign currency risk of the net translation exposure can be hedged 25–75%. Instruments used in hedging include forward contracts and plain vanilla options. Exotic options are forbidden. The hedge ratio is considered based on the current economic trends and the predicted currency prospects as well as the functionality of each currency's hedge market. In extraordinary hedging market circumstances, the company may deviate from the guidelines above.

Currency amounts in bank accounts should be kept as small as possible without disturbing payment transactions. The amount of cash and cash equivalents denominated in foreign currencies may not exceed three per cent of the balance sheet total.

Interest rate risk

Interest rate risks to the Group derive mainly through interest-bearing debts. The purpose of interest rate risk management is to diminish the effect of market interest rate movements on cash flows from financing. Hedging instruments may include forward rate agreements and interest rate futures, interest rate swaps and interest collar agreements.

Liquidity Risk

The purpose of liquidity risk management is to ensure sufficient financing in all situations. Funds required for about two weeks' payment transactions will be reserved as a buffer for liquidity of payment transactions. The Group aims to guarantee the availability and flexibility of financing by using a number of financial institutions and financing methods in raising finance.

The financial statements are based on the principle of business continuity. The management of the company estimates that the cash flow will cover the current business needs and liabilities for the next 12 months. The sufficiency of cash flows from operations is subject to risks if estimates deviate considerably from expectations. If the Group is unable to secure sufficient long term financing arrangements, the continuity of operations can be at risk. The measurement of the assets in the financial statements is based on the going concern assumption. If the forecasts do not materialise, it may be necessary to recognise impairment losses on assets.

Credit risk

The goal of managing credit risk is to minimise losses which are caused by the other party neglecting their obligations. The Group manages the counterparty risk based on the customer credit rating and engages in active debt collection, when necessary.

The Group has made ECL measurement analysis according to IFRS 9. The provision for credit losses is recognised in profit or loss.

The Group has not applied hedge accounting for interest rates or currencies, nor has it used hedging instruments during 2024 and 2023.

INTEREST RATE RISK

Sensitivity analysis for interest rate risk

In calculating the sensitivity to changes in the interest rate level, the following assumptions have been used:

- the change in the interest rate level has been assumed to be +/- 100 bps
- At a time of negative reference interest rates, interest rate movements affect as diluted. In the analysis, reference interest rates are thought to be at least zero.

Sensitivity analysis for variable interest rate loans

EUR 1,000	31 December 2024	2024	
		Income statement 100 bp	
		Increase	Decrease
Total amount of variable interest rate loans	23,839		
Variable interest rate instruments		-224	224
Total effect		-224	224

EUR 1,000	31 December 2023	2023	
		Income statement 100 bp	
		Increase	Decrease
Total amount of variable interest rate loans	30,951		
Variable interest rate instruments		-256	-256
Total effect		-256	-256

Market-based loans are raised mainly as variable interest rate loans. Nurminen Logistics hedges the interest rate risk of market-based loans by selecting the interest rate periods and with derivative instruments, mainly interest rate swaps. No interest rate swaps were used in 2024 and 2023.

CURRENCY RISK

In calculating the sensitivity to changes in exchange rates, the following assumptions have been used:

- the change in the exchange rate has been assumed to be +/- 10%
- other variables remain constant

EUR 1,000	USD	2024			
		Trade receivables 10%		Trade payables 10%	
		decreases	increases	decreases	increases
Total currency items					
Trade receivables	505				
Trade payables	539				
Total effect		-44	54	47	-58

EUR 1,000	USD	2023			
		Trade receivables 10%		Trade payables 10%	
		decreases	increases	decreases	increases
Total currency items					
Trade receivables	2,760				
Trade payables	592				
Total effect		-239	292	51	-63

Exchange rates used	Balance sheet exchange rate	
	2024	2023
USD	1.04	1.11

LIQUIDITY RISK

The contractual cash flows of loan instalments and interests at 31 December 2024 were the following:

EUR 1,000	1–3 months	4 months–1 year	2–5 years	5 years →
Loans from financial institutions	1,063	2,069	20,878	
Credit limit				
Purchase price debt		4,990	3,117	
Lease liabilities	883	2,582	12,304	2,541
Trade payables	5,339			
Interest to financial institutions	619	1,944	3,389	
Total	7,904	11,585	39,689	2,541

The contractual cash flows of loan instalments and interests at 31 December 2023 were the following:

EUR 1,000	1–3 months	4 months–1 year	2–5 years	5 years →
Loans from financial institutions	2,425	10,854	10,153	8,019
Credit limit	2,652			
Purchase price debt	4,700			
Lease liabilities	293	700	2,370	10,333
Trade payables	6,151			
Interest to financial institutions	882	1,591	3,341	1,077
Total	17,103	13,145	15,864	19,429

During the financial year, North Rail Oy took out a bullet loan facility of EUR 12.0 million, which will fall due in full on 24 July 2027. The loan agreement signed with Hoplo Opportunities Fund II SCSp on 1 August 2024 agrees on the following covenants: the company's equity ratio must remain above 50%, the interest coverage ratio must not fall below the ratio of 4.00:1 and the company's gearing must not exceed the ratio of 1.50:1. The equity ratio is calculated as the ratio of the equity shown on North Rail Oy's balance sheet to the balance sheet total. The interest coverage ratio is calculated from the ratio of adjusted EBITDA to interest expenses and gearing from the ratio of net debt to adjusted EBITDA. The covenants are tested monthly and the covenants have been met.

On 14 June 2023, the company entered into an amendment agreement with Ilmarinen, according to which the outstanding principal of the loan will be paid on 30 September 2024 (the loan principal as at 31 December 2023 was EUR 5,353 thousand). The loan was paid on 30 September 2024.

The group took out a EUR 3.5 million loan with a fixed amortisation schedule from Oma Säästöpankki Oyj during the financial period 2021 (the loan principal as at 31 December 2023 was EUR 1,500 thousand). The loan was paid in September 2024.

During the previous financial year, the company took out a EUR 0.5 million loan from Oma Säästöpankki Oyj (the loan principal as at 31 December 2023 was EUR 500 thousand). The loan was paid in September 2024.

The company took out a EUR 3.5 million loan with a fixed amortisation schedule from Oma Säästöpankki Oyj during the financial year. The loan was paid in September 2024.

The company took out a EUR 4.0 million premium loan from Ilmarinen during the previous financial year. The loan principal as at 31 December 2024 is EUR 3,111 thousand.

The company took out a working capital loan of EUR 3.0 million from Finnvera during the previous financial year. The loan principal as at 31 December 2024 is EUR 2,308 thousand.

The company took out a EUR 6.0 million loan with a fixed amortisation schedule from Danske Bank A/S, Finland Branch during the financial period. The loan principal as at 31 December 2024 is EUR 6,000 thousand. The following covenants have been agreed in the loan agreement: the ratio of the Group's interest-bearing net liabilities to EBITDA must be no more than 3.5 at the end of each review period. Interest-bearing net liabilities refer to the total amount of financial and lease liabilities recognised on the Group's balance sheet less cash and cash equivalents. The review period is a six-month period ending on 30 June and 31 December. In addition, the Group's equity ratio must remain above 35%. Equity ratio is calculated on the basis of the ratio of equity to the consolidated balance sheet total less advances received. The covenants have been fulfilled.

Changes in long-term interest bearing debts

	1 January 2024	Cash flows from additions	Cash flows from disposals	Divestments	Other changes with no cash flow effect	31 December 2024
Long-term liabilities, interest bearing	18,172	21,132		-10,780	-8,555	19,970
Contingent consideration				2,744	26	2,769
Long-term leasing liabilities, interest bearing	9,001			-6,346	9,718	12,374
Total	27,173	21,132		-14,381	1,188	35,113

Changes in short-term interest bearing debts

	1 January 2024	Cash flows from additions	Cash flows from disposals	Divestments	Other changes with no cash flow effect	31 Decem- ber 2024
Short-term liabilities, interest bearing	15,931		-19,996	-871	8,067	3,132
Current purchase price debt	4,700		-4,700	2,986	15	3,001
Contingent consideration				1,979	10	1,989
Long-term leasing liabilities, interest bearing	609		-1,159	-215	3,354	2,589
Total	21,240		-25,854	3,880	11,445	10,710

Changes in long-term interest bearing debts

	1 January 2023	Cash flows from additions	Cash flows from disposals	Divestments	Other changes with no cash flow effect	31 December 2023
Long-term liabilities, interest bearing	15,568	10,556			-7,951	18,172
Long-term leasing liabilities, interest bearing	8,947				54	9,001
Total	24,515	10,556			-7,897	27,173

Changes in short-term interest bearing debts

	1 January 2023	Cash flows from additions	Cash flows from disposals	Divestments	Other changes with no cash flow effect	31 December 2023
Short-term liabilities, interest bearing	10,004	6,631	-35,985	27,330	7,951	15,931
Current purchase price debt				4,700		4,700
Long-term leasing liabilities, interest bearing	550		-791		850	609
Total	10,554	6,631	-36,776	32,030	8,801	21,240

CREDIT RISK

Maximum exposure to credit risk	EUR 1,000
2024	10,204
2023	9,005

Aging of trade receivables

EUR 1,000	Not past due	Past due less than 30 days	Past due 30–120 days	Past due over 120 days	Total
2024	7,970	1,574	435	224	10,204
2023	7,537	783	305	380	9,005

The amount of the credit loss provision recognised to cover uncertain receivables at the end of the financial year was EUR 18.5 thousand, all of which is allocated to the oldest category in the age distribution.

Nurminen Logistics has no significant risk concentrations.

27. Other leases

The Group as lessee

Lease liabilities for off-balance sheet leases where the value of the asset group is insignificant or short-term:

EUR 1,000	2024	2023
Less than one year	1,792	411
Between one year and five years	456	268
Total	2,248	680

In accordance with the IFRS 16 standard, leases are recognised as fixed assets and lease liabilities in the consolidated balance sheet. Nurminen Logistics' other leases mainly consist of different kinds of ICT equipment, office automation equipment, vehicles and smaller office premises.

28. Contingencies and commitments

EUR 1,000	2024	2023
Liabilities and contingent liabilities secured by corporate mortgages and pledges		
Loans from financial institutions	23,963	36,151
Customs duties and other guarantees	7,672	9,222
Interest-bearing accounts for which business mortgages have been given and subsidiary shares pledged		
Credit limit	3,000	3,000
Unused credit	3,000	348
Pledges given on own behalf		
Book value of pledged subsidiary shares	50,073	43,766
Mortgages given on own behalf		
Company mortgages	59,900	43,500
Real estate mortgages	2,242	25,125
The Group as lessor: lease guarantees for off-balance sheet leases		
Deposit guarantee from 1 April 2021 to 1 April 2023 and then until further notice rental security		599

Kiinteistö Oy Luumäen Suoanttilantie 101. The lease agreement was terminated in January 2022.

The District Court of Helsinki has issued a unilateral decision for the company to apply for the rental guarantee received. However, the recovery of the rental guarantee has not been successful, so rental guarantees received are no longer presented for the financial year.

29. Related party transactions

The company's related parties include the members of the Board of Directors and those of the Management Team as well as companies under their control. Related parties are also those shareholders who have direct or indirect control or significant influence in the Group. The business transferred to new John Nurminen in the demerger of John Nurminen Ltd is also considered to be related party. The holding of RailCap Oy, a company controlled by a related party, in North Rail Oy is 10.1%.

Related party transactions with companies controlled by Board members

EUR 1,000	2024	2023
Sales	2	8
Purchases		3
Current receivables	2	4
Shareholder loans		167

On 8 January 2024, Nurminen Logistics announced Board member Juha Nurminen's transfer notification concerning 84,388 shares.

On 26 June 2024, Nurminen Logistics announced Board member Juha Nurminen's acquisition notification concerning 188,235 shares and the transfer notification of JN Uljas Oy, controlled by Board member Juha Nurminen, concerning 188,235 shares.

On 23 July 2024, Nurminen Logistics announced the remuneration in shares for the Board of Directors. Irmeli Rytönen, Chair of the Board of Directors subscribed for 28,436 shares, Juha Nurminen, member of the Board of Directors subscribed for 14,218 shares, Olli Pohjanvirta, member of the Board of Directors subscribed for 14,219 shares, Karri Koskela, member of the Board of Directors subscribed for 14,218 shares and Erja Sankari, member of the Board of Directors subscribed for 14,218 shares.

On 1 October 2024, Nurminen Logistics announced the acquisition notice of Board member Juha Nurminen concerning 370,874 shares and the transfer notice of JN Uljas Oy, controlled by Board member Juha Nurminen, concerning 370,874 shares.

On 18 December 2024, Nurminen Logistics announced Board member Juha Nurminen's acquisition notification concerning 314,202 shares and the transfer notification of JN Uljas Oy, controlled by Board member Juha Nurminen, concerning 314,202 shares.

On 30 December 2024, Nurminen Logistics announced President and CEO Olli Pohjanvirta's transfer notification concerning 120,000 shares.

EUR 1,000	2024	2023
CEO, the members of the Board and the Management Team		
Salaries and other short-term employee benefits	2,172	1,983
Statutory pension payments	428	323
Share-based payments	90	90
Total	2,690	2,396

EUR 1,000	2024	2023
Salaries and fees		
President and CEO		
Olli Pohjanvirta	863	755
Members of the Board		
Juha Nurminen	38	39
Olli Pohjanvirta	38	30
Irmeli Rytönen	77	78
Erja Sankari	43	43
Karri Koskela	46	38
Victor Hartwall (until 12 April 2023)		30
Total	1,105	1,012

Members of the Board and the President and CEO owned 18.1% of company shares on 31 December 2024 either directly or indirectly through companies under their control.

30. Acquisitions and divested businesses

Nurminen Logistics Plc acquired the entire share capital of the Swedish railway logistics company Essinge Rail AB through the transaction completed on 13 December 2024. With the acquisition, Nurminen Logistics Plc will become a significant railway operator in the growing freight traffic between the Nordic countries and mainland Europe, serving Nordic and international companies in the industrial, technology and trade sectors. The acquisition is part of Nurminen Logistics' international growth strategy, which focuses on customer-oriented rail transport.

Essinge Rail AB is a logistics company specialising in international railway logistics that transports approximately 4,500 freight wagons from Central Europe to the Nordic countries each year. In addition, the company has its own railway terminal in Fröv, a railway hub in Sweden. The flows of goods transported by Essinge Rail AB mainly consist of consumer goods, and the need for low-emission railway solutions for transporting these is increasing due to customer demands.

In addition, Nurminen Logistics Services Oy acquired ILP-Group Logistics Oy, which operates in Vantaa and Espoo, on 30 October 2024. ILP-Group Logistics has been operating in the logistics sector since 1994 and specialises in comprehensive warehousing services, maritime, air and road transport as well as forwarding. Following the acquisition, Nurminen Logistics Services strengthens its terminal operations in Finland and expands its service offering to its customers.

The acquisition of ILP-Group Logistics resulted in an income of EUR 40 thousand as a difference in the purchase price and the fair values of the acquired company, recognised in other operating income.

According to preliminary calculations, the consideration for the acquisition, the net assets acquired and the goodwill were as follows. These preliminary calculations may be adjusted within 12 months of the date of acquisition to take into account any new information relating to the facts and circumstances prevailing at the time of acquisition.

EUR 1,000	Essinge Rail AB	ILP-Group Logistics Oy
Consideration paid in cash for the acquisition	4,489	0
Shares issued	2,274	
Purchase price debt	2,986	
Contingent consideration	4,723	
Total consideration	14,472	0
Customer relationships	3,756	
Other intangible fixed assets		94
Property, plant and equipment	1,494	137
Right-of-use assets	119	
Non-current receivables	49	
Trade and other receivables	3,385	424
Deferred tax assets	936	
Cash in hand and at bank	2,635	
Deferred tax liabilities	-766	
Loans from financial institutions		-280
Lease liabilities	-119	
Trade payables and other current liabilities	-2,288	-334
Deferred tax liabilities	-1,155	
Acquired net assets	8,047	40
Difference, gain from the bargain purchase		-40
Difference, goodwill	6,425	
Consideration for acquisition - cash flows:		
Cash consideration paid during the financial year 2024	-4,489	0
Less:		
Cash in hand and at bank on the balance sheet at the time of acquisition	2,635	
Net cash flows, investment during the financial year	-1,853	0

Acquisition-related expenses of EUR 101 thousand are included in administrative expenses in the income statement and cash flow from operating activities in the cash flow statement.

The balance sheet on 31 December 2024 included EUR 3.0 million of current purchase price debt for the acquisition of Essinge Rail AB. The debt will be paid during the financial year 2025 and is presented in the group of short-term financial liabilities.

A contingent consideration has been recognised for the acquisition of Essinge Rail AB, the amount of which is dependent on the EBITDA of the acquired company in accordance with the confirmed financial statements for the financial years ended on 31 December 2024 and 31 December 2025. The contingent consideration is recognised in the balance sheet at the probable amount and measured at the fair value at the time of acquisition. The contingent consideration is included in short-term and long-term financial liabilities.

The net sales of the acquired business after the acquisition date in 2024 were EUR 0.9 million and the result for the period was EUR -0.1 million. The full-year net sales in 2024 were EUR 24.3 million and the result for the period was EUR 1.8 million. Had the business been combined with the Group as of 1 January 2024, the Group's net sales in 2024 would have been EUR 128.1 million and the result for the period EUR 14.2 million.

In September 2024, Nurminen Logistics Plc sold its majority of 51% Kiinteistöosakeyhtiö Helsinki Satamakaari 24 to Ilmarinen. According to the final calculation, the purchase price was EUR 11.4 million, and the transaction resulted in a capital gain of EUR 2.0 million, which was recognised as an item affecting comparability in other operating income for the financial year 2024. The transaction reduced the Group's tangible assets excluding lease commodities by EUR 30 million and interest-bearing financial liabilities by EUR 12 million. The company's current lease in the property will continue for five years from the date of the transaction, and as a result of the transaction, the company's right-of-use assets and IFRS lease liabilities increased by approximately EUR 6 million.

In the comparison period 2023, Nurminen Logistics Plc acquired Operail Finland Oy together with Finnish investors. The acquisition date was 14 February 2023. Nurminen Logistics Plc's holding in the acquired company is 79.8% and non-controlling interests 20.2%, of which a related party's holding is 10.1%. Operail Finland Oy currently operates under the name North Rail Oy.

In December 2023, Nurminen Logistics Plc recognised to other operating income a total of EUR 12.3 million as a non-recurring item affecting comparability. The recognised item was the difference between the purchase price and the fair value of the net assets. The share of the item belonging to non-controlling interests is EUR 2.5 million and the share belonging to the owners of the parent company is EUR 9.8 million.

The details of the business combination are presented in Note 30 to the consolidated financial statements for the financial year ended 31 December 2023.

31. Legal proceedings

The company has no pending legal proceedings.

32. Events after the balance sheet date

Nurminen Logistics announced on January 9, 2025, a directed share issue in which 2,339,756 new shares were registered in the trade register and issued to the sellers of Essinge Rail Ab as part of the purchase price payment. After the registration of the new shares, the total number of the Company's shares is 80,552,920.

No other significant events occurred after the financial year.

Distribution of ownership 31 December 2024

Number of pcs	Number of shareholders pcs	% of shareholders	Number of shares Pcs	% of shares and votes
1–100	2,073	30.77%	87,816	0.11%
101–1,000	2,734	40.58%	1,326,258	1.70%
1,001–10,000	1,706	25.32%	5,307,388	6.79%
10,001–100,000	189	2.80%	5,053,874	6.46%
100,001–1,000,000	23	0.34%	8,129,524	10.39%
over 1,000,000	13	0.19%	58,308,304	74.55%
Total	6,738	100.0%	78,213,164	100.00%
Nominee registered	7	0.10%	2,362,630	3.02%

Largest shareholders 31 December 2024

	Number of shares Pcs	% of shares and votes
Suka Invest Oy	12,608,419	16.12
Ilmarinen Mutual Pension Insurance Company	11,655,795	14.90
Nurminen Juha Matti	7,016,049	8.97
K. Hartwall Invest Oy Ab	6,462,585	8.26
Avant Tecno Oy	5,739,375	7.34
Railcap Ltd	2,910,574	3.72
Verman Group Oy	2,524,297	3.23
JN Uljas Oy	1,843,083	2.36
Relander Pär-Gustaf	1,757,686	2.25
Pohjanvirta Olli Mikael	1,336,500	1.71
Jocer Oy Ab	1,176,132	1.50
Cyberdyne Invest Oy	1,075,920	1.38
4Capes Oy	672,146	0.86
VGK Invest Oy	648,000	0.83
Vertanen Janne Olavi	631,075	0.81
Nurminen Juha Matti	619,546	0.79
Nurminen Mikko Johannes	595,581	0.76
Assai Oy	557,042	0.71
Anmiil Oy	556,761	0.71
Partnos Oy	393,847	0.50
Tuunanen Taito	377,182	0.48
H.G. Paloheimo Oy	316,804	0.41
Other 6,716 shareholders	16,738,765	21.40
Total	78,213,164	100.00

Shareholders by type 31 December 2024

	Number of shares Pcs	% of total shares and votes
Private companies	36,177,541	47.70%
Financial and insurance institutions	3,398,042	4.48%
Public sector organisations	11,655,795	15.37%
Households	24,379,759	32.14%
Foreign	237,465	0.31%
Non-profit organisations	1,932	0.00%
Nominee registered	2,362,630	
Total	78,213,164	100%

Parent Company's Income Statement

EUR 1,000	Note	2024	2023
NET SALES	1	2,306	1,997
Other operating income	2	3,478	3,376
Personnel expenses	3	-2,060	-2,295
Depreciation, amortisation and impairment losses	4	-345	-374
Other operating expenses	5	-6,084	-5,359
OPERATING RESULT		-2,706	-2,656
Financial income and expenses	6	9,167	1,810
RESULT BEFORE APPROPRIATIONS AND TAXES		6,460	-846
Appropriations	7		
Income taxes	8	-645	-114
RESULT FOR THE PERIOD		5,816	-959

Parent Company's Balance Sheet

EUR 1,000	Note	2024	2023
ASSETS			
Non-current assets			
Intangible assets	1	1,055	1,127
Tangible assets	1	69	70
Investments	2	54,188	49,141
Total non-current assets		55,312	50,337
Current assets			
Non-current receivables	3,5	1,459	1,064
Current receivables	3	8,354	7,219
Cash in hand and at bank		908	393
Total current assets		10,720	8,676
TOTAL ASSETS		66,032	59,013
EQUITY AND LIABILITIES			
Equity			
Share capital	4	4,215	4,215
Share premium reserve	4	86	86
Other reserves			
Legal reserve	4	2,374	2,374
Reserve for invested unrestricted equity	4	34,001	36,449
Retained earnings/loss	4	-6,471	-5,511
Profit (loss) for the period	4	5,816	-959
Total equity		40,020	36,653
Liabilities			
Non-current liabilities			
Non-current liabilities	6	11,455	6,419
Current liabilities			
Current liabilities	7	14,557	15,941
Total liabilities		26,012	22,360
TOTAL EQUITY AND LIABILITIES		66,032	59,013

Parent Company's Cash Flow Statement

EUR 1,000	Note	2024	2023
Cash flow from operating activities			
PROFIT/LOSS FOR THE FINANCIAL PERIOD		5,816	-959
Adjustments:			
Depreciation, amortisation and impairment losses	4	345	374
Financial income (-) and expenses (+)	6	-9,121	-1,810
Income taxes	8	645	114
Other adjustments		99	
Cash flow before changes in working capital		-2,217	-2,282
Changes in working capital:			
Increase (-) / decrease (+) in non-interest bearing current receivables		-2,975	626
Increase (+) / decrease (-) in non-interest bearing current payables		602	1,041
Net cash from operating activities before financial items and taxes		-4,591	-615
Interest paid		-1,247	-1,147
Dividends received from business		7,202	2,712
Interest received		870	288
Other financial items		-297	-223
Cash flow from operating activities		1,937	1,015
Cash flow from investing activities			
Purchases of property, plant and equipment and intangible assets		-342	-244
Acquisition of subsidiaries		-4,534	0
Divestment of subsidiaries		11,408	
Other investments		1,158	-3,600
Loans granted to Group companies		-1,140	-1,500
Repayments of Group loans		650	
Cash flow from investing activities		7,200	-5,344
Cash flow from financing activities			
Proceeds from and repayment of non-current borrowings		6,000	8,025
Proceeds from and repayment of current borrowings		-9,932	-3,344
Repayment of equity		-4,691	
Cash flow from financing activities		-8,623	4,681
Net increase/decrease in cash and cash equivalents		514	352
Cash and cash equivalents at the beginning of the year		393	41
Net increase/decrease in cash and cash equivalents		514	352
Cash and cash equivalents at the end of the period		908	393

Notes to the Parent Company's Financial Statements

Accounting principles for the parent company's financial statements

The financial statements of Nurminen Logistic Plc are prepared in accordance with Finnish Accounting Standards (FAS).

Measurement of non-current assets

Items of property, plant and equipment and intangible assets are carried at cost less the planned depreciation and amortisation. They are depreciated or amortised over their estimated useful lives,

which are the following:

• Intangible assets	3–5 years	• Machinery and equipment	3–10 years
• Other capitalised long-term expenditure	5–10 years	• Goodwill	5–10 years

The company's subsidiary shares and other shares in the investments in non-current assets are valued at acquisition cost or, if lower, at fair value. The fair value that are used as the basis for the valuation of subsidiary shares is based on management's valuation calculations of future cash flows of subsidiaries.

Measurement of receivables

Receivables are stated at their nominal value or at a lower probable value.

Recognition of deferred taxes

The company recognises deferred taxes in the financial statements, and they are calculated for the temporary differences between taxation and the financial statements by using the tax rate established at the balance sheet date for the following years. The balance sheet includes a tax receivable for confirmed losses recognised on a prudent basis (75% of confirmed losses). Confirmed losses for 2022–2024 have not been taken into account in the calculation.

Pensions

Pension costs are presented in accordance with national legislation in each country. The pension security of the Finnish personnel has been arranged through external pension insurance companies.

Foreign currency items

Foreign currency receivables and liabilities are translated into euro at the closing rate at the balance sheet date.

Related party transactions

During the financial year, the company invoiced rents from Skillpixels Oy worth EUR 100.00 (the company is controlled by the President and CEO). On the balance sheet date, there are outstanding receivables from RailCap Oy amounting to EUR 2,136.93 (the company is controlled by the President and CEO).

Leases

Lease payments are accounted for as rental costs. Lease payments due in the future years under the agreements are presented under contingencies and commitments.

Number of shares and directed issues

The company conducted one share issue and one share transfer during 2024, as a result of which the number of shares is 78,213,164 on the balance sheet date 31 December 2024.

	Number of shares
31 December 2023	78,127,855
Directed free share issue in July 2024	85,309
31 December 2024	78,213,164

On 13 December 2024, the company carried out a directed share issue of 2,339,756 new company shares to the sellers of Essinge Rail AB as part of the payment of the purchase price.

The total number of the company's shares after the share issue is 80,552,920 shares. The new shares were registered in the Finnish Trade Register on 9 January 2025.

The company's shares have no nominal value. The maximum share capital of the company is EUR 4,215 thousand.

On 31 December 2024, the company did not hold any of its own shares.

Notes to the Parent Company's Income Statement

EUR 1,000	2024	2023
1. Net sales		
Sale of services	2,306	1,997
Total	2,306	1,997
2. Other operating income		
Rental income	3,354	3,258
Others	123	118
Total	3,478	3,376
3. Disclosures for personnel and members of company organs		
Personnel expenses		
Salaries and fees	-1,763	-1,968
Pension expenses and pension contributions	-270	-290
Other social security costs	-27	-37
Total	-2,060	-2,295
4. Depreciation, amortisation and impairment losses		
Depreciation and amortisation according to plan		
Intangible rights	-5	-6
Buildings and structures	-1	-1
Other capitalised long-term expenditure	-338	-366
Impairment losses		-2
Total	-345	-374
5. Other operating expenses		
Other operating expenses	-6,084	-5,359
Total	-6,084	-5,359
Auditor fees		
Audit fees	-195	-128
Other fees paid to auditors	-19	-50
Total	-214	-178
6. Financial income and expenses		
Dividend income		
Dividend income from Group companies	7,202	2,712
Total	7,202	2,712
Interest and other financial income		
Capital gain from non-current investments	2,776	
Interest income from Group companies	678	480
Interest and other financial income from others	0	0
Total	3,454	480
Interest and other financial expenses		
Impairment losses from non-current investments	-46	32
Interest expenses to Group companies	-71	-20
Interest and other financial expenses to others	-1,372	-1,394
Total	-1,489	-1,382
Financial income and expenses total	9,167	1,810
7. Appropriations		
Group contributions received		
5. Deferred taxes and 8. Income taxes		
Losses of parent company from previous financial years	12,991	13,280
Confirmed losses will expire in 2025–2033		
Deferred tax assets on losses from previous financial years	584	1,228
Change in deferred tax liabilities	-645	-114

During the financial year, EUR 1,099,572.03 of confirmed losses expired, of which deferred tax assets amounted to EUR 164,935.80 (75%).

Notes to the Parent Company's Balance Sheet

EUR 1,000	2024	2023
1. Property, plant and equipment and intangible assets		
Intangible rights:		
Cost at 1 January	176	175
Additions		1
Cost at 31 December	176	176
Accumulated planned amortisation at 1 Jan	-157	-151
Depreciation for the period	-5	-6
Accumulated planned amortisation at 31 Dec	-162	-157
Carrying amount at 31 Dec	14	19
Other capitalised long-term expenditure		
Cost at 1 January	3,390	3,313
Additions	60	82
Disposals		-5
Cost at 31 December	3,450	3,390
Accumulated planned amortisation at 1 Jan	-2,646	-2,283
Depreciation for the period	-338	-360
Accumulated depreciation for disposals		-4
Accumulated planned amortisation at 31 Dec	-2,984	-2,646
Carrying amount at 31 Dec	466	744
Prepayments and acquisitions in progress		
Cost at 1 January	363	202
Additions	272	243
Disposals and transfers between asset categories	-60	-82
Cost at 31 December	575	363
Carrying amount at 31 Dec	575	363
Land area		
Cost at 1 January	22	22
Carrying amount at 31 Dec	22	22
Buildings and structures		
Cost at 1 January	42	
Additions		42
Cost at 31 December	42	42
Accumulated planned amortisation at 1 Jan	-1	
Depreciation for the period	-1	-1
Accumulated planned amortisation at 31 Dec	-2	-1
Carrying amount at 31 Dec	40	41
Other tangible assets		
Cost at 1 January	9	9
Cost at 31 December	9	9
Accumulated planned amortisation at 1 Jan	-1	-1
Depreciation for the period		
Accumulated planned amortisation at 31 Dec	-1	-1
Carrying amount at 31 Dec	8	8

EUR 1,000	2024	2023
2. Investments		
Holdings in Group companies		
Cost at 1 January	13,933	13,934
Additions	14,889	0
Disposals	-8,843	-1
Carrying amount at 31 Dec	19,978	13,933
Investments in reserve for invested unrestricted equity of Group companies		
Cost at 1 January	34,031	31,031
Additions		3,000
Carrying amount at 31 Dec	34,031	34,031
Holdings in associates		
Cost at 1 January	204	204
Impairment of shares	-46	
Carrying amount at 31 Dec	158	204
Other shares and holdings		
Cost at 1 January	973	340
Additions	400	600
Disposals	-1,352	33
Carrying amount at 31 Dec	21	973
Total	54,188	49,141

	Registered office	Ownership, %
Subsidiaries		
Nurminen Logistics Services Oy	Finland	100.0
Kiinteistö Oy Kotkan Siikasaarentie 78	Finland	100.0
Kiinteistö Oy Luumäen Suoanttilantie 101	Finland	100.0
Kiinteistö Oy Vainikkalan Huolintatie 13	Finland	100.0
OOO Nurminen Logistics	Russia	100.0
Essinge Rail AB	Sweden	100.0
Nurminen Maritime Latvia SIA	Latvia	51.0
Nurminen Maritime UAB	Lithuania	51.0
North Rail Holding Oy	Finland	79.8
Associates and joint ventures		
Pelkolan Terminaali Oy	Finland	20.0

The company has sold its 51% majority shareholding in Kiinteistö Oy Helsingin Satamakaari to Ilmarinen Mutual Pension Insurance Company. On 13 December 2024, the company acquired the entire share capital of Essinge Rail AB.

EUR 1,000	2024	2023
3. Receivables		
Non-current		
Loan receivables from Group companies	1,140	
Deferred tax assets	319	1,064
Total	1,459	1,064
Current		
Current receivables from Group companies	3,178	4,620
Trade receivables	4,784	2,234
Deferred tax assets	265	165
Other receivables	35	70
Total	8,262	7,089
Prepayments and accrued income		
Prepaid expenses	61	70
Other receivables	31	60
Total	92	130
Total current receivables	8,354	7,219

EUR 1,000	2024	2023
4. Equity		
Share capital total	4,215	4,215
Share premium reserve	86	86
Legal reserve	2,374	2,374
Restricted shareholders' equity total	6,675	6,675
Reserve for invested unrestricted equity 1 Jan.	36,449	36,449
Share issue	2,243	
Repayment of equity	-4,691	
Reserve for invested unrestricted equity 31 Dec.	34,001	36,449
Retained earnings	-6,471	-5,511
Profit/loss for the financial period	5,816	-959
Total unrestricted equity	33,346	29,979
Total equity	40,020	36,653
Distributable funds		
Reserve for invested unrestricted equity	34,001	36,449
Retained earnings	-6,471	-5,511
Profit/loss for the financial period	5,816	-959
Total	33,346	29,979
6. Non-current liabilities		
Loans from financial institutions	8,338	6,419
Other liabilities	3,117	
Total	11,455	6,419
Total non-current liabilities	11,455	6,419
EUR 1,000	2024	2023
7. Current liabilities		
Current liabilities to Group companies		
Trade payables	171	167
Other liabilities	4,801	5,181
Accrued expenses	77	19
Total	5,050	5,368
Current liabilities to others		
Interest-bearing liabilities		
Loans from financial institutions	3,081	8,919
Other liabilities	3,001	
Total	6,082	8,919
Non-interest bearing liabilities		
Trade payables	367	387
Other liabilities	2,088	100
Accrued expenses		
Employee benefit expense accruals	568	780
Interest accruals	127	243
Others	275	145
Total	3,425	1,654
Total current liabilities	14,557	15,941

Other Notes of the Parent Company

EUR 1,000	2024	2023
Liabilities and contingent liabilities secured by corporate mortgages and pledges		
Loans from financial institutions	11,419	14,353
Customs duties and other guarantees	2,695	4,554
<p>On 14 June 2023, the company entered into an amendment agreement with Ilmarinen, according to which the outstanding principal of the loan will be paid on 30 September 2024 (the loan principal as at 31 December 2023 was EUR 5,353 thousand). The loan was repaid on 30 September 2024.</p> <p>The company took out a EUR 3.5 million loan with a fixed amortisation schedule from Oma Säästöpankki Oyj during the financial period 2021 (the loan principal as at 31 December 2023 was EUR 1,500 thousand). The loan was repaid in September 2024.</p> <p>During the previous financial year, the company took out a EUR 0.5 million loan from Oma Säästöpankki Oyj (the loan principal as at 31 December 2023 was EUR 500 thousand). The loan was repaid in September 2024.</p> <p>The company took out a EUR 3.0 million loan with a fixed amortisation schedule from Oma Säästöpankki Oyj during the financial period. The loan was repaid in September 2024.</p> <p>The company took out a EUR 4.0 million premium loan from Ilmarinen during the previous financial year. The loan principal as at 31 December 2024 is EUR 3,111 thousand.</p> <p>The company took out a working capital loan of EUR 3.0 million from Finnvera during the previous financial year. The loan principal as at 31 December 2024 is EUR 2,308 thousand.</p> <p>The company took out a EUR 6.0 million loan with a fixed amortisation schedule from Danske Bank A/S, Finland Branch during the financial period. The loan principal as at 31 December 2024 is EUR 6,000 thousand. The following covenants have been agreed in the loan agreement: the ratio of the Group's interest-bearing net liabilities to EBITDA must be no more than 3.5 at the end of each review period. Interest-bearing net liabilities refer to the total amount of financial and lease liabilities recognised on the Group's balance sheet less cash and cash equivalents. The review period is a six-month period ending on 30 June and 31 December. In addition, the Group's equity ratio must remain above 35%. Equity ratio is calculated on the basis of the ratio of equity to the consolidated balance sheet total less advances received. The covenants have been fulfilled.</p>		
Interest-bearing accounts for which business mortgages have been given and subsidiary shares pledged		
Credit limit	3,000	1,000
Unused credit	3,000	16
<p>The credit account is the company's internal limit that can be distributed to its subsidiaries as desired.</p> <p>The Group account limit is valid until further notice and can be terminated with immediate effect.</p>		
Guarantees given on behalf of companies belonging to the same Group		
Book value of pledged subsidiary shares	50,073	43,766
Mortgages given on own behalf		
Company mortgages	15,500	18,500
Rental guarantees		
Deposit 1 April 2021–1 April 2023, after which can be resigned on a separate notice		599
Rental security Kiinteistö Oy Luumäen Suoanttilantie 101		
<p>The lease agreement was terminated in January 2022.</p> <p>The District Court of Helsinki has issued a unilateral decision for the company to apply for the rental guarantee received. However, the recovery of the rental guarantee has not been successful, so rental guarantees received are no longer presented for the financial year.</p>		
Rent liabilities		
Payable in next year	2,938	2,832
Payable later	10,771	9,821
Amounts payable under leases		
Payable in next year	144	73
Payable later	146	87

The Parent Company's Notes Concerning Personnel and Company Organs

	2024	2023
Number of personnel		
Personnel, average	11	12
Personnel, at year-end	12	12
Salaries and fees paid to the management (EUR 1,000)		
Members of the Board of Directors and Managing Director	1,105	1,012

Defined benefit pension benefits

The company has additional pension agreements based on a previous acquisition. The additional pension benefits concern former employees, none of whom is a member of the Management Team. The average duration of the defined benefit obligation was 6 years at the end of the reporting period. The amount of the liability as at 31 December 2024 is EUR 20,316.00.

Legal proceedings

The company has no pending legal proceedings.

Key figures for the parent company

Key figures for business

	2022	2023	2024
Net sales, EUR 1,000	3,716	1,997	2,306
Operating result (EBIT) EUR 1,000	-1,162	-2,656	-2,706
Adjusted operating result, (EBIT) EUR 1,000			
% of net sales	-31.3%	-133.0%	-117.4%
Adjusted % of net sales			
Result for the financial year, EUR 1,000	454	-959	5,816
Adjusted result for the financial year, EUR 1,000**		-846	6,460
% of net sales	12.2%	-48.0%	252.3%
Adjusted % of net sales**		-42.3%	280.2%
Return on equity (ROE), %	1.2%	-2.6%	15.2%
Return on investment (ROI), %	2.2%	1.1%	14.2%
Adjusted return on investment (ROI), %			
Equity ratio, %	69.4%	62.1%	60.6%
Gearing, %	28.1%	40.8%	33.8%
Wages and salaries paid, EUR 1,000	1,678	1,968	1,763
Adjusted wages and salaries paid, EUR 1,000			
Average number of employees	12	12	11

** The adjusted key figure takes into account the change in deferred tax assets for the financial years 2023 and 2024.

The Board's proposal for the distribution of profit, signatures of the Board's report on operations and financial statements and auditor's note

Board of Directors' proposal for profit distribution

On 31 December 2024, the parent company's distributable equity is EUR 33,345,927.62, of which the profit for the period amounted to EUR 5,815,713.27.

The Board of Directors proposes to the Annual General Meeting repayment of equity from the reserve for invested unrestricted equity, at most EUR 0.06 per each share outstanding. In addition, the Board of Directors proposes that the Annual General Meeting authorise the Board of Directors to decide on the date of payment and the final amount of the capital repayment. The remaining distributable assets will be retained in unrestricted equity.

Signatures of the Board's report on operations and financial statements

Helsinki, 12 March 2025

Irmeli Rytönen
Chair of the Board of Directors

Olli Pohjanvirta
President and CEO

Juha Nurminen

Erja Sankari

Karri Koskela

Auditor's note

Auditor's report has been issued today.

Helsinki, 12 March 2025
Ernst & Young Oy
Authorised Public Accountant Firm

Juha Hilmola
Authorised Public Accountant

Auditor's report (Translation of the Finnish original)

To the Annual General Meeting of Nurminen Logistics Plc

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Nurminen Logistics Plc (business identity code 0109707-8) for the year ended 31 December 2024. The financial statements comprise the consolidated balance sheet, income statement, statement of comprehensive income, statement of changes in equity, statement of cash flows and notes, including material accounting policy information, as well as the parent company's balance sheet, income statement, statement of cash flows 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 IFRS Accounting Standards 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 laws and regulations governing the preparation of financial statements in Finland and comply with statutory requirements.

Our opinion is consistent with the additional report submitted to the Audit Committee.

Basis for opinion

We conducted our audit in accordance with good auditing practice in Finland. Our responsibilities under good auditing practice are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

We are independent of the parent company and of the group companies in accordance with the ethical requirements that are applicable in Finland and are relevant to our audit, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

In our best knowledge and understanding, the non-audit services that we have provided to the parent company and group companies are in compliance with laws and regulations applicable in Finland regarding these services, and we have not provided any prohibited non-audit services referred to in Article 5(1) of regulation (EU) 537/2014. The non-audit services that we have provided have been disclosed in note 4 to the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have fulfilled the responsibilities described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

We have also addressed the risk of management override of internal controls. This includes consideration of whether there was evidence of management bias that represented a risk of material misstatement due to fraud.

Key Audit Matter**Essinge Rail AB business combination**

Refer to note summary of significant accounting policies and note 30.

Nurminen Logistics Oyj acquired 100 % of Essinge Rail AB during the financial year. The acquisition date was determined to be 13.12.2024. The purchase consideration of 14,5 million euro is paid partly in cash and partly in shares of Nurminen Logistics Oyj.

Assets acquired and liabilities and contingent liabilities assumed in a business combination are measured at fair value at the acquisition date. Management judgement relates specifically to determining the fair value of acquired assets and liabilities, in particular determining the fair values of separately identifiable intangible assets such as customer relationships. The provisional purchase price allocation resulted in a goodwill amounting to 6,4 million euro.

The significant business combination is a key audit matter as it has a significant impact in the financial statements, as it involves valuation processes and methods, and judgments made by management.

How our audit addressed the Key Audit Matter

Our audit procedures included, among others:

- Familiarizing ourselves with the Share Purchase Agreement relating to the business combination of Essinge Rail AB.
- Assessment together with our valuation specialists the valuation processes and methodologies to identify acquired assets and liabilities and to determine the fair value of these.
- Assessment of the adequacy of disclosures relating to the business combination.

Key Audit Matter**Valuation of Deferred tax assets**

Refer to note summary of significant accounting policies and note 18.

As of balance sheet date 31 December 2024, the group had deferred tax assets arising from the unused tax losses carry forward amounting to 4,6 million euro.

The amount of deferred tax asset is material to financial statements. Management assessment related to the recognition of deferred tax assets and the likelihood of future income includes judgements relating to assumptions affected by future market and economic developments. Due to above mentioned judgmental factors, valuation of deferred tax assets was determined to be a key audit matter.

How our audit addressed the Key Audit Matter

When auditing deferred tax assets we evaluated company's evidence that there will be future taxable income available to utilize the deferred tax assets.

As part of our audit procedures we

- assessed the key assumptions in the calculations prepared by the management focusing on forecasted future economic development and the company's ability to generate taxable income.
- tested deferred tax assets including the assessment of recognizing judgmental tax positions. We reviewed the communication with tax authorities.
- assessed disclosures related to deferred taxes.

Key Audit Matter**Revenue Recognition**

We refer to the accounting principles for the consolidated financial statements in the note 1 of the consolidated financial statements, note 2 segment information and the note 19 trade and other receivables.

Revenue recognition is considered as a key audit matter because revenues are a key financial performance measure which could create an incentive for revenues to be recognized prematurely.

Relevant areas from the net sales perspective are accuracy of the recognized amounts and timing of revenue recognition.

Revenue recognition was determined to be a key audit matter and a significant risk of material misstatement referred to in EU Regulation No 537/2014, point (c) of Article 10 (2). due to the identified risk of material misstatement in timely revenue recognition.

How our audit addressed the Key Audit Matter

Our audit procedures to address the risk of material misstatement included

- the analysis of the revenue recognition accounting policies and
- comparison of revenue transactions to the supporting documentation in order to assess whether the requirements for the revenue recognition have been met.

In addition, we requested external trade receivable confirmations, tested general ledger journal entries on a sample basis as well as performed analytical procedures in order to identify abnormal entries.

We also assessed the sufficiency of the revenue recognition disclosures in respect of the IFRS 15 standard.

Key Audit Matter**How our audit addressed the Key Audit Matter****Valuation of subsidiary investments**

We refer to the accounting principles of the parent company and to the note 2 of the balance sheet of the parent company.

Valuation of subsidiary investments is considered as a key audit matter because of the judgment involved in the valuation process and because the subsidiary investments are significant to the parent company balance sheet. The carrying value of subsidiary investments as of the balance sheet date 31 December 2024 amounted to 54,2 million euros. These investments represented some 82 % of the total assets and some 135 % of the total equity.

Valuation of subsidiary investment requires management to make an assessment whether

- there are indicators that the investments are permanently impaired, and
- what the probable value of investments is at year-end.

We involved EY valuation specialists to assist us in evaluating the methodologies, calculations and assumptions applied by the management in the valuation of parent company's subsidiary investments.

The assumptions applied by the management were compared to

- approved budgets and long-term forecasts by the management,
- information available in external sources, as well as
- our independently calculated industry averages such as weighted average cost of capital used in discounting the cashflows.

Responsibilities of the Board of Directors and the Managing Director for the Financial

The Board of Directors and the Managing Director are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU, and of financial statements that give a true and fair view in accordance with the laws and regulations governing the preparation of financial statements in Finland and comply with statutory requirements. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors and the Managing Director are responsible for assessing the parent company's and the group's ability to continue as going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting. The financial statements are prepared using the going concern basis of accounting unless there is an intention to liquidate the parent company or the group or cease operations, or there is no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance on 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 is not a guarantee that an audit conducted in accordance with good auditing practice will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with good auditing practice, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- 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 parent company's or the group'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 Managing Director's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the parent company's or the group'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 parent company or the group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events so that the financial statements give a true and fair view.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other reporting responsibilities

Information on our audit engagement

We were first appointed as auditors by the Annual General Meeting on 12 April 2016, and our appointment represents a total period of uninterrupted engagement of 9 years.

Other information

The Board of Directors and the Managing Director are responsible for the other information. The other information comprises the report of the Board of Directors and the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon. We have obtained the report of the Board of Directors prior to the date of this auditor's report, and the Annual Report is expected to be made available to us after that date.

Our opinion on the financial statements does not cover the other information.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. With respect to report of the Board of Directors, our responsibility also includes considering whether the report of the Board of Directors has been prepared in compliance with the applicable provisions.

In our opinion, the information in the report of the Board of Directors is consistent with the information in the financial statements and the report of the Board of Directors has been prepared in compliance with the applicable provisions.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Helsinki, 12 March 2025

Ernst & Young Oy
Authorised Public Accountant Firm

Juha Hilmola
Authorised Public Accountant

Independent Auditor's Report on the ESEF Consolidated Financial Statements of Nurminen Logistics Oyj

To the Board of Directors of Nurminen Logistics Oyj

We have performed a reasonable assurance engagement on the financial statements 743700O69NCHTNEV0362-2024-12-31-0-fi.zip of Nurminen Logistics Oyj (y-identifier: 0109707-8) that have been prepared in accordance with the Commission's regulatory technical standard for the financial year ended 31.12.2024.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the company's report of Board of Directors and financial statements (the ESEF financial statements) in such a way that they comply with the requirements of the Commission's regulatory technical standard. This responsibility includes:

- preparing the ESEF financial statements in XHTML format in accordance with Article 3 of the Commission's regulatory technical standard
- tagging the primary financial statements, notes and company's identification data in the consolidated financial statements that are included in the ESEF financial statements with iXBRL tags in accordance with Article 4 of the Commission's regulatory technical standard and
- ensuring the consistency between the ESEF financial statements and the audited financial statements

The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of ESEF financial statements in accordance the requirements of the Commission's regulatory technical standard.

Auditor's Independence and Quality Management

We are independent of the company in accordance with the ethical requirements that are applicable in Finland and are relevant to the engagement we have performed, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

The firm applies International Standard on Quality Management (ISQM) 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements

Auditor's Responsibilities

Our responsibility is to, in accordance with Chapter 7, Section 8 of the Securities Markets Act, provide assurance on the financial statements that have been prepared in accordance with the Commission's technical regulatory standard. We express an opinion on whether the consolidated financial statements that are included in the ESEF financial statements have been tagged, in all material respects, in accordance with the requirements of Article 4 of the Commission's regulatory technical standard.

Our responsibility is to indicate in our opinion to what extent the assurance has been provided. We conducted a reasonable assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000.

The engagement includes procedures to obtain evidence on:

- whether the primary financial statements in the consolidated financial statements that are included in the ESEF financial statements have been tagged, in all material respects, with iXBRL tags in accordance with the requirements of Article 4 of the Commission's regulatory technical standard and
- whether the notes and company's identification data in the consolidated financial statements that are included in the ESEF financial statements have been tagged, in all material respects, with iXBRL tags in accordance with the requirements of Article 4 of the Commission's regulatory technical standard and
- whether there is consistency between the ESEF financial statements and the audited financial statements.

The nature, timing and extent of the selected procedures depend on the auditor's judgement. This includes an assessment of the risk of material deviations due to fraud or error from the requirements of the Commission's technical regulatory standard.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

Our opinion pursuant to Chapter 7, Section 8 of the Securities Markets Act is that the primary financial statements, notes and company's identification data in the consolidated financial statements that are included in the ESEF financial statements of Nurminen Logistics Oyj 743700O69NCHTNEV0362-2024-12-31-0-fi.zip for the financial year ended 31.12.2024 have been tagged, in all material respects, in accordance with the requirements of the Commission's regulatory technical standard.

Our opinion on the audit of the consolidated financial statements of Nurminen Logistics Oyj for the financial year ended 31.12.2024 has been expressed in our auditor's report 12.3.2025. With this report we do not express an opinion on the audit of the consolidated financial statements nor express another assurance conclusion.

Helsinki, 12 March 2025

Ernst & Young Oy
Authorised Public Accountant Firm

Juha Hilmola
Authorised Public Accountant

Nurminen Logistics ▶▶▶

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