



ELECSTER OYJ

Annual report 2025

CEO's Review



Supported by a strengthened order backlog for dairy machinery in the final quarter of 2024, we entered 2025 with relatively positive expectations. During the year, however, the outlook weakened as geopolitical and trade-policy-related factors in the external operating environment increased uncertainty and slowed investment decision-making.

In the spring, subdued demand arising from this uncertainty led to the initiation of the first change negotiations in a long time. Temporary layoffs were implemented in plastic production at the Reisjärvi plant to align operations with the prevailing demand environment. In dairy machinery, the conclusion of new contracts progressed slowly, resulting in a decline in our order backlog over the course of the year. Toward year-end, we were required to issue a profit warning and initiate new change negotiations affecting the entire workforce. As a result, nearly the entire personnel — including the management team — were temporarily laid off for three weeks during the Christmas and New Year period, and 24 employees were laid off on an open-ended basis.

Elecster has long been an employer that values the competence and professionalism of its personnel. Change negotiations are a demanding process for all involved, and I would like to sincerely thank our employees for addressing them in a constructive spirit and with a shared understanding of the measures required by the situation. The beginning of 2026 has brought new orders for dairy machinery, enabling us to suspend part of the layoffs. I hope this positive development will continue, allowing us to fully reinstate our personnel.

The continuation of Elecster Group's operations in Russia has generated discussion and increased caution among some financing partners. In a challenging market environment, access to financing has been constrained. Nevertheless, we have met all our obligations to financiers

and strengthened our balance sheet. We operate in full compliance with all applicable sanctions, and there is no ambiguity regarding this within our Group.

In the current geopolitical environment, changes can be rapid and have significant impacts. Despite this, I remain confident that Elecster's expertise in the cost-efficient and environmentally responsible processing and packaging of liquid dairy and plant-based products will continue to be in strong demand going forward.

The following market review outlines developments in the global dairy market and examines the key factors shaping Elecster's operating environment and growth opportunities across different market areas.

Operating Environment and Market Development

In 2025, Elecster's operating environment was significantly influenced by geopolitical uncertainty, tighter financial markets, and a slowdown in investment decision-making across several regions. Despite these short-term challenges, the long-term growth outlook for global dairy demand has remained solid. Population growth, urbanization, and increasing demand for processed and safely packaged food products continue to support investments in dairy processing and packaging solutions.

The following market review examines the development of the global dairy market as well as the key factors influencing Elecster's operating environment and growth opportunities across different market areas.

Market Review

Development of the Global Dairy Market

Despite short-term market uncertainty, the long-term outlook for the global dairy market has remained stable. Population growth, urbanization, and evolving consumer dietary habits are increasing demand for processed and safely packaged dairy products, particularly in developing markets.

According to international market assessments, global milk production exceeds 900 million tonnes annually, with growth expected to continue especially in Asia, Africa, and Latin America. At the same time, the degree of milk processing is increasing as a growing share of production shifts toward industrial processing and packaged products.

Geopolitical uncertainty, rising interest rates, and currency fluctuations have in recent years affected the timing of investment decisions and delayed the implementation of certain projects. Nevertheless, the long-term investment need within the dairy industry remains strong.

Growth of UHT Technology and Aseptic Packaging Solutions

UHT milk and aseptic packaging solutions are among the fastest-growing segments within dairy products. Long shelf life, logistical efficiency, and reduced reliance on cold-chain infrastructure make UHT products particularly competitive in markets where distribution networks and cold storage are not yet fully developed.

Growing consumer interest in safe and readily available dairy products continues to support the broader adoption of

aseptic packaging solutions. At the same time, the dairy industry is investing increasingly in modern processing and packaging lines to meet rising demand and enhance production efficiency.

Investment Drivers in the Dairy Industry

Investments in the dairy industry are driven by several concurrent factors. Population growth and urbanization continue to increase consumption of processed dairy products, while technological advancements enable more efficient production processes and improved product shelf life.

In many developing markets, governments actively support the development of domestic milk production and the expansion of processing capacity to reduce reliance on imported products. In parallel, environmental requirements and cost pressures are encouraging dairies to invest in more energy-efficient production solutions and material-efficient packaging solutions.

Elecster's Market Position

Elecster operates within the globally expanding market for dairy processing and aseptic packaging solutions. The company's competitive strength is based on its integrated solution concept, combining milk processing, aseptic packaging, and packaging materials into a unified production system.

In particular, UHT pouch packaging solutions provide dairies with a cost-effective alternative in markets where packaging material costs, distribution logistics, and limited cold-chain infrastructure play a significant role in production decisions.

Elecster's key growth markets include Asia and Africa, where milk consumption and processing capacity are increasing rapidly. At the same time, the company maintains a strong position in several established markets in Europe and Latin America.

Regional Markets

Elecster operates across multiple geographical markets with differing development trajectories, investment dynamics, and market structures. The following sections review developments in the company's key market areas in 2025 and the opportunities they present for Elecster's processing and packaging solutions.

These markets include both established European regions and rapidly growing areas in Africa, Asia, Latin America, and Central Asia, where investments in the dairy industry and expanding processing capacity continue to create new business opportunities.

Elecster's Solutions in a Changing Dairy Market

Structural changes in the global dairy market — including urbanization, increasing demand for processed dairy products, and the need for more efficient distribution solutions — are placing new requirements on production and packaging technologies. In particular, markets with limited cold-chain infrastructure or long distribution distances increasingly prioritize solutions that enable the safe and cost-efficient distribution of milk.

Elecster's aseptic UHT processing and pouch packaging solutions address these needs by offering dairies an efficient means to process, package, and distribute dairy products without a continuous cold chain.

I would like to thank all our employees, owners, and other stakeholders for their cooperation during 2025. Elecster will continue its long-term collaboration with partners and remain focused on developing its business in a changing operating environment.

Arto Kinnunen
CEO

Consolidated Financial Statements, IFRS

Consolidated income statement

1000 EUR	2025	2024
NET SALES	32 682	33 915
Change in inventories of finished goods and work in progress	-1 349	-938
Production for own use	0	0
Other operating income	148	375
Material and services	-14 888	-15 557
Employee benefit expenses	-8 294	-8 068
Depreciation	-1 045	-1 230
Other operating expenses	-6 274	-6 917
OPERATING PROFIT	979	1 580
Financial income	639	2 240
Financial expenses	-1 936	-2 933
PROFIT/LOSS BEFORE TAXES	-319	888
Income taxes	40	-630
PROFIT/LOSS FOR THE PERIOD	-278	258
NET PROFIT/LOSS ATTRIBUTABLE TO		
Equity holders of the parent	-279	258
Minority interest	1	0
	-278	258

Statement of comprehensive income

	2025	2024
PROFIT FOR THE PERIOD	-278	258
OTHER COMPREHENSIVE INCOME:		
Exchange difference on translating foreign operations	1 078	-1 140
Other comprehensive income, net of tax	1 078	-1 140
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	799	-882
Total comprehensive income attributable to		
Equity holders of the parent	796	-881
Minority interest	3	-1
	799	-882
Earnings per share, undiluted:		
Series A (1 vote/share)	0,21	-0,24
Series K (10 votes/share)	0,21	-0,24

The group has no dilutive share factors that increase the number of ordinary shares.

Consolidated Balance Sheet

1000 EUR	2025	2024
ASSETS		
NON-CURRENT ASSETS		
Intangible assets	289	337
Tangible assets	7 974	8 249
Investments available for sale	77	77
Long-term receivables	891	605
Deferred tax assets	718	486
TOTAL NON-CURRENT ASSETS	9 949	9 754
CURRENT ASSETS		
Inventories	14 882	18 020
Trade receivables and other receivables	6 342	8 154
Tax receivable, income tax	165	176
Cash and bank	7 217	5 500
TOTAL CURRENT ASSETS	28 606	31 849
TOTAL ASSETS	38 555	41 603
EQUITY AND LIABILITIES		
SHAREHOLDERS' EQUITY		
Share capital	3 152	3 152
Share premium account	4 239	4 239
Other reserves	92	92
Translation differences	198	-880
Retained earnings	15 829	16 110
	23 510	22 713
Minority interest	11	10
SHAREHOLDERS' EQUITY	23 521	22 723
NON-CURRENT LIABILITIES		
Deferred tax liability	405	441
Long-term liabilities, interest-bearing	5 255	5 918
TOTAL NON-CURRENT LIABILITIES	5 660	6 358
CURRENT LIABILITIES		
Short-term interest-bearing liabilities	5 215	6 826
Trade payables and other liabilities	3 963	5 478
Tax liability, income tax	196	218
TOTAL CURRENT LIABILITIES	9 374	12 522
TOTAL EQUITY AND LIABILITIES	38 555	41 603

Consolidated Statement of Cash Flows

1000 EUR	2025	2024
Cash flows from operating activities		
Profit/loss for the period	-278	258
Adjustments:		
Business activities without payment transactions	1 501	-29
Financial income and expenses	921	1 461
Tax on income from operations	-40	630
Working capital changes:		
Increase/decrease in trade and other receivables	1 446	110
Increase/decrease in inventories	3 384	1 134
Increase/decrease in trade payables	-3 328	-327
Interest paid	-730	-1 869
Interest and dividends received	40	200
Income taxes paid	-299	-560
Net cash from operating activities	2 616	1 006
Cash flows from investing activities		
Purchase of tangible and intangible assets	-415	-190
Proceeds from sale of tangible and intangible assets	65	40
Acquisition of subsidiaries, net of cash acquired	5	0
Proceeds from sale of investments	0	4
Net cash used in investing activities	-345	-147
Cash flows from financing activities		
Proceeds from current and non-current borrowings	4 590	0
Repayment of current and non-current borrowings	-6 672	-5 594
Dividends paid	4	-207
Payment of lease liabilities	-177	-240
Decrease in short term financing activities	-1	0
Net cash used in financing activities	-2 256	-6 040
Net change in cash and cash equivalents	15	-5 181
Cash and cash equivalents, opening amount	5 500	10 830
Effects of exchange rate fluctuations on cash held	1 702	-149
Cash and cash equivalents	7 217	5 500

Key indicators

Financial indicators

1000 EUR	IFRS 2025	IFRS 2024	IFRS 2023	IFRS 2022	IFRS 2021	IFRS 2020
Net sales	32 682	33 915	34 130	42 680	32 542	36 665
Net sales change, %	-3,6 %	-0,6 %	-20,0 %	31,2 %	-29,0 %	-19,1 %
Operating profit	979	1 580	2 001	3 134	254	3 904
% of net sales	3,0 %	4,7 %	5,9 %	7,3 %	0,8 %	10,6 %
Profit before extra-ordinary items and taxes	-319	888	-39	2 008	-210	3 797
% of net sales	-1,0 %	2,6 %	-0,1 %	4,7 %	-0,6 %	10,4 %
Return on equity, %	-1,2 %	1,1 %	-4,4 %	4,4 %	-2,4 %	11,3 %
Return on investment, %	2,4 %	4,1 %	2,2 %	6,2 %	1,6 %	12,2 %
Balance sheet total	38 555	41 603	48 019	52 640	48 903	44 913
Equity ratio, %	62,5 %	56,1 %	50,2 %	52,7 %	55,0 %	54,0 %
Gearing, %	13,8 %	31,9 %	31,8 %	29,1 %	27,2 %	41,3 %
Gross investments	355	243	782	1 143	1 117	1 274
% of net sales	1,1 %	0,7 %	2,3 %	2,7 %	3,4 %	3,5 %
Research and development	1 262	1 230	1 048	1 226	1 161	1 175
% of net sales	3,9 %	3,6 %	3,1 %	2,9 %	3,6 %	3,2 %
Average number of personnel during year	209	220	220	230	273	292
of which abroad	89	93	93	100	148	162

Adjusted share-related indicators

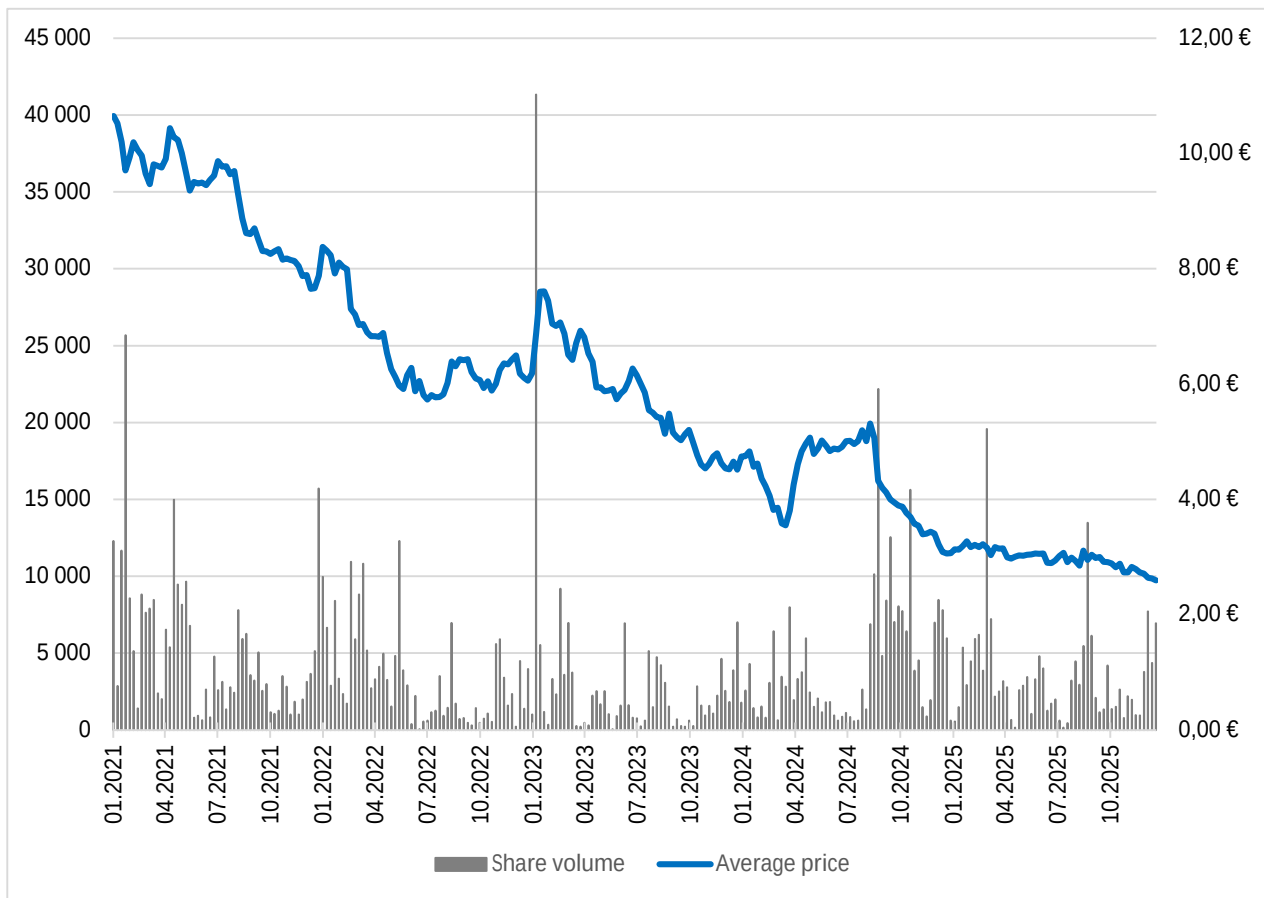
	IFRS 2025	IFRS 2024	IFRS 2023	IFRS 2022	IFRS 2021	IFRS 2020
Earnings per share, eur	-0,07	0,07	-0,30	0,31	0,69	0,73
Earnings per share, continuing operations, eur					-0,16	0,73
Earnings per share, discontinued operations, eur					0,85	0,00
Dividend per share (A-share), eur	0,00 *)	0,00	0,05	0,15	0,29	0,28
Dividend per share (K-share), eur	0,00 *)	0,00	0,05	0,15	0,29	0,28
Dividend per earnings, %	0 %	0,0 %	neg	48,4 %	42,0 %	38,4 %
Effective dividend yield, %	0,0 %	0,0 %	1,1 %	2,5 %	3,5 %	2,5 %
Equity per share, eur	6,28	6,06	6,37	7,34	7,10	6,41
Price per earnings ratio (P/E-ratio)	0	0	neg	20	12	15
Trading volume (A-share), 1000 pcs	178	225	156	177	269	329
% average number of shares	9,8 %	12,4 %	8,6 %	9,7 %	14,8 %	18,1 %
Average number of shares	3 748 116	3 748 116	3 748 116	3 748 116	3 748 116	3 748 116
Number of shares at the end of period						
A-share	1 820 116	1 820 116	1 820 116	1 820 116	1 820 116	1 820 116
K-share	1 928 000	1 928 000	1 928 000	1 928 000	1 928 000	1 928 000
Adjusted share (A-share)						
lowest share price, eur	2,54	3,02	4,18	5,40	7,50	4,90
highest share price, eur	3,74	5,60	8,35	8,66	11,20	12,30
share price at December 31, eur	2,54	3,06	4,48	6,10	8,32	11,30
Market capitalization of shares						
December 31, million euros	9,5	11,5	16,8	22,9	31,2	42,4

*) proposal by the Board of Directors

Calculation of Key Figures

Return on equity, %	$\frac{\text{Profit before extra-ordinary items and taxes - direct taxes}}{\text{Total equity (average)}} \times 100$
Return on investments, %	$\frac{\text{Profit before extra-ordinary items and taxes} + \text{interest expenses and other financial expenses}}{\text{Total assets - non-interest-bearing liabilities (average)}} \times 100$
Equity ratio, %	$\frac{\text{Total equity}}{\text{Total assets - advance payments received}} \times 100$
Gearing, %	$\frac{\text{Interest-bearing liabilities - cash and cash equivalents}}{\text{Total equity}} \times 100$
Earnings / share	$\frac{\text{Profit before extra-ordinary items - taxes} \pm \text{minority interest}}{\text{Adjusted number of shares (average)}}$
Shareholders' equity / share	$\frac{\text{Equity attributable to shareholders of parent company}}{\text{Adjusted numbers of shares at December 31st}}$
Price / earnings ratio (P/E)	$\frac{\text{Adjusted share price at December 31st}}{\text{Earnings / share}}$
Effective dividend yield, %	$\frac{\text{Dividend per share}}{\text{Adjusted share price at December 31st}} \times 100$

Share volumes and averages prices



Share information in [NASDAQ Helsinki](#)

Share Information

Principal shareholders on December 31st, 2025

	A-share	K-share	Percentage of shares	Percentage of votes
1. Finha Capital Oy	509 179	520 000	27,46 %	27,06 %
2. Okuli Oy	70 000	957 920	27,42 %	45,73 %
3. Mandatum Henkivakuutusosakeyhtiö	217 000		5,79 %	1,03 %
4. Rosenqvist Alexandra	1 794	114 709	3,11 %	5,44 %
5. Halonen Veronika		114 709	3,06 %	5,44 %
6. Tam-Kraft Oy	109 526		2,92 %	0,52 %
7. Määttä Mikko	80 000		2,13 %	0,38 %
8. Nordea Henkivakuutus Suomi Oy	50 000		1,33 %	0,24 %
9. Vartiainen Jaana	39 683		1,06 %	0,19 %
10. Halonen Jukka	11 950	26 280	1,02 %	1,30 %

At the end of 2025, the members of Elecster's Board of Directors, Managing Director and the corporations in their authority hold a total 196.338 shares. These shares represent 5,24 percent of the total share capital and 8,33 percent of voting rights.

Structure of share capital on December 31st, 2025

Series of shares	Number of shares	Percentage of shares	Percentage of votes	Share capital €
K-shares	1 928 000	51 %	91,37 %	1 621 331,61
A-shares	1 820 116	49 %	8,63 %	1 530 607,68
Total	3 748 116	100 %	100,00 %	3 151 939,29

Distribution of shareholding on December 31st, 2025

Breakdown of shareholding

	Number of shares	Number of shareholders	Percentage of shareholders	Shares	Percentage of shares
1-100		649	50,90 %	24 669	0,66 %
101-1 000		482	37,80 %	185 241	4,94 %
1 001-5 000		99	7,77 %	199 653	5,33 %
5 001-10 000		21	1,65 %	141 299	3,77 %
10 001-100 000		18	1,41 %	577 712	15,41 %
100 001-		6	0,47 %	2 614 837	69,76 %
Total		1 275	100,0 %	3 743 411	99,87 %

Number issued	3 748 116	100,00 %
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According to shareholders

	Number of shareholders	Percentage of shares
Companies	48	60,73 %
Credit and insurance institutions *)	7	7,13 %
Non-profit institutions	1	0,00 %
Households	1 212	31,44 %
Foreign owners	7	0,04 %
Number of shares not entered in the book of entry systems		0,13 %
Total	1 275	100 %

*) Also the administratively registered shares are included in this figure

Contact information

Elecster Oyj

Sontulantie 382
PL 39
37801 Akaa
Puh. 020 154 1211
E-mail: sales@elecster.fi
www.elecster.fi

Elecster Oyj

Halosentie 1
85900 Reisjärvi
Puh. 020 154 1500

Sandudd Oy

Kurvolantie 5 C
PL 30
37801 Akaa
Puh. 020 154 1444
www.sandudd.fi

Elecster Baltic Oü

Laki 6
EE 10621 Tallinn, Estonia
Puh. +372 505 9369

Elecster (Tianjin) Dairy Machinery Ltd.

No.7, Dongting Third Street
TEDA Tianjin 300457
P.R. China
Puh. +86 22 2532 0566
E-mail: aftersales@elecster.com.cn

Elecster (Tianjin) Aseptic Packaging Co. Ltd.

No.7, Dongting Third Street
TEDA Tianjin 300457
P.R. China
Puh. +86 22 2529 3276
E-mail: filmsales@elecster.com.cn

www.elecster.fi

OOO Finnpack

Russia
197198 Saint Petersburg
Zhdanovskaya str. 45 lit. A, office 23-N
Puh. +7 812 240 06 75
E-mail: info@finnpack.ru
www.finnpack.ru

OOO Finnpack Systems

Russia
197198 Saint Petersburg
Zhdanovskaya str. 45 lit. A, office 23-N
Puh. +7 812 240 06 75
E-mail: info@finnpack.ru
www.finnpack.ru

OOO Finnpack Upakovka

Russia
614031 Perm
Doukuchaeva 50 A
Puh. +7 342 215 24 55
E-mail: fin.upakovka@permplanet.ru

Elecster Oyj

East and Central African regional Office
P.O. Box 22624 - 00400
Nairobi
Kenya
Puh. +254 20 272 6075
Mobile: +254 722 741 153
E-mail: kenya.sales@elecster.fi

Elecster Kenya Ltd

P.O. Box 22624 - 00400
Nairobi
Kenya
Puh. +254 20 272 6075
Mobile: +254 722 741 153
E-mail: kenya.sales@elecster.fi

Too Finnpack Ltd

Makataeva Str. 47, Office 424
Almaty
Kazakhstan
E-Mail: info@finnpack.ru

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www.elecster.fi