

STRONG OPERATING PROFIT IMPROVEMENT IN THE SECOND QUARTER. ACTIONS ONGOING TO FURTHER STRENGTHEN FINANCIAL PERFORMANCE

HALF YEAR FINANCIAL REPORT
JANUARY–JUNE 2025

PAOLO POMPEI, PRESIDENT & CEO
JARI HUUHTANEN, INTERIM CFO

JULY 18, 2025



AGENDA

1 >>> **Financial performance in Q2**

2 >>> **Business units**

3 >>> **Assumptions and guidance**





Q2 FINANCIAL PERFORMANCE

HIGHLIGHTS OF Q2/2025

- **Sales growth continued.** We outperformed the market in all regions.
- **Operating profit improved significantly.** Successful execution of commercial and operational efforts.
- **Actions ongoing to improve financial performance.**
- **Ramp-up of operations in Romania proceeding according to plan.**
- **Nokian Tyres ranked among the world's most sustainable companies** by TIME magazine.
- **Tariffs causing disturbances in North America,** local-to-local strategy mitigating the impacts.



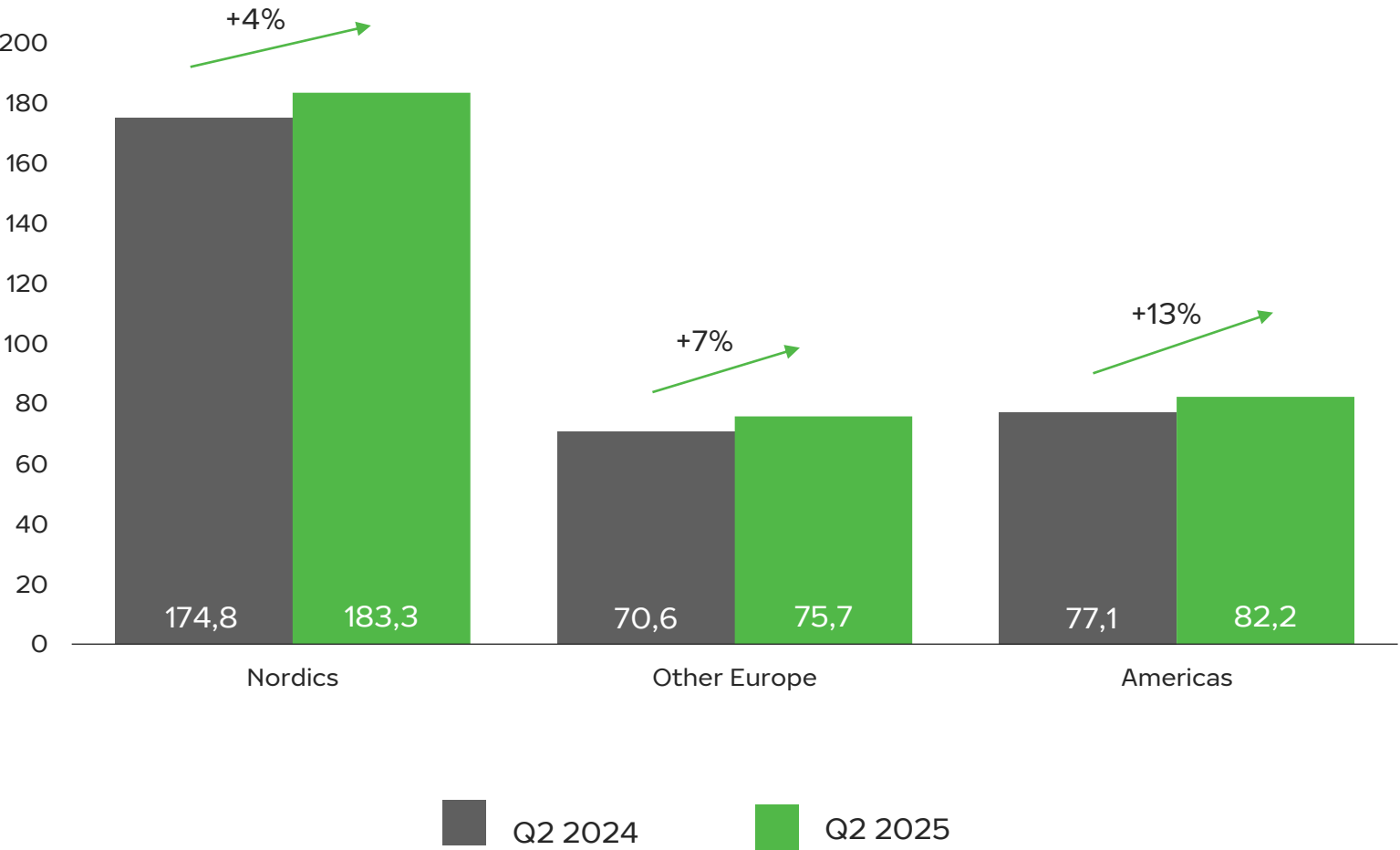
NET SALES AND OPERATING PROFIT IMPROVED IN Q2

- **Net sales EUR 343.7 million (324.6), +6.9% with comparable currencies**
 - Positive development in all business units
 - Market position improved in all regions
- **Segments EBITDA EUR 57.2 million (46.8)**
 - 16.7% (14.4%) of net sales
- **Segments operating profit EUR 26.3 million (20.1)**
 - 7.7% (6.2%) of net sales
 - Increase driven by higher passenger car tire sales, price increases implemented in Q1, and lower manufacturing and supply chain costs



NET SALES CONTINUED TO GROW IN ALL REGIONS IN THE SECOND QUARTER

NET SALES BY GEOGRAPHICAL AREA, EUR million

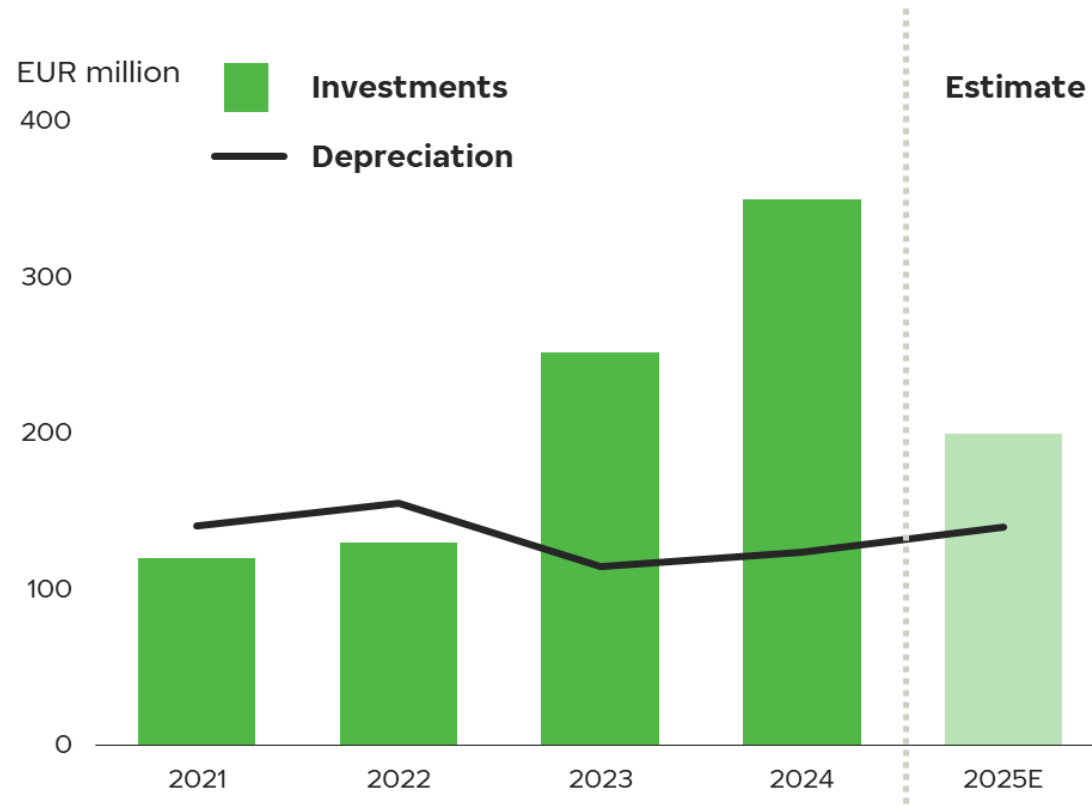


CASH FLOW IMPROVED, CAPEX BELOW 2024

EUR million	4-6/2025	4-6/2024	1-6/2025	1-6/2024	2024
Net sales	343.7	324.6	613.2	561.2	1,289.8
Segments EBITDA	57.2	46.8	69.7	59.3	185.2
Segments EBITDA, %	16.7%	14.4%	11.4%	10.6%	14.4%
Segments operating profit	26.3	20.1	7.8	5.0	71.4
Segments operating profit, %	7.7%	6.2%	1.3%	0.9%	5.5%
Segments ROCE, % (rolling 12 months)			3.7%	3.6%	3.9%
Equity ratio, %			46.6%	55.0%	52.5%
Gearing, %			75.9%	46.8%	48.2%
Interest-bearing net debt			863.9	600.4	613.1
Capital expenditure	37.7	89.2	89.7	158.9	350.1
Cash flow from operating activities	16.5	-57.9	-105.3	-145.2	77.4

In addition to IFRS figures, Nokian Tyres publishes alternative non-IFRS segments figures, which exclude the ramp-up of the US and Romanian factories and other possible items that are not indicative of the Group's underlying business performance.

SIGNIFICANT INVESTMENTS IN 2023–2025 TO BUILD OUR FUTURE PLATFORM



Investment phase approaching its end

- Net investments in 2025 estimated to be EUR 200 million
- Total investments in 2023–2025 approx. EUR 800 million
- Returning to average capex of approx. EUR 120 million
- Romanian state aid approx. EUR 100 million expected to be received from 2025 onwards, lowering net investments

WE CONTINUE TO FOCUS ON IMPROVING OUR FINANCIAL PERFORMANCE – ACTIONS ONGOING IN SEVERAL AREAS

COMMERCIAL

North America:

- Accelerate commercial efforts to gain premium market share
- Strengthen partnership network in the US

Central Europe:

- Expand sales network in existing and new markets
- Consistent price realization with premium branding

Nordics:

- Manage raw material cost pressure
- Protect premium brand position through Vianor

OPERATIONS

- Reduce fixed costs through scaling
- Drive efficiency improvements across sites
- Finalize production ramp-up in Romania
- Enhance supply chain efficiency

PROCUREMENT

- Optimize raw material sourcing and utilization
- Streamline indirect spend

NEW WAY OF WORKING ENABLES STRONGER AND FASTER EXECUTION TO DELIVER RESULTS

New operating model implemented with stronger P&L and KPI ownership and accountability

Dedicated workstreams, systematic follow-up, and clear reporting practices

Agile decision making and governance enabling quick adjustments



FASTER DELIVERY OF RESULTS

NOKIAN TYRES AMONG THE MOST SUSTAINABLE COMPANIES BY TIME MAGAZINE

A proof of our continuous work toward a more sustainable future

- Nokian Tyres ranked 98th on the list of the world's 500 most sustainable companies by TIME magazine
- Assessment considered factors like emission reductions, energy consumption, sustainability ratings as well as environmental and social responsibility performance

ESG rating	Nokian Tyres score
CDP	Climate A-; Water security B
EcoVadis	Platinum (highest level)
Europe's Climate Leaders by Financial Times	76.1
MSCI	AAA
Sustainalytics	11.7 – Low ESG risk
S&P Global	72



BUSINESS UNITS

Q2: PASSENGER CAR TYRES

Higher sales, improved margins

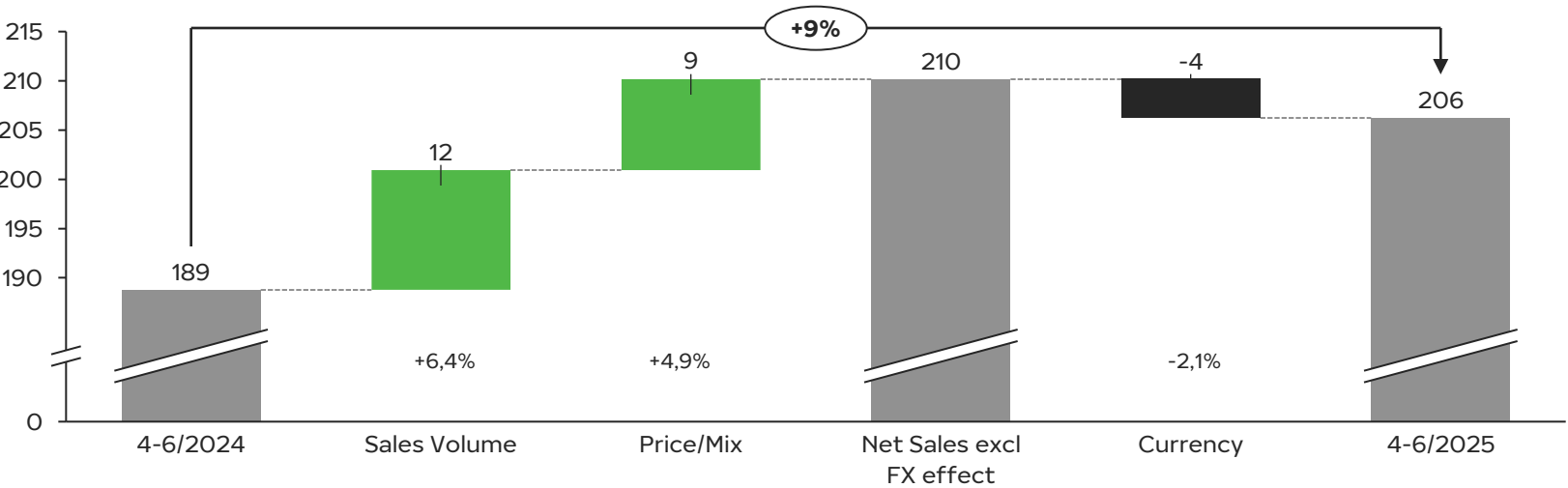
- Net sales increased by 11.3%
 - ASP with comparable currencies improved
 - Share of >18" tires increased significantly
- Profitability improved due to higher sales and price increases implemented in Q1
- Lower manufacturing and supply chain costs
- Improved inventory rotation

EUR million	4-6/ 2025	4-6/ 2024	1-6/ 2025	1-6/ 2024	2024
Net sales	206.2	188.8	380.4	331.9	779.9
Net sales change in comparable currencies, %	11.3%	24.3%	16.0%	17.0%	20.2%
Segment operating profit	15.9	7.1	9.7	4.2	52.2
Segment operating profit, %	7.7%	3.7%	2.6%	1.3%	6.7%

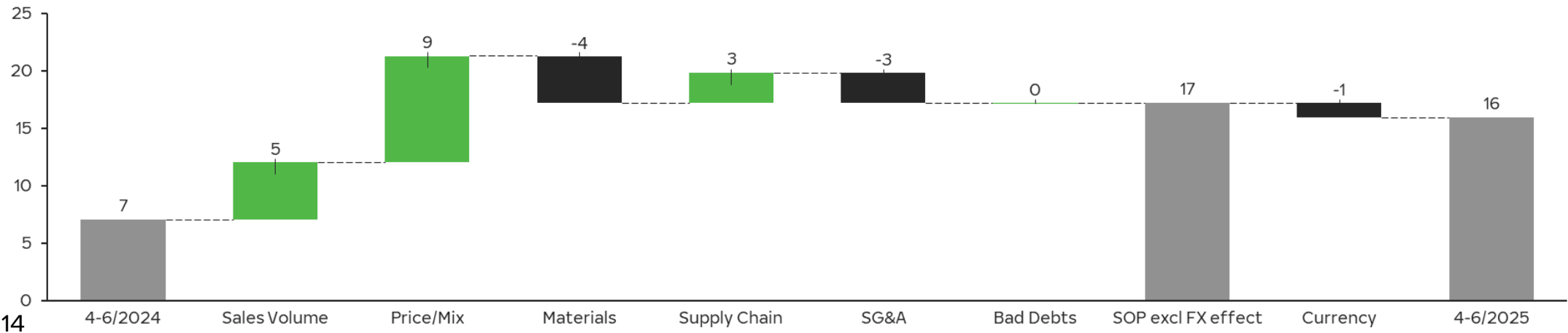
Q2: PASSENGER CAR TYRES BRIDGE

Price/mix impacted segment operating profit positively by EUR 9 million

NET SALES, EUR million

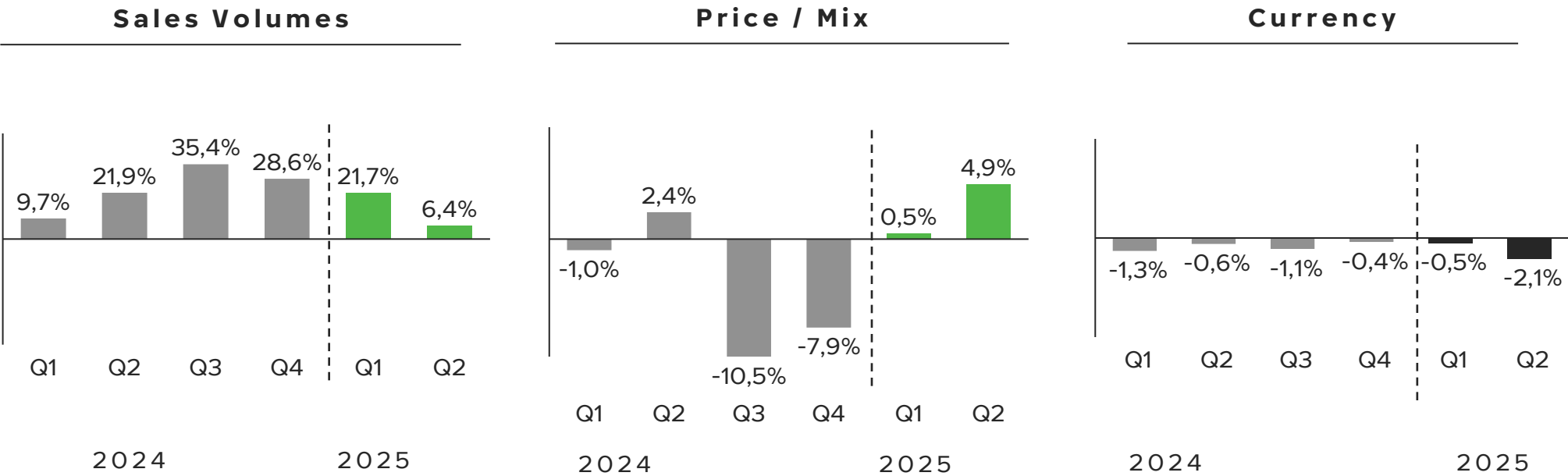


SEGMENT OPERATING PROFIT, EUR million



PASSENGER CAR TYRES NET SALES - QUARTERLY CHANGES

YoY Change %



Q2: HEAVY TYRES

Solid sales development, weak market affected margins

- Net sales increased in all regions driven by aftermarket sales
- Profitability decreased due to weaker product mix
- Finished goods inventories on a lower level

EUR million	4-6/ 2025	4-6/ 2024	1-6/ 2025	1-6/ 2024	2024
Net sales	60.8	60.2	116.6	115.3	235.1
Net sales change in comparable currencies, %	1.3%	-10.3%	1.3%	-14.4%	-8.0%
Segment operating profit	6.0	7.6	13.3	14.0	30.0
Segment operating profit, %	9.9%	12.7%	11.4%	12.1%	12.8%

Q2: VIANOR

Stable sales development

- Net sales with comparable currencies increased by 1.2%
- Segment operating profit was EUR 7.1 million, slightly lower y-o-y due to cost inflation
- Finished goods inventories remained stable

EUR million	4-6/ 2025	4-6/ 2024	1-6/ 2025	1-6/ 2024	2024
Net sales	97.7	95.5	156.5	151.4	354.9
Net sales change in comparable currencies, %	1.2%	1.3%	2.9%	1.7%	3.6%
Segment operating profit	7.1	7.5	-8.3	-8.4	-3.8
Segment operating profit, %	7.2%	7.8%	-5.3%	-5.6%	-1.1%



ASSUMPTIONS AND GUIDANCE

TIRE INDUSTRY ASSUMPTIONS FOR 2025

PASSENGER CAR & LIGHT TRUCK TIRES

RT -2% to 2%

Growth in Central Europe, Nordics
stable, volatility in North America



HEAVY TIRES

OE demand declining in H1,
market expected to continue
challenging in H2

RT demand remains weak



Market data based on sell-in data provided by tiremaker associations and Nokian Tyres' own estimates of sales by tire manufacturers that do not belong to any association

TARIFFS DISRUPT NORTH AMERICAN MARKET

Direct impacts:

- 25% import tariff for PC/LT tires since May 3, market price levels starting to adapt to tariff costs, but not fully visible yet
- Increased raw material sourcing costs for domestic US manufacturing
- Canadian counter-tariffs impacting imports to Canada

Indirect impacts:

- Slowing economic activity in the US lowering consumer confidence and affecting purchase behavior
- Currency fluctuations

Close monitoring and mitigation of the impacts by reallocating selected product lines across factories, adjusting inventory levels, reassessing raw material supply and adjusting pricing





GUIDANCE FOR 2025

(unchanged)

In 2025, Nokian Tyres' net sales are expected to grow and segments operating profit as a percentage of net sales to improve compared to the previous year.

Assumptions

Tire demand in Nokian Tyres' markets is expected to remain at the previous year's level in 2025. Development of global economy as well as geopolitical, trade and tariff uncertainties may cause volatility to the company's business environment.

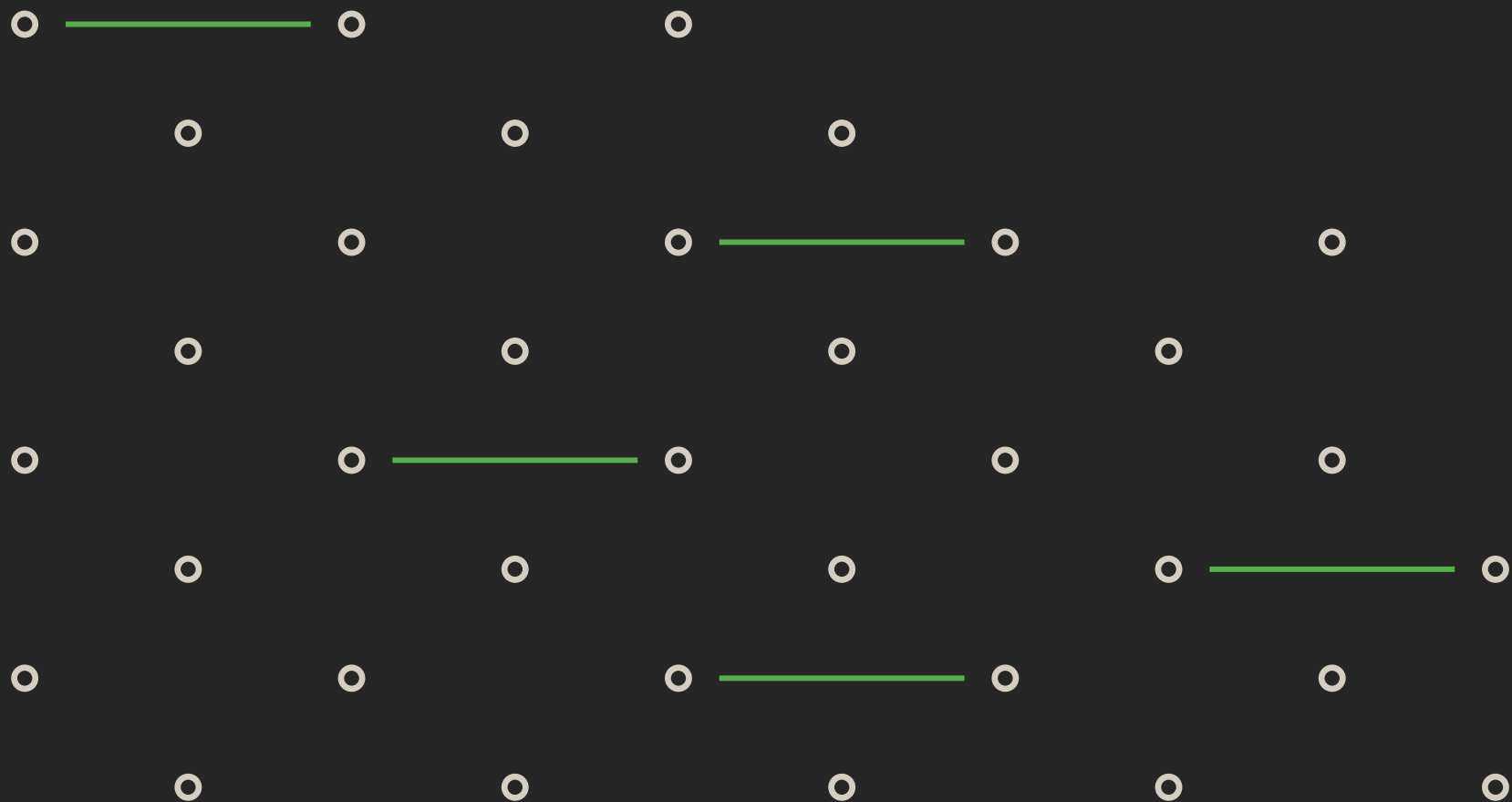
Nokian Tyres' sales growth is based on increasing capacity in the Romanian and US factories as well as good availability of finished goods inventories.

CHANGES IN NOKIAN TYRES MANAGEMENT TEAM EFFECTIVE AS OF SEPTEMBER 1, 2025

To reflect our sharpened commercial focus and commitment to strategic growth we are announcing several key leadership changes.

- **Christopher Ostrander** is appointed SVP, Passenger Car Tyres, North America and a member of the Nokian Tyres Management Team. He will step down from roles as a Member of Nokian Tyres Board of Directors and a Chair of the Investment Committee before assuming his new position.
- **Lauri Halme** has been appointed SVP, Vianor. Lauri will continue as a member of the Nokian Tyres Management Team.
- **Tron Gulbrandsen** has been appointed SVP, Passenger Car Tyres, Nordics, and will join the Nokian Tyres Management Team. He currently serves as VP, Passenger Car Tyres, Nordics.

Q&A



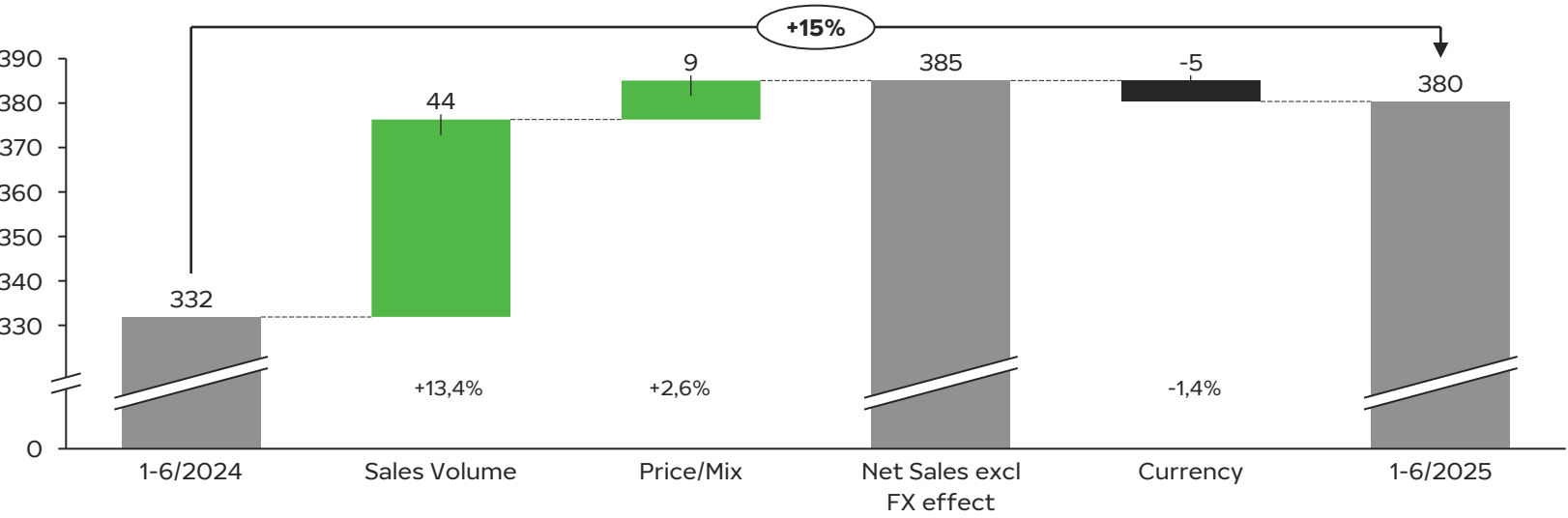


APPENDIX

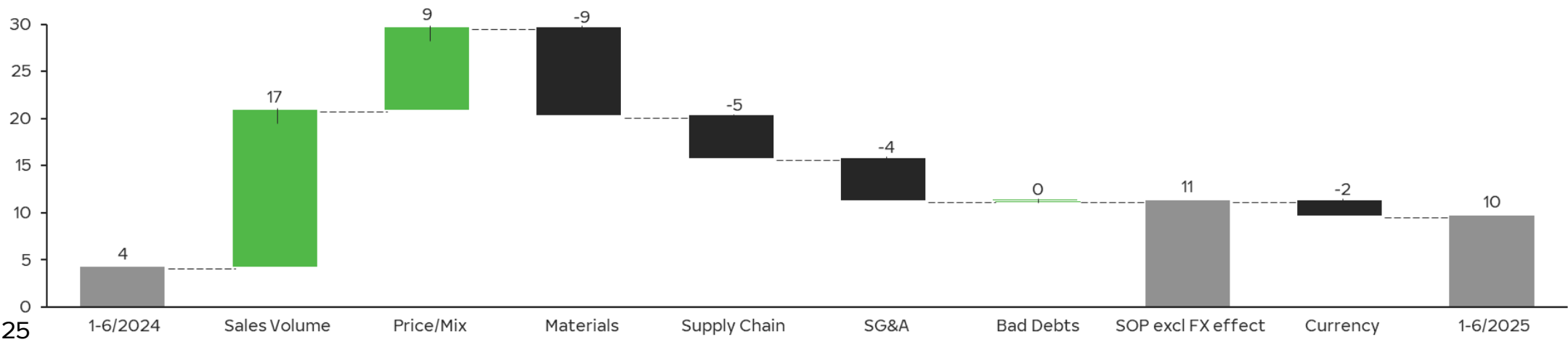
H1: PASSENGER CAR TYRES BRIDGE

Volume impacted segment operating profit positively by EUR 17 million

NET SALES, EUR million



SEGMENT OPERATING PROFIT, EUR million



GROUP SEGMENTS OPERATING PROFIT PER QUARTER 2021–H1/2025

APPENDIX

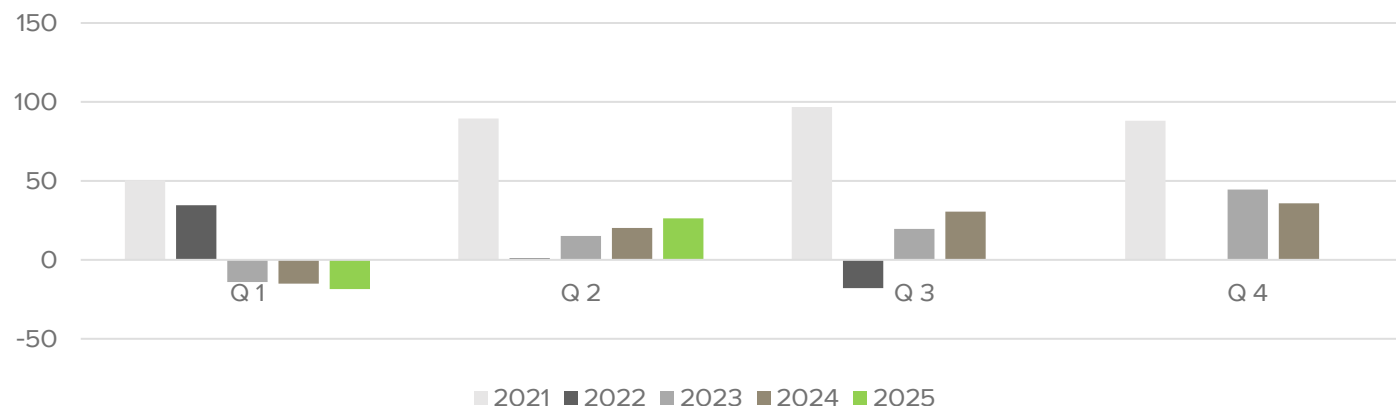
4–6/2025

- Net sales EUR 343.7 million (324.6), 5.9%
- Segments operating profit EUR 26.3 million (20.1)

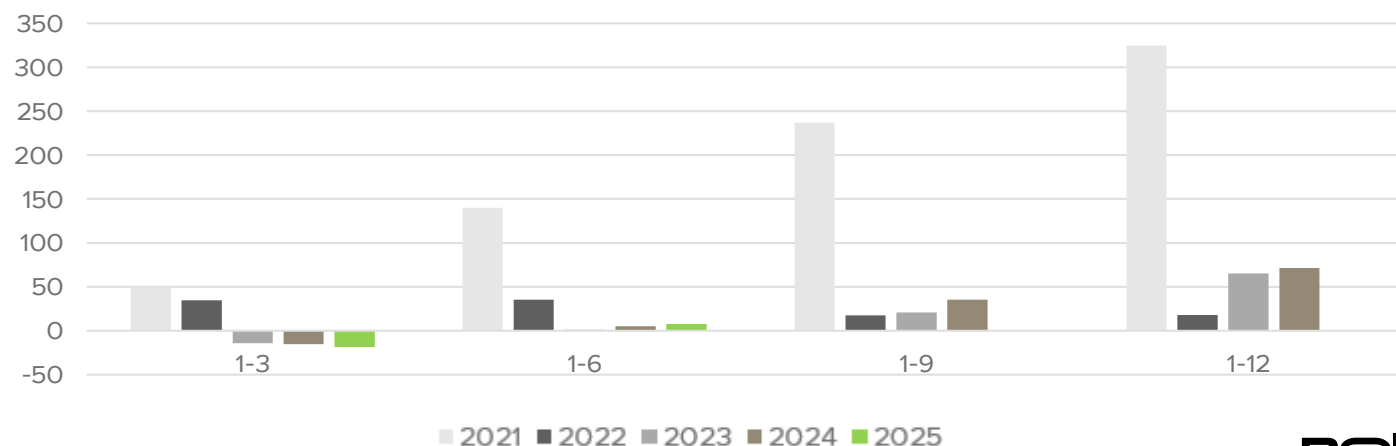
1–6/2025

- Net sales EUR 613.2 million (561.2), 9.3%
- Segments operating profit EUR 7.8 million (5.0)

SEGMENTS OPERATING PROFIT PER QUARTER



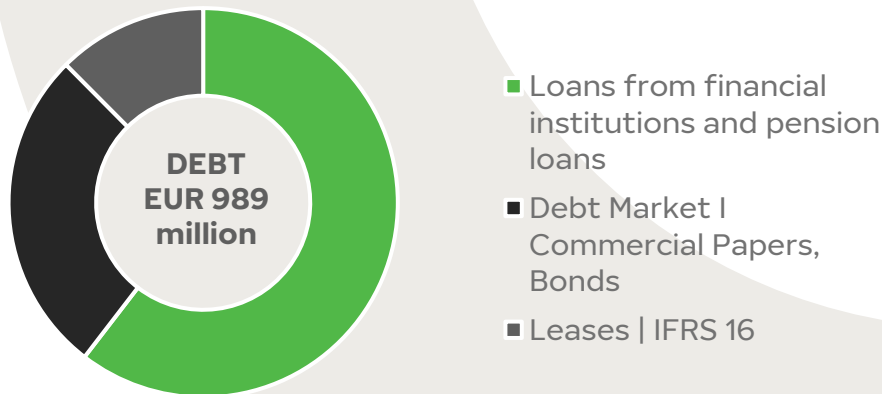
CUMULATIVE SEGMENTS OPERATING PROFIT PER REVIEW PERIOD



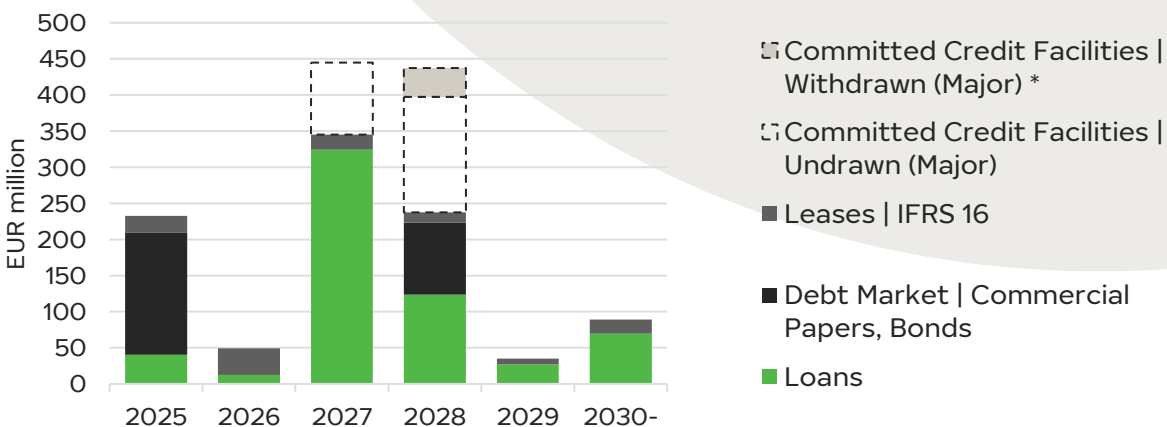
DEBT PORTFOLIO AS OF JUNE 30, 2025

- EUR 300 million long-term bilateral sustainability-linked credit facilities originally due in 2026 extended to be due in 2027
- EUR 100 million long-term bilateral sustainability-linked credit facility originally due in 2027 extended to be due in 2028
- Total of EUR 100 million bilateral revolving credit facilities due in 2026 were replaced by total of EUR 100 million 2 + 1 + 1 -year bilateral revolving credit facilities
- Committed credit limits and EUR 500 million commercial paper program in place for NWC financing
- Additional debt funding can be sourced from banks and/or debt capital markets to balance financing channels and to extend maturities

DEBT COMPOSITION AS OF JUNE 30, 2025

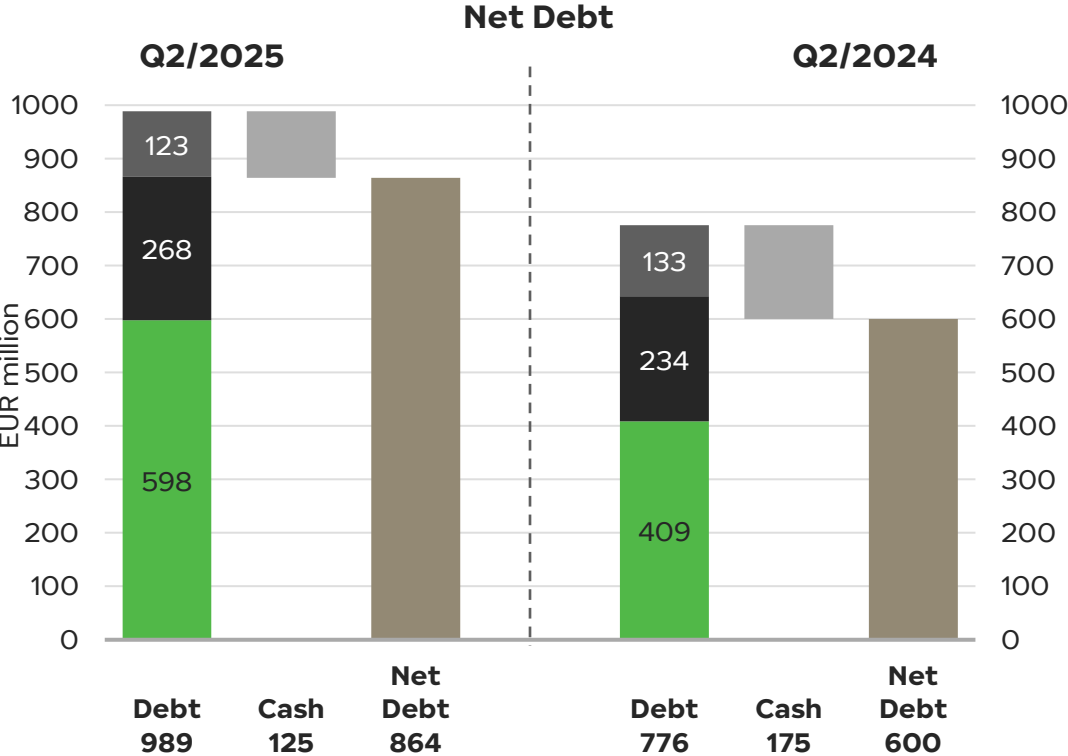


MATURITY STRUCTURES AS OF JUNE 30, 2025

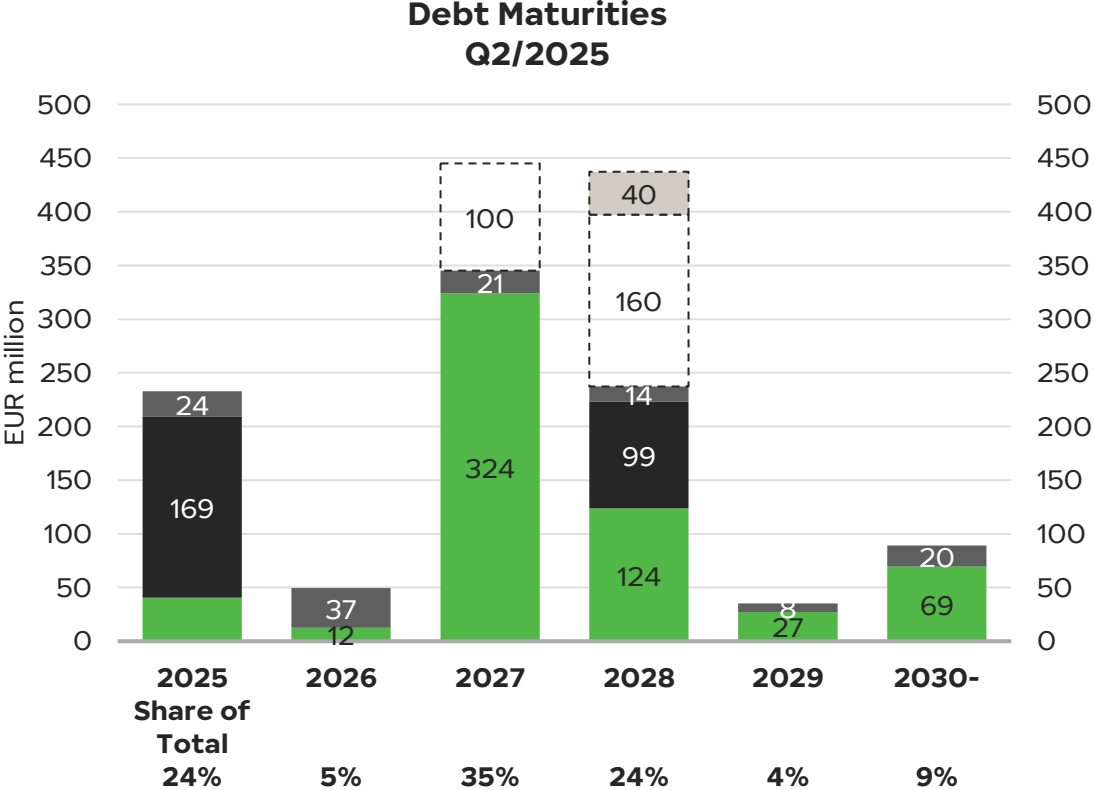


*Withdrawn loans due in Q4/2025

NET DEBT AND DEBT MATURITIES



Available liquidity, EUR million	Q2/2025	Q2/2024
Cash	125	175
Committed undrawn credit facilities	264	305
Total	389	481



- Committed Credit Facilities | Withdrawn (Major) *
- Committed Credit Facilities | Undrawn (Major)
- Leases | IFRS 16
- Debt Market | Commercial Papers, Bonds
- Loans

*Withdrawn loans due in Q4/2025

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