



TOIVO GROUP PLC  
**Annual Report 2025**

TOIVO GROUP PLC

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# Annual Report 2025

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TOIVO GROUP PLC  
**Annual Report 2025**

# Operations in brief

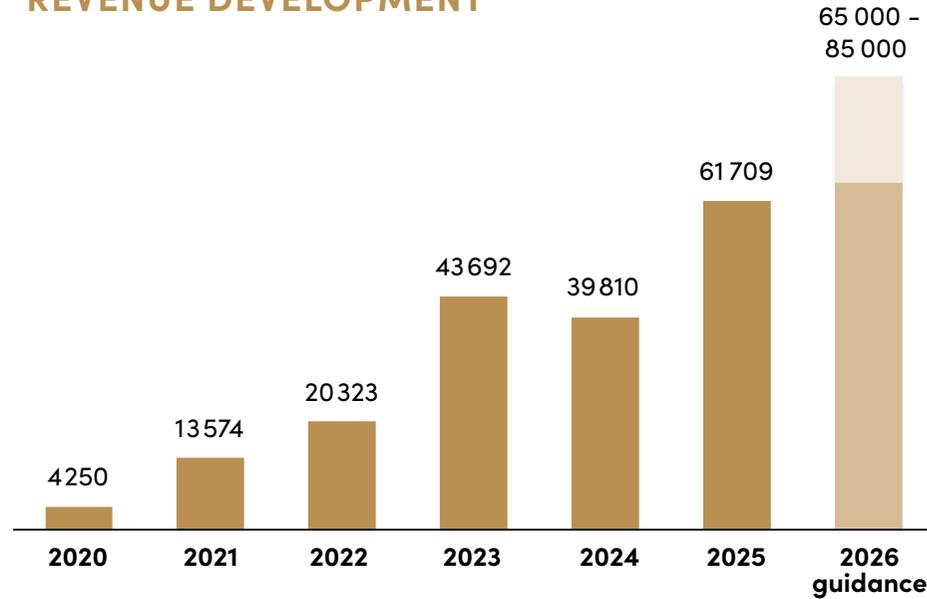
**F**ounded in 2015, Toivo is a Finnish public limited company in the real estate sector.

The company develops, builds, owns and sells apartments, plots, public properties and business premises.

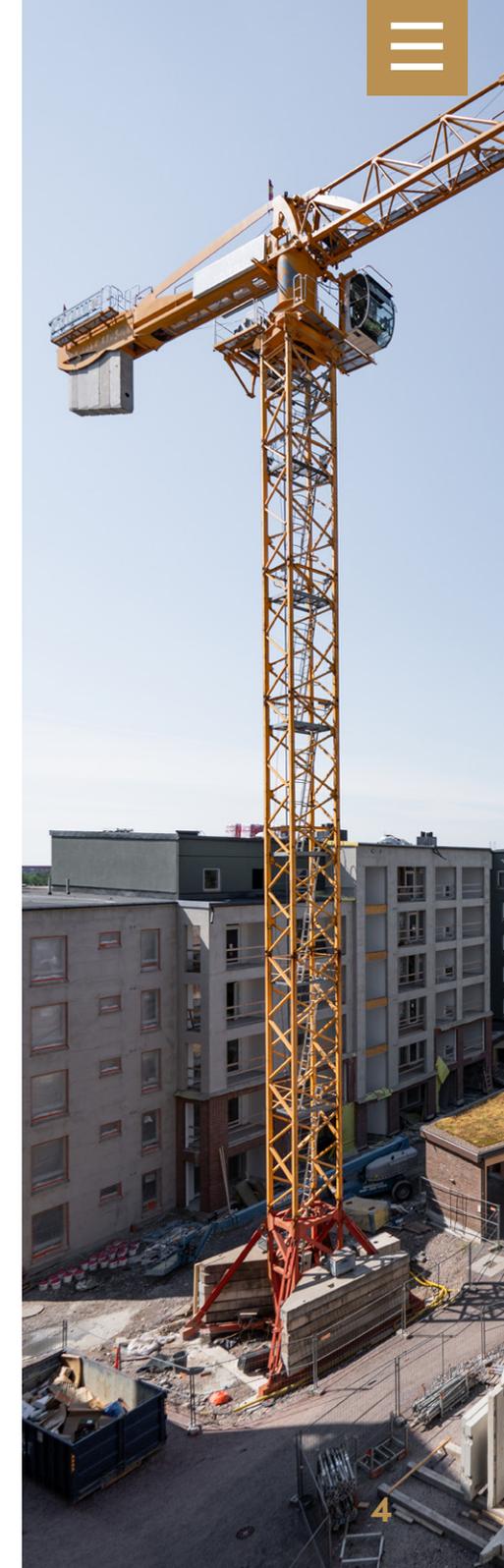
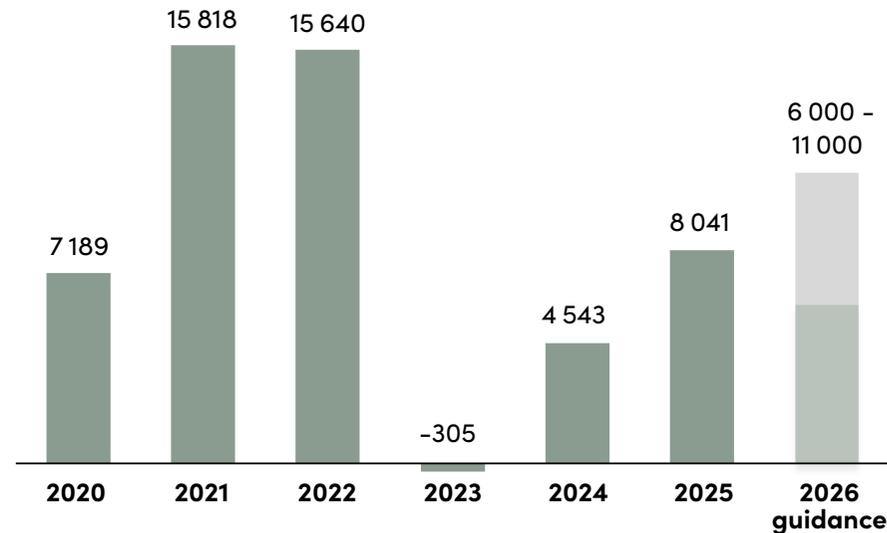
Toivo's business model covers the entire value chain of properties, from the acquisition and zoning of the plot to construction, ownership, management, sale and leasing. The company's own team of experts is responsible for the entire life cycle of the properties, which creates added value for customers and shareholders.

Toivo's strategy is to develop apartments and properties in accordance with the Toivo concept, that offer a strong development margin and a stable yield and enable long-term ownership as well as higher added-value production.

## REVENUE DEVELOPMENT



## DEVELOPMENT OF OPERATING PROFIT



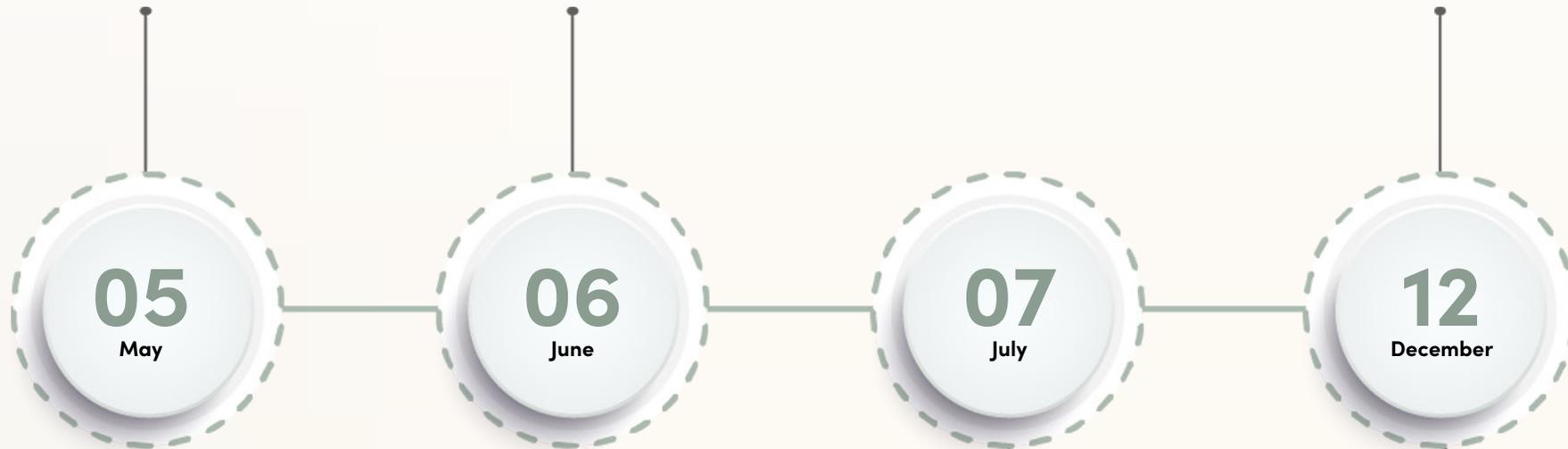
# Key points in 2025

Toivo published its Q1 business review, which highlighted its strong performance and the intention to move to the main list of the stock exchange.

Toivo moved to the main list of Nasdaq Helsinki



Toivo signed a preliminary agreement with the City of Helsinki, concerning a project worth more than EUR 40 million.



Toivo expanded its business in community properties by selling two care projects to Cofinimmo SA.

Toivo sold a portfolio of 101 apartments in Espoo to the Storebrand fund.

# CEO's review 2025

The financial year 2025 continued to be demanding for the real estate and construction market. Uncertainty kept decision-making cautious and volumes low, but the market also began to show gradual differentiation. Success required discipline, a clear focus and the ability to bring projects to a successful conclusion. For Toivo, 2025 was proof that our strategy and operating model is stable through economic cycles. We were able to grow our business model and improve profitability while building the conditions for the coming years.

Financially, the year was strong. Revenue increased by 55%, to EUR 61.7 million. The operating profit increased to EUR 8.0 million and the profit for the financial year to EUR 4.3 million. Earnings per share were EUR 0.07. The results were primarily driven by successful real estate acquisitions, the efficient launch and sale of RS properties aimed at consumers and operational efficiency improvements: the determined improvement of project management, cost control and throughput time. The company only has one completed apartment unsold.

At the core of Toivo's strategy is the management of the entire value chain: we develop, build, manage, own and sell projects profitably, cost-efficiently and responsibly. This gives us a competitive edge, especially when the market does not support all operators. We

are able to steer the whole, make decisions from the perspective of long-term value creation and take advantage of market opportunities selectively.

Operationally, we made systematic progress during the year. It is essential for us to keep our operations active, but at the same time to be strict with our selections: we do not seek volume at any price, but instead focus on properties with the right risk/return ratio, location and feasibility.

**DEVELOPMENT:** In development, we signed contracts for 278 new apartments.

**CONSTRUCTION:** We started the construction of 227 apartments.

**OWNERSHIP:** During the year, we completed 149 apartments.

**SALE:** During the year, we carried out several property transactions. During the year, we acquired several prestigious new institutional customers, such as Storebrand and Cofinimmo.

Capital use and balance sheet management are crucial in real estate business. We have kept discipline at our core also in 2025, and the strengthened result enables us to take the next step, which is payment of dividends. The Board of Directors proposes a dividend of EUR 0.03 per share for the financial year 2025. The launch

of the payment of dividends is a message to shareholders about the efficient use of capital and the strengthened profitability of the business model.

We are heading towards 2026 in a goal-oriented but realistic approach. Our goal is to increase revenue by more than 20% compared to the previous financial year, while maintaining a strong profitability level. For the financial year 2026, we provide financial guidance of EUR 65–85 million in revenue and EUR 6–11 million in operating profit. Operational profitability is expected to remain at the same level as in 2025. We will continue to focus on Finland's growth centres, growing the project portfolio in a goal-oriented manner and a project profitability target of approximately 15% in development and construction.

Finally, I would like to thank Toivo's employees, customers, owners and partners for 2025. The results came from our committed work and the ability to implement the strategy in everyday operations. With determination, we will continue on our path and build long-term value for our owners.




**Markus Myllymäki**  
CEO  
Toivo Group Plc

# Toivo's business model.

## Business focus:

- Project portfolio of EUR billion
- Apartments and community properties
- 15% project profitability
- Entire value chain
- Stability through economic cycles

● Situation on 31 December 2025

Average annual volume growth of 20%: Apartments (Social infrastructure properties)



**Construction**

- 210 apartments and 8 community properties

**Development**

- approx. 1,300 apartments and
- approx. 291/1,000 million euros

**Management**

- 612 apartments owned
- 353 apartments under management

Management margin	<b>Toivo's total margin</b>
Construction margin	
Development margin	



TOIVO GROUP PLC  
**Board of Directors’  
Report 2025**

## OPERATING ENVIRONMENT

The operating environment for housing developers and investors continued to be challenging in 2025. The continuation of the war in Ukraine and other global uncertainties created their own challenges in the operating environment. The prices of apartments remained low, and yield requirements have not yet fallen materially. Housing trade volumes increased slightly compared to previous years.

In 2025, several large housing investors withheld new investments due to debt financing costs and an oversupply of rental housing. The strong increase in debt capital in 2022 and 2023 and global uncertainties have delayed the rapid recovery of the demand for both investment and owner-occupied housing.

Construction costs remained on a par with the previous year, with construction volumes remaining low.

Housing investors were able to make moderate rent increases, and there was a large supply of rental housing, especially in the Helsinki Metropolitan Area. Housing prices generally fell in Finland, although there were differences between cities.

During the financial year, Toivo sold the shares of the associated company E-Heat Oy at a purchase price of EUR 1,971,280. In connection with the arrangement, the company also sold the EUR 412,696.20 convertible bond receivable from E-Heat Oy. After the transaction, Toivo remained responsible for a guarantee of approximately EUR 670,000 for E-Heat Oy's bank loan, for which the buyer set a counter-guarantee to secure Toivo. The sale was carried out due to regulatory uncertainties related to E-Heat's industry and Toivo's strategic focus on the company's core business in residential and community properties.

## BUSINESS DEVELOPMENT IN THE FINANCIAL YEAR 2025

The company's financial year ended operationally in line with forecasts. During the year, the company continued to clarify its business model and focused on business in line with its strategy in a challenging business environment. The company continued to scale its operational and cash-generating business. Community properties became a major pillar.

During the financial year, the company sold a total of 101 completed leased apartments to one institutional investor. As a result of these transactions, the company's balance sheet structure was strengthened and debt reduced, and the company was able to free up capital for the launch of new projects.

During the financial year, the company signed agreements that enable the construction of approximately 278 apartments.

During the financial year, the company began the construction of a total of 227 apartments and 7 community properties.

The company completed a total of 317 apartments during the financial year.

## STRATEGY

Toivo's strategy is to develop, build, own and sell apartments and community properties in line with the Toivo concept and the industry's megatrends, with the aim of achieving a strong development margin and a stable and attractive yield, thereby enabling long-term ownership of properties and generating higher added value for the company's customers.

## DEVELOPMENT OF FINANCES

The Group's revenue was EUR 61.7 (39.8) million, representing an increase of 55% compared to the reference period (1 January–31

December 2024). Changes in the fair values and the profit and loss on the disposal of investment properties were EUR -1.8 (-0.5) million. Changes in the fair values of investment properties as well as capital gains and losses were better than in the reference period due to the increase in the volume of projects added to the company's own balance sheet.

At the end of the review period, the company had 612 apartments, 17 leased plots/real estate units and 2 commercial properties generating rental cash flow.

The fair values of the investment properties were EUR 113.5 (108.0) million. The investment property estimates were prepared by Catella Property Oy in 2025 and 2024. Catella Property Oy issues a statement on the valuation of investment properties owned by Toivo. The most recent statement was issued on 31 December 2025.

Property maintenance expenses amounted to EUR -2.2 (-2.5) million. Property maintenance costs decreased by 10 per cent year-on-year, mainly due to the decrease in the number of apartments.

Staff expenses were EUR -4.0 (-3.0) million, representing an increase of 33%. The growth is mainly due to the increase in the number of employees.

Operating profit was EUR 8.0 (4.5) million.

Net financial income and expenses were EUR -2.31 (-4.10) million. The financial year's current income tax was EUR -0.91 (-1.08) million and, largely due to the changes in the fair values of properties, the deferred tax was EUR -0.6 (1.5) million.

The net profit for the period under review was EUR 4.3 (0.7) million, representing a year-on-year increase of 484%. Earnings per share were EUR 0.07 (0.01).

## SHARES AND SHARE CAPITAL

### Largest shareholders on 31 December 2025: (by beneficiary)

Name	Quantity	Ownership and voting rights
1. Raatihuone Oy	39,340,141	66.70%
2. Korpi Listatut Oy	3,333,333	5.65%
3. Evli Finnish Small Cap Fund	1,270,306	2.15%
4. Urho Myllymäki	1,150,185	1.95%
5. Samuli Niemelä	926,637	1.57%
6. Tikkapuu Oy	805,707	1.37%
7. M.H. Korporaatio Oy	628,871	1.16%
8. Erikoissijoitusrahasto Aktia Mikro Markka	635,106	1.08%
9. Harri Tahkola	474,184	0.80%
10. Petri Kärkkäinen	459,184	0.78%

Toivo Group Plc had 2,399 shareholders at the end of the financial year.

## Distribution of shareholdings by sector on 31 December 2025

Type	Number of shares	Ownership and voting rights	Shareholders
Companies	50,385,820	85.43%	110
Households	6,328,950	10.73%	2,269
Management company	1,384,557	2.35%	4
Other	691,702	1.17%	5
Pension and insurance	124,716	0.21%	3
Non-profit organisations	665	0.00%	2
Nominee-registered	63,149	0.11%	6
<b>Total</b>	<b>58,979,559</b>	<b>100.00%</b>	<b>2,399</b>

## Distribution of shareholdings by size category on 31 December 2025

Shareholder distribution based on the number of shares	Number of shares	Ownership and voting rights	Shareholders
0 – 100	30,033	0.05%	676
101 – 500	204,594	0.35%	720
501 – 1,000	253,417	0.43%	327
1,001 – 5,000	1,057,323	1.79%	453
5,001 – 10,000	552,762	0.94%	75
10,001 – 50,000	2,117,243	3.59%	87
50,001 – 100,000	1,531,394	2.60%	24
100,001 –	53,169,644	90.15%	31
Nominee-registered	63,149	0.11%	6
<b>Total</b>	<b>58,979,559</b>	<b>100.00%</b>	<b>2,399</b>

On 31 December 2025, the number of shares of Toivo Group Plc was 58,979,559. At the end of the financial year, Toivo Group Plc held 247,740 own shares.

During the financial year, the company carried out three share issues pursuant to the authorisation granted by the Annual General Meeting on 11 April 2024:

Bonus directed share issue for key personnel (13 March 2025 at 4:00 p.m.)

- A maximum of 220,000 own shares were issued free of charge to reward key personnel.

Bonus share issue to the company itself (13 March 2025 at 4:05 p.m.)

- 220,000 new shares were issued to the company to meet the needs of the share-based incentive scheme.
- After registration, the total number of shares was 58,979,559, of which 514,964 were held by the company.

Directed share issue of own shares for cash (14 April 2025 at 4:00 p.m.)

- A maximum of 70,000 own shares were transferred at the price generated in public trading to cover the withholding taxes related to the remuneration of key personnel.
- After the sale, the number of own shares held by the company was estimated to be 146,088.

At the end of the financial year on 31 December 2025, the CEO and the members of the Board of Directors held a combined shareholding of 40,326,998 shares in the Company, which corresponds to 68.4% of all shares.

The weighted average number of shares during the financial year was 58,903,614 (58,688,029). The weighted average number of outstanding shares during the financial year was 58,655,874 (58,613,065). The weighted average diluted number of outstanding

shares during the financial year was 59,100,861 (58,810,487). Equity at the end of the financial year 2025 was EUR 73.5 (69.4) million.

The share closing price on the last trading day of the financial year, 30 December 2025, was EUR 0.942. The lowest trading price for the financial year was EUR 0.900, and the highest was EUR 1.085. The average share price, weighted by trading volumes, was EUR 0.966. The exchange of shares during the financial year was 3,710,412 shares. Toivo Group Plc's market capitalisation at the end of the financial year was EUR 55.6 million.

## STOCK-OPTION PLANS

The company does not have a valid stock-option plan, but the Board of Directors of Toivo Group Plc has decided on a long-term incentive scheme for key personnel. The incentive scheme for 2026 is conditional on the Company's Annual General Meeting deciding to authorise the Company's Board of Directors to decide on a share issue for the payment of bonuses.

## RELATED-PARTY LOANS AND LIABILITIES

In the financial year 2025, the Group had a total of EUR 16.8 million of non-matured subordinated loans from related parties that comply with the terms of Chapter 12 of the Limited Liability Companies Act; the interest rate on the loans was 3%, and there was no unrecognised interest at the end of the financial year. In addition, the Group had current related-party liabilities worth EUR 106,000. The terms of the loans are market-based and did not include any guarantees. Interest expenses from related-party loans amounted to EUR 500,000 and interest income from related parties to EUR 141,000. At the end of the financial year, the Group's related-party receivables amounted to EUR 4.9 million and related-party liabilities to EUR 17.8 million.

## SUBORDINATED LOANS

Subordinated loans are subordinated to other liabilities, but have a higher priority than shares. The loans do not have a maturity date. Toivo Group Plc has the right, but not an obligation, to repay the loans in full or in part if the company has distributable funds. The interest on the loan on the balance sheet date was 3%. There was no unrecognised interest on the balance sheet date (31 December 2025). Based on the agreements, EUR 1.0 million in interest has accrued on the loans.

## LEGAL PROCEEDINGS AND DISPUTES

Two of the Group's subsidiaries were subject to a tax audits during the financial years 2022 and 2023. Based on the tax audit, it is possible that the Company will have to settle VAT returns of approximately EUR 0.6 million. A possible return is not estimated to have an impact on profit or loss.

The case is currently being processed by the Supreme Administrative Court. The company estimates the processing time of the process to be 1–2 years.

## ANNUAL GENERAL MEETING 10 APRIL 2025

The Annual General Meeting of Toivo Group Plc was held in Espoo on 10 April 2025. The Annual General Meeting adopted the financial statements, Board of Directors' report and audit report for 2024.

The Annual General Meeting approved the proposal of the Board of Directors that no dividends are paid out and that the profit indicated by the balance sheet remains unrestricted equity.

The Annual General Meeting discharged the members of the Board of Directors and the CEO from liability for the financial year 1 January–31 December 2024.

The Annual General Meeting decided to appoint five members to the

Board of Directors. Asko Myllymäki, Harri Tahkola, Petri Kärkkäinen, Tomi Koivukoski and Margit Lindholm were re-elected as Board members. In its first meeting immediately after the Annual General Meeting, the Board of Directors appointed Asko Myllymäki as the Chair of the Board.

The Board of Directors decided that KPMG Oy Ab, authorised public accountants, be re-elected as the company's auditor for the term ending at the close of the next Annual General Meeting. KPMG Oy Ab has announced that it will appoint Pekka Alatalo, APA, as the auditor with principal responsibility.

The Annual General Meeting resolved to authorise the Board of Directors to decide on the repurchase and/or on the acceptance as pledge of the Company's own shares, as proposed by the Board of Directors. The authorisation covers a maximum of 5,875,956 shares. The proposed number of shares corresponds to approximately ten (10) per cent of the company's total share capital. Own shares may be repurchased on the basis of this authorisation only by using unrestricted equity. The authorisation is effective until the end of the next Annual General Meeting; however, no longer than until 30 June 2026.

The Annual General Meeting resolved to authorise the Board of Directors to decide on the issue of shares and other special rights entitling to shares referred to in Chapter 10, Section 1 of the Companies Act in accordance with the proposal of the Board of Directors. The number of own shares to be issued may not exceed 20,000,000 shares, which corresponds to approximately 34% of the company's total share capital. The authorisation is effective until the end of the next Annual General Meeting; however, no longer than until 30 June 2026.

## ASSESSMENT OF OPERATIONAL RISKS AND UNCERTAINTIES

### Operational risks

Operational risks include the dependency on the expertise of key personnel. It is important that the key personnel will remain at the company. Success is largely based on the skills of the company's management and employees. Recruiting skilled employees to the company poses a potential challenge. The company conducts employee satisfaction surveys regularly a few times a year.

### Financial risks

Financial risks include, for example, risks related to interest rates and the availability and adequacy of financing. During the period under review, the company managed to secure the financing it required for the sites under construction. The Group's liquidity was good during the period of 1 January–31 December 2025. The cash flow is enough to cover the Group's running costs and debt management costs (repayments + interest). The company's rental income involves a risk that its customers may be unable to carry out their duties. The company's lease agreements (regarding apartments) typically include a security deposit equal to the rent of 1 month, which reduces the risk of the company facing loss of income. The agreements for leased plots include a priority mortgage equal to the rent of 2–3 years. This also considerably reduces the risk of loss of income.

### Damage risks

The company estimates that it has secured adequate insurance coverage required in the industry. All properties are insured with full value insurance, which includes a coverage for interruption in lease income. The company has valid indemnity insurance.

### Financial risks related to operations

The company estimates that the risks and uncertainties of the current financial year are largely related to the development of Finnish economy. The development of the economy is reflected in the housing and financing markets. These factors may affect Toivo's result and cash flow. For example, the development of Finnish economy, higher interest rates or new demands on returns from property investors may cause fluctuation in the prices of apartments, which may in turn affect the fair value of the Group's property portfolio.

The supply of rental apartments may grow locally in Toivo's key operating areas and this fluctuation in supply and demand may affect the turnover rate of Toivo's tenants or the economic occupancy rate of Toivo Group Plc and, consequently, the company's lease income. The authorities' interpretations regarding VAT liability for the rental of furnished apartments may have an impact on the occupancy rate or cash flow of Toivo's apartment properties or the fair value of the Group's property assets.

The project development portfolio involves risks related to financing, zoning and building permits, for example.

### Geopolitical risks and the war in Ukraine

The company estimates that the strong geopolitical risks that emerged during 2022 and the war in Ukraine will be reflected in the residential and financial markets. These factors may affect Toivo's result and cash flow. The geopolitical situation and the war in Ukraine may have impacts on inflation, interest rate hikes, availability and price of materials, availability of labour or changes in the yield requirements of apartments. This may cause fluctuation in the prices of apartments, which may in turn affect the fair value of the Group's property portfolio.

## ESTIMATE OF PROBABLE FUTURE DEVELOPMENT

The company's development in the coming years is expected to be stable and controlled. It is estimated that implementing the growth will not require large-scale recruitments from the company; the growth could be implemented by scaling the business and following proven operating methods.

In future, the company will mainly focus on residential properties in the Helsinki Metropolitan Area and community properties in the Helsinki Metropolitan Area and growth centres.

## MEDIUM-TERM TARGETS

- Average annual revenue growth of 20%
- Average annual operating profit growth of 20%
- Equity ratio more than 40%.
- In dividend distribution, the company's investment needs and financial position will be taken into consideration. The company aims for dividend growth. The company aims to distribute a dividend of 30–50% of the profit for the financial year.

## Profit forecast 2026

- The company estimates revenue to be EUR 65–85 million for the financial year 1 January–31 December 2026.
- The company estimates operating profit to be EUR 6–11 million for the financial year 1 January–31 December 2026.

## SIGNIFICANT EVENTS AFTER THE FINANCIAL YEAR

There have been no significant events after the end of the review period.

## BOARD OF DIRECTORS' PROPOSAL ON THE HANDLING OF THE RESULT FOR THE FINANCIAL YEAR, THE PURCHASE OF OWN SHARES AND THE REPAYMENT OF SUBORDINATED LOANS

Toivo Group Plc's earnings per share were EUR 0.07 (0.01). Toivo Group Plc's distributable funds as of 31 December 2025 were EUR 26.1 (25.7) million. The Board of Directors proposes to the Annual General Meeting that a dividend of EUR 0.03 per share be distributed. The Board of Directors proposes to the Annual General Meeting that the dividend be paid in one instalment. There have been no significant changes in the company's financial position after the end of the financial year.

The Board of Directors of Toivo Group Plc has decided to commence the repurchase of Toivo's own shares on the basis of the authorisation granted by the Annual General Meeting held on 10 April 2025. The key conditions of the buy-back programme are:

- The share buy-back programme will begin on 2 March 2026 at the earliest and will end on 31 December 2026 at the latest.
- A maximum of EUR 500,000.00 will be spent on the purchase of shares.
- The shares will be acquired in a proportion other than that of the shareholders' holdings at the market price at the time of acquisition in public trading on Nasdaq Helsinki Oy. Own shares will be repurchased using the Company's untied equity capital.
- The aim of buybacks is to maintain an efficient capital structure and to improve the yield of shareholders. The acquired shares will be cancelled.

The Board of Directors of Toivo Group Plc has decided to set as its objective the gradual repayment of subordinated loans in the Company's balance sheet during 2026–2028.

The purpose of repaying subordinated loans is to increase the efficiency of the Company's capital use, reduce financing costs and improve the return on equity. At the same time, the Company pays attention not only to the conditions for repaying subordinated loans in accordance with Chapter 12 of the Limited Liability Companies Act, but also to the Company's liquidity, business capital needs and the ability to pay dividends.

The gradual repayment of subordinated loans may be possible because, if successful, the Company's current strategy binds less than previously and/or releases capital without compromising profitability. The amount of subordinated loans at the end of the financial year 2025 was approximately EUR 16.8 million, and they are part of the Group's equity, which increased by approximately EUR 4.0 million during the financial year 2025. The Group's cash and cash equivalents at the end of the financial year 2025 amounted to approximately EUR 13.2 million excluding available operational credit facilities.



TOIVO GROUP PLC  
**Financial  
Statements 2025**

# Consolidated income statement, IFRS

EUR thousand	Notes	1 January–31 December 2025	1 January–31 December 2024	EUR thousand	Notes	1 January–31 December 2025	1 January–31 December 2024
Revenue	2, 3	61,709	39,810	<b>Earnings per share calculated from the profit belonging to the parent company owners</b>			
Changes in the fair values of, and profit and loss on the disposal of, investment properties	12	1,768	-505	Basic and diluted earnings per share, EUR	11	0.07	0.01
Other operating income	4	32	25	<b>THE GROUP'S STATEMENT OF COMPREHENSIVE INCOME</b>			
Raw materials and services	5	-46,114	-27,730	<b>Financial year profit (loss)</b>		<b>4,289</b>	<b>734</b>
Staff expenses	6, 25	-4,032	-3,026	<b>Other comprehensive income</b>			
Depreciation, amortisation and reduction in value	7	-102	-113	Items that may be subsequently reclassified to profit or loss		-	-
Other operating expenses	8	-5,220	-3,917	Translation differences		-	-27
<b>Operating profit (loss)</b>	1.8	<b>8,041</b>	<b>4,543</b>	<b>Other comprehensive income for the financial year</b>		<b>-</b>	<b>-27</b>
<b>Share of the result of associated companies</b>	1.4	<b>58</b>	<b>-160</b>	<b>Total comprehensive income for the financial year</b>		<b>4,289</b>	<b>707</b>
Financial income	9	271	243	<b>Distribution of total comprehensive income for the financial year</b>			
Financial expenses	9	-2,578	-4,340	Parent company owners		4,273	720
<b>Net financial expenses</b>		<b>-2,307</b>	<b>-4,097</b>	Non-controlling interests		-17	-13
<b>Profit (loss) before taxes</b>		<b>5,792</b>	<b>286</b>				
Current tax based on the financial year's taxable income	10	-913	-1,076				
Deferred taxes, change	10	-589	1,524				
Income taxes, total		-1,502	447				
<b>Financial year profit (loss)</b>		<b>4,289</b>	<b>734</b>				
<b>Distribution of the profit (loss) of the financial year</b>							
Parent company owners		4,273	747				
Non-controlling interests	1.4	-17	-13				

# Consolidated balance sheet, IFRS

EUR thousand	Notes	31 Dec 2025	31 Dec 2024
<b>ASSETS</b>			
<b>Non-current assets</b>			
Investment properties	12	113,477	108,035
Right-of-use assets	13	8	41
Tangible assets	14	233	216
Intangible assets	15	19	11
Financial assets	17		
Derivatives	20–22	120	120
Equity method investments	1	71	1,758
Deferred tax assets	10	377	481
<b>Non-current assets, total</b>		<b>114,305</b>	<b>110,661</b>
<b>Current assets</b>			
Inventories	16	25,710	10,520
Rent, trade and other receivables	13, 17–18	15,408	11,594
Cash and cash equivalents	17	13,194	11,693
<b>Current assets total</b>		<b>54,311</b>	<b>33,806</b>
<b>ASSETS, TOTAL</b>		<b>168,617</b>	<b>144,467</b>
<b>EQUITY</b>			
Ordinary shares		1,000	1,000
Subordinated loans		16,801	17,051
Share premium account		21,132	20,998
Translation differences		-	-
Retained earnings		34,686	30,117
<b>Equity belonging to the owners of the parent company</b>		<b>73,618</b>	<b>69,166</b>
Non-controlling interests		198	268
<b>TOTAL EQUITY</b>	19	<b>73,816</b>	<b>69,434</b>

EUR thousand	Notes	31 Dec 2025	31 Dec 2024
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Financial institution loans	20–22	55,005	34 341 <sup>1</sup>
Lease liabilities	13, 20	7,527	7,911
Loans granted to associates	20, 25	-	-
Other financial liabilities and other non-current liabilities	20	780	591
Provisions	24	345	169
Deferred tax liabilities	10	4,925	4,409
<b>Non-current liabilities total</b>		<b>68,581</b>	<b>47,420</b>
<b>Current liabilities</b>			
Financial institution loans	20–22	5,098	15 300 <sup>1</sup>
Lease liabilities	13, 20	598	649
Loans granted to associates	20, 25	102	106
Trade and other payables	20, 22	19,712	10,319
Provisions	24	345	169
Tax liabilities based on taxable income for the financial year	23	364	1,071
<b>Current liabilities total</b>		<b>26,219</b>	<b>27,613</b>
<b>LIABILITIES, TOTAL</b>		<b>94,800</b>	<b>75,033</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>168,617</b>	<b>144,467</b>

<sup>1</sup> The classification of financial institution loans for the reference period has been adjusted as stated in Note 20.2.

# Consolidated statement of cash flows, IFRS

EUR thousand	Notes	1 Jan–31 Dec 2025	1 Jan–31 Dec 2024	EUR thousand	Notes	1 Jan–31 Dec 2025	1 Jan–31 Dec 2024
<b>Cash flows from operating activities</b>				<b>Investing cash flows</b>			
Profit or loss for the financial year		4,289	734	Investments in investment properties	12	-24,238	-5,445
<i>Adjustments:</i>				Acquisitions of tangible assets		-80	-180
Changes in the fair values of investment properties and gains and losses on the disposal of investment properties		-1,768	1,754	Proceeds from the disposal of tangible assets		-16	-6
Depreciation, amortisation and reduction in value	7	102	113	Investments in associated companies		-1	-1,870
Finance income and cost	9	2,287	4,097	Divestment of associated company		1,971	
Result of associated company		-58	160	Sales of investment properties	12	7,317	12,346
Other		303	395	<b>Investing cash flow (B)</b>		<b>-15,046</b>	<b>4,846</b>
Income tax expense	10	1,502	-447	<b>Cash flows from financing activities</b>			
Cash flows before changes to net working capital and financial items		6,658	6,805	Proceeds from subordinated loans	19, 25	-	-
Change to net working capital:				Proceeds from shares issued	19	-	-
Rent and trade and other receivables increases (-)/decreases (+)		-8,013	-5,963	Dividends paid		-	-
Increases (-)/decreases (+) to inventories		-7,501	2,758	Proceeds from financial institution borrowings		24,250	3,916
Increases (-)/decreases (+) to current payables with no interest		8,979	4,501	Proceeds from other borrowings		365	22
Cash flows before financial items		124	8,101	Repayments of borrowings		-4,142	-5,618
Interest paid		-2,915	-4,060	Repayments of other borrowings		-253	-2,500
Interest received		129	79	Loan receivables from associated companies		413	2,916
Income tax paid		-944	-760	Repayments of lease liabilities		-479	-609
<b>Net operating cash flow (A)</b>		<b>-3,607</b>	<b>3,361</b>	<b>Net financing activity cash flow (C)</b>		<b>20,153</b>	<b>-1,873</b>
				<b>Changes in cash flows (A+B+C)</b>		<b>1,501</b>	<b>6,334</b>
				<b>Cash and cash equivalents and bank overdrafts at beginning of year</b>		<b>11,693</b>	<b>5,359</b>
				<b>Cash and cash equivalents and bank overdrafts at end of year</b>		<b>13,194</b>	<b>11,693</b>

# Consolidated statement of changes in equity, IFRS

## Equity attributable to the owners of the parent company

EUR 1,000	Notes	Share capital	Capital loans	Share premium account	Translation differences	Retained earnings	Total	Non-controlling interests	Total equity
<b>EQUITY 1 JANUARY 2025</b>		<b>1,000</b>	<b>17,051</b>	<b>20,998</b>	<b>0</b>	<b>30,117</b>	<b>69,166</b>	<b>267</b>	<b>69,433</b>
<b>Comprehensive income</b>									
Financial year profit (loss)						4,273	4,273	17	4,289
Restatements to retained earnings of previous financial years						-	-	-	-
Other comprehensive income					-	-	-	-	-
<b>Total comprehensive income for the financial year</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,273</b>	<b>4,273</b>	<b>17</b>	<b>4,289</b>
<b>Transactions with owners</b>									
Decrease in subordinated loans	19, 25		-250			-	-250	-	-250
Subordinated loan interests	19, 25					-11	-11		-11
Proceeds from shares issued	19			134			134		134
Dividend distribution							-		-
Share bonus system						308	308		308
Changes in non-controlling interests						-	-	-86	-86
<b>Transactions with owners total</b>		<b>-</b>	<b>-250</b>	<b>134</b>	<b>-</b>	<b>297</b>	<b>181</b>	<b>-86</b>	<b>95</b>
<b>Equity 31 December 2025</b>		<b>1,000</b>	<b>16,801</b>	<b>21,132</b>	<b>0</b>	<b>34,686</b>	<b>73,618</b>	<b>198</b>	<b>73,816</b>
<b>EQUITY 1 JANUARY 2024</b>		<b>1,000</b>	<b>17,280</b>	<b>20,998</b>	<b>-27</b>	<b>29,325</b>	<b>68,576</b>	<b>254</b>	<b>68,830</b>
<b>Comprehensive income</b>									
Financial year profit (loss)						720	720	13	734
Corrections to retained earnings						14	14	-	14
Other comprehensive income					27		27	-	27
<b>Total comprehensive income for the financial year</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>27</b>	<b>734</b>	<b>747</b>	<b>13</b>	<b>760</b>
<b>Transactions with owners</b>									
Decrease in subordinated loans	19, 25		-229			-	-229		-229
Subordinated loan interests	19, 25					-187	-187		-187
Proceeds from shares issued	19					44	44		44
Share bonus system						201	201		201
<b>Transactions with owners total</b>		<b>-</b>	<b>-229</b>	<b>-</b>	<b>-</b>	<b>58</b>	<b>-171</b>	<b>-</b>	<b>-171</b>
<b>Equity 31 December 2024</b>		<b>1,000</b>	<b>17,051</b>	<b>20,998</b>	<b>0</b>	<b>30,117</b>	<b>69,166</b>	<b>267</b>	<b>69,433</b>

# Notes regarding the preparation of the consolidated financial statements

## 1 BASIS OF PREPARATION

### 1.1 Basic information about Toivo Group

Toivo Group Plc (hereinafter referred to as “Toivo” or “the Group”) is a Finnish public limited company, established in 2015 in accordance with Finnish legislation (Business ID 2687933-2). The company’s domicile is Helsinki and its registered address is Gransinmäki 6, 02650 Espoo. The shares of the parent company, Toivo Group Plc, were listed on the Nasdaq Helsinki regulated market in summer 2025 (Nasdaq Helsinki).

Toivo is a Finnish operator specialising in construction, real estate development and property ownership. The Group’s mission is to transform the value chain of real estate properties and create a differentiated business model. We develop, build, own and sell apartments, plots, community properties and business premises.

The Board of Directors of Toivo Group Plc approved these financial statements for publication on 25 February 2026. Pursuant to the Finnish Limited Liability Companies Act, shareholders have the opportunity to adopt or reject the financial statements at the General Meeting of Shareholders held after their publication. The General Meeting of Shareholders may also decide to amend the financial statements.

### 1.2 Basis of accounting

These consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) approved by the EU in force on 31 December 2025. International accounting standards refer to the standards approved for application in the EU in accordance with the procedure laid down in Regulation (EC) No. 1606/2002 in the Finnish Accounting Act and the provisions issued pursuant thereto. The Group has not applied any new or amended standard or interpretation already published, prior to its effective date.

The consolidated financial statements are prepared on the basis of original acquisition costs, excluding investment properties and share-based remuneration policies. Further information is presented in Note 6 Personnel expenses and 12 Investment properties. Derivatives are measured at fair value, and changes in their fair value are recognised in financial items through profit or loss. The company has not applied hedge accounting in accordance with IFRS 9. Derivatives are presented as assets when their fair value is positive and as liabilities when their fair value is negative.

The financial statements are presented in EUR thousand, unless otherwise stated. All figures shown are rounded, so the sum of the individual figures may differ from the total shown. The key figures are calculated using exact values. The reference figures in brackets refer to the corresponding period or time of the previous year, unless otherwise stated.

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

### Applicable new and amended standards and interpretations as of 31 December 2025

#### New and amended IFRS accounting standards to be applied in future financial years

#### **Classification and measurement of financial instruments – Amendments to IFRS 9 Financial instruments and IFRS 7 Financial instruments:**

disclosures (applicable to financial years beginning on or after 1 January 2026, earlier application is permitted)

The amendments clarify that the company must apply the settlement date treatment when derecognising a financial asset or financial liability from the balance sheet; they also allow the company to consider that

the financial liability to be paid using an electronic payment system has been settled before the settlement date if certain conditions are met. The amendments clarify the application guidelines concerning the assessment of the characteristics of contractual cash flows of financial assets, including financial assets whose contractual terms may change the timing or amount of contractual cash flows – e.g. financial assets, with so-called ESG characteristics, financial assets with no right of recourse and financial assets that are instruments contractually linked to each other.

### **Annual Improvements to IFRS Accounting Standards –Volume 11**

(applicable to financial years beginning on or after 1 January 2026, earlier application is permitted)

Minor and non-urgent changes made to IFRS accounting standards through the Annual Improvements procedure are collected into a single entity and implemented once a year. The amendments clarify the following standards:

- IFRS 1 First-time adoption of IFRS standards: Hedge accounting by a first-time adopter
- IFRS 7 Financial Instruments: Disclosures – Profit or loss on derecognition; Disclosures on the amortised difference between fair value and transaction price; Disclosures on credit risk in the balance sheet
- IFRS 9 Financial Instruments – Derecognition of lease liabilities from the balance sheet; Transaction price
- IFRS 10 Consolidated Financial Statements – Determination of a de facto agent
- IAS 7 Cash Flow Statements – Consolidation based on acquisition cost

### **Agreements referring to electricity dependant on natural conditions**

- **Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: disclosures** (applicable to financial years beginning on or after 1 January 2026, earlier application is permitted)

The amendments support the application of the exemption for own

use to physical electricity purchase agreements (PPAs), provided that the company has been and is expected to be a net electricity buyer throughout the agreement period. Under certain conditions, the amendments also allow for the designation of virtual PPAs and physical PPAs that do not meet the criteria for an exemption for own use, as hedging instruments in the accounting treatment of cash flow hedging. In addition, the changes introduce new disclosure requirements to help investors assess the impact of PPAs on the company's financial performance and cash flows.

**IFRS 18 Presentation and Disclosure in Financial Statements** \* (applicable to financial years beginning on or after 1 January 2027, earlier application is permitted)

IFRS 18 replaces IAS 1 Presentation of Financial Statements. The key new requirements of IFRS 18 are as follows:

- In the income statement, income and expenses must be classified into three newly defined categories, namely business, investment and financing, and two new subtotals, “operating profit or loss” and “profit or loss before financing and income tax”.
- Notes to the financial statements must be presented on the performance indicators defined by the management. These key figures are subtotals of income and expenses used in public communications to present the management's view of the company's financial performance.
- Presentation of information in the financial statements is based on the specified general requirements for the consolidation and breakdown of information. In addition, companies that itemise expenses in the income statement by function are required to present certain itemisations of expenses in the additional notes.

**IFRS 19 Subsidiaries without Public Accountability: Disclosures**\* and **Amendments to the IFRS 19**\* (applicable to financial years beginning on or after 1 January 2027, earlier application is permitted)

The new standard allows subsidiaries that meet certain requirements to apply IFRS accounting standards by preparing less extensive notes to the financial statements. The standard allows subsidiaries to maintain only one set of accounting records that meet the needs of both their parent company and the users of the financial statements of these companies, which reduces the requirements for information presented in the financial statements.

***Sale or Contribution of Assets between an Investor and its Associate or Joint Venture – Amendments to IFRS 10 Consolidated financial statements and IAS 28 Investments in Associates and Joint Ventures\**** (voluntary application is permitted, entry into force postponed until further notice)

The amendments eliminate the inconsistency between the current guidance on consolidation and the equity method and require the recognition of full profit when the transferred assets meet the definition of business in accordance with IFRS 3 Business Combinations.

The amended accounting standards that entered into force during the financial year 2025 had no significant impact on the Group's result for the financial year, financial position or the presentation of the financial statements.

Toivo has not yet applied the amended standards already published by the IASB, the application of which is mandatory for financial years beginning on or after 1 January 2026. The Group adopts them from the date of entry into force of each standard and interpretation, or if the date of entry into force is different from the first day of the financial year, from the beginning of the financial year following the date of entry into force, provided that they have been approved for application in the EU. Toivo estimates that the amended standards will not have a significant impact on the future consolidated financial statements when they are adopted. During 2026, Toivo will prepare for the application of IFRS 18 in the financial year beginning on 1 January 2027. The Group will assess the impacts of the amendments on the notes and the structure of the income statement in more detail.

### 1.3 Macroeconomic environment

The stabilisation of reference interest rates has levelled out total interest costs. Reference interest rates are actively monitored and updated in forecasts and cash flow statements. Stabilised inflation is reflected in the realisation of procurements of services and materials more according to forecasts. The rise in energy prices has had an impact particularly on the profitability of investment properties, and the management has implemented efficiency measures to incorporate the costs to customer prices and by agreeing on fixed-price electricity contracts.

### 1.4 Consolidation principles of the consolidated financial statements

The consolidated financial statements include the parent company Toivo Group Plc, subsidiaries, shares in joint arrangements (joint operations) and investments in associates in which the parent company has control, joint control or significant influence at the end of the period. Further information on the Group structure is presented in Note 25 Related-party transactions.

#### Subsidiaries

Toivo is considered to have control when, through participation in the company, it is exposed to the company's fluctuating yield or is entitled to its fluctuating yield, and has the ability to influence this yield by exercising its power over the company. Generally, control is based on the parent company's direct or indirect ownership of more than 50% of the subsidiary's voting rights. If the facts or circumstances change later, the Group reassesses whether it still has control. The companies acquired or established during the period are consolidated in the consolidated financial statements from the time that Toivo has acquired control to until the control ceases.

In preparing the consolidated financial statements, the Group's internal transactions, receivables, liabilities, unrealised margins as well as internal profit sharing are eliminated. If a loss is due to reduction in value, unrealised losses are not eliminated.

Subsidiaries are consolidated using the acquisition method. Toivo's subsidiaries are mainly founded by the Group itself. The Group had non-controlling interests in the financial years 2024–2025.

### Joint arrangements

A joint arrangement is an arrangement in which two or more parties have joint control. Joint control is based on an agreement and only exists when decisions concerning significant activities require the unanimous approval of the parties.

A joint arrangement is either a joint operation or a joint venture. A joint venture is an arrangement in which Toivo has rights to the net assets of the arrangement, whereas in a joint operation, Toivo has rights and obligations regarding the assets related to the arrangement. Toivo's all joint arrangements are joint operations. These include housing companies and mutual real estate companies in which the Group has an ownership of less than 100%. In these companies, the shares owned by Toivo entitle the holder to control a certain room space.

Toivo combines, line by line, its share of the assets, liabilities, income and expenses related to the joint operations on the balance sheet, as well as its share of any joint assets and liabilities and income and expenses related to the joint operations. Toivo applies this proportional consolidation method to all joint operations regardless of the Group's ownership interest. If the relatively consolidated companies have items in the statement of comprehensive income or balance sheet that belong only to Toivo or other shareholders, these items are treated in the corresponding way also in Toivo's consolidated financial statements.

### Associated companies

Associated companies are those companies in which Toivo has significant influence. Significant influence usually arises when Toivo owns 20–50% of the voting rights or when Toivo otherwise has significant influence but no control. Investments in associated companies are consolidated in the consolidated financial statements using the equity method, from when the Group gains significant influence to until the significant influence ceases.

Toivo's share of the results of associated companies for the financial year is presented as a separate line item in the consolidated income statement.

During the financial year, Toivo sold the shares of the associated company E-Heat Oy at a purchase price of EUR 1,971,000. In connection with the arrangement, the company also sold a convertible bond receivable of EUR 412,000 from the associated company. The sale was carried out due to regulatory uncertainties related to the associated company's industry and Toivo's strategic focus on the company's core business in residential and community properties.

Toivo's associated companies (Elämäni Kodit 10 Oy and Elämäni Kodit 40 Oy) are subject to restrictions based on ARA and/or interest subsidy legislation. The restricted rental housing is subject to provisions concerning, among other things, the determination of rent, use and distribution of profits.

In restricted properties, the rent is determined in accordance with the cost principle so that the rent charged to the tenants covers the expenses arising from the financing of rental housing and related premises as well as appropriate property maintenance, taking into account other potential profits.

In financing these projects, the associated companies have utilised interest subsidy loans with a guarantee granted by the Finnish State in accordance with applicable legislation.

### Non-controlling interests

Non-controlling interests in the acquiree are recognised on an acquisition-specific basis at an amount corresponding to the non-controlling interests' proportional share of the acquiree's net assets.

The distribution of profit or loss for the financial year to the parent company's shareholders and non-controlling interests is presented in the consolidated statement of comprehensive income. Comprehensive income is allocated to the parent company's shareholders and non-controlling interests, even if this would result in the non-controlling interest

becoming negative. The share of equity attributable to non-controlling interests is presented as a separate item in the balance sheet as part of equity. Changes in the parent company's holding in a subsidiary that do not result in a loss of control are treated as equity transactions.

### 1.5 Foreign currency items

The items included in each subsidiary's financial statements are measured using the currency of the economic environment in which the company is primarily active (the "Operating Currency"). The operating currency of the parent company, Toivo Group Plc, is the euro, which is also the presentation currency of the consolidated financial statements.

Transactions denominated in foreign currencies are translated into euros based on the exchange rates on the date of the transaction. Receivables and liabilities denominated in foreign currencies on the balance sheet are translated using the exchange rates at the end of the reporting period. The resulting exchange rate differences are recognised in profit or loss and presented under financial items.

### 1.6 The most significant decisions made by management based on discretion, and key uncertainties

The preparation of IFRS financial statements requires the management to make decisions based on discretion and to use estimates and assumptions. These affect the amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the end of the period, as well as the amounts of income and expenses during the reporting period. These estimates and assumptions are based on Toivo's experience and other legitimate factors, such as expectations of future events, taking into account the circumstances at the end of the reporting period and when such estimates and assumptions have been made. Toivo's management believes that the estimates made and the assumptions used are reasonable.

It is possible that the actuals may differ from the estimates and assumptions made. The Group may need to adjust its accounting

estimates if it gains new information or experience, or if the circumstances on which the estimates are based change. Toivo reviews the estimates and background assumptions regularly and records any changes in the estimates and assumptions in the accounts for the financial year during which the estimate or assumption is changed.

The discretionary decisions that Toivo's management has made in applying the accounting policies and which have the greatest impact on the figures presented in the consolidated financial statements relate to the following areas:

- the classification of the Group's property holdings as investment or inventory properties based on the purpose of use of each property (see Note 12.1 Accounting policy/Classification of properties)
- the classification of leases on the Group's plots as operational leases or finance leases. Toivo's view is that all of the Group's leases are operational leases, as the risks and benefits of ownership in them are not transferred to the lessees in all material respects (see note 13.1 Accounting policy/A) Toivo as the lessor).
- when the investment property or properties are deemed to meet the classification requirements for being available for sale (see note 12.1 Accounting policy/Properties classified as being available for sale)

In projects recognised as revenue over time, the income is usually based on a contract agreement and the project's income forecast is regularly assessed. The total costs of the project, on the other hand, are based on the management's best estimate of the development of the total costs required to complete the project. The project's actual income and costs as well as the estimated end result are monitored regularly on a monthly basis.

The value of completed but unsold properties in inventories is their acquisition cost or the lower probable selling price. When assessing the probable selling price, the management takes into account the market situation and possible demand for the property to be sold.

The key uncertainties related to the Group's assumptions and estimates that cause a significant risk of changes in the carrying amounts of assets and liabilities during the following financial year are related to the fair value measurement of investment properties (see Note 12 Investment properties).

### 1.7 Determination of fair values

The application of some of Toivo's accounting policies for consolidated financial statements and the preparation of information presented in the financial statements require the determination of fair values. Fair value is the price that would be received from the sale of an asset or paid for the transfer of a liability between market participants in an orderly transaction carried out on the valuation date. Fair values are classified in levels 1, 2 or 3 of the fair value hierarchy. These levels describe the significance of the input information used in the valuation methods, based on the input information at the lowest level, which must be marked as follows with regard to the entire valuation:

- Level 1: the fair value is calculated based on quoted (unadjusted) prices of identical assets or liabilities in the operating market to which Toivo has access on the valuation date.
- Level 2: Fair value is calculated based on input information other than quoted prices belonging to Level 1 and that are observable for an asset or liability either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: Fair value is calculated based on input information that is not observable for the asset or liability (non-observable input information).

### 1.8 Operating profit

Toivo's view is that operating profit is an important subtotal for understanding the Group's financial development. As the IFRS standard does not define the concept of operating profit, Toivo has defined it as follows:

Operating profit is the net amount that is generated when:

- + other revenue from the business is added to revenue, adding/deducting
- changes in the fair values of, and profit and loss on the disposal of, investment properties
- costs of materials and services
- staff expenses
- depreciation, amortisation and reduction in value, and
- other operating expenses.

All other items recognised in profit or loss are presented under the operating profit line

## 2 OPERATING SEGMENTS

### 2.1 Accounting policy

Toivo reports on its business as one entity, i.e. at group level. This is based on the Group's business model and the fact that Toivo's yield and resource situation has been assessed previously and will continue to be assessed as a whole. The Group's reporting model and governance structure are also based on this approach. With its own team, the Group manages the entire life cycle of the property, from raw materials to lease negotiations. This means that Toivo has one operating segment to report. Toivo's chief operating decision-maker is the Group's Management Team.

## 3 REVENUE

### 3.1 Accounting policy

Toivo's revenue for the financial year 2025 consisted of rental income, property sales revenue, revenue from project management contracting and construction services and other revenue. Toivo continued to develop its business model during the financial year 2025. The Group primarily focuses on rental housing, care property development services and project management contracting mainly in the Helsinki Metropolitan Area, the Tampere region and Northern Finland.

Finding suitable real estate projects is essential for Toivo's business

model. The Group mainly implements its property development projects as new construction by building the planned properties on the plots it owns or leases. Obtaining building permits is essential for scheduling and planning the project.

### **Lease income**

Toivo leases plots, apartments and business premises to its customers in Finland's growth centres. Toivo rents apartments for both long-term and short-term accommodation. Toivo also leases its apartments to operators who then lease the apartments as furnished apartments. All of the Group's leases are classified as operating leases. In practice, Toivo's rental income consists of rents for premises and is recognised as equal instalments during the lease period. Share of other income included in rental income (sauna and parking fees, car sharing) is low. The increases in the Group's leases are mainly linked to the cost of living index. Any alterations to the leased premises carried out by the Group on behalf of the tenant are either deducted from the rental security deposit or charged to the tenant as a rent increase. See also Note 13.1 Accounting policy/A) Toivo as the lessor.

Toivo records the effects of rent-free periods and rent discounts as equal instalments for the lease period, if these have been agreed in the original lease agreement. If the Group has granted a rent reduction at the tenant's request, for example due to the market situation, the effect is recognised for the remaining lease period.

### **Project management contracting**

The company implements its property development projects either through its own project management contracting, shared contracting or turnkey contracting. A decision on the implementation method is made separately in each project before granting the building permit. In its own project management contracting, Toivo uses several different contractors to build the property. In shared contracting, on the other hand, the Company distributes the project to a few, typically approximately 2–5 different construction industry operators. In turnkey contracting, Toivo

orders the project as a turnkey contract from once contract with one agreement. Project management contracting is carried out for the Group's associated companies, such as Elämäni Kodit 40 Oy and the subsidiaries of Elämäni Kodit 10 Oy. In the financial year 2025, project management contracting was also carried out outside the Group.

In project management contracting projects, Toivo usually agrees with the customer on the planning and management tasks of the construction project management contract for the property owned by the customer. Contract projects may have several different work phases and tasks, but they nevertheless form one integrated service package, which is thus treated as one performance obligation. No variable considerations have been agreed in the agreement. Toivo's payment terms may vary somewhat in different projects, but the given payment period is always clearly less than one year in length. Thus, the contracts do not include a significant financial component.

Project management contracting projects are recognised as revenue over time. In this case, the revenue and expenses of projects are recognised as income and expenses based on the occupancy rate, when the project's outcome can be reliably estimated. The occupancy rate is determined by calculating the proportional share of the total estimated expenditure of each project incurred by the balance sheet date. Income is recognised in the amount corresponding to the occupancy rate. If it is probable that the total expenditure required to complete the project will exceed the total revenue from the project, the expected loss is recognised immediately as an expense. Toivo uses instalment tables for invoicing.

### **Real estate development services**

These services consist of expert work related to the spatial and structural design of construction projects. The real estate development service constitutes one performance obligation. The invoicing of the construction service, i.e. the transaction price, is based on the cost level approved by the authorities. The agreement does not include variable considerations or a significant financial component. According to the Group's estimate,

approximately half of the expenses related to real estate development services are incurred in planning work before the construction of the property at the construction site begins, and the rest during the construction period with, for example, site supervision. Thus, Toivo also records approximately half of the total amount of these revenues at the start of the project and the rest during the construction period according to the progress of the project, thus far, practically quarterly.

### Sales of properties

During the financial year 2024–2025, Toivo realised properties intended for direct sale. Toivo acts as the developer in these projects. The sale of the properties is recognised as revenue at one point in time in accordance with the transfer when control of the property is transferred to the buyer. The projects realised during the financial year and the previous financial year were residential properties. The company has been able to take out so-called RS loans for self-developed projects. These are loans from financial institutions that have been granted for designated residential buildings under certain conditions. RS loans are loans during the construction period that are allocated to housing shares intended for sale and, in such projects, the total purchase prices received from the sale of housing-share apartments, i.e. the transaction prices, include both the purchase prices paid by customers and the RS loan shares allocated to the apartments. The RS loan shares allocated to the apartments are transferred from the company to the buyer in connection with the sale of the housing share, and they are taken into account in revenue recognition as part of the transaction price. For self-funded RS loans, the RS loans drawn for unsold apartments are presented in the balance sheet under Trade and other payables and are itemised in Note 23. The advances received also show the purchase prices paid by customers. Advances received after the completion of the project are recognised as revenue. Revenue from self-developed housing construction is recognised as revenue at one time when the property is completed, when control of the apartment is transferred to the customer.

Revenue has been adjusted for indirect taxes and sales adjustment items.

### Plot leasing

The Group leases plots for residential construction. The Group acquires either an individual plot or a larger area of land and leases the plots to individually selected customers. The customers are private individuals, housing companies or real estate developers. A land lease agreement is usually 50 years long and is very similar in content to the land lease agreements used by the cities.

Toivo records the effects of rent-free periods and rent discounts as equal instalments for the lease period, if these have been agreed in the original lease agreement. If the Group has granted a rent reduction at the tenant's request, the effect is recognised for the remaining lease period.

### 3.2 Breakdown of revenue

EUR thousand	2025	2024
Lease income	5,385	7,376
Project management contracting	40,817	24,917
Real estate development services	354	-9
Sales of properties	14,880	7,308
Other sales	273	218
<b>Total</b>	<b>61,709</b>	<b>39,810</b>

In the financial year 2025, Toivo had 1 individual customer (3 individual customers in the financial year 2024), whose share of revenue was more than 10%.

During the financial years 2024–2025, the Company sold individual plots, individual housing shares and entire properties.

The advances received include EUR 5,679,000 in advance payments received from construction projects in progress that exceed the turnover according to the completion rate, which are recognised as revenue in the financial year 2026. In the balance sheet, advances received are included in trade payables and other financial liabilities.

Revenue recognised during the financial year that has been included in the advances received at the beginning of the period is EUR 2,259,000 (10,741,000).

### 3.3 Information concerning geographical areas

The Group's revenue has been entirely accumulated in Finland, and all of its assets are in Finland.

## 4 OTHER OPERATING INCOME

### 4.1 Accounting policy

Other operating income includes income not related to Toivo's core business activities, such as received compensation for damages or other exceptional income.

### 4.2 Other operating income

EUR thousand	2025	2024
Received compensation for damages	17	10
Other operating income	16	15
<b>Total</b>	<b>32</b>	<b>25</b>

## 5 MATERIALS AND SERVICES

### 5.1 Accounting policy

The acquisition cost of properties acquired or constructed for sale is determined on the basis of purchase costs, which are adjusted through the item Change in inventories.

### 5.2 Breakdown of material and service costs

EUR thousand	2025	2024
Purchase costs	-17,901	-6,859
External services	-28,213	-20,871
<b>Total</b>	<b>-46,114</b>	<b>-27,730</b>

The structure of expenses included in purchase costs was changed in the financial year 2025. Comparison data for the financial year 2024 updated to reflect the new purchase cost structure.

The increase in purchase costs for the financial year 2025 and the increase in the amount of external services compared to the previous financial year 2024 is due to the increase in revenue.

## 6 STAFF EXPENSES

### 6.1 Accounting policy

Staff expenses in the consolidated income statement include expenses for short-term employee benefits, post-employment benefits, other long-term employee benefits <sup>1</sup>, termination benefits <sup>1</sup> and the share-based incentive scheme.

Short-term employee benefits include salaries, premiums, fringe benefits, annual holidays and bonuses. Some of Toivo's personnel have a performance-based pay scheme. The Group recognises the expenses arising from these benefits for the period in which the employees perform the work in question.

Benefits after the termination of employment are paid to their recipients after the termination of employment. In the Group, these benefits consist of pensions. Pension plans are classified as either defined benefit- or defined contribution-based plans. Toivo only has defined contribution plans. A defined contribution plan refers to a pension plan where the Group pays fixed contributions to a separate entity and the Group has no legal or constructive obligation to make additional contributions if the life insurance company does not have sufficient funds to pay all pension benefits. Toivo's pension plans are managed by external pension insurance companies. Pension contribution obligations are recognised as expenses in the period in which the employees perform the work in question. The Group recognises advance payments as assets to the extent that they result in a reduction in future pension contributions or a cash refund.

Toivo uses a long-term share-based incentive scheme for key personnel. The determination of the bonus is based on the realisation of Toivo's financial indicators in relation to the set objectives. The bonus is accrued for the respective earning period in Toivo's result, and the increase in equity corresponding to the expense entry is recognised. Further information on the arrangements is presented in Note 25.2 Related-party transactions.

### 6.2 Expenses recognised in profit or loss

EUR thousand	2025	2024
Salaries and fees	-3,497	-2,310
Pension costs (contribution-based plans)	-834	-474
Other indirect employee costs	-152	-41
Share-based incentive schemes	-308	-201
Capitalised production	759	-
<b>Total</b>	<b>-4,032</b>	<b>-3,026</b>

The classification of staff expenses was changed in the financial year 2025. Staff expenses related to the development of investment properties previously presented in the change in the fair value of investment properties are presented in staff expenses. The comparison data for the financial year 2024 is presented in accordance with the new classification. Capitalised production was previously presented under other operating expenses. The change has no impact on operating profit.

The average number of employees in the financial year 2025 was 50; in the financial year 2024, it was 40. The increase in staff expenses is due to the increase in the number of employees.

Information on the remuneration of key personnel belonging to Toivo's management is presented in Note 25 Related-party transactions.

## 7 DEPRECIATION, AMORTISATION AND REDUCTION IN VALUE

### 7.1 Depreciation, amortisation and reduction in value by commodity category

EUR thousand	2025	2024
Intangible assets		
IT software	-5	-5
Other intangible assets	-3	-
	-8	-5
Tangible assets		
Machines and equipment	-94	-108
<b>Total depreciation, owned assets</b>	<b>-102</b>	<b>-113</b>
Right-of-use assets (leased commodities) <sup>1</sup>		-
<b>Total depreciation and amortisation through profit or loss</b>	<b>-102</b>	<b>-113</b>

<sup>1</sup> A breakdown of depreciation by right-of-use asset category is presented in Note 13.3 Items recognised through profit or loss.

## 8 OTHER OPERATING EXPENSES

### 8.1 Accounting policy

Toivo's other operating expenses include expenses that cannot be considered directly related to the operational tasks of the Group's business areas. These expenses include property and business premises, marketing and information system expenses as well as staff-related non-salary expenses.

### 8.2 Breakdown of other business expenses

EUR thousand	2025	2024
Property and premises expenses	-1,991	-2,324
Marketing expenses	-358	-280
System costs	-275	-196
Staff-related non-salary costs	-344	-253
Other items	-2,252	-938
Capitalised production	-	73
<b>Total</b>	<b>-5,220</b>	<b>-3,918</b>

The structure of expenses included in other operating expenses was changed in the financial year 2025. Comparison data for the financial year 2024 updated to reflect the new other operating expenses structure. Capitalised production is presented in personnel expenses from the financial year 2025 onwards.

### 8.3 Auditors' fees

EUR thousand	2025	2024
KPMG		
Auditing	-107	-112
Tax advice	-5	-6
Other services	-	-
<b>Total</b>	<b>-112</b>	<b>-118</b>

## 9 FINANCIAL INCOME AND COST

### 9.1 Accounting policy

Toivo processes interest income and expenses using the effective interest method. The Group capitalises borrowing costs arising from unfinished construction projects in the acquisition cost of properties, see Note 12.1 Accounting policy/Acquisition cost of investment property. Interest expenses on subordinated loans (equity loans) are recognised in equity at the time of payment. Other interest expenses are recognised through profit or loss. Toivo presents all exchange rate differences in financial items. Changes in the fair value of derivatives are recognised in financial items through profit or loss. More detailed accounting policies concerning financial assets and liabilities are presented in Notes 17 Financial assets, 20 Financial liabilities and 22 Management of financial risks.

### 9.2 Items recognised through profit or loss

EUR thousand	2025	2024
Financial income		
Interest rate derivatives	1	28
Other interest income and financial income	271	243
<b>Total financial income</b>	<b>272</b>	<b>271</b>
Financial expenses		
Interest expenses – financial liabilities measured at amortised cost <sup>1</sup>	-2,353	-4,120
Interest rate derivatives	0	0
Other financial expenses	-226	-248
<b>Total financial expenses</b>	<b>-2,579</b>	<b>-4,368</b>
<b>Net financial expenses</b>	<b>-2,307</b>	<b>-4,097</b>

<sup>1</sup> Includes interest expenses mainly on loans from financial institutions and lease liabilities.

## 10 INCOME TAXES

### 10.1 Accounting policy

The Group's tax expense consists of tax based on taxable income for the financial year, any adjustments to income taxes for previous financial years and changes in deferred tax liabilities and receivables. Income taxes are recognised through profit or loss, except when they relate to other items in comprehensive income or items recognised directly in equity. In this case, income tax is also recognised in these items.

Tax based on the Group's taxable income for the period is calculated on the basis of the taxable income determined in accordance with Finnish tax legislation and the tax rate in force (or the tax rate approved in practice by the balance sheet date). This tax is adjusted with any taxes related to previous financial years. Taxes other than income taxes are

included in other operating expenses. Taxable income differs from the reported result in the financial statements, for example, because certain income and expense items are not taxable or deductible at all, or they are taxable or deductible in different years.

Deferred tax is recognised using the debt method:

- in temporary differences between the carrying amounts and tax values of assets and liabilities on the balance sheet date, and
- in unused tax losses and unused tax credits.

The Group's most significant temporary difference arises from the valuation of investment properties at fair value.

Deferred tax liabilities are usually recognised in full in the balance sheet. However, a deferred tax liability is not recognised if it is due to the initial recognition of goodwill, or the initial recognition of an asset or liability when it is not a business combination and the transaction does not affect the accounting result or taxable income at the time of the transaction, and does not result in similar taxable and tax-deductible temporary differences at the time of the transaction. Deferred taxes on investment properties are recognised after the acquisition date as the difference between the fair value of the investment property owned by a real estate company belonging to the Group and the taxable value of the investment property on which the taxation of the real estate company in question is based (acquisition cost not depreciated in taxation).

Leases are typically transactions in which an asset and a liability are initially recognised to create a taxable and tax-deductible item of the same amount. Toivo recognises the tax expense or income arising from this difference through profit or loss and presents it as a deferred tax asset in the balance sheet.

A deferred tax liability is recognised for investments in subsidiaries, unless Toivo is able to determine when the temporary difference will be

reversed and the temporary difference is not likely to be reversed in the foreseeable future.

Deferred tax assets are recognised in taxation from deductible temporary differences only to the extent that it is probable that future taxable income will arise against which Toivo can utilise the temporary difference.

- Tax assets recognised in the balance sheet: At the end of each reporting period, the Group reassesses the likelihood and amount of the utilisation of these tax assets. If the tax benefit is no longer probable to some extent, Toivo recognises a deduction from the carrying amount of the deferred tax asset.
- Deferred tax assets not recognised on the balance sheet: Toivo reassesses these items at the end of each period. They are recognised in the balance sheet to the extent that it has become probable that the receivables in question can be utilised against future taxable income.

Toivo determines deferred tax assets and liabilities by using the tax rate (and tax laws) that are likely to apply in the year in which the asset is realised or otherwise utilised or the liability is settled. The tax rate used is the corporate tax rate valid on the end date of each reporting period or the tax rate for the year following the financial year, if it has been approved in practice by the end date of the reporting period.

The Group's management assesses the decisions made in the income tax return and the associated uncertainty if the tax legislation is open to interpretation. In this case, Toivo recognises tax provisions, if necessary, for the amount that is likely to be paid. This is based on the Group's interpretation of the application of tax laws and the management's judgement.

## 10.2 Income tax recognised through profit or loss

EUR thousand	2025	2024
Current tax based on the financial year's taxable income	-913	-1,076
Deferred taxes, change	-589	1,524
<b>Total</b>	<b>-1,502</b>	<b>447</b>

## 10.3 Reconciliation between income tax expense and income tax calculated at the tax rate applicable in Finland

EUR thousand	2025	2024
<b>Profit (Loss) before income tax</b>	<b>5,792</b>	<b>286</b>
Tax calculated at the tax rate applicable in Finland (20%)	-1,158	-57
Non-deductible expenses	-189	-221
Income taxes for previous years	86	104
Use of unrecognised confirmed losses from previous years	-	918
Unrecognised deferred tax assets on taxable losses	-241	-296
Other items		
<b>Total</b>	<b>-1,502</b>	<b>447</b>
<b>Income tax recognised through profit or loss</b>	<b>-1,502</b>	<b>447</b>

## 10.4 Changes in deferred tax assets and liabilities

EUR thousand	1 January 2025	Recognised through profit or loss	Other changes	31 December 2025
<b>Deferred tax assets</b>				
Losses confirmed in taxation	104	3	-	107
Lease liabilities	1,979	15	-	1,994
Right-of-use assets	-1,933	-0	-	-1,933
<b>Total leases</b>	<b>46</b>	<b>14</b>		<b>59</b>
Other items	331	-121	-	210
<b>Total</b>	<b>481</b>	<b>-104</b>	<b>-</b>	<b>377</b>
<b>Deferred tax liabilities</b>				
Investment properties	-4,590	-381	-	-4,971
Lease income	-	-	-	-
Subordinated loan interests	-98	-109	-	-207
Investment properties available for sale	-	-	-	-
Other items	281	-26	-	255
<b>Total</b>	<b>-4,408</b>	<b>-516</b>	<b>-</b>	<b>-4,925</b>
EUR thousand	1 January 2024	Recognised through profit or loss	Other changes	31 December 2024
<b>Deferred tax assets</b>				
Losses confirmed in taxation	23	81	-	104
Lease liabilities	1,619	361	0	1,979
Right-of-use assets	-1,581	-352	-	-1,933
<b>Total leases</b>	<b>37</b>	<b>9</b>		<b>46</b>
Other items	207	124	-	331
<b>Total</b>	<b>267</b>	<b>214</b>	<b>-</b>	<b>481</b>
<b>Deferred tax liabilities</b>				
Investment properties	-4,850	261	-	-4,590
Lease income	-	-	-	-
Subordinated loan interests	-156	58	-	-98
Investment properties available for sale	-1,027	1,027	-	-
Other items	334	-52	-	281
<b>Total</b>	<b>-5,699</b>	<b>1,293</b>	<b>-</b>	<b>-4,408</b>

## 11 EARNINGS PER SHARE

### 11.1 Accounting policy

The basic earnings per share are calculated by dividing the profit (loss) for the financial year attributable to the owners of the parent company by the weighted average number of outstanding ordinary shares (during the financial year), excluding any own shares held by Toivo.

When calculating diluted earnings per share, the dilutive effect of all potential shares is taken into account in the weighted average number of outstanding shares.

### 11.2 Basic and diluted earnings per share

	2025	2024
Profit for the financial year attributable to the owners of the parent company, EUR thousand	4,273	747
Weighted average number of outstanding shares during the financial year (1,000 shares)	58,656	58,613
Weighted average number of outstanding shares during the financial year calculated with the dilutive effect (1,000 shares)	59,101	58,810
<b>Basic earnings per share (EUR/share)</b>	<b>0.07</b>	<b>0.01</b>
<b>Diluted earnings per share (EUR/share)</b>	<b>0.07</b>	<b>0.01</b>

Toivo carried out a free share issue on 13 March 2025, which increased the number of shares from 58,759,559 to 58,979,559. The share issue carried out on 13 March 2025 is in preparation for the needs of the Company management's share-based incentive system.

## 12 INVESTMENT PROPERTIES

### 12.1 Accounting policy

#### Definition of investment property

An investment property is defined as a piece of land, a building or a part thereof that Toivo holds in order to acquire rental income, an increase in the value of assets or both. The aforementioned asset may be owned directly or in a corporate form.

#### Classification of properties

Toivo's investment properties include completed and incomplete residential, commercial and care properties, leased plots and a plot reserve. Any properties classified as being available for sale and inventories belong to Toivo's property portfolio, but are not included in the balance sheet item Investment properties. The property is transferred from other asset categories to Investment properties or from this item to other asset categories when the purpose of use is changed. Toivo will transfer the property from the Investment properties item to the Investment properties available for sale item when the sale of the property is considered to be highly probable. Properties acquired for sale or under construction are included in the consolidated balance sheet under Inventories. Toivo also carries out construction projects on leased plots, which are presented as inventories but are measured in accordance with IFRS 16. The accounting principle related to lease plots is described in more detail under Leases.

#### Investment property acquisition cost

Toivo initially values investment properties at acquisition cost. The acquisition cost includes:

- purchase price of the property
- plot rental expenses
- transaction costs, such as expert fees and transfer taxes; and
- borrowing costs, such as interest expenses and arrangement fees, that are directly attributable to the acquisition or construction of investment property.

Capitalisation of borrowing costs begins when the construction of a new building begins and ends when the asset is substantially ready for lease or sale. Toivo's capitalisable borrowing costs are accumulated from loans taken out for construction projects. Borrowing costs are recognised as an addition to the balance sheet item Advance payments and unfinished purchases, and they are transferred to Investment properties as part of the property's acquisition cost once the property is completed.

### **Fair value calculation model and valuation process**

#### *Completed investment properties*

Toivo measures investment properties at fair value after initial recognition. The fair values of the Group's investment properties are determined on a site-by-site basis by an independent external valuer. In 2025 and 2024, the valuations were prepared by Catella Property Oy. The valuer has used a 10-year cash flow analysis model to determine the fair values of investment properties. Thus, all of the Group's investment properties are classified in level 3 of the fair value hierarchy (for the definition of levels, see Note 1.7 Determination of fair values). Changes in value are recognised in the period in which the changes in value are recognised, and presented through profit or loss (item Changes in the fair values of, and profit and loss on the disposal of, investment properties).

#### *Investment properties under construction*

Properties under construction are classified as investment properties. The change in fair value of investment properties under construction is presented as the proportion of the project's estimated development profit corresponding to the completion rate. The development profit is obtained by deducting the estimated construction costs from the fair value of the completed property in accordance with the valuation book. Completed properties are recognised at fair value based on an appraisal book prepared by an external operator.

Changes in the value of properties under construction are recognised

through profit or loss in the same way as changes in the fair value of completed assets (item Changes in the fair values of, and profit and loss on the disposal of, investment properties).

### **Business combinations and acquisitions of assets**

Acquisitions of investment properties are accounted for either as acquisitions of an asset (or asset group) or as business combinations. Deciding whether the case is a business combination requires the management's judgement.

### **Properties classified as being available for sale**

Toivo will transfer the property from the Investment properties balance sheet item to the Investment properties available for sale item when sale is considered to be highly probable. In this case, the amount corresponding to the carrying amount of the property is estimated to be accumulated mainly from the sale of the property instead of it being accumulated in lease use. The following conditions must be met to qualify as held for sale:

- sale is considered to be highly likely
- the investment property is immediately available for sale in its current condition under the general and customary terms and conditions
- Toivo's management is committed to an active property sales plan and the Group has launched a project to find a buyer and implement the sales plan
- the investment property is actively marketed at a price that is reasonable in relation to its fair value; and
- the sale is expected to be completed within one year of classification.

Investment properties classified as being available for sale are still measured at fair value after the classification.

## Derecognition of an investment property from the balance sheet

An investment property is derecognised from the balance sheet when it is disposed of or when it is permanently decommissioned and no future financial benefit is expected from its disposal. A property owned by Toivo is considered sold when the significant risks and benefits related to ownership have been transferred from the Group to the buyer. Usually, this happens when control of the shares is transferred. In the consolidated income statement, profits and losses on disposals are included in the item Changes in the fair values of, and profit and loss on the disposal of, investment properties.

### 12.2 Assumptions and uncertainties

The Group's management exercises discretion in assessing whether the fair values presented for investment properties reflect their actual fair values as reliably as possible. Catella Property Oy delivers annual appraisal documents for investment properties owned by Toivo Group Plc. The Group's management reviews the factors affecting the fair values of investment properties on a quarterly basis and, if necessary, requests an external valuer to reassess them, if it deems it appropriate to update the fair values of investment properties so that they reflect the actual market value of the property. The external valuer also presents its view on the need to change the fair values of investment properties on a quarterly basis. See also Note 12.9 Uncertainty factors related to the parameters used in cash flow calculations and sensitivity analysis.

### 12.3 Toivo's property portfolio

Toivo's property portfolio mainly consists of rental housing. The property portfolio also includes plots of land, business premises and care facilities for lease, to a minor extent. All Toivo's rental apartments are located in Finland, mainly focused around growth centres, such as the Helsinki Metropolitan Area, Turku and Tampere. Toivo's property portfolio mainly includes new and fairly new apartment blocks, but also, to a minor extent, terraced houses, balcony access blocks and semi-detached houses. The Group's strategic focus is on new, small

and reasonably priced apartments and care facilities in good and attractive locations in growth centres.

The total fair value of the company's existing investment properties and concluded agreements is approximately EUR 404 million, and the total financing requirement is approximately EUR 320 million. The Company has already financed some of this and will finance the remainder with debt and equity financial instruments and through the sale of properties.

### 12.4 Lease income and maintenance costs

Maintenance costs are caused by, for example, property maintenance, repairs and energy consumption.

Management expenses are recognised as expenses for the period to which they are allocated in accordance with the accrual basis.

Lease income and maintenance costs related to investment properties are presented below:

EUR thousand	Gross lease income		Net lease income		Maintenance costs	
	2025	2024	2025	2024	2025	2024
Toivo Maat Suomi Oy	194	186	186	173	-8	-13
Toivo Group Plc	45	28	-6	-22	-51	-51
Toivo Kodit Oy	4,163	6,182	2,545	4,328	-1,618	-1,854
Toivo Living Oy	259	246	205	221	-54	-25
Toivo Liiketilat Oy	230	241	149	153	-81	-89
Toivo Rakennuttaminen Oy	88	87	-15	-16	-103	-103
Toivo Projektihallinta Oy	43	34	10		-34	
Toivo Majoitus Oy	345	260	305	234	-40	-25
ALV-yhtymä Elämäni Kodit Oy ja Toivo Kodit Oy	101	102	-21	-27	-123	-129
<b>Total</b>	<b>5,470</b>	<b>7,366</b>	<b>3,358</b>	<b>5,043</b>	<b>-2,112</b>	<b>-2,289</b>

The lease income and management costs of these companies also include the lease income and management costs of their potential own subsidiaries.

As the properties owned by Toivo are mainly new or fairly new, they are also in good technical condition according to the Group's assessment and will not be subject to significant repair needs in the coming years.

The decrease in net rental income is due to the change in occupancy rate and investment properties sold in the previous financial year, which has resulted in a decrease in net rental income.

## 12.5 Acquisitions and sales of investment properties

In 2025, Toivo acquired plots and lease rights, and none of these acquisitions were significant when reviewed individually. The Group has treated the acquisitions of investment properties as acquisitions of assets, as these were not entities that could be regarded as business.

During the financial year, the company sold two significant investment properties. The sales were carried out for both business reasons and risk management reasons. In addition, the company sold plots included in investment properties by selling two low-rise building plots and one investment property under construction that was not significant.

## 12.6 Completed investment properties

EUR thousand	2025	2024
Fair value of completed investment properties on 1 January	92,671	130,211
Sales during the financial year	-17,686	-39,582
Transfers from properties under construction	29,310	-
Right-of-use assets (leased plots of land)	-1,382	1,700
Change in fair values	-210	341
<b>Fair value of completed investment properties, 31 December</b>	<b>102,703</b>	<b>92,671</b>

Changes in the fair values of investment properties as well as capital gains and losses were better than in the reference period due to the increase in the volume of projects added to the company's own balance sheet.

## 12.7 Investment properties under construction

EUR thousand	2025	2024
Fair value of investment properties under construction on 1 January	15,365	8,171
Increases/Decreases	24,387	5,283
Sales during the financial year	-805	-
Transfers to completed investment properties	-29,310	-
Right-of-use assets (leased plots of land)	-1,508	116
Development profit	2,645	1,795
<b>Fair value of investment properties under construction on 31 December</b>	<b>10,774</b>	<b>15,365</b>
<b>Total fair value of investment properties on 31 December</b>	<b>113,477</b>	<b>108,035</b>

The fair values of investment properties under construction at the time of acquisition correspond to the acquisition costs of these properties.

## 12.8 Investment properties classified as being available for sale

At the end of the financial years 2025 and 2024, the Group had no investment properties classified as being available for sale.

## 12.9 Fair values: key parameters

The yield requirements for investment properties remained largely at the same level as in the previous year. There were moderate differences in the changes in yield requirements by city. The key parameters used by the external assessor in the cash flow statements for investment properties are presented below:

### Completed investment properties (Apartments)

	2025	2024
Input information:		
Net yield requirement (%)	4.40–5.50%	4.40–5.50%
Market rent (EUR/m <sup>2</sup> /month)	13.6–33.99	12.11–33.91
Maintenance costs (EUR/m <sup>2</sup> /month)	2.24–11.10	2.14–6.70
Average financial occupancy rate for the financial year (%)	80.8–100%	85–100%

### Completed investment properties (Apartments)

	2025	2024
Other important information:		
Total leasable area (m <sup>2</sup> )	21,075	18,404
Inflation assumption (%)	2.0%	2.0%

### Investment properties under construction (Apartments)

	2025	2024
Input information:		
Net yield requirement (%)	5.25%	4.40–5.00%
Market rent (EUR/m <sup>2</sup> /month)	24.19	19.95–25.31
Maintenance costs (EUR/m <sup>2</sup> /month)	2.80	3.00–4.33
Average financial occupancy rate for the financial year (%)		

<b>Investment properties under construction (Apartments)</b>	<b>2025</b>	<b>2024</b>
Other important information:		
Total leasable area (m <sup>2</sup> )	6,769	6,041
Inflation assumption (%)	2.0%	2.0%

<b>Leasable plots</b>	<b>2025</b>	<b>2024</b>
Input information:		
Net yield requirement (%)	5.20–6.10%	5.20–5.50%
Market rent (EUR/m <sup>2</sup> of floor area/month)	2.25–5.82	2.25–4.95
Maintenance costs (EUR/m <sup>2</sup> /month)	-	-
Average financial occupancy rate for the financial year (%)	100%	100%

<b>Leasable plots</b>	<b>2025</b>	<b>2024</b>
Other important information:		
Total leasable area (m <sup>2</sup> of floor area)	6,301	6,850
Inflation assumption (%)	2.0%	2.0%

<b>Completed investment properties (Business premises)</b>	<b>2025</b>	<b>2024</b>
Input information:		
Net yield requirement (%)	7.5–9.25%	7.5–9.5%
Market rent (EUR/m <sup>2</sup> /month)	4.59–13.81	4.30–13.74
Maintenance costs (EUR/m <sup>2</sup> /month)	1.52–8.13	1.56–8.47
Average financial occupancy rate for the financial year (%)	95–100%	80.3–100%

<b>Completed investment properties (Business premises)</b>	<b>2025</b>	<b>2024</b>
Other important information:		
Total leasable area (m <sup>2</sup> )	7,360	7,360
Inflation assumption (%)	2.0%	2.0%

No yield requirement information is available for investment properties under construction (specified in section 12.11).

### 12.10 Uncertainty factors related to the parameters used in cash flow calculations and sensitivity analysis

The most important factors in the fair values of investment properties are the yield requirement, market rents, vacancy rate and maintenance costs. In the financial years 2024 and 2025, Toivo used an independent external valuer, Catella Property Oy, to determine the fair values of investment properties. Catella Property Oy produces estimates of the fair values of investment properties by property.

Changes in the parameters used in the cash flow calculations are directly related to the company's result and financial position through changes in the fair values of investment properties. The discount factor used in cash flow calculations is the market's yield requirement and inflation expectations, which are assessed by region. While the other parameters used in cash flow calculations remain unchanged, the increase in the yield requirement and inflation expectations will lead to a decrease in the fair value of the investment property, and their decrease will lead to an increase in the fair value of the investment property.

Other parameters affecting the fair values of investment properties include estimates of future rental income, maintenance costs, occupancy rate and future investments. Future expectations of a decline in occupancy rates will lower the fair values of investment

properties, and an estimated increase in occupancy rates will increase them. Maintenance costs and any other investments made in properties, such as renovation costs, are reflected in the cash flow statements as a negative income flow and thus reduce the fair values of investment properties.

The fair values of investment properties are subject to changes in the market parameters used in the calculation. The sensitivity of fair values to changes in parameters is described in the following table, which illustrates the effects of changes in market yield requirements on the fair values of the Group's investment properties.

**Change in yield requirement on 31 Dec 2025**

	-10%	-5%	0%	5%	10%
Fair value (EUR thousand)	126,085	119,449	113,477	108,073	103,161
Change (EUR thousand)	12,609	5,972	-	-5,404	-10,316
Change (%)	11.1%	5.3%	0.0%	-4.8%	-9.1%

**Change in yield requirement on 31 Dec 2024**

	-10%	-5%	0%	5%	10%
Fair value (EUR thousand)	120,039	113,721	108,035	102,891	98,214
Change (EUR thousand)	12,004	5,686	-	-5,145	-9,821
Change (%)	11.1%	5.3%	0.0%	-4.8%	-9.1%

**Change in occupancy rate (percentage points) 31 Dec 2025**

	-8%	-6%	-4%	-2%	0%
Fair value (EUR thousand)	104,398	106,668	108,937	111,207	113,477
Change (EUR thousand)	-9,078	-6,809	-4,539	-2,270	-
Change (%)	-8%	-6%	-4%	-2%	0%

**Change in occupancy rate (percentage points) 31 Dec 2024**

	-4%	-3%	-2%	-1%	0%
Fair value (EUR thousand)	99,392	101,553	103,714	105,875	108,035
Change (EUR thousand)	-8,643	-6,482	-4,321	-2,161	-
Change (%)	-8%	-6%	-4%	-2%	0%

The sensitivity analysis includes those properties that have been valued by an external valuer. The sensitivity analysis does not include plots leased by Toivo (right-of-use assets) that are treated as investment properties in the consolidated balance sheet. Thus, the total fair values presented in the sensitivity analysis at the end of the financial years 2025 and 2024 differ from the total balance sheet values of investment properties on 31 December 2025 and 31 December 2024.

The fair values of investment properties are sensitive to changes in the yield requirement. When the yield requirement decreases, the fair value of the investment property increases, and when the yield requirement increases, the fair value of the investment property decreases. Sensitivity analysis involves changing one parameter at a time, but in reality, changes to parameters often occur simultaneously.

Yield requirements for the company's investment properties have changed by less than -10% on an annual basis.

### 12.11 Ongoing projects

Below are the projects started in 2025 or ongoing on 31 December 2025.

Location	Estimated gross investment (EUR thousand)	Realised gross investments by 31 Dec 2025 (EUR thousand)	Completion
Espoo	4,540	4,473	1/2026
Helsinki	24,720	4,927	12/2026

## 13 LEASES

### 13.1 Accounting policy

Toivo acts as both a lessor and a lessee.

#### A) Toivo as the lessor

Toivo leases plots, apartments and business premises to its customers in Finland's growth centres. The Group leases its rental apartments for both long-term and short-term accommodation. The customers are mainly private individuals. All of Toivo's leases are classified as operational leases, as the risks and benefits of ownership are not transferred to the lessees in all material respects. The Group's lease rents are fixed.

As a rule, Toivo's rental agreements with its consumer customers are rental agreements valid until further notice, which can be terminated at any time with a short notice period. The notice period for consumer customers is usually one month. As a rule, land lease agreements concluded by Toivo with its customers are concluded for fifty years at a time, and they end without notice, unless the parties have separately agreed on an extension of the lease period.

Approximately one third of the land lease agreements have a redemption clause (tenant's redemption right). The redemption price is determined at the time of signing the agreement and is tied to the cost of living index. The redemption price of the plot (= fair value) does not decrease even if the cost of living index had decreased. Some plots can be redeemed in several instalments. Throughout the company's history, a small number of customers have wanted to redeem the plot for themselves. Pursuant to Chapter 2, Section 34 of the Land Lease Act (258/1966), the Company is obligated to redeem buildings, trees and shrubs as well as equipment and plants intended for permanent use that would possibly become the property of the Company at the end of the lease.

#### B) Toivo as the lessee

Toivo has leased office space and plots. The Group generally recognises assets (right-of-use assets) and lease liabilities related to all leases in its balance sheet. Exceptions are short-term leases and leases for low-value assets. The agreement is a lease or includes a lease if the agreement gives the right to control the use of the identified asset in return for consideration.

Toivo mainly operates on its own plots of land, but also builds some on plots leased from municipalities, cities and plot funds. As a rule, Toivo has the privilege of releasing the leased area at the end of the lease period if the leased area is re-leased for the same purpose. During the lease period, the lease agreement can, in principle, only be terminated in accordance with the grounds for termination as per the Land Lease Act (258/1966), and the lease agreements do not usually restrict Toivo's right to transfer the lease agreement to a third party if necessary, for example, when selling the property. In addition, lease agreements are often in the name of a housing company, in which case the sale of the housing company itself does not affect the validity of the lease.

Toivo recognises the right-of-use asset and lease liability at the commencement of the agreement. The right-of-use asset is initially valued at cost, which includes the following:

- the amount according to the original valuation of the lease liability
- rents paid by the commencement of the lease, less any incentives received in connection with the lease
- any immediate initial expenditure incurred by Toivo, and
- an estimate of the possible restoration costs incurred by the Group.

Right-of-use assets are subsequently measured at cost, less accumulated depreciation and impairment losses. It is adjusted by certain items arising from the reassessment of the lease liability. Toivo recognises depreciation as straight-line depreciation from the commencement of the agreement, either over the useful life of the right-of-use asset or over the lease term, whichever is shorter. The right-of-use asset is tested for impairment in the same way as owned assets, if there are indications of reduction in value. Any impairment loss is recognised through profit or loss. The leased plots are included in the Investment properties balance sheet item and are measured at fair value, so no depreciation is recognised on them.

The lease liability is initially measured at the present value of the lease payments that have not been paid at the commencement of the lease. The Group uses Toivo's additional credit interest rate as the discount rate. This is the interest rate that the Group would have to pay if it borrowed an equivalent amount of money under similar conditions in a similar economic environment. Rents included in the value of lease liabilities consist of the following items:

- fixed payments, incl. actually fixed payments; and
- variable rents that depend on an index or price level (e.g. consumer price index) and are initially determined on the basis of an index or price level at the start of the agreement.

Subsequently, the lease liability is measured at amortised cost. The lease liability is reassessed when there has been a change in future lease payments due to a change in the index or price level, or if Toivo changes its estimate of whether it intends to exercise a purchase, extension or termination option. When a lease liability is reassessed in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or the adjustment is recognised through profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

In the cash flow statement, the repayments of lease liabilities are presented in the net cash flow from financing activities. Interest payments related to lease liabilities and rent payments related to low-value assets and short-term leases are presented in net cash flow from business operations.

Toivo does not recognise in its balance sheet right-of-use assets or lease liabilities related to:

- short-term leases (maximum lease term of 12 months). Toivo applies this practical tool to all underlying property asset classes.
- leases of low-value assets (new value of each asset up to approximately EUR 5,000).

The Group recognises such lease expenses as expenses in equal instalments over the lease term.

## A) Toivo as the lessor

### 13.2 Contractual undiscounted lease income from leases

The maturity distribution of lease income describes the accumulation of future undiscounted rents in the coming years.

EUR thousand	2025	2024
In the first year	5,124	5,773
In the second year	1,320	2,852
In the third year	1,320	2,852
In the fourth year	1,174	2,707
In the fifth year	797	2,707
Later	8,707	10,610
<b>Total</b>	<b>18,442</b>	<b>27,499</b>

31 December 2025 At the end of the review period, the company had 612 apartments, 17 leased plots/real estate units and 2 commercial properties generating rental cash flow. Most apartment leases are valid until further notice. 31 December 2024 At the end of the review period, the company had 563 apartments, 29 leased plots/real estate units and 2 commercial properties generating rental cash flow.

## B) Toivo as the lessee

### 13.3 Items recognised through profit or loss

EUR thousand	2025	2024
Lease expenses for low-value assets <sup>1</sup> (which are not short-term leases)	38	-5
Interest expenses on lease liabilities <sup>2</sup>	-379	-472
Change in the fair values of leased plots <sup>3</sup>	-138	-131
<b>Total</b>	<b>-479</b>	<b>-609</b>

<sup>1</sup> In the income statement, these expenses are included in Other operating expenses.

<sup>2</sup> Included in Financial expenses in the income statement.

<sup>3</sup> Included in the income statement item Changes in the fair values of, and profit and loss on the disposal of, investment properties.

### 13.4 Items presented in the cash flow statement

EUR thousand	2025	2024
Total outflow from leases	-479	-609

### 13.5 Tangible assets acquired under leases

EUR thousand	Rented plots*		Leased car		Office spaces		Total	
	2,025	2,025	2025	2024	2025	2024	2025	2024
<b>Acquisition cost</b>								
Opening balance on 1 January	8,644	7,414	41	98	-		8,685	7,512
Increases	3,164	2,237		-			3,164	2,237
Decreases	-3,501	-1,007	-	-10	-		-3,501	-1,016
Exchange rate differences	-	-			-		-	-
Closing balance on 31 December	8,308	8,644	41	88	-		8,348	8,732
<b>Accumulated depreciation and impairment/</b>								
<b>Changes in fair values</b>								
Opening balance on 1 January	-358	-227	-	-	-		-358	-227
Changes in fair value	-138	-131	-	-	-		-	-
Impairment losses	-	-	-	-	-		-	-
Exchange rate differences	-	-	-	-	-		-	-
Changes in fair values on 31 December	-496	-358	-	-	-		-496	-358
Depreciation for the financial year	-	-	-32	-46	-		-32	-46
Closing balance on 31 December	7,811	8,285	8	41	-		7,820	8,326
<b>Carrying amount on 1 January</b>	<b>8,285</b>	<b>7,186</b>	<b>41</b>	<b>98</b>	<b>-</b>		<b>8,327</b>	<b>7,285</b>
<b>Carrying amount on 31 December</b>	<b>7,811</b>	<b>8,285</b>	<b>8</b>	<b>41</b>	<b>-</b>		<b>7,820</b>	<b>8,326</b>

\*Includes real estate development plots

The plots leased by Toivo are treated as investment properties and measured at fair value. Thus, depreciation is not recognised for these right-of-use assets. Changes in the value of plots are recognised in the income statement item Changes in the fair values of, and profit and loss on the disposal of, investment properties.

The leased plots are included in Investment properties and leased office premises in the consolidated balance sheet, under Right-of-use assets. Fixed assets related to construction contracting are included in the consolidated balance sheet under Inventories.

### 13.6 Balance sheet values of lease liabilities

EUR thousand	2025	2024
Short-term	598	649
Long-term	7,527	7,911
<b>Total</b>	<b>8,125</b>	<b>8,560</b>

In the consolidated balance sheet, lease liabilities are presented in the line item Lease liabilities, divided into long-term and short-term portions according to the maturity date.

## 14 TANGIBLE ASSETS

### 14.1 Accounting policy

Toivo's tangible assets mainly consist of machinery and equipment. The acquisition cost includes the costs directly attributable to the acquisition of the asset in question, incl. installation costs. After initial recognition, tangible fixed assets are presented in the balance sheet at cost less accumulated depreciation and impairment losses. Repair and maintenance expenses are recognised in profit or loss when they are realised.

The Group recognises tangible fixed assets as straight-line depreciation (other than buildings) over the estimated useful lives (4–5 years). Depreciation is discontinued when the tangible asset is classified as being available for sale. Toivo reviews the estimated useful lives and residual values of assets at least at the end of each financial year. If they differ significantly from previous estimates, the depreciation period will be adjusted accordingly.

On the end date of each reporting period, Toivo assesses whether there are any indications that the value of a tangible asset has decreased. If there are indications, the Group estimates the recoverable amount of the asset in question. If it falls below the carrying amount, the difference between these, i.e. the impairment loss, is recognised through profit or loss.

### 14.2 Breakdown of tangible assets

EUR thousand	Machinery and equipment		Unfinished purchases		Total	
	2025	2024	2025	2024	2025	2024
<b>Acquisition cost</b>						
Opening balance on 1 January	498	320	-	-	498	320
Increases	112	178	-	-	112	178
Decreases	-	-	-	-	-	-
Exchange rate differences	-	-	-	-	-	-
Closing balance on 31 December	610	498	-	-	610	498
<b>Accumulated depreciation, amortisation and reduction in value</b>						
Opening balance on 1 January	-282	-174	-	-	-282	-174
Depreciation for the financial year	-94	-108	-	-	-94	-108
Impairment losses	-	-	-	-	-	-
Exchange rate differences	-	-	-	-	-	-
Closing balance on 31 December	-376	-282	-	-	-376	-282
<b>Carrying amount on 1 January</b>	<b>216</b>	<b>146</b>	<b>-</b>	<b>-</b>	<b>216</b>	<b>146</b>
<b>Carrying amount on 31 December</b>	<b>233</b>	<b>216</b>	<b>-</b>	<b>-</b>	<b>233</b>	<b>216</b>

Notes on tangible assets leased by Toivo are presented in section 13 Leases.

## 15 INTANGIBLE ASSETS

### 15.1 Accounting policy

The Group recognises an intangible asset in the balance sheet only when the acquisition cost of the asset can be reliably determined and it is probable that the expected economic benefit arising from the asset will benefit Toivo. All other expenses are recognised as expenses once incurred. Toivo measures intangible assets at their original cost, less depreciation and any reduction in value.

The accounting treatment of cloud service arrangements depends on whether cloud-based software is classified as an intangible asset or a service agreement. Arrangements in which Toivo has no control over the software in question are treated in accounting as service agreements that give Toivo the right to use the cloud service provider's application software during the agreement period. The ongoing licence fees for the application software and the configuration or customisation costs related to the software are recognised as other business expenses when Toivo receives the services.

Toivo recognises intangible assets as straight-line depreciation over the estimated useful lives (five years). The Group reviews the applied depreciation periods at least at the end of each financial year. If the expected useful life of an asset differs significantly from previous estimates, the depreciation period is adjusted accordingly. When an intangible asset is classified as being available for sale, recording of its depreciation is discontinued.

On the end date of each reporting period, Toivo assesses whether there are any indications that the value of an intangible asset has decreased. If there are indications, the Group estimates the recoverable amount of the asset in question. If it falls below the carrying amount, the difference between these, i.e. the impairment loss, is recognised through profit or loss.

### 15.2 Breakdown of intangible assets

EUR thousand	IT systems		Other intangible assets		Total	
	2025	2024	2025	2024	2025	2024
<b>Acquisition cost</b>						
Opening balance on 1 January	23	17	-	-	23	17
Increases	12	6			12	6
Decreases			-	-	-	-
Exchange rate differences					-	-
Closing balance on 31 December	35	23	-	-	35	23
<b>Accumulated depreciation, amortisation and reduction in value</b>						
Opening balance on 1 January	-12	-8			-12	-8
Depreciation for the financial year	-5	-5			-5	-5
Impairment losses			-	-	-	-
Exchange rate differences			-	-	-	-
Closing balance on 31 December	-17	-12	-	-	-17	-12
<b>Carrying amount on 1 January</b>	<b>11</b>	<b>10</b>	<b>-</b>	<b>-</b>	<b>11</b>	<b>10</b>
<b>Carrying amount on 31 December</b>	<b>19</b>	<b>11</b>	<b>-</b>	<b>-</b>	<b>19</b>	<b>11</b>

## 16 INVENTORIES

### 16.1 Accounting policy

Toivo's inventories consist of incomplete and/or completed construction projects intended for direct sale. Their acquisition cost includes the value of the plot, other construction raw materials, planning costs, costs arising from direct work performance, borrowing costs and other direct and indirect costs related to construction projects. Inventories are measured at actual acquisition cost or net realisable value, whichever is lower. Net realisable value is the estimated selling price obtained in the ordinary course of business, less the estimated costs necessary for the completion of the property and the estimated costs necessary for the realisation of the sale. In addition, the net realisable value of completed apartments and properties is assessed based on market information. Toivo also carries out construction projects on leased plots, which are presented as inventories but are measured in accordance with IFRS 16.

### 16.2 Balance sheet values

EUR thousand	Uncompleted properties		Completed properties		Total	
	2025	2024	2025	2024	2025	2024
<b>Acquisition cost</b>						
Opening balance on 1 January	6,589	9,377	3,931	3,901	10,520	13,278
Increases	19,864	5,584	1,858	2,733	21,722	8,317
Decreases	-5,526	-7,805	-3,369	-2,702	-8,895	-10,507
Right-of-use asset	2,415	-716	-	-	2,415	-716
Other transfers		148	-53	-	-53	148
Closing balance on 31 December	23,342	6,589	2,368	3,931	25,710	10,520
<b>Carrying amount on 1 January</b>	<b>6,589</b>	<b>9,377</b>	<b>3,931</b>	<b>3,901</b>	<b>10,520</b>	<b>13,278</b>
<b>Carrying amount on 31 December</b>	<b>23,342</b>	<b>6,589</b>	<b>2,368</b>	<b>3,931</b>	<b>25,710</b>	<b>10,520</b>

At the end of the financial year 2025, inventories consisted of properties to be built for sale, some of which are still available for sale, i.e. some of the properties have been started without a client. Unsold properties were measured at cost. Completed unsold properties were measured at cost or lower net realisable value. The value of inventories includes EUR 3,015,000 (600,000) of the fixed assets of properties related to real estate development.

## 17 FINANCIAL ASSETS

### 17.1 Accounting policy

Toivo's financial assets mainly consist of rent and trade receivables and cash and cash equivalents.

#### Classification and recording

Toivo classifies its financial assets as financial assets at amortised cost. Financial assets are classified on the basis of the purpose for which they were acquired when an item belonging to financial assets is acquired. The classification is based on the objectives of Toivo's business model and the contractual cash flows of financial assets.

All purchases and sales of financial assets are recognised on the transaction date. In the case of an item that is not measured at fair value through profit or loss, the transaction costs are included in the original carrying amount of the financial assets. The Group derecognises a financial asset when Toivo has lost the contractual right to cash flows from the financial assets or when it has transferred significant risks and returns outside the Group.

#### Financial assets at amortised cost

This category includes rent, loan and trade receivables and cash and cash equivalents. They are measured at amortised cost using the effective interest method. Rent and trade receivables are current assets that Toivo intends to hold for a maximum of 12 months after the end of the reporting period. The carrying amounts of rent and trade receivables are considered to correspond materially to their fair values. The accounting treatment of reductions in value is described in Note 22.3 Credit and counterparty risk. The Group's loan receivables consist of loan receivables from associated companies and other loan receivables. The Group's cash and cash equivalents consist of cash and cash equivalents in bank accounts. Items classified as cash and cash equivalents have a maximum maturity of three months from the date of acquisition.

#### Financial assets measured at fair value through profit or loss

Derivatives are measured at fair value, and changes in their fair value are recognised in financial items through profit or loss. The Company has not applied hedge accounting in accordance with IFRS 9. Derivatives are presented in the balance sheet as assets when their fair value is positive and as liabilities when their fair value is negative.

During the financial year, the company had interest rate derivatives, such as interest rate ceilings and interest rate collars. Derivatives are measured at level 2 of the fair value hierarchy. The net change in the fair value of derivatives during the financial year was EUR 521 (EUR 28,185 during the financial year 2024) and is recognised in financial items in the income statement. Nominal value at the end of the financial year 2025: EUR 16,422,000 (EUR 17,036,000 at the end of the financial year 2024).

The counterparty risk associated with derivative agreements is limited to their fair values on the balance sheet date. The counterparties are Finnish credit-rated banks.

## 17.2 Balance sheet values

EUR thousand	Notes	2025	2024
Non-current receivables			
Derivatives	9	120	120
Current receivables			
Loan receivables	25.3	7,500	5,993
Rent receivables	13, 22.3	46	122
Trade receivables	22.3	3,916	2,529
Cash and cash equivalents		13,194	11,693
<b>Total</b>		<b>24,776</b>	<b>20,457</b>

31 December 2025		Balance sheet value	Fair value			
EUR thousand	Notes		Level 1	Level 2	Level 3	Total
Financial assets measured at fair value						
Interest rate derivatives	9	120		120		120
<b>Total</b>		<b>120</b>	<b>-</b>	<b>120</b>	<b>-</b>	<b>120</b>

31 December 2024		Balance sheet value	Fair value			
EUR thousand	Notes		Level 1	Level 2	Level 3	Total
Financial assets measured at fair value						
Interest rate derivatives	9	120		120		120
<b>Total</b>		<b>120</b>	<b>-</b>	<b>120</b>	<b>-</b>	<b>120</b>

## 18 Other receivables

EUR thousand	2025	2024
Accrued income	1,378	2,083
Receivables based on customer agreements	781	11
Other receivables	1,787	754
<b>Total</b>	<b>3,946</b>	<b>2,849</b>

## 19 EQUITY

### 19.1 Accounting policy – equity instruments

Toivo classifies the instruments it issues as either financial liabilities or equity based on the nature of the instruments.

- A financial liability is an instrument that obligates the Group to dispose of cash or other financial assets, or whose holder has the right to demand cash or other financial assets from Toivo.
- An equity instrument is any agreement that indicates a right to a share of Toivo's assets after deducting all of its liabilities.

### 19.2 Equity items

#### Ordinary shares

The share capital includes Toivo Group Plc's ordinary shares, which are classified as equity. The company has one share class. The share has no nominal value. According to the Limited Liability Companies Act, one Toivo share entitles the holder to one vote at the Annual General Meeting. All issued shares have been paid in full.

The issue price received in connection with share issues is entered in the share capital to the extent that the issue price has not been decided in the share issue decision to be recorded in the reserve for invested untied equity. Transaction costs arising directly from the issue of new shares are recognised in equity as a deduction for payments received and adjusted for tax effects.

## Own shares

The consideration paid for own shares, including any transaction costs adjusted for tax effects, is deducted from the parent company's equity until the shares are cancelled. If such shares are subsequently sold or reissued, the consideration received is recognised directly in equity.

## Subordinated loans

These subordinated loans are loans that meet all the conditions for subordinated loans referred to in the Limited Liability Companies Act (Chapter 12 of the Act). All subordinated loans have a rate of one per cent until 2023, after which the rate will increase by one percentage point annually. According to the terms and conditions of subordinated loan agreements, the principal of the loan can be repaid and interest paid only to the extent that the amount of Toivo Group Plc's untied equity and all subordinated loans at the time of payment exceeds the amount of the loss included in the company's balance sheet confirmed for the last financial year or in newer financial statements and there is no contractual obstacle to this. In addition, the payment of principal or interest requires that the amount planned to be paid could be distributed to the shareholders from the parent company's distributable funds at the time of the planned payment. Subordinated loans are classified as equity, as Toivo only pays these loans and interest on the basis of the debtor's decision.

In the financial year 2025, the decrease in subordinated loans was EUR 250,000 (229,000). On 31 December 2025, the total amount of subordinated loans was EUR 16,801,000 (17,051,000). See also Note 25 Related-party transactions.

Subordinated loans are subordinated to other liabilities, but have a higher priority than shares. The loans do not have a maturity date. Toivo Group Plc has the right, but not an obligation, to repay the loans in full or in part if the company has distributable funds.

The interest on the loan on the balance sheet date was 3%. There was no unrecognised interest on the balance sheet date (31 December 2025).

Based on the agreements, EUR 1.0 million in interest has accrued on the loans.

## Retained earnings

Retained earnings are accrued assets from previous financial years that have not been transferred to equity reserves or distributed to shareholders as profit distributions. Dividends and other profit distributions to the parent company's shareholders are recognised as liabilities in the consolidated balance sheet for the period during which the profit distribution is approved at the Annual General Meeting.

## Share premium reserve

The share premium reserve includes other equity-like investments and the issue price of shares to the extent that it is not specifically decided to be recognised as share capital.

### 19.3 Changes in the number of shares and equity

Changes in the number of shares and corresponding changes in the Group's equity are presented below.

EUR thousand	Shares (thousand)	Share capital	Sub- ordinated loans	Share premium reserve	Translation differences	Retained earnings	Total
<b>1 January 2025</b>	<b>58,760</b>	<b>1,000</b>	<b>17,051</b>	<b>20,998</b>	<b>-</b>	<b>30,117</b>	<b>69,166</b>
Profit for the financial year, for owners of the parent company	-					4273	4,273
Proceeds from shares issued	220			134			134
Sale of own shares						-	
Change in subordinated loans			-250			-11	-261
Share bonus system						308	308
<b>Total</b>	<b>220</b>	<b>-</b>	<b>-250</b>	<b>134</b>	<b>-</b>	<b>4,569</b>	<b>4,453</b>
<b>31 December 2025</b>	<b>58,980</b>	<b>1,000</b>	<b>16,801</b>	<b>21,132</b>	<b>-</b>	<b>34,686</b>	<b>73,618</b>
<b>1 January 2024</b>	<b>58,540</b>	<b>1,000</b>	<b>17,280</b>	<b>20,998</b>	<b>-27</b>	<b>29,325</b>	<b>68,576</b>
Adjustments to retained earnings for previous financial years						14	14
Profit for the financial year, for owners of the parent company	-				27	720	747
Free issue of shares	220						-
Sale of own shares						44	44
Change in subordinated loans			-229			-187	-416
Share bonus system						201	201
<b>Total</b>	<b>220</b>	<b>-</b>	<b>-229</b>	<b>-</b>	<b>27</b>	<b>792</b>	<b>590</b>
<b>31 December 2024</b>	<b>58,760</b>	<b>1,000</b>	<b>17,051</b>	<b>20,998</b>	<b>0</b>	<b>30,117</b>	<b>69,166</b>

The Company has the authorisation to acquire and/or pledge a maximum of 5,875,956 of the Company's own shares and the authority to issue 20,000,000 shares. The authorisations are effective until the end of the next Annual General Meeting; however, no longer than until 30 June 2026.

Toivo Group Plc held 247,740 own shares at the end of the financial year 2025 and 294,964 at the end of the financial year 2024.

## 19.4 Share issue

Toivo carried out a free share issue on 13 March 2025, which increased the number of shares from 58,759,559 to 58,979,559. The share issue carried out on 13 March 2025 is in preparation for the needs of the Company management's share-based incentive system.

## 19.5 Capital management

Toivo's capital structure management is aimed at supporting the company's objectives, optimise the capital structure, ensure good operating conditions in different market situations and create long-term shareholder value. The company's management and Board of Directors regularly monitor the development of the capital structure and liquidity to ensure the implementation of the growth strategy and liquidity. The capital structure is influenced by factors such as profit, investments, purchases and sales of assets, distribution of dividends and share issues. The capital structure is monitored through the equity ratio, which is the share of equity of total capital. Toivo aims for an equity ratio of more than 40%. There were no significant changes in the Group's capital management compared to 2024.

The Board of Directors of Toivo Group Plc has decided to set as its objective the gradual repayment of subordinated loans in the Company's balance sheet during 2026–2028.

### Equity ratio

EUR thousand	2025	2024
Total equity	73,816	69,434
Total assets	168,617	144,467
Deduct advances received	-7,805	-2,346
+ (balance sheet total - advances received)	160,812	142,121
<b>Equity ratio, %</b>	<b>46%</b>	<b>49%</b>

## 19.6 Dividend proposal

The Board of Directors proposes to the Annual General Meeting that a dividend of EUR 0.03 per share be distributed.

## 20 FINANCIAL LIABILITIES

### 20.1 Accounting policy

Toivo classifies the Group's financial liabilities into two groups as follows:

- measured at fair value through profit or loss, and
- measured at amortised cost (other financial liabilities).

The classification determines whether an instrument is required to be revalued at fair value and where the item resulting from the valuation is recognised. In the financial years 2025 and 2024, Toivo only had financial liabilities measured at amortised cost.

Toivo's financial liabilities mainly consist of loans from financial institutions, lease liabilities and trade payables. They are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method. Transaction costs that can be allocated to a specific loan are deducted from the amount of debt received. The difference between the amount received and the amount repaid is recognised as financial expenses in profit or loss over the term of the loan. Capitalisable borrowing costs related to investment properties are included in the acquisition cost of properties, see Note 12.1 Accounting principle (Acquisition cost of investment property).

Toivo classifies a financial liability as current unless the Group has the right to postpone the payment of the liability to at least 12 months after the end of the reporting period. Of loans from financial institutions, the share of loans maturing in less than 12 months is presented in current financial liabilities.

The Group derecognises a financial liability (or part thereof) from the balance sheet only when the liability has ceased to exist, i.e. when the obligation specified in the agreement has been fulfilled, cancelled or has expired.

## 20.2 Financial liabilities

EUR thousand	Additional notes	2025	2024
<b>Non-current financial liabilities</b>			
Financial institution loans	22	55,005	34,341 <sup>1</sup>
Lease liabilities	13.6	7,527	7,911
Loans granted to associates	25.3	-	-
Other financial liabilities		780	591
		<b>63,312</b>	<b>42,843</b>
<b>Current financial liabilities</b>			
Financial institution loans	22	5,098	15,300 <sup>1</sup>
Lease liabilities	13.6	598	649
Loans granted to associates	25.3	102	106
Trade payables		4,536	4,227
Other financial liabilities		996	609
		<b>11,330</b>	<b>20,890</b>
<b>Total financial liabilities</b>		<b>74,642</b>	<b>63,733</b>

<sup>1</sup> The classification of financial institution loans for the reference period has been revised.

The EUR 13.3 million loan included in non-current financial loans in the financial statements for the financial year 2024 is presented as a short-term financial institution loan. The covenant condition related to the loan was not fulfilled on 31 December 2024, for which Toivo has received consent into 2025. With its consent, the finance provider has waived the

application of the covenant for the financial year 2024. See also Note 22.4.

## 20.3 Loan terms and conditions

The Group finances its real estate development operations mainly with debt bank loans in the names of housing or real estate companies established in projects, with the parent company Toivo Group Plc or the housing or real estate company's direct parent company as the guarantor.

Of the loans, EUR 40.5 million includes special financial terms and conditions, i.e. covenants. Each loan has a separate covenant agreement, which can have one to three different key figure covenants. Typical covenants are LTV, i.e. the ratio of the debtor's or the entire Group's interest-bearing debt capital to the fair value of investment properties, or LTC, i.e. the ratio of the interest-bearing debt capital of an individual property under construction to the total construction costs incurred. The amount of loans must be less than the fair value or costs in order for the condition to be met. In addition, several loans have an ICR covenant, which is calculated as the ratio of the Group's operating margin to the interest cost of debt capital, or loan management margin covenant, which is the ratio of the Group's interest and loan repayments to the Group's operating margin. The covenant is expressed as a limit value that must be exceeded. The covenants are typically tested every six months. Toivo has not violated the covenant conditions, and we estimate that the covenant conditions will be fulfilled within the next 12 months.

Guarantees related to loans is presented in Note 23 Provisions, contingent items and commitments.

## 20.4 Changes in liabilities arising from cash flows from financing activities

The following table presents the reconciliation between the opening and closing balances of liabilities arising from financing.

EUR thousand	2025			2024		
	Financial institution loans	Lease liabilities	Loans granted to associates	Financial institution loans	Lease liabilities	Loans granted to associates
<b>Balance on 1 January</b>	<b>49,641</b>	<b>8,559</b>	<b>106</b>	<b>97,969</b>	<b>7,471</b>	<b>2,606</b>
Changes in cash flows from financing activities						
Repayments of loans	-4,142		-4	-5,618		-2,500
Loan disbursements	24,250			3,916		
Payments of lease liabilities		-3,621	-		-609	-
<b>Total changes in cash flows from financing activities</b>	<b>20,108</b>	<b>-3,621</b>	<b>-4</b>	<b>-1,702</b>	<b>-609</b>	<b>-2,500</b>
Change in loans from sold properties	-9,646			-46,626		
Translation of loans						
New leases		3,187			1,697	
Conversion of loan into subordinated loans						
<b>Balance on 31 December</b>	<b>60,103</b>	<b>8,125</b>	<b>102</b>	<b>49,641</b>	<b>8,559</b>	<b>106</b>

## 21 FAIR VALUES OF FINANCIAL ASSETS AND LIABILITIES

### 21.1 Classification in accounting and fair values

The following table presents the balance sheet values and fair values of financial assets and liabilities, including their levels according to the fair value hierarchy. The levels are described in Note 1.7 Determination of fair values. The table does not present fair value information on financial assets and liabilities that are not measured at fair value if the carrying amount is reasonably close to fair value and the maturity of the item is short (lease and trade receivables and accounts payable).

<b>31 December 2025</b>		<b>Balance sheet value</b>	<b>Fair value</b>			
<b>EUR thousand</b>	<b>Additional notes</b>		<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Financial liabilities not measured at fair value						
Financial institution loans	20, 22	60,103	-	-	60,103	60,103
Loans granted to associates	20, 25.3	102	-	-	102	102
Financial assets						
<b>Total</b>		<b>60,206</b>	<b>-</b>	<b>-</b>	<b>60,206</b>	<b>60,206</b>

<b>31 December 2024</b>		<b>Balance sheet value</b>	<b>Fair value</b>			
<b>EUR thousand</b>	<b>Additional notes</b>		<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Financial liabilities not measured at fair value						
Financial institution loans	20, 22	49,641	-	-	49,641	49,641
Loans granted to associates	20, 25.3	106	-	-	106	106
<b>Total</b>		<b>49,747</b>	<b>-</b>	<b>-</b>	<b>49,747</b>	<b>49,747</b>

## 22 MANAGEMENT OF FINANCIAL RISKS

### 22.1 Principles of the management of financial risks

Toivo is exposed to financial risks in its business, which include interest rate, credit, refinancing, liquidity and counterparty risks. The construction and real estate sector is cyclical in nature and vulnerable to cyclical fluctuations, and its volume and profitability vary as a result of the general economic situation, for example. Toivo's business expanded in 2025, and the Group's strategic goal is to significantly grow its business in the long term.

The key principle in the management of financial risks is to seek to reduce the potential negative impacts of the financial markets on the Group's business, to seek to enable efficient use of equity, to provide the possibility of financing in accordance with the credit rating without an additional risk premium and to seek to give freedom of movement for the actual business. In order to manage financial risks, the Group uses an extensive network of banks and credit institutions, seeks to diversify the range of financial instruments and the maturity distribution, and maintains an adequate equity ratio.

A key objective in the management of refinancing risk is to maintain sufficient maturities in the Group's loan portfolio. Financing has been distributed to several operators, there is sufficient liquidity, further financing has been agreed for the maturities of loans, sufficient financing has been reserved for investments, and any other financing needs have been taken into account. The Group may use different types of financial instruments only to reduce or eliminate financial risks on the balance sheet. Changes in the financial market may have a negative or positive impact on the availability of investment and refinancing as well as financing costs in the future.

Toivo has an overdraft facility of EUR 2 million, of which EUR 1,894,673.65 was in use at the time of the financial statements.

### 22.2 Interest rate risk

Significant financial risk is related to the fluctuation of the interest costs of the Group's loan portfolio, which can be managed with the financial instruments intended for this purpose. The largest interest rate risks are related to floating-rate loans from financial institutions. Interest-rate bonds are diversified with different-length maturities. The company has hedged some of its loans with an interest rate cap, an interest rate swap or an interest rate collar corresponding to a fixed rate. The counterparties to the agreements are Nordic banks with a good credit rating from Fitch Rating, Moody's Investor Service or S&P Global. Interest rate risk hedging and its amount and quality are assessed continuously. However, Toivo can only hedge to the extent that the loans on the balance sheet require. The aim is to provide the Group with sufficient operating conditions for the current financial market situation. However, the Group does not generally hedge any financial instruments granted to subsidiaries or associated companies under the Housing Finance and Development Centre of Finland (ARA). Their interest rate risk is reduced by, for example, interest subsidies from the Finnish state.

The company's interest rate risk is mainly related to the floating-rate liabilities of investment properties in the balance sheet, the changes in the interest rate level of which have a direct impact on financial expenses. At the end of the financial year, the interest rate hedge ratio of investment property liabilities was approximately 15%, and the amount of debt covered by interest rate hedges was EUR 8,589,622. The liabilities of real estate development properties are not included in these figures. Hedging instruments reduce the interest rate sensitivity of the hedged debt portion, while the interest expenses of the unhedged debt portion fluctuate in accordance with changes in market interest rates. According to the estimate, an increase of one percentage point in the interest rate level will increase the company's annual interest expenses by approximately EUR 483,000 (based on the amount of debt on 31 December 2025) on the basis of the unhedged debt portion.

The sensitivity analysis presented below illustrates the impact of changes in market interest rates on the Group's interest expenses:

EUR thousand	2025		2024	
	+1%	-0.1%	+1%	-0.1%
Interest expenses recognised on floating-rate loans	433	-43	453	-45

The Group's financial institution loans totalled EUR 60,103,000 (49,641,000). The figures presented in the table above do not include the effect of deferred taxes.

### 22.3 Credit and counterparty risk

Toivo recognises a deduction for expected credit losses from financial assets measured at amortised cost. The expected credit loss is recognised on rent and trade receivables based on information accumulated by the Group about defaults on receivables or delays in payments due to financial difficulties. The expected loss is determined as the difference between the carrying amount of the receivable and the present value of the estimated future cash flows discounted at the effective interest rate. This adjustment is recognised in other operating expenses or revenue and reduces the carrying amount of the receivable. Changes in expected credit losses and actual credit losses are also recognised under Other operating expenses. A credit loss is reversed in a later period if the reversal can be objectively considered to be related to a transaction after the recognition of the credit loss. The Group has recorded credit loss reversals in the financial year 2025. No credit loss reversals were recorded in the financial year 2024.

### Age distribution of rent and trade receivables

EUR thousand	Gross carrying amount 2025	Gross carrying amount 2024
<i>Trade receivables</i>		
Unmatured	3,916	2,529
<i>Rent receivables</i>	115	177
Unmatured	1	32
Matured		
1–30 days	14	9
31–60 days	8	10
61–90 days	2	
Over 90 days	91	127
<b>Total</b>	<b>115</b>	<b>177</b>
<b>Total rent and trade receivables</b>	<b>4,031</b>	<b>2,707</b>

The Group recorded expected credit losses of EUR -39,000 (-14,000) in the financial year 2025.

## 22.4 Liquidity risk

The availability of external financing on competitive terms is important for Toivo's business and profitability. The Group's liquidity is secured with sufficient cash and cash equivalents, agreements and sufficient bank or credit institution loans. The Group's cash flow mainly consists of rental business, project management business, housing and property sales and other fees. The adequacy of financing is monitored regularly with cash and investment forecasts. Before the start of investments and projects, the financing of the project is ensured, which typically consists of equity, bank loans or the buyer's payment posts during construction. The company has an overdraft facility of EUR 2 million as one means of strengthening liquidity.

The Group's liquidity was at a good level during the financial year. Cash and cash equivalents at the end of the financial year amounted to EUR 13,194,000 (11,692,000). Investments were mainly financed with long-term loans. The financial management continuously assesses the amount of financing required by the business over different periods in order to ensure that the Group has sufficient liquid funds to finance its operations. In order for financing transactions to be successful, the Group uses several counterparties and equity considered adequate. The sources of financing mainly consist of unused long-term loans.

## Contractual amounts due for financial liabilities

The following table describes the maturity distribution of financial liabilities based on agreements. The figures presented are non-discounted.

In the financial years 2024–2025, Toivo's financial liabilities consisted of financial liabilities measured at amortised cost.

EUR thousand	Balance sheet value	Total	Within 1 year	Within 2–5 years	Within 6–10 years	Within 11–15 years	Later
<b>31 December 2025</b>							
Financial institution loans	60,103	72,852	14,699	30,468	21,824	3,129	2,732
Lease liabilities	8,125	10,727	598	2,267	2,803	2,803	2,257
Trade payables	4,536	4,536	4,536				
Loans granted to associates	102	102	102				
Other financial liabilities <sup>1</sup>	1,775	1,775	996	780			
<b>Total</b>	<b>74,642</b>	<b>89,993</b>	<b>20,931</b>	<b>33,514</b>	<b>24,626</b>	<b>5,932</b>	<b>4,989</b>

<sup>1</sup> Includes unpaid interest on financial loans recognised in accruals for the financial year 2025.

EUR thousand	Balance sheet value	Total	Within 1 year	Within 2–5 years	Within 6–10 years	Within 11–15 years	Later
<b>31 December 2024</b>							
Financial institution loans <sup>2</sup>	49,641	65,344	17,387	35,753	9,449	1,149	1,127
Lease liabilities	8,560	27,499	5,773	11,117	1,206	1,206	8,198
Trade payables	4,227	4,227					
Loans granted to associates	106	106	106				
Other financial liabilities <sup>3</sup>	1,200	1,200	609	591			
<b>Total</b>	<b>63,733</b>	<b>98,376</b>	<b>23,875</b>	<b>47,460</b>	<b>10,655</b>	<b>2,354</b>	<b>9,325</b>

<sup>2</sup> The classification of financial institution loans for the reference period has been adjusted as stated in Note 20.2.

<sup>3</sup> Includes unpaid interest on financial loans recognised in accruals for the financial year 2024.

## 22.5 Currency risk

If necessary, the Group's currency risk can be managed by hedging it with financial instruments intended for this purpose. However, the amount of potential hedging cannot exceed the hedging requirement in the balance sheet, and the need for hedging is assessed continuously by financial management. The Group's main cash flows are in Finland, and the main currency is the euro. Therefore, there was no need for currency risk hedging in the financial years 2024–2025.

For the financial year 2024, translation differences caused by exchange rate changes in the Swedish subsidiary from previous financial years have been reversed.

## 23 OTHER LIABILITIES AND ACCRUALS

EUR thousand	2025	2024
Advances received	7,805	2,346
Accruals	3,118	1,887
Tax liabilities based on taxable income for the financial year	364	1,071
Other current liabilities	3,304	1,250
<b>Total</b>	<b>14,590</b>	<b>6,554</b>

The advances received include EUR 762,000 in shares of company loans related to unsold properties.

## 24 PROVISIONS, CONTINGENT ITEMS AND COMMITMENTS

### 24.1 Accounting policy – Provisions

Provisions are liabilities whose realisation date or amount is uncertain. Toivo recognises a provision when the Group has a legal or constructive obligation as a result of a previous transaction, the fulfilment of the payment obligation is probable and the amount of the obligation can be reliably estimated. The amount recognised as a provision is the management's best estimate of the expenses required to fulfil the obligation on the end date of the reporting period, taking into account any risk and uncertainty factors related to the obligation.

Toivo recognises a provision for a loss-making agreement when the necessary expenses required to fulfil the obligations exceed the benefits of the agreement. Unavoidable expenses include the lower of the costs of fulfilling the agreement or the costs of terminating the agreement.

The Group recognises a restructuring provision in the balance sheet when a detailed, appropriate plan has been prepared and the implementation of the plan has begun or has been communicated to those affected by the restructuring.

Toivo recognises a warranty provision of 0.5%–1.2% of the contract price based on experience-based information on the amounts and costs of warranty repairs. The warranty provision is presented in debt capital in the balance sheet. The change in the warranty provision is presented in the materials and services. As a rule, the useful life of warranty provisions is 1–2 years.

At the end of the financial year 2025, Toivo had a provision for warranty expenses of EUR 449,000 (338,000) and a provision related to shares in associated companies of EUR 241,000.

## 24.2 Accounting policy - Contingent liabilities and contingent assets

Contingent assets and contingent liabilities arise from past transactions. Their existence is only verified when one or more uncertain events that are not entirely under Toivo's control occur, or do not occur, in the future.

### 24.3 Guarantees

EUR thousand	Loans taken from financial institutions		Unused loans from financial institutions	
	2025	2024	2025	2024
Loans guaranteed by mortgages, shares or other guarantees	60,103	49,857	25,995	14,640
Mortgages given	129,011	124,261	58,219	38,200
Shares pledged	44,163	47,489	13,000	14,640
Directly enforceable guarantees	59,790	49,426	25,995	14,640
<b>Guarantees total</b>	<b>232,963</b>	<b>221,176</b>	<b>97,213</b>	<b>67,480</b>

Mortgages have also been given as collateral for most of the loans for which Toivo Group Plc has provided a directly enforceable guarantee. In addition to the directly enforceable guarantees provided by Toivo Group Plc, Toivo Kodit Oy has also provided directly enforceable guarantees for loans taken out by subsidiaries either alone or together with the parent company.

After the sale of E-Heat Oy's shares, Toivo Group Plc remained responsible for a guarantee of approximately EUR 670,000.00 for E-Heat Oy's bank loan, the guarantee of which was set the counter-guarantee securing Toivo by the party who bought the shares.

### 24.4 Guarantee limit

The Group has two separate guarantee limits concerning a total of 12 subsidiaries. Of the guarantee limits, approximately EUR 8,109,000 (4,559,000) were in use on 31 December 2025.

### 24.5 Contingent liabilities

On 31 December 2025, the Group had the following contingent liabilities related to investment properties:

#### Repayment liability for deducted value added tax (VAT)

On 31 December 2025, the value added taxes on Toivo's property investments amounted to EUR 5,968,000 (7,758,000). On 31 December 2025, the repayment liability amounted to 40–90% (50–90%) of the VAT deduction made. The Group's investment properties are subject to VAT repayment liability, which is realised if the properties in question are transferred to VAT-exempt use during the 10-year audit period.

### 24.6 Lease liabilities

EUR thousand	2025	2024
Maturing in the next financial year	94	64
Maturing later	161	88
<b>Total</b>	<b>255</b>	<b>153</b>

Lease liabilities are short-term leases of low-value assets.

Toivo Group Plc has provided a directly enforceable guarantee for the lease liabilities of one subsidiary.

### 24.7 Legal proceedings and disputes

Two of the Group's subsidiaries were subject to a tax audits during the financial years 2022 and 2023. Based on the tax audit, it is possible that the Company will have to settle VAT returns of approximately EUR 0.6 million. A possible return is not estimated to have an impact on profit or loss.

The case is currently being processed by the Supreme Administrative Court. The company estimates the processing time of the process to be 1–2 years.

## 25 RELATED-PARTY TRANSACTIONS

### 25.1 Accounting policy

Toivo Group Plc's related parties include the following:

- subsidiaries, associated companies and joint arrangements (housing companies and mutual real estate companies in which the Group has an ownership of less than 100%).
- the key members of the parent company's management, including the members of the Board of Directors, the CEO and other members of the Management Team
- entities in which the aforementioned persons have control or joint control
- close family members of the aforementioned persons, and
- Raatihuone Oy, which controls Toivo Group Plc, and the companies in which Raatihuone exercises control, joint control or significant influence.

Toivo Group Plc's parent company is Raatihuone Oy (Business ID 2962361-5). Raatihuone Oy will prepare consolidated financial statements for the financial year 2025. Raatihuone Oy is owned by key persons belonging to the management of Toivo Group Plc through the companies under their control.

Related-party transaction that are not eliminated in the consolidated financial statements are presented as related-party transactions.

### 25.2 Remuneration of key management personnel

The amounts presented in the following tables correspond to fees recognised as expenses in the financial years in question. Any fringe

benefits are included in the salary amounts. The pension benefits of key management personnel consist of pensions granted under Finnish statutory pension plans. The Group has no voluntary supplementary pension plans. Heikki Myllymäki exited the Management Team on 21 March 2024.

EUR thousand	2025	2024
<b>a) Total key management personnel (including b) and c)</b>		
Salaries and other short-term employee benefits	-501	-501
Pension benefits (contribution-based plans)	-32	-32
Share-based incentive scheme	-63	-63
<b>Total</b>	<b>-596</b>	<b>-596</b>
<b>b) CEO Markus Myllymäki</b>		
Salaries and other short-term employee benefits	-132	-101
Pension benefits (contribution-based plans)	-8	-6
Share-based incentive scheme	-33	-14
<b>Total</b>	<b>-173</b>	<b>-120</b>
<b>c) Other members of the Management Team</b>		
Salaries and other short-term employee benefits	-359	-400
Pension benefits (contribution-based plans)	-23	-26
Share-based incentive scheme	-69	-50
<b>Total</b>	<b>-452</b>	<b>-477</b>

EUR thousand	2025	2024
<b>d) Board of Directors in total (including e), f), g), h) and i))</b>		
Salaries and other short-term employee benefits	-96	-82
Pension benefits (contribution-based plans)	-	-
<b>Total</b>	<b>-96</b>	<b>-82</b>
<b>e) Chair of the Board Asko Myllymäki</b>		
Salaries and other short-term employee benefits	-19	-14
Pension benefits (contribution-based plans)	-	-
<b>Total</b>	<b>-19</b>	<b>-14</b>
<b>f) Member of the Board Tomi Koivukoski</b>		
Salaries and other short-term employee benefits	-19	-14
Pension benefits (contribution-based plans)	-	-
<b>Total</b>	<b>-19</b>	<b>-14</b>
<b>g) Member of the Board Petri Kärkkäinen</b>		
Salaries and other short-term employee benefits	-19	-19
Pension benefits (contribution-based plans)	-	-
<b>Total</b>	<b>-19</b>	<b>-19</b>

EUR thousand	2025	2024
<b>h) Member of the Board Harri Tahkola</b>		
Salaries and other short-term employee benefits	-19	-19
Pension benefits (contribution-based plans)	-	-
<b>Total</b>	<b>-19</b>	<b>-19</b>
<b>i) Member of the Board Margit Lindholm</b>		
Salaries and other short-term employee benefits	-19	-14
Pension benefits (contribution-based plans)	-	-
<b>Total</b>	<b>-19</b>	<b>-14</b>

#### Share-based incentive scheme

Toivo uses a short-term share-based incentive scheme for key personnel. The bonus is determined by the achievement of key financial indicators in relation to the objectives set for Toivo's business.

The possible bonuses of the system are based on:

- for the earning period 2025, the operating profit at Group level and business unit level
- for the earning period 2026, the operating profit at Group level and business unit level as well as the project pipeline for the coming year at business unit and Group level

In the financial year 2025, the impact of the share-based incentive schemes on Toivo's result was EUR -0.3 (-0.2) million.

## 25.4 Transactions and open balances with related parties

Transactions with, receivables from and liabilities to related parties are as follows:

EUR thousand	Sales	Purchases	Interest expenses	Interest income	Receivables	Liabilities
<b>Financial year 2025/31 December 2025</b>						
Key management personnel (incl. companies with control)	4	-23	-203	-	-	6,957
Associated companies	15,478	-	-	141	4,914	102
Parent company Raatihuone Oy	-	-	-297	-	-	10,510
<b>Total</b>	<b>15,482</b>	<b>-23</b>	<b>-500</b>	<b>141</b>	<b>4,914</b>	<b>17,759</b>

EUR thousand	Sales	Purchases	Interest expenses	Interest income	Receivables	Liabilities
<b>Financial year 2024 / 31 December 2024</b>						
Key management personnel (incl. companies with control)	27	-16	-138	-	-	6,919
Associated companies	10,705	-4	-	144	5,560	103
Parent company Raatihuone Oy	-	-	-163	-	-	10,110
<b>Total</b>	<b>10,732</b>	<b>-20</b>	<b>-301</b>	<b>144</b>	<b>5,560</b>	<b>17,132</b>

In the financial year 2025, Toivo Group Plc raised a total of EUR 22,000 (22,000) in new subordinated loans from the company's related parties. On 31 December 2025, subordinated loans totalled EUR 16,801,000 (17,051,000), including capitalised interest. See also Note 19.2 Equity items.

Trade with related parties include real estate development services sold to related parties.

### 25.4 Group structure

On 31 December 2025, the Group had the following holdings in subsidiaries, joint operations and associated companies. The companies directly owned by the parent company are presented below. The parent companies of the subgroups are the following: Toivo Maat Suomi Oy, Toivo Kodit Oy, Toivo Liiketilat Oy, Toivo Projektinhallinta Oy, Toivo Rakennuttaminen Oy, Toivo Yhteiskuntakiinteistöt Oy and Toivo Turku Oy.

Company	Business ID	Ownership, %
<b>Toivo Group Plc, parent company</b>		
Toivo Maat Suomi Oy	2882279-4	100
Toivo Maat Suomi 2 Oy	3264258-5	100
Toivo Liiketilat Oy	2970253-2	100
Toivo Projektinhallinta Oy	2995388-4	100
Toivo Kodit Oy	2970249-5	100
Toivo Rakennuttaminen Oy	3018292-5	100
Toivo Kiinteistökehitys Oy	3018297-6	100
Toivo Kiinteistökehitys Espoo Oy	3478030-8	100
Toivo Kiinteistökehitys Helsinki Oy	3478032-4	100
Toivo Kiinteistökehitys Vantaa Oy	3478033-2	100
Toivo Living Oy	3018293-3	100
Kiinteistö Oy Toivon Päämaja	3187972-4	100
Toivo Hankekehitys Oy	3232411-4	100
Toivo Asuntokehitys Oy	3232412-2	100
Toivo Turku Oy	3294538-3	93
Toivo Yhteiskuntakiinteistöt Oy	3394051-7	100
Toivo Majoitus Oy	3319268-6	100
Elämäni Kodit 10 Oy	3096646-3	25
Elämäni Kodit 40 Oy	3135666-7	25
Elämäni Kodit Oy	2970250-8	20

## 26 EVENTS AFTER THE END OF THE FINANCIAL YEAR

No significant events after the end of the financial year.

In the financial year 2025, Toivo Group Plc established six new subsidiaries, sold eight subsidiaries and acquired four subsidiaries. These are limited liability, real estate and housing companies related to the Group's operations.

# Parent company's income statement, FAS

EUR	Notes	1 Jan–31 Dec 2025	1 Jan–31 Dec 2024
Revenue	3.2	2,138,587	1,983,856
Change in the fair values of investment properties	1.2, 3	0	-
Other operating income		92,181	704
Raw materials and services			
Materials, supplies and goods			
Purchases during the financial year		513,953	-
Materials, supplies and goods in total		513,953	-
External services		-2,720	-
Materials and services in total		511,233	-
Staff expenses	2		
Salaries and fees		-1,420,484	-933,059
Indirect employee costs			
Pension expenses		-195,489	-205,793
Other indirect employee costs		-23,842	-18,141
Total indirect employee costs		-219,331	-223,934
Total staff expenses		-1,639,814	-1,156,993
Depreciation, amortisation and reduction in value			
Depreciation according to plan		-17,261	-14,365
Total depreciation and reduction in value		-17,261	-14,365
Other operating expenses	3.2	-1,626,507	-991,277
<b>Operating profit/loss</b>		<b>-541,582</b>	<b>-178,075</b>

EUR	Notes	1 Jan–31 Dec 2025	1 Jan–31 Dec 2024
Finance income and cost			
Income from shares in Group companies		-	-
Other interest income and financial income		883,611	1,422,004
Reduction in value of investments in non-current assets		-	-
Interest expenses and other financial expenses		-668,021	-475,486
<b>Total financial income and expenses</b>		<b>215,591</b>	<b>946,518</b>
<b>Profit/loss before appropriations and taxes</b>		<b>-325,991</b>	<b>768,443</b>
Appropriations			
Incoming intra-group financial transfers		700,000	-
Outgoing intra-group financial transfers		-	-378,410
Total appropriations		700,000	-378,410
<b>Profit /loss before taxes</b>		<b>374,009</b>	<b>390,033</b>
Income tax expense			
Taxes for the financial year		-70,820	-68,950
Deferred taxes	5	-	-
Income taxes, total		-70,820	-68,950
<b>Financial year profit/loss</b>		<b>303,190</b>	<b>321,083</b>

# Parent company's balance sheet, FAS

EUR	Notes	31 Dec 2025	31 Dec 2024
<b>ASSETS</b>			
<b>Non-current assets</b>			
Intangible assets			
Other long-term expenditure		18,914	11,076
Total intangible assets		18,914	11,076
Tangible assets			
Machinery and equipment		61,778	32,853
Total tangible assets		61,778	32,853
Investments			
Shares in Group companies	6	16,875	16,875
Shares in associated companies		500	1,870,880
Other receivables		50,000	50,000
Investment properties		-	-
Total investments		67,375	1,937,755
<b>Total non-current assets</b>		<b>148,067</b>	<b>1,981,684</b>
<b>Current assets</b>			
Current receivables			
Trade receivables		49,137	-
Receivables from Group companies		39,313,086	31,878,952
Receivables from joint ventures		5,314,238	4,971,644
Other receivables		1,105,324	110,276
Accrued income		137,050	929,664
Total current receivables		45,918,835	37,890,536
Cash and cash equivalents		4,350,472	6,095,316
<b>Total current assets</b>		<b>50,269,307</b>	<b>43,985,852</b>
<b>TOTAL ASSETS</b>		<b>50,417,374</b>	<b>45,967,536</b>

EUR	Notes	31 Dec 2025	31 Dec 2024
<b>LIABILITIES</b>			
<b>Equity</b>			
Ordinary shares		1,000,000	1,000,000
Invested equity reserve		22,452,404	22,318,765
Profit (loss) for previous financial years		3,332,999	3,011,917
Financial year profit (loss)		303,190	321,083
Subordinated loan		16,800,682	17,051,065
<b>Total equity</b>	3	<b>43,889,275</b>	<b>43,702,829</b>
<b>Debt capital</b>			
Non-current debt capital			
Loans taken from financial institutions		1,894,674	-
Liabilities to Group companies		-	-
Other liabilities	5	379,618	190,509
Deferred tax liabilities	4	-	-
Total non-current debt capital		2,274,292	190,509
Current debt capital			
Advances received		-	-
Trade payables		64,720	28,912
Liabilities to Group companies		3,713,992	1,510,795
Liabilities to joint ventures		-	578
Other liabilities		94,550	107,212
Accruals		380,546	426,702
Total current debt capital		4,253,807	2,074,199
<b>Total debt capital</b>		<b>6,528,099</b>	<b>2,264,707</b>
<b>TOTAL LIABILITIES</b>		<b>50,417,374</b>	<b>45,967,536</b>

# Parent company's cash flow statement

EUR thousand	Notes	1 Jan–31 Dec 2025	1 Jan–31 Dec 2024
<b>Cash flows from operating activities</b>			
Profit or loss for the financial year		303	321
<i>Adjustments:</i>			
Depreciation, amortisation and reduction in value	7	17	14
Finance income and cost	9	-216	-947
Other		-700	378
Income tax expense	10	71	69
Cash flows before changes to net working capital and financial items		-524	-164
Change to net working capital:			
Rent and trade and other receivables increases (-)/decreases (+)		-1,196	-3,699
Increases (-)/decreases (+) to current payables with no interest		707	2,383
Cash flows before financial items		-1,013	-1,480
Interest paid		-2	-10
Interest received		122	92
Income tax paid		-23	0
Income taxes received		1	8
<b>Net operating cash flow (A)</b>		<b>-915</b>	<b>-1,390</b>

EUR thousand	Notes	1 Jan–31 Dec 2025	1 Jan–31 Dec 2024
<b>Investing cash flows</b>			
Acquisitions of tangible assets		-54	-16
Investments in associated companies		0	-1,870
Divestment of associated company		1,971	0
<b>Investing cash flow (B)</b>		<b>1,917</b>	<b>-1,887</b>
<b>Cash flows from financing activities</b>			
Proceeds from financial institution borrowings		1,895	0
Change in Group financing		-4,393	10,704
Repayments of borrowings		0	-2,003
Repayments of other borrowings		0	-2,500
Repayments of subordinated loans		-250	-229
<b>Net financing activity cash flow (C)</b>		<b>-2,747</b>	<b>5,972</b>
<b>Changes in cash flows (A+B+C)</b>		<b>-1,745</b>	<b>2,695</b>
<b>Cash and cash equivalents and bank overdrafts at beginning of year</b>		<b>6,095</b>	<b>3,400</b>
<b>Cash and cash equivalents and bank overdrafts at end of year</b>		<b>4,350</b>	<b>6,095</b>

## 1 NOTES REGARDING THE PREPARATION OF THE FINANCIAL STATEMENTS

### 1.1 Information on the code used in the preparation of the financial statements

The financial statements have been prepared in accordance with the Government Decree on the information presented in the financial statements of a small undertaking and micro-undertaking (PMA).

## 2 STAFF

During the financial year, the company employed an average of 19 (21) people.

## 3 EQUITY

### 3.1 Equity items

EUR	2025	2024
Share capital on 1 January	1,000,000	1,000,000
<b>Share capital on 31 December</b>	<b>1,000,000</b>	<b>1,000,000</b>
<b>Share premium</b>	<b>22,452,404</b>	<b>22,318,765</b>
Profit/loss for previous financial years on 1 January	3,011,917	2,850,004
Retained earnings from the previous financial year	321,083	117,956
Amount paid for own shares	-	43,956
<b>Profit/loss for previous financial years on 31 December</b>	<b>3,332,999</b>	<b>3,011,917</b>
<b>Profit/loss for the financial year</b>	<b>303,190</b>	<b>321,083</b>
<b>Subordinated loans</b>	<b>16,800,682</b>	<b>17,051,065</b>
<b>Total equity</b>	<b>43,889,275</b>	<b>43,702,829</b>

### 3.2 Profit-distributable assets

EUR	2025	2024
Financial year profit/loss	303,190	321,083
Changes in fair values during the financial year, less deferred tax liability	-	-
<b>Distributable profit for the financial year</b>	<b>303,190</b>	<b>321,083</b>
Profit/loss for previous financial years	3,332,999	3,011,917
Share premium account	22,452,404	22,318,765
Changes in fair values, less deferred tax liability	-	-
<b>Profit distributable for previous financial years</b>	<b>25,785,403</b>	<b>25,330,682</b>
<b>Total</b>	<b>26,088,593</b>	<b>25,651,764</b>

## 4 DEBT CAPITAL

The company did not have non-current debt capital maturing later than in five years on 31 December 2025 nor 31 December 2024.

## 5 GUARANTEES AND CONTINGENT LIABILITIES

Lease liabilities	2025	2024
Maturing in the next financial year	16,601	1
Maturing later	12,212	1
<b>Total</b>	<b>28,813</b>	<b>2</b>

## 6 SHARES IN OTHER COMPANIES

Companies in which there is an ownership share of one-fifth or more:

Company	Business ID	Ownership, %
Toivo Maat Suomi Oy	2882279-4	100%
Toivo Liiketilat Oy	2970253-2	100%
Toivo Projektinhallinta Oy	2995388-4	100%
Toivo Kodit Oy	2970249-5	100%
Toivo Rakennuttaminen Oy	3018292-5	100%
Toivo Kiinteistökehitys Oy	3018297-6	100%
Toivo Living Oy	3018293-3	100%
Kiinteistö Oy Toivon Päämaja	3187972-4	100%
Kiinteistö Oy Gransinmäen Kestikievari	3512471-6	100%
Toivo Kiinteistökehitys Espoo Oy	3478030-8	100%
Toivo Kiinteistökehitys Vantaa Oy	3478033-2	100%
Toivo Kiinteistökehitys Helsinki Oy	3478032-4	100%
Toivo Hankekehitys Oy	3232411-4	100%
Toivo Asuntokehitys Oy	3232412-2	100%
Toivo Turku Oy	3294538-3	93%
Toivo Majoitus Oy	3319268-6	100%
Toivo Yhteiskuntakiinteistöt Oy	3394051-7	100%
Elämäni Kodit 10 Oy	3096646-3	25%
Elämäni Kodit 40 Oy	3135666-7	25%
Elämäni Kodit Oy	2970250-8	20%

## 7 GUARANTEES AND COLLATERAL ON BEHALF OF GROUP COMPANIES

On 31 December 2025, Toivo Group Plc has provided a total of EUR 45,837,758 (49,425,898) as directly enforceable guarantees for loans from financial institutions taken out on behalf of Group companies.

On 31 December 2025, the value added taxes on Toivo's property investments amounted to EUR 6,681,000 (7,757,000). On 31 December 2025, the repayment liability amounted to 40–90% (50–90%) of the VAT deduction made. The Group's investment properties are subject to VAT repayment liability, which is realised if the properties in question are transferred to VAT-exempt use during the 10-year audit period.

Other group receivables and other liabilities to group companies include the assets and liabilities of a group bank account arrangement with the Group's subsidiaries.

## 8 NOTES CONCERNING THE GROUP'S ACCOUNTING ENTITY

The company is part of a group whose parent company is Raatihuone Oy, business ID 2962361-5. Raatihuone Oy will prepare consolidated financial statements for the financial year 2025.

## 9 SIGNIFICANT EVENTS AFTER THE FINANCIAL YEAR

No significant events after the financial year.

## Signatures to the financial statements and Board of Directors' report

We hereby confirm that:

- The consolidated financial statements prepared in accordance with the International Financial Reporting Standards (IFRS) adopted by the EU and the parent company's financial statements prepared in accordance with the regulations on the preparation of financial statements in force in Finland present a true and fair view of the assets, liabilities, financial position and profit or loss of both the company and the companies included in its consolidated financial statements as a whole, and
- the Board of Directors' report presents a true and fair view of the development of the business and the results of operations of the company and the companies included in the consolidated financial statements as a whole, as well as a description of the most significant risks and uncertainties and other circumstances of the company.

*Helsinki, 10 March 2026*

**Asko Myllymäki**

Chair of the Board of Directors

**Tomi Koivukoski**

Member of the Board

**Petri Kärkkäinen**

Member of the Board

**Harri Tahkola**

Member of the Board

**Margit Lindholm**

Member of the Board

**Markus Myllymäki**

CEO

## Financial statement entry

A report on the audit performed has been issued today.

Oulu, 10 March 2026

**KPMG Oy Ab**

Auditing firm

**Pekka Alatalo**

Authorised Public Accountant, KHT

## Key figures

Group, EUR thousand	1–12/2025	1–12/2024	Change
Revenue	61,709	39,810	21,899
Total revenue and investments	85,851	47,887	37,964
Project portfolio value (EUR million)*	291	640	-349
Operating profit	8,041	4,543	3,499
Operating profit without changes in values of investment properties	8,251	4,202	4,049
Cash flow before changes in working capital (Funds from Operations, FFO)	2,799	1,985	814
Fair value of investment properties	113,477	108,035	5,441
Sales of investment properties	18,491	64,505	-46,014
Non-current net assets (Net asset value, NAV)	61,365	56,043	5,323
Loan to value (LTV), %	49.3%	43.9%	5.4%
Equity ratio	45.9%	48.9%	-3.0%
Non-current net assets per share, EUR	1.04	0.95	0.09
Increase in non-current net assets per share, %	9.1	-1.6	
Earnings per share (EPS), EUR <sup>1)</sup>	0.07	0.01	0.06
Occupancy rate, %	93.1%	92.3%	0.8%

\* The portfolio includes those projects to which the company has the right to purchase land under pre-agreed conditions if certain criteria, such as city planning, are met. The value is based on the management's view of the market value of these projects as completed and on the assumption that all projects in the portfolio will be realised. Projects involve a risk that they will not achieve a legally valid city plan or building permit, or that the confirmed plan or building permit will not enable the implementation of a project of as high value as originally estimated.

<sup>1)</sup>The key figure includes diluted and basic earnings per share.

## Key figure calculation formulae

Key figure	Definition
Operating profit without changes in values of investment properties	= Operating profit – changes in the fair values of investment properties
Cash flow before changes in working capital (Funds from Operations, FFO)	= Cash flows before changes to net working capital and financial items – Interest paid – Income tax expense
Fair value of investment properties	= Investment properties + Investment properties available for sale
Sales of investment properties	= Investment properties sold at fair value
Non-current net assets (Net asset value, NAV)	= Equity attributable to the owners of the parent company – Subordinated loans + Deferred tax liabilities – Deferred tax assets
Loan to value (LTV) rate	= $\frac{\text{Net debt with interest}}{\text{Fair value of investment properties}}$
Equity ratio	= $\frac{\text{Total equity}}{(\text{Assets total} - \text{Deferred revenue})}$
Non-current net assets per share (Net asset value, NAV)	= $\frac{\text{Non-current net assets (Net asset value, NAV)}}{\text{Number of shares at end of year}}$
Increase in non-current net assets per share	= $\frac{(\text{Non-current net assets per share} - \text{Non-current net assets per share of the previous year})}{\text{Non-current net assets per share of the previous year}}$

Key figure	Definition
Earnings per share (EPS)	= Profit (loss) of the financial year attributable to owners of the parent company
Occupancy rate	= $\frac{\text{Net lease income from properties}}{\text{Potential lease income with full occupancy rate} \times 100}$ (including apartments older than two months)
Total revenue and investments	= Revenue + change in the value of construction projects under development and construction recognised in investment properties
Project portfolio value*	= Current fair value of completed and leased projects

\* The portfolio includes those projects to which the company has the right to purchase land under pre-agreed conditions if certain criteria, such as city planning, are met. The value is based on the management's view of the market value of these projects as completed and on the assumption that all projects in the portfolio will be realised. Projects involve a risk that they will not achieve a legally valid city plan or building permit, or that the confirmed plan or building permit will not enable the implementation of a project of as high value as originally estimated.

A high-angle photograph of a modern staircase with light-colored wooden treads and white balustrades. The walls are white, and a ceiling vent is visible in the upper left corner.

TOIVO GROUP PLC  
**Auditor's Report 2025**

# Auditor's Report

## To the Annual General Meeting of Toivo Group Plc

This document is an English translation of the Finnish auditor's report. Only the Finnish version of the report is legally binding.

### REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

#### Opinion

We have audited the financial statements of Toivo Group Plc (business identity code 2687933-2) for the year ended 31 December, 2025.

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 Board of Directors.

#### 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 8 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.

#### Materiality

The scope of our audit was influenced by our application of materiality. The materiality is determined based on our professional judgement and is used to determine the nature, timing and extent of our audit procedures and to evaluate the effect of identified misstatements on the financial statements as a whole. The level of materiality we set is based on our assessment of the magnitude of misstatements that, individually or in aggregate, could reasonably be expected to have influence on the economic decisions of the users of the financial statements. We have also taken into account misstatements and/or possible misstatements that in our opinion are material for qualitative reasons for the users of the financial statements.

## 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. The significant risks of material misstatement referred to in the EU Regulation No 537/2014 point (c) of Article 10(2) are included in the description of key audit matters below.

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.

### THE KEY AUDIT MATTER

#### Valuation of investment properties (refer to Note 12 to the consolidated financial statements)

- Investment properties measured at fair value, EUR 113.5 million, represent 67% of the consolidated total assets on 31 December 2025. Valuation of investment properties is considered a key audit matter due to management estimates used in valuations, and significance of the carrying amounts involved.
- The consolidated income statement includes a net income of EUR 2.4 million from the fair value measurement of investment properties.
- The fair values of investment properties are determined on a property-specific basis by an external independent authorized property valuer (AKA) using the yield values. Determining the underlying key assumptions requires consideration in terms of yield requirements, vacancy rates and future development of rent levels, among other things.

### HOW THE MATTER WAS ADDRESSED IN THE AUDIT

- We evaluated the assumptions used in the calculations and the grounds for the substantial changes in fair values.
- We involved KPMG valuation specialists, who have tested the technical appropriateness of the calculations and compared the assumptions used with market and industry data.
- We have interviewed the external authorized property valuer (AKA) used by the Group to evaluate the appropriateness of the methods applied in the valuation.
- We evaluated the appropriateness of the disclosures provided on the investment properties.

### THE KEY AUDIT MATTER

#### Revenue: Recognition of revenue (refer to Note 3 to the consolidated financial statements)

- The nature of the Group's operations includes the sale of project management contracts, real estate development services and properties within the number of types of customer projects. The terms of delivery and invoicing of these deliverables are set in agreements entered into with customers.
- The amount and timing of revenue recognition is dependent on the content of different types of customer projects and related contracts. The revenue recognition principles are described in the Accounting principles of the consolidated financial statements. Factors of uncertainty related to revenue recognition concern mainly those customer projects for which revenue is recorded over time.
- The project revenue recognized over time is based on project-specific margin projections, which involve management judgement.

## HOW THE MATTER WAS ADDRESSED IN THE AUDIT

- We evaluated the internal control over revenue and the effectiveness of the key controls related to the accuracy of revenue.
- We considered significant customer contracts signed during the financial year and evaluated adherence to the company's internal policies. We evaluated the definition, classification and recording of transactions arising from the contracts in relation to both Group accounting principles applied in the preparation of consolidated financial statements as well as to provisions governing the preparation of financial statements.
- Regarding invoicing and revenue recognition, we evaluated the accuracy of the group's accounting entries. We performed substantive audit procedures on the project-based revenue calculations with the objective of assessing the accuracy of both the said calculations and profit margin recognized as well as the balances of receivables and received advance payments arising from contracts with customers presented in the financial statements.

We have not identified key audit matters relating to the parent company's financial statements.

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

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 a 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 about 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 the 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 REQUIREMENTS

### Information on our audit engagement

We were first appointed as auditors by the Annual General Meeting for the financial year ended 31 December 2019, and our appointment represents a total period of uninterrupted engagement of 7 years. Toivo Group Plc became a public interest entity on 10 June 2025.

## 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 or 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 the 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.

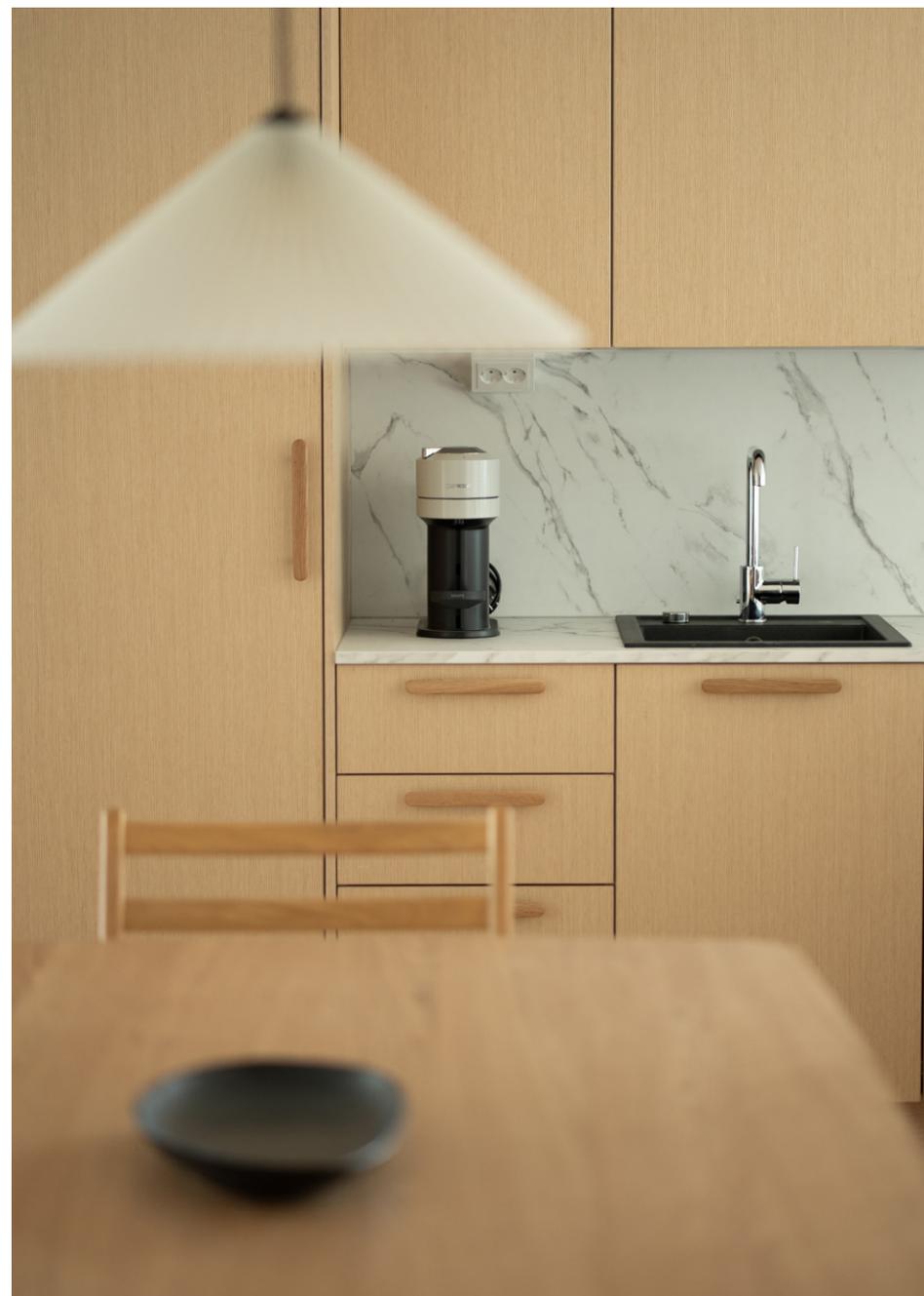
*Oulu, 10 March 2026*

KPMG OY AB

Audit firm

**Pekka Alatalo**

Authorised Public Accountant, KHT





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