CONSOLIDATED FINANCIAL STATEMENTS 2025, 2024 and 2023

Table of contents of the financial statements

CONSOLIDATED FINANCIAL STATEMENTS 2025, 2024 and 2023 1

Consolidated statement of comprehensive income 3

Consolidated balance sheet 4

Consolidated cash flow statement 5

Statement of changes in shareholders' equity 6

Notes to the consolidated financial statements 7

1 Accounting principles 7

2 Business operations and profitability 8
2.1 Net sales 8
2.2 Segment information 9
2.3 Other operating income 12
2.4 Associated companies 12
2.5 Materials and services 13
2.6 Personnel expenses and headcount 14
2.7 Depreciation, amortization and impairment 14
2.8 Other operating expenses 15

3 Capital employed 16
3.1 Tangible assets 18
3.2 Intangible assets 20
3.3 Leases 23
3.4 Working capital 26
3.4.1 Inventories 26
3.4.2 Accounts receivable and other receivables 27
3.4.3 Accounts payable and other liabilities 28
3.5 Vessels under construction 28

4 Financing 28
4.1 Financial risks and the management of financial risks 28
4.2 Financial assets and liabilities 31
4.3 Cash and cash equivalents 33
4.4 Loans and maturity 34
4.5 Financial income and expenses 35
4.6 Equity and dividend distribution 35
4.7 Earnings per share 37

5 Other notes 37
5.1 Group structure 37
5.2 Income taxes 39
5.3 Deferred taxes 40
5.4 Derivative contracts 40
5.5 Related parties and management remuneration 41
5.6 Share-based payments 43
5.7 Contingent liabilities, assets and other commitments 45
5.8 Events after the financial year 46
5.9 Amendments to IFRSs 48

Signatures to the annual report and financial statements 50

Consolidated statement of comprehensive income

1,000 EUR	Note	Jan 1, 2025-Dec 31,2025	Jan 1, 2024-Dec 31,2024	Jan 1, 2023-Dec 31,2023
Net sales	2.1	**185 178**	**206 207**	**189 029**
Other operating income	2.3	13 684	1 178	636
Share of profits accounted for using the equity method	2.4	207	439	1 268
Materials and services	2.5	-57 658	-66 002	-47 529
Employee benefit expenses	2.6	-17 956	-18 242	-18 350
Depreciation, amortization and impairment losses	2.7	-11 548	-20 462	-17 404
Depreciation, amortization and impairment losses, right of use assets	2.7	-6 475	-10 663	-10 394
Other operating expenses	2.8	-80 020	-83 389	-79 577
Operating profit		**25 412**	**9 066**	**17 679**
Financial income	4.5	381	1 335	145
Financial expenses	4.5	-5 248	-6 056	-6 372
Financial income and expenses		**-4 867**	**-4 721**	**-6 227**
Profit before taxes		**20 545**	**4 345**	11 452
Income taxes	5.2	74	-39	-263
Profit for the period		**20 619**	**4 306**	**11 189**
Other comprehensive income				
Cash flow hedges	5.4	-16 881	9 357	0
Other comprehensive income for the period, net of taxes		-16 881	9 357	0
Total comprehensive income		**3 738**	**13 663**	**11 189**
Profit for the period attributable to				
Parent company shareholders		20 619	4 306	11 189
Total comprehensive income attributable to				
Parent company shareholders		3 738	13 663	11 189
Earnings per share for profit attributable to the equity holders of the parent company:				
Diluted and non-diluted		9.00	2.11	6.22

Consolidated balance sheet

Assets

1,000 EUR	Note	Dec 31, 2025	Dec 31, 2024	Dec 31, 2023
Non-current assets				
Intangible assets	3.2	8 417	8 659	8 378
Tangible assets	3.1	171 053	158 533	165 562
Right of use assets	3.3	7 038	7 227	12 779
Investments accounted for using the equity method	2.4	2 080	1 874	1 703
Total non-current assets		**188 588**	**176 293**	**188 422**
Current assets				
Inventories	3.4.1	16 762	21 412	19 583
Accounts receivable and other receivables	3.4.2	28 409	40 465	34 711
Current tax assets		310	155	-
Cash and cash equivalents	4.3	7 433	17 434	3 714
Total current assets		**52 914**	**79 467**	**58 008**
Total assets		**241 502**	**255 760**	**246 430**

Equity and liabilities

1,000 EUR		Dec 31, 2025	Dec 31, 2024	Dec 31, 2023
Equity attributable to parent company shareholders				
Share capital	4.6	1 514	1 514	1 514
Legal reserve	4.6	126	126	126
Unrestricted equity reserve	4.6	45 858	75 000	-
Hedging reserve	4.6	-7 524	9 357	-
Retained earnings		53 257	42 584	60 055
Total equity		**93 231**	**128 581**	**61 695**
Non-current liabilities				
Deferred tax liabilities	5.3	1 696	1 881	1 980
Loans and overdraft facilities	4.4	114 097	95 046	139 061
Lease liabilities	3.3	2 221	1 123	1 385
Total non-current liabilities		**118 014**	**98 050**	**142 426**
Current liabilities				
Loans and overdraft facilities	4.4	9 297	7 601	5 502
Lease liabilities	3.3	4 973	6 204	11 517
Accounts payable and other liabilities	3.4.3	15 987	15 180	25 101
Current tax liabilities		0	144	189
Total current liabilities		**30 257**	**29 129**	**42 309**
Total liabilities		**148 271**	**127 179**	**184 735**
Total equity and liabilities		**241 502**	**255 760**	**246 430**

Consolidated cash flow statement

1,000 EUR	Jan 1, 2025-Dec 31,2025	Jan 1, 2024-Dec 31,2024	Jan 1, 2023 – Dec 31,2023
Cash flows from operating activities			
Operational profit	25 412	9 066	17 679
Adjustments			
Depreciations according to plan	18 023	31 126	27 798
Gains (-) and losses (+) on sale of tangible assets	-10 962	2	-20
Share of profits accounted for using the equity method	-207	-439	-1 268
Share-based incentive plan	54	79	27
Unrealized foreign exchange gains and losses	-12	8	-11
Other non-cash income and expenses	-6	36	6
Cash flows before change in net working capital	32 302	39 877	44 211
Change in net working capital			
Increase (-) / decrease (+) in short-term interest-free receivables	2 306	2 268	-4 934
Inventories, sold Green Handy vessels (+)	24 748	24 873	-
Inventories, advances received for vessels to be sold (-)	-20 988	-27 628	-
Other inventories addition (-)/decrease(+)	1 097	1 132	-4 467
Increase (+) / decrease (-) in short-term interest-free debt	828	-4 489	-3 661
Change in net working capital before financial items and taxes	40 293	36 033	31 148
Green Handy forward contracts	-1 783	-	-
Interest and other finance cost paid	-5 269	-5 888	-6 337
Interest income received	381	1 335	145
Direct taxes paid and tax refunds received	-410	-337	-240
Cash flows from operating activities (A)	**33 212**	**31 143**	**24 716**
Cash flows from investing activities			
Investments in tangible and intangible assets	-31 533	-47 339	-20 723
Proceeds from sale of tangible and intangible assets	18 462	33 560	20
Loans granted (–)		-180	-894
Proceeds from loan receivables		1 514	-
Green Handy forward contracts	-5 348		-
Dividends received		269	539
Cash flows from investing activities (B)	**-18 419**	**-12 176**	**-21 058**
Cash flows from financing activities			
Proceeds from share issue	-	45 000	-
Proceeds from loans	46 550	25 100	78 650
Repayments of loans (-)	-25 803	-37 123	-65 078
Payments of lease liabilities	-6 400	-10 624	-10 373
Dividends paid (-)	-39 142	-27 600	-12 000
Cash flows from financing activities (C)	**-24 794**	**-5 247**	**-8 801**
Net increase(+) / decrease(-) in cash and cash equivalents (A + B + C)	**-10 001**	**13 720**	**-5 143**
Cash and cash equivalents at beginning of the period	17 434	3 714	8 857
Cash and cash equivalents at end of the period	7 433	17 434	3 714
Change	-10 001	13 720	-5 143

Statement of changes in shareholders' equity

1,000 EUR	Note	Share capital	Legal reserve	Unrestricted equity reserve	Hedging reserve	Retained earnings	Total
Equity January 1, 2025		**1 514**	**126**	**75 000**	**9 357**	**42 584**	**128 581**
Comprehensive income							
Profit for the period						20 619	20 619
Hedging reserve	5.4				-16 881		-16 881
Total comprehensive income					**-16 881**	**20 619**	**3 738**
Transactions with owners							
Dividend distribution	4.6					-10 000	-10 000
Return of capital	4.6			-29 142			-29 142
Share-based incentive plan	4.6					54	54
Total transactions with owners				**-29 142**		**-9 946**	**-39 088**
Equity December 31, 2025		**1 514**	**126**	**45 858**	**-7 524**	**53 257**	**93 231**

1,000 EUR	Note	Share capital	Legal reserve	Unrestricted equity reserve	Hedging reserve	Retained earnings	Total
Equity January 1, 2024		**1 514**	**126**			**60 199**	**61 839**
Comprehensive income							
Profit for the period						4 306	4 306
Hedging reserve	5.4				9 357		9 357
Total comprehensive income					**9 357**	**4 306**	**13 663**
Transactions with owners							
Dividend distribution	4.6					-22 000	-22 000
Equity investments	4.6			75 000			75 000
Share-based incentive plan	4.6					79	79
Total transactions with owners				**75 000**		**-21 921**	**53 079**
Equity December 31, 2024		**1 514**	**126**	**75 000**	**9 357**	**42 584**	**128 581**

1,000 EUR	Note	Share capital	Legal reserve	Unrestricted equity reserve	Hedging reserve	Retained earnings	Total
Equity January 1, 2023		**1 514**	**126**			**54 439**	**56 079**
Comprehensive income							
Profit for the period						11 189	11 189
Total comprehensive income						**11 189**	**11 189**
Transactions with owners							
Dividend distribution						-5 600	-5 600
Share-based incentive plan						27	27
Total transactions with owners						**-5 573**	**-5 573**
Equity December 31, 2023		**1 514**	**126**			**60 055**	**61 695**

Notes to the consolidated financial statements

1 Accounting principles

Structure of the financial statements

The beginning of these consolidated financial statements provides an overview of the ESL Shipping Group's business operations and describes the accounting principles. The accounting principles and management judgments are presented in the notes in connection with each financial statement item. The financial statements have been divided into themes and organized to present the matters most relevant to the ESL Shipping Group first, while providing a clear and systematic overview of the Group's operations and special characteristics.

Information about the company and the financial statements

ESL Shipping is the leading dry bulk cargo company in the Baltic Sea region. The year 2025 was the company's 76th year of operation. ESL Shipping's strategy and competitive edge are built on leadership in sustainability and on the company's unique ability to develop and deliver reliable infrastructure for Nordic industrial companies operating in icy conditions and investing in the green transition. The shipping company loads and unloads large ocean liners at sea as a special service. At the end of the year, the shipping company's tonnage consisted of 37 vessels with a total capacity of 298,000 dwt. Of them, 24 were wholly owned (77% of the tonnage), two were minority owned (3%), and the remaining 11 vessels (20%) were time chartered. The figures include the Green Coaster pool, which consisted of eight vessels, four of which were owned by AtoBatC Shipping AB, and four by investors, on the balance sheet date.

The parent company of the ESL Shipping Group is ESL Shipping Ltd, Business ID 0201126-4. The parent company is domiciled in Helsinki, and its registered address is Lintulahdenkuja 10, FI-00500 Helsinki, Finland, where a copy of the consolidated financial statements is available.

ESL Shipping Oy is part of the Aspo Plc Group, with Aspo Plc owning 78.57% of the company. OP Finland Infrastructure and Varma Mutual Pension Insurance Company own a minority stake of 21.43% of the company.

Aspo Group's parent company is Aspo Plc (Business ID 1547798-7). Aspo Plc is a Finnish public limited company whose shares are listed on Nasdaq Helsinki Ltd. The parent company is domiciled in Espoo, and its registered address is Keilaranta 17, 02150 Espoo, Finland, where copies of Aspo Plc's consolidated financial statements are available.

Basis for preparation of the financial statements

ESL Shipping Ltd's consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) approved in the EU, applying the standards and interpretations valid on December 31, 2025. The notes to the consolidated financial statements also comply with complementary Finnish Accounting Standards based on Finnish accounting legislation and Community legislation.

All figures in these consolidated financial statements are presented in EUR thousands and based on original acquisition costs of transactions, unless otherwise stated in the Accounting Principles. The figures in brackets refer to the corresponding period in 2024 and 2023.

These consolidated financial statements for the financial years ended 31.12.2025, 31.12.2024 and 31.12.2023 have been prepared only for inclusion in the prospectus prepared for the listing of ESL Shipping shares on the official list of Nasdaq Helsinki Ltd and cannot be used for any other purpose. As the consolidated financial statements have been prepared for inclusion in the prospectus, the report of the Board of Directors and the information of the parent company have not been

presented. These consolidated financial statements are not the statutory consolidated financial statements of the company.

Material changes in financial reporting in 2025

ESL Shipping's accounting principles did not undergo any material changes in 2025. The amendments introduced to standards during the financial year are described in Note 5.9: Amendments to IFRSs.

Estimated items and the management's discretion

The management exercises discretion when applying the accounting principles. In addition, accounting estimates are used in the preparation of the financial statements. Due to changes in the factors underlying the estimates, it is possible that the actual outcomes differ significantly from the estimates used in the financial statements.

In preparing the consolidated financial statements, the impacts of climate change have been assessed particularly in respect of matters requiring management judgment and estimation, as well as in the presentation of the notes to the financial statements. ESL Shipping has carried out a climate risk assessment that considers different climate scenarios, changes in conditions, and the resulting risks over the short, medium and long term. The following time horizons have been defined for climate scenarios: short-term 0–5 years; medium-term 5–15 years; and long-term over 15 years. ESL Shipping has assessed that climate change has no impact on the management judgments or estimates applied in the short or medium term.

The table below provides an overview of areas involving significant judgment or complexity, as well as items that are more likely to be subject to material adjustments if estimates and assumptions prove inaccurate. Detailed information about these estimates and judgments can be found in the notes to each relevant financial statement item, including information about the calculation principles applied to the financial statement item.

Significant estimates and judgments

Item	Estimate	Judgment	Notes
Lease liabilities and leased assets	Lease term and lease component determination for vessels	Yes	3.3
Intangible and tangible assets	Useful life, residual value	Yes	3.1 and 3.2
Goodwill	Assumptions used in value-in-use calculations	No	3.2

2 Business operations and profitability

2.1 Net sales

ESL Shipping transports raw materials for industry and the energy sector by sea and offers related services. Net sales mainly consist of sea freight services, primarily for the industrial and energy sectors.

ESL Shipping's net sales decreased by 10% from the comparison period 2024, totaling EUR 185.2 million (2024: EUR 206.2 million, 2023: EUR 189.0 million). Net sales in the Handy business were unchanged, whereas net sales in the Coaster vessel category decreased in 2025 by 15%. The decline in net sales was mainly due to lower capacity, exceptionally weak spot market pricing and softer contract-based freight volume demand, reflecting the generally subdued level of industrial activity, particularly in the Coaster vessel category. The year 2023 was characterised by a challenging business environment as business declined in several key customer segments, which pulled down spot volumes and interest rates in particular, and cost inflation and interest rates were high. In both 2025 and 2024, ESL Shipping sold two Green Coasters to a company founded by a

group of investors. The sale of the Supramax vessels was completed in the second quarter of 2024, so they generated net sales until then.

Net sales include foreign exchange differences on sales of EUR 25.6 thousand (2024: 17.5 and 2023: 39.2).

ESL Shipping breaks down its net sales by the timing of revenue recognition and by market area.

Net sales by timing of recognition

1,000 EUR	2025	2024	2023
At a point in time	25 437	25 541	196
Over time	159 741	180 665	188 833
	185 178	**206 207**	**189 029**

The majority of the Group's revenue, totaling 86.3% (2024: 87.6%, 2023: 99.9%)), is recognized over time. Performance obligations recognized at a point in time, upon the delivery of goods or services, include the sale of Green Coaster vessels and related services provided by the subsidiary Oy AtoBatC Shipping Ab.

Geographical areas

Net sales by market area

1,000 EUR	2025	2024	2023
Finland	96 651	101 142	99 411
Scandinavia	62 278	74 753	53 367
Baltic countries	3 343	2 822	425
Other European countries	21 530	24 107	26 118
Other countries	1 376	3 383	9 708
	185 178	**206 207**	**189 029**

Accounting principles: Revenue recognition

ESL Shipping's maritime sea freight revenue is recognized over time as the services are performed. The income recognition date is based on transportation agreements or other agreements. At the end of each reporting period, income from ESL Shipping's undelivered or otherwise incomplete services is recognized on the basis of the number of days (as a percentage of the estimated total duration of the service) for which the service has been carried out by the reporting date. Net sales from the sale of Green Coaster vessels are recognized at a point in time in accordance with the terms of delivery.

Only a small portion of net sales consists of services sold to customers, for which revenue is recognized at a point in time when the service has been performed.

Sales prices do not include any significant financial component. Primarily, accounts receivable fall due within 0–60 days after the invoicing date. Advance payments received from customers are also used.

ESL Shipping had no significant additional costs resulting from revenue from contracts with customers that should be activated on the balance sheet. Any additional costs are recognized as costs which would be recognized as such no later than within one year after they were generated.

2.2 Segment information

ESL Shipping presents segment information in a manner consistent with internal reporting to the Board of Directors and the Executive Management Team of the ELS Shipping Group. The business units are classified in accordance with IFRS into the following reportable segments:

- The **Handy segment** consists of Handysize vessels with a carrying capacity of 10,000 to 25,000 tonnes, which are particularly suitable for transporting smaller and versatile cargo, such as minerals and concentrates, grain, steel, coke, soil and cement. Almost all

Handysize vessels are equipped with fixed cranes that enable independent loading and unloading, as well as cargo handling at sea. The Handy segment's customer base consists primarily of companies in the mining and metals processing and aggregates industries, the chemical industry and the energy industry.

- The **Coaster segment**, which consists of Coaster vessels with a tonnage of 4,000 to 10,000 tonnes, which are particularly suitable for smaller cargo volumes and routes within Europe. The Coaster segment's customer base consists primarily of customers in the forest industry, mining and metal processing, as well as in the aggregates industries, the chemical industry, the food industry and project transport.
- The **Other segment** includes Group functions and Group management serving the businesses, as well as eliminations. In 2024 and 2023, the Group's businesses included Supramax, which was not material to the Group and management in terms of both profit and revenue and should therefore not be presented as a separate segment in 2024 and 2023.

The Group's chief operational decision-maker (CODM) is the President and CEO together with the Board of Directors. CODM's decision-making is based on EBITDA and operating profit and comparable operating profit and EBITDA in the assessment of segment performance and resource allocation.

Intra-segment transactions are eliminated and transactions between segments are market-based. Income, expenses and assets presented in segment reporting are items that can be allocated directly or justifiably to segments. The same accounting principles have been used in segment reporting as in the ESL Shipping Group.

Segments 2025

1000 €	**Handy**	**Coaster**	**Other**
External net sales	79 739	105 439	-
Internal net sales	109	1 133	-1 242
Total net sales	**79 848**	**106 572**	**-1 242**
Share of profits in associates	-	207	-
Comparable EBITDA	23 268	12 663	-1 553
Deprecation and amortisations	-8 346	-9 677	-
Comparable operating profit	14 922	2 987	-1 553
Items affecting comparability	9 606	-	-549
Operating profit	24 528	2 987	-2 102
Segment assets			
Interest-free assets	123 086	100 193	8 794
Share in associated companies	-	2 080	-
Right-of-use assets	743	6 295	-
Segment assets total	**123 830**	**108 568**	**8 794**
Capex	8 222	23 218	93

Segments 2024

1000 €	**Handy**	**Coaster**	**Other**
External net sales	79 133	119 530	7 543
Internal net sales	-	1 484	-1 484

Total net sales	**79 133**	**121 014**	**6 059**
Share of profits in associates	-	439	-
Comparable EBITDA	20 749	18 388	1 469
Deprecation and amortisations	-8 780	-13 518	-8 827
Comparable operating profit	11 969	4 869	-124
Items affecting comparability	-	-	-7 649
Operating profit	11 969	4 869	-7 773
Segment assets			
Interest-free assets	139 128	105 594	1 779
Share in associated companies	-	1 873	-
Right-of-use assets	787	6 441	-
Segment assets total	**139 916**	**113 909**	**1 779**
Capex	25 371	21 968	-

Segments 2023

1000 €	**Handy**	**Coaster**	**Other**
External net sales	78 536	93 682	16 811
Internal net sales	467	2 890	-3 357
Total net sales	**79 003**	**96 572**	**13 454**
Share of profits in associates	-	1 268	-
Comparable EBITDA	24 497	18 451	3 098
Deprecation and amortisations	-10 467	-13 210	-4 122
Comparable operating profit	**14 030**	**5 241**	**-1 024**
Items affecting comparability	150	-	-718
Operating profit	**14 180**	**5 241**	**-1 743**
Segment assets			
Interest-free assets	106 021	68 487	53 740
Share in associated companies	-	1 703	-
Right-of-use assets	637	12 131	
Segment assets total	**106 657**	**82 321**	**53 740**
Capex	5 351	15 351	-

Reconciliations

1000 €	**2025**	**2024**	**2023**
Net sales			
External sales for reportable segments	185 178	198 663	172 218
External sales for Other	-	7 543	16 811
Group net sales	**185 178**	**206 207**	**189 029**
Comparable operating profit			

Total comparable profit for reportable segments	17 909	16 838	19 271
Comparable profit for Other	-1 553	-124	-1 024
Items affecting comparability	9 057	-7 649	-568
Group total operating profit	**25 412**	**9 066**	**17 679**
Group financial income and expenses	-4 867	-4 721	-6 227
Group profit/loss before taxes	**20 545**	**4 345**	**11 452**
Items affecting comparability			
Profit of sale of M/S Kallio	9 606	-	-
Strategic projects	-150	-	-
Payments fraud	-399	-	-
Impairment and other items relating to Supramax	-	-7 234	-
Sale of non-controlling interest in ESL Shipping	-	-520	-
Disposal of businesses	-	105	-
Advisory costs for the sale of non-controlling interst	-	-	-568
Total items affecting comparability	**9 057**	**-7 649**	**-568**
Assets			
Total assets for reportable segments	232 398	253 825	188 978
Total assets for Other	8 794	1 779	53 740
Unallocated interest-bearing assets	310	155	3 709
Group total assets	**241 502**	**255 760**	**246 430**

2.3 Other operating income

Other operating income

1,000 EUR	2025	2024	2023
Gains on sale of tangible assets	10 962	0	20
Insurance and other compensations	2 397	592	336
Leasing agreement related compensation	23	60	4
Other income	393	525	275
Total	**13 774**	**1 178**	**636**

In 2025, the capital gains on the sale of tangible assets mainly consisted of the EUR 9.6 million gain on M/S *Kallio* and the EUR 1.3 million gain on the sale of a Coaster vessel at the end of its useful life. In addition, EUR 2.4 million in insurance compensation was reported, mainly related to a payment fraud incident during the year and the fire on M/S *Tali*.

2.4 Associated companies

Investments accounted for using the equity method

The Group has two associated companies, which joined the Group in connection with the acquisition of the shipping company AtoB@C Shipping in 2018. These limited partnership companies, Auriga KG and Norma KG, are German entities domiciled in Leer. The Group holds 49% of these companies.

Associated companies

Company	Country	Holding %
Auriga KG	Germany	49.00
Norma KG	Germany	49.00

Each of these companies own one dry bulk cargo vessel. Their revenues consist of charter revenues from vessels. The fair value of these associated companies defined in conjunction with the business acquisition was EUR 0.9 million higher than the carrying amount. The difference between the fair value and the carrying amount is allocated to the vessels owned by the companies and is depreciated over their useful life. The annual depreciation amount is around EUR 0.1 million.

ESL Shipping uses the two ships owned by the associated companies in its business operations and pays a market-rate lease for them.

Investments accounted for using the equity method

1,000 EUR	2025	2024	2023
Balance Jan 1	1 873	1 703	974
Dividends received	0	-269	-536
Share of profits for the financial year	207	439	1 268
Carrying amount Dec 31	**2 080**	**1 873**	**1 703**

Transactions with related parties - Associated companies

1,000 EUR	2025	2024	2023
Services acquired	-1 991	-2 534	-3 080
Depreciation of time-chartered vessels	-872	-1 101	-1 254
Interest expense of time-chartered vessels	-21	-26	-29
Leased assets, vessels	1 027	1 122	1 265
Other receivables	264	123	286
Lease liabilities	1 018	1 133	1 272

Accounting principles: Associated companies

Associated companies are consolidated using the equity method. If the Group's share of the associated company's losses exceeds the carrying amount, losses in excess of the carrying amount will not be consolidated unless the Group undertakes to fulfill the associated companies' obligations. Unrealized profits arising from intra-group transactions are eliminated in accordance with the Group's ownership. The share of profits or losses of associated companies presented in the comprehensive income statement is calculated from the profit or loss for the financial year, and it includes the impact of taxes.

2.5 Materials and services

Materials and Services

1,000 EUR	2025	2024	2023
Purchases during the period			
Bunker cost	-29 073	-39 054	-47 127
Green Coaster and Green Handy vessels	-24 538	-24 291	-
Emission expenses	-3 163	-1 665	-
Other	6	-67	27
Total	**-56 768**	**-65 077**	**-47 100**
Change in inventories	-890	-925	-429

Materials and services, total	**-57 658**	**-66 002**	**-47 529**

During the financial year, purchases included EUR 6.0 (2024: -80.8, 2023: 11.9) thousand in exchange rate differences.

Purchases related to the Green Coaster and Green Handy vessels to be resold amounted to EUR 24.5 million (2024: 24.3). The emission allowance costs recognized for Handy-class vessels amounted to EUR 3.2 million (2024: 1.7).

2.6 Personnel expenses and headcount

Employee benefit expenses

1,000 EUR	2025	2024	2023
Wages and salaries	-15 101	-15 802	-15 507
Pension expenses, defined contribution plans	-1 170	-881	-760
Share-based payments	-95	-125	-306
Other employee benefit expenses	-1 590	-1 435	-1 776
Total	**-17 956**	**-18 242**	**-18 350**

In the form of merchant vessel subsidies, ESL Shipping receives reimbursements from the Ministry of Transport and Communications for seafarer withholding taxes and social security contributions. The amount of the merchant vessel subsidy was EUR 5.2 million (2024: 5.3, 2023: 5.9).

The ESL Shipping Group's statutory pension cover in Finland is arranged through insurance policies with pension insurance companies for shore-based personnel. For Finnish sea-based personnel, pension cover is managed through the Seafarers' Pension Fund. In foreign units, the pension cover is arranged in accordance with local legislation and social security regulations. The Group's pension plans are defined contribution plans, and the related payments are recognized as an expense in the financial year to which the charge relates.

Information about the senior management's employee benefits is presented in Note 5.5: Related parties and management remuneration".

Number of personnel

Personnel on average

	2025	2024	2023
Crew employees	190	208	237
Office employees	67	61	59
Total	**257**	**269**	**296**

Personnel at year-end

	2025	2024	2023
Crew employees	179	193	238
Office employees	71	60	59
Total	**250**	**253**	**297**

2.7 Depreciation, amortization and impairment

Depreciation, amortization and impairment losses

1,000 EUR	2025	2024	2023
Depreciation and amortization, tangible and intangible assets			
Intangible assets	-3	-10	-19
Vessels	-11 402	-13 300	-17 223
Machinery and equipment	-17	-10	-37
Other tangible assets	-125	-125	-125
Total depreciation and amortization	**-11 548**	**-13 445**	**-17 404**
Impairment losses			
Vessels	0	-7 018	-
Total impairment losses	**0**	**-7 018**	**-**
Total depreciation, amortization and impairment losses	**-11 548**	**-20 462**	**-17 404**

Depreciation and amortization, leased assets **1,000 EUR**	**2025**	**2024**	**2023**
Intangible assets	-4	-4	-13
Buildings	-223	-225	-245
Vessels	-6 118	-10 313	-10 021
Machinery and equipment	-130	-121	-115
Total depreciation and amortization	**-6 475**	**-10 663**	**-10 394**
Total depreciation, amortization and impairment losses	**-6 475**	**-10 663**	**-10 394**

Depreciation relates primarily to vessels owned and leased by ESL Shipping.

The impairment loss of EUR 7.0 million recognized in 2024 was related to the sold Supramax vessels. The impairment loss was recognized in March 2024 when the vessels were classified as held for sale in accordance with the IFRS 5 standard. The recognition of the depreciation on the Supramax vessels also ended at that time.

The accounting principles related to depreciation are described in Note 3.1: Tangible assets and Note 3.2: Intangible assets. The accounting principles related to leases are described in Note 3.3: Leases.

2.8 Other operating expenses

Other operating expenses **1,000 EUR**	**2025**	**2024**	**2023**
Other shipping costs	-74 438	-79 001	-75 879
Rents and Leasing	-108	-103	-143
External services	-2 288	-2 216	-1 932
Other	-3 277	-2 069	-1 623
Total	**-80 111**	**-83 389**	**-79 577**

The majority of ESL Shipping's other vessel operating expenses are related to ship operations, such as port and fairway dues, technical vessel expenses, the service component of lease contracts, and crew travel expenses.

Auditors' fees **1 000 EUR**	**2025**	**2024**	**2023**
Audit firm of the parent company			
Audit	-102	-118	-70

Other services		-2	-1
Total	**-102**	**-120**	**-73**

ESL Shipping Ltd's auditor is the audit firm Deloitte Oy.

3 Capital employed

Invested capital

1,000 EUR	Notes	31.12.2025	31.12.2024	31.12.2023
Goodwill	3.2	6 337	6 337	6 193
Other intangible assets	3.2	2 080	2 322	2 185
Tangible assets	3.1	171 053	158 533	165 562
Leased assets	3.3	7 038	7 227	12 779
Investments accounted for using the equity method	2.4	2 080	1 874	1 703
Net working capital	3.4	28 605	35 960	29 944
Total		**217 193**	**212 253**	**218 366**

Capital employed reflects how equity and interest-bearing liabilities are tied up in the business. The most significant component of capital employed consists of vessels owned and leased by ESL Shipping, with a total value of EUR 142.8 million (2024: 122.1, 2023: 152.1). Goodwill and other intangible assets account for EUR 8.4 million (2024: 8.5, 2023: 8.4) of capital employed, while working capital accounts for EUR 28.6 million (2024: 36.0, 2023: 29.9).

Investments

Investments consist of increases in intangible and tangible assets used over more than one period. Investments, totaling EUR 31.5 million (2024: 47.3, 2023: 20.7), consisted primarily of investments in Green Coaster and Green Handy vessels. In 2023, mainly from ESL Shipping Oy's docking and advance payments for Green Coaster investments. Increases in leased assets are presented in Note 3.3: Leases. Advance payments for Green Coaster and Green Handy vessels under construction are specified in Note 3.5.

Green Coaster investment

Oy AtoBatC Shipping Ab, a subsidiary of ESL Shipping Ltd, is having a series of six highly energy-efficient electric hybrid vessels built. The new vessels of ice class 1A will be top of the line in terms of their cargo capacity, technology and innovation. The total investment value for the first six vessels is around EUR 70 million, with the investment cash flow mainly spread over 2021–2026. The new vessels will be built at the Chowgule and Company Private Limited shipyard in India.

In 2022, it was confirmed that ESL Shipping would establish a Green Coaster pool. As a result, AtoBatC Shipping AB ordered another six Green Coaster vessels from Chowgule & Company Private Limited in India. The vessels will be resold to Green Coaster Shipping AB (which is not part of the ESL Shipping Group).

Every other vessel built by Chowgule & Company Private Limited will be delivered to AtoBatC Shipping AB, and every other vessel will be resold to Green Coaster Shipping AB upon arrival in Europe. Advance payments paid for vessels to be resold are recognized in inventories, and the sales price is recognized in net sales. The sales price of the vessels is based on their total cost. All 12 Green Coaster vessels built and under construction will be made available to AtoBatC Shipping

AB in the Green Coaster pool once their construction has been completed, and they have been delivered.

Vessels owned by the investor pool are leased by ESL Shipping. The lease payments are based on the pool's revenues and are fully variable. As the lease is fully variable with no fixed rate, the lease liability or the leased asset is not recognized under IFRS 16, but the lease payments are recognized as lease expenses.

By the end of 2025, nine Green Coasters (4) had been completed, and the remaining three will be completed during 2026. The Green Coaster pool started operations on June 18, 2024, with its first two vessels, and at the end of 2025, the pool comprised eight vessels, with a ninth vessel on its way to Europe.

Green Handy investment

ESL Shipping is building four new Green Handy vessels. The total value of the four vessels is approximately EUR 186 million, and the investment will be implemented in 2024–2028. The investment is denominated in USD, and future cash flows are hedged.

The new vessels will be built in Nanjing in China by China Merchants Jinling Shipyard (Nanjing) Co., Ltd. The vessels are scheduled to enter service in the third quarter of 2027. The fourth vessel of the series is expected to enter service in the first half of 2028. In December 2024, ESL Shipping Ltd made the first payment for the four Green Handy vessels under construction. The payment was EUR 29.0 million calculated at the forward rate.

ESL Shipping does not yet have a pool contract for the Green Handy vessels, but one of the four vessels is to be sold to a group of investors. Consequently, one fourth of the investment amount, including the realized hedging result, has been recognized as an advance payment for inventories, and three fourths as an advance payment for tangible assets.

Regarding the Green Handy investment, borrowing costs are capitalized. One fourth of the borrowing costs has been recognized as an advance payment for inventories, and three fourths as an advance payment for tangible assets.

Investment commitments for vessels

The remaining Green Coaster investment commitment at the end of the year is around EUR 8 million. It only includes future payments for Green Coaster vessels built for AtoBatC Shipping AB.

The remaining Green Handy investment commitment at the end of the year is around EUR 158 million. The amount includes the remaining payments for all four Green Handy vessels, as no agreement has yet been made regarding the resale of one vessel. The cash flow is expected to be allocated as follows: 10% in 2026; 60% in 2027; and 30% in 2028.

3.1 Tangible assets

Tangible Assets 2025 1,000 EUR	Machinery and equipment	Vessels	Other tangible assets	Work in progress and advance payments	Total
Acquisition cost, Jan 1	241	267 465	23	42 700	310 429
Additions	62	2 357		29 408	31 827
Decreases	-2	-23 304		-647	-23 954
Transfers between classes		29 546		-29 546	
Acquisition cost, Dec 31	**301**	**276 063**	**23**	**41 916**	**318 303**
Accumulated depreciation, Jan 1	-230	-151 667			-151 896
Accumulated depreciation of decreases	2	16 064			16 066
Depreciation for the period	-17	-11 402			-11 419
Accumulated depreciation, Dec 31	**-245**	**-147 005**			**-147 250**
Carrying amount, Dec 31	**56**	**129 058**	**23**	**41 916**	**171 053**

The increases in tangible assets in 2025 mainly consist of investments in Green Coaster vessels. The decreases in vessels were related to the M/S *Kallio*, which was sold by ESL Shipping Ltd, and to the sale of one Coaster vessel.

Tangible Assets 2024 1,000 EUR	Machinery and equipment	Vessels	Other tangible assets	Work in progress and advance payments	Total
Acquisition cost, Jan 1	241	310 057	23	25 506	335 827
Additions		1 678		45 182	46 860
Decreases		-72 258			-72 258
Transfers between classes		27 987		-27 987	
Acquisition cost, Dec 31	**241**	**267 465**	**23**	**42 700**	**310 429**
Accumulated depreciation, Jan 1	-220	-170 045			-170 266
Accumulated depreciation of decreases		38 696			38 696
Depreciation for the period	-10	-13 300			-13 309
Impairment		-7 018			-7 018
Accumulated depreciation, Dec 31	**-230**	**-151 667**			**-151 896**
Carrying amount, Dec 31	**11**	**115 798**	**23**	**42 700**	**158 533**

In 2024, increases in tangible assets were mainly caused by advance payments related to the new Green Coaster and Green Handy vessels. Decreases and impairment concerning vessels are related to the two Supramax vessels sold.

Tangible Assets 2023 **1,000 EUR**	*Machinery and equipment*	*Vessels*	*Other tangible assets*	*Work in progress and advance payments*	*Total*
Acquisition cost, Jan 1	242	309 228	23	10 642	320 135
Additions		2 044		18 321	20 365
Decreases	-1	-4 671			-4 672
Transfers between classes		3 457		-3 457	
Acquisition cost, Dec 31	**241**	**310 057**	**23**	**25 506**	**335 827**
Accumulated depreciation, Jan 1	-184	-157 494			-157 678
Accumulated depreciation of decreases	1	4 671			4 672
Depreciation and impairment losses for the period	-37	-17 223			-17 260
Accumulated depreciation, Dec 31	**-220**	**-170 045**			**-170 266**
Carrying amount, Dec 31	**21**	**140 012**	**23**	**25 506**	**165 562**

Accounting estimates and management judgments: tangible assets

Estimates of the useful life and residual value and the selection of depreciation methods require the management's significant discretion and are subject to constant analysis. Vessels comprise the most significant fixed asset item on the balance sheet, and their depreciation periods range from 17 to 30 years, based on the useful life of each vessel. Estimates are also made in conjunction with business acquisitions when determining the fair values and remaining useful lives of the acquired tangible assets.

The residual values of ships were reviewed in late 2024, with some ships approaching the end of their useful life. Previously, the residual value of ships has been estimated to be zero, but because steel always has scrap value, this has led to situations in which ships have been recognized as proceeds from sale or scrapping at the end of their useful life.

Offers were obtained on the price of scrap steel in connection with scrapping, based on which the residual values for ships were calculated. It was considered appropriate to determine a residual value for all ships, not just those approaching the end of their useful life. The scrap steel price used in the calculation was estimated based on the precautionary principle so that it would remain below the market price even over the longer term.

Going forward, the residual value will be determined for all new ships. The value of scrap steel will be monitored at least annually, and it will be ensured that the value of scrap steel used in the calculation of the residual values does not exceed the market price. The determination of the residual value has reduced the vessels' depreciation according to plan, with an annual impact of around EUR 2.6 million.

Accounting principles: Tangible assets

Tangible assets are recognized at original acquisition cost net of cumulative depreciation less possible impairment. For vessel newbuildings, financial expenses arising during construction are capitalized as part of the investment's acquisition cost and are amortized during the useful life of the asset item. The depreciation period for dry dockings is based on an estimate of the timing of the next dry-docking period.

Tangible assets are depreciated on a straight-line basis over their estimated useful lives as follows:

Vessels	17–30 years
Pushers	18 years
Dry docking	2–3 years
Machinery and equipment	3–10 years
2023: Buildings	15-40 years
Refurbishment costs from premises	5–20 years (2023: 5-10 years)
Other tangible assets	3–40 years

Gains and losses arising from the removal from use and disposal of tangible assets are included in other operating income and expenses.

The carrying amounts of individual tangible or intangible assets are reviewed on each reporting date to determine whether there is any indication of impairment. If an impairment is identified, the carrying amount is immediately reduced to the asset's recoverable amount. An impairment loss is recognized through profit or loss. Where an impairment loss is recognized for an asset item subject to depreciation, the asset item's useful life is re-estimated. A previously recognized impairment is reversed if the estimates used in the determination of the recoverable amount change. A carrying amount increased due to the reversal of an impairment loss may not exceed the carrying amount that would have been defined for the asset item if no impairment loss had been recognized in previous years.

Accounting principles: Government grants

Government grants received as compensation for costs incurred are recognized in the statement of comprehensive income at the same time as the related expenses are recognized. Subsidies received are presented as net deductions from generated costs. Government grants related to the acquisition of tangible assets have been recognized as adjustments to acquisition costs. Government grants are entered as income during the period of use of the asset item in the form of smaller depreciation.

3.2 Intangible assets

The most significant item under intangible assets is goodwill. Other intangible assets include customer relationships acquired in a business combination.

ESL Shipping Ltd has developed the Smart Fleet Optimizer (SFO) software, which aims to improve vessel voyage planning. The SFO software is owned by ESL, and its development will continue. The aim is to implement the SFO program during 2026. Advance payments for the project at the end of 2026 amounted to EUR 0.9 million (0.8).

Intangible assets 2025 **1,000 EUR**	**Goodwill**	**Intangible rights**	**Other intangible assets**	**Advance payments**	**Total**
Acquisition cost, Jan 1	7 186	333	1 874	1 230	10 623
Additions				93	93
Decreases				-207	-207
Acquisition cost, Dec 31	**7 186**	**333**	**1 874**	**1 117**	**10 509**
Accumulated amortization and impairment, Jan 1	-848	-324	-791		-1 964
Amortization and impairment for the period		-3	-125		-128
Accumulated amortization and impairment, D	**-848**	**-328**	**-916**		**-2 092**
Carrying amount, Dec 31	**6 337**	**6**	**958**	**1 117**	**8 417**

Intangible assets 2024 1,000 EUR	Goodwill	Intangible rights	Other intangible assets	Advance payments	Total
Acquisition cost, Jan 1	7 186	333	1 874	958	10 351
Additions				479	479
Decreases				-207	-207
Acquisition cost, Dec 31	**7 186**	**333**	**1 874**	**1 230**	**10 623**
Accumulated amortization and impairment, Jan 1	-848	-314	-666		-1 829
Amortization and impairment for the period		-10	-125		-135
Accumulated amortization and impairment, D	**-848**	**-324**	**-791**		**-1 964**
Carrying amount, Dec 31	**6 337**	**9**	**1 083**	**1 230**	**8 659**

Intangible assets 2023 1,000 EUR	Goodwill	Intangible rights	Other intangible assets	Advance payments	Total
Acquisition cost, Jan 1	6 193	789	1 874	600	9 456
Additions				358	358
Decreases		-456			-456
Acquisition cost, Dec 31	**6 193**	**333**	**1 874**	**958**	**9 359**
Accumulated amortization and impairment, Jan 1		-751	-541		-1 292
Accumulated amortization of decreases		456			456
Amortization and impairment for the period		-19	-125		-144
Accumulated amortization and impairment, Dec		**-314**	**-666**		**-980**
Carrying amount, Dec 31	**6 193**	**19**	**1 207**	**958**	**8 378**

Goodwill impairment testing

Goodwill impairment testing is carried out in the ESL Shipping Group at CGU/segment-level, which is the level at which goodwill is monitored. The reportable segments in the Group are Handy, Coaster and Other. Goodwill is allocated to segments: Handy 4 436 EUR thousand, Coaster 1 901 EUR thousand.

In impairment testing, the recoverable amount is estimated using a value-in-use calculation. The cash-flow-based value in use is determined by calculating the discounted present value of predicted cash flows. The cash flows include estimates of future sales and profitability, as well as maintenance investments. Cash flow estimates are based on the budget for 2026 and financial plans for 2027–2029 approved by the Board of Directors. In testing, cash flow estimates are prepared for a five-year period, with the final year being the terminal year. A growth assumption of 2% (2024: 2%, 2023: 2%) has been used for terminal values.

When estimating net sales, the assumption is that current operations can be maintained, and net sales will grow in a controlled manner at the rate estimated in financial plans. The sales margin is estimated to follow net sales growth. It is estimated that costs will increase slowly as a result of continuous cost management. Fixed costs are expected to grow by as much as the rate of inflation at most.

The discount rate is determined through the weighted average cost of capital (WACC) that depicts the overall costs of shareholders' equity and liabilities, taking into account the particular risks related to the asset items and location of operations. ESL Shipping's WACC was 8.86% (2024: 7.69%, 2023: 8.57%). The WACC level rose, mainly due to an increase in country-specific WACC levels and a slight rise in the peer group's beta.

Results of impairment testing and sensitivity analysis

The annual goodwill impairment test was carried out in December. The value-in-use calculation prepared for ESL Shipping segments showed that the recoverable amount significantly exceeded the carrying amount of goodwill, and no goodwill write-down is necessary, same as in 2024 and 2023.

Accounting estimates and management judgments: goodwill

The carrying amount of the Group's goodwill is tested by means of a value-in-use calculation, which is compiled using estimates. Different assumptions in the calculation of the value in use could have a significant impact on the amounts of goodwill reported in the consolidated financial statements.

Uncertainties in economic development, changes in exchange rates and strong fluctuations in the operating environment make it difficult to make the assumptions used in impairment testing, especially regarding future cash flows and profit levels.

It is the management's view that the estimates of future cash flows and the tying-up rate of capital used in testing are likely. The assumptions behind the calculations may, however, change along with changes in financial and business conditions. Realized cash flows may therefore differ from the estimated opposite discounted cash flows, which may lead to the recognition of impairment losses during future periods.

Accounting principles: Goodwill

Goodwill arising from business combinations has an indefinite useful life and is not amortized according to plan, but its carrying amount is tested at least annually through an impairment test based on value in use. The cash-flow-based value in use is determined by calculating the discounted present value of predicted cash flows. An indication of any impairment may lead to the initiation of an impairment test, even within a shorter timeframe.

An impairment loss is recognized through profit or loss if the carrying amount of an asset item is higher than its recoverable amount. An impairment loss recognized for assets other than goodwill is reversed if the estimates used in the determination of the recoverable amount later change to a substantial extent. A carrying amount increased due to the reversal of an impairment loss may not exceed the carrying amount that would have been defined for the asset item if no impairment loss had been recognized in previous years. An impairment loss recognized from goodwill is not reversed under any circumstances. The management reviews the valuation of goodwill through an annual value-in-use calculation.

Accounting estimates and management judgments: other intangible assets

Estimates of the useful life and residual value and the selection of depreciation methods require the management's significant discretion and are subject to constant analysis.

The management also exercises judgment in connection with business combinations when determining the fair values and remaining useful lives of acquired intangible assets. The value on the acquisition date is determined using discounted cash flows.

Accounting principles: Other intangible assets

Intangible assets are measured at original acquisition cost and amortized on a straight-line basis during their useful life. The depreciation periods are:

Software and software licenses	3–5 years
Customer relationships acquired in a business combination	15 years

Cloud services are recognized as an expense in the financial period in which the expense is incurred, as they are not under the company's control. Accounting principles related to impairment are described in Note 3.1: Tangible assets.

Accounting principles: Research and development expenditure

The ESL Shipping Group's research and development activities focus primarily on improving operations, methods and products as part of customer-specific business operations. Consequently, development inputs are included unitemized in normal operating expenses and do not meet the capitalization criteria.

3.3 Leases

The Group has customary business-related leases such as contracts related to office and warehouse premises, as well as vessels and cars. Some office equipment and software are leased as well. Lease terms are negotiated on an individual basis and contain a wide range of different conditions. Vessels are generally chartered under agreements with a duration of around one year. Other leases are typically less than five years in duration.

The following amounts related to leases are presented on the balance sheet:

Leased assets

1,000 EUR	31.12.2025	31.12.2024	31.12.2023
Intangible assets	3	7	11
Buildings	640	720	395
Machinery and equipment	281	206	242
Vessels	6 114	6 294	12 131
Total	**7 038**	**7 227**	**12 779**

Lease liabilities

1,000 EUR	31.12.2025	31.12.2024	31.12.2023
Non-current	2 221	1 123	1 385
Current	4 973	6 204	11 517
Total	**7 194**	**7 327**	**12 902**

At the end of the financial year, the most significant leased assets were the vessels leased by ESL Shipping.
Increases in leased assets during the financial year amounted to EUR 8.8 million (2024: 10.9, 2023: 14.3).
The maturity of lease liabilities is presented in Note 4.4: Loans and maturity.

The Group's comprehensive income statement includes the following amounts related to leases:

Amounts recognized in profit and loss

1,000 EUR	2025	2024	2023
Depreciation and amortization, leased assets	-6 475	-10 663	-10 394
Interest expenses	-270	-308	-270
Expenses relating to short-term leases		-2	-198
Expenses relating to leases of low-value assets	-61	-57	-44
Expense relating to variable lease payments	-5 478	-1 408	0
Expenses total	**-12 284**	**-12 438**	**-10 906**

Depreciation of leased assets is specified in Note 2.7: Depreciation, amortization and impairment.

Lease payments related to leased assets totaled EUR 6.7 million (2024: 10.9, 2023: 10.6), including EUR 0.3 million (2024: 0.3, 2023: 0.3) in interest. Total lease payments, including variable lease payments and expenses related to short-term and low-value leases, amounted to EUR 12.3 million (2024: 12.4, 2023: 10.9).

The amount of variable lease payments is significant and has continued to increase from the comparison year because half the new Green Coaster vessels have been sold to a company owned by the investor pool, from which ESL Shipping leases them. The lease payments for the Green Coaster vessels are based on the pool's revenues and are fully variable. As the lease is fully variable with no fixed rate, the lease liability or the leased asset is not recognized under IFRS 16, but the lease payments are recognized as lease expenses.

At the end of the financial year, the Group was primarily committed to lease agreements that have not yet commenced, which replace prior leases and do not materially differ in scope from those currently in force. The lease agreements do not include any significant purchase options. Leased assets are not used as collateral for loans.

Accounting estimates and management judgments: leases

The accounting treatment of leases involves significant management estimates regarding the determination of the lease term and lease components.

The most significant management assessment regarding the determination of the lease term is related to leased vessels, the majority of which are leased under agreements with a duration of around one year. As a significant part of the fleet is leased, it is likely that, at the end of the lease term, the same or a similar vessel will be leased again. If there is no intention to renew a lease, the contract is treated as a fixed-term lease. If a vessel is leased under a contract with a duration of around one year, a 13-month rolling lease term is used to calculate the lease liability (ongoing month + the next 12 months). This is based on the fact that the contracts are terminable after the fixed lease term, and a new assessment is made each month regarding the probability of exercising the termination option. Vessel requirements are typically planned 12 months into the future, with plans refined on a monthly basis.

A significant estimate has been made in the determination of rents when the lease agreement component and other components have been separated from lease agreements, i.e. when it is estimated how large a part of the payment of rent is associated with the leased vessel and how large a part is associated with the crew and other services. The management has determined that the vessel represents 30% of the lease payment, while 70% relates to other components. ESL Shipping's management has made the estimate based on a statistical calculation, which will be adjusted annually regarding any changes. ESL Shipping's liabilities related to other components are presented in other extra-balance sheet liabilities in Note 5.7: Conditional liabilities, assets and other commitments.

Determining the lease period is subject to estimation, particularly regarding open-ended contracts. The estimate of the duration of the lease period is agreement-specific. The probable lease period of lease agreements valid until further notice is estimated based on business plans, considering costs arising from the termination of the agreement.

Lease extension and termination options are taken into account when determining the length of the lease term. The period covered by an extension option is included in the lease term if, based on the management's judgment, it is reasonably certain that the option will be exercised. Correspondingly, if it is reasonably certain that a termination option will not be exercised, the lease term covers the entire duration of the contract. The exercise of options is assessed on a case-by-case basis, based on the profitability of the arrangement and business needs.

Accounting principles: Leases

A leased asset and a corresponding liability are recognized for leases when the leased asset becomes available for use by the Group. Contracts may include both lease components and non-lease components. When a contract includes non-lease components such as maintenance, services and vessel crew, ESL Shipping separates them based on the separate prices specified in the lease agreements or based on an estimate.

The lease term is based on the period specified in the agreement, taking into account the extension and termination options. For open-ended contracts, ESL Shipping estimates the probable lease

term to the best of its knowledge based on business plans, taking into account any costs resulting from contract termination.

Assets and liabilities arising from leases are initially measured on a present value basis. Lease liabilities include the net fair value of the following lease payments:

- Fixed payments (including in-substance fixed payments), less any incentives
- Variable lease payments based on an index or price level, initially measured using the index or price as at the commencement date of contract
- Amounts expected to be payable by the Group under residual value guarantees
- The exercise price of a purchase option if it is reasonably certain that the Group will exercise this option, and
- Compensation for terminating the lease if the lease term reflects that the Group is expected to exercise this option

Lease payments associated with extension options that are reasonably certain to be exercised are also included in the liability.

Lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is common for the Group's leases, the lessee's incremental borrowing rate is used. When determining the discount rate for each lease, the criteria used include the asset class, geographical location, currency, risk-free rate maturity and the lessee's credit risk premium.

Right-of-use assets, or leased assets, are initially measured at cost, which comprises the following items:

- Initial amount of lease liability
- Any lease payments made before the commencement date of the contract, less any incentives received
- Initial direct costs, and
- Restoration costs.

The Group is exposed to potential future increases in variable lease payments that depend on an index or a price, which are not included in the lease liability until they materialize. When changes to lease payments based on an index or a price occur, the lease liability is remeasured and adjusted against the leased asset.

Lease payments are recognized in the income statement as a breakdown between finance costs on the lease liability and the depreciation of the leased assets. Leased assets are typically depreciated on a straight-line basis over the shorter of the asset's useful life and the lease term. If it is reasonably certain that the Group will exercise a purchase option, the leased asset is depreciated over the asset's useful life. Finance costs are recognized through profit or loss over the lease term to ensure a constant periodic rate of interest on the remaining balance of the liability.

A lease liability and a leased asset are not recognized on the balance sheet for leases with variable lease payments or for low-value underlying assets. ESL Shipping uses a threshold of EUR 5,000 for low-value assets. Leases with variable lease payments include the vessels sold to Green Coaster Shipping AB, the lease payments for which are determined by the income of the Green Coaster pool. Low-value assets include ICT equipment and small office furniture. The balance sheet also excludes short-term leases with a lease term of 12 months or less. Lease expenses associated with short-term leases or leases of low-value assets are recognized as an expense in other operating expenses on a straight-line basis over the lease term.

3.4 Working capital

Working capital, as defined by ESL Shipping, includes inventories, accounts receivable, accounts payable and advances received. ESL Shipping emphasizes the efficiency of working capital and aims to permanently decrease its working capital.

Working capital

1,000 EUR	Note	31.12.2025	31.12.2024	31.12.2023
Inventories	3.4.1	16 762	21 412	19 583
Accounts receivable	3.4.2	14 917	18 383	16 509
Accounts payable	3.4.3	-3 074	-3 834	-6 148
Total		**28 605**	**35 960**	**29 944**

The Group's working capital had decreased by EUR -7.4 million (2024: +6.0, 2023: +8.2).

The change in inventories is primarily attributable to advance payments for the Green Coaster and Green Handy vessels under construction.

3.4.1 Inventories

Inventories

1,000 EUR	31.12.2025	31.12.2024	31.12.2023
Materials and supplies	2 705	3 595	4 520
Advance payments for inventory	14 057	17 817	15 063
Total	**16 762**	**21 412**	**19 583**

Inventories include ship fuels and advance payments for the Green Coaster and Green Handy vessels intended for sale to vessel pool partners. Advance payments for Green Coaster and Green Handy vessels under construction are specified in Note 3.5.

The regulation concerning emission allowances for shipping companies entered into force on January 1, 2024, and applies to vessels with a gross tonnage exceeding 5,000 GT. All emission allowances are purchased and recognized in inventories upon acquisition. At the end of 2025, inventories included EUR 0.1 million (0.1) in emission allowances. ESL Shipping uses emission allowances in its operations and recognizes the consumed allowances in materials and services during the financial year. ESL Shipping does not trade emission allowances. Purchased emission allowances that remain unused during the year can be used in future years.

In 2022, ESL Shipping established the Green Coaster pool, as a result of which AtoBatC Shipping AB ordered a total of 12 vessels from the Indian shipyard Chowgule & Company Private Limited. Every other vessel, representing six of these vessels, will be sold to a company founded by a group of investors. Advance payments for the vessels to be sold further have been recognized in inventories. One of the Green Handy vessels to be built is also intended to be resold. At the end of the reporting period, inventories included EUR 14.1 million (2024: 17.8) in advance payments for the Green Coaster and Green Handy vessels and in 2023 EUR 15.1 million Green Coaster vessels advance payments.

Accounting principles: Inventories

Inventories are measured at acquisition cost or net realizable value, if lower. The acquisition cost is determined using the FIFO (first-in, first-out) method.

Advance payments for the Green Coaster and Green Handy vessels are recognized at acquisition cost, which primarily consists of invoices paid to shipyards.

3.4.2 Accounts receivable and other receivables

Accounts receivable and other receivables

1,000 EUR	31.12.2025	31.12.2024	31.12.2023
Accounts receivable	14 917	18 383	16 509
Refund from the Ministry of Transport and Communications	2 477	3 316	5 887
Advance payments	10 242	18 493	10 594
VAT receivable	57	136	172
Loan receivables	-	-	1 334
Other deferred receivables	717	138	215
Total	**28 409**	**40 465**	**34 711**

Ageing analysis of accounts receivable 31.12.2025

1,000 EUR	Accounts receivable	Allowance for credit losses	Carrying amount
Not matured	13 592		13 592
Matured 1–30 days ago	1 308		1 308
Matured 31–60 days ago			
Matured 61–90 days ago			
Matured 91–180 days ago	59	-7	52
Matured more than 181 days ago	1	-37	-36
Total	**14 961**	**-44**	**14 917**

Ageing analysis of accounts receivable 31.12.2024

1,000 EUR	Accounts receivable	Allowance for credit losses	Carrying amount
Not matured	16 186		16 186
Matured 1–30 days ago	2 219		2 219
Matured 31–60 days ago	6		6
Matured 61–90 days ago	-7		-7
Matured 91–180 days ago	11	-3	9
Matured more than 181 days ago	-2	-28	-30
Total	**18 414**	**-31**	**18 383**

Ageing analysis of accounts receivable 31.12.2023

1,000 EUR	Accounts receivable	Allowance for credit losses	Carrying amount
Not matured	15 189		15 189
Matured 1–30 days ago	1 260		1 260
Matured 31–60 days ago	3		3
Matured 61–90 days ago	35		35
Matured 91–180 days ago	9		9
Matured more than 181 days ago	390	-378	12
Total	**16 887**	**-378**	**16 509**

The management estimates that the carrying amount of accounts receivable does not involve significant credit risks. No realized credit losses have been recognized for accounts receivable. A

change of EUR -12.7 thousand (2024: 26.4, 2023: -19.1) in credit loss provisions was recognized in the financial year.

Accounting principles: Accounts receivable and other receivables

Accounts receivable and other receivables are measured at amortized cost. When measuring accounts receivable, ESL Shipping applies the simplified model to the determination of expected credit losses, as permitted by IFRS 9. The Group evaluates expected credit losses using an experience-based matrix which takes into account the age structure of receivables, credit loss history from previous years, the market area and the customer base.

Accounts receivable and contract assets are derecognized as final credit losses from the balance sheet when there is no reasonable expectation of recovery, such as due to customer bankruptcy. Impairment losses are presented as net impairment losses included in operating profit. If a payment is subsequently received for items recognized as final credit losses, it is recognized as a credit to the same income statement line item.

3.4.3 Accounts payable and other liabilities

Accounts payable and other liabilities

1,000 EUR	31.12.2025	31.12.2024	31.12.2023
Accounts payable	3 074	3 834	6 148
Salaries and social security contributions	3 229	3 501	3 897
Employer contributions	785	788	872
Accrued interest	647	668	500
VAT liability	5	1	1
Other current liabilities	8 247	6 388	13 684
Total	**15 987**	**15 180**	**25 101**

3.5 Vessels under construction

The balance sheet includes EUR 54.6 million (2024: 60.4, 2023: 40.7) in advance payments for the Green Coaster and Green Handy vessels under construction.

1 000 €	31.12.2025	31.12.2024	31.12.2023
Advance payments intangible assets	207	414	621
Advance payments tangible assets	40 355	42 177	24 980
Advance payments inventory	14 057	17 818	15 063
Yhteensä	**54 620**	**60 408**	**40 663**

4 Financing

4.1 Financial risks and the management of financial risks

Financial risk management principles and organization

The purpose of financial risk management within the ESL Shipping Group and the Aspo Group is to secure and efficiently manage liquidity and fundraising under all market conditions, as well as to protect operational margins and cash flows. The aim is to develop the predictability of the results, future cash flows and capital structure, and continuously adapt its operations to changes in the operating environment.

Financial risk management is based on the treasury policy approved by the Aspo Group's Board of Directors, which defines the main principles for financial risk management in the Aspo Group. The

treasury policy defines general risk management objectives, the relationship between Aspo Plc and its business units, the division of responsibility, and risk management-related reporting requirements. The treasury policy also defines the operating principles related to the management of currency risks, interest rate risks, and liquidity and refinancing risks.

The CEOs of Aspo and ESL Shipping, with the Group CFO, are responsible for implementing financial risk management in accordance with the treasury policy approved by Aspo's Board of Directors. ESL Shipping is responsible for recognizing its own financial risks and managing them with the parent company in accordance with the Aspo Group's financial policy and more detailed instructions provided by Aspo Plc.

Information about liquidity and refinancing risks can be found in Note 4.4: Maturity.

Capital structure

ESL Shipping defines capital as all elements of equity. The Group aims to maintain a capital structure that ensures the operational framework for short- and long-term operations, and a sufficient return on equity. The most significant factors affecting the capital structure are ESL Shipping Ltd's dividend policy, vessel investments and business profitability.

Capital management

Capital management is based on monitoring key figures for gearing and solvency (net gearing and equity ratio) and by regulating capital components so that the target levels associated with the figures can be achieved. In addition to internal targets, certain debt items are subject to capital adequacy requirements imposed by external lenders. These are monitored and reported to both the management and the respective lenders. The solvency of subsidiaries is monitored, and within the framework of regulations, capital items are transferred between Group companies.

Covenants

Aspo Plc has entered into financing agreements with external financial institutions and on-lent the funds to ESL Shipping Ltd. Therefore, the covenant terms are evaluated in relation to the Aspo Group's key figures.

Under the terms of its financing arrangements, the Aspo Group must satisfy the following financial covenants at the end of each year and quarter:

Term loans of Aspo Plc with a carrying amount of EUR 232.4 million (2024: 194.6, 2023: 146.6): the equity ratio must exceed 25%, and for a total carrying amount of EUR 183.9 million (2024: 151.5 and 2023: 92.6) of these loans: the net debt-to-EBITDA ratio must not exceed 4.5.

Within the ESL Shipping Group, covenant terms apply to loans with a carrying amount of EUR 107.4 million (2024: 84.6, 2023: 66.0) on the balance sheet date. To the extent that ESL Shipping Ltd or its subsidiaries have pledged collateral or mortgages as security for a loan, the loan-to-value ratio must exceed the agreed ratio.

The Aspo Group has complied with these covenants throughout the reporting period. On December 31, 2025, the Aspo Group's equity ratio was 31.9% (2024: 36.9%, 2023: 34.4%), and its net debt-to-EBITDA ratio was 3.2 (2024: 3.3, 2023: 3.8). There is no indication that Aspo will have difficulty in complying with the covenants when they are next tested.

Market Risks

Currency risk

The ESL Shipping Group has operations in Finland and Sweden. However, the functional and reporting currency for all subsidiaries is the euro.

Foreign exchange risk typically arises when a company sells services in its domestic currency but incurs costs in a foreign currency. On the closing date, the ESL Shipping Group's currency position mainly consisted of internal and external interest-free and interest-bearing assets and liabilities denominated in foreign currency. Interest-bearing debt is entirely denominated in euros.

Most of the ESL Shipping Group's accounts receivable are denominated in euros. USD-denominated accounts receivable constitute the next largest item. A portion of ESL Shipping's transactions is conducted in US dollars. In addition, part of its fuel purchases are denominated in USD. ESL Shipping's new Green Coaster acquisitions and upcoming sales are denominated in euros, whereas the investments in Green Handy vessels are denominated in USD and have been hedged against exchange rate fluctuations using forward contracts. The sensitivity of these currency forward contracts to USD/EUR exchange rate changes is shown in the table below. A strengthening of EUR against USD by ten percentage points would result in an impact of EUR -13.9 million (-15.7) on the Group's equity and other comprehensive income, and a weakening of EUR against USD by ten percentage points would result in a positive impact of EUR 17.0 million (19.2) on the Group's equity and other comprehensive income.

Sensitivity analysis for currency hedge instruments

1,000 EUR	2025 Profit and loss	2025 Equity	2024 Profit and loss	2024 Equity	2023 Profit and loss	2023 Equity
Cash flow hedge						
+ 10% strengthening of EUR against USD		-13 915		-15 681		
- 10% weakening of EUR against USD		17 007		19 165		

Accounts receivable by currency

1,000 EUR	31.12.2025	31.12.2024	31.12.2023
EUR	14 803	17 829	16 463
SEK		15	-
USD	114	539	47
Total	**14 917**	**18 383**	**16 509**

Accounts payable and advances received by currency

1,000 EUR	31.12.2025	31.12.2024	31.12.2023
EUR	2 699	3 346	5 859
SEK	231	121	107
USD	62	294	154
Other	83	74	27
Total	**3 074**	**3 834**	**6 148**

Accounting principles: Foreign currency items

Foreign currency-denominated transactions are recorded at the exchange rates valid on the transaction date. Foreign currency receivables and liabilities outstanding at the end of the financial year are translated using the exchange rates on the balance sheet date. The losses and gains arising from foreign currency transactions and the conversion of monetary items have been recorded through profit or loss. Foreign exchange gains and losses related to business operations are included in the corresponding items above the operating profit. Foreign exchange gains and losses arisen from foreign currency-denominated loans are included in financial income and expenses.

Interest rate risk

The ESL Shipping Group uses both fixed-rate and variable-rate loans to finance its operations. Variable-rate loans expose the ESL Shipping Group's cash flows and profit to interest rate risk,

which materializes when changes occur in interest rate levels. In addition to fixed-rate loans, the ESL Shipping Group may use interest rate derivatives to mitigate the increase in cash outflows caused by a potential rise in short-term market interest rates.

The Group's interest-bearing liabilities totaled EUR 130.6 million (2024: 110.0, 2023: 157.5), and its cash and cash equivalents stood at EUR 7.4 million (2024: 17.4, 2023: 3.7). Of the interest-bearing liabilities, lease liabilities accounted for EUR 7.2 million (2024: 7.3, 2023: 12.9). The credit portfolio is evaluated in terms of the average interest rate, interest rate fixation period and average maturity. On the balance sheet date, excluding lease liabilities, the average interest rate on interest-bearing liabilities was 4.1% (2024: 5.0%, 2023: 4.9%), the interest rate fixation period was 0.4 years (2024: 0.4, 2023: 0.4), and the average maturity was 6.9 years (2024: 6.5, 2023: 4.2).

Sensitivity to market risks

The ESL Shipping Group is exposed to interest rate and currency risks through the financial assets and liabilities included in the balance sheet on the balance sheet date. Market risks also have an impact on the ESL Shipping Group through items other than financial instruments. The oil price has an impact on the ESL Shipping Group's performance through transportation costs. The Group has hedged against this risk by means of contractual clauses.

The sensitivity calculation resulting from changes in interest rates is based on the following assumptions:

- The interest level changes by one percentage point.
- The position includes floating-rate interest-bearing financial liabilities and assets.
- The calculation is based on balance sheet values on the closing date, and changes in capital during the year are not taken into account.

Sensitivity analysis for interest rate risk

	2025	2024	2023
1,000 EUR	**Profit and loss**	**Profit and loss**	**Profit and loss**
Interest rate risk			
Change of +100 basic points in the market interest rates	-1 234	-846	-738
Change of -100 basic points in the market interest rates	1 234	846	743

Credit and Counterparty Risks

The Group is exposed to credit risk arising from accounts receivable. ESL Shipping's accounts receivable are connected with long-term customer relationships with creditworthy companies. The turnover rate of its accounts receivable is high. ESL Shipping hedges against credit risks by using payment terms based on advance payments and bank guarantees when necessary.

The ESL Shipping Group aims to maintain low cash and cash equivalents. The counterparty risk is managed by selecting well-known and financially solvent domestic and international banks as counterparties. Excess funds are invested in bank deposits and short-term money market instruments.

4.2 Financial assets and liabilities

The ESL Shipping Group has the following financial assets and liabilities:

1,000 EUR	Note	31.12.2025	31.12.2024	31.12.2023
Financial assets				
Measured at amortized cost				
Loan receivables				1 334
Accounts receivable and other receivables*		15 691	18 656	16 896
Cash and cash equivalents		7 433	17 434	3 714
Measured at fair value through other comprehensive income				
Derivatives			9 357	
Financial assets, total		**23 124**	**45 447**	**21 944**
Financial liabilities				
Measured at amortized cost				
Loans and overdraft facilities	4.4	123 394	102 647	144 563
Accounts payable and other liabilities*		4 064	4 877	13 037
Lease liabilities	3.3	7 194	7 327	12 902
Measured at fair value through other comprehensive income				
Derivatives	5.4	393		
Financial liabilities, total		**135 045**	**114 852**	**170 502**

* Balance sheet item includes financial assets or liabilities

The Group's exposure to risks associated with financial instruments is discussed in Note 4.1: Financial Risks and Financial Risk Management. The maximum exposure to credit risk at the end of the financial year is the carrying amount of each class of financial assets mentioned above.

Accounting principles: Financial assets

Based on its business model, ESL Shipping has classified its financial assets as follows: 1) items measured at amortized cost; 2) items measured at fair value through profit or loss; and 3) items measured at fair value through other comprehensive income.

Accounts receivable and other receivables, as well as cash and cash equivalents, recognized at amortized cost are originally measured at fair value and later at amortized cost. They are classified as current unless they mature more than 12 months after the balance sheet date. Cash and cash equivalents are always classified as current. The impairment model applicable to accounts receivable is described in Note 3.4.2: Accounts receivable and other receivables. This group includes loan receivables whose cash flows consist of the payment of capital and interest, and that are planned to be held until the date of maturity. Loan receivables are recognized at amortized cost using the effective interest rate method. Transaction costs are included in the original acquisition cost. Credit loss risks associated with loan receivables are assessed on a customer-specific basis and, if required, the expected credit loss is taken into account when measuring receivables over the next 12 months or when the credit loss risk increases throughout the validity period.

Items measured at fair value through other comprehensive income include derivatives in hedge accounting.

Financial assets are derecognized when the Group has lost the contractual right to cash flows, or when it has materially moved risks and revenue outside the Group.

Accounting principles: Financial liabilities

ESL Shipping classifies its financial liabilities as follows: 1) items measured at amortized cost, 2) items measured at fair value through profit or loss, and 3) items measured at fair value through

other comprehensive income. In addition, financial liabilities include lease liabilities, the measurement principles for which are described in Note 3.3 Leases.

Bank loans recognized at amortized cost, as well as overdraft facilities used, are initially recognized at fair value, less transaction costs, after which they are measured at amortized cost using the effective interest rate method. The difference between the withdrawn amount (less transaction costs) and the paid amount is allocated in the income statement during the estimated loan validity period. The fair values of loans do not materially differ from their carrying amounts, because the interest payable on them is close to market rates. The carrying amounts of accounts payable and other liabilities are expected to correspond to their fair values due to the short-term nature of these items. ESL Shipping classifies debt as non-current unless it matures within one year.

Fair values of financial assets and liabilities

ESL Shipping classifies the determination of the fair values of financial assets and liabilities based on the fair value hierarchy. Financial assets and liabilities measured at fair value through other comprehensive income are categorized within Level 1 of the fair value hierarchy. Financial assets and liabilities measured at amortized cost are categorized within Level 2 of the fair value hierarchy. Their fair values do not significantly differ from their carrying amount. The fair values of non-current loans have been calculated by discounting future cash flows and by considering ESL Shipping's credit margin. Other non-current financial assets measured at fair value through profit or loss are categorized within Level 3 of the fair value hierarchy.

Fair value hierarchy

The preparation of the consolidated financial statements requires the determination of fair values for both financial instruments and other assets and liabilities. The Group classifies the fair value measurement hierarchy as follows:

- Level 1: The fair values of financial instruments are based on quoted prices on active markets. A market may be considered active when quoted prices are available on a regular basis and the prices represent the instrument's actual value in liquid trading.
- Level 2: The financial instruments are not traded on active and liquid markets. The value of a financial instrument can be determined based on verifiable market information, as well as potentially, in part, using derivative valuation methods.
- Level 3: The valuation of the financial instrument is not based on verifiable market information. Nor are other factors that affect the instrument's fair value available or verifiable.

4.3 Cash and cash equivalents

Cash and cash equivalents

1,000 EUR	31.12.2025	31.12.2024	31.12.2023
Bank and cash at hand	6 167	150	181
Cash pool	1 266	17 284	3 533
Total	**7 433**	**17 434**	**3 714**

ESL Shipping uses the cash pool system of its parent company, Aspo Plc, in addition to which cash and cash equivalents comprise cash on hand, bank deposits and other highly liquid investments with maturities of three months or less.

The Aspo Group companies have entered into a cash pool arrangement, which enables the efficient use of the Group's assets for ongoing business needs. Third-party banks maintain the cash pool across various currency accounts. Aspo Plc acts as the controller of the cash pool. Aspo has agreed with the banks on a cash pool credit facility, on the drawing of which the bank charges interest. Within the cash pool, Aspo has allocated credit facilities to the subsidiaries' accounts that, in total,

exceed the credit facility granted to Aspo by the bank. The funds in the cash pool accounts remain liquid as long as the total use of internal cash pool credit facilities does not exceed the external credit facility granted by the bank.

4.4 Loans and maturity

Loans and overdraft facilities in use

1,000 EUR	31.12.2025	31.12.2024	31.12.2023
Non-current			
Loans	114 097	95 046	139 061
	114 097	**95 046**	**139 061**
Current			
Loans	9 297	7 601	5 502
	9 297	**7 601**	**5 502**
Total			
Loans	123 394	102 647	144 563
Total	**123 394**	**102 647**	**144 563**

In April 2025, ESL Shipping signed a EUR 45 million loan agreement with the Nordic Investment Bank to finance the Green Handy vessels. Of the loan, EUR 22.5 million was drawn down in May 2025, and the rest is expected to be drawn down in 2026 and 2027.

In February 2025, ESL Shipping signed a EUR 70 million loan agreement with Svenska Skeppshypotekskassan to finance the Green Handy vessels. The loan is expected to be drawn down in 2027 and 2028.

In the 2022 financial year, ESL Shipping Oy's subsidiary AtoBatC Shipping AB signed a EUR 32.2 million loan agreement with Svenska Skeppshypotek. The maturity of the loan is 15 years. The loan will be drawn down in installments in line with the financing requirements for the construction of the Green Coasters. At the end of 2025, EUR 30.2 million (23.5) of the loan had been drawn down.

Maturity

Liquidity and refinancing risk

The objective of the ESL Shipping Group is to ensure sufficient financing for operations in all situations and market conditions. In accordance with the treasury policy, the sources of financing are diversified among a sufficient number of counterparties and different loan instruments. A sufficient volume of binding financing agreements and adequately long maturities secure the ESL Shipping Group's current and near-term financing needs, and mitigate the refinancing risks associated with financing agreements.

The nature of ESL Shipping's operations often requires additional debt financing in connection with investments. Liquidity is secured through cash and cash equivalents, binding overdraft facilities, and revolving credit facilities granted by selected partner banks, in cooperation with Aspo Plc. ESL Shipping uses the Nordic multi-currency group account system used by the Aspo Group, which enhances liquidity management and cash concentration within the Aspo Group.

Maturity analysis 31.12.2025	Carrying value	Cash flow				
1,000 EUR	31.12.2025	2026	2027	2028	2029	2030-
Loans	123 394	9 297	9 297	26 897	9 572	68 331
Accounts payable and other liabilities	4 064	4 064				
Lease liabilities	7 194	5 052	1 932	255	17	

Currency forward contracts		
Hedge accounting applied	393	393

Maturity analysis 31.12.2024	Carrying value	Cash flow				
1,000 EUR	31.12.2024	2025	2026	2027	2028	2029-
Loans	102 647	25 601	8 895	8 895	26 495	32 761
Accounts payable and other liabilities	4 877	4 877				
Lease liabilities	7 327	6 269	699	213	182	1
Currency forward contracts						
Hedge accounting applied	9 357	9 357				

Maturity analysis 31.12.2023	Carrying value	Cash flow				
1,000 EUR	31.12.2023	2024	2025	2026	2027	2028
Loans	144 563	5 502	6 796	13 590	6 990	111 685
Accounts payable and other liabilities	13 037	13 037				
Lease liabilities	12 902	11 638	1 096	100	78	57

Lease liabilities mainly mature within five years, with the most significant portion relating to ESL Shipping's vessel leases maturing within one year of the balance sheet date. However, as the lease term for the vessels is a rolling 13 months, it is likely that the cash flows arising from these leases will be substantially at the same level in 2027–2030 as in 2026.

The EUR 32.2 million loan agreement between AtoBatC Shipping AB and Svenska Skeppshypotek is not included in full in the maturity analysis, as EUR 30.2 million (2024: 23.5, 2023: 8.1) of the loan had been drawn down at the balance sheet date. The final loan repayment date will be in 2038.

4.5 Financial income and expenses

Financial income and expenses

1,000 EUR	2025	2024	2023
Interest income from loans and other receivables	338	1 291	103
Foreign exchange gains	43	43	42
Financial income	**381**	**1 335**	**145**
Interest expenses on leases	-270	-308	-270
Interest and other financial expenses	-4 800	-5 586	-5 911
Foreign exchange losses	-178	-162	-191
Financial expenses	**-5 248**	**-6 055**	**-6 372**
Financial income and expenses	**-4 867**	**-4 721**	**-6 227**

4.6 Equity and dividend distribution

Share capital

	Number of shares	Share capital 1,000 EUR
Jan 1, 2023	1 800 000	1 514
Dec 31, 2023	1 800 000	1 514
Jan 1, 2024	1 800 000	1 514
Share issue	490 908	
Dec 31, 2024	2 290 908	1 514
Jan 01, 2025	2 290 908	1 514
Dec 31, 2025	2 290 908	1 514

ESL Shipping's equity consists of share capital, a reserve fund, an invested unrestricted equity fund, a hedge accounting fund and retained earnings. Share capital consists of common shares. The company has one series of shares, and each share entitles its holder to one vote. Shares have no nominal value.

Invested unrestricted equity fund

OP Finland Infrastructure and Varma Mutual Pension Insurance Company's minority investment in ESL Shipping Oy was completed on February 28, 2024. The transaction took the form of a share issue in which ESL Shipping Ltd issued new shares for OP Finland Infrastructure and Varma Mutual Pension Insurance Company for a cash consideration of EUR 45.0 million. Based on this, the new owners acquired a 21.43% stake in ESL Shipping Ltd. The cash consideration was recorded in the invested unrestricted equity fund. Cash flow of EUR 45.0 million is presented as cash flow from financing activities. This additional funding accelerates ESL Shipping's goal of leading the green transition in maritime transport in the Baltic Sea region, allowing the company to benefit from its strong market position and market growth.

A total of EUR 30.0 million in shareholder loans granted by Aspo Plc to ESL Shipping Oy was converted in 2024 into the invested unrestricted equity fund (SVOP). In 2025, a capital return of EUR 29.1 million from the invested unrestricted equity fund was paid to Aspo Plc.

The reduction in invested unrestricted equity fund was therefore EUR 29.1 million during 2025, and the increase was EUR 75.0 million during 2024.

Hedge accounting fund

The hedge accounting fund includes the fair value of derivative contracts, adjusted for any tax impact, for the derivative contracts that are subject to hedge accounting.

Dividend payment

During the reporting period, ESL Shipping Ltd distributed dividends totaling EUR 10.0 million, of which EUR 2.1 million was attributable to minority shareholders, and EUR 7.9 million to Aspo Plc in proportion to the respective holdings.

In December 2024, a total of EUR 22.0 million in dividends was distributed. Of this amount, EUR 13.0 million was distributed in accordance with the shareholding between Aspo Plc and the minority shareholders (EUR 10.2 million for Aspo Plc and EUR 2.8 million for the minority shareholders), and EUR 9.0 million was distributed only to Aspo Plc. The dividend of EUR 9.0 million paid to Aspo Plc was related to the Supramax vessels sold and was based on the original investment agreement between Aspo Plc and the minority shareholders. According to the agreement, the proceeds from the sale of the Supramax vessels belong exclusively to Aspo Plc.

4.7 Earnings per share

1 000 €	2025	2024	2023
Profit attributable to the company's shareholder,	20 619	4 306	11 189
Total	**20 619**	**4 306**	**11 189**
Number of shares outstanding during the period	2 290 908	2 045 454	1 800 000
Basic and diluted earnings per share, €			
Earnings per share	9.00	2.11	6.22
Total	**9.00**	**2.11**	**6.22**

Changes in the number of shares is presented in Note 4.6 Equity and dividend distribution.

Accounting principles
Earnings per share is calculated by dividing the profit for the period attributable to owners of the parent company by the weighted average of the number of shares outstanding during the financial year. When calculating diluted earnings per share, the effects that would arise from potential obligations to issue shares are taken into account. In the financial years 2025-2023, ESL Shipping did not have any instruments that would have had a dilutive effect on earnings per share.

5 Other notes

5.1 Group structure

In 2025, 2024 and 2023, the Group had operating companies primarily in Finland and Sweden. ESL Shipping holds a 100% stake in all Group companies.

Group companies

Company	Domicile
ESL Shipping Ltd	Finland
Oy AtoBatC Shipping Ab	Finland
Oy Bomanship Ab	Finland
AtoBatC Shipping AB	Sweden
AtoBatC Shipping Cyprus Ltd	Cyprus

Affiliated companies

The Group has two associated companies, Auriga KG and Norma KG, which are described in Note 2.4: Associated companies.

Changes in Group structure

Bothnia Bulk AB was merged with its parent company, AtoBatC Shipping AB, in December 2024.

The liquidation process of the Group's subsidiary ESL Shipping Russia LLC was completed on November 27, 2024. The company was founded on August 2, 2021. The company was owned jointly by Oy Bomanship Ab (99%) and ESL Shipping Oy (1%). ESL Shipping Russia LLC had no business operations in 2023 or 2024 and is not included in these consolidated financial statements.

Accounting principles: Consolidation principles

The consolidated financial statements include the parent company, ESL Shipping Ltd, and all subsidiaries. The term “subsidiary” refers to a company in which the Group exercises control. Subsidiaries are fully consolidated into the consolidated financial statements from the date on which the Group acquires control over them. Consolidation ceases when control is lost.

The Group’s associated companies include companies in which the Group owns 20%–50% of voting rights and at least a 20% holding, or in which the Group otherwise holds significant influence.

Intra-Group transactions, receivables and liabilities and intra-Group profit distribution have been eliminated when preparing the consolidated financial statements. In addition, unrealized gains resulting from internal transactions have been eliminated. In the case of associated companies, the elimination has been carried out in accordance with the Group’s shareholding.

Accounting principles: Foreign Group companies

Figures for the performance and financial position of the Group companies are determined in the main currency of the unit’s business environment (“functional currency”). The consolidated financial statements are presented in euro, the parent company’s functional and presentation currency. The functional currency of all Group companies is the euro.

5.2 Income taxes

Taxes in the statement of comprehensive income

1,000 EUR	2025	2024	2023
Taxes for the period	-156	-137	-458
Change in deferred tax assets and liabilities	185	98	205
Taxes from previous financial years	45		-10
Total	**74**	**-39**	**-263**

A shipping company that is generally subject to tax in Finland and Sweden and engaged in international maritime transport may elect tonnage taxation based on the tonnage of its vessels for a tonnage tax period, instead of taxation on profits generated by tonnage-taxable operations. The operations of ESL Shipping Ltd and AtoBatC Shipping AB are taxed in accordance with the Tonnage Tax Act. Coverage under the tonnage tax regime significantly lowers the Group’s effective tax rate.

Reconciliation of the tax expense in the comprehensive income statement and taxes calculated using the Group’s parent company’s tax rate of 20%

1,000 EUR	2025	2024	2023
Profit before taxes	20 545	4 345	11 452
Taxes calculated using the parent company's tax rate	-4 109	-883	-2 301
Impact of foreign subsidiaries' tax rates	-1	-1	-28
Impact of tonnage taxation	4 172	729	2 227
Losses for which no deferred tax asset was recognized	-2	-1	
Utilization of previously unrecognized tax losses	144	175	
Taxes from previous financial years	45		-10
Timing differences, tax-free and non-deductible items	-175	-58	-151
Taxes in the statement of comprehensive income	**74**	**-39**	**-263**
Effective tax rate	**-0.4%**	**0.9%**	**2.3 %**

5.3 Deferred taxes

Deferred tax liabilities

1,000 EUR	31.12.2025	31.12.2024	31.12.2023
Depreciation in excess of plan and Swedish tax reserves	903	975	975
Tangible and intangible assets	793	906	1 005
Total	**1 696**	**1 881**	**1 980**

Changes in deferred tax liabilities

1,000 EUR	2025	2024	2023
Deferred tax liabilities, Jan 1	1 881	1 980	2 185
Items recognized in the statement of comprehensive income			
Depreciation in excess of plan and Swedish tax reserves	-72		-103
Tangible and intangible assets	-113	-99	-102
Deferred tax liabilities, Dec 31	**1 696**	**1 881**	**1 980**

The ESL Shipping Group's deferred tax liabilities are related to the depreciation difference and Swedish untaxed reserves in the subsidiary AtoBatC Shipping AB, as well as the acquisition of the subsidiary AtoBatC Shipping AB. No deferred tax has been recognized for the cash flow hedge of ESL Shipping's Green Handy investment, as it is considered to be subject to tonnage tax.

Deferred tax liabilities have not been recognized from the undistributed profit of Finnish or Swedish subsidiaries because this profit can be distributed without any tax consequences.

Accounting principles: Deferred taxes

The deferred tax liability is calculated from the temporary differences between accounting and taxation as on the balance sheet date or using the enacted future tax rate. Temporary differences arise from depreciation differences, for example.

5.4 Derivative contracts

Derivative contracts

1,000 EUR	Nominal value 2025	Fair value, net 2025	Nominal value 2024	Fair value, net 2024
Forwards				
Foreign currency forwards	153 186	-393	163 129	9 357
Total		**-393**		**9 357**

On the reporting date, derivative contracts comprise ESL Shipping Ltd's forward contracts related to the USD-denominated Green Handy vessel investments.

ESL Shipping's shipping forward contracts are hedged against the strengthening of USD, and their fair value on the balance sheet date was EUR -0.4 million (2024: 9.4), which is recognized in liabilities and included in the equity hedge accounting reserve through other comprehensive

income. The fund for equity hedge accounting also includes EUR -7.1 million in materialized losses from these forward contracts, arising from the renewal of the contracts during the year.

ESL Shipping's vessel forwards are subject to hedge accounting. The forward contracts expire and are renewed every few months until the investments are carried out. No deferred tax liability has been recognized for ESL Shipping's ship forwards, as they are considered to be part of the ship investment and thus subject to tonnage tax. The sensitivity analysis of derivative contracts is presented in Note 4.1: Financial risks and financial risk management.

In December 2024, ESL Shipping Ltd made the first payment for the four Green Handy vessels under construction. The payment was EUR 29.0 million calculated at the forward rate. ESL Shipping Ltd does not yet have a pool contract for the Green Handy vessels, but one of the four vessels is to be sold to a group of investors. Thus, one-fourth of the amount of the prepayment has been recognized as an advance payment on inventories and three-fourths as an advance payment on tangible assets. The cash flows from the forward contracts have similarly been allocated between operating and investing cash flows in the same proportion. The future Green Handy investment cash flows are estimated to be distributed as follows: 10% in 2026; 60% in 2027; and 30% in 2028.

Accounting principles: Derivatives

Derivative contracts are initially recognized at fair value on the day the Group becomes a contracting party and are subsequently further measured at fair value. The fair value of derivatives is determined based on quoted market prices and rates, the discounting of cash flows, and options' value measurement models. The fair value of currency forwards is calculated by discounting the predicted cash flows from the agreements in accordance with interest rates of the currencies sold, converting the discounted cash flows at the exchange rates valid on the closing date, and calculating the difference between the discounted values. The nominal value of foreign exchange forward contracts is calculated by converting them at the exchange rate of the balance sheet date.

For those foreign exchange forward contracts that are included in hedge accounting, the change in the fair value of the effective portion of the hedge is recognized in other comprehensive income and presented in the hedge accounting fund in equity. Hedging gains and losses on other foreign exchange forwards recognized through profit or loss are recognized in the income statement based on the hedged item either above the operating profit or in financial income and expenses.

When hedge accounting is applied, the relation between hedging instruments and hedged objects is documented at the start of hedging. Likewise, documents will be prepared for risk management targets and strategies used as guidelines when launching different hedging actions. At the start of hedging and continuously after this action, the Group prepares an estimate of whether the derivatives used in hedging effectively abolish the changes in fair values of the hedged objects or in cash flows. The gain or loss related to an inefficient share is immediately recognized in financial items in the consolidated statement of comprehensive income.

When the hedging instrument expires or is sold, or when hedging does not meet the preconditions set for the application of hedge accounting, retained gains and losses included at that time in the shareholders' equity remain in the shareholders' equity, and are transferred to the comprehensive income statement only when the predicted transaction materializes. If the predicted transaction is no longer expected to materialize, the retained profit or loss presented under shareholders' equity is immediately transferred to the comprehensive income statement. The hedging result for ESL Shipping Oy's ship forwards is recognized as an adjustment to the acquisition cost of the ships.

5.5 Related parties and management remuneration

The related parties of the ESL Shipping Group include the parent company, Aspo Plc, and its subsidiaries, as well as the subsidiaries and associates of the ESL Shipping Group, which are presented in Note 5.1. The associates are described in more detail in Note 2.4.

Transactions with companies belonging to the Aspo Group

1,000 EUR	2025	2024	2023
Revenues during the financial year			
Aspo Oyj	391	1 231	-
Aspo Palvelut Oy	490		-
Total	**881**	**1 231**	

1,000 EUR	2025	2024	2023
Expenses during the financial year			
Aspo Oyj	-2 550	-1 821	-3 041
Aspo Palvelut Oy	-702	-1 282	-1 037
Telko Oy	-46	-57	-73
Telko Sweden AB	-2		
Total	**-3 300**	**-3 159**	**-4 151**

1,000 EUR	2025	2024	2023
Liabilities at the end of the financial year			
Aspo Oyj	-16 000	-18 000	-76 140
Aspo Palvelut Oy		-7	-
Total	**-16 000**	**-18 007**	**-76 140**

1,000 EUR	2025	2024	2023
Other Items			
Aspo Oyj, cash pool	1 266	17 284	3 533
Total	**1 266**	**17 284**	**3 533**

Related parties and management remuneration

Related parties also include key management personnel, who comprise members of the Board of Directors and the Group Executive Committee, as well as their family members and entities controlled by the aforementioned parties. No material transactions with key management personnel or entities controlled by them have been identified during the financial year ended or the preceding financial year.

Expenses for key management compensation

1,000 EUR	2025	2024	2023
Salaries and other short-term employee benefits	1 021	1 200	1 088
Termination benefits	59		62
Share-based payments	36	22	264
Total	**1 116**	**1 222**	**1 415**

Salaries and benefits of Board members and CEO

1,000 EUR	2025	2024	2023
CEO Koskinen Matti-Mikael, salaries	313	339	302
CEO Koskinen Matti-Mikael, bonuses	45	54	71
CEO Koskinen Matti-Mikael, share-based payments	20	11	152
Board of Directors:			
* Jansson Rolf, Chairman of the Board			
Niini Mikko (until 31.12.2022)			2
Nordström Kimmo (until 29.4.2024)		9	21
Tapaninen Ulla (until 29.4.2024)		9	21
* Repo Erkka (after 29.4.2024)			
* Uotila Taru (after 29.4.2024)			
* Vasala Ossi (after 29.4.2024)			
Total	**378**	**421**	**569**

*Rolf Jansson, Chair of the Board, and Board members Erkka Repo and Taru Uotila are employed by the parent company, Aspo Plc, which is why they have not received separate compensation from ESL Shipping Ltd for their work on the Board. No fee has been paid to Ossi Vasala either.

The CEO of ESL Shipping is entitled to a statutory pension, and the pensionable age is determined according to the statutory earnings-related pension scheme. The period of notice applied to the employment relationship of the CEO is six months. If notice is given by the company, severance pay corresponding to six months' salary will be paid in addition to the salary for the notice period.

5.6 Share-based payments

Share-based payment expenses recognized

1 000 €	2025	2024	2023
Recognized in employee benefit expenses	-95	-125	-306

The ESL Shipping Group companies are involved in Aspo Plc's share-based incentive programs.

In February 2025, Aspo announced that the previous long-term share-based incentive plans 2023–2025 and 2024–2026 would be terminated, and that a new long-term share-based incentive plan 2025–2027 had been established for key personnel. In addition, Aspo will pay a portion of the short-term incentive plan 2025 in shares.

Long-term share-based incentive plan 2025–2027

The Board of Directors of Aspo Plc has decided on the establishment of a new long-term share-based incentive plan for the Group's key personnel. The purpose of the plan is to align the objectives of the company's shareholders and key personnel to increase the company's value in the long term, to commit key personnel to executing the company's strategy, targets and long-term interest, and to provide them with a competitive incentive plan based on the earning and accumulation of the company's shares.

The Performance Share Plan 2025–2027 consists of one earnings period, which covers the financial years 2025–2027. Under the plan, the target group has the opportunity to earn Aspo shares based on performance. The performance criteria for the plan are the total shareholder return of the Aspo share and the company's sustainability targets. The target group includes nine key people, including the members of the Group Executive Committee and the CEO.

The total value of the rewards to be paid under the plan corresponds to a maximum of around 200,000 shares in Aspo Plc. In addition, the reward includes a cash component of equivalent value. The potential reward will be paid partly in Aspo Plc's shares and partly in cash. The cash-settled component of the reward is intended to cover the taxes and statutory social security contributions incurred by the key employee from the reward. Any rewards paid under the plan will be paid after the earnings period in the spring of 2028. If the employment or managerial contract of a key person ends before the reward is paid, the reward will generally not be paid.

Short-term remuneration plan 2025

In addition, the Board of Directors of Aspo Plc decided that a portion of the reward earned by Aspo's CEO, Group Executive Committee and other key employees under the short-term remuneration plan 2025 would be paid in shares of Aspo Plc. The target group consists of around 30 key people.

The portion to be paid in shares is estimated to amount to a maximum of 320,000 shares (gross before the deduction of reward-related taxes), calculated based on the share price level preceding the Board's decision, and assuming that the targets set for the criteria are fully achieved. If the earnings criteria are met, the share rewards payable under the plan will be granted to the participating employees in the spring of 2026.

The overall achievement percentage for the targets of the short-term remuneration plan was 31%.

Share-based incentive plan 2024–2026

On February 15, 2024, the Board of Directors of Aspo Plc approved a new share-based incentive plan for the Group's key personnel for 2024–2026. The aim of the plan is to combine the objectives of the shareholders and key employees to increase the value of the company in the long term, to retain the key employees in the company, and to offer them competitive reward plans based on earnings and accumulating the company's shares.

The share-based incentive plan consists of three earnings periods, for which the reward to be earned is based on Aspo Group's earnings per share (EPS), two sustainability metrics and the operating profit targets of the business areas. Participation in the scheme and obtaining rewards require that participants allocate the freely transferable company shares they hold to the plan or acquire the company's shares up to the quantity determined by the Board of Directors.

The potential reward will be paid partly in Aspo Plc shares and partly in cash in 2025, 2026 and 2027. The cash portion is intended to cover taxes and tax-like charges incurred by the key person from the reward. If the employment or service contract of a key person ends before the reward is paid, the reward will generally not be paid. The shares paid as remuneration may not be transferred during the restriction period. If a key person's employment or managerial contract ends during the restriction period, they must, as a rule, return the shares earned as a reward free of charge.

The target group of the 2024–2026 share-based incentive plan consists of around 20 people. The rewards payable based on the plan correspond to a maximum total value of 280,000 Aspo Plc shares, including the portion to be paid in cash.

In the 2024 earnings period, the overall achievement rate of the targets was 20%. The plan was discontinued during 2025.

Share-based incentive plan 2023–2025

On February 15, 2023, Aspo Plc's Board of Directors decided to establish a new incentive plan for key personnel for 2023–2025. The share-based incentive plan consists of three earnings periods, with the earned reward being based on the Aspo Group's earnings per share (EPS) and two sustainability indicators. The target group for the share-based incentive plan includes a maximum of 30 people.

The potential reward will be paid partly in the company's shares and partly in cash in 2024, 2025 and 2026. The rewards payable based on the plan correspond to a maximum total value of 320,000 Aspo Plc shares, including the portion to be paid in cash. The cash portion is intended to cover taxes and tax-like charges incurred by the key person from the reward.

In the 2023 earnings period, the overall achievement rate of the targets was 10%. Based on the share-based incentive plan, a total of 1,568 shares in Aspo Plc were transferred on March 26, 2024, to the participants of the share reward plan representing the ESL Shipping Group companies.

In the 2024 earnings period, the overall achievement rate of the targets was 20%. The plan was discontinued during 2025.

Share-based incentive plan 2022–2024

On February 16, 2022, the Board of Directors of Aspo Plc decided to establish an incentive plan for key personnel for 2022–2024. The share-based incentive plan consists of three earnings periods, with the earned reward being based on the Aspo Group's earnings per share (EPS) and two sustainability indicators. The target group for the share-based incentive plan includes a maximum of 30 people.

The potential reward will be paid partly in the company's shares and partly in cash in 2023, 2024 and 2025. The rewards payable based on the plan correspond to a maximum total value of 400,000 Aspo Plc shares, including the proportion to be paid in cash.

In the 2022 earnings period, the overall achievement rate of the targets was 90%. Based on the share-based incentive plan, a total of 19,800 shares in Aspo Plc were transferred as a share reward on March 29, 2023, to representatives of the ESL Shipping Croup companies, along with a cash amount equivalent to the value of the shares to cover taxes.

In the 2023 earnings period, the overall achievement rate of the targets was 30%. A total of 2,214 shares in Aspo Plc were transferred on March 26, 2024, to the participants of the share reward plan representing the ESL Shipping Group companies.

In the 2024 earnings period, the overall achievement rate of the targets was 20%.

Share-based incentive plan	Board decision date	Grant date	Transfer date	Number of shares granted	Share price on grant date, EUR	Share price on transfer date, EUR
Share-based incentive plan 2021-2023	11.2.2021	1.4.2021	23.3.2022	22 400	8.99	6.72
Share-based incentive plan 2022-2024	16.2.2022	30.5.2022	28.3.2023	19 800	7.48	8.46
2022-2024	16.2.2022	30.5.2022	26.3.2024	2 214	7.48	6.08
Share-based incentive plan 2023-2025	15.2.2023	6.6.2024	26.3.2024	1 568	6.95	6.08
Share-based incentive plan 2024-2026	15.2.2024	28.3.2024			6.08	
Share-based incentive plan 2025-2027	16.2.2025	28.3.2025			5.02	
Share-based incentive plan 2025	16.2.2025	16.2.2025			5.02	

Accounting principles: Share-based payments

The ESL Shipping group participates in Aspo Plc's share-based management incentive plans, where a portion of the rewards is paid in shares, and the remainder in cash. These plans include net-settlement features to fulfill tax withholding obligations. The shares to be transferred are measured at fair value on the grant date and recognized as an expense in the statement of comprehensive income on a straight-line basis over the validity period of the incentive plan. The impacts of other than market-based terms (e.g., profitability and profit growth target) are not included in the fair value but are taken into account in the amount of shares for which a right is assumed to be generated, by the end of the period in which the right is generated. For the portions settled in shares, a corresponding entry for the expense has been made in equity. The portions settled in cash are also classified as equity-settled transactions and recognized in equity, measured at fair value at the grant date.

5.7 Contingent liabilities, assets and other commitments

OTHER COMMITMENTS

Guarantees and liabilities

Collateral for own debt and other commitments			
1,000 EUR	**31.12.2025**	**31.12.2024**	**31.12.2023**
Mortgages given	145 654	160 654	127 000
Guarantees	27 899	3 964	30
Total	**173 553**	**164 618**	**127 030**
Other commitments	**18 772**	**21 897**	**21 590**

Mortgages given are associated with loan agreements signed to finance certain vessel investments of ESL Shipping. The amounts of mortgages represent the amounts of mortgages used on the loan agreements' signing date. On the balance sheet date, the loan capital was around EUR 80.4 million (2024: 84.6, 2023: 66.0). Leased employees on time-chartered vessels comprises the primary item in other liabilities.

The emission allowances used during the year, totaling EUR 3.2 million (2024: 1.7), will be surrendered to the EU on September 30, 2026, and are presented as part of other liabilities. In addition, the company has a surplus of 1,124 tCO_2eq in accordance with Fuel EU Maritime.

CONTINGENT LIABILITIES AND ASSETS

Legal proceedings

The ESL Shipping Group's companies are parties to some legal proceedings and disputes associated with regular business operations. The financial impact of these proceedings and disputes cannot be estimated for certain, but based on the information available and taking into account the existing insurance cover and provisions made, the company's management believes that they do not have any material adverse impact on the Group's financial position.

5.8 Events after the financial year

In the first quarter, ESL Shipping acquired a used, ice-class 1A handy-size vessel, built in 2002. The vessel's deadweight is 16,600 tonnes. The vessel's new name is M/S Nordis, and it started operating under the Finnish flag in March. The acquisition was made after the sale of M/S Kallio, and it guarantees operational reliability and sufficient capacity until the first Green Handy vessels join the fleet in autumn 2027. Chowgule Shipbuilding delivered the tenth Green Coaster vessel in March 2026 and it is scheduled to be sold to an investor pool in the second quarter of the year. According to the plan, two vessels are still under construction, and the entire series of twelve vessels is expected to be completed by autumn 2026.

August 3, 2026 Aspo's Board of Directors has completed the analysis and evaluation of strategic alternatives, as a result of which the Board of Directors has approved the demerger plan for the partial demerger of the company. According to the demerger plan, the company will be demerged so that all shares in ESL Shipping Oy owned by the company and the related assets and liabilities will be transferred to a new independent company to be established in the demerger, which will be called ESL Shipping Group Plc. The demerger is subject to the approval of Aspo's Extraordinary General Meeting and that the share exchange agreement signed by ESL Shipping Oy, Aspo and Lighthouse HoldCo Ky is valid on the effective date of the demerger. The Annual General Meeting is expected to be held on December 7, 2026. The planned completion date of the demerger is December 31. Despite the consistent promotion of the completion of the demerger, the potential sale of ESL Shipping Oy remains the second option in the event that the sale is shown to create the most value for the shareholders.

Aspo's Board of Directors has approved new medium-term financial targets and dividend policies for ESL Shipping Group. The following financial targets and dividend policies are conditional upon the completion of the demerger and will take effect on the effective date. ESL Shipping Group:

- Comparable EBIT over EUR 40 million in 2030

- Return on equity over 20 percent

- Equity ratio over 35 per cent

- The goal is to distribute approximately 50 per cent of the profit for the financial year as dividends annually

In preparation for a possible partial demerger, several loan agreements were renewed in June 2026. All lenders have also given their consent to the partial demerger. In connection with the potential partial demerger, all ESL Shipping Oy's and its subsidiaries' loans would continue as ESL Shipping Group's loans. Based on the June 30, 2026 balance sheet, ESL Shipping Group's net debt would be EUR 150.8 million. ESL Shipping Group has secured financing for all decided next-generation vessel investments through binding financing arrangements and credit commitments.

ESL Shipping Oy and its subsidiaries have loan agreements totalling EUR 218.4 million, of which EUR 99.5 million remain undrawn. ESL Shipping has an unused committed revolving credit facility of EUR 20 million. The war in Iran and the closure of the Strait of Hormuz have had a significant impact on marine fuel prices, which have remained at a high level compared to the pre-crisis period. ESL Shipping's long-term transport contracts include fuel clauses that pass on fuel price changes to customers. In the second quarter, the price development of marine fuels had a neutral impact on ESL Shipping's profitability.

The *Fleximar*, delivered in late 2025 to AtoBatC Shipping AB and the Coaster business unit, entered service as the ninth vessel under the Green Coaster investment. The tenth vessel, *Astramar*, was delivered to AtoBatC Shipping AB in March 2026 and will be sold to investors upon arrival in Europe. The third of the new 6,000-tonne vessels, the time-chartered *Beltmar*, was delivered for business use in February 2026.

ESL Shipping has decided to acquire all four vessels in Green Handy investment program with own funding, and not to pursue pooling structure as earlier communicated. Funding for the announced investments is committed. As a result of this decision, all advance payments made in connection with the fourth Green Handy have been reclassified as fixed assets. Previously all advance payments were treated as advance payments in inventory.

5.9 Amendments to IFRSs

New and amended standards introduced during the financial period

The Group has applied the following amendments to standards for the first time during the financial year beginning January 1, 2025:

- Amendment to IAS 21: *The Effects of Changes in Foreign Exchange Rates—Lack of Exchangeability*
  The amendments clarify when a currency is exchangeable into another currency, and when it is not. A currency is exchangeable when an entity can exchange that currency for another currency through a market or exchange mechanism that creates enforceable rights and obligations without undue delay, taking into account the specified purpose of the exchange. A currency is not exchangeable into another currency if an entity can obtain no more than an insignificant amount of the other currency. When a currency is not exchangeable on the exchange date, the entity must estimate the spot rate. In estimating the spot exchange rate, the objective is to reflect the rate at which an orderly exchange transaction would take place between market participants under prevailing economic conditions at the measurement date. Management does not expect these amendments to have a material impact on the consolidated financial statements.

Amendments to IFRS standards and IFRIC interpretations with effect from the following financial year at the earliest

The Group will adopt the amendments to the following standards as they enter into force:

- *Amendment to IFRS 9 and IFRS 7: Classification and Measurement of Financial Instruments*
  The amendment aims to improve the understandability of the updates made to IFRS 9 and IFRS 7 regarding the derecognition of financial liabilities, the classification of financial assets and disclosure requirements. The amendments to the standards will enter into force in the financial year beginning on 1 January 2026. The company's management anticipates that the application of these amendments may affect the derecognition of financial liabilities or the note disclosures presented in the consolidated financial statements.

- *Annual improvements to IFRS accounting standards—Volume 11.*
  The company's management anticipates that the application of these amendments may have an impact on the consolidated financial statements in future periods.

- *IFRS 18 Presentation and Disclosure in Financial Statements*
  IFRS 18 replaces IAS 1 *Presentation of Financial Statements* and introduces new reporting requirements. The same standard also amends other IFRS accounting standards such as IAS 7 *Statement of Cash Flows*, IAS 8 *Accounting Policies*, *Changes in Accounting Estimates and Errors*, and IAS 33 *Earnings per Share*. IFRS 18 introduces new requirements, including: presenting defined categories and subtotals in the statement of profit or loss; disclosing information about management-defined performance measures (MPMs) in the notes to the financial statements; and improving the aggregation and disaggregation of presented information. The standard is effective for the financial years beginning on or after January 1, 2027, with earlier application permitted. IFRS 18 will be applied retrospectively in accordance with specific transitional provisions. The company's management anticipates that the adoption of this new standard will affect the presentation of the consolidated financial statements, particularly regarding the statement of comprehensive income and the note disclosures provided for MPM metrics.

- Amendments to IAS 21 *Translation to a Hyperinflationary Presentation Currency*
  In November 2025, the IASB amended IAS 21 such that an entity that translates its financial statements from a functional currency that is not the currency of a hyperinflationary economy into a presentation currency that is the currency of a hyperinflationary economy must translate all

amounts (including comparative information) using the closing rate on the date of the most recent statement period. Additionally, when an entity's functional currency and presentation currency are both the currency of a hyperinflationary economy, and it translates a foreign operation whose functional currency is not the currency of a hyperinflationary economy, the entity must restate the comparative information of that foreign operation using the general price index that it applies to the prior reporting period's comparison figures in accordance with IAS 29 *Financial Reporting in Hyperinflationary Economies*. Entities must disclose that they have applied the new translation method, including summarized financial information about their foreign operations translated in accordance with the new translation method. The amendments are effective for the financial years beginning on or after January 1, 2027, and must be applied retrospectively in accordance with specific transitional provisions. Management does not expect these amendments to have a material impact on the consolidated financial statements.

Signatures to the annual report and financial statements

Helsinki 18th November, 2026

Rolf Jansson
Chair, Board for Directors

Taru Uotila
Member of the Board

Ossi Vasala
Member of the Board

Matti-Mikael Koskinen
CEO

Auditor's note

A report on the audit performed has been issued on the date indicated by the electronic signature.

Deloitte Oy
Audit firm

Aleksi Martamo
Authorized Public Accountant