

PONSSE PLC, STOCK EXCHANGE RELEASE, 26 APRIL 2022, 9:00 a.m.

PONSSE'S INTERIM REPORT FOR 1 JANUARY – 31 MARCH 2022

- Net sales amounted to EUR 173.7 (163.4) million.
 - Operating result totalled EUR 12.5 (16.8) million, equalling 7.2 (10.3) per cent of net sales.
 - Profit before taxes was EUR 14.1 (15.3) million.
 - Cash flow from business operations was EUR -24.2 (14.8) million.
 - Earnings per share were EUR 0.40 (0.31).
 - Equity ratio was 61.2 (60.4) per cent.
 - Order books stood at EUR 356.2 (308.0) million.
- Ponsse released a new profit guidance on 25 April 2022. Due to suspended exports to Russia, challenges in the availability of parts and components, and intense inflation, Ponsse expects its euro-denominated operating profit to be significantly lower in 2022 than it was in 2021.

PRESIDENT AND CEO JUHO NUMMELA:

At the beginning of the first quarter, the forest machine market outlook was at a good level. Russia's invasion of Ukraine led to a deterioration of the situation and subsequent closure of the large forest machine market. In other market areas, the company's demand was good throughout the quarter, and the order flow in these areas continued to develop positively. Our efforts to quickly find new customers for the machines pulled from the Russian market were partly successful. Order intake for the period under review totalled approximately EUR 200 million. All machine orders for Russia were removed from the order books, which impacted the order intake by EUR 109 million. Order intake for the period under review was net EUR 90 million. At the end of the review period, the company's order books stood at EUR 356.2 (308.0) million.

During the last quarter, we finally experienced positive growth and our net sales increased by approximately six percent to EUR 173.7 (163.4) million. The fastest-growing business areas were maintenance services and our technology company Epec Oy. The good working situation of our customers was reflected in the strong growth of our maintenance services. Following the withdrawal of wood and sawn timber exported from Russia from the European market, the volumes of harvested timber are expected to grow. This will have a positive effect on the near-term demand in the European forest machine market.

Ponsse condemns the Russian invasion of Ukraine. The crisis in Ukraine has a significant impact on Ponsse's operations and finances. All export operations for machines and spare parts to Russia and Belarus were suspended following the company's announcement on 2 March 2022. Ponsse has also discontinued temporarily the operations of the Russian subsidiary. Ponsse's products subject to export sanctions include forwarders and related maintenance, training, spare parts and digital services. Ponsse has approximately 3,000 forest machines in the scope of maintenance services in Russia, the life cycle services for which include various local contracts and obligations. We are monitoring the situation and seeking responsibly for solutions to contractual obligations. It is important

that we are able to ensure the safety of the management of our subsidiary and local Ponsse's personnel.

Russia has been the world's largest market for CTL machines, accounting for 20 per cent of Ponsse's net sales in the previous financial year. Our Russian subsidiary OOO Ponsse has been the largest business branch of the Ponsse Group. It will be challenging to offset the business of such scale.

The war in Ukraine is still severely hampering the availability of parts and components. There is a shortage of semiconductors, castings, hydraulic components and transmission components in particular. The European steel market is also in a difficult situation. Component availability issues combined with challenges related to raw materials and energy have elevated inflation to extraordinarily high levels. This will affect Ponsse's profitability in the coming quarters. We were forced to raise prices for our products, however, with no immediate effect because our long order books. The machines that will be completed in the next few months have been sold to our customers almost a year ago, when the product costs were clearly more moderate.

The difficult situation with the availability of parts and inflation were clearly reflected in our profitability in the last quarter. Our operating profit decreased significantly and our relative profitability accounted for 7.2 (10.3) per cent. In addition, profitability was hampered by growth in operating expenses that increased faster than revenue. Cash flow amounted to EUR -24.2 (14.8) million. The capital was temporarily tied up in inventory of machines not delivered to Russia, unfinished products awaiting components and stock of raw materials. The inventory turnover and level of trade-in machines remained good. The company's solvency is at a very good level.

In this difficult situation, we have minimised the implementation of our investment plans and rigorously focused on prioritisation of our operations. Our subsidiary Epec is proceeding according to the normal investment plan; for the other subsidiaries, the situation will be assessed separately. The company evaluated different scenarios of the crisis impacts on our operations. We will continue to vigorously develop Ponsse using all available resources and effectively invest in our product technology and solution offering while ensuring productivity improvements in each of our operations.

NET SALES

Consolidated net sales for the period under review amounted to EUR 173.7 (163.4) million, which is 6.3 per cent more than in the comparison period. International business operations accounted for 76.9 (73.5) per cent of net sales.

Net sales were regionally distributed as follows: Northern Europe 38.5 (41.5) per cent, Central and Southern Europe 21.0 (20.9) per cent, Russia and Asia 12.6 (15.0) per cent, North and South America 27.2 (22.2) per cent and other countries 0.7 (0.4) per cent.

PROFIT PERFORMANCE

The operating result amounted to EUR 12.5 (16.8) million. The operating result equalled 7.2 (10.3) per cent of net sales for the period under review. Consolidated return on capital employed (ROCE) stood at 16.3 (18.0) per cent.

Staff costs for the period totalled EUR 27.6 (23.6) million. Other operating expenses stood at EUR 17.5 (14.3) million. The net total of financial income and expenses amounted to EUR 1.6 (-1.5) million. Exchange rate gains and losses with a net effect of EUR 0.9 (-1.5) million were recognised under financial items for the period. The parent company's receivables from subsidiaries stood at EUR 46.3 million (54.6) net.

During the period under review, the company has accomplished the analysis regarding the accounting treatment related to costs in cloud computing arrangements, and has expensed EUR 0.4 million of items under consideration previously recorded in advance payments that do not give rise to an intangible asset.

Result for the period under review totalled EUR 11.3 (8.8) million. Diluted and undiluted earnings per share (EPS) came to EUR 0.40 (0.31).

STATEMENT OF FINANCIAL POSITION AND FINANCING ACTIVITIES

At the end of the period under review, the total consolidated statements of financial position amounted to EUR 531.6 (450.8) million. Inventories stood at EUR 203.4 (156.8) million. Trade receivables totalled EUR 51.2 (44.9) million, while cash and cash equivalents stood at EUR 86.1 (72.7) million. Group shareholders' equity stood at EUR 310.4 (265.9) million and parent company shareholders' equity (FAS) at EUR 236.7 (212.4) million. The amount of interest-bearing liabilities was EUR 55.1 (54.0) million. The company has ensured its liquidity by credit facility limits and commercial paper programs, which are not used at the end of the period under review. Group's loans from financial institutions are non-collateral bank loans without financial covenants. Consolidated net liabilities totalled EUR -31.1 (-18.7) million, and the debt-equity ratio (net gearing) was -10.0 (-7.0) per cent. The equity ratio stood at 61.2 (60.4) per cent at the end of the period under review.

Cash flow from operating activities amounted to EUR -24.2 (14.8) million. Cash flow from investment activities came to EUR -10.5 (-4.8) million.

IMPACTS OF THE WAR IN UKRAINE

Ponsse condemns the Russian military attack on Ukraine.

Our operating environment has changed drastically and it is affecting Ponsse's operations. Russia's invasion of Ukraine has forced the European Union and United States to respond and impose rigid sanctions against Russia. In compliance with export sanctions and the company's policy, Ponsse temporarily suspended all sales and export operations to Russia and Belarus effective 2 March 2022. At the same time, the operations of the local Russian subsidiary OOO Ponsse were discontinued. Ponsse's products subject to export sanctions include forwarders and related maintenance, training, spare parts and digital services.

Russia's share of Ponsse's net sales has been 20 per cent from the 2021 financial statements. The company's order books on 31 March 2022 no longer include any machines to be delivered to Russia.

Ponsse is preparing for the situation by drafting different scenarios to assess the impact of Russia and Belarus on the development of the company's net sales and profitability and on the company's future in the short and long term.

The company has no production-related fixed assets in Russia. The company's assets mainly consist of maintenance service facilities and spare parts warehouses. Currently, there are no indications of impairment risks in Russia and Belarus associated with fixed assets and inventories, whose value totalled EUR 17.8 million at the end of the review period. Ponsse's machine sales in Russia have been based on advance payments and the company therefore is not at risk related to trade receivables. At the end of the review period, advance payments totalled EUR 19.1 million and trade receivables EUR 3.1 million in Russia. The company has started to return advance payments received from cancelled machine sales to customers whenever customers have so demanded. The situation is monitored and evaluated on a regular basis.

There are approximately 3,000 PONSSE forest machines in Russia, and they involve various agreements and obligations entered into by the company. The company is closely monitoring the development of sanctions and export restrictions. The extent to which these agreements can be continued or terminated depends on the development of the situation, sanctions, and the availability of banking and logistics services.

The war in Ukraine is hampering to a great extent the operation of the manufacturing networks. Russia, Belarus and Ukraine have played a significant role in the supply chains of the European steel industry, while Russia has played a critical role as an energy supplier to Europe. As a result of the war, the availability of raw materials used in steel production has declined significantly and rising energy prices have pushed up the costs of steel processing to the extreme. In addition, Ukraine has supplied, inter alia, gases used in the semiconductor manufacturing process, which has already been reflected in the shortage of semiconductors. The delivery capacity of the manufacturing networks has decreased and inflation has significantly risen as a result of the crisis.

In the challenging situation, Ponsse's strong financial position is important. The company's financial position has remained strong due to good liquidity and binding credit limit facilities agreed with financial institutions. In terms of financing, Ponsse has carried out all measures necessary to ensure business continuity and financial situation is regularly evaluated.

In order to strengthen cybersecurity, Ponsse has clarified software update policy and user manual.

IMPACT OF THE COVID-19 PANDEMIC

The covid-19 pandemic has caused changes in the company's operating environment and operating practices. Due to infections, the company's employees have had more absences than the average. However, the company has avoided large-scale outbreaks and has not had to interrupt operations. The company has complied with all recommendations of the health authorities and the premise for decision-making has been the health and safety of the customers and Ponsse's employees.

The covid-19 pandemic continues to affect our operating environment, particularly through our supplier network, and may therefore disrupt the availability of the material at the factory. In addition, the pandemic can affect the product deliveries due to congestion at logistics hubs or bottlenecks at ports, for example.

ORDER INTAKE AND ORDER BOOKS

All orders regarding Russia were removed from the order books during the review period. The order intake during the period under review totalled EUR 90.0 (299.4) million. Without the impact of Russia, order intake from other regions totalled EUR 199.7 (223.7) million. At the end of the period under review, order books totalled EUR 356.2 million. During the comparative period, order books were EUR 308.0 million, or EUR 228.2 million excluding the impact of Russia. In the 2021 financial statements, order books were EUR 439.9 million, or EUR 312.6 million excluding the impact of Russia.

DISTRIBUTION NETWORK

The subsidiaries included in the Ponsse Group are Ponsse AB, Sweden; Ponsse AS, Norway; Ponsse S.A.S., France; Ponsse UK Ltd, the United Kingdom; Ponsse Machines Ireland Ltd, Ireland; Ponsse North America, Inc., the United States; Ponsse Latin America Ltda, Brazil; Ponsse Uruguay S.A., Uruguay; OOO Ponsse, Russia; Ponsse Asia-Pacific Ltd, Hong Kong; Ponsse China Ltd, China; Ponsse Chile SpA, Chile and Epec Oy, Finland. The Group includes also the OOO Ponsse wholly

owned property company Ponsse Centre in Russia and Sunit Oy in Finland, which is Ponsse Plc's associate with a holding of 34 per cent.

R&D AND CAPITAL EXPENDITURE

Group's R&D expenses during the period under review totalled EUR 6.5 (5.1) million, of which EUR 2.4 (1.6) million was capitalised.

Capital expenditure totalled EUR 10.7 (4.8) million. It consisted in addition to capitalised R&D expenses of investments in buildings and ordinary maintenance and replacement investments for machinery and equipment.

MANAGEMENT

The following persons were members of the Management Team: Juho Nummela, President and CEO, acting as the chairman; Petri Härkönen, Deputy CEO, CFO; Juha Inberg, Technology and R&D Director; Marko Mattila, Sales and Marketing Director; Tapio Mertanen, Service Director; Paula Oksman, HR Director; Miika Soininen, Director of IT and Digital Services and Tommi Väänänen, Director of Delivery Chain Process. The company management has regular management liability insurance.

The area director organisation of sales is led by Marko Mattila, the Group's sales and marketing director, and Tapio Mertanen, service director. Area directors report to Jussi Hentunen, Ponsse retail network manager. Managing directors of subsidiaries and Jussi Hentunen report to Marko Mattila, Ponsse Plc's sales and marketing director.

The geographical distribution and the responsible persons are presented below:

Northern Europe:

Jani Liukkonen (Finland),
Carl-Henrik Hammar (Sweden, Denmark and Norway) and
Tarmo Saks (the Baltic countries).

Central and Southern Europe:

Tuomo Moilanen (Germany and Austria),
Clément Puybaret (France),
Janne Tarvainen (Spain and Portugal),
Gary Glendinning (United Kingdom and Ireland),
Antti Räsänen (Hungary, Italy, Romania, Slovenia, Croatia, Serbia and Bulgaria) and
Tarmo Saks (Poland, Czech Republic and Slovakia).

Russia and Asia:

Jaakko Laurila (Russia and Belarus),
Janne Tarvainen (Australia and South Africa) and
Risto Kääriäinen (China and Japan).

North and South America:

Pekka Ruuskanen (the United States),
Eero Lukkarinen (Canada),
Fernando Campos (Brazil) and
Martin Toledo (Uruguay, Chile and Argentina).

PERSONNEL

The Group had an average staff of 2,109 (1,881) during the period and employed 2,142 (1,903) people at period-end.

SHARE PERFORMANCE

The company's registered share capital consists of 28,000,000 shares. The trading volume of Ponsse Plc shares for 1 January – 31 March 2022 totalled 537,862, accounting for 1.92 per cent of the total number of shares. Share turnover amounted to EUR 18.1 million, with the period's lowest and highest share prices amounting to EUR 26.20 and EUR 44.40, respectively.

At the end of the period, shares closed at EUR 32.75, and market capitalisation totalled EUR 917.0 million.

At the end of the period under review, the company held 227 treasury shares.

ANNUAL GENERAL MEETING

A separate release was issued on 7 April 2022 regarding the authorizations given to the Board of Directors and other resolutions at the AGM.

GOVERNANCE

In its decision-making and administration, the company observes the Finnish Limited Liability Companies Act, other regulations governing publicly listed companies and the company's Articles of Association. The company's Board of Directors has adopted the Code of Governance that complies with the Finnish Corporate Governance Code approved by the Board of the Securities Market Association. The purpose of the code is to ensure that the company is professionally managed and that its business principles and practices are of a high ethical and professional standard.

The Code of Governance is available on Ponsse's website in the Investors section.

RISK MANAGEMENT

Risk management is based on the company's values, as well as strategic and financial objectives. Risk management aims to support the achievement of the objectives specified in the company's strategy, as well as to ensure the financial development of the company and the continuity of its business.

Furthermore, risk management aims to identify, assess and monitor business-related risks which may influence the achievement of the company's strategic and financial goals or the continuity of its business. Decisions on the necessary measures to anticipate risks and react to observed risks are made on the basis of this information.

Risk management is a part of regular daily business, and it is also included in the management system. Risk management is controlled by the risk management policy approved by the Board.

A risk is any event that may prevent the company from reaching its objectives or that threatens the continuity of business. On the other hand, a risk may also be a positive event, in which case the risk is treated as an opportunity. Each risk is assessed on the basis of its impact and probability. Methods of risk management include avoiding, mitigating and transferring risks. Risks can also be managed by

controlling and minimising their impact.

SHORT-TERM RISK MANAGEMENT

The faster-than-expected recovery of the global economy from the covid-19 pandemic and the rapid growth of demand before the conflict in Ukraine have led to problems with the availability of certain components, such as semiconductors. Rapid change in the business cycle may still disrupt the availability and accelerate inflation in the raw materials, parts and components.

The short-term risks management is strongly reflected in the Russian war with Ukraine, which will have a significant impact on the development of the company's profitability in the future. The impacts of the war in Ukraine on Ponsse's operations are described in more detail in section "IMPACTS OF THE WAR IN UKRAINE".

The situation could increase the volatility of the entire global economy and contribute to the decline in demand for forest machines and further disrupt the availability of components.

The uncertainty may also be increased by the volatility of developing countries' foreign exchange markets. The geopolitical situation will increase the uncertainty through financial market operations and sanctions. Changes taking place in the fiscal and customs legislation in countries to which Ponsse exports may hamper the company's export trade or its profitability.

The effects of the covid-19 pandemic are described in section "IMPACT OF THE COVID-19 PANDEMIC" of this release.

The parent company monitors the changes in the Group's internal and external trade receivables and the associated risk of impairment.

The key objective of the company's financial risk management policy is to manage liquidity, interest and currency risks. The company ensures its liquidity through credit limit facilities agreed with a number of financial institutions. The effect of adverse changes in interest rates is minimised by utilising credit linked to different reference rates and by concluding interest rate swaps. The effects of currency rate fluctuations are partly mitigated through derivative contracts.

OUTLOOK FOR THE FUTURE

Ponsse removed its previous guidance through a release issued on 2 March 2022 as follows: "Ponsse will remove its guidance for the current year. The new guidance is associated with uncertainties caused by Russia's invasion of Ukraine and related EU sanctions. The company announces that it will not issue any guidance for the current year."

Ponsse released a new profit guidance on 25 April 2022. Due to suspended exports to Russia, challenges in the availability of parts and components, and intense inflation, Ponsse expects its euro-denominated operating profit to be significantly lower in 2022 than it was in 2021.

Due to the crisis in Ukraine, there are increasing risks associated with the availability and rising costs of parts and components. In cooperation with the supplier network, sustainable solutions are being sought to address these pressures related to risks. High rate of infections caused by the covid-19 pandemic can cause significant challenges to supplier network and Ponsse's own operations. Epec will continue its investment program normally, for Ponsse investments are rigorously prioritised. The company will continue its enhanced cost control.

EVENTS AFTER THE PERIOD

Ponsse Plc has completed the share transaction related to its business activities in the Czech Republic 1 April 2022. On 4 February 2022, Ponsse announced that it has signed a deed of sale, in which it undertakes to purchase all shares in Křenek Forest Service s.r.o., its PONSSE forest machine and service dealer in the Czech Republic.

The conditions set for completing the transaction have been met, and the transaction has now been completed. Ponsse Czech s.r.o., a subsidiary wholly owned by Ponsse, is responsible for Ponsse's sales, spare parts and maintenance activities in the Czech Republic. Employees of Křenek Forest Service s.r.o., Ponsse's previous dealer, will continue in Ponsse Group, ensuring the positive continuation of local business activities. Jakub Haura has been appointed managing director of Ponsse Czech s.r.o. starting from 1 April 2022.

PONSSE GROUP

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (EUR 1,000)

	IFRS 1-3/22	IFRS 1-3/21	IFRS 1-12/21
NET SALES	173,678	163,382	749,998
Increase (+)/decrease (-) in inventories of finished goods and work in progress	22,473	16,539	12,502
Other operating income	742	421	3,573
Raw materials and services	-132,203	-119,697	-499,351
Expenditure on employment-related benefits	-27,581	-23,636	-102,835
Depreciation and amortisation	-7,133	-5,892	-25,251
Other operating expenses	-17,477	-14,350	-63,615
OPERATING RESULT	12,499	16,767	75,021
Share of results of associated companies	2	85	19
Financial income and expenses	1,611	-1,579	-1,836
RESULT BEFORE TAXES	14,112	15,273	73,204
Income taxes	-2,805	-6,475	-18,131
NET RESULT FOR THE PERIOD	11,307	8,798	55,073
OTHER ITEMS INCLUDED IN TOTAL COMPREHENSIVE RESULT:			
Translation differences related to foreign units	1,837	2,071	3,916
TOTAL COMPREHENSIVE RESULT FOR THE PERIOD	13,144	10,869	58,989
Diluted and undiluted earnings per share*	0.40	0.31	1.97

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (EUR 1,000)

	IFRS 31 Mar 22	IFRS 31 Mar 21	IFRS 31 Dec 21
ASSETS			
NON-CURRENT ASSETS			
Intangible assets	44,044	37,247	42,087
Goodwill	3,798	3,801	3,801
Property, plant and equipment	114,455	111,571	112,127
Financial assets	373	372	373
Investments in associated companies	787	851	785
Non-current receivables	245	827	173
Deferred tax assets	3,728	3,710	3,360
TOTAL NON-CURRENT ASSETS	167,430	158,379	162,706
CURRENT ASSETS			
Inventories	203,360	156,751	167,414
Trade receivables	51,144	44,902	43,394
Income tax receivables	784	1,876	938
Other current receivables	22,785	16,281	17,270
Cash and cash equivalents	86,105	72,654	120,900
TOTAL CURRENT ASSETS	364,178	292,464	349,916
TOTAL ASSETS	531,608	450,843	512,622
SHAREHOLDERS' EQUITY AND LIABILITIES			
SHAREHOLDERS' EQUITY			
Share capital	7,000	7,000	7,000
Other reserves	3,460	3,460	3,460
Translation differences	10,184	6,502	8,347
Treasury shares	-2	-2	-2
Retained earnings	289,785	248,902	278,462
EQUITY OWNED BY PARENT COMPANY SHAREHOLDERS	310,427	265,862	297,267
NON-CURRENT LIABILITIES			
Interest-bearing liabilities	50,144	50,128	49,851
Deferred tax liabilities	859	965	967
Other non-current liabilities	85	40	87
TOTAL NON-CURRENT LIABILITIES	51,088	51,133	50,905
CURRENT LIABILITIES			
Interest-bearing liabilities	4,910	3,847	4,945
Provisions	4,349	4,737	4,550
Tax liabilities for the period	2,491	1,902	901
Trade creditors and other current liabilities	158,343	123,362	154,054
TOTAL CURRENT LIABILITIES	170,093	133,848	164,450
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	531,608	450,843	512,622

CONSOLIDATED STATEMENT OF CASH FLOWS (EUR 1,000)

	IFRS 1-3/22	IFRS 1-3/21	IFRS 1-12/21
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net result for the period	11,307	8,798	55,073
Adjustments:			
Financial income and expenses	-1,611	1,579	1,836
Share of the result of associated companies	-2	-85	-19
Depreciation and amortisation	7,133	5,892	25,251
Income taxes	2,805	6,475	18,131
Other adjustments	-2,361	1,596	-1,016
Cash flow before changes in working capital	17,271	24,255	99,256
Change in working capital:			
Change in trade receivables and other receivables	-9,794	-12,895	-12,835
Change in inventories	-33,581	-13,462	-22,371
Change in trade creditors and other liabilities	3,127	26,027	57,525
Change in provisions for liabilities and charges	-200	-242	-429
Interest received	71	27	190
Interest paid	-165	-389	-1,062
Other financial items	644	-1,790	279
Income taxes paid	-1,532	-6,701	-18,126
NET CASH FLOWS FROM OPERATING ACTIVITIES (A)	-24,160	14,830	102,429
CASH FLOWS USED IN INVESTING ACTIVITIES			
Investments in tangible and intangible assets	-10,673	-4,835	-24,856
Proceeds from sale of tangible and intangible assets	203	18	776
NET CASH FLOWS USED IN INVESTMENT ACTIVITIES (B)	-10,470	-4,817	-24,080
CASH FLOWS FROM FINANCING ACTIVITIES			
Withdrawal/Repayment of current loans	-435	-60,197	-61,031
Withdrawal/Repayment of finance lease liabilities	-820	-693	-3,113
Dividends paid	0	0	-16,800
NET CASH FLOWS FROM FINANCING ACTIVITIES (C)	-1,255	-60,890	-80,943
Change in cash and cash equivalents (A+B+C)	-35,885	-50,877	-2,594
Cash and cash equivalents on 1 Jan	120,900	123,611	123,611
Impact of exchange rate changes	1,089	-80	-116
Cash and cash equivalents on 31Mar/31 Dec	86,105	72,654	120,900

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (EUR 1,000)

A = Share capital

B = Share premium and other reserves

C = Translation differences

D = Treasury shares

E = Retained earnings

F = Total shareholders' equity

	EQUITY OWNED BY PARENT COMPANY SHAREHOLDERS					
	A	B	C	D	E	F
SHAREHOLDERS' EQUITY						
1 JAN 2022	7,000	3,460	8,347	-2	278,462	297,267
Translation differences			1,837			1,837
Result for the period					11,307	11,307
Total comprehensive income for the period			1,837		11,307	13,144
Share Plan					16	16
SHAREHOLDERS' EQUITY						
31 MAR 2022	7,000	3,460	10,184	-2	289,785	310,427
SHAREHOLDERS' EQUITY						
1 JAN 2021	7,000	3,460	4,431	-2	240,149	255,038
Translation differences			2,071			2,071
Result for the period					8,798	8,798
Total comprehensive income for the period			2,071		8,798	10,869
Direct entries to retained earnings					-45	-45
SHAREHOLDERS' EQUITY						
31 MAR 2021	7,000	3,460	6,502	-2	248,902	265,862

	31 Mar 22	31 Mar 21	31 Dec 21
1. LEASING COMMITMENTS (EUR 1,000)	807	629	751

	31 Mar 22	31 Mar 21	31 Dec 21
2. CONTINGENT LIABILITIES (EUR 1,000)			
Guarantees given on behalf of others	20	0	20
Responsibility of checking the VAT deductions made on real property investments	7,296	7,551	7,272
Other commitments	133	10	112
TOTAL	7,449	7,561	7,404

3. PROVISIONS (EUR 1,000)	Guarantee provision
1 January 2022	4,550
Provisions added	33
Provisions cancelled	-234
31 March 2022	4,349

KEY FIGURES AND RATIOS	31 Mar 22	31 Mar 21	31 Dec 21
R&D expenditure, MEUR	6.5	5.1	23.8
Capital expenditure, MEUR	10.7	4.8	24.9

as % of net sales	6.1	3.0	3.3
Average number of employees	2,109	1,881	1,954
Order books, MEUR	356.2	308.0	439.8
Equity ratio, %	61.2	60.4	60.7
Diluted and undiluted earnings per share (EUR)	0.40	0.31	1.97
Equity per share (EUR)	11.09	9.50	10.62
Order intake, MEUR	90.0	299.4	1,019.6

FORMULAE FOR FINANCIAL INDICATORS

Return on capital employed, %:

Result before taxes + financial expenses

Shareholder's equity + interest-bearing financial liabilities (average during the year) * 100

Average number of employees:

Average of the number of personnel at the end of each month. The calculation has been adjusted for part-time employees.

Net gearing, %:

Interest-bearing financial liabilities – cash and cash equivalents

Shareholders' equity * 100

Equity ratio, %:

Shareholders' equity + Non-controlling interests

Balance sheet total - advance payments received * 100

Earnings per share:

Net result for the period - Non-controlling interests

Average number of shares during the accounting period, adjusted for share issues

Equity per share:

Shareholders' equity

Number of shares on the balance sheet date, adjusted for share issues

Order intake:

Net sales for the period + Change in order books during the period

The stock exchange release for the interim report has been prepared observing the recognition and valuation principles of IFRS, and the requirements of IAS 34 have not been complied with. The same accounting principles were observed for the closing of the books as for the annual financial statements dated 31 December 2021.

The above figures have not been audited.

The above figures have been rounded and may therefore differ from those given in the official financial statements.

This communication includes future-oriented statements that are based on the assumptions currently made by the company's management and its current decisions and plans. Although the management believes that the future expectations are well founded, there is no certainty that these expectations will prove to be correct. This is why the results may significantly deviate from the assumptions included in the future-oriented statements as a result of, among other things, changes in the economy, markets, competitive conditions, legislation or currency exchange rates.

Vieremä, 26 April 2022

PONSSE PLC

Juho Nummela
President and CEO

FURTHER INFORMATION

Juho Nummela, President and CEO, tel. +358 400 495 690
Petri Härkönen, CFO, tel. +358 50 409 8362

DISTRIBUTION

NASDAQ OMX Helsinki Ltd
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Ponsse Plc is a company specialising in the sales, manufacture, servicing and technology of cut-to-length method forest machines and is driven by genuine interest in its customers and their business. Ponsse develops and manufactures sustainable and innovative harvesting solutions based on customers' needs.

The company was established by forest machine entrepreneur Einari Vidgrén in 1970, and it has been a leader in timber harvesting solutions based on the cut-to-length method ever since. Ponsse is headquartered in Vieremä, Finland. The company's shares are quoted on the NASDAQ OMX Nordic List.