HELEN

HELEN GROUP

Half-Year Report 2025

1 AUGUST 2025

Helen's half-year report 2025: Strong profit performance and a significant decrease in emissions accelerate the clean transition

April–June 2025

- Consolidated net sales decreased year-on-year and amounted to EUR 245 million (EUR 272 million).
- Operating profit decreased and amounted to EUR 12 million (EUR 20 million).
- Electricity sales increased by 21 per cent to 1,114 GWh (918 GWh).
- Electricity distribution in Helsinki increased by 20 per cent to 1,220 GWh (1,018 GWh).
- Heat sales remained on a par with the comparison period at 1,021 GWh (1,026 GWh).
- Cooling sales decreased by 36 per cent to 44 GWh (69 GWh).

January–June 2025

- Consolidated net sales decreased year-on-year and amounted to EUR 773 million (EUR 903 million).
- Operating profit increased and amounted to EUR 111 million (EUR 80 million).
- Electricity sales increased by 20 per cent to 2,891 GWh (2,408 GWh).
- Electricity distribution in Helsinki increased by 18 per cent to 2,673 GWh (2,268 GWh).
- Heat sales decreased by 14 per cent to 3,235 GWh (3,740 GWh).
- Cooling sales decreased by 24 per cent to 80 GWh (105 GWh).

Consolidated key figures

EUR million unless otherwise noted	Q2/2025	Q2/2024	Change	Q1–Q2/2025	Q1–Q2/2024	Change	2024
Net sales	245	272	-10%	773	903	-14%	1,523
Operating profit before depreciations (EBITDA)	50	48	3%	185	167	11%	306
Operating profit (EBIT)	12	20	-41%	111	80	39%	159
% of net sales	5%	7%	-29%	14%	9%	58%	10%
Profit before taxes	7	27	-74%	95	86	11%	145
Gross capital expenditure	77	147	-48%	147	249	-41%	568
Cash flow from operating activities	74	150	-51%	253	220	15%	255
Net debt				1,108	851	30%	1,154
Net debt/EBITDA LTM				3.4	3.0	13%	3.8
Gearing, %				47%	39%	20%	51%
Equity ratio, %				59%	55%	7%	55%
Return on capital employed (ROCE) LTM, %				4%	4%	11%	5%
Balance sheet total				4,036	3,993	1%	4,120
Personnel, average				707	786	-10%	777

Financial performance

Helen's net sales decreased by 14 per cent year-on-year, mainly due to a decline in the market price of electricity, and amounted to EUR 773 million (EUR 903 million). The average spot price of electricity in the first half of the year was EUR 39 (EUR 51) per MWh, which is significantly lower than the average price of the previous year. Net sales derived from heat production were lower than the previous year due to weak demand, which was caused by the mild weather. Net sales derived from electricity production and electricity retail were also lower than the previous year due to the decline in the market price. Net sales from electricity transmission remained nearly on a par with the comparison period.

A key development with regard to the result of Helen's operations is the restoration of the profitability of district heating. This development has been driven by a decrease in production costs due to the reduced use of fossil fuels. The company's profitability was also significantly improved by the lower use of emission allowances. The profitability of electricity production was weakened by the decline in net sales and, in particular, the decline in the production price achieved by wind power. The electricity retail business returned to profitability. The profitability of electricity transmission remained at a good level.

Depreciation amounted to EUR 74 million (EUR 87 million). The depreciation reported for the previous year included accelerated depreciation of EUR 18 million associated with the discontinuation of coal-based production at the Salmisaari power plant.

Operating profit came to EUR 111 million (EUR 80 million). The significant improvement in operating profit was attributable to lower material costs due to the decreased use of fossil fuels. Comparable adjusted operating profit, excluding non-recurring items, was EUR 111 million (EUR 98 million). Comparable relative profitability improved year-on-year to 14 per cent (11 per cent). The reported return on capital employed remained on a par with the comparison period at 4 per cent (4 per cent).

Comments by CEO Olli Sirkka

The second quarter of 2025 was an exceptionally significant milestone on Helen's path towards carbon neutrality, and we took several concrete steps towards a cleaner and more flexible energy system. The biggest single change was the closure of Helen's last coal-fired power plant in Salmisaari when the heating season ended at the beginning of April. This historic act significantly reduces the CO_2 emissions of energy production and marks a new, cleaner era for Helen, Helsinki and Finland as a whole. During the review period, Helen's direct greenhouse gas emissions decreased by 46 per cent when compared to the corresponding period last year, and the share of district heat produced with fossil fuels fell from 62 per cent to 33 per cent.

The decision was made to use the premises of the decommissioned Salmisaari coal-fired power plant for the construction of a small modular reactor pilot plant. The pilot plant will simulate the reactor core's operation with an electrical resistor without nuclear fuel. The clean energy generated during the test operation will be utilised for heating in Helsinki. At the same time, our nuclear energy programme progressed according to plan, as we started a tendering process for the plant supplier and signed framework agreements for technical support with four expert partners. Potential plant sites were surveyed in the Helsinki metropolitan area, with the Vuosaari power plant area identified as the first site for a more detailed assessment. Surveys of other potential sites will also continue. The nuclear energy programme is an important element of our long-term strategy to achieve non-combustion energy production.

The start of the construction of a hydrogen pilot plant in Vuosaari was another significant step. The plant can provide a flexible and versatile solution for energy storage and use in the future, and it is scheduled to be completed in 2026.

Although Helen's net sales declined to EUR 773 million mainly due to the lower market price of electricity, operating profit increased to EUR 111 million. The improved operating profit is due to a change in the company's cost structure, as the costs associated with fossil fuels and the emission allowances required for their use have significantly decreased. This is particularly reflected in the improved profitability of district heating. The reported return on capital employed remained on a par with the comparison period at 4 per cent.

Profit performance in the second quarter was supported by the efficient optimisation of electricity production and consumption. There were fewer instances of negative prices in the electricity market than in the previous year, which speaks to the increasing flexibility of the energy system. Helen has played an active role in this development by, among other things, regulating wind power production and electric boiler consumption in accordance with electricity prices. New wind and solar power projects will be completed this year, and the efficient optimisation of the whole will further stabilise our market operations.

During the second quarter, we announced that the customer prices for district heating will be reduced for the third consecutive time. The increasingly competitive prices are driven by investments in carbon-neutral heat production, which reduce the costs associated with district heating. The improvement in Helen's profit performance in spite of lower customer prices demonstrates that sustainable and profitable business can go hand in hand.

Operating environment

The sudden and unpredictable changes in the geopolitical environment continued in the second quarter and were also reflected in the energy market. In April, import tariffs announced by the United States led to a downturn in stock markets globally. At the same time, the prices of fuel and emission allowance fell to their lowest levels so far this year. The markets subsequently began to recover towards the levels seen at the start of the year as the import tariffs were gradually reduced in May. In June, a series of missile strikes between Israel and Iran increased tensions in the energy market, but the intervention of the United States and the resulting ceasefire quickly returned fuel and emission allowance prices to the levels seen before the conflict. The volatility of the operating environment makes it challenging to predict its future development.

The overall conditions for hydropower production in the Nordic countries remained better than average throughout the spring, which contributed to the low wholesale price of electricity during the second quarter. The conditions for hydropower production in the northern price areas of Sweden and Norway, in particular, were significantly better than average, which pushed the area prices close to zero on a sustained basis. In Finland, the favourable price level was particularly evident during periods of strong winds, when the Finnish area price also fell to zero or even below. However, there have been fewer instances of substantially negative hourly spot prices when compared to the previous year. This is due to an increase in flexible electricity consumption and the improved adjustment ability of the market participants. The average spot price of electricity in Finland in the second quarter was EUR 28 per MWh, which is only EUR 1.67 above the average Nordic system price.

The preparation of national legislative projects related to the electricity market continued during the second quarter. The Government submitted to the Parliament its proposed amendments to the Electricity Market Act, which will integrate the production and increasing consumption of electricity more smoothly and cost-efficiently into the main grid and the high-voltage distribution network. The discussion of the proposal will continue in the Parliament's autumn session.

The working group appointed by the Ministry of Economic Affairs and Employment to prepare a proposal for creating a support mechanism for non-fossil flexibility under the EU Regulation on electricity market design completed its work. The working group's final report was circulated for comments in June. The preparation of the matter will continue in the Ministry of Economic Affairs and Employment.

The Ministry of the Environment continued the preparation of the national implementation of the recast Energy Performance of Buildings Directive (EPBD), and proposals related to national regulations were circulated for comments. The regulations will have an impact on Helen's heating and cooling customers, especially in new construction.

The EU made progress on the path laid out by the strategy documents published early in the year with the goal of strengthening competitiveness. The progress of the Green Omnibus project, which aims to simplify the EU regulations governing sustainability reporting, was reflected in the approval of the "Stop the Clock" Directive. For Helen, this means that the CSRD reporting obligation will only apply starting from the financial year 2027 instead of 2025. The EU is currently preparing to streamline the European Sustainability Reporting Standards (ESRS) by removing less material data points and making some data points voluntary or subject to non-binding guidance.

In June, the European Commission published the Clean Industrial Deal State Aid Framework (CISAF), which enables state aid for investments in the green transition. The programme has been criticised for favouring large Member States and for having deficiencies in how sustainability and local supply chains are taken into account.

The Commission also published a Nuclear Illustrative Programme (PINC) that assesses the role of nuclear energy in the EU's energy system and investment needs in the coming years. The programme also supports the development of small modular reactors (SMRs), which is in line with Helen's long-term strategic goals.

Customers

Retail electricity prices remained at a lower level than in the corresponding period of the previous year. However, there were daily and hourly fluctuations, as

is typical of the current market situation. The number of contacts to Helen's customer service decreased year-on-year and amounted to approximately 120,000 (140,000). The NPS score, which is an indicator of the customer experience of consumers and corporate customers, continued its positive development and returned to the pre-energy crisis level, exceeding 40. The CSAT score, which measures customer satisfaction in digital channels, also remained at a very good level, exceeding 4.

At the end of the review period, the total number of consumer and small enterprise electricity contracts was over 630,000. The combined energy sales for these customer groups amounted to 1,100 GWh, while energy sales to major corporations totalled 500 GWh. More than half of the new electricity contracts concluded by consumers were fixed-term contracts. Interest in spot price electricity contracts remained high as the summer approached, and fixed-price contracts that are valid until further notice were popular with customers who value an easy solution. The demand for additional services with an environmental impact, in particular, remained at a good level. In charging services for electric vehicles, sales of charging services at properties decreased year-on-year due to the end of the Government's charging infrastructure subsidies and delays in housing companies' investment decisions. At the same time, public charging volumes increased particularly with regard to AC charging. The increasing number of electric vehicles is expected to continue to support the growth of the demand for public charging in the future.

In the second quarter, the demand for district heating decreased by 1 per cent year-on-year due to warmer weather. The demand for district cooling also decreased by 37 per cent due to the cool early summer. Housing company customers showed particular interest in demand response and the optimisation of consumption following the introduction of the new Optimal Heating product. Property portfolio owners, in turn, were interested in products related to the origin of district heating, the sales of which exceeded expectations by a clear margin. Thanks to investments in the clean transition, Helen was again able to announce reductions in district heating prices to customers in late May. The average total price of the Kuukausilämpö Kiinteistö product in 2025, excluding value added tax, is predicted to be 6.1 per cent lower on average when compared to the previous year.

Helen continued to develop the Oma Helen and Yritys Helen services, the company's website and AI-assisted service use. The aim is to support customers' understanding of the development of the energy market and the significance of flexibility. The number of monthly visits to Oma Helen was approximately 1.9 million, and over 550,000 customers have already started to use the service. In order to develop the customer experience, Helen deployed its first AI-assisted agent on its website to provide advice to customers who are moving. Customer feedback on the AI agent has been very positive.

Supply reliability

During the review period, the supply reliability of electricity distribution was significantly better than in previous years. The average outage time per customer due to disruptions was 0.4 minutes (1.1 minutes) and the average outage time per customer due to planned maintenance work was 0.9 minutes (1.4 minutes).

The supply reliability of heat distribution remained at a good level. During the review period, there were 169 (168) planned outages and 32 (29) unplanned outages caused by a sudden fault or disruption. The average outage time per customer was 2.4 hours (0.9 hours).

The supply reliability of district cooling also remained at a good level. There were 8 (5) planned outages during the review period. The average outage time per customer was 0.8 hours (0.2 hours).

Energy production and emissions

The share of carbon-neutral energy in Helen's production increased significantly during the review period.

The total production of electricity increased by 22 per cent year-on-year and came to 2,766 GWh (2,275 GWh). The amount of electricity produced with wind power quadrupled to 942 GWh (222 GWh), while the amount of electricity produced with nuclear power decreased by 4 per cent and came to 967 GWh (1,008 GWh). The amount of electricity produced with fossil fuels decreased by 25 per cent and came to 441 GWh (592 GWh). Nuclear power accounted for 35 per cent of Helen's electricity production and renewable energy sources for 49 per cent. The remainder was produced with coal, natural gas and fuel oil.

In heat production, the share of energy produced with fossil fuels was 33 per cent. Bioenergy accounted for 39 per cent of heat production, while heat pumps and electric boilers accounted for a combined 27 per cent. The amount of heating

produced by heat pumps increased by 43 per cent and came to 550 GWh (384 GWh). Total heat production decreased by 13 per cent to 3,399 GWh (3,928 GWh). The use of coal decreased by 39 per cent, while the use of biofuels increased by 11 per cent. The use of natural gas decreased by 44 per cent, and the use of fuel oil decreased by 83 per cent.

Breakdown of electricity production

	Q1–Q2/2025	Q1–Q2/2024
Nuclear power	35%	44%
Wind power	34%	10%
Hydropower	15%	20%
Natural gas	8%	9%
Coal	7%	16%
Fuel oil	1%	1%
Solar power	0.10%	0.05%

Breakdown of heat production

	Q1–Q2/2025	Q1–Q2/2024
Biomass	39%	28%
Coal	16%	23%
Heat pumps	16%	10%
Natural gas	14%	29%
Electric boilers	11%	0%
Fuel oil	3%	10%

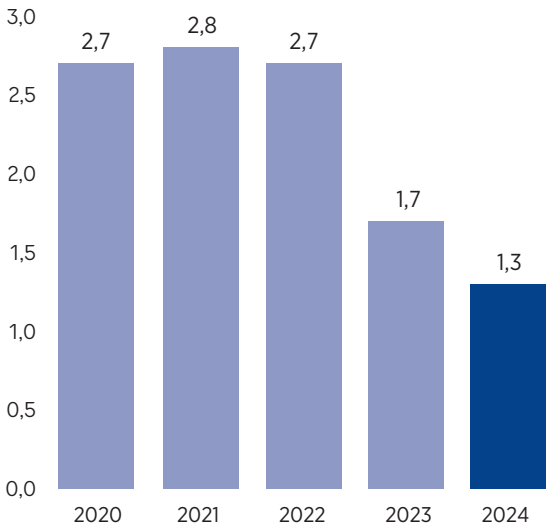
The direct greenhouse gas emissions of energy production (Scope 1) amounted to 0.5 million tonnes (0.9 million tonnes) of CO_2-eq, which represents a year-on-year decrease of 46 per cent. Specific emissions decreased by 42 per cent and were 84 grams (146 grams) of CO_2-eq per kWh produced. The significant reduction in emissions is especially attributable to the considerable decrease in the use of fossil fuels. Helen discontinued the use of coal in the first quarter.

Emissions are trending downwards. Emissions are affected primarily by the investments made in carbon neutral energy production. The implementation of the investment programme will take several years, and Helen's specific emissions in 2030 are expected to be approximately 19 grams of CO_2-eq per kWh sold.

Direct greenhouse gas emissions (Scope 1), million tonnes CO_2-eq

	2025	2024	Change
Q1	0.45	0.7	-36%
Q1–Q2	0.49	0.9	-46%
Q1–Q3		0.9	
Q1–Q4		1.3	

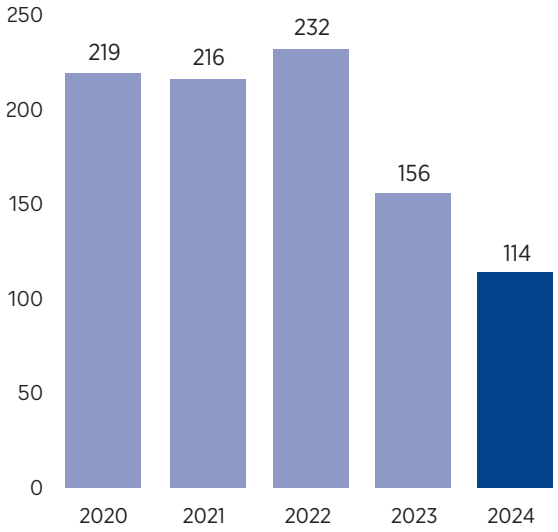
Direct annual greenhouse gas emissions (Scope 1), million tonnes CO_2-eq



Specific emissions of energy production, g CO_2-eq per kWh

	2025	2024	Change
Q1	113	167	-32%
Q1–Q2	84	146	-42%
Q1–Q3		120	
Q1–Q4		114	

Annual specific emissions of energy production, g CO_2-eq per kWh



Research and development

Helen's R&D activities progressed in areas such as carbon-neutral energy production, the flexibility of the energy system, small-scale nuclear energy, and hydrogen and Power-to-X.

In the area of carbon neutral energy production, one of the key areas of R&D was the utilisation of waste heat and environmental heat and the use of electric boilers in heat production. Based on the research activities, several electric boilers and heat pump plants are currently under construction. New sources of waste heat were surveyed, particularly among the growing data centre operations in the Helsinki metropolitan area. Helen also continued to investigate the prerequisites for lowering the temperature of water in the district heating network. The three-year project to develop a digital twin to enable smart control of the district heating network proceeded as planned.

Helen actively developed electricity and heat storage solutions to increase the flexibility of the energy system. Electricity storage facilities are currently under construction in Lohja and Nurmijärvi, and heat storage facilities in the Hanasaari production area. The company also assessed the conditions for the construction of a new heat storage facility and other technological alternatives for increasing heat storage capacity in Helsinki.

To promote flexibility, Helen also actively explores growth opportunities in the areas of demand response and virtual power plants (VPP). The company believes that VPP solutions will significantly benefit the electricity system by strengthening market flexibility, promoting open competition and creating new services, among other advantages. Helen aims to deepen its expertise in this area and promote development in close cooperation with its partner network.

Helen moved forward, as planned, with the nuclear energy programme that was launched in 2024 and is aimed at the utilisation of nuclear energy in heat production in Helsinki. The key aspects of the first stage of the programme include the specification of the business model and ownership model, the assessment of plant suppliers and technology alternatives, and surveying potential locations. During the second quarter, the Vuosaari power plant area was identified as one of the potential site options on a preliminary basis. In addition, Helen leased the premises of the Salmisaari coal-fired power plant, which was decommissioned in the spring, for the construction of an electric small modular reactor pilot plant. As part of the programme, cooperation opportunities pertaining to small-scale nuclear energy continued to be assessed with partners. Helen aims to promote faster regulatory reform concerning small modular reactors as well as dialogue between industry and the authorities.

Construction began in the second quarter on the digital twin of the green hydrogen pilot plant. The digital twin will make it possible to simulate and develop the plant's production process. The simulation model will be built together with partners as part of the EU-funded BalticSeaH2 project.

Investments

Helen's total investments amounted to EUR 147 million (EUR 249 million), of which investments in fixed assets represented EUR 142 million (EUR 239 million). The parent company's share of the investments in fixed assets was EUR 95 million (EUR 78 million), and Helen Electricity Network Ltd's share was EUR 12 million (EUR 18 million). Of the total investments, investments in wind power, solar power and geothermal heat accounted for EUR 66 million (EUR 138 million).

The parent company's investments were focused on carbon-neutral energy production and the flexibility of the energy system. The recovery of waste heat generated by a partner's data centre was expanded in Pitäjänmäki. With the expansion, the data centre's heat will eventually cover the annual heating consumption of as many as 14,000 two-room apartments. The new electric boilers at the Salmisaari production site went into commercial production, increasing Helen's electric boiler capacity by 100MW. Installation work on an air-to-

water heat pump plant continued at the same site. The plant will have a district heat output of 14 MW and a district cooling output of 8 MW. Installation work continued as planned on the Eiranranta heat pump plant, which utilises waste heat from wastewater. The district heat output of the plant's heat pumps will be approximately 90 MW and the district cooling output will be about 60 MW. In addition, the plant will have a 30-MW electric boiler. Construction began on new production plants at the Hanasaari and Patola production sites. A heat pump plant utilising new technology and two electric boilers will be built in Patola. In the Hanasaari energy block, Helen is developing Europe's largest electric boiler plant, comprising four electric boilers and two heat storage facilities.

No new investment decisions concerning electricity production or storage were made during the second quarter. Construction continued as planned on the previously made significant investments in wind power, solar power and electricity storage facilities, as well as the renovation of hydropower plants.

Construction began in the second quarter on the 3H2 pilot plant that will produce green hydrogen. Hydrogen production is scheduled to start in late 2026. The waste heat generated as a by-product of production will be put to use in Helen's district heating network.

Helen Electricity Network Ltd's investments were also focused on the clean transition. At the Eiranranta, Hanasaari and Patola production sites, electricity network connection investments for the clean transition progressed according to plan. The extensive renewal of remotely readable energy meters continued.

In late 2024, Helen ceased to actively invest in new start-ups in the energy sector in order to focus its business in accordance with the new strategy. As part of this development, the company transferred to Redstone Nordics Oy the management of the holdings of Helen Ventures, which had been responsible for the investment activities. The transfer took effect at the beginning of June.

Financing

Helen's equity ratio was 59 per cent (55 per cent), and interest-bearing liabilities totalled EUR 1,423 million (EUR 1,363 million). Liquid cash reserves and investments amounted to EUR 315 million (EUR 513 million), excluding bank quarantees. Financial collateral put up by the Group is not included in liquid cash reserves.

The Group's financing and investment policy guides the parent company's and the subsidiaries' capital structure, borrowing, hedging against financial risks, the investment of cash reserves, working capital management, and liquidity management. The objective of the Group's financial management is to ensure adequate liquidity, financial risk management, the centralised management of financing and investment activities, the minimisation of net financial expenses, and enabling strategic measures and investments. The Group adheres to a low risk profile in its financing and investment activities.

Sustainability

During the review period, Helen started the process of updating its Science Based Targets (SBT). The updated targets will replace the previous short-term SBTs for 2030. The company will also set a new long-term net-zero target extending to 2040. In order to achieve net zero emissions, Helen will set an emission reduction target of at least 90 per cent for all emission categories (Scope 1, 2 and 3) by 2040. In addition, a separate target will be established for Scope 3 emissions.

Helen's double materiality analysis was updated. In addition, Helen's continued its development efforts concerning the human rights due diligence obligation (HRDD). The purpose is to identify key negative human rights impacts and create a monitoring method for them.

Helen is committed to the updated recommendations published by the Bioenergy Association of Finland and Finnish Energy on taking biodiversity into account in forest energy sourcing. The new recommendations emphasise concrete measures, such as increasing the amount of mixed trees, decaying wood, retention trees and protective thickets, and taking water bodies into account. Helen has been involved in updating the recommendations.

Employees

The average number of Helen's employees was 707 (786). The decrease in the number of employees was attributable to a divestment related to customer service at the beginning of 2025. At the end of the review period, the number of employees was 711 (789).

The parent company had on average 625 (688) employees, of whom 593 (634) were in a permanent employment relationship and 32 (54) were in a fixed-

term employment relationship.

The average number of Helen Electricity Network Ltd's employees was 82 (87). The other subsidiaries did not have employees during the review period.

Significant events in April–June

- The parent company closed the Salmisaari coal-fired power plant and discontinued the use of coal. The end of coal-based energy production means that Helen's annual emissions will decrease by half when compared to 2024. The City of Helsinki's emissions will also decrease by approximately 30 per cent. At the national level in Finland, the change will reduce emissions by almost 2 per cent.
- Two new electric boilers at the Salmisaari production site went into commercial production. The boilers have a combined capacity of 100 MW.
- Construction began on the 3H2 pilot plant that will produce green hydrogen. Hydrogen production is scheduled to start in late 2026. The waste heat generated as a by-product of production will be put to use in Helen's district heating network.
- The parent company published the district heating energy fees for July-December 2025 and the price forecast for January-June 2026. The average total price of district heating in 2025, excluding value added tax, will decrease by an estimated 6.1 per cent on average when compared to the previous year.
- The parent company started a tendering process for the selection of a supplier for a small modular reactor plant and signed framework agreements with a total of four partners for technical support for the nuclear energy programme.
- The parent company made progress in surveying potential site options for a small modular reactor plant in the Helsinki metropolitan area. Among other sites, the Vuosaari power plant area was identified as a potential plant site option on a preliminary basis, and an assessment of its suitability to serve as a platform for nuclear energy production was initiated. Surveys of other identified potential plant site options will also continue.
- The parent company made a decision on using the premises of the decommissioned Salmisaari coal-fired power plant for the construction of a small modular reactor pilot plant. No nuclear fuel will be placed in the pilot plant. Instead, an electrical resistor will be installed in the reactor core.
- In April, Helen deployed a new ERP system that creates the conditions for more harmonised and efficient operating processes.

Risks and uncertainties

Risk management

Risk management at Helen is a systematic and proactive approach to identifying, analysing and managing the uncertainties related to operations. The significant risks in Helen's business operations are related to the sharp fluctuations in the market prices of energy commodities and their increasingly low predictability, which presents business risks in electricity procurement and in the wholesale and retail markets. The most significant risks to which the Group is exposed and which have been realised are described below.

Strategic risks

Unforeseen regulatory changes influencing Helen's strategy have been identified as a significant risk that affects the predictability of the development of the operating environment and the timely implementation of the clean transition. Regulatory developments concerning renewable energy projects or sudden changes in the operating environment may slow investments or change their focus areas. Through active dialogue with policy-makers, public officials and other key stakeholders, Helen aims to ensure that regulations and the development of the operating environment benefit customers, businesses, the environment and society in the best possible manner.

The production structure, which is increasingly reliant on wind and solar energy technologies, exposes Helen to market and technology risks. With regard to small-scale nuclear power and hydrogen production, there are risks related to feasibility, schedules and profitability that arise from developing technology, the capital-intensive nature of the activities and the fact that the permit and safety regulations are still taking shape.

In preparing for risks related to the clean transition, Helen's aim is to optimise energy production, procurement, use and costs, and manage market-related risks. In order to respond effectively to the needs of customers and society, Helen strives to achieve the best possible result without compromising on supply reliability.

Financial risks

Helen's financial situation and financial position remained stable during the review period. The company has made significant investments in the clean transition in recent years, and the investment

plan will continue to be strong in 2025 and beyond. The successful deployment of completed investments is a prerequisite for the positive development of cash flow from operating activities and, consequently, the continuation of the investment programme.

The development of inflation and the interest rate markets was in line with market expectations during the review period. However, geopolitical and macroeconomic uncertainties make near-term forecasting challenging.

Operational risks

Faults and disruptions in energy production plants affect the operability of the energy system. Potential disruptions are managed by, among other things, optimising energy production, adjusting Helen's own electricity consumption and operating in the intraday market for electricity.

During the review period, Helen had to occasionally limit the production output of its electric boilers due to a transmission restriction that was in effect in April–July regarding the transmission connection between the transmission system operator Fingrid Oyj and Helen Electricity Network Ltd. The restrictions to production output were announced via the Nord Pool UMM system.

In June, the availability of the second gas-fired power plant in Vuosaari for the electricity market had to be restricted occasionally due to challenges related to fuel availability. These challenges were due to planned maintenance work on the Estonian gas network, which caused a supply interruption in the Balticconnector gas pipeline. The situation was announced via the Nord Pool UMM system and it caused moderate additional energy procurement costs for Helen.

During production test runs related to the Salmisaari heat storage facility conversion project, there was an equipment failure that led to a major disruption in the district heating network in May. The precautions taken for such an incident included ensuring the technical quality of equipment purchases and installations and reviewing automation plans. These will be reassessed due to the fault. The incident was reported immediately via the Nord Pool UMM system, and it caused additional energy procurement costs for Helen.

Market risks

The volatility of electricity prices remains a key source of uncertainty for Helen's business operations. The growth of renewable energy production and the increase in electricity storage have an impact on electricity prices and Helen's result. Price fluctuations are managed by acquiring hedging derivatives from the electricity markets, optimising production and the use of storage facilities, and by actively participating in the day-ahead and intraday markets. Price fluctuations also offer an opportunity to benefit from them by optimising the company's own operations. During the review period, price fluctuations were particularly pronounced in the balancing energy market, as the down-regulation price of electricity in the mFRR energy market fell to EUR -10,000 per MWh on several occasions.

Sustainability risks

Helen recognises the risk that the general opinion on the acceptability of different forms of energy production may change. If this were to happen, previously accepted forms of production would not necessarily correspond to customers' or stakeholders' views of sustainable energy production. Helen aims to increase customer and stakeholder awareness of its sustainability efforts by reporting on its business operations transparently and communicating its sustainability actions openly.

If the Green Omnibus initiative aimed at simplifying EU regulations on sustainability reporting is approved, Helen will no longer be within the scope of the CSRD reporting obligation. In spite of the initiative, Helen will report on its information for 2025 in accordance with the European Sustainability Reporting Standards (ESRS). A double materiality analysis, which guides the company's sustainability efforts, was completed in June.

Outlook

Gas storage facilities in Central Europe filled up, as expected, during the early summer. The storage levels are at over 50 per cent. The filling up of gas storage facilities in recent times has been supported by the tightening of trade relations between the United States and China, as it has practically halted the export of American liquefied natural gas to China and redirected deliveries to the European market. The current market situation appears stable but, after the price fluctuations seen in the spring, risk premiums are still reflected in gas pricing. The development of the conditions for hydropower production will be closely monitored in the Nordic countries during the summer and early autumn. The prevailing water surplus pushes electricity price expectations to

a lower-than-usual level. The development of prices during the second half of the year will largely depend on the development of the conditions for hydropower production during the late summer and early autumn.

The global geopolitical situation is exceptionally tense, and changes may happen quickly and with unexpected consequences. The energy markets are not separate from these factors. Price fluctuations, supply reliability and the predictability of investments are increasingly closely linked to international developments. This operating environment emphasises Helen's role as a stable and proactive market participant that can provide security not only to customers but also the entire energy system.

Helen operates in electricity markets in diverse roles as a producer, vendor and consumer, which reduces its exposure to the risks caused by market fluctuations. In its business operations, Helen also aims to take advantage of the opportunities presented by price fluctuations. By operating in accordance with its strategy, the company will also be increasingly able to balance fluctuations in prices in the future by increasing electricity consumption when supply is high, and reducing consumption when supply is low. The profit outlook for 2025 is expected to be slightly better than the previous year.

Helen's investments in carbon neutral electricity, heat and cooling production are becoming concrete as new wind and solar farms and electricity storage facilities are built around Finland and existing production sites in Helsinki are transformed. The company's production structure is shifting from combined heat and power generation to separate production, in which the main electricity production forms are hydro, nuclear, wind and solar power. Heat production is rapidly becoming increasingly electric. In the future, it will consist of heat pumps, electric boilers and sustainable bioenergy.

Green hydrogen will emerge as a new addition to Helen's production palette. The preconditions for large-scale production will be investigated by means of a pilot plant. Assessments of the role of small-scale nuclear energy as part of a sustainable energy system are also moving forward.

It is important for Finland to maintain its position as a stable and predictable investment environment that will continue to have a sufficient supply of clean electricity in the future. Helen's long-term efforts to develop the flexibility and supply reliability of the energy system support this goal. Increasing renewable energy production, piloting hydrogen solutions, developing small-scale nuclear energy and smart control form a whole that strengthens Finland's energy infrastructure and improves the country's ability to respond to future uncertainties.

Consolidated income statement

EUR million	Q2/2025	Q2/2024	Q1–Q2/2025	Q1–Q2/2024	2024
Net Sales	245	272	773	903	1,523
Other operating income	2	4	3	5	8
Energy procurement	-121	-100	-302	-305	-528
Power plant fuel purchases	-7	-64	-156	-310	-437
Materials and supplies	-1	-3	-3	-5	-12
External services	-25	-21	-50	-38	-87
Personnel expenses	-18	-17	-34	-36	-70
Depreciation, amortisation and impairment	-38	-28	-74	-87	-146
Other operating expenses	-25	-23	-46	-46	-92
Operating profit (loss)	12	20	111	80	159
Financial income and expenses					
Share of profit of associates	1	4	-4	6	-12
Interest and other financial income	4	12	8	22	25
Interest and other financial expenses	-9	-10	-20	-22	-27
Profit (loss) before taxes and appropriations	7	27	95	86	145
Income taxes	-3	1	-23	-12	-21
Non-controlling interest	-5	0	-4	0	0
Profit (loss) for the period	0	28	68	74	124

Consolidated balance sheet

EUR million	Jun 30, 2025	Jun 30, 2024	Dec 31, 2024
Assets			
Intangible assets	70	22	60
Goodwill	189	205	195
Tangible assets	2,653	2,351	2,583
Shareholdings in associated companies	114	129	114
Other shares and equity interests	324	296	322
Non-current assets total	3,350	3,002	3,276
Inventories	67	107	92
Trade receivables	30	43	39
Loan receivables	173	194	170
Deferred tax receivables	7		7
Other receivables	36	68	46
Prepayments and accrued income	58	66	167
Cash and cash equivalents	315	513	323
Current assets total	685	991	844
Assets total	4,036	3,993	4,120

EUR million	Jun 30, 2025	Jun 30, 2024	Dec 31, 2024
Equity and liabilities			
Equity			
Share capital	600	600	600
Invested non-restricted equity fund	1,251	1,251	1,251
Retained earnings	349	285	283
Profit for the period	68	74	124
Equity total	2,268	2,210	2,258
Non-controlling interest	111	106	107
Non-current liabilities			
Provisions	4	7	5
Non-current interest-bearing liabilities	1,290	1,343	1,373
Deferred tax liabilities	101	88	97
Non-current liabilities total	1,394	1,438	1,475
Current liabilities			
Interest-bearing liabilities	133	20	103
Trade payables	37	97	77
Other current liabilities	92	123	101
Current liabilities total	263	240	281
Equity and liabilities total	4,036	3,993	4,120

Consolidated statement of cash flows

EUR million	Q2/2025	Q2/2024	Q1–Q2/2025	Q1–Q2/2024	2024
Cash flow from operating activities					
Profit for the period	0	28	68	74	124
Depreciation, amortisation and impairment	38	28	74	87	146
Share of profit/loss of associates	-1	4	4	3	13
Financial income and expenses	5	-11	12	-8	1
Adjustments	16	-4	15	-4	13
Income taxes	3	-1	23	12	21
Dividends received	0	9	0	9	9
Interest paid	-13	-12	-24	-20	-17
Interest received	8	12	9	13	25
Other financial items	-38	12	-48	13	14
Income taxes paid	-3	-1	-8	-4	-17
Changes in working capital	59	86	127	46	-76
Cash flow from operating activities (A)	74	150	253	220	255
Cash flow from investing activities					
Capital expenditure on fixed assets	-72	-144	-142	-239	-568
Proceeds from sale of fixed assets		11		11	4
Proceeds from the disposal of subsidiary shares					6
Investments in subsidiaries and associates	-4		-4		-6
Other investments	-1	-3	-1	-10	-37
Cash flow from investing activities (B)	-77	-136	-147	-238	-600
Cash flow from financing activities					
Proceeds from non-current debt	0	53	5	113	187
Repayments of non-current debt		0	0	0	0
Change in current debt	3		-58	-31	9
Dividends paid	-58	-38	-58	-38	-38
Change in loan receivables	-3	1	-4	-5	19
Capital investments			0		0
Cash flow from financing activities (C)	-58	16	-114	39	176
Change in cash and cash equivalents (A+B+C)	-60	31	-8	21	-170
Cash and cash equivalents at the beginning of the period	375	482	323	491	491
Cash and cash equivalents at the end of the period	315	513	315	513	323

Statement of changes in consolidated equity

EUR million	Share capital	Reserve for invested unrestricted equity	Retained earnings	Total
Opening balance at Jan 1, 2025	600	1,251	407	2,258
Profit for the period			68	68
Dividends paid			-58	-58
Balance at Jun 30, 2025	600	1,251	417	2,268

EUR million	Share capital	Reserve for invested unrestricted equity	Retained earnings	Total
Opening balance at Jan 1, 2024	600	1,251	323	2,174
Profit for the period			74	74
Dividends paid			-38	-38
Balance at Jun 30, 2024	600	1,251	359	2,210

Net sales

GWh	Q2/2025	Q2/2024	Q1–Q2/2025	Q1–Q2/2024	2024
Electricity sales	1,114	918	2,891	2,408	5,283
Electricity distribution sales	1,220	1,018	2,673	2,268	4,571
Heat sales	1,021	1,026	3,235	3,740	5,981
Cooling sales	44	69	80	105	244

Changes in intangible and tangible assets

EUR million	Jun 30, 2025	Jun 30, 2024	Dec 31, 2024
Acquisition cost, 1 Jan	2,839	2,424	2,424
Additions	145	248	568
Depreciation, amortisation and impairments	-74	-63	-146
Sold assets			-4
Decreases and transfers	0		-5
Acquisition cost, 30 Jun	2,912	2,578	2,839

Collaterals and commitments

EUR million	Jun 30, 2025	Jun 30, 2024	Dec 31, 2024
Bank guarantees	40	47	40
Rental liabilities (0% VAT)	383	137	392
Leasing liabilities (0% VAT)	192	203	197
Directly enforceable guarantees on behalf of non-Group companies	49	59	49
Bank's cash collateral	24	31	23

Group companies

Subsidiary	Domicile	Group shareholding
Oy Mankala Ab	Iitti	100.0%
Helen Sähköverkko Oy	Helsinki	100.0%
Helsingin Energiatunnelit Oy	Helsinki	90.0%
Tuulipuisto Lakiakangas 3 Oy	Isojoki	100.0%
Kristinestad Tupaneva Oy	Isojoki	100.0%
Helen Aurinkopuisto Kalanti Oy	Uusikaupunki	100.0%
Kalanti GridCo Oy	Uusikaupunki	100.0%
Kalistanneva Sijoitustyhtiö Ky	Helsinki	33.3%
Kalistanneva Holding Oy	Helsinki	60.0%
Helen ÅB Tuulipuistohallinnointiyhtiö Oy	Helsinki	60.0%
Tuulipuisto Kalistanneva Oy	Kurikka	60.0%
Tuulipuisto Karahka Oy	Oulainen	51.0%
Tuulipuisto Juurakko Oy	Kalajoki	51.0%
Jokituuli Sijoitusyhtiö Ky	Helsinki	18.3%
Jokituuli Holding Oy	Helsinki	51.0%
Niinimäki Holding Oy	Helsinki	51.0%
Niinimäki Sijoitusyhtiö Ky	Helsinki	18.3%
Niinimäki Grid Oy	Pieksämäki	45.9%
Tuulipuisto Niinimäki Oy	Pieksämäki	51.0%
Nurmijärven Sähkövarasto Oy	Helsinki	60.0%

Associated company	Domicile	Group shareholding
Voimapiha Oy	Helsinki	33.3%
Liikennevirta Oy	Helsinki	23.4%
Pjelax Vindkraft Ab/Oy	Närpiö	40.0%
&Charge GmbH	Frankfurt	23.9%
Viiatti GridCo Oy	Kurikka	30.0%

Financial calendar

Helen's reporting schedule for 2025 is as follows:

- The interim report for January–September will be published on 3 November 2025.

The financial reports are available on the Helen website.

The financial information in the half-year report is unaudited.

All statements presented in this report are interpretations of the present, and all projections are estimates of future developments. They are based on the current view and therefore involve risks and uncertainties. The actual outcomes and results may differ significantly from the interpretations and estimates.

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