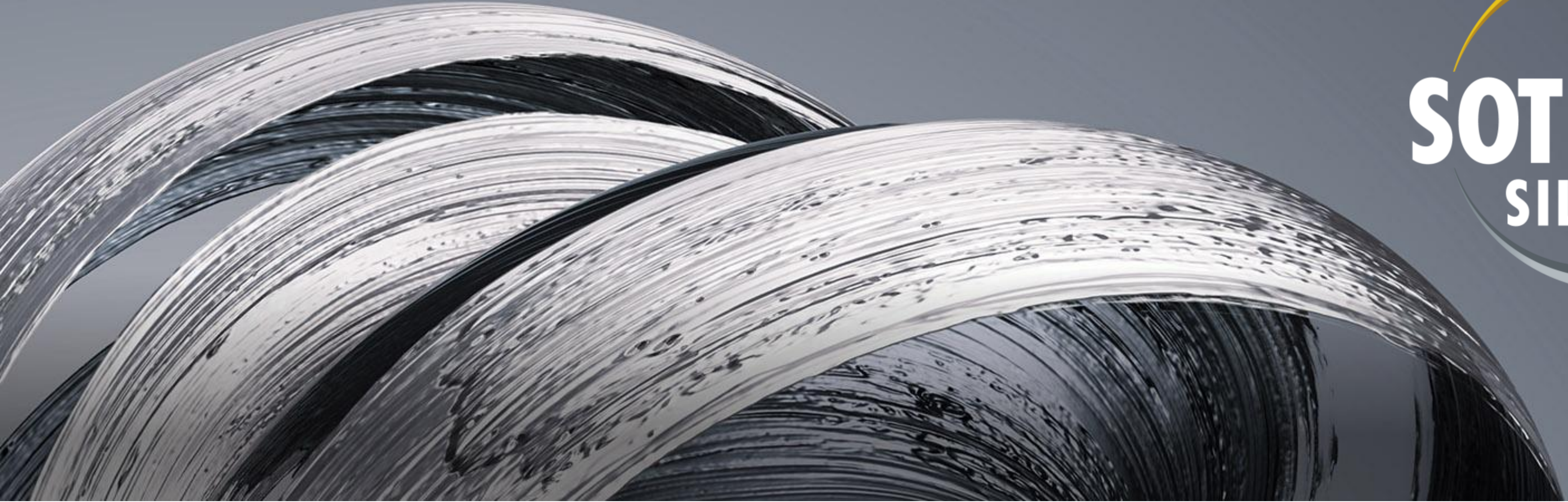
SOTKAMO SILVER AB

Record net sales and strong cash flow

Interim Report Q2/2026



HIGHLIGHTS

April – June

- Net sales increased by 151% to 198 MSEK (79 MSEK*) driven by higher silver, gold and lead production and higher silver and gold prices. Net sales were at a record high
- EBITDA rose to 86 MSEK (1) and EBITDA margin strengthened to 43% (2)
- EBIT increased to 73 MSEK (-16)
- Profitability improved from the comparison period mainly due to increased silver and gold production and positive price development of silver and gold. The growth achieved in mining volumes and a slight rise in unit costs increased the underground mining cost from the comparison period and quarter-on-quarter. Part of the costs relate to drift development and stope preparation carried out to support future ore mining
- CAPEX increased to 22 MSEK (16) to accelerate the underground mine development
- The production amounted to 217,722 ounces of silver (186,877), 996 ounces of gold (417), 172 tonnes of lead (144), and 345 tonnes of zinc (370) in concentrates
- Cash and cash equivalents rose from Q1 2026 by 66 MSEK and increased to 141 MSEK (1)
- Due to conversions of convertible loans, the total principal of convertibles decreased by 0.3 MEUR (3 MSEK). The total principal of the convertibles was 1.1 MEUR (12 MSEK) at the end of the quarter

January – June

- Net sales increased by 160% to 384 MSEK (148 MSEK) driven mainly by higher silver and gold production and higher silver and gold prices
- EBITDA rose to 185 MSEK (-6), EBITDA margin strengthened to 48% (-4)
- EBIT increased to 162 MSEK (-40)
- The new mining contractor commenced operations at the beginning of January, and full operational capability and performance is in place
- Cash and cash equivalents rose from year-end by 127 MSEK and increased to 141 MSEK (1)
- CAPEX increased to 37 MSEK (28)
- The production amounted to 418,687 ounces of silver (355,102), 1,779 ounces of gold (782), 316 tonnes of lead (280), and 652 tonnes of zinc (680) in concentrates
- Due to conversions of convertible loans, the total principal of convertibles decreased by 2.1 MEUR (22 MSEK

**Comparative figures refer to the corresponding period of the previous year. In case of discrepancies, the official Swedish version of this report prevails.*

OUTLOOK

Guidance for 2026 (unchanged)

The Board of Directors concluded 28 May on new guidance for year 2026:

- The Company expects to produce 0.9 -1.2 million ounces of silver
- Annual EBITDA is expected to be over 33 MEUR
- Net debt-to-EBITDA is expected to be below 0.1 at year-end

The Company's profitability is significantly affected by external factors, such as metal prices and exchange rates and internal factors like uncertainties related to ore volumes and metal grades.

Medium-term targets

Medium-term targets until the end of year 2028.

- Annual silver production of 1.4 million ounces
- Annual EBITDA margin > 30%
- Net debt-to-EBITDA < 2.0
- Performance on A-level in Towards Sustainable Mining (TSM) standard

Key figures

	Q2/26	Q2/25	Change, %	H1/26	H1/25	Change, %	2025
Net sales, MSEK	198	79	151	384	148	160	393
EBITDA, MSEK*	86	1		185	-6		80
EBITDA margin %	43	2		48	-4		20
EBIT, MSEK*	73	-16		162	-40		9
EBIT margin %	37	-20		42	-27		2.2
Equity ratio %*	53	38	39	53	38	39	40
Cash liquidity %*	122	18	586	122	18	586	49
Net debt-to-EBITDA ratio*	0.2	3.4	-94	0.2	3.4	-94	2.5
Personnel at the end of the period	55	52	6	55	52	6	48
Silver production, koz*	218	187	16	419	356	18	804
Mill feed, kt*	148	109	36	259	201	29	425
Average silver grade, g/tonne*	56	65	-15	62	67	-8	71

Alternative key performance measures are marked with asterisk. For more detailed definitions, please see section Definitions on page 24.

CEO REVIEW

Strong growth in mining volumes

Our net sales continued to grow. In line with our targets, we have successfully increased mining volumes and, consequently, silver production, compared with both in the first quarter of the year and the previous year. We expect the positive production trend to continue as silver grades increase.

In May, we issued a positive profit warning and raised our 2026 EBITDA guidance. The increase was primarily driven by the silver price level. During the second quarter, the average silver price was USD 73 per ounce. Since then, the price has declined at times below USD 60 per ounce. A year ago, the silver price was below USD 40 per ounce.

Our strong cash flow has enabled us to accelerate investments. We are able to finance our investments through operating cash flow while continuing to strengthen our balance sheet. In line with the guidance issued in May, we expect to be almost debt-free by the end of the year.

We continue infill drilling in the current mine to convert mineral resources into ore reserves. In addition, we are carrying out more detailed investigations of the West mineralisation this year. The accelerated deepening of the mine enables us to open new mining areas at greater depths, further improving operational reliability.

As the focus of mining shifts to the lower levels of the mine, we expect silver grades to increase towards the end of the year. During the second quarter, the silver grade remained relatively low because significant volumes of lower-grade ore from the open pit were fed into the concentrator. On the other hand, the gold production continued to increase.

In June, we signed concentrate offtake agreements with Boliden extending until the end of 2030. The agreements are on market terms, reflect the strong demand for concentrates in the market and has a positive impact on the Company's profitability.

Overall, our financial and operational position looks very strong. This provides a strong basis for the remainder of the year!

Mikko Jalasto, CEO

Financial performance

During the second quarter, **net sales** increased by 151% to 198 MSEK (79 MSEK*) driven by higher silver, gold and lead production and higher silver and gold prices. Net sales were at a record high.

Other income was 0.3 MSEK (0.9) during the quarter, including received subsidies and proceeds from recycling.

EBITDA rose to 86 MSEK (1) and EBITDA margin strengthened to 43% (2). Profitability improved from the comparison period mainly due to increased silver and gold production and positive price development of silver and gold. The growth achieved in mining volumes and a slight rise in unit costs increased the underground mining cost from the comparison period and quarter-on-quarter. Part of the costs relate to drift development and stope preparation carried out to support future ore mining. Mining tax for the year 2026 is expected to increase to approximately 19 MSEK.

EBIT increased to 73 MSEK (-16).

Financial expenses increased to 11 MSEK (2) in the quarter mainly due to fair value changes of conversion option liabilities which were -8 MSEK.

The Company's **CAPEX** was 22 MSEK (16) in the quarter. The CAPEX consisted mainly of infill and exploration drilling, underground decline and CAPEX drifts. With the investments made, the Company will ensure efficient production for the future.

During the quarter **silver price** fluctuated in a range between $57.4 and $86.8 per ounce and during H1 2026 between $57.4 and $118.5. At the end of the quarter, the silver price was $58.8 per ounce.

A change of one USD in the price of silver affects the Company's revenue by approximately 9 MSEK annually.

The Company hedges part of the price of the silver delivered with derivative instruments. The increase in the spot price of silver will therefore be partly realised in the Company's revenue with a slight delay, the hedging horizon being one month. The hedging increased net sales for the quarter by 5 MSEK. The final selling price of silver deliveries will be determined one month after the delivery period.

The changes in the values of the Euro against the US dollar and Swedish crown during the quarter had a minor impact on the Company's result.

Market data

	Q2/26	Q2/25	H1/26	H1/25	2025
Average silver price USD	73.1	33.7	78.8	32.8	40.0
Average EUR/USD	1.16	1.13	1.17	1.09	1.13
Average EUR/SEK	10.89	10.95	10.79	11.10	11.07

Financial position and cash flow

Cash and cash equivalents rose from year-end by 127 MSEK and from Q1 2026 66 MSEK and amounted 141 MSEK (1) at the end of the quarter. The cash position improved significantly during the quarter and H1 2026.

The Company generated cash flow from operating activities 94 MSEK during the quarter and 170 MSEK during H1 2026.

According to the Company's estimate, it has sufficient liquidity for at least the next 12 months of operations lead by positive free cash flow.

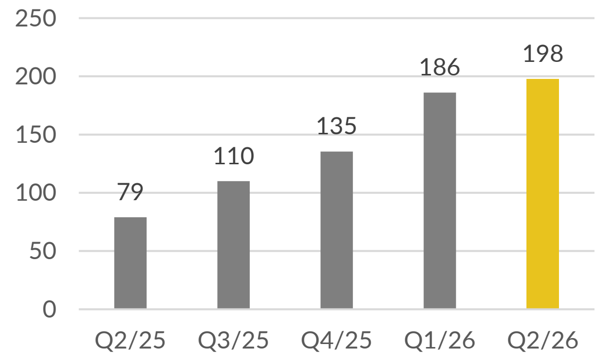
The Company recognised a tax expense of 16 MSEK.

The Group’s equity ratio increased to 53% (38).

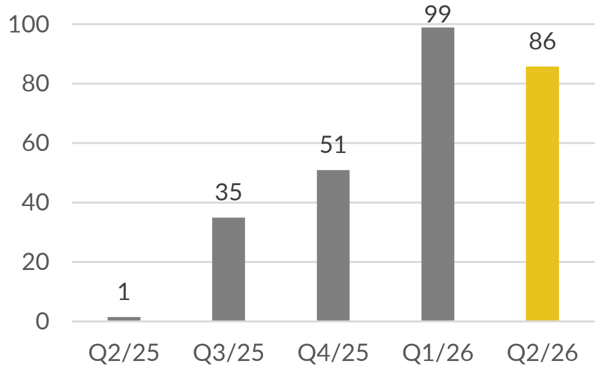
The Group’s equity was 423 MSEK (222) which corresponds to 1.24 SEK (0.78) a share non-diluted, and 1.21 SEK (0.68) diluted.

Financial key figures

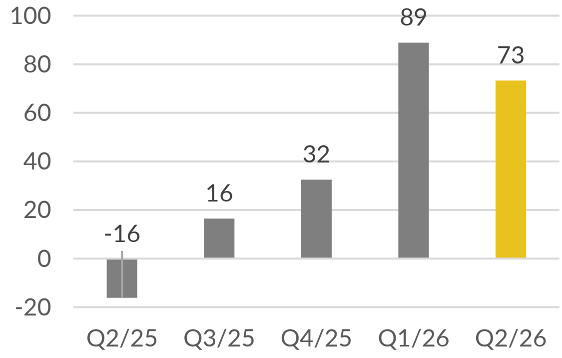
Net Sales, MSEK



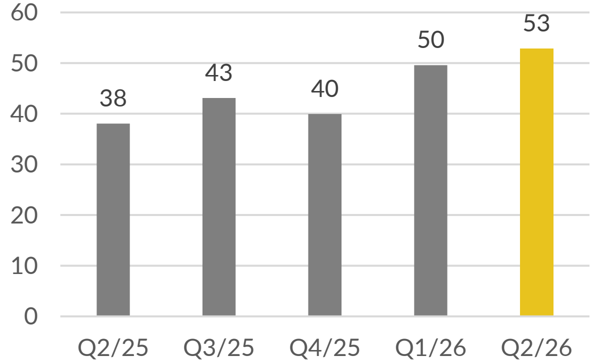
EBITDA, MSEK



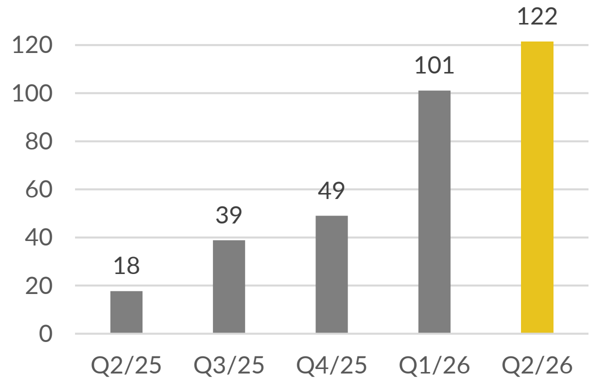
EBIT, MSEK



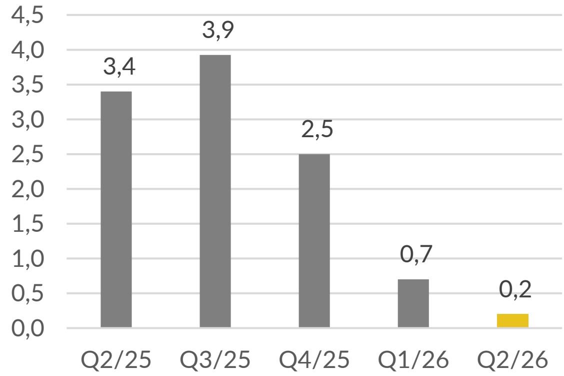
Equity ratio, %



Cash liquidity, %



Net debt-to-EBITDA



Operational performance

Milled ore during the second quarter of 2026 increased by 36% to 148,000 tonnes (109,000). In total, the production amounted to 217,722 ounces of silver (186,877), 996 ounces of gold (417), 172 tonnes of lead (144), and 345 tonnes of zinc (370) in concentrates.

Silver production was higher compared to the previous year due to higher ore mining volume. The silver head grade was 56 g/tonne (65). During the second quarter of 2026 we continued mining stopes where value was driven by higher gold grade and not so much by silver. As a result of this the silver head grade remained at lower level during Q2 2026 and is expected during H2 2026 to consistently increase to 80-90 g/tonne.

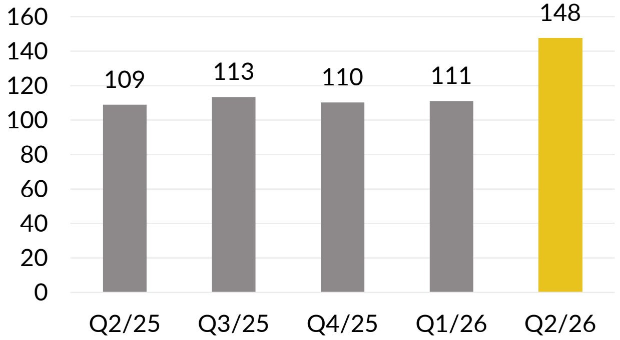
New mining contractor started on Jan 1st and startup went smoothly. Only minor hick-ups with new equipment and personnel took place during H1 and full operational capability and performance is in place.

Good progress in drifting continued and decline reached targeted 595 m depth by the end of Q2 2026. Successful recruitments of key personnel together with operational development program executed during Q1 2026 have created solid foundation to increase silver production from the 2025 level.

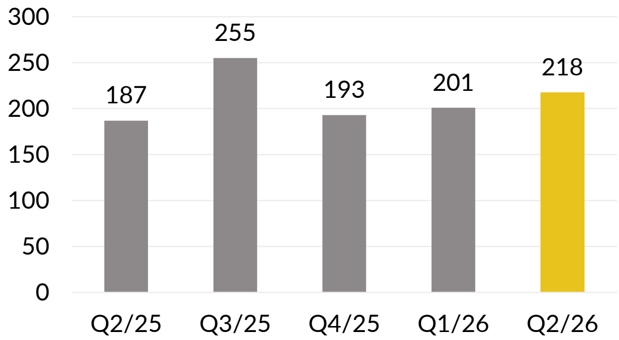
We are confident that the ongoing work and changes made will bring the needed long-term sustained improvements.

Operational key figures

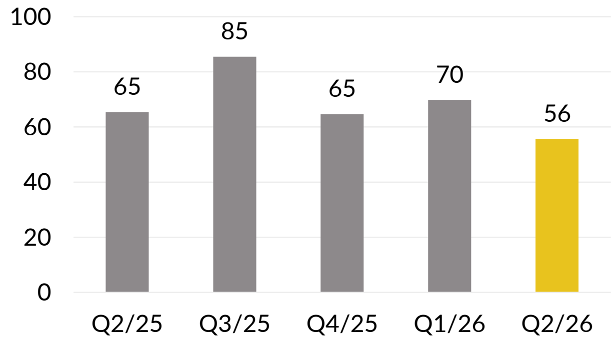
Milled ore, ktonnes



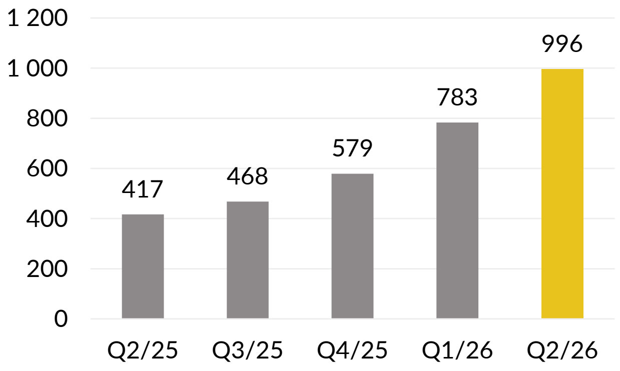
Silver production, koz



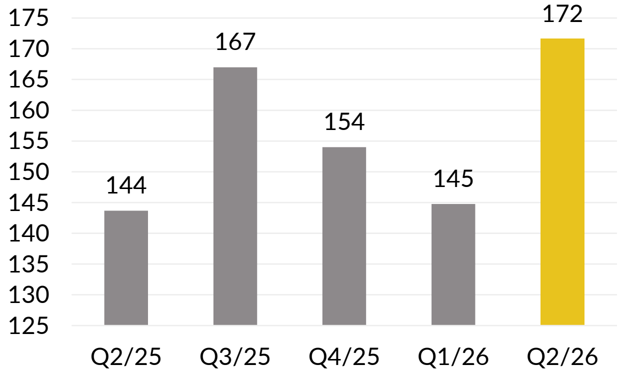
Silver head grade, g/tonne



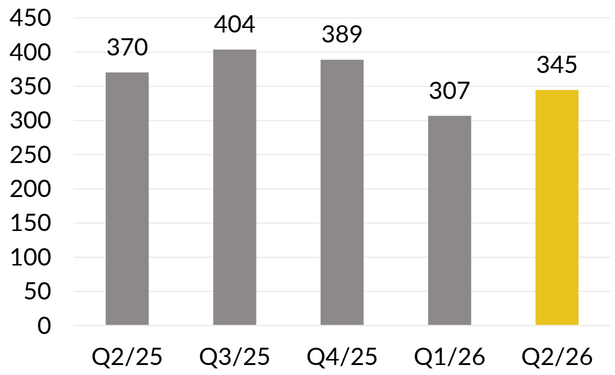
Gold production, oz



Lead production, tonnes



Zinc production, tonnes



Strategy

The cornerstones of Sotkamo Silver's strategy are:

1. Development of the existing silver mine and ensuring a solid foundation for the Company's expansion
2. Increase mineral resources by continuing exploration in the current mine and the Kainuu region
3. Responsible use of natural resources

Key activities YTD 2026

Extending Life-of-Mine (LOM), current mine

The Company continues diamond core drilling and targets to cover known mineralisation down to 700 m with production planning purposes adequate 25 m drill hole grid by the end of 2026. Next phase in exploration drilling of very promising western mineralisation inside existing mining license area was started in May and is planned to be finalised in Q3.

Operational efficiency

New mining contractor operational ramp-up was finalised during Q2 and overall mining operations have stabilised on good level.

Our strengthened mining team have developed clear mining productivity and efficiency management system with support of external consultancy. Clear targets and follow-up practices combined with rapid and well organised counter-action planning together with mining contractor have continued to give promising results.

Financing of investments

The Company has financed its investments through operating cash flow. The Company suspended negotiations on additional financing due to the improved cash position. However, the Company maintains a contingency plan in case the cash position deteriorates substantially from expectations.

Offtake agreement

The Company signed concentrate offtake agreements with Boliden Commercial AB extending until the end of 2030. Under the agreements, Sotkamo Silver will deliver all of its produced concentrates to Boliden's smelters in Finland and Sweden. The agreements are following market terms, which, in the current strong market environment for concentrate demand, has a positive impact on Sotkamo Silver's profitability.

Responsible use of natural resources

Planning and preparatory works for the tailings pond expansion continued during the quarter. The permitting process is in its final phase, with the requested clarifications submitted to the permit authority and no additional requests expected. Focus is now on the completion of the authority's permit evaluation and decision-making process. In parallel, the project has progressed towards execution readiness, with the main contractor selection planned as the next major step. The applied permit is intended to secure tailings deposition capacity through the end of the extended LOM.

A local watercourse restoration project aimed at improving migratory fish habitats moved from planning to implementation during the quarter. Having participated in the planning phase, the Company continues to support the project as part of its biodiversity enhancement and stakeholder engagement efforts, contributing to the ecological improvement of local aquatic environments.

A Tailings and Pyrite Circular Economy research project was initiated during the quarter to assess opportunities for increased value recovery from tailings and pyrite streams, as well as the utilisation of tailings in mine backfilling applications. The project supports the Company's resource efficiency and circular economy aspirations.

We continue to work actively to protect the ecological health and recreational value of local water bodies through responsible water management. During the quarter, additional carbon dosing was successfully implemented as planned to enhance the efficiency of the nitrogen removal process, with the first operational results expected during Q3.

Key focus areas in 2026

Sotkamo Silver has invested in production and production management capabilities by recruiting key personnel, changing underground contractor and acquiring operational development consulting. The measures aim to increase silver production from the 2025 level and to ensure stable production for the coming years.

The capacity of underground production will be increased by preparing new underground mining levels for efficient production earlier than before and by creating alternative production areas to reduce operational risks. During the H1/26 development work, the open-pit ore has been utilised to supplement underground production to bring the necessary development measures to the level required for the targeted production.

Acceleration of underground mine development

Primary short-term focus is on ensuring the execution of drifting and infrastructure building plans together with the mining contractor. Acceleration in both is needed to provide adequate alternative and independent mining areas for the future. Being able to segregate mine development and production areas will provide more predictability for underground mining and resilience in case of any adverse events in the future.

Underground operational performance

The mining efficiency improvement project aims to enhance overall operational performance. Key areas for 2026 include resource reliability, work scheduling, follow-up, and daily management. Our focus, alongside the new mining contractor and external consultants, is achieving operational results that satisfy all stakeholders.

Safety

We achieved significant advancements in our safety standards in 2025 through the implementation of several well-planned and executed safety initiatives. In 2026, as we accelerate mine development and operational activities, it will be essential that we prioritise safety by incorporating lessons learned from previous years into the onboarding and training together with our new mining contractor.

Exploration activities for future growth

Sotkamo Silver continues exploration planning activities on Tipasjärvi Greenstone belt and during 2026 focuses on exploration drilling of very promising West mineralisation inside existing mining license area. We are also in process of strengthening our geology team to be better prepared to plan and timely execute detailed exploration activities in future years.

Financing of investments

After successful refinancing in 2025 and improved cash position, our investment plan will continue to accelerate the underground mine development. We estimate that we can finance the investment plan by cash flow. However, we maintain a contingency funding plan to ensure access to alternative sources of liquidity in the event of unexpected disruptions. We will also work to renew the environmental guarantee.

Responsible use of natural resources

We will focus on completing the environmental permitting process for the tailings pond expansion and starting construction during the year. In parallel, we aim to increase the utilisation rate of tailings in our mining operations by developing and adopting new methods in the underground mine backfilling process that support both material and operational efficiency.

We continue to work actively to protect the ecological health and recreational value of local water bodies through responsible water management. In 2026, we are investing in measures to reduce nutrient loads by enhancing the efficiency of the nitrogen removal process through additional carbon dosing. In addition, construction work on a new wetland will begin during the year. Alongside these initiatives, we continue to focus on maintaining the sulphur content of the tailings at a consistently low, environmentally sound level. We maintain open and transparent communication about the environmental impacts of our operations as part of our ongoing efforts to operate responsibly.

Sustainability

Safety

LTIFR was 6,8 (15) at the end of the period, corresponding to two LTIs within 12 months and including contractors. Actions to improve safety have focused on hazard identification and strengthened root cause analysis. Work to improve safety practices continues.
At the end of H1, the Company's own personnel and regular contractors at the site have worked 249 days without LTIs.

Responsible mining

The Company applies the TSM Finland Mining Responsibility System, covering the full mine lifecycle. Continuous TSM development work supporting responsible mining practices was carried out during Q2 2026. Following the introduction of the Equal, Diverse and Inclusive Workplaces protocol in 2025, the framework now consists of nine protocols, of which eight are subject to public reporting. The EDI protocol results will be disclosed after external verification in 2027.

Protocol	Assessment scale	Performance level
Stakeholder Cooperation	C/B/A/AA/AAA	AA
Biodiversity Management	C/B/A/AA/AAA	A
Tailings Management	C/B/A/AA/AAA	A
Water Management	C/B/A/AA/AAA	A
Climate Change	C/B/A/AA/AAA	A
Occupational Health and Safety	C/B/A/AA/AAA	A
Crisis Management	compliant/non-compliant	compliant
Mine Closure	C/B/A/AA/AAA	A

Personnel

The Company had 55 (52) own employees and 132 (116) contracted employees working at the silver mine site. The Company employed several summer employees.

The Company carries out employee satisfactory surveys quarterly. The results are used for identifying development areas as well as for daily management and its development. As metrics for employee satisfaction, we use indicators describing the success of leadership and ability to work, as well as the eNPS engagement index. The questions in the personnel survey are answered on a scale of 1 to 5, in which 3.5 to 4 is considered good and 4 to 5 excellent. All of the metrics were at a good or excellent level, with an average of 4.0 at the end of the quarter.

Shares and trading

Sotkamo Silver AB's share capital on June 30, 2026, was 328,248,189 SEK and the number of shares was 340,464,781. During the quarter, the number of shares and votes in Sotkamo Silver AB has increased by 2,841,760 shares as a result of the conversions of convertibles of series 2025/2029.

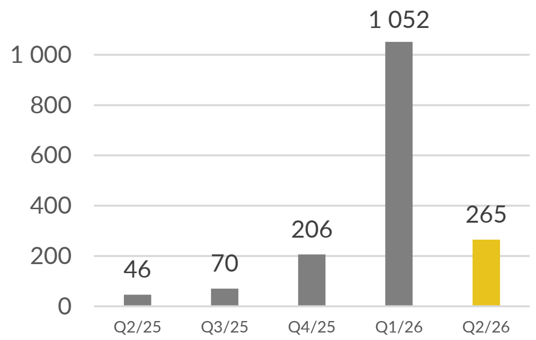
Sotkamo Silver AB's shares are traded on NGM Equity Stockholm and on Nasdaq Helsinki. The Company ticker code is SOSI at NGM Equity and SOSI1 at Nasdaq Helsinki. The shares' ISIN number is SE0001057910. The shares are also traded on Börse Berlin, Open Market, where the Company code number is A0MMF4 and ISIN-number is the same as on NGM Equity Stockholm; SE0001057910.

During the quarter 265 million (46) shares were traded on NGM Equity in Stockholm and Nasdaq in Helsinki.

Share information

	Q2/26	Q2/25
Share price, SEK	4.30	0.93
Highest share price during the period, SEK	5.94	1.21
Lowest share price during the period, SEK	3.74	0.85
Quota value, SEK	0.96	0.96
Market cap, MSEK	1,464	266
Number of shares	340,464,781	286,148,387
Number of shares, diluted	350,587,714	327,383,120
Share capital, SEK	328,248,189	275,880,781

Shares Traded (million)



Risks and uncertainties

Financial, operational, and global economic risks and uncertainties may have an impact on the Company's operations and performance. The Company's operations must be evaluated against the background of the risks, complications, and potentially incurring additional costs that mining and exploration companies are exposed to. The Company can control and counteract these risks to varying degrees.

The Company's revenue comes from the sale of flotation concentrates priced in USD. Costs are primarily in EUR and SEK. The Group's balance sheet consists mainly of assets and liabilities in EUR. The Company, therefore, has an exposure of the net balance sheet in EUR/SEK since the Parent Company's reporting currency is SEK.

The metal grades of the Company's ore reserves vary. The Company proceeds underground according to the mining plan in a certain order optimal for mining. Therefore, in the short term, the metal grades of the ore may be above or below the estimated average metal grade of ore reserves, which causes volatility in the Company's net sales, profitability and cash flow.

Contractor uses large and sophisticated equipment in mining operations. Unplanned interruptions may occur, e.g. due to technical failures, incidents or strikes. These might have an adverse impact on contractor's performance, which in turn may lead to delays and to failure to reach the production and the cost targets.

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities to continue its operations. If the financing secured is not sufficient, it would suggest material uncertainties that could lead to significant doubt regarding the Company's capacity to continue its operations. The Company's cash position improved significantly during the quarter, but as there is uncertainty in the future liquidity, the Company manages partly this risk by committed credit facility, and by continuously monitoring forecasted and actual cash flows. As the cash position was not sufficient to run the operations for 12 months without positive cash flows, the Company needs to conduct regular stress testing under various market and operational scenarios to assess the impact on liquidity to strengthen resilience. In addition, a contingency funding plan is in place to ensure access to alternative sources of liquidity in the event of unexpected disruptions. These measures aim to maintain sufficient liquidity under both normal and stressed conditions without incurring unacceptable losses. Sufficient liquidity also improves the Company's position in e.g. the tendering and renewal of the environmental guarantee.

The risks and mitigating them are described in more detail in the Annual Report for 2025, pp. 45–49.

Resolutions made at the Annual General Meeting

The decisions AGM made on 21 April 2026 are described in the Company's web page https://www.silver.fi/en/investors/governance/annualgeneral-meetings.

Main events 2026

Date	Subject of the release
30 Jan 27 Feb 31 Mar 29 May	New number of shares and votes
28 May	Positive profit warning
24 Jun	Deliveries of concentrates to Boliden's smelters in Finland and Sweden will continue at least until the end of 2030

All releases are available in the Company's website: https://www.silver.fi/en/investors/releases/newsfeeds

Events after the reporting period

On 16 July 2026, Business Finland decided to convert 2.0 MEUR (21.7 MSEK) of the outstanding research and development loan principal into a grant. The remaining 3.3 MEUR (36.7 MSEK) will be repaid in five annual instalments starting from July 2027.

Financial calendar

- Q3/2026: 23 October 2026
- Q4/2026: To be determined

This interim report has not been audited by the Company's auditors.

Stockholm, 31 July 2026
Sotkamo Silver AB's Board of Directors and CEO

Eeva-Liisa Virkkunen (Chairperson)
Vesa Heikkilä
Miika Heiskanen
Jukka Jokela
Mikko Keränen
Joni Lukkaroinen
Kimmo Luukkonen

Mikko Jalasto (CEO)

About Sotkamo Silver

Sotkamo Silver is a mining and ore exploration company that develops and utilises mineral deposits in the Kainuu region in Finland

Sotkamo Silver supports the global development towards green transition technologies and produces the metals needed responsibly and by respecting the interests of local stakeholders. Sotkamo Silver's main project is a silver mine located in Sotkamo, Finland. In addition to silver, the mine produces gold, zinc and lead. The ores are processed into concentrates, which are sold to the smelters in accordance with a supply agreement. The Company also has mining and ore exploration rights for mineral deposits in the vicinity of the silver mine in Kainuu.

The Company's strength is the ability to reproduce mining know-how and operational activities in an efficient and responsible manner in new projects. Sotkamo Silver co-operates with reliable partners in the value chain and is committed to operating responsibly.

Sotkamo Silver is listed at NGM Main Regulated in Stockholm and at Nasdaq Helsinki. Sotkamo Silver had at the quarter end approximately 37,000 shareholders, of which approximately 60% were from Finland and 18% from Sweden.

Why invest in Sotkamo Silver?

- A strong demand for silver on the market
- Capability to increase production volumes
- Strong profitability and cash flow generation
- Clear potential for resource growth and mine-life extension
- Nordic producer of critical metals with high ESG standards

Read more about Sotkamo Silver at **www.silver.fi/en/**

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The reports are available on the Company webpage: **www.silver.fi/en/investors**

Consolidated, condensed statement of income and other comprehensive income

Amount in MSEK	Q2/26	Q2/25	H1/26	H1/25	2025
Net sales	197.9	79.0	383.9	147.8	393.3
Change of finished goods	6.3	-0.6	12.0	0.8	-0.7
Other income	0.3	0.9	1.0	1.3	1.8
Supplies and services	-88.1	-55.5	-154.0	-108.7	-222.1
Other expenses	-15.8	-11.1	-32.9	-25.0	-48.3
Employee expenses	-14.9	-11.2	-25.4	-22.2	-44.3
EBITDA	**85.7**	**1.5**	**184.6**	**-6.1**	**79.8**
Depreciation and amortisation	-12.4	-17.6	-22.4	-34.1	-71.0
EBIT	**73.3**	**-16.1**	**162.2**	**-40.1**	**8.8**
Financial income	1.3	0.3	18.2	4.4	5.1
Financial expenses	-10.6	-1.5	-89.7	-21.3	-66.4
Interest expenses on lease payments	0.1	-0.1	-0.1	-0.2	-0.3
Financial net	**-9.3**	**-1.3**	**-71.6**	**-17.0**	**-61.6**
Result after financial items	**64.0**	**-17.4**	**90.6**	**-57.1**	**-52.8**
Taxes	-16.4	0.0	-16.4	0.0	0.0
Result for the period	**47.6**	**-17.4**	**74.2**	**-57.1**	**-52.8**

Result that may be reclassified to current period result:

Amount in MSEK	Q2/26	Q2/25	H1/26	H1/25	2025
Translation differences	5.8	5.2	9.0	-8.5	-15.2
Cash flow hedges	-0.2	-0.1	17.2	-0.6	-11.9
Income tax of cash flow hedges	0.0	0.0	-3.4	0.1	2.4
Total comprehensive income	**53.3**	**-12.3**	**97.0**	**-66.0**	**-77.5**
Attributable to:					
The parent company					
shareholders	53.3	-12.3	97.0	-66.0	-77.5
Total	**53.3**	**-12.3**	**97.0**	**-66.0**	**-77.5**
Earnings per share, non-diluted, SEK	0.14	-0.06	0.22	-0.20	-0.16
Earnings per share, diluted, SEK	0.14	-0.06	0.22	-0.20	-0.16

Consolidated, condensed balance sheet

Amount in MSEK	30.6.2026	30.6.2025	31.12.2025
Intangible fixed assets	0.2	0.3	0.2
Tangible fixed assets	529.1	519.9	499.1
Right of use assets	2.6	3.8	2.7
Financial fixed assets	1.6	2.6	1.4
Deferred tax assets	0.0	0.4	2.6
Total fixed assets	**533.4**	**527.0**	**506.1**
Current assets			
Inventories	28.9	18.1	16.1
Trade receivables	76.6	26.1	63.1
Derivatives	4.3	0.0	0.0
Other assets	15.0	12.7	10.3
Cash and cash equivalents	140.5	0.6	13.7
Total current assets	**265.3**	**57.5**	**103.2**
Total assets	**798.8**	**584.4**	**609.3**
Equity			
Share capital	376.0	275.9	308.6
Other contributed capital	251.4	236.6	236.6
Translation differences	17.5	15.9	8.9
Cash flow hedges	3.7	-1.7	-10.5
Retained earnings	-300.1	-247.3	-247.3
Result of the period	74.2	-57.1	-52.8
Total Equity	**422.7**	**222.3**	**243.5**

Amount in MSEK	30.6.2026	30.6.2025	31.12.2025
Liabilities			
Provision	40.6	41.8	39.0
Non-current borrowings	139.3	91.9	148.9
Non-current lease liabilities	0.7	0.6	0.2
Non-current derivative liabilities	0.0	5.7	0.0
Deferred tax liability	0.9	0.0	0.0
Total non-current liabilities	**181.5**	**98.2**	**188.1**
Current borrowings	53.7	125.2	64.7
Current lease liabilities	2.0	3.8	2.9
Derivative financial instruments	0.0	1.9	13.1
Trade payables and other payables	139.0	91.2	97.0
Total current liabilities	**194.6**	**222.1**	**177.7**
Total liabilities	**376.1**	**362.1**	**365.8**
Total equity and liabilities	**798.8**	**584.4**	**609.3**
Equity ratio %	52.9	38.0	40.0
Cash liquidity ratio %	121.5	17.7	49.0
Equity per share, SEK	1.24	0.78	0.76
Equity per share, diluted, SEK	1.21	0.68	0.69

Consolidated, condensed change in equity

Amount in MSEK	Share capital	Other contributed capital	Translation differences	Cash flow hedges	Retained earnings	Total equity
Opening equity 1.1.2025	**276**	**237**	**24**	**-1**	**-247**	**288**
Period result					-53	-53
Sum of period result					**-53**	**-53**
Other Comprehensive income						
Translation difference			-16	0		-15
Cash flow hedges				-12		-12
Income tax of cash flow hedges				2		2
Sum of other comprehensive income	**0**	**0**	**-16**	**-9**	**0**	**-25**
Transactions with shareholders						
Share issue and convertible loan conversion	33					33
Sum of transactions with shareholders	**33**					**33**

Amount in MSEK	Share capital	Other contributed capital	Translation differences	Cash flow hedges	Retained earnings	Total equity
Closing Equity 31.12.2025	**309**	**237**	**9**	**-11**	**-300**	**244**
Period result					74	74
Sum of period result					**74**	**74**
Other Comprehensive income						
Translation difference			9	0		9
Cash flow hedges				17		17
Income tax of cash flow hedges				-3		-3
Sum of other comprehensive income	**0**	**0**	**9**	**14**	**0**	**23**
Transactions with shareholders						
Share issue and convertible loan conversion	67	15				82
Sum of transactions with shareholders	**67**	**15**				**82**
Closing Equity 30.6.2026	**376**	**251**	**18**	**4**	**-226**	**423**

Consolidated, condensed statement of cash flow

Amount in MSEK	H1/26	H1/25	2025
Operating activities			
Result for the period	74.2	-57.1	-52.8
Adjustments for items not affecting cash*	107.5	48.2	128.0
Interest paid	-5.7	-16.3	-24.4
Cash flow from operating activities before changes in working capital	**176.0**	**-25.1**	**50.8**
Cash flow from changes in working capital			
Change in inventories	-12.0	-0.8	0.7
Change in operating receivables	-14.7	4.6	-29.0
Change in operating liabilities	20.9	0.1	5.2
Cash flow from operating activities	**170.2**	**-21.2**	**27.8**

*Consists of depreciations and other items not affecting cash flow

Amount in MSEK	H1/26	H1/25	2025
Investing activities	**-37.2**	**-26.5**	**-58.2**
Expenses for convertible loan conversion	0.0	0.0	-1.6
Repayment of lease liabilities	-2.3	-2.4	-4.7
Change in loans	-7.6	-34.4	-34.4
Cash flow from financing activities including share issue	**-9.9**	**-36.9**	**-40.8**
Change in cash and cash equivalents	**123.1**	**-84.6**	**-71.1**
Cash and cash equivalents in the beginning of the period	13.7	88.3	88.3
Translation differences in cash and cash equivalent	3.7	-3.0	-3.4
Cash and cash equivalents at the end of period	**140.5**	**0.6**	**13.7**

Parent company condensed statement of income

Amount in MSEK	H1/26	H1/25	2025
Net sales	1.4	4.8	0.0
Other income	0.0	0.0	0.0
Supplies	0.0	0.0	0.0
Other expenses	-4.2	-5.6	-7.9
Employee expenses	-3.7	-1.1	-2.6
EBITDA	**-6.5**	**-1.9**	**-10.5**
Depreciation and amortisation	0.0	0.0	-0.1
EBIT	**-6.6**	**-1.9**	**-10.6**
Financial income	0.0	31.0	31.8
Financial expenses	-0.6	-22.0	-14.6
Financial net	**-0.6**	**8.9**	**17.2**
Result after financial items	**-7.1**	**7.0**	**6.6**
Group contributions	0.0	0.0	-8.6
Taxes	0.0	0.0	0.0
Result for the period	**-7.1**	**7.0**	**-2.0**

Parent company condensed balance sheet

Amount in MSEK	30.6.2026	30.6.2025	31.12.2025
Assets			
Fixed assets			
Intangible fixed assets	0.0	0.0	0.0
Tangible fixed assets	0.0	0.1	0.1
Shares in subsidiaries	191.0	174.9	190.9
Financial fixed assets	143.0	173.9	150.8
Total fixed assets	**334.0**	**348.9**	**341.8**
Other assets	7.0	5.3	5.0
Cash and cash equivalents	3.8	0.6	3.3
Total current assets	10.8	5.9	8.3
Total assets	**344.8**	**354.8**	**350.1**
Equity and liabilities			
Equity	257.5	217.0	242.6
Liabilities			
Long-term liabilities	9.8	70.1	27.1
Short term liabilities	77.4	67.7	80.5
Total liabilities	87.2	137.8	107.5
Total Equity and liabilities	**344.8**	**354.8**	**350.1**

Exchange rates

For the compilation of the Company's accounts, exchange rates have been calculated using the following values:

	30.6.2026	30.6.2025	31.12.2025
Balance sheet day rate EUR/SEK	11.09	11.15	10.82
Balance sheet day rate USD/SEK	9.74	9.51	9.20
Average rate for the reporting period EUR/SEK	10.79	11.10	11.07

Other information

Important estimates and assessments for accounting purposes

Estimates and assessments are continuously evaluated and based on historical experience and other factors, including expectations of future events that are considered reasonable under the prevailing circumstances. The Company makes estimates and assumptions about the future. The estimates for accounting purposes that result from this will, by definition, rarely correspond to the actual result. The estimates and assumptions that entail a significant risk of major adjustments in the carrying amounts of assets and liabilities are described in the annual report 2025.

Accounting principles

The interim report has been prepared in accordance with IFRS accounting standards as adopted by the European Union, the Annual Accounts Act and the Securities Market Act. For the parent company, the interim report has been prepared in accordance with the Annual Accounts Act and the Securities Market Act, which is in accordance with the provisions of RFR 2 Accounting for Legal Entities. The parent company's and the group's accounting principles for the report are unchanged compared to the latest annual report for the year 2025.

Fair value of financial instruments and trade receivables

The Company implemented at the beginning of April 2022 a directed issue of convertibles 2022/2026 of an aggregate nominal amount of up to 6.4 MEUR (71 MSEK). During Q3/2024 convertibles in an aggregated nominal amount of 60,018 EUR (0.7 MSEK), during Q3/2025 3,160,948 EUR (34.6 MSEK) and during Q1/2026 440,132 EUR (4.7 MSEK) were converted to shares. After conversions, the aggregated nominal amount for the outstanding convertibles amounts to approximately 0.1 MEUR (1.1 MSEK). The convertibles carry an annual interest of 8.0%. The term of the convertibles is 4.5 years with a maturity date on 30 September 2026, to the extent that conversion has not taken place before such date. The conversion price at the time of issuance was 0.175 EUR (1.951 SEK) per share and after the share issue the conversion price is 0.1538 EUR (1.714 SEK) per share.

The Company carried out in August 2025 an exchange offer to the holders of the Company's convertible loan 2022/2026 to exchange their convertibles for either new shares or new convertibles in the Company. 41.6 percent (nominal value 2,640,792 MEUR (29.5 MSEK)) of the convertibles was exchanged for new convertibles 2025/2029. During Q1/2026 convertibles in an aggregated nominal amount of 1,340,402 EUR (14.3 MSEK) and during Q2/2026 300,090 EUR (3.3 MSEK) were converted to shares. After conversions, the aggregated nominal amount for the outstanding convertibles amounts to approximately 1.0 MEUR (11.1 MSEK). The convertibles carry an annual interest of 9.0%. The maturity date of the new convertibles is 31 October 2029, to the extent that conversion has not taken place before such date. The conversion price at the time of issuance was 0.1056 EUR (1.1782 SEK) per share.

Both convertibles contain two components: a conversion option component that will be recognised at fair value using the Black-Scholes model through the income statement and a liability component that will be recognised at amortised cost using the effective interest rate method. On 30 June 2026, the fair values of the convertible option components were 34 MSEK and the value of the liability components measured at amortised cost were 7 MSEK. The changes include the conversions made in H1 2026 into shares. Of these, non-recurring financial income and expenses of total +15 MSEK were recorded. The fair value changes during 2026 for the conversion option liabilities were -78 MSEK, and the effective interest rate cost recorded for the liability components was 2 MSEK.

The Company uses swaps to hedge silver price risk and electricity price-fixing contracts to hedge electricity price risk. Derivatives are initially recognised at fair value on the date a derivative contract is entered into, and they are subsequently remeasured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument and, if so, the nature of the item being hedged. The Company designates certain derivatives as hedges of a particular risk associated with the cash flow of recognised assets and liabilities and highly probable forecast transactions (cash flow hedges).

At the inception of the hedge relationship, the Company documents the economic relationship between hedging instruments and hedged items, including whether changes in the cash flows of the hedging instruments are expected to offset changes in the cash flows of hedged items. The Company documents its risk management objective and strategy for undertaking its hedge transactions. The fair values of derivative financial instruments designated in hedge relationships were 2.6 MSEK (silver price hedges) and 1.7 MSEK (electricity price hedges).

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in the cash flow hedge reserve within equity. The gain or loss relating to the ineffective portion is recognised immediately in profit and loss, within other gains/(losses).

Amounts accumulated in equity are reclassified in the periods when the hedged item affects profit and loss.

For other financial instruments, the carrying amount is a reasonable estimate of fair value. The fair value of embedded derivatives is found in Level 2 of the fair value hierarchy. On 30 June 2026, the fair value of accounts receivable amounted to 77 MSEK (26) and was recognised in Trade Receivables in Current assets in the balance sheet. If there would have been any changes, the values would have been reported in other operating income/expenses in the Consolidated statement of income. The fair value of accounts receivable is found in Level 2 of the fair value hierarchy.

Definitions

The financial statements provided include alternative performance measures that complement the measures defined or specified in applicable financial reporting rules such as revenue, profit or loss, or earnings per share. Alternative performance measures are indicated when they provide clearer or more in-depth information in their context than the measures defined in the applicable financial reporting rules. The starting point for the submitted alternative performance measures is that they are used by management to assess financial performance and are thus considered to provide analysts and other stakeholders with valuable information.

Group Management regularly uses alternative performance measures as a complement to the key performance measures defined in IFRS. The alternative performance measures are derived from the consolidated financial statements and are not measures of financial results or liquidity in accordance with IFRSs, and therefore they should not be considered as alternatives to net result, operating profit or other performance measures derived in accordance with IFRS or as an alternative to cash flow as a measure of the Group's liquidity.

The definition and calculation of the key figures are described below.

EBITDA, Earnings Before Interest, Taxes and Depreciations & Amortisations

EBIT, Earnings Before Interest and Taxes

Equity ratio (%), The equity in relation to total Assets

Earnings per share, The Earnings divided by the number of shares

Cash liquidity (%), Short-term assets minus inventories in relation to short-term liabilities

Net debt-to-EBITDA ratio, Net debt in relation to rolling 12 months EBITDA

Silver production, The amount of silver produced in concentrates

Mill feed, Amount of ore fed to the concentrator plant

Average silver grade, Weighted silver grade in ore fed to the concentrator plant

LTIFR, Lost time injury frequency rate (LTIFR) means the number of lost time injuries for a million working hours

Ounce, Troy ounce which is 31.1035 grams

TSM Finland: The mining industry's sustainability is monitored and developed through the international Towards Sustainable Mining standard. The purpose of implementing the standard is to encourage the industry to adopt and develop more responsible practices. The Responsible Mining tools, such as social responsibility reporting and the mining responsibility systems, have been developed in collaboration with the Sustainable Mining Network.


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