

# **Nurminen Logistics Plc's Financial Statement Release for 1 Jan.-31 Dec. 2024: Comparable operating result and operating margin in 2024 were at an excellent level despite the decline in net sales**

Nurminen Logistics Plc  
9.00 a.m. (EET)

Financial Statement Release

February 27, 2025,

*This release is a summary of Nurminen Logistics' Financial Statement Release January-December 2024. The full report is attached to this stock exchange release and is available on Nurminen Logistics' website at <http://nurminenlogistics.com/investors/publications/>*

**Despite the challenging operating environment in 2024, we were able to generate a strong comparable net operating result and significantly increase the share of the comparable net operating result attributable to the equity holders of Nurminen Logistics Plc. The Group's balance sheet structure and cash flow are strong and enable the implementation of the strategy.**

## **October-December 2024 in brief:**

- Net sales were EUR 22.9 million (EUR 34.6 million), showing a decrease of 33.8%
- EBITDA was EUR 4.2 million (18.8), or 18.5% (54.4%) of net sales
- Operating profit was EUR 2.5 million (EUR 17.2 million), or 10.9% (49.6%) of net sales
- Comparable operating profit\* was EUR 3.7 million (EUR 5.3 million), or 16.1% (15.2%) of net sales
- Result for the review period totalled EUR 1.7 million (EUR 11.1 million)
- Earnings per share were EUR 0.01 (EUR 0.11)

## **January-December 2024 in brief:**

- Net sales were EUR 104.8 million (EUR 128.0 million), showing a decrease of 18.1%
- EBITDA was EUR 24.7 million (EUR 38.4 million), or 23.6% (30%) of net sales
- Operating profit was EUR 19.3 million (EUR 33.1 million), or 18.4% (25.9%) of net sales
- Comparable operating profit\* was EUR 19.1 million (EUR 21.5 million), or 18.2% (16.8%) of net sales
- Result for the review period totalled EUR 13.1 million (EUR 23.3 million)
- Earnings per share were EUR 0.09 (EUR 0.18)

\*) Alternative performance measure = financial key figure other than one specified or named in the IFRS standards

## Board of Directors' proposal for profit distribution

The Board of Directors proposes to the Annual General Meeting the repayment of equity from the reserve for invested unrestricted equity at most EUR 0.06 per each of the company's outstanding shares. In addition, the Board of Directors proposes that the Annual General Meeting authorises the Board of Directors to decide the date and the final amount of repayment of equity.

## Financial guidance

The Group estimates that its net sales and comparable net operating result will increase in 2025. The projected growth in net sales and operating result is based on the growing rail operations in the Group's market areas.

<b>KEY FIGURES 1 Jan–31 Dec 2024</b>	<b>1 Jan– 31 Dec 2024</b>	<b>1 Jan– 31 Dec 2023</b>
EUR million		
Net sales	104.8	128.0
Operating profit	19.3	33.1
Operating profit, %	18.4%	25.9%
Comparable operating profit*	19.1	21.5
Comparable operating result, %	18.2%	16.8%
Result for the period	13.1	23.3
Return on equity (ROE), %	30.0%	66.5%
Net gearing, %	71.8 %	77.6 %
Interest-bearing net debt / EBITDA	1.19	0.93
Earnings per share, undiluted (EUR)	0.09	0.18
Cash flow from operating activities	11.9	25.4
<b>KEY FIGURES 1 Oct–31 Dec 2024</b>	<b>1.10.–31.12. 2024</b>	<b>1.10.–31.12. 2023</b>
EUR million		
Net sales	22.9	34.6
Operating profit	2.5	17.2
Operating profit, %	10.9%	50.0%
Comparable operating profit*	3.7	5.3
Comparable operating result, %	16.1%	15.2%
Result for the period	1.7	16.1
Cash flow from operating activities	2.2	5.3

## Olli Pohjanvirta, President and CEO

### The highlights of 2024 included significant growth leaps in Sweden: Acquisition of Essinge Rail AB and strengthening of railway clientele and service offering

Despite the challenging operating environment and geopolitical uncertainties in 2024, we successfully continued to grow the international railway business and improve profitability. We opened new container train routes in Sweden and acquired the Swedish rail logistics company Essinge Rail AB. The acquisition was part of our international growth strategy, which focuses on customer-oriented rail transport.

The good growth prospects of our international railway business are supported by our extensive and well-functioning service network as well as the EU Corporate Sustainability

Reporting Directive, which requires companies to take action to reduce the Scope 3 emissions in their supply chains in order to achieve climate targets.

Net sales for 2024, EUR 104.8 million, decreased by 18.1% year-on-year. The decline in net sales was due to a security threat to the Suez Canal that we announced in the summer, which resulted in the loss of significant customer volume through the canal. Despite this, we were able to achieve a strong result and improve our comparable relative profitability, with a comparable net operating result of EUR 19.1 million, or 18.2% of net sales. The comparable net result attributable to the equity holders of the parent company improved significantly. Our good profitability is the result of careful cost management, strong operational efficiency in the railway business and adapting the entire Group's operations to market conditions.

In 2024, we laid the foundation for future growth by investing heavily in the development of new international railway services and the partnership network. In addition, we started the integration processes related to acquisitions. Our successful financial performance is reflected in our strong financial indicators: gearing excluding IFRS 16 items was 35.3%, interest-bearing net liabilities relative to EBITDA excluding IFRS 16 items was 0.59 and the equity ratio was 40.7%. In 2024, we achieved a high return on equity of 30%.

The management and operating efficiency of our subsidiary, North Rail Oy's, are among those of the world's leading railway operators when it comes to measuring the locomotive utilisation rate, resource efficiency and customer satisfaction. We can see that there is also growing demand for this competence internationally.

In 2024, we also completed the licensing processes related to the deliveries of energy raw materials to the Finnish and Swedish markets, but the financial targets set for the service have not yet been achieved.

The net sales for the fourth quarter of 2024 amounted to EUR 22.9 million and the comparable net operating result was EUR 3.7 million. The railway business developed positively during the financial period, but the Cargo business was encumbered by the weak development of Finnish foreign trade. The lack of customer volumes due to the shutdown of the Suez Canal had a negative impact on the Baltic operations.

We are seeking growth especially in rail transport in the FMCG product groups, where we believe that the delivery terms will change as large retail chains move freight to rail transport to an increasing extent, accelerated by the EU's Corporate Sustainability Reporting Directive. The company's dependence on the development of the Finnish economy will decrease and we will be able to join the clearly larger and stronger Swedish market. We have also started rail transport from Gothenburg to Haparanda and from there to Finland, which is important for the future of Finnish exports and imports. This transport connection brings security of supply and cost competitiveness to customers and safeguards security of supply during exceptional times in Finland.

The company has a strong market position, unique railway expertise and an extensive route network, strong customer understanding and efficient, high-quality customer service. Our competitive advantages enable us to further increase shareholder value and strengthen our market position. Although uncertainties in geopolitics and the economy may have a negative impact on the development of our business, we are going into 2025 with a positive mindset to grow.

I would like to warmly express my gratitude to our dedicated employees for their excellent work input and thank our customers for their valuable support and trust.

## **Outlook**

Nurminen Logistics estimates that the development of the logistics market relevant to the Group will strengthen in 2025, and the measures taken by the company and the operations consolidated in 2024 will facilitate the positive development of the Group's

business in 2025.

We believe that the demand for rail freight will increase in the Group's target market, which is supported by the increase in the importance of environmental values in decision-making driven by tightening regulation. Falling interest rates and the improved availability of financing are supporting customer demand for goods and capital goods, which, in its part, supports the demand for Nurminen Logistics' services.

Nurminen Logistics has maintained its ability to quickly start direct rail transport between China and Finland to serve the Nordic and Central European markets. There are clear signs of a growing need for the service on the market, due to the significant competitive advantage it offers.

Nurminen Logistics is now strongly investing in railway services internationally, seeking clear growth. The Group's long-term agreements with several customers ensure stable profitability for the next few years. Nurminen Logistics provides a completely new kind of customer insight as a railway company, combining its terminal and multimodal expertise with customer needs. A strong balance sheet structure and positive cash flow enable organic growth projects and acquisitions.

## Group's key figures

Key figures for business	2024	2023
Net sales, EUR 1,000	104,766	127,951
Change in net sales, %	-18.1%	4.4%
Operating result (EBIT) EUR 1,000	19,293	33,091
% of net sales	18.4 %	25.9 %
Result before taxes, EUR 1,000	16,211	29,342
% of net sales	15.5%	22.9%
Result for the financial year, EUR 1,000	13,070	23,273
% of net sales	12.5%	18.2%
Return on equity (ROE), %	30.0%	66.5%
Return on investment (ROI), %	21.4%	42.8%
Equity ratio, %	40.7%	41.8%
Gearing, %	71.7%	77.6%
Gearing % excluding IFRS 16	35.3%	56.5%
Interest-bearing net debt, EUR 1,000	29,526	35,599
Interest-bearing net debt excluding IFRS 16, EUR 1,000	14,563	25,989
Interest-bearing net debt/EBITDA (12-month, rolling)	1.19	0.93
Cash flow from operating activities, EUR 1,000	11,868	25,373
Gross investment on fixed assets, EUR 1,000	1,995	1,121
% of net sales	1,9%	0,9%
Balance sheet total, EUR 1,000	101,546	113,771
Average number of employees	178	196
Wages and salaries paid, EUR 1,000	13,218	13,571
<b>Share key figures</b>		
Earnings per share (EPS), EUR, undiluted	0.09	0.18
Earnings per share (EPS), EUR, diluted	0.09	0.18
Equity per share, EUR	0,42	0,35
Dividend per share, EUR	0.00*	0.00
Dividend to earnings ratio, %	0.0%	0.0%
Effective dividend yield, %	0.0%	0.0%

Repayment of equity per share, EUR	0.06	0.00
Price per earnings (P/E)	11.67	-60
Number of shares adjusted for share issue (diluted), weighted average	78,165,952	78,076,485
Number of shares adjusted for share issue (diluted), at end of financial year	78,213,164	78,127,855
Number of shares adjusted for share issue (undiluted), weighted average	78,165,952	78,076,485
Number of shares adjusted for share issue (undiluted), at end of financial year	78,213,164	78,127,855

\* The Board of Directors proposes to the Annual General Meeting repayment of equity from the reserve for invested unrestricted equity, at most EUR 0.06 per each of the company's shares outstanding.

### Share price development

Share price development		
– highest price	1.38	1.26
– lowest price	0.77	0.60
– average price	1.02	0.91
– closing share price at balance sheet date	1.05	1.26
Market capitalisation, MEUR	82.1	98.1
Number of shares traded	14,076,734	12,770,526
Shares traded, % of total number of shares	18.0%	16.3%
Number of shareholders	6,738	5,585

Nurminen Logistics Plc

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*Nurminen Logistics is a Finnish listed company established in 1886. The company offers high-quality rail transport, terminal, and multimodal solutions between Asia and Europe and in the Nordic and Baltic countries.*