This is a translation of the summary of the official half-year (1 Nov 2025 to 30 April 2026) financial report of Saga Furs Oyj (ltd) published on 25 June 2026 at 12.20 EET. The full report is available at www.sagafurs.com in Finnish and Swedish.

SAGA FURS OYJ

HALF-YEAR FINANCIAL REPORT 1 NOVEMBER 2025–30 APRIL 2026

Record-high brokerage sales increased net turnover and profit

- Excellent auction demand increased the price level of mink pelts by 76 per cent.
- Demand for fox pelts was also strong, and the price level increased by 40 per cent.
- The value of brokerage sales increased by 126 per cent from the comparison period to EUR 227 million (1 November 2024–30 April 2025: EUR 101 million).
- Consolidated net turnover increased to EUR 21.1 million (EUR 13.6 million).
- Other operating income decreased from the comparison period to EUR 0.6 million.
- Operating expenses increased slightly from the comparison period to EUR 20.4 million (EUR 17.8 million).
- Consolidated operating profit improved to EUR 1.4 million (EUR -3.4 million).
- Consolidated net financial income was EUR 1.0 million (EUR 1.6 million).
- The consolidated result before tax was EUR 2.4 million (EUR -1.9 million).
- Earnings per share were EUR 0.54 (-0.72).

Business outlook

- Saga Furs will hold two auctions during the second half of the 2025/2026 financial period. The first of these will start on 26 June 2026 and the second on 17 September 2026.
- In the June auction, 4.3 million mink pelts and 200,000 fox pelts will be offered. Despite the cautious optimism in the market, the outcome of the auction depends on several factors and can therefore not be predicted.
- Saga Furs repeats the outlook published in the stock exchange release dated 1 April 2026: the company estimates that brokerage sales, net turnover and profit for the full financial period will increase and be substantially higher than in the previous financial period.

Group key figures	11/25–4/26 6 months	11/24–4/25 6 months	11/24–10/25 12 months
Value of sales, MEUR	**227.1**	100.6	324.3
Number of brokered pelts, million	**3.5**	2.7	10.0
Net turnover, MEUR	**21.1**	13.6	42.3
Operating profit/loss, MEUR	**1.4**	-3.4	1.4
Result before tax, MEUR	**2.4**	-1.9	4.5
Earnings per share, EUR	**0.54**	-0.72	1.00
Return on equity (ROE), %	**2.1%**	-2.9%	4.0%
Return on investment (ROI), %	**2.9%**	-1.5%	5.2%

CEO's review

CEO Markus Gotthardt:

Held in March, Saga Furs' first auction of the season was a record-breaking success. The results showed a strong comeback for responsibly produced, certified fur.

The value of brokerage sales in the spring auction reached the highest level seen in over a decade. The value of sales doubled when compared to March in the previous year, rising to EUR 220 million. Due to the success of the auction, we published a guidance upgrade on 1 April 2026. In the release, we estimated that brokerage sales, net turnover and profit for the full financial period will increase and be substantially higher than in the previous financial period.

The strong development of Saga Furs' business during the half-year period under review is, above all, a sign that market confidence has returned. At the same time, the foundation has been laid for a more sustainable price level that is also profitable for producers.

In March, mink pelts traded at prices that were almost twice as high as last year. Compared to the auction held in June last year, the price increases for individual pelt types ranged from 30 per cent to 180 per cent. Fox pelts and Finnraccoon pelts also traded at significantly higher prices.

Successful pelt collection is one of the cornerstones of our operations. To ensure this, we have started systematic cooperation with the world's largest fur producers. We want to further strengthen their commitment to our marketplace. For Saga Furs, founded by fur producers in 1938, such partnerships are natural. Deepening cooperation serves all of the parties involved in the fur trade, as well as our shareholders, amid the industry's ongoing transformation, where production is declining and becoming concentrated into large units.

More than 100 new buyers attended our season-opening auction. The spearheads for generating this new demand in our target markets in Asia, Europe, the USA and Canada are the marketing programmes we have developed. At events held under the names Aurora and Alba, we showcase the various applications and commercial potential of fur raw material to the textile, fashion and interior design industries. With the help of Saga Furs Creative Hub's technique samples, professional skills and sustainability information, the participants learn about design and the use of the raw material.

Our June auction will start on the day following the publication of this half-year financial report. Following the success of the first half of the financial period, the expectations for the auction and the result for the financial period are optimistic.

Business overview

The development of Saga Furs Oyj's core business, which is the brokerage sales of fur pelts, was exceptionally strong during the review period. The five-day auction held at the end of March 2026, the only auction held during the six-month period under review, was a record-breaking success in terms of sales value, sales percentages, price increases and participation.

The demand for mink pelts, which make up the majority of the value of brokerage sales, was very strong in the auction, and their price level increased by 76 per cent from the comparison period. The demand for fox pelts and Finnraccoon pelts was also remarkably brisk. Their price level strengthened significantly, with the prices of fox pelts rising by 40 per cent from the previous year, which signalled an end to a prolonged period of weak price development.

The brisk demand for fur pelts and the resulting higher prices were driven in part by an anticipated and partially realised contraction in production volumes. However, the most significant factor shaping the development of the market was the optimistic sentiment in the fur garment market in China. The confidence in the future among Chinese fur garment manufacturers was reflected in the buyers' active bidding behaviour in the auction, and demand from this most important market area for Saga Furs was indeed exceptionally strong. Activity was also high among buyers based in South Korea, Turkey and Greece.

Saga Furs is currently the most significant Western broker of responsibly produced fur pelts. In spite of declining production volumes, the company has been successful in collecting pelts from producers. Previously stockpiled pelts have also been brought to market, ensuring that the overall supply of pelts has remained high.

The March auction attracted more than 500 buyers from all of the company's main markets to Vantaa. This was the largest number of buyers attending an auction for many years. All of the 3.1 million mink pelts on offer were sold, as were all 275,000 fox and Finnraccoon pelts offered. The value of the brokerage sales in the auction was EUR 220 million, which is the highest level seen in over a decade. In the first half of the financial period, the company brokered a total of 3.5 million fur pelts (2.7 million pelts in the comparison period). The combined value of brokerage sales of the March auction and the online and warehouse sales realised during the period was EUR 227 million (EUR 101 million).

Supported by the strong development of brokerage sales, the company's net turnover for the half-year period increased by 56 per cent from the comparison period and amounted to EUR 21.1 million (EUR 13.6 million). Operating expenses were EUR 20.4 million (EUR 17.8 million). The share of personnel expenses rose to 42 per cent of operating expenses. Other operating income amounted to EUR 0.6 million (EUR 0.8 million).

The half-year result before tax improved significantly and was EUR 2.4 million (EUR -1.9 million). Consolidated net financial income decreased to EUR 1.0 million (EUR 1.6 million). The total volume of advance payments paid to producers decreased towards the end of the review period due to the successful auction. Interest income from the company's own cash and cash equivalents decreased slightly from the comparison period.

During the review period, Saga Furs continued to promote the sale of fur pelts by showcasing its sample collections at fashion events in different market areas, such as China, Greece and North America. The Aurora tour, which showcases the applications of high-quality and responsibly produced blue fox fur, continued in the Chinese market in particular. At the same time, the Alba project, which was launched by the company at the beginning of the review period, showcased the applications of fur and related sustainability perspectives to fashion designers in Europe and North

America. Saga Furs Creative Hub continued to collaborate with educational institutions and fashion designers to share craftsmanship and design expertise related to the use of fur.

Future outlook

Estimate of market development

Following Saga Furs' March 2026 auction, the global fur market and garment industry are actively adapting to the significantly increased price level of fur raw material. Garment production continues in all of the main market areas, while the inventory levels of fur pelts remain relatively low.

The market has viewed the change as a normalisation of the price structure, and no significant decline in demand is expected. Regarding the outlook for market demand, the key question is how quickly retail markets can pass higher raw material costs on to consumer prices. This will only become clear with the development of the winter 2026–2027 sales season.

China remains the undisputed driver of global fur demand. Buyers acting on behalf of Chinese garment manufacturers will determine the sentiment at the auction to be held at the turn of June and July. Approximately 30 per cent of Chinese manufacturers, especially large and export-oriented companies, have already started production. Collections are being adapted to the higher price level by producing shorter fur garment styles, for example. The use of fox pelts, especially as trimming, has begun to gradually recover.

The markets in South Korea, Turkey and Greece are also expected to remain active, although manufacturers and retailers are carefully evaluating their pricing strategies in light of the new price level. In South Korea, retail price increases have begun in parts of the market, and inventory levels appear to be low. Market confidence in Turkey has developed favourably. In Greece, local business developed well during the winter season, as demonstrated by the success of the Kastoria International Fur Fair.

The luxury and premium segments are showing strong development internationally: high-quality outerwear featuring sustainable and traceable fur, and traditional craftsmanship, are strengthening their position, especially in Europe and North America.

The company is closely monitoring the development of the retail sector’s reaction to higher garment prices and geopolitical and macroeconomic uncertainty. According to Saga Furs’ estimate, the market sentiment indicates normal adaptation to the change in the price level, and there are no visible indications of a structural weakening of demand. It is expected that, in future auctions, buyers will be more selective than before and will evaluate the impact of prices on margins with greater scrutiny.

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Events after the reporting period

The company is not aware of any events after the review period that would have a material impact on the company’s business or key performance indicators.

Saga Furs Oyj will hold its second fur pelt auction of the financial period between 26 June and 3 July 2026. The company will announce the results of the auction after fox pelt sales have concluded and after the end of the entire auction.